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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)

PROPOSED ISSUE OF NOTES TO BE GUARANTEED BY THE COMPANY

Treasure Generator, a direct wholly-owned subsidiary of the Company, proposes to conduct an international offering of USD-denominated notes, to be guaranteed by the Company, to professional investors in transactions exempt from the registration requirements of the U.S. Securities Act. There will be no public offering of the Notes in Hong Kong other than to “professional investors” as defined in the Securities and Futures Ordinance (Cap. 571) of the Laws of Hong Kong and no Notes will be placed to any connected person(s) of the Company. The pricing of the Proposed Notes Issue, including the aggregate principal amount, the issue price and interest rate, will be determined through a book-building exercise to be conducted by the Sole Global Coordinator and Sole Bookrunner. Upon finalising the terms of the Notes, the Sole Global Coordinator and Sole Bookrunner, Treasure Generator and the Company will enter into a subscription agreement.

The completion of the Proposed Notes Issue is subject to market conditions. If the Notes are issued, the entire amount of the net proceeds will be on-lent by Treasure Generator to the Company and/or other members of the Group for general working capital purposes.

An application will be made to the Stock Exchange for permission to deal in the Notes by way of debt issues to professional investors only.

* For identification purpose only

As no binding agreement in relation to the Proposed Notes Issue has been entered into as at the date of this announcement, the Proposed Notes Issue may or may not materialise. The completion of the Proposed Notes Issue is subject to market conditions. Investors and shareholders of the Company are urged to exercise caution when dealing in the securities of the Company.

Further announcement(s) in respect of the Proposed Notes Issue will be made by the Company as and when appropriate.

THE PROPOSED NOTES ISSUE

Introduction

Treasure Generator, a direct wholly-owned subsidiary of the Company, proposes to conduct an international offering of USD-denominated notes, to be guaranteed by the Company, to professional investors in transactions exempt from the registration requirements of the U.S. Securities Act. There will be no public offering of the Notes in Hong Kong other than to “professional investors” as defined in the Securities and Futures Ordinance (Cap. 571) of the Laws of Hong Kong and no Notes will be placed to any connected person(s) of the Company.

The pricing of the Proposed Notes Issue, including the aggregate principal amount, the issue price and interest rate, will be determined through a book-building exercise to be conducted by the Sole Global Coordinator and Sole Bookrunner, who is also the sole bookrunner for the Proposed Notes Issue. Upon finalising the terms of the Notes, the Sole Global Coordinator and Sole Bookrunner, Treasure Generator and the Company will enter into a subscription agreement.

The Notes and the related guarantee by the Company have not been, and will not be, registered under the U.S. Securities Act. Accordingly, the Notes are being offered and sold only outside the United States in offshore transactions in reliance on Regulation S of the U.S. Securities Act.

Reasons for the Proposed Notes Issue

The Company is an investment holding company and its subsidiaries are principally engaged in property development and investment in Macau, the PRC, Hong Kong and Canada. The Group is also engaged in the development, investment and operation of hotels and leisure business in the PRC, Hong Kong and Canada, securities investments and the provision of loan financing services. The Board considers that the Proposed Notes Issue represents a timely opportunity for the Group to supplement the funding for its future property investment and development plans. The Board believes that the Proposed Notes Issue will raise the profile of the Group and enhance its ability to access the international debt capital markets to support the growth of the Group in future.

Proposed Use of Proceeds

The completion of the Proposed Notes Issue is subject to market conditions. If the Notes are issued, the entire amount of the net proceeds will be on-lent by Treasure Generator to the Company and/or other members of the Group for general working capital purposes.

Listing

An application will be made to the Stock Exchange for permission to deal in the Notes by way of debt issues to professional investors only.

As no binding agreement in relation to the Proposed Notes Issue has been entered into as at the date of this announcement, the Proposed Notes Issue may or may not materialise. The completion of the Proposed Notes Issue is subject to market conditions. Investors and shareholders of the Company are urged to exercise caution when dealing in the securities of the Company.

Further announcement(s) in respect of the Proposed Notes Issue will be made by the Company as and when appropriate.

DEFINITIONS

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

“Board”	the board of Directors
“Company”	ITC Properties Group Limited, a company incorporated with limited liability in Bermuda, the shares of which are listed on the main board of the Stock Exchange
“connected person(s)”	has the meaning ascribed thereto under the Listing Rules
“Directors”	the directors 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
“Notes”	USD-denominated notes proposed to be issued by Treasure Generator and guaranteed by the Company as mentioned in this announcement

“PRC”	the People’s Republic of China, and for the purpose of this announcement, excluding Hong Kong, Macau and Taiwan
“Proposed Notes Issue”	the proposed issue of the Notes by Treasure Generator
“Sole Global Coordinator and Sole Bookrunner”	Credit Suisse Securities (Europe) Limited
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Treasure Generator”	Treasure Generator Limited, a company incorporated with limited liability in the British Virgin Islands and a direct wholly-owned subsidiary of the Company
“United States”	the United States of America
“U.S. Securities Act”	the United States Securities Act of 1933, as amended
“USD”	US dollar, the lawful currency of the United States of America

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

Hong Kong, 3rd October, 2016

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. Kwok Ka Lap, Alva
Mr. Chan Pak Cheong Afonso