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德祥地產集團有限公司\*

**ITC PROPERTIES GROUP LIMITED**

*(Incorporated in Bermuda with limited liability)*

**(Stock Code : 199)**

**UPDATE ON THE DISCLOSEABLE TRANSACTION  
IN RELATION TO THE DISPOSAL OF THE ENTIRE EQUITY  
INTEREST IN AND SHAREHOLDER'S LOAN TO  
LINKTOP LIMITED**

The Board wishes to announce that on 14th March, 2012, the Vendor and the Purchaser have entered into the Supplemental Agreement to extend the date of Completion to 13th June, 2012.

Reference is made to the announcement of the Company dated 13th December, 2011 (the "**Announcement**") in relation to the discloseable transaction involving the disposal by the Vendor, an indirect wholly-owned subsidiary of the Company, of the entire issued share capital of Linktop which indirectly holds 45% effective interest in the Guizhou JV and all the shareholder's loan due from Linktop to the Vendor as at Completion. Capitalised terms used herein have the same meanings as those defined in the Announcement unless otherwise specified.

As stated in the Announcement, Completion shall take place on the date falling three (3) months from the date of the Disposal Agreement, i.e. on 13th March, 2012, or such other date as the Vendor and the Purchaser may mutually agree in writing. The Purchaser has requested the Vendor to extend the date of Completion to 13th June, 2012. In the circumstances and after negotiations between the parties, the Vendor and the Purchaser have on 14th March, 2012 entered into a supplemental agreement (the "**Supplemental Agreement**") whereby it was agreed that:

\* *For identification purpose only*

- (i) the Purchaser shall pay a further deposit of HK\$10.0 million (equivalent to approximately RMB8.2 million (the “**Further Deposit**”) to the Vendor before 28th March, 2012;
- (ii) the date of Completion shall be deferred to 13th June, 2012;
- (iii) the Purchaser shall pay interest on the unpaid balance of the Consideration of approximately RMB136.8 million, calculated from 13th March, 2012 up to and including the new completion date of 13th June, 2012 at the interest rate of 15% per annum to the Vendor on Completion; and
- (iv) if the Purchaser fails to make the payment of the Further Deposit and/or complete the Disposal Agreement, the Vendor shall be entitled to terminate the Disposal Agreement (as varied and amended by the Supplemental Agreement) and forfeit HK\$40.0 million of the Deposit without prejudice to its right to claim against the Purchaser for any further loss and damages and the balance of the Deposit and the Further Deposit shall be retained by the Vendor on account of such loss and damages.

Save as amended above, all terms and conditions of the Disposal Agreement remain unchanged and continue in full force and effect. The Board considers that the terms of the Supplemental Agreement are fair and reasonable and in the interests of the Company and the Shareholders as a whole.

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

Hong Kong, 14th March, 2012

As at the date of this announcement, the Directors are as follows:

*Executive Directors:*

Mr. Cheung Hon Kit (*Chairman*)  
Mr. Chan Fut Yan (*Managing Director*)  
Mr. Cheung Chi Kit  
Mr. Chan Yiu Lun, Alan

*Non-executive Director:*

Mr. Ma Chi Kong, Karl

*Independent non-executive Directors:*

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