



## Singapore eDevelopment Limited

(Incorporated in the Republic of Singapore)  
(Company Registration Number 200916763W)

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### DOCUMENT SECURITY SYSTEMS, INC.'S SHAREHOLDERS APPROVE PROPOSED US\$50.0 MILLION SHARE SWAP

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Singapore eDevelopment Limited (Stock Code 40V) (“SeD”, the “Company”, or together with its subsidiaries, the “Group”) is pleased to provide an update on the Proposed US\$50.0 million share swap in relation to the sale of all the shares of Impact BioMedical, Inc. (“Impact BioMedical”) by Global BioMedical Pte. Ltd. (“Global BioMedical”), a wholly owned subsidiary of the Company, as outlined in the share exchange agreement (the “Transaction”) announced on 4 May 2020, signed by Impact BioMedical, Global BioMedical, Document Security Systems, Inc. (“DSS”) and DSS BioHealth Security, Inc. (“DSS BioHealth”), a wholly-owned direct subsidiary of DSS. Impact BioMedical is currently a wholly-owned direct subsidiary of Global BioMedical, which in turn is a wholly-owned direct subsidiary of the Company.

Pursuant to one of the key conditions of the share exchange agreement, DSS had announced on 11 August 2020 that its shareholders voted to approve the acquisition of Impact BioMedical<sup>1</sup>. The shareholders’ approval received by DSS is also the final prerequisite condition necessary to move forward with the completion of the Transaction.

Upon completion of the deal, the total consideration of US\$50.0 million will be fulfilled by DSS through a combination of issuance of new common stocks and perpetual convertible preferred stocks in DSS. For illustration purposes, based on the assumption that there is no prescribed conversion limit<sup>2</sup>, should Global BioMedical exercise its right of conversion for all 46,868 perpetual convertible preferred stocks it owns, it will receive 7,232,716 new DSS common stocks. Based on the latest price of DSS of US\$10.46 per share at market close on 10 August 2020, an aggregate of 7,716,050 DSS common stocks (inclusive of 483,334 DSS stocks issued upon completion of the Transaction) represents a current market value of approximately US\$80.7 million (S\$110.6 million).

Executive Chairman and CEO of Singapore eDevelopment Limited, Mr. Chan Heng Fai said, “As we enter into the final phase of the proposed share swap with DSS, this pivotal milestone marks the beginning of a new era of growth for the Group. The newly formed strategic relationship with NYSE-listed DSS will not only allow us to unlock value from and realise the full potential of Impact BioMedical without further investment of crucial cash resources, but also serve as a platform for the Company to establish itself as a global corporation.”

Following the completion of the Transaction, DSS has indicated potential plans to take Impact BioMedical public in an initial public offering (“IPO”)<sup>1</sup>. While this statement represents the current intentions of DSS management and of its Board, there can be no assurance from the Company, that Impact BioMedical will be taken public.

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<sup>1</sup> <http://irdirect.net/prviewer/release/id/4417585>

<sup>2</sup> Pursuant to the terms of the Transaction, the perpetual convertible preferred stocks in DSS may at any time, at the Company’s discretion, be convertible into new DSS common stock, provided always that the right of conversion shall not be exercised to the extent that Global BioMedical holds more than 19.99% of the total issued and paid-up stock capital of DSS on an enlarged basis after such conversion.

The Company had on 23 April 2020 announced that Impact Biomedical's ownership of its suite of antiviral and medical technologies had been valued at US\$382.0 million (S\$542.0 million) by Destum Partners, known globally for its high level of expertise and capability in independently valuing and advising on pharmaceutical technology. On 1 June 2020, the Company further announced that it had received a valuation of US\$933.0 million (S\$1.32 billion) for Impact BioMedical's ownership of its suite of technologies from a different independent valuation firm. Unlike the previous valuation, the new valuation took into consideration numerous additional disease applications of the suite of antiviral and medical technologies.

Shareholders and potential investors of SeD are advised to read this announcement and any further announcements made by SeD carefully. Shareholders and potential investors of SeD are advised to refrain from taking any action with respect to their securities in SeD which may be prejudicial to their interests, and to exercise caution when dealing in the securities of SeD. Shareholders and potential investors of SeD should consult their stockbrokers, bank managers, solicitors or other professional advisers if they have any doubt about the actions they should take.

By Order of the Board  
**Singapore eDevelopment Limited**

Chan Heng Fai  
Executive Chairman, Executive Director and Chief Executive Officer

12 August 2020

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*This announcement has been reviewed by the Company's Sponsor, Hong Leong Finance Limited. It has not been examined or approved by the Exchange and the Exchange assumes 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 Ms Vera Leong, Vice President, Hong Leong Finance Limited, at 16 Raffles Quay, #01-05 Hong Leong Building, Singapore 048581, telephone (+65) 6415 9881.*