
ACQUISITION OF A SITE FOR DEVELOPMENT INTO PURPOSE-BUILT STUDENT ACCOMMODATION IN LONDON, UNITED KINGDOM

1. INTRODUCTION

The Board of Directors (the “**Board**”) of Far East Orchard Limited (the “**Company**”, and together with its subsidiaries, the “**Group**”) refers to the Company’s:

- (a) media release dated 18 June 2025 on the closing of the Group’s first private student accommodation development fund in Singapore, FE UK Student Accommodation Development Fund (“**FESAD**”), with total committed capital of £96 million; and
- (b) announcement dated 13 July 2026 on the non-binding heads of terms for the proposed acquisition of a site in London, the United Kingdom (“**Acquisition**”), to be undertaken through FESAD alongside other investors that are not interested persons of the Group.

The Board is pleased to announce that its subsidiary, Borough High Street Development Limited (“**Buyer**”), has on 24 September 2026 entered into a sale and purchase agreement (“**SPA**”) with LDC (Portfolio) Limited (“**Seller**”) for the acquisition of a plot of land at 325 Borough High Street, Southwark, London, SE1 6DE (known as King’s Place) (the “**Site**”) for £60 million (approximately S\$102 million¹) (the “**Purchase Price**”), subject to adjustments pursuant to the terms of the SPA.

2. INFORMATION ON THE PARTIES

2.1 Buyer

The Buyer is a joint venture company incorporated on 28 August 2026 by the Group’s wholly-owned subsidiaries, Far East PBSA Venture I Pte. Ltd. (“**FEPV**”) and Far East Orchard Investments (UK) Pte Ltd (“**FEOIUK**”), together with Aurum Investments (Private) Limited (“**Aurum**”) (collectively, the “**JV Partners**” and each “**JV Partner**”), in connection with the Acquisition. FEPV is held through the limited partnership, FESAD, with Far East Accommodation Holdings Pte. Ltd. being the general partner of FESAD, and FEOIUK and Aurum² being amongst the limited partners of FESAD.

The Buyer’s initial share capital is £2 comprising 200 ordinary shares of £0.01 each. The Group’s private purpose-built student accommodation (“**PBSA**”) fund FESAD holds a 85% stake in the Buyer (through FEPV), with the remaining 15% held equally between FEOIUK and Aurum. FESAD has a total committed capital of £96 million. Institutional investors account for 63.5% of FESAD’s capital, with the Group retaining the remaining 36.5% stake.

¹ Based on the exchange rate of £1:S\$1.69 prevailing as at 24 September 2026.

² Aurum is a company incorporated in Singapore, wholly-owned by Woh Hup Holdings Pte. Ltd.

3. KEY SALIENT TERMS OF THE SPA AND INFORMATION ON PBSA DEVELOPMENT

3.1 Purchase Price

The Purchase Price will be payable by the Buyer to the Seller on completion, or otherwise in accordance with the terms of the SPA. Completion is expected to take place three weeks from the date of the SPA, or such earlier date as the Buyer and Seller may agree.

There is an ongoing court proceeding between the Seller and a third-party pertaining to a right of light claim (the “**RTL Proceeding**”) in connection with the Site in the High Court of Justice of England & Wales. The RTL Proceeding was commenced by the owner of a property located adjacent to the Site against the Seller and relates to an alleged infringement of rights of light arising from the proposed development of the Site. The potential impact of the RTL Proceeding on the Group is not expected to be material.

The Purchase Price will be funded by the JV Partners in proportion to their interest in the Buyer (with FEPV’s contribution funded by the limited partners of FESAD in proportion to their interest in FESAD) and from bank borrowings by the Buyer.

The Purchase Price was arrived at on a willing-buyer and willing-seller basis involving arm's length negotiations between the Buyer and the Seller, taking into consideration relevant factors including prevailing market prices for comparable land, anticipated development costs, and the commercial viability of the PBSA development.

3.2 Proposed PBSA Development

It is intended for the Site to be developed into a 444-bed PBSA development with a separate eight-unit key worker accommodation block. Planning permission for the development of the Site was granted by the Southwark Council in February 2024. Gateway 2 approval, a key regulatory milestone that enables construction to commence, was subsequently granted in July 2026. The PBSA development is expected to be completed in 2029, before the commencement of the 2029/30 academic year.

4. RATIONALE FOR AND BENEFITS OF THE ACQUISITION

The Board is of the view that the Acquisition presents a prime investment opportunity for the reasons set out below:

(i) Strengthening the Group’s UK presence with its first London development

The Acquisition marks the Group’s first development in London, one of the largest and most established student accommodation markets in the United Kingdom. Demand for student accommodation in London remains supported by its large domestic and international student population and concentration of highly ranked universities. London’s student accommodation market continues to experience a structural imbalance, supported by a large domestic and international student population and constrains on new developments.

(ii) Highly strategic location with excellent connectivity

The freehold development Site is strategically located at 325 Borough High Street in Central London Zone 1, in proximity to several Russell Group universities, including King’s College London (approximately a seven-minute walk), as well as the London School of Economics and Political Science, Queen Mary University of London and Imperial College London. Kings Place is also approximately a four-minute walk from Borough Underground station and an eight-minute walk from Elephant & Castle station, providing convenient connectivity across London. The Site is further supported by a range of nearby amenities including supermarkets and a post office, all within walking distance.

(iii) Reinforces the Group's integrated PBSA platform

The Site would be the third development under FESAD and its first in London, complementing its existing developments in Glasgow and Manchester. Following completion, FESAD will fully deploy its remaining committed fund capital, in line with the fund's investment objectives. Upon achieving practical completion, the PBSA development is expected to be managed by Homes for Students, a subsidiary of the Group. This would enable the Group to leverage its integrated PBSA capabilities across the asset lifecycle, bringing together investment, fund management, development, asset management and operating capabilities to support the continued execution of its FEOR30 strategy and build a pipeline of future recurring income streams.

Pursuant to paragraph 2 of Practice Note 10.1 of the Listing Manual of the Singapore Exchange Securities Trading Limited, the Board is of the view that the Acquisition is in the Company's ordinary course of business. While the Acquisition is not a discloseable transaction under Chapter 10 of the Listing Manual, the Board has decided to voluntarily disclose certain details of the Acquisition to enhance the corporate disclosure standards of the Company.

5. FINANCIAL EFFECTS

The Acquisition is not expected to have any material impact on the consolidated net earnings per share and consolidated net tangible assets per share of the Group for the current financial year ending 31 December 2026.

6. FURTHER UPDATES

The Company will, in due course and where relevant, make such further announcements through SGXNET to inform shareholders of any material updates or developments.

By Order of the Board

Phua Siyu Audrey
Company Secretary
24 September 2026