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Rosedale Hotel Holdings Limited

珀麗酒店控股有限公司

(Incorporated in Bermuda with limited liability)

(Stock Code: 1189)

VERY SUBSTANTIAL DISPOSALS AND CONNECTED TRANSACTIONS IN RELATION TO THE DISPOSALS OF THE SALE SHARES AND THE SALE LOANS AND RESUMPTION OF TRADING

THE TRANSACTIONS

The Eagle Spirit Agreement

The Board is pleased to announce that after trading hours of the Stock Exchange on 11 April 2014, the ES Vendor (a direct wholly-owned subsidiary of the Company), the Purchaser (a direct wholly-owned subsidiary of ITCP), the Company and ITCP entered into the Eagle Spirit Agreement, pursuant to which the ES Vendor has conditionally agreed to sell, and the Purchaser has conditionally agreed to purchase, the ES Sale Share and the ES Sale Loan for an aggregate consideration of not exceeding HK\$566 million. The ES Sale Share represents the entire issued share capital of Eagle Spirit.

As at the date of the Eagle Spirit Agreement, the principal asset of the Eagle Spirit Group is the 40% property interest in the TKT Hotel. In addition, Eagle Spirit holds, among other things, the entire issued share capital of Rosedale Kowloon, which is the lessee and operator of the TKT Hotel. Further information relating to the Eagle Spirit Group is included in the section headed “Information on Eagle Spirit and Makerston” below.

The Makerston Agreement

The Board is also pleased to announce that after trading hours of the Stock Exchange on 11 April 2014, the MS Vendor (a non-wholly owned subsidiary of the Company), the Purchaser (a direct wholly-owned subsidiary of ITCP), the Company and ITCP entered into the Makerston Agreement, pursuant to which the MS Vendor has conditionally agreed to sell, and the Purchaser has conditionally agreed to purchase, the MS Sale Share and the MS Sale Loan for an aggregate consideration of not exceeding HK\$324 million.

The MS Sale Share represents the entire issued share capital of Makerston, the principal assets of which comprise 100% equity interest in DS Eastin, which holds 20% equity interest in Rosedale Beijing.

Completion of the disposals under the Eagle Spirit Agreement and the Makerston Agreement are not inter-conditional on each other.

CHANGE IN SHAREHOLDING

The Company was informed by ITCC (being the substantial shareholder of the Company) that on 11 April 2014, ITCC, ITC Investment Holdings Limited (as the vendor, being a wholly-owned subsidiary of ITCC), Hanny, and Hanny Investment Group Limited (as the purchaser, being an indirect wholly-owned subsidiary of Hanny) entered into the Rosedale Share Agreement pursuant to which the entire issued share capital of Leaptop is to be disposed to Hanny Investment Group Limited. Leaptop owns the entire issued share capital of Asia Will Limited, which is the owner of 195,706,000 Shares, representing approximately 29.76% of the issued share capital of the Company. Details of the Rosedale Share Agreement are set out in the announcements of ITCC and Hanny dated 23 April 2014. The aforesaid transaction is conditional on the ES Completion and the MS Completion. The Transactions are not conditional on completion of the Rosedale Share Agreement and thus the Rosedale Share Agreement would not affect the ES Completion and/or the MS Completion.

LISTING RULES IMPLICATIONS

As one or more of the applicable percentage ratios in respect of the Transactions under Rule 14.07 of the Listing Rules exceeds 75%, the Transactions constitute very substantial disposals for the Company under the Listing Rules which are subject to the reporting, announcement and shareholders' approval requirements.

As ITCC, being the substantial shareholder of the Company, is indirectly interested in approximately 30.65% of the issued share capital of ITCP, the Purchaser (being a direct wholly-owned subsidiary of ITCP) is a connected person of the Company. Accordingly, the Transactions also constitute connected transactions for the Company under Chapter 14A of the Listing Rules, which are subject to approval of the Independent Shareholders at the SGM by way of poll. As completion of the Rosedale Share Agreement is conditional on the ES Completion and the MS Completion, CEL, as an associated company of Hanny, is considered to have a material interest in the Transactions. Accordingly, ITCC, CEL and their respective associates shall abstain from voting in respect of the resolutions approving the Agreements and the transactions contemplated thereunder at the SGM. Dr. Chan Kwok Keung, Charles (by virtue of his being director and controlling shareholder of ITCC) will also abstain from voting in respect of the resolutions approving the Agreements and the transactions contemplated thereunder at the SGM. As at the date of this announcement, ITCC holds 195,706,000 Shares, representing approximately 29.76% of the issued share capital of the Company, CEL holds 48,660,424 Shares, representing approximately 7.40% of the issued share capital of the Company, and Dr. Chan Kwok Keung, Charles holds 1,132,450 Shares, representing approximately 0.17% of the issued share capital of the Company.

GENERAL

Mr. Cheung Hon Kit (by virtue of his being director of both ITCP and the Company) has not attended the meeting of the Board in relation to the approval of the Agreements. Mr. Kwok Ka Lap, Alva (by virtue of his being director of Hanny, ITCP and the Company), Mr. Poon Kwok Hing, Albert and Mr. Sin Chi Fai (by virtue of their being directors of both Hanny and the Company) have abstained from voting on the relevant resolution(s) approving the Agreements in the meeting of the Board. As all the independent non-executive Directors have material interest in the Transactions, no independent board committee will be formed. An independent financial adviser will be appointed to advise the Independent Shareholders in relation to the Transactions.

The SGM will be convened and held for the Independent Shareholders to consider and, if thought fit, approve the Agreements. A circular containing details of the Agreements, the financial information of the Eagle Spirit Group, the Makerston Group and the Remaining Group, the letter of advice from the independent financial adviser to the Independent Shareholders, a notice convening the SGM and other information as required under the Listing Rules will be despatched to the Shareholders on or before 20 June 2014 so as to allow sufficient time for the preparation of the relevant information for inclusion in the circular.

RESUMPTION OF TRADING

Trading in the Shares on the Stock Exchange was suspended at the request of the Company with effect from 9:00 a.m. on Monday, 14 April 2014 pending the release of this announcement. An application has been made to the Stock Exchange for the resumption of trading in the Shares with effect from 9:00 a.m. on Thursday, 24 April 2014.

INTRODUCTION

Reference is made to the joint announcement of Hanny, ITCC, ITCP and the Company dated 19 March 2014 in relation to the possible sale by the Company of, among other things, certain of its minority holdings in hotels.

The Board is pleased to announce that, after trading hours of the Stock Exchange on 11 April 2014, (i) the ES Vendor, the Purchaser, the Company and ITCP entered into the Eagle Spirit Agreement in relation to the sale and purchase of the ES Sale Share and the ES Sale Loan; and (ii) the MS Vendor, the Purchaser, the Company and ITCP entered into the Makerston Agreement in relation to the sale and purchase of the MS Sale Share and the MS Sale Loan.

Completion of the disposals under the Eagle Spirit Agreement and the Makerston Agreement are not inter-conditional on each other.

The Company has been informed by ITCC (a substantial shareholder of the Company) that, on 11 April 2014, ITCC, ITC Investment Holdings Limited (as the vendor, being a wholly-owned subsidiary of ITCC), Hanny, and Hanny Investment Group Limited (as the purchaser, being an indirect wholly-owned subsidiary of Hanny) entered into the Rosedale Share Agreement pursuant to which the entire issued share capital of Leaptop is to be disposed to Hanny Investment Group Limited. Leaptop owns the entire issued share capital of Asia Will Limited, which is the owner of 195,706,000 Shares, representing approximately 29.76% of the issued share capital of the Company as at the date of this announcement. Details of the Rosedale Share Agreement are set out in the announcements of ITCC and Hanny dated 23 April 2014. The aforesaid transaction is conditional on the ES Completion and the MS Completion. The Transactions are not conditional on completion of the Rosedale Share Agreement and thus the Rosedale Share Agreement would not affect the ES Completion and/or the MS Completion.

Set out below are the principal terms of the Eagle Spirit Agreement and the Makerston Agreement.

THE EAGLE SPIRIT AGREEMENT

Date

11 April 2014

Parties

- | | |
|------------------------------|--|
| (i) ES Vendor: | Easy Vision Holdings Limited, a direct wholly-owned subsidiary of the Company; |
| (ii) Purchaser: | Silver Infinite Limited, a direct wholly-owned subsidiary of ITCP; |
| (iii) ES Vendor's guarantor: | the Company; and |
| (iv) Purchaser's guarantor: | ITCP |

To the best of the Director's knowledge, information and belief having made all reasonable enquiries, ITCP was owned as to 30.65% by ITCC, which is a substantial shareholder holding 29.76% of the issued share capital of the Company as at the date of the Eagle Spirit Agreement, and therefore the Purchaser (being a direct wholly-owned subsidiary of ITCP) is a connected person of the Company under Chapter 14A of the Listing Rules. The Purchaser is principally engaged in investment holding.

Interests to be disposed of

The assets to be disposed of by the ES Vendor comprise the ES Sale Share and the ES Sale Loan. The ES Sale Share represents the entire issued share capital of Eagle Spirit as at the date of the Eagle Spirit Agreement and on the ES Completion. The ES Sale Loan represents the aggregate amount owing by Eagle Spirit to the ES Vendor as at the ES Completion Date. As at the date of this announcement, the ES Sale Loan amounted to approximately HK\$45.5 million.

Details of the Eagle Spirit Group are set out in the section headed "Information on Eagle Spirit and Makerston" below.

ES Consideration

The ES Consideration is to be determined in accordance with the following formula:

$$\begin{aligned} \text{ES Consideration} &= \text{HK\$530 million} \\ &+ 40\% \text{ of the consolidated ES Net Current Assets of More Star} \\ &+ \text{the ES Net Current Assets of Eagle Spirit} \\ &+ \text{the ES Net Current Assets of Rosedale Kowloon} \\ &+ \text{the consolidated ES Net Current Assets of HK Macau} \\ &+ \text{the combined ES Net Current Assets of Rosy Universe,} \end{aligned}$$

subject to a maximum of HK\$566 million.

Based on the unaudited combined adjusted management accounts of the Eagle Spirit Group as at 31 December 2013, the ES Consideration is estimated to be approximately HK\$536 million.

The ES Consideration attributable to the ES Sale Loan is the face value of the ES Sale Loan on a dollar-for-dollar basis, with the balance of the ES Consideration being attributable to the ES Sale Share.

The ES Consideration is to be paid by the Purchaser to the ES Vendor on the ES Completion Date in the following manner:

- (i) as to HK\$250 million payable by way of issue of the ES Note; and
- (ii) as to the balance of the ES Consideration payable in cash.

At ES Completion, the ES Consideration will be determined based on draft ES Completion Accounts prepared by the ES Vendor. The ES Vendor shall finalise and agree the ES Completion Accounts with the Purchaser within two (2) months after ES Completion Date. The Purchaser will make up any shortfall of the ES Consideration paid to the ES Vendor, or (as the case may be) the ES Vendor will return any excess ES Consideration paid based on the ES Completion Accounts, within ten (10) Business Days after the finalisation of the agreed ES Completion Accounts.

The ES Consideration was determined after arm's length negotiations between the ES Vendor and the Purchaser with reference to (i) the preliminary valuation of the TKT Hotel as at 31 March 2014 by an independent property valuer and the ES Net Current Assets of each member of the Eagle Spirit Group and on the basis that the Eagle Spirit Group will have no material debts at ES Completion other than the ES Sale Loan; and (ii) the indemnity given by the ES Vendor and the Company in favour of the Purchaser against all tax liabilities that may arise from the disposal of 60% interest in More Star pursuant to the Shaw Agreement and other liabilities arising under the Shaw Agreement, as no provision against such liabilities have been made for the purposes of determining the ES Consideration. For the avoidance of doubt, the ES Vendor and the Purchaser have not taken into account the entering into and/or completion of the Rosedale Share Agreement when determining the ES Consideration.

Conditions precedent

Completion of the Eagle Spirit Agreement is conditional upon fulfillment or waiver (as the case may be) of the following conditions:

- (i) the approval by the Independent Shareholders of the Eagle Spirit Agreement and the transactions contemplated thereunder at the SGM in compliance with the Listing Rules having been obtained;
- (ii) the written approval by the shareholders of ITCP or approval by the shareholders of ITCP (other than those, if any, who are required to abstain from voting under the Listing Rules or the applicable laws, rules and regulations) of the Eagle Spirit Agreement and the transactions contemplated thereunder at the special general meeting of ITCP in compliance with the Listing Rules having been obtained;
- (iii) the Purchaser being satisfied with the results of the due diligence review of the Eagle Spirit Group, each member of the More Star Group and the TKT Hotel;
- (iv) each of the warranties given under the Eagle Spirit Agreement being true and accurate in all material respects and not misleading as at the date of the Eagle Spirit Agreement and remaining true and accurate in all material aspects and not misleading as at the ES Completion Date;
- (v) there being no material adverse change in the financial position of the Eagle Spirit Group and each member of the More Star Group from 31 March 2014 up to and as at the ES Completion Date; and
- (vi) the Property Company having given its consent in writing to the indirect disposal of Rosedale Kowloon under the Master Lease.

The Purchaser may at its discretion at any time waive in writing any conditions set out above, except for conditions (i), (ii) and (vi).

If any of the conditions (i), (ii) and (vi) is not fulfilled on or before ES Long Stop Date, and/or the conditions (iii), (iv) and (v) do not remain fulfilled or waived (as the case may be), the rights and obligations of the parties under the Eagle Spirit Agreement shall lapse and be of no further effect except for antecedent breach.

ES Completion

ES Completion shall subject to all conditions precedent being fulfilled or waived (as the case may be) take place on the seventh Business Day after fulfillment of the conditions (i), (ii) and (vi) referred to above, or such other date as the parties may agree in writing.

Upon ES Completion, Eagle Spirit will cease to be a subsidiary of the Company and its financial results will no longer be consolidated into the financial statements of the Group.

THE MAKERSTON AGREEMENT

Date

11 April 2014

Parties

- (i) MS Vendor: Rosedale Hotel Group Limited, which is beneficially owned as to approximately 88.64% by the Company;
- (ii) Purchaser: Silver Infinite Limited, a direct wholly-owned subsidiary of ITCP;
- (iii) MS Vendor's guarantor: the Company; and
- (iv) Purchaser's guarantor: ITCP

Details of the Purchaser and its relationship with ITCC are set out in the paragraph headed "Parties" in the section headed "The Eagle Spirit Agreement" above.

Interests to be disposed of

The assets to be disposed of under the Makerston Agreement comprise the MS Sale Share and the MS Sale Loan. The MS Sale Share represents the entire issued share capital of Makerston as at the date of the Makerston Agreement and on the MS Completion. The MS Sale Loan represents the aggregate amount owing by Makerston to the MS Vendor as at the MS Completion Date. As at the date of this announcement, the MS Sale Loan amounted to approximately HK\$216.5 million.

The principal asset of the Makerston Group is the holding of 20% interest in Rosedale Beijing which holds the Beijing Hotel. Following completion of the Capital Increase Agreement on 29 November 2013, Makerston's interest in Rosedale Beijing was diluted from 100% to 20%. Pursuant to the Capital Increase Agreement, the Investor has agreed to pay DS Eastin the Compensated Amount on or before six (6) months after completion of the Capital Increase Agreement, i.e. 29 May 2014. Further information relating to the Makerston Group is included in the section headed "Information on Eagle Spirit and Makerston" below.

MS Consideration

The MS Consideration is to be determined in accordance with the following formula:

$$\begin{aligned} \text{MS Consideration} &= \text{HK\$256 million} \\ &+ \text{the MS Net Current Assets of Makerston} \\ &+ \text{the MS Net Current Assets of DS Eastin} \\ &+ 20\% \text{ of the MS Net Current Assets of Rosedale Beijing} \\ &+ 20\% \text{ of the amount of land premium paid by Rosedale Beijing} \\ &\quad \text{out of its cash on hand during the period between the date of} \\ &\quad \text{the Makerston Agreement and the MS Completion Date,} \end{aligned}$$

subject to a maximum of HK\$324 million, subject to any upward adjustment in connection with the Compensated Amount as described under the paragraph headed "Arrangement in respect of the Compensated Amount" below. The upward adjustment for the land premium paid by Rosedale Beijing is to recognise the value of the cash that is currently held by Rosedale Beijing (which would be counted towards the MS Net Current Assets, if not applied towards payment of land premium as land premium once paid is not considered as "current assets" of Rosedale Beijing).

Based on the unaudited management accounts of the Makerston Group as at 31 December 2013, the MS Consideration is estimated to be approximately HK\$304 million.

The MS Consideration attributable to the MS Sale Loan is the face value of the MS Sale Loan on a dollar-for-dollar basis, with the balance of the MS Consideration being attributable to the MS Sale Share.

The MS Consideration is to be paid by the Purchaser to the MS Vendor upon the MS Completion Date in the following manner:

- (i) as to HK\$250 million payable by way of the issue of the MS Note; and
- (ii) as to the balance of the MS Consideration payable in cash.

At MS Completion, the MS Consideration will be determined based on draft MS Completion Accounts prepared by the MS Vendor. The MS Vendor shall finalise and agree the MS Completion Accounts with the Purchaser within two (2) months after MS Completion Date. The Purchaser will make up any shortfall of the MS Consideration paid to the MS Vendor, or (as the case may be) the MS Vendor will return any excess MS Consideration paid based on the MS Completion Accounts, within ten (10) Business Days after the finalisation of the agreed MS Completion Accounts.

The MS Consideration was determined after arm's length negotiations between the MS Vendor and the Purchaser with reference to the preliminary valuation of the Beijing Hotel as at 31 March 2014 by an independent property valuer and the MS Net Current Assets of the Makerston Group and on the basis that the Makerston Group will have no material debts at MS Completion other than the MS Sale Loan. For the avoidance of doubt, the MS Vendor and the Purchaser have not taken into account the entering into and/or completion of the Rosedale Share Agreement when determining the MS Consideration.

Conditions precedent

MS Completion is conditional upon fulfillment or waiver (as the case may be) of the following conditions:

- (i) the approval by the Independent Shareholders of the Makerston Agreement and the transactions contemplated thereunder at the SGM in compliance with the Listing Rules having been obtained;
- (ii) the written approval by the shareholders of ITCP or approval by the shareholders of ITCP (other than those, if any, who are required to abstain from voting under the Listing Rules or the applicable laws, rules and regulations) of the Makerston Agreement and the transactions contemplated thereunder at the special general meeting of ITCP in compliance with the Listing Rules having been obtained;
- (iii) the Purchaser being satisfied with the results of the due diligence review of the Makerston Group, Rosedale Beijing and the Beijing Hotel;
- (iv) requisite consent having been obtained in respect of the transfer of the MS Sale Share under the Makerston Agreement;
- (v) each of the warranties given under the Makerston Agreement being true and accurate in all material respects and not misleading as at the date of the Makerston Agreement and remaining true and accurate in all material aspects and not misleading as at the MS Completion; and
- (vi) there being no material adverse change in the financial position of the Makerston Group from 31 March 2014 up to and as at the MS Completion Date.

The Purchaser may at its discretion at any time waive any of the conditions set out above, except for conditions (i), (ii) and (iv). If any of the above conditions is not fulfilled or waived (as the case may be) on or before the MS Long Stop Date and/or conditions (iii), (v) and (vi) above do not remain fulfilled or waived (as the case may be) on the MS Completion Date, the rights and obligations of the parties under the Makerston Agreement shall lapse and be of no further effect except for antecedent breach.

Arrangement in respect of the Compensated Amount

As disclosed in the Previous Announcements, completion of the deemed disposal to a subsidiary of the Investor of 80% interest in Rosedale Beijing by DS Eastin under the Capital Increase Agreement took place on 29 November 2013 and as a result, a receivable of the Compensated Amount from the Investor of approximately HK\$665 million under the Capital Increase Agreement was recorded in the accounts of DS Eastin as at the date of this announcement.

In respect of the expected receipt of the Compensated Amount, pursuant to the Makerston Agreement, the Purchaser acknowledges and consents to the resolutions of Makerston to declare the DS Eastin Dividend and the resolutions of the MS Vendor to declare the Makerston Dividend and the payment of the DS Eastin Dividend and the Makerston Dividend upon receipt of the Compensated Amount (or any amount thereof), the effect of which is to enable the upstream payment of the Compensated Amount to the MS Vendor by way of dividend payment. In addition, the Purchaser undertakes that if DS Eastin receives the Compensated Amount on or after MS Completion, the Purchaser shall pay the Makerston Dividend and, if the Makerston Dividend is less than the Compensated Amount, an amount equal to the shortfall by way of an increase of the MS Consideration (in addition to the amount that is determined by the formula under the paragraph headed “MS Consideration”), to the MS Vendor within five (5) Business Days of such receipt.

The MS Completion:

The MS Completion shall subject to all conditions precedent being fulfilled or waived (as the case may be) take place on the seventh (7th) Business Day after fulfillment of the conditions (i), (ii) and (iv) referred to above, or such other date as the parties to the Makerston Agreement may agree in writing.

Upon MS Completion, Makerston will cease to be a subsidiary of the Company and its financial results will no longer be consolidated into the financial statements of the Group.

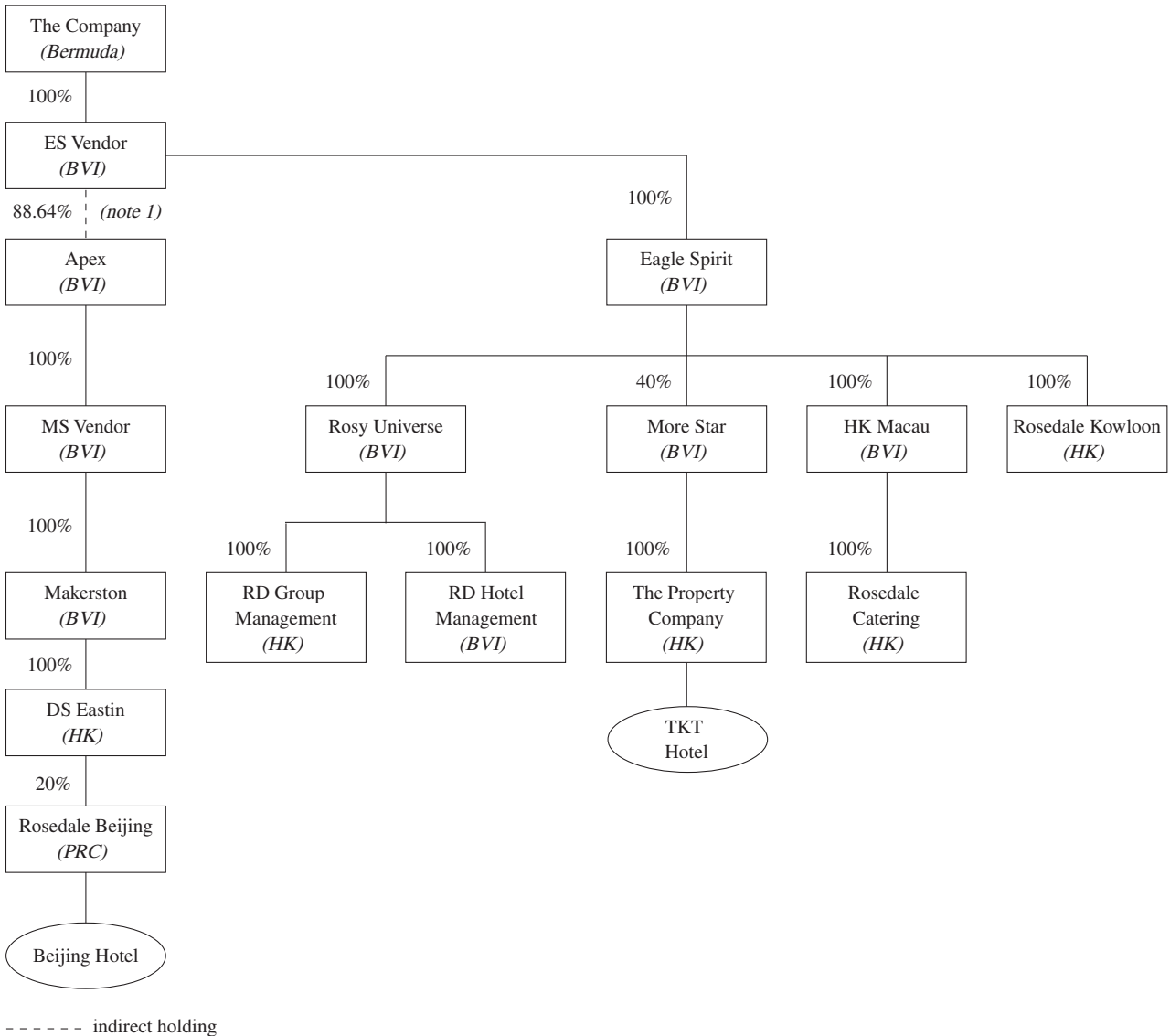
THE ES NOTE AND THE MS NOTE

Both the ES Note and the MS Note shall be unsecured, the principal terms of which are set out as follows:

Issuer:	ITCP
Noteholders:	the ES Vendor for the ES Note and the MS Vendor for the MS Note or their respective nominees
Principal amounts:	HK\$250 million for both the ES Note and the MS Note
Interest:	5% per annum, payable semi-annually in arrears
Maturity:	two (2) years after the respective dates of the issue of the ES Note and the MS Note, but ITCP may prepay all or part of the outstanding principal amount (at the minimum amount of HK\$5,000,000) at any time prior to the maturity date without any penalty, prepayment or other fees by giving the noteholders not less than seven (7) days' prior written notice together with all interest accrued on the amount to be prepaid
Transferability:	the noteholders are not entitled to assign the outstanding amount under the ES Note and the MS Note or any of their rights, interests or benefits thereunder without the prior written consent of ITCP

INFORMATION ON EAGLE SPIRIT AND MAKERSTON

Set out below is the existing structure of the Makerston Group and the Eagle Spirit Group as at the date of this announcement:



Notes:

1. The ES Vendor directly held approximately 5.5% and indirectly held approximately 83.14% of Apex.
2. Places in parentheses represent places of incorporation.

The Eagle Spirit Group

Eagle Spirit

Eagle Spirit, which is an investment holding company incorporated in the BVI, is wholly owned by the ES Vendor. Its principal assets comprise (i) 100% equity interest in Rosy Universe, which holds the entire equity interest in RD Group Management and RD Hotel Management, which are principally engaged in corporate management and secretarial services and hotel management and consultancy services respectively; (ii) 40% equity interest in More Star, the sole asset of which is its investment in the Property Company which currently holds the ownership of the TKT Hotel, namely Rosedale Hotel Kowloon; (iii) 100% equity interest in Rosedale Kowloon, which has entered into the Master Lease with the Property Company for the lease of the TKT Hotel and is to be granted a non-exclusive use of the Trademarks under the Licence Agreement; and (iv) 100% equity interest in HK Macau which holds 100% equity interest in Rosedale Catering, which is a food and beverage operator. Details of each member of the Eagle Spirit Group are set out in the following subsections:

(i) Rosy Universe Group

Rosy Universe, which is an investment holding company incorporated in the BVI, is wholly-owned by Eagle Spirit. The principal assets of Rosy Universe are its holding of the entire equity interest in RD Group Management and RD Hotel Management.

RD Hotel Management is a company incorporated in the BVI and its principal activities are the provision of hotel management and consultancy services. Currently, it has entered into consultancy contracts with two (2) hotels in the PRC, one of which is located in Guangzhou and another one in Beijing, for the provision of its consultancy services which are to be expired on 31 December 2014. The contracts will be terminated prior to ES Completion. RD Group Management is a company incorporated in Hong Kong and has recruited a team of staff for the provision of corporate management and secretarial services.

(ii) *Rosedale Kowloon*

Rosedale Kowloon is a company incorporated in Hong Kong with limited liability and is the operator of the TKT Hotel. On 14 March 2014, Rosedale Kowloon and the Property Company entered into the Master Lease pursuant to which Rosedale Kowloon shall lease the TKT Hotel for its hotel operation for a term of six (6) years, material terms of which are set out in the announcement of the Company dated 10 November 2013 and the circular of the Company dated 18 February 2014. For the continuing use of the Trademarks upon ES Completion, the Licensor will grant a non-exclusive and non-transferrable licence to use the Trademarks to Rosedale Kowloon under the Licence Agreement for a period commencing from the ES Completion Date to 31 March 2020 (being the date on which the Master Lease expires).

(iii) *HK Macau Group*

HK Macau is an investment holding company incorporated in the BVI which owns the entire issued share capital of Rosedale Catering. Rosedale Catering is mainly engaged in the operation of food and beverage outlets.

(iv) *More Star Group*

More Star is an investment holding company incorporated in the BVI with limited liability. Its sole asset is its investment in the Property Company. On 14 March 2014, the disposal of 60% equity interest in More Star by Eagle Spirit to Shaw under the Shaw Agreement was completed and thus as at the date of this announcement, Eagle Spirit held 40% equity interest in More Star.

The Property Company is a company incorporated in Hong Kong with limited liability and is principally engaged in the business of property holding. Its principal asset is the ownership of the TKT Hotel, which is located at No. 86 Tai Kok Tsui Road, Tai Kok Tsui, Kowloon, Hong Kong. It is a 4-star rated hotel currently known as “Rosedale Hotel Kowloon” with a gross floor area of approximately 10,300 m² and 435 guest rooms. Based on the preliminary valuation on the Property by Asset Appraisal Limited, an independent property valuer, the market value of the TKT Hotel as at 31 March 2014 is estimated to be approximately HK\$1,285 million.

Financial information of the Eagle Spirit Group and the More Star Group

Set out below is the unaudited combined financial information of the Eagle Spirit Group (with 100% interest in the More Star Group, given the disposal of 60% interest in the More Star Group was completed after 31 December 2013) prepared in accordance with the HK GAAP:

	For the year ended	
	31 December	
	2012	2013
	<i>HK\$'000</i>	<i>HK\$'000</i>
Profit before taxation	18,161	36,796
Profit after taxation	18,161	36,796

As at 31 December 2013, the unaudited combined net assets of the Eagle Spirit Group (with 100% interest in the More Star Group, given the disposal of 60% interest in the More Star Group was completed after 31 December 2013) was approximately HK\$71.0 million.

Set out below is the unaudited consolidated financial information of the More Star Group prepared in accordance with the HK GAAP:

	For the year ended	
	31 December	
	2012	2013
	<i>HK\$'000</i>	<i>HK\$'000</i>
Profit before taxation	485,041	19,422
Profit after taxation	485,041	19,422

As at 31 December 2013, the unaudited consolidated net assets of the More Star Group was approximately HK\$503.6 million. The significant profit before and after taxation of the More Star Group for the year ended 31 December 2012 was mainly attributable to gain from increase in fair value of the TKT Hotel, which was accounted for as an investment property in the consolidated accounts of More Star, of approximately HK\$472.8 million for the year ended 31 December 2012. Such gain from increase in fair value was reversed upon consolidation by Eagle Spirit since the TKT Hotel was accounted for as property, plant and equipment in the consolidated accounts of Eagle Spirit.

The Makerston Group

Makerston, which is an investment holding company incorporated in the BVI, is wholly owned by the MS Vendor. Its principal asset is its holding of the entire issued share capital of DS Eastin, which is an investment holding company incorporated in Hong Kong holding 20% of the paid-up capital of Rosedale Beijing.

On 31 May 2013, DS Eastin, the Investor, Rosedale Beijing and the Company entered into the Capital Increase Agreement, pursuant to which the Investor agreed to procure the capital contribution of US\$68.8 million (representing approximately HK\$533.2 million) in cash for the increase in the registered capital of Rosedale Beijing. Upon completion of the capital increase by a subsidiary of the Investor under the Capital Increase Agreement which took place on 29 November 2013, Rosedale Beijing has become a sino-foreign joint venture company with a registered capital of US\$86 million (representing approximately HK\$666.5 million) held as to 80% by a subsidiary of the Investor and 20% by DS Eastin.

Rosedale Beijing is principally engaged in hotel ownership and operation and its principal asset is the ownership of the Beijing Hotel. The Beijing Hotel has a gross floor area of approximately 37,173 m² with 462 guest rooms and a shopping arcade. Based on the preliminary valuation by Asset Appraisal Limited, an independent property valuer, the market value of the Beijing Hotel is estimated to be approximately HK\$1,290 million as at 31 March 2014.

Financial information of the Makerston Group and Rosedale Beijing

Set out below is the unaudited consolidated financial information of the Makerston Group prepared in accordance with the HK GAAP:

	For the year ended	
	31 December	
	2012	2013
	HK\$'000	HK\$'000
(Loss)/profit before taxation	(18,443)	811,669
(Loss)/profit after taxation	(12,488)	816,265

The significant profit before and after taxation of the Makerston Group for the year ended 31 December 2013 was mainly attributable to an one-off gain on deemed disposal of Rosedale Beijing of approximately HK\$825.1 million for the year ended 31 December 2013.

Set out below is the unaudited financial information of Rosedale Beijing prepared in accordance with the PRC GAAP:

	For the year ended 31 December			
	2012		2013	
	<i>RMB'000</i>	<i>HK\$'000</i>	<i>RMB'000</i>	<i>HK\$'000</i>
(Loss)/profit before taxation	(1,581)	(1,992)	28,608	36,046
(Loss)/profit after taxation	(1,581)	(1,992)	28,608	36,046

As at 31 December 2013, the unaudited consolidated net asset value of the Makerston Group was approximately HK\$722.2 million, whilst the unaudited net asset value of Rosedale Beijing is RMB221.4 million (equivalent to approximately HK\$279.0 million).

REASONS FOR AND BENEFITS OF THE TRANSACTIONS

The Group is principally engaged in hotel operations and trading of securities.

The existing hotel operations of the Group comprise the operation of the three “Rosedale” branded 4-star rated hotels (of which two hotels are leased-and-operated hotels in Hong Kong), the Times Plaza Hotel in Shenyang and the Luoyang Golden Gulf Hotel. As disclosed in the Company’s interim report for the six months ended 30 June 2013, the slower pace of economic growth of the PRC and signs of the retreat of hot money from Asia give a hard time to the Group’s hotel operations of which the performance depends heavily on the ups and downs of the world economic atmosphere. Facing this situation, the Group intended to continue to enhance its hotel chain and to explore further income streams so as to stay ahead of its competitors and to maximise the value for the Shareholders.

The Directors are of the view that the Transactions would allow the Group to realise its minority investments in the TKT Hotel and the Beijing Hotel. The proceeds receivable from the Transactions would provide the necessary financial resources for the Group to repay its borrowings when they fall due so as to strengthen its financial position, enhance the Group's capability to capture any future investment opportunities, and focus its resources on other hotels of the Remaining Group.

Upon ES Completion and MS Completion, the Remaining Group and the hotel portfolio shall comprise the Rosedale Hotel and Suites in Guangzhou, the Times Plaza Hotel in Shenyang, the Luoyang Golden Gulf Hotel and a leased-and-operated hotel in Hong Kong. Having taken into account these four hotels being under management of the Remaining Group and the financial effect of each of the ES Completion and the MS Completion set out in the section headed "Use of proceeds and financial effects of the Transactions" below, the Directors consider that the Remaining Group has a sufficient level of operations and tangible assets of sufficient value to warrant its continued listing of the Shares on the Stock Exchange as required under Rule 13.24 of the Listing Rules. In addition, given that the Remaining Group has identified specific use of the net proceeds from the Transactions, the Directors consider that the Remaining Group would not become a cash company upon ES Completion and MS Completion.

As at the date of this announcement, the Company does not have any intention to dispose of any assets and business of the Remaining Group. As disclosed in the Company's annual report for the year ended 31 December 2013, the Group will explore further the leased-and-operated hotel and franchising business to supplement its traditional owner-operated hotel business, and will from time to time revisit its business strategy and composition of its hotel portfolio to cope with the market changes and to explore further income streams so as to maximise the wealth of the Shareholders.

Having considered the above, the Directors are of the view that the terms of the Eagle Spirit Agreement and the Makerston Agreement are fair and reasonable and the Transactions are in the interests of the Company and the Shareholders as a whole.

Subject to either ES Completion or MS Completion, the Board intends to declare a special dividend of HK\$0.10 per Share to the Shareholders whose name appear on the register of members of the Company on a date before the ES Completion Date or the MS Completion Date, whichever is earlier. A further announcement will be made by the Company in this regard as and when appropriate.

USE OF PROCEEDS AND FINANCIAL EFFECTS OF THE TRANSACTIONS

In respect of disposal of the Eagle Spirit Group

Based on the estimated amount of the ES Consideration of HK\$536 million and the associated direct cost of the transaction contemplated under the Eagle Spirit Agreement of approximately HK\$3 million, the net proceeds therefrom are estimated to be approximately HK\$533 million.

Based on the unaudited financial information of the Eagle Spirit Group as at 31 December 2013, the Group expects to recognise a loss of approximately HK\$2.5 million which is calculated with reference to the net asset value of the Eagle Spirit Group of approximately HK\$535.5 million (based on the unaudited adjusted management accounts of the Eagle Spirit Group as at 31 December 2013).

In respect of disposal of the Makerston Group

Based on the estimated amount of the MS Consideration of HK\$304 million and the associated direct cost of the transaction contemplated under the Makerston Agreement of approximately HK\$3 million, the net proceeds therefrom are estimated to be approximately HK\$301 million.

Based on the unaudited financial information of the Makerston Group as at 31 December 2013, the Group expects to recognise a gain of approximately HK\$0.1 million which is calculated with reference to the net asset value of the Makerston Group of approximately HK\$300.9 million (based on the unaudited management accounts of the Makerston Group as at 31 December 2013).

Shareholders should note that the actual gain or loss from each of the Transactions to be recorded by the Company will depend on the financial position of the Eagle Spirit Group and the Makerston Group as at the ES Completion Date and the MS Completion Date respectively.

The Group intends to apply the net proceeds from the Transactions as to approximately (i) HK\$250 million for repayment of other borrowings; (ii) HK\$66 million for payment of the special dividend as mentioned in the section headed “Reasons for and benefits of the Transactions” above; and (iii) the remaining balance for future investment opportunities of the Group as and when appropriate. If such net proceeds are insufficient for repayment of other borrowings and payment of the special dividend, the shortfall will be funded by internal resources of the Group.

CHANGE IN SHAREHOLDING

The Company was informed by ITCC (being the substantial shareholder of the Company) that on 11 April 2014, ITCC, ITC Investment Holdings Limited (as the vendor, being a wholly-owned subsidiary of ITCC), Hanny, and Hanny Investment Group Limited (as the purchaser, being an indirect wholly-owned subsidiary of Hanny) entered into the Rosedale Share Agreement pursuant to which the entire issued share capital of Leaptop is to be disposed to Hanny Investment Group Limited. Leaptop owns the entire issued share capital of Asia Will Limited, which is the owner of 195,706,000 Shares, representing approximately 29.76% of the issued share capital of the Company. Details of the Rosedale Share Agreement are set out in the announcements of ITCC and Hanny dated 23 April 2014. The aforesaid transaction is conditional on the ES Completion and the MS Completion. The Transactions are not conditional on completion of the Rosedale Share Agreement and thus the Rosedale Share Agreement would not affect the ES Completion and/or the MS Completion.

Set out below is a table showing the shareholding structure of the Company (i) as at the date of this announcement; and (ii) immediately upon completion of the Rosedale Sale Agreement:

	(i) as at the date of this announcement		(ii) immediately upon completion of the Rosedale Sale Agreement	
	<i>Number of Shares</i>	<i>Approximate %</i>	<i>Number of Shares</i>	<i>Approximate %</i>
ITCC	195,706,000	29.76	–	–
Mr. Kwok Ka Lap, Alva (<i>Note 1</i>)	7,500	negligible	7,500	negligible
Hanny	–	–	148,506,000	22.58
CEL	48,660,424	7.40	48,660,424	7.40
Other Shareholders (<i>Note 2</i>)	413,301,948	62.84	460,501,948	70.02
Total	<u>657,675,872</u>	<u>100.00</u>	<u>657,675,872</u>	<u>100.00</u>

Notes:

1. Mr. Kwok Ka Lap, Alva is an independent non-executive Director.
2. Pursuant to the Rosedale Sale Agreement, ITC Investment Holdings Limited shall procure Asia Will Limited to place and/or donate 47,200,000 (or such other number of Shares as may be agreed between the parties) Shares to independent third party(ies) and/or such charitable body and/or a combination of both before completion of the Rosedale Sale Agreement.

LISTING RULES IMPLICATIONS

As one or more of the applicable percentage ratios in respect of the Transactions under Rule 14.07 of the Listing Rules exceeds 75%, the Transactions constitute very substantial disposals for the Company under the Listing Rules which are subject to the reporting, announcement and shareholders' approval requirements.

As ITCC, being the substantial shareholder of the Company, was indirectly interested in approximately 30.65% issued share capital of ITCP, the Purchaser (being a direct wholly-owned subsidiary of ITCP) is a connected person of the Company. Accordingly, the Transactions would constitute connected transactions for the Company under Chapter 14A of the Listing Rules, which are subject to approval from the Independent Shareholders at the SGM by way of poll.

As completion of the Rosedale Share Agreement is conditional on the ES Completion and the MS Completion, CEL, as an associated company of Hanny, is considered to have a material interest in the Transactions. Accordingly, ITCC, CEL and their respective associates shall abstain from voting in respect of the resolutions approving the Agreements and the transactions contemplated thereunder at the SGM. Dr. Chan Kwok Keung, Charles (by virtue of his being director and controlling shareholder of ITCC) will also abstain from voting in respect of the resolutions approving the Agreements and the transactions contemplated thereunder at the SGM. As at the date of this announcement, ITCC holds 195,706,000 Shares, representing approximately 29.76% of the issued share capital of the Company, CEL holds 48,660,424 Shares, representing approximately 7.40% of the issued share capital of the Company, and Dr. Chan Kwok Keung, Charles holds 1,132,450 Shares, representing approximately 0.17% of the issued share capital of the Company.

GENERAL

Mr. Cheung Hon Kit (by virtue of his being director of both ITCP and the Company) has not attended the meeting of the Board in relation to the approval of the Agreements. Mr. Kwok Ka Lap, Alva (by virtue of his being director of Hanny, ITCP and the Company), Mr. Poon Kwok Hing, Albert and Mr. Sin Chi Fai (by virtue of their being directors of both Hanny and the Company), have abstained from voting on the relevant resolution(s) approving the Agreements in the meeting of the Board. As all the independent non-executive Directors have material interest in the Transactions, no independent board committee will be formed. An independent financial adviser will be appointed to advise the Independent Shareholders in relation to the Transactions.

The SGM will be convened and held for the Independent Shareholders to consider and, if thought fit, approve the Agreements and the transactions contemplated thereunder. A circular containing details of the Agreements, the financial information of the Eagle Spirit Group, the Makerston Group and the Remaining Group, the letter of advice from the independent financial adviser to the Independent Shareholders, a notice convening the SGM and other information as required under the Listing Rules will be despatched to the Shareholders on or before 20 June 2014 so as to allow sufficient time for the preparation of the relevant information for inclusion in the circular.

RESUMPTION OF TRADING

Trading in the Shares on the Stock Exchange was suspended at the request of the Company with effect from 9:00 a.m. on Monday, 14 April 2014 pending the release of this announcement. An application has been made to the Stock Exchange for the resumption of trading in the Shares with effect from 9:00 a.m. on Thursday, 24 April 2014.

DEFINITIONS

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

“Agreements”	collectively, the Eagle Spirit Agreement and the Markerston Agreement
“Apex”	Apex Quality Group Limited, a company incorporated in the BVI with limited liability and is beneficially owned as to approximately 88.64% by the Company as at the date of this announcement
“associate(s)”	has the same meaning ascribed to it under the Listing Rules
“Beijing Hotel”	the hotel situated at No. 8, Jiang Tai Road West, Chao Yang District, Beijing, the PRC and is now known as Rosedale Hotel & Suites, Beijing
“Board”	the board of Directors

“Business Day”	a day (other than Saturdays, Sundays, public holidays and any day on which a tropical cyclone warning no. 8 or above or a “black” rainstorm warning signal is hoisted at any time between 9:00 a.m. and 5:00 p.m.) on which licensed banks in Hong Kong are generally open for business
“BVI”	the British Virgin Islands
“Capital Increase Agreement”	the capital increase agreement dated 31 May 2013 entered into between DS Eastin, the Investor, Rosedale Beijing and the Company in relation to the capital contribution of US\$68.8 million (equivalent to approximately HK\$533.2 million) by a subsidiary of the Investor for the increase in the registered capital of Rosedale Beijing
“CEL”	China Enterprises Limited, a company incorporated in Bermuda with limited liability, the shares of which are traded in the over-the-counter securities market in the United States of America and is an associated company of Hanny
“Company”	Rosedale Hotel Holdings Limited, a company incorporated in Bermuda with limited liability, the issued shares (Stock Code: 1189) of which are listed on the Main Board of the Stock Exchange
“Compensated Amount”	the amount of compensation receivable by DS Eastin from the Investor pursuant to the Capital Increase Agreement
“connected person(s)”	has the same meaning ascribed thereto under the Listing Rules
“Directors”	directors of the Company

“Domain Name”	the domain name “kowloon.rosedalehotels.com”, including email addresses using such domain name, namely, “@rosedalehotels.com”, created by Rosedale Kowloon as the licensee or by the Licensor at the request of Rosedale Kowloon (as the case may be)
“DS Eastin”	DS Eastin Limited, a company incorporated in Hong Kong with limited liability and a wholly-owned subsidiary of Makerston
“DS Eastin Dividend”	a dividend to be declared prior to MS Completion by DS Eastin to Makerston in an amount equal to the lesser of all the distributable profits of DS Eastin and the Compensated Amount, payable on receipt of the Compensated Amount
“Eagle Spirit”	Eagle Spirit Holdings Limited, a wholly-owned subsidiary of ES Vendor prior to ES Completion, which was incorporated in the BVI with limited liability
“Eagle Spirit Agreement”	the agreement dated 11 April 2014 entered into between the ES Vendor, the Purchaser, the Company and ITCP in relation to the sale and purchase of the ES Sale Share and the ES Sale Loan
“Eagle Spirit Group”	collectively, Eagle Spirit and its subsidiaries
“ES Completion”	completion of the sale and purchase of the ES Sale Share and the assignment of the ES Sale Loan under the Eagle Spirit Agreement

“ES Completion Accounts”	(i) the unaudited management accounts of Eagle Spirit (on a non-consolidated basis); (ii) the unaudited consolidated management accounts of the More Star Group; (iii) the unaudited management accounts of Rosedale Kowloon; (iv) the unaudited consolidated management accounts of the HK Macau Group; and (v) the unaudited combined management accounts of the Rosy Universe Group, each comprising an income statement for the period from 1 January 2014 to the ES Completion Date and a statement (or consolidated statement as the case may be) of financial position as at the ES Completion Date
“ES Completion Date”	the date that the ES Completion takes place
“ES Consideration”	the aggregate consideration for the ES Sale Share and the ES Sale Loan pursuant to the terms of the Eagle Spirit Agreement
“ES Long Stop Date”	the day falling six (6) months after the date of the Eagle Spirit Agreement or such other date as the Purchaser and the ES Vendor may agree in writing
“ES Net Current Assets”	the aggregate of all current assets (excluding deferred tax assets and the TKT Hotel) less all liabilities (excluding deferred tax liabilities and the ES Sale Loan), as at the ES Completion Date
“ES Note”	the loan note in the principal amount of HK\$250 million to be issued by ITCP to the ES Vendor or its nominee in partial settlement of the ES Consideration upon the ES Completion
“ES Sale Loan”	the amounts due from Eagle Spirit to the ES Vendor as at the ES Completion Date

“ES Sale Share”	one (1) ordinary share of US\$1 in the capital of Eagle Spirit representing the entire issued share capital as at the date of the Eagle Spirit Agreement and at ES Completion
“ES Vendor”	Easy Vision Holdings Limited, a direct wholly-owned subsidiary of the Company, which was incorporated in the BVI with limited liability
“GAAP”	generally accepted accounting principles
“Group”	the Company and its subsidiaries
“Hanny”	Hanny Holdings Limited, a company incorporated in Bermuda with limited liability and the issued shares (stock code: 275) of which are listed on the Main Board of the Stock Exchange
“HK” or “Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“HK Macau”	Hongkong Macau (International) BVI Limited, a direct wholly-owned subsidiary of Eagle Spirit, which was incorporated in the BVI with limited liability
“HK Macau Group”	collectively, HK Macau and its subsidiary
“Independent Shareholder(s)”	Shareholders other than those who are required to abstain from voting of the resolution(s) relating to the Transactions under the Listing Rules
“Investor”	China Private Ventures Ltd., a company incorporated in the BVI with limited liability
“ITCC”	ITC Corporation Limited, a company incorporated in Bermuda with limited liability, the issued shares (Stock Code: 372) of which are listed on the Main Board of the Stock Exchange

“ITCP”	ITC Properties Group Limited, a company incorporated in Bermuda with limited liability, the issued shares (Stock Code: 199) of which are listed on the Main Board of the Stock Exchange
“Leaptop”	Leaptop Investments Limited, a company incorporated in the BVI with limited liability and a wholly-owned subsidiary of ITCC
“Licence Agreement”	the agreement to be entered into between the Licensor and Rosedale Kowloon in relation to the grant of the non-exclusive use of the Trademarks by Rosedale Kowloon
“Licensor”	Rosedale Oriental Hotel Mgt. Inc., an indirect non-wholly owned subsidiary of the Company
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Macau”	the Macau Special Administrative Region of the PRC
“Makerston”	Makerston Limited, a wholly-owned subsidiary of the MS Vendor prior to MS Completion, which was incorporated in the BVI with limited liability
“Makerston Agreement”	the agreement dated 11 April 2014 entered into between the MS Vendor, the Purchaser, the Company and ITCP in relation to the sale and purchase of the MS Sale Share and the MS Sale Loan
“Makerston Dividend”	a dividend to be declared prior to MS Completion by Makerston to the MS Vendor in an amount equal to the lesser of all distributable profits of Makerston or the DS Eastin Dividend, subject to receipt of the DS Eastin Dividend
“Makerston Group”	collectively, Makerston and its subsidiaries

“Master Lease”	the lease dated 14 March 2014 entered into between the Property Company as lessor and Rosedale Kowloon as lessee
“More Star”	More Star Limited, a company incorporated in the BVI with limited liability, 40% equity interest of which is owned by Eagle Spirit
“More Star Group”	collectively, More Star and its subsidiary
“MS Completion”	completion of the sale and purchase of the MS Sale Share and the assignment of the MS Sale Loan under the Makerston Agreement
“MS Completion Accounts”	(i) the unaudited management accounts of Makerston (on a non-consolidated basis); (ii) the unaudited management accounts of DS Eastin (on a non-consolidated basis); and (iii) the unaudited management accounts of Rosedale Beijing, each comprising an income statement for the period from 1 January 2014 to the MS Completion Date and a statement of financial position as at the MS Completion Date
“MS Completion Date”	the date that the MS Completion takes place
“MS Consideration”	the aggregate consideration for the MS Sale Share and the MS Sale Loan pursuant to the terms of the Makerston Agreement
“MS Long Stop Date”	the day falling six (6) months after the date of the Makerston Agreement or such other date as the Purchaser and the MS Vendor may agree in writing

“MS Net Current Assets”	the aggregate of all current assets (excluding interest in an associated company, deferred tax assets, the Compensated Amount, net asset adjustment receivable under the Capital Increase Agreement and the Beijing Hotel) less all liabilities (excluding all unpaid land premium, professional fees and other costs and expenses incurred in relation to the proposed expansion and renovation of the Beijing Hotel up to an amount of available cash of Rosedale Beijing, the PRC tax liabilities on disposal of 80% interest in Rosedale Beijing pursuant to the Capital Increase Agreement, deferred tax liabilities and the MS Sale Loan), as at the MS Completion Date
“MS Note”	the loan note in the principal amount of HK\$250 million to be issued by ITCP to the MS Vendor or its nominee upon the MS Completion
“MS Sale Loan”	the amounts due from Makerston to the MS Vendor at the MS Completion Date
“MS Sale Share”	one (1) ordinary share of US\$1 in the capital of Makerston representing the entire issued share capital as at the date of the Makerston Agreement and at MS Completion
“MS Vendor”	Rosedale Hotel Group Limited, a wholly-owned subsidiary of Apex, which was incorporated in the BVI with limited liability
“PRC”	the People’s Republic of China, and for the purpose of this announcement, excluding Hong Kong, Macau and Taiwan
“Previous Announcements”	the announcements of the Company dated 5 June 2013, 27 September 2013 and 29 November 2013

“Property Company”	Fortress State International Limited, a wholly-owned subsidiary of More Star, which was incorporated in Hong Kong with limited liability
“Purchaser”	Silver Infinite Limited, a direct wholly-owned subsidiary of ITCP, which was incorporated in the BVI with limited liability
“Remaining Group”	the Group upon ES Completion and MS Completion
“RD Group Management”	Rosedale Group Management Limited, a wholly-owned subsidiary of Rosy Universe, which was incorporated in Hong Kong with limited liability
“RD Hotel Management”	Rosedale Hotel Management International Limited, a wholly-owned subsidiary of Rosy Universe, which was incorporated in the BVI with limited liability
“Rosy Universe”	Rosy Universe Limited, a wholly-owned subsidiary of Eagle Spirit, which was incorporated in the BVI with limited liability
“Rosy Universe Group”	collectively, Rosy Universe and its subsidiaries
“Rosedale Beijing”	Rosedale Hotel Beijing Co., Ltd., a sino-foreign joint venture company established in the PRC which is held as to 80% by a subsidiary of the Investor and 20% by DS Eastin
“Rosedale Catering”	Rosedale Restaurant and Catering Limited, an indirect wholly-owned subsidiary of Eagle Spirit, which was incorporated in Hong Kong with limited liability
“Rosedale Kowloon”	Rosedale Hotel Kowloon Limited, a direct wholly-owned subsidiary of Eagle Spirit, which was incorporated in Hong Kong with limited liability

“Rosedale Share Agreement”	the agreement dated 11 April 2014 entered into among ITCC, ITC Investment Holdings Limited as the vendor, Hanny and Hanny Investment Group Limited as the purchaser in relation to the sale and purchase of the entire issued share capital of Leaptop Investments Limited which through its wholly-owned subsidiary holds approximately 29.76% of the issued share capital of the Company
“SGM”	the special general meeting of the Company to be convened and held for the Independent Shareholders to consider and, if thought fit, approve the Agreements and the transactions contemplated thereunder
“Share(s)”	ordinary share(s) of HK\$0.01 each in the share capital of the Company
“Shareholders(s)”	holder(s) of the Share(s)
“Shaw”	Shaw Holdings Inc., a company incorporated in the Republic of Nauru
“Shaw Agreement”	the sale and purchase agreement dated 5 November 2013 entered into between Eagle Spirit as vendor and Shaw as purchaser in relation to the sale and purchase of 60% interest in More Star
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“substantial shareholder”	has the same meaning ascribed to it under the Listing Rules
“TKT Hotel”	the hotel building situated at No. 86 Tai Kok Tsui Road, Tai Kok Tsui, Kowloon, Hong Kong, registered in the Land Registry as Kowloon Inland Lot No. 11208
“Trademarks”	the (i) trademark registrations in Hong Kong numbered 200212784AA, 300188811, 300188802, and 300188794 in relation to the “Rosedale” brand; (ii) such other marks which are from time to time used by, owned by, or registered in the name of the Licensor or any of its wholly-owned subsidiaries; and (iii) the Domain Name

“Transactions”	collectively, the transactions contemplated under the Eagle Spirit Agreement and the Makerston Agreement
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“US\$”	United States dollars, the lawful currency of the United States of America
“m ² ”	square metres
“%”	per cent.

In this announcement, amounts in RMB are translated into HK\$ on the basis of RMB1 = HK\$1.26 and US\$ are converted into HK\$ on the basis of US\$1 = HK\$7.75. The conversion rates are for illustrative purpose only and should not be taken as a representation that RMB and US\$ could actually be converted into HK\$ at the respective rates or at all.

For and on behalf of
Rosedale Hotel Holdings Limited
Chan Ling, Eva
Managing Director

Hong Kong, 23 April 2014

As at the date of this announcement, the Directors are as follows:

Executive Directors:

Mr. Cheung Hon Kit (*Chairman*)
Mr. Chan Ling, Eva (*Managing Director*)
Mr. Chan Pak Cheung, Natalis

Independent Non-executive Directors:

Mr. Kwok Ka Lap, Alva
Mr. Poon Kwok Hing, Albert
Mr. Sin Chi Fai