Far East Orchard Limited
(Incorporated in the Republic of Singapore)
Company Registration No. 196700511H

FAR EAST ORCHARD LIMITED SCRIP DIVIDEND SCHEME

APPLICATION OF THE SCHEME TO THE FIRST AND FINAL ONE-TIER TAX EXEMPT DIVIDEND AND THE SPECIAL ONE-TIER TAX EXEMPT DIVIDEND FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022

The Board of Directors of Far East Orchard Limited (the "**Company**") is pleased to announce the application of the Far East Orchard Limited Scrip Dividend Scheme (the "**Scheme**") to the first and final one-tier tax exempt dividend of S$0.03 per ordinary share ("**Share**") and the special one-tier tax exempt dividend of S$0.01 per Share for the financial year ended 31 December 2022 (the "**FY2022 Dividend**"), which was approved by shareholders at the 55th Annual General Meeting of the Company held earlier today.

The Scheme provides shareholders of the Company ("**Shareholders**") with a choice to receive new ordinary shares in the Company ("**New Shares**") in lieu of the cash amount of the FY2022 Dividend declared on the Shares held by them as at **5.00 p.m. on 11 May 2023** (the "**Record Date**"), being the date fixed for the purpose of determining entitlements to the FY2022 Dividend.

Shareholders who wish to receive the FY2022 Dividend in CASH need not take any action, provided they have not previously made permanent elections. Shareholders who have previously made permanent elections (and whose permanent elections have not been cancelled) will receive New Shares in lieu of the cash amount of the FY2022 Dividend if they do not take any action.

APPLICATION OF THE SCHEME TO THE FY2022 DIVIDEND

1. Eligibility to Participate

All Shareholders entitled to the FY2022 Dividend will be eligible to participate in the Scheme in respect of **all (and not part only)** of the FY2022 Dividend, subject to the restrictions on Overseas Shareholders (defined below) and those with small holdings of Shares, as described below.

Shareholders with registered addresses outside Singapore ("**Overseas Shareholders**"), and who have not provided to the Company or (as the case may be) The Central Depository (Pte) Limited ("**CDP**") with an address in Singapore for the service of notices and documents **latest by 5.00 p.m. on 3 May 2023** will not be eligible to participate in the Scheme. Shareholders whose small holdings of Shares would result in their receiving zero New Shares under the Scheme will also not be eligible to participate in the Scheme.

An Overseas Shareholder who wishes to be eligible to participate in the Scheme should provide an address in Singapore for the service of notices and documents by notifying the Company c/o Boardroom Corporate & Advisory Services Pte. Ltd., 1 Harbourfront Avenue, #14-07 Keppel Bay Tower, Singapore 098632 or, if the Overseas Shareholder is a CDP depositor, to CDP at 11 North Buona Vista Drive, #06-07 The Metropolis Tower 2, Singapore 138589.

Participation in the Scheme is subject to the requirement that such participation will not result in a breach of any other restriction on such Shareholder's holding of Shares which may be imposed by any statute, law or regulation in force in Singapore or any other relevant jurisdiction, or by the Company's Constitution.

2. Election Notice

Notices of election ("**Election Notices**") will be dispatched to eligible Shareholders on or about **22 May 2023**.

Eligible Shareholders may elect in their Election Notices to participate in the Scheme solely for the FY2022 Dividend, or they can make a permanent election to participate in the Scheme in respect of the FY2022 Dividend and all future dividends.

Participation by eligible Shareholders (other than depository agents or nominee companies holding Shares as custodian) in the Scheme will relate to all, and not part only, of their holdings of Shares as at the Record Date to which their Election Notice relates.

Eligible Shareholders who elect to participate in the Scheme may receive New Shares in odd lots. Fractional entitlements to the New Shares shall be rounded up or down or otherwise dealt with in such manner as the Directors of the Company may deem fit in the interest of the Company and as may be acceptable to the Singapore Exchange Securities Trading Limited ("**SGX-ST**").

3. Shareholders who have previously made permanent elections

Eligible Shareholders who have previously made a permanent election under the Scheme (and whose permanent election has not been cancelled) ("**Permanent Electors**") will receive New Shares in lieu of the cash amounts of the FY2022 Dividend. As Permanent Electors have elected to receive all applicable dividends in respect of their holding of Shares to which a Notice of Election relates in the form of New Shares in lieu of cash, they will be sent Scrip Dividend Entitlement Advices instead of Election Notices.

A Permanent Elector who wishes to cancel his permanent election must submit a Notice of Cancellation in the prescribed form. The form of Notice of Cancellation is available from the Share Registrar or, if the Permanent Elector is a CDP depositor, from CDP, at their respective addresses in Paragraph 1 above.

4. Non-participation in the Scheme

Overseas Shareholders and Shareholders whose small holdings of Shares would result in their receiving zero New Shares under the Scheme, and eligible Shareholders who do not elect to participate in the Scheme will receive the FY2022 Dividend in cash.

5. Issue price of New Shares

For the purposes of the application of the Scheme to the FY2022 Dividend, the price at which each New Share is to be issued ("**Issue Price**") will be determined in accordance with the terms and conditions of the Scheme. The Company will announce the Issue Price on or about **11 May 2023**.

6. Notice of Record and Payment Date

Notice of the Record Date for the FY2022 Dividend is contained in a separate announcement entitled " The First and Final One-Tier Tax Exempt Dividend of S$0.03 Per Ordinary Share and the Special One-Tier Tax Exempt Dividend for the Financial Year Ended 31 December 2022" released by the Company today. The FY2022 Dividend will be paid on or about **28 June 2023**. Fully paid New Shares to be issued pursuant to the elections made by eligible Shareholders to receive the FY2022 Dividend in scrip will be allotted and issued on or about **28 June 2023** and be listed on the SGX-ST on or about the next market day.

BY ORDER OF THE BOARD

Phua Siyu, Audrey
Company Secretary
19 April 2023