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South China Holdings Limited

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 265)



South China Industries Limited

*(Incorporated in the Cayman Islands with
limited liability)*

(Stock Code: 413)



South China Brokerage Company Limited

*(Incorporated in Hong Kong Special
Administrative Region of*

the People's Republic of China with limited liability)

(Stock Code: 619)

(Warrant Code: 442)

RESUMPTION OF TRADING

Reference is made to the suspension requests made by SCH, SCI and SCB on 10 June 2005 in relation to a major and connected transaction of SCI and SCB. The respective board of directors of SCI and SCB hereby announces that SCI and SCB intended to carry out a possible group restructuring between SCI and SCB. However, given the complexities of the group restructuring, the respective directors of SCI and SCB expect that the transaction cannot be finalized within a short period of time. Further announcement will be made in accordance with the Listing Rules if the group restructuring is finalized.

Shareholders of SCH, SCI and SCB and the potential investors should note that the group restructuring, may or may not proceed. Shareholders and potential investors in each of SCH, SCI and SCB are advised to exercise caution when dealing in the respective securities of SCH, SCI and SCB.

At the request of SCH, SCI and SCB, trading in the SCH Shares, the SCI Shares, the SCB Shares and the Warrants on the Stock Exchange were suspended with effect from 9:30 a.m. on Friday, 10 June 2005 pending the release of an announcement in relation to the major and connected transaction. Applications have been made by SCH, SCI and SCB to the Stock Exchange for the resumption of trading in the SCH Shares, the SCI Shares, the SCB Shares and the Warrants with effect from 9:30 a.m. on Wednesday, 22 June 2005.

DIRECTORS

As at the date of this announcement, the board of directors of SCH comprises (1) Mr. Ng Hung Sang, Ms. Cheung Choi Ngor, Mr. Richard Howard Gorges, Ms. Ng, Jessica Yuk Mui and Mr. Ng Yuk Fung, Peter as executive directors; (2) Mr. David Michael Norman as non-executive director; and (3) 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 announcement, the board of directors of SCI comprises (1) Mr. Ng Hung Sang, Ms. Cheung Choi Ngor, Mr. Richard Howard Gorges, Ms. Ng, Jessica Yuk Mui and Mr. Ng Yuk Fung, Peter as executive directors; and (2) Mr. Lee Wai Choi, Albert, 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 board of directors of SCB comprises (1) Mr. Ng Hung Sang, Ms. Cheung Choi Ngor, Mr. Richard Howard Gorges, Mr. Chan Hing Wah, Mr. Ng Chun Sang and Mr. Ng Yuk Yeung, Paul as executive directors; and (2) Mrs. Tse Wong Siu Yin, Elizabeth, Hon. Raymond Arthur William Sears, Q.C. and Mr. Tung Woon Cheung, Eric as independent non-executive directors.

DEFINITIONS

“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“SCB”	South China Brokerage Company Limited, a company incorporated in Hong Kong with limited liability, the shares of which are listed on the Stock Exchange. It was beneficially owned as to 74.59% by SCH as at the date of this announcement
“SCB Share(s)”	ordinary shares of HK\$0.025 each in the share capital of SCB

“SCH”	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
“SCH Share(s)”	ordinary shares of HK\$0.025 each in the share capital of SCH
“SCI”	South China Industries Limited, an exempted company incorporated in the Cayman Islands with limited liability, the shares of which are listed on the Stock Exchange. It was beneficially owned as to 74.79% by SCH as at the date of this announcement
“SCI Share(s)”	ordinary shares of HK\$0.10 each in the share capital of SCI
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Warrants”	warrants issued by SCB carrying the right to subscribe for SCB Shares on or before 2 March 2006

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

By order of the Board
South China Industries Limited
Cheung Choi Ngor
Director

By order of the Board
South China Brokerage Company Limited
Richard Howard Gorges
Director

Hong Kong, 21 June 2005

A copy of this announcement can be obtained
from our website www.sctrade.com



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South China Group

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