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ITC CORPORATION LIMITED

(Incorporated in Bermuda with limited liability)

(Stock code: 372)

DISCLOSEABLE TRANSACTION

ACQUISITION OF SHARES IN WING ON TRAVEL (HOLDINGS) LIMITED

The Directors announced that the Company, through its indirect wholly-owned subsidiary, has acquired an aggregate of 177,587,000 Wing On Travel Shares, representing approximately 9.8% of the existing issued share capital of Wing On Travel, on the Stock Exchange for an aggregate consideration of approximately HK\$74.8 million during the Relevant Period. As a result of the Acquisition, the disposal of 11,406,000 Wing On Travel Shares on the Stock Exchange on 7 November 2007 and further acquisitions of a total of 7,500,000 Wing On Travel Shares on the Stock Exchange on 27 and 28 December 2007 and 2 January 2008, the Group directly holds 173,681,000 Wing On Travel Shares, representing approximately 9.5% of the issued share capital of Wing On Travel as at the date of this announcement.

As the applicable percentage ratios in respect of the aggregation of various acquisitions of Wing On Travel Shares calculated up to 21 December 2007 exceeded 5% but were less than 25%, the last acquisition of Wing On Travel Shares on 21 December 2007 (being the last day of the Relevant Period) triggered a discloseable transaction for the Company under Chapter 14 of the Listing Rules. A circular containing, among other things, further details of the Acquisition will be dispatched by the Company to its shareholders in accordance with the requirements of the Listing Rules.

THE ACQUISITION

The Directors announced that the Company, through its indirect wholly-owned subsidiary, has acquired an aggregate of 177,587,000 Wing On Travel Shares, representing approximately 9.8% of the existing issued share capital of Wing On Travel, on the Stock Exchange for an aggregate consideration of approximately HK\$74.8 million during the Relevant Period. As a result of the Acquisition, the disposal of 11,406,000 Wing On Travel Shares on the Stock Exchange on 7 November 2007 and further acquisitions of a total of 7,500,000 Wing On Travel Shares on the Stock Exchange on 27 and 28 December 2007 and 2 January 2008, the Group directly holds 173,681,000 Wing On Travel Shares, representing approximately 9.5% of the issued share capital of Wing On Travel as at the date of this announcement.

The Company, through its then non-wholly owned subsidiary Hanny Holdings Limited, was interested in 124,334,481 Wing On Travel Shares immediately before the Acquisition, representing approximately 20.4% of the then issued share capital of Wing On Travel. Hanny

Holdings Limited ceased to be a subsidiary of the Company on 18 May 2007. As at the date of this announcement, Hanny Holdings Limited, through its wholly owned subsidiaries and non-wholly owned subsidiaries, is interested in approximately 12.8% of the issued share capital of Wing On Travel. Whereas the Company indirectly holds approximately 49.9% of the issued share capital of Hanny Holdings Limited, accordingly, the Company holds approximately 15.7% effective interest in Wing On Travel.

The average price per share of Wing On Travel Shares acquired by the Group during the Relevant Period is approximately HK\$0.421, representing:

- (i) a premium of approximately 2.7% over the closing price of HK\$0.410 per Wing On Travel Share as quoted on the Stock Exchange on 21 December 2007;
- (ii) a premium of approximately 6.0% over the average closing price of approximately HK\$0.397 per Wing On Travel Share for the last 5 trading days up to and including 21 December 2007;
- (iii) a discount of approximately 3.2% to the average closing price of approximately HK\$0.435 per Wing On Travel Share for the last 90 trading days up to and including 21 December 2007; and
- (iv) a discount of approximately 72.3% to the unaudited consolidated net asset value of approximately HK\$1.520 per Wing On Travel Share as at 30 June 2007.

To the best of the knowledge, information and belief of the Directors having made all reasonable enquiries, the vendors of the 177,587,000 Wing On Travel Shares and their ultimate beneficial owners are third parties independent of the Company and connected persons of the Company.

REASONS FOR THE ACQUISITION

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

The Wing On Travel Group is principally engaged in the business of providing package tours, travel and other related services with branches in Hong Kong, Macau, Canada and the United Kingdom, and hotel operation business including a hotel chain with the “Rosedale” brand in Hong Kong and the PRC.

The Wing On Travel Group is one of the leading listed travel groups in Hong Kong and has a hotel chain in Hong Kong and the PRC. In view of the strong background and resources of the Wing On Travel Group and strong growth in the tourism in the PRC, the Company is confident on the travel and hotel businesses in the PRC. For these reasons, the Company is of the view that investment in Wing On Travel will enable the Group to share the benefit from the growth in tourism markets in the PRC. In addition, the Acquisition allows the Group to achieve a more diversified and balanced investment portfolio. If suitable opportunity arises, the Group may consider acquiring more Wing On Travel Shares. If any subsequent acquisition(s) of Wing On Travel Shares by the Group leads to a possible major transaction for the Company,

the Company will comply with the applicable Listing Rules. The Directors believe that the Acquisition is fair and reasonable and in the interests of the Company and its shareholders as a whole.

The Company, through its then non-wholly owned subsidiary Hanny Holdings Limited, was interested in 124,334,481 Wing On Travel Shares immediately before the Acquisition, representing approximately 20.4% of the then issued share capital of Wing On Travel, hence interest of the Group in Wing On Travel were equity accounted as associated company. Hanny Holdings Limited ceased to be a subsidiary of the Company on 18 May 2007. Accordingly, the Company's current interest in Wing On Travel will be accounted for as available-for-sale investments pursuant to Hong Kong Accounting Standard 39.

INFORMATION ON WING ON TRAVEL

The following is a summary of the audited consolidated results of the Wing On Travel Group for the two financial years ended 31 December 2005 and 2006 extracted from the 2006 annual report of Wing On Travel:

	For the financial year ended 31 December	
	2006	2005
	<i>HK\$'000</i>	<i>HK\$'000</i>
(Loss) profit before taxation	(81,295)	30,126
Taxation credit	1,891	2,108
	<hr/>	<hr/>
(Loss) profit for the year	<u>(79,404)</u>	<u>32,234</u>

The loss for the year ended 31 December 2006 of Wing On Travel was approximately HK\$79.4 million after taking into account non-cash items such as impairment loss recognised in respect of available-for-sale investments, impairment loss recognised in respect of goodwill arising on acquisition of subsidiaries, imputed interest on convertible notes and share option expenses. For the year ended 31 December 2006, the consolidated cash flow statement of Wing On Travel showed that the Wing On Travel Group had a positive net cash from operating activities of approximately HK\$65.9 million. Further details are set out in the 2006 annual report of Wing On Travel.

As disclosed in the interim report of Wing On Travel for the six months ended 30 June 2007, the unaudited consolidated net asset value of Wing On Travel was approximately HK\$1,657.8 million as at 30 June 2007.

GENERAL

As the applicable percentage ratios in respect of the aggregation of various acquisitions of Wing On Travel Shares calculated up to 21 December 2007 exceeded 5% but were less than 25%, the last acquisition of Wing On Travel Shares on 21 December 2007 (being the last day of the Relevant Period) triggered a discloseable transaction for the Company under Chapter 14 of the Listing Rules. A circular containing, among other things, further details of the Acquisition will be dispatched by the Company to its shareholders in accordance with the requirements of the Listing Rules.

DEFINITIONS

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

“Acquisition”	the acquisition of an aggregate of 177,587,000 Wing On Travel Shares by the Company, through its indirect wholly-owned subsidiary, on the Stock Exchange during the Relevant Period
“Board”	the board of Directors
“Company”	ITC Corporation Limited (Stock code: 372), a company incorporated in Bermuda with limited liability and whose issued shares are listed on the main board of the Stock Exchange
“connected person(s)”	has the same meaning ascribed thereto under the Listing Rules
“Director(s)”	the director(s) of the Company
“Group”	the Company and its subsidiaries
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Macau”	Macau Special Administrative Region of the People’s Republic of China
“PRC”	the People’s Republic of China, which for the purpose of this announcement, excludes Hong Kong, Macau and Taiwan
“Relevant Period”	the period from 27 December 2006 to 21 December 2007
“Stock Exchange”	The Stock Exchange of Hong Kong Limited

“Wing On Travel”	Wing On Travel (Holdings) Limited (Stock code: 1189), a company incorporated in Bermuda with limited liability and whose issued shares are listed on the main board of the Stock Exchange
“Wing On Travel Group”	Wing On Travel and its subsidiaries
“Wing On Travel Share(s)”	ordinary share(s) of HK\$0.10 each in the share capital of Wing On Travel
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“%”	per cent.

By Order of the Board
ITC Corporation Limited
Law Hon Wa, William
Company Secretary

Hong Kong, 2 January 2008

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. Cheung Hon Kit

Independent non-executive Directors:

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