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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)

FURTHER DELAY IN DESPATCH OF CIRCULAR IN RELATION TO VERY SUBSTANTIAL ACQUISITION

The Company has applied to the Stock Exchange for a waiver from strict compliance with the requirements of Rule 14.38 of the Listing Rules and to further postpone the despatch of the Circular relating to the Acquisition from 27 October 2008 to on or before 23 December 2008.

References were made to the announcement dated 2 September 2008 (the “**Announcement**”) made by the Company in relation to the Acquisition and the announcement dated 23 September 2008 (the “**Delay Announcement**”) made by the Company in relation to the delay in despatch of Circular. Unless otherwise defined, terms used in this announcement shall have the same meanings as those in the Announcement and the Delay Announcement.

Pursuant to Rule 14.38 of the Listing Rules, the Company is required to despatch the Circular within 21 days after the publication of the Announcement, which is on or before 23 September 2008.

As announced in the Delay Announcement, application had been made to the Stock Exchange for a waiver from strict compliance with Rule 14.38 of the Listing Rules and to postpone the despatch of the Circular to on or before 27 October 2008. Such waiver had been granted by the Stock Exchange.

However during the preparation of the accountants' report of the Target Group by CCIF CPA Limited, it is noticed that there is insufficient information on the substance and economic reality and the recoverability of certain significant amount of other receivables of the Target Group and thus additional information is required to be provided by the Vendor and the Target Group. As a result, additional time is required to prepare and finalize the accountants' report of the Target Group, the pro-forma financial information of the Enlarged Group, the indebtedness statement and working capital sufficiency statement of the Enlarged Group. The Company will use the best endeavor to procure the Vendor and reporting accountant to complete all the outstanding works before mid-December 2008. Therefore the Company has made an application to the Stock Exchange for a waiver from strict compliance with the requirements of Rule 14.38 of the Listing Rules and to further postpone the despatch of the Circular from 27 October 2008 to on or before 23 December 2008.

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

Hong Kong, 27 October 2008

As at the date hereof, the Board comprises of 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.

* *For identification purposes only*