RECEIPT OF APPROVAL IN-PRINCIPLE FOR THE ISSUE OF THE EARN-OUT STAPLED SECURITIES

Further to their announcement dated 12 January 2018, 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 (the "**Trustee-Manager**", and together with the REIT Manager, the "**Managers**"), are pleased to announce that approval in-principle has been obtained on 7 February 2018 from Singapore Exchange Securities Trading Limited (the "**SGX-ST**") for the listing of, and dealing in and quotation on the Mainboard of the SGX-ST, of up to 26,785,714[1] new stapled securities in Far East Hospitality Trust ("**Far East H-Trust**", and the new stapled securities in Far East H-Trust, the "**Earn-out Stapled Securities**"), which may be issued to Far East SOHO Pte. Ltd. (the "**Vendor**") pursuant to an earn-out agreement to be entered into between the Vendor and DBS Trustee Limited (in its capacity as trustee of Far East H-REIT), in connection with the proposed acquisition of Oasia Hotel Downtown (the "**Proposed Acquisition**").

The SGX-ST's approval in-principle is subject to:

(i) compliance with the SGX-ST's listing requirements; and

(ii) the approval of the holders of stapled securities of Far East H-Trust (the "**Stapled Securities**", and the holders of the Stapled Securities, the "**Stapled Securityholders**") for the issuance of the Earn-out Stapled Securities.

The SGX-ST's approval in-principle is not to be taken as an indication of the merits of the Proposed Acquisition, the Earn-out Stapled Securities, Far East H-Trust and/or its subsidiaries.

[1] As the actual issue price of the Earn-out Stapled Securities will be determined based on the volume weighted average price for a stapled security in Far East H-Trust ("**Stapled Security**") for all trades done on the SGX-ST for the period of 10 business days commencing on the first day of "ex-dividend" trading in relation to the books closure date for the advanced distribution or, as the case may be, cumulative distribution declared by the REIT Manager (in relation to the Stapled Securities in issue), the Managers had sought the approval for the listing of, dealing in and quotation of up to 26,785,714 Earn-out Stapled Securities based on an illustrative issue price of S$0.56 per Earn-out Stapled Security, being the lowest price at which the Stapled Securities were traded since the date of listing the Stapled Securities on the SGX-ST to 10 January 2018.

By Order of the Board

Gerald Lee Hwee Keong
Chief Executive Officer

FEO Hospitality Asset Management Pte. Ltd. (Company Registration No. 201102629K)
(as manager of Far East Hospitality Real Estate Investment Trust)

FEO Hospitality Trust Management Pte. Ltd. (Company Registration No. 201210698W)
(as trustee-manager of Far East Hospitality Business Trust)

8 February 2018

IMPORTANT NOTICE

The value of the Stapled Securities and the income derived from them may fall as well as rise. The Stapled Securities are not obligations of, deposits in, or guaranteed by the Managers, DBS Trustee Limited (in its capacity as trustee of Far East H-REIT), or any of their respective affiliates.

An investment in the Stapled Securities is subject to investment risks, including the possible loss of the principal amount invested. Investors have no right to request that the Managers redeem or purchase their Stapled Securities while the Stapled Securities are listed. It is intended that 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.