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G-PROP (HOLDINGS) LIMITED

(Incorporated in Bermuda with limited liability)

(Stock Code: 286)

DESPATCH OF CIRCULAR IN RELATION TO (1) DISCLOSEABLE TRANSACTION: ACQUISITION OF PRC COMPANY; AND (2) SUBSCRIPTION OF SHARES AND CONVERTIBLE BONDS AND WHITEWASH WAIVER

The Circular has been despatched by the Company to its Shareholders on 28 August 2007.

Reference is made to the announcement (“**Announcement**”) jointly issued by the Company, AK, KB and KB Sub dated 7 August 2007 in relation to, among other things, the Acquisition, the Subscription and the Whitewash Waiver. Unless the context requires otherwise, terms used herein shall have the same meanings as those defined in the Announcement.

The Directors are pleased to announce that the circular (“**Circular**”) containing details of, among other things, (i) the Acquisition, the Subscription and the Whitewash Waiver; (ii) the advice and recommendation from the independent board committee; (iii) the letter from the independent financial adviser, and (iv) a notice of the SGM has been dispatch to the Shareholders on 28 August 2007. The SGM will be held at 11:00 a.m. on 12 September 2007, details of which are set out in the notice of the SGM.

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

Hong Kong, 28 August 2007

As at the date of this announcement, the Board comprises 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.

The Directors jointly and severally accept full responsibility for the accuracy of the information in this announcement and confirm, having made all reasonable enquiries, that to the best of their knowledge, opinions expressed in this announcement have been arrived at after due and careful consideration and there are no other facts not contained in this announcement, the omission of which would make any of the statements in this announcement misleading.