

MEDIA RELEASE

**FAR EAST ORCHARD ESTABLISHES ITS INAUGURAL
PRIVATE STUDENT ACCOMMODATION FUND**

- **The FE UK Student Accommodation Development Fund (“FESAD” or the “Fund”) is focused on Purpose-Built Student Accommodation (“PBSA”) development opportunities in the UK**
- **FESAD has completed its first closing with £70 million out of the targeted aggregate commitment of £100 million**
- **Development site acquired by the Group in Glasgow, Scotland will be a seed development of the Fund**
- **The Group is committed to building a resilient lodging platform leveraging on its investment and asset management capabilities**

22 August 2024, Singapore – Far East Orchard Limited (“Far East Orchard”, and together with its subsidiaries, the “Group”) is pleased to announce the establishment of its first private fund in Singapore – FE UK Student Accommodation Development Fund (“FESAD” or the “Fund”) – and the completion of its first closing of £70 million. FESAD will invest in PBSA development opportunities within the United Kingdom (“UK”) and has a target aggregate commitment of £100 million.

Group Chief Executive Officer of Far East Orchard, Mr Alan Tang, remarked, “The establishment of a UK PBSA private fund in Singapore marks a key cornerstone for the Group as we build a resilient lodging platform leveraging on our investment and asset management capabilities. Having been in the UK PBSA business since 2015, we have established a track record in the market and remain confident in the sector given its strong fundamentals, robust student demand, and structural supply-demand gap. We are heartened by our investor’s confidence in us, which has led to a promising first closing.”

The local UK student population is currently at its highest level and projections provided by the Higher Education Policy Institute forecast an additional 358,000 university places needed by 2035. On the supply side, there is a current shortfall of 580,000 beds in the UK¹. As announced in the Group’s Half Year 2024 results, the Group’s UK PBSA portfolio’s reservations for the academic year commencing September 2024 (“AY24/25”) was around 92% reflecting the strong continued demand for student accommodation.

The Fund is currently seeded with a development site in Glasgow, Scotland where a 273-bed student accommodation project will be constructed. The site, which was acquired by the Group in March 2024, is centrally located within multiple university campuses and have excellent connectivity to city centres. The Fund will target high-potential PBSA development projects in the UK, aligning with the Group’s strategy to effectively deploy the committed capital raised.

The current total commitment to FESAD by its limited partners is £70 million of which Far East Orchard Investments (UK) Pte Ltd (“FEOI”), a wholly-owned subsidiary of the Group, has committed £35 million. FEOI’s interest in FESAD at any point in time will be determined based on the capital commitment by FEOI to FESAD, as a proportion of the total commitment contributed to FESAD by its limited partners.

¹ CBRE. [“CBRE Real Estate Market Outlook 2024” | UK.](#) 2024.

In April 2024, Far East Orchard announced the acquisition of a 49% stake in Homes For Students, UK's largest independent PBSA operator, enhancing the operating management capabilities of the Group's PBSA business and strengthening its position in the PBSA sector in the UK.

Mr Tang added, "Moving into the fee-based investment management business is a natural progression in addition to our current operating fee-based model to leverage our investment and asset management capabilities in the PBSA business in the UK. It allows the Group to grow its recurring income stream as it steers towards an asset-light business model, ultimately reducing its balance sheet exposure and delivering greater sustainable value to shareholders."

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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 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 over 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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