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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.

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**ITC CORPORATION LIMITED**

*(Incorporated in Bermuda with limited liability)*

(Stock Code: 372)

**VERY SUBSTANTIAL DISPOSAL  
INVOLVING DISPOSAL  
OF THE ENTIRE INTEREST IN TOP PRECISE GROUP**

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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 10th November, 2011 at 11:00 a.m. is set out on pages 44 and 45 of this circular. Whether or not you are 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.

26th October, 2011

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## DEFINITIONS

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

“Announcement”	the announcement dated 9th September, 2011 jointly issued by ITC and ITCP relating to the Transaction
“Agreement”	the conditional agreement dated 9th September, 2011 entered into between the Vendor and the Purchaser in relation to the sale and purchase of the Sale Share and the Sale Loan
“applicable percentage ratios”	has the same meaning ascribed thereto in the Listing Rules
“associates”	has the same meaning ascribed thereto in the Listing Rules
“BEA”	The Bank of East Asia, Limited
“BEA Facility”	the credit facilities of not exceeding HK\$215.0 million provided by BEA as lender to Great Intelligence as borrower with ITC as guarantor pursuant to the facility letters dated 24th December, 2004 and 17th May, 2011 respectively
“BEA Guarantee”	the guarantee given by ITC in favour of BEA in respect of the indebtedness owing to BEA under the BEA Facility
“BEA Loan”	the total outstanding amount owing under the BEA Facility as at Completion
“Business Day(s)”	any day (excluding Saturday, Sunday, public holidays in Hong Kong and any day on which a tropical cyclone warning no. 8 or above or a “black” rainstorm warning signal is hoisted or remains hoisted in Hong Kong at any time 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 are generally open for business in Hong Kong
“BVI”	the British Virgin Islands
“Car Parking Spaces 1”	the three (3) car parking spaces numbered 4087, 4088 and 4089 respectively located on the 4th Floor of Bank of America Tower, 12 Harcourt Road, Central, Hong Kong
“Car Parking Space 2”	the car parking space numbered 4043 located on the 4th Floor of Bank of America Tower, 12 Harcourt Road, Central, Hong Kong
“Car Parking Spaces”	collectively, the Car Parking Spaces 1 and the Car Parking Space 2
“Completion”	completion of the Transaction in accordance with the terms and conditions of the Agreement
“Completion Accounts”	the unaudited consolidated income statement of the Top Precise Group for the period from 1st April, 2011 to the Completion Date and the unaudited consolidated statement of financial position of the Top Precise Group as at the Completion Date to be prepared in accordance with the Hong Kong Financial Reporting Standards
“Completion Date”	the date on which Completion takes place
“connected person(s)”	has the same meaning ascribed thereto under the Listing Rules
“Consideration”	the aggregate consideration for the Sale Share and the Sale Loan pursuant to the terms and conditions of the Agreement
“Disposal”	the entering into of the Agreement and the performance of the transactions contemplated thereunder by the Vendor
“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

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## DEFINITIONS

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“Great Intelligence”	Great Intelligence Limited, a company incorporated in Hong Kong with limited liability and a wholly-owned subsidiary of Top Precise
“Hong Kong” or “HK”	the Hong Kong Special Administrative Region of the PRC
“Independent ITCP Shareholders”	ITCP Shareholders other than those who have a material interest and are required under the Listing Rules to abstain from voting on the ordinary resolution(s) to approve the Transaction
“ITC”	ITC Corporation Limited, a company incorporated in Bermuda with limited liability and the issued ITC Shares (Stock Code : 372) are listed on the Main Board of the Stock Exchange
“ITC Board”	the board of ITC Directors
“ITC Directors”	the directors of ITC
“ITC Group”	ITC and its subsidiaries
“ITC Notes”	the 5% convertible notes due 2011 issued by ITC with an aggregate outstanding principal amount of HK\$143.0 million as at the Latest Practicable Date
“ITC SGM”	the special general meeting of ITC to be convened and held for the ITC Shareholders to consider and, if thought fit, approve the Disposal
“ITC Share(s)”	ordinary share(s) of HK\$0.01 each in the share capital of ITC
“ITC Shareholder(s)”	holder(s) of ITC Share(s)
“ITCP”	ITC Properties Group Limited, a company incorporated in Bermuda with limited liability and the issued ITCP Shares (Stock Code : 199) are listed on the Main Board of the Stock Exchange
“ITCP SGM”	the special general meeting of ITCP to be convened and held for the Independent ITCP Shareholders to consider and, if thought fit, approve the entering into of the Agreement and the performance of the transactions contemplated thereunder by the Purchaser and ITCP
“ITCP Share(s)”	ordinary share(s) of HK\$0.01 each in the share capital of ITCP
“ITCP Shareholder(s)”	holder(s) of ITCP Share(s)
“Latest Practicable Date”	24th October, 2011, being the latest practicable date prior to the publication of this circular for ascertaining certain information for inclusion in this circular
“Leased Premises”	portion of the Premises, with a total rental area of approximately 3,450 sq. ft. and two of the Car Parking Spaces 1 numbered 4088 and 4089 respectively
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Long Stop Date”	9th January, 2012 or such other date as the Vendor and the Purchaser may agree in writing
“Macau”	the Macau Special Administrative Region of the PRC
“Model Code”	The Model Code for Securities Transactions by Directors of Listed Issuers contained in Appendix 10 to the Listing Rules
“Note”	the loan note in the principal amount of HK\$100.0 million to be issued by the Purchaser to the Vendor or its nominee in partial settlement of the Consideration upon Completion

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## DEFINITIONS

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“NTAV”	the aggregate amount of the assets of the Top Precise Group (on a consolidated basis) which is readily convertible into cash or cash equivalent, but excluding the Property and deferred tax assets, which amount is capped at HK\$1.0 million less the aggregate amount of all liabilities (actual, contingent or otherwise but excluding the Sale Loan and deferred tax liabilities) and provisions of the Top Precise Group
“Premises”	the whole of 30th Floor at Bank of America Tower, 12 Harcourt Road, Central, Hong Kong, with a total floor area of approximately 13,880 sq. ft.
“PRC”	The People’s Republic of China, and for the purpose of this circular, excluding Hong Kong, Macau and Taiwan
“Property”	collectively, the Premises and the Car Parking Spaces
“Purchaser”	ITC Properties (Hong Kong) Limited, a company incorporated in the BVI and an indirect wholly-owned subsidiary of ITCP
“Remaining Group”	ITC and its subsidiaries immediately after completion of the Disposal
“Rent and Other Charges”	all charges receivable by Great Intelligence including rent, management fee and air-conditioning charges, rates and Government Rent under the Tenancy Agreement
“Sale Loan”	the entire amount of the shareholder’s loan owing by Top Precise to the Vendor as at the Completion Date
“Sale Share”	one (1) share of US\$1 in the capital of Top Precise, representing the entire issued share capital of Top Precise as at the date of the Agreement and as at the Completion Date
“SFO”	The Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Tenancy”	the tenancy in respect of the Leased Premises under the terms of the Tenancy Agreement
“Tenancy Agreement”	the tenancy agreement to be entered into between Great Intelligence as landlord and the Tenant as tenant in respect of the leasing of the Leased Premises upon Completion
“Tenant”	ITC Management Limited, a wholly-owned subsidiary of ITC
“Top Precise”	Top Precise Investments Limited, a company incorporated in the BVI with limited liability and a wholly-owned subsidiary of the Vendor prior to Completion
“Top Precise Group”	Top Precise and Great Intelligence
“Transaction”	the sale and purchase of the Sale Share and the Sale Loan pursuant to the terms and conditions of the Agreement and the transactions contemplated thereunder
“U.S.”	the United States of America
“Vendor”	Hero’s Way Resources Ltd., a company incorporated in the BVI with limited liability and a wholly-owned subsidiary of ITC

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## DEFINITIONS

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“C\$”	Canadian dollars, the lawful currency of Canada
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“US\$”	United States dollars, the lawful currency of the U.S.
“%”	percent
“sq. ft.”	square feet

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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. 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

26th October, 2011

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

Dear Sir or Madam,

## VERY SUBSTANTIAL DISPOSAL INVOLVING DISPOSAL OF THE ENTIRE INTEREST IN TOP PRECISE GROUP

### INTRODUCTION

By the Announcement, the ITC Board announced that after trading hours of the Stock Exchange on 9th September, 2011, the Vendor and the Purchaser entered into the Agreement, whereby the Vendor conditionally agreed to sell and the Purchaser conditionally agreed to purchase the Sale Share and the Sale Loan, for an aggregate consideration of HK\$313.0 million plus the NTAV at Completion (subject to adjustments). The Sale Share represents the entire issued share capital of Top Precise, which in turn owns the entire issued share capital of Great Intelligence, being the owner of the Property. The Sale Loan represents the entire amount of the shareholder's loan owing by Top Precise to the Vendor as at the Completion Date. The Disposal constitutes a very substantial disposal for ITC under Chapter 14 of the Listing Rules.

The purpose of this circular is to give you further details of the Disposal, the notice of the ITC SGM and such other information as required under the Listing Rules.

### THE AGREEMENT

**(1) Date:**

9th September, 2011 (signed after trading hours of the Stock Exchange)

**(2) Parties:**

Purchaser:

ITC Properties (Hong Kong) Limited, an indirect wholly-owned subsidiary of ITCP and whose principal activity is investment holding. ITCP is an investment holding company and its subsidiaries are 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 the provision of loan financing services.

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## LETTER FROM THE ITC BOARD

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Vendor:

Hero's Way Resources Ltd., a wholly-owned subsidiary of ITC and whose principal activity is investment holding.

ITC indirectly holds 139,583,474 ITCP Shares, representing approximately 24.7% of the total issued ITCP Shares as at the Latest Practicable Date, and the Vendor is therefore a connected person of ITCP.

**(3) Assets to be disposed of and acquired:**

The assets to be disposed of by the Vendor comprise the Sale Share and the Sale Loan. The Sale Share represents the entire issued share capital of Top Precise. The Sale Loan represents the entire amount of the shareholder's loan owing by Top Precise to the Vendor as at the Completion Date.

The Sale Loan amounted to approximately HK\$0.3 million as at 30th June, 2011.

**(4) Consideration and payment terms:**

The Consideration is HK\$313.0 million plus the NTAV at Completion (subject to adjustments), which shall not exceed HK\$314.0 million pursuant to the Agreement. The Consideration is apportioned as follows:

- the portion of the Consideration attributable to the Sale Loan shall be equal to the face value of the Sale Loan; and
- the remaining balance of the Consideration shall be attributable to the Sale Share.

The Consideration has been/shall be paid by the Purchaser to the Vendor in the following manner:

- (i) a deposit of HK\$60.0 million (the "Deposit") has been paid in cash on the signing of the Agreement;
- (ii) a sum of HK\$100.0 million shall be paid by way of the issue of the Note upon Completion; and
- (iii) the remaining balance of the Consideration shall be paid in cash upon Completion.

Based on the negative NTAV of approximately HK\$116.8 million as calculated from the unaudited consolidated accounts of the Top Precise Group as at 30th June, 2011, the Consideration will be approximately HK\$196.2 million.

*Adjustment to the Consideration*

Following Completion, the Purchaser shall have the right at its own costs and expenses to arrange for an audit of the Completion Accounts within two (2) months after the Completion Date. In the event that the NTAV as shown in the audited Completion Accounts is less than the NTAV as shown in the Completion Accounts, the Vendor shall repay to the Purchaser the amount of such difference in cash and, if the discrepancy is more than HK\$1.5 million, also reimburse the Purchaser the audit expenses incurred by the Purchaser within five (5) Business Days of production of the audited Completion Accounts. In the event that the NTAV as shown in the audited Completion Accounts is more than the NTAV as shown in the Completion Accounts, the Purchaser shall pay to the Vendor such difference in cash within five (5) Business Days of production of the audited Completion Accounts.

The Consideration was determined after arm's length negotiations between the Vendor and the Purchaser with reference to, among other things, (i) the unaudited consolidated net assets of the Top Precise Group of approximately HK\$165.6 million as at 30th June, 2011; (ii) the prevailing market value of properties similar to the Property in the same area; (iii) the valuation of the Property at HK\$322.0 million as at 30th June, 2011 conducted by an independent valuer; (iv) the Sale Loan of approximately HK\$0.3 million as at 30th June, 2011; and (v) the BEA Loan of approximately HK\$116.3 million as at 30th June, 2011. The valuation of the Property as at 30th June, 2011 conducted by RHL Appraisal Limited ("RHL") is HK\$322 million. The value of the Property as agreed between the Purchaser and the Vendor of HK\$313.0 million represents a minor discount of approximately 2.8% to the valuation made by RHL, and was arrived at after arm's length negotiation between the Purchaser and the Vendor, taking into account the settlement of the Consideration comprising cash and the interest bearing Note.



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## LETTER FROM THE ITC BOARD

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The ITC Board considers that the terms of the Agreement including the Consideration are on normal commercial terms and are fair and reasonable, and the Disposal is in the interests of ITC and the ITC Shareholders as a whole.

**(5) Principal terms of the Note:**

Issuer:	the Purchaser
Holder:	the Vendor or its nominee
Guarantor:	ITCP will act as a guarantor to guarantee the obligations of the Purchaser under the Note
Principal amount:	HK\$100.0 million
Interest:	1% over the prime rate for Hong Kong dollars loan from time to time quoted by The Hongkong and Shanghai Banking Corporation Limited per annum payable semi-annually in arrears
Maturity:	two (2) years after the date of issue of the Note, i.e. the Completion Date, or such later date as may be agreed in writing between the Purchaser and the holder of the Note

The interest rate of the Note was determined with reference to, among others, the cost of funding of ITC to other parties. ITC will comply with the Listing Rules for any future extension of maturity of the Note, if required.

**(6) Conditions precedent:**

Completion is conditional upon the following conditions being fulfilled or waived (as applicable) by the Purchaser:

- (i) the Purchaser being reasonably satisfied with the results of the due diligence review on the business, financial, legal and taxation aspects of the Top Precise Group;
- (ii) the Vendor having proved that Great Intelligence has good title to the Property subject to the existing tenancy and security created by Great Intelligence in respect of the Premises and the Car Parking Spaces 1 as security for the grant of the BEA Facility;
- (iii) the approval by the Independent ITCP Shareholders of the entering into of the Agreement and the performance of the transactions contemplated thereunder at the ITCP SGM in compliance with the requirements of the Listing Rules;
- (iv) the approval by the ITC Shareholders (other than those who are required to abstain from voting under the Listing Rules) of the Disposal at the ITC SGM in compliance with the requirements of the Listing Rules;
- (v) all necessary consents and approvals (or waivers) having been obtained by the Vendor and the Purchaser for completion of the Transaction (other than the consent of BEA);
- (vi) the written consent of BEA having been obtained for the release of the BEA Guarantee on Completion; and
- (vii) the representations and warranties given by the Vendor to the Purchaser in the Agreement being true and accurate in all material respects and not misleading.

The Purchaser may at its absolute discretion at any time waive conditions (i), (ii), (vi) and (vii) above by notice in writing to the Vendor. Neither the Vendor nor the Purchaser may waive conditions (iii), (iv) and (v) above. If any of the above conditions has not been fulfilled or waived (as the case may be) on or before the Long Stop Date, either the Vendor or the Purchaser shall be entitled to rescind the Agreement by giving notice to the other whereupon the Vendor shall refund the Deposit (without interest) to the Purchaser and the provisions of the Agreement shall have no further force and effect (save for any antecedent breach in respect thereof).

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## LETTER FROM THE ITC BOARD

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**(7) Undertaking by the Purchaser:**

The Purchaser undertakes to the Vendor to use its reasonable endeavours to procure the BEA Guarantee be released and discharged and the facility letters in relation to the BEA Loan shall be amended, varied or cancelled to release ITC from all further obligations and liabilities, with effect from Completion. In the event that the BEA Guarantee is not released and discharged by Completion, the Purchaser shall repay the BEA Loan forthwith after Completion and indemnify ITC from and against any claims, loss, damage, costs, charges and expenses which ITC may suffer or incur in the event the BEA Guarantee is not released and discharged by Completion. As at the Latest Practicable Date, the BEA Loan amounted to HK\$103.9 million.

**(8) Completion:**

Completion shall take place on the third (3rd) Business Day after fulfillment or waiver (as applicable) of the last of the conditions precedent set out above, or such other date as the parties to the Agreement may agree in writing.

If, after fulfillment or waiver (as the case may be) of all the conditions precedent, Completion does not take place due to the default of the Purchaser, the Vendor shall be entitled to forfeit the Deposit (with all interest accrued thereon) but without prejudice to the rights and remedies which the Vendor may have in respect of such breach. If the defaulting party is the Vendor, the Vendor shall refund to the Purchaser the Deposit (without interest) within five (5) Business Days without prejudice to the rights and remedies which the Purchaser may have in respect of such breach.

**(9) Other Terms:**

On Completion, Great Intelligence as landlord will enter into the Tenancy Agreement with the Tenant as tenant in respect of the leasing of the Leased Premises. The principal terms of the Tenancy Agreement are set out below.

Landlord:	Great Intelligence, which is engaged in the property investment
Tenant:	ITC Management Limited, a wholly-owned subsidiary of ITC, which is engaged in the provision of management and financial services and treasury investment
Leased Premises:	Portion of the premises at 30th Floor, Bank of America Tower, 12 Harcourt Road, Central, Hong Kong with a total rental area of approximately 3,450 sq. ft. and two of the Car Parking Spaces 1 numbered 4088 and 4089 respectively
Term:	Three (3) years from the Completion Date  Either Great Intelligence or the Tenant shall have the right to terminate the Tenancy Agreement by giving one month's prior written notice after the expiration of first two years of the term of the Tenancy Agreement.
Rent and Other Charges:	(i) Rental in a fixed amount of HK\$209,300 per month; and (ii) management fee and air-conditioning charges of HK\$15,870 (subject to adjustments) per month. The Tenant shall also reimburse Great Intelligence for the rates and Government Rent in respect of the leasing of the Leased Premises which are estimated to be approximately HK\$7,263 per month. The Rent and Other Charges were determined by reference to the market rates after arm's length negotiation between the parties.
Deposit:	HK\$450,340, representing two (2) months' rental plus management fee and air-conditioning charges

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## LETTER FROM THE ITC BOARD

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### INFORMATION ON THE TOP PRECISE GROUP

Top Precise is an investment holding company, the principal asset of which is the entire equity interest in Great Intelligence. Great Intelligence is the owner of the Property. Portion of the Premises is currently leased to a wholly-owned subsidiary of ITCP at the rental of HK\$243,600 per month. This tenancy will be terminated on or prior to Completion. The remaining part of the Premises is currently occupied by the ITC Group for office use.

Set out below is the unaudited consolidated financial information of the Top Precise Group for the two years ended 31st March, 2011 and three months ended 30th June, 2011 respectively prepared in accordance with the Hong Kong Financial Reporting Standards:

	<b>Three months ended 30th June, 2011 HK\$'000</b>	<b>For the year ended 31st March, 2011                      2010 HK\$'000                      HK\$'000</b>	
Turnover	<b>1,552</b>	<b>6,174</b>	6,174
(Loss) profit before taxation and extraordinary items	<b>(2,492)</b>	<b>8,162</b>	21,175
(Loss) profit after taxation and extraordinary items	<b>(2,822)</b>	<b>6,100</b>	17,132
		<b>As at 30th June, 2011 HK\$'000</b>	
Total assets			<b>322,134</b>
Net assets			<b>165,635</b>

During the two years ended 31st March, 2011 and three months ended 30th June, 2011, a portion of the Property was occupied by the ITC Group and the remaining portion of the Property was leased to a subsidiary of ITCP for rental purpose. At the level of the Top Precise Group, the entire Property should be classified as investment property in accordance with the Hong Kong Financial Reporting Standards. Any changes in fair value of the Property, after taking into account of the deferred tax effect, should be recognised in profit or loss (collectively "Top Precise Accounting Treatment"). At the level of the ITC Group, the portion of the Property, which was occupied by the ITC Group, should be reclassified as land and buildings. As a result, depreciation was required to provide for and any changes in fair value, after taking into account the deferred tax effect, of that portion of the Property should be recognised in equity rather than in profit or loss (collectively "ITC Accounting Treatment"), resulting in the difference in the financial figures between the Top Precise Group and the ITC Group.

The Property is valued by RHL at HK\$313.0 million and HK\$322.0 million as at 31st March, 2011 and 30th June, 2011 respectively on its existing state and condition and free from all encumbrances basis. As a result of this revaluation as at 30th June, 2011, the ITC Group recorded a gain of HK\$2.0 million in profit or loss for that of investment property portion and recognised a revaluation surplus of HK\$7.0 million in equity for that of land and building portion.

For the period ended 30th June, 2011, the unaudited profit before and after taxation of the Top Precise Group in accordance with Top Precise Accounting Treatment was approximately HK\$ 6.1 million and HK\$4.6 million respectively. The unaudited loss before and after taxation of the Top Precise Group in accordance with ITC Accounting Treatment was approximately HK\$2.5 million and HK\$2.8 million respectively.

For the year ended 31st March, 2011, the unaudited profit before and after taxation of the Top Precise Group in accordance with Top Precise Accounting Treatment was approximately HK\$46.9 million and HK\$39.3 million respectively. The unaudited profit before and after taxation of the Top Precise Group in accordance with ITC Accounting Treatment was approximately HK\$8.2 million and HK\$6.1 million respectively.

For the year ended 31st March, 2010, the unaudited profit before and after taxation of the Top Precise Group in accordance with Top Precise Accounting Treatment was approximately HK\$110.5 million and HK\$92.2 million respectively. The unaudited profit before and after taxation of the Top Precise Group in accordance with ITC Accounting Treatment was approximately HK\$21.2 million and HK\$17.1 million respectively.

Immediately after Completion, the Top Precise Group will cease to be wholly-owned subsidiaries of ITC.

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## LETTER FROM THE ITC BOARD

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### FINANCIAL EFFECT ON THE ITC GROUP

Set out in Appendix II to this circular is the unaudited pro forma financial information on the Remaining Group which illustrates the financial effect of the Disposal on the results and cash flows of the ITC Group assuming the completion of the Disposal had taken place on 1st April, 2010; and on the assets and liabilities of the ITC Group assuming the completion of the Disposal had taken place on 31st March, 2011.

Based on the unaudited pro forma consolidated statement of comprehensive income and financial position of the Remaining Group as set out in Appendix II to this circular:-

- (i) the turnover of the Remaining Group for the year ended 31st March, 2011 would be approximately HK\$57.3 million assuming that the Disposal were completed on 1st April, 2010;
- (ii) the loss per ITC Share for the year ended 31st March, 2011 would be HK\$0.69 assuming that the Disposal were completed on 1st April, 2010;
- (iii) the total assets of the Remaining Group would decrease from approximately HK\$2,478.9 million to approximately HK\$2,398.9 million assuming that the Disposal were completed on 31st March, 2011; and
- (iv) the total liabilities of the Remaining Group would decrease from approximately HK\$349.1 million to approximately HK\$233.7 million assuming that the Disposal were completed on 31st March, 2011.

### REASONS FOR THE DISPOSAL

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, the provision of finance, property investment and treasury investment.

The cash portion of the Consideration from the Disposal, net of relevant expenses, is estimated to be HK\$94.2 million. ITC intends to apply such net proceeds for the ITC Group's general working capital and, where appropriate, future acquisitions (if any) where suitable opportunities arise in future.

Taking into account the Consideration as compared to the cost of the acquisition of the Property by Great Intelligence in 2004 amounting to approximately HK\$106.9 million, the Disposal provides the ITC Group with a good opportunity to realise such capital revaluation under the current property market and to receive significant cash inflow to improve the liquidity position of the ITC Group and increase the cash resources for any future potential investment opportunities, if any, that may arise from time to time. The entering into of the Tenancy Agreement will enable the ITC Group to continue to keep its principal office in the central business and financial district in Hong Kong.

Based on the unaudited consolidated accounts of the Top Precise Group as at 30th June, 2011, an unaudited gain of approximately HK\$28.6 million is expected to arise from the Disposal, which is calculated with reference to the net proceeds of approximately HK\$194.2 million and the carrying value attributable to the Sale Share and the Sale Loan as at 30th June, 2011 included in the ITC Group's accounts in an aggregate amount of approximately HK\$165.6 million. ITC Shareholders and potential investors should note that the exact amount of the actual gain on the Disposal is to be determined with reference to the fair value attributable to the Sale Share and the Sale Loan as at the Completion Date and may be different from the above figure.

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

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## LETTER FROM THE ITC BOARD

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### ITC SGM

As the applicable percentage ratios calculated pursuant to Rule 14.07 of the Listing Rules in respect of the Disposal exceed 75%, the Disposal constitutes a very substantial disposal for ITC under Chapter 14 of the Listing Rules, for which ITC Shareholders' approval is required. To the best of the ITC Directors' knowledge, as at the Latest Practicable Date, Dr. Chan and his associate who (i) directly and indirectly held 271,750,455 ITC Shares; (ii) directly held 6,066,400 ITCP Shares, representing approximately 1.07% of the issued ITCP Shares; and (iii) indirectly held, through his wholly-owned company, convertible notes of ITCP in the outstanding principal amount of HK\$297 million, will abstain from voting in respect of the proposed resolution approving the Disposal 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 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 Thursday, 10th November, 2011 at 11:00 a.m. is set out on pages 44 and 45 of this circular.

A form of proxy for use at the ITC SGM is enclosed. Whether or not you are 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 and return 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 believe that the proposed terms of the Disposal are fair and reasonable and are in the interests of ITC and the ITC Shareholders as a whole. Accordingly, the ITC Board recommends the ITC Shareholders to vote in favour of the resolution to be proposed at the ITC SGM to approve the Disposal.

### ADDITIONAL INFORMATION

Your attention is also drawn to the additional information set out in the appendices to this circular.

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

## APPENDIX I FINANCIAL INFORMATION ON THE TOP PRECISE GROUP

### UNAUDITED FINANCIAL INFORMATION OF THE TOP PRECISE GROUP

Set out below are the unaudited consolidated statements of financial position of the Top Precise Group as at 31st March, 2009, 2010 and 2011 and 30th June, 2011 and the related unaudited consolidated statements of comprehensive income, statements of changes in equity and statement of cash flows for each of the years ended 31st March, 2011 and three months ended 30th June, 2011 and certain explanatory notes, which have been reviewed by the auditor of ITC, Deloitte Touche Tohmatsu, Certified Public Accountants, Hong Kong, in accordance with Hong Kong Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Hong Kong Institute of Certified Public Accountants. Based on their review, nothing has come to their attention that causes them to believe that the unaudited financial information is not prepared, in all material respects, in accordance with the accounting policies and basis of preparation as set out in Note 2 to the unaudited financial information on the Top Precise Group in Appendix I of the Circular.

### CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

*For the three years ended 31st March, 2011 and three months ended 30th June, 2011*

	Year ended 31st March,			Three months ended	
	2009	2010	2011	2010	2011
	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>
	(unaudited)	(unaudited)	(unaudited)	(unaudited)	(unaudited)
Revenue	6,036	6,174	6,174	1,544	1,544
Direct costs	(1,167)	(1,167)	(17)	(9)	–
Interest income	3	–	–	–	9
Other income	3,706	–	–	–	–
Administrative expenses	(147)	(48)	(66)	(31)	(3,576)
Finance costs	(5,722)	(5,427)	(5,190)	(1,447)	(894)
(Loss) gain on changes in fair values of investment properties	(54,000)	110,980	46,020	–	9,000
(Loss) profit before taxation	(51,291)	110,512	46,921	57	6,083
Taxation	8,910	(18,312)	(7,593)	–	(1,485)
(Loss) profit for the year/period and total comprehensive (expense) income for the year/period	<u>(42,381)</u>	<u>92,200</u>	<u>39,328</u>	<u>57</u>	<u>4,598</u>

## APPENDIX I FINANCIAL INFORMATION ON THE TOP PRECISE GROUP

### CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

At 31st March, 2009, 2010 and 2011 and 30th June, 2011

	2009 HK\$'000 (unaudited)	As at 31st March, 2010 HK\$'000 (unaudited)	2011 HK\$'000 (unaudited)	As at 30th June, 2011 HK\$'000 (unaudited)
<b>NON-CURRENT ASSETS</b>				
Property, plant and equipment	1,184	17	–	–
Investment properties	156,000	266,980	313,000	322,000
	<u>157,184</u>	<u>266,997</u>	<u>313,000</u>	<u>322,000</u>
<b>CURRENT ASSETS</b>				
Other debtors, deposits and prepayments	139	124	117	129
Bank balances	5	5	5	5
	<u>144</u>	<u>129</u>	<u>122</u>	<u>134</u>
<b>CURRENT LIABILITIES</b>				
Creditors and accrued expenses	560	552	551	676
Amount due to immediate holding company	–	–	–	313
Amount due to a fellow subsidiary	57,569	37,002	36,463	–
Bank overdraft	2,677	24,988	29,853	18,807
Bank borrowings – due within one year	2,450	5,250	5,250	55,250
	<u>63,256</u>	<u>67,792</u>	<u>72,117</u>	<u>75,046</u>
<b>NET CURRENT LIABILITIES</b>	<u>(63,112)</u>	<u>(67,663)</u>	<u>(71,995)</u>	<u>(74,912)</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>	<u>94,072</u>	<u>199,334</u>	<u>241,005</u>	<u>247,088</u>
<b>NON-CURRENT LIABILITIES</b>				
Bank borrowings – due after one year	52,750	47,500	42,250	42,250
Deferred tax liabilities	8,096	26,408	34,001	35,486
	<u>60,846</u>	<u>73,908</u>	<u>76,251</u>	<u>77,736</u>
<b>NET ASSETS</b>	<u><u>33,226</u></u>	<u><u>125,426</u></u>	<u><u>164,754</u></u>	<u><u>169,352</u></u>
<b>CAPITAL AND RESERVES</b>				
Share capital	–	–	–	–
Accumulated profits	33,226	125,426	164,754	169,352
<b>TOTAL EQUITY</b>	<u><u>33,226</u></u>	<u><u>125,426</u></u>	<u><u>164,754</u></u>	<u><u>169,352</u></u>

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**APPENDIX I                      FINANCIAL INFORMATION ON THE TOP PRECISE GROUP**

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**CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY**

*For the three years ended 31st March, 2011 and three months ended 30th June, 2010 and 2011*

	<b>Share capital</b> <i>HK\$'000</i> (unaudited)	<b>Accumulated profits</b> <i>HK\$'000</i> (unaudited)	<b>Total</b> <i>HK\$'000</i> (unaudited)
At 1st April, 2008			
Loss for the year and total comprehensive expense for the year	–	75,607 (42,381)	75,607 (42,381)
At 31st March, 2009	–	33,226	33,226
Profit for the year and total comprehensive income for the year	–	92,200	92,200
At 31st March, 2010	–	125,426	125,426
Profit for the year and total comprehensive income for the year	–	39,328	39,328
At 31st March, 2011	–	164,754	164,754
Profit for the period and total comprehensive income for the period	–	4,598	4,598
At 30th June, 2011	–	<u>169,352</u>	<u>169,352</u>
At 1st April, 2010	–	125,426	125,426
Profit for the period and total comprehensive income for the period	–	57	57
At 30th June, 2010	–	<u>125,483</u>	<u>125,483</u>



## APPENDIX I FINANCIAL INFORMATION ON THE TOP PRECISE GROUP

### CONSOLIDATED STATEMENTS OF CASH FLOWS

For the three years ended 31st March, 2011 and three months ended 30th June, 2011

	Year ended 31st March,			Three months 30th June,	
	2009 HK\$'000 (unaudited)	2010 HK\$'000 (unaudited)	2011 HK\$'000 (unaudited)	2010 HK\$'000 (unaudited)	2011 HK\$'000 (unaudited)
<b>OPERATING ACTIVITIES</b>					
(Loss) profit before taxation	(51,291)	110,512	46,921	57	6,083
Adjustments for:					
Interest expenses	5,722	5,427	5,190	1,447	894
Depreciation of property, plant and equipment	1,167	1,167	17	9	–
Loss (gain) on changes in fair value of investment properties	54,000	(110,980)	(46,020)	–	(9,000)
Loss on disposal of property, plant and equipment	8	–	–	–	–
Interest income	(3)	–	–	–	(9)
Operating cash flows before movements in working capital	9,603	6,126	6,108	1,513	(2,032)
(Increase) decrease in other debtors, deposits and prepayments	(3)	15	7	2	(12)
Increase (decrease) in creditors and accrued expenses	546	(8)	(1)	20	125
Cash generated from (used in) operations	10,146	6,133	6,114	1,535	(1,919)
Interest received	3	–	–	–	9
<b>NET CASH FROM (USED IN) OPERATING ACTIVITIES</b>	<b>10,149</b>	<b>6,133</b>	<b>6,114</b>	<b>1,535</b>	<b>(1,910)</b>
<b>FINANCING ACTIVITIES</b>					
Advanced from immediate holding company	–	–	–	–	313
Advance from a fellow subsidiary	–	–	34,910	34,910	–
Repayment to a fellow subsidiary	(4,811)	(20,567)	(35,449)	–	(36,463)
Repayment of bank loans	(2,450)	(2,450)	(5,250)	–	50,000
Interest paid	(5,722)	(5,427)	(5,190)	(1,447)	(894)
<b>CASH (USED IN) FROM FINANCING ACTIVITIES</b>	<b>(12,983)</b>	<b>(28,444)</b>	<b>(10,979)</b>	<b>33,463</b>	<b>12,956</b>
<b>NET (DECREASE) INCREASE IN CASH AND CASH EQUIVALENTS</b>	<b>(2,834)</b>	<b>(22,311)</b>	<b>(4,865)</b>	<b>34,998</b>	<b>11,046</b>
<b>CASH AND CASH EQUIVALENTS BROUGHT FORWARD</b>	<b>162</b>	<b>(2,672)</b>	<b>(24,983)</b>	<b>(24,983)</b>	<b>(29,848)</b>
<b>CASH AND CASH EQUIVALENTS CARRIED FORWARD</b>	<b>(2,672)</b>	<b>(24,983)</b>	<b>(29,848)</b>	<b>10,015</b>	<b>(18,802)</b>
<b>ANALYSIS OF THE BALANCES OF CASH AND CASH EQUIVALENTS</b>					
Bank balances	5	5	5	10,015	5
Bank overdraft	(2,677)	(24,988)	(29,853)	–	(18,807)
	<b>(2,672)</b>	<b>(24,983)</b>	<b>(29,848)</b>	<b>10,015</b>	<b>(18,802)</b>

**NOTES TO THE FINANCIAL INFORMATION**

*For the three years ended 31st March, 2011 and three months ended 30th June, 2011*

**1. GENERAL**

On 9th September, 2011, Hero's Way Resources Ltd., a wholly-owned subsidiary of ITC Corporation Limited ("ITC"), entered into a conditional sale and purchase agreement for the disposal (the "Disposal") of the entire equity interest in Top Precise Investments Limited (together with its subsidiary, collectively referred to as the "Top Precise Group") to ITC Properties (Hong Kong) Limited (the "Purchaser"), an indirect wholly-owned subsidiary of ITC Properties Group Limited ("ITC Properties"), an associate of ITC.

The unaudited financial information is presented in Hong Kong dollars, which is also the functional currency of the Top Precise Group.

**2. BASIS OF PREPARATION**

The unaudited financial information of the Top Precise Group has been prepared in accordance with paragraph 68(2)(a)(i) of Chapter 14 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited, and solely for the purposes of inclusion in the circular to be issued by ITC in connection with the Disposal.

The unaudited financial information of the Top Precise Group has been prepared on the historical cost basis, except for investment properties which are measured at fair values. The unaudited financial information of the Top Precise Group for the three years ended 31st March, 2011 has been prepared using the same accounting policies as those adopted by ITC in the preparation of the consolidated financial statements of ITC and its subsidiaries for the three years ended 31st March, 2011, which conform with Hong Kong Financial Reporting Standards issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA"). The unaudited financial information of the Top Precise Group for the three months ended 30th June, 2011 has been prepared using the same accounting policies as those adopted in the preparation of the financial information for the year ended 31st March, 2011.

The unaudited financial information of the Top Precise Group does not contain sufficient information to constitute a complete set of financial statements as defined in Hong Kong Accounting Standard 1 (Revised) "Presentation of Financial Statements" issued by the HKICPA or a set of condensed financial statements as defined in Hong Kong Accounting Standard 34 "Interim Financial Reporting".

The unaudited financial information of the Top Precise Group has been prepared on a going concern basis because ITC Properties has agreed to provide financial support to the Top Precise Group to meet in full its financial obligations as they fall due in the foreseeable future. However, if the Disposal is not completed, a fellow subsidiary of the Top Precise Group, being a subsidiary of ITC has agreed to continue to provide adequate funds for the Top Precise Group to meet in full its financial obligations as they fall due for the foreseeable future.

The unaudited consolidated statements of comprehensive income, consolidated statements of changes in equity and consolidated statements of cash flows of the Top Precise Group for each of the three years ended 31st March, 2009, 2010 and 2011 and three months ended 30th June, 2011 include the results and cash flows of the Top Precise Group for each of the three years ended 31st March, 2009, 2010 and 2011 and three months ended 30th June, 2011.

The unaudited consolidated statements of financial position of the Top Precise Group as at 31st March, 2009, 2010 and 2011 and 30th June, 2011 include the assets and liabilities of the Top Precise Group as at those reporting period end dates.

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

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**I.            UNAUDITED PRO FORMA FINANCIAL INFORMATION OF THE REMAINING GROUP**

The unaudited pro forma consolidated statement of financial position, the unaudited pro forma consolidated statement of comprehensive income and the unaudited pro forma consolidated statement of cash flows of the Remaining Group have been prepared to illustrate the effect of the Disposal as if it had taken place on 31st March, 2011 for the unaudited pro forma consolidated statement of financial position and on 1st April, 2010 for the unaudited pro forma consolidated statement of comprehensive income and the unaudited pro forma consolidated statement of cash flows.

The preparation of the unaudited pro forma consolidated statement of financial position of the Remaining Group is based on the consolidated statement of financial position of the ITC Group as at 31st March, 2011, which has been extracted from the published annual report of the ITC Group for the year ended 31st March, 2011. The preparation of the unaudited pro forma consolidated statement of comprehensive income and the unaudited pro forma consolidated statement of cash flows of the Remaining Group for the year ended 31st March, 2011 is based on the audited consolidated statement of comprehensive income and the audited consolidated statement of cash flows of the ITC Group for the year ended 31st March, 2011, respectively, which have been extracted from the published annual report of the ITC Group for the year ended 31st March, 2011. Narrative descriptions of the unaudited pro forma adjustments that are directly attributable to the Disposal are factually supportable and are summarised in the accompanying notes.

As the unaudited pro forma financial information is prepared for illustrative purposes only, and because of its hypothetical nature, it may not give a true picture of the financial results, cash flows and financial position of the Remaining Group had the Disposal been taken place as at 1st April, 2010 or 31st March, 2011 or any future dates.

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

**Unaudited pro forma consolidated statement of financial position of the Remaining Group**

	The ITC Group as at 31st March, 2011 <i>HK\$'000</i>	Pro forma adjustment <i>HK\$'000</i> <i>Note (a)</i>	Pro forma adjustment <i>HK\$'000</i> <i>Note (b)</i>	Pro forma adjustments total <i>HK\$'000</i>	Pro forma Remaining Group <i>HK\$'000</i>
<b>Non-current assets</b>					
Property, plant and equipment	251,524	(230,000)	–	(230,000)	21,524
Investment properties	102,423	(83,000)	–	(83,000)	19,423
Intangible assets	1,737	–	–	–	1,737
Interests in associates	2,022,646	–	–	–	2,022,646
Note receivable	–	–	100,000	100,000	100,000
Available-for-sale investments	1,552	–	–	–	1,552
	<u>2,379,882</u>	<u>(313,000)</u>	<u>100,000</u>	<u>(213,000)</u>	<u>2,166,882</u>
<b>Current assets</b>					
Inventories	30	–	–	–	30
Debtors, deposits and prepayments	4,701	(117)	–	(117)	4,584
Amounts due from associates	2,211	–	–	–	2,211
Loans receivable	26,969	–	–	–	26,969
Debt portion of convertible notes	56,088	–	–	–	56,088
Short-term bank deposits, bank balances and cash	8,970	(5)	133,218	133,213	142,183
	<u>98,969</u>	<u>(122)</u>	<u>133,218</u>	<u>133,096</u>	<u>232,065</u>
<b>Current liabilities</b>					
Creditors and accrued expenses	12,083	(551)	–	(551)	11,532
Amounts due to associates	526	–	–	–	526
Loan from a director	46,113	–	–	–	46,113
Bank and other borrowings – due within one year	5,250	(5,250)	–	(5,250)	–
Bank overdrafts	42,790	(29,853)	–	(29,853)	12,937
Convertible notes payable	161,589	–	–	–	161,589
	<u>268,351</u>	<u>(35,654)</u>	<u>–</u>	<u>(35,654)</u>	<u>232,697</u>
<b>Net current liabilities</b>	<u>(169,382)</u>	<u>35,532</u>	<u>133,218</u>	<u>168,750</u>	<u>(632)</u>
<b>Total assets less current liabilities</b>	<u>2,210,500</u>	<u>(277,468)</u>	<u>233,218</u>	<u>(44,250)</u>	<u>2,166,250</u>
<b>Non-current liabilities</b>					
Bank and other borrowings – due after one year	42,250	(42,250)	–	(42,250)	–
Deferred tax liabilities	38,457	(37,458)	–	(37,458)	999
	<u>80,707</u>	<u>(79,708)</u>	<u>–</u>	<u>(79,708)</u>	<u>999</u>
<b>Net assets</b>	<u>2,129,793</u>	<u>(197,760)</u>	<u>233,218</u>	<u>35,458</u>	<u>2,165,251</u>
<b>Capital and reserves</b>					
Share capital	7,770	–	–	–	7,770
Share premium and reserves	2,122,023	–	–	35,458	2,157,481
<b>Total equity</b>	<u>2,129,793</u>	<u>–</u>	<u>–</u>	<u>35,458</u>	<u>2,165,251</u>

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

**Unaudited pro forma consolidated statement of comprehensive income of the Remaining Group**

	The ITC Group for the year ended 31st March, 2011 <i>HK\$'000</i>	Pro forma adjustment <i>HK\$'000</i> <i>Note (c)</i>	Pro forma adjustment <i>HK\$'000</i> <i>Note (d)</i>	Pro forma adjustment <i>HK\$'000</i> <i>Note (e)</i>	Pro forma adjustments total <i>HK\$'000</i>	Pro forma Remaining Group <i>HK\$'000</i>
Turnover – gross proceeds	54,455	(3,154)	–	6,000	2,846	57,301
Revenue	36,102	(3,154)	–	6,000	2,846	38,948
Management and other related service income	4,736	(231)	–	–	(231)	4,505
Net gains on financial instruments	7,482	–	–	–	–	7,482
Interest income	26,902	–	–	6,000	6,000	32,902
Property rental income	4,125	(2,923)	–	–	(2,923)	1,202
Other income	1,362	–	–	–	–	1,362
Net gain on changes in fair values of investment properties	13,088	(12,500)	–	–	(12,500)	588
Administrative expenses	(61,299)	5,322	–	–	5,322	(55,977)
Finance costs	(22,558)	574	–	–	574	(21,984)
Gain on disposal of subsidiaries	–	–	73,021	–	73,021	73,021
Net loss on deemed disposal of partial interests in associates	(49,853)	–	–	–	–	(49,853)
Share of results of associates – share of results	86,497	–	–	–	–	86,497
– gain on acquisitions of additional interests in associates	228,836	–	–	–	–	228,836
Profit before taxation and impairment loss on an associate upon and after classification as held for distribution to shareholders and gain on derecognition of the associate	239,318	(9,758)	73,021	6,000	69,263	308,581
Impairment loss on an associate upon and after classification as held for distribution to shareholders and gain on derecognition of the associate	(829,897)	–	–	–	–	(829,897)
Loss before taxation	(590,579)	(9,758)	73,021	6,000	69,263	(521,316)
Taxation	(2,136)	2,062	–	–	2,062	(74)
Loss for the year	(592,715)	(7,696)	73,021	6,000	71,325	(521,390)
<b>Other comprehensive income:</b>						
Exchange differences arising on translation of foreign operations	1,303	–	–	–	–	1,303
Share of other comprehensive income of associates	94,968	–	–	–	–	94,968
Gain on revaluation of land and buildings	39,212	(38,759)	–	–	(38,759)	453
Deferred tax arising on revaluation of land and buildings	(6,451)	6,395	–	–	6,395	(56)
Reclassification adjustments:						
– reserves released on distribution of assets to shareholders	(104,307)	–	–	–	–	(104,307)
– reserves released on deemed disposal of partial interests in associates	(1,052)	–	–	–	–	(1,052)
Other comprehensive income (expenses) for the year	23,673	(32,364)	–	–	(32,364)	(8,691)
Total comprehensive expenses for the year	(569,042)	(40,060)	73,021	6,000	38,961	(530,081)

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

**Unaudited pro forma consolidated statement of cash flows of the Remaining Group**

	The ITC Group for the year ended 31st March, 2011 <i>HK\$'000</i>	Pro forma adjustment <i>HK\$'000</i> <i>Note (c)</i>	Pro forma adjustment <i>HK\$'000</i> <i>Note (d)</i>	Pro forma adjustment <i>HK\$'000</i> <i>Note (e)</i>	Pro forma adjustments total <i>HK\$'000</i>	Pro forma Remaining Group <i>HK\$'000</i>
<b>OPERATING ACTIVITIES</b>						
Loss before taxation	(590,579)	(9,758)	73,021	6,000	69,263	(521,316)
Adjustments for:						
Amortisation of intangible assets	88	-	-	-	-	88
Depreciation of property, plant and equipment	12,371	(5,256)	-	-	(5,256)	7,115
Imputed portion of interest on convertible notes	(18,706)	-	-	-	-	(18,706)
Interest expenses	22,558	(574)	-	-	(574)	21,984
Impairment loss on an associate upon and after classification as held for distribution to shareholders and gain on derecognition of the associate	829,897	-	-	-	-	829,897
Loss (gain) on:						
– changes in fair values of investment properties	(13,088)	12,500	-	-	12,500	(588)
– convertible notes	(6,859)	-	-	-	-	(6,859)
– conversion options embedded in convertible notes	76	-	-	-	-	76
– investments held for trading	1,800	-	-	-	-	1,800
– repurchase of convertible notes	(2,331)	-	-	-	-	(2,331)
Gain on disposal of subsidiaries	-	-	(73,021)	-	(73,021)	(73,021)
Net loss on deemed disposal of partial interests in associates	49,853	-	-	-	-	49,853
Reversal of allowance recognised for:						
– amounts due from associates and – related companies	(757)	-	-	-	-	(757)
Share of results of associates	(315,333)	-	-	-	-	(315,333)
Operating cash flows before movements in working capital	(31,010)	(3,088)	-	6,000	2,912	(28,098)
Decrease in inventories	3	-	-	-	-	3
Increase in debtors, deposits and prepayments	(1,688)	(7)	-	-	(7)	(1,695)
Decrease in amounts due from associates	71,433	-	-	-	-	71,433
Increase in loans receivable	(5,000)	-	-	-	-	(5,000)
Decrease in investments held for trading	6,110	-	-	-	-	6,110
Decrease in creditors and accrued expenses	(928)	1	-	-	1	(927)
Decrease in amounts due to associates	(415)	-	-	-	-	(415)
Cash generated from operations	38,505	(3,094)	-	6,000	2,906	41,411
Dividends received from associates	14,010	-	-	-	-	14,010
<b>NET CASH FROM OPERATING ACTIVITIES</b>	<b>52,515</b>	<b>(3,094)</b>	<b>-</b>	<b>6,000</b>	<b>2,906</b>	<b>55,421</b>

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

	The ITC Group for the year ended 31st March, 2011 <i>HK\$'000</i>	Pro forma adjustment <i>HK\$'000</i> <i>Note (c)</i>	Pro forma adjustment <i>HK\$'000</i> <i>Note (d)</i>	Pro forma adjustment <i>HK\$'000</i> <i>Note (e)</i>	Pro forma adjustments total <i>HK\$'000</i>	Pro forma Remaining Group <i>HK\$'000</i>
<b>INVESTING ACTIVITIES</b>						
Acquisition of additional interests in associates	(249,424)	–	–	–	–	(249,424)
Acquisition of convertible notes	(31,633)	–	–	–	–	(31,633)
Additions to property, plant and equipment	(4,888)	–	–	–	–	(4,888)
Additions to intangible assets	(285)	–	–	–	–	(285)
Proceeds from disposal of subsidiaries, net of cash and cash equivalents disposed of	–	–	157,822	–	157,822	157,822
Proceeds from disposal of convertible notes	99,582	–	–	–	–	99,582
Proceeds from disposal of available-for-sale investments	6,497	–	–	–	–	6,497
<b>NET CASH USED IN INVESTING ACTIVITIES</b>	<b>(180,151)</b>	<b>–</b>	<b>157,822</b>	<b>–</b>	<b>157,822</b>	<b>(22,329)</b>
<b>FINANCING ACTIVITIES</b>						
Advance from a director	65,000	–	–	–	–	65,000
Redemption of convertible notes payables	(24,000)	–	–	–	–	(24,000)
Repayment of loan from a director	(18,887)	–	–	–	–	(18,887)
Dividends paid	(15,307)	–	–	–	–	(15,307)
Interest paid	(11,281)	574	–	–	574	(10,707)
Repayments of bank borrowings	(5,250)	5,250	–	–	5,250	–
Payment of transaction costs attributable to an associate classifications as held for distribution to shareholders	(2,866)	–	–	–	–	(2,866)
<b>NET CASH USED IN FINANCING ACTIVITIES</b>	<b>(12,591)</b>	<b>5,824</b>	<b>–</b>	<b>–</b>	<b>5,824</b>	<b>(6,767)</b>
<b>NET (DECREASE) INCREASE IN CASH AND CASH EQUIVALENTS</b>	<b>(140,227)</b>	<b>2,730</b>	<b>157,822</b>	<b>6,000</b>	<b>166,552</b>	<b>26,325</b>
<b>CASH AND CASH EQUIVALENTS BROUGHT FORWARD</b>	<b>106,233</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>106,233</b>
<b>EFFECT OF FOREIGN EXCHANGE RATE CHANGES</b>	<b>174</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>174</b>
<b>CASH AND CASH EQUIVALENTS CARRIED FORWARD</b>	<b>(33,820)</b>	<b>2,730</b>	<b>157,822</b>	<b>6,000</b>	<b>166,552</b>	<b>132,732</b>
<b>ANALYSIS OF THE BALANCES OF CASH AND CASH EQUIVALENTS</b>						
Short-term bank deposits, bank balances and cash	8,970	2,730	127,969	6,000	136,699	145,669
Bank overdrafts	(42,790)	–	29,853	–	29,853	(12,937)
	<b>(33,820)</b>	<b>2,730</b>	<b>157,822</b>	<b>6,000</b>	<b>166,552</b>	<b>132,732</b>

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## APPENDIX II                      UNAUDITED PRO FORMA FINANCIAL INFORMATION ON THE REMAINING GROUP

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*Notes:*

(a) The adjustment represents (i) the exclusion of the assets and liabilities of the Top Precise Group based on their carrying amounts in the books and records of the Top Precise Group excluding the amount due to a fellow subsidiary of approximately HK\$36,463,000 as at 31st March, 2011, which are extracted from the unaudited financial information of the Top Precise Group as at 31st March, 2011; (ii) the reclassification of certain portion of the Premises, from "Investment properties" to "Property, plant and equipment" based on the classification of the ITC Group; and (iii) the related adjustment on the deferred tax liabilities assuming the Disposal had been taken place on 31st March, 2011. The reclassification adjustment is due to the fact that a portion of the Premises was leased to a subsidiary of ITC. At the level of the Top Precise Group, the entire Premises was classified as "Investment Properties" according to Hong Kong Financial Reporting Standards. However, at the level of the ITC Group, that portion of the Premises, which was occupied by the ITC Group, should be reclassified as land and building under "Property, plant and equipment". The taxable temporary difference is adjusted as a result of the classification of the Premises.

(b) The adjustment represents the net proceeds from the Disposal of approximately HK\$233,218,000, being the Consideration of HK\$235,218,000 (being HK\$313,000,000 plus the negative NTAV as at 31st March, 2011 of approximately HK\$77,782,000) minus the estimated cost of the Disposal of approximately HK\$2,000,000. Of the net proceeds, HK\$100,000,000 shall be paid by way of the issue of the Note and the remaining balance of HK\$133,218,000 shall be paid in cash. The carrying value of the Note is considered to be approximate to the fair value at initial recognition as at 31st March, 2011.

The negative NTAV as at 31st March, 2011 of approximately HK\$77,782,000 comprises the following amounts as disclosed in Appendix I to this circular: (a) current assets of approximately HK\$122,000; (b) current liabilities of approximately HK\$35,654,000 (excluding the amount due to a fellow subsidiary of approximately HK\$36,463,000); and (c) bank borrowing due after one year included in non-current liabilities of approximately HK\$42,250,000.

The estimated gain arising from the Disposal of approximately HK\$35,458,000 is calculated as the difference between the carrying values of net assets and liabilities, taking into account the deferred tax difference amounted to approximately HK\$3,457,000 arising from the adjustments on taxable temporary difference as mentioned in note (a) above, of the Top Precise Group of HK\$197,760,000 (excluding the amount due to a fellow subsidiary of approximately HK\$36,463,000) disposed of at 31st March, 2011 and the net proceeds on the Disposal of approximately HK\$233,218,000, assuming the Disposal had been taken place on 31st March, 2011.

(c) The adjustment reflects the exclusion of the consolidated results and the consolidated cash flows of the Top Precise Group for the year ended 31st March, 2011, which are extracted from the unaudited financial information of the Top Precise Group for the year ended 31st March, 2011, and the adjustments stated below:

(i) Adjustment on the gain on revaluation of the property, depreciation (included in administrative expenses) and the related deferred tax based on the classification of the ITC Group, assuming the Disposal had been taken place on 1st April, 2010. The details thereof are set out in note (a) above; and

(ii) Adjustment on the elimination of the inter-group transaction as the Top Precise Group received rental income from a subsidiary of ITC and paid interest expense to a subsidiary of ITC.

(d) The adjustment represents the estimated gain arising from the Disposal of approximately HK\$73,021,000 as if the Disposal had been taken place on 1st April, 2010 which is calculated as the difference between the carrying values of net assets and liabilities, taking into account the deferred tax difference amounted to approximately HK\$2,592,000 arising from the adjustments on taxable temporary difference as mentioned in note (a) above, of the Top Precise Group of HK\$159,818,000 (excluding the amount due to a fellow subsidiary of approximately HK\$37,002,000 at 1st April, 2010) and the net proceeds on the Disposal of approximately HK\$232,839,000, being the Consideration of HK\$234,839,000 (being HK\$313,000,000 plus the negative NTAV as at 1st April, 2010 of approximately HK\$78,161,000) minus the estimated cost of the Disposal of approximately HK\$2,000,000. Of the net proceeds, HK\$100,000,000 shall be paid by way of the issue of the Note and the remaining balance of HK\$132,839,000 shall be paid in cash.

The negative NTAV as at 31st March, 2010 of approximately HK\$78,161,000 comprises the following amounts as disclosed in Appendix I to this circular: (a) current assets of approximately HK\$129,000; (b) current liabilities of approximately HK\$30,790,000 (excluding amount due to a fellow subsidiary, of approximately HK\$37,002,000); and (c) bank borrowings due after one year included in non-current liabilities of approximately HK\$47,500,000.

The adjustment on the cash inflow of HK\$157,822,000 represents the consideration of HK\$132,839,000 received in cash, together with the negative cash and cash equivalents of the Top Precise Group of HK\$24,983,000, assuming the Disposal had been taken place on 1st April, 2010.

(e) The adjustment reflects the recognition of the interest income to be received for the year ended 31st March, 2011 from the Note based on the effective interest rate of 6% per annum, assuming the Disposal had been taken place on 1st April, 2010. Please refer to page 7 of this circular for the principal terms of the Note.



**II.      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 disposal of the entire interest in Top Precise Investments Limited and its subsidiary might have affected the financial information presented, for inclusion in Appendix II of the circular dated 26th October, 2011 issued by the Company (the "Circular"). The basis of preparation of the unaudited pro forma financial information is set out on pages 17 to 22 in 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 judgments 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 31st March, 2011 or any future date; or
- the results and cash flows of the Group for the year ended 31st March, 2011 or any future period.

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

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**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, 26th October, 2011

**I. MANAGEMENT DISCUSSION AND ANALYSIS OF THE REMAINING GROUP****For the year ended 31st March, 2011****1. Liquidity, financial resources and capital structure**

Bank deposits, bank balances and cash as at 31st March, 2011 amounted to approximately HK\$142 million.

As at 31st March, 2011, the total bank loan facilities that had been drawn by the Remaining Group amounted to approximately HK\$13 million which would be repayable within one year or on demand. All of these bank loan facilities are at floating interest rates. Loan from a Director in the amount of approximately HK\$46 million was payable within one year and at floating interest rate. In addition, the Remaining Group recognised HK\$162 million as the liability component of the ITC Notes as at 31st March, 2011. These ITC Notes were issued in November 2009 with a 2-year maturity and a 5% annual interest.

**2. Review on the performance of investment held**

For the year ended 31st March, 2011, the Remaining Group recorded consolidated revenue of approximately HK\$39 million. Loss attributable to owners was approximately HK\$521 million and basic loss per ITC Share was HK\$0.69 for the year ended 31st March, 2011. The loss for the year ended 31st March, 2011 was mainly due to a non-cash loss of HK\$830 million arising from the distribution of the shares of Hanny Holdings Limited (“Hanny”) to the ITC Shareholders. Without such non-cash loss, the Remaining Group would have achieved a profit of HK\$309 million. Such improvement was due to the increase in profit attributable to the Remaining Group’s strategic investments.

ITCP recorded a profit of approximately HK\$80 million attributable to its owners for the year ended 31st March, 2011. Since the Remaining Group acquired ITCP Shares from Hanny and in the open market, the Remaining Group recorded a gain of HK\$155 million. Such gain was offset by a loss of HK\$15 million on the dilutive effects as a result of a placement of 94 million new ITCP Shares in June 2010.

PYI Corporation Limited (“PYI”) recorded a profit attributable to its owners of HK\$200 million for the year ended 31st March, 2011. The profit contributed by PYI increased to HK\$54 million.

For the year ended 31st December, 2010, Rosedale Hotel Holdings Limited (“Rosedale”) recorded a profit of HK\$468 million attributable to its owners. Accordingly, the Remaining Group shared a profit of HK\$66 million for the year ended 31st March, 2011. On the acquisition of 26 million shares of Rosedale in the open market, the Remaining Group recorded a gain of HK\$74 million. However, as a result of the issuance of new Rosedale shares in September 2010, the Remaining Group recorded a loss of HK\$39 million on the dilutive effects.

**3. Comments on segment information**

The reportable segments of the Remaining Group are finance, long-term investment, other investment and others. Finance segment represents the provision of loan financing services. For the year ended 31st March, 2011, the Remaining Group recorded a loss on finance segment of approximately HK\$23.9 million.

Long-term investment segment represents investments in investments such as convertible notes issued by the associates. The profit on the result of long-term investment was approximately HK\$29.6 million for the year ended 31st March, 2011.

Other investment segment includes the activities of investments in available-for-sale investments, derivatives and trading of securities. For the year ended 31st March, 2011, the Remaining Group recorded loss on other investment segment of approximately HK\$9.6 million.

Other segment includes the activities of leasing of investment properties, leasing of motor vehicles and management services. For the year ended 31st March, 2011, the Remaining Group recorded profit on other segment of approximately HK\$14.0 million.

**4. Employee and remuneration policy**

As at 31st March 2011, the Remaining Group had a total of 67 employees. It is the Remaining Group's remuneration policy that the employees' remuneration is based on the employees' skill, knowledge and involvement in the Remaining Group's affairs and is determined by reference to the Remaining Group's performance, as well as remuneration benchmark in the industry and the prevailing market conditions. The Remaining Group also offers benefits to employees including discretionary bonus, training, provident funds and medical coverage. The share option scheme was established for the eligible participants (including employees) but no share options were granted during the year ended 31st March, 2011. There were 29,447,750 outstanding share options granted by ITC as at 1st April, 2010. Due to the lapse of share options during the year ended 31st March, 2011, there were no outstanding share options as at the Latest Practicable Date.

The total staff cost including the emolument of the ITC Directors was approximately HK\$31.0 million for the year ended 31st March, 2011.

**5. Gearing ratio**

The Remaining Group's gearing ratio was 3.6% as at 31st March, 2011, calculated on the basis of net borrowings, being the excess of borrowings over bank deposits, bank balances and cash, of approximately HK\$79 million over the equity attributable to owners of approximately HK\$2,165 million.

**6. Exchange rate exposure**

Most of the assets and liabilities of the Remaining Group are denominated in Hong Kong dollars, hence the Remaining Group's exposure to fluctuations in foreign exchange rates is minimal and no foreign exchange hedging instruments are used.

**7. Pledge of assets**

As at 31st March, 2011, there were no assets which were pledged to bank to secure general banking facilities granted to the Remaining Group.

**8. Contingent liabilities**

As at 31st March, 2011, the Remaining Group had no contingent liabilities, except that on disposal of an associate, the Remaining 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 of that associate.

**9. Material Acquisitions and Disposals***Completion of the distribution of Hanny Shares and the Hanny Repurchase Offer*

In July 2010, Hanny proposed to repurchase all of its outstanding 2% convertible notes due in June 2011 (the "Hanny Notes") at face value with the consideration to be satisfied by the issuance of new shares of Hanny (the "Hanny Shares") at HK\$0.50 per Hanny Share (the "Hanny Repurchase Offer"). The Remaining Group accepted the Hanny Repurchase Offer for the entire aggregate outstanding principal amount of HK\$231 million of the Hanny Notes held by the Remaining Group and approved the distribution of the Hanny Shares to the ITC Shareholders on the basis of 9.3 Hanny Shares for every 10 ITC Shares held (the "Distribution"). The value of the Hanny Shares distributed by the Remaining Group to the ITC Shareholders was HK\$1,161 million which was being equity-accounted at net asset value prior to completion of the Distribution. On the date of completion of the Distribution, Hanny ceased to be an associate of the Remaining Group. The Distribution and the Hanny Repurchase Offer were completed in November 2010 with the Remaining Group's interest in Hanny dropped to 0.1%.

*Acquisition of ITCP Shares*

In November 2010, the Remaining Group acquired Hanny's entire holding of about 76 million ITCP Shares, representing approximately 13.5% of the entire issued share capital of ITCP, at a total consideration of HK\$176 million pursuant to an agreement dated 27th September, 2010. The ITC Board considered that it was an opportune time to increase its strategic investment in ITCP. Moreover, since the entering into of the aforesaid agreement with Hanny, the Remaining Group had acquired an aggregate of about 21 million ITCP Shares in the open market at an aggregate consideration of HK\$46 million. As at the Latest Practicable Date, the Remaining Group's interests in ITCP was approximately 24.7%.

**For the year ended 31st March, 2010****1. Liquidity, financial resources and capital structure**

Bank deposits, bank balances and cash as at 31st March, 2010 amounted to approximately HK\$144 million.

As at 31st March, 2010, the total bank loan facilities that had been drawn by the Remaining Group amounted to approximately HK\$91 million of which approximately HK\$43 million would be repayable within one year or on demand. All of these bank loan facilities are at floating interest rates. In addition, the Remaining Group recognised HK\$180 million as the liability component of the ITC Notes as at 31st March, 2010. These ITC Notes were issued in November 2009 with a 2-year maturity and a 5% annual interest.

**2. Review on the performance of investment held**

For the year ended 31st March, 2010, the Remaining Group recorded consolidated revenue of approximately HK\$59 million. Loss attributable to owners was approximately HK\$6 million and basic loss per ITC Share was HK0.83 cent for the year ended 31st March, 2010. The loss for the year ended 31st March, 2010 was attributable to a net loss on deemed disposal of associates of approximately HK\$137 million. This was mainly a non-cash loss arising from the placement of shares to outside parties by the Remaining Group's strategic investments Hanny and Rosedale. By excluding such non-cash loss, the Remaining Group achieved a profit of approximately HK\$131 million.

Hanny's results for the year ended 31st March, 2010 improved significantly from a loss attributable to its owners of approximately HK\$1,145 million for the previous year to a profit attributable to its owners of approximately HK\$188 million. Accordingly, the Remaining Group shared a profit of approximately HK\$100 million.

ITCP recorded a profit of approximately HK\$103 million attributable to its owners for the year ended 31st March, 2010, which marked a significant turn-around compared to the loss for the year ended 31st March, 2009. The share attributable to the Remaining Group was a profit of approximately HK\$8 million.

PYI recorded an increase in profit attributable to its owners of 8% to approximately HK\$149 million for the year ended 31st March, 2010. As a result, contribution from PYI to the Remaining Group increased to approximately HK\$45 million for the year ended 31st March, 2010.

For the year ended 31st December, 2009, Rosedale recorded a loss of approximately HK\$358 million attributable to its owners, compared with a loss of approximately HK\$689 million for the last corresponding year. Accordingly, the loss shared by the Remaining Group reduced significantly to approximately HK\$55 million for the year ended 31st March, 2010.

**3. Comments on segment information**

The reportable segments of the Remaining Group are finance, long-term investment, other investment and others. Finance segment represents the provision of loan financing services. For the year ended 31st March, 2010, the Remaining Group recorded a loss on finance segment of approximately HK\$28.2 million.

Long-term investment segment represents investments in investments such as convertible notes issued by the associates. The profit on the result of long-term investment was approximately HK\$31.3 million for the year ended 31st March, 2010.

Other investment segment includes the activities of investments in available-for-sale investments, derivatives and trading of securities. For the year ended 31st March, 2010, the Remaining Group recorded profit on other investment segment of approximately HK\$39.5 million.

Other segment includes the activities of leasing of investment properties, leasing of motor vehicles and management services. For the year ended 31st March, 2010, the Remaining Group recorded profit on other segment of approximately HK\$33.4 million.

#### **4. Employee and remuneration policy**

As at 31st March 2010, the Remaining Group had a total of 69 employees. It is the Remaining Group's remuneration policy that the employees' remuneration is based on the employees' skill, knowledge and involvement in the Remaining Group's affairs and is determined by reference to the Remaining Group's performance, as well as remuneration benchmark in the industry and the prevailing market conditions. The Remaining Group also offers benefits to employees including discretionary bonus, training, provident funds and medical coverage. The share option scheme was established for the eligible participants (including employees) but no share options were granted during the year ended 31st March, 2010. There were 197,600,000 outstanding share options granted by ITC as at 1st April, 2009.

The total staff cost including the emolument of the ITC Directors was approximately HK\$33.9 million for the year ended 31st March, 2010.

#### **5. Gearing ratio**

The Remaining Group's gearing ratio was 4.2% as at 31st March, 2010, calculated on the basis of net borrowings, being the excess of borrowings over bank deposits, bank balances and cash, of approximately HK\$127 million over the equity attributable to owners of approximately HK\$3,053 million.

#### **6. Exchange rate exposure**

As at 31st March, 2010, approximately 4.3% of the bank deposits, bank balances and cash were in foreign currencies and all of the Remaining Group's borrowings were denominated in Hong Kong dollars.

#### **7. Pledge of assets**

As at 31st March, 2010, properties with an aggregate carrying value of approximately HK\$137 million were pledged to a bank to secure general facilities granted to the Remaining Group. In addition, an aggregate carrying value of approximately HK\$175 million of interests in a listed associate were pledged as a security under a margin securities account with a financial institution. As at 31st March, 2010, there were no outstanding balances for the aforementioned margin securities account.

#### **8. Contingent liabilities**

As at 31st March, 2010, the Remaining Group had no contingent liabilities, except that on disposal of an associate, the Remaining 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 of that associate.

#### **9. Material Acquisitions and Disposals**

In May and June 2009, the Remaining Group acquired an aggregate outstanding principal amount of approximately HK\$108 million of Rosedale's 2% convertible exchangeable notes (the "Rosedale Notes") for an aggregate consideration of approximately HK\$85 million. These Rosedale Notes were being acquired at a discount to the outstanding principal amount.

In July 2009, the Remaining Group subscribed for its pro-rata entitlement of approximately 809 million rights shares of PYI at HK\$0.12 per rights share for a total consideration of approximately HK\$97 million. The subscription of rights shares allowed the Remaining Group to maintain its pro rata shareholding in PYI and to share the benefit from the growth of PYI.

The Remaining Group had successfully realised capital gains from its securities investments by taking advantage of the improved market conditions and realised a disposal gain of approximately HK\$26 million during the year ended 31st March, 2010. In February 2010, the Remaining Group disposed of a property in Canada for a consideration of approximately HK\$45 million and recognised a gain of approximately HK\$22 million compared to its net book value. The proceeds from the above realisation had been used to repay bank loans and as general working capital of the Remaining Group.

**For the year ended 31st March, 2009**

**1. Liquidity, financial resources and capital structure**

Bank deposits, bank balances and cash as at 31st March, 2009 amounted to approximately HK\$14 million.

As at 31st March, 2009, the total bank loan facilities that had been drawn by the Remaining Group amounted to approximately HK\$84 million of which approximately HK\$19 million would be repayable within one year or on demand.

As at 31st March, 2009, all the Remaining Group's borrowings, except the convertible notes, are at floating interest rates.

**2. Review on the performance of investment held**

For the year ended 31st March, 2009, the Remaining Group recorded consolidated revenue of approximately HK\$46 million. Loss attributable to owners was approximately HK\$713 million and basic loss per ITC Share was HK\$1.52 for the year ended 31st March, 2009.

Hanny suffered a loss attributable to its owners of approximately HK\$1,145 million for the year ended 31st March, 2009. Accordingly, the Remaining Group shared a loss of approximately HK\$572 million and such loss represented the majority of the Remaining Group's loss.

ITCP recorded a loss of approximately HK\$462 million attributable to its owners for the year ended 31st March, 2009. The share attributable to the Remaining Group was a loss of approximately HK\$35 million.

PYI recorded a fall in profit attributable to its owners of 61% to approximately HK\$139 million for the year ended 31st March, 2009. Contribution from PYI to the Remaining Group decreased to approximately HK\$37 million for the year ended 31st March, 2009.

For the year ended 31st December, 2008, Rosedale recorded a loss of approximately HK\$689 million attributable to its owners. As a result, the Remaining Group shared a loss of approximately HK\$115 million.

**3. Comments on segment information**

The reportable segments of the Remaining Group are finance, long-term investment, other investment and others. Finance segment represents the provision of loan financing services. For the year ended 31st March, 2009, the Remaining Group recorded a loss on finance segment of approximately HK\$8.3 million.

Long-term investment segment represents investments in investments such as convertible notes issued by the associates. The profit on the result of long-term investment was approximately HK\$10.9 million for the year ended 31st March, 2009.

Other investment segment includes the activities of investments in available-for-sale investments, derivatives and trading of securities. For the year ended 31st March, 2009, the Remaining Group recorded loss on other investment segment of approximately HK\$36.6 million.

Other segment includes the activities of leasing of investment properties, leasing of motor vehicles and management services. For the year ended 31st March, 2009, the Remaining Group recorded loss on other segment of approximately HK\$15.7 million.



**4. Employee and remuneration policy**

As at 31st March 2009, the Remaining Group had a total of 68 employees. It is the Remaining Group's remuneration policy that the employees' remuneration is based on the employees' skill, knowledge and involvement in the Remaining Group's affairs and is determined by reference to the Remaining Group's performance, as well as remuneration benchmark in the industry and the prevailing market conditions. The Remaining Group also offers benefits to employees including discretionary bonus, training, provident funds and medical coverage. The share option scheme was established for the eligible participants (including employees) but no share options were granted during the year ended 31st March, 2009. There were 197,600,000 outstanding share options granted by ITC as at 31st March, 2009.

The total staff cost including the emolument of the ITC Directors was approximately HK\$29.7 million for the year ended 31st March, 2009.

**5. Gearing ratio**

The Remaining Group's gearing ratio was 9.8% as at 31st March, 2009, calculated on the basis of net borrowings, being the excess of borrowings over bank deposits, bank balances and cash, of approximately HK\$267 million over the equity attributable to owners of approximately HK\$2,716 million.

**6. Exchange rate exposure**

As at 31st March, 2009, approximately 15.7% of the bank deposits, bank balances and cash were in foreign currencies and only approximately 4.7% of the Remaining Group's total borrowings of approximately HK\$13 million was denominated in Canadian dollars. The borrowings in foreign currencies are directly tied to the Remaining Group's business in Canada.

**7. Pledge of assets**

As at 31st March, 2009, certain of the Remaining Group's properties and listed securities of an associate with an aggregate carrying value of approximately HK\$353 million were pledged to banks and financial institutions to secure general facilities granted to the Remaining Group.

**8. Contingent liabilities**

As at 31st March, 2009, the Remaining Group had no contingent liabilities, except that on disposal of an associate, the Remaining 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 of that associate.

**9. Material Acquisitions and Disposals**

The Remaining Group had demonstrated its support to its strategic investments by participating in their fund raising activities through the subscription of the Remaining Group's pro-rata entitlement of (i) approximately 1,223 million rights shares of Rosedale at HK\$0.06 per rights share for a total consideration of approximately HK\$73 million in July 2008; (ii) approximately 606 million rights shares of ITCP at HK\$0.07 per rights share for a total consideration of approximately HK\$42 million in August 2008; and (iii) approximately 150 million open offer shares of Hanny at HK\$0.35 per open offer share for a total consideration of approximately HK\$53 million in March 2009.

In April 2008, the Remaining Group disposed of all the interest in an associate company which held an investment property in the Central District of Hong Kong for a consideration of HK\$145 million. A gain of approximately HK\$30 million was realised.



**II. INDEBTEDNESS****Borrowings**

As at 31st August, 2011, being the latest practicable date for the purpose of this statement of indebtedness prior to the printing of this circular, the ITC Group had aggregate outstanding borrowings, excluding convertible notes payable, of approximately HK\$166.0 million, comprising the secured bank borrowings of HK\$97.5 million, unsecured bank borrowings of approximately HK\$32.6 million and unsecured loan from a ITC Director of HK\$35.9 million.

The secured bank borrowings were secured by land and buildings and investment properties of the ITC Group. The carrying value of pledged assets as at 31st March, 2011 is set out in the paragraph headed "Pledge of assets" below.

**Debt securities**

As at 31st August, 2011, the ITC Group had outstanding ITC Notes with principal amount of HK\$143 million. The carrying amount of the ITC Notes as at 31st August, 2011 was approximately HK\$141.4 million.

**Contingent liabilities**

As at 31st August, 2011, the ITC Group had no contingent liabilities, except that on disposal of an associate in previous year, 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 of that associate.

**Pledge of assets**

As at 31st March, 2011, properties with an aggregate carrying value of HK\$313 million were pledged to a bank to secure general banking facilities granted to the ITC Group.

**Disclaimers**

Save as aforesaid or as otherwise disclosed herein, and apart from intra-group liabilities as at 31st August, 2011, 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.

**III. WORKING CAPITAL**

The ITC Directors are of the opinion that, after taking into account the present financial resources and the banking facilities presently available and the gross proceeds from the Disposal, 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.

**IV. 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 31st March, 2011, being the date to which the latest published audited consolidated financial statements of the ITC Group were made up.

**V. FINANCIAL AND TRADING PROSPECTS**

The PRC and Asian markets continue to prosper in the first half of 2011 though there are still many uncertainties in the global economy. The recovery of the U.S. and certain European countries remains uncertain and challenging with an increasing risk of inflation caused by excess global liquidity after the U.S. quantitative easing measures. The ITC Board believes that Hong Kong will continue to benefit due to its close ties and proximity with the PRC and the ITC Group's strategic investments, ITCP, PYI and Rosedale, will be standing on a vantage point due to their exposure and presence in the PRC.

Based on the aforementioned, the ITC Board is cautiously optimistic on the business outlook and will continue to pursue its long term strategy of exploring potential investments in an aggressive, yet cautious, manner in the interests of the ITC Group and the ITC Shareholders as a whole.

*The following is the text of a letter and valuation certificate, prepared for the purpose of incorporation in this circular, received from RHL Appraisal Ltd., an independent valuer, in connection with its valuation as at 31st July, 2011 of the Property.*



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

T +852 2730 6212  
F +852 2736 9284

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

26th October, 2011

**The Board of Director  
ITC Corporation Limited**

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

Dear Sirs,

**INSTRUCTIONS**

We were instructed by ITC Corporation Limited (referred to as the “Company”) to value the property interest in Hong Kong. We confirm that we have carried out property inspection, made relevant enquiries and obtained such further information as we consider necessary for the purpose of providing you with our opinion of the market value of the property interest as at 31st July, 2011 (the “Valuation Date”).

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

**BASIS OF VALUATION**

Our valuation of the property interest represents its market value which we would define as intended to mean “the estimated amount for which a property should exchange on the Valuation Date of valuation between a willing buyer and a willing seller in an arm’s-length transaction after proper marketing wherein the parties had each acted knowledgeably, prudently, and without compulsion”.

The market value is the best price reasonably obtainable in the market by the seller and the most advantageous price reasonably obtainable in the market by the buyer. This estimate specifically excludes an estimated price inflated or deflated by special terms or circumstances such as atypical financing, sale and leaseback arrangements, joint ventures, management agreements, special considerations or concessions granted by anyone associated with the sale, or any element of special value. The market value of the property interest is also estimated without regard to costs of sale and purchase, and without offset for any associated taxes.

**VALUATION METHODOLOGY**

In our valuation, Direct Comparison Approach is adopted based on the principle of substitution, where comparison is made based on prices realized on actual sales and/or asking prices of comparable properties. Comparable properties of similar size, scale, nature, character and location are analysed and carefully weighed against all the respective advantages and disadvantages of each property in order to arrive at a fair comparison of market value.

**VALUATION CONSIDERATIONS**

In valuing the property interest, we have complied with all the requirements contained in Chapter 5 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited; and the HKIS Valuation Standards on Properties (First Edition 2005) published by the Hong Kong Institute of Surveyors effective from 1st January, 2005.

**VALUATION ASSUMPTIONS**

Unless stated as otherwise, we have assumed that the property has been constructed, occupied and used in full compliance with, and without contravention of all ordinances, except only where otherwise stated. We have further assumed that, for any use of the property upon which this report is based, all required licenses, permits, certificates, and authorizations have been obtained.

**TITLE INVESTIGATION**

We have caused searches for the property. However, we have not examined the original documents to verify the existing title to the property or any amendment which does not appear on the copies handed to us.

**LIMITING CONDITIONS**

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

We have relied to a very considerable extent on the information provided by the Company, in particular, but not limited to, the sales records, tenure, planning approvals, statutory notices, easements, particulars of occupancy, floor areas and all other relevant matters. Dimensions, measurements and areas included in the valuation certificates are based on information contained in copies of documents provided to us and are therefore only approximations.

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

No allowance has been made in our valuations for any charges, mortgages or amounts owing on any property or for any expenses or taxation which may be incurred in effecting a sale. Unless otherwise stated, it is assumed that the property is free from encumbrances, restrictions and outgoing of an onerous nature which could affect its value.

**CURRENCY**

All monetary amounts stated in this report are in Hong Kong Dollar (“HKD”).

Our valuation certificate is herewith attached.

Yours faithfully,  
For and on behalf of  
**RHL Appraisal Ltd.**

**Serena S. W. Lau**  
*FHKIS, AAPI, MRICS, RPS(GP), MBA(HKU)*  
Managing Director

**Lawrence Y. S. Li**  
*MHKIS, RPS (GP), MBA*  
Senior Associate Director

*Serena S. W. Lau is a Registered Professional Surveyor (GP) with over 19 years' experience in valuation of properties in HKSAR, Macau SAR, mainland China and the Asia Pacific Region. Ms. Lau is a Professional Member of The Royal Institution of Chartered Surveyors, an Associate of Australian Property Institute, a Fellow of The Hong Kong Institute of Surveyors as well as a registered real estate appraiser in the PRC.*

*Lawrence Y. S. Li is a Registered Professional Surveyor (GP) with over 15 years post qualification experience from both private and public sectors. Mr. Li has extensive experience in handling valuation of different types of properties for various purposes. Besides, he has possessed solid knowledge and faceted experience in land administration, premium assessment and land grant applications with particular experience in negotiation with Government departments.*

## VALUATION CERTIFICATE

Property	Description and tenure	Particular of occupancy	Market Value in existing state as at Valuation Date <i>HKD</i>
30th Floor & 4 Car Parking Spaces Nos. 4087, 4088, 4089 and 4043 on 4th Floor Bank of America Tower (formerly known as Gammon House) No. 12 Harcourt Road Hong Kong	The property comprises 30th Floor and 4 car parking spaces on 4th Floor of a 37-storey office building (including basement but excluding refuge floor) of reinforced concrete completed in about 1975.	As advised by the instructing party, as at the Valuation Date, the property is partly owner-occupied and partly subject to a tenancy agreement ( <i>please refer to note 4 below</i> )	322,000,000
144/10,000th shares of and in Inland Lot No. 8294 (“the Lot”)	The gross floor area and the saleable floor area of the property at 30th Floor is approximately 13,880 sq.ft. and 12,310 sq.ft. respectively.  The Lot is held under Conditions of Sale No. UB10225 for a term of 75 years renewable for 75 years commencing from 29th September, 1972. The current ground rent payable for the Lot is HK\$8,306 per annum.		

*Notes:*

1. The registered owner of the property is Great Intelligence Limited vide memorial no. UB9451557 dated 30th December, 2004.
2. The property is subject to a Deed of Mutual Covenant with plans vide memorial no. UB2095606 dated 5th June, 1981 and a supplemental Deed of Mutual Covenant with plan vide memorial no. UB5856626 dated 30th November, 1993.
3. Portion of the property, i.e. 30th Floor and 3 Car Parking Spaces numbered 4087, 4088 and 4089 on 4th Floor, Bank of America Tower (formerly known as Gammon House), No. 12 Harcourt Road, Central, Hong Kong, is subject to the Legal Charge/Mortgage in favour of The Bank of East Asia, Limited to secure all moneys in respect of general banking facilities vide memorial no. UB9451558 dated 30th December, 2004 and the Assignment of Rentals in favour of The Bank of East Asia, Limited vide memorial no. UB9451559 dated 30th December, 2004.
4. Portion of the property at 30th Floor, Bank of America Tower, 12 Harcourt Road, Central, Hong Kong is subject to a tenancy agreement with a monthly rental of HK\$243,600 for a term of 2 years commencing from 28th April, 2011 to 27th April, 2013 exclusive of management fee (subject to further agreement between the parties).

## 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 held	Approximate percentage of the existing issued share capital of ITC
Dr. Chan	Beneficial owner	Long position	69,072,330 (Note)	–	8.89%
Dr. Chan	Interest of controlled corporation (Note)	Long position	202,678,125 (Note)	–	26.08%

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. Dr. Chan was deemed to be interested in 202,678,125 ITC Shares held by Galaxyway Investments Limited. Dr. Chan held 69,072,330 ITC Shares.

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

#### (i) 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 (“Ms. Chau”)	Beneficial owner	Long position	–	3,626,666 (Note 2)	0.08%

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
Chan Fut Yan	Beneficial owner	Long position	–	7,083,334 (Note 2)	0.16%
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 34.97% 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 and Chan Fut Yan held share options (unlisted equity derivatives) (which were granted on 28th 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 28th December, 2004 to 26th August, 2012. These share options were vested on the date of grant.

*(ii) 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
Ms. Chau	Beneficial owner	Long position	385,389	–	1.29%
Ms. Chau	Beneficial owner	Long position	–	52,500	0.18%
Chan Yiu Lun, Alan	Beneficial owner	Long position	–	65,000	0.22%

*(iii) 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	Beneficial owner	Long position	–	135,000,000 (Note 1)	23.90%
Dr. Chan	Interest of controlled corporation (Note 2)	Long position	139,583,474	–	24.71%
Dr. Chan	Interest of controlled corporation (Note 2)	Long position	–	32,000,000 (Note 2)	5.66%
Dr. Chan	Beneficial owner	Long position	6,066,400	–	1.07%

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
Ms. Chau	Beneficial owner	Long position	3,200,000	–	0.56%
Ms. Chau	Beneficial owner	Long position	–	6,500,000 (Notes 3 & 4)	1.15%
Chan Fut Yan	Beneficial owner	Long position	–	2,900,000 (Note 3)	0.51%
Chan Yiu Lun, Alan	Beneficial owner	Long position	–	1,500,000 (Note 3)	0.26%

*Notes:*

1. Time Expert Investments Limited (“Time Expert”), a company wholly-owned by Dr. Chan, held convertible notes of ITCP in the principal amount of HK\$297 million (unlisted equity derivatives). Assuming full conversion of such convertible notes at an initial conversion price of HK\$2.20 per ITCP Share (subject to adjustments), 135,000,000 ITCP Shares would be issued to Time Expert. Dr. Chan was deemed to be interested in these underlying ITCP Shares held by Time Expert.
2. An indirect wholly-owned subsidiary of ITC held 139,583,474 ITCP Shares and convertible notes of ITCP in the principal amount of HK\$70,400,000 (unlisted equity derivatives). Assuming full conversion of such convertible notes at an initial conversion price of HK\$2.20 per ITCP Share (subject to adjustments), 32,000,000 ITCP Shares would be issued to the indirect wholly-owned subsidiary of ITC. By virtue of his direct and deemed interests in approximately 34.97% 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 indirect wholly-owned subsidiary of ITC.
3. 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\$
Ms. Chau	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
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 26th 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 29th March, 2011 to 28th March, 2012 with the balance of the share options not yet exercised may be exercised during the period commencing from 29th March, 2012 to 28th March, 2014.

4. Ms. Chau held convertible notes of ITCP in the principal amount of HK\$11,000,000 (unlisted equity derivatives). Assuming full conversion of such convertible notes at an initial conversion price of HK\$2.20 per ITCP Share (subject to adjustments), 5,000,000 ITCP Shares would be issued to Ms. Chau.

(iv) *Rosedale Hotel Holdings Limited (“Rosedale”)*

Name of ITC Director	Capacity	Long position/ Short position	Number of shares of Rosedale held	Approximate percentage of the existing issued share capital of Rosedale
Dr. Chan	Interest of controlled corporation (Note)	Long position	150,706,000	22.91%
Dr. Chan	Beneficial owner	Long position	1,132,450	0.17%

*Note:*

An indirect wholly-owned subsidiary of ITC held 150,706,000 shares of Rosedale. By virtue of his direct and deemed interests in approximately 34.97% of the issued share capital of ITC, Dr. Chan was deemed to be interested in these Rosedale Shares held by an indirect wholly-owned subsidiary of ITC.

As at the Latest Practicable Date, PYI, Burcon, ITC and Rosedale 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 34.97% 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	69,072,330 (Note)	8.89%
Dr. Chan	Interest of controlled corporation (Note)	Long position	202,678,125 (Note)	26.08%



Name	Capacity	Long position/ Short position	Number of ITC Shares held	Approximate percentage of the existing issued share capital of ITC
Chinaview International Limited	Interest of controlled corporation (Note)	Long position	202,678,125 (Note)	26.08%
Galaxyway Investments Limited	Beneficial owner	Long position	202,678,125 (Note)	26.08%
Ng Yuen Lan, Macy	Interest of spouse (Note)	Long position	271,750,455 (Note)	34.97%

*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 69,072,330 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	–	83,333,333	10.72%
Wong Yun Sang	Interest of controlled corporation (Note 1)	Long position	–	83,333,333	10.72%
Wong Yun Sang	Beneficial owner (Note 1)	Long position	400,000	–	0.05%
Wong Yun Sang	Interest of spouse (Note 1)	Long position	1,000,000	–	0.13%
Chen Mei May, Libby	Beneficial owner (Note 1)	Long position	1,000,000	–	0.13%
Chen Mei May, Libby	Interest of spouse (Note 1)	Long position	400,000	–	0.05%
Chen Mei May, Libby	Interest of spouse (Note 1)	Long position	–	83,333,333	10.72%
Chair Sai Sui	Interest of controlled corporation (Note 1)	Long position	–	83,333,333	10.72%
Yeung Po Yuk, Pymalia	Beneficial owner (Note 2)	Long position	–	116,666,666	15.01%
Wonderich Investments Limited	Beneficial owner (Note 3)	Long position	–	43,333,333	5.57%

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
Lee Mei Lin	Interest of controlled corporation (Note 3)	Long position	–	43,333,333	5.57%
Lee Mei Lin	Beneficial owner (Note 3)	Long position	700,000	–	0.09%
Yu Man Chung	Beneficial owner (Note 4)	Long position	–	10,000,000	1.28%
Yu Man Chung	Interest of spouse (Note 4)	Long position	–	33,333,333	4.28%
Tam Shui Ping	Interest of spouse (Note 4)	Long position	–	10,000,000	1.28%
Tam Shui Ping	Beneficial owner (Note 4)	Long position	–	33,333,333	4.28%

*Notes:*

1. Everland Group Limited was interested in 83,333,333 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. Mr. Wong Yun Sang held 400,000 ITC Shares and his wife, Ms. Chen Mei May, Libby held 1,000,000 ITC Shares. Mr. Wong Yun Sang was deemed to be interested in the ITC Shares held by his wife and Ms. Chen Mei May, Libby was deemed to be interested in the ITC Shares and the underlying ITC Shares held by her husband and Everland Group Limited.
2. Ms. Yeung Po Yuk, Pymalia was interested in 116,666,666 underlying ITC Shares (in respect of unlisted equity derivatives).
3. Wonderich Investments Limited, a company wholly-owned by Ms. Lee Mei Lin, was interested in 43,333,333 underlying ITC Shares (in respect of unlisted equity derivatives). Ms. Lee Mei Lin held 700,000 ITC Shares. By virtue of the SFO, Ms. Lee Mei Lin was deemed to be interested in the underlying ITC Shares in which Wonderich Investments Limited was interested.
4. Mr. Yu Man Chung and Ms. Tam Shui Ping were interested in 10,000,000 underlying ITC Shares (in respect of unlisted equity derivatives) and 33,333,333 underlying ITC Shares (in respect of unlisted equity derivatives) respectively. Ms. Tam Shui Ping is the spouse of Mr. Yu Man Chung and therefore by virtue of the SFO, they were deemed to be interested in the underlying ITC Shares interested by each other.

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 31st March, 2011, the date to which the latest published audited financial statements of the ITC Group were made up.
- (ii) Save as disclosed below, 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.

A loan agreement dated 24th November, 2010 was entered into between ITC Management Limited, a wholly-owned subsidiary of ITC, and Dr. Chan, pursuant to which Dr. Chan agreed to grant an unsecured loan of up to HK\$65,000,000 to ITC Management Limited. The loan bears interest at the best lending rate of Hong Kong dollars as quoted by The Hongkong and Shanghai Banking Corporation Limited and shall be repaid by no later than 31st March, 2012.

- (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. EXPERTS

The following are the qualifications of the experts who have given opinions contained in this circular:

Name	Qualification
Deloitte Touche Tohmatsu ("DTT")	Certified Public Accountants
RHL Appraisal Ltd. ("RHL")	Chartered surveyors and independent valuers

As at the Latest Practicable Date, DTT and RHL 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 31st March, 2011, the date to which the latest published audited financial statements of the ITC Group were made up.

Each of DTT and RHL 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 offer letters issued by ITC to the respective noteholders on 24th September, 2009 in relation to the repurchase of 5% convertible notes issued by ITC due 2nd November, 2009 in the principal amount of HK\$200,000,000 (the "2009 CN") at the price payable by way of issue of the 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 29th 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 2nd November, 2009; and

- (b) an acceptance and transfer form dated 29th 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 2nd November, 2009;
- (ii) the undertaking dated 3rd December, 2009 executed by Asia Will Limited (“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;
- (iii) two offer letters dated 10th December, 2009 and 15th December, 2009 respectively issued by Rosedale to AWL (as varied and supplemented by a letter dated 23rd December, 2009 between AWL and Rosedale in relation to the extension of the long stop date) and two forms of acceptance and transfer dated 23rd 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 4th March, 2010 that such offer would not proceed as certain conditions precedent thereto could not be fulfilled;
- (iv) 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 23rd February, 2009 to 13th January, 2010;
- (v) the contract of sale and purchase dated 25th 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 1st February, 2010) in relation to the disposal of a property located at 4818 Fannin Avenue, Vancouver, British Columbia, Canada at the consideration of C\$6,128,000;
- (vi) the contract notes dated 30th 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 2% convertible bonds due 2011 issued by Hanny Holdings Limited in the aggregate principal amount of HK\$41,519,625 at the consideration of HK\$31,460,250.26;
- (vii) 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 28th May, 2010 to 22nd July, 2010;
- (viii) the offer letter dated 30th June, 2010 issued by Rosedale to AWL (as varied and supplemented by a letter dated 5th July, 2010 issued by Rosedale to AWL in relation to the extension of acceptance date) and the form of acceptance and transfer dated 5th 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;
- (ix) the contract notes in relation to acquisition by Selective Choice Investments Limited (“Selective Choice”), an indirect wholly-owned subsidiary of ITC, of a total of 21,067,311 ITCP Shares for an aggregate consideration of approximately HK\$45.4 million during the period from 28th September, 2010 to 13th October, 2010;
- (x) the sale and purchase agreement dated 27th September, 2010 entered into between Loyal Concept Limited (“Loyal Concept”) as vendor and Selective Choice as purchaser in relation to the sale of 76,402,763 ITCP Shares by Loyal Concept to Selective Choice at the aggregate consideration of approximately HK\$175.7 million;
- (xi) the offer letter dated 25th February, 2011 issued by ITCP to Selective Choice and the form of acceptance and transfer dated 11th March, 2011 executed by Selective Choice for acceptance of the conditional offer made by ITCP to repurchase the convertible notes of ITCP held by Selective Choice in the aggregate principal amount of HK\$64 million for a consideration of HK\$70,400,000, which was proposed to be satisfied by the issue of new convertible notes by ITCP;

- (xii) the letters issued by ITC to the respective holders of the ITC Notes on 26th August, 2011 in relation to the proposed extension of the maturity date of the ITC Notes from 2nd November, 2011 to 2nd November, 2013 or such later date as agreed between the holders of the ITC Notes in accordance with the terms of the ITC Notes and the respective agreement forms executed by the following holders of the ITC Notes:-
  - (a) an agreement form executed on 29th August, 2011 by CSI Bright Limited which held the ITC Notes in the outstanding principal amount of HK\$9,000,000 in respect of its acceptance of the proposed extension;
  - (b) an agreement form executed on 31st August, 2011 by Success which held the ITC Notes in an aggregate outstanding principal amount of HK\$100,000,000 in respect of its acceptance of the proposed extension; and
  - (c) an agreement form executed on 2nd September, 2011 by Taifook Securities Nominees Limited which held the ITC Notes in the outstanding principal amount of HK\$8,000,000 in respect of its acceptance of the proposed extension;
- (xiii) the Agreement; and
- (xiv) contract notes in relation to acquisition by AWL of a total of 46,630,000 shares of Rosedale for an aggregate consideration of approximately HK\$20.5 million during the period from 1st September, 2011 to 24th October, 2011.

## 9. GENERAL

- (i) The secretary of ITC is Mr. Lai Kwok Hung, Alex, *FCPA, FCCA, ACIS, ACS*.
- (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 2010 and 31 March 2011;
- (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 Remaining Group as set out in Appendix II to this circular;
- (e) the letters of consent from DTT and RHL referred to in the paragraph headed "Experts" in this appendix;
- (f) the valuation report of the Property, the text of which is set out in Appendix IV to this circular; and
- (g) 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 ITC Corporation Limited (the “Company”) will be held at B27, Basement, Bank of America Tower, 12 Harcourt Road, Central, Hong Kong on 10th November, 2011 at 11:00 a.m., for the purpose of considering and, if thought fit, passing, with or without modification, the following resolution as an ordinary resolution of the Company:

#### ORDINARY RESOLUTION

**“THAT:**

- (a) the entering into of the conditional sale and purchase agreement dated 9th September, 2011 (the “Agreement”) by Hero’s Way Resources Ltd. (the “Vendor”), a wholly-owned subsidiary of the Company, as vendor with ITC Properties (Hong Kong) Limited as purchaser (a copy of the Agreement has been produced to the meeting marked “A” and initialed by the chairman of the meeting for the purpose of identification) in relation to the sale and purchase of the entire issued share capital of Top Precise Investments Limited (“Top Precise”) and the entire amount of the shareholder’s loan owing by Top Precise to the Vendor at the aggregate consideration of HK\$313,000,000 plus the NTAV (as defined in the Agreement) (subject to adjustments) upon the terms and subject to the conditions therein contained be and is hereby approved, confirmed and ratified and the performance of the transactions contemplated thereunder by the Vendor be and is hereby approved; and
- (b) the directors of the Company be and are hereby authorised for and on behalf of the Company to exercise all the powers of the Company and to do all acts and things as they may in their opinion consider necessary, appropriate or desirable in relation to the Agreement and the transactions contemplated thereunder and for the purposes of carrying out, implementing and giving effect to any or all transactions contemplated under the Agreement, including without limitation to the execution, amendment, supplement, delivery, submission and implementation of any documents or agreements.”

By order of the board of directors of  
**ITC Corporation Limited**  
**Lai Kwok Hung, Alex**  
*Company Secretary*

Hong Kong, 26th October, 2011

*Head office and 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

*Notes:*

1. The above resolution will be put to vote at the meeting by way of poll. On voting by poll, each member of the Company shall have one vote for each share of the Company held.
2. Any member of the Company entitled to attend and vote at the meeting of the Company may appoint another person as his proxy to attend and vote instead of him. A member of the Company who is the holder of two or more shares may appoint more than one proxy to represent him and attend and vote on his behalf at the meeting. A proxy need not be a member of the Company.

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## NOTICE OF ITC SGM

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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 delivered to the Company's principal place of business in Hong Kong at 30th Floor, Bank of America Tower, 12 Harcourt Road, Central, Hong Kong, as soon as possible and in any event not less than forty-eight (48) hours before the time appointed for the holding of the meeting or any adjournment thereof (as the case may be) at which the person named in the instrument proposes to vote and, in default, the instrument of proxy shall not be treated as valid.
4. 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. In the case of an instrument of proxy purporting to be signed on behalf of a corporation by an officer thereof, it shall be assumed, unless the contrary is proved, that such officer was duly authorised to sign such instrument of proxy on behalf of the corporation without further evidence of the facts. The board of directors of the Company may, nevertheless, require such evidence as it shall deem necessary as to the due execution of the instrument of proxy and the due authorisation of the same.
5. Completion and return 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.
6. In the case of joint registered holders of any share of the Company, any one of such joint holders 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 stand 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 directors of the Company 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. Chan Yiu Lun, Alan

*Independent non-executive directors:*

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