



FAR EAST ORCHARD LIMITED

(Incorporated in the Republic of Singapore)

(Company Registration No. 196700511H)

MEDIA RELEASE

**FEOrchard completes Joint Ventures with Toga Group
and The Straits Trading Company**

- **Combined portfolio makes the partnership one of the largest hospitality operators in Australia**
- **FEOrchard's hospitality portfolio now covers over 13,000 rooms across more than 80 hotels and serviced apartments in eight countries**

1 November 2013, Singapore – Far East Orchard Limited (“FEOrchard” or the “Company”) is pleased to announce that Far East Hospitality Holdings Pte Ltd (“Far East Hospitality”), its 70-30 joint venture with The Straits Trading Company Limited (“STC”), has completed the acquisition of STC’s Australian assets and existing hospitality management business as well as FEOrchard’s existing and pipeline hospitality management business. This completion follows close on the heels of the completion of Far East Hospitality’s 50-50 joint venture with Toga Group on 6 August 2013¹, through its wholly-owned subsidiary, Far East Hospitality Investments (Australia) Pte Ltd.

FEOrchard’s Group Chief Executive Officer and Managing Director, Mr Lucas Chow said: *“The successful completion of both transactions marks a significant milestone for FEOrchard and our regional expansion plan. This reinforces FEOrchard’s commitment to grow our newly-acquired hospitality management business and to enhance our recurring income for the Company.”*

Operating a Regional Portfolio

These Joint Ventures have provided Far East Hospitality with an effective operating platform and an immediate strategic foothold in Australia, a key hospitality market in the Asia Pacific. With the completion of the transactions, Far East Hospitality will extend its reach beyond Singapore and Malaysia, into Australia, China, Denmark, Germany, Hungary and New Zealand, establishing itself as a regional hospitality owner and operator with a sizeable overseas network. The expanded operating platform will further enhance FEOrchard’s ability to continue growing in the Asia-

¹ FEOrchard announced on 15 April 2013 that it had entered into a joint venture implementation agreement (“JVIA”) with The Straits Times Trading Company Limited, and on 18 April 2013, together with its wholly-owned subsidiary, Far East Hospitality Investments (Australia) Pte Ltd, entered into a subscription and redemption agreement with various entities under the Toga Group, together known as the Joint Ventures.

Pacific region and engaging in cross-selling initiatives between its brands and geographic markets.

Far East Hospitality now has a combined portfolio of more than 13,000 rooms under management across more than 80 hotels and serviced apartments, with a substantial regional footprint, up from its approximately 3,600 rooms under management across 18 hotels and serviced residences previously.

Six new brands (“Rendezvous”, “Marque”, “Medina”, “Adina”, “Vibe” and “Travelodge”) have also been added to Far East Hospitality’s stable of distinctive hospitality brands, giving it a total of nine unique and complementary brands. Catering to different targeted segments, together these nine brands broaden Far East Hospitality’s offering to its customers across multiple geographies and strengthen its presence in Singapore and the region. To facilitate easy access to the expanded portfolio of properties, customers will find comprehensive one-stop information on the full array of hotels and serviced residences and be able to book directly on its www.stayfareast.com website.

Mr Arthur Kiong, Executive Director of Far East Orchard and Chief Executive Officer of Far East Hospitality says, *“Asia Pacific will continue to lead the world as the fastest-growing travel region, and the opportunities are tremendous. With our new brands and new geographical reach, we are well-placed to seize these opportunities. We aim to bring our signature brand of Singapore-inspired hospitality to both business and leisure travellers in more locations.”*

Taking a customer-focused approach, Far East Hospitality offers a unique style of pragmatic hospitality that anticipates and addresses the needs of today’s new generation of discerning travellers by providing comfort in specific segments without the excess that guests do not want to pay for. *“Today’s travellers are increasingly discerning and eschew cookie-cutter offerings. They want fuss-free, authentic, local experiences, and they have consistently told us that they appreciate our unique style of hospitality. In the hospitality business, the focus has to be placed on the guest, and this is why we do not follow the traditional star-rating system, and have moved towards segmenting our brands based on travellers’ profile,”* adds Mr Kiong.

Working Together for a Bright Future

FEOrchard, STC and Toga Group will now be able to combine financial resources to pursue more yield accretive acquisitions and growth opportunities, and share their networks to direct new and exciting opportunities to the Joint Ventures. The combined management capabilities and scale of the expanded operating platforms between FEOrchard, Toga Group and STC will also yield significant operational synergies.

Far East Hospitality will also continue to promote its portfolio of hospitality brands and pursue new management contracts that will add growth and recurring income, allowing it to further expand and diversify its existing hospitality management portfolio regionally.

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

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

Far East Orchard Limited, a member of Far East Organization, Singapore's largest private property developer, is an established developer that has delivered a number of successful residential, commercial and hospitality developments. Today, it has a diversified portfolio focusing on property development, hospitality real estate development and management, and healthcare real estate space.

On the residential and commercial fronts, Far East Orchard continuously looks for real estate opportunities and participates in land tenders in Singapore to build up its land bank. In Singapore the Company currently has two projects under development (euHabitat and SBF Center), with one more in the pipeline from its recent successful residential land tender bid in Fernvale Close. The latter is a joint venture with Frasers Centrepoint and Sekisui House. Far East Orchard is also redeveloping its commercial building in Kuala Lumpur, Malaysia into a hospitality property.

As a vertically integrated regional hospitality owner and operator with a sizeable overseas network, Far East Orchard, through its hospitality management arm, Far East Hospitality, has a global footprint spanning Australia, China, Denmark, Germany, Hungary, Malaysia, New Zealand and Singapore. The Company's hospitality portfolio covers over 80 properties with more than 13,000 rooms across eight countries. In Singapore, it operates the city-state's largest hospitality portfolio comprising 17 hotels and serviced residences. The Company's stable of nine unique and complementary hospitality brands include "Quincy", "Oasia", "Village", "Rendezvous", "Adina", "Medina", "Vibe", "Travelodge" and "Marque".

Far East Orchard also owns a portfolio of purpose-built medical suites in Novena Medical Center and Novena Specialist Center, which are located in Singapore's premier Novena medical hub. It intends to be the premier private owner, operator and landlord of healthcare space in Singapore.

About Far East Hospitality (www.stayfareast.com)

Far East Hospitality Holdings Pte Ltd (Far East Hospitality), a premier hospitality assets owner and operator, is a 70-30 joint venture formed in 2013 between Far East Orchard Limited (a listed company under Far East Organization) and The Straits Trading Company Limited. In the same year of its formation, Far East Hospitality through its wholly-owned subsidiary Far East Hospitality Investments (Australia) Pte Ltd, completed a 50-50 joint venture with Australia's Toga Group.

With the joint ventures, Far East Hospitality has established itself as a regional hospitality owner and operator with a sizeable overseas network. It now has a combined portfolio of more than 13,000 rooms under management across over 80 hotels and serviced residences in eight countries – Australia, China, Denmark, Germany, Hungary, Malaysia, New Zealand and Singapore. Far East Hospitality's stable of nine unique and complementary brands – "Quincy", "Oasia", "Village", "Rendezvous", "Adina", "Medina", "Vibe", "Travelodge" and "Marque" – present excellent opportunities for cross-selling initiatives across the different

brands and geographic markets, offering guests with a greater diversity of choices and locations.

About The Straits Trading Company Limited

Incorporated in 1887, The Straits Trading Company Limited is one of the oldest public listed companies in Singapore, with business interests and investments spanning the Asia Pacific region. Through its subsidiary, Malaysia Smelting Corporation Berhad, listed on Bursa Malaysia with a secondary listing on SGX-ST, Straits Trading engages in tin mining and smelting, and resource investments. Straits Trading owns properties and hotels and its property business, which includes property investments, development and management primarily in Singapore and Malaysia is driven by its subsidiary, Straits Developments Private Limited. Its hospitality business, which manages and operates a stable of hotels in Asia Pacific entered into a strategic alliance with members of the Far East Organization Group in 2013 to expand the hospitality business in Asia Pacific.

About Toga Group

The Toga Group was established in 1963 by the current Executive Chairman, Mr Ervin Vidor, AM as a property development, construction, investment and management group initially focusing on medium sized residential and commercial developments.

Toga now operates in Australia, New Zealand and Europe across the following integrated areas: Property Development, Design, Construction & Project Management, Investment & Asset Management and Hospitality Management. Through its integrated capability, Toga is an active developer of hotels, residential apartments and mixed use projects including retail and commercial.

The hospitality management arm of Toga Group (“Toga Hotels”) is one of the leading accommodation providers in Australia. With its joint venture partners, Toga Hotels is now able to offer accommodation at more than 60 hotels (Toga existing portfolio and new Rendezvous portfolio) across Australia, New Zealand and Europe. Toga Hotels’ brands include: Adina Apartment Hotels, Medina Serviced Apartments, Vibe Hotels, Travelodge Hotels and Rendezvous.

These brands represent over 9,000 apartments and hotel rooms which vary in price, location and design to meet a range of different accommodation needs.

For more information about Toga Hotels, visit: www.togahotels.com

Issued for and on behalf of Far East Orchard Limited

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