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South Sea Holding Company Limited

南海控股有限公司*

(Incorporated in Bermuda with limited liability)

Announcement

The Board announces that the adjustment in the nominal value of the share in the capital of the Company from HK\$0.10 to HK\$0.01 has been approved by the Shareholders.

Trading in the board lot size of 50,000 shares of HK\$0.01 each in the issued share capital of the Company on the Stock Exchange will commence on 10 May 2002.

Reference is made to the circular dated 28 March 2002 (the “Circular”) of the Company. Terms used in this announcement shall have the same meanings as defined in the Circular unless the context otherwise requires.

ADJUSTMENT PROPOSAL

The Board announces that the Adjustment Proposal was approved by a special resolution passed today at a general meeting by the Shareholders. Accordingly, the nominal value of the share in the capital of the Company will be adjusted from HK\$0.10 to HK\$0.01 with effect from 2 May 2002. In addition, the Shareholders also approved the increase in the authorized share capital of the Company immediately following the implementation of Adjustment Proposal. As a result, the authorized share capital of the Company will be HK\$5,000,000,000.00 divided into 500,000,000,000 shares of HK\$0.01 each, of which 29,931,804,183 shares are in issue and credited as fully paid up.

TRADING ARRANGEMENTS

The Board also announces that with effect from 10 May 2002, the board lot size for trading on the Stock Exchange will be changed to 50,000 shares of HK\$0.01 each in the issued share capital of the Company.

ODD LOT ARRANGEMENT

The Company has appointed Luen Fat Securities Company, Limited as an agent to provide matching services on a best effort basis to those Shareholders who wish to top up or sell their holding of odd lots of shares during the period from Friday, 10 May 2002 to Monday, 10 June 2002 (both days inclusive). Holders of shares in odd lots who wish to take advantage of this facility either to dispose of their odd lots or to round them up to a full board lot may contact Mr. Fok Chi Bun of 23/F, Euro Trade Centre, 21-23 Des Voeux Road, Central, Hong Kong at telephone number 2525-8415.

FREE EXCHANGE OF SHARE CERTIFICATES

The Board also announces that the printing of new share certificates has been completed. Shareholders who desire to exchange their existing share certificates (in red colour) for the new share certificates (in lavender colour) may do so at no cost provided that their existing certificates are received by the Registrar during the period from Thursday, 2 May 2002 to Monday, 3 June 2002 (both days inclusive). Subsequent exchanges will incur a fee of HK\$2.50 (subject to change) for each of certificates to be issued.

By Order of the Board
Watt Ka Po James
Company Secretary

Hong Kong, 30 April 2002

* *for identification purpose only*

Please also refer to the published version of this announcement in the imail dated 2/5/2002.