

**For Immediate Release**

## **Freight Links Makes Landmark Acquisition of Leading Logistics Player CITIC Logistics in the PRC**

- **Company to acquire 60% of state-owned, market leader CITIC logistics for RMB86.4 million to gain immediate access to the Chemical Logistics boom in the PRC driven by MNCs**
- **Direct entry in Chemical & Engineering Logistics sectors - a move to thrust its current market position as a top specialist in the management of warehousing and transportation of Chemical & Dangerous goods as well as the moving of oversized equipment in the PRC**
- **Strategic acquisition will strengthen, expand and enhance Freight Links' China presence with injection of own expertise to enhance CITIC Logistics' overseas presence outside the PRC**

**SINGAPORE, 19 March 2008** - Singapore SGX-listed Freight Links Express Holdings Limited ("FLEH"), one of the leading international total logistics solution providers in Singapore, has agreed to acquire an aggregate 60% interest in the registered capital of CITIC Logistics Co. Ltd ("CITIC Logistics"), PRC's leading logistics player, for RMB86.4 million.

Said Mr Eric Khua, Chief Executive Officer of Freight Links, "CITIC Logistics is one of the top 3 chemical logistics players in the PRC. It is a landmark step for Freight Links to gain direct access to the MNC clients like Shell, BASF, Atofina and Mitsubishi Chemical. With the robust growth of the chemical industry in PRC, CITIC Logistics is well positioned to meet the increase in demand for these logistics services."

CITIC Logistics has the competitive advantage of being the only exclusive Dangerous Goods ("DG") warehouse chemical service provider within the Shanghai Chemical

Industry Park, operating a fleet of more than 250 chemical trucks and running its key operations in Shanghai, Huizhou and Ningbo.

Through this acquisition, Freight Links will be the forerunner in the chemical logistics industry in the PRC; Freight Links will also draw onto new specialties in the transportation management of Oversized Equipment Transportation.

CITIC Logistics is a top PRC player in moving oversized cargo transportation tasks for state and local key projects in the fields of petroleum, chemical, metallurgy, highway, railway, water conservation, electricity and municipal works. It has achieved excellent customer satisfaction through its impeccable delivery of government contracts and projects such as coal liquefaction project, coal-fired power plant and windmill power generations. Freight Links will now be able to immediately tap onto this new division and add onto its current slew of services in niche logistics.

"CITIC Logistics is already extending its network of services outside China through its Engineering division. This acquisition will greatly enhance Freight Links' capabilities in the project cargo business. The Group will leverage on CITIC's wide geographical footprint and expertise to secure projects in the mining, resources and infrastructure industries in other countries outside the PRC. This is synergistic to our own talents to penetrate new markets with our expertise via CITIC logistics' extensive influence," added Mr Khua.

CITIC Group will retain 10% shareholding and Mr Li Weimin, President of CITIC Logistics, will hold the remaining 30% shareholding. FLEH will continue to use the strong brand name of CITIC's company name and logo to penetrate aggressively into the local PRC market.

Added Mr Khua, "This acquisition of a well-recognized and highly-reputed company in the PRC heralds a significant, positive impact on Freight Links' total logistics business. It is strategically in line with Freight Link's strategy and plans to strengthen and expand the Company's overseas capabilities and to make headway into the growing PRC market. The acquisition will broaden the Company's geographical footprint directly by gaining access to the PRC customer base."

## **About Citic Logistics**

CITIC Logistics Co., Ltd, a subsidiary of the CITIC Group, CITIC Logistics is part of the **CITIC Group** (中国中信集团公司), a state-owned investment company of the PRC and one of the earliest third party logistics providers in the country, with one of the most extensive logistics physical service networks across the PRC; winning awards such as the “Top 100 Logistics Enterprises of China” and “Top 10 Rapidly-Developed Chinese Logistic Enterprise in Recent Three Years” in 2004.

Having started its business with road freight transportation in 1993, CITIC Logistics Co., Ltd's business scope includes road freight, finished car transportation, mass bulk cargo transportation, hazardous goods transportation; domestic and international freight forwarding; technology development and consulting, customs clearance service; vehicle storage and safe keeping; packing in batches; distribution service; vehicle storage and safe keeping; packing in batches; distribution service, etc.

## **About Freight Links**

Listed on the SGX Main Board in 1995, Freight Links Group is one of the leading international total logistics solution providers in Singapore. Since our establishment in 1981, our international freight forwarding business has reached over 600 destinations throughout the world. Apart from strong strategic partnerships with over 120 freight forwarding agents worldwide, Freight Links has overseas offices located in Malaysia, Thailand, Hong Kong, United Arab Emirates and China.

Freight Link's Singapore warehousing facilities occupies a total gross floor area of over 1.3 million square feet. Freight Links has extensive experience in storing and forwarding all types of cargo, from small parcels to massive plant machinery, exhibition displays and archival documents. Our comprehensive array of logistics services includes International Freight Forwarding, Chemical Storage and Logistics, Warehousing Property Management, Total Logistics Solutions, Integrated Marketing Services, Record Management Solutions and International Relocation Services

Issued and Sent on behalf Of Freight Links Express Holdings Limited

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