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MEXAN LIMITED

茂盛控股有限公司*

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

FURTHER DELAY IN PUBLICATION OF ANNUAL RESULTS ANNOUNCEMENT AND DESPATCH OF ANNUAL REPORT FOR THE YEAR ENDED 31 MARCH 2004

The Company announces that the publication of the Annual Results Announcement will be further delayed from 17 September 2004 to on or before 15 October 2004 and the Annual Report will be despatched approximately 5 working days thereafter.

The Directors acknowledge that the delay shall constitute a breach of Rules 13.46(2)(a), (b) and 13.49(1) of the Listing Rules and that the Stock Exchange reserves its rights to take appropriate actions against the Company and/or its directors in respect of the breach.

Investors are advised to exercise caution when dealing in the shares of the Company.

FURTHER DELAY IN PUBLICATION OF ANNUAL RESULTS ANNOUNCEMENT AND DESPATCH OF ANNUAL REPORT

Reference is made to the Company's announcements dated 30 July and 31 August 2004 in relation to the delay in publication of the Annual Results Announcement and despatch of the Annual Report of the Company for the year ended 31 March 2004. Terms used herein shall have the same meaning used therein unless defined otherwise.

Pursuant to Rules 13.46(2)(a) and 13.49(1) of the Listing Rules on the Stock Exchange, an issuer is required to publish in newspapers its annual results and despatch its annual report to its shareholders not later than four months after the date upon which the financial period ended. Accordingly, the announcement of the audited results of the Group for the year ended 31 March 2004 (the "Annual Results Announcement") and the annual report of the Company for the year ended 31 March 2004 (the "Annual Report") are required to be published and despatched on or before 31 July 2004. Pursuant to Rule 13.46(2)(b) of the Listing Rules, the Company shall make up its annual accounts to a date falling not more than 6 months before the date of its annual general meeting ("AGM"). Since the AGM shall not be held on or before 30 September 2004, the Directors acknowledge that the delay shall constitute a breach of Rule 13.46(2)(b) of the Listing Rules. The legal adviser of the Company as to Bermuda law has confirmed that to comply with the Bye-laws of the Company, the latest date of the AGM for the year 2004 to be held shall not be more than 15 months after the last AGM held on 25 September 2003 i.e. 24 December 2004. The Company is therefore in compliance with its Bye-laws in respect of the delay of the holding of the AGM.

While the fundamental audit work has been completed, the auditors of the Company is still negotiating with the Company on the disclosure notes in the Annual Results Announcement and the Annual Report particularly in the subsequent events disclosure in respect of (a) certain loan receivables in a total sum of approximately HK\$230 million which have been settled in late August 2004 and (b) if applicable, any new loan facilities referred to below. More time is required for the auditors of the Company to obtain third parties' confirmations as at 31 August 2004 from financial institutions to confirm whether (a) the abovementioned loan receivables at approximately HK\$230 million have been settled and (b) whether there is any new loan facilities incurred after the annual accounts date in order to finalise the audited results and disclosure of subsequent event in the accounts of the Group. Taking into account of the upcoming mid-autumn festival and national day holidays, the Directors expect that the audit shall take place for approximately another four weeks and the Company will publish the Annual Results Announcement on or before 15 October 2004 and despatch the Annual Report approximately 5 working days thereafter.

The Directors acknowledge that the delay in the publication of the Annual Results Announcement, the holding of the AGM and the despatch of the Annual Report shall constitute a breach of Rules 13.46(2)(a), (b) and 13.49(1) of the Listing Rules and that the Stock Exchange reserves its rights to take appropriate actions against the Company and/or its directors in respect of the breach.

The Directors have not dealt in any of the shares of the Company since the period commencing one month immediately preceding 31 July 2004 and undertaken not to deal in the shares of the Company until the publication of the Annual Results Announcement.

Investors are advised to exercise caution when dealing in the shares of the Company.

As at the date of this announcement, the Board comprises Mr. Lau Kan Shan, Mr. Yan Sheng, Mr. Yuen Hiu Kwan and Ms. Ching Yung, all of whom are executive Directors, Mr. Lau Wai and Mr. Cheng Chun Pong, Paul, both of whom are independent non-executive Directors.

By Order of the Board
Yan Sheng
Chief Executive Officer

Hong Kong, 20 September 2004

* for identification purposes only