

FAR EAST HOSPITALITY TRUST STRENGTHENS REVENUE BASE WITH MAIDEN OVERSEAS CONTRIBUTION

Highlights:

- Net property income of S\$45.6 million for 1H 2025, supported by initial revenue contribution from the Japan acquisition, mitigating softer Singapore performance.
- Finance expenses decreased 15.8% YoY as the average cost of debt eased.
- Stronger performance by the Commercial Premises, supported by improved occupancies and higher rental rates.

Singapore, 30 July 2025 – Far East Hospitality Trust (“**Far East H-Trust**” or the “**Trust**”) reported gross revenue of S\$51.6 million for the half-year ended 30 June 2025 (“**1H 2025**”), a 4.2% decline year-on-year (“**YoY**”), mainly due to softer performance from the Singapore Hotels and Serviced Residences. This was partially mitigated by higher revenue from the Commercial Premises and the maiden contribution from Four Points by Sheraton Nagoya (“**FPN**”) of S\$1.6 million, the Trust’s first overseas acquisition and a step toward income diversification.

Net property income (“**NPI**”) declined 7.7% YoY to S\$45.6 million mainly due to lower gross revenue and higher property-related expenses.

For 1H 2025, distribution to Stapled Securityholders stood at S\$36.0 million, comprising S\$30.6 million of taxable income and S\$5.4 million of other gains. This translates to a total Distribution per Stapled Security (“**DPS**”) of 1.78 cents.

Summary of Results

	1H 2025 (S\$'000)	1H 2024 (S\$'000)	Variance (%)
Gross revenue	51,565	53,808	(4.2)
Net property income	45,638	49,466	(7.7)
Distribution to Stapled Securityholders	36,020	39,454	(8.7)
- from taxable income	30,556	33,214	(8.0)
- from other gains	5,464	6,240	(12.4)
DPS (cents)	1.78	1.96	(9.2)

In conjunction with the earn-out stapled securities expected to be issued on 20 August 2025 in relation to the acquisition of Oasia Hotel Downtown, the REIT Manager declared an advance distribution for the period from 1 July 2025 to 19 August 2025, estimated to be 0.47 cents per Stapled Security.

Further to the earlier commitment to share a portion of the gains from the divestment of Central Square, the REIT Manager will be distributing a further and final S\$2.5 million of other gains in the second half, bringing it to a total of S\$8.0 million for this year.

Mr Gerald Lee, Chief Executive Officer of the REIT Manager said, “Our first overseas acquisition in Japan marks a strategic step in diversifying our income stream beyond Singapore. After a slow start in the first half of the year amidst macroeconomic headwinds and cautious corporate sentiments, demand has started to trend more positively. We remain focused on improving the operating performance while exercising prudent cost and capital management. Our low gearing provides Far East H-Trust the financial flexibility to pursue yield-accretive opportunities.”

Review of Performance

Singapore	1H 2025		1H 2024		Better / (Worse)	
	Hotels	SRs	Hotels	SRs	Hotels	SRs
Average Occupancy (%)	79.4	78.2	80.4	85.1	(1.0pp)	(6.9pp)
Average Daily Rate (“ADR”) (S\$)	168	270	176	266	(4.5%)	1.8%
Revenue per Available Room (“RevPAR”) / Revenue per Available Unit (“RevPAU”) (S\$)	133	211	141	226	(5.7%)	(6.5%)

Singapore Hotels

For the period, the average daily rate (“**ADR**”) recorded a decline of 4.5% YoY to S\$168, while average occupancy remained relatively stable at 79.4%. The softer performance was partly due to the absence of large-scale concerts and major events in the first quarter that had boosted demand in the prior year. Rising geopolitical and macroeconomic headwinds have also impacted corporate bookings as well as leisure demand from major markets. This was compounded by increased hotel supply. Despite these challenges, occupancy was sustained through tactical rate management and efforts to increase direct bookings.

Singapore Serviced Residences (“**SRs**”)

For the SRs, average occupancy declined YoY to 78.2%, as the first quarter was weighed down by lift replacement work which was completed in January as well as softer corporate demand. Occupancy recovered to 82.7% in the second quarter, driven by a shift in guest mix toward more leisure travellers. ADR rose 1.8% YoY to S\$270, as the portfolio benefited from higher-rated,

shorter-stay bookings amidst cautious sentiment in the uncertain macroeconomic environment that dampened corporate demand.

Japan Hotel

For FPN in Japan, revenue contribution amounted to S\$1.6 million for the two months since the acquisition was completed on 25 April 2025. On a like-for-like basis¹, RevPAR for May and June rose 0.5% YoY to ¥6,925, while gross operating profit (“**GOP**”) for FPN increased 22.9%, driven mainly by disciplined cost management and improved operational efficiency. Looking ahead, there remains further upside for FPN as arrivals at Chubu Centrair International Airport continue to recover toward pre-pandemic levels.

Commercial Premises and Other Income

The commercial premises and other income in the portfolio remained resilient, with revenue rising 6.4% YoY to S\$9.2 million. This was driven mainly by improved occupancies and higher rental rates, led by stronger performance of the office units. Leasing activity remained healthy, supported by sustained demand and steady tenant renewals. The increase also included new revenue contribution from the carpark at FPN.

Capital Management

As of 30 June 2025, total debt stood at S\$771.7 million following the acquisition of FPN which was completed on 25 April 2025. Aggregate leverage remains low at 32.8%. Finance expenses decreased 15.8% YoY to S\$12.8 million, as funding costs moderated amidst easing interest rates. The average cost of debt declined to 3.4% per annum, reflecting both a more favourable interest rate environment and the inclusion of lower-rated Japanese debt. Approximately 60.6% of the Trust’s borrowings are on fixed interest rates.

Outlook

In Singapore, the hospitality industry continues to be supported by major MICE and leisure events, including the World Aquatics Championships scheduled in July and the Formula 1 Singapore Grand Prix in October. Opening of new attractions in 2025 will help to further strengthen Singapore’s tourism appeal. These include Minion Land at Universal Studios Singapore, Singapore Oceanarium at Resorts World Sentosa, and Rainforest Wild Asia at Mandai Wildlife Reserve.

While the outlook remains broadly positive, the pace of tourism recovery may be tempered by global economic uncertainties, geopolitical tensions, and the strong Singapore Dollar, which could impact travel sentiment and discretionary spending.

¹ RevPAR and GOP comparisons assume ownership of FPN during the same period in 2Q 2024, using May–June performance only to reflect comparable post-acquisition periods after the deal’s completion on 25 April 2025.

In Japan, visitor arrivals reached 21.5 million in 1H 2025, a 21% increase from the same period last year and exceeding pre-pandemic levels and remains on track to surpass 40 million arrivals in 2025, supported by continued tourism promotion and major events such as Expo 2025 in Osaka.

The REIT Manager remains focused optimising the performance of the portfolio amidst ongoing macroeconomic uncertainty. The easing interest rate environment is expected to lower financing costs and enhance funding flexibility. As one of the lowest geared S-REIT, Far East H-Trust has significant headroom to pursue yield-accretive acquisitions.

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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 totaling 3,334 hotel rooms and serviced residence units valued at approximately S\$2.58 billion as at 31 December 2024. 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 63.9% owned by Far East Organization Pte. Ltd. as at 31 December 2024.

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.