



Fraser's Hospitality Trust

(Constituted in the Republic of Singapore pursuant to a stapling deed dated 20 June 2014)

Condensed Interim Financial Statements
For the six months ended 31 March 2022

CONDENSED INTERIM STATEMENTS OF TOTAL RETURN OF FHT AND FH-REIT GROUP AND CONDENSED INTERIM STATEMENT OF PROFIT OR LOSS OF FH-BT GROUP

Six months ended 31 March 2022

	Note	FHT		FH-REIT Group		FH-BT Group	
		6 months ended	6 months ended	6 months ended	6 months ended	6 months ended	6 months ended
		31 Mar 2022	31 Mar 2021	31 Mar 2022	31 Mar 2021	31 Mar 2022	31 Mar 2021
		S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
Master lease rental	8	35,700	31,085	39,263	35,616	-	-
Room revenue		2,248	1,615	-	-	2,248	1,615
Food & beverage revenue		974	1,236	-	-	974	1,236
Other income		5,181	5,995	-	479	5,181	5,516
Revenue		44,103	39,931	39,263	36,095	8,403	8,367
Property tax		(3,177)	(4,113)	(3,177)	(4,113)	-	-
Property insurance		(804)	(904)	(752)	(854)	(52)	(50)
Property management fees		(1,733)	(991)	(1,733)	(991)	-	-
Other property expenses		(1,159)	(1,320)	(1,159)	(1,320)	-	-
Impairment loss on trade receivables		(1,071)	(2,486)	(1,071)	(2,486)	-	-
Operations and maintenance expenses		(1,482)	(1,317)	(59)	(30)	(1,515)	(1,287)
Energy and utilities expenses		(261)	(261)	-	-	(261)	(261)
Hotel management fee		(249)	(316)	-	-	(249)	(316)
Rental expense		-	-	-	-	(666)	(1,578)
Staff costs		(2,022)	(1,244)	-	-	(2,022)	(1,244)
Marketing expenses		(297)	(91)	-	-	(297)	(91)
Administrative expenses		(186)	(156)	-	-	(186)	(156)
Property operating expenses		(12,441)	(13,199)	(7,951)	(9,794)	(5,248)	(4,983)
Net property income		31,662	26,732	31,312	26,301	3,155	3,384
Depreciation		(2,137)	(1,966)	-	-	(2,225)	(2,289)
REIT Manager's management fees	4	(2,466)	(2,275)	(2,466)	(2,275)	-	-
Trustee-Manager's management fees	4	(30)	(35)	-	-	(30)	(35)
Other management fees	4	(1,834)	(1,724)	(1,834)	(1,724)	-	-
Trustees' fees		(244)	(247)	(244)	(247)	-	-
Other trust expenses	5	(1,017)	(1,463)	(976)	(1,430)	(41)	(33)
Finance income		43	173	43	173	-	-
Amortisation of debt upfront costs		(545)	(442)	(545)	(442)	-	-
Finance costs		(10,000)	(9,384)	(10,000)	(9,384)	(1,165)	(1,248)
Net income/(Loss) before foreign exchange differences, fair value changes and tax		13,432	9,369	15,290	10,972	(306)	(221)
Foreign exchange gain/(loss), net		347	544	317	510	30	34
Net change in fair value of derivative financial instruments		(3,012)	(63)	(3,012)	(63)	-	-
Realised gain/(loss) on derivative financial instruments, net		3	(10)	3	(10)	-	-
Total return/(Loss) for the period before tax		10,770	9,840	12,598	11,409	(276)	(187)
Taxation	6	(1,390)	(1,290)	(1,458)	(1,256)	68	(34)
Total return/(Loss) for the period after tax		9,380	8,550	11,140	10,153	(208)	(221)
Total return/(Loss) for the period after tax attributable to:							
- Stapled Securityholders		9,380	6,331	11,140	7,934	(208)	(221)
- Perpetual Securities holders		-	2,219	-	2,219	-	-
		9,380	8,550	11,140	10,153	(208)	(221)
Earnings per Stapled Security (cents)							
Basic	7	0.48	0.32				
Diluted	7	0.48	0.32				

The accompanying notes form an integral part of these condensed interim financial statements.

CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME OF FH-BT GROUP

Six months ended 31 March 2022

	FH-BT Group	
	6 months ended 31 Mar 2022	6 months ended 31 Mar 2021
	S\$'000	S\$'000
Loss for the period after tax	(208)	(221)
Other comprehensive income		
Items that may be reclassified subsequently to statement of profit or loss:		
Foreign currency translation differences	66	108
Other comprehensive income for the period, net of tax	66	108
Total comprehensive income for the period, net of tax	(142)	(113)
Total comprehensive income for the period attributable to Stapled Securityholders	(142)	(113)

The accompanying notes form an integral part of these condensed interim financial statements.

CONDENSED INTERIM STATEMENTS OF FINANCIAL POSITION

As at 31 March 2022

Note	FHT		FH-REIT Group		FH-BT Group	
	31 Mar 2022 S\$'000	30 Sep 2021 S\$'000	31 Mar 2022 S\$'000	30 Sep 2021 S\$'000	31 Mar 2022 S\$'000	30 Sep 2021 S\$'000
Non-current assets						
Investment properties	8	1,740,583	2,024,826	1,973,297	2,250,126	-
Property, plant and equipment	9	232,014	226,703	-	-	63,479
Derivative financial instruments		16,827	3,568	16,827	3,568	-
Rental deposits		-	-	-	-	2,093
Deferred expense		-	-	-	-	1,713
Deferred tax assets		1,675	1,621	941	911	2,094
		<u>1,991,099</u>	<u>2,256,718</u>	<u>1,991,065</u>	<u>2,254,605</u>	<u>69,379</u>
Current assets						
Investment property held for divestment	8	284,365	-	284,365	-	-
Inventories		19	12	-	-	19
Prepayments		4,046	2,000	3,300	1,810	746
Trade and other receivables		5,199	12,266	6,807	13,769	1,233
Derivative financial instruments		1,105	-	1,105	-	-
Cash and cash equivalents		66,524	78,187	63,533	73,715	2,991
		<u>361,258</u>	<u>92,465</u>	<u>359,110</u>	<u>89,294</u>	<u>4,989</u>
Total assets		<u>2,352,357</u>	<u>2,349,183</u>	<u>2,350,175</u>	<u>2,343,899</u>	<u>74,368</u>
Current liabilities						
Trade and other payables		17,414	18,395	15,499	15,630	5,428
Lease liabilities		-	-	-	-	3,658
Derivative financial instruments		4,634	2,310	4,634	2,310	-
Borrowings	10	280,903	202,507	280,903	202,507	-
Income tax payables		1,243	1,408	1,212	1,379	31
		<u>304,194</u>	<u>224,620</u>	<u>302,248</u>	<u>221,826</u>	<u>9,117</u>
Net current (liabilities)/assets		<u>57,064</u>	<u>(132,155)</u>	<u>56,862</u>	<u>(132,532)</u>	<u>(4,128)</u>
Non-current liabilities						
Rental deposits		23,213	23,698	25,306	25,725	-
Other payables		271	302	-	-	271
Lease liabilities		3,250	3,085	3,250	3,085	64,113
Deferred income		7,015	6,959	8,728	8,618	-
Derivative financial instruments		-	9,519	-	9,519	-
Borrowings	10	710,242	786,000	710,242	786,000	-
Deferred tax liabilities		45,602	46,506	45,602	46,506	-
		<u>789,593</u>	<u>876,069</u>	<u>793,128</u>	<u>879,453</u>	<u>64,384</u>
Total liabilities		<u>1,093,787</u>	<u>1,100,689</u>	<u>1,095,376</u>	<u>1,101,279</u>	<u>73,501</u>
Net assets		<u>1,258,570</u>	<u>1,248,494</u>	<u>1,254,799</u>	<u>1,242,620</u>	<u>867</u>
Represented by:						
Stapled Securityholders' funds						
Stapled Securities in issue	11	1,539,879	1,539,879	1,530,288	1,530,288	9,591
Issue costs		(25,764)	(25,764)	(25,759)	(25,759)	(5)
Revenue reserves		(130,358)	(124,250)	(124,125)	(120,195)	(8,253)
Hedging reserve		5,642	(9,509)	5,642	(9,509)	-
Foreign currency translation reserve		(130,829)	(131,862)	(131,247)	(132,205)	(466)
		<u>1,258,570</u>	<u>1,248,494</u>	<u>1,254,799</u>	<u>1,242,620</u>	<u>867</u>
Number of Stapled Securities in issue ('000)		<u>1,926,074</u>	<u>1,926,074</u>	<u>1,926,074</u>	<u>1,926,074</u>	<u>1,926,074</u>
Net asset value per Stapled Security (cents)		<u>65.34</u>	<u>64.82</u>	<u>65.15</u>	<u>64.52</u>	<u>0.05</u>
Net tangible assets attributable to Stapled Securityholders		<u>1,258,570</u>	<u>1,248,494</u>	<u>1,254,799</u>	<u>1,242,620</u>	<u>867</u>
Net tangible asset per Stapled Security (cents)		<u>65.34</u>	<u>64.82</u>	<u>65.15</u>	<u>64.52</u>	<u>0.07</u>

The accompanying notes form an integral part of these condensed interim financial statements.

CONDENSED INTERIM STATEMENTS OF CHANGES IN STAPLED SECURITYHOLDERS' FUNDS

Six months ended 31 March 2022

FHT	Attributable to Stapled Securityholders								
	Stapled Securities in issue and to be issued	Issue costs	Revenue reserves	Hedging reserve	Foreign currency translation reserve	Revaluation reserve	Total	Perpetual Securities holders' funds	Total
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
1H 2022									
At 1 October 2021	1,539,879	(25,764)	(124,250)	(9,509)	(131,862)	-	1,248,494	-	1,248,494
<u>Operations</u>									
Total return for the period	-	-	9,380	-	-	-	9,380	-	9,380
<u>Other reserves</u>									
Effective portion of changes in fair value of cash flow hedges	-	-	-	17,870	-	-	17,870	-	17,870
Net change in fair value of cash flow hedges reclassified to total return	-	-	-	(2,719)	-	-	(2,719)	-	(2,719)
Foreign currency translation differences	-	-	-	-	1,033	-	1,033	-	1,033
Movements in other reserves	-	-	-	15,151	1,033	-	16,184	-	16,184
<u>Transactions with Stapled Securityholders</u>									
Distributions to Stapled Securityholders	-	-	(15,488)	-	-	-	(15,488)	-	(15,488)
Total transactions with Stapled Securityholders	-	-	(15,488)	-	-	-	(15,488)	-	(15,488)
At 31 March 2022	1,539,879	(25,764)	(130,358)	5,642	(130,829)	-	1,258,570	-	1,258,570
1H 2021									
At 1 October 2020	1,539,879	(25,764)	(112,340)	(21,334)	(127,562)	-	1,252,879	100,279	1,353,158
<u>Operations</u>									
Total return for the period	-	-	8,550	-	-	-	8,550	-	8,550
Total return for the period, attributable to Perpetual Securities holders	-	-	(2,219)	-	-	-	(2,219)	2,219	-
<u>Other reserves</u>									
Effective portion of changes in fair value of cash flow hedges	-	-	-	13,864	-	-	13,864	-	13,864
Net change in fair value of cash flow hedges reclassified to total return	-	-	-	(2,890)	-	-	(2,890)	-	(2,890)
Foreign currency translation differences	-	-	-	-	18,194	-	18,194	-	18,194
Movements in other reserves	-	-	-	10,974	18,194	-	29,168	-	29,168
<u>Transactions with Stapled Securityholders</u>									
Distributions to Stapled Securityholders	-	-	(20,599)	-	-	-	(20,599)	-	(20,599)
Total transactions with Stapled Securityholders	-	-	(20,599)	-	-	-	(20,599)	-	(20,599)
<u>Transactions with Perpetual Securities holders</u>									
Distributions to Perpetual Securities holders	-	-	-	-	-	-	-	(2,243)	(2,243)
Total transactions with Perpetual Securities holders	-	-	-	-	-	-	-	(2,243)	(2,243)
At 31 March 2021	1,539,879	(25,764)	(126,608)	(10,360)	(109,368)	-	1,267,779	100,255	1,368,034

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CONDENSED INTERIM STATEMENTS OF CHANGES IN STAPLED SECURITYHOLDERS' FUNDS

Six months ended 31 March 2022

FH-REIT Group	Attributable to Stapled Securityholders							
	Stapled Securities in issue and to be issued	Issue costs	Revenue reserves	Hedging reserve	Foreign currency translation reserve	Total	Perpetual Securities holders' funds	Total
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
1H 2022								
At 1 October 2021	1,530,288	(25,759)	(120,195)	(9,509)	(132,205)	1,242,620	-	1,242,620
<u>Operations</u>								
Total return for the period	-	-	11,140	-	-	11,140	-	11,140
<u>Other reserves</u>								
Effective portion of changes in fair value of cash flow hedges	-	-	-	17,870	-	17,870	-	17,870
Net change in fair value of cash flow hedges reclassified to total return	-	-	-	(2,719)	-	(2,719)	-	(2,719)
Foreign currency translation differences	-	-	-	-	958	958	-	958
Movements in other reserves	-	-	-	15,151	958	16,109	-	16,109
<u>Transactions with Stapled Securityholders</u>								
Distributions to Stapled Securityholders	-	-	(15,070)	-	-	(15,070)	-	(15,070)
Total transactions with Stapled Securityholders	-	-	(15,070)	-	-	(15,070)	-	(15,070)
At 31 March 2022	1,530,288	(25,759)	(124,125)	5,642	(131,247)	1,254,799	-	1,254,799
1H 2021								
At 1 October 2020	1,530,288	(25,759)	(108,565)	(21,334)	(127,889)	1,246,741	100,279	1,347,020
<u>Operations</u>								
Total return for the period	-	-	10,153	-	-	10,153	-	10,153
Total return for the period, attributable to Perpetual Securities holders	-	-	(2,219)	-	-	(2,219)	2,219	-
<u>Other reserves</u>								
Effective portion of changes in fair value of cash flow hedges	-	-	-	13,864	-	13,864	-	13,864
Net change in fair value of cash flow hedges reclassified to total return	-	-	-	(2,890)	-	(2,890)	-	(2,890)
Foreign currency translation differences	-	-	-	-	17,936	17,936	-	17,936
Movements in other reserves	-	-	-	10,974	17,936	28,910	-	28,910
<u>Transactions with Stapled Securityholders</u>								
Distributions to Stapled Securityholders	-	-	(20,276)	-	-	(20,276)	-	(20,276)
Total transactions with Stapled Securityholders	-	-	(20,276)	-	-	(20,276)	-	(20,276)
<u>Transactions with Perpetual Securities holders</u>								
Distributions to Perpetual Securities holders	-	-	-	-	-	-	(2,243)	(2,243)
Total transactions with Perpetual Securities holders	-	-	-	-	-	-	(2,243)	(2,243)
At 31 March 2021	1,530,288	(25,759)	(120,907)	(10,360)	(109,953)	1,263,309	100,255	1,363,564

The accompanying notes form an integral part of these condensed interim financial statements.

CONDENSED INTERIM STATEMENTS OF CHANGES IN STAPLED SECURITYHOLDERS' FUNDS

Six months ended 31 March 2022

	Attributable to Stapled Securityholders							
	Stapled Securities in issue and to be issued	Issue costs	Revenue reserves	Hedging reserve	Foreign currency translation reserve	Total	Perpetual Securities holders' funds	Total
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
FH-BT Group								
1H 2022								
At 1 October 2021	9,591	(5)	(7,627)	-	(532)	1,427	-	1,427
Loss for the period	-	-	(208)	-	-	(208)	-	(208)
<u>Other comprehensive income</u>								
Foreign currency translation differences	-	-	-	-	66	66	-	66
Total other comprehensive income for the period, net of tax	-	-	-	-	66	66	-	66
Total comprehensive income for the period, net of tax	-	-	(208)	-	66	(142)	-	(142)
<u>Transactions with Stapled Securityholders</u>								
Distributions to Stapled Securityholders	-	-	(418)	-	-	(418)	-	(418)
Total transactions with Stapled Securityholders	-	-	(418)	-	-	(418)	-	(418)
At 31 March 2022	9,591	(5)	(8,253)	-	(466)	867	-	867
1H 2021								
At 1 October 2020	9,591	(5)	(6,743)	-	(548)	2,295	-	2,295
Loss for the period	-	-	(221)	-	-	(221)	-	(221)
<u>Other comprehensive income</u>								
Foreign currency translation differences	-	-	-	-	108	108	-	108
Total other comprehensive income for the period, net of tax	-	-	-	-	108	108	-	108
Total comprehensive income for the period, net of tax	-	-	(221)	-	108	(113)	-	(113)
<u>Transactions with Stapled Securityholders</u>								
Distribution to Stapled Securityholders	-	-	(323)	-	-	(323)	-	(323)
Total transactions with Stapled Securityholders	-	-	(323)	-	-	(323)	-	(323)
At 31 March 2021	9,591	(5)	(7,287)	-	(440)	1,859	-	1,859

The accompanying notes form an integral part of these condensed interim financial statements.

CONDENSED INTERIM STATEMENTS OF CASH FLOWS

Six months ended 31 March 2022

	FHT		FH-REIT Group		FH-BT Group	
	6 months ended 31 Mar 2022 S\$'000	6 months ended 31 Mar 2021 S\$'000	6 months ended 31 Mar 2022 S\$'000	6 months ended 31 Mar 2021 S\$'000	6 months ended 31 Mar 2022 S\$'000	6 months ended 31 Mar 2021 S\$'000
CASH FLOWS FROM OPERATING ACTIVITIES						
Total return/(Loss) before tax	10,770	9,840	12,598	11,409	(276)	(187)
Adjustments for:						
Amortisation of debt upfront costs	545	442	545	442	-	-
Amortisation of other assets	-	4	-	4	-	-
Depreciation	2,137	1,966	-	-	2,225	2,289
Finance costs	10,000	9,384	10,000	9,384	1,165	1,248
Finance income	(43)	(173)	(43)	(173)	-	-
Impairment loss on trade receivables	1,071	2,486	1,071	2,486	-	-
Net change in fair value of derivative financial instruments	3,012	63	3,012	63	-	-
Unrealised gain on foreign exchange, net	(323)	(522)	(292)	(488)	(31)	(34)
Cash generated from operations before working capital changes	27,169	23,490	26,891	23,127	3,083	3,316
Changes in working capital:						
Inventories	(7)	-	-	-	(7)	-
Prepayments	(2,045)	(1,022)	(1,490)	(921)	(555)	(101)
Trade and other receivables	6,266	(2,047)	6,233	(2,119)	2,431	(925)
Trade and other payables	522	(6,271)	1,507	(6,200)	(3,338)	920
Cash generated from operations	31,905	14,150	33,141	13,887	1,614	3,210
Tax paid	(776)	(346)	(850)	(336)	74	(10)
Interest income received	43	173	43	173	-	-
Net cash generated from operating activities	31,172	13,977	32,334	13,724	1,688	3,200
CASH FLOWS FROM INVESTING ACTIVITIES						
Additions to investment properties	(4,062)	(1,663)	(4,084)	(2,108)	-	-
Purchase of reversionary interest on investment property held for divestment	(10,693)	-	(10,693)	-	-	-
Additions to property, plant & equipment	(70)	(451)	-	-	-	-
Net cash used in investing activities	(14,825)	(2,114)	(14,777)	(2,108)	-	-
CASH FLOWS FROM FINANCING ACTIVITIES						
Distributions paid to Stapled Securityholders	(15,488)	(20,599)	(15,070)	(20,276)	(418)	(323)
Distributions paid to Perpetual Securities holders	-	(2,243)	-	(2,243)	-	-
Finance costs paid	(12,185)	(8,858)	(12,185)	(8,858)	-	-
Payment of lease liabilities	-	-	-	-	(2,897)	(2,953)
Proceeds from borrowings, net of debt upfront costs	84,895	49,810	84,895	49,810	-	-
Repayment of borrowings	(84,000)	(50,000)	(84,000)	(50,000)	-	-
Net cash used in financing activities	(26,778)	(31,890)	(26,360)	(31,567)	(3,315)	(3,276)
Net (decrease)/increase in cash and cash equivalents	(10,431)	(20,027)	(8,803)	(19,951)	(1,627)	(76)
Cash and cash equivalents at the beginning of the financial year	78,187	92,473	73,715	88,969	4,472	3,504
Effect of exchange rate changes on cash and cash equivalents	(1,232)	(406)	(1,379)	(532)	146	126
Cash and cash equivalents at the end of the financial year	66,524	72,040	63,533	68,486	2,991	3,554

The accompanying notes form an integral part of these condensed interim financial statements.

CONDENSED INTERIM STATEMENTS OF CASH FLOWS

Six months ended 31 March 2022

	FHT		FH-REIT Group		FH-BT Group	
	As at 31 Mar 2022	As at 31 Mar 2021	As at 31 Mar 2022	As at 31 Mar 2021	As at 31 Mar 2022	As at 31 Mar 2021
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
<u>Cash and cash equivalents at the end of the period comprise the following:</u>						
Cash and bank balances	63,775	68,825	60,785	65,271	2,991	3,554
Fixed deposits	2,749	3,215	2,748	3,215	-	-
Cash and cash equivalents	66,524	72,040	63,533	68,486	2,991	3,554

The accompanying notes form an integral part of these condensed interim financial statements.

CONDENSED INTERIM PORTFOLIO STATEMENTS

As at 31 March 2022

Property	Acquisition date	Tenure	Location	Existing use	FHT			
					31 March 2022		30 September 2021	
					At carrying value S\$'000	Percentage of net asset %	At carrying value S\$'000	Percentage of net asset %
<u>Investment properties</u>								
InterContinental Singapore	14 July 2014	75 year leasehold expiring in 2089	80 Middle Road, Singapore 188966	Hotel	506,062	40.21	506,000	40.53
Fraser Suites Singapore	14 July 2014	75 year leasehold expiring in 2089	491A River Valley Road, Singapore 248372	Serviced Residences	292,055	23.21	292,000	23.39
The Westin Kuala Lumpur	14 July 2014	Freehold	199, Jalan Bukit Bintang, Kuala Lumpur, 55100, Malaysia	Hotel	118,629	9.43	118,827	9.52
ANA Crowne Plaza Kobe	14 July 2014	Freehold	1-Chome, Kitano-Cho Chuo-Ku, Kobe, 650-0002, Japan	Hotel	180,282	14.32	198,094	15.87
Sofitel Sydney Wentworth	7 July 2015	75 year leasehold expiring in 2090	61-101 Phillip Street, Sydney, NSW 2000, Australia	Hotel	-	-	264,978	21.22
Novotel Sydney Darling Square	14 July 2014	84 year leasehold expiring in 2098	17 Little Pier Street, Darling Harbour, NSW 2000, Australia	Hotel	116,737 ⁽¹⁾	9.28	110,057 ⁽¹⁾	8.82
Fraser Suites Sydney	14 July 2014	75 year leasehold expiring in 2089	488 Kent Street, Sydney, NSW 2000, Australia	Serviced Residences	129,234	10.27	125,129	10.02
Park International London	14 July 2014	75 year leasehold expiring in 2089	117-129 Cromwell Road, South Kensington, London, SW7 4DS, United Kingdom	Hotel	68,725	5.46	70,619	5.65
ibis Styles London Gloucester Road	14 July 2014	75 year leasehold expiring in 2089	108, 110 and 112 Cromwell Road, London, SW7 4ES, United Kingdom	Hotel	34,305	2.73	35,126	2.81
Fraser Place Canary Wharf London	14 July 2014	75 year leasehold expiring in 2089	80 Boardwalk Place, London E14 5SF, United Kingdom	Serviced Residences	65,374	5.19	67,143	5.38
Fraser Suites Queens Gate London	14 July 2014	75 year leasehold expiring in 2089	39B Queens Gate Gardens, London SW7 5RR, United Kingdom	Serviced Residences	97,172	7.72	99,342	7.95

The accompanying notes form an integral part of these condensed interim financial statements.

CONDENSED INTERIM PORTFOLIO STATEMENTS

As at 31 March 2022

Property	Acquisition date	Tenure	Location	Existing use	FHT			
					31 March 2022		30 September 2021	
					At carrying value S\$'000	Percentage of net asset %	At carrying value S\$'000	Percentage of net asset %
Fraser Suites Glasgow	14 July 2014	75 year leasehold expiring in 2089	1-19 Albion Street Glasgow G1 1LH, Scotland, United Kingdom	Serviced Residences	16,409	1.30	16,831	1.35
Fraser Suites Edinburgh	14 July 2014	75 year leasehold expiring in 2089	12-26 St Giles Street, Edinburgh EH1 1 PT, Scotland, United Kingdom	Serviced Residences	26,696	2.12	27,443	2.20
Maritim Hotel Dresden	15 June 2016	Freehold	Devrientstrasse 10-12, 01067 Dresden, Germany	Hotel	88,903	7.06	93,237	7.47
Investment properties					1,740,583	138.30	2,024,826	162.18
Investment property held for divestment								
Sofitel Sydney Wentworth	7 July 2015	75 year leasehold expiring in 2090 and freehold reversionary interest ⁽³⁾	61-101 Phillip Street, Sydney, NSW 2000, Australia	Hotel	284,365	22.59	-	-
Investment property held for divestment					284,365	22.59	-	-
Property, plant and equipment								
Novotel Melbourne on Collins	19 October 2016	Freehold	270 Collins Street and 233-239 Collins Street, Melbourne Victoria, Australia	Hotel	232,014 ⁽²⁾	18.43	226,703 ⁽²⁾	18.16
Property, plant and equipment					232,014	18.43	226,703	18.16
Other net liabilities					(998,392)	(79.32)	(1,003,035)	(80.34)
Net assets of FHT					1,258,570	100.00	1,248,494	100.00

⁽¹⁾ The carrying value includes the right-of-use ("ROU") asset recognised on adoption of FRS 116.

⁽²⁾ Includes the net book value of capitalised furniture, fittings and equipment.

⁽³⁾ On 28 March 2022, FHT had completed the acquisition of the freehold reversionary interest and was in the process of amalgamating it with the 75 year leasehold interest expiring in 2090.

CONDENSED INTERIM PORTFOLIO STATEMENTS

As at 31 March 2022

Property	Acquisition date	Tenure	Location	Existing use	FH-REIT Group			
					31 March 2022		30 September 2021	
					At carrying value S\$'000	Percentage of net asset %	At carrying value S\$'000	Percentage of net asset %
<u>Investment properties</u>								
InterContinental Singapore	14 July 2014	75 year leasehold expiring in 2089	80 Middle Road, Singapore 188966	Hotel	506,062	40.33	506,000	40.72
Fraser Suites Singapore	14 July 2014	75 year leasehold expiring in 2089	491A River Valley Road, Singapore 248372	Serviced Residences	292,055	23.28	292,000	23.50
The Westin Kuala Lumpur	14 July 2014	Freehold	199, Jalan Bukit Bintang, Kuala Lumpur, 55100, Malaysia	Hotel	118,629	9.45	118,827	9.56
ANA Crowne Plaza Kobe	14 July 2014	Freehold	1-Chome, Kitano-Cho Chuo-Ku, Kobe, 650-0002, Japan	Hotel	180,282	14.37	198,094	15.94
Sofitel Sydney Wentworth	7 July 2015	75 year leasehold expiring in 2090	61-101 Phillip Street, Sydney, NSW 2000, Australia	Hotel	-	-	264,978	21.32
Novotel Sydney Darling Square	14 July 2014	84 year leasehold expiring in 2098	17 Little Pier Street, Darling Harbour, NSW 2000, Australia	Hotel	116,737 ⁽¹⁾	9.30	110,057 ⁽¹⁾	8.86
Fraser Suites Sydney	14 July 2014	75 year leasehold expiring in 2089	488 Kent Street, Sydney, NSW 2000, Australia	Serviced Residences	129,234	10.30	125,129	10.07
Park International London	14 July 2014	75 year leasehold expiring in 2089	117-129 Cromwell Road, South Kensington, London, SW7 4DS, United Kingdom	Hotel	68,725	5.48	70,619	5.68
ibis Styles London Gloucester Road	14 July 2014	75 year leasehold expiring in 2089	108, 110 and 112 Cromwell Road, London, SW7 4ES, United Kingdom	Hotel	34,305	2.73	35,126	2.83
Fraser Place Canary Wharf London	14 July 2014	75 year leasehold expiring in 2089	80 Boardwalk Place, London E14 5SF, United Kingdom	Serviced Residences	65,374	5.21	67,143	5.40
Fraser Suites Queens Gate London	14 July 2014	75 year leasehold expiring in 2089	39B Queens Gate Gardens, London SW7 5RR, United Kingdom	Serviced Residences	97,172	7.74	99,342	8.00

The accompanying notes form an integral part of these condensed interim financial statements.

CONDENSED INTERIM PORTFOLIO STATEMENTS

As at 31 March 2022

Property	Acquisition date	Tenure	Location	Existing use	FH-REIT Group			
					31 March 2022		30 September 2021	
					At carrying value S\$'000	Percentage of net asset %	At carrying value S\$'000	Percentage of net asset %
Fraser Suites Glasgow	14 July 2014	75 year leasehold expiring in 2089	1-19 Albion Street Glasgow G1 1LH, Scotland, United Kingdom	Serviced Residences	16,409	1.31	16,831	1.36
Fraser Suites Edinburgh	14 July 2014	75 year leasehold expiring in 2089	12-26 St Giles Street, Edinburgh EH1 1 PT, Scotland, United Kingdom	Serviced Residences	26,696	2.13	27,443	2.21
Maritim Hotel Dresden	15 June 2016	Freehold	Devrientstrasse 10-12, 01067 Dresden, Germany	Hotel	88,903	7.09	93,237	7.50
Novotel Melbourne on Collins	19 October 2016	Freehold	270 Collins Street and 233-239 Collins Street, Melbourne Victoria, Australia	Hotel	232,714	18.55	225,300	18.13
Investment properties					1,973,297	157.27	2,250,126	181.08
<u>Investment property held for divestment</u>								
Sofitel Sydney Wentworth	7 July 2015	75 year leasehold expiring in 2090 and freehold reversionary interest ⁽²⁾	61-101 Phillip Street, Sydney, NSW 2000, Australia	Hotel	284,365	22.66	-	-
Investment property held for divestment					284,365	22.66	-	-
Other net liabilities					(1,002,863)	(79.93)	(1,007,506)	(81.08)
Net assets of FH-REIT Group					1,254,799	100.00	1,242,620	100.00

⁽¹⁾ The carrying value includes the right-of-use ("ROU") asset recognised on adoption of FRS 116.

⁽²⁾ On 28 March 2022, FH-REIT had completed the acquisition of the freehold reversionary interest and was in the process of amalgamating it with the 75 year leasehold interest expiring in 2090.

The accompanying notes form an integral part of these condensed interim financial statements.

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS

1. General

Frasers Hospitality Trust ("FHT") is a stapled trust comprising Frasers Hospitality Real Estate Investment Trust ("FH-REIT") and its subsidiaries (collectively, "FH-REIT Group") and Frasers Hospitality Business Trust ("FH-BT") and its subsidiaries (collectively, "FH-BT Group").

FH-REIT is a Singapore-domiciled real estate investment trust constituted in Singapore pursuant to the Trust Deed dated 12 June 2014 which was amended by an amending and restating deed dated 20 June 2014 (collectively, the "FH-REIT Trust Deed"). The FH-REIT Trust Deed was entered between Frasers Hospitality Asset Management Pte. Ltd. (the "REIT Manager") and Perpetual (Asia) Limited as trustee of FH-REIT (the "REIT Trustee"). FH-BT is a Singapore-domiciled business trust constituted in Singapore by a Trust Deed dated 20 June 2014 ("FH-BT Trust Deed") and is managed by Frasers Hospitality Trust Management Pte. Ltd. (the "Trustee-Manager"). FHT was formally admitted to the Official List of the Main Board of the Singapore Exchange Securities Trading Limited ("SGX-ST") on 14 July 2014 (the "Listing Date").

The principal activity of the FH-REIT Group is to invest in income-producing real estate which are used for hospitality purposes, with the primary objective of achieving an attractive level of return from rental income and for long-term capital growth. FH-BT functions as master lessee and may also undertake certain hospitality and hospitality-related development projects, acquisitions and investments which may not be suitable for FH-REIT.

These condensed interim consolidated financial statements as at and for the six months ended 31 March 2022 comprise the FH-REIT Group, the FH-BT Group and FHT. The condensed interim consolidated financial statements of the FH-REIT Group relates to FH-REIT and its subsidiaries. The condensed interim consolidated financial statements of the FH-BT Group relates to FH-BT and its subsidiaries. The condensed interim consolidated financial statements of FHT relates to the FH-REIT Group and the FH-BT Group.

2. Basis of preparation

The condensed interim financial statements of the FH-REIT Group and FHT for the six months ended 31 March 2022 have been prepared in accordance with the recommendations of Statement of Recommended Accounting Practice ("RAP") 7 Reporting Framework for Investment Funds issued by the Institute of Singapore Chartered Accountants, the applicable requirements of the Code of Collective Investment Schemes (the "CIS Code") issued by the Monetary Authority of Singapore ("MAS") and the provisions of the FH-REIT Trust Deed and the Stapling Deed. RAP 7 requires the accounting policies to generally comply with the principles relating to recognition and measurement under the Singapore Financial Reporting Standards in Singapore ("FRSs").

The condensed interim financial statements of the FH-BT Group for the six months ended 31 March 2022 have been prepared in accordance with SFRS(I) 1-34 Interim Financial Reporting issued by the Accounting Standards Council Singapore, the applicable requirements of the Business Trust Act, Chapter 31A of Singapore and the provisions of FH-BT Trust Deed.

The condensed interim financial statements do not include all the information required for a complete set of financial statements prepared in accordance with RAP7/FRSs/SFRS(I)s and should be read in conjunction with FHT's annual consolidated financial statements as at and for the year ended 30 September 2021. However, selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the FH-REIT Group, the FH-BT Group and FHT's financial position and performance since the last annual consolidated financial statements for the year ended 30 September 2021.

The accounting policies applied in these condensed interim financial statements are the same as those applied in FHT's annual consolidated financial statements as at and for the year ended 30 September 2021, except for (i) the adoption of new and amendments to FRSs/SFRS(I)s that are effective for annual periods beginning on 1 October 2021, and (ii) accounting policies for non-current assets held for sale. The adoption of these new and revised standards did not have any material impact on FHT's condensed interim financial statements. The accounting policies for non-current assets held for sale as follow:

Non-current assets held for sale

Non-current assets, or disposal groups comprising assets and liabilities, that are highly probable to be recovered primarily through sale rather than through continuing use, are classified as held for sale. Immediately before classification as held for sale, the assets, or components of a disposal group, are remeasured in accordance with the FHT's accounting policies. Thereafter, the investment properties are accounted for in accordance with fair value model in FRS 40 *Investment Properties*, whereas the other assets, or disposal group, classified as held for sale are generally measured at the lower of their carrying amount and fair value less costs to sell. Impairment losses on initial classification as held for sale and subsequent gains or losses on remeasurement are recognised in profit or loss. Gains are not recognised in excess of any cumulative impairment loss.

The condensed interim financial statements of the FH-REIT Group, the FH-BT Group and FHT are presented in Singapore Dollars ("S\$"), which is the functional currency of the FH-REIT and FH-BT, and rounded to the nearest thousand (S\$'000), unless otherwise stated.

2.1 Use of estimates and judgements

The preparation of the financial statements in conformity with SFRS(I) requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are revised on an ongoing basis. Revisions to accounting estimates are recognised in the period in which estimates are revised, if the revisions affect only that period, or in the period of the revisions and future periods, if the revision affect both current and future periods.

The significant judgements made by management in applying the FHT's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the consolidated financial statements of FHT as at and for the year ended 30 September 2021.

Information about critical judgements in applying accounting policies and assumptions and estimation uncertainties that have the most significant effect on the amounts recognised in the financial statements are described in the following notes:

- Note 6 Taxation
- Note 8 Valuation of investment properties and investment property held for divestment
- Note 9 Valuation of property, plant and equipment

3. **Seasonal operations**

FHT's businesses are not affected significantly by seasonal or cyclical factors during the financial period.

4. **Management fees**

	FHT		FH-REIT Group		FH-BT Group	
	6 months ended					
	31 Mar 2022	31 Mar 2021	31 Mar 2022	31 Mar 2021	31 Mar 2022	31 Mar 2021
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
(a) REIT Manager's management fees						
- Base fee	2,203	2,275	2,203	2,275	-	-
- Performance fee	263	-	263	-	-	-
	<u>2,466</u>	<u>2,275</u>	<u>2,466</u>	<u>2,275</u>	<u>-</u>	<u>-</u>
(b) Trustee-Manager's management fees						
- Base fee	16	17	-	-	16	17
- Performance fee	14	18	-	-	14	18
	<u>30</u>	<u>35</u>	<u>-</u>	<u>-</u>	<u>30</u>	<u>35</u>
(c) Other management fees						
- MIT Manager's base fee	1,137	1,114	1,137	1,114	-	-
- MIT Manager's performance fee	551	455	551	455	-	-
- Kobe Asset Manager's management fee	88	96	88	96	-	-
- ABS Servicer fee	58	59	58	59	-	-
	<u>1,834</u>	<u>1,724</u>	<u>1,834</u>	<u>1,724</u>	<u>-</u>	<u>-</u>

5. **Other trust expenses**

	FHT		FH-REIT Group		FH-BT Group	
	6 months ended					
	31 Mar 2022	31 Mar 2021	31 Mar 2022	31 Mar 2021	31 Mar 2022	31 Mar 2021
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
Audit fees paid and payable to auditor of the Trusts	236	183	202	153	34	30
Non-audit fees paid and payable to:						
- Auditor of the Trusts	135	153	129	151	6	2
- Other auditors	10	53	9	52	1	1
Valuation fees	127	315	127	315	-	-
Other expenses	509	759	509	759	-	-
	<u>1,017</u>	<u>1,463</u>	<u>976</u>	<u>1,430</u>	<u>41</u>	<u>33</u>

6. Taxation

Income tax expense has been calculated at rates of taxation prevailing in the territories in which FHT operates.

The major components of tax expense/(credit) in the condensed interim statements of total return for the interim period ended 31 March 2022 are:

	FHT		FH-REIT Group		FH-BT Group	
	6 months ended					
	31 Mar 2022	31 Mar 2021	31 Mar 2022	31 Mar 2021	31 Mar 2022	31 Mar 2021
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
Current tax expense/(credit)						
- Current year income tax	915	653	983	629	(68)	24
- Under provision in respect of prior year	15	98	15	98	-	-
	930	751	998	727	(68)	24
Withholding tax expense	460	539	460	529	-	10
	1,390	1,290	1,458	1,256	(68)	34

FHT has exposure to income taxes in numerous jurisdictions. Assumptions are required in determining the group-wide provision for income taxes. The ultimate determination of taxability of income and deductibility of expenses from certain transactions are uncertain during the ordinary course of business. The tax computations arising from business combinations would also be subjected to uncertainty and formal assessment by tax authorities. FHT recognises the liabilities for expected tax issues based on estimates of whether additional taxes will be due. Where the final tax outcome of these matters is different from the amounts that were initially recognised, such differences will impact the income tax and deferred tax provisions in the period in which such determination is made.

Uncertain tax positions

Since 2018, FHT has relied on a private ruling granted by the Inland Revenue Board of Malaysia ("IRBM") which allows FHT Malaysia Pte Ltd ("FHTM"), a subsidiary of FH-REIT, to receive interest from its investment in medium term notes issued by Notable Vision Sdn. Bhd. ("NVSB") to be exempted from Malaysia withholding tax. In an IRBM letter dated 29 June 2021, the IRBM revoked the private ruling. Consequently, the IRBM may require withholding tax on these interest payments from NVSB to FHTM. If the private ruling applied in the past is retrospectively revoked, the potential additional withholding tax liability from 1 October 2017 to 12 January 2021 approximates S\$1.5 million as well as penalties in relation to late payment of withholding tax and for claiming income tax deductions on interest payments for which payments were not withheld ("Withholding Tax Exposure").

On 8 September 2021, NVSB filed an appeal to Special Commissioner of Income Tax in Malaysia, and further applied for judicial review with Courts of Malaysia on 23 September 2021. The application for the judicial review was heard on 9 March 2022 by the High Court of Malaysia and the High Court of Malaysia will deliver its decision on 24 May 2022.

On 1 March 2022, the IRBM completed its tax audit of NVSB for the year 2014 to 2019 and has issued a notice of assessment for 2019 ("YA 2019 Assessment") for income tax and penalties amounting to approximately S\$0.8 million ("YA 2019 Tax Payable") which comprises (i) disallowed income tax deductions previously claimed on the interest payment made by NVSB to FHT Malaysia and (ii) penalties for claiming such income tax deductions when NVSB had not originally withheld tax on such payments. The YA 2019 Tax Payable arises from the Withholding Tax Exposure and as such, NVSB has lodged a notice of appeal to the Special Commissions of Income Tax in Malaysia in relation to the YA 2019 Assessment on the basis that the disallowed deductions should be allowed as NVSB is not required to withhold tax on the interest payments.

No provision has been made for either the Withholding Tax Exposure or the YA 2019 Tax Payable for has been made because management believes that the private ruling granted in the past was in compliance with the applicable tax laws, and if revoked, the management believes that NVSB has strong and valid legal grounds to appeal against the decision and defend its position in Court.

7. **Earnings per Stapled Security**

The calculation of basic earnings per Stapled Security is based on:

	FHT	
	6 months ended 31 Mar 2022	6 months ended 31 Mar 2021
Total return for the period attributable to Stapled Securityholders (S\$'000)	9,380	6,331
Weighted average number of Stapled Securities used in arriving at basic earnings per Stapled Security ('000):		
Issued Stapled Securities at beginning of the period ('000)	1,926,074	1,921,243
Effect of management fees paid/payable in Stapled Securities ('000)	-	4,831
	<u>1,926,074</u>	<u>1,926,074</u>
Basic Earnings per Stapled Security (cents)	<u>0.48</u>	<u>0.32</u>

The calculation of diluted earnings per Stapled Security is based on:

	FHT	
	6 months ended 31 Mar 2022	6 months ended 31 Mar 2021
Total return for the period attributable to Stapled Securityholders (S\$'000)	9,380	6,331
Weighted average number of Stapled Securities used in arriving at diluted earnings per Stapled Security ('000):		
Weighted average number of Stapled Securities (basic) ('000)	1,926,074	1,926,074
Diluted Earnings per Stapled Security (cents)	<u>0.48</u>	<u>0.32</u>

8. Investment properties and investment property held for divestment

	FHT		FH-REIT Group		FH-BT Group	
	31 Mar 2022 S\$'000	30 Sep 2021 S\$'000	31 Mar 2022 S\$'000	30 Sep 2021 S\$'000	31 Mar 2022 S\$'000	30 Sep 2021 S\$'000
Condensed interim statements of financial position:						
Investment properties						
At beginning of period/year	2,024,826	2,029,567	2,250,126	2,248,858	-	-
Capital expenditure	4,062	4,449	4,084	4,893	-	-
Net fair value change	-	(4,574)	-	326	-	-
Reclassified to investment property held for divestment	(264,978)	-	(264,978)	-	-	-
Translation differences	(23,327)	(4,616)	(15,935)	(3,951)	-	-
At end of period/year	1,740,583	2,024,826	1,973,297	2,250,126	-	-

	FHT		FH-REIT Group		FH-BT Group	
	31 Mar 2022 S\$'000	30 Sep 2021 S\$'000	31 Mar 2022 S\$'000	30 Sep 2021 S\$'000	31 Mar 2022 S\$'000	30 Sep 2021 S\$'000
Investment property held for divestment						
At beginning of period/year	-	-	-	-	-	-
Reclassified from investment properties	264,978	-	264,978	-	-	-
Purchase of reversionary interest	10,693	-	10,693	-	-	-
Translation differences	8,694	-	8,694	-	-	-
At end of period/year	284,365	-	284,365	-	-	-

On 28 October 2021, FH-REIT has through The Trust Company (PTAL) Limited, acting as trustee of FHT Sydney Trust 3 (the "FHT Vendor"), a wholly-owned sub-trust of the REIT Trustee entered into the following:

(a) a put and call option agreement (the "PCOA") with Frasers Sydney Wentworth Pty Ltd (the "Reversionary Interest Seller"), an indirect wholly-owned subsidiary of Frasers Property Limited, for the acquisition (the "Reversionary Interest Acquisition") of the freehold reversionary interest ("Reversionary Interest") of the property known as Sofitel Sydney Wentworth (the "Hotel") for a purchase consideration of AUD10.55 million (approximately SGD10.7 million); and

(b) a sale and purchase agreement with The Trust Company (Australia) Limited as trustee of FHT Australia Trust and a third-party acquirer (the "Hotel Acquirer") for the sale (the "Divestment") of the amalgamated freehold interest of the Hotel at the sale price of AUD315.0 million (approximately SGD319.3 million).

Accordingly the investment property has been reclassified to investment property held for divestment as at 31 March 2022.

On 28 March 2022, FH-REIT has completed the acquisition of the Reversionary Interest.

	FHT		FH-REIT Group		FH-BT Group	
	6 months ended 31 Mar 2022 S\$'000	6 months ended 31 Mar 2021 S\$'000	6 months ended 31 Mar 2022 S\$'000	6 months ended 31 Mar 2021 S\$'000	6 months ended 31 Mar 2022 S\$'000	6 months ended 31 Mar 2021 S\$'000
Condensed interim statements of total return:						
Rental revenue from investment properties:						
- Minimum lease payments	28,513	29,108	31,410	32,062	-	-
- Variable rent based on lessees' gross operating revenue and/or gross operating profit	7,187	1,977	7,853	3,554	-	-
	35,700	31,085	39,263	35,616	-	-

Measurement of fair value

	FHT		FH-REIT Group	
	31 Mar 2022 S\$'000	30 Sep 2021 S\$'000	31 Mar 2022 S\$'000	30 Sep 2021 S\$'000
Fair value of investment properties			1,737,333	2,021,741
Add: Carrying amount of lease liabilities			3,250	3,085
Carrying value of investment properties			1,740,583	2,024,826

The carrying amounts of the investment properties and investment property held for divestment as at 31 March 2022 were based on valuations determined by independent external valuers as at 30 September 2021, adjusted for capital expenditure incurred and purchase of reversionary interest (where appropriate) subsequent to the valuation date, and translation differences. FHT has assessed that the carrying amounts of the investment properties as at 31 March 2022 approximate their fair values.

The fair value of the investment properties as at 30 September 2021 were based on independent valuations undertaken by Savills Valuation and Professional Services (S) Pte Ltd for the Singapore properties, Savills (Malaysia) Sdn Bhd for the Malaysia property, Savills Japan Co., Ltd. for the Japan property, Savills Valuations Pty Ltd for the Australia properties and Savills (UK) Limited for the UK properties and the Germany property, as at the date.

The fair value of properties as 30 September 2021 were determined using discounted cash flow, capitalisation, direct comparison and core and top-slice methods. These fair values may differ from the prices at which FHT's properties could be sold at a particular time, since actual selling prices are negotiated between willing buyers and sellers. Also, certain estimates require an assessment of factors not within FHT's control, such as overall market conditions. As a result, actual results of operations and realisation of these properties could differ from the estimates set forth in these financial statements, and the difference could be significant.

Fair value hierarchy

The fair value measurement for investment properties and investment property held for divestment has been categorised as a Level 3 fair value based on the inputs to the valuation techniques used.

9. Property, plant and equipment

FHT	Freehold land and Building S\$'000	Equipment, furniture and fittings S\$'000	Total S\$'000
Cost			
At 1 October 2020	217,305	8,559	225,864
Additions	446	61	507
Net change in revaluation recognised in statement of total return	8,444	-	8,444
Elimination of accumulated depreciation on revaluation	(3,246)	-	(3,246)
Translation differences	649	29	678
At 30 September 2021	<u>223,598</u>	<u>8,649</u>	<u>232,247</u>
At 1 October 2021	223,598	8,649	232,247
Additions	22	48	70
Elimination of accumulated depreciation on revaluation	(1,831)	-	(1,831)
Translation differences	7,285	285	7,570
At 31 March 2022	<u>229,074</u>	<u>8,982</u>	<u>238,056</u>
Accumulated depreciation			
At 1 October 2020	-	(4,859)	(4,859)
Depreciation	(3,246)	(683)	(3,929)
Elimination of accumulated depreciation on revaluation	3,246	-	3,246
Translation differences	-	(2)	(2)
At 30 September 2021	<u>-</u>	<u>(5,544)</u>	<u>(5,544)</u>
At 1 October 2021	-	(5,544)	(5,544)
Depreciation	(1,831)	(306)	(2,137)
Elimination of accumulated depreciation on revaluation	1,831	-	1,831
Translation differences	-	(192)	(192)
At 31 March 2022	<u>-</u>	<u>(6,042)</u>	<u>(6,042)</u>
Carrying amounts			
At 1 October 2020	217,305	3,700	221,005
At 30 September 2021	<u>223,598</u>	<u>3,105</u>	<u>226,703</u>
At 31 March 2022	<u>229,074</u>	<u>2,940</u>	<u>232,014</u>

	Building S\$'000	Equipment, furniture and fittings S\$'000	Total S\$'000
FH-BT Group			
Cost			
At 1 October 2020	73,683	5,939	79,622
Translation differences	265	21	286
At 30 September 2021	73,948	5,960	79,908
At 1 October 2021	73,948	5,960	79,908
Translation differences	2,426	196	2,622
At 31 March 2022	76,374	6,156	82,530
Accumulated depreciation			
At 1 October 2020	(7,494)	(4,224)	(11,718)
Depreciation	(4,246)	(324)	(4,570)
Translation differences	67	(8)	59
At 30 September 2021	(11,673)	(4,556)	(16,229)
At 1 October 2021	(11,673)	(4,556)	(16,229)
Depreciation	(2,084)	(141)	(2,225)
Translation differences	(443)	(154)	(597)
At 31 March 2022	(14,200)	(4,851)	(19,051)
Carrying amounts			
At 1 October 2020	66,189	1,715	67,904
At 30 September 2021	62,275	1,404	63,679
At 31 March 2022	62,174	1,305	63,479

Measurement of fair value

The carrying amounts of freehold land and building of FHT are stated at their revalued amounts less accumulated depreciation and impairment losses. The freehold land and building were last revalued as at 30 September 2021.

The carrying amounts of the freehold land and building of FHT as at 30 September 2021 were based on independent valuations undertaken by Savills Valuations Pty Ltd for the Australia properties as at the date. In relying on the valuation reports, the REIT Manager has exercised its judgement and is satisfied that the valuation methods and estimates used are reflective of market conditions prevailing at the end of the financial year.

The fair value of the freehold land and building as 30 September 2021 were determined using discounted cash flow and capitalisation methods. These fair values may differ from the prices at which FHT's freehold land and building could be sold at a particular time, since actual selling prices are negotiated between willing buyers and sellers. Also, certain estimates require an assessment of factors not within FHT's control, such as overall market conditions. As a result, actual results of operations and realisation of these properties could differ from the estimates set forth in these financial statements, and the difference could be significant.

The carrying amount of the FHT's freehold land and building as at 31 March 2022 would be S\$220.3 million (30 September 2021:S\$215.1 million) if the properties had been measured using the cost model.

The carrying amount of the FH-BT Group's building as at 31 March 2022 and 30 September 2021 pertains to right-of-use asset.

Fair value hierarchy

The fair value measurement for freehold land and building has been categorised as a Level 3 fair value based on the inputs to the valuation techniques used.

10. Borrowings

	FHT		FH-REIT Group		FH-BT Group	
	31 Mar 2022	30 Sep 2021	31 Mar 2022	30 Sep 2021	31 Mar 2022	30 Sep 2021
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
Non-current						
Medium term notes (secured)	30,609	30,676	30,609	30,676	-	-
Fixed rate notes (unsecured)	120,000	120,000	120,000	120,000	-	-
Bank loans (unsecured)	561,632	637,768	561,632	637,768	-	-
	712,241	788,444	712,241	788,444	-	-
Less: unamortised debt upfront costs	(1,999)	(2,444)	(1,999)	(2,444)	-	-
	710,242	786,000	710,242	786,000	-	-
Current						
Fixed rate notes (unsecured)	120,000	120,000	120,000	120,000	-	-
Bonds (unsecured)	26,139	28,734	26,139	28,734	-	-
Bank loans (unsecured)	135,000	54,000	135,000	54,000	-	-
	281,139	202,734	281,139	202,734	-	-
Less: unamortised debt upfront costs	(236)	(227)	(236)	(227)	-	-
	280,903	202,507	280,903	202,507	-	-
Total borrowings	991,145	988,507	991,145	988,507	-	-

Secured borrowings

The secured borrowing relates to the Medium Term Note – Class A Senior Bond of MYR 95.0 million (equivalent to S\$30.6 million) (2021: MYR 95.0 million (equivalent to S\$30.7 million)) which is secured by The Westin Kuala Lumpur with a carrying amount of S\$118.6 million (2021: S\$118.8 million).

11. **Stapled Securities in issue**

	FHT		FH-REIT Group		FH-BT Group	
	Number of Stapled Securities	30 Sep 2021	Number of Stapled Securities	30 Sep 2021	Number of Stapled Securities	30 Sep 2021
	'000	S\$'000	'000	S\$'000	'000	S\$'000
Stapled Securities in issue						
At 1 October 2020	1,921,243	1,537,579	1,921,243	1,527,996	1,921,243	9,583
REIT Manager's management fees paid in Stapled Securities	2,910	1,379	2,910	1,379	2,910	-
Trustee-Manager's management fees paid in Stapled Securities	16	8	16	-	16	8
Other management fees paid in Stapled Securities	1,144	548	1,144	548	1,144	-
Property management fees paid in Stapled Securities	761	365	761	365	761	-
At 30 September 2021	1,926,074	1,539,879	1,926,074	1,530,288	1,926,074	9,591

	FHT		FH-REIT Group		FH-BT Group	
	Number of Stapled Securities	31 Mar 2022	Number of Stapled Securities	31 Mar 2022	Number of Stapled Securities	31 Mar 2022
	'000	S\$'000	'000	S\$'000	'000	S\$'000
Stapled Securities in issue						
At 1 October 2021 and 31 March 2022	1,926,074	1,539,879	1,926,074	1,530,288	1,926,074	9,591

12. **Significant related party transactions**

	FHT		FH-REIT Group		FH-BT Group	
	6 months ended 31 Mar 2022	6 months ended 31 Mar 2021	6 months ended 31 Mar 2022	6 months ended 31 Mar 2021	6 months ended 31 Mar 2022	6 months ended 31 Mar 2021
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
With related companies of the Managers						
- Rental income received and receivable	32,643	27,876	32,643	27,876	-	-
- Reimbursement of expenses paid on behalf	(12,158)	(1,778)	(12,158)	(1,778)	-	-
- Corporate service fee paid and payable	(27)	(21)	(27)	(21)	-	-
With the REIT Manager						
- Base management fee paid and payable	(2,203)	(2,275)	(2,203)	(2,275)	-	-
- Performance management fee paid and payable	(263)	-	(263)	-	-	-
- Reimbursement of expenses paid on behalf	(14)	-*	(14)	-*	-	-*
- Servicer fee paid and payable	(58)	(59)	(58)	(59)	-	-
With the MIT Manager						
- Base management fee paid and payable	(1,137)	(1,114)	(1,137)	(1,114)	-	-
- Performance management fee paid and payable	(551)	(455)	(551)	(455)	-	-
With the Trustee-Manager						
- Base management fee paid and payable	(16)	(17)	-	-	(16)	(17)
- Performance management fee paid and payable	(14)	(18)	-	-	(14)	(18)
With the Property Managers						
- Property management fees paid and payable	(1,733)	(991)	(1,733)	(991)	-	-
With the Trustee						
- FH-REIT Trustee fees paid and payable	(142)	(143)	(142)	(143)	-	-
- Other trustee fees paid and payable	(102)	(104)	(102)	(104)	-	-
Between FH-REIT Group and FH-BT Group						
- Master lease rental received and receivable/(paid and payable)	-	-	3,563	4,531	(3,563)	(4,531)
- Reimbursement of expenses (paid on behalf)/received	-	-	(268)	(151)	268	151

* Denotes amount less than S\$1,000

13. Capital commitments

Capital expenditure contracted for as at the end of the reporting period but not recognised in the financial statements are as follows:

	FHT		FH-REIT Group		FH-BT Group	
	31 Mar 2022 S\$'000	30 Sep 2021 S\$'000	31 Mar 2022 S\$'000	30 Sep 2021 S\$'000	31 Mar 2022 S\$'000	30 Sep 2021 S\$'000
Commitments in respect of:						
- contracted capital expenditure for properties	1,740	4,449	1,480	4,247	260	202

14. Fair value of assets and liabilities

(a) Fair value hierarchy

A number of FHT's accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities.

Significant changes in fair value measurements from period to period are evaluated for reasonableness. Key drivers of the changes are identified and assessed for reasonableness against relevant information from independent sources, or internal sources, if necessary and appropriate.

In accordance with FHT's reporting policies, the valuation process and the results of the independent valuations are reviewed at least once a year by the Audit, Risk and Compliance Committee before the results are presented to the Board of Directors for approval.

When measuring the fair value of an asset or a liability, FHT uses market observable data as far as possible. Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

Level 1 – Quoted prices (unadjusted) in active markets for identical assets or liabilities;

Level 2 – Inputs other than quoted prices included within Level 1 that are observable from the asset or liability, either directly (i.e. as price) or indirectly (i.e. derived from prices); and

Level 3 – Inputs from the asset or liability that are not based on observable market data (unobservable inputs).

(b) Classifications and fair values

The following tables show the carrying amounts and fair values of assets and liabilities, including their levels of hierarchy. It does not include fair value information for financial assets and financial liabilities not measured at fair value when the carrying amount is a reasonable approximation of fair value. Further, the fair value disclosure of lease liabilities is not required.

Note	Carrying amount			Fair value	
	Derivatives used for hedging S\$'000	Fair value through profit or loss S\$'000	Amortised cost S\$'000	Level 2 S\$'000	Level 3 S\$'000
FHT					
31 March 2022					
Financial assets measured at fair value:					
Derivative financial instruments					
- interest rate swaps	5,821	-	-	5,821	-
- cross-currency swaps	12,111	-	-	12,111	-
	17,932	-	-		
Financial assets not measured at fair value:					
Trade and other receivables*	-	-	4,258		
Cash and cash equivalents	-	-	66,524		
	-	-	70,782		
Financial liabilities measured at fair value:					
Derivative financial instruments					
- interest rate swaps	(179)	-	-	(179)	-
- cross-currency swaps	(1,443)	-	-	(1,443)	-
- forward contracts	-	(3,012)	-	(3,012)	-
	(1,622)	(3,012)	-		
Financial liabilities not measured at fair value:					
Trade and other payables**	-	-	(16,703)		
Borrowings	-	-	(991,145)	(992,141)	-
Lease liabilities	-	-	(3,250)		
Rental deposits	-	-	(23,213)		(25,489)
	-	-	(1,034,311)		

Note	Carrying amount			Fair value	
	Derivatives used for hedging	Fair value through profit or loss	Amortised cost	Level 2	Level 3
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
FHT					
30 September 2021					
Financial assets measured at fair value:					
Derivative financial instruments					
- interest rate swaps	77	-	-	77	-
- cross-currency swaps	3,491	-	-	3,491	-
	<u>3,568</u>	<u>-</u>	<u>-</u>		
Financial assets not measured at fair value:					
Trade and other receivables*	-	-	11,883		
Cash and cash equivalents	-	-	78,187		
	<u>-</u>	<u>-</u>	<u>90,070</u>		
Financial liabilities measured at fair value:					
Derivative financial instruments					
- interest rate swaps	(9,585)	-	-	(9,585)	-
- cross-currency swaps	(2,244)	-	-	(2,244)	-
	<u>(11,829)</u>	<u>-</u>	<u>-</u>		
Financial liabilities not measured at fair value:					
Trade and other payables**	-	-	(15,900)		
Borrowings	-	-	(988,507)	(991,953)	-
Lease liabilities	-	-	(3,085)		
Rental deposits	-	-	(23,698)		(25,774)
	<u>-</u>	<u>-</u>	<u>(1,031,190)</u>		

* excluding net VAT/GST receivables

** excluding net VAT/GST payable and advanced deposits

Note	Carrying amount			Fair value	
	Derivatives used for hedging	Fair value through profit or loss	Amortised cost	Level 2	Level 3
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
FH-REIT Group					
31 March 2022					
Financial assets measured at fair value:					
Derivative financial instruments					
- interest rate swaps	5,821	-	-	5,821	-
- cross-currency swaps	12,111	-	-	12,111	-
	<u>17,932</u>	<u>-</u>	<u>-</u>		
Financial assets not measured at fair value:					
Trade and other receivables*	-	-	5,866		
Cash and cash equivalents	-	-	63,533		
	<u>-</u>	<u>-</u>	<u>69,399</u>		
Financial liabilities measured at fair value:					
Derivative financial instruments					
- interest rate swaps	(179)	-	-	(179)	-
- cross-currency swaps	(1,443)	-	-	(1,443)	-
- forward contracts	-	(3,012)	-	(3,012)	-
	<u>(1,622)</u>	<u>(3,012)</u>	<u>-</u>		
Financial liabilities not measured at fair value:					
Trade and other payables**	-	-	(15,114)		
Borrowings	-	-	(991,145)	(992,141)	-
Lease liabilities	-	-	(3,250)		
Rental deposits	-	-	(25,306)		(28,749)
	<u>-</u>	<u>-</u>	<u>(1,034,815)</u>		
FH-REIT Group					
30 September 2021					
Financial assets measured at fair value:					
Derivative financial instruments					
- interest rate swaps	77	-	-	77	-
- cross-currency swaps	3,491	-	-	3,491	-
	<u>3,568</u>	<u>-</u>	<u>-</u>		
Financial assets not measured at fair value:					
Trade and other receivables*	-	-	13,386		
Cash and cash equivalents	-	-	73,715		
	<u>-</u>	<u>-</u>	<u>87,101</u>		
Financial liabilities measured at fair value:					
Derivative financial instruments					
- interest rate swaps	(9,585)	-	-	(9,585)	-
- cross-currency swaps	(2,244)	-	-	(2,244)	-
	<u>(11,829)</u>	<u>-</u>	<u>-</u>		
Financial liabilities not measured at fair value:					
Trade and other payables**	-	-	(13,354)		
Borrowings	-	-	(988,507)	(991,953)	-
Lease liabilities	-	-	(3,085)		
Rental deposits	-	-	(25,725)		(28,878)
	<u>-</u>	<u>-</u>	<u>(1,030,671)</u>		

* excluding net VAT/GST receivables

** excluding net VAT/GST payable and advanced deposits

Note	Carrying amount			Fair value	
	Derivatives used for hedging	Fair value through profit or loss	Amortised cost	Level 2	Level 3
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
FH-BT Group					
31 March 2022					
Financial assets not measured at fair value:					
Trade and other receivables*	-	-	1,233		
Cash and cash equivalents	-	-	2,991		
Rental deposits	-	-	2,093	-	3,261
	-	-	6,317		
Financial liabilities not measured at fair value:					
Trade and other payables**	-	-	(5,102)		
Lease liabilities	-	-	(67,771)		
	-	-	(72,873)		
FH-BT Group					
30 September 2021					
Financial assets not measured at fair value:					
Trade and other receivables*	-	-	2,175		
Cash and cash equivalents	-	-	4,472		
Rental deposits	-	-	2,027	-	3,104
	-	-	8,674		
Financial liabilities not measured at fair value:					
Trade and other payables**	-	-	(6,922)		
Lease liabilities	-	-	(67,342)		
	-	-	(74,264)		

* excluding net VAT/GST receivables

** excluding net VAT/GST payable and advanced deposits

15. Segment information

Segment information is presented in respect of FHT's operating segments from two dimensions: (a) geographical; and (b) line of business.

Major customers

Revenue from related companies of the Managers accounted for approximately S\$32.6 million (1H 2021: S\$27.9 million) of the revenue of the FH-REIT Group. Such revenue is attributable to all geographical segments of the FH-REIT Group except for Germany.

Information regarding FHT's reportable segments is presented in the following tables:

(a) By geographical segments

FHT 1 October 2021 to 31 March 2022	Singapore S\$'000	Australia S\$'000	Malaysia S\$'000	Japan S\$'000	United Kingdom S\$'000	Germany S\$'000	Total S\$'000
Revenue from external parties (outside FHT)	9,057	18,844	2,389	3,509	7,247	3,057	44,103
Property operating expenses	(713)	(7,226)	(267)	(1,391)	(1,709)	(1,135)	(12,441)
Segment net property income	8,344	11,618	2,122	2,118	5,538	1,922	31,662
Depreciation	-	(2,137)	-	-	-	-	(2,137)
Total reportable segment return							29,525
Unallocated items:							
- Finance income							43
- Trust expenses							(5,591)
- Amortisation of debt upfront costs							(545)
- Finance costs							(10,000)
- Foreign exchange loss, net							347
- Net change in fair value of derivative financial instruments							(3,012)
- Realised loss on derivative financial instruments, net							3
Total return for the period, before tax							10,770
Taxation							(1,390)
Total return for the period							9,380
Reportable segmental non-current assets	814,942	479,662	118,629	180,282	308,681	88,903	1,991,099
Reportable segmental current assets	5,369	315,244	6,508	14,896	14,644	4,597	361,258
Total assets for reportable segments	820,311	794,906	125,137	195,178	323,325	93,500	2,352,357
Capital expenditure	117	3,057	59	95	804	-	4,132

FHT 1 October 2020 to 31 March 2021	Singapore S\$'000	Australia S\$'000	Malaysia S\$'000	Japan S\$'000	United Kingdom S\$'000	Germany S\$'000	Total S\$'000
Revenue from external parties (outside FHT)	8,329	16,723	2,422	3,801	5,447	3,209	39,931
Property operating expenses	(2,054)	(6,280)	(293)	(1,615)	(436)	(2,521)	(13,199)
Segment net property income	6,275	10,443	2,129	2,186	5,011	688	26,732
Depreciation	-	(1,966)	-	-	-	-	(1,966)
Total reportable segment return							24,766
Unallocated items:							
- Finance income							173
- Trust expenses							(5,744)
- Amortisation of debt upfront costs							(442)
- Finance costs							(9,384)
- Foreign exchange gain, net							544
- Net change in fair value of derivative financial instruments							(63)
- Realised loss on derivative financial instruments, net							(10)
Total return for the period, before tax							9,840
Taxation							(1,290)
Total return for the period							8,550
Reportable segmental non-current assets	801,524	746,482	125,384	193,919	322,238	97,893	2,287,440
Reportable segmental current assets	15,107	24,277	4,253	21,109	11,746	4,500	80,992
Total assets for reportable segments	816,631	770,759	129,637	215,028	333,984	102,393	2,368,432
Capital expenditure	349	563	66	798	429	-	2,205

(b) By business segments

FHT 1 October 2021 to 31 March 2022	Master leases S\$'000	Hotel under management contract S\$'000	Consolidation adjustments S\$'000	Total S\$'000
Revenue	39,263	8,403	(3,563)	44,103
Property operating expenses	(7,951)	(5,248)	758	(12,441)
Segment net property income	31,312	3,155	(2,805)	31,662
Depreciation	-	(2,225)	88	(2,137)
Finance income	43	-	-	43
Trust expenses	(5,520)	(71)	-	(5,591)
Amortisation of debt upfront costs	(545)	-	-	(545)
Finance costs	(10,000)	(1,165)	1,165	(10,000)
Foreign exchange loss, net	317	30	-	347
Net change in fair value of derivative financial instruments	(3,012)	-	-	(3,012)
Realised loss on derivative financial instruments, net	3	-	-	3
Total return for the period, before tax				10,770
Taxation				(1,390)
Total return for the period				9,380
Intersegment revenue	3,563	-	(3,563)	-
Revenue from external parties (outside FHT)	35,700	8,403	-	44,103
Total segment revenue	39,263	8,403	(3,563)	44,103
Reportable segmental non-current assets	1,991,065	69,379	(69,345)	1,991,099
Reportable segmental current assets	359,110	4,989	(2,841)	361,258
Total assets for reportable segments	2,350,175	74,368	(72,186)	2,352,357
Capital expenditure	4,062	70	-	4,132

FHT 1 October 2020 to 31 March 2021	Master leases S\$'000	Hotel under management contract S\$'000	Consolidation adjustments S\$'000	Total S\$'000
Revenue	36,095	8,367	(4,531)	39,931
Property operating expenses	(9,794)	(4,983)	1,578	(13,199)
Segment net property income	26,301	3,384	(2,953)	26,732
Depreciation	-	(2,289)	323	(1,966)
Finance income	173	-	-	173
Trust expenses	(5,676)	(68)	-	(5,744)
Amortisation of debt upfront costs	(442)	-	-	(442)
Finance costs	(9,384)	(1,248)	1,248	(9,384)
Foreign exchange gain, net	510	34	-	544
Net change in fair value of derivative financial instruments	(63)	-	-	(63)
Realised loss on derivative financial instruments, net	(10)	-	-	(10)
Total return for the period, before tax				9,840
Taxation				(1,290)
Total return for the period				8,550
Intersegment revenue	4,531	-	(4,531)	-
Revenue from external parties (outside FHT)	31,564	8,367	-	39,931
Total segment revenue	36,095	8,367	(4,531)	39,931
Reportable segmental non-current assets	2,286,862	74,515	(73,937)	2,287,440
Reportable segmental current assets	78,956	5,068	(3,032)	80,992
Total assets for reportable segments	2,365,818	79,583	(76,969)	2,368,432
Capital expenditure	1,753	452	-	2,205

16. Disaggregation of revenue

FHT 1 October 2021 to 31 March 2022	Singapore S\$'000	Australia S\$'000	Malaysia S\$'000	Japan S\$'000	United Kingdom S\$'000	Germany S\$'000	Total S\$'000
Master lease rental	9,057	10,441	2,389	3,509	7,247	3,057	35,700
Room revenue	-	2,248	-	-	-	-	2,248
Food & beverage revenue	-	974	-	-	-	-	974
Other income	-	5,181	-	-	-	-	5,181
Total revenue	9,057	18,844	2,389	3,509	7,247	3,057	44,103

FHT 1 October 2020 to 31 March 2021	Singapore S\$'000	Australia S\$'000	Malaysia S\$'000	Japan S\$'000	United Kingdom S\$'000	Germany S\$'000	Total S\$'000
Master lease rental	7,850	8,356	2,422	3,801	5,447	3,209	31,085
Room revenue	-	1,615	-	-	-	-	1,615
Food & beverage revenue	-	1,236	-	-	-	-	1,236
Other income	479	5,516	-	-	-	-	5,995
Total revenue	8,329	16,723	2,422	3,801	5,447	3,209	39,931

17. Financial ratios

	FHT		FH-REIT Group	
	6 months ended 31 Mar 2022 %	6 months ended 31 Mar 2021 %	6 months ended 31 Mar 2022 %	6 months ended 31 Mar 2021 %
Expense to weighted average net assets ⁽¹⁾				
- with performance fee of the Managers	0.45	0.42	0.44	0.42
- without performance fee of the Managers	0.38	0.39	0.38	0.39
Total operating expenses to net asset value ⁽²⁾	1.60	1.60	1.07	1.13
Portfolio turnover ratio ⁽³⁾	-	-	-	-

(1) The expense ratios are computed in accordance with the guidelines of the Investment Manager Association of Singapore. The expenses used in the computation relate to the expenses of FHT and the FH-REIT Group, excluding property expenses, interest expense and tax expense, where applicable.

(2) The expense ratios are computed based on total operating expense of S\$20,169,000 and S\$13,471,000 (1H 2021: S\$21,874,000 and S\$15,470,000) of FHT and the FH-REIT Group respectively, as a percentage of its respective net asset value as at the end of March (including all fees and charges paid/payable to the Managers and the interested parties).

(3) The portfolio turnover ratios are computed based on the lesser of purchases or sales of underlying properties of FHT and the FH-REIT Group expressed as a percentage of daily average net asset value.

18. Subsequent events

On 21 April 2022, the amalgamation of both the freehold reversionary interest and 75 year leasehold interest expiring in 2090 of Sofitel Sydney Wentworth was completed.

On 29 April 2022, the REIT Manager and Trustee-Manager declared a distribution of 0.7039 cents per Stapled Security to Stapled Securityholders in respect of the period from 1 October 2021 to 31 March 2022.

OTHER INFORMATION REQUIRED BY LISTING RULE APPENDIX 7.2

1 (a) (i) Consolidated Statements of Total Return for FHT and FH-REIT Group and Consolidated Statement of Comprehensive Income for FH-BT Group for 1H 2022 and 1H 2021

	FHT	FH-REIT Group	FH-BT Group	FHT	FH-REIT Group	FH-BT Group	FHT	FH-REIT Group	FH-BT Group
	1H 2022			1H 2021			Variance		
Note	1 Oct 2021 to 31 Mar 2022			1 Oct 2020 to 31 Mar 2021			Increase/(Decrease)		
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	%	%	%
Master lease rental	35,700	39,263	-	31,085	35,616	-	14.8	10.2	-
Room revenue	2,248	-	2,248	1,615	-	1,615	39.2	-	39.2
Food & beverage revenue	974	-	974	1,236	-	1,236	(21.2)	-	(21.2)
Other income	5,181	-	5,181	5,995	479	5,516	(13.6)	(100.0)	(6.1)
Gross revenue	44,103	39,263	8,403	39,931	36,095	8,367	10.4	8.8	0.4
Property tax	(3,177)	(3,177)	-	(4,113)	(4,113)	-	(22.8)	(22.8)	-
Property insurance	(804)	(752)	(52)	(904)	(854)	(50)	(11.1)	(11.9)	4.0
Property management fees	(1,733)	(1,733)	-	(991)	(991)	-	74.9	74.9	-
Other property expenses	(1,159)	(1,159)	-	(1,320)	(1,320)	-	(12.2)	(12.2)	-
Impairment loss on trade receivables	(1,071)	(1,071)	-	(2,486)	(2,486)	-	(56.9)	(56.9)	-
Operations and maintenance expenses	(1,482)	(59)	(1,515)	(1,317)	(30)	(1,287)	12.5	96.7	17.7
Energy and utilities expenses	(261)	-	(261)	(261)	-	(261)	-	-	-
Hotel management fee	(249)	-	(249)	(316)	-	(316)	(21.2)	-	(21.2)
Rental expense	-	-	(666)	-	-	(1,578)	-	-	(57.8)
Staff costs	(2,022)	-	(2,022)	(1,244)	-	(1,244)	62.5	-	62.5
Marketing expenses	(297)	-	(297)	(91)	-	(91)	>100.0	-	>100.0
Administrative expenses	(186)	-	(186)	(156)	-	(156)	19.2	-	19.2
Property operating expenses	(12,441)	(7,951)	(5,248)	(13,199)	(9,794)	(4,983)	(5.7)	(18.8)	5.3
Net property income	31,662	31,312	3,155	26,732	26,301	3,384	18.4	19.1	(6.8)
Depreciation	(2,137)	-	(2,225)	(1,966)	-	(2,289)	8.7	-	(2.8)
REIT Manager's management fees	(2,466)	(2,466)	-	(2,275)	(2,275)	-	8.4	8.4	-
Trustee-Manager's management fees	(30)	-	(30)	(35)	-	(35)	(14.3)	-	(14.3)
Other management fees	(1,834)	(1,834)	-	(1,724)	(1,724)	-	6.4	6.4	-
Trustees' fees	(244)	(244)	-	(247)	(247)	-	(1.2)	(1.2)	-
Other trust expenses	(1,017)	(976)	(41)	(1,463)	(1,430)	(33)	(30.5)	(31.7)	24.2
Finance income	43	43	-	173	173	-	(75.1)	(75.1)	-
Amortisation of debt upfront costs	(545)	(545)	-	(442)	(442)	-	23.3	23.3	-
Finance costs	(10,000)	(10,000)	(1,165)	(9,384)	(9,384)	(1,248)	6.6	6.6	(6.7)
Net income/(Loss) before foreign exchange differences, fair value changes and tax	13,432	15,290	(306)	9,369	10,972	(221)	43.4	39.4	38.5
Foreign exchange gain/(loss), net	347	317	30	544	510	34	(36.2)	(37.8)	(11.8)
Net change in fair value of derivative financial instruments	(3,012)	(3,012)	-	(63)	(63)	-	>100.0	>100.0	-
Realised gain/(loss) on derivative financial instruments, net	3	3	-	(10)	(10)	-	N.M	N.M	-
Total return/(Loss) for the period before tax	10,770	12,598	(276)	9,840	11,409	(187)	9.5	10.4	47.6
Taxation	(1,390)	(1,458)	68	(1,290)	(1,256)	(34)	7.8	16.1	N.M
Total return/(Loss) for the period after tax	9,380	11,140	(208)	8,550	10,153	(221)	9.7	9.7	(5.9)

NM - Not meaningful

1 (a) (i) Consolidated Statements of Total Return for FHT and FH-REIT Group and Consolidated Statement of Comprehensive Income for FH-BT Group for 1H 2022 and 1H 2021 (Cont'd)

	FH-BT Group		
	1H 2022	1H 2021	Variance
	1 Oct 2021 to 31 Mar 2022	1 Oct 2020 to 31 Mar 2021	Increase/(Decrease)
Note	S\$'000	S\$'000	%
Total Loss for the period after tax	(208)	(221)	(5.9)
Other comprehensive income			
Items that may be reclassified subsequently to statement of profit or loss:			
Foreign currency translation differences	66	108	(38.9)
Other comprehensive income for the period, net of tax	66	108	(38.9)
Total comprehensive income for the period, net of tax	(142)	(113)	(25.7)

Consolidated Distribution Statements for 1H 2022 and 1H 2021

Reconciliation of Total return/(Loss) to income available for distribution

	FHT	FH-REIT Group	FH-BT Group	FHT	FH-REIT Group	FH-BT Group	FHT	FH-REIT Group	FH-BT Group
	1H 2022			1H 2021			Variance		
	1 Oct 2021 to 31 Mar 2022			1 Oct 2020 to 31 Mar 2021			Increase/(Decrease)		
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	%	%	%
Total return/(Loss) for the period after tax	9,380	11,140	(208)	8,550	10,153	(221)	9.7	9.7	(5.9)
Non-tax deductible / (non-taxable) items and other adjustments:									
Amortisation of debt upfront costs	545	545	-	442	442	-	23.3	23.3	-
Amortisation of other assets	-	-	-	4	4	-	(100.0)	(100.0)	-
Depreciation	2,137	-	2,225	1,966	-	2,289	8.7	-	(2.8)
Foreign exchange gain, net	(347)	(316)	(30)	(549)	(515)	(34)	(36.8)	(38.6)	(11.8)
Net change in fair value of derivative financial instruments	3,012	3,012	-	63	63	-	>100.0	>100.0	-
Trustee's fees in relation to FH-REIT	142	142	-	143	143	-	(0.7)	(0.7)	-
Interest expense on lease liabilities	63	63	1,165	61	61	1,248	3.3	3.3	(6.7)
Lease payments	-	-	(2,897)	-	-	(2,953)	-	-	(1.9)
Other adjustments	132	223	-	146	146	-	(9.6)	52.7	-
Net effect of non-tax deductible / (non-taxable) and other adjustments	5,684	3,669	463	2,276	344	550	>100.0	>100.0	(15.8)
Income available for distribution	15,064	14,809	255	10,826	10,497	329	39.1	41.1	(22.5)
Income available for distribution attributable to:									
- Stapled Securityholders	15,064	14,809	255	8,607	8,278	329	75.0	78.9	(22.5)
- Perpetual Securities holders	-	-	-	2,219	2,219	-	(100.0)	(100.0)	-
	15,064	14,809	255	10,826	10,497	329	39.1	41.1	(22.5)
Distribution to Stapled Securityholders	13,558	13,328	230	3,449	3,153	296	>100.0	>100.0	(22.3)

NM - Not meaningful

Footnotes:

- (a) Other income in 1H 2022 and 1H 2021 comprises mainly no-show revenue arising from bookings by government agencies to house returning residents serving stay-home notices at Novotel Melbourne on Collins ("NMOC").
- (b) Gross revenue comprises master lease rental and hotel revenue from NMOC. The master lease rental earned by FH-REIT from FH-BT is eliminated at FHT level.
- (c) Property tax expense in 1H 2021 includes grant income arising from the property tax rebates given by the Singapore government as part of the Resilience Budget announced, and grant expense arising from passing on of the property tax rebates to the master lessees. The decrease in property tax expense in 1H 2022 is due to revision of property tax properties in Singapore which had their annual value revised downwards.
- (d) This relates mainly to impairment loss on rental receivables. The decrease in 1H 2022 over 1H 2021 is due to higher rental collections.
- (e) The rental expense is charged from FH-REIT to NMOC under FH-BT and this is eliminated at FHT level.
- (f) The increase in staff costs in 1H 2022 as compared to 1H 2021 is mainly due to the absence of wage credit given by the Australia government under the JobKeeper scheme which has ended in March 2021.
- (g) NMOC is being classified as property, plant and equipment in FHT's financial statements. The depreciation expense relates mainly to the depreciation of the building (including right-of-use ("ROU") assets) and furniture, fittings and equipment of NMOC.
- (h) Other management fees relate mainly to management fees payable to FHT Australia Management Pty Ltd (the "MIT Manager").
- (i) Other trust expenses relate mainly to professional fees, audit fees, tax fees and administrative expenses.
- (j) Finance costs comprise mainly interest expense on FH-REIT Group's borrowings in SGD, JPY, MYR and AUD, net interest expense or income arising from the interest rate swaps and cross currency swaps, and interest expense on lease liabilities recognised under FRS 116/SFRS(I) 16 Leases.
- (k) This relates mainly to net change in fair value of derivative financial instruments arising from the revaluation of foreign currency forward contracts.
- (l) This relates to net realised gain/(loss) arising from the settlement of foreign currency forward contracts.
- (m) This relates to master lease rental paid to FH-REIT and is eliminated at FHT level.
- (n) Other adjustments are in relation to other non-tax deductible and non-taxable items.
- (o) Distribution of FHT represents the aggregate of distributions by FH-REIT and FH-BT.
- (p) The distribution to Stapled Securityholders in 1H 2022 and 1H 2021 are based on 90% payout of the income available for distribution.

1 (b) (i) Statements of Financial Position

Note	FHT	FH-REIT Group	FH-BT Group	FHT	FH-REIT Group	FH-BT Group
	31 Mar 2022			30 Sep 2021		
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
Non-current assets						
Investment properties	(a) 1,740,583	1,973,297	-	2,024,826	2,250,126	-
Property, plant and equipment	(b) 232,014	-	63,479	226,703	-	63,679
Derivative financial instruments	(c) 16,827	16,827	-	3,568	3,568	-
Rental deposits	-	-	2,093	-	-	2,027
Deferred expense	-	-	1,713	-	-	1,659
Deferred tax assets	(d) 1,675	941	2,094	1,621	911	2,027
	1,991,099	1,991,065	69,379	2,256,718	2,254,605	69,392
Current assets						
Investment property held for divestment	(e) 284,365	284,365	-	-	-	-
Inventories	19	-	19	12	-	12
Prepayments	4,046	3,300	746	2,000	1,810	190
Trade and other receivables	(f) 5,199	6,807	1,233	12,266	13,769	2,175
Derivative financial instruments	(g) 1,105	1,105	-	-	-	-
Cash and cash equivalents	66,524	63,533	2,991	78,187	73,715	4,472
	361,258	359,110	4,989	92,465	89,294	6,849
Total assets	2,352,357	2,350,175	74,368	2,349,183	2,343,899	76,241
Current liabilities						
Trade and other payables	(h) 17,414	15,499	5,428	18,395	15,630	7,141
Lease liabilities	(i) -	-	3,658	-	-	3,480
Derivative financial instruments	(g) 4,634	4,634	-	2,310	2,310	-
Borrowings	(j) 280,903	280,903	-	202,507	202,507	-
Income tax payables	1,243	1,212	31	1,408	1,379	29
	304,194	302,248	9,117	224,620	221,826	10,650
Net current assets/(liabilities)	(l) 57,064	56,862	(4,128)	(132,155)	(132,532)	(3,801)
Non-current liabilities						
Rental deposits	23,213	25,306	-	23,698	25,725	-
Other payables	271	-	271	302	-	302
Lease liabilities	(i) 3,250	3,250	64,113	3,085	3,085	63,862
Deferred income	7,015	8,728	-	6,959	8,618	-
Derivative financial instruments	(c) -	-	-	9,519	9,519	-
Borrowings	(j) 710,242	710,242	-	786,000	786,000	-
Deferred tax liabilities	(k) 45,602	45,602	-	46,506	46,506	-
	789,593	793,128	64,384	876,069	879,453	64,164
Total liabilities	1,093,787	1,095,376	73,501	1,100,689	1,101,279	74,814
Net assets	1,258,570	1,254,799	867	1,248,494	1,242,620	1,427
Represented by:						
Stapled Securityholders' funds						
Stapled Securities in issue and to be issued	1,539,879	1,530,288	9,591	1,539,879	1,530,288	9,591
Issue costs	(25,764)	(25,759)	(5)	(25,764)	(25,759)	(5)
Revenue reserves	(130,358)	(124,125)	(8,253)	(124,250)	(120,195)	(7,627)
Hedging reserve	5,642	5,642	-	(9,509)	(9,509)	-
Foreign currency translation reserve	(130,829)	(131,247)	(466)	(131,862)	(132,205)	(532)
	1,258,570	1,254,799	867	1,248,494	1,242,620	1,427

Footnotes:

- (a) Investment properties as at 31 March 2022 include the recognition of Right-of-Use ("ROU") assets, amounting to approximately SGD3.3 million (30 September 2021: SGD3.1 million).
- (b) In FHT's financial statements, the property, plant and equipment relates to the land, building, furniture, fittings and equipment of NMOC. This hotel is classified as property held for own use instead of as an investment property. Accordingly, this hotel is treated as property, plant and equipment and applied the revaluation model of *FRS 16 Property, Plant and Equipment* where the asset is depreciated during the period and revalued at least once a year at the end of financial year. The lower net book value as at 31 March 2022 at FHT is mainly due to the depreciation of the asset.
- In FH-BT Group's financial statements, property, plant and equipment as at 31 March 2022 includes the recognition of ROU assets, amounting to approximately SGD62.1 million (30 September 2021: SGD62.3 million)
- (c) Derivative financial instruments (non-current assets and non-current liabilities) relate to fair value of cross currency swaps and interest rate swaps.
- (d) Deferred tax assets relate mainly to the excess of the tax written down value over the net book value of the property, plant and equipment of NMOC. They also include deferred tax on the temporary differences arising from the ROU assets and lease liabilities.
- (e) On 28 October 2021, FH-REIT has through The Trust Company (PTAL) Limited, acting as trustee of FHT Sydney Trust 3 (the "FHT Vendor"), a wholly-owned sub-trust of the REIT Trustee entered into the following:
- (a) a put and call option agreement (the "PCOA") with Frasers Sydney Wentworth Pty Ltd (the "Reversionary Interest Seller"), an indirect wholly-owned subsidiary of Frasers Property Limited, for the acquisition (the "Reversionary Interest Acquisition") of the freehold reversionary interest ("Reversionary Interest") of the property known as Sofitel Sydney Wentworth (the "Hotel") for a purchase consideration of AUD10.55 million; and
- (b) a sale and purchase agreement with The Trust Company (Australia) Limited as trustee of FHT Australia Trust and a third-party acquirer (the "Hotel Acquirer") for the sale (the "Divestment") of the amalgamated freehold interest of the Hotel at the sale price of AUD315.0 million.
- Accordingly, the property has been reclassified to investment property held for divestment, a current asset.
- (f) Trade and other receivables comprise mainly GST receivables, rental income receivables from master lessees and trade receivables from hotel operations.
- (g) Derivative financial instruments (current assets and current liabilities) relate mainly to fair value of cross currency swaps, interest rate swaps and forward contracts.
- (h) Trade and other payables comprise mainly trade creditors, GST payable, provision for withholding tax and property tax, interest expense payable to banks, and accruals for professional fees.
- (i) The lease liabilities represent lease payments to be made in relation to the ROU assets in respect of the ground lease for an investment property for FHT and FH-REIT Group and the building lease for NMOC for FH-BT Group.
- (j) For the breakdown of total borrowings into short-term and long-term borrowings, please refer to Section 1(b)(ii) below.
- (k) This relates mainly to deferred tax on the cumulative revaluation gains on the investment properties.
- (l) FH-BT is in a net current liability position as at 31 March 2022, mainly due to the current lease liabilities and trade and other payables. FH-BT has SGD\$3.0 million in cash and cash equivalents and an unutilised revolving credit facility of up to SGD5.0 million from FH-REIT to meet its current obligations as and when they fall due.

1 (b) (ii) Aggregate Amount of Borrowings

FHT		FHT	
As at 31 Mar 2022		As at 30 Sept 2021	
Secured	Unsecured	Secured	Unsecured
S\$'000	S\$'000	S\$'000	S\$'000
-	280,903 ^(a)	-	202,507 ^(b)
30,538 ^(c)	679,704 ^(d)	30,589 ^(c)	755,411 ^(e)

Amount repayable in one year or less, or on demand *

Amount repayable after one year *

* net of transaction costs

As at 31 March 2022, FHT's aggregate leverage ratio¹ was 42.3%, (30 September 2021: 42.2%) which was within the leverage limit allowed under the MAS' Property Funds Appendix². The interest coverage ratio^{3,4} and adjusted interest coverage ratio^{3,4} for the trailing 12 months ended 31 March 2022 were 2.4 times and 2.3 times respectively.

Details of borrowings and collateral:

- (a) The unsecured borrowings relate to (i) committed short-term facilities; (ii) the SGD120 million 2.63% series 002 Notes due July 2022; (iii) the JPY2.35 billion Kobe Excellence TMK series 1 Bonds with a bond maturity of 3 years from 16 July 2019; (iv) a SGD50 million bilateral committed revolving credit facility with a loan maturity of 1.5 years from 10 September 2021 and (v) a SGD70 million bilateral term facility with a loan maturity of 5 years from 12 March 2018.
- (b) The unsecured borrowings relate to (i) committed short-term facilities; (ii) the SGD120 million 2.63% series 002 Notes due July 2022 and (iii) the JPY2.35 billion Kobe Excellence TMK series 1 Bonds with a bond maturity of 3 years from 16 July 2019.
- (c) The secured borrowing relates to the MYR95 million Class A Senior Bond issued under the Medium Term Notes Programme of up to MYR750 million established by Notable Vision Sdn. Bhd., with bond maturity of 5 years from 12 July 2019 and which is secured on a property known as The Westin Kuala Lumpur ("TWKL"). The interest rate on this borrowing is 4.85% p.a.
- (d) The unsecured borrowings relate to (i) the SGD120 million 3.08% series 003 Notes due November 2024; (ii) SGD350 million of term loan facilities with loan maturities of 5 to 7 years from 5 July 2019; (iii) SGD50 million of committed revolving credit facility with a loan maturity of 3 years from 31 March 2021; (iv) SGD40 million of committed revolving credit facility with a loan maturity of 1.5 years from 12 January 2022; and (v) AUD120 million of term loan facility with a loan maturity of 5 years from 6 July 2018.
- (e) The unsecured borrowings relate to (i) the SGD120 million 3.08% series 003 Notes due November 2024; (ii) SGD70 million of term loan facility with a loan maturity of 5 years from 12 March 2018; (iii) SGD350 million of term loan facilities with loan maturities of 5 to 7 years from 5 July 2019; (iv) SGD50 million of committed revolving credit facility with a loan maturity of 3 years from 31 March 2021; (v) SGD50 million of committed revolving credit facility with a loan maturity of 1.5 years from 10 September 2021; and (vi) AUD120 million of term loan facility with a loan maturity of 5 years from 6 July 2018.

¹ The impact of FRS 116 Leases has been excluded for the purpose of computing the aggregate leverage ratio.

² Leverage ratio (i) should not exceed 50% prior to 1 January 2022 (ii) could exceed 45% (up to a maximum of 50%) only if the adjusted interest coverage ratio exceeds 2.5 times on or after 1 January 2022.

³ Interest coverage ratio and adjusted interest coverage ratio as prescribed under the MAS' Property Funds Appendix (last revised on 1 July 2021).

⁴ For purpose of computing interest coverage ratio and adjusted interest coverage ratio, interest expense excludes the unwinding of discounting effect on present value of lease liability and long term security deposits payable.

1 (c) Details of Changes in Issued and Issuable Stapled Securities

		FHT	
		1H 2022	1H 2021
Note		1 Oct 2021 to 31 Mar 2022	1 Oct 2020 to 31 Mar 2021
		No. of Stapled Securities	No. of Stapled Securities
	Balance at beginning of the period	1,926,073,869	1,921,243,027
	- As payment of REIT Manager's management fees	(a) -	2,910,050
	- As payment of Trustee-Manager's management fees	(b) -	15,881
	- As payment of other management fees	(c) -	1,144,135
	- As payment of property management fees	(d) -	760,776
	Total issued and issuable Stapled Securities	1,926,073,869	1,926,073,869

Footnotes:

- (a) For 1H 2022, the REIT Manager has elected to receive 100% of the REIT Manager's management fees in cash.
- (b) For 1H 2022, the Trustee-Manager has elected to receive 100% of the Trustee-Manager's management fees in cash.
- (c) For 1H 2022, the MIT Manager has elected to receive 100% of the MIT Manager's management fees in cash.
- (d) For 1H 2022, the property managers have elected to receive 100% of the property managers' management fees in cash.

2 Whether the figures have been audited, or reviewed and in accordance with which auditing standard or practice.

The condensed interim statements of financial position of FHT, FH-REIT Group and FH-BT Group as at 31 March 2022 and the related condensed interim statements of total return of FHT and FH-REIT Group, the condensed interim statement of profit or loss and statement of comprehensive income of FH-BT Group, and the condensed interim distribution statements, statements of changes in Stapled Securityholders' funds and statements of cash flows of FHT, FH-REIT Group and FH-BT Group for the 6 months ended 31 March 2022 and certain explanatory notes have not been audited or reviewed.

3 Where the figures have been audited or reviewed, the auditor's report (including any qualifications or emphasis of matter).

Not applicable.

4.

Review of performance

(a) 1H 2022 VS 1H 2021

		FH-REIT Group			FH-BT Group		
		Master Lessees - Gross Operating Revenue			Gross Operating Revenue		
		1H 2022	1H 2021	Variance	1H 2022	1H 2021	Variance
		1 Oct 2021 to 31 Mar 2022	1 Oct 2020 to 31 Mar 2021		1 Oct 2021 to 31 Mar 2022	1 Oct 2020 to 31 Mar 2021	
		LC\$'000	LC\$'000	%	LC\$'000	LC\$'000	LC\$'000
Singapore	SGD	23,064	21,153	9.0	-	-	N/A
Australia ^(a)	AUD	22,056	18,706	17.9	8,528	8,328	2.4
United Kingdom	GBP	8,696	1,919	>100.0	-	-	N/A
Japan	JPY	1,341,961	1,044,361	28.5	-	-	N/A
Malaysia	MYR	13,564	2,559	>100.0	-	-	N/A
Germany	EUR	2,896	1,401	>100.0	-	-	N/A

		FH-REIT Group			FH-BT Group		
		Master Lessees - Gross Operating Profit			Gross Operating Profit		
		1H 2022	1H 2021	Variance	1H 2022	1H 2021	Variance
		1 Oct 2021 to 31 Mar 2022	1 Oct 2020 to 31 Mar 2021		1 Oct 2021 to 31 Mar 2022	1 Oct 2020 to 31 Mar 2021	
		LC\$'000	LC\$'000	%	LC\$'000	LC\$'000	LC\$'000
Singapore	SGD	8,798	7,145	23.1	-	-	N/A
Australia ^(a)	AUD	10,486	8,454	24.0	4,204	5,245	(19.8)
United Kingdom	GBP	3,277	(207)	N.M	-	-	N/A
Japan	JPY	377,665	113,909	>100.0	-	-	N/A
Malaysia	MYR	(415)	(8,738)	N.M	-	-	N/A
Germany	EUR	809	113	>100.0	-	-	N/A

Footnote:

(a) The Gross Operating Revenue ("GOR") and Gross Operating Profit ("GOP") of NMOC are excluded from FH-REIT Group and reflected under FH-BT Group.

Operational Performance

Review of performance for 1H 2022 compared to 1H 2021

During the financial period under review from 1 October 2021 to 31 March 2022 ("1H 2022"), Gross Revenue ("GR") rose 10.4% year-on-year ("YoY") to S\$44.1 million and Net Property Income ("NPI") increased 18.4% YoY to S\$31.7 million. The increase in GR and NPI was supported by improvements in its operating environment in 1H 2022 which was partially offset by the adverse impact of the Omicron variant on the portfolio's performance in the second quarter of FY2022.

In tandem with the higher revenue, FHT recorded distributable income ("DI") of S\$15.1 million in 1H 2022, which increased by 75.0% compared to 1H 2021.

Singapore

In the second half of 2021, Singapore Tourism Board recorded 221,350 international visitor arrivals, up over 100% YoY, with the highest arrivals recorded in December 2021 since the start of the pandemic. To facilitate further resumption of travel, Singapore has introduced the Vaccinated Travel Framework on 1 April 2022 to replace the existing Vaccinated Travel Lane arrangements to allow vaccinated travellers to enter Singapore quarantine-free.

The Singapore portfolio recorded higher average daily rate ("ADR") and occupancy rate YoY, which in turn lifted revenue per available room ("RevPAR") by 15.3% YoY in 1H 2022. This was mainly supported by InterContinental Singapore's government quarantine business from October to December 2021 and Fraser Suites' long-stay business. Consequently, the Singapore portfolio reported YoY increase in gross operating revenue ("GOR") and gross operating profit ("GOP") of 9.0% and 23.1% respectively.

Australia

According to Tourism Australia, international tourist arrivals in the second half of 2021 grew YoY by over 100% to 506,900. In New South Wales and Victoria, lockdown restrictions have been lifted for its vaccinated population after October 2021.

In 2H FY2021, the Australia portfolio's occupancy declined by 12.4 percentage points ("ppts") YoY to 28.1%. Despite a YoY increase in ADR, the portfolio's RevPAR dropped by 6.5% YoY. The decline in occupancy was mainly due to the emergence of the Omicron variant towards the end of December 2021 and the end of government quarantine business in Novotel Melbourne on Collins and Sofitel Sydney Wentworth in December 2021 and February 2022 respectively. The Australia portfolio's GOR and GOP increased by 13.1% and 7.2% YoY respectively.

UK

The UK has fully lifted its COVID-19 pandemic restrictions since February 2022 and the remaining international travel restrictions in March 2022 as part of the government's "Living with COVID" plan following its retreat from the Omicron peak.

Consequently, the UK portfolio's occupancy rose by 43.8 ppts to 60.6% and RevPAR more than tripled YoY in 1H 2022, supported by a higher ADR YoY. The GOR more than tripled YoY while its GOP registered GBP3.3 million compared to a gross operating loss during the same period in 1H 2021.

Japan

Following the exit from its fourth state of emergency in Japan in September 2021, a quasi state of emergency was subsequently introduced in the first three months of 2022 with the emergence of the Omicron variant.

In 1H 2022, ANA Crowne Plaza Kobe's RevPAR increased by 12.9% YoY. The hotel's GOR was up 28.5% YoY and GOP more than doubled YoY in 1H 2022.

Malaysia

Domestic and international travel restrictions in Malaysia were lifted since mid-October 2021 and it led to improved performance for The Westin Kuala Lumpur. The hotel recorded RevPAR YoY increase of over five times in 1H 2022. Consequently, the hotel's GOR more than quadrupled in 1H 2022 and its gross operating loss narrowed to MYR0.4 million in 1H 2022.

Germany

The Federal Statistical Office of Germany reported a total of 310.3 million of overnight stays by domestic and foreign visitors in 2021, an increase of 2.7% YoY.

Maritim Hotel Dresden showed initial signs of recovery in its performance, but the pace of recovery remains very gradual in the absence of conference and international business. The emergence of the Omicron variant since end November 2021 also impeded the hotel's recovery pace. Despite the challenges, the hotel reported over 100% increase in GOR and GOP YoY in 1H 2022.

5. Where a forecast, or a prospect statement, has been previously disclosed to shareholders, any variance between it and the actual result

No forecast or prospect statement has been previously disclosed.

6. Commentary on the significant trends and competitive conditions of the industry in which the group operates and any known factors or events that may affect the group in the next reporting period and the next 12

The International Monetary Fund (“IMF”) forecasts global growth to slow from an estimated 6.1% in 2021 to 3.6% in 2022 and 2023 as a result of the war in Ukraine and potential recession risks in growing number of countries¹. The softer growth expected in 2022 comes on the back of reimposed mobility restrictions as the Omicron variant spreads, and uncertainty around war-induced inflation and policy paths. Tighter financial conditions as the Federal Reserve and central banks raise interest rates may impact financial stability and developing economies.

The World Tourism Organization (“UNWTO”) noted continued recovery in international tourism as global international arrivals more than doubled in January 2022 compared to the weak start to 2021². However, the emergence of the Omicron variant and the re-introduction of travel restrictions across some countries disrupted the recovery pace. The recent Ukraine crisis has also caused a surge in energy and commodity prices, thereby adding further inflationary pressures to the challenging operating environment amidst the pandemic. These added pressures could adversely impact the recovery of the travel industry.

According to UNWTO’s latest Panel of Experts survey reported in January 2022, most tourism professionals see better prospects for 2022, with more than half expecting a rebound in the third quarter of 2022³. The survey also showed that domestic tourism has continued to drive recovery in increasing number of destinations, particularly those with large domestic markets.

The International Air Transport Association (“IATA”) also observed increasing momentum towards re-opening of borders and relaxation of travel restrictions as the pandemic moved into the endemic phase. While the European international traffic has rebounded to 58% of its pre-pandemic levels, traffic in Asia Pacific region remained at 12% of its pre-pandemic levels even as more countries moved towards border re-opening⁴.

As the pace of recovery remains varied and uneven across regions, the Managers will continue to work closely with the operators and master lessees to capture the eventual recovery of hotel demand. FHT’s presence in large domestic markets, such as Australia, Japan and the UK, will enable these assets to capture strong local demand as international travel gradually returns in other markets with further border re-opening. The Managers remain confident in the long-term fundamentals and viability of the hospitality industry and stay committed to delivering sustainable, long-term value to the Stapled Securityholders.

^[1] Source: World Economic Outlook, April 2022

^[2] Source: World Tourism Barometer (March 2022) by UNWTO (UN World Tourism Organization)

^[3] Source: UNWTO Panel of Experts survey in UNWTO, “Impact assessment of the COVID-19 outbreak on international tourism”, January 2022

^[4] Source: International Air Transport Association, “Progress in Opening the World to Travel”, March 2022

7. Distributions

(a) Current financial period

Any distribution declared for the current financial period?	Yes.	
Name of Distribution	(i) Distribution for period from 1 October 2021 to 31 March 2022	
Distribution Type	(a) Taxable income (b) Tax-exempt income (b) Capital distribution	
Distribution Rate	(i) Distribution for period from 1 October 2021 to 31 March 2022	
		Cents
		(Per Stapled Security)
	(a) Taxable income distribution	0.0966
	(b) Tax-exempt income distribution	0.2640
	(c) Capital distribution	0.3433
		<u>0.7039</u>

(b) Corresponding period of the immediately preceding financial year

Any distribution declared for the corresponding period of the immediately preceding financial period?

Distribution for period from 1 October 2020 to 31 March 2021

	Cents
	(Per Stapled Security)
(a) Taxable income distribution	0.0033
(b) Capital distribution	0.1757
	<u>0.1790</u>

(c) Tax Rate

Taxable income distribution

Qualifying investors and individuals (other than those who held their stapled securities through a partnership) will receive pre-tax distributions. These distributions are exempted from tax in the hands of individuals unless such distributions are derived through a Singapore partnership or from the carrying on of a trade, business or profession.

Qualifying foreign non-individual investors will receive their distributions after deduction of tax at the rate of 10%.

All other investors will receive their distributions after deduction of tax at the rate of 17%.

Tax-exempt income distribution

Tax-exempt income distribution is exempt from tax in the hands of all Stapled Securityholders, regardless of their nationality, corporate identity or tax residence status. No tax will be deducted at source from such distribution. The tax-exempt income relates to tax-exempt dividend income received from subsidiaries by FH-REIT.

Capital distribution

The capital distribution represents a return of capital to Stapled Securityholders for Singapore income tax purposes and is therefore not subject to Singapore income tax. For Stapled Securityholders who are liable to Singapore income tax on profits from sale of Stapled Securities, the amount of capital distribution will be applied to reduce the cost base of their Stapled Securities for Singapore income tax purposes.

(d) Date payable

29 June 2022

(e) Record date

11 May 2022

8. If no dividend has been declared/recommended, a statement to that effect and the reason(s) for the decision.

FHT makes distributions to Stapled Securityholders on a semi-annual basis for every six-month period ending 31 March and 30 September.

9. If the Group has obtained a general mandate from holders for Interested Party Transactions ("IPT"), the aggregate value of such transactions as required under Rule 920(1)(a)(ii). If no IPT mandate has been obtained, please make a statement to that effect.

FHT has not obtained a general mandate from Stapled Securityholders for IPTs.

10. Additional information

(i) FHT's interests in Australia Land Trust

Australia's foreign investment regime can apply to acquisitions of shares and units offshore. The rules are complex, particularly having regard to acquisitions in entities that are not in Australia but that have downstream Australian assets. The rules were amended significantly on 1 January 2021 (following previous reforms in December 2015, and July 2017 and March 2020), with further reforms effective from 3 December 2021 and 1 April 2022. There is also administrative guidance from the Foreign Investment Review Board ("FIRB").

Therefore, investors should seek their own legal advice on the application of the FIRB regime to their individual circumstances.

Noting the above, investors who are "foreign persons" that acquire Stapled Securities may be required under the Australian Foreign Acquisitions and Takeovers Act 1975 (Cth) ("FATA") to notify and receive a no objection notification ("FIRB Clearance") prior to their investment in FHT with effect from 1 January 2021. This may be the case if:

- (a) FHT is an Australian Land Trust ⁽¹⁾ ("ALT") or a "national security business" and the investor is a "foreign person" who, together with its "associates", would hold a "direct interest", which is generally:
- (i) an interest of more than 10% in FHT;
 - (ii) an increase to an existing holding of 10% or more in FHT; or
 - (iii) an interest of less than 10% where the investor is in a position to influence or participate in the central management and control of the land entity or to influence, participate in or determine the policy of FHT or has a legal arrangement relating to the business of the investor or FHT;
- noting no monetary threshold applies in the above circumstances; or
- (b) the investor is a "foreign person" who, together with its "associates", would hold a "substantial interest", which is generally :
- (i) an interest of more than 20% in FHT;
 - (ii) an increase to an existing holding of 20% or more in FHT; or
 - (iii) an interest of less than 20% where the investor has veto power, and the interest being acquired is valued in excess of the applicable monetary threshold being:
 - (i) nil, if the investor is also a "foreign government investor";
 - (ii) nil, if FHT holds any "national security land";
 - (iii) nil, if FHT has a downstream Australian trust that is an ALT and more than 10% of the land in that trust is considered to be vacant land, residential land, mining or production tenements; or
 - (iv) nil, if FHT has a downstream Australian trust that is an ALT and the ALT is valued in excess of A\$61.0 million if the trust holds sensitive commercial land or A\$281.0 million if the trust does not hold any sensitive commercial land.

FHT has no reason to believe as at the date of this announcement that it is a "national security business" or that it holds any "national security land".

As at 31 March 2022, the value of the Australian assets comprised in FHT's portfolio is approximately 32.3% of the total asset value of FHT. Consequently, FHT is not considered to be an ALT.

FHT has a number of downstream trusts that are ALTs in Australia and at least one of them holds interests in sensitive commercial land and is valued in excess of A\$61.0 million. Investors proposing to acquire an interest of 20% or more in FHT together with associates or to increase their interest to 20% or more are invited to inquire with FHT at the relevant time in respect of the composition of the assets held by FHT. While FHT does not expect that it will hold sufficient vacant land or residential land or any mining or production tenements in Australia to trigger a mandatory filing requirement, such investors will need to consider their position with respect to the broad 'tracing' provisions that apply to substantial interests.

Please note that, depending on which situation applies to an investor, prior notification and FIRB Clearance may not be mandatory, but rather a voluntary notification may be made to the Australian Treasurer, either due to a "significant action", or where a "reviewable national security action" arises. Despite such notification being voluntary, the Australian Treasurer is able to call in and review such transactions that have not been cleared by FIRB for a period of up to 10 years on national security grounds, even after they have completed. Accordingly, in some circumstances, it may be prudent for an investor to seek FIRB Clearance on a voluntary basis, as it will preclude the Australian Treasurer from using these call in powers. Nonetheless, the Australian Treasurer has also been given a 'last resort' power under the current FIRB regime to impose conditions, vary existing conditions, or even require the divestment, of an investment previously approved by FIRB in certain circumstances and where national security risks emerge.

Any investor acquiring Stapled Securities on the secondary market should seek their own advice on the FIRB requirements as they pertain to their specific circumstances.

The terms "foreign person", "foreign government investor", "direct interest", "associate", "reviewable national security action", "national security business", "vacant land", "residential land", "mining and production tenement", "national security land" and "substantial interest" have the meaning given to these terms in the FATA. Please note that these terms apply broadly and investors should seek their own legal advice regarding their application.

⁽¹⁾ An ALT is a unit trust in which the value of interests in Australian land exceeds 50% of the value of the total assets of the unit trust.

10. Additional information (Cont'd)

(ii) Update on FH-REIT's Managed Investment Trust ("MIT") Status

Since the initial public offering ("IPO") in July 2014, FH-REIT's wholly-owned subsidiary, FHT Australia Trust ("FHTAT"), had qualified as a withholding managed investment trust ("MIT") to enjoy a concessional withholding tax rate at 15% on FHTAT's distributions to FH-REIT. To qualify as a withholding MIT and to enjoy this concessional Australian withholding tax rate, there are several conditions that must be met and, among other requirements, no individual (who is not a tax resident of Australia, i.e. "Foreign Individual") can directly or indirectly hold, control, or have the right to acquire an interest of 10.0% or more in FH-REIT (and therefore, FHTAT) at any time during the income year. As mentioned in the prospectus at IPO, there are no stipulated limits on how many Stapled Securities an investor may acquire. FH-REIT therefore continuously monitors investor percentage holdings to determine whether this requirement is met in respect of each year in which FHTAT seeks to qualify as a withholding MIT. If FHTAT does not qualify as a withholding MIT, the distributions from FHTAT would be subject to Australian tax at 30.0% (where the unitholder is a company) or 45.0% (where the unitholder is a trust). As FHTAT is 50% directly held by FH-REIT and 50% directly held by a wholly-owned subsidiary of FH-REIT, this brings the effective tax rate to 37.5% on distributions made by FHTAT if it does not qualify as a withholding MIT. This will have an adverse impact on the income of FH-REIT which will in turn impact the income available for distribution to the Stapled Securityholders.

On 10 February 2021, Frasers Property Limited ("FPL") announced a proposed renounceable rights issue to issue up to 1,085,291,114 shares in FPL ("FPL Shares") at S\$1.18 per share (the "FPL Rights Issue"). On 5 April 2021, FPL completed the FPL Rights Issue with a subscription rate of 90.6%, and issued 982,866,444 new FPL Shares. TCC Assets Limited ("TCCA") and InterBev Investment Limited ("IBIL") jointly held 86.63% stake in FPL prior to the FPL Rights Issue. Pursuant to the irrevocable undertakings issued by each of TCCA and IBIL, TCCA and IBIL had subscribed for their prorata entitlements under the FPL Rights Issue and were allotted and issued an aggregate of 940,172,872 FPL Shares. As the overall subscription rate in the FPL Rights Issue was at 90.6%, TCCA and IBIL's joint effective stake in FPL, had increased from 86.63% to 88.89% as a result of the FPL Rights Issue. This increase in TCCA and IBIL's effective stake in FPL consequently resulted in two Foreign Individuals, each in their individual capacity, to hold an effective indirect interest of more than 10.0% in FH-REIT, and also an effective indirect interest of more than 10.0% in FHTAT. Prima facie, this caused FHTAT to breach the 10% foreign resident individual test, which is a requirement to qualify as a withholding MIT for the income year ended 30 September 2021. This failure to meet the 10% foreign resident individual test was beyond the control of FHTAT and FH-REIT as it arose from a corporate exercise at FPL shareholder's level.

On 14 May 2021, TCCA sold 70 million FPL Shares to TCC Group Investments Limited (the "FPL Share Sale") based on the closing market price as at 14 May 2021. The completion of the FPL Share Sale on 14 May 2021 (with settlement occurring on 18 May 2021) resulted in a decrease in TCCA and IBIL's effective stake in FPL, and the relevant Foreign Individuals' effective interest in FH-REIT was reduced to less than 10.0% each. Consequently, FHTAT no longer breached the 10% foreign resident individual test.

On 8 June 2021, FHTAT made an application for a private ruling to the Australian Tax Office ("ATO") to confirm that FHTAT is a withholding MIT for year ended 30 September 2021, on the basis that FHTAT's technical breach of the 10% foreign resident individual test was temporary and was unintended as it arose purely from a corporate exercise at FPL shareholder's level issue, which was beyond the control of FHTAT and FH-REIT. To date, FHTAT is awaiting the ATO's formal written confirmation that FHTAT is a withholding MIT for the income year ended 30 September 2021.

Nevertheless, as FHTAT is in a tax loss position and is not making any distribution to its unitholders for the income year ended 30 September 2021, there should not be any Australian withholding tax which is applicable to FHTAT. Accordingly, whether or not the withholding MIT concessional withholding tax rate of 15% is available or not should not have any practical implications for FHTAT or its unitholders.

As FHTAT's withholding MIT status is assessed every income year, the temporary breach in the 2021 income year should not impact the withholding MIT status of FHTAT for the income year ending 30 September 2022.

11. Confirmation pursuant to Rule 720(1) of the SGX-ST Listing Manual

The Managers confirm that they have procured undertakings from all their Directors and Executive Officers (in the format set out in Appendix 7.7) pursuant to Rule 720(1) of the SGX-ST Listing Manual.

12. Confirmation pursuant to Rule 705(5) of the SGX-ST Listing Manual

We confirm that to the best of our knowledge, nothing has come to the attention of the Board of Directors of each of Frasers Hospitality Asset Management Pte. Ltd. (as manager of FH-REIT) and Frasers Hospitality Trust Management Pte. Ltd. (as trustee-manager of FH-BT) which may render these financial results to be false or misleading, in any material aspect.

For and on behalf of the Board of Directors of

Frasers Hospitality Asset Management Pte. Ltd.

Frasers Hospitality Trust Management Pte. Ltd.

Law Song Keng
Director

Panote Sirivadhanabhakdi
Director

BY ORDER OF THE BOARD

Frasers Hospitality Asset Management Pte. Ltd.

(Company registration no. 201331351D)

As manager of Frasers Hospitality Real Estate Investment Trust

Frasers Hospitality Trust Management Pte. Ltd.

(Company registration no. 201401270M)

As trustee-manager of Frasers Hospitality Business Trust

Catherine Yeo
Company Secretary
29 April 2022

IMPORTANT NOTICE

This announcement may contain forward-looking statements that involve risks and uncertainties. Actual future performance, outcomes and results may differ materially from those expressed in forward-looking statements as a result of a number of risks, uncertainties and assumptions. Representative examples of these factors include (without limitation) general industry and economic conditions, interest rate trends, cost of capital and capital availability, competition from similar developments, shifts in expected levels of average daily room rates and occupancy, changes in operating expenses (including employee wages, benefits and training costs), property expenses, governmental and public policy changes and the continued availability of financing in the amounts and the terms necessary to support future business.

Investors are cautioned not to place undue reliance on these forward-looking statements, which are based on the Managers' current view on future events.

The value of the Stapled Securities and the income derived from them, may fall as well as rise. Stapled Securities are not obligations of, deposits in, or guaranteed by, the Managers, Perpetual (Asia) Limited (the Trustee of FH-REIT) or any of their affiliates. An investment in Stapled Securities is subject to investment risks, including the possible loss of the principal amount invested. Investors have no right to request that the Managers redeem or purchase their Stapled Securities while the Stapled Securities are listed. It is intended that holders of Stapled Securities may only deal in their Stapled Securities through trading on SGX-ST. Listing of the Stapled Securities on the SGX-ST does not guarantee a liquid market for the Stapled Securities.

The past performance of FHT is not necessarily indicative of the future performance of FHT.

Any discrepancies in the tables included in this announcement between the listed amounts and total thereof are due to rounding.