ITC CORPORATION LIMITED

(Incorporated in Bermuda with limited liability)

(Stock code: 372)

ANNOUNCEMENT OF RESULTS FOR THE YEAR ENDED 31ST MARCH, 2013

RESULTS

The board of directors (the "Board") of ITC Corporation Limited (the "Company") is pleased to announce the consolidated results of the Company and its subsidiaries (the "Group") for the year ended 31st March, 2013, together with comparative figures for the previous year, as follows:

Consolidated Statement of Comprehensive Income

For the year ended 31st March, 2013

	Notes	**2013** *HK$'000*	2012 *HK$'000* (restated)
Revenue	3	**17,798**	19,548
Management and other related service income		**3,828**	3,895
Net gain on financial instruments	4	**9,702**	27,028
Interest income		**12,567**	11,760
Property rental income		**1,089**	3,087
Other income		**975**	2,232
Gain on change in fair value of investment property		**66**	2,000
Administrative expenses		**(53,960)**	(58,860)
Finance costs		**(14,382)**	(18,561)
Gain on disposal of subsidiaries	5	**–**	27,504
Net loss on deemed disposal of partial interests in associates		**(35,330)**	(3,748)
Share of results of associates			
– share of results		**257,178**	115,534
– gain on deemed acquisition and acquisitions of additional interests in associates		**32,403**	322,463
Profit before taxation	6	**214,136**	434,334
Taxation	7	**(8)**	–
Profit for the year		**214,128**	434,334

	Note	2013 HK$'000	2012 HK$'000 (restated)
Other comprehensive income (expenses):			
Exchange differences arising on translation of foreign operations		**(395)**	(585)
Share of other comprehensive income (expenses) of associates		**17,965**	(15,934)
Gain on revaluation of land and buildings		**104**	9,233
Deferred tax arising on revaluation of land and buildings		**(13)**	(1,519)
Reclassification adjustment:			
– reserves released on deemed disposal of partial interests in associates		**(416)**	(774)
Other comprehensive income (expenses) for the year		**17,245**	(9,579)
Total comprehensive income for the year		**231,373**	424,755
		HK cents	*HK cents*
Earnings per share	9		
Basic		**27.12**	55.90
Diluted		**13.47**	35.37

Consolidated Statement of Financial Position

As at 31st March, 2013

	Note	**2013** *HK$'000*	2012 *HK$'000* (restated)
Non-current assets			
Property, plant and equipment		**7,637**	11,606
Investment property		**21,966**	22,303
Intangible assets		**1,825**	1,649
Interests in associates		**2,785,380**	2,518,690
Debt portion of convertible notes		**52,741**	61,102
Conversion options embedded in convertible notes		**18,634**	11,421
Note receivable from an associate		**–**	100,000
		2,888,183	2,726,771
Current assets			
Inventories		**29**	32
Debtors, deposits and prepayments	10	**3,641**	1,844
Amounts due from associates		**4,244**	6,796
Loans receivable		**28,000**	10,000
Note receivable from an associate		**50,000**	–
Short-term bank deposits, bank balances and cash		**39,635**	48,440
		125,549	67,112

	Note	2013 HK$'000	2012 HK$'000 (restated)
Current liabilities			
Creditors and accrued expenses	11	**9,898**	11,554
Bank overdrafts		**52,555**	36,756
Convertible notes payable		**95,852**	–
		158,305	48,310
Net current (liabilities) assets		**(32,756)**	18,802
Total assets less current liabilities		**2,855,427**	2,745,573
Non-current liabilities			
Convertible notes payable		**–**	131,299
Deferred tax liabilities		**1,035**	1,014
		1,035	132,313
Net assets		**2,854,392**	2,613,260
Capital and reserves			
Share capital		**9,276**	7,770
Share premium and reserves		**2,845,116**	2,605,490
Total equity		**2,854,392**	2,613,260

Condensed Consolidated Statement of Cash Flows
For the year ended 31st March, 2013

	2013	2012
	HK$'000	*HK$'000*
Net cash (used in) from operating activities	**(13,046)**	17,801
Net cash from investing activities	**26,399**	74,766
Net cash used in financing activities	**(38,003)**	(47,227)
Net (decrease) increase in cash and cash equivalents	**(24,650)**	45,340
Cash and cash equivalents brought forward	**11,684**	(33,820)
Effect of foreign exchange rate changes	**46**	164
Cash and cash equivalents carried forward	**(12,920)**	11,684
Analysis of the balances of cash and cash equivalents		
Short-term bank deposits, bank balances and cash	**39,635**	48,440
Bank overdrafts	**(52,555)**	(36,756)
	(12,920)	11,684

Notes:

1. BASIS OF PREPARATION

The consolidated financial statements of the Group have been prepared in accordance with Hong Kong Financial Reporting Standards (the "HKFRS(s)") issued by the Hong Kong Institute of Certified Public Accountants (the "HKICPA"). In addition, the consolidated financial statements include applicable disclosures required by the Rules Governing the Listing of Securities (the "Listing Rules") on The Stock Exchange of Hong Kong Limited (the "Hong Kong Stock Exchange") and by the Hong Kong Companies Ordinance.

2. APPLICATION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS

In the current year, the Group has applied the following new and revised HKFRSs issued by the HKICPA.

Amendments to HKAS 12	Deferred Tax: Recovery of Underlying Assets
Amendments to HKFRS 7	Financial Instruments: Disclosures – Transfers of Financial Assets
Amendments to HKAS 1	As part of the Annual Improvements to HKFRSs 2009 – 2011 Cycle issued in June 2012

Amendments to HKAS 12 "Deferred Tax: Recovery of Underlying Assets"

The Group has applied for the first time the amendments to HKAS 12 "Deferred Tax: Recovery of Underlying Assets" in the current year. Under the amendments, investment properties that are measured using the fair value model in accordance with HKAS 40 "Investment Property" are presumed to be recovered entirely through sale for the purposes of measuring deferred taxes, unless the presumption is rebutted in certain circumstances.

The Group measures its investment properties using the fair value model. As a result of the application of the amendments to HKAS 12, the directors reviewed the Group's investment property portfolios and concluded that the Group's investment properties are not held under a business model whose objective is to consume substantially all of the economic benefits embodied in the investment properties over time, and that the presumption set out in the amendments to HKAS 12 is not rebutted.

As a result of the application of the amendments to HKAS 12, no deferred taxes on changes in fair value was recognised for the Group's then investment properties located in Hong Kong, which were disposed of during the year ended 31st March, 2012 as the Group is not subject to any income taxes on the disposal of its investment properties. Previously, the Group recognised deferred taxes on changes in fair value of investment properties on the basis that the entire carrying amounts of the properties were recovered through use. The application of the amendments has resulted in the Group's tax charge and gain on disposal of subsidiaries for the year ended 31st March, 2012 being decreased by HK$330,000 and HK$3,541,000, respectively. Application of the amendments to HKAS 12 has no impact on deferred taxes on changes in fair value of the investment properties in Canada as it was considered to be recovered through disposal throughout the years.

The amendments to HKAS 12 have been applied retrospectively by the Group and its associates. Accordingly, prior period adjustments were made on the Group's interests in associates and share of results of the Group's associates in previous years. Comparative figures were restated accordingly. The application of the amendments has resulted in the Group's share of results of associates for the years ended 31st March, 2013 and 31st March, 2012 being increased by HK$5,835,000 and HK$7,201,000, respectively and hence resulted in the profit for the years ended 31st March, 2013 and 31st March, 2012 being increased by HK$5,835,000 and HK$7,201,000, respectively.

Amendments to HKAS 1 "Presentation of Financial Statements"

(as part of the Annual Improvements to HKFRSs 2009 – 2011 Cycle issued in 2012)

Various amendments to HKFRSs were issued in June 2012, the title of which is Annual Improvements to HKFRSs 2009 – 2011 Cycle. The effective date of these amendments is annual periods beginning on or after 1st January, 2013.

In current year, the Group has applied for the first time the amendments to HKAS 1 in advance of the effective date (annual periods beginning on or after 1st January, 2013).

HKAS 1 requires an entity that changes accounting policies retrospectively, or makes a retrospective restatement or reclassification to present a statement of financial position as at the beginning of the preceding period (third statement of financial position). The amendments to HKAS 1 clarify that an entity is required to present a third statement of financial position only when the retrospective application, restatement or reclassification has a material effect on the information in the third statement of financial position and that related notes are not required to accompany the third statement of financial position.

In the current year, the Group has applied the amendments to HKAS 12 "Deferred Tax: Recovery of Underlying Assets" for the first time, which did not have a material effect on the amounts presented in the consolidated statement of financial position as at 1st April, 2011. In accordance with the amendments to HKAS 1, the Group has not presented a third statement of financial position as at 1st April, 2011.

Summary of the effect of the above changes in accounting policy

The effect of the changes in accounting policy described above on the results for the current and prior years by line items presented in the consolidated statement of comprehensive income is as follows:

	2013	2012
	HK$'000	*HK$'000*
Increase in share of results of associates	**5,835**	7,201
Decrease in taxation	**–**	330
Decrease in gain on disposal of subsidiaries	**–**	(3,541)
Increase in profit for the year	**5,835**	3,990

The effect of the above changes in accounting policy described above on the financial positions of the Group as at 31st March, 2012 is as follows:

	As at 31st March, 2012 (originally stated)	Adjustments	As at 31st March, 2012 (restated)
	HK$'000	*HK$'000*	*HK$'000*
Interest in associates, total effect on net assets	2,506,835	11,855	2,518,690
Accumulated profits, total effect on equity	1,645,549	11,855	1,657,404

The effect of the above changes in accounting policy described above on the financial positions of the Group as at 1st April, 2011 is as follows:

	As at 1st April, 2011 (originally stated) *HK$'000*	Adjustments *HK$'000*	As at 1st April, 2011 (restated) *HK$'000*
Interests in associates	2,022,646	4,654	2,027,300
Deferred tax liabilities	(38,457)	3,211	(35,246)
Total effect on net assets	1,984,189	7,865	1,992,054
Accumulated profits, total effect on equity	1,049,047	7,865	1,056,912

Impact on basic earnings per share

	2013 ***HK cents***	2012 *HK cents*
Basic earnings per share before adjustments	**26.38**	55.38
Adjustments arising from change in accounting policy in relation to the application of amendments to HKAS 12 in respect of deferred taxes on investment properties	**0.74**	0.52
Reporting basic earnings per share	**27.12**	55.90

Impact on diluted earnings per share

	2013 ***HK cents***	2012 *HK cents*
Diluted earnings per share before adjustments	**13.01**	35.05
Adjustments arising from change in accounting policy in relation to the application of amendments to HKAS 12 in respect of deferred taxes on investment properties	**0.46**	0.32
Reporting diluted earnings per share	**13.47**	35.37

The Group has not early applied the following new and revised HKFRSs that have been issued but are not yet effective:

Amendments to HKFRSs	Annual Improvements to HKFRSs 2009 – 2011 Cycle, except for the amendments HKAS 1[1]
Amendments to HKFRS 7	Disclosures – Offsetting Financial Assets and Financial Liabilities[1]
Amendments to HKFRS 9 and HKFRS 7	Mandatory Effective Date of HKFRS 9 and Transition Disclosures[3]
Amendments to HKFRS 10, HKFRS 11 and HKFRS 12	Consolidated Financial Statements, Joint Arrangements and Disclosure of Interests in Other Entities: Transition Guidance[1]
Amendments to HKFRS 10, HKFRS 12 and HKAS 27	Investment Entities[2]
HKFRS 9	Financial Instruments[3]
HKFRS 10	Consolidated Financial Statements[1]
HKFRS 11	Joint Arrangements[1]
HKFRS 12	Disclosure of Interests in Other Entities[1]
HKFRS 13	Fair Value Measurement[1]
HKAS 19 (as revised in 2011)	Employee Benefits[1]
HKAS 27 (as revised in 2011)	Separate Financial Statements[1]
HKAS 28 (as revised in 2011)	Investments in Associates and Joint Ventures[1]
Amendments to HKAS 1	Presentation of Items of Other Comprehensive Income[4]
Amendments to HKAS 32	Offsetting Financial Assets and Financial Liabilities[2]
HK(IFRIC) – Int 20	Stripping Costs in the Production Phase of a Surface Mine[1]
HK(IFRIC) – Int 21	Levies[2]

1 Effective for annual periods beginning on or after 1st January, 2013.
2 Effective for annual periods beginning on or after 1st January, 2014.
3 Effective for annual periods beginning on or after 1st January, 2015.
4 Effective for annual periods beginning on or after 1st July, 2012.

HKFRS 9 "Financial Instruments"

HKFRS 9 issued in 2009 introduces new requirements for the classification and measurement of financial assets. HKFRS 9 amended in 2010 includes the requirements for the classification and measurement of financial liabilities and for derecognition.

Key requirements of HKFRS 9 are described as follows:

- All recognised financial assets that are within the scope of HKAS 39 "Financial Instruments: Recognition and Measurement" are subsequently measured at amortised cost or fair value. Specifically, debt investments that are held within a business model whose objective is to collect the contractual cash flows, and that have contractual cash flows that are solely payments of principal and interest on the principal outstanding are generally measured at amortised cost at the end of subsequent accounting periods. All other debt investments and equity investments are measured at their fair values at the end of subsequent reporting periods. In addition, under HKFRS 9, entities may make an irrevocable election to present subsequent changes in the fair value of an equity investment (that is not held for trading) in other comprehensive income, with only dividend income generally recognised in profit or loss.

- With regard to the measurement of financial liabilities designated as at fair value through profit or loss, HKFRS 9 requires that the amount of change in the fair value of the financial liability that is attributable to changes in the credit risk of that liability is presented in other comprehensive income, unless the recognition of the effects of changes in the liability's credit risk in other comprehensive income would create or enlarge an accounting mismatch in profit or loss. Changes in fair value of financial liabilities attributable to changes in the financial liabilities' credit risk are not subsequently reclassified to profit or loss. Under HKAS 39, the entire amount of the change in the fair value of the financial liability designated as fair value through profit or loss was presented in profit or loss.

HKFRS 9 is effective for annual periods beginning on or after 1st January, 2015, with earlier application permitted.

The directors anticipate that the adoption of HKFRS 9 in the future may have significant impact on amounts reported in respect of the Group's financial assets.

Regarding the Group's financial assets, it is not practicable to provide a reasonable estimate of that effect until a detailed review has been completed.

New and revised Standards on consolidation, joint arrangements, associates and disclosures

In June 2011, a package of five standards on consolidation, joint arrangements, associates and disclosures was issued, including HKFRS 10, HKFRS 11, HKFRS 12, HKAS 27 (as revised in 2011) and HKAS 28 (as revised in 2011).

Key requirements of these five standards are described below.

HKFRS 10 replaces the parts of HKAS 27 "Consolidated and Separate Financial Statements" that deal with consolidated financial statements. HK (SIC) – Int 12 "Consolidation – Special Purpose Entities" will be withdrawn upon the effective date of HKFRS 10. Under HKFRS 10, there is only one basis for consolidation, that is, control. In addition, HKFRS 10 includes a new definition of control that contains three elements: (a) power over an investee, (b) exposure, or rights, to variable returns from its involvement with the investee, and (c) the ability to use its power over the investee to affect the amount of the investor's returns. Extensive guidance has been added in HKFRS 10 to deal with complex scenarios.

HKFRS 11 replaces HKAS 31 "Interests in Joint Ventures". HKFRS 11 deals with how a joint arrangement of which two or more parties have joint control should be classified. HK (SIC) – Int 13 "Jointly Controlled Entities – Non-monetary Contributions by Venturers" will be withdrawn upon the effective date of HKFRS 11. Under HKFRS 11, joint arrangements are classified as joint operations or joint ventures, depending on the rights and obligations of the parties to the arrangements. In contrast, under HKAS 31, there are three types of joint arrangements: jointly controlled entities, jointly controlled assets and jointly controlled operations.

In addition, joint ventures under HKFRS 11 are required to be accounted for using the equity method of accounting, whereas jointly controlled entities under HKAS 31 can be accounted for using the equity method of accounting or proportionate consolidation.

HKFRS 12 is a disclosure standard and is applicable to entities that have interests in subsidiaries, joint arrangements, associates and/or unconsolidated structured entities. In general, the disclosure requirements in HKFRS 12 are more extensive than those in the current standards.

In July 2012, the amendments to HKFRS 10, HKFRS 11 and HKFRS 12 were issued to clarify certain transitional guidance on the application of these five HKFRSs for the first time.

These five standards, together with the amendments relating to the transitional guidance, are effective for annual periods beginning on or after 1st January, 2013 with earlier application permitted provided that all of these standards are applied at the same time.

Based on the existing group structure, the application of these five standards is not expected to have a significant impact on the amounts reported in the consolidated financial statements.

HKFRS 13 "Fair Value Measurement"

HKFRS 13 establishes a single source of guidance for fair value measurements and disclosures about fair value measurements. The standard defines fair value, establishes a framework for measuring fair value, and requires disclosures about fair value measurements. The scope of HKFRS 13 is broad; it applies to both financial instrument items and non-financial instrument items for which other HKFRSs require or permit fair value measurements and disclosures about fair value measurements, except in specified circumstances. In general, the disclosure requirements in HKFRS 13 are more extensive than those in the current standards. For example, quantitative and qualitative disclosures based on the three-level fair value hierarchy currently required for financial instruments only under HKFRS 7 "Financial Instruments: Disclosures" will be extended by HKFRS 13 to cover all assets and liabilities within its scope.

HKFRS 13 is effective for annual periods beginning on or after 1st January, 2013, with earlier application permitted. The directors anticipate that the application of the new standard may affect the amounts reported in the consolidated financial statements and result in more extensive disclosures in the consolidated financial statements.

Amendments to HKAS 1 "Presentation of Items of Other Comprehensive Income"

The amendments to HKAS 1 "Presentation of Items of Other Comprehensive Income" introduce new terminology for the statement of comprehensive income and income statement. The amendments to HKAS 1 retain the option to present profit or loss and other comprehensive income in either a single statement or in two separate but consecutive statements. However, the amendments to HKAS 1 require items of other comprehensive income to be grouped into two categories: (a) items that will not be reclassified subsequently to profit or loss; and (b) items that may be reclassified subsequently to profit or loss when specific conditions are met. Income tax on items of other comprehensive income is required to be allocated on the same basis – the amendments do not change the option to present items of other comprehensive income either before tax or net of tax.

The amendments to HKAS 1 are effective for annual periods beginning on or after 1st July, 2012. The presentation of items of other comprehensive income will be modified accordingly when the amendments are applied in future accounting periods.

3. REVENUE AND SEGMENT INFORMATION

Revenue represents the amounts received and receivable from outside customers for the year and includes gain on disposal of investments held for trading.

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 available-for-sale investments and trading of securities
Others	–	leasing of investment properties, 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 year ended 31st March, 2013

	Finance	Long-term investment	Other investment	Others	Segment total	Eliminations	Consolidated
	HK$'000	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*
SEGMENT REVENUE							
External sales	5,386	7,155	–	5,257	17,798	–	17,798
Inter-segment sales	1,794	–	–	–	1,794	(1,794)	–
Total	7,180	7,155	–	5,257	19,592	(1,794)	17,798
RESULT							
Segment result	7,088	16,645	–	87	23,820	–	23,820
Central administration costs							(49,553)
Finance costs							(14,382)
Net loss on deemed disposal of partial interests in associates							(35,330)
Share of results of associates							
– share of results							257,178
– gain on acquisitions of additional interests in associates							32,403
Profit before taxation							214,136

For the year ended 31st March, 2012 (restated)

	Finance	Long-term investment	Other investment	Others	Segment total	Eliminations	Consolidated
	HK$'000	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*
SEGMENT REVENUE							
External sales	3,435	8,188	633	7,292	19,548	–	19,548
Inter-segment sales	1,762	–	–	1,888	3,650	(3,650)	–
Total	5,197	8,188	633	9,180	23,198	(3,650)	19,548
RESULT							
Segment result	4,979	18,333	613	12,580	36,505	–	36,505
Central administration costs							(53,271)
Finance costs							(18,561)
Gain on disposal of subsidiaries *(Note)*							19,253
Net loss on deemed disposal of partial interests in associates							(3,748)
Gain on convertible notes payable							16,159
Share of results of associates							
– share of results							115,534
– gain on deemed acquisition and acquisitions of additional interests in associates							322,463
Profit before taxation							434,334

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, gain on disposal of subsidiaries, gain on convertible notes payable and items related to interests in associates.

During the year ended 31st March, 2013, the chief operating decision maker re-designated the allocation basis of certain expenses which originally included in finance segment to central administration costs since the related resources were centrally utilised starting from the current year. As a result, the information reported under finance segment for the year ended 31st March, 2012 was also restated to conform to current year's presentation.

Note:

Reconciliation of gain on disposal of subsidiaries

	2012
	HK$'000
	(restated)
Others segment	8,251
Unallocated	19,253
Gain on disposal of subsidiaries as shown in the consolidated statement of comprehensive income	27,504

Geographical information

The Group's operations are located in Hong Kong and Canada.

Information about the Group's revenue from external customers or counterparties is presented based on the locations of transactions conducted.

	2013	2012
	HK$'000	*HK$'000*
Hong Kong	**12,874**	14,772
Canada	**4,924**	4,776
	17,798	19,548

4. NET GAIN ON FINANCIAL INSTRUMENTS

	2013	2012
	HK$'000	*HK$'000*
Net gain (loss) on:		
– Conversion options embedded in convertible notes	**9,702**	(3,468)
– Repurchase of convertible notes receivable	**–**	13,704
– Investments held for trading	**–**	22
Dividend income on available-for-sale investments	**–**	611
Gain on convertible notes payable	**–**	16,159
	9,702	27,028

5. DISPOSAL OF SUBSIDIARIES

On 9th September, 2011, the Group entered into a sale and purchase agreement to dispose of its entire interest in Top Precise Investments Limited, a wholly-owned subsidiary of the Company ("Top Precise", together with its wholly-owned subsidiary, Great Intelligence Limited, collectively referred to as the "Top Precise Group"), ("Top Precise Agreement"), and the entire amount of the shareholder's loan owing by Top Precise to ITC Development Group Limited (formerly known as "Hero's Way Resources Ltd."), another wholly-owned subsidiary of the Company as at the completion date to a subsidiary of ITC Properties Group Limited ("ITC Properties"), an associate of the Group, for an aggregate consideration of HK$313,000,000 plus the net tangible asset value ("NTAV", as defined in the circular dated 26th October, 2011 issued by the Company (the "Circular")) at completion subject to adjustments (see the Circular for details).

Top Precise Group is engaged in the leasing of properties to the Group and outsiders. The transaction was completed on 16th November, 2011, on which date, the consideration was determined as HK$215,670,000 (being HK$313,000,000 plus the negative NTAV of HK$97,330,000). Of the net proceeds, HK$100,000,000 should be settled by way of the issue of a 2-year loan note issued by a subsidiary of ITC Properties. On the disposal of the Top Precise Group, the property revaluation reserve of HK$180,920,000, which was recognised as equity, was reclassified to accumulated profits. According to the Top Precise Agreement, the Group had given an indemnity relating to taxation liabilities, if any, and the affairs and business of Top Precise Group up to the date of disposal to the purchaser.

The net assets of the Top Precise Group at the date of disposal, being 16th November, 2011, were as follows:

	HK$'000 (restated)
Consideration received:	
Cash received	115,670
Note receivable	100,000
	215,670
Analysis of assets and liabilities over which control was lost:	
Property, plant and equipment	235,097
Investment property	85,000
Debtors, deposits and prepayments	997
Creditors and accrued expenses	(827)
Bank borrowings	(97,500)
Deferred taxation	(35,751)
Net assets disposed of	187,016
Gain on disposal of subsidiaries:	
Consideration received and receivable	215,670
Net assets disposed of	(187,016)
	28,654
Less: related transaction cost	(1,150)
	27,504
Net cash inflow arising on disposal:	
Cash consideration received	115,670
Less: related transaction cost	(1,150)
	114,520

6. PROFIT BEFORE TAXATION

	2013	2012
	HK$'000	*HK$'000*
Profit before taxation has been arrived at after charging:		
Depreciation of property, plant and equipment	**5,098**	10,668

7. TAXATION

Taxation represents the deferred tax recognised by the Group.

No provision for Hong Kong Profits Tax has been made as the Group had no assessable profits arising in Hong Kong for both years.

8. DISTRIBUTIONS

	2013	2012
	HK$'000	*HK$'000*
Dividends recognised as distributions to owners of the Company during the year:		
– Final dividend for 2012 – HK3.0 cents (2012: HK1.0 cent for 2011) per share	**23,511**	7,770
– Interim dividend for 2013 – HK1.0 cent (2012: HK1.0 cent for 2012) per share	**7,876**	7,770
	31,387	15,540
Dividends proposed in respect of the current year:		
– Final dividend for 2013 – HK3.0 cents (2012: HK3.0 cents) per share	**27,828**	23,311

The directors of the Company have resolved to recommend the payment of a final dividend of HK3.0 cents per share for the year ended 31st March, 2013 (2012: HK3.0 cents), which will be payable in cash, with an option to elect scrip dividend of shares, in respect of part or all of such dividend. The aggregate amount of the final dividend for 2012 declared and approved during the current year amounted to HK$23,511,000 representing cash dividend of HK$21,755,000 and scrip dividend of HK$1,756,000 (2012: cash dividend of HK$7,770,000).

9. EARNINGS PER SHARE

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

	2013	2012
	HK$'000	*HK$'000*
		(restated)
Earnings for the year attributable to the owners of the Company for the purpose of basic earnings per share	**214,128**	434,334
Effect of dilutive potential shares:		
Adjustment to the share of result of an associate based on dilution of its earnings per share	**(51,773)**	7,884
Adjustment of the interest income on the convertible notes issued by an associate	**(7,155)**	(8,188)
Adjustment of finance costs on convertible notes payable	**13,981**	15,541
Earnings for the purpose of diluted earnings per share	**169,181**	449,571

	Number of shares	
	2013	2012
Weighted average number of shares for the purpose of basic earnings per share	**789,558,877**	777,028,676
Effect of dilutive potential shares of convertible notes payable	**466,136,986**	494,198,543
Weighted average number of shares for the purpose of diluted earnings per share	**1,255,695,863**	1,271,227,219

10. DEBTORS, DEPOSITS AND PREPAYMENTS

Included in debtors, deposits and prepayments are trade debtors of HK$2,101,000 (2012: HK$850,000) and their aged analysis based on the invoice date at the end of the reporting period is as follows:

	2013	2012
	HK$'000	*HK$'000*
Trade debtors		
0 – 30 days	**2,099**	803
31 – 60 days	**2**	14
61 – 90 days	**–**	5
Over 90 days	**–**	28
	2,101	850

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 receivable, there are no credit terms granted by the Group.

11. **CREDITORS AND ACCRUED EXPENSES**

Included in creditors and accrued expenses are trade creditors of HK$2,613,000 (2012: HK$3,437,000) and their aged analysis presented based on the invoice date at the end of the reporting period is as follows:

	2013	2012
	HK$'000	*HK$'000*
Trade creditors		
0 – 30 days	**2,601**	3,423
31 – 60 days	**12**	14
	2,613	3,437

FINAL DIVIDEND

The Board has resolved to recommend the payment of a final dividend of HK3.0 cents per share for the year ended 31st March, 2013 (2012: HK3.0 cents) to the shareholders of the Company whose names appear on the register of members of the Company as at the close of business on Wednesday, 28th August, 2013. The proposed final dividend is expected to be paid to the shareholders of the Company by post on or about Friday, 4th October, 2013 following approval at the forthcoming annual general meeting of the Company. The proposed final dividend is conditional upon the passing of an ordinary resolution to approve the final dividend at the forthcoming annual general meeting of the Company. The Board has also proposed that the final 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 28th August, 2013 less a discount of five percent of such average price or 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 and the passing at the forthcoming annual general meeting of the Company of an ordinary resolution to approve the final dividend. 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, 26th August, 2013 to Wednesday, 28th August, 2013, both dates inclusive, during which period no transfer of shares will be registered. In order to qualify for the proposed final 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 26th Floor, Tesbury Centre, 28 Queen's Road East, Wanchai, Hong Kong for registration by no later than 4:00 p.m. on Friday, 23rd August, 2013.

MANAGEMENT DISCUSSION AND ANALYSIS

BUSINESS REVIEW

Review of Financial Performance

For the year ended 31st March, 2013, the Group reported a profit of HK$214 million attributable to shareholders (2012: HK$434 million). Basic earnings per share was HK27.12 cents compared with HK55.90 cents of last year. The Group continued to benefit from its strategic investments in listed companies. Contribution from associates enjoyed a year-on-year increase of 123% to HK$257 million over last year's HK$115 million mainly attributable to the increase in results of ITC Properties. Despite more contribution from the associates, profit for the year decreased because last year results included a significant non-recurring gain of HK$318 million arising mainly from the increase in interests in ITC Properties and Rosedale.

Analysis of the Group's performance is as follows:

	2013	2012
	HK$'M	*HK$'M*
Share of results of associates:		
ITC Properties	**234**	77
PYI	**70**	84
Rosedale	**(43)**	(38)
Burcon	**(4)**	(8)
	257	115
Net (loss) gain from changes in interests in associates	**(3)**	318
Gain on disposal of subsidiaries	**–**	28
Net loss from other investments and operations	**(40)**	(27)
Profit attributable to shareholders	**214**	434

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 golf resort and leisure operations in Mainland China, securities investments and the provision of loan financing services.

During the year, the Group converted the convertible notes of ITC Properties ("ITCP Notes") with a principal amount of HK$26.5 million into approximately 12 million shares at the conversion price of HK$2.20 per share and also acquired certain ITCP Notes in a principal amount of HK$10.5 million. The total principal amount of the ITCP Notes held by the Group as at 31st March, 2013 was HK$54.4 million. After the aforesaid conversion of ITCP Notes by the Group and the conversions of ITCP Notes and exercises of share options by other parties, the Group's interest in ITC Properties decreased slightly from 37.9% to 37.3% as at 31st March, 2013 as a result of which a net loss of HK$10 million was recognised for the year.

ITC Properties recorded a profit of HK$580 million attributable to its shareholders for the year ended 31st March, 2013 which represents an increase of 258% as compared with HK$162 million last year. Such increase was mainly attributable to substantial gain recognised on disposal of its partial interest in Sun Valley Golf Resort in Sanya, Mainland China and share of gain on disposal of a parcel of land in Macau by one of its associates. As a result, the Group shared a profit of HK$234 million from ITC Properties for the year under review.

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 its direct and indirect interests in Paul Y. Engineering (BVI) Limited ("PYE BVI").

The Group's interests in PYI increased slightly from 26.6% to 26.8% as at 31st March, 2013 when the Group acquired approximately 13 million shares at the total consideration of HK$2.3 million on the open market during the year and a gain of HK$11 million was recognised accordingly.

In November 2012, PYI and Paul Y. Engineering Group Limited ("PYE"), now known as Louis XIII Holdings Limited ("Louis XIII") jointly announced that PYE entered into certain agreements to pursue certain transactions including (i) acquisition of an exclusive power of attorney over a land situated on the Cotai Strip in Macau for development of a 5-star hotel with ancillary retail and entertainment facilities; (ii) placing and contingent placing of shares and convertible bonds; (iii) distribution in specie of a 49% interest in PYE BVI with a cash alternative; and (iv) special cash dividend of HK$0.26 per share with scrip alternative. Upon completion of the acquisition and the placing of new shares and convertible bonds in February 2013, PYI's interest in Louis XIII was diluted from 61.9% to 10.6% (which was further reduced to 9.9% in March 2013) and was entitled to 30.3% interest in PYE BVI under the distribution in specie. The placing of new shares constituted a deemed disposal of subsidiaries by PYI and the aforesaid transactions resulted in a gain of HK$170 million for PYI. Upon completion of the distribution in specie with the cash alternative in March 2013, PYI further acquired 17.2% interest in PYE BVI under the cash alternative.

In April 2013, the name of PYE was changed to Louis XIII Holdings Limited. It will develop a parcel of land situated on the Cotai Strip, Macau on which it proposes to build and manage an eminently exclusive hotel and entertainment destination called "Louis XIII". This project is the first of a series of ultra luxurious lifestyle experiences that Louis XIII is planning to offer the world's wealthiest. Louis XIII is also engaged in international engineering services spanning Hong Kong, Mainland China, Macau and the international market through its subsidiary, PYE BVI. In June 2013, PYE BVI changed its name to Paul Y. Engineering Group Limited.

PYI recorded a profit attributable to its shareholders of HK$262 million for the year ended 31st March, 2013. The decrease in profit for the year as compared to HK$334 million last year was mainly attributable to the decrease in net gain from deemed disposal/disposal of subsidiaries. As a result, the profit contributed by PYI decreased from HK$84 million to HK$70 million.

Rosedale Hotel Holdings Limited ("Rosedale")

Rosedale is principally engaged in the hotel investments and management in Mainland China and Hong Kong and also trading of securities. Rosedale's hotel operations comprised the four "Rosedale" branded 4-star rated hotels, namely Rosedale Hotel Kowloon, Rosedale on the Park, Rosedale Hotel & Suites, Beijing, Rosedale Hotel & Suites, Guangzhou, the Times Plaza Hotel, Shenyang and the Luoyang Golden Gulf Hotel.

The Group's interest in Rosedale remained at 29.7% throughout the year. Rosedale recorded a loss of HK$143 million attributable to its shareholders for the year ended 31st December, 2012 as compared with HK$207 million last year. The business hotel network of Rosedale was further comprehended following the soft opening of the Rosedale Hotel Kowloon in July 2012. Operating margin was improved subsequent to the surrender and disposal of certain under-performed budget hotel leases during the year. Accordingly, the Group shared a loss of HK$43 million for the current year.

Burcon NutraScience Corporation ("Burcon")

Burcon is a leader in nutrition, health and wellness in the field of functional, renewable plant 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™ soy protein, the only vegetable-based protein that offers clarity and complete protein nutrition for low pH beverage systems; Peazazz®, a uniquely soluble and clean-tasting pea protein isolate; and Puratein®, Supertein™ and Nutratein® 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 June 2012, Burcon announced that ADM had opened its first commercial-scale plant to make CLARISOY™ soy protein available for customers looking to purchase commercial-scale quantities. In October 2012, ADM earned the Best Beverage Ingredient Concept prize for CLARISOY™ 150, the first extension to the CLARISOY™ product line, at the 2012 InterBev Awards ceremony in Las Vegas. In December 2012, ADM notified Burcon of the first commercial sale of CLARISOY™ soy protein produced by ADM.

In January 2013, Burcon provided notice to terminate the letter of intent for commercialising Peazazz® announced in August 2012 to the other party. Burcon also reported in January 2013 that it had commenced building a commercial-scale plant to produce Peazazz® and market development quantities are expected to be available for customers by about July 2013.

In November 2012, Burcon issued approximately 1.4 million common shares at a price of 4.0 Canadian dollars per share of which the Group has subscribed for 300,000 shares. The net proceeds will be used for continued commercialization of Peazazz® pea protein and CLARISOY™ soy protein and for general working capital purposes. The Group's interest in Burcon decreased from 21.0% to 20.8% during the year due to exercise of share options by other parties. The loss shared by the Group during the year was HK$4 million.

(CLARISOY™ is under license to Burcon from ADM)
(CLARISOY™ is a trademark of ADM)

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

			Effective interest	
Name of investee company	**Place of listing**	**Stock code**	**As at 31st March, 2013**	**As at the date of this announcement**
ITC Properties	Hong Kong Stock Exchange	199	37.7%	33.2%
PYI	Hong Kong Stock Exchange	498	26.8%	26.8%
Rosedale	Hong Kong Stock Exchange	1189	29.7%	29.7%
Burcon	Toronto Stock Exchange NASDAQ Global Market Frankfurt Stock Exchange	BU BUR WKN 157793	20.8%	20.8%
Louis XIII	Hong Kong Stock Exchange	577	6.9% *(Note)*	6.4% *(Note)*

Note: The Group's effective interest is held through ITC Properties and PYI.

LIQUIDITY AND FINANCIAL RESOURCES

As at 31st March, 2013, the Group's total assets and equity attributable to shareholders were HK$3,014 million and HK$2,854 million respectively, representing a respective increase of 8% and 9% as compared with last year, which was mainly attributable to increase in investments in associates and their contribution attributable to the Group during the year.

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 31st March, 2013, current assets were HK$126 million, increased by 87% year-on-year as current year's amount included the loan note of ITC Properties which would be matured in November 2013. Current liabilities were HK$158 million, increased by 228% as compared with last year. The increase was mainly due to reclassification of the convertible notes of the Company ("Convertible Notes"), which would be matured in November 2013, from non-current liabilities to current liabilities. Accordingly, the Group's current ratio was 0.8 (2012: 1.4).

GEARING

As at 31st March, 2013, the Group had bank deposits, bank balances and cash of HK$40 million, bank borrowings of HK$53 million and HK$96 million recognised as the liability component of the Convertible Notes. All bank borrowings were either repayable within one year or on demand and were at floating interest rates. The Convertible Notes, which pays an annual interest of 5%, were initially issued in November 2009 with a 2-year maturity but was subsequently extended to 2nd November, 2013. During the year, approximately 147 million shares were issued upon conversion of the Convertible Notes in the aggregate principal amount of HK$44 million. As at 31st March, 2013, the aggregate outstanding principal amount of the Convertible Notes was HK$99 million and the conversion price was HK$0.30 per share.

The Group's gearing ratio was 3.8% as at 31st March, 2013 (2012: 4.6%), calculated on the basis of net borrowings of HK$109 million over the equity attributable to shareholders of HK$2,854 million. Net borrowings is arrived at by deducting bank deposits, bank balances and cash from the aggregate of borrowings and the liability component of the Convertible Notes.

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 exchanging hedging instruments are used.

PLEDGE OF ASSETS

As at 31st March, 2013, a property with carrying value of HK$25 million was pledged to a bank to secure general facility granted to the Group.

CONTINGENT LIABILITIES

As at 31st March, 2013, the Group had no contingent liabilities, except that upon disposal of subsidiaries in 2011, the Group had given an indemnity relating to unrecorded taxation liabilities, if any, and the affairs and business of the subsidiaries up to the date of disposal to the purchaser.

EMPLOYEE AND REMUNERATION POLICY

As at 31st March, 2013, the Group had a total of 64 employees. It is the Group's remuneration policy that 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 year and there is no outstanding share option as at 31st March, 2013 and as at the date of this announcement.

EVENTS AFTER THE YEAR ENDED 31ST MARCH, 2013

ITC Properties

In April 2013, the Group and Ms. Ng Yuen Lan, Macy ("Ms. Ng", spouse of Dr. Chan Kwok Keung, Charles) converted ITCP Notes in the principal amounts of HK$54.4 million and HK$297 million respectively into approximately 25.9 million and 141.3 million shares of ITC Properties at the conversion price of HK$2.102 per share ("April Conversion"). The Group's interest in ITC Properties decreased from 37.3% as at 31st March, 2013 to 30.9% immediately after the April Conversion. Furthermore, the Group acquired an aggregate of approximately 12.7 million shares of ITC Properties at the total consideration of HK$41.8 million on the open market ("April Acquisition"), coupling with the conversion of ITCP Notes and exercise of share options of ITC Properties by other parties, the Group's interest in ITC Properties increased from 30.9% after the April Conversion to 32.9% as at the date of this announcement.

With reference to the latest published annual results of ITC Properties, the expected financial effect to be recognised in the profit or loss of the Group for the next financial year in relation to the April Conversion and April Acquisition will be a loss of approximately HK$140 million and a gain of approximately HK$24 million respectively. The expected loss for the dilution of the Group's interest in ITC Properties upon the aforesaid conversion of ITCP Notes and exercise of share options of ITC Properties by other parties will be approximately HK$4 million.

In April 2013, the Group also acquired ITCP Notes in an aggregate principal amount of HK$43.85 million at the consideration of HK$55.07 million. On a fully diluted basis, the Group's interest in ITC Properties would further decrease from 32.9% as at the date of this announcement to 31.0%. The estimated net loss to be recognised in the profit or loss of the Group would be approximately HK$48 million calculated with reference to the latest published annual results of ITC Properties, which includes (i) the estimated gain of approximately HK$27 million on conversion of ITCP Notes in the principal amount of HK$43.85 million by the Group; and (ii) the estimated loss of approximately HK$75 million on conversion of all ITCP Notes and exercise of all share options of ITC Properties by other parties.

Rosedale

In June 2013, Rosedale announced a capital injection plan for Rosedale Hotel Beijing Co., Ltd. ("Rosedale Beijing") of which an investor has conditionally agreed to make a capital contribution of US$68.8 million in cash. The investor shall pay a compensation amount estimated at approximately RMB530.2 million to Rosedale in consideration of waiving its pre-emption rights to make the capital contribution. Upon completion of the capital injection, Rosedale's interest in Rosedale Beijing will be reduced from 88.2% to 17.6% and Rosedale expects to recognise a gain of HK$537.7 million. The actual gain or loss will depend on the financial position of Rosedale Beijing at completion. Based on the aforementioned gain to Rosedale and the Group's 29.7% interest in Rosedale as at the date of this announcement, the Group will share approximately HK$160 million. The capital injection plan is subject to, among others, the approval by the shareholders of Rosedale.

OUTLOOK

The global economy is still mounting with uncertainties amid the challenges of recovery from the debt crisis for the eurozone, potential future withdrawal of monetary policy measures by the United States and the possible slowdown of Mainland China's economic growth. Against this backdrop, the economic and business environment is expected to be challenging.

The Group's strategic framework will continue to keep the Group well-poised for opportunities as well as meeting the challenges ahead. The diversified business activities of the Group's strategic investments enable the Group to mitigate the risk of over-reliance of a particular sector and country. The Group will maintain its prudent but proactive investment approach in pursuing opportunities and supporting its strategic investments in order to bring long-term value to shareholders.

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

During the year ended 31st March, 2013, 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 the issue of shares upon conversion of the Convertible Notes and under the scrip dividend scheme for final dividend for the year ended 31st March, 2012, the total number of issued shares of the Company of HK$0.01 each was 927,600,100 as at 31st March, 2013 and as at the date of this announcement.

CORPORATE GOVERNANCE CODE

The Company has, throughout the year ended 31st March, 2013, 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 year ended 31st March, 2013.

REVIEW OF ACCOUNTS

The Group's results for the year ended 31st March, 2013 has been reviewed by the Audit Committee.

SCOPE OF WORK OF MESSRS. DELOITTE TOUCHE TOHMATSU

The figures in respect of the Group's consolidated statement of financial position, consolidated statement of comprehensive income, condensed consolidated statement of cash flows and the related notes thereto for the year ended 31st March, 2013 included in this preliminary results announcement have been agreed by the Group's auditor, Messrs. Deloitte Touche Tohmatsu, to the amounts set out in the Group's audited consolidated financial statements for the year. The work performed by Messrs. Deloitte Touche Tohmatsu in this respect did not constitute an assurance engagement in accordance with Hong Kong Standards on Auditing, Hong Kong Standards on Review Engagements or Hong Kong Standards on Assurance Engagements issued by the HKICPA, and consequently no assurance has been expressed by Messrs. Deloitte Touche Tohmatsu on this preliminary results announcement.

PUBLICATION OF ANNUAL RESULTS AND ANNUAL 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 annual report will be despatched to the shareholders of the Company and will also be available for viewing at the aforesaid websites in due course.

ANNUAL GENERAL MEETING

The 2013 Annual General Meeting of the Company will be held on Friday, 16th August, 2013. Notice of the 2013 Annual General Meeting will be published and issued to the shareholders of the Company in due course.

APPRECIATION

On behalf of the Board, I would like to take this opportunity to thank the shareholders for their continuous support to the Company and extend my appreciation to all management and staff members for their contribution and dedication throughout the year.

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

Hong Kong, 25th June, 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*