大中華實業控股有限公司*

GREATER CHINA HOLDINGS LIMITED

(incorporated in Bermuda with limited liability)

(Stock Code: 431)

FINAL RESULTS
FOR THE YEAR ENDED 31 DECEMBER 2005

SUMMARY OF RESULTS

The Board of Directors (the "Directors") of Greater China Holdings Limited (the "Company") announced the audited financial results of the Company and its subsidiaries (the "Group") for the year ended 31 December 2005, together with the figures for the year ended 2004 are as follows:

CONSOLIDATED INCOME STATEMENT

FOR THE YEAR ENDED 31 DECEMBER 2005

	NOTES	**2005** **HK$'000**	2004 HK$'000 (restated)
Revenue	5	**38,679**	15,207
Rental outgoings		**(592)**	(1,356)
Cost of sales		**(23,117)**	(7,195)
Gross profit		**14,970**	6,656
Other income		**176**	71
Gain on change in fair value of investment properties		**52,600**	11,000
Unrealised holding gain of investments in securities		**–**	4,709
Selling and distribution costs		**(1,406)**	(49)
Administrative expenses		**(11,193)**	(5,822)
Amortisation of goodwill on acquisition of subsidiaries		**–**	(820)
Impairment loss on buildings		**–**	(813)
Finance costs	6	**(5,950)**	(2,984)
Profit before taxation		**49,197**	11,948
Income tax charge (credit)	7	**6,040**	(113)
Profit for the year		**43,157**	12,061
Attributable to:			
Equity holders of the Company		**43,341**	12,709
Minority interests		**(184)**	(648)
		43,157	12,061
Earnings per share	8		
– Basic		**17.32 cents**	5.74 cents
– Diluted		**N/A**	N/A

CONSOLIDATED BALANCE SHEET
AT 31 DECEMBER 2005

	2005 HK$'000	2004 HK$'000 (restated)
Non-Current Assets		
Property, plant and equipment	**5,447**	4,796
Land lease prepayment	**3,232**	3,438
Investment properties	**318,600**	266,000
Investments in securities	**–**	3,000
Available-for-sale investments	**3,000**	–
Deposit paid for acquisition of subsidiaries	**11,590**	–
	341,869	277,234
Current Assets		
Inventories	**533**	227
Investments in securities	**–**	19,214
Held-for-trading investment	**48**	–
Trade receivables	**953**	1,342
Land lease prepayment	**72**	72
Prepayments and deposits	**1,142**	1,389
Bank balances and cash	**24,192**	4,080
	26,940	26,324
Current Liabilities		
Trade and other payables	**8,012**	9,986
Consideration payable for acquisition of subsidiaries	**–**	4,000
Amounts due to directors	**–**	3,268
Amount due to a minority shareholder of a subsidiary	**6,258**	3,583
Rental deposits	**3,107**	3,241
Taxation	**14,687**	14,687
Bank loans	**6,362**	130,443
	38,426	169,208
Net Current Liabilities	**(11,486)**	(142,884)
Total Assets less Current Liabilities	**330,383**	134,350
Non-Current Liabilities		
Bank loans	**123,350**	–
Deferred taxation	**6,709**	657
	130,059	657
	200,324	133,693
Capital and Reserves		
Share capital	**1,430**	1,192
Reserves	**198,894**	132,317
Equity attributable to equity holders of the Company	**200,324**	133,509
Minority interests	**–**	184
	200,324	133,693

NOTES TO THE FINANCIAL STATEMENTS

1. GENERAL

The Company was incorporated in Bermuda as an exempted company with limited liability under the Companies Act 1981 of Bermuda (as amended) and its shares are listed on The Stock Exchange of Hong Kong Limited (the "Stock Exchange").

The financial statements are presented in Hong Kong dollars, which is the same as the functional currency of the Company.

The Group is principally engaged in property investment, securities trading, production and sale of fertilizers and chemicals.

2. BASIS OF PREPARATION OF FINANCIAL STATEMENTS

In preparing the consolidated financial statements, the directors have given careful consideration to the future liquidity of the Group in light of the Group's net current liabilities of HK$11,486,000 at 31 December 2005. The directors are satisfied that, with the net long term bank loan of HK$41,000,000 obtained subsequent to the balance sheet date, the Group is able to meet in full its financial obligations as they fall due for the foreseeable future. Accordingly, the financial statements have been prepared on a going concern basis.

3. APPLICATION OF HONG KONG FINANCIAL REPORTING STANDARDS

In the current year, the Group has applied, for the first time, a number of new Hong Kong Financial Reporting Standards ("HKFRSs"), Hong Kong Accounting Standards ("HKAS") and Interpretations (hereinafter collectively referred to as "new HKFRSs") issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA") that are effective for accounting periods beginning on or after 1 January 2005. The application of the new HKFRSs has resulted in a change in the presentation of the consolidated income statement, consolidated balance sheet and consolidated statement of changes in equity. In particular, the presentation of minority interest has been changed. The change has been applied retrospectively. The adoption of the new HKFRSs has resulted in changes to the Group's accounting policies in the following areas that have an effect on how the results for the current or prior accounting periods are prepared and presented:

Owner-occupied leasehold interest in land

In previous years, owner-occupied leasehold land and buildings were included in property, plant and equipment and measured using the cost model. In the current year, the Group has applied HKAS 17 Leases. Under HKAS 17, the land and buildings elements of a lease of land and buildings are considered separately for the purposes of lease classification. To the extent that the allocation of the lease payments between the land and buildings elements can be made reliably, the leasehold interests in land are reclassified to land lease prepayment under operating leases, which are carried at cost and amortised over the lease term on a straight-line basis. This change in accounting policy has been applied retrospectively (see Note 4 for the financial impact).

Financial Instruments

In the current year, the Group has applied HKAS 32 Financial Instruments: Disclosure and Presentation and HKAS 39 Financial Instruments: Recognition and Measurement. HKAS 32 requires retrospective application. The application of HKAS 32 has had no material effect on the presentation of financial instruments in the Group's financial statements. HKAS 39 generally does not permit to recognise, derecognise or measure financial assets and liabilities on a retrospective basis. The principal effects resulting from the implementation of HKAS 39 are summarised below:

Classification and measurement of financial assets and financial liabilities

The Group has applied the relevant transitional provisions in HKAS 39 with respect to classification and measurement of financial assets and financial liabilities that are within the scope of HKAS 39.

By 31 December 2004, the Group classified and measured its investments in equity securities in accordance with the benchmark treatment of Statement of Standard Accounting Practice 24 (SSAP 24). Under SSAP 24, investments in equity securities are classified as "investment securities" or "other investments" as appropriate. "Investment securities" are carried at cost less impairment losses (if any) while "other investments" are measured at fair value, with unrealised gains or losses included in the profit or loss. From 1 January 2005 onwards, the Group classifies and measures its debt and equity securities in accordance with HKAS 39. Financial assets are classified as "financial assets at fair value through profit or loss", "available-for-sale financial assets" or "loans and receivables". The classification depends on the purpose for which the assets are acquired. "Financial assets at fair value through profit or loss" and "available-for-sale financial assets" are carried at fair value, with changes in fair values recognised in profit or loss and equity respectively except for investments in equity instruments that do not have a quoted market price in an active market and whose fair value cannot be reliably carried. Such equity investments are measured at cost less impairment. "Loans and receivables" are measured at amortised cost using the effective interest method.

This change has been applied prospectively and has no effect to the Group's deficit as at 1 January 2005 (See Note 4 for the financial impact).

Investment properties

In the current year, the Group has applied HKAS 40 Investment Property. The Group has elected to use the fair value model to account for its investment properties which requires gains or losses arising from changes in the fair value of investment properties to be recognised directly in the profit or loss for the year in which they arise. In previous years, investment properties under the predecessor standard were measured at open market values, with revaluation surplus or deficits credited or charged to investment property revaluation reserve unless the balance on this reserve was insufficient to cover a revaluation decrease, in which case the excess of the revaluation decrease over the balance on the investment property revaluation reserve was charged to the income statement. Where a decrease had previously been charged to the income statement and revaluation subsequently arose, that increase was credited to the income statement to the extent of the decrease previously charged. The Group has applied the relevant transitional provisions in HKAS 40 and elected to apply HKAS 40 from 1 January 2005 onwards. This change has had no effect on the Group's deficit at 1 January 2005 as the Group had no investment property revaluation reserve as at that date.

Deferred taxes related to investment properties

In previous years, deferred tax consequences in respect of revalued investment properties were assessed on the basis of the tax consequence that would follow from recovery of the carrying amount of the properties through sale in accordance with the predecessor interpretation. In the current year, the Group has applied HKAS Interpretation 21 Income Taxes – Recovery of Revalued Non-Depreciable Assets ("HKAS INT 21") which removes the presumption that the carrying amount of investment properties are to be recovered through sale. Therefore, the deferred tax consequences of the investment properties are now assessed on the basis that reflect the tax consequences that will follow from the manner in which the Group expects to recover the property at each balance sheet date. In the absence of any specific transitional provisions in HKAS INT 21, this change in accounting policy has been applied retrospectively (See Note 4 for the financial impact).

Business Combinations

In the current year, the Group has applied HKFRS 3 Business Combinations. In previous years, goodwill arising on acquisitions was capitalised and amortised over its estimated useful life. The Group has applied the relevant transitional provisions in HKFRS 3. With respect to goodwill previously capitalised on the balance sheet, the Group has discontinued amortising such goodwill from 1 January 2005 onwards and goodwill will be tested for impairment at least annually/in the financial period in which the acquisition takes place. Goodwill arising on acquisitions after 1 January 2005 is measured at cost less accumulated impairment losses (if any) after initial recognition. In accordance with the transitional provisions of HKFRS 3, the Group eliminated the carrying amount of goodwill by the related accumulated amortisation of HK$820,000. This change has had no effect on the Group's deficit as at 1 January 2005.

4. SUMMARY OF THE EFFECTS OF THE CHANGES IN ACCOUNTING POLICIES

The effects of changes in the accounting polices described above on the results for the current and prior year, which has decreased (increased) the profit for current and prior year, is as follows:

	2005	2004
	HK$'000	*HK$'000*
Increase (decrease) in deferred taxes relating to the investment properties	**6,040**	(447)

The cumulative effects of the application of the new HKFRSs as at 31 December 2004 and 1 January 2005 are summarised below:

	As at 31 December 2004 (originally stated) *HK$'000*	HKAS 1 *HK$'000* *(Note 3)*	HKAS 17 *HK$'000* *(Note 3)*	HKAS INT 21 *HK$'000* *(Note 3)*	As at 31 December 2004 (restated) *HK$'000* *(Note 3)*	HKAS 39 *HK$'000* *(Note 3)*	As at 1 January 2005 (restated) *HK$'000*
Balance sheet							
Property, plant and equipment	8,306	–	(3,510)	–	4,796	–	4,796
Land lease prepayment	–	–	3,510	–	3,510	–	3,510
Investments in securities	22,214	–	–	–	22,214	(22,214)	–
Available-for-sale investments	–	–	–	–	–	3,000	3,000
Financial assets at fair value through profit or loss	–	–	–	–	–	19,214	19,214
Deferred taxation	(1,104)	–	–	447	(657)	–	(657)
Minority interests	(184)	184	–	–	–	–	–
Other assets and liabilities	103,830	–	–	–	103,830	–	103,830
Total effects on assets and liabilities	133,062	184	–	447	133,693	–	133,693
Share capital	1,192	–	–	–	1,192	–	1,192
Share premium	348,091	–	–	–	348,091	–	348,091
Deficit	(216,221)	–	–	447	(215,774)	–	(215,774)
Total effects on:							
Equity attributable to equity holders of the Company	133,062	–	–	447	133,509	–	133,509
Minority interests	–	184	–	–	184	–	184
	133,062	184	–	447	133,693	–	133,693

The Group has not early applied the following new standards and interpretations that have been issued but are not yet effective. The directors of the Company anticipate that the application of these Standards or Interpretations will have no material impact on the financial statements of the Group.

HKAS 1 (Amendment)	Capital Disclosure[1]
HKAS 19 (Amendment)	Actuarial Gains and Losses, Group Plans and Disclosures[2]
HKAS 21 (Amendment)	Net investment in a foreign operation[2]
HKAS 39 (Amendment)	Cash Flow Hedge Accounting of Forecast Intragroup Transactions[2]
HKAS 39 (Amendment)	The Fair Value Option[2]
HKAS 39 and HKFRS 4 (Amendments)	Financial Guarantee Contracts[2]
HKFRS 6	Exploration for and Evaluation of Mineral Resources[2]
HKFRS 7	Financial Instruments: Disclosures[1]
HK (IFRIC) – INT 4	Determining whether an Arrangement Contains a Lease[2]
HK (IFRIC) – INT 5	Rights to Interests Arising from Decommissioning, Restoration and Environmental Rehabilitation Funds[2]
HK (IFRIC) – INT 6	Liabilities arising from Participating in a Specific Market-Waste Electrical and Electronic Equipment[3]
HK(IFRIC) – INT 7	Applying the restatement approach under HKAS 29 Financial Reporting in Hyperinflationary Economies[4]

1 Effective for annual periods beginning on or after 1 January 2007.
2 Effective for annual periods beginning on or after 1 January 2006.
3 Effective for annual periods beginning on or after 1 December 2005.
4 Effective for annual periods beginning on or after 1 March 2006.

5. REVENUE AND SEGMENT INFORMATION

Revenue represents the amounts received and receivable from sales of goods by the Group to outside customers, less return and allowances, proceeds from securities trading, and rental income during the year.

Business segments

For management purposes, the Group is currently organised into production and sale of fertilizers and chemicals, property investment and investment holding divisions, which are the basis on which the Group reports its primary segment information.

Segment information about these businesses is presented below.

INCOME STATEMENT

For the year ended 31 December 2005

	Production and sale of fertilizers and chemicals *HK$'000*	**Property investment** *HK$'000*	**Investment holding** *HK$'000*	**Consolidated** *HK$'000*
SEGMENT REVENUE	**5,796**	**9,557**	**23,326**	**38,679**
RESULTS				
Segment result	**(495)**	**61,381**	**2,661**	**63,547**
Unallocated corporate income				**32**
Unallocated corporate expenses				**(8,491)**
Unallocated finance costs				**(5,891)**
Profit before taxation				**49,197**
Income tax charge				**6,040**
Profit for the year				**43,157**

For the year ended 31 December 2004

	Production and sale of fertilizers and chemicals *HK$'000*	Property investment *HK$'000*	Investment holding *HK$'000*	Consolidated *HK$'000*
SEGMENT REVENUE	6,420	8,235	552	15,207
RESULTS				
Segment result	(2,272)	17,607	4,399	19,734
Unallocated corporate expenses				(4,863)
Unallocated finance costs				(2,923)
Profit before taxation				11,948
Income tax credit				(113)
Profit for the year				12,061

6. FINANCE COSTS

	2005	2004
	HK$'000	*HK$'000*
Interest on:		
Bank borrowings wholly repayable within five years	**5,721**	2,575
Other advances wholly repayable within five years	**229**	190
Consideration payable for acquisition of subsidiaries *(note 26)*	**–**	219
	5,950	2,984

7. INCOME TAX CHARGE (CREDIT)

The charge (credit) for the year represented by changes in deferred tax.

No provision for taxation has been made in the financial statements as the Group incurred tax loss for the current year. The assessable profit derived in last year was wholly absorbed by tax losses brought forward.

Pursuant to the relevant laws and regulations in the PRC, a subsidiary in the PRC is entitled to exemption from PRC enterprise income tax for the first two years commencing from its first profit-making year of operation, followed by a 50% deduction for the next three years. No provision for PRC income tax has been made as the subsidiary is not making profit in the year.

The income tax charge (credit) for the year can be reconciled to the profit before taxation per the income statement as follows:

	2005	2004
	HK$'000	*HK$'000*
		(restated)
Profit before taxation	**49,197**	11,948
Tax charge (credit) at Hong Kong profits tax rate of 17.5%	**8,609**	2,091
Tax effect of non-deductible expenses	**1,268**	1,150
Tax effect of non-taxable income	**(1,340)**	(1,561)
Tax effect of tax losses not recognised	**1,144**	91
Tax effect of utilisation of tax losses not previously recognised	**–**	(1,819)
Tax effect of utilisation of tax assets not previously recognised	**(3,648)**	–
Effect of tax concession granted to a PRC subsidiary	**–**	(94)
Others	**7**	29
Income tax charge (credit) for the year	**6,040**	(113)

8. EARNINGS PER SHARE

The calculation of the basic earnings per share is based on the profit attributable to equity holders of the Company of HK$43,341,000 (2004: HK$12,709,000) and the weighted average of 250,300,000 shares (2004: 221,341,000 shares) in issue during the year.

No diluted earnings per share had been presented because the Company has no potential ordinary shares in both years.

The following table summarises the impact on basic earnings per share as a result of:

	Impact on basic earnings per share	
	2005	2004
	HK cents	*HK cents*
Reported figures before adjustments	**19.74**	5.54
Adjustments arising from changes in accounting policies *(see note 4)*	**(2.42)**	0.20
Restated	**17.32**	5.74

FINAL DIVIDEND

The Directors do not recommend the payment of a final dividend for the year ended 31 December 2005 (2004: Nil).

MANAGEMENT DISCUSSION AND ANALYSIS

Business Review

For the year ended 31 December 2005, turnover of the Group amounted to HK$38,679,000 (2004: HK$15,207,000). Net profit for the year attributable to the equity holders of the Company was HK$43,341,000 (2004: HK$12,709,000) and earnings per share was HK17.32 cents (2004: HK5.74 cents).

During the reporting period, revenue from production and sale of fertilizers amounted to HK$5,796,000 (2004: HK$6,420,000), representing approximately 14.98% of the Group's total revenue. Investment in securities shared approximately 60.31% of the Group's total revenue resulting from the disposal of all the Company's equity investments listed in Hong Kong. Rental income from 1 Lyndhurst Tower amounted to HK$9,557,000 (2004: HK$8,235,000), representing approximately 24.71% of the Group's total revenue and over 90% of the total gross floor area was leased out.

Following the blossoming of the property market, the revaluation of the investment properties has contributed to a profit of HK$52,600,000, and the property investment business remains as the largest profit contributor to the Group.

Financial Review

Liquidity and Financial Resources

In September 2005, the Company placed 47,600,000 shares at HK$0.50 per share and the net proceeds received were of approximately HK$23,200,000 which was used to invest in a company incorporated in the British Virgin Islands, details of which are stated in section "Prospects".

As at 31 December 2005, the Group has current ratio of approximately 0.7 compared to that of 0.16 as at 31 December 2004 and the gearing ratio was 0.68 compared to that of 1.01 as at 31 December 2004. The calculation of gearing ratio was based on the total borrowings of HK$135,970,000 (2004: HK$134,026,000), and the net assets of HK$200,324,000 as at 31 December 2005 (2004: HK$133,509,000). During the year, the bank loans had been restructured for a further five years.

There were no significant capital commitments as at 31 December 2005 which would require a substantial use of the Group's present cash resources or external funding.

The Group does not anticipate any material foreign exchange exposure since its cash, borrowings, revenue and expenses are denominated in Hong Kong dollars and Renminbi.

Charge on Assets

As at 31 December 2005, all the Group's investment properties and the issued shares of a wholly owned subsidiary of the Company are pledged and the rental income in respect of the investment properties under operating leases are assigned to banks against bank loans granted to the Group.

Property, plant and equipment of HK$7,063,000 (2004: HK$7,252,000) are pledged against a bank loan granted to the Group.

Contingent Liabilities

The Group did not have any material contingent liabilities as at 31 December 2005.

Employees and Remuneration Policies

As at 31 December 2005, the Group has approximately 31 employees. Remuneration is determined by reference to the qualifications and experiences of the staff concerned and according to the prevailing industry practice. Besides salary payments, other staff benefits include contribution of mandatory provident fund, a discretionary bonus program and a share option scheme.

PROSPECTS

On 15 July 2005, a composite offer document in relation to the mandatory unconditional cash offer (the "Offer") made by Keenlead Holdings Limited ("Keenlead"), a company with limited liabilities incorporated in the British Virgin Islands, which is wholly and beneficially owned by Ms. Ma Xiaoling, was issued jointly by Keenlead and the Company to all shareholders of the Company, excluding parties acting in concert with Keenlead. The Offer was closed on 5 August 2005, and the interest of Keenlead and parties acting in concert with it in the shares of the Company increased to 63.85% immediately after the closing of the Offer and Keenlead assumed management control.

Subsequent to the takeover of management, the Company has been actively exploring new business opportunities consistent with its strategy to be engaged in property investment business.

On 30 August 2005, the Group has entered into a legally binding memorandum of understanding with independent third parties for the intention to acquire in part or in whole the issued share capital of a company incorporated in the British Virgin Islands (the "BVI Company") (collectively the "Proposed Investment"), the sole asset of which is a sino-foreign equity joint-venture incorporated in the People's Republic of China (the "PRC"), the scope of business of which includes construction of port infrastructure and development of petrochemical industry projects (subject to granting of relevant operating permits). On 27 February 2006, the Group entered into the sale and purchase agreement with the independent third parties pursuant to which the Group agreed to acquire 51% of the issued share capital of the BVI Company and a loan of RMB61,200,000 due from one of the independent third parties (the "Seller") to the BVI Company from the Seller at an aggregate cash consideration of RMB61,200,001. We are of the opinion that the Proposed Investment provides an opportunity for the Group to broaden its business scope and diversify into industrial property development with focus on port infrastructure.

The Board will continue to look for investments with reasonable return by investing on quality properties projects in Hong Kong or the PRC, and the Board continues to commit to achieve this objective and is optimistic of its success.

PURCHASE, SALE AND REDEMPTION OF THE LISTED SECURITIES OF THE COMPANY

During the period under review, there were no purchase, sale or redemption of the Company's listed securities by the Company or any of its subsidiaries.

CORPORATE GOVERNANCE

During the period under review, the Company has complied with the code provisions set out in the Code on Corporate Governance Practices contained in Appendix 14 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited, except for the following deviations:

- Code A.2.1 stipulates that the roles of chairman and chief executive officer should be separate and should not be performed by the same individual.

  Ms. Ma Xiaoling is the Chairman and Chief Executive Officer of the Company. The Board considers that this structure will not impair the balance of power and authority between the Board and the management of the Company. The balance of power and authority is ensured by the operations of the Board, which comprises experienced and high caliber individuals and meets regularly to discuss issues affecting operations of the Company. The Board believes that this structure is conducive to strong and consistent leadership, enabling the Group to make and implement decisions promptly and efficiently. The Board has full confidence in Ms. Ma and believes that her appointment to the posts of Chairman and Chief Executive Officer is beneficial to the business prospects of the Company.

- Code A.4.1 stipulates that non-executive directors should be appointed for specific terms and subject to re-election.

  The Independent Non-Executive Directors of the Company were not appointed for any specific terms, as they are subject to retirement by rotation at the Company's annual general meeting in accordance with the Company's Bye-laws.

– Code A.4.2 stipulates that every director, including those appointed for a specific term, should be subject to retirement by rotation at least once every three years.

  Under the Company's Bye-laws, at each annual general meeting, one-third of the Directors of the Company for the time being or, if their number is not three or a multiple of three, the number nearest to one-third shall retire from office provided that notwithstanding anything herein, the Chairman of the Directors and the Managing Director of the Company shall not, whilst holding such office, be subject to retirement by rotation or be taken into account in determining the number of Directors to retire in each year.

  In order to fully comply with Code A.4.2, a special resolution will be proposed to amend the relevant provisions of the Bye-laws at the next general meeting of the Company to be held in 2006, so that every Director shall be subject to retirement by rotation at least once every three years.

MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted the Model Code as set out in Appendix 10 of the Listing Rules as the code of conduct regarding Directors' securities transactions. The Company has made specific enquiry of all Directors whether the Directors have complied with the required standard set out in the Model Code regarding directors' securities transactions and all Directors confirmed that they have complied with the Model Code.

AUDIT COMMITTEE

The Company has established an audit committee in compliance with the Listing rules to fulfill the functions of reviewing and monitoring the financial reporting and internal control of the Company. The audit committee of the Company currently comprises three Independent Non-Executive Directors, including Mr. Ching Men Ky, Carl, Mr. Lin Ruei Min and Mr. Shu Wa Tung, Laurence. The audit committee has reviewed with the management the accounting principles and practices adopted by the Group and discussed the auditing, internal control and financial reporting matters including the review of the audited financial statements of the Group for the year ended 31 December 2005.

REMUNERATION COMMITTEE

The Board has established a remuneration committee. The remuneration committee, currently comprising Executive Directors, Ms. Ma Xiaoling and Mr. Chan Sze Hon, and Independent Non-Executive Directors, Mr. Ching Men Ky, Carl, Mr. Lin Ruei Min and Mr. Shu Wa Tung, Laurence, is responsible for advising the Board on the remuneration policy and framework of the Company's Directors and senior management member(s), as well as review and determine the remuneration of all Executive Directors and senior management member(s) with reference to the Company's objectives from time to time.

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

Hong Kong, 18 April 2006

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.

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