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ITC CORPORATION LIMITED

(Incorporated in Bermuda with limited liability)

(Stock code: 372)

ANNOUNCEMENT IN COMPLIANCE WITH RULE 13.09 OF THE LISTING RULES AND RESUMPTION OF TRADING

Financial Adviser to ITC Corporation Limited

ANGLO CHINESE 英
CORPORATE FINANCE, LIMITED 高

This announcement is made by the Company in compliance with Rule 13.09 of the Listing Rules.

THE OFFER

The Board wishes to inform Shareholders and potential investors that its associate, ITC Properties, has announced on 28th November, 2011 that it proposes to make a conditional voluntary offer to repurchase up to 260,000,000 ITC Properties Shares, representing approximately 46.02% of the entire issued share capital of ITC Properties as at the date of its announcement, from the Qualifying ITC Properties Shareholders by way of a general offer.

Selective Choice, an indirect wholly-owned subsidiary of the Company, and parties acting in concert with it (other than PYI) have severally undertaken to ITC Properties that they will not accept the Offer, acquire any ITC Properties Shares, dispose of any of the 148,849,874 ITC Properties Shares, and, or, the 2013 CBs with an aggregate principal amount of HK\$378,400,000 in aggregate held by them respectively nor exercise the conversion rights under the 2013 CBs with an aggregate outstanding principal amount of HK\$378,400,000 and, or, the 6,230,000 ITC Properties Options, as the case may be, held by them respectively before the close or lapse of the Offer.

WHITEWASH WAIVER

Depending upon the level of acceptance of the Offer, the beneficial interest in ITC Properties' issued share capital held by Selective Choice and parties acting in concert with it may increase from the current level of approximately 27.44% to a maximum of approximately 50.84%, thereby triggering an obligation on the part of Selective Choice to make a mandatory general offer under Rule 26 of the Takeovers Code and comparable offers under Rule 13 of the Takeovers Code for all the issued securities of ITC Properties not already owned or agreed to be acquired by Selective Choice and parties acting in concert with it. Selective Choice will apply to the Executive for the Whitewash Waiver and the Offer is conditional upon its grant.

Shareholders and potential investors are advised to read the announcement issued by ITC Properties on 28th November, 2011 for further details of the Offer.

Shareholders and potential investors are advised to exercise caution when dealing in the Shares.

RESUMPTION OF TRADING

Trading in Shares on the Stock Exchange has been suspended at the request of the Company with effect from 9:44 a.m. on 21st November, 2011 pending the release of this announcement. An application has been made by the Company to the Stock Exchange for the resumption of trading in the Shares on the Stock Exchange with effect from 9:00 a.m. on 29th November, 2011.

This announcement is made by the Company in compliance with Rule 13.09 of the Listing Rules.

THE OFFER

Principal terms of the Offer

The Board wishes to inform Shareholders and potential investors that its associate, ITC Properties, has announced on 28th November, 2011 that it proposes to make a conditional voluntary offer to repurchase up to 260,000,000 ITC Properties Shares, representing approximately 46.02% of the entire issued share capital of ITC Properties as at the date of its announcement, from the Qualifying ITC Properties Shareholders by way of a general offer. The Offer will be made by Optima Capital on behalf of ITC Properties from the Qualifying ITC Properties Shareholders at a price of HK\$2.60 per ITC Properties Share, of which HK\$0.6 will be satisfied by cash payment and the balance of HK\$2.00 will be satisfied by ITC Properties issuing the Loan Notes.

The Loan Notes will mature on the day falling 36 months after the date of their issue and bear a fixed interest at 6% per annum. In order to provide liquidity for holders of the Loan Notes, ITC Properties will consider seeking a listing of the Loan Notes on the Stock Exchange or other recognised stock exchange(s) at a later date following the close of the Offer.

Undertakings

Selective Choice, an indirect wholly-owned subsidiary of the Company, and parties acting in concert with it (including Dr. Charles Chan, Ms. Ng, Ms. Chau, Mr. FY Chan, Mr. Alan Chan, Mr. Alex Lai and PYI) hold in aggregate 155,026,874 ITC Properties Shares, the 2013 CBs with an aggregate outstanding principal amount of HK\$378,400,000 and 6,230,000 ITC Properties Options as at the date of this announcement.

Other than PYI which holds 6,177,000 ITC Properties Shares as at the date of this announcement, representing approximately 1.09% of the issued share capital of ITC Properties, Selective Choice and parties acting in concert with it have severally undertaken to ITC Properties that they will not accept the Offer, acquire any ITC Properties Shares, dispose of any of the 148,849,874 ITC Properties Shares, and, or, the 2013 CBs with an aggregate principal amount of HK\$378,400,000 in aggregate held by them respectively nor exercise the conversion rights under the 2013 CBs with an aggregate outstanding principal amount of HK\$378,400,000 and, or, the 6,230,000 ITC Properties Options, as the case may be, held by them respectively before the close or lapse of the Offer.

Save as disclosed above, as at the date of this announcement:

- (i) Selective Choice and parties acting in concert with it do not hold or have control or direction over any other relevant securities (as defined under the Takeovers Code) of ITC Properties, including any outstanding derivatives in respect of the securities in ITC Properties;
- (ii) none of Selective Choice and parties acting in concert with it has borrowed or lent any relevant securities of ITC Properties;
- (iii) there is no arrangement as referred to in Note 8 to Rule 22 of the Takeovers Code (whether by way of option, indemnity or otherwise) in relation to shares of Selective Choice and any parties acting in concert with it, and which might be material to the Offer; and
- (iv) there is no agreement or arrangement to which Selective Choice or any parties acting in concert with it is a party which relates to circumstances in which it may or may not invoke or seek to invoke a pre-condition or a condition to the Offer.

WHITEWASH WAIVER

Depending upon the level of acceptance of the Offer, the beneficial interest in ITC Properties' issued share capital held by Selective Choice and parties acting in concert with it may increase from its current level of approximately 27.44% to a maximum of approximately 50.84%, thereby triggering an obligation on the part of Selective Choice, as the principal member of the concert parties, to make a mandatory general offer under Rule 26 of the Takeovers Code and comparable offers under Rule 13 of the Takeovers Code for all the issued securities of ITC Properties not already owned or agreed to be acquired by Selective Choice and parties acting in concert with it. Selective Choice will apply to the Executive for the Whitewash Waiver.

Rule 32 of the Takeovers Codes and Rule 6 of the Repurchases Code provide that where, as a result of share repurchase, a shareholder's proportionate interest in the voting rights of the repurchasing company increases, such increase will be treated as an acquisition of voting rights for the purposes of the Takeovers Code. As the interests of Selective Choice and parties

acting in concert with it in ITC Properties' issued share capital may increase to 30% or more after completion of the Offer, an obligation under Rule 26 of the Takeovers Code to make a mandatory general offer for all the issued ITC Properties Shares not already owned or agreed to be acquired by Selective Choice and parties acting in concert with it may arise. Selective Choice would also be required under Rule 13 of the Takeovers Code to make comparable offers for all the 2013 CBs and the ITC Properties Options not already owned or agreed to be acquired by it and parties acting in concert with it. As Selective Choice will not support arrangements which give rise to a mandatory general offer obligation, it will apply to the Executive for the Whitewash Waiver.

The Offer and the Whitewash Waiver will be subject to the approval of the Independent ITC Properties Shareholders at the SGM by way of poll. Mr. Cheung Hon Kit, who is an executive director and chairman of ITC Properties and holds 14,202,000 ITC Properties Shares and 3,900,000 ITC Properties Options as at the date of this announcement, will abstain from voting at the SGM in respect of the resolutions approving the Offer and the Whitewash Waiver. The granting of the Whitewash Waiver by the Executive and the approval of the Whitewash Waiver by the Independent ITC Properties Shareholders are the conditions for the Offer. If the Whitewash Waiver is not approved by the Independent ITC Properties Shareholders or if it is not granted by the Executive, the Offer will lapse.

CHANGES IN SHAREHOLDING OF ITC PROPERTIES

	As at the date of this announcement		As at completion of the Offer, assuming (i) full acceptance of the Offer by the public ITC Properties Shareholders only; and (ii) no conversion of the 2013 CBs nor exercise of the vested ITC Properties Options		As at completion of the Offer, assuming (i) full acceptance of by all Qualifying ITC Properties Shareholders (including PYI); and (ii) full conversion of the 2013 CBs and exercise of the vested ITC Properties Options before the close of the Offer (Note 4 and 5)	
	(Shares)	(Approx.%)	(Shares)	(Approx. %)	(Shares)	(Approx. %)
Selective Choice	139,583,474	24.71	139,583,474	45.78	139,583,474	33.53
PYI (Note 1)	6,177,000	1.09	6,177,000	2.02	3,047,937	0.73
Dr. Charles Chan	6,066,400	1.07	6,066,400	1.99	6,066,400	1.46
Ms. Chau	3,200,000	0.57	3,200,000	1.05	3,200,000	0.77
Selective Choice and parties acting in concert with it (Note 2)	155,026,874	27.44	155,026,874	50.84	151,897,811	36.49
Mr. Cheung Hon Kit (Note 3)	14,202,000	2.51	14,202,000	4.66	14,202,000	3.41
Public ITC Properties Shareholders	395,690,723	70.05	135,690,723	44.50	250,211,147	60.10
Total	564,919,597	100	304,919,597	100	416,310,958	100

Notes:

1. PYI is an associated company of the Company.
2. Selective Choice and parties acting in concert with it (including Dr. Charles Chan, Ms. Ng, Ms. Chau, Mr. FY Chan, Mr. Alan Chan and Mr. Alex Lai but excluding PYI) have severally undertaken to ITC Properties not to accept the Offer, acquire any ITC Properties Shares, dispose of any of their respective holdings of the ITC Properties Shares and the 2013 CBs, as the case may be, nor to exercise the conversion rights under the 2013 CBs and, or, the ITC Properties Options, as the case may be, held by them respectively before the close or lapse of the Offer.
3. Mr. Cheung Hon Kit, an executive director and chairman of ITC Properties, has undertaken to ITC Properties not to accept the Offer nor to dispose of any of his holdings of the ITC Properties Shares before the close or lapse of the Offer.
4. Mr. Cheung Hon Kit, Mr. Cheung Chi Kit, Mr. Ma Chi Kong, Karl, Mr. Wong Chi Keung, Alvin and Mr. Kwok Ka Lap, Alva, who are the directors of ITC Properties and the holders of the ITC Properties Options, have severally undertaken to ITC Properties not to exercise the vested ITC Properties Options held by them respectively before the close or lapse of the Offer.
5. Certain directors of the subsidiaries of ITC Properties have severally undertaken to ITC Properties not to exercise the ITC Properties Options held by them respectively before the close or lapse of the Offer.

INTENTION OF ITC PROPERTIES

ITC Properties has stated that it intends to maintain the listing of ITC Properties Shares on the Stock Exchange.

Following the close or lapse of the Offer, as the case may be, ITC Properties intends to continue with the existing businesses of the ITC Properties Group. ITC Properties does not intend to introduce any major changes by reason only of the Offer to the existing operations and management structure of the ITC Properties Group including the continued employment of the employees of the ITC Properties Group and the redeployment of the fixed assets of the ITC Properties Group.

INFORMATION ON ITC PROPERTIES GROUP

ITC Properties is an investment holding company and its subsidiaries are principally engaged in property development and investment in Macau, the PRC and Hong Kong. ITC Properties Group is also engaged in golf resort and leisure operations in the PRC, securities investment and the provision of loan financing services.

The following table sets out a summary of the consolidated results of the ITC Properties Group for each of the two years ended 31st March, 2010 and 2011 and for the six months ended 30th September, 2011:

	For the year ended 31st March,		For the six months ended 30th September,
	2010	2011	2011
	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>
	<i>(audited)</i>	<i>(audited)</i>	<i>(unaudited)</i>
Turnover	314,358	260,987	96,747
Profit (loss) before taxation	102,960	100,126	(90,399)
Profit (loss) attributable to ITC Properties Shareholders	102,852	80,455	(89,165)

The unaudited consolidated equity attributable to owners of ITC Properties was approximately HK\$2,413.3 million as at 30th September, 2011, representing an unaudited consolidated equity attributable to owners of ITC Properties of approximately HK\$4.27 per ITC Properties Share.

At the completion of the Offer (assuming (i) full acceptance of the Offer by the public ITC Properties Shareholders; and (ii) no conversion of the 2013 CBs nor exercise of the vested ITC Properties Options before the close or lapse of the Offer), ITC Group's interests in ITC Properties will increase from approximately 24.71% to approximately 45.78%. With reference to the latest financial information of ITC Properties and subject to any fair value changes, the estimated gain to the ITC Group amounted to approximately HK\$ 166 million.

INFORMATION ON ITC GROUP

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.

DEALINGS IN SHARES

Save for (i) the subscription of the 2013 CBs with the outstanding principal amount of HK\$70,400,000 and HK\$11,000,000 respectively by Selective Choice and Ms. Chau in May, 2011; (ii) the acquisition of the 2013 CBs with the outstanding principal amount of HK\$297,000,000 by Dr. Charles Chan in September, 2011; and (iii) the subsequent disposal of the 2013 CBs with the outstanding principal amount of HK\$297,000,000 by Dr. Charles Chan to Ms. Ng in November, 2011, the Company and parties acting in concert with it have confirmed that they have not acquired any voting rights in ITC Properties or dealt in the securities of ITC Properties since 18th May, 2011, being the date falling six months before the date on which the board of directors of ITC Properties approved the proposal relating to the Offer, up to the date of this announcement, and will not acquire any voting rights in ITC Properties or deal in the securities of ITC Properties from the date of this announcement up to and including the date on which the Offer closes, lapses or its withdrawn, as the case may be.

WARNING

Shareholders and potential investors are advised to read the announcement issued by ITC Properties on 28th November, 2011 for further details of the Offer.

Shareholders and potential investors are advised to exercise caution when dealing in the Shares.

RESUMPTION OF TRADING

Trading in Shares on the Stock Exchange has been suspended at the request of the Company with effect from 9:44 a.m. on 21st November, 2011 pending the release of this announcement. An application has been made by the Company to the Stock Exchange for the resumption of trading in the Shares on the Stock Exchange with effect from 9:00 a.m. on 29th November, 2011.

DEFINITIONS

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

“2013 CBs”	the 3.25% convertible notes due 2013 issued by ITC Properties in 2011 with an aggregate outstanding principal amount of HK\$619,050,000 as at the date of this announcement
“acting in concert”	has the meaning ascribed thereto under the Codes
“Board”	the board of Directors
“Codes”	the Takeovers Code and the Repurchases Code
“Company” or “ITC”	ITC Corporation Limited (stock code: 372), a company incorporated in Bermuda with limited liability and whose issued Shares are listed on the Main Board of the Stock Exchange
“Director(s)”	the director(s) of the Company
“Dr. Charles Chan”	Dr. Chan Kwok Keung, Charles, an executive Director, chairman and controlling shareholder of the Company and a non-executive director of PYI
“Excluded ITC Properties Shareholders”	subject to the prior consent of the Executive, any Overseas ITC Properties Shareholders whose addresses, as shown on the Register as at the latest practicable date for the purpose of the ITC Properties Circular or as at the close of the Offer, are located in a jurisdiction the laws of which

prohibit the making of the Offer to such Overseas ITC Properties Shareholders or otherwise require ITC Properties to comply with additional requirements which the directors of ITC Properties consider unduly onerous or burdensome, having regard to the number of the Overseas ITC Properties Shareholders involved in that jurisdiction and their shareholdings in ITC Properties

“Executive”	the Executive Director of the Corporate Finance Division of the Securities and Futures Commission or any of his delegates
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Independent ITC Properties Shareholders”	ITC Properties Shareholders other than (i) Selective Choice and parties acting in concert with it and their respective associates; and (ii) those ITC Properties Shareholders who have a material interest or are involved in the Offer and the Whitewash Waiver and are required to abstain from voting on the proposed resolutions approving the Offer and the Whitewash Waiver at the SGM pursuant to the Codes and the Listing Rules
“ITC Group”	the Company and its subsidiaries
“ITC Properties”	ITC Properties Group Limited (stock code: 199), a company incorporated in Bermuda with limited liability and whose issued ITC Properties Shares are listed on the Main Board of the Stock Exchange
“ITC Properties Circular”	the circular (including the Offer document and the notice of the SGM) to be issued by ITC Properties to the ITC Properties Shareholders in connection with the Offer
“ITC Properties Group”	ITC Properties and its subsidiaries
“ITC Properties Option(s)”	share option(s) granted by ITC Properties under the Share Option Scheme
“ITC Properties Share(s)”	ordinary share(s) of HK\$0.01 each in the share capital of ITC Properties
“ITC Properties Shareholder(s)”	holder(s) of ITC Properties Share(s)
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange

“Loan Notes”	up to 260,000,000 loan notes to be issued by ITC Properties in denomination of HK\$2.00 each with an aggregate principal value of HK\$520,000,000, which will mature on the day falling 36 months after the date of their issue and bear a fixed interest at 6% per annum and such interest will be paid annually in arrears on 31st December with the last payment being made on the maturity date
“Macau”	the Macau Special Administrative Region of the PRC
“Mr. Alan Chan”	Mr. Chan Yiu Lun, Alan, an executive Director, an executive director of ITC Properties and PYI and an alternate director to Dr. Charles Chan, a non-executive director of PYI, and the son of Dr. Charles Chan and Ms. Ng
“Mr. Alex Lai”	Mr. Lai Kwok Hung, Alex, a director of Selective Choice
“Mr. FY Chan”	Mr. Chan Fut Yan, an executive Director, an executive director and the managing director of ITC Properties
“Ms. Chau”	Ms. Chau Mei Wah, Rosanna, the deputy chairman, the managing Director and an executive Director
“Ms. Ng”	Ms. Ng Yuen Lan, Macy, the spouse of Dr. Charles Chan
“Offer”	the proposed conditional voluntary offer to be made by Optima Capital on behalf of ITC Properties to repurchase up to 260,000,000 ITC Properties Shares from the Qualifying ITC Properties Shareholders at the Offer Price, subject to the terms and conditions to be set out in the ITC Properties Circular and the form of acceptance enclosed therewith
“Offer Period”	has the meaning ascribed thereto under the Codes applicable to the Offer
“Offer Price”	HK\$2.60 per ITC Properties Share
“Optima Capital”	Optima Capital Limited, a licensed corporation under the SFO to conduct Type 1 (dealings in securities), Type 4 (advising on securities) and Type 6 (advising on corporate finance) regulated activities under the SFO and the financial adviser to ITC Properties in respect of the Offer
“Overseas ITC Properties Shareholder(s)”	ITC Properties Shareholder(s) whose address(es) as shown in the Register is/are outside Hong Kong

“PRC”	the People’s Republic of China, and for the purpose of this announcement, excluding Hong Kong, Macau and Taiwan
“PVI”	PVI Corporation Limited (stock code: 498), a company incorporated in Bermuda with limited liability, the issued shares of which are listed on the Main Board of the Stock Exchange
“Qualifying ITC Properties Shareholder(s)”	ITC Properties Shareholder(s), other than Selective Choice and parties acting in concert with it (other than PVI) and the Excluded ITC Properties Shareholders, whose name(s) appear(s) on the Register as at the latest practicable date for the purpose of the ITC Properties Circular or as at the close of the Offer
“Register”	the register of members of ITC Properties
“Repurchases Code”	the Hong Kong Code on Share Repurchases
“Selective Choice”	Selective Choice Investments Limited, a company incorporated in the British Virgin Islands with limited liability and an indirect wholly-owned subsidiary of the Company
“SFO”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
“SGM”	the special general meeting of ITC Properties to be convened to consider and approve, among other things, the Offer and the Whitewash Waiver
“Share Option Scheme”	the share option scheme of ITC Properties adopted on 26th August, 2002
“Share(s)”	ordinary share(s) of HK\$0.01 each in the share capital of the Company
“Shareholder(s)”	holder(s) of the Share(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Takeovers Code”	the Hong Kong Code on Takeovers and Mergers

“Whitewash Waiver”

a waiver by the Executive in respect of the obligation of Selective Choice to make a mandatory general offer for all the issued ITC Properties Shares not already owned or agreed to be acquired by it and parties acting in concert with it in accordance with Rule 26 of the Takeovers Code and comparable offers for the 2013 CBs and the ITC Properties Options not already owned or agreed to be acquired by it and parties acting in concert with it in accordance with Rule 13 of the Takeovers Code, which obligation may otherwise arise as a result of the completion of the Offer

“HK\$”

Hong Kong dollar(s), the lawful currency of Hong Kong

“%”

per cent.

By Order of the Board
ITC Corporation Limited
Lai Kwok Hung, Alex
Company Secretary

Hong Kong, 28th November, 2011

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

Executive Directors:

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

Independent non-executive Directors:

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

The Directors jointly and severally accept full responsibility for the accuracy of the information contained in this announcement, and confirm, having made all reasonable enquiries, that to the best of their knowledge, opinions expressed in this announcement have been arrived at after due and careful consideration and there are no other facts not contained in this announcement the omission of which would make any statement contained in this announcement misleading.