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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)

EXERCISE OF THE CALL OPTION BY KANG CHENG HOLDINGS LIMITED

This announcement is made pursuant to Rule 14.74(2) of the Listing Rules.

Reference is made to the Announcement in relation to the disposal and the grant of options over shares in ITC Golf & Leisure Group Limited.

The Board wishes to announce that on 29th April, 2014, the Vendor received a written notice from the Purchaser exercising the Call Option to require the Vendor to sell to it the Tranche A Interest at a consideration of HK\$250.0 million. Completion of the sale and purchase of the Tranche A Interest pursuant to such exercise has also taken place on 29th April, 2014.

Following such completion, the Group remains to hold a 20.0% interest in the Target and the Target is accounted for as an associated company of the Group.

This announcement is made pursuant to Rule 14.74(2) of the Listing Rules.

Reference is made to the announcement of the Company dated 18th February, 2014 (the “**Announcement**”) in relation to the disposal and the grant of options over shares in ITC Golf & Leisure Group Limited. Unless otherwise stated, capitalised terms used herein shall have the same meanings as those defined in the Announcement.

As disclosed in the Announcement, the Call Option was granted to the Purchaser, pursuant to which the Purchaser has the right after completion of the Disposal by written notice to be issued on or before 30th April, 2014 to require the Vendor to sell to it the Tranche A Interest at the exercise price of HK\$250.0 million, payable upon completion of the sale and purchase of the Tranche A Interest. The Board wishes to announce that on 29th April, 2014, the Vendor received a written notice from the Purchaser exercising the Call Option. Completion of the sale and purchase of the Tranche A Interest (including the execution of the Restated Shareholders’ Agreement to replace the Shareholders’ Agreement) pursuant to the exercise of the Call Option has also taken place on 29th April, 2014.

* For identification purpose only

Following completion of the sale and purchase of the Tranche A Interest under the Call Option, the Group remains to hold a 20.0% interest in the Target and the Target is accounted for as an associated company of the Group. The proceeds (net of expenses directly attributable thereto) from the disposal of the Tranche A Interest of approximately HK\$250.0 million are intended to be used as working capital of the Group.

By order of the Board
ITC Properties Group Limited
Wong Kim Man
Company Secretary

Hong Kong, 29th April, 2014

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

Independent Non-executive Directors:

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