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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)

ANNOUNCEMENT

Pursuant to the Supplemental Agreement, the total consideration for the sale and purchase of 51% equity interests in Lucky Green is revised from HK\$30,000,000 to HK\$5,000,000, details of which are set out below.

Reference is made to the announcement (the “**Acquisition Announcement**”) of the Company dated 1 March 2004 and the circular of the Company dated 22 March 2004 in relation to a discloseable transaction for the acquisition of 51% equity interests in Lucky Green Limited at a consideration of HK\$30,000,000. Unless otherwise defined herein, terms used in this announcement shall have the same meanings as those defined in the Acquisition Announcement.

Pursuant to the Agreement as disclosed under the Acquisition Announcement, Lucky Green is the registered and beneficial owner of the entire registered capital of Zhuhai S.E.Z. Rui Nong Plant Protection Technology Co., Ltd. (珠海經濟特區瑞農植保技術有限公司) (“**WFOE**”). Lucky Green is principally engaged in investment holding with the WFOE which is principally engaged in the production and sale of agricultural spray nozzles and hosepipe, the cultivation and retail of fruits, vegetables and flowers, the provision of agricultural consultancy services and the development, production and sale of pesticide and organic fertilisers. The Acquisition was completed on 19 March 2004 after all the conditions precedent as set out in the Agreement had been fulfilled. As at the date of this announcement, Lucky Green is a subsidiary of the Company and has no asset except for its investment in the WFOE.

In view of the business performance of the WFOE as reflected in its unaudited financial accounts for the year ended 31 December 2004, the Group has entered into a supplemental agreement (the “**Supplemental Agreement**”) with the Vendors on 23 March 2005 pursuant to which the total consideration for the Sale Shares, being 51% equity interests in Lucky Green, is revised from HK\$30,000,000 to HK\$5,000,000 (i.e. the consideration for the sale and purchase of the Xie Sale Shares shall be revised from HK\$10,000,000 to HK\$1,000,000 and the consideration for the sale and purchase of the Xu Sale Shares shall be revised from HK\$20,000,000 to HK\$4,000,000). Save for the HK\$1,000,000 refundable deposit and part payment which had been paid within seven days after the date of the Agreement, the remaining consideration shall be paid by the Group in cash on or before 31 March 2005.

The terms of the Supplemental Agreement were negotiated on an arm's length basis between the Vendors and the Group with reference to the present estimates on the prospects of the business of the WFOE and the industry in which the WFOE operates. As the WFOE contributes less than 5% to the Group's net profit (after tax) (based on unaudited figures), the Directors do not consider that the performance of the WFOE has any significant impact on the results of the Group.

Taking into account of the existing business of the Lucky Green Group, including its established distribution network and management team, and the potential development of the agricultural products in the PRC in future, the Directors consider that the terms of the Supplemental Agreement are based on normal commercial terms and are fair and reasonable so far as the shareholders of the Company as a whole are concerned.

By order of the board
Greater China Holdings Limited
Xu Ying
Chairman

Hong Kong, 23 March 2005

As of the date of this announcement, the board of Directors comprised Mr. Xu Ying and Mr. Liu Ming Hui as executive Directors, and Mr. Wang Xianjun, Mr. Liu Fengliang and Mr. Wan Tze Fan, Terence as independent non-executive Directors.

** for identification purpose only*

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