



## **CXHUB, Pan-Asia's First Industry-Led On-Line Construction Exchange Secures Blue-Chip Customer Base - Set to transform construction industry**

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CXhub, Pan-Asia's first industry-led on-line construction exchange, today announced that it had secured the participation of UniG Pte Ltd (UniG), Keppel Corporation and KeplandeHub Limited (Keppel Land Limited's technology spinoff) as well as multinational construction and trading companies Hyundai Engineering & Construction Co. Ltd (Hyundai), Bouygues Batiment, mother company of Dragages Singapore, Mitsui & Co.Ltd (Mitsui), Nissho Iwai Corporation (Nissho Iwai) and Ssangyong Engineering & Construction Co. Ltd (Ssangyong) as its shareholders. Major shareholders of UniG are real estate giants City Developments Limited (CDL) and Far East Organization (FEO) & its listed companies Sino Land Company Limited, Orchard Parade Holdings Limited and Yeo Hiap Seng Limited. All have expressed their intention to use CXhub extensively for all their material procurement needs.

To be officially launched in 3-4 months, CXhub is a construction exchange developed by the industry for the industry to procure construction & building materials and professional consultancy services.

CXhub will carry a comprehensive range of products to serve industry needs for new construction as well as building maintenance, including structural components, architectural finishes, building materials, mechanical & electrical components and equipment, and building maintenance requirements. Through CXhub, both buyers and sellers will be able to congregate at the CXhub exchange where they can broadcast or shop for their requirements, invite bids to fulfill these requirements and conclude their trades. In addition, CXhub's users will have access to value-added services such as project management tools, archival services, on-line tendering of projects, product specifications and standards, as well as support services including on-line payment, logistics support, factoring, financing and quality control.

CXhub empowers both buyers and sellers in the construction industry. For buyers, the global market becomes a conveniently unified marketplace to source for information, materials and services. For sellers, they now have access to a bigger pool of buyers. Users no longer have to work with a limited pool of counter-parties in a highly fragmented market, or wade through seas of documents just to close a transaction.

The benefits of using CXhub are multi-fold. Firstly, the efficiency of the Internet will enhance productivity in sourcing, documenting, tracking and archiving, resulting in time and resource savings and greater transparency. Secondly, greater access through the Internet between buyers and sellers and among all members of the industry will promote better matching of counter-parties and in so doing, reduce costs, inventories and wastage. Thirdly, CXhub will provide greater economies of scale through aggregation, leading to lower costs and improved competitiveness.

CXhub's proprietary on-line bidding heuristics will ensure bidders' confidentiality while promoting market transparency, thus protecting and serving even the smallest buyers and sellers. CXhub intends to work closely with all industry players to integrate their procurement processes into the exchange. In addition, CXhub will provide the necessary user training should the need arise.

Noted Mr. Philip Ng, Chief Executive Officer of FEO, "We see tremendous potential for CXhub to become the e-market place for industry participants. Cross border transfers of best practices and best products globally will be facilitated. This will result in major improvements in the real estate production process and delivery of better quality products to our customers."

CXhub exploits the ubiquitous Internet infrastructure and software to build an open, secured, user-friendly, reliable and portable Internet exchange. CXhub expects to sign on its technology partners shortly.

CXhub's revenue stream will be drawn from fees levied on bids submitted by both buyers and sellers and on the transaction of successful bids.

CXhub aims to achieve double-digit percentage savings for its users in terms of total savings as a result of improved time, manpower and cost efficiencies. In terms of actual costs of purchasing, savings of 3 to 5 per cent can be expected. This is substantial when translated into quantitative terms on an industry-wide basis. The impact is even greater when the potential savings are aggregated on a regional basis. For example, in Singapore, construction contracts worth about S\$10 billion are awarded every year. CXhub could potentially bring about savings of S\$300-500 million for the industry annually. On a regional basis, the Pan-Asian market is worth more than S\$250 billion a year, which means that cost savings of S\$7.5-12.5 billion could potentially be reaped every year.

Said Mr. Kwek Leng Joo, Managing Director of CDL, "This is a landmark breakthrough that transforms the way we do business in the property and construction industries. We see real estate developers like ourselves, contractors and sub-contractors, suppliers, architects, quantity surveyors, designers, and even public bodies in Pan-Asia as potential users of CXhub. Through CXhub, they will now be able to attain a new level of competitiveness by sourcing for information, communicating with business associates and completing transactions at a mouse click. CXhub will be the Internet community of the construction industry in Pan-Asia."

To capitalize on its know-how, CXhub plans to launch localized versions of CXhub in Malaysia, Thailand, China, Korea and Australia and the rest of Pan-Asia in due course.

"This alliance in CXhub is a timely development, in the light of wider e-initiatives rolled out in the Keppel Group. The Keppel Group aims to transform itself as the regional gateway to the New Economy, and in the process become one of the leading eBusiness conglomerates. For Keppel Land, the participation through KeplandeHub fits well into the objectives of KeplandeHub to develop and invest in real estate and associated infrastructure technology businesses," said Mr Kevin Wong, Managing Director of Keppel Land Limited.

Spearheading the development and growth of CXhub is Mr. Fan Kow Hin, Chief Executive of UniG, an industry veteran together with a team of

dedicated industry experts. Commented Mr. Fan, "We are very excited about the potential of CXhub and how it will reshape the construction landscape in Pan-Asia. We see tremendous opportunity to break new ground here. What we have developed is a strategic platform that will revolutionize the industry. It has the potential to become the industry standard. We encourage all - international and local players - to come together to use the exchange, thereby creating a critical mass that is required for the full benefits to be realized."

#### About CXhub

CXhub is the first industry-led B2B e-marketplace that provides functionality, content and integration of supply chain for the construction industry in Pan-Asia. Established to be the Internet community of the construction industry in Pan-Asia, its business and services will include e-procurement, e-tender, e-project management and e-archival to be built on leading edge Internet infrastructure and software applications. CXhub will provide an open, reliable, scalable, portable, secured and user-friendly Internet hub for all players in the construction industry. Shareholders of CXhub are UniG Pte Ltd (UniG), Keppel Corporation, KeplandeHub Limited (Keppel Land Limited's technology spinoff), Hyundai Engineering & Construction Ltd, Bouygues Batiment, mother company of Dragages, Mitsui & Co. Ltd, Nissho Iwai Corporation and Ssangyong Engineering & Construction Co Ltd. The major shareholders of UniG are City Developments Limited (40%) and Far East Organization & its listed companies Sino Land Company Limited, Orchard Parade Holdings Limited and Yeo Hiap Seng Limited (40%).

Website : <http://www.cxhub.com>