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ITC CORPORATION LIMITED

德祥企業集團有限公司*

(Incorporated in Bermuda with limited liability)

(Stock Code: 372)

DISCLOSEABLE TRANSACTION IN RELATION TO ACQUISITION OF SHARES OF PVI CORPORATION LIMITED

During the Relevant Period, the Purchaser, an indirect wholly-owned subsidiary of the Company, has acquired on-market an aggregate of 76,306,000 PVI Shares, representing approximately 1.67% of the total issued PVI Shares as at 17 September 2015, as disclosed in the official website of the Stock Exchange, for a total cash consideration of approximately HK\$13.2 million (equivalent to an average price of approximately HK\$0.172 per Acquired Share).

The Acquisition constitutes a discloseable transaction for the Company under Chapter 14 of the Listing Rules and is subject to reporting and announcement requirements thereof.

THE ACQUISITION

During the Relevant Period, the Purchaser, an indirect wholly-owned subsidiary of the Company, has acquired on-market an aggregate of 76,306,000 PVI Shares, representing approximately 1.67% of the total issued PVI Shares as at 17 September 2015, as disclosed in the official website of the Stock Exchange, for a total cash consideration of approximately HK\$13.2 million (equivalent to an average price of approximately HK\$0.172 per Acquired Share). To the best of the knowledge, information and belief of the Directors having made all reasonable enquiries, the seller(s) of the Acquired Shares and its (their respective) ultimate beneficial owner(s) is (are) third party(ies) independent of the Company and its Connected Persons.

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

* For identification purpose only

The average price of approximately HK\$0.172 per Acquired Share represents:

- (i) a discount of approximately 6.52% to the closing price of HK\$0.184 per PYI Share as quoted on the Stock Exchange on 17 September 2015;
- (ii) a discount of approximately 6.52% to the average of the closing prices of approximately HK\$0.184 per PYI Share for the last five consecutive trading days as quoted on the Stock Exchange up to and including 17 September 2015; and
- (iii) a discount of approximately 4.97% to the average of the closing prices of approximately HK\$0.181 per PYI Share for the last ten consecutive trading days as quoted on the Stock Exchange up to and including 17 September 2015.

INFORMATION ON PYI

PYI is an investment holding company and its subsidiaries are principally engaged in ports and infrastructure development and investment, and the operation of ports and logistics facilities, in the Yangtze River region of the PRC. The PYI Group also engages in land and property development and investment in association with ports and infrastructure development. In addition, PYI Group provides comprehensive engineering and property-related services through Paul Y. Engineering Group Limited.

According to the 2015 annual report of PYI, the consolidated profit before tax and profit after tax of PYI amounted to approximately HK\$318.3 million and HK\$135.9 million respectively for the year ended 31 March 2014; and the consolidated profit before tax and profit after tax of PYI amounted to approximately HK\$331.8 million and HK\$128.4 million respectively for the year ended 31 March 2015.

REASONS FOR THE ACQUISITION

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

Immediately following the Acquisition, the Group holds an aggregate of 1,303,277,695 PYI Shares, representing approximately 28.47% of the total issued PYI Shares as at 17 September 2015 as disclosed in the official website of the Stock Exchange. The Company accounts for its interests in the PYI Shares as interests in associates and shares the net assets and net income or loss of PYI pro rata to the percentage of equity interests in PYI held by the Group. With reference to the latest published annual report of PYI for the year ended 31 March 2015, the unaudited gain of the Acquisition to the Group is estimated to be approximately HK\$66 million. Shareholders should note that the actual gain is subject to audit.

As the Directors are optimistic towards the prospects and development of the PYI Group, the Directors are positive about the long term returns or capital gains from the investment in the PYI Shares, and consider that it is the opportune time to increase its strategic investment in PYI through the Acquisition. The Directors believe that the Acquisition is fair and reasonable and in the interests of the Company and the Shareholders as a whole.

GENERAL

The Acquisition constitutes a discloseable transaction for the Company under Chapter 14 of the Listing Rules and is subject to reporting and announcement requirements thereof.

DEFINITIONS

In this announcement, unless the context otherwise requires, the following terms have the following meanings:

“Acquired Share(s)”	the PYI Shares acquired by the Purchaser on-market during the Relevant Period
“Acquisition”	the acquisition of the Acquired Shares by the Purchaser
“Board”	the board of Directors
“Company”	ITC Corporation Limited (Stock Code: 372), a company incorporated in Bermuda with limited liability and whose issued shares are listed on the Main Board of the Stock Exchange
“Connected Person(s)”	has the meaning as defined in the Listing Rules
“Directors”	the directors of the Company
“Group”	the Company and its subsidiaries
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“PRC”	The People’s Republic of China, and for the purpose of this announcement, excluding Hong Kong, Macau and Taiwan
“Purchaser”	Hollyfield Group Limited, an indirect wholly-owned subsidiary of the Company, which is an investment holding company
“PYI”	PYI Corporation Limited (Stock Code: 498), a company incorporated in Bermuda with limited liability and whose issued shares are listed on the Main Board of the Stock Exchange
“PYI Group”	PYI and its subsidiaries
“PYI Share(s)”	ordinary share(s) of HK\$0.1 each in the share capital of PYI

“Relevant Period”	The period from 24 August 2015 to 17 September 2015 (both dates inclusive)
“Shareholders”	shareholders of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“%”	per cent.

By Order of the Board
ITC CORPORATION LIMITED
Kam Suet Fan
Company Secretary

Hong Kong, 17 September 2015

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, *GBS, JP*