

The Stock Exchange of Hong Kong Limited takes no responsibility for the contents of this announcement, makes no representation as to its accuracy or completeness and expressly disclaims any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.



MEXAN LIMITED

茂盛控股有限公司*

(Incorporated in Bermuda with limited liability)

(Stock Code: 22)

ANNOUNCEMENT

At the request of the Company, trading in the Shares on the Stock Exchange was suspended with effect from 9:30 a.m. on 3 January 2007 pending release of a full announcement relating to the matters stated below.

This announcement is made at the request of the Stock Exchange.

Reference is made to the announcements of the Company dated 17 November 2006 and 18 December 2006 (the "Announcements"). Capitalised terms used herein shall have the same meanings as those defined in the Announcements, unless specified otherwise.

On 2 January 2007, Mexan Group Limited (being the controlling shareholder of the Company) entered into a share sale agreement (the "Agreement") with, inter alia, an independent third party (the "Third Party") pursuant to which the Third Party has agreed to acquire 964,548,303 Shares from Mexan Group Limited, representing approximately 73.58% of the existing issued share capital of the Company. Completion of the Agreement is subject to, inter alia, approval by independent shareholders of the Company of each of a group reorganisation (including distribution in specie of shares in a subsidiary of the Company) (the "Group Reorganisation") and a special cash dividend. Subject to completion of the Agreement, the Third Party together with parties acting in concert with it will be obliged to make a general offer (the "Mexan Offer") under the Takeovers Code. It is also proposed that a voluntary general offer (the "Privateco Offer") will be made by Mexan Group Limited together with parties acting in concert with it after completion of the Group Reorganisation.

At the request of the Company, trading in the Shares on the Stock Exchange was suspended with effect from 9:30 a.m. on 3 January 2007 pending release of a full announcement (certain information to be included therein is being finalised) relating to the above matters as soon as practicable.

WARNING: THE MAKING OF EACH OF THE MEXAN OFFER AND THE PRIVATECO OFFER WILL BE SUBJECT TO A NUMBER OF CONDITIONS AND IS A POSSIBILITY ONLY. AS EACH OF THE MEXAN OFFER AND THE PRIVATECO OFFER MAY OR MAY NOT PROCEED, INVESTORS AND SHAREHOLDERS ARE URGED TO EXERCISE CAUTION WHEN DEALING IN THE SHARES.

By Order of the Board
MEXAN LIMITED
Tse On Kin
Managing Director

Hong Kong, 15 January 2007

As at the date of this announcement, the executive Directors are Mr. Lau Kan Shan (Chairman), Mr. Tse On Kin (Managing Director) and Ms. Ching Yung and the independent non-executive Directors are Mr. Chan Wai Dune, Mr. Lau Wai and Mr. Tong Kwai Lai.

The Directors jointly and severally accept full responsibility for the accuracy of the information contained in this announcement and confirm, 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.

* For identification purposes only