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.**

(1) CONSTITUTION OF AUDIT, RISK AND COMPLIANCE COMMITTEE OF THE TRUSTEE-MANAGER; AND

(2) GRANT OF AN EXEMPTION IN RESPECT OF THE REQUIREMENTS UNDER REGULATIONS 13(1)(B)(I) AND (II) OF THE BUSINESS TRUST REGULATIONS

1. ESTABLISHMENT OF AUDIT, RISK AND COMPLIANCE COMMITTEE OF THE TRUSTEE-MANAGER

In connection with and for the purposes of the proposed activation of FH-BT (as defined below) to be the master lessee of the hotel known as "Novotel Melbourne on Collins" which is located at 270 Collins Street, Melbourne, Victoria, Australia[1], Frasers Hospitality Asset Management Pte. Ltd., as manager of Frasers Hospitality Real Estate Investment Trust ("**FH-REIT**", and as 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 together with FH-REIT, the stapled group, Frasers Hospitality Trust or "**FHT**", and the trustee-manager of FH-BT, the "**Trustee-Manager**", and together with the REIT Manager, the "**Managers**"), wish to announce the establishment of an audit, risk and compliance committee for the Trustee-Manager (the "**Trustee-Manager Audit, Risk and Compliance Committee**").

The composition of the Trustee-Manager Audit, Risk and Compliance Committee comprises the following members from the board of Directors of the Trustee-Manager (the "**Trustee-Manager Board**"):

(i) Mr Law Song Keng (*Chairman*);

(ii) Mr Liew Choon Wei (*Member*); and

(iii) Dr David Wong See Hong (*Member*).

For the avoidance of doubt, the composition of the Trustee-Manager Audit, Risk and Compliance Committee is identical to the composition of the existing audit, risk and

1 See the announcement by the Managers dated 9 September 2016 for further details on the acquisition of "Novotel Melbourne on Collins".

compliance committee of the REIT Manager (the "**REIT Manager Audit, Risk and Compliance Committee**").

Mr Law Song Keng is concurrently the Chairman and Independent Director of the Trustee-Manager Board. Both Mr Liew Choon Wei and Dr David Wong See Hong are concurrently Independent Directors of the Trustee-Manager Board.

2. GRANT OF EXEMPTION BY THE MAS

In connection with the establishment of the Trustee-Manager Audit, Risk and Compliance Committee, the Managers had applied to the Monetary Authority of Singapore ("**MAS**") for, and the MAS had, pursuant to a letter dated 14 October 2016, granted an exemption to the Trustee-Manager from the requirement to comply with Regulations 13(1)(b)(i) and (ii) of the Business Trust Regulations (Rg 3), Chapter 31A of Singapore (the "**Exemption**").

The MAS has granted the Exemption subject to the following conditions:

(a) the Trustee-Manager shall ensure that the units of FH-BT remain stapled to the units of FH-REIT;

(b) the Trustee-Manager shall ensure that, in relation to the composition of the Trustee-Manager Audit, Risk and Compliance Committee, it shall be composed of 3 or more members:

  (i) all of whom are independent of management and business relationships with the Managers; and

  (ii) at least a majority of whom, including the Chairman of the Trustee-Manager Audit, Risk and Compliance Committee, are independent of management and business relationships with the Managers and independent from every substantial shareholder of the Managers; and

(c) the Trustee-Manager shall ensure that the Trustee-Manager Audit, Risk and Compliance Committee and REIT Manager Audit, Risk and Compliance Committee comprise identical directors.

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
17 October 2016

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 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, the REIT Trustee or any of its/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 the SGX-ST. Listing of the Stapled Securities on the SGX-ST does not guarantee a liquid market for the Stapled Securities.

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