FAR EAST HOSPITALITY TRUST

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FAR EAST HOSPITALITY TRUST DELIVERS HIGHER GROSS REVENUE AND CORE DISTRIBUTION IN 1H 2026

Highlights:

- Gross Revenue increased 4.3% YoY to S$53.8 million.
- Singapore portfolio remained resilient despite softer travel demand in 2Q 2026.
- Core distribution from taxable income grew 9.9% YoY, supported by lower finance expenses.

Singapore, 30 July 2026 – Far East Hospitality Trust ("**Far East H-Trust**" or the "**Trust**") reported gross revenue of S$53.8 million for the six months ended 30 June 2026 ("**1H 2026**"), an increase of 4.3% year-on-year ("**YoY**"). The improvement was due to the better performance of the serviced residences and the full-period contribution from Four Points by Sheraton Nagoya ("**FPN**"), which was acquired in April 2025. Net property income ("**NPI**") was marginally lower by 0.6% at S$45.4 million, as higher property expenses offset the increase in gross revenue. The contribution from FPN partially offset the softer contribution from the Singapore Hotels, underscoring the benefits of geographic diversification and supporting the resilience of the overall portfolio.

Income available for distribution increased 8.9% YoY to S$33.7 million, mainly due to lower finance expenses which declined by 28.2% or S$3.6 million, to S$9.2 million. Distribution to Stapled Securityholders decreased 6.8% YoY to S$33.6 million due to the absence of distribution of other gains in 1H 2026, compared with S$5.5 million distributed in the corresponding period last year. Consequently, distribution per Stapled Security ("**DPS**") declined 8.4% YoY to 1.63 cents. Excluding the distribution of other gains, distribution from taxable income ("**Core Distribution**") increased 9.9% YoY to S$33.6 million.

Summary of Results

	1H 2026 (S$'000)	**1H 2025 (S$'000)**	**Variance (%)**
Gross revenue	53,791	51,565	4.3
Net property income	45,360	45,638	(0.6)
Income available for distribution	33,678	30,915	8.9
Distribution to Stapled Securityholders Distribution per Stapled Security ("DPS") (cents)	33,580 1.63	36,020 1.78	(6.8) (8.4)
Excluding Divestment Gains **Core Distribution** **Core DPS (cents)**	 **33,580** **1.63**	 **30,556** **1.51**	 **9.9** **7.9**

Mr Gerald Lee, Chief Executive Officer of Far East H-Trust's managers said, "Our Singapore portfolio started the year on an encouraging note. Regional travel demand started to soften in the second quarter as geopolitical tensions, especially in the Middle East led to reduced flight capacity, higher travel costs, and broader macroeconomic uncertainty. Nonetheless, our Singapore portfolio remained resilient, with improved occupancy across both the hotels and serviced residences. We remain focused on driving portfolio performance, managing costs and maintaining disciplined capital management, while pursuing selective divestment and acquisition opportunities to optimise returns for the Trust."

Review of Performance

	1H 2026		**1H 2025**		**Better / (Worse)**	
	Hotels	**SRs**	**Hotels**	**SRs**	**Hotels**	**SRs**
Average Occupancy (%)	81.5	82.0	79.4	78.2	2.1 pp	3.8 pp
Average Daily Rate ("**ADR**") (S$)	161	272	168	270	(4.2%)	0.8%
Revenue per Available Room ("**RevPAR**") / Revenue per Available Unit ("**RevPAU**") (S$)	131	223	133	211	(1.6%)	5.7%

<u>Singapore Hotels</u>

The Hotels delivered a mixed performance in 1H 2026. While 1Q started well and showed better results than the previous year, 2Q was affected by softer regional travel sentiment amidst the Middle East conflict and broader macroeconomic uncertainty. Occupancy remained healthy at 81.5%, increasing 2.1 percentage points ("**pp**") YoY, while **ADR** declined 4.2% YoY to S$161. As a result, **RevPAR** eased 1.6% YoY to S$131.

<u>Singapore Serviced Residences ("**SRs**")</u>

For the Serviced Residences, performance improved in the first half. Occupancy rose 3.8 pp to 82.0%, while ADR increased 0.8% YoY to S$272. As a result, **RevPAU** increased 5.7% YoY to S$223, supported by both higher occupancy and firmer rates.

<u>Japan Hotel</u>

For FPN[1] in Japan, occupancy increased 7.1 pp YoY to 63.2%, supported by incremental airline crew business which provided a stable base amidst softer leisure group demand due to geopolitical tensions. ADR declined 7.6% YoY to ¥12,486 but higher occupancy lifted RevPAR 4.2% YoY to ¥7,895. Consequently, gross operating revenue and gross operating profit increased 5.9% and 3.8% YoY respectively, supported by higher room occupancy and stronger food and beverage revenue.

[1] YoY comparisons assume ownership of FPN during the full six months in 1H 2025.

Commercial Premises and Other Income

Commercial Premises and Other Income declined marginally by 0.4% YoY. Revenue of the commercial premises was slightly lower, with softer revenue from retail premises while revenue from office premises remained stable. Car park revenue from FPN partially offset the decline in commercial premises revenue.

Capital Management

As at 30 June 2026, Far East H-REIT's total gross borrowings stood at S$769.3 million with aggregate leverage remaining low at 32.8%[2]. The Trust had S$266.6 million of undrawn revolving credit facilities, providing ample liquidity and debt headroom. Its weighted average debt maturity stood at 3.5 years.

On 30 June 2026, the Trust extended a S$62.5 million sustainability-linked term loan for a further five years, well ahead of its scheduled maturity in December 2026. Following the extension, there are no term loans maturing for the remainder of 2026. The debt maturity profile remains well spread, with no more than 23% of total borrowings maturing in any single year through 2032.

As at the end of the period, 57.0% of borrowings were on fixed interest rates. The average cost of debt declined by 110 basis points year-on-year to 2.3%, reflecting lower interest rates on floating-rate loans and lower fixed rates on interest rate swap contracts. The interest coverage ratio improved to 4.3 times[3], from 3.6 times as at 31 December 2025.

Outlook

Heightened geopolitical tensions and global economic uncertainty are expected to continue weighing on travel demand in the near term. Nevertheless, Singapore's hospitality sector is supported by a pipeline of major leisure, entertainment and MICE-related events in the second half of 2026, including the Formula 1 Singapore Grand Prix in October and the four-night BTS concert series in December.

Beyond these events, Singapore continues to strengthen its position as a leading business and leisure destination through ongoing investments in tourism infrastructure, attractions and experiences, including the completion of the five major parks at Mandai Wildlife Reserve and the further strengthening Singapore's position as a thriving cruise hub in Asia.

In addition, Singapore's position as a regional aviation hub continues to be reinforced by Changi Airport Group's efforts to expand air connectivity through new destinations and increased flight frequencies, further enhancing Singapore's accessibility for both business and leisure travellers.

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[2] Aggregate Leverage is computed in accordance with Appendix 6 of the Code on Collective Investment Schemes for Far East H-REIT and its subsidiaries. Aggregate leverage for Far East H-Trust was 32.9%.

[3] Interest coverage ratio is computed based on EBITDA over interest expense as per the definition in the loan covenants. This would be 4.2 times based on the definition prescribed by Appendix 6 of the Code on Collective Investment Schemes.

In Japan, inbound tourism remains at historically high levels, supported by continued growth in visitor arrivals across a broad range of international markets, despite geopolitical tensions and reduced flight capacity from China. The 20th Asian Games and 5th Asian Para Games Aichi-Nagoya, to be held from September to October 2026, are expected to support visitation and accommodation demand in Nagoya. Aichi Sky Expo which is next to FPN will serve as the competition venue for five sports during the Asian Games. Beyond these events, the Japanese Government continues to promote regional tourism as part of its strategy to achieve a more balanced distribution of tourism demand across the country.

Against this backdrop, the Managers will continue to focus on enhancing the quality and resilience of the Trust's portfolio while maintaining a disciplined approach to capital management amidst ongoing macroeconomic uncertainty, increased hotel supply and a strong Singapore dollar. The Trust's diversified portfolio of hotels and serviced residences caters to a broad spectrum of corporate and leisure guests across different price points and stay occasions, providing resilience across varying market conditions. Supported by a strong balance sheet and ample debt headroom, Far East H-Trust remains well positioned to pursue selective, yield-accretive acquisition opportunities while preserving financial flexibility.

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ABOUT FAR EAST HOSPITALITY TRUST ("Far East H-Trust")

Far East H-Trust is a Singapore-Focused Hotel and Serviced Residence Hospitality Trust listed on the Main Board of The Singapore Exchange Securities Trading Limited ("SGX-ST"). Comprising Far East Hospitality Real Estate Investment Trust ("Far East H-REIT") and Far East Hospitality Business Trust ("Far East H-BT"), Far East H-Trust was listed on the SGX-ST on 27 August 2012 and has a portfolio of 13 properties totalling 3,334 hotel rooms and serviced residence units valued at approximately S$2.56 billion as at 31 December 2025. In addition, Far East H-REIT holds a 30.0% stake in Fontaine Investment Pte Ltd (a joint venture with Far East Organization Centre Pte. Ltd., a member company of Far East Organization), which has developed three hotels in Sentosa. Managed by FEO Hospitality Asset Management Pte. Ltd. and FEO Hospitality Trust Management Pte. Ltd. (collectively, the "Managers") and sponsored by members of Far East Organization Group (the "Sponsor"), Far East H-Trust seeks to provide Stapled Securityholders with regular, stable and growing distributions on a half-yearly basis.

ABOUT THE MANAGERS

FEO Hospitality Asset Management Pte. Ltd. and FEO Hospitality Trust Management Pte. Ltd. are the managers of Far East H-REIT and Far East H-BT respectively. Both are 67.0% owned by FEO Asset Management Pte. Ltd., which is a wholly-owned subsidiary of Far East Organization Centre Pte. Ltd., and 33.0% owned by Far East Orchard Limited ("FEOR"). FEOR is 63.6% owned by Far East Organization Pte. Ltd. as at 31 December 2025.

IMPORTANT NOTICE

This release may contain forward-looking statements that involve risks and uncertainties. Actual future performance, outcomes and results may differ materially from those expressed in forward-looking statements as a result of a number of risks, uncertainties and assumptions. Representative examples of these factors include (without limitation) general industry and economic conditions, interest rate trends, cost of capital and capital availability, competition from similar developments, shifts in expected levels of property rental income and occupancy, changes in operating expenses, including employee wages, benefits and training, property expenses and governmental and public policy changes and the continued availability of financing in the amounts and the terms necessary to support future business. You are cautioned not to place undue reliance on these forward-looking statements, which are based on the Managers' current view of future events.

The value of the Stapled Securities and the income derived from them, if any, may fall as well as rise. The Stapled Securities are not obligations of, deposits in, or guaranteed by, the Managers or any of their affiliates. An investment in the Stapled Securities is subject to investment risks, including the possible loss of the principal amount invested. Investors should note that they will have no right to request the Managers to redeem or purchase their Stapled Securities for so long as the Stapled Securities are listed on the SGX-ST. It is intended that investors and Stapled Securityholders may only deal in their Stapled Securities through trading on the SGX-ST. Listing of the Stapled Securities on the SGX-ST does not guarantee a liquid market for the Stapled Securities. The past performance of Far East H-Trust is not necessarily indicative of the future performance of Far East H-Trust.