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DISCLOSEABLE TRANSACTION

On 24 April 2007, the Purchaser, a wholly-owned subsidiary of Paliburg, entered into the Sale and Purchase Agreements with the Vendors. Pursuant to the Sale and Purchase Agreements, the Purchaser has acquired and the Vendors have sold the Subject Regal CBs with an aggregate principal amount of HK\$125,000,000 at a total consideration of HK\$360 million. The Subject Regal CBs can be converted into 500,000,000 Regal Shares based on the current conversion price.

As at the date of this announcement, total Regal CBs (including the Subject Regal CBs) with an aggregate principal amount of HK\$325,000,000 are outstanding. The Regal CBs can be converted into 1,300,000,000 new Regal Shares based on the current conversion price. There are also outstanding Regal Warrants conferring rights on their holders to subscribe for approximately 226.6 million new Regal Shares. Among such Regal Warrants, the Paliburg Group holds Regal Warrants attaching rights to subscribe for approximately 54.2 million new Regal Shares. The purpose of this transaction is to allow Paliburg to be able to hedge (to a certain extent) against the potential dilution in its shareholding interest in Regal as a result of the exercise of the Regal CBs and the Regal Warrants. Paliburg considers it in its best interests for the Purchaser to acquire the Subject Regal CBs with a view to minimizing the dilution effect as a result of any possible exercises of the Regal CBs and the Regal Warrants, as the strategic controlling shareholding interest in Regal represents the core investment assets of the Paliburg Group.

Since 20 April 2007, the Paliburg Group has acquired approximately 49.5 million Regal Shares, representing approximately 0.54% of the existing issued ordinary share capital of Regal, on market at a total consideration of approximately HK\$34 million. With a view to maintaining a reasonable level of shareholding interest in Regal, the Paliburg Group may carry out the Possible Further Acquisitions (i.e. possible further acquisitions of Regal Shares and Regal Warrants (including the exercise of any Regal Warrants purchased by the Paliburg Group)) for the next 12-month period from 26 April 2007 to 25 April 2008 so long as total consideration of the Possible Further Acquisitions will not exceed the Cap of HK\$260 million and provided that the Paliburg Group will not trigger a mandatory general offer obligation under the Takeovers Code as a result of the Possible Further Acquisitions. For illustrative purposes, based on the Cap and the closing price of Regal Shares on 26 April 2007, the date of this announcement, the Paliburg Group may acquire 382,352,941 Regal Shares, representing approximately 4.17% of the existing issued ordinary share capital of Regal, during the following twelve-month period.

If the Purchaser did not enter into the Sale and Purchase Agreements to acquire the Subject Regal CBs and if all the outstanding Regal CBs were converted as at the date of this announcement, the shareholding interest of the Paliburg Group in Regal would be diluted from approximately 45.88% to approximately 40.18% and if all the outstanding Regal Warrants were also exercised, the shareholding interest of the Paliburg Group in Regal would be further diluted to approximately 39.83%. After completion of the Sale and Purchase Agreements, upon conversion of the Regal CBs in full and the exercise of the Regal Warrants in full, the shareholding interest of Paliburg in Regal will decrease from approximately 45.88% (as at the date of this announcement) to approximately 44.51%.

The acquisition of the Subject Regal CBs under the Sale and Purchase Agreements, the on-market acquisition of approximately 49.5 million Regal Shares during the past twelve-month period (not including the exercise of those Regal Warrants allotted and issued to the Paliburg Group by Regal under a bonus issue of Regal as approved by the shareholders of Paliburg in 2004) and the Possible Further Acquisitions in aggregate constitute a discloseable transaction for Century City and Paliburg. Century City and Paliburg will have to re-comply with all the applicable reporting, announcement and/or shareholders' approval requirements under Chapter 14 of the Listing Rules if the aggregate consideration for the Possible Further Acquisitions exceeds the Cap.

Each of Century City and Paliburg will issue a circular to their respective shareholders setting out the details of the above transactions for information purposes only.

THE SALE AND PURCHASE AGREEMENTS

Date and parties

Date: 24 April 2007
Parties: the Purchaser, a wholly-owned subsidiary of Paliburg, as purchaser of both of the Sale and Purchase Agreements
Leader Advance Limited and Delight Rich International Limited, as the respective vendor of each of the Sale and Purchase Agreements, who owned the Subject Regal CBs prior to the completion of the Sale and Purchase Agreements
Regal is an approximately 45.88% owned listed associate of Paliburg and Paliburg is an approximately 53% owned subsidiary of Century City.
To the best knowledge, information and belief of the Paliburg Directors and the Century City Directors, and having made all reasonable enquiry, (i) the Vendors are investment holding companies owned by the same group of ultimate beneficial shareholders and (ii) the Vendors and the ultimate beneficial owner of the Vendors are third parties independent of Paliburg and Century City and the connected persons of Paliburg and Century City (save for the interests of the Vendors and their associates in Regal as disclosed in this announcement).

Principal terms of the Sale and Purchase Agreements

Pursuant to the Sale and Purchase Agreements, the Purchaser has purchased the Subject Regal CBs held by the Vendors with an aggregate principal amount of HK\$125,000,000 at a total consideration of HK\$360 million.

The consideration was settled by the Purchaser as follows:

- a cash payment of HK\$60 million to the Vendors; and
- an issue of promissory notes with an aggregate principal amount of HK\$300 million to the Vendors.

Based on the existing conversion price of the Regal CBs of HK\$0.25 per Regal Share, the Subject Regal CBs acquired by the Purchaser can be converted into 500,000,000 Regal Shares with a market value of HK\$350 million based on the closing price per Regal Share on 24 April 2007. The consideration was determined after arm's length negotiations between the Purchaser and the Vendors, in particular with reference to the market value of the new Regal Shares falling to be issued upon conversion of the Subject Regal CBs in full based on the recent market price of the Regal Shares. The consideration represents a purchase price of HK\$0.72 per new Regal Shares (which will fall to be issued upon conversion of the Subject Regal CBs in full) which in turn represents (i) a premium of approximately 2.86% over the closing price of the Regal Shares of HK\$0.70 per Regal Share on 24 April 2007, the date of the Sale and Purchase Agreements, and (ii) a premium of approximately 4.96% over the average closing price of the Regal Shares for the five days immediately preceding 24 April 2007 of HK\$0.686 per Regal Share.

Completion of the Sale and Purchase Agreements took place on 24 April 2007.

THE REGAL CBS

The Regal CBs were issued by Cheerview Limited, a wholly owned subsidiary of Regal, pursuant to the subscription agreements dated 3 June 2004 entered into between Regal, Cheerview Limited and the relevant investors of the Regal CBs and are guaranteed by Regal. The principal terms of the Regal CBs were summarised in a joint announcement of Century City, Paliburg and Regal dated 8 June 2004.

The Regal CBs are convertible into Regal Shares at any time up to 13 July 2007. The current conversion price of the Regal CBs is HK\$0.25 per Regal Share and is subject to adjustment according to the terms and conditions of the Regal CBs. The new Regal Shares falling to be issued upon exercise of the conversion rights attaching to the Regal CBs will in all respects rank pari passu with the then existing issued Regal Shares.

The Regal CBs carry interest at 2% per annum, payable semi-annually in arrear.

As at the date of this announcement, Regal CBs with an aggregate principal amount of HK\$325,000,000 are outstanding.

THE PROMISSORY NOTES

The Purchaser has issued promissory notes, guaranteed by Paliburg, with an aggregate principal amount of HK\$300 million bearing interest at 5% per annum to the Vendors. The promissory notes fall due on 31 October 2007.

INFORMATION ON REGAL

Regal, together with its subsidiaries, jointly controlled entities and associates, is principally engaged in investment holding, hotel operation and management, hotel and property development and investment, asset management service, and other investments including investment and trading in financial instruments and marketable securities.

The table below sets out the audited consolidated revenue and the audited consolidated profit before and after taxation of Regal for the years ended 31 December 2005 and 2006.

	For the year ended 31 December	
	2005 HK\$' million	2006 HK\$' million
Revenue	1,141.1	1,261.2
Profit before tax	426.8	355.2
Profit after tax (before minority interests)	528.5	331.3
Profit after tax (after minority interests)	528.4	331.3

REASONS FOR AND BENEFITS OF THE TRANSACTION

Century City and Paliburg, through their respective subsidiaries, are principally engaged in investment holding, property development and investment, construction and building related businesses, and other investments.

Regal is a principal listed associate of Century City and Paliburg and is owned by Paliburg as to approximately 45.88%. As mentioned above, Regal CBs with an aggregate principal amount of HK\$325,000,000 are outstanding. There are also outstanding Regal Warrants conferring rights on their holders to subscribe for approximately 226.6 million new Regal Shares at a subscription price of HK\$0.25 per Regal Share. Among such Regal Warrants, the Paliburg Group holds Regal Warrants attaching rights to subscribe for approximately 54.2 million new Regal Shares. If the Purchaser did not enter into the Sale and Purchase Agreements to acquire the Subject Regal CBs and if all the outstanding Regal CBs were converted as at the date of this announcement, the shareholding interest of the Paliburg Group in Regal would be diluted from approximately 45.88% to approximately 40.18% and if all the outstanding Regal Warrants were also exercised, the shareholding interest of the Paliburg Group in Regal would be further diluted to approximately 39.83%. The purpose of the acquisition of the Subject Regal CBs under the Sale and Purchase Agreements is to allow the Paliburg Group to be able to hedge (to a certain extent) against the potential dilution in its shareholding interest in Regal as a result of the exercise of the Regal CBs and the Regal Warrants. The Paliburg Directors consider it in the best interests of the Paliburg Group for the Purchaser to acquire the Subject Regal CBs from the Vendors with a view to minimizing the dilution effect as a result of the conversion of the Regal CBs and the exercise of the Regal Warrants, as the strategic controlling shareholding interest in Regal represents the core investment assets of the Paliburg Group. The Paliburg Directors also consider that the terms of the Sale and Purchase Agreements are on normal commercial terms and fair and reasonable and in the interests of Paliburg and its shareholders as a whole.

THE SHAREHOLDING IN REGAL

The table below sets out the existing shareholding structure of Regal and that immediately after conversion of the Regal CBs in full and after exercise of the Regal Warrants in full (assuming that there are no other changes to the shareholding of Regal apart from the issue of the new Regal Shares pursuant to the exercise of the Regal CBs and the Regal Warrants in full).

	Existing		Upon conversion of the Regal CBs in full after completion of the Sale and Purchase Agreements		Upon conversion of the Regal CBs in full after completion of the Sale and Purchase Agreements and the exercise of the Regal Warrants in full	
	Number of Regal Shares	%	Number of Regal Shares	%	Number of Regal Shares	%
Paliburg and its associates	4,202,561,610	45.88%	4,702,561,610	44.96%	4,756,758,636	44.51%
Dr. Francis Choi Chee Ming and his associates (Note 1)	2,400,000	0.03%	802,400,000	7.67%	802,400,000	7.51%
Other directors of Regal and their associates (Note 2)	8,093,898	0.09%	8,093,898	0.08%	8,540,690	0.08%
Public shareholders						
The Vendors and their associates	300,000,000	3.27%	300,000,000	2.87%	300,000,000	2.81%
Other public shareholders	4,646,873,890	50.73%	4,646,873,890	44.42%	4,818,789,752	45.09%
	<u>9,159,929,398</u>	<u>100.00%</u>	<u>10,459,929,398</u>	<u>100.00%</u>	<u>10,686,489,078</u>	<u>100.00%</u>

Note:

- Dr. Francis Choi Chee Ming, a non-executive director and the vice chairman of the board of directors of Regal, owns Regal CBs with an aggregate principal amount of HK\$100 million. A company controlled by Dr. Choi also holds Regal CBs with an aggregate principal amount of HK\$100 million.
- Excluding their respective interests in Regal held through Paliburg.

POSSIBLE FURTHER ACQUISITIONS

Since 20 April 2007, the Paliburg Group acquired approximately 49.5 million Regal Shares, representing approximately 0.54% of the existing issued ordinary share capital of Regal, on market at a total consideration of approximately HK\$34 million. As mentioned above in this announcement, Regal is a principal listed associate of Century City and Paliburg. It is an important business strategy of Century City and Paliburg to maintain Paliburg's effective controlling shareholding interest in Regal at a level which the Paliburg Directors consider to be reasonable and appropriate. The acquisition of Regal Shares forms part of this strategy in view of the potential dilution effects as a result of the possible exercise of the Regal CBs and the Regal Warrants. With a view to maintaining an appropriate level of shareholding interest in Regal, it is possible that the Paliburg Group may carry out the Possible Further Acquisitions (i.e. possible acquisitions of Regal Shares and Regal Warrants (including the exercise of any Regal Warrants purchased by the Paliburg Group) by the Paliburg Group for the next 12-month period from 26 April 2007 to 25 April 2008) so long as the aggregate consideration will not exceed the Cap of HK\$260 million and provided that the Paliburg Group will not trigger a mandatory general offer obligation under the Takeovers Code as a result of the Possible Further Acquisitions. On the basis that the Possible Further Acquisitions will only constitute a discloseable transaction for Century City and Paliburg, the Cap was determined based on the current parameters of Century City's and Paliburg's size tests in respect of the Possible Further Acquisitions in accordance with Rule 14.07 of the Listing Rules. Purchase prices of any Regal Shares and Regal Warrants will be determined with reference to the then market price of those securities on normal commercial terms. The Paliburg Directors consider that the Possible Further Acquisitions are fair and reasonable and it is in the interests of Paliburg and its shareholders as a whole to have the flexibility to carry out the Possible Further Acquisitions.

For illustrative purposes, based on the Cap and the closing price of Regal Shares on 26 April 2007 (the date of this announcement), the Paliburg Group may acquire 382,352,941 Regal Shares representing approximately 4.17% of the existing issued ordinary share capital of Regal, during the next 12-month period from 26 April 2007 to 25 April 2008 under the Possible Further Acquisitions.

GENERAL

The acquisition of the Subject Regal CBs under the Sale and Purchase Agreements, the on-market acquisitions of approximately 49.5 million Regal Shares during the past twelve-month period (not including the exercise of those Regal Warrants allotted and issued to the Paliburg Group by Regal under a bonus issue of Regal as approved by the shareholders of Paliburg in 2004) and the Possible Further Acquisitions in aggregate constitute a discloseable transaction for Century City and Paliburg. Century City and Paliburg will have to re-comply with all the applicable reporting, announcement and/or shareholders' approval requirements under Chapter 14 of the Listing Rules if the aggregate consideration for the Possible Further Acquisitions exceeds the Cap.

Each of Century City and Paliburg will issue a circular to their respective shareholders setting out the details of the above transactions for information purposes only.

As at the date of this announcement, the board of directors of Century City 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. Jimmy LO Chun To
Miss LO Po Man

Independent Non-Executive Directors:

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

As at the date of this announcement, the board of directors of Paliburg comprises the following members:

Executive Directors:

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

Independent Non-Executive Directors:

Mr. NG Siu Chan
Hon Abraham SHEK Lai Him, JP
Mr. WONG Chi Keung

Definitions

"associate(s)"	has the meaning ascribed to it in under Chapter 1 of the Listing Rules
"Cap"	maximum aggregate consideration for the Possible Further Acquisitions of HK\$260 million
"Century City"	Century City International Holdings Limited, a company incorporated in Bermuda, the ordinary shares of which are listed on the Main Board of the Stock Exchange
"Century City Directors"	the directors of Century City
"connected person(s)"	has the meaning ascribed to it in under Chapters 1 and 14A of the Listing Rules
"HK\$"	Hong Kong dollars, the lawful currency of Hong Kong
"Listing Rules"	Rules Governing the Listing of Securities on the Stock Exchange
"Paliburg"	Paliburg Holdings Limited, a company incorporated in Bermuda, the ordinary shares of which are listed on the Main Board of the Stock Exchange
"Paliburg Directors"	the directors of Paliburg
"Paliburg Group"	Paliburg and its subsidiaries
"Possible Further Acquisitions"	possible acquisitions of Regal Shares and Regal Warrants (including exercise of any Regal Warrants purchased by the Paliburg Group) by the Paliburg Group from 26 April 2007 to 25 April 2008 subject to the Cap
"Purchaser"	Guo Yui Investments Limited, a wholly-owned subsidiary of Paliburg, which is the purchaser under the Sale and Purchase Agreements
"Regal"	Regal Hotels International Holdings Limited, a company incorporated in Bermuda, the ordinary shares of which are listed on the Main Board of the Stock Exchange
"Regal CBs"	2% guaranteed convertible bonds due in 2007 convertible into Regal Shares and guaranteed by Regal, and issued by Cheerview Limited, a wholly-owned subsidiary of Regal
"Regal Shares"	the ordinary shares in the share capital of Regal with a par value of HK\$0.01 each
"Regal Warrants"	warrants issued by Regal in 2004 which confer rights on their holders in units of HK\$0.25 to subscribe for new Regal Shares at a subscription price of HK\$0.25 per Regal Share (subject to adjustment)
"Sale and Purchase Agreements"	the two agreements entered into between each of the Vendors and the Purchaser on 24 April 2007 in respect of the sale and purchase of Regal CBs with an aggregate principal amount of HK\$125,000,000
"Subject Regal CBs"	the Regal CBs acquired by the Purchaser under the Sale and Purchase Agreements
"Stock Exchange"	The Stock Exchange of Hong Kong Limited
"Takeovers Code"	The Code on Takeovers and Mergers
"Vendors"	Leader Advance Limited and Delight Rich International Limited

By Order of the Board
Century City International Holdings Limited
Eliza Lam Sau Fun
Secretary

By Order of the Board
Paliburg Holdings Limited
Eliza Lam Sau Fun
Secretary

Hong Kong, 26 April 2007