

MEDIA RELEASE

**FAR EAST ORCHARD REPORTS S\$18.0 MILLION
PROFIT AFTER TAX IN 1H FY2025**

- Operating profit was affected by weaker performance in the Hospitality segment, due to planned refurbishment at an owned property in Australia and lower share of profit from the hospitality joint ventures due to a cybersecurity incident
- Stronger profit contributions from the UK Purpose-built Student Accommodation (“PBSA”) segment, underpinned by Homes for Students (“HFS”) performance, following the acquisition in April 2024
- One-off gain of S\$9.1 million from the acquisition of an additional 6.7% interest in Woodlands Square Pte. Ltd. (“Woods Square”) in 1Q FY2025, partially offsetting the softer operating performance
- Growth momentum maintained:
 - Expansion into Osaka, Japan, with the opening of two hotels managed by Far East Hospitality.
 - Closed first UK PBSA development fund with developments in Glasgow and Manchester

7 August 2025, Singapore – Far East Orchard Limited (“Far East Orchard”, and together with its subsidiaries, the “Group”) today announced its financial results for the half-year period ended 30 June 2025 (“1H FY2025”).

SUMMARY OF FINANCIAL PERFORMANCE

Financial Highlights (Unaudited)

S\$ million	1H FY2025	1H FY2024	% Change
Revenue	91.3	97.3	(6.1)
Operating profit	30.9	36.1	(14.4)
Profit after tax ^{(1) (2)}	18.0	19.7	(8.3)
Profit attributable to equity holders of the Company ⁽¹⁾	19.6	18.2	7.5

⁽¹⁾ Excluding S\$9.1 million one-off gain from the acquisition of an additional 6.7% interest in Woodlands Square Pte. Ltd. (“Woods Square”), 1H FY2025 profit after tax and profit attributable to equity holders would have been S\$8.9 million and S\$10.5 million, respectively.

⁽²⁾ 1H FY2025 profit after tax included currency translation gain of S\$1.0 million (1H FY2024: S\$1.9 million).

The Group reported lower revenue and operating profit of S\$91.3 million and S\$30.9 million for 1H FY2025, respectively, due to the weaker performance in the Hospitality business segment. The Hospitality business segment was impacted by the ongoing refurbishment works at its owned hotel in Australia, the Rendezvous Hotel Perth Scarborough (“RHPS”). The Group’s leased and managed property, Orchard Rendezvous Hotel, Singapore, continued to be affected by surrounding construction works. The divestment of Rendezvous Hotel Perth Central in December 2024 also resulted in the absence of contribution from that asset in 1H FY2025. In addition, a cybersecurity incident affecting Toga Far East Hotels (“TFE Hotels”) and the Adina Europe joint venture in March 2025 had impacted operations.

Recurring income from the UK PBSA business segment remained resilient, underpinned by the acquisition of HFS in April 2024, which contributed positively to the share of results in 1H FY2025. The Group’s PBSA operational portfolio also benefited from rental growth for the academic year commencing in September 2024 (“AY24/25”). Property development earnings also contributed

positively, with a higher share of results from Woods Square following the Group's 6.7% interest increase in January 2025 ("WS acquisition").

A one-off gain of S\$9.1 million recognised from the WS acquisition helped cushion the impact of the softer operating results. Excluding the one-off gain, profit after tax would have been lower year-on-year, reflecting the operational challenges and continued macroeconomic pressures. In response, the Group continues to exercise cost discipline and maintain a prudent approach to capital allocation, while staying focused on scaling the lodging platform to build recurring income growth and long-term resilience.

Group Chief Executive Officer of Far East Orchard, Mr Alan Tang, said, "Our hospitality business experienced disruptions from planned refurbishments and an isolated cybersecurity incident affecting our joint venture operations in Australia and Europe. While these challenges are being actively managed, we remain focused on maintaining cost discipline and strengthening operational resilience across the business. Meanwhile, our UK PBSA business continues to deliver steady recurring income, underscoring the strength and stability of our diversified lodging platform."

OPERATIONAL UPDATES

Hospitality Business – Unlocking Opportunity

The Group's hospitality management arm, Far East Hospitality, continued its regional expansion in Japan with the opening of Far East Village Hotel Osaka, Honmachi on 15 July 2025. This builds on the earlier opening of the 77-room Far East Village Hotel Osaka, Namba South in April 2025. The 165-room hotel is the Group's second property in Osaka and fifth in Japan, increasing its total room inventory in the country to nearly 1,000 rooms since entering the market in 2020.

Through its joint venture, TFE Hotels, the Group commenced operations of The EVE Hotel Sydney (102-room) and Adina Vienna Danube, Austria (120-room) in the first quarter of 2025. TFE Hotels is also scheduled to open four hotels totalling approximately 500 rooms by the second half of 2025. This includes two Adina-branded apartment hotels in the UK, namely The Hobson Cambridge (56-room) and The Wellington Glasgow (100-room), marking TFE Hotels' first foray into the UK, aligning with the Group's broader strategy to expand its hospitality footprint in key international markets.

As of 30 June 2025, the Group's hospitality portfolio comprises over 17,500 rooms, excluding the approximately 500 rooms in the pipeline.

UK PBSA Business – Delivering on Strategic Focus

The Group continues to advance its strategic growth in the UK PBSA sector through active development, further strengthening its foothold in the UK student housing market.

A significant milestone was achieved on 18 June 2025 with the final close of the Group's first private PBSA fund, the Far East UK Student Accommodation Development Fund ("FESAD"), which secured £96 million in committed capital—63.5% from third-party institutional investors and 36.5% from Far East Orchard. To date, FESAD has committed more than 35.0% of the raised equity into two development projects: Osborne Street in Glasgow (273-bed, expected completion in 2027), where construction is already underway, and Plymouth Grove in Manchester (239-bed, expected completion in 2028).

The Group's PBSA joint venture 706-bed development in Bristol continues to progress well and remains on track for completion in June 2026.

The Group's PBSA portfolio occupancy stood around 92% for AY24/25 (AY23/24: 99%), with the lower occupancy rate attributable to marginally lower international student acceptance. Nevertheless, AY24/25 continued to achieve rental growth.

As of 30 June 2025, the Group's owned UK PBSA portfolio comprises approximately 3,700 operational beds and approximately 1,000 beds under development. With HFS, the Group's owned and managed beds expand to over 55,000 across the UK.

FY2025 OUTLOOK

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 RHPS (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, which was observed across the market. As of 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%).

Commenting on the overall outlook, **Mr Tang said**, "We are operating in an uncertain macroeconomic environment. Our focus remains on building resilience and creating long-term value by scaling our lodging platform. Supported by fund management expertise and disciplined capital deployment alongside institutional partners, we aim to grow our long-term recurring income."

He added, "Our priorities are clear: driving recurring income growth, strengthening our fund management capabilities, and deploying capital with discipline to deliver sustainable growth."

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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

About Far East Orchard Limited (www.fareastorchard.com.sg)

Far East Orchard Limited (“Far East Orchard”) is a real estate company with a lodging platform that aims to achieve sustainable and recurring income through a diversified and balanced portfolio. Established in 1967, Far East Orchard has a proven track record in real estate development, investment, and management across residential, commercial, hospitality, and Purpose-Built Student Accommodation (“PBSA”) in Australia, Japan, Malaysia, Singapore, and the United Kingdom (“UK”).

Listed on the Mainboard of the Singapore Exchange, Far East Orchard is also a member of Far East Organization, Singapore’s largest private property developer. Following a strategic transformation in 2012, the Group expanded into hospitality management and invested in healthcare real estate. In 2015, it diversified its portfolio to include the development and investment of PBSA properties in the UK.

In 2023, Far East Orchard celebrated a decade of partnerships in the hospitality business with The Straits Trading Company Limited and Toga Group, Australia. Its hospitality arm, Far East Hospitality, together with the joint venture, Toga Far East Hotels, now owns more than 10 assets and manages over 100 properties with more than 17,500 rooms in Australia, Austria, Denmark, Germany, Hungary, Japan, Malaysia, New Zealand, Singapore, and Switzerland, across 10 distinct brands.

Far East Orchard's PBSA portfolio comprises over 3,700 beds across key cities in the UK, with three developments underway in Bristol, Glasgow and Manchester. Upon completing these projects, the portfolio will exceed 4,700 beds across 16 properties.

In 2024, the Group acquired a 49% stake in Homes for Students (“HFS”), a leading UK PBSA operator managing over 50,000 beds. This acquisition, along with the establishment of a private student accommodation fund, further strengthens the Group’s position in the UK market. With HFS, the Group’s total portfolio now exceeds 55,000 owned and managed beds.

The Group also owns purpose-built medical suites for lease and sale in Novena, Singapore’s premier medical hub.

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