



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

**INCREASE IN ISSUED AND PAID-UP SHARE CAPITAL OF
FAR EAST HOSPITALITY HOLDINGS PTE. LTD.**

All capitalised terms used but not defined in this Announcement shall have the meanings ascribed to them in the announcement dated 15 April 2013 by Far East Orchard Limited (the "Company") in relation to the joint venture implementation agreement dated 15 April 2013 (the "JVIA") entered into between the Company and The Straits Trading Company Limited ("STC").

The Board of Directors of Far East Orchard Limited ("the Company") wishes to announce that its wholly-owned subsidiary, Far East Hospitality Holdings Pte. Ltd ("FEHH") has increased its issued and paid up share capital from S\$1 to S\$10 (the "Share Increase"), by way of an allotment and issuance of a total of 9 new ordinary shares at an issue price of S\$1.00 each (the "New Shares").

Pursuant to terms of the JVIA, the Company will subscribe for and be allotted 6 of the New Shares. 3 of the New Shares will be subscribed and allotted to The Straits Trading Company Limited through its wholly-owned subsidiary Sword Private Limited.

Following the allotment and issuance of the New Shares, FEHH's issued and paid up share capital is now S\$10 comprising 10 ordinary shares. Pursuant to the terms of the JVIA, the Company will hold, in aggregate 7 shares, representing 70% of the shares in FEHH and STC will hold 3 shares, representing 30% of the shares in FEHH.

The above transaction is not expected to have any material impact on the net tangible assets per share and the earnings per share of the Company for the financial year ending 31 December 2013.

None of the directors and substantial shareholders of the Company has any interest, direct or indirect, in the transaction save for their shareholdings in the Company.

BY ORDER OF THE BOARD

Leow Chiap Seng
Company Secretary

7 June 2013