



China Treasure
(Greater China) Investments Limited
華寶(大中華)投資有限公司*

(Continued into Bermuda with limited liability)

(Stock Code: 810)

ANNOUNCEMENT OF ANNUAL RESULTS
FOR THE YEAR ENDED 31 DECEMBER 2006

The Board of Directors (the “Board”) of China Treasure (Greater China) Investments Limited (the “Company”) is pleased to announce the audited results of the Company for the year ended 31 December 2006 as follows:

INCOME STATEMENT

For the year ended 31 December 2006

		2006	(Restated)
	<i>Note</i>	<i>HK\$</i>	2005
			<i>HK\$</i>
Turnover	4	47,416,257	65,415,622
Cost of sales	5	(29,897,300)	(62,771,923)
Gross profit		17,518,957	2,643,699
Other income	6	889,602	639,974
Other operating loss		(825)	(29,884)
Administrative expenses		(4,287,263)	(2,498,903)
Other operating expenses		(4,094,794)	(1,652,272)
Profit/(Loss) before income tax		10,025,677	(897,386)
Income tax expense	7	(18,600)	–
Profit/(Loss) for the year		10,007,077	(897,386)
Attributable to:			
Equity holders of the Company	8	10,007,077	(897,386)
Earnings/(Loss) per share for profit/(loss) attributable to the equity holders of the Company during the year	9		
– basic		HK cents 8.10	HK cents (0.77)
– diluted		N/A	N/A

* For identification purpose only

BALANCE SHEET

As at 31 December 2006

	2006 HK\$	2005 HK\$
ASSETS		
Non-current assets		
Available-for-sale financial asset	4,000,000	–
Deposit paid	–	3,000,001
	4,000,000	3,000,001
Current assets		
Financial assets at fair value through profit or loss	44,384,892	17,822,844
Other receivable, prepayments and deposits	345,878	194,155
Tax recoverable	–	423,123
Bank balances and cash	8,091,531	25,892,172
	52,822,301	44,332,294
Total assets	56,822,301	47,332,295
EQUITY		
Capital and reserves attributable to the Company's equity holders		
Ordinary shares	12,360,000	12,360,000
Share premium	86,489,636	86,489,636
Accumulated losses	(42,322,912)	(52,329,989)
Total equity	56,526,724	46,519,647
LIABILITIES		
Current liabilities		
Other payables and accrued charges	276,977	812,648
Current income tax liabilities	18,600	–
Total liabilities	295,577	812,648
Total equity and liabilities	56,822,301	47,332,295
Net current assets	52,526,724	43,519,646
Total assets less current liabilities	56,526,724	46,519,647

Notes:

1. BASIS OF PREPARATION

The financial statements have been prepared in accordance with Hong Kong Financial Reporting Standards (“HKFRS”) issued by the Hong Kong Institute of Certified Public Accountants and include applicable disclosure requirement of the Hong Kong Companies Ordinance and the Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited (the “Listing rules”). The financial statements have been prepared under the historical cost convention, as modified by the financial assets and financial liabilities at fair value through profit or loss.

The Company previously disclosed gain or loss on securities within “fair value gains on financial assets at fair value through profit or loss”. The Board believes that the current disclosures as “sales” and “cost of sales” is a fairer presentation of the Company’s activities.

2. ADOPTION OF NEW OR REVISED HKFRS

In 2006, the Company adopted the following new HKFRS, which is relevant to its operations:

HKAS 39 (Amendment), The Fair Value Option, is mandatory for accounting periods beginning on or after 1 January 2006. This amendment does not have any impact on the classification and valuation of the Company’s financial instruments classified as at fair value through profit or loss prior to 1 January 2006 as the Company is able to comply with the amended criteria for the designation of financial instruments at fair value through profit or loss.

3. SEGMENT INFORMATION

The Company is principally engaged in investment in listed and unlisted companies in the People’s Republic of China (“PRC”), Hong Kong, Australia and the United States (“US”) during the year.

All of the activities of the Company are based in Hong Kong and all of the Company’s revenue and operating profit/(loss) are derived from Hong Kong.

Accordingly, no segment information has been presented.

4. TURNOVER

The Company is engaged in investment in equity securities. Revenues recognised during the year are as follows:

	2006 <i>HK\$</i>	(Restated) 2005 <i>HK\$</i>
Sales of equity securities	47,416,257	65,415,622

5. COST OF SALES

	2006 <i>HK\$</i>	(Restated) 2005 <i>HK\$</i>
Cost of equity securities disposed of	29,363,130	59,174,252
Unrealised fair value loss on financial assets at fair value through profit or loss	534,170	3,597,671
	<u>29,897,300</u>	<u>62,771,923</u>

6. OTHER INCOME

	2006 <i>HK\$</i>	2005 <i>HK\$</i>
Bank interest income	819,618	622,704
Other interest income	–	2,746
Dividend income	69,984	14,524
	<u>889,602</u>	<u>639,974</u>

7. INCOME TAX EXPENSE

Hong Kong profits tax has been provided at the rate of 17.5% on the estimated assessable profit for the year (2005: Nil).

	2006 <i>HK\$</i>	2005 <i>HK\$</i>
Hong Kong profits tax	18,600	–

The taxation on the profit before taxation differs from the theoretical amount that would arise using the taxation rate of Hong Kong as follows:

	2006 <i>HK\$</i>	2005 <i>HK\$</i>
Profit/(Loss) before tax	10,025,677	(897,386)
Tax at the statutory rate of 17.5% (2005: 17.5%)	1,754,493	(157,043)
Tax effect on non-taxable income	(187,302)	(111,992)
Tax effect on non-deductible expenses	563,264	288,820
Tax effect of prior year's unrecognised tax losses utilised this year	(2,111,855)	(19,785)
	<u>18,600</u>	<u>–</u>

8. PROFIT/(LOSS) ATTRIBUTABLE TO EQUITY HOLDERS OF THE COMPANY

The profit/(loss) attributable to equity holders of the Company is dealt with in the financial statements of the Company to the extent of HK\$10,007,077 (2005: Loss of HK\$897,386).

9. EARNINGS/(LOSS) PER SHARE**(a) Basic**

Basic earnings/(loss) per share is calculated by dividing the profit/(loss) attributable to equity holders of the Company by the weighted average number of ordinary shares in issue during the year.

	2006 <i>HK\$</i>	2005 <i>HK\$</i>
Profit/(Loss) attributable to equity holders of the Company	10,007,077	(897,386)
Weighted average number of ordinary shares in issue	123,600,000	116,940,274
Basic earnings/(loss) per share	<u>HK cents 8.10</u>	<u>HK cents (0.77)</u>

(b) Diluted

No diluted earnings/(loss) per share has been presented because the Company did not have any potential ordinary shares in issue during the year.

BUSINESS REVIEW AND PROSPECTS

Operational Review

The Company was principally engaged in investment in both listed and unlisted equity securities. During the year, the Company has continued to diversify its investment portfolio in both listed and unlisted equity securities with the most appropriate models to forerun the market trend and industry cycles.

Investment Review

Despite being a period of significant volatility, the year of 2006 turned out to be an exceptionally rewarding year for our investors. With the new management team and new investment models concentrating mainly on alternative energy investments throughout the year, the Company has reported a profit attributed to shareholders of approximately HK\$10.01 million as compared to a loss of approximately HK\$0.90 million last year, which is the record earning of the Company and a significant turnaround situation for the Company. The Company will continue to focus on more listed equity securities and increase its transparency to the general public.

In the current year, the Company has reduced its risk profile by lightening up its holdings in investments which do not fully comply with the Company's current investment models, e.g. the previous investment in HengRong Guarantee Company Limited, which we have foreseen a much longer period to actually fully enter into the rational profit region with the unforeseeable new PRC local rules and regulations in the leasing industry.

Prospects

While the fears of a more aggressive US Federal Policy has caused global equity markets to suffer sharp correction in May/June 2006, many stock markets ended the year strongly with the MSCI World Index rising by almost 18% with both the European and Asian markets outperformed the US market. While the US growth has weakened during the second half of the year, strong economic data continued to emerge from both Europe and Asia. With attractive growth prospects, merger and acquisition activities have also increased, attracting more capital flows into these regions. PRC, in particular, was and will continuously be the star performer during 2006 and the coming fiscal year.

The Directors will take a cautious and prudent approach in managing the Company's investment portfolio and developing its investment strategies. The Company is open-minded and will continue to look for investment opportunities which offer outstanding returns and within the acceptable risk profile of the Company.

STAFF COSTS

The Company's total staff costs (including Directors' emoluments) for the year under review amounted to HK\$2,461,587 (2005: HK\$1,252,384).

DIVIDEND

The Board does not recommend the payment of a dividend for the year ended 31 December 2006 (2005: Nil).

PURCHASE, SALE OR REDEMPTION OF SHARES OF THE COMPANY

The Company has not purchased, sold or redeemed any of its shares during the year.

CORPORATE GOVERNANCE

The Board has reviewed the Code on Corporate Governance Practices (the "CG Code") issued by the Stock Exchange of Hong Kong Limited (the "Stock Exchange") and has adopted the same as the Company's own code of corporate governance practices. During the financial year ended 31 December 2006, the Company has complied with all of the provisions under the CG Code, except for the deviation as detailed below:

CG Code A.2.1 stipulates the role of Chairman and Chief Executive Officer (the "CEO") should be separate and should not be performed by the same individual.

The Board appointed Mr. Wu Siu Chung as the CEO of the Company starting January 2006 but due to personal reasons, he resigned on 31 May 2006. For the period from June to September 2006, Mr. Li Ji Ning was assigned by the Board to take up the role of CEO until October 2006 when the Board appointed Mr. Lau Shun Chi, Benjamin as the Company's CEO. As such, for the period where Mr. Li Ji Ning was both the Chairman and CEO, the Company did not comply with the code provision of the CG Code to the fullest extent. During this period, the Board has taken steps to ensure such balance of power and authority was maintained by holding regular meetings to discuss the issues affecting the management of the Company. The Board believed that the measure outlined above was necessary and beneficial to the Company and its business.

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers ("Model Code") contained in Appendix 10 of the Listing Rules as the codes of conduct regarding securities transactions by Directors.

On specific enquires made, all Directors have confirmed that, in respect of the year ended 31 December 2006, they have complied with the required standard as set out in the Model Code.

AUDIT COMMITTEE

The Audit Committee has reviewed and discussed with the management the accounting principles and practices adopted by the Company as well as auditing, internal controls and financial reporting matters including a review of the annual financial statements for the year ended 31 December 2006.

PUBLICATION ON THE STOCK EXCHANGE'S WEBSITE

The results announcement will be published on the Stock Exchange's website (<http://www.hkex.com.hk>). The 2006 Annual Report will be dispatched to the shareholders of the Company and will be made available on the website of Stock Exchange in due course.

On behalf of the Board
China Treasure (Greater China) Investments Limited
Chu Wai Lim
Director

Hong Kong, 17 April 2007

As at the date of this announcement, the Board of the Company comprises three Executive Directors, namely Mr. Li Ji Ning, Mr. Chu Wai Lim and Mr. Lau Shun Chi, Benjamin and three Independent Non-executive Directors, namely Ms. Yin Ling, Mr. Shiu Kwok Keung and Mr. Chen Man Lung.

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