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ITC CORPORATION LIMITED

德祥企業集團有限公司*

(Incorporated in Bermuda with limited liability)

(Stock Code: 372)

TERMINATION OF THE MEMORANDUM OF UNDERSTANDING RELATING TO POSSIBLE ACQUISITION IN A HOTEL LOCATED IN CANADA

Reference is made to the announcements of ITC Corporation Limited (the “Company”) dated 29 October 2015, 29 January 2016 and 29 April 2016 (collectively the “Announcements”) in relation to, among other things, the entering into of the MOU, the Supplemental MOU and the Second Supplemental MOU (collectively the “MOU (as amended)”). Capitalised terms used herein shall have the same meanings as those defined in the Announcements unless the context requires otherwise.

The Board wishes to announce that as at the date of this announcement, the Company and Bayshore BVI have not entered into any Formal Agreements. The Company and Bayshore BVI have agreed to terminate further negotiation on the Possible Acquisition. As such, after trading hours of the Stock Exchange on 31 May 2016, the Company and Bayshore BVI entered into a termination agreement to terminate the MOU (as amended).

Pursuant to the terms of the MOU (as amended), Bayshore BVI shall forthwith, and in any event within 14 days from the date of the termination of the MOU (as amended), refund the Earnest Money to the Company, upon which each of the Company and Bayshore BVI shall irrevocably discharge and release each other from the performance of any obligations under the MOU (as amended). Subject to the refund of the Earnest Money by Bayshore BVI, the Company and Bayshore BVI have no claim against each other for any loss, damages, compensation or otherwise in connection with the MOU (as amended).

By Order of the Board
ITC Corporation Limited
Kam Suet Fan
Company Secretary

Hong Kong, 31 May 2016

As at the date of this announcement, the Board comprises:

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. Chan Yiu Lun, Alan

Independent non-executive Directors:

Mr. Chuck, Winston Calptor
Mr. Lee Kit Wah
Hon. Shek Lai Him, Abraham, *GBS, JP*

* *For identification purpose only*