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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 notice of SingXpress Land Ltd, which is listed on the Singapore Exchange Securities Trading Limited and a 52.40% owned subsidiary of Xpress Group Limited.

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

Hong Kong, 9 July, 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.

NOTICE OF EXTRAORDINARY GENERAL MEETING



SINGXPRESS LAND LTD.

(Company Registration No. 198803164K)
(Incorporated in Singapore)

NOTICE IS HEREBY GIVEN that an Extraordinary General Meeting of SingXpress Land Ltd. (the "Company") will be held at 81 Ubi Avenue 4, #02-20 UB One, Singapore 408830 on 31 July 2012 at 11.00 a.m. (or such time immediately following the conclusion or adjournment of the Annual General Meeting of the Company to be held on the same day at 10.30 a.m. and at the same place) for the purpose of considering and, if thought fit, passing, with or without modifications, Resolutions 1 and 2 which will be proposed as special resolutions and Resolutions 3, 4, 5 and 6 which will be proposed as ordinary resolutions:

SPECIAL RESOLUTIONS:

1. THE PROPOSED CAPITAL REDUCTION

- (a) THAT pursuant to the Articles of Association of the Company and subject to the provisions of that Section 78A read together with Section 78C of the Companies Act (Cap. 50), approval be and is hereby given to the Company for:
- the issued and fully paid-up share capital of the Company to be reduced by S\$21,876,055 and that such reduction be effected by cancelling the issued and fully paid-up share capital of the Company which is lost or unrepresented by available assets to the extent of S\$21,876,055; and
 - an amount equal to S\$21,876,055, being the credit arising from the cancellation of the issued and fully paid-up capital, to be applied to cancel the accumulated losses of the Company of S\$21,876,055 as at 31 March 2012.
- (b) THAT the Directors of the Company and each of them be and is hereby authorised to do such acts and things and take such steps and exercise such discretion as they or he may in their/his sole discretion consider necessary or expedient to give effect to this Resolution, including without limitation to the foregoing, to assent to any condition, modification, variation and/or amendment as may be required by the relevant authorities or to sign, execute and deliver all documents and to approve any amendments, alterations or modifications to any document (if required).

2. THE PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION OF THE COMPANY

THAT the proposed amendments to the Articles of Association of the Company as set out in Appendix C of the Circular to the Shareholders dated 9 July 2012 be and are hereby approved.

ORDINARY RESOLUTIONS:

3. THE PROPOSED SHARE BUY-BACK MANDATE

THAT:

- (a) for the purposes of the Companies Act (Cap. 50), the exercise by the Directors of the Company of all the powers of the Company to purchase or otherwise acquire the Shares not exceeding in aggregate the Maximum Limit (as defined below), at such price(s) as may be determined by the Directors from time to time up to the Maximum Price (as defined below), whether by way of:
- market purchase(s) (each a "Market Purchase") on the Catalist Board ("SGXCatalist") of the Singapore Exchange Securities Trading Limited (the "SGX-ST"); and/or
 - off-market purchase(s) (each an "Off-Market Purchase") effected otherwise than on the SGX-Catalist in accordance with an equal access scheme(s) as may be determined or formulated by the Directors as they consider fit, which scheme(s) shall satisfy all the conditions prescribed by the Companies Act;

and otherwise in accordance with all other laws and regulations, including but not limited to, the provisions of the Companies Act and Listing Manual (Section B: Rules of Catalist) of the SGX-ST ("Catalist Rules") as may be determined by the Directors, and is hereby authorized and approved generally and unconditionally (the "Share Buy-Back Mandate");

(b) unless varied or revoked by the Company in a general meeting, the authority conferred on the Directors pursuant to the Share Buy-Back Mandate may be exercised by the Directors at any time and from time to time during the period commencing from the date of the passing of this Resolution and expiring on the earlier of:

- the date on which the next annual general meeting of the Company is held or required by law to be held; or
- the date on which the purchases or acquisitions of Shares by the Company pursuant to the Share Buy-Back Mandate are carried out to the full extent mandated;

(c) in this Resolution 3:

"**Maximum Limit**" means that number of Shares representing not more than ten per cent. (10%) of the total number of Shares as at the date of the passing of this Resolution, unless the Company has effected a reduction of the share capital of the Company in accordance with the applicable provisions of the Companies Act, at any time during the Relevant Period, in which event the total number of Shares shall be taken to be the total number of Shares as altered by the said reductions of share capital (excluding any treasury shares that may be held by the Company from time to time). Any Shares which are held as treasury shares will be disregarded for purposes of computing the ten per cent. (10%) limit;

"**Relevant Period**" means the period commencing from the date on which the last annual general meeting of the Company was held and expiring on the date the next annual general meeting is held or is required by law to be held, whichever is the earlier, after the date of this Resolution 3 is passed;

"**Maximum Price**", in relation to a Share to be purchased or acquired, means the purchase price (excluding brokerage, stamp duties, commission, applicable goods and services tax and other related expenses) to be paid for the Share which shall not exceed:

- in the case of a Market Purchase, one hundred and five per cent. (105%) of the Average Closing Price; and
- in the case of an Off-Market Purchase pursuant to an equal access scheme, one hundred and twenty per cent. (120%) of the Average Closing Price,

where:

"Average Closing Price" means the average of the closing market prices of the Shares over the last five (5) Market Days, on which transactions in the Shares were recorded, before the day on which a Market Purchase was made by the Company, or as the case may be, the date of the making of the offer pursuant to the Off-Market Purchase on an equal access scheme, and deemed to be adjusted for any corporate action that occurs after the relevant five (5) Market Days;

"date of the making of the offer" means the date on which the Company makes an announcement of an offer for an Off-Market Purchase, stating therein the purchase price (which shall not be more than the Maximum Price for an Off-Market Purchase calculated on the foregoing basis) for each Share and the relevant terms of the equal access scheme for effecting the Off-Market Purchase; and

(d) the Directors of the Company and/or any of them be and are hereby authorized to complete and do all such acts and things (including executing such documents as may be required) as they and/or he may consider necessary, expedient, incidental or in the interests of the Company to give effect to the transactions contemplated and/or authorized by this Resolution.

4. THE PROPOSED ADOPTION OF THE SINGXPRESS SHARE OPTION SCHEME 2012

THAT:

(a) the share option scheme of the Company to be known as "The SingXpress Share Option Scheme 2012" (the "**Scheme**"), particulars of which are set out in Appendix B to the Circular, subject to approval from the shareholders of Xpress Group Limited, be and is hereby approved and adopted; and

(b) the Directors of the Company be and are hereby authorised:

- to establish and administer the Scheme;
- to modify and/or amend the Scheme from time to time provided that such modifications and/or amendments are effected in accordance with the provisions of the Scheme and to do all such acts and to enter into all such transactions, arrangements and agreements as may be necessary, desirable or expedient in order to give full effect to the Scheme; and
- to offer and grant options in accordance with the provisions of the Scheme and pursuant to section 161 of the Companies Act (Cap.50), to allot and issue from time to time such number of Shares as may be required to be issued pursuant to the exercise of the Options (notwithstanding that the exercise thereof or such allotment and issue may occur after the conclusion of the next or any ensuing annual general meeting of the Company), provided that:
 - the aggregate number of Shares over which the Committee may grant Options on any date (including the number of Shares which have been and to be issued upon the exercise of the Options in respect of all Options granted under the Scheme) shall not exceed fifteen per cent. (15%) of the total number of Shares of the Company (excluding treasury shares) on the day preceding that date ("**Scheme Limit**"), provided that for so long as the Company is a subsidiary of Xpress Group Limited and Xpress Group Limited is listed on the Hong Kong Stock Exchange ("**HKSE**") but subject always to the Scheme Limit:
 - the aggregate number of new Shares over which the Committee may grant Options on any date, including the number of Shares which have been and to be issued upon the exercise of the Options in respect of all Options granted under the Scheme, shall not exceed ten per cent. (10%) of the total number of issued Shares as at the date that this Resolution is passed or as at the date that the Scheme is approved by the shareholders of Xpress Group Limited, whichever is the later, or such other limit as may be prescribed or permitted by the HKSE from time to time ("**HKSE Listing Rules Limit**"); and
 - the HKSE Listing Rules Limit may be increased under the HKSE Listing Rules as provided under the Scheme; and
 - that the aggregate number of Shares to be offered to certain participants collectively and individually during the duration of the Scheme (subject to adjustments, if any, made under the Scheme) shall not exceed such limits or (as the case may be) sub-limits as may be prescribed in the Scheme.

5. THE PROPOSED PARTICIPATION OF, AND GRANT OF OPTIONS TO, THE RELEVANT DIRECTORS

THAT subject to and contingent upon the passing of Resolution 4 for the adoption of the SingXpress Share Option Scheme 2012 (the "**Scheme**"), for the purposes of Section 169 of the Companies Act (Cap. 50), approval be and is hereby given for the participation of, and grant of options to, Directors of the Company (other than those who are Controlling Shareholders or their Associates)⁴ under the Scheme in accordance with the Rules from time to time.

6. THE PROPOSED RENEWAL OF THE SHAREHOLDERS MANDATE FOR INTERESTED PERSON TRANSACTIONS

THAT:

- (a) approval be and is hereby given for the renewal of the mandate for the Company, its subsidiaries and associated companies or any of them to enter into any of the transactions falling within the types of Interested Person Transactions described in paragraph 1.5 of Appendix D of the Circular with the Interested Persons, provided that such transactions are made on normal commercial terms, will not be prejudicial to the interests of the Company and its minority shareholders and are in accordance with the review procedures for such Interested Person Transactions (the "**IPT Mandate**");
- (b) the IPT Mandate shall, unless revoked or varied by the Company in general meeting, continue in force until the conclusion of the next annual general meeting of the Company; and
- (c) the Directors and each of them be and are hereby authorised to complete and do all such acts and things (including expedient or necessary, executing all such documents as may be required) as they or he may consider expedient or necessary, or in the interests of the Company to give effect to the transactions contemplated and/or authorised by the IPT Mandate and/or this Ordinary Resolution.

All capitalised terms used in this Notice which are not defined herein shall have the same meanings ascribed to them in the Circular to Shareholders dated 9 July 2012 (the "**Circular**").

By Order of the Board of Directors

Chan Heng Fai, Managing Director

Singapore, 9 July 2012

Notes:

- A member of the Company entitled to attend and vote at the Extraordinary General Meeting may appoint not more than two proxies to attend and vote in his/her stead. A proxy need not be a member of the Company.
- If a proxy is to be appointed, the instrument appointing a proxy must be deposited at the registered office of the Company at 81 Ubi Avenue 4, #02-20 UB One, Singapore 408830 not less than 48 hours before the time appointed for the holding of the Extraordinary General Meeting.
- The instrument appointing a proxy must be deposited at the Company's Registered Office not less than 48 hours before the time set for the Extraordinary General Meeting or any postponement or adjournment thereof.
- The Controlling Shareholders and their Associates who meet the criteria of Eligible Persons as set out in the Rules are eligible to participate in the Scheme, provided that the participation of each Controlling Shareholder or his associate and each grant of an Option to any of them may only be effected with the specific prior approval of independent Shareholders in general meeting by a separate resolution. This is in accordance with Rule 852 of the Catalist Rules.

This Notice 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 Notice.

This Notice has not been examined or approved by the Exchange and the Exchange assumes no responsibility for the contents of this Notice, including the correctness of any of the statements or opinion made or reports contained in this Notice.

The contact person for the Sponsor is Mr. Bernard Lim (Telephone: 65-6221 5590) at 79 Anson Road #15-03 Singapore 079906.

CIRCULAR DATED 9 JULY 2012

THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION.

If you are in any doubt as to the action you should take, you should consult your stockbroker, bank manager, solicitor, accountant or other professional adviser immediately.

If you have sold or transferred all your issued and fully paid-up ordinary shares in the capital of SingXpress Land Ltd. (the “**Company**”), you should immediately forward this Circular, the Notice of Extraordinary General Meeting and the enclosed Proxy Form to the purchaser or transferee, or the stockbroker or agent through whom you effected the sale or transfer for onward transmission to the purchaser or transferee.

Companies listed on Catalist may carry higher investment risk when compared with larger or more established companies listed on the SGX Main Board. In particular, companies may list on Catalist without a track record of profitability and there is no assurance that there will be a liquid market in the shares or units of shares traded on Catalist. You should be aware of the risks of investing in such companies and should make the decision to invest only after careful consideration and, if appropriate, consultation with your professional adviser(s).

This Circular has been prepared by the Company and its contents have been reviewed by the Company’s sponsor, SAC Capital Private 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 Circular. **This Circular has not been examined or approved by the SGX-ST and the SGX-ST assumes no responsibility for the contents of this Circular, including the correctness of any of the statements or opinions made or reports contained in this Circular.**

The contact person for the Sponsor is Mr Bernard Lim (Telephone: 65-6221 5590) at 79 Anson Road #15-03 Singapore 079906.



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

CIRCULAR TO SHAREHOLDERS

IN RELATION TO

- (1) **THE PROPOSED CAPITAL REDUCTION TO REDUCE THE ISSUED AND FULLY PAID-UP SHARE CAPITAL OF THE COMPANY;**
- (2) **THE PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION;**
- (3) **THE PROPOSED ADOPTION OF THE SHARE BUY-BACK MANDATE;**
- (4) **THE PROPOSED ADOPTION OF THE SINGXPRESS SHARE OPTION SCHEME 2012;**
- (5) **THE PROPOSED PARTICIPATION OF, AND GRANT OF OPTIONS TO, THE RELEVANT DIRECTORS UNDER THE SINGXPRESS SHARE OPTION SCHEME 2012; AND**
- (6) **THE PROPOSED RENEWAL OF THE SHAREHOLDERS’ MANDATE FOR INTERESTED PERSON TRANSACTIONS.**

IMPORTANT DATES AND TIMES

Last date and time for lodgment of Proxy Form	:	29 July 2012 at 11.00 a.m.
Date and time of Extraordinary General Meeting	:	31 July 2012 at 11.00 a.m. (or such time immediately following the conclusion of the annual general meeting of the Company to be held at 10.30 a.m. on the same day)
Place of Extraordinary General Meeting	:	81 Ubi Avenue 4, #02-20 UB One, Singapore 408830

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DEFINITIONS

In this Circular, the following definitions apply throughout unless otherwise stated:

- “Act” or “Companies Act”** : The Companies Act (Chapter 50) of Singapore, as may be amended and/or supplemented from time to time
- “ACRA”** : Accounting and Corporate Regulatory Authority of Singapore
- “Articles”** : The Articles of Association of the Company, as amended from time to time
- “Associate”** : (a) In relation to any director, chief executive officer, substantial shareholder or controlling shareholder (being an individual) means:
- (i) his immediate family;
 - (ii) the trustees of any trust of which he or his immediate family is a beneficiary or, in the case of a discretionary trust, is a discretionary object; and
 - (iii) any company in which he and his immediate family together (directly or indirectly) have an interest of thirty per cent. (30%) or more; and
- (b) In relation to a substantial shareholder or a controlling shareholder (being a company) means any other company which is its subsidiary or holding company or is a subsidiary of such holding company or one in the equity of which it and/or such other company or companies taken together (directly or indirectly) have an interest of thirty per cent. (30%) or more
- “Associated Company”** : A company in which at least twenty per cent. (20%) but not more than fifty per cent. (50%) of its shares are held by the Company or the Group
- “Audit Committee”** : The Audit Committee of the Company comprising of Messrs Wong Tat Keung, Tan Tai Soon and Yeo Wee Kiong
- “Board” or “Board of Directors”** : The board of directors of the Company as listed on page 7 of this Circular
- “Catalist” or “SGX-Catalist”** : The sponsor-supervised listing platform of the SGX-ST, which took effect and replaces the former SGX-SESDAQ
- “Catalist Rules”** : The SGX-ST Listing Manual Section B: Rules of Catalist, as amended or modified from time to time
- “CDP”** : The Central Depository (Pte) Limited
- “Circular”** : This circular dated 9 July 2012
- “Committee” or “Remuneration Committee”** : The committee, comprising Directors, for the time being duly authorised and appointed by the Board of Directors to administer the New Scheme
- “Company”** : SingXpress Land Ltd.
- “Controlling Shareholder”** : Has the meaning ascribed to it under the Catalist Rules
- “CPF”** : Central Provident Fund

DEFINITIONS

“Date of Grant”	:	Has the meaning ascribed to it in Appendix B of this Circular
“Directors”	:	Directors of the Company for the time being
“EGM”	:	The extraordinary general meeting of the Company to be held on 31 July 2012 (and any adjournment thereof), the notice of which is set out on pages 65 to 68 of this Circular
“EPS”	:	Earnings per Share
“Executive Director”	:	A Director who is an employee and who performs an executive function
“FRS”	:	Singapore Financial Reporting Standards
“FY”	:	Financial year ended or ending 31 March, as the case may be
“Group”	:	The Company and its subsidiaries
“Group Employees”	:	Confirmed employees of the Group, including the Executive Directors, who satisfy the eligibility criteria set out in Rule 3
“Group Executive Director”	:	A director of the Group who performs an executive function
“Group Non-Executive Directors”	:	A director of the Group (including an independent director of the Company) who is not a Group Executive Director
“HKSE”	:	The Stock Exchange of Hong Kong Limited
“HKSE Listing Rules”	:	Rules governing the listing of securities on HKSE, as may be amended or modified from time to time
“IPT Mandate”	:	The Shareholders’ mandate to be renewed by the Company at the EGM and on the terms set out in the paragraph 1.5 of Appendix D of this Circular and pursuant to Chapter 9 of the Catalist Rules, permitting companies within the Group, or any of them, to enter into Interested Person Transactions, provided that such transactions are on an arm’s length basis, on normal commercial terms and will not be prejudicial to the interests of the Company and its minority Shareholders
“Interested Person(s)”	:	The interested person(s) of the Company who fall within the IPT Mandate, as set out in paragraph 1.4 of Appendix D of this Circular
“Interested Person Transactions”	:	Has the meaning ascribed to it in paragraph 1.5 of Appendix D of this Circular
“Latest Practicable Date”	:	The latest practicable date prior to the printing of this Circular, being 28 June 2012
“Market Day”	:	A day on which the SGX-ST is open for trading of securities
“NAV”	:	Net assets value
“New Scheme”	:	The proposed SingXpress Share Option Scheme 2012 as provided under paragraph 5 of this Circular as amended or modified from time to time
“Notice of EGM”	:	The notice of EGM set out on pages 65 to 68 of this Circular

DEFINITIONS

“NTA”	:	Net tangible assets
“Option”	:	The right to acquire Scheme Shares granted or to be granted pursuant to the New Scheme and for the time being subsisting
“Option Exercise Period”	:	Has the meaning ascribed to it in Appendix B of this Circular
“Parent Group”	:	The parent company of the Company and the subsidiaries of the parent company of the Company
“Parent Group Employees”	:	Confirmed employees of any member of the Parent Group, including the Parent Group Executive Directors, who satisfy the eligibility criteria set out in Rule 3
“Parent Group Executive Director”	:	A director of any member of the Parent Group who performs an executive function
“Parent Group Non-Executive Director”	:	A director of any member of the Parent Group who is not a Parent Group Executive Director
“Participant”	:	The holder of an Option
“Proposed Capital Reduction”	:	The proposed capital reduction exercise to be undertaken by the Company pursuant to Section 78A of the Companies Act read with Section 78C of the Companies Act to write off accumulated loss by cancelling the issued and paid-up share capital of the Company which has been lost or is unrepresented by available assets
“Proposed Share Buy-Back Mandate”	:	The proposed share buy-back mandate to authorise the Directors to exercise all powers of the Company to purchase or otherwise acquire its Shares on the terms of such mandate
“Relevant Directors”	:	Has the meaning ascribed to it in paragraph 5.1 of this Circular
“Relevant Period”	:	The period commencing from the date on which the last annual general meeting of the Company was held and expiring on the date the next annual general meeting is held or is required by law to be held, whichever is the earlier, after the date the resolution relating to the Proposed Share Buy-Back Mandate is passed
“Rules”	:	Has the meaning ascribed to it in Appendix B of this Circular
“Scheme Shares”	:	New Shares to be issued and/or Treasury Shares to be transferred under the New Scheme
“Securities Account”	:	A securities account maintained by a Depositor with CDP, but does not include a securities sub-account maintained with a Depository Agent
“Services”	:	Lead or co-lead management services, originating and/or project management services rendered by the Group to co-investors and/or joint venture partners in connection with any real estate pursued by the Group (together with co-investors and/or joint venture partners) as part of the projects to be entered into in connection with the “investment banking” approach
“SGX-ST”	:	Singapore Exchange Securities Trading Limited
“SGXNET”	:	The SGX-ST Corporate Announcement System

DEFINITIONS

“Shareholders”	:	Registered holders of Shares, except that where CDP is the registered holder, the term “Shareholders” shall, in relation to such Shares, mean the persons whose securities accounts maintained with CDP (excluding securities sub-accounts) are credited with the Shares
“Shares”	:	Issued and fully paid-up ordinary shares in the capital of the Company
“Sponsor”	:	SAC Capital Private Limited
“Substantial Shareholder”	:	A Shareholder who holds directly or indirectly five per cent. (5%) or more of the total issued and voting share capital of the Company
“Take-over Code”	:	The Singapore Code on Take-overs and Mergers, as amended or modified from time to time
“Treasury Shares”	:	Shares which were (or are treated as having been) purchased by the Company in circumstances in which Section 76H of the Act applies and have been held by the Company continuously since the Treasury Shares were so purchased
“XGL”	:	Xpress Group Limited
“XGL Group”	:	XGL and its subsidiaries
“%” or “per cent.”	:	Per centum or percentage
“S\$” and “cents”	:	The lawful currency of the Republic of Singapore (in dollars and cents respectively)

The terms “**Depositor**”, “**Depository Agent**” and “**Depository Register**” shall have the meanings ascribed to them respectively in Section 130A of the Companies Act.

Words importing the singular shall, where applicable, include the plural and *vice versa*, and words importing the masculine gender shall, where applicable, include the feminine and neuter genders. References to persons shall include corporations.

Any reference in this Circular to any enactment is a reference to that enactment as for the time being amended or re-enacted. Any word defined under the Companies Act or the Catalist Rules or any modification thereof and not otherwise defined in this Circular shall have the same meaning assigned to it under the Companies Act or the Catalist Rules or any modification thereof, as the case may be.

The total of figures listed in certain tables included in this Circular may not be the same as the arithmetic addition of the figures. Any such discrepancies are due to rounding.

Any reference to a time of day and date in this Circular is made by reference to Singapore time and date, unless otherwise stated.

LETTER TO SHAREHOLDERS

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

Board of Directors:

Yeo Wee Kiong (Non-Executive Chairman)
Chan Heng Fai (Managing Director)
Chan Tong Wan (Executive Director)
Chan Tung Moe (Executive Director)
Damayanth Sunimal Goonetillake (Executive Director)
Chan Yoke Keow (Non-Executive Director)
Wong Tat Keung (Independent Non-Executive Director)
Tan Tai Soon (Independent Non-Executive Director)

Registered Office:

81 Ubi Avenue 4,
#02-20 UB One,
Singapore 408830

9 July 2012

To: The Shareholders of SingXpress Land Ltd.

Dear Sir/Madam

- (1) **THE PROPOSED CAPITAL REDUCTION TO REDUCE THE ISSUED AND FULLY PAID-UP SHARE CAPITAL OF THE COMPANY;**
- (2) **THE PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION;**
- (3) **THE PROPOSED ADOPTION OF THE SHARE BUY-BACK MANDATE;**
- (4) **THE PROPOSED ADOPTION OF THE SINGXPRESS SHARE OPTION SCHEME 2012;**
- (5) **THE PROPOSED PARTICIPATION OF, AND GRANT OF OPTIONS TO, THE RELEVANT DIRECTORS UNDER THE SINGXPRESS SHARE OPTION SCHEME 2012; AND**
- (6) **THE PROPOSED RENEWAL OF THE SHAREHOLDERS' MANDATE FOR INTERESTED PERSON TRANSACTIONS.**

1. INTRODUCTION

The Directors are convening the EGM to seek Shareholders' approval in relation to:

- (a) the Proposed Capital Reduction (Resolution 1);
- (b) the proposed amendments to the Articles (Resolution 2);
- (c) the Proposed Share Buy-Back Mandate (Resolution 3);
- (d) the proposed adoption of the New Scheme (Resolution 4);
- (e) the proposed participation of, and grant of Options to, the Relevant Directors under the New Scheme (Resolution 5); and
- (f) the proposed renewal of the IPT Mandate (Resolution 6).

Resolutions 1 and 2 will be proposed as special resolutions and Resolutions 3, 4, 5 and 6 will be proposed as ordinary resolutions.

The Circular has been prepared to provide Shareholders with information on, as well as the rationale of, the abovementioned proposals, which will be tabled at the EGM.

Shareholders are advised that the SGX-ST and the Sponsor assume no responsibility for the contents of this Circular, including the correctness of any of the statements or opinions made or reports contained in this Circular.

LETTER TO SHAREHOLDERS

2. THE PROPOSED CAPITAL REDUCTION

2.1 Introduction

The Board of Directors is proposing to undertake the Proposed Capital Reduction to reduce the issued and paid-up share capital of the Company from S\$54,201,643 as at 31 March 2012 to S\$32,325,588 by the cancellation of its issued and fully paid-up share capital that has been lost or is unrepresented by available assets to the extent of S\$21,876,055.

Article 51 authorises the Company to reduce its share capital by special resolution. It is also a requirement under the Act that a company that wishes to undertake a capital reduction exercise should, *inter alia*, obtain the approval of its shareholders at a general meeting by way of a special resolution to be tabled at such general meeting for the Proposed Capital Reduction (the “**Proposed Capital Reduction Resolution**”).

2.2 Details of the Proposed Capital Reduction

The Proposed Capital Reduction will be undertaken pursuant to Section 78A read together with Section 78C of the Act and will be effected in the following manner:

- (a) reducing the issued and fully paid-up share capital of the Company from S\$54,201,643 to S\$32,325,588 by the cancellation of the issued and paid-up share capital of the Company which has been lost or is unrepresented by available assets amounting to S\$21,876,055; and
- (b) an amount equal to S\$21,876,055 being the credit arising from the cancellation of the issued and fully paid-up share capital of the Company shall be applied to write off the Accumulated Losses (as defined below) in full.

2.3 Resultant Effect on the Share Capital of the Company

As at 31 March 2012, the Company has an issued and paid-up share capital of S\$54,201,643. Upon the completion of the Proposed Capital Reduction and assuming no further Shares are issued prior to the completion thereof, the Company will have an issued and paid-up share capital of S\$32,325,588. The Proposed Capital Reduction, if effected, will reduce its accumulated losses in full amounting to S\$21,876,055 as at 31 March 2012 (the “**Accumulated Losses**”).

The Proposed Capital Reduction will not involve the diminution of any liability in respect of unpaid capital and will also not involve the payment to any Shareholder of any paid-up share capital of the Company. There will be no change in the number of Shares held by Shareholders immediately before and immediately after the Capital Reduction.

2.4 Rationale of the Proposed Capital Reduction

The Proposed Capital Reduction is intended to cancel the issued and paid-up share capital of the Company which has been lost or is no longer represented by available assets due to the Accumulated Losses as at 31 March 2012 amounting to S\$21,876,055 which arose principally from write-downs in the carrying values of investments, impairment losses for subsidiaries and losses incurred and accumulated in the Company’s previous furniture building business and travel business.

The Proposed Capital Reduction is necessary to rationalise the balance sheet of the Group to more accurately reflect the value of the Group’s underlying assets.

Pursuant to Section 78C(2) of the Act, the Company is not required to meet the solvency requirements under Section 78C(1)(b) of the Act as the Proposed Capital Reduction will be effected by way of cancellation of the issued and fully paid-up share capital of the Company which has been lost or is no longer represented by available assets.

2.5 Financial Effects of the Proposed Capital Reduction

The Proposed Capital Reduction is an accounting procedure that reduces the existing issued and paid-up share capital of the Company to eliminate the accumulated deficit in the balance sheet. The

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Proposed Capital Reduction represents a change in the composition of the Shareholders' equity and does not entail any outflow of cash or change to the net assets of the Company or affect the number of Shares.

For illustration purposes only, based on the audited consolidated financial statements of the Company as at 31 March 2012, the financial effects of the Proposed Capital Reduction, assuming the Proposed Capital Reduction was completed on 31 March 2012 and adjusting for subsequent issuance of new Shares after 31 March 2012 and up to the Latest Practicable Date, are set out as follows:

(a) Share Capital

Share Capital	No. of Shares	S\$'000
Share capital as at 31 March 2012	3,348,108,000	54,202
Add: additional new Shares issued after 31 March 2012 up to the Latest Practicable Date	1,518,979,926	19,009
Enlarged share capital as at the Latest Practicable Date	4,867,087,926	73,211
Amount of share capital to be cancelled	-	(21,876)
Share capital after the Proposed Capital Reduction	4,867,087,926	51,335

No capital will be returned to Shareholders and the total number of Shares held by Shareholders will remain unchanged following the Proposed Capital Reduction.

(b) Equity attributable to Shareholders

	As at 31 March 2012 (S\$'000)	Group As at the Latest Practicable Date (S\$'000)	After the Proposed Capital Reduction (S\$'000)	As at 31 March 2012 (S\$'000)	Company As at the Latest Practicable Date (S\$'000)	After the Proposed Capital Reduction (S\$'000)
Share capital	54,202	73,211	51,335	54,202	73,211	51,335
Accumulated (losses)/profit	(17,372)	(17,372)	4,504	(21,876)	(21,876)	-
Equity component of convertible bonds	5,085	19	19	5,085	19	19
Currency translation reserve	383	383	383	-	-	-
Minority interest	496	496	496	-	-	-
Total equity	42,794	56,737	56,737	37,411	51,354	51,354

(c) NAV, EPS and Gearing

The Proposed Capital Reduction will not have any impact on the NAV per Share, EPS and gearing of the Company and the Group.

2.6 Effective Date of Proposed Capital Reduction

After Shareholders' approval has been obtained for the Proposed Capital Reduction at the EGM, the Company will send a notice to the Comptroller of Income Tax stating that the Proposed Capital Reduction Resolution has been duly passed at the EGM.

If no application is received from any creditor of the Company for the cancellation of the Proposed Capital Reduction Resolution within six (6) weeks commencing from the date on which the Proposed Capital Reduction Resolution is passed, the Company will lodge the relevant documents with the

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ACRA, upon which the Proposed Capital Reduction will take effect.

The Company will then publicly announce and notify Shareholders of the effective date of the Proposed Capital Reduction through a SGXNET announcement to be posted on the SGX-ST website at <http://www.sgx.com>.

2.7 Conditions of the Proposed Capital Reduction

The Proposed Capital Reduction is subject to, *inter alia*, the following:

- (a) the approval of Shareholders by way of a resolution passed at the EGM by a majority of not less than three-fourths of the Shareholders present and voting at the EGM, of which not less than 21 days notice of the EGM is given;
- (b) notifying the Comptroller of Income Tax that the Proposed Capital Reduction Resolution has been passed at the EGM, within eight (8) days from the date of the Proposed Capital Reduction Resolution;
- (c) the Company complying with the relevant publicity requirements as prescribed in the Act;
- (d) no application having been made for the cancellation of the Proposed Capital Reduction Resolution by any creditor of the Company within the timeframe prescribed in the Act, or if such application was made, the dismissal thereof by the judicial authorities; and
- (e) lodgement of the relevant documents with the ACRA after the end of six (6) weeks (but before the end of eight (8) weeks) commencing from the date of the Proposed Capital Reduction Resolution.

3. THE PROPOSED AMENDMENTS TO THE ARTICLES

3.1 It is proposed that the Articles be amended to provide for a new definition for “treasury shares” as the term is defined in the Act and to elaborate on the Company’s rights to deal with the Shares acquired or purchased by Company. The following is a summary of the main proposed amendments to the Articles:

(a) **Article 2**

It is proposed that this provision be amended to insert a new definition for “treasury shares” as the term is defined in the Act.

(b) **New Article 3(3)**

It is proposed that a new provision be inserted to reflect the Company’s right to hold its shares in the form of treasury shares as permitted under the Act.

(c) **Article 4**

It is proposed that this provision, which empowers the Company to purchase any of its ordinary shares, be amended to elaborate on the Company’s rights to deal with such acquired shares in the manner permitted or prescribed by the Act and on such terms as the Company thinks fit.

3.2 The text of the proposed amendments to the Articles are set out in Appendix C of this Circular.

4. THE PROPOSED ADOPTION OF THE SHARE BUY-BACK MANDATE

4.1 Introduction

Under the Companies Act, a company may purchase its own shares, stocks and/or preference shares if it is expressly permitted to do so by its articles of association. Article 4 expressly permits the Company to purchase its Shares.

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The Company proposes to seek Shareholders' approval at the EGM for a general mandate to authorise the Directors to exercise all the powers of the Company to purchase or otherwise acquire its Shares on the terms of the Proposed Share Buy-Back Mandate.

4.2 Rationale

The Proposed Share Buy-Back Mandate will give the Company the flexibility to undertake purchases or acquisitions of its Shares up to the ten per cent. (10%) limit described below at any time, during the period when the Proposed Share Buy-Back Mandate is in force.

The rationale for the Proposed Share-Buy Back Mandate is as follows:

- (a) in line with the management's objective to increase Shareholders' value by improving, *inter alia*, the return on equity of the Group;
- (b) together with the proposed amendments to the Articles and the proposed New Scheme, the Shares purchased or otherwise acquired under the Proposed Share Buy-Back Mandate may be held by the Company as Treasury Shares and any or all of them to be used and transferred for the purposes of or pursuant to the exercise of the Options by the Participants under the New Scheme. Please refer to the sections entitled "The Proposed Amendments to the Articles" and "The Proposed Adoption of the SingXpress Share Option Scheme 2012" for more information;
- (c) the Proposed Share Buy-Back Mandate will allow the Company to have greater flexibility over, *inter alia*, the dividend policy and the Company's share capital structure. Purchases of Shares may, depending on the market conditions and funding arrangements at the time, lead to enhancement of the EPS and/or NTA per Share of the Company; and
- (d) the Proposed Share Buy-Back Mandate can help mitigate short-term market volatility, offset the effects of short-term speculation and bolster Shareholders' confidence.

While the Proposed Share Buy-Back Mandate would authorize a purchase or acquisition of Shares up to ten per cent. (10%) limit during the period referred to in paragraph 4.3.2 below, Shareholders should note that purchases or acquisitions of Shares pursuant to the Proposed Share Buy-Back Mandate may not be carried out to the full ten per cent. (10%) limit as authorized and the purchases or acquisitions of Shares pursuant to the Proposed Share Buy-Back Mandate will only be made as and when the Directors consider it to be in the best interest of the Company and/or Shareholders and in circumstances which they believe will not result in any material adverse effect on the financial position of the Company or the Group, or result in the Company being delisted from the SGX-Catalist.

The Directors will use their best efforts to ensure that after a purchase or acquisition of Shares pursuant to the Proposed Share Buy-Back Mandate, the number of Shares remaining in the hands of public will not fall to such a level as to cause market illiquidity or adversely affect the orderly trading and listing status of the Shares on the SGX-Catalist.

4.3 Authority and Limits

The authority and limitations placed on purchases or acquisitions of Shares by the Company under the Proposed Share Buy-Back Mandate are summarised below:

4.3.1 Maximum Number of Shares

The total number of Shares that may be purchased or acquired by the Company pursuant to the Proposed Share Buy-Back Mandate during the Relevant Period, is limited to that number of Shares representing not more than ten per cent (10%) of the total number of Shares as at the date of the EGM at which the Proposed Share Buy-back Mandate is approved (unless the Company has, at any time during the Relevant Period, made an order under Sections 78B or 78C of the Act, or the court has, at any time during the Relevant Period, made an order under Section 78I of the Act confirming the reduction of share capital of the Company, in which event the total number of Shares shall be taken to be the total number of Shares as altered by the special resolution of the Company or the order of the court, as the case may be) excluding any Treasury Shares that may be held by the Company from time to time.

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For illustrative purposes only, based on 4,867,087,926 Shares (excluding Treasury Shares) as at the Latest Practicable Date and assuming that no further Shares are issued on or prior to the EGM and the Company has not effected any reduction of its share capital at any time during the Relevant Period, not more than 486,708,792 Shares (representing ten per cent (10%) of the issued ordinary share capital of the Company (excluding Treasury Shares) at that date) may be purchased or acquired by the Company pursuant to the Proposed Share Buy-Back Mandate during the period referred to in paragraph 4.3.2 below.

4.3.2 Duration of Authority

Purchases or acquisitions of Shares may be made, at any time and from time to time, on and from the date of the EGM at which the Proposed Share Buy-Back Mandate is approved, up to the earliest of:

- (a) the date on which the next annual general meeting of the Company is held or required by law to be held;
- (b) the date on which the purchases or acquisitions of Shares pursuant to the Proposed Share Buy-Back Mandate are carried out to the full extent mandated; or
- (c) the date on which the authority conferred by the Proposed Share Buy-Back Mandate is varied or revoked by Shareholders in a general meeting.

The authority conferred on the Directors by the Proposed Share Buy-Back Mandate to purchase or otherwise acquire Shares may be renewed by the Shareholders in any general meeting of the Company. When seeking the approval of the Shareholders for the Proposed Share Buy-Back Mandate, the Company is required to disclose details pertaining to purchases or acquisitions of Shares pursuant to the Proposed Share Buy-Back Mandate made during the previous twelve (12) months, including, but not limited to, the total number of Shares purchased, the purchase price per Share or the highest and lowest prices paid for such purchases or acquisitions of Share, where relevant, and the total consideration paid for such purchases or acquisitions.

4.3.3 Manner of Purchases or Acquisitions of Shares

Purchases or acquisitions of Shares may be made by the Company by way of:

- (a) on-market purchases (the “**Market Purchases**”), transacted on the SGX-Catalist through the SGX-ST’s trading system or, as the case may be, any other stock exchange on which the Shares may for the time being be listed and quoted, and which may be transacted through one or more duly licensed stockbrokers appointed by the Company for the purchase; and/or
- (b) off-market purchases (the “**Off-Market Purchases**”) effected pursuant to an equal access scheme as defined in Section 76C of the Act (“**Equal Access Scheme**”).

The Directors may impose such terms and conditions which are not inconsistent with the Proposed Share Buy-Back Mandate, the Catalist Rules, the Act and the Articles, as they consider fit in the interests of the Company and/or Shareholders in connection with or in relation to any Equal Access Scheme. An Off-Market Purchase must, however, satisfy all of the following conditions:

- (a) offers for the purchase or acquisition of issued Shares shall be made to every person who holds Shares to purchase or acquire the same percentage of their Shares;
- (b) all of those persons shall be given a reasonable opportunity to accept the offers made to them; and
- (c) the terms of all the offers are the same, except that there shall be disregarded:
 - (i) differences in consideration attributable to the fact that offers may relate to Shares with different accrued dividend entitlements;
 - (ii) differences in consideration attributable to the fact that the offers relate to Shares

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with different amounts remaining unpaid; and

- (iii) differences in the offers introduced solely to ensure that each person is left with a whole number of Shares.

In addition, pursuant to the Catalist Rules, if the Company wishes to make an Off-Market Purchase in accordance with Equal Access Scheme, it must issue an offer document to all Shareholders containing at least the following information:

- (a) the terms and conditions of the offer;
- (b) the period and procedures for acceptance;
- (c) the reasons for the proposed purchase or acquisition of Shares;
- (d) the consequences, if any, of the proposed purchase or acquisition of Shares by the Company that will arise under the Take-over Code or other applicable take-over rules;
- (e) whether the purchase or acquisition of Shares, if made, would have any effect on the listing of the Shares on the SGX-Catalist;
- (f) details of any purchase or acquisition of Shares made by the Company in the previous twelve (12) months (whether by way of Market Purchases or Off-Market Purchases), giving the total number of Shares purchased or acquired, the purchase price per Share or the highest and lowest prices paid for the purchases or acquisitions, where relevant, and the total consideration paid for the purchases or acquisitions; and
- (g) whether the Shares purchased by the Company will be cancelled or kept as Treasury Shares.

4.3.4 Maximum Purchase Price

The purchase price (excluding brokerage, stamp duties, commission, applicable goods and services tax, clearance fees and other related expenses (the “**related expenses**”)) to be paid for a Share will be determined by the Directors. However, the purchase price to be paid for the Shares pursuant to the purchases or acquisitions of the Shares must not exceed:

- (a) in the case of a Market Purchase, one hundred and five per cent (105%) of the Average Closing Price (as defined hereinafter); and
- (b) in the case of an Off-Market Purchase pursuant to an Equal Access Scheme, one hundred and twenty per cent (120%) of the Average Closing Price, (the “**Maximum Price**”) in either case, excluding related expenses.

For the above purposes:

“**Average Closing Price**” means the average of the closing market prices of the Shares over the last five (5) Market Days, on which transactions in the Shares were recorded, before the day on which a Market Purchase was made by the Company, or as the case may be, the date of the making of the offer pursuant to an Off-Market Purchase on an Equal Access Scheme, and deemed to be adjusted for any corporate action that occurs after the relevant five (5) Market Days.

“**date of the making of the offer**” means the date on which the Company makes an announcement of an offer for an Off-Market Purchase, stating therein the purchase price (which shall not be more than the Maximum Price for an Off-Market Purchase calculated on the foregoing basis) for each Share and the relevant terms of the Equal Access Scheme for effecting the Off-Market Purchase.

The Catalist Rules restricts the Company from purchasing Shares by way of Market Purchases at a price per Share which is more than five per cent. (5%) above its Average Closing Price.

Although the Catalist Rules does not prescribe a maximum price in relation to purchases of shares by way of Off-Market Purchases, the Company has set a cap of twenty per cent. (20%) above the Average Closing Price of a Share as the maximum price for a Share to be purchased or acquired by

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way of Off-Market Purchases.

4.3.5 Status of Purchased Shares

Shares purchased or acquired by the Company are deemed cancelled immediately on purchase or acquisition (and all rights and privileges attached to the Shares will expire on such cancellation) unless such Shares are held by the Company as Treasury Shares in accordance with Sections 76H to 76K of the Act. At the time of each purchase or acquisition of the Shares by the Company, the Directors will decide whether the Shares purchased will be cancelled or kept as Treasury Shares, depending on the needs of the Company at that time. The total number of Shares will be diminished by the number of Shares purchased or acquired by the Company and which are not held as Treasury Shares.

All Shares purchased or acquired by the Company (other than Treasury Shares held by the Company to the extent permitted under the Act) will be automatically de-listed by the SGX-Catalist, and certificates (if any) in respect thereof will be cancelled and destroyed by the Company as soon as reasonably practicable following settlement of any such purchase or acquisition.

4.4 Treasury Shares

Under the Act, Shares purchased or acquired by the Company may be held or dealt with as Treasury Shares. Some of the provisions on treasury shares under the Act are summarised below:

4.4.1 Maximum Holdings

The number of Shares held as Treasury Shares shall not at any time exceed ten per cent (10%) of the total number of issued Shares. Any Shares in excess of this limit shall be disposed of or cancelled in accordance with Section 76K of the Act within six (6) months or such further periods as ACRA may allow.

4.4.2 Voting and Other Rights

The Company cannot exercise any right in respect of the Treasury Shares. In particular, the Company cannot exercise any right to attend or vote at meetings and for the purposes of the Act, the Company shall be treated as having no right to vote and the Treasury Shares shall be treated as having no voting rights.

In addition, no dividend may be paid, and no other distribution (whether in cash or otherwise) of the Company's assets (including any distribution of assets to members on a winding up) may be made, to the Company in respect of the Treasury Shares. However, the allotment of shares as fully paid bonus shares in respect of Treasury Shares is allowed. Also, a subdivision or consolidation of any Treasury Share into Treasury Shares of a smaller amount is allowed so long as the total value of the Treasury Shares after the subdivision or consolidation is the same as before the subdivision or consolidation, as the case may be.

4.4.3 Disposal and Cancellation

Where Shares are held as Treasury Shares, the Company may at any time:

- (a) sell the Treasury Shares for cash;
- (b) transfer the Treasury Shares for the purposes of, or pursuant to an employee's share scheme;
- (c) transfer the Treasury Shares as consideration for the acquisition of shares in, or assets of, another company or assets of a person;
- (d) cancel the Treasury Shares; or
- (e) sell, transfer or otherwise use the Treasury Shares for such other purposes as may be prescribed by the Minister of Finance of Singapore.

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4.5 Reporting Requirements

Within thirty (30) days of the passing of a Shareholders' resolution to approve the purchases or acquisitions of Shares by the Company, the Company shall lodge a copy of such resolution with the ACRA.

The Company shall notify the ACRA within thirty (30) days of a purchase or acquisition or cancellation of Shares on the SGX-Catalist or otherwise. Such notification shall include details of purchases or acquisitions including the date of the purchases or acquisitions, the total number of Shares purchased or acquired by the Company, the number of Shares cancelled and the number of Shares held as Treasury Shares, the Company's issued share capital before and after the purchases or acquisitions of Shares, the amount of consideration paid by the Company for the purchases or acquisitions, whether the Shares were purchased or acquired out of profits or the capital of the Company, and such other information as required by the Act.

The Catalist Rules specifies that a listed company must make an announcement of all purchases or acquisitions of its Shares not later than 9.00 a.m.:

- (a) in the case of a Market Purchase, on the Market Day following the day on which the Market Purchase was made; and
- (b) in the case of an Off-Market Purchase pursuant to an Equal Access Scheme, on the second Market Day after the close of acceptance of the offer for the Off-Market Purchase.

The notification of such purchases or acquisitions of Shares to the SGX-ST shall be in such form and shall include such details that the SGX-ST may prescribe. The Company shall make arrangements with its stockbrokers to ensure that they provide the Company in a timely fashion the necessary information which will enable the Company to make the notifications to the SGX-ST.

The Company, upon undertaking any sale, transfer, cancellation and/or use of Treasury Shares, will comply with Rule 704(31) of the Catalist Rules, which provides that an issuer must make an immediate announcement thereof, stating the following:

- (a) date of the sale, transfer, cancellation and/or use;
- (b) purpose of such sale, transfer, cancellation and/or use;
- (c) number of Treasury Shares sold, transferred, cancelled and/or used;
- (d) number of shares before and after such sale, transfer, cancellation and/or use;
- (e) percentage of the number of Treasury Shares against the total number of shares outstanding in a class that is listed before and after such sale, transfer, cancellation and/or use; and
- (f) value of the Treasury Shares if they are used for a sale or transfer, or cancelled.

4.6 Source of Funds

The Company may only apply funds for the purchase or acquisition of Shares as provided in the Articles and in accordance with the applicable laws in Singapore. The Company may not purchase or acquire its Shares for a consideration other than in cash or, in the case of a Market Purchase, for settlement otherwise than in accordance with the trading rules of the SGX-ST. The Act permits any purchase or acquisition of shares to be made out of a company's capital or profits as long as the company is solvent. For this purpose, pursuant to Section 76F(4) of the Act, a company is "solvent" if:

- (a) the company is able to pay its debts in full as they fall due in the normal course of business at the time of the payment made by a company in consideration of the purchase or acquisition of the company's shares as well as during the period of twelve (12) months immediately following the date of the payment; and
- (b) the value of the company's assets is not less than the value of its liabilities (including contingent liabilities) and will not after the proposed purchase, acquisition or release, become

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less than the value of its liabilities (including contingent liabilities).

The Company intends to use internal sources of funds or external borrowings or a combination of both to finance the Company's purchase or acquisition of Shares pursuant to the Proposed Share Buy-Back Mandate. Where the purchase or acquisition of Shares is financed through internal resources, it will reduce the cash reserves of the Company, and thus the current assets and shareholders' funds of the Company resulting in a decline in the current ratio of the Company.

Where the purchase or acquisition of Shares is financed through external borrowings, it will increase the gearing ratio (defined as total borrowings less bank balances and cash to total assets) of the Company. The actual impact on the gearing and current ratios will depend on the source of funds used to purchase or acquire the Shares and the prices at which the Shares are purchased or acquired. The Directors do not propose to exercise the Proposed Share Buy-Back Mandate to such an extent that it would have a material adverse effect on the working capital requirements of the Group.

4.7 Financial Effects

It is not possible for the Company to realistically calculate or quantify the impact of purchases or acquisitions of Shares that may be made pursuant to the Proposed Share Buy-Back Mandate on the NAV per Share, EPS and the gearing as the resultant effect would depend on, *inter alia*, aggregate number of Shares purchased or acquired, whether the purchase or acquisition is made out of capital or profits, the purchase prices paid for such Shares and the amount (if any) borrowed by the Company to fund the purchases or acquisitions and whether the Shares purchased or acquired are cancelled or held as Treasury Shares.

When the purchased Shares are held as Treasury Shares, the total number of Shares would remain unchanged.

The Company's total number of Shares and total issued share capital will be diminished by the total number of the Shares purchased or acquired by the Company and which are cancelled and not held as Treasury Shares. The NAV of the Group will be reduced by the aggregate purchase price paid by the Company for the Shares purchased or acquired.

Under the Act, purchases or acquisitions of Shares by the Company may be made out of the Company's capital or profits so long as the Company is solvent. Where the consideration paid by the Company for the purchase or acquisition of Shares is made out of profits, such consideration (excluding related expenses) will correspondingly reduce the amount available for the distribution of cash dividends by the Company.

The purchase or acquisition of Shares will only be effected after considering relevant factors such as the working capital requirements, the availability of financial resources and the expansion and investment plans of the Group, and the prevailing market conditions.

For illustrative purposes only, based on the audited financial accounts of the Group for the financial year ended 31 March 2012 and based on the following assumption:

- (a) based on 4,867,087,926 Shares in issue as at the Latest Practicable Date and assuming no further Shares are issued on or prior to the EGM, not more than 486,708,792 Shares (representing ten per cent. (10%) of the total number of Shares of the Company as at that date) may be purchased or acquired by the Company pursuant to the Proposed Share Buy-Back Mandate;
- (b) in the case of Market Purchases by the Company and assuming that the Company purchases or acquires 486,708,792 Shares at the Maximum Price of S\$0.01365 for one Share (being the price equivalent to five per cent. (5%) above the Average Closing Price of the Shares for the five (5) consecutive Market Days on which the Shares were traded on the SGX-Catalist immediately preceding the Latest Practicable Date), the maximum amount of funds required for the purchase or acquisition of 486,708,792 Shares (excluding related expenses) is approximately S\$6,643,575;
- (c) in the case of Off-Market Purchases by the Company and assuming that the Company

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purchases or acquires 486,708,792 Shares at the Maximum Price of S\$0.0156 for one Share (being the price equivalent to twenty per cent. (20%) above the Average Closing Price of the Shares on the five (5) consecutive Market Days on which the Shares were traded on the SGX-Catalist immediately preceding the Latest Practicable Date), the maximum amount of funds required for the purchase or acquisition of 486,708,792 Shares (excluding related expenses) is approximately S\$7,592,657;

- (d) the purchase or acquisition of Shares is financed by internal sources of funds and/or external borrowing; and
- (e) the Company had purchased or acquired 486,708,792 Shares (representing ten per cent. (10%) of the total number of Shares of the Company at the Latest Practicable Date),

the financial effects of the purchase or acquisition of 486,708,792 Shares by the Company pursuant to the Proposed Share Buy-Back Mandate on the Company and the Group:

- (A) by way of purchases or acquisitions made entirely out of capital and held as Treasury Shares; and
- (B) by way of purchases made entirely out of capital and cancelled,

are set out in the following tables:

Scenario	Purchased out of	Type of Purchase	Held as Sreasury Shares or cancelled	Maximum Price per Share (S\$)
1(A)	Capital	Market Purchase	Held as Treasury Shares	0.01365
1(B)	Capital	Off-Market Purchase	Held as Treasury Shares	0.0156
2(A)	Capital	Market Purchase	Cancelled	0.01365
2(B)	Capital	Off-Market Purchase	Cancelled	0.0156

(1A) Market Purchases made entirely out of capital and held as Treasury Shares

	Group		Company	
	Before Share Buy-Back (S\$'000)	After Share Buy-Back (S\$'000)	Before Share Buy-Back (S\$'000)	After Share Buy-Back (S\$'000)
As at 31 March 2012				
Share capital	54,202	54,202	54,202	54,202
Accumulated losses	(17,372)	(17,372)	(21,876)	(21,876)
Equity component of convertible bonds	5,085	5,085	5,085	5,085
Foreign currency translation reserve	383	383	-	-
Treasury Shares	-	(6,644)	-	(6,644)
Shareholders' funds	42,298	35,654	37,411	30,767
Current assets	192,461	185,817	62,842	56,198
Current liabilities	41,851	41,851	18,141	18,141
Working capital	150,610	143,966	44,701	38,057
Number of issued Shares (net of	3,348,108	2,861,399	3,348,108	2,861,399

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Treasury Shares)

Weighted average number of Shares (net of Treasury Shares)	1,477,879	991,170	1,477,879	991,170
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Financial ratios

NAV /Share (cents)	0.0126	0.0125	0.0112	0.0108
Current ratio (times)	4.60	4.44	3.46	3.10
EPS (cents)	(0.023)	(0.034)	(0.023)	(0.034)
Gearing (times)	0.55	0.60	0.14	0.27

(1B) Off-Market Purchases made entirely out of capital and held as Treasury Shares

	Group		Company	
	Before Share Buy- Back (S\$'000)	After Share Buy-Back (S\$'000)	Before Share Buy- Back (S\$'000)	After Share Buy-Back (S\$'000)
As at 31 March 2012				
Share capital	54,202	54,202	54,202	54,202
Accumulated losses	(17,372)	(17,372)	(21,876)	(21,876)
Equity component of convertible bonds	5,085	5,085	5,085	5,085
Foreign currency translation reserve	383	383	-	-
Treasury Shares	-	(7,593)	-	(7,593)
Shareholders' funds	42,298	34,705	37,411	29,818
Current assets	192,461	184,868	62,842	55,249
Current liabilities	41,851	41,851	18,141	18,141
Working capital	150,610	143,017	44,701	37,108
Number of issued Shares (net of Treasury Shares)	3,348,108	2,861,399	3,348,108	2,861,399
Weighted average number of Shares (net of Treasury Shares)	1,477,879	991,170	1,477,879	991,170
<u>Financial ratios</u>				
NAV /Share (cents)	0.0126	0.0121	0.0112	0.0104
Current ratio (times)	4.60	4.42	3.46	3.05
EPS (cents)	(0.023)	(0.034)	(0.023)	(0.034)
Gearing (times)	0.55	0.60	0.14	0.29

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(2A) *Market Purchases made entirely out of capital and cancelled*

As at 31 March 2012	Group		Company	
	Before Share Buy- Back (S\$'000)	After Share Buy-Back (S\$'000)	Before Share Buy- Back (S\$'000)	After Share Buy-Back (S\$'000)
Share capital	54,202	47,558	54,202	47,558
Accumulated losses	(17,372)	(17,372)	(21,876)	(21,876)
Equity component of convertible bonds	5,085	5,085	5,085	5,085
Foreign currency translation reserve	383	383	-	-
Treasury Shares	-	-	-	-
Shareholders' funds	42,298	35,654	37,411	30,767
Current assets	192,461	185,817	62,842	56,198
Current liabilities	41,851	41,851	18,141	18,141
Working capital	150,610	143,966	44,701	38,057
Number of issued Shares (net of Treasury Shares)	3,348,108	2,861,399	3,348,108	2,861,399
Weighted average number of Shares (net of Treasury Shares)	1,477,879	991,170	1,477,879	991,170
<u>Financial ratios</u>				
NAV /Share (cents)	0.0126	0.0125	0.0112	0.0108
Current ratio (times)	4.60	4.44	3.46	3.10
EPS (cents)	(0.023)	(0.034)	(0.023)	(0.034)
Gearing (times)	0.55	0.60	0.14	0.27

(2B) *Off-Market Purchases made entirely out of capital and cancelled*

As at 31 March 2012	Group		Company	
	Before Share Buy- Back (S\$'000)	After Share Buy-Back (S\$'000)	Before Share Buy- Back (S\$'000)	After Share Buy-Back (S\$'000)
Share capital	54,202	46,609	54,202	46,609
Accumulated losses	(17,372)	(17,372)	(21,876)	(21,876)
Equity component of convertible bonds	5,085	5,085	5,085	5,085
Foreign currency translation reserve	383	383	-	-
Treasury Shares	-	-	-	-
Shareholders' funds	42,298	34,705	37,411	29,818
Current assets	192,461	184,868	62,842	55,249

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Current liabilities	41,851	41,851	18,141	18,141
Working capital	150,610	143,017	44,701	37,108
Number of issued Shares (net of Treasury Shares)	3,348,108	2,861,399	3,348,108	2,861,399
Weighted average number of Shares (net of Treasury Shares)	1,477,879	991,170	1,477,879	991,170

Financial ratios

NAV /Share (cents)	0.0126	0.0121	0.0112	0.0104
Current ratio (times)	4.60	4.42	3.46	3.05
EPS (cents)	(0.023)	(0.034)	(0.023)	(0.034)
Gearing (times)	0.55	0.60	0.14	0.29

Shareholders should note that the financial effects set out above are purely for illustrative purposes and based only on historical numbers for FY2012 and the abovementioned assumptions, and are not representative of future financial performance. Although the Proposed Share Buy-Back Mandate would authorise the Company to purchase or otherwise acquire up to ten per cent. (10%) of its total number of Shares (excluding Treasury Shares), the Company may not necessarily purchase or acquire or be able to purchase or acquire the entire ten per cent. (10%) of its total number of Shares. In addition, the Company may cancel all or a part of the Shares purchased or acquired or hold all or part of the Shares purchased or acquired in treasury.

Shareholders who are in doubt as to their respective tax positions or any tax implications arising from the Proposed Share Buy-Back Mandate in their jurisdictions should consult their own professional advisers.

4.8 Take-over Implications

Appendix 2 of the Take-over Code contains the Share Buy-Back Guidance Note applicable as at the Latest Practicable Date. The take-over implications arising from any purchase or acquisition by the Company of its Shares are set out below.

4.8.1 Obligation to make a Take-over Offer

If, as a result of any purchase or acquisition by the Company of its Shares, the proportionate interest in the voting capital of the Company of a Shareholder and persons acting in concert with him increases, will be treated as an acquisition for the purposes of Rule 14 of the Take-over Code. Consequently, a Shareholder or a group of Shareholders acting in concert could obtain or consolidate effective control of the Company and become obliged to make an offer under Rule 14 of the Take-over Code.

4.8.2 Persons Acting in Concert

Under the Take-over Code, persons acting in concert (the “**concert parties**”) comprise individuals or companies who, pursuant to an agreement or understanding (whether formal or informal), cooperate, through the acquisition by any of them of shares in a company to obtain or consolidate effective control of the company. Unless the contrary is established, the following persons, *inter alia*, will be presumed to be acting in concert:

- (a) a company, its parent company, its subsidiaries, its fellow subsidiaries, and the associated companies of any of the foregoing companies, any company whose associated companies include any of the foregoing companies, and any person who has provided financial assistance (other than a bank in the ordinary course of business) to any of the foregoing companies for the purchase of voting rights. For this purpose, ownership or control of at least twenty per cent. (20%) but not more than fifty per cent. (50%) of the voting rights of a company will be regarded as the test of associated company status;

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- (b) a company with any of its directors, together with their close relatives, related trusts and any companies controlled by any of the directors, their close relatives and related trusts;
- (c) a company with any of its pension funds and employees' share schemes;
- (d) a person with any investment company, unit trust or other fund in respect of the investment account which such person manages on a discretionary basis;
- (e) a financial or other professional adviser, with its client in respect of the shareholdings of the adviser and the persons controlling, controlled by or under the same control as the adviser and all the funds which the adviser manages on a discretionary basis, where the shareholdings of the adviser and any of those funds in the client total ten per cent. (10%) or more of the client's equity share capital;
- (f) directors of a company, together with their close relatives, related trusts and companies controlled by any of them, which is subject to an offer or where they have reason to believe a bona fide offer for their company may be imminent;
- (g) partners; and
- (h) an individual, his close relatives, his related trusts, any person who is accustomed to act according to his instructions, companies controlled by any of the foregoing persons and any person who has provided financial assistance (other than a bank in the ordinary course of business) to any of the foregoing persons and/or entities for the purchase of voting rights.

The circumstances under which Shareholders, including Directors and persons acting in concert with them respectively, will incur an obligation to make a take-over offer under Rule 14 of the Takeover Code after a purchase or acquisition of Shares by the Company are set out in Appendix 2 of the Take-over Code.

4.8.3 Effect of Rule 14 and Appendix 2 of the Take-over Code

In general terms, the effect of Rule 14 and Appendix 2 of the Take-over Code is that, unless exempted, Directors and persons acting in concert with them will incur an obligation to make a take-over offer under Rule 14 of the Take-Over Code if, as a result of the Company purchasing or acquiring Shares:

- (a) the voting rights of such Directors and their concert parties would increase to thirty per cent (30%) or more; or
- (b) in the event that such Directors and their concert parties hold between thirty per cent. (30%) and fifty per cent. (50%) of the Company's voting rights, if the voting rights of such Directors and their concert parties would increase by more than one per cent. (1%) in any period of six (6) months.

Under Appendix 2 of the Take-over Code, a Shareholder not acting in concert with the Directors will not be required to make a take-over offer under Rule 14 if, as a result of the Company purchasing or acquiring its Shares:

- (a) the voting rights of such Shareholder would increase to thirty per cent. (30%) or more; or
- (b) if such Shareholder holds between thirty per cent. (30%) and fifty per cent. (50%) of the Company's voting rights, the voting rights of such Shareholder would increase by more than one per cent. (1%) in any period of six (6) months.

Such Shareholder need not abstain from voting in respect of the Resolution 3 authorising the Proposed Share Buy-Back Mandate.

Based on substantial shareholding notifications received by the Company under Division 4, Part IV of the Act as at the Latest Practicable Date as set out in paragraph 1.2 of Appendix A, the Substantial Shareholders would not become obliged to make a take-over offer for the Company under Rule 14 of

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the Take-over Code as a result of the purchase or acquisition by the Company of the maximum limit of ten per cent. (10%) of its issued Shares as at the Latest Practicable Date.

Shareholders who are in doubt as to their obligations, if any, to make a mandatory take-over offer under the Take-over Code as a result of any purchase or acquisition of Shares by the Company are advised to consult the Securities Industries Council and/or their professional advisers at the earliest opportunity.

4.9 Catalyst Rules

While the Catalyst Rules does not expressly prohibit purchase or acquisition of shares by a listed company during any particular time or times, the listed company would be considered an “insider” in relation to any proposed purchase or acquisition of its issued shares. In this regard, the Company will not purchase or acquire any Shares pursuant to the Proposed Share Buy-Back Mandate after a development which could have a material effect on the price of the Shares has occurred or has been the subject of a consideration and/or a decision of the Board until such time as such information has been publicly announced. In particular, in line with Rule 1204(19) of the Catalyst Rules, the Company will not purchase or acquire any Share through Market Purchases during the period of:

- (a) one (1) month immediately preceding the announcement of the Company’s half-year or full-year results, as the case may be, and ending on the date of announcement of the relevant results (if not required to announce quarterly financial statements); or
- (b) two (2) weeks immediately preceding the announcement of the Company’s quarterly results for each of the first three (3) quarters of its financial year.

The Company is required under Rule 723 of the Catalyst Rules to ensure that at least ten per cent (10%) of its Shares are held by the public at all times. The “**public**”, as defined under the Catalyst Rules, are persons other than the Directors, Chief Executive Officer, Substantial Shareholders or Controlling Shareholders of the Company and its subsidiaries, as well as the associates of such persons.

As at the Latest Practicable Date, approximately 2,030,846,907 Shares, representing approximately 41.73% of the issued Shares are held by the public. Assuming that the Company exercises the Proposed Share-Buyback Mandate in full and purchases or acquires ten per cent. (10%) of the Shares through Market Purchases from the public, the public float would be reduced to 1,544,138,115 Shares, representing approximately 35.25% of the issued share capital of the Company.

Accordingly, the Company is of the view that there is a sufficient number of issued Shares held in the hands of the public which would permit the Company to undertake purchases or acquisitions of its issued Shares up to the full ten per cent. (10%) limit pursuant to the Proposed Share Buy-Back Mandate without affecting the listing status of the Shares on the SGX-Catalist, and that the number of Shares remaining in the hands of the public will not fall to such a level as to cause market illiquidity or to adversely affect the orderly trading of Shares.

In undertaking any purchases or acquisitions of Shares through Market Purchases, the Directors will use their best efforts to ensure that, notwithstanding such purchases or acquisition, a sufficient float in the hands of the public will be maintained so that the purchases or acquisitions of Shares will not adversely affect the listing status of the Shares on the SGX-Catalist, cause market illiquidity or adversely affect the orderly trading of the Shares.

4.10 Previous Share Buy-Backs

The Company has not entered into transactions to purchase or acquire any Shares during the twelve (12) months immediately preceding the Latest Practicable Date.

4.11 Tax Implications

Shareholders who are in doubt as to their respective tax positions or any tax implications should consult their own tax advisors to take into account the tax law applicable, whether in or outside Singapore, to their particular situations.

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5. THE PROPOSED ADOPTION OF THE SINGXPRESS SHARE OPTION SCHEME 2012

The Company had a share option scheme known as the SingXpress Share Option Scheme (“**2011 Scheme**”) which was adopted by the Shareholders on 2 March 2011. As announced by the Company on 14 July 2011, the Company had terminated the 2011 Scheme. No options have been granted by the Company under the 2011 Scheme since its adoption.

Following further developments in the Company’s business since March 2011, the Company believes that it is timely and desirable for a new share option scheme to be implemented by the Company which will provide a greater flexibility to the Group in structuring its staff remuneration package. The Company recognises that in order to maintain the Group’s competitiveness and for the Group to build sustainable businesses in the long term, the Company must be able to continue to attract, motivate, reward and maintain a core group of directors, executives and employees.

Thus, the Company is seeking the approval of the Shareholders at the EGM to adopt the New Scheme. However, Shareholders should note that the adoption of the New Scheme by the Company is also subject to the approval of the shareholders of XGL, the parent company of the Company. The New Scheme will commence and take effect only upon its adoption by Shareholders at the EGM as well as the approval by the shareholders of XGL.

5.1 Rationale for the New Scheme

The Scheme is being proposed with the following objectives:

- (a) to align the long-term interests of selected confirmed Group Employees and other Eligible Persons (as defined in the Rules) with those of the Shareholders and encourage such persons to contribute greater efforts or assume greater responsibility for the performance of the businesses that they manage or are involved in;
- (b) to motivate such persons towards strategic business objectives;
- (c) to reward such persons with an equity stake in the success of the Group; and
- (d) to make the total compensation package more competitive in order to attract, retain and motivate high calibre executives.

The key objectives of the proposed New Scheme are to motivate key executives, employees and other Eligible Persons to optimise their performance standards and efficiency and to reward them for their significant contributions with participation in the equity of the Company and to work towards the growth and prosperity of the Group reflected through the growth in the share prices which would ultimately benefit the Shareholders. The Company believes that the proposed New Scheme may be more effective than cash bonuses in motivating employees and other Eligible Persons to put in their best efforts whilst at the same time allowing the Company to offer incentives and remuneration packages compatible with multinational companies.

Rationale for the New Scheme being open for participation by Controlling Shareholders and their Associates

The Controlling Shareholders and their Associates who meet the criteria of Eligible Persons as set out in the Rules are eligible to participate in the New Scheme, provided that the participation of each Controlling Shareholder or his Associate and each grant of an Option to any of them may only be effected with the specific prior approval of independent Shareholders in general meeting by a separate resolution. This is to ensure that Eligible Persons who are also Controlling Shareholders or their Associates are equally entitled together with other Eligible Persons who are not Controlling Shareholders or their Associates to take part in and benefit from the New Scheme in recognition of their contributions to the Group. The Company will at such time provide the rationale and justification for any proposal to grant the Controlling Shareholders or their Associates any Option(s).

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Rationale for participation of Directors and Employees of Associated Companies

It is desired that the Company should have a share option scheme which caters to the Directors and employees of the Group as well as persons who are not employed within the Group but who work closely with the Group and who, by reason of their relationship with the Group, are in a position to input and contribute their experience, knowledge and expertise to the development and prosperity of the Group. Such other persons include the directors and employees of any Associated Companies who meet the criteria of Eligible Persons as set out in the Rules and are eligible to participate in the New Scheme.

Rationale for participation of non-executive and independent directors of the Group

Under the Catalist Rules, the Group has some flexibility in formulating a scheme that recognises and benefits not only persons who are in the employment of the Group but also non-executive directors and independent directors who are not employed by the Group but who nevertheless work closely with the Group and/or are in the position to contribute their experience, knowledge and expertise to the development and success of the Group.

The New Scheme is extended to the non-executive directors and independent directors of the Group. Although the non-executive directors and independent directors are not involved in the day-to-day running of the Group, they also play an invaluable role in the Group's success by applying their experience, drawing on their knowledge and utilising their expertise for the benefit of the Group. It is desirable that the non-executive directors and independent directors of the Group be allowed to participate in the New Scheme to give recognition to their services and contributions and to further align their interests with that of the Group.

As the New Scheme does specify a limit as to the amount of Shares to be comprised in Options that may be granted to any Participant in a financial year, it is envisaged that Options that may be granted to non-executive directors and independent directors of the Group will be relatively small (whether on an individual or collective basis).

The Remuneration Committee when deciding on the selection of non-executive directors and independent directors of the Group to participate in the New Scheme and the number of Shares to be offered (in accordance with the New Scheme) will take into consideration the nature and extent of their input, assistance and expertise rendered to the committees on which they sit and the impact thereof on the growth, success and development of the Company and the Group, as well as their involvement and commitment to the Board.

Non-executive directors and independent directors of the Group will not be involved in its deliberations in respect of the offer of Options to him, abstain from making any recommendation as a Director and abstain from voting as a member of the Company when the grant of Options to him is being considered.

Section 169(1) of the Companies Act

Under Section 169(1) of the Companies Act, a company shall not at any meeting or otherwise provide emoluments or improve emoluments for a director of a company in respect of his office as such unless the provision is approved by a resolution that is not related to other matters and any resolution passed in breach of this section shall be void.

As stated above, the participation of each Controlling Shareholder or his Associate in the New Scheme and each grant of an Option to any of them may only be effected with the specific prior approval of independent Shareholders in general meeting by a separate resolution. The separate resolution that is passed for the participation of a Director who is a Controlling Shareholder or his Associate and the grant of an Option to him will satisfy the requirements of Section 169(1) of the Companies Act.

Therefore, subject to and conditional upon the passing of Resolution 4 for the proposed adoption of the New Scheme, approval of independent Shareholders is also separately sought at the EGM pursuant to Section 169(1) of the Companies Act for the participation of, and grant of Options to, the Directors who are not Controlling Shareholders or their Associates) (the "**Relevant Directors**") in

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accordance with the Rules and from time to time. As at the date of this Circular, the Relevant Directors are Messrs Yeo Wee Kiong, Damayanth Sunimal Goonetillake, Wong Tat Keung and Tan Tai Soon.

Rationale for the New Scheme being open for participation by the directors and employees of the Parent Group

It is recognised that there are other persons who though they are not employed by the Group, work closely with the Group and by reason of their relationship with the Group, are in a position to input and contribute their experience, knowledge and expertise to the development and prosperity of the Group and have in fact contributed to the success and development of the Group. Such other persons include the directors and employees of any Parent Group company.

The Company recognises that it is important to the well-being and stability of the Group that the Company acknowledges the services and contributions that may be made by the directors and employees of the Parent Group, and that the Group continues to receive their support and contributions. By implementing the New Scheme, the Company will have means of providing for those who while they are not directors or employees of the Group, are nonetheless closely associated with the Group as well as the performance of the Company through participation in the equity of the Company. It is hoped that by doing so, the Company will also strengthen its working relationships with the directors and employees of the Parent Group by inculcating in them a stronger and more lasting sense of identification with the Group.

At the Latest Practicable Date, the companies within the Parent Group include without limitation, XGL, China Credit Singapore Pte Ltd and Xpress Credit Limited. The Group will only grant an Option under the New Scheme to Parent Group Employees and Parent Group Non-Executive Directors who, in the opinion of the Committee, have contributed to the success and development of the Group and where applicable, with the specific approval of independent Shareholders in a general meeting by a separate resolution.

5.2 Summary of Rules of the New Scheme

A summary of the principal terms of the New Scheme is set out below. More detailed information on the New Scheme, comprising the Rules, is set out in Appendix B to this Circular.

5.2.1 Size of the New Scheme

The aggregate number of Shares over which the Committee may grant Options on any date (including the number of Shares which have been and to be issued upon the exercise of the Options in respect of all Options granted under the New Scheme) shall not exceed fifteen per cent. (15%) of the total number of Shares (excluding Treasury Shares) on the day preceding that date ("**Scheme Limit**"), provided that for so long as the Company is a subsidiary of XGL and XGL is listed on the HKSE but subject always to the Scheme Limit:

- (a) the aggregate number of new Shares over which the Committee may grant Options on any date, including the number of new Shares which have been issued and to be issued in respect of all Options granted under the New Scheme, shall not exceed ten per cent. (10%) of the total number of issued Shares on the date that the New Scheme is approved by the shareholders of the Company in a general meeting or the date that it is approved by the shareholders of XGL in a general meeting, whichever is the later, or such other limit as may be prescribed or permitted by the HKSE from time to time ("**HKSE Listing Rules Limit**"); and
- (b) notwithstanding 5.2.1(a) above, but subject to the Scheme Limit, the HKSE Listing Rules Limit may, upon the approval of the shareholders of XGL where required, be exceeded or increased through a refresher in accordance with Rule 17.03(3) of the HKSE Listing Rules (as may be modified from time to time).

So long as the Company is a subsidiary of XGL and XGL is listed on the HKSE, the New Scheme is subject to Chapter 17 of the HKSE Listing Rules. Pursuant to the HKSE Listing Rules, there is a requirement that the total number of Shares which may be issued upon the exercise of all Options to be granted under the New Scheme and any other schemes must not exceed ten per

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cent. (10%) of the relevant class of securities in issue as at the date of approval of the New Scheme. The HKSE Listing Rules further provide that where the shares of the listed issuer or the subsidiary concerned are also listed on another stock exchange, the more onerous requirements shall prevail and be applied in the event of a conflict or inconsistency between the requirements under Chapter 17 of the HKSE Listing Rules and the requirements of the other stock exchange. Accordingly, the size of the New Scheme is subject to the HKSE Listing Rules Limit and the Scheme Limit.

The Company shall have the flexibility to deliver Treasury Shares to the Participants upon the exercise of their Options as described in paragraph 5.2.8 below. Subject to applicable laws, the Catalyst Rules, the HKSE Listing Rules and the Scheme Limit, the number of existing Shares (held in treasury) which may be delivered in settlement of the exercise of Options will not be subject to the HKSE Listing Rules Limit and the limit referred to in paragraph 5.2.3 below, as such method of settlement does not involve the issuance of any new Shares.

Based on the ordinary issued share capital of the Company of 4,867,087,926 Shares as at the Latest Practicable Date, the maximum number of Shares which may be issued upon exercise of all Options granted under the New Scheme is 730,063,188 Shares.

To enjoy greater flexibility in structuring remuneration and compensation packages, the Company believes it should have a sufficient number of Shares to accommodate Options issued under the New Scheme. Taking into account the number of issued Shares of the Company as well as the number of eligible Participants in the New Scheme, the Directors believe that the above limit will enable the Company to grant a sufficient number of Options to the Participants to create a meaningful compensation for the Participants' contributions. However, it does not necessarily mean that the Company will definitely issue Shares up to the prescribed limit, as Options will only be granted to eligible persons who are selected at the discretion of the Committee. The size of the New Scheme is intended to accommodate a reasonably large pool of Participants.

5.2.2 Eligibility

- (a) The persons eligible for selection to participate in the New Scheme are:
- (i) Group Employees who have attained the age of twenty-one (21) years as at the Date of Grant;
 - (ii) Group Non-Executive Directors;
 - (iii) confirmed employees and directors of an Associated Company which the Company has control over, who have attained the age of twenty-one (21) years as at the Date of Grant and hold such rank as may be designated by the Remuneration Committee from time to time;
 - (iv) Parent Group Employees who have attained the age of twenty-one (21) years as at the Date of Grant and who, in the opinion of the Committee, have contributed to the success and development of the Company; and
 - (v) Parent Group Non-Executive Directors who, in the opinion of the Committee, have contributed to the success and development of the Company.

In order to minimise the potential conflict of interest and not to compromise the independence of the non-executive directors or the independent directors of the Company, the Company does not intend to grant Options of significant sizes to the non-executive directors or the independent directors. In particular, in the event that any Option is granted to a non-executive director or independent director of the Company, the quantum of such Options will not be of such significance as will affect or compromise the independence of such director.

The Company will consider, *inter alia*, the contributions of each Eligible Person to the success and development of the Group when selecting them for participation in the New Scheme.

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- (b) Subject to paragraph 5.2.2(c) below, there shall be no restriction on the eligibility of any Participant to participate in any other share option schemes or share award schemes implemented or to be implemented by the Company or any other corporation within the Group.
- (c) Subject to the absolute discretion of the Committee, the Controlling Shareholders and their Associates who meet the criteria as set out above are eligible to participate in the New Scheme, provided that the participation of each Controlling Shareholder or his Associate and each grant of an Option to any of them may only be effected with the specific prior approval of independent Shareholders in a general meeting by a separate resolution. The Company will at such time provide the rationale and justification for any proposal to grant the Controlling Shareholders or their Associates any Option(s).

Each grant of Options to a Parent Group Employee or the Parent Group Non-Executive Director, which together with the Options already granted to him under the New Scheme represents five per cent. (5%) or more of the total number of Options available to the Parent Group Employees and the Parent Group Non-Executive Directors, shall only be effected with the specific approval of independent Shareholders in a general meeting by a separate resolution.

A separate resolution shall be passed by the independent Shareholders to approve the aggregate number of Options to be made available for grant to all Parent Group Employees and Parent Group Non-Executive Directors.

The participation of Eligible Persons is at the absolute discretion of the Committee. The Committee may at its absolute discretion grant Options to such Eligible Persons as it may determine, and may in its absolute discretion determine the number of Scheme Shares applicable to the Options, taking into account criteria such as the rank and length of service of the Participants, past performance, financial and performance targets and/or contributions criteria set, and the performance of the Company. The Committee may also in its absolute discretion determine and amend the conditions for granting an Option, which may include any financial and performance targets and/or contributions criteria applicable to such Option and the performance period during which such targets and/or criteria are to be satisfied and/or vesting schedule in relation to the vesting of any Shares comprised in such Option.

The Committee shall have absolute discretion to decide whether a person who is participating in the New Scheme shall be eligible to participate in any other share option scheme implemented by the Company or any other corporation within the Group.

5.2.3 Maximum Entitlement for each Participant

Under the Rules, for so long as the Company is a subsidiary of XGL and XGL is listed on the HKSE, subject to such amendments as may be made pursuant to the New Scheme, the total number of new Shares issued and to be issued upon exercise of the Options granted to any Participant (including both exercised and outstanding Options) in any twelve (12)-month period shall not exceed one per cent. (1%) (or such other percentage as may be prescribed or permitted by the HKSE from time to time) of the total number of issued Shares immediately before such grant. Where any grant of Options to a Participant would result in the Shares issued and to be issued on exercise of all Options granted and to be granted to such Participant (including exercised, cancelled and outstanding Options) in the twelve (12)-month period up to and including the date of such grant exceeding one per cent. (1%) of the total number of issued Shares, such grant shall be approved by the shareholders of XGL in a general meeting in accordance with the HKSE Listing Rules, with such Participant and his associates (as defined in the Rules) abstaining from voting. To the extent the exercise of any Options granted to a Participant is satisfied by the transfer of existing Shares, such Options and number of existing Shares shall not be subject to or taken into account for purposes of such limit.

5.2.4 Grant of Options

Options may be granted at any time during the duration of the New Scheme, provided that no Options shall be granted:

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- (a) during the periods commencing one (1) month before the announcement of the Group's annual or half-yearly results or two (2) weeks before the announcement of the quarterly results, as the case may be, and ending on the date of announcement of such results or during such other closed periods of the Company as the Directors may approve; and
- (b) at any time after any matter of an exceptional nature involving unpublished price sensitive information has arisen or has been the subject of a decision, until after such price sensitive information has been publicly announced.

5.2.5 Acceptance of Options

The procedure for accepting an Option is set out in the Rules, which provide that the grant of an Option must be accepted by the Participant within thirty (30) days from the Date of Grant accompanied by payment of S\$1.00 as consideration for such grant. The Participant may accept or refuse the whole or part of the offer, but if only part of the offer is accepted, the Participant shall accept the offer in multiples of 1,000 Scheme Shares. If the grant of an Option is not accepted in the foregoing manner, such offer shall, upon the expiry of the thirty (30)-day period, automatically lapse and become null, void and of no effect.

5.2.6 Option Exercise Period

Subject to such conditions as may be applicable to such Option, an Option shall be exercisable during an option exercise period determined and notified by the Committee to the Participant, such period being:

- (a) in the case of Options granted to a Group Employee or a Parent Group Employee, a period commencing on the date after the first anniversary of the Date of Grant, and ending on a date not later than ten (10) years after the Date of Grant; and
- (b) in the case of Options granted to a Participant other than an Group Employee or a Parent Group Employee, a period commencing on the date after the first anniversary of the Date of Grant, and ending on a date not later than five (5) years after the Date of Grant.

5.2.7 Exercise Price

Subject to any adjustments, the exercise price for each Share on the exercise of an Option shall be fixed by the Committee at a price not less than the higher of (i) the closing price of the Shares on the Date of Grant, which must be a trading day; and (ii) the five (5)-day weighted average market price of the Shares immediately prior to the relevant Date of Grant of such Option for which there was trading in the Shares.

5.2.8 Delivery of Scheme Shares upon Exercise of Options

Outstanding Options which have been exercised may be satisfied at the discretion of the Committee by:

- (a) the allotment and issue of new Shares;
- (b) the transfer of Treasury Shares to the Participants; or
- (c) a combination of both new Shares and Treasury Shares.

In determining whether to issue new Shares or to deliver Treasury Shares to Participants on the exercise of their Options, factors such as the prevailing market price of the Shares, funding considerations and dilutive effects on the share capital of the Company and the cost to the Company of either issuing New Shares or purchasing existing Shares would be taken into consideration.

5.2.9 Treasury Shares

Following amendments to the Companies Act, a company is permitted to repurchase its shares out of profits and/or capital of the company and to hold repurchased shares as treasury shares. Where

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shares are held as treasury shares, a company may at any time, *inter alia*, transfer such shares for the purposes of or pursuant to an employees' share option scheme.

The Company proposes to adopt a share purchase mandate for Shareholders' approval at the extraordinary general meeting of the Company to be held on 31 July 2012 at 11.00 a.m. (or such time immediately following the conclusion or adjournment of the annual general meeting of the Company to be held on the same day and at the same venue, for which a separate notification will be given to Shareholders). In the event that the share purchase mandate is approved, the Company will have the flexibility of transferring any Treasury Shares held to satisfy the exercise of Options granted under the New Scheme.

The above provisions would provide flexibility to the Company in implementing the New Scheme by providing the Company with an alternative to satisfy the exercise of an Option through the transfer of Treasury Shares instead of newly issued Shares, or through a combination of both. Further, the delivery of Treasury Shares upon exercise of Options would avoid the potential dilutive effect on the Company's capital base and future returns.

5.2.10 Rights of Shares Acquired

The Scheme Shares, when issued and/or transferred, shall be subject to the provisions of the Memorandum and Articles of Association of the Company, and shall rank *pari passu* in all respects with the then existing issued Shares, save for any dividend or other distribution declared or recommended in respect of the then existing issued Shares, the record date for which is on or before the date upon which such issue and/or transfer takes place.

5.2.11 Termination of Options

Special provisions in the New Scheme dealing with the lapsing or earlier exercise of Options in certain circumstances, including but not limited to the following: (a) the termination of the Participant's employment in the Group; (b) the misconduct or bankruptcy of the Participant; (c) the death of the Participant; (d) a take-over of the Company; or (e) the winding-up of the Company are set out in the Rules.

5.2.12 Variation of Capital

The New Scheme provides that if there is a variation in the issued share capital of the Company (whether by way of a capitalisation of profits or reserves or rights issue, capital reduction, subdivision or consolidation of Shares or distribution), the exercise price for the Scheme Shares, class and/or number of Scheme Shares comprised in an Option to the extent unexercised or over which additional Options may be granted, shall be adjusted in such manner as the Committee may determine to be appropriate and (except in relation to a capitalisation issue) upon the written confirmation of the auditors of the Company (acting only as experts and not as arbitrators) that in their opinion such adjustment is fair and reasonable. Notwithstanding anything herein, no adjustment shall be made (other than on a capitalisation issue) unless upon written confirmation by the auditors of the Company that such adjustments is fair and reasonable in accordance with Rule 9(b) of the New Scheme. No adjustment may be made in such a way that a Participant will receive a benefit that a Shareholder does not receive.

The New Scheme also provides that certain events will not be considered as events requiring adjustment, such as the issue of Shares as consideration for an acquisition or a private placement of Shares or any reduction in the number of issued Shares as a result of the cancellation of issued Shares purchased by the Company by way of market purchase(s) effected on the SGX-Catalist pursuant to a share purchase mandate (or any renewal thereof) or any increase in the number of issued Shares as a consequence of the exercise of options or other convertible issued from time to time by the Company entitling holders thereof to subscribe for new Shares in the capital of the Company.

5.2.13 Alteration of New Scheme

The New Scheme may be altered by resolution of the Committee, provided that (a) no alteration shall alter materially and adversely the rights attaching to any Options granted prior to the alteration except with the approval of the Participants who, if they exercised their Options in full,

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would become entitled to not less than half (½) in number of all the Scheme Shares; (b) no alteration shall be made except in compliance with the Catalist Rules; (c) no alteration shall be made to certain Rules as set out in Rule 12(b) of the New Scheme to the advantage of Participants except with the prior sanction of the Company in a general meeting; and (d) for so long as the Company is a subsidiary of XGL and the shares of XGL remain listed on the HKSE, no alteration shall be made without the prior approval of the shareholders of XGL if such approval is required pursuant to the HKSE Listing Rules.

5.2.13 Duration of New Scheme

The New Scheme shall continue in force at the discretion of the Committee subject to a maximum period of ten (10) years commencing from the day on which the New Scheme is approved by Shareholders in a general meeting or the day on which it is approved by the shareholders of XGL in a general meeting, whichever is the later.

5.2.14 Termination of New Scheme

Subject to any relevant approvals which may be required, the New Scheme may be terminated at any time by the Company by resolution in general meeting, or by the Directors, or by the Committee, and in such event, no further Options will be offered under the New Scheme.

5.2.15 Administration of New Scheme

The New Scheme shall be administered by the Committee, comprising Directors for the time being duly authorised and appointed by the Board of Directors to administer the New Scheme. A member of the Committee shall not participate in any deliberation or decision in respect of Options to be granted to or held by him.

5.2.16 Disclosures to be made in future annual reports

Subject to the New Scheme being approved by Shareholders at the EGM, the Company will make the following disclosures (as applicable) in its annual reports for FY2013 and future financial years for so long as the New Scheme continues in operation:

- (a) The names of the members of the Committee administering the New Scheme;
- (b) The information required in the table below for the following Participants:
 - (i) Directors of the Company;
 - (ii) Participants who are Controlling Shareholders of the Company and their Associates; and
 - (iii) Participants (other than those in (b)(i) and (b)(ii) above) who receive Options granted pursuant to the New Scheme which, in aggregate, represent 5% or more of the total number of Shares available under the New Scheme;

Name of Participant	Options granted during financial year under review (including terms)	Aggregate Options granted since commencement of New Scheme to end of financial year under review	Aggregate Options exercised since commencement of New Scheme to end of financial year under review	Aggregate Options outstanding as at end of financial year under review

- (c) (i) The names of and number and terms of Options granted to each director or employee of the Company's parent company and its subsidiaries who receive five per cent. (5%) or more of the total number of options available to all directors and employees of the Company's parent company and its subsidiaries under the New

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Scheme, during the financial year under review;

- (ii) The aggregate number of Options granted to directors and employees of the Company's parent company and its subsidiaries for the financial year under review, and since the commencement of the New Scheme to the end of the financial year under review; and
- (d) Where applicable, the number and proportion of Options granted at a discount during the financial year under review in respect of every ten per cent. (10%) discount range, up to the maximum quantum of discount granted.

If any of the above requirements is not applicable, an appropriate negative statement shall be included.

5.3 Financial Effects of the New Scheme

Certain financial effects of granting Options under the New Scheme on the Company are as follows:

5.3.1 Share Capital

The New Scheme will result in an increase in the Company's number of issued Shares to the extent that the new Shares will be allotted and issued upon the exercise of the Options under the New Scheme. This number of new Shares issued will in turn depend on, *inter alia*, the number of Scheme Shares comprised in the Options, the number of Options vested and exercised and the exercise price of the Options.

If Treasury Shares are delivered to the Participants, the New Scheme would have no effect to the number of issued Shares. Similarly, there would be no change to the number of issued Shares if the relevant Options are not exercised.

5.3.2 NAV

To the extent that new Shares are allotted and issued upon the exercise of the Options, the New Scheme will result in an increase in the Company's consolidated NAV by the aggregate exercise price of the new Shares issued. On a per Share basis, the effect on the NAV of the Company is accretive if the exercise price is above the NAV per Share, but dilutive if otherwise.

5.3.3 EPS

The New Scheme will have a dilutive impact on the Company's consolidated EPS following the increase in the Company's number of issued Shares to the extent that new Shares are allotted and issued pursuant thereto.

5.3.4 Potential Cost of Options

Any Options granted under the New Scheme would have a fair value at the Date of Grant. In addition to the impact on the Company's consolidated EPS and consolidated NAV as described above, the cost to the Company of granting Options under the New Scheme will have an impact on the Company's and the Group's reported profit under FRS 102 "Share-based Payment", which is effective for financial periods beginning on or after 1 January 2005. FRS 102 requires the recognition of an expense in respect of Options granted under the New Scheme. The expense will be based on the fair value of the Options at the Date of Grant (as determined by an option-pricing model) and will be recognised over the vesting period.

The cost of the Options granted would be recognised in the financial statements even if the Options are not exercised.

6. THE PROPOSED RENEWAL OF THE SHAREHOLDERS' MANDATE FOR INTERESTED PERSON TRANSACTIONS

- 6.1 The Company had, at an extraordinary general meeting held on 15 July 2011, sought and obtained the approval of Shareholders for a shareholders' mandate to enable the Group to enter into (i) certain

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types of management services in connection with any real estate pursued by the Group as part of the projects to be entered into in connection with the “investment banking” approach; and (ii) obtain financing and/or financial support from XGL, who is considered to be an “interested person” for the purposes of Chapter 9 of the Catalist Rules.

- 6.2** The IPT Mandate is subject to annual renewal and its validity period will expire at the forthcoming annual general meeting of the Company. It is proposed that the IPT Mandate be renewed and approved by the Shareholders at the EGM and the Interested Person Transactions shall be extended to cover transactions with XGL and its subsidiaries, which are considered to be belonging to the same class of interested person as XGL.
- 6.3** The rationale for the proposed renewal of the IPT Mandate and further details of the IPT Mandate, such as the review procedures implemented by the Company, its subsidiaries and Associated Companies to ensure that the mandated transactions with the specified classes of interested persons of the Company that are covered by the IPT Mandate are undertaken with such Interested Persons on an arm’s length basis and on normal commercial terms, are set out in Appendix D to this Circular.
- 6.4** The rationale of the IPT Mandate, the scope of the IPT Mandate, the benefit to Shareholders, the classes of Interested Persons, the particulars of the Interested Person Transactions and the review procedures for Interested Person Transactions in respect of which the IPT Mandate is sought to be renewed remain unchanged.

7. APPROVALS

The New Scheme is subject to the receipt of a listing and quotation notice by the SGX-ST of the new Shares that may be issued pursuant to the New Scheme. The receipt of the listing and quotation notice by the SGX-ST shall not be taken as an indication of the merits of the New Scheme, the Scheme Shares, the Company and/or its subsidiaries.

The New Scheme, which requires the approval of the shareholders of XGL under the HKSE Listing Rules, shall be tabled for approval by XGL’s shareholders at XGL’s annual general meeting scheduled to be held on 31 July 2012. The New Scheme will commence and take effect only upon its adoption by Shareholders at the EGM as well as the approval by the shareholders of XGL.

Shareholders’ approval will be sought at the EGM for the proposed adoption of the New Scheme (including the allotment and issue of new Shares pursuant to the exercise of Options granted under the New Scheme). The proposal will be tabled as an ordinary resolution at the EGM.

8. DIRECTORS’ RECOMMENDATIONS

8.1 The Proposed Capital Reduction

The Directors, having considered the rationale for the Proposed Capital Reduction are of the opinion that the Proposed Capital Reduction is in the interests of the Company and is not prejudicial to Shareholders as a whole. Accordingly, the Directors recommend that Shareholders vote in favour of Resolution 1 in respect of the Proposed Capital Reduction to be proposed at the EGM.

8.2 The proposed amendments to the Articles

The Directors are of the opinion that the proposed amendments to the Articles are in the interests of the Company and, accordingly, recommend that Shareholders vote in favour of Resolution 2 in respect of the proposed amendments to the Articles to be proposed at the EGM.

8.3 The Proposed Share Buy-Back Mandate

The Directors, having considered, *inter alia*, the rationale for the Proposed Share Buy-Back Mandate, are of the opinion that the Proposed Share Buy-Back Mandate is in the interests of the Company and, accordingly, recommend that Shareholders vote in favour of Resolution 3 in respect of the Proposed Share Buy-Back Mandate to be proposed at the EGM.

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8.4 The proposed adoption of the New Scheme

The Directors will all be potentially eligible to participate in, and are therefore interested in the New Scheme. They have accordingly abstained from making any recommendation in respect of the proposed adoption of the New Scheme.

8.5 The proposed participation of, and grant of Options to, the Relevant Directors

The Directors will all be potentially eligible to participate in the New Scheme and be granted Options, and are therefore interested in the proposed participation of, and grant of Options to, the Relevant Directors. They have accordingly abstained from making any recommendation in respect of the proposed participation of, and grant of Options to, the Relevant Directors..

8.6 The proposed renewal of the IPT Mandate

Mr Yeo Wee Kiong, Mr Tan Tai Soon and Mr Damayanth Sunimal Goonetillake, being Directors who are independent of the proposed Interested Person Transactions, having considered, *inter alia*, the terms, the rationale and the benefits of the renewal of the IPT Mandate, are of the view that the renewal of the IPT Mandate is in the interests of the Company and, accordingly, recommend that Shareholders vote in favour of Resolution 6 in respect of the proposed renewal of the IPT Mandate to be proposed at the EGM.

9. EXTRAORDINARY GENERAL MEETING

The EGM, notice of which is set out on pages 65 to 68 of this Circular, will be held at 81 Ubi Avenue 4, #02-20 UB One, Singapore 408830 on 31 July 2012 at 11.00 a.m. or such time immediately following the conclusion of the AGM of the Company on the same day at 10.30 a.m. The purpose of the EGM is for Shareholders to consider and, if thought fit, pass with or without any amendment the special and ordinary resolutions set out in the Notice of EGM.

A Depositor shall not be regarded as a Shareholder entitled to attend the EGM and to speak and vote thereat unless he is shown to have Shares entered against his name in the Depository Register, as certified by the CDP as at forty-eight (48) hours before the EGM.

10. ACTION TO BE TAKEN BY SHAREHOLDERS

Shareholders who are unable to attend the EGM will find, attached to this Circular, a proxy form which they are requested to complete, sign and return in accordance with the instructions printed therein as soon as possible and in any event so as to arrive at the registered office of the Company at 81 Ubi Avenue 4, #02-20 UB One, Singapore 408830 not less than forty-eight (48) hours before the time fixed for the EGM. The completion and return of a proxy form by a Shareholder does not preclude him from attending and voting in person at the EGM in place of his proxy.

11. ABSTENTION FROM VOTING

11.1 The proposed adoption of the New Scheme

Shareholders who are also persons eligible to participate in the New Scheme should abstain from voting at the EGM in respect of the resolution relating to the proposed adoption of the New Scheme to be proposed at the EGM and should not accept nominations as proxies or otherwise for voting at the EGM in respect of the said resolution unless specific instructions have been given in the proxy instrument on how the Shareholders wish their votes to be cast for the resolution to be proposed at the EGM. For the avoidance of doubt, XCL will abstain and undertake to ensure that its Associates will also abstain from voting on the resolution relating to the proposed adoption of the New Scheme at the EGM. Please refer to the Rules in Appendix B for the list of persons who are eligible to participate in the Scheme.

11.2 The proposed participation of, and grant of Options to, the Relevant Directors

The Relevant Directors who are also Shareholders will abstain from voting at the EGM in respect of the resolution relating to the proposed participation of, and grant of Options to, the Relevant Directors and should not accept nominations as proxies or otherwise for voting at the EGM in

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respect of the said resolution unless specific instructions have been given in the proxy instrument on how the Shareholders wish their votes to be cast for the resolution to be proposed at the EGM.

11.3 The proposed renewal of the IPT Mandate

By virtue of XGL Group's interests in the IPT Mandate, each member of the XGL Group will abstain and have undertaken to ensure that its Associates will also abstain from voting on the resolution relating to the proposed renewal of the IPT Mandate at the EGM. The XGL Group and their Associates should not accept nominations as proxies or otherwise for voting at the EGM in respect of the said resolution unless specific instructions have been given in the proxy instrument on how the Shareholders wish their votes to be cast for the resolution to be proposed at the EGM.

12. DIRECTORS' RESPONSIBILITY STATEMENT

The Directors collectively and individually accept full responsibility for the accuracy of the information given in this Circular and confirm after made all reasonable enquiries, that to the best of their knowledge and belief, this Circular constitutes full and true disclosure of all material facts about the Proposed Capital Reduction, the proposed amendments to the Articles, the Proposed Share Buy-Back Mandate, the proposed adoption of the SingXpress Share Option Scheme 2012, the proposed participation of, and grant of Options to the Relevant Directors, and the proposed renewal of the IPT Mandate, and the Group, and the Directors are not aware of any facts the omission of which would make any statement in this Circular misleading. Where information in this Circular has been extracted from published or 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 those sources and/or reproduced in this Circular in its proper form and context.

13. ADDITIONAL INFORMATION

Your attention is drawn to the additional information as set out in the Appendices to this Circular.

Yours faithfully
For and on behalf of the Board of Directors

Chan Heng Fai
Managing Director
9 July 2012

APPENDIX A ADDITIONAL INFORMATION

1. DIRECTORS' AND SUBSTANTIAL SHAREHOLDERS' INTERESTS

1.1 **Directors.** The interests of the Directors in the issued share capital of the Company as recorded in the Register of Directors' Shareholdings as at the Latest Practicable Date are set out below.

	Direct Interest		Deemed Interest	
	No. of Shares	% ⁽¹⁾	No. of Shares	% ⁽¹⁾
Yeo Wee Kiong	-	-	-	-
Chan Heng Fai ⁽²⁾	-	-	2,550,441,019	52.4
Chan Tong Wan	-	-	-	-
Chan Yoke Keow ⁽³⁾	-	-	2,550,441,019	52.4
Chan Tung Moe	-	-	-	-
Wong Tat Keung	-	-	-	-
Tan Tai Soon	-	-	-	-
Damayanth Sunimal Goonetillake	-	-	-	-

Notes:

- (1) Calculated as a percentage of the total number of issued Shares as at the Latest Practicable Date.
- (2) Chan Heng Fai is deemed to have an interest in 2,550,441,019 Shares by virtue of Section 7 of the Companies Act.
- (3) Chan Yoke Keow is deemed to have an interest in 2,550,441,019 Shares by virtue of Section 7 of the Companies Act.

1.2 **Substantial Shareholders.** The interests of the Substantial Shareholders in the issued share capital of the Company as recorded in the Register of Substantial Shareholders as at the Latest Practicable Date are set out below.

	Direct Interest		Deemed Interest	
	No. of Shares	% ⁽¹⁾	No. of Shares	% ⁽¹⁾
Xpress Credit Limited	2,550,441,019	52.4	-	-
China Credit Singapore Pte Ltd ⁽²⁾	-	-	2,550,441,019	52.4
Xpress Group Limited ⁽³⁾	-	-	2,550,441,019	52.4
Prime Star Group Co Ltd ⁽⁴⁾	-	-	2,550,441,019	52.4
Chan Heng Fai ⁽⁵⁾	-	-	2,550,441,019	52.4
Chan Yoke Keow ⁽⁶⁾	-	-	2,550,441,019	52.4
Tng Kay Lim	285,800,000	5.9	-	-

Notes:

- (1) Calculated as a percentage of the total number of issued Shares as at the Latest Practicable Date.
- (2) China Credit Singapore Pte Ltd ("**CCS**") is the holding company of Xpress Credit Limited ("**XCL**") and CCS is deemed interested in the 2,550,441,019 Shares held by XCL by virtue of Section 7 of the Companies Act.
- (3) Xpress Group Limited ("**XGL**") is the holding company of CCS and XGL is deemed interested in the 2,550,441,019 Shares held by XCL by virtue of Section 7 of the Companies Act.
- (4) Prime Star Group Co Ltd ("**PSG**") has a controlling interest in XGL and PSG is deemed interested in the 2,550,441,019 Shares held by XCL by virtue of Section 7 of the Companies Act.
- (5) Chan Heng Fai has a controlling interest in XGL and is deemed interested in the 2,550,441,019 Shares held by XCL by virtue of Section 7 of the Companies Act.
- (6) Chan Yoke Keow, the spouse of Chan Heng Fai, is deemed interested in the 2,550,441,019 Shares held by XCL by virtue of Section 7 of the Companies Act.

2. DOCUMENTS FOR INSPECTION

Copies of the following documents are available for inspection at the registered office of the

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ADDITIONAL INFORMATION

Company at 81 Ubi Avenue 4, #02-20 UB One, Singapore 408830 during normal business hours from the date of this Circular up to and including the date of the EGM.

- (a) the Memorandum and Articles of Association of the Company;
- (b) the annual report of the Company for FY2012;
- (c) the rules of the SingXpress Share Option Scheme 2012; and
- (d) the circular to Shareholders dated 30 June 2011.

APPENDIX B

RULES OF THE SINGXPRESS SHARE OPTION SCHEME 2012

1. Definitions

In this New Scheme, unless the context otherwise requires, the following words and expressions shall have the following meanings:-

“Act”	:	The Companies Act (Chapter 50) of Singapore, as amended and/or supplemented from time to time
“Aggregate Exercise Price”	:	The total amount payable for Scheme Shares to be acquired on the exercise of an Option
“Associate”	:	(a) In relation to any director, chief executive officer, substantial shareholder or controlling shareholder (being an individual) means: (i) his immediate family; (ii) the trustees of any trust of which he or his immediate family is a beneficiary or, in the case of a discretionary trust, is a discretionary object; and (iii) any company in which he and his immediate family together (directly or indirectly) have an interest of thirty per cent. (30%) or more; and (b) In relation to a substantial shareholder or a controlling shareholder (being a company) means any other company which is its subsidiary or holding company or is a subsidiary of such holding company or one in the equity of which it and/or such other company or companies taken together (directly or indirectly) have an interest of thirty per cent. (30%) or more.
“Associated Company”	:	A company in which at least twenty per cent. (20%) but not more than fifty per cent. (50%) of its shares are held by the Company or the Group
“Auditors”	:	The auditors of the Company for the time being
“Board” or “Board of Directors”	:	The board of directors of the Company
“Catalist Rules”	:	The Catalist Rules of the SGX-ST (Section B: Rules of Catalist), as may be amended or modified from time to time
“CDP”	:	The Central Depository (Pte) Limited
“Committee” or “Remuneration Committee”	:	A committee, comprising Directors, for the time being duly authorised and appointed by Board of Directors to administer the New Scheme
“Controlling Shareholder”	:	Has the meaning ascribed to it under the Catalist Rules
“Company”	:	SingXpress Land Ltd.
“Date of Grant”	:	The date on which an Option is granted pursuant to Rule 3, being the date of the letter of offer granting such Option
“Directors”	:	Directors of the Company for the time being
“Eligible Persons”	:	The persons who are eligible for selection to participate in the New Scheme as set out in Rule 3(a)

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RULES OF THE SINGXPRESS SHARE OPTION SCHEME 2012

“Exercise Price”	:	The price at which (subject to any adjustment pursuant to Rule 9) a Participant shall acquire each Scheme Share upon the exercise of an Option (as determined in accordance with Rule 4(b))
“Group Employees”	:	Confirmed employees of the Group, including the Executive Directors, who satisfy the eligibility criteria set out in Rule 3
“Group Executive Director”	:	A director of the Group who performs an executive function
“Group Non-Executive Directors”	:	A director of the Group (including an independent director of the Company) who is not a Group Executive Director
“Group”	:	The Company and its subsidiaries
“HKSE”	:	The Stock Exchange of Hong Kong Limited
“HKSE Listing Rules”	:	Rules Governing the Listing of Securities on HKSE, as may be amended or modified from time to time
“Market Day”	:	A day on which the SGX-ST is open for trading in securities
“New Scheme”	:	The SingXpress Share Option Scheme 2012, as amended or modified from time to time
“Option”	:	The right to acquire Scheme Shares granted or to be granted pursuant to the Scheme and for the time being subsisting
“Option Exercise Period”	:	Has the meaning ascribed to it in Rule 4(a)
“Parent Group”	:	The parent company of the Company and the subsidiaries of the parent company of the Company
“Parent Group Employees”	:	Confirmed employees of any member of the Parent Group, including the Parent Group Executive Directors, who satisfy the eligibility criteria set out in Rule 3
“Parent Group Executive Director”	:	A director of any member of the Parent Group who performs an executive function
“Parent Group Non-Executive Director”	:	A director of any member of the Parent Group who is not a Parent Group Executive Director
“Participant”	:	The holder of an Option
“Record Date”	:	The date, at the close of business, on which Shareholders must be registered in order to participate in any dividends, rights, allotments or other distributions
“Rules”	:	These rules of the New Scheme, as amended from time to time
“Scheme Shares”	:	New Shares to be issued and/or Treasury Shares to be transferred under the New Scheme
“SGX-ST”	:	Singapore Exchange Securities Trading Limited (including any successor entity or body)
“Shareholders”	:	Registered holders of Shares, except that where CDP is the registered holder, the term “Shareholders” shall, in relation to such Shares, mean the persons whose securities accounts maintained with CDP (excluding

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RULES OF THE SINGXPRESS SHARE OPTION SCHEME 2012

		securities sub-accounts) are credited with the Shares
“Shares”	:	Issued and fully paid-up ordinary shares in the capital of the Company
“subsidiary”	:	A company which is for the time being a subsidiary of the Company as defined within section 5 of the Act
“Treasury Shares”	:	Shares which were (or are treated as having been) purchased by the Company in circumstances in which Section 76H of the Act applies and have been held by the Company continuously since the Treasury Shares were so purchased
“XGL”	:	Xpress Group Limited
“XGL Group”	:	XGL and its subsidiaries
“\$”	:	Singapore dollars
“%” or “per cent.”	:	Per centum or percentage

The terms “**Depositor**”, “**Depository Agent**” and “**Depository Register**” shall have the same meanings ascribed to them in section 130A of the Act.

Words importing the singular shall, where applicable, include the plural and *vice versa* and words importing one gender shall include the other gender.

Any reference in this New Scheme to any enactment is a reference to that enactment as for the time being amended or re-enacted. Any word defined under the Act or any statutory modification thereof and used in this New Scheme shall have the meaning assigned to it under the Act or any statutory modification thereof.

Any reference to a time of day in this New Scheme shall be a reference to Singapore time unless otherwise stated.

2. Objectives of the Scheme

The objectives of the New Scheme are as follows:-

- (a) to align the long-term interests of selected confirmed Group Employees and other Eligible Persons with those of the shareholders of the Company and to encourage such persons to contribute greater efforts or assume greater responsibility for the performance of the businesses that they manage or are involved in;
- (b) to motivate such persons towards strategic business objectives;
- (c) to reward such persons with an equity stake in the success of the Group; and
- (d) to make the total compensation package more competitive in order to attract, retain and motivate high calibre executives.

3. Eligibility of Participation and Grant of Options

- (a) The persons eligible for selection to participate in the New Scheme are:
 - (i) Group Employees who have attained the age of twenty-one (21) years as at the Date of Grant;
 - (ii) Group Non-Executive Directors;
 - (iii) confirmed employees and directors of an Associated Company which the Company has control over, who have attained the age of twenty-one (21) years as at the Date of Grant and hold such rank as may be designated by the Remuneration Committee from time to time;

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RULES OF THE SINGXPRESS SHARE OPTION SCHEME 2012

- (iv) Parent Group Employees who have attained the age of twenty-one (21) years as at the Date of Grant and who, in the opinion of the Committee, have contributed to the success and development of the Company; and
- (v) Parent Group Non-Executive Directors who, in the opinion of the Committee, have contributed to the success and development of the Company.

In order to minimise the potential conflict of interest and not to compromise the independence of the non-executive directors or the independent directors of the Company, the Company does not intend to grant Options of significant sizes to such non-executive directors or independent directors. In particular, in the event that any Option is granted to a non-executive director or independent director of the Company, the quantum of such Options will not be of such significance as will affect or compromise the independence of such director.

The Company will consider, *inter alia*, the contributions of each Eligible Person to the success and development of the Group when selecting them for participation in the New Scheme.

- (b) Subject to Rule 3(c) below, there shall be no restriction on the eligibility of any Participant to participate in any other share option schemes or share award schemes implemented or to be implemented by the Company or any other corporation within the Group.
- (c) Subject to the absolute discretion of the Committee, the Controlling Shareholders and their Associates who meet the criteria as set out above are eligible to participate in the New Scheme, provided that the participation of each Controlling Shareholder or his Associate and each grant of an Option to any of them may only be effected with the specific prior approval of independent Shareholders in general meeting by a separate resolution. The Company will at such time provide the rationale and justification for any proposal to grant the Controlling Shareholders or their Associates any Option(s).

Each grant of Options to a Parent Group Employee or a Parent Group Non-Executive Director, which together with the Options already granted to him under the New Scheme represents five per cent. (5%) or more of the total number of Options available to the Parent Group Employees and the Parent Group Non-executive Directors, shall only be effected with the specific approval of independent Shareholders in a general meeting by a separate resolution.

A separate resolution shall be passed by the independent Shareholders to approve the aggregate number of Options to be made available for grant to all Parent Group Employees and Parent Group Non-Executive Directors.

The participation of Eligible Persons is at the absolute discretion of the Committee. The Committee may at its absolute discretion grant Options to such Eligible Persons as it may determine, and may in its absolute discretion determine the number of Scheme Shares applicable to the Options, taking into account criteria such as the rank and length of service of the Participants, past performance, financial and performance targets and/or contributions criteria set, and the performance of the Company. The Committee may also in its absolute discretion determine and amend the conditions for granting an Option, which may include any financial and performance targets and/or contributions criteria applicable to such Option and the performance period during which such targets and/or criteria are to be satisfied and/or vesting schedule in relation to the vesting of any Shares comprised in such Option.

The Committee shall have absolute discretion to decide whether a person who is participating in this New Scheme shall be eligible to participate in any other Share option scheme implemented by the Company or any other corporation within the Group.

- (d) (i) The Committee may, subject to the Rules, grant Options to such Eligible Persons as it may select in its absolute discretion at any time during the duration of the New Scheme, provided that the Committee shall not grant any Options:
 - (aa) during the periods commencing one (1) month before the announcement of the Group's annual or half-yearly or two (2) weeks before the announcement of the Group's quarterly results, as the case may be, up to and including the date of announcement of the relevant results or during

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such other revised closed periods of the Company as may be approved by the Directors from time to time; and

- (bb) at any time after any matter of an exceptional nature involving unpublished price sensitive information has arisen or has been the subject of a decision until after such price sensitive information has been publicly announced.

An offer to grant the Option shall be made by way of a letter of offer substantially in the form set out in **Schedule A** of the Rules or in such other form as the Committee may determine from time to time.

- (ii) The offer of the Option shall be personal to the Participant to whom it is granted and any Option granted and accepted by a Participant shall not be transferred, charged, assigned, pledged or otherwise disposed of or encumbered in whole or in part (the breach of which shall entitle the Committee to treat the grant of such Option as being invalid and ineffective), but may be exercised by the Participant's duly appointed personal representative as provided in Rule 5(e) in the event of the death of the Participant.
- (e) (i) For so long as the Company is a subsidiary of XGL and XGL is listed on the HKSE, subject to such amendments as may be made pursuant to the New Scheme, the total number of new Shares issued and to be issued upon exercise of the Options granted to any Participant (including both exercised and outstanding Options) in any twelve (12)-month period shall not exceed one per cent. (1%) (or such other percentage as may be prescribed or permitted by the HKSE from time to time) of the total number of issued Shares immediately before such grant. Where any grant of Options to a Participant would result in new Shares issued and to be issued on exercise of all Options granted and to be granted to such Participant (including exercised, cancelled and outstanding Options) in the twelve (12)-month period up to and including the date of such grant exceeding one per cent. (1%) of the total number of issued Shares, such grant shall be approved by the shareholders of XGL in a general meeting where required in accordance with the HKSE Listing Rules, with such Participant and his associates abstaining from voting. To the extent the exercise of any Options granted to a Participant is satisfied by the transfer of Treasury Shares, such Options and number of Treasury Shares shall not be subject to or taken into account for purposes of such limit.

For the purposes of Rule 3(e)(i), "**associate**", in relation to the relevant Participant, shall have the following meaning:

- (aa) his spouse;
- (bb) any child or step-child, natural or adopted, under the age of 18 years of such individual or of his spouse (together with his spouse, the "**family interests**");
- (cc) the trustees, acting in their capacity as such trustees, of any trust of which he or any of his family interests is a beneficiary or, in the case of a discretionary trust, is (to his knowledge) a discretionary object and any company ("**trustee-controlled company**") in the equity capital of which the trustees, acting in their capacity as such trustees, are directly or indirectly interested so as to exercise or control the exercise of thirty per cent. (30%) (or such other amount as may be specified in the Code on Takeovers and Mergers of Hong Kong from time to time as the level for triggering a mandatory general offer) or more of the voting power at general meetings, or to control the composition of a majority of the Directors and any other company which is its subsidiary (together, the "**trustee interests**");
- (dd) a holding company of a trustee-controlled company or a subsidiary of any such holding company; and
- (ee) any company in the equity capital of which he, his family interests, any of the trustees referred to in (cc) above, acting in their capacity as such trustees, and/or any trustee interests taken together are directly or indirectly interested so as to exercise or control the exercise of thirty per cent. (30%) (or such other amount as may be specified in the Code on

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Takeovers and Mergers of Hong Kong from time to time as the level for triggering a mandatory general offer) or more of the voting power at general meetings, or to control the composition of a majority of the Directors and any other company which is its subsidiary or holding company or a fellow subsidiary of any such holding company.

- (f) The grant of an Option under this Rule 3, if accepted by the Participant, shall be accepted by the Participant within thirty (30) days and in any event not later than 5.00 p.m. on the thirtieth (30th) day, from such Date of Grant by completing, signing and returning the Acceptance Form substantially in the form set out in **Schedule B** or in such other form as may be determined by the Committee from time to time, accompanied by payment of \$1.00 as consideration for the grant of such Option. The Participant may accept or refuse the whole or part of the offer. If only part of the offer is accepted, the Participant shall accept the offer in multiples of 1,000 Scheme Shares.
- (g) If the grant of an Option is not accepted in the manner as provided in Rule 3(f) above, such offer shall upon the expiry of the thirty (30)-day period automatically lapse and shall be null, void and of no effect.
- (h) Every Option shall be granted subject to the condition that no Scheme Shares shall be issued or transferred pursuant to the exercise of an Option if such issue or transfer would be contrary to any law or enactment, or any rules or regulations of any legislative or non-legislative governing body for the time being in force in Singapore or any other relevant country. In the event that a grant of an Option results in a contravention of any applicable law or regulation, such grant shall be null and void and of no effect and the relevant Participant shall have no claim whatsoever against the Company.

4. Option Exercise Period and Exercise Price

- (a) Subject to such conditions as may be applicable to an Option, an Option shall be exercisable during an option exercise period determined and notified by the Committee to the Participant, such period being:
 - (i) in the case of Options granted to a Group Employee or a Parent Group Employee, a period commencing on the date after the first anniversary of the Date of Grant, and ending on a date not later than ten (10) years after the Date of Grant; and
 - (ii) in the case of Options granted to a Participant other than a Group Employee and a Parent Group Employee, a period commencing on the date after the first anniversary of the Date of Grant, and ending on a date not later than five (5) years after the Date of Grant

(“**Option Exercise Period**”).

- (b) Subject to any adjustment effected pursuant to Rule 9, the Exercise Price for each Scheme Share on the exercise of an Option shall be fixed by the Committee at a price not less than the higher of (i) the closing price of the Shares on the Date of Grant, which must be a trading day; and (ii) the five (5)-day weighted average market price of the Shares immediately prior to the relevant Date of Grant for which there was trading in the Shares.

5. Rights to Exercise Options

- (a) An Option shall be exercisable, in whole or in part, at any time during the Option Exercise Period applicable to that Option, in accordance with the provisions of this Rule 5 and Rules 6 and 7, provided always that:-
 - (i) the exercise of an Option (including without limitation, the time and manner of such exercise) shall be subject to and in accordance with guidelines as may from time to time be prescribed by the Committee including the completion and delivery of the Form of Exercise of Option set out in **Schedule C** to the Rules (or such other form as may be determined by the Committee from time to time). Notwithstanding any provisions herein, the Committee shall be entitled to treat any exercise of an Option as being invalid or ineffective (whereupon the Option shall lapse) if the Committee has determined or has reason to believe that such exercise would or may be contrary to any law or enactment, or any rules, regulations or guidelines of any regulatory or other relevant authority or body

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(including without limitation, the SGX-ST) for the time being in force;

- (ii) where an Option is granted to any Participant subject to the satisfaction of certain conditions (which may include certain financial and performance targets and/or contributions criteria being met), such Option (or the relevant part thereof) may not be exercised until the Committee issues a confirmation that the Committee has reviewed the extent to which such conditions have been satisfied and that all or part of such Option (as determined by the Committee in its absolute discretion in the case where the Committee has determined that there has been partial satisfaction of the conditions) is vested in the Participant and is exercisable within the Option Exercise Period. The Committee shall have the sole and absolute discretion from time to time to determine whether such conditions applicable to an Option have been satisfied and/or the extent to which such conditions have been satisfied (as determined by the Committee in its absolute discretion in the case where the Committee has determined that there has been partial satisfaction of the conditions) and the extent to which the Option is vested in the Participant and is exercisable within the Option Exercise Period; and
- (iii) outstanding Options from time to time, which have been exercised, may be satisfied, at the discretion of the Committee, by:
 - (aa) the allotment and issue of new Shares; or
 - (bb) the transfer of Treasury Shares to the Participants; or
 - (cc) a combination of both new Shares and Treasury Shares.

In determining whether to issue new Shares or to deliver existing Shares to Participants on the exercise of their Options, the Committee will take into account factors such as (but not limited to) the prevailing market price of the Shares, funding considerations, the dilutive effects on the share capital of the Company and the cost to the Company of either issuing new Shares or purchasing existing Shares.

- (b) An Option shall, to the extent unexercised, immediately lapse without any claim against the Company:-
 - (i) upon the expiry of the Option Exercise Period;
 - (ii) upon the expiry of the periods referred to in Rules 5(c) and (e);
 - (iii) on the date on which a Participant ceases to be employed by the Group on the grounds that he has been guilty of misconduct, or has committed any act of bankruptcy or has become insolvent or has made any arrangement or composition with his creditors generally, or has been convicted of any criminal offence involving his integrity or honesty;
 - (iv) on the cessation of employment of a Participant for any other reason whatsoever (other than for the reasons set out in Rule 5(c) or his death), any outstanding Option shall forthwith lapse and become incapable of exercise as if the Option had never been granted, unless the Committee in its discretion decides otherwise; and
 - (v) on the date on which a Participant commits a breach under Rule 3(d)(ii) if the Committee treats the grant of the Option as being invalid and ineffective.
- (c) If the Participant ceases to be employed by the Group by reason of:-
 - (i) ill-health, injury or disability;
 - (ii) a transfer to a related corporation; or
 - (iii) other reasons or circumstances which are acceptable to the Committee,

but other than his death or on one or more of the grounds specified in Rule 5(b)(iii), the Participant (including Participants holding Options which are not then exercisable pursuant to the provisions of Rule 5(a)) may at the discretion of the Committee, exercise the

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Option remaining unexercised in respect of such number of Scheme Shares comprised therein and within such period following the date of cessation of employment (being a period not later than the Option Exercise Period in respect of that Option) in each case, as may be determined by the Committee and upon the expiry of such period as determined by the Committee, any Option remaining unexercised shall lapse and be null and void. In exercising its discretion, the Committee may have regard to all circumstances on a case-by-case basis, including (but not limited to) the contributions made by the Participant and the extent to which any performance conditions have been satisfied.

- (d) For the purposes of Rules 5(b)(iii), 5(b)(iv) and 5(c), a Participant shall be deemed to have ceased to be employed by the Group with effect from the later of:-
- (i) the date of the notice tendered by the Participant to the Company or its subsidiary, or given by the Company or its subsidiary to the Participant, for the purpose of terminating the Participant's employment, in the Company or its subsidiary (as the case may be); or
 - (ii) the effective date of termination of employment of the Participant in the Company or its subsidiary (as the case may be) specified in the notice of termination (where such date differs from the date of the notice of termination), unless such notice of termination is withdrawn prior to the effective date of termination.
- (e) If a Participant dies before exercising the Option in full, such Option shall automatically lapse and become null and void at the date of his death, unless otherwise decided by the Committee. If the Committee at its absolute discretion so permits, the Option may be exercised by the duly appointed personal representative of the Participant up to its full extent within such period as may be determined by the Committee.

6. Take-over and Winding Up of the Company

- (a) In the event of a take-over offer being made for the Shares and resulting in a change of control (as shall be notified by the Committee), Participants (including Participants holding Options which are not then exercisable pursuant to the provisions of Rule 5(a)) holding Options as yet unexercised shall, at the discretion of the Committee and subject to Rule 6(d), be entitled to exercise such Options remaining unexercised in respect of such number of Scheme Shares comprised therein as the Committee may determine, during the period commencing on the date on which such offer is made or, if such offer is conditional, the date on which the offer becomes or is declared unconditional, as the case may be, and ending on the earlier of:-
- (i) the expiry of six (6) calendar months thereafter (unless prior to the expiry of such six (6)-month period, at the recommendation of the offeror and with the approvals of the Committee and the SGX-ST, such expiry date is extended to a later date (being a date falling not later than the date of expiry of the Option Exercise Period relating thereto)); or
 - (ii) the date of the expiry of the Option Exercise Period relating thereto,

whereupon any Option then remaining unexercised shall lapse and be null and void,

Provided always that if during such period the offeror becomes entitled or bound to exercise the rights of compulsory acquisition of the Shares under the provisions of the Act and, being entitled to do so, gives notice to the Participants that it intends to exercise such rights on a specified date, the Committee may at its absolute discretion allow the Participants to exercise such Option remaining unexercised until the specified date or the expiry of the Option Exercise Period relating thereto, whichever is earlier.

Any Option not so exercised by the said specified date shall lapse provided that the rights of acquisition or obligations to acquire stated in the notice shall have been exercised or performed, as the case may be. If such rights or obligations have not been exercised or performed, the Option shall, subject to Rule 5(b), remain exercisable until the expiry of the Option Exercise Period relating thereto.

- (b) If under the Act:
- (i) the court sanctions a compromise or arrangement, proposed for the purposes of, or in connection with, a scheme for the reconstruction of the Company or its

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amalgamation with another company or companies, the Committee may at its absolute discretion allow any Participant (including Participants holding Options which are not then exercisable pursuant to the provisions of Rule 5(a)), subject to Rule 5(b) above and Rule 6(d) below, to exercise the Option remaining unexercised in respect of such number of Scheme Shares comprised therein as the Committee may determine, during the period commencing on the date upon which the compromise or arrangement is sanctioned by the Court and ending either on the expiry of sixty (60) days thereafter or the date upon which the compromise or arrangement, as the case may be, becomes effective, whichever is the later (but not after the expiry of the Option Exercise Period relating thereto), whereupon any unexercised Options shall lapse and become null and void; or

- (ii) the Registrar of Companies issues a notice of amalgamation, for the purposes of, or in connection with, the amalgamation of the Company with another company or companies, the Committee may at its absolute discretion allow any Participant (including Participants holding Options which are not then exercisable pursuant to the provisions of Rule 5(a)), subject to Rule 5(b) above and Rule 6(d) below, to exercise all or any part of the Options remaining unexercised in respect of such number of Scheme Shares comprised therein as the Committee may determine, during the period commencing on the date upon which the notice of amalgamation is issued by the Registrar of Companies and ending either on the expiry of sixty (60) days thereafter or the date upon which the amalgamation becomes effective, whichever is the later (but not after the expiry of the Option Exercise Period relating thereto), whereupon any unexercised Options shall lapse and become null and void.
- (c) Upon the commencement of winding-up of the Company, any unexercised Options shall lapse and be null and void and be of no further force and effect.
- (d) If in connection with the making of a take-over offer referred to in Rule 6(a) above or the scheme referred to in Rule 6(b) above, arrangements are made (which are confirmed in writing by the Auditors, acting only as experts and not as arbitrators, to be fair and reasonable) for the compensation of Participants, whether by the continuation of their Options or the payment of cash or the grant of other options or otherwise, a Participant holding an Option, which is not then exercisable, may not, unless otherwise decided by the Committee in its discretion, be permitted to exercise that Option as provided for in this Rule 6.
- (e) To the extent that an Option is not exercised within the periods referred to in this Rule 6, it shall lapse and become null and void.
- (f) For the purpose of Rules 6(a) and (b) above, in exercising its discretion to determine whether the Options shall be exercisable, the Committee may take into account all circumstances on a case-by-case basis, including (but not limited to) the contributions made by the Participants. If the Committee decides that any Option shall be exercisable, the Committee may have regard to the proportion of any performance period which has elapsed and the extent to which any performance conditions have been satisfied.

7. Exercise of Options, Transfer or Allotment and Listing of Scheme Shares

- (a) An Option may be exercised, in whole or in part (provided that an Option may be exercised in part only in respect of 1,000 Scheme Shares or any multiple thereof), by a Participant giving notice in writing to the Company in such form as may be prescribed by the Committee from time to time. Such notice must be accompanied by a remittance for the Aggregate Exercise Price and any other documentation the Committee may require. All payments pursuant to this Rule shall be made by cheque, cashier's order, bank draft or postal order made out in favour of the Company. An Option shall be deemed to be exercised upon the receipt by the Company of the said notice duly completed and the Aggregate Exercise Price.
- (b) Upon receipt of the notice, remittances or any other documentation referred to in Rule 7(a) and subject to such consents or other required action of any competent authority under regulations or enactments for the time being in force as may be necessary and subject to compliance with the Rules of the New Scheme, the Scheme Shares shall be allotted and issued or transferred to a Participant not more than ten (10) Market Days after the exercise of an Option, and within five (5) Market Days from the date of such allotment or transfer, the Company shall (where required) issue and despatch to CDP or its

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nominees the share certificates (where applicable) in respect of any Scheme Shares issued or transferred by ordinary post or such other mode as the Committee may deem fit.

- (c) Scheme Shares which are allotted and/or transferred on the exercise of an Option by a Participant shall be registered in the name of CDP or its nominees to be credited to the Participant's securities account maintained with CDP or securities sub-account maintained with a Depository Agent.
- (d) The Scheme Shares, when issued and/or transferred, shall be subject to all the provisions of the Memorandum and Articles of Association of the Company, and shall rank *pari passu* in all respects with the then existing issued Shares, save for any dividend or other distribution declared or recommended in respect of the then existing Shares, the record date for which is on or before the date upon which such issue and/or transfer takes place.
- (e) So long as the Shares in issue are listed on the SGX-ST, where Scheme Shares are allotted and issued pursuant to the exercise of an Option by a Participant, the Company shall, as soon as practicable after such exercise apply to the SGX-ST and any other stock exchanges on which the Shares are quoted, for permission to deal in and for quotation of such Scheme Shares on the SGX-ST and such other stock exchanges, as the case may be.
- (f) Options granted under the New Scheme will not be listed on the SGX-ST.
- (g) The Company shall keep available sufficient Shares and/or hold sufficient existing issued Shares to satisfy the exercise in full of all Options for the time being remaining capable of being exercised, provided that such Shares set apart shall not exceed the limit referred to in Rule 8.

8. Limitation on the Size of the New Scheme

- (a) The aggregate number of Shares over which the Committee may grant Options on any date, (including the number of Shares which have been and to be issued upon the exercise of all Options granted under the New Scheme) shall not exceed fifteen per cent. (15%) of the total number of issued Shares (excluding Treasury Shares) on the day preceding that date ("**Scheme Limit**"), provided that for so long as the Company is a subsidiary of XGL and XGL is listed on the HKSE but subject always to the Scheme Limit:
 - (i) the aggregate number of new Shares over which the Committee may grant Options on any date, including the number of new Shares which have been issued and to be issued in respect of all Options granted under the New Scheme, shall not exceed ten per cent. (10%) of the total number of issued Shares on the date that the New Scheme is approved by the shareholders of the Company in a general meeting or the date it is approved by the shareholders of XGL in a general meeting, whichever is the later, or such other limit as may be prescribed or permitted by the HKSE from time to time ("**HKSE Listing Rules Limit**"), and
 - (ii) notwithstanding Rule 8(a)(i) above, but subject to the Scheme Limit, the HKSE Listing Rules Limit may, upon the approval of the shareholders of XGL where required, be exceeded or increased through a refresher in accordance with Rule 17.03(3) the HKSE Listing Rules (as may be modified from time to time).
- (b) Notwithstanding Rule 8(a), if due to a reduction of the Company's capital or a buy back of its Shares, the aggregate number of Shares which have been issued and to be issued in respect of all Options granted under the New Scheme exceeds the Scheme Limit, this will not invalidate any Options which have already been granted but no further Options may be granted unless and until such time such grant may be made in compliance with the limits set out in Rule 8(a).
- (c) The Company shall have the flexibility to deliver Treasury Shares to the Participants upon the exercise of their Options as provided in Rule 5(a)(iii). For the avoidance of doubt, subject to applicable laws, the Catalist Rules, the HKSE Listing Rules and the Scheme Limit, the number of existing Shares which may be delivered in settlement of the exercise of Options will not be subject to the HKSE Listing Rules Limit or the limit referred to in Rule 3(e)(i).

9. Variation of Capital

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- (a) If a variation in the issued share capital of the Company (whether by way of a capitalisation of profits or reserves or rights issue, capital reduction, sub-division or consolidation of Shares or distribution) shall take place, then:-
- (i) the Exercise Price for the Scheme Shares, class and/or number of Scheme Shares comprised in an Option to the extent unexercised; and/or
 - (ii) the class and/or number of Scheme Shares over which additional Options may be granted to the Participants,
- shall be adjusted in such manner as the Committee may determine to be appropriate and upon the written confirmation of the Auditors (acting only as experts and not as arbitrators), except in relation to a capitalisation issue where no such certification shall be required, that in their opinion, such adjustment is fair and reasonable.
- (b) Notwithstanding the provisions of Rule 9(a), no adjustment (other than on a capitalisation issue) shall be made unless upon the written confirmation by the Auditors that such adjustment is fair and reasonable and:-
- (i) if as a result of such adjustment, the Participant receives a benefit that a shareholder of the Company does not receive; or
 - (ii) if as a result of such adjustment, the number of Shares which a Participant would be entitled to acquire pursuant to the Options granted to him would be reduced (except in the event of a consolidation of Shares); and
 - (iii) unless the Committee having considered all relevant circumstances, considers it equitable to do so.
- (c) Unless the Committee considers an adjustment to be appropriate, the following (whether singly or in combination) shall not be regarded as events requiring adjustment:
- (i) any issue of Shares as consideration for an acquisition or a private placement of Shares;
 - (ii) any increase in the number of issued Shares as a consequence of the exercise of options or other convertibles issued from time to time by the Company entitling holders thereof to subscribe for new Shares in the capital of the Company (including the exercise of any Options granted pursuant to this New Scheme and the conversion of the Convertible Bonds due 2014 issued by the Company, in the capital of the Company);
 - (iii) any issue of Shares pursuant to any scrip dividend scheme for the time being of the Company; and
 - (vi) any reduction in the number of issued Shares as a result of the cancellation of issued Shares purchased by the Company by way of market purchase(s) effected on the SGX-ST pursuant to a share purchase mandate (or any renewal thereof) given by the shareholders of the Company in general meeting and for the time being in force.
- (d) Upon any adjustment made pursuant to this Rule, the Company shall notify the Participant (or his duly appointed personal representative, where applicable) in writing and deliver to him (or his duly appointed personal representative where applicable) a statement setting forth the Exercise Price thereafter in effect and the class and/or number of Scheme Shares thereafter to be issued by the Company or transferred on the exercise of the Option. Any adjustment shall take effect upon such written notification being despatched.

10. Administration of the New Scheme

- (a) The New Scheme shall be administered by the Committee in its absolute discretion with such powers and duties as are conferred on it by the Directors, provided that no member of the Committee shall participate in any deliberation or decision in respect of Options to be granted to him or held by him.
- (b) The Committee shall have the power, from time to time, to make and vary such

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regulations (not being inconsistent with this New Scheme) for the implementation and administration of this New Scheme as they may deem fit.

- (c) Any decision of the Committee, made pursuant to any provisions of this New Scheme (other than a matter to be certified by the Auditors), shall be final and binding (including any decision pertaining to (i) whether or the extent to which the conditions for the grant of an Option have been satisfied, and (ii) disputes as to the interpretation of this New Scheme or any rule, regulation, or procedure thereunder as to any rights under this New Scheme). The Committee shall not be required to furnish any reasons for any decision made by it.

11. Notices

Any notice or other communication under or in connection with the New Scheme may be given by personal delivery or by sending the same by post, in the case of a company to its registered office, and in the case of an individual to his last known address, or, where he is a director or employee of the Group, either to his last known address or to the address of the place of business at which he performs the whole or substantially the whole of the duties of his office or employment, and where a notice or other communication is given by post, it shall be deemed to have been received forty-eight (48) hours after it was put into the post properly addressed and stamped.

12. Alteration of the New Scheme

This New Scheme may be altered in any respect by resolution of the Committee except that:-

- (a) no alteration shall alter materially and adversely the rights attaching to Options granted prior to such alteration except with the approval of such number of Participants who, if they exercised their Options in full, would thereby become entitled to not less than half ($\frac{1}{2}$) in number of all the Scheme Shares;
- (b) the definitions of "Group Employee", "Group Executive Directors", "Group Non-Executive Director" "Participant", "Committee", "Exercise Price" and "Option Exercise Period" and the provisions of Rules 3, 4, 5, 6, 7(d), 8, 9, 10 and this Rule 12 shall not be altered to the advantage of Participants, except with the prior sanction of the Company in general meeting;
- (c) no alteration shall be made except in compliance with the Catalist Rules; and
- (d) so long as the Company remains a subsidiary of XGL and the shares of XGL remain listed on HKSE, no alteration shall be made without the prior approval of the shareholders of XGL if such approval is required in respect of such alteration pursuant to the HKSE Listing Rules.

Notwithstanding anything to the contrary contained in Rules 12(a), 12(b) and 12(c), the Committee may at any time by resolution (and save for the prior approval of the SGX-ST, without any other formality) amend or alter the New Scheme in any way to the extent necessary to cause the New Scheme to comply with, or otherwise as may be permitted in accordance with, any law or enactment, or any rules, regulations or guidelines of any regulatory or other relevant authority or body (including without limitation, the SGX-ST) for the time being in force.

Written notice of any alteration made in accordance with this Rule 12 shall be given to all Participants.

13. Terms of Employment Unaffected

The terms of employment of a Participant shall not be affected by his participation in the New Scheme which shall neither form part of such terms nor entitle him to take into account such participation in calculating any compensation or damages on the termination of his employment for any reason.

14. Duration and Termination of the New Scheme

- (a) The New Scheme shall continue to be in force at the discretion of the Committee, subject to a maximum period of ten (10) years commencing from the date on which the New Scheme is approved by shareholders of the Company in a general meeting or the day on which it is approved by the shareholders of XGL in a general meeting, whichever is the later.

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- (b) Subject to any relevant approvals which may be required, the Company by resolution in general meeting or by the Directors, or by the Committee may at any time terminate the New Scheme and in such event no further Options will be offered under the New Scheme.
- (c) The expiry or termination of the New Scheme shall not affect Options (including related Option Exercise Periods) which have been granted and accepted as provided in Rule 3(f), but remain unexercised (whether fully or partially) at the expiry or termination of the New Scheme.

15. Cancellation of Options

All Options granted but not exercised upon the expiry of the Option Exercise Period shall be cancelled by the Company. Where the Company cancels Options and issues new Options to the same Participant, the issue of such new Options may only be made with available unissued Options (and for this purpose, the cancelled Options shall be excluded in the calculation of the available unissued Options).

16. Taxes

All taxes (including income tax) arising from the exercise of any Option under the New Scheme shall be borne by the Participants.

17. Costs and Expenses of the New Scheme

- (a) The Participant shall be responsible for all fees of CDP relating to or in connection with the allotment and issue of any Scheme Shares in CDP's name, the deposit of share certificate(s) with CDP, the Participant's securities account with CDP, or the Participant's securities sub-account with a Depository Agent.
- (b) Save for the taxes referred to in Rule 16 and the fees referred to in Rule 17(a) above, all fees, stamp duties, costs and expenses incurred by the Company in relation to the New Scheme including but not limited to the fees, costs and expenses relating to the transfer, or allotment and issue of the Scheme Shares by the Company pursuant to the exercise of any Option shall be borne by the Company.

18. Disclaimer of Liability

Notwithstanding any provisions contained herein and subject to the Act, the Committee and the Company shall not under any circumstances be held liable for any costs, losses, expenses and damages whatsoever and howsoever arising in any event, including but not limited to the Company's delay in transferring, or allotting and issuing the Scheme Shares or in applying for or procuring the listing of the Scheme Shares on the SGX-Catalist in accordance with Rule 7(e) and any other stock exchanges on which the Company's Shares are quoted or listed.

19. Disclosures in Annual Reports

The following disclosures (as applicable) will be made by the Company in its annual reports for so long as the New Scheme continues in operation:

- (a) The names of the members of the Committee administering the New Scheme;
- (b) The information required in the table below for the following Participants:
 - (i) Directors of the Company;
 - (ii) Participants who are Controlling Shareholders of the Company and their Associates; and
 - (iii) Participants (other than those in Rules 19(b)(i) and (b)(ii) above) who receive Options granted pursuant to the New Scheme which, in aggregate, represent five per cent. (5%) or more of the total number of Options available under the New Scheme;

APPENDIX B
RULES OF THE SINGXPRESS SHARE OPTION SCHEME 2012

Name of Participant	Options granted during financial year under review (including terms)	Aggregate Options granted since commencement of the New Scheme to end of financial year under review	Aggregate Options exercised since commencement of the New Scheme to end of financial year under review	Aggregate Options outstanding as at end of financial year under review

- (c) (i) The names of and number and terms of Options granted to each director or employee of the Company's parent company and its subsidiaries who receive five per cent. (5%) or more of the total number of Options available to all directors and employees of the Company's parent company and its subsidiaries under the New Scheme, during the financial year under review.
- (ii) The aggregate number of Options granted to directors and employees of the Company's parent company and its subsidiaries for the financial year under review, and since the commencement of the New Scheme to the end of the financial year under review.
- (d) Where applicable, the number and proportion of Options granted at a discount during the financial year under review in respect of every ten per cent. (10%) discount range, up to the maximum quantum of discount granted.

If any of the above requirements is not applicable, an appropriate negative statement shall be included.

20. Disputes

Any disputes or differences of any nature arising hereunder shall be referred to the Committee and its decision shall be final and binding in all respects.

21. Governing Law

The New Scheme shall be governed by, and construed in accordance with, the laws of the Republic of Singapore. The Participants, by accepting Options in accordance with the New Scheme, and the Company submit to the jurisdiction of the courts of the Republic of Singapore.

22. Governing Regulations

The New Scheme and these Rules are subject to: (a) the Catalist Rules; and (b) for so long as the Company is a subsidiary of XGL and XGL is listed on HKSE, the HKSE Listing Rules. In the event of a conflict between the Catalist Rules and the HKSE Listing Rules, the more onerous provision shall prevail Provided always that Options granted in contravention of the Catalist Rules and/or (so long as the Company remains a subsidiary of XGL and the shares of XGL remain listed on HKSE) in contravention of the HKSE Listing Rules, shall be null and void.

23. Contracts (Rights of Third Parties) Act

The Contracts (Rights of Third Parties) Act (Chapter 53B) of Singapore shall not be applicable to the New Scheme and a person who is not a party to the New Scheme shall not have any rights under the Contracts (Rights of Third Parties) Act to enforce any term of the New Scheme.

**APPENDIX B
RULES OF THE SINGXPRESS SHARE OPTION SCHEME 2012**

**SCHEDULE A
SINGXPRESS SHARE OPTION SCHEME 2012**

LETTER OF OFFER

Serial No: _____

Date: _____

To: [Name]
[Designation]
[Address]

Private and Confidential

Dear Sir/Madam,

1. We have the pleasure of informing you that, pursuant to the SingXpress Share Option Scheme 2012 ("**Scheme**"), you have been nominated to participate in the Scheme by the Committee (the "**Committee**") of the Board of Directors of SingXpress Land Ltd. (the "**Company**") administering the Scheme. Terms as defined in the Scheme shall have the same meaning when used in this letter.
2. Accordingly, in consideration of the payment of a sum of S\$1.00, an offer is hereby made to grant you an option (the "**Option**"), to subscribe for and be allotted _____ Shares at the price of S\$_____ for each Share.
3. The Option is personal to you and shall not be transferred, charged, pledged, assigned or otherwise disposed of by you, in whole or in part, except with the prior written approval of the Committee.
4. The Option shall be subject to the terms of the Scheme, a copy of which is available for inspection at the business address of the Company.
5. If you wish to accept the offer of the Option on the terms of this letter, please sign and return the enclosed Acceptance Form with a sum of S\$1.00 not later than 5.00 p.m. on _____, failing which this offer will lapse and be void.

Yours faithfully,
For and on behalf of

Name:
Designation:

**APPENDIX B
RULES OF THE SINGXPRESS SHARE OPTION SCHEME 2012**

**SCHEDULE B
SINGXPRESS SHARE OPTION SCHEME 2012**

ACCEPTANCE FORM

Serial No: _____

Date: _____

To: The Committee,
SINGXPRESS SHARE OPTION SCHEME 2012
SingXpress Land Ltd.
81 Ubi Avenue 4,
#02-20 UB One,
Singapore 408830.

Closing Date for Acceptance of Offer	:	_____
Number of Shares Offered	:	_____
Exercise Price for each Share: S\$:	_____
Total Amount Payable: S\$:	_____

I have read your Letter of Offer dated _____ and agree to be bound by the terms of the Letter of Offer and the Scheme referred to therein. Terms defined in your Letter of Offer shall have the same meanings when used in this Acceptance Form.

I hereby accept the Option to subscribe for _____ Shares at S\$_____ for each Share. I enclose cash for S\$1.00 in payment for the purchase of the Option/I authorise my employer to deduct the sum of S\$1.00 from my salary in payment for the purchase of the Option.

I understand that I am not obliged to exercise the Option.

I confirm that my acceptance of the Option will not result in the contravention of any applicable law or regulation in relation to the ownership of shares in the Company or options to subscribe for such shares.

I agree to keep all information pertaining to the grant of the Option to me confidential.

I further acknowledge that you have not made any representation to induce me to accept the offer and that the terms of the Letter of Offer and this Acceptance Form constitute the entire agreement between us relating to the offer.

APPENDIX B
RULES OF THE SINGXPRESS SHARE OPTION SCHEME 2012

Please print in block letters

Name in full : _____

Designation : _____

Address : _____

Nationality : _____

*NRIC/Passport No. : _____

Signature : _____

Date : _____

Note:

*** Delete accordingly**

APPENDIX B
RULES OF THE SINGXPRESS SHARE OPTION SCHEME 2012

SCHEDULE C

SINGXPRESS SHARE OPTION SCHEME 2012

FORM OF EXERCISE OF OPTION

Total number of ordinary shares (the " Shares ") offered at S\$ _____ for each Share (the " Exercise Price ") under the Scheme on _____ (Date of Grant):	
Number of Shares previously allotted thereunder:	: _____
Outstanding balance of Shares to be allotted thereunder:	: _____
Number of Shares now to be subscribed:	: _____

To: The Committee,
SINGXPRESS SHARE OPTION SCHEME 2012
SingXpress Land Ltd.
81 Ubi Avenue 4,
#02-20 UB One,
Singapore 408830

1. Pursuant to your Letter of Offer dated _____ and my acceptance thereof, I hereby exercise the Option to subscribe for _____ Shares in SingXpress Land Ltd. (the "**Company**") at S\$ _____ for each Share.
2. I enclose a *cheque/cashier's order/banker's draft/postal order no. _____ for S\$ _____ by way of subscription for the total number of the said Shares.
3. I agree to subscribe for the said Shares subject to the terms of the Letter of Offer, the SingXpress Share Option Scheme 2012 and the Memorandum and Articles of Association of the Company.
4. I declare that I am subscribing for the said Shares for myself and not as a nominee for any other person.
5. I request the Company to allot and issue the Shares in the name of The Central Depository (Pte) Limited ("**CDP**") for credit of my *Securities Account with CDP/Sub-Account with the Depository Agent/CPF investment account with my Agent Bank specified below and I hereby agree to bear such fees or other charges as may be imposed by CDP in respect thereof.

APPENDIX B
RULES OF THE SINGXPRESS SHARE OPTION SCHEME 2012

Please print in block letters

Name in full : _____

Designation : _____

Address : _____

Nationality : _____

*NRIC/Passport No. : _____

*Direct Securities Account No. : _____

OR

*Sub-Account No. : _____

Name of Depository Agent : _____

OR

*CPF Investment Account No. : _____

Name of Agent Bank : _____

Signature : _____

Date : _____

Note:

*** Delete accordingly**

APPENDIX D - THE PROPOSED RENEWAL OF THE SHAREHOLDERS' MANDATE FOR INTERESTED PERSON TRANSACTIONS

1.1 Chapter 9 of the Catalist Rules

Under Chapter 9 of the Catalist Rules, where a listed company or any of its subsidiaries or associated companies that are defined as an "entity at risk" proposes to enter into a transaction with an "interested person", an immediate announcement or an immediate announcement and shareholders' approval is required in respect of that transaction if its value is equal to, or more than, certain financial thresholds.

Rule 920 of the Catalist Rules permits a listed company to seek a general mandate from its shareholders for recurrent transactions of a revenue or trading nature or those necessary for its day-to-day operations such as the purchase and sale of supplies and materials (but not in respect of the purchase or sale of assets, undertakings or businesses) that may be carried out with the listed company's interested persons. A general mandate is also subject to annual renewal.

The definitions of certain terms which are used in Chapter 9 of the Catalist Rules (such as "entity at risk" and "interested person") are set out in **Appendix E** of this Circular.

It should also be noted that pursuant to Rule 916(2) of the Catalist Rules, an investment in a joint venture with an interested person is not required to comply with Rule 906 of the Catalist Rule if:

- (a) the risks and rewards are in proportion to the equity of each joint venture partner;
- (b) the issuer confirms by an announcement that its audit committee is of the view that the risks and rewards of the joint venture are in proportion to the equity of each joint venture partner and the terms of the joint venture are not prejudicial to the interests of the issuer and its minority shareholders; and
- (c) the interested person does not have an existing equity interest in the joint venture prior to the participation of the entity at risk in the joint venture."

To the extent that the transactions as described in paragraph 1.2(a) below satisfies the requirements of Rule 916(2) of the Catalist Rules, they would not fall within the scope of the IPT Mandate.

1.2 Rationale for the IPT Mandate

In 2011, the Company adopted the "investment banking" approach for larger real estate deals. It is envisaged that in the ordinary course of their businesses, transactions between the Group and the XGL Group are likely to occur from time to time, especially in connection with the proposed "investment banking" approach.

The Directors believe that the mandate to enable the Company and its subsidiaries and associated companies that are entities at risk to enter into certain interested person transactions with any member of the XGL Group ("**IPT Mandate**") will facilitate XGL's involvement and support for the Group's "investment banking" approach to real estate projects for the following reasons:-

- (a) The XGL Group may participate as one of the co-investors or joint venture partners on a proportionate sharing of risks and rewards basis in real estate projects that the Group may lead or co-lead, originate or manage and a management, originator and/or project management fee may be payable by the co-investors or joint venture partners of the projects (including any member of the XGL Group) to the Group on a proportionate basis for the Services rendered; and
- (b) There could be instances where the Group may require the XGL Group to step in to provide financing and/or financial support to the Group in connection with the Group's real estate projects, and it is proposed that such financing and/or financial support be provided at rates and on conditions no less favourable than those available in the market to the Group. While the XGL Group has previously provided financing to the Group on an interest free basis on several of the Group's real estate projects, such interest free concessionary support may not be feasible in future with the increased size of the real estate projects (and corresponding financial cost to be borne by the XGL Group), and the XGL Group may only participate in such real estate projects with a minority stake.

1.3 Benefit to Shareholders

APPENDIX D - THE PROPOSED RENEWAL OF THE SHAREHOLDERS' MANDATE FOR INTERESTED PERSON TRANSACTIONS

The IPT Mandate will eliminate the need for the Company to announce, or to announce and convene separate general meetings on each occasion to seek Shareholders' prior approval for, the entry by the Group into such Interested Person Transactions. This will substantially reduce the expenses associated with the convening of general meetings (including the engagement of external advisers and preparation of documents) on an *ad hoc* basis, will improve administrative efficacy considerably, and will allow manpower resources and time to be channelled towards attaining other business objectives available to the Company owing to the time-sensitive nature of the commercial transactions.

The IPT Mandate is intended to facilitate Interested Person Transactions in the ordinary course of business of the Group which are recurrent in nature or necessary for the day-to-day operations of the Group, and may be transacted from time to time with the Interested Persons, provided that they are carried out on an arm's length basis and on normal commercial terms, and are not prejudicial to the interests of the Company and its minority Shareholders.

1.4 Class of Interested Person

The IPT Mandate will apply to Interested Person Transactions (as described in paragraph 1.5 below) which are carried out with any member of the XGL Group.

XGL is a company incorporated in Hong Kong and listed on the Stock Exchange of Hong Kong Limited and is presently engaged in property trading and investment, properties development, financial services and securities investments, including corporate finance, consumer finance and hotel operation. As at the Latest Practicable Date, XGL has an interest in 2,550,441,019 Shares, representing approximately 52.40% of the issued share capital of the Company, and is a controlling shareholder of the Company. By virtue of this, the XGL Group is an Interested Person(s) for the purposes of Chapter 9 of the Catalist Rules.

Notwithstanding that XGL is a controlling shareholder of the Company and that the Group is involved in similar property related business activities as XGL, the Directors consider that there are no potential conflicts of interest between the Company and XGL as they are both listed companies, governed by their respective exchange rules and regulations. Since 2006, the Company had diversified its business into that of properties trading and properties investment in Hong Kong and Singapore since 2009, while managing its loss-making travel-related business. There will be a geographical segregation in the conduct of the businesses of XGL and the Company. Whilst XGL's business is concentrated in Hong Kong, the Company's business of property trading and investment, development and re-development will be focused in Singapore. In addition, XGL has undertaken that it will support the Company in the manner set out in paragraphs 1.5(a) and (b) below. Should XGL identify a property investment, development or re-development project in Singapore, it will give the Company a first right of refusal to undertake this investment/project, unless the Directors of the Company who are independent, deem such project to be not in the interests of the Company. Similarly, should the Company identify a property investment, development or re-development project in Hong Kong, it will give XGL a first right of refusal to undertake the investment/project. In the event that such a potential conflict of interest arises, the Directors who are deemed to be interested in the transaction(s) where such potential conflict of interest arises (as provided for in paragraph 1.6 below) will raise it to the Board and will abstain from any decision-making in respect of that transaction(s).

1.5 Nature and Scope of the IPT Mandate

The proposed IPT Mandate will cover transactions involving the XGL Group, the interested person:-

- (a) where the Group renders the Services to co-investors or joint venture partners for any real estate project (where any member of the XGL Group participates as a co-investor or joint venture partner) and for which a management, originator or project management fee is payable to the Group for the Services rendered to all the co-investors or joint venture partners on a proportionate basis; and
- (b) where the XGL Group provides financing and/or financial support to the Group, which may include (i) any member of the XGL Group extending loans to the Group, and/or (ii) the provision of guarantees, indemnities or securities by any member of the XGL Group in favour of the Group's creditors, in respect of borrowings which are incurred by the Group, whether or not such transactions are in connection with the "investment banking" approach to be undertaken by the Group for real estate deals,

APPENDIX D - THE PROPOSED RENEWAL OF THE SHAREHOLDERS' MANDATE FOR INTERESTED PERSON TRANSACTIONS

("Interested Person Transactions").

For the avoidance of doubt, there will be no sale or purchase of any assets, undertakings or businesses within the scope of the IPT Mandate. The IPT Mandate will also not cover any transaction by any member of the Group with the Interested Person that is below S\$100,000. Further, transactions with other interested persons (other than the class of Interested Person detailed at paragraph 1.4 above) that do not fall within the ambit of the IPT Mandate will be subject to the relevant provisions of Chapter 9 of the Catalist Rules and/or other applicable provisions of the Catalist Rules.

1.6 Guidelines and Review Procedures for Interested Person Transactions

(a) Review Procedures

Having regard to the nature of the Interested Person Transactions and the criteria in establishing the review procedures which is to ensure that such review procedures are adequate and/or commercially practicable in ensuring that each Interested Person Transaction is carried out on normal commercial terms, is in the interest of the Company and is not prejudicial to the interests of the Company and the minority Shareholders, the review procedures as set out below will be implemented.

- (i) Where the Group participates in the real estate projects as a co-investor or joint venture partner together with the Interested Person as one of the other co-investors or joint venture partners, the participation by all co-investors or joint venture partners shall be on the basis of sharing of risks and rewards of the investment on a proportionate basis.
- (ii) Where the Interested Person is liable to pay its share of the management, originator and/or project management fee chargeable by the Group to all co-investors or joint venture partners for Services rendered:-
 - (aa) the Interested Person's share of the management, originator and/or project management fee shall be proportionate to its equity participation in the real estate projects *vis-à-vis* the participations by the other co-investors or joint venture partners; and
 - (bb) the management, originator and/or project management fee chargeable by the Group for the Services shall be reasonable, taking into consideration, amongst others, the synergies and benefits derived by the Group from having the Interested Person as a co-investor or joint venture partner, complexity of issues encountered, time spent, and the fee that the Group would have charged if Services had been provided to a non-Interested Person and ensuring that the fees and other material payment terms and conditions are no more favourable than the terms and conditions of two (2) contemporaneous transactions, provided that, in cases where for any reason, it is impractical or impossible to obtain the terms and conditions of two (2) contemporaneous transactions, the Director / relevant head of the department handling the transaction or the Audit Committee (as the case may be) shall take such necessary steps which would include but is not limited to relying on corroborative inputs from reasonably experienced market practitioners in order to determine that the terms and conditions provided to the Interested Person are fair and reasonable, are no more favourable than terms which would be extended by the Company or members of the Group to an unrelated third party, and are in the commercial interests of the Group.
- (iii) In relation to the XGL Group providing financing and/or financial support to the Group:-
 - (aa) the extension of loans by any member of the XGL Group should be at rates and on terms and conditions no less favourable than those quoted by two (2) banks in Singapore;
 - (bb) in relation to the provision of guarantees, indemnities or security, such as bank guarantees by any member of the XGL Group in favour of the Group's creditors, commission rates (if any) which are chargeable by it for the

APPENDIX D - THE PROPOSED RENEWAL OF THE SHAREHOLDERS' MANDATE FOR INTERESTED PERSON TRANSACTIONS

provision of such guarantees or indemnities, shall be at rates no less favourable than that quoted by two (2) banks in Singapore; and

- (cc) prior to the entry of the transaction(s) with any member of the XGL Group, contemporaneous quotes shall be obtained (wherever possible or available) from at least two (2) banks in Singapore for loan and commission rates, as the case may be, for an equivalent amount, and for the equivalent period, as the funds to be borrowed or guarantees, indemnities or securities to be issued.

In cases where for any reason, quotations from at least two (2) banks are not received, the Director / relevant head of the department handling the transaction or the Audit Committee (as the case may be) shall take such necessary steps which would include but is not limited to (i) reviewing available recent terms and conditions of comparable transactions and (ii) relying on corroborative inputs from reasonably experienced market practitioners in order to determine that the terms and conditions provided by the Interested Person are fair and reasonable and are no less favourable than terms which would be offered to the Company or members of the Group by unrelated third party financiers.

(b) **Approval Thresholds**

In addition, the following approval procedures will be implemented by the Company:

- (i) the review and approval of a Director / relevant head of the department handling the transaction (with no interest, direct or indirect, in the proposed Interested Person Transaction) is required for any proposed Interested Person Transaction where the value thereof is below three per cent (3%) of the audited NTA (based on the latest audited consolidated accounts) of the Group; and
- (ii) the review and approval of the Audit Committee is required for any proposed Interested Person Transaction where the value thereof is equal to, or above three per cent (3%) of the audited NTA (based on the latest audited consolidated accounts) of the Group. If a member of the Audit Committee has an interest in the transaction to be reviewed by the Audit Committee, he will abstain from any decision-making by the Audit Committee in respect of that transaction, and the review and approval of the transaction will be undertaken by the remaining member(s) of the Audit Committee. The remaining member(s) of the Audit Committee will provide his/their views and the basis for which he/they considers he/they will be able to satisfactorily discharge his/their duties in that respect.

(c) **Register of Interested Person Transactions**

The Company will maintain a register of all Interested Person Transactions carried out with the XGL Group pursuant to the IPT Mandate and shall include all information pertinent to the Interested Person Transactions such as, but not limited to, the nature of the Interested Person Transaction, the amount of the Interested Person Transactions, the basis and rationale for determining the terms of the transaction and supporting evidence and quotations obtained to support such basis, and where relevant, the background and curriculum vitae of the bank or market practitioners.

The register of Interested Person Transactions shall be prepared, maintained and monitored by senior personnel such as the Chief Financial Officer of the Company (who shall not be interested in any of the Interested Person Transactions) who are duly delegated to do so by the Audit Committee. The register of Interested Person Transactions shall be reviewed by the Audit Committee on a semi-annual basis and by the Auditors at least once annually to ascertain that the guidelines and procedures established to monitor Interested Person Transactions have been complied with.

(d) **Reviews by Audit Committee**

The Audit Committee shall review on a semi-annual basis the register of Interested Person Transactions as mentioned in paragraph 1.6(c) above to ascertain that the established review procedures to monitor Interested Person Transactions have been complied with.

If during these semi-annual reviews by the Audit Committee, the Audit Committee is of the

APPENDIX D - THE PROPOSED RENEWAL OF THE SHAREHOLDERS' MANDATE FOR INTERESTED PERSON TRANSACTIONS

view that the established review procedures as stated above have become inappropriate or insufficient in view of changes to the nature of, or the manner in which, the business activities of the Group are conducted, it will take such actions as it deems appropriate and/or institute additional procedures as necessary (such as, where relevant, to obtain a fresh mandate for Interested Person Transactions) to ensure that the mandated Interested Person Transactions will be conducted based on the Group's normal commercial terms and hence, will not be prejudicial to the interests of the Company and its minority Shareholders.

If any member of the Audit Committee has an interest in a transaction, he shall abstain from participating in the review and approval process in relation to that transaction. The remaining member(s) of the Audit Committee undertaking the review and approval will provide his/their views and the basis for which he/they considers he/they will be able to satisfactorily discharge his/their duties in that respect.

1.7 Validity Period of the IPT Mandate

The IPT Mandate will take effect upon the passing of Resolution 5, and will (unless revoked or varied by the Company in general meeting) continue in force until the next AGM. Approval from the Shareholders will be sought for the renewal of the IPT Mandate at the next AGM and at each subsequent AGM, subject to satisfactory review by the Audit Committee of its continued application to the transactions with the Interested Person.

1.8 Disclosure in the Annual Report

The Company will announce the aggregate value of transactions conducted with the Interested Persons pursuant to the IPT Mandate for the relevant financial periods which the Company is required to report on pursuant to the Catalist Rules and within the time required for the announcement of such reports.

Disclosure will also be made in the Company's annual report of the aggregate value of transactions conducted with the Interested Persons pursuant to the IPT Mandate during the financial year, and in the annual reports for subsequent financial years that the IPT Mandate continues in force, in accordance with the requirements of Chapter 9 of the Catalist Rules.

The name of the Interested Person and the corresponding aggregate value of the Interested Person Transactions will be presented in the following format:

Name of Interested Person	Aggregate value of all interested person transactions during the financial year under review (excluding transactions less than S\$100,000 and transactions conducted under Shareholders' mandate pursuant to Rule 920 of the Catalist Rules)	Aggregate value of all interested person transactions conducted under Shareholders' mandate pursuant to Rule 920 of the Catalist Rules (excluding transactions less than S\$100,000)

1.9 Statement of the Audit Committee

- (a) Mr Wong Tat Keung, being a director of XGL, has an interest in the proposed IPT Mandate and have abstained from the Audit Committee's review and determination in relation to the IPT Mandate. As such, for the purposes of the Audit Committee's review and determination in relation to the proposed IPT Mandate, Mr Tan Tai Soon and Mr Yeo Wee Kiong are the only members of the Audit Committee who are deemed to be independent of, and who have considered, *inter alia*, the terms, the rationale and the benefits of the proposed IPT Mandate for the purposes of making the statement in paragraph 1.9(b) below.
- (b) The Audit Committee (save for Wong Tat Keung) confirms that (i) the methods or procedures for determining pricing and material terms and conditions for the Interested Person Transactions (as set out in paragraph 1.6 of this Appendix D have not changed since the extraordinary general meeting held on 15 July 2011 when the 2011 IPT Mandate was approved by the Shareholders; and (ii) the methods and procedures referred to in subparagraph 1.6(a) above are sufficient to ensure that the Interested Person Transactions will be carried out on normal commercial terms and will not be prejudicial to the interests of the Company and its minority Shareholders.

**APPENDIX D - THE PROPOSED RENEWAL OF THE SHAREHOLDERS' MANDATE
FOR INTERESTED PERSON TRANSACTIONS**

- (c) If in its review, the Audit Committee is of the view that the review procedures are no longer sufficient to ensure that the Interested Persons Transactions will be conducted on normal commercial terms and that the Interested Person Transactions will be prejudicial to the interests of the Company and its minority Shareholders, the Audit Committee will direct the Company to seek a fresh mandate from the Shareholders based on new guidelines and procedures for Interested Persons Transactions.

APPENDIX E

GENERAL INFORMATION RELATING TO CHAPTER 9 OF THE CATALIST RULES

1. INTRODUCTION

Chapter 9 of the Catalist Rules applies to transactions between a party that is an entity at risk and a counter party that is an interested person. The objective of Chapter 9 of the Catalist Rules is to guard against the risk that interested persons could influence a listed company, its subsidiaries or associated companies to enter into transactions with interested persons that may adversely affect the interests of the listed company or its shareholders.

The aforementioned terms “entity at risk”, “interested person” and “associated companies” as well as other terms used are defined below.

2. MAIN TERMS USED IN CHAPTER 9 OF THE CATALIST RULES

- (a) An “**approved exchange**” means a stock exchange that has rules which safeguard the interests of shareholders against interested person transactions according to similar principles to Chapter 9 of the Catalist Rules.
- (b) An “**entity at risk**” means:
 - (i) the issuer;
 - (ii) a subsidiary of the issuer that is not listed on the SGX-ST or an approved exchange; or
 - (iii) an associated company of the issuer that is not listed on the SGX-ST or an approved exchange, provided that the listed company and/or its subsidiaries (the “**listed group**”), or the listed group and its interested person(s), has control over the associated company.
- (c) An “**interested person**” means a director, chief executive officer or controlling shareholder of the issuer or an associate of such director, chief executive officer or controlling shareholder.
- (d) An “**interested person transaction**” means a transaction between an entity at risk and an interested person.

3. MATERIALITY THRESHOLDS, DISCLOSURE REQUIREMENTS AND SHAREHOLDERS’ APPROVAL

Except for certain transactions which, by reason of the nature of such transactions, are not considered to put the listed company at risk to its interested persons and are hence excluded from the ambit of Chapter 9 of the Catalist Rules, immediate announcement and/or shareholders’ approval would be required in respect of transactions with interested persons if certain financial thresholds (which are based on the value of the transaction as compared with the listed company’s latest audited consolidated NTA) are reached or exceeded.

Immediate Announcement

An immediate announcement is required where the interested person transaction is of a value equal to, or more than, three per cent. (3%) of the group’s latest audited NTA. Where the aggregate value of all transactions entered into with the same interested person during the same financial year amounts to three per cent. (3%) or more of the group’s latest audited net tangible assets, the listed company must make an immediate announcement of the latest transaction and all future transactions entered into with the same interested person during that financial year.

Shareholders’ Approval

Shareholders’ approval is required where the interested person transaction is of a value equal to, or more than:

- (a) five per cent. (5%) of the listed group’s latest audited NTA; or
- (b) five per cent. (5%) of the listed group’s latest audited NTA, when aggregated with other transactions entered into with the same interested person during the same financial year.

However, a transaction which has been approved by shareholders, or is the subject of aggregation with another transaction that has been approved by shareholders, need not be included in any

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GENERAL INFORMATION RELATING TO CHAPTER 9 OF THE CATALIST RULES

subsequent aggregation.

The above requirements for immediate announcement and/or for shareholders' approval do not apply to any transaction below S\$100,000.

4. GENERAL MANDATE

Rule 920 of the Catalist Rules permits a listed company to seek a general mandate from its shareholders for recurrent transactions with interested persons of a revenue or trading nature or those necessary for its day-to-day operations, but not in respect of the purchase or sale of assets, undertakings or businesses. A general mandate is subject to annual renewal.

NOTICE OF EXTRAORDINARY GENERAL MEETING

SINGXPRESS LAND LTD.

(Company Registration No. 198803164K)

(Incorporated in Singapore)

NOTICE IS HEREBY GIVEN that an Extraordinary General Meeting of SingXpress Land Ltd. (the “**Company**”) will be held at 81 Ubi Avenue 4, #02-20 UB One, Singapore 408830 on 31 July 2012 at 11.00 a.m. (or such time immediately following the conclusion or adjournment of the Annual General Meeting of the Company to be held on the same day at 10.30 a.m. and at the same place) for the purpose of considering and, if thought fit, passing, with or without modifications, Resolutions 1 and 2 which will be proposed as special resolutions and Resolutions 3, 4, 5 and 6 which will be proposed as ordinary resolutions:

SPECIAL RESOLUTIONS:

1. THE PROPOSED CAPITAL REDUCTION

- (a) THAT pursuant to the Articles of Association of the Company and subject to the provisions of Section 78A read together with Section 78C of the Companies Act (Cap. 50), approval be and is hereby given to the Company for:
- (i) the issued and fully paid-up share capital of the Company to be reduced by S\$21,876,055 and that such reduction be effected by cancelling the issued and fully paid-up share capital of the Company which is lost or unrepresented by available assets to the extent of S\$21,876,055; and
 - (ii) an amount equal to S\$21,876,055, being the credit arising from the cancellation of the issued and fully paid-up capital, to be applied to cancel the accumulated losses of the Company of S\$21,876,055 as at 31 March 2012.
- (b) THAT the Directors of the Company and each of them be and is hereby authorised to do such acts and things and take such steps and exercise such discretion as they or he may in their/his sole discretion consider necessary or expedient to give effect to this Resolution, including without limitation to the foregoing, to assent to any condition, modification, variation and/or amendment as may be required by the relevant authorities or to sign, execute and deliver all documents and to approve any amendments, alterations or modifications to any document (if required).

2. THE PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION OF THE COMPANY

THAT the proposed amendments to the Articles of Association of the Company as set out in Appendix C of the Circular to the Shareholders dated 9 July 2012 be and are hereby approved.

ORDINARY RESOLUTIONS:

3. THE PROPOSED SHARE BUY-BACK MANDATE

THAT:

- (a) for the purposes of the Companies Act (Cap. 50), the exercise by the Directors of the Company of all the powers of the Company to purchase or otherwise acquire the Shares not exceeding in aggregate the Maximum Limit (as defined below), at such price(s) as may be determined by the Directors from time to time up to the Maximum Price (as defined below), whether by way of:
- (i) market purchase(s) (each a “**Market Purchase**”) on the Catalist Board (“**SGX-Catalist**”) of the Singapore Exchange Securities Trading Limited (the “**SGX-ST**”); and/or
 - (ii) off-market purchase(s) (each an “**Off-Market Purchase**”) effected otherwise than on the SGX-Catalist in accordance with an equal access scheme(s) as may be

NOTICE OF EXTRAORDINARY GENERAL MEETING

determined or formulated by the Directors as they consider fit, which scheme(s) shall satisfy all the conditions prescribed by the Companies Act;

and otherwise in accordance with all other laws and regulations, including but not limited to, the provisions of the Companies Act and Listing Manual (Section B: Rules of Catalist) of the SGX-ST (“**Catalist Rules**”) as may for the time being be applicable, be and is hereby authorized and approved generally and unconditionally (the “**Share Buy-Back Mandate**”);

- (b) unless varied or revoked by the Company in a general meeting, the authority conferred on the Directors pursuant to the Share Buy-Back Mandate may be exercised by the Directors at any time and from time to time during the period commencing from the date of the passing of this Resolution and expiring on the earlier of:
- (i) the date on which the next annual general meeting of the Company is held or required by law to be held; or
 - (ii) the date on which the purchases or acquisitions of Shares by the Company pursuant to the Share Buy-Back Mandate are carried out to the full extent mandated;
- (c) in this Resolution 3:

“**Maximum Limit**” means that number of Shares representing not more than ten per cent. (10%) of the total number of Shares as at the date of the passing of this Resolution, unless the Company has effected a reduction of the share capital of the Company in accordance with the applicable provisions of the Companies Act, at any time during the Relevant Period, in which event the total number of Shares shall be taken to be the total number of Shares as altered by the said reductions of share capital (excluding any treasury shares that may be held by the Company from time to time). Any Shares which are held as treasury shares will be disregarded for purposes of computing the ten per cent. (10%) limit;

“**Relevant Period**” means the period commencing from the date on which the last annual general meeting of the Company was held and expiring on the date the next annual general meeting is held or is required by law to be held, whichever is the earlier, after the date of this Resolution 3 is passed;

“**Maximum Price**”, in relation to a Share to be purchased or acquired, means the purchase price (excluding brokerage, stamp duties, commission, applicable goods and services tax and other related expenses) to be paid for the Share which shall not exceed:

- (a) in the case of a Market Purchase, one hundred and five per cent. (105%) of the Average Closing Price; and
- (b) in the case of an Off-Market Purchase pursuant to an equal access scheme, one hundred and twenty per cent. (120%) of the Average Closing Price,

where:

“**Average Closing Price**” means the average of the closing market prices of the Shares over the last five (5) Market Days, on which transactions in the Shares were recorded, before the day on which a Market Purchase was made by the Company, or as the case may be, the date of the making of the offer pursuant to the Off-Market Purchase on an equal access scheme, and deemed to be adjusted for any corporate action that occurs after the relevant five (5) Market Days;

“**date of the making of the offer**” means the date on which the Company makes an announcement of an offer for an Off-Market Purchase, stating therein the purchase price (which shall not be more than the Maximum Price for an Off-Market Purchase calculated on the foregoing basis) for each Share and the relevant terms of the equal access scheme for effecting the Off-Market Purchase; and

- (d) the Directors of the Company and/or any of them be and are hereby authorized to complete and do all such acts and things (including executing such documents as may be required) as

NOTICE OF EXTRAORDINARY GENERAL MEETING

they and/or he may consider necessary, expedient, incidental or in the interests of the Company to give effect to the transactions contemplated and/or authorized by this Resolution.

4. THE PROPOSED ADOPTION OF THE SINGXPRESS SHARE OPTION SCHEME 2012

THAT:

- (a) the share option scheme of the Company to be known as “The SingXpress Share Option Scheme 2012” (the “**Scheme**”), particulars of which are set out in Appendix B to the Circular, subject to approval from the shareholders of Xpress Group Limited, be and is hereby approved and adopted; and
- (b) the Directors of the Company be and are hereby authorised:
 - (i) to establish and administer the Scheme;
 - (ii) to modify and/or amend the Scheme from time to time provided that such modifications and/or amendments are effected in accordance with the provisions of the Scheme and to do all such acts and to enter into all such transactions, arrangements and agreements as may be necessary, desirable or expedient in order to give full effect to the Scheme; and
 - (iii) to offer and grant options in accordance with the provisions of the Scheme and pursuant to section 161 of the Companies Act (Cap.50), to allot and issue from time to time such number of Shares as may be required to be issued pursuant to the exercise of the Options (notwithstanding that the exercise thereof or such allotment and issue may occur after the conclusion of the next or any ensuing annual general meeting of the Company), provided that:
 - (1) the aggregate number of Shares over which the Committee may grant Options on any date (including the number of Shares which have been and to be issued upon the exercise of the Options in respect of all Options granted under the Scheme) shall not exceed fifteen per cent. (15%) of the total number of Shares of the Company (excluding treasury shares) on the day preceding that date (“**Scheme Limit**”), provided that for so long as the Company is a subsidiary of Xpress Group Limited and Xpress Group Limited is listed on the Hong Kong Stock Exchange (“**HKSE**”) but subject always to the Scheme Limit:
 - (aa) the aggregate number of new Shares over which the Committee may grant Options on any date, including the number of Shares which have been and to be issued upon the exercise of the Options in respect of all Options granted under the Scheme, shall not exceed ten per cent. (10%) of the total number of issued Shares as at the date that this Resolution is passed or as at the date that the Scheme is approved by the shareholders of Xpress Group Limited, whichever is the later, or such other limit as may be prescribed or permitted by the HKSE from time to time (“**HKSE Listing Rules Limit**”); and
 - (bb) the HKSE Listing Rules Limit may be increased under the HKSE Listing Rules as provided under the Scheme; and
 - (2) that the aggregate number of Shares to be offered to certain participants collectively and individually during the duration of the Scheme (subject to adjustments, if any, made under the Scheme) shall not exceed such limits or (as the case may be) sub-limits as may be prescribed in the Scheme.

NOTICE OF EXTRAORDINARY GENERAL MEETING

5. THE PROPOSED PARTICIPATION OF, AND GRANT OF OPTIONS TO, THE RELEVANT DIRECTORS

THAT subject to and contingent upon the passing of Resolution 4 for the adoption of the SingXpress Share Option Scheme 2012 (the “**Scheme**”), for the purposes of Section 169 of the Companies Act (Cap. 50), approval be and is hereby given for the participation of, and grant of options to, Directors of the Company (other than those who are Controlling Shareholders or their Associates)¹ under the Scheme in accordance with the Rules from time to time.

6. THE PROPOSED RENEWAL OF THE SHAREHOLDERS’ MANDATE FOR INTERESTED PERSON TRANSACTIONS

THAT:

- (a) approval be and is hereby given for the renewal of the mandate for the Company, its subsidiaries and associated companies or any of them to enter into any of the transactions falling within the types of Interested Person Transactions described in paragraph 1.5 of Appendix D of the Circular with the Interested Persons, provided that such transactions are made on normal commercial terms, will not be prejudicial to the interests of the Company and its minority shareholders and are in accordance with the review procedures for such Interested Person Transactions (the “**IPT Mandate**”);
- (b) the IPT Mandate shall, unless revoked or varied by the Company in general meeting, continue in force until the conclusion of the next annual general meeting of the Company; and
- (c) the Directors and each of them be and are hereby authorised to complete and do all such acts and things (including without limitation, executing all such documents as may be required) as they or he may consider expedient or necessary or in the interests of the Company to give effect to the transactions contemplated and/or authorised by the IPT Mandate and/or this Ordinary Resolution.

All capitalised terms used in this Notice which are not defined herein shall have the same meanings ascribed to them in the Circular to Shareholders dated 9 July 2012 (the “**Circular**”).

By Order of the
Board of Directors

Chan Heng Fai
Managing Director

Singapore
9 July 2012

Notes:

1. A member of the Company entitled to attend and vote at the Extraordinary General Meeting may appoint not more than two proxies to attend and vote in his/her stead. A proxy need not be a member of the Company.
2. If a proxy is to be appointed, the instrument appointing a proxy must be deposited at the registered office of the Company at 81 Ubi Avenue 4, #02-20 UB One, Singapore 408830 not less than 48 hours before the time appointed for the holding of the Extraordinary General Meeting.
3. The instrument appointing a proxy must be deposited at the Company's Registered Office not less than 48 hours before the time set for the Extraordinary General Meeting or any postponement or adjournment thereof.

¹ The Controlling Shareholders and their Associates who meet the criteria of Eligible Persons as set out in the Rules are eligible to participate in the Scheme, provided that the participation of each Controlling Shareholder or his Associate and each grant of an Option to any of them may only be effected with the specific prior approval of independent Shareholders in general meeting by a separate resolution. This is in accordance with Rule 852 of the Catalist Rules.

SINGXPRESS LAND LTD.

(Company Registration No. 198803164K)
(Incorporated in Singapore)

PROXY FORM EXTRAORDINARY GENERAL MEETING

IMPORTANT

- For investors who have used their CPF monies to buy SingXpress Land Ltd. shares, the **Circular to Shareholders** is forwarded to them at the request of their CPF Agent Banks and is sent solely FOR INFORMATION ONLY.
- This Proxy Form is **not valid for use by CPF investors** and shall be ineffective for all intents and purposes if used or purported to be used by them.
- CPF investors who wish to attend the Extraordinary General Meeting as OBSERVERS must submit their requests through their respective Agent Banks so that their Agent Banks may register, in the required format with the Company Secretary, by the time frame specified. (Agent Banks: Please see Note 8 overleaf on required format). Any voting instructions must also be submitted to their Agent Banks within the time frame specified to enable them to vote on the CPF investor's behalf.

*I/We _____ (Name)
of _____ (Address)

being *a member/members of SingXpress Land Ltd. (the "**Company**"), hereby appoint:

Name	Address	NRIC/Passport Number	Proportion of my/our Shareholding (%)

*and/or

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or failing *him/her the Chairman of the Extraordinary General Meeting as *my/our proxy to vote on *my/our behalf at the Extraordinary General Meeting of the Company to be held at 81 Ubi Avenue 4, #02-20 UB One, Singapore 408830 on 31 July 2012 at 11.00 a.m. (or such time immediately following the conclusion or adjournment of the annual general meeting of the Company to be held on the same day at 10.30 a.m. and at the same place) ("**Meeting**"). *I/We direct *my/our proxy to vote for or against the Resolutions to be proposed at the Extraordinary General Meeting as indicated below. If no specific indication as to voting is given, the proxy may vote or abstain from voting at his/her discretion, as *he/she will on any other matter arising at the Meeting.

Resolutions	For	Against
Resolution 1 as special resolution: To approve the Proposed Capital Reduction		
Resolution 2 as special resolution: To approve the amendments to the Articles		
Resolution 3 as ordinary resolution: To approve the Proposed Share Buy-Back Mandate		
Resolution 4 as ordinary resolution: To approve the adoption of the proposed SingXpress Share Option Scheme 2012		
Resolution 5 as ordinary resolution: To approve the participation of, and grant of Options to, the Relevant Directors		
Resolution 6 as ordinary resolution: To approve the renewal of the IPT Mandate		

Signed this _____ day of _____ 2012

Total Number of Ordinary Shares held	
(a) CDP Register of Shareholders	
(b) Register of Members	

Signature(s) of member(s) / common seal

IMPORTANT: PLEASE READ NOTES OVERLEAF

Notes:

- (1) Please insert the total number of Shares held by you. If you have Shares entered against your name in the Depository Register (as defined in Section 130A of the Companies Act, Chapter 50 of Singapore), you should insert that number of Shares. If you have Shares registered in your name in the Register of Members of the Company, you should insert that number of Shares. If you have Shares entered against your name in the Depository Register and Shares registered in your name in the Register of Members, you should insert the aggregate number of Shares entered against your name in the Depository Register and registered in your name in the Register of Members. If no number is inserted, the instrument appointing a proxy or proxies shall be deemed to relate to all the Shares held by you.
- (2) A member of the Company entitled to attend and vote at a meeting of the Company is entitled to appoint one or two proxies to attend and vote in his/her stead. A proxy need not be a member of the Company.
- (3) Where a member appoints two proxies, the appointments shall be invalid unless he/she specifies the proportion of his/her shareholding (expressed as a percentage of the whole) to be represented by each proxy.
- (4) Completion and return of this instrument appointing a proxy shall not preclude a member from attending and voting at the Meeting. Any appointment of a proxy or proxies shall be deemed to be revoked if a member attends the Meeting in person, and in such event, the Company reserves the right to refuse to admit any person or persons appointed under the instrument of proxy, to the Meeting.
- (5) The instrument appointing a proxy or proxies must be deposited at the registered office of the Company at 81 Ubi Avenue 4, #02-20 UB One, Singapore 408830 not less than 48 hours before the time appointed for the Meeting.
- (6) The instrument appointing a proxy or proxies must be under the hand of the appointor or of his attorney duly authorised in writing. Where the instrument appointing a proxy or proxies is executed by a corporation, it must be executed either under its seal or under the hand of an officer or attorney duly authorised. Where the instrument appointing a proxy or proxies is executed by an attorney on behalf of the appointor, the letter or power of attorney or a duly certified copy thereof must be lodged with the instrument.
- (7) A corporation which is a member may authorise by resolution of its directors or other governing body such person as it thinks fit to act as its representative at the Meeting, in accordance with Section 179 of the Companies Act, Chapter 50 of Singapore.
- (8) Agent Banks acting on the request of CPF Investors who wish to attend the Meeting as observers are requested to submit in writing, a list of details of the Investors' names, NRIC/Passport numbers, addresses and numbers of Shares held. The list, signed by an authorised signatory of the Agent Bank, should reach the Company Secretary, at the registered office of the Company not later than 48 hours before the time appointed for the Meeting.

General:

The Company shall be entitled to reject the instrument appointing a proxy or proxies if it is incomplete, improperly completed or illegible, or where the true intentions of the appointor are not ascertainable from the instructions of the appointor specified in the instrument appointing a proxy or proxies. In addition, in the case of Shares entered in the Depository Register, the Company may reject any instrument appointing a proxy or proxies lodged if the member, being the appointor, is not shown to have Shares entered against his name in the Depository Register as at 48 hours before the time appointed for holding the Meeting, as certified by The Central Depository (Pte) Limited to the Company.