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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)

(Financial figures in this announcement are expressed in Hong Kong dollars (“\$”) unless otherwise specified)

ANNOUNCEMENT OF RESULTS FOR THE SIX MONTHS ENDED 30TH SEPTEMBER, 2015

FINANCIAL HIGHLIGHTS			
	30.9.2015	30.9.2014	Change
Profit attributable to shareholders	\$210 million	\$193 million	+9%
Basic EPS	13.91 cents	15.20 cents	-8%
Dividend per share			
– Interim	2 cents	1 cent	+100%
– Special	–	3 cents	-100%
	<hr/>	<hr/>	
– Total	2 cents	4 cents	-50%
	<hr/> <hr/>	<hr/> <hr/>	
	30.9.2015	31.3.2015	Change
NAV	\$3,295 million	\$3,108 million	+6%
NAV per share	\$2.12	\$2.17	-2%

* For identification purpose only

The board of directors (the “Board”) of ITC Corporation Limited (the “Company”) is pleased to announce the unaudited consolidated results of the Company and its subsidiaries (the “Group”) for the six months ended 30th September, 2015.

Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income
For the six months ended 30th September, 2015

		(Unaudited)	
		Six months ended	
	<i>Notes</i>	30.9.2015 \$'000	30.9.2014 \$'000
Revenue	3	9,772	2,551
Management and other related service income		1,814	1,826
Interest income		7,113	29
Property rental income		474	539
Other income		484	723
Net loss on investments held for trading		(1,178)	–
Administrative expenses		(21,057)	(19,573)
Finance costs		(1)	(301)
Loss on deemed disposals of partial interest in an associate		(126)	–
Share of results of associates			
– share of results		159,451	201,527
– gain on acquisitions of additional interest in an associate		62,724	8,258
Profit for the period	5	209,698	193,028
Other comprehensive (expenses) income:			
Items that may be reclassified subsequently to profit or loss:			
Exchange differences arising on translation of foreign operations		(1,324)	(213)
Share of other comprehensive (expenses) income of associates		(26,755)	1,595
Reclassification adjustment on reserves released on net decrease in interest in an associate		1	–
Item that will not be reclassified subsequently to profit or loss:			
Share of other comprehensive expenses of associates		(34,851)	(106,842)
Other comprehensive expenses for the period		(62,929)	(105,460)
Total comprehensive income for the period		146,769	87,568
		<i>HK cents</i>	<i>HK cents</i>
Earnings per share	7		
Basic		13.91	15.20
Diluted		N/A	N/A

Condensed Consolidated Statement of Financial Position
At 30th September, 2015

		(Unaudited) 30.9.2015 \$'000	(Audited) 31.3.2015 \$'000
	<i>Notes</i>		
Non-current assets			
Property, plant and equipment		6,822	5,860
Investment property		17,701	18,759
Intangible assets		1,145	1,189
Interests in associates		2,763,449	2,642,274
		<u>2,789,117</u>	<u>2,668,082</u>
Current assets			
Debtors, deposits and prepayments	8	25,853	16,112
Amounts due from associates		60,364	2,712
Loans receivable		80,000	–
Promissory note receivable		100,000	300,000
Investments held for trading		34,378	–
Short-term bank deposits, bank balances and cash		276,799	138,691
		<u>577,394</u>	<u>457,515</u>
Current liabilities			
Creditors and accrued expenses	9	7,808	6,821
Dividends payable		62,151	–
Bank overdrafts		–	9,997
		<u>69,959</u>	<u>16,818</u>
Net current assets		<u>507,435</u>	<u>440,697</u>
Total assets less current liabilities		<u>3,296,552</u>	<u>3,108,779</u>
Non-current liability			
Deferred tax liabilities		1,244	1,244
Net assets		<u>3,295,308</u>	<u>3,107,535</u>
Capital and reserves			
Share capital		15,538	14,338
Share premium and reserves		3,279,770	3,093,197
Total equity		<u>3,295,308</u>	<u>3,107,535</u>

Condensed Consolidated Statement of Cash Flows
For the six months ended 30th September, 2015

	(Unaudited)	
	Six months ended	
	30.9.2015	30.9.2014
	<i>\$'000</i>	<i>\$'000</i>
Net cash used in operating activities	(134,175)	(24,241)
Net cash from investing activities	179,524	91,029
Net cash from (used in) financing activities	102,856	(19,897)
	<hr/>	<hr/>
Net increase in cash and cash equivalents	148,205	46,891
Cash and cash equivalents at beginning of the period	128,694	(30,927)
Effect of foreign exchange rate changes	(100)	(18)
	<hr/>	<hr/>
Cash and cash equivalents at end of the period	<u>276,799</u>	<u>15,946</u>
	<hr/>	<hr/>
Analysis of the balances of cash and cash equivalents		
Short-term bank deposits, bank balances and cash	276,799	78,368
Bank overdrafts	–	(62,422)
	<hr/>	<hr/>
	<u>276,799</u>	<u>15,946</u>

Notes:

1. BASIS OF PREPARATION

The condensed consolidated financial statements of the Group have been prepared in accordance with the applicable disclosure requirements of Appendix 16 to the Rules Governing the Listing of Securities (the “Listing Rules”) on The Stock Exchange of Hong Kong Limited (the “Hong Kong Stock Exchange”) and with Hong Kong Accounting Standard 34 “Interim Financial Reporting” issued by the Hong Kong Institute of Certified Public Accountants (the “HKICPA”).

2. PRINCIPAL ACCOUNTING POLICIES

The condensed consolidated financial statements have been prepared on the historical costs basis, except for certain properties and financial instruments, which are measured at revalued amounts or fair values as appropriate.

Except as described below, the accounting policies and methods of computation used in the condensed consolidated financial statements for the six months ended 30th September, 2015 are the same as those followed in the preparation of the Group’s annual financial statements for the year ended 31st March, 2015.

In the current interim period, the Group has applied, for the first time, the following new amendments to Hong Kong Financial Reporting Standards (“HKFRSs”) issued by the HKICPA that are relevant for the preparation of the Group’s condensed consolidated financial statements:

Amendments to HKAS 19	Defined Benefit Plans: Employee Contributions
Amendments to HKFRSs	Annual Improvements to HKFRSs 2010 – 2012 Cycle
Amendments to HKFRSs	Annual Improvements to HKFRSs 2011 – 2013 Cycle

The application of the new amendments to HKFRSs in the current interim period has had no material effect on the amounts reported and/or disclosures set out in the condensed consolidated financial statements.

3. REVENUE AND SEGMENT INFORMATION

Revenue represents the amounts received and receivable from outside customers for the period.

Segment information

The Group’s operating segments, based on information reported to the chief operating decision maker, being the Executive Directors of the Company, for the purposes of resources allocation and performance assessment are as follows:

Finance	–	loan financing services
Long-term investment	–	investment in investments such as convertible notes issued by the associates
Other investment	–	investment in other financial assets and trading of securities
Others	–	leasing of investment property, leasing of motor vehicles and management services

Information regarding the above operating segments, which are also reportable segments of the Group, is reported below.

The following is an analysis of the Group's revenue and results by operating and reportable segment for the period under review:

Six months ended 30th September, 2015

	Finance \$'000	Long-term investment \$'000	Other investment \$'000	Others \$'000	Segment total \$'000	Eliminations \$'000	Consolidated \$'000
SEGMENT REVENUE							
External sales	6,981	-	210	2,581	9,772	-	9,772
Inter-segment sales	1,955	-	-	-	1,955	(1,955)	-
	<u>8,936</u>	<u>-</u>	<u>210</u>	<u>2,581</u>	<u>11,727</u>	<u>(1,955)</u>	<u>9,772</u>
Total	<u>8,936</u>	<u>-</u>	<u>210</u>	<u>2,581</u>	<u>11,727</u>	<u>(1,955)</u>	<u>9,772</u>
RESULT							
Segment result	<u>8,849</u>	<u>(6)</u>	<u>(1,178)</u>	<u>527</u>	<u>8,192</u>	<u>-</u>	<u>8,192</u>
Central administration costs							(20,542)
Finance costs							(1)
Loss on deemed disposals of partial interest in an associate							(126)
Share of results of associates							159,451
– share of results							
– gain on acquisitions of additional interest in an associate							62,724
Profit for the period							<u>209,698</u>

Six months ended 30th September, 2014

	Finance \$'000	Long-term investment \$'000	Others \$'000	Segment total \$'000	Eliminations \$'000	Consolidated \$'000
SEGMENT REVENUE						
External sales	–	–	2,551	2,551	–	2,551
Inter-segment sales	1,834	–	–	1,834	(1,834)	–
	<u>1,834</u>	<u>–</u>	<u>2,551</u>	<u>4,385</u>	<u>(1,834)</u>	<u>2,551</u>
Total	<u>1,834</u>	<u>–</u>	<u>2,551</u>	<u>4,385</u>	<u>(1,834)</u>	<u>2,551</u>
RESULT						
Segment result	<u>1,767</u>	<u>(47)</u>	<u>61</u>	<u>1,781</u>	<u>–</u>	<u>1,781</u>
Central administration costs						(18,237)
Finance costs						(301)
Share of results of associates						
– share of results						201,527
– gain on acquisitions of additional interest in an associate						8,258
Profit for the period						<u>193,028</u>

Inter-segment sales are charged at prevailing market rate or at terms determined and agreed by both parties.

Segment result represents the result of each segment without allocation of central administration costs, including directors' salaries, finance costs and items related to interests in associates. There was no activity in other investment segment during the six months ended 30th September, 2014.

4. TAXATION

No provision for Hong Kong Profits Tax has been made as the entities within the Group had no assessable profits for both periods.

5. PROFIT FOR THE PERIOD

	Six months ended	
	30.9.2015	30.9.2014
	\$'000	\$'000
Profit for the period has been arrived at after charging:		
Depreciation of property, plant and equipment	584	549
Amortisation of intangible assets	44	88
Loss on disposals of intangible assets	–	306
Minimum lease payments under operating leases in respect of rented premises	1,597	1,629
and after crediting:		
Gain on disposals of property, plant and equipment	<u>323</u>	<u>268</u>

6. DISTRIBUTIONS

During the current period, a final dividend of HK4.0 cents per share (six months ended 30th September, 2014: a final dividend of HK3.0 cents per share and a special dividend of HK3.0 cents per share), with an option to elect scrip dividend of shares, in respect of the year ended 31st March, 2015 was declared and approved for distribution to shareholders of the Company. The aggregate amount of the final dividend declared and approved in the current interim period amounted to \$62,151,000, representing cash dividend of \$13,180,000 and scrip dividend of \$48,971,000 (six months ended 30th September, 2014: amounted to \$76,214,000, representing cash dividend of \$21,319,000 and scrip dividend of \$54,895,000). The dividend was paid subsequent to the end of the interim period.

Subsequent to the end of the interim period, the directors have determined that an interim dividend of HK2.0 cents per share, being \$32,541,000 in total with reference to the issued shares as at the date of this announcement which will be payable in cash, with an option to elect scrip dividend of shares, in respect of part or all of such dividend (six months ended 30th September, 2014: interim dividend of HK1.0 cent per share and a special dividend of HK3.0 cents per share, amounted to \$54,683,000, representing cash dividend of \$13,081,000 and scrip dividend of \$41,602,000), to the shareholders of the Company whose names appear on the register of members of the Company at the close of business on 15th December, 2015.

7. EARNINGS PER SHARE

The calculation of the basic earnings per share attributable to the owners of the Company is based on the following data:

	Six months ended	
	30.9.2015	30.9.2014
	<i>\$'000</i>	<i>\$'000</i>
Earnings for the period attributable to the owners of the Company for the purpose of basic earnings per share	<u>209,698</u>	<u>193,028</u>
	<i>Number of shares</i>	<i>Number of shares</i>
Weighted average number of shares for the purpose of basic earnings per share	<u>1,507,869,435</u>	<u>1,270,229,989</u>

No diluted earnings per share has been presented for the periods ended 30th September, 2015 and 2014 as the Company did not have any dilutive potential ordinary shares outstanding during both periods.

8. DEBTORS, DEPOSITS AND PREPAYMENTS

Included in debtors, deposits and prepayments are trade debtors of \$4,741,000 (31.3.2015: \$4,525,000) and their aged analysis based on the invoice date at the end of the reporting period is as follows:

	(Unaudited)	(Audited)
	30.9.2015	31.3.2015
	<i>\$'000</i>	<i>\$'000</i>
Trade debtors		
0 – 30 days	4,741	4,524
31 – 60 days	–	1
	<u>4,741</u>	<u>4,525</u>

Trade debtors arising from leasing of investment property business are payable monthly in advance and the credit terms granted by the Group to other trade debtors normally ranged from 30 days to 90 days. For interest receivables, there are no credit terms granted by the Group.

9. CREDITORS AND ACCRUED EXPENSES

Included in creditors and accrued expenses are trade creditors of \$1,426,000 (31.3.2015: \$416,000) and their aged analysis based on the invoice date at the end of the reporting period is as follows:

	(Unaudited) 30.9.2015 \$'000	(Audited) 31.3.2015 \$'000
Trade creditors		
0 – 30 days	1,416	403
31 – 60 days	10	13
	<u>1,426</u>	<u>416</u>

INTERIM DIVIDEND

The Board has resolved to pay an interim dividend of HK2.0 cents per share (six months ended 30th September, 2014: HK1.0 cent per share and a special dividend of HK3.0 cents per share) for the six months ended 30th September, 2015 to the shareholders of the Company whose names appear on the register of members of the Company as at the close of business on Tuesday, 15th December, 2015 and such dividend is expected to be paid to shareholders of the Company by post on or about Wednesday, 27th January, 2016. The Board has also proposed that the interim dividend should be satisfied in cash, with an option to elect scrip dividend of shares, in respect of part or all of such dividend. The market value of the shares to be issued under the scrip dividend proposal will be fixed by reference to the average of the closing prices of the shares of the Company for the three consecutive trading days ending Tuesday, 15th December, 2015 less a discount of five percent of such average price or the par value of shares, whichever is the higher. The proposed scrip dividend is conditional upon the Hong Kong Stock Exchange granting the listing of, and permission to deal in, the new shares to be issued. A circular giving full details of the scrip dividend proposal and a form of election will be sent to shareholders of the Company.

CLOSURE OF REGISTER OF MEMBERS

The register of members of the Company will be closed from Monday, 14th December, 2015 to Tuesday, 15th December, 2015, both dates inclusive, during which period no transfer of shares will be registered. In order to qualify for the interim 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 Friday, 11th December, 2015.

MANAGEMENT DISCUSSION AND ANALYSIS

BUSINESS REVIEW

Review of Financial Performance

The Group reported a profit of \$210 million attributable to shareholders (2014: \$193 million) and basic earnings per share of HK13.91 cents (2014: HK15.20 cents) for the six months ended 30th September, 2015. The increase in profit as compared with last corresponding period in 2014 was mainly attributable to the increase in contribution from ITC Properties Group Limited (“ITC Properties”) and gain on acquisitions of additional interest in PYI Corporation Limited (“PYI”).

Analysis of the Group’s performance is as follows:

	Six months ended	
	30.9.2015	30.9.2014
	\$’M	\$’M
Share of results of associates:		
ITC Properties	228	196
PYI	(63)	19
Burcon	(6)	(13)
	<hr/>	<hr/>
	159	202
Gain on acquisitions of additional interest in an associate	63	8
Net loss on other investments and operations	(12)	(17)
	<hr/>	<hr/>
Profit attributable to shareholders	<u>210</u>	<u>193</u>

Listed Strategic Investments

ITC Properties Group Limited (“ITC Properties”)

ITC Properties is principally engaged in property development and investment in Macau, Mainland China and Hong Kong. ITC Properties is also engaged in the development and investments of hotel and leisure operations, securities investments and the provision of loan financing services.

In order to benefit from the continual return from ITC Properties, the Group elected scrip shares for the final dividend of ITC Properties for the year ended 31st March, 2015. Therefore, the Group’s interest in ITC Properties increased from 32.6% as at 31st March, 2015 to 32.8% as at the date of this announcement.

ITC Properties recorded a profit of \$700 million attributable to its shareholders for the six months ended 30th September, 2015. The increase in profit as compared with \$629 million for the corresponding period in 2014 was mainly attributable to an increase in share of profits from an associate, Empresa De Fomento Industrial E Comercial Concórdia, S.A. in which ITC Properties has 35.5% effective interest. As a result, the Group shared a profit of \$228 million from ITC Properties for the interim period.

PYI Corporation Limited (“PYI”)

Based in Hong Kong, PYI focuses on ports and infrastructure development and investment, and the operation of ports and logistics facilities, in the Yangtze River region of Mainland China. It also engages in land and property development and investment in association with ports and infrastructure development. In addition, PYI provides comprehensive engineering and property-related services through Paul Y. Engineering Group Limited.

During the period, the Group acquired on-market approximately 78 million shares of PYI at an aggregate cash consideration of approximately \$13.6 million. As a result of the acquisition, the Group’s interest in PYI increased from 26.8% as at 31st March, 2015 to 28.5% as at 30th September, 2015. Accordingly, the Group recorded a gain of approximately \$63 million for the increase in interest in PYI.

PYI recorded a loss attributable to shareholders of \$231 million for the six months ended 30th September, 2015, as compared with a profit of \$71 million for the corresponding period in 2014. The loss was mainly attributable to (a) a provision made for certain stock of properties under development situated at Xiao Yangkou of Rudong County, Nantong City, Jiangsu Province, the PRC; (b) the recognition of loss on fair value changes of certain investment properties situated mainly at Xiao Yangkou; and (c) an unrealised exchange loss arising from Renminbi denominated monetary assets. As a result, the Group shared a loss of \$63 million from PYI for the interim period.

Burcon NutraScience Corporation (“Burcon”)

Burcon is a leader in developing functionally and nutritionally valuable plant-based proteins. Its shares are listed on the Toronto Stock Exchange, the NASDAQ Global Market and the Frankfurt Stock Exchange. Since 1999, Burcon has developed a portfolio of composition, application, and process patents originating from its core protein extraction and purification technology. Burcon has developed CLARISOY™, a soy protein which offers clarity and complete nutrition for low pH systems; Peazazz®, a pea protein which is uniquely soluble with clean flavor characteristics; and Puratein®, Supertein® and Nutratein®, three canola protein isolates with unique functional and nutritional attributes.

Burcon’s flagship protein technology, CLARISOY™ has been licensed to Archer-Daniels-Midland Company (“ADM”), a leader in the global food ingredient industry listed in the U.S., since March 2011. In July 2015, ADM demonstrated three products containing variations of CLARISOY™ at the 2015 Institute of Food Technologist Annual Meeting & Food Expo.

In April 2015, Burcon completed its rights offering for approximately 1.55 million common shares at C\$2.26 per share for aggregate gross proceeds of C\$3.5 million. The Group has applied additional subscription and totally subscribed for approximately 0.4 million common shares under the rights offering and so the Group's interest in Burcon increased from 20.4% to 20.6% after the rights offering. As compensation to the Group's commitment to subscribe, the Group received non-transferable warrants entitling the Group to acquire up to approximately 0.2 million common shares of Burcon at an exercise price of C\$2.26 per share.

For the period ended 30th September, 2015, Burcon recorded a loss of \$20 million as compared with \$23 million for the corresponding period in 2014. As a result, the Group shared a loss of \$6 million.

Note: CLARISOY™, a trademark of ADM, is under license to Burcon from ADM.

The Group's shareholding interests in the major listed strategic investments are summarised below:

Name of investee company	Place of listing	Stock code	As at 30.9.2015	As at the date of this announcement
ITC Properties	Hong Kong Stock Exchange	199	32.6%	32.8%
PYI	Hong Kong Stock Exchange	498	28.5%	28.5%
Burcon	Toronto Stock Exchange NASDAQ Global Market Frankfurt Stock Exchange	BU BUR BNE	20.6%	20.6%

MANDATORY UNCONDITIONAL CASH OFFER

In April 2015, Dr. Chan Kwok Keung, Charles ("Dr. Chan"), an executive director and the chairman of the Board, acquired a total of approximately 230 million shares of the Company for an aggregate consideration of approximately \$168 million. As such, Dr. Chan's shareholding in the Company increased from 38.2% to 54.2%. As a result of the aforesaid share acquisition, Galaxyway Investments Limited ("Galaxyway"), a company indirectly wholly-owned by Dr. Chan, made a mandatory unconditional cash offer for all the shares in the issued share capital of the Company (other than those already owned or agreed to be acquired by Galaxyway and its concert parties) (the "Offer") at \$0.73 per share. The Offer was closed in early June 2015 and had received valid acceptance of approximately 0.3 million shares under the Offer. As such, Dr. Chan, directly and indirectly owned approximately 778 million shares of the Company, and his shareholding was 54.2% upon the close of the Offer.

LIQUIDITY AND FINANCIAL RESOURCES

In June 2015, the Company completed a placement, through a placing agent, of 120 million new shares of the Company at a price of \$0.88 per share to certain independent third parties and net proceeds of approximately \$102.8 million were raised for the Group's general working capital and, where appropriate, future suitable investment opportunities (if any).

As at 30th September, 2015, the Group's total assets and equity attributable to shareholders were \$3,367 million and \$3,295 million respectively, representing a respective increase of 8% and 6% as compared with the last audited date.

The Group continued to adopt a prudent funding and treasury policy to manage its liquidity needs. The objective is to maintain adequate funds for financing working capital and seizing investment opportunities, as and when they become available.

As at 30th September, 2015, current assets and current liabilities of the Group were \$577 million and \$70 million respectively. The Group's current ratio was 8 as at the interim period end date (31st March, 2015: 27).

GEARING

As at 30th September, 2015, the Group had bank deposits, bank balances and cash of \$277 million.

The Group's gearing ratio was zero as at 30th September, 2015. The gearing ratio was calculated on the basis of net borrowings over the equity attributable to shareholders. Net borrowings is arrived at by deducting bank deposits, bank balances and cash from the aggregate of borrowings and margin account payable.

EXCHANGE RATE EXPOSURE

Most of the assets and liabilities of the Group are denominated in Hong Kong dollars, hence the Group's exposure to fluctuations in foreign exchange rates is minimal and no foreign exchange hedging instruments are used.

PLEDGE OF ASSETS

At 30th September, 2015, properties with an aggregate carrying value of \$20 million were pledged to a bank to secure a general facility granted to the Group.

CONTINGENT LIABILITIES

As at 30th September, 2015, the Group had no contingent liabilities.

EMPLOYEE AND REMUNERATION POLICY

As at 30th September, 2015, the Group had a total of 62 employees. The Group's remuneration policy is to ensure that the Group's remuneration structure is appropriate and aligns with the Group's goals and objectives. The employees' remuneration is based on the employees' skill, knowledge and involvement in the Company's affairs and is determined by reference to the Company'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 Group is able to attract, retain and motivate a high-calibre team which is essential to the success of the Company. The Group also offers benefits to employees including discretionary bonus, training, provident funds and medical coverage. The share option scheme of the Company is established for the eligible participants (including employees) but no share options were granted during the period and there is no outstanding share option as at 30th September, 2015 and as at the date of this announcement.

EVENT AFTER THE INTERIM PERIOD

In October 2015, the Company entered into a memorandum of understanding with an independent third party in order to facilitate a continued exclusive negotiation in respect of a possible acquisition of 25% to 33% indirect interest in a reputable hotel located in Vancouver, British Columbia, Canada within a period. A refundable earnest money of C\$40.5 million (approximately \$238 million) has been paid and upon signing of formal agreements in relation to the possible acquisition, the earnest money will be applied as the Company's contribution to the purchase price. Completion of the formal agreements is subject to the Company's shareholders' approval, if necessary.

OUTLOOK

2015 symbolizes a year of adjustments with mixed performance in the global market. The global economy, including the United States, China and Hong Kong, is currently experiencing a slowdown of growth; while the recovery of the Eurozone remains to be seen. Moreover, unfavorable factors such as increasing operating costs with decreasing purchasing power of the market may bring about uncertainties to our economy.

In the short run, the spotlight would be on the interest rate hikes in the United States. While the Federal government kept interest rates on hold at its meeting in September, a rise in interest rates is generally expected by end of this year. Although the effect on the potential interest rate rise may have already been digested by the market, the actual outcome is yet to be seen. Emphasis may also be put on the recent introduction of measures by the Central government in stimulating economic growth. It is anticipated that the Chinese economy will continue to grow at a slow pace.

Our Group is prudently optimistic on the business outlook. Looking forward, we will continue to adopt our long-term strategy of exploring investment opportunities in a cautious yet proactive manner in order to diversify our investment portfolio and to bring maximum value to our shareholders.

PURCHASE, SALE OR REDEMPTION OF THE COMPANY'S LISTED SECURITIES

During the six months ended 30th September, 2015, there was no purchase, sale or redemption by the Company, or any of its subsidiaries, of the Company's listed securities.

SECURITIES IN ISSUE

As a result of 120 million new shares of the Company issued in June 2015, the total number of issued shares of the Company of \$0.01 each was 1,553,771,074 as at 30th September, 2015.

With approximately 79% of the shareholders of the Company elected to receive scrip shares for the final dividend for the year ended 31st March, 2015, there were 73,298,347 scrip shares issued subsequent to the interim period. Such response reflects the shareholders' recognition of the Group's strategic direction and their confidence in the future prospect of the Group. The number of issued shares of the Company of \$0.01 each is 1,627,069,421 as at the date of this announcement.

CORPORATE GOVERNANCE CODE

The Company has, throughout the six months ended 30th September, 2015, complied with the code provisions of the Corporate Governance Code contained in Appendix 14 to the Listing Rules.

MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers ("Model Code") set out in Appendix 10 to the Listing Rules as its own code of conduct regarding securities transactions by the directors of the Company. All directors of the Company have confirmed, following specific enquiry by the Company, that they complied with the required standard set out in the Model Code for the six months ended 30th September, 2015.

REVIEW OF INTERIM RESULTS

The interim results for the six months ended 30th September, 2015 are not audited, but have been reviewed by the auditor, Deloitte Touche Tohmatsu, in accordance with Hong Kong Standard on Review Engagements 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the HKICPA, and the Audit Committee of the Company.

PUBLICATION OF INTERIM RESULTS AND INTERIM REPORT

This results announcement is available for viewing on the website of Hong Kong Exchanges and Clearing Limited at www.hkexnews.hk under “Listed Company Information” and on the website of the Company at www.itc.com.hk under “Investors”. The interim report will be despatched to the shareholders of the Company and will also be available for viewing at the aforesaid websites in due course.

By Order of the Board
Dr. Chan Kwok Keung, Charles
Chairman

Hong Kong, 23rd November, 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*