

# FY2020 RESULTS BRIEFING



BANYAN TREE  
GROUP

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# AGENDA

1.

Overview

2.

Key Segments Business Review

3.

Future Plans



# Overview



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# Group Financial Highlights

	FY19 (S\$'M)	FY20 (S\$'M)
Core Operating Profit <sup>1</sup>	65.1	4.3
Cashflow from Operating Activities <sup>2</sup>	29.6	8.2
Revenue	347.0	157.8
Operating Profit	56.2	(35.1)

*“It has not been an easy year but we are determined to build back better. We have taken the opportunity to lay the foundations of a more agile, resilient and responsive organisation, while re-centering on our core purpose of wellbeing and sustainability which, fortunately for us, has become even more relevant post-Covid.”*

*~ Ho KwonPing, Executive Chairman*

<sup>1</sup> Core Operating Profit = Operating Profit excluding one-off gains or losses. (Operating Profit = EBITDA (Earnings before interests, taxes, depreciation & amortisation))

<sup>2</sup> 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

# Executive Summary

- Operating Loss of S\$9.0m in 2H20 vs S\$26.1m in 1H20 due to re-opening of most hotels in 2H20 and cost containment.
- Embedded in Operating Loss for FY20 was exceptional items of S\$39.4m.
- Excluding exceptional items, S\$4.3m of core operating profit achieved for the full year (93% lower than FY19).
- Significant higher Property Sales revenues of S\$56.7m in 2H20 representing 82% of full year Property Sales revenues.

## Subsequent Events / Outlook

- S\$51m cash as at 31 December 2020. Approximately S\$40m additional cash generated in Jan-Feb'20 through secured credit facilities and proceeds from disposal of Brisbane land.
- Conversion of short term loans into long term loans.
- Ongoing discussion with certain associates to execute an agreement to settle outstanding debts within 2021 (approximately S\$50m).
- Unrecognised Property Sales Revenue at S\$108.8m, about 30% to be recognised in 2021.

# Key Figures<sup>1</sup>

**S\$0.67**

NAV<sup>2</sup> Per Share

**60%  
discount**

Share Price<sup>3</sup> / NAV

**S\$51m**

Cash and  
Cash Equivalents

**65%**

Net Gearing Ratio<sup>4</sup>

**S\$0.7b**

Enterprise Value<sup>5</sup>

Note:

1. Financial figures as at 31-Dec-20.
2. NAV denotes Net Asset Value.
3. Share price based on closing share price of S\$0.265 as at 23-Feb-21.
4. Gearing ratio is defined as net debt divided by total equity (includes minority interests).
5. Enterprise value (EV) defined as sum of Market Capitalization, Debt and Minority Interest, less Cash.



# Key Segments Business Review



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# Segment Performance

- Lower revenues across all operating segments.
- Provided for exceptional items of S\$39.4m which are mainly non-cash in nature.
- Cushioned by lower operating expenses from Group wide cost savings initiatives and unpaid leave.

	Hotel Investments			Property Sales			Fee-Based Segment		
	FY20	FY19	Var	FY20	FY19	Var	FY20	FY19	Var
	S\$'M	S\$'M	S\$'M	S\$'M	S\$'M	S\$'M	S\$'M	S\$'M	S\$'M
Revenue	62.2	173.7	(111.5)	69.4	114.2	(44.8)	26.2	59.1	(32.9)
Expenses	(76.5)	(155.5)	79.0	(69.2)	(85.4)	16.2	(34.8)	(43.4)	8.6
Operating Profit (EBITDA)	(14.3)	18.2	(32.5)	0.2	28.8	(28.6)	(8.6)	15.7	(24.3)
Exceptional items	8.1	5.3	2.8	16.4	0.0	16.4	4.3	0.0	4.3
Core Operating Profit <sup>1</sup>	(6.2)	23.5	(29.7)	16.6	28.8	(12.2)	(4.3)	15.7	(20.0)

	Head Office Exp & Other Income			Total		
	FY20	FY19	Var	FY20	FY19	Var
	S\$'M	S\$'M	S\$'M	S\$'M	S\$'M	S\$'M
Revenue	1.8	5.8	(4.0)	159.6	352.8	(193.2)
Expenses	(14.2)	(12.3)	(1.9)	(194.7)	(296.6)	101.9
Operating Profit (EBITDA)	(12.4)	(6.5)	(5.9)	(35.1)	56.2	(91.3)
Exceptional items	10.7	3.6	7.1	39.4	8.9	30.5
Core Operating Profit <sup>1</sup>	(1.7)	(2.9)	1.2	4.3	65.1	(60.8)

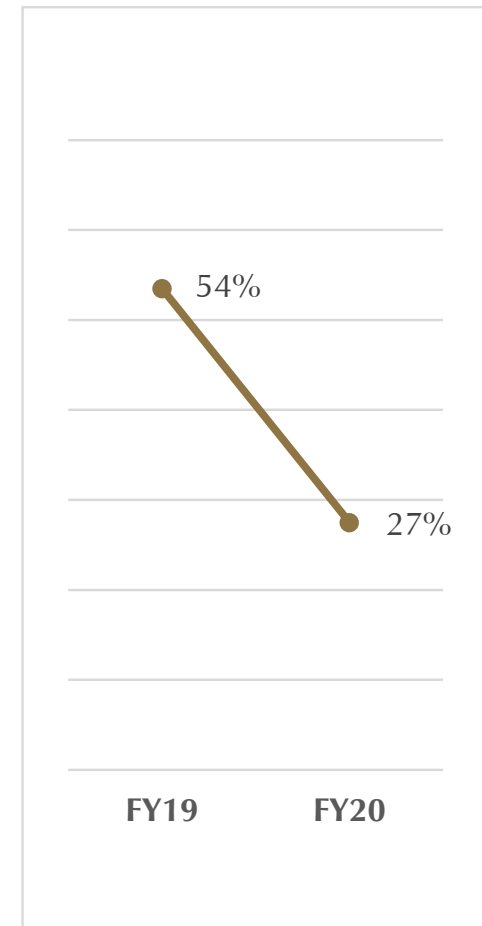
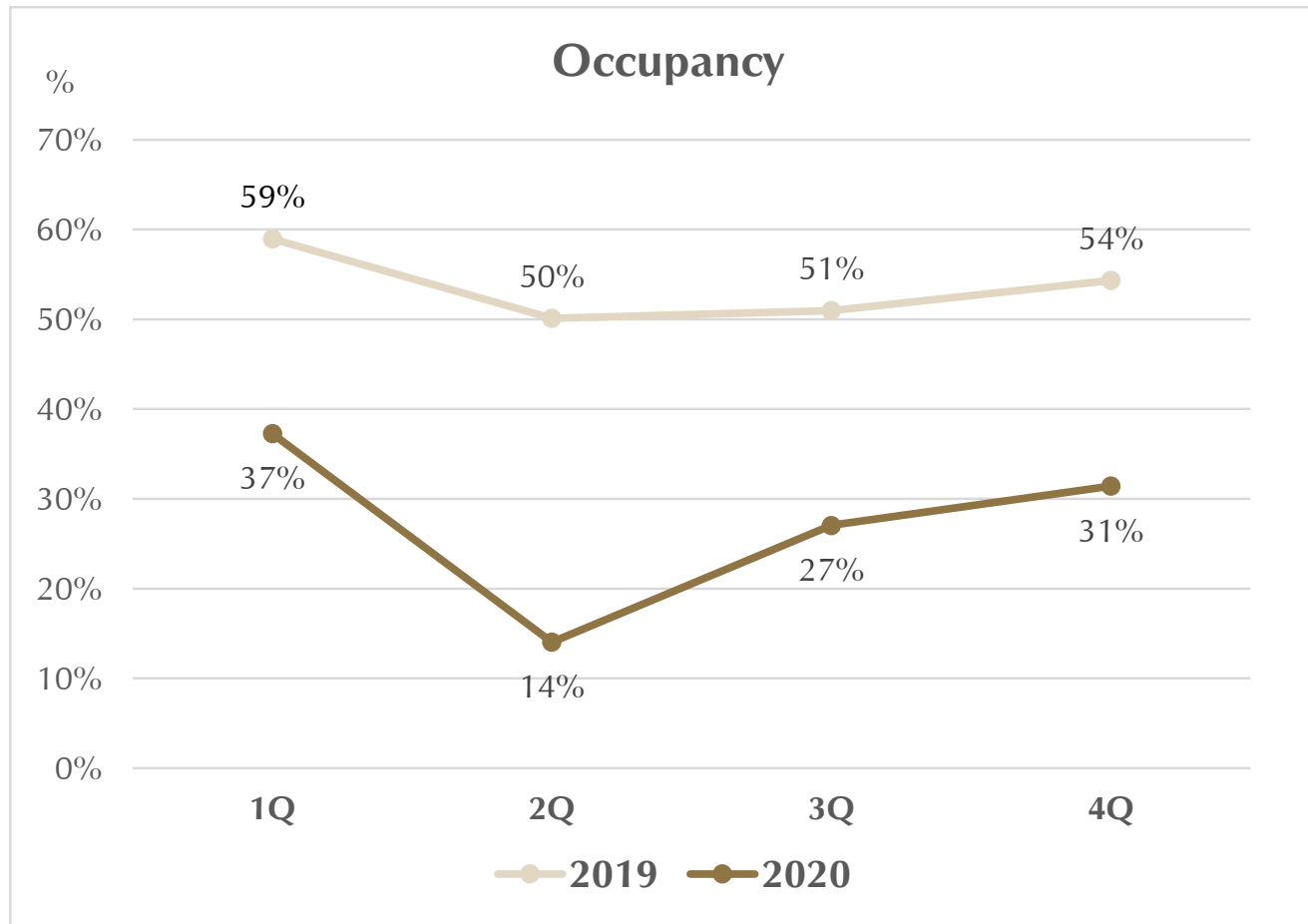
<sup>1</sup> Core Operating Profit = Operating Profit excluding one-off gains or losses. (Operating Profit = EBITDA (Earnings before interests, taxes, depreciation & amortisation))



# HOTEL AND FEE-BASED BUSINESS

# Average Occupancy

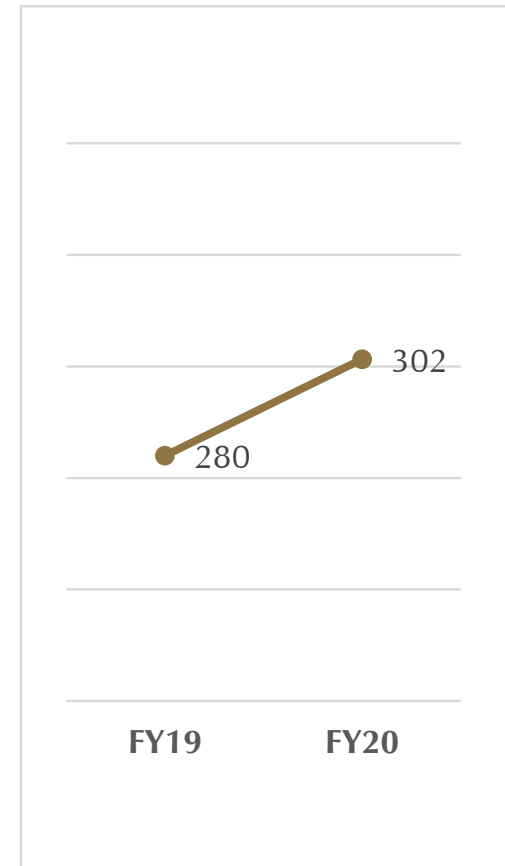
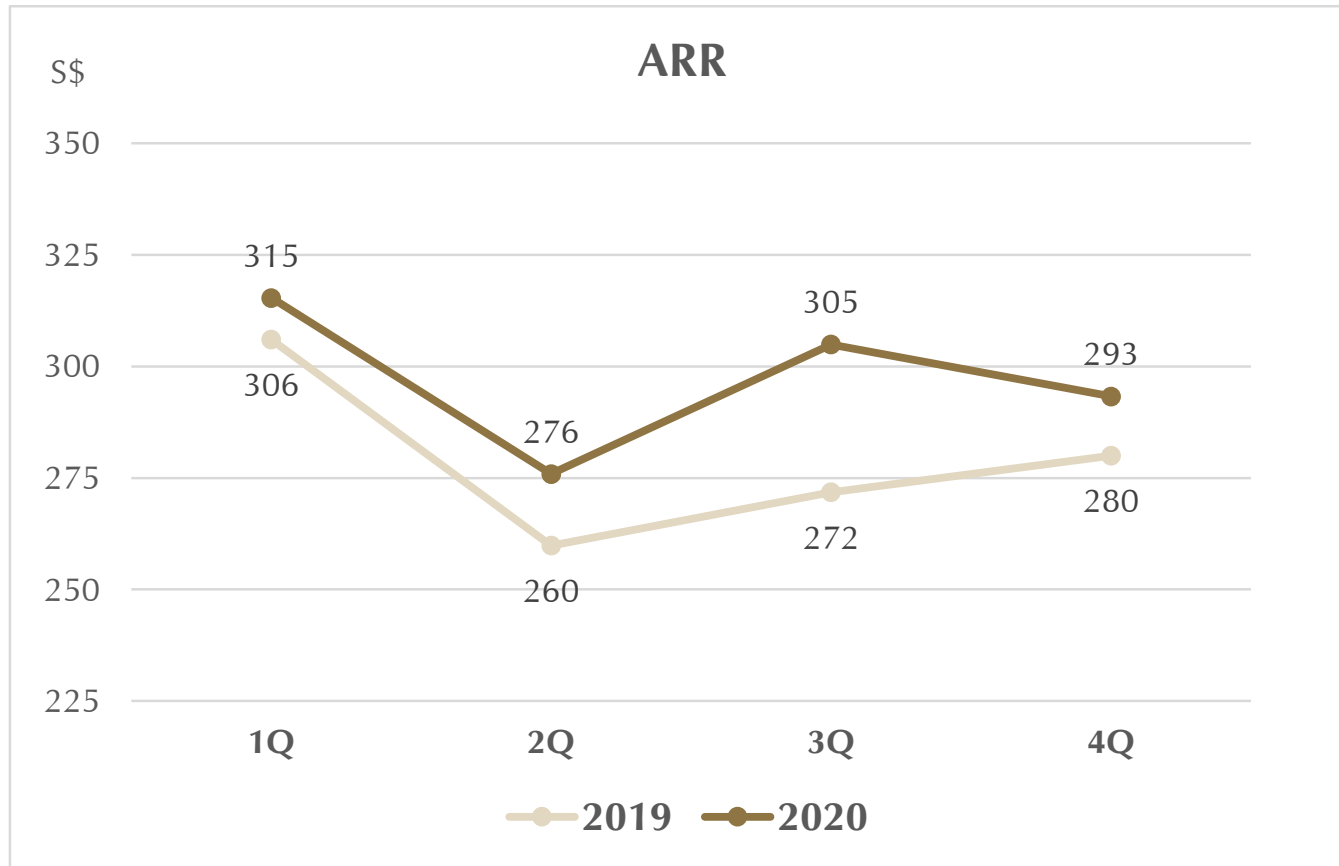
Overall hotels (Same Store<sup>1</sup>) occupancy decreased by 50% from 54% to 27%.



<sup>1</sup> Same Store Concept excludes all new resorts opened in the past 2 years as they take on average two years to stabilize.

# Average Room Rate

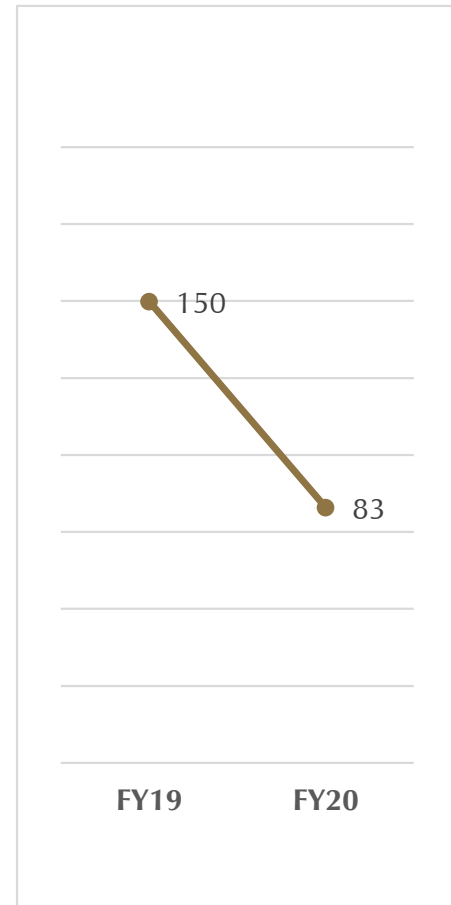
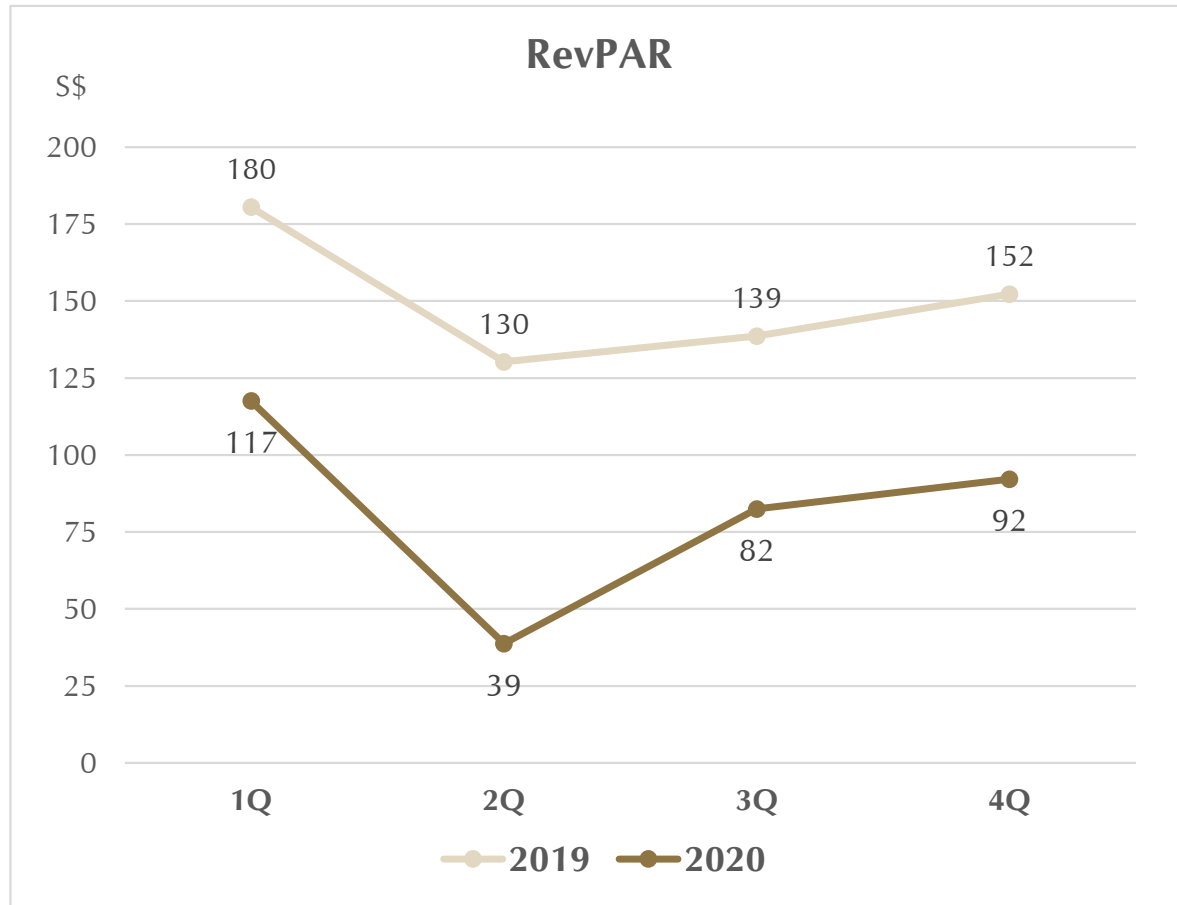
Overall hotels (Same Store<sup>1</sup>) average room rate (ARR) increased mainly due to higher China and Maldives hotels.



<sup>1</sup> Same Store Concept excludes all new resorts opened in the past 2 years as they take on average two years to stabilize.

# RevPAR

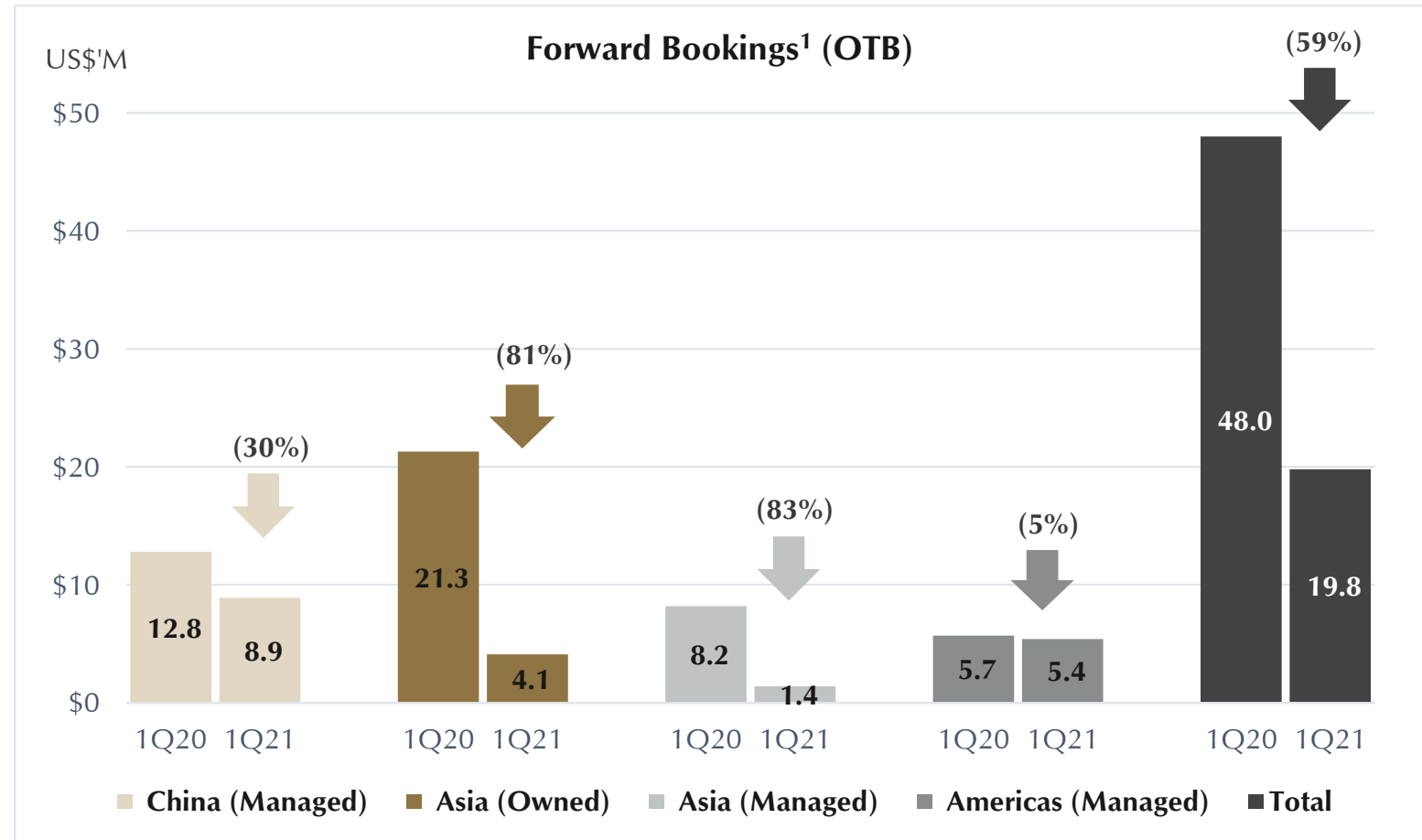
Overall hotels (Same Store<sup>1</sup>) revenue per available room (“RevPAR”) decreased by 45% to S\$83 mainly due to lower occupancy.



<sup>1</sup> Same Store Concept excludes all new resorts opened in the past 2 years as they take on average two years to stabilize.

# Forward Bookings<sup>1</sup>

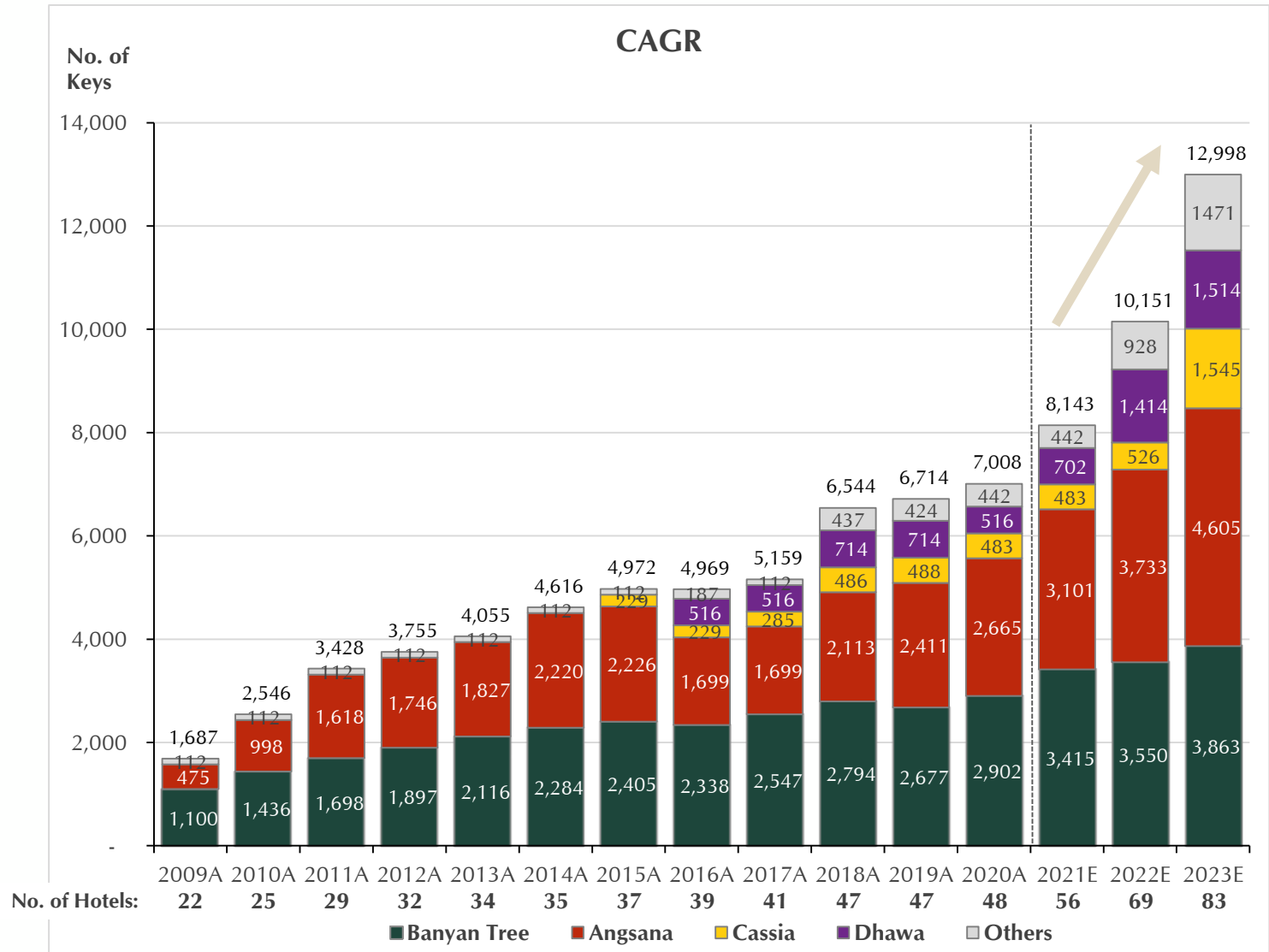
- Forward bookings overall impacted by Covid-19, decreased by 59%.
- Asia owned and managed hotels forward bookings decreased by 81% to 83% respectively.
- China and Americas hotels has impact, forward bookings decreased by 30% and 5% respectively.



<sup>1</sup> Based on On-The-Book ("OTB") room revenue (USD) as at 15 January 2021.

# Projected Pipeline Growth<sup>1</sup>

- CAGR of 23% based on projects completion dates.
- 35 hotels to be opened in next 3 years.
- Room keys estimated to grow by 85% from about 7,000 keys as at 31 Dec 2020 to 13,000 keys by end of 2023.
- Additional keys are largely managed without any equity interest.



<b>CAGR 2020 – 2023 = 23%</b>	<b>Past (2009)</b>	<b>Current (2020)</b>	<b>Future (2023)</b>
Owned Hotels %	66%	26%	14%
Managed Hotels %	34%	74%	86%

<sup>1</sup> Based on number of keys for contracts that were already signed.



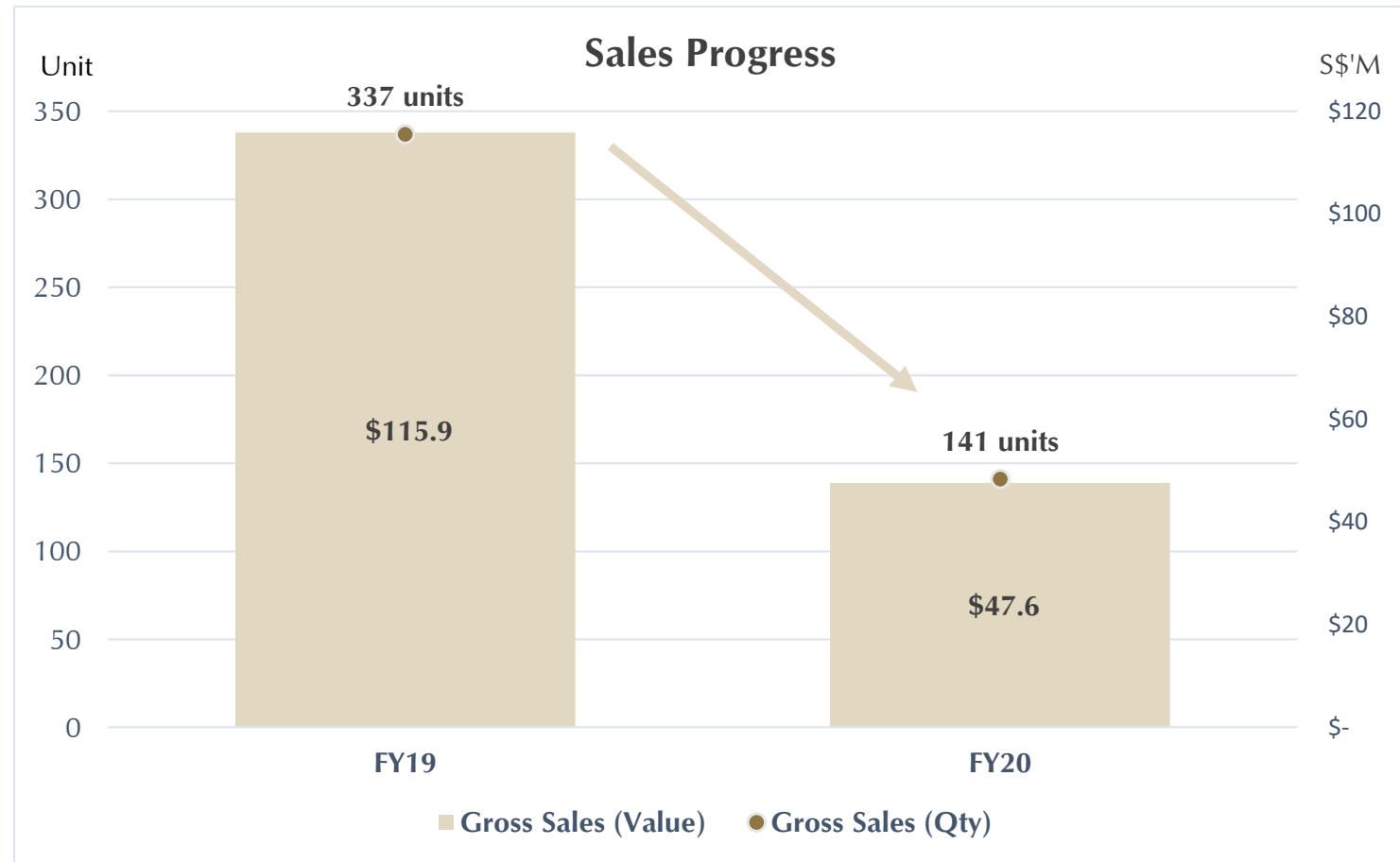
# RESIDENCES AND EXTENDED STAY



# RESIDENCES AND EXTENDED STAY

## Sales Progress

- In FY20, 141 units sold (S\$48m) vs 337 units (S\$116m) in FY19.
- Unrecognised revenue at S\$108.8m, about 30% to be recognised in 2021.



<b>UNRECOGNISED REVENUE AS AT 31 DEC 2020</b>	<b>S\$108.8m</b>
Estimated recognition in 2021	S\$33.1m
Estimated recognition in 2022	S\$47.0m
Estimated recognition in 2023 & beyond	S\$28.7m

<sup>1</sup> Based on completed contract method of revenue recognition



# Future Plans



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# Future Plans

- Facilitating borders re-opening, easing quarantine-free requirements and inoculation in Thailand which makes up majority of the Group's Hotel Investments segment.
- Opportunistic assets disposal.
- Unlock organisational efficiencies through flexible cost structure and data/digital focus.

## Liquidity Management

- Continue to adopt prudent cost containment measures. Expect to yield approximately S\$15m of annualised recurring cost savings or 20% of fixed costs.
- Closely monitor and strengthen the Group's liquidity position.
- Prioritise receivable collections.

## Growth and New Openings

- In 2020, three new properties opened in Hacienda (Mexico), Krabi (Thailand) and Penang (Malaysia).
- 20 Hotel Management Agreements were signed in 2020.
- 35 hotels to be opened in next three years, including 8 to be opened in 2021 accompany with 7 spas openings. Entering new destinations of the Group in Cambodia, Qatar, Greece and Mozambique.

# New Hotel Contracts Signed in 2020

- 20 new hotel management agreements signed in 2020.
- New hotels mainly located in China (13), Korea (4), Philippines (2) and Indonesia (1).
- For China, 3 were Vanke leads.

NO	BRAND	HOTEL MANAGEMENT AGREEMENT
1	Angsana	3
2	Banyan Tree	6
3	Cassia	4
4	Dhawa	3
5	Others	4
	Total	20

# Hotel Pipeline

35 hotels to be opened in the next three years. In 2021, we will be entering new forays in 3 regions in Middle east (Qatar), Europe (Greece) and Africa (Mozambique)



# Land Bank

127 hectares land bank development potential with gross development value of S\$4.7 billion

<b>EXISTING LAND BANK</b>	
Land Size	127 hectares
Gross Development Value	S\$4.7 billion

<b>PROJECTS ACTIVATED FOR DEVELOPMENT</b>	
Number Of Projects	4
Land Size	9 hectares
Gross Development Value	S\$0.5 billion
Percentage Of Land Bank To Be Utilised (Land Size)	7%

# OUR BRANDS



BANYAN TREE



ANGSANA



CASSIA



DHAWA

laGuna

An aerial night photograph of a resort. A large, calm lake occupies the center, reflecting the lights from buildings and trees. The buildings have traditional, multi-tiered roofs and are illuminated from within. The surrounding area is densely forested with lush green trees. The overall atmosphere is serene and elegant.

THANK YOU

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