



GREAT CHINA HOLDINGS LIMITED

大中華集團有限公司

(Incorporated in Hong Kong under the Companies Ordinance)

Stock code: 0141

RETIREMENT OF AUDITORS

AND

PROPOSED APPOINTMENT OF NEW AUDITORS

AND

ADDITIONAL INFORMATION OF THE RETIRING DIRECTORS PROPOSED TO BE RE-ELECTED AT THE ANNUAL GENERAL MEETING

The Board announces that an ordinary resolution will be proposed at the AGM to appoint Deloitte Touche Tohmatsu as new auditors of the Company to fill the vacancy to be left by the retirement of PricewaterhouseCoopers at the AGM.

The Board provides additional information of the retiring directors proposed to be re-elected at the AGM pursuant to Rule 13.51(2) of the Listing Rules.

RETIREMENT OF AUDITORS AND PROPOSED APPOINTMENT OF NEW AUDITORS

The board of directors (the “Board”) of Great China Holdings Limited (the “Company”) announces that PricewaterhouseCoopers will retire and will not offer themselves for re-appointment as auditors of the Company at the forthcoming annual general meeting of the Company to be held on Friday, 18 May 2007 (the “AGM”).

As stated in the directors’ report of the Company dated 20 April 2007 contained in the Company’s 2006 annual report sent to its shareholders, PricewaterhouseCoopers have initially offered themselves for re-appointment as the Company’s auditors at the AGM. However, since the Company and PricewaterhouseCoopers subsequently could not reach an agreement on the audit fee for the financial year ending 31 December 2007, PricewaterhouseCoopers have notified the Company that they will not offer for re-appointment as the Company’s auditors upon their retirement at the conclusion of the AGM. An ordinary resolution will be proposed at the AGM to appoint Deloitte Touche Tohmatsu as new auditors of the Company to hold office until the conclusion of the next annual general meeting of the Company to be held in year 2008. Such proposed resolution has been stated in the notice of the AGM and the proxy form of the Company sent to its shareholders on 25 April 2007.

PricewaterhouseCoopers completed the audit on the financial statements of the Company for the year ended 31 December 2006 and have not yet commenced any audit work on the Company for the financial year ending 31 December 2007. Apart from the reason set out in the above paragraph, PricewaterhouseCoopers have confirmed that there were no circumstances connected with their decision of not offering themselves for re-appointment as auditors of the Company,

which they considered ought to be brought to the attention of the shareholders of the Company. The Board also confirms that there are no matters in respect of the above-mentioned change of auditors that should be brought to the attention of the shareholders or creditors of the Company.

ADDITIONAL INFORMATION OF THE RETIRING DIRECTORS PROPOSED TO BE RE-ELECTED AT THE AGM

Reference is made to the Appendix I to the Company's circular dated 25 April 2007 which set out the information of Mr Lawrence Kam Kee YU ("Mr YU", being an independent non-executive director, the chairman of the remuneration committee and a member of each of the audit committee and nomination committee of the Company) and Mr Hsu Chou WU ("Mr WU", being an independent non-executive director and a member of each of the audit committee and nomination committee of the Company) who will retire by rotation and stand for re-election at the AGM. The Board is pleased to provide below the additional information of Mr YU and Mr WU pursuant to Rule 13.51(2) of The Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Listing Rules"):-

- (1) Mr WU has not held any other directorships in listed public companies in the last three years.
- (2) Mr YU and Mr WU do not have any relationships with any other directors, senior management, substantial shareholders (as defined in the Listing Rules), or controlling shareholders (as defined in the Listing Rules) of the Company.
- (3) Mr YU and Mr WU are not interested or deemed to be interested in any shares or underlying shares of the Company or its associated corporations pursuant to Part XV of the Securities and Futures Ordinance.
- (4) Pursuant to the service contracts of Mr YU and Mr WU dated 25 November 2005, the annual directors' fees paid to Mr YU and Mr WU were HK\$120,000 and HK\$60,000 respectively. The director's fee of Mr YU was subsequently increased to HK\$240,000 per annum. The above emoluments were determined by the Board by reference to their roles and duties and the prevailing market rates for similar duties.
- (5) There is no information which is discloseable nor are/were Mr YU and Mr WU involved in any of the matters required to be disclosed pursuant to any of the requirements under paragraphs 13.51(2)(h) to 13.51(2)(v) of the Listing Rules and there are no other matters concerning them that need to be brought to the attention of the shareholders of the Company.

By Order of the Board
Andy Kam Kee WONG
Company Secretary

Hong Kong, 16 May 2007

As at the date of this announcement, Mr Rustom Ming Yu HO (Chairman), Mr John Ming Tak HO (Managing Director) and Mr Kwok Wai POON are the Executive Directors of the Company, and Mr Lawrence Kam Kee YU BBS MBE JP, Mr David Hon To YU and Mr Hsu Chou WU are the Independent Non-executive Directors of the Company.

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