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GREAT CHINA HOLDINGS LIMITED

大中華集團有限公司

(Incorporated in Hong Kong with limited liability)

(Stock code: 141)

ANNOUNCEMENT OF INTERIM RESULTS FOR THE SIX MONTHS ENDED 30 JUNE 2009

The board of directors (the “Board”) of Great China Holdings Limited (the “Company”) is pleased to announce the unaudited condensed consolidated results of the Company and its subsidiaries (collectively, the “Group”) for the six months ended 30 June 2009, together with the comparative figures for the corresponding period in 2008. The results have been reviewed by the Company’s audit committee.

CONDENSED CONSOLIDATED INCOME STATEMENT

	Notes	Six months ended 30 June	
		2009	2008
		HK\$’000	HK\$’000
		Unaudited	Unaudited
Revenue	2	974,711	738,000
Cost of sales		<u>(864,614)</u>	<u>(651,399)</u>
Gross profit		110,097	86,601
Other income	4	7,315	14,117
Net gain on investment properties		35,378	12,121
Net loss on financial assets at fair value through profit or loss		(1,127)	(761)
Gain on disposal of assets classified as held for sale		–	21,604
Distribution costs		(66,676)	(56,395)
Administrative expenses		(19,434)	(14,808)
Finance costs	5	(4,666)	(7,935)
Share of results of associates		6,506	4,398
Profit before taxation	6	67,393	58,942
Income tax expense	7	(5,516)	(2,396)
Profit for the period		<u>61,877</u>	<u>56,546</u>
Earnings per share – Basic	8	<u>HK23.65 cents</u>	<u>HK21.61 cents</u>

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	Six months ended 30 June	
	2009	2008
	<i>HK\$'000</i>	<i>HK\$'000</i>
	Unaudited	Unaudited
Profit for the period	<u>61,877</u>	<u>56,546</u>
Other comprehensive income		
Net gains recognized directly in equity		
Exchange translation difference	1,860	17,674
Change in fair value of available-for-sale financial assets	<u>670</u>	<u>–</u>
Total comprehensive income attributable to equity holders of the Company	<u><u>64,407</u></u>	<u><u>74,220</u></u>

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

		At 30 June 2009 <i>HK\$'000</i> Unaudited	At 31 December 2008 <i>HK\$'000</i> Audited
Non-current assets			
Goodwill		3,000	3,000
Investment properties		711,166	675,092
Property, plant and equipment		14,946	15,898
Prepaid lease payments for land		37,784	37,945
Interests in associates		113,109	106,660
Loan to an associate		16,453	17,358
Available-for-sale financial assets		2,264	1,635
		898,722	857,588
Current assets			
Properties held for sale		16,373	16,317
Inventories		154,274	120,371
Prepaid lease payments for land		323	323
Trade and other receivables	9	168,090	92,530
Amount due from an associate		44,598	44,596
Financial assets at fair value through profit or loss	10	11,088	7,735
Bank balances and cash		103,960	164,065
		498,706	445,937
Current liabilities			
Trade and bills payables	11	281,591	115,838
Other payables and accrued expenses		70,907	46,452
Rental deposits received		153	83
Borrowings		51,294	230,815
Taxation payable		1,903	1,901
		405,848	395,089
Net current assets		92,858	50,848
Total assets less current liabilities		991,580	908,436
Non-current liabilities			
Borrowings		137,530	121,755
Rental deposits received		7,185	7,190
Deferred tax liabilities		87,305	81,721
		232,020	210,666
NET ASSETS		759,560	697,770
Capital and reserves			
Share capital		52,337	52,337
Reserves		707,223	645,433
TOTAL EQUITY		759,560	697,770

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	Share capital <i>HK\$'000</i> Unaudited	Share premium <i>HK\$'000</i> Unaudited	Exchange reserve <i>HK\$'000</i> Unaudited	Properties revaluation reserve <i>HK\$'000</i> Unaudited	Investment revaluation reserve <i>HK\$'000</i> Unaudited	Retained profits <i>HK\$'000</i> Unaudited	Total <i>HK\$'000</i> Unaudited
At 1 January 2009	52,337	19,516	76,432	495	–	548,990	697,770
Profit for the period	–	–	–	–	–	61,877	61,877
Other comprehensive income	–	–	1,860	–	670	–	2,530
Total comprehensive income for the period	–	–	1,860	–	670	61,877	64,407
Dividend (<i>note 12</i>)	–	–	–	–	–	(2,617)	(2,617)
At 30 June 2009	<u>52,337</u>	<u>19,516</u>	<u>78,292</u>	<u>495</u>	<u>670</u>	<u>608,250</u>	<u>759,560</u>
At 1 January 2008	52,337	19,516	48,439	–	1,231	503,662	625,185
Profit for the period	–	–	–	–	–	56,546	56,546
Other comprehensive income	–	–	17,674	–	–	–	17,674
Total comprehensive income for the period	–	–	17,674	–	–	56,546	74,220
Dividend (<i>note 12</i>)	–	–	–	–	–	(2,617)	(2,617)
At 30 June 2008	<u>52,337</u>	<u>19,516</u>	<u>66,113</u>	<u>–</u>	<u>1,231</u>	<u>557,591</u>	<u>696,788</u>

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

	Six months ended 30 June	
	2009	2008
	<i>HK\$'000</i>	<i>HK\$'000</i>
	Unaudited	Unaudited
Net cash generated from operating activities	100,101	9,201
Net cash generated from investing activities	6,223	3,033
Net cash (used in) / generated from financing activities	<u>(166,363)</u>	<u>180,504</u>
Net (decrease) / increase in cash and cash equivalents	(60,039)	192,738
Cash and cash equivalents at beginning of period	164,065	70,778
Effect on exchange rate changes	<u>(66)</u>	<u>256</u>
Cash and cash equivalents at end of period	<u><u>103,960</u></u>	<u><u>263,772</u></u>

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

1. BASIS OF PREPARATION AND ACCOUNTING POLICIES

Basis of preparation

The unaudited interim financial statements for the six months ended 30 June 2009 have been prepared in accordance with Hong Kong Accounting Standard (“HKAS”) No. 34 Interim Financial Reporting issued by the Hong Kong Institute of Certified Public Accountants (“HKICPA”) and the applicable disclosure requirements of Appendix 16 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “Listing Rules”). These financial statements do not include all the information and disclosures required in the annual financial statements and should be read in conjunction with the Group’s annual financial statements for the year ended 31 December 2008.

Significant accounting policies

The accounting policies adopted in the preparation of the unaudited interim financial statements for the six months ended 30 June 2009 are consistent with those in the preparation of the Group’s annual financial statements for the year ended 31 December 2008, except for the adoption of the following new and revised standards, amendments to HKAS and new Hong Kong (IFRIC) Interpretations (“HK(IFRIC) – Int”) (collectively referred to as “new and revised HKFRSs”) issued by the HKICPA, which are adopted for the first time in the current period’s financial statements.

HKFRS 8 Operating Segments (effective for annual periods beginning on or after 1 January 2009)

HKFRS 8 is a disclosure standard. The application of HKFRS 8 has not resulted in a re-designation of the Group’s reportable segments as they are comparable with the primary reportable segments determined in accordance with HKAS 14.

HKAS 1 (revised 2007) Presentation of Financial Statements (effective for annual periods beginning on or after 1 January 2009)

The revised standard has introduced a number of terminology changes (including revised titles for the condensed financial statements) and has resulted in a number of changes in presentation and disclosure. However, the revised standard has had no impact on the reported results or financial position of the Group.

The following amendments and interpretations issued by HKICPA are or have become effective and did not have any material impact on the accounting policies of the Group.

HKFRSs (Amendments)	Improvements to HKFRSs
HKAS 23 (Revised)	Borrowing Costs
HKAS 32 & 1 (Amendments)	Puttable Financial Instruments and Obligations Arising on Liquidation
HKFRS 1 & HKAS 27 (Amendments)	Cost of an Investment in a Subsidiary, Jointly Controlled Entity or Associate
HKFRS 2 (Amendment)	Vesting Conditions and Cancellations
HKFRS 7 (Amendment)	Improving Disclosures about Financial Instruments
HK(IFRIC) - Int 9 & HKAS 39 (Amendment)	Embedded Derivatives
HK(IFRIC) - Int 13	Customer Loyalty Programmes
HK(IFRIC) - Int 15	Agreements for the Construction of Real Estate
HK(IFRIC) - Int 16	Hedges of a Net Investment in a Foreign Operation

2. TURNOVER AND SEGMENT INFORMATION

The Group determines its operating segments based on the reports reviewed by the chief operating decision makers which are used to make strategic decisions.

The Group has been organising on a worldwide basis into three main operating segments:

General trading	–	trading of animal feed (mainly fishmeal and tapioca chips)
Property investment	–	rental income from investment properties and provision of real estate agency services
Trading of properties	–	sale of properties held for sale

	Six months ended 30 June 2009			Consolidated HK\$'000 Unaudited
	General trading HK\$'000 Unaudited	Property investment HK\$'000 Unaudited	Trading of properties HK\$'000 Unaudited	
Revenue				
Sales	958,712	–	–	958,712
Rental income	–	15,999	–	15,999
	<u>958,712</u>	<u>15,999</u>	<u>–</u>	<u>974,711</u>
Segment results	<u>24,040</u>	<u>48,158*</u>	<u>–</u>	72,198
Unallocated expenses				<u>(6,645)</u>
				65,553
Finance costs (<i>note 5</i>)				(4,666)
Share of results of associates	–	6,506	–	<u>6,506</u>
Profit before taxation				67,393
Income tax expense (<i>note 7</i>)				<u>(5,516)</u>
Profit for the period				<u>61,877</u>

* The segment result of property investment included fair value gains on investment properties of HK\$35,378,000 (2008: HK\$12,121,000).

	Six months ended 30 June 2008			Consolidated HK\$'000 Unaudited
	General trading HK\$'000 Unaudited	Property investment HK\$'000 Unaudited	Trading of properties HK\$'000 Unaudited	
Revenue				
Sales	703,311	–	18,919	722,230
Rental income	<u>–</u>	<u>15,770</u>	<u>–</u>	<u>15,770</u>
	<u>703,311</u>	<u>15,770</u>	<u>18,919</u>	<u>738,000</u>
Segment results	<u>16,480</u>	<u>21,633*</u>	<u>4,709</u>	42,822
Unallocated income **				<u>19,657</u>
Finance costs (note 5)				62,479
Share of results of associates	–	4,398	–	<u>(7,935)</u> 4,398
Profit before taxation				58,942
Income tax expense (note 7)				<u>(2,396)</u>
Profit for the period				<u>56,546</u>

* The segment result of property investment included fair value gains on investment properties of HK\$12,121,000.

** Unallocated income included the gain on disposal of office premises of HK\$21,604,000, net of unallocated expenses.

An analysis of the Group's assets by operating segment is set out below:

At 30 June 2009	General trading HK\$'000 Unaudited	Property investment HK\$'000 Unaudited	Trading of properties HK\$'000 Unaudited	Consolidated HK\$'000 Unaudited
ASSETS				
Segment assets	402,932	742,057	16,373	1,161,362
Interests in associates	–	113,109	–	113,109
Loan to an associate	–	16,453	–	16,453
Amount due from an associate	–	44,598	–	44,598
Unallocated corporate assets				<u>61,906</u>
Consolidated total assets				<u><u>1,397,428</u></u>

At 31 December 2008	General trading HK\$'000 Audited	Property investment HK\$'000 Audited	Trading of properties HK\$'000 Audited	Consolidated HK\$'000 Audited
ASSETS				
Segment assets	371,455	692,920	16,317	1,080,692
Interests in associates	–	106,660	–	106,660
Loan to an associate	–	17,358	–	17,358
Amount due from an associate	–	44,596	–	44,596
Unallocated corporate assets				<u>54,219</u>
Consolidated total assets				<u><u>1,303,525</u></u>

3. SEASONALITY OF OPERATIONS

The Group's general trading operations are subject to seasonal fluctuation. In general, demand for the Group's products increases in the second quarter and the third quarter of each year and decreases thereafter.

4. OTHER INCOME

	Six months ended 30 June	
	2009 HK\$'000 Unaudited	2008 HK\$'000 Unaudited
Bank interest income	5,437	5,359
Exchange gain, net	–	7,534
Sundry income	<u>1,878</u>	<u>1,224</u>
	<u><u>7,315</u></u>	<u><u>14,117</u></u>

5. FINANCE COSTS

	Six months ended 30 June	
	2009	2008
	<i>HK\$'000</i>	<i>HK\$'000</i>
	Unaudited	Unaudited
Interest on bank loans wholly repayable within five years	3,817	5,884
Interest on bank loans repayable over five years	849	2,051
	<u>4,666</u>	<u>7,935</u>

6. PROFIT BEFORE TAXATION

Profit before taxation is arrived at after charging/(crediting):

	Six months ended 30 June	
	2009	2008
	<i>HK\$'000</i>	<i>HK\$'000</i>
	Unaudited	Unaudited
Employee benefits expenses		
Wages and salaries	10,170	7,823
Retirement benefits costs-defined contribution plan	119	132
Auditor's remuneration	600	-
Depreciation of property, plant and equipment	1,065	647
Amortization of prepaid lease payments for land	161	82
Net loss on financial assets at		
fair value through profit or loss	1,127	761
Allowance for/(Reversal of) doubtful debts	308	(167)
Write-down of inventories to net realizable value	-	11,572
Exchange loss, net	282	-
Freight charges	41,123	42,443
	<u>41,123</u>	<u>42,443</u>

7. INCOME TAX EXPENSE

No provision for Hong Kong profits tax has been made in the accounts as companies within the Group have no assessable profits arising in Hong Kong for both periods.

The major components of income tax expenses are:

	Six months ended 30 June	
	2009	2008
	HK\$'000	HK\$'000
	Unaudited	Unaudited
Current tax:		
Hong Kong and other jurisdictions profit tax	–	–
Deferred taxation:		
Origination and reversal of temporary differences in respect of revaluation of investment properties	<u>5,516</u>	<u>2,396</u>
Total tax expenses for the period	<u><u>5,516</u></u>	<u><u>2,396</u></u>

8. EARNINGS PER SHARE

The calculation of basic earnings per share is based on the following data:

	Six months ended 30 June	
	2009	2008
	HK\$'000	HK\$'000
	Unaudited	Unaudited
Earnings for the purpose of basic earnings per share:		
Profit for the period attributable to equity holders of the Company	<u><u>61,877</u></u>	<u><u>56,546</u></u>

	Number of shares	
	2009	2008
	Unaudited	Unaudited
Weighted average number of ordinary shares for the purpose of basic earnings per share	<u><u>261,684,910</u></u>	<u><u>261,684,910</u></u>
Basic earnings per share	<u><u>HK23.65 cents</u></u>	<u><u>HK21.61 cents</u></u>

No diluted earnings per share has been presented as there were no dilutive potential ordinary shares in both periods.

9. TRADE AND OTHER RECEIVABLES

	At 30 June 2009 <i>HK\$'000</i> Unaudited	At 31 December 2008 <i>HK\$'000</i> Audited
Trade and bills receivables	146,580	64,533
Allowance for doubtful debts	<u>(2,771)</u>	<u>(2,559)</u>
	<u>143,809</u>	<u>61,974</u>
Prepayments and deposits	13,133	19,327
Other receivables	<u>11,148</u>	<u>11,229</u>
	<u>168,090</u>	<u>92,530</u>

The Group allows a credit period ranging from 30 to 90 days to its customers in respect of general trading.

The ageing analysis of the trade and bills receivables is as follows:

	At 30 June 2009 <i>HK\$'000</i> Unaudited	At 31 December 2008 <i>HK\$'000</i> Audited
0-30 days	140,642	53,810
31-60 days	1,370	6,528
61-90 days	774	193
Over 90 days	<u>1,023</u>	<u>1,443</u>
	<u>143,809</u>	<u>61,974</u>

10. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

	At 30 June 2009 <i>HK\$'000</i> Unaudited	At 31 December 2008 <i>HK\$'000</i> Audited
Financial assets, at market value		
– convertible securities	10,996	–
– forward foreign exchange contracts	<u>92</u>	<u>7,735</u>
	<u>11,088</u>	<u>7,735</u>

11. TRADE AND BILLS PAYABLES

	At 30 June 2009 HK\$'000 Unaudited	At 31 December 2008 HK\$'000 Audited
Bills payables	249,989	112,946
Trade payables	<u>31,602</u>	<u>2,892</u>
	<u>281,591</u>	<u>115,838</u>

The ageing analysis of the trade and bills payables is as follows:

	At 30 June 2009 HK\$'000 Unaudited	At 31 December 2008 HK\$'000 Audited
0-30 days	209,451	69,878
31-60 days	57,890	45,392
Over 60 days	<u>14,250</u>	<u>568</u>
	<u>281,591</u>	<u>115,838</u>

12. DIVIDENDS

	Six months ended 30 June 2009 HK\$'000 Unaudited	2008 HK\$'000 Unaudited
Final dividend paid for 2008 of HK\$0.01 (2008: Final dividend paid for 2007 of HK\$0.01) per ordinary share	<u>2,617</u>	<u>2,617</u>

13. EVENTS AFTER THE REPORTING PERIOD

Subsequent to the reporting period, a wholly owned subsidiary of the Company entered into an agreement to acquire an investment property at a consideration of HK\$36,457,000.

MANAGEMENT DISCUSSION AND ANALYSIS

The Group achieved encouraging results during the six months ended 30 June 2009 (the “Period”). The Group’s net profit for the Period was approximately HK\$61.9 million (2008: HK\$56.5 million), representing an increase of around 10% from the corresponding period in 2008.

The Group’s revenue and results from its various operating segments for the Period as compared with the corresponding period in 2008 are set out below:

REVENUE AND RESULTS BY OPERATING SEGMENTS

	Revenue		Profit	
	Six months ended 30 June 2009	2008	Six months ended 30 June 2009	2008
	<i>HK\$ million</i>	<i>HK\$ million</i>	<i>HK\$ million</i>	<i>HK\$ million</i>
	Unaudited	Unaudited	Unaudited	Unaudited
Fishmeal Products	951	648	24.0	15.8
Tapioca Products	8	55	–	0.7
General Trading	959	703	24.0	16.5
Property Investment in Hong Kong	8	7	28.0	13.7
Property Investment in Mainland China	8	9	20.2	7.9
Trading of Properties	–	19	–	4.7
	16	35	48.2	26.3
Total	975	738	72.2	42.8
Net profit of the Group			61.9	56.5

The Group's net profit for the Period increased by around 10% to HK\$61.9 million as compared with the corresponding period in 2008. The increase was mainly due to the increase in sales revenue of the trading of the fishmeal products by around 47% as compared with the corresponding period in 2008. There was a segmental profit for the trading of fishmeal products of around HK\$24.0 million for the Period as compared to a segmental profit of around HK\$15.8 million for the corresponding period in 2008. In addition, the property investment segment recorded a profit of HK\$48.2 million as compared with HK\$21.6 million in the corresponding period of 2008. Excluding the revaluation gain on investment properties of HK\$35.4 million (2008: HK\$12.1 million), the profit from this segment was HK\$12.8 million (2008: HK\$9.5 million). There was no transaction in the trading of properties segment in the Period (2008: turnover of HK\$19 million with a profit of HK\$4.7 million).

BUSINESS REVIEW

General Trading

Fishmeal Products

Since mid 2008, as a result of the global financial turmoil, most of the commodities prices were substantially adjusted downward. Fishmeal products prices were also affected and were reduced by approximately 20% to 25%. Despite the slowdown of the worldwide economy, China consumed more fishmeal products in the last quarter of 2008 and this has caused an upsurge in demand of the products. The cost of fishmeal products was relatively low compared to other vegetable proteins and the attractive price of fishmeal products increased demand further. However, many of the Chinese traders were cautious in maintaining low fishmeal inventory level in the last quarter of 2008 and the first quarter of 2009. This has limited the supply of fishmeal products into the China market. As a result, prices of fishmeal products have been on a rising trend since the second quarter of 2009. This has enabled the Group to maintain steady growth in fishmeal products trading despite the current adverse economic climate.

Tapioca Products

The Thailand government changed its policies in collecting tapioca product chips from farmers in early 2009. Accordingly the supply of tapioca products slowed down substantially. This has affected the Group's trading volume in this segment, hence there is no profit derived therefrom.

Property Investment in Hong Kong

Properties held by the Group in Hong Kong were fully let during the Period and the Group successfully renewed tenancy agreements for a number of its investment properties at market rate. Our investment properties in Hong Kong as valued by an independent valuer recorded a gain before tax of around HK\$20.1 million as at 30 June 2009.

Property Investment and properties held for sale in Mainland China

Investment properties in Mainland China generated rental income of HK\$8 million during the Period (2008: HK\$9 million), a decrease of 11% as compared with the same period last year. There was no sale of properties held for sale in Mainland China in the Period (2008: HK\$19 million). As at 30 June 2009, there was a gain of around HK\$15.3 million from revaluation of investment properties in Mainland China.

For the Period, the share of profit of the Group's associates was around HK\$6.5 million (2008: HK\$4.4 million), which included the attributable share of HK\$5.8 million (2008: HK\$3.7 million) of fair value gain on investment properties owned by an associate in Mainland China.

PROSPECTS

General Trading

As fishmeal is one of the best protein sources amongst animal proteins and there is no other substitute of identical value currently, consumers continue to use large quantities of fishmeal in various important animal feed manufacturing industries.

The Group's analysis of the fishmeal market shows an increase in worldwide demand of fishmeal products amidst disappointing production of fishmeal from some major origin countries. The rising trend of prices of fishmeal products may continue and consumption of fishmeal in Mainland China in the second half of 2009 will maintain at a similar level as the corresponding period in 2008. With the support of our strong trading and marketing teams in Hong Kong and Mainland China, the Group expects fishmeal trading to bring in a positive contribution this year.

The new crop of tapioca will be available in the market around the last quarter of 2009 and the Group expects supply will probably exceed demand until the end of 2009. However, there is an uncertainty on current inventory levels of tapioca chips in Thailand. The Group will be more cautious in the trading of tapioca for the coming seasons.

Property Investment

The Mainland economy is expected to grow steadily this year, mainly supported by the government's fiscal stimulus package and monetary easing policy. The Hong Kong economy is poised to benefit from the Mainland's growth prospects and supportive policies. The Group's rental income in Hong Kong and Shanghai is expected to remain stable.

In the long run, the Group will continue to monitor market conditions and consider attractive investment opportunities in Hong Kong and Mainland China, as appropriate.

FINANCIAL REVIEW

As at 30 June 2009, the Group's gearing ratio was 18% (31 December 2008: 17%), which was based on the Group's long term bank borrowings of HK\$138 million (31 December 2008: HK\$122 million) and shareholders' equity of HK\$760 million (31 December 2008: HK\$698 million). As at 30 June 2009, total bank balances and cash on hand were HK\$104 million (31 December 2008: HK\$164 million).

As at 30 June 2009, the total bank borrowings of the Group amounted to HK\$189 million (31 December 2008: HK\$353 million) and the maturity profile of the Group's bank borrowings falling due within one year was 27% (31 December 2008: 65%) and more than one year was 73% (31 December 2008: 35%). The Group's borrowings were denominated in HK dollars, US dollars and Renminbi.

The Group adopts prudent policies to hedge exchange rate risk associated with our core business. All of our purchases are denominated in US dollars and part of our sales are denominated in Renminbi. In the first half of 2009, the Group entered into a forward contract to hedge the exchange rate risks as deemed necessary.

PLEDGE OF ASSETS

As at 30 June 2009, the Group had available but not yet utilized banking facilities amounting to approximately HK\$331 million (31 December 2008: HK\$529 million). The aforesaid facilities were secured by the following pledged assets approximately: certain prepaid lease payment with aggregate book value of HK\$38 million (31 December 2008: HK\$38 million); property, plant and equipment of HK\$6.1 million (31 December 2008: HK\$6.1 million); properties held for sale of HK\$12.5 million (31 December 2008: HK\$12.5 million) and investment properties of HK\$629 million (31 December 2008: HK\$611 million).

INTERIM DIVIDEND

The Board has resolved to declare an interim dividend of HK\$0.01 per share, amounting to HK\$2,616,849 in total, for the six months ended 30 June 2009 (2008: HK\$0.01 per share) payable on or around 23 October 2009 to the shareholders of the Company whose names are on the register of members of the Company on 16 October 2009.

CLOSURE OF REGISTER OF MEMBERS

The register of members of the Company will be closed from Wednesday, 14 October 2009 to Friday, 16 October 2009, both days inclusive, during which period no transfer of shares of the Company will be registered. In order to qualify for the entitlement to interim dividend for the six months ended 30 June 2009, unregistered holders of shares of the Company should ensure that all completed transfer forms accompanied by the relevant share certificates are lodged with the Company's Share Registrar in Hong Kong, Tricor Abacus Limited, at 26/F, Tesbury Centre, 28 Queen's Road East, Wanchai, Hong Kong, for registration no later than 4:30 p.m. on Tuesday, 13 October 2009.

PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES

Neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company's listed shares during the Period.

CORPORATE GOVERNANCE

The Company recognizes the importance of good corporate governance in enhancing the management of the Company as well as preserving the interests of the shareholders as a whole. The Board is of the view that the Company has met the code provisions set out in the Code on Corporate Governance Practices contained in Appendix 14 to the Listing Rules for the six months ended 30 June 2009.

AUDIT COMMITTEE

The audit committee, comprising all the three independent non-executive directors of the Company, has reviewed with the management of the Company on the accounting principles and accounting standards adopted by the Group and discussed matters relating to auditing, internal control and financial reporting of the Group.

PUBLICATION OF INTERIM RESULTS ON THE STOCK EXCHANGE'S AND THE COMPANY'S WEBSITES

This interim results announcement is published on the websites of The Stock Exchange of Hong Kong Limited at www.hkexnews.hk and the Company at www.greatchinaholdingsltd.com.hk. An interim report of the Company containing information required by the Listing Rules will be dispatched to the shareholders and will be published on the websites of The Stock Exchange of Hong Kong Limited and the Company in due course.

APPRECIATION

On behalf of the Board, I would like to thank all our colleagues for their diligence, dedication, loyalty and integrity. I would also like to thank all our shareholders, customers, bankers and other business associates for their trust and support.

On behalf of the Board
John Ming Tak HO
Managing Director

Hong Kong, 23 September 2009

The directors of the Company as at the date of this announcement are: Mr. Rustom Ming Yu HO (Chairman), Mr. John Ming Tak HO (Managing Director), Mr. Patrick Kwok Wai POON and Mr. Maung Tun MYINT as Executive Directors; Ms. Daphne HO as a Non-executive Director; and Mr. Lawrence Kam Kee YU BBS MBE JP, Mr. David Hon To YU and Mr. Hsu Chou WU as Independent Non-executive Directors.