

If you are in any doubt as to any aspect of this circular or as to the action you should take, you should consult your stockbroker or other registered dealer in securities, bank manager, solicitor, professional accountant or other professional adviser.

If you have sold all your shares in South China Holdings Limited, you should at once hand this circular and the accompanying proxy form to the purchaser or transferee or to the bank, stockbroker or other agent through whom the sale was effected for transmission to the purchaser or transferee.

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SOUTH CHINA HOLDINGS LIMITED

(Incorporated in the Cayman Islands with limited liability)

(Stock code: 265)

**ADOPTION OF CHINESE NAME,
ADOPTION OF NEW ARTICLES OF ASSOCIATION,
GENERAL MANDATES TO ISSUE AND REPURCHASE SHARES
AND
NOTICE OF ANNUAL GENERAL MEETING**

A notice convening the Annual General Meeting of South China Holdings Limited (the “Company”) to be held at 28th Floor, Bank of China Tower, 1 Garden Road, Central, Hong Kong on Tuesday, 25 May 2004 at 11:00 a.m. is set out in this circular. **Please note that refreshments will not be served at the Annual General Meeting.**

Whether or not you are able to attend the Annual General Meeting, you are advised to read the notice and to complete and return the enclosed proxy form, in accordance with the instructions printed thereon, to the Company’s share registrar, Standard Registrars Limited at Ground Floor, Bank of East Asia Harbour View Centre, 56 Gloucester Road, Wanchai, Hong Kong as soon as possible but in any event not less than 48 hours before the time appointed for the holding of the Annual General Meeting. Completion of the proxy form and its return will not preclude you from attending, and voting at, the Annual General Meeting if you so wish.

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DEFINITIONS

In this circular, unless the context otherwise requires, the following expressions have the following meanings:

“AGM”	the annual general meeting of the Company to be convened and held at 28th Floor, Bank of China Tower, 1 Garden Road, Central, Hong Kong on Tuesday, 25 May 2004 at 11:00 a.m., notice of which is set out on pages 15 to 19 of this circular
“Board”	the Company’s board of Directors
“Company”	South China Holdings Limited, an exempted company incorporated in the Cayman Islands with limited liability, the shares of which are listed on the Stock Exchange
“Director(s)”	the director(s) of the Company
“General Mandates”	the general and unconditional mandates proposed under ordinary resolutions numbered 7 and 9 in the notice of the AGM set out on pages 16 to 18 of this circular to be granted to the Directors to (i) allot and issue shares of the Company up to an aggregate nominal amount not exceeding 20% of the aggregate nominal value of the issued share capital of the Company on the date of the passing of the said ordinary resolution; (ii) to extend the mandate in (i) above by an amount representing the aggregate nominal amount of the Shares repurchased by the Company made pursuant to and in accordance with the Repurchase Mandate
“Group”	the Company and its subsidiaries
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Latest Practicable Date”	28 April 2004, being the latest practicable date prior to the printing of this circular for ascertaining certain information contained herein
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Repurchase Mandate”	the general and unconditional mandate proposed under ordinary resolution numbered 8 in the notice of the AGM set out on page 17 of this circular to be granted to the Directors to repurchase the Company’s shares up to an aggregate nominal amount not exceeding 10% of the aggregate nominal value of the issued share capital of the Company on the date of the passing of the said ordinary resolution

DEFINITIONS

“Share(s)”	ordinary share(s) of HK\$0.025 each in the share capital of the Company
“Shareholder(s)”	holder(s) of Share(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Takeovers Code”	the Hong Kong Code on Takeovers and Mergers
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“%”	per cent.



SOUTH CHINA HOLDINGS LIMITED

(Incorporated in the Cayman Islands with limited liability)

Executive Directors:

Mr. Ng Hung Sang, Robert (*Chairman*)
Mr. Richard Howard Gorges
Ms. Cheung Choi Ngor, Christina
Ms. Ng, Jessica Yuk Mui
Mr. Ng Yuk Fung Peter

Registered Office:

P.O. Box 309
George Town
Grand Cayman
Cayman Islands
British West Indies

Non-executive Director:

Mr. Yuen Kam Tim, Francis
Mr. Tan Boon Seng

*Head Office and Principal Place of Business
in Hong Kong:*

28th Floor
Bank of China Tower
1 Garden Road, Central
Hong Kong

Independent Non-executive Directors:

Mr. David Michael Norman
Mr. David John Blackett

30 April 2004

To the Shareholders

Dear Sir or Madam

**ADOPTION OF CHINESE NAME,
ADOPTION OF NEW ARTICLES OF ASSOCIATION,
GENERAL MANDATES TO ISSUE AND REPURCHASE SHARES
AND
NOTICE OF ANNUAL GENERAL MEETING**

INTRODUCTION

The purpose of this circular is to provide you with the information regarding the proposed adoption of Chinese name of the Company, adoption of new Articles of Association, granting of the General Mandates and the Repurchase Mandate and to give you notice of the AGM at which resolutions will be proposed to consider, and if thought fit, approve at the AGM, among other matters, the adoption of Chinese name of the Company and adoption of new Articles of Association, the granting of the General Mandates and the Repurchase Mandate.

LETTER FROM THE BOARD

ADOPTION OF CHINESE NAME

The Directors propose to adopt the Chinese name of “南華集團有限公司” for the Company for identification purpose only. The reason for an adoption of such Chinese name, which is the exact translation of English name of the Company, is to make the Company more visible amongst the potential investors in the Chinese community.

Subject to the passing of the special resolution at the AGM to adopt the Chinese name of the Company and the approval of the adoption by the Registrar of Companies in the Cayman Islands, the Company will apply for the registration of the new name under Part XI of the Companies Ordinance in Hong Kong.

The adoption of Chinese name of the Company will not affect any of the rights of the Shareholders. All existing share certificates in issue bearing the present name of the Company will, after the adoption of the Chinese name, continue to be evidence of title to the Shares and will be valid for trading, settlement and delivery and no share certificate of the Company will be issued as a result of the adoption of the Chinese name.

Further announcement will be made by the Company in relation to the effective date of the adoption of Chinese name by the Company.

ADOPTION OF NEW ARTICLES OF ASSOCIATION

As part of our efforts to enhance our corporate governance practices and in order to bring our Articles of Association in line with certain changes to the Listing Rules which came into effect in March 2004 and other relevant legislation, the Board proposes to adopt new Articles of Association of the Company.

In this connection, the explanatory statements of the more significant changes to be effected by the adoption of the new Articles of Association are set out in the Appendix I to this circular.

GENERAL MANDATES AND REPURCHASE MANDATE

At an annual general meeting of the Company held on 30 May 2003, resolutions were passed by the Shareholders giving general unconditional mandates to the Directors to issue and allot Shares and to exercise the powers of the Company to repurchase its own Shares in accordance with the Listing Rules. These general mandates will lapse at the conclusion of the AGM.

It is therefore necessary to renew the General Mandates and the Repurchase Mandate at the AGM and ordinary resolutions will be proposed to seek the Shareholders' approval for granting of the General Mandates and the Repurchase Mandate at such meeting. Details of the aforesaid resolutions are set out in ordinary resolutions numbered 7 to 9 in the notice of the AGM.

LETTER FROM THE BOARD

The General Mandates and the Repurchase Mandate, if passed, will continue in force until the conclusion of the next annual general meeting of the Company or the expiration of the period within which the next annual general meeting of the Company is required by the Articles of Association of the Company or any applicable laws of the Cayman Islands to be held or until revoked or varied by ordinary resolution by the Shareholders in general meeting, whichever occurs first.

An explanatory statement as required by the Listing Rules to provide the Shareholders with all the information reasonably necessary for them to make an informed decision on the proposed resolution for the granting of the Repurchase Mandate is set out in the Appendix II to this circular.

ANNUAL GENERAL MEETING

A notice convening the AGM is set out on pages 15 to 19. At the AGM, relevant resolutions will be proposed to approve the adoption of Chinese name of the Company, the adoption of new Articles of Association and the granting of the General Mandates and the Repurchase Mandate.

At the AGM, ordinary resolutions will also be proposed to re-elect Ms. Ng, Jessica Yuk Mui, Mr. Ng Yuk Fung Peter, Mr. Tan Boon Seng, Mr. David Michael Norman and Mr. David John Blackett as Directors of the Company according to the Articles of Association. To enable Shareholders to make an informed decision on the re-election of these retiring Directors, the biographical details of the retiring Directors, as required under Chapter 13 of the Listing Rules, are set out in the Appendix III to this circular for the information of Shareholders.

There is enclosed a proxy form for use at the AGM. Whether or not you intend to attend the AGM, you are requested to complete the proxy form in accordance with the instructions printed thereon and return the same to the Company's share registrar, Standard Registrars Limited at G/F, Bank of East Asia Harbour View Centre, 56 Gloucester Road, Wanchai, Hong Kong as soon as possible and in any event not less than 48 hours before the time fixed for holding the AGM or any adjournment thereof. Completion and return of the proxy form will not preclude you from attending and voting at the AGM or any adjournment thereof should you so wish. In the event that a Shareholder having lodged a proxy form attends the AGM, his proxy form will be deemed to have been revoked.

RECOMMENDATION

The Directors consider that the adoption of Chinese name of the Company, the adoption of new Articles of Association and the granting of the General Mandates and the Repurchase Mandate are in the best interests of the Company, the Group and the Shareholders as a whole and so recommend the Shareholders to vote in favour of the resolutions to be proposed at the AGM. The Directors will vote all their shareholdings in favour of the resolutions.

Yours faithfully
For and on behalf of the Board
Ng Hung Sang, Robert
Chairman

The following is a summary of the more significant changes to be effected by the adoption of the new Articles:

(a) **Article 5**

The purpose of the amendments is to expressly provide that where warrants are issued to bearer, no new warrant shall be issued to replace one that has been lost, unless the Company is satisfied beyond reasonable doubt that the original has been destroyed.

(b) **Article 6**

The purpose of the amendments is to expressly provide that the quorum for a separate class meeting to consider a variation of the rights of any class of shares shall be the holders of at least one-third of the issued shares of the class.

(c) **Article 9**

Where the Company purchases for redemption a redeemable share, purchases not made through the market or by tender shall be limited to a maximum price, and if purchases are by tender, tenders shall be available to all shareholders alike.

(d) **Article 15**

The purpose of the amendments is to expressly provide that the Company's branch register of members in Hong Kong will be open for inspection by members but the Company may close the register in terms equivalent to Sections 98 and 99 of the Hong Kong Companies Ordinance.

(e) **Article 19**

The purpose of the amendments is to expressly provide that the Company is not bound to register more than four persons as joint holders of any shares.

(f) **Article 20**

The purpose of the amendments is to expressly provide that if a share certificate is destroyed, it may be replaced on payment of such fee not exceeding the maximum fees prescribed by the Stock Exchange from time to time in the Listing Rules.

(g) **Article 28**

The purpose of the amendments is to expressly provide that notice of call may be published in newspapers or given by electronic means.

(h) Article 38

The purpose of the amendments is to expressly provide that the instrument of transfer of any share can be executed with a manual signature or facsimile signature (which may be machine printed or otherwise) on behalf of the transferee and transferor.

(i) Article 39

The Board may only refuse to register a transfer of any shares which is not fully paid up or on which the Company has a lien.

(j) Article 44

The registration of transfers may, on 14 days' notice being given by advertisement published in the newspapers or by other electronic communication, be suspended.

(k) Article 85

The purpose of the amendments is to expressly provide that where more than one proxy is appointed by a member which is a recognised clearing house (or its nominees), each such proxy shall have one vote on a show of hands.

(l) Article 89(c)

Under the amended Listing Rules which became effective from March 2004, controlling shareholders and their associates (as these terms are defined in the Listing Rules respectively) must abstain from voting in certain circumstances. A new Article 89(c) is added to expressly provide that in such cases any votes cast by or on behalf of such shareholders in contravention of any requirement or restriction on voting shall not be counted.

(m) Article 96

If a corporation or a recognised clearing house is a member of the Company, it may authorise any person(s) to act as its representatives at any general meeting of the Company.

(n) Article 107

Under the existing Article, Directors are required to abstain from voting for transactions in which they themselves have a material interest. The purpose of the amendment is to require Directors to abstain from voting for transactions in which they or their associates have a material interest.

(o) Article 112

To import restrictions for making loans to directors and their associates in the terms similar to the provisions of Hong Kong laws.

(p) Article 120

Shareholder has the right to nominate candidate for appointment as a director by giving notice to such effect to the Company. The purpose of the amendment is to provide expressly that the period during which such notice may be given will be at least 7 days and that such period will commence on the day after the despatch of the notice of the relevant meeting and end no later than 7 days prior to the date of that meeting.

(q) Article 155

The Company is entitled to cease sending cheques for dividend entitlements or dividend warrants if such cheques or warrants have been left uncashed on two consecutive occasions. However, the Company may exercise its power to cease sending cheques for dividend entitlements or dividend warrants after the first occasion on which such a cheque or warrant is returned undelivered.

(r) Article 164

The purpose of the amendments is to bring the Article in line with the requirements of the Listing Rules.

(s) Article 167

The purpose of amendments is to enable the Company to give notices by electronic means.

This serves as an explanatory statement, as required to be sent to all Shareholders under the Listing Rules, to provide the relevant information in connection with the Repurchase Mandate.

1. SHARE CAPITAL

As at the Latest Practicable Date, the number of Shares of the Company in issue was 1,823,401,376.

Subject to the passing of the resolution for the grant of the Repurchase Mandate and on the basis of 1,823,401,376 Shares in issue and assuming that no further Shares are issued or repurchased by the Company prior to the AGM, the Company would be allowed under the Repurchase Mandate to repurchase a maximum of 182,340,137 Shares, during the period ending on the earliest of the date of the next annual general meeting of the Company, the date by which the next annual general meeting of the Company is required to be held by any applicable law or the Articles of Association of the Company or the date upon which such authority is revoked or varied by an ordinary resolution of the Shareholders in general meeting of the Company.

2. REASONS FOR THE REPURCHASE

The Directors believe that the Repurchase Mandate is in the best interests of the Company and its Shareholders. Such repurchases may, depending on market conditions and funding arrangements at the time, lead to an enhancement of the net asset value of the Company and/or its earnings per Share and will only be made when the Directors believe that such a purchase will benefit the Company and its Shareholders.

3. FUNDING OF REPURCHASES

In repurchasing Shares, the Company may only apply funds legally available for such purpose in accordance with the Memorandum and Articles of Association of the Company, the Listing Rules and the laws of the Cayman Islands. The Company is empowered by its Articles of Association to purchase its shares. The laws of Cayman Islands provide that Shares may only be repurchased out of the profits of the Company, and/or out of the proceeds of a fresh issue of Shares made for this purpose and/or even out of the capital paid up on the repurchased Shares.

4. GENERAL

There may not have a material adverse impact on the working capital or gearing position of the Company (as compared with the position disclosed in the audited accounts contained in the annual report of the Company for the financial year ended 31 December 2003) in the event that the Repurchase Mandate was to be exercised in full at any time during the proposed repurchase period.

5. UNDERTAKING

The Directors have undertaken to the Stock Exchange that they will exercise the power of the Company to make purchases of the Shares pursuant to the Repurchase Mandate only in accordance with the Listing Rules, the Memorandum and Articles of Association of the Company and the applicable laws of the Cayman Islands.

None of the Directors nor, to the best of their knowledge having made all reasonable enquiries, any of their associates (as defined in the Listing Rules) have any present intention, in the event that the Repurchase Mandate is approved by the Shareholders, to sell any securities to the Company or its subsidiaries.

No connected person (as defined in the Listing Rules) of the Company has notified the Company that he has a present intention to sell securities to the Company nor has undertaken not to do so, in the event that the Company is authorised to make purchases of Shares upon Repurchase Mandate is approved by the Shareholders.

6. HONG KONG CODE ON TAKEOVERS AND MERGERS

If as a result of a repurchase of shares, a shareholder's proportionate interest in the voting rights of the Company increases, such increase will be treated as an acquisition for the purposes of Rule 32 of the Takeovers Code. As a result, a shareholder or a group of shareholders acting in concert (as interpreted according to the Takeovers Code), depending on the level of the increase of the shareholder's interest, could obtain or consolidate control of the Company and become(s) obliged to make a mandatory offer in accordance with Rule 26 of the Takeovers Code.

As at the Latest Practicable Date, the substantial shareholders of the Company who were directly, or indirectly, interested in 5% or more of the issued share capital of the Company were as follows:

Name of Shareholder	Capacity	Number of Shares held	Note	Percentage holding
Earntrade Investments Limited ("Earntrade")	Beneficial owner	487,949,760	(a)	26.76%
Bannock Investment Limited ("Bannock")	Beneficial owner	237,303,360	(a)	13.01%
Parkfield Holdings Limited ("Parkfield")	Beneficial owner	371,864,000		20.39%
Fung Shing Group Limited ("Fung Shing")	Beneficial owner	396,050,252		21.72%
Mr. Ng Hung Sang, Robert	Corporate interests and beneficial owner	1,344,181,812	(b)	73.72%

Notes:

- (a) Eartrade is the holding company of Bannock. The 487,949,760 Shares referred to above include the 237,303,360 Shares held by Bannock. Mr. Ng Hung Sang, Robert, Mr. Richard Howard Gorges and Ms. Cheung Choi Ngor, Christina have beneficial interests in Eartrade.
- (b) Mr. Ng Hung Sang, Robert, a Director of the Company, through Parkfield, Fung Shing, Ronastar Investments Limited, Bannock and Eartrade, holds a total of 1,344,181,812 Shares, being 73.72% shareholdings in the Company. Mr. Ng is taken to be interested in 1,344,181,812 Shares by virtue of the Securities and Futures Ordinance (“SFO”).

Mr. Ng Hung Sang, Robert through his indirect interests in SCH, was taken to be interested in the 1,344,181,812 Shares of the Company. In the event that the Directors exercise the proposed Repurchase Mandate in full, then (if the present shareholdings otherwise remained the same), the shareholding in the Company held by Mr. Ng would be increased to approximately 81.91% of the issued share capital of the Company and such increase would not give rise to an obligation to make a mandatory offer under Rule 26 of the Takeovers Code but will reduce the amount of Shares held by the public to less than 25% of the total issued share capital of the Company. The Directors have no intention to repurchase Shares to such an extent which will result in the amount of Shares held by the public being reduced to less than 25%.

7. SHARE PURCHASE MADE BY THE COMPANY

No purchase has been made by the Company of its Shares (whether on the Stock Exchange or otherwise) in the six months prior to the Latest Practicable Date.

8. MARKET PRICES

The highest and lowest prices at which Shares have traded on the Stock Exchange during each of the previous twelve months preceding the Latest Practicable Date were as follows:

	Price per Share	
	Highest <i>(HK\$)</i>	Lowest <i>(HK\$)</i>
APRIL 2003	0.220	0.215
MAY 2003	0.205	0.205
JUNE 2003	0.190	0.180
JULY 2003	0.185	0.162
AUGUST 2003	0.229	0.170
SEPTEMBER 2003	0.300	0.237
OCTOBER 2003*	N/A	N/A
NOVEMBER 2003*	N/A	N/A
DECEMBER 2003*	N/A	N/A
JANUARY 2004	0.285	0.265
FEBRUARY 2004	0.330	0.290
MARCH 2004*	N/A	N/A

* There was no transaction on the Shares recorded for the month.

To enable Shareholders to make an informed decision on the re-election of the retiring Directors, we set out below the biographical details of the retiring Directors for the information of Shareholders.

1. Ms. Ng, Jessica Yuk Mui, Executive Director

Aged 25, is the executive director of the Company, South China Industries Limited (“SCI”) and Jessica Publications Limited, and a non-executive director of Capital Publications Limited (“Capital”). Ms. Ng has a bachelor’s degree in law from King’s College London, University of London in the United Kingdom. Ms. Ng is an associate member of the Chartered Institute of Management Accountants and a member of the Chinese People’s Political Consultative Conference Tianjin Provincial Committee. She was appointed as a Director of the Company in September 2003.

As at the Latest Practicable Date, Ms. Ng did not have any interests in Shares of the Company within the meaning of Part XV of the SFO. She is the daughter of Mr. Ng Hung Sang, Robert, the Chairman and controlling shareholder of the Company and the sister of Mr. Ng Yuk Fung Peter. Save as aforesaid, she did not have any relationships with any directors, senior management or other substantial or controlling shareholders of the Company. She was paid a director’s fee of HK\$2,944 for the year ended 31 December 2003.

2. Mr. Ng Yuk Fung Peter, Executive Director

Aged 24, is the executive director of the Company, SCI, Wah Shing International Holdings Limited and Capital. He holds a bachelor’s degree in law from King’s College, University of London in the United Kingdom. He was appointed as a Director of the Company in September 2003.

As at the Latest Practicable Date, Mr. Ng did not have any interests in Shares of the Company within the meaning of Part XV of the SFO. He is the son of Mr. Ng Hung Sang, Robert, the Chairman and controlling shareholder of the Company and the brother of Ms. Ng, Jessica Yuk Mui. Save as aforesaid, he did not have any relationships with any directors, senior management or other substantial or controlling shareholders of the Company. He was paid a director’s fee of HK\$2,944 for the year ended 31 December 2003.

3. Mr. Tan Boon Seng, Non-executive Director

Aged 48, is the Chairman of Lee Hing Development Limited, an Executive Director of IGB Corporation Berhad, a listed company in Malaysia and is the Independent Non-executive Director of Wo Kee Hong (Holdings) Limited and Star Cruise Limited. He holds a Master’s degree in arts from Cambridge University in the United Kingdom. He has extensive experience in property development, corporate finance and trading business. He was appointed as a Non-executive Director of the Company in June 1992 and is also the Non-executive Director of South China Brokerage Company Limited and SCI.

As at the Latest Practicable Date, Mr. Tan did not have any interests in Shares of the Company within the meaning of Part XV of the SFO nor did he have any relationships with any directors, senior management or substantial or controlling shareholders of the Company. He was paid a director’s fee of HK\$10,000 for the year ended 31 December 2003.

4. Mr. David Michael Norman, Independent Non-executive Director

Aged 47, is a partner in the international law firm of Richards Butler, based in its Hong Kong office. He studied philosophy and psychology at Oxford University in the United Kingdom and was admitted as a solicitor in England in 1981 and in Hong Kong in 1984. He was appointed as an Independent Non-executive Director of the Company in January 1995.

As at the Latest Practicable Date, Mr. Norman did not have any interests in Shares of the Company within the meaning of Part XV of the SFO nor did he have any relationships with any directors, senior management or substantial or controlling shareholders of the Company. He was paid a director's fee of HK\$120,000 for the year ended 31 December 2003.

5. Mr. David John Blackett, Independent Non-executive Director

Aged 53, was the Chairman for the Asia Pacific region of the CIT Group Inc. of the USA. He studied commerce at Edinburgh University and also became a member of the Institute of Chartered Accountants in Scotland. He has extensive experience in investment banking and finance, having previously been the Managing Director of NM Rothschild & Sons (Hong Kong) Limited. He is also a Director of Shanghai Chlor-Alkali Chemical Company Limited in the PRC. He was appointed as an Independent Non-executive Director of the Company in May 2000.

As at the Latest Practicable Date, Mr. Blackett did not have any interests in Shares of the Company within the meaning of Part XV of the SFO nor did he have any relationships with any directors, senior management or substantial or controlling shareholders of the Company. He was paid a director's fee of HK\$70,000 for the year ended 31 December 2003.

NOTICE OF ANNUAL GENERAL MEETING



SOUTH CHINA HOLDINGS LIMITED

(Incorporated in the Cayman Islands with limited liability)

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that an Annual General Meeting of South China Holdings Limited (the “Company”) will be held at 11:00 a.m. on Tuesday, 25 May 2004 at 28th Floor, Bank of China Tower, 1 Garden Road, Central, Hong Kong for the purpose of transacting the following business:

ORDINARY BUSINESS

1. To receive and consider the audited financial statements and the Reports of the Directors and of the Auditors for the year ended 31 December 2003.
2. To declare a final dividend of 0.55 HK cent per share for the year ended 31 December 2003.
3. To re-elect Directors and to authorise the Board of Directors to fix the Directors’ remuneration.
4. To re-appoint Auditors and to authorise the Board of Directors to fix their remuneration.

SPECIAL BUSINESS

To consider and, if thought fit, to pass with or without modification the following resolutions, of which resolutions 5 and 6 will be proposed as special resolutions and resolutions 7 to 9 will be proposed as ordinary resolutions:

AS SPECIAL RESOLUTIONS

5. “**THAT** “南華集團有限公司” be adopted as the Chinese name of the Company for identification purposes only, and any one Director of the Company be and is hereby authorised to take all necessary action to implement such adoption of Chinese name.”
6. “**THAT** the regulations contained in the printed document submitted to this Meeting and for the purpose of identification signed by the Chairman thereof be and the same are hereby approved and adopted as the Articles of Association of the Company in substitution for and to the exclusion of all existing Articles of Association of the Company.”

NOTICE OF ANNUAL GENERAL MEETING

AS ORDINARY RESOLUTIONS

7. **“THAT:**

- (a) subject to sub-paragraph (c) of this Resolution, the exercise by the Directors of the Company during the Relevant Period (as defined below) of all the powers of the Company to allot, issue and deal with additional shares or securities convertible into shares, or options, warrants or similar rights to subscribe for any shares and to make or grant offers, agreements and options which might require the exercise of such powers be and is hereby generally and unconditionally approved;
- (b) the approval in sub-paragraph (a) of this Resolution shall authorise the Directors of the Company during the Relevant Period to make or grant offers, agreements and options which might require the exercise of such powers after the end of the Relevant Period;
- (c) the aggregate nominal amount of share capital allotted or agreed conditionally or unconditionally to be allotted (whether pursuant to an option or otherwise) by the Directors of the Company pursuant to the approval in sub-paragraph (a) of this Resolution, otherwise than pursuant to (i) a Rights Issue as hereinafter defined, or (ii) an issue of shares upon the exercise of rights of subscription or conversion under the terms of any warrants issued by Company or any securities which are convertible into shares of the Company, or (iii) the exercise of options granted under any option scheme or similar arrangement for the time being adopted for the grant or issue to officers and/or employees of the Company and/or any of its subsidiaries of shares or rights to acquire shares of the Company or (iv) an issue of shares as scrip dividend or similar arrangement providing for the allotment of shares in lieu of the whole or part of a dividend on shares of the Company in accordance with the articles of association of the Company, shall not exceed 20 per cent. of the aggregate nominal amount of the share capital of the Company in issue as at the date of passing this Resolution, and the said approval shall be limited accordingly; and
- (d) for the purposes of this Resolution:

“Relevant Period” means the period from the passing of this Resolution until whichever is the earlier of:

- (i) the conclusion of the next Annual General Meeting of the Company;
- (ii) the expiration of the period within which the next Annual General Meeting of the Company is required by law to be held; and
- (iii) the date on which the authority set out in this Resolution is revoked or varied by an ordinary resolution of the shareholders in general meeting.

NOTICE OF ANNUAL GENERAL MEETING

“Rights Issue” means an offer of shares open for a period fixed by the Directors of the Company to holders of shares of the Company or any class thereof on the register of members of the Company on a fixed record date in proportion to their then holdings of such shares or class thereof (subject to such exclusion or other arrangements as the Directors of the Company may deem necessary or expedient in relation to fractional entitlements or having regard to any restrictions or obligations under the laws of, or the requirements of, any recognised regulatory body or any stock exchange in any territory outside Hong Kong).”

8. **“THAT:**

- (a) subject to sub-paragraph (b) of this Resolution, the exercise by the Directors of the Company during the Relevant Period (as defined below) of all the powers of the Company to repurchase issued shares in the capital of the Company on the Stock Exchange or on any other exchange on which the securities of the Company may be listed and recognised for this purpose by The Securities and Futures Commission of Hong Kong and the Stock Exchange (“Recognised Stock Exchange”) subject to and in accordance with all applicable laws and the requirements of the Listing Rules as amended from time to time or that of any other Recognised Stock Exchange, be and is hereby generally and unconditionally approved;
- (b) the aggregate nominal amount of the shares which may be repurchased pursuant to the approval in sub-paragraph (a) of this Resolution, shall not exceed 10 per cent. of the aggregate nominal amount of the share capital of the Company in issue as at the date of passing this Resolution and the said approval shall be limited accordingly; and
- (c) for the purposes of this Resolution:

“Relevant Period” means the period from the passing of this Resolution until whichever is the earlier of:

- (i) the conclusion of the next Annual General Meeting of the Company;
- (ii) the expiration of the period within which the next Annual General Meeting of the Company is required by law to be held; and
- (iii) the date on which the authority set out in this Resolution is revoked or varied by an ordinary resolution of the shareholders in general meeting.”

NOTICE OF ANNUAL GENERAL MEETING

9. “**THAT** conditional upon the Resolutions Nos. 7 and 8 set out in the notice convening this Meeting being passed, the aggregate nominal amount of the number of shares which are repurchased by the Company after the date of the passing of this Resolution (up to a maximum of 10 per cent. of the aggregate nominal amount of the share capital of the Company in issue as at the date of passing of this Resolution) shall be added to the aggregate nominal amount of share capital that may be allotted or agreed conditionally or unconditionally to be allotted by the Directors of the Company pursuant to Resolution No. 6 set out in the notice convening this Meeting.”
10. To transact any other ordinary business.

By Order of the Board
Chong Wai Sang
Company Secretary

Hong Kong Special Administrative Region
of the People’s Republic of China
30 April 2004

Notes:

1. A member entitled to attend and vote at the annual general meeting is entitled to appoint one or more proxies to attend and on a poll vote instead of him. A proxy need not be a member of the Company.
2. In order to be valid, a form of proxy and the power of attorney or other authority (if any) under which it is signed, or a notarially certified copy of such power of authority, must be deposited at the Company’s Share Registrar, Standard Registrars Limited of Ground Floor, Bank of East Asia Harbour View Centre, 56 Gloucester Road, Wanchai, Hong Kong, not less than 48 hours before the time fixed for holding the Meeting or any adjourned meeting thereof. Completion and return of the form of proxy will not preclude any member from attending and voting in person at the annual general meeting or any adjourned meeting thereof should he so wishes.
3. The Register of Members of the Company will be closed, for the purpose of determining shareholders’ entitlement to the proposed final dividend from Monday, 24 May 2004 to Tuesday, 25 May 2004 (both days inclusive), during which period no transfer of shares can be registered. In order to qualify for the proposed final dividend, all share transfers, accompanied by the relevant share certificates, must be lodged for registration with the Company’s share registrar, Standard Registrars Limited of Ground Floor, Bank of East Asia Harbour View Centre, 56 Gloucester Road, Wanchai, Hong Kong no later than 4:00 p.m. on 21 May 2004.
4. In case of joint shareholdings, the vote of the senior joint shareholder who tenders a vote, whether in person or by proxy, will be accepted to the exclusion of the votes of the other joint shareholder(s) and for this purposes seniority will be determined by the order in which the names stand in the Register of Members of the Company in respect of the joint shareholding.

NOTICE OF ANNUAL GENERAL MEETING

5. The purpose of Resolution 5 is to adopt “南華集團有限公司” as the Chinese name of the Company for identification purposes only.
6. In relation to Resolution 6, the purpose of the adoption of new Articles of Association is set out in Appendix I to this circular. Copies of the existing Articles of Association and the proposed new Articles of Association are available for inspection at the principal place of business in Hong Kong of the Company at 28th Floor, Bank of China Tower, 1 Garden Road, Central, Hong Kong during normal business hours on any weekday (public holidays excepted) up to and including 24 May 2004 and will be available at the annual general meeting.
7. In relation to Resolution 8, an explanatory statement (as required by the Listing Rules) is set out in Appendix II to this circular.
8. Pursuant to Article 80 of the Articles of Association of the Company, at any general meeting a resolution put to the vote at the meeting shall be decided on a show of hands unless a poll is (before or on the declaration of the result of the show of hands) demanded:
 - (a) by the Chairman; or
 - (b) by any member present in person or by proxy.

Please note that refreshments will not be served at the Annual General Meeting.



SOUTH CHINA HOLDINGS LIMITED

(Incorporated in the Cayman Islands with limited liability)

Proxy Form for use at the Annual General Meeting to be held on 25 May 2004 (or any adjournment thereof)

I/We (Note 1) _____

of _____

being the registered holder(s) of (Note 2) _____

share(s) of HK\$0.025 each in the capital of South China Holdings Limited (the "Company") hereby appoint the Chairman of the Meeting or (Note 3) _____

of _____

as my/our proxy to attend and vote for me/us and on my/our behalf at the Annual General Meeting of the Company to be held at 28/F., Bank of China Tower, 1 Garden Road, Central, Hong Kong on Tuesday, 25 May 2004 at 11:00 a.m. (or any adjournment thereof) on the undermentioned resolutions as indicated, and, if no such indication is given, as my/our proxy thinks fit:

		For (Note 4)	Against (Note 4)
1.	To receive and consider the audited Financial Statements together with the Reports of the Directors and Auditors for the year ended 31 December 2003.		
2.	To declare a final dividend of 0.55 HK cent per share for the year ended 31 December 2003.		
3.	To re-elect Ms. Ng, Jessica Yuk Mui as a Director.		
4.	To re-elect Mr. Ng Yuk Fung Peter as a Director.		
5.	To re-elect Mr. Tan Boon Seng as a Director.		
6.	To re-elect Mr. David Michael Norman as a Director.		
7.	To re-elect Mr. David John Blackett as a Director.		
8.	To authorise the Board of Directors to fix the Directors' remuneration.		
9.	To re-appoint Auditors and to authorise the Board of Directors to fix their remuneration.		
10.	To adopt "南華集團有限公司" as the Chinese name of the Company.		
11.	To approve and adopt new Articles of Association of the Company in substitution for and to the exclusion of all existing Articles of Association of the Company.		
12.	To give a general mandate to the Directors to issue new shares.		
13.	To give a general mandate to the Directors to repurchase shares.		
14.	Conditional on the passing of Resolutions 12 and 13, to extend the general mandate granted to the Directors to issue shares by the number of shares repurchased.		

Dated this _____ day of _____, 2004 Signed (Note 5): _____

Notes:

1. Full name(s) and address(es) to be inserted in **BLOCK CAPITALS**.
2. Please insert the number of shares registered in your name(s). If no number is inserted, this form will be deemed to relate to all the shares in the Company registered in your name(s).
3. If any proxy other than the Chairman of the Meeting is preferred, strike out "the Chairman of the Meeting or" and insert the name and address of the proxy desired in the space provided. Any alteration made to this form must be initialled by the person who signs it.
4. **IMPORTANT:** If you wish to vote for any resolutions, tick the appropriate boxes marked "FOR". If you wish to vote against any resolutions, tick the appropriate boxes marked "AGAINST". Failure to complete the boxes will entitle your proxy to cast his votes at his discretion.
5. This proxy form must be signed by you or your attorney duly authorised in writing or, in the case of a corporation, must be executed either under its common seal or under the hand of an officer or attorney or other person duly authorised.
6. In the case of joint holders of a share, the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holder(s) and for this purpose seniority shall be determined by the order in which the names stand in the register of members in respect of the joint holding, the first named being the senior.
7. To be valid, this proxy form together with power of attorney (if any) or other authority (if any) under which it is signed or a notarially certified copy thereof must be deposited at the Company's Share Registrar, Standard Registrars Limited at G/F, Bank of East Asia Harbour View Centre, 56 Gloucester Road, Wan Chai, Hong Kong, not less than 48 hours before the time fixed for holding the Meeting (or any adjournment thereof).
8. The proxy needs not be a member of the Company but must attend the Meeting (or any adjournment thereof) in person to represent you.
9. Completion and return of this form will not preclude you from attending and voting at the Meeting (or any adjournment thereof) if you wish to do so.