



## **SGX-Listed SingXpress To Raise S\$30 Million From Renounceable Fully Underwritten Eight-for-One Rights Issue**

- **Significant move to strengthen SingXpress' capital structure and leverage on upcoming growth opportunities in Singapore**
- **Proceeds from eight-for-one Rights Issue will partly repay SingXpress' controlling shareholder Xpress Credit Limited, for loans taken for the HDB Pasir Ris DBSS project, and the remaining for working capital requirements relating to the DBSS Project**

SINGAPORE, 25 August 2011 – SingXpress Land Ltd ("SingXpress" or "the Company") announced today a rights issue to raise up to S\$30 million to fund its property development projects in Singapore, including a major public housing development, and a first significant step to strengthen its capital structure for upcoming growth opportunities in Singapore.

The Singapore Exchange Securities Trading Limited ("SGX-ST") Catalist-listed company proposes to issue up to about 3.0 billion new ordinary SingXpress shares (the "Rights Shares"), at an issue price of S\$0.01 each, on the basis of eight Rights Shares for every existing ordinary share. The proposed rights issue is renounceable and fully underwritten by Phillip Securities Pte Ltd ( the "Rights Issue").

Part of the net proceeds of approximately S\$18.7 million will be used to repay SingXpress' controlling shareholder Xpress Credit Limited ("Xpress Credit"), for loans taken for a joint DBSS ("Design, Build and Sell Scheme") public housing land acquisition in Pasir Ris, and the remaining S\$10.7 million for working capital requirements relating to the DBSS project.

Between May 2011 and August 2011, Xpress Credit has given SingXpress interest free loans, payable on demand, totalling \$32.2 million, including S\$30.5 million for the DBSS project .

Xpress Credit is a subsidiary of Xpress Group Limited, a Hong Kong listed company with shareholders' funds of approximately S\$140 million as at 31 March 2011.

In recent months, SingXpress has announced two acquisitions of en bloc (collective sale) property sites – Foh Pin Mansion at Charlton Road and Waldorf Mansions at Balestier Road – in addition to the Pasir Ris DBSS project.

The three projects will involve a combined investment commitment currently estimated at approximately S\$330 million, and are part of the Company's vision to adopt an "investment banking" approach to property by combining securitisation, syndication, risk management and building a network of relationships to tap and unlock value in real estate opportunities in Singapore and elsewhere. SingXpress aims to, as far as possible, play a lead or co-lead role for the duration of such projects.

Subject to shareholders' approval, the Rights Issue will enlarge the issued share capital base from 372 million shares currently to a fully diluted 3,370 million shares.

Underscoring its confidence in SingXpress' vision, Xpress Credit, which presently owns about 62.68% shares in SingXpress, will subscribe to all its rights entitlements.

The Issue Price represents a discount of approximately 56.5% to the closing price of S\$0.023 per Share on the SGX-ST on 18 August 2011. From 19 August 2011 to 24 August 2011, being the last trading day of the Shares on the SGX-ST prior to the date of this announcement, there were no trades done.

The Rights Issue is subject to:

- 1) the in-principle approval from SGX-ST for the Rights Issue;
- 2) the approval of the SGX-ST for the dealing in, listing of and quotation for the Rights Shares on the Official List of the Catalist;
- 3) the approval by shareholders of the Rights Issue at an EGM; and
- 4) the lodgement of the Offer Information Statement with the SGX-ST as agent for and on behalf of the Monetary Authority of Singapore.

SingXpress' Managing Director, Mr Chan Heng Fai, said: "We have unveiled a vision to offer an investment banking approach to property to chart a new strategy for SingXpress. This proposed fund-raising will strengthen our balance sheet and attract new investors keen to participate in our growth."

"Depending on the success of the first few projects, we will be on the lookout for other investment opportunities in Singapore, a market we have great confidence in," he said.

Mr Chan further added that SingXpress' priority remains to expand its five core business divisions –property development, real-estate co-investing, real estate investing, property trading and real estate management services.

###end of release###

**Important** --This press release is to be read in conjunction with the Company's exchange filing which can be downloaded from [www.sgx.com](http://www.sgx.com) via listed company announcements.

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

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## **About SingXpress Land Ltd**

SGX-Catalist listed, SingXpress Land Ltd ("SingXpress") specialises in property development, real estate investment, real estate co-investing, property trading and real estate management services. It is backed by a management and board with strong financial expertise and experience in property development and management.

SingXpress differentiates itself with its strategy to focus on design and has adopted an "investment banking" approach towards property development. A vision of its Managing Director, Mr Chan Heng Fai, SingXpress' "investment banking" approach is essentially a syndication approach whereby the Group leads in seeking out development sites or related opportunities, sets the commercial parameters (including the level of debt and equity) and then brings in co-investors and joint venture partners, playing as far as possible a lead or co-lead role for the duration of such projects.

Making its foray into Singapore's property market in 2010, SingXpress has made two acquisitions of en bloc (collective sale) property sites – Foh Pin Mansion Charlton Road and Waldorf Mansion at Balestier Road – and successfully bid for a HDB DBSS ("Design, Build and Sell Scheme") public housing project in Pasir Ris.

*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.*

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