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JOINT ANNOUNCEMENT



SOUTH CHINA HOLDINGS LIMITED

(Incorporated in the Cayman Islands with limited liability)

(Stock code: 265)



SOUTH CHINA (CHINA) LIMITED

(Incorporated in the Cayman Islands with limited liability)

(Stock code: 413)



SOUTH CHINA LAND LIMITED

南華置地有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock code: 8155)

SKYCHANCE GROUP LIMITED

(Incorporated in the British Virgin Islands with limited liability)

**Partial Completion of the S&P Agreement and
unconditional mandatory cash offers by
Fubon Capital (HK) Limited on behalf of
Skychance Group Limited
to acquire all the issued shares and
outstanding share options of
South China Land Limited 南華置地有限公司
(other than those already owned or agreed
to be acquired by the Offeror and
parties acting in concert with it)**

Reference is made to the joint announcement (the “Announcement”) of SCH, SCC, SCL and the Offeror dated 26 October 2007. Unless otherwise defined, terms used in this announcement shall have the same meanings as those defined in the Announcement.

The Offeror hereby announces that partial Completion of the Acquisition took place on 18 December 2007. As stated in the Announcement, 346,709,203 SCL Shares were subject to the Acquisition. On 18 December 2007, 342,709,203 SCL Shares were transferred from the Vendors to the Offeror. The transfer of the remaining balance of 4,000,000 SCL Shares was postponed pending transfer of certain registration documents pertaining thereto to Fung Shing, one of the Vendors. In light of the above, the Vendors and the Offeror have entered into a side letter on 18 December 2007 (the “Side Letter”). Under the Side Letter, the parties to the S&P Agreement have agreed, among other things, (i) to partially complete the Acquisition with 346,709,203 SCL Shares less 4,000,000 SCL Shares, i.e. 342,709,203 SCL Shares transferred to the Offeror on 18 December 2007; (ii) the principal amount of the Promissory Notes issued by the Offeror as the consideration to the Acquisition which was originally in the amount of

HK\$97,078,576.84 as stated in the Announcement has been revised to HK\$95,958,576.84 accordingly; (iii) Fung Shing, being one of the Vendors, has undertaken to complete the transfer of the 4,000,000 SCL Shares to the Offeror within 6 months from 18 December 2007; and (iv) upon the transfer of the remaining 4,000,000 SCL Shares to the Offeror, the Offeror will issue a Promissory Note to Fung Shing in the amount of HK\$1,120,000.00 as consideration for the 4,000,000 SCL Shares. Further announcement will be made upon the transfer of the 4,000,000 SCL Shares mentioned above.

As a result of the situation mentioned above, the Offeror's shareholding in SCL upon partial Completion is 342,829,203 SCL Shares, representing approximately 67.69% of SCL's issued share capital. Skychance, being the Offeror, and parties acting in concert with it (including the Vendors which in turn include Fung Shing) hold, as at the date of this announcement, 346,829,203 SCL Shares, representing approximately 68.48% of SCL's issued share capital. Accordingly, Skychance is required under Rules 26.1 and 13 of the Takeovers Code to make unconditional mandatory cash offers for (i) all of the issued SCL Shares not already beneficially-owned or agreed to be acquired by the Offeror and parties acting in concert with it; and (ii) all outstanding Share Options not held by the Offeror and parties acting in concert with it. As at the date of this announcement, SCL has 506,498,344 SCL Shares in issue. Excluding the 346,829,203 SCL Shares already held by the Offeror and parties acting in concert with it, the number of SCL Shares subject to the Share Offer remains at 159,669,141 SCL Shares as disclosed in the Announcement. Save for the information disclosed in this announcement in respect of the partial Completion, there is no change to the information in relation to the Offers as disclosed in the Announcement.

A composite offer and response document setting out, amongst other things, the terms of the Offers, the recommendation from the SCL Independent Board Committee, the letter of advice from Veda Capital, the independent financial adviser to the SCL Independent Board Committee together with the forms of acceptance, will be sent to the SCL Shareholders and Optionholders.

The Executive consents to extending the latest time for the despatch of the composite offer and response document to a date falling within 7 days of partial Completion of the Acquisition. As partial Completion of the Acquisition took place on 18 December 2007, the composite offer and response document is expected to be dispatched to the SCL Shareholders and Optionholders on or before 24 December 2007. Further announcement will be made upon the despatch of the composite offer document and the accompanying forms of acceptance.

By order of the board of directors of
South China Holdings Limited
Cheung Choi Ngor
Director

By order of the board of directors of
South China (China) Limited
Cheung Choi Ngor
Director

By order of the board of directors of
South China Land Limited
南華置地有限公司
Ng Yuk Yeung, Paul
Director

By order of the board of directors of
Skychance Group Limited
Cheung Choi Ngor
Director

Hong Kong, 18 December 2007

As of the date of this announcement, the SCH Board comprises (1) Mr. Ng Hung Sang, Mr. Richard Howard Gorges, Ms. Cheung Choi Ngor and Mr. Ng Yuk Fung, Peter as executive directors; (2) Mr. David Michael Norman and Ms. Ng Yuk Mui, Jessica as non-executive directors; and (3) Mr. David John Blackett, Mrs. Tse Wong Siu Yin, Elizabeth and Mr. Cheng Hong Kei as independent non-executive directors.

As of the date of this announcement, the SCC Board comprises (1) Mr. Ng Hung Sang, Ms. Cheung Choi Ngor, Mr. Richard Howard Gorges and Mr. Ng Yuk Fung, Peter as executive directors; (2) Ms. Ng Yuk Mui, Jessica as non-executive director; and (3) Mr. Chiu Sin Chun, Mrs. Tse Wong Siu Yin, Elizabeth and Ms. Li Yuen Yu, Alice as independent non-executive directors.

As at the date of this announcement, the SCL Board comprises (1) Mr. Ng Hung Sang, Mr. Ng Yuk Yeung, Paul, Mr. Hui Ping and Mr. Ng Yuk Fung, Peter as executive directors; (2) Ms. Ng Yuk Mui, Jessica as non-executive director; and (3) Mr. Law Cho Wa, Dr. Lo Wing Yan, William, JP and Mr. Cheng Yuk Wo as independent non-executive directors.

The SCH Directors, SCC Directors and the directors of the Offeror, being Mr. Richard Howard Gorges and Ms. Cheung Choi Ngor, jointly and severally accept full responsibility for the accuracy of information (other than in relation to SCL) contained in this announcement and confirm, having made all reasonable inquiries, that to the best of their knowledge, opinions expressed in this announcement have been arrived at after due and careful consideration and there are no other facts not contained in this announcement, the omission of which would make any statement in this announcement misleading.

The SCL Directors collectively and individually accept full responsibility, includes particulars given in compliance with the GEM Listing Rules of the Stock Exchange for the purpose of giving information with regard to SCL. The SCL Directors, having made all reasonable enquiries, confirm that, to the best of their knowledge and belief: (i) the information contained in this announcement is accurate and complete in all material respects and not misleading; (ii) there are no other matters the omission of which would make any statement in this announcement misleading; and (iii) all opinions expressed in this announcement have been arrived at after due and careful consideration and are founded on bases and assumptions that are fair and reasonable.

This announcement will remain on the “Latest Company Announcements” page of the GEM website at www.hkgem.com for a minimum period of 7 days from the date of its publication and on the website of SCL at www.sctrade.com.