



SINGAPORE eDEVELOPMENT LIMITED

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

1) Formation of SeD Maryland Development LLC

2) Acquisition of 197-Acre Ballenger Run Planned Unit Development (“PUD”) Project

The Board of Directors (the “**Board**” or the “**Directors**”) of Singapore eDevelopment Limited (the “**Company**”, and together with its subsidiaries, the “**Group**”) wishes to announce the following:

1) Formation of SeD Maryland Development LLC (“SeD Maryland”)

The Group’s wholly-owned subsidiary SeD Development USA, Inc. has formed SeD Maryland Development LLC, a limited liability company in State of Delaware, USA.

SeD Maryland will be engaged in property development activities in USA.

The formation of SeD Maryland is not expected to have a material impact on the Company’s consolidated earnings per share and net tangible assets per share for the current financial year ending 31 December 2015.

2) Acquisition of 197-Acre Ballenger Run PUD Project

SeD Maryland has entered into a set of agreements (the “**Agreements**”) with NVR Inc. (“**NVR**”) for SeD Maryland to purchase a property, identified as “Ballenger Run” for a consideration of US\$15.65 million (the “**Acquisition**”) and to subsequently sell to NVR Inc. 443 single-family residential lots in Ballenger Run to NVR for an estimated projected amount of US\$59.8 million under the Lot Purchase Agreements (“**LPAs**”) which form part of the Agreements.

About the Project and NVR

Ballenger Run is an approved 853 unit PUD (the “**Project**”), located on 197 acres along Ballenger Creek Pike in Frederick County, Maryland, USA (the “**Property**”) which is near Washington DC, USA. As currently approved, it consists of 443 single-family residential lots, 210 multi-family units and 200 assisted-living units.

SeD Maryland intends to sub-divide the Property and install the necessary infrastructure in accordance with the planning approval obtained. Barring any unforeseen circumstances, SeD Maryland expects to complete the Project, with an estimated overall gross development value projected at approximately US\$67.1 million, within approximately 5 years from completion of the Acquisition. The overall gross development value is estimated based on current market values and represents the estimated gross revenue before deducting any

development expenditure. The Group expects to recognise revenue from this project starting from the financial year ending 31 December 2016.

NVR, a company based in the US and listed on the New York Stock Exchange with market capitalisation of approximately US\$5 billion, 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.

Principal Terms of the Agreements

The principal terms of the Agreements are set out below:

- a) SeD Maryland has agreed to purchase the Property for a consideration of US\$15.65 million.
- b) Long Stop Date for completion of the Acquisition is set for 30 August 2015.
- c) SeD Maryland and NVR have each agreed to place a security deposit of US\$1.5 million in escrow. In the event of a default under the terms of the Agreements prior to the Long Stop Date, the defaulting party will forfeit their security deposit.
- d) The LPAs shall become effective upon completion of the Acquisition, with the following principal terms:
 - (i) Five separate LPAs each for various numbers of lots totalling 443 lots have an estimated total sales value of US\$59.8 million (being contracted base sale value of US\$56.6 million with applicable price escalation adjustments). These represent 100% of the single-family residential lots available under the Project and 89% of its overall estimated gross development value.
 - (ii) A deposit equal to US\$5.6 million in aggregate shall be made to SeD Maryland upon completion of the Acquisition.
 - (iii) SeD Maryland shall sub-divide the Property, install the necessary infrastructure in accordance with the planning approval obtained and deliver the lots to NVR in a form which will allow NVR to obtain permits for construction of dwelling units on the lots.
 - (iv) NVR shall take down these 443 lots in 4 phases over approximately 5 years from completion of the Acquisition.

With the sale of all single-family residential lots, SeD Maryland shall be seeking and selling the remaining lots to interested parties for the development of 210 multi-family units and 200 assisted-living units.

SeD Maryland is currently negotiating with US-based financial institutions to finance the Acquisition and other development costs under the Project. Concurrently, the Company expects to partially fund the Acquisition and other funding requirements of the Project with net proceeds from the Company's rights issue in 2014, sale proceeds from other projects,

internal resources and / or, if appropriate, negotiate for syndication of the investment in the Project.

Certain statements contained in this announcement regarding estimated/projected amounts constitute forward looking statements. These forward-looking statements involve known and unknown risks, uncertainties and other factors that may cause the actual performance to be materially different from any future performance expressed or implied herein.

The Company will make further announcements in compliance with the requirements of the Listing Manual Section B: Rules of Catalist of the SGX-ST upon the execution of the Definitive Agreements and/or when there are material developments in respect of these proposed transactions.

For and on behalf of the Board

Chan Heng Fai
Executive Director and Chief Executive Officer
12 January 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.

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