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



ITC CORPORATION LIMITED

德祥企業集團有限公司*

(Incorporated in Bermuda with limited liability)

(Stock code: 372)

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

A notice convening the annual general meeting of ITC Corporation Limited to be held at B27, Basement, Bank of America Tower, 12 Harcourt Road, Central, Hong Kong on Monday, 18th August, 2014 at 11:00 a.m. is set out on pages 12 to 15 of this circular. Whether or not you are able to attend the meeting, you are requested to complete the accompanying form of proxy in accordance with the instructions printed thereon and return it to the principal place of business of ITC Corporation Limited in Hong Kong at 30th Floor, Bank of America Tower, 12 Harcourt Road, Central, Hong Kong as soon as possible and in any event not less than 48 hours before the time appointed for holding of the meeting or any adjournment thereof (as the case may be). Delivery of the form of proxy will not preclude you from attending and voting in person at the meeting or any adjournment thereof should you so wish.

* For identification purpose only

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DEFINITIONS

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

“Annual General Meeting”	the annual general meeting of the Company to be held at B27, Basement, Bank of America Tower, 12 Harcourt Road, Central, Hong Kong on Monday, 18th August, 2014 at 11:00 a.m., the notice of which is set out on pages 12 to 15 of this circular, or any adjournment thereof
“Board”	the board of Directors
“Bye-laws”	the bye-laws of the Company (as amended, modified or supplemental from time to time)
“Company”	ITC Corporation Limited, a company incorporated in Bermuda with limited liability, the issued Shares of which are listed on the main board of the Stock Exchange (Stock Code: 372)
“Director(s)”	director(s) of the Company
“Eligible Person(s)”	has the meaning ascribed to it in the Share Option Scheme
“Galaxyway”	Galaxyway Investments Limited, a company indirectly wholly-owned by Dr. Chan Kwok Keung, Charles (the Chairman of the Company and an executive Director), being the substantial Shareholder holding approximately 15.96% of the Share Capital as at the Latest Practicable Date
“General Mandates”	the Repurchase Mandate and the Issue Mandate
“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Issue Mandate”	the proposed general mandate to be granted to the Directors to exercise all the powers of the Company to allot, issue and otherwise deal with new Shares not exceeding 20% of the Share Capital as at the date of the passing of the resolution by the Shareholders approving the said mandate
“Latest Practicable Date”	3rd July, 2014, being the latest practicable date for ascertaining certain information contained in this circular prior to the printing of this circular
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“PRC”	the People’s Republic of China
“Repurchase Mandate”	the proposed general mandate to be granted to the Directors to exercise all the powers of the Company to repurchase Shares not exceeding 10% of the Share Capital as at the date of the passing of the resolution by the Shareholders approving the said mandate

DEFINITIONS

“Scheme Mandate Limit”	the maximum number of Shares which may be issued upon the exercise of all the share options to be granted under the Share Option Scheme and any other share option scheme(s) of the Company
“SFO”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
“Share(s)”	ordinary share(s) in the share capital of the Company
“Share Capital”	the issued ordinary share capital of the Company
“Share Option Scheme”	the share option scheme of the Company adopted on 19th August, 2011
“Shareholder(s)”	holder(s) of the Share(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Takeovers Code”	The Hong Kong Codes on Takeovers and Mergers and Share Buy-backs
“%”	per cent.

LETTER FROM THE BOARD



ITC CORPORATION LIMITED

德祥企業集團有限公司*

(Incorporated in Bermuda with limited liability)

(Stock code: 372)

Executive Directors:

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

Independent non-executive Directors:

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

Registered office:

Clarendon House
2 Church Street
Hamilton HM 11
Bermuda

*Principal place of business in
Hong Kong:*

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

7th July, 2014

To the Shareholders,

Dear Sir or Madam,

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

INTRODUCTION

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

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

RE-ELECTION OF RETIRING DIRECTORS

Pursuant to bye-law 98(A) of the Bye-laws, Dr. Chan Kwok Keung, Charles, Ms. Chau Mei Wah, Rosanna and Mr. Shek Lai Him, Abraham shall retire from office by rotation at the Annual General Meeting. All retiring Directors, being eligible, will offer themselves for re-election at the Annual General Meeting. Brief biographical and other details of the retiring Directors offering themselves for re-election, which are required to be disclosed under the Listing Rules, are set out in Appendix I to this circular.

* For identification purpose only

LETTER FROM THE BOARD

Mr. Shek Lai Him, Abraham, being an independent non-executive Director eligible for re-election at the Annual General Meeting, has provided his annual confirmation of independence pursuant to Rule 3.13 of the Listing Rules. The Company is of the view that Mr. Shek Lai Him, Abraham meets the independence guidelines set out in Rule 3.13 of the Listing Rules and is regarded as independent in accordance with the terms of the guidelines.

GENERAL MANDATES TO ISSUE SHARES AND TO REPURCHASE SHARES

At the annual general meeting of the Company held on 16th August, 2013, general mandates were granted to the Directors authorising them, *inter alia*, (a) to exercise the powers of the Company to allot and issue Shares not exceeding 20% of the Share Capital as at 16th August, 2013; (b) to repurchase Shares not exceeding 10% of the Share Capital as at 16th August, 2013; and (c) to extend the general mandate to issue Shares by the number of Shares purchased under the repurchase mandate mentioned in (b) above. Such general mandates will expire at the conclusion of the Annual General Meeting. Ordinary resolutions will be proposed at the Annual General Meeting to grant to the Directors general mandates authorising them, *inter alia*, (i) to exercise the powers of the Company to allot and issue Shares not exceeding 20% of the Share Capital as at the date of the passing of such resolution; (ii) to repurchase Shares not exceeding 10% of the Share Capital as at the date of the passing of such resolution; and (iii) subject to the passing of the ordinary resolutions approving the General Mandates at the Annual General Meeting, to extend the Issue Mandate by an amount representing the aggregate nominal amount of Shares purchased under the Repurchase Mandate.

As at the Latest Practicable Date, there were 1,270,229,989 Shares in issue. Subject to the passing of the ordinary resolutions to approve the General Mandates at the Annual General Meeting and on the basis that no further Shares are issued or repurchased between the Latest Practicable Date and the date of the Annual General Meeting, the Company would be allowed to issue up to a maximum of 254,045,997 Shares under the Issue Mandate and to repurchase up to a maximum of 127,022,998 Shares under the Repurchase Mandate.

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

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

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

- (i) the conclusion of the next annual general meeting of the Company;
- (ii) the expiration of the period within which the next annual general meeting of the Company is required by the Bye-laws or any applicable laws of Bermuda to be held; and
- (iii) the revocation or variation of such authority by the Shareholders.

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

LETTER FROM THE BOARD

REFRESHMENT OF THE SCHEME MANDATE LIMIT

By an ordinary resolution passed at the annual general meeting of the Company held on 19th August, 2011, the Company adopted the Share Option Scheme.

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

As at 19th August, 2011 (being the date of adoption of the Share Option Scheme), the total number of issued Shares was 777,028,676, thus the Scheme Mandate Limit was 77,702,867 Shares. By an ordinary resolution passed on 16th August, 2013, the Scheme Mandate Limit was refreshed to 111,760,009 Shares (representing approximately 10% of the Shares in issue as at 16th August, 2013). No share options of the Company were granted during the period from 16th August, 2013 to the Latest Practicable Date.

As at the Latest Practicable Date, there were 1,270,229,989 Shares in issue and no options is outstanding since the adoption of the Share Option Scheme. Assuming no further issue or repurchase of Shares prior to the Annual General Meeting, upon the refreshing of the Scheme Mandate Limit by the Shareholders at the Annual General Meeting, the Company may grant options entitling holders thereof to subscribe for a total of 127,022,998 Shares (representing approximately 10% of the Shares in issue as at the date of the Annual General Meeting approving the refreshing of the Scheme Mandate Limit).

To the extent that there are any unutilised options under the Scheme Mandate Limit as approved by the Shareholders on 16th August, 2013 which, if granted, will entitle the holders thereof to subscribe for a total of 111,760,009 Shares (representing approximately 10% of the Shares in issue as at 16th August, 2013), all such unutilised options will be considered as lapsed upon the approval of the refreshment of the Scheme Mandate Limit at the Annual General Meeting and the Company will not be allowed to grant any further options pursuant to the unutilised options.

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

With the increase in Share Capital due to the issue of Shares upon conversion of the convertible notes of the Company and under scrip dividend scheme of the Company for final dividend for the year ended 31st March, 2013 during the period from 16th August, 2013 to the Latest Practicable Date, the refreshed Scheme Mandate Limit would allow the Company to grant more options to subscribe for Shares (ie. 127,022,998 Shares) than the existing Scheme Mandate Limit (ie. 111,760,009 Shares). The Company believes the refreshment of the Scheme Mandate Limit would allow the Company to achieve the purpose of the Share Option Scheme which is to provide incentive or reward to the Eligible Persons for their contribution to, and continuing efforts to promote the interests of, the Company. The Directors consider that the refreshment of the Scheme Mandate Limit is in the interests of the Company and the Shareholders as a whole as it provides the Company with more flexibility in providing incentives to those Eligible Persons by way of granting of options.

The refreshment of the Scheme Mandate Limit is conditional on:

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

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

LETTER FROM THE BOARD

ANNUAL GENERAL MEETING

A notice convening the Annual General Meeting is set out on pages 12 to 15 of this circular at which resolutions will be proposed to approve, *inter alia*, the re-election of retiring Directors, the grant of the General Mandates, the extension of the Issue Mandate by an amount representing the aggregate nominal amount of Shares purchased under the Repurchase Mandate and the refreshment of the Scheme Mandate Limit.

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

A form of proxy for use by the Shareholders at the Annual General Meeting is enclosed. Whether or not you are able to attend the Annual General Meeting, you are requested to complete the form of proxy in accordance with the instructions printed thereon and return it to the principal place of business of the Company in Hong Kong at 30th Floor, Bank of America Tower, 12 Harcourt Road, Central, Hong Kong as soon as possible and in any event not less than 48 hours before the time appointed for holding of the Annual General Meeting or any adjournment thereof (as the case may be). Delivery of the form of proxy will not preclude you from attending and voting in person at the Annual General Meeting or any adjournment thereof should you so wish.

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

RESPONSIBILITY STATEMENT

This circular, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the Listing Rules for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquires, confirm that to the best of their knowledge and belief the information contained in this circular is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this circular misleading.

RECOMMENDATION

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

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

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

EXECUTIVE DIRECTORS

Chan Kwok Keung, Charles (“Dr. Chan”), aged 59, is the Chairman of the Company. He joined the Group in February 1997 and is responsible for the Group’s corporate strategies and planning. Dr. Chan holds an Honorary Degree of Doctor of Laws and a Bachelor’s Degree in Civil Engineering and has over 34 years’ international corporate management and strategic investment experience in a diversified range of businesses including construction, property, infrastructure, entertainment and media, hotel and related business, information technology, pharmaceutical and health products. Dr. Chan is a non-executive director of PYI Corporation Limited (“PYI”) (0498.HK) and Television Broadcasts Limited (0511.HK). Save as disclosed herein, Dr. Chan did not hold any directorship in other public listed companies in Hong Kong or overseas in the three years preceding the Latest Practicable Date.

As at the Latest Practicable Date, Galaxyway, a wholly-owned subsidiary of Chinaview International Limited (“Chinaview”), held 202,681,534 Shares, representing approximately 15.96% of the Share Capital. Chinaview is wholly-owned by Dr. Chan and Dr. Chan is the sole director of Chinaview and Galaxyway. As at the Latest Practicable Date, Dr. Chan owned 262,446,848 Shares, representing approximately 20.66% of the Share Capital. Dr. Chan is the elder brother of Mr. Chan Kwok Chuen, Augustine and the father of Mr. Chan Yiu Lun, Alan, respectively, both being the executive Directors. Save as aforesaid, Dr. Chan did not have any interest in the Shares or the underlying Shares pursuant to Part XV of the SFO nor did he have any relationship with any Director or senior management or substantial Shareholder or controlling Shareholder.

Dr. Chan has entered into a service contract with the Group which contract may be terminated by either party giving to the other three months’ advance notice. Pursuant to the letter of appointment executed between the Company and Dr. Chan, Dr. Chan is subject to retirement by rotation and re-election at least once every three years at the annual general meeting of the Company and in accordance with the Bye-laws. He is entitled to receive (a) a director’s fee, currently being HK\$10,000 per annum, as determined by the Board or its delegated committee pursuant to the authority given by the Shareholders at the Company’s general meetings; (b) a salary, currently being HK\$320,000 per month; and (c) a discretionary bonus which is based on the performance of the Group and of Dr. Chan, as determined by the Board or its delegated committee with reference to the prevailing market conditions.

The Listing Committee (the “Listing Committee”) of the Stock Exchange made a public statement against Dr. Chan on 17th December, 1998 in respect of the sale (the “Sale”) of shares in Nam Pei Hong (Holding) Limited (now known as China WindPower Group Limited (“CWG”)) (0182.HK) by International Tak Cheung Holdings Limited (now known as Common Splendor International Health Industry Group Limited (“Common Splendor”)) (0286.HK) and Paul Y. – ITC Construction Holdings Limited (now known as PYI) to Victory Hunter Holdings Limited, a company then controlled by Mr. Yau Wai Ming (“Mr. Yau”), in July 1997. The Listing Committee was of the view that Dr. Chan, being a then member of the management of CWG, should have informed the Stock Exchange earlier of the meetings between Mr. Yau and the representatives of Common Splendor prior to the Sale and of the Sale pursuant to the then listing agreement. In addition, the Listing Committee found that CWG was in breach of its obligations under the listing agreement and the then management of CWG, including Dr. Chan, was to be blamed for such breach.

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

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

Chau Mei Wah, Rosanna (“Ms. Chau”), aged 59, is the Deputy Chairman and Managing Director of the Company. She is also the Chairman of the Corporate Governance Committee, a member of the Nomination Committee and the Remuneration Committee of the Company and a director of various subsidiaries of the Company. She joined the Group in February 1997 and is responsible for the Group’s operations and business development. Ms. Chau has over 34 years’ experience in international corporate management and finance. She holds a Bachelor’s Degree and a Master’s Degree in Commerce and has professional accounting qualifications and experience in different jurisdictions. She is a fellow member of the Hong Kong Institute of Certified Public Accountants and the CPA Australia, and a member of the Certified General Accountants’ Association of Canada. Ms. Chau is a director of Burcon NutraScience Corporation, the securities of which are listed on the Toronto Stock Exchange (BU.TSX), the NASDAQ Global Market (BUR.NASDAQ) and the Frankfurt Stock Exchange (WKN 157793-FWB). She is a General Committee member of The Chamber of Hong Kong Listed Companies. Save as disclosed herein, Ms. Chau did not hold any directorship in other public listed companies in Hong Kong or overseas in the three years preceding the Latest Practicable Date.

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

Ms. Chau has entered into a service contract with the Group which contract may be terminated by either party giving to the other three months’ advance notice. Pursuant to the letter of appointment executed between the Company and Ms. Chau, Ms. Chau is subject to retirement by rotation and re-election at least once every three years at the annual general meeting of the Company and in accordance with the Bye-laws. She is entitled to receive (a) a director’s fee, currently being HK\$10,000 per annum, as determined by the Board or its delegated committee pursuant to the authority given by the Shareholders at the Company’s general meetings; (b) a salary, currently being HK\$320,000 per month; and (c) a discretionary bonus which is based on the performance of the Group and of Ms. Chau, as determined by the Board or its delegated committee with reference to the prevailing market conditions.

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

INDEPENDENT NON-EXECUTIVE DIRECTOR

Hon. Shek Lai Him, Abraham (“Mr. Shek”), *GBS, JP*, aged 69, joined the Company as an independent non-executive Director in June 2006. He is also the Chairman of the Nomination Committee and a member of the Audit Committee of the Company. Mr. Shek graduated from the University of Sydney, Australia with a Bachelor of Arts Degree. Mr. Shek has been a member of the Legislative Council of Hong Kong representing the real estate and construction functional constituency since 2000. Currently, Mr. Shek is a member of both the Court and the Council of the University of Hong Kong and a member of the Court of Hong Kong University of Science and Technology. He is also a director of The Hong Kong Mortgage Corporation Limited and the Vice Chairman of the Independent Police Complaints Council in Hong Kong. Mr. Shek was appointed as a Justice of the Peace in 1995. He was awarded the Silver Bauhinia Star in 2007 and was further awarded the Gold Bauhinia Star in 2013. Mr. Shek is the vice chairman and an independent non-executive director of ITC Properties Group Limited (0199.HK). He is the chairman and an independent non-executive director of Chuang’s China Investments Limited (0298.HK). Mr. Shek is also an independent non-executive director of NWS Holdings Limited (0659.HK), Midas International Holdings Limited (1172.HK), Paliburg Holdings Limited (0617.HK), Lifestyle International Holdings Limited (1212.HK), Chuang’s Consortium International Limited (0367.HK), Country Garden Holdings Company Limited (2007.HK), MTR Corporation Limited (0066.HK), Hop Hing Group Holdings Limited (0047.HK), SJM Holdings Limited (0880.HK), China Resources Cement Holdings Limited (1313.HK), Dorsett Hospitality International Limited (2266.HK), Lai Fung Holdings Limited (1125.HK) and Cosmopolitan International Holdings Limited (0120.HK). He is also an independent non-executive director of Eagle Asset Management (CP) Limited, the manager of Champion Real Estate Investment Trust (2778.HK). He is also an independent non-executive director of Regal Portfolio Management Limited, the manager of Regal Real Estate Investment Trust (1881.HK). He was an independent non-executive director of Titan Petrochemicals Group Limited (“Titan”) (1192.HK) until February 2014 and was an independent non-executive director of Hsin Chong Construction Group Ltd. (0404.HK) until May 2014. Save as disclosed herein, Mr. Shek did not hold any directorship in other public listed companies in Hong Kong or overseas in the three years preceding the Latest Practicable Date.

As disclosed in the Company's announcement dated 11th November, 2013 (the "Announcement") and according to the Titan Announcement (as defined in the Announcement), the Bermuda Court had ordered the appointment of joint provisional liquidators over Titan. The Announcement was made pursuant to Rule 13.51B(2) of the Listing Rules and contains information about that appointment. As disclosed in the Announcement, the Board has no information on this matter other than the information set out in the Titan Announcement and other relevant announcements, circulars and public documents published by Titan.

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

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

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

This is an explanatory statement given to the Shareholders relating to the proposed ordinary resolution authorising the Directors to repurchase Shares to be passed by the Shareholders at the Annual General Meeting.

This explanatory statement contains a summary of the information required pursuant to Rule 10.06 of the Listing Rules which is set out as follows:

Share capital

- As at the Latest Practicable Date, the authorised share capital of the Company comprised 102,800,000,000 Shares, of which a total of 1,270,229,989 Shares were issued and fully paid.
- Assuming no further Shares are issued or repurchased between the Latest Practicable Date and the date of the Annual General Meeting, there will be 1,270,229,989 Shares in issue on the date of the Annual General Meeting, and the exercise in full of the Repurchase Mandate would result in up to a maximum of 127,022,998 Shares being repurchased by the Company.

Reasons for repurchases

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

Funding of repurchases

- The repurchase of Shares shall be made with funds legally available for such purpose in accordance with the Company's memorandum of association and the Bye-laws and the applicable laws of Bermuda. Under Bermuda law, repurchases may only be effected out of the capital paid up on the repurchased Shares or out of funds of the Company otherwise available for dividend or distribution or out of the proceeds of a fresh issue of Shares made for the purpose. Any premium payable on a repurchase over the par value of the Shares to be repurchased must be provided for out of funds of the Company otherwise available for dividend or distribution or out of the Company's share premium account before the Shares are repurchased. It is envisaged that the funds required for any repurchase of Shares pursuant to the exercise of the Repurchase Mandate would be derived from such sources.
- As compared to the financial position of the Company as at 31st March, 2014 (being the date of the Company's latest audited accounts), the Directors consider that the repurchases of securities will have no material adverse impact on the working capital and the gearing position of the Company in the event that the Repurchase Mandate were to be exercised in full at any time during the proposed repurchase period. The Directors do not propose to exercise the Repurchase Mandate to such an extent as would, in the circumstances, have a material adverse effect on the working capital requirements of the Company or the gearing levels which, in the opinion of the Directors, are from time to time appropriate for the Company.

Directors, their close associates and connected persons

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

Undertaking of the Directors

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

Share repurchase made by the Company

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

GENERAL

If as a result of a repurchase of Shares, a Shareholder's proportionate interest in the voting rights of the Company increases, such increase will be treated as an acquisition of voting rights for the purpose of Rule 32 of the Takeovers Code. As a result, a Shareholder or a group of Shareholders acting in concert, depending on the level of increase in the Shareholders' interest, could obtain or consolidate control of the Company and become obliged to make a mandatory offer in accordance with Rule 26 of the Takeovers Code. If the Company were to repurchase Shares up to the permitted maximum of 10% of the Share Capital, such Shareholders may together with any other parties acting in concert with them become obliged to make a mandatory offer in accordance with Rule 26 of the Takeovers Code.

As at the Latest Practicable Date, Galaxyway, which is ultimately and beneficially wholly-owned by Dr. Chan Kwok Keung, Charles ("Dr. Chan"), held 202,681,534 Shares, representing approximately 15.96% of the Share Capital and Dr. Chan also personally held 262,446,848 Shares, representing approximately 20.66% of the Share Capital. On the basis that no further Shares are issued or repurchased and that there is no change in shareholding in the Company owned by Galaxyway and Dr. Chan and in the event that the Repurchase Mandate is exercised in full, the shareholding of Galaxyway and Dr. Chan would, in aggregate, be increased to approximately 40.69% of the Share Capital. Should such increase arise, Galaxyway and Dr. Chan would become obliged to make a mandatory offer for all Shares not already owned by them or their concert parties under Rule 26 of the Takeovers Code. The Directors have no present intention to exercise the Repurchase Mandate to such an extent which will result in an obligation of Galaxyway and Dr. Chan to make a mandatory offer under the Takeovers Code or the Company failing to comply with the public float requirements under Rule 8.08 of the Listing Rules.

PRICES OF THE SHARES

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

	Share prices	
	Highest HK\$	Lowest HK\$
2013		
July	0.590	0.560
August	0.610	0.500
September	0.530	0.510
October	0.560	0.500
November	0.520	0.490
December	0.530	0.490
2014		
January	0.540	0.500
February	0.570	0.510
March	0.560	0.520
April	0.590	0.540
May	0.570	0.530
June	0.620	0.540
July (up to the Latest Practicable Date)	0.630	0.610

NOTICE OF ANNUAL GENERAL MEETING



ITC CORPORATION LIMITED

德祥企業集團有限公司*

(Incorporated in Bermuda with limited liability)

(Stock code: 372)

NOTICE IS HEREBY GIVEN that the annual general meeting of ITC Corporation Limited (the “Company”) will be held at B27, Basement, Bank of America Tower, 12 Harcourt Road, Central, Hong Kong on Monday, 18th August, 2014 at 11:00 a.m. for the following purposes:

ORDINARY RESOLUTIONS

1. To receive and consider the audited financial statements and the reports of the directors and the independent auditor of the Company for the year ended 31st March, 2014.
2. To declare the final dividend and the special dividend for the year ended 31st March, 2014.
3. (A) To re-elect the following retiring directors of the Company:–
 - (i) Dr. Chan Kwok Keung, Charles as a director;
 - (ii) Ms. Chau Mei Wah, Rosanna as a director; and
 - (iii) Mr. Shek Lai Him, Abraham as a director;(B) To fix the remuneration of the directors of the Company.
4. To re-appoint the auditor of the Company and to authorise the board of directors of the Company to fix their remuneration.
5. As special business, to consider and, if thought fit, to pass, with or without modifications, the following resolutions as ordinary resolutions of the Company:
 - (A) “THAT:
 - (i) subject to sub-paragraph (iii) of this resolution, the exercise by the directors of the Company during the Relevant Period (as hereinafter defined) of all the powers of the Company to allot, issue and deal with additional shares in the share capital of the Company and to make or grant offers, agreements and options (including warrants, bonds and debentures convertible into shares of the Company) which would or might require the exercise of such powers, subject to and in accordance with all applicable laws and the bye-laws of the Company, be and is hereby generally and unconditionally approved;
 - (ii) the approval in sub-paragraph (i) of this resolution shall authorise the directors of the Company during the Relevant Period to make or grant offers, agreements and options (including warrants, bonds and debentures convertible into shares of the Company) which would or might require the exercise of such powers after the end of the Relevant Period;
 - (iii) the aggregate nominal amount of the share capital of the Company allotted or agreed conditionally or unconditionally to be allotted (whether pursuant to an option or otherwise) and issued by the directors of the Company pursuant to the approvals in sub-paragraphs (i) and (ii) of this resolution, otherwise than pursuant to (a) a Rights Issue (as hereinafter defined); or (b) an issue of shares of the Company upon the exercise of rights of subscription or conversion under the terms of any securities which are convertible into shares of the Company; or (c) an issue of shares of the Company under any share option scheme of the Company or similar arrangements for the time being adopted for the grant or issue of shares or rights to

* For identification purpose only

NOTICE OF ANNUAL GENERAL MEETING

acquire shares of the Company; or (d) an issue of shares as scrip dividend pursuant to the bye-laws of the Company from time to time, shall not exceed 20% of the aggregate nominal amount of the share capital of the Company in issue on the date of the passing of this resolution and the said approval shall be limited accordingly; and

- (iv) for the purpose of this resolution:

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

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

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

- (B) “**THAT:**

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

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

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

NOTICE OF ANNUAL GENERAL MEETING

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

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

Hong Kong, 7th July, 2014

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

NOTICE OF ANNUAL GENERAL MEETING

Notes:

1. The above resolutions will be put to the meeting by way of poll. On voting by poll, each member of the Company shall have one vote for each share held in the Company.
2. Any member of the Company entitled to attend and vote at a meeting of the Company shall be entitled to appoint another person as his proxy to attend and vote instead of him. A member of the Company who is the holder of two or more shares may appoint more than one proxy to represent and vote on his behalf at the meeting. A proxy need not be a member of the Company.
3. The instrument appointing a proxy shall be in writing under the hand of the appointor or of his attorney duly authorised in writing or, if the appointor is a corporation, either under its common seal or under the hand of an officer or attorney duly authorised to sign the same. In case of an instrument of proxy purporting to be signed on behalf of a corporation by an officer thereof, it shall be assumed, unless the contrary appears, that such officer was duly authorised to sign such instrument of proxy on behalf of the corporation without further evidence of the facts.
4. A form of proxy for use at the meeting is enclosed. The instrument appointing a proxy and the power of attorney or other authority, if any, under which it is signed, or a notarially certified copy of such power or authority, together with such evidence as the board of directors of the Company may require under the bye-laws of the Company, shall be deposited at the Company's principal place of business in Hong Kong at 30th Floor, Bank of America Tower, 12 Harcourt Road, Central, Hong Kong as soon as possible and in any event not less than 48 hours before the time appointed for the holding of the meeting or any adjournment thereof (as the case may be) at which the person named in the instrument proposes to vote and in default the instrument of proxy shall not be treated as valid.
5. Delivery of an instrument appointing a proxy shall not preclude a member of the Company from attending and voting in person at the meeting or any adjournment thereof or upon the poll concerned and, in such event, the instrument appointing a proxy shall be deemed to have been revoked.
6. Where there are joint registered holders of any share, any one of such persons may vote at the meeting, either personally or by proxy, in respect of such share as if he were solely entitled thereto, but if more than one of such joint holders is present at the meeting personally or by proxy, that one of the said persons so present whose name stands first on the register of members of the Company in respect of such share shall alone be entitled to vote in respect thereof.
7. The register of members of the Company will be closed for the purpose of determining the entitlements to the proposed final dividend and the special dividend from Tuesday, 26th August, 2014 to Thursday, 28th August, 2014, both dates inclusive, during which period no transfer of shares will be registered. In order to qualify for the proposed final dividend and the special dividend, all transfers of shares of the Company accompanied by the relevant share certificate(s) must be lodged with the Company's branch share registrar in Hong Kong, Tricor Secretaries Limited at Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong for registration by no later than 4:00 p.m. on Monday, 25th August, 2014.
8. The Chinese version of the resolutions as set out in this notice is for reference only. If there is any conflict between the English and the Chinese versions, the English version shall prevail.

As at the date of this notice, the board of directors of the Company comprises:

Executive directors:

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

Independent non-executive directors:

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