



ITC CORPORATION LIMITED

(Incorporated in Bermuda with limited liability)

(Stock code: 372)

DISCLOSURE PURSUANT TO RULE 13.14 OF THE LISTING RULES

Reference is made to the announcement of the Company (the “Announcement”) made on 5 August 2005 in relation to, among other things, the Hanny Loan Agreement and the Hanny Loan Facility. Terms used in this announcement, unless otherwise stated herein, shall have the same meanings as those used in the Announcement.

On 28 July 2005, ITC Management, a wholly-owned subsidiary of the Company, entered into the Hanny Loan Agreement with Hanny to grant the Hanny Loan Facility to Hanny. Terms and conditions of the Hanny Loan Facility and Hanny Loan Agreement were disclosed in the Announcement and the circular to the Shareholders dated 23 August 2005.

On 22 December 2005, ITC Management entered into the Supplemental Hanny Loan Agreement with Hanny to increase the Hanny Loan Facility by HK\$10,000,000 from HK\$120,000,000 to HK\$130,000,000. On 28 March 2006, ITC Management entered into the Second Supplemental Hanny Loan Agreement with Hanny to further increase the Hanny Loan Facility by HK\$39,000,000 from HK\$130,000,000 to HK\$169,000,000.

No announcement on the Supplemental Hanny Loan Agreement was made on 22 December 2005 because the increase of the amount of the Hanny Loan Facility at that time did not exceed 3% of the applicable percentage ratios as set out in rule 14.07 of the Listing Rules.

As the percentage ratios for the amount of increase of the Hanny Loan Facility contemplated under the Supplemental Hanny Loan Agreement and the Second Supplemental Hanny Loan Agreement exceeds 3% of the applicable percentage ratios, the Company is required to make disclosures in respect of the Supplemental Hanny Loan Agreement and the Second Supplemental Hanny Loan Agreement pursuant to rule 13.14 of the Listing Rules.

The Hanny Loan Facility as amended by the Supplemental Hanny Loan Agreement and the Second Supplemental Hanny Loan Agreement

- Parties:
- (1) ITC Management, as lender. ITC Management is a wholly-owned subsidiary of the Company.
 - (2) Hanny, as borrower. Hanny is a company whose securities are listed on the Main Board of the Stock Exchange and the principal activities of Hanny group is the trading of computer related products and consumer electronic products, the manufacturing, distribution and marketing of data storage media (primarily floppy disks, CD-R, CD-RW and DVD), the distribution and marketing of computer accessories and storage media drives, scanners, audio and video cassettes, minidisks, household electronic products and telecommunication accessories, and trading of securities and property investment and trading. The Hanny group also made strategic investments in supply of household consumer products and other businesses. Hanny is itself an investment holding company.

To the best of the Directors' knowledge, information and belief having made all reasonable enquiry, Hanny is a third party independent of the Company and of the connected persons (as defined in the Listing Rules) of the Company. Hanny is owned as to approximately 24.28% by the Group.

The Hanny Loan Facility:	ITC Management has agreed to grant to Hanny the Hanny Loan Facility in the principal amount of HK\$120,000,000 pursuant to the Hanny Loan Agreement. Pursuant to the Supplemental Hanny Loan Agreement, ITC Management has agreed to increase the Loan Facility by HK\$10,000,000 from HK\$120,000,000 to HK\$130,000,000. Pursuant to the Second Supplemental Hanny Loan Agreement, ITC Management has agreed to further increase the Hanny Loan Facility by HK\$39,000,000 from HK\$130,000,000 to HK\$169,000,000. The Hanny Loan Facility (as supplemented by the Supplemental Hanny Loan Agreement and the Second Supplemental Hanny Loan Agreement) was agreed after arm's length negotiations between the Company and Hanny. The Directors consider that the terms of the Supplemental Hanny Loan Agreement and the Second Supplemental Hanny Loan Agreement are fair and reasonable and believe that the entering into of these two agreements is in the best interests of the Company and the Shareholders as a whole.
Drawdown:	The Hanny Loan Facility is a revolving facility and may be drawn by Hanny in one or more drawings provided that the outstanding loan amount of the Hanny Loan Facility (as amended by the Supplemental Hanny Loan Agreement and the Second Supplemental Hanny Loan Agreement) does not exceed HK\$169,000,000 and the Hanny Loan Agreement (as amended by the Supplemental Hanny Loan Agreement and the Second Supplemental Hanny 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 Hanny.
Interest:	2% over the Best Lending Rate 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 Hanny Loan Facility is to be repaid on demand. Hanny may also prepay all or part of the loan under the Hanny Loan Facility at any time.
Other information:	No security will be provided by Hanny under the Hanny Loan Facility. The source of funding by the Company for the provision of the Hanny Loan Facility will be from internal resources of the Company.
Reasons for and the benefits of the Hanny Loan Facility:	The Hanny Loan Facility was granted to Hanny, and a company whose securities are listed on the Main Board of the Stock Exchange. The Hanny Loan Facility has been granted by the Group as of its treasury management activities. Given that the Hanny Loan Facility carries interest at a rate which is higher than the prevailing Hong Kong dollar bank deposit rates, the Company considers that the Hanny Loan Facility would offer a better return than that would be generated from cash deposits at banks. In addition, the Hanny 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 Hanny 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.

Rule 13.14 Disclosure

As the percentage ratios for the amount of increase of the Hanny Loan Facility contemplated under the Supplemental Hanny Loan Agreement and the Second Supplemental Hanny Loan Agreement exceeds 3% of the applicable percentage ratios, the Company is required to make disclosures in respect of the Supplemental Hanny Loan Agreement and the Second Supplemental Hanny Loan Agreement pursuant to rule 13.14 of the Listing Rules.

As required by rule 13.14 of the Listing Rules, details of the advances by the Group to Hanny as at 28 March 2006 are as follows:-

Amount of relevant advance

to Hanny and its associated companies and accrued interest	Interest rate in respect of such advance	Consideration percentage ratio
<i>HK\$'000</i>		
178,247 (Note)	2% over the Best Lending Rate	13.0%

Note: The amount is unsecured and repayable on demand.

In respect of the advances to Hanny pursuant to the Hanny Loan Facility, details are set out above in the section headed "The Hanny Loan Facility as amended by the Supplemental Hanny Loan Agreement and the Second Supplemental Hanny Loan Agreement".

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, 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

No announcement on the Supplemental Hanny Loan Agreement was made on 22 December 2005 because the increase of the amount of the Hanny Loan Facility at that time did not exceed 3% of the applicable percentage ratios as set out in the rule 14.07 of the Listing Rules.

As the percentage ratios for the amount of increase of the Hanny Loan Facility contemplated under the Supplemental Hanny Loan Agreement and the Second Supplemental Hanny Loan Agreement exceeds 3% of the applicable percentage ratios, the Company is required to make disclosures in respect of the Supplemental Hanny Loan Agreement and the Second Supplemental Hanny Loan Agreement pursuant to rule 13.14 of the Listing Rules.

Definitions:

In this announcement, the following terms have the following meanings:-

"Best Lending Rate"	the best lending rate of Hong Kong dollar as quoted by The Hongkong and Shanghai Banking Corporation Ltd. from time to time;
"Board"	the board of Directors;
"Company"	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;
“Hanny”	Hanny Holdings Limited, a company incorporated in Bermuda whose securities are listed on the Main Board of the Stock Exchange;
“Hanny Loan Agreement”	the loan facility agreement entered into between ITC Management and Hanny on 28 July 2005;
“Hanny Loan Facility”	the loan facility in the sum of HK\$120,000,000 (which has been increased to HK\$169,000,000 by the Supplemental Hanny Loan Agreement and the Second Supplemental Hanny Loan Agreement) granted by ITC Management to Hanny;
“Hong Kong”	Hong Kong Special Administrative Region of the PRC;
“ITC Management”	ITC Management Limited, a company incorporated in Hong Kong with limited liability and a wholly-owned subsidiary of the Company;
“Listing Rules”	The Rules Governing the Listing of Securities on the Stock Exchange;
“PRC”	the People’s Republic of China;
“Second Supplemental Hanny Loan Agreement”	the second supplemental agreement entered into between ITC Management and Hanny on 28 March 2006 further amending the Hanny Loan Agreement;
“Shareholders”	the shareholders of the Company;
“Stock Exchange”	The Stock Exchange of Hong Kong Limited; and
“Supplemental Hanny Loan Agreement”	the supplemental agreement entered into between ITC Management and Hanny on 22 December 2005 amending the Hanny Loan Agreement.

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

Hong Kong, 28 March 2006

As at the date of this announcement, the composition of the Board is as follows:

Executive Directors:

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

Independent non-executive Directors:

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

Please also refer to the published version of this announcement in The Standard.