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## **ITC CORPORATION LIMITED**

*(Incorporated in Bermuda with limited liability)*

(Stock code: 372)

### **DISCLOSEABLE TRANSACTION ACQUISITION OF SHARES OF ROSEDALE HOTEL HOLDINGS LIMITED ON OPEN MARKET**

On 22 July 2010, the Purchaser, an indirect wholly-owned subsidiary of the Company, acquired on the open market 4,240,000 Rosedale Shares, representing approximately 0.78% of the total issued Rosedale Shares as at 30 June 2010 as disclosed in the official website of the Stock Exchange, for an aggregate cash consideration of approximately HK\$2.63 million (equivalent to an average price of approximately HK\$0.62 per Acquired Share).

The Acquisition and the Previous Acquisitions together constitute a discloseable transaction for the Company under the Listing Rules. The Acquisition, when aggregated with the previous acquisitions of Rosedale Shares by the Group on the open market in the 12-month period immediately before the date of the Acquisition pursuant to Rule 14.22 of the Listing Rules, also constitutes a discloseable transaction for the Company under the Listing Rules.

#### **THE ACQUISITION**

On 22 July 2010, the Purchaser, an indirect wholly-owned subsidiary of the Company, acquired on the open market 4,240,000 Rosedale Shares, representing approximately 0.78% of the total issued Rosedale Shares as at 30 June 2010 as disclosed in the official website of the Stock Exchange, for an aggregate cash consideration of approximately HK\$2.63 million (equivalent to an average price of approximately HK\$0.62 per Acquired Share). To the best of the knowledge, information and belief of the Directors having made all reasonable enquiries, the seller(s) of the Acquired Shares and their respective ultimate beneficial owner(s) are third party(ies) independent of the Company and its connected persons (as defined under the Listing Rules).

The acquisition prices of the Acquired Shares were determined according to the bid and ask prices of the Rosedale Shares as quoted on the Stock Exchange. The total acquisition cost of the Rosedale Shares under the Acquisition was financed by the Group's internal resources.

The average price of approximately HK\$0.62 per Acquired Share represents:

- (i) the closing price of the Rosedale Shares as quoted on the Stock Exchange on 22 July 2010;
- (ii) a discount of approximately 1.59% to the average of the closing prices of the Rosedale Shares as quoted on the Stock Exchange for the last five consecutive trading days up to and including 22 July 2010 of approximately HK\$0.63 per Rosedale Share; and
- (iii) a discount of approximately 3.13% to the average of the closing prices of the Rosedale Shares as quoted on the Stock Exchange for the last ten consecutive trading days up to and including 22 July 2010 of approximately HK\$0.64 per Rosedale Share.

## **THE PREVIOUS ACQUISITIONS**

During 28 May 2010 to 21 July 2010, the Group had acquired on the open market an aggregate of 21,780,000 Rosedale Shares at a total consideration of approximately HK\$13.55 million, representing an average price per Rosedale Share of approximately HK\$0.62.

The acquisition prices of the Rosedale Shares acquired under the Previous Acquisitions were determined according to the bid and ask prices of the Rosedale Shares as quoted on the Stock Exchange at the material time. To the best of the knowledge, information and belief of the Directors having made all reasonable enquiries, the seller(s) of the Rosedale Shares under the Previous Acquisitions and their respective ultimate beneficial owner(s) are third party(ies) independent of the Company and its connected persons (as defined under the Listing Rules). The total acquisition cost of the Rosedale Shares under the Previous Acquisitions amounted to approximately HK\$13.55 million, which was financed by the Group's internal resources.

Apart from the Previous Acquisitions and the acquisition of an aggregate of 31,890,000 shares of Rosedale in August 2009 (which were reorganised into 1,594,500 Rosedale Shares pursuant to the Rosedale Capital Reorganisation effective on 2 February 2010) on the open market at a total consideration of approximately HK\$1.4 million as disclosed in an announcement of the Company dated 20 August 2009, the Group has not acquired any other Rosedale Shares in the twelve-month period immediately preceding the date hereof.

## **INFORMATION ON ROSEDALE**

Rosedale is an investment holding company and its subsidiaries are principally engaged in hotel operation in Hong Kong and the PRC, and trading of securities.

According to the 2009 annual report of Rosedale, the consolidated loss before tax and loss after tax of Rosedale amounted to approximately HK\$825.7 million and HK\$832.9 million respectively for the year ended 31 December 2008; and HK\$345.1 million and HK\$347.2 million for the year ended 31 December 2009 respectively.

## **REASONS FOR THE PREVIOUS ACQUISITIONS AND THE ACQUISITION**

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

Following the Acquisition and as at the date of this announcement, the Group holds an aggregate of 104,076,000 Rosedale Shares, representing approximately 19.06% of the total issued Rosedale Shares as at 30 June 2010 as disclosed in the official website of the Stock Exchange. The Company accounts for its interests in the Rosedale Shares as interests in associates and shares the net assets and net income or loss of Rosedale pro rata to the percentage of equity interests in Rosedale held by the Group.

According to the circulars issued by Rosedale in 2010, Rosedale plans to focus its resources into hotel and leisure services segment which the Directors believe to have good prospects. Rosedale is seeking opportunities to acquire a 4-star rated hotel in Shanghai, the PRC for its Rosedale hotel chain. Rosedale also plans to enlarge budget hotel portfolio in the Southern China region mainly in the major cities of Guangdong Province and the adjacent provinces such as Guangxi and Fujian. In this light, the Directors believe that there is potential upside in the investment in Rosedale in consideration of the flourishing PRC hospitality industry in the near future. The Directors consider that the terms of the Acquisition and the Previous Acquisitions are fair and reasonable and are in the interests of the Company and its Shareholders as a whole.

## **GENERAL**

The Acquisition and the Previous Acquisitions together constitute a discloseable transaction for the Company under the Listing Rules. The Acquisition, when aggregated with the previous acquisitions of Rosedale Shares by the Group on the open market in the 12-month period immediately before the date of the Acquisition pursuant to Rule 14.22 of the Listing Rules, also constitutes a discloseable transaction for the Company under the Listing Rules.

## **DEFINITIONS**

In this announcement, the following terms have the following meanings:

“Acquired Shares”	the 4,240,000 Rosedale Shares acquired by the Purchaser on the open market on 22 July 2010
“Acquisition”	the acquisition of the Acquired Shares by the Purchaser on 22 July 2010
“Board”	the board of Directors
“Company”	ITC Corporation Limited (stock code: 372), a company incorporated in Bermuda with limited liability and whose issued shares are listed on the Main Board of the Stock Exchange

“connected person(s)”	has the meaning as defined in the Listing Rules
“Directors”	the directors of the Company
“Group”	the Company and its subsidiaries
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“PRC”	the People’s Republic of China, which for the purpose of this announcement shall exclude Hong Kong, Taiwan and Macau Special Administrative Region of the PRC
“Previous Acquisitions”	the acquisitions of a total of 21,780,000 Rosedale Shares by the Group on the open market during the period from 28 May 2010 to 21 July 2010
“Purchaser”	Asia Will Limited, an indirect wholly-owned subsidiary of the Company, which is an investment holding company
“Shareholders”	shareholders of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Rosedale”	Rosedale Hotel Holdings Limited (formerly known as Wing On Travel (Holdings) Limited) (stock code: 1189), a company incorporated in Bermuda with limited liability and the shares of which are listed on the Main Board of the Stock Exchange
“Rosedale Capital Reorganisation”	capital reorganisation of Rosedale as set out in Rosedale’s circular dated 8 January 2010
“Rosedale Shares”	ordinary share(s) of HK\$0.01 each in the existing share capital of Rosedale
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“%”	per cent.

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

Hong Kong, 22 July 2010

As at the date of this announcement, 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. Cheung Hon Kit  
Mr. Chan Yiu Lun, Alan

*Independent Non-executive Directors:*

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