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G·PROP
(HOLDINGS) LIMITED

G-PROP (HOLDINGS) LIMITED

金匡企業有限公司*

(Incorporated in Bermuda with limited liability)

(Stock code: 286)

**SUPPLEMENTAL ANNOUNCEMENT
DISCLOSEABLE TRANSACTION
IN RELATION TO A LEASE**

After trading hours on 18 September 2013, the Lessee has entered into the Supplemental Letter with the Lessor pursuant to which the certain terms of the proposed lease as set out in the Letter of Intent have been revised. According to the Supplemental Letter, the Lessee shall rent two floors (instead of three floors) in a commercial building in Biological Island. The monthly amount payable to the Lessor shall be accordingly reduced from RMB237,150 (equivalent to approximately HK\$300,808.5) to RMB156,718 (equivalent to approximately HK\$198,499). Moreover, the Lessor shall grant a six-month (instead of one-month) rent-free period to the Lessee. Accordingly, the aggregate amount payable to the Lessor shall be reduced from RMB5,505,600 (equivalent to approximately HK\$6,983,854) to RMB3,008,358 (equivalent to approximately HK\$3,810,384).

As one or more of the revised applicable percentage ratios (calculated according to Rule 14.07 of the Listing Rules) in respect of the Letter of Intent (as supplemented by the Supplemental Letter) exceed 5% but all of such revised applicable percentage ratios are under 25%, the transaction contemplated under the Letter of Intent (as supplemented by the Supplemental Letter) constitutes a discloseable transaction (instead of major transaction as contemplated in the Previous Announcements) of the Company subject to notification, reporting and announcement under the Chapter 14 of the Listing Rules. Therefore, no circular shall be despatched by the Company to the Shareholders in relation thereto.

The formal lease agreement is expected to be finalised on or before 20 October 2013. Further announcement(s) will be made by the Company as and when appropriate.

Reference is made to the announcements of the Company dated 23 June 2013, 26 June 2013 and 29 August 2013, respectively, (together, the “Previous Announcements”) in relation to, inter alia, the proposed lease of certain floors in a commercial building in Biological Island pursuant to the Letter of Intent. Capitalised terms used herein shall have the same meaning as defined in the Previous Announcements, unless otherwise stated.

THE SUPPLEMENTAL LETTER

After trading hours on 18 September 2013, Common Splendor International Health Management Limited (formerly known as Wisestar Development Limited) as the Lessee entered into the supplemental letter in relation to the Letter of Intent (the “Supplemental Letter”) with the Lessor. Pursuant to the Supplemental Letter, the following terms of the proposed lease are revised:

Subject	The Letter of Intent	The Supplemental Letter
Date of formal lease agreement	On or before 20 September 2013	On or before 20 October 2013
Location	Any three floors in Block 2, Phase 3 of Standard Property Unit in Biological Island	Two floors in Block 2, Phase 3 of Standard Property Unit in Biological Island
Gross Area	Approximately 4,650 square metres in aggregate	Approximately 2,975 square metres in aggregate
Term	One-month rent-free period	Six-month rent-free period
Consideration #	The monthly rental payable by the Lessee to the Lessor is approximately RMB186,000 (equivalent to approximately HK\$235,941) at RMB40 (equivalent to approximately HK\$50.74) per square metre.	The monthly rental payable by the Lessee to the Lessor is approximately RMB125,479 (equivalent to approximately HK\$158,932) at RMB45 (equivalent to approximately HK\$57.00) per square metre for the first floor and RMB40 (equivalent to approximately HK\$50.66) per square metre for the second floor.

<p>Consideration # (Cont'd)</p>	<p>In addition, the monthly management fee as well as utilities expenses for public area payable by the Lessee to the Lessor is approximately RMB51,150 (equivalent to approximately HK\$64,867.5) at RMB11 (equivalent to approximately HK\$13.95) per square metre.</p> <p>Therefore, the aggregate monthly amount payable by the Lessee to the Lessor is approximately RMB237,150 (equivalent to approximately HK\$300,808.5).</p> <p>On the basis of the aforesaid, the highest aggregate annual amount payable by the Lessee to the Lessor (i.e the annual amount payable for 2014) is approximately RMB2,845,800 (equivalent to approximately HK\$3,609,702).</p> <p>The aggregate amount payable by the Lessee to the Lessor for the whole term of the proposed lease is approximately RMB5,505,600 (equivalent to approximately HK\$6,983,854).</p> <p><i># Exchange rate</i> <i>RMB1.00:HK\$1.2685</i></p>	<p>The monthly management fee as well as utilities expenses for public area payable by the Lessee to the Lessor is approximately RMB31,239 (equivalent to approximately HK\$39,567) at RMB10.5 (equivalent to approximately HK\$13.3) per square metre.</p> <p>The aggregate monthly amount payable by the Lessee to the Lessor is approximately RMB156,718 (equivalent to approximately HK\$198,499).</p> <p>The highest aggregate annual amount payable by the Lessee to the Lessor (i.e the annual amount payable for 2015) is approximately RMB1,567,180 (equivalent to approximately HK\$1,984,990).</p> <p>The aggregate amount payable by the Lessee to the Lessor for the whole term of the proposed lease is approximately RMB3,008,358 (equivalent to approximately HK\$3,810,384).</p> <p><i># Exchange Rate</i> <i>RMB 1.00:1.2666</i></p>
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Save as the above revised terms, the terms of the proposed lease remain unchanged in the Letter of Intent.

REASONS FOR AND BENEFITS OF ENTERING INTO THE SUPPLEMENTAL LETTER

The Board is of the view that the amended terms of the proposed lease as set out in the Supplemental Letter are more favourable to the Company as compared with the original taking

into account (i) the longer time available for finalising the formal lease agreement and longer rent-free period which give more time and flexibility to the Group to prepare for the new office and clinics; and (ii) the reduced amount payable by the Lessee to the Lessor which allows the Group to allocate the funding for other expense (such as renovation costs) for the new office and clinic.

The Board considers that the Supplemental Letter is on normal commercial terms, the terms and conditions of which are fair and reasonable and in the interest of the Company and the Shareholders as a whole.

IMPLICATION OF THE LISTING RULES

As one or more of the revised applicable percentage ratios (calculated according to Rule 14.07 of the Listing Rules) in respect of the Letter of Intent (as supplemented by the Supplemental Letter) exceed 5% but all of such revised applicable percentage ratios are under 25%, the transaction contemplated under the Letter of Intent (as supplemented by the Supplemental Letter) constitutes a discloseable transaction (instead of major transaction as contemplated in the Previous Announcements) of the Company subject to notification, reporting and announcement under the Chapter 14 of the Listing Rules. Therefore, no circular shall be despatched by the Company to the Shareholders in relation thereto.

The formal lease agreement is expected to be finalised on or before 20 October 2013. Further announcement(s) will be made by the Company as and when appropriate.

By Order of the Board
G-Prop (Holdings) Limited
Wong Yuet Ying
Company Secretary

Hong Kong, 18 September 2013

As at the date of this announcement, the Board comprises Mr. Cheung Wai Kuen and Mr. Cheng Hau Yan as executive Directors; Mr. Lin Jiang as non-executive Director; and Mr. Huang Liang, Mr. Mai Yang Guang and Mr. Yau Chi Ming as independent non-executive Directors.

In this announcement, the above-mentioned exchange rates have been used for the purpose of illustration only and do not constitute a representation that any amounts were or may have been exchanged at these or any other rates or at all.

The website of the Company is at www.g-prop.com.hk

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