

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

**JOINT VENTURE WITH
SHENG SIONG GROUP LTD. AND KUNMING LUCHEN GROUP CO., LTD.**

1. INTRODUCTION

The Board of Directors ("**Board**") of Xpress Holdings Ltd (the "**Company**", and together with its subsidiaries, the "**Group**") refers to the announcement released by the Company on 27 May 2016 in relation to the Proposed Joint Venture ("**Announcement**"). Unless otherwise defined, all terms and references used herein shall bear the same meanings ascribed to them in the Announcement.

2. CLARIFICATIONS

With reference to the Announcement, the Board wishes to provide the following clarifications:-

- (a) SSGL should be Sheng Siong Group Ltd. instead of Sheng Shiong Group Ltd.
- (b) On 27 May 2016, ISI had entered into an equity transfer agreement with Mr. Tan Ling San, pursuant to which Mr. Tan Ling San will transfer his rights and obligations pursuant to the Agreement to ISI to, amongst others, subscribe for 10% of the equity interest in the Joint Venture Company for a cash consideration of US\$1 million. SSGL and Kunming LuChen were not parties to the equity transfer agreement.
- (c) Currently, ISI is not a party to the Agreement in relation to the Proposed Joint Venture. ISI will have to obtain the necessary PRC government approvals, and the Joint Venture Company has to take the necessary steps and procedures required to allow ISI to become a shareholder of the Joint Venture Company, thereby replacing Mr. Tan Ling San.
- (d) On 13 May 2015, the Joint Venture Company was incorporated under the laws of the PRC for the purposes of the Proposed Joint Venture.
- (e) Pursuant to the Agreement, the capital contributions have to be made within 180 days after 10 February 2016, or such earlier date as may be decided by the Joint Venture Company's board of directors.

3. FURTHER ANNOUNCEMENTS

The Company will release further announcement(s) to keep shareholders of the Company informed, as and when there are further updates or developments in due course.

By Order of the Board

Lim Huan Chiang
Executive Director and Chief Executive Officer
2 June 2016