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If you have sold or transferred all your securities in ITC Corporation Limited, you should at once hand this circular to the purchaser or the transferee or to the bank manager, the licensed securities dealer or other agent through whom the sale or transfer was effected for transmission to the purchaser or the transferee.

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ITC CORPORATION LIMITED

(Incorporated in Bermuda with limited liability)
(Stock code: 372)

DISCLOSEABLE TRANSACTION

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DEFINITIONS

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

“Announcement”	the announcement dated 28 February 2006 issued by the Company;
“associate(s)”	The meaning ascribed thereto in the Listing Rules;
“Board”	the board of Directors;
“Company” or “ITC”	ITC Corporation Limited, a company incorporated in Bermuda whose securities are listed on the main board of the Stock Exchange;
“Directors”	the directors of the Company;
“Group”	the Company and its subsidiaries;
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong;
“Hong Kong”	Hong Kong Special Administrative Region of the PRC;
“ITC Management”	ITC Management Limited, a company incorporated with limited liability in Hong Kong and a wholly-owned subsidiary of the Company;
“Latest Practicable Date”	10 March 2006, being the latest practicable date prior to printing of this circular for the purpose of ascertaining certain information for inclusion in this circular;
“Listing Rules”	The Rules Governing the Listing of Securities on the Stock Exchange;
“Loan Agreement”	the loan facility agreement entered into between ITC Management and SCL on 11 August 2005;
“Loan Facility”	the loan facility in the principal amount of HK\$25,000,000 granted by ITC Management to SCL pursuant to the Loan Agreement the principal amount of which was increased to HK\$109,000,000 pursuant to the Supplemental Loan Agreement;
“Ordinary Share(s)”	ordinary share(s) of HK\$0.1 each in the ordinary share capital of the Company;
“Ordinary Shareholders”	holders of Ordinary Shares;
“PRC”	the People’s Republic of China;
“SCL”	See Corporation Limited, a company incorporated with limited liability in Bermuda whose securities are listed on the main board of the Stock Exchange;
“SFO”	Securities and Futures Ordinance (Cap. 571 of the Laws of Hong Kong);
“Shareholders”	the shareholders of the Company;
“Stock Exchange”	The Stock Exchange of Hong Kong Limited;
“substantial shareholder”	a person who is entitled to exercise, or control the exercise of, 10% or more of the voting power of the total issued ordinary shares at any general meeting of the company;
“Supplemental Loan Agreement”	The supplemental agreement dated 28 February 2006 in relation to the Loan Facility; and
“%”	per cent.

LETTER FROM THE BOARD



ITC CORPORATION LIMITED

(Incorporated in Bermuda with limited liability)
(Stock code: 372)

Executive Directors:

Chan Kwok Keung, Charles (*Chairman*)
Chau Mei Wah, Rosanna
(*Deputy Chairman & Managing Director*)
Chan Kwok Hung
Chan Fut Yan
Cheung Hon Kit

Registered Office:

Clarendon House
2 Church Street
Hamilton HM 11
Bermuda

Independent Non-executive Directors:

Chuck, Winston Calptor
Lee Kit Wah
Wong Kam Cheong, Stanley

Principal Place of Business in Hong Kong:

30th Floor
Bank of America Tower
12 Harcourt Road
Central, Hong Kong

14 March 2006

*To the Ordinary Shareholders and holders of
the convertible preference shares of the Company*

Dear Sir or Madam,

DISCLOSEABLE TRANSACTION

INTRODUCTION

On 28 February 2006, the Board made the Announcement that ITC Management, a wholly-owned subsidiary of the Company has on 28 February 2006 entered into the Supplemental Loan Agreement with SCL to increase the Loan Facility granted to SCL by HK\$84,000,000 from an amount of HK\$25,000,000 to HK\$109,000,000.

As the consideration ratios under rule 14.07(4) of the Listing Rules in respect of the Loan Facility exceed 5% but are less than 25%, the transaction under the Supplemental Loan Agreement constitutes a discloseable transaction of the Company under Chapter 14 of the Listing Rules. No announcement of the Loan Agreement was made in 11 August 2005 as at that time, the Loan Agreement did not constitute a discloseable transaction of the Company and was not price sensitive in nature.

The purpose of this circular is to provide you with further information in relation to the Loan Facility.

THE SUPPLEMENTAL LOAN AGREEMENT DATED 28 FEBRUARY 2006

On 28 February 2006, ITC Management entered into the Supplemental Loan Agreement with SCL to increase the Loan Facility granted to SCL by HK\$84,000,000 from a principal amount of HK\$25,000,000 to HK\$109,000,000. Details of the Loan Facility are set out below:

Parties

- (i) ITC Management, as lender. ITC Management is a wholly-owned subsidiary of the Company.
- (ii) SCL, as borrower. SCL is a company whose securities are listed on the main board of the Stock Exchange and the principal activities of SCL group is the trading of digital cameras, games, multimedia electronic products and telecommunication and high technology components.

To the best of the Directors' knowledge, information and belief having made all reasonable enquiry, SCL is a third party independent of the Company and of the connected persons (as defined in the Listing Rules) of the Company.

LETTER FROM THE BOARD

The Loan Facility

ITC Management has on 11 August 2005 granted to SCL a loan facility in the principal amount of HK\$25,000,000 pursuant to the Loan Agreement. Pursuant to the Supplemental Loan Agreement, ITC Management has agreed with SCL to increase the Loan Facility by HK\$84,000,000 from a principal amount of HK\$25,000,000 to HK\$109,000,000. The terms of the Loan Facility (as supplemented by the Supplemental Loan Agreement) was agreed after arm's length negotiations between the Company and SCL and the Directors consider that the terms of the Supplemental Loan Agreement are fair and reasonable and believe that the entering into the Supplemental Loan Agreement is in the best interests of the Company and the Shareholders as a whole.

Drawdown

The Loan Facility is a revolving facility and may be drawn by SCL in one or more drawings provided that the outstanding loan amount of the Loan Facility does not exceed HK\$109,000,000 and the Loan Agreement (as supplemented by the Supplemental Loan Agreement) has not been terminated by ITC Management at its sole discretion. ITC Management at any time has the sole discretion to determine whether to advance the loan to SCL.

Interest

2% over the best lending rate of Hong Kong dollar as quoted by The Hongkong and Shanghai Banking Corporation Ltd. from time to time and shall accrue from day to day and be calculated on the outstanding loan amount on the basis of a year of 365 days and the actual number of days elapsed.

Repayment and prepayment

The loan together with interest under the Loan Agreement (as supplemented by the Supplemental Loan Agreement) is to be repaid on demand.

SCL may also prepay all or part of the loan under the Loan Agreement (as supplemented by the Supplemental Loan Agreement) at any time.

Other information

No security will be provided by SCL under the Loan Facility.

The source of funding by the Company for the provision of the Loan Facility will be from internal resources of the Company.

Reasons for and benefits of the Loan Facility

The Loan Facility was granted to SCL, a company listed on the main board of the Stock Exchange. Based on the latest annual report of SCL, it has a net asset value of approximately HK\$70,800,000. The Loan Facility has been granted by the Group as part of its treasury management activities. Given that the Loan Facility carries interest at a rate which is higher than the prevailing Hong Kong dollar bank deposit rates, the Company considers that the additional principal amount of the Loan Facility would offer a better return than that would be generated from cash deposits at banks. Accordingly, as part of the treasury management activities of the Company, it is in the interest of the Company to obtain better return on its cash deposits. In addition, the Loan Facility is repayable on demand and was agreed on after arm's length negotiations and is entered into on normal commercial terms. In light of the above, the Company considers that the Loan Facility was for the benefit of the Company and fair and reasonable so far as the Company and the Shareholders as a whole are concerned.

LETTER FROM THE BOARD

INFORMATION ON THE COMPANY

The Company is an investment holding company which directly and indirectly holds strategic investments in a number of listed companies. It directly holds investments, namely, PYI Corporation Limited (“PYI”), Hanny Holdings Limited (“Hanny”), Trasy Gold Ex Limited (“Trasy”) and Burcon NutraScience Corporation. Through its listed associated companies, namely PYI and Hanny, the Group has indirect interests in Paul Y. Engineering Group Limited, China Strategic Holdings Limited, Wing On Travel (Holdings) Limited, China Enterprises Limited, MRI Holdings Limited, PSC Corporation Limited and Intraco Limited. The principal activities of the Group comprise investment holding, the provision of finance, the provision of management services, property investment, treasury investment, trading of building materials and machinery and the provision and operation of an internet precious metals trading platform through Trasy.

GENERAL

As the consideration ratios under rule 14.07(4) of the Listing Rules in respect of Loan Facility exceed 5% but are less than 25%, Loan Agreement (as supplemented by the Supplemental Loan Agreement) constitutes a discloseable transaction of the Company under Chapter 14 of the Listing Rules. No announcement of the Loan Agreement was made on 11 August 2005 as at that time, the Loan Agreement did not constitute a discloseable transaction of the Company and was not price sensitive in nature.

Yours faithfully,
For and on behalf of the Board
ITC Corporation Limited
Dr. Chan Kwok Keung, Charles
Chairman

RESPONSIBILITY STATEMENT

This circular includes particulars given in compliance with the Listing Rules for the purpose of giving information with regard to the Group. The Directors collectively and individually accept full responsibility for the accuracy of the information contained in this circular and confirm, having made all reasonable enquires, that to the best of their knowledge and belief there are no other facts the omission of which would make any statement herein misleading.

DISCLOSURE OF INTERESTS**(A) Directors' interests and short positions in shares, underlying shares and debentures**

As at the Latest Practicable Date, the interests and short positions of the Directors and chief executives of ITC in the shares, underlying shares and debentures of ITC or any associated corporations (within the meaning of Part XV of the SFO), which were required to be notified to ITC and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which they are taken or deemed to have under such provisions of the SFO) and the Model Code for Securities Transactions by Directors of Listed Issuers and which were required to be entered in the register kept by ITC pursuant to section 352 of the SFO, were as follows:

(a) Interests and short positions in shares, underlying shares and debentures of ITC

Name of Director	Capacity	Long position/ Short position	No. of Ordinary Shares held	Approximate % of the existing issued ordinary share capital of ITC
Chan Kwok Keung, Charles	Interest of controlled corporation (<i>Note</i>)	Long position	636,919,242	34.66%

Note: Galaxyway Investments Limited is a wholly-owned subsidiary of Chinaview International Limited which is, in turn, wholly owned by Dr. Chan Kwok Keung, Charles. Dr. Chan Kwok Keung, Charles was deemed to be interested in 636,919,242 Ordinary Shares held by Galaxyway Investments Limited.

*(b) Interests and short positions in shares, underlying shares and debentures of the following associated corporations**(i) Trasy*

Name of Director	Capacity	Long position/ Short position	No. of shares of Trasy held	Approximate % of the existing issued share capital of Trasy
Chan Kwok Keung, Charles	Interest of controlled corporation (<i>Note</i>)	Long position	1,568,681,139	56.45%

Note: The shares of Trasy were held by a wholly-owned subsidiary of ITC. By virtue of his deemed interests in approximately 34.66% of the existing issued ordinary share capital of ITC, Dr. Chan Kwok Keung, Charles was deemed to be interested in these shares of Trasy.

(ii) PYI

Name of Director	Capacity	Long position/ Short position	No. of shares of PYI held	No. of underlying shares (in respect of the share options (unlisted equity derivatives)) of PYI held	Approximate % of the existing issued share capital of PYI
Chan Kwok Keung, Charles	Interest of controlled corporation (Note)	Long position	399,859,768	–	29.00%
Chan Kwok Keung, Charles	Beneficial owner	Long position	11,840,896	–	0.86%
Cheung Hon Kit	Beneficial owner	Long Position	400	–	0.00%
Chau Mei Wah, Rosanna	Beneficial owner	Long position	–	13,000,000	0.94%
Chan Fut Yan	Beneficial owner	Long position	–	13,000,000	0.94%

Note: The shares of PYI were held by a wholly-owned subsidiary of ITC. By virtue of his deemed interests in approximately 34.66% of the issued ordinary share capital of ITC, Dr. Chan Kwok Keung, Charles was deemed to be interested in these shares of PYI.

(iii) Hanny

Name of Director	Capacity	Long position/ Short position	No. of shares of Hanny held	No. of underlying shares (in respect of the share options (unlisted equity derivatives)) of Hanny held	Approximate % of the existing issued share capital of Hanny
Chan Kwok Keung, Charles	Interest of controlled corporation (Note)	Long position	57,614,948	–	24.28%
Chan Kwok Keung, Charles	Beneficial owner	Long position	1,600,000	–	0.67%
Chan Kwok Keung, Charles	Beneficial owner	Long position	–	4,000,000	1.69%
Chan Kwok Hung	Beneficial owner	Long position	1,600,000	–	0.67%
Chan Kwok Hung	Beneficial owner	Long position	–	1,750,000	0.74%

Note: The shares of Hanny were held by a wholly-owned subsidiary of ITC. By virtue of his deemed interests in approximately 34.66% of the issued ordinary share capital of ITC, Dr. Chan Kwok Keung, Charles was deemed to be interested in these shares of Hanny.

(iv) Burcon NutraScience Corporation (“Burcon”)

Name of Director	Capacity	Long position/ Short position	No. of shares of Burcon held	No. of underlying shares (in respect of the share options (unlisted equity derivatives)) of Burcon held	Approximate % of the existing issued share capital of Burcon
Chau Mei Wah, Rosanna	Beneficial owner	Long position	289,519	–	1.32%
Chau Mei Wah, Rosanna	Beneficial owner	Long position	–	61,000	0.28%

Trasy, PYI, Hanny and Burcon are associated corporations of ITC within the meaning of Part XV of the SFO.

Dr. Chan Kwok Keung, Charles was, by virtue of his deemed interest in approximately 34.66% of the issued ordinary share capital of ITC, deemed to be interested in the shares and underlying shares (in respect of equity derivatives), if any, of the associated corporations (within the meaning of Part XV of the SFO) of ITC held by the Group under Part XV of the SFO.

Save as disclosed above, as at the Latest Practicable Date, none of the Directors and chief executives of ITC had, under Divisions 7 and 8 of Part XV of the SFO, nor were they taken to or deemed to have under such provisions of the SFO, any interests and short positions in the shares, underlying shares or debentures of ITC or any associated corporations (within the meaning of Part XV of the SFO) which are required to be notified to ITC and the Stock Exchange or any interests which are required to be entered into the register kept by ITC pursuant to section 352 of the SFO or any interests which are required to be notified to ITC and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers.

(B) Interests and short positions of substantial shareholders/other persons recorded in the register kept under the SFO

As at the Latest Practicable Date, so far as is known to the Directors or the chief executives of ITC, the following parties had an interest or short position in the shares and underlying shares of ITC which would fall to be disclosed to ITC under the provisions of Divisions 2 and 3 of Part XV of the SFO:

(a) Interests and short positions of substantial shareholders in shares and underlying shares of ITC

Name	Capacity	Long position/ Short position	No. of Ordinary Shares held	Approximate % of the existing issued ordinary share capital of ITC
Chan Kwok Keung, Charles	Interest of controlled corporation <i>(Note)</i>	Long position	636,919,242	34.66%
Chinaview International Limited	Interest of controlled corporation <i>(Note)</i>	Long position	636,919,242	34.66%
Galaxyway Investments Limited	Beneficial owner <i>(Note)</i>	Long position	636,919,242	34.66%
Ng Yuen Lan, Macy	Interest of spouse <i>(Note)</i>	Long position	636,919,242	34.66%
PMA Capital Management Ltd.	Investment Manager	Long position	184,144,000	10.02%

Note: Galaxyway Investments Limited is a wholly-owned subsidiary of Chinaview International Limited which is in turn wholly owned by Dr. Chan Kwok Keung, Charles. Ms. Ng Yuen Lan, Macy is the spouse of Dr. Chan Kwok Keung, Charles. Chinaview International Limited, Dr. Chan Kwok Keung, Charles and Ms. Ng Yuen Lan, Macy were deemed to be interested in the Ordinary Shares held by Galaxyway Investments Limited.

(b) *Interests and short positions of other persons in shares and underlying shares of ITC*

Name	Capacity	Long position/ Short position	No. of Ordinary Shares held	No. of underlying shares (in respect of listed equity derivatives) of ITC held	Approximate % of the existing issued ordinary share capital of ITC
CEF Holdings Limited ("CEF Holdings")	Interest of controlled corporations (Note)	Long position	2,773,046	–	0.15%
CEF Holdings	Interest of controlled corporations (Note)	Long position	–	213,015,153	11.59%
Canadian Imperial Bank of Commerce	Interest of controlled corporations (Note)	Long position	2,773,046	–	0.15%
Canadian Imperial Bank of Commerce	Interest of controlled corporations (Note)	Long position	–	213,015,153	11.59%
Cheung Kong (Holdings) Limited ("CKH")	Interest of controlled corporations (Note)	Long position	2,773,046	–	0.15%
CKH	Interest of controlled corporations (Note)	Long position	–	213,015,153	11.59%
Li Ka-Shing Unity Trustee Company Limited ("TUT1")	Trustee (Note)	Long position	2,773,046	–	0.15%
TUT1	Trustee (Note)	Long Position	–	213,015,153	11.59%
Li Ka-Shing Unity Trustee Corporation Limited ("TDT1")	Trustee & beneficiary of a trust (Note)	Long position	2,773,046	–	0.15%
TDT1	Trustee & beneficiary of a trust (Note)	Long position	–	213,015,153	11.59%
Li Ka-Shing Unity Trustcorp Limited ("TDT2")	Trustee & beneficiary of a trust (Note)	Long position	2,773,046	–	0.15%
TDT2	Trustee & beneficiary of a trust (Note)	Long position	–	213,015,153	11.59%

Name	Capacity	Long position/ Short position	No. of Ordinary Shares held	No. of underlying shares (in respect of listed equity derivatives) of ITC held	Approximate % of the existing issued ordinary share capital of ITC
Li Ka-shing	Interest of controlled corporations & founder of discretionary trusts (Note)	Long position	2,773,046	-	0.15%
Li Ka-shing	Interest of controlled corporations & founder of discretionary trusts (Note)	Long position	-	213,015,153	11.59%
Deutsche Bank Aktiengesellschaft	Beneficial owner	Long position	38,768,800	-	2.11%
Deutsche Bank Aktiengesellschaft	Security interest	Long position	187,248,000	-	10.19%

Note: The number of Ordinary Shares and underlying shares (in respect of listed equity derivatives) of ITC held by Asialand Investment Limited (“Asialand”), CEF (Capital Markets) Limited (“CEF Capital Markets”) and Asian Resources Investment Limited (“Asian Resources”) were 48,076,922, 164,938,231 and 2,773,046 respectively. CEF Capital Markets and Asian Resources were wholly owned by CEF Holdings. Asialand was wholly owned by CEF M B Investments Limited which was in turn wholly owned by CEF Holdings.

Each of CKH and CIBC Holdings (Cayman) Limited was entitled to exercise or control the exercise of one-third or more of the voting power at the general meetings of CEF Holdings. CIBC Holdings (Cayman) Limited was wholly owned by Canadian Imperial Bank of Commerce. CEF M B Investments Limited was deemed to be interested in Ordinary Shares and/or underlying shares (in respect of listed equity derivatives) of ITC held by Asialand. CEF Holdings, CIBC Holdings (Cayman) Limited and Canadian Imperial Bank of Commerce were all deemed to be interested in Ordinary Shares and underlying shares (in respect of listed equity derivatives) of ITC held by Asialand, CEF Capital Markets and Asian Resources.

Li Ka-Shing Unity Holdings Limited, of which each of Mr. Li Ka-shing, Mr. Li Tzar Kuoi, Victor and Mr. Li Tzar Kai, Richard was interested in one-third of the entire issued share capital, owned the entire issued share capital of TUT1. TUT1 as trustee of The Li Ka-Shing Unity Trust, together with certain companies which TUT1 as trustee of The Li Ka-Shing Unity Trust was entitled to exercise or control the exercise of more than one-third of the voting power at their general meetings, held more than one-third of the issued share capital of CKH.

In addition, Li Ka-Shing Unity Holdings Limited also owned the entire issued share capital of TDT1 as trustee of The Li Ka-Shing Unity Discretionary Trust (“DT1”) and TDT2 as trustee of another discretionary trust (“DT2”). Each of TDT1 and TDT2 held units in The Li Ka-Shing Unity Trust.

By virtue of the SFO, each of Mr. Li Ka-shing being the settlor and may being regarded as a founder of each of DT1 and DT2 for the purpose of the SFO, CKH, TUT1, TDT1 and TDT2 were deemed to be interested in Ordinary Shares and underlying shares (in respect of listed equity derivatives) of ITC held by Asialand, CEF Capital Markets and Asian Resources.

Save as disclosed above, the Directors and the chief executives of ITC are not aware that there is any party who, as at the Latest Practicable Date, had an interest or short positions in the shares and underlying shares of ITC which would fall to be disclosed to ITC under the provisions of Divisions 2 and 3 of Part XV of the SFO, or who is, directly or indirectly, interested in 10% or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at general meetings of any other member of the Group or had any options in respect of such shares.

DIRECTORS' INTERESTS IN COMPETING BUSINESS

As at the Latest Practicable Date, none of the Directors and their respective associates were considered to have interests in businesses apart from the Group's businesses which compete, or are likely to compete, either directly or indirectly, with the businesses of the Group pursuant to Rule 8.10 of the Listing Rules.

SERVICE CONTRACTS

As at the Latest Practicable Date, none of the Directors had entered into any existing or proposed service contracts with any member of the Group which is not terminable by the Group within one year without any payment of compensation, other than statutory compensation.

LITIGATION

As at the Latest Practicable Date, so far as the Directors are aware, neither the Company nor any of its subsidiaries was engaged in any litigation or arbitration or claims which is in the opinion of the Directors of material importance and no litigation or claims which is in the opinion of the Directors of material importance was known to the Directors to be pending or threatened against any member of the Group.

GENERAL

- a. The secretary and the qualified accountant of ITC is Law Hon Wa, William, CPA, FCCA.
- b. The registered office of ITC is at Clarendon House, 2 Church Street, Hamilton HM 11, Bermuda and the principal place of business of ITC in Hong Kong is at 30th Floor, Bank of America Tower, 12 Harcourt Road, Central, Hong Kong.
- c. The principal share registrars and transfer office of ITC is Butterfield Fund Services (Bermuda) Limited of Rosebank Centre, 11 Bermudiana Road, Pembroke, Bermuda and the branch share registrars and transfer office of ITC in Hong Kong is Secretaries Limited of 26th Floor, Tesbury Centre, 28 Queen's Road East, Wanchai, Hong Kong.
- d. The English text of this circular shall prevail over the Chinese text for the purpose of interpretation.