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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

Reference is made to the announcements of the Company dated 6 July 2011 and 8 July 2011 in relation to the Open Offer (“Announcement”). Unless otherwise defined, all capitalized terms used herein shall bear the same meanings ascribed to them in the Announcement.

TAKEOVERS CODE IMPLICATIONS

As at the date of the Underwriting Agreement, Mr. Chan and parties acting in concert with him were interested in 1,856,554,164 Shares, representing approximately 70.30% of the then issued share capital of the Company. Assuming no Share will be issued from the date of the Underwriting Agreement until completion of the Open Offer, 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 70.30% to approximately 74.18% 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. Accordingly, Mr. Chan has an obligation to make a general offer for the Shares pursuant to Rule 26 of the Takeovers Code. The Open Offer is conditional, amongst other things, on the granting of the Waiver. On 11 July 2011, the Company made an application to the Executive under Note 6 to Rule 26.1 of the Takeovers Code for the Waiver. However, the Company failed to file the Announcement with the Executive for comment prior to publication and failed to include the Directors’ responsibility statement into the Announcement, which constituted a breach of Rule 12.1 and Rule 9.3 of the Takeovers Code respectively by the Company.

The Company apologized that Rule 12.1 of the Takeovers Code which requires the Company to submit the Announcement for vetting by the Executive prior to publication, and Rule 9.3 of the Takeovers Code which requires the Directors' responsibility statement to be included into the Announcement had been breached. The Company will henceforth comply with the Takeovers Code with utmost care and effort and consider seeking advice from professional parties, including legal adviser and/or financial adviser, in the future transactions in relation to the Takeovers Code.

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

Hong Kong, 12 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.

The Directors jointly and severally accept full responsibility for the accuracy of the information contained in this announcement and the announcements dated 6 July 2011 and 8 July 2011 and confirms, having made all reasonable enquiries, that to the best of their knowledge, opinions expressed in this announcement have been arrived at after due and careful consideration and there are no other facts not contained in this announcement the omission of which would make any statement in this announcement misleading.