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XPRESS GROUP LIMITED

(Incorporated in Hong Kong with limited liability)

(Stock Code: 185)

CANCELLATION OF AGREEMENT

The Company and SingXpress have agreed on 22 April 2008 that both parties have elected to treat the Agreement as cancelled, with immediate effect, due to the prolonged delay of the Asset Transaction and declines in the prevailing Singapore property market conditions.

Shareholders and investors are reminded to exercise caution when dealing in the securities of the Company.

INTRODUCTION

Reference is made to the announcements of Xpress Group Limited (the “Company”) dated February 29, 2008 (the “Announcement”) in respect of the agreement entered between the Company and SingXpress Ltd dated 14 February 2008 regarding the proposed disposal of (i) the entire and paid-up share capital of Singapore Service Residences Pte Ltd (“SSR”) and (ii) the entire and paid-up share capital of SingXpress International Pte Ltd (“SI”), (iii) a 60% equity interest in Anglo-French Travel Pte Ltd and (iv) the shareholder’s loan advanced to each of SSR and SI at a consideration of S\$35,936,624 to be satisfied by the issue and allotment of new ordinary shares in the capital of SingXpress Ltd (“Asset Transaction”) (the “Agreement”). Capitalised terms used herein shall have the same meanings as defined in the Announcement.

CANCELLATION OF THE AGREEMENT

The completion of the Agreement was conditional upon the satisfaction of the conditions precedent. Having considered the prolonged delay of the Asset Transaction and declines in the prevailing Singapore property market conditions since the date of the Agreement, the Directors are of the opinion that it is not in the best interests of the Company and the shareholders to proceed with the Asset Transaction in the present circumstances. Accordingly, the Company and SingXpress Ltd reached agreement on 22 April 2008 that the Agreement be cancelled and are of no further effect.

There was no deposit paid or received upon signing of the Agreement. The Directors consider the cancellation of the Agreement will not have any material impact on the financial position and operation of the Company and the Group as a whole. The Company may consider and enter into new agreement with SingXpress regarding the asset transaction in the future, and if the Company considers doing so, the Company will comply with all the regulatory requirements and make announcements as appropriate.

Shareholders and investors are reminded to exercise caution when dealing in the securities of the Company.

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

Hong Kong, 22 April 2008

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, Ms. Chan Sook Jin, Mary-ann, Mr. Chan Tung Moe 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 Ms. Chian Yat Ping.