

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.



德祥地產集團有限公司*

ITC PROPERTIES GROUP LIMITED

(Incorporated in Bermuda with limited liability)

(Stock Code : 199)

**FURTHER UPDATE ON THE DISCLOSEABLE TRANSACTION
IN RELATION TO THE DISPOSAL OF THE ENTIRE EQUITY
INTEREST IN AND SHAREHOLDER'S LOAN TO
LINKTOP LIMITED**

The Board wishes to announce that on 13th September, 2012, the Vendor and the Purchaser have entered into the Third Supplemental Agreement to extend the date of Completion to 28th February, 2013.

References are made to the announcements of the Company dated 13th December, 2011, 14th March, 2012 and 13th June, 2012 respectively (the “**Announcements**”) in relation to the discloseable transaction involving the disposal by the Vendor, an indirect wholly-owned subsidiary of the Company, of the entire issued share capital of Linktop which indirectly holds 45% effective interest in the Guizhou JV and all the shareholder's loan due from Linktop to the Vendor as at Completion. Capitalised terms used herein have the same meanings as those defined in the Announcements unless otherwise specified.

As stated in the Announcements, at the requests of the Purchaser, the date of Completion was extended to 13th September, 2012. The Purchaser has requested the Vendor to further extend the date of Completion to 28th February, 2013. In the circumstances and after negotiations between the parties, the Vendor and the Purchaser have on 13th September, 2012 entered into a third supplemental agreement (the “**Third Supplemental Agreement**”) whereby it is agreed that:

* *For identification purpose only*

- (i) the Purchaser shall pay to the Vendor an amount of HK\$10 million each on 31st October, 2012 and 31st December, 2012 respectively, which in aggregate amount to HK\$20 million, equivalent to approximately RMB16.3 million, as further deposits (the “**Third Further Deposit**”);
- (ii) the Purchaser shall pay interest on the unpaid balance of the Consideration up to and including the new completion date at the interest rate of 18% per annum and which shall be paid by the Purchaser to the Vendor on the last business day each month (the “**Outstanding Interest**”);
- (iii) the date of Completion shall be deferred to 28th February, 2013; and
- (iv) if the Purchaser fails to make the payment of the Third Further Deposit, the Outstanding Interest and/or complete the Disposal Agreement, the Vendor shall be entitled to terminate the Disposal Agreement (as varied and amended by the Supplemental Agreement, the Second Supplemental Agreement and the Third Supplemental Agreement) and forfeit HK\$100 million of the deposits without prejudice to its right to claim against the Purchaser for any further loss and damages and the balance of the Deposit, the Further Deposit, the Second Further Deposit and the Third Further Deposit shall be retained by the Vendor on account of such loss and damages.

Save as amended above, all the other terms and conditions of the Disposal Agreement (as varied and amended by the Supplemental Agreement, the Second Supplemental Agreement and the Third Supplemental Agreement) remain unchanged and continue in full force and effect. The Board considers that the terms of the Third Supplemental Agreement are fair and reasonable and in the interests of the Company and the Shareholders as a whole.

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

Hong Kong, 13th September, 2012

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

Non-executive Director:

Mr. Ma Chi Kong, Karl

Independent non-executive Directors:

Hon. Shek Lai Him, Abraham, *SBS, JP (Vice Chairman)*
Mr. Wong Chi Keung, Alvin
Mr. Kwok Ka Lap, Alva