



SOUTH CHINA HOLDINGS LIMITED

(Incorporated in the Cayman Islands with limited liability)

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the Annual General Meeting of South China Holdings Limited (the "Company") will be held at 28/F., Bank of China Tower, 1 Garden Road, Central, Hong Kong on 25 May 2001, Friday, at 11:00 a.m. for the following purposes: ---

1. To receive and consider the audited Statements of Accounts and Reports of the Directors and Auditors for the year ended 31 December 2000.
2. To declare a final dividend.
3. To re-elect Directors and fix the Directors' fees.
4. To re-appoint Auditors and to authorise the Board of Directors to fix their remuneration.
5. As special business, to consider and, if thought fit, pass the following resolutions as Ordinary Resolutions: ---

(A) ``THAT: ---

(a) subject to sub-paragraph (c) of this Resolution, the exercise by the Directors of the Company during the Relevant Period 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

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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, (ii) the exercise of rights of subscription or conversation under the terms of any warrants issued by the Company or any securities which are convertible into shares of the Company, (iii) 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) any 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 share capital of the Company in issue as at the date of 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.

“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 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).”

(B) “THAT: ---

(a) subject to sub-paragraph (b) of this Resolution, the exercise by the Directors of the Company during the Relevant Period of all the powers of the Company to repurchase shares of HK\$0.10 each in the capital of the Company and warrants (the “2001 Warrants”) issued by the Company to subscribe for such shares on The Stock Exchange of Hong Kong Limited (the “Stock Exchange”) or

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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 under The Hong Kong Code on Share Repurchases ("Recognised Stock Exchange") subject to and in accordance with all applicable laws and the requirements of the Rules Governing the Listing of Securities on the Stock Exchange as amended from time to time (the "Listing Rules") 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 purchased 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 on the date of passing this Resolution, the aggregate number of warrants which may be purchased pursuant to such approval shall not exceed 10 per cent. of the aggregate amount of 2001 Warrants of the Company outstanding on the date of passing of 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."

(C) "THAT: ---

conditional upon the Resolutions Nos. 5(A) and 5(B) 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 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. 5(A) set out in the notice convening this Meeting."

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By Order of the Board
Yuen Kam Tim, Francis
Company Secretary

Hong Kong Special Administrative Region of the People's Republic of China

24 April 2001

Notes:

1. A member entitled to attend and vote at the above 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 5th Floor, Wing On Centre, 111 Connaught Road Central, Hong Kong, not less than 48 hours before the time fixed for holding the Meeting.
3. The Register of Members and Warranholders of the Company will be closed from 24 May 2001 to 25 May 2001, both days inclusive, during which period no share transfers will be registered. To qualify for the final dividend, all transfers accompanied by the relevant share certificates and in the case of Warranholders, all subscription forms accompanied by the appropriate subscription payments and the relevant warrant certificates of the Company, must be lodged with the Company's Share Registrar, Standard Registrars Limited of 5th Floor, Wing On Centre, 111 Connaught Road Central, Hong Kong, not later than 4:00 p.m. on 23 May 2001, for registration.
4. With regard to the resolution set out in item 5 of this notice, the Directors wish to state that they have no immediate proposals either to issue or repurchase any securities of the Company. Approval is being sought from members as general mandates pursuant to the Listing Rules of the Stock Exchange.

Please also refer to the published version of this announcement in the (South China Morning Post)