



**A hospitality stapled group comprising
Frasers Hospitality Real Estate Investment Trust**
(a real estate investment trust constituted on 12 June 2014 under the laws of the Republic of Singapore)
and
Frasers Hospitality Business Trust
(a business trust constituted on 20 June 2014 under the laws of the Republic of Singapore)

RENEWAL OF MASTER LEASE AGREEMENTS FOR CERTAIN PROPERTIES AND ENTRY INTO CORPORATE GUARANTEE

1. INTRODUCTION

Frasers Hospitality Trust Asset Management Pte. Ltd., as manager of Frasers Hospitality Real Estate Investment Trust ("**FH-REIT**", and in such capacity, the "**REIT Manager**"), and Frasers Hospitality Trust Management Pte. Ltd., as trustee-manager of Frasers Hospitality Business Trust ("**FH-BT**" and in such capacity, the "**Trustee-Manager**", and together with the REIT Manager, the "**Managers**"), are pleased to announce the entry into of the following:

- (i) a renewal master lease agreement made between FH-REIT's indirect wholly-owned subsidiary, FHT London 4 Limited, as lessor ("**Ibis Styles Lessor**"), and an indirect wholly-owned subsidiary of Frasers Property Limited ("**FPL**"), P I Hotel Management Limited ("**PI Hotel**"), as lessee ("**New Ibis Styles MLA**"), in respect of Ibis Styles London Gloucester Road ("**Ibis Styles**"), pursuant to the exercise by PI Hotel of its option to renew the term under the existing master lease agreement dated 14 July 2014 entered into between the Ibis Styles Lessor and PI Hotel in respect of Ibis Styles ("**Existing Ibis Styles MLA**") for a further 10-year period commencing from 14 July 2024 following the expiry of the Existing Ibis Styles MLA;
- (ii) a renewal master lease agreement made between FH-REIT's indirect wholly-owned subsidiary, FHT London 3 Limited, as lessor ("**Park International Lessor**"), and PI Hotel, as lessee ("**New Park International MLA**"), in respect of Park International Hotel London ("**Park International**"), pursuant to the exercise by PI Hotel of its option to renew the term under the existing master lease agreement dated 14 July 2014 entered into between the Park International Lessor and PI Hotel in respect of Park International Hotel London ("**Existing Park International MLA**", together with the Existing Ibis Styles MLA, the "**UK MLAs**") for a further 10-year period commencing from 14 July 2024 following the expiry of the Existing Park International MLA;
- (iii) a new master lease agreement made between Apex Group Trust (Japan) Company Limited, which acts as trustee for the benefit of Kobe Excellence TMK (a Japanese trust in which FH-REIT holds all the beneficial interest), as lessor ("**Kobe Hotel Lessor**"), and an indirect wholly-owned subsidiary of FPL, K.K. Shinkobe Holding ("**KKS**"), as lessee ("**New Kobe Hotel MLA**"), in respect of the hotel component of ANA Crowne Plaza Kobe ("**Kobe Hotel**"), for a further 5-year period commencing from 14 July 2024 following the expiry of the existing master lease agreement dated 14 July 2014 entered into between the Kobe Hotel Lessor and KKS in respect of Kobe Hotel ("**Existing Kobe Hotel MLA**"); and

- (iv) a corporate guarantee (“**New Corporate Guarantee**”) made between Apex Group Trust (Japan) Company Limited, as trustee acting for the benefit of the Kobe Hotel Lessor and beneficiary under the New Corporate Guarantee, and FPL, as guarantor under the New Corporate Guarantee (“**Guarantor**”).

(The New Ibis Styles MLA and New Park International MLA shall collectively be referred to as “**New UK MLAs**”, and together with the New Kobe Hotel MLA, the “**New MLAs**”).

2. TERMS OF THE NEW MLAs AND NEW CORPORATE GUARANTEE

The terms of the New Ibis Styles MLA, New Park International MLA, and the New Kobe Hotel MLA, are on substantially the same terms and conditions (including the fixed rent and variable rent) as the Existing Ibis Styles MLA, Existing Park International MLA, and the Existing Kobe Hotel MLA, respectively.¹ The terms of the New Corporate Guarantee are on substantially the same terms and conditions as the existing corporate guarantee dated 14 July 2014 which FPL had issued in favour of the Kobe Hotel Lessor in connection with the Existing Kobe Hotel MLA (“**Existing Corporate Guarantee**”).²

3. RATIONALE FOR THE NEW MLAs AND NEW CORPORATE GUARANTEE

The term under the UK MLAs expires on 13 July 2024. Under the Existing Ibis Styles MLA and Existing Park International MLA, PI Hotel, as lessee, has the right to exercise its option to renew the lease. Upon such exercise by PI Hotel, each of the Ibis Styles Lessor and Park International Lessor must grant a further 10-year lease to PI Hotel, subject to satisfaction of certain terms and conditions.

The term under the Existing Kobe Hotel MLA expires on 13 July 2024 without an option to renew. The Managers believe that the entry into of the New Kobe Hotel MLA for a further 5-year period and the New Corporate Guarantee will bring the following key benefits to holders of the stapled securities in Frasers Hospitality Trust (“**FHT**”):

- (a) the fixed rent payable by KKS under the New Kobe Hotel MLA will continue to provide a stable income stream to the Kobe Hotel Lessor;
- (b) the variable rent payable by KKS under the New Kobe Hotel MLA allows the Kobe Hotel Lessor to potentially enjoy greater upside from the projected continued travel recovery and upcoming demand drivers in Kobe, Japan;
- (c) under the terms of the New Corporate Guarantee, FPL will guarantee to the Kobe Hotel Lessor, amongst others, that KKS will punctually pay the rent and all other sums payable under the New Kobe Hotel MLA, further providing stability to the Kobe Hotel Lessor’s income stream; and
- (d) any change to the master lessee of Kobe Hotel may lead to disruptions in Kobe Hotel’s operations.

¹ There are only minor differences between the New Ibis Styles MLA, New Park International MLA, and the New Kobe Hotel MLA, as compared to the Existing Ibis Styles MLA, Existing Park International MLA, and the Existing Kobe Hotel MLA (the terms of which are disclosed in the prospectus of FHT dated 30 June 2014 (the “**Prospectus**”), respectively which do not adversely affect FH-REIT.

² There are only minor differences between the New Corporate Guarantee and the Existing Corporate Guarantee (the terms of which are disclosed in the Prospectus) which do not adversely affect FH-REIT.

4. INTERESTED PERSON TRANSACTION

FPL and/or its subsidiaries (“**FPL Group**”)³ hold an aggregate direct and indirect interest in 494,449,400 stapled securities in FHT (“**Stapled Securities**”), which is equivalent to approximately 25.67% of the total number of Stapled Securities as of 12 July 2024 and is therefore regarded as a “*controlling unitholder*” of FH-REIT under the Listing Manual of the Singapore Exchange Securities Trading Limited (the “**Listing Manual**”) and a “*controlling unitholder*” of FH-BT under the Listing Manual. In addition, as the Managers are wholly-owned subsidiaries of FPL, the FPL Group is therefore regarded as a “*controlling shareholder*” of the REIT Manager under the Listing Manual and a “*controlling shareholder*” of the Trustee- Manager under the Listing Manual.

As PI Hotel and KKS are both indirect wholly-owned subsidiaries of FPL, the entry into of (i) the New UK MLAs pursuant to PI Hotel’s exercise of its option to renew the term under each of the Existing Ibis Styles MLA and Existing Park International MLA for a further 10-year term (“**Option Term**”) and (ii) the New Kobe Hotel MLA and New Corporate Guarantee will each constitute an Interested Person Transaction under the Listing Manual.

In respect of the UK MLAs, the Option Term were deemed to have been specifically approved by Stapled Securityholders at FHT’s initial public offering upon purchase of the Stapled Securities and are therefore not subject to Rules 905 and 906 of the Listing Manual, as disclosed in the Prospectus. In respect of the New Kobe Hotel MLA and New Corporate Guarantee, the total value of all interested person transactions between FH-REIT and KKS, in the current financial year, is approximately S\$2.0 million (which is approximately 0.2% of FHT’s NTA). The value of the projected fixed rent and estimated projected variable rent payable by KKS to the Kobe Hotel Lessor over the 5-year lease term is approximately JPY 6.1 billion⁴ (approximately S\$51.3 million⁵), and when aggregated with other interested person transactions in the current financial year⁶, amount to approximately S\$53.8 million (approximately 4.2% of NTA (as defined below)). This is more than 3% of the NTA, but less than 5% of the NTA. Based on the audited financial statements of FHT for the financial year ended 30 September 2023, the net tangible assets of FHT as at 30 September 2023 was approximately S\$1.28 billion (“**NTA**”). Therefore, the approval of Stapled Securityholders at an extraordinary general meeting is not required for the entry into of the New Kobe Hotel MLA and New Corporate Guarantee.

4.1 Statement of Audit, Risk and Compliance Committee

Based on the terms and conditions of the New Kobe Hotel MLA and New Corporate Guarantee and the rationale for the New Kobe Hotel MLA and New Corporate Guarantee, the Audit, Risk and Compliance Committee is of the view that the New Kobe Hotel MLA and New Corporate Guarantee are on normal commercial terms and are not prejudicial to the interests of FHT and its minority Stapled Securityholders.

5. INTERESTS OF DIRECTORS

As at the date of this announcement and based on information available to the Managers as at the date of this announcement, the interests of the following directors of the Managers in the New

³ “**FPL Group**” means FPL and its subsidiaries and entities held or managed, directly or indirectly, by FPL.

⁴ Based on estimated projections by the independent consultant, Japan Valuers Co., Ltd engaged by the REIT Manager

⁵ Based on the exchange rate of JPY1.00 to S\$0.008482

⁶ As at the date of this announcement, the existing total value of “interested person transactions” between FHT and all interested persons in FY2024, amount to approximately S\$2.5 million (which is approximately 0.2% of FHT’s NTA).

MLAs and New Corporate Guarantee, are as follows:

- (a) Dr David Wong See Hong is a Non-Executive and Non-Independent Director of the Managers, and a Non-Executive and Independent Director of FPL; and
- (b) Mr Panote Sirivadhanabhakdi is the Chairman, and Non-Executive and Non-Independent Director of the Managers, an Executive and Non-Independent Director and the Group Chief Executive Officer of FPL, a director of other entities within the FPL Group other than the Managers, a director of various entities within the TCC Group (which is the controlling shareholder of the FPL Group), and holds 20.0% of the issued share capital of TCC Group Investments Limited. Mr Panote Sirivadhanabhakdi is also the son of Mr Charoen Sirivadhanabhakdi, Non-Executive and Non-Independent Chairman of FPL, and brother of Thapana Sirivadhanabhakdi, Non-Executive and Non-Independent Director of FPL.

6. OTHER INFORMATION

6.1 Directors' Service Contracts

No person is proposed to be appointed as a director of the Managers as a result of the New MLAs and New Corporate Guarantee or any other transactions contemplated in relation to the New MLAs and New Corporate Guarantee.

7. DOCUMENTS FOR INSPECTION⁷

Copies of the following documents are available for inspection during normal business hours at the registered office of the Managers in Singapore at 438 Alexandra Road, #21-00 Alexandra Point, Singapore 119958 for a period of three months from this announcement:

- (i) New Ibis Styles MLA;
- (ii) New Park International MLA;
- (iii) New Kobe Hotel MLA; and
- (iv) New Corporate Guarantee.

The trust deed constituting FH-REIT dated 12 June 2014 (as amended), the trust deed constituting FH-BT dated 20 June 2014 (as amended) and the stapling deed dated 20 June 2014 entered into between the REIT Manager, Perpetual (Asia) Limited (in its capacity as trustee of FH-REIT) and Trustee-Manager will also be available for inspection at the registered office of the Managers for so long as FHT is in existence.

BY ORDER OF THE BOARD

Frasers Hospitality Asset Management Pte. Ltd.

As manager of Frasers Hospitality Real Estate Investment Trust Company
Registration No: 201331351D

⁷ Prior appointment with the Managers is required.

Frasers Hospitality Trust Management Pte. Ltd.

As trustee-manager of Frasers Hospitality Business Trust Company

Registration No: 201401270M

Catherine Yeo

Company Secretary

13 July 2024

For further information, kindly contact:

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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, governmental and public policy changes and the continued availability of financing in the amounts and on 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 in FHT ("**Stapled Securities**") and the income derived from them, if any, may fall or rise. Stapled Securities are not obligations of, deposits in, or guaranteed by, the Managers, Perpetual (Asia) Limited (in its capacity as trustee of Frasers Hospitality Real Estate Investment Trust) 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 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 Singapore Exchange Securities Trading Limited ("**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.

This announcement 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.