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ITC CORPORATION LIMITED

(Incorporated in Bermuda with limited liability)

(Stock code: 372)

DISCLOSEABLE TRANSACTION DISPOSAL OF INTEREST IN AN ASSOCIATED COMPANY

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DEFINITIONS

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

“Board”	the board of Directors
“BVI”	the British Virgin Islands
“Central Town”	Central Town Limited, a company incorporated in Hong Kong with limited liability and in which each of United Sun and Onstart Profits has a 50% shareholding respectively and which holds the Property
“Company” or “ITC”	ITC Corporation Limited (stock code: 372), a company incorporated in Bermuda with limited liability, the issued shares of which are listed on the Main Board of the Stock Exchange
“Completion”	completion of the Disposal
“Completion Date”	1 April 2008
“Completion Statement”	the completion statement showing the Net Current Asset Value
“connected person(s)”	has the same meaning ascribed thereto under the Listing Rules
“Consideration”	the aggregate of the First Consideration and the Second Consideration (subject to adjustments to be determined with reference to the Completion Statement and the Net Current Asset Value)
“Director(s)”	the director(s) of the Company
“Disposal”	the sale of the First Sale Share and the assignment of the First Sale Loan to the Purchaser pursuant to the Sale and Purchase Agreement
“First Consideration”	the consideration in the sum of HK\$145,000,000 payable by the Purchaser to United Sun
“First Sale Loan”	the entire amount owing by Central Town to United Sun on Completion, being HK\$84,002,807.25
“First Sale Share”	the 1 ordinary share of HK\$1.00 in the share capital of Central Town, representing 50% of the entire issued share capital of Central Town, owned by United Sun
“Group”	the Company and its subsidiaries
“HKFRS”	the Hong Kong Financial Reporting Standards issued by the Hong Kong Institute of Certified Public Accountants
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Latest Practicable Date”	18 April 2008, being the latest practicable date prior to the printing of this circular for the purpose of ascertaining certain information contained in this circular
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Model Code”	the Model Code for Securities Transactions by Directors of Listed Issuers set out in Appendix 10 to the Listing Rules
“Mr. Cheung”	Mr. Cheung Shu Wan, the shareholder holding 100% of Onstart Profits

DEFINITIONS

“Net Current Asset Value”	the aggregate of rental receivables in respect of the Property owing to Central Town which are, as at the Completion Date, less than 90 days outstanding, deposits with utility companies as at the Completion Date, prepayments in respect of insurance premium, government rent, rates and management fees for the Property made by Central Town in respect of any period after the Completion Date and all cash at bank owned by Central Town as at the Completion Date less the aggregate of all liabilities and provisions of Central Town (including, without limitation, rental deposits held by Central Town in respect of tenancies and all taxes payable by Central Town in respect of earnings and profits earned up to and including the Completion Date) as at the Completion Date (but excluding the Sale Loans, any amount due to mortgagee and deferred tax liabilities), in each case, as shown in the Completion Statement
“Onstart Profits”	Onstart Profits Limited, a company incorporated in BVI, which holds 50% of the issued share capital of Central Town
“Property”	portions of the Basement, the Ground Floor, the Mezzanine Floor, and the First Floor, the whole of the Second Floor, the Third Floor and the Fourth Floor, and portions of the Thirteenth Floor and the Penthouse of United Chinese Bank Building, Nos. 31-37 Des Voeux Road, Central, Hong Kong
“Purchaser”	The Bank of East Asia, Limited (stock code: 23), a company incorporated in Hong Kong with limited liability, the issued shares of which are listed on the Main Board of the Stock Exchange
“Sale and Purchase Agreement”	the sale and purchase agreement dated 1 April 2008 entered into between the Seller, the Purchaser and the Warrantor for the sale and purchase of the Sale Shares and assignment of the Sale Loans
“Sale Loans”	the First Sale Loan and the Second Sale Loan, being the entire amount owing by Central Town to United Sun and Onstart Profits at Completion
“Sale Shares”	the First Sale Share and the Second Sale Share, being the entire issued shares in the share capital of Central Town at Completion
“Second Consideration”	the consideration in the sum of HK\$145,000,000 payable by the Purchaser to Onstart Profits
“Second Sale Loan”	the entire amount owing by Central Town to Onstart Profits on Completion, being HK\$84,002,807.40
“Second Sale Share”	the 1 ordinary share of HK\$1.00 in the share capital of Central Town, representing 50% of the entire issued share capital of Central Town, owned by Onstart Profits
“Seller”	United Sun and Onstart Profits
“SFO”	the Securities and Futures Ordinance, Chapter 571 of the Laws of Hong Kong
“Share(s)”	ordinary share(s) of HK\$0.10 each in the share capital of the Company
“Shareholders”	the shareholder(s) of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“United Sun”	United Sun Investments Limited, a company incorporated in BVI and an indirect wholly-owned subsidiary of the Company
“Warrantor”	ITC and Mr. Cheung
“HK\$”	Hong Kong dollar, the lawful currency of Hong Kong
“%”	per cent.

LETTER FROM THE BOARD



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

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

22 April 2008

Dear Sir or Madam,

DISCLOSEABLE TRANSACTION DISPOSAL OF INTEREST IN AN ASSOCIATED COMPANY

INTRODUCTION

On 8 April 2008, the Company announced that United Sun, an indirect wholly-owned subsidiary of the Company, and the Company, after trading hours on 1 April 2008, entered into the Sale and Purchase Agreement with, among others, the Purchaser in relation to the sale by United Sun of 1 ordinary share of Central Town, representing 50% of the issued share capital of Central Town, and the assignment of the shareholder's loan owing to United Sun by Central Town for a consideration of HK\$145,000,000, subject to adjustment. Completion of the Disposal has taken place immediately after the signing of the Sale and Purchase Agreement.

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

THE SALE AND PURCHASE AGREEMENT

Date

1 April 2008

Parties

- Seller :
- (i) United Sun, an indirect wholly-owned subsidiary of the Company, as vendor for the First Sale Share and the First Sale Loan; and
 - (ii) Onstart Profits, a company incorporated in BVI and wholly owned by Mr. Cheung, as vendor for the Second Sale Share and the Second Sale Loan. To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, save and except being a shareholder holding 50% of the issued share capital of Central Town, Onstart Profits is a third party independent of the Company and its connected persons and is not a connected person of the Company.

LETTER FROM THE BOARD

- Purchaser : The Bank of East Asia, Limited, a company incorporated in Hong Kong with limited liability. To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, (i) the Purchaser is a third party independent of the Company and its connected persons and is not a connected person of the Company; and (ii) there was no previous transaction(s) between the Company and the Purchaser which may require aggregation under Rule 14.22 of the Listing Rules.
- Warrantor : (i) ITC, as warrantor for United Sun; and
- (ii) Mr. Cheung, as warrantor for Onstart Profits. To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, save and except being the sole shareholder of Onstart Profits, Mr. Cheung is a third party independent of the Company and its connected persons and is not a connected person of the Company.

Assets disposed by United Sun

The First Sale Share, being 50% of the issued share capital of Central Town, and the First Sale Loan, which was HK\$84,002,807.25. Approximately HK\$27.1 million of the First Sale Loan was initially advanced to Central Town for the acquisition of the Property in 2005 and the remaining balance of approximately HK\$56.9 million was advanced to Central Town for the repayment of mortgage loan and interest for the Property.

Upon Completion, United Sun no longer has any interest in Central Town and any shareholder's loan owing by Central Town.

Consideration

- (i) The First Consideration for the First Sale Share and the First Sale Loan is HK\$145,000,000.
- (ii) The Second Consideration for the Second Sale Share and the Second Sale Loan is HK\$145,000,000.

Adjustment to the Consideration should be carried out by reference to the Completion Statement and the Net Current Asset Value. Such adjustment should be carried out as follows:

- (i) there should be added to the Consideration the amount (if any) by which the Net Current Asset Value was more than nil and such amount should be divided between United Sun and Onstart Profits in equal shares; or
- (ii) there should be deducted from the Consideration the amount (if any) by which the Net Current Asset Value was less than nil and such amount should be borne by United Sun and Onstart Profits in equal shares.

Based on the Completion Statement prepared by the Seller which was accepted by the Purchaser on 15 April 2008, the Net Current Asset Value was a negative amount of approximately HK\$1.3 million of which approximately HK\$0.65 million was attributed to United Sun. Hence, the adjusted First Consideration was less than HK\$145 million and accordingly the adjustment has not resulted in a major transaction or very substantial disposal to the Company under the Listing Rules.

The adjusted First Consideration of approximately HK\$144.35 million and the adjusted Second Consideration of approximately HK\$144.35 million have both been paid on Completion.

The First Consideration was agreed between United Sun and the Purchaser based on arm's length negotiations taking into account, among other things, prevailing prices of commercial properties in the Central District of Hong Kong.

Completion

Completion of the Disposal took place on 1 April 2008 simultaneously with completion of the sale and purchase of the Second Sale Share and the Second Sale Loan.

LETTER FROM THE BOARD

INFORMATION ON CENTRAL TOWN

Central Town is a company incorporated in Hong Kong with limited liability in which each of United Sun and Onstart Profits holds a 50% shareholding respectively. The principal activity of Central Town is holding and leasing of the Property.

The following were the audited results of Central Town for the period ended 31 March 2006 and the year ended 31 March 2007 and its net asset value as at 31 March 2006 and 31 March 2007, as extracted from the audited financial statements of Central Town for the year ended 31 March 2007 which have been prepared in accordance with HKFRS.

	Year ended 31 March 2007 <i>HK\$</i>	31 January 2005 (date of incorporation) to 31 March 2006 <i>HK\$</i>
Net profit (loss) for the year/period	1,188,799	(488,226)
	As at 31 March 2007 <i>HK\$</i>	As at 31 March 2006 <i>HK\$</i>
Net assets (liabilities)	700,575	(488,224)

The increase of net profit for the year ended 31 March 2007 was mainly due to the increase in fair value of the Property.

REASONS FOR AND BENEFITS OF THE DISPOSAL

The Company is an investment holding company which directly or 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.

The Property has been held by Central Town for long term investment purpose to generate recurring rental income. Based on the Consideration, the value per square foot of the saleable areas of the Property, which is over 45 years old, was approximately HK\$13,000 and the annual return rate of rental income was approximately 2.5%. The Directors considered that the consideration for the Disposal has substantially reflected the long term investment potential of the Property. The Directors also considered that the Disposal provided an opportunity for the Group to realise its investment in Central Town. Although no acquisition or investment proposals are currently under negotiation, the proceeds from the Disposal may provide the Company with additional resources to fund such acquisitions and investments when opportunities arise.

The Board considers that the terms of the Sale and Purchase Agreement have been negotiated on an arm's length basis and on normal commercial terms and are fair and reasonable and the entering into of the Sale and Purchase Agreement is in the interests of the Company and the Shareholders as a whole.

LETTER FROM THE BOARD

INTENDED USE OF PROCEEDS AND FINANCIAL EFFECTS OF THE DISPOSAL

The proceeds from the Disposal, before expenses and tax, will be applied as general working capital of the Group. The unaudited net asset value of Central Town (without deducting the liability of the Sale Loans) as at 1 April 2008 was approximately HK\$168.6 million. The Company shared 50% of the unaudited net asset value of Central Town which was approximately HK\$84.3 million. The adjustments (based on the accepted Completion Statement) deducted from the First Consideration of HK\$145 million amounted to approximately HK\$0.65 million, resulting in the adjusted First Consideration of approximately HK\$144.35 million. The difference between HK\$144.35 million and HK\$84.3 million gives rise to an unaudited gain of approximately HK\$60 million (before expenses and tax) which will be allocated to share of result of associates of ITC during the year ended 31 March 2008 and/or gain on disposal of an associate at the Completion Date, subject to the value of the Property at 31 March 2008 to be assessed by an independent valuer. The unaudited net asset value of Central Town (without deducting the liability of the Sale Loans) as at 1 April 2008 of approximately HK\$168.6 million was based on the valuation of the Property of HK\$170 million set out in the latest audited financial statements of Central Town for the year ended 31 March 2007. Upon Completion, the Group ceased to have any interest in Central Town and Central Town was no longer an associate of the Group. Accordingly, the Group ceased to share the results of Central Town from the date of the Completion. Other than the above, the Disposal will not have any material effect on the earnings and assets and liabilities of the Group.

GENERAL

Pursuant to Rule 14.06 of the Listing Rules, the Disposal 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,
On behalf of the Board
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	No. of underlying shares (in respect of the share options (unlisted equity derivatives)) of ITC held	Approximate % of the existing issued share capital of ITC
Dr. Chan Kwok Keung, Charles ("Dr. Chan")	Beneficial owner	Long position	126,353,336	–	4.69%
Dr. Chan	Interest of controlled corporation (Note 1)	Long position	810,712,518	–	30.08%
Chau Mei Wah, Rosanna	Beneficial owner	Long position	–	26,900,000 (Note 2)	0.99%
Chan Kwok Chuen, Augustine	Beneficial owner	Long position	–	12,000,000 (Note 2)	0.44%
Chan Fut Yan	Beneficial owner	Long position	–	25,000,000 (Note 2)	0.92%
Cheung Hon Kit	Beneficial owner	Long position	–	25,000,000 (Note 2)	0.92%
Chuck Winston Calptor	Beneficial owner	Long position	–	2,500,000 (Note 2)	0.09%
Lee Kit Wah	Beneficial owner	Long position	–	2,500,000 (Note 2)	0.09%
Shek Lai Him, Abraham	Beneficial owner	Long position	–	2,500,000 (Note 2)	0.09%

Notes: 1. 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 810,712,518 Shares held by Galaxyway Investments Limited.

2. Details of outstanding share options granted to the Directors by the Company as at the Latest Practicable Date were as follows:

Name of optionholder	Date of grant	Exercisable period	No. of share options	Exercise price per Share (subject to adjustments) HK\$
Chau Mei Wah, Rosanna	28.03.2008	28.03.2008 to 27.03.2011	26,900,000	0.385
Chan Kwok Chuen, Augustine	28.03.2008	28.03.2008 to 27.03.2011	12,000,000	0.385
Chan Fut Yan	28.03.2008	28.03.2008 to 27.03.2011	25,000,000	0.385
Cheung Hon Kit	28.03.2008	28.03.2008 to 27.03.2011	25,000,000	0.385
Chuck Winston Calptor	28.03.2008	28.03.2008 to 27.03.2011	2,500,000	0.385
Lee Kit Wah	28.03.2008	28.03.2008 to 27.03.2011	2,500,000	0.385
Shek Lai Him, Abraham	28.03.2008	28.03.2008 to 27.03.2011	2,500,000	0.385

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

(i) Hanny Holdings Limited (“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 (Note)	Long position	2,501,529,452	–	49.90%
Dr. Chan	Interest of controlled corporations (Note)	Long position	–	283,521,894 (Note)	5.65%
Dr. Chan	Beneficial owner	Long position	23,941,600	–	0.47%
Dr. Chan	Beneficial owner	Long position	–	4,241,507 (Note)	0.08%
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 34.77% of the existing issued share capital of ITC, Dr. Chan was deemed to be interested in these shares of Hanny 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 (Note 1)	Long position	404,512,565	–	26.84%
Dr. Chan	Beneficial owner	Long position	11,978,677	–	0.79%
Chau Mei Wah, Rosanna	Beneficial owner	Long position	–	1,280,000 (Note 2)	0.08%
Chan Fut Yan	Beneficial owner	Long position	–	2,500,000 (Note 2)	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 34.77% 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 (Holdings) Limited (“Wing On Travel”)*

Name of Director	Capacity	Long position/ Short position	No. of shares of Wing On Travel 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	492,357,481	–	27.04%
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: 1. 258,846,000 shares of Wing On Travel were held by an indirect wholly-owned subsidiary of ITC. 232,511,481 shares of Wing On Travel and 1,000,000 shares of Wing On Travel were held by direct wholly-owned subsidiaries of China Enterprises Limited (“CEL”) and CEL, respectively, of which Group Dragon Investments Limited (“GDI”), an indirect wholly-owned subsidiary of Hanny, indirectly owned approximately 55.2% of the effective equity interest. Pursuant to the conditional sale and purchase agreement dated 25 March 2008 entered into by, inter alia, GDI’s direct wholly-owned subsidiary, the effective equity interest of approximately 55.2% in CEL owned by GDI is expected to be decreased to approximately 37.1% upon completion of the disposal by GDI’s direct wholly-owned subsidiary of the entire issued share capital of an indirect wholly-owned subsidiary of GDI which held approximately 18.1% equity interest in the issued share capital of CEL. 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 share of Wing On Travel (subject to adjustments), 79,746,835 shares of Wing On Travel would be issued to CEL. An indirect wholly-owned subsidiary of ITC owned approximately 49.90% 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 34.77% of the existing issued share capital of ITC, Dr. Chan was deemed to be interested in these shares of Wing On Travel and underlying shares of Wing On Travel held by CEL, the subsidiaries of CEL and ITC.

2. Mr. Cheung Hon Kit held share options (which were granted on 22 June 2006) with rights to subscribe for 4,000,000 shares of Wing On Travel at HK\$0.728 per share of Wing On Travel (subject to adjustments) during the period from 22 June 2006 to 21 June 2008.

(v) *ITC Properties Group Limited ("ITC Properties")*

Name of Director	Capacity	Long position/ Short position	No. of shares of ITC Properties 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	719,642,272	–	23.24%
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	15,000,000	–	0.48%
Cheung Hon Kit	Beneficial owner	Long position	–	22,000,000 (Note 2)	0.71%

Notes: 1. 202,125,000 shares of ITC Properties were held by the indirect wholly-owned subsidiaries of ITC. 477,517,272 shares of ITC Properties were held by an indirect wholly-owned subsidiary of Hanny and 40,000,000 shares of ITC Properties were held by a direct wholly-owned subsidiary of CEL of which GDI, an indirect wholly-owned subsidiary of Hanny, indirectly owned approximately 55.2% of the effective equity interest. Pursuant to the conditional sale and purchase agreement dated 25 March 2008 entered into by, inter alia, GDI's direct wholly-owned subsidiary, the effective equity interest of approximately 55.2% in CEL owned by GDI is expected to be decreased to approximately 37.1% upon completion of the disposal by GDI's direct wholly-owned subsidiary of the entire issued share capital of an indirect wholly-owned subsidiary of GDI which held approximately 18.1% equity interest in the issued share capital of CEL. 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 share of ITC Properties (subject to adjustments). Upon full conversion of such convertible notes, 42,857,142 shares of ITC Properties 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 share of ITC Properties (subject to adjustments), respectively. Upon full conversion of such convertible notes, 750,000,000 and 385,714,285 shares of ITC Properties would be issued to such indirect wholly-owned subsidiary of Hanny. An indirect wholly-owned subsidiary of ITC owned approximately 49.90% 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 34.77% of the existing issued share capital of ITC, Dr. Chan was deemed to be interested in these shares of ITC Properties and underlying shares of ITC Properties held by the subsidiaries of CEL, 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 share of ITC Properties (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 interests in approximately 34.77% 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	4.69%
Dr. Chan	Interest of controlled corporation (Note)	Long position	810,712,518	30.08%
Chinaview International Limited	Interest of controlled corporation (Note)	Long position	810,712,518	30.08%
Galaxyway Investments Limited	Beneficial owner (Note)	Long position	810,712,518	30.08%
Ng Yuen Lan, Macy	Interest of spouse (Note)	Long position	937,065,854	34.77%

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 (<i>Note</i>)	Long position	186,288,086	6.91%
Nordex Inc.	Interest of controlled corporations (<i>Note</i>)	Long position	186,288,086	6.91%
Gelco Enterprises Ltee	Interest of controlled corporations (<i>Note</i>)	Long position	186,288,086	6.91%
Power Corporation of Canada	Interest of controlled corporations (<i>Note</i>)	Long position	186,288,086	6.91%
2795957 Canada Inc.	Interest of controlled corporations (<i>Note</i>)	Long position	186,288,086	6.91%
171263 Canada Inc.	Interest of controlled corporations (<i>Note</i>)	Long position	186,288,086	6.91%
Power Financial Corporation	Interest of controlled corporations (<i>Note</i>)	Long position	186,288,086	6.91%
IGM Financial Inc.	Interest of controlled corporations (<i>Note</i>)	Long position	186,288,086	6.91%
Mackenzie Inc.	Interest of controlled corporations (<i>Note</i>)	Long position	186,288,086	6.91%
Mackenzie Financial Corporation	Interest of controlled corporations (<i>Note</i>)	Long position	186,288,086	6.91%

Note: So far as known to the Directors, Mackenzie Cundill Investment Mgmt. (Bermuda) Ltd. was interested in 51,228,086 Shares. Mackenzie Cundill Investment Mgmt. (Bermuda) Ltd. was 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 135,060,000 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 in which Mackenzie Cundill Investment Mgmt. (Bermuda) Ltd. and Mackenzie Financial Capital Corporation were interested.

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 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

- a. The secretary and the qualified accountant of the Company is Law Hon Wa, William, *CPA, FCCA*.
- b. 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.
- c. 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.
- d. The English text of this circular shall prevail over the Chinese text for the purpose of interpretation.