

FREIGHT LINKS EXPRESS HOLDINGS LIMITED

(Incorporated in Singapore)

Company Registration Number 198600061G

ENTRY INTO JOINT VENTURE AGREEMENT FOR THE FORMATION OF KAPLINKS ASIA LOGISTICS PTE. LTD.

INTRODUCTION

1. The board of directors of Freight Links Express Holdings Limited (the "Company") is pleased to announce that its wholly-owned subsidiary, Singapore Enterprises Private Limited ("SEPL") has on 1 February 2008 entered into a joint venture agreement (the "Agreement") with KFM Asian Logistics 1 Pty Limited ("KAL") to incorporate a private limited liability joint venture company in Singapore to be known as KapLinks Asia Logistics Pte. Ltd. (the "JV Company"), for the purpose of conducting business within China and other Asian countries in providing comprehensive total logistics services and investing in logistics infrastructure development projects.
2. KAL is owned jointly by Kaplan Equity Limited ("KEL") and the KFM Diversified Infrastructure and Logistics Fund ("KIL"). KEL and KIL are both managed by Kaplan Funds Management ("KFM"). KFM, formed in 1997, offers a comprehensive investment management service, and manages over AUD\$2.3 billion on behalf of private and corporate investors. Through the entities it manages and alliances it has formed, KFM has been an active participant in the logistics sector in Australia over many years across a broad range of logistics companies. This has provided KFM with a comprehensive understanding of the key elements necessary to successfully establish, integrate and operate a multi-modal logistics operation involving road, rail, sea and air and covering all elements of the supply chain.

SHARE CAPITAL OF THE JV COMPANY

3. Pursuant to the Agreement, the JV Company has been incorporated with an issued and paid-up share capital of USD2.00 comprising of 2 ordinary shares of which SEPL and KAL each subscribed for 1 ordinary share. The JV Company will increase its issued and paid-up share capital to USD500,000.00 comprising 500,000 ordinary shares ("KapLinks Shares") of which SEPL and KAL shall each subscribe for in equal proportions to reflect the following shareholding structure:-

Shareholder(s)	No. of Shares held	Percentage shareholding
SEPL	250,000	50%
KAL	250,000	50%

4. The JV Company will subsequently, upon the direction of the board of directors of the JV Company (the "Board") increase its share capital by issuing 1,500,000 ordinary shares for the aggregate amount of USD1.5 million of which SEPL and KAL will subscribe for in equal proportions to maintain a 50:50 shareholding structure.
5. SEPL's subscription for KapLinks Shares will be financed from internal funds.

FINANCIAL IMPACT

6. The transaction is not expected to have a material impact on the consolidated earnings per share and net tangible assets of the Company and its subsidiaries for the year ending 30 April 2008.

INTEREST OF DIRECTORS AND SUBSTANTIAL SHAREHOLDERS OF THE COMPANY

7. None of the directors of the Company has any direct or indirect interest in the aforesaid joint venture. The directors of the Company are not aware of any substantial shareholder having any interest, direct or indirect, in the aforesaid joint venture.

By Order of the Board

Thomas Woo
Executive Director & CFO
Singapore, 20 February 2008