

THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

If you are in any doubt as to any aspect of this circular or as to the action to be taken, you should consult your stockbroker or other registered dealer in securities, bank manager, solicitor, professional accountant or other professional adviser.

If you have sold or transferred all your shares in South China Holdings Company Limited, you should at once hand this circular and the accompanying proxy form to the purchaser or transferee or to the bank, stockbroker or other agent through whom the sale or transfer was effected for transmission to the purchaser or transferee.

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this circular, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this circular.



SOUTH CHINA HOLDINGS COMPANY LIMITED

南華集團控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 00413)

**GENERAL MANDATES TO ISSUE AND REPURCHASE SHARES,
RE-ELECTION OF DIRECTORS,
CLOSURE OF REGISTER OF MEMBERS
AND
NOTICE OF ANNUAL GENERAL MEETING**

A notice convening an annual general meeting of South China Holdings Company Limited (the “Company”) to be held at 28th Floor, Bank of China Tower, 1 Garden Road, Central, Hong Kong on Thursday, 14 June 2018 at 2:30 p.m. is set out on pages 14 to 17 of this circular.

A proxy form for use at the annual general meeting is enclosed with this circular. Whether or not you are able to attend the annual general meeting or any adjournment thereof, you are requested to read the notice and complete and return the proxy form in accordance with the instructions printed thereon, to the Company’s share registrar, Union Registrars Limited at Suites 3301–04, 33/F., Two Chinachem Exchange Square, 338 King’s Road, North Point, Hong Kong as soon as possible but in any event not less than 48 hours before the time appointed for the holding of the annual general meeting or any adjournment thereof. Completion and return of the proxy form will not preclude you from attending and voting in person at the annual general meeting or any adjournment thereof, should you so wish.

30 April 2018

CONTENTS

	<i>Page</i>
DEFINITIONS	1
LETTER FROM THE BOARD	
Introduction	3
Issue Mandates and Repurchase Mandate	4
Re-election of Directors	4
Annual General Meeting	5
Closure of Register of Members	5
Vote by Poll	5
Responsibility Statement	5
Recommendation	6
APPENDIX I — EXPLANATORY STATEMENT FOR THE REPURCHASE MANDATE	7
APPENDIX II — BIOGRAPHICAL DETAILS OF RETIRING DIRECTORS	10
NOTICE OF ANNUAL GENERAL MEETING	14

DEFINITIONS

In this circular, unless the context requires otherwise, the following expressions have the following meanings:

“AGM”	the annual general meeting of the Company to be convened and held at 28th Floor, Bank of China Tower, 1 Garden Road, Central, Hong Kong on Thursday, 14 June 2018 at 2:30 p.m., notice of which is set out on pages 14 to 17 of this circular
“Articles of Association”	the articles of association of the Company
“Board”	the Company’s board of Directors
“Companies Law”	the Companies Law, Cap. 22 (Law 3 of 1961, as consolidated and revised) of the Cayman Islands
“Company”	South China Holdings Company Limited 南華集團控股有限公司, an exempted company incorporated in the Cayman Islands with limited liability, the Shares of which are listed on the Main Board of the Stock Exchange
“Director(s)”	the director(s) of the Company
“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Issue Mandates”	the general and unconditional mandates proposed under ordinary resolutions numbered 9(A) and 9(C) in the notice of the AGM set out on pages 14 to 17 of this circular to be granted to the Directors to (i) allot and issue Shares of the Company up to an aggregate number not exceeding 20% of the aggregate number of the issued shares of the Company on the date of the passing of the said ordinary resolution; and (ii) to extend the mandate in (i) above by an amount representing the aggregate number of the Shares repurchased by the Company made pursuant to and in accordance with the Repurchase Mandate
“Latest Practicable Date”	24 April 2018, being the latest practicable date prior to the printing of this circular for ascertaining certain information contained herein
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange

DEFINITIONS

“Memorandum”	the memorandum of association of the Company
“Repurchase Mandate”	the general and unconditional mandate proposed under ordinary resolution numbered 9(B) in the notice of the AGM set out on page 16 of this circular to be granted to the Directors to repurchase the Company’s Shares up to an aggregate number not exceeding 10% of the aggregate number of the issued shares of the Company on the date of the passing of the said ordinary resolution
“SFO”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
“Share(s)”	ordinary share(s) of HK\$0.01 each in the share capital of the Company
“Shareholder(s)”	holder(s) of Share(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Takeovers Code”	Code on Takeovers and Mergers
“%”	per cent.

LETTER FROM THE BOARD



SOUTH CHINA HOLDINGS COMPANY LIMITED

南華集團控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 00413)

Executive Directors:

Mr. Ng Hung Sang (*Chairman*)
Ms. Cheung Choi Ngor
(Vice Chairman and Chief Executive Officer)
Mr. Richard Howard Gorges (*Vice Chairman*)
Mr. Ng Yuk Fung Peter (*Executive Vice Chairman*)
Mr. Ng Yuk Yeung Paul (*Executive Vice Chairman*)

Non-executive Directors:

Ms. Ng Yuk Mui Jessica
Mr. David Michael Norman
Ms. Li Yuen Yu Alice

Independent Non-executive Directors:

Mr. Chiu Sin Chun
Mr. Kam Yiu Shing Tony
Mrs. Tse Wong Siu Yin Elizabeth
Mr. Yip Dicky Peter, J.P.

Registered office:

P.O. Box 31119 Grand Pavilion
Hibiscus Way
802 West Bay Road
Grand Cayman, KY1-1205
Cayman Islands

*Head Office and Principal Place of
Business in Hong Kong:*

28th Floor
Bank of China Tower
1 Garden Road
Central
Hong Kong

30 April 2018

*To the Shareholders and, for information only,
the holders of share options of the Company*

Dear Sir or Madam,

**GENERAL MANDATES TO ISSUE AND REPURCHASE SHARES,
RE-ELECTION OF DIRECTORS,
CLOSURE OF REGISTER OF MEMBERS
AND
NOTICE OF ANNUAL GENERAL MEETING**

INTRODUCTION

The purpose of this circular is to provide you with the relevant information regarding (i) the proposed granting of the Issue Mandates and the Repurchase Mandate and (ii) the proposed re-election of Directors, and to give you notice of the AGM at which resolutions will be proposed to consider and, if thought fit, approve at the AGM, among other matters, the granting of the Issue Mandates and the Repurchase Mandate and the re-election of Directors.

LETTER FROM THE BOARD

ISSUE MANDATES AND REPURCHASE MANDATE

At the annual general meeting of the Company held on 14 June 2017, resolutions were passed by the Shareholders giving general unconditional mandates to the Directors to issue and allot Shares and to exercise the powers of the Company to repurchase its own Shares in accordance with the Listing Rules. These general mandates will lapse at the conclusion of the AGM.

It is therefore necessary to renew the Issue Mandates and the Repurchase Mandate at the AGM and ordinary resolutions will be proposed to seek the Shareholders' approval for granting of the Issue Mandates and the Repurchase Mandate at such meeting. Details of the aforesaid resolutions are set out in ordinary resolutions numbered 9(A), 9(B) and 9(C) in the notice of the AGM.

As at the Latest Practicable Date, the number of Shares in issue was 13,221,302,172. Subject to the passing of the resolutions in relation to the Issue Mandates and on the basis that no further Shares are issued or repurchased by the Company prior to the AGM, the Company would be allowed under the Issue Mandates to allot a maximum of 2,644,260,434 Shares, representing 20% of the issued share capital of the Company.

The Issue Mandates and the Repurchase Mandate, if approved at the AGM, will continue in force until the conclusion of the next annual general meeting of the Company or the expiration of the period within which the next annual general meeting of the Company is required by the Articles of Association or any applicable laws of the Cayman Islands to be held or until revoked or varied by ordinary resolution by the Shareholders in general meeting, whichever occurs first.

An explanatory statement as required by the Listing Rules to provide the Shareholders with all the information reasonably necessary for them to make an informed decision on the proposed resolution for the granting of the Repurchase Mandate is set out in the Appendix I to this circular.

RE-ELECTION OF DIRECTORS

In accordance with Article 99 of the Articles of Association, any Director appointed by the Directors from time to time either to fill a causal vacancy or as an addition to the Board shall hold office only until the next following general meeting of the Company, and shall then be eligible for re-election at the general meeting, as such Mr. Kam Yiu Shing Tony will retire from office and, being eligible, offer himself for re-election at the AGM.

In accordance with Article 116 of the Articles of Association, Mrs. Tse Wong Siu Yin Elizabeth, Mr. Yip Dicky Peter, J.P., Mr. David Michael Norman and Ms. Li Yuen Yu Alice will retire from office by rotation and, being eligible, offer themselves for re-election at the AGM.

All of the abovementioned Directors will offer themselves for re-election at the AGM.

LETTER FROM THE BOARD

At the AGM, ordinary resolutions will be proposed to re-elect the above retiring Directors as Directors in accordance with the Articles of Association. To enable the Shareholders to make an informed decision on the re-election of these retiring Directors, the biographical details of the retiring Directors, as required under Chapter 13 of the Listing Rules, are set out in Appendix II to this circular for the Shareholders' information.

ANNUAL GENERAL MEETING

A notice convening the AGM is set out on pages 14 to 17 of this circular. At the AGM, relevant resolutions will be proposed to approve the granting of the Issue Mandates and the Repurchase Mandate and the re-election of Directors.

There is enclosed with the circular a proxy form for use at the AGM. Whether or not you are able to attend the AGM or any adjournment thereof, you are requested to read the notice and complete and return the proxy form in accordance with the instructions printed thereon, to the Company's share registrar, Union Registrars Limited at Suites 3301-04, 33/F., Two Chinachem Exchange Square, 338 King's Road, North Point, Hong Kong as soon as possible but in any event not less than 48 hours before the time appointed for holding the AGM or any adjournment thereof. Completion and return of the proxy form will not preclude you from attending and voting in person at the AGM or any adjournment thereof, should you so wish. In the event that a Shareholder having lodged a proxy form attends the AGM, his proxy form will be deemed to have been revoked.

CLOSURE OF REGISTER OF MEMBERS

The register of members of the Company will be closed from Friday, 8 June 2018 to Thursday, 14 June 2018, both days inclusive, during which period no transfer of shares of the Company will be registered. In order to be eligible to attend and vote at the AGM, all transfer documents, accompanied by the relevant share certificates must be lodged for registration with the Company's share registrar, Union Registrars Limited at Suites 3301-04, 33/F., Two Chinachem Exchange Square, 338 King's Road, North Point, Hong Kong not later than 4:00 p.m. on Thursday, 7 June 2018.

VOTE BY POLL

Under Rule 13.39(4) of the Listing Rules, any vote of Shareholders at a general meeting must be taken by poll.

RESPONSIBILITY STATEMENT

This circular, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the Listing Rules for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief the information contained in this circular is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this circular misleading.

LETTER FROM THE BOARD

RECOMMENDATION

The Directors consider that the granting of the Issue Mandates and the Repurchase Mandate and the re-election of Directors are in the best interests of the Company and the Shareholders as a whole and so recommend the Shareholders to vote in favour of the resolutions to be proposed at the AGM.

Yours faithfully
For and on behalf of the Board
Ng Hung Sang
Chairman

This is an explanatory statement given to the Shareholders relating to the resolution to be proposed at the AGM authorising the Repurchase Mandate.

This explanatory statement contains all the information required pursuant to the Listing Rules, which is set out as follows:

1. EXERCISE OF THE REPURCHASE MANDATE

As at the Latest Practicable Date, the number of Shares in issue was 13,221,302,172.

Subject to the passing of the resolution in relation to the Repurchase Mandate and on the basis that no further Shares are issued or repurchased by the Company prior to the AGM, the Company would be allowed under the Repurchase Mandate to repurchase a maximum of 1,322,130,217 Shares (representing 10% of the issued share capital of the Company) during the period from the date of the passing of the ordinary resolution numbered 9(B) in the notice of the AGM set out on page 16 of this circular up to (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 the Articles of Association or any applicable laws of the Cayman Islands to be held; or (iii) the revocation or variation of the Repurchase Mandate by ordinary resolution of the Shareholders in general meeting, whichever occurs first.

2. REASONS FOR THE REPURCHASE

The Directors believe that the Repurchase Mandate is in the best interests of the Company and the Shareholders. Such repurchases may, depending on market conditions and funding arrangements at the time, lead to an enhancement of the net asset value of the Company and/or its earnings per Share and will only be made when the Directors believe that such a repurchase will benefit the Company and the Shareholders.

3. FUNDING OF REPURCHASES

In repurchasing Shares, the Company may only apply funds legally available for such purpose in accordance with the Memorandum and Articles of Association, the Listing Rules and the applicable laws and regulations of the Cayman Islands. The Company is empowered by its Articles of Association to repurchase its Shares. Under Cayman Islands law, the capital portion payable on a repurchase of Shares by the Company may be paid out of the profits of the Company or out of the proceeds of a fresh issue of Shares made for the purpose of the repurchase or, subject to the Companies Law, out of capital and, in the case of any premium payable on a repurchase, such premium may be paid out of the profits of the Company or from sums standing to the credit of the share premium account of the Company or, subject to the Companies Law, out of capital.

4. GENERAL

There might be a material adverse impact on the working capital or gearing position of the Company (as compared with the position disclosed in the audited accounts contained in the annual report of the Company for the financial year ended 31 December 2017) in the event that

the Repurchase Mandate is exercised in full at any time during the proposed repurchase period. However, the Directors do not propose to exercise the Repurchase Mandate to such an extent as would, in the circumstances, have a material adverse effect on the working capital requirements of the Company or the gearing levels which in the opinion of the Directors are from time to time appropriate for the Company.

5. UNDERTAKING

The Directors have undertaken to the Stock Exchange that, so far as the same may be applicable, they will exercise the Repurchase Mandate only in accordance with the Listing Rules, the Memorandum and Articles of Association and the applicable laws of the Cayman Islands.

None of the Directors nor, to the best of their knowledge having made all reasonable enquiries, any of their close associates (as defined in the Listing Rules) have any present intention, if the Repurchase Mandate is approved by the Shareholders, to sell any Shares to the Company or its subsidiaries.

No core connected person (as defined in the Listing Rules) of the Company has notified the Company that he has a present intention to sell any Shares to the Company, nor has undertaken not to do so, in the event that the Repurchase Mandate is approved by the Shareholders.

6. TAKEOVERS CODE

If as a result of a repurchase of Shares, a Shareholder's proportionate interest in the voting rights of the Company increases, such increase will be treated as an acquisition for the purposes of Rule 32 of the Takeovers Code. As a result, a Shareholder or a group of Shareholders acting in concert (as interpreted according to the Takeovers Code), depending on the level of the increase of the Shareholder's interest, could obtain or consolidate control of the Company and become(s) obliged to make a mandatory offer in accordance with Rule 26 of the Takeovers Code.

As at the Latest Practicable Date, to the best of the knowledge and belief of the Directors, Mr. Ng Hung Sang ("Mr. Ng"), together with his close associates, was taken to be interested in 8,361,488,288 Shares, representing approximately 63.24% of the issued share capital of the Company, and was a substantial Shareholder. In the event that the Directors exercise the proposed Repurchase Mandate in full and assuming that there is no change in the issued share capital of the Company and the number of Shares held by Mr. Ng, together with his close associates, remains unchanged, the interests of Mr. Ng and his close associates in the issued share capital of the Company would be increased to approximately 70.27% and such increase would not give rise to an obligation to make a mandatory offer under Rule 26 of the Takeovers Code.

7. SHARE REPURCHASE MADE BY THE COMPANY

No repurchase of any Shares has been made by the Company in the six months prior to the Latest Practicable Date, whether on the Stock Exchange or otherwise.

8. SHARE PRICES

The highest and lowest prices at which Shares have been traded on the Stock Exchange during each of the previous twelve months preceding the Latest Practicable Date were as follows:

	Price per Share	
	Highest (HK\$)	Lowest (HK\$)
2017		
April	0.360	0.315
May	0.340	0.290
June	0.315	0.270
July	0.340	0.280
August	0.325	0.280
September	0.320	0.285
October	0.300	0.270
November	0.290	0.250
December	0.310	0.250
2018		
January	0.330	0.275
February	0.320	0.280
March	0.345	0.280
April (up to the Latest Practicable Date)	0.305	0.270

Details of the retiring Directors proposed to be re-elected at the AGM at the Latest Practicable Date are set out as follows:

1. Mr. Kam Yiu Shing Tony, *Independent Non-executive Director*

Aged 56, is an Independent Non-executive Director of the Company and was appointed as the chairman of the Audit Committee with effect from 21 December 2017. He is a qualified accountant since 1989 and has been practicing as a certified public accountant since 1993. He holds a Master degree in Business and Administration from Monash University, Australia. He is also a fellow of the Hong Kong Institute of Certified Public Accountants and the Chartered Association of Certified Accountants, an associate of the Institute of Chartered Accountants in England and Wales and the Taxation Institute of Hong Kong, and at the same time registered as a Certified Tax Adviser. He was the President of the Society of Chinese Accountants and Auditors in 2016. He was appointed as a Director of the Company on 1 November 2017.

Mr. Kam has not entered into any service contract with the Company. He is subject to retirement at the AGM by rotation and eligible for re-election in accordance with the Articles of Association. He is entitled to a director's fee of HK\$100,000 per annum and received HK\$16,666.67 for the period from 1 November 2017 to 31 December 2017, which was determined by reference to his duties, experience and involvement.

As at the Latest Practicable Date, Mr. Kam does not have any interest in Shares within the meaning of Part XV of the SFO.

Save as disclosed above, Mr. Kam does not hold any directorship in the last three years in any other public company, the securities of which being listed in Hong Kong or overseas. He also does not hold any other position in the Company and does not have any relationship with any directors, senior management, substantial shareholders or controlling shareholders of the Company.

In relation to the re-election of Mr. Kam as an Independent Non-executive Director of the Company, there is no other information to be disclosed pursuant to any of the requirements of the provisions under Rule 13.51(2) of the Listing Rules and there are no other matters that need to be brought to the attention of the Shareholders.

2. Mrs. Tse Wong Siu Yin Elizabeth, *Independent Non-executive Director*

Aged 60, is an Independent Non-executive Director, the chairman of the Remuneration and Nomination Committee and a member of the Audit Committee of the Company. She is also an independent non-executive director of South China Financial Holdings Limited, being listed on the Main Board of The Stock Exchange of Hong Kong Limited. She is the chairman of the Hong Kong Flower Retailers Association, the convenor of Youth Skills Competition in Floristry of Vocational Training Council, the technical advisor of the Environmental Services Industry of Employees Retraining Board, a member of the judge panel of Hong Kong Flower Show and a member of Small and Medium Enterprises Committee. She received an award of the Hundred Outstanding Women Entrepreneur in China in 2009. She holds a Bachelor degree in Science from the University of Western Ontario in Canada. She was appointed as a Director of the Company on 19 October 2004 and has served the Board for more than nine years. The

Board has assessed and reviewed Mrs. Tse's annual confirmation of independence under Rule 3.13 of the Listing Rules and affirms that she has satisfied all the criteria set out in Rule 3.13 and remains independent of the Company.

Mrs. Tse has not entered into any service contract with the Company. She is subject to retirement at the AGM by rotation and eligible for re-election in accordance with the Articles of Association. She received a director's fee of HK\$100,000 in 2017, which was determined by reference to her duties, experience and involvement.

As at the Latest Practicable Date, Mrs. Tse does not have any interest in Shares within the meaning of Part XV of the SFO.

Save as disclosed above, Mrs. Tse does not hold any directorship in the last three years in any other public company, the securities of which being listed in Hong Kong or overseas. She also does not hold any other position in the Company and does not have any relationship with any directors, senior management, substantial shareholders or controlling shareholders of the Company.

In relation to the re-election of Mrs. Tse as an Independent Non-executive Director of the Company, there is no other information to be disclosed pursuant to any of the requirements of the provisions under Rule 13.51(2) of the Listing Rules and there are no other matters that need to be brought to the attention of the Shareholders.

3. Mr. Yip Dicky Peter, J.P., *Independent Non-executive Director*

Aged 71, is an Independent Non-executive Director and a member of the Audit Committee and a member of the Remuneration and Nomination Committee of the Company. He is also an independent non-executive director of Sun Hung Kai Properties Limited and Ping An Insurance (Group) Company of China, Ltd., being listed on the Main board of The Stock Exchange of Hong Kong Limited and an independent non-executive director of S. F. Holding Co., Ltd., being listed on the Shenzhen Stock Exchange. He had been an independent non-executive director of DSG International (Thailand) Public Company Limited, being listed on The Stock Exchange of Thailand. He joined The Hongkong and Shanghai Banking Corporation Limited ("HSBC") in Hong Kong in 1965 with working experiences in various sectors, serving in London, Hong Kong, San Francisco and the Mainland China. He has worked in a number of departments of HSBC, which included trade services, corporate banking, group consultancy service and regional training. His previous assignments prior to becoming the chief executive of China Business had been in personal financial services, covering jobs in marketing, card products, customer service and sales, with responsibilities over consumer business in Hong Kong. He was appointed as the chief executive of China business and based in Shanghai from January 2003 to April 2005. Meanwhile, he was also a director of the Bank of Shanghai, Ping An Insurance and Ping An Bank in China. He became a general manager of HSBC in April 2005 until his retirement from HSBC on 30 June 2012. He also served as the executive vice president of Bank of Communications Co., Ltd. since April 2005 and resigned from such office with effect from 1 July 2012.

Mr. Yip joined the Institute of International Finance in July 2012 and retired in June 2015 as chief representative for the Asia-Pacific Region. He is an elected associate member of the Chartered Institute of Bankers, London and a Certified Financial Planner and an honorary adviser of the Institute of Financial Planners of Hong Kong. He was educated in Hong Kong with an MBA from The University of Hong Kong. He received the Ten Outstanding Young Persons Award in 1984 for his contribution to the banking industry and the community in Hong Kong. He was awarded the MBE by the British Government in 1984. In 1999, he was appointed as Unofficial Justice of Peace in Hong Kong. In 2000, he was awarded the Bronze Bauhinia Star by the Government of the Hong Kong Special Administrative Region. In June 2013, he was appointed as a member of Shanghai Committee of the Chinese People's Political Consultative Conference for a second term.

Mr. Yip is active in community and youth activities in Hong Kong and is a member of a number of service organisations such as Hong Kong Committee for United Nations Children Fund and the Hong Kong Air Cadet Corps. He was appointed as a Director of the Company on 10 December 2012.

Mr. Yip has not entered into any service contract with the Company. He is subject to retirement at the AGM by rotation and eligible for re-election in accordance with the Articles of Association. He received a director's fee of HK\$280,000 in 2017, which was determined by reference to his duties, experience and involvement.

As at the Latest Practicable Date, Mr. Yip does not have any interest in Shares within the meaning of Part XV of the SFO.

Save as disclosed above, Mr. Yip does not hold any directorship in the last three years in any other public company, the securities of which being listed in Hong Kong or overseas. He also does not hold any other position in the Company and does not have any relationship with any directors, senior management, substantial shareholders or controlling shareholders of the Company.

In relation to the re-election of Mr. Yip as an Independent Non-executive Director of the Company, there is no other information to be disclosed pursuant to any of the requirements of the provisions under Rule 13.51(2) of the Listing Rules and there are no other matters that need to be brought to the attention of the Shareholders.

4. Mr. David Michael Norman, *Non-executive Director*

Aged 62, is a Non-executive Director, a member of the Audit Committee and a member of the Remuneration and Nomination Committee of the Company. He is also an independent non-executive director of Guoco Group Limited, being listed on the Main Board of The Stock Exchange of Hong Kong Limited (the "Stock Exchange"). He was formerly a non-executive director of South China Assets Holdings Limited, being listed on the Growth Enterprise Market of the Stock Exchange, until 12 August 2015. He is a solicitor. He studied philosophy and psychology at Oxford University in the United Kingdom and was admitted as a solicitor in the United Kingdom in 1981 and in Hong Kong in 1984 respectively. He was appointed as a Director of the Company on 9 December 2014.

Mr. Norman has not entered into any service contract with the Company. He is subject to retirement at the AGM by rotation and eligible for re-election in accordance with the Articles of Association. He received a director's fee of HK\$150,000 in 2017, which was determined by reference to his duties, experience and involvement.

As at the Latest Practicable Date, Mr. Norman does not have any interest in Shares within the meaning of Part XV of the SFO.

Save as disclosed above, Mr. Norman does not hold any directorship in the last three years in any other public company, the securities of which being listed in Hong Kong or overseas. He also does not hold any other position in the Company and does not have any relationship with any directors, senior management, substantial shareholders or controlling shareholders of the Company.

In relation to the re-election of Mr. Norman as a Non-executive Director of the Company, there is no other information to be disclosed pursuant to any of the requirements of the provisions under Rule 13.51(2) of the Listing Rules and there are no other matters that need to be brought to the attention of the Shareholders.

5. Ms. Li Yuen Yu Alice, *Non-executive Director*

Aged 48, is a Non-executive Director and a member of the Remuneration and Nomination Committee of the Company. She is also a director of Cheng & Cheng Limited, Certified Public Accountants in Hong Kong. She received her Accounting degree from Monash University, Australia in 1994 and was admitted as a Certified Public Accountant in Australia in 1997 and in Hong Kong in 1998. She is a fellow member of the Taxation Institute of Hong Kong. She was appointed as a Director of the Company on 28 September 2004. She had been re-designated from an Independent Non-executive director to a Non-executive Director and ceased to be the chairman and member of the Audit Committee with effect from 21 December 2017.

Ms. Li has not entered into any service contract with the Company. She is subject to retirement at the AGM by rotation and eligible for re-election in accordance with the Articles of Association. She received a director's fee of HK\$100,000 in 2017, which was determined by reference to her duties, experience and involvement.

As at the Latest Practicable Date, Ms. Li does not have any interest in Shares within the meaning of Part XV of the SFO.

Save as disclosed above, Ms. Li does not hold any directorship in the last three years in any other public company, the securities of which being listed in Hong Kong or overseas. She also does not hold any other position in the Company and does not have any relationship with any directors, senior management, substantial shareholders or controlling shareholders of the Company.

In relation to the re-election of Ms. Li as a Non-executive Director of the Company, there is no other information to be disclosed pursuant to any of the requirements of the provisions under Rule 13.51(2) of the Listing Rules and there are no other matters that need to be brought to the attention of the Shareholders.

NOTICE OF ANNUAL GENERAL MEETING



SOUTH CHINA HOLDINGS COMPANY LIMITED

南華集團控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 00413)

NOTICE IS HEREBY GIVEN that an annual general meeting of South China Holdings Company Limited (the “Company”) will be held at 28th Floor, Bank of China Tower, 1 Garden Road, Central, Hong Kong on Thursday, 14 June 2018 at 2:30 p.m. for the following purposes:

1. To consider and adopt the audited financial statements together with the Directors’ Report and Independent Auditor’s Report for the year ended 31 December 2017.
2. To re-elect Mr. Kam Yiu Shing Tony as Director.
3. To re-elect Mrs. Tse Wong Siu Yin Elizabeth as Director.
4. To re-elect Mr. Yip Dicky Peter, J.P. as Director.
5. To re-elect Mr. David Michael Norman as Director.
6. To re-elect Ms. Li Yuen Yu Alice as Director.
7. To authorise the Board of Directors to fix the Directors’ remuneration.
8. To re-appoint KPMG as Auditor and authorise the Board of Directors to fix its remuneration.
9. To consider and, if thought fit, pass (with or without modification) 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 (as hereinafter defined) 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;

NOTICE OF ANNUAL GENERAL MEETING

- (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 number of shares of the Company allotted or agreed conditionally or 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), or (ii) the exercise of rights of subscription or conversion under the terms of any warrants issued by Company or any securities which are convertible into shares of the Company, or (iii) the exercise of any options granted under 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% of the number of shares of the Company in issue as at the date of passing 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 the Articles of Association of the Company or any other applicable 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 in the share capital of the Company or an offer or issue of warrants or options or similar instruments to subscribe for shares in the share capital of the Company 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 of members of the Company

NOTICE OF ANNUAL GENERAL MEETING

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, or the expense or delay which may be involved in determining the existence or extent of any restrictions or obligations under the laws of, or the requirements of, any jurisdiction applicable to the Company, or any recognised regulatory body or any stock exchange applicable to the Company).”

(B) **“THAT:**

- (a) subject to sub-paragraph (b) of this Resolution, the exercise by the Directors of the Company during the Relevant Period (as hereinafter defined) of all the powers of the Company to repurchase shares in the capital of the Company on The Stock Exchange of Hong Kong Limited (the “Stock Exchange”) or on any other exchange in accordance with all the applicable laws and the requirements of the Rules Governing the Listing of Securities on the Stock Exchange (the “Listing Rules”) as amended from time to time, be and is hereby generally and unconditionally approved;
- (b) the aggregate number of shares of the Company which may be repurchased pursuant to the approval in sub-paragraph (a) of this Resolution, shall not exceed 10% of the number of shares of the Company in issue as at the date of the 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 the Articles of Association of the Company or any other applicable 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.”

NOTICE OF ANNUAL GENERAL MEETING

(C) “**THAT** conditional upon the Resolutions Nos. 9(A) and 9(B) set out in the notice convening this meeting being passed, the aggregate number of shares which are repurchased by the Company after the date of the passing of this Resolution (up to a maximum of 10% of the aggregate number of the shares of the Company in issue as at the date of passing of this Resolution) shall be added to the aggregate number of shares of the Company that may be allotted or agreed conditionally or unconditionally to be allotted by the Directors of the Company pursuant to Resolution No. 9(A) set out in the notice convening this meeting.”

10. To transact any other business.

By Order of the Board
South China Holdings Company Limited
南華集團控股有限公司
Richard Howard Gorges
Executive Director

Hong Kong, 30 April 2018

Notes:

1. To ascertain shareholders' eligibility to attend and vote at the AGM, the register of members of the Company will be closed from Friday, 8 June 2018 to Thursday, 14 June 2018, both days inclusive, during which period no transfer of shares of the Company will be registered. In order to be eligible to attend and vote at the AGM, all transfer documents accompanied by the relevant share certificates must be lodged for registration with the Company's share registrar, Union Registrars Limited at Suites 3301-04, 33/F., Two Chinachem Exchange Square, 338 King's Road, North Point, Hong Kong not later than 4:00 p.m. on Thursday, 7 June 2018.
2. A member entitled to attend and vote at the annual general meeting is entitled to appoint one or more proxies to attend and on a poll vote in his/her stead in accordance with the Articles of Association. A proxy need not be a member of the Company.
3. In order to be valid, a proxy form and the power of attorney or other authority (if any) under which it is signed, or a notarially certified copy of such power of attorney or authority, must be deposited with the Company's share registrar, Union Registrars Limited at Suites 3301-04, 33/F., Two Chinachem Exchange Square, 338 King's Road, North Point, Hong Kong, not less than 48 hours before the time fixed for holding the meeting or any adjournment thereof. Completion and return of the proxy form will not preclude any member from attending and voting in person at the annual general meeting or any adjourned meeting thereof should he/she so wish.
4. In the case of joint shareholdings, any one of such persons may vote, either personally or by proxy in respect of such share, provided that if more than one of such joint holders be present at the meeting or any adjournment thereof personally or by proxy, the more senior shall alone be entitled to vote and for this purpose, seniority shall be determined by reference to the order in which the names of the joint holders stand on the register of members in respect of the joint holding.
5. With regard to the resolutions set out in items 9(A) to 9(C) 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.
6. In typhoon signal No. 8 or above, or a "black" rainstorm warning is in effect any time after 12:00 noon on the date of The AGM, the meeting will be postponed. The Company will publish an announcement on the website of the Company at www.scholding.com and on the HKExnews website of the Stock Exchange at www.hkexnews.hk to notify shareholders of the Company of the date, time and venue of the rescheduled meeting.