



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

COMPETITION AND CONSUMER COMMISSION OF SINGAPORE ISSUES PROPOSED INFRINGEMENT DECISION AGAINST HOTEL OPERATORS

Far East Orchard Limited (the “**Company**” and together with its subsidiaries, the “**Group**”) notes that the Competition and Consumer Commission of Singapore (“**CCCS**”) has issued a Proposed Infringement Decision (“**PID**”) against the Company’s subsidiary, Far East Hospitality Management (S) Pte. Ltd., for allegedly infringing Section 34 of the Competition Act (Cap. 50B) by entering into concerted practice(s) to discuss and exchange confidential, customer-specific, commercially sensitive information in connection with the provision of hotel room accommodation in Singapore to corporate customers.

The alleged infringement took place before 30 June 2015.

The PID is a written notice setting out the basis for CCCS’ proposed decision. The Group will study the PID, after which it will consider an appropriate course of action. It has six weeks from 2 August 2018 to respond to CCCS on the PID.

The Group has extended and will continue to extend its fullest cooperation to CCCS in the investigations. The Group takes legal compliance very seriously and is committed to compliance with all applicable laws. It has and continues to take various steps to review and implement rigorous compliance and training programmes to ensure that its business practices are and continue to be fully compliant with all applicable laws.

The Group is unable to make any further comment on matters which are part of the ongoing investigations.

The Board of Directors of the Company does not expect this matter to have a material impact on the net tangible assets and earnings per share of the Group for the current financial year ending 31 December 2018.

By Order of the Board

Phua Siyu Audrey
Company Secretary
2 August 2018