

Monthly Return of Equity Issuer on Movements in Securities

**For the month ended
(dd/mm/yyyy) :**

31/12/2018

To : Hong Kong Exchanges and Clearing Limited

Name of Issuer South China Holdings Company Limited 南華集團控股有限公司

Date Submitted 02/01/2019

I. Movements in Authorised Share Capital

1. Ordinary Shares

(1) Stock code : 00413 Description : Ordinary Shares

	No. of ordinary shares	Par value (HK\$)	Authorised share capital (HK\$)
Balance at close of preceding month	<u>20,000,000,000</u>	<u>0.01</u>	<u>200,000,000</u>
Increase/(decrease)	<u>-</u>		<u>-</u>
Balance at close of the month	<u>20,000,000,000</u>	<u>0.01</u>	<u>200,000,000</u>

(2) Stock code : N/A Description : _____

	No. of ordinary shares	Par value (State currency)	Authorised share capital (State currency)
Balance at close of preceding month	_____	_____	_____
Increase/(decrease)	_____		_____
Balance at close of the month	_____	_____	_____

2. Preference Shares

Stock code :	<u>N/A</u>	Description :	<u>Redeemable Convertible Preference Shares</u>
	No. of preference shares	Par value (HK\$)	Authorised share capital (HK\$)
Balance at close of preceding month	<u>3,000,000,000</u>	<u>0.02</u>	<u>60,000,000</u>
Increase/(decrease)	<u>-</u>		<u>-</u>
Balance at close of the month	<u>3,000,000,000</u>	<u>0.02</u>	<u>60,000,000</u>

3. Other Classes of Shares

Stock code :	<u>N/A</u>	Description :	<u></u>
	No. of other classes of shares	Par value (<i>State currency</i>)	Authorised share capital (<i>State currency</i>)
Balance at close of preceding month	<u></u>	<u></u>	<u></u>
Increase/(decrease)	<u></u>		<u></u>
Balance at close of the month	<u></u>	<u></u>	<u></u>

Total authorised share capital at the end of the month (HK\$) : 260,000,000

II. Movements in Issued Share Capital

	No. of ordinary shares		No of preference shares	No. of other classes of shares
	(1)	(2)		
Balance at close of preceding month	<u>13,221,302,172</u>	<u>N/A</u>	<u>394,347,131</u>	<u>N/A</u>
Increase/ (decrease) during the month	<u>-</u>	<u>N/A</u>	<u>(3,656,000)</u>	<u>N/A</u>
Balance at close of the month	<u>13,221,302,172</u>	<u>N/A</u>	<u>390,691,131</u>	<u>N/A</u>

III. Details of Movements in Issued Share Capital

Share Options (under Share Option Schemes of the Issuer)

Particulars of share option scheme including EGM approval date (dd/mm/yyyy) and class of shares issuable	Movement during the month				No. of new shares of issuer issued during the month pursuant thereto	No. of new shares of issuer which may be issued pursuant thereto as at close of the month
	Granted	Exercised	Cancelled	Lapsed		
1. Share option scheme adopted on 05/06/2012						
Ordinary shares (Note 1)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>47,640,000</u>
2. N/A						
(/ /) shares (Note 1)						
3. N/A						
(/ /) shares (Note 1)						
			Total A. (Ordinary shares)		<u>-</u>	
			(Preference shares)		<u>N/A</u>	
			(Other class)		<u>N/A</u>	
Total funds raised during the month from exercise of options (State currency)				<u>N/A</u>		

Warrants to Issue Shares of the Issuer which are to be Listed

Description of warrants (Date of expiry - dd/mm/yyyy)	Currency of nominal value	Nominal value at close of preceding month	Exercised during the month	Nominal value at close of the month	No. of new shares of issuer issued during the month pursuant thereto	No. of new shares of issuer which may be issued pursuant thereto as at close of the month
1.						
(/ /)						
Stock code (if listed)						
Class of shares issuable (Note 1)						
Subscription price						
EGM approval date (if applicable) (dd/mm/yyyy)		(/ /)				
2.						
(/ /)						
Stock code (if listed)						
Class of shares issuable (Note 1)						
Subscription price						
EGM approval date (if applicable) (dd/mm/yyyy)		(/ /)				
3.						
(/ /)						
Stock code (if listed)						
Class of shares issuable (Note 1)						
Subscription price						
EGM approval date (if applicable) (dd/mm/yyyy)		(/ /)				
4.						
(/ /)						
Stock code (if listed)						
Class of shares issuable (Note 1)						
Subscription price						
EGM approval date (if applicable) (dd/mm/yyyy)		(/ /)				
Total B.					(Ordinary shares)	
					(Preference shares)	
					(Other class)	

Convertibles (i.e. Convertible into Shares of the Issuer which are to be Listed)

Class and description	Currency of amount outstanding	Amount at close of preceding month	Converted during the month	Amount at close of the month	No. of new shares of issuer issued during the month pursuant thereto	No. of new shares of issuer which may be issued pursuant thereto as of close of the month
1. Redeemable convertible preference shares				(Remark 1)		(Remark 2)
	HK\$	HK\$315,477,704.8		HK\$312,552,904.8	-	781,382,262
Stock code (if listed)	N/A					
Class of shares issuable (Note 1)	Ordinary					
Conversion	HK\$0.40 per share					
Subscription price	(subject to adjustment)					
EGM approval date (if applicable) (dd/mm/yyyy)	(30/09/2015)					
2. N/A						
Stock code (if listed)						
Class of shares issuable (Note 1)						
Subscription price						
EGM approval date (if applicable) (dd/mm/yyyy)						
3. N/A						
Stock code (if listed)						
Class of shares issuable (Note 1)						
Subscription price						
EGM approval date (if applicable) (dd/mm/yyyy)						
4. N/A						
Stock code (if listed)						
Class of shares issuable (Note 1)						
Subscription price						
EGM approval date (if applicable) (dd/mm/yyyy)	(/ /)					
			Total C. (Ordinary shares)		N/A	
			(Preference shares)		N/A	
			(Other class)		N/A	

Any other Agreements or Arrangements to Issue Shares of the Issuer which are to be Listed, including Options (other than under Share Option Schemes)

Full particulars including EGM approval date (dd/mm/yyyy), if applicable, and class of shares issuable:	No. of new shares of issuer issued during the month pursuant thereto	No. of new shares of issuer which may be issued pursuant thereto as at close of the month
1. _____ _____ _____ _____ (/ /) _____ shares (Note 1)		
2. _____ _____ _____ _____ (/ /) _____ shares (Note 1)		
3. _____ _____ _____ _____ (/ /) _____ shares (Note 1)		
Total D. (Ordinary shares) (Preference shares) (Other class)		

Other Movements in Issued Share Capital

Type of Issue				No. of new shares of issuer issued during the month pursuant thereto	No. of new shares of issuer which may be issued pursuant thereto as at close of the month
1. Rights issue	At price :	State currency _____	Class of shares issuable (Note 1) _____	(/ /)	_____
			Issue and allotment date : (dd/mm/yyyy)		
			EGM approval date: (dd/mm/yyyy)		
2. Open offer	At price :	State currency _____	Class of shares issuable (Note 1) _____	(/ /)	_____
			Issue and allotment date : (dd/mm/yyyy)		
			EGM approval date: (dd/mm/yyyy)		
3. Placing	At price :	State currency _____	Class of shares issuable (Note 1) _____	(/ /)	_____
			Issue and allotment date : (dd/mm/yyyy)		
			EGM approval date: (dd/mm/yyyy)		
4. Bonus issue			Class of shares issuable (Note 1) _____	(/ /)	_____
			Issue and allotment date : (dd/mm/yyyy)		
			EGM approval date: (dd/mm/yyyy)		

Type of Issue				No. of new shares of issuer issued during the month pursuant thereto	No. of new shares of issuer which may be issued pursuant thereto as at close of the month
5. Scrip dividend	At price :	State currency _____	Class of shares issuable (<i>Note 1</i>) _____ Issue and allotment date : (dd/mm/yyyy) _____ EGM approval date: (dd/mm/yyyy) _____	(/ /) _____	(/ /) _____
6. Repurchase of shares			Class of shares repurchased (<i>Note 1</i>) _____ Cancellation date : (dd/mm/yyyy) _____ EGM approval date: (dd/mm/yyyy) _____	(/ /) _____	(/ /) _____
7. Redemption of shares			Class of shares redeemed (<i>Note 1</i>) _____ Redemption date : (dd/mm/yyyy) _____ EGM approval date: (dd/mm/yyyy) _____	Redeemable convertible preference shares _____ (31/12/2018)	(/ /) _____
				(3,656,000) (Remark 1)	N/A
8. Consideration issue	At price :	State currency _____	Class of shares issuable (<i>Note 1</i>) _____ Issue and allotment date : (dd/mm/yyyy) _____ EGM approval date: (dd/mm/yyyy) _____	(/ /) _____	(/ /) _____

Type of Issue		No. of new shares of issuer issued during the month pursuant thereto	No. of new shares of issuer which may be issued pursuant thereto as at close of the month
9. Capital reorganisation	Class of shares _____ issuable (Note 1) Issue and allotment date : (dd/mm/yyyy) (/ /) EGM approval date: (dd/mm/yyyy) (/ /)	_____	_____
10. Other (Please specify)	At price : State currency _____ Class of shares _____ issuable (Note 1) Issue and allotment date : (dd/mm/yyyy) (/ /) EGM approval date: (dd/mm/yyyy) (/ /)	_____	_____
Total E. (Ordinary shares)		<u>N/A</u>	
(Preference shares)		<u>(3,656,000)</u>	
(Other class)		<u>N/A</u>	

Total increase / (decrease) in ordinary shares during the month (i.e. Total of A to E):	(1)	<u>N/A</u>
	(2)	<u>N/A</u>
Total increase / (decrease) in preference shares during the month (i.e. Total of A to E):		<u>(3,656,000)</u>
Total increase / (decrease) in other classes of shares during the month (i.e. Total of A to E):		<u>N/A</u>
<i>(These figures should be the same as the relevant figures under II above ("Movements in Issued Share Capital").)</i>		

Remarks (if any):

1. On 31 December 2018, an aggregate of 3,656,000 2015 Preference Shares (as defined below) were redeemed by South China Holdings Company Limited (the “Company”) at the price of HK\$0.80 per 2015 Preference Share according to the terms of the 2015 Preference Shares. Hence, the total amount of the 2015 Preference Shares decreased by HK\$2,924,800 and became HK\$312,552,904.8 at the close of December 2018.

2. Notwithstanding the restrictions on conversion of the redeemable convertible preference shares, which were issued on 7 October 2015, (“2015 Preference Shares”) as disclosed in the circular of the Company dated 4 September 2015 that ordinary shares will be issued upon the conversion of the 2015 Preference Shares at the conversion price of HK\$0.40 at the initial conversion rate that one 2015 Preference Share to 2 ordinary shares according to the terms of the 2015 Preference Shares, 781,382,262 ordinary shares will be issued on the assumption of full conversion of the remaining 2015 Preference Shares at the close of December 2018.

Submitted by: Richard Howard Gorges

Title: Director
(Director, Secretary or other duly authorised officer)

Notes :

1. *State the class of shares (e.g. ordinary, preference or other).*
2. *If there is insufficient space, please append the prescribed continuation sheet.*