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G·PROP
(HOLDINGS) LIMITED

G-PROP (HOLDINGS) LIMITED

(Incorporated in Bermuda with limited liability)

(Stock code : 286)

**ANNOUNCEMENT
DISCLOSEABLE TRANSACTION
RELATING TO THE PROVISION OF LOAN**

DISCLOSEABLE TRANSACTION RELATING TO THE PROVISION OF LOAN

On 7 February 2013, the Lender, an indirect wholly-owned subsidiary of the Company, entered into the Loan Agreement with the Borrower, pursuant to which the Lender has agreed to lend and the Borrower has agreed to borrow a one-year term loan in the principal amount of HK\$40,000,000 at the interest of 5% per annum. The Loan Agreement is guaranteed by the Deed of Guarantee.

As the applicable percentage ratios (calculated according to Rule 14.07 of the Listing Rules) in respect of the provision of the Loan exceed 5% but are under 25%, the transaction contemplated under the Loan Agreement the Deed of Guarantee constitute a discloseable transaction for the Company pursuant to the Rule 14.06(2) of the Listing Rules.

On 7 February 2013, the Lender, an indirect wholly-owned subsidiary of the Company, entered into the Loan Agreement with the Borrower, pursuant to which the Lender has agreed to lend and the Borrower has agreed to borrow a one-year term loan in the principal

amount of HK\$40,000,000 at the interest of 5% per annum. The Loan Agreement is guaranteed by the Deed of Guarantee.

THE LOAN AGREEMENT

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| Date: | 7 February 2013 |
| Lender: | G-Prop Services Limited , an indirect wholly-owned subsidiary of the Company |
| Borrower: | a company incorporated in Hong Kong with limited liability |
| Principal Loan Amount: | Hong Kong dollars forty million (HK\$40,000,000) |
| Available Period for Drawdown: | one year commencing from the date on which all conditions precedent are fulfilled or waived |
| Repayment Date: | a year after the date of drawdown or the earlier repayment date agreed by both the Lender and the Borrower in writing |
| Interest: | 5% per annum |
| Security for the Loan: | None |
| Guarantee: | Guaranteed by the Guarantor pursuant to the Deed of Guarantee |

THE DEED OF GUARANTEE

The Loan is guaranteed by the Deed of Guarantee dated 7 February 2013 executed by the Lender and the Guarantor. Pursuant to the Deed of Guarantee, the Guarantor has agreed to guarantee the indebtedness which shall include all loans, interest accrued thereon, fees and all other amounts from time to time payable by the Borrower to the Lender pursuant to, under or in connection with the Loan Agreement.

The terms of the Loan Agreement and Deed of Guarantee are arrived at the after arm's length negotiations between the Lender, the Borrower and the Guarantor. The Lender is a

licensed money lender and its principal businesses are money lending services, investment and finance. The provision of the Loan is a transaction carried out as part of the ordinary and usual course of business activities of the Lender. The Loan will be funded by internal recourses of the Group.

CONDITIONS PRECEDENT

Advance of the Loan from the Lender to the Borrower is subject to the fulfillment or waiver (where applicable) of the following conditions precedent:

A. the Company having received the certified true copy of following documents in respect of the Borrower:

- (1) the memorandum and articles of association;
- (2) certificate of incorporation and certification of incorporation on change of name (if any);
- (3) the latest business registration;
- (4) registers of directors and shareholders;
- (5) relevant board resolution approving the Loan Agreement and other related documents, and enclosing the specimen of the authorized to the resolution;
- (6) relevant shareholders' resolutions; and
- (7) the latest audited financial statement (if any).

B. Others

- (1) signing the Loan Agreement and the Deed of Guarantee;
- (2) the proof that Deed of Guarantee has been approved by and registered with the State Administration of Foreign Exchange of the PRC and any relevant governmental agencies having been obtained;

- (3) PRC legal opinion to confirm registration of the Deed of Guarantee is in compliance with the laws and regulations of PRC; and
- (4) any other documents required by the Lender.

If any of the conditions precedent has not been fulfilled or waived on or before 5:00p.m. on 31 May 2013, the Loan Agreement will cease to have effect.

INFORMATION ON THE COMPANY AND THE LENDER

The Company and the Group are principally engaged in investment and finance, and property investment.

The Lender is a company incorporated in Hong Kong with limited liability and an indirect wholly-owned subsidiary of the Company. The Lender is a registered money lender holding valid money lenders licence under the Money Lenders Ordinance (Cap.163, Laws of Hong Kong) and is principally engaged in the business of money lending services and investment and finance.

INFORMATION ON THE BORROWER AND THE GUARANTOR

The Borrower is a company incorporated in Hong Kong with limited liability. The principal business of the Borrower focuses on trading of garment, hardware, electronic products, etc. to overseas market.

The Guarantor is a company incorporated in the PRC with limited liability and the Borrower is a directly wholly-owned subsidiary of the Guarantor. The principal activities of the Guarantor are enterprises investment, trading and exporting textile, hardware, electronic products and so on.

One of the Company's consultants, who was granted 24,000,000 share options on 18 December 2012 (details of which were disclosed in the announcement of the Company dated 18 December 2012) is sole director and holds 60% of issued capital of the Guarantor.

To the best knowledge, information and belief of the Directors having made all reasonable

enquires, each of the Borrower, the Guarantor and the above mentioned consultant is an independent third party not connected with the Company and connected persons of the Company.

REASON FOR THE LOAN

The Lender is a licensed money lender. The provision of the Loan is a transaction carried out as part of the ordinary and usual course of business activities of the Lender and will provide interest income to the Lender, which can enhance the income of the Group.

The Directors consider that the transactions contemplated by the Loan Agreement and the Deed of Guarantee are on normal commercial terms and the terms of the Loan Agreement and the Deed of Guarantee are fair and reasonable and are in the interests of the Group and the Company's shareholders as a whole.

The Loan will be recorded as loan receivable of the Group.

IMPLICATIONS UNDER THE LISTING RULES

As the applicable percentage ratios (calculated according to Rule 14.07 of the Listing Rules) in respect of the provision of the Loan exceed 5% but are under 25%, the transaction contemplated under the Loan Agreement and the Deed of Guarantee constitutes a discloseable transaction for the Company pursuant to the Rule 14.06(2) of the Listing Rules.

DEFINITIONS

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| “Board” | the board of Directors |
| “Borrower” | the borrower under the Loan Agreement |
| “Company” | G-Prop (Holdings) Limited, a company incorporated in Bermuda with limited liability and the issued shares of which are listed on Stock Exchange |

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| “Directors” | the directors of the Company |
| “Group” | the Company and its subsidiaries |
| “Deed of Guarantee” | A Deed of Guarantee dated 7 February 2013 entered into between the Lender and the Guarantor relating to the provision of the guarantee of the Loan |
| “Guarantor” | the parent company of the Borrower and incorporated with limited liability in the PRC |
| “HK\$” | Hong Kong dollars, the lawful currency of Hong Kong |
| “Hong Kong” | Hong Kong Special Administrative Region of PRC |
| “Lender” | G-Prop Services Limited, a company incorporated in Hong Kong with limited liability and an indirect wholly-owned subsidiary of the Company |
| “Listing Rules” | the Rules Governing the Listing of Securities on the Stock Exchange |
| “Loan” | A one-year term loan in the principal amount of HK\$40,000,000 granted by the Lender to the Borrower pursuant to the terms of the Loan Agreement |
| “Loan Agreement” | A loan agreement dated 7 February 2013 entered into between the Lender and the Borrower relating to the provision of the Loan |
| “PRC” | The People’s Republic of China |
| “Stock Exchange” | The Stock Exchange of Hong Kong Limited |
| “%” | per cent |

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

Hong Kong, 7 February 2013

As at the date of this announcement, the Board comprises Mr. Cheung, Wai-kuen, and Mr. Cheng, Hau-yan as executive Directors of the Company; Mr. Lam, Kwong-wai and Mr. Lin Jiang as non-executive Directors of the Company; and Mr. Lam, Yat-fai, and Mr. Leung, Yun-fai as independent non-executive Directors of the Company.

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