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**THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION**

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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 licensed securities dealer, bank manager, solicitor, professional accountant or other professional adviser.

**If you have sold or transferred** all your shares in **ITC Corporation Limited** ("ITC"), you should at once hand this circular and the accompanying form of proxy to the purchaser or the transferee or to the bank manager, licensed securities dealer or other agent through whom the sale or transfer was effected for transmission to the purchaser or the transferee.

This circular is addressed to the shareholders of ITC in connection with a special general meeting of ITC to be held on Wednesday, 3 November 2010.

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**ITC CORPORATION LIMITED**

*(Incorporated in Bermuda with limited liability)*

(Stock Code: 372)

**MAJOR TRANSACTION IN RELATION TO  
ACQUISITION OF THE SALE SHARES**

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A notice convening the special general meeting of ITC to be held at B27, Basement, Bank of America Tower, 12 Harcourt Road, Central, Hong Kong on Wednesday, 3 November 2010 at 11:00 a.m. is set out on pages 29 and 30 of this circular. If you are not able to attend the meeting, you are requested to complete the accompanying form of proxy in accordance with the instructions printed thereon and return it to the principal place of business of ITC in Hong Kong at 30th Floor, Bank of America Tower, 12 Harcourt Road, Central, Hong Kong, as soon as possible but in any event not less than 48 hours before the time appointed for holding the meeting or any adjournment thereof (as the case may be). Delivery of the form of proxy will not preclude you from attending and voting in person at the meeting or any adjournment thereof (as the case may be) should you so wish.

19 October 2010

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## DEFINITIONS

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*In this circular, unless the context otherwise requires, the following expressions shall have the following meanings when used herein:*

“Acquisition”	the proposed acquisition of the Sale Shares by the Purchaser pursuant to the Agreement
“Agreement”	the conditional sale and purchase agreement dated 27 September 2010 entered into between the Vendor as vendor and the Purchaser as purchaser in relation to the sale of the Sale Shares by the Vendor to the Purchaser, as announced by ITC on 27 September 2010
“associates”	has the meaning ascribed to it in the Listing Rules
“Business Day”	any day (excluding a Saturday) on which licensed banks in Hong Kong are generally open for business
“BVI”	the British Virgin Islands
“Completion”	completion of the Agreement
“connected person(s)”	has the meaning ascribed to it in the Listing Rules
“Dr. Chan”	Dr. Chan Kwok Keung, Charles, the controlling shareholder (as defined in the Listing Rules), the chairman and an executive director of ITC as at the Latest Practicable Date
“Enlarged Group”	the ITC Group immediately after Completion
“Hanny”	Hanny Holdings Limited, a company incorporated under the laws of Bermuda with limited liability and the issued shares of which are listed on the Main Board of the Stock Exchange (stock code: 275)
“Hanny Bonds”	the 2% convertible bonds due 2011 issued by Hanny with an aggregate outstanding principal amount of HK\$706,698,786 as at the Latest Practicable Date
“Hanny Director(s)”	the director(s) of Hanny
“Hanny Group”	Hanny and its subsidiaries
“Hanny Independent Shareholders”	the Hanny Shareholders other than ITC, Dr. Chan and their respective associates
“Hanny SGM”	the special general meeting of Hanny to be convened and held for the Hanny Independent Shareholders to consider and, if thought fit, approve the Agreement and the transactions contemplated thereunder
“Hanny Share(s)”	ordinary share(s) of HK\$0.01 each of Hanny
“Hanny Shareholder(s)”	the holder(s) of the Hanny Shares
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“ITC”	ITC Corporation 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: 372)
“ITC Board”	the board of ITC Directors
“ITC Director(s)”	the director(s) of ITC
“ITC Group”	ITC and its subsidiaries immediately before Completion

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## DEFINITIONS

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“ITC Notes”	the 5% convertible notes due 2011 in the aggregate principal amount of HK\$200 million issued by ITC on 2 November 2009, all of which remained outstanding as at the Latest Practicable Date
“ITC Options”	the share options of ITC granted to the eligible participants pursuant to the share option scheme of ITC adopted on 16 January 2002 (as amended on 19 September 2007)
“ITC SGM”	the special general meeting of ITC to be convened and held for the ITC Shareholders to approve the Agreement and the transactions contemplated thereunder
“ITC Share(s)”	the ordinary share(s) of HK\$0.01 each in the share capital of ITC
“ITC Shareholder(s)”	the holder(s) of the ITC Shares
“ITCP”	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)
“ITCP Group”	ITCP and its subsidiaries
“ITCP Share(s)”	the issued share(s) of HK\$0.01 each of ITCP
“Latest Practicable Date”	15 October 2010, being the latest practicable date prior to the printing of this circular for the purpose of ascertaining certain information contained in this circular
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Macau”	the Macau Special Administrative Region of the People’s Republic of China
“Model Code”	The Model Code for Securities Transactions by Directors of Listed Issuers contained in Appendix 10 to the Listing Rules
“PRC”	the People’s Republic of China, which for the purpose of this circular shall exclude Hong Kong, Macau and Taiwan
“Purchaser”	Selective Choice Investments Limited, a company incorporated in the BVI with limited liability and an indirect wholly-owned subsidiary of ITC
“Sale Price”	HK\$2.30 per ITCP Share
“Sale Shares”	76,402,763 ITCP Shares
“SFO”	The Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Vendor”	Loyal Concept Limited, a company incorporated in the BVI with limited liability and an indirect wholly-owned subsidiary of Hanny
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“%”	per cent

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## LETTER FROM THE ITC BOARD

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### ITC CORPORATION LIMITED

(Incorporated in Bermuda with limited liability)

(Stock Code: 372)

*Executive ITC 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  
Mr. Chan Yiu Lun, Alan

*Independent non-executive ITC Directors:*

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

*Registered office:*

Clarendon House  
2 Church Street  
Hamilton HM 11  
Bermuda

*Head office and principal place of business  
in Hong Kong:*

30th Floor  
Bank of America Tower  
12 Harcourt Road  
Central  
Hong Kong

19 October 2010

*To the ITC Shareholders and, for information only,  
holders of the ITC Notes*

Dear Sir or Madam,

### MAJOR TRANSACTION IN RELATION TO ACQUISITION OF THE SALE SHARES

#### INTRODUCTION

Reference is made to the announcement of ITC dated 27 September 2010 in relation to the Acquisition.

On 27 September 2010, the Vendor, an indirect wholly-owned subsidiary of Hanny, and the Purchaser, an indirect wholly-owned subsidiary of ITC, entered into the Agreement pursuant to which the Vendor conditionally agreed to dispose of, and the Purchaser conditionally agreed to acquire, the Sale Shares at a consideration of approximately HK\$175.7 million. The Sale Shares represented approximately 13.53% of the issued share capital of ITCP as at the date of the Agreement.

ITC, through its indirect wholly owned subsidiary, had further acquired an aggregate of 21,286,311 ITCP Shares (by way of open market purchases), representing approximately 3.77% of the issued share capital of ITCP as at the Latest Practicable Date, for an aggregate consideration of approximately HK\$45.9 million during the period from 28 September 2010 to 14 October 2010. Details of the open market purchases of 8,346,311 ITCP Shares and 12,721,000 ITCP Shares were announced by ITC on 8 October 2010 and 13 October 2010 respectively.

The purpose of this circular is to provide you with, among other things, the further details of the Acquisition, the unaudited pro forma financial information of the Enlarged Group and to give you notice of the ITC SGM.

#### THE AGREEMENT

**Date:** 27 September 2010

**Parties**

**Vendor:** Loyal Concept Limited, an indirect wholly-owned subsidiary of Hanny

**Purchaser:** Selective Choice Investments Limited, an indirect wholly-owned subsidiary of ITC

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## LETTER FROM THE ITC BOARD

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The Purchaser is principally engaged in investment holding. The Vendor is principally engaged in investment holding. As at the Latest Practicable Date, ITC, through its indirect wholly-owned subsidiaries, was interested in (i) 240,146,821 Hanny Shares, representing approximately 42.77% of the issued share capital of Hanny, and (ii) Hanny Bonds in the aggregate principal amount of HK\$231,479,295.

As at the Latest Practicable Date, (i) Dr. Chan; (ii) Mr. Cheung Hon Kit, an executive ITC Director; and (iii) Mr. Shek Lai Him, Abraham, an independent non-executive ITC Director, were holding 2,298,393 Hanny Shares, 1 Hanny Share and 32 Hanny Shares respectively. As at the Latest Practicable Date, Dr. Chan was also holding Hanny Bonds in the principal amount of HK\$2,841,810.

Save as disclosed above, to the best of the ITC Directors' knowledge, information and belief having made all reasonable enquiries, the Vendor and its ultimate beneficial owner are third parties independent of ITC and the connected persons of ITC.

### Assets to be acquired

The Sale Shares, being 76,402,763 ITCP Shares, represented approximately 13.53% of the issued share capital of ITCP as at the date of the Agreement.

As at the Latest Practicable Date, ITC, through its indirect wholly-owned subsidiary, was holding (i) 63,180,711 ITCP Shares, representing approximately 11.18% of the issued share capital of ITCP; and (ii) the convertible bonds issued by ITCP in the principal amount of HK\$64,000,000, which entitled the holder thereof to convert into 7,187,780 ITCP Shares. Immediately after Completion, the Enlarged Group will be interested in an aggregate of 139,583,474 ITCP Shares, representing approximately 24.71% of the issued share capital of ITCP as at the Latest Practicable Date. ITCP will remain an associate of ITC after Completion. As at the Latest Practicable Date, (i) Dr. Chan; (ii) Ms. Chau Mei Wah, Rosanna, the deputy chairman and managing director of ITC; and (iii) Mr. Cheung Hon Kit, an executive ITC Director, were holding 6,066,400 ITCP Shares, 3,200,000 ITCP Shares and 14,202,000 ITCP Shares respectively.

### Consideration

The aggregate consideration for the Sale Shares is approximately HK\$175.7 million, and is payable in cash upon Completion. The Sale Price of HK\$2.3 per ITCP Share was agreed after arm's length negotiations between the Vendor and the Purchaser and represents:

- (i) a premium of approximately 19.2% over the closing price of HK\$1.93 per ITCP Share as quoted on the Stock Exchange on 27 September 2010, being the date of the Agreement;
- (ii) a premium of approximately 20.5% over the average of the closing prices of the ITCP Shares as quoted on the Stock Exchange for the last 5 consecutive trading days up to and including 27 September 2010 of approximately HK\$1.908 per ITCP Share;
- (iii) a premium of approximately 21.0% over the average of the closing prices of the ITCP Shares as quoted on the Stock Exchange for the last 10 consecutive trading days up to and including 27 September 2010 of approximately HK\$1.901 per ITCP Share; and
- (iv) a discount of approximately 48.8% to the audited consolidated net asset value of HK\$4.49 per ITCP Share attributable to owners of ITCP as at 31 March 2010.

The Sale Price was determined with reference to (i) the then prevailing market price of the ITCP Shares; and (ii) the audited consolidated net asset value of HK\$4.49 per ITCP Share attributable to owners of ITCP as at 31 March 2010. The Sale Price represents a discount of approximately 48.8% to the audited consolidated net asset value of HK\$4.49 per ITCP Share attributable to owners of ITCP as at 31 March 2010.

Taking into account the abovementioned references and the Acquisition was an off-market purchase of large quantity of ITCP Shares, approximately 19.2% premium over the closing price of HK\$1.93 per ITCP Share on 27 September 2010, being the date of the Agreement, was considered to be fair and reasonable.

The consideration for the Sale Shares payable by the Purchaser under the Agreement shall be funded by internal resources of the ITC Group.

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## LETTER FROM THE ITC BOARD

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Given the cash balances and other net current assets of the ITC Group and the net proceeds received as a result of the acceptance of the repurchase offer of the convertible notes of Rosedale Hotel Holdings Limited as set out in ITC's circular dated 21 July 2010, the ITC Directors believe that the ITC Group will have sufficient resources to finance the Acquisition.

### Conditions

Completion is conditional upon:

- (i) the passing by the Hanny Independent Shareholders at the Hanny SGM of all necessary resolutions in compliance with the Listing Rules and other applicable rules to approve the Agreement and the transactions contemplated thereunder;
- (ii) the passing by the ITC Shareholders who are permitted to vote under the Listing Rules and other applicable rules at the ITC SGM of all necessary resolutions in compliance with the Listing Rules and other applicable rules to approve the Agreement and the transactions contemplated thereunder;
- (iii) the current listing of the ITCP Shares not having been withdrawn and no indication being received on or before the date of Completion from the Stock Exchange or the Securities and Futures Commission of Hong Kong to the effect that such listing may be withdrawn or objected to (or conditions will or may be attached thereto); and
- (iv) all necessary approvals, consents and authorisations in relation to the sale and purchase of the Sale Shares contemplated under the Agreement having been obtained.

None of the above conditions can be waived. If the above conditions are not fulfilled on or before 4:00 p.m. on 30 November 2010 (or such later date as may be agreed between the Vendor and the Purchaser in writing), all rights and obligations of the parties to the Agreement shall cease and terminate, and neither party shall have any claim against the other for any costs or losses (save in respect of any antecedent breaches of the Agreement).

### Completion

Completion shall take place on the third Business Day after the last outstanding condition set out above (save for the condition set out in paragraph (iii) above which shall be fulfilled on Completion) have been fulfilled or such later date as the parties to the Agreement shall agree in writing.

### INFORMATION ON ITCP

The ITCP Group is principally engaged in property development and investment in Macau, the PRC and Hong Kong, golf resort and leisure operations in the PRC, securities investment and loan financing services.

Below is the audited financial information of ITCP for each of the two years ended 31 March 2010 extracted from the audited consolidated financial statements of ITCP:

	<b>For the year ended 31 March 2010 (audited) HK\$'000</b>	<b>For the year ended 31 March 2009 (audited) HK\$'000</b>
Turnover	314,358	145,121
Profit (loss) before taxation	102,960	(462,285)
Profit (loss) after taxation	102,852	(461,816)
Profit (loss) after taxation attributable to owners of ITCP	102,852	(461,816)
Equity attributable to owners of ITCP	2,114,638	2,002,051

ITCP has not declared any dividend for each of the two financial years ended 31 March 2010.

### REASONS FOR THE ACQUISITION

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

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## LETTER FROM THE ITC BOARD

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The ITC Directors consider that it is in the interest of the ITC Group to increase its stake in ITCP. The ITC Directors are optimistic towards the prospects and development of the ITCP Group, in particular the recent increasing demand for prime location properties in the PRC, Hong Kong and Macau, and are positive about the long term returns or capital gains from the investment in the ITCP Shares. They consider that it is the opportune time to increase its strategic investment in ITCP through the Acquisition.

The ITC Directors consider that the terms of the Agreement are fair and reasonable and are in the interests of the ITC Group and the ITC Shareholders as a whole.

### FINANCIAL EFFECT OF THE ACQUISITION

As illustrated in the unaudited pro forma financial position of the Enlarged Group as set out in Appendix II to this circular which has been prepared as if the Acquisition had taken place on 31 March 2010, (i) the total consolidated net assets attributable to the owners of ITC would increase from approximately HK\$2,945.0 million to approximately HK\$3,062.4 million; (ii) the total assets would increase from approximately HK\$3,237.9 million to approximately HK\$3,386.8 million; (iii) the total liabilities would increase from approximately HK\$292.9 million to HK\$324.4 million; and (iv) the Enlarged Group would record a gain on discount on acquisition of approximately HK\$117.4 million.

The Enlarged Group shall continue to recognise the shareholding interest in ITCP as an associate of the Enlarged Group and adopt the use of the equity method.

### LISTING RULES IMPLICATIONS

The Acquisition constitutes a major transaction for ITC under Chapter 14 of the Listing Rules and is subject to the approval by the ITC Shareholders at the ITC SGM. To the best of the ITC Directors' knowledge, information and belief having made all reasonable enquiries, as at the Latest Practicable Date, no ITC Shareholders would be required to abstain from voting on the proposed resolution approving the Acquisition at the ITC SGM. As at the Latest Practicable Date, save for Dr. Chan, a controlling shareholder (as defined in the Listing Rules) of ITC, directly and indirectly holding 263,694,455 ITC Shares, no other ITC Directors were holding any ITC Shares. Notwithstanding the aforesaid, it is considered that Dr. Chan does not have any material interest in the transactions contemplated under the Agreement and is not required to abstain from voting in respect of the proposed resolution approving the Agreement at the ITC SGM.

Pursuant to the Listing Rules, any vote of shareholders at general meeting must be taken by poll. The chairman of the ITC SGM will therefore put the resolution(s) to be proposed at the ITC SGM to be voted by way of poll pursuant to bye-law 79 of ITC's bye-laws.

A notice convening the ITC SGM to be held at B27, Basement, Bank of America Tower, 12 Harcourt Road, Central, Hong Kong on Wednesday, 3 November 2010 at 11:00 a.m. is set out on pages 29 and 30 of this circular.

A form of proxy for use at the ITC SGM is enclosed. If you are not able to attend the ITC SGM, please complete and return the accompanying form of proxy in accordance with the instructions printed thereon to the principal place of business of ITC in Hong Kong at 30th Floor, Bank of America Tower, 12 Harcourt Road, Central, Hong Kong, as soon as possible but in any event not less than 48 hours before the time appointed for holding the ITC SGM or any adjournment thereof (as the case may be). Delivery of the form of proxy will not preclude you from attending and voting in person at the ITC SGM or any adjournment thereof (as the case may be) should you so wish.

### RECOMMENDATION

The ITC Directors consider that the terms of the Agreement are fair and reasonable and are in the interests of the ITC Group and the ITC Shareholders as a whole. Accordingly, the ITC Directors recommend the ITC Shareholders to vote in favour of the ordinary resolution to be proposed at the ITC SGM to approve the Agreement and the transactions contemplated thereunder.

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## LETTER FROM THE ITC BOARD

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### ADDITIONAL INFORMATION

Your attention is drawn to the additional information set out in appendices to this circular and the notice convening the ITC SGM.

Yours faithfully,  
For and on behalf of the board of directors of  
**ITC Corporation Limited**  
**Dr. Chan Kwok Keung, Charles**  
*Chairman*

**1. FINANCIAL INFORMATION**

Financial information of the ITC Group for each of the three years ended 31 March 2010, 2009 and 2008 are disclosed in its annual reports for the years ended 31 March 2010, 2009 and 2008 respectively, which have been published on both the websites of the Stock Exchange (<http://www.hkexnews.hk>) and ITC ([www.itc.com.hk](http://www.itc.com.hk)) on 29 July 2010, 30 July 2009 and 30 July 2008 respectively.

**2. INDEBTEDNESS****Borrowings**

As at the close of business on 31 August 2010, being the latest practicable date for the purpose of this statement of indebtedness prior to the printing of this circular, the ITC Group had an aggregate outstanding borrowings, excluding the ITC Notes, of approximately HK\$32.8 million, representing the secured bank borrowings.

The secured bank borrowings were secured by buildings, prepaid lease payments and investment properties. The carrying value of pledged assets as at 31 March 2010 is set out in the paragraph headed "Pledge of assets" below.

**Debt securities**

As at the close of business on 31 August 2010, the ITC Group had outstanding ITC Notes with principal amount of HK\$200 million. The carrying amount of the ITC Notes as at 31 August 2010 was approximately HK\$185.3 million.

**Pledge of assets**

As at 31 March 2010, certain of the ITC Group's properties and listed securities of an associate with an aggregate carrying value of approximately HK\$312 million were pledged to banks and financial institutions to secure general facilities granted to the ITC Group.

**Contingent liabilities**

As at the close of business on 31 August 2010, the ITC Group had no contingent liabilities, except that on disposal of an associate, the ITC Group had given an indemnity to the purchaser relating to unrecorded taxation liabilities, if any, and the affairs and business of the associate up to the date of disposal.

**Disclaimers**

Save as aforesaid or as otherwise disclosed herein, and apart from intra-group liabilities as at 31 August 2010, the ITC Group did not have any loan capital issued and outstanding or agreed to be issued, bank overdrafts, loans or other similar indebtedness, liabilities under acceptances or acceptable credits, debentures, mortgages, charges, hire purchases commitments, guarantees or other material contingent liabilities.

**3. WORKING CAPITAL**

The ITC Directors are of the opinion that, after taking into account the present financial resources and the banking facilities presently available, in the absence of unforeseen circumstances, the ITC Group will have sufficient working capital to meet its requirements for the next twelve months from the date of this circular.

**4. MATERIAL ADVERSE CHANGE**

As at the Latest Practicable Date, the ITC Directors were not aware of any material adverse change in the financial or trading position of the ITC Group since 31 March 2010, being the date to which the latest published audited consolidated financial statements of the ITC Group were made up.

## 5. FINANCIAL AND TRADING PROSPECTS OF THE ITC GROUP

The Central Government of the PRC is expecting a positive growth in its economy in the second half of 2010. The optimism in the PRC economy will be beneficial to the Hong Kong economy due to its close ties with and proximity to the PRC. The ITC Board is optimistic on the business outlook and the ITC Group's long term strategy of exploring potential investments in an aggressive, yet cautious, manner and enhancing the value of its strategic investments. The ITC Group, equipped with a strong asset base and a low gearing level, will continue to pursue valuable investments and capitalise on these opportunities in a vigilant manner.

Following Completion, the Enlarged Group will continue to look for other investment opportunities in listed companies from time to time, if the ITC Directors consider that such investment opportunities in listed companies will generate and contribute capital gains and favourable returns to the Enlarged Group.

## 6. MANAGEMENT DISCUSSION AND ANALYSIS OF THE FINANCIAL INFORMATION ON ITCP

Set out below is the management discussion and analysis of ITCP's business, financial results and position for the year ended 31 March 2010 based on the annual report of ITCP for the year ended 31 March 2010.

### BUSINESS REVIEW

Turnover for the year ended 31 March 2010 was approximately HK\$314.4 million, representing a strong growth of approximately HK\$169.3 million when compared to last year (approximately HK\$145.1 million), which was mainly due to significant increase in proceeds from the sale of securities and properties during the year. Gross profit improved accordingly from approximately HK\$44.1 million for the last year to approximately HK\$50.6 million for the current year.

Income from loan financing amounted to approximately HK\$14.8 million for the year, reduced from approximately HK\$21.8 million for last year mainly due to the repayment of other loan receivables and loans due from related companies during the year.

The ITCP Group's property investment in Hong Kong had benefited from the robust performance of the local property sector in 2009, amid low mortgage interest rates and expectation of inflation. During the year, the ITCP Group had recognised increase in fair value of investment properties of approximately HK\$39.7 million and reversal of impairment losses on properties held for sale of approximately HK\$92.6 million for the year. Besides, the ITCP Group's securities investment also benefited from the rebound of the stock market since the second quarter of 2009. The ITCP Group had realised certain investments in financial instruments and had recorded a net gain of approximately HK\$170.7 million. Altogether, the ITCP Group achieved a profit of approximately HK\$102.9 million for the year ended 31 March 2010 showing a strong turn-around from the loss of approximately HK\$461.8 million for the last year.

#### *Property*

##### Macau:

In April 2010, Empresa De Fomento Industrial E Comercial Concórdia, S.A. ("Concordia"), in which the ITCP Group has an effective interest of 35.5%, launched the presale of the first phase of its development in Cotai South, Macau, named "One Oasis". One Oasis includes five residential towers with saleable gross floor area of approximately 1.3 million sq. ft. and a state-of-the-art clubhouse facility. The presale was met with good market response and available units were nearly sold out at an encouraging average price of about HK\$4,000 per sq. ft. which secured a substantial profit contribution to the ITCP Group to be recognised upon its completion. The special units in these towers will be marketed this year with the next 5 blocks immediately thereafter. Construction works are in smooth progress with completion of the first phase expected in mid-2012.

In December 2009, the ITCP Group entered into an agreement to dispose of all its interest in 44 residential units at Zhu Kuan Mansion for approximately HK\$132.1 million. Subsequently, another 3 units together with 3 car parking spaces at Pearl on the Lough had been sold during the year. These disposals together contributed a reasonably good profit for the ITCP Group. The remaining portfolio of property inventory in Macau, which consists of 12 residential units and 12 car parking spaces, are still available for sale.

Hong Kong:

During the year, the ITCP Group had completed the acquisition of over 90% of the property interests at Nos. 35, 37, 39-39A, 39B and 39C Tung Lo Wan Road and the whole block interests at No. 33 Tung Lo Wan Road. Together with the prior acquisitions of over 90% of the property interests at No. 7 Moreton Terrace and the whole block interests at Nos. 19-21 Shelter Street, the ITCP Group intends to redevelop these properties on an amalgamated site area of about 11,700 sq. ft. into a block of deluxe residential high-rise and a block of hotel/commercial complex (the "Causeway Bay Project"). The ITCP Group has successfully secured the acquisition of all the remaining units.

Foundation works at 703 and 705, Nathan Road (the "Nathan Road Project"), in which the ITCP Group has entire interest, are actively in progress. The site will be developed into a Ginza-style retail, food and beverage complex with gross floor area of approximately 30,000 sq. ft. Completion of the new building is expected in mid-2011.

PRC:

In November 2009, the ITCP Group entered into an agreement to form a joint venture company (the "JVC") in which the ITCP Group had 45% equity interest. The JVC is principally engaged in the development and management of a hot spring and resort project (the "Guiyang Project") in Guiyang City, the PRC. The JVC has secured to obtain through public listing and bidding process the state-owned land use rights certificates of parcels of land in Wudang District, Guiyang City, Guizhou Province, the PRC with site area of approximately 697,746 m<sup>2</sup> (the "Guiyang Land"). The Guiyang Land can be developed for residential, commercial, cultural, recreational and resort uses and the preliminary maximum plot ratio is in the range of 1.0 to 1.5.

In December 2009, the ITCP Group entered into two sale and purchase agreements (the "Newskill Agreements") to acquire Newskill Investments Limited ("Newskill"). On completion, the ITCP Group, through Newskill and its subsidiaries, will own a parcel of land (the "JY1 Land") situated at the junction of Zhongshan Wu Road (中山五路) and Education Road (教育路) in Yuexiu District (越秀區), one of the prime shopping and commercial districts in Guangzhou, the PRC. The gross site area of the JY1 Land is 9,710 m<sup>2</sup> and is planned to be developed into a high-class shopping arcade with 4 basement floors and 7-storeys above ground with total gross floor area of about 64,514 m<sup>2</sup>. The consideration for the acquisition is HK\$960 million.

The title transfer of the parcel of land at Hengqin, Zhuhai, located right on the waterfront across from Cotai, Macau is still pending upon lifting of moratorium for land transfer within the Hengqin area. The site area is approximately 26,000 m<sup>2</sup> with plot ratio of 1.6 which permitted uses under prevailing town planning guidelines included commercial, residential, hotel and retail.

In February 2010, the ITCP Group entered into an agreement for the formation of a joint venture, in the name of 三亞創新休閒產業投資有限公司 ("三亞創新") in which the ITCP Group had 45% interest. The principal activity of 三亞創新 is to explore investment opportunity in Sanya Innovative New City Recreational Park and Marina, which is located at bayou of River NingYuan (around 40 kilometers from Sanya City), for the development of property, marina and leisure businesses. There is good progress in the negotiation with the relevant government authorities in relation to the leasing and/or acquisition of land parcel designated for this purpose.

Outlined below is a summary of the ITCP Group's prevailing interest in significant properties held for development/sale:

Location	Usage	ITCP Group's interest (%)	Attributable Gross Floor Area (sq. ft.)
Concordia Land situated at Estrada de Seac Pai Van, Macau	Residential/Commercial/Hotel	35.5	2,250,000
12 residential units and 12 car parking spaces at Pearl on the Lough, Iiha da Taipa, junto à Estrada Nordeste da Taipa Aterro da Baía de Pac On, Macau	Residential	100	29,000
Nathan Road Project situated at 703 and 705, Nathan Road, Mongkok, Kowloon, Hong Kong	Retailing	100	30,000
Causeway Bay Project comprising:			
- No. 7 Moreton Terrace, Causeway Bay, Hong Kong	Hotel/Commercial	100	31,000
- Nos. 19-21 Shelter Street, Causeway Bay, Hong Kong	Residential	100	91,000
- No. 33 Tung Lo Wan Road, Causeway Bay, Hong Kong			
- Nos. 35, 37, 39-39A, 39B and 39C Tung Lo Wan Road, Causeway Bay, Hong Kong			
Guiyang Land situated at Wudang District, Guiyang City, Guizhou Province, the PRC	Residential/Commercial/Cultural/Recreational/Resort	45	3,300,000

#### *Golf and Leisure*

Turnover from golf and leisure business during the year was HK\$55.2 million (2009: HK\$49.5 million) with a segmental loss of HK\$20.5 million (2009: HK\$10.5 million).

The local government authority has in principle consented to the ITCP Group's development plan of members' village within Sun Valley Golf Resort of about gross floor area of 76,700 m<sup>2</sup>. Together with prior approval for the development of the enlarged hotel development plan of gross floor area of approximately 66,800 m<sup>2</sup>, the aggregate gross floor area is about 143,500 m<sup>2</sup>. Detailed development plan has been submitted to the local government authorities for the construction of about 250 spa villas to provide its members with exclusive lodging facilities. Model flats are being built and presale of golf memberships accompanied with the exclusive usage right of spa villas is in the planning stage (the "Sanya Golf Project"). A number of investors have been attracted by the investment potential of the Sun Valley Golf Resort and been lobbying with the ITCP Group for joint development. On 21 July 2010, the ITCP Group entered into an agreement to dispose of 65% of the ITCP Group's interest in Sun Valley Golf Resort for a cash consideration of approximately HK\$746.0 million which was expected to contribute to the ITCP Group a substantial profit of around HK\$490.9 million upon completion which was scheduled to take place in early 2011.

After the disposal of the entire interest in the Lotus Hill Golf Resort, the ITCP Group remains as the lessee of the golf resort as well as a partner to the development of villas therein. The development, through the joint venture, of 28 villas within the golf resort is progressing well. In November 2009, a selling agency agreement on a fully underwritten basis was entered into which had secured a reasonable profit from the joint venture to the ITCP Group.

#### *Securities Investment*

To take advantage from the rebound in the securities market during the year, the ITCP Group realised considerable gain from the partial disposal of its securities investment. During the year, turnover and segmental profit from securities investment were approximately HK\$186.4 million (2009: approximately HK\$53.5 million) and approximately HK\$169.8 million (2009: a segmental loss of approximately HK\$171.1 million) respectively. As at 31 March 2010, the ITCP Group had available-for-sale investments and financial assets at fair value through profit or loss in an aggregate sum of approximately HK\$194.4 million, mainly comprised shares listed in Hong Kong and Singapore.

#### *Financing*

During the year, the ITCP Group had interest income from convertible bonds, a related company and other loan receivables of approximately HK\$21.1 million. As at the year end date, debt portion of convertible bonds and other loan receivables of the ITCP Group amounted to approximately HK\$43.4 million and approximately HK\$212.0 million respectively.

### **FINANCIAL REVIEW**

The ITCP Group maintains a prudent funding and treasury policy with regard to its overall business operations. In addition to the convertible note payables, a variety of credit facilities is maintained to satisfy its commitments and working capital requirements.

During the year, the ITCP Group had obtained additional bank and other borrowings of approximately HK\$492.6 million, mainly to finance the development of the Nathan Road Project and the Causeway Bay Project and to refinance certain debts upon their maturities. As at the year end date, total borrowings from financial institutions amounted to approximately HK\$477.7 million, of which approximately HK\$464.1 million would be repayable after one year. The ITCP Group's gearing ratio at the year end date was 0.81 (2009: 0.64), which was determined as the proportion of the ITCP Group's bank borrowings and convertible note payables (after deducting the pledged bank deposits and the bank balances and cash of approximately HK\$202.9 million) to the ITCP Group's shareholders' funds of approximately HK\$2,114.6 million.

The ITCP Group's borrowings from financial institutions are interest-bearing with variable rates. Given the management's anticipation of stable interest rates in the capital market, no hedging instruments have been used against any unfavorable interest rate fluctuations.

Most of the assets and liabilities of the ITCP Group are denominated in Hong Kong dollars, Renminbi and Macau Pataca, hence the ITCP Group's exposure to fluctuations in foreign exchange rates is minimal.

To further strengthen the ITCP Group's financial resources and liquidity position, ITCP had completed the placing of 94,000,000 new ITCP Shares at HK\$1.60 each ("Placing") in June 2010. The net proceeds of approximately HK\$146.1 million were retained as general working capital for business development.

### **NUMBER OF EMPLOYEES AND REMUNERATION POLICIES**

As at the year end date, the number of employees of the ITCP Group was 557 (2009: 553). Employees are remunerated according to their qualifications and experience, job nature and performance, under the pay scales aligned with market conditions. Other benefits to employees include medical, insurance cover, share options and retirement schemes. On 29 March 2010, ITCP had granted share options with an exercise price of HK\$2.22 per ITCP Share to certain directors, senior management and employees of the ITCP Group pursuant to the terms and conditions of the share option scheme adopted by ITCP on 26 August 2002 (the "2002 Scheme").

## OUTLOOK

Since 2005, the ITCP Group has been focusing its core activity on property businesses with Concordia and Sun Valley Golf Resort, being the first two development projects acquired. This investment strategy has proven to be a huge success as evident in the recent presale of One Oasis as well as the partial disposal of 65% interest in Sun Valley Golf Resort, which have secured substantial profits for the ITCP Group. Further gains on Concordia are anticipated to be recognised over time in the future as their subsequent phases are launched against the backdrop of global economic recovery and steady growth of the PRC's economy. Based on the ITCP Group's prevailing plan over its project portfolio, the developments of further phases of Concordia, the Causeway Bay Project, the Nathan Road Project, the Sanya Golf Project and phase 1 of the Guiyang Project will be completed over the coming years, by the time which the ITCP Group can undoubtedly take full benefit in the next economy cycle upswing. For other properties held for sale, the ITCP Group has been taking steps to cash in on the investments. The ITCP Group will continue with this investment strategy to search for quality properties by taking a prudent approach with primary focus on enhancing the synergistic value of its existing portfolio.

Despite the recent property market cooling measures including the tightening of real-estate financing adopted by the PRC government as efforts to cool down the soaring housing prices, it is expected that, being one of the fastest growing economies in the world, property demand in the PRC will continue to grow in the middle to long run. Investors, on the whole, prefer property as their core investments due to the record low interest rates, low public confidence in financial products as well as early signs of economic recovery worldwide. Coupled with the fact that there will only be limited new supply of properties in prime locations in Hong Kong and Macau in the foreseeable future, the ITCP Group is in an advantageous position to bring into fruition value for its shareholders. Barring unforeseen circumstances, the ITCP Group is confident in capturing future capital gains from its investment portfolio.

## PLEDGE OF ASSETS

As at 31 March 2010, the ITCP Group's general credit facilities granted by banks and financial institutions were secured by pledges of the ITCP Group's investment properties under development of approximately HK\$232.0 million, properties held for sale in an aggregate value of approximately HK\$803.8 million, bank deposits of approximately HK\$42.2 million and property, plant and equipment of approximately HK\$0.2 million.

## SECURITIES IN ISSUE

On 28 January 2010 and 2 February 2010, ITCP issued and allotted a total of 2,113 new ITCP Shares at the adjusted exercise price of HK\$2.625 per ITCP Share upon exercise of the subscription rights attaching to the adjusted warrants issued pursuant to the rights issue by ITCP (the "Warrants") on 5 August 2008. The subscription rights attaching to the outstanding Warrants which had not been exercised were expired on 4 February 2010 in accordance with the terms and conditions of the instrument dated 5 August 2008 constituting the Warrants.

On 1 December 2009, 31,720 adjusted share options (the "ITCP Options") granted under the 2002 Scheme at the adjusted exercise price of HK\$10.55 per ITCP Share were lapsed upon resignation of an employee of the ITCP Group. On 29 March 2010, a total of 3,666,832 adjusted ITCP Options at the adjusted exercise price of HK\$10.55 per ITCP Share were cancelled and an aggregate of 21,890,000 ITCP Options had been granted by ITCP at an initial exercise price of HK\$2.22 per ITCP Share (subject to adjustment).

As at 31 March 2010, there were 470,919,597 ITCP Shares in issue and a total of the 21,890,000 ITCP Options granted by ITCP at an initial exercise price of HK\$2.22 per ITCP Share (subject to adjustment) remained outstanding. In addition, ITCP had issued (i) zero coupon convertible notes due 2010 in the aggregate principal amount of HK\$471,050,000 at the adjusted conversion price of HK\$5.675 per ITCP Share (subject to adjustment) on 11 August 2005; (ii) zero coupon convertible notes due 2010 in the aggregate principal amount of HK\$17,476,177 at the adjusted conversion price of HK\$5.675 per ITCP Share (subject to adjustment) on 8 June 2006; and (iii) 1% convertible notes due 2011 in the aggregate principal amount of HK\$906,000,000 at the adjusted conversion price of HK\$9.025 per ITCP Share (subject to adjustment) on 15 June 2006 respectively, all of which remained outstanding.

Save as disclosed above, there was no movement in the issued share capital of ITCP during the year ended 31 March 2010.

## I. ACCOUNTANTS' REPORT ON UNAUDITED PRO FORMA FINANCIAL INFORMATION

**TO THE DIRECTORS OF ITC CORPORATION LIMITED**

We report on the unaudited pro forma financial information of ITC Corporation Limited (the "Company") and its subsidiaries (hereinafter collectively referred to as the "Group"), which has been prepared by the directors of the Company for illustrative purposes only, to provide information about how the proposed acquisition of 76,402,763 shares of HK\$0.01 each of ITC Properties Group Limited from Hanny Holdings Limited (the "Proposed Transaction") might have affected the financial information presented, for inclusion in Appendix II of the circular dated 19 October 2010 (the "Circular"). The basis of preparation of the unaudited pro forma financial information is set out on pages 16 to 17 to the Circular.

**Respective responsibilities of directors of the Company and reporting accountants**

It is the responsibility solely of the directors of the Company to prepare the unaudited pro forma financial information in accordance with paragraph 29 of Chapter 4 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Listing Rules") and with reference to Accounting Guideline 7 "Preparation of Pro Forma Financial Information for Inclusion in Investment Circulars" issued by the Hong Kong Institute of Certified Public Accountants.

It is our responsibility to form an opinion, as required by paragraph 29(7) of Chapter 4 of the Listing Rules, on the unaudited pro forma financial information and to report our opinion to you. We do not accept any responsibility for any reports previously given by us on any financial information used in the compilation of the unaudited pro forma financial information beyond that owed to those to whom those reports were addressed by us at the dates of their issue.

**Basis of opinion**

We conducted our engagement in accordance with Hong Kong Standard on Investment Circular Reporting Engagements 300 "Accountants' Reports on Pro Forma Financial Information in Investment Circulars" issued by the Hong Kong Institute of Certified Public Accountants. Our work consisted primarily of comparing the unadjusted financial information with source documents, considering the evidence supporting the adjustments and discussing the unaudited pro forma financial information with the directors of the Company. This engagement did not involve independent examination of any of the underlying financial information.

We planned and performed our work so as to obtain the information and explanations we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the unaudited pro forma financial information has been properly compiled by the directors of the Company on the basis stated, that such basis is consistent with the accounting policies of the Group and that the adjustments are appropriate for the purpose of the unaudited pro forma financial information as disclosed pursuant to paragraph 29(1) of Chapter 4 of the Listing Rules.

The unaudited pro forma financial information is for illustrative purpose only, based on the judgements and assumptions of the directors of the Company, and, because of its hypothetical nature, does not provide any assurance or indication that any event will take place in future and may not be indicative of the financial position of the Group as at 31 March 2010 or any future date.

**Opinion**

In our opinion:

- a) the unaudited pro forma financial information has been properly compiled by the directors of the Company on the basis stated;
- b) such basis is consistent with the accounting policies of the Group; and
- c) the adjustments are appropriate for the purposes of the unaudited pro forma financial information as disclosed pursuant to paragraph 29(1) of Chapter 4 of the Listing Rules.

**Deloitte Touche Tohmatsu**  
*Certified Public Accountants*  
Hong Kong

19 October 2010

## II. UNAUDITED PRO FORMA NET ASSETS STATEMENT OF THE ENLARGED GROUP

The unaudited pro forma net assets statement of the Enlarged Group (the “Unaudited Pro Forma Net Assets Statement”) has been prepared in accordance with paragraph 29 of Chapter 4 of the Listing Rules for the purpose of illustrating the effect of the Acquisition as if the Acquisition had been taken place on 31 March 2010.

The preparation of the Unaudited Pro Forma Net Assets Statement is based on the audited consolidated statement of financial position of the ITC Group as at 31 March 2010 which has been extracted from the published annual report of the ITC Group for the year ended 31 March 2010 and adjusted only to reflect the pro forma adjustment described in the notes thereto. Narrative description of the unaudited pro forma adjustment that is directly attributable to the Acquisition is summarised in the accompanying notes.

The Unaudited Pro Forma Net Assets Statement is based on a number of assumptions, estimates and uncertainties. The accompanying Unaudited Pro Forma Net Assets Statement is prepared for illustrative purposes only and because of its nature, it does not purport to describe the actual financial position of the ITC Group that would have been attained had the Acquisition been completed on 31 March 2010. The Unaudited Pro Forma Net Assets Statement does not purport to predict the future financial position of the ITC Group.

The Unaudited Pro Forma Net Assets Statement should be read in conjunction with the historical financial information of the ITC Group as set out in the published annual report of the ITC Group for the year ended 31 March 2010 and other financial information included elsewhere in this circular.

	<b>The ITC Group as at 31 March 2010</b> <i>HK\$'000</i>	<b>Pro forma adjustment</b> <i>HK\$'000</i> <i>(Note 1)</i>	<b>Pro forma Enlarged Group</b> <i>HK\$'000</i>
<b>Non-current assets</b>			
Property, plant and equipment	31,253		31,253
Investment properties	88,497		88,497
Prepaid lease payments	56,348		56,348
Intangible assets	1,540		1,540
Interests in associates	2,471,715	293,137	2,764,852
Debt portion of convertible notes	328,358		328,358
Conversion options embedded in convertible notes	201		201
Available-for-sale investments	8,049		8,049
	2,985,961	293,137	3,279,098
<b>Current assets</b>			
Inventories	33		33
Prepaid lease payments	1,544		1,544
Debtors, deposits and prepayments	2,899		2,899
Margin account receivables	18		18
Amounts due from associates	74,356		74,356
Amounts due from related companies	96		96
Loan receivable	21,969		21,969
Investments held for trading	6,825		6,825
Short-term bank deposits, bank balances and cash	144,207	(144,207)	–
	251,947	(144,207)	107,740

**APPENDIX II**
**UNAUDITED PRO FORMA FINANCIAL  
INFORMATION ON THE ENLARGED GROUP**

	The ITC Group as at 31 March 2010 <i>HK\$'000</i>	Pro forma adjustment <i>HK\$'000</i> (Note 1)	Pro forma Enlarged Group <i>HK\$'000</i>
<b>Current liabilities</b>			
Creditors and accrued expenses	13,011		13,011
Amounts due to associates	941		941
Bank borrowings – due within one year	5,250		5,250
Bank overdrafts	37,974	31,519	69,493
	<u>57,176</u>	<u>31,519</u>	<u>88,695</u>
<b>Net current assets</b>	<u>194,771</u>	<u>(175,726)</u>	<u>19,045</u>
<b>Total assets less current liabilities</b>	<u>3,180,732</u>	<u>117,411</u>	<u>3,298,143</u>
<b>Non-current liabilities</b>			
Bank borrowings – due after one year	47,500		47,500
Convertible notes payable	180,492		180,492
Deferred tax liabilities	7,706		7,706
	<u>235,698</u>	<u>–</u>	<u>235,698</u>
<b>Net assets</b>	<u><u>2,945,034</u></u>	<u><u>117,411</u></u>	<u><u>3,062,445</u></u>

*Note 1:* The adjustment represents the consideration to be paid by the ITC Group of approximately HK\$175.7 million for the acquisition of the Sale Shares with attributable net assets value of approximately HK\$293.1 million as at 31 March 2010 as if the Acquisition had taken place on 31 March 2010 based on the audited net assets value of ITCP Group as at 31 March 2010 to be newly shared by the ITC Group. The transaction cost for the Acquisition is considered immaterial. The adjustment has not taken into account the effect of the placement of 94,000,000 ITCP Shares completed on 8 June 2010 and the effect on the acquisition of additional 26,587,311 ITCP Shares by the ITC Group subsequent to 31 March 2010 and up to the Latest Practicable Date.

*Note 2:* For the pro forma bank balance of the ITC Group immediately after the Acquisition is prepared as if the Acquisition had been taken place on 31 March 2010, there would be a cash shortfall of approximately HK\$31.5 million on 31 March 2010. The pro forma bank balance of the ITC Group does not take into account the proceeds of approximately HK\$100.5 million, which has been received in September 2010 as a result of the acceptance of the repurchase offer of the convertible notes of Rosedale Hotel Holdings Limited as set out in ITC's circular dated 21 July 2010.

## 1. RESPONSIBILITY STATEMENT

This circular, for which the ITC 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 ITC Group. The ITC 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 BY ITC DIRECTORS

As at the Latest Practicable Date, the interests and short positions of the ITC Directors and chief executives of ITC in the shares, underlying shares and debentures of ITC or any of its associated corporations, within the meaning of Part XV of the SFO which were required (i) to be notified to ITC and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests or short positions which they were taken or deemed to have under such provisions of the SFO); or (ii) pursuant to section 352 of the SFO, to be entered in the register referred to therein; or (iii) pursuant to the Model Code, to be notified to ITC and the Stock Exchange were as follows:

### (a) Interests and short positions in ITC Shares, underlying ITC Shares and debentures of ITC

Name of ITC Director	Capacity	Long position/ Short position	Number of ITC Shares held	Number of underlying ITC Shares	Approximate percentage of the existing issued share capital of ITC
Dr. Chan	Beneficial owner	Long position	61,016,330 (Note 1)	–	8.10%
Dr. Chan	Interest of controlled corporation (Note 1)	Long position	202,678,125 (Note 1)	–	26.89%
Chau Mei Wah, Rosanna	Beneficial owner	Long position	–	4,102,250 (Note 2)	0.54%
Chan Kwok Chuen, Augustine	Beneficial owner	Long position	–	1,830,000 (Note 2)	0.24%
Chan Fut Yan	Beneficial owner	Long position	–	3,812,500 (Note 2)	0.51%
Cheung Hon Kit	Beneficial owner	Long position	–	3,812,500 (Note 2)	0.51%
Chuck, Winston Calptor	Beneficial owner	Long position	–	381,250 (Note 2)	0.05%
Lee Kit Wah	Beneficial owner	Long position	–	381,250 (Note 2)	0.05%
Shek Lai Him, Abraham	Beneficial owner	Long position	–	381,250 (Note 2)	0.05%

#### Notes:

- Galaxyway Investments Limited was a wholly-owned subsidiary of Chinaview International Limited which was, in turn, wholly-owned by Dr. Chan. Dr. Chan was also the sole director of Chinaview International Limited and Galaxyway Investments Limited. Dr. Chan was deemed to be interested in 202,678,125 ITC Shares held by Galaxyway Investments Limited. Dr. Chan held 61,016,330 ITC Shares.

2. Details of outstanding ITC Options (unlisted equity derivatives) granted to the ITC Directors as at the Latest Practicable Date were as follows:

Name of holder of ITC Options	Date of grant	Exercisable period*	Number of ITC Options	Exercise price per ITC Share (subject to adjustments) HK\$
Chau Mei Wah, Rosanna	28.03.2008	28.03.2008 to 27.03.2011	4,102,250	2.52
Chan Kwok Chuen, Augustine	28.03.2008	28.03.2008 to 27.03.2011	1,830,000	2.52
Chan Fut Yan	28.03.2008	28.03.2008 to 27.03.2011	3,812,500	2.52
Cheung Hon Kit	28.03.2008	28.03.2008 to 27.03.2011	3,812,500	2.52
Chuck, Winston Calptor	28.03.2008	28.03.2008 to 27.03.2011	381,250	2.52
Lee Kit Wah	28.03.2008	28.03.2008 to 27.03.2011	381,250	2.52
Shek Lai Him, Abraham	28.03.2008	28.03.2008 to 27.03.2011	381,250	2.52

\* These ITC Options were vested on the date of grant.

**(b) Interests and short positions in shares, underlying shares and debentures of the following associated corporations**

*(i) Hanny*

Name of ITC Director	Capacity	Long position/ Short position	Number of Hanny Shares held	Number of underlying Hanny Shares held	Approximate percentage of the existing issued share capital of Hanny
Dr. Chan	Interest of controlled corporation (Note)	Long position	240,146,821 (Note)	–	42.77%
Dr. Chan	Interest of controlled corporations (Note)	Long position	–	14,622,821 (Note)	2.60%
Dr. Chan	Beneficial owner	Long position	2,298,393	–	0.41%
Dr. Chan	Beneficial owner	Long position	–	179,520 (Note)	0.03%
Cheung Hon Kit	Beneficial owner	Long position	1	–	0.00%
Shek Lai Him, Abraham	Beneficial owner	Long position	32	–	0.00%

*Note:*

240,146,821 Hanny Shares were held by an indirect wholly-owned subsidiary of ITC. ITC, through its indirect wholly-owned subsidiaries, also held the Hanny Bonds (unlisted equity derivatives) in an aggregate principal amount of HK\$231,479,295. Upon full conversion of the Hanny Bonds by the indirect wholly-owned subsidiaries of ITC at a conversion price of HK\$15.83 per Hanny Share (subject to adjustments), 14,622,821 Hanny Shares would be issued to the indirect wholly-owned subsidiaries of ITC.

By virtue of his direct and deemed interests in approximately 34.99% of the issued share capital of ITC, Dr. Chan was deemed to be interested in these Hanny Shares and underlying Hanny Shares held by the indirect wholly-owned subsidiaries of ITC.

As disclosed in the announcement of ITC dated 21 September 2010, the proposed acceptance by the indirect wholly-owned subsidiaries of ITC of the offer made by Hanny to repurchase the Hanny Bonds in the aggregate principal amount of HK\$231,479,295 at their face value to be satisfied by the issue of new Hanny Shares at HK\$0.5 each (the “Repurchase Offer”) was approved by the ITC Shareholders at the special general meeting held on 21 September 2010. Accordingly, the indirect wholly-owned subsidiaries of ITC will accept the Repurchase Offer.

Dr. Chan owned the Hanny Bonds (unlisted equity derivatives) in the principal amount of HK\$2,841,810. Upon full conversion of such Hanny Bonds by Dr. Chan at a conversion price of HK\$15.83 per Hanny Share (subject to adjustments), 179,520 Hanny Shares would be issued to Dr. Chan.

(ii) *PYI Corporation Limited (“PYI”)*

Name of ITC Director	Capacity	Long position/ Short position	Number of shares of PYI held	Number of underlying shares of PYI held	Approximate percentage of the existing issued share capital of PYI
Dr. Chan	Interest of controlled corporation (Note 1)	Long position	1,213,537,695	–	26.79%
Dr. Chan	Beneficial owner	Long position	35,936,031	–	0.79%
Chau Mei Wah, Rosanna	Beneficial owner	Long position	–	3,626,666 (Note 2)	0.08%
Chan Fut Yan	Beneficial owner	Long position	–	7,083,334 (Note 2)	0.16%
Cheung Hon Kit	Beneficial owner	Long position	400	–	0.00%
Shek Lai Him, Abraham	Beneficial owner	Long position	6,000	–	0.00%

*Notes:*

- The shares of PYI were held by an indirect wholly-owned subsidiary of ITC. By virtue of his direct and deemed interests in approximately 34.99% of the issued share capital of ITC, Dr. Chan was deemed to be interested in these shares of PYI held by an indirect wholly-owned subsidiary of ITC.
- Ms. Chau Mei Wah, Rosanna and Mr. Chan Fut Yan held share options (unlisted equity derivatives) (which were granted on 28 December 2004) with rights to subscribe for 3,626,666 shares of PYI and 7,083,334 shares of PYI respectively at HK\$0.5294 per share of PYI (subject to adjustments) during the period from 28 December 2004 to 26 August 2012. These share options were vested on the date of grant.

(iii) *Burcon NutraScience Corporation (“Burcon”)*

Name of ITC Director	Capacity	Long position/ Short position	Number of shares of Burcon held	Number of underlying shares (in respect of the share options (unlisted equity derivatives)) of Burcon held	Approximate percentage of the existing issued share capital of Burcon
Chau Mei Wah, Rosanna	Beneficial owner	Long position	385,389	–	1.30%
Chau Mei Wah, Rosanna	Beneficial owner	Long position	–	52,500	0.18%
Chan Yiu Lun, Alan	Beneficial owner	Long position	–	65,000	0.22%

(iv) *ITCP*

Name of ITC Director	Capacity	Long position/ Short position	Number of ITCP Shares held	Number of underlying ITCP Shares held	Approximate percentage of the existing issued share capital of ITCP
Dr. Chan	Interest of controlled corporations (Note 1)	Long position	215,986,237	–	38.23%
Dr. Chan	Interest of controlled corporations (Note 1)	Long position	–	37,511,230 (Note 1)	6.64%
Dr. Chan	Beneficial owner	Long position	6,066,400	–	1.07%
Chau Mei Wah, Rosanna	Beneficial owner	Long position	3,200,000	–	0.56%
Chau Mei Wah, Rosanna	Beneficial owner	Long position	–	1,500,000 (Note 2)	0.26%
Chan Fut Yan	Beneficial owner	Long position	–	2,900,000 (Note 2)	0.51%
Cheung Hon Kit	Beneficial owner	Long position	14,202,000	–	2.51%
Cheung Hon Kit	Beneficial owner	Long position	–	3,900,000 (Note 2)	0.69%
Chan Yiu Lun, Alan	Beneficial owner	Long position	–	1,500,000 (Note 2)	0.26%

*Notes:*

- 63,180,711 ITCP Shares were held by the Purchaser. 76,402,763 ITCP Shares, being the Sale Shares, were held by the Vendor, an indirect wholly-owned subsidiary of Hanny. Pursuant to the Agreement, the Purchaser conditionally agreed to acquire, and the Vendor conditionally agreed to dispose of, the Sale Shares. The Purchaser held convertible notes (unlisted equity derivatives) of ITCP in the aggregate principal amount of HK\$64,000,000 at a conversion price of HK\$8.904 per ITCP Share (subject to adjustments). Upon full conversion of such convertible notes, 7,187,780

ITCP Shares would be issued to the Purchaser. The Vendor was the holder of the convertible notes (unlisted equity derivatives) of ITC in the principal amount of HK\$270,000,000 at a conversion price of HK\$8.904 per ITCP Share (subject to adjustments). Upon full conversion of such convertible notes, 30,323,450 ITCP Shares would be issued to the Vendor. An indirect wholly-owned subsidiary of ITC owned approximately 42.77% of the issued share capital of Hanny and Dr. Chan held approximately 0.41% of the issued share capital of Hanny. By virtue of his direct and deemed interests in approximately 34.99% of the issued share capital of ITC, Dr. Chan was deemed to be interested in these ITCP Shares and underlying ITCP Shares held by the Purchaser and the Vendor.

2. Details of outstanding share options (unlisted equity derivatives) granted to the ITC Directors by ITCP as at the Latest Practicable Date were as follows:

Name of ITC Director	Date of grant	Exercisable period*	Number of share options	Exercise price per ITCP Share (subject to adjustments) HK\$
Chau Mei Wah, Rosanna	29.03.2010	29.03.2010 to 28.03.2014	1,500,000	2.22
Chan Fut Yan	29.03.2010	29.03.2010 to 28.03.2014	2,900,000	2.22
Cheung Hon Kit	29.03.2010	29.03.2010 to 28.03.2014	3,900,000	2.22
Chan Yiu Lun, Alan	29.03.2010	29.03.2010 to 28.03.2014	1,500,000	2.22

\* According to the terms and conditions of the share option scheme of ITCP adopted on 26 August 2002, these share options shall be exercisable at any time during the option period provided that a maximum of 50% of the share options shall be exercisable during the second year period commencing from 29 March 2011 to 28 March 2012 with the balance of the share options not yet exercised may be exercised during the period commencing from 29 March 2012 to 28 March 2014.

As at the Latest Practicable Date, Hanny, PYI, Burcon and ITCP were associated corporations of ITC within the meaning of Part XV of the SFO.

Dr. Chan was, by virtue of his direct and deemed interests in approximately 34.99% of the issued share capital of ITC, deemed to be interested in the shares and underlying shares (in respect of equity derivatives), if any, of the associated corporations (within the meaning of Part XV of the SFO) of ITC held by the ITC Group under Part XV of the SFO.

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

### 3. INTERESTS OF SUBSTANTIAL SHAREHOLDERS/OTHER PERSONS RECORDED IN THE REGISTER KEPT UNDER THE SFO

As at the Latest Practicable Date, so far as is known to the ITC Directors or chief executives of ITC, the following persons had interests or short positions in the ITC Shares or underlying ITC Shares which would fall to be disclosed to ITC under the provisions of Divisions 2 and 3 of Part XV of the SFO, or, who was, directly or indirectly, interested in 10% or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at general meetings of any other members of the ITC Group.

## (a) Interests and short positions of substantial ITC Shareholders

Name	Capacity	Long position/ Short position	Number of ITC Shares held	Approximate percentage of the existing issued share capital of ITC
Dr. Chan	Beneficial owner	Long position	61,016,330 (Note)	8.10%
Dr. Chan	Interest of controlled corporation (Note)	Long position	202,678,125 (Note)	26.89%
Chinaview International Limited	Interest of controlled corporation (Note)	Long position	202,678,125 (Note)	26.89%
Galaxyway Investments Limited	Beneficial owner	Long position	202,678,125 (Note)	26.89%
Ng Yuen Lan, Macy	Interest of spouse (Note)	Long position	263,694,455 (Note)	34.99%

Note: Galaxyway Investments Limited was a wholly-owned subsidiary of Chinaview International Limited which was, in turn, wholly-owned by Dr. Chan. Dr. Chan was also the sole director of Chinaview International Limited and Galaxyway Investments Limited. Ms. Ng Yuen Lan, Macy was the spouse of Dr. Chan. Chinaview International Limited, Dr. Chan and Ms. Ng Yuen Lan, Macy were deemed to be interested in 202,678,125 ITC Shares held by Galaxyway Investments Limited. Dr. Chan held 61,016,330 ITC Shares. Ms. Ng Yuen Lan, Macy was deemed to be interested in the ITC Shares held by Dr. Chan.

## (b) Interests and short positions of other persons in the ITC Shares and underlying ITC Shares

Name	Capacity	Long position/ Short position	Number of ITC Shares held	Number of underlying ITC Shares held	Approximate percentage of the existing issued share capital of ITC
Everland Group Limited	Beneficial owner (Note 1)	Long position	–	50,000,000	6.63%
Wong Yun Sang	Interest of controlled corporation (Note 1)	Long position	–	50,000,000	6.63%
Chair Sai Sui	Interest of controlled corporation (Note 1)	Long position	–	50,000,000	6.63%
Ma Hon Man, Hoffman	Beneficial owner (Note 2)	Long position	–	70,332,712	9.33%
Katherine Chan	Interest of spouse (Note 2)	Long position	–	70,332,712	9.33%
Yeung Po Yuk, Pymalia	Beneficial owner (Note 3)	Long position	–	70,000,000	9.29%

Name	Capacity	Long position/ Short position	Number of ITC Shares held	Number of underlying ITC Shares held	Approximate percentage of the existing issued share capital of ITC
Sunrise Light Limited	Beneficial owner (Note 4)	Long position	410,000	–	0.05%
Sunrise Light Limited	Beneficial owner (Note 4)	Long position	–	50,000,000	6.63%
All Media Services Limited	Interest of controlled corporation (Note 4)	Long position	410,000	–	0.05%
All Media Services Limited	Interest of controlled corporation (Note 4)	Long position	–	50,000,000	6.63%
Ultra Star Services Limited	Interest of controlled corporation (Note 4)	Long position	410,000	–	0.05%
Ultra Star Services Limited	Interest of controlled corporation (Note 4)	Long position	–	50,000,000	6.63%
Yeung Hoi Sing, Sonny	Interest of controlled corporation (Note 4)	Long position	410,000	–	0.05%
Yeung Hoi Sing, Sonny	Interest of controlled corporation (Note 4)	Long position	–	50,000,000	6.63%
Yeung Hoi Sing, Sonny	Beneficial owner (Note 4)	Long position	75,000	–	0.00%
Yeung Hoi Sing, Sonny	Beneficial owner (Note 4)	Long position	–	3,000	0.00%
Liu Siu Lam, Marian	Interest of spouse (Note 4)	Long position	485,000	–	0.06%
Liu Siu Lam, Marian	Interest of spouse (Note 4)	Long position	–	50,003,000	6.63%

## Notes:

1. Everland Group Limited was interested in 50,000,000 underlying ITC Shares (in respect of unlisted equity derivatives). Mr. Wong Yun Sang and Mr. Chair Sai Sui owned as to 50% of Everland Group Limited respectively. By virtue of the SFO, each of Mr. Wong Yun Sang and Mr. Chair Sai Sui was deemed to be interested in the underlying ITC Shares in which Everland Group Limited was interested.
2. Mr. Ma Hon Man, Hoffman was interested in 70,332,712 underlying ITC Shares, of which 332,712 underlying ITC Shares and 70,000,000 underlying ITC Shares related to listed equity derivatives and unlisted equity derivatives respectively. So far as known to the ITC Directors, such 332,712 underlying ITC Shares lapsed in November 2009. Ms. Katherine Chan is the spouse of Mr. Ma Hon Man, Hoffman and therefore, by virtue of the SFO, was deemed to be interested in the underlying ITC Shares in which Mr. Ma was interested.

3. Ms. Yeung Po Yuk, Pymalia was interested in 70,000,000 underlying ITC Shares (in respect of unlisted equity derivatives).
4. Sunrise Light Limited, a company wholly-owned by All Media Services Limited, was interested in 410,000 ITC Shares and 50,000,000 underlying ITC Shares (in respect of unlisted equity derivatives). All Media Services Limited was wholly-owned by Ultra Star Services Limited, which in turn was wholly-owned by Mr. Yeung Hoi Sing, Sonny. Mr. Yeung Hoi Sing, Sonny was interested in 75,000 ITC Shares and 3,000 underlying ITC Shares (in respect of listed equity derivatives). So far as known to the ITC Directors, such 3,000 underlying ITC Shares lapsed in November 2009. Mr. Yeung Hoi Sing, Sonny was deemed to be interested in the ITC Shares and underlying ITC Shares in which Sunrise Light Limited was interested. Ms. Liu Siu Lam, Marian is the spouse of Mr. Yeung Hoi Sing, Sonny and therefore, by virtue of the SFO, was deemed to be interested in the ITC Shares and underlying ITC Shares in which Mr. Yeung and Sunrise Light Limited were interested.

Save as disclosed above, as at the Latest Practicable Date, so far as is known to the ITC Directors or chief executives of ITC, no person had interests or short positions in the ITC Shares or underlying ITC Shares which would fall to be disclosed to ITC under the provisions of Divisions 2 and 3 of Part XV of the SFO, or, who was, directly or indirectly, interested in 10% or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at general meetings of any other members of the ITC Group or any options in respect of such capital.

#### 4. ITC DIRECTORS' INTERESTS IN ASSETS, CONTRACTS AND COMPETING BUSINESSES

- (i) As at the Latest Practicable Date, none of the ITC Directors had any direct or indirect interest in any assets which had been acquired, disposed of by or leased to or which were proposed to be acquired, disposed of by or leased to any member of the ITC Group, since 31 March 2010, the date to which the latest published audited financial statements of the ITC Group were made up.
- (ii) There had no contract or arrangement entered into by any member of the ITC Group subsisting as at the Latest Practicable Date in which any of the ITC Directors was materially interested and which was significant in relation to the business of the ITC Group as a whole.
- (iii) As at the Latest Practicable Date, none of the ITC Directors and their respective associates were interested in any business apart from the ITC Group's businesses which competed or was likely to compete, either directly or indirectly, with the ITC Group's businesses as required to be disclosed pursuant to Rule 8.10 of the Listing Rules.

#### 5. EXPERT

The following is the qualification of the expert who has given opinion contained in this circular:

<b>Name</b>	<b>Qualification</b>
Deloitte Touche Tohmatsu ("DTT")	Certified Public Accountants

As at the Latest Practicable Date, DTT did not have direct or indirect shareholdings in any member of the ITC Group, or any right to subscribe for or to nominate persons to subscribe for securities in any member of the ITC Group, or any interests, directly or indirectly, in any assets which had been acquired, disposed of by or leased to or which were proposed to be acquired, disposed of by or leased to ITC or any of its subsidiaries, respectively, since 31 March 2010, the date to which the latest published audited financial statements of the ITC Group were made up.

DTT has given and has not withdrawn its written consent to the issue of this circular with the inclusion therein of its reports or letters and references to its name in the form and context in which they respectively appear.

#### 6. SERVICE CONTRACTS

As at the Latest Practicable Date, none of the ITC Directors had entered into any service contracts with ITC or any other members of the ITC Group, save for contracts which would expire or might be terminated by ITC or such other members of the ITC Group within a year without payment of any compensation (other than statutory compensation).

**7. LITIGATION**

As at the Latest Practicable Date, so far as the ITC Directors were aware, there was no litigation or claims of material importance pending or threatened against any member of the ITC Group.

**8. MATERIAL CONTRACTS**

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

- (i) the undertaking dated 6 January 2009 executed by ITC under which ITC had irrevocably undertaken, among other things, to subscribe, or procure the subscription, for 150,091,764 offer shares (with warrants) to ITC and/or its subsidiary(ies) at the subscription price of HK\$0.35 per offer share pursuant to the open offer of Hanny;
- (ii) the underwriting agreement dated 16 March 2009 entered into between ITC and Get Nice Securities Limited (“Get Nice”) as the underwriter in relation to the underwriting arrangement in respect of the issue of rights shares by ITC on the basis of 4 rights shares for every ITC Share held on the record date;
- (iii) the undertaking dated 29 April 2009 executed by ITC in favour of PYI and BOCI Asia Limited under which ITC had irrevocably undertaken, among other things, that the shares and warrants of PYI beneficially owned by ITC on the date of the undertaking should remain registered in the name of ITC or its subsidiary(ies) and beneficially owned by ITC as at the record date to the rights issue of PYI (the “Record Date”) or 16 July 2009 (whichever is the earlier) and that it would not, and would procure its subsidiaries not to, exercise the subscription rights attaching to the warrants of PYI beneficially owned by ITC up to the Record Date or 16 July 2009 (whichever is the earlier);
- (iv) the sale and purchase agreement dated 18 May 2009 entered into between Asia Will Limited (“AWL”), an indirect wholly-owned subsidiary of ITC, as purchaser and Citystar Limited as vendor in relation to the acquisition of the convertible notes (“Rosedale Notes”) issued by Rosedale Hotel Holdings Limited (“Rosedale”) (formerly known as Wing On Travel (Holdings) Limited) in the principal amount of HK\$34,000,000 by AWL at the consideration of HK\$26,520,000;
- (v) the sale and purchase agreement dated 18 May 2009 entered into between AWL as purchaser and Eversun Limited as vendor in relation to the acquisition of the Rosedale Notes in the principal amount of HK\$24,200,000 by AWL at the consideration of HK\$18,876,000;
- (vi) the placing and underwriting agreement dated 9 June 2009 entered into between ITC and Get Nice pursuant to which Get Nice, as placing agent of ITC, agreed to place, on a fully underwritten basis, a total of 80,000,000 ITC Shares at the placing price of HK\$0.75 per ITC Share;
- (vii) the sale and purchase agreement dated 16 June 2009 entered into between AWL as purchaser and Violet Profit Holdings Limited as vendor in relation to the acquisition of the Rosedale Notes in the principal amount of HK\$50,000,000 by AWL at the consideration of HK\$40,000,000;
- (viii) the contract notes in relation to acquisition by AWL of a total of 31,890,000 shares of Rosedale for an aggregate consideration of approximately HK\$1.4 million on 6 August 2009 and 7 August 2009;
- (ix) the offer letter dated 31 July 2009 issued by Rosedale to AWL (as varied and supplemented by a letter dated 15 October 2009 between AWL and Rosedale in relation to the extension of the long stop date) and a form of acceptance and transfer dated 19 August 2009 executed by AWL for acceptance of the offer made by Rosedale to repurchase the Rosedale Notes held by AWL in the aggregate principal amount of HK\$81,000,000 at the consideration to be satisfied by way of issue of shares of Rosedale at HK\$0.035 per share. Rosedale subsequently informed AWL on 17 November 2009 that such offer would not proceed as certain conditions precedent thereto could not be fulfilled;

- (x) the offer letters issued by ITC to the respective noteholders on 24 September 2009 in relation to the repurchase of 5% convertible notes issued by ITC due 2 November 2009 in the principal amount of HK\$200,000,000 (the “2009 CN”) at the price payable by way of issue of new ITC Notes in the principal amount equal to the outstanding principal amount of the 2009 CN that were the subject of acceptance by the respective noteholders (the “ITC Repurchase Offer”) and the following respective acceptance and transfer forms executed by the holders of the 2009 CN:
  - (a) five acceptance and transfer forms all dated 29 September 2009 executed by Success Securities Limited (“Success”) in respect of its acceptance of the ITC Repurchase Offer of the 2009 CN in the respective principal amounts of HK\$35,000,000, HK\$25,000,000, HK\$25,000,000, HK\$25,000,000 and HK\$10,000,000 held by it with the transfers of such 2009 CN to ITC on 2 November 2009; and
  - (b) an acceptance and transfer form dated 29 September 2009 executed by Dragonsford Investment Limited in respect of its acceptance of the ITC Repurchase Offer of the 2009 CN in the principal amount of HK\$8,000,000 held by it with the transfer of such 2009 CN to ITC on 2 November 2009;
- (xi) the placing agreement dated 30 September 2009 entered into between ITC and Success pursuant to which Success, as placing agent of ITC, agreed to place, on a best efforts basis, the ITC Notes up to a maximum aggregate principal amount of HK\$200,000,000 (less the principal amount of the ITC Notes that fell to be issued for the valid acceptances received under the ITC Repurchase Offer);
- (xii) the undertaking dated 3 December 2009 executed by AWL in favour of Rosedale and Emperor Securities Limited under which AWL had irrevocably undertaken, among other things, to subscribe or procure the subscription of the provisional allotment of rights shares in respect of 1,561,120,000 shares of Rosedale held by AWL at the subscription price of HK\$0.15 per rights share on the basis of five rights shares for every 1 share of Rosedale held on the record date pursuant to the rights issue of Rosedale;
- (xiii) two offer letters dated 10 December 2009 and 15 December 2009 respectively issued by Rosedale to AWL (as varied and supplemented by a letter dated 23 December 2009 between AWL and Rosedale in relation to the extension of the long stop date) and two forms of acceptance and transfer dated 23 December 2009 executed by AWL for acceptance of the offer made by Rosedale to repurchase the Rosedale Notes held by AWL in the respective principal amounts of HK\$108,200,000 and HK\$6,000,000 at a price payable in cash equal to 80% of the principal amount of the Rosedale Notes that were the subject of the acceptance of the offer. Rosedale subsequently informed AWL on 4 March 2010 that such offer would not proceed as certain conditions precedent thereto could not be fulfilled;
- (xiv) the contract notes for disposal by Great Intelligence Holdings Limited, an indirectly wholly-owned subsidiary of ITC, of a total of 182,940,000 shares of Neo Telemedia Limited (formerly known as Big Media Group Limited) for the aggregate consideration of approximately HK\$19.1 million during the period from 23 February 2009 to 13 January 2010;
- (xv) the contract of sale and purchase dated 25 January 2010 entered into between Burcon Group Limited (an indirect wholly-owned subsidiary of ITC) as seller and Qing Fang, Huang and Wenyan, An as buyers (as varied and supplemented by a contract of sale and purchase addendum dated 1 February 2010) in relation to the disposal of a property located at 4818 Fannin Avenue, Vancouver, British Columbia, Canada at the consideration of CAD6,128,000;
- (xvi) the contract notes dated 30 April 2010 executed between Famex Investment Limited (an indirect wholly-owned subsidiary of ITC) as transferee and Wonderich Investments Limited as transferor for the acquisition of the Hanny Bonds in the aggregate principal amount of HK\$41,519,625 at the consideration of HK\$31,460,250.26;
- (xvii) the contract notes in relation to acquisition by AWL of a total of 26,020,000 shares of Rosedale for an aggregate consideration of approximately HK\$16.2 million during the period from 28 May 2010 to 22 July 2010;

- (xviii) the offer letter dated 30 June 2010 issued by Rosedale to AWL (as varied and supplemented by a letter dated 5 July 2010 issued by Rosedale to AWL in relation to the extension of acceptance date) and the form of acceptance and transfer dated 5 August 2010 executed by AWL for acceptance of the offer made by Rosedale to repurchase the Rosedale Notes held by AWL in the aggregate principal amount of HK\$114,200,000 for a cash consideration of HK\$100,496,000, being a price equal to 88% of the principal amount of the Rosedale Notes that were the subject of the acceptance of the offer;
- (xix) the contract notes in relation to acquisition by the Purchaser of a total of 21,067,311 ITCP Shares for an aggregate consideration of approximately HK\$45.4 million during the period from 28 September 2010 to 13 October 2010; and
- (xx) the Agreement.

## 9. GENERAL

- (i) The secretary of ITC is Mr. Lee Hon Chiu, *CPA, FCCA*.
- (ii) The registered office of ITC is at Clarendon House, 2 Church Street, Hamilton HM 11, Bermuda and the head office and principal place of business of ITC in Hong Kong is at 30th Floor, Bank of America Tower, 12 Harcourt Road, Central, Hong Kong.
- (iii) The principal share registrar and transfer office of ITC is Butterfield Fulcrum Group (Bermuda) Limited of Rosebank Centre, 11 Bermudiana Road, Pembroke HM 08, Bermuda and the branch share registrar and transfer office of ITC in Hong Kong is Tricor Secretaries Limited of 26th Floor, Tesbury Centre, 28 Queen's Road East, Wanchai, Hong Kong.
- (iv) The English texts of this circular and the accompanying form of proxy shall prevail over their respective Chinese texts for the purpose of interpretation.

## 10. DOCUMENTS AVAILABLE FOR INSPECTION

Copies of the following documents are available for inspection during normal business hours on any weekday (except Saturday and public holidays) at the office of Iu, Lai & Li at 20th Floor, Gloucester Tower, The Landmark, 11 Pedder Street, Central, Hong Kong from the date of this circular up to and including the date of the ITC SGM:

- (a) the memorandum of association and the bye-laws of ITC;
- (b) the annual reports of ITC for each of the two financial years ended 31 March 2009 and 31 March 2010;
- (c) the material contracts disclosed in the paragraph headed "Material contracts" in this appendix;
- (d) the letter from DTT in respect of the unaudited pro forma financial information on the Enlarged Group as set out in Appendix II to this circular;
- (e) the letter of consent from DTT referred to in the paragraph headed "Expert" in this appendix; and
- (f) a copy of each of the circular of ITC dated 30 August 2010 relating to the proposed acceptance of the repurchase offer of the Hanny Bonds by the ITC Group and the proposed distribution of the contributed surplus of ITC and this circular.

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## NOTICE OF ITC SGM

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### ITC CORPORATION LIMITED

*(Incorporated in Bermuda with limited liability)*

(Stock Code: 372)

**NOTICE IS HEREBY GIVEN** that a special general meeting of the shareholders of ITC Corporation Limited (the "Company") will be held at B27, Basement, Bank of America Tower, 12 Harcourt Road, Central, Hong Kong on Wednesday, 3 November 2010 at 11:00 a.m. for the purpose of considering and, if thought fit, passing with or without amendments, the following resolution which will be proposed as an ordinary resolution:

#### ORDINARY RESOLUTION

**"THAT:**

- (A) the signing of the conditional agreement dated 27 September 2010 (the "**Agreement**") between Loyal Concept Limited (the "**Vendor**"), an indirect wholly-owned subsidiary of Hanny Holdings Limited, as vendor and Selective Choice Investments Limited (the "**Purchaser**"), an indirect wholly-owned subsidiary of the Company, as purchaser in relation to the acquisition of 76,402,763 shares of ITC Properties Group Limited by the Purchaser from the Vendor (a copy of the Agreement has been produced to the meeting marked "A" and initialled by the chairman of the meeting for the purpose of identification) and the performance of the transactions contemplated under the Agreement be and are hereby approved, confirmed and ratified (as appropriate); and
- (B) the directors of the Company (the "**Directors**") be and are hereby authorised to do all such acts and things, sign and execute all such documents and take all such steps as the Directors may in their absolute discretion consider necessary, appropriate, desirable or expedient to implement and/or give effect to the Agreement and the transactions contemplated thereunder."

By order of the board of directors of  
**ITC Corporation Limited**  
**Lee Hon Chiu**  
*Company Secretary*

Hong Kong, 19 October 2010

*Principal place of business in Hong Kong*  
30th Floor, Bank of America Tower  
12 Harcourt Road  
Central  
Hong Kong

*Registered office:*  
Clarendon House  
2 Church Street  
Hamilton HM 11  
Bermuda

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## NOTICE OF ITC SGM

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*Notes:*

1. Any member of the Company entitled to attend and vote at a meeting of the Company shall be entitled to appoint another person as his proxy to attend and vote instead of him. A member who is the holder of two or more shares may appoint more than one proxy to represent and vote on his behalf. A proxy need not be a member of the Company.
2. The instrument appointing a proxy shall be in writing under the hand of the appointor or of his attorney duly authorised in writing or, if the appointor is a corporation, either under its common seal or under the hand of an officer or attorney duly authorised.
3. A form of proxy for use at the meeting is enclosed. The instrument appointing a proxy and the power of attorney or other authority, if any, under which it is signed, or a notarially certified copy of such power or authority, together with such evidence as the board of directors of the Company may require under the bye-laws of the Company, shall be deposited at the Company's principal place of business in Hong Kong at 30th Floor, Bank of America Tower, 12 Harcourt Road, Central, Hong Kong not less than 48 hours before the time appointed for holding the meeting or any adjournment thereof (as the case may be) and in default the instrument of proxy shall not be treated as valid.
4. Delivery of an instrument appointing a proxy shall not preclude a member of the Company from attending and voting in person at the meeting or any adjournment thereof or upon the poll concerned and, in such event, the instrument appointing a proxy shall be deemed to have been revoked.
5. Where there are joint registered holders of any share of the Company, any one of such persons may vote at the meeting, either personally or by proxy, in respect of such share as if he were solely entitled thereto, but if more than one of such joint holders is present at the meeting personally or by proxy, that one of the said persons so present whose name stands first on the register of members of the Company in respect of such share shall alone be entitled to vote in respect thereof.

As at the date of this notice, the board of directors of the Company comprises:

*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  
Mr. Chan Yiu Lun, Alan

*Independent non-executive directors:*

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