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If you have sold or transferred all your shares in G-Prop (Holdings) Limited, you should at once hand this circular together with the accompanying form of proxy to the purchaser or transferee or to the bank, licensed securities dealer or registered institution in securities or other agent through whom the sale or transfer was effected for transmission to the purchaser or transferee.

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G-PROP (HOLDINGS) LIMITED

(incorporated in Bermuda with limited liability)

(Stock Code: 286)

FINANCIAL ASSISTANCE AND CONTINUING CONNECTED TRANSACTION

**Independent financial adviser to the
Independent Board Committee and the Independent Shareholders**



Capitalised terms used in this cover shall have the same meanings as defined in the section headed "Definitions" in this circular.

A letter from the Board is set out on pages 3 to 10 of this circular. A letter from the Independent Board Committee is set out on page 11 of this circular. A letter from VC Capital containing its advice to the Independent Board Committee and the Independent Shareholders is set out on pages 12 to 20 of this circular.

A notice convening the SGM to be held at Chatham Room, Level 7, Conrad Hong Kong, Pacific Place, 88 Queensway, Hong Kong at 11:00 a.m. on Friday, 12 December 2008 is set out on pages 25 to 26 of this circular. A form of proxy for use at the SGM is also enclosed. If you are not able to attend the SGM in person, you are requested to complete and return the enclosed form of proxy in accordance with the instructions printed thereon and deposit it with the Company's branch share registrars and transfer office in Hong Kong, Tricor Secretaries Limited, at 26th Floor, Tesbury Centre, 28 Queen's Road East, Wanchai, Hong Kong, as soon as possible and in any event not later than 48 hours before the time appointed for holding the SGM or any adjournment thereof. Completion and return of the form of proxy will not preclude you from attending and voting in person at the SGM or any adjournment thereof if you so wish.

25 November 2008

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DEFINITIONS

In this circular, unless the context requires otherwise, the following expressions have the following meanings:

“associates”	has the meaning as ascribed thereto under Rule 1.01 and Rule 14A.11(4) of the Listing Rules
“Board”	the board of Directors
“CE”	Chinese Estates Holdings Limited, a company incorporated in Bermuda with limited liability, the shares of which are listed on the Main Board of the Stock Exchange and the guarantor of the Loan Agreement
“Company”	G-Prop (Holdings) Limited, a company incorporated in Bermuda with limited liability, whose shares are listed on the Main Board of the Stock Exchange and the lender of the Loan Agreement
“Continuing Connected Transaction”	the continuing connected transaction contemplated under the Loan Agreement
“Directors”	directors of the Company
“Fancy Mark”	Fancy Mark Limited (trading as Fancy Mark Capital Limited in Hong Kong), a company incorporated in the British Virgin Islands and a wholly-owned subsidiary of CE and the borrower of the Loan Agreement
“Group”	the Company and its subsidiaries
“HIBOR”	in relation to the determination of the rate of interest chargeable on the amount outstanding under the facility contemplated under the Loan Agreement, the rate for the relevant period displayed on page HKAB HIBOR of the Reuters Monitor Money Rate Services. If the agreed page or service is not available, the Company may after consultation with Fancy Mark, determine another page or service displaying appropriate rate for one-month deposit in Hong Kong dollars, at or about 11:15 a.m. on such business day
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Independent Board Committee”	the board committee comprising all independent non-executive Directors, Mr. Leung, Yun-fai, Mr. Lam, Yat-fai and Dr. David Chain, Chi-woo, which has been established by the Board for the purpose of advising the Independent Shareholders in relation to the Continuing Connected Transaction

DEFINITIONS

“Independent Shareholder(s)”	Shareholder(s) other than those with a material interest in the Continuing Connected Transaction and their associates
“Latest Practicable Date”	20 November 2008, being the latest practicable date prior to the printing of this circular for ascertaining certain information contained herein
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Loan Agreement”	the agreement dated 4 November 2008 and entered into between the Company (as lender), Fancy Mark (as borrower) and CE (as guarantor) in relation to a three-year revolving facility of up to HK\$200 million
“PRC”	the People’s Republic of China which, for the purpose of this circular, excludes Hong Kong, the Macau Special Administrative Region of the PRC and Taiwan
“SFO”	Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
“SGM”	a special general meeting of the Company to be held on 12 December 2008 for the purpose of considering, and if thought fit, approving the Continuing Connected Transaction by the Independent Shareholders
“Shareholder(s)”	shareholder(s) of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“VC Capital”	VC Capital Limited, a corporation licensed to carry on types 1 (dealing in securities) and 6 (advising on corporate finance) regulated activities under the SFO, the independent financial adviser to the Independent Board Committee and the Independent Shareholders in relation to the Continuing Connected Transaction
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“%”	per cent.

LETTER FROM THE BOARD



G·PROP
(HOLDINGS) LIMITED

G-PROP (HOLDINGS) LIMITED

(incorporated in Bermuda with limited liability)

(Stock Code: 286)

Executive Directors:

Mr. Kong, Chi-ming (*Deputy Chairman*)

Mr. Leung, Wing-pong (*Chief Executive Officer*)

Independent non-executive Directors:

Mr. Leung, Yun-fai

Mr. Lam, Yat-fai

Dr. David Chain, Chi-woo

Registered office:

Clarendon House

2 Church Street

Hamilton HM11

Bermuda

*Head office and principal place
of business in Hong Kong:*

26th Floor

MassMutual Tower

38 Gloucester Road

Wanchai

Hong Kong

25 November 2008

To the Shareholders

Dear Sir or Madam,

**FINANCIAL ASSISTANCE
AND
CONTINUING CONNECTED TRANSACTION**

1. INTRODUCTION

As disclosed in the announcement of the Company dated 4 November 2008, the Company (as lender), Fancy Mark (as borrower) and CE (as guarantor) entered into the Loan Agreement in relation to a three-year revolving facility of up to HK\$200 million on 4 November 2008.

The Company is an indirect non-wholly-owned subsidiary of CE and pursuant to Rules 14A.13(2)(a)(i) and 14A.14 of the Listing Rules, the Continuing Connected Transaction constitutes financial assistance and a continuing connected transaction for the Company. Accordingly, the Loan Agreement, the relevant expected cap amounts and the transaction contemplated thereunder are subject to reporting, announcement and the approval of the Independent Shareholders at the SGM.

LETTER FROM THE BOARD

The purpose of this circular is to provide you with information in relation to the Continuing Connected Transaction, the advice of the Independent Board Committee and the letter of advice from VC Capital to the Independent Board Committee and the Independent Shareholders.

2. FINANCIAL ASSISTANCE AND CONTINUING CONNECTED TRANSACTION

The Loan Agreement

Date

4 November 2008

Facility

Three-year revolving facility of up to HK\$200 million.

Borrower

Fancy Mark, which is not engaged in any business currently.

Guarantor

CE

CE provides the guarantee which is a continuing guarantee and will extend to the ultimate balance of sums payable by Fancy Mark under the Loan Agreement, regardless of any intermediate payment or discharge in whole or in part.

Lender

The Company

Purpose

To finance capital expenditure and general working capital of CE and its wholly-owned subsidiaries.

Final maturity

Three years from the date of the Loan Agreement.

Availability period

The period from the date on which all conditions precedent are fulfilled (or waived) to one business day prior to final maturity.

LETTER FROM THE BOARD

Conditions precedent

The obligation of the Company as the lender to make the facility available to Fancy Mark is subject to the fulfilment or waiver of the following conditions precedent:

- (1) the passing at the SGM by the Independent Shareholders of an ordinary resolution to approve the granting of the facility by the Company to Fancy Mark under and pursuant to the terms of the Loan Agreement;
- (2) the obtaining by the Company of all necessary consents, authorisations or other approvals (or, as the case may be, the relevant waiver) of any kind in connection with the entering into and performance by the Company of the terms of the Loan Agreement which may be required under the Listing Rules or from the Shareholders, the Stock Exchange, any regulatory authority, any relevant governmental agencies or other third parties;
- (3) the Company having received the following documents in form and substance reasonably satisfactory to it:
 - (a) the constitutional and corporate authorisation documents of Fancy Mark;
 - (b) the constitutional and corporate authorisation documents of CE;
 - (c) legal opinions in respect of the Loan Agreement on matters pertaining to the laws of such jurisdictions issued by counsels acceptable and in form and substance satisfactory to the Company in all respects;
- (4) the obtaining by Fancy Mark and CE of all necessary consents, authorisations or other approvals (or, as the case may be, the relevant waiver) of any kind in connection with the entering into and performance by Fancy Mark as the borrower and CE as the guarantor of the Loan Agreement which may be required under the Listing Rules or from the shareholders of CE, the Stock Exchange, any regulatory authority, any relevant governmental agencies or other third parties.

The Company may in its discretion waive the condition precedent contained in paragraph (3) above by notice to Fancy Mark. None of the other conditions precedent can be waived by any of the parties to the Loan Agreement.

If any of the conditions precedent have not been fulfilled on or before 5:00 p.m. on 31 March 2009 or such other date as the parties to the Loan Agreement may agree in writing, the Loan Agreement will cease to have effect.

LETTER FROM THE BOARD

Drawdown

Multiple drawings are allowed with each drawdown of not less than HK\$100,000.

The Company shall have the overriding right to (i) determine whether to permit the drawing of an advance by Fancy Mark under the facility and (ii) reduce the amount of advance requested by Fancy Mark, provided that the Company shall within one business day from its receipt of the drawdown notice notify Fancy Mark of its decision to disallow the advance or reduce the amount of the advance requested.

Repayment

The Company is entitled, by giving not less than one month's (or such shorter period as Fancy Mark may agree) prior notice to Fancy Mark, to demand full or partial repayment of the amount outstanding.

Fancy Mark shall also repay the aggregate principal amount outstanding under the facility, all accrued interest thereon and all other amount payable under the Loan Agreement on the date falling three years from the date of the Loan Agreement.

Fancy Mark may at any time without penalty or any other charges repay the whole or any part of the amount outstanding under the facility (if in part, being a minimum amount of HK\$100,000 and an integral multiple of HK\$100,000), provided that Fancy Mark shall have given to the Company not less than 14 days' (or such shorter period as the Company may agree) prior written notice of its intention to make such repayment, specifying the amount to be repaid and the proposed date of such repayment. Any amount so repaid by Fancy Mark shall first be applied towards the repayment of interest accrued up to the date of repayment and the balance shall be applied towards repayment of the principal amount outstanding under the facility.

Interest

HIBOR plus 1% per annum.

Collateral

Not required

The Company may, without prejudice to any other rights of the Company as the lender, at any time after the happening of an event of default which includes, among other matters, non-payment by Fancy Mark, breach of obligations and warranties, so long as the same is continuing and has not been waived by notice to Fancy Mark declare that:

- (1) the obligation of the Company to make the facility available shall be terminated, whereupon any undrawn portion of the facility shall be reduced to zero forthwith; and/or

LETTER FROM THE BOARD

- (2) all amounts outstanding under the facility and all interest accrued and all other sums payable under the Loan Agreement have become due and payable, whereupon the same shall, immediately or in accordance with the terms of such notice, become due and payable.

Expected cap amounts

The following table sets out the expected cap amounts of the facility granted by the Company to Fancy Mark under the Loan Agreement for each of the following periods:

	From 4 November 2008 to 31 December 2008	For the year ending 31 December 2009	For the year ending 31 December 2010	From 1 January 2011 to 3 November 2011
Expected cap amount	HK\$203 million	HK\$216 million	HK\$216 million	HK\$214 million

The aforesaid expected cap amounts are determined by using the aggregate principal amount outstanding under the facility granted by the Company and the annual interest payable, based on the assumption that Fancy Mark will borrow up to HK\$200 million for each of (i) the period from 4 November 2008 to 31 December 2008, (ii) the year ending 31 December 2009, (iii) the year ending 31 December 2010 and (iv) the period from 1 January 2011 to 3 November 2011 respectively.

Reasons for and the benefits of the Continuing Connected Transaction

The Company is principally engaged in investment and finance, and property investment. As stated in the interim report of the Company for the six months ended 30 June 2008, the Group intended to hold the floating rate notes amounted to approximately HK\$161.2 million for long-term purpose. As at 30 June 2008, the time deposits, bank balances and cash of the Group amounted to approximately HK\$300 million. As at 31 October 2008, the Company had, upon the request of the bondholders, redeemed in full its zero coupon convertible bonds due 2010 in the principal amount of HK\$180 million by cash. Given the current global economic condition and the volatility of the stock market, the management of the Company currently has not identified any potential projects or investment opportunities suitable for the Group to pursue for the excess idle cash on hand. As such, the management of the Company considers that, it is in the commercial interest of and beneficial to the Company to lend the amount of excess idle and unused cash to CE for a higher return than keeping such idle cash as bank deposits.

Furthermore, the Loan Agreement is contemplated to confer the Company the right to make final decision as to approving the drawdown by Fancy Mark and to demand repayment of the loan upon giving prior notice to Fancy Mark. This would also provide flexibility to the Company to utilise the money should any suitable investment opportunity arise.

LETTER FROM THE BOARD

The Directors are of the view that the terms of the Loan Agreement (including the interest rate and repayment terms) and the abovementioned expected cap amounts are on normal commercial terms and are fair and reasonable and in the interests of the Shareholders as a whole.

Information on CE and Fancy Mark

CE is a company listed on the Main Board of the Stock Exchange. It is an investment holding company and its subsidiaries are principally engaged in property investment and development, brokerage, securities investments, money lending and cosmetics distribution and trading. Currently, the Company is an indirect non-wholly-owned subsidiary of CE.

Fancy Mark is a company not engaged in any business currently. Mr. Lam, Kwong-wai, the company secretary of the Company, was appointed as a director of Fancy Mark on 31 October 2008.

3. RELATIONSHIP BETWEEN THE PARTIES AND IMPLICATION OF THE LISTING RULES

As at the Latest Practicable Date, CE is indirectly interested in approximately 50.21% of the issued share capital of the Company.

Pursuant to Rule 13.13 of the Listing Rules, the Company has a general disclosure obligation as to the Continuing Connected Transaction. Furthermore, as at the Latest Practicable Date, the Company is an indirect non-wholly-owned subsidiary of CE and pursuant to Rules 14A.13(2)(a)(i) and 14A.14 of the Listing Rules, the Continuing Connected Transaction constitutes financial assistance and a continuing connected transaction. Accordingly, the Loan Agreement, the relevant expected cap amounts and the transaction contemplated thereunder are subject to reporting, announcement and the approval of the Independent Shareholders at the SGM.

The Continuing Connected Transaction is required to be approved, on a poll, by the Independent Shareholders pursuant to Rule 14A.17 of the Listing Rules. Shareholders with a material interest in the Continuing Connected Transaction, and their associates are required to abstain from voting at the SGM in respect of the relevant resolution.

4. SGM

The Company will convene the SGM to be held at 11:00 a.m. on Friday, 12 December 2008 at Chatham Room, Level 7, Conrad Hong Kong, Pacific Place, 88 Queensway, Hong Kong to consider the Continuing Connected Transaction. A notice of the SGM is set out on pages 25 to 26 of this circular. As at the Latest Practicable Date, Mr. Joseph Lau, Luen-hung, a director and controlling shareholder of CE, was interested in 24.34% of the issued shares of the Company through Asian Kingdom Limited, a company indirectly wholly-owned by him and 58.81% of the issued shares of CE through GZ Trust Corporation. Accordingly, Mr. Joseph Lau, Luen-hung, CE and their respective associates will abstain from voting in respect of the ordinary resolution proposed to approve the Continuing Connected Transaction at the SGM. Save as disclosed, the Directors were not aware of any Shareholders who are required to abstain from voting at the SGM.

LETTER FROM THE BOARD

A form of proxy for use at the SGM is also enclosed. Whether or not you intend to attend the SGM, you are requested to complete and return the accompanying form of proxy in accordance with the instructions printed thereon to Tricor Secretaries Limited, branch share registrars and transfer office of the Company in Hong Kong, at 26th Floor, Tesbury Centre, 28 Queen's Road East, Wanchai, Hong Kong, as soon as possible and in any event not later than 48 hours before the time appointed for holding the SGM or any adjournment thereof. Completion and return of the form of proxy will not preclude you from attending and voting in person at the SGM or any adjournment thereof if you so wish.

5. PROCEDURES FOR DEMANDING A POLL

Under the bye-laws of the Company, a poll can be demanded at the SGM by:

- (i) the chairman of the SGM; or
- (ii) at least three members present in person or by proxy for the time being entitled to vote at the SGM; or
- (iii) any member or members present in person or by proxy and representing not less than one-tenth of the total voting rights of all the members having the right to vote at the SGM; or
- (iv) any member or members present in person or by proxy and holding shares of the Company conferring a right to vote at the SGM being shares of the Company on which an aggregate sum has been paid up equal to not less than one-tenth of the total sum paid up on all the shares of the Company conferring that right; or
- (v) if required by the Listing Rules, by any Director or Directors who, individually or collectively, hold proxies in respect of the shares of the Company representing 5% or more of the total voting rights at the SGM.

Pursuant to Rule 13.39(4) of the Listing Rules, the vote of the Independent Shareholders at the SGM to approve the Continuing Connected Transaction will be taken by poll, the results of which will be announced after the SGM.

6. CLOSURE OF REGISTER OF MEMBERS OF THE COMPANY

The register of members of the Company will be closed from 10 December 2008 to 12 December 2008, both days inclusive, for the purpose of determination of entitlements to attend and vote at the SGM.

As such, all share transfers documents accompanied by the relevant share certificates must be lodged with the Company's branch share registrars and transfer office in Hong Kong, Tricor Secretaries Limited, at 26th Floor, Tesbury Centre, 28 Queen's Road East, Wanchai, Hong Kong not later than 4:30 p.m. on 9 December 2008.

LETTER FROM THE BOARD

7. RECOMMENDATION

The Independent Board Committee comprising all the independent non-executive Directors, namely Mr. Leung, Yun-fai, Mr. Lam, Yat-fai and Dr. David Chain, Chi-woo, has been established to advise the Independent Shareholders as to the fairness and reasonableness of the terms of the Continuing Connected Transaction. Your attention is drawn to the letter of advice from the Independent Board Committee set out on page 11 of this circular. Your attention is also drawn to the letter of advice from VC Capital to the Independent Board Committee and the Independent Shareholders in respect of the Continuing Connected Transaction and the relevant expected cap amounts set out on pages 12 to 20 of this circular.

The Independent Board Committee, having taken into account the advice of VC Capital, considers that the Loan Agreement is on normal commercial terms, and that the Continuing Connected Transaction, together with the relevant expected cap amounts, is in the best interest of the Company and the Shareholders as a whole. The Independent Board Committee also considers that the Continuing Connected Transaction and the relevant expected cap amounts are fair and reasonable so far as the Independent Shareholders are concerned and recommend that the Independent Shareholders to vote in favour of the ordinary resolution to approve the Continuing Connected Transaction and the relevant expected cap amounts at the SGM.

8. ADDITIONAL INFORMATION

Your attention is drawn to the additional information set out in the appendix to this circular.

Yours faithfully,
By Order of the Board of
G-Prop (Holdings) Limited
Lam, Kwong-wai
Company Secretary



G·PROP
(HOLDINGS) LIMITED

G-PROP (HOLDINGS) LIMITED

(incorporated in Bermuda with limited liability)

(Stock Code: 286)

25 November 2008

To the Independent Shareholders

Dear Sir or Madam,

CONTINUING CONNECTED TRANSACTION

We refer to the circular issued by the Company to the Shareholders and dated 25 November 2008 (“**Circular**”) of which this letter forms part. Terms defined in the Circular have the same meanings when used in this letter unless the context otherwise requires.

Under the Listing Rules, the transaction contemplated under the Loan Agreement between the Company (as lender), Fancy Mark (as borrower) and CE (as guarantor) constitutes a continuing connected transaction for the Company and is thus subject to the approval of the Independent Shareholders at the SGM.

We have been appointed by the Board to consider the terms of the Loan Agreement and to advise the Independent Shareholders in connection with the Continuing Connected Transaction as to whether, in our opinion, their terms and the relevant expected cap amounts are fair and reasonable so far as the Independent Shareholders are concerned. VC Capital has been appointed as the independent financial adviser to advise us and the Independent Shareholders in this respect.

We wish to draw your attention to the letter from the Board and the letter from VC Capital as set out in the Circular. Having considered the principal factors and reasons considered by, and the advice of VC Capital as set out in its letter of advice, we consider that the Loan Agreement is on normal commercial terms, and that the Continuing Connected Transaction, together with the relevant expected cap amounts, is in the best interest of the Company and the Shareholders as a whole. We also consider that the Continuing Connected Transaction and the relevant expected cap amounts are fair and reasonable so far as the Independent Shareholders are concerned. Accordingly, we recommend the Independent Shareholders to vote in favour of the ordinary resolution to approve the Continuing Connected Transaction and the relevant expected cap amounts at the SGM.

Yours faithfully,
For and on behalf of

Independent Board Committee

Leung, Yun-fai

Lam, Yat-fai

David Chain, Chi-woo

Independent non-executive Directors

LETTER FROM VC CAPITAL

Set out below is the full text of a letter received from VC Capital, the independent financial adviser to the Independent Board Committee and the Independent Shareholders regarding the Loan Agreement (together with the relevant proposed cap amounts) and the transaction contemplated thereunder for the purpose of inclusion in this circular.



25 November 2008

*To the Independent Board Committee and
the Independent Shareholders of G-Prop (Holdings) Limited*

Dear Sir or Madam,

FINANCIAL ASSISTANCE AND CONTINUING CONNECTED TRANSACTION

INTRODUCTION

We refer to our engagement as the independent financial adviser to advise the Independent Board Committee and the Independent Shareholders in respect of the Continuing Connected Transaction and the relevant expected cap amounts, details of which are set out in the letter from the Board as contained in the circular of the Company dated 25 November 2008 (the “**Circular**”), of which this letter forms part. Capitalised terms used in this letter shall have the same meanings as those defined in the Circular unless the context otherwise requires.

It was announced by the Company on 4 November 2008 that the Loan Agreement was entered into by the Company (as lender), Fancy Mark, a wholly-owned subsidiary of CE (as borrower), and CE (as guarantor) on 4 November 2008, pursuant to which a revolving facility of up to HK\$200 million (the “**Facility**”) would be granted by the Company to Fancy Mark for a term of three years from the date of the Loan Agreement.

As at the Latest Practicable Date, CE was indirectly interested in approximately 50.21% of the issued share capital of the Company. As such, the transaction as contemplated under the Loan Agreement constitutes financial assistance and continuing connected transaction on the part of the Company pursuant to Rules 14A.13(2)(a)(i) and 14A.14 of the Listing Rules. Accordingly, the Loan Agreement, the Continuing Connected Transaction and the relevant expected cap amounts of the Facility are subject to approval by the Independent Shareholders by way of poll at the SGM.

The Independent Board Committee, comprising Mr. Leung, Yun-fai, Mr. Lam, Yat-fai and Dr. David Chain, Chi-woo, being all the independent non-executive Directors who do not have any material interest in the Continuing Connected Transaction, has been established to advise on whether the Loan Agreement is on normal commercial terms, the

LETTER FROM VC CAPITAL

fairness and reasonableness of the terms of the Continuing Connected Transaction (including the relevant expected cap amounts) so far as the Independent Shareholders are concerned and as to whether the Loan Agreement and the Continuing Connected Transaction are in the interests of the Company and the Shareholders as a whole.

In our capacity as the independent financial adviser to the Independent Board Committee and the Independent Shareholders, our role is to give an independent opinion as to whether the Loan Agreement is on normal commercial terms, whether the Continuing Connected Transaction is in the ordinary and usual course of business of the Group, whether the terms of the Continuing Connected Transaction (including the relevant expected cap amounts) are fair and reasonable so far as the Independent Shareholders are concerned and whether the Continuing Connected Transaction is in the interests of the Company and the Shareholders as a whole.

VC Capital Limited (“**VC Capital**”) is not associated with the Company and its substantial Shareholders or any party acting, or presumed to be acting, in concert with any of them and, accordingly, is considered eligible to give independent advice on the Continuing Connected Transaction. Apart from normal professional fees payable to us in connection with this engagement, no arrangement exists whereby VC Capital will receive any fees or benefits from the Company or its substantial Shareholders or any party acting, or presumed to be acting, in concert with any of them.

In formulating our opinion, we have relied on the information and facts supplied and the opinions expressed by the executive Directors and senior management of the Group. We have also assumed that the information and representations contained or referred to in the Circular were true and accurate at the time they were prepared or made and will continue to be so up to the date of the SGM. We have no reason to doubt the truth, accuracy and completeness of the information and representations made to us by the executive Directors and senior management of the Group. We have also been advised by the executive Directors that no material facts have been omitted from the Circular and the information provided to us.

We consider we have reviewed sufficient information to reach an informed view, to justify reliance on the accuracy of the information contained in the Circular and to provide a reasonable basis for our opinion. We have not, however, conducted any independent investigation into the business and affairs or the future prospects of the Group, nor have we carried out any independent verification of the information supplied.

PRINCIPAL FACTORS AND REASONS CONSIDERED

In considering whether the Loan Agreement is on normal commercial terms, whether the Continuing Connected Transaction is in the ordinary and usual course of business of the Group, whether the terms of the Continuing Connected Transaction (including the relevant expected cap amounts) are fair and reasonable so far as the Independent Shareholders are concerned and whether the Continuing Connected

LETTER FROM VC CAPITAL

Transaction is in the interests of the Company and the Shareholders as a whole, we have taken into account the following principal factors and reasons:

1. Reasons for entering into the Loan Agreement

The Group is principally engaged in property leasing, and investing and financing activities. As stated in the unaudited interim results of the Group for the six months ended 30 June 2008, the Group had time deposits, bank balances and cash in the amount of approximately HK\$299.7 million. As at 30 June 2008, the Group also held floating rate notes with maturity dates between 2011 and 2014 with a fair value of approximately HK\$161.2 million as available-for-sale financial assets. The Company also announced on 31 October 2008 that the Company had, upon request by the bondholders, redeemed in full its zero coupon convertible bonds due 2010 with a principal amount of HK\$180 million.

We understand that the management of the Group has not identified any potential targets of suitable projects or appropriate investment opportunities to utilize the excess idle cash on hand. The excess idle cash has been kept by the Group as bank deposits. We consider that although granting a loan facility to an entity is not in the ordinary and usual course of business of the Group, the granting of the Facility to CE and its wholly-owned subsidiaries represents an alternative channel for the Group to treat its excess unused cash, in addition to the holding of floating rate notes or keeping the same as bank deposits.

The Facility in the sum of HK\$200 million represents the maximum amount of loan to be granted by the Company to Fancy Mark during the tenor of the Loan Agreement. As further illustrated under the paragraph headed "Principal terms of the Loan Agreement" below, pursuant to the Loan Agreement, the Company has an overriding right to (i) determine whether to permit the drawing of an advance by Fancy Mark under the Facility; and (ii) reduce the amount of advance requested by Fancy Mark. Moreover, the Company is entitled, by giving prior notice of not less than one month (or such shorter period as Fancy Mark may agree) to Fancy Mark, to demand full or partial repayment of the amount outstanding from Fancy Mark. Therefore, the Company will always have the right, rather than commitment, to grant the Facility up to the sum of HK\$200 million. These protective rights given to the Company under the Loan Agreement help to maintain the Company's flexibility to utilize the idle cash to invest in higher-yield investments when such opportunities arise.

We are therefore of the opinion that it is in the commercial interest of and beneficial to the Company to enter into the Loan Agreement so as to provide the Company with an additional channel to invest its idle cash without materially limiting its flexibility to invest in higher-yield investments when such opportunities arise.

2. **Principal terms of the Loan Agreement**

Drawdown and repayment

Pursuant to the Loan Agreement, Fancy Mark can request a drawdown upon fulfilling all the conditions as stated in the paragraph headed “The Loan Agreement” in the “Letter from the Board” in the Circular until one business day prior to the final maturity day. The Company shall have the overriding right to (i) determine whether to permit the drawing of an advance by Fancy Mark under the Facility; and (ii) reduce the amount of advance requested by Fancy Mark, provided that such decision shall be notified by the Company to Fancy Mark within one business day following the receipt of drawdown notice by the Company from Fancy Mark. In addition, the Company is also entitled, by giving prior notice of not less than one month (or such shorter period as Fancy Mark may agree) to Fancy Mark, to demand full or partial repayment of the amount outstanding from Fancy Mark. Fancy Mark shall, in any event, repay the aggregate principal amount outstanding under the Facility, together with all accrued interest thereon and all other amounts payable under the Loan Agreement, on the date falling three years from the date of the Loan Agreement.

We consider that the mechanism under the Loan Agreement to (i) allow the Company the right to make the final decision whether to approve the drawdown by Fancy Mark when Fancy Mark makes each drawdown request; and (ii) demand repayment by Fancy Mark by giving one month’s prior notice (or notice of such shorter period as Fancy Mark may agree) to Fancy Mark provides flexibility to the Company to ensure that the Group would have sufficient cash for any appropriate investment opportunities that may arise or for its general working capital at the time and/or to adjust its credit policy to Fancy Mark in view of the then financial position of CE and its subsidiaries excluding the Group (together the “CE Group”).

We have been advised by the executive Directors that the Company will consider factors such as the financial position of the Group as well as the credibility of the CE Group for each drawdown under the Facility, and will monitor, from time to time, the credit exposure to the CE Group under the Loan Agreement. We consider that these measures would help to ensure that the Continuing Connected Transaction is conducted in an appropriate manner and that they would help to safeguard the interests of the Independent Shareholders and are in the interests of the Company and the Shareholders as a whole.

Moreover, as the mechanism under the Loan Agreement allows the Company the flexibility to decide whether to approve the drawdown by Fancy Mark and to determine the amount to be granted each time when Fancy Mark makes such drawdown request, and we understand that the Company will consider, among other factors, the financial position, including the then cash

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balance, of the Group for each drawdown under the Facility, we consider that the Group would be able to maintain sufficient cash for its own operations notwithstanding the granting of the Facility to the CE Group.

Tenor

Pursuant to the Loan Agreement, the Facility will be extended to the CE Group for three years commencing from the date of the Loan Agreement. Given that (i) the provision of the Facility is a continuing connected transaction under the context of the Listing Rules, which requires that an agreement in connection with a continuing connected transaction should normally be not more than three years; and (ii) the Company has been given the rights to approve a drawdown or request a repayment as discussed in the paragraph headed "Drawdown and repayment" above, we consider that the three-year tenor of the Facility is fair and reasonable in a way that it could help the Company minimize the compliance works to extend the Facility to the CE Group and maintain its flexibility to adjust the credit to the CE Group under the Facility as and when appropriate during the tenor.

Interest rate

Pursuant to the Loan Agreement, the Facility would be made available to Fancy Mark at an interest rate of one-month HIBOR plus 1% per annum.

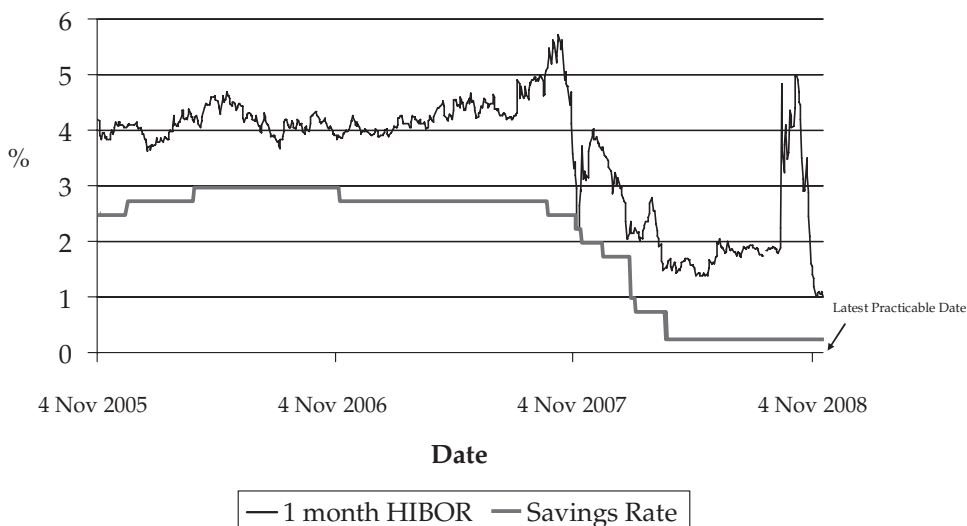
According to the annual report and the interim report of the Group for the year ended 31 December 2007 and for the six months ended 30 June 2008 respectively, the Group has not extended any loans or advances to any third parties, and has not secured any bank borrowings during the aforesaid periods. To this end, we may not be able to conclude whether the interest rate charged to the CE Group under the Facility is comparable to those charged by the Group to independent third parties. Nevertheless, we note from the audited annual results of the Enlarged Group (being CE and its subsidiaries, including the Group) for the year ended 31 December 2007 that the Enlarged Group had secured bank loans which carried interest rates ranging from HIBOR+0.37% per annum to HIBOR+0.8% per annum, and other secured loan which carried interest rate of inter-bank borrowing + 0.2% per annum. We therefore consider that the interest rate under the Facility is not unduly favourable to the CE Group.

We note that the Hong Kong dollar benchmark savings rate as quoted by Standard Chartered Bank (Hong Kong) Limited (the "**Standard Chartered Bank**"), being one of the principal bankers of the Group, for the period between 4 November 2005 (being 3 years prior to the date of the announcement of the Company dated 4 November 2008 in relation to the Continuing Connected Transaction) and the Latest Practicable Date (the "**Relevant Period**") ranged from between 0.25% (between 20 March 2008 and the Latest Practicable Date) and 3.00% (between 30 March 2006 and 6 November 2006). We also note that the one-month HIBOR during the Relevant

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Period ranged from between 0.99786% (on 12 November 2008) and 5.70357% (on 12 October 2007). The following chart illustrates the trend of the one-month HIBOR and the Hong Kong dollar benchmark savings rate as quoted by the Standard Chartered Bank during the Relevant Period:

Hong Kong Money Market Rates



Source: Bloomberg

Given that the interest rate under the Facility to be charged by the Company to the CE Group is not unduly favourable to the CE Group and the Company can earn a higher interest rate under the Facility than banks' deposit rate, we are therefore of the view that the Continuing Connected Transaction is fair and reasonable so far as the Independent Shareholders are concerned and that it is in the interests of the Company and the Shareholders as a whole.

3. Collateral and repayment capability of the CE Group

Pursuant to the Loan Agreement, Fancy Mark is not required to provide collateral for the Facility.

The Enlarged Group is principally engaged in property investment and development, brokerage, securities investments, money lending and cosmetics distribution and trading. For the year ended 31 December 2007, the Enlarged Group recorded an audited consolidated turnover and net profit attributable to equity holders of CE of approximately HK\$8,446.9 million and HK\$8,195.9 million respectively. The audited consolidated net assets attributable to equity holders of CE and the cash balance of the Enlarged Group was approximately HK\$47,161.6 million and HK\$6,167.8 million respectively as at 31 December 2007.

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As stated in the unaudited interim results of the Enlarged Group for the six months ended 30 June 2008, the Enlarged Group recorded a turnover and net profit attributable to equity holders of CE of approximately HK\$985.8 million and HK\$3,522.8 million respectively during the first half of 2008 and had net assets attributable to equity holders of CE amounting to approximately HK\$46,251.5 million as at 30 June 2008, out of which time deposits, bank balances and cash amounted to approximately HK\$9,516.9 million. As at 30 June 2008, the secured bank borrowings of the Enlarged Group of approximately HK\$12,541.9 million accounted for approximately 18.96% of the total assets of approximately HK\$66,161.5 million of the Enlarged Group. The gearing ratio (being the aggregate of short-term and long-term borrowings and convertible bonds of approximately HK\$12,601.7 million divided by shareholders' funds of approximately HK\$46,251.5 million) as at 30 June 2008 was approximately 27.2%. The amount of the Facility only represents approximately 2.1% of the cash and bank balances and approximately 0.4% of the net assets of the Enlarged Group as at 30 June 2008 respectively (whilst it represents approximately 54.1% of the unaudited consolidated net assets of the Group as at 30 June 2008 of approximately HK\$369.6 million). In view of the aforesaid financial position of the Enlarged Group and the size of the Facility, we consider it justifiable for the Company to grant the Facility to Fancy Mark on an unsecured basis so far as the repayment capability of the Enlarged Group is concerned.

4. Alternatives of the Company in utilising the excess idle cash

We understand that the executive Directors have considered alternative methods for the Company to utilise its excess idle cash, including distributing cash dividend to the Shareholders or utilising such cash for other investments. Having considered that: (i) notwithstanding that the management of the Group has not identified any potential targets of suitable projects or appropriate investment opportunities to utilize the excess idle cash on hand, a distribution of idle cash would limit the Group's ability to invest in higher-yield projects to maximize the Shareholders' value of the Company as and when appropriate; and (ii) the mechanism of the Facility provides the Company with the flexibility to adjust its credit policy to the CE Group in accordance with the then situation of the Group, the executive Directors consider that the granting of the Facility to Fancy Mark represents a justifiable method by the Company to maximise the value of its assets (and hence Shareholders' return on the Company). We concur with the executive Directors' view in this regard.

5. Proposed caps for the Continuing Connected Transaction

The expected cap amounts for the period from 4 November 2008 to 31 December 2008, for the two years ending 31 December 2009 and 31 December 2010 and for the period from 1 January 2011 to 3 November 2011 are HK\$203 million, HK\$216 million, HK\$216 million and HK\$214 million respectively.

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The aforesaid expected cap amounts are determined by assuming that Fancy Mark will borrow up to HK\$200 million for each of the aforesaid periods at an annual interest rate of approximately 8% per annum (i.e. HIBOR is assumed to be approximately 7%), and that Fancy Mark will repay all interest in accordance with the terms of the Loan Agreement.

As stated in the paragraph headed “Principal terms of the Loan Agreement” above, we note that the highest one-month HIBOR during the Relevant Period was 5.70357% (on 12 October 2007). We are of the view that given the recent volatility in the capital markets, it is not unreasonable to build in a buffer of approximately 1.3% in the assumed HIBOR when calculating the relevant expected cap amounts.

6. Financial effects of the Continuing Connected Transaction

We understand from the executive Directors that the Group is expected to be exposed to a maximum financial exposure of HK\$200 million as a result of the Continuing Connected Transaction. The size of such financial exposure represents approximately 54.1% of the unaudited consolidated net assets of the Group as at 30 June 2008 of approximately HK\$369.6 million.

In view of the fact that: (i) the amount of the Facility in the sum of HK\$200 million is available for a tenor of three years; (ii) the drawdown and repayment mechanism in the Loan Agreement allows the Company the flexibility to adjust its credit policies (including but not limited to the amount granted/to be granted) to the CE Group; and (iii) the continuous monitoring of the credit exposure to the CE Group under the Loan Agreement, as stated in the paragraph headed “Principal terms of the Loan Agreement” above, we consider that there are appropriate measures to minimize the financial risk exposure of the Group in connection with the Facility.

7. Annual review by the independent non-executive Directors and the auditors of the Company

The executive Directors confirm that the Continuing Connected Transaction will be subject to the compliance requirements under Rules 14A.37 to 14A.41 of the Listing Rules including, inter alia, that the independent non-executive Directors shall review annually and confirm in the Company’s next and successive annual reports that they are in compliance with the relevant requirements under the Listing Rules. The auditors of the Company shall also review the transactions annually during the relevant tenure and provide the Board with a letter in respect of each relevant financial year during which the Continuing Connected Transaction is conducted and confirm that it is in compliance with the terms of the Loan Agreement.

We are of the view that the aforesaid conditions would ensure that appropriate measures will be taken by the Company to govern itself in conducting the Continuing Connected Transaction, thereby safeguarding the interests of the Independent Shareholders.

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RECOMMENDATION

Having considered the above-mentioned principal factors and reasons, notwithstanding that the Continuing Connected Transaction is not in the ordinary and usual course of business of the Group, we are of the view that the Loan Agreement is on normal commercial terms, that the terms of the Continuing Connected Transaction (including the relevant expected cap amounts) are fair and reasonable so far as the Independent Shareholders are concerned and that the Continuing Connected Transaction (including the relevant expected cap amounts) is in the interests of the Company and the Shareholders as a whole. Accordingly, we recommend the Independent Board Committee to advise the Independent Shareholders to vote in favour of the ordinary resolution in relation to the Continuing Connected Transaction to be proposed at the SGM.

Yours faithfully,
For and on behalf of
VC Capital Limited

Philip Chau
Managing Director

Keith Lou
Executive Director

1. RESPONSIBILITY STATEMENT

This circular includes particulars given in compliance with the Listing Rules for the purpose of giving information with regard to the Company. The Directors collectively and individually accept full responsibility for the accuracy of the information contained in this circular and confirm, having made all reasonable enquiries, that to the best of their knowledge and belief there are no other facts the omission of which would make any statement herein misleading.

2. INTERESTS OF DIRECTORS

As at the Latest Practicable Date, none of the Directors or chief executive of the Company had any interest or short position in the shares, underlying shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) which were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including any interests and short positions which he was taken or deemed to have under such provisions of the SFO) or which were required, pursuant to section 352 of the SFO, to be entered in the register referred to therein, or which were required, pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers contained in the Listing Rules, to be notified to the Company and the Stock Exchange.

3. INTERESTS OF SUBSTANTIAL SHAREHOLDERS

As at the Latest Practicable Date, so far as was known to the Directors and chief executives of the Company, the following parties (other than a Director or chief executives of the Company) had an interest or short position in the shares, underlying shares or debentures of the Company which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO, or, who were, directly or indirectly, interested in 10% or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at general meetings of any members of the Group:

Long positions in the Company:

Name of Shareholders	Number of shares	Capacity	Notes	Approximate percentage of shareholding (%)
Mr. Joseph Lau, Luen-hung ("Mr. Lau")	1,512,059,473	Founder of trust; beneficiary of trust and interest of controlled corporations	1 & 3	74.55
Asian Kingdom Limited	493,678,883	Beneficial owner	1	24.34

Name of Shareholders	Number of shares	Capacity	Notes	Approximate percentage of shareholding (%)
Crown Jade Limited	493,678,883	Interest of controlled corporation	1	24.34
Global King (PTC) Ltd.	1,018,380,590	Trustee	2	50.21
GZ Trust Corporation	1,018,380,590	Trustee, beneficiary of trust and interest of controlled corporations	2	50.21
CE	1,018,380,590	Interest of controlled corporations	4	50.21
Chinese Estates, Limited	904,340,740	Interest of controlled corporations	5	44.59
Mass Rise Limited (“Mass Rise”)	740,521,829	Beneficial owner	4 & 5	36.51
High Victory Limited	113,818,911	Beneficial owner	4 & 5	5.61

Notes:

1. The entire issued share capital of Asian Kingdom Limited was owned by Crown Jade Limited, the entire issued share capital of which was wholly-owned by Mr. Lau. Mr. Lau and Crown Jade Limited were deemed to be interested in the same parcel of shares of the Company in which Asian Kingdom Limited was interested.
2. GZ Trust Corporation as trustee of a discretionary trust held units in a unit trust of which Global King (PTC) Ltd. was the trustee. Global King (PTC) Ltd. was entitled to exercise more than one-third of the voting power at general meetings of CE. Accordingly Global King (PTC) Ltd. and GZ Trust Corporation were deemed to be interested in the same interests stated against CE.
3. Mr. Lau, by virtue of his 58.81% interest in the issued share capital of CE, was deemed to be interested in the same interests stated against CE.
4. These shares of the Company comprised 740,521,829 shares beneficially owned by Mass Rise, 113,818,911 shares beneficially owned by High Victory Limited, 76,877,685 shares beneficially owned by Luckpoint Investment Limited, 50,000,000 shares beneficially owned by Million Point Limited and 37,162,165 shares beneficially owned by Great Empire International Ltd.. Each of Mass Rise, High Victory Limited, Luckpoint Investment Limited, Million Point Limited and Great Empire International Ltd. was an indirect wholly-owned subsidiary of CE and therefore, CE was deemed to be interested in the same parcel of shares in which each of such companies was interested.

5. These shares of the Company comprised 740,521,829 shares beneficially owned by Mass Rise, 113,818,911 shares beneficially owned by High Victory Limited and 50,000,000 shares beneficially owned by Million Point Limited. Each of Mass Rise and High Victory Limited was a direct wholly-owned subsidiary of Chinese Estates, Limited and Million Point Limited was an indirect wholly-owned subsidiary of Chinese Estates, Limited. Chinese Estates, Limited was deemed to be interested in the same parcel of shares in which each of such companies was interested.

Save as disclosed in this circular, as at the Latest Practicable Date, so far as was known to the Directors and chief executives of the Company, there was no other person who had an interest of short position in the shares and underlying shares of the Company which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO, or, had a direct or indirect interests amounting to 10% or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at general meetings of any members of the Group.

4. DIRECTORS' SERVICE CONTRACTS

As at the Latest Practicable Date, none of the Directors has entered into or proposed to enter into a service contract with any member of the Group which is not determinable by the Group within one year without payment of compensation (other than statutory compensation).

5. MATERIAL ADVERSE CHANGES

As at the Latest Practicable Date, save as the negative effect imposed on the floating rate notes (as mentioned in the paragraph headed "Reasons for and benefits of the Continuing Connected Transaction" in the "Letter from the Board" of this circular) by the prevailing condition of the financial market and the volatility of the stock market, the Directors were not aware of any material adverse change in the financial or trading position of the Group since 31 December 2007, being the date to which the latest published audited financial statements of the Group were made up.

6. COMPETING INTEREST

As at the Latest Practicable Date, none of the Directors was interested in any business apart from the business of the Group, which competes or is likely to compete, either directly or indirectly, with that of the Group.

7. INTEREST IN CONTRACTS AND ASSETS

As at the Latest Practicable Date, none of the Directors was materially interested in any contract or arrangement entered into by any member of the Group subsisting at the Latest Practicable Date, and which was significant in relation to the business of the Group.

As at the Latest Practicable Date, none of the Directors had any interest, direct or indirect, in any asset which have been since 31 December 2007, the date to which the latest published audited financial statements of the Company were made up, acquired or disposed of by or leased to any member of the Group or are proposed to be acquired or disposed of by or leased to any member of the Group.

8. QUALIFICATION AND CONSENT OF EXPERT

VC Capital is a corporation licensed under the SFO to carry on types 1 (dealing in securities) and 6 (advising on corporate finance) regulated activities.

VC Capital has given and has not withdrawn its written consent to the issue of this circular with the reference to its name and its letter in the form and context in which it appears.

As at the Latest Practicable Date, VC Capital did not have any shareholding, directly or indirectly, in any member of the Group or the right (whether legally enforceable or not) to subscribe for or to nominate persons to subscribe for shares in any member of the Group.

VC Capital did not have any interest, direct or indirect, in any assets which since 31 December 2007, the date to which the latest published audited financial statements of the Group were made up, have been acquired or disposed of by or leased to any member of the Group, or are proposed to be acquired or disposed of by or leased to any member of the Group.

9. DOCUMENTS AVAILABLE FOR INSPECTION

Copies of the following documents will be available for inspection at the head office and principal place of business of the Company in Hong Kong, at 26th Floor, MassMutual Tower, 38 Gloucester Road, Wanchai, Hong Kong during normal business hours from the date of this circular up to and including 12 December 2008:

- (a) the Loan Agreement;
- (b) the letter from VC Capital, the full text of which is set out on pages 12 to 20 of this circular; and
- (c) the letter of consent referred to in paragraph 8 of this appendix.

10. MISCELLANEOUS

The English text of this circular shall prevail over its Chinese text in case of any discrepancy.

NOTICE OF SGM



G·PROP
(HOLDINGS) LIMITED

G-PROP (HOLDINGS) LIMITED

(incorporated in Bermuda with limited liability)

(Stock Code: 286)

NOTICE OF SPECIAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that a special general meeting (“**Meeting**”) of G-Prop (Holdings) Limited (“**Company**”) will be held at Chatham Room, Level 7, Conrad Hong Kong, Pacific Place, 88 Queensway, Hong Kong on Friday, 12 December 2008 at 11:00 a.m. for the purpose of considering and, if thought fit, with or without amendments, passing the following resolution which will be proposed as an ordinary resolution of the Company:

“**THAT** the loan agreement (“**Loan Agreement**”) dated 4 November 2008 (a copy of which will be produced to the Meeting marked “A” and signed by the chairman of the Meeting for the purpose of identification) and entered into between the Company (as lender), Fancy Mark Limited (as borrower) and Chinese Estates Holdings Limited (as guarantor) and the transaction contemplated thereby; and the relevant expected cap amounts of the transaction contemplated under the Loan Agreement from the date of the Loan Agreement to the day falling three years from the date of the Loan Agreement as shown in the Company’s circular dated 25 November 2008 be and the same are hereby approved and that the directors of the Company be and is hereby authorised to take any step as they consider necessary, desirable or expedient in connection with the Loan Agreement or any of the transaction contemplated thereby and that the directors of the Company be and are hereby authorised, for and on behalf of the Company, to execute all such other documents, instruments and agreements and to do all such acts or things deemed by them to be incidental to, ancillary to or in connection with the matters contemplated under the Loan Agreement and to agree to any amendment to any of the terms of the Loan Agreement which in the opinion of the directors of the Company is not of a material nature and is in the interests of the Company.”

By Order of the Board of Directors of
G-Prop (Holdings) Limited
Lam Kwong-wai
Company Secretary

Hong Kong, 25 November 2008

NOTICE OF SGM

Registered office:
Clarendon House
2 Church Street
Hamilton HM11
Bermuda

*Head office and principal place
of business in Hong Kong:*
26th Floor
MassMutual Tower
38 Gloucester Road
Wanchai
Hong Kong

Notes:

1. The register of members of the Company will be closed from 10 December 2008 to 12 December 2008, both days inclusive, for the purpose of determination of entitlements to attend and vote at the Meeting. As such, all share transfers documents accompanied by the relevant share certificates must be lodged with the Company's branch share registrars and transfer office in Hong Kong, Tricor Secretaries Limited, at 26th Floor, Tesbury Centre, 28 Queen's Road East, Wanchai, Hong Kong not later than 4:30 p.m. on 9 December 2008.
2. Any member entitled to attend and vote at the Meeting is entitled to appoint one or more separate proxies to attend and vote instead of him. A proxy need not be a member of the Company.
3. In order to be valid, a form of proxy in the prescribed form together with a power of attorney or other authority (if any) under which it is signed or a certified copy of that power or authority must be deposited at the Company's branch share registrars and transfer office in Hong Kong, Tricor Secretaries Limited of 26th Floor, Tesbury Centre, 28 Queen's Road East, Wanchai, Hong Kong not less than 48 hours before the time fixed for holding the Meeting (or any adjournment thereof).
4. Completion and deposit of the form of proxy will not preclude members from attending and voting at the Meeting or any adjournment thereof should they so wish, and in such event, the form of proxy will be deemed to be revoked.
5. Where there are joint holders of any share(s) of the Company, any one of such joint holders may attend and vote at the Meeting, either in person or by proxy, in respect of such share(s) as if he/she was solely entitled thereto, but if more than one of such joint holders are present at the Meeting, whether in person or by proxy, that one of such joint holders so present whose name stands first on the register of members of the Company shall alone be entitled to vote in respect of such share.
6. The resolution as set out above will be voted by way of a poll.
7. As at the date hereof, the board of directors of the Company 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.