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XPRESS GROUP LIMITED

(Incorporated in Hong Kong with limited liability)

(Stock Code: 185)

OPEN OFFER ON THE BASIS OF THREE OFFER SHARES FOR EVERY TWENTY EXISTING SHARES HELD

OPEN OFFER

The Company proposes to raise not less than approximately HK\$43.57 million, before expenses, by issuing not less than 396,125,407 new Shares (assuming no conversion or subscription rights attaching to the FC Warrants and the Options are exercised on or before the Record Date) and not more than 401,151,297 new Shares (assuming full exercise of the Options (other than the FC Options and the Directors' Options) on or before the Record Date) by way of Open Offer at a price of HK\$0.11 per Offer Share on the basis of three Offer Shares for every twenty existing Shares held on the Record Date. The Open Offer will be available only to the Qualifying Shareholders.

The Offer Shares will be fully underwritten by the Underwriter on the terms and subject to the conditions as set out in the Underwriting Agreement.

The invitation to apply for the Offer Shares is not transferable or capable of renunciation and there will not be any trading of entitlements to apply for Offer Shares on the Stock Exchange.

The Open Offer is conditional upon several conditions, details of which are set out in the section headed "Conditions of the Open Offer" in the full text of this announcement below. Accordingly, the Open Offer may or may not proceed. Investors are advised to exercise caution when dealing in the Shares.

To qualify for the Open Offer, a Shareholder (other than a Non-Qualifying Shareholder) must be registered as a member of the Company on the Record Date. Any transfers of Shares (with relevant certificates) must be lodged for registration by 4:30 p.m. on Wednesday, 20 July 2011 with the Company's registrar, Tricor Friendly Limited at 26/F, Tesbury Centre, 28 Queen's Road East, Hong Kong. The register of members of the Company will be closed from Thursday, 21 July 2011 to Wednesday, 27 July 2011 (both days inclusive). No transfer of Shares will be registered during this period. Existing Shares will be dealt in on an ex-entitlements basis from Tuesday, 19 July 2011.

The Directors believe that, taking into account the prevalent financial market conditions, it would be in the interest of the Company and the Shareholders to raise long-term equity funding via the proposed Open Offer to strengthen the Company's capital base and to enhance its financial position and net assets base. The estimated net proceeds of the Open Offer are approximately HK\$43 million and are intended to be used as additional working capital to strengthen the Company's financial position.

The Prospectus containing, among others, further details of the proposed Open Offer is expected to be sent to the Shareholders on or about 1 August 2011.

OPEN OFFER

Issue Statistics

Basis of Open Offer	:	Assured allotments of three Offer Shares for every twenty existing Shares held on the Record Date
Number of existing Shares in issue	:	2,640,836,050 Shares as at the date of this announcement
Number of Offer Shares to be issued under the Open Offer	:	Not less than 396,125,407 Offer Shares (assuming no conversion or subscription rights attaching to the FC Warrants and the Options are exercised on or before the Record Date) and not more than 401,151,297 Offer Shares (assuming full exercise of the conversion or subscription rights attaching to the Options (other than the FC Options and the Directors' Options) on or before the Record Date) (Note)
Subscription Price for the Offer Shares	:	HK\$0.11 per Offer Share
Aggregate nominal value of the Offer Shares	:	Not less than approximately HK\$3,961,000 and not more than approximately HK\$4,012,000
Underwriter	:	Heng Fai Master Holdings Limited

Note:

As at the date of this announcement:

- (1) there are a total of 172,000,000 FC Warrants outstanding carrying rights to subscribe for 172,000,000 Shares at an initial subscription price of HK\$0.16 per Share (subject to adjustments). Mr. Chan has undertaken not to exercise of the subscription rights attaching to the FC Warrants on or before the Record Date, no Offer Shares will be issued;
- (2) there are 714,395,688 outstanding Options granted under the Share Option Scheme, of which 703,895,688 are eligible for exercise on or before the Record Date. Assuming full exercise of the subscription rights attaching to the Options (other than the FC Options and the Directors' Options) on or before the Record Date, a total of 33,505,938 new Shares would fall to be issued, which would result in the issue of additional 5,025,890 Offer Shares.

Based on the above, the maximum number of Offer Shares that may be issued under the Open Offer would become 401,151,297.

Save for the outstanding FC Warrants and Options as mentioned above, the Company has no other outstanding convertible securities, options or warrants in issue which confer any right to convert into or subscribe for Shares as at the date of this announcement.

Qualifying Shareholders:

The Company will send the Prospectus Documents to the Qualifying Shareholders only.

To qualify for the Open Offer, a Shareholder must on the Record Date:

- be registered as a member of the Company; and
- not be a Non-Qualifying Shareholder.

In order to be registered as members of the Company on the Record Date, Shareholders must lodge any transfers of Shares (together with the relevant share certificate(s)) with the Company's registrar, Tricor Friendly Limited at 26/F, Tesbury Centre, 28 Queen's Road East, Hong Kong by 4:30 p.m. (Hong Kong time) on Wednesday, 20 July 2011.

Closure of Register of Members

The register of members of the Company will be closed from Thursday, 21 July 2011 to Wednesday, 27 July 2011 (both days inclusive) for determination of entitlements under the Open Offer. No transfer of Shares will be registered during this period.

TERMS OF THE OPEN OFFER

Subscription price

HK\$0.11 per Offer Share, payable in full when a Qualifying Shareholder applies for the Offer Shares.

The Subscription Price was determined with reference to the then market environment and the prevailing Share prices and represents (i) a discount of approximately 11.29% to the closing price of HK\$0.124 per Share quoted on the Stock Exchange on the Last Trading Day; (ii) a discount of approximately 9.96% to the theoretical ex-entitlement price of HK\$0.122 per Share based on the closing price per Share on the Last Trading Day; (iii) a discount of approximately 8.94% to the average closing price of HK\$0.121 per Share for the last five full trading days up to and including the Last Trading Day; and (iv) a discount of approximately 8.64% to the average closing price of HK\$0.120 per Share for the last ten full trading days up to and including the Last Trading Day.

The theoretical ex-entitlement price is calculated by adding the market value of all outstanding Shares (based on the closing price on the Last Trading Day) with the total amount expected to be received from the Open Offer (assuming 396,125,407 Offer Shares will be issued), and then divided by the total number of outstanding Shares after the Open Offer.

The Directors (including the independent non-executive Directors) consider the terms of the Open Offer and the Subscription Price to be fair and reasonable and are in the interests of the Company and the Shareholders as a whole.

Basis of assured allotment

Three Offer Shares for every twenty existing Shares held by a Qualifying Shareholder on the Record Date

Fractions of assured allotments will not be issued and will be aggregated and made available for application by the Qualifying Shareholders who wish to apply for Shares in excess of their own assured allotments.

Status of the Offer Shares

When allotted, issued and fully-paid, the Offer Shares will rank equally in all respects with the existing Shares then in issue. Holders of fully-paid Offer Shares will be entitled to receive all dividends and distributions which are declared, made or paid after the date of issue and allotment of the fully-paid Offer Shares.

Rights of Non-Qualifying Shareholders

The Prospectus Documents will not be registered or filed under the applicable securities or equivalent legislation of any jurisdictions other than Hong Kong. Prior to the issue of the Prospectus, the Company will make enquiries as to whether the offer or issue of Offer Shares to the Overseas Shareholders may contravene the applicable securities legislation of the relevant overseas places or the requirements of the relevant regulatory bodies or stock exchanges pursuant to Rule 13.36(2)(a) of the Listing Rules. If after making such enquiry the Board is of the opinion that it would be necessary or expedient not to offer the Offer Shares to such Overseas Shareholders, the Open Offer will not be available to such Overseas Shareholders. Accordingly the Offer Shares will not be offered to the Non-Qualifying Shareholders and no application for Offer Shares will be accepted from the Non-Qualifying Shareholders. The Company will send copies of the Prospectus to the Non-Qualifying Shareholders for their information only, but will not send the Application Forms to them.

Any Offer Shares which would otherwise have been in assured allotments of the Non-Qualifying Shareholders will be available for application by the Qualifying Shareholders who wish to apply for Shares in excess of their own assured allotments. The basis for excluding the Non-Qualifying Shareholders, if any, from the Open Offer will be set out in the Prospectus to be issued.

Application for Offer Shares in excess of assured allotments

Qualifying Shareholders will have the right to apply for any Offer Shares in excess of their own assured allotments under the Application Forms but are not assured of being allocated any Shares in excess of those in their assured allotments.

The Company will allocate the Offer Shares in excess of assured allotments at their discretion on a fair and equitable basis, on a pro-rata basis to the excess Offer Shares applied for by the Qualifying Shareholders. The basis of allocation of such excess Offer Shares will be disclosed in the Prospectus. However, no preference will be given to topping-up odd lots to whole board lots. Shareholders who have been offered odd lots of the Offered Shares should note that there is no guarantee that such odd lots of the Offer Shares will be topped up to create whole board lots pursuant to applications for excess Offer Shares.

Any Offer Shares not applied for by the Qualifying Shareholders will be taken up by the Underwriter.

The Shareholders with their Shares held by a nominee company should note that the Board will regard the nominee as a single shareholder according to the register of members of the Company. Shareholders should note that the number of excess Offer Shares which may be allocated to them may be different where they make applications for excess Offer Shares by different means, such as making applications in their own names as against through nominees who also hold Shares for other Shareholders. Shareholders should consult their professional advisers if they are in any doubt as to whether they should register their shareholding in their own names and apply for the excess Offer Shares themselves.

Share Certificates

Subject to the fulfilment of the conditions of the Open Offer, certificates for fully-paid Offer Shares are expected to be posted to successful applicants at their own risk on or before Tuesday, 23 August 2011. Refund cheques in respect of wholly or partially unsuccessful applications for Offer Shares in excess of assured allotments are also expected to be posted on or before Tuesday, 23 August 2011 by ordinary post to the applicants at their own risk.

Application for listing

The Company will apply to the Listing Committee of the Stock Exchange for the listing of, and permission to deal in, the Offer Shares. Dealings in Offer Shares on the Stock Exchange will be subject to the payment of stamp duty, Stock Exchange trading fee, SFC transaction levy and other applicable fees and charges in Hong Kong.

Undertakings by Mr. Chan and the Directors

As at the date of this announcement, Mr. Chan is interested in:

- (i) 2,482,000 Shares, representing approximately 0.09% of the existing entire issued share capital of the Company;
- (ii) 1,061,153,486 Shares, which are owned by the Underwriter;
- (iii) 572,893,800 Options with rights to subscribe 572,893,800 Shares; and
- (iv) 172,000,000 FC Warrants with rights to subscribe 172,000,000 Shares at the subscription price of HK\$0.16 per Share (subject to adjustments).

Mr. Chan and the Underwriter have irrevocably agreed and undertaken to the Company that they will apply for the entire number of the Offer Shares in the assured allotments in which they are beneficially interested and not to exercise of, the subscription rights under the FC Warrants and FC Options until the close of business on the Record Date pursuant to and subject to the terms of the FC Undertaking Letter. Mr. Chan and/or the Underwriter may consider applying for excess Offer Shares subject to compliance with the relevant regulatory requirements.

As at the date of this announcement, certain Directors collectively hold 670,389,750 Options. Each of such Directors has given an irrevocable undertaking, inter alia, not to exercise the subscription rights under the relevant Directors' Options until the close of business on the Record Date pursuant to and subject to the terms of the relevant Director's Undertaking Letter.

UNDERWRITING ARRANGEMENTS

Underwriting Agreement:

Date	:	6 July 2011
Underwriter	:	Heng Fai Master Holdings Limited (Note)
Number of Offer Shares underwritten	:	All Offer Shares other than those undertaken to be applied for by Mr. Chan and the Underwriter
Underwriter's Commission	:	HK\$1.00

Note: Underwriting does not fall within the ordinary course of business of the Underwriter

As at the date of this announcement, Mr. Chan and his Concert Parties, are interested in an aggregate of 1,831,114,164 Shares, representing 69.34% of the existing issued share capital of the Company. Mr. Chan has irrevocably undertaken to the Company that he will apply for the entire number of the Offer Shares in the assured allotments in which he is beneficially interested. The Open Offer is fully underwritten by the Underwriter.

Assuming that (a) the Open Offer proceeds and is completed; (b) the assured allotments of Mr. Chan under the Open Offer are applied for in full; and (c) there is no change in the shareholding structure of the Company from the date of the Underwriting Agreement to immediately before completion of the Open Offer (including there being no exercise of Warrants and Options), set out below is the shareholding structure of the Company as at the date of the Underwriting Agreement and immediately after completion of the Open Offer:

	As at the date of the Underwriting Agreement		Immediately after completion of the Open Offer and assuming that all Offer Shares are taken up by Qualifying Shareholders		Immediately after completion of the Open Offer and assuming no Offer Shares are taken up by Qualifying Shareholders	
	<i>No. of Shares</i>	<i>approx. %</i>	<i>No. of Shares</i>	<i>approx. %</i>	<i>No. of Shares</i>	<i>approx. %</i>
The Underwriter	1,061,153,486	40.18%	1,220,326,508	40.18%	1,456,906,593	47.97%
Mr. Chan	2,482,000	0.09%	2,854,300	0.09%	2,854,300	0.09%
Mrs. Chan	719,750,158	27.25%	827,712,682	27.25%	719,750,158	23.70%
Mr. Chan Tong Wan	11,325,522	0.43%	13,024,350	0.43%	11,325,522	0.37%
Mr. Chan Tung Moe	22,784,000	0.86%	26,201,600	0.86%	22,784,000	0.75%
Ms. Mary-ann Chan	6,285,398	0.24%	7,228,208	0.24%	6,285,398	0.21%
Mr. Fong Kwok Jen	7,333,600	0.28%	8,433,640	0.28%	7,333,600	0.24%
Controlling shareholders	1,831,114,164	69.34%	2,105,781,288	69.34%	2,227,239,571	73.34%
Other Directors	280,000	0.01%	322,000	0.01%	280,000	0.01%
Public	809,441,886	30.65%	930,858,169	30.65%	809,441,886	26.65%
Total	<u>2,640,836,050</u>	<u>100.00%</u>	<u>3,036,961,457</u>	<u>100.00%</u>	<u>3,036,961,457</u>	<u>100.00%</u>

In the event that the Underwriter is called upon to subscribe for the balance of the Offer Shares in full pursuant to its obligation under the Underwriting Agreement, the interest of Mr. Chan and his Concert Parties in the voting rights of the Company would increase from approximately 69.34% to approximately 73.34% and the individual interest of Mr. Chan in the voting rights of the Company would increase from approximately 40.27% to approximately 48.07% immediately upon completion of the Open Offer. An application will be made to the Executive of the Securities and Futures Commission for a waiver of the obligation of Mr. Chan to make a general offer for the shares of the Company pursuant to Note 6 to Rule 26.1 of the Takeovers Code in respect of the Open Offer.

Termination of the Underwriting Agreement

The Underwriter may terminate the Underwriting Agreement by notice in writing to the Company at any time prior to 4:00 p.m. on the Settlement Date, if at any time prior to 4:00 p.m. on the Settlement Date:

- (a) the Waiver has not been granted;

- (b) The Underwriter shall become aware of the fact that, or shall have reasonable cause to believe that, any of the warranties and representations was inaccurate, misleading or breached, and in each case where it is (in the reasonable opinion of the Underwriter) material in the context of the Open Offer; or
- (c)
 - (i) any new law or regulation is enacted, or there is any change in existing laws or regulations or any change in the interpretation or application thereof by any court or other competent authority, whether in Hong Kong or elsewhere;
 - (ii) any change in local, national or international financial, political, industrial or economic conditions;
 - (iii) any change of an exceptional nature in local, national or international equity securities or currency markets;
 - (iv) any local, national or international outbreak or escalation of hostilities, insurrection or armed conflict;
 - (v) any moratorium, suspension or material restriction on trading in securities generally on the Stock Exchange;
 - (vi) any suspension in the trading of the Shares on the Stock Exchange for a continuous period of ten Business Days;
 - (vii) any change or development involving a prospective change in taxation or exchange controls in Hong Kong or elsewhere which will or may materially and adversely affect the Group or a material proportion of the Shareholders in their capacity as such,

which event or events is or are in the reasonable opinion of the Underwriter:

- (i) likely to have a material adverse effect on the business or financial or trading position or prospects of the Company or the Group; or
- (ii) likely to have a material adverse effect on the success of the Open Offer or the level of acceptance of the Offer Shares; or
- (iii) so material as to make it inappropriate, inadvisable or inexpedient to proceed further with the Open Offer.

If the Underwriter terminates the Underwriting Agreement, the Open Offer will not proceed. A further announcement will be made if the Underwriting Agreement is terminated by the Underwriter.

CONDITIONS OF THE OPEN OFFER

The Open Offer is conditional upon each of the following events happening:

- (a) the filing and registration of the Prospectus Documents (with all the documents required to be attached thereto by Section 38D of the Companies Ordinance) (all having been duly authorised for registration by the Stock Exchange and signed by every Director or his agent authorised in writing) by the Registrar of Companies in Hong Kong in compliance with the Companies Ordinance no later than the Prospectus Posting Date;
- (b) the posting of the Prospectus Documents to the Qualifying Shareholders on the Prospectus Posting Date;
- (c) the Listing Committee of the Stock Exchange granting listings of, and permission to deal in, the Offer Shares either unconditionally or subject to such conditions which the Company accepts and the satisfaction of such conditions (if any and where relevant) on or prior to the Prospectus Posting Date and not having withdrawn or revoked such listings and permission before 4:00 p.m. on the Settlement Date; and
- (d) the Underwriting Agreement not being terminated by the Underwriter in accordance with the terms thereof.

If any of the above conditions is not fulfilled, the Open Offer will not proceed. As the Open Offer is subject to the above conditions, it may or may not proceed accordingly.

Further details of the Open Offer will be contained in the Prospectus which is expected to be despatched to the Shareholders on or about Monday, 1 August 2011.

WARNING OF THE RISKS OF DEALING IN SHARES

Existing Shares are expected to be dealt in on an ex-entitlements basis from Tuesday, 19 July 2011. If the Underwriter terminates the Underwriting Agreement (see the paragraph headed “Termination of the Underwriting Agreement” above), or if the conditions of the Open Offer (see the section headed “Conditions of the Open Offer” above) are not fulfilled, the Open Offer will not proceed.

REASONS FOR THE OPEN OFFER AND USE OF PROCEEDS

The Directors believe that, taking into account the prevalent financial market conditions, it would be in the interest of the Company and the Shareholders to raise long-term equity funding via the proposed Open Offer to strengthen the Company’s capital base and to enhance its financial position and net assets base. The estimated net proceeds of the Open Offer are approximately HK\$43 million (equivalent to approximately HK\$0.109 per Offer Share) and are intended to be used as additional working capital to strengthen the Company’s financial position.

FUND-RAISING ACTIVITIES BY THE COMPANY DURING THE PAST 12 MONTHS IMMEDIATELY PRECEDING THE ANNOUNCEMENT

Date of announcement	Event	Net proceeds	Intended use of proceeds	Actual use of proceeds
7 January 2011	Issue of a total of 1,068,102 bonds by way of open offer	Approximately HK\$106 million	General working capital	General working capital

Save as disclosed above, the Company has not conducted any fund raising activities in the past 12 months immediately preceding the date of this announcement.

EXPECTED TIMETABLE OF THE OPEN OFFER

The expected timetable for the Open Offer is set out below:

Last day of dealings in Shares on a cum-entitlements basis	Monday, 18 July 2011
First day of dealings in Shares on an ex-entitlements basis.	Tuesday, 19 July 2011
Latest time for lodging transfers of Shares in order to qualify for the Open Offer	4:30 p.m. on Wednesday, 20 July 2011
Book closure period (both days inclusive).	Thursday, 21 July 2011 to Wednesday, 27 July 2011
Record Date	Wednesday, 27 July 2011
Prospectus Documents to be despatched on or about	Monday, 1 August 2011
Latest time for acceptance of and payment for Offer Shares.	4:00 p.m. on Monday, 15 August 2011
Underwriting Agreement becomes unconditional.	4:00 p.m. on Wednesday, 17 August 2011
Announcement of results of the Open Offer and excess application.	Monday, 22 August 2011
Refund cheques in respect of wholly or partially unsuccessful applications for excess Offer Shares expected to be despatched on or before	Tuesday, 23 August 2011

Certificates for Offer Shares expected
to be despatched on or before Tuesday, 23 August 2011

Dealings in Offer Shares expected to commence on Thursday, 25 August 2011

Dates or deadlines specified in this announcement for events in the timetable for (or otherwise in relation to) the Open Offer are indicative only and may be extended or varied by the Company. Any changes to the anticipated timetable for the Open Offer will be published or notified to Shareholders as appropriate.

POSSIBLE ADJUSTMENTS TO THE FC WARRANTS AND THE OPTIONS

As a result of the Open Offer, the conversion price of the FC Warrants, the subscription price and the number of Shares to be issued under the Warrants and the exercise price and the number of Shares to be issued pursuant to the Options may be adjusted in accordance with the respective terms and conditions of the FC Warrants, the instrument creating the Warrants and the Share Option Scheme. Further announcement will be made by the Company in respect of such adjustments as and when appropriate.

GENERAL

The Group is engaged in property development, property investment and trading, financial services and securities investments and hotel operation.

The Prospectus containing, among others, further details of the proposed Open Offer, the financial information for the annual results of the Group for the years ended 31 March 2009, 31 March 2010 and 31 March 2011 extracted from the respective published audited financial statements of the Group, are expected to be sent to the Shareholders on or about Monday, 1 August 2011. The Prospectus will be despatched to the Non-Qualifying Shareholders for information only.

DEFINITIONS

“Application Form(s)”	the form(s) of application in respect of the Open Offer to be issued to the Qualifying Shareholders
“associate(s)”	has the meaning ascribed thereto under the Listing Rules
“Board”	the board of Directors
“Business Day”	a day (excluding Saturdays, Sundays and public holidays in Hong Kong) on which licensed banks generally are open for business in Hong Kong
“Company”	Xpress Group Limited, a company incorporated in Hong Kong with limited liability, the shares of which are listed on the Main Board of the Stock Exchange

“Concert Parties”	in respect of person or company, means parties acting in concert (as defined under the Takeovers Code) with such person or company in relation to the voting rights of the Shares or the Offer Shares
“Directors”	the directors of the Company
“Directors’ Options”	670,389,750 Options collectively held by certain Directors as at the date of the Director’s Undertaking Letters
“Director’s Undertaking Letter(s)”	the irrevocable undertaking given on 6 July 2011 by each of the Directors, who is the holder of the Options, in favour of the Company and the Underwriter, as more particularly set out in the sub-paragraph headed “Undertakings by Mr. Chan and the Directors” in this announcement
“FC Options”	572,893,800 Options held by Mr. Chan as at the date of the FC Undertaking Letter
“FC Undertaking Letter”	the irrevocable undertaking given by Mr. Chan in favour of the Company on 6 July 2011, as more particularly set out in the sub-paragraph headed Undertakings by Mr. Chan and the Directors” in this announcement
“FC Warrants”	172,000,000 warrants held by Mr. Chan as at the date of the FC Undertaking Letter
“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong dollars
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Last Trading Day”	6 July 2011
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Mr. Chan”	Mr. Chan Heng Fai, together with his associates, the controlling Shareholder which is interested in approximately 67.53% of the existing issued share capital of the Company. Mr. Chan is the chairman of the Company and the spouse of Mrs. Chan
“Mrs. Chan”	Ms. Chan Yoke Keow, together with his associates, the controlling Shareholder which is interested in approximately 67.53% of the existing issued share capital of the Company. Mrs. Chan is an executive director of the Company and the spouse of Mr. Chan

“Non-Qualifying Shareholder(s)”	the Overseas Shareholder(s) whom the Board, after making enquiry, considers it necessary or expedient on account either of legal restrictions under the laws of the relevant overseas places or the requirements of the relevant regulatory bodies or stock exchanges in those places not to offer the Offer Shares to them
“Offer Share(s)”	the new Share(s) proposed to be issued under the Open Offer
“Open Offer”	the proposed issue by the Company of the Offer Shares by way of open offer to Qualifying Shareholders on the basis of an assured allotment of three Offer Shares for every twenty existing Shares held on the Record Date at the Subscription Price
“Options”	the share options granted under the Share Option Scheme
“Overseas Shareholder(s)”	the Shareholder(s) whose name(s) appear(s) on the register of members of the Company on the Record Date and whose address(es) as shown in the register of members of the Company on that date is/are outside Hong Kong
“PRC”	the People’s Republic of China
“Prospectus”	the prospectus to be issued by the Company in relation to the Open Offer
“Prospectus Documents”	the Prospectus and the Application Forms
“Prospectus Posting Date”	1 August 2011 or such other date as the Underwriter may agree in writing with the Company as the date of despatch of the Prospectus Documents
“Qualifying Shareholder(s)”	the Shareholder(s), other than the Non-Qualifying Shareholder(s), whose name(s) appear(s) on the register of members of the Company on the Record Date
“Record Date”	27 July 2011, being the record date for determining entitlements to participate in the Open Offer
“Settlement Date”	17 August 2011 (or such other time or date as the Underwriter and the Company may agree in writing)
“SFC”	the Securities and Futures Commission
“Shareholder(s)”	holder(s) of Share(s)

“Share(s)”	share(s) of HK\$0.01 each in the share capital of the Company
“Share Option Scheme”	the share option scheme of the Company adopted on 9 May 2003
“Shareholder(s)”	holder(s) of Share(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Storm Warning”	a tropical cyclone warning signal number 8 or above or a “black” rainstorm warning signal
“Subscription Price”	the subscription price of HK\$0.11 per Offer Share
“Takeovers Code”	The Hong Kong Code on Takeovers and Mergers
“Underwriter”	Heng Fai Master Holdings Limited, a company incorporated in the Commonwealth of The Bahamas with limited liability holding 1,061,153,486 Shares, which are ultimately owned by a discretionary trust established by Mr. Chan Heng Fai as settlor
“Underwriting Agreement”	the underwriting agreement dated 6 July 2011 and entered into between the Company and the Underwriter in relation to the Open Offer
“Waiver”	A waiver granted by the Executive of the Securities and Futures Commission to waive the obligation of Mr. Chan to make a general offer for the shares of the Company pursuant to Note 6 to Rule 26.1 of the Takeovers Code in respect of the Open Offer
“%”	percentage

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

Hong Kong, 6 July 2011

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 and Mr. Wong Tat Keung.