
DEFINITIONS

In this prospectus, unless the context otherwise requires, the following terms shall have the meanings set out below.

Companies within our Group

| | |
|----------------------------|---|
| “Billion Century” | Billion Century Holdings Limited (億創集團有限公司), a limited liability company incorporated in Hong Kong on 16 May 2007 which is 100% indirectly owned by our Company through Full Benefit. It is an investment holding company |
| “Caragis” | Caragis Limited, a limited liability company incorporated in Hong Kong on 31 October 1991 which is 100% directly owned by our Company. Its principal activity is property holding and it jointly holds the Central Park Hotel with Vicsley |
| “Charter Joy” | Charter Joy Limited (捷彩有限公司), a limited liability company incorporated in Hong Kong on 12 May 1994 which is 100% directly owned by our Company. Its principal activity is property investment and the operation of the Dorsett Seaview Hotel |
| “Chengdu Far East” | Far East Dorsett Hotel Management (Cheng Du) Co., Ltd. (遠東帝豪酒店管理(成都)有限公司), a limited liability company incorporated in the PRC on 30 October 2006 which is 100% indirectly owned by our Company through our wholly-owned subsidiary, Speedy Time. Its principal activity is hotel management and operation, property development and management and it holds the Hotel Kosmopolito City Centre, Chengdu |
| “Ching Chu (Shanghai)” | Ching Chu (Shanghai) Real Estate Development Co., Ltd. (錦秋(上海)置業發展有限公司), a limited liability company incorporated in the PRC on 20 January 2000 which is 100% indirectly owned by our Company through our wholly-owned subsidiary, Top Trend Developments. Its principal activity is lease of owned property, property and carpark management and the operation and management of the Yue Shanghai Hotel and Dorsett Regency CBD, Zhongshan |
| “Company” or “our Company” | Kosmopolito Hotels International Limited (麗悅酒店集團有限公司), formerly known as Hong Kong Hotel REIT Holdings Limited and Dorsett International Group Limited, an exempted company incorporated in the Cayman Islands on 23 January 2007 with limited liability |

DEFINITIONS

| | |
|--|--|
| “Complete Delight” | Complete Delight Limited, a limited liability company incorporated in the BVI on 3 May 2006 which is 100% directly owned by our Company. It is an investment holding company and its principal activity is the operation of the Dorsett Far East Hotel |
| “Cosmopolitan Hotel Limited” | Cosmopolitan Hotel Limited (麗都大酒店有限公司), formerly known as Aik Land Limited and Cosmopolitan Hotel Limited (大都會酒店有限公司), a limited liability company incorporated in Hong Kong on 23 October 1981 which is 100% directly owned by our Company. Its principal activity is the operation of the Cosmopolitan Hotel |
| “Dorsett Hotels & Resorts International” | Dorsett Hotels & Resorts International Limited, formerly known as Microdate Technology Limited (微日科技有限公司), a limited liability company incorporated in Hong Kong on 21 January 2000 which is 100% directly owned by our Company. It is an investment holding company and holds most of the trademarks related to the Group |
| “Dorsett Regency Hotel (M)” | Dorsett Regency Hotel (M) Sdn. Bhd., formerly known as Marone Corporation (M) Sdn. Bhd. and Rockman’s Regency (M) Sdn. Bhd., a limited liability company incorporated in Malaysia on 20 June 1990 which is 100% directly owned by our Company. Its principal activity is the operation of the Dorsett Regency Hotel Kuala Lumpur |
| “Double Advance” | Double Advance Group Limited, a limited liability company incorporated in the BVI on 12 May 2006 which is 100% directly owned by our Company. It is an investment holding company and its principal activity is the operation of the Dorsett Kowloon Hotel |
| “Eldonstead Investments” | Eldonstead Investments Limited, a limited liability company incorporated in the BVI on 26 January 2007 which is 100% indirectly owned by our Company through our wholly-owned subsidiary, Rosicky. It is an investment holding company |
| “Esmart Management” | Esmart Management Limited (嘉誼管理有限公司), a limited liability company incorporated in Hong Kong on 3 January 2001 which is 100% indirectly owned by our Company through our wholly-owned subsidiary, Havena. Its principal activity is hotel management |

DEFINITIONS

| | |
|-------------------------|---|
| “Esteem Tactic” | Esteem Tactic Sdn. Bhd., a limited liability company incorporated in Malaysia on 17 November 2009 which is 100% indirectly owned by our Company through our wholly-owned subsidiary, Subang Jaya. It is a general trading company |
| “Eternity Profits” | Eternity Profits Limited, a limited liability company incorporated in the BVI on 6 January 2006 which is 100% indirectly owned by our Company through our wholly-owned subsidiary, Jade River Profits. It is an investment holding company |
| “Everkent Development” | Everkent Development Limited (遠勤發展有限公司), a limited liability company incorporated in Hong Kong on 28 February 1989 which is 100% indirectly owned by our Company through our wholly-owned subsidiary, Havena. Its principal activity is investment and the development of the Dorsett Regency Kwun Tong, Hong Kong |
| “Excel Chinese” | Excel Chinese International Limited (卓雄國際有限公司), a limited liability company incorporated in Hong Kong on 5 June 2007 which is 100% indirectly owned by our Company through our wholly-owned subsidiary, Havena. It is an investment holding company and its principal activity is the development of The Mercer by Kosmopolito |
| “Full Benefit” | Full Benefit Limited, an exempted company incorporated in the Cayman Islands on 23 June 2006 which is 100% directly owned by our Company. It is an investment holding company |
| “Grand Expert” | Grand Expert Limited (駿宏有限公司), a limited liability company incorporated in Hong Kong on 2 December 1998 which is 100% directly owned by our Company. Its principal activity is the operation of the Cosmo Hotel |
| “Havena” | Havena Holdings Limited, a limited liability company incorporated in the BVI on 18 January 2008 which is 100% directly owned by our Company. It is an investment holding company |
| “Hong Kong (SAR) Hotel” | Hong Kong (SAR) Hotel Limited (香港(特區)酒店有限公司), formerly known as Aniwell Investments Limited (安鴻投資有限公司), a limited liability company incorporated in Hong Kong on 16 February 1993 which is 100% indirectly owned by our Company through our wholly-owned subsidiary, Havena. It is a corporation and its principal activity is the development of the Dorsett Regency Kennedy Town, Hong Kong |

DEFINITIONS

| | |
|---|---|
| “Hong Kong Hotel REIT Finance” | Hong Kong Hotel REIT Finance Company Limited, formerly known as Hanta Investment Limited (誠昌投資有限公司), a limited liability company incorporated in Hong Kong on 1 August 2007 which is 100% directly owned by our Company. Its principal activity is financing |
| “Hotel of Lan Kwai Fong” | The Hotel of Lan Kwai Fong Limited (香港蘭桂坊酒店有限公司), formerly known as Ocean Leader Development Limited, a limited liability company incorporated in Hong Kong on 17 January 1997 which is 100% directly owned by our Company. It is an investment company and its principal activity is the operation of the Lan Kwai Fong Hotel @ Kau U Fong |
| “Jade River Profits” | Jade River Profits Limited, a limited liability company incorporated in the BVI on 16 February 2006 which is 100% directly owned by our Company. It is an investment holding company |
| “Kosmopolito Hotels International (S)” | Kosmopolito Hotels International (Singapore) Pte Limited, formerly known as Dorsett Hotel Management Services (Singapore) Pte. Ltd., a limited private company incorporated in Singapore on 10 February 2010 which is 100% directly owned by our Company. Its principal activity is hotel management and consultancy services |
| “Kosmopolito Hotels International Services” | Kosmopolito Hotels International Services Limited, formerly known as Strong Crown Development Limited (昌冠發展有限公司), Maple Gardens Building Management Limited (碧豪苑物業管理有限公司), Far East Consortium Project Management Services Limited (遠東發展策劃管理有限公司) and Dorsett Hotel Management Services Limited (帝豪酒店管理有限公司), a limited liability company incorporated in Hong Kong on 4 April 1991 which is 100% directly owned by our Company. Its principal activity is hotel management |
| “Merlin Labuan” | Merlin Labuan Sdn. Bhd., formerly known as Merlin Inn (Trengganu) Sdn. Bhd., a limited liability company incorporated in Malaysia on 11 November 1983 which is 100% indirectly owned by our Company through our wholly-owned subsidiary, Eldonstead Investments. Its principal activity is the operation of the Grand Dorsett Labuan Hotel |

DEFINITIONS

| | |
|------------------------------|---|
| “Panley” | Panley Limited (柏倡有限公司), a limited liability company incorporated in Hong Kong on 6 December 2007 which is 100% indirectly owned by our Company through our wholly-owned subsidiary, Havena. It is an investment holding company and its principal activity is the development of Dorsett Regency Kwai Chung, Hong Kong |
| “Richfull International” | Richfull International Investment Limited (富多國際投資有限公司), a limited liability company incorporated in Hong Kong on 3 January 2006 which is 100% indirectly owned by our Company through our wholly-owned subsidiary, Grand Expert. It is an investment holding company |
| “Rosicky” | Rosicky Limited, a limited liability company incorporated in the BVI on 19 July 2006 which is 100% directly owned by our Company. It is an investment holding company |
| “Ruby Way” | Ruby Way Limited, a limited liability company incorporated in Hong Kong on 4 May 1982 which is 100% indirectly owned by our Company through our wholly-owned subsidiary, Havena. It is a corporation and its principal activity is the development and operation of the Cosmo Kowloon Hotel |
| “Shanghai Li Yue Management” | Shanghai Li Yue Hotel Management Co., Ltd. (麗悅酒店管理(上海)有限公司), a limited liability company incorporated in the PRC on 9 September 2009 which is 100% indirectly owned by our Company through our wholly-owned subsidiary, Ching Chu (Shanghai). Its principal activity is hotel property management |
| “Speedy Time” | Speedy Time Holdings Limited (永捷集團有限公司), a limited liability company incorporated in Hong Kong on 2 March 2006 which is 100% indirectly owned by our Company through our wholly-owned subsidiary, Full Benefit. It is an investment holding company |
| “Subang Jaya” | Subang Jaya Hotel Development Sdn. Bhd., a limited liability company incorporated in Malaysia on 30 December 1978 which is 100% indirectly owned by our Company through our wholly-owned subsidiary, Wanchope. Its principal activity is operation of the Grand Dorsett Subang Hotel |
| “Success Range” | Success Range Sdn. Bhd., a limited liability company incorporated in Malaysia on 18 April 2006 which is 100% indirectly owned by our Company through our wholly-owned subsidiary, Eternity Profits. Its principal activity is operation of the Dorsett Johor Hotel |

DEFINITIONS

| | |
|--------------------------|--|
| “Tang Hotel” | Tang Hotel Pte. Ltd., a limited private company incorporated in Singapore on 29 April 2010 which is 100% indirectly owned by our Company through our wholly-owned subsidiary, Tang Hotel Investments. Its principal activity is hotel operations and management |
| “Tang Hotel Investments” | Tang Hotel Investments Pte. Ltd., formerly known as Mayfer Investments Pte Ltd and Leedon Investments Pte Ltd, a limited private company incorporated in Singapore on 15 August 1987 which is 100% directly owned by our Company. Its principal activity is the development of residential property and Dorsett Regency “On New Bridge”, Singapore |
| “Tang Suites” | Tang Suites Pte. Ltd., a limited private company incorporated in Singapore on 10 December 2009 which is 100% indirectly owned by our Company through our wholly-owned subsidiary, Tang Hotel Investments. Its principal activity is investment and trading |
| “Top Trend Developments” | Top Trend Developments Limited, a limited liability company incorporated in the BVI on 22 September 2000 which is 100% indirectly owned by our Company through our wholly-owned subsidiary, Wonder China. It is an investment holding company |
| “Total Win Profits” | Total Win Profits Limited, a limited liability company incorporated in the BVI on 18 November 2005 which is 100% indirectly owned by our Company through our wholly-owned subsidiary, Jade River Profits. It is an investment holding company |
| “Venue Summit” | Venue Summit Sdn. Bhd., a limited liability company incorporated in Malaysia on 7 April 2006 which is 100% indirectly owned by our Company through our wholly-owned subsidiary, Total Win Profits. Its principal activity is operation of the Maytower Hotel |
| “Vicsley” | Vicsley Limited, a limited liability company incorporated in Hong Kong on 22 February 1994 which is 100% directly owned by our Company. It is a corporation and its principal activity is property holding and it jointly holds the Central Park Hotel with Caragis |
| “Wanchope” | Wanchope Limited, a limited liability company incorporated in the BVI on 19 July 2006 which is 100% indirectly owned by our Company through our wholly-owned subsidiary, Rosicky. It is an investment holding company |

DEFINITIONS

| | |
|------------------------------------|--|
| “Wonder China” | Wonder China Investments Limited, a limited liability company incorporated in the BVI on 15 September 2000 which is 100% directly owned by our Company. It is an investment holding company |
| “Wuhan Far East” | Wuhan Far East Dorsett Hotel Management Co., Ltd. (武漢遠東帝豪酒店管理有限公司), a limited liability company incorporated in the PRC on 25 June 2007 which is 100% indirectly owned by our Company through our wholly-owned subsidiary, Billion Century. Its principal activity is hotel operation and management, food and beverage and other related services and the operation of the Wuhan Cosmopolitan Hotel |
| “Wuhan Hong Kong and Macau Centre” | Wuhan Hong Kong and Macau Centre Property Management Co., Ltd. (武漢港澳中心物業管理有限公司), a limited liability company incorporated in the PRC on 14 May 2002 which is 100% owned by our Company through our wholly-owned subsidiary, Wuhan Far East. Its principal activity is property management, business management and consulting service |
| “Wuhan Li Yue Management” | Wuhan Li Yue Hotel Management Co., Ltd. (武漢麗悅酒店管理公司), a limited liability company incorporated in the PRC on 19 May 2009 which is 100% indirectly owned by our Company through our wholly-owned subsidiary, Wuhan Far East. Its principal activity is hotel management |
| <i>General</i> | |
| “affiliate” | any other person, directly or indirectly, controlling or controlled by or under direct or indirect common control with such specified person |
| “Amended Syndicated Loan” | the Syndicated Loan as amended pursuant to (i) a deed of amendment entered into by Hong Kong Hotel REIT Finance with a consortium of lenders dated 17 September 2010, (ii) a deed of amendment entered into by Double Advance with a consortium of lenders dated 17 September 2010 and (iii) a deed of amendment entered into by Complete Delight with a consortium of lenders dated 17 September 2010 |
| “Ample Bonus” | Ample Bonus Limited, a limited liability company incorporated in the BVI on 3 May 2006 which is 100% directly owned by FEC. It is the sole direct controlling shareholder of our Company and the Selling Shareholder |

DEFINITIONS

| | |
|---|--|
| “Application Form(s)” | WHITE, YELLOW, GREEN and BLUE Application Form(s) or, where the context so requires, any of them |
| “Articles of Association” or “Articles” | the articles of association of our Company, conditionally adopted on 10 September 2010 and as amended from time to time, a summary of which is set forth in Appendix V to this prospectus |
| “associates” | has the meaning ascribed thereto under the Listing Rules |
| “Assured Entitlement(s)” | the entitlement of a Qualifying FEC Shareholder to apply for Reserved Shares under the Preferential Offering on the basis of 15 Reserved Shares for every whole multiple of 1,000 FEC Shares (one board lot of FEC Shares) held by each Qualifying FEC Shareholder as at 5:00 p.m. on the Record Date |
| “ BLUE Application Form(s)” | the form of application for the Reserved Shares for use by the Qualifying FEC Shareholder under the Preferential Offering |
| “Board of Directors” or “Board” | the board of directors of our Company |
| “boutique” | is a hotel concept, which is normally characterised by a relatively small room count, good location, and are often conversions of existing buildings with modern and distinctive interior designs. The unique characteristics of a boutique hotel often are tailored to a specific customer type. A high level of personalised and attentive service drives performance level. Boutique hotels further differentiate themselves by providing a strong food and beverage offering. Usually only basic or very limited meeting facilities are provided |
| “Building Ordinance” | the Building Ordinance of Hong Kong (Chapter 123 of the Laws of Hong Kong) as amended, supplemented or otherwise modified from time to time |
| “Business Day” | any day (other than Saturday, Sunday or public holiday) in Hong Kong on which banks in Hong Kong are generally open for normal banking business |
| “BVI” | British Virgin Islands |

DEFINITIONS

| | |
|---|--|
| “Capitalisation Issue” | the issue of 1,730,000,000 Shares to Ample Bonus or such persons as it may direct subject to and simultaneous with the completion of the Global Offering by way of capitalisation of a net loan balance of HK\$1,859.8 million (represented by amounts due to Parent Entities of HK\$2,416.3 million offset by amounts due from Parent Entities of HK\$556.5 million as of 31 March 2010) due from our Company to FEC, such Shares ranking pari passu in all respects with the existing Share referred to in the section headed “Statutory and General Information — A. Further Information About Us — 3. Written Resolutions of our Shareholders” in Appendix VI to this prospectus |
| “CAGR” | compound annual growth rate |
| “CCASS” | the Central Clearing and Settlement System established and operated by HKSCC |
| “CCASS Clearing Participant” | a person admitted to participate in CCASS as a direct clearing participant or general clearing participant |
| “CCASS Custodian Participant” | a person admitted to participate in CCASS as a custodian participant |
| “CCASS Investor Participant” | a person admitted to participate in CCASS as an investor participant who may be an individual or joint individuals or a corporation |
| “CCASS Participant” | a CCASS Clearing Participant or a CCASS Custodian Participant or a CCASS Investor Participant |
| “China National Tourism Administration” | a subordinate association to the State Council headquartered in Beijing. Its primary responsibilities include, but are not limited to, planning and coordinating the development of the tourism agencies, establishing and organizing the implementation of market development strategies for domestic tourism, establishing policies on travel to Hong Kong, Macau and Taiwan, organizing the implementation and guiding the promotion of the tourist market in Hong Kong, Macao and Taiwan |
| “Companies Law” | the Companies Law (2010 Revision), (as consolidated and amended from time to time) of the Cayman Islands |
| “Companies Ordinance” | the Companies Ordinance of Hong Kong (Chapter 32 of the Laws of Hong Kong) as amended, supplemented or otherwise modified from time to time |

DEFINITIONS

| | |
|---------------------------------------|--|
| “connected person” | has the meaning ascribed to it under the Listing Rules |
| “Controlling Shareholder(s)” | has the meaning ascribed to it under the Listing Rules and, in the context of this prospectus, means the controlling shareholders of our Company, being Ample Bonus and FEC |
| “Cornerstone Investor” | Chow Tai Fook Nominee Limited, who entered into a corporate investor agreement, dated 2 September 2010, with the Company and the Joint Global Coordinators, details of which are set out in the section headed “Cornerstone Investor” in this prospectus |
| “Credit Suisse” | Credit Suisse (Hong Kong) Limited |
| “Deed of Indemnity” | deed of indemnity dated 10 September 2010 entered into between the Controlling Shareholders in favour of the Company, details of which are set out in the section headed “Statutory and General Information — E. Other Information — 1. Indemnity” |
| “Deed of Non-Competition Undertaking” | deed of non-competition undertaking dated 10 September 2010 given by Tan Sri Dato’ David Chiu (邱達昌) and FEC in favour of the Company |
| “Director(s)” | the director(s) of our Company |
| “Dorsett International (M)” | Dorsett International Sdn. Bhd., a limited liability company incorporated in Malaysia on 12 December 2008 which is 100% indirectly owned by FEC. It is a dormant company |
| “DSCR” | the aggregate amount of consolidated EBITDA, as defined under the Syndicated Loan or Amended Syndicated Loan (as the case may be), for the financial quarter ending immediately prior to an interest payment date and the three preceding financial quarters divided by aggregate actual finance costs, as specified under Syndicated Loan or Amended Syndicated Loan (as the case may be), for the four interest periods immediately following such interest payment date |
| “FDI” | Foreign Direct Investment |
| “FEC” | Far East Consortium International Limited, an exempted company incorporated in the Cayman Islands on 3 April 1990 and listed on the Stock Exchange (under the stock code 35), and the indirect controlling shareholder of our Company through our sole shareholder, Ample Bonus |

DEFINITIONS

| | |
|---|--|
| “FEC Development (M)” | FEC Development (Malaysia) Sdn. Bhd., a limited liability company incorporated in Malaysia on 30 June 1990 which is 100% indirectly owned by FEC |
| “FEC Group” or “Parent Entities” | FEC and its subsidiaries (other than the Group) |
| “FEC Shares” | ordinary shares of nominal value HK\$0.10 each in the share capital of FEC |
| “FECL” | Far East Consortium Limited (遠東發展有限公司), a company incorporated in Hong Kong on 28 September 1978 which is 100% indirectly owned by FEC |
| “GDP” | gross domestic product |
| “Giovanna Holdings” | Giovanna Holdings Limited, a limited liability company incorporated in BVI on 28 October 2009 which is 100% indirectly owned by FEC through FECL and is inactive. |
| “Global Offering” | the Hong Kong Public Offering, the International Offering and the Preferential Offering |
| “ GREEN Application Form(s)” | the application form(s) to be completed by the HK eIPO White Form Service Provider designated by the Company |
| “Group”, “our Group”, “we” or “us” | our Company and its subsidiaries or, where the context so requires in respect of the period before our Company became the holding company of our present subsidiaries, the present subsidiaries of our Company and the business carried on by such subsidiaries or (as the case may be) their predecessors |
| “Hotel and Guesthouse Accommodation Ordinance” | the Hotel and Guesthouse Accommodation Ordinance of Hong Kong (Chapter 349 of the Laws of Hong Kong) as amended, supplemented or otherwise modified from time to time |
| “ HK eIPO White Form ” | the application for Hong Kong Offer Shares to be issued in the applicant’s own name by submitting applications online through the designated website of HK eIPO White Form at www.hkeipo.hk |
| “HK eIPO White Form Service Provider” | the HK eIPO White Form service provider designated by our Company, as specified on the designated website at www.hkeipo.hk |
| “HKSCC” | Hong Kong Securities Clearing Company Limited |

DEFINITIONS

| | |
|---|--|
| “HKSCC Nominees” | HKSCC Nominees Limited, a wholly owned subsidiary of HKSCC |
| “Hong Kong” or “HK” | the Hong Kong Special Administrative Region of the PRC |
| “Hong Kong dollars”, “HK dollars” or “HK\$” | Hong Kong dollars, the lawful currency of Hong Kong |
| “Hong Kong Public Offering” | the offer of Hong Kong Offer Shares for subscription by the public in Hong Kong for cash at the Offer Price, on and subject to the terms and conditions described in this prospectus and the Application Forms |
| “Hong Kong Offer Shares” | the 54,000,000 Shares (subject to adjustment) being offered by us for subscription pursuant to the Hong Kong Public Offering |
| “Hong Kong Share Registrar” | Tricor Investor Services Limited |
| “Hong Kong Tourism Board” or “HKTB” | a statutory body, which was founded on 1 April 2001 under the Hong Kong Tourism Board Ordinance (Chapter 302 of the Laws of Hong Kong). The primary responsibilities of the HKTB are to market and promote Hong Kong as a destination worldwide and to enhance the experiences of its visitors, including making recommendations to the Hong Kong government and other relevant bodies on the range and quality of visitor facilities. It also supports the industry by conducting extensive research into visitor profiles, preferences, spending and length of stay. This research data, along with other information that can help trade partners plan their marketing and development activities more effectively, is shared with the industry through a dedicated HKTB website, PartnerNet, and other relevant channels |
| “Hong Kong Underwriters” | the several underwriters of the Hong Kong Public Offering listed in the section headed “Underwriting — Hong Kong Underwriters” in this prospectus |
| “Hong Kong Underwriting Agreement” | the underwriting agreement dated 27 September 2010 relating to the Hong Kong Public Offering entered into among us, the Selling Shareholder, FEC, the Hong Kong Underwriters and the Joint Global Coordinators |
| “HVS” | HVS, Hong Kong Office, an independent market consultant on the hotel industry |

DEFINITIONS

| | |
|--|---|
| “independent third party/parties” | person(s) or company/companies which is (are) not a connected person(s) (as defined in the Listing Rules) of our Company |
| “International Offering” | the conditional placing by the International Underwriters of the International Offer Shares with institutional and professional investors and other investors expected to have a sizeable demand for the Shares, as further described in the section headed “Structure of the Global Offering — The International Offering” in this prospectus |
| “International Offer Shares” | the 187,374,000 new Shares initially being offered by the Company for subscription and the 270,000,000 Shares being offered by the Selling Shareholder under the Offer for Sale at the Offer Price for subscription under the International Offering together, where relevant, with any Shares that may be issued or sold pursuant to any exercise of the Over-allotment Option and subject to adjustment and re-allocation as described in the section headed “Structure of the Global Offering — The International Offering” in this prospectus |
| “International Underwriters” | the several underwriters of the International Offering expected to enter into the International Underwriting Agreement to underwrite the International Offering and the Preferential Offering |
| “International Underwriting Agreement” | the International Underwriting Agreement relating to the International Offering and the Preferential Offering and to be entered into between us, FEC, the Selling Shareholder, the Joint Global Coordinators and the International Underwriters on or around 4 October 2010 |
| “Joint Bookrunners”, “Joint Lead Managers”, “Joint Global Coordinators” and “Joint Sponsors” | Credit Suisse, Morgan Stanley and RBS (in alphabetical order) |
| “JPY” | Japanese Yen, the lawful currency of Japan |
| “Latest Practicable Date” | 21 September 2010, being the latest practicable date for the purpose of ascertaining certain information contained in this prospectus prior to its publication |
| “Listing” | the listing of the Shares on the Main Board of the Stock Exchange |

DEFINITIONS

| | |
|--|---|
| “Listing Date” | the date on which dealings in the Shares first commence on the Main Board of the Stock Exchange |
| “Listing Rules” | the Rules Governing the Listing of Securities on the Stock Exchange (as amended from time to time) |
| “Loan-to-value Ratio” | the ratio, expressed as a percentage of (a) the aggregate amount outstanding under the Syndicated Loan or Amended Syndicated Loan (as the case may be) to (b) the aggregate market value of the seven hotels we own and currently operate in Hong Kong, namely Cosmopolitan Hotel, Central Park Hotel, Dorsett Kowloon Hotel, Cosmo Hotel, Lan Kwai Fong Hotel @ Kau U Fong, Dorsett Far East Hotel and Dorsett Seaview Hotel |
| “Malaysian Valuation and Property Services Department” | a department under the Malaysia Ministry of Finance which advises the government and its agencies on matters relating to the valuation of real estate, property development and management. It provides property consultancy services, including valuation of land and buildings required for feasibility studies, court proceedings, arbitration or other purposes, as well as property transaction information. It assists Malaysia’s Ministry of Finance in the implementation of policies in relation to property, collects, publishes and disseminates property information, provides training in areas relating to property valuation and property services and carries out research and development in the field of real estate. It also provides property transaction information |
| “Maytower Hotel” | Maytower Hotel & Serviced Residences, commonly referred to as Maytower Hotel |
| “Memorandum” or “Memorandum of Association” | the memorandum of association of the Company, adopted on 23 January 2007 and as amended from time to time |
| “mid-scale” | is equivalent to a hotel ranging from a high mid two-star hotel to four-star in the PRC and Malaysia and a High Tariff B to mid Medium Tariff Hotel in Hong Kong and are full-service hotels and select-service hotels with a comparatively lower room rate and more efficient layout than upscale |
| “Morgan Stanley” | Morgan Stanley Asia Limited |
| “Offer for Sale” | the offer for sale of the Sale Shares by the Selling Shareholder at the Offer Price as further described in the section headed “Structure of the Global Offering — The International Offering” in this prospectus |

DEFINITIONS

| | |
|-------------------------------|---|
| “Offer Price” | the final Hong Kong dollar price per Share (exclusive of brokerage of 1%, SFC transaction levy of 0.003%*, and Stock Exchange trading fee of 0.005%) of not more than HK\$2.75 and expected to be not less than HK\$2.04, such price to be agreed upon by the Selling Shareholder, us and the Joint Global Coordinators (on behalf of the Underwriters) on or before the Price Determination Date |
| “Offer Shares” | the Hong Kong Offer Shares, the International Offer Shares (including the Sale Shares) and the Reserved Shares, together (where applicable) with any Shares issued and sold pursuant to the exercise of the Over-allotment Option |
| “Over-allotment Option” | the option expected to be granted by the Company and the Selling Shareholder to the International Underwriters under the International Underwriting Agreement exercisable by the Joint Global Coordinators on behalf of the International Underwriters pursuant to which the Joint Global Coordinators may require the Company to issue and allot up to 40,500,000 additional new Shares and the Selling Shareholder to sell up to 40,500,000 additional Shares, together representing in aggregate up to 15% of the initial number of Offer Shares, at the Offer Price |
| “Overseas FEC Shareholders” | registered holders of FEC Shares whose addresses on the register of members of FEC were outside Hong Kong, the PRC, France, Macau and New Zealand as at 5:00 p.m. on the Record Date |
| “Permitted Mixed Development” | (i) the development of any hotel within Plaza Damas 3 and Cheras Central, both in Malaysia, which is currently being developed by one of Tan Sri Dato David Chiu’s associates, Malaysia Land Properties Sdn. Bhd., and (ii) a mixed development project (i.e. comprising both a residential and commercial development), which does not include a hotel development as part of its development plans |
| “PRC” or “China” | the People’s Republic of China and, except where the context requires and only for the purpose of this prospectus, references in this prospectus to the PRC or China do not include Taiwan, Hong Kong or Macau Special Administrative Region of the PRC, unless otherwise stated |

* SFC transaction levy of 0.003% to come into effect on 1 October 2010

DEFINITIONS

| | |
|---------------------------------|---|
| “Preferential Offering” | the preferential offer to Qualifying FEC Shareholders for subscription of the Reserved Shares on an assured basis at the Offer Price on and subject to the terms and conditions stated herein and in the BLUE Application Form |
| “Price Determination Date” | the date, expected to be on or around 4 October 2010 but no later than 7 October 2010 on which the Offer Price is fixed for the purposes of the Global Offering |
| “Property Valuers” | DTZ Debenham Tie Leung Limited and Raine & Horne International Zaki + Partners Sdn. Bhd. |
| “QIBs” | qualified institutional buyers within the meaning of Rule 144A |
| “Qualifying FEC Shareholder(s)” | registered holders of FEC Shares, whose shareholders’ names appear on the register of members of FEC as holding 1,000 or more FEC Shares as at 5:00 p.m. on the Record Date, other than the Overseas FEC Shareholders |
| “RBS” | The Royal Bank of Scotland N.V., Hong Kong Branch |
| “Record Date” | 17 September 2010, being the record date for ascertaining the Assured Entitlements |
| “Regulation S” | Regulation S under the U.S. Securities Act |
| “Reorganisation” | the reorganisation of the business comprising our Group, as described in the section headed “Statutory and General Information — A. Further Information About Us — 4. Reorganisation” in Appendix VI to this prospectus |
| “Reserved Shares” | the 28,626,000 Shares being offered pursuant to the Preferential Offering, representing approximately 5.3% of the Shares initially available under the Global Offering, subject to re-allocation to the International Offering as described in the section headed “Structure of the Global Offering — The Preferential Offering” in this prospectus |
| “Restricted Activity” | hotel investment, operation, management and development (save for any Permitted Mixed Development) |
| “Ringgit”, “RM” or “MYR” | Malaysian Ringgit, the lawful currency of Malaysia |
| “RMB” or “Renminbi” | Renminbi Yuan, the lawful currency of the PRC |
| “Rule 144A” | Rule 144A under the U.S. Securities Act |

DEFINITIONS

| | |
|--|--|
| “Sale Shares” | the 270,000,000 Shares being offered for sale by the Selling Shareholder under the International Offering together, where relevant, with up to 40,500,000 Shares which may be sold pursuant to the Over-allotment Option |
| “SAT” | the State Administration of Taxation of the PRC (中國國家稅務總局) |
| “Securities and Futures Commission” or “SFC” | the Securities and Futures Commission of Hong Kong |
| “Selling Shareholder” | Ample Bonus |
| “SFO” | the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) as amended, supplemented or otherwise modified from time to time |
| “SGD” or “S\$” | Singapore dollars, the lawful currency of Singapore |
| “Shanghai Ching Chu Trading” | Shanghai Ching Chu Trading Market Operations and Management Co., Ltd. (上海錦秋集貿市場經營管理有限公司), a limited liability company incorporated in the PRC on 22 November 2004 which is 100% directly owned by Shanghai Chingchu Property Development, a subsidiary of FEC |
| “Shanghai Chingchu Property Development” | Shanghai Chingchu Property Development Co., Ltd. (上海錦秋房地產有限公司), a sino-foreign equity joint venture with limited liability incorporated in the PRC on 24 April 1997 which is 98.2% indirectly owned by FEC through Far East Consortium China Investment Limited (遠東發展中國投資有限公司) |
| “Share(s)” | ordinary shares issued by our Company, with a nominal value of HK\$0.10 each, traded in HK dollars and for which application have been made for the granting of listing, and permission to deal in, on the Main Board of the Stock Exchange |
| “Share Option Scheme” | the share option scheme conditionally adopted by our Company pursuant to a resolution passed by its shareholders on 10 September 2010, a summary of the principal terms of which is set out in “Statutory and General Information — Share Option Scheme” in Appendix VI to this prospectus |
| “Shareholder(s)” | holder(s) of Share(s) |
| “Singapore” | The Republic of Singapore |

DEFINITIONS

| | |
|--------------------------------|---|
| “Stabilising Manager” | Credit Suisse |
| “Stock Borrowing Agreement” | the stock borrowing agreement expected to be entered into on or about the Price Determination Date between the Stabilising Manager (or its affiliates acting on its behalf) and Ample Bonus, pursuant to which Ample Bonus will agree to lend up to 81,000,000 Shares to the Stabilising Manager on terms set forth therein |
| “Stock Exchange” | The Stock Exchange of Hong Kong Limited |
| “subsidiary” or “subsidiaries” | has the meaning ascribed to it in section 2 of the Companies Ordinance |
| “substantial shareholder” | a person who is entitled to exercise, or control the exercise of, 10% or more of the voting power at any of our general meetings |
| “Syndicated Loan” | our HK\$1.9 billion syndicated loan comprising (i) a term loan facility entered into by Hong Kong Hotel REIT Finance for a principal amount of up to HK\$1,663,315,000 arranged by a consortium of lenders pursuant to an agreement dated 11 September 2008, (ii) a term loan facility entered into by Double Advance for a principal amount of up to HK\$101,656,000 arranged by a consortium of lenders pursuant to an agreement dated 11 September 2008 and (iii) a term loan facility entered into by Complete Delight for a principal amount of up to HK\$135,029,000 arranged by a consortium of lenders pursuant to an agreement dated 11 September 2008 |
| “Tourism Malaysia” | The Tourist Development Corporation of Malaysia (TDC) was established on 10 August 1972 as an agency under the former Ministry of Trade and Industry by an act of parliament. Its full focus is on promoting Malaysia domestically and internationally. Tourism Malaysia also publishes statistics on the tourism industry ranging from tourist arrivals, receipts, and average occupancy rates of hotels regularly |
| “Track Record Period” | the period comprising the three financial years ended 31 March 2010 |
| “Underwriters” | collectively, the Hong Kong Underwriters and the International Underwriters |
| “Underwriting Agreements” | the Hong Kong Underwriting Agreement and the International Underwriting Agreement |

DEFINITIONS

| | |
|--------------------------------------|--|
| “United States” or “U.S.” | The United States of America, including the District of Columbia, its territories and possessions |
| “upscale” | is equivalent to a high four-star or low five-star hotel in the PRC and Malaysia and a share of High Tariff A hotels in Hong Kong, normally associated with high-quality and are mostly full-service hotels with moderate to high room rates. More efficient layout, less comprehensive services and amenities and often inferior location compared to upper upscale and luxury hotels |
| “US\$” or “U.S. dollars” | United States dollars, the lawful currency of the United States |
| “U.S. Securities Act” | the U.S. Securities Act of 1933, as amended, and the rules and regulations promulgated thereunder |
| “value” | is equivalent to a hotel ranging from a mid two-star to a one-star hotel in the PRC and Malaysia and a mid Medium Tariff Hotel or a Tourist Guesthouse in Hong Kong and normally only provide basic, sometimes shared amenities |
| “ WHITE Application Form(s)” | the form of application for the Hong Kong Offer Shares for use by the public who require such Hong Kong Offer Shares to be issued in the applicants’ own name |
| “ YELLOW Application Form(s)” | the form of application for the Hong Kong Offer Shares for use by the public who require such Hong Kong Offer Shares to be deposited directly into CCASS |
| “%” | per cent |

For ease of reference, the names of the PRC established companies or entities, laws or regulations have been included in this prospectus in both the Chinese and English languages and in the event of any inconsistency between the Chinese names of the PRC entities mentioned in this prospectus and their English translations, the Chinese names shall prevail.