



SINGAPORE eDEVELOPMENT LIMITED

(Incorporated in Singapore)
(Company Registration No. 200916763W)
(the “**Company**”)

ISSUANCE OF CORPORATE BONDS BY SED HOME LIMITED TO RAISE UP TO US\$10 MILLION

1. INTRODUCTION

The Company (together with its subsidiaries, the “**Group**”) wishes to announce that its wholly owned subsidiary, SeD Home Limited (“**SeD Home**”) proposes to issue corporate bonds each of face value US\$500,000 (the “**Bonds**”) to raise up to US\$10 million, which will be used to raise funds for the Group’s Black Oak Project in Houston, Texas, USA.

SeD Home will enter into bond subscription agreements (the “**Subscription Agreements**”) with each subscriber (the “**Subscriber**”). Pursuant to the terms of the Subscription Agreements, the Subscribers will subscribe for the Bonds at the issue price of US\$500,000 for each Bond.

2. SALIENT TERMS OF THE SUBSCRIPTION AGREEMENTS

The issuance of the Bonds is conditional upon, *inter alia*, the following:-

- (a) the Subscriber must provide evidence to SeD Home’s satisfaction that the Subscriber is a “Professional Investor” (as such term is defined under the Securities and Futures Ordinance (Cap. 571 of the Laws of Hong Kong) and related subsidiary legislation, rules and regulations) to pass SeD Home’s Know-Your-Client procedures;
- (b) the approval of the Subscription Agreements by the boards of SeD Home and SeD Home Inc.;
- (c) all consents, permits, licenses and approvals required, under any and all applicable laws or from any regulatory authority of SeD Home for the Subscription Agreements and relevant transactions being obtained if required, and where such consents, permits, licences and approvals are subject to conditions, such conditions being satisfactory to each of the parties in their sole and absolute discretion; and
- (d) the warranties set out in the Subscription Agreements remaining true and not misleading in any respect at closing of the Subscription Agreements.

Each Bond bears an annual interest rate of 8% on the principal amount of the Bonds, payable quarterly in arrears. The maturity date of each Bond shall fall on the third (3rd) anniversary from the date of the issuance of each Bond (the “**Maturity Date**”). SeD Home and the Subscriber may mutually agree in writing to extend the Maturity Date for an additional period of six (6) months. The Bonds may not be redeemed before the Maturity Date. The Bonds carry no voting rights, are non-transferrable and shall not be convertible into shares of the Company or SeD Home.

On maturity, if the Subscriber proposes to acquire a property that has been built by SeD Home Inc. from available properties under the Black Oak Project, SeD Home shall facilitate the use of monies to be repaid to the Subscriber on the Maturity Date, for such acquisition which SeD Home Inc. agrees to sell at cost price. If the cost price of the property selected is more than the principal amount of the Bond (namely, US\$500,000), the Subscriber will have to pay the difference in the cost price. If the cost price of the Property selected is below the principal amount of the Bonds, the Subscriber will be paid in cash the difference.

SeD Home Inc. shall guarantee the principal amount of the Bonds for a period of 36 months from the date of issuance of the Bond up to US\$10 million. Mr Chan Heng Fai, the Company's Executive Director and Chief Executive Officer, shall guarantee the principal amount of the Bonds for a period of 36 months from the date of issuance of the Bond up to an aggregate sum of US\$5 million.

3. INTERESTS OF DIRECTORS AND SUBSTANTIAL SHAREHOLDERS

None of the Directors or substantial shareholders of the Company, has any interest in the proposed issuance of the Bonds and the Subscription Agreements, save as disclosed above and save for their interests arising by way of their shareholdings and/or directorships in the Group, nor are they related to any of the proposed Subscribers.

4. FURTHER ANNOUNCEMENTS

The Company will provide further updates and make such announcements as may be necessary and/or appropriate and in compliance with the Listing Manual Section B: Rules of Catalyst.

5. 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 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 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

15 November 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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