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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 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 transferee.

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**ITC**  
**ITC CORPORATION LIMITED**  
*(Incorporated in Bermuda with limited liability)*  
(Stock Code: 372)

**DISCLOSEABLE TRANSACTIONS  
IN RELATION TO  
ACQUISITIONS OF SHARES IN ITC PROPERTIES GROUP LIMITED  
AND  
WING ON TRAVEL (HOLDINGS) LIMITED**

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## DEFINITIONS

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

“Acquisitions”	the ITC Properties Acquisition and the Wing On Travel Acquisition
“Announcements”	the announcements both dated 2 January 2008 issued by the Company in relation to the ITC Properties Acquisition and the Wing On Travel Acquisition respectively
“associate(s)”	has the meaning as ascribed to it under the Listing Rules
“Board”	the board of Directors
“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 meaning as ascribed to it under the Listing Rules
“Director(s)”	the director(s) of the Company
“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
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“ITC Properties”	ITC Properties Group Limited (Stock code: 199), a company incorporated in Bermuda with limited liability and whose issued shares are listed on the main board of the Stock Exchange
“ITC Properties Acquisition”	the acquisition of an aggregate of 183,090,000 ITC Properties Shares by the Company, through its indirect wholly-owned subsidiaries, on the Stock Exchange during the ITC Properties Relevant Period
“ITC Properties Group”	ITC Properties and its subsidiaries
“ITC Properties Relevant Period”	the period from 16 October 2007 to 21 December 2007
“ITC Properties Share(s)”	ordinary share(s) of HK\$0.01 each in the share capital of ITC Properties
“Latest Practicable Date”	18 January 2008, being the latest practicable date prior to the printing of this circular for ascertaining certain information contained in this circular
“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”	the Model Code for Securities Transactions by Directors of Listed Issuers set out in Appendix 10 to the Listing Rules
“PRC”	the People’s Republic of China, which for the purpose of this circular, excludes Hong Kong, Macau and Taiwan
“SFO”	the Securities and Futures Ordinance, Chapter 571 of the Laws of Hong Kong

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## DEFINITIONS

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“Share(s)”	ordinary share(s) of HK\$0.10 each in the share capital of the Company
“Shareholder(s)”	holder(s) of the Share(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Wing On Travel”	Wing On Travel (Holdings) Limited (Stock code: 1189), a company incorporated in Bermuda with limited liability and whose issued shares are listed on the main board of the Stock Exchange
“Wing On Travel Acquisition”	the acquisition of an aggregate of 177,587,000 Wing On Travel Shares by the Company, through its indirect wholly-owned subsidiary, on the Stock Exchange during the Wing On Travel Relevant Period
“Wing On Travel Group”	Wing On Travel and its subsidiaries
“Wing On Travel Relevant Period”	the period from 27 December 2006 to 21 December 2007
“Wing On Travel Share(s)”	ordinary share(s) of HK\$0.10 each in the share capital of Wing On Travel
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“%”	per cent.

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## LETTER FROM THE BOARD

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# 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, *SBS, 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

23 January 2008

*To the Shareholders and,  
for information only, the holders of  
convertible notes issued by the Company*

Dear Sir or Madam,

**DISCLOSEABLE TRANSACTIONS  
IN RELATION TO  
ACQUISITIONS OF SHARES IN ITC PROPERTIES GROUP LIMITED  
AND  
WING ON TRAVEL (HOLDINGS) LIMITED**

### INTRODUCTION

On 2 January 2008, the Company announced that it has, through its indirect wholly-owned subsidiaries, acquired (i) an aggregate of 183,090,000 ITC Properties Shares on the Stock Exchange for an aggregate consideration of approximately HK\$78.7 million during the ITC Properties Relevant Period; and (ii) an aggregate of 177,587,000 Wing On Travel Shares on the Stock Exchange for an aggregate consideration of approximately HK\$74.8 million during the Wing On Travel Relevant Period.

The purpose of this circular is to provide you with information of the Acquisitions and further information on the Group.

### THE ACQUISITIONS

#### ITC Properties Acquisition

On 2 January 2008, the Company announced that it has, through its indirect wholly-owned subsidiaries, acquired an aggregate of 183,090,000 ITC Properties Shares, representing approximately 5.91% of the issued share capital of ITC Properties as at the date of the Announcements, on the Stock Exchange for an aggregate consideration of approximately HK\$78.7 million during the ITC Properties Relevant Period. As a result of the ITC Properties Acquisition and further acquisitions of a total of 3,135,000 ITC Properties Shares on the Stock Exchange during the period from 24 December 2007 to 2 January 2008 at an aggregate consideration of approximately HK\$1.2 million, the Group directly holds 186,225,000 ITC Properties Shares, representing approximately 6.02% of the issued share capital of ITC Properties as at 2 January 2008.

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## LETTER FROM THE BOARD

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The Group has further acquired a total of 13,900,000 ITC Properties Shares on the Stock Exchange during the period from 3 January 2008 up to the Latest Practicable Date at an aggregate consideration of approximately HK\$5.2 million. As a result of the ITC Properties Acquisition and further acquisitions of a total of 17,035,000 ITC Properties Shares, the Group directly holds 200,125,000 ITC Properties Shares, representing approximately 6.46% of the issued share capital of ITC Properties as at the Latest Practicable Date.

The Company did not hold any direct interest in ITC Properties immediately before the ITC Properties Acquisition. As at the Latest Practicable Date, Hanny, which was indirectly held as to approximately 49.9% by the Company, was interested in approximately 16.7% of the issued share capital of ITC Properties. Accordingly, the Company held approximately 14.8% effective interest in ITC Properties as at the Latest Practicable Date.

The average price per ITC Properties Share acquired by the Group during the ITC Properties Relevant Period is approximately HK\$0.43, representing:

- (i) a premium of approximately 11.7% over the closing price of HK\$0.385 per ITC Properties Share as quoted on the Stock Exchange on 21 December 2007;
- (ii) a premium of approximately 11.1% over the average closing price of approximately HK\$0.387 per ITC Properties Share for the last 5 trading days up to and including 21 December 2007;
- (iii) a discount of approximately 0.2% to the average closing price of approximately HK\$0.431 per ITC Properties Share for the last 90 trading days up to and including 21 December 2007;
- (iv) a discount of approximately 29.2% to the unaudited consolidated net asset value of approximately HK\$0.607 per ITC Properties Share as at 30 September 2007; and
- (v) a premium of approximately 26.5% over the closing price of HK\$0.340 per ITC Properties Share as quoted on the Stock Exchange on the Latest Practicable Date.

To the best of the knowledge, information and belief of the Directors having made all reasonable enquiries, the vendors of the 183,090,000 ITC Properties Shares and their ultimate beneficial owners are third parties independent of the Company and connected persons of the Company.

### **Wing On Travel Acquisition**

On 2 January 2008, the Company further announced that it has, through its indirect wholly-owned subsidiary, acquired an aggregate of 177,587,000 Wing On Travel Shares, representing approximately 9.8% of the issued share capital of Wing On Travel as at the date of the Announcements, on the Stock Exchange for an aggregate consideration of approximately HK\$74.8 million during the Wing On Travel Relevant Period. As a result of the Wing On Travel Acquisition, the disposal of 11,406,000 Wing On Travel Shares on the Stock Exchange on 7 November 2007 and further acquisitions of a total of 7,500,000 Wing On Travel Shares on the Stock Exchange at an aggregate consideration of approximately HK\$3 million during the period from 27 December 2007 to 2 January 2008, the Group directly holds 173,681,000 Wing On Travel Shares, representing approximately 9.5% of the issued share capital of Wing On Travel as at 2 January 2008.

The Group has also acquired a total of 83,965,000 Wing On Travel Shares on the Stock Exchange during the period from 3 January 2008 up to the Latest Practicable Date at an aggregate consideration of approximately HK\$32.8 million. As a result of the Wing On Travel Acquisition, the disposal of 11,406,000 Wing On Travel Shares on 7 November 2007 and further acquisitions of a total of 91,465,000 Wing On Travel Shares, the Group directly holds 257,646,000 Wing On Shares, representing approximately 14.15% of the issued share capital of Wing On Travel as at the Latest Practicable Date.

The Company, through Hanny, its then indirect non-wholly owned subsidiary, which was indirectly held as to approximately 64.0% by the Company, was interested in 124,334,481 Wing On Travel Shares immediately before the Wing On Travel Acquisition, representing approximately 20.4% of the then issued share capital of Wing On Travel. Hanny ceased to be a subsidiary of the Company on 18 May 2007. As at the Latest Practicable Date, Hanny, which was indirectly held as to approximately 49.9% by the Company, through its wholly owned subsidiaries and non-wholly owned subsidiaries, was interested in approximately 12.8% of the issued share capital of Wing On Travel. Accordingly, the Company held approximately 20.3% effective interest in Wing On Travel as at the Latest Practicable Date.

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## LETTER FROM THE BOARD

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

- (i) a premium of approximately 2.7% over the closing price of HK\$0.410 per Wing On Travel Share as quoted on the Stock Exchange on 21 December 2007;
- (ii) a premium of approximately 6.0% over the average closing price of approximately HK\$0.397 per Wing On Travel Share for the last 5 trading days up to and including 21 December 2007;
- (iii) a discount of approximately 3.2% to the average closing price of approximately HK\$0.435 per Wing On Travel Share for the last 90 trading days up to and including 21 December 2007;
- (iv) a discount of approximately 72.3% to the unaudited consolidated net asset value of approximately HK\$1.520 per Wing On Travel Share as at 30 June 2007; and
- (v) a premium of approximately 15.3% over the closing price of HK\$0.365 per Wing On Travel Share as quoted on the Stock Exchange on the Latest Practicable Date.

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

### INFORMATION ON THE GROUP

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

### INFORMATION ON THE ITC PROPERTIES GROUP

ITC Properties is an investment holding company and its subsidiaries are principally engaged in property development and investment in Macau, the PRC and Hong Kong. The ITC Properties Group is also engaged in golf resort and leisure operations, securities investment and loan financing services.

The following is a summary of the audited consolidated results of the ITC Properties Group for the two financial years ended 31 March 2006 and 2007 extracted from the 2006-2007 annual report of ITC Properties:

	For the financial year ended 31 March	
	2007 HK\$'000	2006 HK\$'000
Profit (loss) before taxation	84,156	(70,435)
Taxation	(10,055)	(2,657)
Profit (loss) for the year	<u>74,101</u>	<u>(73,092)</u>

The profit for the year ended 31 March 2007 of ITC Properties was mainly due to the increase in net income from loan financing, the share of results of associates and gain on cancellation of call options for acquisition of additional interest in an associate. Further details are set out in the 2006-2007 annual report of ITC Properties.

As disclosed in the interim report of ITC Properties for the six months ended 30 September 2007, the unaudited consolidated net asset value of ITC Properties was approximately HK\$1,877.6 million as at 30 September 2007.

### INFORMATION ON THE WING ON TRAVEL GROUP

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

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## LETTER FROM THE BOARD

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

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

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

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

### REASONS FOR THE ACQUISITIONS

Riding on the rapid economic growth and development in the PRC and Macau, the Company is confident about the prospects of the PRC and Macau markets as a whole and is positive on the long term potential of the property markets in these areas. Given the strong presence of the ITC Properties Group in the PRC and Macau, the Company is of the view that investment in ITC Properties enables the Group to share the benefit from the growth in property markets in the PRC and Macau. In addition, the ITC Properties Acquisition allows the Group to achieve a more diversified and balanced investment portfolio. If suitable opportunity arises, the Group may consider acquiring more ITC Properties Shares. If any subsequent acquisition(s) of ITC Properties Shares by the Group leads to a possible major transaction for the Company, the Company will comply with the applicable Listing Rules. The Directors believe that the ITC Properties Acquisition is fair and reasonable and in the interests of the Company and the Shareholders as a whole.

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

The Company, through its then non-wholly owned subsidiary Hanny, was interested in 124,334,481 Wing On Travel Shares immediately before the Wing On Travel Acquisition, representing approximately 20.4% of the then issued share capital of Wing On Travel, hence interest of the Group in Wing On Travel was equity accounted as an associated company. Hanny ceased to be a subsidiary of the Company on 18 May 2007.

The prices of the Acquisitions were determined with reference to the respective market prices of ITC Properties Shares and Wing On Travel Shares as quoted on the Stock Exchange during the ITC Properties Relevant Period and the Wing On Travel Relevant Period.

For each of the Group's interests in ITC Properties and Wing On Travel, given that the direct interest of the Group and the indirect interest through Hanny amounted to over 20% of the respective issued share capitals with no other shareholders of the companies holding significant interests relative to the combined shareholding interests held by the Group and Hanny, and that there are concurrent directors of the Group with ITC Properties and Wing On Travel, the Board considers that the Group has significant influence on ITC Properties and Wing



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## LETTER FROM THE BOARD

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On Travel. Accordingly, the interests of the Group in ITC Properties and Wing On Travel will be accounted for as associated companies in the Group's accounts pursuant to Hong Kong Accounting Standard 28. As such, after discussion with the Company's auditors, the Group's interests in ITC Properties and Wing On Travel will be equity accounted for, with discount on acquisitions, if any, and share of profit or loss of the associated companies to be recognised in the income statement of the Group. As disclosed above under the paragraph headed "The Acquisitions", the acquisitions of ITC Properties Shares and Wing On Travel Shares during the ITC Properties Relevant Period and the Wing On Travel Relevant Period were made at discounts of approximately 29.2% and 72.3%, respectively, to their unaudited consolidated net asset values as at their respective last reporting dates. Accordingly, an accounting gain may be reported in the results of the Group for the acquisitions of ITC Properties Shares and Wing On Travel Shares, if such discounts to the respective net asset values exist at the time of the acquisitions by the Group.

### GENERAL

As the applicable percentage ratios in respect of the aggregation of various acquisitions of ITC Properties Shares calculated up to 21 December 2007 exceeded 5% but were less than 25%, the last acquisition of ITC Properties Shares on 21 December 2007 (being the last day of the ITC Properties Relevant Period) triggered a discloseable transaction for the Company under Chapter 14 of the Listing Rules.

As the applicable percentage ratios in respect of the aggregation of various acquisitions of Wing On Travel Shares calculated up to 21 December 2007 exceeded 5% but were less than 25%, the last acquisition of Wing On Travel Shares on 21 December 2007 (being the last day of the Wing On Travel Relevant Period) triggered 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,  
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 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 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 the Company*

Name of Director	Capacity	Long position/ Short position	No. of Shares held	Approximate % of the existing issued share capital of ITC
Dr. Chan Kwok Keung, Charles ("Dr. Chan")	Beneficial owner	Long position	126,353,336	4.75%
Dr. Chan	Interest of controlled corporation ( <i>Note</i> )	Long position	793,012,110	29.82%

*Note:* Galaxyway Investments Limited was a wholly-owned subsidiary of Chinaview International Limited which was, in turn, wholly owned by Dr. Chan. Dr. Chan was deemed to be interested in 793,012,110 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 shares of Hanny held	No. of underlying shares (in respect of unlisted equity derivatives) of Hanny held	Approximate % of the existing issued share capital of Hanny
Dr. Chan	Interest of controlled corporation ( <i>Note</i> )	Long position	2,501,529,452	–	49.93%
Dr. Chan	Interest of controlled corporations ( <i>Note</i> )	Long position	–	283,521,894 ( <i>Note</i> )	5.65%
Dr. Chan	Beneficial owner	Long position	23,941,600	–	0.47%
Dr. Chan	Beneficial owner	Long position	–	4,241,507 ( <i>Note</i> )	0.08%

Name of Director	Capacity	Long position/ Short position	No. of shares of Hanny held	No. of underlying shares (in respect of unlisted equity derivatives) of Hanny held	Approximate % of the existing issued share capital of Hanny
Chan Kwok Chuen, Augustine	Beneficial owner	Long position	16,176,000	–	0.32%
Cheung Hon Kit	Beneficial owner	Long position	79	–	0.00%
Shek Lai Him, Abraham	Beneficial owner	Long position	422	–	0.00%

*Note:* The shares of Hanny were held by an indirect wholly-owned subsidiary of ITC. ITC, through its indirect wholly-owned subsidiaries, also held the 2% convertible bonds due 2011 issued by Hanny with an aggregate principal amount of HK\$189,959,670. Upon full conversion of such convertible bonds at a conversion price of HK\$0.67 per share of Hanny (subject to adjustments), 283,521,894 shares of Hanny would be issued to indirect wholly-owned subsidiaries of ITC.

By virtue of his direct and deemed interests in approximately 34.57% of the existing issued share capital of ITC, Dr. Chan was deemed to be interested in these shares and underlying shares of Hanny held by the indirect wholly-owned subsidiaries of ITC.

Dr. Chan owned the 2% convertible bonds due 2011 issued by Hanny in the principal amount of HK\$2,841,810. Upon full conversion of such convertible bonds at a conversion price of HK\$0.67 per share of Hanny (subject to adjustments), 4,241,507 shares of Hanny would be issued to Dr. Chan.

(ii) *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	404,512,565	–	26.86%
Dr. Chan	Beneficial owner	Long position	11,978,677	–	0.79%
Chau Mei Wah, Rosanna	Beneficial owner	Long position	–	1,280,000 ( <i>Note 2</i> )	0.08%
Chan Fut Yan	Beneficial owner	Long position	–	2,500,000 ( <i>Note 2</i> )	0.16%
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 ITC. By virtue of his direct and deemed interests in approximately 34.57% of the existing issued share capital of ITC, Dr. Chan was deemed to be interested in these shares of PYI held by an indirect wholly-owned subsidiary of ITC.

2. Ms. Chau Mei Wah, Rosanna and Mr. Chan Fut Yan held share options (which were granted on 28 December 2004) with rights to subscribe for 1,280,000 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.

(iii) *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	323,347	–	1.28%
Chau Mei Wah, Rosanna	Beneficial owner	Long position	–	81,000	0.32%

(iv) *Wing On Travel*

Name of Director	Capacity	Long position/ Short position	No. of Wing On Travel Shares held	No. of underlying shares (in respect of the unlisted equity derivatives) of Wing On Travel held	Approximate % of the existing issued share capital of Wing On Travel
Dr. Chan	Interest of controlled corporations (Note 1)	Long position	491,157,481	–	26.97%
Dr. Chan	Interest of controlled corporation (Note 1)	Long position	–	79,746,835 (Note 1)	4.37%
Dr. Chan	Beneficial owner	Long position	4,529,800	–	0.24%
Cheung Hon Kit	Beneficial owner	Long position	–	4,000,000 (Note 2)	0.21%

- Notes :
- 257,646,000 Wing On Travel Shares were held by an indirect wholly-owned subsidiary of ITC. 21,339,481 Wing On Travel Shares and 1,000,000 Wing On Travel Shares were held by a wholly-owned subsidiary of China Enterprises Limited (“CEL”) and CEL, respectively, of which Group Dragon Investments Limited, an indirect wholly-owned subsidiary of Hanny, indirectly owned approximately 55.22% of the effective equity interest. 211,172,000 Wing On Travel Shares were held by the indirect wholly-owned subsidiaries of Hanny. CEL held a convertible exchangeable note in the principal amount of HK\$63,000,000. Upon full conversion of such convertible exchangeable note at an initial conversion price of HK\$0.79 per Wing On Travel Share (subject to adjustments), 79,746,835 Wing On Travel Shares would be issued to CEL. ITC indirectly held approximately 49.93% of the existing issued share capital of Hanny and Dr. Chan directly held approximately 0.47% of the existing issued share capital of Hanny. By virtue of his direct and deemed interests in approximately 34.57% of the existing issued share capital of ITC, Dr. Chan was deemed to be interested in these Wing On Travel Shares and underlying shares of Wing On Travel held by the subsidiaries of Hanny and ITC.
  - Mr. Cheung Hon Kit held share options (which were granted on 22 June 2006) with rights to subscribe for 4,000,000 Wing On Travel Shares at HK\$0.728 per Wing On Travel Share (subject to adjustments) during the period from 22 June 2006 to 21 June 2008.

## (v) ITC Properties

Name of Director	Capacity	Long position/ Short position	No. of ITC Properties Shares held	No. of underlying shares (in respect of the unlisted equity derivatives) of ITC Properties held	Approximate % of the existing issued share capital of ITC Properties
Dr. Chan	Interest of controlled corporations (Note 1)	Long position	717,642,272	–	23.18%
Dr. Chan	Interest of controlled corporations (Note 1)	Long position	–	1,178,571,427 (Note 1)	38.07%
Dr. Chan	Beneficial owner	Long position	3,810,000	–	0.12%
Chau Mei Wah, Rosanna	Beneficial owner	Long position	–	3,000,000 (Note 2)	0.09%
Chan Fut Yan	Beneficial owner	Long position	–	13,000,000 (Note 2)	0.41%
Cheung Hon Kit	Beneficial owner	Long position	10,000,000	–	0.32%
Cheung Hon Kit	Beneficial owner	Long position	–	22,000,000 (Note 2)	0.71%

- Notes: 1. 200,125,000 ITC Properties Shares were held by the indirect wholly-owned subsidiaries of ITC. 517,517,272 ITC Properties Shares were held by the indirect wholly-owned subsidiaries of Hanny. An indirect wholly-owned subsidiary of ITC held a convertible note of ITC Properties in the principal amount of HK\$30,000,000 at an initial conversion price of HK\$0.7 per ITC Properties Share (subject to adjustments). Upon full conversion of such convertible notes, 42,857,142 ITC Properties Shares would be issued to such indirect wholly-owned subsidiary of ITC. An indirect wholly-owned subsidiary of Hanny owned convertible notes of ITC Properties in the principal amounts of HK\$330,000,000 and HK\$270,000,000 at initial conversion prices of HK\$0.44 and HK\$0.7 per ITC Properties Share (subject to adjustments), respectively. Upon full conversion of such convertible notes, 750,000,000 and 385,714,285 ITC Properties Shares would be issued to such indirect wholly-owned subsidiary of Hanny. An indirect wholly-owned subsidiary of ITC owned approximately 49.93% of the existing issued share capital of Hanny and Dr. Chan directly held approximately 0.47% of the existing issued share capital of Hanny. By virtue of his direct and deemed interests in approximately 34.57% of the existing issued share capital of ITC, Dr. Chan was deemed to be interested in these ITC Properties Shares and underlying shares of ITC Properties held by the subsidiaries of Hanny and ITC.
2. Details of outstanding share options granted to the Directors by ITC Properties as at the Latest Practicable Date were as follows:

Name of optionholder	Date of grant	Exercisable period	No. of share options	Exercise price per ITC Properties Share (subject to adjustments) HK\$
Chau Mei Wah, Rosanna	27.07.2007	27.07.2007 to 26.07.2011	3,000,000	0.67
Chan Fut Yan	15.08.2006	15.08.2006 to 14.08.2008	6,000,000	0.5
Chan Fut Yan	27.07.2007	27.07.2007 to 26.07.2011	7,000,000	0.67
Cheung Hon Kit	15.08.2006	15.08.2006 to 14.08.2008	10,000,000	0.5
Cheung Hon Kit	27.07.2007	27.07.2007 to 26.07.2011	12,000,000	0.67

As at the Latest Practicable Date, Hanny, PYI, Burcon, Wing On Travel and ITC Properties were associated corporations of ITC within the meaning of Part XV of the SFO.

Dr. Chan was, by virtue of his direct and deemed interest in approximately 34.57% of the existing issued 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.

**(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 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 the Shares and underlying shares of ITC***

Name	Capacity	Long position/ Short position	No. of Shares held	Approximate % of the existing issued share capital of ITC
Dr. Chan	Beneficial owner	Long position	126,353,336	4.75%
Dr. Chan	Interest of controlled corporation <i>(Note)</i>	Long position	793,012,110	29.82%
Chinaview International Limited	Interest of controlled corporation <i>(Note)</i>	Long position	793,012,110	29.82%
Galaxyway Investments Limited	Beneficial owner <i>(Note)</i>	Long position	793,012,110	29.82%
Ng Yuen Lan, Macy	Interest of spouse <i>(Note)</i>	Long position	919,365,446	34.57%

*Note:* Galaxyway Investments Limited was 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 Shares held by Galaxyway Investments Limited. Ms. Ng Yuen Lan, Macy was deemed to be interested in the Shares held by Dr. Chan.

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

Name	Capacity	Long position/ Short position	No. of Shares held	Approximate % of the existing issued share capital of ITC
Paul G. Desmarais	Interest of controlled corporations (Note)	Long position	159,597,523	6.00%
Nordex Inc.	Interest of controlled corporations (Note)	Long position	159,597,523	6.00%
Gelco Enterprises Ltee	Interest of controlled corporations (Note)	Long position	159,597,523	6.00%
Power Corporation of Canada	Interest of controlled corporations (Note)	Long position	159,597,523	6.00%
2795957 Canada Inc.	Interest of controlled corporations (Note)	Long position	159,597,523	6.00%
171263 Canada Inc.	Interest of controlled corporations (Note)	Long position	159,597,523	6.00%
Power Financial Corporation	Interest of controlled corporations (Note)	Long position	159,597,523	6.00%
IGM Financial Inc.	Interest of controlled corporations (Note)	Long position	159,597,523	6.00%
Mackenzie Inc.	Interest of controlled corporations (Note)	Long position	159,597,523	6.00%
Mackenzie Financial Corporation	Interest of controlled corporations (Note)	Long position	159,597,523	6.00%

*Note:* So far as known to the Directors, 49,997,523 Shares were held by Mackenzie Cundill Investment Mgmt. (Bermuda) Ltd., a wholly-owned subsidiary of Mackenzie (Rockies) Corp., which in turn was a wholly-owned subsidiary of Mackenzie Financial Corporation. Mackenzie Cundill Investment Management Ltd., a wholly-owned subsidiary of Mackenzie Financial Corporation, was deemed to be interested in 109,600,000 Shares held by Mackenzie Financial Capital Corporation. Mackenzie Financial Capital Corporation was a wholly-owned subsidiary of Mackenzie Financial Corporation. Mackenzie Financial Corporation was a wholly-owned subsidiary of Mackenzie Inc. which was, in turn, a wholly-owned subsidiary of IGM Financial Inc. of which Power Financial Corporation held approximately 55.99% shareholding interests. 171263 Canada Inc., a wholly-owned subsidiary of 2795957 Canada Inc., owned approximately 66.40% shareholding interests in Power Financial Corporation. 2795957 Canada Inc. was a wholly-owned subsidiary of Power Corporation of Canada of which Gelco Enterprises Ltee owned approximately 54.18% shareholding interests. Nordex Inc., a company which was owned as to 68.00% by Mr. Paul G. Desmarais, owned approximately 94.95% shareholding interests in Gelco Enterprises Ltee.

By virtue of the SFO, each of Mr. Paul G. Desmarais, Nordex Inc., Gelco Enterprises Ltee, Power Corporation of Canada, 2795957 Canada Inc., 171263 Canada Inc., Power Financial Corporation, IGM Financial Inc., Mackenzie Inc., Mackenzie Financial Corporation and Mackenzie Cundill Investment Management Ltd. was deemed to be interested in the Shares held by Mackenzie Cundill Investment Mgmt. (Bermuda) Ltd. and Mackenzie Financial Capital Corporation.

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 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 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, 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 pursuant to Rule 8.10 of the Listing Rules.

### **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 are 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 claim 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 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 Tricor 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.