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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)**

**VOLUNTARY OFFER BY  
OPTIMA CAPITAL LIMITED  
ON BEHALF OF ITC PROPERTIES GROUP LIMITED  
TO REPURCHASE UP TO 260,000,000 SHARES  
AT A PRICE OF HK\$2.60 PER SHARE  
(OF WHICH HK\$0.60 WILL BE SATISFIED BY CASH  
AND THE BALANCE OF HK\$2.00 WILL BE SATISFIED  
BY WAY OF THE LOAN NOTES)**

**RESULTS OF THE OFFER**

**Financial Adviser**

  
**Optima Capital Limited**

On 20th January, 2012, the Offer and the Whitewash Waiver were approved by the Independent Shareholders and the Offer has become unconditional. As at 4:00 p.m. on Friday, 3rd February, 2012, being the Latest Acceptance Time, valid acceptances in respect of a total of 196,918,150 Tendered Shares were received by the Registrar from the accepting Qualifying Shareholders under the Offer, representing approximately 34.86% of the total issued Shares as at the Latest Acceptance Time and approximately 75.74% of the maximum number of 260,000,000 Shares proposed to be repurchased by the Company under the Offer.

Among the Tendered Shares, (i) a total of 132,113,466 Assured Shares were tendered under the Assured Entitlements; and (ii) a total of 64,804,684 Excess Shares were tendered in excess of the Assured Entitlements. According to the terms of the Offer, all Tendered Shares are repurchased and will be cancelled by the Company. The total consideration payable by the Company under the Offer is HK\$511,987,190 (as to HK\$118,150,890 in cash and the balance of HK\$393,836,300 by way of the Loan Notes).

\* For identification purpose only

The Company has decided not to extend the period for acceptance of the Offer, and the Offer closed at 4:00 p.m. on Friday, 3rd February, 2012.

Immediately after completion of the Offer, the interest in the Company's issued share capital held by Selective Choice and parties acting in concert with it increased from approximately 27.44% to approximately 42.13%.

The Registrar will send, by ordinary post at the accepting Qualifying Shareholder's own risk, a remittance for such total amount as is due to that accepting Qualifying Shareholder and the certificate of the Loan Notes under the Offer (subject to deduction of the seller's ad valorem stamp duty payable on the Shares repurchased from such accepting Qualifying Shareholder) as soon as possible but in any event within ten (10) days after the close of the Offer, that is, on or before Monday, 13th February, 2012.

References are made to the announcements of the Company dated 28th November, 2011 and 20th January, 2012 respectively, and the offer document of the Company dated 3rd January, 2012 (the "**Offer Document**") in respect of the Offer. Unless the context otherwise requires, capitalised terms used herein shall have the same meanings as those defined in the Offer Document. The Company announced on 20th January, 2012 that the Offer and the Whitewash Waiver were approved by the Independent Shareholders at the SGM and the Offer has become unconditional.

#### **ASSURED ENTITLEMENTS**

Save for the 564,919,597 Shares in issue, the 2013 CBs with an aggregate outstanding principal amount of HK\$619,050,000 and the 19,300,000 Options, the Company did not have any other class of securities, outstanding options, derivatives, warrants or securities which are convertible or exchangeable into Shares during the Offer Period. Since no Share was issued during the Offer Period, the Qualifying Shareholders will be able to sell to the Company under the Offer approximately 64.70% of the Shares they hold as at the close of the Offer (to be rounded down to the nearest whole number of Share), i.e. 1,940 Shares for every board lot of 3,000 Shares held by each Qualifying Shareholder.

#### **ACCEPTANCE LEVEL OF THE OFFER**

As at 4:00 p.m. on Friday, 3rd February, 2012, being the Latest Acceptance Time, valid acceptances in respect of a total of 196,918,150 Shares (the "**Tendered Shares**") were received by the Registrar from the accepting Qualifying Shareholders under the Offer, representing approximately 34.86% of the total issued Shares as at the Latest Acceptance Time and approximately 75.74% of the maximum number of 260,000,000 Shares proposed to be repurchased by the Company under the Offer.

## TOTAL CONSIDERATION PAYABLE

Among the Tendered Shares, (i) a total of 132,113,466 Shares (the “**Assured Shares**”) were tendered under the Assured Entitlements; and (ii) a total of 64,804,684 Shares (the “**Excess Shares**”) were tendered in excess of the Assured Entitlements. According to the terms of the Offer, all Tendered Shares are repurchased and will be cancelled by the Company. The total consideration payable by the Company under the Offer is HK\$511,987,190 (as to HK\$118,150,890 in cash and the balance of HK\$393,836,300 by way of the Loan Notes).

## CLOSE OF THE OFFER

The Company has decided not to extend the period for acceptance of the Offer, and the Offer closed at 4:00 p.m. on Friday, 3rd February, 2012.

## SHAREHOLDING STRUCTURE OF THE COMPANY

The table below shows the shareholding structure of the Company, immediately before 28th November, 2011, being the date of the Announcement (which remains unchanged immediately before the close of the Offer), and immediately after completion of the Offer:

	<b>Immediately before the close of the Offer</b>		<b>Immediately after completion of the Offer</b>	
	<i>(Shares)</i>	<i>(Approx. %)</i>	<i>(Shares)</i>	<i>(Approx. %)</i>
Selective Choice	139,583,474	24.71	139,583,474	37.93
PYI ( <i>Note 1</i> )	6,177,000	1.09	6,177,000	1.68
Dr. Charles Chan	6,066,400	1.07	6,066,400	1.65
Ms. Chau	3,200,000	0.57	3,200,000	0.87
<b><i>Selective Choice and parties acting in concert with it</i></b>	<b>155,026,874</b>	<b>27.44</b>	<b>155,026,874</b>	<b>42.13</b>
Mr. Cheung Hon Kit ( <i>Note 2</i> )	14,202,000	2.51	14,202,000	3.86
Public Shareholders	395,690,723	70.05	198,772,573	54.01
<b>Total</b>	<b>564,919,597</b>	<b>100.00</b>	<b>368,001,447</b>	<b>100.00</b>

Notes:

1. PYI is an associated company of ITC.
2. Mr. Cheung Hon Kit is the chairman of the Company and an executive Director.

Immediately after completion of the Offer, the interest in the Company’s issued share capital held by Selective Choice and parties acting in concert with it increased from approximately 27.44% to approximately 42.13%.

None of the Company or parties acting in concert with it acquired or agreed to acquire any Shares or rights over Shares during the Offer Period.

As Selective Choice and parties acting in concert with it holds 42.13% of the voting rights of the Company in aggregate upon completion of the Offer, Selective Choice and parties acting in concert with it may further increase their shareholding in the Company by 2% within the 12 months period following the completion of the Offer without triggering any further obligation under the Takeovers Code to make a general offer.

None of the Company, the Directors, Selective Choice or parties acting in concert with it has dealt for value in any Shares, options, warrants, derivatives or securities convertible into the Shares or has borrowed or lent any relevant securities (as defined under Note 4 to Rule 22 of the Takeovers Code) during the Offer Period.

## **SETTLEMENT**

The Registrar will send, by ordinary post at the accepting Qualifying Shareholder's own risk, a remittance for such total amount as is due to that accepting Qualifying Shareholder and the certificate of the Loan Notes under the Offer (subject to deduction of the seller's ad valorem stamp duty payable on the Shares repurchased from such accepting Qualifying Shareholder) as soon as possible but in any event within ten (10) days after the close of the Offer, that is, on or before Monday, 13th February, 2012.

## **ODD LOTS ARRANGEMENTS**

As stated in the Offer Document, Success Securities Limited, whose address is at Suite 1603-7, 16/F., Great Eagle Centre, 23 Harbour Road, Wanchai, Hong Kong (contact person: Mr. Yim Siu Kei and/or Mr. Pan Wing Shing, telephone number: (852) 2598-1027) has been appointed by the Company as the designated broker to match sales and purchases of odd lot holdings of Shares in the market for a period of six (6) weeks from the completion of the Offer to enable the accepting Qualifying Shareholders who hold odd lots of the Shares as a result of acceptance of the Offer to dispose of their odd lots or to top up their odd lots to whole board lots of 3,000 Shares. The accepting Qualifying Shareholders should note that the matching of odd lots of the Shares is not guaranteed.

## **ADJUSTMENTS RELATING TO THE 2013 CBS**

Pursuant to the terms of the instruments constituting the 2013 CBS, adjustments to the conversion price may have to be made upon completion of the Offer. The Company will instruct a financial adviser to certify in writing the adjustments (if any) that ought to be made and will announce further details of such adjustments in accordance with the Listing Rules.

## **POSSIBLE LISTING OF THE LOAN NOTES**

In order to provide liquidity for the holders of the Loan Notes, the Company will consider seeking a listing of the Loan Notes on the Stock Exchange or other recognised stock exchange(s) at a later date following the close of the Offer.

On behalf of the Board  
**ITC Properties Group Limited**  
**Cheung Hon Kit**  
*Chairman*

Hong Kong, 3rd February, 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

*The Directors jointly and severally accept full responsibility for the accuracy of the information contained in this announcement and confirm, having made all reasonable enquiries, that to the best of their knowledge, opinions expressed in this announcement have been arrived at after due and careful consideration and there are no other facts not contained in this announcement, the omission of which would make any statement in this announcement misleading.*