

BANYAN TREE GROUP

BANYAN TREE HOLDINGS LIMITED

(Incorporated in the Republic of Singapore)

(Company Registration Number 200003108H)

BUSINESS UPDATE

In line with SGX regulator's 22 April 2020 guidelines on expectations of disclosure during COVID-19, the Board of Directors (the "Board") of Banyan Tree Holdings Limited (the "Company", and together with its subsidiaries, the "Group") would like to issue a voluntary business update.

Overview

- 1Q21 financial performance and cash management show improvement in liquidity
- Groupwide hotel revenue per occupied room in 1Q21 sees steady level similar to 2H20
- Property business revenue continues to carry profitability
- Launch of new Wellbeing and Sustainability Initiatives and Openings as global industry leader

Financial performance and cash management show gradual stability through fiscal prudence

The financial performance and cash management in 1Q21 show gradual stability through fiscal prudence in managing operations, whilst impacts of pandemic continue to weigh on business. Net cash balance has increased by \$24 million from liquidity measures through asset sale, receivables collections and new credit line and after providing for trade payables and scheduled repayments. In line with the Group's strategy to reduce and term out its short-term loan obligations, short-term loans portions have reduced by \$37 million or approximately 16%.

Groupwide hotel revenue per occupied room maintains steady amidst extended recovery

The groupwide hotel revenue per occupied room maintained at steady levels, similar to 2H20. With restricted travel, occupancy varied depending on region. In 1Q21, hotels in China registered 39% occupancy whilst in Asia Pacific ex-China and the rest of hotels globally recorded occupancies of 17% and 28% respectively. Maldives registered an occupancy of 66%.

In Phuket where the Group has a majority of owned hotels, it is on schedule for re-opening for Thailand's initiative called Phuket Sandbox Programme to quarantine-free vaccinated international travellers from 3Q21. The Thai government's vaccination targeting of at least 70% of the Phuket's population has allowed Group's workforce in Phuket to be inoculated, and ensured the safety of all our associates. The upward trends in revenue and occupancies in China, Mexico and the Maldives have contributed to improvement in the business. Hotel Investments contributed 38% to 1Q21 revenues.

Property business revenue continues to carry profitability

Property Sales (branded residences and extended stays) segment has registered an operating profit and as in prior quarters, contributed positively to the Group's financial performance. Additionally, as an opportunistic transaction taken in light of rising property market in Queensland Australia, the Group's development land in Surfers Paradise was recently contracted to be sold for A\$75 million with sale proceeds settlement within three months. The land and buildings were acquired about six years ago at a cost of approximately A\$55m with the intent of undertaking a hotel and property development as well as capitalising on the appreciating land value in Australia.

Driving New Wellbeing and Sustainability Initiatives and New Openings

As the industry leader of wellbeing, Banyan Tree is redefining hospitality experience with the launch of 16 Banyan Tree Wellbeing Sanctuaries groupwide in 2021 that combine club floors or resort wings, dedicated dining options, Spas and multifunctional practice spaces into one exclusive journey.

With eight openings in 2021, the new Angsana Corfu in Greece will fly the Group's first flag in Europe in June while Buahian, a Banyan Tree Escape, is set to open in northern Ubud, Bali in September 2021 - pioneering a "No walls, No doors" concept. This brand extension symbolises the Banyan Tree brand's vision and commitment to creating immersive experiences combining deep nature and sustainable design.

Driving sustainability stewardship forward, the Group seeks to extend greater impact through partnerships. Its Earth Day Campaign in support of The Canopy Project by EARTHDAY.ORG has contributed to the reforestation programme with over 5000 trees to be planted in Mexico's Sierra Gorda Biosphere Reserve. In April, Banyan Tree Global Foundation has awarded the inaugural Greater Good Grants to support eight external organisations with projects that will benefit local communities and natural environments in countries where the Group operates. Its commitment to responsible travel continues with the signing of tripartite strategic agreement with Expedia and UNESCO for the UNESCO Sustainable Travel Pledge - to share best practices and standards with the broader travel industry.

By Order of the Board

Moy Keen Choy, Company Secretary

10 June 2021