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UEN No: S99SS0111B  
GST Reg No: M90367530Y0Y

**Issuer:** Far East Orchard Limited

**Stock code:** 010

**Meeting details:**

Date: 17 April 2026

Time: 10.00 a.m.

Venue: Antica Ballroom, Level 2, Orchard Rendezvous Hotel, Singapore, 1 Tanglin Road, Singapore 247905

**Q1.** Since embarking on its strategic transformation in 2012, the group has diversified its portfolio across hospitality management, healthcare real estate, and UK purpose-built student accommodation (PBSA). Following the conclusion of the FEOR25 roadmap, management has initiated its subsequent five-year vision, FEOR30. The group has delivered a five-year average return on equity of 3.42%, using leverage of about 45%.

- (i) What has been the total shareholder return over the past five years (the FEOR25 period) and since 2012? How do these figures compare against the group’s weighted average cost of capital (WACC)?**



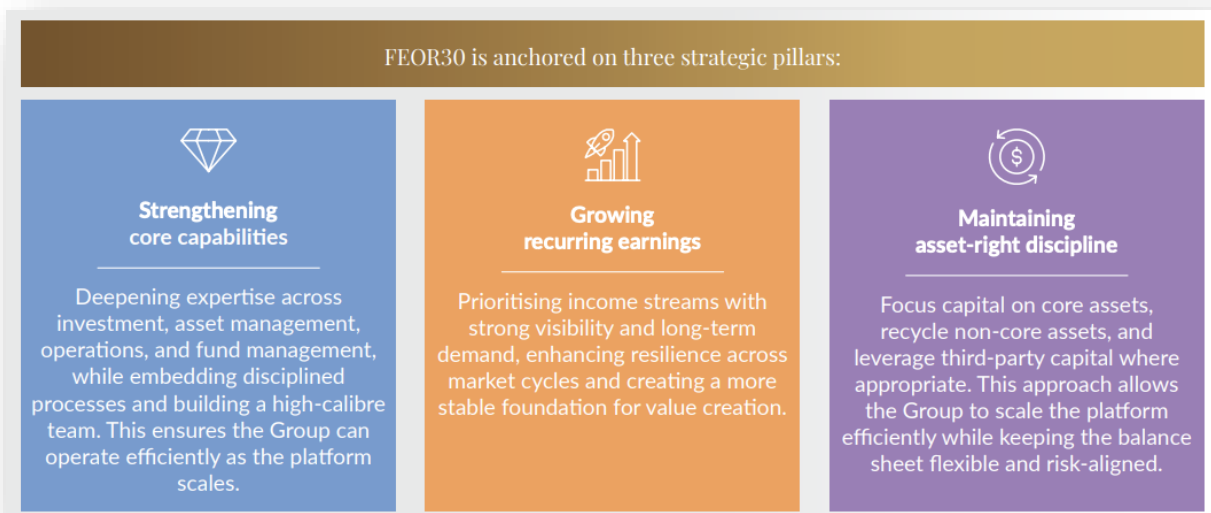
(Source: 2024 annual report)

- (ii) How has the board formally assessed management’s delivery against the stated targets<sup>1</sup> of FEOR25, including the shortfall relative to the 25,000-room target? What specific lessons have been drawn, and how have these been incorporated into the design and targets of FEOR30?**
- (iii) In addition, given the gap between the stated FEOR25 targets and actual outcomes, what steps have been taken to strengthen execution capabilities, including broadening and deepening the group’s human capital where necessary?**

<sup>1</sup> Despite management saying in the annual report that FEOR25 has been “fulfilled”, the initial targets set were to achieve 25,000 rooms and 5,000 beds by 2025. The group now owns more than 10 assets and manages over 100 properties, with rooms totalling “more than 18,000”. In the PBSA segment, the group owns more than 3,700 beds in the UK. With developments in Bristol, Glasgow and Manchester set to be completed between 2026 and 2028, the portfolio will increase to more than 4,900 beds upon completion. Homes for Students (HFS) was acquired in 2024, under which HFS manages 55,000 beds.

- (iv) **What specific accountability mechanisms are in place to assess management’s delivery against strategic targets?**
- (v) **The group has closed its first private fund<sup>2</sup> with total commitments of GBP96 million, of which GBP35 million was contributed by the group. How does the board assess the level of third-party capital raised relative to expectations? What constraints has the group faced in scaling its fund management platform? Furthermore, to what extent does the board believe the company’s current valuation discount acts as a deterrent to potential fund investors?**

**Q2.** FEOR30 builds on the progress made under FEOR25, with a stated focus on scaling the the integrated lodging platform, capturing growth opportunities and delivering sustainable long-term value for shareholders.



(Source: company annual report)

In the past two years, the Monetary Authority of Singapore and the Singapore Exchange have introduced initiatives to revitalise the market through a value unlock programme. A clear mandate has been placed on boards to address capital efficiency and depressed valuations.

The company trades at an approximate discount of 60% to its net asset value.

- (i) **How has the board assessed whether FEOR25 improved capital efficiency and improved valuations, thereby creating sustainable long-term value for shareholders? How are the design, targets and execution priorities of FEOR30 aligned with value-unlocking?**

<sup>2</sup> FE UK Student Accommodation Development Fund

- (ii) To ensure alignment with shareholder interests, why has the board not formalised specific key performance indicators (KPIs) within FEOR30 relating to capital recycling, total shareholder return (TSR), and return on invested capital (ROIC)?**
- (iii) Given the persistent discount to net asset value, what capital management options has the board evaluated, including share buybacks, equal access offers and capital recycling? What criteria are used to determine when such measures should be implemented?**

**Q3.** The company has outsourced its internal audit function to RSM SG Risk Advisory Pte Ltd. The audit and risk committee (ARC) *reviews and approves* the internal audit plans.

In FY2025, the internal audit covered procurement, hospitality operations, centralised reservation, outsourcing management, interested persons transactions, sustainability reporting and risk management activities.

- (i) In reviewing and approving the internal audit plan, what specific inputs, revisions or challenges did the audit and risk committee provide to ensure that the scope is appropriately risk-based and aligned with the group's key operational and financial risks?**
- (ii) Has the ARC established a multi-year internal audit roadmap to ensure systematic coverage of all material risk areas?**
- (iii) Was Homes for Students included within the scope of the internal audit in FY2025? If not, what is the timeline for its inclusion, given its scale and importance to the group?**
- (iv) What were the key findings, recommendations and remediation actions arising from the audit?**

*Shareholders are welcome to use and/or adapt the questions prepared by SIAS and to forward them to the company.*

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