

## FRASERS HOSPITALITY TRUST RECORDS HIGHER DPS OF 1.6355 CENTS IN FY2022

**SINGAPORE, 4 NOVEMBER 2022** – Frasers Hospitality 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 the trustee-manager of Frasers Hospitality Business Trust (“**FH-BT**” and together with the REIT Manager, the “**Managers**”), today announced the financial results of Frasers Hospitality Trust (“**FHT**”), a stapled group comprising FH-REIT and FH-BT, for the financial year ended 30 September 2022 (“**FY2022**”).

### Financial Highlights

S\$ million	2H FY2022	2H FY2021	YoY Variance	FY2022	FY2021	YoY Variance
Gross revenue (“ <b>GR</b> ”)	51.8	45.6	13.5%	95.9	85.5	12.1%
Net property income (“ <b>NPI</b> ”)	37.9	30.9	22.7%	69.6	57.6	20.7%
Income available for distribution (“ <b>DI</b> ”)	19.9	12.4	60.2%	35.0	21.0	66.3%
Distribution to Stapled Securityholders	17.9 <sup>1</sup>	15.5 <sup>2</sup>	15.9%	31.5	18.9	66.4%
Distribution per Stapled Security (“ <b>DPS</b> ”) (cents)	0.9316	0.8041	15.9%	1.6355	0.9831	66.4%

### Financial Performance

FHT’s GR and NPI grew by 13.5% and 22.7% year-on-year (“**YoY**”) respectively with sustained improvement in the portfolio’s operating performance during the second half of FY2022 due to continued, gradual recovery in the hospitality industry. In 2H FY2022, FHT’s DI grew by 60.2% YoY to S\$19.9 million and DPS increased by 15.9% to 0.9316 cents compared to the same period last year.

Ms Eu Chin Fen, Chief Executive Officer of the Managers said, “We are encouraged by the recovery in the FHT portfolio’s performance which has lifted the DPS in FY2022 by 66.4% YoY to 1.6355 cents as more countries transitioned smoothly into the endemic phase with re-opened international borders and lifted social restrictions.”

Ms Eu added, “We remain focused to ride on the recovery trajectory and navigate through the uncertainties ahead as challenges, arising from recessionary risks, elevated inflation, persistent labour crunch,

<sup>1</sup> Distribution to Stapled Securityholders of FHT (“**Stapled Securityholders**”) in 2H FY2022 is based on 90% payout of the income available for distribution

<sup>2</sup> Distribution to Stapled Securityholders for 2H FY2021 included approximately S\$ 4.3 million of the S\$ 5.2 million DI retained in 1H FY2021

increased energy costs and rising interest rates, continue to weigh on the outlook and in turn, the recovery of FHT's top and bottom line."

### **Operational Performance in 2H FY2022**

#### Singapore

In the first nine months of 2022, Singapore Tourism Board recorded 3.71 million international visitor arrivals, up by over 100% YoY, with the highest arrivals recorded in September 2022 since the start of the pandemic.<sup>3</sup>

FHT's Singapore portfolio recorded a higher revenue per available room ("**RevPAR**") which increased by 75.7% YoY in 2H FY2022 due to a higher average daily rate ("**ADR**") with re-opened borders and resumption of events. FHT's Singapore portfolio reported YoY increases in gross operating revenue ("**GOR**") and gross operating profit ("**GOP**") of 90.8% and 97.9% respectively in 2H FY2022.

#### Australia

According to Tourism Australia, international tourist arrivals in the first eight months of 2022 grew YoY by over 100% to 1.84 million, with the highest arrivals recorded in August 2022 since the start of the pandemic.<sup>4</sup>

In 2H FY2022, FHT's Australia portfolio's RevPAR rose by 53.5% YoY and GOR increased by 1.6% YoY but GOP declined by 15.3% YoY. This was mainly attributed to Novotel Melbourne on Collins' higher operating cost with increased staff strength after re-opening to the public at the end of the government quarantine business. In addition, Sofitel Sydney Wentworth ("**SSW**") was divested in April 2022.

#### United Kingdom ("**UK**")

The UK has implemented its "Living with COVID" plan since March 2022 following its retreat from the Omicron peak.<sup>5</sup> Consequently, FHT's UK portfolio's occupancy rose by 39.4 percentage points to 78.8% and RevPAR doubled YoY in 2H FY2022. The portfolio's GOR and GOP increased by over 100% YoY in 2H FY2022.

#### Japan

Following the exit from its *quasi-state* of emergency in March 2022, Japan has been cautiously easing its tight controls on its borders through a gradual rise in the daily arrivals allowed.<sup>6</sup>

In 2H FY2022, ANA Crowne Plaza Kobe's RevPAR increased by 86.7% YoY. The hotel's GOR and GOP were up 42.6% and 20.9% YoY in 2H FY2022.

#### Malaysia

Malaysia's borders re-opened with lifted travel restrictions since October 2021 and the country is poised to end its transition to COVID-19 endemicity by the end of 2022.<sup>7</sup> The hotel recorded RevPAR YoY increase of over six times in 2H FY2022. Consequently, the hotel's GOR increased by more than five times in 2H FY2022 and recorded a GOP of RM6.3 million in 2H FY2022, compared to a gross operating loss in the same period last year.

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<sup>3</sup> Source: Singapore Tourism Board, "Monthly visitor arrivals", October 2022

<sup>4</sup> Source: Tourism Australia, "International market performance statistics", October 2022

<sup>5</sup> Source: Gov.UK, "All COVID-19 travel restrictions removed in the UK", March 2022

<sup>6</sup> Source: Kyodo News, "Japan scraps COVID border controls in hopes of reviving tourism boom", October 2022

<sup>7</sup> Source: Straits Times, "Malaysia may enter Covid-19 endemicity by year-end", September 2022

### Germany

The Federal Statistical Office of Germany reported a total of 302.10 million overnight stays by domestic and foreign visitors in the first eight months of 2022, an increase of 67.4% YoY.<sup>8</sup>

Maritim Hotel Dresden showed continued signs of recovery in its performance supported by a recovery in domestic demand. However, the pace of recovery remained gradual in the absence of events. Despite the slower pace of recovery, the hotel reported an increase in GOR and GOP of 72.2% and 83.2% YoY respectively in 2H FY2022.

### **Portfolio Valuation**

FHT's investment portfolio was valued at S\$1.90 billion by independent valuers as at 30 September 2022. The portfolio valuation is 4.4% lower YoY on a same-store basis (excluding SSW which was divested in April 2022) primarily due to the strengthening of the Singapore dollar against FHT's operational currencies with valuation gains offset by foreign exchange losses.

### **Financial Position**

As at 30 September 2022, FHT's gearing stood at 36.4%, which is well below the 50% gearing threshold set by the Monetary Authority of Singapore. The weighted average debt to maturity at 2.0 years and there are no loans due until March 2023. The refinancing of these maturing loans is in progress.

FHT's effective cost of borrowing was 2.3% per annum, and the interest coverage ratio was 2.6 times as at 30 September 2022. The proportion of its fixed-rate borrowings to total borrowings was 81.7%. The net asset value per stapled security remained unchanged at S\$0.65.

FHT continues to have ample headroom and adequate liquidity to meet its operational needs and financial commitments.

### **Proposed Privatisation of FHT**

FHT convened a scheme meeting on 12 September 2022 ("**Scheme Meeting**") to seek approval from Stapled Securityholders for the proposed privatisation of FHT by way of a trust scheme of arrangement (the "**Scheme**"). The resolution for the approval of the Scheme was not passed at the Scheme Meeting and FHT remains listed on the Singapore Exchange Securities Trading Limited ("**SGX-ST**"). Hence, the Managers will continue its existing strategy to create and deliver long-term value to the Stapled Securityholders.

### **Market Outlook**

The World Tourism Organization ("**UNWTO**") noted a continued, steady recovery in international tourism as global international arrivals almost tripled YoY in the first seven months of 2022, with Europe showing the fastest recovery in the sector.<sup>9</sup>

According to UNWTO's latest Panel of Experts survey reported in September 2022, most tourism professionals remained cautiously optimistic in view of ongoing downside risks from the geopolitical tensions from the Russia-Ukraine conflict and the current uncertain state of the economic environment.<sup>10</sup>

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<sup>8</sup> Source: Federal Statistical Office of Germany, "Arrivals and overnight stays", October 2022

<sup>9</sup> Source: World Tourism Barometer by UNWTO (UN World Tourism Organization), September 2022

<sup>10</sup> Source: UNWTO Panel of Experts survey in UNWTO, "Impact assessment of the COVID-19 outbreak on international tourism", September 2022

UNWTO highlighted that the combination of increasing interest rates in all major economies, rising energy and food prices and the growing prospects of a global recession as indicated by the World Bank, are major threats to the recovery of international tourism through the remainder of 2022 and 2023. The potential slowdown was also noted in the latest UNWTO Confidence Index which reflects a more cautious outlook. In the UNWTO survey in September 2022, most tourism professionals expect international tourism to return to pre-pandemic levels in 2024 or later, with the uncertain economic environment being the major factor weighing on the recovery of international tourism.

As the global outlook darkens amidst various challenges and uncertainties, the Managers remain focused to capture the upside of the recovery and will proactively roll out strategies and initiatives to navigate through the challenges of rising operating expenses and a persistent labour crunch. The Managers remain committed to delivering sustainable, long-term value to the Stapled Securityholders.

## 2H FY2022 Distribution

<b>Distribution period</b>	<b>1 April 2022 – 30 September 2022</b>
DPS	0.9316 cents per Stapled Security
Last day of trading on “cum” basis	10 November 2022
First date of trading on “ex” basis	11 November 2022
Record date	14 November 2022
Distribution payment date	29 December 2022

**END**

### About Frasers Hospitality Trust

FHT is a global hotel and serviced residence trust that is listed on the SGX-ST and is a stapled group comprising FH-REIT and FH-BT. FHT invests globally (excluding Thailand) on a long-term basis in income-producing real estate assets used predominantly for hospitality purposes. FHT's portfolio includes 14 quality assets in prime locations in nine key cities in Asia, Australia and Europe, with a combined appraised value of approximately S\$1.9 billion as at 30 September 2022.

For more information on FHT, please visit [www.frasershospitalitytrust.com](http://www.frasershospitalitytrust.com).

### About Frasers Property Limited

Frasers Property Limited ("**Frasers Property**") and together with its subsidiaries, the "**Frasers Property Group**" or the "**Group**", is a multinational developer-manager-investor of real estate products and services across the property value chain. Listed on the Main Board of the Singapore Exchange Securities Trading Limited ("**SGX-ST**") and headquartered in Singapore, the Group has total assets of approximately S\$40.7 billion as at 31 March 2022.

Frasers Property's multinational businesses operate across five asset classes, namely, residential, retail, commercial & business parks, industrial & logistics as well as hospitality. The Group has businesses in Southeast Asia, Australia, Europe and China, and its well-established hospitality business owns and/or operates serviced apartments and hotels which span 70 cities in over 20 countries across Asia, Australia, Europe, the Middle East and Africa.

Frasers Property is also the sponsor of two real estate investment trusts ("**REITs**") and one stapled trust listed on the SGX-ST. Frasers Centrepoint Trust and Frasers Logistics & Commercial Trust are focused on retail, and industrial & commercial properties, respectively. Frasers Hospitality Trust (comprising Frasers Hospitality Real Estate Investment Trust and Frasers Hospitality Business Trust) is a stapled trust focused on hospitality properties. In addition, the Group has two REITs listed on the Stock Exchange of Thailand. Frasers Property (Thailand) Public Company Limited is the sponsor of Frasers Property Thailand Industrial Freehold & Leasehold REIT, which is focused on industrial & logistics properties in Thailand, and Golden Ventures Leasehold Real Estate Investment Trust, which is focused on commercial properties.

As a purpose-led organisation, the Group is committed to inspiring experiences and creating places for good for its stakeholders. By acting progressively, producing and consuming responsibly, and focusing on its people, Frasers Property aspires to raise sustainability ideals across its value chain, and build a more resilient business. It is committed to be a net-zero carbon corporation by 2050. Building on its heritage as well as leveraging its knowledge and capabilities, the Group aims to create lasting shared value for its people, the businesses and communities it serves. Frasers Property believes in the diversity of its people and is invested in promoting a progressive, collaborative and respectful culture.

For more information on Frasers Property, please visit [www.frasersproperty.com](http://www.frasersproperty.com) or follow us on LinkedIn.

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This publication 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.

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This publication 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 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.

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