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XPRESS GROUP LIMITED

(Incorporated in Hong Kong with limited liability)

(Stock Code 185)

GRANT OF SHARE OPTIONS

This announcement is made pursuant to Rule 17.06A of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.

The Board of Directors (the “Board”) of Xpress Group Limited (the “Company”) announces that on 6 August, 2010, the Board has resolved to grant 400,000,000 share options (the “Share Options”) to Mr. Chan Heng Fai (“Mr. Chan”), the Chairman and an executive director of the Company, under the share option scheme of the Company adopted on 9 May, 2003 (the “Share Option Scheme”). The Share Options shall entitle Mr. Chan to subscribe for 400,000,000 ordinary shares of HK\$0.01 each (the “Share”) in the capital of the Company. A summary of such grant is set out below:–

Date of grant	: 6 August, 2010 (“Date of Grant”)
Exercise price of Share Options granted	: HK\$0.134 per Share, which represents the highest of (i) the closing price of HK\$0.133 per Share as stated in the daily quotations sheet of The Stock Exchange of Hong Kong Limited (the “Stock Exchange”) on 6 August, 2010, being the Date of Grant; (ii) the average closing price of HK\$0.134 per Share as stated in the daily quotations sheet of the Stock Exchange for the five business days immediately preceding the Date of Grant; and (iii) the nominal value of the Share.
Number of Share Options granted	: 400,000,000 share options
Closing price of the Shares on the Date of Grant	: HK\$0.133 per Share

Validity period of the Share Options : From the Date of Grant to the expiry of the Share Option Scheme on 8 May, 2013

Vesting condition : Fully vested immediately

The 400,000,000 Shares to be issued upon exercise of the Share Options represent approximately 15.15% of the total issued share capital of the Company as at the date of this announcement. As the Shares to be issued upon exercise of the Share Options will be in excess of the 10% scheme mandate limit under the Share Option Scheme, according to Rule 17.03(3) of the Listing Rules, the Company must seek separate approval from the Shareholders in a general meeting for the grant of the Share Options.

In accordance with the note to Rule 17.03(4) of the Listing Rules, as the grant of the Share Options to Mr. Chan would result in the Shares issued and to be issued upon exercise of all options granted and to be granted to him in the 12-month period up to and including the date of such grant representing in aggregate over 1% of the total issued share capital of the Company, the grant of the Share Options must be approved by the Shareholders in general meeting with Mr. Chan and his associates (hold 1,749,323,644 Shares representing about 66.24% of the issued share capital of the Company) abstaining from voting.

Pursuant to Rule 17.04(1) of the Listing Rules, as Mr. Chan is a substantial Shareholder and the grant of the Share Options would result in the Shares issued and to be issued upon exercise of all options already granted and to be granted to him in the 12-month period up to and including the date of such grant representing in aggregate over 0.1% of the issued share capital of the Company and having an aggregate value in excess of HK\$5 million, such grant of Share Options to Mr. Chan must also be approved by the Shareholders in general meeting with all connected persons (hold 1,779,516,964 Shares representing about 67.38% of the issued share capital of the Company) of the Company abstaining from voting in favour at the general meeting of the Company.

The Directors (including the independent non-executive Directors) consider that the terms of the Share Options are fair and reasonable. A circular containing, among other things, further details and terms in respect of the grant of the Share Options, the recommendation of the Independent Board Committee to the Independent Shareholders on the grant of Share Options to Mr. Chan together with a notice of extraordinary general meeting will be despatched to Shareholders as soon as practicable.

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

Hong Kong SAR, 6 August 2010

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. Joao Paulo Da Roza and Mr. Wong Tat Keung.