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)

PAYMENT OF ACQUISITION FEES BY WAY OF STAPLED SECURITIES IN FRASERS HOSPITALITY TRUST

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**", 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 that 4,001,979 stapled securities in FHT (the "**Stapled Securities**") have been issued today at a price of S$0.603 per Stapled Security (the "**Issue Price**").

These 4,001,979 Stapled Securities have been issued as payment of the acquisition fee ("**Acquisition Fee**") of approximately S$2.3 million payable to FHT Australia Management Pty Ltd, a wholly-owned subsidiary of the REIT Manager incorporated in Australia, as manager of FHT Australia Trust (the "**MIT Manager**") in respect of the acquisition of the land and the buildings known as "Novotel Melbourne on Collins" which is located at 270 Collins Street, Melbourne, Victoria, Australia (the "**Hotel**") and the associated car park located at 233-239 Collins Street, Melbourne, Victoria, Australia (the "**Property**") which was completed on 20 October 2016.

The Trustee-Manager's acquisition fee in respect of the acquisition by FH-BT of the Hotel Assets (as defined in the announcement by the Managers dated 9 September 2016) will be paid separately and the Managers will make the appropriate announcements in due course in accordance with applicable rules and regulations.

The Acquisition Fee is calculated at 1.0% of S$241.3 million (approximately A$231.2 million[1]), being the purchase consideration for the Property.

FCL Investments Pte. Ltd. ("**FCL Investments**") has been nominated by the MIT Manager to receive the 4,001,979 Stapled Securities in its place today in accordance with the investment management agreement dated 20 June 2014 entered into between The Trust Company (Australia) Limited, in its capacity as trustee of FHT Australia Trust, the MIT Manager, the REIT Manager and the Trustee-

1 Unless otherwise stated, Singapore dollar amounts have been translated from Australian dollar amounts in this announcement based on an exchange rate of A$1.00 : S$1.0438.

Manager (the "**Investment Management Agreement**"), which allows the MIT Manager to nominate any person to receive such Stapled Securities.[1]

The payment of the Acquisition Fee in the form of Stapled Securities and the Issue Price is provided for in the Investment Management Agreement. For the avoidance of doubt, in order to avoid double-counting, no acquisition fee is payable to the REIT Manager in respect of the acquisition of the Property.

With the above-mentioned issue of Stapled Securities, FCL Investments holds an aggregate of 365,937,314 Stapled Securities. The total number of Stapled Securities in issue is 1,825,392,766 as at 24 October 2016.

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

24 October 2016

1 The MIT Manager has nominated FCL Investments to receive the 4,001,979 Stapled Securities which it is entitled to receive and pursuant to the agreement between the MIT Manager and FCL Investments dated 5 May 2016, in connection with such nomination, FCL Investments will pay to the MIT Manager S$2,413,193.48, being an amount equal to the aggregate Issue Price of such Stapled Securities.

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, Perpetual (Asia) Limited, in its capacity as trustee of FH-REIT (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.

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.