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If you are in any doubt as to any aspect of this circular or as to the action to be taken, you should consult your stockbroker or other licensed securities dealer, bank manager, solicitor, professional accountant or other professional advisers.

If you have sold or transferred all your shares in **Kosmopolito Hotels International Limited**, you should at once hand this circular and the accompanying form of proxy to the purchaser(s) or the transferee(s) or to the bank, stockbroker or licensed securities dealer or other agent through whom the sale or transfer was effected for transmission to the purchaser(s) or the transferee(s).

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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)*

**(Stock Code: 2266)**

### **GENERAL MANDATES TO ISSUE AND REPURCHASE SHARES, PROPOSED RE-ELECTION OF DIRECTORS AND NOTICE OF ANNUAL GENERAL MEETING**

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Capitalised terms used in this cover page shall have the same meanings as those defined in the section headed "Definitions" in this circular.

A notice convening the AGM to be held at Xinhua Room, Mezzanine Floor, Cosmopolitan Hotel, 387-397 Queen's Road East, Wan Chai, Hong Kong on 8th September, 2011 at 10:00 a.m. is set out on pages 21 to 26 of this circular. Whether or not you intend to attend the AGM, you are requested to complete and return the accompanying form of proxy in accordance with the instructions printed thereon to the Company's branch share registrar and transfer office in Hong Kong, Tricor Investor Services Limited at 26th Floor, Tesbury Centre, 28 Queen's Road East, Wan Chai, Hong Kong as soon as possible and in any event not less than 48 hours before the time of the AGM or any adjournment thereof. Completion and return of the form of proxy will not preclude you from attending and voting in person at the AGM or any adjournment thereof should you so wish.

27th July, 2011

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## DEFINITIONS

*In this circular, unless the context otherwise requires, the following expressions have the following meanings:*

“AGM”	the annual general meeting of the Company to be convened and held at Xinhua Room, Mezzanine Floor, Cosmopolitan Hotel, 387–397 Queen’s Road East, Wan Chai, Hong Kong on 8th September, 2011 at 10:00 a.m., the notice of which is set out on pages 21 to 26 of this circular, and any adjournment thereof
“Articles of Association”	the articles of association of the Company, as amended from time to time
“associates”	has the meaning ascribed to it under the Listing Rules
“Board”	the board of Directors
“Companies Law”	the Companies Law, Cap 22 (Law 3 of 1961, as consolidated and revised) of the Cayman Islands
“Company”	Kosmopolito Hotels International Limited, a company incorporated under the laws of the Cayman Islands and the Shares of which are listed on the Main Board of the Stock Exchange
“Controlling Shareholder”	has the meaning ascribed to it under the Listing Rules
“Director(s)”	director(s) of the Company
“Extension Mandate”	a general and unconditional mandate proposed to be granted to the Directors to the effect that any Shares repurchased under the Repurchase Mandate will be added to the total number of Shares which may be allotted and issued under the General Mandate
“FECIL”	Far East Consortium International Limited, a company incorporated under the laws of the Cayman Islands and the shares of which are listed on the Main Board of the Stock Exchange, the indirect controlling shareholder of the Company within the meaning of the Listing Rules and a substantial shareholder of the Company within the meaning of Part XV of SFO

## DEFINITIONS

“General Mandate”	a general and unconditional mandate proposed to be granted to the Directors to exercise the power of the Company to allot, issue or otherwise deal with Shares up to a maximum of 20% of the aggregate nominal amount of the share capital of the Company in issue as at the date of passing the relevant resolution at the AGM
“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Latest Practicable Date”	19th July, 2011, being the latest practicable date prior to the printing of this circular for ascertaining certain information herein
“Listing”	the listing of the Shares on the Main Board of the Stock Exchange
“Listing Date”	11th October, 2010, the date on which dealings in the Shares first commenced on the Main Board of the Stock Exchange
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Prospectus”	the prospectus dated 28th September, 2010 published by the Company
“Repurchase Mandate”	a general and unconditional mandate proposed to be granted to the Directors to enable them to repurchase Shares, the aggregate nominal amount of which shall not exceed 10% of the aggregate nominal amount of the share capital of the Company in issue as at the date of passing the relevant resolution at the AGM
“SFO”	the Securities and Futures Ordinance, Chapter 571 of the Laws of Hong Kong
“Share(s)”	ordinary share(s) of HK\$0.10 each in the share capital of the Company

## DEFINITIONS

“Shareholder(s)”	holder(s) of Share(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Takeovers Code”	The Hong Kong Code on Takeovers and Mergers
“%”	per cent.

LETTER FROM THE BOARD



**Kosmopolito Hotels International Limited**  
**麗悦酒店集團有限公司**

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

**(Stock Code: 2266)**

*Executive Directors:*

Mr. MOK, Kwai Pui Bill  
Mr. CHU, Chee Seng  
Mr. LAI, Wai Keung  
Ms. CHIU, Wing Kwan Winnie

*Non-Executive Directors:*

Tan Sri Dato' CHIU, David  
Mr. HOONG, Cheong Thard  
Mr. CHAN, Chi Hing

*Independent non-executive Directors:*

Mr. SHEK, Lai Him Abraham  
Mr. TO, Peter  
Dr. LIU, Ngai Wing

*Registered office:*

P.O. Box 309  
Ugland House  
Grand Cayman  
KY1-1104  
Cayman Islands

*Principal place of business in*

*Hong Kong:*  
375 Queen's Road East  
Wan Chai  
Hong Kong

27th July, 2011

*To the Shareholders*

Dear Sir or Madam

**GENERAL MANDATES TO ISSUE AND REPURCHASE SHARES  
AND  
PROPOSED RE-ELECTION OF DIRECTORS**

**INTRODUCTION**

The primary purpose of this circular is to provide you with information regarding the resolutions to be proposed at the AGM and to give you notice of the AGM. Resolutions to be proposed at the AGM include, inter alia: (a) ordinary resolutions on the proposed grant of each of the General Mandate, the Repurchase Mandate and the Extension Mandate; and (b) ordinary resolutions relating to the proposed re-election of the Directors.

## LETTER FROM THE BOARD

### GRANT OF GENERAL MANDATE, REPURCHASE MANDATE AND EXTENSION MANDATE

Pursuant to the written resolutions passed by the then sole Shareholder on 10th September, 2010, the Directors were granted (a) a general unconditional mandate to allot, issue and deal with Shares not exceeding 20% of the aggregate nominal amount of the share capital of the Company in issue immediately following completion of the Global Offering (as defined in the Prospectus) and the Capitalisation Issue (as defined in the Prospectus) but excluding any Shares which may be issued pursuant to the exercise of the Over-allotment Option (as defined in the Prospectus); (b) a general unconditional mandate to repurchase Shares with an aggregate nominal amount not exceeding 10% of the aggregate nominal amount of the share capital of the Company in issue immediately following completion of the Global Offering and the Capitalisation Issue but excluding any Shares which may be issued pursuant to the exercise of the Over-allotment Option; and (c) the power to extend the general mandate mentioned in (a) above by an amount representing the aggregate nominal amount of the Shares of the Company repurchased by the Company pursuant to the mandate to repurchase Shares referred to in (b) above.

The above general mandates will expire at the conclusion of the AGM. At the AGM, the following resolutions, among other matters, will be proposed:

- (a) to grant the General Mandate to the Directors to exercise the powers of the Company to allot, issue and otherwise deal with the Shares up to a maximum of 20% of the aggregate nominal amount of the share capital of the Company in issue on the date of passing of such resolution. On the assumption that 2,000,000,000 Shares in issue as at the Latest Practicable Date and assuming no Shares will be issued or repurchased prior to the AGM, the maximum number of Shares to be allotted and issued pursuant to the General Mandate will be 400,000,000;
- (b) to grant the Repurchase Mandate to the Directors to enable them to repurchase the Shares on the Stock Exchange up to a maximum of 10% of the aggregate nominal amount of the share capital of the Company in issue on the date of passing of such resolution; and
- (c) to grant the Extension Mandate to the Directors to increase the total number of Shares which may be allotted and issued under the General Mandate by an additional number representing such number of Shares repurchased under the Repurchase Mandate.

Each of the General Mandate, the Repurchase Mandate and the Extension Mandate will expire at the earliest of: (a) the conclusion of the next annual general meeting of the Company following the AGM; (b) the date by which the next annual general meeting is required by the Companies Law or the Articles of Association to be held; or (c) when the authority given to the Directors thereunder is revoked or varied by ordinary resolution(s) of the Shareholders in a general meeting prior to the next annual general meeting of the Company.

## LETTER FROM THE BOARD

As at the Latest Practicable Date, the Directors had no immediate plans to allot and issue any new Shares other than such Shares which may fall to be allotted and issued upon the exercise of any options granted under the share option scheme of the Company.

Under the Listing Rules, the Company is required to give the Shareholders all information which is reasonably necessary to enable the Shareholders to make an informed decision as to whether to vote for or against the resolution in respect of the Repurchase Mandate at the AGM. An explanatory statement for such purpose is set out in Appendix I to this circular.

### PROPOSED RE-ELECTION OF DIRECTORS

Pursuant to article 16.18 of the Articles of Association, every Director shall be subject to retirement by rotation at the annual general meeting of the Company at least once every three years. Pursuant to article 16.2 of the Articles of Association, any newly appointed Director shall hold office only until the next following annual general meeting of the Company.

Tan Sri Dato' CHIU, David, Mr. MOK, Kwai Pui Bill and Mr. CHAN, Chi Hing will retire at the AGM pursuant to article 16.18 of the Articles of Association. Furthermore, Mr. CHU, Chee Seng, Mr. LAI, Wai Keung, Ms. CHIU, Wing Kwan Winnie, Mr. HOONG, Cheong Thard, Mr. SHEK Lai Him Abraham, Mr. TO, Peter and Dr. LIU, Ngai Wing will retire at the AGM pursuant to article 16.2 of the Articles of Association. All the retiring Directors, being eligible, offer themselves for re-election as Directors at the AGM.

Biographical information of each of the Directors who are proposed to be re-elected at the AGM is set out in Appendix II to this circular.

### ACTIONS TO BE TAKEN

Set out on pages 21 to 26 of this circular is a notice convening the AGM at which ordinary resolutions will be proposed to approve, among other matters, the following:

- (a) the proposed grant of the General Mandate, Repurchase Mandate and Extension Mandate; and
- (b) the proposed re-election of Directors.

Whether or not you are able to attend the AGM in person, you are requested to complete and return the accompanying form of proxy in accordance with the instructions printed thereon to the Company's branch share registrar and transfer office in Hong Kong, Tricor Investor Services Limited at 26th Floor, Tesbury Centre, 28 Queen's Road East, Wan Chai, Hong Kong as soon as possible and in any event not less than 48 hours before the time of the AGM or any adjournment thereof. Completion and return of the form of proxy will not preclude you from attending and voting in person at the AGM or any adjournment thereof should you so wish.



## LETTER FROM THE BOARD

### VOTING AT THE AGM

All resolutions at the AGM shall be conducted by way of poll, and the results of the AGM will be announced by the Company in compliance with the Listing Rules.

### RECOMMENDATIONS

The Board considers that the ordinary resolutions in respect of the proposed grant of the General Mandate, Repurchase Mandate and Extension Mandate and the proposed re-election of Directors to be proposed at the AGM are in the best interests of the Company and the Shareholders as a whole and recommends the Shareholders to vote in favour of such resolutions at the AGM.

### GENERAL INFORMATION

Your attention is drawn to the additional information set out in the appendices to this circular.

### MISCELLANEOUS

The English text of this circular shall prevail over the Chinese text for the purpose of interpretation.

Yours faithfully  
By order of the Board  
**Kosmopolito Hotels International Limited**  
**MOK, Kwai Pui Bill**  
*President and Executive Director*

This appendix serves as an explanatory statement, as required by the Listing Rules, to provide the Shareholders with all the information reasonably necessary to enable them to make an informed decision on whether to vote for or against the ordinary resolution to approve the grant of the Repurchase Mandate to the Directors.

**1. LISTING RULES RELATING TO THE REPURCHASE OF SHARES**

The Listing Rules permit companies whose primary listings are on the Stock Exchange to repurchase their securities on the Stock Exchange and any other stock exchange on which securities of the company are listed and such exchange is recognized by the Securities and Futures Commission of Hong Kong subject to certain restrictions. Among such restrictions, the Listing Rules provide that the shares of such company must be fully paid up and all repurchases of shares by such company must be approved in advance by an ordinary resolution of shareholders, either by way of a general mandate or by specific approval of a particular transaction.

**2. SHARE CAPITAL**

As at the Latest Practicable Date, there were a total of 2,000,000,000 Shares in issue.

The Repurchase Mandate will enable the Directors to repurchase the Shares on the Stock Exchange up to a maximum of 10% of the aggregate nominal amount of the share capital of the Company in issue on the date of passing the relevant ordinary resolution in the AGM. Subject to the passing of the proposed resolution granting the Repurchase Mandate and assuming that no Shares will be issued or repurchased prior to the AGM, the Company will be allowed under the Repurchase Mandate to repurchase a maximum of 200,000,000 Shares.

**3. REASONS FOR REPURCHASES**

The Directors believe that the Repurchase Mandate is in the best interests of the Company and the Shareholders as a whole. Such repurchases may, depending on market conditions and funding arrangements at the time, lead to an enhancement of the net asset value per Share and/or earnings per Share and will only be made when the Directors believe that such repurchases will benefit the Company and the Shareholders as a whole.

**4. FUNDING OF REPURCHASES**

Repurchases made pursuant to the Repurchase Mandate would be funded out of funds legally available for the purpose in accordance with the Company's memorandum of association, the Articles of Association, the Companies Law, other applicable laws of the Cayman Islands and the Listing Rules. A listed company may not repurchase its own securities on the Stock Exchange for a consideration other than cash or for settlement otherwise than in accordance with the trading rules of the Stock Exchange. Subject to the foregoing, any repurchases may be made out of funds legally permitted to be used in this connection, including profits of the Company or out of the proceeds of a new issue of Shares made for that purpose or out of the Company's share premium account or, if so authorised by the Articles of Association and subject to the provisions of any applicable

laws, out of share capital. Any amount of premium payable on the purchase over the par value of the Shares to be repurchased must be provided out of the funds which would otherwise be available for dividend or distribution or from sums standing to the credit of the Company's share premium account.

## 5. GENERAL

There might be a material adverse impact on the working capital and/or gearing position of the Company as compared with the position disclosed in the most recent published audited accounts, in the event that the Repurchase Mandate were to be carried out in full at any time during the proposed repurchase period. However, the Directors do not intend to exercise the Repurchase Mandate to such extent as would, in the circumstances, have a material adverse effect on the working capital requirements or the gearing position of the Company which in the opinion of the Directors are from time to time appropriate for the Company.

## 6. SHARE PRICES

The highest and lowest prices at which the Shares have been traded on the Stock Exchange from the Listing Date and up to the Latest Practicable Date are as follows:-

	<b>Highest</b>	<b>Lowest</b>
	<i>HK\$</i>	<i>HK\$</i>
<b>2010</b>		
October (from 11th October, 2010)	2.070	1.580
November	2.010	1.600
December	1.970	1.770
<b>2011</b>		
January	1.880	1.600
February	1.810	1.510
March	1.630	1.470
April	1.730	1.480
May	1.870	1.600
June	1.830	1.670
July (up to the Latest Practicable Date)	1.800	1.650

## 7. UNDERTAKING

The Directors have undertaken to the Stock Exchange that, so far as the same may be applicable, they will exercise the power of the Company to make repurchases under the Repurchase Mandate in accordance with the Listing Rules and the applicable laws of the Cayman Islands and in accordance with the regulations set out in the memorandum of association of the Company and the Articles of Association.

**8. CONNECTED PERSON**

None of the Directors nor, to the best of their knowledge having made all reasonable enquiries, any of their associates (as defined in the Listing Rules), have any present intention to sell any Shares to the Company under the Repurchase Mandate if the same is approved by the Shareholders.

No connected person (as defined in the Listing Rules) of the Company has notified the Company that he/she has a present intention to sell Shares to the Company, or has any such connected person undertaken not to do so, in the event that the grant of Repurchase Mandate to the Directors is approved by the Shareholders.

**9. THE TAKEOVERS CODE AND MINIMUM PUBLIC HOLDING**

If on exercise of the powers of repurchase pursuant to the Repurchase Mandate, a Shareholder's proportionate interest in the voting rights of the Company increases, such increase will be treated as an acquisition for the purposes of Rule 32 of the Takeovers Code. As a result, a Shareholder or group of Shareholders acting in concert (as defined in the Takeovers Code) could obtain or consolidate control of the Company and become obliged to make a mandatory offer in accordance with Rule 26 of the Takeovers Code.

As at the Latest Practicable Date, to the best knowledge and belief of the Directors, Ample Bonus Limited, a wholly owned subsidiary of FECIL, directly owned 1,462,000,000 Shares (approximately 73.1% of the issued Shares). In the event the power to repurchase Shares under the repurchase mandate is exercised in full and assuming that there is no change in the issued share capital of the Company after the Latest Practicable Date, Ample Bonus Limited and FECIL are not expected to incur an obligation to make a general offer to Shareholders as a result of an exercise of the repurchase mandate in full.

The Directors have no intention to exercise the Repurchase Mandate to such an extent so as to trigger a mandatory offer or the number of Shares which are in the hands of public falling below 25% of the total number of Shares in issue (or such other percentage as may be prescribed as the minimum public shareholding under the Listing Rules). Save as aforesaid, the Directors are not aware of any consequence which would arise under the Takeovers Code as a consequence of any repurchases pursuant to the Repurchase Mandate.

**10. SHARE REPURCHASE MADE BY THE COMPANY**

The Company has not purchased any of the Shares (whether on the Stock Exchange or otherwise) from the Listing Date and up to and including the Latest Practicable Date.

The following sets out the biographical information of the Directors eligible for re-election at the AGM:

#### **Executive Directors**

**Mr. MOK, Kwai Pui Bill**, aged 50, an executive Director, the President, Company Secretary and a member of the Remuneration Committee. Mr. Mok was appointed as a Director on 23rd January, 2007 and is a director of various subsidiaries of the Company. Mr. Mok graduated from the University of Washington in the United States with a Bachelor of Arts degree in Business Administration in 1984 and from Seattle University in the United States with a Master of Business Administration degree in 1987. From 1988 to 1993 he worked for Price Waterhouse Company (presently known as PriceWaterhouseCoopers) as a staff accountant and was later promoted to deputy manager. From 1993 to 1995, he worked for Jade Dynasty Publications Limited as its finance manager. From 1995 to 1996 he worked for The Hong Kong And China Gas Company Limited as finance manager of its PRC projects. In 1996, Mr. Mok joined the investment industry where he worked for Nava SC Securities Limited until 1997, when it was taken over by Prudential-Bache, where he continued to work until 1999 before moving to ING Securities Limited in 1999 where he stayed until 2003. Mr. Mok joined FECIL in 2004 as chief financial officer and prior to the Listing of the Company, was a member of FECIL's senior management where he helped develop the strategies of FECIL's hotel operations. Mr. Mok is a member of the American Institute of Certified Public Accountants and the Hong Kong Institute of Certified Public Accountants. Save as disclosed, Mr. Mok did not hold any directorships in other listed public companies in the past 3 years.

As at the Latest Practicable Date, Mr. Mok had beneficial personal interest in 3,545,454 share options of the Company within the meaning of Part XV of the SFO. Mr. Mok has entered into a service contract with the Company which has a term ending on the third anniversary of the Listing Date and may be terminated with three months' notice. Mr. Mok is subject to retirement by rotation and re-election at general meeting(s) of the Company in accordance with the Articles of Association of the Company and is entitled to an annual emolument of HK\$2,015,000 under his service contract with the Company. This excludes bonus which is payable or other benefits which may be granted at the discretion of the Company. The emoluments of the Directors of the Company are determined with reference to that Director's responsibilities, abilities and performance, the Company's operations as well as remuneration benchmark in the industry and prevailing market conditions.

Save as disclosed above, Mr. Mok does not have any relationship with any other Directors, senior management or substantial or Controlling Shareholder(s) of the Company.

**Mr. CHU, Chee Seng**, aged 38, joined the Company from InterContinental Hotels Group (“IHG”) on 1st April, 2010 as Chief Financial Officer and was appointed an executive Director on 8th June, 2010. He is also a director of various subsidiaries of the Company. Mr. Chu has more than 13 years of experience in the hotel industry. During his career at IHG, Mr. Chu took on various financial, development and capital roles, including four years based in Shanghai developing and executing IHG’s initiative to build partnerships with strategic real estate developers and investors in China, deploying capital where needed to support its growth strategy. His responsibilities at the Company include corporate and operational finance, tax, treasury, investor relations, information technology and risk management. Mr. Chu graduated from Nanyang Technological University in Singapore with a Bachelor of Accountancy degree in 1998 with a minor in Hospitality and Tourism Management. He is a member of the Institute of Certified Public Accountants of Singapore. Save as disclosed, Mr. Chu did not hold any directorships in other listed public companies in the past 3 years.

As at the Latest Practicable Date, Mr. Chu had beneficial personal interest in 3,522,727 share options of the Company within the meaning of Part XV of the SFO. Mr. Chu has entered into a service contract with the Company which has a term ending on the third anniversary of the Listing Date and may be terminated with three months’ notice. Mr. Chu is subject to retirement by rotation and re-election at general meeting(s) of the Company in accordance with the Articles of Association of the Company and is entitled to an annual emolument of HK\$1,578,000 under his service contract with the Company. This excludes bonus which is payable or other benefits which may be granted at the discretion of the Company. The emoluments of the Directors of the Company are determined with reference to that Director’s responsibilities, abilities and performance, the Company’s operations as well as remuneration benchmark in the industry and prevailing market conditions.

Save as disclosed above, Mr. Chu does not have any relationship with any other Directors, senior management or substantial or Controlling Shareholder(s) of the Company.

**Mr. LAI, Wai Keung**, aged 46, has been an executive Director since 8th June, 2010 and the Chief Operating Officer, China since 1st June, 2010 and is responsible for the hotel operations of the Group in Hong Kong and China. He is also a director of various subsidiaries of the Company. Mr. Lai graduated from the Bolton Institute of Higher Education (presently known as the University of Bolton) in the United Kingdom in 1999 with a Bachelor of Arts degree in Business Administration. He has more than 10 years’ experience in the hotel industry. In 1989, he joined FECIL’s finance and accounting department as an accountant and internal auditor. In 2002, he was appointed as the financial controller of Kosmopolito Hotels International Services Limited and was responsible for the overall finance and accounting matters of the company. In 2006, he became the director of hotel operations of the Dorsett Hotel Group, where major duties included managing the group’s operation, administration works and developing the business strategy with the general managers of the group’s hotels. He was also responsible for the assessment and overall project management of hotel development and redevelopment projects of the group. Save as disclosed, Mr. Lai did not hold any directorships in other listed public companies in the past 3 years.

As at the Latest Practicable Date, Mr. Lai had beneficial personal interest in 1,590,909 share options of the Company within the meaning of Part XV of the SFO. Mr. Lai has entered into a service contract with the Company which has a term ending on the third anniversary of the Listing Date and may be terminated with three months' notice. Mr. Lai is subject to retirement by rotation and re-election at general meeting(s) of the Company in accordance with the Articles of Association of the Company and is entitled to an annual emolument of HK\$720,000 under his service contract with the Company. This excludes bonus which is payable or other benefits which may be granted at the discretion of the Company. The emoluments of the Directors of the Company are determined with reference to that Director's responsibilities, abilities and performance, the Company's operations as well as remuneration benchmark in the industry and prevailing market conditions.

Save as disclosed above, Mr. Lai does not have any relationship with any other Directors, senior management or substantial or Controlling Shareholder(s) of the Company.

**Ms. CHIU, Wing Kwan Winnie**, aged 31, has been an executive Director since 8th June, 2010 and the Chief Strategy Officer since 1st September, 2010. Ms. Chiu is also a director of various subsidiaries of the Company. Ms. Chiu graduated from King's College, University of London in the United Kingdom in 2002 with a Bachelor of Science degree in Business Management. She has accumulated considerable years of experience in property development business covering various aspects of retail management and hotel development. Since 2002, Ms. Chiu has been a director of Malaysia Land Properties Sdn. Bhd. and continues to serve on its board. Since 2005 and up to the Listing of the Company, Ms. Chiu was director of project development for FECIL where she was responsible for overall project development and oversaw FECIL's hotel development. Prior to joining FECIL and Malaysia Land Properties Sdn. Bhd., she worked for a few major international banks where she gained experience in financial management. Since 17th July, 2008, Ms. Chiu has been appointed as a non-independent and non-executive director of Land & General Berhad, a company listed on the main market of Bursa Malaysia. She is also a member of the board of governors of the Hong Kong Philharmonic Society Limited. Ms. Chiu is the daughter of Tan Sri Dato' David Chiu, a non-executive Director, Chairman, and the chairman of each of the Remuneration Committee and Nomination Committee. Save as disclosed, Ms. Chiu did not hold any directorships in other listed public companies in the past 3 years.

As at the Latest Practicable Date, Ms. Chiu had beneficial personal interest in 2,272,727 share options of the Company within the meaning of Part XV of the SFO. Ms. Chiu has entered into a service contract with the Company which has a term ending on the third anniversary of the Listing Date and may be terminated with three months' notice. Ms. Chiu is subject to retirement by rotation and re-election at general meeting(s) of the Company in accordance with the Articles of Association of the Company and is entitled to an annual emolument of HK\$480,000 under her service contract with the Company. This excludes bonus which is payable or other benefits which may be granted at the discretion of the Company. The emoluments of the Directors of the Company are determined with reference to that Director's responsibilities, abilities and performance, the Company's operations as well as remuneration benchmark in the industry and prevailing market conditions.

Save as disclosed above, Ms. Chiu does not have any relationship with any other Directors, senior management or substantial or Controlling Shareholder(s) of the Company.

#### **Non-executive Directors**

**Tan Sri Dato' CHIU, David**, aged 57, non-executive Director, Chairman, and the chairman of each of the Remuneration Committee and Nomination Committee. Tan Sri Dato' David Chiu was appointed as a Director on 23rd January, 2007 and is a director of certain subsidiaries of the Company. He has over 30 years of experience in property development and extensive experience in hotel development. He graduated from the University of Sophia in Japan with a double degree of Bachelor of Science in Business Administration and Economics in 1975. He was appointed as the managing director of FECIL and later became the deputy chairman and chief executive officer of FECIL in 1990, 1994 and 1997, respectively. Tan Sri Dato' David Chiu was appointed as a director of Far East Holdings International Limited on 27th June, 1981, redesignated as a non-executive director on 8th January, 2004 and he resigned on 7th September, 2010. He was appointed as an executive director of Far East Hotels and Entertainment Limited on 24th April, 1979, was redesignated as its non-executive director since 1st January, 1995. Both companies are listed on the Main Board of the Stock Exchange. Tan Sri Dato' David Chiu has also been the chairman of the board of directors of Tokai Kanko Co., Ltd., a company listed on the first section of the Tokyo Stock Exchange, since September 1997. In Malaysia, Tan Sri Dato' David Chiu was conferred an honorary award which carried the title "Dato" and subsequently a more senior honorary title of "Tan Sri" by His Majesty, the King of Malaysia, in 1997 and 2005, respectively. Tan Sri Dato' David Chiu is the father of Ms. Chiu, Wing Kwan Winnie, an executive Director. Save as disclosed, Tan Sri Dato' David Chiu did not hold any directorships in other listed public companies in the past 3 years.

Tan Sri Dato' David Chiu is a director of Sumptuous Assets Limited and Ample Bonus Limited, the substantial shareholders of the Company within the meaning of Part XV of SFO. Sumptuous Assets Limited, a company fully controlled by Tan Sri Dato' David Chiu, is the Controlling Shareholder of FECIL.

As at the Latest Practicable Date, Tan Sri Dato' David Chiu had corporate interests in 1,469,773,254 Shares and family interest in 8,355 Shares within the meaning of Part XV of the SFO. Tan Sri Dato' David Chiu has been appointed by the Company for an initial term ending on the third anniversary of the Listing Date and may be terminated with three months' notice and such notice may only expire after one year from the Listing Date. Tan Sri Dato' David Chiu is subject to retirement by rotation and re-election at general meeting(s) of the Company in accordance with the Articles of Association of the Company. Pursuant to the appointment letter of Tan Sri Dato' David Chiu, no Director's fees will be payable in respect of his appointment as a non-executive Director of the Company.

Save as disclosed above, Tan Sri Dato' David Chiu does not have any relationship with any other Directors, senior management or substantial or Controlling Shareholder(s) of the Company.



**Mr. HOONG, Cheong Thard**, aged 42, has been a non-executive Director since 8th June, 2010. Mr. Hoong has over 12 years of experience in the corporate finance and investment banking industry in Asia. He graduated from Imperial College of Science, Technology and Medicine, University of London in the United Kingdom in 1989 with a Bachelor of Engineering degree in Mechanical Engineering. In 1997, he joined UBS AG, Hong Kong Branch as an associate director in the corporate finance department and was subsequently promoted to director and executive director in 2000 and 2002, respectively. From 2003 to 2006, Mr. Hoong worked for Deutsche Bank AG, Hong Kong Branch as a director. From 2006 to 2008, Mr. Hoong was the chief executive officer and an executive director of China LotSynergy Holdings Limited, a company listed on the Growth Enterprise Market of the Stock Exchange. Mr. Hoong remains as a non-executive director of China LotSynergy Holdings Limited. He joined FECIL as the managing director in September, 2008. Mr. Hoong is the president and director of Tokai Kanko Co., Ltd., a company listed on the first section of the Tokyo Stock Exchange, since 27th March, 2009, and a non-independent and non-executive director of Land & General Berhad, a company listed on the main market of Bursa Malaysia, since 1st June, 2010. Mr. Hoong is a member of the Institute of Chartered Accountants in England and Wales. Save as disclosed, Mr. Hoong did not hold any directorships in other listed public companies in the past 3 years.

As at the Latest Practicable Date, Mr. Hoong had beneficial personal interest in 2,836,363 share options of the Company and joint interests in 4,000 Shares within the meaning of Part XV of the SFO. Mr. Hoong has been appointed by the Company for an initial term ending on the third anniversary of the Listing Date and may be terminated with three months' notice and such notice may only expire after one year from the Listing Date. Mr. Hoong is subject to retirement by rotation and re-election at general meeting(s) of the Company in accordance with the Articles of Association of the Company. Pursuant to the appointment letter of Mr. Hoong, no Director's fees will be payable in respect of his appointment as a non-executive Director of the Company.

Save as disclosed above, Mr. Hoong does not have any relationship with any other Directors, senior management or substantial or Controlling Shareholder(s) of the Company.

**Mr. CHAN, Chi Hing**, aged 48, a non-executive Director and a member of the Nomination Committee. He was appointed as a Director on 23rd January, 2007 and is a director of certain subsidiaries of the Company. He has over 10 years' experience in the hotel industry. Mr. Chan joined FECIL in 1990 as its chief accountant and was promoted as the group's financial controller and later chief operating officer in 2002 and 2004, respectively. He is responsible for the Hong Kong, Macau and China based activities of FECIL with emphasis on commercial management, hotel and property development and investment, and project development. He is also responsible for the industrial and infrastructure businesses of FECIL in the PRC. Mr. Chan was appointed as an alternative director of Far East Hotels and Entertainment Limited to Mr. Deacon Te Ken Chiu, the founder of FECIL, on 17th May, 2003 and he resigned on 26th November, 2010. He has been an independent non-executive director of Hidili Industry International Development Limited, a company listed on the Main Board of the Stock Exchange, since 21st June, 2007.

Before joining FECIL, he was an audit supervisor of Kwan Wong Tan & Fong (presently known as Deloitte Touche Tohmatsu). Mr. Chan became a member of the Hong Kong Institute of Project Management since February, 2011. He has over 10 years of audit experience. Save as disclosed, Mr. Chan did not hold any directorships in other listed public companies in the past 3 years.

Mr. Chan is a director of Ample Bonus Limited, a substantial shareholder of the Company within the meaning of Part XV of SFO.

As at the Latest Practicable Date, Mr. Chan had beneficial personal interest in 3,545,454 share options of the Company and 3,000 Shares within the meaning of Part XV of the SFO. Mr. Chan has been appointed by the Company for an initial term ending on the third anniversary of the Listing Date and may be terminated with three months' notice and such notice may only expire after one year from the Listing Date. Mr. Chan is subject to retirement by rotation and re-election at general meeting(s) of the Company in accordance with the Articles of Association of the Company. Pursuant to the appointment letter of Mr. Chan, no Director's fees will be payable in respect of his appointment as a non-executive Director of the Company.

Save as disclosed above, Mr. Chan does not have any relationship with any other Directors, senior management or substantial or Controlling Shareholder(s) of the Company.

#### **Independent Non-executive Directors**

**Mr. SHEK, Lai Him Abraham**, aged 66, has been an independent non-executive Director since 10th September, 2010 and is a member of each of the Audit Committee, Remuneration Committee and Nomination Committee. Mr. Shek graduated from the University of Sydney, in Australia in 1969 with a Bachelor of Arts degree and in 1970 with a Diploma in Education. Mr. Shek was appointed as a Justice of Peace in 1995. He currently holds the following positions:

Legislative Council for the Hong Kong Special Administrative Region	member
Court of The University of Hong Kong	member
Court of The Hong Kong University of Science & Technology	member
Independent Police Complaints Council	vice chairman

Mr. Shek is currently a non-executive director of The Hong Kong Mortgage Corporation Limited. He is also an independent non-executive director of each of the following companies listed on the Main Board of the Stock Exchange:

Midas International Holdings Limited	since 15th August, 2001
Paliburg Holdings Limited	since 10th July, 2002
Lifestyle International Holdings Limited	since 5th March, 2004
Chuang's Consortium International Limited	since 28th May, 2004
NWS Holdings Limited	since 28th September, 2004
Hop Hing Group Holdings Limited	since 4th September, 2007
Regal Portfolio Management Limited, the manager of Regal Estate Investment Trust	since 20th February, 2006
Titan Petrochemicals Group Limited	since 27th February, 2006
Eagle Asset Management (CP) Limited, the manager of Champion Real Estate Investment Trust	since 18th March, 2006
ITC Corporation Limited	since 26th June, 2006
Country Garden Holdings Company Limited	since 4th December, 2006
MTR Corporation Limited	since 18th December, 2007
SJM Holdings Limited	since 15th October, 2007
Hsin Chong Construction Group Limited	since 23rd January, 2008
Chuang's China Investments Limited	since 24th April, 2008
ITC Properties Group Limited	since 30th September, 2010
China Resources Cement Holdings Limited	since 1st January, 2011

Mr. Shek was an independent non-executive director of See Corporation Limited, a company listed on the Main Board of the Stock Exchange, from 1st October, 2005 to 1st October, 2008. Save as disclosed, Mr. Shek did not hold any directorships in other listed public companies in the past 3 years.

As at the Latest Practicable Date, Mr. Shek did not have any interest in the Shares or underlying Shares within the meaning of Part XV of the SFO. Mr. Shek has been appointed by the Company for an initial term ending on the third anniversary of the Listing Date and may be terminated with three months' notice and such notice may only expire after one year from the Listing Date. Mr. Shek is subject to retirement by rotation and re-election at general meeting(s) of the Company in accordance with the Articles of Association of the Company. Pursuant to the appointment letter of Mr. Shek, Mr. Shek shall be entitled to a Director's fee of HK\$150,000 per annum. Directors' fees are determined by the Company with reference to that Director's responsibilities, abilities and performance, the Company's operations as well as remuneration benchmark in the industry and prevailing market conditions.

Mr. Shek does not have any relationship with any other Directors, senior management or substantial or Controlling Shareholder(s) of the Company.

**Mr. TO, Peter**, aged 63, has been an independent non-executive Director since 10th September, 2010 and is a member of each of the Audit Committee, Remuneration Committee and Nomination Committee. He obtained a Certificate of Housing from The University of Hong Kong in 1972 and later became a professional member of The Hong Kong Institute of Housing and The Chartered Institute of Housing, United Kingdom, formerly known as the Institute of Housing, United Kingdom. Mr. To was an executive director of PCCW Limited, a company listed on the Main Board of the Stock Exchange, from 3rd August, 1999 to 30th June, 2002, its deputy chairman from 3rd August, 1999 to 10th June, 2001 and served as its consultant from 11th June, 2001 to 31st October, 2003. He was the chief executive officer and executive director of the Pacific Century Regional Developments Limited, a company listed on the Singapore Stock Exchange, from 1997 to 2002. Mr. To has been active in the property development and investment industry for more than 30 years and is currently a member of the board of the Urban Renewal Authority. Save as disclosed, Mr. To did not hold any directorships in other listed public companies in the past 3 years.

As at the Latest Practicable Date, Mr. To did not have any interest in the Shares or underlying Shares within the meaning of Part XV of the SFO. Mr. To has been appointed by the Company for an initial term ending on the third anniversary of the Listing Date and may be terminated with three months' notice and such notice may only expire after one year from the Listing Date. Mr. To is subject to retirement by rotation and re-election at general meeting(s) of the Company in accordance with the Articles of Association of the Company. Pursuant to the appointment letter of Mr. To, Mr. To shall be entitled to a Director's fee of HK\$150,000 per annum. Directors' fees are determined by the Company with reference to that Director's responsibilities, abilities and performance, the Company's operations as well as remuneration benchmark in the industry and prevailing market conditions.

Mr. To does not have any relationship with any other Directors, senior management or substantial or Controlling Shareholder(s) of the Company.

**Dr. LIU, Ngai Wing**, aged 60, has been an independent non-executive Director since 10th September, 2010 and is the chairman of the Audit Committee and a member of each of the Remuneration Committee and Nomination Committee. Dr. Liu holds a PhD Degree in Hotel and Tourism Management from the School of Hotel and Tourism Management of The Hong Kong Polytechnic University in Hong Kong, a Master of Science degree in Global Business from The Chinese University of Hong Kong, a Master of Science Degree in Hotel and Tourism Management from the Hong Kong Polytechnic University and a Master Degree in Business Administration from The Open University of Hong Kong. He is also an associate member of the Hong Kong Institute of Certified Public Accountants and a fellow member of the Association of Certified Chartered Accountants.

Dr. Liu has been an independent non-executive director of Daiwa Associate Holdings Limited since 17th September, 2004. He was an executive director of eSun Holdings Limited (formerly known as Lai Sun Hotels International Limited) from 1st November, 1998 to 22nd May, 2008 and chief executive officer from 1st November, 1998 to 9th March, 2000. Dr. Liu was an independent non-executive director of 3D-GOLD Jewellery Holdings Limited (formerly known as Hang Fung Gold Technology Limited) from 16th March, 2000 to 5th December, 2008 and an independent non-executive director of New Smart Energy Group Limited from 15th July, 2005 to 30th September, 2009. The above-mentioned companies are all listed on the Main Board of the Stock Exchange.

Shares in 3D-GOLD Jewellery Holdings Limited were suspended from trading on 29th September, 2008 and it was announced on the same day that Dr. Lam Sai Wing, the chairman of 3D-GOLD had died and that technical breaches of certain loan facilities may arise as a result of Dr. Lam Sai Wing ceasing to be chairman. On 14th October, 2008 it was announced that certain wholesale trade receivables of 3D-GOLD may not be recoverable, and a winding-up petition for 3D-GOLD was filed by The Hongkong and Shanghai Banking Corporation Limited on 17th October, 2008. The winding-up petition was subsequently adjourned to 8th November, 2010. Since Dr. Liu's resignation from the board of 3D-Gold on 5th December, 2008, he has been unaware of any further developments in the affairs of 3D-Gold.

Save as disclosed, Dr. Liu did not hold any directorships in other listed public companies in the past 3 years.

As at the Latest Practicable Date, Dr. Liu did not have any interest in the Shares or underlying Shares within the meaning of Part XV of the SFO. Dr. Liu has been appointed by the Company for an initial term ending on the third anniversary of the Listing Date and may be terminated with three months' notice and such notice may only expire after one year from the Listing Date. Dr. Liu is subject to retirement by rotation and re-election at general meeting(s) of the Company in accordance with the Articles of Association of the Company. Pursuant to the appointment letter of Dr. Liu, Dr. Liu shall be entitled to a Director's fee of HK\$150,000 per annum. Directors' fees are determined by the Company with reference to that Director's responsibilities, abilities and performance, the Company's operations as well as remuneration benchmark in the industry and prevailing market conditions.

Dr. Liu does not have any relationship with any other Directors, senior management or substantial or Controlling Shareholder(s) of the Company.

Save as disclosed above, the Company is not aware of any other matters that need to be brought to the attention of the Shareholders in relation to the re-election of each of the retiring Directors and there is no information which is discloseable nor is/was each of the retiring Directors involved in any matters required to be disclosed pursuant to any of the requirements of the provisions under paragraphs (h) to (v) of Rule 13.51(2) of the Listing Rules.

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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)*

**(Stock Code: 2266)**

## NOTICE OF ANNUAL GENERAL MEETING

**NOTICE IS HEREBY GIVEN** that the annual general meeting of Kosmopolito Hotels International Limited (the “**Company**”) will be held at Xinhua Room, Mezzanine Floor, Cosmopolitan Hotel, 387–397 Queen’s Road East, Wan Chai, Hong Kong on 8th September, 2011 at 10:00 a.m. for the purpose of transacting the following business:

### ORDINARY BUSINESS

1. To receive and approve the audited consolidated financial statements of the Company and its subsidiaries and the reports of the directors (“**Directors**”) and the auditor of the Company for the year ended 31st March, 2011.
2. To declare a final dividend for the year ended 31st March, 2011.
3. To consider and approve, each as a separate resolution, if thought fit, the following resolutions:
  - (a) to re-elect Mr. MOK, Kwai Pui Bill as Director;
  - (b) to re-elect Mr. CHU, Chee Seng as Director;
  - (c) to re-elect Mr. LAI, Wai Keung as Director;
  - (d) to re-elect Ms. CHIU, Wing Kwan Winnie as Director;
  - (e) to re-elect Tan Sri Dato’ CHIU, David as Director;
  - (f) to re-elect Mr. HOONG, Cheong Thard as Director;
  - (g) to re-elect Mr. CHAN, Chi Hing as Director;
  - (h) to re-elect Mr. SHEK, Lai Him Abraham as Director;
  - (i) to re-elect Mr. TO, Peter as Director;
  - (j) to re-elect Dr. LIU, Ngai Wing as Director;
  - (k) to authorise the board of Directors to fix the Directors’ remuneration.

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4. To re-appoint Deloitte Touche Tohmatsu as the auditor of the Company and authorise the Board to fix their remuneration.

### SPECIAL BUSINESS

To consider and, if thought fit, pass the following resolutions as ordinary resolutions (with or without modifications):

5. **“THAT:**
  - (a) subject to paragraph (c) below, pursuant to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited and all other applicable laws, the exercise by the directors of the Company during the Relevant Period (as defined in paragraph (d) below) of all the powers of the Company to allot, issue and deal with the unissued shares in the capital of the Company and to make or grant offers, agreements and options (including warrants, bonds and debentures convertible into shares in the Company) which might require the exercise of such powers be and the same is hereby generally and unconditionally approved;
  - (b) the approval in paragraph (a) above shall authorise the directors of the Company during the Relevant Period to make or grant offers, agreements and options (including warrants, bonds and debentures convertible into shares in the Company) which might require the exercise of such powers after the end of the Relevant Period;
  - (c) the aggregate nominal amount of share capital allotted and issued or agreed conditionally or unconditionally to be allotted and issued (whether pursuant to options or otherwise) by the directors of the Company pursuant to the approval in paragraph (a) above, otherwise than pursuant to (i) a Rights Issue (as defined in paragraph (d) below); or (ii) the exercise of any options granted under the share option scheme of the Company; or (iii) any scrip dividend or similar arrangements providing for the allotment and issue of Shares in lieu of the whole or part of a dividend on shares in the Company in accordance with the articles of association of the Company in force from time to time; or (iv) any issue of shares in the Company upon the exercise of rights of subscription or conversion under the terms of any warrants of the Company or any securities which are convertible into shares in the Company shall not exceed the aggregate of:
    - (aa) 20 per cent. of the aggregate nominal amount of the share capital of the Company in issue on the date of the passing of this resolution; and



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(bb) (if the directors of the Company are so authorised by a separate ordinary resolution of the shareholders of the Company) the aggregate nominal amount of any share capital of the Company purchased by the Company subsequent to the passing of this resolution (up to a maximum equivalent to 10 per cent. of the aggregate nominal amount of the share capital of the Company in issue on the date of the passing of this resolution),

and the authority pursuant to paragraph (a) of this resolution shall be limited accordingly; and

(d) for the purposes of this resolution:

“**Relevant Period**” means the period from the date of the passing of this resolution until whichever is the earliest of:

- (i) the conclusion of the next annual general meeting of the Company;
- (ii) the expiration of the period within which the next annual general meeting of the Company is required by the articles of association of the Company, the Companies Law, Cap. 22 (Law 3 of 1961, as consolidated and revised) of the Cayman Islands or any other applicable law of the Cayman Islands to be held; or
- (iii) the passing of an ordinary resolution by the shareholders of the Company in general meeting revoking or varying the authority given to the directors of the Company by this resolution;

“**Rights Issue**” means an offer of shares in the Company, or offer or issue of warrants, options or other securities giving rights to subscribe for shares in the Company open for a period fixed by the directors of the Company to holders of shares in the Company whose names appear on the Company’s register of members on a fixed record date in proportion to their then holdings of shares in the Company (subject to such exclusion or other arrangements as the directors of the Company may deem necessary or expedient in relation to fractional entitlements, or having regard to any restrictions or obligations under the laws of, or the requirements of, or the expense or delay which may be involved in determining the existence or extent of any restrictions or obligations under the laws of, or the requirements of, any jurisdiction outside Hong Kong or any recognised regulatory body or any stock exchange outside Hong Kong).”

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6. **“THAT:**
- (a) subject to paragraph (b) below, the exercise by the directors of the Company during the Relevant Period (as defined in paragraph (c) below) of all powers of the Company to purchase shares in the capital of the Company on The Stock Exchange of Hong Kong Limited (**“Stock Exchange”**) or any other stock exchange on which the shares in the Company may be listed and recognised by the Securities and Futures Commission of Hong Kong and the Stock Exchange for such purpose, and otherwise in accordance with the rules and regulations of the Securities and Futures Commission of Hong Kong, the Stock Exchange, the Companies Law, Cap. 22 (Law 3 of 1961, as consolidated and revised) (**“Companies Law”**) of the Cayman Islands and all other applicable laws in this regard, be and the same is hereby generally and unconditionally approved;
  - (b) the aggregate nominal amount of shares in the Company which may be purchased or agreed to be purchased by the Company pursuant to the approval in paragraph (a) during the Relevant Period shall not exceed 10 per cent. of the aggregate nominal amount of the issued share capital of the Company as at the date of the passing of this resolution and the authority pursuant to paragraph (a) of this resolution shall be limited accordingly; and
  - (c) for the purposes of this resolution, **“Relevant Period”** means the period from the date of the passing of this resolution until whichever is the earliest of:
    - (i) the conclusion of the next annual general meeting of the Company;
    - (ii) the expiration of the period within which the next annual general meeting of the Company is required by the articles of association of the Company, the Companies Law or any other applicable law of the Cayman Islands to be held; or
    - (iii) the passing of an ordinary resolution by the shareholders of the Company in general meeting revoking or varying the authority given to the directors of the Company by this resolution.”
7. **“THAT** conditional on the passing of resolutions numbered 5 and 6 above, the general mandate granted to the directors of the Company pursuant to paragraph (a) of resolution numbered 5 above be and it is hereby extended by the addition to the aggregate nominal amount of the shares in the capital of the Company which may be allotted or agreed conditionally or unconditionally to be allotted by the directors of the Company pursuant to or in accordance with such general mandate of an amount representing the

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aggregate nominal amount of the share capital of the Company purchased by the Company pursuant to or in accordance with the authority granted under paragraph (a) of resolution numbered 6 above.”

By order of the Board  
**Kosmopolito Hotels International Limited**  
**MOK, Kwai Pui Bill**  
*President and Executive Director*

Hong Kong, 27th July, 2011

*Principal place of business in Hong Kong:*  
375 Queen's Road East  
Wan Chai  
Hong Kong

*Notes:*

1. For the purpose of determining the entitlement of the shareholders to attend the annual general meeting to be held on 8th September, 2011, the Register of Members of the Company will be closed from 7th September, 2011 to 8th September, 2011, both days inclusive, during which period no transfer of shares will be effected. In order to qualify for the right to attend and vote at the annual general meeting, all transfers accompanied by the relevant share certificates must be lodged with the Company's branch share registrar and transfer office in Hong Kong, Tricor Investor Services Limited ("**Branch Registrar**") at 26th Floor, Tesbury Centre, 28 Queen's Road East, Wan Chai, Hong Kong not later than 4:30 p.m. on 6th September, 2011.
2. Subject to the approval of the shareholders at the annual general meeting, the proposed final dividend will be distributed on or about 7th October, 2011 to the shareholders whose names appear on the Register of Members of the Company as at the close of business (5:30 p.m.) on 15th September, 2011. For the purpose of determining the entitlement of the shareholders to the proposed final dividend, the Register of Members of the Company will be closed from 16th September, 2011 to 19th September, 2011, both days inclusive, during which period no transfer of shares will be effected. In order to qualify for the proposed final dividend, all transfers accompanied by the relevant share certificates must be lodged with the Branch Registrar at 26th Floor, Tesbury Centre, 28 Queen's Road East, Wan Chai, Hong Kong not later than 4:30 p.m. on 15th September, 2011.
3. A shareholder entitled to attend and vote at the meeting convened by the above notice is entitled to appoint another person as his proxy to attend and vote instead of him. A shareholder who is the holder of two or more shares may appoint more than one proxy to represent him and vote on his behalf at the meeting. A proxy need not be a member of the Company but must be present in person to represent him.

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4. To be valid, the form of proxy together with a power of attorney or other authority, if any, under which it is signed or a notarially certified copy of such power or authority must be deposited at the offices of the Branch Registrar at 26th Floor, Tesbury Centre, 28 Queen's Road East, Wan Chai, Hong Kong no later than 48 hours before the time of the meeting or any adjournment thereof.
5. Completion and return of the form of proxy will not preclude a shareholder from attending and voting in person at the meeting or any adjournment thereof and in such event, the instrument appointing a proxy shall be deemed to be revoked.
6. In the case of joint registered holders of a share in the Company, any one of such joint holders may vote, either in person or by proxy, in respect of such Share as if he/she were solely entitled thereto or if more than one of such joint holders are present at the meeting, the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holders. For this purpose, seniority shall be determined by the order in which the names stand in the register of members of the Company in respect of the joint holding.
7. In relation to the proposed resolutions numbered 5 and 7 above, approval is being sought from the shareholders for the grant to the Directors of a general mandate to authorise the allotment and issue of shares under the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited ("Listing Rules"). The Directors have no immediate plans to issue any new shares other than shares which may fall to be issued under the share option scheme of the Company.
8. In relation to the proposed resolution numbered 6 above, the Directors wish to state that they will exercise the powers conferred thereby to purchase shares in circumstances which they deem appropriate for the benefit of the shareholders. An explanatory statement containing the information necessary to enable the shareholders to make an informed decision to vote on the proposed resolution as required by the Listing Rules is set out in a circular to the shareholders.

*As at the date of this notice, 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. 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.*