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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>

**EXERCISE OF THE OPTION
IN RELATION TO
VERY SUBSTANTIAL DISPOSAL TRANSACTION
DISPOSAL OF PROPERTY**

Subsequent to the receipt of the written notice dated 23 February 2007 by the Purchaser from the Vendor confirming that the condition precedent of the Provisional Agreement has been satisfied, the Purchaser has exercised the Option by delivery to the Grantor of the Option Notice on 26 February 2007.

Reference is made to the announcements of the Company dated 19 December 2006, 2 January 2007, 19 January 2007 and 23 January 2007 and the circular (the “Circular”) of the Company dated 31 January 2007 in respect of, among others, the very substantial disposal transaction of the Company. Terms used herein shall have the same meanings as those defined in the Circular unless the context requires otherwise.

EXERCISE OF THE OPTION

The resolution relating to the approval of the Provisional Agreement and the transactions contemplated thereunder was duly passed by the Shareholders by show of hands at the SGM held on 22 February 2007.

Subsequent to the receipt of the written notice dated 23 February 2007 by the Purchaser from the Vendor confirming that the condition precedent of the Provisional Agreement has been satisfied, the Purchaser has exercised the Option by delivery to the Grantor of the Option Notice on 26 February 2007.

Pursuant to the Provisional Agreement, upon serving on the Grantor the Option Notice, the parties shall enter into the Share Agreement within 10 business days from the date of service of the Option Notice (i.e. on or before 9 March 2007) and completion shall take place within 20 business days from the date of service of the Option Notice. In such event, the Vendor’s

obligation to sell the Property to the Purchaser shall cease and any part(s) of the Consideration paid by the Purchaser to the Vendor up to the date of service of the Option Notice shall be transferred from the Vendor to the Grantor or its nominee under the Share Agreement.

By Order of the Board
Ma Xiaoling
Chairman

Hong Kong, 26 February 2007

As at the date of this announcement, the executive Directors are Ms. Ma Xiaoling and Mr. Chan Sze Hon, and the independent non-executive Directors are Mr. Ching Men Ky, Carl, Mr. Lin Rwei Min and Mr. Shu Wa Tung, Laurence.

** For identification purpose only*

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