



(Incorporated in the Republic of Singapore)  
Company Registration No. 196700511H

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**PROFIT GUIDANCE ON THE UNAUDITED FINANCIAL RESULTS  
FOR THE SIX MONTHS ENDED 30 JUNE 2020**

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1. The Board of Directors (the “**Board**”) of Far East Orchard Limited (the “**Company**”, and together with its subsidiaries, the “**Group**”) refers to the following announcements issued by the Company on the impact of COVID-19 on the Group’s operations:
  - A. 8 May 2020: Business Update for the Quarter ended 31 March 2020
  - B. 26 June 2020: Responses to Shareholders on Substantial & Relevant Questions
  - C. 26 June 2020: Presentation slides presented at the 52<sup>nd</sup> AGM

Following a preliminary review of unaudited financial results of the Group for the half year ended 30 June 2020 (“**1H FY20**”), the Company wishes to advise shareholders that the Group expects to report a net loss for 1H FY20. The expected net loss for 1H FY20 is due mainly to losses expected at the Group’s hospitality business which was adversely impacted by the COVID-19 pandemic, impairment on valuation of hospitality assets as well as impairment on goodwill arising from its hospitality property ownership business in Australia. The Group has sufficient liquidity to meet its operational needs and financial commitments and will continue to exercise prudent balance sheet management.

2. The Group is still in the process of finalising the unaudited financial results for 1H FY20. Further details of the financial performance of the Group will be disclosed when the Company announces the unaudited financial results of the Group for 1H FY20 on or about 6 August 2020.
3. **The Board wishes to advise shareholders and potential investors of the Company to exercise caution when dealing or trading in the securities/shares of the Company.**

By Order of the Board

Phua Siyu Audrey  
Company Secretary  
22 July 2020