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ITC CORPORATION LIMITED

(Incorporated in Bermuda with limited liability)

(Stock Code: 372)

(Warrant Code: 779)

**PROPOSED RIGHTS ISSUE
ON THE BASIS OF FOUR RIGHTS SHARES
FOR EVERY REORGANISED SHARE HELD
ON THE RECORD DATE
AND
RESUMPTION OF TRADING**

Financial Adviser



Underwriter of the Rights Issue



PROPOSED RIGHTS ISSUE

The Company proposes, subject to the Capital Reorganisation becoming effective, to raise approximately HK\$107.78 million before expenses (assuming no conversion or subscription rights attaching to the Convertible Notes, the Warrants and the Options are exercised on or before the Record Date) to approximately HK\$139.01 million before expenses (assuming full exercise of the conversion or subscription rights attaching to the Convertible Notes, the Warrants (other than the CC Warrants) and the Options (other than the Directors' Options) on or before the Record Date) by way of the Rights Issue of issuing not less than 538,922,480 Rights Shares and not more than 695,036,396 Rights Shares at the Subscription Price of HK\$0.20 per Rights Share payable in full on acceptance.

The Company will provisionally allot to the Qualifying Shareholders four Rights Shares in nil-paid form for every Reorganised Share in issue and held on the Record Date. The Rights Issue will not be available to the Excluded Shareholders.

The estimated net proceeds of the Rights Issue will be between approximately HK\$103.78 million (assuming no conversion or subscription rights attaching to the Convertible Notes, the Warrants and the Options are exercised on or before the Record Date) to HK\$134.22 million (assuming full exercise of the conversion or subscription rights attaching to the Convertible Notes, the Warrants (other than the CC Warrants) and the Options (other than the Directors' Options) on or before the Record Date). The Company intends to utilise the entire net proceeds from the Rights Issue as the general working capital of the Group.

The Rights Issue is conditional, inter alia, upon the fulfillment of the conditions set out under the sub-paragraph headed “Conditions of the Rights Issue” below. In particular, the Rights Issue is subject to the Underwriter not terminating the Underwriting Agreement in accordance with the terms set out therein. Accordingly, the Rights Issue may or may not proceed. Any Shareholders or other persons contemplating selling or purchasing Shares or Reorganised Shares (as the case may be) and/or Rights Shares in their nil-paid form up to the date when the conditions of the Rights Issue are fulfilled will bear the risk that the Rights Issue could not become unconditional and may not proceed.

Pursuant to the requirements of the Listing Rules, the Rights Issue is conditional on the approval by the Shareholders by way of poll at the SGM, where the controlling Shareholder, or in the case that the Company has no controlling Shareholder, the Directors (excluding the independent non-executive Directors), the chief executive of the Company and their respective associates are required to abstain from voting in favour of the Rights Issue. As at the date of this announcement, Dr. Chan and his associates hold an aggregate of 937,065,854 Shares, representing approximately 34.78% of the existing issued share capital of the Company. Consequently, Dr. Chan and his associates will be required to abstain from voting in favour of the proposed resolution approving the Rights Issue at the SGM.

An independent board committee of the Company comprising all the independent non-executive Directors will be established to make recommendation to the Independent Shareholders in respect of the Rights Issue. An independent financial adviser will be appointed to advise the independent board committee of the Company and the Independent Shareholders in this regard.

GENERAL

The Circular containing, among other things, (i) further details about the Rights Issue; (ii) a letter of recommendation from the independent board committee of the Company to the Independent Shareholders in respect of the Rights Issue; (iii) a letter of advice from the independent financial adviser to the independent board committee of the Company and the Independent Shareholders on the Rights Issue; and (iv) the notice convening the SGM, will be despatched to the Shareholders as soon as practicable.

After the approval of the Rights Issue by the Independent Shareholders at the SGM, the Prospectus Documents will be despatched to the Qualifying Shareholders on the Posting Date, and the Prospectus will be despatched to the Excluded Shareholders for information only on the Posting Date.

RESUMPTION OF TRADING

At the request of the Company, trading in the securities of the Company on the Stock Exchange was suspended with effect from 9:30 a.m. on 17 March 2009 pending the release of this announcement. Application has been made to the Stock Exchange for the resumption of trading in the securities of the Company on the Stock Exchange from 9:30 a.m. on 18 March 2009.

PROPOSED RIGHTS ISSUE

The Rights Issue is proposed to take place after the Capital Reorganisation becoming effective.

Issue statistics

Basis of the Rights Issue	:	Four Rights Shares for every Reorganised Share held on the Record Date
Number of Shares in issue as at the date of this announcement	:	2,694,612,416 Shares
Number of Reorganised Shares in issue assuming the Capital Reorganisation becoming effective	:	134,730,620 Reorganised Shares
Number of Rights Shares	:	not less than 538,922,480 Rights Shares (assuming no conversion or subscription rights attaching to the Convertible Notes, the Warrants and the Options are exercised on or before the Record Date) and not more than 695,036,396 Rights Shares (assuming full exercise of the conversion or subscription rights attaching to the Convertible Notes, the Warrants (other than the CC Warrants) and the Options (other than the Directors' Options) on or before the Record Date) (<i>Note</i>)
Subscription Price	:	HK\$0.20 per Rights Share

Note:

As at the date of this announcement:

- (1) there are outstanding Convertible Notes with an aggregate principal amount of HK\$200 million convertible into 327,868,852 Shares at the conversion price of HK\$0.61 per Share (subject to adjustments). Assuming full conversion of the Convertible Notes on or before the Record Date, a total of 327,868,852 new Shares (equivalent to 16,393,442 Reorganised Shares upon the Capital Reorganisation becoming effective) would fall to be issued, which would result in the issue of additional 65,573,768 Rights Shares;
- (2) there are a total of 538,913,906 Warrants outstanding carrying rights to subscribe for 538,913,906 Shares at an initial subscription price of HK\$0.22 per Share (subject to adjustments). Assuming full exercise of the subscription rights attaching to the Warrants (other than the CC Warrants) on or before the Record Date, a total of 351,500,736 new Shares (equivalent to 17,575,037 Reorganised Shares upon the Capital Reorganisation becoming effective) would fall to be issued, which would result in the issue of additional 70,300,148 Rights Shares; and
- (3) there are outstanding Options to subscribe for an aggregate of 197,600,000 Shares. Assuming full exercise of the subscription rights attaching to the Options (other than the Directors' Options) on or before the Record Date, a total of 101,200,000 new Shares (equivalent to 5,060,000 Reorganised Shares upon the Capital Reorganisation becoming effective) would fall to be issued, which would result in the issue of additional 20,240,000 Rights Shares.

Based on the above, the maximum number of Rights Shares that may be issued under the Rights Issue would become 695,036,396.

Save for the outstanding Convertible Notes, Warrants and Options as mentioned above, the Company has no other outstanding convertible securities, options or warrants in issue which confer any right to convert into or subscribe for Shares as at the date of this announcement.

Assuming no conversion or subscription rights attaching to the outstanding Convertible Notes, Warrants and Options as mentioned above are exercised on or before the Record Date, the 538,922,480 nil-paid Rights Shares proposed to be provisionally allotted represent 400% of the Company's issued share capital (assuming the Capital Reorganisation becoming effective) as at the date of this announcement and 80% of the Company's issued share capital as enlarged by the issue of the Rights Shares.

Qualifying Shareholders

The Company will send the Prospectus Documents to the Qualifying Shareholders.

To qualify for the Rights Issue, a Shareholder must:

1. be registered as a member of the Company at the close of business on the Record Date; and
2. be a Qualifying Shareholder.

In order to be registered as members of the Company at the close of business on the Record Date, Shareholders must lodge their transfers of Shares or Reorganised Shares (as the case may be) (together with the relevant share certificates) with the Registrar at 26th Floor, Tesbury Centre, 28 Queen's Road East, Wanchai, Hong Kong for registration by no later than 4:30 p.m. on 22 April 2009.

Closure of register of members

The register of members of the Company will be closed from 23 April 2009 to 28 April 2009, both dates inclusive. No transfer of the Reorganised Shares will be registered during this period.

Rights of Overseas Shareholders

The Prospectus Documents are not intended to be registered under the applicable securities legislation of any jurisdiction other than Hong Kong and Bermuda.

The Company is currently making enquiries pursuant to Rule 13.36(2) of the Listing Rules regarding the feasibility of extending the Rights Issue to the Overseas Shareholders. If, based on legal opinions, the Directors consider that it is necessary or expedient not to offer the Rights Shares to the Overseas Shareholders on account either of the legal restrictions under the laws of the relevant place(s) or the requirements of the relevant regulatory body or stock exchange in that(those) place(s), the Rights Issue will not be available to such Overseas Shareholders. Further information in this connection will be set out in the Circular and the Prospectus. The Company will send copies of the Prospectus to the Excluded Shareholders for their information only, but will not send any PAL and EAF to them.

Arrangements will be made for Rights Shares which would otherwise have been provisionally allotted to the Excluded Shareholders to be sold in the market in their nil-paid form as soon as practicable after dealings in the nil-paid Rights Shares commence, if a premium (net of expenses) can be obtained. The proceeds of such sale, less expenses, of more than HK\$100 will be paid pro rata to the Excluded Shareholders. The Company will retain individual amounts of HK\$100 or less for the benefits of the Company. Any unsold entitlement of the Excluded Shareholders, together with any Rights Shares provisionally allotted but not accepted, will be made available for excess application on EAFs by the Qualifying Shareholders.

Subscription Price

The Subscription Price is HK\$0.20 per Rights Share, payable in full upon acceptance of the relevant provisional allotment of Rights Shares and, where applicable, application for excess Rights Shares under the Rights Issue or when a transferee of nil-paid Rights Shares applies for the Rights Shares.

The Subscription Price represents:

- (i) a discount of approximately 82.76% to the theoretical closing price of HK\$1.16 per Reorganised Share, based on the closing price of HK\$0.058 per Share as quoted on the Stock Exchange on the Last Trading Day and adjusted taking into account the effect of the Capital Reorganisation;
- (ii) a discount of approximately 48.98% to the theoretical ex-rights price of approximately HK\$0.392 per Reorganised Share, based on the closing price of HK\$0.058 per Share as quoted on the Stock Exchange on the Last Trading Day and adjusted taking into account the effect of the Capital Reorganisation; and
- (iii) a discount of approximately 82.58% to the average theoretical closing price of approximately HK\$1.148 per Reorganised Share, based on the average closing price of HK\$0.0574 per Share as quoted on the Stock Exchange from 9 March 2009 to 13 March 2009, both dates inclusive, being the last five consecutive trading days immediately before the date of the Underwriting Agreement and adjusted taking into account the effect of the Capital Reorganisation.

The Subscription Price was arrived at after arm's length negotiation between the Company and the Underwriter with reference to the market price of the Shares under the prevailing market conditions. The Directors (excluding the independent non-executive Directors who will give their view on the Rights Issue after taking into account the advice of the independent financial adviser) consider that the discount of the Subscription Price would encourage the Shareholders to participate in the Rights Issue and accordingly maintain their shareholdings in the Company and participate in the future growth of the Group and the terms of the Rights Issue (including the rate of commission) to be fair and reasonable and in the interests of the Group and the Shareholders as a whole. The net price per Rights Share upon full acceptance of the relevant provisional allotment of Rights Shares (assuming no conversion or subscription rights attaching to the Convertible Notes, the Warrants and the Options are exercised on or before the Record Date) will be approximately HK\$0.193.

Basis of provisional allotment

The basis of the provisional allotment shall be four Rights Shares for every Reorganised Share in issue and held as at the close of business on the Record Date, being not less than 538,922,480 Rights Shares and not more than 695,036,396 Rights Shares at the Subscription Price payable in full on acceptance and otherwise on the terms and subject to the conditions set out in the Underwriting Agreement and the Prospectus Documents.

Fractions of Rights Shares

The Company will not provisionally allot fractions of Rights Shares in nil-paid form. All fractions of nil-paid Rights Shares will be aggregated and all nil-paid Rights Shares arising from such aggregation will be sold in the market, if a premium (net of expenses) can be achieved, and the Company will retain the net proceeds from such sale(s) for its benefit. Any unsold fractions of nil-paid Rights Shares will be made available for excess application under the EAFs.

Status of the Rights Shares

The Rights Shares, when allotted and fully paid, will rank pari passu in all respects with the Reorganised Shares then in issue. Holders of fully-paid Rights Shares will be entitled to receive all future dividends and distributions which are declared, made or paid after the date of allotment of the Rights Shares in their fully-paid form.

Application for excess Rights Shares

Qualifying Shareholders may apply, by way of excess application, for any unsold entitlements of the Excluded Shareholders and for any Rights Shares provisionally allotted but not accepted by the Qualifying Shareholders.

Applications for excess Rights Shares may be made by completing the EAFs and lodging the same with a separate remittance for the excess Rights Shares being applied for. The Directors will allocate the excess Rights Shares at their discretion on a fair and equitable basis on the following principles:

- (1) preference will be given to applications for less than a board lot of Rights Shares where they appear to the Directors that such applications are made to round up odd-lot holdings to whole-lot holdings and that such applications are not made with intention to abuse this mechanism; and
- (2) subject to availability of excess Rights Shares after allocation under principle (1) above, the excess Rights Shares will be allocated to the Qualifying Shareholders based on a sliding scale with reference to the number of the excess Rights Shares applied by them (i.e. Qualifying Shareholders applying for a smaller number of Rights Shares are allocated with a higher percentage of successful application but will receive a lesser number of Rights Shares; whereas Qualifying Shareholders applying for a larger number of Rights Shares are allocated with a smaller percentage of successful application but will receive a higher number of Rights Shares) and with board lot allocations to be made on a best effort basis.

Investors with their Shares or Reorganised Shares (as the case may be) held by a nominee company should note that the Board will regard the nominee company as a single Shareholder according to the register of members of the Company. Accordingly, the Shareholders should note that the aforesaid arrangement in relation to the allocation of the excess Rights Shares will not be extended to beneficial owners individually. Investors with their Shares or Reorganised Shares (as the case may be) held by a nominee company are advised to consider whether they would like to arrange for the registration of the relevant Shares or Reorganised Shares (as the case may be) in the name of the beneficial owner(s) prior to the Record Date.

Investors whose Shares or Reorganised Shares (as the case may be) are held by their nominee(s) and who would like to have their names registered on the register of members of the Company must lodge all necessary documents with the Registrar for completion of the relevant registration by 4:30 p.m. on 22 April 2009.

Share certificates and refund cheques for Rights Issue

Subject to the fulfillment of the conditions of the Rights Issue, certificates for all fully-paid Rights Shares are expected to be posted to those entitled thereto by ordinary post at their own risk on or before 22 May 2009. Refund cheques in respect of wholly or partially unsuccessful applications for excess Rights Shares (if any) are expected to be posted on or before 22 May 2009 by ordinary post to the applicants at their own risk.

Application for listing

The Company will apply to the Listing Committee of the Stock Exchange for the listing of, and permission to deal in, the Rights Shares in both their nil-paid and fully-paid forms.

Subject to the granting of the listing of, and permission to deal in, the Rights Shares in both their nil-paid and fully-paid forms on the Stock Exchange as well as compliance with the stock admission requirements of HKSCC, the Rights Shares in both their nil-paid and fully-paid forms will be accepted as eligible securities by HKSCC for deposit, clearance and settlement in CCASS with effect from the respective commencement dates of dealings in the Rights Shares in both their nil-paid and fully-paid forms on the Stock Exchange or such other dates as determined by HKSCC. Settlement of transactions between participants of the Stock Exchange on any trading day is required to take place in CCASS on the second trading day thereafter. All activities under CCASS are subject to the General Rules of CCASS and CCASS Operational Procedures in effect from time to time.

Dealings in the Rights Shares in both their nil-paid and fully-paid forms (both in board lots of 2,000), which are registered in the branch register of members of the Company in Hong Kong will be subject to the payment of stamp duty, Stock Exchange trading fee, transaction levy, investor compensation levy or any other applicable fees and charges in Hong Kong.

Undertakings by Dr. Chan and the Directors

As at the date of this announcement, Dr. Chan is interested or deemed to be interested in:

- (i) 937,065,854 Shares, representing approximately 34.78% of the existing entire issued share capital of the Company; and
- (ii) 187,413,170 Warrants with rights to subscribe 187,413,170 Shares at the subscription price of HK\$0.22 per Share (subject to adjustments).

Dr. Chan has irrevocably agreed and undertaken to the Company and the Underwriter, inter alia, to accept, or procure the acceptance of, the provisional allotment of the CC Shares in full under the Rights Issue, and not to exercise, and to procure the non-exercise of, the subscription rights under the CC Warrants until the close of business on the Record Date pursuant to and subject to the terms of the CC Undertaking Letter.

As at the date of this announcement, certain Directors collectively hold 96,400,000 Options. Each of such Directors has given an irrevocable undertaking, inter alia, not to exercise the subscription rights under the relevant Directors' Options until the close of business on the Record Date pursuant to and subject to the terms of the relevant Director's Undertaking Letter.

Conditions of the Rights Issue

The Rights Issue is conditional upon the following conditions being fulfilled or waived (as appropriate):

- (a) the passing of the requisite resolution(s) by the Shareholders (other than those persons, if any, who are precluded from voting under the Listing Rules or other applicable laws, rules, regulations or codes) at the SGM to be held on or before the Record Date approving the Rights Issue and authorising the Directors to allot and issue the Rights Shares (in both their nil-paid and fully-paid forms) in accordance with the Bye-laws, the Listing Rules and the Takeovers Code (if applicable);
- (b) the delivery to the Stock Exchange and the filing with and registration by the Registrar of Companies in Hong Kong respectively on or prior to the Posting Date of one copy of each of the Prospectus Documents duly certified in compliance with section 342C of the Companies Ordinance (and all other documents required to be attached thereto) and otherwise complying with the requirements of the Companies Ordinance and the Listing Rules;
- (c) the filing of the Prospectus Documents (all having been received or accepted by the Stock Exchange and signed by or on behalf of all Directors) with the Registrar of Companies in Bermuda in compliance with the Companies Act on or as soon as reasonably practicable after the Posting Date;
- (d) the posting on the Posting Date of copies of the Prospectus Documents to the Qualifying Shareholders and of the Prospectus marked "**For information only**" to the Excluded Shareholders;
- (e) the Listing Committee of the Stock Exchange granting or agreeing to grant (subject to allotment) the listing of, and permission to deal in, all the Rights Shares in both their nil-paid and fully-paid forms before their respective dates of commencement of dealings on the Stock Exchange, either unconditionally or subject to such conditions which the Company accepts and the satisfaction of such conditions (if any and where relevant) and not having withdrawn or revoked such listing and permission;
- (f) compliance with and performance of the CC Undertaking Letter by Dr. Chan and the Director's Undertaking Letter by each of the Directors who is the holder of the outstanding Options;

- (g) obligations of the Underwriter under the Underwriting Agreement not being terminated by the Underwriter in accordance with the terms of the Underwriting Agreement;
- (h) the Capital Reorganisation becoming effective; and
- (i) if necessary, the consent or permission from the Bermuda Monetary Authority in respect of the issue of the Rights Shares on or before the Posting Date.

If the conditions of the Rights Issue have not been satisfied or waived (as applicable) in accordance with the Underwriting Agreement on or before the time and dates specified above (or, if no time or date is specified, 4:00 p.m. on 30 June 2009 or such later time and date as the Underwriter may agree with the Company in writing), all obligations of the parties to the Underwriting Agreement shall cease and determine and neither party shall have any claim against the other save that all such reasonable costs, fees and other out-of-pocket expenses (excluding sub-underwriting fees and related expenses) as have been reasonably and properly incurred by the Underwriter in connection with the underwriting of the Underwritten Shares by the Underwriter shall, to the extent agreed by the Company, be borne by the Company, and the Rights Issue will not proceed.

The Underwriting Agreement

Date	:	16 March 2009
Underwriter	:	Get Nice Securities Limited. To the best of the Directors' knowledge and information, the Underwriter and its ultimate beneficial owners are third parties independent of and not connected with the Company and its connected persons
Total number of Rights Shares being underwritten by the Underwriter	:	The Underwriter has conditionally agreed pursuant to the Underwriting Agreement to underwrite the Rights Issue on a fully underwritten basis, being not less than 351,509,316 Rights Shares and not more than 507,623,232 Rights Shares (being the Rights Shares less the CC Shares), subject to the terms and conditions of the Underwriting Agreement
Commission	:	2.5% of the aggregate Subscription Price in respect of the maximum number of the Underwritten Shares as determined on the Record Date

The Board considers the terms of the Underwriting Agreement including the commission rate accord with the market practice and are fair and reasonable so far as the Company and the Shareholders are concerned.

Termination of the Underwriting Agreement

If, prior to 4:00 p.m. on the Settlement Date, one or more of the following events or matters (whether or not forming part of a series of events) shall occur, arise, exist, or come into effect:

- (i) the Underwriter shall become aware of the fact that, or shall, in its reasonable opinion, believe that any of the warranties contained in the Underwriting Agreement was untrue, inaccurate, misleading or breached, and in each case the same represents or is likely to represent (in the reasonable opinion of the Underwriter) a material and adverse change in the business, financial or trading position or prospects of the Group as a whole or is otherwise likely to have a material and adverse effect on the Rights Issue;**
- (ii) the Company commits any breach of or omits to observe any of the obligations or undertakings expressed to be assumed by it under the Underwriting Agreement;**
- (iii) (a) any new law or regulation is enacted, or there is any change in existing laws or regulations or any change in the interpretation or application thereof by any court or other competent authority, whether in Hong Kong or elsewhere;**
 - (b) the occurrence of any local, national or international event or change (whether or not forming part of a series of events or changes occurring or continuing before, and/or after the date of the Underwriting Agreement) of a political, military, financial, economic, currency, epidemic or other nature (whether or not sui generis with any of the foregoing or in the nature of any local, national or international outbreak or escalation of hostilities or armed conflict);**
 - (c) any change in local, national or international equity securities or currency markets (including but without limitation, the imposition of any moratorium, suspension or material restriction on trading in securities generally on the Stock Exchange due to exceptional financial circumstances or otherwise);**
 - (d) any local, national or international outbreak or escalation of hostilities, insurrection or armed conflict;**
 - (e) any change or development involving a prospective change in taxation or exchange controls in Hong Kong or elsewhere which shall or may materially and adversely affect the Group or a material proportion of the shareholders in their capacity as such;**

- (f) any withdrawal of the current listing of the Shares or the Reorganised Shares (as applicable) or suspension in their trading on the Stock Exchange for more than 14 consecutive trading days (save for the purposes of clearing this announcement or any other announcements or circulars relating to the Underwriting Agreement and the ancillary agreements thereto) or indication being received from the Stock Exchange to the effect that such listing may be withdrawn or objected to (or conditions will or may be attached thereto) including but not limited to in connection with the terms of the Underwriting Agreement or for any other reason;
- (g) any change occurs in the circumstances of the Company or any member of the Group,

which event or events is or are in the reasonable opinion of the Underwriter:

- (1) likely to have a material adverse effect on the business or financial or trading position or prospects of the Group as a whole; or
- (2) likely to have a material adverse effect on the success of the Rights Issue or the level of the Rights Shares “taken up”; or
- (3) so material as to make it inappropriate, inadvisable or inexpedient to proceed further with the Rights Issue,

then, and in such case the Underwriter may in its absolute discretion, in addition to and without prejudice to any other remedies to which the Underwriter may be entitled, by notice in writing given to the Company on or before 4:00 p.m. on the Settlement Date terminate the Underwriting Agreement forthwith.

Upon the giving of notice of termination, all obligations of the Underwriter under the Underwriting Agreement shall cease and determine and neither party shall have any claim against the other party in respect of any matter or thing arising out of or in connection with the Underwriting Agreement provided that the Company shall remain liable to pay to the Underwriter the fees and expenses in accordance with the terms of the Underwriting Agreement. If the Underwriter exercises such right, the Rights Issue will not proceed.

EXPECTED TIMETABLE

The expected timetable for the Rights Issue is set out below:

2009

Effective date of the Capital Reorganisation	Friday, 3 April
Expected date of despatch of the Circular	Thursday, 9 April
Last day of dealings in Reorganised Shares on a cum-rights basis	Monday, 20 April
First day of dealings in Reorganised Shares on an ex-rights basis.	Tuesday, 21 April
Latest time for lodging transfers of Reorganised Shares in order to qualify for the Rights Issue	4:30 p.m. on Wednesday, 22 April
Register of members to be closed	Thursday, 23 April to Tuesday, 28 April (both dates inclusive)
Latest time for return of form of proxy for the SGM (not less than 48 hours).	11:00 a.m. on Sunday, 26 April
Record Date	Tuesday, 28 April
Date of the SGM.	11:00 a.m. on Tuesday, 28 April
Announcement of results of the SGM	Tuesday, 28 April
Register of members to be re-opened	Wednesday, 29 April
Prospectus Documents to be posted	Wednesday, 29 April
First day of dealings in nil-paid Rights Shares	Monday, 4 May
Latest time for splitting of nil-paid Rights Shares.	4:30 p.m. on Wednesday, 6 May
Last day of dealings in nil-paid Rights Shares	Monday, 11 May
Latest time for acceptance of and payment for Rights Shares and for application and payment for excess Rights Shares	4:00 p.m. on Thursday, 14 May
Rights Issue expected to become unconditional	after 4:00 p.m. on Tuesday, 19 May

Announcement of results of acceptance and excess application of the Rights Shares	Thursday, 21 May
Refund cheques for wholly and partially unsuccessful applications for excess Rights Shares	on or before Friday, 22 May
Certificates for fully-paid Rights Shares to be despatched	on or before Friday, 22 May
First day of dealings in the fully-paid Rights Shares	Tuesday, 26 May

All times and dates in this announcement refer to Hong Kong local times and dates.

Dates or deadlines specified in this announcement are indicative only. Any changes to the expected timetable will be published or notified to the Shareholders as and when appropriate.

SHAREHOLDING IN THE COMPANY

Set out below is the shareholding structure of the Company assuming that (i) the Capital Reorganisation has become effective; and (ii) there is no change in the shareholding structure of the Company from the date of this announcement to immediately before completion of the Rights Issue save pursuant to the exercise of the conversion or subscription rights attaching to the Convertible Notes, the Warrants (other than the CC Warrants) and the Options (other than the Directors' Options):

Scenario 1:

Assuming no conversion or subscription rights attaching to the Convertible Notes, the Warrants and the Options are exercised on or before the Record Date

	As at the date of this announcement		Immediately after the Capital Reorganisation becoming effective but before completion of the Rights Issue		Immediately after completion of the Rights Issue (assuming all Rights Shares are taken up by the Qualifying Shareholders)		Immediately after completion of the Rights Issue (assuming no Rights Shares are taken up by the Qualifying Shareholders (other than the CC Shares which Dr. Chan has undertaken to subscribe for))	
	<i>Number of Shares</i>	<i>Approximate %</i>	<i>Number of Reorganised Shares</i>	<i>Approximate %</i>	<i>Number of Reorganised Shares</i>	<i>Approximate %</i>	<i>Number of Reorganised Shares</i>	<i>Approximate %</i>
Dr. Chan (Note 1)	937,065,854	34.78	46,853,291	34.78	234,266,455	34.78	234,266,455	34.78
Director (and his associates) of the Company's subsidiaries	10,705,200	0.40	535,260	0.40	2,676,300	0.40	535,260	0.08
Director (and his associates) of the Company's subsidiaries who hold Warrants	-	-	-	-	-	-	-	-
Directors of the Company's subsidiaries (other than the Directors) who hold Options	-	-	-	-	-	-	-	-
Underwriter (Note 2)	-	-	-	-	-	-	351,509,316	52.18
Public: (Note 3)								
- holders of Convertible Notes	-	-	-	-	-	-	-	-
- holders of Warrants other than the director (and his associates) of the Company's subsidiaries (Note 4)	-	-	-	-	-	-	-	-
- holders of Options other than directors of the Company's subsidiaries (other than the Directors)	-	-	-	-	-	-	-	-
- others (Note 5)	1,746,841,362	64.82	87,342,069	64.82	436,710,345	64.82	87,342,069	12.96
Total	2,694,612,416	100.00	134,730,620	100.00	673,653,100	100.00	673,653,100	100.00

Scenario 2:

Assuming full exercise of the conversion or subscription rights attaching to the Convertible Notes, the Warrants (other than the CC Warrants) and the Options (other than the Directors' Options) on or before the Record Date

	As at the date of this announcement		Immediately after the Capital Reorganisation becoming effective but before completion of the Rights Issue		Immediately after completion of the Rights Issue (assuming all Rights Shares are taken up by the Qualifying Shareholders)		Immediately after completion of the Rights Issue (assuming no Rights Shares are taken up by the Qualifying Shareholders (other than the CC Shares which Dr. Chan has undertaken to subscribe for))	
	<i>Number of Shares</i>	<i>Approximate %</i>	<i>Number of Reorganised Shares</i>	<i>Approximate %</i>	<i>Number of Reorganised Shares</i>	<i>Approximate %</i>	<i>Number of Reorganised Shares</i>	<i>Approximate %</i>
Dr. Chan (Note 1)	937,065,854	34.78	46,853,291	34.78	234,266,455	26.96	234,266,455	26.96
Director (and his associates) of the Company's subsidiaries	10,705,200	0.40	535,260	0.40	2,676,300	0.31	535,260	0.06
Director (and his associates) of the Company's subsidiaries who hold Warrants	-	-	-	-	535,260	0.06	107,052	0.01
Directors of the Company's subsidiaries (other than the Directors) who hold Options					4,500,000	0.52	900,000	0.10
Underwriter (Note 2)	-	-	-	-	-	-	507,623,232	58.43
Public: (Note 3)								
- holders of Convertible Notes	-	-	-	-	81,967,210	9.44	16,393,442	1.89
- holders of Warrants other than the director (and his associates) of the Company's subsidiaries (Note 4)	-	-	-	-	87,339,925	10.05	17,467,985	2.01
- holders of Options other than directors of the Company's subsidiaries (other than the Directors)	-	-	-	-	20,800,000	2.40	4,160,000	0.49
- others (Note 5)	1,746,841,362	64.82	87,342,069	64.82	436,710,345	50.26	87,342,069	10.05
Total	2,694,612,416	100.00	134,730,620	100.00	868,795,495	100.00	868,795,495	100.00

Notes:

1. These Shares or Reorganised Shares comprise those held by Dr. Chan individually and by his indirect wholly-owned company.
2. The Underwriter has sub-underwritten its underwriting obligations under the Underwriting Agreement to sub-underwriters such that each of the Underwriter and the sub-underwriters (together with their respective parties acting in concert as defined in the Takeovers Code) will not own 20% or more of the issued share capital of the Company after completion of the Rights Issue (for both scenarios 1 and 2 referred above). Each of the Underwriter and the sub-underwriters (and their respective ultimate beneficial owners) is not a party acting in concert with each other. In addition, each of the Underwriter and the sub-underwriters and their respective ultimate beneficial owners do not have any shareholding in the Company and are not connected persons of the Company.
3. Assuming none of the Qualifying Shareholders takes up the provisional allotment of the Rights Shares other than the CC Shares which Dr. Chan has undertaken to subscribe for, the public float of the Reorganised Shares may drop to approximately 12.96% (for scenario 1) or approximately 14.44% (for scenario 2) upon completion of the Rights Issue, which is below the minimum 25% requirement under Rule 8.08 of the Listing Rules. In the event that the Underwriter or any of the sub-underwriters is required to take up the Rights Shares pursuant to its underwriting obligations under the Underwriting Agreement, the Underwriter or such sub-underwriter will procure independent placees to take up such number of Rights Shares as may be necessary to ensure that the public float requirements under Rule 8.08 of the Listing Rules are complied with.
4. As at the date of this announcement, 283 Warrants are held by an indirect wholly-owned subsidiary of the Company. These Warrants were the fractional Warrants and entitlements of the overseas Shareholders who were excluded from the bonus issue of Warrants by the Company in 2008 and the Company intends to dispose of these Warrants for its own benefit.
5. As at the date of this announcement, 158 Shares are held by an indirect wholly-owned subsidiary of the Company. These Shares were the fractional Shares arising from the bonus issue of Shares by the Company in 2007 and the Company intends to dispose of these Shares for its own benefit.

REASONS FOR THE RIGHTS ISSUE AND USE OF PROCEEDS

The Company is an investment holding company which directly and indirectly holds strategic investments in a number of listed companies. The principal activities of the Company and its subsidiaries comprise investment holding, the provision of finance, property investment and treasury investment.

Given the recent sluggish Hong Kong stock market and the gloomy economic outlook as a result of the global financial crisis, the Directors consider that the capability of the Company to raise additional funding in the foreseeable future is very uncertain. The Board has considered other means of fund raising in both the debt market and the equity market other than the Rights Issue. Fund raising through the debt market will increase the interest burden of the Group. Regarding the equity market, a private placement of Shares or Reorganised Shares (as the case may be) by its nature excludes existing Shareholders, and at the same time, results in immediate dilution of existing Shareholders' interest in the Company. The Board considers that the Rights Issue will

enable the Group to strengthen its capital base and to enhance its financial position for future strategic investments as and when opportunities arise. The Rights Issue will give the Qualifying Shareholders the opportunity to maintain their respective pro-rata shareholding interests in the Company and, hence the Board considers that fund raising through the Rights Issue is in the interests of the Company and the Shareholders as a whole.

The gross proceeds from the Rights Issue will be not less than approximately HK\$107.78 million (assuming no conversion or subscription rights attaching to the Convertible Notes, the Warrants and the Options are exercised on or before the Record Date) but not more than approximately HK\$139.01 million (assuming full exercise of the conversion or subscription rights attaching to the Convertible Notes, the Warrants (other than the CC Warrants) and the Options (other than the Directors' Options) on or before the Record Date). The estimated net proceeds from the Rights Issue will be not less than approximately HK\$103.78 million but not more than approximately HK\$134.22 million and are intended to be used as the general working capital of the Group.

The Directors consider that it is in the interests of the Company and the Shareholders to raise further capital through the Rights Issue, and that the Rights Issue will provide all Qualifying Shareholders the opportunity to maintain their respective pro-rata shareholding interests in the Company.

FUND RAISING EXERCISE OF THE COMPANY

As set out in the announcement and the circular of the Company dated 31 July 2008 and 18 August 2008 respectively, a total of 538,921,053 Warrants have been issued on 5 November 2008. Assuming the subscription rights attaching to these Warrants are exercised in full at the initial subscription price of HK\$0.22 per Share (subject to adjustments), the Company will be able to raise approximately HK\$118.56 million in total. The Company intends to apply any subscription monies received as and when the subscription rights attaching to these Warrants are exercised towards the general working capital of the Group depending on its requirements at the relevant time. As at the date of this announcement, 538,913,906 Warrants remain outstanding and 7,147 Warrants have been exercised, raising an amount of approximately HK\$1,572 for the general working capital of the Group.

Save as abovementioned, the Company has not conducted any fund raising exercise in the past 12 months before the date of this announcement.

POSSIBLE ADJUSTMENTS TO THE CONVERTIBLE NOTES, THE WARRANTS AND THE OPTIONS

As a result of the Rights Issue, the conversion price of the Convertible Notes, the subscription price and the number of Reorganised Shares to be issued under the Warrants and the exercise price and the number of Reorganised Shares to be issued pursuant to the Options may be adjusted in accordance with the respective terms and conditions of the Convertible Notes, the instrument creating the Warrants and the Share Option Scheme. Further announcement will be made by the Company in respect of such adjustments as and when appropriate.

WARNING OF THE RISKS OF DEALING IN SHARES/REORGANISED SHARES AND THE NIL-PAID RIGHTS SHARES

The Reorganised Shares will be dealt in on an ex-rights basis from 21 April 2009. Dealings in the Rights Shares in the nil-paid form will take place from 4 May 2009 to 11 May 2009 (both dates inclusive). If the conditions of the Underwriting Agreement are not fulfilled or waived (as applicable) or the Underwriting Agreement is terminated by the Underwriter, the Rights Issue will not proceed.

Any Shareholders or other persons contemplating selling or purchasing Rights Shares in their nil-paid form during the period from 4 May 2009 to 11 May 2009 (both dates inclusive) who are in any doubt about their position are recommended to consult their professional advisers. Any Shareholders or other persons dealing in the Shares or the Reorganised Shares (as the case may be) up to the date on which all the conditions to which the Rights Issue is subject are fulfilled (and the date on which the Underwriter's right of termination of the Underwriting Agreement ceases) and any persons dealing in the nil-paid Rights Shares during the period from 4 May 2009 to 11 May 2009 (both dates inclusive) will accordingly bear the risk that the Rights Issue may not become unconditional or may not proceed.

GENERAL

Pursuant to the requirements of the Listing Rules, the Rights Issue is conditional on the approval by the Shareholders by way of poll at the SGM, where the controlling Shareholder, or in the case that the Company has no controlling Shareholder, the Directors (excluding the independent non-executive Directors), the chief executive of the Company and their respective associates are required to abstain from voting in favour of the Rights Issue. As at the date of this announcement, Dr. Chan and his associates hold an aggregate of 937,065,854 Shares, representing approximately 34.78% of the existing issued share capital of the Company. Consequently, Dr. Chan and his associates will be required to abstain from voting in favour of the proposed resolution approving the Rights Issue at the SGM.

An independent board committee of the Company comprising all the independent non-executive Directors will be established to make recommendation to the Independent Shareholders in respect of the Rights Issue. An independent financial adviser will be appointed to advise the independent board committee of the Company and the Independent Shareholders in this regard.

The Circular containing, among other things, (i) further details about the Rights Issue; (ii) a letter of recommendation from the independent board committee of the Company to the Independent Shareholders in respect of the Rights Issue; (iii) a letter of advice from the independent financial adviser to the independent board committee of the Company and the Independent Shareholders on the Rights Issue; and (iv) the notice convening the SGM, will be despatched to the Shareholders as soon as practicable.

After the approval of the Rights Issue by the Independent Shareholders at the SGM, the Prospectus Documents will be despatched to the Qualifying Shareholders on the Posting Date, and the Prospectus will be despatched to the Excluded Shareholders for information only on the Posting Date.

RESUMPTION OF TRADING

At the request of the Company, trading in the securities of the Company on the Stock Exchange was suspended with effect from 9:30 a.m. on 17 March 2009 pending the release of this announcement. Application has been made to the Stock Exchange for the resumption of trading in the securities of the Company on the Stock Exchange from 9:30 a.m. on 18 March 2009.

DEFINITIONS

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

“Acceptance Date”	14 May 2009 (or such other date as the Underwriter may agree in writing with the Company as the latest date for acceptance of, and payment for, Rights Shares and application for the excess Rights Shares)
“associate(s)”	has the meaning ascribed thereto under the Listing Rules
“Board”	the board of Directors
“Business Day”	a day (excluding Saturday, Sunday and other general holidays in Hong Kong and any day on which a tropical cyclone warning no.8 or above or a “black” rainstorm warning is hoisted or in effect between 9:00 a.m. and 12:00 noon and is not lowered or discontinued at or before 12:00 noon) on which licensed banks in Hong Kong are generally open for business
“Bye-laws”	the bye-laws of the Company from time to time
“Capital Reorganisation”	the proposed reorganisation of the share capital of the Company as set out in the announcement and circular of the Company dated 19 February 2009 and 11 March 2009 respectively
“CCASS”	the Central Clearing and Settlement System established and operated by HKSCC
“CC Shares”	187,413,164 Rights Shares to be taken up by Dr. Chan pursuant to the CC Undertaking Letter

“CC Undertaking Letter”	the irrevocable undertaking given by Dr. Chan in favour of the Company and the Underwriter on 16 March 2009, as more particularly set out in the sub-paragraph headed “Undertakings by Dr. Chan and the Directors” in this announcement
“CC Warrants”	187,413,170 Warrants held or deemed to be held by Dr. Chan as at the date of the CC Undertaking Letter
“Circular”	the circular to be despatched to the Shareholders giving the details of the Rights Issue and containing the notice of the SGM
“Companies Act”	the Companies Act 1981 of Bermuda (as amended)
“Companies Ordinance”	the Companies Ordinance, Chapter 32 of the Laws of Hong Kong
“Company”	ITC Corporation Limited (Stock Code: 372), a company incorporated in Bermuda with limited liability and whose issued securities are listed on the main board of the Stock Exchange
“connected person(s)”	has the meaning ascribed thereto under the Listing Rules
“Convertible Notes”	the 5% convertible notes due 2009 in the aggregate principal amount of HK\$200 million issued by the Company on 2 November 2007, all of which remains outstanding as at the date of this announcement
“Director(s)”	director(s) of the Company
“Directors’ Options”	96,400,000 Options collectively held by certain Directors as at the date of the Director’s Undertaking Letters
“Director’s Undertaking Letter(s)”	the irrevocable undertaking given on 16 March 2009 by each of the Directors, who is the holder of the Options, in favour of the Company and the Underwriter, as more particularly set out in the sub-paragraph headed “Undertakings by Dr. Chan and the Directors” in this announcement
“Dr. Chan”	Dr. Chan Kwok Keung, Charles, the controlling Shareholder, the chairman of the Company and an executive Director
“EAF(s)”	the form(s) of application for use by the Qualifying Shareholders who wish to apply for excess Rights Shares

“Excluded Shareholder(s)”	those Overseas Shareholder(s) whom the Directors, based on opinions provided by the Company’s legal advisers, consider it necessary or expedient not to offer the Rights Shares to such Overseas Shareholder(s) on account either of legal restrictions under the laws of the relevant place(s) or the requirements of the relevant regulatory body or stock exchange in that (those) place(s)
“Group”	the Company and its subsidiaries
“HKSCC”	Hong Kong Securities Clearing Company Limited
“HK\$”	Hong Kong dollar, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Independent Shareholder(s)”	Shareholder(s) other than Dr. Chan and his associates
“Last Trading Day”	16 March 2009, being the last trading day before the suspension of the trading of the securities of the Company on the Stock Exchange, pending the release of this announcement
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Option(s)”	the share option(s) granted by the Company pursuant to the Share Option Scheme
“Overseas Shareholder(s)”	Shareholder(s) whose name(s) appear(s) on the register of members of the Company at the close of business on the Record Date and whose address(es) as shown on such register is(are) outside Hong Kong
“PAL(s)”	the renounceable provisional allotment letter(s) in respect of the Rights Issue proposed to be issued to the Qualifying Shareholders
“Posting Date”	29 April 2009, or such other date as the Underwriter may agree in writing with the Company, as the date for the despatch of the Prospectus Documents or the Prospectus only (as the case may be) to the Shareholders
“Prospectus”	the prospectus to be despatched to the Shareholders in relation to the Rights Issue

“Prospectus Documents”	the Prospectus, PAL and EAF
“Qualifying Shareholder(s)”	Shareholder(s), whose name(s) appear(s) on the register of members of the Company as at the close of business on the Record Date, other than the Excluded Shareholder(s)
“Record Date”	28 April 2009 or such other date as the Underwriter may agree in writing with the Company as the date for determining the entitlements of the Shareholders to participate in the Rights Issue
“Registrar”	Tricor Secretaries Limited of 26th Floor, Tesbury Centre, 28 Queen’s Road East, Wanchai, Hong Kong, being the branch share registrar and transfer office and the warrant registrar of the Company in Hong Kong
“Reorganised Share(s)”	ordinary share(s) of HK\$0.01 each in the share capital of the Company immediately after the Capital Reorganisation becoming effective
“Rights Issue”	the proposed issue by way of rights of the Rights Shares in the proportion of four Rights Shares for every Reorganised Share in issue and held on the Record Date at the Subscription Price on the terms and subject to the conditions set out in the Underwriting Agreement and the Prospectus Documents
“Rights Shares”	not less than 538,922,480 and not more than 695,036,396 new Reorganised Shares to be allotted and issued pursuant to the Rights Issue
“Settlement Date”	19 May 2009, being the third Business Day following the Acceptance Date
“SFO”	The Securities and Futures Ordinance, Chapter 571 of the Laws of Hong Kong
“SGM”	the special general meeting of the Company to be held to consider and, if thought fit, approve the Rights Issue
“Share Option Scheme”	the share option scheme adopted by the Company on 16 January 2002 (as amended on 19 September 2007)

“Share(s)”	ordinary share(s) of HK\$0.10 each in the share capital of the Company before the Capital Reorganisation becoming effective
“Shareholder(s)”	holder(s) of Share(s) or Reorganised Share(s) (as the case may be)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Subscription Price”	HK\$0.20 per Rights Share
“Takeovers Code”	The Hong Kong Code on Takeovers and Mergers
“Underwriter”	Get Nice Securities Limited, a corporation deemed licensed to carry out business in type 1 (dealing in securities), type 4 (advising on securities), type 6 (advising on corporate finance), and type 9 (asset management) regulated activities under the SFO, which is not a connected person of the Company
“Underwriting Agreement”	the underwriting agreement dated 16 March 2009 entered into between the Company and the Underwriter in relation to the underwriting arrangement in respect of the Rights Issue
“Underwritten Shares”	not less than 351,509,316 and not more than 507,623,232 Rights Shares underwritten by the Underwriter pursuant to the terms of the Underwriting Agreement
“Warrants”	a total of 538,921,053 listed warrants carrying rights to subscribe in cash for 538,921,053 Shares at an initial subscription price of HK\$0.22 per Share (subject to adjustments) at any time until 4:10 p.m. on 4 November 2009 pursuant to an instrument issued by the Company dated 5 November 2008 (Warrant Code: 779), of which 538,913,906 Warrants remain outstanding as at the date of this announcement
“%” or “per cent.”	percentage or per centum

By order of the Board
ITC Corporation Limited
Lee Hon Chiu
Company Secretary

Hong Kong, 17 March 2009

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

Executive Directors:

Dr. Chan Kwok Keung, Charles (*Chairman*)
Ms. Chau Mei Wah, Rosanna
(*Deputy Chairman and Managing Director*)
Mr. Chan Kwok Chuen, Augustine
Mr. Chan Fut Yan
Mr. Cheung Hon Kit

Independent non-executive Directors:

Mr. Chuck, Winston Calptor
Mr. Lee Kit Wah
Hon. Shek Lai Him, Abraham, *SBS, JP*