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德祥地產集團有限公司*

ITC PROPERTIES GROUP LIMITED

(Incorporated in Bermuda with limited liability)

(Stock Code : 199)

**DISCLOSEABLE TRANSACTION -
SUPPLEMENTAL AGREEMENT IN RELATION TO
THE DISPOSAL OF THE ENTIRE INTEREST IN
NEWSKILL INVESTMENTS LIMITED**

The Board hereby announces that on 30th October, 2015, the Purchaser paid part of the Consideration in the sum of HK\$50.0 million and the Vendor and the Purchaser entered into the Supplemental Agreement to extend the payment date of the Balance in the sum of HK\$345.0 million to 31st March, 2016. In consideration of the Vendor agreeing to the extension, the Purchaser undertakes to pay interest on the Balance at the rate of 3% per annum commencing from 30th October, 2015 until the Balance is fully settled.

As the applicable percentage ratios calculated pursuant to Rule 14.07 of the Listing Rules in respect of the extension of the payment date of the Balance are more than 5% but less than 25%, the transaction contemplated under the Supplemental Agreement constitutes a discloseable transaction for the Company and is subject to reporting and announcement requirements under the Listing Rules.

Reference is made to the announcement of the Company dated 19th June, 2015 (the “**Disposal Announcement**”) in relation to the discloseable transaction involving the disposal by the Vendor, an indirect wholly-owned subsidiary of the Company, of the Sale Shares (representing the entire issued share capital of Newskill) and the Sale Loan (being all shareholder’s loan due from Newskill to the Vendor as at the date of the Disposal Agreement). Capitalised terms used herein have the same meanings as those defined in the Disposal Announcement unless otherwise specified.

As stated in the Disposal Announcement, pursuant to the Disposal Agreement, the aggregate cash Consideration for the Sale Shares and the Sale Loan is HK\$595.0 million, of which HK\$200.0 million has been paid by the Purchaser upon Completion and the balance of HK\$395.0 million shall be paid on or before 30th October, 2015.

* For identification purpose only

On 30th October, 2015, the Purchaser paid a further sum of HK\$50.0 million towards the Consideration and the Vendor has accepted the Purchaser's request and entered into a supplemental agreement (the "**Supplemental Agreement**") to the Disposal Agreement with the Purchaser to extend the payment date of the remaining balance of the Consideration of HK\$345.0 million (the "**Balance**") to 31st March, 2016 (the "**Settlement Date**") with the Purchaser undertaking to pay together with the Balance interest on the Balance at the rate of 3% per annum for the period from 30th October, 2015 up to and including the Settlement Date.

As disclosed in the Disposal Announcement, the balance of the Consideration is secured by a mortgage, incorporating an assignment of the Sale Loan, in respect of the Sale Shares executed by the Purchaser in favour of the Vendor (the "**Mortgage**"). Save as disclosed above, all the other terms and conditions of the Disposal Agreement including the Mortgage remain unchanged and continue in full force and effect.

The Company is an investment holding company and its subsidiaries are principally engaged in property development and investment in Macau, the PRC and Hong Kong. The Group is also engaged in the development, investment and operation of hotels and resorts in the PRC and Hong Kong, securities investment and the provision of loan financing services. To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, (i) the Purchaser is engaged in investment holding; and (ii) the Purchaser and its ultimate beneficial owners are third parties independent of the Company and its connected persons.

As mentioned in the Disposal Announcement, the Disposal enabled the Group to recover substantially all of its investment costs in the Property Development Project and released the Vendor from the payment obligation of the Retention Moneys. Accordingly, the Directors consider that it is in the interests of the Company and the Shareholders as a whole to extend the payment date of the Balance instead of exercising its right under the Mortgage, having considered the partial payment of the Consideration by the Purchaser on 30th October, 2015, the short period of extension agreed with the Purchaser and the interest payable by the Purchaser on the Balance. The Directors consider that the terms of the Supplemental Agreement, which were negotiated on an arm's length basis with the Purchaser, are fair and reasonable.

As the applicable percentage ratios calculated pursuant to Rule 14.07 of the Listing Rules in respect of the extension of the payment date of the Balance are more than 5% but less than 25%, the transaction contemplated under the Supplemental Agreement constitutes a discloseable transaction for the Company and is subject to reporting and announcement requirements under the Listing Rules.

By order of the Board
ITC Properties Group Limited
Cheung Hon Kit
Chairman

Hong Kong, 30th October, 2015

As at the date of this announcement, the Directors are as follows:

Executive Directors:

Mr. Cheung Hon Kit (*Chairman*)

Mr. Chan Fut Yan (*Managing Director*)

Mr. Cheung Chi Kit

Mr. Chan Yiu Lun, Alan

Mr. Wong Lai Shun, Benny

Independent non-executive Directors:

Hon. Shek Lai Him, Abraham, *GBS, JP (Vice Chairman)*

Mr. Kwok Ka Lap, Alva

Mr. Chan Pak Cheong Afonso