FAR EAST ORCHARD LIMITED

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

SUBSCRIPTION FOR ADDITIONAL SHARES IN FEO HOSPITALITY ASSET MANAGEMENT PTE. LTD.

Further to the announcement made by Far East Orchard Limited, formerly known as Orchard Parade Holdings Limited (the "**Company**") on 23 July 2012 in relation to the acquisition of shares in FEO Hospitality Asset Management Pte. Ltd. (the "**proposed REIT Manager**") and FEO Hospitality Trust Management Pte. Ltd. (the "**proposed Trustee-Manager**"), the Board of Directors of the Company wishes to announce that the proposed REIT Manager has today increased its paid-up capital to S$2.1 million by issuing an aggregate of 1,110,000 new ordinary shares at the price of S$1.00 each to its shareholders on a pro rata basis. The shareholders of the proposed REIT Manager are FEO Asset Management Pte. Ltd. and the Company.

Pursuant to this pro rata share issuance, the Company had subscribed for an additional 366,300 ordinary shares in the share capital of the proposed REIT Manager for a total consideration of S$366,300 and continues to maintain its shareholding percentage of 33.0% in the proposed REIT Manager.

The additional investment in the proposed REIT Manager was funded through internal resources and is not expected to have any material impact on the earning per share and net tangible assets per share of the Company for the financial year ending 31 December 2012.

Save for Mr Philip Ng Chee Tat, Mdm Ng Siok Keow, the Estate of Ng Teng Fong, Deceased and Mdm Tan Kim Choo, none of the other directors or controlling shareholders of the Company has any interest, direct or indirect, in the above transaction.

BY ORDER OF THE BOARD

Chloe Kho Kim Suan
Company Secretary
31 July 2012