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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,  
EXTENSION OF GENERAL MANDATE TO ISSUE SHARES,  
PROPOSED RE-ELECTION OF RETIRING DIRECTORS,  
PROPOSED CHANGE OF NAME OF THE COMPANY  
AND  
NOTICE OF ANNUAL GENERAL MEETING**

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 31 August 2012 at 9:30 a.m. is set out on pages 17 to 22 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.

27 July 2012

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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 31 August 2012 at 9:30 a.m., the notice of which is set out on pages 17 to 22 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 and a substantial shareholder of the Company within the meaning of Part XV of the 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 People’s Republic of China
“Latest Practicable Date”	20 July 2012, being the latest practicable date prior to the printing of this circular for ascertaining certain information herein
“Listing Date”	11 October 2010, the date on which dealings in the Shares first commenced on the Main Board of the Stock Exchange
“Proposed Change of Company Name”	the proposed change of the English name of the Company from “Kosmopolito Hotels International Limited” to “Dorsett Hospitality International Limited” and the Chinese name of the Company from “麗悅酒店集團有限公司” to “帝盛酒店集團有限公司”
“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
“Shareholder(s)”	holder(s) of Share(s)

## DEFINITIONS

“Special Resolution”	the proposed special resolution as referred to in the notice of the AGM
“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:*

Ms. CHIU, Wing Kwan Winnie (*President*)

Mr. LAI, Wai Keung

*Non-executive Directors:*

Tan Sri Dato' CHIU, David (*Chairman*)

Mr. HOONG, Cheong Thard

Mr. CHAN, Chi Hing

Mr. MOK, Kwai Pui Bill

*Independent non-executive Directors:*

Mr. SHEK, Lai Him Abraham

Mr. TO, Peter

Dr. LIU, Ngai Wing

Mr. Giovanni ANGELINI

*Registered office:*

P.O. Box 309

Ugland House

Grand Cayman

KY1-1104

Cayman Islands

*Principal place of*

*business in Hong Kong:*

6th Floor, Unicorn Trade Centre

127-131 Des Voeux Road Central

Central

Hong Kong

27 July 2012

*To the Shareholders*

Dear Sirs or Madams,

**GENERAL MANDATES TO ISSUE AND REPURCHASE SHARES,  
EXTENSION OF GENERAL MANDATE TO ISSUE SHARES,  
PROPOSED RE-ELECTION OF RETIRING DIRECTORS  
AND  
PROPOSED CHANGE OF NAME OF THE COMPANY**

**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; (b) ordinary resolutions relating to the proposed re-election of the retiring Directors; and (c) Special Resolution for approval of Proposed Change of Company Name.

## LETTER FROM THE BOARD

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

At the annual general meeting of the Company held on 8 September 2011, 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 on the date of passing of such resolution; (b) a general unconditional mandate to repurchase Shares not exceeding 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) the power to extend the general mandate mentioned in (a) above by an amount representing the aggregate nominal amount of the Shares 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 Shares;
- (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 on 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.

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.

## LETTER FROM THE BOARD

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 RETIRING DIRECTORS

Pursuant to article 16.18 of the Articles of Association, one third of the Directors for the time being shall retire from office by rotation provided that 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.

Mr. LAI, Wai Keung, Tan Sri Dato' CHIU, David, Mr. MOK, Kwai Pui Bill and Mr. SHEK, Lai Him Abraham will retire at the AGM pursuant to article 16.18 of the Articles of Association. Furthermore, Mr. Giovanni ANGELINI will retire at the AGM pursuant to article 16.2 of the Articles of Association. Except Mr. MOK, Kwai Pui Bill who will not offer himself for re-election, all the retiring Directors, being eligible, offer themselves for re-election as Directors at the AGM.

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

### CHANGE OF NAME OF THE COMPANY

The Board proposes to change the English name of the Company from "Kosmopolito Hotels International Limited" to "Dorsett Hospitality International Limited" and the Chinese name of the Company from "麗悅酒店集團有限公司" to "帝盛酒店集團有限公司".

### Conditions for the Proposed Change of Company Name

The Proposed Change of Company Name is subject to the following conditions:

- (i) the passing of the Special Resolution by the Shareholders at the AGM approving the Proposed Change of Company Name; and
- (ii) the Registrar of Companies in the Cayman Islands granting approval for the use by the Company of the proposed English name of "Dorsett Hospitality International Limited" and the proposed Chinese name of "帝盛酒店集團有限公司" and the receipt of the Certificate of Incorporation on Change of Name issued by the Registrar of Companies in the Cayman Islands.

The new names of the Company will take effect upon passing of the Special Resolution by the Shareholders at the AGM. The Registrar of Companies in the Cayman Islands shall issue the Certificate of Incorporation on Change of Name thereafter. The Company will then carry out all necessary filing procedures with the Companies Registry in Hong Kong.



## LETTER FROM THE BOARD

### **Reason for the Proposed Change of Company Name**

In order to further strengthen the Company's brand awareness and reinforce competitive advantage, the Board proposed to make several high level changes to the overall brand architecture. The Proposed Change of Company Name is an important part of this brand alignment exercise, which will strengthen the brand awareness for marketing efficiency and will be essential to our further expansion through development, acquisition and management contracts.

The Board believes that the Proposed Change of Company Name is in the interest of the Company and the Shareholders.

### **Effect of the Proposed Change of Company Name**

The Proposed Change of Company Name will not affect any of the rights of the holders of securities of the Company. All existing share certificates of the Company in issue bearing the existing English and Chinese names of the Company will, after the Proposed Change of Company Name becoming effective, continue to remain valid. Accordingly, there will not be any arrangement for free exchange of the existing share certificates for new share certificates bearing the new English and Chinese names of the Company. Under the Companies Law, the register of members of the Company is by statute regarded as prima facie evidence of title to the Shares issued by the Company.

Share certificates of the Company that are issued on or after the Proposed Change of Company Name becoming unconditional will be issued under the new English and Chinese names of the Company. The English and Chinese stock short names of the Company will also be changed.

The Company will make further announcement on the effective date of the Proposed Change of Company Name and the change in the English and Chinese stock short names of the Company upon the Proposed Change of Company Name becoming effective.

### **ACTIONS TO BE TAKEN**

Set out on pages 17 to 22 of this circular is a notice convening the AGM at which the resolutions will be proposed, inter alia, as follows:

- (a) ordinary resolution to approve the proposed grant of the General Mandate, Repurchase Mandate and Extension Mandate;
- (b) ordinary resolution to approve the proposed re-election of retiring Directors; and
- (c) Special Resolution to approve the Proposed Change of Company Name.

A form of proxy for use at the AGM is enclosed with this circular and such form of proxy is also published on the designated website of the Stock Exchange ([www.hkexnews.hk](http://www.hkexnews.hk)) and the Company's website ([www.kosmohotels.com](http://www.kosmohotels.com)). Whether or

## LETTER FROM THE BOARD

not you are able to attend the AGM in person, you are advised to read the notice and 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.

### VOTING AT THE AGM

Pursuant to Rule 13.39(4) of the Listing Rules, all votes of the Shareholders at the AGM must be taken by poll except where the chairman, in good faith, decides to allow a resolution which relates purely to a procedural or administrative matter to be voted on by a show of hands. The Company will announce the results of the poll in the manner prescribed under Rule 13.39(5) of the Listing Rules.

### RECOMMENDATIONS

The Directors consider 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 retiring Directors and Special Resolution in respect of the Proposed Change of Company Name 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

In the case of inconsistencies, 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**  
**CHIU, Wing Kwan Winnie**  
*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 at 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 and regulations 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 by the Company 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

<b>APPENDIX I EXPLANATORY STATEMENT ON THE REPURCHASE MANDATE</b>
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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 contained in the annual report for the year ended 31 March 2012, 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.

## 6. SHARE PRICES

The highest and lowest prices at which the Shares have been traded on the Stock Exchange during each of the twelve months before the Latest Practicable Date were as follows:

	<b>Highest</b> <i>HK\$</i>	<b>Lowest</b> <i>HK\$</i>
<b>2011</b>		
July	1.80	1.55
August	1.66	1.29
September	1.47	0.91
October	1.22	0.88
November	1.31	1.06
December	1.38	1.14
<b>2012</b>		
January	1.39	1.18
February	1.60	1.27
March	1.50	1.31
April	1.45	1.27
May	1.39	1.08
June	1.50	1.21
July (up to the Latest Practicable Date)	1.53	1.40

**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 and regulations 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 at the AGM.

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, nor 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 Rules 26 and 32 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 owns 1,463,400,000 Shares (approximately 73.17% 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) in the six months preceding the Latest Practicable Date.

<b>APPENDIX II</b>	<b>DETAILS OF THE RETIRING DIRECTORS PROPOSED TO BE RE-ELECTED AT THE AGM</b>
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The following sets out the biographical information of the retiring Directors eligible for re-election at the AGM:

**Executive Director**

**Mr. LAI, Wai Keung**, aged 47, has been an executive Director since 8 June 2010, the Chief Operating Officer, China since 1 June 2010 and a member of the Corporate Governance Committee of the Company, 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 herein, 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 and is currently entitled to an annual emolument of HK\$1,080,000 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.

**Non-executive Director**

**Tan Sri Dato' CHIU, David**, aged 58, a non-executive Director, Chairman of the Board, the Chairman of the Nomination Committee and a member of the Remuneration Committee of the Company. Tan Sri Dato' David Chiu was appointed as a Director on 23 January 2007 and is a director of certain subsidiaries of the Company. 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 has over 30 years of experience in property development and extensive experience in hotel development. In his business career, he established a number of highly successful business operation through organic growth and acquisitions, covering mainland China, Hong Kong, Japan, Malaysia, Singapore and Australia. He is the chief executive officer, an executive director and the chairman of FECIL. Tan Sri Dato' David Chiu has also been the chairman of the board of directors of Agora Hospitality Group Co., Ltd. (formerly known as Tokai Kanko Co., Ltd.), a company listed on the first section of the Tokyo Stock Exchange, since September 1997.

With regard to Tan Sri Dato' David Chiu's devotion to the community services, he is a trustee member of "The Better Hong Kong Foundation" and the former chairman of "the Festival Celebration for the Chinese People's Liberation Army Force" in Hong Kong. He is the counsellor of the China-United States Exchange Foundation. He is also a member of the "Concerted Efforts Resource Centre", a member of "Hong Kong General Chamber of Commerce", a member of the "Constitutional Reform Synergy" and a member of "The Real Estate Developers Association of Hong Kong". He is the school management committee member of Ju Ching Chu School (Kwai Chung) (Yuen Long) (Tuen Mun) in Hong Kong. He is also the honorary President of Hong Kong Guangdong Chamber of Foreign Investors. 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. Save as disclosed herein, 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 the father of Ms. CHIU, Wing Kwan Winnie, an executive Director, the President, the Chairman of the Corporate Governance Committee and a member of the Remuneration Committee of the Company. He is a director of Sumptuous Assets Limited and Ample Bonus Limited, the substantial shareholders of the Company within the meaning of Part XV of the SFO.

As at the Latest Practicable Date, Tan Sri Dato' David Chiu had corporate interests in 1,471,173,254 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. 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. Pursuant to the appointment letter of Tan Sri Dato' David Chiu, no Director's fee will be payable in respect of his appointment as a non-executive Director of the Company.



<b>APPENDIX II</b>	<b>DETAILS OF THE RETIRING DIRECTORS PROPOSED TO BE RE-ELECTED AT THE AGM</b>
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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.

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

**Mr. SHEK, Lai Him Abraham**, aged 67, has been an independent non-executive Director since 10 September 2010 and is a member of each of the Audit Committee, Remuneration Committee and Nomination Committee of the Company. 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 is a member of Legislative Council for the Hong Kong Special Administrative Region, the Court of The University of Hong Kong and the Court of The Hong Kong University of Science & Technology, and the vice chairman of Independent Police Complaints Council.

Mr. Shek is currently a non-executive director of The Hong Kong Mortgage Corporation Limited. He is also an independent non-executive director of Midas International Holdings Limited, Paliburg Holdings Limited, Lifestyle International Holdings Limited, Chuang's Consortium International Limited, NWS Holdings Limited, Hop Hing Group Holdings Limited, Regal Portfolio Management Limited (the manager of Regal Real Estate Investment Trust), Titan Petrochemicals Group Limited, Eagle Asset Management (CP) Limited (the manager of Champion Real Estate Investment Trust), ITC Corporation Limited, Country Garden Holdings Company Limited, MTR Corporation Limited, SJM Holdings Limited, Hsin Chong Construction Group Limited, Chuang's China Investments Limited, ITC Properties Group Limited and China Resources Cement Holdings Limited, all of which are companies listed on the Main Board of the Stock Exchange. Save as disclosed herein, 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. 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. 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 and subject to Shareholders' approval at annual general meeting.

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

**Mr. Giovanni ANGELINI**, aged 66, has been an independent non-executive Director since 6 March 2012 and is a member of Remuneration Committee of the Company. Mr. Angelini is a senior and well respected professional within the hospitality industry

<b>APPENDIX II</b>	<b>DETAILS OF THE RETIRING DIRECTORS PROPOSED TO BE RE-ELECTED AT THE AGM</b>
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world-wide with experience of over 46 years. Before retirement, he has spent 19 years with Shangri-La Hotels and Resorts including over 9 years as chief executive officer and the managing director of the Global Management Group and an executive director of the listed company Shangri-La Asia Limited. During his term of service, the group expanded from 17 hotels to 65 operating hotels plus over 35 new projects under development in various locations.

Before joining Shangri-La, Mr. Angelini has worked for 15 years with Westin Hotels and Resorts holding several key positions including the senior vice president for Asia-Pacific supervising the operating hotels and the development activities within the region. Prior to Westin, he was associated with a number of prestigious hotels and well known groups including the Americana Hotels, the Hong Kong and Shanghai Hotels and several other well known hotels in North and Central America, Europe and his native country Italy.

Mr. Angelini holds memberships of many industry-related organizations and quality management groups. He is a recipient of Lifetime Achievement Awards multiple times, Corporate Hotelier of the World (2006), an Honorary Degree of Doctor of Business Administration in Hospitality Management by the Johnson & Wales University (Honoris Causa) in the USA, and, in particular, a knighthood from the Italian Government and several others. Mr. Angelini currently is an independent consultant to the travel and tourism industry. Save as disclosed herein, Mr. Angelini did not hold any directorships in other listed public companies in the past 3 years.

As at the Latest Practicable Date, Mr. Angelini did not have any interest in the Shares or underlying shares within the meaning of Part XV of the SFO. Mr. Angelini has been appointed by the Company for an initial term of one year from 6 March 2012 and may be terminated with three months' notice. Mr. Angelini is subject to retirement by rotation and re-election at general meeting(s) of the Company in accordance with the Articles of Association. Pursuant to the appointment letter of Mr. Angelini, Mr. Angelini 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 and subject to Shareholders' approval at annual general meeting.

Mr. Angelini 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.

## NOTICE OF ANNUAL GENERAL MEETING



### **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 31 August 2012 at 9:30 a.m. for the purpose of transacting the following business:

### **ORDINARY BUSINESS**

1. To receive, consider and adopt the audited consolidated financial statements of the Company and its subsidiaries and the reports of the directors (“**Directors**”) and the independent auditor of the Company for the year ended 31 March 2012.
2. To declare a final dividend for the year ended 31 March 2012.
3. To consider and approve, each as a separate resolution, if thought fit, the following resolutions:
  - (a) to re-elect Mr. LAI, Wai Keung as Executive Director;
  - (b) to re-elect Tan Sri Dato’ CHIU, David as Non-Executive Director;
  - (c) to re-elect Mr. SHEK, Lai Him Abraham as Independent Non-Executive Director;
  - (d) to re-elect Mr. ANGELINI, Giovanni as Independent Non-Executive Director; and
  - (e) to authorise the board of Directors to fix the Directors’ remuneration.
4. To re-appoint Deloitte Touche Tohmatsu as the auditor of the Company and authorise the board of Directors to fix their remuneration.

## NOTICE OF ANNUAL GENERAL MEETING

### SPECIAL BUSINESS

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

#### ORDINARY RESOLUTIONS

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
    - (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

## NOTICE OF ANNUAL GENERAL MEETING

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 laws and regulations 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).”

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 the powers of the Company to purchase shares in the capital of the Company on The Stock Exchange of Hong Kong Limited (the **“Stock Exchange”**) or any other stock exchange on which the shares

## NOTICE OF ANNUAL GENERAL MEETING

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 and regulations 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 laws and regulations 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 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.”

## NOTICE OF ANNUAL GENERAL MEETING

### SPECIAL RESOLUTION

8. “**THAT**, subject to and conditional upon approval of the Registrar of Companies in the Cayman Islands, the English name of the Company be changed from “Kosmopolito Hotels International Limited” to “Dorsett Hospitality International Limited” and the Chinese name of the Company from “麗悅酒店集團有限公司” to “帝盛酒店集團有限公司”, and **THAT** the directors of the Company be and are hereby authorised to do all such acts and things and execute all documents that they consider necessary or expedient to give effect to the change of the Company’s English and Chinese names and to attend to any necessary registration and/or filing for and on behalf of the Company.”

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

Hong Kong, 27 July 2012

*Principal place of business in Hong Kong:*  
6th Floor, Unicorn Trade Centre,  
127-131 Des Voeux Road Central,  
Central, Hong Kong

*Notes:*

1. For the purpose of determining the entitlement of the shareholders to attend the annual general meeting to be held on 31 August 2012, the register of members of the Company will be closed from 30 August 2012 to 31 August 2012, 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 (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 29 August 2012.
2. Subject to the approval of the shareholders at the annual general meeting, the proposed final dividend will be distributed on or about 3 October 2012 to the shareholders whose names appear on the register of members of the Company on 19 September 2012. 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 18 September 2012 to 19 September 2012, 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 17 September 2012.
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.
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 office 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.

## NOTICE OF ANNUAL GENERAL MEETING

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 declaration of final dividend, the board of Directors of the Company recommended the payment of a final dividend of HK10 cents per share of the Company for the year ended 31 March 2012.
8. In relation to the re-election of retiring Directors, the board of Directors of the Company proposes that the retiring Directors (the names set out in item 3 above) be re-elected as Directors of the Company. Mr. MOK, Kwai Pui Bill, the retiring Non-Executive Director, indicated that he will not offer himself for re-election. Details of the retiring Directors eligible for re-election are set out in the circular to the shareholders dated 27 July 2012.
9. 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 of the Company under the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Listing Rules"). The Directors have no immediate plans to issue any new shares of the Company other than shares which may fall to be issued under the share option scheme of the Company.
10. 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 of the Company in circumstances which they deem appropriate for the benefit of the shareholders of the Company. An explanatory statement containing the information necessary to enable the shareholders of the Company to make an informed decision to vote on the proposed resolution as required by the Listing Rules is set out in the circular to the shareholders dated 27 July 2012.

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