SINGAPORE eDEVELOPMENT LIMITED

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

INTEREST-FREE LOAN FACILITY FROM A CONTROLLING SHAREHOLDER

The Board of Directors (the "**Board**") of Singapore eDevelopment Limited (the "**Company**" and together with its subsidiaries, the "**Group**") would like to announce that the Company has entered into a loan agreement dated 21 August 2015 with its wholly owned subsidiary, SeD Home, Inc. ("**SeD Home**"), and Hengfai Business Development Pte. Ltd. ("**HBD**") (the "**Loan Agreement**"). Pursuant to the Loan Agreement, HBD has agreed to grant a loan facility of up to US$15,000,000 to SeD Home (the "**Facility**"). The proceeds from the Facility shall be principally used to fund the Group's property development projects in USA.

The salient terms of the Facility are set out below:

- **Interest-Free:** The Facility is interest-free.

- **Disbursements of Loan:** Disbursements of the Loan will be made within the six (6) months from the date of the first disbursement of the Facility.

- **Repayment of Loan:** All outstanding amounts (the "**Loan**") shall be repaid in full by SeD Home to HBD on or before the maturity date of the loan, which shall be the date falling six (6) months from the date of first disbursement of the Facility, and may be extended for a further period of six (6) months. However, the Loan may be repayable on demand by HBD after the extension.

- **Methods of Repayment:** HBD may elect, acting in its absolute discretion, for SeD Home and/or the Company to repay or satisfy all or any part of the Loan by any combination of the following methods, provided always that all regulatory requirements, including but not limited to the Listing Manual Section B: Rules of Catalist (the "**Catalist Rules**"), the Singapore Code on Take-overs and Mergers (the "**Code**"), and the requirement of the approval of shareholders of the Company (if necessary) are complied with:

  a. Cash repayment in immediately available funds; and/or

  b. Set off against any consideration payable by HBD and/or its nominees for the subscription of shares pursuant to:

     (i) the rights issue announced by the Company on 27 July 2015 (the "**Proposed Rights Issue**") (should HBD and/or its nominees elect to do so); and/or

     (ii) the issuance of new ordinary shares of the Company ("**Shares**") by the Company based on the same terms with, to such extent possible, the equivalent value of the Proposed Rights Issue, if an application for a whitewash waiver from the Securities Industry Council from the obligations under Rule 14 of the Code is not granted to HBD and parties acting in concert with it; and/or

c. Set off against any consideration payable by HBD and/or its nominees:

(i) to SeD Home for the issuance of new shares of SeD Home ("**SeD Home Shares**") to HBD and/or its nominees at the issue price based on the net asset value of SeD Home; and/or

(ii) to the Company for the transfer of existing SeD Home Shares at the consideration based on the net asset value of SeD Home.

- For the avoidance of doubt, it is the Parties' intention that SeD Home will hold all of the Group's beneficial interests in the Black Oak property development project and the Ballenger Run property development projects in the USA.

- **Events of Default:** The Loan is immediately repayable on demand to HBD should an event of default occur, such events of default which include:

  a. Default in payment of Loan in accordance with the Loan Agreement.

  b. Material change in the circumstances of SeD Home or the Company which, in the opinion of HBD, will affect SeD Home's ability to repay the Loan.

  c. Any winding up event, including order or petition made by winding up of SeD Home or the Company or for its assets, any composition with creditors of SeD Home or the Company or similar event.

  d. Material breach of the Loan Agreement which is not remedied within 14 days of notice to SeD Home or the Company.

HBD is a controlling shareholder of the Company, and is wholly-owned by an Executive Director and the Chief Executive Officer ("**CEO**") of the Company, Mr Chan Heng Fai. Accordingly, HBD is considered an "interested person" within the meaning of Chapter 9 of the Catalist Rules of the Singapore Exchange Securities Trading Limited (the "**SGX-ST**") and the Loan is a transaction between an interested person and an entity at risk within the meaning of Chapter 9 of the Catalist Rules (the "**Transaction**"). As the Loan is interest-free, the Transaction is of no amount at risk to the Company pursuant to Catalist Rule 909 and accordingly the value of the Transaction constitutes 0% of the Group's latest audited net asset value for the financial year ended 31 December 2014.

The Audit Committee of the Company has reviewed the Transaction and is of the view that the Transaction is not prejudicial to the interests of the Company and its minority shareholders.

BY ORDER OF THE BOARD

Chan Heng Fai
Executive Director and Chief Executive Officer

24 August 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.