



# MEXAN LIMITED

## 茂盛控股有限公司\*

(Incorporated in Bermuda with limited liability)  
(Stock Code: 22)

### ANNOUNCEMENT PURSUANT TO RULE 13.10 OF THE LISTING RULES

This statement is made at the request of The Stock Exchange of Hong Kong Limited (the "Stock Exchange").

The directors (the "Directors") of Mexan Limited (the "Company") have noted today's increase in the price and the trading volume of the shares of the Company (the "Shares") and wish to state that they are not aware of any reasons for such fluctuations save for matters disclosed in this statement.

The Company is advised by its controlling shareholder, Mexan Group Limited, that it is in negotiations with an independent third party (the "Negotiations") on a possible disposal of its shareholding in the Company. The Negotiations also involve a possible disposal of assets of the Company. The Company is further advised that as at the date hereof, the Negotiations are still in progress and no agreement has been reached for any particular transaction involving the Company. Final agreement(s) may or may not be successfully reached between the aforesaid parties. However, if the agreement(s) are finally reached, they may constitute a notifiable transaction for the Company under Chapter 14 of the Rules Governing the Listing of Securities on the Stock Exchange (the "Listing Rules") and may lead to a change in control of the Company.

Save for the aforesaid, the Directors confirm that there are no negotiations or agreements relating to intended acquisitions or realisations which are discloseable under Rule 13.23 of the Listing Rules, nor are they aware of any matter discloseable under the general obligation imposed by Rule 13.09 of the Listing Rules, which is or may be of a price-sensitive nature.

As at the date hereof, Mexan Group Limited is interested in 964,548,303 Shares, representing 73.58% of the issued share capital of the Company.

Mr. Lau Kan Shan, Chairman of the Company and executive Director, is the beneficial owner of the entire equity interest in Mexan Group Limited.

#### Securities in the Company

As at the date hereof, the Company has a total of 1,310,925,244 ordinary Shares of HK\$0.10 each in issue. Save for the aforesaid, the Company has no other relevant securities (as defined in Note 4 to Rule 22 of the Hong Kong Code on Takeovers and Mergers (the "Takeovers Code")) as at the date hereof.

#### Dealings disclosure

The associates (as defined in the Takeovers Code) of the Company are reminded to disclose their dealings in the securities of the Company under Rule 22 of the Takeovers Code.

#### Responsibilities of stockbrokers, banks and other intermediaries

Stockbrokers, banks and others who deal in relevant securities on behalf of clients have a general duty to ensure, so far as they are able, that those clients are aware of the disclosure obligations attaching to associates and other persons under Rule 22 of the Takeovers Code and that those clients are willing to comply with them. Principal traders and dealers who deal directly with investors should, in appropriate cases, likewise draw attention to the relevant rules of the Takeovers Code. However, this does not apply when the total value of dealings (excluding stamp duty and commission) in any relevant security undertaken for a client during any 7 day period is less than HK\$1 million.

This dispensation does not alter the obligation of principals, associates and other persons themselves to initiate disclosure of their own dealings, whatever total value is involved.

Intermediaries are expected to co-operate with the Executive (as defined in the Takeovers Code) in its dealings enquiries. Therefore, those who deal in relevant securities should appreciate that stockbrokers and other intermediaries will supply the Executive (as defined in the Takeovers Code) with relevant information as to those dealings, including identities of clients, as part of that co-operation.

#### Shareholders of the Company and investors should exercise caution when dealing in the Shares.

Made by the order of the Company, the board of the Directors (the "Board") individually and jointly accepts responsibility for the accuracy of this statement.

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

Hong Kong, 17 November 2006

As at the date hereof, the executive Directors are Mr. Lau Kan Shan, Mr. Tse On Kin 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