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ITC CORPORATION LIMITED

(Incorporated in Bermuda with limited liability)

(Stock code: 372)

(Warrant code: 779)

DISCLOSEABLE TRANSACTIONS

ACQUISITION OF SHARES OF WING ON TRAVEL (HOLDINGS) LIMITED ON OPEN MARKET

AND

POSSIBLE ACQUISITION OF SHARES OF WING ON TRAVEL (HOLDINGS) LIMITED AS A RESULT OF ACCEPTING THE CONDITIONAL CONVERTIBLE NOTES REPURCHASE OFFER OF WING ON TRAVEL (HOLDINGS) LIMITED

ON MARKET ACQUISITIONS

On 6 August 2009 and 7 August 2009, the Company, through AWL, acquired an aggregate of 31,890,000 Wing On Shares on the open market at a total consideration of approximately HK\$1.4 million (excluding stamp duty and related expenses).

THE POSSIBLE ACQUISITION

On 19 August 2009, the Company, through AWL, an indirect wholly-owned subsidiary of the Company, accepted the Conditional Repurchase Offer in respect of Convertible Notes in the principal amount of HK\$81 million, whereby Wing On will repurchase such Convertible Notes at the face value of the Convertible Notes. The purchase price is to be satisfied by the issue of the Wing On Consideration Shares (rounded down to the nearest integral number of Wing On Consideration Shares) by Wing On at HK\$0.035 per Wing On Consideration Share, credited as fully paid.

Each of the On Market Acquisitions and the Possible Acquisition constitutes a discloseable transaction of the Company under the Listing Rules.

ON MARKET ACQUISITIONS

On 6 August 2009 and 7 August 2009, the Company, through AWL, acquired an aggregate of 31,890,000 Wing On Shares on the open market at a total consideration of approximately HK\$1.4 million (excluding stamp duty and related expenses).

1. Asset Acquired

Asset : an aggregate of 31,890,000 Wing On Shares, representing approximately 0.30% of the existing issued share capital of Wing On, on the open market at a total consideration of approximately HK\$1.4 million (excluding stamp duty and related expenses)

Average purchase price : HK\$0.045 per Wing On Share

Immediately before the On Market Acquisitions, the Company held 1,529,230,000 shares in the capital of Wing On, representing approximately 14.00% of the existing issued share capital of Wing On. Upon completion of the On Market Acquisitions, the Company's interest in the entire issued share capital of Wing On is increased to approximately 14.30%.

2. Parties

As the On Market Acquisitions were conducted on the open market, the identities of the counterparties of the On Market Acquisitions cannot be ascertained.

3. Consideration

The consideration of the On Market Acquisitions is approximately HK\$1.4 million (excluding stamp duty and related expenses).

The consideration has been fully satisfied in cash by the Group's internal resources.

The On Market Acquisitions were completed.

THE POSSIBLE ACQUISITION

Reference is made to the announcement of Wing On dated 24 July 2009 pursuant to which Wing On offered to repurchase the Convertible Notes at their face value by the issue of the Wing On Consideration Shares at HK\$0.035 per Wing On Consideration Share, credited as fully paid.

On 19 August 2009, the Company, through AWL, an indirect wholly-owned subsidiary of the Company, accepted the Conditional Repurchase Offer in respect of the Convertible Notes in the principal amount of HK\$81 million, whereby Wing On will repurchase such Convertible Notes at the face value of the Convertible Notes. The purchase price is to be satisfied by the issue of the Wing On Consideration Shares (rounded down to the nearest integral number of Wing On Consideration Shares) by Wing On at HK\$0.035 per Wing On Consideration Share, credited as fully paid up.

1. Date

19 August 2009

2. Parties

(i) AWL; and

(ii) Wing On

As at the date of this announcement, AWL, an indirect wholly-owned subsidiary of the Company, holds Convertible Notes in the principal amount of HK\$108.2 million. AWL is also interested in 1,561,120,000 Wing On Shares, representing approximately 14.30% of the existing issued share capital of Wing On as at the date of this announcement (based on the information as disclosed on the official website of the Stock Exchange). In addition, Dr. Chan Kwok Keung, Charles, a Director and the controlling Shareholder, holds 22,649,000 Wing On Shares, representing approximately 0.21% of the existing issued share capital of Wing On as at the date of this announcement, and Mr. Cheung Hon Kit, a Director, is also a director and the chairman of Wing On.

To the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, Wing On is the Independent Third Party.

3. The Convertible Notes

On 27 March 2006, Wing On announced that it entered into eight conditional subscription agreements in relation to the issue by Wing On of the Convertible Notes. The Convertible Notes bear interest at 2% per annum, are convertible into new Wing On Shares at the initial conversion price of HK\$0.79 per Wing On Share (subject to adjustments), and mature on the fifth anniversary from the date of the issue of the Convertible Notes. Unless previously converted or lapsed or redeemed by Wing On, Wing On must redeem the Convertible Notes on the maturity date at the redemption amount which is 110% of the principal amount of the Convertible Notes outstanding. The Convertible Notes are also, subject to certain restrictions, exchangeable into new shares of any company which is affiliated company or subsidiary of Wing On that is to be listed on a stock exchange through an initial public offering. The current conversion price of the Convertible Notes is HK\$0.339 per Wing On Share (subject to adjustments). The subscription was completed on 8 June 2006 and the Convertible Notes in a total principal amount of HK\$1,000 million were issued.

4. Assets Being Acquired

2,314,285,714 Wing On Consideration Shares to be issued by Wing On pursuant to the acceptance of the Conditional Repurchase Offer by AWL, an indirect wholly-owned subsidiary of the Company, in respect of Convertible Notes in the principal amount of HK\$81 million.

5. Consideration

The Convertible Notes will be repurchased by Wing On at their face value. The purchase price is to be satisfied by the issue of the Wing On Consideration Shares (rounded down to the nearest integral number of Wing On Consideration Shares) by Wing On at HK\$0.035 per Wing On Consideration Share, credited as fully paid. The issue price of the Wing On Consideration Shares was based on the terms of the Conditional Repurchase Offer and is equal to the Wing On Placing Price.

Based on the market closing price on 18 August 2009 of Wing On Shares of HK\$0.042 per share, the market value of the Wing On Consideration Shares for the Possible Acquisition is approximately HK\$97.2 million.

6. Conditions Precedent to the Conditional Repurchase Offer

The Conditional Repurchase Offer (including the issue of the Wing On Consideration Shares pursuant to acceptances of the Conditional Repurchase Offer) shall be conditional upon:-

- (a) the independent shareholders of Wing On, other than AWL and China Enterprises Limited and their respective associates, approving the Conditional Repurchase Offer and issue of the Wing On Consideration Shares as required by the Listing Rules;
- (b) the listing of, and permission to deal in, all the Wing On Consideration Shares being granted by the Listing Committee of the Stock Exchange; and
- (c) completion of the Wing On Placing.

In the event that the above conditions cannot be satisfied on or before 31 October 2009, the Conditional Repurchase Offer shall lapse. Wing On expects to issue the Wing On Consideration Shares within 15 Business Days after the fulfilment of the conditions precedent referred to above.

INFORMATION ON WING ON

Wing On is an investment holding company and its subsidiaries are principally engaged in the business of providing package tours, travel and other related services, hotel operation in Hong Kong and the PRC and trading of securities.

The following audited financial information is extracted from the annual report of Wing On for the financial year ended 31 December 2008:

	For the financial year ended 31 December	
	2008	2007
	HK\$'000	HK\$'000
Turnover	2,216,897	2,266,163
Gross profit	423,698	416,635
Loss before taxation	(825,748)	(42,143)
Net loss attributable to shareholders of Wing On	(688,918)	(16,199)
	As at 31 December	
	2008	2007
	HK\$'000	HK\$'000
Net asset value attributable to shareholders of Wing On	1,836,344	2,044,482

SHAREHOLDING INTEREST IN WING ON BEFORE AND AFTER THE WING ON PLACING AND THE CONDITIONAL REPURCHASE OFFER

Reference is made to the Placing Announcement, pursuant to which up to 1,800,000,000 new Wing On Shares shall be placed under the General Mandate Placing (as defined in the Placing Announcement) of Wing On at a price of HK\$0.035 per Wing On Share, and not less than 20,000,000,000 new Wing On Shares and not more than 30,000,000,000 new Wing On Shares shall be placed under the Specific Mandate Placing (as defined in the Placing Announcement) of Wing On at a price of HK\$0.035 per Wing On Share. The General Mandate Placing has been completed on 4 August 2009.

After Wing On Placing but before the Conditional Repurchase Offer

Assuming the issue of 20,000,000,000 new Wing On Shares (being the minimum number of new Wing On Shares to be placed under the Specific Mandate Placing) was completed, the Company's shareholding interest in Wing On before the Possible Acquisition will be diluted from approximately 14.30% to approximately 5.05%.

Assuming the issue of 30,000,000,000 new Wing On Shares (being the maximum number of new Wing On Shares to be placed under the Specific Mandate Placing) was completed, the Company's shareholding interest in Wing On before the Possible Acquisition will be diluted from approximately 14.30% to approximately 3.82%.

After Wing On Placing and after the Conditional Repurchase Offer

Assuming 20,000,000,000 new Wing On Shares were issued, by accepting the Conditional Repurchase Offer in respect of Convertible Notes in the principal amount of HK\$81 million, AWL will be issued 2,314,285,714 Wing On Consideration Shares which will increase the Company's shareholding interest in Wing On from approximately 5.05% to (i) approximately 7.88% (assuming full acceptance of the Conditional Repurchase Offer by all holders of the Convertible Notes); and (ii) approximately 11.66% (assuming only AWL accepts the Conditional Repurchase Offer).

Assuming 30,000,000,000 new Wing On Shares were issued, by accepting the Conditional Repurchase Offer in respect of Convertible Notes in the principal amount of HK\$81 million, AWL will be issued 2,314,285,714 Wing On Consideration Shares which will increase the Company's shareholding interest in Wing On from approximately 3.82% to (i) approximately 6.55% (assuming full acceptance of the Conditional Repurchase Offer by all holders of the Convertible Notes); and (ii) approximately 8.96% (assuming only AWL accepts the Conditional Repurchase Offer).

REASONS FOR AND BENEFITS OF THE ON MARKET ACQUISITIONS AND THE POSSIBLE ACQUISITION

The principal activities of the Group comprise investment holding, the provision of finance, property investment and treasury investment.

Although Wing On, together with its subsidiaries, recorded a loss attributable to equity holders of Wing On for the financial year ended 31 December 2008 of approximately HK\$689 million, the loss was mainly attributable to some non-recurring items, *inter alia*, impairment loss in respect of property, plant and equipment of HK\$316.5 million, impairment loss in respect of other intangible assets of HK\$192.8 million and impairment loss recognised in respect of available-for-sale investments of HK\$87.0 million. Wing On's deteriorating financial result was a result of the global financial crisis since late 2008 and the impact of the recent outbreak of swine flue on the travel industry. Given the economic condition has shown signs of recovery, the Directors believe that there is potential up-side in the investment in Wing On in consideration of the gradual pick-up of the economy and the result of the booming of the travel industry in the near future.

The Directors are of the view that the terms and conditions of the Possible Acquisition and the On Market Acquisitions, including the consideration, are on normal commercial terms, fair and reasonable and the entering into of the On Market Acquisitions and the Possible Acquisition are in the interests of the Group and the Shareholders as a whole.

Upon completion of the Possible Acquisition, the Company's investment in Wing On will be accounted for as "available-for-sale investment" in the financial statements of the Company in accordance with Hong Kong Financial Reporting Standards.

ACQUISITIONS AND DISPOSALS OF WING ON SHARES CONDUCTED BY THE GROUP IN THE PAST 12 MONTHS IMMEDIATELY PRECEDING THE DATE OF THIS ANNOUNCEMENT

Save as disclosed in this announcement, the Company has not conducted any other acquisition/disposal of the Wing On Shares on the Stock Exchange in the past 12 months before the date of this announcement.

IMPLICATION UNDER THE LISTING RULES

Each of the On Market Acquisitions and the Possible Acquisition constitutes a discloseable transaction of the Company under the Listing Rules

DEFINITIONS

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

“AWL”	Asia Will Limited, an indirect wholly-owned subsidiary of ITC
“associates”	the meaning ascribed to it in the Listing Rules
“Board”	the board of Directors
“Business Day(s)”	any day (excluding a Saturday and Sunday) on which banks generally are open for business in Hong Kong
“Company” or “ITC”	ITC Corporation Limited (stock code: 372; warrant code: 779), a company incorporated in Bermuda with limited liability and the issued securities of which are listed on the Main Board of the Stock Exchange
“Conditional Repurchase Offer”	a conditional offer being made by Wing On to repurchase the Convertible Notes at their face value to be satisfied by the issue of the Wing On Consideration Shares at HK\$0.035 each
“Convertible Notes”	the 2% convertible exchangeable notes due 7 June 2011 issued by Wing On
“Directors”	directors of the Company
“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

“Independent Third Party(ies)”	person(s) or company(ies) and their respective ultimate beneficial owner(s) which, to the best of the Directors’ knowledge, information and belief, having made all reasonable enquiries, are third parties independent of and not connected with the Company and its subsidiaries and its connected persons (as defined in the Listing Rules)
“Listing Committee”	The listing sub-committee of the board of directors of the Stock Exchange
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“On Market Acquisitions”	being the acquisition of an aggregate of 31,890,000 Wing On Shares by AWL on the open market on 6 August 2009 and 7 August 2009 at a total consideration of approximately HK\$1.4 million (excluding stamp duty and related expenses)
“Placing Announcement”	the announcement by Wing On dated 17 July 2009 in respect of the Wing On Placing
“Possible Acquisition”	possible acquisition of Wing On Consideration Shares as a result of accepting the Conditional Repurchase Offer in respect of Convertible Notes in the principal amount of HK\$81 million by AWL, whereby Wing On will repurchase such Convertible Notes
“PRC”	the People’s Republic of China, which for the purpose of this announcement shall exclude Hong Kong, Macau and Taiwan
“Share(s)”	the ordinary share(s) of HK\$0.01 each in the share capital of the Company
“Shareholders”	holders of the Shares
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“subsidiary(ies)”	has the meaning ascribed thereto in the Listing Rules
“Wing On”	Wing On Travel (Holdings) Limited (stock code: 1189; warrant code: 774), a company incorporated in Bermuda with limited liability and the shares and warrants of which are listed on the Main Board of the Stock Exchange

“Wing On Consideration Shares”	the new Wing On Shares to be issued pursuant to the Conditional Repurchase Offer
“Wing On Placing”	(i) the best endeavour placing of up to 1,800,000,000 new Wing On Shares under the general mandate granted to the directors of Wing On in the annual general meeting of Wing On held on 29 May 2009; and (ii) the best endeavour placing of not less than 20,000,000,000 new Wing On Shares and not more than 30,000,000,000 new Wing On Shares under a specific mandate, details of which are set out in the Placing Announcement
“Wing On Placing Price”	HK\$0.035 per Wing On Placing Share
“Wing On Placing Share(s)”	The new Wing On Shares to be issued by Wing On under the Wing On Placing
“Wing On Share(s)”	the ordinary share(s) of HK\$0.01 each in the share capital of Wing On
“Wing On Shareholder(s)”	holder(s) of Wing On Share(s)
“%”	per cent.

By order of the Board
ITC Corporation Limited
Lee Hon Chiu
Company Secretary

Hong Kong, 20 August 2009

As at the date of this announcement, 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. Cheung Hon Kit
Mr. Chan Yiu Lun, Alan

Independent Non-executive Directors:

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