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MANSION HOLDINGS LIMITED

(Incorporated in Bermuda with limited liability)

PROPOSED CHANGE OF SUBSTANTIAL SHAREHOLDER

The Board is not aware of any reasons for the increases in the share price of the Company on 13th January, 2003 except that the Board of the Company has been informed by the Vendor that the Vendor has entered into a conditional agreement to sell its entire interest in the Company of 805,570,000 Shares, representing about 19.26% of the issued share capital of the Company to the Purchaser. The consideration for the Sale Shares is HK\$0.05 per share and completion of the sale and purchase of the Sale Shares is expected to take place on 23rd February, 2003.

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

The Board of Directors (the “Board”) of Mansion Holdings Limited (the “Company”) has noted the increases in the share price of the Company on the Exchange on 13th January, 2003. The Board wishes to state that it is not aware of any reasons for such increases save as disclosed below.

The Board of the Company announces that it has been informed by e-Compact Limited (“Vendor”), a substantial shareholder of the Company, that the Vendor has entered into an agreement dated 13th January, 2003 (“Agreement”) to sell (“Disposal”) 805,570,000 shares (“Sale Shares”) of HK\$0.10 each in the capital of the Company, representing approximately 19.26% of the issued share capital of the Company, to Anglo Japan Enterprises Limited

(“Purchaser”). The Vendor is wholly-owned by Mr. Kyota Yamada, the Chairman of the Company. The Sale Shares represent the entire shareholding of the Vendor in the Company prior to the Disposal. After the Disposal, Mr. Yamada will not hold any shares of the Company in his personal and other corporate capacities. The Purchaser is incorporated in British Virgin Islands and both the Purchaser and its ultimate owner are independent of and not connected with the chief executive, directors or substantial shareholders of the Company or any of their respective associates.

The consideration for the Sale Shares is HK\$0.05 per share. Completion of the Agreement is expected to take place on 23rd February, 2003 (the “Completion”) and is conditional upon, amongst others, the Purchaser undertaking a due diligence review of the Company and its subsidiaries and being satisfied with the results of such review.

At Completion, Mr. Yamada will resign as Chairman and director of the Company and the Purchaser may appoint new directors to the Board of the Company. The Purchaser will become the largest shareholder of the Company after Completion and the business operation of the Company will remain the same after Completion.

The Board also confirms that save as disclosed above, there are no negotiations or agreements relating to intended acquisitions or realisations which are discloseable under paragraph 3 of the Listing Agreement, neither is the Board aware of any matter discloseable under the general obligation imposed by paragraph 2 of the Listing Agreement, which is or may be of a price-sensitive nature.

Further announcement will be made by the Company if and when appropriate in relation to the Disposal.

The Exchange will also closely monitor all future acquisitions or disposals of assets by the Company. The Exchange has indicated that it has the discretion to require the Company to issue a document to its shareholders irrespective of the size of any proposed transactions, particularly when such proposed transactions represent a departure from the principal activities of the Company. The Exchange also has the power to aggregate a series of transactions of the Company and any such transactions may result in the Company being treated as if it were a new listing applicant.

Made by the order of the Board of the Company. The Board individually and jointly accepts responsibility for the accuracy of this statement.

By order of the Board
Mansion Holdings Limited
Hong Cheong Fye
Executive Director

13th January, 2003, Hong Kong

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