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SOUTH CHINA INDUSTRIES LIMITED

(Incorporated in the Cayman Islands with limited liability)

(Stock code: 413)

INCREASE IN TRADING PRICE AND TRADING VOLUME OF SHARES

The Board of Directors of the Company has noted the recent increase in the trading price and trading volume of the shares of the Company on 26th April 2004 and wishes to state that, save as disclosed herein, it is not aware of any reason for such increases.

This announcement is made at the request of The Stock Exchange of Hong Kong Limited (the "Stock Exchange").

The Board of Directors (the "Board") of South China Industries Limited (the "Company") has noted the recent increases in the trading price and trading volume of the shares of the Company and wishes to state that save for the information disclosed herein, it is not aware of any other reason for such increases.

The Board wishes to advise that Super Giant Limited ("Super Giant"), a substantial shareholder of the Company, had acquired 230,000 shares of HK\$0.10 each in the Company on market at a price of HK\$0.49 per share on 26 April 2004. Such acquisition represents approximately 0.043 per cent. of the total issued share capital of the Company. Before the acquisition, Super Giant was interested in approximately 51.55 per cent. of the total issued share capital of the Company.

Save for the above, the Board confirms that there are no negotiations or agreements relating to intended acquisitions or realisations which are discloseable under paragraph 13.23 of the Listing Rules and that it is not aware of any matter discloseable under the general obligation imposed by Rule 13.09 of the Listing Rules, which is or may be of a price-sensitive nature.

The announcement is made by the order of the Board of the Company, the directors of which individually and jointly accept the responsibility for the accuracy of this announcement.

GENERAL

As at the date of this announcement, the board of directors of the Company comprises (1) Mr. Ng Hung Sang, Robert, Ms. Cheung Choi Ngor, Christina, Mr. Richard Howard Gorges, Ms. Ng, Jessica Yuk Mui and Mr. Ng Yuk Fung, Peter as executive directors; (2) Mr. Tan Boon Seng as non-executive director; and (3) Mr. Lee Wai Choi, Albert and Mr. Chiu Sin Chun as independent non-executive directors.

By Order of the Board
Chong Wai Sang
Company Secretary

Hong Kong, 26th April 2004