SINGAPORE eDEVELOPMENT LIMITED

(Incorporated in the Republic of Singapore)
(Company Registration Number 200916763W)

MATERIAL DIFFERENCES BETWEEN UNAUDITED AND AUDITED FINANCIAL STATEMENTS OF THE GROUP FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2017

The Board of Directors (the "**Board**") of Singapore eDevelopment Limited (the "**Company**" and together with its subsidiaries, the "**Group**") refers to the announcement made by the Company on 27 February 2018 in relation to unaudited financial statements of the Group (the "**Unaudited Financial Statements**") for the financial year ended 31 December 2017 ("**FY2017**").

Pursuant to Rule 704(5) of the Listing Manual Section B: Rules of Catalist of the Singapore Exchange Securities Trading Limited, the Board would like to announce that subsequent to the release of the Unaudited Financial Statements, certain adjustments were made to the Unaudited Financial Statements following the finalisation of the audit by the Company's external auditor.

The material differences between the Unaudited Financial Statements and the audited financial statements for FY2017 (the "**Audited Financial Statements**") arose mainly due to the reclassification resulting from the acquisition of subsidiaries.

The details of the material adjustments made to the Unaudited Financial Statements and the material differences between the Unaudited Financial Statements and the Audited Financial Statements are set out below.

Consolidated statement of comprehensive income for FY2017

	Unaudited Financial Statements S$'000	Audited Financial Statements S$'000	Difference between Unaudited Financial Statement and Audited Financial Statement S$'000	Note
Loss for the year	(6,390)	(6,390)	-	
Foreign currency translation differences	(283)	(152)	131	A
Total comprehensive loss for the year	**(6,673)**	**(6,542)**	**131**	
Non-controlling interests	1,386	1,255	(131)	A

Note:

(A) Reclassification of foreign currency translation differences to non-controlling interest due to acquisition of subsidiaries.

Consolidated cash flow statement for FY2017

	Unaudited Financial Statements S$'000	Audited Financial Statements S$'000	Difference between Unaudited Financial Statement and Audited Financial Statement S$'000	Notes
Loss before tax from continuing operations	**(7,199)**	**(7,199)**	**-**	
Adjustments for:				
Withholding tax expenses	626	625	(1)	G
Unrealised exchange loss / (gain)	3,769	3,771	2	C, D, F
Goodwill written off	-	147	147	C
Operating results before working capital changes	**(6,729)**	**(6,581)**	**148**	
Changes in working capital:				
Increase in trade and other receivables	(1,190)	(1,566)	(376)	C, D, E, F
Decrease in prepaid operating expenses	23	42	19	C
Increase in inventory	(85)	(35)	50	C
Increase in properties under development	(1,181)	(358)	823	F
Decrease in trade and other payables	(1,637)	(1,692)	(55)	C, D, G
Cash used in operations	**(9,027)**	**(8,418)**	**609**	
Investing activities:				
Purchase of property, plant and equipment	(62)	(36)	26	D
Investment in marketable securities	-	(188)	(188)	E
Net cash inflow on acquisition of a subsidiary under common control	-	115	115	D
Net cash inflow on acquisition of a subsidiary	147	2	(145)	C

	Unaudited Financial Statements S$'000	Audited Financial Statements S$'000	Difference between Unaudited Financial Statement and Audited Financial Statement S$'000	Notes
Financing activities:				
Proceeds from issuance of ordinary shares pursuant to conversion of HBD Loan	14,914	-	(14,914)	A
Advances from director	9,818	9,845	27	G
Repayment of HBD Loan pursuant to conversion of HBD Loan	(14,914)	-	14,914	A
Decrease in bank deposits pledged	-	288	288	B
Net decrease in cash and cash equivalents	**(2,465)**	**(1,733)**	**732**	
Effect of exchange rate changes on cash and cash equivalent	288	(444)	(732)	G

Notes:

(A) No cash flow impact on the conversion of HBD Loan.
(B) Adjustment on the change in bank deposits pledged.
(C) Adjustment due to the acquisition of iGalen International Inc..
(D) Adjustment due to the acquisition of Hengfai Asset Management Pte. Ltd..
(E) Reclassification of trade and other receivables to marketable securities.
(F) Adjustment on the properties under development due to foreign exchange rate.
(G) Effects of exchange rate changes on cash flows.

BY ORDER OF THE BOARD

Chan Heng Fai
Executive Chairman and Chief Executive Officer

17 April 2018

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.

The contact person for the Sponsor is Mr Tang Yeng Yuen, Vice President, Head of Corporate Finance, Hong Leong Finance Limited, at 16 Raffles Quay, #02-05 Hong Leong Building, Singapore 048581, telephone (+65) 6415 9886.