



SHUN CHEONG HOLDINGS LIMITED

(Incorporated in Bermuda with limited liability)

(Stock code: 650)

FRAMEWORK AGREEMENT IN RELATION TO THE ACQUISITION OF THE HOTEL PROJECT

On 12 March 2008, the Company, through its wholly-owned subsidiary, entered into a non-legally binding framework agreement with the Independent Third Parties pursuant to which the Independent Third Parties agreed to sell and the Company agreed to acquire the entire equity interests of the Hotel Project.

The Framework Agreement may or may not lead to the entering into of the Formal Agreement by the Company and accordingly, the said acquisition may or may not proceed. In the event that the Formal Agreement materializes, the transactions contemplated thereunder may constitute a very substantial acquisition for the Company under the Listing Rules.

This announcement is made pursuant to Rule 13.09 of the Listing Rules.

THE FRAMEWORK AGREEMENT

The Board announces that on 12 March 2008, the Company, through its wholly-owned subsidiary, entered into a non-legally binding framework agreement with the Independent Third Parties pursuant to which the Independent Third Parties agreed to sell and the Company agreed to acquire the entire equity interests of the Hotel Project.

Upon entering into of the Framework Agreement, the Company will be given the exclusive rights by the Independent Third Parties to negotiate on the terms and conditions of the possible acquisition of the Hotel Project and to conduct due diligence on the Hotel Project.

The Framework Agreement may or may not lead to the entering into of the Formal Agreement by the Company and accordingly, the said acquisition may or may not proceed. In the event that the Formal Agreement materializes, the transactions contemplated thereunder may constitute a very substantial acquisition for the Company under the Listing Rules.

Further announcement will be made in respect thereof as and when required by the Listing Rules. **Shareholders and potential investors are advised to exercise caution when dealing in the shares of the Company.**

DEFINITIONS

In this announcement, unless the context otherwise requires, the following terms shall have the following meanings:

“Board”	the board of directors
“Company”	Shun Cheong Holdings Limited, a company incorporated in Bermuda with limited liability of which shares are listed on the Stock Exchange
“Directors”	director(s) of the Company
“Framework Agreement”	the non-legally binding framework agreement dated 12 March 2008 entered into between the Company and the Independent Third Parties pursuant to which the Independent Third Parties agreed to sell and the Company, through its wholly-owned subsidiary, agreed to acquire the entire equity interests of the Hotel Project
“Formal Agreement”	the formal sale and purchase agreement which may be entered into by the Company with respect to the possible acquisition of the Hotel Project
“Hotel Project”	廣西沃頓國際大酒店有限公司 (Guangxi Wharton International Hotel Company Limited), which holds, among others, a hotel and the relevant land use right in Nanning, the PRC
“Independent Third Parties”	北海銀河高科技產業股份有限公司 (Beihai Yinhe High Technology Industry Company Limited) and Mr. Gao Jian who respectively owns 95% and 5% of the equity interest in the Hotel Project
“Listing Rules”	The Rules Governing the Listing of Securities on the Stock Exchange
“PRC”	the People’s Republic of China

“Shareholder(s)” holder(s) of shares of the Company

“Stock Exchange” the Stock Exchange of Hong Kong Limited

By the Order of the Board
SHUN CHEONG HOLDINGS LIMITED
Cao Jing
Executive Chairman

Hong Kong, 12 March 2008

As at the date hereof, the Board comprises six directors, of whom two are executive directors, namely Ms. Cao Jing (executive chairman) and Mr. Zhang Shaohua (managing director), one is non-executive director, namely Mr. Mo Tianquan, and three are independent non-executive directors, namely Prof. Ye Jianping, Mr. Derek Palaschuk and Mr. Yao Xusheng.