

BANYAN TREE GROUP

PRESS RELEASE

Banyan Tree Group Achieves FY2021 Core Operating Profit Of S\$5.3 Million

Executive Summary FY2021

- Core Operating Profit of S\$5.3 million for the full year, achieving a 23% increase as compared to FY2021
- Hotel RevPAR¹ improvement of 23% (on same store basis) vs STLY², contributing to the performance of Fee-based segment
- Improving liquidity position for business contingency against risk of re-emerging Covid-19 variant
- Launched Multi-branded Ecosystem with 3 new brands and 2 brand extensions, underpinned by Stay for Good framework
- 9 new hotels opening in next 12 months; 45 more in three-year pipeline; 27 hotel contracts signed in 2021

Key Financial Highlights

(S\$ million)	1H21	2H21	FY21	FY20	Variance FY21vs FY20
Core Operating Profit/(Loss) ³	(4.8)	10.1	5.3	4.3	23.3%
Revenue	56.5	164.8	221.3	157.8	40.2%
Operating Profit/(Loss)	(16.4)	20.9	4.5	(35.1)	N.M.
Cashflow from Operating Activities ⁴	23.0	118.7	141.7	8.2	1,628%

Singapore, 25 February 2022 – Banyan Tree Holdings Limited’s (“Banyan Tree Group”) recorded a core operating profit of S\$5.3 million, higher as compared to FY2020 by S\$1 million. Cashflow generated from Operating Activities was \$141.7 million, contributed in part by business operations recovery and more significantly, from various liquidity measures to unlock cash namely asset sale, fee recovery and working capital management. The pace of business recovery is gaining momentum as more countries continue to gradually open up cross-border travels. The Group’s business diversified by geography and by segments including Property Sales, has helped to mitigate against the impact of pandemic to its overall business portfolio. The Group continues to expand its global footprint of hotels with growth in new openings and new signings, supported by the differentiated multi-brand expansion.

“We have worked hard over the last two years to adapt and embed agility through the organization, knowing that the road ahead is long. We are more prepared than ever, more resilient than we have ever been,” says President Mr Eddy See. “We see improving business metrics across all operating clusters, and are cautiously optimistic for the year ahead.”

¹ RevPAR = Revenue per occupied room

² STLY = Same store last year

³ Core Operating Profit = Operating Profit excluding one-off gains or losses. (Operating Profit = EBITDA (Earnings before interests, taxes, depreciation & amortisation))

⁴ Cashflow from Operating Activities = Profit/(Loss) before taxation and finance costs after adjusting for non-cash items and working capital changes as reported in the statement of cashflows

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Portfolio Review

Banyan Tree Holdings' three business segments – Hotel Investments, Fee-based and Branded Residences and Extended Stay, collectively, form an operating portfolio of diversified offerings across geographies while leveraging operational and distribution synergy.

Hotel Investments segment improved in 2H2021 vs same period in prior year by recording a narrower operating loss of S\$9.1 million, which was a positive variance of S\$4.8 million. The improvement was attributable to the quarantine-free international arrivals to Thailand in particular Phuket and the profitable contribution driven by higher RevPAR from owned properties in Maldives.

Fee-based segment continues to witness a pick up in leisure travel globally and also in China supported by a large domestic tourism base. Groupwide Hotel RevPAR improved by 23% (on same store basis) vs same period in prior year. The segment generated operating profit of S\$7.8 million during 2H2021 and S\$10.6 million during FY2021, against an operating loss result in the same periods in prior year.

In FY2021, Branded Residences and Extended Stay (Property Sales) segment continued to achieve profitability and contributes to Group's top line arising from the development sale in Australia and revenues recorded from completed residences and extended stay properties in Thailand.

Moving forward, further value creation will be unlocked through prioritising greater agility to shift resources as market dynamic changes, thereby enabling the Group to drive profitability as business segments are expected to continue the recovery path.

A Multi-branded Ecosystem of Purposeful Travel

As a future-oriented strategy in response to purposeful travel post-Covid, the Group launched its multi-branded ecosystem unified through its "Stay for Good" framework which aligns with the United Nations Sustainable Development Goals (SDGs) and founded on the ethos of "Embracing the Environment, Empowering People". As a pioneer of purposeful stewardship, this expanded global portfolio of 10 unique brands will increase the Group's reach and impact.

Foreseeing conversion opportunities in resort destinations, micro-hotels in developed cities, and emerging second-tier tourism destinations, it has unveiled three new brands - Folio, Garrya and Homm to capture these macro trends. Two new brand extensions Banyan Tree Escape and Banyan Tree Veya under Banyan Tree will further position the Group as a global hospitality leader in wellbeing and sustainability.

"As Covid continues, we maintain our conviction in the enduring demand for travel, and that we can build a better tomorrow as we embark on a new chapter of good growth." said Executive Chairman Mr Ho Kwon Ping. "With the launch of our global multi-branded ecosystem unified in our core purpose of sustainability and wellbeing, we will continue to grow as a regenerative business for the greater good post-Covid."

Pipeline and Outlook

The Group continues to receive numerous notable industry recognitions built upon the central value propositions of its brands. Additionally, as a milestone and market validation in FY2021, the Group had inked 27 hotel management/franchise agreements including 7 Garrya and 2 Homm in Asia, adding to its three-year pipeline of 45 properties.

With a total of 8 openings in 2021, it included the November opening of the first Garrya Huzhou Lucun in China, followed by the debut of Homm Bliss Southbeach Patong and soft-opening of Banyan Tree Veya Phuket in December. In the next 12 months, the Group expects to open 9 new resorts representing a 13% increase in total room key count. It will be across 4 countries of China, Indonesia, Thailand and Saudi Arabia – where a new flag will be planted in the latter country.

Driving sustainability stewardship forward, Banyan Tree Group firmly embeds its mission to be a regenerative business that partners and benefits all stakeholders, for the greater good.

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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-brand hospitality groups centred on stewardship and wellbeing while offering exceptional, design-led experiences for the global travellers of today and tomorrow. The Group’s diversified portfolio of hotels, resorts, spas, galleries, golf and residences is centred around an ecosystem of 10 global brands, including the award-winning Banyan Tree, Angsana, Cassia, Dhawa and Laguna, as well as the highly anticipated new brands of Homm, Garrya, Folio and two new Banyan Tree brand extensions, Banyan Tree Escape and Banyan Tree Veya.

Founded in 1994 on the core concept of sustainability, Banyan Tree Group 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 8,200 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 Group has received 2,920 industry awards and accolades since inception over 25 years ago, most recently being named among the Top 25 Hotel Brands in the World by Travel + Leisure. 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 United Nations Sustainable Development Goals. Executing on its regionalised growth strategy, the Group’s global footprint continues to grow with 45 new hotels and resorts under design and construction in the pipeline, in addition to 55 operating hotels in 15 countries as of 31 December 2021. As a global industry hospitality leader, Banyan Tree Group firmly embeds its mission to be a business that benefits all stakeholders, for the greater good.

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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