



Singapore eDevelopment Buys Instant Messaging, Social Media & E-Commerce Developer; Enters Into MoU With Cloud-Enabled Telecom Hardware Provider

- *Acquires Singapore-based HotApps which owns suite of IM products that gives it an edge over many existing players; enables customisation and development of new IM-based and social media applications*
- *MoU signed with China-based CloudTel which has developed world's first 10-inch interactive smart communication terminals for various value-added services; poised to partner telcos to replace traditional phones in homes, offices, hotels and healthcare centres*
- *Both IT transactions will drive info-comm sector growth alongside international property development as Group charts corporate recovery and growth*

SINGAPORE, 12 August 2014 – Singapore eDevelopment Ltd. (“SeD”) announced today it is buying a software developer, which owns applications for instant messaging, social media and e-commerce platforms, and has entered into a Memorandum of Understanding (“MoU”) to acquire a telecom hardware and software developer.

SGX Catalist-listed SeD said the acquisition of a 100%-stake in HotApps International Pte. Ltd. (“HotApps”) and MoU signed with CloudTel Pte. Ltd. (“CloudTel”) are part of a major strategic shift to propel corporate recovery and future growth via info-communications technology (“ICT”) and property development.

SeD had recently unveiled these two sectors as new engines of growth after disposing in May 2014 its legacy Singapore-construction business which had led to major losses and liabilities in the financial year ended 31 December 2013 (“FY2013”) that spilled over into FY2014.

The Group is buying the entire stake in Singapore-registered HotApps from its shareholder and Chief Executive Officer, Mr. Chan Heng Fai (“Mr Chan”), for S\$98,000. HotApps intends to launch its flagship mobile application – combines Instant Messaging (“IM”), e-commerce, gaming, free voice calls and other enhanced features which will differentiate itself from existing players and global IM giants – in Singapore before the end of the year.

“We are confident of securing a high subscription rate as the platform will fill many gaps in the existing IM and social media landscape. The high customisation and unique business models will encourage adoption by both individual and corporate users,” said Mr. Chan.

CloudTel’s Chief Executive Officer, Mr. Jacky Zhuang, has more than 15 years of experience including 10 years in the U.S. with a Fortune 500 company. Upon completion of the acquisition, Mr. Zhuang will be invited to join SeD as CEO of the Group’s IT businesses including the management of HotApps.

SeD intends to acquire cloud-based communication solutions provider based in China, CloudTel, which has developed a unique desktop interactive cross-platform smart terminal running on the Android operating system.

The 10-inch terminal will enable low-cost, high-quality international voice and video calls and other value-added features. Intended to replace traditional desktop phones in homes, offices, hotels and the healthcare sector, it will enable advertising applications on revenue-sharing basis with businesses and telecommunications companies (“telcos”).

CloudTel is currently in talks with several major telcos to offer the terminals to the Chinese market. The proposed acquisition of CloudTel is subject to an independent valuation and a shareholder vote. Dependent on the valuation and final acquisition price, SeD intends to satisfy the purchase via the issue of new shares and/or corporate bonds.

“Businesses and individuals worldwide want lower costs for international voice and video calls, smarter IM platforms that can be customised, which can generate new revenue streams. HotApps and CloudTel meet these needs. We will combine the capabilities with our management’s business network and capital market expertise to accelerate growth for the two companies and for SeD as it charts a new corporate destiny,” Mr. Chan said.

SeD shareholders this month approved its diversification into IT and a proposal to issue up to 12 rights shares at 0.3 Singapore cent each for every existing share held, and one bonus share for every Rights Share subscribed for. The net proceeds of between a minimum of S\$3.3 million and maximum of up to S\$129.1 million will be partially used to fund new businesses in property development and IT.

SeD currently owns 60%-stake in a land development and sub-division project in Texas, U.S.A. It has also bought three waterfront residential sites in Western Australia to develop seven units of bungalows and good class townhouses for sale.

Mr. Chan said: “While property development allows us to build up an asset base, the second engine of IT businesses will have the potential to enhance shareholder value.”

End of Release

Issued on behalf of the Company by WeR1 Consultants Pte Ltd:

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About Singapore eDevelopment Limited

Incorporated on 9 September 2009 and listed on the Singapore Exchange Catalist on July 2010, Singapore eDevelopment Limited (“SED” or the “Group”), formerly known as CCM Group Limited, is pursuing business activities in property development and investments primarily in the United States and Western Australia, Information Technology, and investments in high-growth quoted and unquoted securities.

For more information, please visit: www.SeD.com.sg

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