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Kosmopolito Hotels International Limited

麗悦酒店集團有限公司

(Incorporated in the Cayman Islands with limited liability)

Website: <http://www.kosmohotels.com>

(Stock Code: 2266)

COMPLETION OF SALE OF 100% INTEREST IN EXCEL CHINESE INTERNATIONAL LIMITED

The Board is pleased to announce that all conditions precedent for Completion have been satisfied (or waived) as at 31 March 2011 and that pursuant to the Sale and Purchase Agreement, the Sale was completed on 31 March 2011.

Reference is made to the announcement of Kosmopolito Hotels International Limited (the “**Company**”) dated 1 December 2010 (the “**Announcement**”) in relation to, among other things, (i) the sale of the entire issued share capital of Excel Chinese International Limited (“**ECIL**”) and the loan (including interest accrued thereon) owing by ECIL to Havena Holdings Limited (the “**Seller**”) as at the Completion Date (the “**Sale Loan**”) for an aggregate consideration of HK\$290,000,000 minus the amount owed by ECIL to its mortgagee pursuant to the Loan Agreement as at Completion and subject to Adjustments and (ii) the entering into of the Hotel Management Agreement in respect of the Hotel.

Unless the context requires otherwise, capitalised terms used in this announcement shall have the same meanings as those defined in the Announcement.

The Board is pleased to announce that all conditions precedent for Completion have been satisfied (or waived) as at 31 March 2011 and that pursuant to the Sale and Purchase Agreement, the Sale was completed on 31 March 2011. To reflect the repayment by ECIL of a portion of the loan owing to the Seller before Completion (and thereby reducing the amount of the Sale Loan), the aggregate consideration for the Sale has been adjusted accordingly to reflect such reduction in the amount of the Sale Loan.

The Board is also pleased to announce that the hotel licence under the Hotel and Guesthouse Accommodation Ordinance (Cap. 349 of the Laws of Hong Kong) in respect of the Hotel has been obtained by ECIL and pursuant to the Hotel Management Agreement, Kosmopolito Hotels International Services Limited (the Manager of the Hotel) has opened the Hotel on behalf of ECIL and commenced business.

By Order of the Board of
Kosmopolito Hotels International Limited
MOK Kwai Pui Bill
President & Executive Director

Hong Kong, 31 March 2011

As at the date of this announcement, the executive Directors are Mr. MOK, Kwai Pui Bill, Mr. CHU, Chee Seng, Mr. LAI, Wai Keung and Ms. CHIU, Wing Kwan Winnie. The non-executive Directors are Tan Sri Dato' CHIU, David, Mr. IP, Hoi Wah Edmond, Mr. HOONG, Cheong Thard and Mr. CHAN, Chi Hing. The independent non-executive Directors are Mr. SHEK, Lai Him Abraham, Mr. TO, Peter and Dr. LIU, Ngai Wing.