

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

RESPONSE TO SGX QUERIES REGARDING TRADING ACTIVITY

1. INTRODUCTION

The Board of Directors (the “**Board**” or “**Directors**”) of Xpress Holdings Ltd (the “**Company**”) refers to the queries from the Singapore Exchange Securities Trading Limited (“**SGX-ST**”) on 23 May 2016 regarding the unusual price movements in the Company’s shares and wishes to respond to the queries as follows:

2. QUESTION 1

Question 1: Are you (the issuer) aware of any information not previously announced concerning you, your subsidiaries or associated companies which, if known, might explain the trading? Such information may include events that are potentially material and price-sensitive, such as discussions and negotiations that may lead to joint ventures, mergers, acquisitions or purchase or sale of a significant asset. You may refer to paragraph 8 in Appendix 7.1 of the Mainboard Rules for further examples.
- If yes, the information shall be announced immediately.

Response:

The Company has previously stated its strategy to actively pursue new business opportunities to widen its revenue streams and deliver positive value to shareholders.

The Company is currently in discussions with certain parties for the Company to participate as a minority shareholder in a joint venture which is engaged in supermarket activities in the People’s Republic of China (“**Proposed JV**”). However, no agreement has been reached on the Proposed JV and there is no certainty as to whether such Proposed JV will take place.

In exploring various opportunities, the Company is considering adding certain principal activities to the core business of the Group, including smart technologies businesses, publishing business, and investment businesses (“**Proposed Activities**”). The Company will in due course provide more information in the circular to shareholders and convene an extraordinary general meeting to seek shareholders’ approval to add the Proposed Activities to the Group’s business.

Besides the execution of the non-binding memorandum as announced by the Company on 16 May 2016 in connection with smart technologies businesses, the Company has not entered into any other agreement in connection with the Proposed Activities and no firm decision has been made at this stage on any material development in connection with the Proposed Activities.

The Company wishes to advise that there is no assurance whatsoever that any agreement will materialise in respect of these opportunities. If and when any definitive agreement is reached, the Company will promptly issue the appropriate announcement.

The Company would also like to reiterate that in an announcement made by the Company on 31 March 2016, the Company has disclosed that it is planning to raise additional capital either via private placement of the Company's shares to potential investors within the general mandate obtained from the shareholders at the Company's last Annual General Meeting and/or by the exercise of share warrants by the Board Chairman.

3. QUESTION 2

Question 2: Are you aware of any other possible explanation for the trading? Such information may include public circulation of information by rumours or reports.

Response: Save for the information disclosed above, to the best of the Directors' knowledge and belief, the Company is not aware of any other possible explanation for the trading.

4. QUESTION 3

Question 3: Can you confirm your compliance with the listing rules and, in particular, Mainboard Rule 703?

Response: The Company confirms that to the best of the Directors' knowledge and belief, it is in compliance with the listing rules of the SGX-ST and in particular, Mainboard Rule 703.

5. CAUTIONARY STATEMENT

Shareholders and potential investors are advised to read this announcement and any further announcements by the Company carefully, and should consult their stockbrokers, bank managers, solicitors or other professional advisors if they have any doubt about the actions they should take.

BY ORDER OF THE BOARD

Lim Huan Chiang
Executive Director and Chief Executive Officer
23 May 2016