

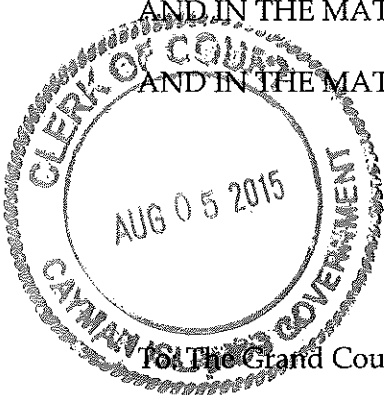
IN THE GRAND COURT OF THE CAYMAN ISLANDS
FINANCIAL SERVICES DIVISION

CAUSE NO.: FSD 0125 of 2015

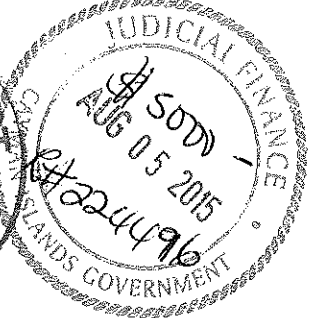
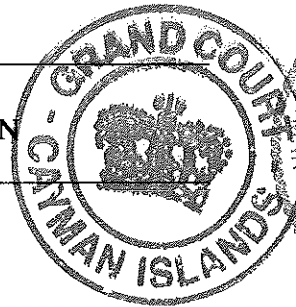
IN THE MATTER OF SECTIONS 15 & 86 OF THE COMPANIES LAW (2013 REVISION)
(AS AMENDED)

AND IN THE MATTER OF ORDER 102 OF THE GRAND COURT RULES 1995

AND IN THE MATTER OF DORSETT HOSPITALITY INTERNATIONAL LIMITED



PETITION



For The Grand Court of the Cayman Islands

THE HUMBLE PETITION OF DORSETT HOSPITALITY INTERNATIONAL LIMITED,
c/o P.O. Box 309, Uglan House, Grand Cayman, KY1-1104, Cayman Islands (the
"Company") shows the following:

1. The object of this Petition is to seek:
 - a. the sanction of the Court pursuant to section 86 of the Companies Law (2013 Revision) to a proposed Scheme of Arrangement (the "Scheme") between the Company, Willow Bliss Limited ("Willow Bliss") and the Scheme Shareholders as defined in the Scheme contained in a composite scheme document (the "Scheme Document") a draft of which is attached as Exhibit LWK-1 to the First Affirmation of LAI Wai Keung made on 5 August 2015, and
 - b. the confirmation of the Court, pursuant to section 15 of the Companies Law, of the intended reduction of the issued share capital ("Reduction of

Capital”) of the Company consequent upon the cancellation of the Scheme Shares (as defined in the Scheme) pursuant to the Scheme which is expected to be approved by a special resolution of the shareholders passed at an extraordinary general meeting of the Company immediately after the Court Meeting referred to herein.

The Company

2. The Company is engaged in the business of investment holdings and principally carries on business through its subsidiaries whose principal business activities comprise hotel development, ownership and operation. It is a Cayman Islands exempted company limited by shares incorporated on 23 January 2007 with registration number MC-181038. Its registered office is at P.O. Box 309, Ugland House, Grand Cayman, KY1-1104, Cayman Islands and its principal place of business in Hong Kong is at 18th Floor, Far East Consortium Building, 121 Des Voeux Road Central, Hong Kong.
3. The objects for which the Company was established are unrestricted, save for generally applicable statutory restrictions on its powers to trade in the Cayman Islands and is otherwise capable of exercising all the functions of a natural person as provided by section 27(2) of the Companies Law.
4. The authorised share capital of the Company consists of HK\$500,000,000 divided into 5,000,000,000 shares of par value of HK\$0.10 each. As of the date of this Petition, 2,100,626,650 shares in the capital of the Company with a par value of HK\$0.10 each have been issued and are fully paid or credited as fully paid (the “Shares”). Since 11 October 2010 the Shares have been listed and traded on the Main Board of The Stock Exchange of Hong Kong Limited (the “Stock Exchange”).

WILLOW BLISS

5. Willow Bliss is a company incorporated under the laws of the British Virgin Islands with limited liability on 8 May 2015. Its registered office is P.O. Box 957, Offshore Incorporations Centre, Road Town Tortola, British Virgin Islands. It is in the business of investment holding and is a wholly-owned subsidiary of Far East Consortium International Limited, the immediate holding company of the Company ("FEC").
6. Willow Bliss will provide its undertaking to be bound by the terms of the Scheme.

The Scheme

7. The purpose of the Scheme is to privatise the Company so that FEC, through Willow Bliss, will own 100% of the Company. This will be achieved by the steps summarised in paragraph 8 below.
8. The principal features of the Scheme are:
 - a. the Reduction of Capital (as defined hereinafter) by the cancellation and extinguishment of the Scheme Shares pursuant to the Scheme, in consideration of which the Scheme Shareholders will receive (i) HK\$0.72 in cash for each Scheme Share and (ii) 0.28125 share of FEC (together, the "Cancellation Price");
 - b. subject to and forthwith upon the Reduction of Capital taking effect, the share capital of the Company be restored to its former amount by the allotment and issue to Willow Bliss, credited as fully paid at par, the same number of Shares as the number of Scheme Shares cancelled and extinguished at the Effective Date (as defined in the Scheme) (the "Restoration of Capital"); and

- c. the credit arising in the books of account of the Company as a result of the Reduction of Capital resulting from the cancellation and extinguishment of the Scheme Shares pursuant to the Scheme being applied in paying up in full at par such number of Shares as is equal to the number of Scheme Shares cancelled at the Effective Date.
9. The Cancellation Price is in excess of the relevant closing prices and the average closing prices of the Scheme Shares referred to in the explanatory statement in the Scheme Document. The Cancellation Price has been determined on a commercial basis after taking into account the prices of the Shares traded on the Stock Exchange, the unaudited consolidated net asset value per Share and with reference to other privatization transactions in Hong Kong in recent years.
10. In the past two years, the share price of the Shares has traded at a level below the original listing price, with a relatively low level of liquidity. The successful implementation of the Scheme would provide Scheme Shareholders the opportunity to exit their shareholdings at a consideration that represents a considerable premium to the traded market price of the Company. Through the share exchange mechanism under the Scheme, Scheme Shareholders will be able to retain an equity exposure to and participate in the ownership in FEC which has a broader business portfolio including, upon successful implementation of the Scheme, the wholly-owned interest in the Company.
11. During the past 12 months period prior to 27 May 2015, being the date of the joint announcement by FEC, Willow Bliss and the Company regarding the Scheme, the Board noted that the average daily trading volume of the Company was approximately 1.1 million Shares, representing approximately 0.2% of the number of Scheme Shares. Given the low liquidity and the weak performance of the Shares traded on the Stock Exchange, the directors of FEC and Willow Bliss believe that there is currently limited opportunity for the Scheme Shareholders to

divest their investment in the Company. The Directors consider that the Scheme provides an opportunity for the Scheme Shareholders to dispose of their Shares and receive payments at a price significantly above the prevailing market price of the Shares and gain exposure to the entire diversified business portfolio of FEC. In addition, the Scheme allows the Scheme Shareholders the opportunity to realise their investment in the Company in cash and shares of FEC (which have historically enjoyed better liquidity) and if they so wish invest the moneys received into other investment opportunities that they may consider more attractive in the current market environment or use them for other purposes.

Shareholder Profile

12. On the assumption that no outstanding Dorsett Options (as defined in the Scheme Document) are exercised before the Meeting Record Date (as defined in the Scheme Document) and the assumption that there is no other change in shareholdings in the Company, the profile of the major shareholders of the Company (“Shareholders”) on the Latest Practicable Date (as defined in the Scheme Document) is expected to be as follows:

	As at the Latest Practicable Date	
Shareholders	Number of Shares	%
Far East Consortium International Limited (“FEC”)	1,553,879,650	73.97
Persons acting in concert with Willow Bliss		
Tan Sri Dato’ CHIU David	8,651,361	0.41
Ms. NG Nancy	8,861	0.00
Mr. CHIU Dennis	50,651	0.00
Mr. CHIU Daniel	29,079	0.00
Mr. HOONG Cheong Thard	4,242	0.00
Mr. CHAN Chi Hing	3,000	0.00

Ms. CHIU Wing Kwan Winnie	206,756	0.01
Ms. CHIU Margaret	11,517	0.00
Mr. CHIU Deacon Te Ken	1,172,624	0.06
Subtotal	1,564,017,741	74.45
Total Shares in issue	2,100,626,650	100

13. In addition to the Shares that are held by the individuals and entities listed above, there are 536,608,909 publicly held shares representing approximately 25.55% of the Shares.

Proposed Sanction Process

14. After careful consideration, the Board has determined that the Scheme is desirable and that the implementation of the Scheme is in the best interests of the Company and its Shareholders. Accordingly, the Board unanimously approved the Scheme.
15. Under the Takeovers Code (as defined in the Scheme), persons deemed to be acting in concert with FEC and Willow Bliss in connection with the implementation of the Scheme who are also Scheme Shareholders shall not be counted (unless permitted by the Securities and Futures Commission of Hong Kong) for the purposes of satisfying the voting requirements of the Takeovers Code. The Scheme Shareholders who are parties acting in concert with FEC and Willow Bliss will not vote on the Scheme at the Court Meeting and all Independent Dorsett Shareholders (as defined in the Scheme) will be entitled to vote at the Court Meeting.

16. The Company intends to make an application for directions herein for declarations and orders that, among other things:

- a. the relevant class of shareholders affected by the Scheme are the Scheme Shareholders;
- b. the Company be at liberty to a convene a meeting of the Scheme Shareholders (the "Court Meeting") for the purpose of considering and, if thought fit, approving (with or without modification) the Scheme;
- c. directions as to the mode of delivery of an explanatory memorandum and proxy form to the Scheme Shareholders;
- d. the appointment of a chairman of the Court Meeting and for the conduct of the Court Meeting generally; and,
- e. directions as to the treatment of Shares held by custodians, clearing houses and other nominees for the purposes of the "majority in number" calculation.

17. The resolution intended to be submitted at the Court Meeting is:

"THAT a scheme of arrangement dated 24 August 2015 (the "Scheme") between the Company and the holders of the Scheme Shares (as defined in the Scheme) in the form of the print thereof which has been produced to this Court Meeting and, for the purpose of identification signed by the chairman of this Court Meeting, or in such other form and on such terms and conditions or may be approved or imposed by the Grand Court of the Cayman Islands, be and is hereby approved."

18. The Scheme Shareholders who are persons acting in concert with FEC and Willow Bliss in connection with the implementation of the Scheme (being Tan Sri Dato' CHIU David, Ms. NG Nancy, Mr. CHIU Dennis, Mr. CHIU Daniel, Mr. HOONG

Cheong Thard, Mr. CHAN Chi Hing, Ms. CHIU Wing Kwan Winnie, Ms. CHIU Margaret and Mr. CHIU Deacon Te Ken) will not vote at the Court Meeting.

Reduction of Capital

19. Article 10.2 of the Articles of Association of the Company provides as follows:

“The Company may by special resolution reduce its share capital or any capital redemption reserve in any manner authorised and subject to any conditions prescribed by the Law.”

20. The Company intends to convene an extraordinary general meeting to take place immediately after the Court Meeting at which it is intended to submit a special resolution to confirm the Reduction of Capital pursuant to the Scheme and an ordinary resolution to approve the Restoration of Capital as follows:

SPECIAL RESOLUTION

THAT AS A SPECIAL RESOLUTION for the purposes of giving effect to the scheme of arrangement dated 24 August 2015 (the “Scheme”) between the Company and the holders of Scheme Shares (as defined in the Scheme), on the Effective Date (as defined in the Scheme):

- (i) the issued share capital of the Company shall be reduced by cancelling and extinguishing the Scheme Shares (as defined in the Scheme); and
- (ii) the directors of the Company be and are hereby authorized to do all such acts and things considered by them to be necessary or desirable in connection with the implementation of the Scheme, including (without limitation) the giving of consent to any modification of or addition to, the Scheme, which the Grand Court of the Cayman Islands may see fit to impose.

ORDINARY RESOLUTION

THAT AS AN ORDINARY RESOLUTION:

- (a) subject to and forthwith upon such reduction of share capital taking effect, the issued share capital of the Company shall be increased to its former amount by the allotment and issue to Willow Bliss Limited of the same number of ordinary shares of HK\$0.10 each in the capital of the Company as is equal to the number of Scheme Shares cancelled and extinguished;
- (b) the Company shall apply the credit arising in its books of account as a result of such capital reduction referred to in paragraph (a) of the special resolution above in paying up in full at par the new ordinary shares issued, credited as fully paid, to Willow Bliss Limited and the directors of the Company be and are hereby authorised to allot and issue the same accordingly;
- (c) any one of the directors of the Company be and is hereby authorised to do all acts and things considered by him/her to be necessary or desirable in connection with the implementation of the Scheme, including (without limitation) the giving of consent to any modification of, or addition to, the Scheme, which the Grand Court of the Cayman Islands may see fit to impose; and
- (d) any one of the directors of the Company be and is hereby authorised to apply to The Stock Exchange of Hong Kong Limited for the withdrawal of the listing of the shares of the Company.

21. The Scheme and the Reduction of Capital will not involve any diminution of liability in respect of any unpaid share capital or the payment to any member of the Company of any paid up capital or alteration of the underlying assets, business operations, management or financial position of the Company and will have no effect on the creditors of the Company. It is to be noted that the Restoration of Capital will occur forthwith upon the Reduction of Capital. The Company will continue to be able to pay its debts as they fall due in the ordinary course of business.

22. The form of Minute proposed to be registered is as follows:

"The issued share capital of Dorsett Hospitality International Limited was by virtue of a Special Resolution passed on _____ 2015 and with the confirmation of an order of the Grand Court of the Cayman Islands dated _____ 2015, reduced from HK\$210,062,665 divided into 2,100,626,650 shares of par value HK\$0.10 each to HK\$155,387,965 divided into 1,553,879,650 shares of par value HK\$0.10 (the "Reduction of Capital"). Immediately upon the Reduction of Capital, the issued share capital of Dorsett Hospitality International Limited was restored to HK\$210,062,665 by allotting and issuing to Willow Bliss Limited, credited as fully paid at par, 546,747,000 shares of par value HK\$0.10 each.

The authorised share capital of the Company, on the registration of this Minute, is HK\$500,000,000 divided into 5,000,000,000 ordinary shares of par value HK\$0.10 each."

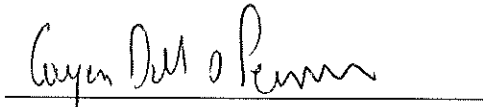
YOUR PETITIONER, THE COMPANY, THEREFORE HUMBL Y PRAYS:

- (1) That the Scheme to be approved at the Court Meeting to be convened at the direction of this Honourable Court be sanctioned by the Court so as to be binding on the Company, the Scheme Shareholders and Willow Bliss.
- (2) That the Reduction of Capital may be confirmed and that the above mentioned minute may be approved by the Court.

- (3) That the preparation of a list of creditors be dispensed with.
- (4) That, to this end, all necessary inquiries may be made and directions may be made and given.
- (5) Such further or other relief as the Court shall see fit.

And your Petitioner will ever pray etc.

Dated this 5th day of August 2015



Conyers Dill & Pearman
Attorneys-at-Law for the Petitioner herein

NOTE: It is intended to serve this Petition on Dorsett Hospitality International Limited, at its registered office located at P.O. Box 309, Ugland House, Grand Cayman, KY1-1104, Cayman Islands

Notice of Hearing

This Petition, having been presented to the Court on the [•] day of [•], 2015, will be heard at the Law Courts, George Town, Grand Cayman on the _____ day of _____, 2015 at _____ a.m. or as soon thereafter as the Petition can be heard.

This Petition is presented by Conyers Dill & Pearman, for and on behalf of the Petitioner, P. O. Box 2681, Cricket Square, Hutchins Drive, George Town, Grand Cayman, Cayman Islands, KY1-1111