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## JOINT ANNOUNCEMENT

### Voting arrangement at the special general meeting of Paliburg Holdings Limited

The boards of directors of Century City and Paliburg wish to announce that certain lenders of the Century City Group may at their discretion exercise the voting rights attached to the Paliburg Ordinary Shares beneficially owned by the Century City Group and charged in favour of such lenders at the special general meeting of Paliburg to be held on 18th September, 2002.

Shareholders and investors of Century City and Paliburg are advised to exercise caution in dealing in the shares of Century City and Paliburg, respectively.

#### Background

Reference is made to the joint announcement of Century City, Paliburg and Regal dated 2nd August, 2002 (the "Joint Announcement") and the circulars despatched to the shareholders of Century City and Paliburg dated 26th August, 2002 (the "Circulars") in relation to, among other things, the Stanley Transfer (together with the several guarantee which Paliburg has agreed to provide in respect of 40% of the bank borrowings of Chest Gain for the Stanley Project under the Stanley Transfer Agreement (the "Continuing Several Guarantee")) and the Paliburg Acquisition. Capitalised terms used in this announcement have the same meanings as defined in the Joint Announcement unless the context requires otherwise.

As set out in the Joint Announcement, the Stanley Transfer, the Continuing Several Guarantee and the Paliburg Acquisition (together, the "Connected Transactions") constitute connected transactions for Paliburg and are therefore subject to, among other things, approval of the independent shareholders of Paliburg. Mr. Lo and his associates (including Century City and its subsidiaries) will abstain from voting at the special general meeting of Paliburg to be held on 18th September, 2002 (the "SGM") for considering and, if thought fit, approving the Connected Transactions.

#### Voting rights attached to the Subject Paliburg Shares

As set out in the Joint Announcement and the Circulars, Mr. Lo and his associates (including Century City and its subsidiaries) beneficially hold approximately 1,373 million Paliburg Ordinary Shares (the "Subject Paliburg Shares"). The Subject Paliburg Shares represent approximately 59.2% of the issued share capital of Paliburg as at the date of this announcement. The Subject Paliburg Shares have been charged in favour of certain creditors (the "Lenders"), including banks and other financial institutions, of the Century City Group. As disclosed in the 2001 annual report of Century City, the Century City Group has encountered liquidity problem and has been negotiating with the Lenders with a view to restructuring the relevant loans. Under the terms of the relevant loan and security documents with the Lenders, each Lender may at its discretion exercise the voting rights attached to those Subject Paliburg Shares charged in its favour at general meetings of Paliburg (including the SGM). As at the date of this announcement, no single Lender is entitled to exercise 30% or more of the outstanding voting rights of Paliburg.

#### Voting at the SGM

The Lenders are not associates of Mr. Lo and Century City and are independent third parties not connected with the respective directors, chief executives and substantial shareholders of Century City and Paliburg, their respective subsidiaries and their respective associates. Century City Group is the beneficial owner of the Subject Paliburg Shares. It is required to abstain from voting in respect of the Connected Transactions and intends to vote in favour of the other resolutions at the SGM. However, Century City and Paliburg confirm that under the terms of the relevant loan and security documents with the Lenders, the Lenders may exercise their own discretion to vote the charged Subject Paliburg Shares at the SGM in respect of all transactions, including the Stanley Transfer, the Continuing Several Guarantee, the Settlement Proposal, the Paliburg Acquisition and the Paliburg Capital Reorganisation.

#### General

Completion of the Stanley Transfer Agreement, the Settlement Proposal, the Paliburg Acquisition Agreement and the Paliburg Capital Reorganisation are subject to, among other things, approval of the shareholders or independent shareholders of Paliburg. Although the Century City Group has indicated to the board of directors of Paliburg that it will vote in favour of the resolutions in relation to the Settlement Proposal and the Paliburg Capital Reorganisation at the SGM, the voting rights attached to the Subject Paliburg Shares are exercisable at the discretion of the Lenders. Each Lender may vote for or against any of the resolutions to be proposed at the SGM. Shareholders and investors of Century City and Paliburg are advised to exercise caution in dealing in the shares of Century City and Paliburg, respectively.

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, 13th September, 2002