

INTERESTS OF SUBSTANTIAL SHAREHOLDERS

As at 30 June 2004, so far as known to the Company, the following shareholders, other than directors and chief executive of the Company, had interest or short position in the shares and underlying shares of the Company which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO, or who is directly or indirectly, interested in 5% or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at general meeting of the Company:

(1) Long positions

Name of shareholder	Note	No. of shares held	Percentage to issued share capital
Hai Xia Finance Limited	1	12,200,000	5.12
Suntek Corp.	2	25,686,000	10.77
Billion Charm Holdings Limited	3	33,100,000	13.88
Chen Changgui		41,608,000	17.45

Notes:

1. Hai Xia Finance Limited is a wholly owned subsidiary of Iwai's Investments Limited ("IIL") which in turn is a wholly owned subsidiary of China Gas Holdings Limited ("CGHL") and both IIL and CGHL were therefore deemed to have interest in the shares.
2. The entire issued share capital of Suntek Corp is wholly and beneficially owned by Mr. Chiu Winerthan.
3. The entire issued share capital of Billion Charm Holdings Limited is wholly and beneficially owned by Mr. Huang Lai-pei.

(2) Short positions

Name of shareholder	Note	No. of shares held	Percentage to issued share capital
China Main Investment (H.K.) Company Limited	4, 5	32,000,000	13.42

Notes:

4. China Main Investment (H.K.) Company Limited ("China Main") is owned as to 60% by Centre Mark Development Limited and as to 40% by Sino Elite International Limited. Centre Mark Development Limited is owned as to 99.99% by Mr. Chen Dacheng and as to 0.01% by China Main Group Company Limited. Sino Elite International Limited is owned as to 99.99% by China Main Group Company Limited and as to 0.01% by Mr. Pai Chin Ming. China Main Group Company Limited is owned as to 99% by Mr. Chen Dacheng and as to 1% by Mr. Pai Chin Ming.
5. On 14 April 2003, Shenzhen Venture Capital (BVI) Company Limited ("Shenzhen Venture Capital") reported that it has a security interest in 32,000,000 shares. Shenzhen Venture Capital is owned as to 50% by Mr. Mei Jian and 50% by Mr. Zhang Minlong.

Save as disclosed above, the Company has not been notified of any other shareholders who had any interest or short position in the shares and underlying shares of the Company which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO, or who is, directly or indirectly, interested in 5% or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at general meeting of the Company as at 30 June 2004.

PURCHASE, SALE AND REDEMPTION OF SHARES

For the six months period ended 30 June 2004, neither the Company nor any of its subsidiaries had purchased, sold or redeemed any of the Company's shares.

AUDIT COMMITTEE

The Audit Committee, comprising Messrs. Li Weibin and Wang Xianjun, has reviewed the unaudited interim financial statements for the six months ended 30 June 2004 ("Interim Financial Statements"). At the request of the Directors, the Group's external auditors have carried out a review of the Interim Financial Statements in accordance with Standard of Auditing Standard 700 "Engagements to Review Interim Financial Reports" issued by Hong Kong Institute of Certified Public Accountants.

COMPLIANCE WITH CODE OF BEST PRACTICE

The Directors are of the opinion that the Company has complied with the Code of Best Practice as set out in Appendix 14 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited ("Listing Rules") for the six months ended 30 June 2004.

By Order of the Board of
Greater China Holdings Limited
Xu Ying
Chairman

Hong Kong, 14 September 2004