Development Limited

(Company Registration No. 200201764D)
(Incorporated in the Republic of Singapore)

ANNOUNCEMENT OF OUTCOME OF LITIGATION

The Board of Directors of M Development Limited (the "**Company**") refers to its previous announcements on 21 May 2015, 18 September 2015 and 30 October 2015 regarding litigation commenced by its subsidiary, Winsta Holding Pte. Ltd. ("**Winsta**") and its subsidiaries ("**Subsidiaries**") in the Singapore High Court against 13 defendants. The Company also refers to its announcement dated 15 January 2016, wherein the shareholders were updated that the Company was granted leave by the High Court to be substituted as a party in this litigation as a plaintiff in place of Winsta's Subsidiaries.

The Company is pleased to announce that it has been successful in its claim against the various defendants. In a Judgment by the Singapore High Court dated 5 November 2018, it was ordered that Mr Sim Poh Ping, Ms Sim Pei Yee (@ Lynn Sim), Ms Sim Pei San (@ Joyce Sim) ("**the Sim Family**") are liable for breaches of their fiduciary duties arising from their involvement and/or interests in Overseas Students Placement Centre Pte Ltd ("**OSPC**"), ATAS Residence Pte Ltd ("ATAS"), Uni-house Pte Ltd, Unihouse @ Evans Pte Ltd, Jiu Mao Jiu Hotpot Pte Ltd, ICS Catering Pte Ltd and I-Masters Air-Conditional Pte Ltd. The Court also found that Kong Weija (@ Dave Kong), Tan Choon Leong (@ Shawn Tan), Connie Ng (@ Connie Huang) had dishonestly assisted the Sim Family in their breaches of duties.

Accordingly, the Court ordered that:

(a) The Sim Family, Dave Kong and OSPC are liable to the Company for S$930,872.55;
(b) The Sim Family, Dave Kong and ATAS are liable to the Company for S$463,460.40;
(c) All the other defendants, including Tan Choon Leong (@ Shawn Tan), Connie Ng (@ Connie Huang) to be liable to Company for S$10,000; and

The Company shall be entitled to claim the costs of their forensic expert, in the sum of S$445,641.70, under an order for costs.

Finally, the Court will hear parties on costs at a later date.

BY ORDER OF THE BOARD
M DEVELOPMENT LTD

Huang Wen-Lai
Executive Chairman and Director
7 November 2018