



**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)
managed by
FEO Hospitality Asset Management Pte. Ltd.

**FAR EAST HOSPITALITY
BUSINESS TRUST**

(a business trust constituted on 1 August 2012 under the
laws of the Republic of Singapore)
managed by
FEO Hospitality Trust Management Pte. Ltd.

- (1) AMENDMENTS TO THE TRUST DEED OF FAR EAST HOSPITALITY REAL ESTATE INVESTMENT TRUST TO REDUCE MANAGEMENT FEES PAYABLE TO THE REIT MANAGER**
- (2) CHANGE FROM QUARTERLY DISTRIBUTION TO SEMI-ANNUAL DISTRIBUTION**
- (3) CHANGE TO HALF-YEARLY REPORTING**

Amendments to the Trust Deed of Far East Hospitality Real Estate Investment Trust

FEO Hospitality Asset Management Pte. Ltd., as manager (the **"REIT Manager"**) of Far East Hospitality Real Estate Investment Trust (**"Far East H-REIT"**) and FEO Hospitality Trust Management Pte. Ltd., as trustee-manager (the **"Trustee-Manager"**, and collectively with the REIT Manager, the **"Managers"**) of Far East Hospitality Business Trust (**"Far East H-BT"**), wish to announce that a fourth supplemental deed (the **"Far East H-REIT Fourth Supplemental Deed"**) has been entered into on 23 March 2020 between the REIT Manager and DBS Trustee Limited, in its capacity as trustee of Far East H-REIT (the **"REIT Trustee"**), to amend the trust deed constituting Far East H-REIT dated 1 August 2012 (as supplemented) (the **"Far East H-REIT Trust Deed"**) to reduce the management fees payable to the REIT Manager as follows:

- (a) reducing the base fee payable to the REIT Manager from 0.3% of the value of the deposited property of Far East H-REIT to 0.28% of the value of the deposited property of Far East H-REIT; and
- (b) reducing the performance fee payable to the REIT Manager from 4.0% of the net property income to 4.0% of the net property income or 4.0% of the annual distributable amount (which is computed by deducting items such as finance costs and trust expenses from net property income and after accounting for base fee) for that financial year, whichever is lower.

The amendments made pursuant to the Far East H-REIT Fourth Supplemental Deed are not subject to the approval of the stapled securityholders of Far East Hospitality Trust (**"Stapled Securityholders"**) and the trust, **"Far East H-Trust"**) as the REIT Trustee has certified in writing pursuant to Clause 28.2.1 of the Far East H-REIT Trust Deed that, where applicable, such amendments to the Far East H-REIT Trust Deed do not materially prejudice the interests of the Stapled Securityholders and do not operate to release to any material extent the REIT Trustee or the REIT Manager from any responsibility to the Stapled Securityholders.

The Far East H-REIT Fourth Supplemental Deed will be available for inspection at the registered office of the Managers for so long as Far East H-REIT, Far East H-BT and Far East H-Trust are in existence.

Change from Quarterly Distribution to Semi-Annual Distribution

Far East H-Trust's current distribution policy is to make distributions to Stapled Securityholders on a quarterly basis. Far East H-Trust will from the financial year beginning from 1 January 2020 ("FY2020") change its distribution frequency to one based on a semi-annual basis as the Managers believe that Far East H-Trust can achieve savings in cost and administration efforts, and such cost savings can be passed on to Stapled Securityholders in the form of distributions. Far East H-Trust will make its final quarterly distribution to Stapled Securityholders for the period from 1 October 2019 to 31 December 2019 on 27 March 2020 before commencing with the semi-annual distributions.

Change to Half-Yearly Reporting

The Managers refer to the recent amendments to Rule 705(2) of the Listing Manual of the Singapore Exchange Securities Trading Limited (the "SGX-ST") which were effective from 7 February 2020.

The Managers wish to announce that Far East H-Trust will adopt the announcement of half-yearly financial statements with effect from FY2020. For FY2020, the next financial results announcement will be for the half-year period ending 30 June 2020.

In making their deliberations, the Boards of Directors of the Managers (the "Boards") note that a half-year financial reporting cycle and observation of strengthened disclosure requirements from the SGX-ST with regular business updates are sufficient to keep the market informed of Far East H-Trust's state of affairs.

The Managers will continue their proactive engagement with stakeholders through their various communication channels, including providing relevant material updates between the announcements of half-yearly financial statements.

By Order of the Board

Gerald Lee Hwee Keong
Chief Executive Officer
FEO Hospitality Asset Management Pte. Ltd.
(as manager of Far East Hospitality Real Estate
Investment Trust)
(Company Registration No. 201102629K)
24 March 2020

By Order of the Board

Gerald Lee Hwee Keong
Chief Executive Officer
FEO Hospitality Trust Management Pte. Ltd.
(as trustee-manager of Far East Hospitality
Business Trust)
(Company Registration No. 201210698W)
24 March 2020

Important Notice

This announcement is for information only and does not constitute an invitation or offer to acquire, purchase or subscribe for stapled securities in Far East H-Trust (the “**Stapled Securities**”).

The value of Stapled Securities and the income derived from them may fall as well as rise. Stapled Securities are not obligations of, deposits in, or guaranteed by, the Managers or any of their affiliates. An investment in Stapled Securities is subject to investment risks, including the possible loss of the principal amount invested. Investors have no right to request the Managers 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. The past performance of Far East H-Trust is not necessarily indicative of the future performance of Far East H-Trust. This announcement is for information only and does not constitute an invitation or offer to acquire, purchase or subscribe for Stapled Securities in the United States.

This announcement is not for publication or distribution, directly or indirectly, in or into the United States (including its territories and possessions, any state of the United States and the District of Columbia), Canada or Japan. The securities referred to herein have not been and will not be registered under the United States Securities Act of 1933, as amended (the “**Securities Act**”), and may not be offered or sold in the United States, except pursuant to an applicable exemption from, or in a transaction not subject to, the registration requirements under the Securities Act. No public offering of securities is being made in the United States.