



FAR EAST ORCHARD LIMITED AND ITS SUBSIDIARIES

(Registration No. 196700511H)

UNAUDITED CONDENSED INTERIM FINANCIAL STATEMENTS

For the Six Months Ended 30 June 2025

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A. CONDENSED INTERIM CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

		Six months ended 30 June		Increase/ (Decrease) %
	Note	2025 \$'000	2024 \$'000	
Revenue	4	91,349	97,329	(6.1)
Cost of sales		(41,048)	(45,893)	(10.6)
Gross profit		50,301	51,436	(2.2)
Other income				
– Interest income		2,345	3,574	(34.4)
– Others		541	853	(36.6)
Other gains – net		10,668	1,886	>100
Expenses				
– Distribution and marketing		(5,126)	(4,614)	11.1
– Administrative		(22,162)	(21,433)	3.4
– Finance		(18,945)	(17,117)	10.7
Share of profit/(loss) of				
– Associated companies		6,985	2,253	>100
– Joint ventures		(1,512)	5,920	nm
Profit before income tax	5	23,095	22,758	1.5
Income tax expense	6	(5,058)	(3,090)	63.7
Profit after income tax		18,037	19,668	(8.3)
Other comprehensive income/(loss):				
<i>Items that may be reclassified subsequently to profit or loss:</i>				
Cash flow hedges - Fair value (losses)/gains		(2,776)	430	nm
Share of other comprehensive (loss)/income of joint ventures		(1,774)	464	nm
Currency translation differences arising from consolidation		4,040	2,103	92.1
		(510)	2,997	nm
<i>Items that will not be reclassified subsequently to profit or loss:</i>				
Share of other comprehensive (loss)/income of:				
– Associated companies		(1,880)	(1,784)	5.4
– Joint ventures		2,970	722	>100
Tax expense relating to share of joint venture's asset revaluation reserve movement		(704)	(748)	(5.9)
Currency translation differences arising from consolidation		(9)	(50)	(82.0)
Other comprehensive (loss)/income, net of tax		(133)	1,137	nm
Total comprehensive income		17,904	20,805	(13.9)
Profit/(Loss) attributable to:				
Equity holders of the Company		19,591	18,228	7.5
Non-controlling interest		(1,554)	1,440	nm
		18,037	19,668	(8.3)
Total comprehensive income/(loss) attributable to:				
Equity holders of the Company		19,022	19,303	(1.5)
Non-controlling interest		(1,118)	1,502	nm
		17,904	20,805	(13.9)
Basic and diluted earnings per share for profit attributable to equity holders of the Company (cents per share)		4.01	3.74	7.2

nm: not meaningful

B. CONDENSED INTERIM STATEMENTS OF FINANCIAL POSITION

		Group		Company	
		30 June 2025 \$'000	31 December 2024 \$'000	30 June 2025 \$'000	31 December 2024 \$'000
Note					
ASSETS					
Current assets					
Cash and bank balances	7	172,852	200,888	60,561	82,737
Derivative financial instruments		-	793	-	12
Trade and other receivables		52,258	50,079	168,714	181,871
Inventories		266	302	10	13
Properties held for sale		169,569	168,461	-	-
		394,945	420,523	229,285	264,633
Non-current assets					
Derivative financial instruments		-	262	-	262
Financial asset, at FVOCI		3,120	3,047	3,120	3,047
Other non-current assets		6,668	4,674	553,683	516,594
Investments in associated companies	8	275,543	64,521	696	696
Investments in joint ventures	8	319,568	484,252	300	300
Investments in subsidiaries		-	-	881,697	856,520
Investment properties	9	1,027,024	1,011,382	147,200	147,200
Property, plant and equipment	10	544,405	549,705	365,682	369,413
Intangible assets	11	97,728	98,838	-	-
Deferred income tax assets		4,122	4,259	3,119	3,229
		2,278,178	2,220,940	1,955,497	1,897,261
Total assets		2,673,123	2,641,463	2,184,782	2,161,894
LIABILITIES					
Current liabilities					
Trade and other payables		131,905	113,344	63,865	40,038
Current income tax liabilities		7,172	5,093	314	592
Lease liabilities		9,854	9,566	7,430	7,200
Borrowings	12	168,007	326,496	118,894	201,157
Deferred income		13,606	18,289	6,797	6,797
Derivative financial instruments		154	-	154	-
		330,698	472,788	197,454	255,784
Non-current liabilities					
Other payables		103,984	102,949	206,386	203,654
Derivative financial instruments		2,752	1,171	2,736	1,171
Lease liabilities		72,982	77,976	54,988	58,759
Borrowings	12	462,573	277,640	348,442	242,961
Deferred income		245,725	249,124	245,725	249,124
Deferred income tax liabilities		64,801	63,656	686	754
		952,817	772,516	858,963	756,423
Total liabilities		1,283,515	1,245,304	1,056,417	1,012,207
NET ASSETS		1,389,608	1,396,159	1,128,365	1,149,687
EQUITY					
Capital and reserves attributable to equity holders of the Company					
Share capital	13	550,723	550,723	550,723	550,723
Revaluation and other reserves		340,953	341,516	300,633	302,520
Retained profits		490,571	495,441	277,009	296,444
		1,382,247	1,387,680	1,128,365	1,149,687
Non-controlling interest		7,361	8,479	-	-
TOTAL EQUITY		1,389,608	1,396,159	1,128,365	1,149,687

C. CONDENSED INTERIM STATEMENTS OF CHANGES IN EQUITY

The Group

	Note	Attributable to equity holders of the Company						Non-controlling interest	Total equity
		Share capital	Capital reserve	Asset revaluation reserve	Currency translation reserve	Fair value reserve	Hedging reserve		
		\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
2025									
Balance at 1 January 2025		550,723	13,977	408,120	(81,070)	(1,480)	1,969	495,441	1,387,680
Profit/(Loss) for the period		-	-	-	-	-	-	19,591	18,037
Other comprehensive income/(loss) for the period		-	-	1,586	3,458	(1,880)	(3,733)	-	(133)
Total comprehensive income/(loss) for the period		-	-	1,586	3,458	(1,880)	(3,733)	19,591	17,904
Dividend relating to 2024	14	-	-	-	-	-	-	(24,455)	(24,455)
Total transactions with owners, recognised directly in equity		-	-	-	-	-	-	(24,455)	(24,455)
Transfer of share of associated company's fair value reserve upon disposal		-	-	-	-	6	-	(6)	-
Balance at 30 June 2025		550,723	13,977	409,706	(77,612)	(3,354)	(1,764)	490,571	1,382,247
2024									
Balance at 1 January 2024		549,380	13,977	404,854	(73,713)	339	6,078	454,701	1,355,616
Profit for the period		-	-	-	-	-	-	18,228	19,668
Other comprehensive (loss)/income for the period		-	-	(18)	2,169	(1,784)	708	-	1,137
Total comprehensive (loss)/income for the period		-	-	(18)	2,169	(1,784)	708	18,228	20,805
Dividend relating to 2023	14	-	-	-	-	-	-	(19,510)	(19,510)
Total transactions with owners, recognised directly in equity		-	-	-	-	-	-	(19,510)	(19,510)
Transfer of share of associated company's fair value reserve upon disposal		-	-	-	-	11	-	(11)	-
Balance at 30 June 2024		549,380	13,977	404,836	(71,544)	(1,434)	6,786	453,408	1,355,409

C. CONDENSED INTERIM STATEMENTS OF CHANGES IN EQUITY (continued)

The Company

		Share capital	Asset revaluation reserve	Currency translation reserve	Fair value reserve	Hedging reserve	Retained profits	Total equity
	Note	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
2025								
Balance at 1 January 2025		550,723	303,087	(480)	549	(636)	296,444	1,149,687
Profit for the period		-	-	-	-	-	5,020	5,020
Other comprehensive income/(loss) for the period		-	-	50	-	(1,937)	-	(1,887)
Total comprehensive income/(loss) for the period		-	-	50	-	(1,937)	5,020	3,133
Dividend relating to 2024	14	-	-	-	-	-	(24,455)	(24,455)
Total transactions with owners, recognised directly in equity		-	-	-	-	-	(24,455)	(24,455)
Balance at 30 June 2025		550,723	303,087	(430)	549	(2,573)	277,009	1,128,365
2024								
Balance at 1 January 2024		549,380	301,687	(322)	174	(81)	304,540	1,155,378
Profit for the period		-	-	-	-	-	6,446	6,446
Other comprehensive (loss)/income for the period		-	-	(230)	-	1,673	-	1,443
Total comprehensive (loss)/income for the period		-	-	(230)	-	1,673	6,446	7,889
Dividend relating to 2023	14	-	-	-	-	-	(19,510)	(19,510)
Total transactions with owners, recognised directly in equity		-	-	-	-	-	(19,510)	(19,510)
Balance at 30 June 2024		549,380	301,687	(552)	174	1,592	291,476	1,143,757

D. CONDENSED INTERIM CONSOLIDATED STATEMENT OF CASH FLOWS

		Six months ended 30 June	
	Note	2025 \$'000	2024 \$'000
Cash flows from operating activities			
Profit after income tax		18,037	19,668
Adjustments for:			
Income tax expense		5,058	3,090
Depreciation of property, plant and equipment	5	8,273	8,241
Amortisation of intangible assets	5	1,110	1,110
(Reversal of)/Impairment of property, plant and equipment	5	(225)	35
Gain on acquisition of additional interest in a joint venture	5	(9,122)	-
Fair value gains on investment properties - net	5	(263)	-
Fair value gain on derivatives (non-designated)	5	(54)	-
Interest income	5	(2,345)	(3,574)
Finance expenses	5	18,945	17,117
Share of profit of associated companies		(6,985)	(2,253)
Share of loss/(profit) of joint ventures		1,512	(5,920)
Unrealised currency translation gains		(1,016)	(1,988)
		32,925	35,526
Change in working capital:			
Trade and other receivables		(181)	77
Inventories		36	68
Development property		-	(7,639)
Trade and other payables		(13,037)	(10,697)
Cash generated from operations		19,743	17,335
Interest paid		(280)	(45)
Income tax paid – net		(2,306)	(2,957)
Net cash provided by operating activities		17,157	14,333
Cash flows from investing activities			
Additions to property, plant and equipment	10	(4,237)	(1,527)
Additions to investment properties	9	(943)	(1,209)
Investment in a financial asset, at FVOCI		(23)	(338)
Investment in associated companies		(25,075)	(30,473)
Investment in joint ventures		(6,578)	-
Advances to joint ventures		(6,866)	(3,978)
Advances from joint ventures		12,986	5,530
Dividends received from an associated company		-	832
Dividends received from joint ventures		-	1,264
Interest received		1,716	3,122
Income tax paid - net		(709)	-
Net cash used in investing activities		(29,729)	(26,777)
Cash flows from financing activities			
(Increase)/decrease in bank deposits pledged		(1,999)	2,309
Proceeds from borrowings		14,299	62,374
Repayment of borrowings		(253)	(58,569)
(Repayment of)/Advances from non-controlling interests		(6,762)	1,464
Principal payment of lease liabilities		(4,705)	(4,419)
Interest paid on lease liabilities		(2,539)	(2,808)
Interest paid on borrowings		(15,922)	(14,309)
Net cash used in financing activities		(17,881)	(13,958)
Net decrease in cash and cash equivalents		(30,453)	(26,402)
Cash and cash equivalents			
Beginning of financial period		180,801	202,271
Effects of currency translation on cash and cash equivalents		418	698
End of financial period	7	150,766	176,567

The following significant non-cash investing activities were excluded from the consolidated statement of cash flows as they did not involve movements of cash or cash equivalents:

- Advances from joint ventures amounting to \$6,692,000 as at 31 December 2024 were settled through non-cash distributions declared by the joint ventures.
- In connection with the Group's fund investment during the financial period, advances from joint ventures of \$4,291,000 were reclassified to investments in joint ventures pursuant to a capital restructuring.

E. NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS

1. General information

Far East Orchard Limited (the "Company") is listed on the Singapore Exchange and incorporated and domiciled in Singapore. These condensed interim consolidated financial statements as at and for the six months ended 30 June 2025 comprise the Company and its subsidiaries (the "Group").

The principal activities of the Company are investment holding, hotel operations and property investment. The principal activities of the Group are investment holding, ownership and management of hospitality properties, purpose-built student accommodation ("PBSA") properties, property development and property investment.

2. Basis of preparation

The condensed interim financial statements as at and for the six months ended 30 June 2025 have been prepared in accordance with Singapore Financial Reporting Standards (International) ("SFRS(I)") 1-34 *Interim Financial Reporting* issued by the Accounting Standards Council Singapore and should be read in conjunction with the Group's annual financial statements as at and for the financial year ended 31 December 2024. The condensed interim financial statements do 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 Group's financial position and performance of the Group since the last annual financial statements for the financial year ended 31 December 2024.

The accounting policies adopted are consistent with those disclosed in the Group's annual financial statements as at and for the year ended 31 December 2024 which were prepared in accordance with SFRS(I), except for the adoption of new and amended standards as set out in Note 2.1.

The condensed interim financial statements are presented in Singapore dollar, which is the Company's functional currency.

2.1. New and amended standards adopted by the Group

On 1 January 2025, the Group has adopted the new or amended SFRS(I) and Interpretations of SFRS(I) ("INT SFRS(I)") that are mandatory for application for the financial period. Changes to the Group's accounting policies have been made as required, in accordance with the transitional provisions in the respective SFRS(I) and INT SFRS(I).

The adoption of these new or amended SFRS(I) and INT SFRS(I) did not result in substantial changes to the Group's accounting policies and had no material effect on the amounts reported for the current or prior financial years.

2.2. Critical accounting estimates, assumptions and judgements

In preparing the condensed interim financial statements, management 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 management in applying the 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 2024.

Estimates, assumptions and judgements are reviewed on an ongoing basis and are based on historical experience and various other factors, including expectations of future events that are believed to be reasonable under the current circumstances.

Information about assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment to the carrying amounts of assets and liabilities within the next interim period are included in the following notes:

- Notes 9 and 10 – Valuation of investment properties and land and buildings classified under property, plant and equipment using significant unobservable inputs
- Note 11 – Impairment assessment of goodwill: key assumptions underlying recoverable amounts

3. Seasonal operations

The Group's businesses are not affected significantly by seasonal or cyclical factors during the six months ended 30 June 2025.

E. NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (continued)

4. Revenue

	Group	
	Six months ended 30 June	
	2025 \$'000	2024 \$'000
Revenue from contracts with customers	53,510	60,694
Rental income	37,839	36,635
	91,349	97,329

Disaggregation of revenue from contracts with customers

The Group derives revenue from the transfer of goods and services over time in the following major revenue streams:

	Group	
	Six months ended 30 June	
	2025 \$'000	2024 \$'000
Hospitality ownership and operations		
– Non-related parties	41,529	49,201
Hospitality management and other related fees received/receivable		
– Other related parties*	11,337	11,493
– Joint venture*	389	-
Fund management fees		
– Non-related parties	255	-
Total revenue from contracts with customers	53,510	60,694

*Other related parties and the joint venture comprise mainly companies which are controlled by the equity holders of the Company's ultimate holding company.

5. Profit before income tax

5.1 Significant items

	Group		
	Six months ended 30 June		
	2025 \$'000	2024 \$'000	Increase/ (Decrease) %
The following items were credited/(charged) to the income statement:			
<u>Other income</u>			
Interest income from bank deposits (a)	2,292	3,530	(35.1)
Interest income from advances to joint ventures	53	44	20.5
Government grant income (b)	312	562	(44.5)
<u>Cost of sales and administrative expenses</u>			
Depreciation of property, plant and equipment			
– Right-of-use assets (Note 10)	(4,350)	(4,351)	(0.0)
– Other property, plant and equipment (Note 10)	(3,923)	(3,890)	0.8
Amortisation of intangible assets	(1,110)	(1,110)	0.0
Write-back of/(Allowance for) impairment losses on trade receivables	89	(325)	nm
<u>Other gains – net</u>			
Reversal of/(impairment of) property, plant and equipment (Note 10)	225	(35)	nm
Gain on acquisition of additional interest in a joint venture (c)	9,122	-	nm
Fair value gains on investment properties – net (Note 9)	263	-	nm
Fair value gain on derivatives (non-designated)	54	-	nm
Currency exchange gains – net	1,004	1,921	(47.7)

nm: not meaningful

E. NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (continued)

5. Profit before income tax (continued)

5.1 Significant items (continued)

The following items were credited/(charged) to the income statement:

Finance expenses

Interest expense for:

- bank borrowings (a)
- advances from non-controlling interests
- lease liabilities

Cash flow hedges, reclassified from hedging reserves

Total finance expenses

Group		
Six months ended 30 June		
2025	2024	Increase/ (Decrease) %
\$'000	\$'000	
(16,594)	(18,473)	(10.2)
(757)	(662)	14.4
(2,539)	(2,808)	(9.6)
945	4,826	(80.4)
(18,945)	(17,117)	10.7

- (a) Interest income from bank deposits declined for the six months ended 30 June 2025 due to lower bank deposits and reduced interest rates.

Interest expense on bank borrowings, after including effects of cash flow hedges, increased for the six months ended 30 June 2025 due to the expiration of a low-rate fixed interest hedge on certain borrowings in December 2024.

- (b) Government grant income in the six months ended 30 June 2025 includes various grants received from the Singapore government.

- (c) A one-off gain on the acquisition of additional interest in a joint venture was recognised during the six months ended 30 June 2025 as the purchase consideration was below the fair value of net assets acquired. See Note 8(b).

5.2 Related party transactions

There are no material related party transactions apart from those disclosed elsewhere in the condensed interim financial statements.

6. Income tax expense

Tax expense attributable to profit is made up of:

Profit for the financial period:

- Current income tax
- Deferred income tax

Over-provision in prior financial periods:

- Current income tax
- Deferred income tax

Group	
6 months ended 30 June	
2025	2024
\$'000	\$'000
5,713	3,632
(33)	(95)
5,680	3,537
(622)	-
-	(447)
5,058	3,090

7. Cash and bank balances

For the purpose of presenting the condensed interim consolidated statement of cash flows, cash and cash equivalents comprise the following:

Group	
30 June 2025	30 June 2024
\$'000	\$'000
Cash and bank balances	172,852
Less: Bank deposits pledged	(22,086)
Cash and cash equivalents per condensed interim consolidated statement of cash flows	150,766
	197,619
	(21,052)
	176,567

E. NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (continued)

8. Investments in associated companies and joint ventures

- (a) The Group holds a 36.5% interest in FE UK Student Accommodation Development Fund ("the Fund"), which was established in August 2024 and achieved its final closing in June 2025 with total committed capital of £96.0 million. The investment is accounted for as a joint venture.

As at 30 June 2025, the Group had committed £35.0 million to the Fund, of which £9.7 million (approximately \$16.9 million) was injected as capital. The remaining committed capital, based on the Group's proportionate interest, amounted to approximately £25.3 million (\$44.2 million).

- (b) On 24 January 2025, the Group through its wholly owned subsidiary, acquired additional interest (the "Acquisition") of 6.7% in Woodlands Square Pte. Ltd. ("WSPL") for \$25,000,000 from one of its joint venture partners ("Seller"). 26.6% interest in WSPL held by Seller was sold to the other existing joint venture partner ("Partner"). Subsequent to the Acquisition, the Group's interest in WSPL increased from 33.3% to 40.0% while the Partner holds the remaining 60.0% interest. As the purchase consideration was below the fair value of net assets acquired, a one-off gain of \$9.1 million was recognised in "Other gains - net" (Note 5.1(c)). With the loss of joint control following the Partner's increase in interest in WSPL to 60%, WSPL has been reclassified from a joint venture to an associate as at 30 June 2025.
- (c) On 21 June 2024, the Group announced that Far East Opus Pte. Ltd. ("FEOpus"), a joint venture entity in which the Group holds a 20% interest in, was served with legal claims in the High Court of Singapore on 31 May 2024 by some unit owners ("claimants") of SBF Center, a commercial development completed in 2016. FEOpus disputes these claims and believes they are without merit. As announced on 10 June 2025, FEOpus succeeded in its appeal to strike out one claimant's application. As this was a test case, subject to any further appeal, the Court's findings on the law will be binding on all the other claimants. On 24 July 2025, the claimant in the test case filed a further appeal against the Court's decision.

Even if the claimants are successful in their claims, the maximum potential financial exposure estimated is not expected to have a material impact on the Group's financial position and ability to continue its existing business operations. As at 30 June 2025, no provision has therefore been made on the claims.

- (d) In March 2022, a claim was lodged against a subsidiary of a joint venture, Toga Hotel Holdings Unit Trust ("Toga Trust"), alleging underpayment of rent for a lease, wrongful termination of the lease and repudiation of the lease. As at 30 June 2025, no provision has been made as the legal advice obtained by the joint venture entity indicates that it is not probable that a material liability will arise.
- (e) During the six months ended 30 June 2025, the Group extended advances of £350,000 (\$608,000) to a joint venture developing a purpose-built student accommodation project in Bristol, UK. The Group will provide additional funding of £115,000 (approximately \$200,000), if called.

9. Investment properties

	Group	Company
	30 June	30 June
	2025	2025
	\$'000	\$'000
Beginning of interim period	1,011,382	147,200
Additions – Subsequent expenditure	943	-
Net fair value gains recognised in profit or loss (Note 5.1)	263	-
Foreign exchange differences	14,436	-
End of interim period	<u>1,027,024</u>	<u>147,200</u>
Comprising: Completed properties	<u>1,027,024</u>	<u>147,200</u>

E. NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (continued)

9. Investment properties (continued)

Valuation processes, techniques and inputs used in Level 3 fair value measurements

The fair values of the investment properties as at 31 December 2024, which represent the highest and best use, have been determined based on valuations carried out at year-end by external, independent and qualified valuers. The investment properties are measured and carried at fair value using inputs that are not based on observable market data (unobservable inputs), i.e., Level 3 fair values based on year-end valuations performed.

In assessing whether the fair values remained appropriate at half-year, the Group considered whether any movement in market data such as discount rate, capitalisation rates, changes in underlying cash flows or sales comparable would result in a material impact to the fair values of the properties since 31 December 2024. The Group will engage external independent qualified valuer whenever carrying amounts of the properties are likely to differ materially from the fair values recognised in the last financial reporting period.

The Group has assessed that the fair values determined based on the year-end valuations performed as at 31 December 2024 remained appropriate as at 30 June 2025, except for certain PBSA properties with planned refurbishments. A net fair value gain of \$263,000 has been recognised based on external valuations performed by the valuer on these properties.

10. Property, plant and equipment

Group

	Freehold and leasehold land	Building and office	Plant, equipment, furniture and fittings	Construction -in-progress	Motor vehicles	Leasehold improvements and other assets	Total
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Six months ended 30 June 2025							
Beginning net book value	373,870	157,144	7,721	1,611	47	9,312	549,705
Currency translation differences	(530)	(838)	(61)	5	-	(65)	(1,489)
Additions	-	-	1,077	3,118	-	42	4,237
Transfers	-	-	55	(55)	-	-	-
Reversal of impairment loss (Note 5.1)	-	-	225	-	-	-	225
Depreciation charge (Note 5.1)	-	(6,629)	(923)	-	(47)	(674)	(8,273)
End of interim period	373,340	149,677	8,094	4,679	-	8,615	544,405
As at 30 June 2025							
Cost	-	162,191	62,951	4,679	865	15,348	246,034
Valuation	373,340	89,619	-	-	-	-	462,959
	373,340	251,810	62,951	4,679	865	15,348	708,993
Accumulated depreciation and impairment losses	-	(102,133)	(54,857)	-	(865)	(6,733)	(164,588)
Net book value	373,340	149,677	8,094	4,679	-	8,615	544,405
As at 31 December 2024							
Cost	-	162,191	62,043	1,611	865	15,386	242,096
Valuation	373,870	92,734	-	-	-	-	466,604
	373,870	254,925	62,043	1,611	865	15,386	708,700
Accumulated depreciation and impairment losses	-	(97,781)	(54,322)	-	(818)	(6,074)	(158,995)
Net book value	373,870	157,144	7,721	1,611	47	9,312	549,705

Company

During the six months ended 30 June 2025, the Company acquired property, plant and equipment amounting to \$9,000 and there was no disposal of assets.

Valuation processes, techniques and inputs used in Level 3 fair value measurements

In line with the valuation of investment properties, management will assess whether the fair values of the Group's properties remain appropriate and engage external, independent, and qualified valuers when deemed necessary. The Group has assessed that the fair values of the property, plant and equipment, determined based on the year-end valuations performed at 31 December 2024, remained appropriate as at 30 June 2025, and as such, no revaluation movements have been recognised for the six months ended 30 June 2025.

E. NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (continued)

11. Goodwill

Goodwill of \$37,257,000 is allocated to the Management services cash-generating-unit ("CGU") within the Group's hospitality business. For the impairment assessment as at 31 December 2024, the recoverable amount of the Management services CGU was determined based on fair value less cost to sell ("FVLCTS"), which was computed using the average of the values derived Discounted Cash Flow method and Guideline Public Company method (Level 3 valuation techniques) based on management's estimates. For further information, please refer to Note 23(a) in the Group's annual financial statements for the year ended 31 December 2024.

As at 30 June 2025, management has considered and assessed possible changes to the key assumptions in relation to the significant estimates used in the valuation techniques for the impairment assessment performed as at 31 December 2024 and have not identified any instances that could cause the carrying amount of the CGU to exceed its recoverable amounts. No further testing for impairment of goodwill was performed as there were no indicators of impairment.

12. Borrowings

	Group		Company	
	30 June 2025 \$'000	31 December 2024 \$'000	30 June 2025 \$'000	31 December 2024 \$'000
Amount repayable in one year or less, or on demand (net of transaction costs)				
– Secured	49,113	125,339	-	-
– Unsecured	118,894	201,157	118,894	201,157
	168,007	326,496	118,894	201,157
Amount repayable after one year (net of transaction costs)				
– Secured	114,131	34,679	-	-
– Unsecured	348,442	242,961	348,442	242,961
	462,573	277,640	348,442	242,961
	630,580	604,136	467,336	444,118

The secured bank borrowings of the Group and the Company are secured over certain bank deposits, investment properties and property, plant and equipment.

13. Share capital

	Group and Company			
	Number of shares		Amount	
	30 June 2025 '000	31 December 2024 '000	30 June 2025 \$'000	31 December 2024 \$'000
Beginning of half-year and end of financial period	489,099	489,099	550,723	550,723

The Company has not issued any convertibles nor holds any treasury shares as at 30 June 2025 and 30 June 2024. The Company's subsidiaries do not hold any shares in the Company as at 30 June 2025 and 30 June 2024. There were no sales, transfers, disposal, cancellation and/or use of treasury shares and subsidiary holdings as at 30 June 2025 and 30 June 2024.

14. Dividend

A first and final dividend of 4 cents per share and a special dividend of 1 cent per share amounting to a total of \$24,455,000 relating to 2024 ("FY2024 Dividend") was approved at the Annual General Meeting held on 25 April 2025. On 4 July 2025, 1,840,557 new shares amounting to \$1,846,000 have been allotted and issued to the eligible shareholders who had elected to participate in the Scrip Dividend Scheme in respect of the FY2024 Dividend. Dividends amounting to \$22,609,000 have been paid in cash on 4 July 2025.

A first and final dividend of 4 cents per share amounting to a total of \$19,510,000 relating to 2023 ("FY2023 Dividend") was approved at the Annual General Meeting held on 25 April 2024. 1,341,401 new shares amounting to \$1,343,000 were allotted and issued on 5 July 2024 to the eligible shareholders who had elected to participate in the Scrip Dividend Scheme in respect of the FY2023 Dividend. Dividends amounting to \$18,167,000 were paid in cash on 5 July 2024.

E. NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (continued)

15. Capital commitments

Capital expenditures contracted for at the balance sheet date but not recognised in the financial statements are as follows:

	Group	
	30 June 2025 \$'000	31 December 2024 \$'000
Investment properties	-	1,105
Property, plant and equipment	5,956	9,652
	5,956	10,757

Capital commitments as at 30 June 2025 and 31 December 2024 for property, plant and equipment relate mainly to refurbishment works for a hotel in Perth.

16. Net asset value

	Group		Company	
	30 June 2025	31 December 2024	30 June 2025	31 December 2024
Net asset value per ordinary share based on total number of issued shares as at the end of the period/year	\$2.83	\$2.84	\$2.31	\$2.35

17. Fair value measurements

The table below presents assets and liabilities recognised and measured at fair value and classified by level of the following fair value measurement hierarchy:

- quoted prices (unadjusted) in active markets for identical assets or liabilities (Level 1);
- inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e., derived from prices) (Level 2); and
- inputs for the asset or liability that are not based on observable market data (unobservable inputs) (Level 3).

Fair value measurement disclosure of other assets that are recognised or measured at fair value, can be found in Note 9 and 10.

	Group		Company	
	30 June 2025 \$'000	31 December 2024 \$'000	30 June 2025 \$'000	31 December 2024 \$'000
Assets				
Derivative financial instruments – Level 2	-	1,055	-	274
Financial asset, at fair value through other comprehensive income ("FVOCI") – Level 3	3,120	3,047	3,120	3,047
Liabilities				
Derivative financial instruments – Level 2	2,906	1,171	2,890	1,171

The Group's policy is to recognise transfers into and transfers out of fair value hierarchy level as at the end of the reporting period/year. There were no transfers between Levels 1 and 2 during the period/year.

The fair values of current financial assets and liabilities carried at amortised cost approximate their carrying amounts.

For the investment classified as FVOCI, it is an unlisted equity security measured at fair value at each reporting period. The Group estimates the fair value of its unlisted equity security classified as FVOCI based on its share of the investee company's net asset value ("NAV"), which is a significant unobservable input. NAV is determined by reference to the attributable net assets of the investee company based on the latest available financial statements, adjusted, where applicable, for valuations of the underlying investment properties held by the investee determined primarily by independent and professional valuers. Management reviews the appropriateness of the methodologies used to determine NAV, and evaluates the appropriateness and reliability of inputs (including those developed internally by management) used in the determination of NAV.

As at 30 June 2025, the Group has committed remaining equity of \$954,000 to provide funding if called, to the unlisted equity security.

E. NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (continued)

18. Segment information

For the period ended 30 June 2025, the Group has updated its reportable segments and restated the comparatives to better reflect the business activities of the Group and in accordance with how the Group's Group Chief Executive Officer assesses the operating segments' results. In addition, with the expansion of the Group's student accommodation business following the acquisition of Homes for Students Limited, a UK-based operator, the reportable segment under the student accommodation business has been expanded into two segments to include both the property ownership and operations segments. Further, certain corporate expenses have been re-classified under the respective reportable segments to better reflect the costs supporting the business segments.

The Group operates its hospitality business across three segments.

(i) Management services

The management services segment includes all of the hospitality properties that the Group manages directly in Singapore, Japan, and Malaysia.

(ii) Operations

The operations segment includes leased properties in Singapore, Japan and Australia and the Group's investment in Toga Hotel Holdings Unit Trust and the REIT Manager of Far East Hospitality Trust.

(iii) Property ownership

The property ownership segment includes hospitality properties located in Australia, Germany, Denmark, Malaysia and Japan that are owned directly by the Group or through the Group's investments in joint ventures.

The Group manages its student accommodation business across two segments.

(i) Property ownership

The property ownership segment includes properties located in the United Kingdom that are owned directly or held through a joint venture by the Group and includes those under development, that are held for rentals or/and long-term capital appreciation. The segment also includes the Group's investment in a student accommodation development fund.

(ii) Operations

The operations segment comprises the Group's investment in a United Kingdom-based operator of purpose-built student accommodation, which is accounted for as an associate. The operator is principally engaged in the management and operation of student accommodation assets specifically designed to serve the housing needs of students.

The Group manages its property business across two segments.

(i) Development

The development segment includes all unsold completed properties that are held through either joint ventures or joint operations, medical suites that are held for sale and the mixed development that are held for sale in the United Kingdom. Rental income from the leasing of properties held for sale, if any, is included under the investment segment in the reports reviewed by the Group's Group Chief Executive Officer.

(ii) Investment

The investment segment includes medical suites that are held for rentals or/and long-term capital appreciation.

There was no revenue from transactions with a single external customer that accounts for 10% or more of the Group's revenue for the six months ended 30 June 2025 and 2024.

E. NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (continued)

18. Segment information (continued)

The segment information provided to the Group Chief Executive Officer for the reportable segments are as follows:

	Hospitality			Student accommodation		Property		Total
	Management services	Operations	Property ownership	Property ownership	Operations	Development	Investment	
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<u>1 January to 30 June 2025</u>								
Total segment revenue	17,493	19,124	20,842	30,342	-	-	5,268	93,069
Inter-segment revenue	(1,720)	-	-	-	-	-	-	(1,720)
Revenue from external parties	15,773	19,124	20,842	30,342	-	-	5,268	91,349
Expenses include (a):								
- Depreciation of property, plant and equipment	(53)	(4,236)	(3,435)	-	-	-	-	(7,724)
- Amortisation of intangible assets	(1,110)	-	-	-	-	-	-	(1,110)
- Hospitality supplies and services	(1,178)	(3,767)	(5,172)	-	-	-	-	(10,117)
- Employee compensation	(5,071)	(4,436)	(7,562)	-	-	-	-	(17,069)
- Property tax and upkeep of properties	(62)	(387)	(2,440)	(9,071)	-	-	(1,090)	(13,050)
Operating profit/(loss)	3,138	4,928	(1,925)	15,796	-	(44)	3,540	25,433
Share of profit/(loss) of:								
- associated companies	-	1,799	-	-	1,950	3,236	-	6,985
- joint ventures	-	(2,004)	878	(683)	-	297	-	(1,512)
Total operating profit/(loss)	3,138	4,723	(1,047)	15,113	1,950	3,489	3,540	30,906
Corporate expenses								(1,879)
Interest income								2,345
Finance expenses								(18,945)
Others								10,668
Profit before income tax								23,095
Income tax expense								(5,058)
Profit after income tax								18,037

(a) These expenses exclude those under the Corporate assets segment.

E. NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (continued)

18. Segment information (continued)

	Hospitality			Student accommodation		Property		Total
	Management services	Operations	Property ownership	Property ownership	Operations	Development	Investment	
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<u>As at 30 June 2025</u>								
Segment assets	112,404	533,180	212,130	815,885	118	118,509	170,828	1,963,054
Investments in associated companies	-	32,878	-	-	34,248	208,417	-	275,543
Investments in joint ventures	-	162,702	92,496	28,759	-	35,611	-	319,568
	<u>112,404</u>	<u>728,760</u>	<u>304,626</u>	<u>844,644</u>	<u>34,366</u>	<u>362,537</u>	<u>170,828</u>	<u>2,558,165</u>
Corporate assets (b)								<u>114,958</u>
Total assets								<u>2,673,123</u>
Segment assets include:								
Additions to:								
- Investment in associated companies	-	-	-	-	-	25,075	-	25,075
- Investment in joint ventures	-	-	-	10,869	-	-	-	10,869
- Investment properties	-	-	5	938	-	-	-	943
- Property, plant and equipment	-	60	4,168	-	-	-	-	4,228

(b) During the year ended 30 June 2025, the Group acquired property, plant and equipment amounting to \$9,000 under Corporate assets segment.

E. NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (continued)

18. Segment information (continued)

	Hospitality			Student accommodation		Property		Total
	Management services	Operations	Property ownership	Property ownership	Operations	Development	Investment	
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<u>1 January to 30 June 2024</u>								
Total segment revenue	13,155	24,062	27,699	29,167	-	-	4,908	98,991
Inter-segment revenue	(1,662)	-	-	-	-	-	-	(1,662)
Revenue from external parties	11,493	24,062	27,699	29,167	-	-	4,908	97,329
Expenses include (a):								
- Depreciation of property, plant and equipment	(58)	(4,214)	(3,410)	-	-	-	-	(7,682)
- Amortisation of intangible assets	(1,110)	-	-	-	-	-	-	(1,110)
- Hospitality supplies and services	(892)	(3,724)	(6,572)	-	-	-	-	(11,188)
- Employee compensation	(5,173)	(4,173)	(9,294)	-	-	-	-	(18,640)
- Property tax and upkeep of properties	(106)	(429)	(2,756)	(8,611)	-	-	(1,063)	(12,965)
Operating profit/(loss)	4,050	5,309	268	15,609	-	(430)	3,048	27,854
Share of profit/(loss) of:								
- associated companies	-	1,664	-	-	589	-	-	2,253
- joint ventures	-	1,446	2,380	(238)	-	2,332	-	5,920
Total operating profit	4,050	8,419	2,648	15,371	589	1,902	3,048	36,027
Corporate expenses								(1,612)
Interest income								3,574
Finance expenses								(17,117)
Others								1,886
Profit before income tax								22,758
Income tax expense								(3,090)
Profit after income tax								19,668

(a) These expenses exclude those under the Corporate assets segment.

E. NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (continued)

18. Segment information (continued)

	Hospitality			Student accommodation		Property		Total
	Management services	Operations	Property ownership	Property ownership	Operations	Development	Investment	
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<u>As at 30 June 2024</u>								
Segment assets	112,147	545,164	233,576	711,648	-	176,566	165,037	1,944,138
Investments in associated companies	-	31,745	-	-	30,483	-	-	62,228
Investments in joint ventures	-	181,371	89,522	2,368	-	203,181	-	476,442
	<u>112,147</u>	<u>758,280</u>	<u>323,098</u>	<u>714,016</u>	<u>30,483</u>	<u>379,747</u>	<u>165,037</u>	<u>2,482,808</u>
Corporate assets (b)								<u>156,657</u>
Total assets								<u>2,639,465</u>
Segment assets include:								
Additions to:								
- Investment in associated companies	-	-	-	-	30,473	-	-	30,473
- Investment properties	-	-	71	1,138	-	-	-	1,209
- Property, plant and equipment	40	39	1,411	-	-	-	-	1,490

(b) During the year ended 30 June 2024, the Group acquired property, plant and equipment amounting to \$37,000 under Corporate assets segment.

E. NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (continued)

18. Segment information (continued)

Geographical information

The Group's business segments operate in five main geographical areas:

- Singapore – the Company is headquartered and has operations in Singapore. The operations in this area are principally the management of hospitality properties, hotel operations, property development, property investment and investment holding.
- Australia – the operations in this area are principally the management of hospitality properties, hotel operations and property ownership.
- United Kingdom – the operations in this area are principally student accommodation, property development and management of student accommodation properties.
- Japan – the operations include management of hospitality properties, hotel operations and property ownership in Japan.
- Other countries – the operations include hotel operations and property ownership in Malaysia, Germany and Denmark.

	Revenue	
	6 months ended	
	30 June	
	2025	2024
	\$'000	\$'000
Singapore	32,338	33,696
Australia	20,775	27,952
United Kingdom	31,360	30,230
Japan	4,664	3,276
Other countries	2,212	2,175
	91,349	97,329

	Non-current assets	
	30 June	31 December
	2025	2024
	\$'000	\$'000
Singapore	1,072,867	1,040,973
Australia	319,733	327,819
United Kingdom	754,864	724,091
Japan	36,630	35,570
Other countries	94,084	92,487
	2,278,178	2,220,940

F. OTHER INFORMATION REQUIRED BY LISTING RULE APPENDIX 7.2

1. Review

The condensed consolidated statement of financial position of Far East Orchard Limited and its subsidiaries as at 30 June 2025 and the related condensed consolidated statement of comprehensive income, condensed consolidated statement of changes in equity, statement of changes in equity of the Company and condensed consolidated statement of cash flows for the six-month period then ended and certain explanatory notes have not been audited or reviewed by the Company's auditor.

2. Review of performance of the Group

(a) Group performance review for the six months ended 30 June 2025 ("1H FY25")

Revenue

Revenue for 1H FY25 decreased by \$6.0 million (6.1%) to \$91.3 million (1H FY24: \$97.3 million), mainly due to weaker performance from the owned hotels in Australia and leased properties in Singapore. Revenue of an owned hotel in Australia was negatively impacted by the ongoing refurbishment works which commenced in October 2024. The absence of contribution from a hotel property that was divested in December 2024 also contributed to the decline. A leased property in Singapore was impacted by surrounding construction activities. The lower revenue was partially offset by better performance in Japan due to higher room rates as well as additional fee contribution from newly opened properties in Japan.

The decline in revenue from the hospitality business was partially offset by higher revenue from the Group's PBSA business. The PBSA portfolio benefited from rental growth for the academic year commencing in September 2024 ("AY24/25"). Portfolio occupancy for AY24/25 stood around 92% (AY23/24: 99%), with the lower occupancy rate partly due to marginally lower international student acceptance.

Gross profit

Gross profit for 1H FY25 decreased by \$1.1 million (2.2%) to \$50.3 million (1H FY24: \$51.4 million) due to lower revenue from the hospitality business segment.

Other income

Other income, comprising interest income from bank deposits and grant income, declined by \$1.5 million to \$2.9 million in 1H FY25 (1H FY24: \$4.4 million), mainly due to lower interest income from the lower bank deposits and deposit rates.

Other gains – net

Other gains – net was higher at \$10.7 million in 1H FY25 (1H FY24: \$1.9 million). This was driven by a gain of \$9.1 million from the acquisition of an additional stake in a property joint venture (the "Acquisition") in January 2025, where the purchase consideration was below the fair value of the acquired net assets. Unrealised currency translation gain of \$1.0 million (1H FY24: \$1.9 million) was recognised as a result of the strengthening of GBP and JPY against SGD, partially offset by the weakening of AUD against SGD.

Expenses

Total expenses increased by \$3.0 million to \$46.2 million in 1H FY25 (1H FY24: \$43.2 million) mainly due to higher finance expenses of \$1.8 million following the expiry of fixed-rate interest swaps in December 2024 and higher administrative expenses of \$0.7 million resulting from higher operating costs for the PBSA portfolio. Distribution and marketing expenses were also higher by \$0.5 million due to increased marketing efforts for the hospitality managed services segment.

Share of profit/loss of associated companies and joint ventures

The Group recorded a share of profit of \$7.0 million from associated companies in 1H FY25 (1H FY24: \$2.3 million), largely contributed from higher share of profits from a newly acquired UK-based PBSA operator, Homes for Students Limited ("HFS Acquisition") on 25 April 2024, and the reclassification of an investment in a property joint venture to an investment in associated companies (Note 8(b)). The property joint venture also contributed higher share of profits following the incremental shareholding after the Acquisition.

The Group recorded a share of loss of \$1.5 million from joint ventures in 1H FY25 (1H FY24: share of profit of \$5.9 million). The decline was mainly due to the absence of profit contribution following the reclassification of the property joint venture to an associate and a cybersecurity incident in March 2025 that impacted the hospitality joint ventures.

F. OTHER INFORMATION REQUIRED BY LISTING RULE APPENDIX 7.2 (continued)

2. Review of performance of the Group (continued)

(a) Group performance review for the six months ended 30 June 2025 ("1H FY25") (continued)

Income tax expense

Income tax expense increased in 1H FY25 compared to 1H FY24 due to withholding tax expense on dividend distributions from the hospitality joint ventures.

Profit after income tax and Profit attributable to equity holders of the Company

The Group recorded a profit after income tax of \$18.0 million in 1H FY25, compared to \$19.7 million in 1H FY24. The decrease was mainly due to lower profit contributions from the hospitality segment and higher finance costs, partially offset by stronger contributions from the PBSA business and a one-off gain from the Acquisition. Profit attributable to equity holders of the Company was \$19.6 million in 1H FY25, compared to \$18.2 million in 1H FY24.

(b) Cash flow, working capital, assets or liabilities of the Group

Cash flow and working capital

In 1H FY25, the Group utilised cash and cash equivalents amounting to \$30.5 million, compared to \$26.4 million in 1H FY24. The net decrease in cash and cash equivalents was primarily due to the cash outflow arising from the Acquisition.

Net cash generated from operating activities in 1H FY25 totalled \$17.2 million, an increase from \$14.3 million in 1H FY24. The higher operating cash inflows in 1H FY25 were primarily due to timing differences in operating receipts and payments and the payment for a plot of land in Glasgow, UK, for development in 1H FY24.

Net cash used in investing activities in 1H FY25 was \$29.7 million, as compared to \$26.8 million in 1H FY24. The cash outflows from investing activities in 1H FY25 were mainly related to the Acquisition and the additional capital contribution to student accommodation development fund. These were partially offset by advances received from joint ventures that would be converted to distributions upon finalisation of the joint ventures' profits. In 1H FY24, investing cash outflows were mainly for the HFS Acquisition, partially offset by advances received from joint ventures.

Net cash used in financing activities amounted to \$17.9 million in 1H FY25, an increase from \$14.0 million in 1H FY24. The higher cash outflows were due to a repayment of advances to a non-controlling interest and higher interest payments on borrowings. Net proceeds from borrowings were used to fund the Group's capital contribution to the student accommodation development fund.

Assets

As at 30 June 2025, total assets stood at \$2,673.1 million, an increase of \$31.7 million from 31 December 2024. The increase was primarily driven by a capital injection into a newly established student accommodation development fund joint venture, in which the Group holds a 36.5% interest, for the purpose of acquiring land for development. The strengthening of GBP against SGD also led to positive foreign currency translation effects on properties held for sale and investment properties.

This increase was partially offset by a \$6.8 million repayment of advances to a non-controlling interest, following the receipt of sale proceeds from a hotel property divested in December 2024. In addition, the Group's investment in joint ventures declined due to the declaration of dividends by the joint ventures. Decrease in cash was mainly due to a \$25.0 million payment for the Acquisition.

Liabilities

As at 30 June 2025, the Group's total liabilities amounted to \$1,283.5 million, an increase of \$38.2 million from 31 December 2024. The increase was primarily due to the accrual of the final dividend declared in April 2025. Borrowings also rose slightly, mainly due to additional drawdowns to fund the Group's capital injection into the student accommodation development fund joint venture, as well as foreign currency translation effects on GBP-denominated borrowings. These increases were partially offset by a repayment of advances to a non-controlling interest, and the declaration of dividends against advances from joint ventures during the period.

3. Where a forecast, or a prospect statement, has been previously disclosed to shareholders, any variance between it and the actual results.

No forecast has been disclosed.

F. OTHER INFORMATION REQUIRED BY LISTING RULE APPENDIX 7.2 (continued)

4. A commentary at the date of the announcement of the significant trends and competitive conditions of the industry in which the group operates and any known factors or events that may affect the group in the next reporting period and the next 12 months.

The global operating environment remains volatile in the near term, with challenges marked by an elevated cost environment, persistent macroeconomic headwinds, geopolitical uncertainty and ongoing trade tensions. While the International Monetary Fund (IMF) (July 2025) raised its global growth forecast slightly to 3.0% (0.2 percentage points higher than its April forecast), it cautioned that downside risk persists. These include trade-related distortions, elevated uncertainty and geopolitical tensions, which continue to weigh on economic sentiment and business conditions.¹

The Group's diversified lodging platform, anchored by recurring income from Hospitality and PBSA segments, provides a stable foundation amid this environment. Looking ahead, while near-term uncertainty and challenges persist, the Group remains committed to our strategic objective to grow our long-term value for stakeholders through scaling our lodging platform.

Hospitality Business

In the Hospitality business segment, hotel performance varied across markets. Singapore saw demand softening in the second quarter, with visitor arrivals remaining steady but showing signs of moderation.² In Australia, while there are gradual improvements in international arrivals and domestic travel, rising costs and uneven demand across Australian cities present ongoing challenges.³ On the other hand, Japan continues to demonstrate resilience, supported by sustained inbound tourism and stable domestic travel.⁴

At Rendezvous Hotel Perth Scarborough (337-room), the multi-year major refurbishment that began in October 2024 (carried out in three phases), is progressing well, with room renovation now completed. Although the hotel will operate throughout the refurbishment, it will continue to experience disruptions in operations until the refurbishment is completed in the second half of 2028.

UK PBSA Business

According to UCAS (July 2025), overall applications for the 2025/26 academic year increased 1.3% year-on-year ("YoY"), with demand from UK 18-year-olds growing 2.2% YoY and international students' numbers also rising, reflecting sustained underlying demand.⁵ On the other hand, supply remains constrained, with new bed delivery significantly lagging projected demand. The shortfall is expected to widen in 2025, particularly in high-demand university cities.⁶

In the UK PBSA business segment, student demand is expected to remain strong, albeit a slower booking pace for the new academic year was observed across the market. As at 30 June 2025, the Group's PBSA portfolio's reservations for the academic year commencing September 2025 ("AY25/26") were around 74% (AY24/25: 92%).

¹ IMF. "[Global growth expected to decelerate as trade-related distortions wane](#)." 29 Jul 2025

² STB. "[Tourism Statistics \(STAN\)](#)"

³ Savills. "[Australia Hospitality 1H 2025](#)." 2025

⁴ Colliers. "[Asia Pacific Hospitality Insights May 2025](#)." May 2025

⁵ UCAS. "[UK universities and colleges see record numbers of UK 18-year-old applicants](#)." Jul 2025

⁶ CBRE. "[UK Real Estate Market Outlook 2025 CBRE](#)." 2025

This release 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, such as (without limitation) general industry and economic conditions, interest rate movements, cost of capital and capital availability, competition from other companies and venues for sale/manufacture/distribution of goods and services, shift in customer demands, customers and partners, changes in operating expenses, including employee wages, benefits and training, and governmental and public policy changes. You are cautioned not to place undue reliance on these forward-looking statements, which are based on current view of management on future events.

F. OTHER INFORMATION REQUIRED BY LISTING RULE APPENDIX 7.2 (continued)

5. In the review of performance, the factors leading to any material changes in contributions to turnover and earnings by the operating segments.

Material changes in contributions to sales and operating profit are explained in paragraph 2(a).

6. Dividend

(a) Current Financial Period Reported On

None.

(b) Corresponding Period of the Immediately Preceding Financial Year

None.

(c) Date payable

Not applicable.

(d) Record date

Not applicable.

7. If no dividend has been declared/recommendeded, a statement to that effect

Dividends are not recommended or declared for half-year. Any recommendation for dividend will be made only after consideration of the full year results and the factors indicated in our dividend policy, and any declaration/payment of dividends will be subject to shareholder approval.

F. OTHER INFORMATION REQUIRED BY LISTING RULE APPENDIX 7.2 (continued)

8. Interested person transactions

The Company had obtained approval for a shareholders' mandate for interested person transactions under Rule 920(1)(a)(ii) as set out in the circular to shareholders dated 24 June 2013.

Name of interested person	Nature of relationship	Aggregate value of all interested person transactions conducted under shareholders' mandate pursuant to Rule 920 of the Listing Manual (excluding transactions less than \$100,000)	Aggregate value of all interested person transactions during the financial year under review (excluding transactions less than \$100,000 and transactions conducted under shareholders' mandate pursuant to Rule 920)
		Half-year ended 30 June 2025 \$'000	Half-year ended 30 June 2025 \$'000
Hospitality Management income	Each interested person is an associate of the Company's controlling shareholders.		
Ariake Hospitality Kabushiki Kaisha		256	-
Boo Han Holdings Pte. Ltd.		270	-
China Classic Pte Ltd		741	-
Commons SR Trustee Pte. Ltd.		386	-
Dollar Land Singapore Private Limited		114	-
Far East Organization Centre Pte Ltd		753	-
Far East Soho Pte. Ltd.		517	-
Far East SR Trustee Pte Ltd		268	-
Fontaine Investment Pte Ltd		860	-
Golden Development Private Limited		919	-
Golden Landmark Pte. Ltd.		503	-
Orchard Mall Pte. Ltd.		281	-
Orchard Parksuites Pte Ltd		534	-
Oxley Hill Properties Pte Ltd		234	-
Riverland Pte Ltd		167	-
Sakuragicho Hospitality Kabushiki Kaisha		140	-
Serene Land Pte Ltd		560	-
Transurban Properties Pte. Ltd.		505	-
Management income	Associate of the Company's controlling shareholders		
Far East Hospitality Real Estate Investment Trust ⁷		1,799	-
Management services	Each interested person is an associate of the Company's controlling shareholders.		
Far East Management (Private) Limited		1,083	-
Far East Real Estate Agency Pte. Ltd.		386	-
Sales and marketing services	Associate of the Company's controlling shareholders		
Far East Real Estate Agency Pte. Ltd.		107	-
Rental expense on operating leases - hotels, serviced residences, and offices	Each interested person is an associate of the Company's controlling shareholders.		
Far East Hospitality Real Estate Investment Trust		7,830	-
Far East Rocks Pty Ltd		392	-
Riverhub Pte Ltd		447	-
Acquisition of additional stake in a joint venture company⁸	Associate of the Company's controlling shareholders		
Far East Civil Engineering (Pte.) Limited		-	25,000

⁷Pursuant to the trust deed constituting Far East Hospitality Real Estate Investment Trust ("Far East H-REIT") (the "Trust Deed") and entered into between FEO Hospitality Asset Management Pte. Ltd. ("FEOHAM") (in its capacity as the manager of Far East H-REIT) and DBS Trustee Limited (in its capacity as the trustee of Far East H-REIT), FEOHAM is entitled to a management fee comprising a base fee of 0.28% per annum of the value of the Deposited Property (as defined in the Trust Deed) and a performance fee of 4.0% per annum of net property income or the annual distributable amount (as defined in the Trust Deed) in the relevant year, whichever is lower. During the six months ended 30 June 2025, the Company was a 33% shareholder of FEOHAM and this amount represents 33% of the management fees received during the financial period, being the value at risk to the Group.

⁸The transaction relates to the acquisition of a 6% interest in a joint venture company, Woodlands Square Pte. Ltd. ("WSPL"), by Tannery Holdings Pte Ltd ("THPL"), a wholly-owned subsidiary of the Company, resulting in THPL's increased shareholding in WSPL alongside Far East Civil Engineering (Pte.) Limited, an associate of the estate of the late Mr Ng Teng Fong, a controlling shareholder of the Company. Further details of the transaction are set out in the Company's announcement dated 24 January 2025, titled "Acquisition of Additional 6% Interest in Woodlands Square Pte. Ltd.".

F. OTHER INFORMATION REQUIRED BY LISTING RULE APPENDIX 7.2 (continued)

Confirmation Pursuant to Rule 720(1) of the Listing Manual

The Company has received undertakings from all its directors and executive officers in the format as set out in Appendix 7.7 under Rule 720(1) of the Listing Manual of the SGX-ST.

Confirmation Pursuant to Rule 705(5) of the Listing Manual

The Directors confirm that, to the best of their knowledge, nothing has come to the attention of the Board of Directors of Far East Orchard Limited which may render the unaudited interim financial statements for the six months ended 30 June 2025 to be false or misleading in any material respect.

On behalf of the Board of Directors

Koh Kah Sek
Chairman

7 August 2025

Alan Tang Yew Kuen
Group CEO and Executive Director