

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.



**FAR EAST CONSORTIUM
INTERNATIONAL LIMITED**

(Incorporated in the Cayman Islands with limited liability)
Website: <http://www.fecil.com.hk>
(Stock Code: 35)

Discloseable Transaction



**Dorsett Hospitality International Limited
帝盛酒店集團有限公司**

(Incorporated in the Cayman Islands with limited liability)
Website : <http://www.dorsettinternational.com>
(Stock Code: 2266)

Voluntary Announcement

JOINT ANNOUNCEMENT — ACQUISITION OF PROPERTY

On 28 September 2012, the Purchaser entered into the Sale Contract with the Vendor (acting through the Administrators) for the acquisition of the Property at a Consideration of £14,050,000 (equivalent to approximately HK\$178,435,000). The Acquisition is scheduled to be completed on 26 October 2012.

For FEC, one or more of the applicable percentage ratios (as defined in the Listing Rules) of the Acquisition exceed 5% but are less than 25%. The Acquisition therefore constitutes a discloseable transaction for FEC under Chapter 14 of the Listing Rules. This announcement is made on a voluntary basis by Dorsett to keep shareholders of, and potential investors in, Dorsett informed of the operations of the Dorsett Group.

THE SALE CONTRACT

On 28 September 2012, the Purchaser, a wholly-owned subsidiary of Dorsett and a non wholly-owned subsidiary of FEC, entered into the Sale Contract with the Vendor (acting through the Administrators) pursuant to which, amongst other things, the Purchaser agreed to acquire, and the Vendor (acting through the Administrators) agreed to sell the Property.

SUMMARY OF TERMS OF THE SALE CONTRACT

The key terms of the Sale Contract are as follows:

- Date of agreement : 28 September 2012
- Vendor : No.9 Aldgate Limited (in administration).
- Administrators : Martin Gilbert Ellis and Leslie Ross both of Grant Thornton UK LLP.

To the best of the knowledge, information and belief of the FEC Directors and Dorsett Directors, having made all reasonable enquiries, the Vendor (which is a company in administration and acting through the Administrators) and its ultimate beneficial owners, and the Administrators, are Independent Third Parties.

- Purchaser : Elite Region Limited, a wholly-owned subsidiary of Dorsett and a non wholly-owned subsidiary of FEC.

- Property : A freehold and leasehold property known as The Matrix Building, situated at 9-13 Aldgate, High Street, London, United Kingdom.

- Summary of other terms : Pursuant to the terms of the Sale Contract, the Purchaser will acquire the Property from the Vendor (acting through the Administrators) at a Consideration of £14,050,000 (equivalent to approximately HK\$178,435,000). The Consideration was arrived at after arm's length negotiations between the Purchaser and the Administrators having taken reference to consultations made with relevant professionals.

Payment: An initial deposit of £1,405,000 (equivalent to approximately HK\$17,843,500), representing 10% of the Consideration, was paid upon exchange of the Sale Contract. The balance of the Consideration, being £12,645,000 (equivalent to approximately HK\$160,591,500) is payable upon Completion, which is scheduled to take place on 26 October 2012. If Completion is delayed otherwise than by reason of default on the part of the Vendor, the Purchaser will be liable to pay interest on the balance of the Consideration at the rate of 4% per annum above the base rate of HSBC Bank plc for the period of delay.

Other key terms : The Vendor will assign (subject to the consent of the contractor, if required) to the Purchaser a maintenance contract entered into between the Vendor and CBRE Limited in connection with the provision of property management services in respect of the Property. If the maintenance contract is not assigned to the Purchaser within three months after Completion, the Vendor is required to terminate the maintenance contract as soon as termination is permitted under its terms.

The Vendor will deliver vacant possession of the parts of the Property which are not subject to the Leases.

OTHER INFORMATION ABOUT THE PROPERTY

The Property is all of the freehold and leasehold property known as The Matrix Building situated at 9-13 Aldgate, High Street, London, United Kingdom. The building consists of a basement, a ground floor and six upper floors and has a gross internal area of approximately 67,000 square feet. It is currently being used as an office building.

Given that the Vendor is currently under administration, no financial information relating to the profits and losses attributable to the Property for the past two financial years has been disclosed, as the information made available to the Purchaser cannot be verified with any degree of certainty.

REASONS FOR AND BENEFITS OF THE ACQUISITION

The Property is currently an office building situated adjacent to Aldgate underground station on London underground's Circle Line and Metropolitan Line. The Dorsett Group intends to redevelop the Property into a hotel.

The Dorsett Directors consider that the United Kingdom is one of the most popular destinations for tourists and business travelers around the world and the inbound tourism is expected to increase. With the continued growth in the economy of the People's Republic of China, major European countries, including the United Kingdom, are attracting unprecedented number of tourists from Mainland China.

Given the central location of the Property and capitalising on the successful track record of the Dorsett Group in hotel development and operation and in attracting outbound Chinese travellers, the Acquisition enables the Dorsett Group to further develop its hotel operations in the United Kingdom and capture the growth of Chinese tourism in the United Kingdom, particularly in London. It is expected that steady income stream would be generated from the operation of the new hotel to be built upon redevelopment of the Property. The Acquisition is a prospective investment opportunity for Dorsett and FEC, as the ultimate holding company of Dorsett, to benefit from the expansion of the hotel portfolio of the Dorsett Group in selected strategic regions.

The Purchaser was introduced to the investment opportunity in the Property by a real estate agent independent from the FEC Group and the Dorsett Group in London. The Consideration was arrived at after arm's length negotiations between the Purchaser and the Administrators, and was determined by reference to consultations made with relevant professionals. The Acquisition will be funded through internal resources of the Dorsett Group and/or bank financing, details of which will be further considered and decided by the Dorsett Group.

The FEC Directors and Dorsett Directors are of the view that the Property, after successful redevelopment into a hotel, will allow Dorsett to benefit more fully from the growing demand of hotels arising from increasing international trade volume and, hence, business travelers and that the Acquisition represents an attractive investment opportunity when compared with similar opportunities currently available in the market.

With this acquisition and upon the completion of the redevelopment of the Property into a hotel, and the completion of construction of Dorsett Regency London, the Dorsett Group will have two hotels in London, giving the group greater operational critical mass.

The FEC Directors and Dorsett Directors are of the view that the terms of acquisition in the Sale Contract, including the Consideration, are on normal commercial terms, and are fair and reasonable and in the interests of the shareholders of FEC and Dorsett as a whole.

GENERAL

The principal activities of the FEC Group comprise property development and investment, hotel operation, car park operation, and treasury management.

The principal activities of the Dorsett Group comprise developing, owning and operating value, mid-scale, upscale and boutique hotels, and property investment, development.

The Vendor is a company in administration and is acting through the Administrators in the Acquisition.

LISTING RULES IMPLICATIONS

As FEC indirectly holds approximately 73.25% of the entire issued share capital of Dorsett, Dorsett is a subsidiary of FEC. The Purchaser is a wholly-owned subsidiary of Dorsett and an indirect non wholly-owned subsidiary of FEC.

For FEC, one or more of the applicable percentage ratios (as defined in the Listing Rules) of the Acquisition exceed 5% but are less than 25%. The Acquisition therefore constitutes a discloseable transaction for FEC under Chapter 14 of the Listing Rules.

This announcement is made on a voluntary basis by Dorsett to keep shareholders of, and potential investors in, Dorsett informed of the operations of the Dorsett Group.

DEFINITIONS

In this announcement, the following terms have the same meanings as set out below:

| | |
|------------------|---|
| “Acquisition” | acquisition of the Property by the Purchaser pursuant to the terms of the Sale Contract; |
| “Administrators” | Martin Gilbert Ellis and Leslie Ross both of Grant Thornton UK LLP, joint administrators of the Vendor, appointed by the High Court of England and Wales; |
| “Completion” | completion of the Acquisition, which is expected to occur on 26 October 2012; |

| | |
|--------------------------------|---|
| “Consideration” | £14,050,000 (equivalent to approximately HK\$178,435,000); |
| “Dorsett” | Dorsett Hospitality International Limited (formerly known as Kosmopolito Hotels International Limited), a company incorporated in the Cayman Islands with limited liability, and the shares of which are listed on the main board of the Stock Exchange, which, as at the date of this announcement, is held indirectly as to approximately 73.25% by FEC and is therefore a subsidiary of FEC; |
| “Dorsett Directors” | the directors of Dorsett; |
| “Dorsett Group” | Dorsett and its subsidiaries; |
| “FEC” | Far East Consortium International Limited, a company incorporated in the Cayman Islands with limited liability, and the shares of which are listed on the main board of the Stock Exchange; |
| “FEC Directors” | the directors of FEC; |
| “FEC Group” | FEC and its subsidiaries; |
| “Independent Third Party(ies)” | party(ies) who is/are third party(ies) independent of both FEC and Dorsett and connected persons (as defined in the Listing Rules) of both FEC and Dorsett; |
| “Leases” | the lease agreements currently in existence over the first floor, second floor (North), second floor (South), fifth floor and sixth floor of the Property; |
| “Listing Rules” | the Rules Governing the Listing of Securities on the Stock Exchange; |
| “Property” | the freehold and leasehold property known as The Matrix Building, situated at 9-13 Aldgate, High Street, London, United Kingdom; |
| “Purchaser” | Elite Region Limited, a company incorporated in the British Virgin Islands, a wholly-owned subsidiary of Dorsett and a non wholly-owned subsidiary of FEC; |

| | |
|------------------|--|
| “Sale Contract” | the sale contract entered into on 28 September 2012 between the Purchaser and the Vendor and the Administrators in respect of the Acquisition; |
| “Stock Exchange” | The Stock Exchange of Hong Kong Limited; |
| “Vendor” | No.9 Aldgate Limited (in administration); |
| “£” | pounds sterling, the lawful currency of the United Kingdom; and |
| “HK\$” | Hong Kong dollars, the lawful currency of Hong Kong. |

Unless otherwise specified, amounts in this announcement denominated in £ have been translated for the purpose of illustration only into Hong Kong dollars at the rate of £1.00: HK\$12.70. No representation is made that any amounts can be or could have been converted at the relevant dates at the above rate or any other rates at all.

By order of the Board of
**Far East Consortium
International Limited**
CHEUNG Wai Hung Boswell
*Chief Financial Officer and
Company Secretary*

By order of the Board of
**Dorsett Hospitality
International Limited**
CHIU Wing Kwan, Winnie
President and Executive Director

Hong Kong, 29 September 2012

As at the date of this announcement, the executive directors of FEC are Tan Sri Dato' CHIU David, Mr. CHIU Dennis, Mr. WILLIAMS Craig Grenfell, Mr. HOONG Cheong Thard and Mr. CHAN Chi Hing; the non-executive director of FEC is Mr. CHIU Tat Jung Daniel; the independent non-executive directors of FEC are Mr. CHAN Kwok Wai, Mr. WONG Man Kong Peter and Mr. LAM Kwong Siu.

As at the date of this announcement, the executive directors of Dorsett are Ms. CHIU Wing Kwan Winnie and Mr. LAI Wai Keung; the non-executive directors of Dorsett are Tan Sri Dato' CHIU David, Mr. HOONG Cheong Thard and Mr. CHAN Chi Hing; the independent non-executive directors of Dorsett are Mr. SHEK Lai Him Abraham, Mr. TO Peter, Dr. LIU Ngai Wing and Mr. ANGELINI, Giovanni.

This announcement was originally prepared in English and was subsequently translated into Chinese. In the event of any inconsistency between the English text and Chinese text, the English text shall prevail.