

TUNG LOK RESTAURANTS (2000) LTD
(Incorporated in Singapore)
(Registration No. 200005703N)

CLAIMS AGAINST THE COMPANY'S SUBSIDIARY, MY HUMBLE HOUSE IN BEIJING (RESTAURANT) COMPANY LTD

The Board of Directors (the "**Board**") of Tung Lok Restaurants (2000) Ltd (the "**Company**") wishes to announce that its 100% owned subsidiary in Beijing, People's Republic of China, My Humble House in Beijing (Restaurant) Company Ltd ("**MHHB**"), has on 24 August 2015 received a Civil Complaint (民事起诉书) ("**Civil Complaint**") from a creditor, China National Decoration Co., Ltd (中国装饰股份有限公司) ("**CND**") which has been lodged with the People's Court of the City of Beijing.

MHHB and CND have entered into the Renovation Agreement ("**Agreement**") dated 3 December 2012 (as amended from time to time) for the renovation of a restaurant operated by MHHB's 70% owned subsidiary, My Humble House Xihe (Beijing) Restaurant Company Ltd ("**MHHXihe**"), in Beijing, People's Republic of China. MHHB has disputed the amount due to CND amounting to RMB1,554,110.84 (approximately S\$340,000¹) ("**Outstanding Amount**") as CND has defaulted on the terms and conditions of the Agreement due to its failure to apply and obtain the fire safety certificate required by the restaurant operated by MHHXihe. In accordance with the Agreement, MHHB can claim RMB1,000,000 (approximately S\$219,000¹) from CND for failing to apply and obtain the fire safety certificate.

Pursuant to the Civil Complaint, CND demanded payment of the Outstanding Amount as well as late payment penalty amounting to RMB2,000,000 (approximately S\$438,000¹) computed in accordance with the terms and conditions of the Agreement. After consulting our lawyer, MHHB intends to dispute the claims made by CND and counterclaim CND for the delay in the completion of renovation works of the outlet and the consequential liquidated damages.

MHHB is scheduled to attend the Court hearing on 10 September 2015 and is presently seeking legal advice with the aforesaid matter.

The Outstanding Amount has been accrued as of 31 March 2015 notwithstanding that the amount is in dispute. The claims will not have a material adverse impact on the financial position of the Group.

The Company will provide further updates as and when there are material developments to the above matter.

BY ORDER OF THE BOARD

Tjioe Ka Men
Executive Chairman
2 September 2015

¹ Based on the exchange rate of RMB4.57 per S\$1.00 on 2 September 2015.

This announcement has been reviewed by the Company's Sponsor, SAC Capital Private Limited, for compliance with the relevant rules of the Exchange. The Company's Sponsor has not independently verified the contents of this announcement.

This announcement has not been examined or approved by the Exchange and the Exchange assumes no responsibility for the contents of this announcement, including the correctness of any of the statements or opinions made or reports contained in this announcement.

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