



**SingXpress Land – Investor Subscribes For S\$94.4M Non-redeemable, Cumulative Convertible Non-voting Perpetual Preference Shares**

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**SINGXPRESS LAND UNVEILS “QUANTUM LEAP” FOR ITS INVESTMENT BANKING APPROACH TO PROPERTY DEVELOPMENT WITH S\$94.4M SUBSCRIPTION OF NON-REDEEMABLE, CUMULATIVE CONVERTIBLE, NON-VOTING PREFERENCE SHARES BY MR TANG YIGANG THROUGH HIS SINGAPORE INVESTMENT VEHICLE**

**SINGAPORE, 7 August 2012** –*SingXpress Land Ltd.* (“SingXpress Land” or the “Company”) announced that Mr Tang Yigang, through his Singapore investment vehicle, has entered into a conditional agreement to subscribe for S\$94.4 million worth of cumulative convertible non-voting perpetual preference shares (“NRCCPS”) in the Company.

The strategic investment by Haiyi Holdings Pte. Ltd. (“Haiyi”) will serve as a major catalyst for the “investment banking approach” to real estate development for SGX Catalist-listed SingXpress Land, which is building private and public housing residences in Singapore.

Haiyi will subscribe for 80 units of the NRCCPS at S\$1.18 million each, to be issued by SingXpress Land. Being perpetual, the NRCCPS will have no maturity, but will accrue annual dividends amounting to 3% of the issue price. Mr Tang and his wife are directors of Haiyi and own the entire interest in Haiyi. Mr Tang is a Chinese national and Singapore permanent resident with investments and real estate holdings in China, the United States and Singapore,

Each NRCCPS unit can be converted into 100 million SingXpress Land shares after Haiyi gives at least 15 days’ notice in writing to the Company. Conversely, the Company may also serve notice to Haiyi to convert the NRCCPS at any time pursuant to the giving of a 15 days’ notice.

Assuming full conversion of the NRCCPS by Haiyi, SingXpress Land’s issued and paid-up share capital will increase from S\$73.2 million comprising 4.87 billion shares to S\$167.4 million comprising 12.87 billion shares. If fully converted, a maximum of 8.0 billion conversion shares will be issued in total to Haiyi, which would then end up with 62.2% of SingXpress Land’s enlarged share capital base.

After the prior private placements completed in April and May 2012, the Company currently has an issued share capital base of 4.87 billion shares and a market capitalisation of S\$68.1 million based on the closing price of S\$0.014 on 3 August, 2012 (last Friday).

The holders of the NRCCPS will be allowed to attend shareholder meetings of SingXpress Land but will not be allowed to vote. Haiyi has agreed not to sell any of the NRCCPS and newly issued SingXpress shares within the first six months after the date of completion of the issue of the NRCCPS. Haiyi has also undertaken that it will, or procure the transferee of any NRCCPS to undertake, to conduct a general offer for SingXpress Land's common shares in the event their level of conversion triggers a mandatory general offer obligation.

"Apart from strengthening our balance sheet, the subscription of the NRCCPS by Haiyi will allow SingXpress Land to take a quantum leap in the execution of its investment banking approach to property. The investment is significant not just for the amount, but also for the strategic input and network which Mr Tang brings," said Mr Chan Heng Fai, Managing Director of SingXpress Land.

"His presence will add to the strong capital market background of the senior management of SingXpress Land and its parent company. This expertise in securitization, syndication and risk management allows our team to build a network and an eco-system of financial and strategic partners focused on real estate and adopt fresh approaches to unlocking value in developing real estate in Singapore," Mr Chan added.

Mr Tang said: "I have strong faith in Mr Chan and his team in executing its investment banking approach to property. Within a short period, SingXpress Land has not only embarked on a clear strategic direction but also made rapid steps to execute it. I have seen the quality of its projects under various stages of development and am confident about the longer terms prospects of the real estate sector in Singapore in general, and in SingXpress Land in particular. I look forward to helping accelerate the Company's ability to carry out its business model."

The S\$94.4 million NRCCPS is the largest corporate exercise undertaken by SingXpress Land since it raised approximately S\$29.8 million from an eight-for-one rights issue completed in November 2011. The proceeds will be used for investment in real estate projects and for general working capital purposes.

In November 2011 SingXpress Land launched Charlton Residences, a 21-unit cluster housing project which was sold out by March 2012, recording an aggregate sales value of approximately S\$59.6 million. On 27 April 2012, it launched **Pasir Ris One**, a Design, Build and Sell Scheme ("DBSS") public housing development.

On 14 May 2012, SingXpress Land announced that a consortium in which SingXpress Land has an effective 30% stake had submitted a successful bid amounting to S\$233.5 million for a land parcel for an Executive Condominium ("EC") public housing development. The land parcel is located at Tampines Central 7/ Tampines Avenue 7/ Tampines Avenue 9.

Assuming the subscription of NRCCPS had been completed on 31 March 2012, and factoring the private placements completed in April and May 2012, the Net Asset Value of SingXpress Land would have increased from S\$55.1 million (or S\$0.0113 per share based on 4.87 billion shares) to S\$149.3 million (or S\$0.0116 per share based on 12.87 billion shares, assuming the full conversion of the NRCCPS).

The issue of NRCCPS is subject to the approval of shareholders of SingXpress Land and its parent company.

###end of release###

*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. specialises in property development, real estate investment, real estate co-investing, property trading and real estate management services. It is backed by a management team and a board of directors with strong financial expertise and experience in property development and management.

SingXpress Land differentiates itself from its competitors 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 Land's "investment banking" approach is essentially a syndication approach whereby the Group leads in seeking out development sites or other 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 Land has made two acquisitions of en bloc property sites – Foh Pin Mansion at Charlton Road and Waldorf Mansion at Balestier Road – and has successfully bid for a HDB DBSS public housing project in Pasir Ris and an Executive Condominium public housing project in Tampines.

#### **About Haiyi Holdings and Mr Tang Yigang**

Mr. Tang is a wealthy, a savvy and successful investor who has been able to rapidly seize investment opportunities in complex markets. He is currently involved in four major business activities in the United States, China and Singapore.

In 2003, Mr. Tang invested S\$100 million to set up **Haiyi Holdings Pte Ltd** in Singapore and currently serves as its CEO. The company's main businesses include international trade, financial investments and investment holdings. Its major subsidiary, New Port Duty Free Pte Ltd ([www.newport.com.sg](http://www.newport.com.sg)), is a leading ship chandler and trading company in Singapore with an extensive distribution network for duty-free goods.

Mr Tan's other investments include:

1. American Pacific International Capital, Inc.(website: [www.apicincus.com](http://www.apicincus.com))

Since 2002, Mr. Tang is Chairman of American Pacific International Capital, Inc. ("APIC"), which is 100% owned by him and his wife. In mid-2007, APIC acquired all the assets of Shantou Zhong Xing Oil & Fat Company Ltd and set up Guangdong Huamei Oil & Fat Company Ltd which now processes 500,000 tons of soybean annually, and is the largest edible oil production and processing facility in East Guangdong.

A year later, APIC acquired KOIN Tower, a landmark A-Class office building in Portland, Oregon, with over 400,000 square feet of leasable space, for US\$50 million. He later led APIC's acquisition of five hotels and related property assets for another US\$50 million. The five hotels have a total of 515 rooms and combined annual revenue of about US\$20 million. APIC also has residential real estate development elsewhere in Oregon and in San Francisco.

In 2009, Mr. Tang, through APIC, invested RMB 40 million in a joint venture with Shantou Haiyi Investment (Group) Company Limited to develop and operate Ocean Panorama, a five-star 200-room hotel with residential condominiums in Shantou, China. (website: [www.haiyi-hotels.com](http://www.haiyi-hotels.com)).

2. Shantou Haiyi Investment (Group) Company Ltd

In 1994, Mr. Tang invested about RMB 80 million to incorporate Shantou Hefa (Group) Company Limited (renamed as Shantou Haiyi Investment (Group) Company Limited). Serving as Mr. Tang's investment holding company in China, its businesses cover industrial investments, industrial and residential real estate developments and sales of construction and decoration materials. It also has interests in R&D and production of new bio-medicines, air purifiers and health supplements.

3. Chaoan Haibao Development and Construction Co., Ltd.

In 2010, Mr. Tang, through Shantou Haiyi Investment (Group) Company Limited, set up Chaoan Haibao Development and Construction Co., Ltd. to develop Guangdong Chaoan Industrial Park which covers 1,000 acres land and is currently valued at approximately RMB 4 billion.

*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.*

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