THIS ANNOUNCEMENT IS NOT AN OFFER FOR SALE OF SECURITIES IN THE UNITED STATES (INCLUDING ITS TERRITORIES AND POSSESSIONS, ANY STATE OF THE UNITED STATES AND THE DISTRICT OF COLUMBIA), CANADA, JAPAN, OR ANY OTHER JURISDICTION. ANY SECURITIES WHICH ARE THE SUBJECT OF SUCH OFFER HAVE NOT BEEN, AND WILL NOT BE, REGISTERED UNDER THE UNITED STATES SECURITIES ACT OF 1933, AS AMENDED (THE "SECURITIES ACT"), OR THE SECURITIES LAWS OF ANY STATE OF THE UNITED STATES OR OTHER JURISDICTION, AND MAY NOT BE OFFERED OR SOLD WITHIN THE UNITED STATES UNLESS REGISTERED UNDER THE SECURITIES ACT OR PURSUANT TO AN EXEMPTION FROM, OR IN A TRANSACTION NOT SUBJECT TO, THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT AND ANY APPLICABLE U.S. STATE OR LOCAL SECURITIES LAWS. NO PUBLIC OFFERING OF SECURITIES IS BEING MADE IN THE UNITED STATES.

Comprising

FRASERS HOSPITALITY REAL ESTATE INVESTMENT TRUST	**FRASERS HOSPITALITY BUSINESS TRUST**
(a real estate investment trust constituted on 12 June 2014 under the laws of the Republic of Singapore)	(a business trust constituted on 20 June 2014 under the laws of the Republic of Singapore)
managed by **Frasers Hospitality Asset Management Pte. Ltd.**	managed by **Frasers Hospitality Trust Management Pte. Ltd.**

ANNOUNCEMENT

RECEIPT OF APPROVAL IN-PRINCIPLE FOR OFFERING OF NEW STAPLED SECURITIES IN FRASERS HOSPITALITY TRUST ("FHT")

Further to the announcement dated 25 June 2015, Frasers Hospitality Asset Management Pte. Ltd., as manager of Frasers Hospitality Real Estate Investment Trust ("**FH-REIT**", and the manager of FH-REIT, the "**REIT Manager**"), and Frasers Hospitality Trust Management Pte. Ltd., as trustee-manager of Frasers Hospitality Business Trust ("**FH-BT**", and the trustee-manager of FH-BT, the "**Trustee-Manager**", and together with the REIT Manager, the "**Managers**"), wish to announce that approval in-principle has been obtained today from Singapore Exchange Securities Trading Limited (the "**SGX-ST**") for the listing of, dealing in, and quotation for, 150,000,000 new stapled securities in FHT ("**New Stapled Securities**") which are proposed to be issued pursuant to the private placement of New Stapled Securities at an issue price of S$0.820 per New Stapled Security (the "**Private Placement**"), on the Main Board of the SGX-ST.

The SGX-ST's in-principle approval is subject to the following:

(i) compliance with the SGX-ST's listing requirements;

(ii) stapled securityholders of FHT having approved the Private Placement;

DBS Bank Ltd. is the Sole Global Coordinator and Issue Manager of the initial public offer of the stapled securities in FHT (the "**Offering**"). DBS Bank Ltd., Morgan Stanley Asia (Singapore) Pte., Standard Chartered Securities (Singapore) Pte. Limited, and United Overseas Bank Limited are the joint bookrunners and underwriters for the Offering.

(iii) submission of a written undertaking from the Managers that they will comply with Rule 704(30) and Rule 1207(20) of the listing manual of the SGX-ST (the "**Listing Manual**") in relation to the use of the proceeds from the Private Placement and where proceeds are to be used for working capital purposes, the Managers will disclose a breakdown with specific details on the use of proceeds for working capital in FHT's announcements on use of proceeds and in the annual report;

(iv) submission of a written undertaking from the Managers that they will comply with Rule 803 of the Listing Manual;

(v) submission of a written undertaking from the Lead Manager and Underwriter that they will ensure that the Managers will comply with Rule 803 of the Listing Manual;

(vi) submission of a written confirmation from the Managers that they will not issue the New Stapled Securities to persons prohibited under Rule 812(1) of the Listing Manual; and

(vii) submission of a written confirmation from the Lead Manager and Underwriter that the New Stapled Securities will not be placed out to persons prohibited under Rule 812(1) of the Listing Manual.

The SGX-ST's approval in-principle is not to be taken as an indication of the merits of the Private Placement, the New Stapled Securities, FHT, FH-REIT, FH-BT and/or their subsidiaries.

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)

Piya Treruangrachada

Company Secretary

2 July 2015

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 property rental income, changes in operating expenses, (including employee wages, benefits and training costs), property expenses and 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, if any, may fall or rise. The Stapled Securities are not obligations of, deposits in, or guaranteed by, the Managers, the REIT Trustee or any of its affiliates. An investment in Stapled Securities is subject to investment risks, including the possible loss of the principal amount invested.

This announcement is for information only and does not constitute an invitation or offer to acquire, purchase or subscribe for Stapled Securities in the United States. This announcement is not for publication or distribution, directly or indirectly, in or into the United States (including its territories and possessions, any state of the United States and the District of Columbia), Canada or Japan. The Stapled Securities referred to herein have not been, and will not be, registered under the Securities Act, or the securities laws of any state of the United States or other jurisdiction, and the Stapled Securities may not be offered or sold in the United States, absent registration or an exemption from, the registration requirements under the Securities Act and applicable state or local securities laws. No public offering of securities is being made in the United States.

Investors should note that they have no right to request the Managers to redeem their Stapled Securities while the Stapled Securities are listed. It is intended that Stapled Securityholders may only deal in their Stapled Securities through trading on the SGX-ST. Listing of the Stapled Securities on the SGX-ST does not guarantee a liquid market for the Stapled Securities.

This announcement is for information only and does not constitute an invitation or offer to acquire, purchase or subscribe for the Stapled Securities. The past performance of FHT and the Managers is not necessarily indicative of the future performance of FHT and the Managers.

Foreign Investment Regime of Australia

Australia's foreign investment regime is set out in the Australian Foreign Acquisitions and Takeovers Act 1975 (the "**FATA**") and the Australian Government's Foreign Investment Policy (the "**Policy**").

Investors in Stapled Securities who are 'foreign persons' for the purposes of Australia's foreign investment regime are required under the FATA or the Policy to notify and receive a prior statement of no objection ("**FIRB Clearance**") to their investment in FHT from the Australian Treasurer, through the Foreign Investment Review Board ("**FIRB**") if any of the circumstances set out below apply at the time Stapled Securities are acquired.

(i) if either FH-REIT or FH-BT is considered to be an AULTE at the time of acquisition, all foreign persons acquiring Stapled Securities (including existing holders of Stapled Securities acquiring additional Stapled Securities) will require FIRB Clearance;

(ii) if FHT has gross Australian assets in excess of a specified threshold prescribed under FATA (as at the date of this announcement, the threshold prescribed under FATA is A$252.0 million) at the time of acquisition, all investors (i) who are foreign persons and (ii) who are acquiring a Substantial Interest in FHT or have a Substantial Interest and increase their holding, will require FIRB Clearance; or

(iii) any investor that is a Foreign Government Investor making a 'direct investment' in FHT will require FIRB Clearance at the time of acquisition, regardless of whether FH-REIT or FH-BT is considered to be an AULTE or whether FHT has gross Australian assets in excess of A$252.0 million.

An explanation of key terms under Australia's foreign investment regime is set out below.

Australian Urban Land Trust Estate

An "AULTE" is an "Australian urban land trust estate" under the FATA. A trust estate is an AULTE under the FATA if the value of its interests in Australian urban land (being any land in Australia that is not used for a primary production business) exceeds 50% of the total value of its assets.

Foreign Government Investor

A Foreign Government Investor is:

(i) a foreign government, their agency or related entity (for example, state-owned enterprises and sovereign wealth funds) ("**Foreign Government**");

(ii) a corporation in which a Foreign Government has an interest (direct or indirect) of 15% or more;

(iii) a corporation in which two or more Foreign Governments have an aggregate interest (direct or indirect) of 40% or more; or

(iv) an entity that is otherwise controlled by a Foreign Government.

Direct Investment

A "Direct Investment" is an investment by a Foreign Government Investor that provides an element of influence or control over the target, including all investments of 10% or more.

Substantial Interest

The acquisition of a "Substantial Interest" is an acquisition of:

(i) control of 15% or more of the actual or potential voting power or issued shares in a target by a single foreign person (together with associates); or

(ii) control of 40% or more of the actual or potential voting power or issued shares in a target by more than one foreign person (together with associates).

AULTE Status

Based on the FH-REIT Unaudited Financial Statements, as at 31 March 2015, the value of the Australian assets comprised in FH-REIT's portfolio is approximately 10.7% of the total asset value of FH-REIT. Following the Acquisition, based on the FH-REIT Unaudited Financial Statements and the purchase consideration of A$224.0 million for the Acquisition (assuming an exchange rate of A$1:S$1.0303), the value of the Australian assets comprised in FH-REIT's portfolio is expected to increase to approximately 21.0% of the total asset value of FH-REIT. FH-BT is dormant as at the date of this announcement. Accordingly, FHT is not expected to be considered an AULTE post- Acquisition.

In August 2013, an administrative exemption for certain 'passive investments' by foreign persons (other than Foreign Government Investors) in an AULTE was announced under the previous Australian Government. Relevantly, the exemption was to apply to acquisitions of interests of less than 10% in a listed trust that was an AULTE with predominantly non-residential properties.

FHT understands that the administrative exemption remains operative as at the date of this announcement on the basis that the administrative exemption remains published on FIRB's website and no announcement has been made that it has been revoked. However, there is no definitive clarity at this point as to the continued availability or terms of any such exemption in the future.

Australian Asset Value

Based on the FH-REIT Unaudited Financial Statements, as at 31 March 2015, FHT has gross Australian assets of approximately A$176.8 million. Following the Acquisition, based on the FH-REIT Unaudited Financial Statements and the purchase consideration of A$224.0 million for the Acquisition, the value of the gross Australian assets comprised in FH-REIT's portfolio is expected to increase to approximately A$400.8 million, which is in excess of A$252.0 million.

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.