



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

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## ACQUISITION OF 50% SHAREHOLDING IN A NEWLY-INCORPORATED COMPANY IN JAPAN

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The Board of Directors (the “**Board**”) of Far East Orchard Limited (the “**Company**”) refers to the announcement released by the Company on 28 May 2018 in relation to a joint venture by its 70%-held subsidiary, Far East Hospitality Holdings Pte. Ltd. (“**FEHH**”) with Boo Han Holdings Pte Ltd (“**Boo Han**”) for a conditional purchase and sale agreement with Shimizu Corporation for the joint purchase of a plot of land and hotel to be constructed thereon in Japan (the “**Announcement**”).

Further to the Announcement, the Board wishes to announce that FEHH had on 7 October 2019 completed the acquisition of 50% equity interest comprising one share (the “**Share**”) in the capital of the following newly incorporated company (“**Master Lessee Company**”) for a total consideration of JPY50,000, which will be wholly satisfied in cash. The remaining 50% of the Master Lessee Company was concurrently acquired by Boo Han for JPY50,000.

<b>Name:</b>	Ariake Hospitality Kabushiki Kaisha
<b>Country of Incorporation:</b>	Japan
<b>Date of Incorporation:</b>	24 September 2019
<b>Principal Activity:</b>	Hotel operation and management
<b>Total number of shares issued:</b>	2
<b>Issued and Paid-up share capital</b>	JPY100,000

As the Master Lessee Company is newly-incorporated, no valuation has been commissioned. The consideration of JPY50,000 for the Share was determined based on 50% of the net tangible asset value of the Master Lessee Company (being 50% of the issued and paid-up share capital). Following the completion of the acquisition, the Master Lessee Company is now 50% held by FEHH and 50% held by Boo Han.

The acquisition of the Master Lessee Company was funded internally and is not expected to have any material impact on the earnings per share and the net tangible assets per share of the Company and its subsidiaries for the current financial year ending 31 December 2019.

The Company will, in due course and where relevant, make such further announcements through SGXNET to inform shareholders of any material updates or developments.

BY ORDER OF THE BOARD

Phua Siyu Audrey  
Company Secretary  
7 October 2019