Frasers Hospitality Trust

5th Annual General Meeting

14 January 2020



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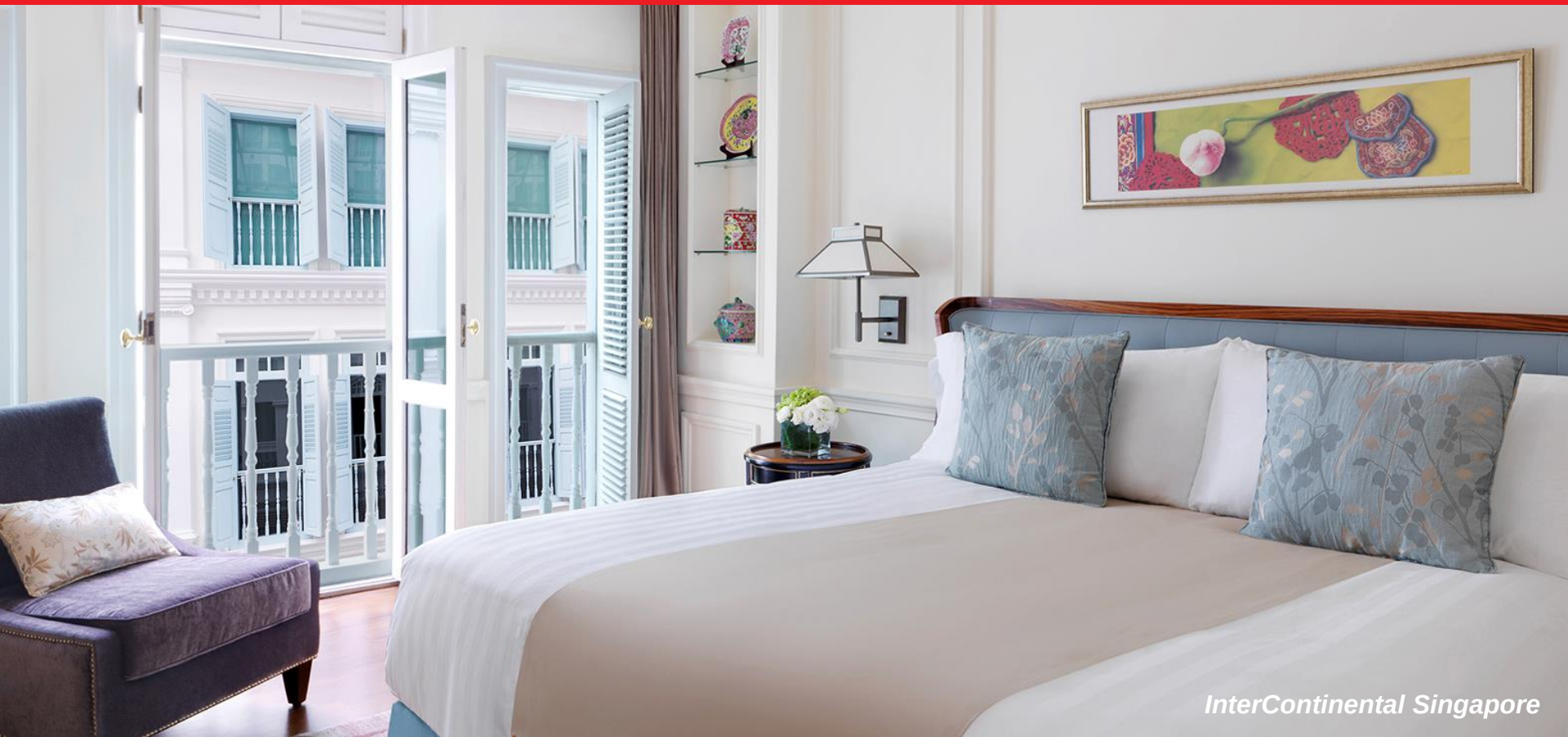
This advertisement has not been reviewed by the Monetary Authority of Singapore.

Any discrepancies in the figures included herein between the listed amounts and total thereof are due to rounding.

Contents

- FY2019 in Review
- Portfolio Review
- Asset Enhancement Initiatives

FY2019 in Review



InterContinental Singapore

Quality Portfolio Across Geography



15 properties	9 cities	3,913 keys	SGD 2.33 b portfolio value

Financial Review for FY2019

SGD m	FY2019	FY2018	Variance
GR (Gross Revenue)	149.8	155.9	▼ 3.9%
NPI (Net Property Income)	111.7	117.0	▼ 4.6%
DI (Distribution Income)	83.9	89.4	▼ 6.1%
DPS (Distribution per Stapled Security)	4.4129 cents	4.7613 cents	▼ 7.3%

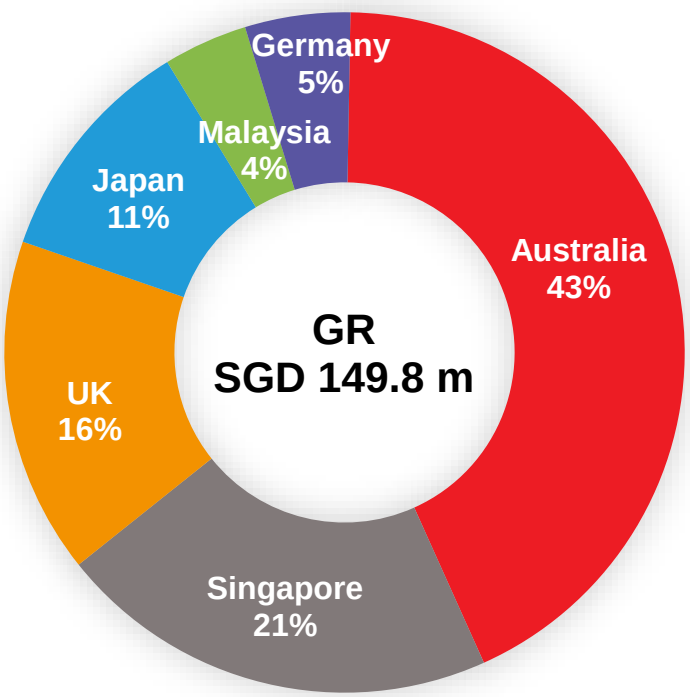
- GR and NPI declined yoy (year-on-year) by 3.9% and 4.6% respectively due mainly to weaker performances of the Australia and Malaysia portfolios which were partially mitigated by better performances of the Singapore and UK portfolios.
- Foreign exchange also impacted approximately 80% and 60% of the decline in GR and NPI respectively.
- With a lower NPI and the absence of a write-back of tax provision which took place in 4Q FY2018, DI decreased 6.1% yoy while DPS was 7.3% lower at 4.4129 cents.

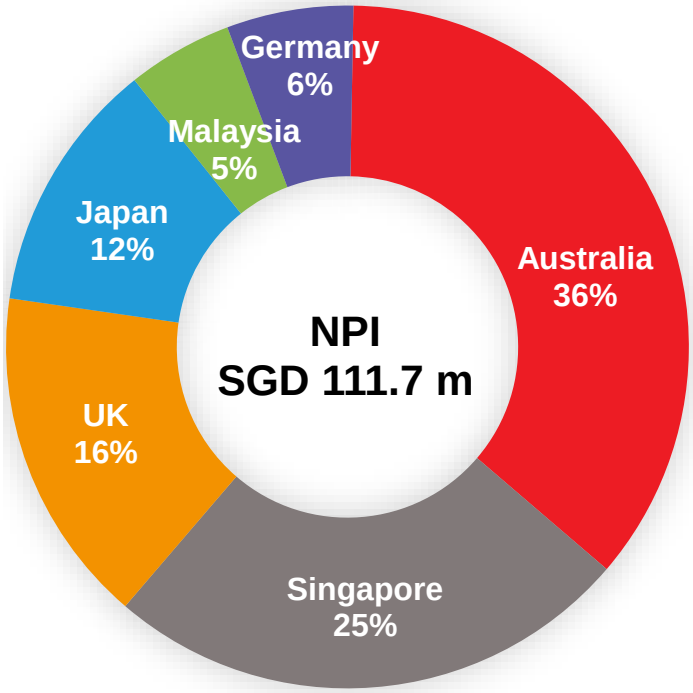
Financial Review for 4Q FY2019

SGD m	4Q FY2019	4Q FY2018	Variance
GR	39.5	38.7	▲ 2.1%
NPI	30.0	29.4	▲ 2.3%
DI	22.3	23.0	▼ 2.9%
DPS	1.1655 cents	1.2154 cents	▼ 4.1%

- GR and NPI improved yoy due to better overall portfolio performance.
- Singapore portfolio recorded higher room rates at higher occupancy levels of above 90%.
- UK portfolio continued to benefit from weaker GBP, with all properties recording healthy gains in RevPAR (revenue per available room).
- Japan portfolio reported higher room and F&B (food and beverage) revenue, boosted by events including Rugby World Cup 2019.
- Australia portfolio remained affected by challenging trading environment in Sydney and Melbourne.
- Foreign exchange impact also offset 60% and 55% of the increase in GR and NPI respectively.
- Notwithstanding the higher NPI, DI declined 2.9% yoy as 4Q FY2018 DI included a write-back of tax provision. DPS was 1.1655 cents, 4.1% lower yoy.

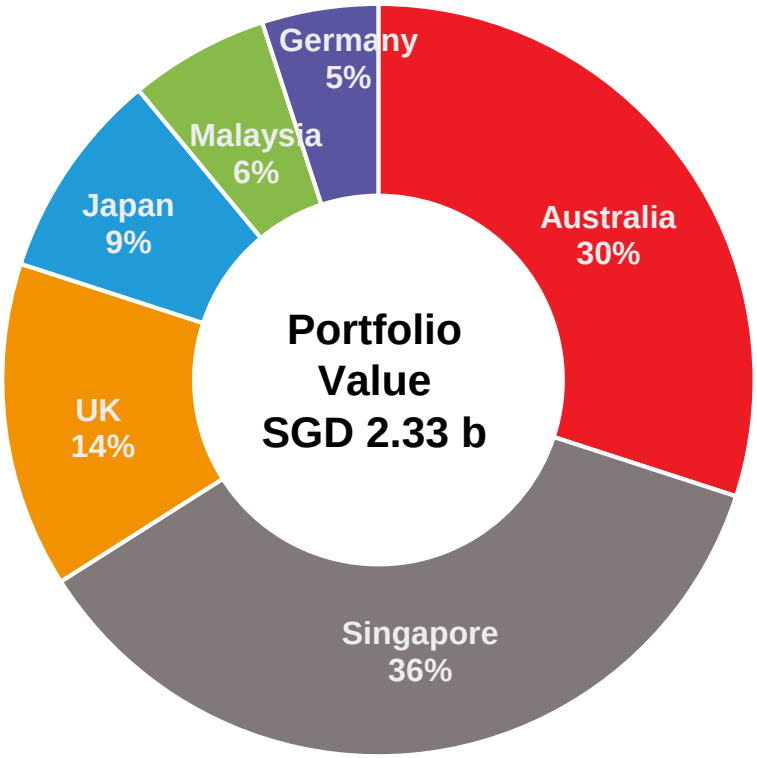
Portfolio Contribution by Country for FY2019





Portfolio Valuation as at 30 Sep 2019

Country	Valuation as at 30 Sep 2019 (SGD m)	Valuation as at 30 Sep 2018 (SGD m)	Variance in SGD	Variance in Local Currency
Australia	709.2	793.6	-10.6%	-5.2%
Singapore	837.0	832.0	0.6%	0.6%
UK	326.4	337.1	-3.2%	1.5%
Japan	215.0	194.7	10.4%	4.3%
Malaysia	138.2	138.7	-0.4%	–
Germany	104.5	104.2	0.3%	5.5%
Total	**2,330.3**	**2,400.3**	**-2.9%**	

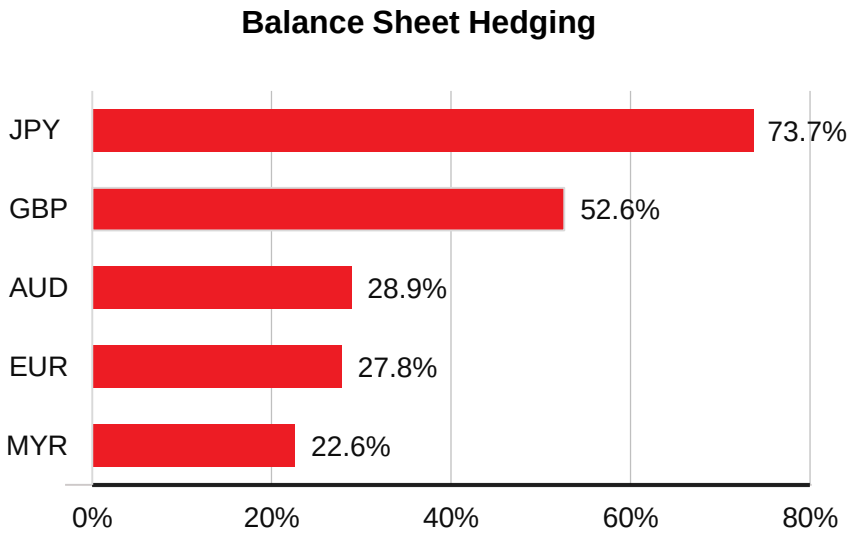


- All country portfolios (in local currency) saw yoy growth in valuation except Australia while valuation for Malaysia portfolio was unchanged yoy.
- Valuation for Australia portfolio was lower due to weaker performance and ongoing challenging market conditions in Sydney and Melbourne.
- In SGD, total portfolio valuation declined 2.9% yoy due to depreciation of all functional currencies, except JPY.

Proactive Capital Management

- Healthy balance sheet, with gearing at 35.1%.
- Natural hedging for overseas assets through borrowings and cross currency swaps in foreign currencies to achieve loan-to-valuation range of 20% to 80%.

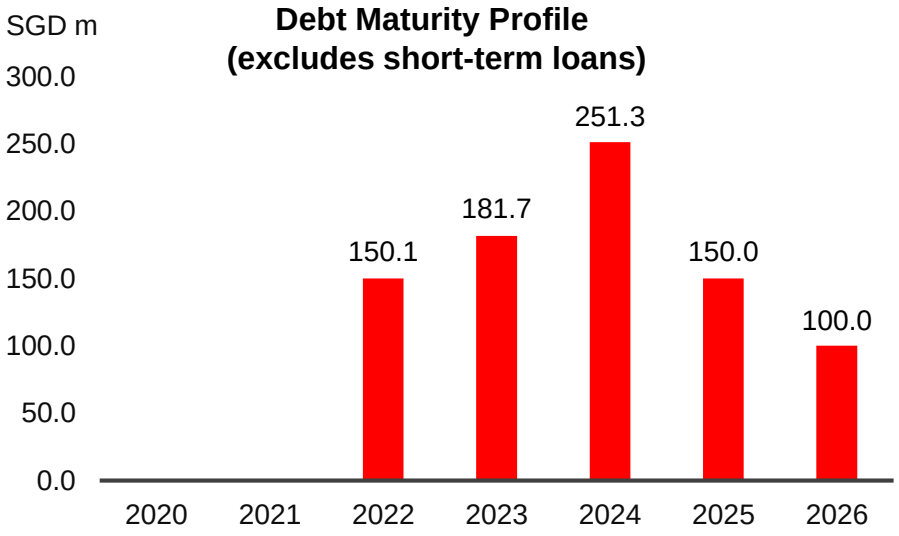
As at 30 Sep 2019	
Investment Properties	SGD 2,107.0 m
Property, Plant and Equipment	SGD 223.4 m
Total Assets	SGD 2,446.5 m
Total Borrowings	SGD 854.2 m
Gearing	35.1%
Net Asset Value per Stapled Security	SGD 0.73



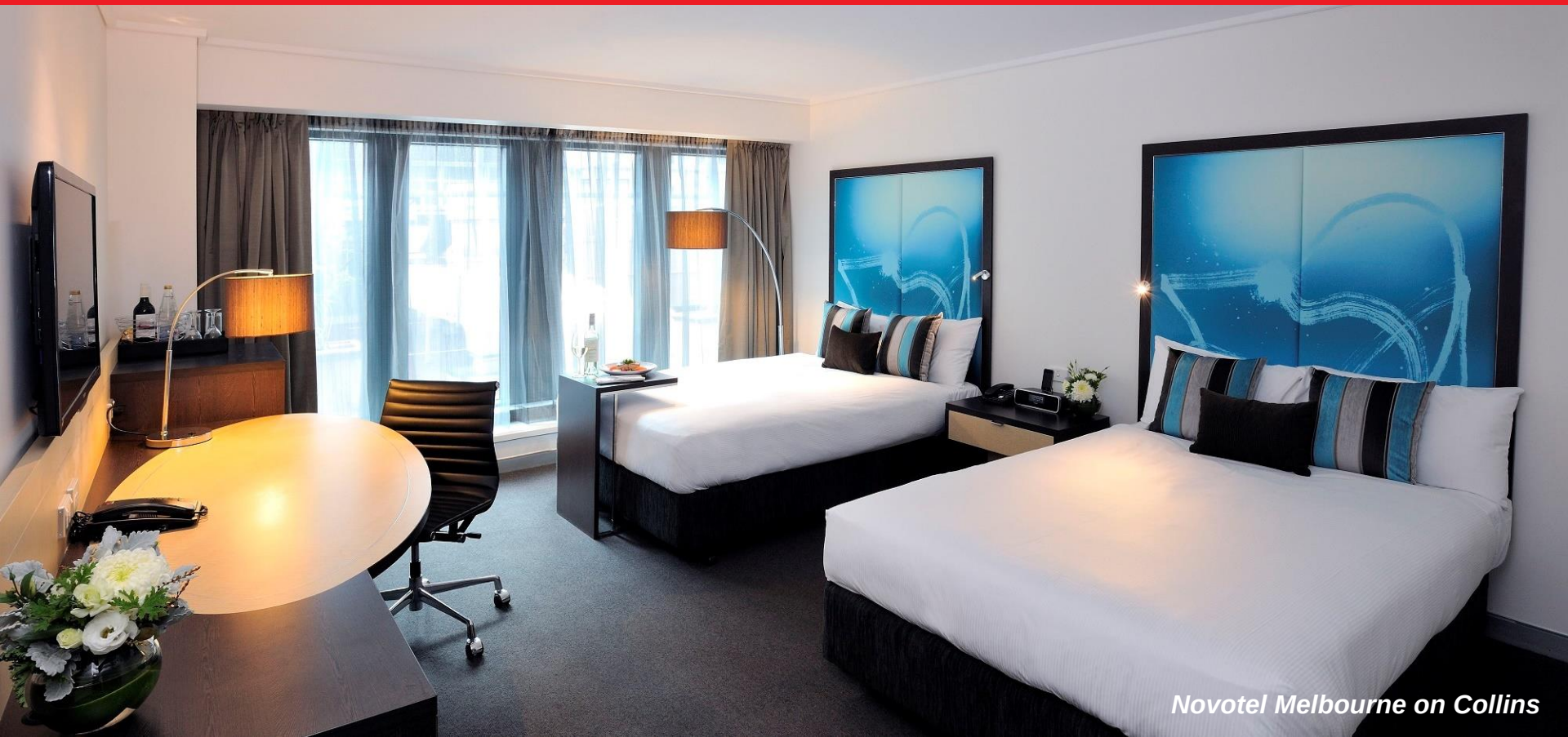
Prudent Risk Management

- Weighted average debt to maturity has been extended to 4.63 years. No loan maturities due until 2022.
- Borrowings are widely spread out across 2022 to 2026, with no more than 30% debt due in any one year.
- Nearly all assets are unencumbered, providing both financial and operational flexibility.
- Fixed-rate debt of 68.9% limits exposure to any interest rate hikes.
- Healthy interest cover ratio of 4.7 times.

As at 30 Sep 2019	
Weighted Average Debt to Maturity	4.63 years
Unsecured Debt	96.2%
Effective Cost of Borrowing	2.5%
Borrowings on Fixed Rates	68.9%
Interest Cover	4.7 times
FHT's Issuer Rating by Moody's	Baa2



Portfolio Review



Novotel Melbourne on Collins

Portfolio Highlights By Country for FY2019

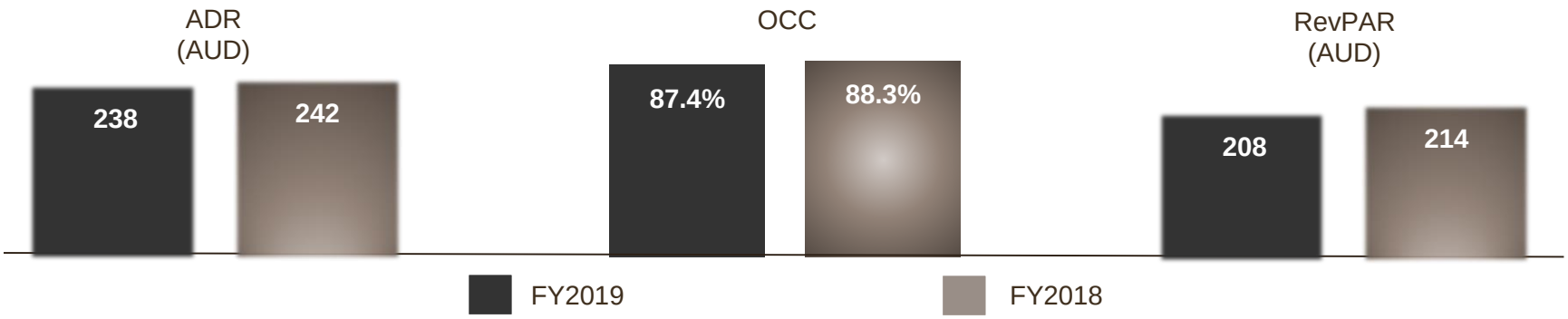
Country	FY2019			
	Gross Operating Revenue (GOR)		Gross Operating Profit (GOP)	
	Local Currency (m)	Variance (yoy)	Local Currency (m)	Variance (yoy)
Australia	126.3	▼ 1.3%	53.4	▼ 3.6%
Singapore	89.5	▲ 1.6%	37.1	▲ 3.5%
UK	27.3	▲ 9.1%	14.3	▲ 6.9%
Japan	6,118.8	▲ 0.7%	1,717.1	▼ 0.7%
Malaysia	85.7	▼ 3.2%	23.9	▼ 12.9%
Germany	11.4	▲ 1.1%	4.6	▼ 3.1%

Australia Portfolio Performance

AUD m	FY2019	FY2018	Variance
GOR	126.3	128.0	▼ 1.3%
GOP	53.4	55.4	▼ 3.6%

- **Novotel Melbourne on Collins (NMOC)**
- **Sofitel Sydney Wentworth (SSW)**
- **Novotel Sydney Darling Square (NSDS)**
- **Fraser Suites Sydney (FSS)**

- Australia portfolio's GOR and GOP declined yoy by 1.3% and 3.6% respectively.
- Challenging trading environment and increased room supply in Sydney and Melbourne have resulted in declining room rates and occupancy.
- Notwithstanding that Australia portfolio RevPAR was 2.9% lower yoy, all properties performed in line with the market.
- NSDS and NMOC bucked the trend, reporting RevPAR growth of 2.4% and 0.2% respectively.

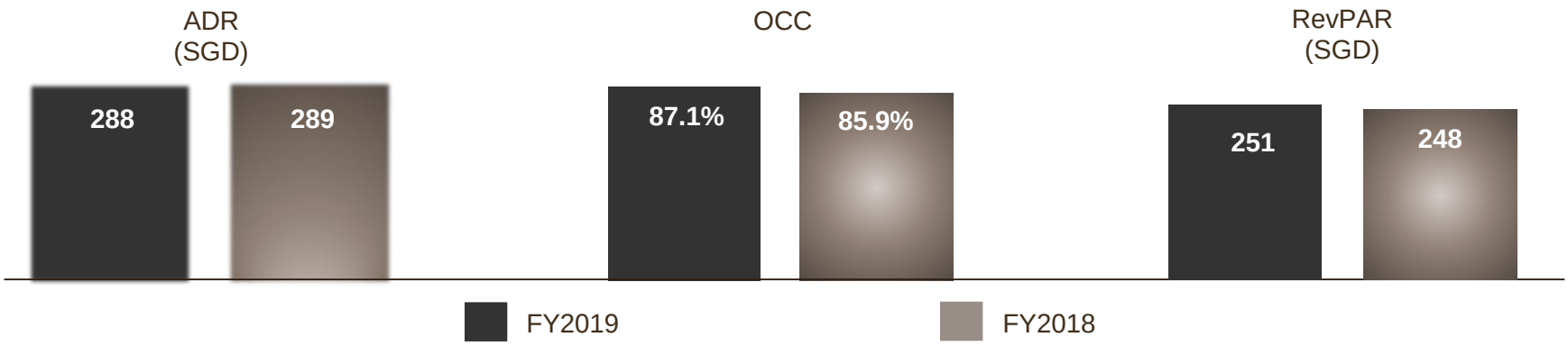


Singapore Portfolio Performance

SGD m	FY2019	FY2018	Variance
GOR	89.5	88.1	▲ 1.6%
GOP	37.1	35.8	▲ 3.5%

- **InterContinental Singapore (ICSG)**
- **Fraser Suites Singapore (FSSG)**

- Singapore portfolio registered a 1.6% increase in GOR and 3.5% increase in GOP yoy.
- Portfolio RevPAR improved 1.3% yoy on the back of higher occupancy and F&B revenue was also higher.
- Better GOP performance was attributed to increased operational efficiency and cost savings at both properties.

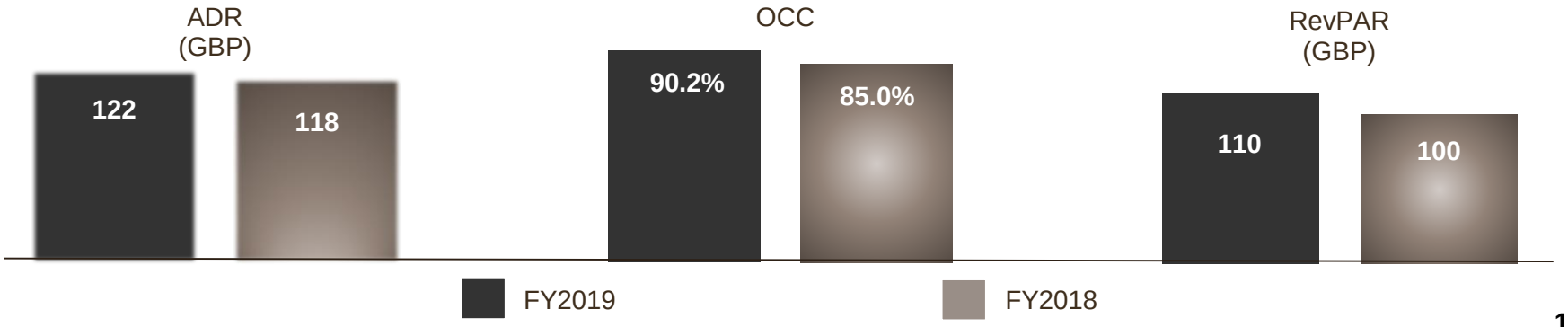


UK Portfolio Performance

GBP m	FY2019	FY2018	Variance
GOR	27.3	25.0	▲ 9.1%
GOP	14.3	13.4	▲ 6.9%

- **ibis Styles London Gloucester Road (ISLG)**
- **Fraser Place Canary Wharf (FPCW)**
- **Fraser Suites Glasgow (FSG)**
- **Park International London (PIL)**
- **Fraser Suites Edinburgh (FSE)**
- **Fraser Suites Queens Gate (FSQG)**

- The UK portfolio's GOR and GOP rose yoy by 9.1% and 6.9% respectively.
- Weaker GBP has boosted tourism in the UK, resulting in strong leisure demand.
- Portfolio RevPAR was 9.2% above the levels in FY2018, with all properties reporting RevPAR growth and gains in market share.

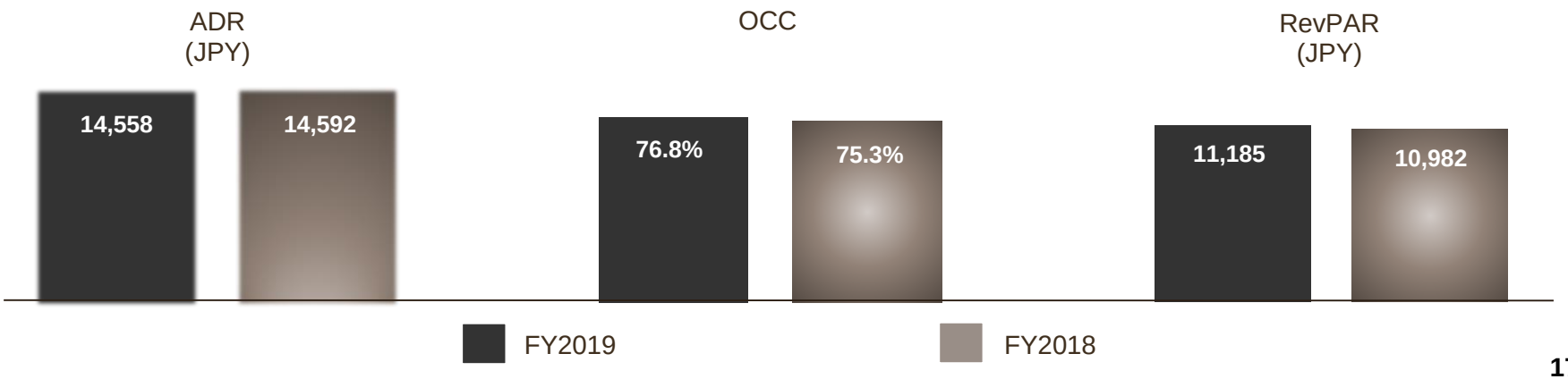


Japan Portfolio Performance

JPY m	FY2019	FY2018	Variance
GOR	6,118.8	6,075.8	▲ 0.7%
GOP	1,717.1	1,729.8	▼ 0.7%

- **ANA Crowne Plaza Kobe (CPK)**

- CPK's GOR increased 0.7% yoy due to higher room and banquet revenue. This was despite its lacklustre performance in the first quarter, in the aftermath of 2 severe typhoons.
- Its RevPAR improved 1.8% yoy on the back of higher occupancy.
- Notwithstanding the higher GOR and an improvement in operating costs through efficiency, CPK recorded lower GOP in the absence of a write-back of overprovision for operating expenses which were no longer required.

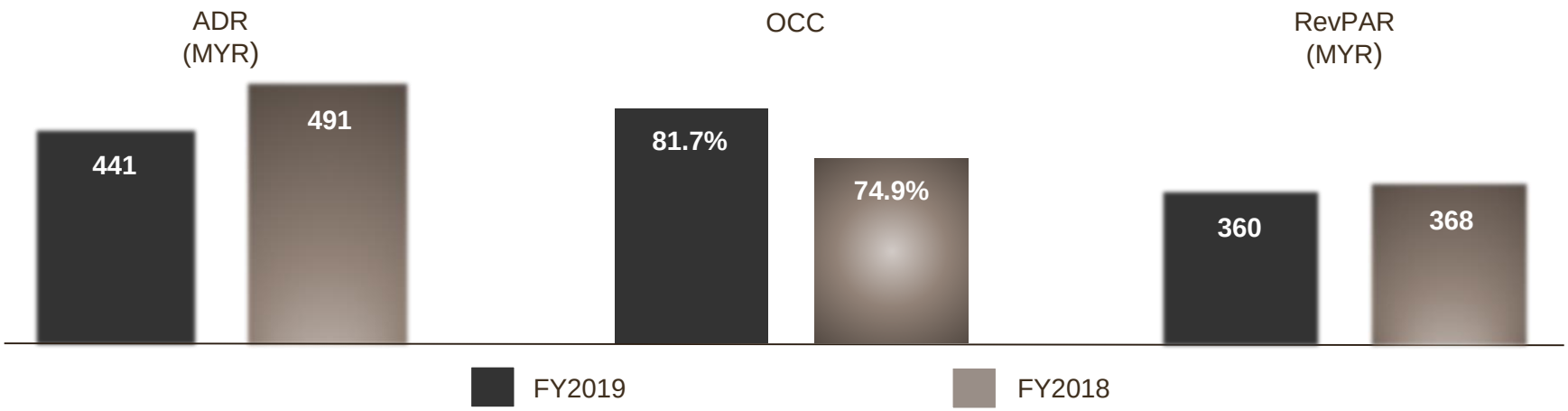


Malaysia Portfolio Performance

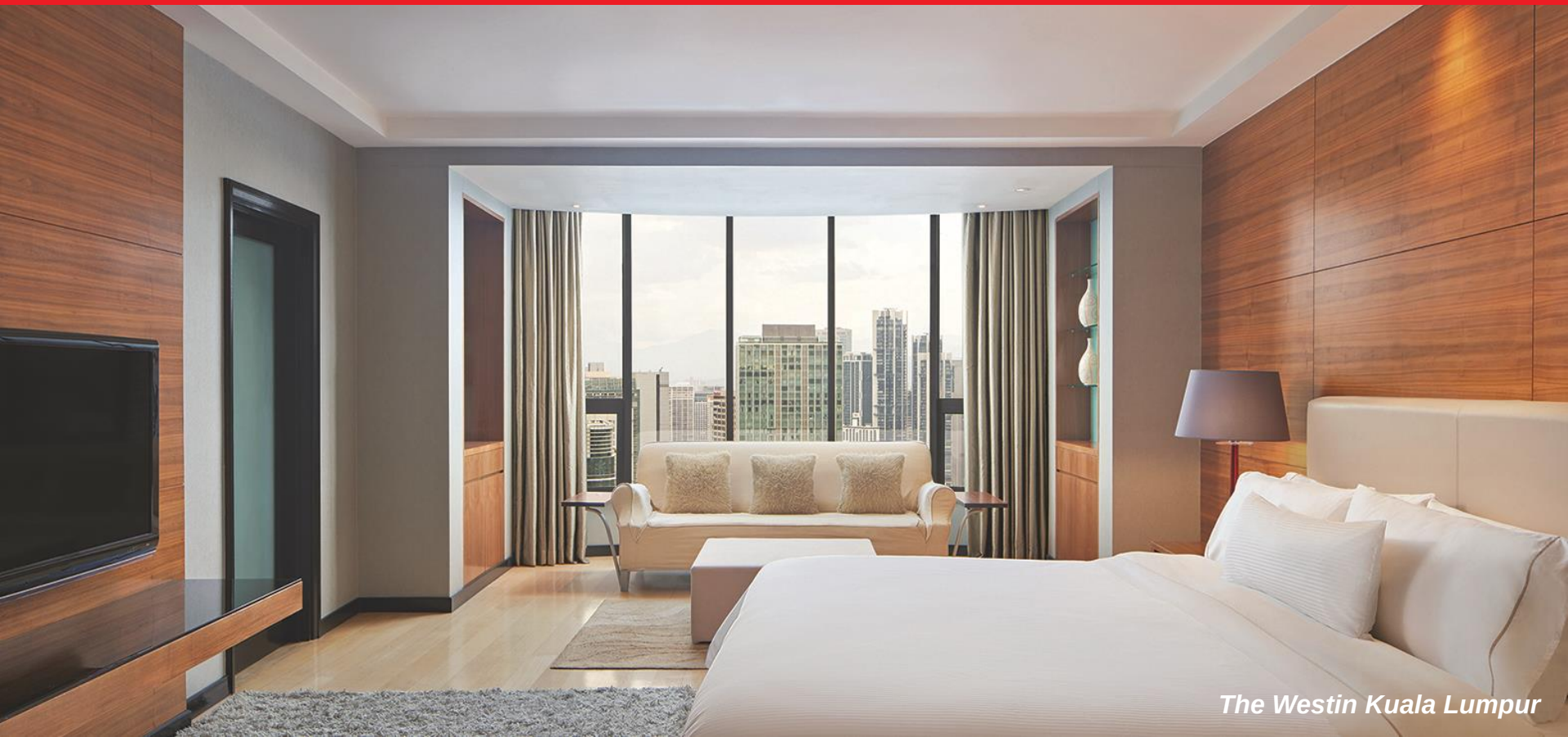
MYR m	FY2019	FY2018	Variance
GOR	85.7	88.6	▼ 3.2%
GOP	23.9	27.4	▼ 12.9%

- **The Westin Kuala Lumpur (TWKL)**

- TWKL's GOR and GOP decreased yoy by 3.2% and 12.9% respectively, due mainly to softer corporate demand, compounded by increased competition from new supply in the market.
- Despite achieving a higher occupancy of 81.7%, its RevPAR declined 2.3% yoy.
- TWKL continued to outperform its peers and the market in terms of RevPAR growth.



Asset Enhancement Initiatives (AEI)



The Westin Kuala Lumpur

Recent Asset Enhancement Initiative

ibis Styles London Gloucester Road (ISLG) – formerly Best Western Cromwell London

- Renovation to reposition the hotel in line with the ibis Styles brand was completed in Feb 2019.
- Total cost of renovation was GBP 2.2 m.



ISLG Lobby



ISLG Double Room

Other Potential Asset Enhancement Initiatives

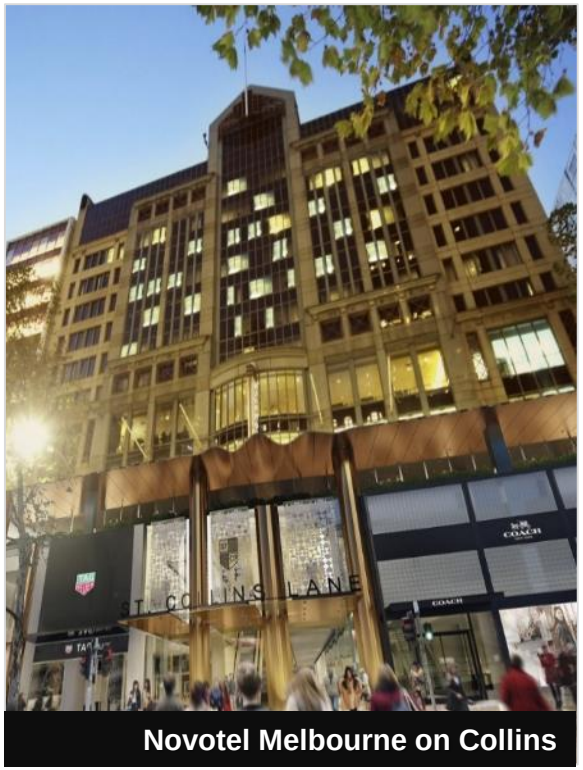
- ANA Crowne Plaza Kobe
- Park International London
- Novotel Melbourne on Collins



ANA Crowne Plaza Kobe



Park International London



Novotel Melbourne on Collins

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Experience matters.

