

SAN TEH LTD

(Company Registration No. 197901039W)

UPDATE ON LEGAL PROCEEDINGS IN SHANGHAI

The Board of Directors of San Teh Ltd (the “Company”, and together with its subsidiaries, the “Group”) refers to the announcement released on 3 November 2016 in relation to several legal actions involving Shanghai San Teh Xing Real Estate Co., Ltd (“SSTX”), a subsidiary of the Group in Shanghai and wishes to provide the following update.

Legal Action 1

In respect of the eight 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”) had ruled on four of the cases in the first trial that: (i) the respective tenancy agreements are terminated; and (ii) SSTX to pay damages totaling approximately RMB2.3 million (approximately S\$0.5 million) to the four tenants.

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

The remaining four other cases are still ongoing and the Court has not delivered any judgement.

Legal Action 2

In respect of the legal action with the property management company (“PMC”) the Court has dismissed the claims by SSTX to terminate the property management agreement and recover the unreturned sum of approximately RMB3.0 million (approximately S\$0.6 million).

On the other hand, the PMC has withdrawn their legal action against SSTX.

The Company will keep the shareholders informed of the progress of the matter and make such further announcements as and when appropriate.

BY ORDER OF THE BOARD

Lim Wee Tziang
Company Secretary

22 December 2016