

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

SGX QUERIES IN RELATION TO THE COMPANY'S ANNOUNCEMENT DATED
22 FEBRUARY 2013

In response to the email dated 5 March 2013 from the Singapore Exchange Securities Trading Limited, The Board of Directors (the "Board") of Freight Links Express Holdings Limited (the "Company") wishes to announce as follows:

Question 1: We note that the Company's subsidiary, SEPL will subscribe for a 60.34% stake in LCGI. Please disclose the consideration payable by SEPL for the subscription in LCGI.

Answer: The consideration payable by SEPL for the subscription in LCGI is USD2,415.00.

Question 2: Please provide the relative figure computed on the bases set out in Rule 1006 of the Listing Manual for the Company's proposed participation in the leasing business. In determining the value of consideration given, the Company is required to aggregate the value of the shareholder loan of up to US\$15 million.

Answer: The relative figure computed on the bases set out in Rule 1006 of the Listing Manual for the Company's proposed participation in the leasing business is as follows:

- (a) The net asset value of the assets to be disposed of, compared with the group's net asset value.

Not applicable

- (b) The net profits attributable to the assets acquired or disposed of, compared with the group's net profits.

There are no net profits currently attributable to the assets acquired.

- (c) The aggregate value of the consideration given or received, compared with the issuer's market capitalization.

The aggregate consideration of USD15,002,415 (S\$18,678,007) amounts to approximately 9.4% of the market capitalization of the Company as at 7 March 2013.

The market capitalization of the Company as at 7 March 2013 was S\$199.1 million based on the (i) issued share capital of 2,425,645,830 shares and (ii) the weighted average price of 8.21 cents per share.

- (d) The number of equity securities issued by the issuer as consideration for an acquisition, compared with the number of equity securities previously in issue.

Not applicable

Question 3: Please disclose (i) the directors and ultimate shareholders of Estate Sino Limited and Grand Business International Investment Ltd; and (ii) whether they are related to shareholders and/or substantial shareholder of the Company.

Answer: Ren Guohua, Duan Yang and Liang Shao Ai are the directors and ultimate shareholders of Estate Sino Limited. Chiang Tsung Nien is the director and ultimate shareholder of Grand Business International Investment Ltd. They are not related to shareholders and/or substantial shareholders of the Company.

Question 4: We note that, “This group of professionals will form the core management team running the new business”. Please disclose how the core management team will be remunerated.

Answer: The core management team’s remuneration has not been negotiated and firmed up at this stage. Presently, the intention is for them to receive a monthly salary with a performance component based on financial target.

Question 5: We note that, “The share capital of LCGI of a nominal amount of USD1.00 will be transferred from Eric Khua Kian Keong to SEPL”. Please disclose whether Eric Khua Kian Keong has received any consideration for SEPL’s subscription in LCGI.

Answer: Eric Khua Kian Keong will receive a nominal amount of USD1.00 as consideration for SEPL’s subscription in LCGI.

Question 6: We note that, “Except as disclosed above, none of the directors or substantial shareholders of FLEH has any interest, direct or indirect, in the above transaction”. Please disclose the paragraph which make reference to the directors or substantial shareholders’ interest in the transaction.

Answer: Paragraph 4 was made in reference to the directors or substantial shareholders’ interest in the transaction.

Question 7: Please disclose what documents will be available to shareholders for inspection in relation to this announcement.

Answer: Copies of the following documents may be inspected at the registered office of the Company at 51 Penjuru Road #04-00 Freight Links Express Logisticentre, Singapore 609143, during normal business hours:

- (a) Shareholders' Agreement dated 21 February 2013
- (b) Subscription Agreement dated 21 February 2013
- (c) Shareholders Loan Agreement dated 21 February 2013

Question 8: please advise whether the Company will be seeking shareholders' approval for the proposed diversification of the Group's business. If not, please provide the Company's basis for its opinion.

Answer: "The Company will not be seeking shareholder approval for the proposed business undertaking for the following reasons –

- (a) As indicated above, none of the relative figures as computed on the bases set out in Rule 1006 exceeds 20%;
- (b) There is no change in the Company's risk profile since there is no change in control of the issuer and no significant adverse impact on the issuer's earnings, working capital and gearing;
- (c) The proposed business undertaking is in fact not an entirely new business for the issuer since the issuer is already in the business of providing financial services through its existing subsidiaries and associates.
 - (i) The Company is the sponsor and largest unit holder of the Sabana Shari'ah Compliant Real Estate Investment Trust (Sabana REIT) and provides real estate fund and property management services to Sabana REIT through its majority control of Sabana Investment Partners Pte Ltd.
 - (ii) The Company has a 30% interest in a fund management company Sentosa Capital Pte Ltd which manages the Sentosa Asian Credit Fund investing in both hard currency and local currency denominated Asian bonds.
 - (iii) In addition, the Company's wholly-owned subsidiary Freight Links Logistics Pte Ltd has a financial leasing business with a joint-venture company Muto Global Pte Ltd.

By Order of the Board
Freight Links Express Holdings Limited

Eric Khua
Executive Director and CEO
8 March 2013