



PRESS RELEASE

XPRESS AND ITS FOUNDER KK FONG SIGN MEMORANDUM OF UNDERSTANDING (MOU) WITH MA WEI DONG TO RAISE UP TO S\$23 MILLION

- Company to issue 1,100,000,000 new shares at an issue price of \$0.007 per subscription share.
- Each subscription share will come with two (2) free detachable warrants on the basis of (2) free warrants for every one subscription share
- Funds raised will be used for expansion and working capital and to settle outstanding debt

Singapore 5 December 2014 - SGX Mainboard-listed Xpress Holdings Ltd ("Xpress" or "the Group" or 速印控股集团) and its founder Mr Fong Kah Kuen ("KK Fong" or 冯家权) have signed a non-binding MOU today with Mr Ma Wei Dong ("Mr Ma" or 马维东).

Mr Ma is the Chairman of the Board of Directors of Kunming LuChen Group Co., Ltd (昆明绿辰集团). He is proposing to enter into the proposed subscription in his personal capacity or through his nominee.

Under the MOU, Xpress will issue 1,100,000,000 new shares of the Company at an issue price of S\$0.007 per share to Mr Ma. Each subscription share will come with two (2) free detachable warrants on the basis of (2) free warrants for every one subscription share. Each warrant will carry the right to subscribe for one new ordinary share at an exercise price of \$0.007. The warrant shall have an expiry date of 5 years from the date of the issue.

Should Mr Ma or his nominee exercise all the warrants in his or its sole discretion following the completion of the proposed subscription, the Company will raise over S\$23 million.

The investor, Mr Ma, will also grant to the Company, an interest-free loan of RMB 10 million (about S\$2 million), of which half has already been disbursed to the Company following the execution of the MOU with the Company and its founder. The loan is secured by a second mortgage over a property owned by the founder and his wife.

The proposed subscription will be subject to several conditions precedent, including but not limited to, obtaining the approval from the securities industry council ("**SIC**") to waive the requirement on Mr Ma or his nominee to make a mandatory general offer to the other shareholders of the Company; approval for a whitewash resolution from shareholders, approval in-principle from the



Singapore Exchange Securities Trading Limited (“**SGX-ST**”) for the listing and quotation of the subscription shares and the new shares upon exercise of the warrants.

The proposed subscription agreement is targeted to be signed within 30 calendar days from the date of signing the MOU.

Following completion of the proposed subscription, Mr Ma or his nominee will become X’press’s single largest shareholder with a shareholding of more than 31%. Should he or his nominee exercise the warrants in full, Mr Ma or his nominee will own a total of approximately 57% of the Company.

The Company is expected to use the funds raised to strengthen the Group’s financial position and for expansion via mergers & acquisitions. An estimated S\$7 million will be used to settle outstanding debts of the company and for working capital.

About Xpress Holdings Ltd

Established in 1986, Xpress was listed on SGX Mainboard on 28 June 1999. The Group serves a wide global base of local and MNC financial and corporate organisations, and provides a complete spectrum of integrated print solutions from pre-press processes to production systems as well as global distribution and delivery.

Its products and services include the design, production and printing of time-sensitive and quick turnaround publications like Annual Reports, IPO prospectuses, shareholder circulars, fund management reports, brochures and newsletters.

Headquartered in Singapore, Xpress has offices and print stations spanning the Asia Pacific region, including Malaysia, Australia, Vietnam, Hong Kong and China.

*Release issued on behalf of Xpress Holdings Ltd by
Stratagem Consultants Pte Ltd*

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