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**THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION.**

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

**If you have sold or transferred** all your securities in Far East Hotels and Entertainment Limited, you should at once hand this circular to the purchaser or transferee or to the bank, licensed securities dealer or other agent through whom the sale or transfer was effected for transmission to the purchaser or the transferee.

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**FAR EAST HOTELS AND ENTERTAINMENT LIMITED**

**遠東酒店實業有限公司**

*(Incorporated in Hong Kong with limited liability)*

**(Stock Code: 0037)**

**GENERAL MANDATES  
TO BUY BACK SHARES AND TO ISSUE SHARES,  
RE-ELECTION OF RETIRING DIRECTORS  
AND  
NOTICE OF ANNUAL GENERAL MEETING**

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Capitalised terms used in the lower portion of this cover page and the inside cover page of this circular shall have the same respective meanings as those defined in the section headed "Definitions" of this circular.

A notice convening an annual general meeting of the Shareholders of Far East Hotels and Entertainment Limited to be held at the Conference Room, 2/F, Cheung Chau Warwick Hotel, East Bay, Cheung Chau, Hong Kong on Monday, 31 August 2015 at 3:00 p.m. is set out on pages 13 to 17 of this circular. Whether or not you are able to attend the meeting in person, you are requested to complete and return the enclosed form of proxy in accordance with the instructions printed thereon and return it to the Company's registered office at Suite 1902, 19th Floor, The Sun's Group Centre, 200 Gloucester Road, Wanchai, Hong Kong as soon as possible and in any event not later than 48 hours before the time appointed for holding the meeting or any adjournment thereof. Completion and return of the form of proxy will not preclude you from attending and voting in person at the meeting or its adjournment should you wish and in such event, the form of proxy should be deemed to be revoked.

Hong Kong, 30 July 2015

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*This circular is prepared in both English and Chinese. In the event of any consistency, the English text of this circular will prevail.*

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## DEFINITIONS

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

“AGM”	the annual general meeting of the Company to be held at the Conference Room, 2/F, Cheung Chau Warwick Hotel, East Bay, Cheung Chau, Hong Kong on Monday, 31 August 2015 at 3:00 p.m., notice of which is set out in Notice of Annual General Meeting of this circular
“Articles of Association”	articles of association of the Company as amended, supplemented or otherwise modified from time to time
“Audit Committee”	the audit committee of the Board
“Board”	the board of Directors
“Buy-back Mandate”	the general mandate to be unconditionally given to the Board to buy back Shares up to 10% of the aggregate number of Shares in issue, the particulars of which are set out in resolution no. 6 of the notice convening the AGM
“Buy-back Proposal”	the proposal as described in the Buy-back Resolution whereby a general mandate is to be given to the Directors to exercise the powers of the Company to buy back Shares up to 10% of the aggregate number of Shares in issue as at the date of passing the Buy-back Resolution
“Buy-back Resolution”	the proposed ordinary resolution as set out in resolution no. 6 of the notice of the AGM
“close associate(s)”	has the meaning ascribed thereto under the Listing Rules
“Companies Ordinance”	the Companies Ordinance (Chapter 622) of the Laws of Hong Kong
“Company”	Far East Hotels and Entertainment Limited, a company incorporated in Hong Kong with limited liability under the Companies Ordinance, the issued Shares of which are listed and traded on the Main Board of the Stock Exchange (Stock Code: 37)

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## DEFINITIONS

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“controlling shareholders”	has the meaning ascribed thereto under the Listing Rules
“core connected person(s)”	has the meaning ascribed thereto under the Listing Rules
“Directors”	directors of the Company
“Group”	the Company and its subsidiaries from time to time
“Issue Mandate”	the general mandate to be unconditionally given to the Board to issue and deal with additional Shares not exceeding 20% of the issued Share, the particulars of which are set out in resolution no. 5 of the notice convening the AGM
“Latest Practicable Date”	24 July 2015, being the latest practicable date prior to the printing of this circular for the purpose of ascertaining certain information referred to in this circular
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange as amended, supplemented or otherwise modified from time to time
“Nomination Committee”	the nomination committee of the Board
“Remuneration Committee”	the remuneration committee of the Board
“SFO”	Securities and Futures Ordinance, Chapter 571 of the Laws of Hong Kong as amended, supplemented or otherwise modified from time to time
“Share(s)”	ordinary share(s) in the share capital of the Company
“Shareholder(s)”	holder(s) of the Share(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“subsidiary(ies)”	has the meaning ascribed thereto under the Listing Rules
“substantial shareholder(s)”	has the meaning ascribed thereto under the Listing Rules

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## DEFINITIONS

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“Takeovers Code”	the Code on Takeovers and Mergers and Share Buy-backs as amended, supplemented or otherwise modified from time to time and administered by the Securities and Futures Commission of Hong Kong
“\$” and “cents”	Hong Kong dollars and cents respectively
“%”	per cent.



**FAR EAST HOTELS AND ENTERTAINMENT LIMITED**

**遠東酒店實業有限公司**

*(Incorporated in Hong Kong with limited liability)*

**(Stock Code: 0037)**

*Executive Directors:*

Derek Chiu, B.A. (*Managing Director and Chief Executive*)  
Margaret Chiu, LL. B.

*Non-executive Directors:*

Chiu Ju Ching Lan, J.P.  
Dick Tat Sang Chiu, M.A.

*Independent Non-executive Directors:*

Ip Shing Hing, J.P.  
Ng Wing Hang Patrick  
Choy Wai Shek Raymond, MH, J.P.

*Registered and Principal Office:*

Suite 1902, 19th Floor,  
The Sun's Group Centre,  
200 Gloucester Road,  
Wanchai, Hong Kong.

30 July 2015

To the Shareholders

Dear Sir or Madam,

**GENERAL MANDATES  
TO BUY BACK SHARES AND TO ISSUE SHARES,  
RE-ELECTION OF RETIRING DIRECTORS  
AND  
NOTICE OF ANNUAL GENERAL MEETING**

**INTRODUCTION**

The purpose of this circular is to provide you with the notice convening the AGM and information regarding the resolutions to be proposed at the forthcoming AGM. These include (i) the ordinary resolutions granting the Directors general mandates to issue Shares and buy back Shares and to extend the Buy-back Mandate, and (ii) the ordinary resolutions relating to the re-election of Directors.

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## **LETTER FROM THE MANAGING DIRECTOR AND CHIEF EXECUTIVE**

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### **GENERAL MANDATE TO BUY BACK SHARES**

At the last annual general meeting of the Company held on 2 September 2014, a general mandate was given to the Board to exercise the powers of the Company to buy back the Shares. Such mandate will lapse at the conclusion of the AGM. Therefore, at the AGM, an ordinary resolution will be proposed that the Directors be granted a new general and unconditional mandate to exercise all powers of the Company to buy back the Share(s) on the Stock Exchange, or on any other stock exchange on which the Shares may be listed, up to 10% of the aggregate number of Shares in issue as at the date of the resolution approving the Buy-back Mandate.

As at the Latest Practicable Date, there were a total of 598,410,675 Shares in issue. Subject to the passing of the resolution granting the Buy-back Mandate and on the basis that no further Shares are issued or bought back and cancelled before the AGM date, the Company will be allowed to buy back a maximum of 59,841,067 Shares. An explanatory statement, as required by the relevant provisions set out in the Listing Rules, to provide requisite information to you for consideration of the Buy-back Proposal is set out in Appendix I to this circular. The explanatory statement contains all information reasonably necessary to enable the Shareholders to make an informed decision on whether to vote for or against the relevant resolution at the AGM. The Directors propose to seek your approval of the Buy-back Resolution to be proposed at the AGM.

### **GENERAL MANDATE TO ISSUE SHARES**

An ordinary resolution will be proposed that the Directors be granted a new general and unconditional mandate to allot, issue, and deal with Shares not exceeding 20% of the aggregate number of Shares in issue as at the date of the resolution.

As at the Latest Practicable Date, there were a total of 598,410,675 Shares in issue. Subject to the passing of the resolution granting the Issue Mandate and on the basis that no further Shares are issued or bought back and cancelled before the AGM date, the Company will be allowed to issue a maximum of 119,682,135 Shares under the Issue Mandate.

In addition, an ordinary resolution will be proposed at the AGM adding any Shares bought back under the Buy-back Mandate to the Issue Mandate. The Buy-back Mandate and the Issue Mandate will continue in force until the conclusion of the next annual general meeting of the Company unless it is renewed at such meeting or until revoked or varied by ordinary resolution of the Shareholders in a general meeting held prior to the next annual general meeting of the Company.

### **RE-ELECTION OF RETIRING DIRECTORS**

The Board comprises seven Directors, of which two are executive Directors, namely Mr. Derek Chiu and Ms. Margaret Chiu; two are non-executive Directors, namely Madam Chiu Ju Ching Lan and Mr. Dick Tat Sang Chiu; three are independent non-executive Directors, namely Mr. Ip Shing Hing, Mr. Ng Wing Hang Patrick and Mr. Choy Wai Shek Raymond.

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## **LETTER FROM THE MANAGING DIRECTOR AND CHIEF EXECUTIVE**

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In accordance with articles 78 and 79 of the Articles of Association, Mr. Derek Chiu and Mr. Ip Shing Hing will retire by rotation at the forthcoming AGM and, being eligible, have offered themselves for re-election. Pursuant to code provision A.4.3 of the Corporate Governance Code set out in Appendix 14 to the Listing Rules, Mr. Ip Shing Hing has served as independent non-executive Director for more than nine years and his re-election will be subject to a separate resolution to be approved by the Shareholders. Mr. Ip has never held any executive or management position in the Group nor has he throughout such period been under the employment of any member of the Group. The Directors noted the positive contributions of Mr. Ip to the development of the Company's strategy and policies through independent, constructive and informed contributions supported by his skills, expertise and qualifications and from his active participation at meetings. Mr. Ip has given the annual confirmation of his independence pursuant to Rule 3.13 of the Listing Rules to the Company and the Nomination Committee has assessed and is satisfied with the independence of Mr. Ip. Hence, the Board considers that the long service of Mr. Ip would not affect his exercise of independent judgments.

The Board, upon the recommendation of the Nomination Committee, has proposed the re-election of both the retiring Directors. Such proposal will be put forward at the AGM for Shareholders' consideration and approval by way of ordinary resolutions.

Details of the above retiring Directors that are required to be disclosed under the Listing Rules are set out in Appendix II to this circular.

### **NOTICE OF AGM**

A notice convening the AGM is set out on pages 13 to 17 of this circular. A form of proxy for use in connection with the AGM appointing proxy is despatched with this circular and published on the respective websites of the Stock Exchange ([www.hkex.com.hk](http://www.hkex.com.hk)) and the Company ([www.tricor.com.hk/web/service/00037](http://www.tricor.com.hk/web/service/00037)). If you do not intend to attend the AGM but wish to exercise your right as a Shareholder, you are requested to complete the form of proxy and return it to the Company's registered office at Suite 1902, 19th Floor, The Sun's Group Centre, 200 Gloucester Road, Wanchai, Hong Kong not later than 48 hours before the time appointed for the holding of the AGM or its adjourned meeting (as the case may be). Completion and return of a form of proxy will not preclude you from attending and voting at the AGM and its adjournment if you so wish and in such event, the form of proxy should be deemed to be revoked.

### **VOTING BY POLL**

Pursuant to Rule 13.39(4) of the Listing Rules, any votes of the Shareholders at a general meeting must be taken by poll except where the chairman of the AGM, in good faith, decides to allow a resolution which relates purely to a procedural or administrative matter to be voted on by a show of hands. Therefore, the chairman of the AGM will demand a poll for each and every resolution put forward at the AGM pursuant to article 57 of the Articles of Association. The Company will appoint scrutineers to handle vote-taking procedures at the AGM. The results of the poll will be published on the respective websites of the Stock Exchange and the Company as soon as possible in accordance with Rule 13.39(5) of the Listing Rules.



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## LETTER FROM THE MANAGING DIRECTOR AND CHIEF EXECUTIVE

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### RESPONSIBILITY STATEMENT

This circular, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the Listing Rules for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief, the information contained in this circular is accurate and complete in all material aspects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein in this circular misleading.

### RECOMMENDATION

The Directors consider that the ordinary resolutions in relation to the Issue Mandate, the Buy-back Mandate, the extension of the Issue Mandate and the re-election of retiring Directors as set out in the notice of AGM are in the best interests of the Company and the Shareholders as a whole. The Directors, therefore, recommend the Shareholders to vote in favour of each of the above ordinary resolutions as set out in the notice of the AGM.

Yours faithfully,

For and on behalf of the Board

**Far East Hotels and Entertainment Limited**

**DEREK CHIU**

*Executive Director, Managing Director and Chief Executive*

This Appendix serves as an explanatory statement, as required pursuant to Rule 10.06(1)(b) of the Listing Rules, to provide certain information to you for your consideration of the Buy-back Mandate, and also constitutes the memorandum as required under section 239(2) of the Companies Ordinance.

### **1. SHARE CAPITAL**

As at the Latest Practicable Date, the issued share capital of the Company comprised 598,410,675 Shares.

Subject to the passing of the resolutions granting the Buy-back Mandate and on the basis that no further Shares are issued or bought back and cancelled before the AGM, the Company will be allowed to buy back up to 59,841,067 Shares, representing approximately 10% of the aggregate number of Shares in issue at the date of passing the relevant resolution.

### **2. REASONS FOR BUY-BACK**

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

### **3. FUNDING OF REPURCHASE**

Any buy-back made pursuant to the Buy-back Mandate will be funded out of funds legally available for such purpose in accordance with the Articles of Association and the Companies Ordinance. Such funds include distributable profits of the Company and/or the proceeds of a new issue of Shares made for the purposes of the buy-back.

There might be a material adverse impact on the working capital or gearing position of the Company (as compared with the position disclosed in the audited consolidated financial statements contained in the annual report for the year ended 31 March 2015) in the event that the Buy-back Mandate was to be carried out in full at any time during the proposed buy-back period. However, the Directors will not propose to exercise the Buy-back Mandate to such extent as would, in the circumstances, have a material adverse impact on the working capital requirements of the Company or the gearing levels of the Company.

#### 4. SHARE PRICES

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

	Share Prices Per Share	
	Highest <i>HK\$</i>	Lowest <i>HK\$</i>
<b>2014</b>		
July	0.230	0.200
August	0.249	0.217
September	0.350	0.222
October	0.295	0.250
November	0.370	0.260
December	0.435	0.300
<b>2015</b>		
January	0.340	0.290
February	0.385	0.270
March	0.455	0.310
April	0.640	0.350
May	0.850	0.510
June	1.280	0.640
July (up to and including the Latest Practicable Date)	1.010	0.435

#### 5. UNDERTAKING AND DISCLOSURE OF INTERESTS

None of the Directors nor, to the best of their knowledge having made all reasonable enquiries, any of their close associates, has any present intention to sell any Shares to the Company, if the Buy-back Mandate is approved by the Shareholders.

The Directors have undertaken to the Stock Exchange that so far as the same may be applicable, they will only exercise the Buy-back Mandate in accordance with the Listing Rules, the Companies Ordinance and the regulations set out in the Articles of Association.

No core connected person has notified the Company that such a person has a present intention to sell, or has undertaken not to sell, any Shares to the Company, if the Buy-back Mandate is approved by the Shareholders.

#### 6. TAKEOVERS CODE

If, as a result of a buy-back of Shares, a Shareholder's proportionate interest in the voting rights of the Company increases, such increase will be treated as an acquisition for the purposes of Rule 32 of the Takeovers Code. Accordingly, a Shareholder, or a group of

Shareholders acting in concert, depending on the level of increase of the Shareholders' interest, could obtain or consolidate control of the Company and become obliged to make a mandatory offer in accordance with Rule 26 of the Takeovers Code.

The Takeovers Code further provides that where any person who together with persons acting in concert, holds not less than 30% but not more than 50% of the voting rights, acquires in any period of twelve months additional shares carrying more than 2% of the voting rights, such a person should make a general/mandatory offer to the other shareholders of the same class to acquire as soon as practicable thereafter the remaining shares of the same class.

As at the Latest Practicable Date, Mr. Derek Chiu, Mr. Dick Tat Sang Chiu, Madam Chiu Ju Ching Lan and Ms. Margaret Chiu, being Directors together with their respective close associates were beneficially interested in an aggregate of 249,664,848 Shares, representing approximately 41.72% of the issued share capital of the Company. Based on such shareholdings and in the event that the Directors exercised in full the power to buy back Shares under the Buy-back Proposal, if so approved at the AGM, and assuming that no further Shares are issued or bought back and cancelled prior to the date of the AGM, the shareholdings of Mr. Derek Chiu, Mr. Dick Tat Sang Chiu, Madam Chiu Ju Ching Lan and Ms. Margaret Chiu together with their respective close associates would be increased to approximately 46.36% of the issued share capital of the Company.

Therefore, the Directors would not implement the Buy-back Mandate to the extent that such a general/mandatory offer may arise under the Takeovers Code as a result of any buy-back made under the Buy-back Proposal. In the event that the Buy-back Proposal is exercised in full, the number of Shares held by the public would not fall below 25%.

## **7. SHARE BUY-BACK MADE BY THE COMPANY**

The Company had not bought back any of its Shares (whether on the Stock Exchange or otherwise) in the six months immediately preceding the Latest Practicable Date.

The following are the particulars of the Directors proposed to be re-elected at the AGM.

**Mr. Derek Chiu, B.A.** (*Managing Director and Chief Executive*)

Aged 49. He was appointed as a Director in 1989. He is a member of each of the Remuneration Committee and the Nomination Committee. He is also a director of various subsidiaries of the Company. He is an executive director of Far East Holdings International Limited (stock code: 36), a company listed on the Stock Exchange. He has extensive experience in the operation of amusement parks and entertainment business. He is a son of Madam Chiu Ju Ching Lan, a non-executive Director and a brother of Mr. Dick Tat Sang Chiu, a non-executive Director and Ms. Margaret Chiu, an executive Director.

Save as disclosed above, he does not have any relationship with any directors, senior management or substantial or controlling shareholders of the Company, nor has he held in the last three years other directorships in public companies, the securities of which are listed on any securities market in Hong Kong or overseas.

As at the Latest Practicable Date, he beneficially owned 105,624,299 Shares, representing approximately 17.65% of the entire issued share capital of the Company and was interested in share options to subscribe for an aggregate of 9,300,000 Shares. Save as disclosed above, he does not have any interests in the Shares within the meaning of Part XV of the SFO.

There is no service contract entered into between Mr. Chiu and the Company or any of its subsidiaries. He receives emolument from the Company that is determined by the Board from time to time by reference to the prevailing market conditions and director's fee of HK\$10,000 per annum (by reference to the market conditions and as approved by the Shareholders at the latest annual general meeting). The term of office of Mr. Chiu is subject to retirement by rotation and re-election at the AGM in accordance with the Articles of Association.

Save as disclosed above, there are no other matters concerning Mr. Chiu that need to be brought to the attention of the Shareholders nor any information to be disclosed pursuant to the requirements of Rule 13.51(2)(h) to (v) of the Listing Rules.

**Mr. Ip Shing Hing, J.P.**

Aged 60. Mr. Ip was appointed as an Independent Non-executive Director of the Company on 31 March 1997. He is the chairman of the Nomination Committee and a member of each of the Audit Committee and the Remuneration Committee. He holds a Bachelor of Laws Degree from the University of Hong Kong and a Master of Arts in Arbitration and Alternative Dispute Resolution from the City University of Hong Kong. He has been a practising solicitor in Hong Kong for more than 30 years. Mr. Ip is an independent non-executive director of Binhai Investment Company Ltd (stock code: 2886) and PC Partner Group Limited (stock code: 1263), both being companies listed on the Stock Exchange.

He does not have any relationship with any directors, senior management, substantial shareholder or controlling shareholder of the Company. Save as disclosed above, he has not held in the last three years other directorships in public companies, the securities of which are listed on any securities market in Hong Kong or overseas.

As at the Latest Practicable Date, Mr. Ip was interested in share options to subscribe for an aggregate of 3,000,000 Shares. Save as disclosed above, he does not have any interests in the Shares within the meaning of Part XV of the SFO.

There is no service contract entered into between Mr. Ip and the Company or any of its subsidiaries. He receives no emolument from the Company except a director's fee of HK\$120,000 per annum (by reference to the market conditions and as approved by the Shareholders at the latest annual general meeting). The term of office of Mr. Ip is subject to retirement by rotation and re-election at the AGM in accordance with the Articles of Association.

Save as disclosed above, there are no other matters concerning Mr. Ip that need to be brought to the attention of the Shareholders nor any information to be disclosed pursuant to the requirements of Rule 13.51(2)(h) to (v) of the Listing Rules.

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## NOTICE OF ANNUAL GENERAL MEETING

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### FAR EAST HOTELS AND ENTERTAINMENT LIMITED

### 遠東酒店實業有限公司

*(Incorporated in Hong Kong with limited liability)*

**(Stock Code: 0037)**

### NOTICE OF ANNUAL GENERAL MEETING

**NOTICE IS HEREBY GIVEN THAT** the annual general meeting of Far East Hotels and Entertainment Limited (the “Company” and the “AGM”, respectively) will be held at the Conference Room, 2/F, Cheung Chau Warwick Hotel, East Bay, Cheung Chau, Hong Kong on Monday, 31 August 2015 at 3:00 p.m. for the following purposes:

#### **As ordinary business:**

1. To receive the audited consolidated financial statements of the Company and its subsidiaries (the “Group”) and the reports of the directors and independent auditor of the Company for the year ended 31 March 2015;
2. To re-elect the retiring directors of the Company;
3. To authorize the board of directors of the Company (the “Board”) to fix the remuneration of the directors for the year ending 31 March 2016 (the “Year 2016”);
4. To re-appoint Deloitte Touche Tohmatsu as the independent auditor of the Company in respect of the consolidated financial statements of the Group for Year 2016 and to authorize the Board to fix the remuneration of the independent auditor;

#### **As special business:**

To consider and, if thought fit, pass the following resolutions, with or without amendments, as Ordinary Resolutions:

5. **“THAT**
  - (a) subject to paragraph (c) below, the exercise by the directors of the Company (the “Directors”) during the Relevant Period (as hereinafter defined) of all the powers of the Company to allot, issue and deal with additional shares of the Company (the “Shares”) and to make or grant offers, agreements and options (including bonds, warrants and debentures convertible into or exchangeable for Shares) which might require the exercise of such powers be and is hereby generally and unconditionally approved;

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## NOTICE OF ANNUAL GENERAL MEETING

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- (b) the approval in paragraph (a) of this resolution shall authorise the Directors during the Relevant Period to make or grant offers, agreements and options (including bonds, warrants and debentures convertible into or exchangeable for Shares) which might require the exercise of such powers after the end of the Relevant Period;
- (c) the aggregate number of additional Shares which may be allotted or agreed conditionally or unconditionally to be allotted (whether pursuant to an option or otherwise) by the Directors pursuant to the approval in paragraph (a) of this resolution, otherwise than pursuant to (i) a Rights Issue (as hereinafter defined); (ii) any Share Option Scheme (as hereinafter defined) of the Company; (iii) the exercise of rights of conversion under the terms of any securities which are convertible into Shares or warrants to subscribe for Shares; or (iv) any scrip dividend or other similar arrangement providing for the allotment of Shares in lieu of the whole or part of a dividend on Shares pursuant to the articles of association of the Company (the “Articles of Association”), shall not exceed 20% of the aggregate number of the issued Shares as at the date of passing of this resolution and the approval in paragraph (a) of this resolution shall be limited accordingly; and
- (d) for the purpose of this resolution,

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

- i. the conclusion of the next annual general meeting of the Company;
- ii. the expiration of the period within which the next annual general meeting of the Company is required by the Articles of Association or any applicable laws to be held; and
- iii. the revocation or variation of the authority given under this resolution by an ordinary resolution of the shareholders of the Company in general meeting;

“Rights Issue” means an offer of Shares open for a period fixed by the Directors to holders of Shares on the register of members on a fixed record date in proportion to their then holdings of such Shares (subject to such exclusions or other arrangements as the Directors may deem necessary or expedient in relation to fractional entitlements or having regard to any restrictions or obligations under the laws of any relevant jurisdiction, or the requirements of any recognised regulatory body or any stock exchange applicable to the Company); and

“Share Option Scheme” means a share option scheme or similar arrangement for the time being, as varied from time to time, adopted for the grant or issue of Shares or rights to acquire Shares.



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## NOTICE OF ANNUAL GENERAL MEETING

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6. **“THAT**

- (a) subject to paragraph (b) of this resolution, the exercise by the directors of the Company during the Relevant Period (as hereinafter defined) of all the powers of the Company to buy back its own shares on The Stock Exchange of Hong Kong Limited (the “Stock Exchange”) or on any other stock exchange on which the securities of the Company may be listed and recognised by the Securities and Futures Commission of Hong Kong (the “Securities and Futures Commission”) and the Stock Exchange under the Hong Kong Code of Share Buy-backs issued for the Securities and Futures Commission for this purpose, subject to and in accordance with all applicable laws and the rules and regulations of the Securities and Futures Commission, the Stock Exchange or other stock exchange as amended, supplemented or otherwise modified from time to time, be and is hereby generally and unconditionally approved;
- (b) the aggregate number of shares of the Company (the “Shares”) to be bought back by the Company pursuant to the approval in paragraph (a) above shall not exceed 10% of the aggregate number of the issued Shares as at the date of this resolution, and the said approval shall be limited accordingly; and
- (c) for the purpose of this resolution, “Relevant Period” means the period from the passing of this resolution until whichever is the earliest of:
  - i. the conclusion of the next annual general meeting of the Company;
  - ii. the expiration of the period within which the next annual general meeting of the Company is required by the articles of association of the Company or any applicable laws to be held; and
  - iii. the revocation or variation of the authority given under this resolution by an ordinary resolution of the shareholders of the Company in general meeting.”

7. **“THAT** conditional upon the passing of Ordinary Resolutions No. 5 and 6 as set out in the notice convening this Annual General Meeting, the general mandate granted to the Directors to allot, issue and deal with additional shares in the capital of the Company (the “Shares”) pursuant to the said Ordinary Resolution No. 5 be and is hereby extended by the addition thereto the aggregate number of Shares bought back by the Company under the authority granted pursuant to

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## NOTICE OF ANNUAL GENERAL MEETING

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the said Ordinary Resolution 6 provided that such amount shall not exceed 10% of the aggregate number of the issued Shares as at the date of passing of this resolution.”

By order of the Board  
**FAR EAST HOTELS AND ENTERTAINMENT LIMITED**  
**DEREK CHIU**  
*Executive Director, Managing Director and Chief Executive*

Hong Kong, 30 July 2015

*Registered and Principal Office:*

Suite 1902, 19th Floor,  
The Sun Group Centre,  
200 Gloucester Road,  
Wanchai, Hong Kong

*Notes:*

1. For determining the entitlement of the members of the Company (the “Members”) to attend and vote at the AGM, the register of members of the Company will be closed from Thursday, 27 August 2015 to Monday, 31 August 2015 (both days inclusive), during which period no transfer of Shares will be effected. In order to qualify for attending the AGM, all transfer documents accompanied by the relevant share certificates must be lodged with Tricor Standard Limited, the Registrars of the Company, at Level 22, Hopewell Centre, 183 Queen’s Road East, Hong Kong not later than 4:30 p.m. on Wednesday, 26 August 2015.
2. A Member entitled to attend and vote at the AGM is entitled to appoint one (or, if he holds two or more Shares, more than one) proxy to attend and vote on his behalf. A proxy need not be a Member.
3. Where there are joint registered holders of any Share, any one of such persons may vote at the AGM, either personally or by proxy, in respect of such Share as if he was solely entitled thereto, but if more than one of such joint holders is present at the AGM personally or by proxy, that one of the said persons so present whose name stands first on the register of members of the Company shall, in respect of such Share, be entitled alone to vote in respect thereof.
4. In order to be valid, the instrument appointing a proxy and the power of attorney or other authority, if any, under which it is signed must be lodged with the Company’s registered office at Suite 1902, 19th Floor, The Sun’s Group Centre, 200 Gloucester Road, Wanchai, Hong Kong not later than 48 hours before the time appointed for the holding of the AGM (or the adjourned meeting) as the case may be.
5. Completion and return of the form of proxy will not preclude a Member from attending and voting in person at the AGM or its adjourned meeting, if he so wishes. If such Member attends the AGM, his form of proxy will be deemed to have been revoked.
6. Concerning Ordinary Resolution No. 2 above, Mr. Derek Chiu and Mr. Ip Shing Hing shall retire by rotation and, being eligible, have offered themselves for re-election at the AGM. Details of the above Directors are set out in Appendix II to the circular dated 30 July 2015.
7. If a tropical cyclone warning signal No. 8 or above is expected to be hoisted or a black rainstorm warning signal is expected to be in force at any time between 11:00 a.m. and 6:00 p.m. on the date of the AGM, the AGM will be postponed and Shareholders will be informed of the date, time and venue of the postponed AGM by a supplemental notice posted on the respective websites of the Company and Hong Kong Exchanges and Clearing Limited.

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## NOTICE OF ANNUAL GENERAL MEETING

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If a tropical cyclone warning signal No. 8 or above or a black rainstorm warning signal is lowered or cancelled at or before 11:00 a.m. on the date of the AGM and where conditions permit, the AGM will be held as scheduled.

The AGM will be held as scheduled when an amber or red rainstorm warning signal is in force.

After considering their own situations, Members should decide on their own whether or not they would attend the AGM under any bad weather condition and if they do so, they are advised to exercise care and caution.

8. The translation into Chinese language of this notice convening the AGM is for reference only. In case of any inconsistency, the English version shall prevail.

*As at the date of this notice, the executive Directors are Mr. Derek Chiu (Managing Director and Chief Executive) and Ms. Margaret Chiu; the non-executive Directors are Madam Chiu Ju Ching Lan and Mr. Dick Tat Sang Chiu; the independent non-executive Directors are Mr. Ip Shing Hing, Mr. Ng Wing Hang Patrick and Mr. Choy Wai Shek Raymond.*