
ACQUISITION OF A SITE TO BE DEVELOPED INTO A PURPOSE-BUILT STUDENT ACCOMMODATION IN MANCHESTER, UNITED KINGDOM

1. INTRODUCTION

The Board of Directors (the “**Board**”) of Far East Orchard Limited (the “**Company**”, and together with its subsidiaries, the “**Group**”) is pleased to announce that Plymouth Grove Development Limited (a subsidiary of the Group) (“**Buyer**”), has on 3 April 2025 completed a sale and purchase agreement (“**SPA**”) with Plymouth Grove Property Developments Ltd (“**Seller**”) for the acquisition (the “**Acquisition**”) of a 275-year leasehold site located at 3-5 Plymouth Grove, Manchester M13 9NT (the “**Site**”) for £10.9 million (approximately S\$19.2 million¹) (the “**Purchase Price**”). The Site is intended to be developed into a 239-bed purpose-built student accommodation (the “**Development**”).

2. INFORMATION ON THE PARTIES

2.1 Buyer

The Buyer is a subsidiary of the Group, held through a limited partnership, FE UK Student Accommodation Development LP (“**FESAD**”). Far East Accommodation Holdings Pte. Ltd. (a wholly-owned subsidiary of the Group) is the general partner of FESAD, while Far East Orchard Investments (UK) Pte Ltd (a wholly-owned subsidiary of the Group), Aurum Investments (Private) Limited (“**Aurum**”)², and an unrelated third-party investor are the limited partners of FESAD (holding 50%, 21.4% and 28.6% of the interest in FESAD respectively).

3. CERTAIN KEY SALIENT TERMS OF THE SPA, AND INFORMATION ON INTENDED DEVELOPMENT

3.1 Purchase Price

The Purchase Price will be funded by the limited partners of FESAD in proportion to their interest in FESAD. 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 similar plots of land, the projected development cost and market potential for the Development.

3.2 Intended Development of the Site into PBSA

It is intended for the Site to be developed into a purpose-built student accommodation of 239 beds. Planning permission has been granted by the Manchester City Council on 26 April 2024. Based on current estimates and barring unforeseen circumstances, the total cost of

¹ Based on the exchange rate of £1:S\$1.76 prevailing as at 3 April 2025

² Aurum is a wholly-owned subsidiary of Woh Hup Holdings Pte Ltd (“**Woh Hup**”). Woh Hup is an established pioneer of more than 96 years in Singapore's construction and civil engineering industry and is one of Singapore's largest privately-owned construction and civil engineering specialists. Woh Hup remains at the forefront of shaping Singapore's urban landscape by consistently delivering high-quality, innovative building solutions and has forged strategic joint-venture partnerships with overseas counterparts. Through Aurum, Woh Hup also has investments in development projects in the United Kingdom.

development, inclusive of the Purchase Price, is estimated to be approximately £47.0 million (approximately S\$82.7 million¹). The Development is expected to be completed in 2028.

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) Continued expansion of the Group's student accommodation portfolio in a key student city across the United Kingdom

The Acquisition enables the Group to continue to expand its student accommodation portfolio into Manchester, a key student city across the United Kingdom. Manchester is a leading regional city, home to two of the UK's largest Universities, namely Manchester Metropolitan University ("MMU"), and the University of Manchester ("UoM"), which is a member of the Russell Group university. The student accommodation asset class in the United Kingdom has demonstrated ongoing resilience amid economic downturns. The estimated current student-to-bed ratio in Manchester stands at 2:1³, reflecting a favourable demand and supply dynamics. The site is well-located adjacent to UoM and MMU campuses and has good connectivity to the city centre.

- (ii) Alignment with the Group's strategic focus to grow its recurring income streams

The Group's strategy includes growing its student accommodation portfolio as part of building a lodging platform that aims to achieve a sustainable and recurring income.

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 Company for the current financial year ending 31 December 2025.

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
3 April 2025

³ Savills "[UK cities need much higher rates of student housing delivery](#)".