

XPRESS HOLDINGS LTD
(Incorporated in the Republic of Singapore)
(Company Registration No. 199902058Z)

PROPOSED CHANGE OF AUDITORS

The Board of Directors (the “**Board**”) of Xpress Holdings Ltd (the “**Company**”, and together with its subsidiaries, the “**Group**”) wishes to announce the proposed change of auditors of the Company (“**Auditors**”) from Messrs Foo Kon Tan LLP (“**FKT**”) to Messrs Nexia TS Public Accounting Corporation (“**Nexia TS**”) for the current financial year ending 31 July 2015.

The Board is proposing a change of Auditors (i) as part of the Company’s corporate governance initiatives, and (ii) to be more cost efficient. The outgoing Auditors, FKT, were appointed as external Auditors since the financial year ended 31 July 2006.

As part of the Company’s good corporate governance initiatives, the Board is of the view that it would be timely to rotate and change the Auditors with effect from the current financial year ending 31 July 2015. A rotation of audit firm is recommended to discourage an audit firm from focusing on maintaining long-term relationships with the audit client, which could undermine the independence and effectiveness of the audit firm. A change of Auditors would also enable the Company to benefit from fresh perspectives and the views of another professional audit firm and further enhance the value of the audit.

As part of the Company’s efforts to be cost efficient, the Board has sourced for quotes from several reputable audit firms which have experience in auditing public companies. Following an evaluation of several proposals, the Board and the Audit Committee have selected Nexia TS for the proposed appointment of Auditors, after taking into account, *inter alia*, the adequacy of the resources and experience of Nexia TS, the audit engagement partner assigned to the audit, Nexia TS’ other audit engagements, the Group’s audit requirements and the number and experience of supervisory and professional staff to be assigned to the audit.

In this regard, the Company had, on 5 October 2015, received a written statement from FKT, informing the Company of (i) its application to the Accounting and Corporate Regulatory Authority of Singapore (“**ACRA**”) to resign as Auditors; and (ii) the reasons for its resignation as Auditors (“**Written Statement**”). A copy of the Written Statement is attached.

Pursuant to Section 205AB of the Companies Act, Chapter 50 of Singapore, the resignation of FKT is conditional upon obtaining both the consent of ACRA to FKT’s resignation as Auditors and the approval of the shareholders of the Company in a general meeting. The Company will be seeking approval from shareholders of the Company to appoint Nexia TS as Auditors for the financial year ending 31 July 2015.

In accordance with Rule 1203(5) of the Listing Manual of the Singapore Exchange Securities Trading Limited:-

- (a) FKT has confirmed to Nexia TS, by way of their letter dated 22 September 2015, that they are not aware of any professional reasons why any new auditors should not accept appointment as Auditors;
- (b) The Company confirms that there were no disagreements with FKT on accounting treatments within the last 12 months up to the date of this Announcement; and
- (c) The Company confirms that it is not aware of any circumstances connected with the change of Auditors that should be brought to the attention of the shareholders of the Company which has not been disclosed in this Announcement.

The Board wishes to express their appreciation for the services rendered by FKT in the past.

A circular to shareholders of the Company together with a notice of the extraordinary general meeting will be despatched in due course.

By Order of the Board

Ma Weidong
Executive Chairman and Chief Executive Officer
8 October 2015



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Our ref: X010/TKT/11

5 October 2015

The Board of Directors
Xpress Holdings Limited
Xpress Print (Pte) Ltd
Precise Media Group Limited
61 Tai Seng Avenue #03-03
Crescendas Print Media Hub
Singapore 534167

Dear Sirs

RESIGNATION AS AUDITORS

With reference to your letter stating your decision to terminate our firm as auditors of Xpress Holdings Limited ("the Company"), Xpress Print (Pte) Ltd and Precise Media Group Limited, we give notice of our intention to resign as auditors.

Please note that pursuant to Section 205AB(1) of the Companies Act, Cap. 50 (the "Act") and Rule 712(3) of the Listing Manual, our resignation is subject to the consent from the Accounting and Corporate Regulatory Authority ("ACRA") for our resignation as auditors of the Company and the approval of the shareholders at an extraordinary general meeting of the Company.

We have applied to the ACRA for consent to our resignation. Our resignation is a result of the Company's decision to discontinue Foo Kon Tan LLP as the auditors in view of the changes in substantial shareholders and the composition of key management, and the Company's view that a change in auditors could bring new perspective for the Company as set out in the letter.

We thank you for your support in the past and look forward to be of service again in the future should that opportunity arise.

Yours faithfully

Foo Kon Tan LLP

Chartered Accountants of Singapore

Foo Kon Tan LLP (UEN: T10LL0002B) is an accounting limited liability partnership registered in Singapore under the Limited Liability Partnerships Act (Chapter 163A).