

IMPORTANT

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If you are in any doubt as to any aspect of this circular or as to the action to be taken, you should consult your stockbroker or other registered dealer in securities, bank manager, solicitor, professional accountant or other professional adviser.

If you have sold or transferred all your securities in **ITC Properties Group Limited**, you should at once hand this circular to the purchaser or transferee or to the bank, stockbroker or other agent through whom the sale or transfer was effected for transmission to the purchaser or transferee



德祥地產集團有限公司*

ITC PROPERTIES GROUP LIMITED

(Incorporated in Bermuda with limited liability)

(Stock Code: 199)

MAJOR TRANSACTION IN RELATION TO THE DISPOSAL OF 50% EQUITY INTERESTS IN BAYSHORE VENTURES JV LTD.

The Agreement and the transactions contemplated thereunder have been approved by way of written Shareholders' approval pursuant to Rule 14.44(2) of the Listing Rules in lieu of a general meeting of the Company. This circular is being despatched to the Shareholders for information only and no Shareholders' meeting will be held.

* For identification purpose only

CORPORATE COMMUNICATIONS

The English and Chinese versions of this circular are now available in printed form and in accessible format on the website of the Company at www.itcproperties.com.

If shareholders and non-registered shareholders of the Company, who have selected to receive corporate communications of the Company in printed form, wish to change their elected language of all future corporate communications, they may at any time notify the Company by prior notice of at least seven (7) days in writing to the branch share registrar of the Company in Hong Kong, Tricor Secretaries Limited, at 17/F., Far East Finance Centre, 16 Harcourt Road, Hong Kong, or by e-mail to itcproperties-ecom@hk.tricorglobal.com or by completing and returning the change request form.

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DEFINITIONS

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

“Agreement”	the agreement dated 26 August 2024 entered into between the Vendor and the Purchaser in relation to the sale and purchase of the Sale Shares
“applicable percentage ratio(s)”	has the same meaning ascribed thereto under Rule 14.07 of the Listing Rules
“associate(s)”	has the same meaning ascribed thereto in the Listing Rules
“Board”	the board of Directors
“Business Day(s)”	a day (other than Saturday, Sunday, other general public holidays or any day on which a tropical cyclone warning no.8 or above or a black rainstorm signal is hoisted or remains hoisted or in effect between 9:00 a.m. and 5:00 p.m.) on which licensed commercial banks in Hong Kong are generally open for business
“BVI”	the British Virgin Islands
“CAD”	Canadian dollars, the lawful currency of Canada
“close associate(s)”	has the same meaning ascribed thereto under the Listing Rules
“Closing”	closing of the Disposal in accordance with the terms and conditions of the Agreement
“Closing Date”	the date on which Closing took place, being 28 August 2024
“Company”	ITC Properties Group Limited, a company incorporated in Bermuda with limited liability and the issued Shares of which are listed on the Main Board of the Stock Exchange (Stock Code: 199)
“connected person(s)”	has the same meaning ascribed thereto under the Listing Rules
“Consideration”	CAD18.5 million (equivalent to approximately HK\$105 million), being the aggregate consideration payable by the Purchaser to the Vendor for the Sale Shares pursuant to the terms and conditions of the Agreement
“Director(s)”	the director(s) of the Company
“Disposal”	the disposal of the Sale Shares by the Vendor to the Purchaser pursuant to the terms and conditions of the Agreement
“Dr. Chan”	Dr. Chan Kwok Keung, Charles, a substantial shareholder of the Company
“Group”	collectively, the Company and its subsidiaries
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Independent Third Party(ies)”	third party(ies) independent of and not connected with the Company and its connected person(s)

DEFINITIONS

“Latest Practicable Date”	20 September 2024, being the latest practicable date prior to the printing of this circular for ascertaining certain information for inclusion in this circular
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Macau”	the Macau Special Administrative Region of the PRC
“Ms. Ng”	Ms. Ng Yuen Lan, Macy, a substantial shareholder of the Company and the spouse of Dr. Chan
“PRC”	The People’s Republic of China, and for the purpose of this circular, excluding Hong Kong, Macau and Taiwan
“Property”	the property located at 1601 Bayshore Drive, Vancouver, British Columbia, Canada and operating as a hotel under the name “The Westin Bayshore”
“Purchaser”	Caufield Investments Limited, a company incorporated in BVI with limited liability and an Independent Third Party
“Sale Shares”	eighty-six million one hundred thousand (86,100,000) ordinary shares in the share capital of the Target Company, representing 50% of the entire issued share capital of the Target Company as at the date of the Agreement and on Closing
“SFO”	Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
“Share(s)”	ordinary share(s) of HK\$0.01 each in the share capital of the Company
“Shareholder(s)”	holder(s) of Share(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“substantial shareholder”	has the same meaning ascribed thereto in the Listing Rules
“Target Company”	Bayshore Ventures JV Ltd., a company incorporated in BVI with limited liability
“Target Group”	collectively, the Target Company and its subsidiaries
“Valuer”	RHL Appraisal Limited, an independent valuer engaged by the Company for the valuation of the Property and the Target Group
“Vendor”	Rank Ace Investments Limited, a company incorporated in BVI with limited liability and an indirect wholly-owned subsidiary of the Company
“%”	per cent

In this circular, unless the context requires otherwise, amounts denominated in CAD are converted into HK\$ at the rate of CAD1 = HK\$5.7. Such conversion rate is for illustration purpose only and should not be construed as a representation that the amounts in question have been, could have been or could be converted at any particular rate or at all.

LETTER FROM THE BOARD



德祥地產集團有限公司*

ITC PROPERTIES GROUP LIMITED

(Incorporated in Bermuda with limited liability)

(Stock Code: 199)

Executive Directors:

Mr. Cheung Hon Kit (*Chairman*)
Dr. Chan Kwok Keung, Charles (*Joint Vice Chairman*)
Mr. Chan Yiu Lun, Alan
Mr. Law Hon Wa, William (*Chief Financial Officer*)

Registered Office:

Clarendon House
2 Church Street
Hamilton HM 11
Bermuda

Non-executive Director:

Ms. Chau Mei Wah

Principal place of business in

Hong Kong:
30/F., Bank of America Tower
12 Harcourt Road
Central
Hong Kong

Independent Non-executive Directors:

Hon. Shek Lai Him, Abraham, *GBS, JP (Joint Vice Chairman)*
Mr. Ip Hon Wah
Mr. Pang, Anthony Ming-tung

25 September 2024

To the Shareholders

Dear Sir or Madam,

MAJOR TRANSACTION IN RELATION TO THE DISPOSAL OF 50% EQUITY INTERESTS IN BAYSHORE VENTURES JV LTD.

INTRODUCTION

Reference is made to the announcement of the Company dated 26 August 2024 in relation to the Agreement and the transactions contemplated thereunder which constituted a major transaction for the Company under Chapter 14 of the Listing Rules.

The purpose of this circular is to provide you with, among other things, (i) the details of the Agreement and the Disposal; (ii) the financial information of the Group; (iii) the valuation reports on the Target Group and the Property; and (iv) other information as required under the Listing Rules.

THE AGREEMENT

The principal terms of the Agreement are as follows:

(1) Date:

26 August 2024 (signed after trading hours of the Stock Exchange)

* For identification purpose only

LETTER FROM THE BOARD

(2) Parties:

Vendor:

Rank Ace Investments Limited, a company incorporated in BVI with limited liability and an indirect wholly-owned subsidiary of the Company. Its sole business activity prior to Closing was holding of the Sale Shares; and

Purchaser:

Caufield Investments Limited, a company incorporated in BVI with limited liability, whose principal activity is investment holding.

(3) Interests to be disposed of:

The assets to be disposed of by the Vendor comprise the Sale Shares, representing 50% equity interests in the Target Company, free from all encumbrances together with all rights attached thereto.

(4) Consideration and payment terms:

The Consideration for the Sale Shares is CAD18.5 million (equivalent to approximately HK\$105 million), which shall be and/or has been paid by the Purchaser to the Vendor in the following manner:

- (i) the first tranche in the sum of CAD6 million shall be, and has been, paid on Closing;
- (ii) the second tranche in the sum of CAD6 million shall be paid on the date two (2) months after the Closing Date; and
- (iii) the third tranche, being the balance of the Consideration, in the sum of CAD6.5 million shall be paid on the date six (6) months after the Closing Date, provided that the Purchaser has received from the Vendor a copy of the Certificate of Compliance (Form T2068 – Certificate in respect of the Disposition of Property by A Non-Resident of Canada) with respect to the Disposal issued by the Canada Revenue Agency, and if such copy is not available by the aforesaid payment date then the date for payment of the third tranche of the Consideration shall be postponed to the date which is ten (10) Business Days after the copy certificate is provided to the Purchaser.

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The Consideration was determined after arm’s length negotiations between the Vendor and the Purchaser with reference to, among other things, the following:

- (i) the share of the value of the adjusted net asset value of the Target Group as illustrated below:

	<i>CAD'million</i>
Unaudited consolidated net assets of the Target Group as at 30 June 2024	85
Adjustment to fair value of the Property (<i>Note 1</i>)	3
	88
Adjustments to net asset value (<i>Note 2</i>)	(18)
Adjusted net asset value of the Target Group	70
50% thereon attributable to the Group (the “ Adjusted Value ”)	35
Adjusted Value (<i>in HK\$'million</i>)	199

Notes:

1. The adjustment to fair value was calculated based on the valuation of the Property of approximately CAD259 million (equivalent to approximately HK\$1,476 million) as at 30 June 2024 performed by the Valuer, using the direct comparison method, which is higher than the net book value of the Property of approximately CAD256 million (equivalent to approximately HK\$1,459 million).
 2. The Valuer derived the market value of the Sale Shares using the asset approach, which is based on the net asset value of the Target Group adjusted by a revaluation of the Property and subsequent adjustments of 20.5% discount made to account for the lack of marketability of the Sale Shares and the percentage of equity interests in the Target Company held by the Group.
- (ii) the difficulties encountered by the Group in its efforts to dispose of the Sale Shares, for reasons including but not limited to the following:
- the Target Group has a bank loan of approximately CAD175 million (equivalent to approximately HK\$998 million) as at 30 June 2024 which is due to mature in October 2024. The Company is of the view that there is a material uncertainty as to the portion of which would be refinanced by the bank. Should the Target Group fail to obtain refinancing for a significant portion of such bank loan, a significant capital injection will be required to be made to the Target Group before October 2024;
 - the previously planned redevelopment of the Property into residential properties has been significantly impacted by various external factors, including the changes of local policies in Canada which prohibit non-Canadian residents from purchasing local residential properties, which came into effect in January 2023 and is expected to remain in place until at least 2027. These factors, coupled with timing and compliance issues related to the redevelopment plan, have posed major obstacles to the Target Group’s redevelopment plan. Consequently, the Target Group has been relying solely upon its hotel operation as a revenue stream to service its substantial debt obligations;

LETTER FROM THE BOARD

- the most recent renovation and upgrade for the Property were completed a considerable time ago. Consequently, it is conservatively estimated that a significant amount of capital investment will be required to meet future capital requirements for the Property. This may necessitate capital injection by shareholders. Considered in conjunction with the above-mentioned capital requirements to support the Target Group's operations, the Company anticipates that a substantial amount of capital injection into the Target Group will be necessary and the Target Group will most unlikely be in a position to make any dividends distribution in the near term;
- the lack of control on the Target Company associated with a 50%-interest ownership;
- the non-competition clause in the joint venture agreement of the Target Group states that the Vendor shall not be entitled to sell, transfer, assign, dispose of or otherwise deal in any or all its shares of the Target Company or the interest of any nature therein at any time owned by it to a third party which is involved in any activity in Vancouver, Canada which is in competition with the business carried on by the Target Company and its subsidiaries or their affiliates without the prior written consent of the Purchaser; and
- the pre-emptive clause in the joint venture agreement of the Target Group states that the other must first be approached if either of the shareholders of the Target Company intends to dispose of its stake.

Based on the Company's past experience, under a favourable property market environment, it usually takes one to two months for the Group to identify and enter into negotiation with a buyer for its equity interest in entities similar to the Target Group. Regarding the Sale Shares, the Group has spent over six months to identify potential buyers through similar means as it had used in past comparable transactions, and reached out to seven property agents, three asset management funds with exposure to the property market, and nine business partners of the Group and the Directors, and no potential buyers other than the Purchaser have indicated their firm interests and/or entered into negotiations with the Company with definitive terms especially given the uncertainties in the current economic environment faced by the property developers and investors.

- (iii) the urgency of the Company to receive a sizable cash inflow to alleviate its going concern issues and pressure to meet its immediate cash obligations.

Having considered the above factors, the Directors consider that the Consideration, representing a discount of approximately 47% to the Adjusted Value of the Target Company attributable to the Sale Shares, as agreed and based on arm's length negotiations with the Purchaser, is fair and reasonable and in the interests of the Company and the Shareholders as a whole.

(5) Closing:

Under the terms of the Agreement, Closing shall take place on 28 August 2024, or such other date as the Vendor and the Purchaser may agree.

Closing took place on 28 August 2024 in accordance with the terms of the Agreement.

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(6) Others:

If the Purchaser shall fail to make payment of any part of the Consideration in accordance with the provisions of the Agreement, the Purchaser shall, without prejudice to any other rights and remedies the Vendor may have, pay interest on the part in arrears to the Vendor at the rate equal to the prime rate quoted by Royal Bank of Canada from time to time plus two per cent (2%) per annum from the due date for payment thereof until the date of actual receipt by the Vendor.

INFORMATION ON THE TARGET COMPANY

The Target Company is a company incorporated in BVI with limited liability and its sole business is holding and operating of the beneficial interests in the Property through its wholly-owned subsidiaries.

The Property is situated at Vancouver, British Columbia, Canada and operates as a hotel under the brand name of Westin and comprising a 9-storey main building completed in 1961, a separate 18-storey tower with an aggregate of 499 guest rooms, and a convention center.

As at the date of the Agreement and immediately prior to Closing, the Target Company was owned as to 50% by each of the Purchaser and the Vendor. Upon Closing, the entire equity interests in the Target Company became owned by the Purchaser.

Set out below is the audited financial information for the years ended 31 December 2022 and 2023 and the unaudited financial information for the six months ended 30 June 2024 of the Target Group prepared in accordance with International Financial Reporting Standards:

	For the six months ended 30 June 2024 (unaudited)		For the year ended 31 December			
	<i>Equivalent to approximately</i>		2023 (audited)		2022 (audited)	
	<i>CAD'000</i>	<i>HK\$'000</i>	<i>Equivalent to approximately</i>		<i>Equivalent to approximately</i>	
	<i>CAD'000</i>	<i>HK\$'000</i>	<i>CAD'000</i>	<i>HK\$'000</i>	<i>CAD'000</i>	<i>HK\$'000</i>
			<i>(Note 1)</i>		<i>(Note 2)</i>	
Revenue	39,562	225,501	82,045	475,945	68,216	403,496
(Loss) profit before taxation	(1,691)	(9,637)	1,374	7,972	16,490	97,537
(Loss) profit after taxation	(1,692)	(9,647)	1,372	7,961	16,485	97,508

Notes:

1. The exchange rate of CAD1.00 = HK\$5.801 has been used for currency translation of the 2023 audited financial figures.
2. The exchange rate of CAD1.00 = HK\$5.915 has been used for currency translation of the 2022 audited financial figures.

As at 30 June 2024, the unaudited consolidated net asset value of the Target Group amounted to approximately CAD85 million (equivalent to approximately HK\$484 million).

INFORMATION ON THE PURCHASER

To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, (i) the Purchaser is an investment holding company incorporated in BVI; (ii) its ultimate controlling shareholder is Mr. Hui Kau Mo who is a merchant and an experienced real estate developer in Canada; and (iii) the Purchaser and its ultimate beneficial owners are Independent Third Parties.

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To the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, there is, and in the past twelve months, there has been, no material loan arrangement between (a) the Purchaser, any of its directors and legal representatives and/or any ultimate beneficial owners of the Purchaser who can exert influence on the Disposal; and (b) the Company, any connected person at the Company's level and/or any connected person at the subsidiary level (to the extent that such subsidiaries are involved in the Disposal).

INFORMATION ON THE VENDOR AND REASONS FOR ENTERING INTO THE AGREEMENT AND THE DISPOSAL

The Vendor is an indirect wholly-owned subsidiary of the Company and its sole business activity was, prior to Closing, holding of the Sale Shares. The Company is an investment holding company and the Group is principally engaged in development, selling of and investment in properties in Macau, Hong Kong, the PRC, Canada and the United Kingdom; investment in hotels and leisure business in the PRC and Canada; securities investments and provision of loan financing services.

As disclosed in the annual report of the Company for the year ended 31 March 2024, the Group has been facing significant liquidity pressure and difficulty in accessing typical financing channels amid the downturn of the real estate market in Hong Kong and in the PRC. To improve its liquidity and to obtain funds to meet its financial needs and commitments, the Group has been proactively formulating various plans and measures, including seeking potential purchasers in respect of its assets on terms which are in the best interests of the Company and the Shareholders taken as a whole.

The Disposal would enable the Group to realise its investment in the Target Company and recoup cash resources for the repayment of priority indebtedness and necessary payment obligations. Furthermore, the Disposal would release the Group from the anticipated capital injection required to be made to the Target Group as aforementioned, which the Group would have difficulty to meet in view of its current financial and liquidity position.

Based on the above, the Board considers that the terms of the Agreement (including the Consideration) are fair and reasonable, and the entering into of the Agreement by the Vendor is in the interests of the Company and the Shareholders as a whole.

FINANCIAL EFFECT OF THE DISPOSAL

The Sale Shares were classified as interest in a joint venture of the Group as at 30 June 2024. Based on the Consideration of approximately HK\$105 million, less (i) the unaudited net asset value of the Target Group attributable to the Group of approximately HK\$242 million as at 30 June 2024, (ii) an impairment of premium adjustment on acquisition of approximately HK\$50 million, (iii) the reclassification of translation reserve upon the Disposal of approximately HK\$33 million, and (iv) the related expenses for the Disposal of approximately HK\$4 million, the Group currently expects to record a loss on disposal of a joint venture of approximately HK\$224 million on Closing. The actual loss of the Disposal for the Group as at the Closing Date is subject to audit and therefore may be different from the amount mentioned above.

The net proceeds, being the Consideration net of relevant expenses of approximately HK\$4 million, arising from the Disposal amounted to be approximately CAD17.8 million (equivalent to approximately HK\$101 million). The first tranche of the Consideration in the sum of CAD6 million (equivalent to approximately HK\$34 million), of which approximately HK\$23 million has been applied, and the remaining balance of the Consideration shall be applied, in full, for (i) as to approximately HK\$47 million for repayment of bank and other borrowings (including interests expenses of approximately HK\$21 million) and (ii) as to approximately HK\$54 million for payment of operating expense.

LETTER FROM THE BOARD

Upon Closing, which has taken place, the Group ceased to have any interest in the Target Group, and is expected to de-recognised the interest in a joint venture of approximately HK\$292 million (which comprises (i) the unaudited net asset value of the Target Group attributable to the Group of approximately HK\$242 million as at 30 June 2024 and (ii) an impairment of premium adjustment on acquisition of approximately HK\$50 million). The actual amounts are subject to audit and may therefore be different from the above.

LISTING RULES IMPLICATIONS

The Company has applied to the Stock Exchange for the adoption of an alternative size test for the revenue ratio in relation to the Disposal pursuant to Rule 14.20 of the Listing Rules and the Stock Exchange agreed with the Company's view that the revenue ratio for the Disposal produces an anomalous result and should be disregarded. As the alternative size test result and one of the other applicable percentage ratios exceed 25% but are less than 75%, the Disposal constituted a major transaction for the Company under Chapter 14 of the Listing Rules and is subject to the reporting, announcement, circular and Shareholders' approval requirements under the Listing Rules.

To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, no Shareholder or its/his/her associate(s) has a material interest in the Agreement and the transactions contemplated thereunder and accordingly, no Shareholder is required to abstain from voting if the Company were to convene a Shareholders' meeting for approving the Agreement and the transactions contemplated thereunder.

As at the date of the Agreement and up to the Latest Practicable Date, Dr. Chan directly owns 191,588,814 Shares and through Galaxyway Investments Limited ("**Galaxyway**"), whose entire issued share capital is indirectly owned by Dr. Chan, owns 76,186,279 Shares. Ms. Ng, through Fortune Crystal Holdings Limited ("**Fortune Crystal**"), whose entire issued share capital is indirectly owned by Ms. Ng, owns 251,172,919 Shares. Ms. Ng is the spouse of Dr. Chan. On 4 September 2024, the Company obtained written Shareholders' approval in respect of the Agreement and the transactions contemplated thereunder from Dr. Chan, Galaxyway and Fortune Crystal, which in aggregate own 518,948,012 Shares, representing approximately 57.2% of the existing issued share capital of the Company as aforesaid.

Pursuant to Rule 14.44(2) of the Listing Rules, the written Shareholders' approval from Dr. Chan, Galaxyway and Fortune Crystal has been accepted in lieu of holding a general meeting of the Shareholders. Accordingly, no physical Shareholders' meeting will be held by the Company to approve the Agreement and the transactions contemplated thereunder.

ADDITIONAL INFORMATION

Your attention is drawn to the financial information of the Group, the valuation reports on the Target Group and the Property and general information as set out in the appendices to this circular.

Yours faithfully,
For and on behalf of
ITC Properties Group Limited
Cheung Hon Kit
Chairman

1. FINANCIAL INFORMATION OF THE GROUP

The financial information of the Group for the years ended 31 March 2022, 2023 and 2024 is disclosed in the following documents and have been published on the website of the Stock Exchange at www.hkexnews.hk and the website of the Company at www.itcproperties.com:

- annual report of the Company for the year ended 31 March 2022 published on 26 July 2022 (pages 74 to 191) on the Stock Exchange's website (<https://www1.hkexnews.hk/listedco/listconews/sehk/2022/0726/2022072600435.pdf>)
- annual report of the Company for the year ended 31 March 2023 published on 27 July 2023 (pages 69 to 179) on the Stock Exchange's website (<https://www1.hkexnews.hk/listedco/listconews/sehk/2023/0727/2023072700259.pdf>)
- annual report of the Company for the year ended 31 March 2024 published on 25 July 2024 (pages 74 to 180) on the Stock Exchange's website (<https://www1.hkexnews.hk/listedco/listconews/sehk/2024/0725/2024072500416.pdf>)

2. INDEBTEDNESS STATEMENT

(a) Borrowings

At the close of business on 31 July 2024, the Group had secured and guaranteed bank and other borrowings of approximately HK\$795.7 million, secured and unguaranteed bank borrowings of approximately HK\$328.4 million, unsecured and guaranteed other borrowings of approximately HK\$36.4 million, unsecured and unguaranteed other borrowings of approximately HK\$30.2 million, and unsecured and unguaranteed amounts due to non-controlling interests of approximately HK\$186.6 million. In addition, the Group had outstanding secured and unguaranteed lease liabilities of approximately HK\$16.9 million as at that date.

The Group's secured bank and other borrowings were secured by charges over the following assets of the Group: (i) property, plant and equipment; (ii) investment properties; (iii) stock of properties; (iv) interests in associates; (v) equity interests in certain subsidiaries and (vi) other receivables. In addition, the Group's lease liabilities were secured by rental deposits of the relevant leases.

(b) Contingent liabilities and guarantees

At the close of business on 31 July 2024, the Company had provided corporate guarantees on a several basis with maximum liabilities of approximately HK\$537.7 million, HK\$91.1 million and HK\$225.7 million in respect of the banking facilities granted to three joint ventures (which were owned as to 50%, 50% and 28% by the Group respectively). In addition, the Company had provided corporate guarantee on a several basis with maximum liabilities of approximately HK\$242.5 million in respect of the banking facilities granted to an associate (which was owned as to 20% by the Group).

Save as disclosed above, and apart from the intra-group liabilities, the Group did not have any outstanding loan capital issued and outstanding or agreed to be issued, bank overdrafts, loans, debt instruments, borrowings or other similar indebtedness, liabilities under acceptances (other than normal trade bills), acceptance credits, debentures, mortgages, charges, lease commitments, guarantees or other material contingent liabilities at the close of business on 31 July 2024.

3. WORKING CAPITAL

After taking into account the Group's indebtedness as at 31 July 2024 and the financial effect of the Disposal, the Directors have given careful consideration in working capital sufficiency. To mitigate the liquidity position of the Group and to improve the financial position of the Group, the Directors have undertaken certain plans and measures, including:

(i) Disposal of properties/joint ventures/associates

The Group continues to sell specific properties/joint ventures/associates as a strategic move in order to realize the tied-up capital and value. This strategy will allow the Group to efficiently manage its assets, potentially enhance its liquidity and provide additional financial resources.

(ii) Seeking refinancing

The Group continues to actively seek for refinance of existing facilities before maturity. Up to the date of this circular, the Group has not received any notices of demand for immediate repayment of its borrowings of HK\$396 million which have become overdue after the financial year ended 31 March 2024, and the Group has continued to negotiate and is still actively negotiating with other potential lenders for refinancing such borrowings.

(iii) Control on administrative and operating costs

The Group continues to take active measures to control administrative and operating costs through various channels.

The Directors are of the opinion that, after taking into account the above plans and measures, the liquidity needs of the Group will be managed, the financial position of the Group will be improved and the Group will have sufficient working capital to finance its operations and meet its financial obligations if they fall due within twelve months from the date of this circular.

Notwithstanding the above, significant uncertainties exist as to whether the Group can achieve the plans and measures described above. The sufficiency of the Group's working capital to satisfy its present requirements for at least the next twelve months from the date of this circular depends on the outcome of these plans and measures, including: (i) successfully identifying buyer(s) for disposal of specific properties and investments; (ii) successfully completing the refinancing and (iii) successfully implementing costs control, to finance the Group's operations and to meet the Group's financial obligations as and when they fall due.

Should the Group fail to achieve the above plans and measures, the Group may not have sufficient working capital for its requirements within the next twelve months from the date of this circular.

The Company has obtained the relevant confirmation as required under Rule 14.66(12) of the Listing Rules.

4. MATERIAL ADVERSE CHANGE

Save as aforesaid, the Directors are not aware of any material adverse change in the financial and trading position of the Group since 31 March 2024, being the date to which the latest published audited accounts of the Group were made up.

5. FINANCIAL AND TRADING PROSPECTS

The Group is principally engaged in property development, selling of and investment in Macau, Hong Kong, the PRC, Canada and the United Kingdom; development of, investment in and operation of hotels and leisure business in the PRC, Hong Kong and Canada; securities investments; and the provision of loan financing services.

As disclosed in the annual report of the Company for the year ended 31 March 2024, the Group anticipates persistent business challenges, influenced by the external macroeconomic factors such as high interest rates and intensifying geopolitical tensions, notably not only in the Middle East, but also between China and the United States. These uncertainties in the global business environment could potentially slow economic growth. Thus, as a property developer, the Group faces tough challenges in coming year amid these conditions. In response to these uncertainties, the Group will continue to adopt a cautious approach in reviewing its business strategies, refining its business model and improving the efficiency and effectiveness of its operation. The Group will focus on the sale of its redevelopment projects and the remaining units in Sky Oasis and Grand Oasis in Macau to realise the tied-up capital and secure the revenue of the Group. All these could boost the Group's liquidity and financial flexibility, enabling the Group to better navigate the current challenging business environment. In the meantime, apart from businesses in the PRC, Macau, Canada and the United Kingdom, the Group will cautiously explore potential property development projects and closely assess and select attractive opportunities to replenish the Group's portfolio.

The Disposal would allow the Group to realise its investment in the Target Company and apply the net proceeds thereof to repay bank and other borrowings of the Group, thereby reducing the indebtedness and finance costs of the Group and mitigating its liquidity pressure.

The following is the text of a letter and valuation report, prepared for the purpose of incorporation in this circular received from RHL Appraisal Limited, an independent valuer, in connection with its valuation of the 50% equity interests in Bayshore Ventures JV Ltd., as at 30 June 2024.



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Corporate Valuation & Advisory

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Room 1010, 10/F, Star House,
Tsimshatsui, Hong Kong

25 September 2024

The Board of Directors
ITC Properties Group Limited
30/F., Bank of America Tower,
No. 12 Harcourt Road,
Central, Hong Kong

Dear Sirs/Madam,

INSTRUCTIONS

In accordance with the instructions of **ITC Properties Group Limited** (the “**Client**” or the “**Company**”), we RHL Appraisal Limited (“**RHL**”) have undertaken a valuation to determine the market value of the 50% equity interests (the “**Interest**”) in **Bayshore Ventures JV Ltd.** (the “**Target Company**”). As instructed, the valuation date is 30 June 2024 (the “**Valuation Date**”).

We confirm that we have made relevant enquiries and obtained such further information as we consider necessary for the purpose of providing our opinion on the Interest of the Target Company. This valuation is complied with the International Valuation Standards (“**IVS**”) published by the International Valuation Standards Council.

INTRODUCTION

This valuation was conducted to determine the market value of 50% equity interests in the Target Company as of the Valuation Date by employing the adjusted net assets method under the asset approach, which involved adjusting, among others, the market value of the property owned by the Target Company as reflected on its balance sheet as of the Valuation Date.

This report outlines our latest findings and valuation conclusion.

The Target Company

Bayshore Ventures JV Ltd. was incorporated in the British Virgin Islands on 22 June 2015 pursuant to the BVI Business Corporation Act, 2004. On 3 November 2015, the Target Company, through its wholly owned subsidiaries, acquired 100% interests in the **Westin Bayshore Resort and Marine Hotel** (the “**Property**”) located at 1601 Bayshore Drive, Vancouver, British Columbia, Canada.

On 26 August 2024, **Rank Ace Investments Limited** (the “**Vendor**”), an indirectly wholly-owned subsidiary of the Company, and **Caufield Investments Limited** (the “**Purchaser**”), an existing shareholder of the Target Company, entered into an agreement whereby the Vendor agreed to sell and the Purchaser agreed to purchase 50% of the entire issued share capital of the Target Company, for an aggregate consideration of CAD 18.5 million.

PURPOSE OF VALUATION

The purpose of this valuation is to express an independent opinion on the market value of the Interest as at the Valuation Date. This valuation is prepared solely for reference and publication in a circular and on the website of The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) for public use by the Client.

BASIS OF VALUE

Our valuation was carried out on a market value basis. Market value is defined as intended to mean “the estimated amount for which an asset or liability should exchange on the date of valuation between a willing buyer and a willing seller in an arm’s length transaction after proper marketing wherein the parties had each acted knowledgeably, prudently, and without compulsion”.

BASIS OF OPINION

The valuation procedure includes review of the financial and economic condition of the Target Company, an assessment of key assumptions, estimates, and representations made by the management of the Target Company (the “**Management**”). All matters essential to the proper understanding of the valuation are disclosed in this valuation report.

The following factors also form a considerable part of our basis of opinion:

- The current status of the Target Company; and
- The financial condition of the Target Company.

In arriving at our opinion, we have assumed and relied extensively upon the accuracy and completeness of the information provided to us by the Management such as financial statements, documents and oral conversation through correspondences and interviews.

We did not conduct any research to verify the financial information provided to us by the Management and we have no reason to doubt the accuracy of the data and information.

Our opinion is based upon financial and other conditions as they exist and can be evaluated on the date of this report and we assume no responsibility to update or revise our opinion based on events or circumstances occurring after the date of this report. In reaching our opinion, we have made assumptions with respect to such financial and other conditions and other matters, many of which are highly uncertain and beyond our control or the control of any party involved in this valuation exercise.

ECONOMIC AND INDUSTRY OVERVIEW

Economic Overview of Canada¹

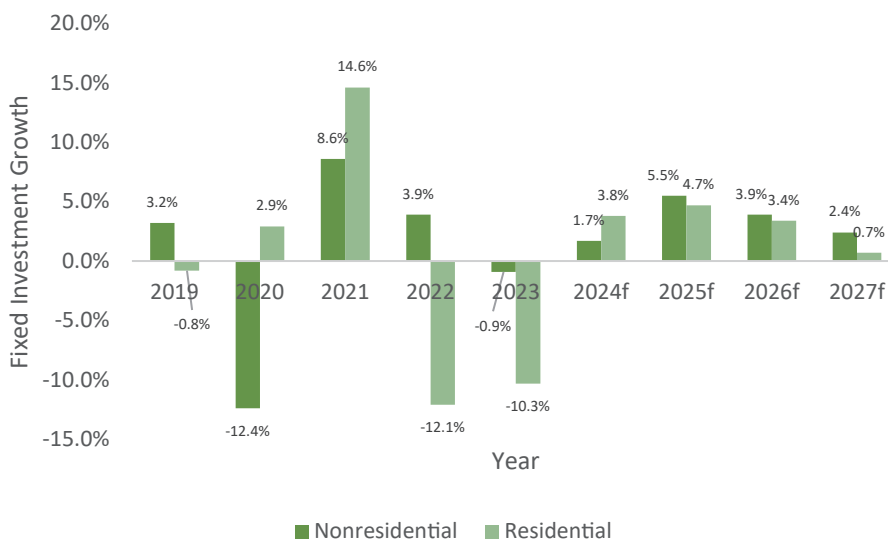
The economic outlook for Canada in the third quarter of 2024 reflects a moderate recovery following a period of sluggish growth. S&P Global Ratings anticipates real GDP growth of 1.1% for 2024, with projections increasing to 1.7% in 2025 and 2.1% in 2026. This rebound is largely attributed to anticipated interest rate cuts, which are expected to stimulate both residential and non-residential fixed investment. Domestic demand is forecasted to rise by 1.05% this year after a slight contraction of 0.07% in 2023, bolstered by improved consumer confidence and increased retail sales in recent months.

Figure 1: Real GDP Growth of Canada



Source: S&P Global Ratings

Figure 2: Fixed Investment Growth of Canada

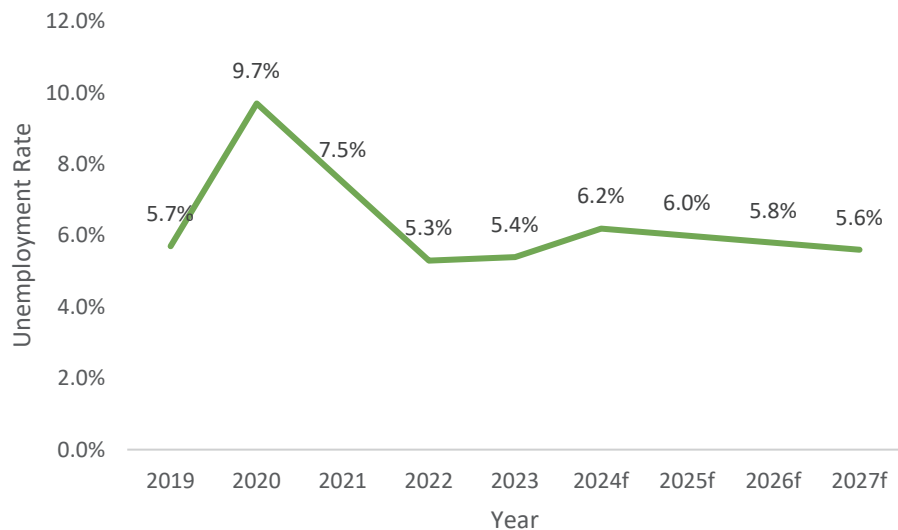


Source: S&P Global Ratings

¹ Economic Research: Economic Outlook Canada Q3 2024: Turning the Corner by S&P Global Ratings, 24 June 2024

Despite these positive indicators, the labor market remains under pressure. The unemployment rate is expected to average 6.4% in the latter half of 2024, influenced by sluggish demand and a labor force growth driven by immigration. The Bank of Canada has initiated a monetary easing cycle, reducing its policy rate to 4.75% and signaling potential further cuts. This easing is anticipated to alleviate some financial burdens on consumers. However, the overall growth trajectory is projected to remain below potential, with fixed investment serving as the primary growth driver rather than consumer spending, as higher borrowing costs continue to affect household finances.

Figure 3: Unemployment Rate in Canada

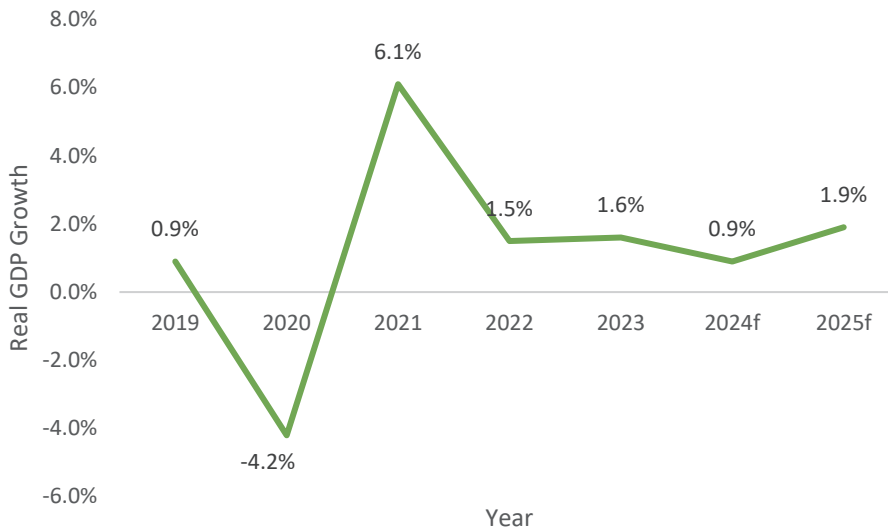


Source: S&P Global Ratings

Economic Overview of British Columbia²

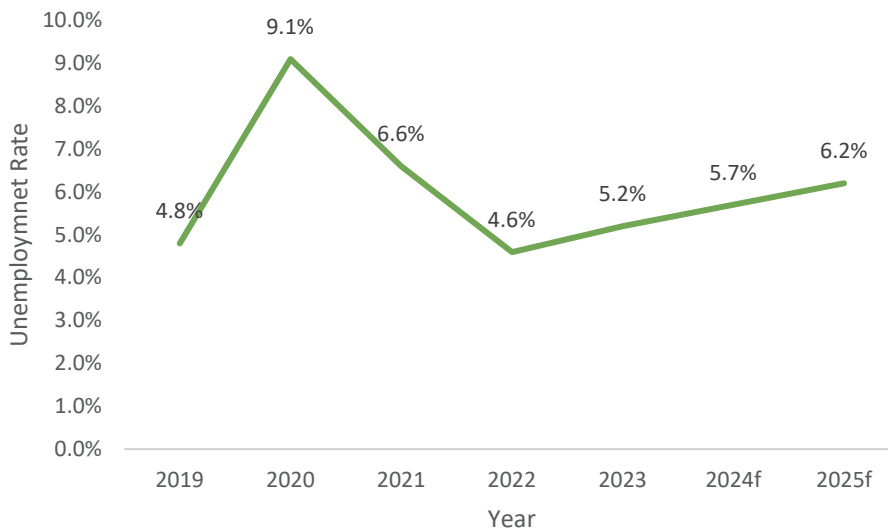
British Columbia’s economy demonstrated better-than-expected growth in 2023, with a GDP increase of 1.6%, ranking just behind Prince Edward Island and on par with Ontario and Saskatchewan. This growth was largely driven by the services sector, particularly in public services, real estate, and professional services. While the GDP growth projection for 2024 has been slightly increased, the economy faces challenges, including a subdued household sector, weak retail sales, and lackluster investment prospects. Nonetheless, employment growth remains robust at nearly 3.0%, which supports consumer spending.

Figure 4: Real GDP Growth of British Columbia Province



Source: Statistics Canada, TD Economics

Figure 5: Unemployment Rate of British Columbia Province



Source: Statistics Canada, TD Economics

² Provincial Economic Forecast – Provincial Growth Looking Up as Interest Rate Come Down by TD Economics, 19 June 2024

Looking ahead, the construction sector is preparing for a slowdown as major projects, such as LNG Canada and the Site C Clean Energy Project, reach completion. However, significant infrastructure investments of nearly CAD 550 million from the Canada Infrastructure Bank may offer some relief. The export sector, which heavily relies on energy and forestry—accounting for over 50% of total outbound shipments—continues to face difficulties. Nevertheless, a recent uptick in natural gas prices provides a glimmer of hope. By 2025, British Columbia’s export performance is expected to improve, driven by higher commodity prices, the commencement of LNG Canada, and increased U.S. homebuilding activity.

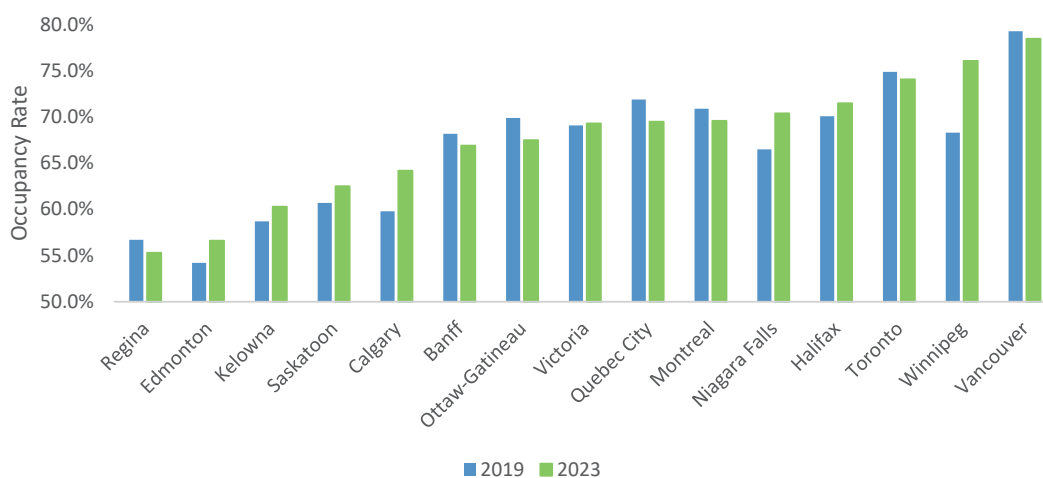
Despite a recent credit rating downgrade, the provincial government maintains a low debt burden, enabling continued investment in economic initiatives that could enhance growth. The government’s commitment to addressing housing supply and affordability challenges is also noteworthy, as it seeks to create a more sustainable economic environment for residents and newcomers alike.

Industry Overview

Canadian hotels demonstrated a strong recovery in 2023, achieving occupancy rates of 66%, which returned to pre-pandemic levels. The average daily rate (ADR) rose to US\$200, reflecting a notable increase of US\$35 (21%) compared to 2019. Revenue per available room (RevPAR) reached US\$131, surpassing figures from both 2018 and 2019. This resurgence followed a gradual rise in demand as health and travel restrictions were lifted post-2020, although there was a slight decline in occupancy of 1.0% in early 2024 compared to the same period in 2023. Importantly, ADR continued to increase, indicating the industry’s effective adaptation to evolving market conditions³.

In 2023, key Canadian cities experienced varying occupancy rates compared to 2019. Vancouver and Toronto saw only minor declines, while Montréal and Québec City recorded slight decreases of 1.3 and 2.4 percentage points, respectively, resulting in occupancy rates of 69.6% and 69.5%. Conversely, several western Canadian cities, including Edmonton, Kelowna, Saskatoon, Calgary, and Victoria, reported increases in occupancy ranging from 0.2 to 4.4 percentage points. Notably, Niagara Falls experienced a significant rise of 3.9 percentage points, reaching 70.4%, and Winnipeg distinguished itself with a remarkable growth of 7.8 percentage points, achieving an occupancy rate of 76.1%³.

Figure 6: Occupancy Rate 2019 vs 2023 by Cities

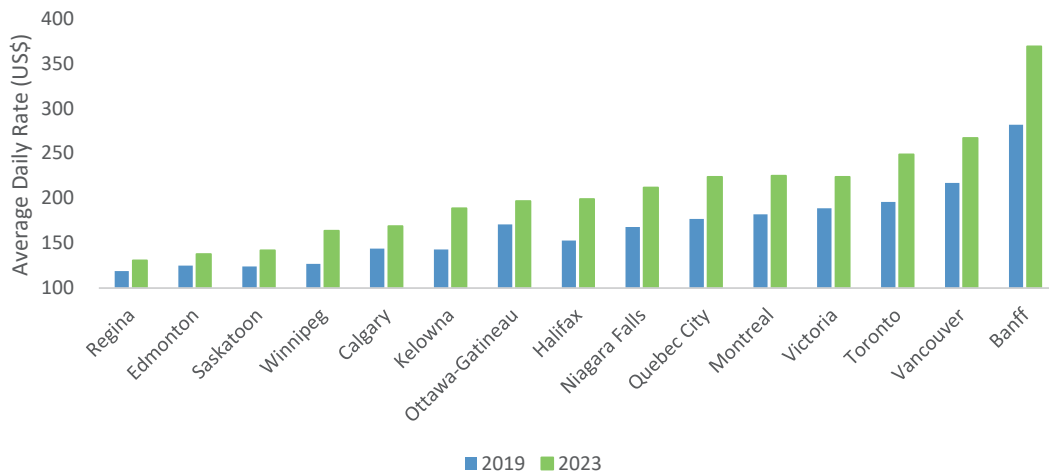


Source: Canada Hotel & Chains Report 2024 by Horwath HTL

³ Canada Hotel & Chains Report 2024 by Horwath HTL, April 2024

The ADR across various Canadian cities also saw substantial increases compared to 2019. The largest dollar increases were noted in Banff, Victoria, Toronto, Vancouver, and Québec City. Over the four-year span from 2019 to 2023, Kelowna, Banff, Halifax, Winnipeg, and Victoria exhibited the strongest year-over-year growth. Among the 15 markets analyzed, the average ADR increase varied from US\$12 in Regina to US\$87 in Banff³.

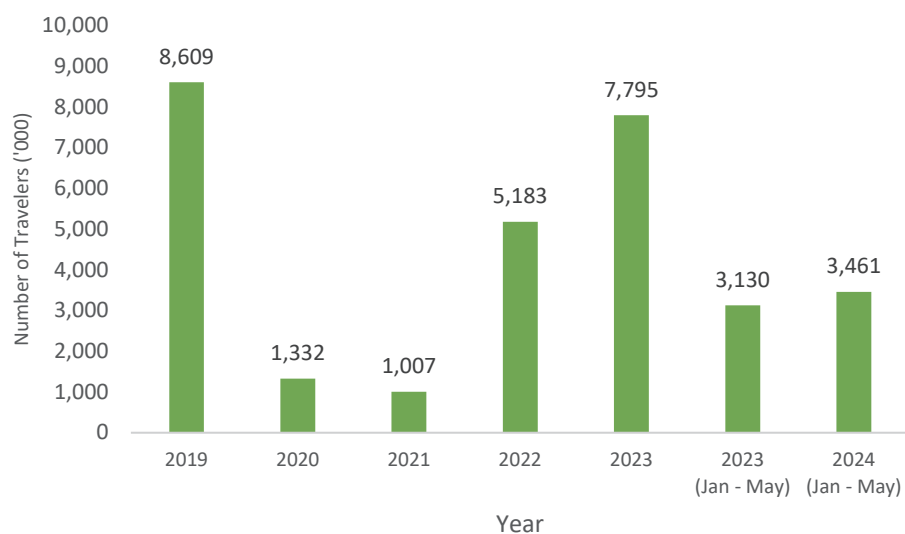
Figure 7: Average Daily Rate 2019 vs 2023 by Cities



Source: Canada Hotel & Chains Report 2024 by Horwath HTL

Traveler entries into Canada via British Columbia continued their robust recovery, growing by 50.4% to approximately 7.8 million in 2023, which represents a return to about 90% of the pre-pandemic levels seen in 2019. According to BC Stats, the accommodation and food services sector contributed around 3.0% to the province’s GDP, amounting to CAD 9 billion in 2023. Hotels in the municipality of Vancouver and the Coast and Mountains region accounted for approximately 63% of room revenue, totaling CAD 2.8 billion in British Columbia for the same year.

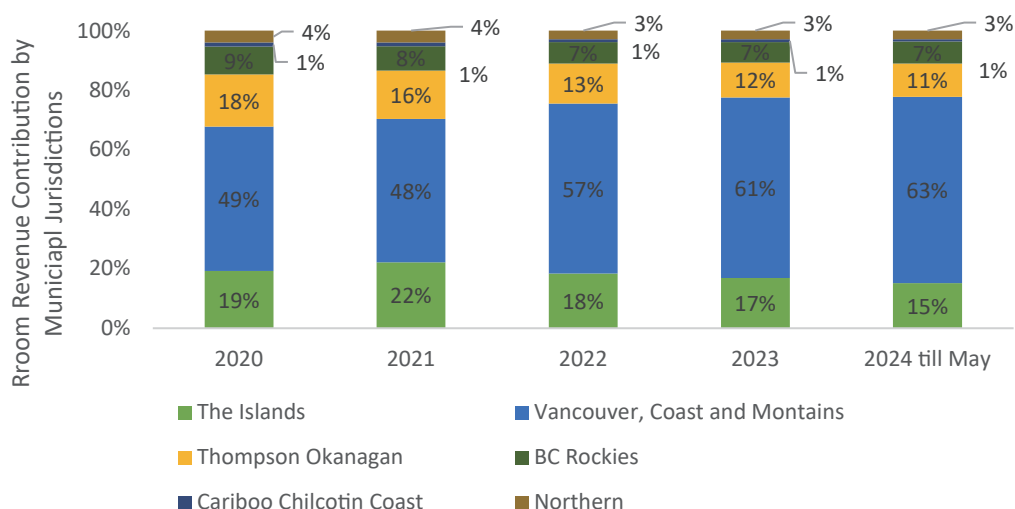
Figure 8: Traveler Entries to Canada via British Columbia



Source: BC Stats

³ Canada Hotel & Chains Report 2024 by Horwath HTL, April 2024

Figure 9: Room Revenues Contribution by Municipal Jurisdictions Subject to MRDT in British Columbia



Source: BC Stats

SOURCES OF INFORMATION

In conducting the valuation, we have considered, reviewed and relied upon the following key information provided by the Management.

- Announcement published on the website of the Stock Exchanges by the Company, “Major Transaction in Relation to the Disposal of 50% Equity Interests in Bayshore Ventures JV Ltd.”, dated 26 August 2024;
- Management Accounts of the Target Company prepared in compliance with IFRS Accounting Standards as at the Valuation Date provided by the Management;
- Copies of audited reports of the Target Company for the financial years ended 31 December 2022 and 31 December 2023 provided by the Management;
- Copy of the valuation report on the Property prepared by RHL dated 25 September 2024 (in Appendix III to this circular) (the “**Property Report**”);
- Discussions with and representations made by the Management;
- The Target Company’s information provided by the Management;
- The Stout Restricted Stock Study – 2022 Edition.

We assume that the data obtained in the course of the valuation, along with the opinions and representations provided to us by the Management were prepared in reasonably care. We have had no reason to doubt the truth and accuracy of the information provided to us by the Management.

We have also sought confirmation from the Management that no material factors have been omitted from the information supplied. We consider that we have been provided with sufficient information to arrive an informed view, and we have no reason to suspect that any material information has been withheld.

APPROACH AND METHODOLOGY

The market value of the Interest is conducted by one or more of the three generally accepted valuation approaches: asset approach, market approach and income approach.

Asset Approach

A means of estimating the value of a business and/or equity interest using methods based on the market value of individual business assets less liabilities. It is founded on the principle of substitution, i.e. an asset is worth no more than it would cost to replace all of its constituent parts.

Market Approach

Market Approach considers prices recently paid for similar related to the subject company's major business industry, with adjustments made to the indicated market prices to reflect condition and utility of the appraised business relative to the market comparatives.

In general there are two methods under the market approach, namely the guideline merged and acquired company methods and the guideline publicly traded company method. Guideline merged and acquired company method is based on acquisitions and sales of entire companies, divisions or certain equity interests of either publicly traded or private companies. Guideline publicly traded company method is based on the adoption of multiples that are drawn from companies traded in major stock exchanges to the fundamental data of the subject company. Depending on the nature of the underlying business and other company specific conditions, various multiples may be used to evaluate the business ownership interests.

Income Approach

This approach focuses on the economic benefits generated by the income producing capability of an enterprise. The underlying theory of this approach is that the value of an enterprise can be measured by the present worth of the economic benefits to be received over the useful life of the business entity. Based on this valuation principle, Income Approach estimates the future economic benefits and discounts these benefits to its present value using a discount rate appropriate for the risks associated with realizing those benefits.

Determination of the Valuation Approach

Among the three approaches, we consider that adjusted net assets method under asset approach by adjusting, among others, the market value of the Property is the most suitable approach for valuing the Interest, given that the Target Company is a property holding company by nature. By adjusting the book values of assets and liabilities to reflect their current market values, this approach provides a more accurate representation of the Target Company, especially in capital-intensive sectors like real estate.

We do not consider the income approach to be adequate for this valuation, as it relies on numerous assumptions and estimates, many of which cannot be easily quantified or reliably measured. Additionally, we find the market approach inapplicable due to the lack of sufficient relevant comparable companies that own and manage single hotel properties listed on Canadian stock exchanges.

ASSUMPTIONS AND NOTES TO VALUATION

Assumptions considered having significant sensitivity effects in this valuation have been evaluated in arriving at our assessed value.

General Assumptions

1. The transaction assumption assumes that all assets and liabilities to be valued are in the process of being transacted and the valuation assessed is based on a simulated market which involves the transaction conditions of the assets to be valued.
2. The open market assumption assumes that the parties to the assets transaction or the proposed asset transaction in the market have equal bargaining power and have the opportunities and time to obtain sufficient market information in order to market a rational judgement on the assets, including their functions, uses and transaction prices. The basis of open market assumption is that the assets can be traded openly in the market.
3. The asset going-concern assumption means the valuation method, parameters and basis shall be determined on the premise that the valued assets will be continuously used in consistence with their current functions and methods, scale, frequency and environment of application, or used on the basis of certain changes thereof.
4. The corporate going-concern assumption assumes that businesses of the valued entities will continuously operate and maintain the same operation method as it currently operates.
5. There will be no major changes in the current taxation law in the areas in which the Target Company conducting its operation, including the rate of tax payable and all applicable laws and regulations remains unchanged.
6. The inflation, interest rate and currency exchange rate will not differ materially from those presently prevailing.
7. There will be no major business disruptions through international crisis, diseases or severe weather condition that will affect this existing business.
8. The Target Company will remain free from claims and litigation against the business that will have a material impact on value.
9. The Target Company is not subject to any unusual or onerous restrictions or encumbrances.
10. We assumed that there will be no material change in the existing political, legal, technological, fiscal or economic conditions which might adversely affect the economy in general and the business.
11. In arriving at our opinion, we have assumed and relied extensively upon the accuracy and completeness of the information provided to us by the Management such as financial statements, documents and oral conversation through correspondences and interviews. The financial statements of the Target Company were prepared in accordance to the applicable accounting standard. We did not independently investigate or otherwise verify the data provided and do not express an opinion or offer any form of assurance regarding its accuracy and completeness.

The Target Company

1. As advised by the Management, the carrying amounts of items on the balance sheet of the Target Company other than the Property in the non-current assets approximate their market values as at the Valuation Date. The market value of the Property as at the Valuation Date is CAD 259,000,000, according to the Property Report prepared by RHL.

2. The Management is of the opinion that the carrying amounts of the furniture, fixtures and equipment as at the Valuation Date approximate their market values.
3. Prepaid expenses and deposits are payment made in advance for goods and services to other third party. The Management is of the opinion that the carrying amount of this item as at the Valuation Date approximates their market value.
4. Accounts receivable is the amount of income to be received from its customers and/or other third party, such as travel agents and credit card companies. The Management is of the opinion that the collection of this item is expected to be within one year, the carrying amount of this item as at the Valuation Date approximates their market value.
5. Inventory is the goods and materials held by the Target Company for the purpose of sales or use in providing its service, which includes supplies in guest rooms, ingredients and products used in food and beverage, and retail good sold in the Property. The Management is of the opinion that the carrying amount of this item as at the Valuation Date approximates their market value.
6. Cash and cash equivalents consists of cash and cash held for capital improvements that are set aside by the Target Company to be used as capital expenditures incurred or paid directly to the service providers. The Management is of the opinion that the carrying amount of this item as at the Valuation Date approximates their market value.
7. Accounts payable and accrued liabilities are obligations to pay for goods and services that have been acquired in the ordinary course of business from suppliers and creditors. The Management is of the opinion that the payment of this item is within one year or less, the carrying amount of this item as the Valuation Date approximates their market value.
8. Deferred revenue is advanced payments received by the Target Company for its services or goods to be provided. The Management is of the opinion that the carrying amount of this item as at the Valuation Date approximates their market value.
9. Debt on property is the loan secured by a first priority mortgage on the Property and guaranteed by the Target Company's wholly owned subsidiaries, as well as its shareholders. The Management is of the opinion that the carrying amount of this item as at the Valuation Date approximates their market value.
10. As confirmed by the Management, except for the assets and liabilities presented in the balance sheet of the Target Company as at 30 June 2024, no other assets or liabilities of the Target Company was noted by the Management as at the Valuation Date.
11. Discount for lack of marketability is normally applied to valuation of non-publicly traded company. Marketability discount reflects the ability of converting shares into immediate cash. Compared to publicly listed companies, private companies do not have a known market price and there exist no public market for trading of shares. Therefore, a privately held company is theoretically worth less than a public company with the same business, given other things being the same. Taking account of the above, a discount for lack of marketability of 20.5% was applied in the valuation of the Interest represents the average of the discounts of all 772 restricted stock transactions in the 2022 Edition Stout Restricted Stock Study Companion Guide.

The summary of the book values and market values of the net asset as at the Valuation Date are shown as below:

Bayshore Ventures JV Ltd.

Valuation Date: 30/06/2024
Currency: CAD

	Book Value	Adjustment	Market Value
Assets			
Cash & cash equivalents	17,682,698	–	17,682,698
Accounts receivable	3,769,616	–	3,769,616
Inventory	550,751	–	550,751
Prepaid expenses and deposits	2,054,413	–	2,054,413
Land and building (the “Property”)	255,941,866	3,058,134	259,000,000
Furniture, fixtures and equipment	2,171,262	–	2,171,262
	<u>282,170,606</u>	<u>3,058,134</u>	<u>285,228,740</u>
Liabilities			
Accounts payable & accrued liabilities	21,748,735	–	21,748,735
Debt on the Property	174,878,327	–	174,878,327
Deferred revenue	641,667	–	641,667
	<u>197,268,729</u>	<u>–</u>	<u>197,268,729</u>
Net Asset Value	<u>84,901,877</u>	<u>3,058,134</u>	<u>87,960,011</u>
100% Adjusted Net Asset Value before DLOM			87,960,011 (a)
Discount for Lack of Marketability (“DLOM”)		20.50%	18,031,802 (b) = 20.50% × (a)
100% Adjusted Net Asset Value after DLOM			<u>69,928,209</u> (c) = (a) - (b)
50% Adjusted Net Asset Value after DLOM			<u>34,964,104</u> (d) = 50% × (c)
		Rounded to '000	<u><u>34,964,000</u></u>

VALUATION COMMENTS

As part of our analysis, we have reviewed information, documentation and other pertinent data concerning the Target Company as has been made available to us. Such information has been provided by the Management. We have assumed the accuracy of, and have relied on, such information to a considerable extent in arriving at our opinion of value.

We confirm that we have made relevant enquiries and obtained such further information as is considered necessary for the purposes of this valuation exercise.

The conclusion of value is based on accepted valuation procedures and practices that rely substantially on the use of numerous assumptions and the consideration of many uncertainties, not all of which can be easily quantified or ascertained. The assumptions made in our valuation are inherently subject to significant business, economic and competitive uncertainties and contingencies, many of which are beyond the control of the Client, the Target Company and RHL.

OPINION OF VALUE

Based on the results of our analysis outlined in this report, we are of the opinion that the market value of the Interest as at the Valuation Date, free from any encumbrances, is **CANADIAN DOLLAR THIRTY FOUR MILLION NINE HUNDRED SIXTY FOUR THOUSAND (CAD 34,964,000)**.

We hereby certify that we have neither present nor prospective interests in the subject under valuation. Moreover, we have neither personal interests nor bias with respect to the parties involved. Our compensation is not contingent upon the amount of the value estimate, the attainment of a stipulated result, the occurrence of a subsequent event, or the reporting of a predetermined value or direction in value that favours the cause of the Client.

This report is issued subject to our limiting conditions in Appendix 1.

Yours faithfully,
For and on behalf of
RHL Appraisal Limited

Alexander C. Y. Lau
Director

Vincent J. Y. Lee
CFA
Associate Director

Mr. Alexander Lau has extensive experience in conducting valuation for companies in different industries. Before joining the RHL, Mr. Lau worked at a law firm and a listed company, participating in feasibility studies, due diligence and transaction advisory services. Mr. Lau is now the Director at the RHL International Group. He is now responsible for the management of the Corporate Valuation and Advisory Department. He has supervised valuation advisory projects ranging from listed companies compliance, IPOs and M&A transactions, accounting and taxation reporting cases, probate, legal aid and litigation/mediation cases, and financial viability assessments for government regional/territorial development projects.

Mr. Vincent Lee is a Chartered Financial Analyst (CFA) with over 20 years of experience in the corporate finance sector. Prior to joining RHL, Mr. Lee has accumulated extensive experience in both private and listed companies, handling M&A, deal transactions and also as research analyst in equity research firms. Mr. Lee is now the Associate Director of RHL International Group, mainly providing Corporate Advisory and Business Valuation services. His experience as a financial valuer extend from valuation of businesses and projects for disclosure on public circulars on the Stock Exchange of Hong Kong, financial instruments and intellectual properties valuation, to compliance and corporate advisory related financial assessments and projects.

APPENDIX 1 – LIMITING CONDITIONS

1. As part of our analysis, we have reviewed financial and business information from public sources together with such financial information, client representation, project documentation and other pertinent data concerning the adjusted net asset value made available to us during the course of our valuation. We have assumed the accuracy of, and have relied on the information and client representations provided in arriving at our opinion of value.
2. We have explained as part of our service engagement procedure that it is the director's responsibility to ensure proper books of accounts are maintained, and the financial statements have been prepared in accordance with the IFRS accounting standards.
3. We accept no responsibility for the realization and completeness of any estimated data, or estimates furnished by or sourced from any third parties which we have used in connection with this report. We assumed that financial and other information provided to us are accurate and complete.
4. We do not provide assurance on the achievability of any financial results estimated by the Target Company because events and circumstances frequently do not occur as expected; differences between actual and expected results may be material; and achievement of the forecast results is dependent on actions, plans, and assumptions of the Management.
5. RHL Appraisal Limited shall not be required to give testimony or attendance in court or to any government agency by reason of this valuation and with reference to the project described herein unless prior arrangements have been made.
6. No opinion is intended to be expressed for matters which require legal or other specialized expertise or knowledge, beyond what is customarily employed by valuers.
7. Our conclusions assume continuation of prudent client policies over whatever period of time that is considered to be necessary in order to maintain the character and integrity of the assets valued.
8. We assume that there are no hidden or unexpected conditions associated with the business valued that might adversely affect the reported value. Further, we assume no responsibility for changes in market conditions after the date of this report.
9. This valuation report has been prepared solely for the use of the designated party. The valuation report should not be otherwise referred to, in whole or in part, or quoted in any document, circular or statement in any manner, or distributed in whole or in part or copied to any other party without our prior written consent

The following is the text of a letter and valuation report, prepared for the purpose of incorporation in this circular received from RHL Appraisal Limited, an independent valuer, in connection with its valuation of the properties held by the Bayshore Ventures JV Ltd., as at 30 June 2024.



永利行評值顧問有限公司
RHL Appraisal Limited
Corporate Valuation & Advisory

T +852 3408 3188
F +852 2736 9284

Room 1010, 10/F, Star House,
Tsimshatsui, Hong Kong

25 September 2024

The Board of Directors
ITC Properties Group Limited
30/F., Bank of America Tower,
No. 12 Harcourt Road,
Central, Hong Kong

Dear Sirs/Madam,

INSTRUCTIONS

We refer to your instruction for us to value the properties (the “**Property**”) held by Bayshore Ventures JV Ltd., a company in which ITC Properties Group Limited (the “**Company**”) had 50% equity interests immediately prior to completion of the disposal thereof on 28 August 2024, located in Canada. We confirm that we have carried out property inspections, made relevant enquiries and obtained such further information as we consider necessary for the purpose of providing you with our opinion of the investment value of the Property as at 30 June 2024 (the “**Valuation Date**”).

This letter which forms part of our valuation report explains the basis and methodologies of valuation, clarifying assumptions, valuation considerations, title investigations and limiting conditions of this valuation.

BASIS OF VALUATION

The valuation is our opinion of the market value (the “**Market Value**”) which we would define as intended to mean the estimated amount for which an asset or liability should exchange on the valuation date between a willing buyer and a willing seller in an arm’s length transaction after proper marketing wherein the parties had each acted knowledgeably prudently and without compulsion.

Market Value is understood as the value of an asset or liability estimated without regard to costs of sale or purchase and without offset for any associated taxes or potential taxes.

The Market Value is the best price reasonably obtainable in the market by the seller and the most advantageous price reasonably obtainable in the market by the buyer. This estimate specifically excludes an estimated price inflated or deflated by special terms or circumstances such as atypical financing, sale and leaseback arrangements, joint ventures, management agreements, special considerations or concessions granted by anyone associated with the sale, or any element of special value.

VALUATION METHODOLOGY

We have valued the Property by using direct comparison method, which is adopted based on the principle of substitution, where comparison is made based on prices realized on actual sales and/or asking prices of comparable properties. Comparable properties of similar size, scale, nature, character and location are analysed and carefully weighed against all the respective advantages and disadvantages of each property in order to arrive at a fair comparison of capital values.

VALUATION CONSIDERATIONS

In valuing the Property, we have complied with all the requirements contained in Chapter 5 to the Rules Governing the Listing of Securities issued by The Stock Exchange of Hong Kong Limited and the International Valuation Standards 2022.

VALUATION ASSUMPTION

In our valuation, unless otherwise stated, we have assumed that:

- i. all necessary statutory approvals for the Property or the subject building of which the Property forms part of their use have been obtained;
- ii. transferable land use rights in respect of the Property for specific terms at nominal annual land use fees have been granted and that any premium payable has already been fully paid;
- iii. the owners of the Property have enforceable titles to the Property and have free and uninterrupted rights to use, occupy or assign the Property for the whole of the respective unexpired terms as granted;
- iv. no deleterious or hazardous materials or techniques have been used in the construction of the Property;
- v. the Property is not subject to any unusual or especially onerous restrictions, encumbrances or outgoings and that good title can be shown;
- vi. the Property is connected to main services and sewers which are available on normal terms.

TITLE INVESTIGATION

We have been shown copies of various documents relating to the Property. However, we have not examined the original documents to verify the existing titles to the Property or any amendment which does not appear on the copies handed to us.

LIMITING CONDITIONS

We have conducted on-site inspection on 29 August 2024 by Ms. Vanessa Boland (Over 2 years' experience of Hotel Valuation in Canada; AIC Candidate Member).

During the course of our inspections, we did not note any serious defects. However, no structural survey has been made and we are therefore unable to report whether the Property are free from rot, infestation or any other defects. No tests were carried out on any of the services.

We have not carried out detailed on-site measurement to verify the correctness of the areas in respect of the Property but have assumed that the areas shown on the documents handed to us are correct. All dimensions, measurements and areas are approximate.

Should it be discovered that any contamination, subsidence or other latent defect exists in the Property or on adjoining or neighboring land or that the Property had been or are being put to contaminated use, we reserve right to revise our opinion of value.

We have relied to a very considerable extent on the information provided by the Company and have accepted advices given to us on such matters, in particular, but not limited to tenure, planning approvals, statutory notices, easements, particulars of occupancy, size and floor areas and all other relevant matters in the identification of the Property. The plans including but not limited to location plan, site plan, lot index plan, outline zoning plan, building plan if any, in the report are included to assist the reader to identify the Property for reference only and we assume no responsibility for their accuracy.

We have had no reason to doubt the truth and accuracy of the information provided to us by the Company. We have also been advised by the Company that no material fact has been omitted from the information supplied. We consider that we have been provided with sufficient information to reach an informed view, and we have no reason to suspect that any material information has been withheld.

We do not accept a liability for any interpretation which we have placed on such information which is more properly the sphere of the legal advisers of the Company. Neither have we verified the correctness of any information supplied to us concerning the Property.

REMARKS

We have valued all the properties in Canadian Dollar (CAD).

We enclose herewith the "Property Particulars and Opinion of Value".

Jessie X. Chen

*MRICS, MSc (Real Estate), BEcon
Senior Associate Director*

Jenny S. L. Mok

*MHKIS, MRICS, BSc(Hons)
Senior Manager*

Ms. Jessie X. Chen is a Registered Professional Surveyor (Valuation) with over 10 years' experience in valuation of properties in HKSAR, Macau SAR, mainland China, the Asia Pacific Region, Canada and Australia. Ms. Chen is a Professional Member of The Royal Institution of Chartered Surveyors.

Ms. Jenny S. L. Mok is a Chartered Surveyor with over 10 years' experience in valuation of properties in HKSAR and mainland China. Ms. Mok is a Professional Member of The Royal Institution of Chartered Surveyors and a Member of The Hong Kong Institute of Surveyors.

PROPERTY PARTICULARS AND OPINION OF VALUE

Property	Description and tenure	Particulars of occupancy	Market value as at 30 June 2024											
A hotel located at 1601 Bayshore Drive, Vancouver, B.C., V6G 2V4, Canada	The Property comprises a hotel complex, known as The Westin Bayshore Vancouver, including a 9-storey mid-rise hotel building completed in 1961, an 18-storey high-rise hotel building completed in 1970, a convention center completed in about 2001 and two airspace parcels which are an underground parking garage containing approximately 230 parking stalls. Associated renovations were completed at around 2019.	The Property is currently operated as a hotel by Westin Hotel Management, L.P. (the “Operator”) for a term of thirty (30) years commencing from 31st May, 2013.	CAD259,000,000 50% interest attributed to the Group: CAD129,500,000											
Lot J of the Public Harbour of Burrard Inlet Plan LMP12980;	According to the Bayshore Property Survey provided by the Company, the total site area of Lot J is 275,040 sq.ft. (6.33 acres). Details are as follows:	Portions of the retail and office spaces of the Property are leased under various tenancies with the last term expiring on 28 February 2025 yielding a total monthly rental of CAD18,969.17 exclusive of management fees.												
Air Space Parcel 1 of the Public Harbour of Burrard Inlet Air Space Plan BCP5714;														
Air Space Parcel 2 of the Public Harbour of Burrard Inlet Air Space Plan BCP5715	<table border="1"> <thead> <tr> <th>Site Area</th> <th>Acres</th> <th>Sq.ft.</th> </tr> </thead> <tbody> <tr> <td>Land Lot</td> <td>5.54</td> <td>240,788</td> </tr> <tr> <td>Marina Water Lot</td> <td>0.79</td> <td>34,252</td> </tr> <tr> <td>Total:</td> <td>6.33</td> <td>275,040</td> </tr> </tbody> </table>	Site Area	Acres	Sq.ft.	Land Lot	5.54	240,788	Marina Water Lot	0.79	34,252	Total:	6.33	275,040	
Site Area	Acres	Sq.ft.												
Land Lot	5.54	240,788												
Marina Water Lot	0.79	34,252												
Total:	6.33	275,040												
	The existing building and structure of the Property has a floor area of approximately 449,123 sq.ft. comprising 499 guest rooms in the 9-storey and the 18-storey hotel towers. The Property also comprises a marina, two restaurants, a retail mall, fitness facilities and large conference facilities.													

Notes:

1. Pursuant to one title document numbered CA3357712, the registered owner of the Property is SWA Vancouver Hotel Nominee Inc., Inc. No.C0908345 (“SWA”).
2. The Property is governed by a site specific CD-1 zoning and falls within Zone CD-1 (321). CD-1 is designated for comprehensive development, which permits a mix of residential and commercial usage.

3. In undertaking our valuation of the Property, we have made reference to various market comparable. We have selected the comparable based on the consideration of usage, grading, condition, location, time of transaction, scale, service and facilities etc. The comparable adopted is considered to be most relevant and appropriate. Details of selected comparable are listed below:

	Hyatt Regency La Jolla	The Rimrock Resort Hotel	GEC Granville Suites Hotel Downtown	King Blue Hotel
Location:	San Diego CA, US	Banff, AB, Canada	Vancouver, BC, Canada	Toronto, ON, Canda
No. of rooms:	419	330	143	118
Grading:	4.5	4.5	3.0	4.0
Time:	Jul 2022	Jun 2023	Nov 2023	Sep 2021
Consideration (CAD):	293,371,000	170,000,000	70,000,000	74,000,000
Unit Rate per room (CAD):	700,169.45	515,151.52	489,510.49	627,118.64
Total Adjustments:	-10.9%	-4.6%	-2.1%	-21.4%
Adjusted Unite Rate per room (CAD):	623,851.98	491,454.55	479,240.56	492,828.71

We have compared the factors and made adjustments on time, condition, location, facilities, age and size. Time factor is reflecting the different market situation between transaction date of comparable and the valuation date. Condition is comparing in terms of design, decoration or maintenance. Adjustment on location is based on transportation condition, surrounding view and environment, distance to downtown or major tourism sport. Facilities is adjusted based on comparison on the facilities provided like restaurant, meeting room, gym room, swimming pool etc. Age factor is compared mainly based on completion year or renovated year. For size, downward adjustment is made for increase in size to reflect the marketability and affordability of the total amount, and vice versa. After making the above due adjustments, the adopted unit rate per room is at CAD520,000.

4. In the course of our valuation, we have valued the Property based on the following assumptions:
- i. the Property is legally held by SWA, an indirectly wholly-owned subsidiary of the Target Company;
 - ii. SWA is entitled to transfer, lease, mortgage or dispose of the Property freely in the market; and
 - iii. the Property is free from any mortgage or third parties' encumbrance.

1. RESPONSIBILITY STATEMENT

This circular, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the Listing Rules for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief the information contained in this circular is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this circular misleading.

2. DISCLOSURE OF INTERESTS OF THE DIRECTORS AND CHIEF EXECUTIVE OF THE COMPANY

As at the Latest Practicable Date, the interests and short positions of the Directors and chief executive of the Company and/or their respective close associates in the shares, underlying shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO), which (i) were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which they were taken or deemed to have under such provisions of the SFO); or (ii) were required, pursuant to section 352 of the SFO, to be entered in the register referred to therein; or (iii) were required, pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers (the “**Model Code**”) as set out in Appendix C3 to the Listing Rules, to be notified to the Company and the Stock Exchange, were as follows:

The Company

Name of Director	Number of Shares held	Number of underlying shares held (Note 2)	Total	Percentage (Note 4)
Mr. Cheung Hon Kit (“ Mr. HK Cheung ”)	48,800,000	2,600,000	51,400,000	5.66%
Dr. Chan	518,948,012 (Note 3)	–	518,948,012	57.20%
Mr. Chan Yiu Lun, Alan (“ Mr. Alan Chan ”)	4,075,781	1,000,000	5,075,781	0.55%
Ms. Chau Mei Wah (“ Ms. Rosanna Chau ”)	11,952,564	–	11,952,564	1.31%
Hon. Shek Lai Him, Abraham, <i>GBS, JP</i>	322,347	500,000	822,347	0.09%
Mr. Ip Hon Wah	–	300,000	300,000	0.03%

Notes:

1. Except Dr. Chan, all the Directors were the beneficial owners having personal interests in the Shares and/or underlying shares of the Company disclosed above. All the interests disclosed above were long positions.
2. This represented the aggregate number of share options granted to the Directors by the Company (being regarded as unlisted physically settled equity derivatives) on 28 September 2021 at an exercise price of HK\$1.03 per share option under the share option scheme adopted by the Company on 10 September 2021. The period during which these share options can be exercised is from 1 April 2022 to 30 September 2025 (both dates inclusive), provided that 25% of the share options shall be exercisable during each of the periods (i) from 1 April 2022 to 30 September 2025 (both dates inclusive), (ii) from 1 October 2022 to 30 September 2025 (both dates inclusive), (iii) from 1 April 2023 to 30 September 2025 (both dates inclusive), and (iv) from 1 October 2023 to 30 September 2025 (both dates inclusive). The vesting period of the share options is from the date of the grant until the commencement of the exercise period.
3. By virtue of Part XV of the SFO, Dr. Chan was interested in and deemed to be interested in a total of 518,948,012 Shares as follows:
 - (i) he was the beneficial owner having personal interests in 191,588,814 Shares;
 - (ii) he was deemed to have corporate interests in 76,186,279 Shares which were owned by the companies wholly owned by him; and
 - (iii) he was deemed to have family interests in 251,172,919 Shares which were owned by the companies wholly owned by his spouse, Ms. Ng.

Details of (ii) and (iii) above are disclosed in the paragraph headed “Interests of Substantial Shareholders and Other Persons” below.

4. This represented the approximate percentage of the total number of issued Shares as at the Latest Practicable Date.

Save as disclosed above, as at the Latest Practicable Date, none of the Directors or chief executive of the Company and/or their respective close associates had any interests or short positions in any shares, underlying shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO), which (i) were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which they were taken or deemed to have under such provisions of the SFO); or (ii) were required, pursuant to section 352 of the SFO, to be entered in the register referred to therein; or (iii) were required, pursuant to the Model Code, to be notified to the Company and the Stock Exchange.

3. INTERESTS OF SUBSTANTIAL SHAREHOLDERS AND OTHER PERSONS

As at the Latest Practicable Date, so far as known to the Directors or chief executive of the Company, the interests and short positions of the substantial shareholders of the Company or other persons (other than the Directors or chief executive of the Company) in the Shares and underlying shares of the Company, which have been disclosed to the Company pursuant to the provisions of Divisions 2 and 3 of Part XV of the SFO and have been recorded in the register required to be kept by the Company pursuant to section 336 of the SFO were as follows:

<u>Name</u>	<u>Nature of interests</u>	<u>Capacity</u>	<u>Number of Shares held</u>	<u>Percentage (Note 2)</u>
(a) Substantial shareholders				
Ms. Ng	Corporate interests	Interests of controlled corporation	251,172,919	27.68%
	Family interests	Interest of spouse	267,775,093	29.52%
			518,948,012 (Note 3)	57.20%
Record High Enterprises Limited ("Record High")	Corporate interests	Interests of controlled corporation	251,172,919 (Note 3)	27.68%
Fortune Crystal	Personal interests	Beneficial owner	251,172,919 (Note 3)	27.68%
(b) Other persons				
ITC Holdings Limited ("ITC Holdings")	Corporate interests	Interests of controlled corporation	76,186,279 (Note 4)	8.39%
Galaxyway	Personal interests	Beneficial owner	76,186,279 (Note 4)	8.39%

Notes:

- All the interests in the Shares disclosed above were long positions. Also, no underlying shares of the Company were held by the substantial shareholders of the Company and other persons stated above.
- This represented the approximate percentage of the total number of issued Shares as at the Latest Practicable Date.
- Fortune Crystal owned 251,172,919 Shares and was a wholly-owned subsidiary of Record High which in turn was wholly owned by Ms. Ng. As such, Record High and Ms. Ng were deemed to be interested in the 251,172,919 Shares owned by Fortune Crystal by virtue of Part XV of the SFO.

In addition, Ms. Ng was deemed to be interested in the 76,186,279 Shares owned by Galaxyway set out in Note 4 below and the 191,588,814 Shares beneficially owned by Dr. Chan, an executive Director and Joint Vice Chairman of the Company, by virtue of her being the spouse of Dr. Chan for the purpose of Part XV of the SFO.

Accordingly, Ms. Ng was deemed to be interested in a total of 518,948,012 Shares by virtue of Part XV of the SFO.

4. Galaxyway owned 76,186,279 Shares and was a wholly-owned subsidiary of ITC Holdings which in turn was wholly owned by Dr. Chan. As such, ITC Holdings and Dr. Chan were deemed to be interested in the 76,186,279 Shares owned by Galaxyway by virtue of Part XV of the SFO.

Save as disclosed above, as at the Latest Practicable Date, the Company had not been notified of any other interests and short positions in the Shares and underlying shares of the Company which would fall to be disclosed to the Company pursuant to the provisions of Divisions 2 and 3 of Part XV of the SFO, or which were recorded in the register required to be kept by the Company pursuant to section 336 of the SFO.

4. COMPETING INTERESTS

As at the Latest Practicable Date, interests of the Directors and their respective close associates in businesses which competed or were likely to compete, either directly or indirectly, with the businesses of the Group were as follows:

- (i) Mr. HK Cheung, an executive Director and the Chairman of the Company, had personal interests and/or held directorships in companies which were engaged in property investment in Macau, Hong Kong, the PRC and Canada and/or investment in hotel in the PRC;
- (ii) Dr. Chan, an executive Director and Joint Vice Chairman of the Company, and/or his close associate had personal interests and/or held directorships in companies which were engaged in property investment in Hong Kong and/or investment in hotel in Canada and/or securities investments;
- (iii) Mr. Alan Chan, an executive Director, had personal interests and/or held directorships in companies which were engaged in securities investments; and
- (iv) Ms. Rosanna Chau, a non-executive Director, held directorship in a company which was engaged in securities investments.

The Directors are aware of their fiduciary duties to the Company and understand that they must, in the performance of their duties as Directors, avoid actual and potential conflicts of interest and duty in order to ensure that they act in the best interests of the Shareholders and the Company as a whole. In addition, any significant business decisions of the Group are determined by the Board. Any Director who has material interest in any matter being resolved will abstain from voting. In view of the above, the Board considers that the interests of each of the above Directors in other companies neither prejudice his/her capacity as a Director nor compromise the interests of the Group and the Shareholders. Also, the Board opines that coupled with the diligence of the independent non-executive Directors, the Group is capable of carrying on its businesses independently of, and at arm's length from, such businesses in which the above Directors are regarded as being interested in.

5. INTERESTS IN ASSETS AND CONTRACTS

As at the Latest Practicable Date, none of the Directors had any direct or indirect interest in any assets which have, since 31 March 2024 (being the date to which the latest published audited accounts of the Company were made up), been (i) acquired or disposed of by; or (ii) leased to; or (iii) proposed to be acquired or disposed of by; or (iv) proposed to be leased to, any member of the Group.

None of the Directors was materially interested in any contract or arrangement subsisting at the Latest Practicable Date which is significant in relation to the business of the Group.

6. SERVICE CONTRACTS

As at the Latest Practicable Date, none of the Directors had any existing or proposed service contract with any member of the Group which does not expire or is not determinable by the Group within one year without payment of compensation (other than statutory compensation).

7. MATERIAL CONTRACTS

The following are contracts (not being contracts entered into in the ordinary course of business) entered into by the members of the Group within the two (2) years immediately preceding the Latest Practicable Date and are or may be material:

- (i) the agreement for sale and purchase dated 10 January 2024 entered into between Beam Castle Limited (“**Beam Castle**”), a company incorporated in BVI with limited liability and an indirect wholly-owned subsidiary of the Company, as vendor and Ms. Yang Yan as purchaser in relation to the sale and purchase of 49% shareholding interests in Premier Maker Limited (“**Premier Maker**”) and the amount owing by Premier Maker to Beam Castle, for an aggregate consideration of HK\$50.0 million;
- (ii) the agreement for sale and purchase dated 30 April 2024 entered into between Great Intelligence Limited, a company incorporated in Hong Kong with limited liability and an indirect wholly-owned subsidiary of the Company, as vendor and Mexfair Limited, a company incorporated in Hong Kong with limited liability and an Independent Third Party, as purchaser in relation to the sale and purchase of the whole of 30th Floor and the four (4) car parking spaces numbered 4043, 4087, 4088 and 4089 respectively located on the 4th Floor of Bank of America Tower, No.12 Harcourt Road, Central, Hong Kong for an aggregate consideration of HK\$260.0 million; and
- (iii) the Agreement.

8. LITIGATION

As at the Latest Practicable Date, there was no litigation or claim of material importance known to the Directors to be pending or threatened against any member of the Group.

9. EXPERT AND CONSENT

The following is the qualification of the expert who has given opinions or advice contained in this circular:

Name	Qualification
RHL Appraisal Limited	independent professional valuer

The expert listed above has given and has not withdrawn its written consent to the issue of this circular with the inclusion herein of its letter and reference to its name in the form and context in which they respectively appear.

As at the Latest Practicable Date, the expert listed above had no shareholding, directly or indirectly, in any member of the Group or the right (whether legally enforceable or not) to subscribe for or to nominate persons to subscribe for securities in any member of the Group.

As at the Latest Practicable Date, the expert listed above had no direct or indirect interest in any assets which had been, since 31 March 2024 (being the date to which the latest published audited accounts of the Company were made up), (i) acquired or disposed of by; or (ii) leased to; or (iii) proposed to be acquired or disposed of by; or (iv) proposed to be leased to, any member of the Group.

10. DOCUMENTS ON DISPLAY

Copies of the following documents are published on the website of the Stock Exchange at www.hkexnews.hk and the website of the Company at www.itcproperties.com for a period of fourteen (14) days from the date of this circular:

- (i) the Agreement;
- (ii) the letter of consent referred to in the paragraph headed “Expert and Consent” in this appendix;
- (iii) the valuation report on the Target Group as set out in Appendix II to this circular; and
- (iv) the valuation report on the Property as set out in Appendix III to this circular.

11. GENERAL

- The company secretary of the Company is Ms. Wong Siu Mun. She is an associate of both The Hong Kong Chartered Governance Institute and The Chartered Governance Institute in the United Kingdom.
- The registered office of the Company is situated at Clarendon House, 2 Church Street, Hamilton HM 11, Bermuda.
- The Company’s principal place of business in Hong Kong is situated at 30/F., Bank of America Tower, 12 Harcourt Road, Central, Hong Kong.
- The branch share registrar and transfer office of the Company in Hong Kong is Tricor Secretaries Limited at 17/F., Far East Finance Centre, 16 Harcourt Road, Hong Kong.
- In case of any inconsistency, the English version of this circular shall prevail over the Chinese version.