



1H 2022

Results Presentation

29 July 2022

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- Portfolio Performance
- Asset Enhancement Initiatives
- Outlook



## Financial Highlights



# Executive Summary for 1H 2022 – Performance vs LY

	1H 2022	1H 2021	Variance
	S\$'000	S\$'000	%
<b>Gross Revenue</b>	<b>40,998</b>	<b>41,569</b>	<b>(1.4)</b>
Hotels	28,500	28,500	-
Serviced Residences (“SR”)	5,248	5,709	(8.1)
Commercial Premises	7,250	7,360	(1.5)
<b>Net Property Income</b>	<b>37,455</b>	<b>36,193</b>	<b>3.5</b>
Finance Expenses	(8,132)	(10,691)	23.9
REIT Manager’s fees	(4,512)	(4,596)	1.8
<b>Income Available for Distribution</b>	<b>28,957</b>	<b>25,318</b>	<b>14.4</b>

- Gross Revenue for 1H 2022 declined 1.4% year-on-year to S\$41.0 million mainly due to the divestment of Central Square on 24 March 2022. Excluding Central Square, the SR segment and Commercial Premises segment would have increased 12.1% and 12.6% year-on-year respectively.
- Finance Expenses were 23.9% lower year-on-year mainly due to the repayment of S\$260.3 million of loans using proceeds from the divestment of Central Square.



# Executive Summary for 1H 2022 – Performance vs LY

	1H 2022	1H 2021	Variance
	S\$'000	S\$'000	%
<b>Income Available for Distribution</b>	<b>28,957</b>	<b>25,318</b>	<b>14.4</b>
<b>Distribution to Stapled Securityholders</b>	<b>30,581</b>	<b>21,694</b>	<b>41.0</b>
- from taxable income	28,595	21,694	31.8
- from other gains	1,986	-	n.m.
<b>Distribution per Stapled Security (“DPS”) (cents)</b>	<b>1.54</b>	<b>1.10</b>	<b>40.0</b>

- Distribution to Stapled Securityholders grew 41.0% year-on-year to S\$30.6 million due to higher net property income contribution, lower finance cost and distribution from divestment gain of Central Square.
- The REIT Manager currently intends to distribute a portion of the divestment gains, expected to be approximately S\$8 million per year over three years based on the highest historical annual NPI of Central Square achieved. For FY 2022, distribution from divestment gains will be S\$6.2 million to cover the nine months after the disposal of Central Square.
- DPS grew 40% year-on-year to 1.54 cents.

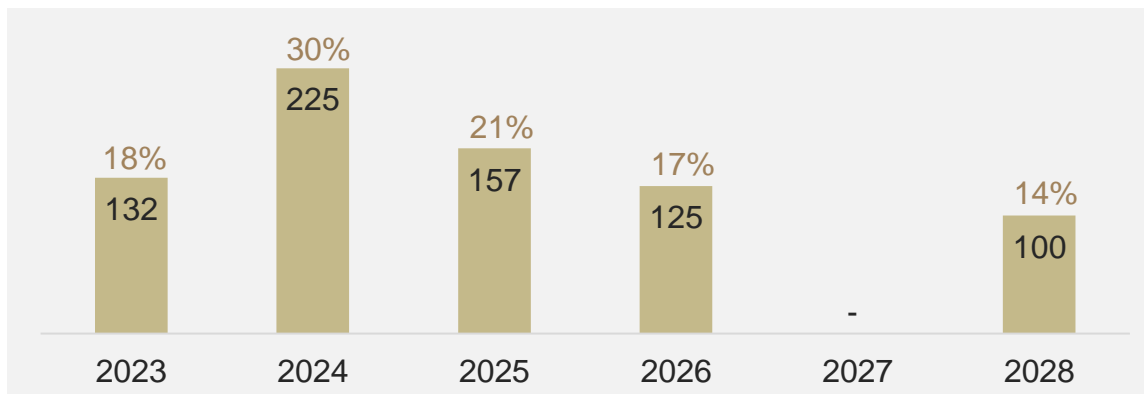


# Capital Management

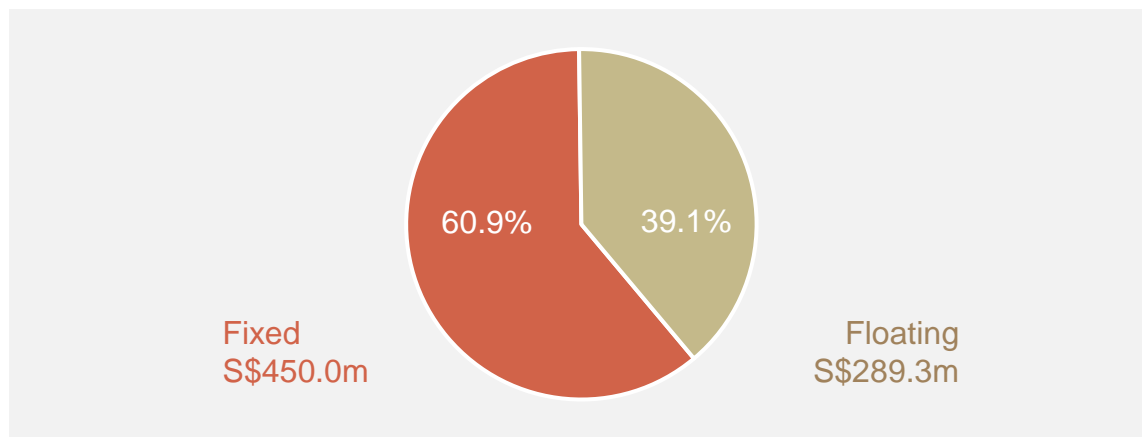
## As at 30 Jun 2022

<b>Total Debt</b>	S\$739.3m
<b>Available revolving facility</b>	S\$300.0m
<b>Aggregate Leverage</b>	33.3%
<b>Unencumbered asset as % total asset</b>	100%
<b>Proportion of fixed rate</b>	60.9%
<b>Weighted average debt maturity</b>	2.8 years
<b>Average cost of debt</b>	1.8%
<b>Interest Coverage Ratio<sup>1</sup></b>	4.0x

## Debt Maturity Profile



## Interest Rate Profile



<sup>1</sup> Interest coverage ratio is computed based on EBITDA over interest expense as per the definition in the loan covenants. This would be 3.7x based on the definition prescribed by Appendix 6 of the Code on Collective Investment Schemes.



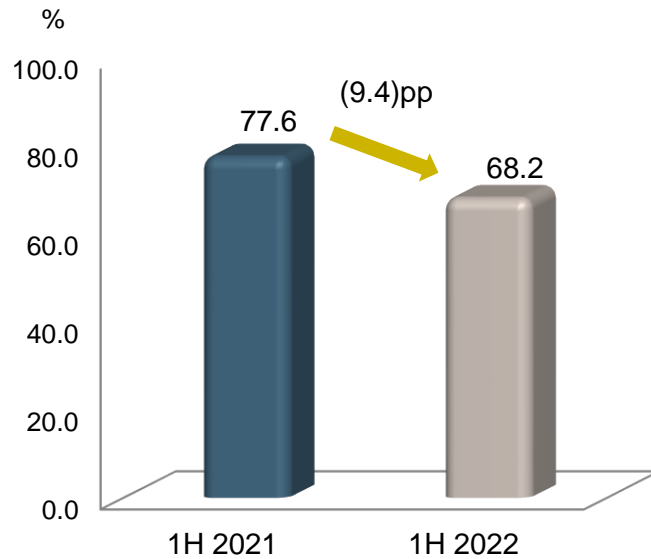
## Portfolio Performance



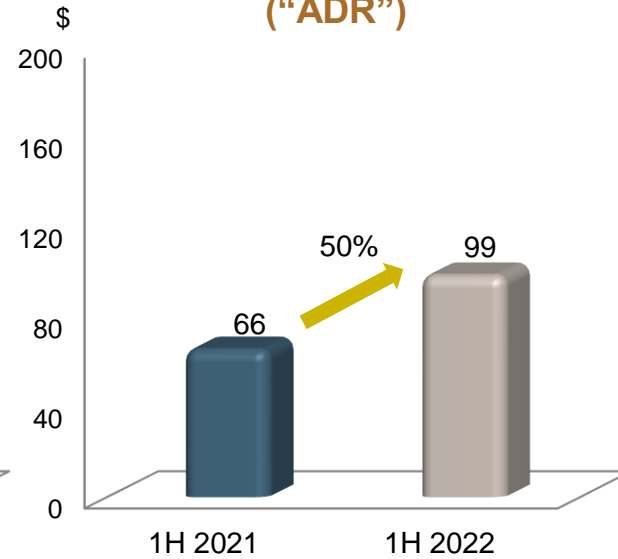


# Portfolio Performance 1H 2022 – Hotels

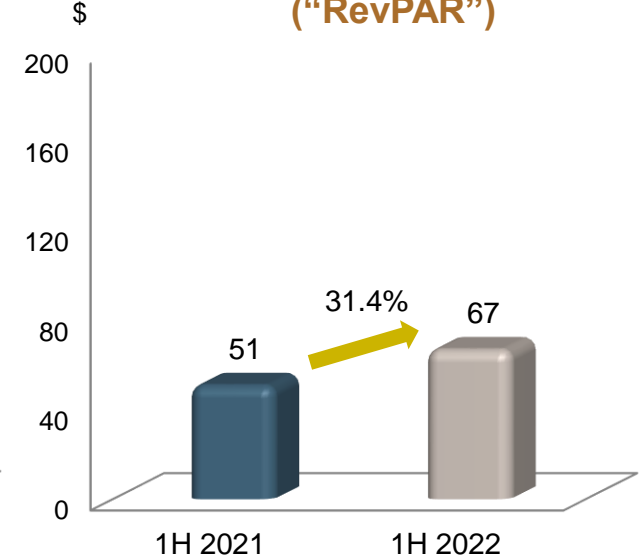
## Average Occupancy



## Average Daily Rate ("ADR")



## Revenue Per Available Room ("RevPAR")

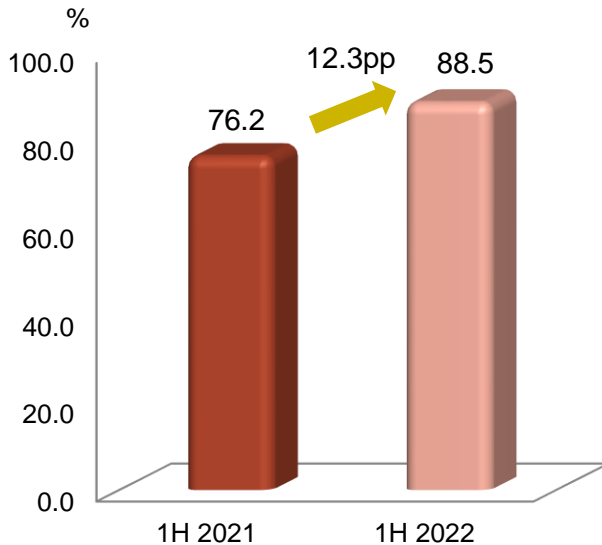


- Average occupancy declined 9.4pp year-on-year to 68.2%, resulting from the closure of The Elizabeth Hotel for renovation.
- ADR increased 50.0% year-on-year to S\$99 as inbound traffic improved with more business and leisure guests and higher contracted rates with the government.
- Consequently, RevPAR increased 31.4% year-on-year to S\$67.

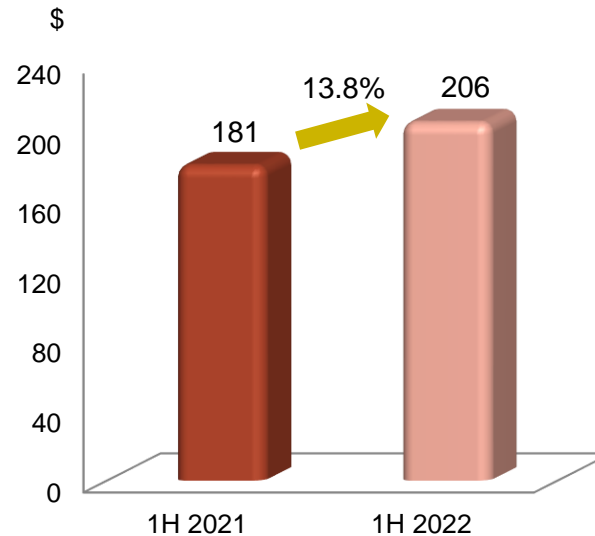


# Portfolio Performance 1H 2022 – Serviced Residences

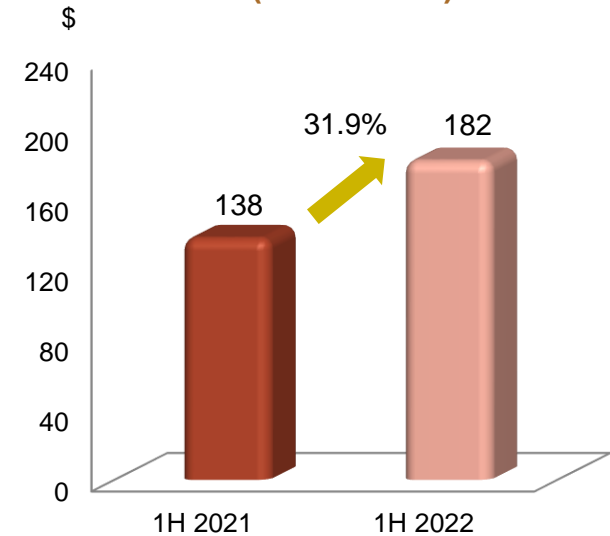
## Average Occupancy



## Average Daily Rate (“ADR”)



## Revenue Per Available Unit (“RevPAU”)



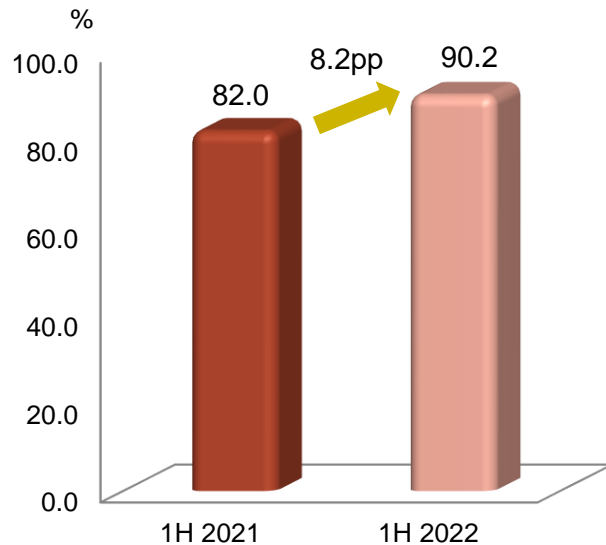
- The Serviced Residences (“SRs”) continued to demonstrate strong performance above the fixed rent component of the master leases, supported by corporate groups and increased demand from professionals requiring long-stay accommodation.
- Average occupancy of the SRs increased 12.3pp year-on-year to 88.5% and ADR grew 13.8% to S\$206. As a result, RevPAU was 31.9% higher at S\$182.



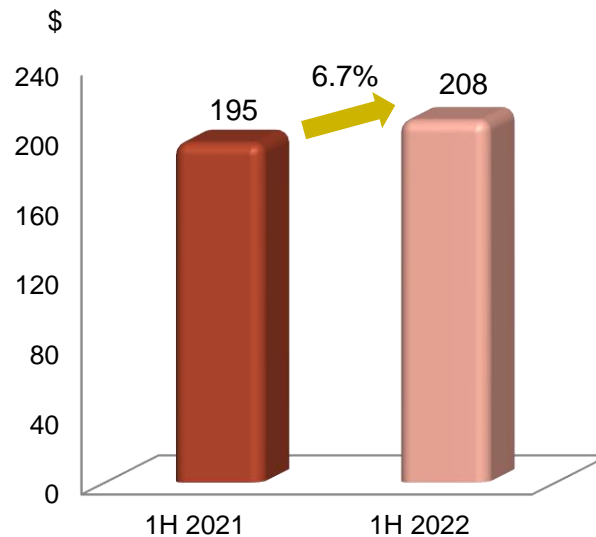
# Portfolio Performance 1H 2022 – Serviced Residences

(Same-store basis excluding Village Residence Clarke Quay “VRCQ”)

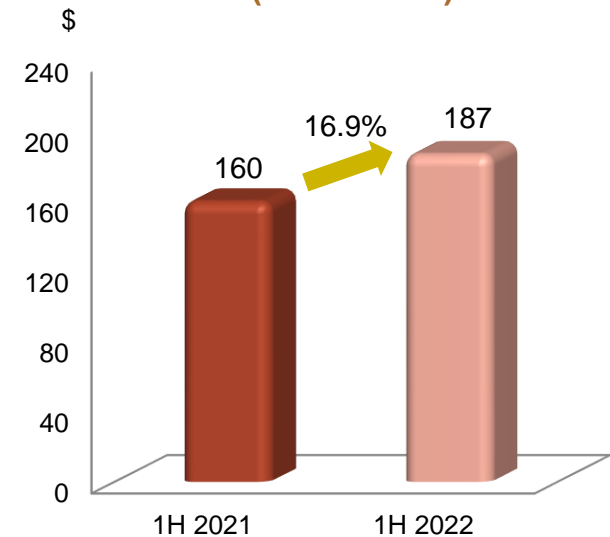
### Average Occupancy



### Average Daily Rate (“ADR”)



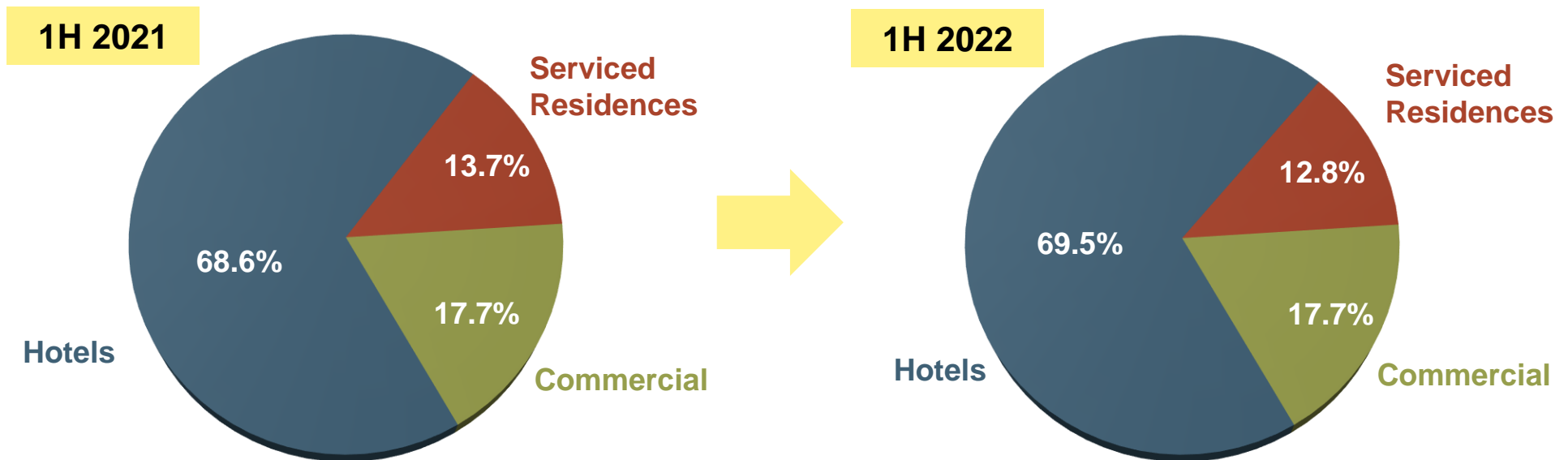
### Revenue Per Available Unit (“RevPAU”)



- On a same-store basis, if VRCQ was excluded for both years, average occupancy of the SRs would have increased 8.2pp year-on-year to 90.2% and ADR would have grown 6.7% to S\$208.
- RevPAU would be 16.9% higher at S\$187.

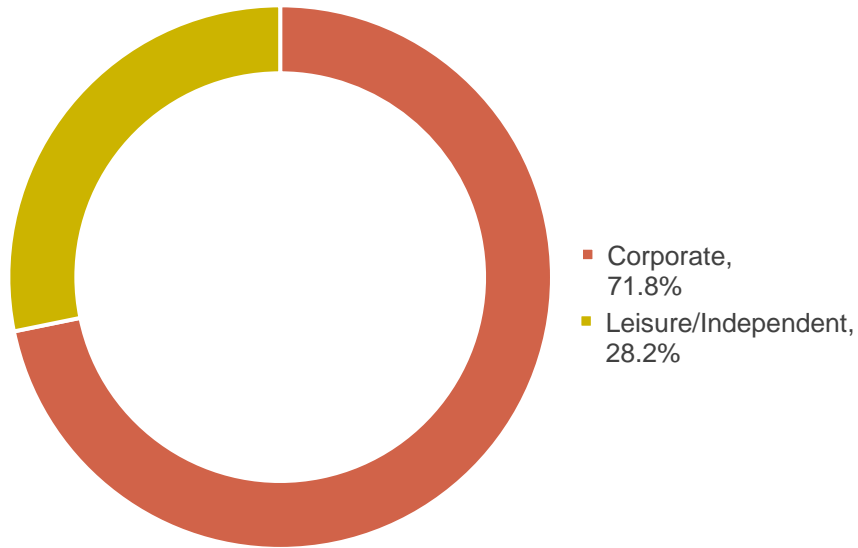


# Breakdown of Gross Revenue – Total Portfolio

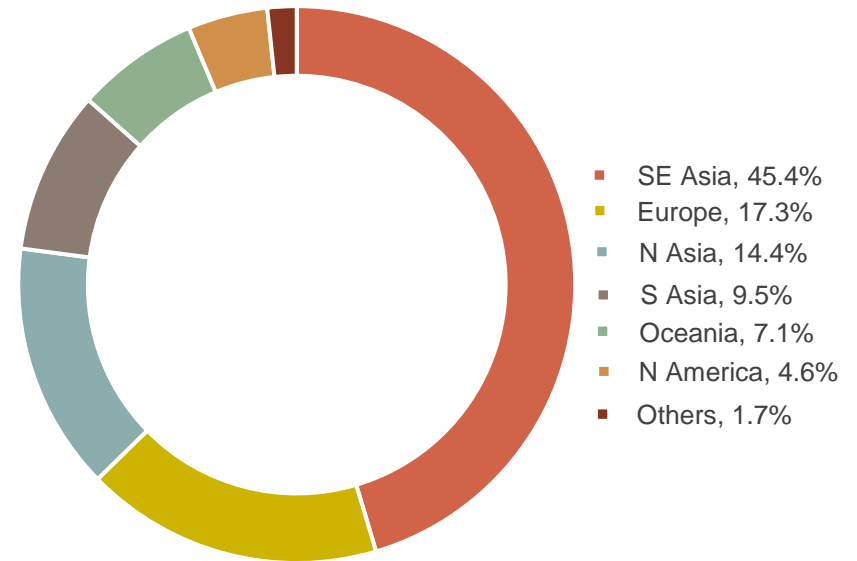


# 1H2022 Revenue Contribution – Hotels

## By Market Segment



## By Country of Residence

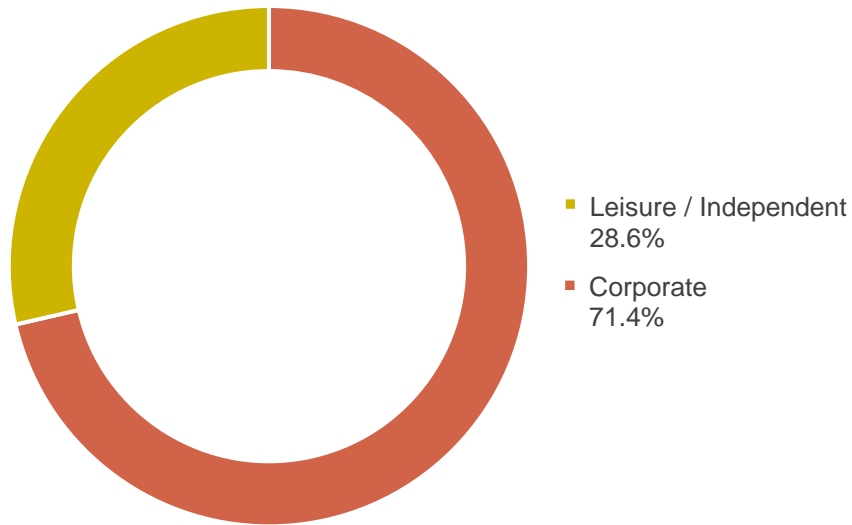


- The Corporate segment contributed 71.8% of overall revenue and the proportion of the Leisure/Independent segment grew to 28.2% of overall revenue, reflecting the influx of business and leisure travellers since the full reopening of borders in April 2022.
- Guests from South East Asia, Europe and North Asia formed the top 3 markets contributing to 77% of overall revenue.

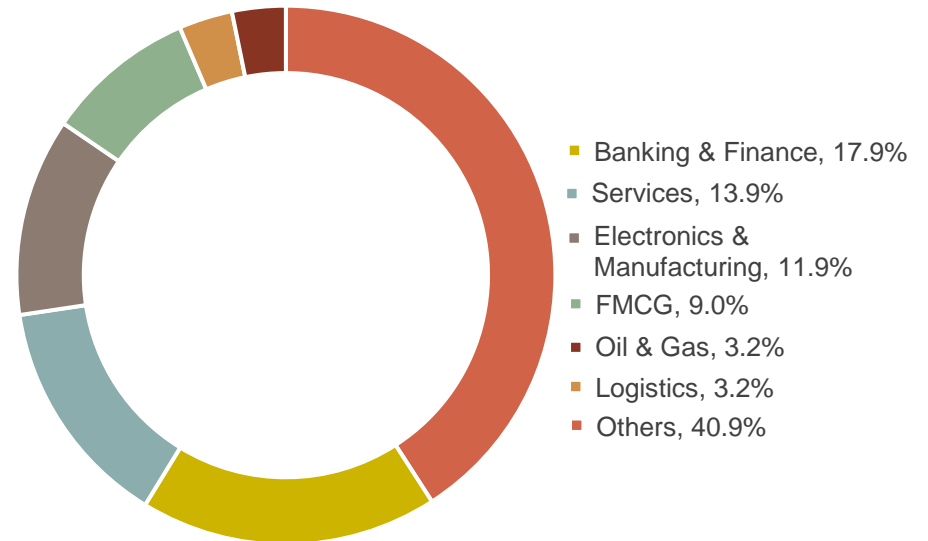


# 1H2022 Revenue Contribution – Serviced Residences

## By Market Segment



## By Industry



- Revenue contribution by the Corporate segment was 71.4% while the Leisure/Independent segment formed the balance of 28.6%.
- Banking & Finance, Services and Electronics & Manufacturing were the top 3 segments contributing 43.7% of overall revenue.



## Asset Enhancement Initiatives



# Adina Serviced Apartments Singapore Orchard\*



Reception

\*Previously known as Regency House

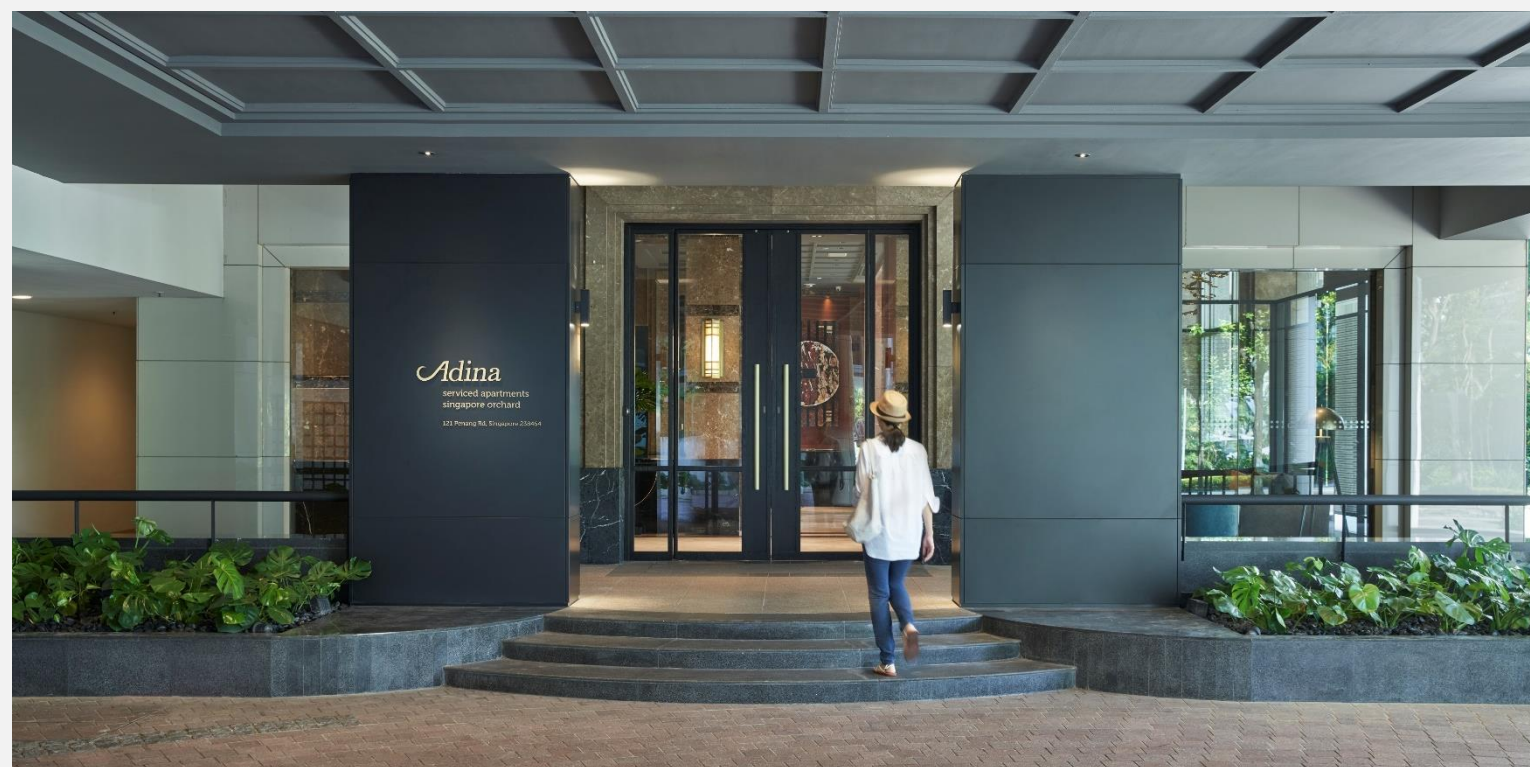




# Adina Serviced Apartments Singapore Orchard\*

## Refurbishment and rebranding of Regency House to Adina Serviced Apartments Singapore Orchard

(Officially rebranded on 7 July 2022)



Driveway



Ride Your Own Adina Story



\*Previously known as Regency House

# Adina Serviced Apartments Singapore Orchard\*

## Refurbishment and rebranding of Regency House to Adina Serviced Apartments Singapore Orchard

(Officially rebranded on 7 July 2022)



Studio



Snack Bar / Lobby



\*Previously known as Regency House

# Orchard Rendezvous Hotel

## Renovation of the outdoor refreshment area and forecourt

(Completed in March 2022)



# Orchard Rendezvous Hotel – New F&B Concepts

WHITE *by Otto*  
MARBLE

Opened in Feb 2022



うんかい  
UNKAI  
SUSHI

Opened in Feb 2022



White Marble



White Marble



Unkai Sushi



# Orchard Rendezvous Hotel – New F&B Concepts



Opened in May 2022



Brewerkz



Opened in June 2022



Cafe Iguana



Cafe Iguana



# Orchard Rendezvous Hotel – New Retail/F&B & Services Concepts



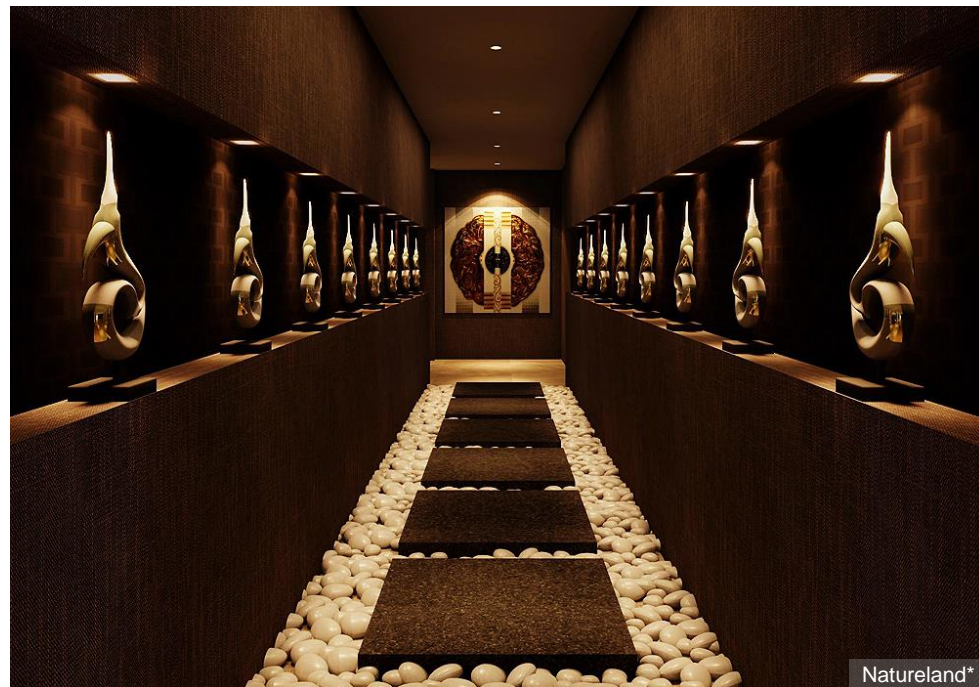
Opened in July 2022



Fleurato



Expected opening in December 2022



Natureland\*



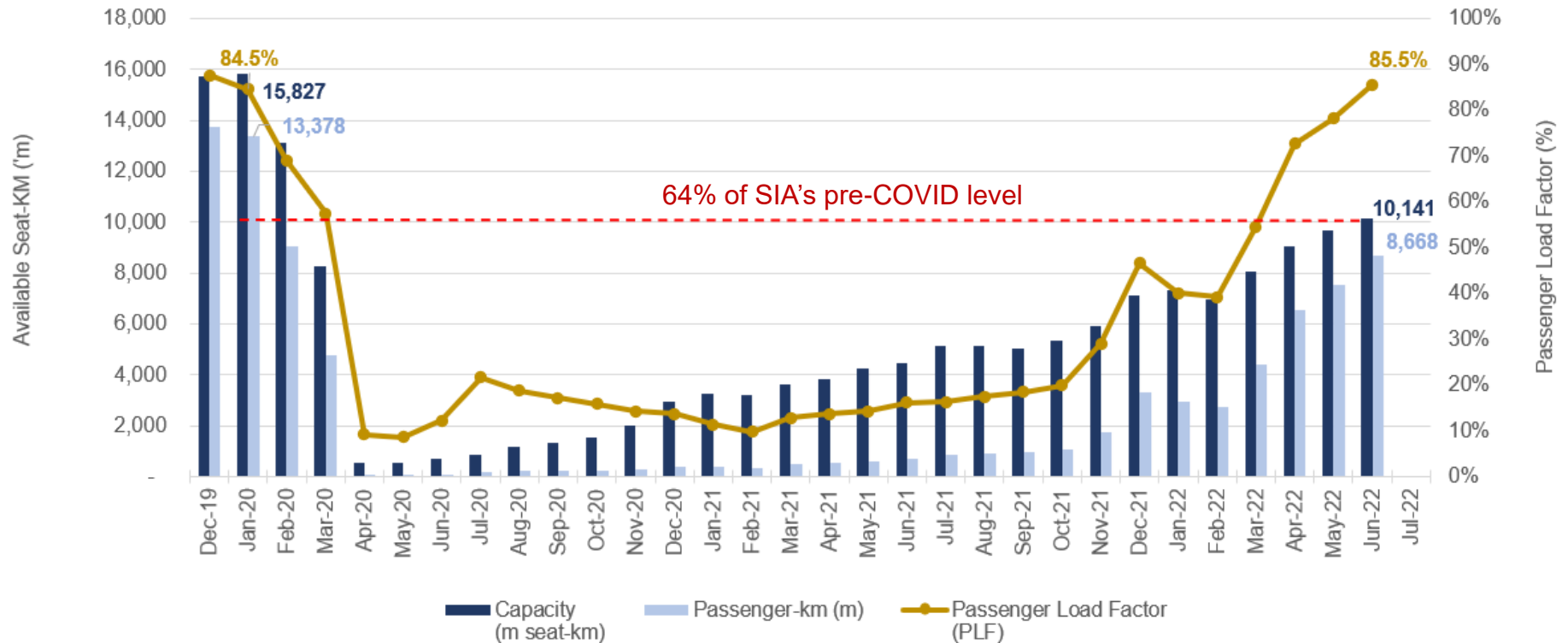
\*Images shown are based on artist impression

## Outlook



# Recovery of Air Passenger Numbers

## SIA Group Passenger Capacity



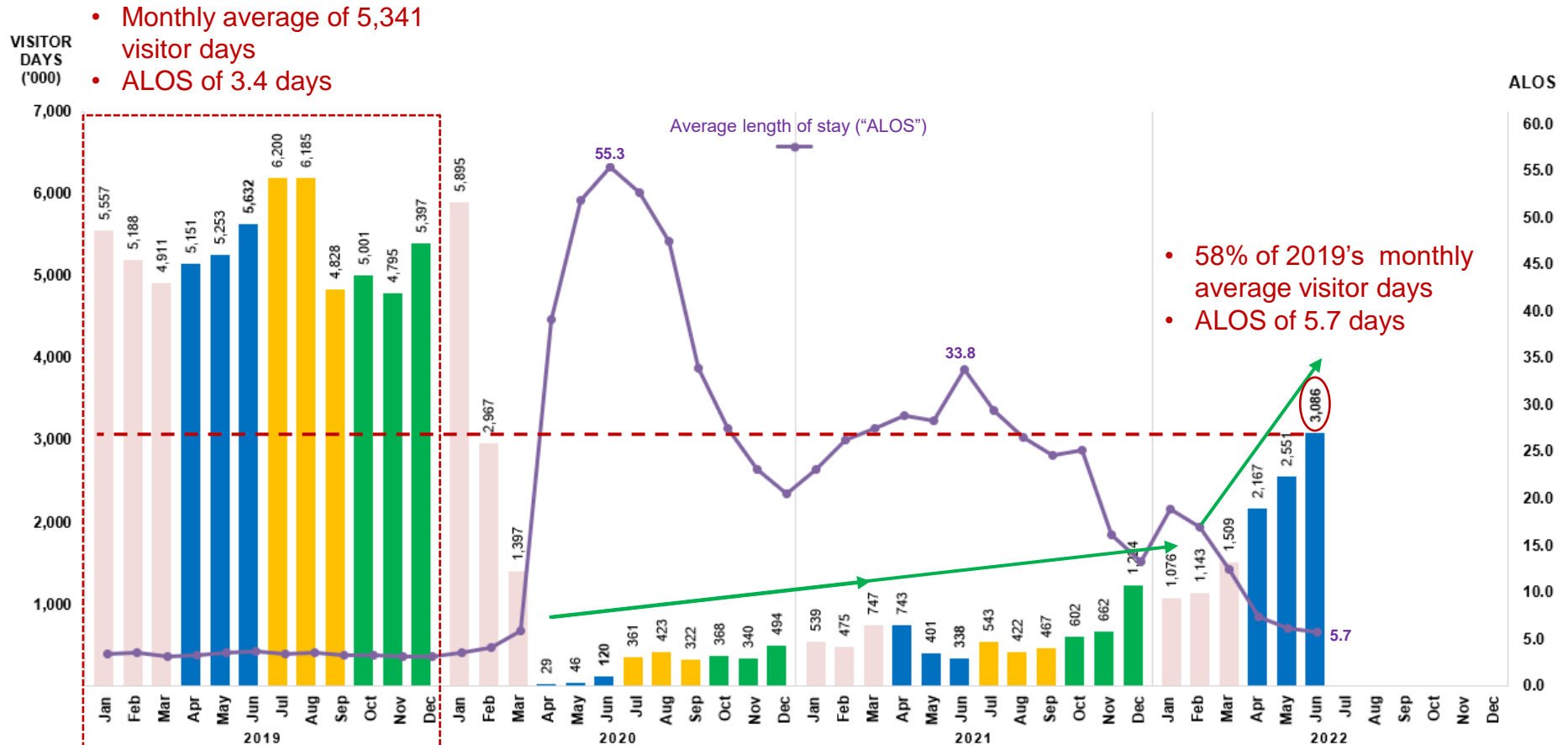
- As the main conduit for arrivals in Singapore, airlines' passenger capacity is a leading indicator for the recovery in cross-border travel.
- SIA Group passenger capacity continues to improve month-on-month and is expected to reach 81% of SIA's pre-COVID level by December 2022.





# Visitor Days Continue to Rise

## Visitor Days (Singapore)



- Visitor days continued trending upwards, growing 21% month-on-month from 2.6m to 3.1m visitor days, reaching 58% of pre-COVID levels.



## Outlook for 2022

### **Relaxed community and border measures**

- Since 26 April, the Singapore Government has eased most of the country's remaining COVID-19 measures, representing a significant step in the return to normalcy.
- Singapore Tourism Board (“STB”) expects four to six million visitor arrivals in 2022.

### **Increasing number of meetings, incentives, conventions and exhibitions events held in Singapore**

- More than 60 events are slated to take place in the second half of 2022. Of which, some events have been relocated to Singapore.
- The Singapore Association of Convention and Exhibition Organisers and Suppliers expect a steep recovery of events this year with recovery by 2023 to 2024.

### **Mitigating factors for Far East H-Trust**

- While there are macroeconomic headwinds and geopolitical risks in the near term, Far East H-Trust continues to be protected by the high fixed rent component of the master leases. The 20-year master leases on all portfolio assets are well-supported by the Sponsor, Far East Organization.



## Medium-Term Outlook

### **Growing business hub – Singapore continues to attract foreign investments**

- S\$11.8 billion in fixed asset investments in 2021, above the medium to long-term yearly target of between S\$8 billion and S\$10 billion set by the Economic Development Board.
- Strong investments by Electronics and Biomedical manufacturing firms with 67% and 13% of investment commitments coming from United States and Europe respectively.
- New investments expected to drive demand for accommodation from corporate travellers and project groups.

### **Expanding tourism offerings**

- S\$500m set aside by the Singapore Tourism Board for the next few years to strengthen Singapore's position as a global hub for business tourism and urban wellness haven.
- Major expansion of key tourism areas such as the revamp of Mandai Wildlife Reserve, Sentosa (*including development of Pulau Brani, collectively known as the Greater Southern Waterfront project*), and the Integrated Resorts.

### **Ongoing infrastructure projects to enable Singapore to remain connected and relevant to the world**

- Continued development of infrastructure projects such as Changi Airport Terminal 5, Tuas Mega port, the North South Corridor, and the Cross Island MRT line.



# Thank You

For more information please visit  
<http://www.fehtrust.com>



# Far East H-Trust Asset Portfolio Overview

## Hotels



**Village Hotel  
Albert Court**

**Village Hotel  
Changi**

**Vibe Hotel  
Singapore  
Orchard**

**Village Hotel  
Bugis**

**Oasia  
Hotel Novena**

**Orchard  
Rendezvous  
Hotel**

**The  
Quincy Hotel**

**Rendezvous  
Hotel  
Singapore**

**Oasia Hotel  
Downtown**

**Total /  
Weighted  
Average**

Market Segment	Mid-tier	Mid-tier	Mid-tier	Mid-tier	Mid-tier / Upscale	Mid-tier / Upscale	Upscale	Upscale	Upscale	NA
Address	180 Albert Street, S'pore 189971	1 Netheravon Road, S'pore 508502	24 Mount Elizabeth, S'pore 228518	390 Victoria Street, S'pore 188061	8 Sinaran Drive, S'pore 307470	1 Tanglin Road, S'pore 247905	22 Mount Elizabeth Road, S'pore 228517	9 Bras Basah Road, S'pore 189559	100 Peck Seah St, S'pore 079333	
Date of Completion	3 Oct 1994	30 Jan 1990 <sup>2</sup>	3 May 1993	19 Oct 1988	2 June 2011	20 June 1987 <sup>2</sup>	27 Nov 2008	5 June 2000 <sup>2</sup>	30 Dec 2015	
# of Rooms	210	380	256	393	428	388	108	298	314	2,775
Lease Tenure <sup>1</sup>	66 years	56 years	66 years	57 years	83 years	41 years	66 years	62 years	61 years	NA
GFA/Strata Area (sq m)	11,426	22,826	11,723	21,676	22,457	34,072	4,810	19,720	17,793	
Retail NLA (sq m)	1,003	805	583	1,164	NA	3,778	NA	2,799	NA	10,132
Office NLA (sq m)	NA	NA	NA	NA	NA	2,515	NA	NA	NA	2,515
Master Lessee / Vendor	First Choice Properties Pte Ltd	Far East Organization Centre Pte. Ltd.	Golden Development Private Limited	Golden Landmark Pte. Ltd.	Transurban Properties Pte. Ltd.	Far East Orchard Limited	Golden Development Private Limited	Serene Land Pte Ltd	Far East SOHO Pte Ltd	
Valuation (S\$ 'mil) <sup>1</sup>	120.9	192.4	162.3	222.8	310.0	404.9	78.0	270.0	244.0	2,005.3

<sup>1</sup> As at 31 December 2021

<sup>2</sup> Date of acquisition by Sponsor, as property was not developed by Sponsor



# Far East H-Trust Asset Portfolio Overview

## Serviced Residences



**Village Residence Hougang**



**Village Residence Robertson Quay**



**Adina Serviced Apartments Singapore Orchard**

**Total / Weighted Average**

	Village Residence Hougang	Village Residence Robertson Quay	Adina Serviced Apartments Singapore Orchard	Total / Weighted Average
Market Segment	Mid-tier	Mid-tier	Upscale	NA
Address	1 Hougang Street 91, S'pore 538692	30 Robertson Quay, S'pore 238251	121 Penang House, S'pore 238464	
Date of Completion	30 Dec 1999	12 July 1996	24 Oct 2000	
# of Rooms	78	72	90	240
Lease Tenure <sup>1</sup>	72 years	69 years	72 years	NA
GFA/Strata Area (sq m)	14,257	10,570	10,723	35,550
Retail NLA (sq m)	NA	1,179	539	1,718
Office NLA (sq m)	NA	NA	2,291	2,291
Master Lessee / Vendor	Serene Land Pte Ltd	Riverland Pte Ltd	Oxley Hill Properties Pte Ltd	
Valuation (S\$ 'mil) <sup>1</sup>	62.5	104.6	164.1	331.2

<sup>1</sup> As at 31 December 2021

