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(incorporated in Bermuda with limited liability)

(Stock code: 431)

SUPPLEMENTAL LEGALLY BINDING MEMORANDUM OF UNDERSTANDING FOR THE PROPOSED INVESTMENT IN A JOINT VENTURE COMPANY IN THE PRC

The Board announced that on 29 November 2005, the Purchaser, a wholly-owned subsidiary of the Company, has entered into the Supplemental MOU with the Sellers, pursuant to which the parties agreed to extend the time for the negotiation and finalisation of the Formal Agreement from three months from the date of the MOU (i.e. 30 November 2005) to six months from the date of the MOU (i.e. 28 February 2006).

The Proposed Investment is subject to the due diligence, negotiation, finalization and entering into of the Formal Agreement. **Accordingly, the Proposed Investment may or may not proceed.** Subject to the terms of the Formal Agreement if the Proposed Investment materializes, it is presently expected that the Proposed Investment may constitute a notifiable transaction for the Company under the Listing Rules. **Shareholders and potential investors are advised to exercise extreme caution when dealing in the Shares.**

Further announcement will be made by the Company as and when necessary in compliance with the Listing Rules, if required.

Reference is made to the announcement of the Company dated 31 August 2005 and the circular of the Company dated 22 September 2005 (the "Circular") relating to the legally binding MOU dated 30 August 2005 entered into among the Purchaser and the Sellers, pursuant to which the Purchaser intends to acquire in part or in whole of the issued share capital of Keycharm from the Sellers. Unless otherwise stated, capitalised terms used herein shall have the same meanings as those defined in the Circular.

On 29 November 2005, the Purchaser and the Sellers have entered into a supplemental memorandum of understanding (the "Supplemental MOU") pursuant to which the parties agreed to extend the time for the negotiation and finalisation of the Formal Agreement from three months from the date of the MOU (i.e. 30 November 2005) to six months from the date of the MOU (i.e. 28 February 2006) (the "Extension"). Pursuant to the Supplemental MOU, the Sellers also agreed to extend the exclusive right to the Purchaser for a period of three months from the

date of the MOU to six months from the date of the MOU for the purpose of the negotiation of the terms of the Proposed Investment. Save as expressly amended by the Supplemental MOU, all terms and conditions of the MOU and the share charge over all the issued shares of Keycharm in favour of the Purchaser as chargee as security for the performance by the Sellers of their obligations under the MOU shall remain in full force and effect.

The Extension is to allow more time to review the due diligence documents on the assets, business, operation, accounting, taxation, legal and financial aspects of the Keycharm Group for facilitating the negotiation and finalisation of the terms and conditions for the Proposed Investment. In particular, given that the JV Company is still in the process of obtaining the legal title of the land to be developed and in view of the public holidays in Hong Kong and the PRC in the coming two months, the Board considers that the Extension of three months is appropriate.

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By order of the board of
Greater China Holdings Limited
Ma Xiaoling
Chairman

Hong Kong, 29 November 2005

As at the date of this announcement, the Board comprises Ms. Ma Xiaoling and Mr. Chan Sze Hon as executive Directors; and Mr. Ching Men Ky Carl, Mr. Lin Ruei-min and Mr. Shu Wa Tung Laurence as independent non-executive Directors.

* *For identification purpose only*

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