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ITC CORPORATION LIMITED

(Incorporated in Bermuda with limited liability)

(Stock code: 372)

DISCLOSEABLE TRANSACTION DISCLOSURE PURSUANT TO RULE 13.13 OF THE LISTING RULES

ITC Management, a wholly-owned subsidiary of the Company has on 28 February 2006 entered into the Supplemental Loan Agreement with SCL to increase the Loan Facility granted to SCL by HK\$84,000,000 from an amount of HK\$25,000,000 to HK\$109,000,000.

As the consideration ratios under rule 14.07(4) in respect of the Loan Facility exceed 5% but are less than 25%, the transaction under the Supplemental Loan Agreement constitutes a discloseable transaction of the Company under Chapter 14 of the Listing Rules. No announcement of the Loan Agreement was made on 11 August 2005 as at that time, the Loan Agreement did not constitute a discloseable transaction of the Company.

In addition, as the percentage ratios of the Loan Facility exceeds 8% of the applicable percentage ratios, the Company is also required to make disclosures in respect of the Loan Facility pursuant to rule 13.13 of the Listing Rules.

A circular containing details of the Loan Facility will be despatched to the Shareholders as soon as practicable after the publication of this announcement.

The Supplemental Loan Agreement dated 28 February 2006

Parties: (1) ITC Management, as lender. ITC Management is a wholly-owned subsidiary of the Company.

- (2) SCL, a company whose securities are listed on the main board of the Stock Exchange and the principal activities of SCL group is the trading of digital cameras, games, multimedia electronic products and telecommunication and high technology components. To the best of the Directors' knowledge, information and belief having made all reasonable enquiry, SCL is a third party independent of the Company and of the connected persons (as defined in the Listing Rules) of the Company.

The Loan Facility: ITC Management has on 11 August 2005 granted to SCL a loan facility in the principal amount of HK\$25,000,000 pursuant to the Loan Agreement. Pursuant to the Supplemental Loan Agreement, ITC Management has agreed with SCL to increase the Loan Facility by HK\$84,000,000 from the principal amount of HK\$25,000,000 to HK\$109,000,000. The terms of the Loan Facility (as supplemented by the Supplemental Loan Agreement) was agreed after arm's length negotiations between the Company and SCL and the Directors consider that the terms of the Supplemental Loan Agreement are fair and reasonable and believe that the entering into the Supplemental Loan Agreement is in the best interests of the Company and the Shareholders as a whole.

Drawdown: The Loan Facility is a revolving facility and may be drawn by SCL in one or more drawings provided that the outstanding loan amount of the Loan Facility does not exceed HK\$109,000,000 and the Loan Agreement (as supplemented by the Supplemental Loan Agreement) has not been terminated by ITC Management at its sole discretion. ITC Management at any time has the sole discretion to determine whether to advance the loan to SCL.

Interest: 2% over the Best Lending Rate and shall accrue from day to day and be calculated on the outstanding loan amount on the basis of a year of 365 days and the actual number of days elapsed.

Repayment and Prepayment: The loan together with interest under the Loan Agreement (as supplemented by the Supplemental Loan Agreement) is to be repaid on demand.

SCL may also prepay all or part of the loan under the Loan Agreement (as supplemented by the Supplemental Loan Agreement) at any time.

Other
information:

No security will be provided by SCL under the Loan Facility.

The source of funding by the Company for the provision of the Loan Facility will be from internal resources of the Company.

Reasons for and
benefits of the
Loan Facility:

The Loan Facility was granted to SCL, a company listed on the main board of the Stock Exchange. Based on the latest annual report of SCL, it has a net asset value of approximately HK\$70,800,000. The Loan Facility has been granted by the Group as part of its treasury management activities. Given that the Loan Facility carries interest at a rate which is higher than the prevailing Hong Kong dollar bank deposit rates, the Company considers that the additional principal amount of the Loan Facility would offer a better return than that would be generated from cash deposits at banks. Accordingly, as part of the treasury management activities of the Company, it is in the interest of the Company to obtain better return on its cash deposits. In addition, the Loan Facility is repayable on demand and was agreed on after arm's length negotiations and is entered into on normal commercial terms. In light of the above, the Company considers that the Loan Facility was for the benefit of the Company and fair and reasonable so far as the Company and the Shareholders as a whole are concerned.

Rule 13.13 Disclosure

As one of the applicable percentage ratios in respect of the additional advance to SCL under the Loan Agreement (as supplemented by the Supplemental Loan Agreement) is 8% or more, the Company is required to make disclosures in respect of the relevant advance to SCL. As required by Rule 13.13 of the Listing Rules, details of the advances by the Group to SCL as at 28 February 2006 are as follows:–

Amount of relevant advance to SCL and its associated companies <i>HK\$'000</i>	Interest rate in respect of such advance	Amount of trading balances <i>HK\$'000</i>	Total advances <i>HK\$'000</i>	Consideration percentage ratio
110,291 <i>(Note 1)</i>	2% over the Best Lending Rate	15 <i>(Note 2)</i>	110,306	10.1%

Note 1: The amount is unsecured and repayable on demand.

Note 2: The amount is unsecured and interest free and repayable on demand.

In respect of the advances to SCL pursuant to the Loan Facility (as supplemented by the Supplemental Loan Agreement), details are set out above in the section headed “The Supplemental Loan Agreement dated 28 February 2006”.

Information on the Company

The Company is an investment holding company which directly and indirectly holds strategic investments in a number of listed companies. It directly holds investments, namely, PYI Corporation Limited (“PYI”), Hanny Holdings Limited (“Hanny”), Trasy Gold Ex Limited (“Trasy”) and Burcon NutraScience Corporation. Through its listed associated companies, namely PYI and Hanny, the Group has indirect interests in Paul Y. Engineering Group Limited, China Strategic Holdings Limited, Wing On Travel (Holdings) Limited, China Enterprises Limited, MRI Holdings Limited, PSC Corporation Limited and Intraco Limited. The principal activities of the Group comprise investment holding, the provision of finance, the provision of management services, property investment, treasury investment, trading of building materials and machinery and the provision and operation of an internet precious metals trading platform through Trasy.

General

As the consideration ratios under rule 14.07(4) in respect of Loan Facility exceed 5% but are less than 25%, Loan Agreement (as supplemented by the Supplemental Loan Agreement) constitutes a discloseable transaction of the Company under Chapter 14 of the Listing Rules. A circular containing details of the Loan Facility will be despatched to the Shareholders as soon as practicable after the publication of this announcement. No announcement of the Loan Agreement was made on 11 August 2005 as at that time, the Loan Agreement did not constitute a discloseable transaction of the Company.

Definitions

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

“Best Lending Rate”	the best lending rate of Hong Kong dollar as quoted by The Hongkong and Shanghai Banking Corporation Ltd. from time to time;
“Board”	the board of Directors;
“Company”	ITC Corporation Limited, a company incorporated in Bermuda whose securities are listed on the Main Board of the Stock Exchange;
“Directors”	the directors of the Company;
“Group”	the Company and its subsidiaries;
“HK\$”	Hong Kong dollars;
“Hong Kong”	Hong Kong Special Administrative Region of the PRC;
“ITC Management”	ITC Management Limited, a company incorporated with limited liability in Hong Kong and a wholly-owned subsidiary of the Company;
“Listing Rules”	The Rules Governing the Listing of Securities on the Stock Exchange;
“Loan Agreement”	the loan facility agreement entered into between ITC Management and SCL on 11 August 2005;
“Loan Facility”	the loan facility in the principal amount of HK\$25,000,000 granted by ITC Management to SCL pursuant to the Loan Agreement the principal amount of which was increased to HK\$109,000,000 pursuant to the Supplemental Loan Agreement;
“PRC”	the People’s Republic of China;
“SCL”	See Corporation Limited, a company incorporated in Bermuda whose securities are listed on the Main Board of the Stock Exchange;
“Shareholders”	the shareholders of the Company;
“Stock Exchange”	The Stock Exchange of Hong Kong Limited; and

“Supplemental Loan Agreement”

The supplemental agreement dated 28 February 2006 in relation to the Loan Facility.

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

Hong Kong, 28 February 2006

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

Executive Directors:

Dr. Chan Kwok Keung, Charles
(*Chairman*)

Ms. Chau Mei Wah, Rosanna
(*Deputy Chairman & Managing Director*)

Mr. Chan Kwok Hung

Mr. Chan Fut Yan

Mr. Cheung Hon Kit

Independent non-executive Directors:

Mr. Chuck, Winston Calptor

Mr. Lee Kit Wah

Mr. Wong Kam Cheong, Stanley

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