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SHUN CHEONG HOLDINGS LIMITED

順昌集團有限公司*

(Incorporated in Bermuda with limited liability)

(Stock code: 650)

RESULTS OF THE RIGHTS ISSUE

AND

ADJUSTMENT IN RELATION TO THE CONVERTIBLE BOND

RESULTS OF THE RIGHTS ISSUE

The Board is pleased to announce that as at 4:00 p.m. on Wednesday, 4 June 2008, being the latest time for acceptance of and payment for the Rights Shares and applications for excess Rights Shares, a total of 128 valid acceptances of provisional allotment of Rights Shares has been received for a total of 165,508,083 Rights Shares and a total of 126 valid applications for excess applications have been received for a total of 13,329,730 Rights Shares. In aggregate, a total of 254 valid applications for 178,837,813 Rights Shares have been received, representing approximately 85.82% of the total number of 208,395,600 Rights Shares offered under the Rights Issue.

The Underwriting Agreement has become unconditional at 4:00 p.m. on Friday, 6 June 2008.

Based on the above, the Rights Issue was under-subscribed and therefore the Underwriter has performed its obligation under the Underwriting Agreement and taken up the remaining balance of 29,557,787 Rights Shares.

It is expected that the share certificates for the Rights Shares in respect of the valid acceptance of the Rights Shares on PALs and successful applications for excess Rights Shares, in their fully-paid form, will be despatched to the allottees by ordinary post at their own risks on Friday, 13 June 2008.

ADJUSTMENT IN RELATION TO THE CONVERTIBLE BOND

Pursuant to the terms of the Convertible Bond, the conversion price of the Convertible Bond has been adjusted from HK\$0.60 per Share to HK\$0.3695 per Share and the number of Shares falling to be issued upon full conversion of the Convertible Bond has been adjusted from 200,000,000 Shares to 324,763,193 Shares as a result of the Rights Issue.

Reference is made to the prospectus dated 20 May 2008 issued by Shun Cheong Holdings Limited (the “Company”) in relation to the Rights Issue (the “Prospectus”). Capitalized terms used herein shall have the same meanings as those defined in the Prospectus unless the context requires otherwise.

RESULTS OF THE RIGHTS ISSUE

The Board is pleased to announce that as at 4:00 p.m. on Wednesday, 4 June 2008, being the latest time for acceptance of and payment for the Rights Shares and applications for the excess Rights Shares, a total of 128 valid acceptances of provisional allotment of Rights Shares have been received for a total of 165,508,083 Rights Shares and a total of 126 valid applications for excess applications have been received for a total of 13,329,730 Rights Shares. In aggregate, a total of 254 valid applications for 178,837,813 Rights Shares have been received, representing approximately 85.82% of the total number of 208,395,600 Rights Shares offered under the Rights Issue.

Pursuant to the Underwriting Agreement, Upsky has undertaken 105,267,373 Rights Shares, being the rights entitlement which will be provisionally allotted to it as the holder of 70,178,249 Shares under the Rights Issue.

All the conditions precedent set out in the Underwriting Agreement have been fulfilled and the Underwriting Agreement has not been terminated in accordance with its terms and conditions. Accordingly, the Underwriting Agreement has become unconditional at 4:00 p.m. on Friday, 6 June 2008.

Based on the above, the Rights Issue was under-subscribed and therefore the Underwriter has performed its obligation under the Underwriting Agreement and taken up the remaining balance of 29,557,787 Rights Shares.

EXCESS RIGHTS SHARES

Regarding the 126 valid applications for the Rights Shares under the EAFs, the Directors have resolved to allot, from among the 42,887,517 Rights Shares not applied for under PALs, to the applicants of the excess Rights Shares.

SHAREHOLDING STRUCTURE OF THE COMPANY

The following is a summary of the shareholding structure of the Company immediately before and after completion of the Rights Issues:

	Immediately before completion of the Rights Issue		Immediately after completion of the Rights Issue	
	<i>Number of Shares</i>	<i>(%)</i>	<i>Number of Shares</i>	<i>(%)</i>
Upsky	70,178,249	50.51	205,003,409	59.02
Public Shareholders	68,752,151	49.49	142,322,591	40.98
Total	<u>138,930,400</u>	<u>100.00</u>	<u>347,326,000</u>	<u>100.00</u>

DESPATCH OF SHARE CERTIFICATES FOR RIGHTS SHARES AND COMMENCEMENT OF DEALINGS IN RIGHTS SHARES IN FULLY-PAID FORM

It is expected that the share certificates for the Rights Shares in respect of the valid acceptance of the Rights Shares on PALs and successful applications for excess Rights Shares, in their fully-paid form, will be despatched to the allottees by ordinary post at their own risks on Friday, 13 June 2008.

Dealing in the Rights Shares, in their fully-paid form, are expected to commence on the Stock Exchange at 9:30 a.m. on Tuesday, 17 June 2008.

ADJUSTMENT IN RELATION TO THE CONVERTIBLE BOND

Pursuant to the terms of the Convertible Bond, the conversion price of the Convertible Bond has been adjusted from HK\$0.6 per Share to HK\$0.3695 per Share and the number of Shares falling to be issued upon full conversion of the Convertible Bond has been adjusted from 200,000,000 Shares to 324,763,193 Shares as a result of the Rights Issue.

By order of the Board
Shun Cheong Holdings Limited
Cao Jing
Executive Chairman

Hong Kong, 12 June 2008

The Directors as at the date of this announcement:

Executive Directors:

Ms. Cao Jing (*executive chairman*)

Mr. Zhang Shaohua (*managing director*)

Non-executive Director:

Mr. Mo Tianquan

Independent non-executive Directors:

Prof. Ye Jianping

Mr. Derek Palaschuk

Mr. Yao Xusheng

This announcement will remain on the “Latest Company Announcements” page of the website of the Stock Exchange at <http://www.hkexnews.hk/> and the website of the Company at www.irasia.com/listco/hk/shuncheong for at least 7 days from the date of its posting.

* *For identification purpose only*