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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 and the accompanying form of proxy to the purchaser(s) or transferee(s) or to the bank, licensed securities dealer or other agent through whom the sale or transfer was effected for transmission to the purchaser(s) or transferee(s).

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G·PROP
(HOLDINGS) LIMITED

G-PROP (HOLDINGS) LIMITED

(Incorporated in Bermuda with limited liability)

(Stock Code: 286)

**GENERAL MANDATES TO PURCHASE AND ISSUE SHARES
RE-ELECTION OF DIRECTORS
APPOINTMENT OF NEW AUDITORS
PROPOSED AMENDMENTS TO THE BYE-LAWS AND ADOPTION OF
NEW BYE-LAWS
AND
NOTICE OF ANNUAL GENERAL MEETING**

A notice of Annual General Meeting to be held at Oasis Room, 8th Floor, Renaissance Harbour View Hotel Hong Kong, No. 1 Harbour Road, Wanchai, Hong Kong on Friday, 25th May, 2012 at 10:00 a.m. is set out on pages 17 to 21 of this circular. A form of proxy for use by the Shareholders at the Annual General Meeting is enclosed together with this circular. Whether or not you intend to attend and vote at the Annual General Meeting in person, you are requested to complete the form of proxy in accordance with the instructions printed thereon and return it to the Company's branch registrar 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 practicable but in any event not later than 48 hours before the time for holding the Annual General Meeting. Completion and return of the form of proxy will not preclude you from attending and voting in person at the Annual General Meeting should you so wish.

24th April, 2012

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Should there be any discrepancy between the English and Chinese versions, the English version shall prevail.

DEFINITIONS

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

“AGM” or “Annual General Meeting”	the annual general meeting of the Company to be held at Oasis Room, 8th Floor, Renaissance Harbour View Hotel Hong Kong, No. 1 Harbour Road, Wanchai, Hong Kong on Friday, 25th May, 2012 at 10:00 a.m. or any adjournment thereof (as the case may be), notice of which is set out on pages 17 to 21 of this circular
“associate(s)”	has the same meaning as ascribed to it under the Listing Rules
“Board”	the board of Directors
“Bye-laws”	the bye-laws of the Company
“Chinese Estates”	Chinese Estates Holdings Limited, an exempted company incorporated in Bermuda with limited liability and the shares of which are listed on the main board of the Stock Exchange, the Company’s controlling shareholder as defined under the Listing Rules
“Company”	G-Prop (Holdings) Limited, an exempted company incorporated in Bermuda with limited liability, the shares of which are listed on the main board of the Stock Exchange
“connected person(s)”	has the same meaning as ascribed to it under the Listing Rules
“Director(s)”	the director(s) of the Company from time to time
“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“HLB”	HLB Hodgson Impey Cheng
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China

DEFINITIONS

“Issue Mandate”	a general mandate to issue, allot and deal with new Shares not exceeding 20% of the aggregate nominal amount of the issued share capital of the Company as at the date of passing of the ordinary resolution in relation thereto
“Joseph Lau, Luen-hung”	a substantial shareholder of the Company, a director and controlling shareholder of Chinese Estates, which in turn a controlling shareholder of the Company as defined under the Listing Rules
“Latest Practicable Date”	18th April, 2012, being the latest practicable date prior to the printing of this circular for ascertaining certain information referred to in this circular
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Repurchase Mandate”	a general and unconditional mandate to the Directors to exercise the power of the Company to purchase issued and fully paid up Shares in the share capital of the Company up to a maximum of 10% of the aggregate nominal amount of the issued share capital of the Company as at the date of passing of the ordinary resolution in relation thereto
“SFO”	the Securities and Futures Ordinance (Chapter 571 of the laws of Hong Kong)
“Share(s)”	the ordinary share(s) of HK\$0.01 each in the share capital of the Company
“Shareholder(s)”	the holder(s) of the Share(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Takeovers Codes”	the Codes on Takeovers and Mergers and Share Repurchases
“%”	per cent.

LETTER FROM THE BOARD



G·PROP
(HOLDINGS) LIMITED

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(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:

Dr. David Chain, Chi-woo

Mr. Lam, Yat-fai

Mr. Leung, Yun-fai

Registered Office:

Clarendon House

2 Church Street

Hamilton HM 11

Bermuda

Principal Office in Hong Kong:

26th Floor

MassMutual Tower

38 Gloucester Road

Wanchai

Hong Kong

24th April, 2012

To the Shareholders

Dear Sir or Madam,

**GENERAL MANDATES TO PURCHASE AND ISSUE SHARES
RE-ELECTION OF DIRECTORS
APPOINTMENT OF NEW AUDITORS
PROPOSED AMENDMENTS TO THE BYE-LAWS AND ADOPTION OF
NEW BYE-LAWS
AND
NOTICE OF ANNUAL GENERAL MEETING**

INTRODUCTION

The purpose of this circular is to provide you with the notice of the Annual General Meeting as set out on pages 17 to 21 of this circular, and information regarding certain ordinary and special resolutions to be proposed at the Annual General Meeting to enable the Shareholders to make an informed decision on whether to vote for or against those resolutions.

LETTER FROM THE BOARD

The resolutions include (i) granting to the Directors the Repurchase Mandate; (ii) granting to the Directors a general and unconditional mandate (a) to issue further Shares representing up to 20% of the aggregate nominal amount of the issued share capital of the Company as at the date of passing of the relevant resolution and (b) to issue Shares not exceeding the aggregate nominal amount of share capital purchased pursuant to the Repurchase Mandate; (iii) approving the re-election of Directors; (iv) approving the appointment of new auditors; and (v) approving the amendments to the Bye-laws and the adoption of a new set of Bye-laws.

GENERAL MANDATE TO PURCHASE SHARES

At the Annual General Meeting, an ordinary resolution will be proposed to grant to the Directors a general and unconditional mandate to exercise all powers of the Company to purchase issued Shares subject to the criteria set out in this circular. The maximum number of Shares that may be purchased pursuant to the Repurchase Mandate will be such number which represents 10% of the aggregate nominal amount of the issued share capital of the Company as at the date of passing of the relevant resolution subject to the Listing Rules. The Repurchase Mandate will lapse on the earliest of, the date of the next annual general meeting, or the date by which the next annual general meeting of the Company is required to be held by laws and/or the Bye-laws, or the date upon which such authority is revoked or varied by ordinary resolution of the Company in general meeting.

In accordance with the Listing Rules, the Company is required to send to the Shareholders an explanatory statement containing all the information reasonably necessary to enable the Shareholders to make an informed decision on whether to vote for or against the resolution to grant to the Directors the Repurchase Mandate which is set out in the appendix to this circular.

GENERAL MANDATE TO ISSUE NEW SHARES

At the Annual General Meeting, an ordinary resolution will be proposed to grant to the Directors a general and unconditional mandate to issue, allot and deal with further Shares representing up to 20% of the aggregate nominal amount of the issued share capital of the Company as at the date of passing of the relevant resolution.

Subject to the passing of the aforesaid ordinary resolutions of the Repurchase Mandate and the Issue Mandate, an ordinary resolution will also be proposed to authorise the Directors to issue new Shares in an amount not exceeding the aggregate nominal amount of the Shares purchased pursuant to the Repurchase Mandate.

LETTER FROM THE BOARD

RE-ELECTION OF DIRECTORS

Pursuant to Bye-law 87 of the Bye-laws, Mr. Leung, Wing-pong and Mr. Lam, Yat-fai will retire from office by rotation as Directors at the Annual General Meeting and being eligible, offer themselves for re-election. Details of the Directors who are proposed to be re-elected at the Annual General Meeting are as follows:

Mr. LEUNG, Wing-pong

Aged 50, has been an Executive Director of the Company since October 2002 and was appointed as Chief Executive Officer of the Company in July 2005. Mr. Leung is a member of the Hong Kong Securities Institute. He was registered with the Securities and Futures Commission as a responsible officer of a securities firm, a futures firm and a finance firm in Hong Kong. He has over 24 years of experience in the area of internal audit. Mr. Leung did not hold any directorship in other listed public companies in Hong Kong or overseas in the last three years preceding the Latest Practicable Date.

Mr. Leung is also a director and secretary of a number of subsidiaries of the Company as well as an employee of a subsidiary of Chinese Estates. Save as aforesaid, he is not connected and has no relationship with any Director, senior management or substantial or controlling shareholder of the Company. As at the Latest Practicable Date, Mr. Leung did not have any interest in the Shares within the meaning of Part XV of the SFO.

According to The International Tak Cheung Holdings Limited Act 1991 (whereas “International Tak Cheung Holdings Limited” is the former name of the Company) for incorporating the Company as an exempted company under the laws of Bermuda in 1991, it is stipulated that any chairman and managing director should not be required to retire by rotation. However, as the Executive Director and Chief Executive Officer of the Company, Mr. Leung is willing to voluntarily retire from his directorship at future annual general meetings of the Company at least once every three years by following the requirements under the Bye-laws, and being eligible, will offer himself for re-election at the relevant annual general meetings. Mr. Leung is willing to retire voluntarily at the Annual General Meeting and being eligible, offer himself for re-election.

No service contract has been entered into between the Company and Mr. Leung. He was not appointed for any specified length or proposed length of services with the Company but is voluntarily subject to retirement by rotation and eligible for re-election pursuant to the Bye-laws. Mr. Leung is entitled to a director’s fee of HK\$10,000 per annum which was determined by the remuneration committee of the Company on a nominal basis without reference to the prevailing market condition.

LETTER FROM THE BOARD

There is nothing required to be disclosed pursuant to Rules 13.51(2)(h) to 13.51(2)(v) of the Listing Rules, nor is there any other matter which needs to be brought to the attention of the Shareholders in connection with Mr. Leung's re-election.

Mr. LAM, Yat-fai

Aged 46, has been an Independent Non-executive Director of the Company since December 2003. He is also the chairman of the audit committee and a member of the remuneration committee of the Company. He has been appointed as a member of the nomination committee of the Company effective from April 2012. Mr. Lam is a Certified Public Accountant (Practising). He is a fellow member of The Hong Kong Institute of Certified Public Accountants and of The Association of Chartered Certified Accountants in the United Kingdom. Mr. Lam worked with Kwan Wong Tan & Fong and Deloitte Touche Tohmatsu for over 10 years. He has over 22 years of experience in auditing, taxation, corporate finance and accounting. Mr. Lam is also an independent non-executive director of Oriental Press Group Limited and Tianda Holdings Limited (formerly known as "Yunnan Enterprises Holdings Limited"), the shares of all of which are listed on the main board of the Stock Exchange. Mr. Lam was an independent non-executive director of New Smart Energy Group Limited, a listed company in Hong Kong. Save as disclosed above, Mr. Lam did not hold any directorship in other listed public companies in Hong Kong or overseas in the last three years preceding the Latest Practicable Date.

No service contract has been entered into between the Company and Mr. Lam. He was not appointed for any specified length or proposed length of services with the Company but is subject to retirement by rotation and eligible for re-election pursuant to the Bye-laws. Mr. Lam is entitled to a director's fee of HK\$150,000 per annum which was determined by the Board with reference to his duties and responsibilities as well as the prevailing market condition.

Save as disclosed above, Mr. Lam does not hold any positions with the Company or its subsidiaries. He is not connected and has no relationship with any Director, senior management or substantial or controlling shareholder of the Company. As at the Latest Practicable Date, Mr. Lam did not have any interest in the Shares within the meaning of Part XV of the SFO.

There is nothing required to be disclosed pursuant to Rules 13.51(2)(h) to 13.51(2)(v) of the Listing Rules, nor is there any other matter which needs to be brought to the attention of the Shareholders in connection with Mr. Lam's re-election.

LETTER FROM THE BOARD

The Board is of the opinion that the performance of Mr. Leung and Mr. Lam respectively as Executive Director and Independent Non-executive Director of the Company was satisfactory and they had contributed a lot to the Company in the past years and it is in the interests of the Company and the Shareholders as a whole if Mr. Leung and Mr. Lam can continue to serve the Company. Mr. Lam has fulfilled the requirements in assessing the independence of the non-executive director under Rule 3.13 of the Listing Rules and the Board considered him independent enough to stand for re-election as the Independent Non-executive Director at the Annual General Meeting.

APPOINTMENT OF NEW AUDITORS

The Board has received a notice from HLB, the auditors of the Company, informing that as a result of business reorganization of HLB from partnership to a limited company as HLB Hodgson Impey Cheng Limited, HLB will not offer themselves for re-appointment as auditors of the Company and will retire at the conclusion of the Annual General Meeting.

HLB have confirmed that there are no matters in connection with their retirement as auditors that need to be brought to the attention of the Shareholders.

A notice of the intention to propose an ordinary resolution to be passed at the Annual General Meeting has been received pursuant to section 89(3) of the Bermuda Companies Act as follows:–

“THAT HLB Hodgson Impey Cheng Limited be appointed as new auditors of the Company in lieu of the retiring auditors, Messrs HLB Hodgson Impey Cheng, until the conclusion of the next annual general meeting, at a fee to be agreed with the Directors.”

The Board considers that HLB have merely changed their entity status from partnership to a limited company and it is in the interests of the Company and the Shareholders as a whole if HLB can continue to serve the Company as auditors. It is proposed that HLB Hodgson Impey Cheng Limited shall be appointed as new auditors of the Company in lieu of the retiring auditors HLB for the financial year ending 31st December, 2012, at a fee to be agreed with the Directors.

The Board confirms that there are no circumstances in respect of the proposed change of auditors that need to be brought to the attention of the Shareholders.

LETTER FROM THE BOARD

PROPOSED AMENDMENTS TO THE BYE-LAWS AND ADOPTION OF NEW BYE-LAWS

The Directors propose to seek approval from the Shareholders at the AGM to amend the existing Bye-laws so as to bring the Bye-laws in line with certain recent amendments made to the Listing Rules and to incorporate a housekeeping amendment. It is also proposed that a new set of Bye-laws which consolidates such proposed amendments and all previous amendments made pursuant to resolutions passed by the members of the Company at previous general meetings be adopted with the approval of the Shareholders at the AGM.

The proposed amendments to the Bye-laws relate to (i) the removal of the exception that a Director may vote (or be counted in the quorum) on any proposal concerning any other company in which he or his associates are interested, whether directly or indirectly, provided that he or any of his associates are not in aggregate beneficially interested in 5% or more of the issued shares of any class of such company or of the voting rights; and (ii) the re-numbering of certain Bye-laws as a housekeeping amendment.

The existing Bye-law 104.(1) to (3) is as follows:–

“104.(1) Save as otherwise provided by these Bye-laws, a Director shall not vote (nor be counted in the quorum) on any resolution of the Board approving any contract or arrangement or any other proposal in which he or any of his associates is to the knowledge of such Director materially interested, but this prohibition shall not apply to any of the following matters namely:

- (i) the giving of any security or indemnity either:
 - (a) To the Director or his associate(s) in respect of money lent or obligations incurred or undertaken by him or any of them at the request of or for the benefit of the Company or any of its subsidiaries; or
 - (b) To a third party in respect of a debt or obligation of the Company or any of its subsidiaries for which the Director or his associate(s) has himself/themselves assumed responsibility in whole or in part and whether alone or jointly under a guarantee or indemnity or by the giving of security;

LETTER FROM THE BOARD

- (ii) any proposal concerning an offer of shares or debentures or other securities of or by the Company or any other company which the Company may promote or be interested in for subscription or purchase where the Director or his associate(s) is/are or is/are to be interested as a participant in the underwriting or sub-underwriting of the offer;
- (iii) any proposal concerning any other company in which the Director or his associate(s) is/are interested only, whether directly or indirectly, as an officer or executive or shareholder or in which the Director or his associate(s) is/are beneficially interested in shares of that company, provided that the Director and any of his associates are not in aggregate beneficially interested in 5% or more of the issued shares of any class of such company (or of any third company through which his interest or that of his associates is derived) or of the voting rights;
- (iv) any proposal or arrangement concerning the benefit of employees of the Company or its subsidiaries including:
 - (a) the adoption, modification or operation of any employees' share scheme or any share incentive or share option scheme under which the Director or his associate(s) may benefit; or
 - (b) the adoption, modification or operation of a pension fund or retirement, death or disability benefits scheme which relates both to Directors, his associates and employees of the Company or any of its subsidiaries and does not provide in respect of any Director, or his associate(s), as such any privilege or advantage not generally accorded to the class of persons to which such scheme or fund relates; and
- (v) any contract or arrangement in which the Director or his associate(s) is/are interested in the same manner as other holders of shares or debentures or other securities of the Company by virtue only of his/their interest in shares or debentures or other securities of the Company.

LETTER FROM THE BOARD

- (2) A company shall be deemed to be a company in which a Director and/or his associate(s) owns five (5) per cent. or more if and so long as (but only if and so long as) he and/or his associate(s), (either directly or indirectly) is/are the holders of or beneficially interested in five (5) per cent. or more of any class of the equity share capital of such company or of the voting rights available to members of such company. For the purpose of this paragraph there shall be disregarded any shares held by a Director or his associate(s) as bare or custodian trustee and in which he or any of them has/have no beneficial interest, any shares comprised in a trust in which the interest of the Director or his associate(s) is/are in reversion or remainder if and so long as some other person is entitled to receive the income thereof, and any shares comprised in an authorised unit trust scheme in which the Director or his associate(s) is/are interested only as an unit holder.
- (3) Where a company in which a Director and/or his associate(s) holds five (5) per cent. or more is materially interested in a transaction, then that Director shall also be deemed materially interested in such transaction.”

After the proposed amendments to the existing Bye-laws as set out in the notice of the AGM, the existing Bye-law 104.(1)(iii), 104.(2) and 104.(3) will be deleted so that the new Bye-law 104.(1) to (3) will be as follows:–

- “104.(1) Save as otherwise provided by these Bye-laws, a Director shall not vote (nor be counted in the quorum) on any resolution of the Board approving any contract or arrangement or any other proposal in which he or any of his associates is to the knowledge of such Director materially interested, but this prohibition shall not apply to any of the following matters namely:
- (i) the giving of any security or indemnity either:
 - (a) To the Director or his associate(s) in respect of money lent or obligations incurred or undertaken by him or any of them at the request of or for the benefit of the Company or any of its subsidiaries; or
 - (b) To a third party in respect of a debt or obligation of the Company or any of its subsidiaries for which the Director or his associate(s) has himself/themselves assumed responsibility in whole or in part and whether alone or jointly under a guarantee or indemnity or by the giving of security;

LETTER FROM THE BOARD

- (ii) any proposal concerning an offer of shares or debentures or other securities of or by the Company or any other company which the Company may promote or be interested in for subscription or purchase where the Director or his associate(s) is/are or is/are to be interested as a participant in the underwriting or sub-underwriting of the offer;
 - (iii) [Intentionally deleted]
 - (iv) any proposal or arrangement concerning the benefit of employees of the Company or its subsidiaries including:
 - (a) the adoption, modification or operation of any employees' share scheme or any share incentive or share option scheme under which the Director or his associate(s) may benefit; or
 - (b) the adoption, modification or operation of a pension fund or retirement, death or disability benefits scheme which relates both to Directors, his associates and employees of the Company or any of its subsidiaries and does not provide in respect of any Director, or his associate(s), as such any privilege or advantage not generally accorded to the class of persons to which such scheme or fund relates; and
 - (v) any contract or arrangement in which the Director or his associate(s) is/are interested in the same manner as other holders of shares or debentures or other securities of the Company by virtue only of his/their interest in shares or debentures or other securities of the Company.
- (2) [Intentionally deleted]
- (3) [Intentionally deleted]"

Furthermore, after the proposed amendments to the existing Bye-laws as set out in the notice of the AGM, the existing Bye-laws 154 to 168 will be re-numbered as Bye-laws 153 to 167 respectively.

The proposed amendments to the existing Bye-laws and the adoption of a new set of Bye-laws are subject to the approval of the Shareholders by way of passing a special resolution at the AGM.

LETTER FROM THE BOARD

ANNUAL GENERAL MEETING

The notice of the Annual General Meeting is set out on pages 17 to 21 of this circular. At the Annual General Meeting, in addition to the ordinary business of the meeting, resolutions will be proposed to approve the Repurchase Mandate, the Issue Mandate, the extension of the Issue Mandate to the Shares purchased pursuant to the Repurchase Mandate as well as to amend the Bye-laws and to adopt a new set of Bye-laws.

A form of proxy for the Annual General Meeting is enclosed together with this circular. Whether or not you intend to attend and vote at the Annual General Meeting in person, you are requested to complete the form of proxy and return it to the Company's branch registrar and transfer office in Hong Kong, Tricor Secretaries Limited at 26th Floor, Tesbury Centre, 28 Queen's Road East, Wanchai, Hong Kong, in accordance with the instructions printed thereon as soon as practicable but in any event not later than 48 hours before the time for holding the Annual General Meeting. Completion and return of a form of proxy will not preclude you from attending and voting at the Annual General Meeting in person should you so wish.

RIGHT TO DEMAND A POLL

Pursuant to Bye-law 66 of the Bye-laws, a resolution put to the vote at any general meeting shall be decided on a show of hands, unless a poll is (before or on the declaration of the result of the show of hands) demanded by:–

- (a) the chairman of the meeting; or
- (b) at least three members present in person or by proxy for the time being entitled to vote at the meeting; or
- (c) a member or members present in person or by proxy and representing not less than one-tenth of the total voting rights of all members having the right to vote at the meeting; or
- (d) a member or members present in person or by proxy and holding Shares conferring a right to vote at the meeting being Shares on which an aggregate sum has been paid up equal to not less than one-tenth of the total sum paid up on all Shares conferring that right; or

LETTER FROM THE BOARD

- (e) if required by the Listing Rules, any Director or Directors who, individually or collectively, hold proxies in respect of Shares representing 5% or more of the total voting rights at the meeting.

Pursuant to Rule 13.39(4) of the Listing Rules, the vote of Shareholders at a general meeting must be taken by poll. Therefore, the chairman of the Annual General Meeting will demand all resolutions proposed thereat be taken by poll.

RECOMMENDATION

The Directors are of the opinion that proposals regarding the granting of the Repurchase Mandate, the Issue Mandate, and the extension of the Issue Mandate to the Shares purchased pursuant to the Repurchase Mandate, the re-election of Directors, the appointment of new auditors and the amendments to the Bye-laws and the adoption of a new set of Bye-laws are in the best interests of the Company and recommend you to vote in favour of the relevant resolutions to be proposed at the Annual General Meeting.

Yours faithfully,
By order of the Board
Lam, Kwong-wai
Company Secretary

This Appendix serves as an explanatory statement, as required by the Listing Rules, to provide requisite information to all Shareholders for their consideration of the Repurchase Mandate.

1. SHARE CAPITAL

As at the Latest Practicable Date, the issued and fully-paid share capital of the Company was 2,428,255,008 Shares of HK\$0.01 each.

Subject to the passing of the ordinary resolution granting the Repurchase Mandate and on the basis that no further Shares are issued or purchased prior to the Annual General Meeting, the Company would be allowed under the Repurchase Mandate to purchase a maximum of 242,825,500 Shares, being 10% of the entire issued share capital of the Company.

2. REASONS FOR PURCHASES

The Directors believe that the Repurchase Mandate is in the best interests of the Company and the Shareholders. Whilst it is not possible to anticipate in advance any specific circumstance in which the Directors might think it appropriate to purchase Shares, they believe that an ability to do so would give the Company additional flexibility that would be beneficial to the Company and its Shareholders as such purchases may, depending on market conditions and funding arrangements at that time, lead to an enhancement of the net asset value per Share and/or earnings per Share. Shareholders can be assured that the Directors would only make such purchases in circumstances where they consider them to be in the best interests of the Company.

3. FUNDING OF PURCHASES

In making purchases, the Company may only apply funds legally available for such purposes in accordance with the Bye-laws and the laws of Bermuda. The laws of Bermuda provide that the amount of capital repaid in connection with a share purchase may only be paid out of either the capital paid up on the relevant Shares, or the funds of the Company that would otherwise be available for dividend or distribution or the proceeds of a fresh issue of Shares made for the purpose. The premium payable on purchase may only be paid out of either the funds of the Company that would otherwise be available for dividend or distribution or out of the Company's share premium before the Shares are purchased. In accordance with the laws of Bermuda, the Shares so purchased would be treated as cancelled but the aggregate amount of authorised share capital would not be reduced.

On the basis of the consolidated financial position of the Company as at 31st December, 2011 (being the date to which the latest published audited consolidated financial statements of the Company have been made up) and in particular the working capital position of the Company at that time and the number of Shares now in issue, the Directors consider that there might be a material adverse impact on the working capital position and the gearing position of the Company in the event that purchases of all the Shares subject to the Repurchase Mandate were to be carried out in full at any time during the Repurchase Mandate period. No purchase would be made in circumstances that would have a material adverse impact on the working capital position or the gearing position of the Company.

4. PRICES OF SHARES

The highest and lowest prices at which the Shares traded on the Stock Exchange during each of the previous twelve months before the Latest Practicable Date are as follows:

	Price per Share	
	Highest	Lowest
	<i>HK\$</i>	<i>HK\$</i>
April 2011	0.295	0.210
May 2011	0.250	0.226
June 2011	0.240	0.200
July 2011	0.260	0.219
August 2011	0.239	0.155
September 2011	0.190	0.131
October 2011	0.170	0.122
November 2011	0.165	0.135
December 2011	0.159	0.132
January 2012	0.154	0.127
February 2012	0.202	0.138
March 2012	0.194	0.152
April 2012 (up to the Latest Practicable Date)	0.168	0.146

5. UNDERTAKING

The Directors have undertaken to the Stock Exchange that, so far as the same may be applicable, they will exercise the power of the Company to make purchases pursuant to the Repurchase Mandate in accordance with the Listing Rules and the laws of Bermuda.

None of the Directors nor, to the best of their knowledge having made all reasonable enquiries, their associates, have any present intention to sell any Shares to the Company in the event that the Repurchase Mandate is approved by the Shareholders.

No connected persons of the Company have notified the Company that they have a present intention to sell Shares to the Company, or have undertaken not to do so, in the event that the Repurchase Mandate is granted by the Shareholders.

6. THE TAKEOVERS CODES

If a Shareholder's proportionate interest in the voting rights of the Company increases as a result of a share purchase, such increase will be treated as an acquisition of voting rights for the purposes of the Takeovers Codes and, if such increase results in a change of control, may in certain circumstances give rise to an obligation to make a general offer for Shares under Rule 26 of the Takeovers Codes.

As at the Latest Practicable Date, Mr. Joseph Lau, Luen-hung, Chinese Estates together with their respective associates (as defined in the Takeovers Codes) had deemed interests in the Shares representing approximately 62.26% of the issued share capital of the Company.

In the event that the Directors exercise in full the Repurchase Mandate which is to be approved by the Shareholders, the shareholding in the Company of Mr. Joseph Lau, Luen-hung, Chinese Estates together with their respective associates would be increased to approximately 69.18% of the issued share capital of the Company. The Directors believe that such an increase would not give rise to an obligation to make a mandatory offer under the Takeovers Codes if the Repurchase Mandate were to be exercised in full.

Assuming that there is no further issue of Shares between the Latest Practicable Date and the date of purchase, the exercise of Repurchase Mandate whether in whole or in part will not result in less than 25% of the issued share capital of the Company being held by the public as required by Rule 8.08 of the Listing Rules. The Directors have no intention to exercise the Repurchase Mandate to an extent as may result in a public shareholding of less than such prescribed percentage.

7. SHARE PURCHASES MADE BY THE COMPANY

During the six months preceding the Latest Practicable Date, the Company has not purchased any Shares (whether on the Stock Exchange or otherwise).

NOTICE OF ANNUAL GENERAL MEETING



G-PROP
(HOLDINGS) LIMITED

G-PROP (HOLDINGS) LIMITED

(Incorporated in Bermuda with limited liability)

(Stock Code: 286)

NOTICE IS HEREBY GIVEN that the Annual General Meeting of G-Prop (Holdings) Limited (the “Company”) will be held at Oasis Room, 8th Floor, Renaissance Harbour View Hotel Hong Kong, No. 1 Harbour Road, Wanchai, Hong Kong on Friday, 25th May, 2012 at 10:00 a.m. (the “Meeting”) for the following purposes:

AS ORDINARY BUSINESS

1. To receive and consider the audited consolidated Financial Statements, Directors’ Report and Auditors’ Report for the year ended 31st December, 2011.
2. To approve payment of final dividend for the year ended 31st December, 2011.
3. To re-elect retiring Directors and to authorise the Directors to fix the remuneration of the Directors.
4. To appoint HLB Hodgson Impey Cheng Limited as the Auditors and to authorise the Directors to fix the remuneration of the Auditors.

AS SPECIAL BUSINESS

5. To consider and, if thought fit, pass with or without amendments, the following resolution as an ordinary resolution of the Company:

“THAT:

- (a) subject to paragraph (c) below, the exercise by the Directors of the Company during the Relevant Period of all the powers of the Company to purchase issued shares of HK\$0.01 each in the capital of the Company subject to and in accordance with all applicable laws and requirements of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited as amended from time to time be and is hereby generally and unconditionally approved;

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- (b) the approval in paragraph (a) above shall be in addition to any other authorisation given to the Directors of the Company and shall authorise the Directors on behalf of the Company during the Relevant Period to procure the Company to purchase its shares at a price determined by the Directors;
- (c) the aggregate nominal amount of the shares which are authorised to be purchased by the Directors of the Company pursuant to the approval in paragraph (a) above shall not exceed 10 per cent. of the aggregate nominal amount of the share capital of the Company in issue as at the date of passing this resolution, and the said approval shall be limited accordingly; and
- (d) for the purposes of this resolution:

“Relevant Period” means the period from the date of passing of this resolution until whichever is the earliest of:

- (i) the conclusion of the next annual general meeting of the Company; or
- (ii) the expiration of the period within which the next annual general meeting of the Company is required by laws and/or the Company’s bye-laws to be held; or
- (iii) the date upon which the authority set out in this resolution is revoked or varied by way of an ordinary resolution of the Company in general meeting.”

6. To consider and, if thought fit, pass with or without amendments, the following resolution as an ordinary resolution of the Company:

“THAT:

- (a) subject to paragraph (c) below, the exercise by the Directors of the Company during the Relevant Period of all the powers of the Company to issue, allot and deal with additional shares in the capital of the Company and to make or grant offers, agreements, options and rights of exchange or conversion which might require the exercise of such powers be and is hereby generally and unconditionally approved;

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- (b) the approval in paragraph (a) above shall be in addition to any other authorisation given to the Directors of the Company and shall authorise the Directors of the Company during the Relevant Period to make or grant offers, agreements, options and rights of exchange or conversion which might require the exercise of such powers after the end of the Relevant Period;
- (c) the aggregate nominal amount of share capital allotted or agreed conditionally or unconditionally to be allotted (whether pursuant to an option or otherwise) by the Directors of the Company pursuant to the approval granted in paragraph (a) above, otherwise than pursuant to (i) a Rights Issue, or (ii) the share option scheme of the Company approved by The Stock Exchange of Hong Kong Limited, or (iii) any scrip dividend or similar arrangement providing for the allotment of shares in lieu of the whole or part of a dividend on shares of the Company in accordance with the bye-laws of the Company, shall not exceed 20 per cent. of the aggregate nominal amount of the issued share capital of the Company as at the date of passing this resolution, and the said approval shall be limited accordingly; and
- (d) for the purposes of this resolution:

“Relevant Period” shall have the same meaning as ascribed to it under resolution no. 5(d) as set out in the notice convening the Meeting of which this resolution forms part; and

“Rights Issue” means an offer of shares open for a period fixed by the Directors of the Company to holders of shares on the register on a fixed record date in proportion to their then holdings of such shares (subject to such exclusions or other arrangements as the Directors of the Company may deem necessary or expedient in relation to fractional entitlements or having regard to any restrictions or obligations under the laws of or any relevant jurisdiction, or the requirements of any recognised regulatory body or any stock exchange, in any territory outside Hong Kong).”

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7. To consider and, if thought fit, pass with or without amendments, the following resolution as an ordinary resolution of the Company:

“**THAT** conditional upon the passing of the resolutions nos. 5 and 6 as set out in the notice convening the Meeting, the general mandate granted to the Directors of the Company pursuant to the resolution no. 6 as set out in the notice convening the Meeting be and is hereby extended by the addition thereto of an amount representing the aggregate nominal amount of share capital of the Company purchased by the Company under the authority granted pursuant to the resolution no. 5 as set out in the notice convening the Meeting, provided that such amount shall not exceed 10 per cent. of the aggregate nominal amount of the issued share capital of the Company as at the date of passing this resolution.”

8. To consider and, if thought fit, pass the following resolution as a special resolution of the Company:

“**THAT:**

- (a) the bye-laws of the Company (the “Bye-laws”) be amended in the following manner:

- (i) Bye-law 104.(1)(iii)

By deleting the existing Bye-law 104.(1)(iii) in its entirety and replacing it with the words “[Intentionally deleted]”;

- (ii) Bye-law 104.(2)

By deleting the existing Bye-law 104.(2) in its entirety and replacing it with the words “[Intentionally deleted]”;

- (iii) Bye-law 104.(3)

By deleting the existing Bye-law 104.(3) in its entirety and replacing it with the words “[Intentionally deleted]”; and

- (iv) Bye-laws 154 to 168

By re-numbering the existing Bye-laws 154, 155, 156, 157, 158, 159, 160, 161, 162, 163, 164, 165, 166, 167 and 168 as Bye-laws 153, 154, 155, 156, 157, 158, 159, 160, 161, 162, 163, 164, 165, 166 and 167 respectively; and

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- (b) a new set of Bye-laws which consolidates all of the proposed amendments referred to in paragraph (a) above and all previous amendments made pursuant to resolutions passed by the members of the Company at previous general meetings, a copy of which is produced to the Meeting and marked “A” and initialled by the Chairman of the Meeting for the purpose of identification, be and is hereby adopted as the new Bye-laws of the Company in substitution for and to the exclusion of the existing Bye-laws of the Company with immediate effect.”

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

Hong Kong, 24th April, 2012

Notes:

1. The register of members will be closed from 23rd May, 2012 to 25th May, 2012, both days inclusive. For the purpose of ascertaining the members' entitlement to the attendance of the Meeting, all share transfers documents accompanied by the relevant share certificates must be lodged with the Company's branch registrar 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 22nd May, 2012.
2. Any shareholder of the Company entitled to attend and vote at the Meeting is entitled to appoint one or more separate proxies to attend and to vote instead of him. A proxy need not be a shareholder of the Company.
3. To be valid, a form of proxy in the prescribed form together with the power of attorney or other authority (if any) under which it is signed (or a notarially certified copy thereof) must be deposited at the Company's branch registrar and transfer office in Hong Kong, Tricor Secretaries Limited at 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 at any adjournment thereof.
4. All resolutions as set out in this notice will be taken by poll.
5. With respect to the resolution no. 4 of this notice, approval is being sought from shareholders of the Company for appointment of HLB Hodgson Impey Cheng Limited as new auditors of the Company, in lieu of the retiring auditors, Messrs HLB Hodgson Impey Cheng.
6. With respect to the resolution no. 5 of this notice, approval is being sought from shareholders of the Company for a general mandate to be given to the Directors to purchase shares of the Company in accordance with all applicable laws and the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Listing Rules").
7. With respect to the resolutions nos. 6 and 7 of this notice, approval is being sought from shareholders of the Company for general mandates to be given to the Directors to issue, allot and deal with shares of the Company in accordance with all applicable laws and the Listing Rules.
8. With respect to the resolution no. 8 of this notice, approval is being sought from shareholders of the Company for amendments to the Bye-laws of the Company so as to bring them in line with certain recent amendments made to the Listing Rules, to incorporate a housekeeping amendment and to adopt a new set of Bye-laws which consolidates such proposed amendments and all previous amendments made pursuant to resolutions passed by the members of the Company at previous general meetings.
9. A circular containing the information with respect to certain resolutions and this notice have been sent to the shareholders of the Company together with the 2011 annual report of the Company.
10. As at the date hereof, the Board comprised Mr. Kong, Chi-ming and Mr. Leung, Wing-pong as Executive Directors and Dr. David Chain, Chi-woo, Mr. Lam, Yat-fai and Mr. Leung, Yun-fai as Independent Non-executive Directors.