

MANHATTAN RESOURCES LIMITED

(Incorporated In the Republic of Singapore)

(Company Registration No. 199006289K)

ANNOUNCEMENT ON JUDGMENT IN RELATION TO CLAIMS AGAINST MANHATTAN RESOURCES (NINGBO) PROPERTY LIMITED

The board of directors (“**Board**” or “**Directors**”) of Manhattan Resources Limited (the “**Company**” and together with its subsidiaries, the “**Group**”) refers to the Company’s announcement dated 20 April 2017 in relation to the interlocutory ex-parte injunction order dated 10 March 2017 (the “**Injunction Order**”) issued by the Ningbo City Yinzhou District Court (“**Court**”) against Manhattan Resources (Ningbo) Property Limited (“**MRN**”), a subsidiary of the Company. The plaintiff in the Injunction Order was MCC TianGong Group Corporation Limited (中冶天工集团有限公司) (“**MCC**”).

Following the Injunction Order, MCC claimed against MRN for (i) additional design and construction works allegedly performed by MCC amounting to RMB 19,130,074.20; and (ii) damages amounting to RMB 26,169,978.00. MRN counterclaimed for a refund of advance payments made to MCC for further design and construction works amounting to RMB 7,743,921.80 (the “**Counterclaim**”).

The Board wishes to announce that the Company had, on 3 July 2018, received the Court’s written judgment dated 25 June 2018 (the “**Judgment**”). The salient points of the judgement are as follows:

- (a) the Court dismissed all claims by MCC as the Court was of the view that MCC had failed to provide the Court with relevant evidence to support its claims;
- (b) the Court made no ruling on MRN’s request that MCC provide the VAT invoice for certain payments made to MCC previously, as the Court held that the said request was not a litigation matter;
- (c) the Court dismissed MRN’s Counterclaim as the Court was of the view both parties had not carried out audit processes to acknowledge and confirm the actual works done by MCC;
- (d) in terms of costs, the Court ordered that MCC shall bear a court processing fee of RMB 268,300.00 and the injunction processing fee of RMB 5,000.00, amounting to RMB 273,300.00 in aggregate; while MRN shall bear a court processing fee of RMB 33,003.50.

An appeal on the decision of the Court may be made within 15 days from the date when the Judgment is duly served to the parties. The Company is seeking legal advice and considering whether to appeal, and will make further announcements as and when necessary to keep shareholders informed of material developments in this matter.

The Board does not expect this Judgment to have any material impact on the Group’s performance for the financial year ending 31 December 2018, and will make the relevant announcements in relation to any further material developments.

Shareholders and potential investors are advised to read this announcement and any further announcements by the Company carefully. Shareholders and potential investors should exercise caution when dealing in the shares of the Company. Persons who are in doubt as to the action they should take should consult their legal, financial, tax or other professional advisers.

BY ORDER OF THE BOARD

Low Yi Ngo
Chief Executive Officer and Managing Director
6 July 2018