

XPRESS HOLDINGS LTD

(Incorporated in the Republic of Singapore)
(Company Registration Number 199902058Z)

VARIATION TO CONVERTIBLE BONDS REDEMPTION

The Board of Directors (the “**Board**”) of Xpress Holdings Ltd (the “**Company**”) refers to the announcements dated 25 June 2007 and 26 July 2007 in relation to the Bonds Issue which was approved by shareholders on 28 August 2007.

Capitalised terms used in this Announcement shall, unless otherwise defined herein, have the same meaning as used in the announcement dated 25 June 2007.

The Board has taken note of the changes in the economic and market environment that the Company operates in and is of the view that the early repayment of the Bonds Issue will be beneficial to Shareholders as it will reduce the debt and gearing ratio of the Company. The Board has also taken note of certain negative views with respect to the Bonds Issue. The Board is thus grateful and pleased that Credit Suisse (Singapore) Limited (the “**Bondholder**” or “**Credit Suisse**”) agreed today, 4 June 2009, to the early repayment of the Bonds. Taking into consideration the anticipated operating cashflow, previously budgeted asset disposal programme and other internal or external finance generating activities of the Company, the Company intends to utilize internal and/or external sources of funding for the repayment of the Bonds. The Board and Credit Suisse have agreed that the Company will redeem the Bonds by the dates and in the amounts as follows:

Redemption Date	Redemption Amount
15 June 2009	The aggregate of: (i) S\$2,500,000 (being 20% of the principal amount of the Bonds); and (ii) interest accrued on 100% of the principal amount of the Bonds at 1.0% per annum from (and including) 30 December 2008 to (but excluding) 30 April 2009 and at 10% per annum from 1 May 2009 to (but excluding) the date of redemption.
15 September 2009	The aggregate of: (i) S\$5,000,000 (being 40% of the principal amount of the Bonds); and (ii) interest accrued on 80% of the principal amount of the Bonds at 10% per annum from the immediately preceding date of redemption to (but excluding) the date of redemption.

Redemption Date	Redemption Amount
15 December 2009	<p>The aggregate of:</p> <p>(i) S\$5,000,000 (being 40% of the principal amount of the Bonds); and</p> <p>(ii) interest accrued on 40% of the principal amount of the Bonds at 10% per annum from the immediately preceding date of redemption to (but excluding) the date of redemption.</p>

The Company may also redeem the Bonds at 100% of the then principal amount outstanding together with interest accrued at 10% per annum from 1 May 2009 and the immediately preceding date of redemption to (but excluding) the date of redemption on any day without penalty.

However, and in the event the Company fails to pay the Redemption Amount on the applicable Redemption Date specified above, the Bonds shall become immediately due and payable at the aggregate of:

- (a) 120% of the outstanding principal amount; and
- (b) interest accrued on the outstanding principal amount at (i) in the case of failure to pay on 15 June 2009 only, 1.0% per annum from (and including) 30 December 2008 to (but excluding) 30 April 2009 and (ii) 10% per annum from (and including) the later of 1 May 2009 and the immediately preceding date of redemption to (but excluding) the date of redemption.

The Board is grateful to Credit Suisse for having subscribed to the Bonds Issue and for now agreeing to the timetable for early repayment.

By Order of the Board