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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)

**(1) MAJOR TRANSACTION
IN RELATION TO THE DISPOSAL OF INTEREST IN
PARAGON WINNER COMPANY LIMITED
AND
(2) RESUMPTION OF TRADING**

THE DISPOSAL AGREEMENT

The Board announces that after trading hours of the Stock Exchange on 21st July, 2010, the Vendor entered into the Disposal Agreement with the Purchaser whereby the Vendor agreed to sell and the Purchaser agreed to purchase the Sale Shares and the Sale Loan for an aggregate consideration of RMB650.0 million payable in HK\$ of approximately HK\$746.3 million translated at the Exchange Rate, subject to adjustments disclosed in the section headed "Consideration" in this announcement. The Sale Shares represent 65% of the issued share capital of Paragon Winner which holds indirectly an effective interest of 80% and 96% in the Golf JV and the Hotel JV respectively.

THE SHAREHOLDERS' AGREEMENT

Upon Completion, the Vendor, the Purchaser and Paragon Winner are to enter into the Shareholders' Agreement in respect of the affairs of (including, without limitation, its operations, management and business) and the rights with respect to their interest in the Paragon Winner Group after Completion.

Pursuant to the Shareholders' Agreement, the Purchaser grants the Put Option to the Vendor in consideration of the payment of HK\$10 by the Vendor to the Purchaser. The Put Option is exercisable at the discretion of the Vendor during the Exercise Period to require the Purchaser to purchase the Option Shares and the Option Loans held by the Vendor. The purchase price for the Option Shares and the Option Loans shall be equal to the Consideration received by the Vendor times the proportion which the Option Shares bear to the Sale Shares.

* For identification purpose only

LISTING RULES IMPLICATIONS

The Disposal constitutes a major transaction for the Company under Chapter 14 of the Listing Rules which requires the approval of the Shareholders by way of poll. The SGM will be convened and held for the Shareholders to consider and, if thought fit, approve the Disposal Agreement, the Shareholders' Agreement and the transactions contemplated thereunder. As the Purchaser and its ultimate beneficial shareholder(s) are third parties independent of the Company and its connected persons and no Shareholder has a material interest in the Disposal which is different from the other Shareholders, no Shareholder is required to abstain from voting in respect of the proposed ordinary resolution(s) to approve the Disposal Agreement, the Shareholders' Agreement and the transactions contemplated thereunder at the SGM.

The Company will comply with the applicable Listing Rules requirements in the event that the Vendor exercises the Put Option pursuant to the terms of the Shareholders' Agreement.

GENERAL

A circular containing, among other things, details of the Disposal Agreement and the Shareholders' Agreement, the financial information of the Group, the notice to convene the SGM and other information as required under the Listing Rules will be despatched to the Shareholders on or before 12th August, 2010.

RESUMPTION OF TRADING

Trading in the Shares on the Stock Exchange was suspended at the request of the Company from 9:30 a.m. on 22nd July, 2010 pending the release of this announcement. An application has been made to the Stock Exchange for the resumption of trading in the Shares with effect from 9:30 a.m. on 23rd July, 2010.

The Board is pleased to announce that the Vendor, an indirect wholly-owned subsidiary of the Company, entered into the Disposal Agreement with the Purchaser after trading hours of the Stock Exchange on 21st July, 2010 in relation to the disposal by the Vendor of the Sale Shares and the Sale Loan. Set out below are the principal terms of the Disposal Agreement.

THE DISPOSAL AGREEMENT

Date: 21st July, 2010

Parties:

- (i) Vendor: Everight Investment Limited, being the vendor of the Sale Shares and the Sale Loan; and
- (ii) Purchaser: Million Cube Limited.

To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, the Purchaser and its ultimate beneficial owner(s) are third parties independent of the Company and its connected persons and are not connected persons of the Company. The principal activity of the Purchaser is investment holding.

Assets to be disposed of:

The assets to be disposed of comprise (i) the Sale Shares, being sixty-five (65) shares of US\$1 each in the capital of Paragon Winner, representing 65% of the entire issued share capital of Paragon Winner as at the date of this announcement and on Completion; and (ii) the Sale Loan. The principal amount of the Sale Loan was approximately HK\$61.7 million as at the date of the Disposal Agreement.

Consideration:

The consideration for the Sale Shares and the Sale Loan shall be the aggregate of (i) RMB650.0 million which is payable in HK\$ of approximately HK\$746.3 million translated at the Exchange Rate; and (ii) an amount equivalent to 65% of all additional loan(s) which may be advanced by the Vendor to Paragon Winner and/or by two fellow subsidiaries of Paragon Winner to the PRC Companies from the date of the Disposal Agreement up to Completion, which shall not in aggregate exceed RMB9.8 million (equivalent to approximately HK\$11.2 million). The Consideration shall be apportioned as follows:

- (i) the portion of the Consideration attributable to the Sale Loan shall be equal to the face value of the Sale Loan; and
- (ii) the balance of the Consideration shall be attributable to the Sale Shares.

The Vendor and the Purchaser shall jointly procure that the Completion Accounts be issued within two months after the Completion Date. If the Purchaser so requires not later than three (3) months after the issue thereof, the Vendor and the Purchaser shall jointly appoint a firm of certified public accountants to audit the same.

The Consideration shall be adjusted downwards on a dollar-for-dollar basis in the following circumstances:

- (i) if the value of total assets (excluding the fixed assets) less total liabilities (other than (a) the Vendor's Loans; (b) the ICBC Loans; (c) the liabilities of the Paragon Winner Group due to the two fellow subsidiaries of Paragon Winner; (d) the liabilities as specified in the Disposal Agreement to be covered by certain deeds of indemnity executed by the Vendor; and (e) items which are deferred income in nature and which shall not exceed HK\$6.0 million) of the Paragon Winner Group calculated with reference to the Completion Accounts (or the audited Completion Accounts, if applicable) has a deficit (the "Deficit") exceeding HK\$1,000,000, the Consideration shall be reduced by 65% of the Deficit and the Vendor shall repay to the Purchaser the same within five (5) Business Days from the date of issue of the Completion Accounts; and

- (ii) the Consideration shall be reduced by 65% of the aggregate amount due to the two fellow subsidiaries of Paragon Winner by the PRC Companies as at the Completion Date. As at the date of this announcement, the aggregate amount owing by the PRC Companies amounted to approximately HK\$9.8 million.

The Consideration shall be paid by the Purchaser in cash in the following manner:

- (i) a deposit of RMB50.0 million payable in HK\$ of approximately HK\$57.4 million translated at the Exchange Rate (the “Initial Deposit”) shall be paid within ten (10) Business Days from the necessary documents for replacement of one existing director in each of the companies in the Paragon Winner Group with the nominee(s) of the Purchaser having been completed and filed with the relevant authorities;
- (ii) a deposit of RMB100.0 million payable in HK\$ of approximately HK\$114.8 million translated at the Exchange Rate (the “Second Deposit”) shall be paid within five (5) Business Days from the date of fulfillment of conditions (ii) and (iii) under the paragraph headed “Conditions precedent” below;
- (iii) a further deposit of RMB200.0 million payable in HK\$ of approximately HK\$229.6 million translated at the Exchange Rate shall be paid prior to the expiry of three (3) months immediately succeeding the payment due date of the Second Deposit; and
- (iv) the balance of the Consideration shall be paid upon Completion.

If the Purchaser shall fail to pay any part of the Consideration on their respective due dates for payment and such failure is not remedied within seven (7) Business Days of the original due date, the Vendor shall be entitled by notice in writing to the Purchaser to terminate the Disposal Agreement but the total liability which the Purchaser may have to the Vendor pursuant to the Disposal Agreement shall not exceed the aggregate of the Initial Deposit and the Second Deposit.

The Consideration was determined after arm’s length negotiations between the Vendor and the Purchaser with reference to, among other things, the growth prospects of the Golf Resort taking into account its existing operations and the proposed developments, and the face value of the Sale Loan as at the date of this announcement. The Directors consider that the Consideration is fair and reasonable and the Disposal is in the interests of the Company and the Shareholders as a whole.

Conditions precedent:

Completion of the Disposal Agreement is conditional upon fulfillment or waiver (as the case may be) of the following conditions:

- (i) the warranties, representations and undertakings given by the Vendor in the Disposal Agreement remaining true and accurate in all material respects and not misleading in any material respect as at Completion and at all times between the date of the Disposal Agreement and Completion;

- (ii) the approval by the Shareholders (other than those who are required to abstain from voting under the Listing Rules or the applicable laws, rules and regulations, if required) of the Disposal Agreement including the disposal of the Sale Shares and the Sale Loan by the Vendor, the entering into of the Shareholders' Agreement and all other transactions contemplated under the Disposal Agreement and the Shareholders' Agreement at the SGM;
- (iii) the compliance by the Vendor and/or the Company of any relevant requirements under the Listing Rules or otherwise of the Stock Exchange (if any) which require compliance at any time prior to Completion in relation to the transactions contemplated under the Disposal Agreement; and
- (iv) the Vendor or the Paragon Winner Group obtaining the consent of any third party which is required by law or contractual arrangements for the amendment of constitutional documents of any companies in the Paragon Winner Group to reflect the provisions of the Shareholders' Agreement.

The Purchaser may waive the conditions in (i) and (iv) above. None of the other conditions can be waived by the Vendor. If the conditions are not fulfilled or waived (as the case may be) within four (4) months from the date of the Disposal Agreement (or any other date as the parties to the Disposal Agreement may agree in writing), the rights and obligations of the parties under the Disposal Agreement shall lapse and be of no further effect except for antecedent breach. In such event, the Vendor shall refund to the Purchaser the portion of the Consideration paid together with interest accrued at the rate of 2% above the prime rate for HK\$ from time to time quoted by The Hongkong and Shanghai Banking Corporation Limited and the Purchaser shall procure the resignation of director(s) nominated by the Purchaser forthwith with his written confirmation under seal that he has no claim against any company in the Paragon Winner Group whatsoever.

Completion:

Completion shall take place on the earlier of (i) the last day of a period of six (6) months commencing on the date the Initial Deposit is due for payment; or (ii) a date notified by the Purchaser to the Vendor in writing (not less than three (3) Business Days prior to the proposed Completion Date) after all the conditions precedent having been fulfilled or, as the case may be, being properly waived, or such other date as the Vendor and the Purchaser may mutually agree in writing.

If after fulfillment or waiver (as the case may be) of the above conditions, Completion does not take place due to the default of the Purchaser, the Vendor shall be entitled to forfeit the Initial Deposit and the Second Deposit as full and final settlement of all claims in connection with the Disposal Agreement whatsoever and the Purchaser shall procure the director(s) nominated by it to resign forthwith with his written confirmation under seal that he has no claim against any company in the Paragon Winner Group whatsoever.

If after fulfillment or waiver (as the case may be) of the above conditions, Completion does not take place due to the default of the Vendor, the Vendor shall within seven (7) Business Days refund to the Purchaser the portion of the Consideration paid by the Purchaser together with an amount equal to the Initial Deposit and the Second Deposit as liquidated damages to the Purchaser as full and final settlement of all claims in connection with the Disposal Agreement whatsoever.

Other terms:

At the date of this announcement, ITC Properties Management Limited, an indirect wholly-owned subsidiary of the Company, has provided two corporate guarantees and two pledges of cash deposits in the total sum of HK\$42.2 million in favour of ICBC as guarantee for the ICBC Loans granted by ICBC to the Golf JV. Pursuant to the terms of the Disposal Agreement, the Vendor agrees and undertakes to pay or procure the repayment, without recourse against the Golf JV, other companies in the Paragon Winner Group or the Purchaser, on or before due date all moneys due and payable by the Golf JV to ICBC in respect of the ICBC Loans and to the extent that any part of the repayment is other than by way of the Vendor's Loans, the Vendor agrees and undertakes to keep the Paragon Winner Group and the Purchaser fully indemnified for such payment and the Vendor agrees and undertakes such indemnity is without recourse against the Purchaser and the Paragon Winner Group.

In addition, the Vendor also agreed to indemnify (i) the Paragon Winner Group of any claims which may be made against members of the Paragon Winner Group by their current or former employees and in relation to any potential liabilities under certain agreements previously entered into by Donson and (ii) the Purchaser in respect of 65% of taxation incurred by the Paragon Winner Group for the period prior to Completion. The aforesaid claims, if materialised, together with the indemnity in relation to the ICBC Loans is estimated to amount to approximately HK\$121.0 million.

THE SHAREHOLDERS' AGREEMENT

Upon Completion, the Vendor, the Purchaser and Paragon Winner will enter into the Shareholders' Agreement in respect of the affairs of (including, without limitation, its operations, management and business) and the rights with respect to their interest in the Paragon Winner Group after Completion. The principal terms of the Shareholders' Agreement are set out below:

Board composition: The board of Paragon Winner shall be maintained at three (3) directors, two (2) of them are to be designated by the Purchaser and one of them is to be designated by the Vendor. The chairman of the board of Paragon Winner shall be designated by the Purchaser. The Vendor is also entitled to nominate one (1) director to each subsidiary of Paragon Winner.

Dividend policy: (i) In respect of each member of the Paragon Winner Group other than the Golf JV and the Hotel JV, all profits available for distribution shall be distributed to its shareholders by way of dividends; and

- (ii) in respect of the Golf JV and the Hotel JV, 50% of its profits for such financial year which are available for distribution,

in each case after discharge of outstanding bank debts and shareholders' loans.

Put Option:

In consideration of the payment of HK\$10, the Purchaser grants the Put Option to the Vendor to require the Purchaser to purchase the Option Shares and the Option Loans at any time during the Exercise Period.

The purchase price for the Option Shares and the Option Loans shall be an amount equal to the Consideration received by the Vendor times the proportion which the Option Shares bear to the Sale Shares with the following adjustments (if any) from the period commencing from the date of the Shareholders' Agreement to the date of completion of the sale and purchase of the Option Shares and the Option Loans:

- (i) add the aggregate amount of additional advances, capital investment and monetary injection made by the Vendor to the Paragon Winner Group; and
- (ii) less the aggregate amount of dividend and distributions paid to the Vendor.

Right of first refusal and co-sell right:

If a shareholder wishes to dispose of its interest in Paragon Winner to a third party, all other shareholders are entitled to a right of first refusal to purchase all (but not part only) of the shares in and loans to Paragon Winner which the transferring shareholder intends to dispose at the same price and material terms.

Alternatively, they are entitled to a co-sell right whereby it may dispose of its proportional interest in Paragon Winner on the same terms.

Both the right of first refusal and co-sell right are exercisable within a period of thirty (30) days from the receipt of transfer notice from the disposing shareholder.

Termination:

The Shareholders' Agreement shall continue in full force and effect until the entire issued share capital of Paragon Winner shall be owned by one shareholder.

INFORMATION ON THE PARAGON WINNER GROUP

Paragon Winner, Donson, Stream Ahear and Asia Union are wholly-owned subsidiaries of the Group which are special purpose vehicles established for the purpose of holding the Golf JV and the Hotel JV. As at the date of this announcement, the Golf JV is owned as to 80% by Donson and 20% by Sanya Bohou, while the Hotel JV is owned as to 80% by Asia Union and 20% by the Golf JV respectively. Paragon Winner therefore holds an 80% and 96% effective interests in the Golf JV and the Hotel JV respectively through Donson, Stream Ahear and Asia Union.

The Golf JV is involved in the operation of the Golf Resort, and development and operation of golf or hotel related properties over the Golf Land. The Hotel JV has planned hotel development over the Hotel Land and it has not carried on any other business since its incorporation.

The Golf Resort is situated at Bohou Village, Yalong Bay, National Resort Area, Sanya City, Hainan Province, the PRC and currently operates a 27-hole golf course and a clubhouse with food and beverage outlet and gift shop. Pursuant to the current approval granted by the local government, it is intended that about 250 spa villas and hotel facilities with total gross floor area of approximately 143,500 m² will be developed within the Golf Resort to provide its members with exclusive lodging facilities.

Set out below is the unaudited consolidated financial information of the Paragon Winner Group which has been included in the audited financial statements of the Group and prepared in accordance with the Hong Kong Financial Reporting Standards:

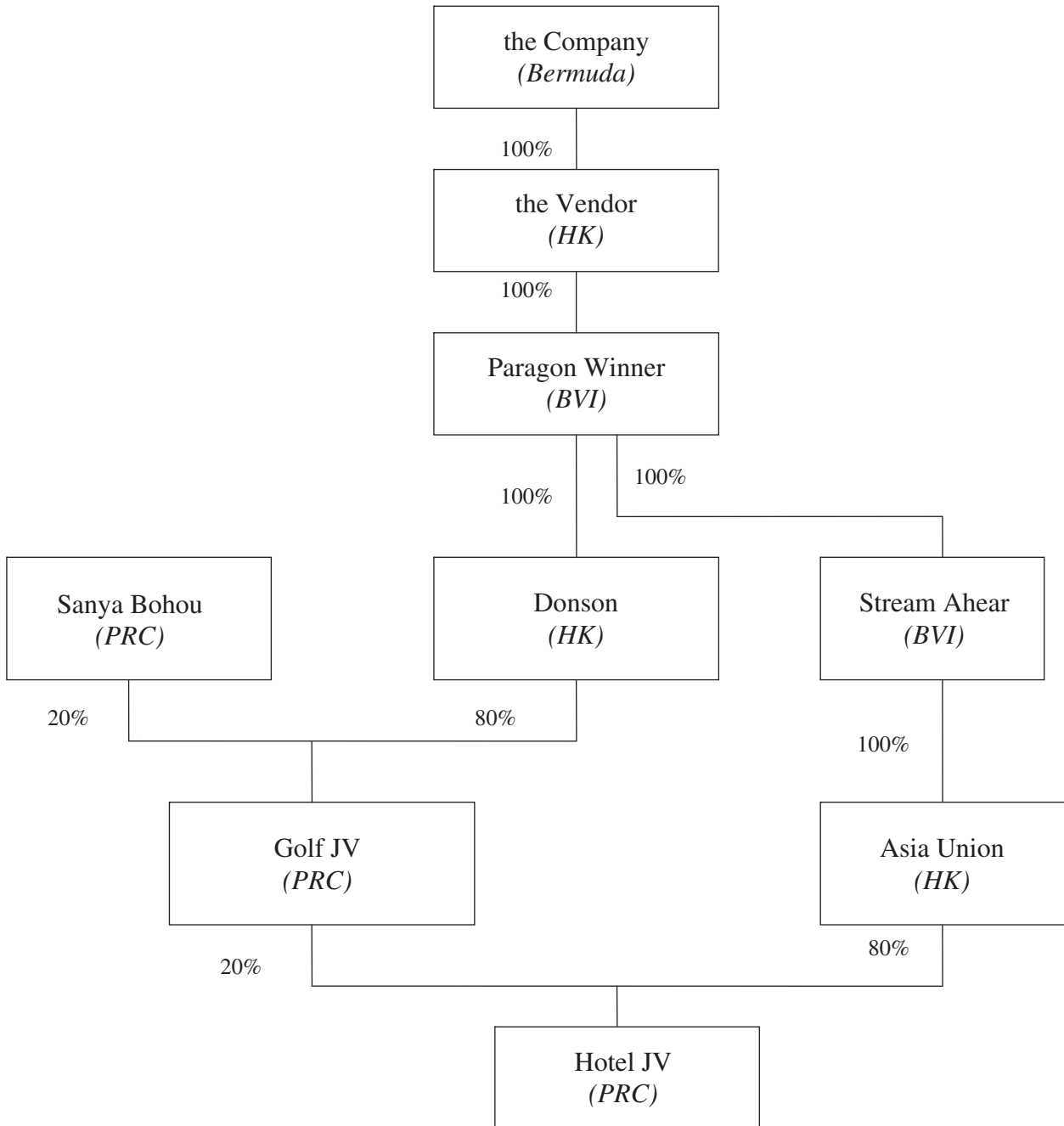
	For the year ended 31st March, 2010 <i>HK\$' million</i>	From 10th October, 2008 (date of incorporation) to 31st March, 2009 <i>HK\$' million</i>
Turnover	29.8	11.1
(Loss)/Profit before taxation	(19.6)	34.4
(Loss)/Profit after taxation and minority interest	(19.6)	34.4
		As at 31st March, 2010 <i>HK\$' million</i>
Net assets (after minority interest)		31.2

Immediately after Completion, Paragon Winner will cease to be a subsidiary of the Company and become an associated company of the Company. Accordingly, the Group will equity account for the results of Paragon Winner after Completion.

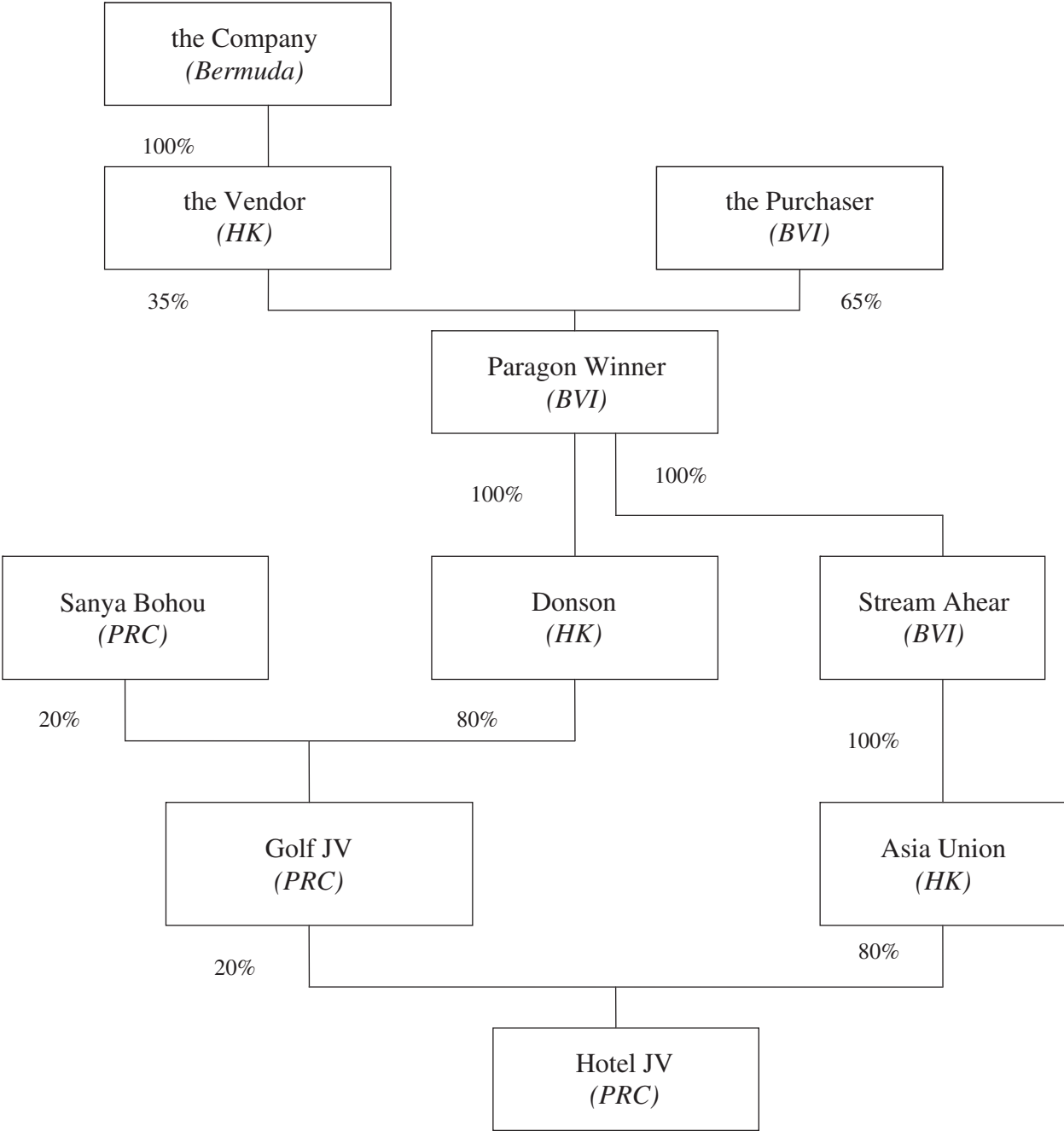
STRUCTURE OF THE PARAGON WINNER GROUP BEFORE AND AFTER COMPLETION

The following charts illustrate the structure of the Paragon Winner Group immediately before and after Completion:

As at the date of this announcement and immediately before Completion



Immediately after Completion



Note: Places in parentheses represent places of incorporation.

REASONS FOR THE DISPOSAL

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 golf resort and leisure operations, securities investment and loan financing services.

The net proceeds from the Disposal, after deducting related expenses and taking into account 65% of the amount of loans advanced by two fellow subsidiaries of Paragon Winner to the PRC Companies as at the date of this announcement, are estimated to be approximately HK\$737.0 million. The Company intends to apply such net proceeds for financing the repayment of the ICBC Loans and the Group's general working capital.

Based on the unaudited consolidated accounts of the Paragon Winner Group as at 31st May, 2010, a gain of approximately HK\$490.9 million is expected to arise from the Disposal, which is calculated with reference to the net proceeds from the Consideration of HK\$737.0 million less the carrying value attributable to the Sale Shares and the Sale Loan as at 31st May, 2010 included in the Group's accounts of approximately HK\$64.7 million and HK\$60.4 million respectively and the estimated provision for indemnities given by the Vendor under the Disposal Agreement of approximately HK\$121.0 million. Shareholders and investors should note that the exact amount of gain on the Disposal is to be determined with reference to the fair value attributable to the Sale Shares and the Sale Loan as at the Completion Date.

The Directors consider that the Disposal provides the Group a good opportunity to realize a considerable gain from the investment in Paragon Winner and generate cash inflow to the Group yet retaining a significant interest in the development and operations of the golf and hotel related businesses within the Golf Resort. The Put Option, which is exercisable at the discretion of the Vendor, also provides flexibility to the Group to deal with its remaining interest in Paragon Winner at a pre-determined price if it so wishes.

Based on the above, the Board considers that the entering into of the Disposal Agreement and the Shareholders' Agreement is in the interests of the Company and the Shareholders as a whole and the terms of the Disposal Agreement and the Shareholders' Agreement are fair and reasonable.

LISTING RULES IMPLICATION

The Disposal constitutes a major transaction for the Company under Chapter 14 of the Listing Rules which requires the approval by the Shareholders by way of poll at the SGM. The SGM will be convened and held for the Shareholders to consider and thought fit, approve the Disposal Agreement, the Shareholders' Agreement and the transactions contemplated thereunder. As the Purchaser and its ultimate beneficial shareholder(s) are third parties independent of the Company and its connected persons (as defined under the Listing Rules) and no Shareholder has a material interest in the Disposal which is different from the other Shareholders, no Shareholder is required to abstain from voting in respect of the proposed ordinary resolution(s) to approve the Disposal Agreement, the Shareholders' Agreement and the transactions contemplated thereunder at the SGM.

The Company will comply with the applicable Listing Rules requirements in the event that the Vendor exercises the Put Option pursuant to the terms of the Shareholders' Agreement.

GENERAL

A circular containing, among other things, details of the Disposal Agreement and the Shareholders' Agreement, the financial information on the Group, the notice to convene the SGM and other information as required under the Listing Rules will be despatched to the Shareholders on or before 12th August, 2010.

RESUMPTION OF TRADING

Trading in the Shares on the Stock Exchange was suspended at the request of the Company from 9:30 a.m. on 22nd July, 2010 pending the release of this announcement. An application has been made to the Stock Exchange for the resumption of trading in the Shares with effect from 9:30 a.m. on 23rd July, 2010.

DEFINITIONS

In this announcement, unless the context otherwise requires, the following terms have the following meanings:

“Asia Union”	Asia Union Investments Limited, a company incorporated in Hong Kong with limited liability and a wholly-owned subsidiary of Stream Ahear
“associate(s)”	has the same meaning ascribed thereto under the Listing Rules
“Board”	the board of Directors
“Business Day(s)”	a day (other than Saturday, Sunday and other general holidays in Hong Kong and/or the PRC and any day on which a tropical cyclone warning No. 8 or above or a “black” rainstorm warning signal is hoisted or remains in effect between 9:00 a.m. and 12:00 noon and is not lowered or discontinued at or before 12:00 noon) on which the licensed banks in Hong Kong and the PRC are generally open for business
“BVI”	the British Virgin Islands
“Company”	ITC Properties Group Limited, a company incorporated in Bermuda with limited liability, the issued Shares of which are listed on the Main Board of the Stock Exchange (Stock Code : 199)

“Completion”	completion of the sale and purchase of the Sale Shares and the Sale Loan under the Disposal Agreement
“Completion Accounts”	the unaudited consolidated profit and loss account of the Paragon Winner Group for the period from 1st June, 2010 to the Completion Date and the consolidated balance sheet of the Paragon Winner Group as at the Completion Date to be prepared in accordance with the Hong Kong Financial Reporting Standards
“Completion Date”	the date on which Completion takes place
“connected person(s)”	has the same meaning ascribed thereto under the Listing Rules
“Consideration”	the consideration for the Sale Shares and the Sale Loan pursuant to the terms of the Disposal Agreement
“Director(s)”	director(s) of the Company
“Disposal”	the disposal of the Sale Shares and the Sale Loan by the Vendor to the Purchaser pursuant to the terms and conditions of the Disposal Agreement
“Disposal Agreement”	the sale and purchase agreement dated 21st July, 2010 entered into between the Vendor and the Purchaser in relation to the sale and purchase of the Sale Shares and the Sale Loan
“Donson”	Donson (International) Development Limited, a company incorporated in Hong Kong with limited liability and a wholly-owned subsidiary of Paragon Winner
“Exchange Rate”	the fixed exchange rate of HK\$1 to RMB0.871 as agreed in the Disposal Agreement for payment of the Consideration
“Exercise Period”	the period commencing from the second anniversary date of the Shareholders’ Agreement and ending on the fifth anniversary date of the Shareholders’ Agreement
“Golf JV”	Sanya Yalong Bayview Golf Garden Co., Ltd. (三亞亞龍灣風景高爾夫文化公園有限公司), a company incorporated in the PRC which is owned as to 80% by Donson

“Golf Land”	the various pieces of land in Yalong Bay, Sanya, the PRC having an aggregate site area of approximately 2,580,192.90 m ² the operating rights of which were granted to the Golf JV pursuant to various agreements entered into with various independent third parties
“Golf Resort”	Sanya Sun Valley Golf Resort at Bohou Village, Yalong Bay, National Resort Area, Sanya City, Hainan Province, the PRC
“Group”	the Company and its subsidiaries
“Hong Kong” or “HK”	the Hong Kong Special Administrative Region of the PRC
“Hotel JV”	Sanya Yalong Bay Sun Valley Hotel Co., Ltd. (三亞亞龍灣紅峽谷度假酒店有限公司), a company incorporated in the PRC which is owned as to 80% and 20% by Asia Union and the Golf JV respectively
“Hotel Land”	the piece of land in Yalong Bay, Sanya, the PRC having a site area of approximately 192,270.45 m ²
“ICBC”	Industrial and Commercial Bank of China Limited, Sanya branch
“ICBC Loans”	two loans in the aggregate principal sum of RMB30.0 million (equivalent to approximately HK\$34.1 million) granted by ICBC to the Golf JV
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Macau”	the Macau Special Administrative Region of the PRC
“Option Loans”	all of the loans owing by the Paragon Winner Group to the Vendor, its subsidiaries and affiliates at the time of the exercise of the Put Option
“Option Shares”	all of the shares in Paragon Winner held by the Vendor at the time of the exercise of the Put Option
“Paragon Winner”	Paragon Winner Company Limited, a company incorporated in the BVI and now a wholly-owned subsidiary of the Vendor
“Paragon Winner Group”	Paragon Winner and its subsidiaries

“PRC”	the People’s Republic of China, excluding Hong Kong, Macau and Taiwan for the purpose of this announcement
“PRC Companies”	together, the Golf JV and the Hotel JV
“Purchaser”	Million Cube Limited, a company incorporated in the BVI with limited liability
“Put Option”	the put option to be granted under the Shareholders’ Agreement by the Purchaser to the Vendor and exercisable by the Vendor at any time during the Exercise Period to require the Purchaser to purchase all of the Option Shares and the Option Loans according to the terms set out in the Shareholders’ Agreement
“Sale Loan”	65% of the Vendor’s Loans together with all unpaid interests accrued thereon
“Sale Shares”	the sixty-five (65) shares of US\$1 each in the capital of Paragon Winner, representing 65% of the entire issued share capital of Paragon Winner as at Completion
“Sanya Bohou”	三亞博后經濟開發有限公司 (Sanya Bohou Economic Development Co., Ltd.)
“SGM”	the special general meeting of the Company to be convened and held for the Shareholders to consider and, if thought fit, approve the Disposal Agreement, the Shareholders’ Agreement and the transactions contemplated thereunder
“Shareholders’ Agreement”	the shareholders’ agreement to be entered into among the Vendor, the Purchaser and Paragon Winner on Completion
“Share(s)”	ordinary share(s) of the Company of HK\$0.01 each
“Shareholder(s)”	holder(s) of the Share(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Stream Ahear”	Stream Ahear International Limited, a company incorporated in the BVI with limited liability and a wholly-owned subsidiary of Paragon Winner
“Vendor”	Everight Investment Limited, a company incorporated in Hong Kong and an indirect wholly-owned subsidiary of the Company

“Vendor’s Loans”	all amounts which may be owing by the Paragon Winner Group to the Vendor as at Completion
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“RMB”	Renminbi, the lawful currency of the PRC
“US\$”	United States dollars, the lawful currency of the United States of America
“%”	per cent.
“m ² ”	square metre(s)

In this announcement, save as otherwise provided, amounts in RMB are converted into HK\$ on the basis of HK\$1 = RMB0.879. The conversion rate is for illustration purpose only and should not be taken as a representation that RMB could actually be converted into HK\$ at that rate or at all.

For ease of reference, the names of companies and entities established in the PRC have been included in this announcement in both Chinese and English languages and the English names of these companies and entities are either English translation of their respective official Chinese names or English tradenames used by them. In the event of any inconsistency between the English names and their respective official Chinese names, the Chinese names shall prevail.

By order of the Board
ITC Properties Group Limited
Yan Ha Hung, Loucia
Company Secretary

Hong Kong, 22nd July, 2010

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. Lai Tsan Tung, David
Mr. Chan Yiu Lun, Alan

Non-executive Director:

Mr. Ma Chi Kong, Karl

Independent non-executive Directors:

Mr. Qiao Xiaodong (*Vice Chairman*)
Mr. Wong Chi Keung, Alvin
Mr. Kwok Ka Lap, Alva