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**PROPOSED RIGHTS ISSUE ON THE BASIS OF
ONE (1) RIGHTS SHARE FOR EVERY TEN (10) SHARES
HELD ON RECORD DATE**

Underwriters to the Rights Issue
OSK Securities Hong Kong Limited
Ablewise Investments Limited

PROPOSED RIGHTS ISSUE

The Company proposes to carry out the Rights Issue on the basis of one (1) Rights Share for every ten (10) Shares held by the Qualifying Shareholders on the Record Date to raise not less than approximately HK\$114.8 million but not more than approximately HK\$131.0 million before expenses by way of rights to the Shareholders. The Rights Issue involves the issue of not less than 239,180,415 Rights Shares but not more than 272,995,813 Rights Shares at the Subscription Price of HK\$0.48 per Rights Share, subject to any issue of new Shares by the Company on or before the Record Date upon exercise of the Warrants and Share Options by the holders thereof. Based on the minimum number of 239,180,415 Rights Shares, the estimated net proceeds of the Rights Issue will be approximately HK\$112 million.

The Group currently holds Paliburg Warrants carrying subscription rights in an aggregate amount of approximately HK\$124.9 million to subscribe for approximately 59.5 million Paliburg Shares at the prevailing subscription price of HK\$2.10 per Paliburg Share. It is expected that the Group will apply the net proceeds of the Rights Issue for the subscription of Paliburg Shares by exercising the Paliburg Warrants held by the Group and any remaining net proceeds will be used as general working capital for the Group. If only those Paliburg Warrants held by the Group are exercised, the Group's shareholding interest in Paliburg will increase from 59.0% to 61.3%. If all outstanding Paliburg Warrants held by the Group and others are exercised, the Group's shareholding interest in Paliburg will decrease from 59.0% to 58.9%.

Mr. Lo has irrevocably undertaken to subscribe for the Rights Shares which will be provisionally allotted to him and his associates under the Rights Issue pursuant to the Irrevocable Undertaking, and each Underwriter has severally agreed to underwrite 50% of the remaining Rights Shares to be issued under the Rights Issue subject to the terms and conditions of the Underwriting Agreement. If the Underwriters terminate the Underwriting Agreement (details are set out in the paragraph headed "Termination of the Underwriting Agreement" in the section headed "Underwriting Agreement" in this announcement) or the conditions of the Rights Issue (details are set out in the paragraph headed "Conditions of the Rights Issue" in the section headed "Underwriting Agreement" in this announcement) are not fulfilled or waived (as appropriate), the Rights Issue will not proceed.

Any dealings in the Shares and Warrants from the date of this announcement up to the date on which all the conditions of the Rights Issue are fulfilled or waived (as appropriate), and any dealings in the Rights Shares in their nil-paid form will accordingly bear the risk that the Rights Issue may not become unconditional or may not proceed. Any Shareholders or holders of outstanding Warrants or other persons contemplating any dealings in the Shares or Warrants or the Rights Shares in their nil-paid form are advised to consult their own professional advisers.

GENERAL

Since the Rights Shares will not increase the issued share capital or the market capitalisation of the Company by more than 50%, the Rights Issue is not subject to the Shareholders' approval.

Ablewise, one of the Underwriters, is an associate of Mr. Lo and thereby a connected person (as defined in the Listing Rules) of the Company. Nevertheless, the engagement of Ablewise as an Underwriter pursuant to the Underwriting Agreement is fully exempted from the reporting, announcement and independent shareholders' approval requirements pursuant to Rule 14A.31(3)(c) of the Listing Rules.

The Company will send the Prospectus Documents containing, among others, details of the Rights Issue, to the Qualifying Shareholders and will send the Prospectus to the Non-Qualifying Shareholders, if any, for their information only as soon as practicable. The Company will not send any PAL or EAF to the Non-Qualifying Shareholders.

PROPOSED RIGHTS ISSUE

Issue statistics

Basis of the Rights Issue	: One (1) Rights Share for every ten (10) Shares held on the Record Date
Number of Shares in issue	: 2,391,804,151 Shares as at the date of this announcement
Minimum number of Rights Shares assuming no exercise of the outstanding Warrants and Share Options during the period from the date of this announcement to the Record Date	: 239,180,415 Rights Shares
Maximum number of Rights Shares assuming full exercise of the outstanding Warrants and Share Options during the period from the date of this announcement to the Record Date	: 272,995,813 Rights Shares
Subscription Price	: HK\$0.48 per Rights Share
Minimum enlarged issued share capital upon completion of the Rights Issue assuming no exercise of the outstanding Warrants and Share Options during the period from the date of this announcement to the Record Date	: 2,630,984,566 Shares
Maximum enlarged issued share capital upon completion of the Rights Issue assuming full exercise of the outstanding Warrants and Share Options during the period from the date of this announcement to the Record Date	: 3,002,953,951 Shares

As at the date of this announcement, there are (1) outstanding Share Options carrying rights to subscribe for 35,000,000 new Shares at the prevailing subscription price of HK\$1.20 per Share, which are all held by Mr. Lo and (2) outstanding Warrants carrying subscription rights in an aggregate amount of HK\$303,153,987 to subscribe for 303,153,987 new Shares at the prevailing subscription price of HK\$1.00 per Share. Save as disclosed above, the Company does not have any other outstanding warrants or securities in issue which are convertible or exchangeable into Shares.

Irrevocable Undertaking

As at the date of this announcement, Mr. Lo and his associates are the legal and beneficial owners of (1) 1,212,034,907 Shares, representing approximately 50.7% of the entire issued ordinary share capital of the Company, (2) Warrants carrying subscription rights in an aggregate amount of approximately HK\$239,236,979 to subscribe for approximately 239,236,979 new Shares at the prevailing subscription price of HK\$1.00 per Share and (3) Share Options which carry rights to subscribe for 35,000,000 new Shares at the prevailing exercise price of HK\$1.20 per Share. Pursuant to the respective terms of issue of the Warrants and the Share Options, adjustments will be made to the prevailing subscription terms of the Warrants and the Share Options as a result of the Rights Issue. Please refer to the paragraph headed "Adjustments in relation to the Warrants and the Share Options" below for further information. Pursuant to the Irrevocable Undertaking, Mr. Lo has given an irrevocable undertaking in favour of the Company and OSK, as an Underwriter, that he and his associates will subscribe for the Rights Shares that will be provisionally allotted to them under the Rights Issue.

The Company understands from Mr. Lo that in relation to the Rights Issue he and his associates currently have no intention to exercise any of the subscription rights attached to the Warrants and/or Share Options held by them before the Record Date save for maintaining their overall shareholding interest in the Company of not less than 50%, and that he and his associates will after implementation of the Rights Issue consider exercising the subscription rights attaching to the Warrants prior to the relevant expiry date.

Qualifying Shareholders

The Company will send the Prospectus Documents to the Qualifying Shareholders only. For the Non-Qualifying Shareholders (if any), the Company will send copies of the Prospectus to them for their information only, but the Company will not send any PAL or EAF to the Non-Qualifying Shareholders.

To qualify for the Rights Issue, a Shareholder must be registered as a member of the Company at the close of business on the Record Date and must be a Qualifying Shareholder.

The register of members of the Company will be closed from 15 October 2010 to 18 October 2010 (both days inclusive) to determine the eligibility of the Shareholders to the Rights Issue. No transfers of Shares will be registered during the book closure period. With reference to the announcement of the Company dated 6 October 2010, the book closure period for the purpose of ascertaining the entitlements to the interim dividend for the financial year ending 31 December 2010 payable by the Company has been changed to the period from 15 October 2010 to 18 October 2010 (both days inclusive), which corresponds to the book closure period for the Rights Issue.

In order to be registered as members of the Company at the close of business on the Record Date, Shareholders must lodge any transfers of Shares (together with the relevant share certificates) with the Company's branch share registrar and transfer office in Hong Kong, Tricor Tengis Limited at 26/F, Tesbury Centre, 28 Queen's Road East, Wanchai, Hong Kong for registration no later than 4:30 p.m. on 14 October 2010. Holders of outstanding Warrants who wish to participate in the Rights Issue should exercise their Warrants in accordance with the terms of the Warrants no later than 4:00 p.m. on 14 October 2010 so as to enable them to qualify for the Rights Issue.

Subscription Price

The Subscription Price is HK\$0.48 per Rights Share, payable in full by the Qualifying Shareholders upon acceptance of the relevant provisional allotment of Rights Shares and, where applicable, application for excess Rights Shares under the Rights Issue or when a transferee of nil-paid Rights Shares applies for Rights Shares. The Subscription Price represents:

1. a discount of approximately 30.4% to the closing price of HK\$0.69 per Share as quoted on the Stock Exchange on 7 October 2010, being the date of the Underwriting Agreement;
2. a discount of approximately 31.4% to the average of the closing prices of HK\$0.70 per Share as quoted on the Stock Exchange for the five trading days up to and including 7 October 2010;
3. a discount of approximately 27.8% to the average of the closing prices of HK\$0.665 per Share as quoted on the Stock Exchange for the 10 trading days up to and including 7 October 2010; and
4. a discount of approximately 28.5% to the theoretical ex-entitlement price of approximately HK\$0.671 based on the closing price of HK\$0.69 per Share as quoted on the Stock Exchange on 7 October 2010.

The Subscription Price was determined after arm's length negotiations between the Company and the Underwriters with reference to the current market price of the Shares. The Directors consider the terms of the Rights Issue, including the Subscription Price, are fair and reasonable and in the interests of the Company and the Shareholders as a whole.

Basis of provisional allotment

The basis of the provisional allotment shall be one (1) Rights Share for every ten (10) Shares held by the Qualifying Shareholders on the Record Date at the Subscription Price of HK\$0.48 per Rights Share. Application for all or any part of a Qualifying Shareholder's provisional allotment should be made by completing the PAL and lodging the same with a remittance for the Rights Shares being applied for before the Latest Time for Acceptance.

Status of the Rights Shares

The Rights Shares, when allotted and fully paid, will rank pari passu in all respects with the Shares then in issue. Holders of fully-paid Rights Shares will be entitled to receive all dividends and distributions which are declared, made or paid after the date of allotment of the Rights Shares.

Fractions of Rights Shares

The provisional allotment for the Qualifying Shareholders will be rounded down to the nearest whole number of Rights Shares. Fractions of Rights Shares will not be allotted to Qualifying Shareholders. Such fractional entitlements will be aggregated and, if possible, sold in the market. The net proceeds of such sales (after deduction of expenses) will be aggregated and will accrue for the benefit of the Company.

Odd lots arrangements

The Company has agreed to procure OSK to arrange for matching services regarding the sale and purchase of odd lots of Shares and nil-paid Rights Shares from 19 October 2010 to 28 October 2010 (both days inclusive). Details of the arrangement will be set out in the Prospectus.

Rights of Non-Qualifying Shareholders

The Company will make enquiries regarding the feasibility of extending the Rights Issue to the Overseas Shareholders. If based on legal advices, the Directors consider that it is necessary or expedient not to offer the Rights Shares to the Overseas Shareholders on account either of the legal restrictions under the laws of the places of their registered addresses or the requirements of the relevant regulatory bodies or stock exchanges in those places outside Hong Kong, the Rights Issue will not be extended to such Overseas Shareholders. The basis for excluding the Non-Qualifying Shareholders, if any, from the Rights Issue will be set out in the Prospectus. If they are excluded, the Company will send copies of the Prospectus to the Non-Qualifying Shareholders for their information only, but the Company will not send any PAL or EAF to the Non-Qualifying Shareholders.

Arrangements will be made for Rights Shares which would otherwise have been provisionally allotted to the Non-Qualifying Shareholders to be sold on the market in their nil-paid form as soon as practicable after dealings in the Rights Shares in their nil-paid form have commenced and before dealings in Rights Shares in their nil-paid form end, if a premium (net of expenses) can be obtained. The proceeds of such sale, less expenses, will be paid pro rata to the Non-Qualifying Shareholders whose entitlement is individually more than HK\$100. The Company will retain individual amounts of HK\$100 or less for its own benefit. Any unsold entitlements of the Non-Qualifying Shareholders, together with any Rights Shares provisionally allotted but not accepted and the fractional entitlements to the Rights Shares which are not sold, will be made available for excess application on EAFs by Qualifying Shareholders.

Application for excess Rights Shares

Qualifying Shareholders may apply, by way of excess application, for any unsold entitlements of the Non-Qualifying Shareholders, for any Rights Shares provisionally allotted but not accepted and for any fractional entitlements to the Rights Shares which are not sold.

Applications for excess Rights Shares may be made by completing the EAF and lodging the same with a separate remittance for the excess Rights Shares being applied for. The Directors will allocate the excess Rights Shares at their sole discretion on a fair and equitable basis. Preference will be given to applications for less than a board lot of Rights Shares where they appear to the Directors that such applications are made to round up odd-lot holdings to whole-lot holdings and that such applications are not made with an intention to abuse the mechanism of application for excess Rights Shares.

Qualifying Shareholders whose Shares are held by nominee companies should note that the Board will regard a nominee company as a single Qualifying Shareholder according to the register of members of the Company. Accordingly, Qualifying Shareholders whose Shares are registered in the name of a nominee company should note that the aforesaid arrangement in relation to the allocation of excess Rights Shares will not be extended to them individually. Qualifying Shareholders with their Shares held by nominee companies are advised to consider whether they would like to arrange for registration of the relevant Shares in the name of the beneficial owner(s) prior to the Record Date.

For Qualifying Shareholders whose Shares are held by their nominee(s) and would like to have their names registered on the register of members of the Company, they must complete the relevant registration with Tricor Tengis Limited, the Company's branch share registrar and transfer office in Hong Kong, by 4:30 p.m. on Thursday, 14 October 2010, being the Business Day immediately prior to the closure of register of members of the Company.

Application for listing

The Company will apply to the Listing Division of the Stock Exchange for the listing of and permission to deal in the Rights Shares, in both nil-paid and fully-paid forms, to be allotted and issued pursuant to the Rights Issue.

Dealings in the Rights Shares in both nil-paid and fully-paid forms, both in board lots of 4,000, which are registered in the branch register of members of the Company in Hong Kong will be subject to the payment of stamp duty in Hong Kong.

THE UNDERWRITING AGREEMENT

The Underwriters have severally agreed to underwrite in aggregate (A) not less than 117,976,927 Rights Shares, being the total number of Rights Shares (on the basis that none of the outstanding Warrants and Share Options are exercised during the period from the date of this announcement to the Record Date) excluding the Rights Shares undertaken to be subscribed for by Mr. Lo and his associates pursuant to the Irrevocable Undertaking and (B)

not more than 124,368,628 Rights Shares, being the total number of Rights Shares (on the basis that all of the outstanding Warrants and Share Options are exercised during the period from the date of this announcement to the Record Date) excluding the Rights Shares undertaken to be subscribed for by Mr. Lo and his associates pursuant to the Irrevocable Undertaking, at the Subscription Price of HK\$0.48 per Rights Share. As stated above, the Company understands from Mr. Lo that in relation to the Rights Issue he and his associates currently have no intention to exercise any of the subscription rights attached to the Warrants and/or Share Options held by them before the Record Date save for maintaining their overall shareholding interest in the Company of not less than 50%, and that he and his associates will after implementation of the Rights Issue consider exercising the subscription rights attaching to the Warrants prior to the relevant expiry date. The Underwriting Agreement provides that each Underwriter will be obliged to subscribe for or procure subscribers to subscribe for 50% of any Rights Shares not taken up by the Qualifying Shareholders or transferee(s) of nil-paid Rights Shares, subject to the conditions set out therein.

Conditions of the Rights Issue

The Rights Issue is conditional on each of the following conditions being fulfilled or waived (as appropriate):

- (i) the delivery to the Stock Exchange and registration with the Registrar of Companies in Hong Kong respectively one copy of each of the Prospectus Documents duly signed by two Directors (or by their agents duly authorised in writing) as having been approved by a resolution of the Board (and with all documents required to be attached thereto by Section 342C of the Companies Ordinance) not later than the Prospectus Posting Date and otherwise in compliance with the Listing Rules and the Companies Ordinance;
- (ii) the filing of the Prospectus, the PAL and the EAF (all having been received or accepted by the Stock Exchange and signed by or on behalf of all Directors) with the Registrar of Companies in Bermuda in compliance with the Companies Act on, or as soon as reasonably practicable after, the Prospectus Posting Date;
- (iii) the posting of the Prospectus Documents to the Qualifying Shareholders and the posting of the Prospectus marked "For information only" to the Non-Qualifying Shareholders, in each case, on the Prospectus Posting Date;
- (iv) the Listing Division of the Stock Exchange granting or agreeing to grant (subject to allotment), and not having withdrawn or revoked, the listing of, and permission to deal in, all the Rights Shares (in their nil-paid and fully-paid forms), either unconditionally or subject to such conditions as OSK may (after consultation with the other Underwriter) accept and the satisfaction of such conditions (if any and where relevant) before 8:00 a.m. on the date on which nil-paid Rights Shares commence dealings on the Stock Exchange;
- (v) compliance with and performance of all the undertakings and obligations of the Company under the Underwriting Agreement;

- (vi) compliance with and performance of all the undertakings and obligations of Mr. Lo under the Irrevocable Undertaking;
- (vii) the obligations of the Underwriters under the Underwriting Agreement are not terminated in accordance with the terms of the Underwriting Agreement; and
- (viii) the Shares remaining listed on the Stock Exchange at all times up to and including the Latest Time for Termination and the current listing of the Shares not having been withdrawn and no indication being received from the Stock Exchange before the Latest Time for Termination to the effect that such listing may be withdrawn or objected to (or conditions will or may be attached thereto) including but not limited to as a result of the Rights Issue or in connection with the terms of the Underwriting Agreement or for any other reason.

If the conditions of the Rights Issue under the Underwriting Agreement are not fulfilled or waived to the extent permitted under the Underwriting Agreement on or before the Latest Time for Termination, the Underwriting Agreement will terminate and no party thereto will have any claim against any other party for costs, damages, compensation or otherwise save for any antecedent breaches. If the Underwriting Agreement terminates in accordance with its terms, the Rights Issue will not proceed and the Irrevocable Undertaking by Mr. Lo will lapse automatically.

Underwriting commission

The Company will pay the Underwriters an underwriting commission of 2.5% of the aggregate Subscription Price of the Rights Shares, other than those Rights Shares subject to the Irrevocable Undertaking. The Directors (including the independent non-executive Directors), save for Mr. Lo who abstained on the relevant Board resolution, are of the view that the terms of the Underwriting Agreement are fair and reasonable.

Termination of the Underwriting Agreement

If prior to the Latest Time for Termination:

- (a) in the sole and absolute opinion of OSK (after consultation with the other Underwriter), the success of the Rights Issue would be materially and adversely affected by:
 - (i) the introduction of any new law or regulation or any change in existing law or regulation (or the judicial interpretation thereof) or other occurrence of any nature whatsoever which may in the sole and absolute opinion of OSK (after consultation with the other Underwriter) materially and adversely affect the business or the financial or trading position or prospects of the Group as a whole or is materially adverse in the context of the Rights Issue; or

- (ii) the occurrence of any local, national or international event or change (whether or not forming part of a series of events or changes occurring or continuing before, and/or after the date hereof) of a political, military, financial, economic or other nature (whether or not ejusdem generis with any of the foregoing), or in the nature of any local, national or international outbreak or escalation of hostilities or armed conflict, or affecting local securities markets which may, in the sole and absolute opinion of OSK (after consultation with the other Underwriter) materially and adversely affect the business or the financial or trading position or prospects of the Group as a whole or materially and adversely prejudice the success of the Rights Issue or otherwise makes it inexpedient or inadvisable to proceed with the Rights Issue; or
 - (iii) any material adverse change in the business or in the financial or trading position of the Group as a whole; or
- (b) any adverse change in market conditions (including without limitation, any change in fiscal or monetary policy, or foreign exchange or currency markets, suspension or material restriction or trading in securities) occurs which in the sole and absolute opinion of OSK (after consultation with the other Underwriter) is likely to materially or adversely affect the success of the Rights Issue or otherwise makes it inexpedient or inadvisable to proceed with the Rights Issue; or
- (c) there is any change in the circumstances of the Company or any member of the Group which in the sole and absolute opinion of OSK (after consultation with the other Underwriter) will adversely affect the prospects of the Company, including without limiting the generality of the foregoing the presentation of a petition or the passing of a resolution for the liquidation or winding up or similar event occurring in respect of any of member of the Group or the destruction of any material asset of the Group; or
- (d) any suspension in the trading of securities generally or the Company's securities on the Stock Exchange for a period of more than 10 consecutive Business Days, excluding any suspension in connection with the clearance of this announcement or the Prospectus Documents or other announcements in connection with the Rights Issue, or
- (e) the Prospectus or announcements of the Company published since the date of the Underwriting Agreement contain information (either as to business prospects or the condition of the Group or as to its compliance with any laws or the Listing Rules or any applicable regulations) which has not prior to the date of the Underwriting Agreement been publicly announced or published by the Company and which may in the sole and absolute opinion of OSK (after consultation with the other Underwriter) be material to the Group as a whole and is likely to affect materially and adversely the success of the Rights Issue or might cause a prudent investor not to accept the Rights Shares provisionally allotted to it; or

- (f) any Underwriter shall become aware of the fact that any of the warranties or undertakings contained in the Underwriting Agreement was untrue, inaccurate, misleading or breached, and in each case the same is (in the sole and absolute opinion of OSK (after consultation with the other Underwriter)) material in the context of the Rights Issue,

then and in such case, OSK (after consultation with the other Underwriter) may, in addition to and without prejudice to any other remedies to which the Underwriters may be entitled, by serving a notice in writing to the Company, to terminate the Underwriting Agreement prior to the Latest Time for Termination.

If OSK (after consultation with the other Underwriter) gives a notice of termination to the Company in accordance with the terms of the Underwriting Agreement, all obligations of the Underwriters under the Underwriting Agreement shall cease and no party shall have any claim against any other party in respect of any matter or thing arising out of or in connection with the Underwriting Agreement provided that the Company shall remain liable to pay to the Underwriters any legal fees and other out of pocket expenses incurred by the Underwriters, except that the underwriting commission described above shall not be payable to the Underwriters if the Underwriting Agreement does not become unconditional or if it is terminated by the Underwriters pursuant to the Underwriting Agreement. If the Underwriters exercise their rights to terminate the Underwriting Agreement, the Rights Issue will not proceed.

WARNING OF THE RISKS OF DEALING IN THE SHARES, WARRANTS AND RIGHTS SHARES IN NIL-PAID FORM

The Rights Issue is conditional upon the fulfillment or waiver (as appropriate) of the conditions set out above under the section headed “Conditions of the Rights Issue”. The Underwriters are entitled under the Underwriting Agreement to terminate the Underwriting Agreement on the occurrence of certain events, including but not limited to force majeure, as more particularly described in the sub-section headed “Termination of the Underwriting Agreement” above. The Rights Issue is therefore also subject to the Underwriters not terminating the Underwriting Agreement. Accordingly, the Rights Issue may or may not proceed.

Any dealings in the Shares or Warrants from the date of this announcement up to the date on which all the conditions of the Rights Issue are fulfilled or waived (as appropriate), and any dealings in the Rights Shares in their nil-paid form will accordingly bear the risk that the Rights Issue may not become unconditional or may not proceed. Any Shareholders or holders of outstanding Warrants or other persons contemplating any dealings in the Shares or the Rights Shares in their nil-paid form are advised to consult their own professional advisers.

FUNDS RAISED DURING THE PAST 12 MONTHS

During the past 12 months immediately preceding the date of this announcement, the Company has not conducted any fund raising activity.

REASONS FOR THE RIGHTS ISSUE AND USE OF PROCEEDS

The Group is principally engaged in property development and investment, construction and building related businesses, and other investments including, in particular, its interests in Regal Hotels International Holdings Limited, which is principally engaged in hotel operation and management, investment in Regal Real Estate Investment Trust and other investments.

The gross proceeds of the Rights Issue are expected to amount to approximately HK\$114.8 million (assuming no outstanding Warrants and Share Options are exercised on or before the Record Date) to approximately HK\$131.0 million (assuming all outstanding Warrants and Share Options are exercised on or before the Record Date). It is estimated that the net proceeds of the Rights Issue (after deduction of underwriting commission and expenses) are expected to amount to approximately HK\$112 million (assuming no outstanding Warrants and Share Options are exercised on or before the Record Date) to approximately HK\$128 million (assuming all outstanding Warrants and Share Options are exercised on or before the Record Date). The Group currently holds Paliburg Warrants carrying subscription rights in an aggregate amount of approximately HK\$124.9 million to subscribe for approximately 59.5 million Paliburg Shares at the prevailing subscription price of HK\$2.10 per Paliburg Share. It is expected that the Group will apply the net proceeds of the Rights Issue for the subscription of Paliburg Shares by exercising the Paliburg Warrants held by the Group and any remaining net proceeds will be used as general working capital for the Group. If only those Paliburg Warrants held by the Group are exercised, the Group's shareholding interest in Paliburg will increase from 59.0% to 61.3%. If all outstanding Paliburg Warrants held by the Group and others are exercised, the Group's shareholding interest in Paliburg will decrease from 59.0% to 58.9%.

EXPECTED TIMETABLE

The expected timetable for the Rights Issue is set out below:

2010

Last day of dealings in Shares on a cum-rights basis	Tuesday, 12 October
First day of dealings in Shares on an ex-rights basis	Wednesday, 13 October
Latest time for exercise of Warrants in order to qualify for the Rights Issue	4:00 p.m. on Thursday, 14 October
Latest time for lodging transfer of Shares in order to qualify for the Rights Issue	4:30 p.m. on Thursday, 14 October
Register of members closes	from Friday, 15 October to Monday, 18 October (both days inclusive)
The Record Date	Monday, 18 October
Despatch of the Prospectus, PAL and EAF (the "Prospectus Posting Date")	Tuesday, 19 October
Register of members re-opens	Tuesday, 19 October
Designated broker starts to stand in the market to provide matching services for odd lots of Shares and nil-paid Rights Shares	Tuesday, 19 October
First day of dealings in nil-paid Rights Shares	Thursday, 21 October
Latest time for splitting of nil-paid Rights Shares	4:00 p.m. on Monday, 25 October
Last day of dealings in nil-paid Rights Shares	Thursday, 28 October
Designated broker ceases to stand in the market to provide matching services for odd lots of Shares and nil-paid Rights Shares	4:00 p.m. on Thursday, 28 October
Latest time for payment and acceptance of Rights Shares and application for excess Rights Shares	4:00 p.m. on Tuesday, 2 November

Latest time for the Rights Issue to become
 unconditional.....4:00 p.m. on Friday, 5 November

Announcement of results of the Rights Issue Monday, 8 November

Despatch of refund cheques in respect of
 unsuccessful or partially unsuccessful excess
 applications posted on or before..... Tuesday, 9 November

Despatch of certificates for fully paid Rights
 Shares on or before Tuesday, 9 November

First day of dealings in fully paid Rights Shares Thursday, 11 November

Dates stated in this announcement for events in the timetable are indicative only and may be extended or varied. Any changes to the anticipated timetable for the Rights Issue will be announced by the Company as and when appropriate.

ADJUSTMENTS IN RELATION TO THE WARRANTS AND THE SHARE OPTIONS

Pursuant to the terms of the instrument constituting the Warrants, if the Company issues any Shares at an issue price below the prevailing exercise price of the Warrants, the exercise price of the Warrants will be adjusted downward to such issue price. Subject to the Rights Issue becoming unconditional, the issue of the Rights Shares at HK\$0.48 per Share will result in the exercise price of the Warrants being adjusted to HK\$0.48 per new Share. Based on such adjusted exercise price, the Warrants outstanding as at the date of this Announcement carrying subscription rights in an aggregate amount of HK\$303,153,987 will confer rights on their holders to subscribe for approximately 631.6 million new Shares.

Pursuant to the terms of the share option scheme of the Company approved and adopted by the Shareholders on 16 June 2005, the exercise price and the number of Shares which may fall to be issued upon exercise of the outstanding Share Options will also be adjusted as a result of the Rights Issue if the Rights Issue becomes unconditional.

The Company will engage its auditors or an independent financial adviser to certify any adjustments that ought to be made to the Warrants and the outstanding Share Options, and will make a separate announcement after the adjustments have been confirmed.

CHANGES IN THE SHAREHOLDING STRUCTURE OF THE COMPANY ARISING FROM THE RIGHTS ISSUE

The existing shareholding structure of the Company as at the date of this announcement and the shareholding structure of the Company immediately upon completion of the Rights Issue are set out below:

	As at the date of this announcement		Upon completion of the Rights Issue and assuming all Shareholders take up the Rights Shares provisionally allotted to them				Upon completion of the Rights Issue and assuming, save for Mr. Lo and his associates, no other Shareholders take up the Rights Shares provisionally allotted to them				Exercise of all outstanding Warrants at the adjusted subscription price after completion of the Rights Issue but before exercise of any outstanding Share Options	
			Assuming no exercise of any outstanding Warrants or Share Options during the period from the date of this announcement to the Record Date		Assuming full exercise of all outstanding Warrants and Share Options during the period from the date of this announcement to the Record Date		Assuming no exercise of any outstanding Warrants or Share Options during the period from the date of this announcement to the Record Date		Assuming full exercise of all outstanding Warrants and Share Options during the period from the date of this announcement to the Record Date		Assuming (1) there is no exercise of Warrants and Share Options prior to the Record Date and (2) all Shareholders have taken up the Rights Shares provisionally allotted to them	
	<i>No. of Shares (in million)</i>	%	<i>No. of Shares (in million)</i>	%	<i>No. of Shares (in million)</i>	%	<i>No. of Shares (in million)</i>	%	<i>No. of Shares (in million)</i>	%	<i>No. of Shares (in million)</i>	%
Mr. Lo and his associates (note 1)	1,212.0	50.7	1,333.2	50.7	1,634.9	54.4	1,392.2	52.9	1,697.1	56.5	1,831.6	56.1
Other Directors	2.6	0.1	2.9	0.1	3.4	0.1	2.6	0.1	3.1	0.1	4.0	0.1
OSK	-	-	-	-	-	-	59.0	2.2	62.2	2.1	-	-
Public shareholders	1,177.2	49.2	1,294.9	49.2	1,364.7	45.5	1,177.2	44.8	1,240.6	41.3	1,427.0	43.8
Total	2,391.8	100.0	2,631.0	100.0	3,003.0	100.0	2,631.0	100.0	3,003.0	100.0	3,262.6	100.0

Note:

- Mr. Lo and his associates include Ablewise, which is one of the Underwriters.

GENERAL

Since the Rights Shares will not increase the issued share capital or the market capitalisation of the Company by more than 50%, the Rights Issue is not subject to the Shareholders' approval.

Ablewise, one of the Underwriters, is an associate of Mr. Lo and thereby a connected person (as defined in the Listing Rules) of the Company. Nevertheless, the engagement of Ablewise as an Underwriter pursuant to the Underwriting Agreement is fully exempted from the reporting, announcement and independent shareholders' approval requirements pursuant to Rule 14A.31(3)(c) of the Listing Rules.

The Company will send the Prospectus Documents containing, among others, details of the Rights Issue, to the Qualifying Shareholders and will send the Prospectus to the Non-Qualifying Shareholders, if any, for their information only as soon as practicable. The Company will not send any PAL or EAF to the Non-Qualifying Shareholders.

DEFINITIONS

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

“Ablewise”	Ablewise Investments Limited, a company wholly and beneficially owned by Mr. Lo and is one of the Underwriters
“associate(s)”	has the meaning ascribed to it under Rule 1.01 of the Listing Rules
“Board”	the board of Directors
“Business Day”	any day on which banks in Hong Kong are generally open for business, except a Saturday and any day on which a tropical cyclone warning no. 8 or above or a “black” rainstorm warning signal is hoisted in Hong Kong at any time between 9:00 a.m. and 5:00 p.m.
“Company”	Century City International Holdings Limited, a company incorporated in Bermuda with limited liability, the Shares and Warrants of which in issue are listed on the Stock Exchange
“Companies Act”	the Companies Act 1981 of Bermuda
“Companies Ordinance”	the Companies Ordinance, Chapter 32 of the Laws of Hong Kong

“Directors”	the directors of the Company
“EAF”	the excess application form(s) to be issued in connection with the Rights Issue
“Group”	the Company and its subsidiaries
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Irrevocable Undertaking”	the irrevocable undertaking in connection with the Rights Issue and the Underwriting Agreement given by Mr. Lo in favour of the Company and OSK
“Latest Time for Acceptance”	4:00 p.m. on the last date for acceptance of, and payment for, the Rights Shares
“Latest Time for Termination”	4:00 p.m. on the 5 November 2010 or such other date as OSK may (after consultation with the other Underwriter) agree with the Company in writing
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Mr. Lo”	Mr. Lo Yuk Sui, the chairman of the Board and the chief executive officer of the Company, an executive Director and the controlling Shareholder
“Non-Qualifying Shareholders”	those Overseas Shareholders to whom the Company considers it necessary or expedient not to offer the Rights Shares based on the enquiry regarding the legal restrictions and/or regulatory requirements, if any, under the laws and regulations of the relevant jurisdictions where the Overseas Shareholders reside
“OSK”	OSK Securities Hong Kong Limited, a licensed corporation to carry on Type 1 (dealing in securities) and Type 4 (advising on securities) regulated activities under the SFO and is one of the Underwriters
“Overseas Shareholder(s)”	Shareholder(s) whose registered address(es) as shown in the register of members of the Company on the Record Date is(are) outside of Hong Kong

“PAL”	the provisional allotment letter(s) to be issued in connection with the Rights Issue
“Paliburg”	Paliburg Holdings Limited, a company incorporated in Bermuda with limited liability, the shares and warrants of which in issue are listed on the Stock Exchange
“Paliburg Shares”	ordinary shares of Paliburg of HK\$0.10 each in the share capital of Paliburg
“Paliburg Warrants”	the warrants of Paliburg due November 2010 conferring rights on their holders to subscribe for Paliburg Shares at the prevailing subscription price of HK\$2.10 per Paliburg Share (subject to adjustment)
“Prospectus”	the prospectus to be issued by the Company to the Shareholders containing details of the Rights Issue
“Prospectus Documents”	the Prospectus, together with, the PAL and the EAF
“Prospectus Posting Date”	the date of posting the Prospectus Documents to the Qualifying Shareholders and the Prospectus to the Non-Qualifying Shareholders for their information only
“Qualifying Shareholder(s)”	Shareholder(s) whose name(s) appear(s) on the register of members of the Company on the Record Date, which is(are) not a Non-Qualifying Shareholder(s)
“Record Date”	the date by reference to which entitlements to the Rights Issue are to be determined
“Rights Issue”	the issue by way of rights of the Rights Shares on the terms and subject to the conditions as set out in the Underwriting Agreement and in the Prospectus
“Rights Share(s)”	not less than 239,180,415 new Shares and not more than 272,995,813 new Shares to be offered by the Company pursuant to the Rights Issue on the terms set out in the Underwriting Agreement and in the Prospectus
“SFO”	the Securities and Futures Ordinance, Chapter 571 of the Laws of Hong Kong
“Share(s)”	the ordinary share(s) of HK\$0.10 each in the share capital of the Company

“Shareholder(s)”	holder(s) of the issued Shares
“Share Option(s)”	option(s) to subscribe for Share(s) granted under the share option scheme of the Company approved and adopted by the Shareholders on 16 June 2005
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Subscription Price”	the issue price of HK\$0.48 per Rights Share at which the Rights Shares are offered for subscription
“Underwriters”	OSK and Ablewise
“Underwriting Agreement”	the underwriting agreement dated 7 October 2010 and entered into between the Underwriters and the Company (after trading hours) in relation to the Rights Issue
“Warrants”	the warrants of the Company due January 2011 conferring rights on their holders to subscribe for Shares at the prevailing subscription price of HK\$1.00 per Share (subject to adjustment)
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“%”	per cent.

By Order of the Board
Century City International Holdings Limited
LO Yuk Sui
Chairman

Hong Kong, 7 October 2010

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

Executive Directors:

Mr. LO Yuk Sui
(Chairman and Chief Executive Officer)
Mr. Kenneth NG Kwai Kai
(Chief Operating Officer)
Mr. Donald FAN Tung
Mr. Kelvin LEUNG So Po
Mr. Jimmy LO Chun To
Miss LO Po Man

Independent Non-Executive Directors:

Mr. Anthony CHUANG
Mr. NG Siu Chan
Mr. WONG Chi Keung