



News Release

Singapore PE firm Tembusu Partners signs MoU with SGX-listed SingXpress to purchase up to 30% stake in Pasir Ris DBSS project

- **SingXpress' stake will fall to 50% from 80% previously; transaction in line with its "investment banking" strategy**
- **SingXpress and Tembusu Partners to also collaborate on future property investments and development projects**
- **SingXpress also announces 1H2012 financial results, returns to profitability, year-on-year**

SINGAPORE, 17 October 2011—SGX-Catalist listed SingXpress Land Ltd ("SingXpress" or the "Company") announced today that homegrown private equity firm Tembusu Partners Pte Ltd ("Tembusu"), through a Singapore-based real estate fund, is keen to purchase up to 30% stake in SingXpress' upcoming Housing & Development Board Design, Build and Sell Scheme project in Pasir Ris (the "DBSS Project"), which will be led by the Singapore-focused property developer.

SingXpress and Tembusu signed a Memorandum of Understanding ("MoU") under which SingXpress will sell part of its 80% stake in SingXpress Kaylim Pte Ltd, a company incorporated in Singapore to carry on the development of the DBSS project.

SingXpress which jointly won the DBSS project tender in June 2011 along with Kay Lim Holdings Pte Ltd ("Kay Lim"), an established local public housing building specialist contractor, is expected to commence sales of units in the first half of 2012.

After Tembusu's investment, SingXpress' stake in the project will fall to 50%, with the remaining 20% stake held by Kay Lim.

The strategic partnership, which will eventually be with a dedicated Singapore-based S\$500 million real estate fund set up by Tembusu, is in line with SingXpress' new corporate vision to embark on an "investment banking" approach to property development, combining risk management, leverage as well as tapping into a network of alliances of partners and potential investors such as Tembusu.

Commenting on the MoU, **SingXpress' Managing Director, Mr Chan Heng Fai** said, "This partnership with Tembusu is a significant step in our investment banking approach to property. It allows us to seize opportunities rapidly while managing risk to accelerate our growth strategy."

"The alliance also underscores the confidence that our partners have in our approach and the quality of our management in executing projects which can unlock shareholder returns – both for partners as well as shareholders of SingXpress, " he added.

"We view this DBSS project as an excellent investment opportunity for Tembusu which is able to participate at an early stage. Singapore's property market remains healthy in view of sound government policies, a rising population as well as the attractiveness of the country as an investment destination, " said **Mr Andy Lim, Chairman of Tembusu**.

"Furthermore, SingXpress' syndicated approach to property development complements our own systematic fund management strategy. We hope that this maiden project with SingXpress will be a prelude to more investment opportunities in the future, " he added.

Tembusu is expected to begin due diligence for the transaction in early November.

SingXpress and Tembusu have also expressed their intentions to collaborate on joint property investments or property developments projects in the future.

Tembusu Partners Pte Ltd is a private equity fund management ("PE") company founded by two Singapore entrepreneurs, Mr Tan Kim Seng and Mr Andy Lim. Tembusu currently has three private equity funds under its management, seeking to invest in high growth private companies. The first fund, Tembusu Growth Fund I, is a S\$100 million growth fund. The second fund, Tembusu Growth Fund II is a S\$300 million growth fund. The third fund is the Tembusu China Growth Fund, a US\$80 million joint venture with the Nanjing Venture Capital Management Company Limited with an investment focus on China.

In August 2011, SingXpress launched a S\$30 million renounceable and fully underwritten eight-for-one Rights Issue to raise funds for repaying a loan related to and for working capital required for its DBSS project.

Separately, SingXpress also announced financial results for the first six months ended 30 September 2011 ("1H2012"). In line with its strategic shift in core business operations from travel and leisure to property development and management, SingXpress reported a 1H2012 net profit of S\$741,000, reversing a net loss of S\$230,000 a year earlier.

###end of release###

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About SingXpress Land Ltd

SGX-Catalist listed SingXpress Land Ltd specialises in property development, real estate investment, real estate co-investing, property trading and real estate management services. It is backed by a management and board with strong financial expertise and experience in property development and management.

SingXpress differentiates itself with its strategy to focus on design and has adopted an "investment banking" approach towards property development. A vision of its Managing Director, Mr Chan Heng Fai, SingXpress' "investment banking" approach is essentially a syndication approach whereby the Group leads in seeking out development sites or related opportunities, sets the commercial parameters (including the level of debt and equity) and then brings in co-investors and joint venture partners, playing as far as possible a lead or co-lead role for the duration of such projects.

Making its foray into Singapore's property market in 2010, SingXpress has made two acquisitions of en bloc (collective sale) property sites – Foh Pin Mansion Charlton Road and Waldorf Mansion at Balestier Road – and successfully bid for the DBSS project.

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.

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