

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this joint 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 joint announcement.

This announcement appears for information purposes only and is not intended to and does not constitute, or form part of, any offer to purchase or subscribe for or an invitation to purchase or subscribe for any securities of the Offeror, FEC or Dorsett or the solicitation of any vote or approval in any jurisdiction, nor shall there be any sale, issuance or transfer of securities of Dorsett in any jurisdiction in contravention of applicable law.



**FAR EAST CONSORTIUM
INTERNATIONAL LIMITED**

*(Incorporated in the Cayman Islands with
limited liability)*

Website: <http://www.fecil.com.hk>

(Stock Code: 35)

*CNY1,000,000,000 5.875 per cent. Bonds due 2016
(Bond Stock Code: 85915)*

Willow Bliss Limited

*(Incorporated in the British Virgin Islands with
limited liability)*



DORSETT

HOSPITALITY INTERNATIONAL

帝盛酒店集團

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.dorsett.com>

(Stock Code: 2266)

*CNY850,000,000 6.0 per cent. Bonds due 2018
(Bond Stock Code: 85917)*

JOINT ANNOUNCEMENT

**(1) POSSIBLE PRIVATISATION OF DORSETT BY THE OFFEROR
BY WAY OF A SCHEME OF ARRANGEMENT
(UNDER SECTION 86 OF THE COMPANIES LAW)**

(2) POSSIBLE WITHDRAWAL OF LISTING OF DORSETT SHARES

**(3) POSSIBLE DISCLOSEABLE TRANSACTION AND
CONNECTED TRANSACTIONS FOR FEC**

AND

**(4) RESUMPTION OF TRADING IN FEC SHARES, FEC BONDS,
DORSETT SHARES AND DORSETT BONDS**

Financial Adviser to FEC and the Offeror

 **Investec**

INTRODUCTION

The respective directors of the Offeror, FEC and Dorsett jointly announce that on 20 May 2015, the Board of FEC requested the Board of Dorsett to put forward the Proposal to the Scheme Shareholders regarding the possible privatisation by the Offeror of Dorsett by way of a scheme of arrangement under Section 86 of the Companies Law.

TERMS OF THE PROPOSAL

Under the Proposal, the Scheme Shares will be cancelled in exchange for the payment by the Offeror to each Scheme Shareholder of the Cancellation Consideration to be satisfied by (i) a cash consideration of HK\$0.72; and (ii) 0.28125 FEC Consideration Share for each Scheme Share.

Based on the closing price of HK\$3.84 per FEC Share as quoted on the Stock Exchange on the Last Trading Day, the value of the Cancellation Consideration is equivalent to HK\$1.80, being the aggregate of the cash sum of HK\$0.72 and 0.28125 of the aforesaid closing price of HK\$3.84 per FEC Share. As the value attributable to an FEC Consideration Share may change after the date of this Announcement, the value of the Cancellation Consideration may also change. The Cancellation Consideration will not be increased, and the Offeror does not reserve the right to do so.

Based on the closing price of HK\$3.84 per FEC Share as quoted on the Stock Exchange on the Last Trading Day, the value of the Cancellation Consideration is equivalent to HK\$1.80, which represents:

- a premium of approximately 32.4% over the closing price of HK\$1.36 per Dorsett Share as quoted on the Stock Exchange on the Last Trading Day;
- a premium of approximately 35.3% over the average closing price of approximately HK\$1.33 per Dorsett Share based on the daily closing prices as quoted on the Stock Exchange for the 5 trading days up to and including the Last Trading Day;
- a premium of approximately 38.5% over the average closing price of approximately HK\$1.30 per Dorsett Share based on the daily closing prices as quoted on the Stock Exchange for the 10 trading days up to and including the Last Trading Day; and
- a premium of approximately 41.7% over the average closing price of approximately HK\$1.27 per Dorsett Share based on the daily closing prices as quoted on the Stock Exchange for the 30 trading days up to and including the Last Trading Day.

FEC CONSIDERATION SHARES AND THE SHARE CAPITAL OF FEC

As at the Announcement Date, there are 1,913,736,798 FEC Shares in issue. Based on the issue price of each FEC Consideration Share of HK\$3.84 and assuming that no Dorsett Options are exercised before the Effective Date, 153,772,593 FEC Consideration Shares will be issued pursuant to the Scheme, representing approximately 8.04% of the share capital of FEC as at the Announcement Date, and approximately 7.44% of the enlarged share capital of FEC upon completion of the Proposal.

CONDITIONS OF THE PROPOSAL AND THE SCHEME

The Proposal and the Scheme will be conditional upon the fulfilment or waiver, as applicable, of all the Conditions on or before the Long Stop Date (or such later date as the Offeror, FEC, Dorsett and Investec may agree or, to the extent applicable, as the Grand Court may direct and in all cases, as permitted by the Executive), failing which the Proposal and the Scheme will not be proceeding or lapse, as the case may be.

REASONS FOR AND EXPECTED BENEFITS OF THE PROPOSAL

The Board of FEC considers that the implementation of the Proposal is beneficial to the respective shareholders of FEC and Dorsett.

For Dorsett

In the past two years, the share price of Dorsett has traded at a level below the original listing price, with a relatively low level of liquidity. Dorsett has not raised any external equity funding since its listing and the directors of FEC believe that the share price has not reflected the value and fundamentals of Dorsett. The successful implementation of the Proposal would provide the Independent Dorsett Shareholders the opportunity to exit their shareholdings at a consideration that represents a considerable premium to the traded market price of Dorsett. Through the share exchange mechanism under the Proposal, the Independent Dorsett Shareholders shall retain an equity exposure to and participate in the ownership in FEC, which has a broader business portfolio including, upon successful implementation of the Proposal, the wholly-owned interest in Dorsett.

For FEC

FEC is currently the controlling shareholder of Dorsett. The Board of FEC believes that the Proposal should enhance value for shareholders through the elimination of the holding company discount in connection with the existing tiered shareholding structure as Dorsett would become a wholly-owned subsidiary of FEC following the successful implementation of the Proposal. In addition, the combined group would be in a better position to exploit the potential business opportunities that are currently restricted by or subject to the mutual non-competitive undertakings and the connected transactions relationships established at the time of Dorsett's listing. There will also be cost savings achievable through the elimination of certain overlapped corporate functions. In addition, FEC would be able to utilise the combined liquidity resources of the enlarged group more effectively for the benefit of all shareholders of FEC. Successful implementation of the Proposal would also broaden the shareholder base of FEC and is expected to add trading liquidity to its shares.

SHAREHOLDING STRUCTURE OF DORSETT AND SCHEME SHARES

As at the Announcement Date, there are 2,100,626,650 Dorsett Shares in issue and the Scheme Shareholders are interested in 546,747,000 Dorsett Shares, representing approximately 26.03% of the issued share capital of Dorsett.

As at the Announcement Date, FEC held 1,553,879,650 Dorsett Shares representing approximately 73.97% of the issued share capital of Dorsett. Such Dorsett Shares will not form part of the Scheme Shares and will not be voted on the Scheme at the Court Meeting. As at the Announcement Date, the Offeror Concert Parties held in aggregate 1,564,017,741 Dorsett Shares, representing approximately 74.45% of the issued share capital of Dorsett. Of these Offeror Concert Parties, Dorsett Shares held by FEC, the ultimate holding company of the Offeror, will not form part of the Scheme Shares and will not be voted on the Scheme at the Court Meeting. Dorsett Shares held by the remaining Offeror Concert Parties will form part of the Scheme Shares and will be cancelled upon the Scheme becoming effective. Such Offeror Concert Parties will abstain from voting on the Scheme at the Court Meeting.

DORSETT OPTIONS AND RULE 13 OFFER

As at the Announcement Date, there were 14,414,545 outstanding Dorsett Options (including 3,603,658 Dorsett Options that have not been vested on the Announcement Date). The exercise of such Dorsett Options in full would result in the issue of 14,414,545 new Dorsett Shares, representing approximately 0.69% of the issued share capital of Dorsett as at the Announcement Date and approximately 0.68% of the issued share capital of Dorsett as enlarged by the issue of such new Dorsett Shares. The Offeror will make (or procure to be made on its behalf) an appropriate offer, namely the Rule 13 Offer, to the holders of Dorsett Options for the cancellation of every vested and unvested Dorsett Option in accordance with Rule 13 of the Takeovers Code. The Rule 13 Offer will be conditional upon the Scheme becoming effective.

FINANCIAL RESOURCES

On the assumption that no Dorsett Options are exercised before the Effective Date, the amount of cash required to implement the Proposal (before taking into account the Rule 13 Offer in respect of Dorsett Options) would be approximately HK\$394 million, and the amount of cash required to implement the Rule 13 Offer in respect of Dorsett Options to be made would be approximately HK\$144,145.

On the assumption that all outstanding Dorsett Options are exercised in full before the Effective Date, the amount of cash required to implement the Proposal would be approximately HK\$404 million.

The Offeror intends to finance the cash required for the Proposal and the Rule 13 Offer from internal financial resources. Investec, the financial adviser to the Offeror, is satisfied that sufficient financial resources are available to the Offeror for the payment in full of the cash consideration payable under the Proposal and the Rule 13 Offer in accordance with their respective terms.

WITHDRAWAL OF LISTING OF DORSETT SHARES

Dorsett will apply to the Stock Exchange for the withdrawal of the listing of Dorsett Shares on the Stock Exchange, in accordance with Rule 6.15 of the Listing Rules, immediately following the Effective Date. A detailed timetable for the implementation of the Proposal will be included in the Scheme Document.

LISTING OF DORSETT BONDS WILL BE MAINTAINED

It is the intention of FEC and Dorsett to retain the listing of Dorsett Bonds and Dorsett shall continue to comply with all provisions under Chapter 37 of the Listing Rules governing the issue of debt securities. The successful implementation of the Proposal will not result in any alteration of the terms and obligations (including redemption) of Dorsett Bonds.

Dorsett would like to inform the holders of Dorsett Bonds that the terms and conditions of Dorsett Bonds do not prohibit the implementation of the Scheme or require the Scheme to be approved by the holders of Dorsett Bonds. The Scheme does not trigger an obligation on Dorsett to repurchase Dorsett Bonds. Should the Scheme become effective, the listing of Dorsett Bonds on the Stock Exchange will be maintained and Dorsett will continue to be subject to its obligations under Dorsett Bonds.

IF THE SCHEME IS NOT APPROVED OR THE PROPOSAL LAPSES

Subject to the fulfilment of the Conditions and in the event that the Scheme is not approved or the Proposal otherwise lapses, the listing of Dorsett Shares on the Stock Exchange will not be withdrawn.

If the Scheme is not approved or the Proposal otherwise lapses, (i) there are restrictions under the Takeovers Code on making subsequent offers, to the effect that neither the Offeror nor any person who acted in concert with it in the course of the Proposal (nor any person who is subsequently acting in concert with any of them) may within 12 months from the date on which the Scheme is not approved or the Proposal otherwise lapses announce an offer or possible offer for Dorsett, except with the consent of the Executive; and (ii) all expenses incurred by Dorsett in connection with the Scheme and the Proposal shall be borne by the Offeror in accordance with Rule 2.3 of the Takeovers Code.

DORSETT INDEPENDENT BOARD COMMITTEE

The Board of Dorsett has established the Dorsett Independent Board Committee, comprising three independent non-executive directors of Dorsett, being Mr. SHEK Lai Him Abraham, G.B.S., J.P., Mr. TO Peter and Mr. ANGELINI Giovanni, to advise the Independent Dorsett Shareholders and the holders of Dorsett Options as to (i) whether the Proposal and the Rule 13 Offer are, or are not, fair and reasonable; and (ii) whether to vote in favour of the Scheme at the Court Meeting and the extraordinary general meeting of Dorsett.

As at the Announcement Date, the remaining independent non-executive director of Dorsett, Dr. LIU Ngai Wing, is interested in 4,490 FEC Shares and FEC Bonds of a principal of RMB1,000,000. In order to avoid any perceived conflict of interests, Dr. LIU Ngai Wing does not form part of the Dorsett Independent Board Committee.

Altus Capital Limited has been appointed as the Dorsett Independent Financial Adviser to advise the Dorsett Independent Board Committee in connection with the Proposal and the Rule 13 Offer.

DISPATCH OF SCHEME DOCUMENT

The Scheme Document containing, among other things, further details of the Proposal and the Scheme, the Rule 13 Offer, the expected timetable, an explanatory memorandum as required under the Companies Law and the rules of the Grand Court, information regarding Dorsett, recommendations from Dorsett Independent Board Committee with respect to the Proposal and the Rule 13 Offer, and the advice of the Dorsett Independent Financial Adviser to the Dorsett Independent Board Committee, a notice of the Court Meeting and a notice of an extraordinary general meeting of Dorsett, together with related proxies, will be dispatched to Dorsett Shareholders and holders of Dorsett Options as soon as practicable and in compliance with the requirements of the Takeovers Code and the Grand Court, and other applicable laws and regulations.

LISTING RULES IMPLICATIONS FOR FEC

The Proposal and the Rule 13 Offer constitute a possible discloseable transaction for FEC under the Listing Rules, which is subject to the reporting and announcement requirements of the Listing Rules. The FEC Consideration Shares will be issued pursuant to a general mandate granted to the directors of FEC by the shareholders of FEC at the annual general meeting of FEC held on 28 August 2014.

As at the Announcement Date, a number of connected persons of FEC under the Listing Rules were interested in Dorsett Shares and/or Dorsett Options. The aggregate payment of approximately HK\$18.3 million by the Offeror of: (i) the Cancellation Consideration to the aforesaid connected persons in consideration for the cancellation of the number of Scheme Shares held by them (on the basis of their respective interests in Dorsett Shares as at the Announcement Date); and (ii) the Dorsett Options Offer Price to the aforesaid connected persons in consideration for the cancellation of their respective interests in Dorsett Options (on the basis of their respective interests in Dorsett Options as at the Announcement Date), will constitute connected transactions for FEC under the Listing Rules. Such possible connected transactions will be subject to the reporting and announcement requirements but will be exempted from the independent shareholders' approval requirement under Chapter 14A of the Listing Rules as one or more of the Applicable Percentage Ratios in respect of such aggregate payment by the Offeror of the Cancellation Consideration and the Dorsett Options Offer Price to these connected persons of FEC will exceed 0.1% but all those Applicable Percentage Ratios will be less than 5%.

SUSPENSION AND RESUMPTION OF TRADING IN FEC SHARES, FEC BONDS, DORSETT SHARES AND DORSETT BONDS

At the request of FEC, trading in FEC Shares and FEC Bonds on the Stock Exchange were suspended from 9:00 a.m. on 21 May 2015 pending issuance of this announcement. An application has been made by FEC to the Stock Exchange for the resumption of trading in FEC Shares and FEC Bonds on the Stock Exchange with effect from 9:00 a.m. on 28 May 2015.

At the request of Dorsett, trading in Dorsett Shares and Dorsett Bonds on the Stock Exchange was suspended from 9:00 a.m. on 21 May 2015 pending issuance of this announcement. An application has been made by Dorsett to the Stock Exchange for the resumption of trading in Dorsett Shares and Dorsett Bonds on the Stock Exchange with effect from 9:00 a.m. on 28 May 2015.

WARNINGS

Shareholders of FEC and/or potential investors should be aware that the implementation of the Proposal and the Scheme is subject to the Conditions being fulfilled or waived, as applicable, and thus the Proposal may or may not be implemented and the Scheme may or may not become effective. Shareholders of FEC and potential investors should therefore exercise caution when dealing in the securities of FEC. Persons who are in doubt as to the action they should take should consult their licensed securities dealer or registered institution in securities, bank manager, solicitor or other professional advisers.

Dorsett Shareholders and/or potential investors should be aware that the implementation of the Proposal and the Scheme is subject to Conditions being fulfilled or waived, as applicable, and thus the Proposal may or may not be implemented and the Scheme may or may not become effective. Dorsett Shareholders and potential investors should therefore exercise caution when dealing in the securities of Dorsett. Persons who are in doubt as to the action they should take should consult their licensed securities dealer or registered institution in securities, bank manager, solicitor or other professional advisers.

The holders of Dorsett Bonds are reminded to refer to the terms and conditions of Dorsett Bonds for their rights or actions to be taken in relation to the Scheme. If the holders of Dorsett Bonds are in any doubt as to any aspect of the Scheme or as to their rights or actions to be taken, they should consult a licensed securities dealer, registered institution in securities, bank manager, solicitor, professional accountant or other professional advisers.

1. INTRODUCTION

On 20 May 2015, the Board of FEC requested the Board of Dorsett to put forward the Proposal to the Scheme Shareholders regarding the possible privatisation by the Offeror of Dorsett by way of a scheme of arrangement under Section 86 of the Companies Law.

If the Proposal is approved and implemented,

- (i) all Scheme Shares held by the Scheme Shareholders on the Effective Date will be cancelled in exchange for the payment of cash consideration and FEC Consideration Shares, i.e. HK\$0.72 in cash and 0.28125 FEC Consideration Share per Scheme Share to each Scheme Shareholder by the Offeror;
- (ii) the issued share capital of Dorsett will, on the Effective Date, be reduced by cancelling the Scheme Shares. Immediately upon such reduction, the issued share capital of Dorsett will be increased to its former amount by the issue at par to the Offeror, credited as fully paid, of the same number of Dorsett Shares as the number of Scheme Shares cancelled. The reserve created in the books of accounts of Dorsett as a result of the capital reduction will be applied in paying up in full at par the new Dorsett Shares so issued to the Offeror;
- (iii) FEC will, directly and indirectly (through the Offeror, its wholly-owned subsidiary), hold 100% issued share capital in Dorsett; and
- (iv) Dorsett will apply to the Stock Exchange for the withdrawal of the listing of Dorsett Shares on the Stock Exchange immediately following the Effective Date pursuant to Rule 6.15 of the Listing Rules.

2. TERMS OF THE PROPOSAL

Cancellation Consideration

Under the Proposal, the Scheme Shares will be cancelled in exchange for the payment by the Offeror to each Scheme Shareholder of the Cancellation Consideration to be satisfied by (i) a cash consideration of HK\$0.72; and (ii) 0.28125 FEC Consideration Share for each Scheme Share.

Based on the closing price of HK\$3.84 per FEC Share as quoted on the Stock Exchange on the Last Trading Day, the value of the Cancellation Consideration is equivalent to HK\$1.80, being the aggregate of the cash sum of HK\$0.72 and 0.28125 of the aforesaid closing price of HK\$3.84 per FEC Share. As the value attributable to an FEC Consideration Share may change after the date of this Announcement, the value of the Cancellation Consideration may also change. A Scheme Shareholder's entitlement is by reference to the number of Scheme Shares which are subject to the Scheme and if its entitlement to FEC Consideration Shares is not an integral number, then such entitlement will be rounded down to the nearest whole FEC Consideration Share and fractions will not be issued. By way of illustration, if a Scheme Shareholder held 1,000 Scheme Shares, it will be entitled to a cash payment of HK\$720 and 281 FEC Consideration Shares (as any fraction of FEC Consideration Shares will not be issued).

The Cancellation Consideration will not be increased, and the Offeror does not reserve the right to do so.

Based on the closing price of HK\$3.84 per FEC Share as quoted on the Stock Exchange on the Last Trading Day, the value of the Cancellation Consideration is equivalent to HK\$1.80, which represents:

- a premium of approximately 32.4% over the closing price of HK\$1.36 per Dorsett Share as quoted on the Stock Exchange on the Last Trading Day;
- a premium of approximately 35.3% over the average closing price of approximately HK\$1.33 per Dorsett Share based on the daily closing prices as quoted on the Stock Exchange for the 5 trading days up to and including the Last Trading Day;
- a premium of approximately 38.5% over the average closing price of approximately HK\$1.30 per Dorsett Share based on the daily closing prices as quoted on the Stock Exchange for the 10 trading days up to and including the Last Trading Day; and
- a premium of approximately 41.7% over the average closing price of approximately HK\$1.27 per Dorsett Share based on the daily closing prices as quoted on the Stock Exchange for the 30 trading days up to and including the Last Trading Day.

Issue price of the FEC Consideration Shares

The issue price of HK\$3.84 per FEC Consideration Share represents:

- the closing price of HK\$3.84 per FEC Share as quoted on the Stock Exchange on the Last Trading Day;
- a premium of approximately 0.5% over the average closing price of approximately HK\$3.82 per FEC Share based on the daily closing prices as quoted on the Stock Exchange for the 5 trading days up to and including the Last Trading Day;
- a premium of approximately 0.8% over the average closing price of approximately HK\$3.81 per FEC Share based on the daily closing prices as quoted on the Stock Exchange for the 10 trading days up to and including the Last Trading Day; and
- a premium of approximately 8.8% over the average closing price of approximately HK\$3.53 per FEC Share based on the daily closing prices as quoted on the Stock Exchange for the 30 trading days up to and including the Last Trading Day.

FEC Consideration Shares and the share capital of FEC

As at the Announcement Date, there are 1,913,736,798 FEC Shares in issue. Based on the issue price of FEC Consideration Shares of HK\$3.84 and assuming that no Dorsett Options are exercised before the Effective Date, 153,772,593 FEC Consideration Shares will be issued pursuant to the Scheme, representing approximately 8.04% of the share capital of FEC as at the Announcement Date, and approximately 7.44% of the enlarged share capital of FEC upon completion of the Proposal.

Fractions of FEC Consideration Shares

FEC will not allot and issue any fractions of a FEC Consideration Share to any Scheme Shareholders who would otherwise be entitled to receive fractional FEC Consideration Shares as a result of the number of Scheme Shares held. There will also not be any rounding up of fractions of an FEC Consideration Share to a whole FEC Consideration Share because Scheme Shareholders could deliberately create odd holdings of Scheme Shares resulting in the issue of more FEC Consideration Shares than contemplated and thereby increasing the cost of the Scheme to FEC. It is not the intention of FEC that entitlements to the Cancellation Consideration be the subject of such potential abuse.

Conditions of the Proposal and the Scheme

The Proposal is, and the Scheme will become, effective and binding on Dorsett and all Dorsett Shareholders, subject to the fulfilment or waiver (as applicable) of the following conditions:

- (a) the approval of the Scheme (by way of poll) by a majority in number of the Scheme Shareholders representing not less than three-fourths in value of the Scheme Shares held by the Scheme Shareholders present and voting either in person or by proxy at the Court Meeting, provided that:
 - (i) the Scheme is approved (by way of poll) by at least 75% of the votes attaching to the Scheme Shares held by Independent Dorsett Shareholders that are cast either in person or by proxy at the Court Meeting; and
 - (ii) the number of votes cast (by way of poll) against the resolution to approve the Scheme at the Court Meeting is not more than 10% of the votes attaching to all Scheme Shares held by Independent Dorsett Shareholders;
- (b) (i) the passing of a special resolution by a majority of not less than three-fourths of the votes cast by Dorsett Shareholders present and voting in person or by proxy at an extraordinary general meeting of Dorsett to approve and give effect to the reduction of the issued share capital of Dorsett by cancelling the Scheme Shares, and (ii) the passing of an ordinary resolution by Dorsett Shareholders at an extraordinary general meeting of Dorsett to increase immediately thereafter the issued share capital of Dorsett to the amount prior to the cancellation of the Scheme Shares and apply the reserve created as a result of the aforesaid cancellation of the Scheme Shares to pay up in full at par such number of new Dorsett Shares as is equal to the number of Scheme Shares cancelled for issuance to the Offeror;
- (c) the sanction of the Scheme (with or without modifications) by the Grand Court and, to the extent necessary, the Grand Court's confirmation of the reduction of the share capital of Dorsett, and the registration of a copy of the Court Orders by the Registrar of Companies in the Cayman Islands;
- (d) compliance, to the extent necessary, with the procedural requirements and conditions, if any, under Sections 15 and 16 of the Companies Law in relation to the reduction of the issued share capital of Dorsett;

- (e) all Authorisations in connection with the Proposal having been obtained or made from, with or by (as the case may be) the Relevant Authorities of the Cayman Islands, Hong Kong and any other relevant jurisdictions;
- (f) all Authorisations remaining in full force and effect without variation, and all necessary statutory or regulatory obligations in all relevant jurisdictions having been complied with and no requirement having been imposed by any Relevant Authorities which is not expressly provided for, or is in addition to requirements expressly provided for, in any relevant laws, rules, regulations or codes in connection with the Proposal or any related matters, documents (including circulars) or things, in each case up to and at the time when the Scheme becomes effective;
- (g) all necessary consents (including consents from the relevant lenders) in connection with the Proposal and the withdrawal of listing of Dorsett from the Stock Exchange which may be required under any existing contractual obligations of Dorsett being obtained and remaining in effect;
- (h) if required, the obtaining by FEC and the Offeror of such other necessary consent, approval, authorisation, permission, waiver or exemption which may be required from any Relevant Authorities or other third parties which are necessary or desirable for the performance of the Scheme under the applicable laws and regulations;
- (i) no government, governmental, quasi-governmental, statutory or regulatory body, court or agency in any jurisdiction having taken or instituted any action, proceeding, suit, investigation or enquiry (or enacted, made or proposed, and there not continuing to be outstanding, any statute, regulation, demand or order) that would make the Proposal or the Scheme or its implementation in accordance with its terms void, unenforceable, illegal or impracticable (or which would impose any material and adverse conditions or obligations with respect to the Proposal or the Scheme or its implementation in accordance with its terms);
- (j) since 31 March 2015, there having been no adverse change in the business, assets, financial or trading positions, profits or prospects of any member of Dorsett Group (to an extent which is material in the context of Dorsett Group taken as a whole or in the context of the Proposal); and

- (k) since the Announcement Date, there not having been instituted or remaining outstanding any litigation, arbitration proceedings, prosecution or other legal proceedings to which any member of Dorsett Group is a party (whether as plaintiff, defendant or otherwise) and no such proceedings having been threatened in writing against any such member (and no investigation by any government or quasi-governmental, supranational, regulatory or investigative body or court against or in respect of any such member or the business carried on by any such member having been threatened in writing, announced, instituted or remaining outstanding by, against or in respect of any such member), in each case which is material and adverse in the context of Dorsett Group taken as a whole or in the context of the Proposal.

The Offeror reserves the right to waive conditions (g), (h), (i), (j) and (k) either in whole or in part, either generally or in respect of any particular matter. In the event that condition (e) and/or condition (f) is not/are not fulfilled, the Offeror reserves the right to assess the materiality of such non-fulfilment and to waive the fulfilment of any such condition to such extent as it considers appropriate. Conditions (a), (b), (c) and (d) cannot be waived in any event. Pursuant to Note 2 to Rule 30.1 of the Takeovers Code, the Offeror may only invoke any or all of the Conditions as a basis for not proceeding with the Scheme if the circumstances which give rise to a right to invoke any such Condition are of material significance to the Offeror in the context of the Proposal.

All of the Conditions will have to be fulfilled or waived, as applicable, on or before the Long Stop Date (or such later date as the Offeror, Dorsett and Investec may agree or, to the extent applicable, as the Grand Court may direct and in all cases, as permitted by the Executive), failing which the Proposal and the Scheme will lapse. Dorsett has no right to waive any of the Conditions.

Warnings:

Shareholders of FEC and/or potential investors should be aware that the implementation of the Proposal and the Scheme is subject to the Conditions being fulfilled or waived, as applicable, and thus the Proposal may or may not be implemented and the Scheme may or may not become effective. Shareholders of FEC and potential investors should therefore exercise caution when dealing in the securities of FEC. Persons who are in doubt as to the action they should take should consult their licensed securities dealer or registered institution in securities, bank manager, solicitor or other professional advisers.

Dorsett Shareholders and/or potential investors should be aware that the implementation of the Proposal and the Scheme is subject to the Conditions being fulfilled or waived, as applicable, and thus the Proposal may or may not be implemented and the Scheme may or may not become effective. Dorsett Shareholders and potential investors should therefore exercise caution when dealing in the securities of Dorsett. Persons who are in doubt as to the action they should take should consult their licensed securities dealer or registered institution in securities, bank manager, solicitor or other professional advisers.

3. SHAREHOLDING STRUCTURE OF DORSETT AND THE SCHEME SHARES

On the assumption that no Dorsett Options are exercised before the Effective Date and there is no other change in shareholding of Dorsett before completion of the Proposal, the table below sets out the shareholding structure of Dorsett as at the Announcement Date and immediately upon completion of the Proposal:

Dorsett Shareholders	As at the Announcement Date		Immediately upon completion of the Proposal (Note 13)	
	Number of Dorsett Shares	%	Number of Dorsett Shares	%
Offeror (Note 1)	0	0.00	546,747,000	26.03
Offeror Concert Parties				
Dorsett Shares held not subject to the Scheme:				
– FEC (Note 2)	1,553,879,650	73.97	1,553,879,650	73.97
	1,553,879,650	73.97	2,100,626,650	100.00
Offeror Concert Parties				
Dorsett Shares held subject to the Scheme:				
– Tan Sri Dato’ CHIU David (Note 3)	8,651,361	0.41	–	–
– Ms. NG Nancy (Note 4)	8,861	0.00	–	–
– Mr. CHIU Dennis (Note 5)	50,651	0.00	–	–
– Mr. CHIU Daniel (Note 6)	29,079	0.00	–	–
– Mr. HOONG Cheong Thard (Note 7)	4,242	0.00	–	–
– Mr. CHAN Chi Hing (Note 8)	3,000	0.00	–	–
– Ms. CHIU Wing Kwan Winnie (Note 9)	206,756	0.01	–	–
– Ms. CHIU Margaret (Note 10)	11,517	0.00	–	–
– Mr. CHIU Deacon Te Ken (Note 11)	1,172,624	0.06	–	–
	10,138,091	0.48	–	–

Dorsett Shareholders	As at the Announcement		Immediately upon completion of the Proposal	
	Date		(Note 13)	
	Number of Dorsett Shares	%	Number of Dorsett Shares	%
Aggregate number of Dorsett Shares held by the Offeror Concert Parties	<u>1,564,017,741</u>	<u>74.45</u>	<u>1,553,879,650</u>	<u>73.97</u>
Aggregate number of Dorsett Shares held by the Offeror and the Offeror Concert Parties	<u>1,564,017,741</u>	<u>74.45</u>	<u>2,100,626,650</u>	<u>100.00</u>
Independent Dorsett Shareholders	<u>536,608,909</u>	<u>25.55</u>	<u>-</u>	<u>-</u>
	<u>2,100,626,650</u>	<u>100.00</u>	<u>2,100,626,650</u>	<u>100.00</u>
Total number of Scheme Shares (Note 12)	<u>546,747,000</u>	<u>26.03</u>	<u>-</u>	<u>-</u>

Notes:

1. Dorsett Shares in which the Offeror is interested will not form part of the Scheme Shares and will not be cancelled.
2. The Offeror is wholly-owned by FEC, which is acting in concert with the Offeror. Dorsett Shares held by FEC will not form part of the Scheme Shares and will not be cancelled.
3. Tan Sri Dato' CHIU David, who is an executive director of FEC, a director of the Offeror and a non-executive director of Dorsett, is acting in concert with the Offeror.
4. Ms. NG Nancy is the spouse of Tan Sri Dato' CHIU David and is acting in concert with the Offeror.
5. Mr. CHIU Dennis, who is brother of Tan Sri Dato' CHIU David and an executive director of FEC, is acting in concert with the Offeror. 58,158 Dorsett Shares are held by a holding company which is controlled by Mr. CHIU Dennis and Mr. CHIU Daniel. The 58,158 Dorsett Shares are split in equal amount under Mr. CHIU Dennis and Mr. CHIU Daniel in the above table.
6. Mr. CHIU Daniel, who is brother of Tan Sri Dato' CHIU David, is acting in concert with the Offeror. 58,158 Dorsett Shares are held by a holding company which is controlled by Mr. CHIU Dennis and Mr. CHIU Daniel. The 58,158 Dorsett Shares are split in equal amount under Mr. CHIU Dennis and Mr. CHIU Daniel in the above table.
7. Mr. HOONG Cheong Thard, who is an executive director of FEC, a director of the Offeror and a non-executive director of Dorsett, is acting in concert with the Offeror but is not acting in concert with the Chiu's family in relation to the control of FEC. As at the Announcement Date, Mr. HOONG Cheong Thard is also interested in 2,269,091 Dorsett Options, of which 1,701,816 are vested.

8. Mr. CHAN Chi Hing, who is an executive director of FEC, a director of the Offeror and a non-executive director of Dorsett, is acting in concert with the Offeror but is not acting in concert with the Chiu's family in relation to the control of FEC. As at the Announcement Date, Mr. CHAN Chi Hing is also interested in 2,836,364 Dorsett Options, of which 2,127,270 are vested.
9. Ms. CHIU Wing Kwan Winnie, who is daughter of Tan Sri Dato' CHIU David and an executive director of Dorsett, is acting in concert with the Offeror. As at the Announcement Date, Ms. CHIU Wing Kwan Winnie is also interested in 1,818,182 Dorsett Options, of which 1,363,635 are vested.
10. Ms. CHIU Margaret, who is sister of Tan Sri Dato' CHIU David, is acting in concert with the Offeror.
11. Mr. CHIU Deacon Te Ken, who is father of Tan Sri Dato' CHIU David, passed away on 17 March 2015 and his interests in Dorsett Shares forms part of his estate.
12. The total number of Dorsett Shares (assuming that no Dorsett Options are exercised before the Effective Date and there is no other change in shareholding of Dorsett before completion of the Proposal) minus the aggregate number of Dorsett Shares held by the Offeror and FEC equals the total number of Scheme Shares (on the same assumptions).
13. Under the Scheme, the issued share capital of Dorsett will, on the Effective Date, be reduced by cancelling the Scheme Shares. On the assumption that no Dorsett Options are exercised before the Effective Date and the assumption that there is no other change in shareholding of Dorsett before completion of the Proposal, forthwith upon such reduction, the issued share capital of Dorsett will be increased to its former amount by the issue at par to the Offeror, credited as fully paid, of the same number of Dorsett Shares as the number of the Scheme Shares cancelled. The reserve created in Dorsett's books of account as a result of the capital reduction will be applied in paying up in full at par the new Dorsett Shares so issued to the Offeror.
14. All percentages in the above table are approximations.

Following the Effective Date and the withdrawal of listing of Dorsett Shares on the Stock Exchange, FEC will beneficially hold 100% of the issued share capital of Dorsett on the assumption that no Dorsett Options are exercised before the Effective Date and there is no other change in shareholding in Dorsett before completion of the Proposal.

As at the Announcement Date, there are 2,100,626,650 Dorsett Shares in issue and the Scheme Shareholders are interested in 546,747,000 Dorsett Shares, representing approximately 26.03% of the issued share capital of Dorsett.

As at the Announcement Date, FEC held 1,553,879,650 Dorsett Shares representing approximately 73.97% of the issued share capital of Dorsett. Such Dorsett Shares will not form part of the Scheme Shares and will not be voted on the Scheme at the Court Meeting. As at the Announcement Date, the Offeror Concert Parties held in aggregate 1,564,017,741 Dorsett Shares, representing approximately 74.45% of the issued share capital of Dorsett. Of these Offeror Concert Parties, Dorsett Shares held by FEC,

the ultimate holding company of the Offeror, will not form part of the Scheme Shares and will not be voted on the Scheme at the Court Meeting. Dorsett Shares held by the remaining Offeror Concert Parties will form part of the Scheme Shares and will be cancelled upon the Scheme becoming effective. Such Offeror Concert Parties will abstain from voting on the Scheme at the Court Meeting.

Save for 9,469,093 Dorsett Options, there were no options, warrants or convertible securities in respect of Dorsett Shares held by the Offeror or the Offeror Concert Parties or outstanding derivatives in respect of Dorsett Shares entered into by the Offeror or the Offeror Concert Parties as at the Announcement Date, and save for 14,414,545 Dorsett Options, Dorsett did not have in issue any warrants, options, derivatives, convertible securities or other securities convertible into Dorsett Shares as at the Announcement Date.

In the event that any Dorsett Option is exercised after the Announcement Date and new Dorsett Shares are issued pursuant to such exercise prior to the date for determining entitlements under the Scheme, such Dorsett Shares will constitute Scheme Shares and their holders shall be eligible to receive the Cancellation Consideration under the Scheme. Holders of any Dorsett Shares so issued (other than the Offeror Concert Parties) will be entitled to vote at the Court Meeting.

4. DORSETT OPTIONS AND RULE 13 OFFER

As at the Announcement Date, there were 14,414,545 outstanding Dorsett Options under the Share Option Scheme (including 3,603,658 Dorsett Options which have not been vested on the Announcement Date), each giving the holder of each Dorsett Option the right to subscribe for one new Dorsett Share. The exercise of such Dorsett Options in full would result in the issue of 14,414,545 new Dorsett Shares, representing approximately 0.69% of the issued share capital of Dorsett as at the Announcement Date and approximately 0.68% of the issued share capital of Dorsett as enlarged by the issue of such new Dorsett Shares.

The Offeror will make (or procure to be made on its behalf) an appropriate offer, namely the Rule 13 Offer, to the holders of Dorsett Options for the cancellation of every vested and unvested Dorsett Option in accordance with Rule 13 of the Takeovers Code. The Rule 13 Offer will be conditional upon the Scheme becoming effective. Under the Rule 13 Offer, the offer price for options would normally equal to the “see-through” price (being the relevant offer/ Cancellation Consideration minus the relevant exercise price of the options). The last day for acceptance of the Rule 13 Offer shall be 14 days after the Effective Date, and payment to accepting holders of Dorsett Options under the Rule 13 Offer will be made within seven business days following the later of the date the Rule

13 Offer becomes unconditional and the date of receipt of a valid acceptance. As the exercise price applicable to each Dorsett Option is HK\$2.20 and is higher than the value of the Cancellation Consideration of HK\$1.80 (based on aggregate of the cash sum of HK\$0.72 and 0.28125 of the closing price of HK\$3.84 per FEC Share as quoted on the Stock Exchange on the Last Trading Day), the Offeror will offer, in accordance with Rule 13 of the Takeovers Code, the holders of Dorsett Options a nominal value of HK\$0.01 for each Dorsett Option that they hold in accordance with the “see-through” principle.

Further information on the Rule 13 Offer will be set out in a letter to the holders of Dorsett Options which will be dispatched at or around the same time as the dispatch of the Scheme Document.

If any Dorsett Option is vested and is exercised in accordance with the terms of the Share Option Scheme prior to the date for determining entitlements under the Scheme, any Dorsett Shares issued as a result of the exercise of Dorsett Options prior to the date for determining entitlements under the Scheme will be subject to and eligible to participate in the Scheme.

5. OVERSEAS DORSETT SHAREHOLDERS

The making of (i) the Proposal to the Scheme Shareholders; and (ii) the Rule 13 Offer to the holders of Dorsett Options, who are not resident in Hong Kong may be subject to the laws of the relevant jurisdictions in which such Scheme Shareholders or holders of Dorsett Options respectively are located. Such Scheme Shareholders and such holders of Dorsett Options should inform themselves about and observe any applicable legal, tax or regulatory requirements. It is the responsibility of any overseas Scheme Shareholders and overseas holders of Dorsett Options wishing to take any action in relation to the Proposal and the Rule 13 Offer, respectively, to satisfy themselves as to the full observance of the laws of the relevant jurisdiction in connection therewith, including the obtaining of any governmental, exchange control or other consents which may be required, or the compliance with any other necessary formalities and the payment of any issue, transfer or other taxes due in such jurisdiction. Any acceptance by such Scheme Shareholders will be deemed to constitute a representation and warranty from such persons to Dorsett, FEC, the Offeror, and their respective advisers, including Investec, the financial adviser to the Offeror, that those local laws and regulatory requirements have been complied with. If you are in doubt as to your position, you should consult your professional advisers.

In the event that the dispatch of the Scheme Document to overseas Scheme Shareholders or overseas holders of Dorsett Options is prohibited by any relevant law or regulation or may only be effected after compliance with conditions or requirements that the directors of Dorsett regard as unduly onerous or burdensome (or otherwise not in the best interests of Dorsett or Dorsett Shareholders, the Scheme Document will not be dispatched to such overseas Scheme Shareholders or such overseas holders of Dorsett Options. For that purpose, Dorsett will apply for any waivers as may be required by the Executive pursuant to Note 3 to Rule 8 of the Takeovers Code at such time. Any such waiver will only be granted if the Executive is satisfied that it would be unduly burdensome to dispatch the Scheme Document to such overseas Scheme Shareholders or such overseas holders of Dorsett Options. In granting the waiver, the Executive will be concerned to see that all material information in the Scheme Document is made available to such overseas Scheme Shareholders and overseas holders of Dorsett Options, as the case may be.

Scheme Shareholders and holders of Dorsett Options are recommended to consult their own professional advisers if they are in any doubt as to the taxation implications of accepting the Proposal or the Rule 13 Offer. It is emphasised that none of the Offeror, FEC, Dorsett and Investec or any of their respective directors, officers or associates or any other person involved in the Proposal or the Rule 13 Offer accepts responsibility for any taxation effects on, or liabilities of, any persons as a result of their acceptance or rejection of the Proposal or the Rule 13 Offer.

6. FINANCIAL RESOURCES

On the assumption that no Dorsett Options are exercised before the Effective Date, the amount of cash required to implement the Proposal (before taking into account the Rule 13 Offer in respect of Dorsett Options) would be approximately HK\$394 million, and the amount of cash required to implement the Rule 13 Offer in respect of Dorsett Options to be made would be approximately HK\$144,145.

On the assumption that all outstanding Dorsett Options are exercised in full before the Effective Date, the amount of cash required to implement the Proposal would be approximately HK\$404 million.

The Offeror intends to finance the cash required for the Proposal and the Rule 13 Offer from internal financial resources. Investec, the financial adviser to the Offeror in connection with the Proposal and the Rule 13 Offer, is satisfied that sufficient financial resources are available to the Offeror for the payment in full of the cash consideration payable under the Proposal and the Rule 13 Offer in accordance with their respective terms.

7. REASONS FOR, AND EXPECTED BENEFITS OF, THE PROPOSAL

The Board of FEC considers that the implementation of the Proposal is beneficial to the respective shareholders of FEC and Dorsett.

For Dorsett

In the past two years, the share price of Dorsett has traded at a level below the original listing price, with a relatively low level of liquidity. Dorsett has not raised any external equity funding since its listing and the directors of FEC believe that the share price has not reflected the value and fundamentals of Dorsett. The successful implementation of the Proposal would provide the Independent Dorsett Shareholders the opportunity to exit their shareholdings at a consideration that represents a considerable premium to the traded market price of Dorsett. Through the share exchange mechanism under the Proposal, the Independent Dorsett Shareholders shall retain an equity exposure to and participate in the ownership in FEC, which has a broader business portfolio including, upon successful implementation of the Proposal, the wholly-owned interest in Dorsett.

For the Scheme Shareholders

Based on the closing price of HK\$3.84 per FEC Share as quoted on the Stock Exchange on the Last Trading Day, the value of the Cancellation Consideration is equivalent to HK\$1.80 (being the aggregate of the cash sum of HK\$0.72 and 0.28125 of the closing price of HK\$3.84 per FEC Share as quoted on the Stock Exchange on the Last Trading Day), which represents a premium of approximately 32.4% over the closing price of Dorsett Shares of HK\$1.36 as quoted by the Stock Exchange on the Last Trading Day. The Cancellation Consideration has been determined on a commercial basis after taking into account the prices of Dorsett Shares traded on the Stock Exchange, the unaudited consolidated net asset value per Dorsett Share and with reference to other privatisation transactions in Hong Kong in recent years.

Dorsett Shareholders should note that the Scheme Document will contain a property valuation report from an independent property valuer pursuant to Rule 11 of the Takeovers Code providing an updated valuation of Dorsett's properties as at a date not more than three months prior to the date of the Scheme Document.

During the six-month period ended on and including the Last Trading Day, the lowest and highest closing prices per Dorsett Share on the Stock Exchange were HK\$1.21 and HK\$1.51 respectively, with a simple average closing price of approximately HK\$1.29.

Over the one-year period ended on and including the Last Trading Day, liquidity in Dorsett Shares was restricted to an average daily turnover of approximately HK\$1.6 million or approximately 1.1 million Dorsett Shares on the Stock Exchange. Such average daily turnover in number of Dorsett Shares represented only approximately 0.2% of the number of Scheme Shares.

Based on the closing price of HK\$3.84 per FEC Share as quoted on the Stock Exchange on the Last Trading Day, the value of the Cancellation Consideration is equivalent to HK\$1.80, (being the aggregate of the cash sum of HK\$0.72 and 0.28125 of the closing price of HK\$3.84 per FEC Share as quoted on the Stock Exchange on the Last Trading Day), which represents a substantial premium of approximately 39.5% over the simple average closing price per Dorsett Share during the six-month period ended on and including the Last Trading Day.

Over the one-year period ended on and including the Last Trading Day, liquidity in FEC Shares represented an average daily turnover of approximately HK\$4.2 million or approximately 1.4 million FEC Shares on the Stock Exchange.

Since the Offeror and its ultimate holding company FEC already own, on an aggregated basis, approximately 73.97% of the issued share capital of Dorsett as at the Announcement Date, the Offeror and FEC believe that it is unlikely that the Scheme Shareholders will receive any other general offer from a third party to acquire the Scheme Shares unless such offer is agreed to by the Offeror and FEC.

In addition, Dorsett Shareholders should note that no discussions have taken place (or are taking place) with any third party regarding the disposal of any of Dorsett Shares held by the Offeror and FEC. The Offeror and FEC intend to continue the existing business of Dorsett in the near term upon successful implementation of the Proposal. The Offeror and FEC have no intention to make any material changes to the existing operation and management structure of Dorsett Group after implementation of the Proposal. However, it will continue to assess business opportunities as they arise.

FEC accordingly considers that the Proposal provides an opportunity for the holders of the Scheme Shares to dispose of their Dorsett Shares and receive payments at a price significantly above the prevailing market price and gain exposure to the entire diversified business portfolio of FEC, while retaining the exposure in the hotel business of Dorsett which will be wholly owned by FEC following the implementation of the Proposal. In light of the low liquidity of Dorsett Shares, it is difficult for the holders of the Scheme Shares to realise their Scheme Shares in the stock market without adversely affecting the market price of Dorsett Shares. The Offeror considers that the Proposal also affords the holders of the Scheme Shares with the opportunity to realise their

investments in Dorsett in cash and shares of FEC which have historically enjoyed better liquidity as referred to above, and if they so wish, invest the monies received under the Scheme in alternative investments with higher liquidity than Dorsett Shares or use them for other purposes.

For FEC and FEC's shareholders

FEC is currently the controlling shareholder of Dorsett. The Board of FEC believes that the Proposal should enhance value for shareholders through the elimination of the holding company discount in connection with the existing tiered shareholding structure as Dorsett would become a wholly-owned subsidiary of FEC following the successful implementation of the Proposal. In addition, the combined group would be in a better position to exploit the potential business opportunities that are currently restricted by or subject to the mutual non-competitive undertakings and the connected transactions relationships established at the time of Dorsett's listing. There will also be cost savings achievable through the elimination of certain overlapped corporate functions. In addition, FEC would be able to utilise the combined liquidity resources of the enlarged group more effectively for the benefit of all shareholders of FEC. Successful implementation of the Proposal would also broaden the shareholder base of FEC and is expected to add trading liquidity to its shares.

The Board of FEC accordingly considers that the Proposal would be in the interests of FEC and its shareholders as it will simplify the group structure and create more flexibility to manage Dorsett's business in a more efficient manner.

8. INFORMATION ON DORSETT

Dorsett is a public limited company incorporated as an exempted company with limited liability in the Cayman Islands. The shares of Dorsett have been listed on the Main Board of the Stock Exchange since 11 October 2010 with the stock code 2266.

The principal business activities of Dorsett Group comprise hotel development, ownership and operation. Dorsett Group's hotel portfolio comprises 20 owned operating hotels in Hong Kong, Malaysia, the PRC, Singapore and the United Kingdom as at the Announcement Date. Dorsett Group also has five hotels under development as at the Announcement Date.

9. INFORMATION ON THE OFFEROR AND FEC

The Offeror is a wholly-owned subsidiary of FEC and is incorporated in the British Virgin Islands with limited liability.

FEC is the ultimate holding company of Dorsett. Its predecessor was a Hong Kong company incorporated on 18 August 1972 under the name of Far East Consortium Limited and was listed on the Stock Exchange in September 1972 (with the stock code: 35) by a public offering of 5.5 million shares. FEC was subsequently re-domiciled from Hong Kong to Cayman Islands on 3 April 1990.

The principal activities of the FEC Group comprise property development and investment, hotel operation and management, car park operation and treasury management, with operations in Hong Kong, the PRC, Australia, Malaysia, Singapore, the United Kingdom and New Zealand.

As mentioned in FEC's interim results for the six months ended 30 September 2014, FEC has a significant pipeline of residential projects which are located in Hong Kong, the PRC, Australia, Malaysia and the United Kingdom. FEC has also announced the planned mixed-use development in Melbourne and Perth that will include a possible hotel component. In late 2014, FEC signed a consortium bid agreement with Chow Tai Fook Enterprises Limited and Echo Entertainment Group Limited to bid for the development of an entertainment precinct and integrated resort in Brisbane with approximately 9.4 hectares of site area. As at the Announcement Date, the consortium has been short-listed as one of the two final proponents for the project.

10. WITHDRAWAL OF LISTING OF DORSETT SHARES

Upon the Scheme becoming effective, all Scheme Shares will be cancelled and the share certificates in respect of the Scheme Shares will thereafter cease to have effect as documents or evidence of title.

Dorsett will apply to the Stock Exchange for the withdrawal of the listing of Dorsett Shares on the Stock Exchange, in accordance with Rule 6.15 of the Listing Rules, immediately following the Effective Date. A detailed timetable for the implementation of the Proposal will be included in the Scheme Document.

The Scheme Shareholders will be notified by way of an announcement of the exact dates of the last day for dealing in Dorsett Shares on the Stock Exchange and the day on which the Scheme and the withdrawal of the listing of Dorsett Shares on the Stock Exchange will become effective. A detailed timetable of the Scheme will be included in the Scheme Document, which will also contain, among other things, further details of the Scheme.

11. DORSETT BONDS

It is the intention of FEC and Dorsett to retain the listing of Dorsett Bonds and Dorsett shall continue to comply with all provisions under Chapter 37 of the Listing Rules governing the issue of debt securities. The successful implementation of the Proposal will not result in any alteration of the terms and obligations (including redemption) of Dorsett Bonds.

Dorsett would like to inform the holders of Dorsett Bonds that the terms and conditions of Dorsett Bonds do not prohibit the implementation of the Scheme or require the Scheme to be approved by the holders of Dorsett Bonds. The Scheme does not trigger an obligation on Dorsett to repurchase Dorsett Bonds. Should the Scheme become effective, the listing of Dorsett Bonds on the Stock Exchange will be maintained and Dorsett will continue to be subject to its obligations under Dorsett Bonds.

The holders of Dorsett Bonds are reminded to refer to the terms and conditions of Dorsett Bonds for their rights or actions to be taken in relation to the Scheme. If the holders of Dorsett Bonds are in any doubt as to any aspect of the Scheme or as to their rights or actions to be taken, they should consult a licensed securities dealer, registered institution in securities, bank manager, solicitor, professional accountant or other professional adviser.

12. IF THE SCHEME IS NOT APPROVED OR THE PROPOSAL LAPSES

The Scheme will lapse if any of the Conditions has not been fulfilled or waived, as applicable, on or before the Long Stop Date. If the Scheme is not approved or the Proposal otherwise lapses, the listing of Dorsett Shares on the Stock Exchange will not be withdrawn.

If the Scheme is not approved or the Proposal otherwise lapses, there are restrictions under the Takeovers Code on making subsequent offers, to the effect that neither the Offeror nor any person who acted in concert with it in the course of the Proposal (nor any person who is subsequently acting in concert with any of them) may within 12 months from the date on which the Scheme is not approved or the Proposal otherwise lapses announce an offer or possible offer for Dorsett, except with the consent of the Executive.

If the Dorsett Independent Board Committee or the Dorsett Independent Financial Adviser does not recommend the Proposal, and the Scheme is not approved, all expenses incurred by Dorsett in connection therewith shall be borne by the Offeror in accordance with Rule 2.3 of the Takeovers Code.

13. SCHEME SHARES, MEETING OF SCHEME SHAREHOLDERS AND EXTRAORDINARY GENERAL MEETING OF DORSETT

As at the Announcement Date, FEC held 1,553,879,650 Dorsett Shares representing approximately 73.97% of the issued share capital of Dorsett. Such Dorsett Shares will not form part of the Scheme Shares and will not be cancelled upon the Scheme becoming effective. As each of the Offeror and FEC is not a Scheme Shareholder, they will not vote on the Scheme at the Court Meeting. The Offeror and FEC will undertake to the Grand Court that they will be bound by the Scheme, so as to ensure that they will be subject to the terms and conditions of the Scheme.

By reason of being the financial adviser to FEC, Investec is presumed to be acting in concert with the Offeror in relation to Dorsett. As at the Announcement Date, and so far as the Offeror and FEC are aware taking into account Note 1 to Rule 3.5 of the Takeovers Code, members of the Investec group which are presumed to be acting in concert with the Offeror in relation to Dorsett held no position in Dorsett Shares.

As at the Announcement Date, the Offeror Concert Parties held in aggregate 1,564,017,741 Dorsett Shares, representing approximately 74.45% of the issued share capital of Dorsett. Dorsett Shares held by the Offeror Concert Parties (except Dorsett Shares held by FEC) will form part of the Scheme Shares and will be cancelled upon the Scheme becoming effective. Such Offeror Concert Parties will abstain from voting on the Scheme at the Court Meeting.

All Dorsett Shareholders will be entitled to attend the extraordinary general meeting of Dorsett and vote on (i) the special resolution to approve and give effect to the reduction of the issued share capital of Dorsett by cancelling the Scheme Shares, and (ii) the ordinary resolution to immediately thereafter increase the issued share capital of Dorsett to the amount prior to the cancellation of the Scheme Shares and apply the reserve created as a result of the aforesaid cancellation of the Scheme Shares to pay up in full at par such number of new Dorsett Shares as is equal to the number of Scheme Shares cancelled as a result of the Scheme for issue to the Offeror. The Offeror and FEC have indicated that if the Scheme is approved at the Court Meeting and absent any restriction under the Listing Rules, those Dorsett Shares held by them will be voted in favour of the resolutions to be proposed at the extraordinary general meeting of Dorsett.

14. DORSETT INDEPENDENT BOARD COMMITTEE

The Board of Dorsett has established the Dorsett Independent Board Committee, comprising three independent non-executive directors of Dorsett, being Mr. SHEK Lai Him Abraham, G.B.S., J.P., Mr. TO Peter and Mr. ANGELINI Giovanni, to advise the Independent Dorsett Shareholders and the holders of Dorsett Options as to (i) whether the Proposal and the Rule 13 Offer are, or are not, fair and reasonable; and (ii) whether to vote in favour of the Scheme at the Court Meeting and the extraordinary general meeting of Dorsett.

As at the Announcement Date, the remaining independent non-executive director of Dorsett, Dr. LIU Ngai Wing is interested in 4,490 FEC Shares and FEC Bonds of a principal of RMB1,000,000. In order to avoid any perceived conflict of interests, Dr. LIU Ngai Wing does not form part of the Dorsett Independent Board Committee.

Altus Capital Limited has been appointed as the Dorsett Independent Financial Adviser to advise the Dorsett Independent Board Committee in connection with the Proposal and the Rule 13 Offer.

15. DISPATCH OF SCHEME DOCUMENT

The Scheme Document containing, among other things, further details of the Proposal and the Scheme, the Rule 13 Offer, the expected timetable, an explanatory memorandum as required under the Companies Law and the rules of the Grand Court, information regarding Dorsett, recommendations from the Dorsett Independent Board Committee with respect to the Proposal and the Rule 13 Offer, and the advice of the Dorsett Independent Financial Adviser to the Dorsett Independent Board Committee, a notice of the Court Meeting and a notice of an extraordinary general meeting of Dorsett, together with proxies in relation thereto, will be dispatched to Dorsett Shareholders and holders of Dorsett Options as soon as practicable and in compliance with the requirements of the Takeovers Code and the Grand Court, and other applicable laws and regulations. A letter to the holders of Dorsett Options will also be dispatched at or around the same time as the dispatch of the Scheme Document. The aggregate percentage holding in Dorsett Shares of the Offeror and the Offeror Concert Parties will also be disclosed in the Scheme Document, together with information on their dealings for value in Dorsett Shares (if any) during the period commencing six months prior to the Announcement Date and ending with the latest practicable date for ascertaining information in the Scheme Document.

The Scheme Document will contain important information and the Scheme Shareholders are urged to read the Scheme Document containing such disclosures carefully before casting any vote at (or providing any proxy in respect of) the Court Meeting or the extraordinary general meeting of Dorsett. Any acceptance or other response to the Proposal or the Rule 13 Offer should be made only on the basis of information in the Scheme Document or any other document by which the Proposal or the Rule 13 Offer is made.

16. LISTING RULES IMPLICATIONS FOR FEC

The Proposal and the Rule 13 Offer constitute a possible discloseable transaction for FEC under the Listing Rules, which is subject to the reporting and announcement requirements of the Listing Rules.

As at the Announcement Date, the following connected persons of FEC are interested in the Scheme Shares and/or Dorsett Options (including vested and unvested Dorsett Options):

Name	Relationship with FEC	Scheme Shares	Interests in Dorsett Options (including both vested and unvested)
Tan Sri Dato' CHIU David	Director	8,651,361	0
Ms. NG Nancy	Spouse of Tan Sri Dato' CHIU David	8,861	0
Mr. CHIU Dennis	Director	50,651	0
Mr. CHIU Daniel	Brother of Tan Sri Dato' CHIU David	29,079	0
Mr. HOONG Cheong Thard	Director	4,242	2,269,091
Mr. CHAN Chi Hing	Director	3,000	2,836,364
Ms. CHIU Wing Kwan Winnie	Daughter of Tan Sri Dato' CHIU David and director of subsidiaries of FEC	206,756	1,818,182
Ms. CHIU Wendy	Daughter of Tan Sri Dato' CHIU David	0	1,272,728

Name	Relationship with FEC	Scheme Shares	Interests in
			Dorsett Options (including both vested and unvested)
Mr. LAI Wai Keung	Director of subsidiaries of FEC	0	1,272,728
Ms. CHIU Margaret	Sister of Tan Sri Dato' CHIU David	11,517	0
Mr. CHIU Deacon Te Ken	Father of Tan Sri Dato' CHIU David, deceased	1,172,624	0
		10,138,091	9,469,093

The aggregate payment of approximately HK\$18.3 million by the Offeror of:

- (i) the Cancellation Consideration to the aforesaid connected persons in consideration for the cancellation of their respective interests in Dorsett Shares (on the basis of their respective interests in Scheme Shares as at the Announcement Date); and
- (ii) Dorsett Options Offer Price to the aforesaid connected persons in consideration for the cancellation of their respective interests in Dorsett Options (on the basis of their respective interests in Dorsett Options as at the Announcement Date),

will constitute connected transactions for FEC under the Listing Rules. Such connected transactions will be subject to the reporting and announcement requirements but will be exempted from the independent shareholders' approval requirement under Chapter 14A of the Listing Rules as one or more of the Applicable Percentage Ratios in respect of such aggregate payment by the Offeror of the value of the Cancellation Consideration of HK\$1.80 (based on the closing price of HK\$3.84 per FEC Share as quoted on the Stock Exchange on the Last Trading Day) per Scheme Share and the Dorsett Options Offer Price to the connected persons of FEC will exceed 0.1% but all those Applicable Percentage Ratios will be less than 5%.

In addition, the FEC Consideration Shares will be allotted and issued under the general mandate granted to the directors of FEC to allot and issue up to 371,052,887 new FEC Shares by the shareholders of FEC pursuant to an ordinary resolution passed at the annual general meeting of FEC held on 28 August 2014, which has not been used since its grant. The maximum number of FEC Consideration Shares which may be issued pursuant to the Scheme, assuming that all Dorsett Options are exercised in full, are 157,826,684 FEC Consideration Shares. Each FEC Consideration Share will be issued at HK\$3.84, being the closing price as quoted on the Stock Exchange on the Last Trading Day. As such, the issue of the FEC Consideration Shares does not require additional approval by the shareholders of FEC.

An application will be made to the Stock Exchange for the listing of, and permission to deal in, the FEC Consideration Shares. The FEC Consideration Shares will rank pari passu in all respects with FEC Shares in issue as at the respective date of the allotment and issue of the FEC Consideration Shares.

17. DISCLOSURE OF DEALINGS

Associates of the Offeror, Dorsett or FEC (as defined in the Takeovers Code, including shareholders holding 5% or more of the relevant securities (as defined in Note 4 to Rule 22 of the Takeovers Code) of the Offeror, Dorsett or FEC) are hereby reminded to disclose their dealings in any securities of Dorsett under Rule 22 of the Takeovers Code during the offer period.

In accordance with Rule 3.8 of the Takeovers Code, reproduced below is the full text of Note 11 to Rule 22 of the Takeovers Code:

“Responsibilities of stockbrokers, banks and other intermediaries

Stockbrokers, banks and others who deal in relevant securities on behalf of clients have a general duty to ensure, so far as they are able, that those clients are aware of the disclosure obligations attaching to associates and other persons under Rule 22 and that those clients are willing to comply with them. Principal traders and dealers who deal directly with investors should, in appropriate cases, likewise draw attention to the relevant Rules. However, this does not apply when the total value of dealings (excluding stamp duty and commission) in any relevant security undertaken for a client during any 7 day period is less than \$1 million.

This dispensation does not alter the obligation of principals, associates and other persons themselves to initiate disclosure of their own dealings, whatever total value is involved.

Intermediaries are expected to co-operate with the Executive in its dealings enquiries. Therefore, those who deal in relevant securities should appreciate that stockbrokers and other intermediaries will supply the Executive with relevant information as to those dealings, including identities of clients, as part of that co-operation.”

18. PRECAUTIONARY LANGUAGE REGARDING FORWARD-LOOKING STATEMENTS

This announcement includes certain “forward-looking statements”. These statements are based on the current expectations of the management of the Offeror, FEC and/or Dorsett (as the case may be) and are naturally subject to uncertainty and changes in circumstances. The forward-looking statements contained in this announcement include statements about the expected effects on Dorsett of the Proposal and the Rule 13 Offer, the expected timing and scope of the Proposal and the Rule 13 Offer, and all other statements in this announcement other than historical facts.

Forward-looking statements include, without limitation, statements typically containing words such as “intends”, “expects”, “anticipates”, “targets”, “estimates”, “envisages” and words of similar import. By their nature, forward-looking statements involve risk and uncertainty because they relate to events and depend on circumstances that will occur in the future. There are a number of factors that could cause actual results and developments to differ materially from those expressed or implied by such forward-looking statements. These factors include, but are not limited to, the satisfaction of the conditions to the Proposal and Rule 13 Offer, as well as additional factors, such as general, social, economic and political conditions in the countries in which FEC Group and/or Dorsett Group operate or other countries which have an impact on FEC Group and/or Dorsett Group’s business activities or investments, interest rates, the monetary and interest rate policies of the countries in which FEC Group and/or Dorsett Group operate, inflation or deflation, foreign exchange rates, the performance of the financial markets in the countries in which FEC Group and/or Dorsett Group operate and globally, changes in domestic and foreign laws, regulations and taxes, changes in competition and the pricing environments in the countries in which FEC Group and/or Dorsett Group operate and regional or general changes in asset valuations. Other unknown or unpredictable factors could cause actual results to differ materially from those in the forward-looking statements.

All written and oral forward-looking statements attributable to the Offeror, FEC, Dorsett or persons acting on behalf of any of them are expressly qualified in their entirety by the cautionary statements above. The forward-looking statements included herein are made only as of the Announcement Date.

19. GENERAL

FEC has appointed Investec as its financial adviser in connection with the Proposal and the Rule 13 Offer.

Tan Sri Dato' CHIU David, Mr. HOONG Cheong Thard, Mr. CHAN Chi Hing, Ms. CHIU Wing Kwan Winnie and Mr. LAI Wai Keung, who being directors of Dorsett and are interested in the Proposal and/or the Rule 13 Offer have abstained from voting in respect of the board resolutions of Dorsett in relation to the Proposal and the Rule 13 Offer.

In addition, Tan Sri Dato' CHIU David, Mr. HOONG Cheong Thard, Mr. CHAN Chi Hing and Mr. CHIU Dennis, who being directors of FEC and are interested in the Proposal and/or the Rule 13 Offer have abstained from voting in respect of the board resolutions of FEC in relation to the Proposal and the Rule 13 Offer.

Save for the Proposal and the Rule 13 Offer, there are no arrangements (whether by way of option, indemnity or otherwise) relating to relevant securities which may be an inducement to deal or refrain from dealing as described in Note 8 to Rule 22 of the Takeovers Code between the Offeror or any of the Offeror Concert Parties and any other person in relation to shares of the Offeror or FEC or Dorsett Shares which might be material to the Proposal.

There are no agreements or arrangements to which the Offeror is a party which relate to the circumstances in which it may or may not invoke or seek to invoke a condition to the Proposal.

The Offeror and the Offeror Concert Parties have not borrowed or lent any Dorsett Shares or any other securities of Dorsett as at the Announcement Date.

No irrevocable commitment to vote for or against the Scheme has been received by the Offeror or any of the Offeror Concert Parties, as at the Announcement Date.

20. ARRANGEMENTS RELATING TO THE SALE OF ODD LOTS OF FEC CONSIDERATION SHARES

In order to assist Scheme Shareholders to sell their odd lots of the FEC Consideration Shares received under the Scheme if they so wish, designated broker(s) (the “**Odd Lot Traders**”) will be appointed to provide, on a best efforts basis, a service to match the sale and purchase of odd lots of the FEC Consideration Shares (the “**Matching Service**”) during the period of 60 days commencing from (and including) the Effective Date (the “**Matching Period**”).

In the event of successful matching, no brokerage will be charged by the Odd Lot Traders for the odd lots of the FEC Consideration Shares sold. FEC has agreed to absorb this cost as part of the appointment of the Odd Lot Traders. The opening of trading accounts with the Odd Lot Traders for the purpose of the Matching Service is subject to satisfactory completion of requisite account opening procedures.

Scheme Shareholders who have brokerage accounts and who wish to sell their odd lots of the FEC Consideration Shares received under the Scheme may also approach and inform their brokers that the Odd Lot Traders will, on a best efforts basis during the Matching Period, provide liquidity for odd lots of the FEC Consideration Shares. Scheme Shareholders selling odd lots of the FEC Consideration Shares through their brokers to the Odd Lot Traders will be responsible for all fees (if any) payable to their brokers, but no additional brokerage will be payable by them to the Odd Lot Traders.

Scheme Shareholders should note that the successful matching of odd lots of the FEC Consideration Shares and the provision of liquidity referred to above is not guaranteed. Scheme Shareholders are advised to consult their own professional advisers if they are in doubt about any of these arrangements.

21. SUSPENSION AND RESUMPTION OF TRADING IN FEC SHARES, FEC BONDS, DORSETT SHARES AND DORSETT BONDS

At the request of FEC, trading in FEC Shares and FEC Bonds on the Stock Exchange was suspended from 9:00 a.m. on 21 May 2015 pending issuance of this announcement. An application has been made by FEC to the Stock Exchange for the resumption of trading in FEC Shares and FEC Bonds on the Stock Exchange with effect from 9:00 a.m. on 28 May 2015.

At the request of Dorsett, trading in Dorsett Shares and Dorsett Bonds on the Stock Exchange was suspended from 9:00 a.m. on 21 May 2015 pending issuance of this announcement. An application has been made by Dorsett to the Stock Exchange for the resumption of trading in Dorsett Shares and Dorsett Bonds on the Stock Exchange with effect from 9:00 a.m. on 28 May 2015.

22. DEFINITIONS

In this announcement, the following expressions have the meanings set out below unless the context requires otherwise.

“acting in concert”	has the meaning ascribed to it in the Takeovers Code
“Announcement Date”	27 May 2015, being the date of this announcement
“Applicable Percentage Ratios”	the percentage ratios (all as defined in Rule 14.04(9) of the Listing Rules) applicable to the Proposal and the Rule 13 Offer in accordance with Chapters 14 and 14A of the Listing Rules
“associate”	has the meaning ascribed to it in the Takeovers Code
“Authorisations”	all the necessary authorisations, registrations, filings, rulings, consents, permissions and approvals required in connection with the Proposal
“Beneficial Owner”	any beneficial owner of Dorsett Shares whose Dorsett Shares are registered in the name of a Registered Owner
“Board”	the board of directors
“Cancellation Consideration”	in respect of each Scheme Share, a cash payment of HK\$0.72 and 0.28125 FEC Consideration Share (any fraction of FEC Consideration Shares will not be issued)
“Companies Law”	the Companies Law, Cap. 22 (Law 3 of 1961, as consolidated and revised) of the Cayman Islands

“Conditions”	the conditions to the Proposal and the Scheme becoming effective as described in the section headed “2. Terms of the Proposal – Conditions of the Proposal and the Scheme” of this announcement
“Court Meeting”	a meeting of the Scheme Shareholders to be convened at the direction of the Grand Court at which the Scheme (with or without modification) will be voted upon, or any adjournment thereof
“Court Orders”	the orders of Grand Court confirming the sanction of the Scheme as required by the Companies Law and confirming the reduction of capital of Dorsett as required by the Companies Law
“Dorsett”	Dorsett Hospitality International Limited, a company incorporated in the Cayman Islands with limited liability, the shares of which are currently listed on the Main Board of the Stock Exchange (stock code: 2266)
“Dorsett Bonds”	bonds issued by Dorsett with the stock code 85917
“Dorsett Group”	Dorsett and its subsidiaries
“Dorsett Independent Board Committee”	the independent board committee of Dorsett, comprising three independent non-executive directors of Dorsett, being Mr. SHEK Lai Him Abraham, G.B.S., J.P., Mr. TO Peter and Mr. ANGELINI Giovanni, established by the board of directors of Dorsett to make a recommendation to the Independent Dorsett Shareholders and holders of Dorsett Options in respect of the Proposal and the Rule 13 Offer
“Dorsett Independent Financial Adviser”	Altus Capital Limited, a corporation licensed to carry out Type 4 (advising on securities), Type 6 (advising on corporate finance) and Type 9 (asset management) regulated activities under the SFO, being the independent financial adviser to the Dorsett Independent Board Committee in connection with the Proposal and the Rule 13 Offer

“Dorsett Option(s)”	the outstanding, vested and unvested, share option(s), each relating to one Dorsett Share, granted under the Share Option Schemes from time to time
“Dorsett Options Offer Price”	the offer price of HK\$0.01 per Dorsett Option payable in cash by the Offeror to the holders of the Dorsett Options under the Rule 13 Offer
“Dorsett Share(s)”	ordinary share(s) in the share capital of Dorsett
“Dorsett Shareholder(s)”	registered holder(s) of Dorsett Shares
“Effective Date”	the date on which the Scheme becomes effective in accordance with the Companies Law
“Executive”	the Executive Director of the Corporate Finance Division of the Securities and Futures Commission or any delegate thereof
“FEC”	Far East Consortium International Limited, a company incorporated in the Cayman Islands with limited liability and a controlling shareholder of Dorsett and the ultimate holding company of the Offeror, the shares of FEC are currently listed on the Main Board of the Stock Exchange (stock code: 35)
“FEC Bonds”	bonds issued by FEC with the stock code 85915
“FEC Consideration Shares”	new FEC Shares to be issued as part of the payment of the consideration to the Scheme Shareholders in exchange for the cancellation of the Scheme Shares under the Scheme
“FEC Group”	FEC and its subsidiaries
“FEC Shares”	ordinary share(s) in the share capital of FEC
“Grand Court”	the Grand Court of the Cayman Islands
“HK\$”	Hong Kong dollar(s), the lawful currency of Hong Kong

“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Independent Dorsett Shareholder(s)”	Dorsett Shareholder(s) other than the Offeror and the Offeror Concert Parties. For the avoidance of doubt, Independent Dorsett Shareholders include any member of the Investec group acting in its capacity as a Registered Owner of Scheme Shares held on behalf of a Beneficial Owner where the Beneficial Owner (i) controls the voting rights attaching to those Dorsett Shares; (ii) if Dorsett Shares are voted, gives instructions as to how those Dorsett Shares are to be voted; and (iii) is not the Offeror or an Offeror Concert Party
“Investec”	Investec Capital Asia Limited, the financial adviser to FEC and the Offeror in connection with the Proposal and Rule 13 Offer. Investec is a corporation licensed to conduct Type 1 (dealing in securities), Type 4 (advising on securities), Type 6 (advising on corporate finance) and Type 9 (asset management) regulated activities under the SFO
“Last Trading Day”	20 May 2015, being the last trading day of Dorsett Shares and FEC Shares prior to the issuance of this announcement
“Listing Rules”	Rules Governing the Listing of Securities on the Stock Exchange
“Long Stop Date”	the date which is 180 days after the Announcement Date
“Offeror”	Willow Bliss Limited, a wholly-owned subsidiary of FEC incorporated in the British Virgin Islands with limited liability
“Offeror Concert Parties”	FEC and other parties acting in concert with the Offeror in relation to Dorsett including Investec which is presumed to be acting in concert with the Offeror
“PRC”	the People’s Republic of China (for the purpose of this announcement, excluding Hong Kong, the Macau Special Administrative Region and the Republic of Taiwan)

“Proposal”	the proposal for the privatisation of Dorsett by the Offeror by way of the Scheme
“Registered Owner”	any owner of Dorsett Shares (including, without limitation, a nominee, trustee, depository or any other authorised custodian or other party) whose name is entered in the register of members of Dorsett
“Relevant Authorities”	appropriate governments and/or governmental bodies, regulatory bodies, courts or institutions
“Rule 13 Offer”	the offer to be made by or on behalf of the Offeror to the holders of Dorsett Options
“Scheme”	a scheme of arrangement under Section 86 of the Companies Law involving the cancellation of all the Scheme Shares and the restoration of the share capital of Dorsett to the amount immediately before the cancellation of the Scheme Shares
“Scheme Document”	the composite scheme document of Dorsett, the Offeror and FEC containing, among other things, further details of the Proposal together with the additional information specified in the section headed “15. Dispatch of Scheme Document” of this announcement
“Scheme Share(s)”	Dorsett Share(s) other than those held by the Offeror and FEC
“Scheme Shareholder(s)”	holder(s) of Scheme Shares as at the Effective Date
“Securities and Futures Commission”	Securities and Futures Commission of Hong Kong
“SFO”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
“Share Option Scheme”	the share option scheme adopted by Dorsett on 10 September 2010

“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Takeovers Code”	The Code on Takeovers and Mergers and Share Buy-backs published by the Securities and Futures Commission
“trading day”	a day on which the Stock Exchange is open for the business of dealings in securities

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
WONG Kang Yean Clarence
Chief Financial Officer and Company Secretary

By order of the Board of
Willow Bliss Limited
HOONG Cheong Thard
Director

Hong Kong, 27 May 2015

As at the Announcement Date, the Board of FEC comprises five executive directors namely, Tan Sri Dato’ CHIU David, Mr. HOONG Cheong Thard, Mr. CHAN Chi Hing, Mr. CHIU Dennis and Mr. WILLIAMS Craig Grenfell and three independent non-executive directors, namely Mr. CHAN Kwok Wai, Mr. WONG Man Kong Peter and Mr. LAM Kwong Siu.

The directors of FEC jointly and severally accept full responsibility for the accuracy of the information contained in this announcement and confirm, having made all reasonable inquiries, that to the best of their knowledge, opinions expressed in this announcement have been arrived at after due and careful consideration and there are no other facts not contained in this announcement, the omission of which would make any statement in this announcement misleading.

As at the Announcement Date, the directors of the Offeror are Tan Sri Dato’ CHIU David, Mr. HOONG Cheong Thard and Mr. CHAN Chi Hing.

The directors of the Offeror jointly and severally accept full responsibility for the accuracy of the information contained in this announcement and confirm, having made all reasonable inquiries, that to the best of their knowledge, opinions expressed in this announcement have been arrived at after due and careful consideration and there are no other facts not contained in this announcement, the omission of which would make any statement in this announcement misleading.

As at the Announcement Date, the Board of Dorsett comprises two executive directors namely, Ms. CHIU Wing Kwan Winnie and Mr. LAI Wai Keung, three non-executive directors, namely Tan Sri Dato' CHIU David, Mr. HOONG Cheong Thard and Mr. CHAN Chi Hing, and four independent non-executive directors, namely Mr. SHEK Lai Him Abraham, G.B.S., J.P., Mr. TO Peter, Dr. LIU Ngai Wing and Mr. ANGELINI Giovanni.

The directors of Dorsett jointly and severally accept full responsibility for the accuracy of the information contained in this announcement (other than that relating to FEC Group) and confirm, having made all reasonable inquiries, that to the best of their knowledge, opinions expressed in this announcement (other than those expressed by FEC Group) have been arrived at after due and careful consideration and there are no other facts not contained in this announcement, the omission of which would make any statement in this announcement misleading.