



Business Updates

3Q 2022

27 October 2022

Important Notice

Information contained in this presentation is intended solely for your personal reference and is strictly confidential. The information and opinions in this presentation are subject to change without notice, its accuracy is not guaranteed and it may not contain all material information concerning Far East Hospitality Trust (the "Trust"), a stapled group comprising Far East Hospitality Real Estate Investment Trust and Far East Hospitality Business Trust. Neither FEO Hospitality Asset Management Pte. Ltd. (the "Manager"), FEO Hospitality Trust Management Pte. Ltd. (the "Trustee-Manager", and together with the Manager, the "Managers"), the Trust nor any of their respective affiliates, advisors and representatives make any representation regarding, and assumes no responsibility or liability whatsoever (in negligence or otherwise) for, the accuracy or completeness of, or any errors or omissions in, any information contained herein nor for any loss howsoever arising from any use of these materials. By attending or viewing all or part of this presentation, you are agreeing to maintain confidentiality regarding the information disclosed in this presentation and to be bound by the restrictions set out below. Any failure to comply with these restrictions may constitute a violation of applicable securities laws.

The information contained in these materials has not been independently verified. No representation or warranty, expressed or implied, is made as to, and no reliance should be placed on, the fairness, accuracy, completeness or correctness of, the information or opinions contained herein. None of the Trust, the Managers, DBS Trustee Limited (as trustee of Far East Hospitality Real Estate Investment Trust), Far East Organization, controlling persons or affiliates, nor any of their respective directors, officers, partners, employees, agents, advisers or representatives shall have any liability whatsoever (in negligence or otherwise) for any loss howsoever arising, whether directly or indirectly, from any use, reliance or distribution of this presentation or its contents or otherwise arising in connection with this presentation. It is not the intention to provide, and you may not rely on these materials as providing a complete or comprehensive analysis of the Trust's financial or trading position or prospects. The information and opinions contained in these materials are provided as at the date of this presentation and are subject to change without notice. Nothing contained herein or therein is, or shall be relied upon as, a promise or representation, whether as to the past or the future and no reliance, in whole or in part, should be placed on the fairness, accuracy, completeness or correctness of the information contained herein. Further, nothing in this document should be construed as constituting legal, business, tax or financial advice. None of the Joint Bookrunners or their subsidiaries or affiliates has independently verified, approved or endorsed the material herein.

Nothing in this presentation constitutes an offer of securities for sale in Singapore, United States or any other jurisdiction where it is unlawful to do so.

The information in this presentation may not be forwarded or distributed to any other person and may not be reproduced in any manner whatsoever. Any forwarding, distribution or reproduction of this information in whole or in part is unauthorised. Failure to comply with this directive may result in a violation of the Securities Act or the applicable laws of other jurisdictions.

This presentation contains forward-looking statements that may be identified by their use of words like "plans," "expects," "will," "anticipates," "believes," "intends," "depends," "projects," "estimates" or other words of similar meaning and that involve assumptions, risks and uncertainties. All statements that address expectations or projections about the future and all statements other than statements of historical facts included in this presentation, including, but not limited to, statements about the strategy for growth, product development, market position, expenditures, and financial results, are forward-looking statements. Such forward-looking statements are based on certain assumptions and expectations of future events regarding the Trust's present and future business strategies and the environment in which the Trust will operate, and must be read together with those assumptions. The Managers do not guarantee that these assumptions and expectations are accurate or will be realized. 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. Although the Managers believe that such forward-looking statements are based on reasonable assumptions, it can give no assurance that such expectations will be met. Representative examples of these risks, uncertainties and assumptions include (without limitation) general industry and economic conditions, interest rate trends, cost of capital and capital availability, competition from other companies, shifts in customer demands, customers and partners, changes in operating expenses including employee wages, benefits and training, governmental and public policy changes and the continued availability of financing in the amounts and the terms necessary to support future business. Predictions, projections or forecasts of the economy or economic trends of the markets are not necessarily indicative of the future or likely performance of the Trust. Past performance is not necessarily indicative of future performance. The forecast financial performance of the Trust is not guaranteed. 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 Managers do not assume any responsibility to amend, modify or revise any forward-looking statements, on the basis of any subsequent developments, information or events, or otherwise.

This presentation is for information purposes only and does not constitute or form part of an offer, solicitation or invitation of any offer, to buy or subscribe for any securities, nor should it or any part of it form the basis of, or be relied in any connection with, any contract or commitment whatsoever. Any decision to invest in any securities issued by the Trust or its affiliates should be made solely on the basis of information contained in the prospectus to be registered with the Monetary Authority of Singapore (the "MAS") after seeking appropriate professional advice, and you should not rely on any information other than that contained in the prospectus to be registered with the MAS.

These materials may not be taken or transmitted into the United States, Canada or Japan and are not for distribution, directly or indirectly, in or into the United States, Canada or Japan.

These materials are not an offer of securities for sale into the United States, Canada or Japan. The securities have not been and will not be registered under the Securities Act and, subject to certain exceptions, may not be offered or sold within the United States. The securities are being offered and sold outside of the United States in reliance on Regulation S under the United States Securities Act of 1933, as amended. There will be no public offer of securities in the United States and the Managers do not intend to register any part of the proposed offering in the United States.

This presentation has not been and will not be registered as a prospectus with the MAS under the Securities and Futures Act, Chapter 289 of Singapore and accordingly, this document may not be distributed, either directly or indirectly, to the public or any member of the public in Singapore.



Contents

- Financial Highlights
- Portfolio Performance
- Asset Enhancement Initiatives
- Accolades & Corporate Governance Highlights
- Outlook & Prospects



Financial Highlights



Executive Summary for 3Q 2022 – Performance vs LY

	3Q 2022	3Q 2021	Variance
	S\$'000	S\$'000	%
Gross Revenue	21,184	20,760	2.0
Hotels	14,924	14,250	4.7
Serviced Residences (“SR”)	2,558	2,641	(3.1)
Commercial Premises	3,702	3,869	(4.3)
Net Property Income	19,749	18,316	7.8
Finance Expenses	(4,667)	(4,649)	(0.4)
REIT Manager’s Fees	(2,404)	(2,362)	(1.8)
Income Available for Distribution	15,140	13,521	12.0

- Gross revenue increased 2.0% year-on-year to S\$21.2 million led by growth from the Hotel segment which increased 4.7% from S\$14.3 million to S\$14.9 million.
- The decline of revenue in the SR segment and Commercial Premises segment was due to the divestment of Central Square which was completed on 24 March 2022. **Excluding Central Square, revenue for the two segments would have grown 44.9% and 19.1% year-on-year respectively.**
- Income Available for Distribution grew 12.0% year-on-year to S\$15.1 million mainly due to higher Net Property Income and interest income.



Executive Summary for YTD Sep 2022 – Performance vs LY

	YTD Sep 2022	YTD Sep 2021	Variance
	S\$'000	S\$'000	%
Gross Revenue	62,182	62,329	(0.2)
Hotels	43,424	42,750	1.6
Serviced Residences (“SR”)	7,806	8,350	(6.5)
Commercial Premises	10,952	11,229	(2.5)
Net Property Income	57,204	54,509	4.9
Finance Expenses	(12,799)	(15,340)	16.6
REIT Manager’s Fees	(6,916)	(6,958)	0.6
Income Available for Distribution	44,097	38,839	13.5

- Gross Revenue for YTD Sep 2022 was flat year-on-year at S\$62.2 million mainly due to the divestment of Central Square on 24 March 2022. Revenue from the Hotel segment saw a 1.6% year-on-year growth to S\$43.4 million.
- **Excluding Central Square**, revenue from the **SR segment** and **Commercial Premises** would have increased **22.2% and 14.8% year-on-year respectively**.
- The REIT Manager intends to distribute **divestment gains** from Central Square of approximately **S\$8.0 million per year over three years**. For FY2022, approximately S\$6.2 million will be distributed to cover the nine months after the disposal of Central Square. For 1H2022, S\$2.0 million had been distributed to stapled securityholders.
- Finance Expenses were 16.6% lower year-on-year, mainly due to the repayment of S\$260.3 million of term loans and revolving credit facilities using proceeds from the divestment of Central Square.



Balance Sheet Summary

	As at 30 Sep 2022	As at 31 Dec 2021	Variance
	S\$' million	S\$' million	%
Total Assets	2,439.0	2,664.8	(8.5)
<u>Comprising:</u>			
Investment Properties ¹	2,341.7	2,336.5	0.2
Derivative Financial Assets	14.0	2.5	>100.0
Cash And Cash Equivalents ²	37.9	11.7	>100.0
Trade And Other Receivables ³	45.4	42.7	6.3
Investment Property Held for Sale ⁴	-	271.4	(100.0)
Total Liabilities⁵	755.1	1,016.4	(25.7)
Net Assets	1,683.9	1,648.4	2.2
NAV per Stapled Security (Cents)	84.6	83.2	1.7

1 Investment properties based on valuation as at 31 December 2021 appraised by Savills Valuation And Professional Services (S) Pte Ltd or CBRE Pte. Ltd., adjusted for capital expenditure incurred subsequent to the valuation date.

2 Comprise cash at bank of S\$5.0 million and fixed deposits of S\$32.9 million. The increase in cash and cash equivalents is due to balance proceeds from divestment after repayment of term loans.

3 This includes a shareholders' loan and accrued interest due from Fontaine Investment Pte Ltd of S\$36.1 million.

4 This pertains to Central Square which was divested on 24 March 2022.

5 Total liabilities decreased due to repayment of loans from the proceeds of the divestment of Central Square.

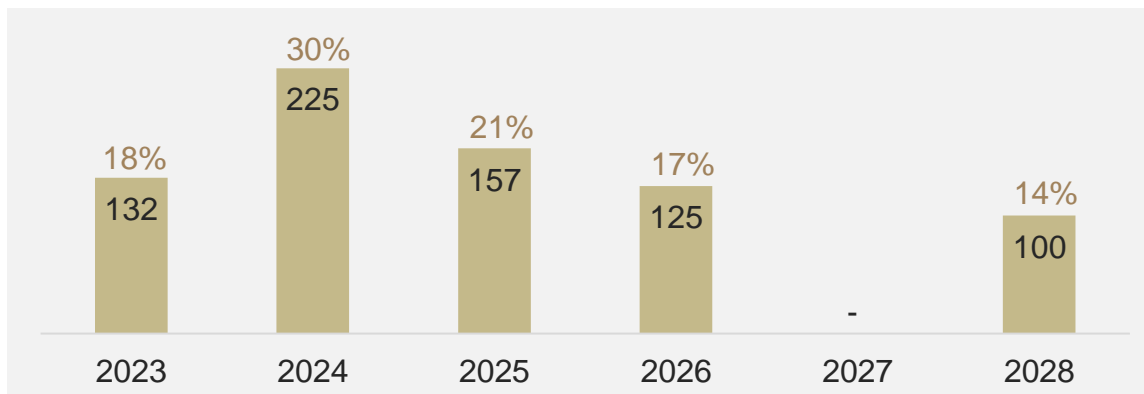


Capital Management

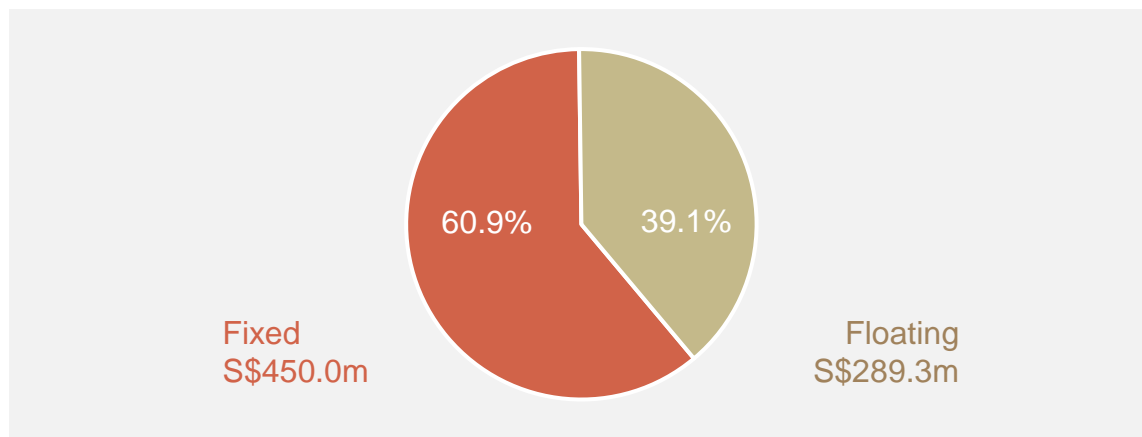
As at 30 Sep 2022

Total Debt	S\$739.3m
Available Revolving Facility	S\$300.0m
Aggregate Leverage	33.5%
Unencumbered Asset as % Total Asset	100%
Proportion of Fixed Rate	60.9%
Weighted Average Debt Maturity	2.6 years
Average Cost of Debt	2.0%
Interest Coverage Ratio¹	4.0x

Debt Maturity Profile



Interest Rate Profile



¹ Interest coverage ratio is computed based on EBITDA over interest expense as per the definition in the loan covenants. This would be 3.9x based on the definition prescribed by Appendix 6 of the Code on Collective Investment Schemes.

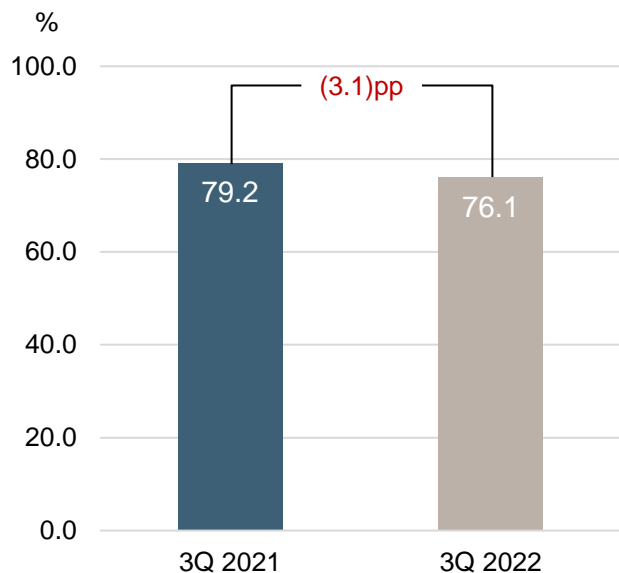


Portfolio Performance

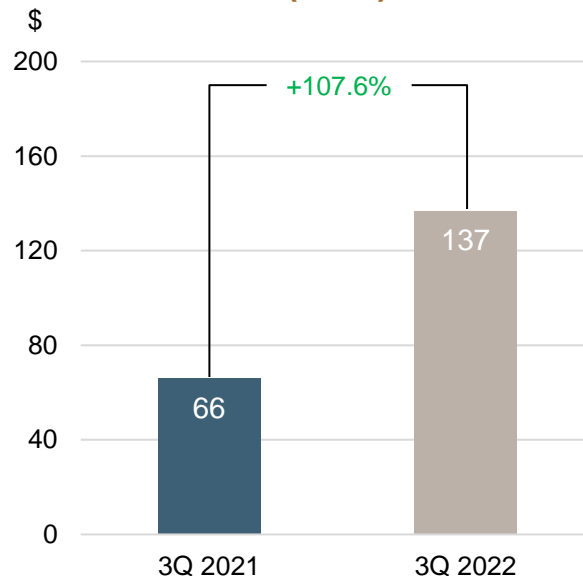


Portfolio Performance 3Q 2022 – Hotels

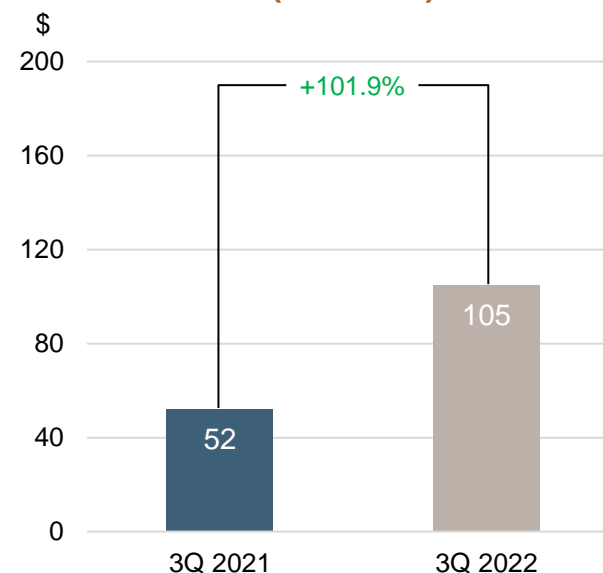
Average Occupancy



Average Daily Rate (ADR)



Revenue Per Available Room (RevPAR)

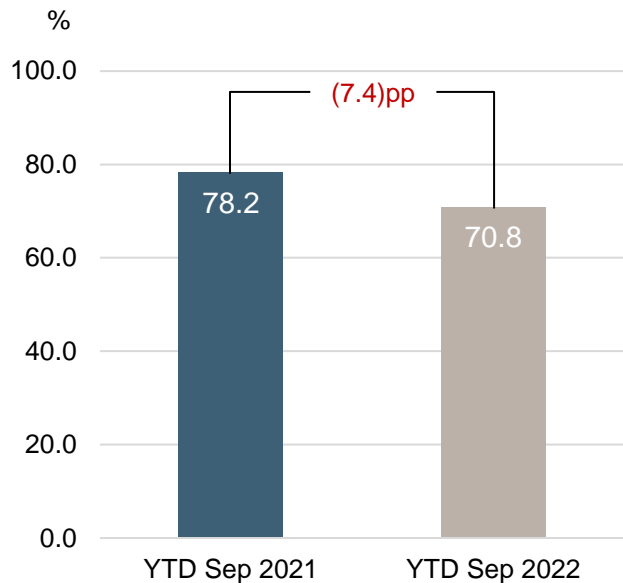


- On a quarterly basis, occupancy, ADR and RevPAR continued to improve, surpassing that of the first 2 quarters of 2022.
- Year-on-year, occupancy declined 3.1pp to 76.1% mainly due to the exit of some of the REIT's hotels from the government contracts. Additionally, the Elizabeth Hotel was also closed for renovation from February 2022 and has since re-opened as Vibe Hotel Singapore Orchard in early September 2022.
- The ADR increased 107.6% year-on-year to S\$137 due to higher rates from remaining government contracts and improved room rates from corporate guests. Consequently, RevPAR increased 101.9% year-on-year to S\$105.

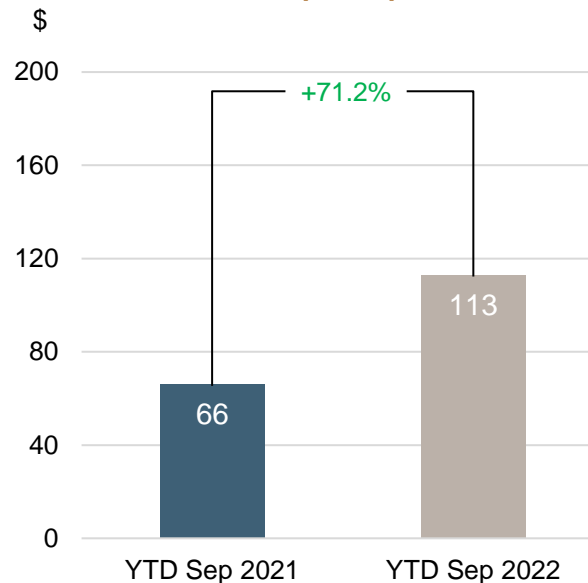


Portfolio Performance YTD Sep 2022 – Hotels

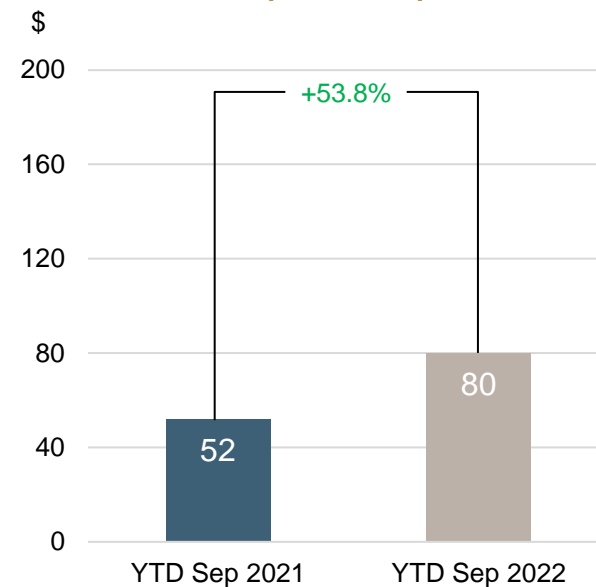
Average Occupancy



Average Daily Rate (ADR)



Revenue Per Available Room (RevPAR)

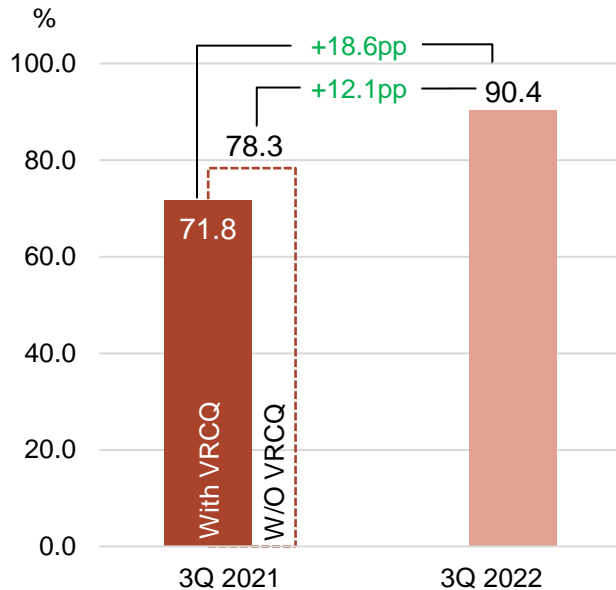


- Occupancy declined 7.4pp year-on-year to 70.8% as some hotels in the portfolio exited the government contracts at the end of 2021. The Elizabeth Hotel was also closed for renovation from February 2022 and has since re-opened as Vibe Hotel Singapore Orchard in early September 2022.
- The ADR increased 71.2% year-on-year to S\$113 from higher contracted rates from remaining government contracts and improving demand from corporate guests.
- Consequently, RevPAR increased 53.8% year-on-year to S\$80.

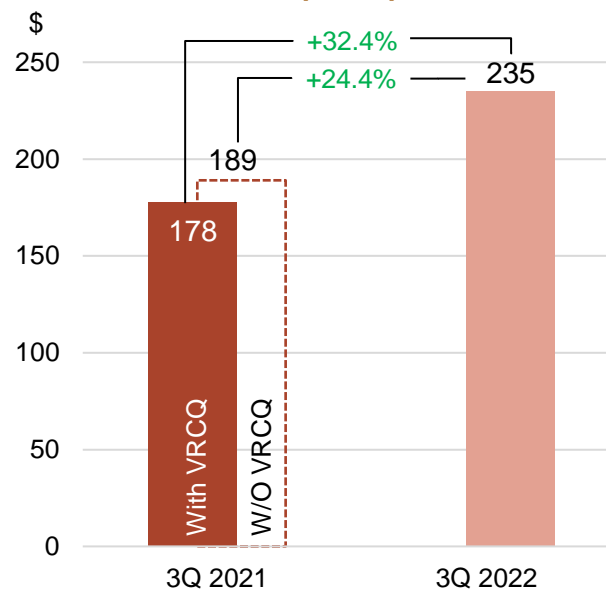


Portfolio Performance 3Q Sep 2022 – Serviced Residences

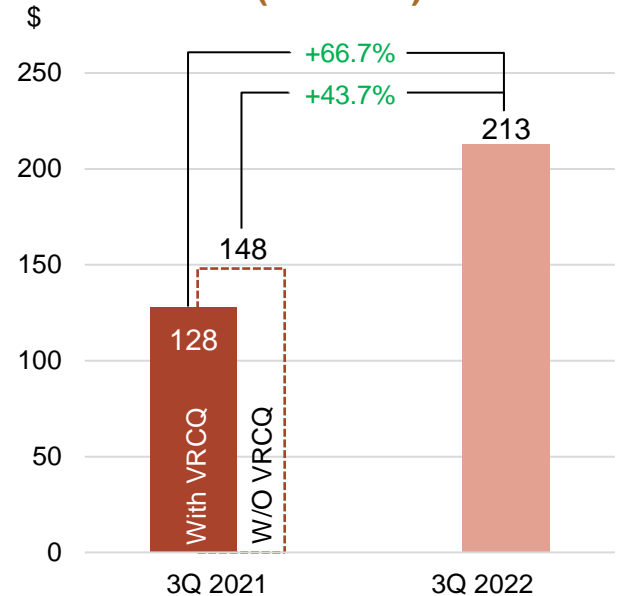
Average Occupancy



Average Daily Rate (ADR)



Revenue Per Available Unit (RevPAU)



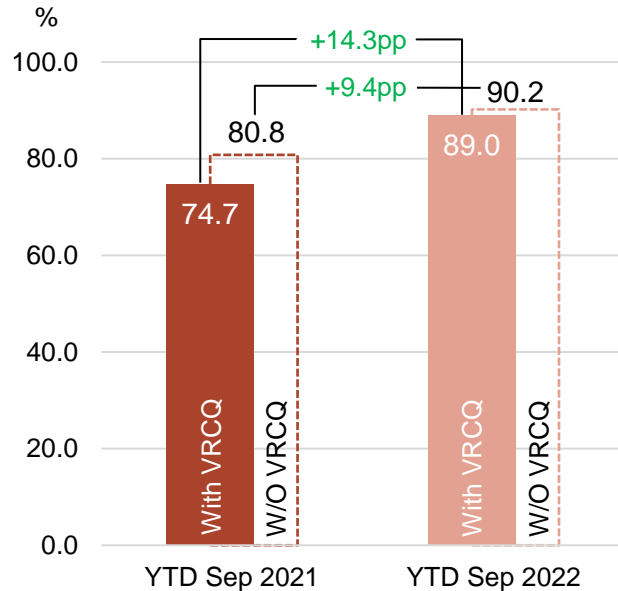
- Performance of the Serviced Residences (“SRs”) saw strong demand and support from long-stay corporate sources. On a quarterly basis, RevPAR continued to improve, achieving 2 consecutive quarters of growth this year.
- Average occupancy of the SRs increased 18.6pp year-on-year to 90.4% and ADR grew 32.4% to S\$235. As a result, RevPAU was 66.7% higher at S\$213. Excluding VRCQ from 3Q 2021, average occupancy, ADR and RevPAU would have increased 12.1pp, 24.4% and 43.7% respectively.
- The SR portfolio continued to perform above the fixed rent level.



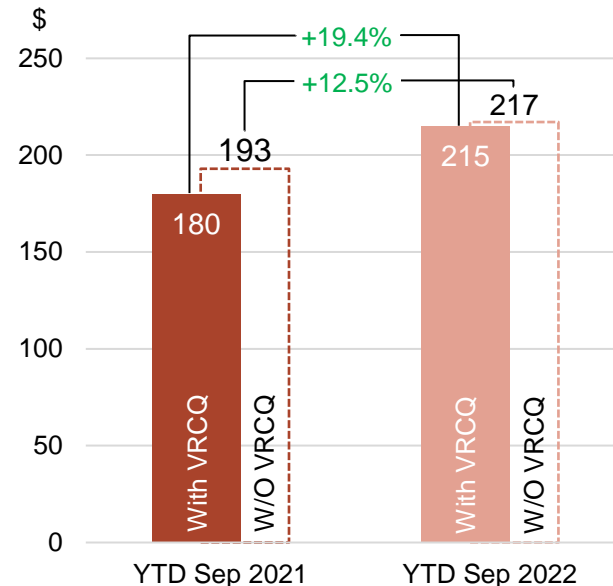
Note:
Village Residence Clark Quay (“VRCQ”) is a part of Central Square which was divested on 24 March 2022.

Portfolio Performance YTD Sep 2022 – Serviced Residences

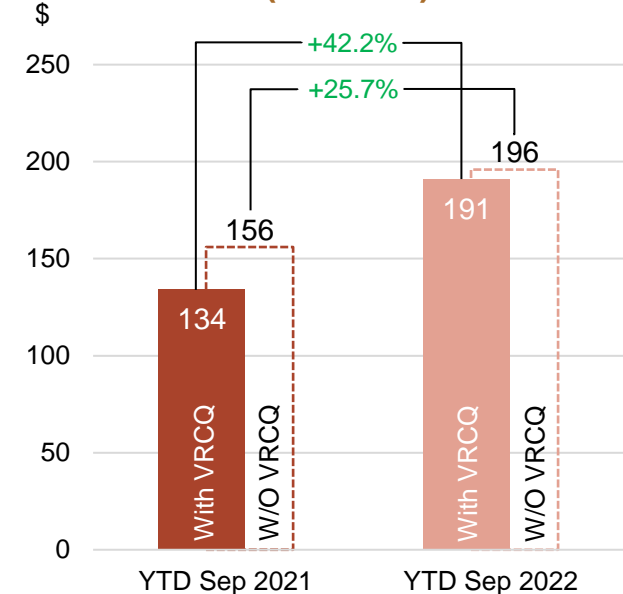
Average Occupancy



Average Daily Rate (ADR)



Revenue Per Available Unit (RevPAU)



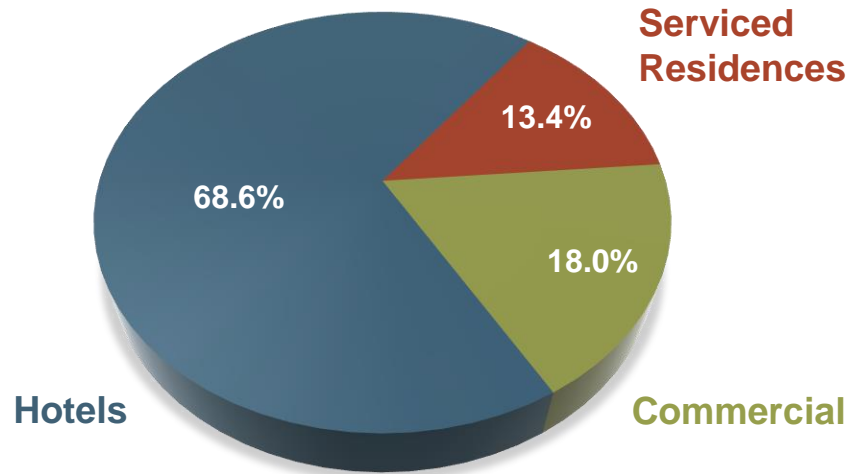
- Average occupancy of the SRs increased 14.3pp year-on-year to 89.0% and ADR grew 19.4% to S\$215. As a result, RevPAU was 42.2% higher at S\$191 (\$196 w/o VRCQ). Excluding VRCQ from both years, average occupancy, ADR and RevPAU would have been higher across the board.
- The SR portfolio continued to perform above the fixed rent level.



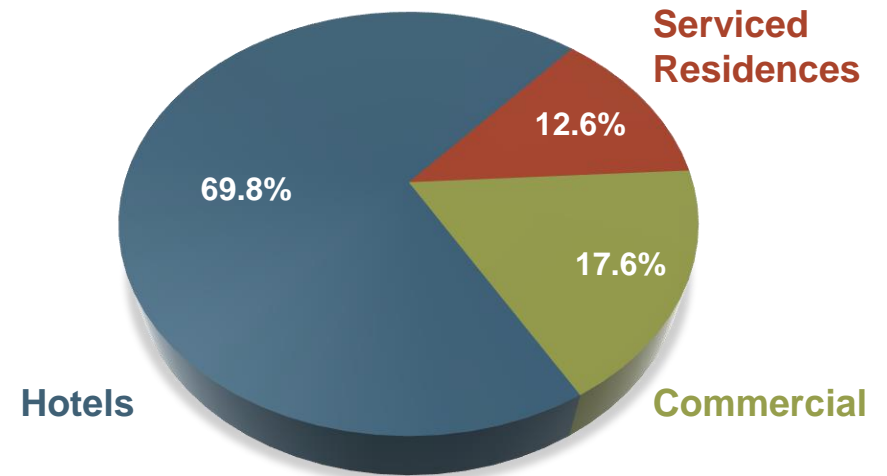
Note:
Village Residence Clark Quay ("VRCQ") is a part of Central Square which was divested on 24 March 2022.

Breakdown of Gross Revenue – Total Portfolio

YTD Sep 2021

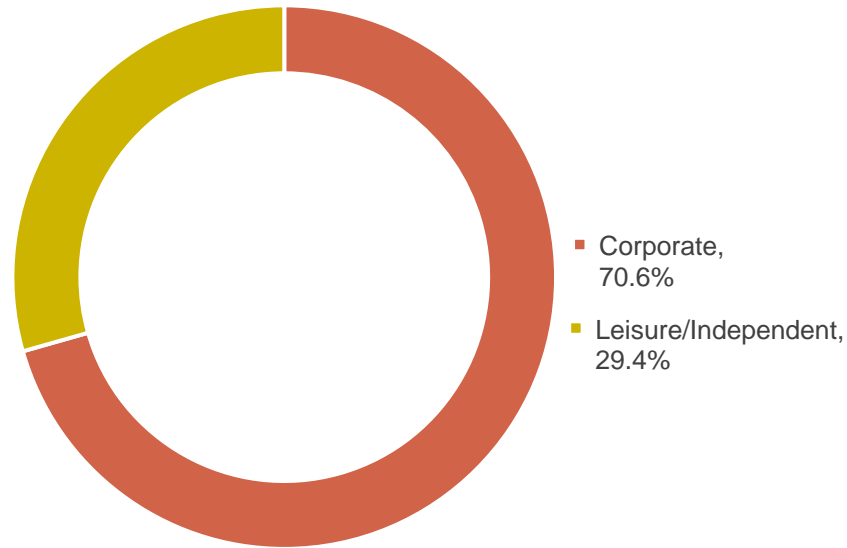


YTD Sep 2022

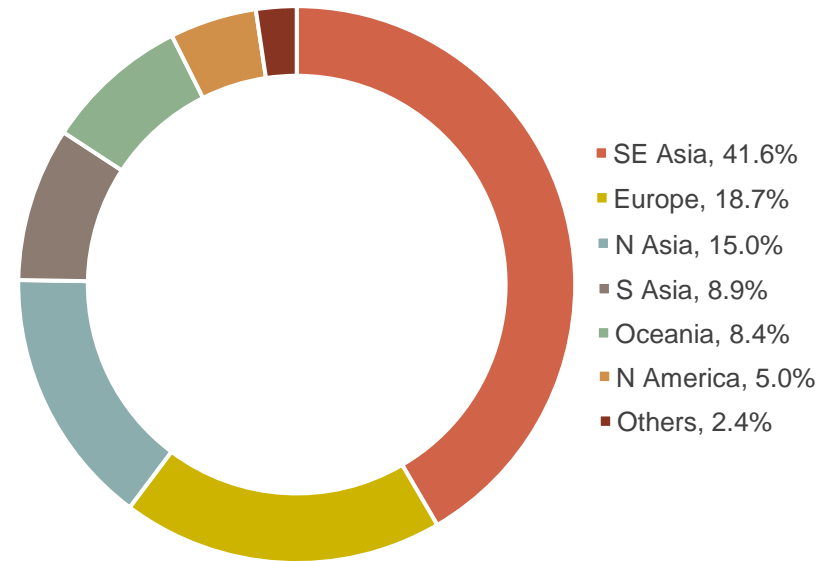


YTD Sep 2022 Revenue Contribution – Hotels

By Market Segment



By Country of Residence

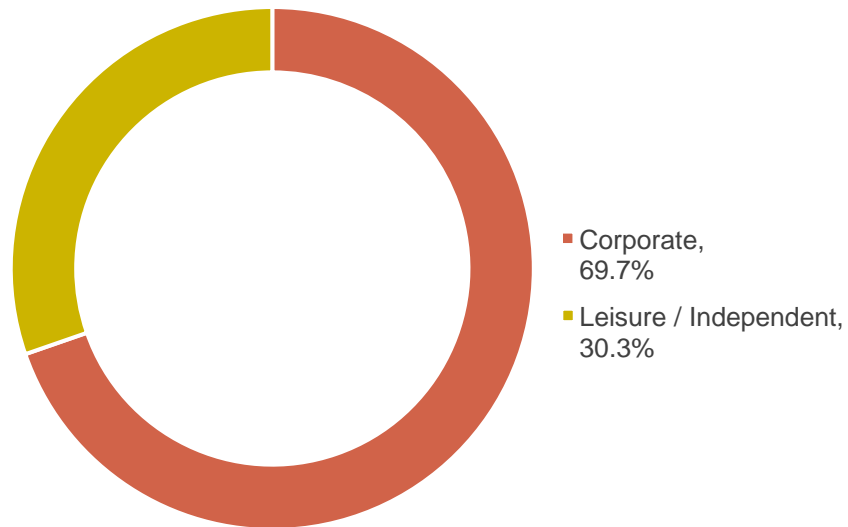


- Revenue contribution by the Corporate segment continued to remain robust, forming 70.6% of revenue contribution.
- Contribution from Leisure/Independent travellers progressively improved to 29.4% of revenue contribution, reflecting an increasing number of leisure guests since the full reopening of Singapore's borders in April 2022.
- Guests from South East Asia, Europe and North Asia formed the top 3 markets contributing to 75% of overall revenue.

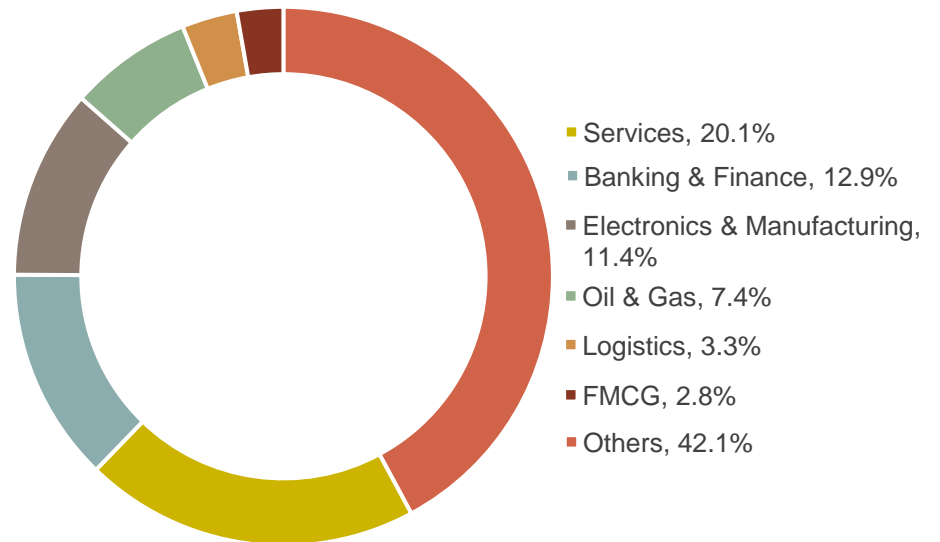


YTD Sep 2022 Revenue Contribution – Serviced Residences

By Market Segment



By Industry



- Revenue contribution by the Corporate segment was 69.7% while the Leisure/Independent segment formed the balance of 30.3%.
- Services, Banking & Finance and Electronics & Manufacturing were the top 3 segments contributing 44.4% of overall revenue.



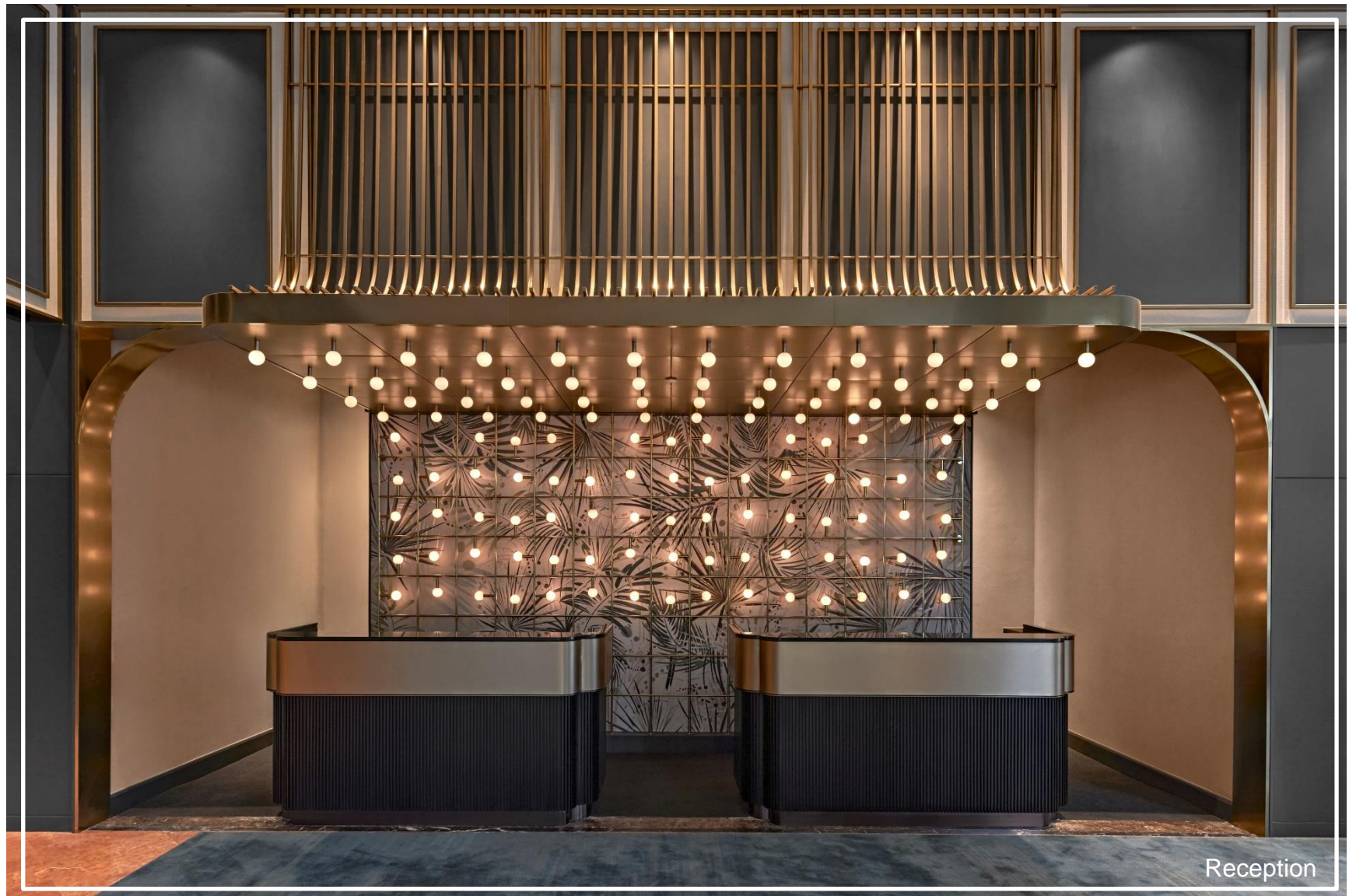
Asset Enhancement Initiatives



FAR EAST
HOSPITALITY
TRUST



Vibe Hotel Singapore Orchard*



*Previously known as The Elizabeth Hotel



Vibe Hotel Singapore Orchard*

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

(Soft opening on 1 September 2022)



*Previously known as The Elizabeth Hotel

Vibe Hotel Singapore Orchard*

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

(Soft opening on 1 September 2022)



Superior Room



Deluxe Room



*Previously known as The Elizabeth Hotel

Vibe Hotel Singapore Orchard*

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

(Soft opening on 1 September 2022)



Premier Room



Bathroom



*Previously known as The Elizabeth Hotel

Accolades & Corporate Governance Highlights



Accolades and Corporate Governance Highlights

Singapore Governance and Transparency Index 2022 (“SGTI”) (REITS and Business Trust)

Ranked 3rd

- In August 2022, FEHT was ranked 3rd out of 44 REITs and Business Trusts on the SGTI.
- SGTI is a collaboration between CPA Australia, NUS Business School’s Centre for Governance and Sustainability and Singapore Institute of Directors.

Securities Investors Association (Singapore) (“SIAS”) Investors’ Choice Awards 2022



Shareholder Communications
Excellence Award

Runner-up

- For a **second consecutive year**, FEHT was the runner-up for the Shareholder Communications Excellence Award (REITs & Business Trusts category) at the 2022 SIAS Investor’s Choice Awards, recognising the Manager’s efforts in transparent disclosure and excellent communication with shareholders.



Singapore Corporate Governance
Award

Runner-up

- FEHT emerged as the runner-up for the Singapore Corporate Governance Award (REITs & Business Trusts category), recognising the Manager’s efforts in adopting good corporate governance, transparency and sustainability practices.

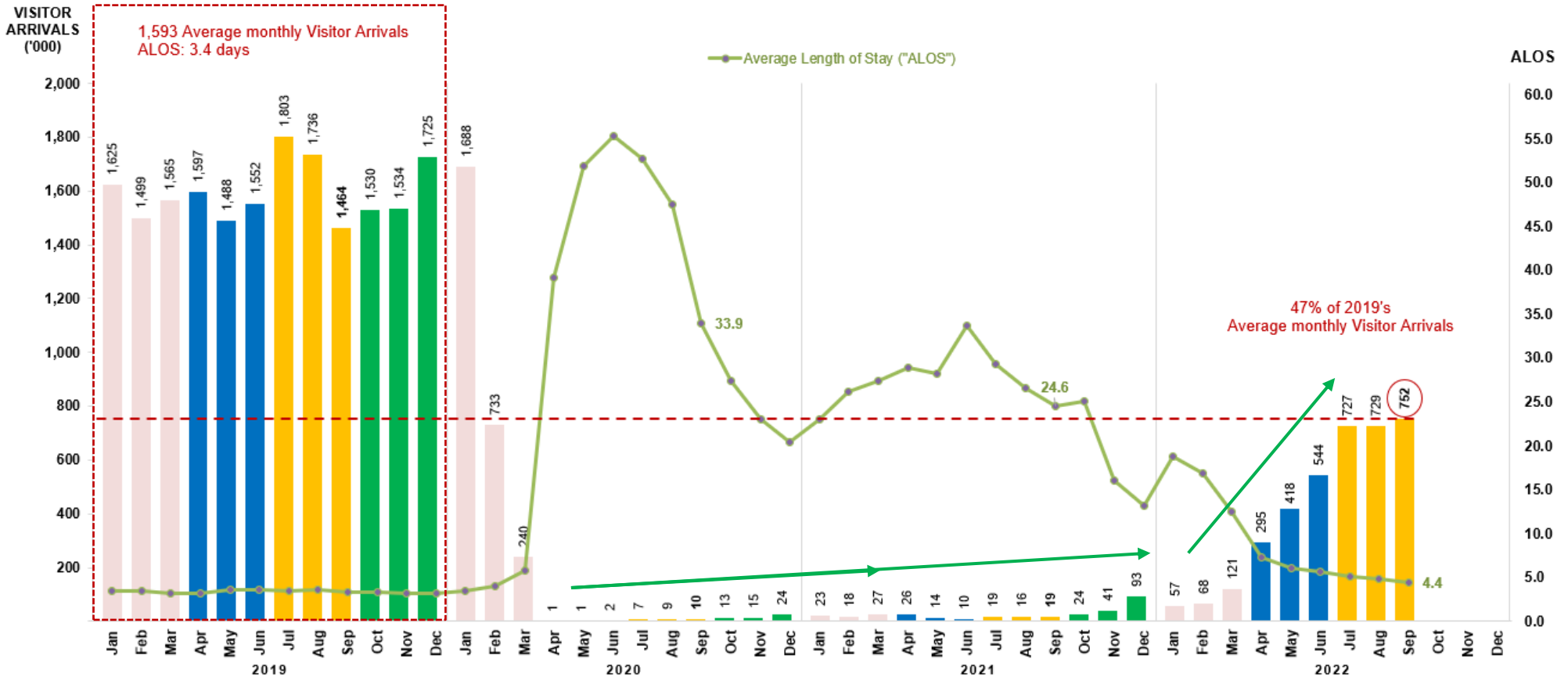


Outlook & Prospects



Increase of Visitor Arrivals to Singapore

Visitor Arrivals

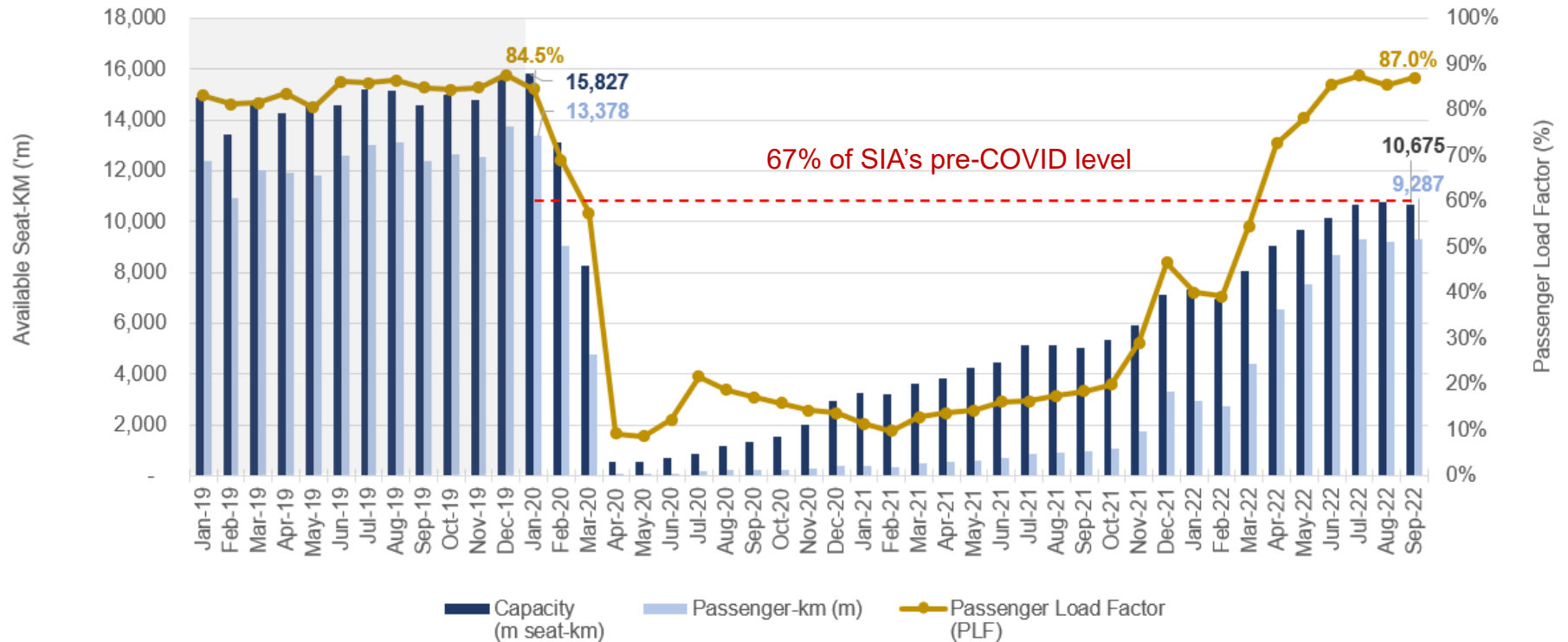


- Singapore Tourism Board on track to achieving its target of 4 to 6 million visitor arrivals into Singapore for 2022.
- Visitor arrivals into Singapore continued 9 months of consecutive growth, increasing 3% month-on-month to 752k for September (~47% of the average monthly visitor arrivals in 2019).



Recovery of Air Passengers Numbers

SIA Group Passenger Capacity



- As the main conduit for arrivals in Singapore, airlines' passenger capacity is a leading indicator for the recovery in cross-border travel.
- SIA Group targets passenger capacity to reach 81% of SIA's pre-COVID level by December 2022.



Outlook for 2022

Relaxed community and border measures

- Since 26 April, the Singapore Government has eased most of the country's remaining COVID-19 measures, representing a significant step in the return to normalcy.
- Singapore Tourism Board on track to achieve target of four to six million visitor arrivals in 2022.

Increasing number of meetings, incentives, conventions and exhibitions events held in Singapore

- Over 40 events slated to take place in the last quarter of 2022.
- The Singapore Association of Convention and Exhibition Organisers and Suppliers expects a steep recovery of events this year with recovery by 2023 to 2024.

Mitigating factors for Far East H-Trust

- Far East H-Trust's high fixed rent component in the master leases provides downside protection for the gross revenue of the Trust. The 20-year master leases on all portfolio assets are well-supported by the Sponsor, Far East Organization.
- The Serviced Residences in the portfolio have been performing above the fixed rent and generating variable rent for the year to date while the hotels are expected to progressively perform above the fixed rent with further recovery in arrivals to Singapore.



Medium-Term Outlook

Growing business hub – Singapore continues to attract foreign investments

- S\$11.8 billion in fixed asset investments in 2021, above the medium to long-term yearly target of between S\$8 billion and S\$10 billion set by the Economic Development Board.
- Strong investments by Electronics and Biomedical manufacturing firms with 67% and 13% of investment commitments coming from United States and Europe respectively.
- New investments expected to drive demand for accommodation from corporate travellers and project groups.

Expanding tourism offerings

- S\$500m set aside by the Singapore Tourism Board for the next few years to strengthen Singapore's position as a global hub for business tourism and urban wellness haven.
- Major expansion of key tourism areas such as the revamp of Mandai Wildlife Reserve, Sentosa (*including development of Pulau Brani, collectively known as the Greater Southern Waterfront project*) and the Integrated Resorts.

Ongoing infrastructure projects to enable Singapore to remain connected and relevant to the world

- Continued development of infrastructure projects such as Changi Airport Terminal 5, Tuas Mega port, the North South Corridor and the Cross Island MRT line.



Thank You

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



Far East H-Trust Asset Portfolio Overview

Hotels



Village Hotel
Albert Court

Village Hotel
Changi

Vibe Hotel
Singapore
Orchard

Village Hotel
Bugis

Oasia
Hotel Novena

Orchard
Rendezvous
Hotel

The
Quincy Hotel

Rendezvous
Hotel
Singapore

Oasia Hotel
Downtown

Total /
Weighted
Average

Market Segment	Mid-tier	Mid-tier	Mid-tier	Mid-tier	Mid-tier / Upscale	Mid-tier / Upscale	Upscale	Upscale	Upscale	NA
Address	180 Albert Street, S'pore 189971	1 Netheravon Road, S'pore 508502	24 Mount Elizabeth, S'pore 228518	390 Victoria Street, S'pore 188061	8 Sinaran Drive, S'pore 307470	1 Tanglin Road, S'pore 247905	22 Mount Elizabeth Road, S'pore 228517	9 Bras Basah Road, S'pore 189559	100 Peck Seah St, S'pore 079333	
Date of Completion	3 Oct 1994	30 Jan 1990 ²	3 May 1993	19 Oct 1988	2 June 2011	20 June 1987 ²	27 Nov 2008	5 June 2000 ²	30 Dec 2015	
# of Rooms	210	380	256	393	428	388	108	298	314	2,775
Lease Tenure ¹	66 years	56 years	66 years	57 years	83 years	41 years	66 years	62 years	61 years	NA
GFA/Strata Area (sq m)	11,426	22,826	11,723	21,676	22,457	34,072	4,810	19,720	17,793	
Retail NLA (sq m)	1,003	805	583	1,164	NA	3,778	NA	2,799	NA	10,132
Office NLA (sq m)	NA	NA	NA	NA	NA	2,515	NA	NA	NA	2,515
Master Lessee / Vendor	First Choice Properties Pte Ltd	Far East Organization Centre Pte. Ltd.	Golden Development Private Limited	Golden Landmark Pte. Ltd.	Transurban Properties Pte. Ltd.	Far East Orchard Limited	Golden Development Private Limited	Serene Land Pte Ltd	Far East SOHO Pte Ltd	
Valuation (S\$ 'mil) ¹	120.9	192.4	162.3	222.8	310.0	404.9	78.0	270.0	244.0	2,005.3

¹ As at 31 December 2021

² Date of acquisition by Sponsor, as property was not developed by Sponsor

Far East H-Trust Asset Portfolio Overview

Serviced Residences



Village Residence Hougang



Village Residence Robertson Quay



Adina Serviced Apartments Singapore Orchard

Total / Weighted Average

	Village Residence Hougang	Village Residence Robertson Quay	Adina Serviced Apartments Singapore Orchard	Total / Weighted Average
Market Segment	Mid-tier	Mid-tier	Upscale	NA
Address	1 Hougang Street 91, S'pore 538692	30 Robertson Quay, S'pore 238251	121 Penang House, S'pore 238464	
Date of Completion	30 Dec 1999	12 July 1996	24 Oct 2000	
# of Rooms	78	72	90	240
Lease Tenure ¹	72 years	69 years	72 years	NA
GFA/Strata Area (sq m)	14,257	10,570	10,723	35,550
Retail NLA (sq m)	NA	1,179	539	1,718
Office NLA (sq m)	NA	NA	2,291	2,291
Master Lessee / Vendor	Serene Land Pte Ltd	Riverland Pte Ltd	Oxley Hill Properties Pte Ltd	
Valuation (S\$ 'mil) ¹	62.5	104.6	164.1	331.2

¹ As at 31 December 2021

