



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

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

Further to the Company's announcement of 2 September 2015 (the "**Announcement**"), the Board of Directors (the "**Board**") of Tung Lok Restaurants (2000) Ltd (the "**Company**") would like to provide updates in relation to the claims made by China National Decoration Co., Ltd (中国装饰股份有限公司) ("**CND**") against the Company's 100% owned subsidiary in Beijing, People's Republic of China, My Humble House in Beijing (Restaurant) Company Ltd ("**MHHB**").

As disclosed in the Announcement, 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 amounted to RMB1,554,110.84 (approximately S\$347,000¹) 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 million (approximately S\$224,000¹) from CND for failing to apply and obtain the fire safety certificate. Accordingly, CND has delayed the completion of renovation works of the restaurant.

MHHB has on 22 September 2015 received an application document lodged by CND to the People's Court of the City of Beijing (the "**Court**") to, *inter alia*:

- 1) include MHHXihe as the joint defendant; and
- 2) adjust and increase the late payment penalty from RMB2 million (approximately S\$447,000¹) as previously filed to RMB9 million (approximately S\$2,013,000¹) instead.

MHHB has been advised by its solicitors appointed by MHHB that the late penalty claim of RMB9 million made by CND is of little merit. MHHB intends to take all necessary steps to vigorously defend the alleged claims as well as counterclaim CND for its breach of the terms and conditions of the Renovation Agreement and the consequential liquidated damages. The solicitor is currently actively preparing for the lawsuit to defend MHHB's interests.

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

BY ORDER OF THE BOARD

Tjioe Ka Men
Executive Chairman
25 September 2015

¹ Based on the exchange rate of RMB4.47 per S\$1.00 on 25 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.

*The details of the contact person for the Company's Sponsor are set out below:
Name: Mr Ong Hwee Li (Registered Professional, SAC Capital Private Limited)
Address: 1 Robinson Road, #21-02 AIA Tower, Singapore 048542
Tel: 65323829*