



SINGAPORE eDEVELOPMENT LIMITED

(Incorporated in Singapore)
(Company Registration No. 200916763W)

INDEPENDENT AUDITOR'S REPORT FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2015

1. The Board of Directors (the "Board") of Singapore eDevelopment Limited (the "Company", and together with its subsidiaries, the "Group") wishes to announce that the Company's Independent Auditor, Ernst & Young LLP, had issued their Independent Auditor's Report on the financial statements of the Group for the financial year ended 31 December 2015 (the "Financial Statements") that contained a disclaimer of opinion on certain comparative figures relating to CIPL (defined below) and an emphasis of matter.
2. Disclaimer of Opinion on Certain Comparative Figures Relating to CIPL
 - a CCM Industrial Pte Ltd ("**CIPL**") was disposed on 21 May 2014 and ceased to be a subsidiary of the Group on that date. CIPL has been under liquidation since 2014. For the audit of prior year financial statements, the Independent Auditor was unable to satisfy themselves as to whether certain amounts relating to CIPL, from 1 January 2014 to 21 May 2014, were appropriate and proper for inclusion in the cash flow statement of the Group and preparation of the certain notes.
 - b Accordingly, the Independent Auditor did not express an opinion on the Group's consolidated cash flow statement for the year ended 31 December 2014 and the 2014 CIPL related notes. Their audit opinion on the Group's consolidated balance sheet, statement of comprehensive income and statement of changes in equity for the year ended 31 December 2014 was not modified.
 - c Their opinion on the current period's financial statements is also modified because of the possible effect of this matter on the comparability of the current period's figures and the corresponding figures.
3. Emphasis of Matter

Without further qualifying their opinion, they drew attention to certain factors that indicated the existence of a material uncertainty which might cast significant doubt about the Group's ability to continue as a going concern.
4. Except for the possible effects on the corresponding figures of the matter described in paragraph 2 above and the Emphasis of Matter, the Board notes that the Independent Auditor had expressed an unqualified opinion on the Financial Statements.
5. In relation to the uncertainty referred to by the Independent Auditor, the Board is of the view that the Group will be able to continue as a going concern by raising additional funds through the placement of new shares, extension of certain loans maturing within the next twelve months, and generating positive cash flows from its operations. In addition, the Group has

also obtained an undertaking from a substantial shareholder to not demand repayment of existing loans granted to the Group, as well as to provide continuous financial support to the Group.

6. A copy of the Independent Auditor's Report and an extract of the relevant note to the Financial Statements is attached hereto for information.
7. Shareholders of the Company are advised to read the entire Financial Statements in its annual report, which will be despatched in due course.

BY ORDER OF THE BOARD

For and on behalf of the Board

Chan Heng Fai
Executive Director and Chief Executive Officer
5 April 2016

This announcement has been prepared by the Company and its contents have been reviewed by the Company's Sponsor Hong Leong Finance Limited (the "Sponsor") for compliance with the relevant rules of the Singapore Exchange Securities Trading Limited (the "SGX-ST"). The Sponsor has not independently verified the contents of this announcement.

This announcement has not been examined or approved by SGX-ST. The Sponsor and the SGX-ST assume 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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