

The Securities and Futures Commission of Hong Kong, Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, 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 announcement.

This announcement appears for information purposes only and does not constitute an invitation or offer to sell, dispose, acquire, purchase or subscribe for any securities of the Company and neither this announcement nor anything herein forms the basis for any contract or commitment whatsoever.

Distribution of this announcement into jurisdictions other than Hong Kong may be restricted by law. Persons who come into possession of this announcement should acquaint themselves with and observe any such restrictions. Any failure to comply with these restrictions may constitute a violation of the securities laws of any such jurisdiction.



SOUTH CHINA FINANCIAL HOLDINGS LIMITED

(Incorporated in Hong Kong with limited liability)

(Stock Code: 00619)

**DESPATCH OF CIRCULAR IN RELATION TO
(I) PROPOSED RIGHTS ISSUE ON THE BASIS OF
ONE RIGHTS SHARE FOR EVERY ONE SHARE
HELD ON THE RECORD DATE;
(II) APPLICATION FOR WHITEWASH WAIVER;
(III) CONNECTED TRANSACTION IN RESPECT OF UNDERWRITING
COMMISSION; AND
(IV) NOTICE OF EXTRAORDINARY GENERAL MEETING**

INTRODUCTION

References are made to the announcements of South China Financial Holdings Limited (the “**Company**”) dated 20 April 2016, 10 May 2016, 11 May 2016 and 31 May 2016 (the “**Announcements**”) and the circular dated 14 June 2016 (the “**Circular**”) in relation to, among other matters, the Rights Issue, the Underwriting Agreement and the Whitewash Waiver. Unless otherwise specified, capitalised terms used herein shall have the same meanings as those defined in the Circular.

DESPATCH OF CIRCULAR

The Circular containing, among other things, (i) further details about the Rights Issue, the Underwriting Agreement and the Whitewash Waiver; (ii) the letter from the Independent Board Committee to the Independent Shareholders setting out its recommendations in respect of the Rights Issue, the Underwriting Agreement and the Whitewash Waiver; (iii) the letter of advice from the IFA to the Independent Board Committee and the Independent Shareholders in respect of the Rights Issue, the Underwriting Agreement and the Whitewash Waiver; (iv) the financial information and other general information of the Group; and (v) the notice convening with the EGM, has been despatched to the Shareholders on Tuesday, 14 June 2016.

EXPECTED TIMETABLE

The expected timetable for the Rights Issue is set out as below:

Event	2016
Latest time for lodging transfer of shares to qualify for attendance and voting at the EGM	4:30 p.m. Thursday, 23 June
Closure of register of members of the Company for determining the identity of the Shareholders entitled to attend and vote at the EGM (both dates inclusive)	Friday, 24 June to Thursday, 30 June
Latest time for lodging forms of proxy for the purpose of the EGM	11.00 a.m. Tuesday, 28 June
Expected date and time of the EGM	11:00 a.m. Thursday, 30 June
Announcement of poll results of EGM	Thursday, 30 June
Last day of dealings in Shares on a cum-rights basis	Friday, 8 July
First day of dealings in Shares on an ex-rights basis	Monday, 11 July
Latest time for Shareholders to lodge transfer of Shares in order to qualify for the Rights Issue.	4:30 p.m. Tuesday, 12 July
Closure of register of members of the Company for determining the entitlements to the Rights Issue (both dates inclusive)	Wednesday, 13 July to Tuesday, 19 July

Event**2016**

Record Date and time for determining
the entitlements to the Rights Issue 4:30 p.m. Tuesday, 19 July

Register of members of the Company re-opens Wednesday, 20 July

Despatch of Prospectus Documents Wednesday, 20 July

First day of dealings in nil-paid Rights Shares 9:00 a.m. Friday, 22 July

Latest time for splitting nil-paid Rights Shares 4:30 p.m. Tuesday, 26 July

Last day of dealings in nil-paid Rights Shares close of business of
Friday, 29 July

**Latest time for acceptance of, and payment for,
the Rights Shares and application for
excess Rights Shares 4:00 p.m. Wednesday, 3 August**

Latest time to terminate the Underwriting
Agreement and for the Rights Issue
to become unconditional 5:00 p.m. Thursday, 4 August

Announcement of results of the Rights Issue Wednesday, 10 August

Refund cheques, if any, to be despatched
(if the Rights Issue is terminated or the
application(s) for excess Rights Shares
is/are unsuccessful or partially successful)
on or before Thursday, 11 August

Certificate for fully paid Rights Shares
to be despatched on or before Thursday, 11 August

Commencement of dealings in
fully-paid Rights Shares 9:00 a.m. Friday, 12 August

All times and dates stated in this announcement refer to Hong Kong times. Dates stated in this announcement for events in the timetable are indicative only and may be extended or varied. Any changes to the expected timetable for the Rights Issue will be announced as and when appropriate.

WARNING OF THE RISKS OF DEALING IN SHARES AND RIGHTS SHARES

Shareholders and potential investors of the Company should note that the Rights Issue is conditional upon, among others, the Underwriting Agreement having become unconditional and the Underwriter not having terminated the Underwriting Agreement in accordance with the terms thereof (a summary of which is set out in the section headed “Termination of the Underwriting Agreement” in the Circular). Accordingly, the Rights Issue may or may not proceed.

The Shares are expected to be dealt in on an ex-rights basis from Monday, 11 July 2016. Dealings in the Rights Shares in nil-paid form are expected to take place from Friday, 22 July 2016 to Friday, 29 July 2016 (both days inclusive). Any Shareholder or other person contemplating transferring, selling or purchasing the Shares and/or Rights Shares in their nil-paid form is advised to exercise caution when dealing in the Shares and/or the nil-paid Rights Shares.

Any party who is in any doubt about his/her/its position or any action to be taken is recommended to consult his/her/its own professional adviser(s). Any Shareholder or other person dealing in the Shares or in the nil-paid Rights Shares up to the date on which all the conditions to which the Rights Issue is subject are fulfilled (and the date on which the Underwriter’s right of termination of the Underwriting Agreement ceases) will accordingly bear the risk that the Rights Issue may not become unconditional or may not proceed.

Shareholders and potential investors are advised to exercise caution when dealing in the Shares.

By Order of the Board
South China Financial Holdings Limited
Ng Yuk Mui Jessica
Executive Director

Hong Kong, 14 June 2016

As at the date of this announcement, the Directors are (1) Mr. Ng Hung Sang, Ms. Cheung Choi Ngor and Ms. Ng Yuk Mui Jessica as executive Directors; and (2) Hon. Raymond Arthur William Sears, Q.C., Mrs. Tse Wong Siu Yin Elizabeth and Mr. Tung Woon Cheung Eric as independent non-executive Directors.

The Directors jointly and severally accept full responsibility for the accuracy of the information contained in this announcement and confirm, having made all reasonable enquiries, that to the best of their knowledge, opinions expressed in this announcement have been arrived at after due and careful consideration and there are no other facts not contained in this announcement, the omission of which would make any statement in this announcement misleading.