CHAT WITH GROUP CEO

We remain steadfast in our pursuit of growth and I look forward to building our pillars of growth together, creating long-term value to our stakeholders and advancing our shared goals.

Alan Tang
Executive Director and Group CEO

Q The theme of this year's annual report is 'Building Our Pillars of Growth'. What does this mean to you?

"Building Our Pillars of Growth" encapsulates our progress in 2024 and underscores our commitment to positioning FEOR for sustainable long-term growth. We remained focused on strengthening the two core pillars of our lodging platform—Hospitality and PBSA.

Throughout the year, we reinforced these pillars with strategic initiatives. In Hospitality, we continued to build operational scale and efficiency. In PBSA, the phased acquisition of HFS in April 2024 expanded our portfolio and strengthened our operational capabilities.

Beyond our core operating businesses, we took steps to position FEOR for future growth. The establishment of a private student accommodation fund in August 2024 opened new avenues for expansion, complementing our existing lodging platform. These initiatives reinforced and strengthened our two core pillars, preparing ourselves to scale up the lodging platform and ensuring that FEOR remains well-positioned for long-term value creation.

Q The Group delivered a resilient performance in FY2024. What drove these results?

In FY2024, the Group's revenue grew 4.5% from S$183.6 million to S$191.9 million. Our PBSA business was the key driver of revenue growth, increasing by 16.1%. The segment benefitted from strong demand and rental uplifts for the academic years commencing in September 2023 and 2024 ("AY23/24" and "AY24/25"), as well as the full-year contribution from a PBSA asset in Southampton, which we acquired in May 2023.

Meanwhile, our Hospitality business remained a significant revenue contributor, with revenue of S$126.5 million, a slight decline of 0.3% year-on-year. This was mainly due to the impact of a major multi-year refurbishment of our owned property Rendezvous Hotel Perth Scarborough ("RHPS") which started in October 2024, and softer performance from our leased and managed property, Orchard Rendezvous Hotel, Singapore ("ORH"), which was impacted by surrounding construction works.

On the profitability front, operating profit jumped 35.6% year-on-year from S$57.9 million to S$78.5 million, boosted by the strong operating performance of the PBSA business. PBSA business' operating profit increased from S$21.5 million

CHAT WITH GROUP CEO

to S$37.1 million, supported by rental growth, additional contributions from the Southampton PBSA asset, share of fair value gains recognised by a PBSA joint venture, and the share of profits from HFS, which we acquired a 49% stake in April 2024.

Our hospitality segment also delivered resilient results, with operating profit increasing by S$4.9 million to S$29.1 million, despite the results being affected by the refurbishment works at RHPS. Japan was a bright spot, with additional contributions from a leased hotel that opened in April 2023 and improved performance from our Japan managed properties. Our hospitality joint ventures also delivered strong results due to robust hospitality performance in Japan and Europe.

As part of our active asset management strategy, we divested RHPC, recognising a gain of S$5.9 million. This was in line with our efforts to optimise our portfolio and recycle capital efficiently.

All in all, profit after tax came in at S$61.3 million. This was slightly lower than last year's S$66.1 million, mainly due to lower fair value gains and unrealised currency translation losses from the weakening of Australian Dollar against Singapore Dollar. If we exclude fair value gains (net of tax), our profit after tax would have been S$35.5 million—almost double the adjusted S$18.3 million recorded in FY2023.

Our prudent capital management strategy supported the stability of our cash flow and balance sheet. Our total assets grew to S$2,641.5 million, mainly due to higher investment properties valuations and favourable currency translation effects of the Great Britain Pound on the investment properties. The slight decrease in liabilities reflects our efforts to optimise borrowings and manage financial risks, including securing refinancing for maturing loans.

Net Asset Value (NAV) per share rose 2.2% to S$2.84, demonstrating the strength of our portfolio, while our gearing ratio improved from 44.1% to 43.3%. With cash and bank balances of S$200.9 million, we are positioned to pursue future growth opportunities while maintaining financial resilience, even amidst macroeconomic uncertainties.

Overall, FY2024 reaffirmed the resilience of our lodging platform. The strong performance of our PBSA and Hospitality businesses, along with disciplined capital allocation, positions us well as we continue building our pillars of growth to scale our lodging platform.

Q FEOR is moving into the final phase of FEOR25. What were the key milestones achieved in 2024?

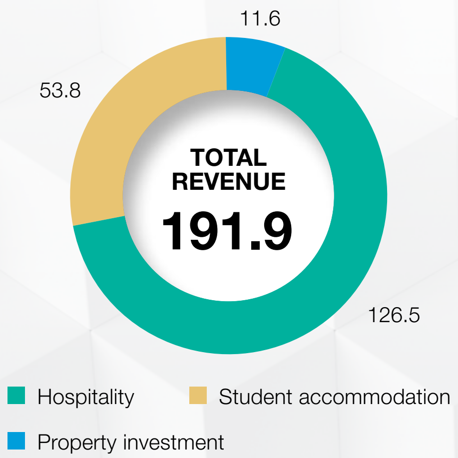
2024 has been a pivotal year for FEOR as we advanced into the final phase of FEOR25 strategy. Despite macroeconomic uncertainties, we remained focused on building our lodging platform and maintaining operational resilience. Both our Hospitality and PBSA businesses demonstrated resilience and growth in 2024.

Hospitality: Unlocking Opportunities

The global tourism recovery has been a strong tailwind for our hospitality business, and we have capitalised on this momentum by expanding our portfolio and enhancing our existing assets.

In 2024, we added over 1,000 rooms across Australia, New Zealand and Singapore. Among these, Far East Hospitality introduced Quincy House Singapore (255-room), a first

FY2024 REVENUE BY SEGMENT
(S$'Million)

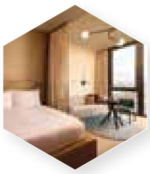


CHAT WITH GROUP CEO

serviced residence under the Quincy brand. Additionally, our joint venture, TFE Hotels, deepened its presence in New Zealand through a strategic partnership with Heritage Hotels, adding five properties with over 500 rooms across Auckland, Wellington, Christchurch, and Queenstown. These properties have since been rebranded under Adina and Rendezvous.

In Japan, we continued to expand through third-party management agreements. Since the opening of Far East Village Hotel Ariake ("FEVHA") in 2020, our Japan portfolio has grown to three properties with over 700 rooms. A key highlight was assuming full operational control of FEVHA from 1 July 2024, boosting our local operational capabilities and reinforcing our confidence in Japan's long-term growth potential. We see significant opportunities for further expansion, particularly in Osaka and Fukuoka.

OPERATIONAL UPDATES



8 APRIL 2024
273 rooms
Expanded the Vibe Hotels brand with the opening of Vibe Hotel Melbourne Docklands

26 SEPTEMBER 2024
TFE Hotels expands in New Zealand with 500+ rooms across five properties, rebranded under Adina and Rendezvous, through a strategic partnership with Heritage Hotels

1 OCTOBER 2024
255 rooms
Far East Hospitality debuts Quincy's first serviced residence, with the opening of Quincy House Singapore

13 FEBRUARY 2025
Opened The EVE Hotel Sydney, Redfern

As at 31 December 2024, our hospitality portfolio comprises over 100 properties with more than 17,500 rooms across 10 countries. In February 2025, we opened the EVE Hotel Sydney, operated by TFE Hotels. Looking ahead, we have a pipeline of over 500 new rooms across Australia and Austria.

Growth is not just about expansion. It is also about keeping our portfolio competitive. That is why we have taken a proactive approach to asset management, ensuring our properties remain relevant through refurbishments and enhancements aligned with market trends and each property's lifecycle. Targeted refurbishments are being carried out or will be carried out across key properties. The refurbishments are strategic investment that will enhance the properties' long-term value, though it would have some near-term impact.

PLANNED REFURBISHMENTS

AUSTRALIA
Rendezvous Hotel Perth Scarborough

No. of rooms
337

Expected completion
2028
(Undergoing a multi-year major refurbishment commenced in October 2024)

**Hotel remains operational, but business may be impacted during the works.*

AUSTRALIA
Adina Apartment Hotel Sydney Darling Harbour

No. of rooms
114

Expected completion
2026
(Expect to commence full refurbishment in 2nd half of 2025)

GERMANY
Adina Apartment Hotel Frankfurt Neu Oper

No. of rooms
134

Expected completion
2026
(Expect to commence refurbishment in 3Q 2025)

Meanwhile, we continue optimising our portfolio through disciplined capital recycling. The divestment of RHPC allowed us to optimise the asset value, realise a gain on disposal of S$5.9 million, strengthen the balance sheet, and redeploy capital into higher-growth opportunities.

UK PBSA: Delivering on Strategic Focus

Turning to our PBSA business, we continue to see strong performance driven by robust student demand and favourable supply-demand dynamics.

As at 31 December 2024, our PBSA portfolio occupancy for the academic year commencing September 2024 (AY24/25) stood at around 90%. While this is below the 99% occupancy achieved for AY23/24, AY24/25 still achieved healthy rental growth.

CHAT WITH GROUP CEO

Our PBSA portfolio valuation as at 31 December 2024 of S$669.4 million comprises 13 assets in seven UK cities, reflected a S$22.1 million valuation gain, driven by rental growth and sustained supply-demand imbalance. Our joint venture PBSA development in Bristol is progressing well and is on track for completion in 2026. A valuation gain was recognised in FY2024 for this development, contributing to the share of profits from joint ventures.

A key focus was scaling our PBSA business. Our acquisition of a 49% stake in HFS, UK's largest independent PBSA operator, has strengthened our presence in a high-demand sector. With this, FEOR has become one of the largest PBSA operators in the UK, managing over 50,000 beds. This scale enhances our operational efficiency and capabilities and strengthens our market position.

We also took a major step forward in our asset-light strategy by establishing our first private fund in Singapore. This is a strategic initiative we have been developing for a while. The fund is seeded with a 273-bed PBSA development site in Glasgow acquired in March 2024. This development marks our first strategic entry into Scotland and is expected to be completed in 2027.

Q For sustainability, what progress did the Group make in 2024?

Sustainability remains a key focus for FEOR and is not just a box we check. Through our **RENEW** framework, which focuses on **R**esponsible Operations, **E**nvironmental Accountability, **N**urturing a Resilient Business, **E**thical & Transparent Governance, and the **W**ell-being of People & Communities, we continue to take deliberate steps towards building a more sustainable and resilient future.

In 2024, we made progress in our climate action efforts. Recognising the importance of understanding risks and opportunities, we completed a qualitative climate scenario analysis across our key assets and will progress to quantify the impact. This laid the groundwork for more informed decision-making as we work towards our 2030 decarbonisation target.

Sustainability is a continuous journey, and while we acknowledge there is more to do, we remain steadfast in making meaningful progress that creates a lasting impact. We invite you to explore our efforts more in our latest Sustainability Report 2024.

Q Looking ahead to 2025, how will FEOR continue to build its lodging platform amid macroeconomic uncertainties?

In 2025, our focus remains on building and strengthening our lodging platform while navigating macroeconomic uncertainties. Growth will be driven by the continued expansion of our Hospitality and PBSA businesses, disciplined capital management, and a strategic approach to portfolio optimisation.

The hospitality sector remains well-supported by a strong tourism recovery, with international arrivals projected to grow by 3% to 5%, assuming stable economic conditions, easing inflation, and geopolitical stability[1]. However, we remain cautious of challenges such as rising travel costs and fluctuating oil prices. While sustained demand is expected to contribute to long-term growth across our key markets, we continue to enhance our existing assets through targeted refurbishments to ensure their competitiveness and value. These initiatives aim to optimise asset performance, though they may result in some near-term impact extending beyond 2025.

In parallel, we continue to focus on strengthening our position in the UK PBSA market. 2025 marks a decade of our presence in this sector, and over the years, we have built a robust foundation through strategic investments and operational expertise. The establishment of our PBSA fund marks a strategic shift, complementing our fee-based operating model by leveraging our investment and asset management capabilities. This initiative strengthens our recurring income streams while advancing our asset-light strategy.

At the same time, capital recycling will remain a key priority. We will continue to take a disciplined approach to asset divestments and reinvestment, ensuring we optimise returns while strengthening our lodging platform.

We expect to see a flattening of rent and room rate growth in both PBSA and Hospitality businesses due to the normalisation of the post-pandemic surge and market uncertainties. Despite easing inflation and slow interest rate decline, we continue to operate in an elevated cost environment amid the ongoing economic and geopolitical uncertainties. Against this backdrop, we will adopt a cautious approach and remain focused on scaling our platform and enhancing our capabilities while staying vigilant and nimble. By carefully assessing opportunities and risks, we aim to position the Group for sustainable growth and to create long-term value for shareholders.

I'd like to express my heartfelt appreciation to my dedicated team for their diligence, perseverance and contributions. The results and notable milestones in 2024 are a testament to their collective efforts. I'm also grateful to our customers and business partners for their invaluable support and to Board members for their guidance. To our shareholders, thank you for your continued trust in our vision and strategy.

[1] UNWTO. "International Tourism Recovers Pre-Pandemic Levels in 2024 (unwto.org)". 25 Jan 2025.