

---

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

---

**If you are in any doubt** as to any aspect of this circular or as to the action to be taken, you should consult a licensed securities dealer, bank manager, solicitor, professional accountant or other professional adviser.

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

The Stock Exchange of Hong Kong Limited takes no responsibility for the contents of this circular, makes no representation as to its accuracy or completeness and expressly disclaims any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this circular.

---



## **ITC CORPORATION LIMITED**

*(Incorporated in Bermuda with limited liability)*

(Stock code: 372)

### **DISCLOSEABLE TRANSACTION UNDERTAKING TO SUBSCRIBE FOR RIGHTS SHARES IN HANNY HOLDINGS LIMITED**

---

## CONTENTS

---

	<i>Page</i>
<b>Definitions . . . . .</b>	<b>1</b>
<b>Letter from the Board</b>	
Introduction . . . . .	3
The Participation . . . . .	3
Information on the ITC Group . . . . .	4
Information on the Hanny Group . . . . .	4
Reasons for the Participation . . . . .	5
Effects on the earnings, assets and liabilities of the ITC Group . . . . .	5
General . . . . .	5
<b>Appendix – General Information . . . . .</b>	<b>6</b>

---

## DEFINITIONS

---

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

“2011 Convertible Notes”	the 2% convertible notes due 2011 in the aggregate principal amount of HK\$770,973,210 issued by Hanny in June 2006, of which an aggregate principal amount of HK\$706,698,786 remained outstanding as at the Latest Practicable Date
“Acceptance Date”	the latest time at which provisional allotments of the Rights Shares (with Warrants) may be validly accepted, which is currently expected to be 4:00 p.m. on Wednesday, 19 November 2008
“Announcement”	the announcement dated 12 September 2008 jointly issued by ITC and Hanny in relation to, among others, the Participation
“associate(s)”	has the same meaning ascribed thereto under the Listing Rules
“Board”	the board of Directors
“Business Day”	a day (excluding Saturday and other general holidays in Hong Kong and any day on which a tropical cyclone warning no. 8 or above or a “black” rainstorm warning is hoisted or in effect between 9:00 a.m. and 12:00 noon and is not lowered or discontinued at or before 12:00 noon) on which licensed banks in Hong Kong are generally open for business
“Capital Reorganisation”	the proposed reorganisation of the share capital of Hanny as more particularly set out in the Announcement
“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 ascribed thereto under the Listing Rules
“Director(s)”	the director(s) of ITC
“Exercise Period”	a period of 18 months from the date of the issue of the Warrants
“Hanny”	Hanny Holdings Limited (stock code: 275), a company incorporated in Bermuda with limited liability and whose issued Hanny Shares are listed on the main board of the Stock Exchange
“Hanny Group”	Hanny and its subsidiaries
“Hanny Reorganised Share(s)”	ordinary share(s) of HK\$0.01 each in the share capital of Hanny immediately after the Capital Reorganisation becoming effective
“Hanny Share(s)”	ordinary share(s) of HK\$0.01 each in the share capital of Hanny as at the Latest Practicable Date and before the Capital Reorganisation becoming effective
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Irrevocable Undertaking”	the irrevocable undertaking dated 9 September 2008 given by the Company under which the Company had irrevocably undertaken, among other things, to accept or procure the acceptance of the provisional allotment of the entitlement of 200,122,352 Rights Shares (with Warrants) to ITC and/or its subsidiary pursuant to the Rights Issue

---

## DEFINITIONS

---

“ITC Group”	ITC and its subsidiaries
“Last Trading Day”	9 September 2008, being the last trading day for the Hanny Shares on the Stock Exchange before the release of the Announcement
“Latest Practicable Date”	25 September 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
“Participation”	the proposed acceptance by ITC, through its indirect wholly-owned subsidiary, of the provisional allotment of 200,122,352 Rights Shares (with Warrants), being its pro-rata entitlement under the Rights Issue, pursuant to the Irrevocable Undertaking
“Record Date”	the date by reference to which entitlements of the shareholders of Hanny to participate in the Rights Issue will be determined, which is currently expected to be Monday, 3 November 2008
“Rights Issue”	the issue by way of rights of the Rights Shares in the proportion of four Rights Shares for every Hanny Reorganised Share held by the shareholders of Hanny on the Record Date at the Subscription Price with Warrants to be issued in the proportion of one Warrant for every four Rights Shares subscribed for, on the terms and subject to the conditions to be set out in the prospectus to be issued by Hanny
“Rights Share(s)”	not less than 401,025,864 and not more than 462,386,736 Hanny Reorganised Shares proposed to be offered to the shareholders of Hanny for subscription under the Rights Issue
“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 ITC
“Shareholder(s)”	holder(s) of Share(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Subscription Price”	the subscription price of HK\$0.50 per Rights Share
“Underwriting Agreement”	the underwriting agreement dated 9 September 2008 entered into between Hanny and Get Nice Securities Limited in relation to the Rights Issue
“Warrant(s)”	bonus warrants to be issued by Hanny to successful applicants of the Rights Shares pursuant to the Rights Issue, represented by certificates, each conferring the right in its registered form to the holder thereof to subscribe in cash, during the Exercise Period, for up to an aggregate of 115,596,684 Warrant Shares at an initial exercise price of HK\$1.20 per Warrant Share (subject to adjustments)
“Warrant Share(s)”	new Hanny Reorganised Share(s) falling to be issued by Hanny upon exercise of the subscription right(s) attaching to the Warrant(s)
“HK\$”	Hong Kong dollars, 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

29 September 2008

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

Dear Sir or Madam,

## DISCLOSEABLE TRANSACTION UNDERTAKING TO SUBSCRIBE FOR RIGHTS SHARES IN HANNY HOLDINGS LIMITED

### INTRODUCTION

By the Announcement, ITC announced that it had executed the Irrevocable Undertaking on 9 September 2008 whereby ITC had irrevocably undertaken to Hanny, inter alia, that the 2,501,529,452 Hanny Shares beneficially owned by ITC and/or its subsidiary would not be disposed of from the date of the Irrevocable Undertaking up to and including the Business Day after the Acceptance Date and that it would accept and subscribe or procure its subsidiary to accept and subscribe in full for 200,122,352 Rights Shares (with Warrants) to which ITC and/or its subsidiary would be entitled under the Rights Issue or the provisional allotment of Rights Shares (with Warrants) to it and/or its subsidiary in respect of the 2,501,529,452 Hanny Shares held by it as at the close of business on the Record Date on and subject to the terms and conditions of the Rights Issue.

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

### THE PARTICIPATION

As at the date of the Irrevocable Undertaking, ITC, through its wholly-owned subsidiary, was interested in:

- (i) 2,501,529,452 Hanny Shares, representing approximately 49.90% of the then entire issued share capital of Hanny; and
- (ii) the 2011 Convertible Notes in the principal amount of HK\$189,959,670 with conversion rights to convert into 283,521,894 Hanny Shares at the conversion price of HK\$0.67 per Hanny Share (subject to adjustments).

---

## LETTER FROM THE BOARD

---

Pursuant to the Irrevocable Undertaking, ITC had irrevocably undertaken to Hanny, inter alia, that the 2,501,529,452 Hanny Shares beneficially owned by it and/or its subsidiary would not be disposed of from the date of the Irrevocable Undertaking up to and including the Business Day after the Acceptance Date and that it would accept and subscribe or procure its subsidiary to accept and subscribe in full for 200,122,352 Rights Shares (with Warrants) to which ITC and/or its subsidiary would be entitled under the Rights Issue or the provisional allotment of Rights Shares (with Warrants) to it and/or its subsidiary in respect of the 2,501,529,452 Hanny Shares held by it as at the close of business on the Record Date on and subject to the terms and conditions of the Rights Issue. Immediately after completion of the Rights Issue and assuming (i) ITC has subscribed, or procured its subsidiary to subscribe, in full for 200,122,352 Rights Shares (with Warrants) to which it is entitled under the Rights Issue on the Record Date; and (ii) no exercise of the conversion rights attaching to the 2011 Convertible Notes, ITC's indirect interest in Hanny will be approximately 49.90%. The Subscription Price of HK\$0.50 per Rights Share to be subscribed by ITC represents:

- (i) a discount of approximately 85.07% to the theoretical closing price of HK\$3.35 per Hanny Reorganised Share, based on the closing price of HK\$0.067 per Hanny Share as quoted on the Stock Exchange on the Last Trading Day and adjusted taking into account the effect of the Capital Reorganisation;
- (ii) a discount of approximately 85.38% to the average theoretical closing price of approximately HK\$3.42 per Hanny Reorganised Share, based on the average closing price of HK\$0.0684 per Hanny Share as quoted on the Stock Exchange from 2 September 2008 to 8 September 2008, both days inclusive, being the last five trading days immediately before the date of the Underwriting Agreement and adjusted taking into account the effect of the Capital Reorganisation;
- (iii) a discount of approximately 85.57% to the average theoretical closing price of approximately HK\$3.465 per Hanny Reorganised Share, based on the average closing price of HK\$0.0693 per Hanny Share as quoted on the Stock Exchange from 26 August 2008 to 8 September 2008, both days inclusive, being the last ten trading days immediately before the date of the Underwriting Agreement and adjusted taking into account the effect of the Capital Reorganisation; and
- (iv) a discount of approximately 54.55% to the theoretical closing price of HK\$1.10 per Hanny Reorganised Share, based on the closing price of HK\$0.022 per Hanny Share as quoted on the Stock Exchange on the Latest Practicable Date and adjusted taking into account the effect of the Capital Reorganisation.

To the best of the knowledge, information and belief of the Directors having made all reasonable enquiries, Hanny is a third party independent of ITC and connected persons of ITC.

In the event that the conditions for the Rights Issue as set out in the Underwriting Agreement have not been satisfied and/or waived in whole or in part on or before 4:30 p.m. on Monday, 24 November 2008, or such other time as may be agreed between the parties thereto, the Rights Issue will not proceed.

### INFORMATION ON THE ITC GROUP

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

### INFORMATION ON THE HANNY GROUP

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

---

## LETTER FROM THE BOARD

---

As disclosed in the annual report of Hanny for the year ended 31 March 2008, the audited consolidated financial results, assets and liabilities of the Hanny Group for the two financial years ended 31 March 2008 is summarised as follow:

	<b>For the year ended 31 March 2008 (audited) HK\$'000</b>	<b>For the year ended 31 March 2007 (audited) HK\$'000</b>
Revenue	<b>627,588</b>	358,573
Profit (loss) before tax ( <i>Note</i> )	<b>192,749</b>	(23,967)
Profit for the year	<b>47,986</b>	1,461,502
	<b>As at 31 March 2008 (audited) HK\$'000</b>	<b>As at 31 March 2007 (audited) HK\$'000</b>
Total assets	<b>5,193,985</b>	5,007,707
Total liabilities	<b>1,426,384</b>	1,808,595
Net assets	<b>3,767,601</b>	3,199,112

*Note:*

The profit before tax for the year ended 31 March 2008 increased critically from a loss before tax of approximately HK\$24.0 million for the year ended 31 March, 2007 to profit before tax of approximately HK\$192.7 million. The increase was mainly attributable to the gain on convertible notes converted into investments held for trading of approximately HK\$434.2 million while it was nil for the year ended 31 March 2007. However, such increase was offset by the loss on disposal and dilution/disposal of interest in an associate of HK\$268.5 million as compared to the gain of HK\$5.1 million for year ended 31 March 2007.

### REASONS FOR THE PARTICIPATION

The Directors consider that the terms of the Participation are fair and reasonable as it will enable the ITC Group to maintain its shareholding in Hanny and share the benefit from the growth of the Hanny Group. Accordingly, the Directors believe that the Participation is in the interests of the ITC Group and the Shareholders as a whole.

The Directors further consider that the Rights Issue is on normal commercial terms and the Subscription Price is fair and reasonable and in the interests of the ITC Group and the Shareholders as a whole. The aggregate Subscription Price payable by ITC in respect of the Participation will be approximately HK\$100 million, which will be financed by internal resources of ITC.

In view of the time and costs involved in obtaining Shareholders' approval, the ITC Group will not apply for any excess Rights Shares which together with the subscription of the Rights Shares undertaken by ITC will require such approval.

### EFFECTS ON THE EARNINGS, ASSETS AND LIABILITIES OF THE ITC GROUP

Hanny is an associated company of ITC and its financial results and net assets have been equity accounted for by the ITC Group according to the percentage of interest in Hanny. As the effect of the Participation is to maintain ITC's shareholding in Hanny, it would not have any material impact on the earnings, assets or liabilities of the ITC Group.

### GENERAL

As the applicable percentage ratio in respect of the Participation exceeded 5% but was less than 25%, the Participation constituted a discloseable transaction for ITC 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 ITC 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 enquiries, 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 ITC 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 ITC*

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 ITC 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

\* These share options were vested on the date of grant.

**(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 of Hanny held	Approximate % of the issued share capital of Hanny (Note 1)
Dr. Chan	Interest of controlled corporation (Note)	Long position	250,152,940 (Note 2)	–	49.90%
Dr. Chan	Interest of controlled corporations (Note)	Long position	–	55,701,025 (Note 2)	11.11%
Dr. Chan	Beneficial owner	Long position	2,394,160 (Note 2)	–	0.47%
Dr. Chan	Beneficial owner	Long position	–	563,662 (Note 2)	0.11%
Cheung Hon Kit	Beneficial owner	Long position	79 (Note 3)	–	0.00%
Shek Lai Him, Abraham	Beneficial owner	Long position	422 (Note 3)	–	0.00%

*Notes:*

1. The percentage is calculated on the assumption that completion of the Rights Issue (assuming no rights attaching to the outstanding 2011 Convertible Notes are exercised) has taken place.
2. 2,501,529,452 Hanny Shares were held by an indirect wholly-owned subsidiary of ITC. ITC, through its indirect wholly-owned subsidiaries, also held the 2011 Convertible Notes (unlisted equity derivatives) with an aggregate principal amount of HK\$189,959,670. Upon full conversion of such 2011 Convertible Notes at a conversion price of HK\$0.67 per Hanny Share (subject to adjustments), 283,521,894 Hanny Shares would be issued to the indirect wholly-owned subsidiaries of ITC.

Dr. Chan owned the 2011 Convertible Notes (unlisted equity derivatives) in the principal amount of HK\$2,841,810. Upon full conversion of such 2011 Convertible Notes at a conversion price of HK\$0.67 per Hanny Share (subject to adjustments), 4,241,507 Hanny Shares would be issued to Dr. Chan.

ITC has irrevocably undertaken to accept or procure the acceptance of the provisional allotment of its entitlement of 200,122,352 Rights Shares (with Warrants (listed equity derivatives) carrying rights to subscribe for 50,030,588 Warrant Shares).

Dr. Chan has irrevocably undertaken to accept or procure the acceptance of the provisional allotment of his entitlement of 1,915,328 Rights Shares (with Warrants (listed equity derivatives) carrying rights to subscribe for 478,832 Warrant Shares).

The interests in shares and underlying shares of Hanny were disclosed on the assumption that the Capital Reorganisation has become effective (without taking into consideration of any adjustment to the 2011 Convertible Notes as a result of the Rights Issue).

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 and underlying shares of Hanny held by the indirect wholly-owned subsidiaries of ITC.

3. This figure has not taken into account the effect of the Capital Reorganisation and the Rights Issue.

(ii) *PYI Corporation Limited ("PYI")*

Name of Director	Capacity	Long position/ Short position	No. of shares of PYI held	No. of underlying shares 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	–	26.81%
Dr. Chan	Interest of controlled corporation (Note 1)	Long position	–	67,418,760 (Note 2)	4.46%
Dr. Chan	Beneficial owner	Long position	11,978,677	–	0.79%
Dr. Chan	Beneficial owner	Long position	–	1,996,446 (Note 2)	0.13%
Chau Mei Wah, Rosanna	Beneficial owner	Long position	–	1,280,000 (Note 3)	0.08%

Name of Director	Capacity	Long position/ Short position	No. of shares of PYI held	No. of underlying shares of PYI held	Approximate % of the existing issued share capital of PYI
Chan Fut Yan	Beneficial owner	Long position	–	2,500,000 (Note 3)	0.16%
Cheung Hon Kit	Beneficial owner	Long position	400	–	0.00%
Cheung Hon Kit	Beneficial owner	Long position	–	66 (Note 2)	0.00%
Shek Lai Him, Abraham	Beneficial owner	Long position	2,000	–	0.00%
Shek Lai Him, Abraham	Beneficial owner	Long position	–	333 (Note 2)	0.00%

*Notes:*

1. The shares and underlying 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 and underlying shares of PYI held by an indirect wholly-owned subsidiary of ITC.
2. Pursuant to the bonus issue of warrants announced by PYI on 18 July 2008, an indirect wholly-owned subsidiary of ITC, Dr. Chan, Mr. Cheung Hon Kit and Mr. Shek Lai Him, Abraham were entitled to warrants (listed equity derivatives) with rights to subscribe for 67,418,760 shares of PYI, 1,996,446 shares of PYI, 66 shares of PYI and 333 shares of PYI respectively at an initial subscription price of HK\$1.0 per share of PYI (subject to adjustments).
3. Ms. Chau Mei Wah, Rosanna and Mr. Chan Fut Yan held share options (unlisted equity derivatives) (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. These share options were vested on the date of grant.

*(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	324,389	–	1.27%
Chau Mei Wah, Rosanna	Beneficial owner	Long position	–	81,000	0.31%

## (iv) 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 of ITC Properties held	Approximate % of the existing issued share capital of ITC Properties
Dr. Chan	Interest of controlled corporations (Note 1)	Long position	2,824,904,088	–	23.50%
Dr. Chan	Interest of controlled corporations (Note 1)	Long position	–	2,828,483,240 (Note 1)	23.52%
Dr. Chan	Beneficial owner	Long position	151,660,000	–	1.26%
Dr. Chan	Beneficial owner	Long position	–	19,048,000 (Note 1)	0.15%
Chau Mei Wah, Rosanna	Beneficial owner	Long position	80,000,000	–	0.66%
Chau Mei Wah, Rosanna	Beneficial owner	Long position	–	26,091,333 (Notes 2 & 3)	0.21%
Chan Fut Yan	Beneficial owner	Long position	–	11,102,000 (Note 2)	0.09%
Cheung Hon Kit	Beneficial owner	Long position	160,260,000	–	1.33%
Cheung Hon Kit	Beneficial owner	Long position	–	51,832,000 (Notes 2 & 3)	0.43%

*Notes:*

- 914,835,000 shares of ITC Properties were held by the indirect wholly-owned subsidiary of ITC. 1,910,069,088 shares of ITC Properties were held by an indirect wholly-owned subsidiary of Hanny. An indirect wholly-owned subsidiary of ITC held a convertible note (unlisted equity derivative) of ITC Properties in the principal amount of HK\$30,000,000 at a conversion price of HK\$0.361 per share of ITC Properties (subject to adjustments). Upon full conversion of such convertible note, 83,102,493 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 (unlisted equity derivatives) of ITC Properties in the principal amounts of HK\$330,000,000 and HK\$270,000,000 at conversion prices of HK\$0.227 and HK\$0.361 per share of ITC Properties (subject to adjustments), respectively. Upon full conversion of such convertible notes, 1,453,744,493 and 747,922,437 shares of ITC Properties would be issued to such indirect wholly-owned subsidiary of Hanny. An indirect wholly-owned subsidiary of ITC held warrants (listed equity derivatives) carrying rights to subscribe for 161,700,000 shares of ITC Properties at an initial subscription price of HK\$0.105 per share of ITC Properties (subject to adjustments). An indirect wholly-owned subsidiary of Hanny held warrants (listed equity derivatives) carrying rights to subscribe for 382,013,817 shares of ITC Properties at an initial subscription price of HK\$0.105 per share of ITC Properties (subject to adjustments). 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. Dr. Chan held warrants (listed equity derivatives) carrying rights to subscribe for 19,048,000 shares of ITC Properties at an initial subscription price of HK\$0.105 per share of ITC Properties (subject to adjustments). 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 and underlying shares of ITC Properties held by the subsidiaries of Hanny and ITC.

2. Details of outstanding share options (unlisted equity derivatives) 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	4,758,000	0.422
Chan Fut Yan	27.07.2007	27.07.2007 to 26.07.2011	11,102,000	0.422
Cheung Hon Kit	27.07.2007	27.07.2007 to 26.07.2011	19,032,000	0.422

\* In relation to the grant of share options on 27 July 2007 subject to the terms and conditions of the share option scheme of ITC Properties adopted on 26 August 2002, the share options shall be exercisable at any time during the option period and subject further to a maximum of 50% of the share options shall be exercisable during the period commencing from 27 July 2008 to 26 July 2009, with the balance of the share options not yet exercised may be exercised during the period commencing from 27 July 2009 to 26 July 2011.

3. Ms. Chau Mei Wah, Rosanna and Mr. Cheung Hon Kit held warrants (listed equity derivatives) carrying rights to subscribe for 21,333,333 shares of ITC Properties and 32,800,000 shares of ITC Properties respectively at an initial subscription price of HK\$0.105 per share of ITC Properties (subject to adjustments).

As at the Latest Practicable Date, Hanny, PYI, Burcon 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 ITC 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 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**

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 ( <i>Note</i> )	Long position	810,712,518	30.08%
Chinaview International Limited	Interest of controlled corporation ( <i>Note</i> )	Long position	810,712,518	30.08%
Galaxyway Investments Limited	Beneficial owner ( <i>Note</i> )	Long position	810,712,518	30.08%
Ng Yuen Lan, Macy	Interest of spouse ( <i>Note</i> )	Long position	937,065,854	34.77%

*Note:* Galaxyway Investments Limited was a wholly-owned subsidiary of Chinaview International Limited which was, 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**

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% voting 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 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 ITC 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 ITC Group's businesses which competes or is likely to compete, either directly or indirectly, with the ITC 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 ITC Group which are not determinable by such member of the ITC 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 ITC Group.

### **6. GENERAL**

- a. The secretary and the qualified accountant of ITC is Mr. Lee Hon Chiu, *CPA, FCCA*.
- b. The registered office of ITC is at Clarendon House, 2 Church Street, Hamilton HM 11, Bermuda and the principal place of business of ITC in Hong Kong is at 30th Floor, Bank of America Tower, 12 Harcourt Road, Central, Hong Kong.
- c. The principal share registrar and transfer office of ITC is Butterfield Fund Services (Bermuda) Limited of Rosebank Centre, 11 Bermudiana Road, Pembroke, Bermuda and the branch share registrar and transfer office of ITC 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.