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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>

**ANNOUNCEMENT
DISCLOSURE PURSUANT TO RULE 13.09 OF THE LISTING RULES
THE AGREEMENT
IN RELATION TO A PARCEL OF LAND**

This announcement is made by the Company pursuant to Rule 13.09 of the Listing Rules.

Further to the announcement of the Company dated 26 March 2012 in relation to the Letter of Intent, the Board announces that on 23 May 2012, Taicang Sinochem, an indirectly wholly-owned subsidiary of the Company, entered into the Agreement with Jiangsu Nantong, an independent third party, pursuant to which Tuhui Petrochem will appoint Jiangsu Nantong to facilitate the completion of the Injection. Tuhui Petrochem agreed to provide reasonable and necessary support for Jiangsu Nantong in relation to completion of the Injection under the Agreement.

A refundable deposit in the sum of RMB3 million is payable by Jiangsu Nantong to Tuhui Petrochem upon signing of the Agreement. It is agreed in the Agreement that, prior to its expiry, i.e. 90 days after the signing of the Agreement, Tuhui Petrochem will not (i) appoint other parties for the performance of the Agreement; (ii) utilize nor develop the landuse right of the Land; (iii) sell nor transfer any interest of the Land to parties other than those nominated by Jiangsu Nantong.

Tuhui Petrochem also agreed to procure, after completion of the Injection, transfer of equity interest in Taicang Yongtuo to nominee(s) of Jiangsu Nantong. Equity transfer framework agreement will be entered into between Tuhui Petrochem and Jiangsu Nantong if the obligation of such equity transfer crystallizes.

The Board wishes to emphasize that no binding agreement in relation to the Possible Disposal has been entered into as at the date of this announcement. The Possible Disposal may or may not be materialized. The Possible Disposal, if materializes, may constitute a notifiable transaction for the Company under the Listing Rules. Further announcement in respect of the Possible Disposal will be made by the Company in accordance with the requirements of the Listing Rules as and when appropriate.

* For identification purposes only

This announcement is made pursuant to Rule 13.09 of the Listing Rules.

Reference is made to the announcement of the Company dated 26 March 2012 in relation to the Letter of Intent. Pursuant to the Letter of Intent, Taicang Sinochem intends to dispose of and Jiangsu Nantong intends to acquire the economic benefits and business risks associated with the Land (“Possible Disposal”). In order to facilitate the Possible Disposal, the Agreement is entered into in this regard.

THE AGREEMENT

Date: 23 May 2012

Parties: (i) Tuhui Petrochem (formerly known as Taicang Sinochem), an indirectly wholly-owned subsidiary of the Company

(ii) Jiangsu Nantong

To the best of the Directors’ knowledge, information and belief, having made all reasonable enquiries, Jiangsu Nantong and its ultimate beneficial owner(s) are third parties independent of and not connected with the Company and its connected persons (as defined in the Listing Rules).

Jiangsu Nantong has provided construction services to Tuhui Petrochem.

Expiry: 90 days after the signing of the Agreement

Refundable deposit: RMB3 million, payable by Jiangsu Nantong to Tuhui Petrochem upon signing of the Agreement.

Pursuant to the Agreement, Tuhui Petrochem will appoint Jiangsu Nantong to facilitate the completion of the Injection. Jiangsu Nantong agreed to complete all necessary procedures in relation to the Injection. Completion of the Injection is evidenced by the issue of (i) a new landuse right certificate of the Land under the name of Taicang Yongtuo and (ii) a renewed business license of Taicang Yongtuo by relevant authorities. Tuhui Petrochem agreed to provide reasonable and necessary support for Jiangsu Nantong in relation to completion of the Injection under the Agreement.

Tuhui Petrochem also agreed to procure, after completion of the Injection, transfer of equity interest in Taicang Yongtuo to nominee(s) of Jiangsu Nantong. Equity transfer framework agreement will be entered into between Tuhui Petrochem and Jiangsu Nantong if the obligation of such equity transfer crystallizes.

Costs and expenses arisen under the performance of the Agreement

Save and except for the land appreciation tax in relation to the Land to be payable by Tuhui Petrochem, all other expenses to be incurred for the completion of all necessary procedures in relation to the Injection, including but not limited to valuation, registered capital verification, taxes and government levies, are to be borne by Jiangsu Nantong.

As the date of this announcement, the Land has been pledged for a bank loan with an outstanding balance of RMB37 million. Pursuant to the Agreement, Jiangsu Nantong agreed to provide, or to procure others to provide, an interest-free financing for Tuhui Petrochem to repay the bank loan in whole to for completion of the Injection.

Exclusivity

It is agreed in the Agreement that, prior to its expiry, Tuhui Petrochem will not (i) appoint other parties for the performance of the Agreement; (ii) utilize nor develop the landuse right of the Land; (iii) sell nor transfer any interest of the Land to parties other than those nominated by Jiangsu Nantong.

Refundable deposit

Pursuant to the Agreement, the deposit in the sum of RMB3 million will not be refundable to Jiangsu Nantong by Tuhui Petrochem provided that (i) Jiangsu Nantong fails to complete the Injection prior to expiry of the Agreement; or (ii) Jiangsu Nantong fails to identify suitable nominee(s) for, or the nominee(s) of Jiangsu Nantong refuse(s) to accept transfer of the equity interest in Taicang Yongtuo, as to be agreed in the equity transfer framework agreement.

The refundable deposit in the sum of RMB3 million, together with an additional compensation of RMB3 million, will be returned and payable by Tuhui Petrochem to Jiangsu Nantong provided that (i) Tuhui Petrochem fails to provide reasonable and necessary support as undertaken such that the Injection cannot be completed prior to expiry of the Agreement; or (ii) Tuhui Petrochem fails to transfer the equity interest in Taicang Yongtuo to Jiangsu Nantong, as to be agreed in the equity transfer framework agreement.

Tuhui Petrochem and Jiangsu Nantong further agreed that the sum of RMB3 million shall be automatically treated as deposit paid by Jiangsu Nantong or its nominee(s) if the obligation of transfer of equity interest in Taicang Yongtuo by Tuhui Petrochem to nominee(s) of Jiangsu Nantong crystallize(s).

No equity transfer framework agreement was executed as at the date of the announcement.

INFORMATION OF TUHUI PETROCHEM, TAICANG YONGTUO AND THE LAND

Tuhui Petrochem is a wholly foreign owned enterprise established in the PRC and is an indirect wholly-owned subsidiary of the Company. It is principally engaged in the operation of the depot facilities and industrial property in Taicang City, Jiangsu Province, the PRC.

Taicang Yongtuo is a domestic enterprise to be established in the PRC and is planned to be a wholly-owned subsidiary of Tuhui Petrochem.

Tuhui Petrochem owns a parcel of land with total site area of approximately 200,000 sq.m. in Taicang City, Jiangsu Province, the PRC which may be used for development of petrochemical factory.

GENERAL

The Board wishes to emphasize that no binding agreement in relation to the Possible Disposal has been entered into as at the date of this announcement. The Possible Disposal may or may not be materialized. The Possible Disposal, if materialized, may constitute a notifiable transaction for the Company under the Listing Rules. Further announcement in respect of the Possible Disposal will be made by the Company in accordance with the requirements of the Listing Rules as and when appropriate.

DEFINITIONS

In this announcement, unless the context otherwise requires, the following terms have the following meanings when used herein:

“Agreement”	the agreement dated 23 May 2012 entered into between Tuhui Petrochem and Jiangsu Nantong
“Board”	the board of Directors
“Company”	Greater China Holdings Limited, a company incorporated in Bermuda with limited liability, the issued shares of which are listed on the Main Board of the Stock Exchange
“Director(s)”	the director(s) of the Company
“Group”	the Company and its subsidiaries
“Injection”	the injection of the Land into Taicang Yongtuo by way of increase of registered capital
“Jiangsu Nantong”	江蘇南通三建集團有限公司太倉分公司 (transliterated as Jiangsu Nantong No. 3 Construction Group Company Limited Taicang Branch [#]), a wholly domestic owned enterprise established in the PRC
“Land”	a parcel of land with total site area of approximately 200,000 sq.m. in Taicang City, Jiangsu Province, the PRC owned by Tuhui Petrochem
“Letter of Intent”	the letter of intent dated 26 March 2012 entered into between Taicang Sinochem and Jiangsu Nantong in relation to the Possible Disposal
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Possible Disposal”	the possible disposal of the economic benefits and business risks associated with the Land
“PRC”	the People’s Republic of China, and for the purpose of this announcement, shall exclude Hong Kong, the Macau Special Administrative Region of the PRC and Taiwan
“Stock Exchange”	the Stock Exchange of Hong Kong Limited
“Tuhui Petrochem”	圖輝石化開發(太倉)有限公司 (transliterated as Tuhui Petrochem Development (Taicang) Company Limited [#] , and is formerly known as 太倉中化國際興業石化開發建設有限公司 (Taicang Sinochem International Xingye Petrochemical Development Company Limited [#]), a wholly foreign owned enterprise established in the PRC, which is an indirect wholly-owned subsidiary of the Company

“Taicang Yongtuo” 太倉永拓投資實業有限公司 (transliterated as Taicang Yongtuo Investment Company Limited[#]), a domestic enterprise to be established in the PRC, which is planned to be a wholly-owned subsidiary of Tuhui Petrochem

“sq.m” Square metre

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

Hong Kong, 23 May 2012

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 Rueimin and Mr. Shu Wa Tung Laurence as independent non-executive Directors.

[#] *The English transliteration of Chinese name is included in this announcement for reference only and should not be regarded as its official English name.*