

The Stock Exchange of Hong Kong Limited takes no responsibility for the contents of this announcement, makes no representation as to its accuracy or completeness and expressly disclaims any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.



SOUTH CHINA FINANCIAL HOLDINGS LIMITED

(Incorporated in Hong Kong with limited liability)

(Stock Code: 619)

GENERAL DISCLOSURE UNDER RULE 13.09 OF LISTING RULES

This announcement is made pursuant to Rule 13.09 of the Listing Rules in respect of the establishing of a leasing company in Nanjing, PRC.

ESTABLISHMENT OF A LEASING COMPANY

Further to the results announcement made on 18 March 2008, the board of directors (the “Board”) of South China Financial Holdings Limited (the “Company”) hereby announces that the approval to set up a leasing company (the “Leasing Company”), a wholly owned subsidiary of the Company in Nanjing, the PRC, was obtained from Ministry of Commerce of the People’s Republic of China and the Certificate of Approval was received.

Under the approval, the Leasing Company is authorized to operate all kinds of financial leasing activities in connection with production facilities, telecommunication facilities, medical facilities, scientific research facilities, testing equipment facilities, engines and machinery and transport equipment (including aeroplanes, motor cars, and vessels).

The Leasing Company is authorized to set up with an investment capital and a registered capital of RMB300 million and RMB100 million respectively. A deposit of RMB\$30,000,000 (equivalent to 30% of the registered capital) will be injected within one month from the date of issuance of the Certificate of Approval. The remaining RMB70,000,000 (equivalent to 70% of the registered capital) will be injected within one year from date of issuance of the Business Licence. The Leasing Company is allowed to operate for 30 years.

The Board considers that this is the first move to operate lease business in Mainland China and wishes that with the appropriate platform in Nanjing, the Company can diversify its business in leasing activities where the penetration rate is still low.

GENERAL

This announcement is made pursuant to Rule 13.09 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.

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

Hong Kong, 25 March 2008

As at the date of this announcement, the Board comprises (1) Mr. Ng Hung Sang, Ms. Cheung Choi Ngor, Mr. Richard Howard Gorges, 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.