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XPRESS GROUP LIMITED

(Incorporated in Hong Kong with limited liability)

(Stock Code: 185)

HK\$105,633,400 15% BONDS DUE 2016

(Bond Code: 4508)

REDEMPTION OF ALL OUTSTANDING HK\$105,633,400 15.00% BONDS DUE 2016

Reference is made to the prospectus of the Company dated 17 February 2011 (the “**Prospectus**”) in relation to the proposed open offer of up to HK\$106,810,200 in aggregate principal amount of non-convertible bonds (the “**Bonds**”). Unless otherwise defined, capitalised terms used herein shall have the same meanings as those defined in the Prospectus.

In accordance with the terms and conditions of the Bonds, the Company may redeem the Bonds currently listed on the Stock Exchange in whole or in part at any time from the first anniversary of the date of issue at a redemption price equal to 101% of principal amount of the Bonds plus accrued and unpaid interest, if any, up to the date of redemption. The Company will give at least 30 days’ but no more than 60 days’ prior notice to the holders of the Bonds (“**Bondholders**”) for such redemption.

In accordance with the said conditions, the Company hereby gives notice to the holders of the Bonds that it will redeem all outstanding Bonds on 30 April 2013 (“**Redemption Date**”). On the Redemption Date, all the redeemed Bonds will be cancelled, details of which are set out below:

Aggregate principal amount of the Bonds outstanding as of the date of this announcement	HK\$105,633,400
Date of redemption and payment	30 April 2013
Early redemption amount for each board lot of HK\$800 and aggregate early redemption amount	HK\$824.77 for each HK\$800 and in aggregate
Latest time for lodging transfers of Bonds in order to qualify for the redemption	4:30 p.m. on 19 April 2013

Closed period for registration of transfer of any Bond	From (and including) 22 April 2013 to (and including) 30 April 2013
Last trading day of the Bonds on The Stock Exchange of Hong Kong Limited	4:00 p.m. on 17 April 2013
Suspension of dealing in the Bonds pending withdrawal of the listing of the Bonds on The Stock Exchange of Hong Kong Limited	9:00 a.m. on 18 April 2013

The purpose of the aforesaid redemption of the Bonds is to reduce the Company's going forward interest expense and finance cost and to improve its debt position. This redemption of the Bonds will be financed by the internal resource of the Company. The Directors (including the independent non-executive Directors) are therefore of the view that the aforesaid redemption is in the interest of the Company and the Shareholders as a whole.

Payment of principal and premium will be made by HK dollar cheque drawn on a bank in Hong Kong mailed (at the risk of the Bondholder) to the registered address of the Bondholder on the Redemption Date. Payments of principal and premium will only be made against surrender of the relevant Bond certificate at the Company's Bond Registrar, Tricor Friendly Limited at 26/F., Tesbury Centre, 28 Queen's Road East, Hong Kong and in the event of any failure by a Bondholder to physically surrender his/her/its certificate(s) in respect of any cancelled Bond, such certificate(s) shall be deemed surrendered on the Redemption Date. Immediately after the Redemption Date, all the Bonds will be cancelled and the Bond certificates for the Bonds will thereafter cease to have effect as documents or evidence of title.

This is the only notice prior to the redemption of the Bonds. The Company intends to complete any formalities in relation to the delisting of the Bonds from The Stock Exchange of Hong Kong Limited as soon as possible following the redemption of the outstanding Bonds on 30 April 2013 and an announcement will be made upon the withdrawal of the listing of the Bonds.

By Order of the Board
Xpress Group Limited
Chan Tong Wan
Managing Director

Hong Kong SAR, 28 March, 2013

As at the date of this announcement, the Board comprises of the executive directors Mr. Chan Heng Fai, Mr. Chan Tong Wan, Ms. Chan Yoke Keow and non-executive director Mr. Fong Kwok Jen as well as independent non-executive directors Mr. Wong Dor Luk, Peter, Mr. Wong Tat Keung and Mr. Chan King Fai.