SINGAPORE eDEVELOPMENT LIMITED

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

PROPOSED EXPANSION AND DIVERSIFICATION OF THE GROUP'S BUSINESS

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*Unless otherwise defined, capitalised terms herein shall have the same meanings as ascribed to them in the Company's circulars to shareholders dated 28 October 2013 and 11 April 2014 in relation to, inter alia, the Property Development Business (the "**Property Development Circulars**").*

I. INTRODUCTION

Further to the Corporate and Business Update announced on 31 October 2016, the Company wishes to announce its proposal for the Company and its subsidiaries (the "**Group**") to:

(a) expand the scope of the Property Development Business; and

(b) diversify the business of the Group into the Biomedical Business.

(the "**Proposed Expansion and Diversification of Business**").

The Proposed Expansion and Diversification of Business is subject to shareholders' approval.

II. PROPERTY DEVELOPMENT BUSINESS

The Company obtained shareholders' approval at an extraordinary general meeting of the Company held on 20 November 2013 to diversify the business of the Group into the Property Development Business, which involved the following activities in the Singapore and Asian region:

(a) actively acting as a developer for property projects by engaging in the development of property for sale and/or leasing on a project basis, which involved the acquisition of land for development and the sale and/or leasing of the property thereafter;

(b) participating and investing in property development projects which may be led by another property developer.

Subsequently, the Company obtained shareholders' approval at an extraordinary general meeting of the Company held on 28 April 2014 to expand the geographical scope of the Property Development Business to include the USA, Australia and Spain.

For more information on the existing scope of the Property Development Business, please refer to the Property Development Circulars. Shareholders should also note that the Company had previously exited the construction business in Singapore subsequent to the disposal of CCM Industrial Pte Ltd on 21 May 2014.

Following a strategic review of the Property Development Business, it was announced on 31 October 2016 in the Corporate and Business Update that SeD Home Inc. intends to, *inter*

alia, embark on homebuilding activities in partnership with other U.S. homebuilders; seek funding from sources other than the Company; restructure SeD Home Inc.'s balance sheet; commencing discussions to acquire smaller U.S. homebuilding projects or ongoing projects to renovate homes; exploring various payment or financial structures to accelerate sales commitments and meeting related needs for homebuyers who increasingly prefer to engage with a single services provider.

The Directors have since then further reviewed the Property Development Business and the impetus to secure revenue and profit in the near to medium term as well as to offer a suite of holistic services to home-builders, end-buyers and other players in the property eco-system has led to the Directors' belief that shareholders' approval should now be sought to further broaden the current scope of the Property Development Business to provide the Company more flexibility to seize business opportunities in the property sector.

Accordingly, the Company proposes to expand the scope to include services related to the development, management or ownership of property. These property development related services will include the following:

(a) engaging in building and construction activities including architectural and design services;

(b) providing property management and realtor services; and

(c) providing services related to home ownership, such as acting as a broker for the provision of mortgage loans, home and title insurance services, etc. (subject to any licensing requirements).

III. BIOMEDICAL BUSINESS

The Company announced on 18 November 2016 that it has incorporated a wholly-owned subsidiary, namely, SeD Biomedical International Pte. Ltd. which will be principally involved in investment holdings in the biomedical sector, including holding stakes in companies which hold biomedical intellectual property, which offer consultancy services in the field of biomedical science and/or which have, or are securing, strategic alliances, partnerships and distribution rights for bio-medical products, technologies or enterprises.

The Company also announced, among others, that it intends to work with Global Research and Discovery Group Scientific LLC ("**GRDGS**") to develop a natural-based therapeutic formula for the treatment and prevention of neurological disease and that GRDGS will assign its biomedical intellectual property to SeD BioMedical Inc., a 80%-owned subsidiary of SeD Biomedical International Pte. Ltd. The remaining 20% shareholding interest in SeD BioMedical Inc. is held by GRDGS and Holista CollTech Limited ("**Holista**") in equal proportions of 10% each. As at the date of this announcement, Mr. Chan Heng Fai, the Executive Director and Chief Executive of the Company, holds 19.11% of the shares in the capital of Holista and a further 15,830,166 warrants, each carrying the right to subscribe for one new share in the capital of Holista. Mr. Chan is the second largest shareholder of Holista and has been its Non-Executive Director since June 2013.

The Company has not yet finalised the definitive agreements to the abovesaid arrangements and will make the appropriate announcement when there are material developments.

For more information, please refer to the Company's announcement dated 18 November 2016.

Further to the above, the Company proposes to diversify the Group's core business into the Biomedical Business, which shall include the business of developing, researching, testing, manufacturing, licensing and distributing (via retail, direct selling, network marketing or e-commerce) products and/or services in the area of biomedical science, biomedical healthcare

and biotechnology. The area of biomedical science, biomedical healthcare and biotechnology will include the following:

(a) treatment, inhibition, prevention of, or related to neurological disorders, chronic diseases and/or viral infections or diseases;

(b) oncology and immunotherapy;

(c) mosquito control;

(d) indoor air quality control;

(e) international infection; and/or

(f) general health and wellness.

The Biomedical Business will not be restricted in application to any particular sector or industry.

Subject to shareholders' approval, the Company intends for the above proposed arrangements with GRDGS and Holista to be subsumed under this proposed new business segment.

IV. PROPOSED DIVERSIFICATION AND EXPANSION

Subject to shareholders' approval and the application of relevant rules of the Listing Manual, the Group may also, as part of the above proposed new or expanded businesses (the "**Proposed Businesses**"), invest in or acquire or dispose of shares or interests in any entity that is in the Proposed Business.

As part of its asset-light approach to business expansion and corporate recovery, the Group intends to engage in the Proposed Businesses on a prudent basis with discretion. The Company does not plan to restrict the Proposed Businesses to any specific geographical market as each project and investment will be evaluated and assessed by the Board on its merits. The Group may also explore joint ventures and/or strategic alliances with third parties who have the relevant expertise and resources to carry out the Proposed Businesses as and when the opportunity arises. The decision on whether a project should be undertaken by the Group on its own or in collaboration with third parties will be made by the Board after taking into consideration various factors, such as the nature and scale of each project, amount of investment required and risks associated with such an investment, nature of expertise required, the period of time that is required to complete the project and conditions in the market, taking into account the opportunities available.

Save as disclosed above, none of the directors or substantial shareholders of the Company have any interest, direct or indirect, in the above transactions other than through their respective shareholdings in the Company.

V. CIRCULAR TO SHAREHOLDERS

The Company will be seeking the approval of shareholders for the Proposed Expansion and Diversification of Business at an extraordinary general meeting of the Company to be convened in due course.

A circular to shareholders containing further information on the Proposed Expansion and Diversification of Business, together with the notice for the extraordinary general meeting, will be despatched to shareholders in due course.

VI. CAUTION IN TRADING

Shareholders are advised to exercise caution in trading their shares as there is no certainty or assurance as at the date of this announcement that the Proposed Expansion and Diversification of Business will be completed as it is subject to shareholders' approval and/or the strategic plans and business updates set out in this announcement will be fully undertaken, completed or developed as currently envisaged. Shareholders are advised to read this announcement and any further announcement(s) by the Company carefully. Shareholders and potential investors should consult their stock brokers, bank managers, solicitors or other professional advisors if they have any doubt about the action(s) they should take.

BY ORDER OF THE BOARD

Chan Heng Fai
Executive Director and Chief Executive Officer

12 December 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.

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, #40-01A Hong Leong Building, Singapore 048581, telephone: +65 6415-9886.