



An ethos of stewardship and the pursuit of excellence have always been the cornerstones of life for hospitality real estate veteran Alan Tang.

“I’m a firm believer in stewardship and servant leadership, two concepts which are anchored in my Christian faith,” said the Chief Executive Officer of SGX-listed real estate company Far East Orchard Ltd.

“Being a steward means taking responsibility for the resources that are entrusted to me – be it capital, human or natural resources. In particular, I’m entrusted to manage the capital of the company wisely, to enhance returns, and build a sustainable business.”

The human factor is equally important. “Servant leadership values the people put under my care, with a responsibility to develop them to their fullest potential,” he added.

“I believe in building a company with sustainable profits and highly motivated staff for the purpose of giving back, which then allows the business to fulfil its corporate social responsibility meaningfully.”

A Bachelor of Science with Distinction graduate from Cornell University’s School of Hotel Administration and a Chartered Financial Analyst, Tang has broad experience in the global hospitality real estate capital market and operations. He was appointed Group CEO of Far East Orchard in January 2020

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Hotel in London, Hotel Vier Jahreszeiten in Hamburg, Westin Sydney, Westin Tokyo, and the InterContinental Hotel Paris, which was rebranded Westin Paris.”

This relentless pursuit of quality is also a key element of the corporate culture that Tang is building in Far East Orchard. “As a real estate developer and operator, it falls on us to embody this spirit of excellence in the various types of lodging that we provide for our customers,” he pointed out.

“Whether they are students, holidaymakers or business travellers, we must provide excellence in all aspects of our services, to ensure that our guests feel welcome and taken care of while under our roof.”

Transformation Journey

Listed on SGX Mainboard since 1968, 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.

A member of Far East Organization, Singapore’s largest private property developer, Far East Orchard redefined itself through a strategic transformation in 2012 by expanding into the businesses of hospitality management and healthcare real estate. In 2015, it further diversified its real estate portfolio to include purpose-built student accommodation (PBSA) properties in the UK.

Through its Far East Hospitality arm, the Group owns more than 10 hospitality assets, and manages over 100 properties with more than 16,500 rooms in Denmark, Germany, Hungary, Japan, Australia, New Zealand, Malaysia and Singapore.

Its PBSA portfolio in the UK comprises 3,561 beds in the cities of Brighton, Bristol, Leeds, Liverpool, Newcastle upon Tyne and Sheffield. It also holds a portfolio of purpose-built medical suites for lease and sale in Singapore’s premier medical hub in Novena.

The Group is well on its transformation journey to build recurring income streams, Tang noted. “Since coming on board, I’ve been crystallising this process into the FEOR 25 strategy, one that anchors on the strength of our PBSA and hospitality businesses,” he said.

“Using these two levers, Far East Orchard is building a lodging platform that delivers sustainable returns over the long term, and positions the Group for further expansion beyond 2025.”

For the Group’s hospitality operations, it recently crossed a significant milestone with the opening of its 100th hotel – Adina Melbourne Southbank – managed by Toga Far East (TFE) Hotels.

Over the course of 2020, and despite the impact of COVID-19, the Group opened a total of approximately 1,300 rooms, half of which took place in the last quarter of the year.

“Through Far East Hospitality, we intend to continue growing our recurring income base with hotel management agreements in key cities across the Asia Pacific region – cities such as Australia and Japan that have strong long-term tourism fundamentals, thanks to domestic travel and other demand drivers,” Tang added.

Resilient Asset Class

For its PBSA segment, the Group is looking to deepen its presence in the UK, to build a portfolio with meaningful size and scale. Even amidst the pandemic and Brexit uncertainties, the UK PBSA market has proved to be resilient, Tang pointed out.

“University enrolments have grown by 4% for academic year 2020/21 compared to the prior year, driven both by the increase in domestic UK student enrolments as well as that of international students from outside the EU region,” he noted.

The Group believes that demand for higher education in the UK will remain steady, as will the desire for a quality on-campus education experience.

“Although some aspects of higher learning may move into the online space, we’ve also seen high levels of dissatisfaction with online learning among students – these students are paying significant tuition fees for an educational experience, of which in-person interaction plays an important role,” Tang said.

And the Group’s recent acquisition of a third, 301-bed PBSA property in Bristol – which brings its student accommodation portfolio to 3,561 beds across 12 assets in the UK – underscores its commitment to the asset class.

“Our focus remains on cities with high-tariff universities, strong student population growth and favourable supply/demand dynamics,” he added.

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Despite the reasonably bright growth outlook, the year so far has been challenging, not only for Far East Orchard, but all business leaders.

“The hospitality industry is facing a crisis unlike any it has ever seen before. We are likely to see a protracted recovery for the industry as the overhang from COVID-19 may continue for quite some time,” Tang said.

“But just like in any other crisis, I believe that pockets of opportunity do, and will continue to, exist.”

In the meantime, Tang remains focused on prudent capital management, and staying nimble to navigate the recovery of the Group’s various businesses through the coronavirus pandemic.

“The doom and gloom will not last forever, and my focus is on resourcing the group appropriately to fulfil our strategic intent of building a lodging platform that is ready to take advantage of post-COVID-19 growth.”

When the 55-year-old father is not managing the operations of Far East Orchard, he can be found with his two daughters and son, aged 15 to 24 years.

“I want my kids to be good stewards, to aim for the spirit of excellence in all things, and do their best in whatever they are entrusted,” he said. “But at the same time, I tell them that it’s essential to hold everything lightly, so that we can enjoy more peace, and be able to sleep soundly at night.”

Far East Orchard Ltd

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. Listed on SGX Mainboard since 1968, the Group is a member of Far East Organization, Singapore’s largest private property developer. Established since 1967, Far East Orchard has developed residential, commercial, hospitality and PBSA properties in Australia, Malaysia, Singapore and the UK. Its PBSA portfolio in the UK comprises 3,561 beds in the cities of Brighton, Bristol, Leeds, Liverpool, Newcastle upon Tyne and Sheffield. The Group also holds a portfolio of purpose-built medical suites for lease and for sale in Singapore’s premier medical hub in Novena.

Through its hospitality arm Far East Hospitality, Far East Orchard owns more than 10 hospitality assets and manages over 98 properties with more than 16,000 rooms in Australia, Denmark, Germany, Hungary, Malaysia, New Zealand and Singapore. Far East Hospitality made its first joint foray into Japan with Far East Organization in 2018.

The company website is: www.fareastorchard.com.sg

Click [here](#) for the company’s StockFacts page.

For the nine-month period ended 30 September 2020 business update, click [here](#).

About kopi-C: the Company brew

Text: Jennifer Tan-Stanasic

Photo: Company file

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