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

**ITC CORPORATION LIMITED****德祥企業集團有限公司****(Incorporated in Bermuda with limited liability)**(Stock code: 372)*

**RE-ELECTION OF RETIRING DIRECTORS,
GENERAL MANDATES TO ISSUE SHARES AND TO REPURCHASE SHARES,
REFRESHMENT OF THE 10% LIMIT ON GRANT OF OPTIONS
UNDER THE SHARE OPTION SCHEME,
ADOPTION OF THE NEW BYE-LAWS
AND
NOTICE OF ANNUAL GENERAL MEETING**

A notice convening the annual general meeting of ITC Corporation Limited to be held at B27, Basement, Bank of America Tower, 12 Harcourt Road, Central, Hong Kong on Monday, 17th August, 2015 at 11:00 a.m. is set out on pages 20 to 24 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 Corporation Limited 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 48 hours before the time appointed for holding of 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 should you so wish.

* *For identification purpose only*

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DEFINITIONS

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

“Annual General Meeting”	the annual general meeting of the Company to be held at B27, Basement, Bank of America Tower, 12 Harcourt Road, Central, Hong Kong on Monday, 17th August, 2015 at 11:00 a.m., the notice of which is set out on pages 20 to 24 of this circular, or any adjournment thereof
“Board”	the board of Directors
“Bye-laws”	the bye-laws of the Company (as amended, modified or supplemented from time to time)
“Company”	ITC Corporation Limited, a company incorporated in Bermuda with limited liability, the issued Shares of which are listed on the main board of the Stock Exchange (Stock Code: 372)
“Director(s)”	director(s) of the Company
“Eligible Person(s)”	has the meaning ascribed to it in the Share Option Scheme
“Galaxyway”	Galaxyway Investments Limited, a company indirectly wholly-owned by Dr. Chan Kwok Keung, Charles (the controlling Shareholder, the Chairman of the Company and an executive Director), being the substantial Shareholder holding approximately 15.37% of the Share Capital as at the Latest Practicable Date
“General Mandates”	the Repurchase Mandate and the Issue Mandate
“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Issue Mandate”	the proposed general mandate to be granted to the Directors to exercise all powers of the Company to allot, issue and otherwise deal with new Shares not exceeding 20% of the Share Capital as at the date of the passing of the resolution by the Shareholders approving the said mandate
“Latest Practicable Date”	13th July, 2015, being the latest practicable date for ascertaining certain information contained in this circular prior to the printing of this circular
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“PRC”	the People’s Republic of China
“Repurchase Mandate”	the proposed general mandate to be granted to the Directors to exercise all powers of the Company to repurchase Shares not exceeding 10% of the Share Capital as at the date of the passing of the resolution by the Shareholders approving the said mandate
“Scheme Mandate Limit”	the maximum number of Shares which may be issued upon the exercise of all share options to be granted under the Share Option Scheme and any other share option scheme(s) of the Company
“SFO”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
“Share(s)”	ordinary share(s) in the share capital of the Company
“Share Capital”	the number of issued Shares

DEFINITIONS

“Share Option Scheme”	the share option scheme of the Company adopted on 19th August, 2011
“Shareholder(s)”	holder(s) of the Share(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Takeovers Code”	The Hong Kong Codes on Takeovers and Mergers and Share Buy-backs
“%”	per cent.

LETTER FROM THE BOARD



ITC CORPORATION LIMITED

德祥企業集團有限公司*

(Incorporated in Bermuda with limited liability)

(Stock code: 372)

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, *GBS, JP*

Registered office:

Clarendon House
2 Church Street
Hamilton HM 11
Bermuda

*Principal place of business in
Hong Kong:*

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

15th July, 2015

To the Shareholders,

Dear Sir or Madam,

**RE-ELECTION OF RETIRING DIRECTORS,
GENERAL MANDATES TO ISSUE SHARES AND TO REPURCHASE SHARES,
REFRESHMENT OF THE 10% LIMIT ON GRANT OF OPTIONS
UNDER THE SHARE OPTION SCHEME,
ADOPTION OF THE NEW BYE-LAWS
AND
NOTICE OF ANNUAL GENERAL MEETING**

INTRODUCTION

The purpose of this circular is to provide the Shareholders with information in respect of the resolutions to be proposed at the Annual General Meeting for:

- (a) the re-election of the retiring Directors;
- (b) the grant of the General Mandates;
- (c) the refreshment of the Scheme Mandate Limit;
- (d) the adoption of the new Bye-laws; and
- (e) the giving of the notice of the Annual General Meeting.

* For identification purpose only

LETTER FROM THE BOARD

RE-ELECTION OF RETIRING DIRECTORS

Pursuant to bye-law 98(A) of the Bye-laws, Mr. Chan Kwok Chuen, Augustine, Mr. Chan Yiu Lun, Alan and Mr. Chuck, Winston Calptor shall retire from office by rotation at the Annual General Meeting. All retiring Directors, being eligible, will offer themselves for re-election at the Annual General Meeting. Brief biographical and other details of the retiring Directors offering themselves for re-election, which are required to be disclosed under the Listing Rules, are set out in Appendix I to this circular.

Pursuant to paragraph A.4.3 of the Corporate Governance Code set out in Appendix 14 to the Listing Rules, any further appointment of an independent non-executive Director who has served on the Board in excess of nine years should be subject to a separate resolution to be approved by the Shareholders. Mr. Chuck, Winston Calptor, being an independent non-executive Director (appointed on 2nd November, 2001) eligible for re-election at the Annual General Meeting, has served on the Board as an independent non-executive Director for more than nine years. He has provided his annual confirmation of independence to the Company pursuant to Rule 3.13 of the Listing Rules. During his years of appointment, Mr. Chuck has not been involved in the daily management of the Company nor in any relationship which would affect his independent judgment, and he has demonstrated his ability to provide an independent, balanced and objective view to the Company's affairs. The Company is of the view that Mr. Chuck meets the independence guidelines set out in Rule 3.13 of the Listing Rules and is regarded as independent in accordance with the terms of the guidelines. Notwithstanding the length of his service, the Company believes that Mr. Chuck's valuable knowledge and experience in the Group's business and his general business acumen will continue to benefit the Company and the Shareholders as a whole. The Directors, therefore, recommends Mr. Chuck for re-election at the Annual General Meeting.

GENERAL MANDATES TO ISSUE SHARES AND TO REPURCHASE SHARES

At the annual general meeting of the Company held on 18th August, 2014, general mandates were granted to the Directors authorising them, *inter alia*, (a) to exercise the powers of the Company to allot and issue Shares not exceeding 20% of the issued share capital of the Company as at 18th August, 2014; (b) to repurchase Shares not exceeding 10% of the issued share capital of the Company as at 18th August, 2014; and (c) to extend the general mandate to issue Shares by the number of Shares purchased under the repurchase mandate mentioned in (b) above. Such general mandates will expire at the conclusion of the Annual General Meeting. Ordinary resolutions will be proposed at the Annual General Meeting to grant to the Directors general mandates authorising them, *inter alia*, (i) to exercise the powers of the Company to allot and issue Shares not exceeding 20% of the Share Capital as at the date of the passing of such resolution; (ii) to repurchase Shares not exceeding 10% of the Share Capital as at the date of the passing of such resolution; and (iii) subject to the passing of the ordinary resolutions approving the General Mandates at the Annual General Meeting, to extend the Issue Mandate by an amount representing the aggregate number of issued Shares purchased under the Repurchase Mandate.

As at the Latest Practicable Date, there were 1,553,771,074 Shares in issue. Subject to the passing of the ordinary resolutions to approve the General Mandates at the Annual General Meeting and on the basis that no further Shares are issued or repurchased between the Latest Practicable Date and the date of the Annual General Meeting, the Company would be allowed to issue up to a maximum of 310,754,214 Shares under the Issue Mandate and to repurchase up to a maximum of 155,377,107 Shares under the Repurchase Mandate.

The Directors believe that it is in the interests of the Company and the Shareholders as a whole if the General Mandates are granted at the Annual General Meeting. The Issue Mandate provides the Directors with flexibility to issue Shares especially in the context of a fund raising exercise in a timely manner or a transaction involving an acquisition by the Group where Shares are to be issued as a consideration and which has to be completed speedily.

As at the Latest Practicable Date, the Directors had no present intention of any acquisition by the Company nor any present plan for raising capital by issuing new Shares under the Issue Mandate. The Company at present does not have any plan for repurchase of Shares. Repurchase of Shares will only be made when the Directors believe that such repurchase will benefit the Company and the Shareholders as a whole. Considering the rapid changes in the market conditions, the Repurchase Mandate can provide more flexibility to the Directors to enhance the net asset value of the Company and/or its earnings per Share.

The General Mandates, if approved by the Shareholders at the Annual General Meeting, will continue until whichever is the earliest of:

- (i) the conclusion of the next annual general meeting of the Company;
- (ii) the expiration of the period within which the next annual general meeting of the Company is required by the Bye-laws or any applicable law of Bermuda to be held; and

LETTER FROM THE BOARD

- (iii) the revocation or variation of such authority by an ordinary resolution of the Shareholders.

An explanatory statement providing all the information required under the Listing Rules concerning the Repurchase Mandate is set out in Appendix II to this circular.

REFRESHMENT OF THE SCHEME MANDATE LIMIT

The Share Option Scheme was adopted by the Company on 19th August, 2011.

The Company may refresh the Scheme Mandate Limit by an ordinary resolution of the Shareholders at general meeting provided that the Scheme Mandate Limit so refreshed shall not exceed 10% of the total number of issued Shares as at the date of the Shareholders' approval of the refreshment of the Scheme Mandate Limit. Options previously granted under the Share Option Scheme or any other share option scheme(s) of the Company (including options outstanding, cancelled, or lapsed in accordance with the relevant scheme rules or exercised options) shall not be counted for the purpose of calculating the limit as refreshed.

As at 19th August, 2011 (being the date of adoption of the Share Option Scheme), the total number of issued Shares was 777,028,676, thus the Scheme Mandate Limit was 77,702,867 Shares. By an ordinary resolution of the Shareholders passed on 18th August, 2014, the Scheme Mandate Limit was refreshed to 127,022,998 Shares (representing approximately 10% of the Shares in issue as at 18th August, 2014). No share options of the Company were granted during the period from 18th August, 2014 to the Latest Practicable Date.

As at the Latest Practicable Date, there were 1,553,771,074 Shares in issue and no options is outstanding since the adoption of the Share Option Scheme. Assuming no further issue or repurchase of Shares prior to the Annual General Meeting, upon the refreshing of the Scheme Mandate Limit by the Shareholders at the Annual General Meeting, the Company may grant options entitling holders thereof to subscribe for a total of 155,377,107 Shares (representing approximately 10% of the Share Capital as at the date of the Annual General Meeting approving the refreshing of the Scheme Mandate Limit).

To the extent that there are any unutilised options under the Scheme Mandate Limit as approved by the Shareholders on 18th August, 2014 which, if granted, will entitle the holders thereof to subscribe for a total of 127,022,998 Shares (representing approximately 10% of the Shares in issue as at 18th August, 2014), all such unutilised options will be considered as lapsed upon the approval of the refreshment of the Scheme Mandate Limit at the Annual General Meeting and the Company will not be allowed to grant any further options pursuant to the unutilised options.

No options may be granted if this will result in the number of Shares which may be issued upon exercise of all outstanding options granted and yet to be exercised under the Share Option Scheme and any other share option scheme(s) of the Company exceed 30% of the Share Capital from time to time.

With the increase in total number of issued Shares due to the issue of 163,541,085 new Shares pursuant to the scrip dividend schemes of the Company for final and special dividends for the year ended 31st March, 2014 and for interim and special dividends for the six months ended 30th September, 2014 and the issue of 120,000,000 new Shares pursuant to the placing agreement dated 3rd June, 2015 during the period from 18th August, 2014 to the Latest Practicable Date, the refreshed Scheme Mandate Limit would allow the Company to grant more options to subscribe for Shares (i.e. 155,377,107 Shares) than the existing Scheme Mandate Limit (i.e. 127,022,998 Shares). The Company believes that the refreshment of the Scheme Mandate Limit would allow the Company to achieve the purpose of the Share Option Scheme which is to provide incentive or reward to the Eligible Persons for their contribution to, and continuing efforts to promote the interests of, the Company. The Directors consider that the refreshment of the Scheme Mandate Limit is in the interests of the Company and the Shareholders as a whole as it provides the Company with more flexibility in providing incentives to those Eligible Persons by way of granting of options.

The refreshment of the Scheme Mandate Limit is conditional on:

- (a) the passing of an ordinary resolution to approve the refreshment of the Scheme Mandate Limit by the Shareholders at the Annual General Meeting; and
- (b) the Listing Committee of the Stock Exchange granting the listing of, and permission to deal in, the Shares (representing a maximum of 10% of the Share Capital as at the date of the Annual General Meeting approving the refreshment of the Scheme Mandate Limit) which may fall to be issued pursuant to the exercise of options under the Share Option Scheme and any other share option scheme(s) of the Company.

LETTER FROM THE BOARD

Application will be made to the Listing Committee of the Stock Exchange for the approval of the listing of, and permission to deal in, the Shares (representing a maximum of 10% of the Share Capital as at the date of the Annual General Meeting approving the refreshment of the Scheme Mandate Limit) which may fall to be issued pursuant to the exercise of options to be granted under the Share Option Scheme and any other share option scheme(s) of the Company.

ADOPTION OF THE NEW BYE-LAWS

In order to bring the constitution of the Company in line with certain amendments made to the Listing Rules and to incorporate certain house-keeping amendments, the Directors propose to seek approval from the Shareholders at the Annual General Meeting for the adoption of the new Bye-laws to incorporate the aforesaid amendments.

A summary of the proposed amendments to the Bye-laws is set out in Appendix III to this circular. The proposed amendments to the existing Bye-laws and the adoption of the new Bye-laws are subject to the approval of the Shareholders by way of special resolution at the Annual General Meeting.

Copy of the new Bye-laws (both in English and Chinese) will be available for inspection at the office of Iu, Lai & Li at Rooms 2201, 2201A & 2202, 22nd Floor, Tower I, Admiralty Centre, No. 18 Harcourt Road, Hong Kong during normal business hours on any weekday (Saturdays and public holidays excepted) for the period from the date of this circular up to and including the date of the Annual General Meeting. Such copy will also be available for inspection at the Annual General Meeting. Shareholders are advised that the new Bye-laws are written in English only and there is no official Chinese translation. The Chinese translation of the new Bye-laws is provided for reference only. In case of any discrepancy or inconsistency, the English version shall prevail.

The legal adviser of the Company as to Hong Kong law has confirmed that the new Bye-Laws comply with the requirements of the Listing Rules and the legal adviser of the Company as to Bermuda law has confirmed that the proposed amendments to the Bye-laws do not contravene or violate any applicable law of Bermuda. In addition, the Company confirms that there is nothing unusual about the proposed amendments to the Bye-Laws.

ANNUAL GENERAL MEETING

A notice convening the Annual General Meeting is set out on pages 20 to 24 of this circular at which resolutions will be proposed to approve, *inter alia*, the re-election of retiring Directors, the grant of the General Mandates, the extension of the Issue Mandate by an amount representing the aggregate number of issued Shares purchased under the Repurchase Mandate, the refreshment of the Scheme Mandate Limit and the adoption of the new Bye-laws.

Pursuant to Rule 13.39(4) of the Listing Rules, any vote of shareholders at a general meeting must be taken by poll except where the chairman, in good faith, decides to allow a resolution which relates purely to a procedural or administrative matter to be voted on by a show of hands. Accordingly, the Chairman of the Annual General Meeting will put all the resolutions set out in the notice of the Annual General Meeting to be voted by way of poll pursuant to bye-law 79 of the Bye-laws.

A form of proxy for use by the Shareholders at the Annual General Meeting is enclosed. Whether or not you are able to attend the Annual General Meeting, you are requested to complete the form of proxy in accordance with the instructions printed thereon and return it to the principal place of business of the Company 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 48 hours before the time appointed for holding of the Annual General 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 Annual General Meeting or any adjournment thereof should you so wish.

To the best of the Directors' knowledge, information and belief, having made all reasonable enquires, no Shareholder is required to abstain from voting at the Annual General Meeting pursuant to the Listing Rules and/or the Bye-laws.

RESPONSIBILITY STATEMENT

This circular, for which the 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 Company. The Directors, having made all reasonable enquires, 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.

LETTER FROM THE BOARD

RECOMMENDATION

The Directors consider that the re-election of the retiring Directors, the grant of the General Mandates, the extension of the Issue Mandate by an amount representing the aggregate number of Shares purchased under the Repurchase Mandate, the refreshment of the Scheme Mandate Limit, the adoption of the new Bye-laws are in the interests of the Company and the Shareholders as a whole and recommend the Shareholders to vote in favour of all resolutions to be proposed at the Annual General Meeting.

Yours faithfully,
On behalf of the Board
ITC Corporation Limited
Dr. Chan Kwok Keung, Charles
Chairman

The biographical and other details of the Directors standing for re-election at the Annual General Meeting are set out below:

Chan Kwok Chuen, Augustine, aged 56, joined the Company as an executive director in November 1997 and is also a director of various subsidiaries of the Group. Mr. Chan holds a diploma in arts and has over 32 years' experience in trading business in the PRC.

Save as disclosed herein, Mr. Chan did not hold any directorship in other public listed companies in Hong Kong or overseas in the three years preceding the Latest Practicable Date.

As at the Latest Practicable Date, Mr. Chan did not have any interest in the Shares or the underlying Shares pursuant to Part XV of the SFO nor did he have any relationship with any Director or senior management or substantial Shareholder or controlling Shareholder except that he is the younger brother of Dr. Chan Kwok Keung, Charles, the controlling Shareholder and the Chairman of the Company and the sole director and beneficial owner of Chinaview International Limited and Galaxyway which are substantial Shareholders, and is the uncle of Mr. Chan Yiu Lun, Alan, an executive Director.

Mr. Chan has entered into a service contract with the Group which contract may be terminated by either party giving to the other three months' advance notice. Pursuant to the letter of appointment executed between the Company and Mr. Chan, Mr. Chan is subject to retirement by rotation and re-election at least once every three years at the annual general meeting of the Company and in accordance with the Bye-laws. He is entitled to receive (a) a director's fee, currently being HK\$10,000 per annum, as determined by the Board or its delegated committee pursuant to the authority given by the Shareholders at the Company's general meetings; (b) a salary, currently being HK\$190,000 per month; and (c) a discretionary bonus which is based on the performance of the Group and of Mr. Chan, as determined by the Board or its delegated committee with reference to the prevailing market conditions.

On 15th November, 2005, the Securities and Futures Commission of Hong Kong (the "SFC") criticized the then Board for breach of Rule 21.3 of the Takeovers Code in respect of the dealing in the securities of Hanny Holdings Limited (0275.HK) by the Company during an offer period without the consent of the Executive Director of the Corporate Finance Division of the SFC. Mr. Chan Yiu Lun, Alan and Mr. Shek Lai Him, Abraham were not members of the Board on 15th November, 2005.

Save as disclosed herein, in connection with the re-election of Mr. Chan as a Director, there are no matters that need to be brought to the attention of the Shareholders nor is there any information to be disclosed by the Company pursuant to any of the requirements under the provisions of Rule 13.51(2) of the Listing Rules.

Chan Yiu Lun, Alan, aged 31, joined the Company as an executive director in March 2009 and is also a director of various subsidiaries of the Group. Mr. Chan graduated from Trinity College of Arts and Sciences of Duke University, United States of America, with a Bachelor of Arts Degree in Political Science – International Relations. He previously worked in the investment banking division of The Goldman Sachs Group, Inc. Mr. Chan is an executive director of ITC Properties Group Limited (0199.HK) and PYI Corporation Limited (0498.HK) ("PYI"). He is a director of Burcon NutraScience Corporation, the securities of which are listed on the Toronto Stock Exchange (BU.TSX), the NASDAQ Global Market (BUR.NASDAQ) and the Frankfurt Stock Exchange (BNE.FWB). Mr. Chan is an advisor to Bisagni Environmental Enterprise (BEE Inc.). He ceased to be an alternate director of Dr. Chan Kwok Keung, Charles upon retirement of Dr. Chan as a non-executive director of PYI in September 2014. Save as disclosed above, Mr. Chan did not hold any directorship in other public listed companies in Hong Kong or overseas in the three years preceding the Latest Practicable Date.

As at the Latest Practicable Date, Mr. Chan did not have any interest in the Shares or the underlying Shares pursuant to Part XV of the SFO nor did he have any relationship with any Director or senior management or substantial Shareholder or controlling Shareholder of the Company except that he is the son of Dr. Chan Kwok Keung, Charles, the controlling Shareholder and the Chairman of the Company and the sole director and beneficial owner of Chinaview International Limited and Galaxyway which are substantial Shareholders, Mr. Chan is also the nephew of Mr. Chan Kwok Chuen, Augustine, an executive Director.

He has entered into a service contract with the Group in the position as an executive which contract may be terminated by either party giving to the other one month's advance notice. Pursuant to the letter of appointment executed between the Company and Mr. Chan, Mr. Chan is subject to retirement by rotation and re-election at least once every three years at the annual general meeting of the Company and in accordance with the Bye-laws. He is entitled to receive (a) a director's fee, currently being HK\$10,000 per annum, as determined by the Board or its delegated committee pursuant to the authority given by the Shareholders at the Company's general meetings; (b) a salary, currently being HK\$220,000 per month; and (c) a discretionary bonus which is based on the performance of the Group and of Mr. Chan, as determined by the Board or its delegated committee with reference to the prevailing market conditions.

Save as disclosed herein, in connection with the re-election of Mr. Chan as a Director, there are no matters that need to be brought to the attention of the Shareholders nor is there any information to be disclosed by the Company pursuant to any of the requirements under the provisions of Rule 13.51(2) of the Listing Rules.

Chuck, Winston Calptor, aged 59, joined the Company as an independent non-executive director in November 2001. He is also the Chairman of the Remuneration Committee and a member of the Audit Committee, the Corporate Governance Committee and the Nomination Committee of the Company. Mr. Chuck graduated from the University of Western Ontario, Canada with a Bachelor of Arts Degree. He is a practising solicitor in Hong Kong and has over 33 years' experience in the legal fields. Mr. Chuck is an independent non-executive director of CNQC International Holdings Limited (1240.HK). He was an independent non-executive director of Starlight International Holdings Limited (0485.HK) (now known as Shihua Development Company Limited) until July 2014. Save as disclosed above, Mr. Chuck did not hold any directorship in other public listed companies in Hong Kong or overseas in the three years preceding the Latest Practicable Date.

As at the Latest Practicable Date, Mr. Chuck did not have any interest in the Shares or the underlying Shares pursuant to Part XV of the SFO nor did he have any relationship with any Director or senior management, substantial Shareholder or controlling Shareholder of the Company.

Pursuant to an appointment letter executed between the Company and Mr. Chuck, the length of service of Mr. Chuck with the Company is subject to retirement by rotation and re-election at least once every three years at the annual general meeting of the Company and in accordance with the Bye-laws. There is no agreement between the Company and Mr. Chuck in respect of prior notice given by either party for termination of service with regard to his appointment as independent non-executive Director. Mr. Chuck is entitled to receive a director's fee, currently being HK\$200,000 per annum, as determined by the Board or its delegated committee pursuant to the authority given by the Shareholders at general meetings of the Company with reference to the prevailing market conditions.

Save as disclosed herein, in connection with the re-election of Mr. Chuck as a Director, there are no matters that need to be brought to the attention of the Shareholders nor is there any information to be disclosed by the Company pursuant to any of the requirements under the provisions of Rule 13.51(2) of the Listing Rules.

This is an explanatory statement given to the Shareholders relating to the proposed ordinary resolution approving the Repurchase Mandate by the Shareholders at the Annual General Meeting.

This explanatory statement contains a summary of the information required pursuant to Rule 10.06 of the Listing Rules.

Share capital

- As at the Latest Practicable Date, the authorised share capital of the Company comprised 102,800,000,000 Shares, of which a total of 1,553,771,074 Shares were issued and fully paid.
- Assuming no further Shares are issued or repurchased between the Latest Practicable Date and the date of the Annual General Meeting, there will be 1,553,771,074 Shares in issue on the date of the Annual General Meeting, and the exercise in full of the Repurchase Mandate would result in up to a maximum of 155,377,107 Shares being repurchased by the Company.

Reasons for repurchases

- The Directors believe that it is in the interests of the Company and the Shareholders as a whole for the Directors to have a general authority from the Shareholders to repurchase Shares on the market. Such repurchases may, depending on market conditions and funding arrangements at the time, lead to an enhancement of the net asset value per Share and/or the earnings per Share and will benefit the Company and the Shareholders as a whole.

Funding of repurchases

- The repurchase of Shares shall be made with funds legally available for such purpose in accordance with the Bye-laws and the applicable laws of Bermuda. Under Bermuda law, repurchases may only be effected out of the capital paid up on the repurchased Shares or out of funds of the Company otherwise available for dividend or distribution or out of the proceeds of a fresh issue of Shares made for the purpose. Any premium payable on a repurchase over the par value of the Shares to be repurchased must be provided for out of funds of the Company otherwise available for dividend or distribution or out of the Company's share premium account before the Shares are repurchased. It is envisaged that the funds required for any repurchase of Shares pursuant to the exercise of the Repurchase Mandate would be derived from such sources.
- As compared to the financial position of the Company as at 31st March, 2015 (being the date of the Company's latest audited accounts), the Directors consider that the repurchases of securities will have no material adverse impact on the working capital and the gearing position of the Company in the event that the Repurchase Mandate is exercised in full at any time during the proposed repurchase period. The Directors do not propose to exercise the Repurchase Mandate to such an extent as would, in the circumstances, have a material adverse effect on the working capital requirements or the gearing levels of the Company which, in the opinion of the Directors, are from time to time appropriate for the Company.

Directors, their close associates and connected persons

- None of the Directors or, to the best of their knowledge having made all reasonable enquiries, any of their respective close associates (as defined in the Listing Rules), has any present intention, in the event that the Repurchase Mandate is approved by the Shareholders, to sell Shares to the Company.
- No core connected person (as defined in the Listing Rules) of the Company has notified the Company that he has a present intention to sell Shares to the Company, or has undertaken not to do so, in the event that the Repurchase Mandate is approved by the Shareholders.

Undertaking of the Directors

- The Directors have undertaken to the Stock Exchange that, so far as the same may be applicable, they will exercise the Repurchase Mandate in accordance with the Listing Rules, the Bye-laws and the applicable laws of Bermuda.

Share repurchase made by the Company

- The Company had not repurchased any Shares, whether on the Stock Exchange or otherwise, in the six months preceding the Latest Practicable Date.

GENERAL

If as a result of a repurchase of Shares, a Shareholder's proportionate interest in the voting rights of the Company increases, such increase will be treated as an acquisition of voting rights for the purpose of Rule 32 of the Takeovers Code. As a result, a Shareholder or a group of Shareholders acting in concert, depending on the level of increase in the Shareholders' interest, could obtain or consolidate control of the Company and become obliged to make a mandatory offer in accordance with Rule 26 of the Takeovers Code.

As at the Latest Practicable Date, Galaxyway, which is ultimately and beneficially wholly-owned by Dr. Chan Kwok Keung, Charles ("Dr. Chan"), held 238,795,159 Shares, representing approximately 15.37% of the Share Capital, and Dr. Chan also personally held 538,801,263 Shares, representing approximately 34.68% of the Share Capital. On the basis that no further Shares are issued or repurchased and that there is no change in the shareholding in the Company owned by Galaxyway and Dr. Chan and in the event that the Repurchase Mandate is exercised in full, the shareholding of Galaxyway and Dr. Chan would, in aggregate, be increased to approximately 55.61% of the Share Capital. Such increase will not give rise to an obligation to make a mandatory offer under Rule 26 of the Takeovers Code. The Directors have no present intention to exercise the Repurchase Mandate to such an extent which will result in the Company failing to comply with the public float requirements under Rule 8.08 of the Listing Rules.

PRICES OF THE SHARES

The highest and lowest prices at which the Shares were traded on the Stock Exchange during each of the twelve months preceding the Latest Practicable Date were as follows:

	Share prices	
	Highest HK\$	Lowest HK\$
2014		
July	0.660	0.610
August	0.680	0.580
September	0.610	0.570
October	0.610	0.570
November	0.710	0.600
December	0.710	0.640
2015		
January	0.690	0.640
February	0.720	0.670
March	0.720	0.670
April	0.890	0.670
May	1.020	0.830
June	1.150	0.990
July (up to the Latest Practicable Date)	1.040	0.720

Set out below is a summary of the proposed amendments to the Bye-laws.

Bye-law no.	Amendments to the Bye-laws	
Interpretation	associate	an “associate” has the meaning ascribed to it in the rules of the Stock Exchange.
Interpretation	<u>close associate</u>	<u>“close associate” shall have the meaning ascribed to it in the rules of the Stock Exchange.</u>
Interpretation	shareholders <u>or</u> members	“shareholders” or “members” shall mean the duly registered holders (including joint holders) from time to time of the shares in the capital of the Company.
Interpretation	Special Resolution	“Special Resolution” shall mean a resolution passed by a majority of not less than three-fourths of the votes cast by such members as, being entitled so to do, vote in person or, by a duly authorised corporate representative or, where proxies are allowed, vote by proxy at a general meeting of which not less than twenty-one <u>fourteen</u> (14 2 <u>1</u>) days’ notice, specifying the intention to propose the resolution as a special resolution, has been duly given. Provided that, if it is so agreed by a majority in number of the members having a right to attend and vote at any such meeting, being a majority together holding not less than 95 per cent. in nominal value of the shares giving that right of the total voting rights of all members having a right to attend and vote at the general meeting, a resolution may be proposed and passed as a Special Resolution at a meeting of which less than twenty-one <u>fourteen</u> (14 2 <u>1</u>) days’ notice has been given.
6	For the purpose of Section 47 of the Companies Act, if at any time the share capital is divided into different classes of shares, all or any of the special rights attached to any class of shares for the time being forming part of the capital of the Company (unless otherwise provided by the term of issue of the shares of that class) may, subject to the provisions of the Companies Act, be varied or abrogated either while the Company is a going concern or during or in contemplation of a winding-up, with the consent in writing of the holder(s) of not less than three-fourths in nominal value of the total number of the issued shares of that class, or with the sanction of a Special Resolution passed at a separate general meeting of holders of the shares of that class. To every such separate general meeting, all the provisions of these Bye-laws relating to general meetings of the Company or the proceedings thereat shall mutatis mutandis apply, except that the necessary quorum shall be two (2) persons (in the case of a member being a corporation, acting by its duly authorised representative) at least holding or representing by proxy, one-third in nominal value of the total number of the issued shares of the class (but no that if at any adjourned meeting of such holders a quorum as above defined is not present any two persons (in the case of a member being a corporation, acting by its duly authorised representative) holding shares of the class or their proxies shall be a quorum whatever the number of shares held by them) and that any holder of shares of the class present in person or by proxy may demand a poll and shall, on a poll, have one vote in respect of every share of the class held by him. The rights conferred upon the holders of any shares or class of shares shall not, unless otherwise expressly provided in the rights attaching to or the terms of issue of such shares, be deemed to be varied by the creation or issue of further shares ranking pari passu therewith.	

Bye-law no.	Amendments to the Bye-laws
52	A person whose shares have been forfeited shall thereupon cease to be a member in respect of the forfeited shares, but shall, notwithstanding, remain liable to pay to the Company all monies which, at the date of forfeiture, were payable by him to the Company in respect of the shares, together with (if the Board shall in its discretion so require) interest thereon from the date of forfeiture until the day of actual payment at such rate not exceeding 20 per cent. per annum as the Board may prescribe or, failing such determination, at the rate of 20 per cent. per annum, and the Board may enforce the payment thereof if it thinks fit, and without any deduction or allowance for the value of the shares, at the date of forfeiture, but his liability shall cease if and when the Company shall have received payment in full of all such moneys in respect of the shares. For the purposes of this Bye-law any sum which, by the terms of issue of a share, is payable thereon at a fixed time which is subsequent to the date of forfeiture, whether on account of the nominal value of the shares or by way of premium, shall notwithstanding that that time has not yet arrived be deemed to be payable at the date of forfeiture, and the same shall become due and payable immediately upon the forfeiture, but interest thereon shall only be payable in respect of any period between the said fixed time and the date of actual payment.
55	Notwithstanding any such forfeiture as aforesaid the Board may at any time, before any shares so forfeited shall have been sold, re-allotted, or otherwise disposed of, permit the share forfeited to be redeemed upon the terms of payment of all calls or instalments of a call, interest due upon and expenses incurred in respect of the shares, and upon such further terms (if any) as it thinks fit.
72(A)	An annual general meeting or a meeting convened for the purpose of passing a special resolution shall be called by notice in writing of not less than twenty-one (21) days' notice in writing at the least, and a meeting other than an annual general or a meeting convened for the purposes of passing special resolution shall be called by notice in writing of not less than fourteen (14) days' notice in writing at the least. The notice shall specify the place, the day and the hour of meeting and shall contain particulars of the resolutions to be considered at the meeting; in the case of special business (as referred to in Bye-law 74), the general nature of that business shall be given in the manner hereinafter mentioned or in such other manner, if any, as may be prescribed by the Company in general meeting to such persons as are, under these Bye-laws, entitled to receive such notices from the Company. Every notice of an annual general meeting shall specify the meeting as such and every notice of a meeting convened for passing a special resolution shall state the intention to propose such resolution as a special resolution.
72(B)	subject to the provisions of the Companies Act, a meeting of the Company notwithstanding that it is called by shorter notice than that specified in this Bye-law shall be deemed to have been duly called if it is so agreed: <ol style="list-style-type: none"> <li data-bbox="507 1581 1380 1644">(1) in the case of a meeting called as the annual general meeting, by all the members entitled to attend and vote thereat; and <li data-bbox="507 1666 1380 1808">(2) in the case of any other meeting, by a majority in number of the members having a right to attend and vote at the meeting, being a majority together holding not less than 95 per cent. in nominal value of the shares giving that right <u>of the total voting rights of all members having a right to attend and vote at the general meeting.</u>

Bye-law no.	Amendments to the Bye-laws
74	All business shall be deemed special that is transacted at a special general meeting and also all business that is transacted at an annual general meeting with the exception of the declaration and sanctioning of dividends, making a call in accordance with the provisions of these Bye-laws, the reading, consideration and adoption of the profit and loss accounts <u>statement of profit or loss and other comprehensive income</u> , the balance sheet and group accounts <u>financial statements</u> (if any) of the Company, and the reports of the Directors and Auditors and other documents required to be annexed to the balance sheet, the election or re-election of Directors, the appointment or re-appointment of the Auditors and other officers in the place of those retiring, the fixing of the remuneration of the Auditors and the fixing of remuneration or extra remuneration of the Directors.
76	If, within half an hour from the time appointed for the meeting, a quorum is not present, the meeting, if convened by or upon the requisition of members, shall be dissolved, but in any other case it shall stand adjourned to the same day in the next week (or if that day be a public holiday in the Relevant Territory, then to the next business day following such public holiday), at the same time and place or to such other day and at such time and place as shall be determined by the Board and no notice of such adjournment need is required to be given to the members. <u>If at such adjourned meeting, a quorum is not present within half an hour from the time appointed for the meeting, the member(s) present in person or by a duly authorised corporate representative or by proxy shall be a quorum and may transact the business for which the meeting was called.</u>
<u>77(A)</u>	<u>The Board may, at its absolute discretion, arrange for members to attend a general meeting by simultaneous attendance and participation at meeting location(s) using electronic means anywhere in the world. Members entitled to vote and present in person or by proxy or (in the case of a member being a corporation) by its authorised representative at the meeting location(s) shall be counted in the quorum for, and entitled to vote at, the relevant general meeting, and such general meeting shall be duly constituted and its proceedings shall be valid if the chairman of the meeting is satisfied that adequate facilities are available throughout the meeting to ensure that members attending at all the meeting location(s) are able to hear and see all persons present who speak in the meeting location(s) and are able to be heard and seen by other persons in the same way. Except in accordance with this Bye-law 77(A), a member shall not be permitted to participate in any meeting of the members or any class thereof by means of a conference telephone, electronic or other communications equipment.</u>
111(B)	A Director shall not vote (nor be counted in the quorum) on any resolution of the Board approving any contract or arrangement or any other proposal in which he or any of his <u>close</u> associate(s) is/are materially interested, and if he shall do so his vote shall not be counted (nor shall he be counted in the quorum) but this prohibition shall not apply to any of the following matters: (i) any contract or arrangement for the giving of any security or indemnity either: (a) to the Director or his <u>close</u> associate(s) in respect of money lent or obligations incurred or undertaken by him or any of them at the request of or for the benefit of the Company or any of its subsidiaries; or

Bye-law no.	Amendments to the Bye-laws
	<p>(b) to a third party in respect of a debt or obligation of the Company or any of its subsidiaries for which the Director or his <u>close</u> associate(s) has himself/themselves assumed responsibility in whole or in part and whether alone or jointly under a guarantee or indemnity or by the giving of security;</p> <p>(ii) any proposal concerning an offer of shares or debentures or other securities of or by the Company or any other company which the Company may promote or be interested in for subscription or purchase, where the Director or his <u>close</u> associate(s) is/are or is/are to be interested as a participant in the underwriting or sub-underwriting of the offer;</p> <p>(iii) [Intentionally deleted]</p> <p>(iv) any proposal or arrangement concerning the benefit of employees of the Company or its subsidiaries including:</p> <p>(a) the adoption, modification or operation of any employee's share scheme or any share incentive or share option scheme under which the Director or his <u>close</u> associate(s) may benefit; or</p> <p>(b) the adoption, modification or operation of a pension fund or retirement, death or disability benefits scheme which relates both to Directors, his <u>close</u> associates and employees of the Company or any of its subsidiaries and does not provide in respect of any Director or any of his <u>close</u> associate(s), as such any privilege or advantage not generally accorded to the class of persons to whom such scheme or fund relates; and</p> <p>(v) any contract or arrangement in which the Director or his <u>close</u> associate(s) is/are interested in the same manner as other holders of shares or debentures or other securities of the Company by virtue only of his/their interest in shares or debentures or other securities of the Company.</p>
111(E)	<p>If any question shall arise at any meeting of the Board as to the materiality of the interest of a Director (other than the Chairman) or his <u>close</u> associate(s) as to the entitlement of any Director (other than such Chairman) to vote or be counted in quorum and such question is not resolved by his voluntarily agreeing to abstain from voting or not to be counted in the quorum, such question shall be referred to the Chairman and his ruling in relation to such Director or his <u>close</u> associate(s) shall be final and conclusive except in a case where the nature or extent of the interest of the Director or his <u>close</u> associate(s) concerned as known to such Director has not been fairly disclosed to the Board. If any question as aforesaid shall arise in respect of the Chairman or his <u>close</u> associate(s), such question shall be decided by a resolution of the Board (for which purpose such Chairman shall not be counted in the quorum and shall not vote thereon) and such resolution shall be final and conclusive except in a case where the nature or extent of the interest of such Chairman or his <u>close</u> associate(s) as known to such Chairman has not been fairly disclosed to the Board.</p>

Bye-law no.	Amendments to the Bye-laws
111(J)	Where arrangements are under consideration concerning the appointment (including the arrangement or variation of the terms thereof, or the termination thereof) of two or more Directors to offices or places of profit with the Company or any other company in which the Company is interested , separate resolution may be put in relation to each Director and in such case each of the Directors concerned shall be entitled to vote (and be counted in the quorum) in respect of each resolution except that concerning his own appointment (or the arrangement or variation of the terms thereof, or the termination thereof) and except (in the case of an office or place of profit with any such other company as aforesaid) where the other company is a company in which the Director together with any of his associates owns 5 per cent. or more.
134	Any Director or the Secretary or any person appointed by the Board for the purpose shall have power to authenticate any documents affecting the constitution of the Company and any resolution passed by the Company or the Board or any committee of the Board and any books, records, documents and accounts <u>financial statements</u> relating to the business of the Company and to certify copies thereof or extracts therefrom as true copies or extracts; and where any books, records, documents or accounts <u>financial statements</u> are elsewhere than at the Head Office the local manager or other officer of the Company having the custody thereof shall be deemed to be the person appointed by the Board as aforesaid.
146	The Company in general meeting may by Ordinary Resolution upon the recommendation of the Board resolve that it is desirable to capitalise any part of the amounts for the time being standing to the credit of any of the Company's reserve accounts (including any contributed surplus account and also including any share premium account or other undistributable reserve, but subject to the provisions of the Companies Act with regard to unrealised profits) or to the credit of the profit and loss account <u>accumulated profits account</u> or otherwise available for distribution and not required for the payment or provision of fixed dividend on any shares entitled to fixed preferential dividends with or without further participation in profits and that the Board by accordingly authorised and directed to appropriate the profits or sum so reserved to be capitalised and be sub-divided to the members in the proportion in which such profits or sum would have been divisible amongst them had the same been applied or been applicable in paying dividends on the shares held by them on such date as shall be fixed by or in accordance with such resolutions, and to apply such profits or sum on their behalf either in or towards paying up any amounts, if any, for the time being unpaid on any shares held by such members respectively, or in the paying up in full of unissued shares or debentures of the Company of a nominal amount equal to such profits or sum, such shares or debentures to be allotted and distributed, credited as fully paid up, to and amongst such members in proportion aforesaid, or partly in one way and partly in the other, provided that for the purpose of this Bye-law, any amount standing to the credit of share premium account and any reserve or fund representing unrealised profits may only be applied in the paying up of unissued shares to be issued to members of the Company as fully paid up shares.

Bye-law no.	Amendments to the Bye-laws
151(A)	<p>Whenever the Board or the Company in general meeting has resolved that a dividend be paid or declared on the share capital of the Company, the Board may further resolve:</p> <p>(1) that such dividend be satisfied wholly or in part in the form of an allotment of shares credited as fully paid-up, provided that the members entitled thereto will be entitled to elect to receive such dividend (or part thereof) in cash in lieu of such allotment. In such case, the following provisions shall apply:</p> <p>(a) the basis of any such allotment shall be determined by the Board;</p> <p>(b) the Board, after determining the basis of allotment, shall give not less than two (2) weeks' notice in writing to the members of the right of election accorded to them and of the record date related thereto and shall send with or following such notice forms of election and specify the procedure to be followed and the place at which and the latest date and time by which duly completed forms of election must be lodged in order to be effective;</p> <p>(c) the right of election may be exercised in respect of the whole or part of that portion of the dividend in respect of which the right of election has been accorded; and</p> <p>(d) the dividend (or that part of the dividend to be satisfied by the allotment of shares as aforesaid) shall not be payable in cash on shares in respect whereof the cash election has not been duly exercised (the "non-elected shares") and in satisfaction thereof shares shall be allotted credited as fully paid-up to the holders of the non-elected shares on the basis of allotment determined as aforesaid and for such purpose the Board shall capitalise and apply out of any part of the undivided profits of the Company or any part of any sum standing to the credit of the Company's reserve accounts (including, subject to Bye-law 146, sums standing to the credit of any special account, contributed surplus account, share premium account and capital redemption reserve) or to the credit of the profit and loss account<u>accumulated profits account</u> or any sum otherwise available for distribution as the Board may determine, a sum equal to the aggregate nominal amount of the shares to be allotted on such basis and apply the same in paying up in full the appropriate number of shares for allotment and distribution to and amongst the holders of the non-elected shares on such basis.</p> <p>or</p> <p>(2) that the members entitled to such dividend will be entitled to elect to receive an allotment of shares credited as fully paid-up in lieu of the whole or such part of the dividend as the Board may think fit on the basis that the shares so allotted shall be of the same class or classes as the class or classes of shares already held by the allottee. In such cases, the following provisions shall apply:</p> <p>(a) the basis of any such allotment shall be determined by the Board;</p>

Bye-law no.	Amendments to the Bye-laws
	<p>(b) the Board, after determining the basis of allotment, shall give not less than two (2) weeks' notice in writing to the members of the right of election accorded to them and shall send with or following such notice forms of election and specify the procedure to be followed and the place at which and the latest date and time by which duly completed forms of election must be lodged in order to be effective;</p> <p>(c) the right of election may be exercised in respect of the whole or part of that portion of the dividend in respect of which the right of election has been accorded; and</p> <p>(d) the dividend (or that part of the dividend in respect of which a right of election has been accorded) shall not be payable on shares in respect whereof the share election has been duly exercised (the "elected shares") and in lieu thereof shares shall be allotted credited as fully paid to the holders of the elected shares on the basis of allotment determined as aforesaid and for such purpose the Board shall capitalise and apply out of any part of the undivided profits of the Company or any part of any sums standing to the credit of any special account, the contributed surplus account, the Company's reserve accounts (including, subject to Bye-law 148, any sums standing to the credit of the share premium account and capital redemption reserve) or to the credit of the profit and loss account <u>accumulated profits account</u> or any sum otherwise available for distribution as the Board may determine, a sum equal to the aggregate nominal amount of the shares to be allotted on such basis and apply the same in paying up in full the appropriate number of shares for allotment and distribution to and amongst the holders of the elected shares on such basis.</p>
163	<p><u>Financial Statements Accounts</u> The Board shall cause true accounts <u>financial statements</u> to be kept of the sums of money received and expended by the Company and the matters in respect of which such receipts and expenditure take place; and of the property, assets, credits and liabilities of the Company and all other matters required by the provisions of the Companies Act or necessary to give a true and fair view of the state of the Company's affairs and to show and explain its transactions.</p>
166(A)	<p>The Board shall from time to time cause to be prepared and laid before the Company at its annual and general meeting such profit and loss accounts <u>statement of profit or loss and other comprehensive income</u>, balance sheets, group accounts <u>financial statements</u> (if any) and reports as are required by the provisions of the Companies Act. The Auditors shall make a report to the members on the accounts <u>financial statements</u> examined by them, and on every balance sheet, every profit and loss account <u>statement of profit or loss and other comprehensive income</u> and all group accounts <u>financial statements</u> laid before the Company in general meeting during their tenure of office. The Auditors' report shall be read before the Company in general meeting and shall be open to inspection by any member.</p>

Bye-law no.	Amendments to the Bye-laws
166(B)	Subject to Section 88 of the Companies Act and Bye-law 166(C), a printed copy of the Directors' report, accompanied by the balance sheet and profit and loss accounts <u>statement of profit or loss and other comprehensive income</u> , including every document required by law to be annexed thereto, made up to the end of the applicable financial year and containing a summary of the assets and liabilities of the Company under convenient heads and a statement of income and expenditure, together with a copy of the Auditors' report, shall be sent to each person entitled thereto at least 21 days before the date of the general meeting and at the same time as the notice of annual general meeting and laid before the Company in general meeting in accordance with the requirements of the Companies Act provided that this Bye-law shall not require a copy of those documents to be sent to any person whose address the Company is not aware of or to more than one of the joint holders of any shares or debentures.
166(C)	To the extent permitted by and subject to due compliance with all applicable statutes, rules and regulations, including, without limitation, the rules of the Stock Exchange, and to obtaining all necessary consents, if any, required thereunder, the requirements of Bye-law 166(B) shall be deemed satisfied in relation to any person by sending to the person in any manner not prohibited by the statutes, a summary financial statement derived from the Company's annual accounts <u>financial statements</u> and the directors' report which shall be in the form and containing the information required by applicable laws and regulations, provided that any person who is otherwise entitled to the annual financial statements of the Company and the directors' report thereon may, if he so requires by notice in writing served on the Company, demand that the Company sends to him, in addition to a summary financial statement, a complete printed copy of the Company's annual financial statement and the directors' report thereon.
168	The Auditor or Auditors of the Company shall have a right of access at all times to the books and accounts and vouchers of the Company and shall be entitled to require from the Directors and officers of the Company such information as may be necessary for the performance of his or their duties, and the Auditor or Auditors shall make a report to the members on the accounts <u>financial statements</u> examined by him or them and on every balance sheet, consolidated balance sheet and consolidated profit and loss accounts <u>statement of profit or loss and other comprehensive income</u> intended to be laid before the Company in the annual general meeting during his or their tenure of office as required by the Companies Act.

NOTICE OF ANNUAL GENERAL MEETING



ITC CORPORATION LIMITED

德祥企業集團有限公司*

(Incorporated in Bermuda with limited liability)

(Stock code: 372)

NOTICE IS HEREBY GIVEN that the annual 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 Monday, 17th August, 2015 at 11:00 a.m. for the following purposes:

ORDINARY RESOLUTIONS

1. To receive and consider the audited financial statements and the reports of the directors and the independent auditor of the Company for the year ended 31st March, 2015.
2. To declare the final dividend for the year ended 31st March, 2015.
3. (A) To re-elect the following retiring directors of the Company: –
 - (i) Mr. Chan Kwok Chuen, Augustine as a director;
 - (ii) Mr. Chan Yiu Lun, Alan as a director; and
 - (iii) Mr. Chuck, Winston Calptor as a director;(B) To fix the remuneration of the directors of the Company.
4. To re-appoint the auditor of the Company and to authorise the board of directors (the “**Board**”) of the Company to fix their remuneration.
5. As special business, to consider and, if thought fit, to pass, with or without modifications, the following resolutions as ordinary resolutions of the Company:
 - (A) “**THAT:**
 - (i) subject to sub-paragraph (iii) of this resolution, the exercise by the directors of the Company during the Relevant Period (as hereinafter defined) of all powers of the Company to allot, issue and deal with additional shares in the share capital of the Company and to make or grant offers, agreements and options (including warrants, bonds and debentures convertible into shares of the Company) which would or might require the exercise of such powers, subject to and in accordance with all applicable laws and the bye-laws of the Company, be and is hereby generally and unconditionally approved;
 - (ii) the approval in sub-paragraph (i) of this resolution shall authorise the directors of the Company during the Relevant Period to make or grant offers, agreements and options (including warrants, bonds and debentures convertible into shares of the Company) which would or might require the exercise of such powers after the end of the Relevant Period;

* For identification purpose only

NOTICE OF ANNUAL GENERAL MEETING

- (iii) the aggregate number of shares of the Company allotted or agreed conditionally or unconditionally to be allotted (whether pursuant to an option or otherwise) and issued by the directors of the Company pursuant to the approvals in sub-paragraphs (i) and (ii) of this resolution, otherwise than pursuant to (a) a Rights Issue (as hereinafter defined); or (b) an issue of shares of the Company upon the exercise of rights of subscription or conversion under the terms of any securities which are convertible into shares of the Company; or (c) an issue of shares of the Company under any share option scheme of the Company or similar arrangements for the time being adopted for the grant or issue of shares or rights to acquire shares of the Company; or (d) an issue of shares as scrip dividend pursuant to the bye-laws of the Company from time to time, shall not exceed 20% of the aggregate number of shares of the Company in issue on the date of the passing of this resolution and the said approval shall be limited accordingly; and

- (iv) for the purpose of this resolution:

“**Relevant Period**” means the period from the date of the passing of this resolution until whichever is the earliest of:

- (a) the conclusion of the next annual general meeting of the Company;
- (b) the expiration of the period within which the next annual general meeting of the Company is required by the bye-laws of the Company or any applicable laws of Bermuda to be held; and
- (c) the date on which the authority set out in this resolution is revoked or varied by an ordinary resolution of the shareholders of the Company in general meeting.

“**Rights Issue**” means an offer of shares open for a period fixed by the directors of the Company to holders of shares of the Company whose names appear on the register of members of the Company on a fixed record date in proportion to their then holdings of such shares as at that date (subject to such exclusion or other arrangements as the directors of the Company may deem necessary or expedient in relation to fractional entitlements or having regard to any restrictions or obligations under the laws of, or the requirements of, any recognised regulatory body or any stock exchange in, any territory applicable to the Company).”

(B) “**THAT:**

- (i) subject to sub-paragraph (iii) of this resolution, the exercise by the directors of the Company during the Relevant Period (as hereinafter defined) of all powers of the Company to repurchase issued ordinary shares in the share capital of the Company on The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) or on any other stock exchange on which the securities of the Company may be listed and recognised by the Securities and Futures Commission of Hong Kong and the Stock Exchange for this purpose, subject to and in accordance with all applicable laws and the requirements of the Rules Governing the Listing of Securities on the Stock Exchange or any other stock exchange as amended from time to time, be and is hereby generally and unconditionally approved;
- (ii) the approval in sub-paragraph (i) of this resolution shall be in addition to any other authorisation given to the directors of the Company and shall authorise the directors of the Company on behalf of the Company during the Relevant Period to procure the Company to repurchase its ordinary shares at a price determined by the directors of the Company;
- (iii) the aggregate number of shares of the Company which the directors of the Company are authorised to repurchase pursuant to the approval in sub-paragraphs (i) and (ii) of this resolution shall not exceed 10% of the aggregate number of shares of the Company in issue on the date of the passing of this resolution and the said approval shall be limited accordingly; and

NOTICE OF ANNUAL GENERAL MEETING

- (iv) for the purpose of this resolution:

“**Relevant Period**” means the period from the date of the passing of this resolution until whichever is the earliest of:

- (a) the conclusion of the next annual general meeting of the Company;
 - (b) the expiration of the period within which the next annual general meeting of the Company is required by the bye-laws of the Company or any applicable laws of Bermuda to be held; and
 - (c) the date on which the authority set out in this resolution is revoked or varied by an ordinary resolution of the shareholders of the Company in general meeting.”
- (C) “**THAT** conditional upon the resolutions numbered 5(A) and 5(B) as set out in the notice convening this meeting (the “**Notice**”) being passed, the general mandate granted to the directors of the Company to allot, issue and deal with additional shares in the share capital of the Company pursuant to the resolution numbered 5(A) as set out in the Notice be and is hereby extended by the addition thereto of an amount representing the aggregate number of issued shares of the Company repurchased by the Company under the authority granted pursuant to the resolution numbered 5(B) as set out in the Notice.”
- (D) “**THAT** subject to and conditional upon the Listing Committee of The Stock Exchange of Hong Kong Limited granting the listing of, and permission to deal in, the ordinary shares in the share capital of the Company as representing 10% of the ordinary shares of the Company in issue as at the date of the passing of this resolution, which may fall to be issued pursuant to the exercise of options granted under the Company’s share option scheme adopted on 19th August, 2011 (the “**Share Option Scheme**”) and any other scheme(s) of the Company:
- (i) approval be and is hereby granted for refreshment of the scheme mandate limit under the Share Option Scheme (the “**Refreshed Scheme Mandate**”) such that the total number of shares of the Company which may be allotted and issued upon the exercise of all options to be granted under the Share Option Scheme and any other scheme(s) of the Company under the limit as refreshed hereby shall not exceed 10% of the aggregate number of shares of the Company in issue as at the date of the passing of this resolution (options previously granted under the Share Option Scheme and any other scheme(s) of the Company (including options outstanding, cancelled, lapsed or exercised in accordance with the terms of the Share Option Scheme or any other scheme(s) of the Company) shall not be counted for the purpose of calculating the Refreshed Scheme Mandate); and
 - (ii) the directors of the Company be and are hereby authorised, in their absolute discretion (a) to grant options to subscribe for shares of the Company within the Refreshed Scheme Mandate in accordance with the rules of the Share Option Scheme and any other scheme(s) of the Company; and (b) to allot, issue and deal with shares of the Company pursuant to the exercise of options granted under the Share Option Scheme and any other scheme(s) of the Company within the Refreshed Scheme Mandate.”

SPECIAL RESOLUTION

6. As special business, to consider and, if thought fit, pass, with or without modifications, the following resolution as special resolution of the Company:

“**THAT** the bye-laws of the Company be amended in the manner as set out in Appendix III to the circular of the Company dated 15th July, 2015 and the new bye-laws of the Company, having incorporated the aforesaid proposed amendments, in the form of the document produced to the meeting and marked “A” and initialed by the chairman of the meeting for the purpose of identification, be and is hereby approved and adopted as the new bye-laws of the Company in substitution for and to the exclusion of the existing bye-laws of the Company with effect after the conclusion of this meeting and **THAT** the Board be and is hereby authorised to do all acts and things and to sign, execute and deliver all documents as it may deem necessary, appropriate or expedient to give effect to or otherwise in connection with the proposed amendments and the adoption of the new bye-laws of the Company.”

NOTICE OF ANNUAL GENERAL MEETING

7. To transact any other ordinary business of the Company.

By Order of the Board
ITC Corporation Limited
Kam Suet Fan
Company Secretary

Hong Kong, 15th July, 2015

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 resolutions will be put to the meeting by way of poll. On voting by poll, each member of the Company shall have one vote for each share held in the Company.
2. Any member of the Company entitled to attend and vote at the meeting shall be entitled to 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 and vote on his behalf at the meeting. A proxy need not be a member of the Company.
3. 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 to sign the same. In 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 appears, that such officer was duly authorised to sign such instrument of proxy on behalf of the corporation without further evidence of the facts.
4. A form of proxy for use at the meeting is enclosed. The instrument appointing a proxy and the power of attorney or other authority, if any, under which it is signed, or a notarially certified copy of such power or authority, together with such evidence as the board of directors of the Company may require under the bye-laws of the Company, shall be deposited at the Company's principal place of business in Hong Kong at 30th Floor, Bank of America Tower, 12 Harcourt Road, Central, Hong Kong as soon as possible and in any event not less than 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.
5. Delivery of an instrument appointing a proxy shall not preclude a member of the Company from attending and voting in person at the meeting or any adjournment thereof or upon the poll concerned and, in such event, the instrument appointing a proxy shall be deemed to have been revoked.
6. Where there are joint registered holders of any share, any one of such persons may vote at the meeting, either personally or by proxy, in respect of such share as if he were solely entitled thereto, but if more than one of such joint holders is present at the meeting personally or by proxy, that one of the said persons so present whose name stands first on the register of members of the Company in respect of such share shall alone be entitled to vote in respect thereof.
7. The register of members of the Company will be closed for the purpose of determining the entitlements to the proposed final dividend from Tuesday, 25th August, 2015 to Wednesday, 26th August, 2015, both dates inclusive, during which period no transfer of shares will be registered. In order to qualify for the proposed final dividend, all transfers of shares of the Company accompanied by the relevant share certificate(s) must be lodged with the Company's branch share registrar in Hong Kong, Tricor Secretaries Limited at Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong for registration by no later than 4:00 p.m. on Monday, 24th August, 2015.
8. The Chinese version of the resolutions as set out in this notice is for reference only. If there is any conflict between the English and the Chinese versions, the English version shall prevail.

NOTICE OF ANNUAL GENERAL MEETING

As at the date of this notice, the Board comprises:

Executive directors:

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

Independent non-executive directors:

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