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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)**

**FURTHER UPDATE ON THE MAJOR TRANSACTIONS -  
(i) SECOND SUPPLEMENTAL AGREEMENT  
IN RELATION TO THE DISPOSAL OF INTEREST IN  
PARAGON WINNER COMPANY LIMITED; AND  
(ii) ADVANCE TO MILLION CUBE LIMITED**

The Board wishes to announce that on 30th April, 2012, the Purchaser has paid and the Vendor has received the April Amount of HK\$30 million. Pursuant to the Disposal Agreement (as varied and amended by the Second Supplemental Agreement) and subject to, among other things, the Shareholders' approval at the SGM, the Sale Percentage will remain at 65% and the Lender (an indirect wholly-owned subsidiary of the Company) will enter into the Loan Agreement with the Purchaser on Completion in order to finance the balance of the Consideration (less the April Amount) together with the Completion Interest.

References are made to the announcements of the Company dated 22nd July, 2010, 26th August, 2010, 16th May, 2011, 1st November, 2011, 11th November, 2011, 5th December, 2011, 3rd January, 2012, 18th January, 2012, 20th February, 2012, 20th March, 2012 and 2nd April, 2012 (collectively, the "**Announcements**") and the circulars of the Company dated 10th August, 2010 and 26th April, 2012 (the "**Second Circular**") in relation to the major transaction involving the disposal by Everight Investment Limited (the "**Vendor**"), an indirect wholly-owned subsidiary of the Company, of the Sale Percentage in (i) the equity interest in Paragon Winner Company Limited ("**Paragon Winner**"); and (ii) the shareholder's loan due by Paragon Winner. Capitalised terms used herein have the same meanings as those defined in the Announcements and the Second Circular unless otherwise specified.

The Board wishes to announce that on 30th April, 2012, the Purchaser has paid and the Vendor has received the April Amount of HK\$30 million. Pursuant to the Disposal Agreement (as varied and amended by the Second Supplemental Agreement) and subject to, among other things, the Shareholders' approval at the SGM, the Sale Percentage will remain at 65%, and the Lender (an indirect wholly-owned subsidiary of the Company) will enter into the Loan Agreement with the Purchaser on Completion in order to finance the balance of the Consideration (less the April Amount) together with the Completion Interest. Up to the date of this announcement, the Consideration received by the Vendor, together with the April Amount, is approximately HK\$562.3 million (excluding the interest paid of approximately HK\$45.1 million up to 30th December, 2011).

\* For identification purpose only

The SGM will be convened and held on 14th May, 2012 for the Shareholders to consider and, if thought fit, approve the Second Supplemental Agreement, the Loan Agreement and all transactions contemplated thereunder (including the amendments to the Shareholders' Agreement).

A further announcement will be made by the Company as regards the voting results at the SGM.

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

Hong Kong, 2nd May, 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