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大中華實業控股有限公司*

GREATER CHINA HOLDINGS LIMITED

(incorporated in Bermuda with limited liability)

(Stock code: 431)

website: <http://www.irasia.com/listco/hk/greaterchina/index.htm>

DISCLOSEABLE TRANSACTION – DISPOSAL OF THE 51% EQUITY INTEREST IN LUCKY GREEN

The Board announces that the Vendor, a wholly-owned subsidiary of the Company, entered into the Sale and Purchase Agreement with the Purchaser on 1 June 2011. Pursuant to the Sale and Purchase Agreement, the Vendor agreed to dispose of and the Purchaser agreed to purchase the Sale Share at a consideration of HK\$300,000. The Sale and Purchase Agreement is subject to the satisfaction of certain conditions, including the fulfillment of all relevant regulatory requirements.

As one of the applicable percentage ratios under Rule 14.07 of the Listing Rules applicable to the Disposal exceeds 5% but is below 25%, the Disposal constitutes a discloseable transaction of the Company under the Listing Rules.

THE SALE AND PURCHASE AGREEMENT

Date: 1 June 2011

Parties:

1. Vendor: Zing World Enterprises Limited, a wholly-owned subsidiary of the Company
2. Purchaser: Greenice Group Limited

The Directors confirm that, to the best of their knowledge, information and belief having made all reasonable enquiries, the Purchaser and its ultimate beneficial owner(s) are independent of and not connected with the Company and its connected persons (as defined in the Listing Rules).

Assets to be disposed of:

Pursuant to the Sale and Purchase Agreement, the Vendor agreed to sell and the Purchaser agreed to purchase the Sale Share, representing 51% of the equity interest in Lucky Green.

* For identification purpose only

Consideration:

The consideration of HK\$300,000 is payable by the Purchaser upon completion of the Disposal.

The consideration was determined after arm's length negotiation between the parties on normal commercial terms. The amount is arrived at after taking into account the fact that the Lucky Green Group has operating at a loss and had a net deficit of approximately HK\$4,291,000 as at 31 December 2010.

Conditions Precedent:

Completion of the Disposal is conditional upon fulfillment of all relevant regulatory requirements in respect of the transfer of the Sale Share from the Vendor to the Purchaser.

If the conditions precedent above have not been fulfilled in full on or before the 30th day from the date of the Sale and Purchase Agreement (or such other date as the Vendor and the Purchaser may agree), neither party shall have any further obligations or liabilities under the Sale and Purchase Agreement towards the other save for any antecedent breach.

Completion:

Completion of the Disposal will take place on the fourteenth business day (excluding Saturday, Sunday or public holidays) subsequent to the satisfaction of the conditions precedent as set out in the above paragraph (or such other date as the Vendor and the Purchase may agree).

INFORMATION OF THE COMPANY

The Company is an investment holding company and the Group is principally engaged in the operation of production and sale of fertilizers and chemical and the industrial property development with focus on port infrastructure and warehouse project. The Vendor is a wholly-owned subsidiary of the Company.

INFORMATION OF LUCKY GREEN GROUP

Lucky Green is an investment holding company. Lucky Green Group is principally engaged in the operation of production and sale of fertilizers and chemical.

Set out below is certain unaudited financial information of Lucky Green Group:

	For the year ended 31 December	
	2010	2009
	HK\$'000	HK\$'000
Net loss before taxation	3,760	1,104
Net loss after taxation	3,760	1,104
	As at 31 December	
	2010	2009
	HK\$'000	HK\$'000
Net liabilities	4,291	661

INFORMATION OF THE PURCHASER

Greenice is a company incorporated in the British Virgin Islands and to the best of the Directors' knowledge, information and belief, Greenice is an investment holding company.

REASONS FOR THE DISPOSAL

Lucky Green Group has been operating at a loss and had a net deficit as disclosed in the above section under the heading "Information of Lucky Green Group". Given the severe operating environment of the industry, the Board considers that the Disposal would streamline the operation and enhance the efficiency in the use of working capital of the Group as a whole.

The Directors (including the independent non-executive Directors) are of the view that the terms of the Sale and Purchase Agreement are fair and reasonable and in the interests of the shareholders of the Company as a whole.

LISTING RULES IMPLICATIONS

As one the applicable percentage ratios in relation to the Disposal exceeds 5% but below 25%, the Disposal constitutes a discloseable transaction of the Company under the Listing Rules.

FINANCIAL EFFECT OF THE DISPOSAL

Upon completion of the Disposal, the Vendor will no longer hold any equity interest in Lucky Green Group. The Group expects to recognize an unaudited accounting gain of approximately HK\$4.6 million upon the completion of the Disposal, being the aggregate of the consideration received and the amount of net deficit of Lucky Green Group of approximately HK\$4.3 million as at 31 December 2010. The final amount of the actual gain of loss as a result of the Disposal will be determined as at the date of the completion of the Disposal.

USE OF PROCEEDS

The Directors expect that the gross proceeds from the Disposal of approximately HK\$300,000 will be used as general working capital of the Group.

DEFINITIONS

In this announcement, the following expressions have the meanings set out below unless the context requires otherwise:

"Board"	the board of Directors of the Company;
"Company"	Greater China Holdings Limited, an exempt company incorporated in Bermuda with limited liability, the issued shares of which are listed on the Main Board of the Stock Exchange;
"Director(s)"	director(s) of the Company;
"Disposal"	the disposal of the Sale Share by the Vendor pursuant to the Sale and Purchase Agreement;

“Group”	the Company and its subsidiaries from time to time;
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong;
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC;
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange;
“Lucky Green”	Lucky Green Limited, a company incorporated in the British Virgin Islands with limited liability;
“Lucky Green Group”	Lucky Green and its subsidiaries;
“PRC”	the People’s Republic of China, which for the purpose of this announcement, excludes Hong Kong, the Macau Special Administrative Region and Taiwan;
“Purchaser” or “Greennice”	Greennice Group Limited, a company incorporated in the British Virgin Islands with limited liability;
“Sale and Purchase Agreement”	the Sale and Purchase Agreement dated 1 June 2011 entered into between the Vendor and the Purchaser relating to the sale of the Sale Share held by the Vendor to the Purchaser;
“Sale Share”	the 51% of the equity interest of Lucky Green;
“Stock Exchange”	The Stock Exchange of Hong Kong Limited”; and
“Vendor”	Zing World Enterprises Limited, a company incorporated in the British Virgin Islands with limited liability and a wholly-owned subsidiary of the Company.

By order of the board of
Greater China Holdings Limited
Ma Xiaoling
Chairman

Hong Kong, 1 June 2011

As at the date of this announcement, the Board comprises Ms. Ma Xiaoling and Ms. Chan Siu Mun as executive Directors, Mr. Chan Sze Hon as non-executive Director; and Mr. Ching Men Ky Carl, Mr. Lin Ruei-min and Mr. Shu Wa Tung Laurence as independent non-executive Directors.