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## **SOUTH CHINA FINANCIAL HOLDINGS LIMITED**

*(Incorporated in Hong Kong with limited liability)*

**(Stock Code: 00619)**

### **(1) POLL RESULTS OF EXTRAORDINARY GENERAL MEETING HELD ON 30 JUNE 2016; (2) GRANT OF WHITEWASH WAIVER; AND (3) COMMENCEMENT OF DEALINGS IN THE SHARES ON AN EX-RIGHTS BASIS**

References are made to the circular (the “Circular”), the notice of the extraordinary general meeting (“EGM”) and the announcement of South China Financial Holdings Limited (the “Company”), all dated 14 June 2016, regarding (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. Unless otherwise specified, capitalised terms used herein shall have the same meanings as those defined in the Circular and the notice of EGM.

The Board is pleased to announce that all the proposed resolutions as set out in the notice of the EGM were duly passed by the Independent Shareholders of the Company’s ordinary shares (the “Shares”) as ordinary resolutions by way of poll. As at the date of the EGM, there were 7,542,126,750 Shares in issue. The relevant poll results are set out as follows:

Ordinary Resolutions		Number of Shares actually voted (Approximate % of total number of Shares actually voted )		Total number of Shares actually voted
		For	Against	
1.	To approve the Rights Issue and the transactions contemplated thereunder (including the Underwriting Agreement and the absence of arrangements for application for the Rights Shares by the Qualifying Shareholders in excess of their entitlements) in terms as set out in Ordinary Resolution number 1 in the notice, and to authorise any Directors to sign or execute such documents and do all such acts and things in connection with the allotment and issue of the Rights Shares, the implementation of the Rights Issue and the Underwriting Agreement, the exercise or enforcement of any of the Company's rights under the Underwriting Agreement and to make and agree to make such variations of the terms of the Underwriting Agreement as they may in their discretion consider to be appropriate, necessary or desirable and in the interests of the Company and its shareholders.	824,618,000 (99.8698%)	1,074,664 (0.1302%)	825,692,664
2.	To approve the Whitewash Waiver granted by the Executive of the Corporate Finance Division of the Securities and Futures Commission to the Underwriter pursuant to Note 1 on the Dispensations from Rule 26 of the Hong Kong Code on Takeovers and Mergers from an obligation to make a general mandatory offer for all the issued shares of the Company not already owned by the Underwriter and the parties acting in concert with it as a result of the subscription of the Rights Shares by the Underwriter pursuant to the Underwriting Agreement and to authorize the Directors to do all such things and acts and execute all documents which they consider necessary, desirable or expedient to implement or to give effect to any matters relating to the Whitewash Waiver.	824,618,000 (99.8698%)	1,074,664 (0.1302%)	825,692,664

Notes:

1. The number of Shares entitling the Independent Shareholders to attend and vote on the ordinary resolutions Nos. 1 and 2 was 4,785,047,805.
2. No Shares entitling the Shareholders to attend and abstain from voting in favour of the ordinary resolutions Nos.1 and 2 as set out in Rule 13.40 of the Listing Rules.
3. The number of Shares that are required under the Listing Rules to abstain from voting on ordinary resolutions Nos. 1 and 2 was 2,757,078,945 comprising (i) Mr. Ng Hung Sang, the Substantial Shareholder, an executive Director of the Company and the sole beneficial owner of the Underwriter, together with his associates (namely Fung Shing Group Limited, Parkfield Holdings Limited, Ronastar Investments Limited and Mr. Paul Ng), holding 2,324,571,156 Shares and (ii) Ms. Cheung and Mr. Gorges, being directors of the Underwriter, holding 307,507,789 and 125,000,000 Shares respectively. The Directors (excluding the independent non-executive Directors) and chief executive of the Company and their respective associates had abstained from voting in favour under Rule 7.19(6)(a) of the Listing Rules since there is no controlling shareholder.
4. As stated in the Circular, in accordance with the Takeovers Code, (i) the Underwriter, Mr. Ng and its respective associates (as defined under the Takeovers Code); (ii) any parties acting in concert with any of the Underwriter and its respective associates (namely Fung Shing Group Limited, Parkfield Holdings Limited, Ronastar Investments Limited, Mr. Paul Ng, Ms. Cheung and Mr. Gorges); and (iii) Shareholders who are involved in, or interested in, the Rights Issue, the Underwriting Agreement or the Whitewash Waiver, including but not limited to the Underwriter and parties acting in concert with it, are required to and did abstain from voting on the resolution(s) to approve the Rights Issue, the Underwriting Agreement and the transactions contemplated thereunder and the Whitewash Waiver at the EGM. As at the date of the EGM, Ms. Jessica Ng, the daughter of Mr. Ng does not own/hold any relevant securities (as defined in Note 4 to Rule 22 of the Takeovers Code) of the Company and is therefore not entitled to vote on any of the resolutions at the EGM.
5. Union Registrars Limited, the share registrar of the Company, acted as scrutineer for the poll taken at the EGM.
6. No Shareholders had stated any intention in the Circular to vote for or against the ordinary resolutions Nos. 1 and 2.
7. Save as disclosed, no other Shareholder is required to abstain from voting at the EGM.

## **SHAREHOLDING STRUCTURE OF THE COMPANY**

On the assumption that there is no change in the shareholding structure of the Company from the date of this announcement to completion of the Rights Issue save for the following, the table below depicts, for illustrative purposes only, the shareholding structure of the Company (i) as at the date of this announcement; (ii) immediately after the completion of the Rights Issue assuming full acceptance of the Rights Shares by the Qualifying Shareholders; and (iii) immediately after the completion of the Rights Issue assuming nil acceptance of the Rights Shares by the Qualifying Shareholders other than the Shareholders and Directors who have provided Irrevocable Undertakings are as follows:

	As at the date of this announcement		Immediately after the completion of the Rights Issue assuming full acceptance of the Rights Shares by the Qualifying Shareholders		Immediately after the completion of the Rights Issue assuming nil acceptance of the Rights Shares by the Qualifying Shareholders other than the Shareholders and Directors who have provided Irrevocable Undertakings	
	<i>No. of Shares</i>	<i>Approx. %</i>	<i>No. of Shares</i>	<i>Approx. %</i>	<i>No. of Shares</i>	<i>Approx. %</i>
The Underwriter	-	-	-	-	5,202,547,805	34.49
Fung Shing Group Limited (Note 1 )	588,150,756	7.80	1,176,301,512	7.80	1,176,301,512	7.80
Parkfield Holdings Limited (Note 1 )	1,115,592,000	14.79	2,231,184,000	14.79	2,231,184,000	14.79
Ronastar Investments Limited (Note 1)	49,996,800	0.66	99,993,600	0.66	99,993,600	0.66
Mr. Ng (Notes 1 and 2)	278,331,600	3.69	556,663,200	3.69	556,663,200	3.69
<b>Sub-total of the Underwriter, Mr. Ng and the companies controlled by him</b>	<b>2,032,071,156</b>	<b>26.94</b>	<b>4,064,142,312</b>	<b>26.94</b>	<b>9,266,690,117</b>	<b>61.43</b>
Ms. Cheung (Notes 2 and 4)	307,507,789	4.08	615,015,578	4.08	615,015,578	4.08
Mr. Gorges (Note 4)	125,000,000	1.66	250,000,000	1.66	125,000,000	0.83
Mr. Paul Ng (Note 5)	292,500,000	3.88	585,000,000	3.88	292,500,000	1.94
<b>Sub-total of the Underwriter and parties acting in concert with it</b>	<b>2,757,078,945</b>	<b>36.56</b>	<b>5,514,157,890</b>	<b>36.56</b>	<b>10,299,205,695</b>	<b>68.28</b>
Hon. Raymond Arthur William Sears, Q.C. (Notes 2 and 3)	1,650,000	0.02	3,300,000	0.02	1,650,000	0.01
Public Shareholders (excluding the Underwriter, the parties acting in concert therewith and Directors)	4,783,397,805	63.42	9,566,795,610	63.42	4,783,397,805	31.71
<b>Total</b>	<b>7,542,126,750</b>	<b>100.00</b>	<b>15,084,253,500</b>	<b>100.00</b>	<b>15,084,253,500</b>	<b>100.00</b>

Notes:

1. Fung Shing Group Limited, Parkfield Holdings Limited and Ronastar Investments Limited are wholly-owned by Mr. Ng, the sole director of each of the above companies. As such, Mr. Ng is the beneficial owner of the Shares held by such companies.
2. Mr. Ng, Ms. Cheung and Hon. Raymond Arthur William Sears, Q.C. are Directors.
3. The 1,650,000 Shares are the spouse interest of Hon. Raymond Arthur William Sears, Q.C.
4. The parties acting in concert with the Underwriter include Mr. Ng, Fung Shing Group Limited, Parkfield Holdings Limited and Ronastar Investments Limited. The abovementioned companies are under the control of Mr. Ng (see Note 1 above). By virtue of being a director of the Underwriter, Ms. Cheung and Mr. Gorges are also a party acting in concert with it.
5. By virtue of being a close relative of Mr. Ng, Mr. Paul Ng is presumed to be a party acting in concert with Mr. Ng and, hence, the Underwriter under the Takeovers Code.

## **GRANT OF THE WHITEWASH WAIVER**

The Executive has granted the Whitewash Waiver, subject to the fulfillment of the conditions set out therein. Accordingly, no mandatory general offer under Rule 26 of the Takeovers Code will be required to be made by the Underwriter as a result of the subscription of the Underwritten Shares by the Underwriter pursuant to the Underwriting Agreement.

## **COMMENCEMENT OF DEALINGS IN THE SHARES ON AN EX-RIGHTS BASIS**

Pursuant to the expected timetable for the Rights Issue as set out in the Circular, (a) the last day of dealings in the Shares on a cum-rights basis will be Friday, 8 July 2016; and (b) the Shares will be dealt with on an ex-rights basis from Monday, 11 July 2016.

Subject to the registration of the Prospectus Documents with the Registrar of Companies in Hong Kong, it is expected that (i) the Prospectus Documents will be despatched to the Qualifying Shareholders on Wednesday, 20 July 2016, and (ii) the Prospectus (without PAL or EAF) will be despatched to the Non-Qualifying Shareholders (if any) for their information only, on the same day.

## **WARNING OF THE RISKS OF DEALING IN THE SHARES AND THE NIL-PAID RIGHTS SHARES**

**The Rights Issue is conditional upon the Underwriting Agreement becoming unconditional and not being terminated or rescinded in accordance with its terms. The conditions that must be fulfilled and/or waived in order for the Underwriting Agreement to become unconditional are set out in the paragraphs headed “Conditions of the Rights Issue” under the section headed “Letter from the Board” in the Circular. The situations where the Underwriting Agreement may be terminated or rescinded are set out in the paragraphs headed “Termination of the Underwriting Agreement” under the section headed “Letter from the Board” in the Circular. Accordingly, the Rights Issue may or may not proceed. Any Shareholders or potential investors contemplating any dealing in any Shares and/or nil-paid Rights Shares up to the latest time for the Rights Issue to become unconditional (i.e. 5:00p.m. on Thursday, 4 August 2016) will bear the risk that the Rights Issue could not become unconditional and may not proceed. The Shareholders and the public are reminded to exercise caution and recommended to consult their own professional advisers when dealing in the securities of the Company.**

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

Hong Kong, 30 June 2016

*As at the date of this announcement, the Directors of the Company 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.*