



德祥地產集團有限公司*

ITC PROPERTIES GROUP LIMITED

(Incorporated in Bermuda with limited liability)

(Stock Code : 199)

NOTICE OF THE SPECIAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that a special general meeting of ITC Properties Group Limited (the “Company”) will be held on Thursday, 10th July, 2008 at 11:00 a.m. at Shop B27, Basement, Bank of America Tower, 12 Harcourt Road, Central, Hong Kong, for the purpose of considering and, if thought fit, passing, with or without modification, the following resolution as an ordinary resolution of the Company:

ORDINARY RESOLUTION

“THAT:–

1. subject to and conditional upon (i) the Listing Committee of The Stock Exchange of Hong Kong Limited (the “Stock Exchange”) granting or agreeing to grant (subject to allotment) the listing of, and permission to deal in, the ordinary shares of HK\$0.01 each in the share capital of the Company (the “Shares”) to be issued by way of rights in both their nil-paid and fully-paid forms to the shareholders of the Company (the “Shareholders”) pursuant to the terms and conditions of the Rights Issue (as defined below); (ii) the filing with and registration by the respective Registrars of Companies in Hong Kong and Bermuda of all documents relating to the Rights Issue as required by applicable law; and (iii) the obligations of Kingston Securities Limited (“Kingston”) under the underwriting agreement dated 2nd June, 2008 (the “Underwriting Agreement”) made between the Company and Kingston, a copy of which has been produced to this meeting marked “A” and signed by the Chairman of this meeting for the purpose of identification, becoming unconditional and the Underwriting Agreement not being terminated in accordance with its terms or otherwise:–
 - (a) the entering into of the Underwriting Agreement be and is hereby approved, confirmed and ratified and the performance of the transactions contemplated thereunder be and is hereby approved;
 - (b) the issue by way of rights (the “Rights Issue”) of not less than 9,286,554,078 Shares and not more than 12,845,401,482 Shares (the “Rights Shares”) to the Shareholders whose names appear on the register of members of the Company at the close of business on 4th July, 2008 (the “Record Date”) other than those Shareholders (the “Excluded Shareholders”) with registered addresses outside Hong Kong and whom the board of directors (the “Directors”) of the Company, after making relevant enquiry, considers their exclusion from the Rights Issue to be necessary or expedient on account either of the legal restrictions under the laws of the relevant place or the requirements of the relevant regulatory body or stock exchange in that place, in the proportion of three Rights Shares (with warrants to be issued in the proportion of four warrants for every fifteen Rights Shares subscribed) for every existing Share then held at the subscription price of HK\$0.07 per Rights Share and on the terms and conditions

* *For identification purpose only*

as set out in the circular of the Company dated 24th June, 2008 (the “Circular”) despatched to the Shareholders containing the notice convening this meeting, a copy of the Circular has been produced to this meeting marked “B” and signed by the Chairman of this meeting for the purpose of identification, be and is hereby approved; and

- (c) the Directors be and are hereby authorised to allot and issue the Rights Shares (with warrants in the proportion of four warrants for every fifteen Rights Shares subscribed) pursuant to or in connection with the Rights Issue notwithstanding that the same may be offered, allotted or issued otherwise than pro rata to the existing Shareholders and, in particular, the Directors be and are hereby authorised to make such exclusions or other arrangements in relation to the Excluded Shareholders as they may, at their absolute discretion, deem necessary, desirable or expedient;
2. subject to and conditional upon the Listing Committee of the Stock Exchange granting or agreeing to grant (subject to allotment) the listing of, and permission to deal in, the Warrants (as defined below) and any new Shares which may be issued upon the exercise of the subscription rights attaching to the Warrants, the Directors be and are hereby authorised:–
- (a) to create and issue warrants (the “Warrants”), which shall be in registered form and exercisable in whole or in part(s) at any time within a period of eighteen (18) months from the date of issue of the Warrants, to subscribe for new Shares at an initial subscription price of HK\$0.105 per Share (subject to adjustment) and otherwise on the terms and subject to the conditions set out in the warrant instrument (the “Warrant Instrument”), a copy of the form of which has been produced to this meeting marked “C” and signed by the Chairman of this meeting for the purpose of identification, by way of bonus to the successful applicants of the Rights Shares under the Rights Issue and so that the Warrants shall confer on the holders thereof the right to subscribe for new Shares at HK\$0.105 per Share for each Warrant;
 - (b) to affix the common seal of the Company to and to sign the Warrant Instrument in accordance with the bye-laws of the Company; and
 - (c) to allot and issue the Warrants and the new Shares which may fall to be issued upon the exercise of the subscription rights attaching to the Warrants or any of them;
3. the performance of all transactions contemplated under the Rights Issue and the creation and issue of Warrants be and are hereby approved; and
4. the Directors be and are hereby authorised to do all acts and things and execute all documents which in their opinion may be necessary, desirable or expedient to carry out or to give effect to any or all transactions contemplated in this resolution.”

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

Hong Kong, 24th June, 2008

Registered office:
Clarendon House
Church Street
Hamilton HM 11
Bermuda

Principal place of business in Hong Kong:
Unit 3102, 31/F
Bank of America Tower
12 Harcourt Road
Central
Hong Kong

Notes:

1. Any shareholder of the Company entitled to attend and vote at the meeting of the Company may appoint another person as his proxy to attend and vote instead of him. A shareholder of the Company who is the holder of two or more shares may appoint more than one proxy to represent him and vote on his behalf at the meeting. A proxy need not be a shareholder of the Company. In addition, a proxy or proxies representing either a shareholder of the Company who is an individual or a shareholder of the Company which is a corporation shall be entitled to exercise the same power on behalf of the shareholder of the Company which he or they represent as such shareholder of the Company could exercise.
2. The instrument appointing a proxy shall be in writing under the hand of the appointor or his attorney duly authorised in writing or, if the appointor is a corporation, either under its seal or under the hand of an officer, attorney or other person authorised to sign the same. In the case of an instrument of proxy purporting to be signed on behalf of a corporation by an officer thereof, it shall be assumed, unless the contrary appears, that such officer was duly authorised to sign such instrument of proxy on behalf of the corporation without further evidence of the facts.
3. The instrument appointing a proxy and (if required by the board of directors of the Company) the power of attorney or other authority (if any) under which it is signed, or a certified copy of such power or authority, shall be delivered to the Company's branch share registrar and transfer office in Hong Kong, Tricor Secretaries Limited, at 26/F., Tesbury Centre, 28 Queen's Road East, Wanchai, Hong Kong not less than forty-eight (48) hours before the time appointed for the holding of the meeting or any adjourned meeting thereof at which the person named in the instrument proposes to vote and, in default, the instrument of proxy shall not be treated as valid.
4. Completion and return of an instrument appointing a proxy shall not preclude a shareholder of the Company from attending and voting in person at the meeting or on the poll concerned and, in such event, the instrument appointing a proxy shall be deemed to have been revoked.
5. Where there are joint holders of any share of the Company, any one of such joint holders may vote, either in person or by proxy, in respect of such share as if he were solely entitled thereto, but if more than one of such joint holders be present at the meeting the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holders, and for this purpose seniority shall be determined by the order in which the names stand in the register of members of the Company in respect of the joint holding.
6. At the meeting, the chairman thereof will exercise his power under bye-law 66 of the bye-laws of the Company to put the above resolution to the vote of the shareholders of the Company by way of poll.

As at the date of this notice, 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