

BANYAN TREE GROUP

PRESS RELEASE

Banyan Tree Holdings' Core Operating Results Maintain At 1H2020 Levels

Executive Summary 1H2021

- **Core Operating Loss¹** of S\$4.8 million for 1H2021, relatively unchanged to that of 1H2020. Losses from Hotel Investments segments were cushioned by stable contribution from Branded Residences and Extended Stay segment², the return to profitability in Fee-based segment and lower operating costs as a result of cost containment exercise.
- **Revenue decreased 25% to S\$56.5 million**, mainly due to Thailand's closed border to international travel since 2Q2020.
- **Improvement in Hotel operating performance as RevPAR³ for hotels increased 26% vs 1H2020** contributed by markets namely China, Maldives and Mexico.
- **Operating profit in all business segments improved as compared to 1H2020**, except for Hotel Investment owned hotels in Thailand which was impacted by recurrence of local transmission cases
- **Ten new hotels opening in next 12 months**, representing a 19% growth in room key count.
- **Cashflow from Operating Activities⁴ increased by S\$19.7 million from 1H2020 to S\$23 million for 1H2021**
- **Phuket as the first destination in Asia welcomed international travel under the Phuket Sandbox model.** Hotels witnessed increased occupancy since July 1 with international travellers accounting for approximately 60% of guest mix.

Key Financial Highlights

1H2021 Results (in S\$' million):

	1H2021	1H2020
Core Operating Loss ¹	(4.8)	(4.9)
Revenue	56.5	75.4
Operating Loss	(16.4)	(26.2)
Cashflow from Operating Activities ⁴	23.0	3.3

Singapore, 13 August 2021 –Banyan Tree Holdings Limited's ("the Group") recorded a loss of Core Operating Loss for the half year ended 30 June 2021 ("1H2021") of S\$4.8 million. Cash generated from operations from the first half increased sevenfold to S\$23 million.

In 1H2021, the Group's Cash balance increased by S\$19 million from various liquidity management measures through asset sale, receivables collections, new term loans and re-profiling of scheduled debt repayments. The Group's development land in Surfers Paradise contracted in May 2021 for A\$75 million, which is an opportunistic transaction taken in light of rising property market in Queensland Australia, is expected to be cash settled in late August. Year to date, the Group has secured new term loans, re-profiled and extended loan obligations due in next 12 months to longer term, totalling S\$70 million or approximately 16% of total bank loans.

Portfolio Review

Eighteen months into the global impact of Covid-19, Banyan Tree Holdings' performance is improving across all business segments and regions as compared to 2020, except for Thailand which is hit by local transmission recurrences. The Group's

¹ Core Operating Loss = Operating Loss before one-off gains or losses. This is an alternative performance measure and do not have a standardised meaning prescribed by Singapore Financial Reporting Standards (International). (Operating Loss = EBITDA (Earnings before interests, taxes, depreciation & amortisation). In 1H2021, one-off losses comprise write-down of property development costs and fair value losses on convertible bonds. In 1H2020, one-off losses comprise write-down of property development costs and severance payment.

² Branded Residences and Extended Stay Segment = Property Sales segment

³ RevPAR = Revenue per available room

⁴ Cashflow from Operating Activities = Profit/(Loss) before taxation and net finance costs after adjusting for non-cash items and working capital changes as reported in the Condensed Interim Consolidated Cash Flow Statement

@Variances are computed based on figures to the nearest thousands to be in line with announcement in the SGXnet.

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three business segments – Branded Residences and Extended Stay, Hotel Investments and Fee-based., form an operating portfolio of diversified offerings targeting distinct market segments while leveraging operational and distribution synergy.

The Branded Residences and Extended Stay segment continues to perform well. Most markets with exception of Southeast Asia have gradually relaxed travel restrictions, resulting in uptick of fee-based segment including hotel management fees.

Pipeline and Outlook

Thailand's Phuket Sandbox has re-opened to international tourism since 1 July 2021. According to Tourism Authority of Thailand (TAT), almost 300,000 rooms are booked until the end of August in SHA Plus hotels, with nearly 13,000 arrivals and 124 flights after 28 days, with more scheduled. These numbers whilst an early indication would support re-opening efforts towards Phuket's tourism recovery, particularly for the Group's owned hotels at Laguna Phuket. As the industry leader, Laguna Phuket integrated destination continues to advocate the safe return of travel and offers hospitality, lifestyle activities and the first hotel-based PCR test centre for its guests.

Looking ahead with optimism, the Group has opened 2 new properties - Dhawa Quzhou (China) and Angsana Corfu (Greece) and signed 13 Hotel Management Agreements and 2 Franchise Agreements in 1H2021, With 10 hotels opening in next 12 months, it will span across 5 geographies namely Indonesia, China, Qatar, Mozambique and Saudi Arabia, being its newest market. Over the next 3 years, 43 new properties are expected to open in line with the Group's ambition to double its operating footprint by 2025.

In addition, driving sustainability leadership amidst the pandemic, Banyan Tree Global Foundation launched the inaugural [Greater Good Grants](#) (GGG) in 2020 to extend greater impact through partnerships. The Year 2022 GGG is now opened for project entries until 30 September 2021, prioritising support for Covid-19 impacted projects that focus on health, hygiene, livelihood development and learning for women and children. At its core, the Group seeks to continually create greater good for people, planet and the environment.

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For high-resolution images, please download [here](#).

ABOUT BANYAN TREE GROUP

Banyan Tree Group ("Banyan Tree Holdings Limited" or the "Group") is one of the world's leading independent, multi-branded hospitality groups. The Group's diversified portfolio of hotels, resorts, spas, galleries, golf and residences is centered on five award-winning brands (Banyan Tree, Angsana, Cassia, Dhawa and Laguna) that offer exceptional design-led experiences for global travellers of today and tomorrow.

Founded in 1994 on the core concept of sustainability, Banyan Tree Holdings seeks to create long-term value for all stakeholders and destinations across its network of properties, products and brands, through a purpose-driven mission. With 7,200 associates across 23 countries, Banyan Tree Management Academy (BTMA) was established in 2008 to support the Group's goals through advancing people development, management excellence, and learning with integrity and meaning.

Banyan Tree Holdings has received 2,821 industry awards and accolades since inception. It has also received recognition for its commitment to environmental protection and community development through its Banyan Tree Global Foundation (BTGF), which aligns the Group's efforts to the UN Sustainable Development Goals. Executing on its regionalised growth strategy, the Group's global footprint continues to grow with 43 new hotels and resorts under design and construction in the pipeline, in addition to 49 operating hotels in 14 countries as of 30 June 2021.

Banyan Tree Group entered a strategic long-term partnership with Accor in 2016 to develop and manage Banyan Tree branded hotels around the world along with the access to Accor's global reservations and sales network, as well as the loyalty programme ALL - Accor Live Limitless. It also formed a joint venture with China Vanke Co. Ltd. in 2017 – focusing on active ageing and wellness hospitality projects.

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