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**THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION**

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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, 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  
IN RELATION TO  
THE PLACING OF EXISTING SHARES AND SUBSCRIPTION  
FOR NEW SHARES OF HANNY HOLDINGS LIMITED**

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## DEFINITIONS

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*In this circular, the following expressions have the meanings set out below unless the context otherwise requires.*

“Announcement”	the joint announcement of the Company and Hanny dated 11 April 2007 in relation to, among other things, the Placing and the Subscription
“associates”	has the same meaning as ascribed to it in the Listing Rules
“Board”	the board of Directors
“Business Day”	any day (excluding a Saturday) on which banks are generally open for business in Hong Kong
“Company” or “ITC”	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 as ascribed to it under the Listing Rules
“Director(s)”	the director(s) of the Company
“Dr. Chan”	Dr. Chan Kwok Keung, Charles, the controlling Shareholder, and the Chairman of the Company and Hanny
“Group”	the Company and its subsidiaries
“Hanny”	Hanny Holdings Limited (stock code: 275), a company incorporated in Bermuda with limited liability and whose issued shares are listed on the main board of the Stock Exchange, and an indirect non-wholly owned subsidiary of the Company
“Hanny Directors”	the directors of Hanny
“Hanny Group”	Hanny and its subsidiaries
“Hanny Share(s)”	ordinary share(s) of HK\$0.01 each in the share capital of Hanny
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Independent Third Party(ies)”	independent third party(ies) who, together with his/her/its/their ultimate beneficial owners, is/are not connected person(s) of the Company and Hanny and is/are independent of and not connected with the Company and Hanny and their respective connected persons

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## DEFINITIONS

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“ITC Ordinary Share(s)”	ordinary share(s) of HK\$0.10 each in the share capital of the Company
“ITC Preference Share(s)”	redeemable convertible preference share(s) of HK\$0.10 each in the share capital of the Company
“Latest Practicable Date”	26 April 2007, being the latest practicable date prior to the printing of this circular for ascertaining certain information contained herein
“Last Trading Day”	30 March 2007, being the last trading day of the Hanny Shares on the Stock Exchange prior to the Suspension
“Listing Committee”	the listing sub-committee of the Stock Exchange
“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
“Model Code”	Model Code for Securities Transactions by Directors of Listed Issuers set out in Appendix 10 of the Listing Rules
“Placee(s)”	the placee(s) to be procured by Taifook Securities under the Placing, all of which and their respective beneficial owners are Independent Third Parties
“Placing”	the placing, on a fully-underwritten basis, of 43,500,000 existing Hanny Shares by Taifook Securities to the Placees at the Placing Price pursuant to the Placing and Subscription Agreement on behalf of the Company
“Placing and Subscription Agreement”	the placing and subscription agreement dated 11 April 2007 entered into between the Company, Hanny and Taifook Securities in respect of the Placing and the Subscription
“Placing Price”	the placing price of HK\$3.40 per Placing Share under the Placing
“Placing Share(s)”	43,500,000 existing Hanny Shares underwritten and to be placed by Taifook Securities pursuant to the Placing and Subscription Agreement
“PRC”	the People’s Republic of China, which for the purpose of this circular, excludes Hong Kong, Macau and Taiwan

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## DEFINITIONS

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“SFO”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
“Shareholder(s)”	the holder(s) of ITC Ordinary Share(s) and/or ITC Preference Share(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Subscription”	the subscription for 43,500,000 new Hanny Shares by the Company or its nominee(s) pursuant to the Placing and Subscription Agreement
“Subscription Price”	the subscription price of HK\$3.40 per Subscription Share under the Subscription
“Subscription Share(s)”	43,500,000 new Hanny Shares to be subscribed by the Company pursuant to the Placing and Subscription Agreement
“Suspension”	the suspension of the trading in the Hanny Shares on the Stock Exchange with effect from 9:30 a.m. on Monday, 2 April 2007 pending the release of the Announcement
“Taifook Securities”	Taifook Securities Company Limited, a corporation licensed to carry out Types 1 (dealing in securities), 3 (leveraged foreign exchange trading) and 4 (advising on securities) regulated activities under the SFO), which is the placing agent and underwriter for the Placing
“HK\$”	Hong Kong dollar, the lawful currency of Hong Kong
“%”	per cent



## ITC CORPORATION LIMITED

*(Incorporated in Bermuda with limited liability)*

(Stock Code: 372)

*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, *JP*

*Registered office:*

Clarendon House

2 Church Street

Hamilton HM 11

Bermuda

*Principal place of business*

*in Hong Kong:*

30th Floor, Bank of America Tower

12 Harcourt Road

Central

Hong Kong

2 May 2007

*To the holders of ITC Ordinary Shares and, for information only,  
the holders of ITC Preference Shares*

Dear Sir or Madam,

**DISCLOSEABLE TRANSACTION  
IN RELATION TO  
THE PLACING OF EXISTING SHARES AND SUBSCRIPTION  
FOR NEW SHARES OF HANNY HOLDINGS LIMITED**

**INTRODUCTION**

On 11 April 2007, the Placing and Subscription Agreement was entered into between the Company, Hanny and Taifook Securities, pursuant to which (i) Taifook Securities agreed to place 43,500,000 existing Hanny Shares at the price of HK\$3.40 per Placing Share on behalf of the Company on a fully-underwritten basis to no less than six Placees which are Independent Third Parties; and (ii) the Company agreed to subscribe for 43,500,000 new Hanny Shares at the price of HK\$3.40 per Subscription Share.

Completion of the Placing took place on 16 April 2007, whilst completion of the Subscription took place on 23 April 2007.

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## LETTER FROM THE BOARD

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The purpose of this circular is to provide you with further details of the Placing and the Subscription and other information required under the Listing Rules.

### **THE PLACING**

Pursuant to the Placing and Subscription Agreement, Taifook Securities agreed to place, on a fully-underwritten basis, 43,500,000 existing Hanny Shares at a price of HK\$3.40 per Placing Share on behalf of the Company. The terms of the Placing are set out below:

#### **Vendor:**

The Company. As at the Latest Practicable Date, the Company was interested in 169,979,504 Hanny Shares, representing approximately 57.36% of the existing issued share capital of Hanny.

#### **Placing agent and underwriter:**

Taifook Securities, an Independent Third Party.

#### **Number of Hanny Shares underwritten and placed:**

The 43,500,000 Placing Shares represent approximately (i) 17.21% of Hanny's issued share capital as at the date of the Announcement; and (ii) 14.68% of Hanny's issued share capital as enlarged by the issue of the Subscription Shares.

#### **Placees:**

Not less than six professional, institutional and/or individual investors to be procured by Taifook Securities under the Placing and Subscription Agreement. Each of the Placees and their respective ultimate beneficial owners will be Independent Third Party(ies).

#### **Placing price:**

The Placing Price of HK\$3.40 per Placing Share was arrived at after arm's length negotiations between Hanny and Taifook Securities with reference to the prevailing market price of the Hanny Shares. The Placing Price represents:

- (i) a discount of approximately 5.0% to the closing price of HK\$3.58 per Hanny Share as quoted on the Stock Exchange on the Last Trading Day;
- (ii) a discount of approximately 6.3% to the average closing price of approximately HK\$3.63 per Hanny Share as quoted on the Stock Exchange for the last five consecutive trading days up to and including the Last Trading Day;

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## LETTER FROM THE BOARD

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- (iii) a discount of approximately 5.8% to the average closing price of approximately HK\$3.61 per Hanny Share as quoted on the Stock Exchange for the last 10 consecutive trading days up to and including the Last Trading Day; and
- (iv) a discount of approximately 37.8% to the closing price of HK\$5.47 per Hanny Share as quoted on the Stock Exchange as at the Latest Practicable Date.

The placing commission of the Placing is 3.0% of the amount equal to the Placing Price of HK\$3.40 multiplied by 43,500,000 existing Hanny Shares underwritten by Taifook Securities pursuant to the Placing and Subscription Agreement, which was arrived at after arm's length negotiations between Hanny and Taifook Securities.

### **Completion of the Placing:**

Completion of the Placing took place on 16 April 2007.

### **THE SUBSCRIPTION**

Pursuant to the Placing and Subscription Agreement, the Company agreed to subscribe for 43,500,000 new Hanny Shares at a price of HK\$3.40 per Subscription Share. The terms of the Subscription are set out below:

#### **Subscriber:**

The Company (the vendor in the Placing) or its nominee(s) (who shall be wholly-owned subsidiary(ies) of the Company).

#### **Number of new Hanny Shares subscribed for:**

The 43,500,000 Subscription Shares represent approximately (i) 17.21% of Hanny's issued share capital as at the date of the Announcement; and (ii) 14.68% of Hanny's issued share capital as enlarged by the issue of the Subscription Shares.

The Subscription Shares, when issued and fully paid, will rank pari passu in all respects with the Hanny Shares in issue on the date of allotment and issue of the Subscription Shares including the right to receive any dividends or distributions including the Bonus Issue. Application has been made by Hanny to the Stock Exchange for the listing of, and permission to deal in, the Subscription Shares.

#### **Subscription price:**

The Subscription Price of HK\$3.40 per Subscription Share, which is equal to the Placing Price, was arrived at after arm's length negotiations between the Company and Hanny with reference to the prevailing market price of the Hanny Shares. The Subscription Price represents:



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## LETTER FROM THE BOARD

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- (i) a discount of approximately 5.0% to the closing price of HK\$3.58 per Hanny Share as quoted on the Stock Exchange on the Last Trading Day;
- (ii) a discount of approximately 6.3% to the average closing price of approximately HK\$3.63 per Hanny Share as quoted on the Stock Exchange for the last five consecutive trading days up to and including the Last Trading Day;
- (iii) a discount of approximately 5.8% to the average closing price of approximately HK\$3.61 per Hanny Share as quoted on the Stock Exchange for the last 10 consecutive trading days up to and including the Last Trading Day; and
- (iv) a discount of approximately 37.8% to the closing price of HK\$5.47 per Hanny Share as quoted on the Stock Exchange as at the Latest Practicable Date.

Based on the estimated expenses of approximately HK\$5 million to be incurred in the Placing and the Subscription, the net price of the Subscription Shares to be received by Hanny (after deduction of the estimated expenses of approximately HK\$5 million to be incurred in the Placing and the Subscription) will be approximately HK\$3.29 per Subscription Share.

### **Conditions precedent:**

Completion of the Subscription is conditional upon:

- (i) the Listing Committee of the Stock Exchange granting approval for the listing of, and permission to deal in, the Subscription Shares;
- (ii) completion of the Placing having occurred pursuant to the terms of the Placing and Subscription Agreement; and
- (iii) the Bermuda Monetary Authority approving or agreeing to the allotment and issue of the Subscription Shares (if necessary).

The conditions precedent were fulfilled on 19 April 2007.

### **Completion of the Subscription:**

Completion of the Subscription took place on 23 April 2007.

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## LETTER FROM THE BOARD

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### INFORMATION ON THE COMPANY AND HANNY

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, the provision of management services, property investment, treasury investment, trading of building materials and machinery and the provision and operation of an internet-based precious metals trading platform.

Hanny is an investment holding company. The Hanny Group is principally engaged in the trading of securities, property investment and trading, holding of vessels for sand mining and other strategic investments including investments in (i) a subsidiary whose shares are listed on the Australian Securities Exchange and another subsidiary traded on the OTC Bulletin Board in the United States of America; (ii) associated companies whose shares are listed on the Stock Exchange or the Singapore Exchange Limited; and (iii) long-term convertible notes issued by companies whose shares are listed on the Stock Exchange.

Set out below is a summary of the audited consolidated results of the Hanny Group for the two financial years ended 31 March 2005 and 2006:

	<b>For the financial year ended 31 March</b>	
	<b>2005</b>	<b>2006</b>
	(Audited and restated)	(Audited)
	<i>HK\$'000</i>	<i>HK\$'000</i>
Loss before income tax	(248,508)	(144,092)
Loss for the year from continuing operations	(252,790)	(148,423)

As at 30 September 2006, the unaudited consolidated net assets value of the Hanny Group attributable to the shareholders of Hanny amounted to approximately HK\$2,350.9 million.

### REASONS FOR THE PLACING AND THE SUBSCRIPTION AND USE OF PROCEEDS

The Hanny Directors intend to employ the net proceeds from the Subscription and the Hanny Group's internal resources for investment in natural resources related businesses in the PRC when suitable opportunities are identified.

Hanny intends to employ the estimated net proceeds from the Subscription of approximately HK\$143 million for the Hanny Group's general working capital purposes and investment in natural resources related businesses in the PRC. Under the prevailing market conditions, the Hanny Directors are of the view that the Placing and the Subscription enlarge the shareholder base and the capital base of Hanny, and will strengthen the Hanny Group's financial position. The Hanny Directors consider that the Placing and the Subscription offer good opportunities to raise further capital and to broaden the shareholder and capital base of Hanny, and the terms of the Placing and Subscription Agreement are fair and reasonable and in the interests of the Hanny Group and the shareholders of Hanny as a whole.

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## LETTER FROM THE BOARD

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Based on the above and taking into account that the Subscription provides new funds to a subsidiary of the Company and strengthens the financial position of the Hanny Group, the Directors consider that the terms of the Placing and Subscription Agreement are fair and reasonable and in the interests of the Group and the Shareholders as a whole.

The Company expects that completion of the Placing and the Subscription would result in an unaudited loss of approximately HK\$145 million for the Group, which represented the difference between (i) the Group's attributable interest in approximately 67.23% of the carrying value of the Hanny Group before the Placing and the Subscription; and (ii) the Group's attributable interest in approximately 57.36% of the carrying value of the Hanny Group after completion of the Placing and the Subscription for the Group, which were based on, among other things, the unaudited consolidated net assets value of the Hanny Group attributable to the shareholders of Hanny of approximately HK\$2,350.9 million as at 30 September 2006, and the expected increase in the Hanny Group's net assets value as a result of completion of the Subscription, and on the assumption that the aforesaid represented the net fair value of the identifiable assets, liabilities and contingent liabilities of the Hanny Group for the Group. As the Placing and the Subscription were completed in April 2007, the actual amount of the loss will be ascertained and reflected in the financial year ending 31 March 2008.

### GENERAL

The interest of the Company in the issued share capital of Hanny was reduced from approximately 67.23% to approximately 57.36% as a result of completion of the Placing and the Subscription. Hanny continues to be a subsidiary of the Company immediately after completion of the Placing and the Subscription. Each of the Placing and the Subscription constitutes a discloseable transaction for the Company under Chapter 14 of the Listing Rules.

Your attention is drawn to the additional information set out in the appendix to this circular.

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

## 1. 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.

## 2. DISCLOSURE OF INTERESTS

### (A) Directors' interests and short positions in shares, underlying shares and debentures of the Company and its associated corporations

As at the Latest Practicable Date, the interests and short positions of the Directors in the shares, underlying shares and debentures of the Company or any associated corporations (within the meaning of Part XV of the SFO), which were required to be notified to the Company 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 and which were required to be entered in the register kept by the Company pursuant to Section 352 of the SFO, were as follows:

#### (a) *Interests and short positions in shares, underlying shares and debentures of the Company*

Name of Director	Capacity	Long position/ Short position	No. of ITC Ordinary Shares held	Approximate % of the existing issued ordinary share capital of the Company
Dr. Chan	Beneficial owner	Long position	6,000,000	0.32%
Dr. Chan	Interest of controlled corporation (Note)	Long position	642,939,242	34.33%

*Note:* Galaxyway Investments Limited is a wholly-owned subsidiary of Chinaview International Limited which is, in turn, wholly owned by Dr. Chan. Dr. Chan was deemed to be interested in 642,939,242 ITC Ordinary Shares held by Galaxyway Investments Limited.

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

(i) Hanny

Name of Director	Capacity	Long position/ Short position	No. of Hanny Shares held	No. of underlying Hanny Shares (in respect of unlisted equity derivatives) held	Approximate % of the existing issued share capital of Hanny
Dr. Chan	Interests of controlled corporation (Note 1)	Long position	169,979,504 (Note 1)	–	57.36%
Dr. Chan	Interests of controlled corporations (Note 1)	Long position	–	11,304,682 (Note 1)	3.81%
Dr. Chan	Beneficial owner	Long position	1,627,697	–	0.55%
Dr. Chan	Beneficial owner	Long position	–	315,756 (Note 2)	0.11%
Chan Kwok Chuen, Augustine	Beneficial owner	Long position	1,600,000	–	0.54%
Cheung Hon Kit	Beneficial owner	Long position	6	–	0.00%
Shek Lai Him, Abraham	Beneficial owner	Long position	32	–	0.00%

*Notes:* 1. The Hanny Shares were held by an indirect wholly-owned subsidiary of the Company. The Company, through its wholly-owned subsidiaries, also held the 2% convertible bonds of Hanny due 2011 with an aggregate principal amount of HK\$101,742,150. Upon full conversion of such convertible bonds at an initial conversion price of HK\$9 per Hanny Share (subject to adjustments), 11,304,682 Hanny Shares would be issued to indirect wholly-owned subsidiaries of the Company.

By virtue of his direct and deemed interests in approximately 34.65% of the existing issued ordinary share capital of the Company, Dr. Chan was deemed to be interested in these Hanny Shares and underlying Hanny Shares.

2. Dr. Chan owned the 2% convertible bonds of Hanny due 2011 in the principal amount of HK\$2,841,810. Upon full conversion of such convertible bonds at an initial conversion price of HK\$9 per Hanny Share (subject to adjustments), 315,756 Hanny Shares would be issued to Dr. Chan.

(ii) Trasy Gold Ex Limited (“Trasy”)

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

*Note:* The shares of Trasy were held by an indirect wholly-owned subsidiary of the Company. By virtue of his direct and deemed interests in approximately 34.65% of the existing issued ordinary share capital of the Company, Dr. Chan was deemed to be interested in these shares of Trasy.

## (iii) PYI Corporation Limited (“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
Dr. Chan	Interest of controlled corporation ( <i>Note 1</i> )	Long position	402,368,507	–	26.97%
Dr. Chan	Beneficial owner	Long position	11,915,186	–	0.80%
Chau Mei Wah, Rosanna	Beneficial owner	Long position	–	1,630,000 ( <i>Note 2</i> )	0.11%
Chan Fut Yan	Beneficial owner	Long position	–	2,500,000 ( <i>Note 2</i> )	0.17%
Cheung Hon Kit	Beneficial owner	Long position	400	–	0.00%
Shek Lai Him, Abraham	Beneficial owner	Long position	2,000	–	0.00%

*Notes:* 1. The shares of PYI were held by an indirect wholly-owned subsidiary of the Company. By virtue of his direct and deemed interests in approximately 34.65% of the existing issued ordinary share capital of the Company, Dr. Chan was deemed to be interested in these shares of PYI.

2. On 28 December 2004, Ms. Chau Mei Wah, Rosanna and Mr. Chan Fut Yan were granted share options with rights to subscribe for 1,630,000 shares of PYI and 2,500,000 shares of PYI respectively at HK\$1.5 per share of PYI (subject to adjustments) during the period from 28 December 2004 to 26 August 2012.

## (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	321,074	–	1.30%
Chau Mei Wah, Rosanna	Beneficial owner	Long position	–	61,000	0.25%

## (v) Wing On Travel (Holdings) Limited (“Wing On”)

Name of Director	Capacity	Long position/ Short position	No. of shares of Wing On held	No. of underlying shares (in respect of unlisted equity derivatives) of Wing On held	Approximate % of the existing issued share capital of Wing On
Dr. Chan	Interest of controlled corporations (Note 1)	Long position	135,740,481	–	22.23%
Dr. Chan	Interest of controlled corporation (Note 1)	Long position	–	379,746,835	62.19%
Dr. Chan	Beneficial owner	Long position	4,529,800	–	0.74%
Cheung Hon Kit	Beneficial owner	Long position	–	4,000,000 (Note 2)	0.66%



- Notes:* 1. 11,406,000 shares of Wing On were held by an indirect wholly-owned subsidiary of the Company. 124,334,481 shares of Wing On were held by an indirect wholly-owned subsidiary of China Enterprises Limited (“CEL”) of which Group Dragon Investments Limited (“GDI”) indirectly owned approximately 55.22% of the effective equity interest. Hanny indirectly held approximately 98.92% of the existing issued share capital of GDI. The Company indirectly held approximately 57.36% of the existing issued share capital of Hanny and Dr. Chan directly held approximately 0.55% of the existing issued share capital of Hanny. CEL held a convertible note in the principal amount of HK\$300,000,000. Upon full conversion of such convertible note at an initial conversion price of HK\$0.79 per share of Wing On (subject to adjustments), 379,746,835 shares of Wing On would be issued to CEL. By virtue of his direct and deemed interests in approximately 34.65% of the existing issued ordinary share capital of the Company, Dr. Chan was deemed to be interested in these shares and underlying shares of Wing On.
2. On 22 June 2006, Mr. Cheung Hon Kit was granted share options with rights to subscribe for 4,000,000 shares of Wing On at HK\$0.728 per share of Wing On (subject to adjustments) during the period from 22 June 2006 to 21 June 2008.

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

Dr. Chan was, by virtue of his direct and deemed interest in approximately 34.65% of the existing issued ordinary share capital of the Company, 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 the Company 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 the Company 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 the Company or any associated corporations (within the meaning of Part XV of the SFO) which are required to be notified to the Company and the Stock Exchange or any interests which are required to be entered into the register kept by the Company pursuant to Section 352 of the SFO or any interests which are required to be notified to the Company and the Stock Exchange pursuant to the Model Code.

**(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, the following parties had an interest or short position in the ITC Ordinary Shares and underlying shares of the Company which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO:

*(a) Interests and short positions of substantial shareholders in ITC Ordinary Shares and underlying shares of the Company*

Name	Capacity	Long position/ Short position	No. of ITC Ordinary Shares held	Approximate % of the existing issued ordinary share capital of the Company
Dr. Chan	Beneficial interest	Long position	6,000,000	0.32%
Dr. Chan	Interest of controlled corporation <i>(Note)</i>	Long position	642,939,242	34.33%
Chinaview International Limited	Interest of controlled corporation <i>(Note)</i>	Long position	642,939,242	34.33%
Galaxyway Investments Limited	Beneficial owner <i>(Note)</i>	Long position	642,939,242	34.33%
Ng Yuen Lan, Macy	Interest of spouse <i>(Note)</i>	Long position	648,939,242	34.65%
PMA Capital Management Limited	Investment manager	Long position	196,854,500	10.51%

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

(b) *Interests and short positions of other persons in ITC Ordinary Shares and underlying shares of the Company*

Name	Capacity	Long position/ Short position	No. of ITC Ordinary Shares held	No. of underlying shares (in respect of listed equity derivatives) of the Company held	Approximate % of the existing issued ordinary share capital of the Company
CEF Holdings Limited (“CEF Holdings”)	Interest of controlled corporations ( <i>Note</i> )	Long position	2,773,046	–	0.15%
CEF Holdings	Interest of controlled corporations ( <i>Note</i> )	Long position	–	213,015,153	11.37%
Canadian Imperial Bank of Commerce	Interest of controlled corporations ( <i>Note</i> )	Long position	2,773,046	–	0.15%
Canadian Imperial Bank of Commerce	Interest of controlled corporations ( <i>Note</i> )	Long position	–	213,015,153	11.37%
Cheung Kong (Holdings) Limited (“CKH”)	Interest of controlled corporations ( <i>Note</i> )	Long position	2,773,046	–	0.15%
CKH	Interest of controlled corporations ( <i>Note</i> )	Long position	–	213,015,153	11.37%
Li Ka-Shing Unity Trustee Company Limited (“TUT1”)	Trustee ( <i>Note</i> )	Long position	2,773,046	–	0.15%
TUT1	Trustee ( <i>Note</i> )	Long position	–	213,015,153	11.37%
Li Ka-Shing Unity Trustee Corporation Limited (“TDT1”)	Trustee & beneficiary of a trust ( <i>Note</i> )	Long position	2,773,046	–	0.15%
TDT1	Trustee & beneficiary of a trust ( <i>Note</i> )	Long position	–	213,015,153	11.37%

Name	Capacity	Long position/ Short position	No. of ITC Ordinary Shares held	No. of underlying shares (in respect of listed equity derivatives) of the Company held	Approximate % of the existing issued ordinary share capital of the Company
Li Ka-Shing Unity Trustcorp Limited (“TDT2”)	Trustee & beneficiary of a trust ( <i>Note</i> )	Long position	2,773,046	–	0.15%
TDT2	Trustee & beneficiary of a trust ( <i>Note</i> )	Long position	–	213,015,153	11.37%
Li Ka-shing	Interest of controlled corporations & founder of discretionary trusts ( <i>Note</i> )	Long position	2,773,046	–	0.15%
Li Ka-shing	Interest of controlled corporations & founder of discretionary trusts ( <i>Note</i> )	Long position	–	213,015,153	11.37%
Deutsche Bank Aktiengesellschaft	Security interest	Long position	185,946,795	–	9.93%

*Note:* So far as known to the Directors, the number of ITC Ordinary Shares and underlying shares (in respect of listed equity derivatives) of the Company held by Asialand Investment Limited (“Asialand”) and CEF (Capital Markets) Limited (“CEF Capital Markets”) were 50,849,968 and 164,938,231 respectively. CEF Capital Markets was 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 the ITC Ordinary Shares and/or underlying shares (in respect of listed equity derivatives) of the Company held by Asialand. CEF Holdings, CIBC Holdings (Cayman) Limited and Canadian Imperial Bank of Commerce were all deemed to be interested in the ITC Ordinary Shares and underlying shares (in respect of listed equity derivatives) of the Company held by Asialand and CEF Capital Markets.

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 was deemed to be interested in the ITC Ordinary Shares and underlying shares (in respect of listed equity derivatives) of the Company held by Asialand and CEF Capital Markets.

(c) *Substantial shareholding in the other members of the Group*

As at the Latest Practicable Date, so far as is known to the Directors, the following parties, other than a Director, was, 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:

<b>Name of subsidiary</b>	<b>Name of shareholder</b>	<b>% of the issued share capital</b>
Digital Communications Limited	Global 2000 Management Limited	40%
Hanny Investment Group Limited	Global Media Limited	35%
Sino Partner Holdings Limited	Tian Pu Jun	17%
China Telecom International Limited	China Telecom Investment Corporation	49%
Earnfull Industrial Limited	Wang Ming Jan	10%
Orion (B.V.I.) Tire Corporation	Coronada Holding Limited	40%
Orion Tire Corporation	Coronada Holding Limited	40%
Ruby Uniforms Limited	Poon Charn Ki, Frederick	10%

Save as disclosed above, the Directors are not aware that there is any party (not being a Director) who, as at the Latest Practicable Date, had an interest or short positions in the ITC Ordinary Shares and underlying shares of the Company which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO, or who was, 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.

### 3. DIRECTORS' INTERESTS IN COMPETING BUSINESSES

As at the Latest Practicable Date, interests of the Directors in competing businesses which are required to be disclosed pursuant to Rule 8.10 of the Listing Rules were as follows:

Name of Director	Name of entity the businesses of which are considered to compete or likely to compete with the businesses of the Group	Description of businesses of the entity which are considered to compete or likely to compete with the businesses of the Group	Nature of interest of the Director in the entity
Chan Fut Yan	Macau Prime Properties Holdings Limited ("MPP") and its subsidiaries	Property investment in Hong Kong and property development and trading in the PRC (excluding Hong Kong and Macau)	As managing director
Cheung Hon Kit	MPP and its subsidiaries	Property investment in Hong Kong and property development and trading in the PRC (excluding Hong Kong and Macau)	As chairman
	Wing On and its subsidiaries	Property investment in Hong Kong and property development in the PRC (excluding Hong Kong and Macau)	As managing director
	China Development Limited	Property investment in Hong Kong	As a director and shareholder
	Artnos Limited	Property investment in Hong Kong	As a director and shareholder
	Co-Forward Development Ltd.	Property investment in Hong Kong	As a director and shareholder

Name of Director	Name of entity the businesses of which are considered to compete or likely to compete with the businesses of the Group	Description of businesses of the entity which are considered to compete or likely to compete with the businesses of the Group	Nature of interest of the Director in the entity
	Orient Centre Limited	Property investment in Hong Kong	As a shareholder
	Super Time Limited	Property investment in Hong Kong	As a director and shareholder
	Asia City Holdings Ltd.	Property investment in Hong Kong	As a director and shareholder
	Supreme Best Ltd.	Property investment in Hong Kong	As a shareholder

Save as disclosed above, none of the Directors nor their respective associates were interested in any business apart from the Group's businesses which competes or is likely to compete, either directly or indirectly, with the Group's businesses as at the Latest Practicable Date.

#### 4. 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 determinable by the Group within one year without any payment of compensation, other than statutory compensation.

#### 5. LITIGATION

As at the Latest Practicable Date, so far as the Directors are aware, 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.

**6. GENERAL**

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