

FAR EAST HOSPITALITY TRUST
Comprising
Far East Hospitality Real Estate Investment Trust
(managed by FEO Hospitality Asset Management Pte Ltd) and
Far East Hospitality Business Trust
(managed by FEO Hospitality Trust Management Pte Ltd)

Minutes of the 13th Annual General Meeting of Far East Hospitality Trust ("Far East H-Trust")
held at Antica Ballroom, Orchard Rendezvous Hotel, 1 Tanglin Road, Singapore 247905
on Tuesday, 22 April 2025 at 2.30 pm.

PRESENT

Directors of FEO Hospitality Asset Management Pte Ltd as manager of Far East Hospitality Real Estate Investment Trust ("REIT Manager") and FEO Hospitality Trust Management Pte Ltd as trustee manager of Far East Hospitality Business Trust ("Trustee-Manager") (collectively the "Managers")

Mr Wee Kheng Jin	-	Chairman of the meeting
Ms Vivienne Lim Hui Bian		
Ms Catherine Lee Khia Yee		
Ms Celestine Khoo Geok Choo		
Mr Benedict Leh Song Boon		
Mr Quek See Tiat		
Mr Gerald Lee Hwee Keong	-	Chief Executive Officer ("CEO")

Stapled Securityholders/ Proxies

As per attendance list

Key Management of the REIT Manager

Mr Gerald Lee Hwee Keong	-	Chief Executive Officer ("CEO")
Ms Regina Yap Siew Buay	-	Chief Financial Officer

IN ATTENDANCE

DBS Trustee Limited as trustee of Far East Hospitality Real Estate Investment Trust ("REIT Trustee")

Chan Kim Lim
Chan Han Jie

Tricor Singapore Pte. Ltd.

Ms Lin Moi Heyang	-	Company Secretary, Tricor Singapore Pte. Ltd. ("Tricor")
Ms Tang Pei Chan	-	Company Secretary, Tricor
Ms Lu Yi Lan	-	Tricor

BY INVITATION

Ernst & Young LLP

Mr Nelson Chen	-	Audit Partner-in-charge
Mr Jason Ho	-	Ernst & Young LLP

1.0 WELCOME AND INTRODUCTION

- 1.1 Mr Wee Kheng Jin¹, the Chairman of the Managers' Board, who had been nominated by the REIT Trustee to preside as Chairman of the meeting ("Chairman") in accordance with paragraph 8 of the Schedule 1 of the Trust Deed constituting Far East Hospitality Real Estate Investment Trust ("Far East H-REIT") dated 1 August 2012 (as amended), welcomed the stapled securityholders of Far East H-Trust ("Stapled Securityholder"), corporate representatives and proxies to the 13th annual general meeting of Far East H-Trust ("AGM").

- 1.2 The Chairman introduced the Directors on the panel comprising Mr Gerald Lee, Mr Benedict Leh, Ms Celestine Khoo, Mr Quek See Tiat, Ms Vivienne Lim and Ms Catherine Lee.

The Chairman then introduced the representatives from DBS Trustee Limited as trustee of Far East Hospitality Real Estate Investment Trust, Ernst & Young LLP, the auditor, the Company Secretary, and the Chief Financial Officer, who were also at the Meeting.

2.0 RESPONSES TO QUESTIONS FROM STAPLED SECURITYHOLDERS AHEAD OF THE MEETING

- 2.1 The Chairman informed the meeting that Far East H-Trust had received some questions from Stapled Securityholders ahead of the meeting. Responses to the substantive and relevant questions received had been addressed in the announcement uploaded on SGX-ST via SGXNet and published at Far East H-Trust's website on 17 April 2025. The presentation to be delivered by the CEO will provide more insights into the business performance and outlook of Far East H-Trust.

(The responses to the substantive and relevant questions to the proposed resolutions were uploaded on SGXNet on 17 April 2025 and are as contained in the document attached herein and marked as "Annex A" for identification purposes).

3.0 PRESENTATION ON THE PERFORMANCE OF FAR EAST H-TRUST

¹The Chairman of the Board of Trustee-Manager presided as chairman at a general meeting in accordance with paragraph 3.1 of the Schedule 1 of trust deed constituting Far East Hospitality Business Trust dated 1 August 2012 (as amended).

- 3.1 The CEO gave a presentation on “The Year in Review” for Far East H-Trust in FY 2024, covering financial and portfolio performance, capital management, growth strategies comprising asset enhancement initiatives and investment, key sustainability highlights, and an update on current operating environment and the outlook. He also shared a brief summary on the proposed renewal of the Stapled Security Buy-Back Mandate and its rationale.

(The presentation slides were uploaded on SGX-ST via SGXNet after the meeting and are as contained in the document attached herein and marked as “Annex B” for identification purpose).

4.0 QUORUM

- 4.1 The Chairman noted that a quorum was present and declared the 13th AGM of Far East H-Trust open at 3.09 p.m..

5.0 NOTICE OF AGM

- 5.1 The notice of AGM dated 21 March 2025 (“Notice of AGM”) convening the meeting, having been in the hands of the Stapled Securityholders for the requisite period was, with the concurrence of the meeting, taken as read.
- 5.2 The Chairman informed the Stapled Securityholders that all resolutions put forth at the meeting would be voted on by way of a poll after they have been formally tabled at the meeting and after all the questions posed by Stapled Securityholders have been answered.
- 5.3 The Chairman proceeded with the formal proceedings of the meeting.

6.0 PROPOSED ORDINARY RESOLUTIONS

6.1 Ordinary Resolution 1 - Audited Financial Statements of Far East H-Trust

The Chairman tabled the following first proposed resolution:-

“That the audited Financial Statements of Far East H-Trust for the financial year ended 31 December 2024, comprising the audited Financial Statements of Far East Hospitality Real Estate Investment Trust (“Far East H-REIT”) and the audited Financial Statements of Far East Hospitality Business Trust (“Far East H-BT”), the Report of DBS Trustee Limited, as the trustee of Far East H-REIT, the Report of FEO Hospitality Asset Management Pte. Ltd., as the manager of Far East H-REIT (the “REIT Manager”), the Report of FEO Hospitality Trust Management Pte. Ltd., as the trustee-manager of Far East H-BT (the “Trustee-Manager”), the Statement by the Chief Executive Officer of the Trustee-Manager, together with the Auditor’s Report contained therein be hereby received and adopted.”

6.2 Ordinary Resolution 2 - Re-appointment of Auditors

The Chairman tabled the following second proposed resolution:-

“That Ernst & Young LLP, Certified Public Accountants, Singapore, be and are hereby re-appointed as auditors of Far East H-Trust to hold office until the conclusion of the next annual general meeting at a remuneration to be determined by the REIT Manager and the Trustee-Manager.”

6.3 Ordinary Resolution 3 – Authority to Issue Stapled Securities

The Chairman tabled the following third proposed resolution:-

“That authority be and is hereby given to the REIT Manager and the Trustee-Manager, to:-

- (a) (1) issue new units in Far East H-REIT (“Far East H-REIT Units”) and new units in Far East H-BT (“Far East H-BT Units”, together the “Stapled Securities”) whether by way of rights or otherwise; and/or
- (2) make or grant offers, agreements or options (collectively, “Instruments”) that might or would require Stapled Securities to be issued, including but not limited to the creation and issue of (as well as adjustments to) securities, warrants, debentures or other instruments convertible into Stapled Securities,

at any time and upon such terms and conditions and for such purposes and to such persons as the REIT Manager and the Trustee-Manager may in their absolute discretion deem fit; and

- (b) issue Stapled Securities in pursuance of any Instrument made or granted by the REIT Manager and the Trustee-Manager while this Resolution is in force (notwithstanding that the authority conferred by this Resolution may have ceased to be in force), provided that:
 - (1) the aggregate number of Stapled Securities to be issued pursuant to this Resolution (including Stapled Securities to be issued in pursuance of Instruments made or granted pursuant to this Resolution), shall not exceed fifty per cent (50%) of the total number of issued Stapled Securities (as calculated in accordance with sub-paragraph (2) below), of which the aggregate number of Stapled Securities to be issued other than on a *pro rata* basis to Stapled Securityholders shall not exceed twenty per cent (20%) of the total number of issued Stapled Securities (as calculated in accordance with sub-paragraph (2) below);
 - (2) subject to such manner of calculation as may be prescribed by The Singapore Exchange Securities Trading Limited (“SGX-ST”) for the purpose of determining the aggregate number of Stapled Securities that may be issued under sub-paragraph (1) above, the total number of issued Stapled Securities shall be based on the number of issued Stapled Securities at the time this Resolution is passed, after adjusting for:
 - (i) any new Stapled Securities arising from the conversion or exercise of any Instruments which are outstanding at the time this Resolution is passed; and

- (ii) any subsequent bonus issue, consolidation or subdivision of Stapled Securities;
- (3) in exercising the authority conferred by this Resolution, the REIT Manager and the Trustee-Manager shall comply with the provisions of the Listing Manual of SGX-ST for the time being in force (unless such compliance has been waived by SGX-ST), the Business Trusts Act 2004 of Singapore for the time being in force (unless otherwise exempted or waived by the Monetary Authority of Singapore), the trust deed constituting Far East H-REIT (as amended) (the “REIT Trust Deed”) for the time being in force (unless otherwise exempted or waived by the Monetary Authority of Singapore), the trust deed constituting Far East H-BT (as amended) (the “BT Trust Deed”) for the time being in force (unless otherwise exempted or waived by the Monetary Authority of Singapore) and the stapling deed stapling Far East H-REIT and Far East H-BT (as amended) for the time being in force (unless otherwise exempted or waived by the Monetary Authority of Singapore) (the “Stapling Deed”);
- (4) (unless revoked or varied by the Stapled Securityholders in a general meeting) the authority conferred by this Resolution shall continue in force until (i) the conclusion of the next annual general meeting of Far East H-Trust or (ii) the date by which the next annual general meeting of Far East H-Trust is required by law to be held, whichever is earlier;
- (5) where the terms of the issue of the Instruments provide for adjustment to the number of Instruments or Stapled Securities into which the Instruments may be converted, in the event of rights, bonus or other capitalisation issues or any other events, the REIT Manager and the Trustee-Manager are authorised to issue additional Instruments or Stapled Securities pursuant to such adjustment notwithstanding that the authority conferred by this Resolution may have ceased to be in force at the time the Instruments are issued; and
- (6) the REIT Manager, the REIT Trustee and the Trustee-Manager be and are hereby severally authorised to complete and do all such acts and things (including executing all such documents as may be required) as the REIT Manager, the REIT Trustee or, as the case may be, the Trustee-Manager may consider expedient or necessary or in the interest of Far East H-REIT, Far East H-BT and Far East H-Trust as a whole to give effect to the authority conferred by this Resolution.”

Chairman informed Stapled Securityholders that the full text of Ordinary Resolution 3 was set out in the Notice of AGM together with the explanatory notes accompanying the Notice of AGM.

6.4 Ordinary Resolution 4 – Proposed Renewal of a Stapled Securities Buy-Back Mandate

The Chairman tabled the following fourth proposed resolution:-

“That authority be and is hereby given to the REIT Manager and the Trustee-Manager, to:

- (a) exercise all the powers of the REIT Manager and the Trustee-Manager to repurchase issued Stapled Securities for and on behalf of Far East H-Trust not exceeding in aggregate the Maximum Limit (as defined herein), at the Trust Deed Repurchase Price (as defined herein) and, in the event that the Trust Deed Repurchase Price exceeds the Maximum Price (as defined herein), to repurchase the issued Stapled Securities at no higher than the Maximum Price, by way of a market repurchase(s) transacted through the SGX-ST and/or, as the case may be, such other stock exchange for the time being on which the Stapled Securities may be listed and quoted, and otherwise in accordance with all applicable laws and regulations including the rules of the SGX-ST, or, as the case may be, such stock exchange for the time being on which the Stapled Securities may be listed and quoted, be and is hereby authorised and approved generally and unconditionally (the “Stapled Security Buy-Back Mandate”);
- (b) (unless revoked or varied by the Stapled Securityholders in a general meeting) the authority conferred on the REIT Manager and the Trustee-Manager pursuant to the Stapled Security Buy-Back Mandate may be exercised by the REIT Manager and the Trustee-Manager at any time and from time to time during the period commencing from the date of the passing of this Resolution and expiring on the earliest of:
 - (1) the date on which the next annual general meeting of Far East H-Trust is held;
 - (2) the date by which the next annual general meeting of Far East H-Trust is required by law or the provisions of the REIT Trust Deed, the BT Trust Deed or the Stapling Deed to be held; or
 - (3) the date which purchases of Stapled Securities pursuant to the Stapled Security Buy-Back Mandate are carried out to the full extent mandated;
- (c) in this Resolution:

“Average Closing Price” means the average of the closing market prices of the Stapled Securities over the last five Market Days (as defined herein), on which transactions in the Stapled Securities were recorded, before the day on which the purchases were made and deemed to be adjusted for any corporate action that occurs during the relevant five Market Days and the date on which the purchases are made;

“Current Stapled Security Value” means at any time, the value of all the assets of Far East H-Trust (including assets accrued but not yet received), less all the liabilities of Far East H-Trust (including liabilities accrued but not yet paid) and any provision is taken into account in determining the liabilities of Far East H-Trust at that time divided by the number of Stapled Securities in issue and deemed to be in issue at that time; **Current Stapled Security Value** means at any time, the value of all the assets of Far East H-Trust (including assets accrued but not yet received), less all the liabilities of Far East H-Trust (including liabilities accrued but not yet paid) and any provision is taken into account in determining the liabilities of Far East H-Trust at that time divided by the number of Stapled Securities in issue and deemed to be in issue at that time;

“Market Day” means a day on which SGX-ST is open for trading in securities.

“Maximum Limit” means that number of Stapled Securities representing two per cent. (2%) of the total number of issued Stapled Securities as at the date of the passing of this Resolution;

“Maximum Price” in relation to a Stapled Security to be repurchased, means the repurchase price under a Stapled Security buy-back mandate shall not exceed one hundred and five per cent. (105%) of the Average Closing Price (as defined herein) of the Stapled Securities for a Market Repurchase;

“Trust Deed Repurchase Price” in relation to a Stapled Security to be repurchased, means the Current Stapled Security Value of the relevant Stapled Security on the day the request is accepted by the REIT Manager and Trustee-Manager less the repurchase charge and less an amount to adjust the resultant total downwards to the nearest whole cent.

- (d) the REIT Manager, the REIT Trustee and Trustee-Manager be and are hereby severally authorised to complete and do all such acts and things (including executing all such documents as may be required) as the REIT Manager, the REIT Trustee or, as the case may be, the Trustee-Manager may consider expedient or necessary or in the interests of Far East H-REIT, Far East H-BT and Far East H-Trust as a whole to give effect to the authority conferred by this Resolution.”

Chairman informed Stapled Securityholders that the full text of Ordinary Resolution 4 was set out in the Notice of AGM and the details were set out in the Letter to Stapled Securityholders.

7.0 QUESTIONS AND ANSWERS SESSION

After all the proposed resolutions had been duly tabled and before a poll was conducted for voting on the ordinary resolutions, the Chairman invited questions from Stapled Securityholders.

(The full text of the substantive questions raised and answers given are contained in the document attached herein and marked as “Annex C” and forms part of these minutes.)

8.0 VOTING BY ELECTRONIC POLL

- 8.1 After all the questions had been duly answered, the Chairman invited the representative from Reliance 3P Advisory Pte. Ltd., being the scrutineer appointed, to explain the voting procedures and brief the Stapled Securityholders on the electronic poll voting process.
- 8.2 Following the briefing, the Chairman announced the commencement of voting.

9.0 RESULTS OF THE VERIFIED POLLS

- 9.1 The Chairman then proceeded to read Resolution 1 contained in the Notice of AGM and put Ordinary Resolution 1 to a vote:

<u>Resolution 1</u>	<u>Number of shares</u>	<u>Percentage</u>
FOR	1,274,041,180	99.92%
AGAINST	987,428	0.08%
Total No. of Valid Votes	1,275,028,608	100.00%

Based on the results of the poll, the Chairman declared Resolution 1 carried as an Ordinary Resolution.

- 9.2 The Chairman then proceeded to read Resolution 2 contained in the Notice of AGM and put Ordinary Resolution 2 to a vote:

<u>Resolution 2</u>	<u>Number of shares</u>	<u>Percentage</u>
FOR	1,265,061,460	99.15%
AGAINST	10,862,736	0.85%
Total No. of Valid Votes	1,275,924,196	100.00%

Based on the results of the poll, the Chairman declared Resolution 2 carried as an Ordinary Resolution.

- 9.3 The Chairman then proceeded to read Resolution 3 contained in the Notice of AGM and put Ordinary Resolution 3 to a vote:

<u>Resolution 3</u>	<u>Number of shares</u>	<u>Percentage</u>
FOR	1,262,203,362	98.95%
AGAINST	13,442,031	1.05%
Total No. of Valid Votes	1,275,645,393	100.00%

Based on the results of the poll, the Chairman declared Resolution 3 carried as an Ordinary Resolution.

- 9.4 The Chairman then proceeded to read Resolution 4 contained in the Notice of AGM and put Ordinary Resolution 4 to a vote:

<u>Resolution 4</u>	<u>Number of shares</u>	<u>Percentage</u>
FOR	1,274,763,394	99.92%
AGAINST	966,228	0.08%
Total No. of Valid Votes	1,275,729,622	100.00%

Based on the results of the poll, the Chairman declared Resolution 4 carried as an Ordinary Resolution.

10.0 WORDS OF APPRECIATION AND WELCOME NOTE TO CHAIRMAN

The meeting recorded a word of appreciation to Mr Wee Kheng Jin for his contribution, stewardship and invaluable insights as Chairman of the Board and as a Director of Far East Hospitality Trust since its formation in 2012.

The meeting also extended a welcome note to Mr. Quek See Tiat, who will assume the role of Chairman on 1 May 2025.

11.0 CLOSE OF AGM

11.1 On behalf of the Board and Management, the Chairman thanked the Stapled Securityholders for their attendance and feedback.

11.2 There being no other business, the 13th AGM was declared closed at 4.36 p.m..

Confirmed as true and correct record of the proceedings.

Wee Kheng Jin
Chairman of the Board



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 FEO Hospitality Trust Management Pte. Ltd. Co. Reg. No.: 201210698W
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FAR EAST HOSPITALITY TRUST

A stapled group comprising:

Far East Hospitality Real Estate Investment Trust

(a real estate investment trust constituted on 1 August 2012 under the laws of the Republic of Singapore)

Far East Hospitality Business Trust

(a business trust constituted on 1 August 2012 under the laws of the Republic of Singapore)

ANNOUNCEMENT

Annual General Meeting held on 22 April 2025 Responses to Substantial and Relevant Questions

FEO Hospitality Asset Management Pte. Ltd., as manager of Far East Hospitality Real Estate Investment Trust (“**Far East H-REIT**”), and the manager of Far East H-REIT, the “**REIT Manager**”, and FEO Hospitality Trust Management Pte. Ltd. as trustee-manager of Far East Hospitality Business Trust (“**Far East H-BT**”), and the trustee-manager of Far East H-BT, the “**Trustee-Manager**”, and together with the REIT Manager, the “**Managers**”, and Far East H-REIT and Far East H-BT together, “**Far East H-Trust**” or the “**Trust**”) would like to thank all stapled securityholders of Far East H-Trust (“**Stapled Securityholders**”) who have submitted their questions in advance of our Annual General Meeting (“**AGM**”) to be held at Antica Ballroom, Orchard Rendezvous Hotel, 1 Tanglin Road, Singapore 247905 on Tuesday, 22 April 2025 at 2.30 p.m..

Questions that are similar in nature are grouped together as shown below. Please refer to the subsequent pages for responses to the list of substantial and relevant questions.

A. Sponsor Pipeline & Capital Management

1. What is Far East H-Trust’s approach towards acquiring properties from its Sponsor?

- Please share the timeline for potential acquisitions, and when the last such acquisition took place.
- Why has there been limited acquisition activity from the Sponsor?

Manager’s Response: Far East H-Trust adopts a disciplined and prudent approach to acquisitions, including those from the Sponsor, Far East Organization. All potential acquisitions must be yield-accretive and aligned with our long-term strategy to deliver sustainable value to Stapled Securityholders.

The REIT Manager maintains regular engagement with the Sponsor to evaluate potential acquisition opportunities, including properties under the Right of First Refusal (“**ROFR**”) arrangement as well as other Sponsor-owned assets. Examples of such assets include Amoy Hotel, The Clan Hotel, Oasia Residence, and the three hotels on Sentosa — Village Hotel Sentosa, The Outpost Hotel, and The Barracks Hotel.

The last acquisition from the Sponsor was Oasia Hotel Downtown in April 2018. Since then, the REIT Manager has focused on asset enhancement initiatives (“**AEIs**”) and asset recycling as part of its ongoing efforts to strengthen both the portfolio and balance sheet. Notable AEIs in recent years include the façade enhancement and upgrading of the outdoor refreshment area at Orchard Rendezvous Hotel (completed in January 2023), the renovation and rebranding of The Elizabeth Hotel to Vibe Hotel Singapore Orchard (completed in November 2022), and the refurbishment and rebranding of Regency House to Adina Serviced Apartments Singapore Orchard (completed in July 2022).

	<p>As part of the asset recycling strategy for Far East H-Trust, Central Square — a mixed-use development comprising Village Residence Clarke Quay and commercial/office spaces — was divested in March 2022 for S\$313.2 million. An additional incentive fee of S\$18.0 million was received in March 2023 upon meeting certain conditions under the sale agreement, bringing the total proceeds to S\$331.2 million. This represented an uplift of approximately S\$147.9 million or 80.7% over the original purchase price of S\$183.3 million. The divestment achieved a final exit yield of 1.7%, enabling Far East H-Trust to unlock value from a mature asset. Proceeds from the divestment were used to partially pre-pay borrowings and reduce interest costs, a move that was timely given the sharp rise in interest rates between 2022 and 2024.</p> <p>While the REIT Manager remains open to acquisitions from the Sponsor, the pace has been dampened by several factors. Firstly, performance of the Sponsor's assets was affected by COVID-19 in the last few years. These assets need to reach a level of stabilised operating performance before they can be considered for acquisition. Secondly, the high interest rate environment has made debt-funded acquisitions more challenging, particularly where the yield spread over borrowing costs is insufficient. In parallel, the REIT Manager also evaluates third-party acquisition opportunities as part of its broader strategy to identify yield-accretive assets.</p> <p>The REIT Manager remains disciplined and selective in its evaluation of acquisition opportunities, proceeding only when a transaction is expected to be yield-accretive and aligned with Far East H-Trust's long-term strategic and financial objectives. With a strong balance sheet and a clear investment framework, Far East H-Trust is well-positioned to capitalise on suitable opportunities as they arise.</p>
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2.	<p>With the Far East H-Trust's current low gearing of around 30%, would management consider acquiring sponsor assets to optimise capital structure?</p> <p>Manager's Response: As at 31 December 2024, Far East H-Trust reported a healthy gearing level of 30.8%, providing ample financial flexibility to pursue growth opportunities. Based on the average S-REIT gearing of 40%, the Trust has an estimated debt headroom of approximately S\$412 million. While the Monetary Authority of Singapore permits a maximum gearing of 50% for S-REITs, the REIT Manager adopts a measured approach to capital management in order to maintain balance sheet strength and support long-term strategic objectives.</p> <p>In February 2025, Far East H-Trust expanded its investment mandate to allow for overseas investments. This strategic shift facilitated Far East H-Trust's first hotel acquisition outside Singapore — Four Points by Sheraton Nagoya, a freehold property in Japan. The acquisition marks a meaningful step towards diversifying the Trust's portfolio both geographically and by income stream, enhancing its long-term resilience and growth potential.</p> <p>Management recognises that deploying available debt capacity for yield-accretive acquisitions can enhance capital efficiency and support sustainable growth in distributions to Stapled Securityholders. Each acquisition opportunity is carefully evaluated based on its individual merits, including expected returns, market positioning, and fit within the overall portfolio. The Trust's disciplined capital management framework remains central to enhancing long-term value for Stapled Securityholders while ensuring flexibility to capitalise on suitable growth opportunities.</p>
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By Order of the Board

Gerald Lee Hwee Keong
Chief Executive Officer and Executive Director
FEO Hospitality Asset Management Pte. Ltd.
(Company Registration No. 201102629K)

17 April 2025

By Order of the Board

Gerald Lee Hwee Keong
Chief Executive Officer and Executive Director
FEO Hospitality Trust Management Pte. Ltd.
(Company Registration No. 201210698W)

17 April 2025



Presentation at 13th Annual General Meeting

22 April 2025

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- Year in Review:
 - Financial & Portfolio Performance
 - Capital Management
 - Growth Strategies
 - Asset Enhancement Initiatives in Recent Years
 - Summary of Asset Enhancement Initiatives in 2024
 - Investment
 - Key Sustainability Highlights
- Outlook
- Renewal of Stapled Security Buy-Back Mandate



Financial & Portfolio Performance

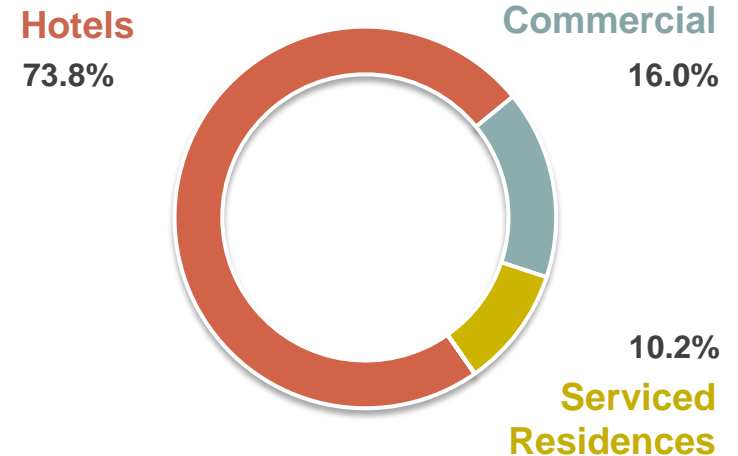


FAR EAST
HOSPITALITY
TRUST

FY 2024 Financial Performance

	FY 2024	YoY Variance
	S\$'000	%
Gross Revenue	108,706	1.8
Hotels	80,252	0.9
Serviced Residences	11,111	0.2
Commercial Premises	17,343	7.3
Net Property Income	99,337	0.6

Breakdown of Revenue by Segment



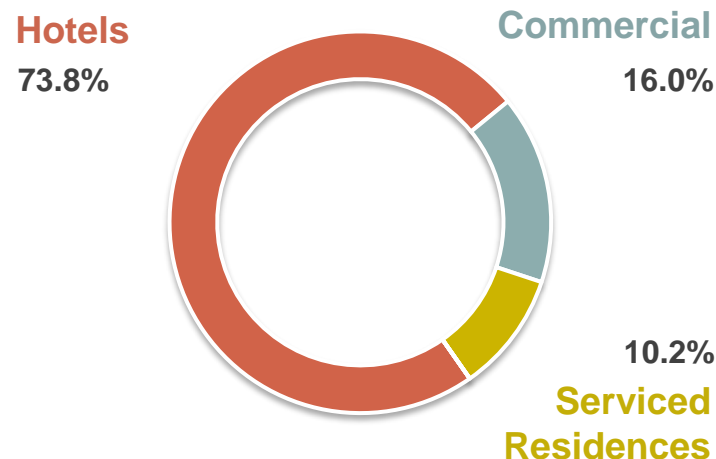
- Gross revenue for FY 2024 rose 1.8% year-on-year to S\$108.7 million, supported by growth across all segments, particularly the Commercial Premises segment, despite the absence of non-recurring revenue from hotels contracted for isolation purpose in the prior year.
- Excluding the effect of the one-off revenue, the Hotels segment would have risen by 6.2% for FY 2024.**
- Net property income rose 0.6% to S\$99.3 million despite higher property expenses.



FY 2024 Financial Performance

	FY 2024	YoY Variance
	S\$'000	%
Distribution to Stapled Securityholders	81,397	(0.6)
Distribution per Stapled Security (cents)	4.04	(1.2)

Breakdown of Revenue by Segment



- Distribution to Stapled Securityholders decreased marginally by 0.6% to S\$81.4 million. The higher finance expenses and change in the proportion of the REIT Manager's fee paid in the form of Stapled Securities¹ are largely offset by higher distribution of other gains from the divestment of Central Square.
- The REIT Manager distributed S\$5.1 million to cushion the impact of higher financing cost and S\$3.0 million to negate the effect of change in the proportion of the REIT Manager's fee paid/payable in the form of Stapled Securities. This is in addition to the previously committed S\$8.0 million per year of capital distribution to share the gains from the divestment of Central Square².



1 From 1 January 2024, the REIT Manager's fee paid/payable in the form of Stapled Securities was reduced from 90% to 60%.
 2 As announced on 29 July 2022, the REIT Manager intended to distributing S\$8.0 million annually for three years from the divestment gain of Central Square which was completed in March 2022.

Portfolio Performance – Hotels

Performance

Revenue (million)

S\$80.3 (+0.9% YoY)

Average Occupancy

81.0% (+0.9pp YoY)

Average Daily Rate

S\$178 (+4.5% YoY)

Revenue per Available Room

S\$144 (+5.7% YoY)

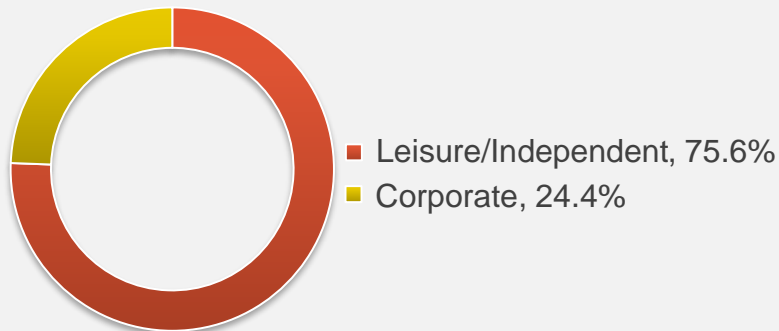
- For FY 2024, overall RevPAR grew 5.7% on the back of higher ADR and Occupancy as demand continued to improve. Growth was supported by major events and large-scale performances, particularly in the first and third quarters of the year.



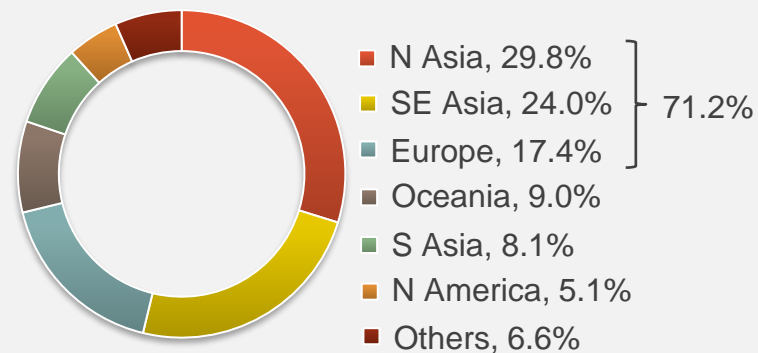
Portfolio Performance – Hotels

Revenue Contribution

By Market Segment



By Region



- Revenue from the leisure segment increased by 1.4 times compared to 2023 and exceeded 2019 by 13.9%, accounting for 75.6% of the total revenue in 2024. As such, the leisure segment's contribution expanded from 51.2% to 75.6%.
- Guests from North Asia, Southeast Asia and Europe were the top three markets, contributing a combined 71.2% of overall revenue. Among them, the North Asia market recorded healthy growth.



Portfolio Performance – Serviced Residences

Performance

Revenue (million)

S\$11.1 (+0.2% YoY)

Average Occupancy

84.2% (-3.6pp YoY)

Average Daily Rate

S\$271 (+4.0% YoY)

Revenue per Available Unit

S\$228 (-0.4% YoY)

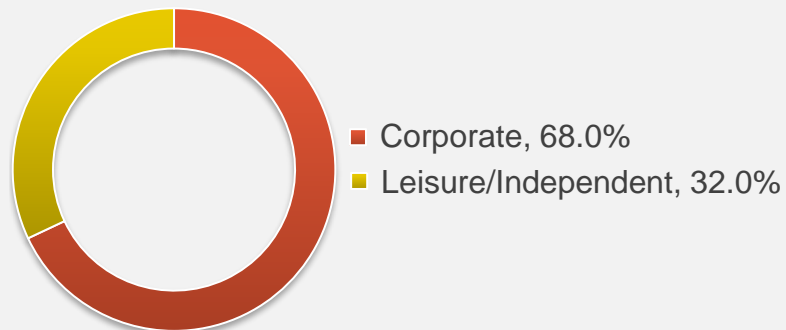
- For FY 2024, revenue rose slightly to S\$11.1 million, despite downtime from the lift replacement at Village Residence Robertson Quay during the last quarter.
- Average occupancy remained healthy at 84.2%, comparable to the pre-pandemic level of 83.5% in 2019. ADR grew 4.0% to S\$271, supported by favorable pricing trends and a greater proportion of short-stay leisure bookings.



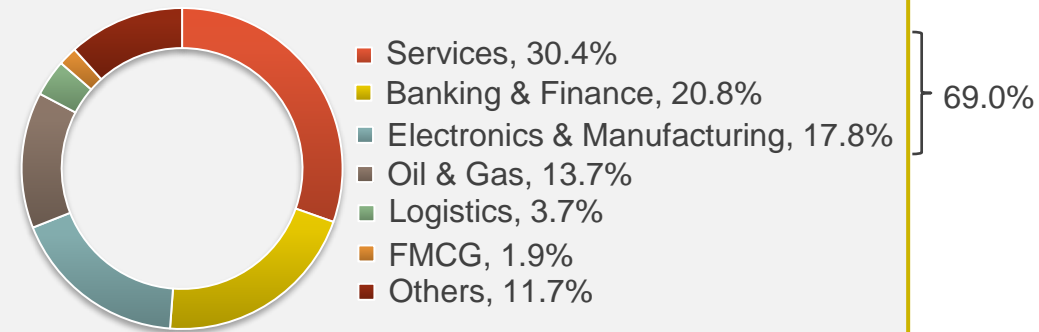
Portfolio Performance – Serviced Residences

Revenue Contribution

By Market Segment



By Industry



- The Corporate segment remained the primary driver of revenue, contributing 68.0% of revenue.
- Services, Banking & Finance and Electronics & Manufacturing formed the top 3 segments contributing to 69.0% of overall revenue.



Portfolio Performance – Commercial Premises

Performance

Revenue (million)

S\$17.3 (+7.3% YoY)

Average Occupancy

85.8% (+3.3pp YoY)

WALE (Years)

1.67

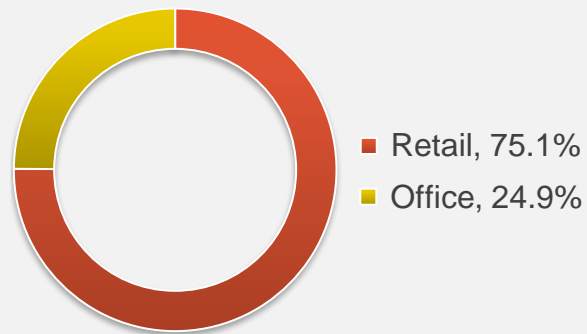
- For FY 2024, revenue from the commercial premises grew 7.3% to S\$17.3 million, driven by higher rental rate and better occupancy for the portfolio.
- The improvement in overall occupancy was led by the retail premises which grew 5.1pp, largely due to higher occupancies at Rendezvous Hotel Singapore, Village Hotel Changi, Regency House and Village Hotel Bugis.



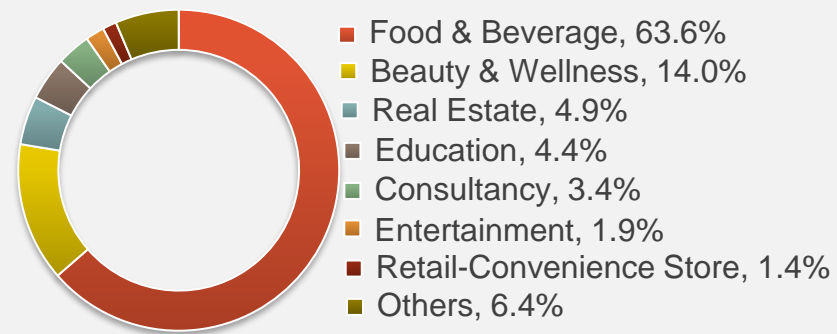
Portfolio Performance – Commercial Premises

Revenue Contribution

Revenue Mix Between Office & Retail



Trade Sector Mix of Tenants by Revenue

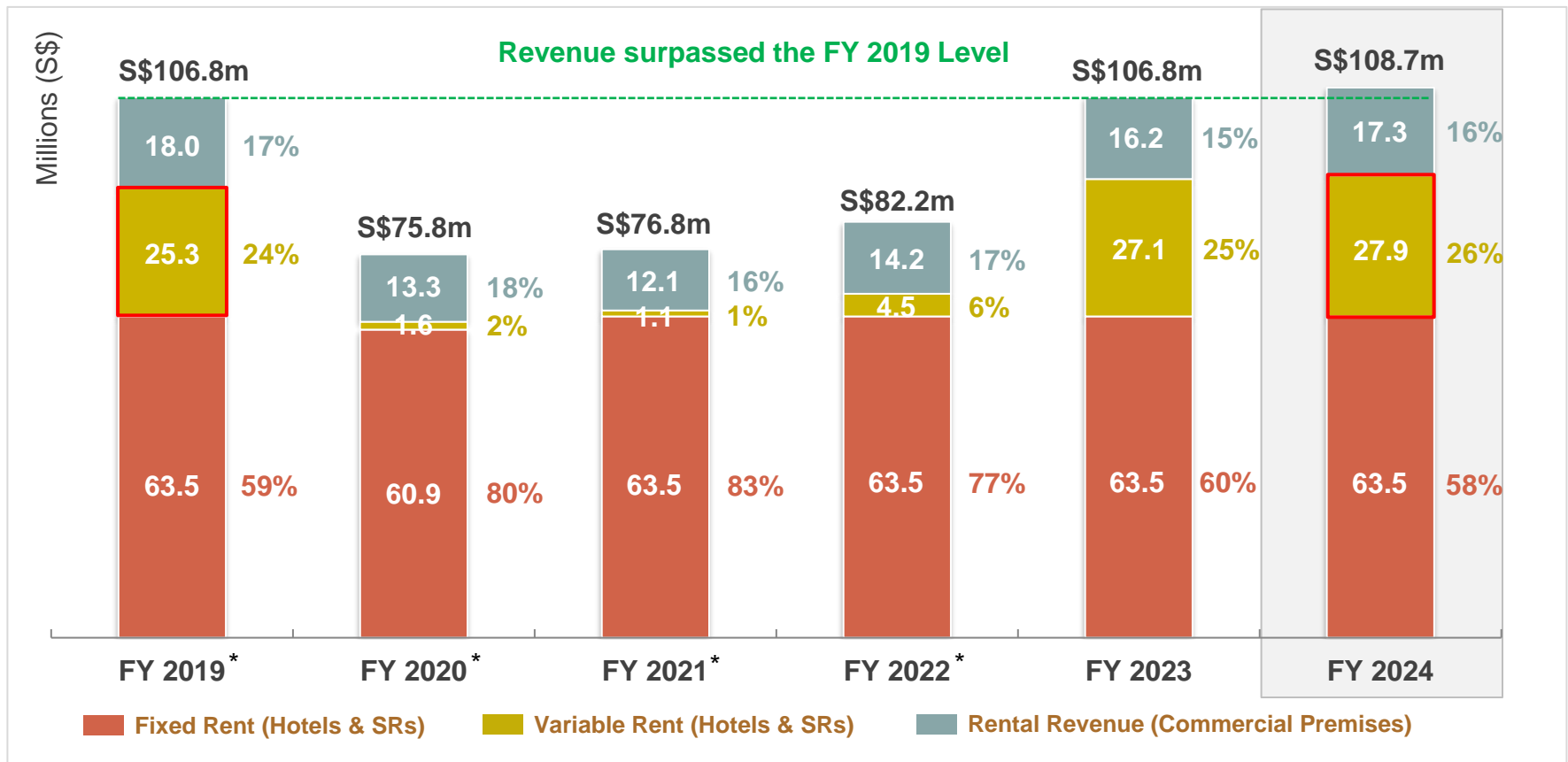


- Revenue from the commercial premises is predominantly driven by the retail segment, which accounted for 75.1% of revenue.
- Food & Beverage remains the dominant trade sector, accounting for 63.6% of revenue, followed by Beauty & Wellness at 14.0% and Real Estate at 4.9%.
- Top 10 tenants accounted for approximately 36.4% of revenue.



Gross Revenue Mix

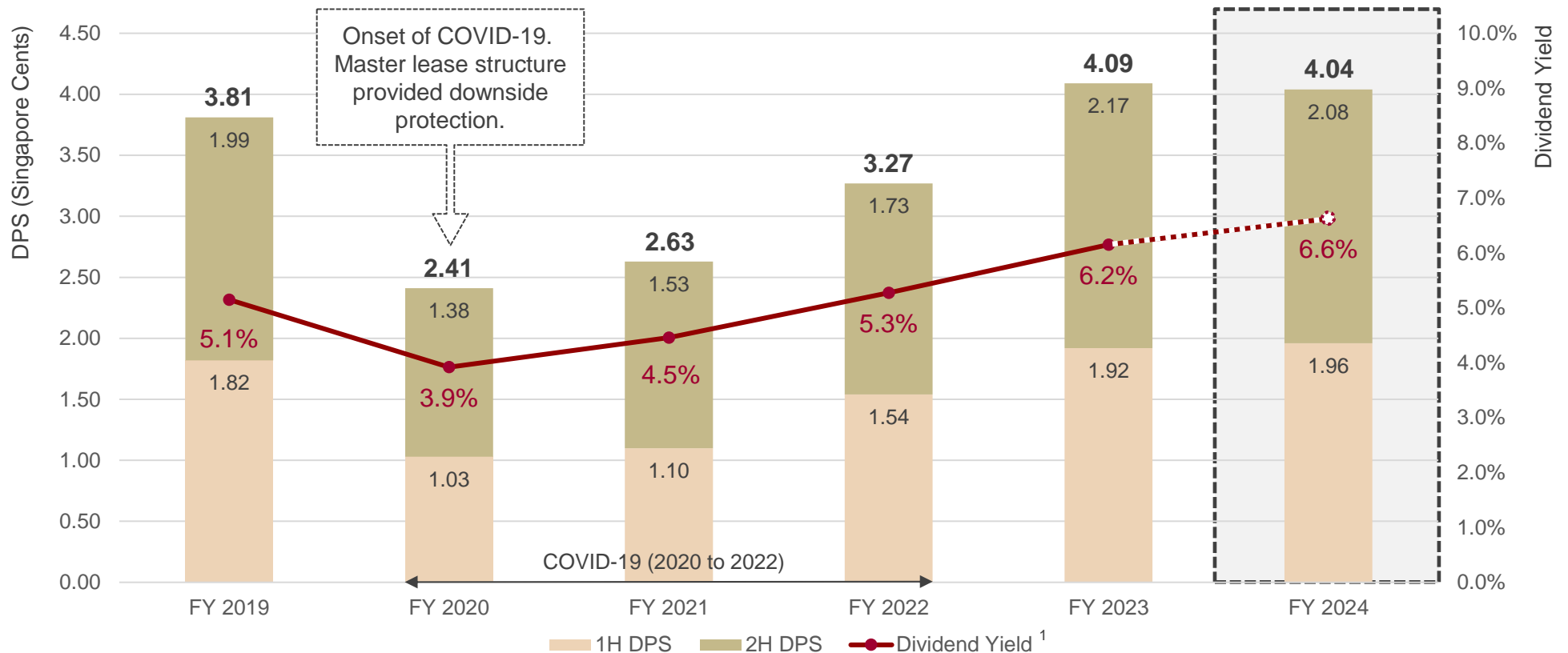
Variable rent revenue increased, accounting for 26% or S\$27.9 million of gross revenue



* On a same-store-basis excluding the effects of Central Square which was divested on 24 March 2022.

DPS Remains Above Pre-COVID Level

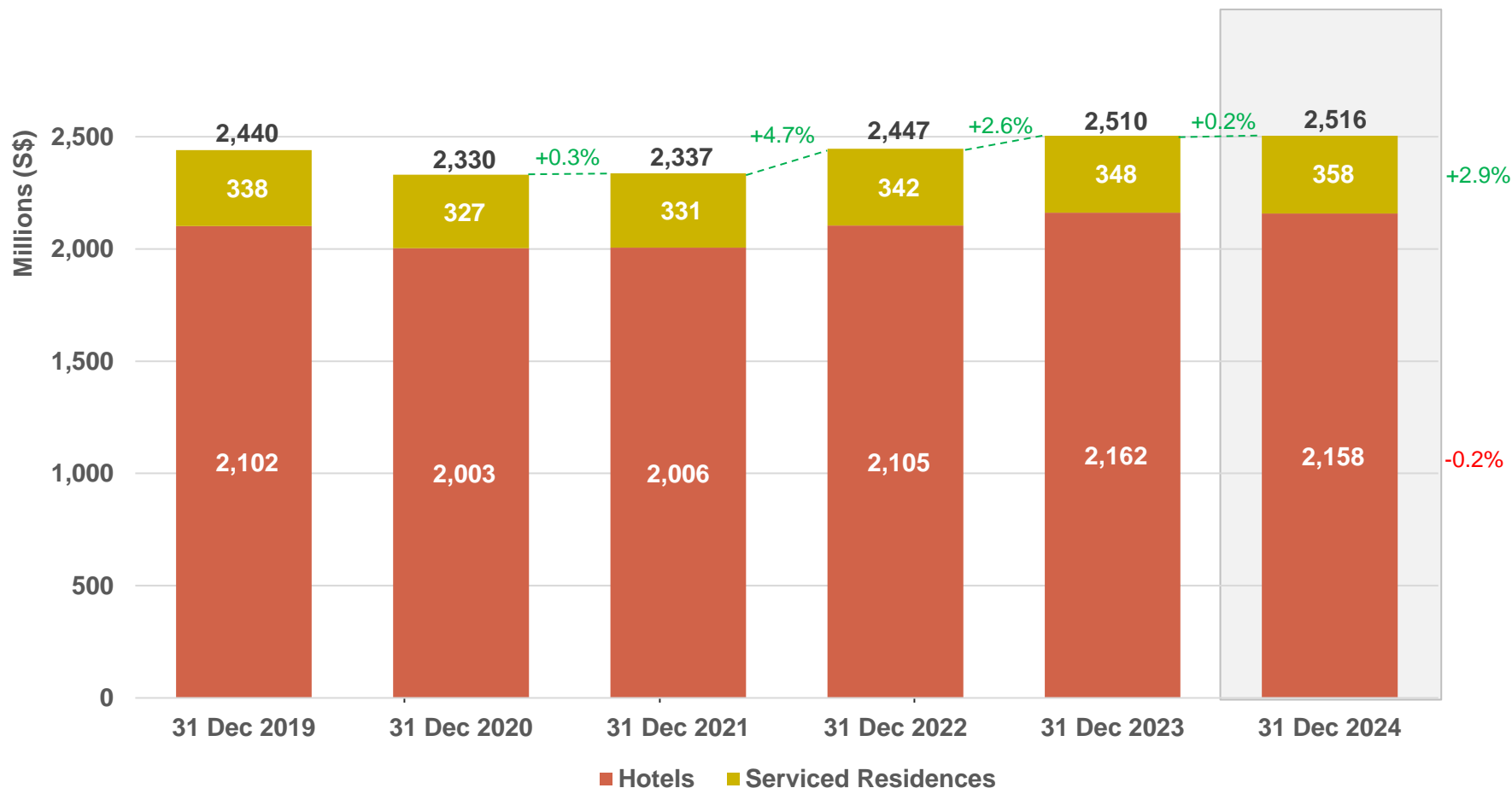
DPS of 4.04 cents translates to a dividend yield of 6.6%¹



¹ Dividend yield is calculated based on the actual DPS divided by the closing price of the last trading day of each respective year.

Portfolio Valuation

Investment properties in the portfolio increased by S\$6.0 million in FY 2024, with a total value of S\$2,516 million



1 Excludes Central Square for a same-store-basis comparison.

Capital Management

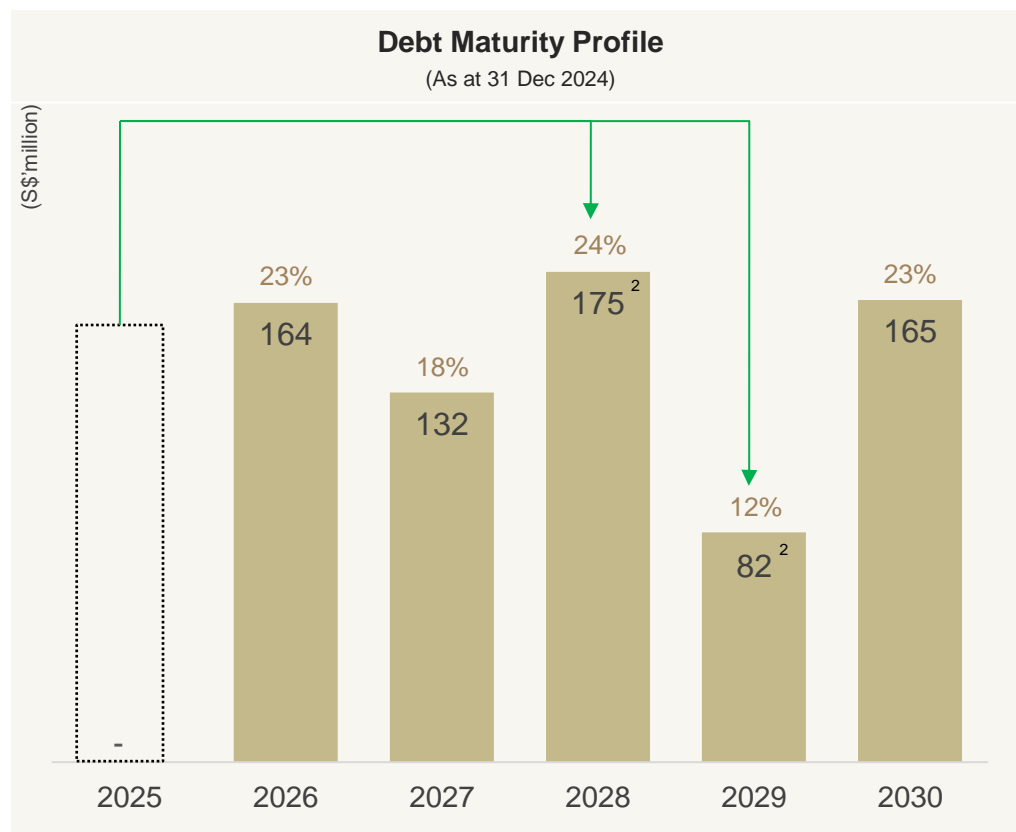


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Healthy Balance Sheet with Prudent Capital Management

One of the lowest geared S-REITs at 30.8% aggregate leverage

	As at 31 Dec 2024
Total Debt	S\$718.1m
Available Revolving Facility	S\$275.0m
Aggregate Leverage	30.8%
Unencumbered Asset as % Total Assets	100%
Proportion of Fixed Rate	57.9%
Weighted Average Debt Maturity	3.7 years
Average Cost of Debt	4.1%
Interest Coverage Ratio ¹	3.0x



¹ Interest coverage ratio is computed based on EBITDA over interest expense as per the definition in the loan covenants. This would be 2.9x based on the definition prescribed by Appendix 6 of the Code on Collective Investment Schemes.

² Early refinancing of two term loans totaling S\$157.2 million was completed in December 2024 with sustainability-linked facilities, ahead of their maturity in April and November 2025.



Growth Strategies



Growth Strategies to Drive Immediate and Long-Term Growth

Asset Management and Enhancement Initiatives

- Optimising the performance of hospitality assets and commercial spaces.
- Implementing refurbishment programmes to refresh and upgrade the properties.
- Unlocking latent value and potential of assets.

Investments

- Value-adding acquisitions through:
 - Sponsor's pipeline of ROFR properties.
 - Suitable third-party properties.

Capital and Risk Management

- Maintaining a prudent level of borrowings.
- Managing the cost of debt by utilising interest rate hedging strategies to reduce exposure to market volatility.
- Employing an appropriate mix of debt and equity to finance investments.



Asset Enhancement Initiatives in Recent Years

Orchard Rendezvous Hotel



Completion of multi-phase improvement works to the facade and revamped outdoor refreshment area

Completed in January 2023

Adina Serviced Apartments Singapore Orchard



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

Completed in July 2022

Vibe Hotel Singapore Orchard



Renovation and rebranding of The Elizabeth Hotel to Vibe Hotel Singapore Orchard

Completed in November 2022



Summary of Asset Enhancement Initiatives in 2024

Façade Repainting

Village Residence Roberston Quay



Rendezvous Hotel Singapore



New F&B Concepts

Orchard Rendezvous Hotel



Tarboush

Rendezvous Hotel Singapore



Jane Love



Another Bar



Investment








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Diversification for Growth and Resilience

Building on a Strong Singapore Foundation



12  Properties | **3,015**  Hotel rooms and apartment units | **180**    Retail units and office spaces

Strategic Expansion into Japan

1

Diversification of income sources to mitigate concentration risk and strengthen resilience

2

More investment opportunities in a large developed market across multiple cities

3

Balance of overseas expansion for long-term growth while maintaining Singapore as core focus



Acquisition of Four Points by Sheraton Nagoya

Well-located, modern upscale hotel operated by Marriott, featuring 319 spacious rooms and limited competition in its class



Location	4-10-5 Centrair, Tokoname, Aichi		
Accessibility	Chubu International Airport (6 to 10 mins walk) Airport Train Station (6 mins walk) Aichi Sky Expo (6 mins walk) Ferry Terminal (3 mins walk)		
Asset Type	Upscale hotel		
Hotel Opening Date	November 2018		
Number of Keys	319		
Average Room Size (Sqm)	26		
Land Area (Sqm)	Total: 9,750	Hotel: 3,000	Carpark: 6,750
GFA (Sqm)	14,062		
Initial Purchase Price¹	JPY 6.0 billion (S\$52.8 million ²)		
Price per Key	JPY 18.8 million (S\$165,500)		
Price per GFA (Sqm)	JPY 0.43 million (S\$3,750)		
Hotel Operator	Marriott International, Inc.		



- 1 In addition to the initial purchase price, total payment of up to JPY 1.75 billion (S\$15.4 million) (the Adjusted Purchase Consideration) may be payable to the Vendor subject to the Property achieving certain defined performance targets within the next three years.
- 2 All amounts in S\$ are based on an exchange rate of JPY 1 to S\$0.0088, unless otherwise stated.

Convenient Access to the Airport, Train, Ferry & Expo



centrair Chubu Centrair International Airport

- 'World's Best Regional Airport'¹ for 10 consecutive years
- 'Best Regional Airport in Asia'¹ for 14 consecutive years



Aichi Sky Expo

- Japan's 4th largest exhibition centre and first bonded facility, enabling duty-free international exhibits, making it a premier venue for global conventions, trade shows, and corporate events.
- Notable upcoming events: Nagoya Motorcycle Show, Tourism Expo Japan in 2025, and the Asian Games in 2026.



Ferry Terminal

- High-speed boat service linking to Tsu Nagisamachi Port in Mie Prefecture, providing an alternative route for travellers heading to western Japan.



Potential to Tap Central Japan's Growth Opportunities

1

Capitalising on Japan's Tourism Potential

- In 2024, Japan recorded a strong tourism recovery with 36.9 million international visitors, up 47.1% year-on-year. The government targets to attract 60 million visitors by 2030 and is promoting lesser-known regions to ease congestion in major cities.
- Nagoya, Japan's fourth-largest city, is a key hub for business, tourism, and MICE¹, with Shinkansen access to Tokyo (90 mins), Osaka (40 mins), and Kyoto (30 mins).
- Aichi Sky Expo, located near the Chubu Centrair International Airport, is the fourth-largest exhibition centre in Japan, hosting year-round events and performances.

2

Capturing Corporate Business in Japan's Leading Industrial Region

- Nagoya and the Aichi region are major economic and industrial hubs. Central Japan is home to about 5,300 companies², representing about 18% of Japan's total.
- There are over 180 automotive companies, including Toyota. The aerospace cluster is one of the largest in Asia with 176 companies, while the robotics industry contributes 20% of Japan's output.
- The region is also home to major manufacturers in ceramics, electronics, appliances, and pharmaceutical, supporting a strong corporate base.

3

Tapping into Growth of Air Passenger Traffic

- Chubu Centrair International Airport in Nagoya is the primary international gateway for Central Japan.
- International passenger volumes ("IPV") have been on a consistent uptrend, with an average monthly growth rate of 5.9% (Jan 2023 – Dec 2024).
- In 2024, IPV reached 68% of pre-COVID levels, with full recovery expected by 2025³.
- Construction of a second runway has begun with expected completion by 2027, increasing arrival and departure capacity by 50%.

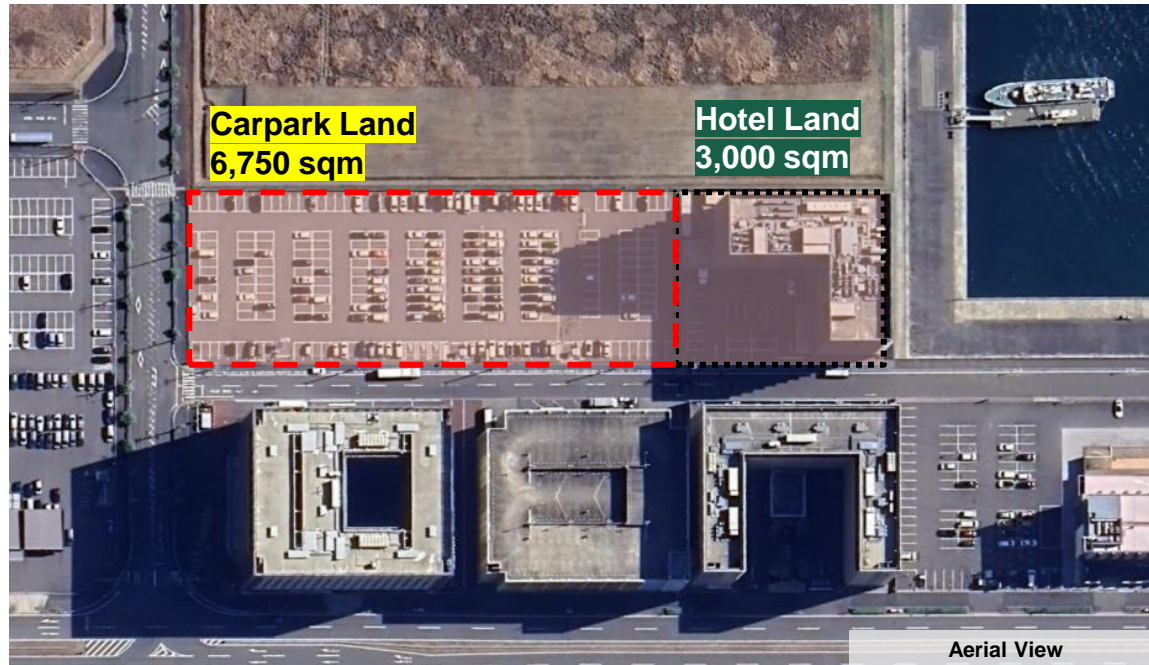


1 Meetings, Incentives, Conferences, and Exhibitions.

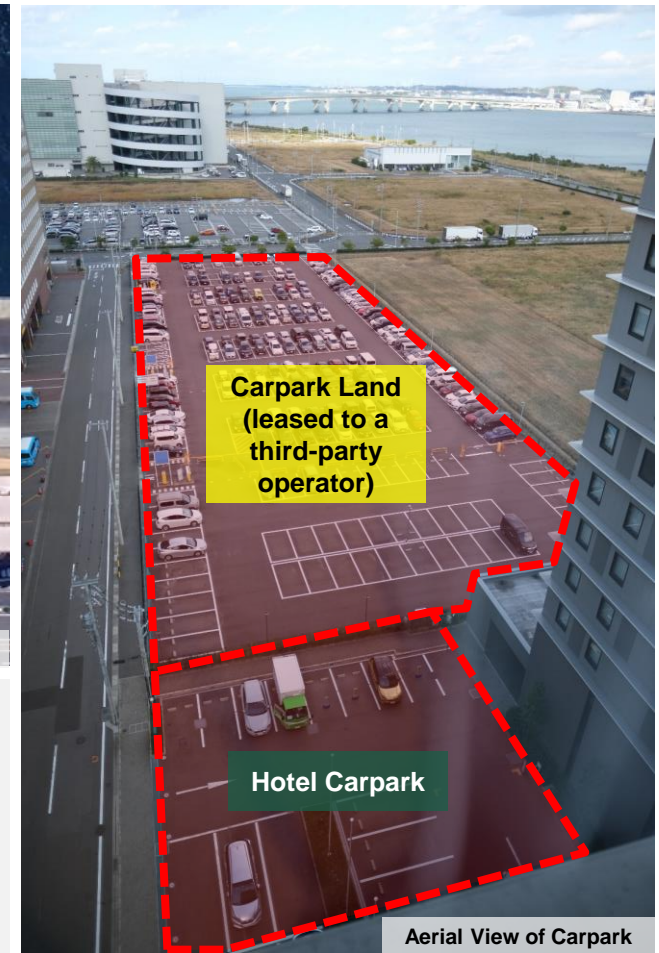
2 Based on companies with capital exceeding JPY 30 million and at least 50 employees.

3 Central Japan International Airport Co., Ltd.

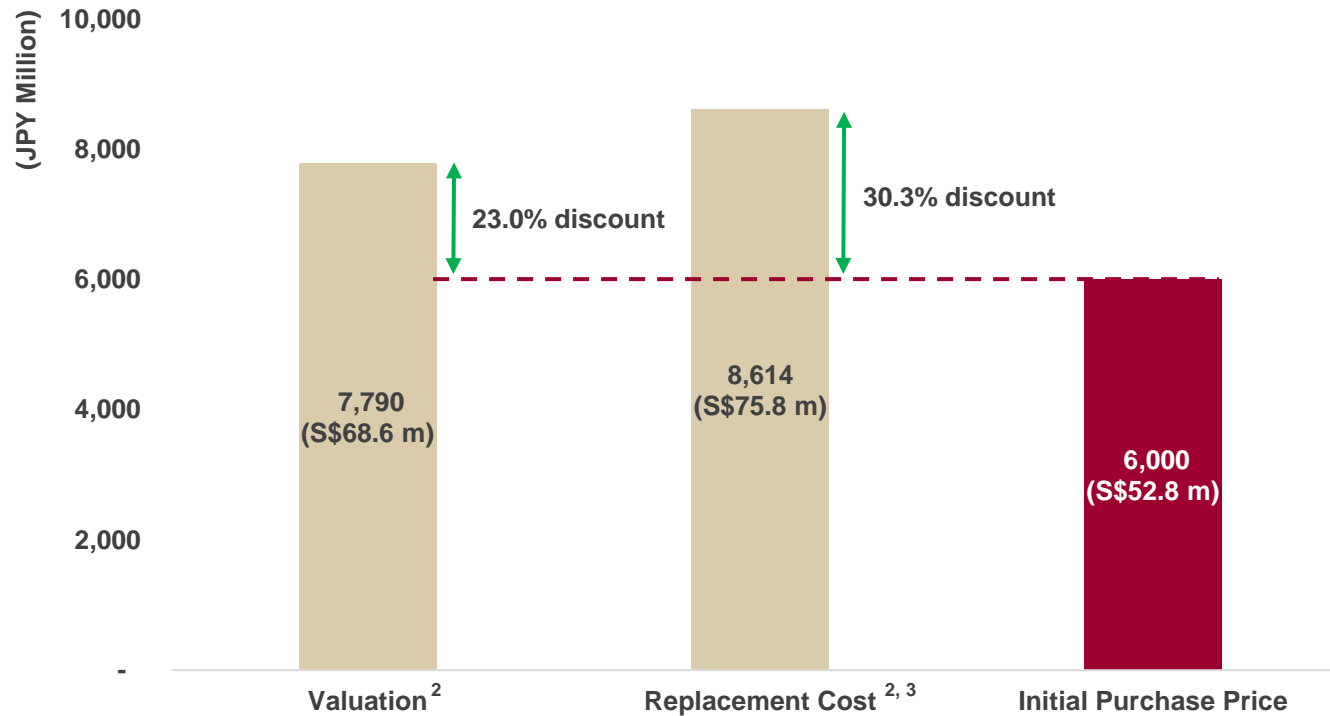
Potential for Future Development on Carpark Land



- Acquisition includes adjacent carpark land, offering potential for future hotel expansion or development into retail or other commercial buildings.
- This land parcel offers opportunity for long-term value creation.



Attractive Purchase Price Relative to Valuation and Replacement Cost



- The initial purchase price¹ of JPY 6.0 billion (\$52.8 million) represents a 23.0% discount to the independent valuation² of JPY 7.79 billion (\$68.6 million), and well below the estimated replacement cost³ of developing a similar asset.
- This provides an attractive entry point and enhances the investment's long-term value proposition of the investment.

1 In addition to the initial purchase price, total payment of up to JPY 1.75 billion (\$15.4 million) (the Adjusted Purchase Consideration) may be payable to the Vendor subject to the Property achieving certain defined performance targets within the next three years.

2 The independent valuation and replacement cost, prepared by CBRE K.K., are as at 31 December 2024.

3 Replacement cost which includes land value, reconstruction cost for a new hotel of similar standard, and incidental expenses.



Portfolio Enhancement for Greater Returns

3



Acquisitions

1

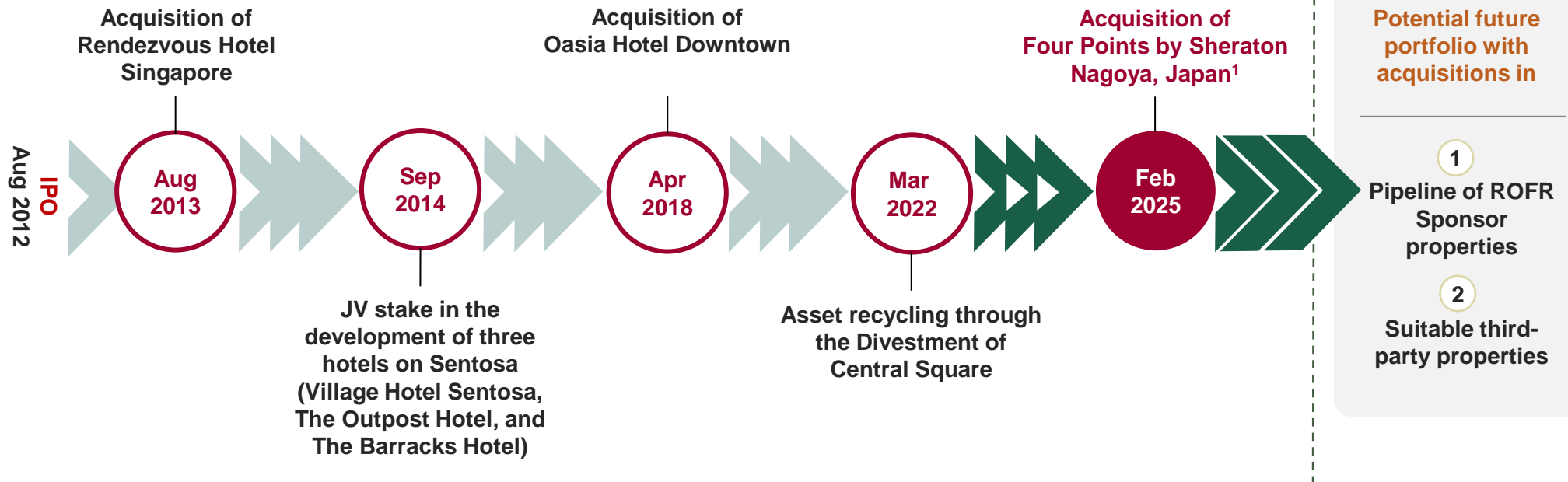


Development

1

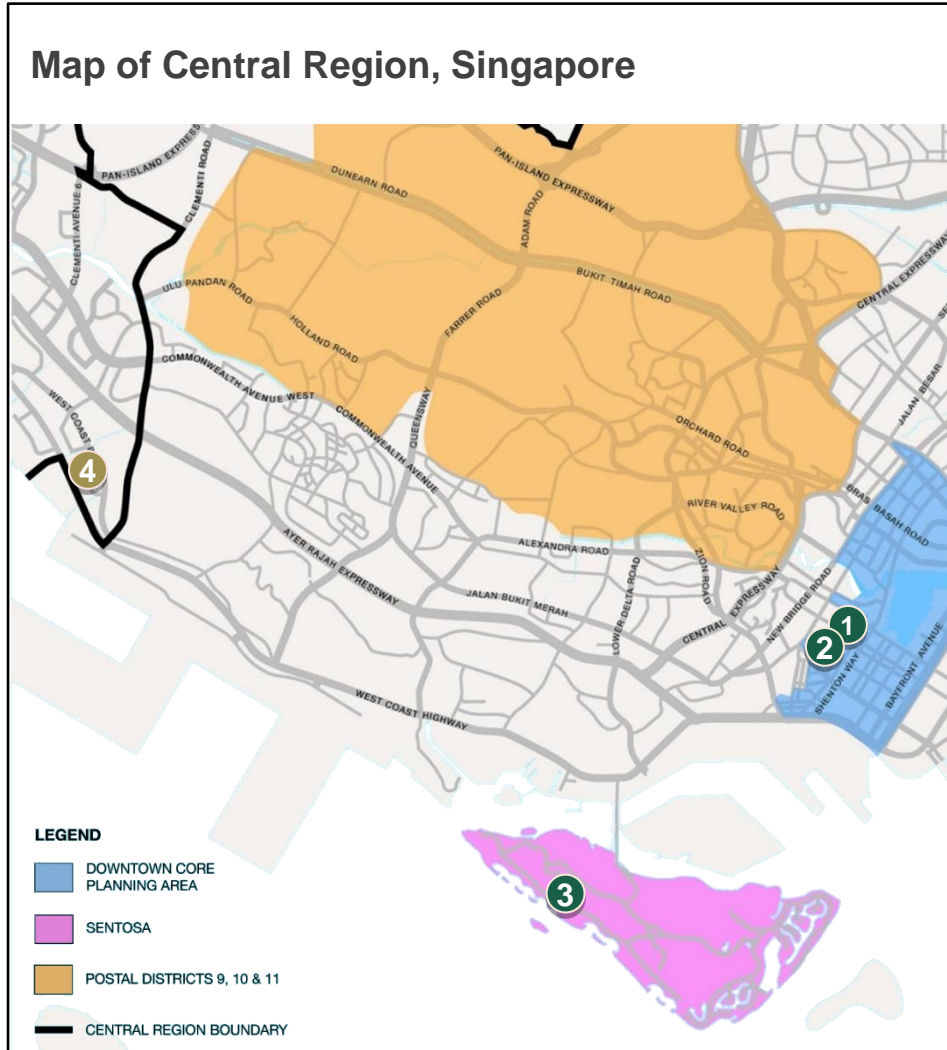


Divestment



1 Expected completion on 25 April 2025.

Examples of Sponsor ROFR Properties in Singapore



1

AMOY Hotel



37 Units

2

The Clan Hotel



324 Units

3

**Village Hotel Sentosa,
The Outpost Hotel,
The Barracks Hotel**



839 Units

4

Oasia Residences



140 Units



Key Sustainability Highlights



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Key Sustainability Highlights



SECURING OUR FUTURE (Environment)

Interim Carbon Emission Target

Set a 2030 target to reduce absolute Scope 1 & 2 carbon emission by 20%, using 2024 as the base year.

Enhanced Sustainability Disclosures

Added disclosure for three Scope 3 categories: Business Travel, Employee Commute and Waste.

ESG Risk Rating

Morningstar Sustainability
Ranked among the top 5% in the Global Universe¹.



IMPACTING LIVES (Social)

Educational Support

12 recipients benefited from Far East H-Trust's Education Assistance Scheme and its Bursary under the Singapore Institute of Technology.

Community Involvement

Team members participated in 3 events with Life Community Service Society.



GOOD GOVERNANCE (Governance)

Singapore Governance and Transparency Index

Achieved the second highest base score and ranked 10 out of 43 S-REITs and Business Trusts

Gender Diversity Board

43% Females
57% Males

REIT Manager

50% Females
50% Males



¹ As of May 2024. Sustainability's ESG Risk Ratings measure a company's exposure to industry-specific material ESG risks and its effectiveness in managing them. This multidimensional approach combines management and exposure concepts to arrive at an absolute assessment of ESG risk.

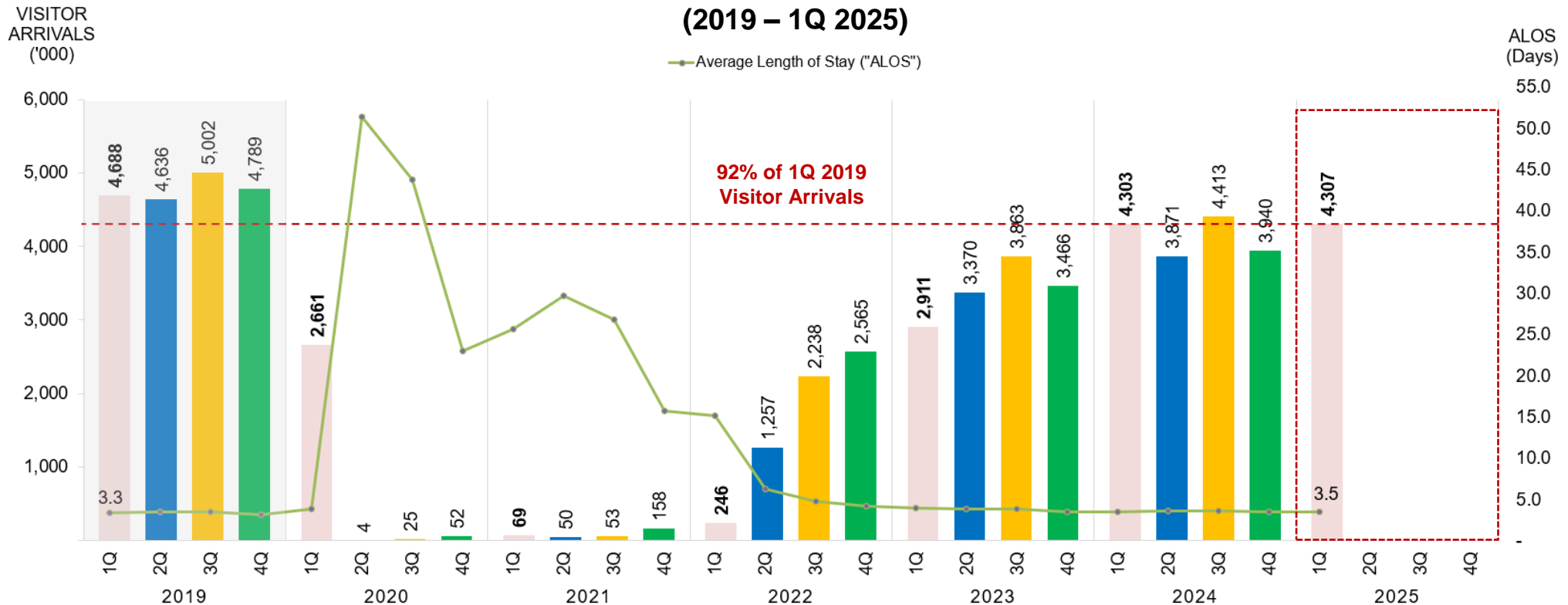
Outlook



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Increasing Visitor Arrivals to Singapore

Visitor Arrivals (2019 – 1Q 2025)



- In the first quarter, visitor arrivals was largely flat year-on-year, due to the absence of large-scale performances such as Taylor Swift's concert in March.
- The Singapore Tourism Board expects a year-on-year increase of 3.0% to 12.1% in visitor arrivals for 2025, reaching between 17.0 and 18.5 million arrivals. This would bring visitor arrivals close to pre-pandemic levels, which stood at 19.1 million in 2019.



Upcoming Events and Developments in 2025

Leisure Events

- Anime Festival Asia 2025
- Artbox Singapore 2025
- ART SG 2025
- BLAST Dota Slam
- Brewnanza Fest by Brewlander
- Christmas on a Great Street 2025
- Christmas Wonderland 2025
- Fashion's Alchemists
- Formula 1 Singapore Grand Prix 2025
- Glow Festival 2025
- HSBC SVNS Singapore 2025
- HSBC Women's World Championship 2025
- JSSL Singapore Professional Academy 7s Football Tournament
- Kita Food Festival
- LIV Golf Singapore 2025
- SingaCup 2025
- Singapore Art Week 2025
- Singapore Biennale 2025
- Singapore Food Festival
- Singapore Floorball Open 2025
- Singapore T100 2025
- SneakerCon SEA 2025
- Standard Chartered Singapore Marathon 2025
- World Aquatics Championships 2025

MICE Events

- Asia Energy Week 2025
- HealthTechX Asia 2025
- ICMF International Insurance Cultural Festival 2025
- International Association for Hydro-Environment Engineering and Research World Congress 2025
- ITMA Asia + CITME 2025
- Safety and Security Asia 2025
- SEMICON SEA 2025
- USANA Regional Convention 2025
- World Accountancy Forum 2025
- World Robot Olympiad International Finals 2025
- World Sleep 2025

Developments

- Boardwalk at the Mandai Wildlife Reserve
- Disney Cruise Line's *Disney Adventure* maiden sailing and year-round homeport
- Groundbreaking of Marina Bay Sands' expansion project
- Illumination's Minion Land at Universal Studios Singapore
- Mandai Rainforest Resort by Banyan Tree
- Rainforest Wild Asia at the Mandai Wildlife Reserve
- Singapore Oceanarium
- The Ritz Carlton Yacht Collection's *Luminara* maiden sailing and seasonal homeport



Source: Singapore Tourism Board.



Positive Tourism and Macroeconomic Environment Outlook

Macroeconomic Environment

Trade tensions weigh on economic uncertainty

- The International Monetary Fund expects global growth of 3.3% in 2025 and 2026, though heightened trade tensions and geopolitical risks may challenge this trajectory.

Interest rates are expected to moderate

- Central banks are likely to adopt a cautious approach to avoid derailing economic recovery while managing inflationary pressures.

Singapore continues to appeal as an attractive business hub

- Singapore attracted S\$13.5 billion in 2024, up 6.3% from the prior year, exceeding the Economic Development Board's annual target of S\$8.0 – S\$10.0 billion.

Tourism and Infrastructure

Further recovery of visitor arrivals to Singapore

- Exciting new attractions opening in 2025, such as Minion Land at Universal Studios Singapore, Singapore Oceanarium at Resorts World Sentosa, and Rainforest Wild Asia at Mandai Wildlife Reserve, along with the expansion of the integrated resorts in the coming years.
- Increasing flight capacities between Singapore and the key markets.
- Ongoing study by STB on the development of a new MICE hub in Singapore's downtown district.

Continual infrastructure projects for Singapore's global connectivity and relevance

- Changi Airport Terminal 5, Tuas Mega port, Marina Cruise Centre, the North-South Corridor and the Cross Island MRT line.



Renewal of Stapled Security Buy-Back Mandate



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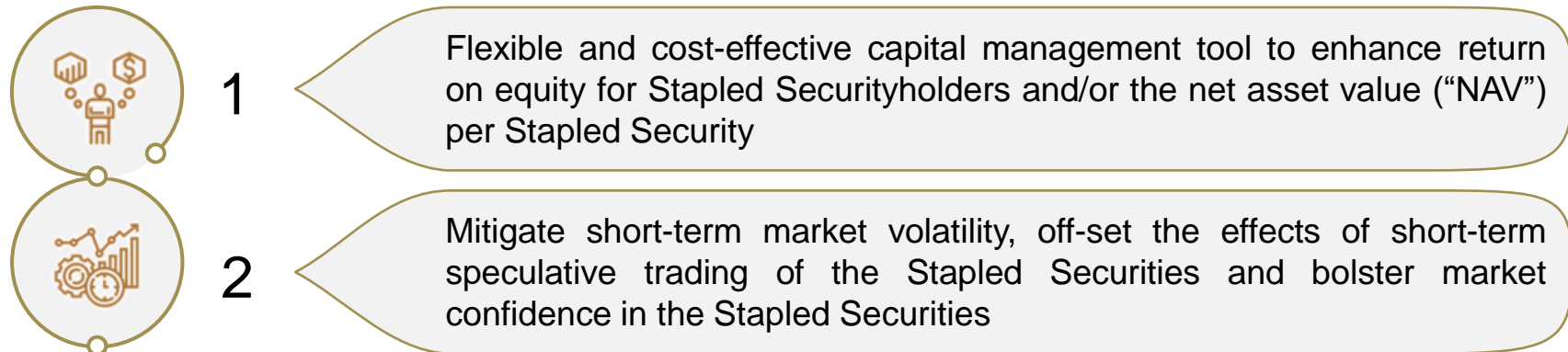
Renewal of Stapled Security Buy-Back Mandate

Approval and renewal of the Stapled Security Buy-Back Mandate would allow the Managers to:

Repurchase Stapled Securities

- up to a **limit of 2.0%** of the total number of issued Stapled Securities as at the date of the AGM; and
- at the **Trust Deed Repurchase Price¹** (no more than **105.0% of the Average Closing Price²** if Trust Deed Repurchase Price is higher)

Rationale



1. Refer to paragraph 2.2.4 *Repurchase Price* on page 6 of the Appendix in Relation to the Proposed Stapled Security Buy-back Mandate for more information.
2. **Average Closing Price** refers to the average of the closing market prices of the Stapled Securities over the last five Market Days before the day on which the purchases are made. Excluding brokerage, stamp duty, commission, applicable goods and service tax and other related expenses.



Thank You

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



FAR EAST HOSPITALITY TRUST
Comprising
Far East Hospitality Real Estate Investment Trust
(managed by FEO Hospitality Asset Management Pte Ltd) and
Far East Hospitality Business Trust
(managed by FEO Hospitality Trust Management Pte Ltd)

ANNEX “C”

**SUBSTANTIVE QUESTIONS AND ANSWERS WITH
STAPLED SECURITYHOLDERS AT FAR EAST HOSPITALITY TRUST’S
13TH ANNUAL GENERAL MEETING
HELD ON 22 APRIL 2025**

The following questions were raised by the stapled securityholders and answered by the Chairman and Management at the meeting:

Asset Tenure Management, Portfolio Optimisation, and Strategic Overseas Expansion

Q1(a) Orchard Rendezvous Hotel (“ORH”) is one of the most valuable assets in the portfolio, but it has only 38 years remaining on its lease. Is there a possibility of extending the lease in the future?

A1(a) ORH sits partly on government which is the strip of canal running beneath the hotel, and the remaining tenure of ORH held by the REIT reflects the remaining lease of the government land. As for the possibility of a lease extension, management has made previously made discreet inquiries, and was told that it could be renewed if the site is redeveloped, or when the lease has run down much further.

Management will continue to review opportunities for redevelopment or other value-enhancing initiatives as part of the asset optimisation strategy.

Q1(b) The valuation of Village Hotel Changi (“VHC”) has declined by 19% since its acquisition, while other assets in the portfolio have generally appreciated. What measures are being taken to improve VHC’s performance, and is redevelopment being considered for this asset?

A1(b) The decline was attributed primarily to the following few key factors:

- a. A slow post-COVID recovery in the hospitality sector.
- b. Ongoing major roadworks and construction in the Loyang area, which have affected accessibility of the hotel.
- c. A reduction in demand for project-based stays, particularly from corporate travellers working in the eastern part of Singapore.

To manage these challenges, Far East H-REIT is focusing on the following strategies to improve VHC’s performance:

- a. Attracting more leisure travellers to the hotel.

- b. Retaining long-term corporate stays, particularly for those involved in the ongoing infrastructure projects in the area.

In addition, the hotel also managed to secure a long-term government contract recently, which would provide a steady stream of revenue to the REIT.

While the short-term outlook may be impacted by the ongoing road works around Loyang, management remains optimistic about the long-term potential of VHC. The property is expected to benefit from the ongoing development of Changi Airport Terminal 5 and improved accessibility upon the completion of road works. These developments, along with the increasing presence of logistics companies and aviation-related businesses in the area, will drive future growth. Additionally, with fewer hotels in the area, VHC is well-positioned to attract guests, particularly for conferences and executive stays in the eastern part of Singapore.

- Q1(c) Far East H-REIT is expanding its portfolio overseas, beginning with Japan. Given Japan's conservative market and historically slower capital appreciation, what is the rationale behind this expansion? Additionally, was there a specific reason the seller offered a 23% discount on the pricing?

- A1(c) The acquired property, Four Points by Sheraton, is currently owned by a fund which was motivated to exit early to enhance its internal rate of return for investors. The REIT will officially assume ownership upon completion of the transaction, which is expected to take place on 25 April 2025.

To ensure the pricing reflected performance, the REIT negotiated a two-tier payment structure: an upfront payment of JPY 6 billion and a potential deferred payment of JPY 1.75 billion, contingent upon the asset achieving a 5% Net Property Income ("NPI") yield. This earn-out structure is similar to the previous acquisition of Oasia Hotel Downtown, where a performance-based component was also implemented.

The seller was also willing to offer a discount because the deal was done directly without involving brokers, which typically command a 3% commission in Japan to be paid by both the seller and buyer. This contributed to cost savings for both parties.

The property is still in its post-COVID recovery phase and has yet reached its optimal performance. Nonetheless, further improvement in performance was anticipated. Including the potential deferred payment of JPY 1.75 billion the total consideration of 7.75 billion still remains below the current valuation of JPY 7.79 billion.

The property was built in 2018, and with rising construction costs in Japan, developing similar assets has become increasingly expensive. As such, acquiring a relatively new asset at a lower price was viewed as a strategic and cost-effective opportunity for the REIT.

Clarification on Distribution Sustainability, Top-Ups, and Interest Rate Management

- Q2(a) The DPS declined from 4.09 cents in FY 2023 to 4.04 cents in FY 2024. A portion of the 4.04 cents DPS was attributable to the top up from the one-off gains from

Central Square divestment. What would the underlying DPS have been without these top-ups?

- A2(a) Without the top-ups, the DPS for FY 2024 would have been approximately 3.24 cents. The breakdown of these non-recurring contributions is as follows:
- a. S\$8.0 million from the Central Square divestment gain,
 - b. S\$5.1 million to mitigate the impact of rising interest rates
 - c. S\$3.0 million to compensate for adjustment to the Manager's fees paid in units.

- Q2(b) What was the rationale for providing these top-ups, and are they sustainable going forward?

- A2(b) The top-ups were implemented to ensure Stapled Securityholders were not adversely impacted by the timing mismatch between the sale of Central Square and the deployment of proceeds into new assets. Post the divestment, approximately S\$2 million per quarter was utilised from the gain to maintain a stable DPS.

These measures were temporary and not meant to be permanent.

- Q2(c) Given the higher interest rate environment, has the REIT taken steps to hedge or fix borrowing costs including the Japanese Yen loan for the recent acquisition?

- A2(c) The REIT has taken a proactive and disciplined approach to manage its interest rate exposure. As of today, about 58% of total borrowings are on fixed rates, interest rate swap contracts to convert floating rates to fixed rates.

For Singapore-based loans, borrowings are initially secured on a floating-rate basis, with interest rate swap contracts entered subsequently to manage the volatility of interest rate exposure. Over time, the REIT has also negotiated tighter margins with its banking partners through long-term relationship building, resulting in more competitive financing terms.

Regarding the recent Japanese acquisition, the loan was secured at a fixed rate of below 2%, providing a healthy spread over the property's yield of over 4%. Although interest rates in Japan have begun to rise slightly following recent policy adjustments, the current borrowing cost remains within the projections used during the investment evaluation. Management had anticipated potential rate increases and chose to lock in the rate at the point of entry, in line with its prudent capital management strategy.

Management continues to actively monitor market conditions and may execute further interest rate swap contracts to manage the overall cost of debt of the REIT.

Strategies to Sustain and Grow Core DPS

- Q3(a) The core DPS has declined approximately 12%. What measures are management taking to manage costs, especially with interest rates expected to ease. Any possibility of realising upside potential from operating assets for more sustainable growth in the core DPS, apart from gains from divestments of asset?

- A3(a) The focus of the team remains on core operational performance, particularly to improving occupancy and revenues of the hospitality assets. Cost containment, especially managing interest expenses, is a priority. Where possible, fixed-rate refinancing will be pursued.

The base and performance fees of the REIT manager have been reduced to enhance returns to Stapled Securityholders in 2020. The current focus is on asset enhancement, operational efficiency, and accretive investments to sustainably grow core DPS. Additionally, the interest of the REIT manager is aligned with the REIT whereby long-term DPS and asset performance are part of the REIT manager's KPIs.

- Q3(b) Can the variable rent and commercial revenues components be further improved to support stronger DPS?

- A3(b) Hotel occupancy has yet to fully recover to its pre-COVID levels. With further recovery of travel into Singapore and improved demand, there is upside potential in occupancy for both hotels and serviced residences. This would drive variable rent and support higher DPS.

- Q3(c) What is the rationale for the Japan acquisition over Singapore assets, given that the REIT has always been Singapore-centric. In addition, this investment may also potentially expose the REIT to foreign exchange and overseas operational risks.

- A3(c) The reason to diversifying the portfolio into overseas market is simply because the market size in Singapore is limited, which has constrained the REIT's long-term growth opportunities. Hence, diversification to overseas market is necessary to create more sustainable income streams and growth as well as to reduce concentration risk.

The Japan acquisition was a strategic move, and the ticket size for this investment is small to manage the REIT's first investment overseas. The acquisition could be funded entirely by debt without any equity dilution. In contrast, large Singapore assets would require equity fundraising, which is currently not cost-effective due to market conditions.

Management remains committed to Singapore as the REIT's core market for assets and will also consider assets from the Sponsor such as the Sentosa hotels, when the market conditions such as interest rates and demand are more favourable.

- Q3(d) The 30% stake in the Sentosa Hotels did not seem to have generated visible returns and lacks transparency. Will the REIT consider acquiring these assets to realise their full potential?

- A3(d) Although the 30% investment in Sentosa Hotels reported an accounting loss due to non-cash depreciation charges, it continues to generate healthy free cash flow annually. The REIT has also received interest income on the shareholder loan extended to the associated company.

While acquiring the Sentosa Hotels may seem to be a strategic option, the assets are not currently yield accretive, given the prevailing high interest rates.

The Board and management will continue to actively monitor and will discuss with the Sponsor on the REIT acquiring the remaining stake when the time is right.

Share Price Performance and Asset Valuation Trends

Q4(a) The stapled security price of Far East H-Trust has declined from around S\$1.00 in 2013 to approximately S\$0.60 today, despite only marginal declines in the portfolio valuations. What have the Board and management done to address this?

A4(a) The decline is consistent across all the hospitality REITs in the sector and not unique to Far East H-Trust.

Key contributing factors include macroeconomic challenges such as the ongoing tariff war and global economic uncertainty, which have affected investors sentiment and sector performance. In addition, Far East H-Trust's smaller market capitalisation and lower liquidity make it more vulnerable during crises as institutional investors tend to exit less liquid positions first. While the recent price weakness, especially post March cannot be fully attributed to a single factor, management remains focused on improving operational performance and growing the core DPS.

Q4(b) Why have some property valuations decreased since 2013 while others remained stable or increased slightly?

A4(b) While a few individual assets have seen valuation declines since 2013, others have remained stable or registered modest gains, resulting in an overall modest increase that reflects broader market dynamics. Importantly, valuations are kept realistic and not artificially inflated.

Changes in asset valuation will have no direct impact on distribution payouts.

Strategic Expansion and Risk Management in Overseas Investments

Q5(a) Is the REIT changing its mandate and moving away from its Singapore-centric strategy, with the recent Japan acquisition?

A5(a) The REIT remains fundamentally committed to Singapore as its core market.

Since IPO, the REIT has maintained a Singapore-focused strategy for over a decade. The recent Japan acquisition reflects a selective and strategic diversification into developed markets where the Board is comfortable with the legal and operational landscapes. Management has no plans to shift away from Singapore, and expects the Singapore assets to continue contributing bulk of the REIT's earnings over the next five years.

Q5(b) What safeguards are being put in place to manage risks from overseas markets, including currency and legal exposure?

A5(b) All overseas investment will be confined to developed markets with strong legal frameworks to safeguard assets only. Japan was chosen for its stability, familiarity, and existing experience through Sponsor's connections. Foreign exchange exposure is carefully managed through local currency funding and other hedging strategies. The Board remains highly selective, having rejected several

potential overseas deals in the past two years that did not meet the stringent internal investment criteria.

Q5(c) Is there a risk that the REIT loses its attraction and differentiation by moving abroad, becoming like other hospitality REITs?

A5(c) Far East H-REIT's value proposition remains differentiated by its strong Singapore portfolio, stable earnings base, and prudent growth approach. Investments in Japan are intended to supplement and not replace the Singapore contributions. The aim is to remain Singapore-centric, while selectively tapping opportunities abroad to improve resilience and long-term value.

Q5(d) Are lease tenures or other structural issues affecting property valuations?

A5(d) Valuation declines for some assets are not due to land lease expiry concern. Valuers primarily use a combination of market comparables, discounted cash flow ("DCF"), and capitalisation rate methods. The decline in certain values is modest and consistent with broader market movements.

Asset Strategy, Distributions, and Management Fee Structure

Q6(a) How will the gains from the Central Square divestment be distributed, and is there a potential for more to be shared with Stapled Securityholders?

A6(a) The Board committed to distributing S\$8 million per year over three years from the divestment gains of the Central Square, starting from March 2022. In FY 2022, S\$6 million was distributed, with the full S\$8 million distributed in both FY 2023 and FY 2024. The remaining S\$2 million will be distributed in 1H 2025, completing the planned S\$24 million distribution. Any further distribution will depend on the Board's assessment of performance and prevailing conditions including the interest rate environment.

Q6(b) Given the current stapled security price, can the REIT manager reduce the percentage of fees in stapled securities to avoid issuing more stapled securities and diluting the existing interest of the Stapled Securityholders?

A6(b) To manage dilution, 60% of the Manager's fees are now paid in stapled securities as compared to 90% in previous years. The intent is to gradually lower the management fee paid in stapled securities.

Q6(c) Are there any redevelopment plan for ORH to unlock its value like Central Square?

A6(c) Any redevelopment plan must be led by the Sponsor as REITs are constrained in undertaking large redevelopments.

While there were discussions regarding a redevelopment, the Sponsor is taking a cautious approach due to the current market conditions and ongoing construction in the area. Management believes when the market environment improves, redevelopment could unlock higher value for ORH in the future.

Update on Japan Hotel Investment and Future Plans

Q7(a) Is the acquisition of Four Points by Sheraton yield-accretive?

A7(a) The asset is still in its early ramp-up phase and will take time to reach its full potential. The asset is yet to operate at its optimal level. However, management is confident that its performance will improve, stabilise and become yield-accretive over time.

Q7(b) What will be the expected financial contribution of Four Points by Sheraton for FY 2025 and beyond?

Q7(b) Since the acquisition was completed in late April, its contribution in FY 2025 will be limited to around 8 months. As the asset continues to stabilise post-COVID and occupancy recovers further, its impact is expected to be more substantial after this year. Far East H-Trust views this acquisition as a strategic foothold in Japan with longer-term upside potential.

Q7(c) What is the current operational performance of Four Points by Sheraton?

A7(c) As of now, the hotel's occupancy is averaging 60 to 70%, still below pre-COVID level. Recovery is ongoing and there is room for improvement in both occupancy and average daily rates. Management expects operational performance to improve progressively as travel and tourism in Japan continue rebounding.

Q7(d) Are there additional acquisitions in the pipeline, and which countries or asset types are being considered?

A7(d) Further acquisitions are being considered. The REIT is taking a measured, step-by-step approach especially in developed overseas markets like Japan, to build credibility and market presence without being overly aggressive. The focus remains on hospitality assets like hotels in developed markets. Future acquisitions will be evaluated for yield-accretion and portfolio enhancement rather than fixed ratios between different asset types.

Comments on Japanese Acquisition and Expectations for Growth

Q8(a) A Stapled Securityholder expressed his support for the recent acquisition in Japan, viewing it as a positive step toward unlocking growth potential and reinforcing income stability. While recurring income remains important, he stressed that it is time for the REIT to demonstrate growth to enhance the long-term value proposition and reinforce investor confidence.

A8(a) The Board and management thanked the Stapled Securityholder for his words of encouragement and reassured the Stapled Securityholders of their commitment to working in delivering both stable income and measured growth for Far East H-Trust going forward.

Signed as true and correct record of the proceedings

Wee Kheng Jin
Chairman of the Meeting