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(incorporated in Bermuda with limited liability)

(Stock code: 431)

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

UNUSUAL PRICE AND VOLUME MOVEMENTS AND CLARIFICATION ANNOUNCEMENT

The Board has noted the increases in the price and trading volume of the shares of the Company today and wishes to state that the Board is not aware of any reasons for such increases.

The Board also wishes to inform the Shareholders and potential investors that the Company has entered into a non-legally binding MOU with an independent third party in relation to a possible acquisition of a commercial property in Wuhan, the PRC for investment purpose.

Shareholders and potential investors should be aware that the Company may or may not pursue the possible acquisition and are advised to exercise caution when dealing in the shares of the Company and consult their professional advisers if they are in any doubt about their positions.

The Board also would like to make clarification on information contained in a recent press article.

The board of directors (the “Board”) of Greater China Holdings Limited (the “Company”) has noted the increases in the price and trading volume of the shares of the Company today and wishes to state that the Board is not aware of any reasons for such increases.

The Board also wishes to inform the shareholders of the Company (the “Shareholders”) and potential investors that the Company has entered into a non-legally binding memorandum of understanding dated 4 June 2007 (the “MOU”) with an independent third party in relation to a possible acquisition of a commercial property in Wuhan, the People’s Republic of China (the “PRC”) for investment purpose. Pursuant to the MOU, the Company has placed a deposit (the “Deposit”) of HK\$1.5 million in escrow with the Company’s lawyers upon signing of the MOU. The Deposit is refundable and may set off against part of the consideration of the possible acquisition if it materialises.

Shareholders and potential investors should be aware that the Company may or may not pursue the possible acquisition and are advised to exercise caution when dealing in the shares of the Company and consult their professional advisers if they are in any doubt about their positions.

The Board also noted a press article published in Hong Kong on 5 June 2007 in relation to a possible investment in the Company by a strategic investor and a possible co-operation with the strategic investor and wish to clarify that the Board is not aware of such possible investment or co-operation and the sources of the contents of the article. The Board also considers that the contents of the said article are inaccurate and there is no other information relevant to the article that needs to be brought to the attention of the Shareholders.

Save as disclosed above, we confirm that there are no negotiations or agreements relating to intended acquisitions or realizations which are discloseable under Rule 13.23 of the Listing Rules, neither is the Board aware of any matter discloseable under the general obligation imposed by Rule 13.09 of the Listing Rules, which is or may be of a price-sensitive nature.

By order of the board of
Greater China Holdings Limited
Chan Sze Hon
Executive Director

Hong Kong, 5 June 2007

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

* *For identification purpose.*