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XPRESS GROUP LIMITED
(Incorporated in Hong Kong with limited liability)
(Stock Code: 185)

**DISCLOSEABLE TRANSACTION
ACQUISITION OF PROPERTIES**

On 27 January, 2012, the Purchaser entered into the Agreements with the Vendor for the acquisition of the Properties at an aggregate consideration of S\$3,912,068 (approximately HK\$23,668,000).

As one or more of the applicable percentage ratios in respect of the Acquisition is more than 5% but less than 25%, the Acquisition constitutes a discloseable transaction of the Company under the Listing Rules and is subject to the reporting and announcement requirements under Chapter 14 of the Listing Rules.

SingXpress Credit Pte Ltd, an indirect wholly-owned subsidiary of Xpress Group Limited ("Company"), entered into 5 option agreements ("Agreements") to purchase 5 units situated at #02-19, #02-20, #02-21, #02-22 and #02-23 UB.1, 81 Ubi Avenue 4, Singapore 408830 ("Properties") at an aggregate consideration of S\$3,912,068 (approximately HK\$23,668,000) ("Acquisition").

THE PROPERTIES

- Date of the Agreements : 27 January 2012
- Vendor : BF Twentyeight Pte Ltd, an investment holding company incorporated in Singapore. To the best of the Directors' knowledge, information and belief having made all reasonable enquiry, the Vendor is a third party independent of the Company and connected persons of the Company.
- Purchaser : SingXpress Credit Pte Ltd, a wholly-owned subsidiary of SingXpress.
- Properties : 5 units situated at #02-19, #02-20, #02-21, #02-22 and #02-23 UB.1, 81 Ubi Avenue 4, Singapore 408830
- Option monies : S\$39,120.68 (approximately HK\$237,000) was paid by the Purchaser upon signing of the Agreements
- Sale price : S\$3,912,068 (approximately HK\$23,668,000) payable in cash
- Date of completion : on or before 3 April 2012

Condition for completion : subject to the exercise of the right on the Agreements on or before 3 February 2012 and satisfactory reply to legal requisitions to the various Government Departments of Singapore and successful completion of legal documentation.

The Properties have a total gross floor area of approximately 6,985 sq. ft and is currently vacant. UB.1 is a commercial property and is primarily used for factory, workshop and office. The tenure is 60 years from 2011. It is expected that the Acquisition will be completed on 3 April 2012.

REASONS FOR AND BENEFITS OF THE ACQUISITION

The Company and its subsidiaries (“Group”) are engaged in property development and property trading and investment, treasury investments and hotel operation.

SingXpress Land Ltd (“SingXpress”), an indirect 60.94%-owned subsidiary of the Company, the shares of which are listed on the Singapore Exchange Securities Trading Limited. SingXpress is principally engaged in, among other things, property investment and property development in Singapore and is currently headquartered in its existing premises at 883 North Bridge Road, #15-04 Southbank, Singapore 198785. The Properties are being purchased to enable SingXpress to relocate its headquarters so as to cope with its future business development and expansion.

The Acquisition of the Properties will be funded through a combination of internal resources and bank financing, which is expected to be in the proportion of approximately 25% and 75% respectively.

The Directors confirm that the consideration for the Properties have been determined after arm’s length negotiations between the parties by reference to the recent transaction of the similar type of units of similar locations in the property market. No independent valuation was carried out for the Properties. The Directors do not expect any significant financial impact on the Group due to the Acquisition. The Directors are of the view that the Acquisition are in the interest of the Group and the terms of Acquisition in the Agreements are in normal commercial terms, which are fair and reasonable and in the interests of the shareholders of the Company as a whole.

IMPLICATIONS UNDER THE LISTING RULES

As one or more of the applicable percentage ratios in respect of the Acquisition is more than 5% but less than 25%, the Acquisition constitutes a discloseable transaction of the Company under the Listing Rules and is subject to the reporting and announcement requirements under Chapter 14 of the Rules Governing the Listing of Securities on the Stock Exchange (“Listing Rules”).

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

Hong Kong SAR, 30 January, 2012

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.