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ACE PRIDE HOLDINGS LIMITED

(Incorporated in the British Virgin Islands with limited liability)

ITC CORPORATION LIMITED

德祥企業集團有限公司*

(Incorporated in Bermuda with limited liability)

(Stock Code: 372)

JOINT ANNOUNCEMENT

**(1) SALE AND PURCHASE OF SHARES OF
ITC CORPORATION LIMITED;**

(2) MANDATORY UNCONDITIONAL CASH OFFER JOINTLY BY



結好證券有限公司
GET NICE SECURITIES LIMITED



八方金融有限公司
OCTAL Capital Limited

**FOR AND ON BEHALF OF ACE PRIDE HOLDINGS LIMITED
TO ACQUIRE ALL THE ISSUED SHARES OF
ITC CORPORATION LIMITED
(OTHER THAN THOSE ALREADY OWNED
OR AGREED TO BE ACQUIRED BY ACE PRIDE HOLDINGS LIMITED);**

(3) APPOINTMENT OF INDEPENDENT FINANCIAL ADVISER;

AND

(4) RESUMPTION OF TRADING

**Financial Adviser to
Ace Pride Holdings Limited**



八方金融有限公司
OCTAL Capital Limited

Independent Financial Adviser to the Independent Board Committee



SOMERLEY CAPITAL LIMITED

* For identification purpose only

SALE AND PURCHASE AGREEMENT

The Company was informed by the Vendor that on 23 January 2017 (after trading hours), the Vendor and the Offeror entered into the Sale and Purchase Agreement pursuant to which the Vendor agreed to sell and procure the sale of, and the Offeror agreed to purchase, 1,147,366,967 Shares, representing approximately 67.96% of the total number of issued Shares as at the date of this joint announcement, for an aggregate consideration of HK\$596,630,822.84. Completion has taken place on 24 January 2017. Immediately after Completion, the Vendor and Galaxyway ceased to be Shareholders.

MANDATORY UNCONDITIONAL CASH OFFER

Before Completion, the Offeror and parties acting in concert with it did not hold any Shares, options, derivatives, warrants, convertible securities or voting rights of the Company. Immediately after Completion, the Offeror and parties acting in concert with it are interested in a total of 1,147,366,967 Shares, representing approximately 67.96% of the total number of issued Shares. Pursuant to Rule 26.1 of the Takeovers Code, the Offeror is required to make the Offer for all the issued Shares (other than those already owned or agreed to be acquired by the Offeror).

GN Securities and Octal Capital will jointly make the Offer for and on behalf of the Offeror in compliance with the Takeovers Code on the following basis:

The Offer

For each Offer Share HK\$0.52 in cash

The Offer Price of HK\$0.52 per Offer Share is the same as the price per Sale Share paid by the Offeror under the Sale and Purchase Agreement.

The principal terms of the Offer are set out in the section headed “Mandatory unconditional cash offer” below in this joint announcement.

FINANCIAL RESOURCES AVAILABLE TO THE OFFEROR

The Offeror intends to finance the consideration payable (i.e. HK\$281,276,247.20) by the Offeror under the Offer by internal resources and a credit facility provided by GN Securities. For the purpose of making the Offer, GN Securities has granted the Offeror a credit facility in the amount of HK\$260,000,000, which is to be used to finance part of the cash required for the Offer.

Octal Capital, as the financial adviser to the Offeror in respect of the Offer, is satisfied that sufficient financial resources are available to the Offeror to satisfy full acceptances of the Offer.

GENERAL

It is the intention of the Offeror and the Company to combine the offer document with the offeree board circular of the Company in the Composite Document. Pursuant to Rule 8.2 of the Takeovers Code, the Composite Document containing, among other things, (i) details of the Offer (including the expected timetable); (ii) a letter of advice from the Independent Board Committee to the Independent Shareholders in relation to the Offer; and (iii) a letter of advice from the Independent Financial Adviser to the Independent Board Committee in relation to the Offer, together with the form of acceptance and transfer of the Shares in respect of the Offer, is required to be despatched to the Shareholders within 21 days of the date of this joint announcement or such later date as the Executive may approve.

The Independent Board Committee comprising all independent non-executive Directors, namely, Mr. Chuck, Winston Calptor, Mr. Lee Kit Wah and Hon. Shek Lai Him, Abraham, GBS, JP, has been established to advise the Independent Shareholders as to whether the terms and conditions of the Offer are fair and reasonable and as to the acceptance of the Offer.

Somerley Capital Limited has been appointed as the independent financial adviser to advise the Independent Board Committee in respect of the Offer.

RESUMPTION OF TRADING

At the request of the Company, trading in the Shares on the Stock Exchange has been halted with effect from 9:00 a.m. on 24 January 2017 pending the release of this joint 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 27 January 2017.

WARNING

THIS JOINT ANNOUNCEMENT IS MADE IN COMPLIANCE WITH THE TAKEOVERS CODE FOR THE PURPOSE OF, AMONG OTHER THINGS, INFORMING THE SHAREHOLDERS AND POTENTIAL INVESTORS OF THE COMPANY OF THE OFFER TO BE MADE. THE DIRECTORS MAKE NO RECOMMENDATION AS TO THE FAIRNESS OR REASONABLENESS OF THE OFFER OR AS TO THE ACCEPTANCE OF THE OFFER IN THIS JOINT ANNOUNCEMENT. SHAREHOLDERS AND POTENTIAL INVESTORS ARE ADVISED TO EXERCISE EXTREME CAUTION WHEN DEALING IN THE SECURITIES OF THE COMPANY, AND IF THEY ARE IN ANY DOUBT ABOUT THEIR POSITION, THEY SHOULD CONSULT THEIR PROFESSIONAL ADVISERS.

SALE AND PURCHASE AGREEMENT

The Company was informed by the Vendor, the controlling shareholder of the Company immediately prior to Completion, that on 23 January 2017 (after trading hours), the Vendor and the Offeror entered into the Sale and Purchase Agreement pursuant to which the Vendor agreed to sell and procure the sale of, and the Offeror agreed to purchase, 1,147,366,967 Shares, representing approximately 67.96% of the total number of issued Shares as at the date of this joint announcement, for an aggregate consideration of HK\$596,630,822.84.

Principal terms of the Sale and Purchase Agreement are set out as follows:

Date: 23 January 2017

Parties: the Vendor as vendor
the Offeror as purchaser

To the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, the Offeror and its ultimate beneficial owners are third parties independent of and not connected with the Company and its connected persons.

Sale Shares

Pursuant to the Sale and Purchase Agreement, the Offeror has agreed to purchase and the Vendor has agreed to sell and procure the sale of the Sale Shares, being 1,147,366,967 Shares and representing approximately 67.96% of the total number of issued Shares as at the date of this joint announcement, for a total consideration of HK\$596,630,822.84, free from all encumbrances and with all rights attached thereto as at the Completion Date (including all rights to any dividends (excluding the Special Dividend) or other distribution which may be paid, made or declared on or after the Completion Date).

Consideration for the Sale Shares

The consideration for the Sale Shares is HK\$596,630,822.84, equivalent to HK\$0.52 per Sale Share, which has been paid in cash by the Offeror to the Vendor at Completion.

Completion

Completion has taken place on 24 January 2017 in accordance with the terms of the Sale and Purchase Agreement.

MANDATORY UNCONDITIONAL CASH OFFER

As at the date of this joint announcement, save for the Sale Shares, the Offeror and parties acting in concert with it do not hold any other Shares, options, derivatives, warrants, convertible securities or voting rights of the Company.

Immediately after Completion, the Offeror and parties acting in concert with it are interested in a total of 1,147,366,967 Shares, representing approximately 67.96% of the total number of issued Shares. Pursuant to Rule 26.1 of the Takeovers Code, the Offeror is required to make the Offer for all the issued Shares (other than those already owned or agreed to be acquired by the Offeror).

Principal terms of the Offer

GN Securities and Octal Capital will jointly make the Offer for and on behalf of the Offeror in compliance with the Takeovers Code on the following basis:

For each Offer Share HK\$0.52 in cash

The Offer is unconditional in all respects.

The Offer Price of HK\$0.52 per Offer Share is the same as the price per Sale Share paid by the Offeror under the Sale and Purchase Agreement. The Offer Price is determined with reference to the recent prices of the Shares traded on the Stock Exchange, the financial conditions of the Group and the current market conditions.

The Offer will be extended to all Independent Shareholders in accordance with the Takeovers Code. The Offer Shares to be acquired under the Offer shall be fully paid and free from all liens, charges, encumbrances, right of pre-emption and any other third party rights of any nature and together with all rights attaching to them, including the rights to receive in full all dividends and distributions, if any, declared, made or paid on or after the date on which the Offer is made, being the date of despatch of the Composite Document.

Comparison of value

The Offer Price of HK\$0.52 per Share represents:

- (i) a discount of approximately 7.14% to the closing price of HK\$0.5600 per Share as quoted on the Stock Exchange on the Last Trading Day;
- (ii) a discount of approximately 0.12% to the average of the closing prices of the Shares as quoted on the Stock Exchange for the last 5 consecutive trading days up to and including the Last Trading Day of approximately HK\$0.5206 per Share (after adjustment due to commencement of dealing in the Shares on an ex-entitlement basis for the Special Dividend);

- (iii) a premium of approximately 9.80% to the average of the closing prices of the Shares as quoted on the Stock Exchange for the last 10 consecutive trading days up to and including the Last Trading Day of approximately HK\$0.4736 per Share (after adjustment due to commencement of dealing in the Shares on an ex-entitlement basis for the Special Dividend);
- (iv) a premium of approximately 22.12% to the average of the closing prices of the Shares as quoted on the Stock Exchange for the last 30 consecutive trading days up to and including the Last Trading Day of approximately HK\$0.4258 per Share (after adjustment due to commencement of dealing in the Shares on an ex-entitlement basis for the Special Dividend);
- (v) a premium of approximately 73.68% to the average of the closing prices of the Shares as quoted on the Stock Exchange for the last 180 consecutive trading days up to and including the Last Trading Day of approximately HK\$0.2994 per Share (after adjustment due to commencement of dealing in the Shares on an ex-entitlement basis for the Special Dividend);
- (vi) a discount of approximately 75.16% to the net asset value per Share of approximately HK\$2.0932, calculated based on the audited consolidated net asset value attributable to the Shareholders as at 31 March 2016, divided by the number of issued Shares as at the date of this joint announcement; and
- (vii) a discount of approximately 45.71% to the net asset value per Share of approximately HK\$0.9579, calculated based on the unaudited pro forma consolidated net asset value attributable to the Shareholders as at 30 September 2016 as per the Company's circular to its Shareholders dated 23 December 2016, divided by the number of issued Shares as at the date of this joint announcement.

Highest and lowest Share prices

The highest and lowest closing prices of the Shares as quoted on the Stock Exchange during the six-month period immediately preceding the Last Trading Day were HK\$0.5800 per Share (on 19 January 2017) and HK\$0.2470 per Share (on 13 September 2016 after adjustment due to commencement of dealing in the Shares on an ex-entitlement basis for the Special Dividend), respectively.

Value of the Offer

As at the date of this joint announcement, there are 1,688,282,827 Shares in issue. The Company does not have any outstanding options, derivatives, warrants or securities which are convertible or exchangeable into Shares and has not entered into any agreement for the issue of such options, derivatives, warrants or securities which are convertible or exchangeable into Shares, as at the date of this joint announcement.

As at the date of this joint announcement, excluding the 1,147,366,967 Shares held by the Offeror and parties acting in concert, 540,915,860 Offer Shares will be subject to the Offer, which is valued at approximately HK\$281,276,247.20 on the basis of the Offer Price of HK\$0.52 per Offer Share and assuming that there is no change in the issued share capital of the Company prior to the close of the Offer.

Financial resources available to the Offeror

The Offeror intends to finance the consideration payable (i.e. HK\$281,276,247.20) by the Offeror under the Offer by internal resources and a credit facility provided by GN Securities. For the purpose of making the Offer, GN Securities has granted the Offeror a credit facility in the amount of HK\$260,000,000, which is to be used to finance part of the cash required for the Offer.

Octal Capital, as the financial adviser to the Offeror in respect of the Offer, is satisfied that sufficient financial resources are available to the Offeror to satisfy full acceptances of the Offer.

Effect of accepting the Offer

By validly accepting the Offer, the Independent Shareholders will sell their Offer Shares to the Offeror fully paid and free from all encumbrances together with all rights attached thereto, including, but not limited to, all rights to receive in full all dividends or other distributions, if any, declared, made or paid on or after the date on which the Offer is made, being the date of despatch of the Composite Document.

Acceptance of the Offer by any Independent Shareholder will constitute a warranty by such person that all Offer Shares sold by such person under the Offer are free from all liens, charges, options, claims, equities, adverse interests, third-party rights or encumbrances whatsoever and together with all rights accruing or attaching thereto, including, without limitation, the right to receive dividends and distributions recommended, declared, made or paid, if any, on or after the date on which the Offer is made.

Acceptance of the Offer will be irrevocable and not capable of being withdrawn, except as permitted under the Takeovers Code.

Hong Kong stamp duty

In Hong Kong, seller's ad valorem stamp duty arising in connection with acceptances of the Offer will be payable by the relevant Independent Shareholder(s) at a rate of 0.1% of the market value of the Offer Shares or the consideration payable by the Offeror in respect of the relevant acceptances of the Offer, whichever is higher, and the amount of such duty will be deducted from the cash amount payable by the Offeror to the relevant Independent Shareholder(s) accepting the Offer. The Offeror will arrange for payment of the seller's ad valorem stamp duty on behalf of the relevant Independent Shareholder(s) accepting the Offer and will pay the buyer's ad valorem stamp duty in connection with the acceptance of the Offer and the transfer of the Offer Shares in accordance with the Stamp Duty Ordinance (Chapter 117 of the Laws of Hong Kong).

Payment

Payment in cash in respect of acceptances of the Offer will be made as soon as possible but in any event within seven (7) business days (as defined in the Takeovers Code) of the date on which the duly completed acceptances of the Offer and the relevant documents of title in respect of such acceptances are received by the Offeror (or its agent) to render each such acceptance of the Offer complete and valid.

Taxation advice

The Independent Shareholders are recommended to consult their own professional advisers if they are in any doubt as to the taxation implications of accepting or rejecting the Offer. None of the Offeror and the parties acting in concert with it, the Company, and their respective directors, officers, advisers, agents or associates or any other person involved in the Offer accepts responsibility for any taxation effects on, or liabilities of, any persons as a result of their acceptance or rejection of the Offer.

Dealings in securities in the Company

Save for the acquisition of the Sale Shares under the Sale and Purchase Agreement, the Offeror and parties acting in concert with it have not dealt in any Shares, options, derivatives, warrants or other securities convertible into Shares of the Company during the six-month period immediately prior to 26 January 2017 (being the date of commencement of the Offer Period and the date of this joint announcement).

Other arrangements

The Offeror confirms that, as at the date of this joint announcement:

- (i) save for the 1,147,366,967 Shares held by the Offeror, neither the Offeror nor parties acting in concert with it owns or has control or direction over any voting rights or rights over the Shares, options, derivatives, warrants or other securities convertible into Shares of the Company;
- (ii) neither the Offeror nor parties acting in concert with it has received any irrevocable commitment to accept the Offer;
- (iii) there is no arrangement (whether by way of option, indemnity or otherwise) of the kind referred to in Note 8 to Rule 22 of the Takeovers Code in relation to the shares of the Offeror or the Shares and which might be material to the Offer;
- (iv) there is no agreement or arrangement to which the Offeror 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;
- (v) the Offeror and parties acting in concert with it have not borrowed or lent any relevant securities (as defined in Note 4 to Rule 22 of the Takeovers Code) in the Company;
- (vi) there is no outstanding derivative in respect of the securities in the Company which has been entered into by the Offeror and/or any parties acting in concert with it; and
- (vii) there is no agreement, arrangement or understanding (including any compensation arrangement) existing between the Offeror or any parties acting in concert with it and any of the Directors, recent directors of the Company, Shareholders, or recent shareholders of the Company (including the Vendor and parties acting in concert with him) having any connection with or dependence upon the Offer.

Overseas Shareholders

The Offer to be made is in respect of securities of a company incorporated in the Bermuda and will be subject to the procedural and disclosure requirements of Hong Kong, which may be different from other jurisdictions. Overseas Shareholders who wish to participate in the Offer will also be subject to, and may be limited by, the laws and regulations of their respective jurisdictions in connection with their participation in the Offer.

Overseas Shareholders should observe any applicable legal and regulatory requirements and, where necessary, consult their own professional advisers. It is the responsibility of the Overseas Shareholders who wish to accept the Offer to satisfy themselves as to the full observance of the laws and regulations of the relevant jurisdictions in connection with the acceptance of the Offer (including the obtaining of any governmental, exchange control or other consent which may be required or the compliance with other necessary formalities or legal and/or regulatory requirements and the payment of any issue, transfer or other taxes due in such jurisdictions).

Acceptance of the Offer by any Overseas Shareholder will be deemed to constitute a representation and warranty from such Overseas Shareholder to the Offeror that the local laws and requirements have been complied with. The Overseas Shareholders should consult their professional advisers in case of any doubt.

SHAREHOLDING STRUCTURE OF THE COMPANY

The table below sets out the shareholding structure of the Company immediately prior to Completion and as at the date of this joint announcement:

Name of Shareholders	Immediately prior to Completion		As at the date of this joint announcement and immediately after Completion	
	Number of Shares	Approximate % of issued Shares	Number of Shares	Approximate % of issued Shares
Vendor (including his wholly-owned subsidiary) (<i>Note</i>)	1,147,366,967	67.96%	–	0.00%
Offeror and parties acting in concert with it	–	0.00%	1,147,366,967	67.96%
Public Shareholders	540,915,860	32.04%	540,915,860	32.04%
Total	1,688,282,827	100.00%	1,688,282,827	100.00%

Note: Galaxyway is a wholly-owned subsidiary of ITC Holdings Limited (formerly known as Chinaview International Limited) which is, in turn, wholly-owned by the Vendor. The Vendor is also the sole director of ITC Holdings Limited and Galaxyway. Prior to Completion, the Vendor was deemed to be interested in 371,088,805 Shares held by Galaxyway.

INFORMATION ON THE OFFEROR

The Offeror is an investment holding company incorporated in the BVI with limited liability on 3 January 2017. As at the date of this joint announcement, the Offeror is wholly owned by Ace Way Global Limited, a company incorporated in the BVI with limited liability, which in turn is wholly owned by Mr. Suen Cho Hung, Paul (“**Mr. Suen**”). The sole director of the Offeror is Mr. Suen.

Mr. Suen, aged 55, holds a Master of Business Administration degree from the University of South Australia. Mr. Suen is an executive director and the chairman of, and a substantial shareholder indirectly holding approximately 29.28% of the issued share capital in Enviro Energy International Holdings Limited (stock code: 1102) (“**Enviro Energy**”); an executive director and the chairman of, and a controlling shareholder indirectly holding approximately 58.05% of the issued share capital in EPI (Holdings) Limited (stock code: 689) (“**EPI**”) and a controlling shareholder indirectly holding approximately 60.78% of the issued share capital in Birmingham International Holdings Limited (stock code: 2309) (“**Birmingham International**”). Mr. Suen is also indirectly holding approximately 9.89% of the issued share capital in China Strategic Holdings Limited (stock code: 235) (“**China Strategic**”). The shares of Enviro Energy, EPI, Birmingham International and China Strategic are listed on the Main Board of the Stock Exchange. Mr. Suen is also indirectly holding approximately 19.08% of the issued share capital of Courage Marine Group Limited (stock code: 1145), the shares of which are primarily listed on the Main Board of the Stock Exchange and secondarily listed on the Singapore Exchange Securities Trading Limited (Singapore stock code: ATL.SI).

INFORMATION ON THE GROUP

The Company is an investment holding company which 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.

Set out below is a summary of the audited consolidated profit before and after taxation of the Group for the years ended 31 March 2015 and 2016.

	Year ended 31 March	
	2016	2015
	<i>HK\$' million</i>	<i>HK\$' million</i>
Profit before taxation	<u><u>436.33</u></u>	<u><u>240.53</u></u>
Profit after taxation	<u><u>435.92</u></u>	<u><u>240.49</u></u>

OFFEROR'S INTENTION ON THE GROUP

Following the close of the Offer, the Offeror intends to continue the existing principal businesses of the Group. The existing principal business of the Group includes investment holding, the provision of finance, property investment and treasury investment. The Offeror will conduct a review on the existing principal businesses and the financial position of the Group for the purpose of formulating business plans and strategies for the future business development of the Group. In this regard, the Offeror may look into business opportunities and consider whether any asset disposals, asset acquisitions, business rationalisation, business divestment, fund raising, restructuring of the business and/or business diversification will be appropriate in order to enhance the long-term growth potential of the Company. Should such corporate actions materialise, further announcement(s) will be made in accordance with the Listing Rules. Save for the Offeror's intention regarding the Group as set out above, the Offeror has no intention to (i) discontinue the employment of any employees of the Group; or (ii) redeploy the fixed assets of the Company other than those in its ordinary and usual course of business.

COMPULSORY ACQUISITION

The Offeror does not intend to exercise any power of compulsory acquisition of any Offer Shares outstanding and not acquired under the Offer after the close of the Offer.

MAINTAINANCE OF THE LISTING STATUS OF THE COMPANY

The Offeror intends to maintain the listing of the Shares on the Stock Exchange after the close of the Offer.

In the event that after the close of the Offer, the public float of the Company falls below 25%, the Offeror and the Company will undertake to the Stock Exchange to take appropriate steps to ensure that the minimum public float of not less than 25% of the issued Shares as required under the Listing Rules will be restored or maintained (as applicable) following the close of the Offer.

The Stock Exchange has stated that if, at the close of the Offer, less than the minimum prescribed percentage applicable to the Company, being 25% of the total number of issued Shares are held by the public or if the Stock Exchange believes that:

- (i) a false market exists or may exist in the trading of the Shares; or
- (ii) there are insufficient Shares in public hands to maintain an orderly market,

then it will consider exercising its discretion to suspend trading in the Shares on the Stock Exchange.

GENERAL

Despatch of the Composite Document

It is the intention of the Offeror and the Company to combine the offer document with the offeree board circular from the Company in the Composite Document. Pursuant to Rule 8.2 of the Takeovers Code, the Composite Document containing, among other things, (i) details of the Offer (including the expected timetable); (ii) a letter of advice from the Independent Board Committee to the Independent Shareholders in relation to the Offer; and (iii) a letter of advice from the Independent Financial Adviser to the Independent Board Committee in relation to the Offer, together with the form of acceptance and transfer of the Shares in respect of the Offer, is required to be despatched to the Shareholders within 21 days of the date of this joint announcement or such later date as the Executive may approve.

Independent Shareholders are encouraged to read the Composite Document carefully, including the advice of the Independent Financial Adviser to the Independent Board Committee and the recommendation from the Independent Board Committee to the Independent Shareholders in respect of the Offer, before deciding whether or not to accept the Offer.

The Independent Board Committee and the Independent Financial Adviser

The Independent Board Committee comprising all independent non-executive Directors, namely, Mr. Chuck, Winston Calptor, Mr. Lee Kit Wah and Hon. Shek Lai Him, Abraham, GBS, JP, has been established to advise the Independent Shareholders as to whether the terms and conditions of the Offer are fair and reasonable and as to the acceptance of the Offer.

Somerley Capital Limited, with the approval of the Independent Board Committee, has been appointed as the independent financial adviser to advise the Independent Board Committee in respect of the Offer and, in particular, as to whether the terms and conditions of the Offer are fair and reasonable and as to the acceptance of the Offer.

Dealings Disclosure

In accordance with Rule 3.8 of the Takeovers Code, associates (as defined under the Takeovers Code) of the Company and the Offeror (including persons holding 5% or more of a class of relevant securities (as defined in Note 4 to Rule 22 to the Takeovers Code) of the Company or the Offeror) are hereby reminded to disclose their dealings in the securities of the Company pursuant to the Takeovers Code.

In accordance with Rule 3.8 of the Takeovers Code, the full text of Note 11 to Rule 22 of the Takeovers Code is reproduced below:

“Responsibilities of stockbrokers, banks and other intermediaries

Stockbrokers, banks and others who deal in relevant securities on behalf of clients have a general duty to ensure, so far as they are able, that those clients are aware of the disclosure obligations attaching to associates and other persons under Rule 22 of the Takeovers Code and that those clients are willing to comply with them. Principal traders and dealers who deal directly with investors should, in appropriate cases, likewise draw attention to the relevant rules of the Takeovers Code. However, this does not apply when the total value of dealings (excluding stamp duty and commission) in any relevant security undertaken for a client during any 7 day period is less than HK\$1 million.

This dispensation does not alter the obligation of principals, associates and other persons themselves to initiate disclosure of their own dealings, whatever total value is involved.

Intermediaries are expected to co-operate with the Executive in its dealings enquiries. Therefore, those who deal in relevant securities should appreciate that stockbrokers and other intermediaries will supply the Executive with relevant information as to those dealings, including identities of clients, as part of that co-operation.”

RESUMPTION OF TRADING

At the request of the Company, trading in the Shares on the Stock Exchange has been halted with effect from 9:00 a.m. on 24 January 2017 pending the release of this joint 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 27 January 2017.

WARNING

THIS JOINT ANNOUNCEMENT IS MADE IN COMPLIANCE WITH THE TAKEOVERS CODE FOR THE PURPOSE OF, AMONG OTHER THINGS, INFORMING THE SHAREHOLDERS AND POTENTIAL INVESTORS OF THE COMPANY OF THE OFFER TO BE MADE. THE DIRECTORS MAKE NO RECOMMENDATION AS TO THE FAIRNESS OR REASONABLENESS OF THE OFFER OR AS TO THE ACCEPTANCE OF THE OFFER IN THIS JOINT ANNOUNCEMENT. SHAREHOLDERS AND POTENTIAL INVESTORS ARE ADVISED TO EXERCISE EXTREME CAUTION WHEN DEALING IN THE SECURITIES OF THE COMPANY, AND IF THEY ARE IN ANY DOUBT ABOUT THEIR POSITION, THEY SHOULD CONSULT THEIR PROFESSIONAL ADVISERS.

DEFINITIONS

In this joint announcement, the following expressions have the meanings set out below unless the context requires otherwise.

“acting in concert”	has the meaning ascribed thereto under the Takeovers Code
“associate(s)”	has the meaning ascribed thereto under the Takeovers Code
“Board”	the board of Directors
“Business Day”	any day on which licensed banks in Hong Kong are generally open for business, except a Saturday and days on which a tropical cyclone warning no.8 or above or a “black rainstorm warning signal” is hoisted in Hong Kong at any time between 9:00 a.m. and 5:00 p.m.
“BVI”	British Virgin Islands
“Company”	ITC Corporation Limited (stock code: 372), a company incorporated in Bermuda with limited liability, and the issued Shares of which are listed on the Main Board of the Stock Exchange
“Completion”	completion of the sale and purchase of the Sale Shares in accordance with the provisions of the Sale and Purchase Agreement
“Completion Date”	24 January 2017
“Composite Document”	the composite offer and response document to be jointly issued by the Offeror and the Company to the Shareholders in connection with the Offer in compliance with the Takeovers Code containing, among other things, details of the Offer, procedures for acceptance of the Offer, letters from the Independent Board Committee and the Independent Financial Adviser, and the relevant form of acceptance and transfer
“connected person(s)”	has the meaning ascribed thereto under the Listing Rules

“controlling shareholder(s)”	has the meaning ascribed thereto under the Listing Rules
“Directors”	directors of the Company
“Executive”	the Executive Director of the Corporate Finance Division of the SFC or any of his delegates
“Galaxyway”	Galaxyway Investments Limited, a company incorporated in the BVI with limited liability, which is indirectly wholly-owned by the Vendor
“GN Securities”	Get Nice Securities Limited, a licensed corporation permitted to carry out business in Type 1 (dealing in securities), Type 4 (advising on securities), Type 6 (advising on corporate finance) and Type 9 (asset management) regulated activities under the SFO, being one of the joint agents making the Offer on behalf of the Offeror and the financier of the Offeror
“Group”	the Company and its subsidiaries
“Hong Kong”	Hong Kong Special Administrative Region of the People’s Republic of China
“Independent Board Committee”	a committee of the Board, comprising all independent non-executive Directors, namely, Mr. Chuck, Winston Calptor, Mr. Lee Kit Wah and Hon. Shek Lai Him, Abraham, GBS, JP, established to advise the Independent Shareholders regarding the terms and conditions of the Offer and as to its acceptance
“Independent Financial Adviser”	Somerley Capital Limited, a corporation licensed to conduct type 1 (dealing in securities) and type 6 (advising on corporate finance) regulated activities under the SFO, being the independent financial adviser to the Independent Board Committee in respect of the Offer and as to its acceptance
“Independent Shareholder(s)”	Shareholder(s) other than the Offeror

“Last Trading Day”	23 January 2017, being the last full Trading Day of the Shares immediately prior to the halt in trading of the Shares on the Stock Exchange pending the release of this joint announcement
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Octal Capital”	Octal Capital Limited, a licensed corporation permitted to carry out business in Type 1 (dealing in securities relating to corporate finance) and Type 6 (advising on corporate finance) of the regulated activities under the SFO, being one of the joint agents making the Offer on behalf of the Offeror and the financial adviser to the Offeror
“Offer”	the mandatory unconditional cash offer to be made by GN Securities and Octal Capital for and on behalf of the Offeror for all the issued Shares (other than those already owned or agreed to be acquired by the Offeror) pursuant to Rule 26.1 of the Takeovers Code
“Offer Period”	the period commencing from the date of publication of this joint announcement until the latest of: (i) the date when the Offer is closed for acceptance; and (ii) the date when the Offer lapses
“Offer Price”	the price at which the Offer will be made, being HK\$0.52 per Offer Share
“Offer Share(s)”	all the Share(s) in issue, other than those already owned or agreed to be acquired by the Offeror
“Offeror”	Ace Pride Holdings Limited, a company incorporated in the BVI with limited liability
“Overseas Shareholders”	Independent Shareholders whose addresses as shown on the register of members of the Company are outside Hong Kong
“Sale and Purchase Agreement”	the sale and purchase agreement dated 23 January 2017 entered into between the Vendor and the Offeror in respect of the sale and purchase of the Sale Shares

“Sale Share(s)”	1,147,366,967 Shares, representing approximately 67.96% of the total number of issued Shares as at the date of this joint announcement
“SFC”	the Securities and Futures Commission of Hong Kong
“SFO”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
“Share(s)”	ordinary share(s) of HK\$0.01 each in the share capital of the Company
“Shareholder(s)”	holder(s) of the issued Shares
“Special Dividend”	the special dividend distributed by the Company in the form of a distribution in specie of all the shares of ITC Properties Group Limited (a company incorporated in Bermuda with limited liability and the issued shares of which are listed on the Main Board of the Stock Exchange) held by the Group, being 306,180,916 shares of ITC Properties Group Limited, to the qualifying Shareholders in proportion to their respective shareholdings in the Company, details of which are set out in the circular of the Company dated 23 December 2016
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Takeovers Code”	The Hong Kong Code on Takeovers and Mergers
“Trading Day”	a day on which securities can be freely traded on the Stock Exchange during whole of the normal trading hours of the Stock Exchange regardless of whether any trades actually occur
“Vendor”	Dr. Chan Kwok Keung, Charles, an executive Director, the Chairman of the Board and the controlling shareholder of the Company immediately prior to Completion
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong

“%”

per cent.

ACE PRIDE HOLDINGS LIMITED

Suen Cho Hung, Paul

Sole Director

By order of the Board of

ITC Corporation Limited

Chan Kwok Keung, Charles

Chairman

Hong Kong, 26 January 2017

As at the date of this joint announcement, the Board comprises five executive Directors, namely, 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 and Mr. Chan Yiu Lun, Alan; and three independent non-executive Directors, namely, Mr. Chuck, Winston Calptor, Mr. Lee Kit Wah and Hon. Shek Lai Him, Abraham, GBS, JP.

As at the date of this joint announcement, the sole director of the Offeror is Mr. Suen Cho Hung, Paul.

All the Directors jointly and severally accept full responsibility for the accuracy of the information contained in this joint announcement (other than the information relating to the Offeror and parties acting in concert with it), and confirm, having made all reasonable enquires, that to the best of their knowledge, opinions expressed in this joint announcement (other than those expressed by the Offeror and parties acting in concert with it) have been arrived at after due and careful consideration and there are no other facts not contained in this joint announcement, the omission of which would make any statement contained in this joint announcement misleading.

The sole director of the Offeror accepts full responsibility for the accuracy of the information contained in this joint announcement (other than the information relating to the Group), and confirms, having made all reasonable enquiries, that to the best of his knowledge, opinions expressed in this joint announcement (other than those expressed by the Group and the Directors) have been arrived at after due and careful consideration and there are no other facts not contained in this joint announcement, the omission of which would make any statement contained in this joint announcement misleading.

In case of any inconsistency, the English text of this joint announcement shall prevail over the Chinese text.