MEXAN LIMITED
茂盛控股有限公司*

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

FINAL RESULTS
FOR THE YEAR ENDED 31 MARCH 2008

RESULTS

The board of directors (the "Board") of MEXAN LIMITED (the "Company") is pleased to announce that the audited consolidated results of the Company and its subsidiaries (the "Group") for the year ended 31 March 2008, together with comparative figures for the corresponding year 2007 are as follows:

CONSOLIDATED INCOME STATEMENT

For the year ended 31 March 2008

	Notes	**2008** **HK$'000**	2007 HK$'000
Continuing operations			
Turnover	*4*	**74,804**	79,436
Direct costs		**(24,073)**	(22,727)
Gross profit		**50,731**	56,709
Other revenue	*4*	**582**	3,349
Administrative expenses		**(42,617)**	(82,799)
Finance costs	*5*	**(20,081)**	(23,430)
Loss before taxation		**(11,385)**	(46,171)
Taxation	*6*	**(24)**	—
Loss for the year from continuing operations		**(11,409)**	(46,171)
Discontinued operations			
Loss for the year from discontinued operations	*7*	**(822)**	(46,133)
Loss for the year	*8*	**(12,231)**	(92,304)
Attributable to:			
Equity holders of the Company		**(11,619)**	(92,304)
Minority interests		**(612)**	—
		(12,231)	(92,304)
Dividends	*9*	**974,531**	—
Basic loss per share (HK cents)			
— from continuing and discontinued operations	*10*	**(0.89)**	(7.04)
— from continuing operations	*10*	**(0.82)**	(3.52)

* *For identification purpose only*

CONSOLIDATED BALANCE SHEET

As at 31 March 2008

	Notes	2008 HK$'000	2007 HK$'000
ASSETS AND LIABILITIES			
Non-current assets			
Property, plant and equipment		**631,461**	649,198
Intangible assets		**10,014**	11,181
Prepaid lease payments		**11,547**	—
Club debentures		**1,350**	1,350
		654,372	661,729
Current assets			
Inventories		**348**	—
Trade and other receivables, deposits and prepayments	*11*	**3,655**	97,355
Prepaid lease payments		**302**	—
Cash and bank balances		**8,478**	15,485
		12,783	112,840
Assets of toll road and management businesses classified as held for sale		**—**	2,552,385
		12,783	2,665,225
Current liabilities			
Current portion of bank loans		**203,625**	35,554
Other payables, deposits received and accrued charges		**9,728**	16,506
Amount due to a related company		**607**	—
Amount due to minority shareholder		**6,408**	—
Dividend payable		**1,522**	1,096
Tax payable		**24**	—
		221,914	53,156
Liabilities of toll road and management businesses associated with assets classified as held for sale		**—**	1,667,978
		221,914	1,721,134
Net current (liabilities)/assets		**(209,131)**	944,091
Total assets less current liabilities		**445,241**	1,605,820

CONSOLIDATED BALANCE SHEET *(Continued)*
As at 31 March 2008

	Notes	**2008**	2007
		HK$'000	*HK$'000*
Total assets less current liabilities		**445,241**	1,605,820
Non-current liabilities			
Bank loans		**230,249**	344,653
Other loan		**—**	59,413
		230,249	404,066
Net assets		**214,992**	1,201,754
EQUITY			
Share capital		**131,092**	131,092
Reserves		**84,512**	1,070,662
Equity attributable to equity holders of the Company		**215,604**	1,201,754
Minority interests		**(612)**	—
Total equity		**214,992**	1,201,754

Notes:

1. GROUP REORGANISATION

On 2 January 2007, the Company's ultimate controlling party, Mexan Group Limited ("MGL") entered into a share sale agreement ("Agreement") with Winland Wealth (BVI) Limited ("Winland Wealth"), pursuant to which Winland Wealth agreed to acquire 964,548,303 shares of the Company from MGL, 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 the special cash dividend and the group reorganisation (the "Group Reorganisation").

Pursuant to the Group Reorganisation, (i) the Company, which will continue to be a listed company, together with its subsidiaries (the "Remaining Group") will be carrying on the Group's business of hotel investment and operation (the "Remaining Business"); (ii) Inventive Limited ("Inventive") and its subsidiaries (the "Inventive Group") will be carrying on the business of the Group, including the Group's toll road operation and management as well as investment holding, other than the Remaining Business; and (iii) the shareholders will receive by way of distribution in specie the shares of Inventive on the basis of one share of Inventive for each share of the Company held.

Details of the Group Reorganisation are set out in the circular of the Company dated 17 March 2007 and the composite offer document dated 16 April 2007 issued jointly by the Company and Winland Wealth.

Pursuant to the resolution passed by the independent shareholders in the special general meeting held on 12 April 2007, the Group Reorganisation and the special cash dividend were approved. On the same date, the Group Reorganisation and the Agreement were completed. As a result, Winland Wealth acquired 964,548,303 shares of the Company from MGL and became the holding company of the Company.

2. BASIS OF PREPARATION

The financial statements have been prepared in accordance with all applicable Hong Kong Financial Reporting Standards ("HKFRSs"), which collective term includes all applicable individual Hong Kong Financial Reporting Standards, Hong Kong Accounting Standards ("HKASs") and Interpretations ("HK(IFRIC)") issued by Hong Kong Institute of Certified Public Accountants ("HKICPA"), accounting principles generally accepted in Hong Kong and the disclosure requirements of the Hong Kong Companies Ordinance. These financial statements also comply with the applicable disclosure provisions of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited. The financial statements are prepared under the historical cost convention.

3. ADOPTION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS

In the current year, the Group has adopted all of the new and revised HKFRSs issued by HKICPA that are relevant to its operations and effective for the current accounting period of the Group and the Company.

The impact of the adoption of HKFRS 7, *Financial Instruments: Disclosures* and HKAS 1 (Amendment), *Capital Disclosures* has been to expand the disclosures provided in these financial statements regarding the Group's financial instruments and management of capital.

At the date of authorisation of these financial statements, the following standards and interpretations were in issue but not yet effective:

		Effective for annual periods beginning on or after
HKAS 1 (Revised)	Presentation of Financial Statements	1 January 2009
HKAS 23 (Revised)	Borrowing Costs	1 January 2009
HKAS 27 (Revised)	Consolidated and Separate Financial Statements	1 July 2009
HKAS 32 & 1, Amendments	Puttable Financial Instruments and Obligations arising on Liquidation	1 January 2009
HKFRS 2 (Amendment)	Share-based Payment — Vesting Conditions and Cancellations	1 January 2009
HKFRS 3 (Revised)	Business Combinations	1 July 2009
HKFRS 8	Operating Segments	1 January 2009
HK(IFRIC) — Int 12	Service Concession Arrangements	1 January 2008
HK(IFRIC) — Int 13	Customer Loyalty Programmes	1 July 2008
HK(IFRIC) — Int 14	HKAS 19 — The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction	1 January 2008

The group is in the process of making an assessment of what the impact of these new or revised standards or interpretations is expected to be in the period of initial application.

4. REVENUES AND TURNOVER

Before the Group Reorganisation, the Group was engaged in hotel operation and toll road operation. After that, the Group is principally engaged in hotel operation. Revenues recognised during the year are as follows:

	2008	2007
	HK$'000	*HK$'000*
From continuing operations		
Turnover		
Hotel operation	**74,804**	79,436
Other revenues		
Interest income		
— Bank and other advance	**538**	2,763
Unclaimed dividend written back	**—**	313
Other income	**44**	273
	582	3,349
Total revenues	**75,386**	82,785
From discontinued operations ***(Note 7)***		
Turnover		
Toll road income	**5,586**	159,697
Rental income	**—**	135
	5,586	159,832
Other revenue		
Management fee and other income	**—**	7,546
Subsidy income	**—**	2,196
Interest income	**11**	908
Exchange gain	**—**	3,033
	11	13,683
Total revenues	**5,597**	173,515

(a) Primary reporting format — business segments

The Group is organised into three main business segments:

- Hotel operation
- Toll road operation
- Property rental

For the year ended 31 March 2008

	Continuing operations	Discontinued operations		
	Hotel operation *HK$'000*	Toll road operation *HK$'000*	Unallocated *HK$'000*	Consolidated *HK$'000*
Turnover	**74,804**	**5,586**		**80,390**
Segment results	**17,697**	**2,981**		**20,678**
Unallocated corporate income and expenses (net)				**(10,413)**
				10,265
Interest income				**549**
Finance costs				**(23,021)**
Loss before taxation				**(12,207)**
Taxation				**(24)**
Loss for the year				**(12,231)**
Segment assets	**648,254**	**—**		**648,254**
Unallocated corporate assets				**18,901**
Consolidated total assets				**667,155**
Segment liabilities	**440,529**	**—**		**440,529**
Unallocated corporate liabilities				**11,634**
Consolidated total liabilities				**452,163**
Capital expenditure	**49**	**—**	**12,000**	**12,049**
Depreciation	**17,614**	**209**	**—**	**17,823**
Amortisation	**1,167**	**1,737**	**—**	**2,904**

For the year ended 31 March 2007

	Continuing operations	Discontinued operations			
	Hotel operation *HK$'000*	Toll road operation *HK$'000*	Property rental *HK$'000*	Unallocated *HK$'000*	Consolidated *HK$'000*
Turnover	79,436	159,697	135		239,268
Segment results	152	64,552	(3,920)		60,784
Unallocated corporate income and expenses (net)					(35,657)
					25,127
Interest income					3,671
Finance costs					(121,107)
Loss before taxation					(92,309)
Taxation credit					5
Loss for the year attributable to equity holders of the Company					(92,304)
Segment assets	672,334	2,529,972	—		3,202,306
Unallocated corporate assets					124,648
Consolidated total assets					3,326,954
Segment liabilities	451,883	1,666,074	—		2,117,957
Unallocated corporate liabilities					7,243
Consolidated total liabilities					2,125,200
Capital expenditure	436	17,150	—	22	17,608
Depreciation	17,599	4,347	—	1,433	23,379
Amortisation	1,166	52,460	—	—	53,626

(b) Secondary reporting format — geographical segments

The following is an analysis of the Group's turnover, analysed by the geographical markets:

	2008	2007
	HK$'000	*HK$'000*
From continuing operations		
Hong Kong	**74,804**	79,436
From discontinued operations		
Hong Kong	**—**	135
PRC	**5,586**	159,697
	5,586	159,832
	80,390	239,268

The following is an analysis of the carrying amount of segment assets, additions to intangible assets, property, plant and equipment, and leasehold land analysed by the geographical areas in which the assets are located:

	Carrying amount of segment assets		**Additions to intangible assets, property, plant and equipment, and leasehold land**	
	2008	2007	**2008**	2007
	HK$'000	*HK$'000*	***HK$'000***	*HK$'000*
From continuing operations				
Hong Kong	**667,155**	774,569	**12,049**	436
From discontinued operations				
Hong Kong	**—**	22,413	**—**	22
PRC	**—**	2,529,972	**—**	17,150
	—	2,552,385	**—**	17,172
	667,155	3,326,954	**12,049**	17,608

5. FINANCE COSTS

Finance costs comprise the following:

	2008 *HK$'000*	2007 *HK$'000*
From continuing operations		
Interest on bank loans		
— wholly repayable within five years	**9,763**	—
— not wholly repayable within five years	**9,859**	20,888
Interest on other loans wholly repayable within five years	**430**	2,532
Total borrowing costs incurred	**20,052**	23,420
Bank charges	**29**	10
	20,081	23,430
From discontinued operations ***(Note 7)***		
Interest on bank loans and overdrafts		
— wholly repayable within five years	**—**	639
— not wholly repayable within five years	**2,940**	96,818
Interest element of finance lease	**—**	13
Total borrowing costs incurred	**2,940**	97,470
Bank charges	**—**	207
	2,940	97,677

6. TAXATION

(a) Hong Kong profits tax is provided at the rate of 17.5% on the estimated assessable profits for the year.

The amount of taxation charged/(credited) to the consolidated income statement represents:

	2008 *HK$'000*	2007 *HK$'000*
Hong Kong profits tax		
Current tax — provision for the year	**24**	—
Deferred taxation resulting from origination and reversal of temporary differences	**—**	(5)
	24	(5)
From continuing operations	**24**	—
From discontinued operations *(Note 7)*	**—**	(5)
	24	(5)

(b) The taxation on the Group's accounting loss differs from the theoretical amount that would arise using the taxation rate of Hong Kong as follows:

	2008	2007
	HK$'000	*HK$'000*
Loss before taxation		
— from continuing operations	**(11,385)**	(46,171)
— from discontinued operations	**(822)**	(46,138)
	(12,207)	(92,309)
Calculated at the taxation rate of 17.5%	**(2,136)**	(16,154)
Income and expenditure not subject to taxation	**119**	2,019
Expenses not deductible for tax purposes	**1,900**	1,816
Non-taxable items	**(38)**	(609)
Unrecognised tax losses and deductible temporary differences	**179**	12,923
Taxation charge/(credit)	**24**	(5)

(c) With effect from the year of assessment 2008/09, Hong Kong profits tax rate has been reduced from 17.5% to 16.5%.

7. DISCONTINUED OPERATIONS

As disclosed in note 1, on 12 April 2007, the Group disposed of its business of toll road operation and management by distribution in specie of shares in Inventive.

In the year ended 31 March 2007, the Group disposed of its business of property investment.

The results of the discontinued operations during the year are set out below.

	Notes	**2008**	2007
		HK$'000	*HK$'000*
Turnover	*4*	**5,586**	159,832
Direct costs		**(1,738)**	(71,130)
Gross profit		**3,848**	88,702
Other revenue	*4*	**11**	13,683
Administrative expenses		**(1,741)**	(50,846)
Finance costs	*5*	**(2,940)**	(97,677)
Loss before taxation		**(822)**	(46,138)
Taxation credit	*6*	**—**	5
Loss for the year	*8*	**(822)**	(46,133)

	2008	2007
	HK$'000	*HK$'000*
Net cash inflow from operating activities	**4,679**	90,747
Net cash inflow from investing activities	**—**	3,328
Net cash outflow from financing activities	**(1,990)**	(57,998)
	2,689	36,077

8. LOSS FOR THE YEAR

	2008	2007
	HK$'000	*HK$'000*
Loss for the year (including continuing and discontinued operations) is stated after crediting and charging the following:		
Crediting		
Rental income from investment properties	**—**	135
Charging		
Auditor's remuneration	**410**	550
Operating leases payments in respect of land and buildings	**—**	3,209
Depreciation of property, plant and equipment		
— from continuing operations	**17,614**	17,613
— from discontinued operations	**209**	5,766
	17,823	23,379
Amortisation of intangible assets		
— from continuing operations	**1,167**	1,166
— from discontinued operations	**1,737**	52,460
	2,904	53,626
Release of prepaid lease payments to profit or loss	**151**	—
Loss on disposal of property, plant and equipment	**171**	28
Loss on disposal of investment property	**—**	3,500
Bad debts written off	**—**	732

9. DIVIDENDS

	2008	2007
	HK$'000	*HK$'000*
Distribution in specie *(note (a))*	**884,536**	—
Special cash dividend, HK$0.06865 per share (2007: Nil) *(note (b))*	**89,995**	—
	974,531	—

Notes:

(a) The net assets of Inventive Group distributed by the Group in form of dividend in specie, as disclosed in note 1, were as follows:

	HK$'000
Total assets	**2,555,598**
Total liabilities	**(1,671,062)**
	884,536

(b) In respect of the year and as disclosed in note 1, on 2 January 2007, the directors proposed a special cash dividend of HK$0.06865 per share which would be paid to shareholders upon completion of the Group Reorganisation. This dividend was approved by shareholders at the special general meeting on 12 April 2007 and was paid during the year to all shareholders on the register of members on 12 April 2007. The total dividend was HK$89,995,000.

10. LOSS PER SHARE

The calculation of the basic loss per share from continuing and discontinued operations attributable to the equity holders of the Company is based on the following data.

Loss

	2008	2007
	HK$'000	*HK$'000*
Loss for the year from continuing operations	**(10,797)**	(46,171)
Loss for the year from discontinued operations	**(822)**	(46,133)
Loss for the year attributable to equity holders of the Company	**(11,619)**	(92,304)

Number of shares

	2008	2007
Weighted average number of ordinary shares for the purposes of basic loss per share	**1,310,925,244**	1,310,925,244

Basic loss per share from the discontinued operations is 0.06 HK cents (2007: 3.52 HK cents), which is calculated based on the loss for the year from discontinued operations attributable to equity holders of the Company of HK$822,000 (2007: HK$46,133,000) and the weighted average number of ordinary shares for the purpose of basic loss per share detailed above.

No diluted loss per share is shown as the Company has no potential dilutive ordinary shares at 31 March 2008 and 2007.

11. TRADE AND OTHER RECEIVABLES, DEPOSITS AND PREPAYMENTS

	2008	2007
	HK$'000	*HK$'000*
Trade receivables	**2,609**	3,417
Other receivables	**132**	2,273
Deposits and prepayments	**914**	91,665
	3,655	97,355

The Group allows a credit period from nil to one month to its trade customers. All the trade receivables are expected to be recovered within one year. The following is an ageing analysis of trade receivables at the balance sheet date:

	2008	2007
	HK$'000	*HK$'000*
Within 30 days	**2,513**	3,188
31 — 60 days	**27**	205
61 — 90 days	**—**	24
Over 90 days	**69**	—
	2,609	3,417

FINAL DIVIDEND

The Board does not recommend the payment of final dividend for the year ended 31 March 2008 (2007: Nil).

MANAGEMENT DISCUSSION AND ANALYSIS

Results

As resulted from the disposal of Inventive Group, the results generated from the Remaining Group and the Inventive Group were represented as continuing operations and discontinued operations respectively.

Turnover of the Group for the year ended 31 March 2008 amounted to approximately HK$80.4 million, representing a decrease of 66% compared to last year. Turnover for the year under review included the turnover generated from continuing operations, i.e. the operation of Mexan Harbour Hotel (the "Hotel") of approximately HK$74.8 million, while the turnover of the Hotel amounted to approximately HK$79.4 million for last year. Turnover for the year under review also included turnover of approximately HK$5.6 million generated from discontinued operations, representing the turnover generated from the operation of the Ningbo Beilun Port Expressway (the "Expressway") for about 1/3 month of April 2007, while turnover from discontinued operations for last year amounted to approximately HK$159.8 million, mainly generated from the full year operation of the Expressway of approximately HK$159.7 million.

The Group recorded a loss of approximately HK$12.2 million for the year ended 31 March 2008, which comprised of the loss of approximately HK$11.4 million generated from continuing operations and the loss of approximately HK$0.8 million generated from discontinued operations. The loss of approximately HK$92.3 million for last year comprised of the loss of approximately HK$46.2 million generated from continuing operations and the loss of approximately HK$46.1 million generated from discontinued operations. The loss was reduced as the Inventive Group was disposed in April 2007 and the administrative expenses of the Group was significantly reduced after the Group Reorganisation.

Business Review and Outlook

On 12 April 2007, the Group completed the Group Reorganisation. The Group will be carrying on the business of hotel investment and operation. The Group operates the Mexan Harbour Hotel.

Mexan Harbour Hotel, an 800-room four star hotel in Tsing Yi, maintained an average occupancy rate of approximately 89% for the year under review, while according to the figure provided by the Census and Statistics Department, the average hotel accommodation occupancy rate is approximately 86% in the year 2007.

Tourism sector is foreseen to flourish by various events, such as (i) the development of the cruise terminal at the old Kai Tak airport site; (ii) the completion of the revamp and expansion plans of Ocean Park by phases; (iii) the 2008 Olympic Games in Beijing, with 2008 Olympic Equestrian Events to be hosted in Hong Kong; (iv) the 2009 East Asian Games, and with more to come. The management anticipates that these new tourist attractions will stimulate demands in hotel rooms and the management is optimistic on the hotel business.

Looking forward, the management will regularly conduct review of the Group's financial position and business activities in order to formulate its business and strategic development plans and continue to explore further suitable investment opportunities for the Group.

Liquidity and Financial Information

During the year under review, cashflow of the Group was mainly generated from business operations. As at 31 March 2008, the Group's total borrowings amounted to approximately HK$434 million compared with approximately HK$2,068 million as at 31 March 2007. The decrease of the Group's total borrowings was due to the disposal of the toll road business.

As at 31 March 2008, cash and bank balances amounted to approximately HK$8 million compared with cash and bank balances of approximately HK$53 million last year. The Group's net assets as at 31 March 2008 amounted to approximately HK$215 million compared with approximately HK$1,202 million last year.

Gearing ratio of the Group which is expressed as a percentage of total borrowings to total equity was approximately 202% as at 31 March 2008 compared to approximately 172% as at 31 March 2007. Net gearing ratio of the Group which is expressed as a percentage of net borrowings (total borrowings less cash and bank balance) to total equity was approximately 198% compared with approximately 168% last year.

Of the Group's total borrowings as at 31 March 2008, approximately HK$204 million (47%) would be due within one year, approximately HK$15 million (3%) would be due in more than one year but not exceeding two years, approximately HK$47 million (11%) would be due in more than two years but not exceeding five years and the remaining balance of approximately HK$168 million (39%) would be due after five years.

The total borrowings were denominated in HKD and bear a variable interest rate.

The above borrowings were secured by the hotel property, corporate guarantee from the Company and Winland Wealth's director's and related parties' guarantees.

Treasury Policies

The Group generally financed its operations with internally generated resources and credit facilities. The bank deposits are denominated in HKD.

Foreign Exchange Exposure

The Group has limited exposure to foreign exchange fluctuations as the Group's transactions including the borrowings are mainly recorded in the currency most connected with the Group's businesses in the countries concerned and the borrowings were balanced by assets in the same currencies.

In addition, the Group had not implemented major hedging or other alternative measures during the year ended 31 March 2008 as the foreign currency risk exposure was considered to be minimal. As at 31 March 2008, the Group had no significant exposure under foreign exchange contracts, interest or currency swaps or other financial derivative.

Equity

Total equity of the Group as at 31 March 2008 was approximately HK$215 million compared with approximately HK$1,202 million last year. Total equity attributable to equity holders of the Company as at 31 March 2008 was approximately HK$216 million compared with approximately HK$1,202 million last year. The reduction was mainly resulted from the payment of the special cash dividend and the disposal of toll road business by way of distribution in specie in April 2007, total amounted to approximately HK$975 million.

Employee Information

As at 31 March 2008, the total number of employees of the Group was 134 (2007: 296). Remuneration packages are generally structured by reference to market terms and individual qualifications. The remuneration policies of the Group are normally reviewed on periodic basis. The Group participates in pension schemes which cover all the eligible employees of the Group.

Contingent Liability

As at 31 March 2008, the Company had provided guarantees to banks in respect of loans granted to its subsidiaries amounting to approximately HK$433,874,000.

CODE ON CORPORATE GOVERNANCE PRACTICES

In the opinion of the Directors, the Company has complied with all the applicable code provisions of the Code on Corporate Governance Practices (the "CG Code") as set out in Appendix 14 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Listing Rules") for the year under review, except for the deviation from code provision A.4.2 of the CG Code as follows:

Under the code provision A.4.2 of the CG Code, every director, including those appointed for a specific term, should be subject to retirement by rotation at least once every three years. However, in accordance with the Bye-laws, the Chairman and Managing Director are not subject to retirement by rotation or taken into account on determining the number of Directors to retire. This constitutes a deviation from code provision A.4.2 of the CG Code. As continuation is a key factor to the successful implementation of business plans, the Board believes that the roles of the Chairman and Managing Director provide the Group with strong and consistent leadership and are beneficial to the Company especially in planning and execution of business strategies and also believes that the present arrangement is beneficial to the Company and the shareholders of the Company as a whole.

MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

The Company adopted a code of conduct regarding directors' securities transactions on terms no less exacting than the required standard set out in Appendix 10 of the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") of the Listing Rules. Having made specific enquiry of all directors, all directors confirmed that they had complied with the required standard set out in the Model Code and the Company's code of conduct regarding directors' securities transaction throughout the year.

REVIEW BY AUDIT COMMITTEE

As at the date of this announcement, the Audit Committee comprises of three Independent Non-Executive Directors, namely Dr. Tse Kwing Chuen, Mr. Ng Hung Sui Kenneth and Mr. Lam Yiu Pang Albert. The Audit Committee has reviewed with the Company's auditor, Shu Lun Pan Horwath Hong Kong CPA Limited, the audited financial statements for the year ended 31 March 2008 and has also discussed auditing, internal control and financial reporting matters of the Group.

PURCHASE, SALE OR REDEMPTION OF THE COMPANY'S LISTED SECURITIES

The Company has not redeemed any of its listed securities during the year. Neither the Company nor any of its subsidiaries has purchased or sold any of the Company's listed securities during the year.

By Order of the Board
MEXAN LIMITED
Lun Chi Yim
Chairman

Hong Kong, 9 July 2008

As at the date of this announcement, the Executive Directors are Mr. Lun Chi Yim, Mr. Lun Yiu Kay Edwin and Mr. Ng Tze Ho Joseph and the Independent Non-Executive Directors are Dr. Tse Kwing Chuen, Mr. Ng Hung Sui Kenneth and Mr. Lam Yiu Pang Albert.