

*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)**

## **DISCLOSEABLE TRANSACTION RELATING TO ACQUISITION OF SHARES IN LOUIS XIII HOLDINGS LIMITED**

The Board announces that during the Relevant Period, the Purchaser, an indirect wholly-owned subsidiary of the Company, has acquired an aggregate of 28,295,400 Louis XIII Shares on the open market for an aggregate cash consideration of approximately HK\$95.1 million (equivalent to an average price of approximately HK\$3.363 per Acquired Share).

As an applicable percentage ratio calculated pursuant to Rule 14.07 of the Listing Rules in respect of the Acquisition is above 5% but less than 25%, the Acquisition constitutes a discloseable transaction for the Company under Chapter 14 of the Listing Rules and is therefore subject to the reporting and announcement requirements under the Listing Rules.

### **THE ACQUISITION**

The Board announces that the Purchaser, an indirect wholly-owned subsidiary of the Company, has acquired an aggregate of 28,295,400 Louis XIII Shares, representing approximately 6.3% of the total issued Louis XIII Shares as at 7th January, 2015 of 449,596,510 as disclosed in the official website of the Stock Exchange, on the open market for an aggregate cash consideration of approximately HK\$95.1 million (equivalent to an average price of approximately HK\$3.363 per Acquired Share) during the Relevant Period. Taking into account the 47,485,200 Louis XIII Shares already held by the Group immediately prior to the Relevant Period, the Group is interested in an aggregate of 75,780,600 Louis XIII Shares, representing approximately 16.9% of the total issued Louis XIII Shares as at the date of this announcement.

\* For identification purpose only

The acquisition prices of the Acquired Shares were determined according to the bid and ask prices of the Louis XIII Shares as quoted on the Stock Exchange during the Relevant Period. The total acquisition costs for the Acquired Shares under the Acquisition will be settled in cash on the second trading day after the relevant date of acquisition of the relevant Acquired Shares and financed by the Group's internal resources.

The average acquisition price of approximately HK\$3.363 per Acquired Share represents:

- (i) a discount of approximately 1.09% to the closing price of HK\$3.400 per Louis XIII Share as quoted on the Stock Exchange on 7th January, 2015;
- (ii) a discount of approximately 0.97% to the average of the closing prices of the Louis XIII Shares as quoted on the Stock Exchange for the last five consecutive trading days up to and including 7th January, 2015 of approximately HK\$3.396 per Louis XIII Share; and
- (iii) a discount of approximately 1.84% to the average of the closing prices of the Louis XIII Shares as quoted on the Stock Exchange for the last ten consecutive trading days up to and including 7th January, 2015 of approximately HK\$3.426 per Louis XIII Share.

To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, the seller(s) of the Acquired Shares and its (their) respective ultimate beneficial owner(s) is (are) third party(ies) independent of the Company and its connected persons.

## **INFORMATION ON LOUIS XIII**

Louis XIII is an investment holding company. Based on the disclosures in the 2014 annual report of Louis XIII, the Louis XIII Group is developing a parcel of land situated on the Cotai Strip, Macau on which it is building an exclusive luxury hotel and entertainment destination. Through its 51%-owned subsidiary, Paul Y. Engineering Group Limited, Louis XIII is also engaged in international engineering services in Hong Kong, Mainland China, Macau and Singapore.

According to the 2014 annual report of Louis XIII, the audited consolidated net profit before tax of the Louis XIII Group for the year ended 31st March, 2013 was approximately HK\$25.8 million and the audited consolidated net loss before tax of the Louis XIII Group for the year ended 31st March, 2014 was approximately HK\$2.9 million; and the audited consolidated net profit after tax of the Louis XIII Group for the year ended 31st March, 2013 was approximately HK\$22.2 million and the audited consolidated net loss after tax of the Louis XIII Group for the year ended 31st March, 2014 was approximately HK\$29.9 million. According to the interim report of Louis XIII for the six months ended 30th September, 2014, the unaudited consolidated equity attributable to owners of Louis XIII as at 30th September, 2014 amounted to approximately HK\$3,937.4 million.

## **REASONS FOR THE ACQUISITION**

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 development, investment and operations of hotels and resorts in the PRC and Hong Kong, securities investments and the provision of loan financing services.

The Group has been engaging in property development and investment in Macau for over 6 years and is optimistic towards the prospects and development of properties, hotel and entertainment business in Macau. In view of the involvement of Louis XIII in Macau as described above, the Directors consider that the Acquisition enable the Group to have a strategic investment in hotel and entertainment business in Macau through Louis XIII and intend to account for the Acquired Shares as long term investments of the Group. If suitable opportunity arises, the Group may consider acquiring more Louis XIII Shares either for short term trading or long term investment purposes. The Board considers that the terms of the Acquisition are fair and reasonable and the Acquisition is in the interests of the Company and the Shareholders as a whole.

## **LISTING RULES IMPLICATIONS**

As an applicable percentage ratio calculated pursuant to Rule 14.07 of the Listing Rules in respect of the Acquisition is above 5% but less than 25%, the Acquisition constitutes a discloseable transaction for the Company under Chapter 14 of the Listing Rules and is therefore subject to the reporting and announcement requirements under the Listing Rules.

## **DEFINITIONS**

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

“Acquired Share(s)”	a total of 28,295,400 Louis XIII Shares acquired by the Purchaser on the open market during the Relevant Period
“Acquisition”	the acquisition of the Acquired Shares by the Purchaser
“Board”	the board of Directors
“Company”	ITC Properties Group Limited (Stock Code : 199), a company incorporated in Bermuda with limited liability and whose issued shares are listed on the main board of the Stock Exchange
“connected person(s)”	has the same meaning ascribed thereto under the Listing Rules

“Director(s)”	the director(s) of the Company
“Group”	the Company and its subsidiaries
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Louis XIII”	Louis XIII Holdings Limited (Stock Code : 577), a company incorporated in Bermuda with limited liability and whose issued shares are listed on the main board of the Stock Exchange
“Louis XIII Group”	Louis XIII and its subsidiaries
“Louis XIII Share(s)”	ordinary share(s) of HK\$2.00 each in the share capital of Louis XIII
“Macau”	the Macau Special Administrative Region of the PRC
“PRC”	The People’s Republic of China, and for the purpose of this announcement, excluding Hong Kong, Macau and Taiwan
“Purchaser”	Advance Tech Limited, an indirect wholly-owned subsidiary of the Company, which is engaged in securities trading and investment holding
“Relevant Period”	the period from 6th January, 2015 to 7th January, 2015 (both dates inclusive)
“Shareholder(s)”	holder(s) of the issued share(s) of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“HK\$”	Hong Kong dollar, the lawful currency of Hong Kong
“%”	per cent.

By order of the Board  
**ITC Properties Group Limited**  
**Cheung Hon Kit**  
*Chairman*

Hong Kong, 7th January, 2015

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

Mr. Wong Lai Shun, Benny

*Independent non-executive Directors:*

Hon. Shek Lai Him, Abraham, *GBS, JP* (*Vice Chairman*)

Mr. Wong Chi Keung, Alvin

Mr. Kwok Ka Lap, Alva