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(Stock Code: 355)

**PRICE SENSITIVE INFORMATION
RESUMPTION OF TRADING**



(Stock Code: 617)

**SHARE TRANSACTION
RESUMPTION OF TRADING**

On 12 July 2007, Paliburg entered into the Share Swap Agreement with the Vendor pursuant to which Paliburg has conditionally agreed to acquire and the Vendor has conditionally agreed to sell 180,000,000 shares in Cosmopolitan International Holdings Limited for a total consideration of HK\$126,000,000, which will be settled by Paliburg issuing to the Vendor 336,000,000 new ordinary shares, representing approximately 4.66% of the existing issued ordinary share capital of Paliburg and approximately 4.45% of the issued ordinary share capital of Paliburg as enlarged by the issue of such new ordinary shares.

Completion of the Share Swap Agreement is conditional on obtaining approval from the Stock Exchange for the listing of, and permission to deal in, the Subject New Shares.

Trading in the ordinary shares and warrants of Century City and trading in the ordinary shares of Paliburg were suspended at the request of the companies with effect from 9:30 a.m. on 13 July 2007 pending the release of this announcement. An application has been made by each of Century City and Paliburg to the Stock Exchange for the trading in the ordinary shares and warrants of Century City and trading in the ordinary shares of Paliburg to resume from 9:30 a.m. on 17 July 2007 following the publication of this announcement.

THE SHARE SWAP AGREEMENT

Date : 12 July 2007

Parties: Paliburg, as the purchaser; and
the Vendor, as the vendor

The Vendor has conditionally agreed to sell and Paliburg has conditionally agreed to purchase, or shall procure the purchase of, the 180,000,000 Subject Sale Shares, free from all encumbrances and together with all rights and benefits attaching thereto on or after completion of the Share Swap Agreement.

To the best of knowledge, information and belief of Paliburg's directors, having made all reasonable enquiry, the Vendor is a third party independent of Paliburg and its connected persons.

To the best of knowledge, information and belief of Century City's directors, having made all reasonable enquiry, the Vendor is a third party independent of Century City and its connected persons.

Consideration

The consideration of HK\$126,000,000 shall be settled by Paliburg issuing the Subject New Shares to the Vendor. The 336,000,000 Subject New Shares represent approximately 4.66% of the existing issued ordinary share capital of Paliburg and approximately 4.45% of the issued ordinary share capital of Paliburg as enlarged by the issue of the Subject New Shares.

Based on the agreed consideration, the issue price of HK\$0.375 per Subject New Share represents:

- a premium of approximately 1.4% over the closing price per Share of HK\$0.37 as at the date of the Share Swap Agreement;
- a discount of approximately 0.3% to the average closing price per Share for the 5 trading days ended on the date of the Share Swap Agreement of HK\$0.376; and
- a discount of approximately 17.4% to the net assets value per Share of approximately HK\$0.454 (based on the audited net assets value of the Group (after minority interests) as at 31 December 2006 and the existing number of Shares in issue).

Based on the agreed consideration, the purchase price of HK\$0.7 per Subject Sale Share represents:

- a discount of approximately 5.4% to the closing price per CIHL Share of HK\$0.74 as at the date of the Share Swap Agreement;
- a discount of approximately 1.7% to the average closing price per CIHL Share for the 5 trading days ended on the date of the Share Swap Agreement of HK\$0.712; and
- a premium of approximately 4.8 times over the net assets value per CIHL Share of HK\$0.120 (based on the audited net assets value of the CIHL Group (after minority interests) as at 31 March 2007 and the existing number of CIHL Shares in issue).

The terms of the Share Swap Agreement were arrived at after arm's length negotiation between Paliburg and the Vendor with reference to the recent respective market prices and trading performance of the Shares and the CIHL Shares. Paliburg considers that terms of the Share Swap Agreement are fair and reasonable and the transactions contemplated thereunder are in the interests of Paliburg and its shareholders as a whole.

Condition

Completion of the sale and purchase of the Subject Sale Shares and the issue and allotment of the Subject New Shares under the Share Swap Agreement shall be conditional upon the Stock Exchange granting approval for the listing of, and permission to deal in, the Subject New Shares.

Paliburg will apply to the Stock Exchange for the listing of, and permission to deal in, the Subject New Shares.

If the condition is not satisfied on or before 31 July 2007, or such other date as may be agreed by the parties to the Share Swap Agreement in writing, the Share Swap Agreement shall lapse and no party thereto shall have any claim against the other party, except for any claim arising from breach of undertakings.

The Subject New Shares will be allotted and issued by Paliburg pursuant to the general mandate granted to the board of directors of Paliburg at the annual general meeting of Paliburg held on 12 June 2007 authorising its board of directors to exercise all the powers of Paliburg to allot and issue up to 1,441,699,490 new Shares subject to certain conditions. Up to the date of this announcement, no Shares have been issued under such general mandate.

CIHL

CIHL Shares (including the Subject Sale Shares) are listed on the Main Board of the Stock Exchange. The Subject Sale Shares rank pari passu with all other CIHL Shares and represented approximately 11.28% of the issued share capital of CIHL as at the date of the Share Swap Agreement.

According to the 2007 annual report of CIHL, for the year ended 31 March 2007, the principal activities of the CIHL Group included property development and investment, securities trading and the provision of information technology services.

The following table sets out the audited consolidated profit before and after taxation of CIHL for the two years ended 31 March 2007.

	For the year ended 31 March	
	2007	2006
	<i>HK\$'000</i>	<i>HK\$'000</i>
Profit/(loss) before taxation	6,196	(19,552)
Profit/(loss) after taxation	6,196	(19,552)

In January 2007, a wholly-owned subsidiary of Paliburg, Paliburg Development BVI Holdings Limited, entered into an agreement with CIHL; and another wholly-owned subsidiary of the Paliburg, Lendas, entered into a separate agreement with Sinofair Investment Limited, a wholly-owned subsidiary of CIHL. Pursuant to the two agreements, the Paliburg Group among other things, disposed of certain companies and the relevant shareholder's loan to CIHL Group and as part of the consideration for the disposal, Lendas was issued the unlisted CIHL CBs with an aggregate principal amount of HK\$56,000,000 on 2 March 2007. The CIHL CBs may be converted into 800,000,000 new CIHL Shares (representing approximately 50.1% of the existing issued share capital of CIHL and approximately 33.4% of the issued share capital of CIHL as enlarged solely by the conversion of the CIHL CBs) at a conversion price of HK\$0.07 per CIHL Share (subject to adjustment) subject to certain placement rights granted to CIHL Group and lock-up undertakings during the first year after issue. As at the date of this announcement, no CIHL CBs have been converted. Paliburg holds the CIHL CBs as investments. As the CIHL CBs are subject to the placement rights granted to the CIHL Group, future dispositions of such CIHL CBs will depend on any exercise of the placement rights, market price of the CIHL Shares and the status of business development of CIHL Group at the relevant time.

Apart from the CIHL CBs, Paliburg understands that CIHL also has other outstanding convertible bonds with an aggregate principal amount of HK\$205,000,000 which may be converted into 1,000,000,000 new CIHL Shares at the relevant prevailing

conversion price (subject to adjustment). If all the existing outstanding convertible bonds of CIHL (including CIHL CBs) are converted into CIHL Shares based on their prevailing conversion prices, Paliburg's interest in CIHL will increase to approximately 28.85% after completion of the Share Swap Agreement and conversion of the CIHL CBs by the Paliburg Group (assuming there are no other changes in the shareholding structure of CIHL apart from the said conversions).

It is presently intended that the holding of the Subject Sale Shares will be held as long-term investments and will be recorded as equity investments at fair value through profit or loss in the financial statements of Century City and Paliburg.

SHAREHOLDING OF PALIBURG

The following table sets out the existing shareholding structure of Paliburg and that immediately after issue of the Subject New Shares upon completion of the Share Swap Agreement (assuming there are no other changes in the shareholding structure of Paliburg).

	Existing		Immediately after completion of the Share Swap Agreement	
	<i>Number of Shares (in million)</i>	<i>Percentage</i>	<i>Number of Shares (in million)</i>	<i>Percentage</i>
Century City and its subsidiaries	3,820.2	53.00%	3,820.2	50.64%
Paliburg's directors	431.9	5.99%	431.9	5.72%
Vendor	—	—	336.0	4.45%
Other shareholders	<u>2,956.4</u>	<u>41.01%</u>	<u>2,956.4</u>	<u>39.19%</u>
Total	<u>7,208.5</u>	<u>100.00%</u>	<u>7,544.5</u>	<u>100.00%</u>

REASONS FOR THE TRANSACTION

Century City and Paliburg, through their subsidiaries, are principally engaged in investment holding, property development and investment, construction and building related businesses, and other investments, and through their listed associates, in the businesses of hotel ownership, operation and management, and assets management. The CIHL Group is engaged in, inter alia, property business and is involved in property development projects in the PRC as announced by CIHL recently. Based on the 2007 annual report of CIHL, CIHL considered that in the medium to long term, property investments in, among other areas, the PRC would be the main area of focus of the CIHL Group. The directors of Paliburg believe that the Transaction would provide the Paliburg Group with an opportunity to indirectly through its shareholding

in CIHL invest in and capitalise on the growing potential of the PRC real estate market as well as an opportunity to participate directly in some selective property development projects to be undertaken by the CIHL Group. In addition, the Transaction does not involve any cash consideration. The consideration for the purchase of the Subject Sale Shares will be settled by the issue of the Subject New Shares. The directors (including the independent non-executive directors) of Paliburg consider that the Transaction represents a good investment opportunity to Paliburg.

GENERAL

As each percentage ratio in respect of the Transaction is less than 5% for Paliburg, but the Transaction involves the issue of new Shares as consideration, the Transaction constitutes a share transaction for Paliburg under the Listing Rules.

As each percentage ratio in respect of the Transaction is less than 5% for Century City, the Transaction does not constitute a notifiable transaction for Century City under the Listing Rules, but constitutes price sensitive information of the Company. This announcement is made by Century City pursuant to rule 13.09(1) of the Listing Rules.

Trading in the ordinary shares and warrants of Century City and trading in the ordinary shares of Paliburg were suspended at the request of the companies with effect from 9:30 a.m. on 13 July 2007 pending the release of this announcement. An application has been made by each of Century City and Paliburg to the Stock Exchange for the trading in the ordinary shares and warrants of Century City and trading in the ordinary shares of Paliburg to resume from 9:30 a.m. on 17 July 2007 following the publication of this announcement.

As at the date of this announcement, the board of directors of Century City comprises:

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:

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:

“Century City”	Century City International Holdings Limited, a company incorporated under the laws of Bermuda, the ordinary shares and warrants of which are listed on the Main Board of the Stock Exchange
“CIHL”	Cosmopolitan International Holdings Limited, a company incorporated under the laws of Cayman Islands, the shares of which are listed on the Main Board of the Stock Exchange
“CIHL CBs”	zero coupon guaranteed convertible bonds in an aggregate principal amount of HK\$56,000,000 issued by Sinofair Investment Limited, a wholly-owned subsidiary of CIHL, to Lendas, which are convertible into 800,000,000 new CIHL Shares (subject to adjustment) and mature on 2 March 2009 when all of the remaining outstanding CIHL CBs will be redeemed by Sinofair Investment Limited at 107.19% of the outstanding principal amount of the CIHL CBs.
“CIHL Group”	CIHL and its subsidiaries
“CIHL Shares”	ordinary share(s) of HK\$0.001 each in the share capital of CIHL
“Lendas”	Lendas Investments Limited, a wholly-owned subsidiary of Paliburg and the subscriber and the first holder of the CIHL CBs

“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Paliburg”	Paliburg Holdings Limited, a company incorporated under the laws of Bermuda, the ordinary shares of which are listed on the Main Board of the Stock Exchange
“Paliburg Group”	Paliburg and its subsidiaries
”Share Swap Agreement”	the sale and purchase agreement entered into between Paliburg and the Vendor in respect of the Transaction and the issue of the Subject New Shares
“Shares”	ordinary shares of HK\$0.01 each in the share capital of Paliburg
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Subject New Shares”	336,000,000 new Shares of Paliburg to be allotted and issued pursuant to the Share Swap Agreement
“Subject Sale Shares”	180,000,000 CIHL Shares held by the Vendor, representing approximately 11.28% of the existing issued share capital of CIHL
“Transaction”	the purchase of the Subject Sale Shares and the issue and allotment of the Subject New Shares contemplated under the Share Swap Agreement
“Vendor”	Mr Wan Chuen Chung, Joseph

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, 16 July, 2007