



G·PROP
(HOLDINGS) LIMITED

G-PROP (HOLDINGS) LIMITED

(Incorporated in Bermuda with limited liability)

(Stock Code: 286)

RESIGNATION OF THE CHAIRMAN AND EXECUTIVE DIRECTOR AND POSSIBLE DISPOSAL

The Board wishes to announce that Mr. Lau has resigned as the Chairman and Executive Director of the Company with effect from 1st June, 2007.

The Board also wishes to announce that the Company is now negotiating with a subsidiary of one of its associated companies for the disposal of the Company's indirect interest in certain associated companies and certain related intellectual property rights. The Possible Disposal may or may not proceed.

RESIGNATION OF CHAIRMAN AND EXECUTIVE DIRECTOR

The board of directors (the "Board") of G-Prop (Holdings) Limited (the "Company") wishes to announce that Mr. Lau Ming Wai ("Mr. Lau") has resigned as the Chairman and Executive Director of the Company with effect from 1st June, 2007. Mr. Lau has tendered his resignation as the Chairman and Executive director of the Company as he has to spend more time and travel frequently in discharging his duties as the executive director of Chinese Estates Holdings Limited, the holding company of the Company ("Chinese Estates"), in order to meet the business need of Chinese Estates. There is no disagreement between Mr. Lau and the Board. The Company and Mr. Lau have confirmed that there is no matter relating to his resignation that needs to be brought to the attention of shareholders of the Company.

The Board will approach suitable candidate to fill the vacancy and will make further announcement upon the appointment of its new Chairman and/or Executive Director.

Meanwhile, the Board would like to take this opportunity to thank you Mr. Lau for his valuable contribution to the Company during his tenure of service with the Company.

POSSIBLE DISPOSAL

The Board also wishes to announce that the Company is now negotiating with a subsidiary of one of its associated companies, an independent third party, for the disposal of the Company's indirect interest in certain associated companies and certain related intellectual property rights (the "Possible Disposal"). The Possible Disposal may or may not proceed.

If materialised, the Company will receive a cash consideration under the Possible Disposal. As the book value of the equity interest and the intellectual property rights proposed to be disposed under the Possible Disposal is zero based on the audited consolidated accounts of the Company for the financial year ended 31st December 2006, the Company will record a non-recurring profit under the Possible Disposal.

The Possible Disposal will not, if materialised, constitute notifiable transaction of the Company under Chapter 14 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Listing Rules"), nor do the Board consider it to be price-sensitive in nature.

The Company has also noted the increase in price and trading volume of the shares of the Company today and wishes to state that the Company is not aware of any reasons for such increase. Save for the two major transactions disclosed in the Company's announcements dated 13 February and 28 March 2007 respectively, the Company also confirms that there are no negotiations or agreements relating to any intended acquisitions or realisations 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 price-sensitive nature. This statement is made at the request of The Stock Exchange of Hong Kong Limited pursuant to rule 13.10 of the Listing Rules.

Made by order of the Board, the directors of which individually and jointly accept responsibility for the accuracy of this statement.

By Order of the Board
Lam, Kwong-Wai
Company Secretary

Hong Kong, 31st May, 2007

As at the date of this announcement, the Board comprises Mr. Lau Ming-wai, Mr. Leung, Wing-pong and Mr. Kong, Chi-ming as executive directors and Mr. Leung, Yun-fai, Mr. Lam, Yat-fai and Dr. David Chain, Chi-woo as independent non-executive directors.

Website: <http://www.g-prop.com.hk>

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