

FREIGHT LINKS EXPRESS HOLDINGS LIMITED
(Company Registration Number 198600061G)

Acquisition of a New Subsidiary

Freight Links Express Holdings Limited (the “Company”) wishes to announce that its subsidiary, Singapore Enterprises Pte Ltd (“SEPL”) has acquired a 100% stake in San Lu Logistics Co., Ltd (“San Lu”), a wholly foreign-owned enterprise in the People’s Republic of China, for a consideration of RMB14.118 million (S\$2.7 million). The consideration was arrived at based on the unaudited net assets value of San Lu as at 30 April 2011 of RMB14.7 million (S\$2.8 million). In addition, SEPL assumes San Lu’s debts of RMB18.882 million (S\$3.6 million).

The registered and paid-up capital of San Lu is USD 2.1 million and San Lu is principally engaged in warehouse construction and development, real estate management, consultancy services and the provision of warehousing operations, storage and transportation services.

San Lu owns a piece of industrial land located within the bonded logistics park in Jiangyin, Republic of China. The total land area is 24,882 square metres. A bonded warehouse was completed in January 2011 with a remaining tenure of 47 years up to 15 May 2058. The book value of the warehouse is RMB33.0 million as at 30 April 2011. Jiangyin Bonded Logistics Centre has signed a 3 + 3 years lease contract upon successful completion of acquisition of San Lu.

The acquisition is part of the Group’s strategic expansion plans for its logistics business in China.

The acquisition is not expected to have any material effect on the consolidated net tangible assets per share and earnings per share of the Company for the current financial year.

None of the directors or substantial shareholders of the Company has any interest, direct or indirect, in the above transaction.

By Order of the Board

Eric Khua
Executive Director and CEO
21 September 2011