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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)

**TERMINATION OF DISCLOSEABLE TRANSACTION
– Cancellation of an Acquisition of an Effective 25% Interest
of Shanghai Tianma Country Club Co., Ltd.**

The Board announces that the Acquisition Agreement dated 17th July, 2007 entered into between the Vendor and Chain Key, an indirect wholly-owned subsidiary of the Company, in relation to the proposed acquisition by Chain Key of an effective 25% interest of Shanghai Tianma Country Club Co., Ltd. has been terminated and cancelled.

Reference is made to the announcement of the Company dated 17th July, 2007 (the “**Announcement**”) and the circular of the Company dated 6th August, 2007 (the “**Circular**”) regarding the proposed acquisition by Chain Key of an effective 25% interest of Shanghai Tianma Country Club Co., Ltd. Unless the context requires otherwise, capitalized terms used herein shall have the same meanings as defined in the Announcement and the Circular.

The Board announces that on 28th March, 2008, Chain Key, an indirect wholly-owned subsidiary of the Company, and the Vendor entered into an agreement (the “**Termination Agreement**”) by mutual consent to terminate the Acquisition Agreement dated 17th July, 2007 entered into between the parties in relation to the proposed acquisition by Chain Key of an effective 25% interest of Shanghai Tianma Country Club Co., Ltd. for the reason that Chain Key and the Vendor have different views and are unable to reach agreement on the terms governing the rights and liabilities between the shareholders in the future. Deposit in the amount of US\$6 million (equivalent to approximately HK\$46.8 million) paid by Chain Key, together with interest accrued thereon, has been refunded to the Group upon the signing of the Termination Agreement. As the termination of the transaction is by mutual consent and there is no breach on either side, Chain Key will not claim any losses against the Vendor. The transaction was terminated nearly 6 months after September 2007 because it took time for the negotiation for the agreement on the terms governing the rights and liabilities between the shareholders in the future and the fulfillment of the conditions precedent. The termination of the Acquisition would have no material effect on the current financial position or operation of the Group.

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

Hong Kong, 31st March, 2008

* For identification purpose only

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. Wong Kam Cheong, Stanley (*Deputy Managing Director*)

Mr. Cheung Chi Kit

Mr. Lai Tsan Tung, David

Mr. Ma Chi Kong, Karl

Independent non-executive Directors:

Mr. Qiao Xiaodong (*Vice Chairman*)

Mr. Wong Chi Keung, Alvin

Mr. Kwok Ka Lap, Alva