



SHUN CHEONG HOLDINGS LIMITED

(Incorporated in Bermuda with limited liability)

(Stock code: 650)

NOTICE OF SPECIAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that a special general meeting of Shun Cheong Holdings Limited (the “Company”) will be held at Lotus Room, 6th Floor, The Marco Polo Hong Kong Hotel, Harbour City, Kowloon, Hong Kong on Monday, 27 March 2006 at 10:00 a.m. for the purpose of considering and, if thought fit, passing the following resolutions as ordinary resolutions of the Company:

ORDINARY RESOLUTION

“1. THAT

- (a) the disposal of the entire issued share capital of Shun Cheong Investments Limited to Chinney Alliance Trading (BVI) Limited (the “Disposal”) pursuant to the sale and purchase agreement dated 26 January 2006 (the “Agreement”) made between the Company as vendor, Chinney Alliance Trading (BVI) Limited as purchaser and Chinney Alliance Group Limited as purchaser’s guarantor for an aggregate cash consideration of HK\$35,000,000, including the indemnity to be given by Chinney Alliance Group Limited in favour of the Company for the guarantee of the performance of Chinney Alliance Trading (BVI) Limited under the Agreement and to indemnify the Company for all its obligations under guarantees provided to banks and/or third parties for the business operation of Shun Cheong Investments Limited and its subsidiaries and an undertaking to procure the release of such guarantees within three months from the date of completion of the Agreement, be and is hereby approved and confirmed;
- (b) the contents of the Agreement in relation to the sale and purchase of the entire issued share capital of Shun Cheong Investments Limited and all the transactions contemplated under the Agreement (a copy of which has been produced to the Meeting marked “A” and initialed by the Chairman of the Meeting for the purpose of identification), be and are hereby approved, ratified and confirmed; and
- (c) any directors of the Company be and is hereby irrevocably and unconditionally authorised to execute (whether under seal or under hand) all such documents, instruments and agreements and to do all such acts and things deemed by him to be incidental to, ancillary to or in connection with the matters contemplated in or relating to the Agreement and/or the Disposal as he may consider necessary, desirable or expedient.”

“2. **THAT** two sub-contracting agreements dated 31 December 2005 (the “Sub-Contracting Agreements”) entered into between each of Shun Cheong Electrical Engineering Company Limited and Westco Airconditioning Limited (as main contractors) and Tinhawk Company Limited (as sub-contractor) (the “Continuing Connected Transactions”), a copy of which is tabled at the meeting and marked “B” and initialled by the chairman of the meeting for identification purpose, and the proposed annual caps in relation to the Continuing Connected Transactions for the two financial years ending 31 March 2008 (the “Annual Caps”) be and are hereby approved, ratified and confirmed.”

By order of the Board
Shun Cheong Holdings Limited
Chan Yuen Keung, Zuric
Chairman

Hong Kong, 10 March 2006

Head Office and Principal Place of Business:

Block C, 9/F

Hong Kong Spinners Industrial Building, Phase VI

481-483 Castle Peak Road

Kowloon

Hong Kong

Notes:

1. A member entitled to attend and vote at the meeting is entitled to appoint one or more than one proxy to attend and, subject to the provisions of the bye-laws of the Company, vote in his stead. A proxy need not be a member of the Company.
2. A form of proxy for use for the aforesaid purpose will be delivered forthwith together with a copy of this original notice to the registered address of the members entitled to vote at the meeting. In order to be valid, the said form of proxy, together with a power of attorney or other authority, if any, under which it is signed or a notarially certified copy of that power of attorney or authority, must be lodged with the Company’s share registrar in Hong Kong, Computershare Hong Kong Investor Services Limited at Rooms 1712-16, 17th Floor, Hopewell Centre, 183 Queen’s Road East, Hong Kong not less than 48 hours before the time for holding the meeting or any adjourned meeting at which the person named in such instrument proposes to vote.
3. Whether or not you propose to attend the meeting in person, you are strongly urged to complete and return the said form of proxy in accordance with the instructions printed thereon. Completion and return of such form of proxy will not preclude you from attending the meeting and voting in person if you so wish (in which case any appointment of proxy for the purpose of the meeting will be automatically revoked).
4. For joint registered holders of any share attending the meeting on the same occasion, the vote of the holder whose name stands first on the register who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holders.
5. As at the date hereof, the board of directors of the Company comprises of seven directors, of whom four are executive directors, namely Mr. Chan Yuen Keung, Zuric, Mr. Hong Yiu, Mr. Yu Sek Kee, Stephen and Mr. Au Yu Fai, Patrick; and three are independent non-executive directors, namely Dr. Chan Chok Ki, Mr. Ho Hin Kwan, Edmund and Mr. Yu Hon To, David.

Please also refer to the published version of this announcement in The Standard.