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SOUTH CHINA HOLDINGS LIMITED

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 265)

**ORIENT VICTORY REAL ESTATE
GROUP HOLDINGS LIMITED**

*(Incorporated in the British Virgin Islands with
limited liability)*

JOINT ANNOUNCEMENT

**(1) DESPATCH OF THE COMPOSITE DOCUMENT RELATING TO
MANDATORY UNCONDITIONAL CASH OFFER BY
CCB INTERNATIONAL CAPITAL LIMITED
ON BEHALF OF ORIENT VICTORY REAL ESTATE GROUP
HOLDINGS LIMITED**

**FOR ALL THE ISSUED SHARES IN
SOUTH CHINA HOLDINGS LIMITED
(OTHER THAN THOSE ALREADY OWNED OR AGREED TO BE
ACQUIRED
BY ORIENT VICTORY REAL ESTATE GROUP HOLDINGS LIMITED
AND PARTIES ACTING IN CONCERT WITH IT)
AND**

(2) APPOINTMENT OF DIRECTORS

Reference is made to (i) the joint announcement issued by Orient Victory Real Estate Group Holdings Limited (the “**Offeror**”) and South China Holdings Limited (the “**Company**”) dated 25 June 2014 (the “**Joint Announcement**”) in relation to, among other things, the Share Purchase Agreement and the Offer; (ii) the joint announcement issued by the Offeror and the Company dated 4 September 2014 in relation to, among other things, Share Purchase Completion; and (iii) the composite document (the “**Composite Document**”) dated 10 September 2014 jointly issued by the Offeror and the Company in respect of the Offer. Terms used herein shall have the same meanings as those defined in the Composite Document unless otherwise defined herein.

DESPATCH OF THE COMPOSITE DOCUMENT

The Composite Document containing, among other things, detailed terms of the Offer, the expected timetable in respect of the Offer, the letter from the Board, the letter from the Independent Board Committee setting out its recommendations to the Independent Shareholders and the letter of advice from the Independent Financial Adviser setting out its advice to the Independent Board Committee and the Independent Shareholders in respect of the Offer, together with the Form of Acceptance, have been despatched to the Shareholders on 10 September 2014.

EXPECTED TIMETABLE OF THE OFFER

The Offer will open for acceptance from 10 September 2014 and will close at 4:00 p.m. on 3 October 2014 unless the Offeror revises or extends the Offer in accordance with the Takeovers Code, in which case, further announcement(s) will be made as and when appropriate.

The following is the expected timetable of the Offer:-

2014

Despatch date of the Composite Document and the Form of Acceptance and the commencement date of the Offer (<i>Note 1</i>)	Wednesday, 10 September
Latest time and date for acceptance of the Offer (<i>Notes 2 and 4</i>)	4:00 p.m. on Friday, 3 October
Closing Date of the Offer (<i>Note 1</i>)	Friday, 3 October
Announcement of the results of the Offer as at the Closing Date to be posted on the website of the Stock Exchange (<i>Note 2</i>)	not later than 7:00 p.m. on Friday, 3 October
Latest date for posting of remittances in respect of valid acceptances received under the Offer (<i>Notes 3 and 4</i>)	Tuesday, 14 October

Notes:

- (1) The Offer, which is unconditional in all respects, is made on the date of posting of the Composite Document, and is capable of acceptance on and from Wednesday, 10 September 2014 until the Closing Date. Acceptances of the Offer shall be irrevocable and not capable of being withdrawn, except in the circumstances set out in the section headed “Right of Withdrawal” in Appendix I to the Composite Document.
- (2) In accordance with the Takeovers Code, the Offer must initially be opened for acceptance for at least 21 days following the date on which the Composite Document was posted. The latest time and date for acceptance of the Offer is 4:00 p.m. on Friday, 3 October 2014. An announcement will be issued through the website of the Stock Exchange by 7:00 p.m. on Friday, 3 October 2014 stating whether the Offer has been extended, revised or expired. In the event that the Offeror decides to extend the Offer and the announcement does not specify the next closing date, at least 14 days’ notice by way of an announcement will be given before the Offer is closed to those Independent Shareholders who have not accepted the Offer.
- (3) Remittances in respect of the cash consideration payable for the Shares tendered under the Offer will be despatched to the accepting holders of the Offer Shares by ordinary post at their own risk as soon as possible but in any event within 7 Business Days after the date of receipt of a duly completed acceptance in accordance with the Takeovers Code.
- (4) If there is a tropical cyclone warning signal number 8 or above, or a black rainstorm warning:
 - (a) in force in Hong Kong at any local time before 12:00 noon but no longer in force after 12:00 noon on the latest date for acceptance of the Offer and the latest date for posting of remittances for the amounts due under the Offer in respect of valid acceptances, the latest time for acceptance of the Offer and the posting of remittances will remain at 4:00 p.m. on the same Business Day; or
 - (b) in force in Hong Kong at any local time between 12:00 noon and 4:00 p.m. on the latest date for acceptance of the Offer and the latest date for posting of remittances for the amounts due under the Offer in respect of valid acceptances, the latest time for acceptance of the Offer and the posting of remittances will be rescheduled to 4:00 p.m. on the following Business Day.

Save as mentioned above, if the latest time for the acceptance of the Offer and the posting of remittances do not take effect on the date and time as stated above, the other dates mentioned above may be affected. The Offeror and the Company will notify the Shareholders by way of announcement(s) on any change to the expected timetable as soon as practicable.

All time and date references contained in this joint announcement refer to Hong Kong time and date.

IMPORTANT

Independent Shareholders are encouraged to read the Composite Document and the Form of Acceptance carefully, including the recommendation from the Independent Board Committee to the Independent Shareholders and the letter of advice from the Independent Financial Adviser to the Independent Board Committee and the Independent Shareholders in respect of the Offer, before deciding whether or not to accept the Offer.

APPOINTMENT OF DIRECTORS

The Board is pleased to announce that with effect from 10 September 2014 following the despatch of the Composite Document, Mr. Shi Baodong (石保棟) (“**Mr. Shi**”), Mr. Wang Jianhua (王健華) (“**Mr. Wang**”) and Ms. Xu Yongmei (許永梅) (“**Ms. Xu**”) are appointed as executive Directors, Mr. Zhou Jiangyong (周江勇) (“**Mr. Zhou**”) is appointed as a non-executive Director and Mr. Dong Xiaojie (東小傑) (“**Mr. Dong**”), Mr. He Qi (何琦) (“**Mr. He**”) and Mr. Law Wing Chak Waltery (羅宏澤) (“**Mr. Law**”) are appointed as independent non-executive Directors.

Executive Directors

Mr. Shi

Mr. Shi Baodong (石保棟), aged 45, is the founder and sole director of the Offeror. Mr. Shi graduated from the Hebei University of Architecture in 1989. He has over 15 years of experience in property development and he is a qualified engineer in the PRC. Mr. Shi is the director of Orient Victory Group HK Holdings Limited (東勝集團香港控股公司) and the founder, shareholder and chairman of Shijiazhuang Orient Victory Investment Group Limited[#] (石家莊市東勝投資集團有限公司), which is principally engaged in property development, including the development of residential properties, commercial properties, properties and ancillary facilities for the elderly, as well as an ecological park and a cultural park in the PRC.

Mr. Shi is the vice chairman of the China Real Estate Industry Association and a consultant of its Special Committee for China Urban Development, Special Committee for Elderly Residential Area and Special Committee for China Small Town Development. Mr. Shi is the standing vice president of Hebei Chamber of Commerce in Hong Kong and director of its Ecological Industry Committee. At the same time, he is the vice president of Shijiazhuang General Chamber of Commerce and a member of the 11th Hebei Committee of the Chinese People’s Political Consultative Conference.

Mr. Shi did not hold any other directorship in listed public companies in Hong Kong or overseas during the past three years, and he does not have any other relationships with any other directors, senior management or substantial or controlling shareholders of the Company.

Mr. Shi has been appointed as an executive Director for a specific term until 9 September 2017 pursuant to a service agreement with the Company, but he will be subject to retirement at the next following general meeting of the Company after his appointment and thereafter subject to retirement by rotation at least once every three years and re-election at the annual general meetings of the Company in accordance with the articles of association or any other applicable laws from time to time whereby he shall vacate his office. Mr. Shi will be entitled to a director's fee of HK\$20,000 per year and a salary of HK\$1.92 million per year, which is determined with reference to his experiences and responsibilities with the Company, the prevailing market conditions and the terms of the Company's remuneration policy.

As at the date of this joint announcement, Mr. Shi, through his beneficial interest in the Offeror, is deemed to be interested in 1,185,210,894 Shares. Save as disclosed above, Mr. Shi does not have any other interests in the shares, underlying shares or debentures of the Company within the meaning of Part XV of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) ("SFO") and he is not aware of any other matters that need to be brought to the attention of the holders of the securities of the Company.

Save as disclosed above, there is no other information in relation to Mr. Shi that should be disclosed pursuant to paragraphs (h) to (v) of Rule 13.51(2) of the Listing Rules.

Mr. Wang

Mr. Wang Jianhua (王建华), aged 51, holds a master's degree in business administration from the Pacific States University and is a qualified accountant in the PRC. He is currently working in Shijiazhuang Orient Victory Investment Group Limited# (石家莊市東勝投資集團有限公司) and has working experience in the finance and investment field in the PRC.

Mr. Wang did not hold any directorship in any listed public companies in Hong Kong or overseas during the past three years. He does not have any other relationships with any other directors, senior management or substantial or controlling shareholders of the Company.

Mr. Wang has been appointed as an executive Director for a specific term until 9 September 2017 pursuant to a service agreement entered into with the Company, but he will be subject to retirement at the next following general meeting of the Company after his appointment and thereafter subject to retirement by rotation at least once every three years and re-election at the annual general meetings of the Company in accordance with the articles of association or

any other applicable laws from time to time whereby he shall vacate his office. Mr. Wang will be entitled to a director's fee of HK\$20,000 per year and a salary of HK\$600,000 per year, which is determined with reference to his experiences and responsibilities with the Company, the prevailing market conditions and the terms of the Company's remuneration policy.

As at the date of this joint announcement, Mr. Wang does not have any interest in the shares, underlying shares or debentures of the Company within the meaning of Part XV of the SFO and she is not aware of any other matters that need to be brought to the attention of the holders of the securities of the Company.

Save as disclosed above, there is no other information in relation to Mr. Wang that should be disclosed pursuant to paragraphs (h) to (v) of Rule 13.51(2) of the Listing Rules.

Ms. Xu

Ms. Xu Yongmei (許永梅), aged 42, will be appointed as an executive director of the Company. Ms. Xu graduated from the Hebei Radio and TV University, majoring in financial accounting, in 1996. She completed a course in private equity investment and listed companies advanced research in the School of Continuing Education of Peking University in 2012. Ms. Xu is a qualified accountant in the PRC. She is currently a vice president in Shijiazhuang Orient Victory Investment Group Limited[#] (石家莊市東勝投資集團有限公司). She also has working experience as finance manager and financial controller in the property development industry.

Ms. Xu did not hold any directorship in any listed public companies in Hong Kong or overseas during the past three years. She does not have any other relationships with any other directors, senior management or substantial or controlling shareholders of the Company.

Ms. Xu has been appointed as an executive Director for a specific term until 9 September 2017 pursuant to a service agreement entered into with the Company, but she will be subject to retirement at the next following general meeting of the Company after her appointment and thereafter subject to retirement by rotation at least once every three years and re-election at the annual general meetings of the Company in accordance with the articles of association or any other applicable laws from time to time whereby she shall vacate her office. Ms. Xu will be entitled to a director's fee of HK\$20,000 per year and a salary of HK\$600,000 per year, which is determined with reference to her experiences and responsibilities with the Company, the prevailing market conditions and the terms of the Company's remuneration policy.

As at the date of this joint announcement, Ms. Xu does not have any interests in the shares, underlying shares or debentures of the Company within the meaning of Part XV of the SFO and he is not aware of any other matters that need to be brought to the attention of the holders of the securities of the Company.

Save as disclosed above, there is no other information in relation to Ms. Xu that should be disclosed pursuant to paragraphs (h) to (v) of Rule 13.51(2) of the Listing Rules.

Non-executive Director

Mr. Zhou

Mr. Zhou Jiangyong (周江勇), aged 42, will be appointed as a non-executive Director of the Company. Mr. Zhou holds a master's degree in communications from the Communication University of China. He is currently the assistant to chairman of Shijiazhuang Orient Victory Investment Group Limited[#] (石家莊市東勝投資集團有限公司). Prior to that, Mr. Zhou was the chief market operations officer of Tianli (Beijing) Industrial Company Limited[#] (天力(北京)實業有限公司). He has also worked as the general sales manager (cultural tourism investment) of China Wanda Group.

Mr. Zhou did not hold any directorship in any listed public companies in Hong Kong or overseas during the past three years. He does not have any relationship with any director, senior management or substantial or controlling shareholder of the Company.

Mr. Zhou has been appointed as a non-executive Director for a specific term until 9 September 2017 pursuant to a service agreement entered into with the Company, but he will be subject to retirement at the next following general meeting of the Company after his appointment and thereafter subject to retirement by rotation at least once every three years and re-election at the annual general meetings of the Company in accordance with the articles of association or any other applicable laws from time to time whereby he shall vacate his office. Mr. Zhou will be entitled to a director's fee of HK\$20,000 per year and a salary of HK\$600,000 per year, which is determined with reference to his experiences and responsibilities with the Company, the prevailing market conditions and the terms of the Company's remuneration policy.

As at the date of this joint announcement, Mr. Zhou does not have any interest in the shares, underlying shares or debentures of the Company within the meaning of Part XV of the SFO and he is not aware of any other matters that need to be brought to the attention of the holders of the securities of the Company.

Save as disclosed above, there is no other information in relation to Mr. Zhou that should be disclosed pursuant to paragraphs (h) to (v) of Rule 13.51(2) of the Listing Rules.

Independent non-executive Directors

Mr. Dong

Mr. Dong Xiaojie (東小傑), aged 52, graduated from the Hebei Normal University, majoring in mathematics, in 1984. He is currently a director of Shengyuan Investment Risk Consulting Management Co., Limited.

Mr. Dong did not hold any directorship in any listed public companies in Hong Kong or overseas during the past three years. He does not have any relationship with any director, senior management or substantial or controlling shareholder of the Company.

Mr. Dong has been appointed as an independent non-executive Director for a specific term until 9 September 2017, but he will be subject to retirement at the next following general meeting of the Company after his appointment and thereafter subject to retirement by rotation at least once every three years and re-election at the annual general meetings of the Company in accordance with the articles of association or any other applicable laws from time to time whereby he shall vacate his office. Mr. Dong will be entitled to a director's fee of HK\$100,000 per year, which is determined with reference to his experiences and responsibilities with the Company, the prevailing market conditions and the terms of the Company's remuneration policy.

As at the date of this joint announcement, Mr. Dong does not have any interest in the shares, underlying shares or debentures of the Company within the meaning of Part XV of the SFO and he is not aware of any other matters that need to be brought to the attention of the holders of the securities of the Company.

Save as disclosed above, there is no other information in relation to Mr. Dong that should be disclosed pursuant to paragraphs (h) to (v) of Rule 13.51(2) of the Listing Rules.

Mr. He

Mr. He Qi (何琦), aged 58, has been an independent non-executive Director of China Merchants Land Limited, a company listed on the Stock Exchange (stock code: 978), since 2013. He has also been an independent non-executive Director of Evergrande Real Estate Group Limited, a company listed on the Stock Exchange (stock code: 3333), since 2009. Mr. He has been serving as the deputy secretary of the China Real Estate Association since 2006.

Save as disclosed above, Mr. He did not hold any directorship in any listed public companies in Hong Kong or overseas during the past three years. He does not have any relationship with any director, senior management or substantial or controlling shareholder of the Company.

Mr. He has been appointed as an independent non-executive Director for a specific term until 9 September 2017, but he will be subject to retirement at the next following general meeting of the Company after his appointment and thereafter subject to retirement by rotation at least once every three years and re-election at the annual general meetings of the Company in accordance with the articles of association or any other applicable laws from time to time whereby he shall vacate his office. Mr. He will be entitled to a director's fee of HK\$100,000 per year, which is determined with reference to his experiences and responsibilities with the Company, the prevailing market conditions and the terms of the Company's remuneration policy.

As at the date of this joint announcement, Mr. He does not have any interest in the shares, underlying shares or debentures of the Company within the meaning of Part XV of the SFO and he is not aware of any other matters that need to be brought to the attention of the holders of the securities of the Company.

Save as disclosed above, there is no other information in relation to Mr. He that should be disclosed pursuant to paragraphs (h) to (v) of Rule 13.51(2) of the Listing Rules.

Mr. Law

Mr. Law Wang Chak Waltery (羅宏澤), aged 51, was the chief financial officer and non-executive Director of Nine Dragons Paper (Holdings) Limited, a company listed on the Stock Exchange (stock code: 2689) from June 2004 to October 2008 and from August 2008 to October 2008, respectively. Mr Law also served in different key roles such as chief financial officer and vice president of the financial department in four other Hong Kong listed companies for over 12 years. Prior to that, Mr. Law had worked in the audit division of Coopers & Lybrand, now PricewaterhouseCoopers, for more than 5 years. Mr. Law is a fellow member of both the Chartered Association of Certified Accountants in the United Kingdom and the Hong Kong Institute of Certified Public Accountants. Mr. Law is also an associated member of the Institute of Chartered Accountants in England and Wales. Mr. Law has over 27 years of experience in financial audit, financial due diligence reviews, merger and acquisitions, corporate restructuring, accounting and corporate financing. Mr. Law graduated from the London School of Economics and Political Science, the University of London with a bachelor's degree in economics in 1991 and a master's degree in financial economics in 1995.

Mr. Law did not hold any directorship in any listed public companies in Hong Kong or overseas during the past three years. He does not have any relationship with any director, senior management or substantial or controlling shareholder of the Company.

Mr. Law has been appointed as an independent non-executive Director for a specific term until 9 September 2017, but he will be subject to retirement at the next following general

meeting of the Company after his appointment and thereafter subject to retirement by rotation at least once every three years and re-election at the annual general meetings of the Company in accordance with the articles of association or any other applicable laws from time to time whereby he shall vacate his office. Mr. Law will be entitled to a director's fee of HK\$100,000 per year, which is determined with reference to his experiences and responsibilities with the Company, the prevailing market conditions and the terms of the Company's remuneration policy.

As at the date of this joint announcement, Mr. Law does not have any interest in the shares, underlying shares or debentures of the Company within the meaning of Part XV of the SFO and he is not aware of any other matters that need to be brought to the attention of the holders of the securities of the Company.

Save as disclosed above, there is no other information in relation to Mr. Law that should be disclosed pursuant to paragraphs (h) to (v) of Rule 13.51(2) of the Listing Rules.

For and on behalf of
South China Holdings Limited
Cheung Choi Ngor
Executive Director

For and on behalf of
Orient Victory Real Estate Group
Holdings Limited
Shi Baodong
Director

Hong Kong, 10 September 2014

As at the date of this joint announcement (taking into account the appointment of the Directors following the despatch of the Composite Document), the Board comprises (1) Mr. Shi Baodong, Mr. Wang Jianhua, Ms. Xu Yongmei, Mr. Ng Hung Sang, Mr. Richard Howard Gorges, Ms. Cheung Choi Ngor and Mr. Ng Yuk Fung Peter as executive Directors; (2) Mr. Zhou Jiangyong, Ms. Ng Yuk Mui Jessica and Mr. David Michael Norman as non-executive Directors; and (3) Mr. Dong Xiaojie, Mr. He Qi, Mr. Law Wang Chak Waltery, Mr. David John Blackett, Mrs. Tse Wong Siu Yin Elizabeth and Mr. Cheng Hong Kei as independent non-executive Directors.

As at the date of this joint announcement, Mr. Shi Baodong is the sole director of the Offeror.

All Directors jointly and severally accept full responsibility for the accuracy of the information contained in this joint announcement (other than the information relating to the Offeror), and confirm, having made all reasonable enquiries, that to the best of their knowledge, opinions expressed in this joint announcement have been arrived at after due and careful consideration and there are no other facts not contained in this joint announcement, the omission of which would make any statement contained in this joint announcement misleading.

The sole director of the Offeror accepts full responsibility for the accuracy of the information contained in this joint announcement (other than the information relating to the Group), and confirms, having made all reasonable enquires, that to the best of his knowledge, opinions expressed in this joint announcement have been arrived at after due and careful consideration and there are no other facts not contained in this joint announcement, the omission of which would make any statement contained in this joint announcement misleading.

denotes an English translation of the Chinese name for identification purposes only. If there is any inconsistency between the Chinese name and the English translation, the Chinese version shall prevail.