

**SAN TEH LTD**

(Company Registration No. 197901039W)

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**UPDATE ON LEGAL PROCEEDINGS IN SHANGHAI**

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The Board of Directors of San Teh Ltd (the “Company”, and together with its subsidiaries, the “Group”) refers to the announcements released on 3 November 2016, 22 December 2016, 14 August 2017, 2 January 2018, 7 May 2018 and 7 June 2018 in relation to several legal actions involving Shanghai San Teh Xing Real Estate Co., Ltd (“SSTX”), a subsidiary of the Group in Shanghai. The Board wishes to provide the following update in respect of the remaining two legal actions with SSTX’s tenants at the San Teh Commercial Plaza at Shanghai Anting.

Shanghai Jiading People’s Court (上海市嘉定区人民法院) (the “Court”) ruled on these two cases in the first trial that: (i) the respective tenancy agreements are terminated; and (ii) SSTX to pay damages totaling approximately RMB0.9 million (approximately S\$0.2 million) to the tenants.

On appeal by SSTX, the Shanghai No. 2 Intermediate Court (上海市第二中级人民法院) ruled that: (i) the above judgement delivered by the Court in the first trial is revoked; and (ii) the two cases are to be sent back to the Court for retrial.

The Court has ruled in the retrial that: (i) the respective tenancy agreements are terminated; and (ii) SSTX to pay damages totaling approximately RMB0.6 million (approximately S\$0.1 million) to the tenants.

The Group has made the provision of this damages in full in its previous financial statements.

The Company will keep the shareholders informed of the progress of the outstanding litigation between SSTX and the property management company and make such further announcements as and when appropriate.

BY ORDER OF THE BOARD

Lim Wee Tziang  
Company Secretary

12 September 2018