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NEO-CHINA GROUP (HOLDINGS) LIMITED
中新集團（控股）有限公司*

(Incorporated in Bermuda with limited liability)

(Stock Code: 563)

**DELAY IN DESPATCH OF CIRCULAR IN RELATION TO
MAJOR TRANSACTION**

Reference is made to the First Announcement issued by the Company on 8 October 2007 and the Second Announcement issued on 23 October 2007 in respect of the acquisition of 100% equity interest in 珠海市淇州島影視城有限公司 (Zhuhai City Qi Zhou Island Movie Town Company Limited).

The Company has applied to the Stock Exchange for a waiver from strict compliance with the requirements under Rules 14.38 and 14.40 of the Listing Rules and for an extension of the deadline for the despatch of the Circular to be not later than 28 November 2007.

Reference is made to the first announcement of 8 October 2007 (the “First Announcement”) and the second announcement of 23 October 2007 (the “Second Announcement”) issued by the Company in respect of the acquisition of 100% equity interest in 珠海市淇州島影視城有限公司 (Zhuhai City Qi Zhou Island Movie Town Company Limited). Terms defined in the First Announcement shall have the same meanings when used herein, unless the context otherwise requires.

* *For identification purpose only*

Pursuant to Rules 14.38 and 14.40 of the Listing Rules, the circular in relation to the Acquisition (the “Circular”) is required to be sent to the Shareholders within 21 days after the publication of the First Announcement, that is, on or before 29 October 2007.

However, since the Acquisition was re-classified as a major transaction as disclosed in the Second Announcement, the Company expects that additional time is required to finalise the accountants’ report of the Project Company and prepare the unaudited pro forma financial information of the Company and its subsidiaries as enlarged by the Acquisition. Accordingly, the Company has applied to the Stock Exchange for a waiver from strict compliance with the requirements under Rules 14.38 and 14.40 of the Listing Rules and for an extension of the deadline for the despatch of the Circular to be not later than 28 November 2007.

By Order of the Board of
Neo-China Group (Holdings) Limited
Li Song Xiao
Chairman

Hong Kong, 29 October, 2007

As at the date of this announcement, Mr. Li Song Xiao, Mr. Liu Yi, Ms. Niu Xiao Rong, Mr. Yuan Kun and Ms. Liu Yan are the executive Directors and Ms. Nie Mei Sheng, Mr. Zhang Qing Lin and Mr. Gao Ling are independent non-executive Directors.