



德祥地產集團有限公司\*

**ITC PROPERTIES GROUP LIMITED**

*(Incorporated in Bermuda with limited liability)*

**(Stock Code : 199)**

**ISSUE OF HK\$1,000 MILLION ZERO COUPON  
CONVERTIBLE NOTES DUE 2010  
AND HK\$1,000 MILLION 1%  
CONVERTIBLE NOTES DUE 2011  
MONTHLY ANNOUNCEMENT**

References are made to the Company's announcement dated 20th April, 2005 and circular dated 23rd May, 2005 in relation to, among others, the issue of the First 2010 Convertible Notes; the Company's announcement dated 5th July, 2006 in relation to, among others, the issue of the Second 2010 Convertible Notes; as well as the Company's announcement dated 28th April, 2006 and circular dated 22nd May, 2006 in relation to, among others, the issue of the 2011 Convertible Notes. The Board would like to report that no conversion was made by any holders of the First 2010 Convertible Notes, the Second 2010 Convertible Notes and the 2011 Convertible Notes during the period from 1st August, 2008 to 31st August, 2008.

References are made to the Company's announcement dated 20th April, 2005 and circular dated 23rd May, 2005 in relation to, among others, the issue of HK\$1,000 million zero coupon convertible notes due 2010 (the "**First 2010 Convertible Notes**"); the Company's announcement dated 5th July, 2006 in relation to, among others, the issue of HK\$60 million zero coupon convertible notes due 2010 on 8th June, 2006 (the "**Second 2010 Convertible Notes**"); as well as the Company's announcement dated 28th April, 2006 and circular dated 22nd May, 2006 in relation to, among others, the issue of HK\$1,000 million 1% convertible notes due 2011 (the "**2011 Convertible Notes**"). The Company made this announcement as per the requirements under the heading "Dilution Effect on Shareholders" of the said announcements and circulars. Unless otherwise specified, terms used herein shall have the same meanings as defined in the said circulars.

The Board would like to report that no conversion was made by any holders of the First 2010 Convertible Notes, the Second 2010 Convertible Notes and the 2011 Convertible Notes during the period from 1st August, 2008 to 31st August, 2008. The principal amounts of the First 2010 Convertible Notes, the Second 2010 Convertible Notes and the 2011 Convertible Notes outstanding as at 31st August, 2008 were HK\$471,050,000, HK\$17,476,177 and HK\$906,000,000 respectively.

\* For identification purpose only

The Directors wish to announce that, on 5th August, 2008, the Board has approved the issue of 9,286,554,078 Shares at a subscription price of HK\$0.07 per Share pursuant to the rights issue on the basis of three rights Shares (with warrants in the proportion of four warrants for every fifteen rights Shares subscribed) for every Share held (the “**Rights Issue**”), details of which were previously disclosed in the joint announcement of the Company and Hanny Holdings Limited dated 6th June, 2008, the Company’s circular dated 24th June, 2008 and the Company’s prospectus dated 11th July, 2008. As a result of the Rights Issue, a total of 9,286,554,078 Shares, representing 300% of the issued share capital of the Company as at 1st August, 2008 and 75% of the issued share capital of the Company as enlarged by the issue of Shares upon the Rights Issue, have been allotted and issued. Accordingly, the number of Shares in issue increased from 3,095,518,026 Shares as at 1st August, 2008 to 12,382,072,104 Shares as at 31st August, 2008.

For and on behalf of  
**ITC Properties Group Limited**  
**Yan Ha Hung, Loucia**  
*Company Secretary*

Hong Kong, 1st September, 2008

As at the date of this announcement, the Directors of the Company 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. Ma Chi Kong, Karl

*Independent non-executive Directors:*

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