

Far East Hospitality Trust
Unaudited Financial Statements Announcement
For the half year and full year ended 31 December 2024

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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. 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.

On 2 December 2021, Far East H-REIT entered into a put and call option agreement, and the binding contract for the sale and purchase of the leasehold interest in Village Residences Clarke Quay (“VRCQ”) deemed entered into upon exercise of the call option or (as the case may be) the put option with an unrelated third-party acquirer for the divestment of its leasehold interest in VRCQ. On 17 March 2022, the call option was exercised and the divestment of VRCQ was completed on 24 March 2022, bringing Far East H-REIT’s portfolio to 12 properties consisting of 9 hotels and 3 SRs located in Singapore.

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 2024
1(a) Income statements together with comparatives for corresponding periods in immediately preceding financial year
1(a)(i) Statements of Total Return and Distribution Statements

Far East H-REIT						
Note	2H 2024	2H 2023	Better / (Worse)	FY 2024	FY 2023	Better / (Worse)
	S\$'000	S\$'000	%	S\$'000	S\$'000	%
Master lease rental	46,186	46,657	(1.0)	91,363	90,649	0.8
Retail and office revenue	8,712	8,110	7.4	17,343	16,156	7.3
Gross revenue	54,898	54,767	0.2	108,706	106,805	1.8
Property tax	(3,542)	(3,447)	(2.8)	(6,651)	(5,330)	(24.8)
Property insurance	(65)	(54)	(20.4)	(121)	(103)	(17.5)
MCST contribution	(158)	(158)	-	(316)	(316)	-
Retail and office expenses	(960)	(988)	2.8	(1,719)	(1,857)	7.4
Impairment losses on trade receivables	(83)	(140)	40.7	(123)	(40)	>(100.0)
Property manager fees	(219)	(209)	(4.8)	(439)	(418)	(5.0)
Property expenses	(5,027)	(4,996)	(0.6)	(9,369)	(8,064)	(16.2)
Net property income	49,871	49,771	0.2	99,337	98,741	0.6
REIT Manager's fees	(5,317)	(5,444)	2.3	(10,591)	(10,501)	(0.9)
Trustee's fees	(160)	(160)	-	(320)	(317)	(0.9)
Other trust expenses	(373)	(406)	8.1	(841)	(938)	10.3
Interest and other income	1,078	2,014	(46.5)	2,922	3,893	(24.9)
Finance expenses	(15,155)	(13,085)	(15.8)	(30,352)	(25,169)	(20.6)
Net income before joint venture's results	29,944	32,690	(8.4)	60,155	65,709	(8.5)
Share of results of joint venture	-	-	N.M.	-	-	N.M.
Net income before tax and fair value changes	29,944	32,690	(8.4)	60,155	65,709	(8.5)
Unrealised foreign exchange (loss) / gain	(413)	2,643	>(100.0)	(3,120)	726	>(100.0)
Fair value change in derivative financial instruments	(718)	(7,845)	90.8	2,355	(13,003)	>100.0
Fair value change in investment properties	(12,421)	59,244	>(100.0)	(12,421)	59,244	>(100.0)
Gain on disposal of investment property	-	-	N.M.	-	17,912	(100.0)
Total return for the period before income tax	16,392	86,732	(81.1)	46,969	130,588	(64.0)
Income tax expense	(130)	(142)	8.5	(268)	(278)	3.6
Total return for the period	16,262	86,590	(81.2)	46,701	130,310	(64.2)
Distribution Statement						
Total return for the period before income tax	16,392	86,732	(81.1)	46,969	130,588	(64.0)
Net tax adjustments	15,829	(50,165)	>100.0	18,511	(57,272)	>100.0
Rollover adjustment	(204)	384	>(100.0)	(204)	384	>(100.0)
Undistributed taxable income from previous period	45	2,348	(98.1)	-	-	N.M.
Taxable income	32,062	39,299	(18.4)	65,276	73,700	(11.4)
Tax-exempt income	635	696	(8.8)	1,311	1,360	(3.6)
Income available for distribution	32,697	39,995	(18.2)	66,587	75,060	(11.3)
Distribution comprises:						
- from taxable income	32,062	39,299	(18.4)	65,276	73,700	(11.4)
- from other gains	9,881	4,211	>100.0	16,121	8,211	96.3
	41,943	43,510	(3.6)	81,397	81,911	(0.6)

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Far East H-Trust						
Note	2H 2024	2H 2023	Better / (Worse)	FY 2024	FY 2023	Better / (Worse)
	S\$'000	S\$'000	%	S\$'000	S\$'000	%
Master lease rental	46,186	46,657	(1.0)	91,363	90,649	0.8
Retail and office revenue	8,712	8,110	7.4	17,343	16,156	7.3
Gross revenue	54,898	54,767	0.2	108,706	106,805	1.8
Property tax	(3,542)	(3,447)	(2.8)	(6,651)	(5,330)	(24.8)
Property insurance	(65)	(54)	(20.4)	(121)	(103)	(17.5)
MCST contribution	(158)	(158)	-	(316)	(316)	-
Retail and office expenses	(960)	(988)	2.8	(1,719)	(1,857)	7.4
Impairment losses on trade receivables	(83)	(140)	40.7	(123)	(40)	>(100.0)
Property manager fees	(219)	(209)	(4.8)	(439)	(418)	(5.0)
Property expenses	(5,027)	(4,996)	(0.6)	(9,369)	(8,064)	(16.2)
Net property income	49,871	49,771	0.2	99,337	98,741	0.6
REIT Manager's fees	(5,317)	(5,444)	2.3	(10,591)	(10,501)	(0.9)
Trustee's fees	(160)	(160)	-	(320)	(317)	(0.9)
Other trust expenses	(373)	(407)	8.4	(842)	(940)	10.4
Interest and other income	1,078	2,014	(46.5)	2,922	3,893	(24.9)
Finance expenses	(15,155)	(13,085)	(15.8)	(30,352)	(25,169)	(20.6)
Net income before joint venture's results	29,944	32,689	(8.4)	60,154	65,707	(8.5)
Share of results of joint venture	-	-	N.M.	-	-	N.M.
Net income before tax and fair value changes	29,944	32,689	(8.4)	60,154	65,707	(8.5)
Unrealised foreign exchange (loss) / gain	(413)	2,643	>(100.0)	(3,120)	726	>(100.0)
Fair value change in derivative financial instruments	(718)	(7,845)	90.8	2,355	(13,003)	>100.0
Fair value change in investment properties	(12,421)	59,244	>(100.0)	(12,421)	59,244	>(100.0)
Gain on disposal of investment property	-	-	N.M.	-	17,912	(100.0)
Total return for the period before income tax	16,392	86,731	(81.1)	46,968	130,586	(64.0)
Income tax expense	(130)	(142)	8.5	(268)	(278)	3.6
Total return for the period	16,262	86,589	(81.2)	46,700	130,308	(64.2)
<u>Distribution Statement</u>						
Total return for the period before income tax	16,392	86,731	(81.1)	46,968	130,586	(64.0)
Net tax adjustments	15,829	(50,165)	>100.0	18,511	(57,272)	>100.0
Rollover adjustment	(204)	384	>(100.0)	(204)	384	>(100.0)
Undistributed taxable income from previous period	45	2,348	(98.1)	-	-	-
Other adjustments	-	2	(100.0)	1	2	(50.0)
Taxable income	32,062	39,300	(18.4)	65,276	73,700	(11.4)
Tax-exempt income	635	696	(8.8)	1,311	1,360	(3.6)
Income available for distribution	32,697	39,996	(18.2)	66,587	75,060	(11.3)
Distribution comprises:						
- from taxable income	32,062	39,299	(18.4)	65,276	73,700	(11.4)
- from other gains	9,881	4,211	>100.0	16,121	8,211	96.3
	41,943	43,510	(3.6)	81,397	81,911	(0.6)

The Manager resolved to distribute S\$41.9 million to Stapled Securityholders for 2H 2024, comprising taxable income of S\$32.0 million; and other gains of S\$9.9 million from the divestment of VRCQ. Far East H-REIT's distribution policy is to

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distribute at least 90.0% of its taxable income for the full financial year. For FY 2024, the Manager has resolved to distribute 100.0% of its taxable income available for distribution to the Stapled Securityholders.

Notes:

NM – Not meaningful

- (a) Refer to section 8 on “Review of performance” for the explanation of variances.
- (b) The increase in property tax expense is due to higher annual value assessments by Inland Revenue Authority of Singapore (“IRAS”) for all properties.
- (c) Higher finance expenses are mainly due to higher interest rates on the floating rate loans.
- (d) The share of results of joint venture relates to the equity accounting of Fontaine Investment Pte Ltd (“FIPL”)’s results. The share of losses has exceeded the carrying amount of the investment since December 2021.
- (e) The unrealised foreign exchange loss arose from exchange difference on the US dollar denominated term loan. A cross currency swap (“CCS”) has been entered into to hedge against any foreign exchange exposure on the principal and interest payments. This is a non-tax chargeable / deductible item and has no impact on the taxable income and distributable income to the Stapled Securityholders.
- (f) This relates to net change in fair value of interest rate swap and cross currency swap contracts entered to hedge against the interest rate and foreign currency 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.
- (g) The fair value change in investment properties of S\$12.4 million for FY 2024 arose from the revaluation of 9 hotels and 3 SRs as at 31 December 2024. The independent valuations of the investment properties were carried out by Savills Valuation And Professional Services (S) Pte. Ltd. and CBRE Pte. Ltd. Please refer to Note 1(e)(3) Investment properties for more details. This is a non-tax chargeable / deductible item and has no impact on the taxable income and distributable income to the Stapled Securityholders.
- (h) The gain on disposal of investment property pertains to the incentive fee received on 24 March 2023 for the divestment of VRCQ which was completed in March 2022.
- (i) Included in the net distribution adjustments are the following:

	Note	2H 2024	2H 2023	Better / (Worse)	FY 2024	FY 2023	Better / (Worse)
		S\$'000	S\$'000	%	S\$'000	S\$'000	%
- REIT Manager's fees paid/payable in Stapled Securities	(1)	3,191	4,899	(34.9)	6,357	9,451	(32.7)
- Trustee's fees		160	160	-	320	317	0.9
- Amortisation of debt-related transaction cost		307	244	25.8	575	503	14.3
- Front end fees		(305)	(741)	58.8	(305)	(741)	58.8
- Unrealised foreign exchange loss / (gain)		413	(2,643)	>100.0	3,120	(726)	>100.0
- Fair value change in derivative financial instruments		718	7,845	(90.8)	(2,355)	13,003	>(100.0)
- Fair value change in investment properties		12,421	(59,244)	>100.0	12,421	(59,244)	>100.0
- Gain on disposal of investment property		-	-	-	-	(17,912)	100.0
- Other items		(1,076)	(685)	(57.1)	(1,622)	(1,923)	15.7
Net distribution adjustments		15,829	(50,165)	>100.0	18,511	(57,272)	>100.0

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Notes:

- (1) This represents 60% (2H 2023 and FY 2023: 90%) of REIT Manager's fees paid/payable in Stapled Securities.
- (j) The rollover adjustment for FY 2024 relates to the difference between the taxable income previously distributed and the quantum finally agreed with the IRAS for the Year of Assessment ("YA") 2023. The rollover adjustment for FY 2023 relates to the difference between the taxable income previously distributed and the quantum finally agreed with the IRAS for the YA 2021 and YA 2022.
- (k) For 2H 2024, this relates to taxable income that was not distributed in 1H 2024 due to rounding. For 2H 2023, this relates to the release of the S\$2.3 million of taxable income available for distribution to Stapled Securityholders that was not distributed in 1H 2023.
- (l) Other adjustments for Far East H-Trust pertains primarily to the net accounting results of Far East H-BT.
- (m) Income available for distribution for 2H 2024 and FY 2024 would be 4.9% higher at S\$34.3 million and 4.8% higher at S\$69.8 million respectively if not for the change in proportion of REIT Manager's fee paid/payable in the form of Stapled Securities from 90% to 60%.

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1(b) Balance Sheets
1(b)(i) Balance Sheets as at 31 December 2024

	Note	As at 31 December 2024			As at 31 December 2023		
		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
Non-current assets							
Investment properties	(a)	2,515,500	2,515,500	-	2,509,550	2,509,550	-
Joint venture	(b)	-	-	-	-	-	-
Derivative financial assets	(c)	3,169	3,169	-	951	951	-
Total non-current assets		2,518,669	2,518,669	-	2,510,501	2,510,501	-
Current assets							
Cash and cash equivalents	(d)	19,661	19,661	-	63,093	63,093	-
Prepayments		103	103	-	85	85	-
Trade and other receivables	(e)	47,943	47,943	30	47,500	47,500	30
Derivative financial assets	(c)	145	145	-	1,276	1,276	-
Total current assets		67,852	67,852	30	111,954	111,954	30
Total assets		2,586,521	2,586,521	30	2,622,455	2,622,455	30
Current liabilities							
Trade and other liabilities		3,734	3,725	39	3,348	3,340	38
Accruals		3,902	3,901	1	4,101	4,100	1
Derivative financial liabilities	(c)	371	371	-	-	-	-
Rental deposits		1,637	1,637	-	1,534	1,534	-
Deferred income		90	90	-	90	90	-
Income tax payable		268	268	-	278	278	-
Total current liabilities		10,002	9,992	40	9,351	9,342	39
Non-current liabilities							
Borrowings	(f)	716,487	716,487	-	736,752	736,752	-
Derivative financial liabilities	(c)	593	593	-	2,231	2,231	-
Rental deposits		7,036	7,036	-	6,721	6,721	-
Deferred income		600	600	-	690	690	-
Total non-current liabilities		724,716	724,716	-	746,394	746,394	-
Total liabilities		734,718	734,708	40	755,745	755,736	39
Net assets		1,851,803	1,851,813	(10)	1,866,710	1,866,719	(9)
Represented by:							
Unitholders' funds							
Unitholders' funds of Far East H-REIT		1,851,813	1,851,813	-	1,866,719	1,866,719	-
Unitholders' funds of Far East H-BT		(10)	-	(10)	(9)	-	(9)
		1,851,803	1,851,813	(10)	1,866,710	1,866,719	(9)

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Notes:

- (a) The increase in investment properties was mainly attributable to the Earn-Out Amount for Oasia Hotel Downtown (“OHD”) of S\$15.0 million, capital expenditure capitalised for Village Hotel Albert Court, Vibe Hotel Singapore Orchard, Village Residences Robertson Quay, Orchard Rendezvous Hotel, and Rendezvous Hotel Singapore, and partially offset by the fair value change in investment properties of S\$12.4 million.

As the Earn-out Event Condition whereby the net property income of OHD is at least S\$9.9 million per annum for two full consecutive years has been met, the Earn-out Amount will be payable in the form of Stapled Securities. The acquisition of OHD was completed in April 2018 with initial purchase price of S\$210.0 million with a potential Earn-out Amount of S\$15.0 million. As at 31 December 2024, the independent valuation was S\$278.0 million carried out by Savills Valuation And Professional Services (S) Pte. Ltd.

Please refer to the details in Note 1(e)(3) *Investment properties*.

- (b) This relates to the 30% joint venture interest in FIPL, for which the share of losses exceeded the carrying value of investment as at 31 December 2024.
- (c) This relates to the fair value of interest rate swap and CCS contracts entered to hedge against interest rate risk and foreign exchange exposure of Far East H-REIT.
- (d) Cash and cash equivalents comprise cash at bank of S\$3.2 million and fixed deposits of S\$16.5 million. The decrease in cash and cash equivalents is mainly due to the prepayment of term loan of S\$23.6 million and payment of distributions.
- (e) This includes a shareholders’ loan and accrued interest due from FIPL of S\$38.0 million. The amount is used to finance the development of Village Hotel Sentosa, The Outpost Hotel Sentosa and The Barracks Hotel Sentosa which commenced hotel operations in 2019.
- (f) The total gross borrowings as at 31 December 2024 of S\$718.1 million was S\$20.5 million lower compared to balances as at 31 December 2023 due to prepayment of term loan of S\$23.6 million in June 2024, and partially offset by unrealised foreign exchange loss on the US dollar denominated term loan.

On 23 December 2024, two new facilities were drawn down to early refinance S\$107.2 million and S\$50.0 million term loans which were due to mature on 2 April 2025 and 12 November 2025 respectively.

As at 31 December 2024, Far East H-REIT has undrawn and uncommitted revolving credit facilities (“RCF”) of S\$275.0 million with 3 banks to fulfill its liabilities as and when they fall due.

Please refer to the details of aggregate amount of borrowings as disclosed in Note 1(e)(4) *Borrowings*.

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1(c) Cash Flow Statements

		Far East H-REIT			
Note	2H 2024	2H 2023	FY 2024	FY 2023	
	S\$'000	S\$'000	S\$'000	S\$'000	
Cash flows from operating activities					
Total return before income tax	16,392	86,732	46,969	130,588	
Adjustments for:					
Interest and other income	(1,078)	(2,014)	(2,922)	(3,893)	
Finance expenses	15,155	13,085	30,352	25,169	
Unrealised foreign exchange loss/(gain)	413	(2,643)	3,120	(726)	
Fair value change in derivative financial instruments	718	7,845	(2,355)	13,003	
Fair value change in investment properties	12,421	(59,244)	12,421	(59,244)	
Gain on disposal of investment property	-	-	-	(17,912)	
REIT Manager's fees issued/issuable in Stapled Securities	3,191	4,899	6,357	9,451	
Impairment losses on trade receivables	83	140	123	40	
Operating profit before working capital changes	47,295	48,800	94,065	96,476	
Changes in working capital					
Trade and other receivables	338	1,466	(1,329)	(828)	
Trade and other liabilities	147	752	857	1,467	
Rental deposits	179	276	316	288	
Income tax paid	-	-	(278)	(146)	
Cash flows generated from operating activities	47,959	51,294	93,631	97,257	
Cash flows from investing activities					
Capital expenditure on investment properties	(2,023)	(1,545)	(3,454)	(4,382)	
Net proceeds from divestment of investment property	-	-	-	17,912	
Interest received from joint venture company	-	-	1,638	-	
Interest received	218	1,507	1,467	2,054	
Cash flows (used in) / generated from investing activities	(1,805)	(38)	(349)	15,584	
Cash flows from financing activities					
Proceeds from borrowings	159,430	125,000	159,430	225,000	
Finance costs paid	(15,527)	(14,014)	(30,150)	(26,678)	
Repayment of borrowings	(159,430)	(125,000)	(183,030)	(225,000)	
Distribution to Stapled Securityholders	(39,454)	(38,401)	(82,964)	(72,844)	
Cash flows used in financing activities	(54,981)	(52,415)	(136,714)	(99,522)	
Net (decrease) / increase in cash and cash equivalents	(8,827)	(1,159)	(43,432)	13,319	
Cash and cash equivalents at beginning of the period	28,488	64,252	63,093	49,774	
Cash and cash equivalents at end of the period	19,661	63,093	19,661	63,093	

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	Note	Far East H-Trust			
		2H 2024	2H 2023	FY 2024	FY 2023
		S\$'000	S\$'000	S\$'000	S\$'000
Cash flows from operating activities					
Total return before income tax		16,392	86,731	46,968	130,586
Adjustments for:					
Interest and other income		(1,078)	(2,014)	(2,922)	(3,893)
Finance expenses		15,155	13,085	30,352	25,169
Unrealised foreign exchange loss/(gain)		413	(2,643)	3,120	(726)
Fair value change in derivative financial instruments		718	7,845	(2,355)	13,003
Fair value change in investment properties		12,421	(59,244)	12,421	(59,244)
Gain on disposal of investment property		-	-	-	(17,912)
REIT Manager's fees issued/issuable in Stapled Securities		3,191	4,899	6,357	9,451
Impairment losses on trade receivables		83	140	123	40
Operating profit before working capital changes		47,295	48,799	94,064	96,474
Changes in working capital					
Trade and other receivables		338	1,466	(1,329)	(828)
Trade and other liabilities		147	753	858	1,469
Rental deposits		179	276	316	288
Income tax paid		-	-	(278)	(146)
Cash flows generated from operating activities		47,959	51,294	93,631	97,257
Cash flows from investing activities					
Capital expenditure on investment properties	(a)	(2,023)	(1,545)	(3,454)	(4,382)
Interest received from joint venture company		-	-	1,638	-
Net proceeds from divestment of investment property		-	-	-	17,912
Interest received		218	1,507	1,467	2,054
Cash flows (used in) / generated from investing activities		(1,805)	(38)	(349)	15,584
Cash flows from financing activities					
Proceeds from borrowings		159,430	125,000	159,430	225,000
Finance costs paid		(15,527)	(14,014)	(30,150)	(26,678)
Repayment of borrowings	(b)	(159,430)	(125,000)	(183,030)	(225,000)
Distribution to Stapled Securityholders	(c)	(39,454)	(38,401)	(82,964)	(72,844)
Cash flows used in financing activities		(54,981)	(52,415)	(136,714)	(99,522)
Net (decrease) / increase in cash and cash equivalents		(8,827)	(1,159)	(43,432)	13,319
Cash and cash equivalents at beginning of the period		28,488	64,252	63,093	49,774
Cash and cash equivalents at end of the period		19,661	63,093	19,661	63,093

Notes:

- (a) Capital expenditure incurred mainly relates to asset enhancement work carried out at some of the properties namely Village Hotel Albert Court, Vibe Hotel Singapore Orchard, Village Residences Robertson Quay, Orchard Rendezvous Hotel, and Rendezvous Hotel Singapore.

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- (b) The term loans of S\$82.2 million and S\$75.0 million were drawn down in December 2024 to refinance term loans of S\$107.2 million and S\$50.0 million due on 2 April 2025 and 12 November 2025 respectively. The repayment of borrowings in June 2024 pertains to partial prepayment of term loan of S\$23.6 million.
- (c) The distribution to Stapled Securityholders in 2H 2024 relates to the cash distribution for the financial period from 1 January 2024 to 30 June 2024, which was paid on 5 September 2024. In the corresponding period, the distribution to Stapled Securityholders in 2H 2023 relates to the cash distribution for the financial period from 1 January 2023 to 30 June 2022, which was paid on 5 September 2023.

1(d) Statements of Movement in Stapled Securityholders' Funds
1(d)(i) Statements of Changes in Stapled Securityholders' Funds for the period from 1 July 2024 to 31 December 2024

	Stapled Securityholders' Funds						
	Far East H-REIT			Far East H-BT			Far East H-Trust
	Units in issue S\$'000	Accumulated profit S\$'000	Total S\$'000	Units in issue S\$'000	Accumulated (loss) S\$'000	Total S\$'000	Total S\$'000
Balance at 1 July 2024	1,792,408	64,406	1,856,814	28	(38)	(10)	1,856,804
Operations							
Increase in net assets resulting from operations	-	16,262	16,262	-	-	-	16,262
	-	16,262	16,262	-	-	-	16,262
Unitholders' transactions							
Issuance of Stapled Securities:							
- REIT Manager's fees ^(a)	3,191	-	3,191	-	-	-	3,191
- Earn-out Amount for acquisition of investment property	15,000	-	15,000				15,000
Distribution to Stapled Securityholders ^(b)	-	(39,454)	(39,454)	-	-	-	(39,454)
Net increase/(decrease) in net assets resulting from unitholders' transactions	18,191	(39,454)	(21,263)	-	-	-	(21,263)
Balance at 31 December 2024	1,810,599	41,214	1,851,813	28	(38)	(10)	1,851,803

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 2024 to 31 December 2024. 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 2024 will be issued in April 2025.
- (b) Distribution to Stapled Securityholders relates distribution paid in respect of financial period from 1 January 2024 to 30 June 2024.

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**1(d)(i) Statements of Changes in Stapled Securityholders' Funds
for the period from 1 July 2023 to 31 December 2023**

	Stapled Securityholders' Funds						
	Far East H-REIT			Far East H-BT			Far East H-Trust
	Units in issue S\$'000	Accumulated profit S\$'000	Total S\$'000	Units in issue S\$'000	Accumulated (loss) S\$'000	Total S\$'000	Total S\$'000
Balance at 1 July 2023	1,784,343	29,288	1,813,631	28	(36)	(8)	1,813,623
Operations							
Increase in net assets resulting from operations	-	86,590	86,590	-	(1)	(1)	86,590
	-	86,590	86,590	-	(1)	(1)	86,590
Unitholders' transactions							
Issuance of Stapled Securities:							
- REIT Manager's fees ^(a)	4,899	-	4,899	-	-	-	4,899
Distribution to Stapled Securityholders ^(b)	-	(38,401)	(38,401)	-	-	-	(38,401)
Net increase/(decrease) in net assets resulting from unitholders' transactions	4,899	(38,401)	(33,502)	-	-	-	(33,502)
Balance at 31 December 2023	1,789,242	77,477	1,866,719	28	(37)	(9)	1,866,710

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 2023 to 31 December 2023. 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 2023 were issued on 25 April 2024.
- (b) Distribution to Stapled Securityholders relates distribution paid in respect of financial period from 1 January 2023 to 30 June 2023.

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**1(d)(ii) Statements of Changes in Stapled Securityholders' Funds
for the period from 1 January 2024 to 31 December 2024**

	Stapled Securityholders' Funds						
	Far East H-REIT			Far East H-BT			Far East H-Trust
	Units in issue S\$'000	Accumulated profit S\$'000	Total S\$'000	Units in issue S\$'000	Accumulated loss S\$'000	Total S\$'000	Total S\$'000
Balance at 1 January 2024	1,789,242	77,477	1,866,719	28	(37)	(9)	1,866,710
Operations							
Increase/(Decrease) in net assets resulting from operations	-	46,701	46,701	-	(1)	(1)	46,700
	-	46,701	46,701	-	(1)	(1)	46,700
Unitholders' transactions							
Issuance of Stapled Securities:							
- REIT Manager's fees ^(a)	6,357	-	6,357	-	-	-	6,357
- Earn-out Amount for acquisition of investment property	15,000	-	15,000	-	-	-	15,000
Distribution to Stapled Securityholders ^(b)	-	(82,964)	(82,964)	-	-	-	(82,964)
Net increase/(decrease) in net assets resulting from unitholders' transactions	21,357	(82,964)	(61,607)	-	-	-	(61,607)
Balance at 31 December 2024	1,810,599	41,214	1,851,813	28	(38)	(10)	1,851,803

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 2024 to 31 December 2024. 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 2024 will be issued in April 2025.
- (b) Distribution to Stapled Securityholders relates to distribution paid in respect of the financial period from 1 July 2023 to 30 June 2024.

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**1(d)(ii) Statements of Changes in Stapled Securityholders' Funds
for the period from 1 January 2023 to 31 December 2023**

	Stapled Securityholders' Funds						
	Far East H-REIT			Far East H-BT			Far East H-Trust
	Units in issue S\$'000	Accumulated (loss)/profit S\$'000	Total S\$'000	Units in issue S\$'000	Accumulated loss S\$'000	Total S\$'000	Total S\$'000
Balance at 1 January 2023	1,779,791	20,011	1,799,802	28	(35)	(7)	1,799,795
Operations							
Increase/(Decrease) in net assets resulting from operations	-	130,310	130,310	-	(2)	(2)	130,308
	-	130,310	130,310	-	(2)	(2)	130,308
Unitholders' transactions							
Issuance of Stapled Securities:							
- REIT Manager's fees ^(a)	9,451	-	9,451	-	-	-	9,451
Distribution to Stapled Securityholders ^(b)	-	(72,844)	(72,844)	-	-	-	(72,844)
Net increase/(decrease) in net assets resulting from unitholders' transactions	9,451	(72,844)	(63,393)	-	-	-	(63,393)
Balance at 31 December 2023	1,789,242	77,477	1,866,719	28	(37)	(9)	1,866,710

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 2023 to 31 December 2023. 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 2023 were issued on 25 April 2024.
- (b) Distribution to Stapled Securityholders relates to distribution paid in respect of the financial period from 1 July 2022 to 30 June 2023.

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1(e) Notes to the interim financial information**1. Corporate information**

Far East Hospitality Trust (“Far East H-Trust” or “Stapled Group”) is a 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 is a Singapore-domiciled real estate investment trust constituted in Singapore pursuant to the trust deed dated 1 August 2012, the first supplemental deed dated 19 October 2012, the second supplemental deed dated 18 April 2016, the third supplemental deed dated 17 April 2019, the fourth supplemental deed dated 23 March 2020 and the fifth supplemental deed dated 29 April 2020 (collectively, the “Far East H-REIT Trust Deed”) between FEO Hospitality Asset Management Pte. Ltd. (the “REIT Manager”) and DBS Trustee Limited (the “REIT Trustee”). The REIT Trustee is under a duty to take into custody and hold the assets of Far East H-REIT in trust for the unitholders of Far East H-REIT.

Far East H-BT is a Singapore-domiciled business trust constituted in Singapore by a trust deed dated 1 August 2012 and the first supplemental deed dated 17 April 2019 (“Far East H-BT Trust Deed”) and is managed by FEO Hospitality Trust Management Pte. Ltd. (the “Trustee-Manager”).

The registered office of the REIT Manager and the Trustee-Manager (collectively, the “Managers”) is located at 1 Tanglin Road, #05-01 Orchard Rendezvous Hotel, Singapore 247905.

The securities in each of Far East H-REIT and Far East H-BT are stapled together under the terms of a stapling deed dated 1 August 2012 and the first supplemental deed dated 17 April 2019 entered into between the REIT Manager, the REIT Trustee and the Trustee-Manager (the “Stapling Deed”) and cannot be traded separately. Each stapled security in Far East Hospitality Trust (the “Stapled Security”) comprises a unit in Far East H-REIT and a unit in Far East H-BT.

Far East H-Trust was formally admitted to the Official List of Singapore Exchange Securities Trading Limited (“SGX-ST”) on 27 August 2012.

The principal activity of Far East H-REIT is to invest in income producing real estate in Singapore, used primarily for hospitality and/or hospitality related purposes, with the primary objective of achieving an attractive level of return from rental income and for long-term capital growth.

As at the reporting date, Far East H-BT is inactive.

2. Basis of preparation

The interim financial information of Far East H-REIT and the Stapled Group for the six months ended 31 December 2024 has been prepared in accordance with the recommendations of Statement of Recommended Accounting Practice (“RAP”) 7 *Reporting Framework for Unit Trusts* issued by the Institute of Singapore Chartered Accountants, the applicable requirements of the Code on Collective Investment Schemes (the “CIS Code”) issued by the Monetary Authority of Singapore (“MAS”) and the provisions of the Far East H-REIT Trust Deed and the Stapling Deed. RAP 7 requires the accounting policies to generally comply with the principles relating to recognition and measurement under the Financial Reporting Standards in Singapore (“FRS”).

The interim financial information does not include all the information required for a complete set of financial statements. However, selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the Far East H-REIT and the Stapled Group’s financial position and performance of Far East H-REIT and the Stapled Group since the last interim financial statements for the period ended 30 June 2024. The accounting policies and methods of computation adopted in the interim financial information for the current reporting period are consistent with those applied in the audited financial statements for the year ended 31 December 2023 except for the adoption of new and amended standards as set out in Note 2.1.

Unaudited Financial Statements Announcement for the half year and full year ended 31 December 2024

The financial information is presented in Singapore dollars, which is the functional currency of Far East H-REIT and rounded to the nearest thousand (S\$'000), unless otherwise stated. The financial information has been prepared on the historical cost basis except for investment properties and financial derivative instruments which are stated at fair value.

2.1 ***New and amended standards adopted by Far East H-REIT and the Stapled Group***

A number of amendments to Standards have become applicable for the current reporting period. Far East H-REIT and the Stapled Group did not have to change its accounting policies or make retrospective adjustments as a result of adopting those standards.

2.2 ***Use of judgements and estimates***

In preparing the interim financial information, the REIT Manager has made judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates.

The significant judgements made by the REIT Manager in applying the Far East H-REIT and the Stapled Group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the consolidated financial statements as at and for the year ended 31 December 2023.

Estimates and underlying assumptions are reviewed on an ongoing basis. Financial impact arising from revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

In particular, information about significant areas of estimation, uncertainty and critical judgements in applying accounting policies that have the most significant effect on the amount recognised in the financial statements is described in Note 3 – *Investment properties*.

Far East H-REIT assesses at the end of each reporting period whether there is any indication that the interest in joint venture may be impaired. Determining whether there are indicators of impairment require judgements. In assessing whether the interest may be impaired, the REIT Manager reviews the joint venture's financial information, having regards to the financial performance and the fair value of the hotels held by the joint venture.

3. **Investment properties**

	As at 31 December 2024		As at 31 December 2023	
	Far East H-Trust	Far East H-REIT	Far East H-Trust	Far East H-REIT
	S\$'000	S\$'000	S\$'000	S\$'000
At 1 January	2,509,550	2,509,550	2,446,750	2,446,750
Capital expenditure capitalised	3,371	3,371	3,556	3,556
Earn-out Amount for acquisition of investment property	15,000	15,000	-	-
Fair value change recognised in statement of total return	(12,421)	(12,421)	59,244	59,244
At 31 December	2,515,500	2,515,500	2,509,550	2,509,550

Investment properties are stated at fair value based on valuations performed by independent professional valuers. The key assumptions used to determine the fair value of investment properties include market-corroborated capitalisation yields, discount rates, revenue per available room/unit, price per room and price per square foot. The ongoing geo-political headwinds and macro-economic uncertainty may have impact on the Singapore economy and the property market. The valuers have recommended to monitor the situation closely. The REIT Manager is of the view that the valuation methods and estimates are reflective of the market conditions as at 31 December 2024.

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The independent valuations of the investment properties were undertaken by Savills Valuation And Professional Services (S) Pte Ltd based on the income capitalisation approach, discounted cash flow analysis and direct comparison approach for the hotels; and CBRE Pte. Ltd. based on the income capitalisation approach and discounted cash flow analysis for the serviced residences (direct comparison approach was also used for the retail commercial premises). The REIT Manager believes that these independent valuers possess appropriate professional qualifications and recent experience in the location and category of the investment properties being valued.

The fair value of the investment properties is categorised as Level 3 of the fair value measurement hierarchy and is determined by key assumptions which include market-corroborated capitalisation yields, discount rates, revenue per available room/unit, price per room and price per square foot. A significant increase or decrease in the discount rate and/or capitalisation rate would result in a significantly lower or higher fair value measurement. The higher the comparable sales price, the higher the fair value.

Information about significant unobservable inputs used in Level 3 fair value measurement

Description	Fair value at		Valuation Techniques	Unobservable inputs	Range
	31	December 2024			
		S\$'000			
Investment properties					
- Hotels, retail and office	2,157,700		Discounted cash flow	Discount rate	6.50%
				Revenue per available room	S\$112 - S\$266
			Income capitalisation method	Capitalisation rate	4.00% - 5.25%
			Direct comparison method (hotel)	Price per room	S\$0.54 million - S\$1.34 million
			Direct comparison method (retail and office)	Price per square foot	S\$1,465 - S\$4,562
- Serviced residences, retail and office	357,800		Discounted cash flow	Discount rate	5.50% - 6.50%
				Revenue per available unit	S\$206 - S\$336
			Income capitalisation method	Capitalisation rate	3.50% - 4.85%
			Direct comparison method (retail)	Price per square foot	S\$\$1,594 - S\$3,960
		<u>2,515,500</u>			

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Description	Fair value at 31 December 2023 S\$'000	Valuation Techniques	Unobservable inputs	Range
Investment properties				
- <i>Hotels, retail and office</i>	2,161,700	Discounted cash flow	Discount rate Revenue per available room	6.50% S\$114 - S\$259
		Income capitalisation method	Capitalisation rate	4.00% - 5.25%
		Direct comparison method (hotel)	Price per room	\$0.81 million - \$1.11 million
		Direct comparison method (retail and office)	Price per square foot	S\$1,397 - S\$5,231
- <i>Serviced residences, retail and office</i>	347,850	Discounted cash flow	Discount rate Revenue per available unit	5.50%-6.50% S\$198 - S\$323
		Income capitalisation method	Capitalisation rate	3.50% - 4.85%
		Direct comparison method (retail)	Price per square foot	S\$1,456 – S\$2,903
	<u>2,509,550</u>			

4. Borrowings

As at 31 December 2024		As at 31 December 2023	
Far East H-Trust S\$'000	Far East H-REIT S\$'000	Far East H-Trust S\$'000	Far East H-REIT S\$'000

Unsecured

Amounts repayable in one year or less, or on demand

Amounts repayable after one year

-	-	-	-
716,487	716,487	736,752	736,752
<u>716,487</u>	<u>716,487</u>	<u>736,752</u>	<u>736,752</u>

Details of borrowings and collateral:

The total facilities of Far East H-REIT as at 31 December 2024 are as follows:

- Unsecured term loan facilities of S\$718.1 million; and
- S\$275.0 million of uncommitted RCF.

On 19 December 2024, DBS Trustee Limited in its capacity of Far East H-REIT entered into S\$82.2 million and S\$75.0 million sustainability-linked facility agreements for a tenor of 5 and 4 years respectively with its existing lenders to refinance the term loans of S\$107.2 million and S\$50.0 million well ahead of their maturity on 2 April 2025 and 12 November 2025 respectively.

The weighted average cost of debt was approximately 4.1% per annum. The weighted average debt-to-maturity was 3.7 years. Gearing as of 31 December 2024 was 30.8% (31 December 2023: 31.3%). Interest coverage ratio¹ as at 31 December 2024 was 3.0x (31 December 2023: 3.5x).

¹ Interest coverage ratio is computed based on earnings before interest, tax, depreciation and amortisation ("EBITDA") over interest expense as per the definition in the loan covenants. This would be 2.9x (31 December 2023: 3.5x) based on the definition prescribed by Appendix 6 of the Code on Collective Investment Schemes.

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5. Stapled Securities/ Units in issue

A Stapled Security means a security comprising one unit of Far East H-REIT and one unit of Far East H-BT stapled together under the terms of the Stapling Deed.

Details of Changes in Stapled Securities

	Far East H-Trust			
	2H 2024	2H 2023	FY 2024	FY 2023
	No. of	No. of	No. of	No. of
	Stapled	Stapled	Stapled	Stapled
	Securities	Securities	Securities	Securities
	'000	'000	'000	'000
Stapled Securities in issue at beginning of period	2,011,218	1,997,378	2,002,633	1,988,382
Issuance of Stapled Securities:				
- REIT Manager's fees	3,452	5,255	12,037	14,251
Stapled Securities in issue	2,014,670	2,002,633	2,014,670	2,002,633
Stapled Securities to be issued:				
- REIT Manager's fees – Base fees	1,806	2,438	1,806	2,438
- REIT Manager's fees – Performance fees (a)	3,292	4,393	3,292	4,393
- Earn-out Amount for acquisition of investment property (b)	24,863	-	24,863	-
Stapled Securities in issue and to be issued at end of period	2,044,631	2,009,464	2,044,631	2,009,464

Footnotes:

- (a) Stapled Securities to be issued to the REIT Manager as partial satisfaction of REIT Manager's performance fee for the period from 1 January 2024 to 31 December 2024 are not entitled to 2H 2024 distribution.
- (b) Stapled Securities to be issued to Far East SOHO Pte. Ltd. or its nominee as satisfaction of the Earn-out Event Condition (whereby the net property income of Oasia Hotel Downtown is at least S\$9.9 million per annum for two full consecutive years) are not entitled to 2H 2024 distribution.

Unaudited Financial Statements Announcement for the half year and full year ended 31 December 2024
6. Earnings per Stapled Security (“EPS”) and Distribution per Stapled Security (“DPS”)

	Far East H-Trust			
	2H 2024	2H 2023	FY 2024	FY 2023
Weighted average number of Stapled Securities ('000)	2,013,308	2,000,620	2,010,144	1,996,773
Basic EPS (cents)	0.81	4.33	2.32	6.53
Weighted average number of Stapled Securities ('000) ⁽¹⁾	2,043,269	2,007,450	2,040,105	2,003,603
Diluted EPS (cents)	0.80	4.31	2.29	6.50
Number of Stapled Securities in issue at end of period ('000)	2,014,670	2,002,633	2,014,670	2,002,633
Number of Stapled Securities to be issued before Books Closure Date ('000)	1,806	2,438	1,806	2,438
Total number of Stapled Securities entitled to distribution ('000)	2,016,476	2,005,071	2,016,476	2,005,071
DPS (cents) ⁽²⁾	2.08	2.17	4.04	4.09

⁽¹⁾ 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 and to Far East SOHO Pte. Ltd. or its nominee for Earn-Out Amount in relation to the acquisition of Oasia Hotel Downtown.

⁽²⁾ 2H 2023 DPS includes the release of S\$2.3 million of taxable income available for distribution to Stapled Securityholders that was not distributed in 1H 2023.

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

	Far East H-Trust	
	31 December 2024	31 December 2023
Stapled Securities in issue and to be issued at end of period ('000)	2,044,631	2,009,464
NAV / NTA per Stapled Security (cents)	90.57	92.90

8. Financial ratios

	2H 2024 / FY 2024		2H 2023 / FY 2023	
	Far East H-Trust	Far East H-REIT	Far East H-Trust	Far East H-REIT
	%	%	%	%
Expense ratio ⁽¹⁾				
- Including performance component of the REIT Manager's management fees	0.63	0.63	0.65	0.65
- Excluding performance component of the REIT Manager's management fees	0.46	0.46	0.47	0.47
Turnover ratio ⁽²⁾	-	-	-	-

Unaudited Financial Statements Announcement for the half year and full year ended 31 December 2024

- (1) The expense ratios are computed in accordance with the guidelines of the Investment Management Association of Singapore. The expenses used in the computation relate to expenses of Far East H-REIT and the Stapled Group, excluding property expenses, interest expense and income tax expense of each entity, where applicable.
- (2) The turnover ratio is computed based on the lesser of purchases or sales of underlying investment properties of Far East H-REIT and the Stapled Group expressed as a percentage of daily average net asset value.

9. Subsequent events

On 27 January 2025, Far East H-Trust issued 1,806,000 new Stapled Securities at a price of S\$0.6033 per Stapled Security in payment of 60% of the REIT Manager's fees (base fees) for the period from 1 October 2024 to 31 December 2024.

On 12 February 2025, the REIT Manager declared a distribution of S\$41,943,000 or 2.08 Singapore cents per Stapled Security to Stapled Securityholders in respect of the period from 1 July 2024 to 31 December 2024.

Other information required by Listing Rule Appendix 7.2**2 Whether the figures have been audited or reviewed and in accordance with which standard (e.g. the Singapore Standard on Auditing 910 (Engagement to Review Financial Statements), or an equivalent standard)**

The interim financial information of the Far East H-REIT and the Far East H-Trust have neither been audited or 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.

Please refer to 1(e)(2) *Basis of preparation* for details.

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.

Please refer to 1(e)(2) *Basis of preparation* for details.

6 Earnings per Stapled Security and Distribution per Stapled Security

Please refer to Note 1(e)(6) *Earnings per Stapled Security and Distribution per Stapled Security* for details.

7 Net Asset Value / Net Tangible Asset per Stapled Security

Please refer to Note 1(e)(7) *Net Asset Value / Net Tangible Asset per Stapled Security* for details.

Unaudited Financial Statements Announcement for the half year and full year ended 31 December 2024
8 A review of the performance for the half year and full year ended 31 December 2024
8(a) Statement of net income and distribution of Far East Hospitality Trust

	2H 2024	2H 2023	Better / (Worse)	FY 2024	FY 2023	Better / (Worse)
	S\$'000	S\$'000	%	S\$'000	S\$'000	%
Gross revenue	54,898	54,767	0.2	108,706	106,805	1.8
Net property income	49,871	49,771	0.2	99,337	98,741	0.6
<i>Net property income margin</i>	<i>90.8%</i>	<i>90.9%</i>	<i>(0.1pp)</i>	<i>91.4%</i>	<i>92.4%</i>	<i>(1.0pp)</i>
Income available for distribution ⁽¹⁾	32,697	39,996	(18.2)	66,587	75,060	(11.3)
Distribution to Stapled Securityholders	41,943	43,510	(3.6)	81,397	81,911	(0.6)
DPS (cents)	2.08	2.17	(4.1)	4.04	4.09	(1.2)

⁽¹⁾ Income available for distribution for 2H 2024 and FY 2024 would have been 4.9% higher at S\$34.3 million and 4.8% higher at S\$69.8 million respectively if not for the change in the proportion of the REIT Manager's fee paid/payable in the form of Stapled Securities, which was reduced from 90% to 60%.

8(b) Review of the performance of half year ended 31 December 2024
2H 2024 vs 2H 2023

Gross revenue for 2H 2024 grew 0.2% year-on-year ("YoY") to S\$54.9 million. This increase was recorded despite the absence of non-recurring revenue from hotels contracted for isolation purposes since the third quarter of the prior year. Excluding the effect of this one-off revenue, the Hotels segment would have posted an increase, and gross revenue would have risen by 4.1%.

The Hotels segment recorded a 5.2% increase in the average daily rate ("ADR") to S\$180 as the hotels were able to achieve higher rate increases in tandem with the market after the last of the hotels exited the government contracts by end 2023. Average occupancy was marginally lower by 0.2 percentage points ("pp") to 81.5%, reflecting the transition from government contracts with full occupancy to market-driven performance. Overall, revenue per available room ("RevPAR") increased by 5.0% to S\$147.

For the Serviced Residences ("SRs") segment, ADR rose by 3.2% to S\$276, reflecting positive pricing trends from the market. However, average occupancy eased to 83.2%, due primarily to lift upgrading works at one of the apartment blocks at Village Residence Robertson Quay which affected accessibility temporarily during the fourth quarter. Consequently, revenue per available unit ("RevPAU") decreased by 1.6% to S\$230.

A snapshot of the performance of the Hotel and SR segments for 2H 2024 is set out below.

	2H 2024		2H 2023		Better / (Worse)	
	Hotels	SRs	Hotels	SRs	Hotels	SRs
Average Occupancy (%)	81.5	83.2	81.7	87.4	(0.2 pp)	(4.2 pp)
Average Daily Rate (S\$)	180	276	171	267	5.2%	3.2%
RevPAR / RevPAU (S\$)	147	230	140	234	5.0%	(1.6%)

The retail and office spaces in the portfolio performed well, with revenue growing 7.4% YoY to S\$8.7 million. Higher rental rates and improved occupancies were achieved in the retail spaces. The retail segment saw stronger performance, supported by better leasing activities and demand, while office spaces maintained high occupancy levels overall, underpinned by steady lease renewals.

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Net property income for 2H 2024 grew to S\$49.9 million, improving from the same period in 2023. Finance expenses increased at a slower pace of S\$2.1 million YoY in 2H 2024, compared to a S\$3.1 million YoY rise in 1H 2024, stabilising around S\$15.2 million in both periods.

Distribution to Stapled Securityholders for 2H 2024 decreased by 3.6% to S\$41.9 million mainly due to higher finance expenses and a change in the proportion of the REIT Manager's fee paid or payable in the form of Stapled Securities, which was offset substantially by the distribution of other gains from the divestment of Central Square of S\$9.9 million. This translates to a distribution per Stapled Security for 2H 2024 of 2.08 cents compared to 2.17 cents for the preceding period.

FY 2024 vs FY 2023

Gross revenue for FY 2024 increased 1.8% YoY to S\$108.7 million, primarily supported by higher revenue from the retail and office spaces as well as greater contributions from master lease rentals of the Hotels and SRs. Variable rents from the combined Hotel and SR portfolio rose 2.6% YoY, reflecting improved operating performance for both segments. This growth was achieved despite the absence of non-recurring revenue from hotels contracted for isolation purposes in the prior year. Excluding the effect of this one-off revenue, gross revenue would have risen by 6.2%.

During the year, the Hotels segment recorded a 0.9 pp improvement in average occupancy to 81.0%, with ADR increasing 4.5% to S\$178, reflecting the portfolio's steady recovery following the conclusion of government contracts in the prior year. The 30-day visa free waiver for Chinese travellers also contributed to a significant increase in visitors from China, further supporting hotel demand. This, along with major events and large-scale performances helped to bolster performance, particularly in first and third quarters of 2024. Overall, RevPAR increased 5.7% year-on-year to S\$144.

The SRs segment recorded a 4.0% increase in ADR to S\$271, supported by favourable pricing trends and a greater proportion of short-stay leisure bookings. Average occupancy remained healthy at 84.2%, comparable to the pre-pandemic level of 83.5% in 2019, keeping RevPAU stable at S\$228.

A snapshot of the performance of the Hotel and SR segments for FY 2024 is set out below.

	FY 2024		FY 2023		Better / (Worse)	
	Hotels	SRs	Hotels	SRs	Hotels	SRs
Average Occupancy (%)	81.0	84.2	80.1	87.8	0.9 pp	(3.6 pp)
Average Daily Rate (S\$)	178	271	170	260	4.5%	4.0%
RevPAR / RevPAU (S\$)	144	228	136	229	5.7%	(0.4%)

For the year, revenue from retail and office spaces amounted to S\$17.3 million, reflecting a 7.3% YoY increase driven by higher retail and office rental rates and improved retail occupancies. The retail segment experienced stronger performance, supported by improved leasing activity following the exit of properties from government contracts. The office spaces maintained high overall occupancies, underpinned by steady lease renewals.

Net property income for the year grew 0.6% YoY to S\$99.3 million as a result of higher revenue but partially offset by higher property tax expenses. Finance expenses increased 20.6% YoY to S\$30.4 million mainly due to higher interest rates on the floating rate loans earlier in the year.

Distribution to Stapled Securityholders for FY 2024 decreased 0.6% to S\$81.4 million as a result of higher finance expenses and a change in the proportion of the REIT Manager's fee paid or payable in the form of Stapled Securities, which was offset substantially by the distribution of other gains from the divestment of Central Square of S\$16.1 million. This translates to a distribution per Stapled Security for FY 2024 of 4.04 cents compared to 4.09 cents for the preceding period.

9 Variance between forecast and the actual results

No forecast has been disclosed.

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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.

Singapore's hospitality sector is expected to benefit from sustained travel demand, a healthy line up of global events, and expanding air connectivity in 2025. The Singapore Tourism Board ("STB")² projects visitor arrivals to reach between 17.0 and 18.5 million, building on the 16.5 million recorded in 2024. In addition, the International Air Transport Association ("IATA") forecasts³ global air travel to grow by 6.7% in 2025, surpassing five billion passengers for the first time. This optimism is reflected in traveller sentiment, with a Skyscanner survey⁴ indicating that 80% of the respondents plan to take the same number or more trips in 2025, with 70% maintaining or increasing spending on flights and 68% on accommodations. This highlights the resilience of travel demand, supporting the sector's sustained recovery.

Singapore's expanding tourism offerings will further enhance its attractiveness as a global travel destination. In 2025, several attractions will open, reinforcing Singapore's status as a premier hub for family and leisure travel. Rainforest Wild Asia, Singapore's fifth wildlife park and Asia's first adventure-based zoological park, is set to open in March 2025. Minion Land at Universal Studios Singapore, the first of its kind in Southeast Asia, will open in February 2025, while the expanded Singapore Oceanarium, three times larger than its predecessor, is scheduled for launch in the first half of the year. Towards the end of 2025, Disney Adventure, Walt Disney's first and largest Asia-based cruise ship will set sail from Singapore, further strengthening the country's position as a key tourism hub.

On a macroeconomic front, the International Monetary Fund⁵ projects global GDP growth of 3.3%, with China and ASEAN-5 (Indonesia, Malaysia, Philippines, Singapore, Thailand) expanding at 4.6% and 4.5%, respectively. However, challenges remain. Geopolitical tensions and economic uncertainties may weigh on consumer confidence while a strong Singapore dollar could impact affordability for some markets. Nonetheless, lower inflation and potential interest rate adjustments in the major markets could boost travel spending. Furthermore, the Trust has a diversified range of hotels which cater to a wide range of guests, including those from the price-sensitive mass market segment.

The REIT Manager remains positive about the future prospects of the REIT Sector and hospitality industry. The Singapore interest rate is expected to ease, which will lead to lower financing costs for Far East H-Trust. With the continued recovery in leisure and corporate travel, coupled with new attractions and policy-driven tourism initiatives, Singapore remains a premier destination for business, entertainment, cultural and culinary experiences.

11 DISTRIBUTIONS
Current financial period

Any distribution declared for the current period?	Yes
Distribution period	Distribution for the half year from 1 July 2024 to 31 December 2024
Distribution type	Taxable income Other gains

Distribution per stapled security

Distribution Type	Distribution Rate (cents)
Taxable income	1.59
Other gains	0.49
Total	2.08

² Singapore Achieves Historical High in Tourism Receipts in 2024 (Singapore Tourism Board), 4 February 2025

³ Strengthened profitability expected in 2025 even as supply chain issues persist (International Air Transport Association), 10 December 2024

⁴ 2025 Horizons Report (Skyscanner), 11 October 2024, with results from a survey of 19,000 respondents

⁵ World Economic Outlook Update (International Monetary Fund), 17 January 2025

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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%.

Other gains distribution

Other gains distribution is not taxable in the hands of all Stapled Securityholders.

Date paid/payable

20 March 2025

Books closure date

20 February 2025

Stapled Securityholders must complete and return Form A or Form B, as applicable

6 March 2025

Corresponding period of the preceding financial period
**Any distribution declared for the preceding period?
Distribution period**

Yes

Distribution for the half year from 1 July 2023 to 31 December 2023

Distribution type

Taxable income
Other gains

Distribution per stapled security

Distribution Type	Distribution Rate (cents)
Taxable income	1.96
Other gains	0.21
Total	2.17

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%.

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Other gains distribution

Other gains distribution is not taxable in the hands of all Stapled Securityholders.

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 as 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.

14 Segment revenue and results of operating segments
(a) Operating segments for the year ended 31 December 2024

	Hotels and serviced residences	Retail units, offices and others	Total
	S\$'000	S\$'000	S\$'000
Gross revenue	91,363	17,343	108,706
Segment net property income	85,882	13,455	99,337
REIT Manager's fees			(10,591)
Trustee's fees			(320)
Other trust expenses			(842)
Interest and other income			2,922
Finance expenses			(30,352)
Net income before tax and fair value changes			60,154
Unrealised foreign exchange loss			(3,120)
Fair value change in derivative financial instruments			2,355
Fair value change in investment properties	(13,992)	1,571	(12,421)
Total return for the year before income tax			46,968
Income tax expense			(268)
Total return for the year after income tax before distribution			46,700

(b) Operating segments for the year ended 31 December 2023

	Hotels and serviced residences	Retail units, offices and others	Total
	S\$'000	S\$'000	S\$'000
Gross revenue	90,649	16,156	106,805
Segment net property income	86,244	12,497	98,741
REIT Manager's fees			(10,501)
Trustee's fees			(317)
Other trust expenses			(940)

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Interest and other income			3,893
Finance expenses			(25,169)
Net income before tax and fair value changes			65,707
Unrealised foreign exchange gain			726
Fair value change in derivative financial instruments			(13,003)
Fair value change in investment properties	50,779	8,465	59,244
Gain on disposal of investment property			17,912
Total return for the year before income tax			130,586
Income tax expense			(278)
Total return for the year after income tax before distribution			130,308

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

	Far East H-Trust		
	FY 2024 S\$'000	FY 2023 S\$'000	Better / (Worse) %
Gross revenue reported for first half year	53,808	52,038	3.4
Net income for first half year	30,438	43,719	(30.4)
Gross revenue reported for second half year	54,898	54,767	0.2
Net income for second half year	16,262	86,589	(81.2)

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

In respect of the period	2024	2023
	S\$'000	S\$'000
1 July 2022 to 31 December 2022	–	34,443
1 January 2023 to 30 June 2023	–	38,401
1 July 2023 to 31 December 2023	43,510	–
1 January 2024 to 30 June 2024	39,454	–
	82,964	72,844

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.

Unaudited Financial Statements Announcement for the half year and full year ended 31 December 2024

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 and Executive Director
FEO Hospitality Asset Management Pte. Ltd.
(Company Registration No. 201102629K)
12 February 2025

By Order of the Board

Gerald Lee Hwee Keong
Chief Executive Officer and Executive Director
FEO Hospitality Trust Management Pte. Ltd.
(Company Registration No. 201210698W)
12 February 2025

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.