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Glorymark Investments Limited
(incorporated in the British Virgin Islands
with limited liability)



Regal Real Estate Investment Trust
(a Hong Kong collective investment
scheme authorised under section 104 of
the Securities and Futures Ordinance
(Chapter 571 of the Laws of Hong Kong))
(Stock code: 1881)

Managed by



JOINT ANNOUNCEMENT

**(1) MAJOR TRANSACTION FOR
CENTURY CITY INTERNATIONAL HOLDINGS LIMITED AND
PALIBURG HOLDINGS LIMITED REGARDING
REGAL HOTELS SHARE REPURCHASE PROGRAMME AND
REGAL REIT OFFER**

**(2) UNCONDITIONAL MANDATORY GENERAL CASH OFFER BY
SUN HUNG KAI INTERNATIONAL LIMITED
FOR AND ON BEHALF OF
GLORYMARK INVESTMENTS LIMITED
(AN INDIRECT WHOLLY-OWNED SUBSIDIARY OF
PALIBURG HOLDINGS LIMITED)
TO ACQUIRE ALL THE OUTSTANDING UNITS OF
REGAL REAL ESTATE INVESTMENT TRUST
(OTHER THAN THOSE ALREADY OWNED OR
AGREED TO BE ACQUIRED BY PALIBURG HOLDINGS LIMITED AND
PARTIES ACTING IN CONCERT WITH IT)**

AND

**(3) RESUMPTION OF TRADING IN
THE SHARES OF CENTURY CITY INTERNATIONAL HOLDINGS LIMITED,
THE SHARES OF PALIBURG HOLDINGS LIMITED
AND THE UNITS OF REGAL REAL ESTATE INVESTMENT TRUST**

**FINANCIAL ADVISER TO
CENTURY CITY INTERNATIONAL HOLDINGS LIMITED,
PALIBURG HOLDINGS LIMITED AND
GLORYMARK INVESTMENTS LIMITED**



新鴻基金融集團

SUN HUNG KAI FINANCIAL

SUN HUNG KAI INTERNATIONAL LIMITED

REPURCHASES MADE UNDER THE RH SHARE REPURCHASE PROGRAMME

On 7 May 2012, the Regal Hotels Board informed Century City and Paliburg that Regal Hotels had repurchased an aggregate of 12,600,000 Regal Hotels Shares on the market under the RH Share Repurchase Programme from the business day immediately following the date of the First Announcement and up to 7 May 2012. Prior to the aforesaid total repurchases made by Regal Hotels under the RH Share Repurchase Programme, the Paliburg Group and the Paliburg Concert Group were interested in 494,413,861 Regal Hotels Shares and 495,750,238 Regal Hotels Shares respectively, representing approximately 49.37% and approximately 49.50% respectively of the then issued share capital of Regal Hotels as of 20 April 2012. As at the date of this joint announcement, taking into consideration that the Regal Hotels Shares repurchased by Regal Hotels under the RH Share Repurchase Programme had been cancelled, the aggregate proportionate shareholding interests of the Paliburg Group and the Paliburg Concert Group in Regal Hotels are approximately 50.00% and approximately 50.14% respectively.

MAJOR TRANSACTION FOR CENTURY CITY AND PALIBURG

Century City and Paliburg confirm that all the applicable percentage ratios under Rule 14.07 of the Listing Rules in respect of the transactions contemplated under the RH Share Repurchase (Post-Consolidation) and the Regal REIT Offer when aggregated are more than 25% but less than 100%. On such basis, the transactions contemplated under the RH Share Repurchase (Post-Consolidation) and the Regal REIT Offer constitute a major transaction for each of Century City and Paliburg under Chapter 14 of the Listing Rules.

As referred to in the joint announcement jointly made by Century City and Paliburg on 14 May 2012, each of Century City and Paliburg had announced that a circular was expected to be despatched to their respective shareholders on or before 31 May 2012 for information purposes. Pursuant to Rule 14.41 of the Listing Rules, each of Century City and Paliburg is expected to issue the circular to their respective shareholders in relation to the RH Share Repurchase (Post-Consolidation) and the Regal REIT Offer within 15 business days after the publication of this joint announcement. Accordingly, the expected date of despatch of their respective circulars will be on or before 8 June 2012 instead of 31 May 2012.

UNCONDITIONAL MANDATORY GENERAL CASH OFFER

According to the Second Announcement, taking into consideration that the Regal Hotels Shares repurchased by Regal Hotels under the RH Share Repurchase Programme had been cancelled, the aggregate proportionate shareholdings of the Paliburg Group and the Paliburg Concert Group in 494,413,861 Regal Hotels Shares and 495,750,238 Regal Hotels Shares increased from approximately 49.37% to approximately 50.00% and from approximately 49.50% to approximately 50.14% of the issued share capital of Regal Hotels respectively and crossed over the 50% shareholdings threshold on 7 May 2012. Accordingly, pursuant to the chain principle under Note 8 to Rule 26.1 of the Takeovers Code, Paliburg is required and has procured the Offeror, being an indirect wholly-owned subsidiary of Paliburg, to make an unconditional mandatory general cash offer for all the issued Regal REIT Units other than those already owned or agreed to be acquired by the Paliburg Concert Group.

SHK will make, for and on behalf of the Offeror, the Regal REIT Offer to the Independent Regal REIT Unit Holders on the following terms in accordance with Rule 26.1 of the Takeovers Code:

For each Regal REIT Offer UnitHK\$1.00 in cash

The principal terms of the Regal REIT Offer are set out under the section headed “5. UNCONDITIONAL MANDATORY GENERAL CASH OFFER” below in this joint announcement. SHK has been appointed as the financial adviser to Paliburg and the Offeror in respect of the Regal REIT Offer and is satisfied that there are sufficient resources available to the Offeror to satisfy the full acceptance of the Regal REIT Offer.

GENERAL

The Independent Board Committee, comprising Mr. Kai Ole RINGENSON, a non-executive Regal REIT Manager Director, and Mr. John William CRAWFORD, JP and Mr. Alvin Leslie LAM Kwing Wai, the independent non-executive Regal REIT Manager Directors, will be established to advise the Independent Regal REIT Unit Holders in respect of the Regal REIT Offer.

The Independent Financial Adviser will be appointed by Regal REIT after approval by the Independent Board Committee to advise the Independent Board Committee in respect of the Regal REIT Offer. An announcement will be made immediately after such appointment in accordance with the Takeovers Code.

DESPATCH OF COMPOSITE OFFER DOCUMENT

It is the intention of the board of directors of the Offeror and the Regal REIT Manager Board to combine the offer document and the offeree board circular into the Composite Offer Document. Accordingly, the Composite Offer Document and the Form of Acceptance in connection with the Regal REIT Offer setting out, inter alia, details of the Regal REIT Offer (including the expected timetable), the recommendation from the Independent Board Committee to the Independent Regal REIT Unit Holders and the advice from the Independent Financial Adviser to the Independent Board Committee in respect of the Regal REIT Offer, will be despatched by the Offeror and the Regal REIT Manager in accordance with the Takeovers Code and the REIT Code on or before 8 June 2012, unless waiver to postpone the despatch date is sought and approved by the Executive.

Independent Regal REIT Unit Holders should read the Composite Offer Document and the Form of Acceptance carefully, including the advice of the Independent Financial Adviser to the Independent Board Committee and the recommendation from the Independent Board Committee to the Independent Regal REIT Unit Holders in respect of the Regal REIT Offer, before deciding whether or not to accept the Regal REIT Offer.

SUSPENSION AND RESUMPTION OF TRADING

At the respective requests of Century City, Paliburg and the Regal REIT Manager, trading in Century City Shares, Paliburg Shares and Regal REIT Units on the Stock Exchange were suspended with effect from 9:00 a.m. on 8 May 2012 pending the release of this joint announcement. Applications have been made by Century City, Paliburg and the Regal REIT Manager to the Stock Exchange for the resumption of trading in the Century City Shares, Paliburg Shares and Regal REIT Units with effect from 9:00 a.m. on 21 May 2012.

WARNING

The Regal REIT Unit Holders and potential investors should exercise caution when dealing in Regal REIT Units during the Regal REIT Offer. If the Regal REIT Unit Holders and potential investors are in any doubt about their position, they should consult their own professional advisers.

1. INTRODUCTION

Reference is made to the First Announcement and the Second Announcement jointly made by the Century City Board, the Paliburg Board, the Regal Hotels Board and the Regal REIT Manager Board in relation to the RH Share Repurchase Programme and the Regal REIT Offer.

2. REPURCHASES MADE UNDER THE RH SHARE REPURCHASE PROGRAMME

On 7 May 2012, the Regal Hotels Board informed Century City and Paliburg that Regal Hotels had repurchased an aggregate of 12,600,000 Regal Hotels Shares on the market under the RH Share Repurchase Programme from the business day immediately following the date of the First Announcement and up to 7 May 2012. Prior to the aforesaid total repurchases made by Regal Hotels under the RH Share Repurchase Programme, the Paliburg Group and the Paliburg Concert Group were interested in 494,413,861 Regal Hotels Shares and 495,750,238 Regal Hotels Shares respectively, representing approximately 49.37% and approximately 49.50% respectively of the then issued share capital of Regal Hotels as of 20 April 2012.

As at the date of this joint announcement, taking into consideration that the Regal Hotels Shares repurchased by Regal Hotels under the RH Share Repurchase Programme had been cancelled, the aggregate proportionate shareholding interests of the Paliburg Group and the Paliburg Concert Group in Regal Hotels are approximately 50.00% and approximately 50.14% respectively. Accordingly, the proportionate shareholding interests of the Paliburg Group and the Paliburg Concert Group in the issued share capital of Regal Hotels immediately after the share repurchases under the RH Share Repurchase Programme up to 7 May 2012 have increased by approximately 0.63% and approximately 0.64% respectively.

Details of the repurchases of Regal Hotels Shares made under the RH Share Repurchase Programme from the business day immediately after the date of the First Announcement, being 23 April 2012, up to the date of this joint

announcement and the proportionate shareholding interests of the Paliburg Group and the Paliburg Concert Group in Regal Hotels, taking into consideration that such repurchased Regal Hotels Shares by Regal Hotels under the RH Share Repurchase Programme had been cancelled, are summarized as below:

Date	Number of Regal Hotels Shares repurchased by Regal Hotels (Note)	Highest repurchase price paid per Regal Hotels Share (Note)	Total cash consideration (Note)	Total issued Regal Hotels Shares after repurchases	Approximate shareholding of the Paliburg Concert Group in Regal Hotels	
					Approximate shareholding of the Paliburg Group in Regal Hotels	Approximate shareholding of the Paliburg Concert Group in Regal Hotels
30 April 2012	3,778,000	HK\$3.23	HK\$12,101,600	997,640,333	49.56%	49.69%
2 May 2012	2,022,000	HK\$3.27	HK\$6,586,820	995,618,333	49.66%	49.79%
3 May 2012	3,800,000	HK\$3.33	HK\$12,581,980	991,818,333	49.85%	49.98%
7 May 2012	3,000,000	HK\$3.26	HK\$9,697,540	988,818,333	50.00%	50.14%

Note: The figures are extracted from the next day disclosure returns made by Regal Hotels on the website of the Stock Exchange (www.hkex.com.hk) pursuant to Rule 13.25A of the Listing Rules.

3. MAJOR TRANSACTION FOR CENTURY CITY AND PALIBURG

As disclosed in the First Announcement, the transactions contemplated under the RH Share Repurchase (Post-Consolidation) and the Regal REIT Offer, if they are to be aggregated, would constitute a major transaction for each of Century City and Paliburg under the Listing Rules, as all applicable percentage ratios in respect of these transactions taken altogether exceed 25% but below 100%. Century City and Paliburg have received their respective written shareholders' approvals of the RH Share Repurchase (Post-Consolidation) and the acquisition of Regal REIT Offer Units under the Regal REIT Offer, in lieu of holding general meetings of Century City and Paliburg in accordance with Rule 14.44 of the Listing Rules. Details of these transactions were disclosed in the First Announcement in compliance with Chapter 14 of the Listing Rules.

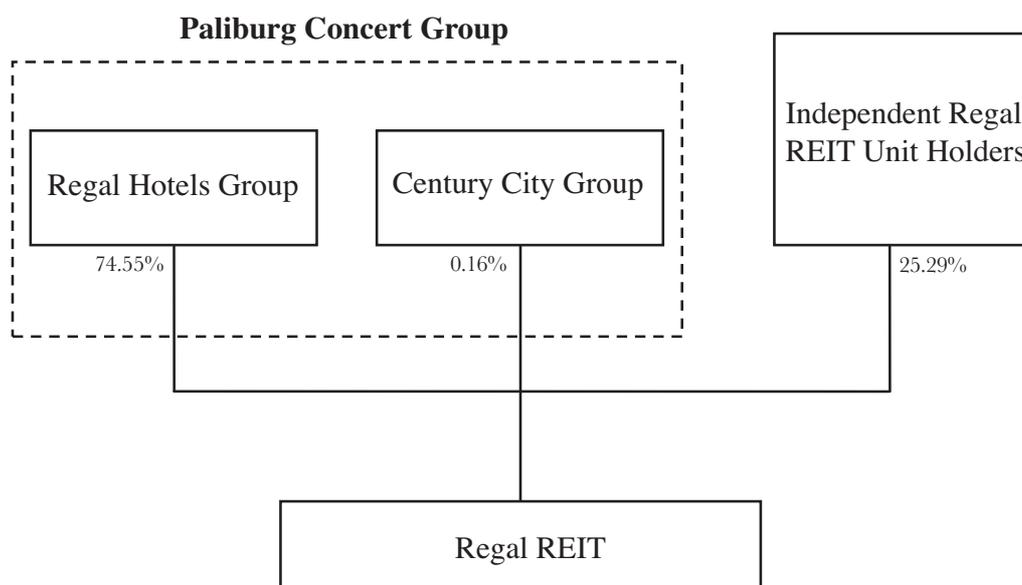
As referred to in section headed "5. UNCONDITIONAL MANDATORY GENERAL CASH OFFER" below in this joint announcement, the Regal REIT Offer Price is set at HK\$1.00 per Regal REIT Offer Unit. Assuming the Regal REIT Offer is accepted in full by the Independent Regal REIT Unit Holders and based on 823,881,450 Regal REIT Offer Units, the total amount of cash required to effect the Regal REIT Offer will be approximately HK\$823.88 million.

Century City and Paliburg confirm that all the applicable percentage ratios under Rule 14.07 of the Listing Rules in respect of the transactions contemplated under the RH Share Repurchase (Post-Consolidation) and the Regal REIT Offer when aggregated are more than 25% but less than 100%. On such basis, the transactions contemplated under the RH Share Repurchase (Post-Consolidation) and the Regal REIT Offer constitute a major transaction for each of Century City and Paliburg under Chapter 14 of the Listing Rules.

As referred to in the joint announcement jointly made by Century City and Paliburg on 14 May 2012, each of Century City and Paliburg had announced that a circular was expected to be despatched to their respective shareholders on or before 31 May 2012 for information purposes. Pursuant to Rule 14.41 of the Listing Rules, each of Century City and Paliburg is expected to issue the circular to their respective shareholders in relation to the RH Share Repurchase (Post-Consolidation) and the Regal REIT Offer within 15 business days after the publication of this joint announcement. Accordingly, the expected date of despatch of their respective circulars will be on or before 8 June 2012 instead of 31 May 2012.

4. UNIT HOLDING STRUCTURE OF REGAL REIT

Set out below are a structure chart and a table setting out the holding structure of Regal REIT Units as at the date of this joint announcement:



	Number of Regal REIT Units	Approximate %
Regal Hotels Group (<i>Note 1</i>)	2,428,262,739	74.55
Century City Group (<i>Note 2</i>)	<u>5,287,000</u>	<u>0.16</u>
<i>Sub-total for the Paliburg Concert Group</i>	<i>2,433,549,739</i>	<i>74.71</i>
Independent Regal REIT Unit Holders	<u>823,881,450</u>	<u>25.29</u>
Total	<u>3,257,431,189</u>	<u>100.00</u>

Notes:

1. The 2,428,262,739 Regal REIT Units are held by Complete Success Investments Limited, Great Prestige Investments Limited, Honormate Nominees Limited, Kaybro Investments Limited and Regal Portfolio Management Limited, all wholly-owned subsidiaries of Regal Hotels.
2. The 5,287,000 Regal REIT Units are held by Aikford Financial Services Limited, a wholly-owned subsidiary of Century City, of which Paliburg is a listed subsidiary.

5. UNCONDITIONAL MANDATORY GENERAL CASH OFFER

According to the Second Announcement, taking into consideration that the Regal Hotels Shares repurchased by Regal Hotels under the RH Share Repurchase Programme had been cancelled, the aggregate proportionate shareholdings of the Paliburg Group and the Paliburg Concert Group in 494,413,861 Regal Hotels Shares and 495,750,238 Regal Hotels Shares increased from approximately 49.37% to approximately 50.00% and from 49.50% to approximately 50.14% of the issued share capital of Regal Hotels respectively and crossed over the 50% shareholding threshold on 7 May 2012. Accordingly, pursuant to the chain principle under Note 8 to Rule 26.1 of the Takeovers Code, Paliburg is required and has procured the Offeror, being an indirect wholly-owned subsidiary of Paliburg, to make an unconditional mandatory general cash offer for all the issued Regal REIT Units other than those already owned or agreed to be acquired by the Paliburg Concert Group.

Other than the 3,257,431,189 Regal REIT Units in issue as at the date of this joint announcement, Regal REIT does not have any other outstanding Regal REIT Units, options, derivatives or warrants or other securities which are convertible or exchangeable into the Regal REIT Units and has not entered into any agreement for the issue of such Regal REIT Units, options, derivatives or warrants or other securities of Regal REIT.

Principal terms of the Regal REIT Offer

SHK will make, for and on behalf of the Offeror, the Regal REIT Offer to the Independent Regal REIT Unit Holders on the following terms in accordance with Rule 26.1 of the Takeovers Code:

For each Regal REIT Offer UnitHK\$1.00 in cash

As set out in the First Announcement, the Regal REIT Offer Price under the Regal REIT Offer is determined based on the implied value of the Regal REIT Units deemed acquired by the Paliburg Group, which is derived from:

- (i) the maximum repurchase price paid for each Regal Hotels Share during the offer period of the Regal REIT Offer and within six months prior to the date of the First Announcement, being 20 April 2012;
- (ii) the number of Regal Hotels Shares in issue on the date immediately prior to each share repurchase made under the RH Share Repurchase Programme during the offer period and within the six months before the date of the First Announcement, being 20 April 2012;
- (iii) the ratio of the NAV of the Regal REIT Group based on its latest audited financial statements to the NAV of the Regal Hotels Group based on its latest financial statements (subject to adjustments to restate its hotel property portfolio at its fair market value and to add back the relevant deferred taxation); and
- (iv) the number of Regal REIT Units held by the Regal Hotels Group.

Up to the date of this joint announcement, the highest repurchase price paid for the Regal Hotels Shares under the RH Share Repurchase Programme was HK\$3.33 per Regal Hotels Share and was made on 3 May 2012. The Regal REIT Offer Price of HK\$1.00 per Regal REIT Offer Unit has been determined by the Offeror based on the possible maximum repurchase price under the RH Share Repurchase Programme as announced in the First Announcement of HK\$3.80 per Regal Hotels Share, instead of the actual highest repurchase price made on 3 May 2012 of HK\$3.33 per Regal Hotels Share.

Comparison of value

The Regal REIT Offer Price of HK\$1.00 per Regal REIT Offer Unit represents:

- (i) a discount of approximately 49.75% to the closing price of HK\$1.990 per Regal REIT Unit as quoted on the Stock Exchange on the Last Trading Day;
- (ii) a discount of approximately 49.80% to the average closing price of approximately HK\$1.992 per Regal REIT Unit for the last 5 trading days immediately prior to and including the Last Trading Day;
- (iii) a discount of approximately 49.39% to the average closing price of approximately HK\$1.976 per Regal REIT Unit for the last 10 trading days immediately prior to and including the Last Trading Day;
- (iv) a discount of approximately 49.08% to the average closing price of approximately HK\$1.964 per Regal REIT Unit for the last 30 trading days immediately prior to and including the Last Trading Day;
- (v) a discount of approximately 51.08% to the average closing price of approximately HK\$2.044 per Regal REIT Unit for the last 60 trading days immediately prior to and including the Last Trading Day;
- (vi) a discount of approximately 49.60% to the average closing price of approximately HK\$1.984 per Regal REIT Unit for the last 90 trading days immediately prior to and including the Last Trading Day; and
- (vii) a discount of approximately 74.25% to the NAV per Regal REIT Unit of approximately HK\$3.884 (calculated based on the NAV of the Regal REIT Group of approximately HK\$12,651.85 million as disclosed in its audited financial statements as at 31 December 2011 and 3,257,431,189 Regal REIT Units in issue as at the date of this joint announcement).

Highest and lowest prices of Regal REIT Units

During the six-month period immediately preceding the commencement of the offer period of the Regal REIT Offer, i.e. 20 April 2012, up to the Last Trading Day, the highest closing price of the Regal REIT Units as quoted on the Stock Exchange was HK\$2.17 per Regal REIT Unit on 20 February 2012 and the lowest closing price of the Regal REIT Units as quoted on the Stock Exchange was HK\$1.72 per Regal REIT Unit on 20 October 2011.

Total consideration

As at the date of this joint announcement, there are 3,257,431,189 Regal REIT Units in issue.

Based on the Regal REIT Offer Price of HK\$1.00 per Regal REIT Offer Unit, the entire issued Regal REIT Units are valued at approximately HK\$3,257.43 million. Assuming the Regal REIT Offer is accepted in full by the Independent Regal REIT Unit Holders and based on 823,881,450 Regal REIT Offer Units, the total amount of cash required to effect the Regal REIT Offer will be approximately HK\$823.88 million.

Confirmation of financial resources

The financial resources of the Offeror to fund the Regal REIT Offer, amounting to HK\$824 million are partly financed from internal resources of the Paliburg Group and partly by a standby loan facility provided by SHKIS.

SHK has been appointed as the financial adviser to the Offeror in respect of the Regal REIT Offer and is satisfied that there are sufficient financial resources available to the Offeror to satisfy the full acceptance of the Regal REIT Offer.

Dealings and interests in the securities of Regal Hotels and Regal REIT

During the six-month period immediately preceding the commencement of the offer period of the Regal REIT Offer, i.e. 20 April 2012, up to the date of this joint announcement,

- (i) save for the 12,600,000 Regal Hotels Shares which have been repurchased under the RH Share Repurchase Programme and the non-discretionary dealings in Regal Hotels Shares for and on behalf of its individual clients by SHKIS and/or its associates which are presumed to be parties acting in concert with the Offeror, none of the members of the Paliburg Concert Group has dealt in the Regal Hotels Shares, options, derivatives, warrants or other securities convertible into Regal Hotels Shares; and
- (ii) save for the non-discretionary dealings in Regal REIT Units for and on behalf of its individual clients by SHKIS and/or its associates which are presumed to be parties acting in concert with the Offeror, none of the members of the Paliburg Concert Group has dealt in the Regal REIT Units, options, derivatives, warrants or other securities convertible into Regal REIT Units.

Paliburg and the Offeror confirm that, as at the date of this joint announcement:

- (i) save for the 2,433,549,739 Regal REIT Units, representing approximately 74.71% of the total number of Regal REIT Units in issue, none of the members of the Paliburg Concert Group holds, owns or has control or direction over any voting rights and rights over Regal REIT Units, options, derivatives, warrants or other securities convertible into Regal REIT Units;
- (ii) none of the members of the Paliburg Concert Group has entered into any arrangements or contracts in relation to the derivatives in respect of securities in Regal REIT or borrowed or lent any relevant securities (as defined in Note 4 to Rule 22 of the Takeovers Code) in Regal REIT.

Other arrangements

Paliburg and the Offeror confirm that, as at the date of this joint announcement:-

- (i) there is no arrangement (whether by way of option, indemnity or otherwise) of any kind referred to in Note 8 to Rule 22 of the Takeovers Code in relation to the shares of Paliburg and the Offeror or Regal REIT Units and which might be material to the Regal REIT Offer;
- (ii) there is no condition (including normal conditions relating to acceptance, listing and increase of capital) to which the Regal REIT Offer is subject;
- (iii) there is no agreement or arrangement to which any member of the Paliburg Concert Group is a party which relates to circumstances in which it may or may not invoke or seek to invoke a pre-condition or a condition to the Regal REIT Offer;
- (iv) none of the members of the Paliburg Concert Group has received any irrevocable commitment to accept the Regal REIT Offer;
- (v) none of the members of the Paliburg Concert Group has borrowed or lent any relevant securities (as defined in Note 4 to Rule 22 of the Takeovers Code) in Regal REIT, save for any borrowed Regal REIT Units, if any, which have been either on-lent or sold; and
- (vi) none of the members of the Paliburg Concert Group has entered into any outstanding derivatives in respect of units or other securities in Regal REIT.

Effect of accepting the Regal REIT Offer

By accepting the Regal REIT Offer, the Independent Regal REIT Unit Holders will sell their Regal REIT Offer Units to the Offeror free from all Encumbrances together with all rights attached to them, including the rights to receive all distributions declared, made or paid on or after the date of despatch of the Composite Offer Document.

Independent Regal REIT Unit Holders outside Hong Kong

The making of the Regal REIT Offer to persons not resident in Hong Kong may be affected by the laws of non-Hong Kong jurisdictions. Any Independent Regal REIT Unit Holders who are citizens, residents or nationals of any jurisdictions outside Hong Kong or otherwise subject to any non-Hong Kong jurisdictions should observe any applicable legal or regulatory requirements and, where necessary, seek legal advice. It will be the sole responsibility of the Independent Regal REIT Unit Holders who wish to accept the Regal REIT Offer to satisfy themselves as to the full observance of the laws and regulations of the relevant non-Hong Kong jurisdictions in connection with the acceptance of the Regal REIT Offer (including the obtaining of any governmental or other consent which may be required or the compliance with other necessary formalities and the payment of any transfer or other taxes due in respect of such jurisdictions).

Payment

Payment in cash in respect of acceptances of the Regal REIT Offer will be made as soon as possible but in any event within 7 business days following the date on which the relevant documents of title are received by the Offeror to render such acceptance complete and valid.

Stamp Duty

The ad valorem stamp duty on the sale of any Regal REIT Offer Units represented by acceptances in the Regal REIT Offer, at the rate of 0.1% of the higher of their market value and the amount of consideration for them, will be payable by the relevant accepting Independent Regal REIT Unit Holders. The amounts due will be deducted from the consideration payable to them. The Offeror will arrange for payment of the due amount of stamp duty in respect of any Regal REIT Offer Units represented by acceptances in the Regal REIT Offer for the relevant accepting Independent Regal REIT Unit Holders. The Offeror will pay the ad valorem stamp duty in respect of its purchase of those Regal REIT Offer Units and the fixed stamp duty in respect of their transfers in accordance with the Stamp Duty Ordinance (Chapter 117 of the Laws of Hong Kong).

6. INFORMATION ON THE OFFEROR AND PALIBURG

The Offeror is a company incorporated in the British Virgin Islands on 5 April 2012 and is an indirect wholly-owned subsidiary of Paliburg. The directors of the Offeror are Mr. LO, Mr. Donald FAN Tung, Mr. Jimmy LO Chun To, Miss LO Po Man, Mr. Kenneth NG Kwai Kai and Mr. Kenneth WONG Po Man who are also Paliburg Directors. The principal business of the Offeror is investment holding.

The principal activity of Paliburg is that of a holding company. The principal activities of the subsidiaries of Paliburg are property development and investment, construction and building related businesses, the investment in Regal Hotels, and other investments.

7. INTENTIONS OF THE OFFEROR AND PALIBURG

The Regal REIT Offer was triggered by the repurchases of Regal Hotels Shares made under the RH Share Repurchase Programme, as detailed in the First Announcement. The Regal REIT Offer Price is determined at HK\$1.00 for each Regal REIT Offer Unit as mentioned above. The Offeror intends to continue with the existing operation of Regal REIT. The Offeror does not intend to introduce any major changes to the operations of Regal REIT as a result of the Regal REIT Offer, including any redeployment of its assets, any proposed change of the property management company and any transitional arrangements nor any major changes to the investment policy of the Regal REIT and any plan to remove the current management company (and/or its directors) and appoint a new management company (and/or its directors) and any corresponding transitional arrangements.

8. INFORMATION ON REGAL REIT

Regal REIT is a Hong Kong collective investment scheme authorized under section 104 of the SFO and the Regal REIT Units were first listed on the Stock Exchange on 30 March 2007. Regal REIT is governed by the Trust Deed. The principal activity of the Regal REIT Group is to own and invest in income-producing hotels, hospitality-related properties and other commercial properties with the objectives of producing stable and growing distributions to the Regal REIT Unit Holders and to achieve long-term growth in the NAV per Regal REIT Unit.

The portfolio of investment properties of Regal REIT currently comprises six hotel properties, being Regal Airport Hotel, Regal Hongkong Hotel, Regal Kowloon Hotel, Regal Oriental Hotel, Regal Riverside Hotel and Regal iClub Hotel. As at 31 December 2011, the NAV of the Regal REIT Group was approximately HK\$12,651.85 million, representing NAV of approximately HK\$3.884 per Regal REIT Unit.

9. MAINTENANCE OF REGAL REIT'S LISTING STATUS

The Paliburg Board does not have intention to privatize Regal REIT by means of the Regal REIT Offer. Paliburg intends to maintain the listing status of Regal REIT on the Stock Exchange after the Regal REIT Offer. As set out above, the total number of Regal REIT Offer Units, being the subject of the Regal REIT Offer will be 823,881,450, which are held by the Independent Regal REIT Unit Holders, representing approximately 25.29% of the Regal REIT Units outstanding as at the date of this joint announcement. If, as a result of the Regal REIT Offer, the percentage of the outstanding Regal REIT Units in the public hands has fallen below 25%, Paliburg will take appropriate steps, including placement of Regal REIT Units, to ensure that sufficient public float exists in the Regal REIT Units after the close of the Regal REIT Offer.

Furthermore, under the Trust Deed, in the event that the Regal REIT Manager becomes aware that the percentage of the outstanding Regal REIT Units in the public hands has fallen below 25%, the Regal REIT Manager shall use its best efforts by working closely with Paliburg to restore the percentage of Regal REIT Units held in public hands to at least the said public float percentage of the outstanding Regal REIT Units.

10. GENERAL

Independent Board Committee

The Independent Board Committee, comprising Mr. Kai Ole RINGENSON, a non-executive Regal REIT Manager Director, and Mr. John William CRAWFORD, JP and Mr. Alvin Leslie LAM Kwing Wai, the independent non-executive Regal REIT Manager Directors, will be established to advise the Independent Regal REIT Unit Holders in respect of the Regal REIT Offer.

Mr. LO, Mr. Donald FAN Tung and Mr. Jimmy LO Chun To, the non-executive Regal REIT Manager Directors, are executive Paliburg Directors and directors of the Offeror, and Hon. Abraham SHEK Lai Him, SBS, JP, an independent non-executive Regal REIT Manager Director, is an independent non-executive Paliburg Director. Accordingly, they are not considered independent under the Takeovers Code and are excluded from the Independent Board Committee.

Independent Financial Adviser

The Independent Financial Adviser will be appointed by Regal REIT after approval by the Independent Board Committee to advise the Independent Board Committee in respect of the Regal REIT Offer. An announcement will be made immediately after such appointment in accordance with the Takeovers Code.

11. DESPATCH OF COMPOSITE OFFER DOCUMENT

Pursuant to Rule 8.2 of the Takeovers Code, within 21 days of the date of this joint announcement or such later date as the Executive may approve, an offer document is required to be despatched by the Offeror to the Regal REIT Unit Holders. The Regal REIT Manager is required to send the offeree board circular in respect of the Regal REIT Offer to the Regal REIT Unit Holders within 14 days after the posting of the offer document, or such later date as the Executive may approve.

It is the intention of the board of directors of the Offeror and the Regal REIT Manager Board to combine the offer document and the offeree board circular into the Composite Offer Document. Accordingly, the Composite Offer Document and the Form of Acceptance in connection with the Regal REIT Offer setting out, inter alia, details of the Regal REIT Offer (including the expected timetable), the recommendation from the Independent Board Committee to the Independent Regal REIT Unit Holders and the advice from the Independent Financial Adviser to the Independent Board Committee in respect of the Regal REIT Offer, will be despatched by the Offeror and the Regal REIT Manager in accordance with the Takeovers Code and the REIT Code on or before 8 June 2012, unless waiver to postpone the despatch date is sought and approved by the Executive.

Independent Regal REIT Unit Holders should read the Composite Offer Document and the Form of Acceptance carefully, including the advice of the Independent Financial Adviser to the Independent Board Committee and the recommendation from the Independent Board Committee to the Independent Regal REIT Unit Holders in respect of the Regal REIT Offer, before deciding whether or not to accept the Regal REIT Offer.

12. SUSPENSION AND RESUMPTION OF TRADING

At the respective requests of Century City, Paliburg and the Regal REIT Manager, trading in Century City Shares, Paliburg Shares and Regal REIT Units on the Stock Exchange were suspended with effect from 9:00 a.m. on 8 May 2012

pending the release of this joint announcement. Applications have been made by Century City, Paliburg and the Regal REIT Manager respectively to the Stock Exchange for the resumption of trading in Century City Shares, Paliburg Shares and Regal REIT Units with effect from 9:00 a.m. on 21 May 2012.

13. DEALINGS DISCLOSURE

The respective associates (as defined in the Takeovers Code) (including, among others, persons holding 5% or more of a class of relevant securities (as defined in Note 4 to Rule 22 of the Takeovers Code)) of Regal REIT and Paliburg are reminded to disclose their dealings in the relevant securities of Regal REIT under Rule 22 of the Takeovers Code.

In accordance with Rule 3.8 of the Takeovers Code, the full text of Note 11 to Rule 22 of the Takeovers Code is reproduced below whereby the terms used therein shall have the same meaning as those ascribed to them in the Takeovers Code:

“Responsibilities of stockbrokers, banks and other intermediaries

Stockbrokers, banks and others who deal in relevant securities on behalf of clients have a general duty to ensure, so far as they are able, that those clients are aware of the disclosure obligations attaching to associates and other persons under Rule 22 and that those clients are willing to comply with them. Principal traders and dealers who deal directly with investors should, in appropriate cases, likewise draw attention to the relevant Rules. However, this does not apply when the total value of dealings (excluding stamp duty and commission) in any relevant security undertaken for a client during any 7 day period is less than \$1 million.

This dispensation does not alter the obligation of principals, associates and other persons themselves to initiate disclosure of their own dealings, whatever total value is involved.

Intermediaries are expected to co-operate with the Executive in its dealings enquiries. Therefore, those who deal in relevant securities should appreciate that stockbrokers and other intermediaries will supply the Executive with relevant information as to those dealings, including identities of clients, as part of that co-operation.”

14. WARNING

The Regal REIT Unit Holders and potential investors should exercise caution when dealing in Regal REIT Units during the Regal REIT Offer. If the Regal REIT Unit Holders and potential investors are in any doubt about their position, they should consult their own professional advisers.

15. DEFINITIONS

The following definitions apply throughout this joint announcement, unless the context requires otherwise:

“acting in concert”	has the meaning ascribed thereto in the Takeovers Code
“associate(s)”	has the meaning given to it in the Listing Rules or the Takeovers Code (as the case may be), unless otherwise specified
“Century City”	Century City International Holdings Limited (Stock code: 355), a company incorporated in Bermuda with limited liability, the ordinary shares of which are listed on the Stock Exchange
“Century City Board”	board of directors of Century City
“Century City Director(s)”	director(s) of Century City
“Century City Group”	Century City and its subsidiaries
“Century City Shares”	ordinary shares of HK\$0.10 each in the share capital of Century City
“Composite Offer Document”	the composite offer document combining the offer document from the Offeror and the offeree board circular from the Regal REIT Manager in respect of the Regal REIT Offer to be despatched to the Regal REIT Unit Holders in accordance with the Takeovers Code and, where relevant, the REIT Code
“Encumbrances”	includes, without any limitation, any mortgage, charge, pledge, lien (otherwise than arising by statute or operation of law), equities, hypothecation or other encumbrance, priority or security interest, deferred purchase, title retention, leasing, sale-and-purchase or sale-and-leaseback arrangement whatsoever over or in any property, assets or rights of whatsoever nature and includes any agreement for any of the same

“Executive”	the Executive Director of the Corporate Finance Division of the SFC or any delegate of the Executive Director
“First Announcement”	the announcement dated 20 April 2012 jointly issued by the Century City Board, the Paliburg Board, the Regal Hotels Board and the Regal REIT Manager Board in relation to the RH Share Repurchase Programme and the Regal REIT Offer
“Form of Acceptance”	the form of acceptance and transfer for the Regal REIT Offer Units in respect of the Regal REIT Offer which will be despatched together with the Composite Offer Document
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Independent Financial Adviser”	the independent financial adviser to be appointed by Regal REIT to advise the Independent Board Committee in relation to the Regal REIT Offer
“Independent Board Committee”	an independent board committee of the Regal REIT Manager Board, comprising Mr. Kai Ole RINGENSON, a non-executive Regal REIT Manager Director, and Mr. John William CRAWFORD, JP and Mr. Alvin Leslie LAM Kwing Wai, the independent non-executive Regal REIT Manager Directors, will be established to make recommendation to the Independent Regal REIT Unit Holders in respect of the Regal REIT Offer
“Independent Regal REIT Unit Holders”	Regal REIT Unit Holders other than the Paliburg Concert Group
“Last Trading Day”	7 May 2012, being the last trading day of the Regal REIT Units on the Stock Exchange immediately prior to its suspension in trading on 8 May 2012 pending the release of this joint announcement
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange as amended, supplemented and otherwise modified from time to time

“Mr. LO”	Mr. LO Yuk Sui, who is the Chairman, Chief Executive Officer and executive director of each of Century City, Paliburg and Regal Hotels, and is also the Chairman and a non-executive director of the Regal REIT Manager
“NAV”	net asset value
“Offeror”	Glorymark Investments Limited, a company incorporated in the British Virgin Islands and an indirect wholly-owned subsidiary of Paliburg, and in turn a subsidiary of Century City
“Paliburg”	Paliburg Holdings Limited (Stock code: 617), a company incorporated in Bermuda with limited liability, the ordinary shares of which are listed on the Stock Exchange
“Paliburg Board”	board of directors of Paliburg
“Paliburg Concert Group”	Paliburg and parties acting in concert with it, including the Offeror itself
“Paliburg Group”	Paliburg and its subsidiaries
“Paliburg Shares”	ordinary shares of HK\$0.10 each in the share capital of Paliburg
“Regal Hotels”	Regal Hotels International Holdings Limited (Stock code: 78), a company incorporated in Bermuda with limited liability, the ordinary shares of which are listed on the Stock Exchange
“Regal Hotels Board”	board of directors of Regal Hotels
“Regal Hotels Director(s)”	director(s) of Regal Hotels
“Regal Hotels Group”	Regal Hotels and its subsidiaries
“Regal Hotels Shares”	ordinary shares of HK\$0.10 each in the share capital of Regal Hotels

“Regal REIT”	Regal Real Estate Investment Trust (Stock code: 1881), a collective investment scheme constituted as a unit trust and authorised under section 104 of the SFO subject to applicable conditions from time to time, the units of which are listed on the Stock Exchange
“Regal REIT Group”	Regal REIT and its subsidiaries
“Regal REIT Manager”	Regal Portfolio Management Limited, the manager of Regal REIT
“Regal REIT Manager Board”	board of director(s) of the Regal REIT Manager
“Regal REIT Manager Director(s)”	director(s) of the Regal REIT Manager
“Regal REIT Offer”	the unconditional mandatory general cash offer to acquire all the issued Regal REIT Units (other than those already owned or agreed to be acquired by the Paliburg Concert Group) pursuant to the chain principle under Note 8 to Rule 26.1 of the Takeovers Code
“Regal REIT Offer Price”	the cash consideration per Regal REIT Unit payable under the Regal REIT Offer, being HK\$1.00 per Regal REIT Offer Unit
“Regal REIT Offer Unit(s)”	issued Regal REIT Unit(s) and Regal REIT Unit(s) which may be issued by Regal REIT following the date of this joint announcement, other than those already owned or agreed to be acquired by the Paliburg Concert Group
“Regal REIT Unit Holders”	holders of Regal REIT Units from time to time
“Regal REIT Units”	units of Regal REIT
“REIT Code”	the Code on Real Estate Investment Trusts published by the SFC (as amended from time to time)

“RH Share Repurchase (Post-Consolidation)”	all and any repurchases of up to 26,295,789 Regal Hotels Shares by Regal Hotels under the RH Share Repurchase Programme <i>after</i> Regal Hotels becomes a subsidiary of Paliburg
“RH Share Repurchase (Pre-Consolidation)”	all and any repurchases of up to 12,590,611 Regal Hotels Shares by Regal Hotels under the RH Share Repurchase Programme <i>before</i> Regal Hotels becomes a subsidiary of Paliburg
“RH Share Repurchase Programme”	an on-market programme of repurchases of up to 38,886,400 Regal Hotels Shares, comprising the RH Share Repurchase (Pre-Consolidation) and the RH Share Repurchase (Post-Consolidation)
“Second Announcement”	the announcement dated 9 May 2012 jointly issued by the Century City Board, the Paliburg Board, the Regal Hotels Board and the Regal REIT Manager Board in relation to Rule 13.09 of the Listing Rules and 10.3 of the REIT Code
“SFC”	the Securities and Futures Commission of Hong Kong
“SFO”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
“SHK”	Sun Hung Kai International Limited, a licensed corporation to carry out type 1 (dealings in securities) and type 6 (advising on corporate finance) of the regulated activities under the SFO and the financial adviser to Century City, Paliburg and the Offeror
“SHKIS”	Sun Hung Kai Investment Services Limited, a licensed corporation to carry out type 1 (dealings in securities) and type 4 (advising on securities) of the regulated activities under the SFO
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Takeovers Code”	The Code on Takeovers and Mergers, issued by the SFC (as amended from time to time)

“Trust Deed”

the trust deed constituting Regal REIT dated 11 December 2006, entered into between the DB Trustees (Hong Kong) Limited, in its capacity as trustee of Regal REIT and the Regal REIT Manager as supplemented by a first supplemental deed dated 2 March 2007, a second supplemental deed dated 15 May 2008, a third supplemental deed dated 8 May 2009, a fourth supplemental deed dated 23 July 2010, a fifth supplemental deed dated 3 May 2011 and a sixth supplemental deed dated 21 July 2011 entered into between the same (as may be further amended and supplemented from time to time)

“%”

per cent.

By order of the board of directors of
**Century City International
Holdings Limited**
Eliza Lam Sau Fun
Secretary

By order of the board of directors of
Paliburg Holdings Limited
Eliza Lam Sau Fun
Secretary

By order of the board of directors of
Glorymark Investments Limited
Kenneth NG Kwai Kai
Director

By order of the board of directors of
Regal Portfolio Management Limited
as manager of
Regal Real Estate Investment Trust
Simon Lam Man Lim
Executive Director

Hong Kong, 18 May 2012

As at the date of this joint announcement, the Century City Board comprises 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 and Miss LO Po Man as executive Century City Directors and Mr. Anthony CHUANG, Mr. NG Siu Chan and Mr. WONG Chi Keung as independent non-executive Century City Directors.

As at the date of this joint announcement, the Paliburg Board comprises 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 and Mr. Kenneth WONG Po Man as executive Paliburg Directors and Mr. Bowen Joseph LEUNG Po Wing, GBS, JP, Mr. NG Siu Chan, Hon Abraham SHEK Lai Him, SBS, JP and Mr. WONG Chi Keung as independent non-executive Paliburg Directors.

As at the date of this joint announcement, the board of directors of the Offeror comprises Mr. LO Yuk Sui, Mr. Donald FAN Tung, Mr. Jimmy LO Chun To, Miss LO Po Man, Mr. Kenneth NG Kwai Kai and Mr. Kenneth WONG Po Man.

As at the date of this joint announcement, the Regal REIT Manager Board comprises Mr. LO Yuk Sui (Chairman) as non-executive Regal REIT Manager Director, Mr. Francis CHIU and Mr. Simon LAM Man Lim as executive Regal REIT Manager Directors, Mr. Donald FAN Tung, Mr. Jimmy LO Chun To and Mr. Kai Ole RINGENSON as non-executive Regal REIT Manager Directors, and Mr. John William CRAWFORD, JP, Mr. Alvin Leslie LAM Kwing Wai and Hon. Abraham SHEK Lai Him, SBS, JP as independent non-executive Regal REIT Manager Directors.

The Century City Directors jointly and severally accept full responsibility for the accuracy of the information contained in this joint announcement (other than that relating to Paliburg, the Offeror and Regal REIT) and confirm, having made all reasonable enquiries, that to the best of their knowledge, their opinions expressed in this joint announcement have been arrived at after due and careful consideration and there are no other facts not contained in this joint announcement, the omission of which would make any statement in this joint announcement misleading.

The Paliburg Directors jointly and severally accept full responsibility for the accuracy of the information contained in this joint announcement (other than that relating to Century City and Regal REIT) and confirm, having made all reasonable enquiries, that to the best of their knowledge, their opinions expressed in this joint announcement have been arrived at after due and careful consideration and there are no other facts not contained in this joint announcement, the omission of which would make any statement in this joint announcement misleading.

The directors of the Offeror jointly and severally accept full responsibility for the accuracy of the information contained in this joint announcement (other than that relating to Century City and Regal REIT) and confirm, having made all reasonable enquiries, that to the best of their knowledge, their opinions expressed in this joint announcement have been arrived at after due and careful consideration and there are no other facts not contained in this joint announcement, the omission of which would make any statement in this joint announcement misleading.

The Regal REIT Manager and the Regal REIT Manager Directors jointly and severally accept full responsibility for the accuracy of the information contained in this joint announcement (other than that relating to Century City, Paliburg and the Offeror), and confirm, having made all reasonable enquiries, that to the best of their knowledge, their opinions expressed in this joint announcement have been arrived at after due and careful consideration and there are no other facts not contained in this joint announcement, the omission of which would make any statement in this joint announcement misleading.