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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)

**(1) PROPOSED REPURCHASE OF NOTES INVOLVING
THE ISSUE OF NEW SHARES UNDER A SPECIFIC MANDATE;
(2) POSSIBLE CONNECTED TRANSACTION;
AND
(3) RESUMPTION OF TRADING**

THE REPURCHASE OFFER

The Board has resolved that the Company will make the Repurchase Offer (subject to fulfilment of certain conditions precedent) to repurchase the Notes. Subject to the terms of the Repurchase Offer, Noteholders can elect to receive Offer Consideration Money equal to 88% of the outstanding principal amount of the Notes tendered on acceptance of the Repurchase Offer or Offer Consideration Shares at HK\$0.6 per Share, or a combination of both, as consideration for their Notes on their acceptances of the Repurchase Offer. The Company proposes to make available a maximum of 200,000,000 Offer Consideration Shares. Assuming all the Noteholders elect to receive Offer Consideration Money under the Repurchase Offer in full, the aggregate cash consideration of the Repurchase Offer payable by the Company is HK\$563.2 million.

REGULATORY REQUIREMENTS

The Repurchase Offer constitutes an exempt share repurchase under the Repurchase Code. As AWL and CEL are Noteholders and beneficially hold 15.54% and 10.72% of the existing issued share capital of the Company respectively, the proposed purchase of the Notes by the Company from either or both of AWL and CEL pursuant to the Repurchase Offer (assuming they accept the Repurchase Offer) will constitute a possible connected transaction of the Company under Chapter 14A of the Listing Rules and, is subject to the Independent Shareholders' approval. AWL, CEL and their respective associates will abstain from voting at the SGM. Moreover, any accepting Noteholder who hold Shares is considered having a material interest in the Repurchase Offer and will be required to in accordance with the Listing Rules abstain from voting on the resolution to approve the Repurchase Offer at the SGM. To the best of the Directors' knowledge, information and belief having made all reasonable enquiry, save as disclosed above, no other Shareholders have a material interest in the Repurchase Offer and are therefore required to abstain from voting at the SGM on the resolution approving the Repurchase Offer and the issue of the Offer Consideration Shares pursuant thereto.

GENERAL

The Independent Board Committee has been established to advise the Independent Shareholders on the Repurchase Offer. An independent financial adviser will be appointed to advise the Independent Board Committee and the Independent Shareholders in this regard. The offer letter in respect of the Repurchase Offer will be sent to the Noteholders on or before the fifth Business Day after the date of this announcement and the Repurchase Offer will be open for acceptance for a period of 14 days commencing from the date of despatch of the offer letter in respect of the Repurchase Offer. Accordingly, a circular containing, among other things, further details of the Repurchase Offer, the level of acceptance of the Repurchase Offer, the recommendation of the Independent Board Committee, the letter of advice of the independent financial adviser and a notice convening the SGM is expected to be despatched to the Shareholders on or before 23 July 2010.

Shareholders and potential investors should note that completion of the Repurchase Offer is subject to the fulfilment of the conditions as set out in the paragraph headed "Conditions precedent to the Repurchase Offer" below. As the Repurchase Offer may or may not proceed, Shareholders and potential investors are reminded to exercise caution when dealing in the Shares.

SUSPENSION AND RESUMPTION OF TRADING

At the request of the Company, trading in the Shares was suspended with effect from 9:30 a.m. on 22 June 2010 pending the release of this announcement. An application has been made by the Company to the Stock Exchange for resumption of trading in the Shares with effect from 9:30 a.m. on 24 June 2010.

The Board has resolved that the Company proposes to make the Repurchase Offer (subject to fulfilment of certain conditions precedent) to repurchase the Notes as described below.

THE REPURCHASE OFFER

The Notes

On 27 March 2006, the Company announced that it entered into eight conditional subscription agreements in relation to the issue by the Company of the Notes. The Notes bear interest at 2% per annum, are convertible into new shares of the Company at the initial conversion price of HK\$0.79 per share (subject to adjustments), and will mature on the fifth anniversary from the date of the issue of the Notes. Unless previously converted or lapsed or redeemed by the Company, the Company must redeem the Notes on the maturity date at the redemption amount which is 110% of the principal amount of the Notes outstanding. The Notes are also, subject to certain restrictions, exchangeable into new shares of any company which is an affiliated company or subsidiary of the Company that is to be listed on a stock exchange through an initial public offering. The subscription was completed on 8 June 2006 and the Notes with a total principal amount of HK\$1,000 million were issued. Details of the Notes are set out in the Company's announcement and circular dated 27 March 2006 and 21 April 2006 respectively.

On 24 July 2009, the Company announced that it proposed to make a conditional repurchase offer to repurchase the Notes at their face value by the issue of Shares at HK\$0.035 per the share of the Company. On 16 November 2009, the Company announced that the repurchase offer was lapsed since certain conditions precedent to the repurchase offer had not been fulfilled.

On 8 December 2009, the Company announced that it proposed to make another conditional repurchase offer to repurchase the Notes at a price payable in cash equal to 80% of the outstanding principal amount of the Notes tendered on acceptance of the repurchase offer. On 2 March 2010, the Company announced that the repurchase offer was lapsed since certain conditions precedent to the repurchase offer had not been fulfilled.

As at the date of this announcement, the aggregate outstanding principal amount of the Notes is HK\$640 million and the Notes will mature on 7 June 2011. Pursuant to the terms of the Notes, 94,395,280 new Shares will fall to be issued upon full conversion of the Notes at the prevailing conversion price of HK\$6.78 per Share (subject to adjustments).

Based on the register of Noteholders as at the date of this announcement, AWL, a wholly-owned subsidiary of ITC, holds the Notes in the principal amount of HK\$114,200,000. AWL is also interested in 84,876,000 Shares, representing approximately 15.54% of the existing issued share capital of the Company as at the date of this announcement. CEL, which holds directly and indirectly through its wholly-owned subsidiaries 58,510,424 Shares (representing approximately 10.72% of the existing issued share capital of the Company as at the date of this announcement) holds the Notes in the principal amount of HK\$63,000,000. Save as disclosed above, to the best of the Directors' knowledge, information and belief having made all reasonable enquiry, other Noteholders are third parties independent of the Company and its connected persons (as defined in the Listing Rules).

Terms of the Repurchase Offer

The Company proposes to make the Repurchase Offer (subject to the fulfillment of certain conditions precedent described below) to repurchase the Notes on the following basis:

For each HK\$600 of the outstanding principal amount of the Notes, in respect of which a Noteholder accepts the Repurchase Offer that Noteholder may choose to receive:

- Option 1:** Offer Consideration Money in the amount of HK\$528, which is equivalent to 88% of the outstanding principal amount of the Notes
- Option 2:** 1,000 Offer Consideration Shares credited as fully paid at HK\$0.6 per Share, subject to adjustment mechanism described below

The Company proposes to make available only a maximum of 200,000,000 Offer Consideration Shares under the Repurchase Offer. Therefore, those Noteholders which elect Option 2 may be issued the full number of Offer Consideration Shares they have elected to receive if the total number of Offer Consideration Shares that the accepting Noteholders elect to receive in consideration for all or some of their Notes is or less than 200,000,000 Shares. If the total number of Offer Consideration Shares that the accepting Noteholders elect to receive in consideration for all or some of their Notes exceed 200,000,000 Shares, the Offer Consideration Shares will be allocated amongst such accepting Noteholders so far as practicable (subject to rounding at the sole discretion of the Company) pro rata to the principal amount of Notes the purchase price for which such accepting Noteholders have elected to be satisfied by Offer Consideration Shares. In other words, a Noteholder that elects Option 2 for its Notes will receive the number of Offer Consideration Shares calculated using the following formula:

$$\frac{A}{B} \times C$$

- A : the principal amount of the Notes tendered on acceptance of the Repurchase Offer for which that accepting Noteholder has elected Option 2
- B : the total principal amount of the Notes tendered on acceptance of the Repurchase Offer for which accepting Noteholders have elected Option 2
- C : 200,000,000, being the maximum number of the Offer Consideration Shares available under the Repurchase Offer

If the number of the Offer Consideration Shares allotted to an accepting Noteholder is less than the number of Offer Consideration Shares that the accepting Noteholder has elected to receive, the purchase price of the principal amount of the Notes less the aggregate issue price of the Offer Consideration Shares allocated (notwithstanding the election by that accepting Noteholder) will be satisfied in its entirety by payment of the Offer Consideration Money. Entitlements to the Offer Consideration Shares will be rounded down to the nearest integral number of Shares.

Each accepting Noteholder which elects to receive Offer Consideration Shares is required under the terms of the Repurchase Offer to warrant that the issue of such Offer Consideration Shares to which the accepting Noteholder is entitled pursuant to the terms of the Repurchase Offer will not result in that accepting Noteholder and parties acting in concert with it being required to make a mandatory general offer to the Shares under the Takeovers Code.

Noteholders may accept the Repurchase Offer for all (but not part only) of their respective outstanding principal amount of the Notes. Assuming all the Noteholders elect to receive Offer Consideration Money under the Repurchase Offer in full, the aggregate cash consideration of the Repurchase Offer payable by the Company is HK\$563.2 million.

The Company will send an offer letter in relation to the Repurchase Offer to the Noteholders on or before the fifth Business Day after the date of this announcement. The Repurchase Offer will be open for acceptance for a period of 14 days commencing from the date of despatch of the offer letter in respect of the Repurchase Offer and the Company will send written notification to the Noteholders within five Business Days after the fulfilment of the conditions precedent referred to the paragraph headed “Conditions precedent to the Repurchase Offer” below. The Company will transfer the Notes tendered for acceptance on a date which falls no later than tenth business day after such notification. All Notes tendered for acceptance under the Repurchase Offer will be cancelled.

Overseas Noteholders

The making of the Repurchase Offer to Noteholders not resident in Hong Kong may be affected by the laws of the relevant jurisdictions. Noteholders not resident in Hong Kong must inform themselves about and observe any applicable legal requirements. It is the responsibility of any person outside Hong Kong wishing to accept the Repurchase Offer to satisfy himself as to the full observance of the laws for the relevant territory in connection therewith, including the obtaining of any governmental or other consent which may be required or the compliance with necessary formalities.

Taxation

Noteholders should consult their own professional advisers if they are in any doubt as to the taxation implications of the accepting the Repurchase Offer or the Offer Consideration Shares. It is emphasized that none of the Company or any of the Directors or any other person involved in the Repurchase Offer accepts any responsibility for any tax effects on, or liabilities of, any Noteholders as a result of their acceptance of the Repurchase Offer or the Offer Consideration Shares.

Conditions precedent to the Repurchase Offer

The Repurchase Offer (and the Company's obligation to pay the Offer Consideration Money and/or issue the Offer Consideration Shares as a result of the acceptance of the Repurchase Offer by the Noteholders) is conditional upon:–

- (i) the Shareholders (other than those required under the Listing Rules to abstain from voting) approving the Repurchase Offer and the transactions contemplated therein, and the issue of the Offer Consideration Shares pursuant to the terms of the Repurchase Offer; and
- (ii) the Listing Committee of the Stock Exchange granting listing of and permission to deal in the Offer Consideration Shares.

If the above conditions precedent are not satisfied on or before 31 October 2010, the Repurchase Offer will lapse. If none of the Noteholders elect to receive Offer Consideration Shares, the Company will waive the condition precedent of Shareholders' approval to the issue of the Offer Consideration Shares referred to (i) above and the condition precedent set out in (ii) above.

Offer Consideration Shares

A maximum of 200,000,000 Offer Consideration Shares may fall to be issued pursuant to the Repurchase Offer. They represent approximately (i) 36.6% of the existing issued share capital of the Company; and (ii) 26.8% of the issued share capital of the Company as enlarged by the issue of the 200,000,000 Offer Consideration Shares.

The Offer Consideration Shares will rank *pari passu* in all respect with the Shares in issue on the date of allotment and issue of the Offer Consideration Shares.

Issue price of the Offer Consideration Shares

The issue price of HK\$0.6 per Offer Consideration Share represents:

- (i) a discount of approximately 3.2% to the closing price of HK\$0.62 per Share as quoted on the Stock Exchange on the Last Trading Day;
- (ii) a discount of approximately 0.7% to the average closing price of HK\$0.604 per Share in the last five consecutive trading days up to and including the Last Trading Day;
- (iii) a discount of approximately 0.5% to the average closing price of HK\$0.603 per Share in the last ten consecutive trading days up to and including the Last Trading Day;
- (iv) a premium of approximately 2.9% over the average closing price of HK\$0.583 per Share in the last 30 consecutive trading days up to and including the Last Trading Day; and
- (v) a premium of approximately 3.6% over the average closing price of HK\$0.579 per Share in the last 90 consecutive trading days up to and including the Last Trading Day.

The issue price of the Offer Consideration Shares was determined with reference to the prevailing market price of the Shares. The Directors (excluding the independent non-executive Directors who will form their view after considering the advice of the independent financial adviser) consider that the issue price is fair and reasonable.

Specific mandate

The Offer Consideration Shares will be issued under a specific mandate to be sought at the SGM.

Application for listing

The Company will apply to the Listing Committee of the Stock Exchange for the listing of, and permission to deal in, the Offer Consideration Shares.

EFFECTS ON SHAREHOLDING STRUCTURE OF THE COMPANY

Set out below are the shareholding structure of the Company (i) as at the date of this announcement; (ii) upon completion of the Repurchase Offer assuming the issue of 200,000,000 Offer Consideration Shares pursuant to the terms of the Repurchase Offer:

	As at the date of this announcement		Upon completion of the Repurchase Offer assuming the issue of 200,000,000 Offer Consideration Shares	
	Shares	Approximate %	Shares	Approximate %
AWL (<i>Notes 1 & 4</i>)	84,876,000	15.54%	84,876,000	11.38%
CEL and its subsidiaries (<i>Notes 2 & 4</i>)	58,510,424	10.72%	58,510,424	7.84%
Mr. Kwok Ka Lap, Alva (<i>Note 3</i>)	7,500	0.00%	7,500	0.00%
Noteholders (<i>Note 4</i>)	–	–	200,000,000	26.81%
Public Shareholders	402,615,948	73.74%	402,615,948	53.97%
Total	<u>546,009,872</u>	<u>100.00%</u>	<u>746,009,872</u>	<u>100.00%</u>

Notes:

1. *AWL is a wholly-owned subsidiary of ITC.*
2. *Million Good Limited, Cosmos Regent Ltd. and Cyber Generation Limited hold 5,334,870 Shares, 43,325,554 Shares and 9,600,000 Shares respectively and are wholly-owned subsidiaries of CEL, which also holds 250,000 Shares.*
3. *Mr. Kwok Ka Lap, Alva is an independent non-executive Director.*

4. *Noteholders who accept the Offer Consideration Shares may or may not include AWL and CEL. To the best of the Company's knowledge, information and belief, AWL and CEL are parties presumed to be acting in concert with each other under the Takeovers Code with respect to the Company. They together directly and indirectly hold 26.26% of the voting rights of the Company as at the date of this announcement. If either of them (or any other Noteholder) elects to receive Offer Consideration Shares it is required under the terms of the Repurchase Offer to warrant that the issue of such Offer Consideration Shares to which it is entitled pursuant to the terms of the Repurchase Offer will not result in it and parties acting in concert with it being required to make a mandatory general offer to the Shares under the Takeovers Code.*

REASONS FOR THE REPURCHASE OFFER

On 3 February 2010, the Company entered into a disposal agreement pursuant to which the Company has conditionally agreed to dispose of 90% interest in the issued share capital of HKWOT (BVI) Limited. Details of the Disposal are disclosed in the circular of the Company dated 27 March 2010 (the "March Circular") and the Disposal was completed on 27 May 2010. Moreover, on 13 March 2010, RailPartners, Inc. (an indirect 72% owned subsidiary of the Company) entered into the termination agreement with Bombardier Sifang (Qingdao) Transportation Ltd. to terminate the RSPA and, as announced by the Company on 3 May 2010, such termination became effective on 3 May 2010. Following completion of the Disposal and termination of RSPA, the principal business of the Group includes hotel operation in Hong Kong and the PRC, and trading of securities.

As stated in the paragraph headed "The Notes" above, as at the date of this announcement, the aggregate outstanding principal amount of the Notes is HK\$640 million and the Notes will mature on 7 June 2011 and the prevailing conversion price of the Notes is HK\$6.78 per Share (subject to adjustments). Taking into account the size of the Notes and that the Notes are redeemable at 110% of their face value at maturity, the impact on the Group's cashflow would be substantial if the Company were to repay all the outstanding Notes at maturity. The Directors consider the Repurchase Offer serves as a means to alleviate the pressure posed by the redemption of the Notes on the future cashflow of the Group and at the same time improve the financial position of the Group and broaden the Shareholder base and capital base of the Company. As set out in the annual report of the Company for the year ended 31 December 2009, the interest expenses associated with the Notes (including the coupon interest and imputed interest) amounted to approximately HK\$55.3 million for the year ended 31 December 2009. The Repurchase Offer provides an opportunity for the Group to reduce substantially the finance cost and to lower the gearing level of the Group upon cancellation of the Notes tendered on acceptance of the Repurchase Offer. Moreover, save for the expenses in connection with the Repurchase Offer, the issue of the Offer Consideration Shares will

increase the equity of the Group accordingly, and in turn improve the Group's consolidated net asset value. In addition, the Notes have been "out-of-the-money" for most of the period since their issue.

As stated in the March Circular, upon completion of the Disposal, the Company would apply approximately HK\$200 million of the net proceeds from the Disposal for repayment of the Group's borrowings (including but not limited to the repayment of the Notes). Accordingly, up to HK\$200 million of the cash consideration payable under the Repurchase Offer will be funded by the net proceeds of the Disposal and the remaining balance of the purchase price of the Repurchase Offer will be financed by internal resources of the Group.

Taking into account the above, the Directors (excluding the independent non-executive Directors who will form their view after considering the advice of the independent financial adviser) consider that the terms of the Repurchase Offer are fair and reasonable and the Repurchase Offer is in the interests of the Company and the Shareholders as a whole.

REGULATORY REQUIREMENTS

Repurchase Code

The Repurchase Offer is made pursuant to the terms and conditions of the instrument constituting the Notes and constitutes an exempt share repurchase by the Company under the Repurchase Code.

Listing Rules

AWL, a wholly-owned subsidiary of ITC, currently holds Notes in principal amount of HK\$114,200,000. Mr. Cheung Hon Kit, an executive Director, is also an executive director of ITC. CEL currently holds Notes in principal amount of HK\$63,000,000. Ms. Chan Ling, Eva and Dr. Yap, Allan, executive Directors, are also directors of CEL. As at the date of this announcement, AWL and CEL are beneficially interested in 15.54% and 10.72% of the issued share capital of the Company respectively. Save as disclosed above, to the best of the Directors' knowledge, AWL, CEL and their respective associates do not have any other relationship with the Company. The proposed purchase of the Notes by the Company from either or both of AWL and CEL pursuant to the Repurchase Offer (assuming they accept the Repurchase Offer) will constitute a possible connected transaction of the Company under Chapter 14A of the Listing Rules and, is subject to the Independent Shareholders' approval. AWL, CEL and their respective associates will abstain from voting at the SGM. Moreover,

any accepting Noteholder who hold Shares is considered having a material interest in the Repurchase Offer and will be required to in accordance with the Listing Rules abstain from voting on the resolution to approve the Repurchase Offer at the SGM. To the best of the Directors' knowledge, information and belief having made all reasonable enquiry, save as disclosed above, no other Shareholders have a material interest in the Repurchase Offer and are therefore required to abstain from voting at the SGM on the resolution approving the Repurchase Offer and the issue of the Offer Consideration Shares pursuant thereto.

GENERAL

The Independent Board Committee has been established to advise the Independent Shareholders as to whether the terms of the Repurchase Offer are fair and reasonable and whether the Repurchase Offer is in the interests of the Company and its Shareholders as a whole, and on how to vote. An independent financial adviser will be appointed to advise the Independent Board Committee and the Independent Shareholders in this regard.

The offer letter in respect of the Repurchase Offer will be sent to the Noteholders on or before the fifth Business Day after the date of this announcement and the Repurchase Offer will be open for acceptance for a period of 14 days commencing from the date of despatch of the offer letter in respect of the Repurchase Offer. Accordingly, a circular containing, among other things, further details of the Repurchase Offer, the level of acceptance of the Repurchase Offer, the recommendation of the Independent Board Committee, the letter of advice of the independent financial adviser and a notice convening the SGM is expected to be despatched to the Shareholders on or before 23 July 2010.

Shareholders and potential investors should note that completion of the Repurchase Offer is subject to the fulfillment of the conditions as set out in the paragraph headed "Conditions precedent to the Repurchase Offer" above. As the Repurchase Offer may or may not proceed, Shareholders and potential investors are reminded to exercise caution when dealing in the Shares.

ADJUSTMENTS TO CONVERSION PRICE OF THE NOTES

Adjustments to the conversion price of the Notes in respect of which the Repurchase Offer is not accepted may be required under the terms of the instruments constituting the Notes as a result of the completion of Repurchase Offer. Further announcement(s) will be made by the Company in this regard.

SUSPENSION AND RESUMPTION OF TRADING

At the request of the Company, trading in the Shares was suspended with effect from 9:30 a.m. on 22 June 2010 pending the release of this announcement. An application has been made by the Company to the Stock Exchange for resumption of trading in the Shares with effect from 9:30 a.m. on 24 June 2010.

DEFINITIONS

In this announcement, unless the context requires otherwise, the following terms have the meanings set out below:–

“AWL”	Asia Will Limited, a wholly-owned subsidiary of ITC
“associates”	the meaning ascribed to it in the Listing Rules
“Board”	the board of Directors
“Business Day(s)”	a day (excluding a Saturday, a Sunday or a public holiday) on which banks in Hong Kong are open for business
“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
“Company”	Rosedale Hotel Holdings Limited, a company incorporated under the laws of Bermuda with limited liability and the shares of which are listed on the Main Board of the Stock Exchange
“connected person(s)”	the meaning ascribed to it in the Listing Rules
“Director(s)”	director(s) of the Company

“Disposal”	the disposal of 90% interest in HKWOT (BVI) Limited by the Company pursuant to the agreement dated 3 February 2010 entered into between the Company (as vendor), C-Travel International Limited (as purchaser) and Ctrip.com International, Ltd. (as guarantor) in relation to the sale and purchase of 90% of the issued share capital of HKWOT (BVI) Limited, which is the subject of the Company’s announcement dated 3 March 2010 and circular dated 27 March 2010
“Group”	the Company and its subsidiaries
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Independent Board Committee”	the committee of the Board comprising all the independent non-executive Directors, namely Mr. Kwok Ka Lap, Alva, Mr. Poon Kwok Hing, Albert and Mr. Sin Chi Fai established for the purpose of advising the Independent Shareholders as to whether the terms of the Repurchase Offer are fair and reasonable and whether the Repurchase Offer is in the interests of the Company and its Shareholders as a whole, and on how to vote
“Independent Shareholders”	Shareholders other than AWL and CEL and their respective associates
“ITC”	ITC Corporation Limited (stock code: 372), a company incorporated in Bermuda with limited liability and the issued securities of which are listed on the Main Board of the Stock Exchange
“Last Trading Day”	21 June 2010, being the last full trading day of the Shares before the release of this announcement
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Noteholder(s)”	holder(s) of the Notes

“Notes”	the 2% convertible exchangeable notes due 7 June 2011 issued by the Company with an aggregate outstanding principal amount of HK\$640,000,000 as at the date of this announcement
“Offer Consideration Money”	cash in the amount equal to 88% of the outstanding principal amount of the Notes tendered on acceptance of the Repurchase Offer
“Offer Consideration Shares”	new Shares to be issued and credited as fully paid at HK\$0.6 per Share to satisfy the consideration for the Notes tendered on acceptance of the Repurchase Offer
“PRC”	the People’s Republic of China, which for the purpose of this announcement shall exclude Hong Kong, Macau and Taiwan
“Repurchase Code”	The Hong Kong Code on Share Repurchases
“Repurchase Offer”	an offer to be made by the Company to repurchase the Notes as described in the section headed “THE REPURCHASE OFFER” in this announcement
“RSPA”	the rolling stock purchase agreement dated 30 April 2007 (as amended by supplemental agreements dated 29 June 2007, 29 October 2008, 5 January 2009, 24 March 2009, 11 June 2009, 25 August 2009, 10 December 2009 and 9 March 2010 respectively) pursuant to which RailPartners, Inc., contracted to purchase the luxury trains from Bombardier Sifang (Qingdao) Transportation Ltd., details of which are set out in the announcement and circular of the Company dated 17 March 2010 and 12 April 2010 respectively
“SGM”	the special general meeting of the Company to be convened to consider and, if thought fit, approve the Repurchase Offer and the issue of the Offer Consideration Shares

“Share(s)”	the ordinary share(s) of HK\$0.01 each in the share capital of the Company
“Shareholders”	holders of the Shares
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Takeovers Code”	The Hong Kong Code on Takeovers and Mergers
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“%”	per cent.

By Order of the Board
Rosedale Hotel Holdings Limited
Chan Ling, Eva
Managing Director

Hong Kong, 23 June 2010

As at the date of this announcement, the Board comprises:

Executive Directors:

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

Independent non-executive Directors:

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