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

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**If you are in any doubt** as to any aspect of this circular or as to the action to be taken, you should consult your licensed securities dealer, bank manager, solicitor, professional accountant or other professional adviser.

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

This circular is addressed to the shareholders of ITC in connection with a special general meeting of ITC to be held on Monday, 9 May 2011.

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**ITC CORPORATION LIMITED**

*(Incorporated in Bermuda with limited liability)*

(Stock Code: 372)

**DISPOSAL MANDATE IN RELATION TO  
FUTURE DISPOSALS OF SHARES IN  
BURCON NUTRASCIENCE CORPORATION****POSSIBLE VERY SUBSTANTIAL DISPOSAL**

**ANGLO CHINESE**  
CORPORATE FINANCE, LIMITED

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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 Monday, 9 May 2011 at 11:00 a.m. is set out on pages 31 and 32 of this circular. If you are not able to attend the meeting, you are requested to complete the accompanying form of proxy in accordance with the instructions printed thereon and return it to the principal place of business of ITC in Hong Kong at 30th Floor, Bank of America Tower, 12 Harcourt Road, Central, Hong Kong, as soon as possible but in any event not less than 48 hours before the time appointed for holding the meeting or any adjournment thereof (as the case may be). Delivery of the form of proxy will not preclude you from attending and voting in person at the meeting or any adjournment thereof (as the case may be) should you so wish.

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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 28 March 2011 issued by the Company relating to the Disposal Mandate and the Disposal
“Burcon”	Burcon NutraScience Corporation, a company incorporated in Canada with limited liability and whose shares are listed on the TSX and the Frankfurt Stock Exchange
“Burcon Group”	Burcon and its subsidiaries
“Burcon Share(s)”	common share(s) in the share capital of Burcon
“C\$”	Canadian dollars, the lawful currency of Canada
“Company” or “ITC”	ITC Corporation Limited (stock code: 372), a company incorporated in Bermuda with limited liability and whose securities are listed on the Main Board of the Stock Exchange
“Disposal”	the proposed disposal of 6,303,775 Burcon Shares pursuant to the Disposal Mandate
“Disposal Mandate”	a specific mandate proposed by the ITC Board to seek approval from the ITC Shareholders to allow the ITC Board to dispose of up to 6,303,775 Burcon Shares (in whole or in part) on the terms as set out under the paragraph headed “The Disposal Mandate” in the “Letter from the ITC Board” of this circular
“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
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“ITC Board”	the board of ITC Directors
“ITC Director(s)”	the director(s) of ITC
“ITC Group”	ITC and its subsidiaries before completion of the Disposal
“ITC Notes”	5% convertible note due in 2011 issued by the Company with outstanding principal amount of HK\$168 million as at the Latest Practicable Date
“ITC Share(s)”	ordinary share(s) of HK\$0.01 each in the share capital of ITC
“ITC Shareholder(s)”	the holder(s) of the ITC Share(s)
“Last Trading Date”	25 March 2011, being the last full trading day of Burcon Shares before the release of the Announcement
“Latest Practicable Date”	15 April 2011, being the latest practicable date prior to the publication of this circular for ascertaining certain information for inclusion in this circular
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Model Code”	The Model Code for Securities Transactions by Directors of Listed Issuers contained in Appendix 10 to the Listing Rules
“Remaining Group”	ITC and its subsidiaries immediately after completion of the Disposal

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## DEFINITIONS

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“SFO”	The Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
“SGM”	the special general meeting of the Company to be held to consider and, if thought fit, approve the Disposal Mandate and the Disposal
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“TSX”	Toronto Stock Exchange
“US”	the United States of America
“%”	per cent.

*In this circular, unless otherwise stated, for purpose of illustration only, amounts quoted in C\$ have been translated into Hong Kong dollars at the rate of C\$1.0 to HK\$8.0. Such exchange rate has been used, where applicable, for the purpose of illustration only and does not constitute a representation that any amounts were or may have been exchanged at this exchange rate or any other rates or at all.*

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## LETTER FROM THE ITC BOARD

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### **ITC CORPORATION LIMITED**

*(Incorporated in Bermuda with limited liability)*

(Stock Code: 372)

*Executive ITC Directors:*

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

*Independent non-executive ITC Directors:*

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

*Registered office:*

Clarendon House  
2 Church Street  
Hamilton HM 11  
Bermuda

*Head office and principal place of business in*

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

19 April 2011

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

Dear Sir or Madam,

## **DISPOSAL MANDATE IN RELATION TO FUTURE DISPOSALS OF SHARES IN BURCON NUTRASCIENCE CORPORATION POSSIBLE VERY SUBSTANTIAL DISPOSAL**

### **INTRODUCTION**

On 28 March 2011, the ITC Board announced that ITC proposed to seek the ITC Shareholders' approval in advance for the Disposal Mandate for the possible future disposals of 6,303,775 Burcon Shares in one or more transactions, which taken in aggregate will constitute 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 Mandate and the Disposal, the notice of the SGM and such other information as required by the Listing Rules.

### **THE DISPOSAL**

As at the Latest Practicable Date, ITC beneficially owned 6,303,775 Burcon Shares, representing approximately 21.2% of the existing issued share capital of Burcon. The ITC Directors consider that ITC should firstly obtain the approval of the Disposal Mandate from the ITC Shareholders so as to allow flexibility in effecting future disposal(s) of Burcon Shares (in whole or in part) expeditiously when market conditions are favourable. Furthermore, due to the length of time required to meet the disclosure and approval requirements under Chapter 14 of the Listing Rules, market opportunities may be missed if approval from the ITC Shareholders is not sought in advance.

Given the maximum number of 6,303,775 Burcon Shares to be disposed of under the Disposal Mandate and the minimum disposal price of C\$9.00 (equivalent to approximately HK\$72.00) per Burcon Share, the gross proceeds from the Disposal will be approximately C\$56.7 million (equivalent to approximately HK\$453.6 million).

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## LETTER FROM THE ITC BOARD

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### DISPOSAL MANDATE

The Disposal Mandate to be sought from the ITC Shareholders will be on the following terms:

- (i) the minimum disposal price is C\$9.00 per Burcon Share (subject to adjustment in the event of a share consolidation or share subdivision by Burcon);
- (ii) the disposal price per Burcon Share shall not be at a discount of more than 10% to the average of the closing prices of Burcon Shares as quoted on the TSX during the 5 completed trading days immediately prior to the date on which the relevant Disposal takes place;
- (iii) the maximum number of Burcon Shares to be disposed of is 6,303,775 Burcon Shares (subject to adjustment in the event of a share consolidation or share subdivision by Burcon), being approximately 21.2% of the existing issued share capital of Burcon;
- (iv) the Disposal may take place by way of placing through block trade(s) to independent third parties by entering into placing agreement(s) with placing agent(s), and/or in the open market on the TSX and/or the Frankfurt Stock Exchange where the Burcon Shares are listed. The terms and conditions for any block trade(s) will be negotiated on an arms' length basis and ITC will ensure the placing agent(s) to be engaged is properly reputable and licensed to carry on the activity of dealing in securities;
- (v) the persons to whom the Burcon Shares will be disposed and the ultimate beneficial owner of such persons, will, to the best of the ITC Directors' knowledge, information and belief having made all reasonable enquiries, be third parties who are independent of ITC and any connected persons (as defined by the Listing Rules) of ITC;
- (vi) the ITC Board is authorised and empowered to determine, decide, execute and implement with full discretion all matters relating to the Disposal, including but not limited to the number of batches of disposals, the number of Burcon Shares to be sold under each disposal, the timing of each disposal, the manner of disposal (whether in the open market or through block trades(s)) and the selling price (subject to the parameters set out in paragraphs (i) and (ii) above); and
- (vii) the Disposal Mandate will be for a period of twelve months from the date of the approval of the ITC Shareholders having been obtained.

The minimum disposal price per Burcon Share represents:

- a premium of approximately 1,736.7% over the unaudited net asset value of approximately C\$0.49 (equivalent to approximately HK\$3.92) per Burcon Share as at 31 December 2010 (which is calculated based on the unaudited net asset value attributable to equity holders of approximately C\$14.6 million (equivalent to approximately HK\$116.8 million) as at 31 December 2010 divided by the number of Burcon Shares outstanding as at 31 December 2010 of 29,761,557 Burcon Shares, which information is obtained from the quarterly report of Burcon for the nine months ended 31 December 2010);
- a discount of approximately 2.2% to the closing price of C\$9.20 per Burcon Share as quoted on the TSX as at 25 March 2011, the Last Trading Date;
- a discount of approximately 6.9% to the average of the closing prices of approximately C\$9.67 per Burcon Share as quoted on the TSX for the last 6 months up to and including the Last Trading Date;
- a discount of approximately 1.3% to the average of the closing prices of approximately C\$9.12 per Burcon Share as quoted on the TSX for the last 12 months up to and including the Last Trading Date; and
- a discount of approximately 4.5% to the closing price of C\$9.42 per Burcon Share as quoted on the TSX as at the Latest Practicable Date.

The minimum disposal price of C\$9.00 per Burcon Share under the Disposal Mandate is set with reference to the current market condition and the recent share price performance of the Burcon Shares. The ITC Directors consider that the minimum disposal price of C\$9.00 per Burcon Share is fair and reasonable.

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## LETTER FROM THE ITC BOARD

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### FINANCIAL EFFECT OF THE DISPOSAL ON ITC

Based on the maximum of 6,303,775 Burcon Shares to be disposed of under the Disposal Mandate and the minimum disposal price of C\$9.00 per Burcon Share, the Disposal will raise approximately C\$56.7 million (equivalent to approximately HK\$453.6 million), before expenses and tax, for the ITC Group. As at the Latest Practicable Date, there was no specific use for the net proceeds thereof other than to be used as the general working capital of the ITC Group.

The 6,303,775 Burcon Shares were acquired by the ITC Group during the period from December 1998 to February 2007.

According to the ITC Group's books and records as at 30 September 2010, the carrying amount of Burcon Shares held by the ITC Group was approximately HK\$6.2 million. Assuming all the 6,303,775 Burcon Shares are sold at the minimum disposal price of C\$9.00 (equivalent to approximately HK\$72.00) per Burcon Share, a gain on disposal before expenses and tax will be approximately HK\$447.4 million. The ITC Group shall discontinue the use of the equity method from the date when Burcon ceases to be an associate of the ITC Group. Should all the Burcon Shares be disposed of, the ITC Group will cease to have any interests in Burcon. It should be noted that the actual gain or loss before expenses and tax of the ITC Group under the Disposal will depend on the actual selling prices of Burcon Shares, the actual number of Burcon Shares eventually disposed of by the ITC Group and the relevant carrying amounts of the Burcon Shares disposed of at the relevant dates of disposal.

According to the unaudited pro forma financial information on the Remaining Group as set out in Appendix II to this circular, assuming all the 6,303,775 Burcon Shares held by the ITC Group were disposed of at the minimum disposal price of C\$9.00 each on 30 September 2010, the unaudited pro forma total assets value of the Remaining Group would be approximately HK\$3,062.3 million and the unaudited pro forma net assets value of the Remaining Group would be approximately HK\$2,385.2 million, which represent an increase of approximately 15.7% and 21.2% respectively as compared to the unaudited consolidated total assets value and net assets value of the ITC Group as at 30 September 2010. Based on the same assumptions, the unaudited pro forma total liabilities of the Remaining Group would be approximately HK\$677.1 million, which is the same as the unaudited consolidated total liabilities of the ITC Group as at 30 September 2010.

### INFORMATION ABOUT BURCON

Burcon is listed on the TSX and the Frankfurt Stock Exchange. Burcon is a leader in nutrition, health and wellness in the field of functional and renewable plant proteins. Since 1999, Burcon has developed a portfolio of composition, application, and process patents originating from its core protein extraction and purification technology. Burcon is currently developing Supertein™ and Puratein® canola protein isolates with unique functional and nutritional attributes. Supertein™ and Puratein® are the first canola protein isolates to have attained the self-affirmed Generally Recognised as Safe ("GRAS") status in the U.S. In August 2010, Burcon received a no objection letter from the U.S. Food and Drug Administration indicating that these canola protein isolates were GRAS under the intended conditions of use as an ingredient across a variety of food and beverage applications. In addition to canola, Burcon is also developing CLARISOY®, a revolutionary soy protein isolate which is 100% soluble, tasteless and completely transparent in acidic solutions.

The Burcon Group has been making a loss as it is still in the development stage of its product lines. The following is a summary of the audited consolidated results of the Burcon Group for the two years ended 31 March 2010:

	For the financial year ended 31 March	
	2010 C\$'000	2009 C\$'000
Loss before taxation	(6,660)	(4,811)
Taxation	—	—
Loss after taxation	<u>(6,660)</u>	<u>(4,811)</u>

The unaudited net asset value of the Burcon Group as at 31 December 2010 was approximately C\$14.6 million (equivalent to approximately HK\$116.8 million), or C\$0.49 (equivalent to approximately HK\$3.92) per Burcon Share.

Further details are set out in Burcon's 2010 annual report and its quarterly report for the nine months ended 31 December 2010.

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## LETTER FROM THE ITC BOARD

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### REASONS FOR AND BENEFITS OF 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.

As the current market value of the Burcon Shares is higher than their carrying value, the Disposal will enable ITC to realise a capital gain on all or part of its shareholding interests in Burcon and strengthen its cash position. Although no acquisition or investment proposals are currently under negotiation, the net proceeds from the Disposal may provide the ITC Group with additional resources to fund such acquisitions and/or investments when opportunities arise.

### GENERAL

As at the Latest Practicable Date, the ITC Group beneficially owned 6,303,775 Burcon Shares, representing approximately 21.2% of the existing issued share capital of Burcon. Given the minimum disposal price of C\$9.00 (equivalent to approximately HK\$72.00) per Burcon Share (subject to adjustment in the event of a share consolidation or share subdivision by Burcon), if all 6,303,775 Burcon Shares were sold, the Disposal would constitute a very substantial disposal for ITC under Chapter 14 of the Listing Rules.

ITC will report on the progress of the Disposal in its relevant interim report and annual report and make further announcements when any significant disposal under the Disposal Mandate has been made.

Notwithstanding ITC's intention to dispose of its holding of the Burcon Shares by way of the Disposal, ITC may also consider the opportunities to dispose of any Burcon Shares to third party or parties by entering into sale and purchase agreement(s) with such third party or parties. ITC will comply with the relevant requirements of the Listing Rules as and when appropriate.

ITC is not currently engaged in any discussion with any party to dispose of the Burcon Shares (in whole or in part). Whilst ITC currently intends to proceed with the Disposal, there is no assurance that ITC will eventually proceed with the Disposal after obtaining the Disposal Mandate. **ITC Shareholders and other investors of the ITC Shares are therefore advised to exercise extreme caution when dealing in the ITC Shares.**

### WAIVER FROM STRICT COMPLIANCE WITH RULE 14.68(2)(a)(i) OF THE LISTING RULES

Pursuant to Rule 14.68(2)(a)(i) of the Listing Rules, it is required that financial information of (a) Burcon; or (b) the ITC Group with Burcon being shown separately, be included in this circular in relation to the Disposal and subject to Note 2 to Rule 14.68(2)(a) that the Stock Exchange may relax such financial disclosure requirements if the assets of Burcon are not consolidated in the accounts of the ITC Group before the Disposal.

ITC has applied to the Stock Exchange for a waiver in relation to Rule 14.68(2)(a)(i) of the Listing Rules by reason of the fact that, amongst others, being an associate of ITC the accounts of Burcon have never been consolidated into the accounts of the Company before the Disposal; and a substantial part of the relevant financial information required under Rule 14.68(2)(a)(i) has already been disclosed in the published annual financial statements of Burcon, which is a publicly-listed company on TSX and the Frankfurt Stock Exchange, for the financial years ended 31 March 2008, 2009 and 2010 and Burcon's published quarterly reports for the nine months ended 31 December 2009 and 2010.

ITC is not aware of any significant difference between Canadian Generally Accepted Accounting Principles and Hong Kong Financial Reporting Standards, the reporting accounting standards of Burcon and the ITC Group respectively, regarding the financial statements of Burcon. The annual financial statements of Burcon for the financial years ended 31 March 2008, 2009 and 2010 were audited with unqualified audit opinion issued.

The Stock Exchange has granted a waiver to ITC to waive the requirements under Rule 14.68(2)(a)(i) of the Listing Rules in this circular.

You may refer to Appendix I to this circular for summary of the financial statements of Burcon and the published annual financial statements of Burcon for the financial years ended 31 March 2008, 2009 and 2010 and its quarterly reports for the nine months ended 31 December 2009 and 2010, which are available on the website of Burcon for further details.

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## LETTER FROM THE ITC BOARD

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### SGM

Pursuant to the Listing Rules, the Disposal of 6,303,775 Burcon Shares in one or more transactions which taken in aggregate may constitute a possible 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, no ITC Shareholder had a material interest in the Disposal Mandate and the Disposal contemplated thereunder. Accordingly, it is expected that no ITC Shareholder is required to abstain from voting on the proposed resolution approving the Disposal Mandate and the Disposal at the SGM.

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

A notice convening the SGM to be held at B27, Basement, Bank of America Tower, 12 Harcourt Road, Central, Hong Kong on Monday, 9 May 2011 at 11:00 a.m. is set out on pages 31 and 32 of this circular.

A form of proxy for use at the SGM is enclosed. If you are not able to attend the 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 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 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 Mandate and 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 SGM to approve the Disposal Mandate and 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*

## SUMMARY OF FINANCIAL STATEMENTS OF BURCON

Set out below is a summary of the consolidated results, assets and liabilities of Burcon for each of the three years ended 31 March 2008, 2009 and 2010 and the nine months ended 31 December 2010, which were extracted from the published audited annual financial statements of Burcon and the unaudited quarterly report for such period.

## Consolidated statement of comprehensive income of Burcon

	Year ended 31 March			Nine months ended 31 December	
	2008 (C\$) (audited)	2009 (C\$) (audited)	2010 (C\$) (audited)	2009 (C\$) (unaudited)	2010 (C\$) (unaudited)
Turnover	–	–	–	–	–
Expenses					
– Research and development	(2,157,617)	(2,090,775)	(2,101,159)	(1,360,739)	(1,949,222)
– General and administrative	(1,363,897)	(1,553,600)	(3,177,036)	(2,321,728)	(3,022,574)
– Professional fees	(600,033)	(1,115,191)	(1,296,863)	(951,231)	(800,305)
– Management fees and services	(147,946)	(127,250)	(169,496)	(128,497)	(136,872)
– Amortisation	(2,347)	(2,462)	(3,379)	(2,292)	(2,702)
Loss from operations	(4,271,840)	(4,889,278)	(6,747,933)	(4,764,487)	(5,911,675)
Interest income	229,464	77,947	87,611	56,364	98,270
Loss for the year/period	<u>(4,042,376)</u>	<u>(4,811,331)</u>	<u>(6,660,322)</u>	<u>(4,708,123)</u>	<u>(5,813,405)</u>
Basic and diluted loss per share	(0.16)	(0.19)	(0.24)	(0.17)	(0.20)

## Consolidated statement of financial position of Burcon

	As at 31 March			As at 31 December
	2008 (C\$) (audited)	2009 (C\$) (audited)	2010 (C\$) (audited)	2010 (C\$) (unaudited)
Current assets				
Cash and cash equivalents	4,220,679	2,241,976	11,661,745	10,556,171
Short term investments	–	–	2,320,372	2,304,267
Amounts receivable	15,893	35,621	25,052	19,292
Prepaid expenses and deposits	183,402	138,172	109,566	62,232
	<u>4,419,974</u>	<u>2,415,769</u>	<u>14,116,735</u>	<u>12,941,962</u>
Non-current assets				
Property and equipment	764,045	626,673	749,455	724,501
Goodwill	1,254,930	1,254,930	1,254,930	1,254,930
	<u>2,018,975</u>	<u>1,881,603</u>	<u>2,004,385</u>	<u>1,979,431</u>
Current liabilities				
Accounts payable and accrued liabilities	(216,328)	(346,730)	(401,179)	(305,498)
Net assets	<u>6,222,621</u>	<u>3,950,642</u>	<u>15,719,941</u>	<u>14,615,895</u>
Shareholders' Equity				
Capital stock	26,281,156	28,268,997	44,236,390	46,949,424
Contributed surplus	3,692,747	3,705,549	3,762,983	3,762,983
Options	2,464,737	3,003,446	5,236,268	7,404,565
Warrants	–	–	171,972	–
Deficit	(26,216,019)	(31,027,350)	(37,687,672)	(43,501,077)
	<u>6,222,621</u>	<u>3,950,642</u>	<u>15,719,941</u>	<u>14,615,895</u>

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

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**1.            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 (on the basis that all Burcon Shares held by the ITC Group are fully disposed of at the minimum disposal price of C\$9.00 per Burcon Share) as if it had taken place on 30 September 2010 for the unaudited pro forma consolidated statement of financial position and on 1 April 2009 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 unaudited consolidated statement of financial position of the ITC Group as at 30 September 2010, which has been extracted from the published interim report of the ITC Group for the six months ended 30 September 2010. 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 31 March 2010 is based on the audited consolidated statement of comprehensive income and the audited statement of cash flows of the ITC Group for the year ended 31 March 2010, respectively, which have been extracted from the published annual report of the ITC Group for the year ended 31 March 2010. Narrative descriptions of the unaudited pro forma adjustments that are directly attributable to the Disposal in full and are factually supportable and are summarized 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 and financial position of the Remaining Group had the Disposal been taken place as at 1 April 2009 or 30 September 2010 or any future dates.

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

(I)    Unaudited pro forma consolidated statement of financial position of the Remaining Group	The ITC Group as at 30 September 2010 <i>HK\$'000</i>	Pro forma adjustments total <i>HK\$'000</i> <i>Note (a)</i>	Pro forma Remaining Group <i>HK\$'000</i>
<b>Non-current assets</b>			
Property, plant and equipment	213,635	–	213,635
Investment properties	88,253	–	88,253
Intangible assets	1,781	–	1,781
Interests in associates	1,656,426	(11,793)	1,644,633
Available-for-sale investments	4,954	–	4,954
	<u>1,965,049</u>	<u>(11,793)</u>	<u>1,953,256</u>
<b>Current assets</b>			
Inventories	33	–	33
Debtors, deposits and prepayments	49,183	–	49,183
Amounts due from associates	41,059	–	41,059
Amount due from a related company	96	–	96
Loans receivable	31,969	–	31,969
Debt portion of convertible notes	266,777	–	266,777
Investments held for trading	14,348	–	14,348
Short-term bank deposits, bank balances and cash	159,589	428,342	587,931
	<u>563,054</u>	<u>428,342</u>	<u>991,396</u>
Assets classified as held for distribution	117,672	–	117,672
	<u>680,726</u>	<u>428,342</u>	<u>1,109,068</u>
<b>Current liabilities</b>			
Creditors and accrued expenses	13,240	–	13,240
Distribution payable	350,996	–	350,996
Amounts due to associates	1,191	–	1,191
Bank and other borrowings – due within one year	5,250	–	5,250
Bank overdrafts	42,781	–	42,781
	<u>413,458</u>	<u>–</u>	<u>413,458</u>
<b>Net current assets</b>	<u>267,268</u>	<u>428,342</u>	<u>695,610</u>
<b>Total assets less current liabilities</b>	<u>2,232,317</u>	<u>416,549</u>	<u>2,648,866</u>
<b>Non-current liabilities</b>			
Bank and other borrowings – due after one year	47,500	–	47,500
Convertible notes payable	186,274	–	186,274
Deferred tax liabilities	29,870	–	29,870
	<u>263,644</u>	<u>–</u>	<u>263,644</u>
<b>Net assets</b>	<u>1,968,673</u>	<u>416,549</u>	<u>2,385,222</u>
<b>Capital and reserves</b>			
Share capital	7,537	–	7,537
Share premium and reserves	1,961,136	416,549	2,377,685
<b>Total equity</b>	<u>1,968,673</u>	<u>416,549</u>	<u>2,385,222</u>

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

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

	The ITC Group for the year ended 31 March 2010 <i>HK\$'000</i>	Pro forma Adjustments <i>HK\$'000</i> <i>Note (b)</i>	Pro forma Adjustments <i>HK\$'000</i> <i>Note (c)</i>	Pro forma Adjustments Total <i>HK\$'000</i>	Pro forma Remaining Group <i>HK\$'000</i>
Turnover					
– gross proceeds	75,276	–	–	–	75,276
Revenue	59,014	–	–	–	59,014
Management and other related service income	4,363	–	–	–	4,363
Net gain on financial instruments	37,892	–	–	–	37,892
Interest income	42,079	–	–	–	42,079
Property rental income	3,959	–	–	–	3,959
Other income	8,046	–	–	–	8,046
Gain on changes in fair values of investment properties	31,784	–	–	–	31,784
Administrative expenses	(63,160)	–	–	–	(63,160)
Finance costs	(18,247)	–	–	–	(18,247)
Net (loss) gain on deemed disposal and disposal of interests in associates	(136,815)	(21,070)	349,693	328,623	191,808
Share of results of associates					
– share of results	87,161	10,474	–	10,474	97,635
– discount on acquisitions of associates	2,850	–	–	–	2,850
(Loss) profit before taxation	(88)	(10,596)	349,693	339,097	339,009
Taxation	(4,682)	–	–	–	(4,682)
(Loss) profit for the year	(4,770)	(10,596)	349,693	339,097	334,327
<b>Other comprehensive income (expenses):</b>					
Exchange differences arising on translation of foreign operations	8,743	(4,441)	–	(4,441)	4,302
Share of other comprehensive income of associates	83,862	–	–	–	83,862
Loss arising on revaluation of land and buildings	(3,614)	–	–	–	(3,614)
Deferred tax arising on revaluation of land and buildings	1,224	–	–	–	1,224
Fair value gain on available-for-sale investments	21,714	–	–	–	21,714
Reclassification adjustments:					
– reserves released on deemed disposal and disposal of partial interests in associates	(6,670)	–	(1,346)	(1,346)	(8,016)
– investment revaluation reserve released on disposal of available-for-sale investments	(25,705)	–	–	–	(25,705)
Other comprehensive income (expenses) for the year	79,554	(4,441)	(1,346)	(5,787)	73,767
Total comprehensive income (expenses) for the year	74,784	(15,037)	348,347	333,310	408,094
(Loss) profit for the year attributable to owners of the Company	(4,770)	(10,596)	349,693	339,097	334,327
Total comprehensive income (expenses) for the year attributable to owners of the Company	74,784	(15,037)	348,347	333,310	408,094

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

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

	The ITC Group for the year ended 31 March 2010 <i>HK\$'000</i>	Pro forma adjustments <i>HK\$'000</i> <i>Note (b)</i>	Pro forma adjustments <i>HK\$'000</i> <i>Note (c)</i>	Pro forma adjustments total <i>HK\$'000</i>	Pro forma Remaining Group <i>HK\$'000</i>
<b>OPERATING ACTIVITIES</b>					
(Loss) profit before taxation	(88)	(10,596)	349,693	339,097	339,009
Adjustments for:					
Allowance recognised for:					
– amounts due from associates and related companies	93	–	–	–	93
– debtors, deposits and prepayments	155	–	–	–	155
Amortisation of intangible assets	22	–	–	–	22
Depreciation of property, plant and equipment	9,096	–	–	–	9,096
Loss (gain) on changes in fair values of:					
– conversion options embedded in convertible notes	1,672	–	–	–	1,672
– derivative financial instruments	(7,773)	–	–	–	(7,773)
– investments held for trading	(4,149)	–	–	–	(4,149)
– investment properties	(31,784)	–	–	–	(31,784)
(Gain) loss on disposal of:					
– available-for-sale investments	(25,705)	–	–	–	(25,705)
– property, plant and equipment	(7,821)	–	–	–	(7,821)
Imputed portion of interest on convertible notes	(27,102)	–	–	–	(27,102)
Interest expenses	18,247	–	–	–	18,247
Net loss (gain) on deemed disposal and disposal of interests in associates	136,815	21,070	(349,693)	(328,623)	(191,808)
Release of prepaid lease payments	1,544	–	–	–	1,544
Share of results of associates	(90,011)	(10,474)	–	(10,474)	(100,485)
Operating cash flows before movements in working capital	(26,789)	–	–	–	(26,789)
Increase in inventories	(5)	–	–	–	(5)
Decrease in debtors, deposits and prepayments	7,808	–	–	–	7,808
Decrease in margin account receivables	37	–	–	–	37
Decrease in amounts due from associates	122,587	–	–	–	122,587
Decrease in loan receivable	3,031	–	–	–	3,031
Increase in investments held for trading	(603)	–	–	–	(603)
Decrease in derivative financial instruments	44	–	–	–	44
Decrease in margin account payables	(4,231)	–	–	–	(4,231)
Increase in creditors and accrued expenses	76	–	–	–	76
Decrease in amounts due to associates	(5,099)	–	–	–	(5,099)
<b>NET CASH FROM OPERATING ACTIVITIES</b>	<b>96,856</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>96,856</b>
<b>INVESTING ACTIVITIES</b>					
Acquisition of convertible notes	(112,162)	–	–	–	(112,162)
Acquisition of additional interests in associates	(102,560)	–	–	–	(102,560)
Additions of available-for-sale investments	(3,544)	–	–	–	(3,544)
Additions to property, plant and equipment	(2,534)	–	–	–	(2,534)
Additions to intangible assets	(732)	–	–	–	(732)
Proceeds from disposal of an associate	–	–	348,347	348,347	348,347
Proceeds from disposal of available-for-sale investments	56,448	–	–	–	56,448
Proceeds from disposal of property, plant and equipment	42,880	–	–	–	42,880
<b>NET CASH (USED IN) FROM INVESTING ACTIVITIES</b>	<b>(122,204)</b>	<b>–</b>	<b>348,347</b>	<b>348,347</b>	<b>226,143</b>

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

	The ITC Group for the year ended 31 March 2010 <i>HK\$'000</i>	Other pro forma adjustments <i>HK\$'000</i> <i>Note (b)</i>	Other pro forma adjustments <i>HK\$'000</i> <i>Note (c)</i>	Other pro forma adjustments total <i>HK\$'000</i>	Pro forma Remaining Group <i>HK\$'000</i>
<b>FINANCING ACTIVITIES</b>					
Repayment of convertible notes payables	(72,000)	-	-	-	(72,000)
Repayment of bank borrowings	(14,617)	-	-	-	(14,617)
Interest paid	(11,029)	-	-	-	(11,029)
Payment of transaction costs attributable to issue of shares	(5,348)	-	-	-	(5,348)
Payment of transaction costs attributable to issue of convertible notes payable	(1,097)	-	-	-	(1,097)
Gross proceeds from issue of shares	167,790	-	-	-	167,790
Gross proceeds from issue of convertible notes payable	72,000	-	-	-	72,000
Gross proceeds from exercise of warrants	40	-	-	-	40
<b>NET CASH FROM FINANCING ACTIVITIES</b>	<b>135,739</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>135,739</b>
<b>NET INCREASE IN CASH AND CASH EQUIVALENTS</b>	<b>110,391</b>	<b>-</b>	<b>348,347</b>	<b>348,347</b>	<b>458,738</b>
<b>CASH AND CASH EQUIVALENTS BROUGHT FORWARD</b>	<b>(2,776)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(2,776)</b>
<b>EFFECT OF FOREIGN EXCHANGE RATE CHANGES</b>	<b>(1,382)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(1,382)</b>
<b>CASH AND CASH EQUIVALENTS CARRIED FORWARD</b>	<b>106,233</b>	<b>-</b>	<b>348,347</b>	<b>348,347</b>	<b>454,580</b>
<b>ANALYSIS OF THE BALANCES OF CASH AND CASH EQUIVALENTS</b>					
Short-term bank deposits, bank balances and cash	144,207	-	348,347	348,347	492,554
Bank overdrafts	(37,974)	-	-	-	(37,974)
	<b>106,233</b>	<b>-</b>	<b>348,347</b>	<b>348,347</b>	<b>454,580</b>

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

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**(IV) Notes to the unaudited pro forma financial information of the Remaining Group**

- (a) The adjustment reflects the disposal of 6,303,775 Burcon Shares as at 30 September 2010.

The pro forma gain on the Disposal of approximately HK\$422,139,000 is calculated as the difference between the carrying value of the ITC Group's interest in Burcon as at 30 September 2010 of approximately HK\$11,793,000 and the proceeds on the Disposal of approximately HK\$428,342,000 at the minimum disposal price of C\$9.00 (equivalent to HK\$67.95) per Burcon Share and adjusted for the effect of the reclassification adjustments for the cumulative translation differences in respect of Burcon of approximately HK\$5,590,000.

- (b) The adjustments reflect the reversal of the equity accounting for the results of Burcon, including share of loss of HK\$10,474,000 and share of other comprehensive income of HK\$4,441,000 and the gain on deemed disposal of interest in Burcon for the year ended 31 March 2010 of HK\$21,070,000.

- (c) The adjustment reflects the disposal of 6,303,775 Burcon Shares as at 1 April 2009.

The pro forma gain on the Disposal of approximately HK\$349,693,000 is calculated as the difference between the carrying value of the ITC Group's interest in Burcon as at 1 April 2009 of nil and the proceeds on the Disposal of approximately HK\$348,347,000 at the minimum disposal price of C\$9.00 (equivalent to HK\$55.26) per Burcon Share and adjusted for the effect of the reclassification adjustments for the cumulative translation differences in respect of Burcon of approximately HK\$1,346,000.

The proceeds have been translated at the rate of C\$1 to HK\$6.14 on 1 April 2009 and C\$1 to HK\$7.55 on 30 September 2010.

The above pro forma adjustments have not taken into account:

- (a) the effect of transaction cost related to the disposal of Burcon Share(s) as the management of the ITC Group is not in a position to estimate the transaction cost at the date of this circular; and
- (b) the effect of the dilution of the ITC Group's shareholding in Burcon due to the exercise of share options of Burcon by other parties after 30 September 2010.

2.      REPORT FROM THE REPORTING ACCOUNTANT



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 future disposals of shares in Burcon Nutrascience Corporation pursuant to the proposed disposal mandate might have affected the financial information presented, for inclusion in Appendix II of the circular dated 19 April 2011 (the "Circular"). The basis of preparation of the unaudited pro forma financial information is set out on pages 9 to 14 to the Circular.

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

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

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

**Basis of opinion**

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

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

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

- the financial position of the Group as at 30 September 2010 or any future date; or
- the results and cash flows of the Group for the year ended 31 March 2010 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  
19 April 2011

**I. MANAGEMENT DISCUSSION AND ANALYSIS OF THE REMAINING GROUP****1. Liquidity, financial resources and capital structure**

The Remaining Group adopts a prudent funding and treasury policy with regard to its overall business operations such that adequate funding is maintained to match with cash flows required for working capital and seizing investment opportunities. Bank deposits, bank balances and cash as at 30 September 2010 amounted to approximately HK\$160 million compared to approximately HK\$144 million of the last year end date.

As at 30 September 2010, the total bank loan facilities that had been drawn by the Remaining Group amounted to approximately HK\$96 million of which approximately HK\$48 million would be repayable within one year or on demand. All of these bank loan facilities are at floating interest rates. In addition to the aforementioned, the Remaining Group has approximately HK\$186 million recognised as the liability component of the ITC Notes as at 30 September 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 31 March 2010 and the six months ended 30 September 2010, the Remaining Group recorded consolidated revenue of approximately HK\$59 million and HK\$28 million respectively. Loss attributable to owners was approximately HK\$5 million and basic loss per ITC Share was HK0.67 cent for the year ended 31 March 2010. For the six months ended 30 September 2010, the Remaining Group recorded loss of approximately HK\$710 million and basic loss per ITC Share was HK\$0.94.

Hanny Holdings Limited (“Hanny”) has recorded a loss of HK\$57 million for the six months ended 30 September 2010 as compared with a profit of HK\$79 million for the corresponding period in 2009 which was mainly attributable to the net effects of (i) decrease in revenue and other income, gains and losses; (ii) decrease in fair value gain on investment properties; (iii) decrease in gain on disposal of interest in an associate and available-for-sale investments; and (iv) decrease in impairment losses on property, plant and equipment and intangible assets. The Remaining Group accounted for Hanny as an associate from the beginning of the interim period up to the date of approval of the distribution of shares of Hanny on 21 September 2010. Accordingly, the Remaining Group shared a loss of HK\$19 million for this period.

PYI Corporation Limited (“PYI”) recorded a profit attributable to its owners of HK\$178 million for the six months ended 30 September 2010 as compared with HK\$116 million for the same period in 2009. The improved result was mainly attributable to the contribution from Jiangyin Sunan International Container Terminal of HK\$90 million (2009: Nil) resulting from the bargain purchase by PYI for its additional 15% interest from 25% to 40% and continuous cost control measures during the period. As a result, PYI contributed a profit increase from HK\$29 million to HK\$48 million for the interim period to the Remaining Group.

For the six months ended 30 June 2010, Rosedale Hotel Holdings Limited (“Rosedale”) recorded a profit of HK\$578 million attributable to its owners as compared with a loss of HK\$115 million for the same period in 2009. The significant improvement was mainly caused by the substantial gain on disposal of its 90% equity interest in its travel business. Accordingly, the Remaining Group shared a profit of HK\$85 million for the interim period as compared with last interim period’s loss of HK\$19 million.

ITC Properties Group Limited (“ITC Properties”) recorded a profit of HK\$115 million attributable to its owners for the six months ended 30 September 2010, same as the profit of HK\$115 million for the same period in 2009. Current period’s profit mainly comprised the increase in fair value of its investment properties attributable to the robust performance of Hong Kong’s property market and the compensation from cancellation of land acquisition at Hengqin, Zhuhai of Mainland China. With the increase in profit of ITC Properties, the Remaining Group shared a profit of approximately HK\$8 million for the interim period.

The net loss from other investments and operations of the Remaining Group was approximately HK\$20 million for the six months ended 30 September 2010 (the corresponding period in 2009: loss of HK\$8 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 six months ended 30 September 2010, the Remaining Group recorded a loss on finance segment of approximately HK\$13.3 million. As compared with the loss on finance segment for the corresponding period in 2009 of approximately HK\$9.6 million, there was an increase in the loss by approximately HK\$3.7 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\$9.9 million for the interim period ended 30 September 2010. The profit on the result of long-term investment was approximately HK\$12.9 million for the corresponding period in 2009.

Other investment segment includes the activities of investments in available-for-sale investments, derivatives and trading of securities. For the six months ended 30 September 2010, the Remaining Group recorded profit on other investment segment of approximately HK\$2.6 million which represented a decrease of 87.1% when compared with its profit on other investment segment of approximately HK\$20.1 million in the corresponding period in 2009.

Other segment includes the activities of leasing of investment properties, leasing of motor vehicles and management services. For the interim period ended 30 September 2010, the Remaining Group recorded profit on other segment of approximately HK\$1.5 million. For the corresponding period in 2009, the Remaining Group recorded loss on other segment of approximately HK\$1.0 million.

**4. Employee and remuneration policy**

As at 30 September 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 ultimate objective of the remuneration policy is to ensure that the Remaining Group is able to attract, retain and motivate a high-calibre team which is essential to its success. 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 six months ended 30 September 2010. There were 29,447,750 outstanding share options granted by ITC as at 1 April 2010. Due to the lapse of share options during the interim period and up to the Latest Practicable Date, the outstanding share options of ITC as at 30 September 2010 was 28,853,000 and there were no outstanding share options as at the Latest Practicable Date. The subscription price was HK\$2.52 per ITC Share as at 30 September 2010, and was subsequently adjusted to HK\$1.51 per ITC Share as at the date of the interim report of ITC due to the distribution of shares of Hanny to the ITC Shareholders.

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

**5. Gearing ratio**

The Remaining Group's gearing ratio was 6.2% as at 30 September 2010 (31 March 2010: 4.2%), calculated on the basis of net borrowings, being the excess of borrowings over bank deposits, bank balances and cash, of HK\$122 million over the equity attributable to owners of HK\$1,969 million.

**6. Exchange rate exposure**

As at 30 September 2010, 3.5% of the bank deposits, bank balances and cash were denominated in foreign currencies and all of the Remaining Group's borrowings were denominated in Hong Kong dollars.

**7. Pledge of assets**

As at 30 September 2010, properties with an aggregate carrying value of HK\$264 million were pledged to a bank to secure general banking facilities granted to the Remaining Group.

**8. Contingent liabilities**

As at 30 September 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***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\$1,188 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 shares of ITC Properties*

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

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

As at 28 February 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\$146.3 million, comprising the secured bank borrowings of HK\$47.5 million, unsecured bank borrowings of approximately HK\$33.8 million and unsecured loan from a ITC Director of HK\$65.0 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 30 September 2010 is set out in the paragraph headed “Pledge of assets” below.

**Debt securities**

As at 28 February 2011, the ITC Group had outstanding ITC Notes with principal amount of HK\$168 million. The carrying amount of the ITC Notes as at 28 February 2011 was approximately HK\$160.7 million.

**Contingent liabilities**

As at 28 February 2011, the ITC Group had no contingent liabilities, except that on disposal of an associate, the ITC Group had given an indemnity to the purchaser relating to unrecorded taxation liabilities, if any, and the affairs and business of the associate up to the date of disposal of that associate.

**Pledge of assets**

As at 30 September 2010, properties with an aggregate carrying value of HK\$264 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 28 February 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 set out in the interim report of the ITC Group for the six months ended 30 September 2010, the ITC Group recorded a loss of approximately HK\$709.9 million for the six months ended 30 September 2010.

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

**V. FINANCIAL AND TRADING PROSPECTS**

While the global economy remains vulnerable, in particular for the U.S. and certain European countries, the strength of Mainland China's economy is evident. Hong Kong will continue to benefit due to its close ties with Mainland China. However, the influx of liquidity has already led to the expressed concerns from the People's Republic of China and Hong Kong governments over the growing speculation of an asset bubble, which causes investors to be more cautious and selective. The ITC Board believes its long term strategy of exploring potential investments in an aggressive yet cautious manner, accommodates soundly to the current environment. The ITC Board is confident that PYI, ITC Properties and Rosedale will continue to benefit from their exposure and presence in Mainland China.

## 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	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%
Cheung Hon Kit	Beneficial owner	Long position	400	–	0.00%
Shek Lai Him, Abraham	Beneficial owner	Long position	6,000	–	0.00%

*Notes:*

- The shares of PYI were held by an indirect wholly-owned subsidiary of ITC. By virtue of his direct and deemed interests in approximately 34.97% 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 Mei Wah, Rosanna and Mr. Chan Fut Yan held share options (unlisted equity derivatives) (which were granted on 28 December 2004) with rights to subscribe for 3,626,666 shares of PYI and 7,083,334 shares of PYI respectively at HK\$0.5294 per share of PYI (subject to adjustments) during the period from 28 December 2004 to 26 August 2012. These share options were vested on the date of grant.

*(ii) Burcon*

Name of ITC Director	Capacity	Long position/ Short position	Number of Burcon Shares held	Number of underlying shares (in respect of the share options (unlisted equity derivatives)) of Burcon held	Approximate percentage of the existing issued share capital of Burcon
Chau Mei Wah, Rosanna	Beneficial owner	Long position	385,389	–	1.29%
Chau Mei Wah, Rosanna	Beneficial owner	Long position	–	52,500	0.18%
Chan Yiu Lun, Alan	Beneficial owner	Long position	–	65,000	0.22%

*(iii) ITC Properties Group Limited (“ITCP”)*

Name of ITC Director	Capacity	Long position/ Short position	Number of shares of ITCP held	Number of underlying shares of ITCP held	Approximate percentage of the existing issued share capital of ITCP
Dr. Chan	Interest of controlled corporation (Note 1)	Long position	139,583,474	–	24.71%
Dr. Chan	Interest of controlled corporation (Note 1)	Long position	–	32,000,000 (Note 1)	5.66%
Dr. Chan	Beneficial owner	Long position	6,066,400	–	1.07%

Name of ITC Director	Capacity	Long position/ Short position	Number of shares of ITCP held	Number of underlying shares of ITCP held	Approximate percentage of the existing issued share capital of ITCP
Chau Mei Wah, Rosanna	Beneficial owner	Long position	3,200,000	–	0.56%
Chau Mei Wah, Rosanna	Beneficial owner	Long position	–	6,500,000 (Notes 2 & 3)	1.15%
Chan Fut Yan	Beneficial owner	Long position	–	2,900,000 (Note 2)	0.51%
Cheung Hon Kit	Beneficial owner	Long position	14,202,000	–	2.51%
Cheung Hon Kit	Beneficial owner	Long position	–	3,900,000 (Note 2)	0.69%
Chan Yiu Lun, Alan	Beneficial owner	Long position	–	1,500,000 (Note 2)	0.26%

## Notes:

- 139,583,474 shares of ITCP were held by an indirect wholly-owned subsidiary of ITC. On 11 March 2011, an indirect wholly-owned subsidiary of ITC accepted the conditional offer made by ITCP to repurchase all the convertible notes of ITCP it held in the aggregate principal amount of HK\$64,000,000 at the consideration of HK\$70,400,000 which was proposed to be satisfied by the issue of new convertible notes of ITCP of HK\$70,400,000 (unlisted equity derivatives). Assuming completion of the repurchase offer of ITCP (subject to certain conditions precedent), the indirect wholly-owned subsidiary of ITC will hold such new convertible notes in the principal amount of HK\$70,400,000. Upon full conversion of such new convertible notes at the initial conversion price of HK\$2.20 per share of ITCP (subject to adjustments), 32,000,000 shares of ITCP 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 shares of ITCP and underlying shares of ITCP held by the indirect wholly-owned subsidiary of ITC.
- 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 share of ITCP (subject to adjustments) HK\$
Chau Mei Wah, Rosanna	29.03.2010	29.03.2010 to 28.03.2014	1,500,000	2.22
Chan Fut Yan	29.03.2010	29.03.2010 to 28.03.2014	2,900,000	2.22
Cheung Hon Kit	29.03.2010	29.03.2010 to 28.03.2014	3,900,000	2.22
Chan Yiu Lun, Alan	29.03.2010	29.03.2010 to 28.03.2014	1,500,000	2.22

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

3. Ms. Chau Mei Wah, Rosanna accepted the conditional offer made by ITCP to repurchase convertible notes of ITCP held by her in the principal amount of HK\$10,000,000 at the consideration of HK\$11,000,000 which was proposed to be satisfied by the issue of new convertible notes of ITCP of HK\$11,000,000 (unlisted equity derivatives). Assuming completion of the repurchase offer of ITCP (subject to certain conditions precedent), Ms. Chau will hold such new convertible notes in the principal amount of HK\$11,000,000. Upon full conversion of such new convertible notes at the initial conversion price of HK\$2.20 per share of ITCP (subject to adjustments), 5,000,000 shares of ITCP would be issued to Ms. Chau.

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

Dr. Chan was, by virtue of his direct and deemed interests in approximately 34.97% 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%
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%
Sunrise Light Limited	Beneficial owner (Note 3)	Long position	–	83,333,333	10.72%
All Media Services Limited	Interest of controlled corporation (Note 3)	Long position	–	83,333,333	10.72%
Ultra Star Services Limited	Interest of controlled corporation (Note 3)	Long position	–	83,333,333	10.72%
Yeung Hoi Sing, Sonny	Interest of controlled corporation (Note 3)	Long position	–	83,333,333	10.72%
Yeung Hoi Sing, Sonny	Beneficial owner (Note 3)	Long position	75,000	–	0.01%

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
Liu Siu Lam, Marian	Interest of spouse (Note 3)	Long position	75,000	–	0.01%
Liu Siu Lam, Marian	Interest of spouse (Note 3)	Long position	–	83,333,333	10.72%
Wonderich Investments Limited	Beneficial owner (Note 4)	Long position	–	43,333,333	5.57%
Lee Mei Lin	Interest of controlled corporation (Note 4)	Long position	–	43,333,333	5.57%
Lee Mei Lin	Beneficial owner (Note 4)	Long position	700,000	–	0.09%
Yu Man Chung	Beneficial owner (Note 5)	Long position	–	10,000,000	1.28%
Yu Man Chung	Interest of spouse (Note 5)	Long position	–	33,333,333	4.28%
Tam Shui Ping	Interest of spouse (Note 5)	Long position	–	10,000,000	1.28%
Tam Shui Ping	Beneficial owner (Note 5)	Long position	–	33,333,333	4.28%

## Notes:

- 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.
- Ms. Yeung Po Yuk, Pymalia was interested in 116,666,666 underlying ITC Shares (in respect of unlisted equity derivatives).
- Sunrise Light Limited, a company wholly-owned by All Media Services Limited, was interested in 83,333,333 underlying ITC Shares (in respect of unlisted equity derivatives). All Media Services Limited was wholly-owned by Ultra Star Services Limited, which in turn was wholly-owned by Mr. Yeung Hoi Sing, Sonny. Mr. Yeung Hoi Sing, Sonny was interested in 75,000 ITC Shares. Mr. Yeung Hoi Sing, Sonny was deemed to be interested in the underlying ITC Shares in which Sunrise Light Limited was interested. Ms. Liu Siu Lam, Marian is the spouse of Mr. Yeung Hoi Sing, Sonny and therefore, by virtue of the SFO, was deemed to be interested in the ITC Shares and underlying ITC Shares in which Mr. Yeung and Sunrise Light Limited were interested.
- 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.
- 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 31 March 2010, 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 24 November 2010 was entered into between ITC Management Limited, an indirect 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 31 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. EXPERT

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

Name	Qualification
Deloitte Touche Tohmatsu ("DTT")	Certified Public Accountants

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

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

#### 6. SERVICE CONTRACTS

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

#### 7. LITIGATION

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

## 8. MATERIAL CONTRACTS

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

- (i) the undertaking dated 29 April 2009 executed by ITC in favour of PYI and BOCI Asia Limited under which ITC had irrevocably undertaken, among other things, that the shares and warrants of PYI beneficially owned by ITC on the date of the undertaking should remain registered in the name of ITC or its subsidiary(ies) and beneficially owned by ITC as at the record date to the rights issue of PYI (the "Record Date") or 16 July 2009 (whichever is the earlier) and that it would not, and would procure its subsidiaries not to, exercise the subscription rights attaching to the warrants of PYI beneficially owned by ITC up to the Record Date or 16 July 2009 (whichever is the earlier);
- (ii) the sale and purchase agreement dated 18 May 2009 entered into between Asia Will Limited ("AWL"), an indirect wholly-owned subsidiary of ITC, as purchaser and Citystar Limited as vendor in relation to the acquisition of the convertible notes ("Rosedale Notes") issued by Rosedale Hotel Holdings Limited ("Rosedale") (formerly known as Wing On Travel (Holdings) Limited) in the principal amount of HK\$34,000,000 by AWL at the consideration of HK\$26,520,000;
- (iii) the sale and purchase agreement dated 18 May 2009 entered into between AWL as purchaser and Eversun Limited as vendor in relation to the acquisition of the Rosedale Notes in the principal amount of HK\$24,200,000 by AWL at the consideration of HK\$18,876,000;
- (iv) the placing and underwriting agreement dated 9 June 2009 entered into between ITC and Get Nice Securities Limited ("Get Nice") pursuant to which Get Nice, as placing agent of ITC, agreed to place, on a fully underwritten basis, a total of 80,000,000 ITC Shares at the placing price of HK\$0.75 per ITC Share;
- (v) the sale and purchase agreement dated 16 June 2009 entered into between AWL as purchaser and Violet Profit Holdings Limited as vendor in relation to the acquisition of the Rosedale Notes in the principal amount of HK\$50,000,000 by AWL at the consideration of HK\$40,000,000;
- (vi) the contract notes in relation to acquisition by AWL of a total of 31,890,000 shares of Rosedale for an aggregate consideration of approximately HK\$1.4 million on 6 August 2009 and 7 August 2009 respectively;
- (vii) the offer letter dated 31 July 2009 issued by Rosedale to AWL (as varied and supplemented by a letter dated 15 October 2009 between AWL and Rosedale in relation to the extension of the long stop date) and a form of acceptance and transfer dated 19 August 2009 executed by AWL for acceptance of the offer made by Rosedale to repurchase the Rosedale Notes held by AWL in the aggregate principal amount of HK\$81,000,000 at the consideration to be satisfied by way of issue of shares of Rosedale at HK\$0.035 per share. Rosedale subsequently informed AWL on 17 November 2009 that such offer would not proceed as certain conditions precedent thereto could not be fulfilled;
- (viii) the offer letters issued by ITC to the respective noteholders on 24 September 2009 in relation to the repurchase of 5% convertible notes issued by ITC due 2 November 2009 in the principal amount of HK\$200,000,000 (the "2009 CN") at the price payable by way of issue of 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 29 September 2009 executed by Success Securities Limited ("Success") in respect of its acceptance of the ITC Repurchase Offer of the 2009 CN in the respective principal amounts of HK\$35,000,000, HK\$25,000,000, HK\$25,000,000, HK\$25,000,000 and HK\$10,000,000 held by it with the transfers of such 2009 CN to ITC on 2 November 2009; and
  - (b) an acceptance and transfer form dated 29 September 2009 executed by Dragonsford Investment Limited in respect of its acceptance of the ITC Repurchase Offer of the 2009 CN in the principal amount of HK\$8,000,000 held by it with the transfer of such 2009 CN to ITC on 2 November 2009;

- (ix) the placing agreement dated 30 September 2009 entered into between ITC and Success pursuant to which Success, as placing agent of ITC, agreed to place, on a best efforts basis, the ITC Notes up to a maximum aggregate principal amount of HK\$200,000,000 (less the principal amount of the ITC Notes that fell to be issued for the valid acceptances received under the ITC Repurchase Offer);
- (x) the undertaking dated 3 December 2009 executed by AWL in favour of Rosedale and Emperor Securities Limited under which AWL had irrevocably undertaken, among other things, to subscribe or procure the subscription of the provisional allotment of rights shares in respect of 1,561,120,000 shares of Rosedale held by AWL at the subscription price of HK\$0.15 per rights share on the basis of five rights shares for every 1 share of Rosedale held on the record date pursuant to the rights issue of Rosedale;
- (xi) two offer letters dated 10 December 2009 and 15 December 2009 respectively issued by Rosedale to AWL (as varied and supplemented by a letter dated 23 December 2009 between AWL and Rosedale in relation to the extension of the long stop date) and two forms of acceptance and transfer dated 23 December 2009 executed by AWL for acceptance of the offer made by Rosedale to repurchase the Rosedale Notes held by AWL in the respective principal amounts of HK\$108,200,000 and HK\$6,000,000 at a price payable in cash equal to 80% of the principal amount of the Rosedale Notes that were the subject of the acceptance of the offer. Rosedale subsequently informed AWL on 4 March 2010 that such offer would not proceed as certain conditions precedent thereto could not be fulfilled;
- (xii) the contract notes for disposal by Great Intelligence Holdings Limited, an indirectly wholly-owned subsidiary of ITC, of a total of 182,940,000 shares of Neo Telemedia Limited (formerly known as Big Media Group Limited) for the aggregate consideration of approximately HK\$19.1 million during the period from 23 February 2009 to 13 January 2010;
- (xiii) the contract of sale and purchase dated 25 January 2010 entered into between Burcon Group Limited (an indirect wholly-owned subsidiary of ITC) as seller and Qing Fang, Huang and Wenyan, An as buyers (as varied and supplemented by a contract of sale and purchase addendum dated 1 February 2010) in relation to the disposal of a property located at 4818 Fannin Avenue, Vancouver, British Columbia, Canada at the consideration of C\$6,128,000;
- (xiv) the contract notes dated 30 April 2010 executed between Famex Investment Limited (an indirect wholly-owned subsidiary of ITC) as transferee and Wonderich Investments Limited as transferor for the acquisition of the 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;
- (xv) the contract notes in relation to acquisition by AWL of a total of 26,020,000 shares of Rosedale for an aggregate consideration of approximately HK\$16.2 million during the period from 28 May 2010 to 22 July 2010;
- (xvi) the offer letter dated 30 June 2010 issued by Rosedale to AWL (as varied and supplemented by a letter dated 5 July 2010 issued by Rosedale to AWL in relation to the extension of acceptance date) and the form of acceptance and transfer dated 5 August 2010 executed by AWL for acceptance of the offer made by Rosedale to repurchase the Rosedale Notes held by AWL in the aggregate principal amount of HK\$114,200,000 for a cash consideration of HK\$100,496,000, being a price equal to 88% of the principal amount of the Rosedale Notes that were the subject of the acceptance of the offer;
- (xvii) 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 shares of ITCP for an aggregate consideration of approximately HK\$45.4 million during the period from 28 September 2010 to 13 October 2010;
- (xviii) the sale and purchase agreement dated 27 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 shares of ITCP by Loyal Concept to Selective Choice at the aggregate consideration of approximately HK\$175.7 million; and

- (xix) the offer letter dated 25 February 2011 issued by ITCP to Selective Choice and the form of acceptance and transfer dated 11 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 is proposed to be satisfied by the issue of new convertible notes by ITCP.

## 9. GENERAL

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

## 10. DOCUMENTS AVAILABLE FOR INSPECTION

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

- (a) the memorandum of association and the bye-laws of ITC;
- (b) the annual reports of ITC for each of the two financial years ended 31 March 2009 and 31 March 2010;
- (c) the material contracts disclosed in the paragraph headed "Material contracts" in this appendix;
- (d) the letter from DTT in respect of the unaudited pro forma financial information on the Remaining Group as set out in Appendix II to this circular;
- (e) the letter of consent from DTT referred to in the paragraph headed "Expert" in this appendix; and
- (f) a copy of each of the circular of ITC dated 30 August 2010 relating to the proposed acceptance of the repurchase offer of the bonds of Hanny Holdings Limited by the ITC Group and the proposed distribution of the contributed surplus of ITC, the circular of ITC dated 19 October 2010 relating to the proposed acquisition of shares of ITCP and this circular.

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## NOTICE OF 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 Monday, 9 May 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 proposed disposal (the “**Proposed Disposal**”) by the Company and/or its subsidiaries (collectively, the “**Group**”) of up to 6,303,775 common shares (the “**Burcon Shares**”) in the share capital of Burcon NutraScience Corporation (“**Burcon**”), a company incorporated in Canada with limited liability and whose shares are listed on The Toronto Stock Exchange (the “**TSX**”) and The Frankfurt Stock Exchange, during the period of 12 months from the date of passing of this resolution (unless revoked or varied by ordinary resolution of the shareholders in general meeting of the Company) (the “**Mandate Period**”) on the terms set out in the circular of the Company dated 19 April 2011 relating to the Proposed Disposal (the “**Circular**”), in particular, amongst others, the following, be and is hereby approved:–
  - (i) the Proposed Disposal may take place by way of placing through block trade(s) to independent third parties by entering into placing agreement(s) with placing agent(s), and/or in the open market on the TSX and/or The Frankfurt Stock Exchange where the Burcon Shares are listed; and
  - (ii) the selling price per Burcon Share to be disposed of by the Group shall not be at a discount of more than 10% to the average of the closing prices of Burcon Shares as quoted on the TSX during the five completed trading days immediately prior to the date on which the relevant disposal takes place, provided that the minimum selling price per Burcon Share shall not be less than C\$9.00 (subject to adjustment in the event of a share consolidation or share subdivision by Burcon); and
- (b) the directors of the Company (the “**Directors**”) be and are hereby authorised for and on behalf of the Company to exercise all the powers of the Company to procure or effect the Proposed Disposal from time to time during the Mandate Period and to do all such acts and things, including but not limited to execution of all documents, which the Directors deem necessary, appropriate or desirable to implement and give effect to the Proposed Disposal and the transactions contemplated thereunder or in connection with the exercise of the Disposal Mandate (as defined in the Circular).”

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

Hong Kong, 19 April 2011

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## NOTICE OF SGM

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*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 held in the Company.
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.
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 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 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 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 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 board of Directors are as follows:

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

*Independent non-executive Directors:*  
Mr. Chuck, Winston Calptor  
Mr. Lee Kit Wah  
Hon. Shek Lai Him, Abraham, *SBS, JP*