

MEDIA RELEASE

FAR EAST ORCHARD ACQUIRES 49% STAKE IN UK'S LARGEST INDEPENDENT PURPOSE-BUILT STUDENT ACCOMMODATION OPERATOR

- **Fortifies Far East Orchard's Purpose-Built Student Accommodation ("PBSA") market position in the United Kingdom ("UK")**
- **Acquisition is in line with FEOR 25 Strategy and enhances the operating management capabilities of the Group's PBSA business**

25 April 2024, Singapore – Far East Orchard Limited ("Far East Orchard", and together with its subsidiaries, the "Group") today announces the acquisition of a 49% stake in Homes For Students Limited ("HFS") – UK's largest independent PBSA operator – for £17.6 million (approximately S\$30.0 million)¹. Far East Orchard will acquire the 49% stake from two non-management sellers.

Under the terms of the agreement, Far East Orchard could progressively acquire the remaining 51% interest in HFS in two stages, by September 2025 and November 2030, subject to terms and conditions of the agreement. The HFS key management team has indicated that they intend to continue to remain in the business throughout the entire duration.

HFS operates over 40,000 beds in more than 50 university towns and cities in the UK and Ireland, providing an integrated student accommodation management and facilities management service. The acquisition will propel the Group's FEOR 25 strategy, expanding its capabilities and strengthening its position in the UK PBSA sector.

Group Chief Executive Officer of Far East Orchard, Mr Alan Tang, commented, "The strategic acquisition into HFS is in alignment with our FEOR 25 strategy to build a lodging platform to deliver growth and build a sustainable and recurring income stream. It will propel us to surpass our target of 5,000 beds, ahead of 2025."

"The continued strong fundamentals in the student accommodation sector, fuelled by domestic and international student demand, support our confidence in this sector for the coming years. We are assured that HFS' dedicated and capable management team will continue to provide exceptional services to their clients and add value to the students' experience." Mr Alan Tang added.

Martin Corbett, Founder and Chief Executive Officer of HFS, commented, "HFS has a vibrant executive and senior management team and dedicated property teams who have been instrumental in our success to date. We are delighted to partner with Far East Orchard, who understands the UK's PBSA sector and comes on board to support our plans to expand both PBSA and other related living sectors and markets using the enviable reputation that HFS has built in the UK and Ireland as a foundation."

Far East Orchard's PBSA portfolio currently comprises close to 3,700 beds across key cities in the UK. With the completion of the ongoing development in Bristol, and at the Glasgow site recently acquired in March 2024, the Group's PBSA portfolio will grow to approximately 4,700 beds across 15 properties in the UK. The acquisition will strengthen the Group's operating management capabilities in the UK by

¹ Based on the exchange rate of GBP1:SGD1.70 prevailing as at 25 April 2024.

allowing it to leverage HFS's operating platform to enhance the operating management capabilities of the Group's PBSA business in the UK.

The Strong Fundamentals in the UK PBSA Market

The UK's PBSA market remains strong with indications that continued student demand and an imbalance in the demand and supply of university student housing will continue to fuel rental growth. Demographic trends allude to this, with the UK student population entering university expected to continue rising and the number of international university students slated to increase, building on a record number in 2022/23.

As announced in the Group's Full Year 2023 results, the Group's UK PBSA portfolio has maintained its near-full occupancy rate of 99% for a second consecutive year, reflecting the strong continued demand for student accommodation.

This asset-light acquisition strategy will provide the Group with a stable recurring income from the PBSA business segment.

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Note: This media release is to be read in conjunction with the Company's announcement on SGXNET on the same date.

About Homes for Students (HFS)

As the UK's leading independent student accommodation provider, HFS manages direct let, nominated, and lease properties in every major university city and town. Providing an integrated student accommodation management and facilities management service, HFS offers high quality, award-winning on- and off-campus residences.

HFS, established since 2015, is the United Kingdom's ("UK") largest independent purpose-built student accommodation ("PBSA") operator. It manages over 40,000 beds in more than 50 towns and cities in the UK and Ireland. HFS provides an integrated student accommodation management and facilities management service, and operates several student accommodation brands under its umbrella group including Homes for Students, Prestige Student Living, EVO Students, Essential Student Living, Universal Student Living, Urban Student Life and UK Student Houses.

<https://abouthomesforstudents.com/>



Map of HFS' PBSAs in 55 towns and cities across the UK and Ireland

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 since 1967, Far East Orchard has a track record in real estate development, investment and management across residential, commercial, hospitality and Purpose-Built Student Accommodation ("PBSA") properties 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.

Redefining itself through a strategic business transformation in 2012, Far East Orchard expanded into the hospitality management business and invested in healthcare real estate. In 2015, it further diversified its real estate portfolio to include the development and investment of PBSA properties in the UK.

In 2023, Far East Orchard celebrated its 10-year partnerships in the hospitality business with The Straits Trading Company Limited and Toga Group, Australia. Far East Orchard's hospitality arm, Far East Hospitality, together with the joint venture, Toga Far East Hotels, now owns more than 10 assets and manages close to 100 properties with more than 16,600 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 close to 3,700 beds across key cities in the UK. In 2022, Far East Orchard entered into a joint venture in Bristol to develop a 706-bed PBSA asset. With the completion of the development in Bristol and at the Glasgow site acquired in March 2024, the Group's total PBSA portfolio will grow to approximately 4,700 beds across 15 properties in the UK.

Additionally, the Group holds a portfolio of purpose-built medical suites for lease and sale in Novena, Singapore's premier medical hub.

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