



SINGAPORE eDEVELOPMENT LIMITED

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

PROPOSED ACQUISITION OF SHARES IN HOMEOWNUSA INC.

1. INTRODUCTION

The Board of Directors (the “**Board**” or the “**Directors**”) of the Company (together with its subsidiaries, the “**Group**”) wishes to announce that the Company is proposing to acquire 74,015,730 shares (the “**Sale Shares**”) representing 99.96% interest in HomeOwnUSA Inc. (the “**Target**”) from Cloudbiz International Pte. Ltd. (the “**Vendor**”) for a consideration of S\$98,000 (the “**Consideration Amount**”) (the “**Proposed Acquisition**”).

2. RATIONALE FOR THE PROPOSED ACQUISITION

The Target is an Over-The-Counter (OTC) company in Nevada, United States of America (USA) which is currently dormant. Upon completion of the Proposed Acquisition, the Target will be engaged in activities related to the Group’s property development business in the United States of America. As the Target is an OTC company, this may facilitate the Group’s future fund raising exercises in the USA and also serve as a platform for other future property development related businesses.

3. INFORMATION ON THE VENDOR

The Vendor owns 99.96% of the issued and paid up share capital in the Target. Mr Chan Heng Fai, an Executive Director and the Chief Executive Officer of the Company, is the ultimate beneficial owner of the Vendor. The remaining interests in the Target are held by unrelated third parties. Although the Proposed Acquisition is an interested person transaction, the value of the Proposed Acquisition of S\$98,000 (based on the Consideration Amount) is below the S\$100,000 threshold under Chapter 9 of the Listing Manual Section B: Rules of Catalist (the “**Catalist Rules**”).

4. ENTRY INTO DEFINITIVE AGREEMENT

The Company shall, as soon as practicable, enter into a definitive agreement with the Vendor for the purpose of the Proposed Acquisition (the “**Agreement**”).

The completion of the Proposed Acquisition shall be subject to, amongst others, the following conditions precedent:

- (A) The Target obtaining such approval(s) from its board of directors and/or shareholders in connection with the Agreement and the transactions contemplated therein as may be necessary; and

- (B) The completion and satisfactory outcome, of all financial and legal due diligence investigations by the Company and its professional advisers into, amongst others, the financial, contractual, tax and prospects, of the Target and title to its assets.

5. VALUE OF THE ASSETS TO BE ACQUIRED AND FINANCIAL EFFECTS

The book value and net tangible asset value of the Sale Shares is insignificant as at the date of the Agreement as the Target will have no revenue, expenses or liabilities upon completion. There is no open market value on the Sale Shares.

The Proposed Acquisition is not expected to have a material financial impact on the net tangible assets and the earnings per share of the Company for the financial year ending 31 December 2016 ("FY2016").

6. INFORMATION ON THE CONSIDERATION AMOUNT

The Consideration Amount was agreed between the Vendor and the Company, taking into consideration the dormant status of the Target and with reference to the estimated prevailing market rate of the shares of similar OTC companies in the USA proposed by unrelated third parties.

7. NON-DISCLOSEABLE TRANSACTION AND AUDIT COMMITTEE STATEMENT

As each of the relative figures computed on the applicable bases as set out in Rule 1006 of the Catalist Rules is less than 5.0%, the Proposed Acquisition is a "Non-discloseable Transaction" for the purposes of Chapter 10 of the Catalist Rules.

Having considered the rationale for the Proposed Acquisition, the Audit and Risk Management Committee of the Company is of the view that the Proposed Acquisition is on normal commercial terms and would not be prejudicial to the interests of the Company and its minority shareholders.

8. INTERESTS OF DIRECTORS

Mr. Chan Heng Fai has declared his interest in the Proposed Acquisition and had abstained from participating in the review process of the Proposed Acquisition. Mr. Chan Heng Fai has also abstained from voting on the Board resolution relating to the Proposed Acquisition in accordance with the constitution of the Company. Mr. Chan Tung Moe, an Executive Director of the Company, has also abstained from participating in the review process of the Proposed Acquisition and voting on the Board resolution relating to the Proposed Acquisition because he is an immediate family member of Mr. Chan Heng Fai.

Save as disclosed above, none of the Directors of the Company has any interest in the Proposed Acquisition, save for their interests arising by way of their shareholdings and/or directorships, as the case may be, in the Company.

Save for the Proposed Acquisition and the placement of 117,000,000 shares of the Company to Mr Chan Heng Fai for the aggregate subscription amount of S\$7,020,000 completed on 12 May 2016, there are no interested person transactions entered into in the current financial year ending 31 December 2016 between the Group and each of Mr Chan Heng Fai and the Vendor. The Group has not entered into any other interested person transactions in the current financial year ending 31 December 2016.

9. FURTHER ANNOUNCEMENTS

The Company will provide further updates and make such announcements as may be necessary and/or appropriate and in compliance with the Catalist Rules upon the execution of the Agreement.

BY ORDER OF THE BOARD

Chan Heng Fai
Executive Director and Chief Executive Officer

15 July 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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