



SINGAPORE eDEVELOPMENT LIMITED

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

UPDATE ON THE UNITED STATES PROPERTY PROJECTS

The Board of Directors of Singapore eDevelopment Limited (the “**Company**”, and together with its subsidiaries, the “**Group**”) wishes to update the Shareholders of the Company on its property development activities in United States.

1. **Black Oak Project**

*Unless otherwise defined, capitalised terms herein shall have the same meaning as ascribed to them in the Company’s announcements dated 12 February 2014, 8 April 2014, 7 August 2014 and 2 September 2014 in relation to, inter alia, the Black Oak project (the “**Announcements**”).*

The Board refers to the Announcements and the offer information statement of the Company dated 26 August 2014 (the “**OIS**”) in relation to *inter alia* the acquisition of a 136-acre parcel of land (the “**Land**”) in Houston, Texas, the USA for investment by 150 CCM Black Oak, Ltd, (“**Black Oak**”) a Texas limited partnership which was 60%-held by the Company.

The Board wishes to inform Shareholders of the following developments regarding Black Oak Project:

- a. Black Oak had made a further revision in its submitted engineering plan to sub-divide the Land into 365 lots, instead of 398 lots disclosed in the Announcement dated 2 September 2014, in order to create a more suitable mix of lot sizes with a bias towards larger lots and allow for additional district improvements as part of reimbursements referred to under item “b” below. (the “**Plan Changes**”).
- b. Further to the Announcement dated 2 September 2014, an additional 81 lots on the Land had been sold under a new binding Sale and Purchase agreement with an independent third party for an aggregate of approximately US\$8.1 million.

Taking into account the 140 lots as announced to be sold in the Announcement dated 2 September 2014, Black Oak had sold in aggregate 221 Lots, representing 61% of the total available lots for sale. In aggregate, total sale value of these lots is approximately US\$28.82 million (S\$38.04 million based on the exchange rate of US\$1:S\$1.32) or at an average of US\$130,000 per lot, subject to the terms and conditions of the relevant sale and purchase agreements (“**SPAs**”) (the “**Sale**”).

- c. The Company had successfully negotiated participation in the reimbursement of certain development costs, relating to water and sewage infrastructure to be built within Black Oak Project, and sales to the district as part of district improvements (“**Reimbursements**”). The amount of reimbursements will depend on the actual costs incurred by Black Oak and on the final specifications approved by the relevant agencies. The reimbursements of these costs are expected to improve the returns from Black Oak Project.

In connection with the additional scope and a delay in bank financing pursuant to the Plan Changes, the Group has agreed to extend a loan in the form of a bridging loan of US\$6.1 million to Black Oak ("**Bridging Loan**"). The Bridging Loan is secured by first lien over the Land, bears interest at 15% per annum and repayable upon the closings of Black Oak Phase One sale lots (expected in 2015) or upon securing external refinancing (whichever is earlier). The Bridging Fund is funded with the net proceeds of the rights issue of the Company completed on 22 September 2014 allocated to the exploration of and investment in new project opportunities under the Group's property development business which had been temporarily allocated. Following the repayment of the Bridging Loan, the Company shall reallocate the amount utilised for the provision of the Bridging Loan to the exploration of an investment in new project opportunities under the Group's property development business.

In consideration of the provision of the Bridging Loan by the Group, the other limited partners of Black Oak had agreed to transfer an aggregate of 4% of equity interests in Black Oak to the Group and thus increased the Group's effective equity interest in Black Oak to 64%. The book value and the net tangible asset value of 4% of the equity interests in Black Oak are approximately S\$227,000 each.

Black Oak expects to complete construction and development of necessary infrastructures of the entire Black Oak Project and deliver the subdivided lots in phases. With the additional scope of works arising from the Reimbursements, it expects to recognise revenue from this project over four years (instead of three years as previously announced) commencing in the financial year ending 31 December 2015. The Sale is therefore not expected to have any material effect on the net tangible assets per share and earnings per share of the Company for the financial year ending 31 December 2014.

2. **US Home Incubation**

The Group had entered into a Sale and Purchase Agreement with a property developer based in Houston, Texas, USA, to purchase 27 tenanted single-family homes located in Houston, Texas, USA ("**Properties**").

The Group had launched this batch of homes during a recent real property exhibition in Hong Kong. To-date, the Group had received purchase interests for 21 homes, each of which a non-refundable deposit of HK\$5,000 has been paid, and achieved average sale values of approximately US\$168,000 per home.

The Group expects to secure further sales of the remaining Properties over the next few weeks. The Group expects to close these sales in early 2015 and thus does not expect any material effect on the net tangible assets per share and earnings per share of the Company for the financial year ending 31 December 2014.

The Group expects to finance this programme solely from the net proceeds raised from its Rights Issues.

In rolling out this programme, the Group has leveraged on its networks of procurement expertise in US through Inter-America Development Inc. ("**IAD**") and distribution channels in Asia through SLP – MORE Limited ("**SLP – M.O.R.E**"). As both IAD and SLP – M.O.R.E. are associates of the Group's substantial shareholder, Mr Chan Heng Fai, these transactions will be undertaken under the Interested Person Transactions General Mandate approved by the Shareholders of the Company during the extraordinary general meeting of the Company held on 18 June 2014.

BY ORDER OF THE BOARD

Chan Heng Fai
Executive Director and Chief Executive Officer

15 December 2014

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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