

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 joint announcement appears for information purposes only and is not intended to and does not constitute, or form part of, any offer to acquire, purchase or subscribe for or an invitation to acquire, purchase or subscribe for any securities of the Offeror, FEC or Dorsett, 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**

遠東發展有限公司*

(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)



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)

Willow Bliss Limited

(Incorporated in the British Virgin Islands with limited liability)

JOINT ANNOUNCEMENT

**PROPOSED PRIVATISATION OF
DORSETT HOSPITALITY INTERNATIONAL LIMITED
BY THE OFFEROR BY WAY OF A SCHEME OF ARRANGEMENT
(UNDER SECTION 86 OF THE COMPANIES LAW)**

- (1) EFFECTIVE DATE OF THE SCHEME**
 - (2) DISPATCH OF CHEQUES AND SHARE CERTIFICATES UNDER
THE SCHEME**
 - (3) RULE 13 OFFER BECAME UNCONDITIONAL**
 - (4) DISPATCH OF CHEQUES UNDER THE RULE 13 OFFER**
 - (5) WITHDRAWAL OF THE LISTING OF THE DORSETT SHARES**
- AND**
- (6) DISCLOSEABLE TRANSACTION
AND CONNECTED TRANSACTIONS FOR FEC**

Financial Adviser to FEC and the Offeror



Independent Financial Adviser to the Dorsett Independent Board Committee

ALTUS CAPITAL LIMITED

* For identification purposes only

The Scheme was sanctioned without modification by the Grand Court on Tuesday, 13 October 2015 (Cayman Islands time). The reduction of the issued share capital of Dorsett resulting from the cancellation and extinguishment of the Scheme Shares was also sanctioned and confirmed by the Grand Court on the same day. An official copy of the Court Order issued under section 86 of the Companies Law sanctioning the Scheme was delivered to the Registrar of Companies in the Cayman Islands for registration on Wednesday, 14 October 2015 (Cayman Islands time) and the registration became effective on the same day. All the Conditions were fulfilled and the Scheme became effective on Wednesday, 14 October 2015 (Cayman Islands time).

FEC Consideration Shares were allotted and issued to the Scheme Shareholders on Wednesday, 14 October 2015 after the Scheme became effective. Cheques for payment of the cash portion and Share Certificates of the Cancellation Consideration payable under the Scheme are expected to be dispatched by ordinary post at the risk of the recipients on or before Monday, 26 October 2015. Scheme Shareholders are entitled to the final dividend of HK\$0.13 per FEC Share for the year ended 31 March 2015, provided that they continue to be shareholders of FEC on Thursday, 22 October 2015. Scheme Shareholders who deal in FEC Shares prior to receipt of the Share Certificates dispatched to them do so at their own risk.

The Rule 13 Offer is conditional upon the Scheme becoming effective. Accordingly, the Rule 13 Offer became unconditional on Wednesday, 14 October 2015 (Cayman Islands time). The Rule 13 Offer will remain open for acceptance until 4:00 p.m. on Thursday, 29 October 2015.

Cheques for payment of the Dorsett Options Offer Price under the Rule 13 Offer are expected to be dispatched by ordinary post at the risk of the recipients within seven (7) Business Days following the later of the Effective Date (i.e. the date that the Rule 13 Offer became unconditional) and the date of receipt of duly completed Form(s) of Acceptance by the Offeror.

The withdrawal of the listing of Dorsett Shares on the Stock Exchange is expected to become effective from 4:00 p.m. on Friday, 16 October 2015. The Dorsett Bonds continue to be listed on the Stock Exchange and trading in the Dorsett Bonds has been resumed at 9:00 a.m. of even date.

The implementation of the Proposal constitutes a discloseable transaction for FEC under the Listing Rules. The payment of the Cancellation Consideration and the Dorsett Options Offer Price to the Connected Persons (as defined below) in respect of the Proposal and the Rule 13 Offer constitute connected transactions for FEC under the Listing Rules.

INTRODUCTION

Reference is made to (i) the composite scheme document dated 31 August 2015 as amended by the announcement dated 8 September 2015 (the “**Scheme Document**”) jointly issued by Far East Consortium International Limited (“**FEC**”), Dorsett Hospitality International Limited (“**Dorsett**”) and Willow Bliss Limited (the “**Offeror**”); (ii) the announcement dated 27 May 2015 jointly issued by FEC, Dorsett and the Offeror in relation to, amongst others, the possible

privatisation of Dorsett by the Offeror by way of a scheme of arrangement (the “**27 May Announcement**”); (iii) the announcement dated 28 August 2015 issued by FEC in relation to, amongst others, the final dividend of HK\$0.13 per FEC Share for the year ended 31 March 2015; (iv) the announcement dated 29 September 2015 jointly issued by FEC, Dorsett and the Offeror in relation to, amongst others, the results of the Court Meeting and the EGM (the “**29 September Announcement**”); and (v) the announcement dated 14 October 2015 jointly issued by FEC, Dorsett and the Offeror in relation to, amongst others, the sanction of the Scheme by the Grand Court. Unless otherwise defined herein or the context otherwise requires, terms defined in the Scheme Document shall have the same meanings when used in this joint announcement. All references in this joint announcement to times and dates are references to Hong Kong times and dates, except as otherwise specified.

EFFECTIVE DATE OF THE SCHEME

The Scheme was sanctioned without modification by the Grand Court on Tuesday, 13 October 2015 (Cayman Islands time). The reduction of the issued share capital of Dorsett resulting from the cancellation and extinguishment of the Scheme Shares was also sanctioned and confirmed by the Grand Court on the same day.

An official copy of the Court Order issued under section 86 of the Companies Law sanctioning the Scheme was delivered to the Registrar of Companies in the Cayman Islands for registration on Wednesday, 14 October 2015 (Cayman Islands time) and the registration became effective on the same day.

All the Conditions as set out on pages 62 to 64 of the Scheme Document in the section headed “4. Conditions of the Scheme and the Proposal” in the explanatory statement have been fulfilled and the Scheme became effective on Wednesday, 14 October 2015 (Cayman Islands time).

DISPATCH OF CHEQUES AND SHARE CERTIFICATES UNDER THE SCHEME

FEC Consideration Shares were allotted and issued to the Scheme Shareholders on Wednesday, 14 October 2015 after the Scheme became effective. Cheques for payment of the cash portion and certificates for the share portion (the “**Share Certificates**”) of the Cancellation Consideration payable under the Scheme are expected to be dispatched by ordinary post at the risk of the recipients on or before Monday, 26 October 2015.

Scheme Shareholders are entitled to the final dividend of HK\$0.13 per FEC Share for the year ended 31 March 2015, provided that they continue to be shareholders of FEC on Thursday, 22 October 2015.

Scheme Shareholders who deal in FEC Shares prior to receipt of the Share Certificates dispatched to them do so at their own risk.

RULE 13 OFFER BECAME UNCONDITIONAL

The Rule 13 Offer is conditional upon the Scheme becoming effective. Accordingly, the Rule 13 Offer became unconditional on Wednesday, 14 October 2015 (Cayman Islands time). The Rule 13 Offer will remain open for acceptance until 4:00 p.m. on Thursday, 29 October 2015.

DISPATCH OF CHEQUES UNDER THE RULE 13 OFFER

Cheques for payment of the Dorsett Options Offer Price under the Rule 13 Offer are expected to be dispatched by ordinary post at the risk of the recipients within seven (7) Business Days following the later of the Effective Date (i.e. the date that the Rule 13 Offer became unconditional) and the date of receipt of duly completed Form(s) of Acceptance by the Offeror.

WITHDRAWAL OF THE LISTING OF THE DORSETT SHARES

The Stock Exchange has approved the withdrawal of the listing of the Dorsett Shares on the Stock Exchange with effect from 4:00 p.m. on Friday, 16 October 2015.

The Dorsett Bonds continue to be listed on the Stock Exchange and trading in the Dorsett Bonds has been resumed at 9:00 a.m. of even date.

DISCLOSEABLE TRANSACTION AND CONNECTED TRANSACTIONS FOR FEC

Upon the Scheme becoming effective as described above:

- (i) one or more of the applicable percentage ratios in respect of the Proposal exceed(s) 5% but all of those applicable percentage ratios are less than 25% in respect of FEC, and accordingly, the implementation of the Proposal constitutes a discloseable transaction for FEC under the Listing Rules; and
- (ii) the payment of the Cancellation Consideration and the Dorsett Options Offer Price to the connected persons of FEC in respect of the Proposal and the Rule 13 Offer (the “**Connected Persons**”), whose identities are set out in the paragraph headed “16. Listing Rules Implications for FEC” in the 27 May Announcement, constitute connected transactions for FEC under the Listing Rules.

The directors (including the independent non-executive directors) of FEC consider that the Proposal, the Scheme and the Rule 13 Offer (including the purchases from the Connected Persons of the Scheme Shares and the Dorsett Options on terms consistent with the Scheme and the Rule 13 Offer, respectively) would be in the interests of FEC and its shareholders as a whole, the terms of which are fair and reasonable as it will simplify the group structure and create more flexibility to manage Dorsett’s business in a more efficient manner.

The original acquisition cost of the Scheme Shares and Dorsett Options for each Connected Person is as follows:

Name	Relationship with FEC	Original acquisition cost of the Scheme Shares (HK\$)	Weighted average cost per Scheme Share (HK\$)	Original acquisition cost of the Dorsett Options (including both vested and unvested) (HK\$)
Tan Sri Dato' CHIU David	Director	18,346,925.65	2.12	Not applicable
Ms. NG Nancy	Spouse of Tan Sri Dato' CHIU David	19,222.93	2.17	Not applicable
Mr. CHIU Dennis	Director and brother of Tan Sri Dato' CHIU David	110,670.71	2.18	Not applicable
Mr. CHIU Daniel	Brother of Tan Sri Dato' CHIU David	63,973.80	2.20	Not applicable
Mr. HOONG Cheong Thard	Director	9,202.74	2.17	1.00
Mr. CHAN Chi Hing	Director	6,600.00	2.20	1.00
Ms. CHIU Wing Kwan Winnie	Daughter of Tan Sri Dato' CHIU David and director of subsidiaries of FEC	333,998.88	1.62	1.00
Ms. CHIU Wendy	Daughter of Tan Sri Dato' CHIU David	Not applicable	Not applicable	1.00
Mr. LAI Wai Keung	Director of subsidiaries of FEC	Not applicable	Not applicable	1.00
Ms. CHIU Margaret	Sister of Tan Sri Dato' CHIU David	24,587.27	2.13	Not applicable
Late Mr. CHIU Deacon Te Ken	Father of Tan Sri Dato' CHIU David	2,402,492.02	2.05	Not applicable

Further details and particulars of the discloseable transaction and connected transactions are contained in the 27 May Announcement and the Scheme Document.

GENERAL

The interests of the Offeror Concert Parties in (i) the Scheme Shares immediately before the commencement of the Offer Period and as at the Scheme Record Date; and (ii) the Dorsett Options (including both vested and unvested) immediately before the commencement of the Offer Period and as at the Effective Date are as follows:

Name	Scheme Shares				Dorsett Options (including both vested and unvested)		
	Immediately before the commencement of the Offer Period	As at the Scheme Record Date	Cancellation Consideration (Note 1)		Immediately before the commencement of the Offer Period	As at the Effective Date	Amount of Dorsett Options Offer Price entitled to receive (HK\$) (Note 2)
			Amount in cash (HK\$)	Number of FEC Shares			
FEC	1,553,879,650	1,553,879,650	0 (Note 3)	0 (Note 3)	0	0	0
Tan Sri Dato' CHIU David	8,651,361	8,651,361	6,228,979.92	2,433,194	0	0	0
Ms. NG Nancy	8,861	8,861	6,379.92	2,492	0	0	0
Mr. CHIU Dennis	50,651	50,651	36,468.72	14,245	0	0	0
Mr. CHIU Daniel	29,079	29,079	20,936.88	8,178	0	0	0
Mr. HOONG Cheong Thard	4,242	4,242	3,054.24	1,193	2,269,091	1,701,819 (567,272 Dorsett Options lapsed) (Note 4)	17,018.19
Mr. CHAN Chi Hing	3,000	3,000	2,160.00	843	2,836,364	2,127,274 (709,090 Dorsett Options lapsed) (Note 4)	21,272.74

Name	Scheme Shares				Dorsett Options (including both vested and unvested)		
	Immediately before the commencement of the Offer Period	As at the Scheme Record Date	Cancellation Consideration (Note 1)		Immediately before the commencement of the Offer Period	As at the Effective Date	Amount of Dorsett Options Offer Price entitled to receive (HK\$) (Note 2)
			Amount in cash (HK\$)	Number of FEC Shares			
Ms. CHIU Wing Kwan Winnie	206,756	206,756	148,864.32	58,150	1,818,182	1,363,637 (454,545 Dorsett Options lapsed) (Note 4)	13,636.37
Ms. CHIU Wendy	0	0	0	0	1,272,728	954,547 (318,181 Dorsett Options lapsed) (Note 4)	9,545.47
Mr. LAI Wai Keung	0	0	0	0	1,272,728	954,547 (318,181 Dorsett Options lapsed) (Note 4)	9,545.47
Ms. CHIU Margaret	11,517	11,517	8,292.24	3,239	0	0	0
Late Mr. CHIU Deacon Te Ken	1,172,624	1,172,624	844,289.28	329,798	0	0	0
Total	1,564,017,741 (Note 5)	1,564,017,741 (Note 5)	7,299,425.52	2,851,332	9,469,093 (Note 6)	7,101,824 (2,367,269 Dorsett Options lapsed) (Note 4)	71,018.24

Notes:

1. The Cancellation Consideration in respect of each Scheme Share is a cash payment of HK\$0.72 and 0.28125 FEC Consideration Share (any fraction of FEC Consideration Shares will not be issued).

2. As the date of this announcement, the choices available to holders of outstanding Dorsett Options in respect of their outstanding Dorsett Options are: (i) to accept the Rule 13 Offer in accordance with the Rule 13 Offer Letter not later than 4:00 p.m. on Thursday, 29 October 2015 to receive the Dorsett Options Offer Price; or (ii) to do nothing, in which case, the unexercised outstanding Dorsett Options will lapse automatically fourteen (14) days after the Effective Date and the holders of such outstanding Dorsett Options will receive neither the Dorsett Options Offer Price nor the Cancellation Consideration. The amount in this column is calculated on the assumption that the holders of the outstanding Dorsett Options have elected to accept the Rule 13 Offer in accordance with the Rule 13 Offer Letter.
3. The Offeror is wholly-owned by FEC, which is acting in concert with the Offeror. Dorsett Shares held by FEC do not form part of the Scheme Shares and will not be cancelled.
4. The exercisable period of Tranche 2 of the Dorsett Options expired on 10 October 2015 in accordance with the Share Option Scheme.
5. Represents approximately 74.45% of the entire issued share capital of Dorsett.
6. The number of Dorsett Shares that would have been issued upon the exercise of such Dorsett Options would have represented (i) approximately 0.45% of the entire issued share capital of Dorsett; and (ii) approximately 0.45% of the entire issued share capital of Dorsett as enlarged by the exercise of these Dorsett Options.

As the Scheme has become effective, the Scheme Shares (including the aforementioned Scheme Shares held by the Offeror Concert Parties as at the Scheme Record Date), representing 26.03% of the entire issued share capital of Dorsett as at the date of this announcement, will be cancelled in consideration for the Cancellation Consideration.

Save as disclosed above, the Offeror and the Offeror Concert Parties did not hold, control or direct any Dorsett Shares and rights over Dorsett Shares immediately prior to the commencement of the Offer Period.

None of the Offeror and the Offeror Concert Parties had acquired or agreed to acquire any Dorsett Shares and rights over Dorsett Shares during the Offer Period.

None of the Offeror and the Offeror Concert Parties had borrowed or lent any relevant securities (as defined in Note 4 to Rule 22 of the Takeovers Code) of Dorsett during the Offer Period, save for any borrowed Dorsett Shares which had been either on-lent or sold.

For further information on the expected timetable of the Scheme, please refer to the remaining expected events and the corresponding dates and times in the section headed “Expected Timetable” on pages 6 to 9 of the 29 September Announcement.

DEFINITIONS

- “Court Meeting” a meeting of the Scheme Shareholders convened at the direction of the Grand Court, held at Xinhua Room, Mezzanine Floor, Cosmopolitan Hotel, 387–397 Queen’s Road East, Wan Chai, Hong Kong at 2:30 p.m. on 29 September 2015
- “EGM” the extraordinary general meeting of Dorsett held at Xinhua Room, Mezzanine Floor, Cosmopolitan Hotel, 387–397 Queen’s Road East, Wan Chai, Hong Kong immediately after the conclusion of the Court Meeting convened on the same day and place
- “Offer Period” the period from the date of the 27 May Announcement until the Effective Date, i.e. Wednesday, 14 October 2015 (Cayman Islands time)

By order of the Board of Far East Consortium International Limited CHEUNG Wai Hung Boswell <i>Chief Financial Officer and Company Secretary</i>	By order of the Board of Dorsett Hospitality International Limited WONG Kang Yean Clarence <i>Chief Financial Officer and Company Secretary</i>
--	--

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

Hong Kong, 15 October 2015

As at the date of this joint announcement, 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 joint announcement and confirm, having made all reasonable inquiries, that to the best of their knowledge, opinions expressed in this joint announcement have been arrived at after due and careful consideration and there are no other facts not contained in this joint announcement, the omission of which would make any statement in this joint announcement misleading.

As at the date of this joint announcement, 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 joint 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 joint 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 joint announcement, the omission of which would make any statement in this joint announcement (other than that relating to FEC Group) misleading.

As at the date of this joint announcement, 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 joint announcement and confirm, having made all reasonable inquiries, that to the best of their knowledge, opinions expressed in this joint announcement have been arrived at after due and careful consideration and there are no other facts not contained in this joint announcement, the omission of which would make any statement in this joint announcement misleading.