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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>

**MAJOR TRANSACTION
DISPOSAL OF ENTIRE ISSUED SHARE CAPITAL OF
KEYCHARM INVESTMENTS LIMITED AND
TOOBRIGHT LIMITED**

THE FRAMEWORK AGREEMENT

The Board announces that on 6 January 2015 (after trading hours), the Company and Profit Capital (a wholly-owned subsidiary of the Company) as vendors entered into the Framework Agreement with Party A and Party B, pursuant to which (i) Profit Capital will sell and Purchaser A (a wholly-owned subsidiary of Party A) will purchase the 100% issued share capital of Keycharm and (ii) the Company will sell and Purchaser B (a related company of Party B) will purchase the 100% issued share capital of Toobright. The Aggregate Consideration for the Disposals is RMB137,000,000 (approximately HK\$171,250,000) (subject to adjustments).

The major asset of Keycharm is its approximately 85.71% equity interest in the Target Company and the remaining 14.29% equity interest in the Target Company is owned by Toobright. The Target Company is currently the owner of the land use rights of the Land. Upon Completion, Purchaser A and Purchaser B will indirectly hold 85.71% and 14.29% equity interest in the Target Company respectively.

THE KEYCHARM AGREEMENT AND THE TOOBRIGHT AGREEMENT

Within 10 Business Days from the date of the Framework Agreement, (i) Profit Capital as vendor and Purchaser A as purchaser shall enter into the Keycharm Agreement for the sale and purchase of the 100% issued share capital of Keycharm at a cash consideration of RMB117,422,700 (approximately HK\$146,778,000); and (ii) the Company as vendor and Purchaser B as purchaser shall enter into the Toobright Agreement for the sale and purchase of the 100% issued share capital of Toobright at a cash consideration of RMB19,577,300 (approximately HK\$24,472,000).

LISTING RULES IMPLICATIONS

As one or more of the applicable percentage ratios in respect of the Disposals is more than 25% but less than 75%, the Disposals constitute a major transaction of the Company and is subject to the notification, announcement and Shareholders' approval requirements under Chapter 14 of the Listing Rules. As no Shareholder has any material interest in the Disposals which is different from that of other Shareholders, none of the Shareholders is required to abstain from voting at the SGM for approving the Framework Agreement, the Keycharm Agreement, the Toobright Agreement and the transactions contemplated thereunder. A circular containing, inter alia, details of the Disposals together with a notice of the SGM will be despatched to the Shareholders on or before 27 January 2015.

The Board announces that on 6 January 2015 (after trading hours), the Company and Profit Capital (a wholly-owned subsidiary of the Company) as vendors entered into the Framework Agreement with Party A and Party B, pursuant to which (i) Profit Capital will sell and Purchaser A (a wholly-owned subsidiary of Party A) will purchase the 100% issued share capital of Keycharm and (ii) the Company will sell and Purchaser B (a related company of Party B) will purchase the 100% issued share capital of Toobright. The principal terms and conditions of the Framework Agreement are set out below.

THE FRAMEWORK AGREEMENT

Date: 6 January 2015

Parties:

Party A: 平安不動產有限公司 (Ping An Real Estate Company Limited*), a company incorporated in the PRC with limited liability and a wholly-owned subsidiary of 中國平安保險(集團)股份有限公司 (Ping An Insurance (Group) Company of China, Ltd.), which is principally engaged in investment in real estates projects, comprising commercial property projects; pension and health real estate projects and logistic property projects etc.

Party B: 江蘇思力實業股份有限公司 (Jiangshu Sili Holdings Limited*), a company incorporated in the PRC with limited liability, which is principally engaged in trading business in the wine industry in the PRC

The Company: Greater China Holdings Limited, a company incorporated in Bermuda with limited liability and the Shares are listed on the Main Board of the Stock Exchange

Profit Capital: Profit Capital Limited, a company incorporated in BVI with limited liability and a wholly-owned subsidiary of the Company

To the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, Party A, Party B and their respective ultimate beneficial owners are third parties independent of the Company and its connected persons.

Assets to be disposed of

Pursuant to the Framework Agreement, (i) Profit Capital will sell and Purchaser A will purchase the 100% issued share capital of Keycharm; and (ii) the Company will sell and Purchaser B will purchase the 100% issued share capital of Toobright.

The major asset of Keycharm is its approximately 85.71% equity interest in the Target Company and the remaining 14.29% equity interest in the Target Company is owned by Toobright. The Target Company is currently the owner of the land use rights of the Land. Upon Completion, Purchaser A and Purchaser B will indirectly hold 85.71% and 14.29% equity interest in the Target Company respectively.

The Aggregate Consideration

The Aggregate Consideration of RMB137,000,000 (approximately HK\$171,250,000) was arrived at after arm's length negotiations between the Company, Party A and Party B with reference to the consolidated net assets attributable to equity holders of Keycharm (after the capitalization of net amount due to the immediately holding company of approximately HK\$262,822,000) of approximately HK\$56,613,000 as at 30 November 2014, the net assets of Toobright (after the capitalization of net amount due to the immediately holding company of approximately HK\$41,323,000) of approximately HK\$10,628,000 as at 30 November 2014 and the preliminary appraised value of the Land of RMB82,000,000 (approximately HK\$102,500,000) as at 31 December 2014 given by the Valuer.

Details of the payment terms of the Keycharm Consideration and the Toobright Consideration are set out in the section headed "The Keycharm Consideration" and "The Toobright Consideration" below.

On the date of the Framework Agreement, (i) Party B (for and on behalf of Party A), through its related company, will pay RMB24,000,000 (being the initial deposit of the Keycharm Consideration) to Profit Capital and (ii) Party B, through its related company, will also pay RMB4,000,000 (being the initial deposit of the Toobright Consideration) to the Company.

Adjustment to the payment of the Aggregate Consideration

Within 10 Business Days before Completion, the Company and Profit Capital shall submit the Completion Account to Party A and Party B. In the event that the Adjusted Aggregate Consideration (see below) as shown in the Completion Account is (a) more than the Aggregate Consideration, Purchaser A and Purchaser B shall pay the difference on a pro rata basis to the Company and Profit Capital respectively; or (b) less than the Aggregate Consideration, the Company and Profit Capital shall pay the difference on a pro rata basis to Purchaser A and Purchaser B respectively, on the Completion Date.

The Adjusted Aggregate Consideration will be calculated in accordance with the following formulae:

$$\text{Adjusted Aggregate Consideration} = \text{Aggregate Consideration} + A - B$$

A = the carry value of the current assets of the Target Company: being the sum of (a) cash and the bank deposits; and (b) account receivables (in any event not more than RMB70,000,000) as at the close of business of the last day of the calendar month before the date of Completion (the "Account Receivables")

B = the total current liabilities of the Target Company (including but not limited to the remaining outstanding loan amount from Taicang Rural Commercial Bank, the bank loan from Shanghai Pudong Development Bank and any expenses, consideration or relevant taxes arising from the change of the land use right of the Land) as at the close of business of the last day of the calendar month before the date of Completion

Conditions precedent

Completion of the Keycharm Agreement and the Toobright Agreement is conditional upon the fulfillment, of the following conditions:

- (a) the Framework Agreement, the Keycharm Agreement and the Toobright Agreement and the transactions contemplated thereunder having been approved by the Shareholders at the SGM in accordance with the requirements of the Listing Rules;
- (b) the Target Company obtains the revised State-owned Land Use Rights Certificate (國有土地使用權證); and
- (c) Party A and Party B is reasonably satisfied with the due diligence of Keycharm, Toobright and the Target Company.

If the conditions have not been fulfilled on or before 30 April 2015, the paid deposits will be refunded to Party A and Party B (as the case may be) in full and the Framework Agreement (except for certain provisions), the Keycharm Agreement and the Toobright Agreement shall be terminated and of no further effect.

Other terms of the Framework Agreement

Within 90 Business Days from the date of the Framework Agreement, the Company shall procure the Target Company to enter into a supplemental agreement (the “**Supplemental Agreement**”) to the “State-owned Land Use Rights Transfer Agreement” (國有建設用地使用權出讓合同) with the Municipal Land Resources Bureau of Taicang City (太倉市國土管理局), which should clearly states that the usage of the Land has been changed for storage use (倉儲用地), and the development conditions should comply with those stated in the Supplemental Agreement. The Company shall complete respective procedures of the change of usage of the Land, pay for all relevant expenses including additional land premium in relation to the change of usage of the Land and relevant taxes as stated in the Supplemental Agreement, and obtain the “State-owned Land Use Rights Certificate” (國有土地使用權證). At the same time, the Company undertakes that the Target Company shall be responsible for all of the relevant expenses, additional land premium and the relevant taxes that may incur in relation to the change of usage of the Land.

As at the date of this announcement, the Target Company has obtained the revised State-owned Land Use Rights Certificate in which the usage of the Land has been changed for storage use.

If the Supplemental Agreement contains terms about taxes and investment intensity, and the Company obtains the revised “State-owned Land Use Rights Certificate” for the change of the usage of the Land during the designated period, the Company shall not be required to provide the letter of exemption. If the Company fails to obtain the aforesaid certificates and fails to provide the letter of exemption, Party A and Party B shall have the right to terminate the Framework Agreement and the Company shall unconditionally refund Party A and Party B the payment previously made to the Company.

Within 60 Business Days from Completion, the Company shall provide assistance to the Target Company to obtain the relevant approvals from the Taichang City government authorities regarding the change of business scope of foreign investment, change of particulars of the business registrations and obtaining all business licences, permits and approvals for the storage use of the Land.

All parties to the Framework Agreement agree that the Target Company shall retain the bank loan of RMB45,000,000 from Taicang Rural Commercial Bank before Completion and such loan shall be repaid after Completion by the Target Company. The Company shall be responsible for all interest payments and default interests, relating to such bank loan before Completion and the Target Company shall be responsible for such expenses after Completion. The Company also has the right of early repayment of such bank loan.

The Target Company shall retain the bank loan of RMB30,000,000 (by a fixed deposit in the sum of RMB30,000,000 as pledged assets) from Shanghai Pudong Development Bank and the a fixed deposit of RMB30,000,000 pledged and such bank loan shall be repaid by the Target Company after Completion. The Company shall be responsible for all interest payments and default interests relating to such bank loan before Completion. In the event that the interest accrued by the bank loan is more than the total interest accrued on the fixed deposit with Shanghai Pudong Development Bank, the Company shall be responsible for payment of such interest difference. In addition, the Company should procure that the Target Company will terminate the employment contracts with its current employees, and all relevant salaries, social insurance payments, pension fund payments and the statutory severance are being paid in accordance with the laws of the PRC.

Breach of contract

In the event that (i) Profit Capital refuses to enter into the Keycharm Agreement and/or (ii) the Company refuses to enter into the Toobright Agreement or (iii) the Company refuses to complete the transfer of the shares in Keycharm and Toobright after Party A (or its related company) and/or Party B (or its related company) have paid the respective considerations according to the payment schedule, Party A and Party B have the right to terminate the Framework Agreement and Profit Capital and the Company have to pay a liquidated damages in the sum of RMB30,000,000 to Party A and Party B. Upon payment of the said liquidated damages by Party A and Party B, the Framework Agreement shall be terminated. For the avoidance of doubt, Purchaser A and Purchaser B are not entitled to seek any further claim from Profit Capital and the Company in relation to the aforesaid breach(es) of the Framework Agreement.

On the other hand, in the event that (i) Purchaser A refuses to enter into the Keycharm Agreement and/or (ii) Purchaser B refuses to enter into the Toobright Agreement or (iii) Purchaser A and/or Purchaser B refuse(s) to make the payment in accordance with Keycharm Agreement and the Toobright Agreement, the Company and Profit Capital have the right to terminate the Framework Agreement and Party A and Party B have to pay a liquidated damages of RMB30,000,000 to Profit Capital and the Company. Upon payment of the said monies by Profit Capital and the Company, the Framework Agreement shall be terminated. For the avoidance of doubt, Profit Capital and the Company are not entitled to seek any further claim from Party A and Party B in relation to the aforesaid breach(es) of the Framework Agreement.

Other than the non-fulfilment of the conditions precedent of the Framework Agreement, in the event that the Company fails to fulfill the obligations under the terms and conditions in the Framework Agreement, or the warranties provided in the Framework Agreement are inaccurate, misleading or contravened, the Company shall be regarded as being in breach of the Framework Agreement. If such breach(es) is considered to be rectifiable by Party A and/or Party B, a notice will be sent to the Company to request rectification of such breach(es) within the time period of not less than 30 Business Days (the “**Rectification Period**”). If the Company fails to take remedial measures within the designated Rectification Period, or such breach(es) remain unremedied by all parties through negotiations, or such breach(es) by the Company is objectively considered to be non-rectifiable, and if such breach(es) are considered to be material, upon judgment by judicial authorities, the Company shall be required to pay liquidated damages in the sum of 20% of the Keycharm Consideration and the Toobright Consideration paid to Party A and/or Party B. Upon payment of the said liquidated damages by Party A and Party B, the Framework Agreement shall be terminated. For the avoidance of doubt, Party A and Party B are not entitled to seek any further claim from the Company in relation to the aforesaid breach(es) of the Framework Agreement.

The terms as set out in the above mentioned paragraph shall apply mutatis mutandis under the circumstances that the parties committing the aforesaid breach(es) are Party A and/or Party B.

In the event that Party B is unable to (i) settle the Toobright Consideration according to the payment schedule or (ii) pay the deposit under the Keycharm Consideration upon signing of the Framework Agreement, the Company agrees to dispose its 100% issued share capital of Toobright to Party A and Party A will directly pay the Toobright Consideration to the Company.

In the event that Party B is unable to (i) settle the Toobright Consideration according to the payment schedule or (ii) pay the deposit under the Keycharm Consideration upon signing of the Framework Agreement, Party B shall release to Party A the money (paid by Party A) kept in the joint account of Party A and Party B.

Entering into the Keycharm Agreement and the Toobright Agreement

Within 10 Business Days from the date of the Framework Agreement, (i) Profit Capital as vendor and Purchaser A as purchaser shall enter into the Keycharm Agreement and (ii) the Company as vendor and Purchaser B as purchaser shall enter into the Toobright Agreement. Further announcement will be made by the Company upon execution of the Keycharm Agreement and the Toobright Agreement. The principal terms and conditions of the Keycharm Agreement and the Toobright Agreement are set out below.

THE KEYCHARM AGREEMENT

Date: Within 10 Business Days from the date of the Framework Agreement

Parties:

Vendor: Profit Capital Limited, a company incorporated in BVI with limited liability and a wholly-owned subsidiary of the Company

Purchaser A: Ping An Real Estate (Hongkong) Company Limited (平安不動產(香港)有限公司), a company incorporated in Hong Kong with limited liability and a wholly-owned subsidiary of Party A and is principally engaged in investment in real estates projects, comprising commercial property projects; pension and health real estate projects and logistic property projects etc.

The Company: Greater China Holdings Limited, a company incorporated in Bermuda with limited liability and the Shares are listed on the Main Board of the Stock Exchange

To the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, Purchaser A and its ultimate beneficial owner(s) are third parties independent of the Company and its connected persons.

Assets to be disposed of

The entire issued share capital of Keycharm.

The Keycharm Consideration

The Keycharm Consideration for 100% issued share capital of Keycharm of RMB117,422,700 (approximately HK\$146,778,000) shall be paid in cash by Party A or Purchaser A (as the case may be) in the following manner:–

- (i) RMB24,000,000 (payable in HK Dollar at the central parity exchange rate on that day) as the initial deposit (which shall form part of the Keycharm Consideration upon Completion) to Profit Capital on the date of the Framework Agreement;
- (ii) RMB35,000,000 (payable in HK Dollar at the central parity exchange rate on that day) as the further deposit (which shall form part of the Keycharm Consideration upon Completion) to Profit Capital upon signing of the Keycharm Agreement; and
- (iii) RMB58,422,700 (payable in HK Dollar based on the central parity exchange rate on that day) (subject to adjustment as set out in the section headed "Adjustment to the Payment of the Aggregate Consideration") as the remaining balance of the Keycharm Consideration to Profit Capital upon Completion.

Purchaser A shall deposit an amount in RMB equivalent to 85.71% of the Account Receivable (the "**Keycharm Deposit Money**") into a joint bank account of Party A and the Company in the PRC.

Within 90 days from the date of Completion, Profit Capital shall notify Purchaser A, three days before the date on which the Account Receivable to be received by the Target Company (the “**Received Amount**”) to be recorded (the “**Record Day**”), to deposit the same amount of the Received Amount (in HK Dollar based on the central parity exchange rate on that day) into the bank account of the Company in Hong Kong. If Purchaser A does not deposit the said Received Amount into the Company’s bank account in Hong Kong within three days from the Record Day, there will be a breach by Purchaser A and the Company shall have the right to release the Keycharm Deposit Money to its own bank account. In the event that Purchaser A does deposit the said Received Amount into the Company’s bank account in Hong Kong, the Company shall agree and undertake to cooperate with Party A to release the Keycharm Deposit Money to Party A and close the joint bank account in due course.

On the expiry of the 90 days from the date of Completion, in the event that the Target Company does not receive any Account Receivable, the Company shall agree and undertake to cooperate with Party A to release the Keycharm Deposit Money to Party A and close the joint bank account in due course.

Conditions precedent

The Keycharm Agreement and the Toobright Agreement are inter-conditional with each other. Completion of the Keycharm Agreement is conditional upon the fulfillment, of the following conditions:

- (a) a copy of the board minutes of Profit Capital for approving the Keycharm Agreement and the transactions contemplated thereunder being delivered to Purchaser A;
- (b) the Framework Agreement, the Keycharm Agreement and the Toobright Agreement and the transactions contemplated thereunder having been approved by the Shareholders at the SGM in accordance with the requirements of the Listing Rules; and
- (c) the due diligence of Keycharm and the Target Company having been reasonably satisfied by Purchaser A.

If the conditions have not been fulfilled on or before 30 April 2015, the paid deposit will be refunded to Purchaser A in full and the Keycharm Agreement shall be terminated and of no further effect.

Completion

Completion shall take place on the tenth (10th) Business Day following the date on which all conditions precedent of the Keycharm Agreement have been fulfilled (or otherwise waived) or such other date as the parties may agree in writing.

THE TOOBRIGHT AGREEMENT

Parties:

Vendor: Greater China Holdings Limited, a company incorporated in Bermuda with limited liability and the Shares are listed on the Main Board of the Stock Exchange

Purchaser A: Ping An Real Estate (Hongkong) Company Limited (平安不動產(香港)有限公司), a company incorporated in Hong Kong with limited liability and a wholly-owned subsidiary of Party A

Purchaser B: Spring Asia Investment Limited (泉康投資有限公司), a company incorporated in Hong Kong limited liability and a related company of Party B and is principally engaged in investment holding

To the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, Purchaser B and its ultimate beneficial owner(s) are third parties independent of the Company and its connected persons.

Assets to be disposed of

The entire issued share capital of Toobright.

The Toobright Consideration

The Toobright Consideration for 100% issued share capital of Toobright of RMB19,577,300 (approximately HK\$24,472,000) shall be paid in cash by Party B or Purchaser B (as the case may be) in the following manner:–

- (i) RMB4,000,000 (payable in HK Dollar at the central parity exchange rate on that day) as the initial deposit (which shall form part of the Toobright Consideration upon Completion) to the Company on the date of the Framework Agreement;
- (ii) RMB6,000,000 (payable in HK Dollar at the central parity exchange rate on that day) as the further deposit (which shall form part of the Toobright Consideration upon Completion) to the Company upon signing of the Toobright Agreement; and
- (iii) RMB9,577,300 (payable in HK Dollar based on the central parity exchange rate on that day) (subject to adjustment as set out in the section headed "Adjustment to the Payment of the Aggregate Consideration") as the remaining balance of the Toobright Consideration to the Company upon Completion.

Purchaser A shall deposit an amount in RMB equivalent to 14.29% of the Account Receivable (the "**Toobright Deposit Money**") into a joint bank account of Party B and the Company in the PRC.

Within 90 days from the date of Completion, the Company shall notify Purchaser B, three days before the Record Day, to deposit the same amount of the Received Amount (in HK Dollar based on the central parity exchange rate on that day) into the bank account of the Company in Hong Kong. If Purchaser B does not deposit the said Received Amount into the Company's bank account in Hong Kong within three days from the Record Day, there will be a breach by Purchaser A and the Company shall have the right to release the Toobright Deposit Money to its own bank account. If Purchaser B does deposit the said Received Amount into the Company's bank account in Hong Kong, the Company shall agree and undertake to cooperate with Party B to release the Toobright Deposit Money to Party B and close the joint bank account in due course.

On the expiry of the 90 days from the date of Completion, if the Target Company does not receive any Account Receivable, the Company shall agree and undertake to cooperate with Party B to release the Toobright Deposit Money to Party B and close the joint bank account in due course.

Conditions precedent and Completion

The Keycharm Agreement and the Toobright Agreement are inter-conditional with each other. The Toobright Agreement is subject to the same conditions as Keycharm Agreement save that references to Keycharm and Purchaser A are replaced by Toobright and Purchaser B (as the case may be).

Terms for completion of Toobright Agreement are the same as the Keycharm Agreement.

INFORMATION ON KEYCHARM AND THE TARGET COMPANY

Keycharm is a company incorporated in the British Virgin Islands on 8 July 2005. As at the date of this announcement, the entire issued share capital of Keycharm is credited as fully paid. As at the date of this announcement, Keycharm is an indirect wholly-owned subsidiary of the Company. The major asset of Keycharm is its approximately 85.71% equity interest in the Target Company.

The Target Company is a sino-foreign equity joint venture incorporated in the PRC on 12 August 2004. The operating period of the Target Company is 50 years commencing on 12 August 2004. The registered capital and the total investment amount of the Target Company are RMB160,000,000, which has been fully paid, and RMB480,000,000 respectively. Pursuant to the business license of the Target Company dated 12 March 2007, the scope of business of the Target Company includes construction of port infrastructure, development of petrochemical industry projects, production of petrochemical products and sale of such products.

The Target Company is currently the holder of the land use rights of the Land which is situated at the southern part of Zhonghua Main Road and eastern side of Chaoyang River, Taichang Port Development Zone, Taicang City, Suzhou, Jiangsu Province, the PRC with a site area of approximately 200,000 square metres. Pursuant to a State-owned Land Use Rights Certificate issued by Municipal Land Resources Bureau of Taicang City dated 10 June 2009, the land use rights of the Land have been granted to the Target Company for a term expiring on 19 November 2058 for industrial use. Pursuant to a revised State-owned Land Use Rights Certificate issued by Municipal Land Resources Bureau of Taicang City Land dated 24 December 2014, the land use rights of the Land have been revised and granted to the Target Company for a term expiring on 19 November 2058 for warehouse and storage uses. The land and property interests of the Land are valued by the Valuer, based on the comparison approach, at the amount of RMB82,000,000 (approximately HK\$102,500,000) as at 31 December 2014.

Set out below is the unaudited consolidated financial information of Keycharm for the years ended 31 December 2013 and 2012 and for the 11 months ended 30 November 2014 respectively:

	For the 11 months ended 30 November 2014	For the year ended 31 December 2013	For the year ended 31 December 2012
	<i>Approximately HK\$'000</i>	<i>Approximately HK\$'000</i>	<i>Approximately HK\$'000</i>
	(Unaudited)	(Unaudited)	(Unaudited)
Revenue	–	–	–
Loss before taxation attributable to equity holders of Keycharm	(90,719)	(7,191)	(3,486)
Net loss after taxation attributable to equity holders of Keycharm	(90,719)	(7,191)	(3,486)
Net assets (liabilities) attributable to equity holders of Keycharm	56,613	(117,999)	(107,650)

INFORMATION ON TOOBRIGHT

Toobright is an investment holding company incorporated in Hong Kong on 28 September 2005 with limited liability and is a wholly-owned subsidiary of the Company. Toobright directly holds approximately 14.29% equity interest in the Target Company.

Set out below is the unaudited financial information of Toobright for the years ended 31 December 2013 and 2012 and for the 11 months ended 30 November 2014 respectively:

	For the 11 months ended 30 November 2014	For the year ended 31 December 2013	For the year ended 31 December 2012
	<i>Approximately HK\$'000</i>	<i>Approximately HK\$'000</i>	<i>Approximately HK\$'000</i>
	(Unaudited)	(Unaudited)	(Unaudited)
Revenue	–	–	–
Loss before taxation	(16,749)	(0.4)	(13,816)
Net loss after taxation	(16,749)	(0.4)	(13,816)
Net assets/(liabilities)	10,628	(13,945)	(13,945)

FINANCIAL EFFECTS OF THE DISPOSALS

Upon Completion, Keycharm and Toobright will cease to be subsidiaries of the Company, and their financial results will cease to be consolidated with the accounts of the Company.

Based on the unaudited consolidated management accounts of Keycharm as at 30 November 2014, the Directors expect to recognize an unaudited gain on disposal of Keycharm of approximately HK\$80,245,000 (the “**Keycharm Gain**”), being the difference between the consideration of RMB117,422,700 (approximately HK\$146,778,000) and the sum of the consolidated net assets attributable to equity holders of Keycharm as at 30 November 2014 of approximately HK\$56,613,000 and the reclassification of cumulative translation reserve to profit or loss as at 30 November 2014 of approximately HK\$9,920,000.

Based on the unaudited management accounts of Toobright as at 30 November 2014, the Directors expect to recognize an unaudited gain on disposal of Toobright of approximately HK\$13,844,000 (the “**Toobright Gain**”), being the difference between the consideration of RMB19,577,300 (approximately HK\$24,472,000) and the net assets of Toobright as at 30 November 2014 of approximately HK\$10,628,000.

It is expected that the Company will record an unaudited gain of approximately HK\$95,278,000 at the Group level as a result of the Disposals. The difference between (i) the aggregate of the Keycharm Gain and the Toobright Gain of HK\$94,089,000 and (ii) the unaudited gain of approximately HK\$95,278,000 at Group level, of approximately HK\$1,189,000 was mainly due to (a) Toobright has recognised the 14.29% equity interest of Target Company as available for sales investment from the date of acquisition which did not use the equity method to recognise the non-controlling interests of Target Company; and (b) the 14.29% equity interest of Target Company in Toobright is derecognised in Group level.

REASONS OF AND BENEFITS FOR THE DISPOSAL AND USE OF PROCEEDS

The Group is principally engaged in (i) investment holding; (ii) industrial property development; and (iii) general trading including trading of metal materials.

As mentioned in the interim result of the Company for the six months ended 30 June 2014, the management of the Company has been actively negotiating with a number of potential buyers for the possible disposal of an indirect-wholly owned subsidiary which owns a parcel of land with total site area of approximately 200,000 square meters in Taicang City, Jiangsu Province, the PRC. The Disposal is expected to allow the Company to reallocate resources to seek opportunity to expand the income stream and explore different investment opportunities which are suitable for the Group with the objective to maximize the return to the Shareholders.

Therefore, the Directors (including the independent non-executive Directors) consider that (i) the Disposals and transactions contemplated under the Disposal Agreement represent an opportunity to the Company for re-directing its resources to the businesses with growth potential, and are on normal commercial terms and (ii) the terms of the Disposal Agreement, which are determined after arm's length negotiations between the Company and the Purchasers, are fair and reasonable and in the interest of the Company and the Shareholders as a whole.

It is expected that the net proceeds from the Disposals (after deducting all relevant fees and expenses) will amount to approximately HK\$168,250,000. The Company intends to apply the entire amount of the net proceeds for the repayment of bank loans.

LISTING RULES IMPLICATIONS

As one or more of the applicable percentage ratios in respect of the Disposal is more than 25% but less than 75%, the Disposal constitutes a major transaction of the Company and is subject to the notification, announcement and Shareholders' approval requirements under Chapter 14 of the Listing Rules. As no Shareholder has any material interest in the Disposal which is different from that of other Shareholders, none of the Shareholders is required to abstain from voting at the SGM for approving the Framework Agreement and the transactions contemplated thereunder. A circular containing, inter alia, details of the Disposal together with a notice of the SGM will be despatched to the Shareholders on or before 27 January 2015.

DEFINITIONS

In this announcement, unless the context otherwise requires, the following words and expression shall have the following meaning when used herein:

“Aggregate Consideration”	the sum of the Keycharm Consideration and the Toobright Consideration
“associates”	shall have the same meaning as ascribed to it under the Listing Rules
“Board”	the board of Directors
“Business Day(s)”	any day that is not a Saturday, Sunday, public holiday in Hong Kong and/or the PRC
“BVI”	the British Virgin Islands

“Company”	Greater China Holdings Limited, a company incorporated in Bermuda with limited liability and the Shares are listed on the Main Board of the Stock Exchange (Stock Code: 431)
“Completion”	completion of the Keycharm Agreement and the Toobright Agreement in accordance with their respective terms
“Completion Account”	the management account of the Target Company for the period from 1 July 2014 and up to the month end of the last calendar month before Completion which shall be certified by the directors of the Target Company and approved by Party A
“connected person(s)”	has the meaning ascribed to it in the Listing Rules
“Directors”	directors of the Company
“Disposals”	the disposal by the Company of 100% issued share capital of Toobright to Purchaser B pursuant to the Toobright Agreement and the disposal by Profit Capital of 100% issued share capital of Keycharm to Purchaser A pursuant to the Keycharm Agreement
“Framework Agreement”	the conditional framework agreement dated 6 January 2015 entered into between the Company, Profit Capital, Party A and Party B in relation to the Disposals
“Group”	the Company and its subsidiaries
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Keycharm”	Keycharm Investments Limited, a company incorporated in BVI with limited liability and an indirect wholly owned subsidiary of the Company
“Keycharm Consideration”	RMB117,422,700, being the consideration for the entire issued share capital of Keycharm
“Keycharm Agreement”	the formal sale and purchase agreement to be entered into between Profit Capital and Purchaser A in relation to the disposal of the entire issued share capital of Keycharm
“Land”	the southern part of Zhonghua Main Road and eastern side of Chaoyang River, Taicang Port Development Zone, Taicang City,, Suzhou, Jiangsu Province, the PRC with a site area of approximately 200,000 square metres
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange

“PRC”	the People’s Republic of China, excluding Hong Kong, Macau Special Administrative Region and Taiwan for the purposes of this announcement
“Profit Capital”	Profit Capital Limited, a company incorporated in BVI with limited liability and a wholly-owned subsidiary of the Company
“Party A”	平安不動產有限公司 (PingAn Real Estate Company Limited*), a company incorporated in the PRC with limited liability and a wholly-owned subsidiary of 中國平安保險(集團)股份有限公司 (Ping An Insurance (Group) Company of China, Ltd.)
“Party B”	江蘇思力實業股份有限公司 (Jiangshu Sili Holdings Limited*), a company incorporated in the PRC with limited liability
“Purchaser A”	Ping An Real Estate (Hongkong) Company Limited (平安不動產(香港)有限公司), a company incorporated in Hong Kong with limited liability and a wholly-owned subsidiary of Party A
“Purchaser B”	Spring Asia Investment Limited (泉康投資有限公司), a company incorporated in Hong Kong with limited liability and a related company of Party B
“Purchasers”	Purchaser A and Purchaser B
“SGM”	the special general meeting of the Company to be convened for, among others, considering, and if thought fit, approving the Framework Agreement, the Keycharm Agreement and the Toobright Agreement and the transactions contemplated thereunder
“Share(s)”	share(s) of HK\$0.005 each in the capital of the Company
“Shareholder(s)”	holder(s) of the Share(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Target Company”	圖輝石化(太倉)開發有限公司 (Tuhui Petrochem Development (Taicang) Company Limited*), a wholly foreign-owned enterprise established in the PRC with limited liability
“Toobright”	Toobright Limited, a company incorporated in Hong Kong with limited liability and a wholly-owned subsidiary of the Company
“Toobright Consideration”	RMB19,577,300, being the consideration for the entire issued share capital of Toobright
“Toobright Agreement”	the formal sale and purchase agreement to be entered into between the Company and Purchaser B in relation to the disposal of the entire issued share capital of Toobright

“Valuer”	BMI Appraisal Limited, an independent valuer
“HK\$”	Hong Kong dollar(s), the lawful currency of Hong Kong
“RMB”	Renminbi, the lawful currency of the PRC
“%”	per cent.

* *for identification purposes only*

By Order of the Board
Greater China Holdings Limited
Ma Xiaoling
Chairperson

Hong Kong, 6 January 2015

For the purposes of illustration only, any amounts denominated in RMB in this announcement are translated into HK\$ at the rate of RMB0.80 = HK\$1. Such translations should not be construed as a representation that the amounts in question have been, could have been or could be, converted at any particular rate at all.

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.