SINGAPORE eDEVELOPMENT LIMITED
(Incorporated in Singapore)
(Company Registration No. 200916763W)

RESTRUCTURING OF INFORMATION TECHNOLOGY BUSINESS

The Board of Directors (the "**Board**") of Singapore eDevelopment Limited (the "**Company**", and together with its subsidiaries, the "**Group**"), wishes to update the shareholders of its decision to restructure the activities of its Information Technology business.

The mobile application landscape continues to evolve rapidly with heightened competition. As such, many mobile app providers have been introducing a variety of features into their product offerings to stay competitive.

Towards this end, the Group had launched the HotApp mobile application in Guangzhou, PRC that offers, amongst other functions, community chatroom functions at the end of 1Q2015. During 2H2015, the Group expanded HotApp's functionalities to include app-to-app calls over the internet. In addition, the Group had released and beta-tested an international version of HotApp in Malaysia, Singapore and Spain.

Despite these achievements, in order for HotApp to remain competitive, the Group needs to provide significant continuing financial and managerial resources in the development and commercialisation efforts.

The Group had intended to allocate a portion of net proceeds from the Rights Cum Warrant Issue initiated in December 2015 for continuous development of HotApp. However, due to the termination of the Rights Cum Warrants Issue, the Board has decided to streamline and restructure the operations of HotApp by significantly reducing its development and marketing personnel and marketing activities over the next three months.

Notwithstanding the operational restructuring, development and maintenance works will not be stopped entirely but it is envisaged that critical and essential programmes will continue to be streamlined until and unless new external funding can be secured.

At the same time, the Group will explore other avenues of raising new funds for furthering HotApp's endeavours. Such funding, if any, will be raised via HotApp International Inc ("**HTPN**"), a 98.17% owned subsidiary of the Group in USA, which may result in dilution of the Group's equity interest in HTPN.

The Board will continually review the Information Technology business and further restructure the same depending on the availability of new funds for furthering the development of HotApp.

BY ORDER OF THE BOARD

For and on behalf of the Board

Chan Heng Fai
Executive Director and Chief Executive Officer
19 January 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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