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Singapore eDevelopment To Place New Shares Worth S$7.0M To CEO And Largest Shareholder, Mr Chan Heng Fai

Placement will improve balance sheet and working capital to facilitate corporate recovery enabled by U.S. real estate developments

SINGAPORE, 2 February 2016 – Singapore eDevelopment Ltd. ("SeD" or the "Company") has announced that it proposes to place S$7.0 million worth of new shares to Mr Chan Heng Fai – its current CEO and single-largest shareholder – to improve its balance sheet and working capital.

SGX Catalist-listed SeD intends to issue to Mr Chan's Hengfai Business Development Pte. Ltd. ("HBD") 117 million new ordinary shares at S$0.06 each, at a premium of approximately 104% over the volume weighted average price traded on 29 January 2016.

About S$6.42 million of the S$7.0 million proceeds will be used to redeem all S$5.0 million worth of redeemable Exchangeable Notes ("Notes") including accrued interest payable and redemption premium.

SeD, via its subsidiary, Singapore Construction & Development Pte Ltd (previously known as CCM Property Pte. Ltd.), had issued the Notes on 21 February 2014. Apart from reducing gearing, the early redemption of the 18% Notes will result in potential savings of S$680,000 in interest and redemption premium assuming that the redemption takes place on or before 30 June 2016.

To date, the Company has secured written consent for the early redemption from more than 51% of the Note holders, who include Mr Chan himself (who holds 14 of the 20 Notes expiring on 21 February 2017).

The remaining net proceeds from the placement will be used for the Company's general working capital. SeD believes that the placement will improve the Company's balance sheet at a time when its U.S. property projects are underway.

The Company's U.S. real estate subsidiary recently completed the purchase of 197 acres of land, for Ballenger Run Project in Maryland – principally funded by a bridging loan of US$10.5 million from HBD.

The Ballenger Run Project and Black Oak Project, another land infrastructure development project in Texas, are the two real estate developments that currently form the core of SeD's current main business activity.

In December 2015, SeD announced that both projects had secured their requisite construction loans and are expected to commence revenue recognition in FY2016.

Following the completion of the proposed share placement – subject to independent shareholders' approval – SeD's issued share capital base will enlarge from 300.3 million

shares currently to 417.3 million shares, and Mr. Chan's stake will rise from 28.3% currently to approximately 48.4%.

The proposed placement is also subject to approvals from the Securities Industry Council and independent shareholders to waive the requirement for Mr. Chan to make a mandatory general offer to other SeD shareholders and approval-in-principle from the Singapore Exchange Securities Trading Limited for the listing and quotation of the shares

Mr. Chan said: "The proposed share placement and early redemption of the Exchangeable Notes will improve our balance sheet and gearing at a time when our U.S. property projects are progressing well. These actions will position us better to capitalise on opportunities that will accelerate corporate recovery. We remain committed to executing our growth strategy and delivering long-term value to our shareholders."

End of Release

Note To Editors:

This press release is to be read in conjunction with the following announcement posted to the SGX on 29 January 2016:

http://infopub.sgx.com/FileOpen/SeD-Ann-PlacementtoHBD.ashx?App=Announcement&FileID=387973

Issued on behalf of the Company by WeR1 Consultants Pte Ltd:

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About Singapore eDevelopment Limited
Incorporated on 9 September 2009 and listed on the Singapore Exchange Catalist in July 2010, Singapore eDevelopment Limited is involved in (i) property development and investments primarily in the United States and Western Australia; (ii) Information Technology-related businesses; and (iii) Capital Markets Services.

For more information, please visit: www.SeD.com.sg

This press release has been prepared by the Company and its contents have been reviewed by 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 press release.

This press release has not been examined or approved by the SGX-ST and the SGX-ST assumes no responsibility for the contents of this press release, including the correctness of any of the statements or opinions made, or reports contained in this press release.

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