

**THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION**

If you are in any doubt as to any aspect of this circular or as to the action to be taken, you should consult a licensed securities dealer, bank manager, solicitor, professional accountant or other professional adviser.

If you have sold or transferred all your shares in ITC Properties Group Limited, you should at once hand this circular to the purchaser or the transferee, or to the bank, licensed securities dealer or other agent through whom the sale or transfer was effected for transmission to the purchaser or the transferee.

The Stock Exchange of Hong Kong Limited takes no responsibility for the contents of this circular, makes no representation as to its accuracy or completeness and expressly disclaims any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this circular.



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 RELATING TO  
THE PROVISION OF FINANCIAL ASSISTANCE  
TO A JOINT VENTURE**

**Financial adviser to ITC Properties Group Limited**



# CONTENTS

	<i>Page</i>
<b>Definitions</b> .....	1
<b>Letter from the Board</b> .....	3
<b>Appendix – General information</b> .....	7

## DEFINITIONS

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

“Board”	the board of Directors
“Company”	ITC Properties Group Limited (Stock Code : 199), a company incorporated in Bermuda with limited liability, the issued Shares of which are listed on the Main Board of the Stock Exchange
“connected person(s)”	has the same meaning ascribed thereto under the Listing Rules
“Directors”	the directors of the Company
“Group”	the Company and its subsidiaries
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“JV” or “Keen Step”	Keen Step Corporation Limited, a company incorporated in Hong Kong with limited liability and in which each of United Sun and Maxter has a 50% shareholding
“JV Board”	the board of directors of the JV
“JV Parties”	United Sun and Maxter
“Latest Practicable Date”	15th August, 2008, being the latest practicable date prior to the printing of this circular for ascertaining certain information contained herein
“Listing Rules”	Rules Governing the Listing of Securities on the Stock Exchange
“Macau”	the Macau Special Administrative Region of the PRC
“Maxter”	Maxter Limited, a company incorporated in the British Virgin Islands and an indirect wholly-owned subsidiary of the Company
“PRC”	the People’s Republic of China, and for the purpose of this circular, excluding Hong Kong, Macau and Taiwan

## DEFINITIONS

“Property”	(i) Ground Floor together with Cockloft and the Whole of Front Terrace, (ii) Flats A and B on the First Floor and Flat Roof, (iii) Flats A and B on the Second Floor, (iv) Flats A and B on the Third Floor, (v) Flats A and B on the Fourth Floor, and (vi) Flat A on the Fifth Floor, and Portion of the Main Roof, No. 7 Moreton Terrace, Hong Kong
“Provisional Agreements”	the conditional provisional sale and purchase agreements entered into between the JV and various vendors of the Property between 28th May, 2008 and 10th June, 2008
“SFO”	Securities and Futures Ordinance, Chapter 571 of the Laws of Hong Kong
“Share(s)”	ordinary share(s) of HK\$0.01 each in the share capital of the Company
“Shareholder(s)”	holder(s) of the Share(s)
“Shareholders’ Agreement”	the shareholders’ agreement entered into among Maxter, United Sun and Keen Step on 31st July, 2008 in relation to the respective rights and obligations of the JV Parties in Keen Step
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“United Sun”	United Sun Investments Limited, a company incorporated in the British Virgin Islands
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“%” or “per cent.”	percentage

## LETTER FROM THE BOARD



德祥地產集團有限公司\*

**ITC PROPERTIES GROUP LIMITED**

*(Incorporated in Bermuda with limited liability)*

**(Stock Code : 199)**

*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

*Registered office:*

Clarendon House  
Church Street  
Hamilton HM 11  
Bermuda

*Principal place of business  
in Hong Kong:*

Unit 3102, 31st Floor  
Bank of America Tower  
12 Harcourt Road  
Central  
Hong Kong

18th August, 2008

*To the Shareholders and, for information only,  
holders of warrants and convertible notes of the Company*

Dear Sir or Madam,

### **DISCLOSEABLE TRANSACTION RELATING TO THE PROVISION OF FINANCIAL ASSISTANCE TO A JOINT VENTURE**

#### **INTRODUCTION**

The Board announced that on 31st July, 2008, the Shareholders' Agreement has been entered into among Maxter, an indirect wholly-owned subsidiary of the Company, United Sun and Keen Step, pursuant to which each of the JV Parties has agreed, among other things, to extend, or procure its fellow subsidiary company(ies) to extend, loan facilities to Keen Step of not more than HK\$75 million (inclusive of approximately HK\$29.6 million already advanced by each of the JV Parties as at the Latest Practicable Date). Keen Step is beneficially owned as to 50% each by Maxter and United Sun respectively.

The provision of the loans pursuant to the Shareholders' Agreement constitutes a discloseable transaction for the Company under Chapter 14 of the Listing Rules. Details of the provision of the loans are also disclosed pursuant to Rules 13.13 to 13.16 of the Listing Rules. The purpose of this circular is to provide the Shareholders with, among other things, further details of the Shareholders' Agreement and other information as required under the Listing Rules.

\* For identification purpose only

## LETTER FROM THE BOARD

### BACKGROUND

On 23rd May, 2008, the JV is formed between Maxter, an indirect wholly-owned subsidiary of the Company, and United Sun for the purpose of pursuing investment opportunities in the property market. Each of Maxter and United Sun has 50% interest in the issued share capital of Keen Step and Keen Step is equity accounted for in the accounts of the Group. There was no capital commitment required of or made by the JV Parties upon the formation of the JV. Based on the subscription amount of share capital by Maxter of HK\$1, the formation of the JV did not constitute a notifiable transaction to the Company under Chapter 14 of the Listing Rules.

After the formation of the JV, Keen Step has entered into the Provisional Agreements between 28th May, 2008 and 10th June, 2008 to acquire the Property. As at the Latest Practicable Date, each of Maxter and United Sun has contributed approximately HK\$29.6 million to the JV (inclusive of paid-up capital and shareholders' loans) to finance the progress payments for the acquisition of the Property.

### THE SHAREHOLDERS' AGREEMENT

United Sun, Maxter and Keen Step entered into the Shareholders' Agreement on 31st July, 2008 to regulate the rights and obligations of the JV Parties in Keen Step including, among other things, the obligations of each of the JV Parties to provide loans to Keen Step to finance its further payment obligations in relation to the acquisition of the Property. The principal terms of the Shareholders' Agreement are set out below:

**(1) Date:**

31st July, 2008

**(2) Parties:**

- (i) United Sun;
- (ii) Maxter, an indirect wholly-owned subsidiary of the Company; and
- (iii) Keen Step.

To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, United Sun is a company incorporated in the British Virgin Islands and engaged in investment holding. Both United Sun and its ultimate beneficial owner are third parties independent of the Company and its connected persons (as defined in the Listing Rules).

Apart from the formation of Keen Step, there is no prior transaction between the Company and United Sun and its ultimate beneficial owner.

## LETTER FROM THE BOARD

### **(3) Finance:**

Each of Maxter and United Sun undertakes to provide or procure its fellow subsidiary company(ies) to provide loans not exceeding HK\$75 million to Keen Step (inclusive of approximately HK\$29.6 million shareholders' loans already advanced by each of the JV Parties to Keen Step as at the Latest Practicable Date), which shall be contributed by the JV Parties in accordance with their respective shareholding interests in Keen Step, to pay for the balance of the consideration for the acquisition of the Property and other expenses incidental to or associated with the acquisition and holding of the Property. In the event any guarantee, indemnity or other security is required by any bank or financial institution in respect of borrowings of Keen Step, the JV Parties also agreed that such guarantee or financing arrangement will be borne by them in proportion to their respective shareholding interests in Keen Step. The loans shall be unsecured, bear interest calculated at the prime rate for Hong Kong dollars from time to time quoted by The Hongkong and Shanghai Banking Corporation Limited and have no fixed repayment date.

### **(4) Management of the JV:**

The JV Board shall consist of a maximum of four directors. Each of the JV Parties shall be entitled to nominate and appoint two directors.

### **(5) Transfer restrictions:**

Save and except for any transfer between the JV Parties and any transfer by a JV Party to a party which is its wholly-owned subsidiary or holding company or a wholly-owned subsidiary of such holding company, no JV Party shall transfer, sell, mortgage, charge, assign or otherwise dispose of or encumber the whole or any part of its shareholding in Keen Step or any shareholders' loans without the prior written consent of the other.

### **(6) Termination:**

Except as agreed by the JV Parties in writing, the Shareholders' Agreement shall continue in full force and effect until Keen Step shall be wound up or otherwise cease to exist as a separate corporate entity, or until the entire issued share capital of Keen Step shall be owned by one shareholder of Keen Step.

## **INFORMATION ON KEEN STEP AND THE PROPERTY**

Keen Step is a special purpose vehicle incorporated in May 2008 for the acquisition and holding of the Property. Keen Step has entered into the Provisional Agreements between 28th May, 2008 and 10th June, 2008 to acquire the Property for a total consideration of approximately HK\$134 million.

## LETTER FROM THE BOARD

The Property is situated at No. 7 Moreton Terrace, Hong Kong. Pursuant to the Provisional Agreements, Ground Floor together with Cockloft and the Whole of Front Terrace, Flat A of the Second Floor, Flat B of the Third Floor, and Flats A and B of the Fourth Floor are sold to Keen Step subject to tenancies with independent third parties at a total rental income of approximately HK\$105,000 per month. The term of the leases will expire between the year 2009 to year 2011 (except for the Ground Floor with Cockloft and the Whole of Front Terrace where the tenant has an option to renew for another 3 years). The Ground Floor with Cockloft of the Property is for commercial use and the other units of the Property (other than the Whole of Front Terrace) are for residential use.

Completion of the acquisition of the Property is expected to take place on or before 31st December, 2008. Following completion of the acquisition, the JV Parties intend to hold the Property for resale or redevelopment purpose.

### FINANCIAL EFFECTS OF THE LOANS

The loans will be financed by the Group's internal resources. Given that the JV is held as to 50% by each of the Group and United Sun and the loans are provided in proportion to the prorate shareholding in the JV, the provision of the loans is not expected to have any effects on the Group's results, assets and liabilities as the interest income derived from the loans would be offset by the share of interest expenses incurred by the JV attributable to the Group, while the increases in loans to the JV will be offset by the corresponding decreases in cash and bank balances of the Group.

### REASONS FOR THE LOANS

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 in the PRC, securities investment and loan financing services.

The Group has significant experience in property development and investment in Hong Kong. The Board considers that the formation of the JV will enable the Group to further expand into the property market in Hong Kong and the acquisition of the Property is expected to generate capital gain for the JV. Accordingly, the Board considers that it is in the Group's interest to support the capital requirements of the JV by way of loans in proportion to its shareholding interest in Keen Step. The Board also considers the terms of the Shareholders' Agreement including the terms of the provision of loans to be fair and reasonable and are in the interests of the Company and the Shareholders as a whole.

### FURTHER INFORMATION

Your attention is drawn to the general information set out in the appendix to this circular.

Yours faithfully,  
For and on behalf of the Board  
**ITC Properties Group Limited**  
**Cheung Hon Kit**  
*Chairman*



## 1. RESPONSIBILITY STATEMENT

This circular includes particulars given in compliance with the Listing Rules for the purpose of giving information with regard to the Group. The Directors collectively and individually accept full responsibility for the accuracy of the information contained in this circular and confirm, having made all reasonable enquiries, that to the best of their knowledge and belief, opinions expressed in this circular have been arrived at after due and careful consideration and there are no other facts not contained in this circular, the omission of which would make any statement herein misleading.

## 2. DISCLOSURE OF INTERESTS

### (a) Interests of the Directors or chief executive of the Company

As at the Latest Practicable Date, the interests and short positions of the Directors or chief executive of the Company in the shares, underlying shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO), which (a) were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which they were taken or deemed to have under such provisions of the SFO), or (b) were required, pursuant to section 352 of the SFO, to be entered in the register referred to therein, or (c) were required, pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") adopted by the Company, to be notified to the Company and the Stock Exchange, were as follows:

#### (i) *Interests in the Shares and underlying Shares under equity derivatives (as defined in Part XV of the SFO)*

Name of Director	Long position/ Short position	Capacity	Number of issued Shares	Number of underlying Shares (under equity derivatives of the Company)	Aggregate interest	Approximate percentage of the issued share capital of the Company (%)
Mr. Cheung Hon Kit ("Mr. Cheung")	Long position	Beneficial owner	145,980,000	32,800,000	178,780,000	1.44
Mr. Lai Tsan Tung, David ("Mr. Lai")	Long position	Interest of controlled corporation	-	76,987,563 (Note)	76,987,563	0.62

*Note:*

Mr. Lai, an executive Director, was interested in 76,987,563 underlying Shares in respect of the principal amount of HK\$17,476,177 zero coupon convertible notes due 2010 issued by the Company on 8th June, 2006 at the adjusted conversion price of HK\$0.227 per Share held by Green Label Investments Limited ("Green Label") by virtue of his beneficial interest in the entire issued share capital of Green Label.

(ii) *Interests in the share options of the Company*

Name of Director	Date of grant	Option period	Adjusted exercise price per Share HK\$	Number of share options	Approximate percentage of the issued share capital of the Company (%)
Mr. Cheung	27th July, 2007	27th July, 2007 – 26th July, 2011	0.422	19,032,000	0.15
Mr. Chan Fut Yan ("Mr. Chan")	27th July, 2007	27th July, 2007 – 26th July, 2011	0.422	11,102,000	0.09
Mr. Wong Kam Cheong, Stanley	27th July, 2007	27th July, 2007 – 26th July, 2011	0.422	4,758,000	0.04
Mr. Cheung Chi Kit	27th July, 2007	27th July, 2007 – 26th July, 2011	0.422	7,930,000	0.06
Mr. Lai	27th July, 2007	27th July, 2007 – 26th July, 2011	0.422	4,758,000	0.04
Mr. Ma Chi Kong, Karl	27th July, 2007	27th July, 2007 – 26th July, 2011	0.422	14,274,000	0.12
Mr. Wong Chi Keung, Alvin ("Mr. Wong")	27th July, 2007	27th July, 2007 – 26th July, 2011	0.422	2,379,000	0.02
Mr. Kwok Ka Lap, Alva	27th July, 2007	27th July, 2007 – 26th July, 2011	0.422	2,379,000	0.02

Save as disclosed above, as at the Latest Practicable Date, none of the Directors or chief executive of the Company had any interests or short positions in the shares, underlying shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO), which (a) were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO, or (b) were required, pursuant to section 352 of the SFO, to be entered in the register referred to therein, or (c) were required, pursuant to the Model Code adopted by the Company, to be notified to the Company and the Stock Exchange.

**(b) Interests of Shareholders discloseable pursuant to the SFO**

As at the Latest Practicable Date, so far as was known to the Directors or chief executive of the Company based on the register maintained by the Company pursuant to Part XV of the SFO, the following persons (other than a Director or chief executive of the Company) had, or were deemed or taken to have interests or short positions in the Shares and underlying Shares which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO or, were directly or indirectly, interested in 10% or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at general meetings of any other members of the Group or had any option in respect of such capital:

*(i) Interests in the Shares*

Name of Shareholder	Long position/ Short position	Capacity	Number of issued Shares	Approximate percentage of the issued share capital of the Company (%)
Loyal Concept Limited ("Loyal Concept")	Long position	Beneficial owner	1,910,069,088 (Note 1)	15.43
Hanny Magnetics (B.V.I.) Limited ("Hanny Magnetics")	Long position	Interest of controlled corporation	1,910,069,088 (Note 1)	15.43
Hanny Holdings Limited ("Hanny")	Long position	Interest of controlled corporation	1,910,069,088 (Note 1)	15.43
Famex Investment Limited ("Famex")	Long position	Interest of controlled corporations	1,910,069,088 (Note 1)	15.43
Mankar Assets Limited ("Mankar")	Long position	Interest of controlled corporations	1,910,069,088 (Note 1)	15.43
Selective Choice Investments Limited ("Selective Choice")	Long position	Beneficial owner	914,835,000 (Note 1)	7.39
ITC Investment Holdings Limited ("ITC Investment")	Long position	Interest of controlled corporations	2,824,904,088 (Note 1)	22.81

Name of Shareholder	Long position/ Short position	Capacity	Number of issued Shares	Approximate percentage of the issued share capital of the Company (%)
ITC Corporation Limited ("ITC")	Long position	Interest of controlled corporations	2,824,904,088 (Note 1)	22.81
Dr. Chan Kwok Keung, Charles ("Dr. Chan")	Long position	Interest of controlled corporations	2,824,904,088 (Note 1)	22.81
	Long position	Beneficial owner	151,660,000 (Note 1)	1.22
			2,976,564,088	24.04
Ms. Ng Yuen Lan, Macy ("Ms. Ng")	Long position	Interest of spouse	2,976,564,088 (Note 1)	24.04
Stark Master Fund, Ltd. ("Stark Master")	Long position	Beneficial owner	570,055,268	4.60
Stark Investments (Hong Kong) Limited ("Stark")	Long position	Investment manager	930,870,900 (Note 2)	7.52
Brightstar Global Capital Inc. ("Brightstar")	Long position	Beneficial owner	1,127,368,421 (Note 3)	9.10
Mr. Bradford Allen ("Mr. Allen")	Long position	Interest of controlled corporation	1,127,368,421 (Note 3)	9.10

(ii) *Interests in the underlying Shares under equity derivatives (as defined in Part XV of the SFO)*

Name of Shareholder	Long position/ Short position	Capacity	Number of underlying Shares (under equity derivatives of the Company)	Approximate percentage of the issued share capital of the Company (%)
Loyal Concept	Long position	Beneficial owner	2,583,680,747 (Note 1)	20.87
Hanny Magnetics	Long position	Interest of controlled corporation	2,583,680,747 (Note 1)	20.87
Hanny	Long position	Interest of controlled corporation	2,583,680,747 (Note 1)	20.87
Famex	Long position	Interest of controlled corporation	2,583,680,747 (Note 1)	20.87
Mankar	Long position	Interest of controlled corporation	2,583,680,747 (Note 1)	20.87
Selective Choice	Long position	Beneficial owner	244,802,493	1.98
ITC Investment	Long position	Interest of controlled corporations	2,828,483,240 (Note 1)	22.84
ITC	Long position	Interest of controlled corporations	2,828,483,240 (Note 1)	22.84
Dr. Chan	Long position	Interest of controlled corporations	2,828,483,240 (Note 1)	22.84
	Long position	Beneficial owner	19,048,000 (Note 1)	0.15
			2,847,531,240	23.00
Ms. Ng	Long position	Interest of spouse	2,847,531,240 (Note 1)	23.00

Name of Shareholder	Long position/ Short position	Capacity	Number of underlying Shares (under equity derivatives of the Company)	Approximate percentage of the issued share capital of the Company (%)
Stark Master	Long position	Beneficial owner	596,888,402	4.82
Stark	Long position	Investment manager	902,344,389 (Note 2)	7.29
Gandhara Master Fund Limited	Long position	Investment manager	334,285,715	2.70
Brightstar	Long position	Beneficial owner	300,631,579 (Note 3)	2.43
Mr. Allen	Long position	Interest of controlled corporation	300,631,579 (Note 3)	2.43

*Notes:*

1. Hanny and Hanny Magnetics were taken to have interest in 4,493,749,835 Shares (of which 2,583,680,747 Shares relate to their derivative interests) which were held by Loyal Concept, being a wholly-owned subsidiary of Hanny Magnetics which, in turn, was a wholly-owned subsidiary of Hanny. Famex, a wholly-owned subsidiary of Mankar, was the controlling shareholder of Hanny. Mankar was a wholly-owned subsidiary of ITC Investment which, in turn, was a wholly-owned subsidiary of ITC. Famex and Mankar were deemed to be interested in 4,493,749,835 Shares (of which 2,583,680,747 Shares relate to their derivative interests) which were held by Loyal Concept. Selective Choice, a wholly-owned subsidiary of ITC Investment which, in turn, was a wholly-owned subsidiary of ITC, owned 1,159,637,493 Shares (of which 244,802,493 Shares relate to its derivative interest). ITC Investment and ITC were deemed to be interested in 5,653,387,328 Shares (of which 2,828,483,240 Shares relate to their derivative interests) which were held by Loyal Concept and Selective Choice. Dr. Chan was the controlling shareholder of ITC. Ms. Ng is the spouse of Dr. Chan. Dr. Chan owned 170,708,000 Shares (of which 19,048,000 Shares relate to his derivative interest) and was deemed to be interested in 5,653,387,328 Shares (of which 2,828,483,240 Shares relate to his derivative interest) which were held by Loyal Concept and Selective Choice. Ms. Ng was deemed to be interested in 5,824,095,328 Shares (of which 2,847,531,240 Shares relate to her derivative interest) which were held by Dr. Chan, Loyal Concept and Selective Choice.
2. Stark was taken to have an interest as an investment manager in 1,833,215,289 Shares (of which 902,344,389 Shares relate to its derivative interest) which were held by Centar Investments (Asia) Ltd., Shepherd Investments International, Ltd., Stark Asia Master Fund, Ltd. and Stark International.
3. Mr. Allen was deemed to be interested in 1,428,000,000 Shares (of which 300,631,579 Shares relate to his derivative interest) which were held by Brightstar by virtue of his 100% beneficial interest in Brightstar.

*(iii) Other member of the Group*

As at the Latest Practicable Date, so far as was known to the Directors or chief executive of the Company, the following person (not being a Director or chief executive of the Company) was, directly or indirectly, interested in 10% or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at general meetings of the other member of the Group:

Name of subsidiary	Name of shareholder	Approximate percentage of the existing issued share capital/ registered capital (%)
三亞亞龍灣風景高爾夫 文化公園有限公司 (Sanya Yalong Bayview Golf Garden Co., Ltd.)	三亞博后經濟開發有限公司	20

Save as disclosed above, as at the Latest Practicable Date, so far as was known to the Directors or chief executive of the Company based on the register maintained by the Company pursuant to Part XV of the SFO, no other persons (not being a Director or chief executive of the Company) had, or deemed to have, any interest or short positions in the Shares or underlying Shares which were required to be disclosed to the Company and the Stock Exchange under the provisions of Divisions 2 and 3 of Part XV of the SFO, nor were there any persons, directly or indirectly, interested in 10% or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at general meetings of any other members of the Group or held any option in respect of such capital.

**(c) Competing interests**

As at the Latest Practicable Date, interests of the Directors and their respective associates in competing businesses were as follows:

Name of Director	Name of company	Nature of competing business	Nature of interest
Mr. Cheung	Wing On Travel (Holdings) Limited and its subsidiaries	Property business and hotel operation in Hong Kong and the PRC	As the managing director
	China Development Limited	Property investment in Hong Kong	As a director and shareholder
	Artnos Limited	Property investment in Hong Kong	As a director and shareholder
	Co-Forward Development Ltd.	Property investment in Hong Kong	As a director and shareholder
	Orient Centre Limited	Property investment in Hong Kong	As a shareholder
	Super Time Limited	Property investment in Hong Kong	As a director and shareholder
	Asia City Holdings Ltd.	Property investment in Hong Kong	As a director and shareholder
	Supreme Best Ltd.	Property investment in Hong Kong	As a shareholder
	Orient Holdings Limited	Property investment in Hong Kong	As a director and shareholder
	Link Treasure International Limited	Property investment in Hong Kong	As a director and shareholder
Mr. Wong	Silver City Limited	Property investment in Hong Kong	As a director and shareholder
	CNT Group Limited and its subsidiaries	Property investment and development in Hong Kong and the PRC	As an executive director



Mr. Cheung is the chairman of the Company who is principally responsible for the Group's strategic planning and management of the operations of the Board. His role is clearly separated from that of the managing Director, Mr. Chan, who is principally responsible for the Group's operation and business development. Mr. Wong, being an independent non-executive Director, does not participate in the daily management of the Group.

In addition, any significant business decision of the Group is to be determined by the Board. A Director who has interest in the subject matter being resolved will abstain from voting. In view of the above, the Board considers that the interests of Mr. Cheung and Mr. Wong in other companies will not prejudice their capacity as Directors nor compromise the interests of the Group and the Shareholders.

Save as disclosed above, as at the Latest Practicable Date, none of the Directors or their respective associates was interested in any business apart from the Group's businesses which competes or is likely to compete, either directly or indirectly, with the businesses of the Group.

**(d) Other interests**

Save as disclosed above, as at the Latest Practicable Date, none of the Directors had any direct or indirect interest in any assets which have been since 31st March, 2008 (being the date to which the latest published audited accounts of the Company were made up), (i) acquired or disposed of by; or (ii) leased to; or (iii) proposed to be acquired or disposed of by; or (iv) proposed to be leased to, any member of the Group.

Save as disclosed above, none of the Directors was materially interested in any contract or arrangement subsisting at the Latest Practicable Date which is significant in relation to the business of the Group.

**3. CLAIMS AND LITIGATION**

As at the Latest Practicable Date, no member of the Group was engaged in any litigation, arbitration or claim of material importance and no litigation, arbitration or claim of material importance was known to the Directors to be pending or threatened against any member of the Group.

**4. SERVICE CONTRACTS**

As at the Latest Practicable Date, none of the Directors had any existing or proposed service contracts with any member of the Group which does not expire or is not determinable by the Group within one year without payment of compensation (other than statutory compensation).

**5. MISCELLANEOUS**

- The qualified accountant of the Company is Mr. Cheung Chi Kit. He is a member of The Hong Kong Institute of Certified Public Accountants (*CPA*), The Hong Kong Institute of Chartered Secretaries (*ACS*) and The Institute of Chartered Secretaries and Administrators (*ACIS*).
- The company secretary of the Company is Ms. Yan Ha Hung, Loucia. She holds a master's degree in business administration (*MBA*). She is an Associate Member (Practitioner's Endorsement) of both The Hong Kong Institute of Chartered Secretaries (*ACS*) and The Institute of Chartered Secretaries and Administrators (*ACIS*).
- The registered office of the Company is at Clarendon House, Church Street, Hamilton HM 11, Bermuda.
- The Company's principal place of business in Hong Kong is situated at Unit 3102, 31st Floor, Bank of America Tower, 12 Harcourt Road, Central, Hong Kong.
- The branch share registrar and transfer office of the Company in Hong Kong is Tricor Secretaries Limited at 26th Floor, Tesbury Centre, 28 Queen's Road East, Wanchai, Hong Kong.
- The English texts of this circular prevail over the Chinese texts.