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Overseas Regulatory Announcement

This overseas regulatory announcement is issued pursuant to Rule 13.09(2) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.

Please refer to the attached announcement of SingXpress Land Ltd, which is listed on the Singapore Exchange Securities Trading Limited and a 55.16% owned subsidiary of Xpress Group Limited.

By Order of the Board
Xpress Group Limited
Chan Tong Wan
Managing Director

Hong Kong, 31 May, 2012

As at the date of this announcement, the Board comprises of the executive directors Mr. Chan Heng Fai, Mr. Chan Tong Wan, Ms. Chan Yoke Keow and non-executive director Mr. Fong Kwok Jen as well as independent non-executive directors Mr. Wong Dor Luk, Peter, Mr. Wong Tat Keung and Mr. Chan King Fai.

SINGXPRESS LAND LTD.
(Company Registration No. 198803164K)
(Incorporated in Singapore)

PROPOSED PRIVATE PLACEMENT OF 243,000,000 NEW ORDINARY SHARES IN THE CAPITAL OF SINGXPRESS LAND LTD.

1. Introduction

- 1.1 The Board of Directors of SingXpress Land Ltd. (the “**Company**”) wishes to announce that it has on 30 May 2012 entered into a conditional subscription agreement (the “**Subscription Agreement**”) with Mr Chua Swee Wah (the “**Subscriber**”) for the issuance and subscription of 243,000,000 new ordinary shares (the “**Subscription Shares**” and each a “**Subscription Share**”) in the capital of the Company at S\$0.0126 (the “**Subscription Price**”) per Subscription Share (the “**Subscription**”). The Subscription Shares when issued and fully paid will rank *pari passu* in all respects with the existing ordinary shares in the capital of the Company.
- 1.2 The Subscription Price represents a discount of 10% to the weighted average price of S\$0.014 for trades done on the Singapore Exchange Securities Trading Limited (the “**SGX-ST**”) on 30 May 2012 which is the full market day on which the shares of the Company (the “**Shares**”) were traded on the date the Subscription Agreement was entered into.
- 1.3 The Subscription Shares to be subscribed by the Subscriber represents approximately 5.26% of the existing issued share capital of the Company, and represents approximately 4.99% of the enlarged issued share capital of the Company. The Subscription Shares are intended to be issued pursuant to the general mandate obtained at the annual general meeting of the Company held on 15 July 2011 (the “**2011 AGM**”). The general mandate obtained at the 2011 AGM authorised and empowered the Directors of the Company to, *inter alia*, issue shares in the Company not exceeding 100% of the total number of issued shares (excluding treasury shares) of which the aggregate number of shares to be issued other than on a pro rata basis to existing shareholders shall not exceed 50% of the total number of issued shares in the capital of the Company (the “**General Mandate**”).

As the Subscription is within the General Mandate, no approval from the shareholders of the Company is required for the Subscription and the issue of the Subscription Shares arising therefrom.

2. About the Subscriber

- 2.1 The Subscriber is Mr Chua Swee Wah.
- 2.2 The Subscriber has no connection (including business relationships) with the Company or the Directors and substantial shareholders of the Company, and he is not a person to whom the Company is prohibited from issuing Shares to, as provided for under Rule 812 of the Listing Manual Section B: Rules of Catalist of the SGX-ST (the “**Catalist Rules**”).
- 2.3 The Subscriber was introduced by Mr Toh Soon Huat, a shareholder of the Company, to Mr Chan Heng Fai, the Managing Director of the Company. The Subscriber expressed his agreement with the Company’s current business model and their willingness to subscribe for new shares in the Company. In support of his commitment to the Company, the Subscriber is agreeable to a 6 months’ moratorium on the Shares to be subscribed by him. Taking into account the above, the Company decided to place the Subscription Shares to the Subscriber. No commission or other payment is to be made to Mr Toh Soon Huat or any other party in connection with the Subscriber’ subscription of the Subscription Shares.
- 2.4 The Subscriber has represented to the Company that he is subscribing for the Subscription Shares for his own account for investment.

3. Rationale for the Subscription

- 3.1 The net proceeds from the Subscription are approximately S\$3,040,000 (there is no commission payable arising from the Subscription).
- 3.2 Currently, the Company is evaluating its overall business strategy and the Board is evaluating a number of business proposals. It is expected that 50% of the net proceeds are intended to be used by the Company to enhance its working capital and 50% of the net proceeds are intended to be used by the Company to pursue such business opportunities as and when they arise. Pending utilisation, the net proceeds from the Subscription may be deposited with banks and/or financial institutions or invested in short term money markets and/or marketable securities, as the Directors may deem appropriate in the interests of the Company.
- 3.3 The Company will make periodic announcements on the use of the Subscription proceeds as and when the proceeds are materially disbursed, and provide a status report on the use of the Subscription proceeds in the Company's annual reports.

4. Details of the Subscription Agreement

4.1 Obligations of the Company and the Subscriber

4.1.1 Subject to the terms and conditions of the Subscription Agreement, the Company agrees to allot and issue or sell (as the case may be), and the Subscriber agrees to subscribe and purchase the Subscription Shares at the Subscription Price for each Subscription Share.

4.1.2 The Subscription Shares shall be issued or transferred free from all claims, charges, liens and other encumbrances whatsoever and shall rank *pari passu* in all respects with and carry all rights similar to the existing issued Shares, including without limitation, any dividend, right, allotment or other distributions, the Record Date for which falls on or after the completion date of the Subscription (the "**Completion Date**").

4.2 Conditions Precedent

The conditions precedent to the parties' obligations under the Subscription Agreement are, *inter alia*, as follows:

4.2.1 the receipt of a listing and quotation notice from SGX-ST for the admission to, quotation and dealing of the Subscription Shares on the Official List of the SGX-ST being obtained, and if obtained on conditions, such conditions being acceptable to the Company and the Subscriber and to the extent that any such conditions are required to be fulfilled on or before the Completion Date, they are so fulfilled;

4.2.2 the Company complying with the provisions of the Companies Act, the Securities and Futures Act and the Listing Manual Section B: Rules of Catalist of the SGX-ST in respect of the Subscription; and

4.2.3 the Subscription and the allotment, issue and subscription of the Subscription Shares is not prohibited by any statute, order, rule, regulation, directive or request (whether or not having the force of law) promulgated or issued after the date of the Subscription Agreement by any legislative executive or regulatory body or authority in Singapore, including the SGX-ST and the Securities Industry Council.

5. Financial Effects of the Subscription

- 5.1 The issue of the Subscription Shares will increase the issued and paid-up ordinary share capital of the Company as at the date of this announcement from S\$63,486,649 comprising 4,624,087,926 Shares to S\$66,548,449 comprising 4,867,087,926 Shares.
- 5.2 Assuming that the Subscription had been completed on 31 March 2012 (being the latest announced unaudited financial statements for the year ended 31 March 2012), the net asset

value (“NAV”) per Share, after adjusting for the conversion of the convertible bond of the Company (“CB”), the private placement in April 2012 and the issue of the Subscription Shares is as follows:

	NAV (S\$'000)	Number of Shares	NAV per Share (cents)
Unaudited NAV as at 31.3.2012	42,298	3,348,108,000	1.26
NAV after the conversion of CB	50,128	4,501,087,926	1.11
NAV after the private placement in April 2012	52,098	4,624,087,926	1.13
NAV after the completion of Subscription	55,138	4,867,087,926	1.13

Assuming that the Subscription had been completed on 1 April 2011, the earnings per share (“EPS”) after adjusting for the conversion of the CB, the private placement in April 2012 and the issue of the Subscription Shares is as follows:

	Number of Shares	EPS (cents)
Unaudited net loss of S\$338,000 for the year ended 31.3.2012	3,348,108,000 ⁽¹⁾	(0.0101)
EPS after the conversion of CB	4,501,087,926	(0.0075)
EPS after the completion of private placement in April 2012	4,624,087,928	(0.0073)
EPS after the completion of Subscription	4,868,087,928	(0.0069)

Note:

(1) Based on the number of issued Shares as at 31 March 2012.

- 5.3 The Directors are of the opinion that after taking into consideration the present bank facilities, the working capital available to the Company and its subsidiaries (the “Group”) is sufficient to meet its present requirements. The reason for the Subscription is to further supplement the working capital available to the Group.
- 5.4 The Directors are also of the opinion that after taking into consideration the present bank facilities and net proceeds of the Subscription, the working capital available to the Group is sufficient to meet its present requirements.
- 5.5 There will not be any Prospectus or Offer Information Statement issued in connection with the Subscription as the Subscription will be made pursuant to Section 272(B) of the Securities and Futures Act, Chapter 289.
- 5.6 The Company intends to make an application to the SGX-ST for the listing and quotation of the Subscription Shares on the SGX-ST.

6. Interests of Directors and Substantial Shareholders

None of the Company’s Directors, substantial shareholders or persons falling under Rule 812(1) of the Catalist Rules has any interest, direct or indirect, in the Subscription.

7. Directors’ Responsibility Statement

- 7.1 The Directors collectively and individually accept full responsibility for the accuracy of the information given in this announcement and confirm after making all reasonable enquiries,

that to the best of their knowledge and belief, this announcement constitutes full and true disclosure of all material facts about the Subscription, the Company and its subsidiaries, and the Directors are not aware of any facts the omission of which would make any statement in this announcement misleading.

- 7.2 Where information in this announcement has been extracted from published or otherwise publicly available sources or obtained from a named source, the sole responsibility of the Directors has been to ensure that such information has been accurately and correctly extracted from these sources and/or reproduced in this announcement in its proper form and context.

By Order of the Board

Chan Tong Wan
Executive Director

31 May 2012

This announcement has been prepared by the Company and its contents have been reviewed by the Company's Sponsor, SAC Capital Private Limited, for compliance with the relevant rules of the Exchange. The Company's Sponsor has not independently verified the contents of this announcement.

This announcement 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 Mr. Bernard Lim (Telephone: 65-6221 5590) at 79 Anson Road #15-03 Singapore 079906.