



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

AWARD OF TENDER OF LAND PARCEL AT WOODLANDS SQUARE

1. JOINT TENDER AWARD

The Board of Directors of Far East Orchard Limited (the “**Company**”) is pleased to announce that Tannery Holdings Pte Ltd (“**THPL**”) (a wholly-owned subsidiary of the Company), Far East Civil Engineering (Pte.) Limited (“**FECE**”) (an associate of the Company’s controlling shareholder) and Sekisui House, Ltd (“**Sekisui**”) have on 17 April 2014 been jointly awarded a tender by the Urban Redevelopment Authority for a land parcel at Woodlands Square (the “**Land**”) zoned for commercial development.

The Land has a site area of 18,568.8 square metres, and a permissible gross floor area of 64,991 square metres.

The tender price for the Land is S\$633,999,000.00 (the “**Tender Price**”).

2. PROPOSED JOINT VENTURE

THPL, FECE and Sekisui will be entering into a joint venture to acquire and develop the Land (“**Proposed Joint Venture**”).

FECE is wholly-owned by the Estate of the late Mr Ng Teng Fong (the “**Estate**”). The Company’s controlling shareholder, Far East Organisation Pte Ltd (“**FEOPL**”), is 50% owned by the Estate. FECE is therefore considered an associate of FEOPL. As such, the Proposed Joint Venture would be regarded as an interested person transaction under Chapter 9 of the Listing Manual of the Singapore Exchange Securities Trading Limited (“**Listing Manual**”).

It is intended that the risks and rewards arising from the Proposed Joint Venture will be in proportion to the capital contribution of each joint venture partner, which will be in equal shares. On this basis, the parties will negotiate and enter into a definitive joint venture agreement as soon as practicable. The Proposed Joint Venture will comply with the requirements of Rule 916 of the Listing Manual.

3. RATIONALE FOR THE TRANSACTION AND BENEFIT TO THE COMPANY

The transaction will allow the Company to collaborate with partners with excellent track records and strong financials, and will give the Company an opportunity to participate in bigger development projects which it would not be able to undertake on its own.

4. FINANCIAL EFFECTS

The transaction will be funded by internal sources and bank borrowings. It is not expected to have any material effect on the consolidated earnings and net tangible assets per share of the Group for the current financial year ending 31 December 2014.

5. ABOUT FAR EAST CIVIL ENGINEERING (PTE.) LIMITED

FECE is a company incorporated in Singapore on 3 October 1967 with a paid-up capital of S\$11,000. As at the date of this Announcement, the Directors of FECE are Mr Ng Chee Tat Philip and Mdm Ng Siok Giok. The principal activity of FECE is investment holding.

6. INTERESTS OF DIRECTORS AND CONTROLLING SHAREHOLDERS

Save as disclosed above, none of the Directors, controlling shareholders or substantial shareholders of the Company has any interest, direct or indirect, in the above transactions.

The Company will, in due course and where relevant, provide material updates and further information through SGXNET announcements.

BY ORDER OF THE BOARD

Jessica Lien Mei Jin
Company Secretary
17 April 2014