SOUTH SEA HOLDING COMPANY LIMITED

南 海 控 股 有 限 公 司*

(Incorporated in Bermuda with limited liability)

TERMINATION OF THE EXISTING SHARE OPTION SCHEME

AND ADOPTION OF NEW SHARE OPTION SCHEME

The shareholders of the Company have approved the adoption of the New Share Option Scheme and the termination of the Existing Share Option Scheme at the Special General Meeting held on 29 August 2002.

Reference is made to a circular dated 31 July 2002 ("**Circular**") regarding the adoption of the New Share Option Scheme and the termination of the Existing Share Option Scheme. Unless otherwise defined, terms used herein shall have the meaning as in the Circular.

The Board is pleased to announce that at the Special General Meeting held on 29 August 2002, the resolution for approving the adoption of the New Share Option Scheme and the termination of the Existing Share Option Scheme was duly passed by the shareholders of the Company.

By Order of the Board
Watt Ka Po James
Company Secretary

Hong Kong, 29 August 2002

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** for identification purpose only*

Please also refer to the published version of this announcement in The Standard dated 30 August 2002.