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SOUTH CHINA HOLDINGS LIMITED

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 265)



SOUTH CHINA INDUSTRIES LIMITED

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 413)



CAPITAL PUBLICATIONS LIMITED

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 8155)

JOINT ANNOUNCEMENT DELAY IN DESPATCH OF CIRCULARS

Extension of time limit for the despatch of the circulars for each of SCH, SCI and CPL to on or before 12 February 2007.

Reference is made to the joint announcement of SCH, SCI and CPL dated 10 January 2007 (the “Joint Announcement”) in relation to (i) Major and Connected Transactions of SCH and SCI in relation to indirect disposal by SCI of 51% equity interest in Praise Rich Limited; (ii) Major and Connected Transactions of SCH and SCI in relation to the Guarantee; and (iii) Very Substantial Acquisition and Connected Transactions of CPL in relation to acquisition of 51% equity interest in Praise Rich Limited, and Proposed Change of Name. Terms used in this announcement shall have the same meaning as defined in the Joint Announcement unless the context otherwise provides.

Pursuant to Rules 14.38 and 14A.49 of the Listing Rules, the circulars for each of SCH and SCI containing details of the transactions as listed above shall be despatched to the shareholders of SCH and SCI respectively within 21 days after the publication of the Joint Announcement, being no later than 1 February 2007. Pursuant to Rules 19.38 and 20.49 of the GEM Listing Rules, the

circular for CPL containing details of the transactions as listed above shall be despatched to the shareholders of CPL within 21 days after the publication of the Joint Announcement, being also no later than 1 February 2007.

Additional time is required for the relevant parties (including but not limited to CPL's reporting accountants who are currently in the process of finalising the relevant information in respect of the transactions as listed above) for preparing information for inclusion in the circular of CPL.

The directors of SCH and SCI consider that the inclusion of the latest information in the circulars of SCH and SCI so as to be in line with the despatch date of the circular of CPL to on or before 12 February 2007 is in the benefits of both the shareholders of SCH and SCI.

In view of the above, SCH, SCI and CPL had applied to the Stock Exchange for the extension of time limit for the despatch of their respective circulars to on or before 12 February 2007.

On behalf of the Board of
South China Holdings Limited
Cheung Choi Ngor
Director

On behalf of the Board of
South China Industries Limited
Cheung Choi Ngor
Director

On behalf of the Board of
Capital Publications Limited
Ng Yuk Yeung, Paul
Director

Hong Kong, 31 January 2007

As at the date of this announcement, the SCH Board comprises four executive directors, being Mr. Ng Hung Sang, Mr. Richard Howard Gorges, Ms. Cheung Choi Ngor and Mr. Ng Yuk Fung, Peter; two non-executive directors, being Mr. David Michael Norman and Ms. Ng Yuk Mui, Jessica; and three independent non-executive directors, being Mr. David John Blackett, Ms. Wong Siu Yin, Elizabeth and Mr. Cheng Hong Kei.

As at the date of this announcement, the SCI Board comprises four executive directors, being Mr. Ng Hung Sang, Mr. Richard Howard Gorges, Ms. Cheung Choi Ngor and Mr. Ng Yuk Fung, Peter; one non-executive director, being Ms. Ng Yuk Mui, Jessica; and three independent non-executive directors, being Mr. Chiu Sin Chun, Ms. Wong Siu Yin, Elizabeth, and Ms. Li Yuen Yu, Alice.

As at the date of this announcement, the CPL Board comprises four executive directors, being Mr. Ng Hung Sang, Mr. Ng Yuk Yeung, Paul, Mr. Hui Ping and Mr. Ng Yuk Fung, Peter; one non-executive director, being Ms. Ng Yuk Mui, Jessica; and three independent non-executive directors, being Mr. Law Cho Wa, Richard, Dr. Lo Wing Yan, William, JP and Mr. Cheng Yuk Wo.

This announcement will remain on the "Latest Company Announcements" page of the GEM website at www.hkgem.com for a minimum period of 7 days from the date of its publication and on the website of CPL at www.capital-hk.com.

A copy of this announcement can be obtained from the website at www.sctrade.com.

Please also refer to the published version of this announcement in The Standard.