# SINGAPORE eDEVELOPMENT LIMITED

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

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## Updates on Ballenger Run PUD Project

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*Unless otherwise defined, capitalised terms herein shall have the same meaning as ascribed to them in the Company's announcements dated 12 January 2015, 21 July 2015 (Half Year Unaudited Results) 16 September 2015 and 6 October 2015 in relation to the Ballenger Run PUD Project (the "**Ballenger Run Announcements**").*

The Board of Directors (the "**Board**") of Singapore eDevelopment Limited (the "**Company**", and together with its subsidiaries, the "**Group**") wishes to update Shareholders of the following:

### a. Completion of Acquisition of 197-Acre Ballenger Run PUD Project

Further to the Ballenger Run Announcements dated 12 January and 16 September 2015, SeD Maryland Development LLC (**"SeD Maryland"**), a subsidiary held via SeD Ballenger LLC ("**SeD Ballenger**"), had on 25 November 2015 completed the Acquisition.

The Acquisition consideration of US$15.65 million was funded in part from a US$5.6 million deposit from NVR and the balance of US$10.05 million in cash partially, from a total equity contribution of US$15.2 million by SeD Ballenger and CNQC Maryland (the nominee of Qingjian International).

NVR, a company based in the US and listed on the New York Stock Exchange with current market capitalisation of approximately US$6.5 billion as at 30 Nov 2015, is a home builder which is engaged in the construction and sale of single-family detached homes, town-houses and condominium buildings. It also operates a mortgage banking and title services business.

Under a membership interest purchase agreement, as announced on 6 October 2015, SeD Ballenger and CNQC Maryland had contributed US$12.70 million and US$2.50 million for 83.55% and 16.45% in equity interest of SeD Maryland, respectively.

SeD Ballenger's contribution of US$12.70 million was partially funded by a cash injection from a drawdown of US$10.50 million against a US$15.00 million interest-free credit facility granted by Hengfai Business Development Pte Ltd ("**HBD**") to SeD Home Inc, who is the sole shareholder of SeD Ballenger and a

wholly-owned subsidiary of the Company. The remaining balance of US$2.20 million contribution, US$1.6 million was funded from the net proceeds from the issuance of Rights Shares in 2014 announced on 20 October 2015 and the balance of US$0.6 million was funded from the working capital.

Mr Chan Heng Fai, the Group's CEO and Executive Director, is the sole shareholder of HBD and both Mr Chan and HBD are substantial shareholders of the Company.

**b. Construction Loan Secured for Ballenger Run**

On 23 November 2015, SeD Maryland and The Bank Of Hampton Roads, a Virginia banking corporation (the "**Lender**"), entered into a Construction Loan Agreement for an original principal amount not exceeding US$8.00 million at any one time, with a maximum cumulative drawdown of US$26.00 million and a US$0.80 million credit facility for letters of credits payable in full before 22 November 2018 (the "**Loans**") in connection with the Ballenger Run Project to be secured, amongst others, by the land under the Ballenger Run Project and a cash deposit of US$2.60 million to be placed with the Lender.

The Loans will finance the construction and development of the initial phase of the Ballenger Run Project which includes 276 out of a total of 443 subdivided single family residential lots, the land parcel intended for the 200 assisted-living units and the land parcel intended for 210 multi-family units.

With the Loans in place, SeD Maryland will commence development works and expects to complete the initial phase over approximately three (3) years and the entire Ballenger Run Project over approximately five (5) years. SeD Maryland also expects to hand over subdivided lots to NVR progressively from FY2016, when revenue recognition is expected to commence, as previously announced on 12 January 2015.

The above transactions are not expected to have any material effect on the net tangible assets per share and earnings per share of the Company for the financial year ending 31 December 2015.

Except as disclosed above, none of the directors or controlling shareholders (other than in their respective capacities as a director and/or shareholder of the Company) has any interest, direct or indirect, in the above transactions.

BY ORDER OF THE BOARD

Chan Heng Fai
Executive Director and Chief Executive Officer

1 December 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 Mr Tang Yeng Yuen, VP, Head of Corporate Finance, Hong Leong Finance Limited, at 16 Raffles Quay, #40-01A Hong Leong Building, Singapore 048581, telephone: +65 6415-9886.*