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ITC CORPORATION LIMITED

(Incorporated in Bermuda with limited liability)

(Stock Code: 372)

DISCLOSEABLE TRANSACTION IN RELATION TO ACQUISITION OF CONVERTIBLE NOTES OF ITC PROPERTIES GROUP LIMITED

On 19 April 2013, the Purchaser and the Vendor executed the Transfer Documents, pursuant to which the Vendor has sold and transferred the Sale Notes in an aggregate principal amount of HK\$43.85 million to the Purchaser for a total cash consideration of HK\$55.07 million. The Transfer has been completed on 19 April 2013.

The Conversion Shares to be issued if the Sale Notes have been fully converted, represent (i) approximately 3.62% of the issued share capital of ITCP as at 19 April 2013; and (ii) approximately 3.49% of the issued share capital of ITCP as enlarged by the Conversion Shares to be issued upon such conversion.

The Transfer and the conversion of Sale Notes constitutes a discloseable transaction for the Company under Chapter 14 of the Listing Rules. The Transfer and the conversion of Sale Notes, when aggregated with the Previous Share Acquisition and Previous Note Acquisition pursuant to Rule 14.22 of the Listing Rules, would also constitute a discloseable transaction for the Company.

On 19 April 2013, the Purchaser and the Vendor executed the Transfer Documents in relation to the sale and transfer of the Sale Notes. Details of the Transfer are set out below.

Transferee: Selective Choice Investments Limited, an indirectly wholly-owned subsidiary of the Company

Transferor: The Vendor, a securities broker holding the Sale Notes

To the best of the Directors' knowledge, information and belief and after having made all reasonable enquiries, the Vendor is principally engaged in securities brokerage activities and it and the ultimate beneficial owners of the Sale Notes are independent of the Company and its connected persons, and independent of ITCP and its connected persons.

SUBJECT MATTER

The Vendor has agreed to sell and transfer, and the Purchaser has agreed to purchase and accept the transfer of, the Sale Notes in an aggregate principal amount of HK\$43.85 million.

The Consideration for the Sale Notes is HK\$55.07 million which has been paid by the Group to the Vendor in cash upon Completion.

The Consideration was determined based on arm's length negotiations between the Vendor and the Purchaser. The Consideration represents a premium of 25.59% to the aggregate principal amount of the Sale Notes of HK\$43.85 million. The Directors consider that the Consideration is fair and reasonable. The Transfer has been completed and the Consideration has been settled by the Group using internal resources and credit facilities on 19 April 2013.

ITCP has given its written consent to the transfer of the Sale Notes to the Purchaser pursuant to the provisions set out in the Note Instrument.

PRINCIPAL TERMS OF THE SALE NOTES

Principal amount	HK\$43.85 million in aggregate
Maturity Date	25 November 2013 and 10 December 2013, being the days falling 30 months after the date of issue of the Sale Notes respectively.
Redemption	Unless previously converted or purchased and cancelled, ITCP shall redeem the Sale Notes on the Maturity Date at the redemption amount, which is 105% of the outstanding principal amount of such Sale Notes.
Transferability	The Sale Notes are freely transferable but may not be transferred to a connected person of ITCP without the prior written consent of ITCP and the compliance with all regulatory approvals or requirements.
Voting	The holder of the Sale Notes will not be entitled to receive notice of, attend or vote at any general meetings of ITCP by reason only of being a holder of the Sale Notes.
Interest rate	The Sale Notes bear interest at the rate of 3.25% per annum on the outstanding principal amount of the Sale Notes, payable annually in arrear for the first 24 months, and on the Maturity Date for the last 6 months.
Conversion period	The holder of the Sale Notes shall have the right to convert, on any Business Day commencing from the 15th day after the date of issue of the Sale Notes up to and including the date which is 15 days prior

to the Maturity Date, the whole or any part (in an amount or integral multiple of HK\$500,000) of the principal amount of the Sale Notes into Conversion Shares at the then prevailing conversion price.

Conversion price

The Sale Notes can be converted into Conversion Shares at the conversion price of HK\$2.102 per Conversion Share (subject to anti-dilution adjustments in certain events including, among other things, share consolidation, share subdivision, capitalization issue, capital distribution and rights issue of ITCP).

The conversion price of HK\$2.102 per Conversion Share represents:

- a discount of approximately 36.88% over the closing price of HK\$3.33 per ITCP Share as quoted on the Stock Exchange on 18 April 2013, being the date of the last closing price prior to the Transfer;
- a discount of approximately 36.30% over the average closing price of approximately HK\$3.30 per ITCP Share for the last 5 consecutive trading days up to and including 18 April 2013; and
- a discount of approximately 34.92% over the average closing price of approximately HK\$3.23 per ITCP Share for the last 10 consecutive trading days up to and including 18 April 2013.

Conversion Shares

Upon full conversion of the Sale Notes at the prevailing conversion price of HK\$2.102 per Conversion Share (subject to adjustments), 20,861,082 Conversion Shares will be issued to the Purchaser. Based on the information disclosed on the official website of the Stock Exchange, there were 576,788,927 ITCP Shares in issue as at 19 April 2013. The Conversion Shares to be issued if the Sale Notes have been fully converted, represent (i) approximately 3.62% of the issued share capital of ITCP as at 19 April 2013 as disclosed in the official website of the Stock Exchange; and (ii) approximately 3.49% of the issued share capital of ITCP as enlarged by the Conversion Shares to be issued upon such conversion. As at the date of this announcement, the Group is interested in 190,191,041 ITCP Shares, representing approximately 32.97% of the existing issued share capital of ITCP. Assuming there is no other changes of the shareholding of ITCP since 19 April 2013 save for the full conversion of the Sale Notes held by the Group, the aggregate shareholding of the Group in ITCP if the Sale Notes held by the Group upon the Completion have been fully converted will be 211,052,123 ITCP Shares, representing approximately 35.31% of the

issued shares of ITCP as enlarged by the Conversion Shares to be issued upon such conversion.

Ranking

The Conversion Shares will rank pari passu in all respects with other existing ITCP Shares outstanding at the date of conversion notice of the Sale Notes served by the holders of the Sale Notes.

Listing

The Sale Notes are not listed on the Stock Exchange or any other stock exchanges.

INFORMATION ON ITCP

ITCP is an investment holding company and its subsidiaries are principally engaged in property development and investment in Macau, the PRC and Hong Kong. The ITCP Group is also engaged in golf resort and leisure operations in the PRC, securities investments and the provision of loan financing services.

According to the 2012 annual report of ITCP, the consolidated profit before tax and profit after tax of ITCP amounted to approximately HK\$100.1 million and HK\$79.8 million respectively for the year ended 31 March 2011; and the consolidated profit before tax and profit after tax of ITCP amounted to approximately HK\$161.6 million and HK\$161.8 million respectively for the year ended 31 March 2012. In accordance with the interim report of ITCP for the six months ended 30 September 2012, the consolidated loss before tax and discontinued operations and profit after tax and discontinued operations of ITCP amounted to approximately HK\$37.3 million and HK\$404.8 million respectively.

REASONS FOR THE TRANSFER

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, provision of finance, property investment and treasury investment.

As mentioned in the Previous Announcement, the Directors are optimistic towards the prospects and development of the ITCP Group, the Directors are positive about the long term returns or capital gains from the investment in the ITCP Shares, and consider that it is the opportune time to increase its strategic investment in ITCP through the conversion of the Sale Notes. Based on the above, the Directors consider that the Transfer is in the interests of the Group and the Shareholders as a whole.

The Sale Notes will be allocated into debt portion and conversion option portion which will be accounted for as current assets of the Group. The actual allocation will be subject to the fair value of the conversion option portion of the Sale Notes to be assessed.

With reference to the latest published interim report of ITCP for the six months ended 30 September 2012, assuming full conversion of the Sale Notes, the resulting gain on the full conversion of the Sale Notes and the Previous Share Acquisition to the Group are estimated to be approximately HK\$24.0 million and HK\$19.2 million respectively. Shareholders and potential investors should note that the exact amount of the actual gain is to be determined with reference to the fair value of the Sale Notes and the fair value of ITCP attributable to the Group as at the date of the conversion of the Sale Notes and the Previous Share Acquisition and may be different from the above figures.

GENERAL

On 19 April 2012, the Purchaser converted ITCP Notes in the principal amount of HK\$26.5 million into 12,045,454 ITCP Shares and on 11 April 2013, the Purchaser converted ITCP Notes in an aggregate principal amount of HK\$54.4 million into 25,880,113 ITCP Shares representing approximately 2.09% and 4.49% of the issued share capital of ITCP as at 19 April 2013 respectively.

As disclosed in the Previous Announcement, the Group acquired ITCP Notes in the principal amount of HK\$10.5 million on 29 August 2012 and acquired 11,082,000 ITCP Shares on 12 April 2013. For the period from 17 April 2013 to 18 April 2013, the Group further acquired 1,600,000 ITCP Shares. Apart from the Previous Note Acquisition and Previous Share Acquisition, the Group has not acquired any ITCP Notes and ITCP Shares in the past 12 months.

The Transfer and the conversion of Sale Notes constitutes a discloseable transaction for the Company under Chapter 14 of the Listing Rules. The Transfer and the conversion of Sale Notes, when aggregated with the Previous Share Acquisition and Previous Note Acquisition pursuant to Rule 14.22 of the Listing Rules, would also constitute a discloseable transaction for the Company.

DEFINITIONS

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

“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
“Completion”	completion of the sale and purchase of the Sale Notes
“connected person(s)”	has the meaning as defined in the Listing Rules
“Consideration”	the total purchase price of HK\$55.07 million for the Sale Notes

“Conversion Share(s)”	new ITCP Share(s) to be allotted and issued by ITCP upon conversion of the ITCP Notes in accordance with the terms of the Note Instrument
“Directors”	the directors of the Company
“Group”	the Company and its subsidiaries
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“ITCP”	ITC Properties Group Limited (Stock Code: 199), a company incorporated in Bermuda with limited liability and whose issued shares are listed on the Main Board of the Stock Exchange
“ITCP Group”	ITCP and its subsidiaries
“ITCP Notes”	the 3.25% convertible notes due in 2013 issued by ITCP and convertible into ITCP Share(s)
“ITCP Share(s)”	ordinary share(s) of HK\$0.01 each in the share capital of ITCP
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Macau”	The Macau Special Administrative Region of the PRC
“Maturity Date”	25 November 2013 and 10 December 2013, being the days falling 30 months after the date of issue of the ITCP Notes respectively
“Note Instrument”	the instrument constituting the ITCP Notes
“PRC”	The People’s Republic of China, and for the purpose of this announcement, excluding Hong Kong, Macau and Taiwan
“Previous Announcement”	announcement of the Company dated 14 April 2013 in relation to the acquisition of 11,082,000 ITCP Shares on the open market by the Purchaser
“Previous Note Acquisition”	the acquisition of the ITCP Notes in the principal amount of HK\$10.5 million by the Purchaser, details of which were set out in the Previous Announcement

“Previous Share Acquisition”	the acquisition of 11,082,000 ITCP Shares on the open market by the Purchaser, details of which were set out in the Previous Announcement and the acquisition of 1,600,000 ITCP Shares on the open market by the Purchaser for the period from 17 April 2013 to 18 April 2013
“Purchaser”	Selective Choice Investments Limited, an indirect wholly-owned subsidiary of the Company, which is an investment holding company
“Sale Notes”	the ITCP Notes in an aggregate principal amount of HK\$43.85 million sold by the Vendor to the Purchaser pursuant to the terms of the Transfer Documents
“Shareholders”	shareholders of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Transfer”	the transfer of the Sale Notes by the Vendor to the Purchaser pursuant to the Transfer Documents
“Transfer Documents”	the bought and sold notes dated 19 April 2013 executed by the Purchaser and the Vendor in respect of the Transfer
“Vendor”	Success Securities Limited, a securities broker holding the Sale Notes
“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, 19 April 2013

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, *SBS, JP*