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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 announcement of SingXpress Land Ltd, which is listed on the Singapore Exchange Securities Trading Limited and a 62.82% owned subsidiary of Xpress Group Limited.

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

Hong Kong, 17 October, 2011

*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.*

**SINGXPRESS LAND LTD**  
(Company Registration No. 198803164K)

**Half Year Financial Statement Announcement for the Period Ended 30/06/2011**

**PART I - INFORMATION REQUIRED FOR ANNOUNCEMENTS OF QUARTERLY (Q1, Q2 & Q3), HALF-YEAR AND FULL YEAR RESULTS**

- 1(a) **An income statement and statement of comprehensive income or a statement of comprehensive income for the group together with a comparative statement for the corresponding period of the immediately preceding financial year.**

|   | <b>GROUP<br/>S\$'000</b>                  |   | <b>Change<br/>%</b> |
|---|---|---|---------------------|
|   | <b>From<br/>1/4/2011 to<br/>30/9/2011</b> | <b>From<br/>1/1/2010 to<br/>30/6/2010</b> |                     |
| Revenue   | 438                                       | 794                                       | (45)                |
| Cost of sales   | -   | (670)                                     | N.M                 |
| Gross profit  | 438                                       | 124                                       | 253                 |
| Other operating income  | 37  | 4   | 825                 |
| Fair value gain/(loss) on financial assets at fair value through profit or loss | 1   | (128)                                     | (101)               |
| Fair value gain on investment properties  | 2,012                                     | 600                                       | 235                 |
| Administrative expenses   | (703)                                     | (663)                                     | 6                   |
| <b>Profit/ (loss) from operations</b>   | <b>1,785</b>                              | <b>(63)</b>                               | <b>(2,933)</b>      |
| Finance costs   | (710)                                     | (13)                                      | 5,362               |
| <b>Profit/ (loss) before income tax</b>   | <b>1,075</b>                              | <b>(76)</b>                               | <b>(1,514)</b>      |
| Income tax expense  | (334)                                     | (102)                                     | 227                 |
| <b>Profit/ (loss) for the period/year</b>                                       | <b>741</b>                                | <b>(178)</b>                              | <b>(516)</b>        |
| <b>Discontinued operation</b>   |   |   |                     |
| Loss for the period from a discontinued operation                               | -   | (52)                                      | N.M                 |
| <b>Profit/ (loss) for the period</b>  | <b>741</b>                                | <b>(230)</b>                              | <b>(422)</b>        |
| <b>Other comprehensive income:</b>  |   |   |                     |
| Currency translation  | 209                                       | 36  | 481                 |
| <b>Other comprehensive income for the period</b>                                | <b>209</b>                                | <b>36</b>                                 | <b>481</b>          |
| <b>Total comprehensive income/ (loss) for the period</b>                        | <b>950</b>                                | <b>(194)</b>                              | <b>(590)</b>        |
| <b>Total comprehensive income/ (loss) attributable to:</b>                      |   |   |                     |
| Equity holders of the Company   | 950                                       | (194)                                     | (590)               |
| Minority interests  | -   | -   | N.M                 |
|   | <b>950</b>                                | <b>(194)</b>                              | <b>(590)</b>        |

**Profit/ (loss) from operations before taxation and minority interests is stated after (charging)/ crediting the following:**

|  | <b>GROUP<br/>S\$'000</b>                  |   | <b>Change<br/>%</b> |
|--|---|---|---------------------|
|  | <b>From<br/>1/4/2011 to<br/>30/9/2011</b> | <b>From<br/>1/1/2010 to<br/>30/6/2010</b> |                     |
| Depreciation and amortisation                | (19)                                      | (9)                                       | 111                 |
| Fair value gain on investment properties     | 2,012                                     | 600                                       | 235                 |
| Interest income                              | 3   | 40  | (93)                |
| Interest on borrowings and convertible bonds | (710)                                     | (13)                                      | 5,362               |

Notes:

- As announced on 9 December 2010, the Company changed its financial year end from 31 December to 31 March, to align the Group's financial year end with that of Xpress Group in order to facilitate the review by the common shareholders. Accordingly, the new half year financial period is from 1 April 2011 to 30 September 2011.
- N.M means not meaningful.

1(b)(i) A statement of financial position (for the issuer and group), together with a comparative statement as at the end of the immediately preceding financial year.

|   | Group                |                      | Company              |                      |
|---|----------------------|----------------------|----------------------|----------------------|
|   | 30/9/2011<br>S\$'000 | 31/3/2011<br>S\$'000 | 30/9/2011<br>S\$'000 | 31/3/2011<br>S\$'000 |
| <b>ASSETS</b>   |                      |                      |                      |                      |
| <b>Non-current assets</b>   |                      |                      |                      |                      |
| Property, plant and equipment   | 276                  | 88                   | 198                  | 10                   |
| Investment properties   | 26,270               | 23,565               | -                    | -                    |
| Investment in subsidiaries  | -                    | -                    | 1,700                | 1,700                |
|   | <u>26,546</u>        | <u>23,653</u>        | <u>1,898</u>         | <u>1,710</u>         |
| <b>Current assets</b>   |                      |                      |                      |                      |
| Trade and other receivables, deposits and prepayments                     | 100                  | 2,297                | 16,946               | 12,967               |
| Properties under development  | 173,031              | 23,061               | -                    | -                    |
| Amount due from subsidiaries  | -                    | -                    | 35,790               | -                    |
| Amount due from related companies   | -                    | 178                  | -                    | -                    |
| Financial assets at fair value through profit and loss                    | 4                    | 3                    | 4                    | 3                    |
| Cash and cash equivalents   | 1,254                | 4,387                | 164                  | 3,542                |
|   | <u>174,389</u>       | <u>29,926</u>        | <u>52,904</u>        | <u>16,512</u>        |
| <b>Total assets</b>   | <u>200,935</u>       | <u>53,579</u>        | <u>54,802</u>        | <u>18,222</u>        |
| <b>LIABILITIES</b>  |                      |                      |                      |                      |
| <b>Current liabilities</b>  |                      |                      |                      |                      |
| Trade and other payables  | 374                  | 647                  | 55                   | 59                   |
| Borrowings  | 490                  | 736                  | -                    | -                    |
| Finance lease payables  | 11                   | -                    | 11                   | -                    |
| Amount due to non-controlling equity holders of subsidiaries              | 9,326                | -                    | -                    | -                    |
| Amount due to a related company   | 36,931               | 2,541                | 36,931               | 98                   |
|   | <u>47,132</u>        | <u>3,924</u>         | <u>36,997</u>        | <u>157</u>           |
| <b>Non-current liabilities</b>  |                      |                      |                      |                      |
| Borrowings  | 129,247              | 27,333               | -                    | -                    |
| Convertible bonds <sup>(1)</sup>  | 8,460                | 7,854                | 8,460                | 7,854                |
| Finance lease payables  | 135                  | -                    | 135                  | -                    |
| Deferred taxation   | 1,087                | 744                  | -                    | -                    |
|   | <u>138,929</u>       | <u>35,931</u>        | <u>8,595</u>         | <u>7,854</u>         |
| <b>Total liabilities</b>  | <u>186,061</u>       | <u>39,855</u>        | <u>45,592</u>        | <u>8,011</u>         |
| <b>NET ASSETS</b>   | <u>14,874</u>        | <u>13,724</u>        | <u>9,210</u>         | <u>10,211</u>        |
| <b>EQUITY</b>   |                      |                      |                      |                      |
| <b>Capital and reserves attributable to equity holders of the Company</b> |                      |                      |                      |                      |
| Share capital   | 24,974               | 24,974               | 24,974               | 24,974               |
| Accumulated losses  | (16,293)             | (17,034)             | (20,849)             | (19,848)             |
| Other reserves  | 5,693                | 5,484                | 5,085                | 5,085                |
|   | <u>14,374</u>        | <u>13,424</u>        | <u>9,210</u>         | <u>10,211</u>        |
| Non-controlling interests   | 500                  | 300                  | -                    | -                    |
| <b>Total equity</b>   | <u>14,874</u>        | <u>13,724</u>        | <u>9,210</u>         | <u>10,211</u>        |

Note:

- (1) On 9 November 2010, the Company issued zero coupon convertible bonds denominated in Singapore Dollars with a nominal value of \$16,320,240. The bonds are due for repayment four years from the issue date at their nominal value of \$16,320,240 or convertible into shares of the Company at a conversion price of \$0.03. When the convertible bonds were issued, the total net proceeds were allocated to the liability component and the equity component, which were separately presented on the statement of financial position. The liability component was recognised initially at its fair value, determined using a market interest rate for equivalent non-convertible bonds. It is subsequently carried at amortised cost using the effective interest method at a rate of approximately 15.4% until the liability is extinguished on conversion or redemption of the bonds. The difference between the total proceeds and the liability component is allocated to the convertible bonds reserve (equity component), which is presented in equity net of deferred tax effect.

(2) (b)(ii) **Aggregate amount of group's borrowings and debt securities.**

**Amount repayable in one year or less, or on demand**

| <b>As at 30/09/11</b> |                  | <b>As at 31/3/11</b> |                  |
|-----------------------|------------------|----------------------|------------------|
| <b>Secured</b>        | <b>Unsecured</b> | <b>Secured</b>       | <b>Unsecured</b> |
| 501,000               | -                | 736,000              | -                |

**Amount repayable after one year**

| <b>As at 30/09/11</b> |                  | <b>As at 31/3/11</b> |                  |
|-----------------------|------------------|----------------------|------------------|
| <b>Secured</b>        | <b>Unsecured</b> | <b>Secured</b>       | <b>Unsecured</b> |
| 129,382,000           | 8,460,000        | 27,333,000           | 7,854,000        |

**Details of any collateral**

The Group's borrowings of S\$129,738,000 (31.3.2011: S\$28,069,000) are secured by its investment properties and properties under development with aggregate carrying value of S\$199,301,000 (31.3.2011: S\$46,626,000).

The Group's finance lease payables of S\$146,000 (31.3.2011: Nil) are secured by its motor vehicle with carrying value of S\$188,000 (31.3.2011: Nil).

- 1(c) A statement of cash flows (for the group), together with a comparative statement for the corresponding period of the immediately preceding financial year.

|   | <b>GROUP<br/>S\$'000</b>                  |   |
|---|---|---|
|   | <b>From<br/>1/4/2011 to<br/>30/9/2011</b> | <b>From<br/>1/1/2010 to<br/>30/6/2010</b> |
| <b>Cash flow from operating activities</b>  |   |   |
| Profit/(loss) before taxation   | 1,075                                     | (128)                                     |
| Adjustments for   |   |   |
| Depreciation and amortisation   | 19  | 9   |
| Net increase in properties held for sale  | -   | (7,802)                                   |
| Fair value (gain)/ loss on financial assets at fair value through profit and loss | (1)                                       | 128                                       |
| Fair value gain on revaluation of investment properties                           | (2,012)                                   | (600)                                     |
| Interest income   | (3)                                       | (42)                                      |
| Interest expenses   | 710                                       | -   |
| Unrealised exchange loss  | -   | 36  |
| <b>Operating loss before working capital changes</b>                              | <b>(212)</b>                              | <b>(8,399)</b>                            |
| <b>Changes in working capital:</b>  |   |   |
| Decrease/(increase) in trade and other receivables, deposits & prepayments        | 2,197                                     | (642)                                     |
| Decrease in financial assets at fair value through profit or loss                 | -   | 3,247                                     |
| Increase in properties under development  | (149,970)                                 | -   |
| Decrease in trade and other payables  | (273)                                     | (1,646)                                   |
| <b>Cash flows used in operations</b>  | <b>(148,258)</b>                          | <b>(7,440)</b>                            |
| Interest received   | 3   | 42  |
| <b>Net cash used in operating activities</b>                                      | <b>(148,255)</b>                          | <b>(7,398)</b>                            |
| <b>Cash flow from investing activities</b>  |   |   |
| Purchase of investment properties   | (311)                                     | (2,200)                                   |
| Purchase of property, plant and equipment   | (207)                                     | (3)                                       |
| <b>Net cash used in investing activities</b>                                      | <b>(518)</b>                              | <b>(2,203)</b>                            |
| <b>Cash flow from financing activities</b>  |   |   |
| Borrowings  | 101,814                                   | 6,940                                     |
| Interest expenses   | (104)                                     | -   |
| Amount due to a related company   | 34,568                                    | 284                                       |
| Amount due to non-controlling equity holders of subsidiaries                      | 9,326                                     | -   |
| Capital contribution from minority shareholders of subsidiaries                   | 200                                       | 200                                       |
| <b>Net cash generated from financing activities</b>                               | <b>145,804</b>                            | <b>7,424</b>                              |
| <b>Net decrease in cash and cash equivalents</b>                                  | <b>(2,969)</b>                            | <b>(2,177)</b>                            |
| Cash and cash equivalents at beginning of the period                              | 4,387                                     | 3,508                                     |
| Effect of foreign exchange rate changes, net                                      | (164)                                     | -   |
| <b>Cash and cash equivalents at the end of the period</b>                         | <b>1,254</b>                              | <b>1,331</b>                              |
| <b>Cash or cash equivalents comprise :</b>  |   |   |
| Cash and bank balances  | 1,254                                     | 875                                       |
| Fixed deposit   | -   | 456                                       |
|   | <b>1,254</b>                              | <b>1,331</b>                              |

- 1(d)(i) A statement (for the issuer and group) showing either (i) all changes in equity or (ii) changes in equity other than those arising from capitalisation issues and distributions to shareholders, together with a comparative statement for the corresponding period of the immediately preceding financial year.

|  | Attributable to equity holders of the Company |                                 |   |   |                             |                                | Total<br>Equity<br>\$'000 |
|--|---|---------------------------------|---|---|-----------------------------|--------------------------------|---------------------------|
|  | Share<br>Capital<br>\$'000                    | Accumulated<br>losses<br>\$'000 | Foreign<br>currency<br>translation<br>reserve<br>\$'000 | Convertible<br>bonds<br>reserve<br>\$'000 | Total<br>reserves<br>\$'000 | Minority<br>interest<br>\$'000 |                           |
|  | <b>The Group</b>                              |                                 |   |   |                             |                                |                           |
| As at 1.4.2011                                   | 24,974  | (17,034)                        | 399   | 5,085                                     | 5,484                       | 300                            | 13,724                    |
| Acquisition of a subsidiary                      | -   | -                               | -   | -   | -                           | 200                            | 200                       |
| Total comprehensive income for the period        | -   | 741                             | 209   | -   | 209                         | -                              | 950                       |
| As at 30.9.2011                                  | 24,974  | (16,293)                        | 608   | 5,085                                     | 5,693                       | 500                            | 14,874                    |
| <b>As at 1.1.2010</b>                            | <b>21,974</b>                                 | <b>(18,626)</b>                 | <b>292</b>  | <b>-</b>                                  | <b>292</b>                  | <b>-</b>                       | <b>3,640</b>              |
| Total comprehensive income/(loss) for the period | -   | (230)                           | 36  | -   | 36                          | -                              | (194)                     |
| Acquisition of a subsidiary                      | -   | -                               | -   | -   | -                           | 200                            | 200                       |
| As at 30.6.2010                                  | 21,974  | (18,856)                        | 328   | -   | 328                         | 200                            | 3,646                     |
| <b>The Company</b>                               |   |                                 |   |   |                             |                                |                           |
| As at 1.4.2011                                   | 24,974  | (19,848)                        | -   | 5,085                                     | 5,085                       | -                              | 10,211                    |
| Total comprehensive loss for the period          | -   | (1,001)                         | -   | -   | -                           | -                              | (1,001)                   |
| As at 30.9.2011                                  | 24,974  | (20,849)                        | -   | 5,085                                     | 5,085                       | -                              | 9,210                     |
| <b>As at 1.1.2010</b>                            | <b>21,974</b>                                 | <b>(18,075)</b>                 | <b>-</b>  | <b>-</b>                                  | <b>-</b>                    | <b>-</b>                       | <b>3,899</b>              |
| Total comprehensive loss for the period          | -   | (505)                           | -   | -   | -                           | -                              | (505)                     |
| As at 30.6.2010                                  | 21,974  | (18,580)                        | -   | -   | -                           | -                              | 3,394                     |

- 1(d)(ii) Details of any changes in the company's share capital arising from rights issue, bonus issue, share buy-backs, exercise of share options or warrants, conversion of other issues of equity securities, issue of shares for cash or as consideration for acquisition or for any other purpose since the end of the previous period reported on. State also the number of shares that may be issued on conversion of all the outstanding convertibles, as well as the number of shares held as treasury shares, if any, against the total number of issued shares excluding treasury shares of the issuer, as at the end of the current financial period reported on and as at the end of the corresponding period of the immediately preceding financial year.

There were no changes in the Company's share capital arising from rights issue, bonus issue, share buy-backs, exercise of share options or warrants, conversion of other issues of equity securities, issue of shares for cash or as consideration for acquisition or for any other purpose since the end of the previous period reported on. There were no treasury shares held as at 30 September 2011 and 31 March 2011.

| Summary of Outstanding convertible securities |      | As at 30 September 2011                   |  | As at 31 March 2011                       |  |
|---|------|---|--|---|--|
|   | Note | No. of outstanding convertible securities | Percentage of the Company's existing issued share capital of 372,004,000 ordinary shares | No. of outstanding convertible securities | Percentage of the Company's existing issued share capital of 372,004,000 ordinary shares |
| Zero coupon convertible bonds due 2014        | A, C | 444,008,000                               | 119.4%   | 444,008,000                               | 119.4%   |
| Share Options                                 | B, C | 20,000,000                                | 5.4%   | 0   | 0%   |
| <b>Total</b>                                  |      | <b>464,008,000</b>                        | <b>124.7%</b>  | <b>444,008,000</b>                        | <b>119.4%</b>  |

Note A:

There were S\$13,320,240 in aggregate principal amount of convertible bonds outstanding as at 30 September 2011, which can be converted into 444,008,000 conversion shares at a conversion price of S\$0.03 at any time from the date of issuance to 10 November 2014.

Note B:

There were 20,000,000 share options as at 30 September 2011, which are granted on 10 August 2011 to Mr. Yeo Wee Kiong in connection with his appointment as a business adviser to the Company. 10,000,000 share options are convertible into 10,000,000 new shares at S\$0.035 per share and the remaining 10,000,000 share options are convertible into 10,000,000 new shares at S\$0.04 per share at any time from the date of grant to 9 August 2016.

Note C:

As a result of the rights issue announced on 25 August 2011, the conversion price of the convertible bonds, the subscription price and the number of shares to be issued under the options may be adjusted in accordance with the respective terms and conditions of the convertible bonds and the options. Further announcement will be made by the Company in respect of such adjustments as and when appropriate.

**1(d)(iii) To show the total number of issued shares excluding treasury shares as at the end of the current financial period and as at the end of the immediately preceding year.**

|   | 30/9/11     | 31/3/11     |
|---|-------------|-------------|
| Total number of issued shares excluding treasury shares | 372,004,000 | 372,004,000 |

**1(d)(iv) A statement showing all sales, transfers, disposal, cancellation and/or use of treasury shares as at the end of the current financial period reported on.**

None.

**2. Whether the figures have been audited or reviewed and in accordance with which auditing standard or practice.**

The figures have not been audited or reviewed by its auditors, Messrs Audit Alliance.

**3. Where the figures have been audited or reviewed, the auditors' report (including any qualifications or emphasis of a matter).**

Not applicable

**4. Whether the same accounting policies and methods of computation as in the issuer's most recently audited annual financial statements have been applied.**

The Group has applied the same accounting policies and methods of computation in the announcement for the current financial period as those of the audited financial statements for the period ended 31 March 2011, as well as the applicable Financial Reporting Standards ("FRSs") and Interpretations to FRSs ("INT FRS") which became effective for the financial years beginning on or after 1 April 2011. The adoption of these new and revised FRSs and INT FRS has no material effect to the results or the opening balances of the accumulated losses of the Group and of the Company for the 6 months ended 30 September 2011.

**5. If there are any changes in the accounting policies and methods of computation, including any required by an accounting standard, what has changed, as well as the reasons for, and the effect of, the change.**

Refer to Note 4.

**6. Earnings per ordinary share of the group for the current financial period reported on and the corresponding period of the immediately preceding financial year, after deducting any provision for preference dividends.**

| <b>Basic earnings/(loss) per share</b>   | <b>GROUP</b>                     |                                  |
|--|----------------------------------|----------------------------------|
|  | <b>1/4/2011 to<br/>30/9/2011</b> | <b>1/1/2010 to<br/>30/6/2010</b> |
| Net profit/(loss) for the period (\$'000)  | 741                              | (230)                            |
| Weighted average number of shares for calculation of basic earnings/ (loss) per share ('000) | 372,004                          | 272,004                          |
| Basic earnings/(loss) per share (cents per share)  | 0.199                            | (0.084)                          |

| <b>Diluted earnings/(loss) per share</b>  | <b>GROUP</b>                     |                                  |
|---|----------------------------------|----------------------------------|
|   | <b>1/4/2011 to<br/>30/9/2011</b> | <b>1/1/2010 to<br/>30/6/2010</b> |
| Net profit/(loss) for the period (\$'000)   | 741                              | (230)                            |
| Impact on profit & loss arising from conversion of all the outstanding convertible bonds, net of tax (\$'000) | 503                              | -                                |
| Net profit/(loss) for the period (\$'000)   | 1,244                            | (230)                            |
| Weighted average number of shares outstanding for basic earnings/ (loss) per share ('000)                     | 372,004                          | 272,004                          |
| Adjustments for convertible bonds ('000)  | 444,008                          | -                                |
|   | 816,012                          | 272,004                          |
| Diluted earnings/(loss) per share (cents per share)   | 0.152                            | (0.084)                          |

Note:

In the computation of diluted earnings per share, the outstanding 20,000,000 share options were not taken into consideration as the market price is lower than the exercise price per share of the options. Accordingly, there is no dilutive effective on the earnings per share.

**7. Net asset value (for the issuer and group) per ordinary share based on the total number of issued shares excluding treasury shares of the issuer at the end of the:-**  
**(a) current financial period reported on; and**  
**(b) immediately preceding financial year.**

|  | <b>GROUP</b>             |                          | <b>COMPANY</b>           |                          |
|--|--------------------------|--------------------------|--------------------------|--------------------------|
|  | <b>As at<br/>30/9/11</b> | <b>As at<br/>31/3/11</b> | <b>As at<br/>30/9/11</b> | <b>As at<br/>31/3/11</b> |
| Net Asset Value per Ordinary Share based on issued share capital | 3.86 cents               | 3.61 cents               | 2.48 cents               | 2.74 cents               |

The computation of Net Asset Value per Ordinary Share was based on 372,004,000 shares as at 30 September 2011 (31.3. 2011: 372,004,000 shares).

**8. A review of the performance of the group, to the extent necessary for a reasonable understanding of the group's business. It must include a discussion of the following:-**

- (a) any significant factors that affected the turnover, costs, and earnings of the group for the current financial period reported on, including (where applicable) seasonal or cyclical factors; and**
- (b) any material factors that affected the cash flow, working capital, assets or liabilities of the group during the current financial period reported on.**

- (a) The Group fully discontinued its travel and leisure business by the first quarter of 2010. Since December 2009, the Company began acquiring, selling and/or leasing of small-size residential properties in Hong Kong. In addition, the Company has acquired an office premise as well as residential properties in Singapore for rental income, with a view to longer term price appreciation. In 2010, the Group also embarked on two property development projects in Singapore at Charlton Road (the "Charlton Project") and Balestier (the "Waldorf Project"). In June 2011, the Group successfully tendered to acquire a land parcel at Pasir Ris Central/Pasir Ris Drive 1 for developing public housing under the Design, Build and Sell Scheme operated by the Housing Development Board of Singapore (the "DBSS Project").

As disclosed by the Company in its 2011 annual report, the Group has changed the intention of its portfolio of 30 small-size properties in Hong Kong from being held for sale to long-term investments held for rental income or capital appreciation following the introduction of prohibitive new measures to curb property speculation in Hong Kong. As a result, the Group did not sell any properties for the period under review.

The Group recorded revenue of approximately S\$438,000 for HY2012, representing a decrease of approximately 45% as compared to HY2010. The breakdown of revenue is as follows:

|                       | 1/4/2011<br>to<br>30/9/2011<br>("HY2012")<br>S\$'000 | 1/1/2010<br>to<br>30/6/2010<br>("HY2010")<br>S\$'000 |
|-----------------------|--|--|
| Sale of properties    | -  | 706  |
| Rental income         | 435  | 48   |
| Other interest income | 3  | 40   |
|                       | <u>438</u>   | <u>794</u>   |

Rental income increased as most of the investment property portfolios have been acquired after HY2010, while interest income declined due to a reduction in cash and cash equivalent in HY2012. The fair value loss on the financial assets at fair value through profit or loss decreased by S\$129,000 which is mainly due to the disposal of quoted securities and equity linked notes in 2010.

The investment properties of the Group were revalued as at 30 September 2011, resulting in a fair value gain of S\$2,021,000 on the said investment properties in HY2012 (HY2010: S\$600,000).

Administrative expenses increased by S\$40,000 or 6%, from S\$663,000 in HY2010 to S\$703,000 in HY2012. This was mainly due to an increase in legal and professional fees.

Finance costs increased by S\$697,000 or 54 times, from S\$13,000 in HY2010 to S\$710,000 in HY2012 due to new bank loans taken and the issuance of convertible bonds in November 2010.

Income tax expenses increased by S\$232,000 or 227%, from S\$102,000 in HY2010 to S\$334,000 in HY2012 mainly due to the deferred taxation that arose from the fair value gain on revaluation of investment properties.

As a result of the above, the profit attributable to shareholders for HY2012 was approximately S\$741,000 compared to the loss of S\$230,000 in HY2010.

- (b) Total equity of the Group stood at S\$14,874,000 as at 30 September 2011, an increase of S\$1,150,000 or 8.4% compared to S\$13,724,000 as at 31 March 2011.

Investment properties and properties under development increased to S\$26,270,000 (31.3.2011: S\$23,565,000) and S\$173,031,000 respectively (31.3.2011: S\$23,061,000) mainly due to the revaluation of the investment properties while properties under development increased due to the acquisition of new investment properties for development (the Waldorf Project and the DBSS Project) during the period under review. This also resulted in the increase in net cash used in operating activities from S\$7.4 million in HY2010 to S\$148.1 million in HY2012.

Trade and other receivables, deposits & prepayments decreased to S\$100,000 (31.3.2011: S\$2,297,000) mainly due to the release of the Group's stakeholder monies for the acquisition of Waldorf Project paid last year.

Deferred taxation increased to S\$1,087,000 (31.3.2011: S\$744,000) due to the deferred taxation that arose from the fair value gain on revaluation of investment properties.

As at 30 September 2011, the Group had cash and cash equivalents that amounted to approximately S\$1,254,000 (31.3.2011: S\$4,387,000). Borrowings increased to S\$129,883,000 (31.3.2011: S\$28,069,000) which are bank borrowings taken up to finance the acquisitions of investment properties and properties under development.

The carrying amount of liability component of the convertible bonds was increased from S\$7,854,000 as at 31 March 2011 to S\$8,460,000 as at 30 September 2011 as S\$606,000 (HY2010: Nil) of interest expense was correspondingly amortized and charged to the income statement.

As at 30 September 2011, the Group had amounts due to non-controlling equity holders of its subsidiaries of S\$9,326,000 (31.3.2011: Nil) for the funding of the acquisition of the properties under development. The amounts due are unsecured, interest free and repayable on demand.

As at 30 September 2011, the Group had amounts due to a related company, Xpress Credit Limited (the "Controlling Shareholder") of S\$36,931,000 (31.3.2011: S\$2,541,000) for the funding of the acquisition of the properties under development and general working capital of the Group. The amounts due are unsecured, interest free and repayable on demand.

As a result of the increase in borrowings, amount due to non-controlling shareholders of its subsidiaries and loans from its Controlling Shareholder, cashflow generated from financing activities rose from S\$7.4 million in HY2010 to S\$145.6 million in HY2012, which were used to fund the Group's operating activities.

**9. Where a forecast, or a prospect statement, has been previously disclosed to shareholders, any variance between it and the actual results.**

Not applicable.

**10. A commentary at the date of the announcement of the significant trends and competitive conditions of the industry in which the group operates and any known factors or events that may affect the group in the next reporting period and the next 12 months.**

Having exited the travel and hospitality business, the Group has focused on property development in Singapore accompanied by an "investment banking approach" to property development. In line with this strategy it has embarked on three residential property developments. The progress of these three residential property developments will have a significant impact on the Group in the next 12 months.

In June 2011, the Company, through its wholly-owned subsidiary SingXpress Land (Pasir Ris) Ltd and jointly with Kay Lim Holdings Pte Ltd, was successful in a tender to acquire a land parcel at Pasir Ris Central/Pasir Ris Drive 1 for developing public housing under the Design, Build and Sell Scheme operated by the Housing Development Board of Singapore (the "DBSS Project"). The total acquisition and development cost for the DBSS Project is currently estimated at S\$253.88 million for which the Company shall have to bear S\$203.10 million.

For the DBSS Project, bank financing for the acquisition and construction was put in place in August 2011. The acquisition cost of S\$123.88 million has been fully paid and the acquisition was completed in August 2011. The Group has taken possession of the site and submitted its plans for review by the Housing and Development Board. Pre-sale of the units under the DBSS Project is targeted to begin in the first half of calendar year 2012.

Prior to the DBSS Project, the Company had also embarked on two other property acquisition and redevelopment projects involving Foh Pin Mansion at Charlton Road (the "Charlton Project") and Waldorf Mansions (the "Waldorf Project") at 235 Balestier Road in the 15-month financial period ended 31 March 2011, details of which are set out in the announcements dated 1 July 2010 and 25 November 2010, and the circulars dated 21 September 2010 and 31 January 2011.

For the Charlton Project, bank financing for the en-bloc acquisition and construction was put in place in November 2010. The acquisition cost of S\$21.4 million has been fully paid and the acquisition was completed in November 2010. The Group has received the preliminary permission, written permission and building permission, and the demolition of Foh Pin Mansion at Charlton Road has been completed. Pre-sale of the units under the Charlton Project is targeted to begin in November 2011 which will contribute to the financial performance of the Group from the financial year ending 31 March 2012.

For the Waldorf Project, the financing for the en-bloc acquisition and construction was put in place in April 2011. The acquisition cost of S\$21 million has been fully paid and the acquisition was completed in April 2011. The Group has received the preliminary permission, and the property will be vacated by the end of October 2011. Pre-sale of the units under the Waldorf Project is targeted to begin in the second half of calendar year 2012.

The Singapore government's measures to curb property speculation and keep prices affordable, including through increasing the supply and improving the accessibility of public housing, may have an impact on the performance of our three development projects. The DBSS Project competes as an alternative to other public housing options. Subsequent to the Group being awarded the DBSS Project the Singapore government suspended the release of further future DBSS tenders pending a review of the program, and, as a result our DBSS Project was the last to be tendered prior to the program's suspension. The Waldorf Project and Charlton Project compete in the luxury private housing market space, whose pricing and market take-up will be more dependent on the prevailing market conditions and sentiment for such private housing at and after the time of their respective launches. The Board remains confident of the Group's prospects for the year.

On 25 August 2011, the Company announced the proposed renounceable underwritten rights issue of up to 2,997,515,464 new Shares at the issue price of S\$0.01 per rights share, on the basis of eight rights shares for every one existing share held by the Shareholders to raise estimated net proceeds of up to S\$29.4 million in which S\$18.7 million is intended to be used to repay part of the shareholder loan provided by the Controlling Shareholder, Xpress Credit Limited, to initially fund the investment in the DBSS Project. The balance of S\$10.7 million is for working capital requirements for the DBSS Project. For details, please refer to the Company's circular dated 27 September 2011.

**11. Dividend**

**(a) Current Financial Period Reported On**

Any dividend declared for the current financial period reported on?

None.

**(b) Corresponding Period of the Immediately Preceding Financial Year**

Any dividend declared for the corresponding period of the immediately preceding financial year?

None.

**(c) Date payable**

Not applicable.

**(d) Books closure date**

Not applicable.

**12. If no dividend has been declared/recommendeded, a statement to that effect.**

No dividend has been declared or recommended.

### 13 Interested Person Transactions

| Name of Interested Person | Aggregate value of all interested person transactions during the financial year under review (excluding transactions less than \$100,000 and transactions conducted under shareholders' mandate pursuant to Rule 920) | Aggregate value of all interested person transactions conducted during the financial year under review under shareholders' mandate pursuant to Rule 920 (excluding transactions less than \$100,000) |
|---------------------------|---|--|
|                           | None <sup>(1)</sup>   | None   |

Note:

- (1) As at 30 September, 2011, the Group had amounts due to a related company (being Xpress Credit Limited) of S\$36,931,000 (31.3.2011: S\$2,541,000) for the funding of the acquisition of the investment properties, properties under development and general working capital of the Group. As there was no interest charged, the amount at risk to the Company is nil.

### 14. CONFIRMATION BY THE BOARD PURSUANT TO RULE 705(5)

We, Chan Heng Fai and Chan Tong Wan, being two directors of SingXpress Land Ltd (the "Company"), do hereby confirm on behalf of the directors of the Company that, to the best of our knowledge, nothing has come to the attention of the board of directors of the Company which may render the financial statements for the half year ended 30 September 2011 to be false or misleading in any material aspect.

#### BY ORDER OF THE BOARD

Chan Heng Fai  
Managing Director  
17/10/2011

Chan Tong Wan  
Executive Director

*This announcement 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 announcement.*

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

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