

- 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 full compliance 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 unaudited interim financial statements of the Group for the six months ended 30 June 2005 have been reviewed by our auditors, Deloitte Touche Tohmatsu, and the audit committee 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.

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, 22 September 2005