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REXCAPITAL Financial Holdings Limited

(Incorporated in Bermuda with limited liability)

(Stock code: 555)

ANNOUNCEMENT

The Company has noted the increase in trading volume of the shares of the Company today and wishes to state that it is not aware of any reason for such movements save as disclosed in this announcement.

This statement is made at the request of The Stock Exchange of Hong Kong Limited. The board of directors of REXCAPITAL Financial Holdings Limited (the “Company”) has noted the increase in trading volume of the shares of the Company today and wishes to state that it is not aware of any reason for such movements, save as disclosed in this announcement.

In the announcement of the Company dated 31 July 2006 (the “Announcement”), it was announced that the Company, through its wholly-owned subsidiary, has entered into a share purchase agreement for the acquisition of the entire issued share capital of Happy Sun which in turn will hold 70% interest in the issued share capital of Guard Libang. Unless otherwise stated, terms used herein shall have the same meanings as those defined in the Announcement.

All the conditions set out in the Share Purchase Agreement have already been fulfilled. The Purchaser and the Vendor are currently arranging for a mutually convenient date for the completion of the Acquisition. It is expected that the completion of the Acquisition will take place as soon as practicable. The Company will make further announcement as soon as completion of the Acquisition has taken place.

The Board also confirms that save as disclosed above, there are no negotiations or agreements relating to intended acquisitions or realizations which are discloseable under Rule 13.23 of the Listing Rules, neither is the Board 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.

By Order of the Board

Ng Yuen Yee

Company Secretary

As at the date of this announcement, the Board comprises two executive directors namely Mr. Chan How Chung, Victor and Mr. Boo Chun Lon and three independent non-executive directors namely Mr. Yuen Wai Ho, Mr. On Kien Quoc and Mr. Chow Siu Ngor.

Hong Kong, 3 November 2006

Please also refer to the published version of this announcement in The Standard.