

**Far East Hospitality Trust**  
**Unaudited Financial Statements Announcement**  
**For the half-year and full year ended 31 December 2020**

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**Unaudited Financial Statements Announcement for the half-year and full year ended 31 December 2020**

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**INTRODUCTION**

Far East Hospitality Trust (“Far East H-Trust” or the “Stapled Group”) is a hospitality stapled group 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-REIT and Far East H-BT are managed by FEO Hospitality Asset Management Pte. Ltd. (“REIT Manager”) and FEO Hospitality Trust Management Pte. Ltd. (“Trustee-Manager”), respectively.

Far East H-REIT is a Singapore-based real estate investment trust established principally to invest on a long-term basis, in a diversified portfolio of income-producing hospitality-related real estate in Singapore.

Stapled Securities in Far East H-Trust commenced trading on the Singapore Exchange Securities Trading Limited (“SGX-ST”) on 27 August 2012 with initial portfolio of 11 properties comprising 7 hotels and 4 serviced residences (“SRs”) located in Singapore. In August 2013, Far East H-REIT acquired Rendezvous Hotel Singapore.

In September 2014, Far East H-REIT took a 30% stake in a joint venture to develop a new hotel site located at Artillery Avenue, Sentosa with Far East Organization Centre Pte. Ltd., a member of Far East Organization.

On 2 April 2018, Far East H-REIT completed the acquisition of Oasia Hotel Downtown, bringing its portfolio to 13 properties consisting 9 hotels and 4 SRs located in Singapore. For the Sentosa hotel development project, the temporary occupancy permit (“TOP”) for the first phase, comprising Village Hotel Sentosa (“VHS”) and The Outpost Hotel Sentosa (“TOH”) was obtained on 31 October 2018. VHS and TOH has commenced hotel operations from 1 April 2019. The TOP for the final phase comprising The Barracks Hotel Sentosa (“TBH”) and two retail blocks, was obtained on 26 September 2019. TBH has commenced hotel operations from 1 December 2019.

Far East H-BT is currently dormant. Accordingly, the financial information of Far East H-BT has not been presented.

**Distribution Policy**

Far East H-REIT’s distribution policy is to distribute at least 90% of its taxable income. Since its listing, Far East H-REIT has distributed 100% of its taxable income.

Far East H-BT remains dormant as at the date of this report. In the event that Far East H-BT becomes active and profitable, Far East H-BT’s distribution policy will be to distribute as much of its income as practicable, and the determination to distribute and the quantum of distributions to be made by Far East H-BT will be determined by the Trustee-Manager’s Board at its sole discretion.

**Unaudited Financial Statements Announcement for the half-year and full year ended 31 December 2020**
**1(a) Income statements together with comparatives for corresponding periods in immediately preceding financial year**
**1(a)(i) Statements of Total Return and Distribution Statement of Far East H-REIT and Far East H-Trust**

		Far East H-REIT					
Note	2H 2020	2H 2019	Better / (Worse)	FY 2020	FY 2019	Better / (Worse)	
	S\$'000	S\$'000	%	S\$'000	S\$'000	%	
	Master lease rental	32,030	48,845	(34.4)	66,719	93,619	(28.7)
	Retail and office revenue	6,954	10,976	(36.6)	16,535	21,927	(24.6)
	<b>Gross revenue</b>	<b>38,984</b>	<b>59,821</b>	<b>(34.8)</b>	<b>83,254</b>	<b>115,546</b>	<b>(27.9)</b>
	Property tax	(3,490)	(3,675)	5.0	(7,123)	(7,367)	3.3
	Property insurance	(53)	(55)	3.6	(107)	(112)	4.5
	MCST contribution	(180)	(149)	(20.8)	(360)	(257)	(40.1)
	Retail and office expenses	(1,449)	(1,577)	8.1	(3,010)	(3,021)	0.4
	Property manager fees	(237)	(237)	-	(475)	(475)	-
	<b>Property expenses</b>	<b>(5,409)</b>	<b>(5,693)</b>	<b>5.0</b>	<b>(11,075)</b>	<b>(11,232)</b>	<b>1.4</b>
	<b>Net property income</b>	<b>33,575</b>	<b>54,128</b>	<b>(38.0)</b>	<b>72,179</b>	<b>104,314</b>	<b>(30.8)</b>
	REIT Manager's fees	(4,655)	(6,240)	25.4	(9,439)	(12,257)	(23.0)
	Trustee's fees	(165)	(166)	0.6	(329)	(329)	-
	Other trust expenses	(397)	(771)	48.5	(722)	(1,454)	50.3
	Interest and other income	254	455	(44.2)	624	907	(31.2)
	Finance expenses	(11,329)	(14,740)	23.1	(24,195)	(29,850)	18.9
	<b>Net income before joint venture's results</b>	<b>17,283</b>	<b>32,666</b>	<b>(47.1)</b>	<b>38,118</b>	<b>61,331</b>	<b>37.8</b>
	Share of results of joint venture	(1,444)	(2,239)	35.5	(3,967)	(6,329)	37.3
	<b>Net income before tax and fair value changes</b>	<b>15,839</b>	<b>30,427</b>	<b>(47.9)</b>	<b>34,151</b>	<b>55,002</b>	<b>37.9</b>
	Fair value change in derivative financial instruments	3,137	(1,630)	>100.0	(6,244)	(3,323)	(87.9)
	Fair value change in investment properties	(121,219)	8,809	>(100.0)	(121,219)	8,809	>(100.0)
	<b>Total return for the period before income tax</b>	<b>(102,243)</b>	<b>37,606</b>	<b>&gt;(100.0)</b>	<b>(93,312)</b>	<b>60,488</b>	<b>&gt;(100.0)</b>
	Income tax expense	(35)	(62)	43.5	(90)	(96)	6.3
	<b>Total return for the period</b>	<b>(102,278)</b>	<b>37,544</b>	<b>&gt;(100.0)</b>	<b>(93,402)</b>	<b>60,392</b>	<b>&gt;(100.0)</b>
<b>Distribution Statement</b>							
	<b>Total return for the period</b>	<b>(102,278)</b>	<b>37,544</b>	<b>&gt;(100.0)</b>	<b>(93,402)</b>	<b>60,392</b>	<b>&gt;(100.0)</b>
	Net tax adjustments	124,231	1,384	>100.0	140,894	13,395	>100.0
	Rollover adjustment	245	-	NM	396	129	>100.0
	Undistributed income from previous period	5,252	22	>100.0	-	-	-
	<b>Income available for distribution</b>	<b>27,450</b>	<b>38,950</b>	<b>(29.5)</b>	<b>47,888</b>	<b>73,916</b>	<b>(35.2)</b>
	Comprising:						
	- Taxable income	27,276	38,649	(29.4)	47,448	73,447	(35.4)
	- Tax-exempt income	174	301	(42.2)	440	469	(6.2)
	<b>Total available for distribution</b>	<b>27,450</b>	<b>38,950</b>	<b>(29.5)</b>	<b>47,888</b>	<b>73,916</b>	<b>(35.2)</b>

**Unaudited Financial Statements Announcement for the half-year and full year ended 31 December 2020**

		Far East H-Trust					
Note	2H 2020	2H 2019	Better / (Worse)	FY 2020	FY 2019	Better / (Worse)	
	S\$'000	S\$'000	%	S\$'000	S\$'000	%	
	Master lease rental	32,030	48,845	(34.4)	66,719	93,619	(28.7)
	Retail and office revenue	6,954	10,976	(36.6)	16,535	21,927	(24.6)
	<b>Gross revenue</b>	<b>38,984</b>	<b>59,821</b>	<b>(34.8)</b>	<b>83,254</b>	<b>115,546</b>	<b>(27.9)</b>
	Property tax	(3,490)	(3,675)	5.0	(7,123)	(7,367)	3.3
	Property insurance	(53)	(55)	3.6	(107)	(112)	4.5
	MCST contribution	(180)	(149)	(20.8)	(360)	(257)	(40.1)
	Retail and office expenses	(1,449)	(1,577)	8.1	(3,010)	(3,021)	0.4
	Property manager fees	(237)	(237)	-	(475)	(475)	-
	<b>Property expenses</b>	<b>(5,409)</b>	<b>(5,693)</b>	<b>5.0</b>	<b>(11,075)</b>	<b>(11,232)</b>	<b>1.4</b>
	<b>Net property income</b>	<b>33,575</b>	<b>54,128</b>	<b>(38.0)</b>	<b>72,179</b>	<b>104,314</b>	<b>(30.8)</b>
	REIT Manager's fees	(4,655)	(6,240)	25.4	(9,439)	(12,257)	23.0
	Trustee's fees	(165)	(166)	0.6	(329)	(329)	-
	Other trust expenses	(397)	(772)	48.6	(723)	(1,477)	51.0
	Interest and other income	254	455	(44.2)	624	907	(31.2)
	Finance expenses	(11,329)	(14,740)	23.1	(24,195)	(29,850)	18.9
	<b>Net income before joint venture's results</b>	<b>17,283</b>	<b>32,665</b>	<b>(47.1)</b>	<b>38,117</b>	<b>61,308</b>	<b>37.8</b>
	Share of results of joint venture	(1,444)	(2,239)	35.5	(3,967)	(6,329)	37.3
	<b>Net income before tax and fair value changes</b>	<b>15,839</b>	<b>30,426</b>	<b>(47.9)</b>	<b>34,150</b>	<b>54,979</b>	<b>37.9</b>
	Fair value change in derivative financial instruments	3,137	(1,630)	>100.0	(6,244)	(3,323)	(87.9)
	Fair value change in investment properties	(121,219)	8,809	>(100.0)	(121,219)	8,809	>(100.0)
	<b>Total return for the period before income tax</b>	<b>(102,243)</b>	<b>37,605</b>	<b>&gt;(100.0)</b>	<b>(93,313)</b>	<b>60,465</b>	<b>&gt;(100.0)</b>
	Income tax expense	(35)	(62)	43.5	(90)	(96)	6.3
	<b>Total return for the period</b>	<b>(102,278)</b>	<b>37,543</b>	<b>&gt;(100.0)</b>	<b>(93,403)</b>	<b>60,369</b>	<b>&gt;(100.0)</b>
	<b>Distribution Statement</b>						
	<b>Total return for the period</b>	<b>(102,278)</b>	<b>37,543</b>	<b>&gt;(100.0)</b>	<b>(93,403)</b>	<b>60,369</b>	<b>&gt;(100.0)</b>
	Net tax adjustments	124,231	1,384	>100.0	140,894	13,395	>100.0
	Rollover adjustment	245	-	NM	396	129	>100.0
	Undistributed income from previous period	5,252	22	>100.0	-	-	-
	<b>Income available for distribution</b>	<b>27,450</b>	<b>38,949</b>	<b>(29.5)</b>	<b>47,887</b>	<b>73,893</b>	<b>(35.2)</b>
	Comprising:						
	- Taxable income	27,276	38,648	(29.4)	47,447	73,424	(35.4)
	- Tax-exempt income	174	301	(42.2)	440	469	(6.2)
	<b>Total available for distribution</b>	<b>27,450</b>	<b>38,949</b>	<b>(29.5)</b>	<b>47,887</b>	<b>73,893</b>	<b>(35.2)</b>

**Notes:**

NM – Not meaningful

- (a) For FY2020, this includes rental rebates and waivers granted by Far East H-REIT to tenants as part of the measures to help affected tenants who need more time and support to recover from the impact of COVID-19.
- (b) Retail and office expenses included impairment losses on trade receivables of S\$1,043,000 (2019: S\$685,000).

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- (c) The share of results of joint venture relates to the equity accounting of Fontaine Investment Pte Ltd's ("FIPL") results. This arose mainly from depreciation expense on land and buildings and finance costs incurred on the borrowings in relation to the development of Village Hotel Sentosa, The Outpost Hotel Sentosa and The Barracks Hotel Sentosa which were previously capitalised whilst the properties were under development and are now being expensed upon obtaining temporary occupation permit.
- (d) This relates to net change in fair value of interest rate swap contracts entered to hedge against the interest rate exposure of Far East H-REIT. This is a non-tax chargeable / deductible item and has no impact on the taxable income and distributable income to the Stapled Securityholders.
- (e) The fair value change in investment properties of S\$121.2 million arose from the revaluation of 9 Hotels and 4 SRs as at 31 December 2020. The independent valuations of the investment properties were carried out by Savills Valuation And Professional Services (S) Pte Ltd and Knight Frank Pte Ltd. This is a non-tax chargeable / deductible item and has no impact on the taxable income and distributable income to the Stapled Securityholders.
- (f) Included in the net tax adjustments are the following:

	Note	2H 2020 S\$'000	2H 2019 S\$'000	Better / (Worse) %	FY 2020 S\$'000	FY 2019 S\$'000	Better / (Worse) %
- REIT Manager's fees paid/payable in Stapled Securities	(i)	4,190	5,616	(25.4)	8,496	11,031	(23.0)
- Trustee's fees		165	166	(0.6)	329	329	-
- Amortisation of debt-related transaction cost		324	310	4.5	637	672	(5.2)
- Fair value change in derivative financial instruments		(3,137)	1,630	>(100.0)	6,244	3,323	87.9
- Fair value change in investment properties		121,219	(8,809)	>100.0	121,219	(8,809)	>100.0
- Share of results of joint venture		1,444	2,239	(35.5)	3,967	6,329	(37.3)
- Other items		26	232	(88.8)	2	520	(99.6)
<b>Net tax adjustments</b>		<b>124,231</b>	<b>1,384</b>	<b>&gt;100.0</b>	<b>140,894</b>	<b>13,395</b>	<b>&gt;100.0</b>

**Notes:**

- (i) This represents 90% of REIT Manager's fees paid/payable in Stapled Securities.
- (g) The rollover adjustment for FY 2020 relates to the difference between the taxable income previously distributed and the quantum finally agreed with the Inland Revenue Authority of Singapore ("IRAS") for the Year of Assessment 2019 and 2018. The rollover adjustment for FY2019 relates to the difference between the taxable income previously distributed and the quantum finally agreed with the IRAS for the Year of Assessment 2017.
- (h) For 2H 2020, this relates to the release of the S\$5.3 million of taxable income available for distribution to Stapled Securityholders retained in 1H 2020. For 2H 2019, it relates to taxable income that were undistributed in 1H 2019 due to rounding.

**Unaudited Financial Statements Announcement for the half-year and full year ended 31 December 2020**
**1(b) Balance Sheets**
**1(b)(i) Balance Sheets as at 31 December 2020  
Far East H-REIT and Far East H-Trust**

	Note	As at 31 December 2020			As at 31 December 2019		
		Far East H-Trust	Far East H-REIT	Far East H-BT	Far East H-Trust	Far East H-REIT	Far East H-BT
		S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
<b>Non-current assets</b>							
Investment properties	(a)	2,528,700	2,528,700	–	2,645,700	2,645,700	–
Joint venture	(b)	4,060	4,060	–	8,027	8,027	–
<b>Total non-current assets</b>		<b>2,532,760</b>	<b>2,532,760</b>	<b>–</b>	<b>2,653,727</b>	<b>2,653,727</b>	<b>–</b>
<b>Current assets</b>							
Cash and cash equivalents		10,919	10,919	–	5,838	5,838	–
Prepayments		85	85	–	14	14	–
Trade and other receivables	(c)	37,593	37,593	30	39,966	39,966	30
<b>Total current assets</b>		<b>48,597</b>	<b>48,597</b>	<b>30</b>	<b>45,818</b>	<b>45,818</b>	<b>30</b>
<b>Total assets</b>		<b>2,581,357</b>	<b>2,581,357</b>	<b>30</b>	<b>2,699,545</b>	<b>2,699,545</b>	<b>30</b>
<b>Current liabilities</b>							
Trade and other payables		7,862	7,858	34	3,668	3,665	33
Borrowings	(e)	237,818	237,818	–	16,500	16,500	–
Accruals		5,841	5,840	1	7,518	7,517	1
Derivative financial liabilities	(d)	2,909	2,909	–	108	108	–
Rental deposits		2,604	2,604	–	3,284	3,284	–
Deferred income		90	90	–	90	90	–
Income tax payable		90	90	–	96	96	–
<b>Total current liabilities</b>		<b>257,214</b>	<b>257,209</b>	<b>35</b>	<b>31,264</b>	<b>31,260</b>	<b>34</b>
<b>Non-current liabilities</b>							
Borrowings	(e)	751,383	751,383	–	975,694	975,694	–
Derivative financial liabilities	(d)	8,323	8,323	–	4,881	4,881	–
Rental deposits		5,792	5,792	–	5,408	5,408	–
Deferred income		961	961	–	1,051	1,051	–
<b>Total non-current liabilities</b>		<b>766,459</b>	<b>766,459</b>	<b>–</b>	<b>987,034</b>	<b>987,034</b>	<b>–</b>
<b>Total liabilities</b>		<b>1,023,673</b>	<b>1,023,668</b>	<b>35</b>	<b>1,018,298</b>	<b>1,018,294</b>	<b>34</b>
<b>Net assets</b>		<b>1,557,684</b>	<b>1,557,689</b>	<b>(5)</b>	<b>1,681,247</b>	<b>1,681,251</b>	<b>(4)</b>
Represented by:							
<b>Unitholders' funds</b>							
Unitholders' funds of Far East H-REIT		1,557,689	1,557,689	–	1,681,251	1,681,251	–
Unitholders' funds of Far East H-BT		(5)	–	(5)	(4)	–	(4)
		<b>1,557,684</b>	<b>1,557,689</b>	<b>(5)</b>	<b>1,681,247</b>	<b>1,681,251</b>	<b>(4)</b>

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**Unaudited Financial Statements Announcement for the half-year and full year ended 31 December 2020**


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**Notes:**

- (a) The decrease in investment properties was mainly attributable to the fair value change in investment properties and partially offset by asset enhancement works carried out at Orchard Rendezvous Hotel, Village Hotel Changi and Village Hotel Bugis and Oasia Hotel Novena.
- (b) This relates to the 30% joint venture interest in FIPL.
- (c) This includes a shareholders' loan and accrued interest due from FIPL of S\$30.6 million. The amount is used to finance the development of a hotel site located at Artillery Avenue, Sentosa. Village Hotel Sentosa and The Outpost Hotel Sentosa have commenced hotel operations in April 2019. The Barracks Hotel Sentosa has commenced hotel operations in December 2019.
- (d) This relates to the fair value of interest rate swap contracts entered to hedge against interest rate risk exposure of Far East H-REIT.
- (e) The total borrowings as at 31 December 2020 of S\$989.2 million was S\$3.0 million lower compared to balances as at 31 December 2019 mainly due to a net repayment of revolving credit facility ("RCF") of S\$3.6 million during the year from the surplus cash at bank.
- The current borrowings relate to term loans of S\$125.0 million and S\$100.0 million due to mature in March 2021 and December 2021 respectively as well as RCF of S\$12.9 million which is payable on demand. Far East H-REIT has received commitment to refinance the term loans of S\$125.0 million with its existing lender. Discussions with lenders for the refinancing options of the remaining S\$100.0 million term loan are ongoing. The REIT Manager expects the refinancing of this term loan to complete before the repayment date. As at 31 December 2020, Far East H-REIT has undrawn and uncommitted RCF of S\$287.1 million with 4 banks to fulfill its liabilities as and when they fall due.

Please refer to the details of aggregate amount of borrowings in section 1(b)(ii).

**1(b)(ii) Aggregate Amounts of Borrowings as at 31 December 2020**

	As at 31 December 2020		As at 31 December 2019	
	Far East H-Trust S\$'000	Far East H-REIT S\$'000	Far East H-Trust S\$'000	Far East H-REIT S\$'000
<b>Unsecured</b>				
Amounts repayable in one year or less, or on demand	237,818	237,818	16,500	16,500
Amounts repayable after one year	751,383	751,383	975,694	975,694
	<b>989,201</b>	<b>989,201</b>	<b>992,194</b>	<b>992,194</b>

**Details of borrowings and collateral:**

The total facilities of Far East H-REIT as at 31 December 2020 are as follows:

- Unsecured term loan facilities of S\$977.9 million; and
- S\$300.0 million of uncommitted RCF.

On 9 October 2019, a 2-year S\$100.0 million term loan due to mature in April 2020 was extended to a 2.5-year S\$60.0 million term loan and 5-year S\$40.0 million term loan ahead of its maturity. There are no other term loans maturing in year 2020.

The weighted average cost of debt was approximately 2.4% per annum. The weighted average debt-to-maturity was 2.3 years taking into account the extended tenor.

Gearing as of 31 December 2020 was 40.9% (2019: 39.2%). Interest coverage ratio as at 31 December 2020 was 2.4x<sup>1</sup>.

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<sup>1</sup> Interest coverage ratio is calculated by dividing the trailing 12 months earnings before interest, tax, depreciation and amortisation (excluding effects of any fair value changes of derivatives and investment properties, and foreign exchange translation), by the trailing 12 months interest expense and borrowing-related fees per the formula prescribed by paragraph 1.2(f), Appendix 6 of the Code on Collective Investment Schemes.

**Unaudited Financial Statements Announcement for the half-year and full year ended 31 December 2020**
**1(c) Consolidated Cash Flow Statements  
 Far East H-REIT and Far East H-Trust**

		Far East H-REIT			
Note	2H 2020	2H 2019	FY 2020	FY 2019	
	S\$'000	S\$'000	S\$'000	S\$'000	
<b>Cash flows from operating activities</b>					
Total return before income tax	(102,243)	37,606	(93,312)	60,488	
Adjustments for:					
Interest and other income	(254)	(455)	(624)	(907)	
Finance expenses	11,329	14,740	24,195	29,850	
Fair value change in derivative financial instruments	(3,137)	1,630	6,244	3,323	
Fair value change in investment properties	121,219	(8,809)	121,219	(8,809)	
REIT Manager's fees issued/issuable in Stapled Securities	4,190	5,616	8,496	11,031	
Share of results of joint venture	1,444	2,239	3,967	6,329	
Impairment losses on trade receivables	516	371	1,043	685	
Operating profit before working capital changes	33,064	52,938	71,228	101,990	
Changes in working capital					
Trade and other receivables	5,520	554	1,793	(197)	
Trade and other payables	3,194	831	3,905	(319)	
Rental deposits	(433)	(182)	(387)	(274)	
Income tax paid	-	-	(96)	(54)	
<b>Cash flows generated from operating activities</b>	<b>41,345</b>	<b>54,141</b>	<b>76,443</b>	<b>101,146</b>	
<b>Cash flows from investing activities</b>					
Capital expenditure on investment properties	(2,702)	(2,105)	(4,548)	(2,771)	
Loan to joint venture	-	-	-	(1,200)	
<b>Cash flows used in investing activities</b>	<b>(2,702)</b>	<b>(2,105)</b>	<b>(4,548)</b>	<b>(3,971)</b>	
<b>Cash flows from financing activities</b>					
Proceeds from borrowings	19,350	14,500	36,750	115,700	
Finance costs paid	(11,011)	(14,116)	(24,558)	(30,287)	
Repayment of borrowings	(19,300)	(29,865)	(40,350)	(151,865)	
Distribution to Stapled Securityholders	(20,171)	(24,123)	(38,656)	(37,722)	
<b>Cash flows used in financing activities</b>	<b>(31,132)</b>	<b>(53,604)</b>	<b>(66,814)</b>	<b>(104,174)</b>	
Net increase / (decrease) in cash and cash equivalents	7,511	(1,568)	5,081	(6,999)	
Cash and cash equivalents at beginning of the period	3,408	12,343	5,838	12,837	
<b>Cash and cash equivalents at end of the period</b>	<b>10,919</b>	<b>10,775</b>	<b>10,919</b>	<b>5,838</b>	



**Unaudited Financial Statements Announcement for the half-year and full year ended 31 December 2020**

	Note	Far East H-Trust			
		2H 2020 S\$'000	2H 2019 S\$'000	FY 2020 S\$'000	FY 2019 S\$'000
<b>Cash flows from operating activities</b>					
Total return before income tax		(102,243)	37,605	(93,313)	60,465
Adjustments for:					
Interest and other income		(254)	(455)	(624)	(907)
Finance expenses		11,329	14,740	24,195	29,850
Fair value change in derivative financial instruments		(3,137)	1,630	6,244	3,323
Fair value change in investment properties		121,219	(8,809)	121,219	(8,809)
REIT Manager's fees issued/issuable in Stapled Securities		4,190	5,616	8,496	11,031
Share of results of joint venture		1,444	2,239	3,967	6,329
Impairment losses on trade receivables		516	371	1,043	685
Operating profit before working capital changes		33,064	52,937	71,227	101,967
Changes in working capital					
Trade and other receivables		5,520	554	1,793	(197)
Trade and other payables		3,194	832	3,906	(296)
Rental deposits		(433)	(182)	(387)	(274)
Income tax paid		-	-	(96)	(54)
<b>Cash flows generated from operating activities</b>		<b>41,345</b>	<b>54,141</b>	<b>76,443</b>	<b>101,146</b>
<b>Cash flows from investing activities</b>					
Capital expenditure on investment properties	(a)	(2,702)	(2,105)	(4,548)	(2,771)
Loan to joint venture		-	-	-	(1,200)
<b>Cash flows used in investing activities</b>		<b>(2,702)</b>	<b>(2,105)</b>	<b>(4,548)</b>	<b>(3,971)</b>
<b>Cash flows from financing activities</b>					
Proceeds from borrowings	(b)	19,350	14,500	36,750	115,700
Finance costs paid		(11,011)	(14,116)	(24,558)	(30,287)
Repayment of borrowings	(b)	(19,300)	(29,865)	(40,350)	(151,865)
Distribution to Stapled Securityholders	(c)	(20,171)	(24,123)	(38,656)	(37,722)
<b>Cash flows used in financing activities</b>		<b>(31,132)</b>	<b>(53,604)</b>	<b>(66,814)</b>	<b>(104,174)</b>
Net increase / (decrease) in cash and cash equivalents		7,511	(1,568)	5,081	(6,999)
Cash and cash equivalents at beginning of the period		3,408	12,343	5,838	12,837
<b>Cash and cash equivalents at end of the period</b>		<b>10,919</b>	<b>10,775</b>	<b>10,919</b>	<b>5,838</b>

**Notes:**

- (a) Capital expenditure incurred mainly relates to asset enhancement work carried out at Orchard Rendezvous Hotel, Village Hotel Changi, Village Hotel Albert Court and The Elizabeth Hotel.
- (b) Proceeds from borrowings were from drawdown of RCF of S\$36.8 million to fund working capital. Repayment of borrowings pertain to repayment of RCF from cash flows generated from operations and surplus cash at bank.
- (c) The distribution to Stapled Securityholders in 2H 2020 relates to the cash distribution for the financial period from 1 January 2020 to 30 June 2020, which was paid on 14 September 2020. In the corresponding period, distribution reinvestment plan ("DRP") was applied to the distribution for the financial period from 1 April 2019 to 30 September 2019. The distributions to Stapled Securityholders for the financial period from 1 April 2019 to 30 June 2019 and 1 July 2019 to 30 September 2019 were paid on 13 September 2019 and 12 December 2019 respectively.

**Unaudited Financial Statements Announcement for the half-year and full year ended 31 December 2020**
**1(d)(i) Statements of Changes in Stapled Securityholders' Funds for the period from 1 July 2020 to 31 December 2020**

	Stapled Securityholders' Funds						
	Far East H-REIT			Far East H-BT			Far East H-Trust
	Units in issue S\$'000	Accumulated loss S\$'000	Total S\$'000	Units in issue S\$'000	Accumulated loss S\$'000	Total S\$'000	Total S\$'000
<b>Balance at 1 July 2020</b>	<b>1,758,617</b>	<b>(82,669)</b>	<b>1,675,948</b>	<b>28</b>	<b>(33)</b>	<b>(5)</b>	<b>1,675,943</b>
<b>Operations</b>							
Decrease in net assets resulting from operations	-	(102,278)	(102,278)	-	-	-	(102,278)
	-	(102,278)	(102,278)	-	-	-	(102,278)
<b>Unitholders' transactions</b>							
Issuance of Stapled Securities:							
- REIT Manager's fees <sup>(a)</sup>	4,190	-	4,190	-	-	-	4,190
Distribution to Stapled Securityholders <sup>(b)</sup>	-	(20,171)	(20,171)	-	-	-	(20,171)
Net increase/(decrease) in net assets resulting from unitholders' transactions	4,190	(20,171)	(15,981)	-	-	-	(15,981)
<b>Balance at 31 December 2020</b>	<b>1,762,807</b>	<b>(205,118)</b>	<b>1,557,689</b>	<b>28</b>	<b>(33)</b>	<b>(5)</b>	<b>1,557,684</b>

**Notes:**

- (a) This represents the Stapled Securities issued and to be issued as partial satisfaction of the base and performance management fees incurred for the financial period of 1 July 2020 to 31 December 2020. The Stapled Securities relating to base management fee will be issued within 30 days from quarter end. Stapled Securities relating to performance management fee for FY 2020 will be issued in April 2021.
- (b) Distribution to Stapled Securityholders relates to distribution paid in respect of the financial period from 1 January 2020 to 30 June 2020.

**Unaudited Financial Statements Announcement for the half-year and full year ended 31 December 2020**
**1(d)(i) Statements of Changes in Stapled Securityholders' Funds for the period from 1 July 2019 to 31 December 2019**

	Stapled Securityholders' Funds						
	Far East H-REIT			Far East H-BT			Far East H-Trust
	Units in issue S\$'000	Accumulated loss S\$'000	Total S\$'000	Units in issue S\$'000	Accumulated loss S\$'000	Total S\$'000	Total S\$'000
<b>Balance at 1 July 2019</b>	<b>1,735,310</b>	<b>(73,096)</b>	<b>1,662,214</b>	<b>28</b>	<b>(31)</b>	<b>(3)</b>	<b>1,662,211</b>
<b>Operations</b>							
Increase in net assets resulting from operations	-	37,544	37,544	-	(1)	(1)	37,543
	-	37,544	37,544	-	(1)	(1)	37,543
<b>Unitholders' transactions</b>							
Issuance of Stapled Securities:							
- REIT Manager's fees <sup>(a)</sup>	5,616	-	5,616	-	-	-	5,616
- Distribution reinvestment plan <sup>(b)</sup>	13,385	-	13,385	-	-	-	13,385
Distribution to Stapled Securityholders <sup>(c)</sup>	-	(37,508)	(37,508)	-	-	-	(37,508)
Net increase/(decrease) in net assets resulting from unitholders' transactions	19,001	(37,508)	(18,507)	-	-	-	(18,507)
<b>Balance at 31 December 2019</b>	<b>1,754,311</b>	<b>(73,060)</b>	<b>1,681,251</b>	<b>28</b>	<b>(32)</b>	<b>(4)</b>	<b>1,681,247</b>

**Notes:**

- (a) This represents the Stapled Securities to be issued as partial satisfaction of the base and performance management fees incurred for the financial period from 1 July 2019 to 31 December 2019. The Stapled Securities relating to base management fee were issued within 30 days from quarter end. Stapled Securities relating to performance management fee for FY2019 were issued on 27 April 2020.
- (b) Under the DRP, new stapled securities have been issued to eligible stapled securityholders who have opted to receive their distribution entitlement for the period from 1 April 2019 to 30 September 2019 in stapled securities on 13 September 2019 and 12 December 2019.
- (c) Distribution to Stapled Securityholders relates to distribution paid in respect of the financial period from 1 April 2019 to 30 September 2019, which were paid on 13 September 2019 and 12 December 2019.

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**Unaudited Financial Statements Announcement for the half-year and full year ended 31 December 2020**


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**1(d)(i) Statements of Changes in Stapled Securityholders' Funds for the period from 1 January 2020 to 31 December 2020**

	Stapled Securityholders' Funds						
	Far East H-REIT			Far East H-BT			Far East H-Trust
	Units in issue S\$'000	Accumulated loss S\$'000	Total S\$'000	Units in issue S\$'000	Accumulated loss S\$'000	Total S\$'000	Total S\$'000
<b>Balance at 1 January 2020</b>	<b>1,754,311</b>	<b>(73,060)</b>	<b>1,681,251</b>	<b>28</b>	<b>(32)</b>	<b>(4)</b>	<b>1,681,247</b>
<b>Operations</b>							
Decrease in net assets resulting from operations	-	(93,402)	(93,402)	-	(1)	(1)	(93,403)
	-	(93,402)	(93,402)	-	(1)	(1)	(93,403)
<b>Unitholders' transactions</b>							
Issuance of Stapled Securities:							
- REIT Manager's fees <sup>(a)</sup>	8,496	-	8,496	-	-	-	8,496
Distribution to Stapled Securityholders <sup>(b)</sup>	-	(38,656)	(38,656)	-	-	-	(38,656)
Net increase/(decrease) in net assets resulting from unitholders' transactions	8,496	(38,656)	(30,160)	-	-	-	(30,160)
<b>Balance at 31 December 2020</b>	<b>1,762,807</b>	<b>(205,118)</b>	<b>1,557,689</b>	<b>28</b>	<b>(33)</b>	<b>(5)</b>	<b>1,557,684</b>

**Notes:**

- (a) This represents the Stapled Securities to be issued as partial satisfaction of the base and performance management fees incurred for the financial period from 1 January 2020 to 31 December 2020. The Stapled Securities relating to base management fee will be issued within 30 days from quarter end. Stapled Securities relating to performance management fee for FY2020 will be issued in April 2021.
- (b) Distribution to Stapled Securityholders relates to the financial period from 1 October 2019 to 30 June 2020.

**Unaudited Financial Statements Announcement for the half-year and full year ended 31 December 2020**
**1(d)(i) Statements of Changes in Stapled Securityholders' Funds for the period from 1 January 2019 to 31 December 2019**

	Stapled Securityholders' Funds						
	Far East H-REIT			Far East H-BT			Far East H-Trust
	Units in issue S\$'000	Accumulated loss S\$'000	Total S\$'000	Units in issue S\$'000	Accumulated loss S\$'000	Total S\$'000	Total S\$'000
<b>Balance at 1 January 2019</b>	<b>1,707,433</b>	<b>(59,883)</b>	<b>1,647,550</b>	<b>28</b>	<b>(9)</b>	<b>19</b>	<b>1,647,569</b>
<b>Operations</b>							
Increase in net assets resulting from operations	-	60,392	60,392	-	(23)	(23)	60,369
	-	60,392	60,392	-	(23)	(23)	60,369
<b>Unitholders' transactions</b>							
Issuance of Stapled Securities:							
- REIT Manager's fees <sup>(a)</sup>	11,031	-	11,031	-	-	-	11,031
Distribution reinvestment plan <sup>(b)</sup>	35,847	-	35,847	-	-	-	35,847
Distribution to Stapled Securityholders <sup>(c)</sup>	-	(73,569)	(73,569)	-	-	-	(73,569)
Net increase/(decrease) in net assets resulting from unitholders' transactions	46,878	(73,569)	(26,691)	-	-	-	(26,691)
<b>Balance at 31 December 2019</b>	<b>1,754,311</b>	<b>(73,060)</b>	<b>1,681,251</b>	<b>28</b>	<b>(32)</b>	<b>(4)</b>	<b>1,681,247</b>

**Notes:**

- (a) This represents the Stapled Securities to be issued as partial satisfaction of the base and performance management fees incurred for the financial period from 1 January 2019 to 31 December 2019. The Stapled Securities relating to base management fee will be issued within 30 days from quarter end. Stapled Securities relating to performance management fee for FY2019 were issued on 27 April 2020.
- (b) Under the DRP, new stapled securities have been issued to eligible stapled securityholders who have opted to receive their distribution entitlement for the period from 1 October 2018 to 30 September 2019 in stapled securities on 28 March 2019, 12 June 2019, 13 September 2019 and 12 December 2019 respectively.
- (c) Distribution to Stapled Securityholders relates to the financial period from 1 October 2018 to 30 September 2019.

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**Unaudited Financial Statements Announcement for the half-year and full year ended 31 December 2020**


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**1(d)(ii) Details of Changes in Stapled Securities**

	Far East H-TRUST			
	2H 2020 No. of Stapled Securities '000	2H 2019 No. of Stapled Securities '000	FY 2020 No. of Stapled Securities '000	FY 2019 No. of Stapled Securities '000
<b>Stapled Securities in issue at beginning of period</b>	<b>1,955,139</b>	<b>1,918,901</b>	<b>1,943,251</b>	<b>1,872,012</b>
Issuance of Stapled Securities:				
- REIT Manager's fees	6,262	5,424	18,150	17,119
- Distribution Reinvestment Plan	-	18,926	-	54,120
<b>Stapled Securities in issue</b>	<b>1,961,401</b>	<b>1,943,251</b>	<b>1,961,401</b>	<b>1,943,251</b>
Stapled Securities to be issued:				
- REIT Manager's fees – Base fees	2,720	2,516	2,720	2,516
- REIT Manager's fees – Performance fees (a)	2,770	5,152	2,770	5,152
<b>Stapled Securities in issue and to be issued at end of period</b>	<b>1,966,891</b>	<b>1,950,919</b>	<b>1,966,891</b>	<b>1,950,919</b>

**Footnotes:**

(a) 2,770,004 Stapled Securities to be issued to the REIT Manager as part satisfaction of REIT Manager's performance fee for the period from 1 January 2020 to 31 December 2020 are not entitled to 2H 2020 distribution.

**2 Whether the figures have been audited or reviewed and in accordance with which standard (eg. the Singapore Standard on Auditing 910 (Engagement to Review Financial Statements), or an equivalent standard)**

The figures have neither been audited nor reviewed by the auditors.

**3 Where the figures have been audited or reviewed, the auditors' report (including any qualifications or emphasis of matter).**

Not applicable.

**4 Whether the same accounting policies and methods of computation as in the issuer's most recently audited annual financial statements have been applied.**

The accounting policies and methods of computation adopted are consistent with those applied in the audited financial statements for the financial year ended 31 December 2019.

**5 If there are any changes in the accounting policies and methods of computation, including any required by an accounting standard, what has changed, as well as the reasons for, and the effect of, the change.**

There has been no change in the accounting policies and methods of computation adopted by Far East H-REIT, Far East H-BT and the Stapled Group for the current reporting period compared with the audited financial statements as at 31 December 2019 except for the adoption of new or revised FRS that are mandatory for financial year beginning on or after 1 January 2020. The adoption of these FRS has no significant impact to Far East H-REIT, Far East H-BT and the Stapled Group for the period under review.

**Unaudited Financial Statements Announcement for the half-year and full year ended 31 December 2020**
**6 Earnings per Stapled Security (“EPS”) and Distribution per Stapled Security (“DPS”) for the financial period ended 31 December 2020**

	Far East H-Trust			
	2H 2020	2H 2019	FY 2020	FY 2019
Weighted average number of Stapled Securities ('000)	1,959,009	1,924,678	1,953,889	1,907,102
Basic EPS (cents)	(5.22)	1.95	(4.78)	3.17
Weighted average number of Stapled Securities ('000) <sup>(1)</sup>	1,959,009	1,932,346	1,953,889	1,914,770
Diluted EPS (cents)	(5.22)	1.94	(4.78)	3.15
Number of Stapled Securities in issue at end of period ('000)	1,961,401	1,943,251	1,961,401	1,943,251
Number of Stapled Securities to be issued before Books Closure Date ('000)	2,720	2,516	2,720	2,516
Total number of Stapled Securities entitled to distribution ('000)	1,964,121	1,945,767	1,964,121	1,945,767
DPS (cents) <sup>(2)</sup>	1.38	1.99	2.41	3.81

<sup>(1)</sup> The weighted average number of Stapled Securities is adjusted to take into account the number of Stapled Securities to be issued to the REIT Manager as partial payment of the REIT Manager's management fee incurred.

<sup>(2)</sup> 2H 2020 DPS includes the release of \$5.3 million of taxable income available for distribution to Stapled Securityholders retained in 1H 2020.

**7 Net Asset Value (“NAV”) / Net Tangible Asset (“NTA”) per Stapled Security**

	Far East H-Trust	
	31 December 2020	31 December 2019
Stapled Securities in issue and to be issued at end of period ('000)	1,966,891	1,950,919
NAV / NTA per Stapled Security (cents)	79.20	86.18

**8 A review of the performance for the year ended 31 December 2020**
**8(a) Statement of net income and distribution of Far East Hospitality Trust**

	2H 2020	2H 2019	Better / (Worse)	FY 2020	FY 2019	Better / (Worse)
	S\$'000	S\$'000	%	S\$'000	S\$'000	%
Gross revenue	38,984	59,821	(34.8)	83,254	115,546	(27.9)
Net property income	33,575	54,128	(38.0)	72,179	104,314	(30.8)
Net property income margin	86.1%	90.5%	(4.4pp)	86.7%	90.3%	(3.6pp)
Income available for distribution	27,450	38,949	(29.5)	47,887	73,893	(35.2)
Distribution per Stapled Security (cents)	1.38	1.99	(30.7)	2.41	3.81	(36.7)

**Unaudited Financial Statements Announcement for the half-year and full year ended 31 December 2020**
**8(b) Review of the performance of half-year and year ended 31 December 2020**
**2H 2020 vs 2H 2019**

Gross revenue for 2H 2020 was S\$39.0 million, lower year-on-year by 34.8%, mainly due to a decline in master lease rentals for the hotel and SRs arising from the impact of the COVID-19 outbreak.

The average occupancy of the hotels improved to 92.5% in 2H 2020, 3.0pp higher year-on-year. The average daily rate ("ADR") was 57.9% lower year-on-year at S\$69, mainly attributed to the lower-rated business from the Government for isolation purposes and from companies housing their workers. As a result, revenue per available room ("RevPAR") was lower year-on-year by 56.5% at S\$64.

The SRs continued to demonstrate resilience amidst challenging market conditions and the lack of inbound travel. For 2H 2020, the average occupancy of the SRs was 84.9%, 1.1pp lower year-on-year. ADR declined by 18.2% to S\$180 due to lower rates from some corporate contracts. Correspondingly, revenue per available unit ("RevPAU") of the SR portfolio fell by 19.0% year-on-year to S\$153.

A snapshot of the hotel and SR performance in 2H 2020 is set out below.

	2H 2020		2H 2019		Better / (Worse)	
	Hotels	SRs	Hotels	SRs	Hotels	SRs
Average Occupancy (%)	92.5	84.9	89.5	86.0	3.0pp	(1.1pp)
Average Daily Rate (S\$)	69	180	164	220	(57.9%)	(18.2%)
RevPAR / RevPAU (S\$)	64	153	147	189	(56.5%)	(19.0%)

Revenue from the retail and office spaces decreased by 36.6% year-on-year to S\$7.0 million in 2H 2020 due to rental rebates given to tenants and lower occupancies.

Net property income was lower by 38.0% at S\$33.6 million. Finance costs were lower by 23.1% year-on-year mainly due to lower short-term interest rates. Lower year-on-year REIT Manager's fees of 25.4% in 2H 2020 were due to lower income and a revision in the formula used to calculate such fees with effect from 1 January 2020.

Income available for distribution was S\$27.5 million, 29.5% lower year-on-year. This translates into a distribution per Stapled Security of 1.38 Singapore cents, compared to 1.99 Singapore cents in the preceding year.

**FY 2020 vs FY 2019**

Gross revenue for FY 2020 was S\$83.3 million, a decrease of 27.9% year-on-year, driven by a decline in master lease rental from the hotels and SRs arising from the impact of the COVID-19 outbreak.

Average occupancy of the hotels suffered in the initial phase of the COVID-19 pandemic but picked up subsequently as hotels secured business from companies for their workers and from the Government for isolation purposes. Average occupancy of 85.1% for FY 2020 was 4.0pp below FY 2019. ADR decreased 47.5% to S\$84, mainly due to the nature of the business. As a result, RevPAR for the hotel portfolio declined by 50.0% to S\$71.

The SRs demonstrated greater resilience despite the challenging market circumstances and lack of inbound travel. Average occupancy improved 0.3pp to 83.8%. This improvement was offset by the decline in ADR to \$190 given the higher mix of lower-rated leases. Consequently, RevPAU registered a 12.6% year-on-year decline to \$159.

A snapshot of the hotel and SR performance for FY 2020 is set out below.

	FY 2020		FY 2019		Better / (Worse)	
	Hotels	SRs	Hotels	SRs	Hotels	SRs
Average Occupancy (%)	85.1	83.8	89.1	83.5	(4.0pp)	0.3pp
Average Daily Rate (S\$)	84	190	160	217	(47.5%)	(12.4%)
RevPAR / RevPAU (S\$)	71	159	142	182	(50.0%)	(12.6%)



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**Unaudited Financial Statements Announcement for the half-year and full year ended 31 December 2020**


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Revenue from the retail and office spaces declined 24.6% year-on-year to S\$16.5 million due to rental rebates and waivers granted by Far East H-Trust as well as lower occupancies. The rental rebates and waivers were granted by Far East H-Trust to help affected tenants recover from the impact of COVID-19 and under the Rental Relief Framework pursuant to the COVID-19 (Temporary Measures) Act 2020.

Net property income was lower by 30.8% at S\$72.2 million. Finance costs had decreased by 18.9% year-on-year to S\$24.2 million mainly due to lower short-term interest rates. REIT Manager's fees were 23.0% lower year-on-year due to lower income and a revision in the formula used to calculate such fees effective 1 January 2020.

Income available for distribution was S\$47.9 million, 35.2% lower year-on-year. Distribution per Stapled Security was 2.41 Singapore cents or 36.7% lower year-on-year.

**9 Variance between forecast and the actual results**

No forecast has been disclosed.

**10 Commentary on the competitive conditions of the industry in which the group operates and any known factors or events that may affect the group in the next reporting period and the next 12 months.**

The Singapore hospitality industry, which is heavily dependent on inbound travel, will continue to be impacted by concerns over the resurgence of COVID-19 and travel restrictions in multiple countries. Near-term business is expected to be supported by government and long-stay corporate contracts. The Singapore Tourism Board ("STB") has coordinated government efforts to support the sector with various measures like the Job Support Scheme and the SingapoRediscovered Vouchers.

A mitigating factor for Far East H-Trust's Stapled Securityholders is the high fixed rent component of the master leases which formed 77% of gross revenue for FY 2020. The 20-year master leases on all hotels and serviced residences are well-supported by the Sponsor, Far East Organization.

In the longer-term, we remain positive on the hospitality sector, and expect gradual recovery with the progressive rollout of COVID-19 vaccination around the world. Singapore is well-positioned to bounce back as a hub for corporate travel with strong foreign direct investment commitments.

The REIT Manager will focus on optimising the performance of its portfolio and expediting asset enhancements to prepare for the eventual upturn in the sector. In addition, we will continue to explore suitable redevelopment opportunities for our properties to extract greater value and achieve better returns.

**11 DISTRIBUTIONS**

**Current financial period**

<b>Any distribution declared for the current period?</b>	Yes
<b>Distribution period</b>	Distribution for the half-year from 1 July 2020 to 31 December 2020
<b>Distribution type</b>	Taxable income
<b>Distribution per stapled security</b>	1.38 cents
<b>Tax rate</b>	<u>Taxable income distribution</u> Qualifying investors and individuals (other than those who held their stapled securities through a partnership) would receive pre-tax distributions. These distributions are exempt from tax in the hands of individuals unless such distributions are derived through a Singapore partnership or from the carrying on of a trade, business or profession.

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**Unaudited Financial Statements Announcement for the half-year and full year ended 31 December 2020**


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	Qualifying foreign non-individual investors and foreign funds received their distributions after deduction of tax at the rate of 10%.
	All other investors received their distributions after deduction of tax at the rate of 17%.
<b>Date paid/payable</b>	22 March 2021
<b>Books closure date</b>	22 February 2021
<b>Stapled Securityholders must complete and return Form A or Form B, as applicable</b>	8 March 2021

**Corresponding period of the preceding financial period**

**Any distribution declared for the preceding period?** Yes

**Distribution period**

Distribution for the quarter	
1 July 2019 to 30 September 2019	1 October 2019 to 31 December 2019
1.04 cents	0.95 cents

**Distribution per stapled security**

**Distribution type**

Taxable income

**Tax rate**

Taxable income distribution

Qualifying investors and individuals (other than those who held their stapled securities through a partnership) would receive pre-tax distributions. These distributions are exempt from tax in the hands of individuals unless such distributions are derived through a Singapore partnership or from the carrying on of a trade, business or profession.

Qualifying foreign non-individual investors and foreign funds received their distributions after deduction of tax at the rate of 10%.

All other investors received their distributions after deduction of tax at the rate of 17%.

**12 If no distribution has been declared/recommended, a statement to that effect.**

Not applicable.

**13 If the Group has obtained a general mandate from Stapled Securityholders for interested person transactions ("IPT"), the aggregate value of such transactions are required under Rule 920(1)(a)(ii). If no IPT mandate has been obtained, a statement to that effect.**

Far East H-Trust did not obtain a general mandate from Stapled Securityholders for IPT.

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**Unaudited Financial Statements Announcement for the half-year and full year ended 31 December 2020**


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**14 Segment revenue and results of operating segments**
**(a) Operating segments for the year ended 31 December 2020**

	<b>Hotels and serviced residences</b>	<b>Retails and offices and others</b>	<b>Total</b>
	S\$'000	S\$'000	S\$'000
Gross revenue	66,719	16,535	83,254
Segment net property income	60,760	11,419	72,179
REIT Manager's fees			(9,439)
Trustee's fees			(329)
Other trust expenses			(723)
Interest and other income			624
Finance costs			(24,195)
Net income before tax and fair value changes			38,117
Fair value change in derivative financial instruments			(6,244)
Fair value change in investment properties	(99,283)	(21,936)	(121,219)
Share of results of joint venture			(3,967)
Total return for the year before income tax			(93,313)
Income tax expense			(90)
Total return for the year after income tax before distribution			(93,403)

**(b) Operating segments for the year ended 31 December 2019**

	<b>Hotels and serviced residences</b>	<b>Retails and offices and others</b>	<b>Total</b>
	S\$'000	S\$'000	S\$'000
Gross revenue	93,619	21,927	115,546
Segment net property income	87,831	16,483	104,314
REIT Manager's fees			(12,257)
Trustee's fees			(329)
Other trust expenses			(1,477)
Interest and other income			907
Finance costs			(29,850)
Net income before tax and fair value changes			61,308
Fair value change in derivative financial instruments			(3,323)
Fair value change in investment properties	3,775	5,034	8,809
Share of results of joint venture			(6,329)
Total return for the year before income tax			60,465
Income tax expense			(96)
Total return for the year after income tax before distribution			60,369

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**Unaudited Financial Statements Announcement for the half-year and full year ended 31 December 2020**


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**15 In the review of performance, the factors leading to any material changes in contributions to turnover and earnings by the business or geographical segments**

Please refer to Section 8 for a review of the performance.

**16 Breakdown of gross revenue and net income**

	<b>Far East H-Trust</b>		
	<b>FY 2020</b> S\$'000	<b>FY 2019</b> S\$'000	<b>Better / (Worse)</b> %
Gross revenue reported for first half year	44,270	55,725	(20.6)
Net income for first half year	8,875	22,826	(61.1)
Gross revenue reported for second half year	38,984	59,821	(34.8)
Net income for second half year	(102,278)	37,543	>(100.0)

**17 Breakdown of annual distribution for the current full year and its previous full year is as follow:**

<b>In respect of the period</b>	<b>2020</b>	<b>2019</b>
	<b>S\$'000</b>	<b>S\$'000</b>
1 October 2018 to 31 December 2018	–	18,750
1 January 2019 to 31 March 2019	–	17,311
1 April 2019 to 30 June 2019	–	17,487
1 July 2019 to 30 September 2019	–	20,021
1 October 2019 to 31 December 2019	18,485	–
1 January 2020 to 30 June 2020	20,171	–
	<b>38,656</b>	<b>73,569</b>

**18 Confirmation pursuant to Rule 704(13) of the Listing Manual**

Pursuant to Rule 704(13) of the Listing Manual of the SGX-ST, the REIT Manager and the Trustee-Manager confirm that there are no persons occupying managerial position in the REIT Manager and the Trustee-Manager who are related to a director or the chief executive officer or a substantial shareholder of the REIT Manager or of the Trustee-Manager respectively or a substantial stapled securityholder of Far East H-Trust.

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**Unaudited Financial Statements Announcement for the half-year and full year ended 31 December 2020**

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**19 Confirmation that the Issuer has procured undertakings from all of its directors and executive officers (in the format set out in Appendix 7.7) under Rule 720(1)**

The REIT Manager and Trustee-Manager confirm that it has procured undertakings from all of its directors and executive officers in the format set out in Appendix 7.7 pursuant to Rule 720(1) of the Listing Manual.

By Order of the Board

Gerald Lee Hwee Keong  
Chief Executive Officer  
FEO Hospitality Asset Management Pte. Ltd.  
(Company Registration No. 201102629K)  
11 February 2021

By Order of the Board

Gerald Lee Hwee Keong  
Chief Executive Officer  
FEO Hospitality Trust Management Pte. Ltd.  
(Company Registration No. 201210698W)  
11 February 2021

**Important Notice**

This announcement 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 master lease rental revenue, retail and office rental revenue, changes in operating expenses (including employee wages, benefits and training costs), property expenses, governmental and public policy changes and the continued availability of financing in the amounts and the terms necessary to support future business.

Investors are cautioned not to place undue reliance on these forward-looking statements, which are based on the REIT Manager's and Trustee-Manager's current view on future events.

The value of Stapled Securities and the income derived from them, if any, may fall or rise. Stapled Securities are not obligations of, deposits in, or guaranteed by, the REIT Manager, Trustee-Manager or any of its affiliates. An investment in Stapled Securities is subject to investment risks, including the possible loss of the principal amount invested.

Investors should note that they have no right to request the REIT Manager and Trustee-Manager to redeem 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.

This announcement is for information only and does not constitute an invitation or offer to acquire, purchase or subscribe 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.