

FAR EAST ORCHARD LIMITED

SINGAPORE HOSPITALITY (REVIVAL)
CORPORATE ACCESS WEEK

Wednesday, 17 November 2021

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About Far East Orchard & Our Strategic Focus

Transformational Milestones (2012 – 2021)



Build a resilient business via an expansion of recurring income base to complement development earnings

Hotel owner and property developer



2012

Expanded hospitality footprint via two joint venture partnerships with The Straits **Trading Company** Limited and Toga Group



2014

Diversified into PBSA in the UK through acquisition of Purpose-Built Student Accommodation ("PBSA") properties in Newcastle upon Tyne and Brighton, UK



2016

Signed term sheet for three Sentosa Hotels and The Clan Hotel, opened in 2019 and 20221, respectively



2018

Continued expansion of **UK PBSA** portfolio with acquisition of three PBSA properties in Bristol and Liverpool, UK



2020

Reached the milestone of 100 operating hotels under Far East Hospitality

Pre-2012



Underwent a strategic restructuring exercise



 Commenced new businesses in hospitality management and healthcare real estate

2013



First entry into **Europe** with acquisition of four hotels in Germany and Denmark with Toga Group



First foray into Australian residential market with

Toga Group to develop Harbourfront Balmain

2015



Expanded into the UK residential market with the acquisition of the Former Westminster Fire Station, for redevelopment

2017



First foray into Japan via joint acquisition of a hotel project in Ariake, Tokyo with Far East Organization

2019



Review: FEOR 2025 Building a

Strategic

lodging platform focusing on the two levers of hospitality and PBSA

2021



Kecu. Income

Recurring Income

Property Development Recurring

Income

Recurring Income Income

Property Development







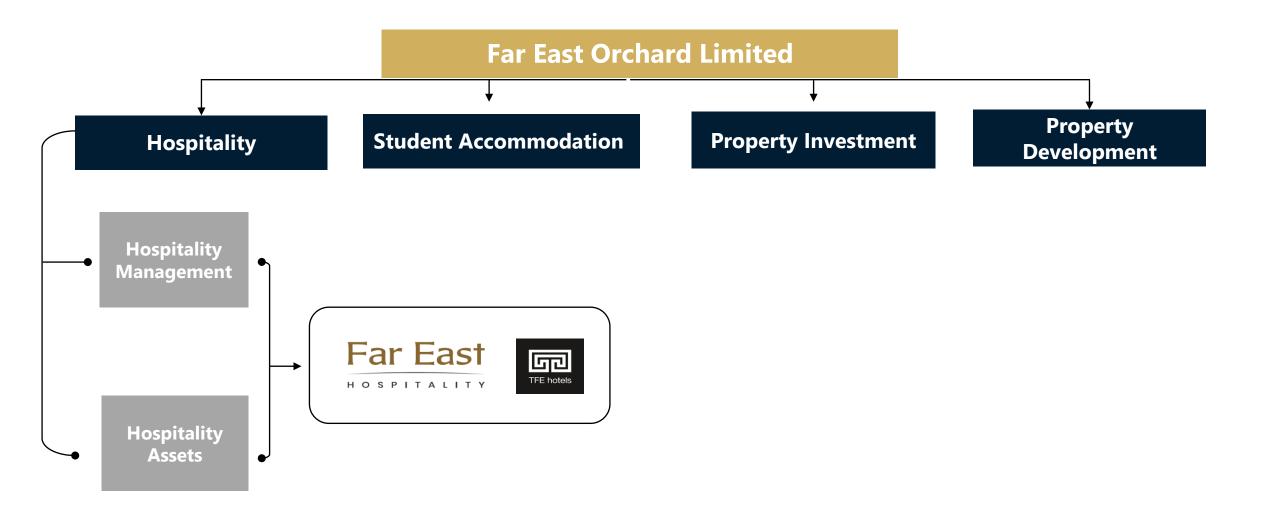




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Business Structure





Our Transformation in numbers



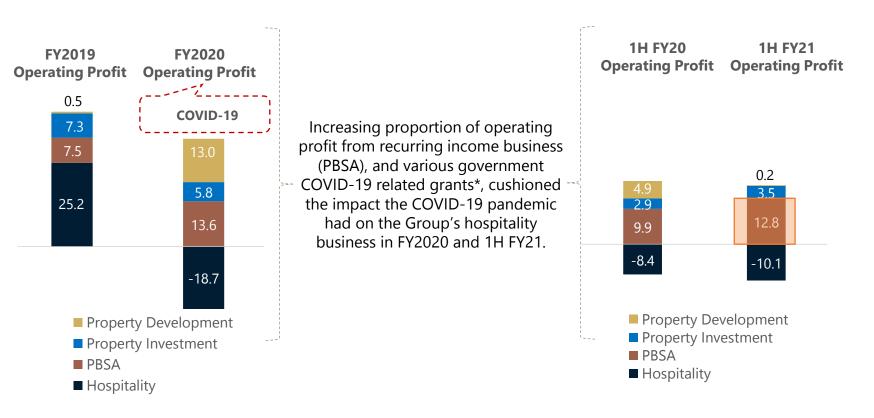
Pre-2012

- Earnings primarily driven by property development
- 3 owned hospitality assets



Today

- Focusing on recurring income streams from hospitality and PBSA
 - > 100 owned/managed hospitality assets with close to 18,000 rooms
 - Portfolio of 12 PBSAs in the UK with 3,561 beds



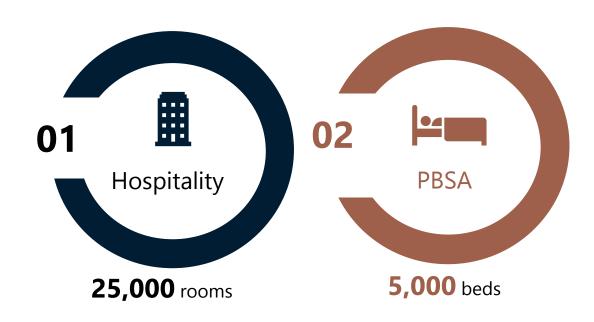
^{*} With the lifting of restrictions and requirements for isolation hotels, the demand is expected to dwindle in the months to come.

Strategic Focus





FEOR 25 Strategy



Grow the portfolios through a combination of strategic partnerships, hotel management agreements and selective acquisitions.

Diversified Growth Platforms & Geographies 🖳



S\$2.6 billion

Total Assets as at 30 June 2021

Hospitality

9 countries/26 cities, >100 hotels, ~18,000 rooms

PBSA

6 cities, 12 assets, 3,561 beds



As at 30 September 2021

Sustainability Enabler

Committing to Sustainability Efforts



Sustainability Vision:

We strive to create sustained economic value for our stakeholders and contribute responsibly to the environment and society, while upholding a high standard of corporate governance.

Together, we work towards creating a sustainable future through our real estate and lodging platform.



Minimise environmental impacts

Reducing our environmental footprint and preserving environmental resources across our platforms

Implementations:

- Tracking carbon footprint in properties we have control in
- Initiatives in place to minimise and conserve environmental resource.



Supporting our people

People-first business.

Strive to provide safe and conducive environment; empower staff to take charge of their own success.

Maintain the highest safety and health standards to ensure customers have the best experience.



Resilient business

Accountable to all stakeholders to ensure the long-term success of our business.

This is done through a diversified and balanced portfolio in the geographies we operate.

ΔÎΔG

Governance

Upholding integrity

We believe in ethical and transparent business practices across our value chain will go a long way in maintaining business continuity and our market reputation.



Business Overview & Key Markets Update



Hospitality



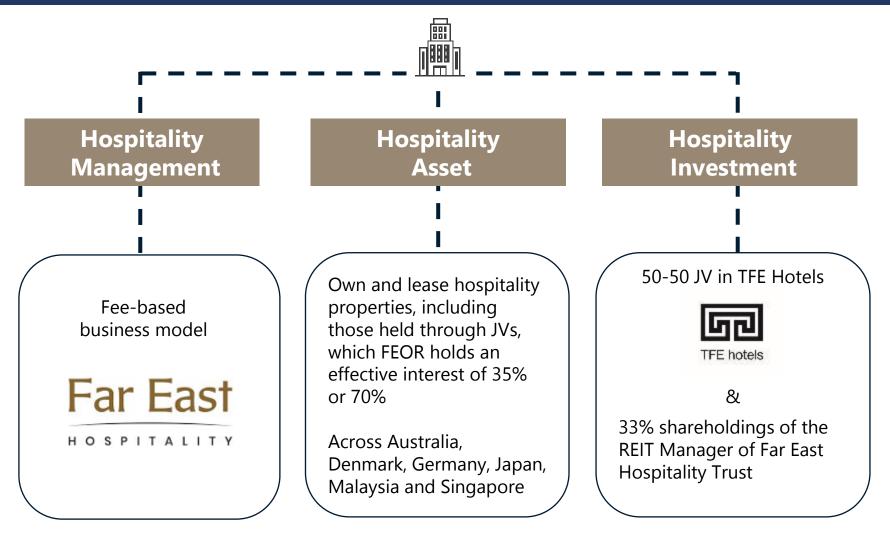




About the Hospitality Business



Hospitality business is organised into 3 main pillars



Hospitality Global Presence & Pipeline



More than

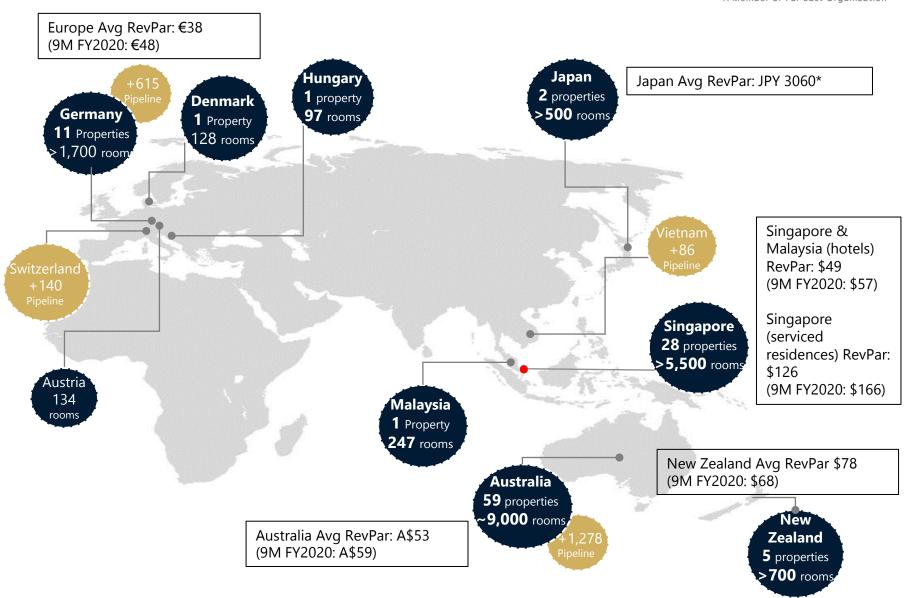
100 properties with approx.

18,000 rooms

Expecting openings of 13 properties through to 2023

 New countries in Switzerland and Vietnam



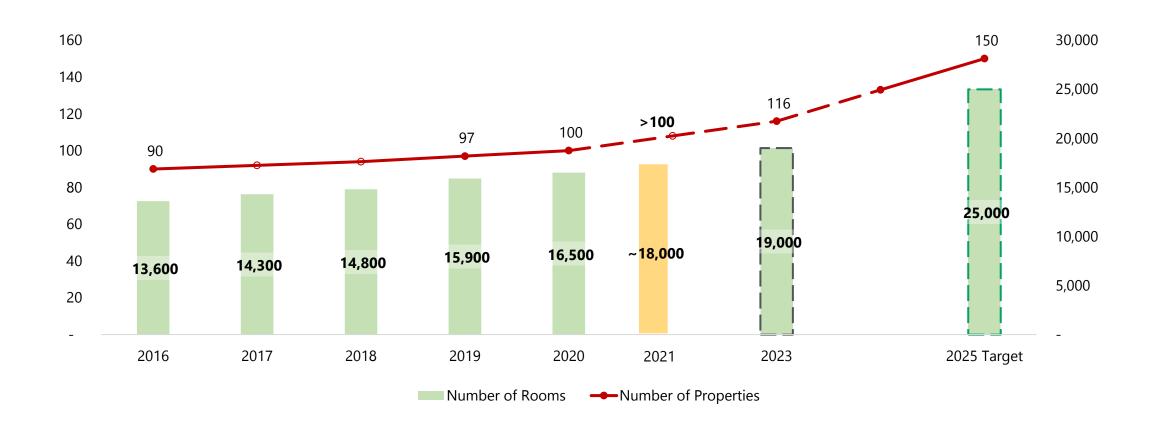


As at 30 September 2021 *1 property opened in June 2020

Growing Hospitality Management Portfolio



Hospitality continues to be the core contributor to our recurring income base



Singapore Market Update: Hospitality



Pivoting & Refocusing

Focusing on domestic tourism

Experience creation



Creation of different experiences with different brands

Diversify business segments

Luxury: The Clan Spa wellness: Oasia Resort Hotel

Expansion into new markets



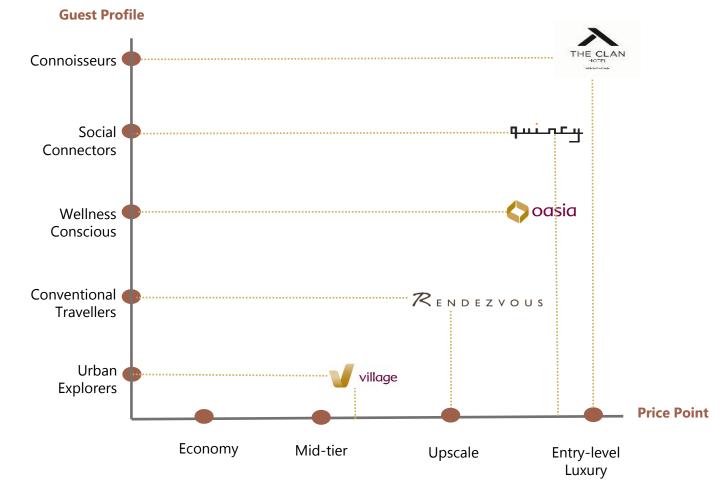
Expanded into Japan; currently have 2 properties

Refurbishment and cross-branding



Refurbished legacy properties Cross-branding with Australia brands i.e. Adina, Quincy





Pushing Ahead With Expansion Plans























Jun

Oct

Feb











Far East Village Hotel, Yokohama Opened on June 1 227-key





*First foray into the spa resort category

*Ranked #1 on TripAdvisor (Sentosa Island)



Adina Apartment Hotel, Munich, Germany Opened in October 234-key



Student Accommodation



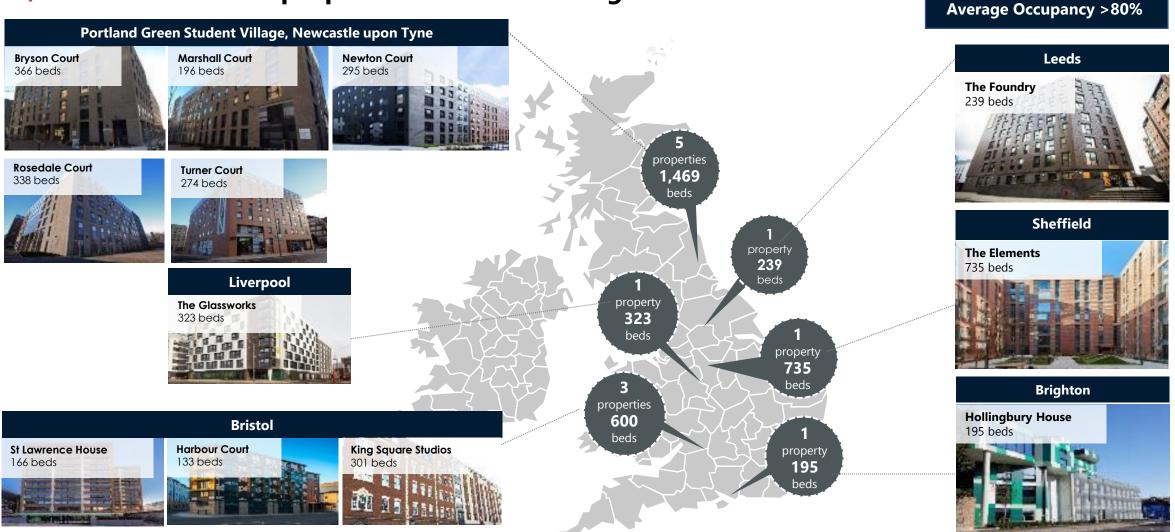




Growing UK PBSA Portfolio



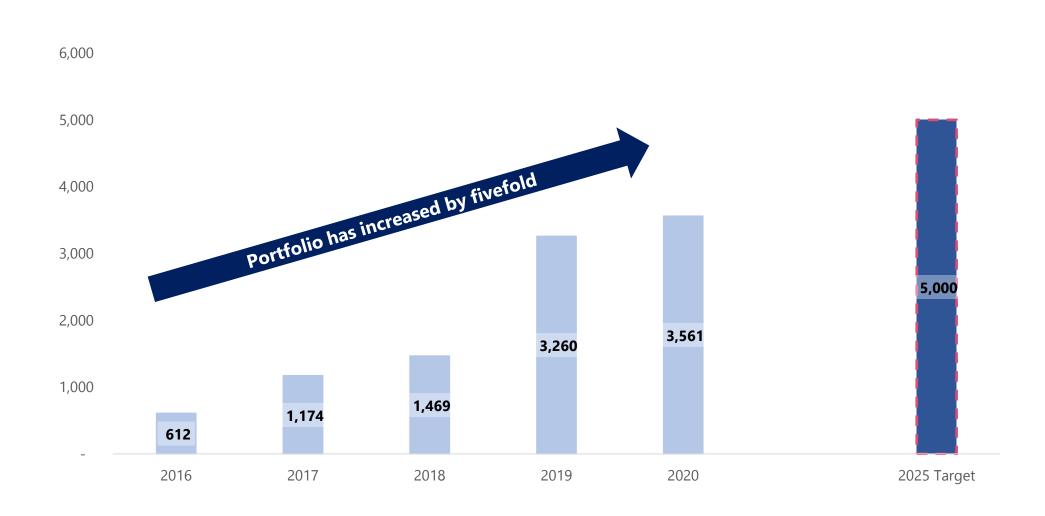
3,561 beds across 12 properties in 6 United Kingdom cities



Growth of PBSA Portfolio



Working towards achieving 2025 target of 5,000 beds



United Kingdom: PBSA



Strong outturn of investment expected in 2021, exceeding pre-COVID levels¹

- PBSA remains strong in investment value in the UK
- Demand for PBSA globally will continue to see growth
 - o Estimated <15% of full-time students are able to access PBSA and it will be skewed towards high quality student experience
- Opportunities from emerging markets
 - o E.g. India

Continuous rising trend on international student demand ¹

- Growing global affluence and increased student mobility
- UK offers a rich cultural and diverse environment to improve the overall student experience
- Availability of work opportunities in UK post-study



Property Development/Investment





Property development Update



Westminster Fire Station

Residential/Commercial

	Woods square	Weshimister the station	
Location	Singapore	London, United Kingdom	
Far East Orchard's effective interest	33%	100%	
Total units	514	17 units; 1 restaurant	
Total units launched for sale	208	-	
Percentage of units sold as at 30 Sep 21	70%*	N.A.	
TOP	5 Feb 2020	31 August 2021	

Woods Sauare

^{*} Based on units launched for sale

Property Investment



Novena Medical Center



44 Medical Suites¹

Novena Specialist Center



39 Medical Suites²

 Medical suites at Novena Medical Center and Novena Specialist Center have provided us with a source of stable recurring income

¹ 7 units held under "Properties held for sale" and 37 units held under "Investment Properties".

² 229 units held under "Properties held for sale" and 10 units held under "Investment Properties"



Financial Highlights

9M FY21 Key Financial Highlights



The Group continues to be impacted by COVID-19 headwinds on hospitality business

	SALES	TOTAL (LOSS)	(LOSS) ATTRIBUTABLE TO EQUITY HOLDERS
	S\$75.4 M ▼ 10.2 %	S\$(20.8) M ▼ 57.6 %	S\$(12.6) M ▼ 100.0 %
9M FY20	S\$84.0 M	S\$(13.2) M	S\$(6.3) M

- Performance was encumbered by the ongoing and resurgence of COVID-19 impact on the hospitality business, particularly in Australia.
- Losses were cushioned by:
 - Operating profits from the PBSA business segment, rental income from medical suites, businesses from government isolation and movement control order (MCO) in Singapore, and various support from government grants
- Maintain a healthy cash position of S\$261.6 million (31 Dec 2020: S\$278.4 million)

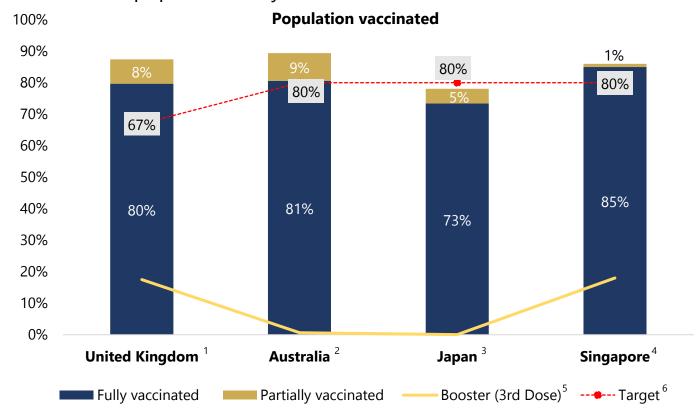


COVID-19 Updates

Vaccination Progress Across FEOR's Key Markets

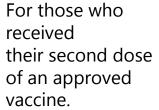


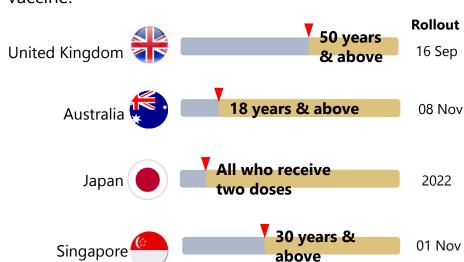
- Most countries achieved vaccination targets
- >70% of population fully vaccinated



Source: Our World Data. "Share of people vaccinated against COVID-19", 06 Nov 2021.







Gov.UK, "Vaccinations in United Kingdom", November 202. Percentage based on population aged 12 and over.

² Australian Government Department of Health, "Vaccine rollout update, Oct 2021.

³ Our World Data, "Japan: Coronavirus Pandemic Country Profile." Oct 2021.

⁴ The Straits Times, "Tracking Singapore's Covid-19 Vaccination progress." 08 Nov 2021.

⁵ Japan Times. "Japan to open up COVID-19 booster shots to all residents." 28 Oct 2021

⁶ Based on government guidance and latest target vaccination timeframe.



Market Outlook

Looking Ahead



Travel & Tourism

Gradual recovery and will take time

Prospects for rest of year remain₁mixed; expect rebound to pre-COVID levels in 2024 or later

Countries progressively reopening borders for international travel

Uneven recovery – countries with sizeable domestic market, such as Australia, Japan, Germany, expected to recover faster

UK Student Accommodation

Demand for PBSA will continue to see growth

Strong outturn of investment expected in 2021, exceeding pre-COVID levels²

Continuous rising trend on international student demand

¹ The World Tourism Organization (UNWTO), "Vaccines and reopen borders driving tourism's recovery". 4 Oct 2021.

² Knight Frank, "Student Accommodation Survey Report – 2021". Nov 2021.



Thank you

For enquiries, please contact Investor Relations

Email: <u>ir@fareastorchard.com.sg</u>

Far East Orchard Limited (https://www.fareastorchard.com.sg)



Annex

Owned/Leased Hospitality Properties

Owned Hospitality Properties





KL, Malaysia Oasia Suites Kuala Lumpur Rooms: 247



Perth, Australia Rendezvous Hotel Perth Scarborough Rooms: 336



Perth Central, Australia Rendezvous Hotel Perth Central Rooms: 103



Melbourne, Australia Rendezvous Hotel Melbourne Rooms: 340



Tokyo, Japan Far East Village Hotel Ariake Rooms: 306



Sydney, Australia Adina Apartment Hotel Sydney Darling Habour Rooms: 114



Adelaide, Australia Adina Apartment Hotel Adelaide Treasury Rooms: 79

Effective Interest - 35%



Brisbane, Australia Adina Apartment Hotel Brisbane Rooms: 220



Darwin, Australia Travelodge Resort Darwin Rooms: 224



Sydney, Australia A by Adina, Sydney Rooms: 194



Berlin, Germany Adina Apartment Hotel Berlin Checkpoint Charlie Rooms: 127



Berlin, Germany Adina Apartment Hotel Berlin Mitte Rooms: 139



Frankfurt, Germany Adina Apartment Hotel Frankfurt Neue Oper Rooms: 134



Copenhagen, Denmark Adina Apartment Hotel Copenhagen Rooms: 128

Leased Hospitality Properties





Singapore
Orchard Rendezvous Hotel, Singapore
Rooms: 388



Singapore Village Hotel Albert Court Rooms : 210



Singapore Village Residence Clarke Quay Rooms : 127



Sydney, Australia Rendezvous Hotel Sydney The Rocks Rooms : 61