EASTERN HOLDINGS LTD.

(Incorporated in the Republic of Singapore)
(Company Registration Number: 198105390C)

UPDATE ON LEGAL PROCEEDINGS REGARDING HOY FATT PTE. LTD.

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*Where capitalised terms are used in this announcement and not otherwise defined herein, such capitalised terms shall bear the same meanings as used in the Company's announcement dated 2 July 2013 in relation to the unsuccessful disposal of a 6 storey building at 12 Hoy Fatt Road, Singapore 159506 ("**Unsuccessful Disposal Announcement**"), the Company's unaudited half year financial statement announcement for the six months ended 30 September 2014 ("**HFY2015 Announcement**"), the announcement dated 23 January 2015 in relation to the High Court judgment relating to the Company's subsidiary, Hoy Fatt Pte. Ltd. (the "**Court Judgment Announcement**"), and the announcement dated 11 May 2015 in relation to the appeal filed by Riway (Singapore) Pte. Ltd to seek additional payment in respect of pre-judgment interest, and costs (the "**Appeal Announcement**").*

The Board of Directors of Eastern Holding Ltd (the "**Company**") refers to the Unsuccessful Disposal Announcement, paragraph 10 of the HFY2015 Announcement, the Court Judgment Announcement and the Appeal Announcement.

In relation to the Court Judgment Announcement, Hoy Fatt Pte. Ltd. ("**Hoy Fatt**") is required to make payment (the "**Judgment Payment**") to Riway (Singapore) Pte. Ltd. ("**Riway**"). Such Judgment Payment, which did not include any pre-judgment interest, had been duly satisfied by Hoy Fatt.

In relation to the Appeal Announcement, Riway (the "**Appellant**") filed an appeal to the Court of Appeal to seek for additional payment of S$236,248.96 in respect of pre-judgment interest, and costs (the "**Riway Appeal**").

The Company wishes to announce that the Court of Appeal had ruled in favour of the Appellant and held that Hoy Fatt has to pay pre-judgment interest plus cost of S$20,000 including disbursements and out-of-pocket expenses.

The Company will make further announcement(s) as and when material developments in the present matter arise.

BY ORDER OF THE BOARD

Lum Kum Kuen
Executive Director

21 October 2015