



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

SALE OF PROPERTY UNIT AT WOODS SQUARE PURSUANT TO RULE 910(1) OF CHAPTER 9 OF THE LISTING MANUAL OF THE SINGAPORE EXCHANGE SECURITIES TRADING LIMITED

1. INTRODUCTION

The Board of Directors (the **"Board"**) of Far East Orchard Limited (the **"Company"**, and together with its subsidiaries, the **"Group"**) refers to the announcements released by the Company on 17 April 2014 and 2 March 2015 in relation to a joint venture by its wholly-owned subsidiary, Tannery Holdings Pte Ltd (**"THPL"**) with Far East Civil Engineering (Pte.) Limited (**"FECE"**) and Sekisui House, Ltd (**"Sekisui"**) for the proposed development of a land parcel at Woodlands Square (**"Woods Square"**), and the incorporation of a private limited company known as Woodlands Square Pte. Ltd. (**"WSPL"**) to own and undertake the development of Woods Square (collectively, the **"Prior Announcements"**).

As disclosed in the Prior Announcements, each of THPL, FECE and Sekisui holds one-third interest in the share capital of WSPL.

Further to the Prior Announcements, the Board wishes to announce that WSPL has on 10 March 2021 entered into an option to purchase with Far East Management (Private) Limited (**"FEM"**), a member of Far East Organization, for the sale of a property unit at Woods Square (**"Sale Unit"**) from WSPL to FEM (the **"Sale"**).

The Sale will constitute an interested person transaction (**"IPT"**) within the meaning of Chapter 9 of the listing manual of the Singapore Exchange Securities Trading Limited (**"Listing Manual"**).

2. INFORMATION ON WOODS SQUARE AND THE SALE UNIT

Woods Square is a 99-year leasehold integrated office development which is developed by WSPL.

The Sale Unit is #04-49, located in SOLO 1 of Woods Square. The strata area of the Sale Unit is 81 square metres.

3. SALIENT TERMS OF THE SALE

Taking into account a percentage discount of 10%, the consideration for the Sale is S\$1,774,485 (the **"Consideration"**), being approximately S\$21,907.22 per square metre. It was negotiated on an arm's length and willing buyer-willing seller basis, taking into account the transaction prices of other units at Woods Square. The percentage discount was calculated on the same basis as other applicable discounts provided under the same discount scheme to any purchasers of relevant units at Woods Square (including unrelated third parties). No additional preferential discount was granted.

4. CHAPTER 9 OF THE LISTING MANUAL

4.1. IPT

The Company's immediate holding company, Far East Organization Pte. Ltd., is 50% owned by the Estate of Mr Ng Teng Fong, deceased (the "**Estate**"). The Estate is therefore a controlling shareholder of the Company. As the Estate holds a majority of the shares in FEM, FEM is an associate of the Estate. Accordingly, FEM (being an associate of a controlling shareholder of the Company) is an "interested person" under Rule 904(4)(a) of the Listing Manual. Similarly, as the Estate holds 100% of the shares in FECE, FECE is an associate of the Estate, and accordingly, an "interested person".

THPL and FECE each holds one-third interest in the share capital of WSPL. Accordingly, WSPL is an associated company of the Company and an "entity at risk" under Rule 904(2)(c) of the Listing Manual.

Pursuant to the above, the Sale between FEM and WSPL will constitute an interested person transaction under Chapter 9 of the Listing Manual ("**IPT**").

4.2. Statement of the Audit & Risk Committee ("ARC**") and Board of Directors**

The ARC has reviewed the terms and conditions of the Sale and is satisfied that: (a) the Sale is on normal commercial terms, (b) the number and terms of the Sale are fair and reasonable, and (c) the terms are not prejudicial to the interests of the Company and its minority shareholders.

The Board of Directors has also reviewed the terms and conditions of the Sale and is also satisfied that: (a) the Sale is on normal commercial terms, (b) the number and terms of the Sale are fair and reasonable, and (c) the terms are not prejudicial to the interests of the Company and its minority shareholders. Mr Koh Boon Hwee, Mr Alan Tang and Ms Koh Kah Sek have abstained from voting and/or making any recommendation in respect of the Sale.

5. FURTHER UPDATES

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
23 March 2021