



SINGAPORE eDEVELOPMENT LIMITED

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

PLACEMENT OF SHARES – SUBSCRIPTION OF 15,000,000 NEW ORDINARY SHARES IN THE CAPITAL OF SINGAPORE EDEVELOPMENT LIMITED AT S\$0.081 FOR EACH SUBSCRIPTION SHARE

1. BACKGROUND

The Board of Directors of Singapore eDevelopment Limited (the “**Company**”) wishes to announce that the Company has on 16th June 2015 entered into a placement agreement (the “**Placement Agreement**”) with Mr Fan, Ben (the “**Subscriber**”).

The shareholders of the Company (the “**Shareholders**”) had, at the annual general meeting of the Company held on 27 April 2015 (the “**2015 AGM**”), approved a general share issue mandate by way of an ordinary resolution (the “**2015 Share Issue Mandate**”).

Pursuant to the terms of the Placement Agreement, the Company proposes to raise capital by issuing 15,000,000 new shares in the share capital of the Company (the “**Subscription Shares**”) to the Subscriber (the “**Proposed Subscription**”). The total consideration for the Proposed Subscription is S\$1,215,000. The total number of Subscription Shares represents approximately: (i) 5.258% of the share capital of the Company as at the date of the 2015 Share Issue Mandate (excluding treasury shares); and (ii) 4.995% of the share capital of the Company on an enlarged basis (excluding treasury shares), following the Proposed Subscription.

2. TERMS OF THE PROPOSED SUBSCRIPTION

2.1 Issue Price

The Subscription Shares shall be allotted and issued at an issue price of S\$0.081 per Subscription Share (the “**Issue Price**”). The Issue Price was arrived at following arm’s length negotiations between the Company and the Subscriber and represents a discount of approximately 6.467% to the volume weighted average price of S\$0.0866 for trades done on the shares of the Company (the “**Shares**”) on the Singapore Exchange Securities Trading Limited (the “**SGX-ST**”) on 16th June 2015 (being the full market day on which the Company’s shares were traded prior to the time the Placement Agreement was signed).

2.2 The Subscription Shares

The Subscription Shares are intended to be issued pursuant to the 2015 Share Issue Mandate, which authorises the Directors of the Company to allot and issue new shares in the capital of the Company not exceeding 100% of the total number of issued Shares (excluding treasury shares) as at the date of the 2015 AGM, 27 April 2015, of which the aggregate number of Shares to be issued other than on a pro-rata basis to the existing shareholders of the Company shall not exceed 50% of the Company’s total number of issued Shares (excluding treasury shares).

No Shares have been previously issued under the 2015 Share Issue Mandate prior to the Proposed Subscription. Accordingly, the relevant share base for the purpose of computation of thresholds under the 2015 Share Issue Mandate would be 285,295,850 Shares (the “**Share Base**”). The Company may issue up to 142,647,925 Shares if Shares are to be issued other than on a pro-rata basis to existing shareholders of the Company.

The aggregate number of 15,000,000 Subscription Shares to be issued to the Subscriber pursuant to the Proposed Subscription represents approximately 5.258% of the Share Base.

The Company will apply to the SGX-ST via the Company's Sponsor for the admission of the Subscription Shares to Catalist of the SGX-ST and for the listing and quotation of the Subscription Shares on the SGX-ST.

The Subscription Shares, when issued and delivered, shall rank *pari passu* with and shall carry all rights similar to the existing Shares except that they will not rank for any dividend, right, allotment or other distributions, the record date for which falls on or before the completion of the Proposed Subscription.

Pursuant to the allotment and issue of the Subscription Shares, the Company's issued and paid-up share capital (excluding treasury shares) will increase from 285,295,850 Shares, as at the date of this announcement, to 300,295,850 Shares.

2.3 Additional Listing Application

The Company will be making an application to the SGX-ST via the Company's Sponsor for the listing and quotation of the Subscription Shares on the Catalist of the SGX-ST.

2.4 Conditions

The Proposed Subscription is subject to, among others, the following:-

- (a) the listing and quotation notice (the “**LQN**”) of the Subscription Shares on the Catalist of the SGX-ST being obtained from the SGX-ST via the Sponsor and not revoked or amended as at the date of completion of the Placement Agreement (the “**Completion Date**”) and, where such approval is subject to conditions, such conditions being reasonably acceptable to the Company and the Subscriber;
- (b) the 2015 Share Issue Mandate being valid, subsisting and adequate for the purposes of the issue of the Subscription Shares as at the Completion Date;
- (c) the issue and subscription of the Subscription Shares not being prohibited by any statute, order, rule or regulation promulgated after the date of the Placement Agreement by any applicable legislative, executive or regulatory body or authority of Singapore;
- (d) there having been no occurrence of any event or discovery of any fact rendering any of the warranties in the Placement Agreement untrue or incorrect in any material respect as at the Completion Date as if they had been given again on the Completion Date; and
- (e) the Company and the Subscriber not being in breach of any of the undertakings and the covenants in the Placement Agreement as at the Completion Date.

An announcement of the receipt of the LQN in relation to the Subscription Shares will be made in due course when the LQN is obtained.

There will not be any Prospectus or Offer Information Statement issued in connection with the Proposed Subscription as the Proposed Subscription will be made pursuant to exemptions under Section 272B of the Securities and Futures Act, Chapter 289.

2.5 Completion

Completion is scheduled to take place on the date falling five (5) business days after the satisfaction of the conditions set out in paragraph 2.4 above.

3. THE SUBSCRIBER

The details of the Subscriber are as follows:

Name of Subscriber	Number of Shares	Subscription	Details of the Subscriber
Fan, Ben	15,000,000		Mr Fan, Ben is the founder and executive director of Neo-Neon Holdings Limited. Neo-Neon Holdings Limited is a decorative lighting company which engages in the research, development, manufacturing and distribution of lighting products and which is listed on the Hong Kong Stock Exchange.

The Subscriber has no connection (including business relationships) with the Company, its Directors and substantial shareholders, and is not a person to whom the Company is prohibited from issuing Shares to, as provided for by Rule 812 of the Catalist Rules.

4. INFORMATION REQUIRED PURSUANT TO RULE 810(2) OF THE CATALIST RULES

The rationale for the Proposed Subscription to the Subscriber is that the Company intends to use the funds raised for the purposes of improving its working capital position, which would allow it to be better positioned to capitalise on business opportunities as and when they arise.

The Subscriber was independently introduced to the Company by Amous Lee Tarn Siong (the "Introducer"). Upon successful completion of the Proposed Subscription, the Company will pay the Introducer a cash referral amount of S\$36,450.

5. FINANCIAL EFFECTS OF THE PROPOSED SUBSCRIPTION

The financial effects of the Proposed Subscription set out below are strictly for illustrative purposes only and do not purport to be indicative or a projection of the results and financial position of the Company and the Group after the Proposed Subscription. The table below sets out the financial effects of the Proposed Subscription based on the following bases and assumptions:-

- the audited consolidated financial statements of the Group for the full year ended 31 December 2014 ("FY2014");
- the financial impact on the consolidated net tangible assets ("NTA") per Share is computed based on the assumption that the Proposed Subscription was completed on 31 December 2014; and
- the financial impact on the consolidated loss per share ("LPS") is computed based on the assumption that the Proposed Subscription was completed on 1 January 2014.

	Before Completion of Proposed Subscription	After Completion of Proposed Subscription
Share Capital Paid-up share capital (S\$'000)	67,359	68,574
No. of Shares	285,295,850	300,295,850
NTA (S\$'000)	21,688	22,903
NTA per share (Singapore cents)	7.6	7.6
Loss per Share (Singapore cents)	22.5	19.3

6. USE OF PROCEEDS

The net proceeds to be raised by the Company from the Proposed Subscription (after deducting estimated expenses of approximately S\$50,000 is approximately S\$1,165,000. The Company intends to use the net proceeds from the Proposed Subscription as general working capital of the Group.

The Company will make periodic announcements on the utilisation of proceeds from the Proposed Subscription as and when the funds are materially disbursed.

7. CHANGE IN SHAREHOLDING INTEREST OF SUBSCRIBER AND SUBSTANTIAL SHAREHOLDERS

Pursuant to the completion of the Proposed Subscription, the Company's issued and paid-up share capital will increase from 285,295,850 Shares to 300,295,850 Shares (the "**Enlarged Share Capital**").

The shareholding interests of the Subscriber before and after the Proposed Subscription, as a percentage of the current share capital of the Company and the Enlarged Share Capital respectively, are set out below:

Name	Number of Shares before Proposed Subscription	As a % of the total share capital before Proposed Subscription	Number of Shares after Proposed Subscription	As a % of the total share capital after Proposed Subscription
Fan, Ben	-	0%	15,000,000	4.995%

The shareholding interest of the substantial shareholders of the Company, before and after the Proposed Subscription, as a percentage of the current share capital of the Company and the Enlarged Share Capital respectively, is set out below:

Name	Number of Shares before Proposed Subscription	As a % of the total share capital before Proposed Subscription	Number of Shares after Proposed Subscription	As a % of the total share capital after Proposed Subscription
Chan Heng Fai ⁽¹⁾	85,000,000	29.79%	85,000,000	28.31%
Toh Soon Huat	28,588,800	10.02%	28,588,800	9.520%

Note:

- (1) Mr. Chan Heng Fai's total shareholding interest includes his deemed interest in the 46,750,000 Shares held by Hengfai Business Development Pte. Ltd. (of which he is the sole shareholder and director) and his direct shareholding interest of 38,250,000 shares.

There will be no change in control in the Company pursuant to the completion of the Proposed Subscription.

8. CONFIRMATION BY DIRECTORS

The aforementioned net proceeds from the Proposed Subscription will further improve the working capital position of the Company, which would allow it to be better positioned to capitalise on business opportunities as and when they arise.

Thus, the Directors are of the opinion that, after taking into consideration:

- (a) the present bank facilities available to the Group, the working capital available to the Group is sufficient to meet its present requirements; and
- (b) the present bank facilities available to the Group and the net proceeds from the Proposed Subscription, the working capital available to the Group is sufficient to meet its present requirements.

9. GENERAL

None of the Directors or substantial shareholders of the Company has any interest, direct or indirect, in the Proposed Subscription.

The Company will make the necessary announcements once the approval-in-principle for the LQN of the Subscription Shares has been obtained from the SGX-ST.

10. RESPONSIBILITY STATEMENT

The Directors of the Company, collectively and individually accept full responsibility for the accuracy of the information given in this announcement and confirm after making all reasonable enquiries, that to the best of their knowledge and belief, this announcement constitutes full and true disclosure of all material facts about the Proposed Subscription, the Company and its subsidiaries, and the Directors of the Company are not aware of any facts the omission of which would make any statement in this announcement misleading. Where information in the announcement has been extracted from published or otherwise publicly available sources or obtained from a named source, the sole responsibility of the Directors of the Company has been to ensure that such information has been accurately and correctly extracted from those sources and/or reproduced in the announcement in its proper form and context.

11. DOCUMENTS AVAILABLE FOR INSPECTION

Copies of the Placement Agreement are available for inspection at the Company's registered office at 9 Temasek Boulevard, #09-02A, Suntec Tower Two, Singapore 038989 during normal business hours for a period of three (3) months commencing from the date of this announcement.

BY ORDER OF THE BOARD

Chan Heng Fai
Executive Director and Chief Executive Officer
17 June 2015

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 Mrs Joan Ling-Lau, SVP, Head of Corporate Finance, Hong Leong Finance Limited, at 16 Raffles Quay, #40-01A Hong Leong Building, Singapore 048581, telephone: +65 6415-9886.