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EXPIRY OF SUBSCRIPTION RIGHTS ATTACHING TO THE EXISTING 2003 WARRANTS

The subscription rights attaching to the Existing 2003 Warrants (as hereinafter defined) which have not been exercised on or before the close of business on Wednesday, 23 July 2003 will lapse and following such date, the Existing 2003 Warrants will cease to be valid for any purpose.

The last trading day of the Existing 2003 Warrants on the Stock Exchange will be Friday, 18 July 2003.

Holders of the Existing 2003 Warrants who wish to exercise the subscription rights attaching to the Existing 2003 Warrants must lodge the relevant documents with the Company's share registrar at the address set out below by **no later than 4:00 p.m. on Wednesday, 23 July 2003**.

Application has been made for the withdrawal of listing of the Existing 2003 Warrants on the Stock Exchange with effect from the close of business on Wednesday, 23 July 2003.

The directors of South China Holdings Limited (the "Company") wish to remind holders of existing 2003 warrants ("Existing 2003 Warrants") carrying right to subscribe for shares of HK\$0.025 each ("Shares") in the Company on or before Wednesday, 23 July 2003 at a subscription price of HK\$0.42 per Share that the subscription rights attaching to the Existing 2003 Warrants will expire at the close of business on Wednesday, 23 July 2003 and thereafter any subscription rights will lapse and the Existing 2003 Warrants certificates will cease to be valid for any purpose.

Trading in the Existing 2003 Warrants on The Stock Exchange of Hong Kong Limited (the "Stock Exchange") will cease **after 4:00 p.m. on Friday, 18 July 2003** and the listing of the Existing 2003 Warrants will be withdrawn from the Stock Exchange at the close of business on **Wednesday, 23 July 2003**.

Registered holders of the Existing 2003 Warrants who wish to exercise the subscription rights attaching to their Existing 2003 Warrants are requested to lodge the certificates for their Existing 2003 Warrants with the subscription forms duly completed and signed, together with the relevant subscription monies, with the Company's share registrar, Standard Registrars Limited at Ground Floor, Bank of East Asia Harbour View Centre, 56 Gloucester Road, Wanchai, Hong Kong by no later than 4:00 p.m. on Wednesday, 23 July 2003.

Certificates or subscription forms or monies arriving after 4:00 p.m. on Wednesday, 23 July 2003 will not be regarded as valid and will not be accepted. The Shares to be issued on the exercise of the Existing 2003 Warrants will be allotted no later than 10 business days after relevant date of subscription and will rank pari passu in all respects with the existing issued Shares of the Company.

Persons who are not registered holders of the Existing 2003 Warrants and wish to exercise the subscription rights attaching to the Existing 2003 Warrants are requested to lodge the relevant certificates for the Existing 2003 Warrants, together with the duly executed and stamped instruments of transfer and/or other documents of title, the duly completed and signed subscription forms (which can be obtained from Standard Registrars Limited) and the relevant subscription monies with Standard Registrars Limited at the above address by no later than 4:00 p.m. on Wednesday, 23 July 2003.

The closing price of the Shares and of the Existing 2003 Warrants as quoted on the Stock Exchange on Friday, 20 June 2003 are HK\$0.188 per Share and HK\$0.013 per Existing 2003 Warrant respectively.

A circular containing details of expiry of subscription rights attaching to the Existing 2003 Warrants will be despatched as soon as practicable to holders of the Existing 2003 Warrants and, for information only, shareholders of the Company.

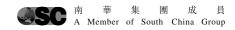
Application has been made for the Existing 2003 Warrants to be withdrawn from listing on the Stock Exchange with effect from the close of business on Wednesday, 23 July 2003.

Holders of the Existing 2003 Warrants who are in any doubt as to the action to be taken should consult their stockbroker, bank manager, solicitor, professional accountant or other professional adviser.

By order of the board Yuen Kam Tim, Francis Company Secretary

20 June 2003 Hong Kong Special Administrative Region of the People's Republic of China

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



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