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大中華地產控股有限公司
GREAT CHINA PROPERTIES HOLDINGS LIMITED

(Incorporated in Hong Kong with limited liability)

(Stock Code: 21)

ANNUAL RESULTS ANNOUNCEMENT FOR THE YEAR ENDED 31 DECEMBER 2015

The Board of Directors (the "Board") of Great China Properties Holdings Limited (the "Company") is pleased to announce the consolidated results of the Company and its subsidiaries (collectively, the "Group") for the year ended 31 December 2015 together with the selected comparative information for the corresponding year in 2014 as follows:

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
For the year ended 31 December 2015

	Notes	**2015** *HK$'000*	2014 *HK$'000* (Restated)
REVENUE	*4*	**12,363**	26,127
Cost of sales		**(10,141)**	(20,729)
GROSS PROFIT		**2,222**	5,398
Other income and gains	*4*	**14,467**	8,346
Fair value gains on investment properties		**6,728**	4,561
Selling and distribution expenses		**(4,816)**	(2,914)
Administrative and operating expenses		**(24,443)**	(31,212)
Other operating expenses		**–**	(18,814)
Finance costs	*5*	**–**	–
LOSS BEFORE TAX	*6*	**(5,842)**	(34,635)
Income tax expense	*7*	**(1,399)**	(559)
LOSS FOR THE YEAR		**(7,241)**	(35,194)
LOSS FOR THE YEAR ATTRIBUTABLE TO:			
– Owners of the Company		**(7,241)**	(35,194)
– Non-controlling interests		**–**	–
		(7,241)	(35,194)

	Notes	**2015** *HK$'000*	2014 *HK$'000* (Restated)
OTHER COMPREHENSIVE LOSS FOR THE YEAR, NET OF TAX			
Other comprehensive loss that may be reclassified to profit or loss in subsequent periods:			
Exchange differences arising on translation of foreign operations		**(64,968)**	(23,457)
TOTAL COMPREHENSIVE LOSS FOR THE YEAR		**(72,209)**	(58,651)
TOTAL COMPREHENSIVE LOSS FOR THE YEAR ATTRIBUTABLE TO:			
– Owners of the Company		**(72,209)**	(58,651)
– Non-controlling interests		**–**	–
		(72,209)	(58,651)
LOSS PER SHARE ATTRIBUTABLE TO OWNERS OF THE COMPANY			
Basic and diluted	*9*	**HK0.22 cents**	HK1.06 cents

CONSOLIDATED STATEMENT OF FINANCIAL POSITION
As at 31 December 2015

	Notes	**2015** *HK$'000*	2014 *HK$'000*
NON-CURRENT ASSETS			
Property, plant and equipment		**8,202**	10,565
Investment properties		**240,384**	244,863
Goodwill		**217,174**	227,382
Interests in associates		**143,051**	150,558
Properties under development		**566,282**	584,476
Prepayments	*11*	**195**	301
Total non-current assets		**1,175,288**	1,218,145
CURRENT ASSETS			
Properties held for sale		**586,074**	502,726
Trade receivables	*10*	**778**	382
Prepayments, deposits and other receivables	*11*	**4,337**	24,198
Tax recoverable		**399**	409
Equity investments at fair value through profit or loss		**105**	47
Cash and bank balances		**6,171**	6,549
Total current assets		**597,864**	534,311
CURRENT LIABILITIES			
Trade payables	*12*	**23,447**	24,425
Other payables and accruals	*13*	**52,318**	40,534
Interest-bearing borrowing		**44,633**	–
Amounts due to related companies		**118,253**	122,732
Amounts due to substantial shareholders		**319,342**	223,100
Tax payable		**492**	479
Total current liabilities		**558,485**	411,270
NET CURRENT ASSETS		**39,379**	123,041
TOTAL ASSETS LESS CURRENT LIABILITIES		**1,214,667**	1,341,186

	2015	2014
	HK$'000	*HK$'000*
NON-CURRENT LIABILITIES		
Interest-bearing borrowing	**–**	46,731
Deferred tax liabilities	**184,970**	192,606
Total non-current liabilities	**184,970**	239,337
Net assets	**1,029,697**	1,101,849
EQUITY		
Equity attributable to owners of the Company		
Share capital	**905,676**	905,676
Other reserves	**124,008**	196,160
	1,029,684	1,101,836
Non-controlling interests	**13**	13
Total equity	**1,029,697**	1,101,849

NOTES:
For the year ended 31 December 2015

1. CORPORATE INFORMATION

Great China Properties Holdings Limited (the "Company") is a limited liability company incorporated in Hong Kong. Its registered office is located at Suite 6308, Central Plaza, 18 Harbour Road, Wanchai, Hong Kong.

During the year, the Company and its subsidiaries (collectively referred to as the "Group") were principally engaged in property development and investment.

2. BASIS OF PREPARATION

The Group recorded a consolidated net loss of HK$7,241,000 (2014: HK$35,194,000) and net cash outflows from operating activities of HK$91,284,000 (2014: HK$94,478,000) for the year and had cash and bank balances of HK$6,171,000 at 31 December 2015 (2014: HK$6,549,000). The directors consider the going concern basis of preparation of the consolidated financial statements is appropriate after taking into consideration the following:

(a) The Group is able to generate operating profits and cash inflows from future sales of properties;

(b) The Group had properties including investment properties, properties under development and properties held for sale as at 31 December 2015 that are available for the Group as security for further borrowings; and

(c) The substantial shareholder has confirmed that he will provide financial support to the Group to meet its financial obligations as they fall due, if required, including not to demand repayment of the amounts due to him and due to companies controlled by him until the Group is in a position to do so.

Should the Group be unable to continue as a going concern, adjustments would have to be made to write down the value of assets to their recoverable amounts and to provide for any further liabilities which might arise. The effect to these adjustments has not been reflected in the consolidated financial statements.

These consolidated financial statements have been prepared in accordance with Hong Kong Financial Reporting Standards ("HKFRSs") (which include all applicable HKFRSs, Hong Kong Accounting Standards ("HKASs") and Interpretations) issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA") and accounting principles generally accepted in Hong Kong. These consolidated financial statements also comply with the applicable requirements of the Hong Kong Companies Ordinance relating to the preparation of financial statements. The consolidated financial statements have been prepared under the historical cost convention, except for certain investment properties and equity investments at fair value through profit and loss which have been measured at fair value. These consolidated financial statements are presented in Hong Kong dollars and all values are rounded to the nearest thousand except when otherwise indicated.

NEW AND REVISED HKFRSS NOT YET ADOPTED

At the date of authorisation of these consolidated financial statements, the HKICPA has issued the following new/revised HKFRSs that are not yet effective for the current year, which the Group has not early adopted.

Amendments to HKAS 1	Disclosure Initiative [1]
Amendments to HKASs 16 and 38	Clarification of Acceptable Methods of Depreciation and Amortisation [1]
Amendments to HKASs 16 and 41	Bearer Plants [1]
Amendments to HKAS 27 (2011)	Equity Method in Separate Financial Statements [1]
Amendments to HKFRS 10, HKFRS 12 and HKAS 28 (2011)	Investment Entities: Applying the Consolidation Exception [1]
Amendments to HKFRS 11	Accounting for Acquisitions of Interests in Joint Operations [1]
HKFRS 14	Regulatory Deferral Accounts [1]
Annual Improvements Project	2012-2014 Cycle [1]
HKFRS 15	Revenue from Contracts with Customers [2]
HKFRS 9 (2014)	Financial Instruments [2]
Amendments to HKFRS 10 and HKAS 28 (2011)	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture [3]

[1] Effective for annual periods beginning on or after 1 January 2016

[2] Effective for annual periods beginning on or after 1 January 2018

[3] The effective date of the amendments which was originally intended to be effective for annual periods beginning on or after 1 January 2016 has been deferred/removed

The directors do not anticipate that the adoption of the new/revised HKFRSs in future periods will have any material impact on the results of the Group.

3. OPERATING SEGMENT INFORMATION

The Group has a single reportable segment based on the location of the operations, which is the property development and investment located in the People's Republic of China (the "PRC"). Information reported to the Group's management for the purpose of resources allocation and performance assessment, focuses on the operating results of the Group as a whole as the Group's resources are integrated and no discrete operating segment financial information is available. Accordingly, no operating segment information is presented.

4. REVENUE AND OTHER INCOME AND GAINS

Revenue represents the income from the sale of properties, gross rental income and property management income during the year.

An analysis of revenue and other income and gains/(losses) is as follows:

	2015	2014
	HK$'000	*HK$'000*
Revenue:		
Sales of properties	**9,590**	20,409
Gross rental income	**2,055**	5,018
Property management income	**718**	700
	12,363	26,127
Other income and gains/(losses):		
Bank interest income	**28**	94
Interest income from other receivables	**99**	1,590
Fair value gain/(loss) on equity investments at fair value through profit or loss	**57**	(36)
Gain/(loss) on disposal of equity investments at fair value through profit or loss	**–**	234
Reversal of land use tax previously provided	**–**	5,483
Foreign exchange gain, net	**14,150**	–
Others	**133**	981
	14,467	8,346

5. FINANCE COSTS

An analysis of finance costs is as follows:

	2015	2014
	HK$'000	*HK$'000*
Interest on an entrusted loan	**5,204**	4,367
Less: Interest capitalised under property held for sale under development	**(5,204)**	(4,367)
	–	–

6. LOSS BEFORE TAX

The Group's loss before tax is arrived at after charging/(crediting):

	2015	2014
	HK$'000	*HK$'000*
		(Restated)
Cost of properties sold	**9,392**	20,061
Depreciation	**2,705**	2,663
Minimum lease payments under operating leases on land and buildings	**4,913**	5,895
Auditors' remuneration	**1,106**	1,424
Staff costs (including directors' remuneration):		
Salaries and wages	**10,755**	13,902
Equity-settled share option benefits, net	**57**	607
Pension scheme contributions	**1,247**	1,460
	12,059	15,969
Direct operating expenses arising from investment properties that generated rental income	**355**	340
Loss on disposal of property, plant and equipment	**110**	94
Fair value gains on investment properties	**(6,728)**	(4,561)
Impairment loss on loans to an associate	**–**	6,756
Impairment loss on other receivables	**–**	1,607
Impairment loss on completed properties held for sale	**–**	8,000
Impairment of prepaid property development costs	**–**	2,451
Reversal of land use tax previously provided	**–**	(5,483)
Investment properties written off	**–**	285
Foreign exchange gain, net	**(14,150)**	(1,965)

7. INCOME TAX EXPENSE

No provision for Hong Kong profits tax has been made as the Group incurred a loss for taxation purposes during the years ended 31 December 2015 and 2014. Taxes on profits assessable elsewhere have been calculated at the rates of tax prevailing in the countries/jurisdiction in which the Group operates.

The People's Republic of China (the "PRC") Land Appreciation Tax ("LAT") was provided in accordance with the requirements set forth in the relevant PRC law and regulations. LAT has been provided at ranges of progressive rates of the appreciation value, with certain allowable deductions.

	2015	2014
	HK$'000	*HK$'000*
Current – Hong Kong		
Overprovision in prior years	**–**	(10)
Deferred tax charged/(credited) to profit or loss	**1,044**	(192)
LAT in the PRC	**355**	761
Total tax charged for the year	**1,399**	559

8. DIVIDEND

The Board does not recommend the payment of any dividend for the years ended 31 December 2015 and 2014.

9. LOSS PER SHARE ATTRIBUTABLE TO OWNERS OF THE COMPANY

The calculation of basic and diluted loss per share is based on the following data:

	2015	2014
Loss for the year attributable to owners of the Company *(HK$ million)*	**(7.24)**	(35.19)
Weighted average number of ordinary shares *(Million)*	**3,312.7**	3,312.7
Basic and diluted loss per share *(HK cents per share)*	**(0.22)**	(1.06)

Diluted loss per share is same as the basic loss per share as there were no potential dilutive ordinary shares outstanding during both years.

The Company's share options have no dilutive effect for the years ended 31 December 2015 and 2014 because the exercise prices of the Company's share options were higher than the average market price of the Company's shares for both years.

10. TRADE RECEIVABLES

Trade receivables represent sale proceeds in respect of sold properties and rental receivables. Sale proceeds in respect of sold properties are payable by the purchasers pursuant to the terms of the sale and purchase agreements. Rental in respect of leased properties is payable in advance by the tenants pursuant to the terms of the tenancy agreements. Under normal circumstances, the Group does not grant credit terms to its customers. The Group seeks to maintain strict control over its outstanding receivables and to minimise credit risk. Overdue balances are regularly reviewed by management. In view of the aforementioned and the fact that the Group's trade receivables relate to a certain number of diversified customers, there is no significant concentration of credit risk. The Group does not hold any collateral or other credit enhancements over its trade receivable balances. Trade receivables are non-interest-bearing and unsecured. The carrying amounts of the trade receivables approximate to their fair values.

An ageing analysis of the trade receivables as at the end of the reporting period, based on the invoice date, is as follows:

	2015	2014
	HK$'000	*HK$'000*
Within 30 days	**494**	92
31 – 60 days	**20**	33
61 – 90 days	**16**	19
Over 90 days	**248**	238
	778	382

The amount of trade receivables that were past due but not impaired is the same as the above ageing analysis of trade receivables.

Receivables that were past due but not impaired relate to a number of independent customers that have a good track record with the Group. Based on past experience, the directors of the Company are of the opinion that no provision for impairment is necessary in respect of these balances as there has not been a significant change in credit quality and the balances are still considered fully recoverable.

11. PREPAYMENTS, DEPOSITS AND OTHER RECEIVABLES

	2015	2014
	HK$'000	*HK$'000*
Prepayments	**995**	961
Deposits paid	**975**	3,443
Other receivables	**4,097**	21,702
	6,067	26,106
Less: Provisions for impairment of other receivables	**(1,535)**	(1,607)
	4,532	24,499
Less: Non-current portion	**(195)**	(301)
	4,337	24,198

Prepayments, deposits and other receivables are non-interest-bearing and unsecured, except for a balance of HK$ Nil (2014: HK$18,113,000) included in other receivables is interest-bearing at an annual rate of 20% and repayable within one year.

12. TRADE PAYABLES

An ageing analysis of the trade creditors as at the end of the reporting period, based on the invoice date, is as follows:

	2015	2014
	HK$'000	*HK$'000*
Within 30 days	**78**	1,924
31 – 60 days	**7**	7
61 – 90 days	**7**	7
Over 90 days	**23,355**	22,487
	23,447	24,425

13. OTHER PAYABLES AND ACCRUALS

	2015	2014
	HK$'000	*HK$'000*
Deposits received	**1,484**	1,446
Receipts in advance	**15,385**	4,941
Other payables and accruals	**35,449**	34,147
	52,318	40,534

Other payables are non-interest-bearing and have an average term of three months.

14. COMPARATIVE AMOUNTS

Certain amounts in the consolidated financial statements for the year ended 31 December 2014 have been reclassified to be consistent with the current year presentation. These reclassifications have no effect on the previously reported loss for the prior year.

15. EVENTS OCCURRING AFTER THE REPORTING DATE

No significant event took place subsequent to 31 December 2015.

MANAGEMENT DISCUSSION AND ANALYSIS

RESULTS

For the year ended 31 December 2015, the Group recorded a revenue of approximately HK$12.36 million, representing a decrease of approximately 52.7% as compared to the revenue of approximately HK$26.13 million for last year. The decrease in revenue mainly results from the decrease in property sales and rental income during the year.

Loss attributable to the owners of the Company was approximately HK$7.24 million for the year ended 31 December 2015, representing a decrease of 79.4% as compared to a loss attributable to the owners of the Company of approximately HK$35.19 million for last year. The decrease in loss was mainly attributable to decrease in the administrative and operating expenses as a result of better cost controls carried out by the Group and the exchange gain arose from the Group's financial liabilities.

BUSINESS REVIEW

Property Development and Investment Business

The Gold Coast Project

The Company, through its indirect wholly-owned PRC subsidiary, owns a resort located in Baian Peninsula, Houmen Town, Haifeng County, Shanwei City, Guangdong Province, the PRC (the "Gold Coast Resort"). Gold Coast Resort is expected to be developed into a tourism property project, which will comprise various single-storey villas, five-star hotels and marina club facilities etc. The construction of Gold Coast Resort has commenced.

The Tanghai County Project

The Group has acquired 99.99% of equity interest of 唐山市曹妃甸區中泰信和房地產開發有限公司 (Tangshan Caofeidian Zhongtai Xinhe Real Estate Company Limited*) ("Tangshan Caofeidian") ("Tanghai Acquisition") in January 2013, the major asset of which consists of the right of use of 唐海縣七農場通港水庫內側2號及3號島 (Nos. 2 and 3 Island inside Tonggang Reservoir of the Seventh Farm in Tanghai Province*).

The Group has paid a total sum of approximately RMB92,490,000 (equivalent to approximately HK$116,250,000) as consideration of the Tanghai Acquisition. The vendors of Tangshan Caofeidian are subject to pay the PRC individual income tax derived from the transfer of the equity interest of Tangshan Caofeidian. As at the date of completion of the Tanghai Acquisition, such PRC individual income tax had not been settled. It was agreed by the vendors that they will not require the Company to pay the remaining portion of the consideration of RMB12,000,000 until the outstanding PRC individual income tax is settled by them.

The Group has appointed several external firms to conduct reconnaissance and began designing work. As at the date of this announcement, the Group is at the preliminary stage to plan and design the ecological leisure living area or resort area.

The Daya Bay Project

The Company, through its indirect wholly-owned PRC subsidiary, owns 東方新天地大廈 (Eastern New World Square*), which is a comprehensive property development project with a total gross floor area of approximately 69,171.7 sq.m. located at No.1 Zhongxing Zhong Road, Aotou Town, Daya Bay, Huizhou City, Guangdong Province, the PRC. The selling of the residential portion of Eastern New World Square has commenced in May 2013 and the revenue generated has contributed to the revenue of the Group for the year ended 31 December 2015.

The Shanwei Projects

On 16 October 2013, the Group completed the acquisition of Jin Bao Cheng Project and Hong Hai Bay Project through a wholly-owned subsidiary of the Company from Mr. Huang Shih Tsai, the chairman and executive director of the Company. The details of Jin Bao Cheng Project and Hong Hai Bay Project are set out as below:

(1) Jin Bao Cheng Project

Jin Bao Cheng Project contains two parcels of land located on 中國廣東省汕尾市區汕尾大道 (Shanwei Main Road, Shanwei City, Guangdong Province, the PRC*), with a total site area of approximately 50,656 sq.m. and three 12-storey close to completion residential blocks erected thereon, among which, (a) one parcel of land is located on at the vicinity of 汕尾大道香洲頭地段西側與紅海大道交界口 (the junction of the western side of Shanwei Main Road, Xiangzhoutou Section and Honghai Main Road*), and (b) one parcel of land is located on at the vicinity of 汕尾大道荷包嶺段西側實力汽車修配廠後面與紅海大道交界口 (the junction of the western side of Shanwei Main Road, Hebaoling Section, behind the Shili Car Repair Factory and Honghai Main Road*).

Construction of Jin Bao Cheng Project has commenced. Sales of residential portion of Jin Bao Cheng Project are expected to be commenced in year 2016.

(2) Hong Hai Bay Project

Hong Hai Bay Project contains four parcels of land located at the vicinity of the junction of No. S241 Province Road and No. X141 County Road Shanwei City, Guangdong Province, the PRC with a total site area of approximately 273,534.2 sq.m., among which, (a) one parcel of land is located on 遮浪南澳旅遊區「湖仔山」東側 (the east of Wuzishan, Zhelang Nanao Tourist Area*), (b) one parcel of land is located on 遮浪街道宮前南澳路東 (Gongqian Nanao Road East, Zhelangjiedao*); and (c) two parcels of land are located on 遮浪街道南澳旅遊區灣灘坑 (Wantankeng, Zhelangjiedao Nanao Tourist Area*).

It is the Board's current intention to develop Hong Hai Bay Project into a tourist and entertainment complex with residential development with a total gross floor area of approximately 720,000 sq.m.. Development of Hong Hai Bay Project is expected to be completed by the second quarter of 2019 by stage.

The Heqing Project

On 16 December 2013, the Company and its wholly owned subsidiary, Great China Properties (Shanghai) Limited, entered into a cooperation agreement with Greenland Hong Kong Holdings Limited ("Greenland HK") and its subsidiaries, pursuant to which the parties to the cooperation agreement conditionally agree to jointly develop the two parcels of land located in Shanghai, the PRC (the "Land"), among which (a) 上海浦東新區合慶鎮，四至範圍東至13-02地塊，西至上海市慶利路，南至13-02地塊，北至上海市環慶南路 (one parcel of land with boundaries East to land with Lot No. 13-02, West to Qingli Road, South to land with Lot No.13-02, North to South Huanqing Road, Heqing Town, Pudong New Area, Shanghai, the PRC*); and (b) 上海浦東新區合慶鎮，四至範圍東至14-03地塊，西至上海市淩楊路，南至14-03地塊，北至上海市環慶南路 (one parcel of land with boundaries East to land with Lot No. 14-03, West to Lingyang Road, South to land with Lot No. 14-03, North to South Huanqing Road, Heqing Town, Pudong New Area, Shanghai, the PRC*). The Land is intended to be used for commercial and office purposes.

On 10 January 2014, all the conditions precedent under the cooperation agreement had been satisfied and completion took place on the same date. Upon completion, each of the Company and Greenland HK holds a 50% stake in the project. The investment has been accounted for as interests in associates using the equity method from the date of completion. Details please refer to the announcement of the Company dated 16 December 2013 and the circular of the Company dated 30 January 2014.

BUSINESS OUTLOOK

With the moderate recovery of the macro economy, increasing urbanization and growing per capita wealth of Chinese citizens, demand on mid to high-end commercial and tourism property development is likely to be driven up. The Group's business and future strategy will continue to be focusing on mid to high-end commercial and tourism property development and investment. Riding on its solid foundation of existing projects, the Group remains on the lookout for high quality and cost effective investment opportunities to enhance investment returns, as well as to gradually diversify its income source.

LIQUIDITY AND FINANCIAL RESOURCES

As at 31 December 2015, cash and bank balances of the Group amounted to approximately HK$6.17 million (31 December 2014: HK$6.55 million). The Group's total current assets as at 31 December 2015 amounted to approximately HK$597.86 million, which comprised properties held for sale, trade receivables, prepayments, deposits and other receivables, equity investments at fair value through profit and loss, tax recoverable, cash and bank balances. The Group's total current liabilities as at 31 December 2015 amounted to approximately HK$558.49 million, which comprised trade payables, other payables and accruals, interest-bearing borrowing, amounts due to related companies, amounts due to substantial shareholders and tax payable.

As at 31 December 2015, the Group's borrowing included Renminbi borrowings equivalent to HK$44.63 million, which are repayable within one year. The outstanding borrowings are interest-bearing loans with fixed interest rates. At 31 December 2015, the Group's gearing ratio, defined as total interest-bearing borrowings divided by total equity, was approximately 4.33%.

On 14 July 2015, the Company entered into a settlement agreement (the "Settlement Agreement") with Mr. Huang Shih Tsai ("Mr. Huang"), the chairman of the Board and a substantial shareholder of the Company, pursuant to which the Company conditionally agreed to allot and issue the settlement shares and Mr. Huang conditionally agreed to subscribe for up to 714,285,714 settlement shares at the subscription price of HK$0.28 per settlement share by capitalising up to HK$200 million of the amount outstanding under the loan owed by the Group to Mr. Huang ("Loan Capitalisation"), subject to the terms and conditions set out in the Settlement Agreement. Pursuant to the Settlement Agreement, if the conditions precedent of the Settlement Agreement (the "Conditions Precedent") are not fulfilled on or before the Long Stop Date (i.e. 31 December 2015), the Settlement Agreement shall immediately be terminated and thereafter no party thereto shall have any claims against or liabilities or obligations to the other party (save in respect of any antecedent breaches).

As at 31 December 2015, as certain Conditions Precedent are not fulfilled, the Settlement Agreement lapsed and became null and void on 31 December 2015 and the Loan Capitalisation did not proceed.

CAPITAL COMMITMENT

As at 31 December 2015, the Group had a total capital commitment of approximately HK$263.60 million, contracted for but not provided for in the financial statements, which comprised (i) approximately HK$33.20 million in respect of the construction and development of property development projects and (ii) approximately HK$230.40 million in respect of the loan contributions payable to an associate.

CONTINGENT LIABILITIES

As at 31 December 2015, the Group has given guarantees of approximately HK$4.70 million (31 December 2014: HK$3.87 million) to banks for housing loans extended by the banks to the purchasers of the Group's properties for a period from the date of loans being granted to the purchasers up to the date of issuance of property title certificates to the purchasers.

CHARGES ON ASSETS

As at 31 December 2015, the Group had charged two pieces of land of Jin Bao Cheng Project worth HK$364.35 million (31 December 2014: 309.67 million) as security for an entrusted loan.

EMOLUMENT POLICY

The emoluments of the employees of the Group are determined on the basis of their merit, qualification and competence. The management's remuneration proposals are reviewed and approved by the remuneration committee with reference to the Board's corporate goals and objectives. The emoluments of the directors and senior management of the Company are determined by the remuneration committee of the Company, having regard to the Company's operating results, individual performance and comparable market statistics.

As at 31 December 2015, the Group employed 123 employees (excluding directors) (31 December 2014: 111 employees) and the related staff costs amounted to approximately HK$9.99 million (31 December 2014: approximately HK$13.17 million). Staff remuneration packages, which are reviewed annually, include salary/wage and other benefits, such as medical insurance coverage, provident fund and share options.

PURCHASE, REDEMPTION OR SALE OF LISTED SECURITIES OF THE COMPANY

Neither the Company, nor any of its subsidiaries purchased, redeemed or sold any of the Company's listed securities during the year ended 31 December 2015.

CORPORATE GOVERNANCE

The Company has applied the principles and complied with the requirements of the Corporate Governance Code (the "CG Code") as set out in Appendix 14 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Listing Rules") throughout the year ended 31 December 2015.

MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted the Model Code for Securities Transaction by Directors of listed companies (the "Model Code") set out in Appendix 10 of the Listing Rules as its own code of conduct regarding securities transactions by the directors. Having made specific enquiry of all directors, they confirmed that they have complied with the required standard set out in the Model Code throughout the year ended 31 December 2015.

AUDIT COMMITTEE

The Company has an Audit Committee which was established in accordance with the requirements as set out in Appendix 14 of the Listing Rules, for the purposes of reviewing and providing supervision over the Group's financial reporting process and internal controls. The Audit Committee comprises three Independent Non-executive Directors of the Company, namely Mr. Cheng Hong Kei (chairman of the Audit Committee), Mr. Leung Kwan, Hermann and Mr. Lum Pak Sum. The Group's final result for the year ended 31 December 2015 has been reviewed by the Audit Committee.

REVIEW OF PRELIMINARY ANNOUNCEMENT

The figures in respect of the preliminary announcement of the Group's results for the year ended 31 December 2015 have been agreed by the Group's independent auditors, Mazars CPA Limited, to the amounts set out in the Group's consolidated financial statements for the year. The work performed by Mazars CPA Limited in this respect did not constitute an assurance agreement in accordance with Hong Kong Standards on Auditing, Hong Kong Standards on Review Engagements or Hong Kong Standards on Assurance Engagements issued by HKICPA and consequently no assurance has been expressed by Mazars CPA Limited on the preliminary announcement.

CLOSURE OF REGISTER OF MEMBERS

The register of members of the Company will be closed from Wednesday, 18 May 2016 to Monday, 23 May 2016, both days inclusive, during the period of closure no transfer of shares will be registered. In order to ascertain the right to attend the 2016 annual general meeting, all share certificates with completed transfer forms either overleap or separately must be lodged with the Company's share registrar, Tricor Tengis Limited, at Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong no later than 4:30 p.m. on Tuesday, 17 May 2016.

By Order of the Board
Great China Properties Holdings Limited
Huang Shih Tsai
Chairman

Hong Kong, 30 March 2016

As at the date of this announcement, the Board comprises two Executive Directors, namely Mr. Huang Shih Tsai (Chairman) and Ms. Huang Wenxi (Chief Executive Officer), three Independent Non-executive Directors, namely Mr. Cheng Hong Kei, Mr. Leung Kwan, Hermann and Mr. Lum Pak Sum.

Please also refer to the published version of this announcement on the Company's website http://www.greatchinaproperties.com.

* *For identification purposes only*