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**MAJOR
 TRANSACTION
 EXTENSION OF TERMS OF
 CONVERTIBLE BONDS IN
 COSMOPOLITAN
 INTERNATIONAL HOLDINGS
 LIMITED**

AND

**EXTENSION OF TERMS OF
 OPTIONS**

**DISCLOSEABLE
 TRANSACTION
 EXTENSION OF TERMS OF
 CONVERTIBLE BONDS IN
 COSMOPOLITAN
 INTERNATIONAL HOLDINGS
 LIMITED**

AND

**EXTENSION OF TERMS OF
 OPTIONS**

**DISCLOSEABLE AND
 CONNECTED TRANSACTION
 EXTENSION OF TERMS OF
 CONVERTIBLE BONDS IN
 COSMOPOLITAN
 INTERNATIONAL HOLDINGS
 LIMITED**

AND

**EXTENSION OF TERM OF
 OPTION**

COSMO CBs EXTENSION

On 16 November 2012 (after trading hours):

- (1) Jumbo Pearl (a wholly-owned subsidiary of Paliburg), Apex Team (a wholly-owned subsidiary of Cosmo) and Cosmo entered into the CB2013(A) Extension Agreement to extend the maturity date of the CB2013(A) to 30 September 2013;
- (2) Time Crest (a wholly-owned subsidiary of Regal), Apex Team and Cosmo entered into the CB2013(B) Extension Agreement to extend the maturity date of the CB2013(B) to 30 September 2013; and
- (3) Valuegood (a wholly-owned subsidiary of Regal), Fancy Gold (a wholly-owned subsidiary of Cosmo) and Cosmo entered into the CB2010 Extension Agreement to further extend the maturity date of the CB2010s to 30 September 2013.

The Cosmo CBs Extension is subject to the fulfilment of the conditions as set out in this joint announcement.

OPTIONS EXTENSION

On 16 November 2012 (after trading hours):

- (1) Sun Joyous, Jumbo Pearl (both wholly-owned subsidiaries of Paliburg), Apex Team and Cosmo entered into the Option(A) Extension Agreement to extend the expiry date of Option(A) granted to Sun Joyous to 2 July 2013 and amend the maturity date of the Optional CB(A) to 30 September 2013; and
- (2) Well Mount, Time Crest (both wholly-owned subsidiaries of Regal), Apex Team and Cosmo entered into the Option(B) Extension Agreement to extend the expiry date of Option(B) granted to Well Mount to 2 July 2013 and amend the maturity date of the Optional CB(B) to 30 September 2013.

The Options Extension is subject to the fulfilment of the conditions as set out in this joint announcement.

GENERAL

The Cosmo CBs Extension constitutes a major transaction for Century City subject to the reporting, announcement and shareholders' approval requirements under the Listing Rules. Century City will seek written shareholders' approval for the Cosmo CBs Extension from a closely allied group of shareholders of Century City. Century City expects to despatch a circular to its shareholders for information purposes as soon as possible on or before 7 December 2012.

The Cosmo CBs Extension constitutes a discloseable transaction for Paliburg subject to the reporting and announcement requirements under the Listing Rules.

The CB2010 Extension and the CB2013(B) Extension, in aggregate, constitute a discloseable transaction and a connected transaction for Regal subject to the reporting, announcement and independent shareholders' approval requirements under the Listing Rules. Regal will convene a special general meeting to seek the Regal Independent Shareholders' approval for the CB2010 Extension and the CB2013(B) Extension. Regal will establish the Regal Independent Board Committee and will appoint an independent financial adviser to advise the Regal Independent Board Committee and the Regal Independent Shareholders respectively in this regard. The relevant circular (including the respective letters of advice from the Regal Independent Board Committee and the independent financial adviser in relation to the CB2010 Extension and the CB2013(B) Extension) is expected to be despatched to the Regal Shareholders as soon as possible on or before 7 December 2012.

INTRODUCTION

As at the date of this joint announcement, Paliburg is a subsidiary of Century City and Regal is a subsidiary of Paliburg and Century City. The Paliburg Group (for the purposes of this joint announcement excluding the Regal Group) holds the CB2013(A) and the Regal Group holds the

CB2010s and the CB2013(B). The Paliburg Group and the Regal Group also hold the Option(A) and Option(B) to subscribe for the Optional CB(A) and Optional CB(B), respectively. On 16 November 2012 (after trading hours), the relevant subsidiaries of the Paliburg Group and the Regal Group entered into deeds and agreements to, among others, extend the respective terms of the Cosmo CBs and the Options.

CB2013 EXTENSION

Background

In 2008, Jumbo Pearl (a wholly-owned subsidiary of Paliburg) and Time Crest (a wholly-owned subsidiary of Regal) subscribed for the CB2013(A) and the CB2013(B) respectively each in a principal amount of HK\$100 million. The prevailing maturity date of the CB2013s is 14 February 2013.

CB2013 Extension Agreements

On 16 November 2012 (after trading hours):

- (1) Jumbo Pearl, Apex Team (a wholly-owned subsidiary of Cosmo) and Cosmo entered into the CB2013(A) Extension Agreement to extend the maturity date of the CB2013(A) to 30 September 2013, and the conversion period of the CB2013(A) will accordingly be extended to 16 September 2013, being 14 days prior to the extended maturity date of the CB2013(A); and
- (2) Time Crest, Apex Team and Cosmo entered into the CB2013(B) Extension Agreement to extend the maturity date of the CB2013(B) to 30 September 2013, and the conversion period of the CB2013(B) will accordingly be extended to 16 September 2013, being 14 days prior to the extended maturity date of the CB2013(B).

To the best knowledge, information and belief of the Century City Directors, the Paliburg Directors and the Regal Directors having made all reasonable enquiries, save for the Paliburg Group's and the Regal Group's interests set out in the paragraph headed "Shareholding structure of Cosmo" and the information set out in "Other relationships between the Century City Group, the Paliburg Group, the Regal Group and the Cosmo Group", Apex Team and Cosmo are parties independent of (1) Century City and its connected persons; (2) Paliburg and its connected persons; and (3) Regal and its connected persons.

The CB2013(A) Extension shall become unconditional upon fulfilment of the following conditions: (i) Century City having obtained approval for the CB2013 Extension Agreements by its shareholders; (ii) Regal having obtained approval for the CB2013(B) Extension Agreement by the Regal Independent Shareholders; (iii) Cosmo having obtained approval for the CB2013 Extension Agreements and the Options Extension Agreements by Cosmo's independent shareholders; (iv) the Stock Exchange's consent in respect of the change of terms of the CB2013(A) pursuant to the CB2013(A) Extension Agreement; and (v) if required, the Stock Exchange granting the listing of and permission to deal in the Cosmo Shares falling to be issued pursuant to the exercise of the conversion rights attached to the CB2013(A) (as varied by the CB2013(A) Extension Agreement). The CB2013(B) Extension shall become unconditional upon fulfilment of the following conditions: (i) Century City having obtained approval for the CB2013 Extension Agreements by its shareholders; (ii) Regal having obtained

approval for the CB2013(B) Extension Agreement by the Regal Independent Shareholders; (iii) Cosmo having obtained approval for the CB2013 Extension Agreements and the Options Extension Agreements by Cosmo's independent shareholders; (iv) the Stock Exchange's consent in respect of the change of terms of the CB2013(B) pursuant to the CB2013(B) Extension Agreement; and (v) if required, the Stock Exchange granting the listing of and permission to deal in the Cosmo Shares falling to be issued pursuant to the exercise of the conversion rights attached to the CB2013(B) (as varied by the CB2013(B) Extension Agreement). If the conditions are not fulfilled on or before 14 February 2013 (being the prevailing maturity date of the CB2013s) or such later date as may be agreed by the parties, the CB2013 Extension Agreements will lapse and terminate.

If the CB2013 Extension does not become unconditional by the long-stop date of the CB2013 Extension Agreements, the CB2013s will be subject to conversion at the option of the holders of the CB2013s on or before 31 January 2013 and any unconverted CB2013s will be subject to redemption by Apex Team in accordance with their terms at 128.01% of the outstanding principal amount of the CB2013s upon the maturity date on 14 February 2013.

Major terms of the CB2013s

Apart from the extension of the maturity date of the CB2013s and the redemption premium calculated based on a fixed yield-to-maturity of 5% per annum (compounded semi-annually) of the CB2013s, all terms of the CB2013s remain unchanged from the original terms of the CB2013s issued by Apex Team. Set out below are the major terms of the CB2013s.

Principal amount : (i) CB2013(A): HK\$100 million
(ii) CB2013(B): HK\$100 million

Conversion : The holders of the CB2013s can exercise the conversion rights attached to the CB2013s to convert the outstanding principal amounts of the CB2013s in whole or in part into CB2013 Conversion Shares at any time until a date falling 14 days prior to the extended maturity date of the CB2013s.

No conversion shall take place if as a result of such conversion, Cosmo will not be able to meet the public float requirement under the Listing Rules.

Conversion price : HK\$0.06 per CB2013 Conversion Share, subject to adjustment for share consolidation, share subdivision, reclassification of share into other securities, capitalisation issues, capital distributions, rights issues, and certain other dilutive events, including a downward adjustment to the effect that should Cosmo issue new Cosmo Shares (or securities convertible into new Cosmo Shares) for cash or non-cash consideration per Cosmo Share which is less than the prevailing conversion price, the conversion price shall be adjusted downwards to such issue price (but such adjustment shall not be retroactive).

The prevailing conversion price of HK\$0.06 per CB2013 Conversion Share represents:

- (i) a premium of approximately 9.09% over the closing price per Cosmo Share of HK\$0.055 quoted on the Stock Exchange on 16 November 2012, being the date of the CB2013 Extension Agreements; and
- (ii) a premium of approximately 7.14% over the average closing price per Cosmo Share for the last five trading days up to and including 15 November 2012 (being the last trading day immediately before the date of the CB2013 Extension Agreements) of HK\$0.056.

- Coupon rate : The CB2013s bear no coupon.
- Extended maturity date : 30 September 2013. On the extended maturity date, all of the remaining outstanding CB2013s will be redeemed by Apex Team at 132.05% of the outstanding principal amount of the CB2013s, representing a yield-to-maturity of 5% per annum (compounded semi-annually).
- Voting : A holder of any CB2013s will not be entitled to receive notice of, attend or vote at any general meeting of Cosmo by reason only of it being a holder of the CB2013s.
- Listing : The CB2013s are not listed on the Stock Exchange. No application will be made for the listing of the CB2013s on the Stock Exchange or any other stock exchange.
- Ranking : The CB2013 Conversion Shares to be issued as a result of the exercise of the conversion rights attached to the CB2013s will rank pari passu in all respects with all other Cosmo Shares outstanding at the date of conversion of the CB2013s.
- Early redemption : Apex Team has the right, at any time prior to the extended maturity date, if not more than 10% of the principal amount of any of each of the CB2013s is still outstanding, by giving not less than 15 nor more than 30 business days' notice to the holders of such CB2013s to redeem the CB2013s at an amount equal to the outstanding principal amounts of the CB2013s together with a redemption premium equal to 5% per annum (to be calculated on a semi-annual compound basis).
- Guarantor : Cosmo

CB2013 Conversion Shares

The aggregate number of CB2013 Conversion Shares which will fall to be issued on conversion of the CB2013s at the prevailing conversion price of HK\$0.06 per CB2013 Conversion Share is

3,333,333,332 CB2013 Conversion Shares representing 28.3% of the existing issued ordinary share capital of Cosmo and 22.0% of the issued ordinary share capital of Cosmo as enlarged by the allotment and issue of the CB2013 Conversion Shares.

CB2010 EXTENSION

Background

Valuegood (a wholly-owned subsidiary of Regal) subscribed for the CB2010 with a principal amount of HK\$102.5 million in 2007 and further acquired the CB2010 with a principal amount of HK\$38.95 million in 2008. The CB2010s held by Valuegood as at the date of this joint announcement with a principal amount of HK\$141.45 million represents the entire amount of the presently outstanding CB2010s and was originally due in 2010. The prevailing maturity date of the CB2010s (as previously extended) is 14 February 2013.

CB2010 Extension Agreement

On 16 November 2012 (after trading hours), Valuegood, Fancy Gold (a wholly-owned subsidiary of Cosmo) and Cosmo entered into the CB2010 Extension Agreement to further extend the maturity date of the CB2010s to 30 September 2013, and the conversion period of the CB2010s will accordingly be further extended to 16 September 2013, being 14 days prior to the further extended maturity date of the CB2010s.

To the best knowledge, information and belief of the Century City Directors, the Paliburg Directors and the Regal Directors having made all reasonable enquiries, save for the Paliburg Group's and the Regal Group's interests set out in the paragraph headed "Shareholding structure of Cosmo" and the information set out in "Other relationships between the Century City Group, the Paliburg Group, the Regal Group and the Cosmo Group", Fancy Gold and Cosmo are parties independent of (1) Century City and its connected persons; (2) Paliburg and its connected persons; and (3) Regal and its connected persons.

The CB2010 Extension shall become unconditional upon fulfilment of the following conditions: (i) Century City having obtained approval for the CB2010 Extension Agreement by its shareholders; (ii) Regal having obtained approval for the CB2010 Extension Agreement by the Regal Independent Shareholders; (iii) Cosmo having obtained approval for the CB2010 Extension Agreement by Cosmo's independent shareholders; (iv) the Stock Exchange's consent in respect of the change of terms of the CB2010s pursuant to the CB2010 Extension Agreement; and (v) if required, the Stock Exchange granting the listing of and permission to deal in the CB2010 Conversion Shares falling to be issued pursuant to the exercise of the conversion rights attached to the CB2010s (as varied by the CB2010 Extension Agreement). If the conditions are not fulfilled on or before 14 February 2013 (being the prevailing maturity date of the CB2010s) or such later date as may be agreed by the parties, the CB2010 Extension Agreement will lapse and terminate.

If the CB2010 Extension does not become unconditional by the long-stop date of the CB2010 Extension Agreement, the CB2010s will be subject to conversion at the option of the holder of the CB2010s on or before 31 January 2013 and any unconverted CB2010s will be subject to redemption

by Fancy Gold in accordance with their terms at 132.84% of the outstanding principal amount of the CB2010s upon the maturity date on 14 February 2013.

Major terms of the CB2010s

Apart from the further extension of the maturity date of the CB2010s and the redemption premium calculated based on a fixed yield-to-maturity of 5% per annum (compounded semi-annually) of the CB2010s, all terms of the CB2010s remain unchanged from the original terms of the CB2010s issued by Fancy Gold. Set out below are the major terms of the CB2010s.

Principal amount : HK\$141.45 million

Conversion : The holder of the CB2010s can convert the outstanding principal amount of the CB2010s into CB2010 Conversion Shares at any time until a date falling 14 days prior to the further extended maturity date of the CB2010s.

Conversion price : HK\$0.04 per CB2010 Conversion Share, subject to adjustment for share consolidation, share subdivision, reclassification of shares into other securities, capitalisation issues, capital distributions, rights issues, and certain other dilutive events, including a downward adjustment to the effect that in case new Cosmo Shares (or securities convertible into new Cosmo Shares) are issued for cash or non-cash consideration at a price per Cosmo Share which is less than the prevailing conversion price, the conversion price shall be adjusted downwards to such issue price (but such adjustment shall not be retroactive).

The prevailing conversion price of HK\$0.04 per CB2010 Conversion Share represents:

- (i) a discount of approximately 27.27% to the closing price per Cosmo Share of HK\$0.055 quoted on the Stock Exchange on 16 November 2012, being the date of the CB2010 Extension Agreement; and
- (ii) a discount of approximately 28.57% to the average closing price per Cosmo Share for the last five trading days up to and including 15 November 2012 (being the last trading day immediately before the date of the CB2010 Extension Agreement) of HK\$0.056.

Coupon rate : The CB2010s bear no coupon.

Further extended maturity date : 30 September 2013. On the further extended maturity date, all of the remaining outstanding CB2010s will be redeemed by Fancy Gold at 137.03% of the outstanding principal amount of the CB2010s, representing a yield-to-maturity of 5% per annum (compounded semi-annually).

- Voting : A holder of any CB2010 will not be entitled to receive notice of, attend or vote at any general meeting of Cosmo by reason only of it being a holder of the CB2010s.
- Listing : The CB2010s are not listed on the Stock Exchange. No application will be made for the listing of the CB2010s on the Stock Exchange or any other stock exchange.
- Ranking : The CB2010 Conversion Shares to be issued as a result of the exercise of the conversion rights attached to the CB2010s will rank pari passu in all respects with all other Cosmo Shares outstanding at the date of conversion of the CB2010s.
- Early redemption : Fancy Gold has the right, at any time prior to the further extended maturity date, by not less than 15 nor more than 30 business days' notice to the holder(s) of the CB2010s to redeem the CB2010s at an amount equal to the outstanding principal amounts of the CB2010s together with a redemption premium equal to 5% per annum (to be calculated on a semi-annual compound basis) if the total outstanding principal amount of the CB2010s is not more than 10% of the total principal amount of the CB2010s of HK\$205 million.
- Guarantor : Cosmo

CB2010 Conversion Shares

The number of CB2010 Conversion Shares which will fall to be issued on conversion of the CB2010s at the prevailing conversion price of HK\$0.04 per CB2010 Conversion Share is 3,536,250,000 CB2010 Conversion Shares representing 30.0% of the existing issued ordinary share capital of Cosmo and 23.1% of the issued ordinary share capital of Cosmo as enlarged by the allotment and issue of the CB2010 Conversion Shares.

OPTIONS EXTENSION

Background

In 2008, in conjunction with the issue of the CB2013s and pursuant to the CB2013 Subscription Agreements, Apex Team granted to (1) Sun Joyous (a wholly-owned subsidiary of Paliburg) the Option(A) to subscribe for the Optional CB(A); and (2) Well Mount (a wholly-owned subsidiary of Regal) the Option(B) to subscribe for the Optional CB(B). The prevailing expiry date (i.e. the last date) for exercising the Options is 16 November 2012, being 90 days prior to the prevailing maturity date of the CB2013s.

Options Extension Agreements

On 16 November 2012 (after trading hours):

(1) Sun Joyous, Jumbo Pearl, Apex Team and Cosmo entered into the Option(A) Extension Agreement to:

(a) extend the expiry date of Option(A) granted to Sun Joyous to 2 July 2013; and

(b) amend the maturity date of the Optional CB(A) to 30 September 2013; and

(2) Well Mount, Time Crest, Apex Team and Cosmo entered into the Option(B) Extension Agreement to:

(a) extend the expiry date of Option(B) granted to Well Mount to 2 July 2013; and

(b) amend the maturity date of the Optional CB(B) to 30 September 2013.

The Option(A) Extension shall become unconditional upon fulfilment of the following conditions: (i) Century City having obtained approval for the CB2013 Extension Agreements by its shareholders; (ii) Regal having obtained approval for the CB2013(B) Extension Agreement by the Regal Independent Shareholders; (iii) Cosmo having obtained approval for the CB2013 Extension Agreements and the Options Extension Agreements by Cosmo's independent shareholders; (iv) if required, the Stock Exchange's consent in respect of the change of terms of the Option(A) pursuant to the Option(A) Extension Agreement; and (v) if required, the Stock Exchange granting the listing of and permission to deal in the Cosmo Shares falling to be issued pursuant to the exercise of the conversion rights attached to the Optional CB(A) (as varied by the Option(A) Extension Agreement).

The Option(B) Extension shall become unconditional upon fulfilment of the following conditions: (i) Century City having obtained approval for the CB2013 Extension Agreements by its shareholders; (ii) Regal having obtained approval for the CB2013(B) Extension Agreement by the Regal Independent Shareholders; (iii) Cosmo having obtained approval for the CB2013 Extension Agreements and the Options Extension Agreements by Cosmo's independent shareholders; (iv) if required, the Stock Exchange's consent in respect of the change of terms of the Option(B) pursuant to the Option(B) Extension Agreement; and (v) if required, the Stock Exchange granting the listing of and permission to deal in the Cosmo Shares falling to be issued pursuant to the exercise of the conversion rights attached to the Optional CB(B) (as varied by the Option(B) Extension Agreement).

Upon the Options Extension Agreements becoming unconditional, each of Sun Joyous and Well Mount will be entitled to subscribe for the Optional CBs with a principal amount of up to HK\$100 million on or before the extended expiry date of the Options of 2 July 2013. The Optional CBs if issued will be subject to conversion at the option of the holders of the Optional CBs within the extended conversion period ending on 16 September 2013. Any unconverted Optional CBs will be subject to redemption by Apex Team at a redemption premium equal to 5% per annum (to be calculated on a semi-annual compound basis) from the date of issue of the Optional CBs. Apart from the foregoing, all other major terms of the Optional CBs are identical to the major terms of the CB2013s as set out in the section headed "Major terms of the CB2013s" above.

INFORMATION ON COSMO

The Cosmo Group is principally engaged in property investment and development, and securities and other investments.

Shareholding structure of Cosmo

Set out below for illustration purposes is the shareholding structure of Cosmo in the following scenarios:

	As at the date of this joint announcement		Assuming conversions in full of the CB2013s and the CB2010s		Assuming exercise of the Options and conversions in full of the CB2013s, CB2010s and the Optional CBs	
	<i>No. of Cosmo Shares</i>		<i>No. of Cosmo Shares</i>		<i>No. of Cosmo Shares</i>	
		%		%		%
The Paliburg Group	2,016,666,666	17.11	3,683,333,332	19.74	5,349,999,998	24.33
The Regal Group	334,000,000	2.83	5,536,916,666	29.68	7,203,583,332	32.76
Giant Sino Group Limited	4,403,576,090	37.37	4,403,576,090	23.61	4,403,576,090	20.03
Culture Landmark Investment Limited	1,446,064,745	12.27	1,446,064,745	7.75	1,446,064,745	6.58
Other shareholders	3,584,823,450	30.42	3,584,823,450	19.22	3,584,823,450	16.30
Total	11,785,130,951	100.00	18,654,714,283	100.00	21,988,047,615	100.00

Other relationships between the Century City Group, the Paliburg Group, the Regal Group and the Cosmo Group

Apart from the Paliburg Group's and the Regal Group's interests in Cosmo Shares, the Cosmo CBs and the Options as stated in the above paragraph headed "Shareholding structure of Cosmo", the Paliburg Group, the Regal Group and the Cosmo Group effectively have 35% interest, 50% interest and 15% interest, respectively, in a property development project in Chengdu, Sichuan Province, PRC. More details in this regard were set out in the 2011 annual reports of each of Century City, Paliburg and Regal.

Mr. Ng Kwai Kai, Kenneth, an executive director of Century City, Paliburg and Regal, is a non-executive director of Cosmo. Mr. Leung So Po, Kelvin, an executive director of Century City, is a non-executive director of Cosmo. Mr. Wong Po Man, Kenneth, an executive director of Paliburg, is a non-executive director of Cosmo. Based on the latest available public information, Mr. Lam Kwing Wai, Alvin Leslie, a director of a wholly-owned subsidiary of Regal, is interested in approximately 7.03% of the issued ordinary share capital of Cosmo as at the date of this joint announcement.

REASONS FOR THE TRANSACTION

Paliburg is a 61.78%-owned subsidiary of Century City and Mr. Lo Yuk Sui apart from his interests in Paliburg through Century City also owns 11.47% of the issued ordinary share capital of Paliburg as at the date of this joint announcement. Regal is owned as to 51.28% by Paliburg. Regal is a subsidiary of Century City and Paliburg. The Century City Group and the Paliburg Group are principally engaged in property development and investment, construction and building related businesses, and securities and other investments. The Regal Group is principally engaged in hotel ownership (through its 74.55%-owned subsidiary Regal Real Estate Investment Trust ("Regal REIT")), management and operation. It also engages in property development and investment, as well as asset management of Regal REIT and securities and other investments.

The Cosmo CBs would mature on 14 February 2013 unless further extended. The conversion of the Cosmo CBs by the Paliburg Group and the Regal Group may result in regulatory compliance issues (including the possible triggering of a mandatory obligation for Paliburg and/or Regal to make an offer for all the Cosmo Shares that are not held by them).

With the Cosmo CBs Extension, the maturity date of the Cosmo CBs will be extended to 30 September 2013 and the conversion period will accordingly be extended to 16 September 2013. According to the original terms of the Options, the Options shall expire after 16 November 2012. The Options Extension if becoming unconditional shall extend the expiry date of the Options to 2 July 2013. The Cosmo CBs Extension and the Options Extension will allow more time and flexibility for the Paliburg Group and the Regal Group to determine their overall planning with regard to their strategic investments in the Cosmo Group.

Save for Mr. Ng Kwai Kai, Kenneth and Mr. Leung So Po, Kelvin (both executive directors of Century City who are also non-executive directors of Cosmo and have abstained from voting on the relevant board resolutions relating to the Cosmo CBs Extension and the Options Extension), the other Century City Directors (including the independent non-executive directors) consider that the Cosmo CBs Extension and the Options Extension are fair and reasonable and in the interests of Century City and its shareholders as a whole.

Save for Mr. Ng Kwai Kai, Kenneth and Mr. Wong Po Man, Kenneth (both executive directors of Paliburg who are also non-executive directors of Cosmo and have abstained from voting on the relevant board resolutions relating to the Cosmo CBs Extension and the Options Extension), the other Paliburg Directors (including the independent non-executive directors) consider that the Cosmo CBs Extension and the Options Extension are fair and reasonable and in the interests of Paliburg and its shareholders as a whole.

Save for Mr. Ng Kwai Kai, Kenneth (an executive director of Regal who is also a non-executive director of Cosmo and has abstained from voting on the relevant board resolutions relating to the CB2010 Extension and the CB2013(B) Extension), the other Regal Directors (excluding the independent non-executive directors pending formation of the Regal Independent Board Committee which will express their opinion after taking into consideration the advice of the independent financial adviser to be appointed by Regal) consider that the CB2010 Extension and the CB2013(B) Extension are fair and reasonable and in the interests of Regal and the Regal Shareholders as a whole. Save

for Mr. Ng Kwai Kai, Kenneth who also abstained from voting on the board resolution relating to the Option(B) Extension, the other Regal Directors (including the independent non-executive directors) consider that the Option(B) Extension is fair and reasonable and in the interests of Regal and its shareholders as a whole.

GENERAL

As at the date of this joint announcement, the Paliburg Group and the Regal Group hold approximately 17.11% and 2.83% of the issued ordinary share capital of Cosmo while Paliburg holds approximately 51.28% of the issued ordinary share capital of Regal and Century City holds approximately 61.78% of the issued ordinary share capital of Paliburg.

As one of the applicable percentage ratios in respect of the Cosmo CBs Extension for Century City is more than 25% but less than 100%, the Cosmo CBs Extension constitutes a major transaction for Century City subject to the reporting, announcement and shareholders' approval requirements under the Listing Rules. Century City will seek written shareholders' approval for the Cosmo CBs Extension from a closely allied group of shareholders of Century City, comprising Mr. Lo Yuk Sui and the companies wholly or majority owned and controlled by Mr. Lo Yuk Sui. As at the date of this joint announcement, Mr. Lo Yuk Sui and the companies wholly or majority owned and controlled by him in aggregate hold approximately 56.84% of the issued ordinary share capital of Century City consisting of (i) Mr. Lo Yuk Sui who owns approximately 1.97% of the issued ordinary share capital of Century City, (ii) Grand Modern Investments Limited which owns approximately 50.57% of the issued ordinary share capital of Century City, (iii) Fook Island Limited which owns approximately 0.11% of the issued ordinary share capital of Century City, (iv) Master City Limited which owns approximately 1.50% of the issued ordinary share capital of Century City, (v) Shui To Co., Limited which owns approximately 2.07% of the issued ordinary share capital of Century City, and (vi) YSL International Holdings Limited which owns approximately 0.62% of the issued ordinary share capital of Century City. Century City expects to despatch a circular to its shareholders for information purposes as soon as possible on or before 7 December 2012.

As one of the applicable percentage ratios in respect of the Cosmo CBs Extension for Paliburg is more than 5% but all the applicable percentage ratios are less than 25%, the Cosmo CBs Extension constitutes a discloseable transaction for Paliburg subject to the reporting and announcement requirements under the Listing Rules.

As the Paliburg Group directly holds more than 10% of the issued ordinary share capital of Cosmo, the CB2010 Extension and the CB2013(B) Extension constitute connected transactions for Regal under Rule 14A.13(2)(a)(ii) of the Listing Rules. As one of the applicable percentage ratios in respect of the CB2010 Extension and the CB2013(B) Extension in aggregate for Regal is more than 5% but all the applicable percentage ratios are less than 25%, the CB2010 Extension and the CB2013(B) Extension constitute a discloseable transaction and a connected transaction for Regal subject to the reporting, announcement and independent shareholders' approval requirements under the Listing Rules.

Regal will convene a special general meeting to seek the Regal Independent Shareholders' approval for the CB2010 Extension and the CB2013(B) Extension. Regal will establish the Regal Independent Board Committee and will appoint an independent financial adviser to advise the Regal Independent Board Committee and the Regal Independent Shareholders respectively in this regard. The relevant

circular (including the respective letters of advice from the Regal Independent Board Committee and the independent financial adviser in relation to the CB2010 Extension and the CB2013(B) Extension) is expected to be despatched to the Regal Shareholders as soon as possible on or before 7 December 2012.

No consideration is payable for the Options Extension. The Options Extension does not constitute a notifiable transaction or a connected transaction for Century City, Paliburg or Regal under the Listing Rules.

DEFINITIONS

“Apex Team”	Apex Team Limited, a wholly-owned subsidiary of Cosmo
“CB2010(s)”	the zero coupon guaranteed convertible bonds (whose due date was previously extended to 14 February 2013 and is proposed to be further extended to 30 September 2013 pursuant to the CB2010 Extension) issued by Fancy Gold in 2007 in an aggregate principal amount of HK\$205 million and held as to HK\$141.45 million by Valuegood as at the date of this joint announcement
“CB2010 Conversion Share(s)”	the new Cosmo Share(s) falling to be issued upon the exercise of the conversion rights attached to the CB2010s
“CB2010 Extension”	the proposed further extension of the maturity date of the CB2010s to 30 September 2013
“CB2010 Extension Agreement”	the deed of variation dated 16 November 2012 entered into between Valuegood, Fancy Gold and Cosmo in respect of the CB2010 Extension
“CB2013(A)”	the zero coupon guaranteed convertible bonds (originally due on 14 February 2013 and is proposed to be extended to 30 September 2013 pursuant to the CB2013(A) Extension) issued by Apex Team in 2008 to Jumbo Pearl in the principal amount of HK\$100 million
“CB2013(A) Extension”	the proposed extension of the maturity date of the CB2013(A) held by Jumbo Pearl to 30 September 2013
“CB2013(A) Extension Agreement”	the deed of variation dated 16 November 2012 entered into between Jumbo Pearl, Apex Team and Cosmo in respect of the CB2013(A) Extension

“CB2013(A) Subscription Agreement”	the agreement dated 6 December 2007 entered into among Jumbo Pearl, Sun Joyous, Apex Team and Cosmo in respect of the subscription of the CB2013(A) and the granting of the Option(A)
“CB2013(B)”	the zero coupon guaranteed convertible bonds (originally due on 14 February 2013 and is proposed to be extended to 30 September 2013 pursuant to the CB2013(B) Extension) issued by Apex Team in 2008 to Time Crest in the principal amount of HK\$100 million
“CB2013(B) Extension”	the proposed extension of the maturity date of the CB2013(B) held by Time Crest to 30 September 2013
“CB2013(B) Extension Agreement”	the deed of variation dated 16 November 2012 entered into between Time Crest, Apex Team and Cosmo in respect of the CB2013(B) Extension
“CB2013(B) Subscription Agreement”	the agreement dated 6 December 2007 entered into among Time Crest, Well Mount, Apex Team and Cosmo in respect of the subscription of the CB2013(B) and the granting of the Option(B)
“CB2013 Conversion Share(s)”	the new Cosmo Share(s) falling to be issued upon the exercise of the conversion rights attached to the CB2013s
“CB2013 Extension”	the CB2013(A) Extension and the CB2013(B) Extension collectively
“CB2013 Extension Agreements”	the CB2013(A) Extension Agreement and the CB2013(B) Extension Agreement collectively
“CB2013 Subscription Agreements”	the CB2013(A) Subscription Agreement and the CB2013(B) Subscription Agreement collectively
“CB2013s”	the CB2013(A) and the CB2013(B) collectively
“Century City”	Century City International Holdings Limited, a company incorporated in Bermuda with limited liability and whose issued ordinary shares are listed on the Main Board of the Stock Exchange (Stock Code: 355)
“Century City Directors”	the directors of Century City
“Century City Group”	Century City and its subsidiaries, for the purposes of this joint announcement excluding the Regal Group

“Cosmo”	Cosmopolitan International Holdings Limited, a company incorporated in the Cayman Islands with limited liability and whose issued ordinary shares are listed on the Main Board of the Stock Exchange (Stock Code: 120)
“Cosmo CBs”	the CB2010s and CB2013s collectively
“Cosmo CBs Extension”	the CB2010 Extension and the CB2013 Extension collectively
“Cosmo Group”	Cosmo and its subsidiaries
“Cosmo Shares”	ordinary shares of par value HK\$0.0002 each in the capital of Cosmo
“Fancy Gold”	Fancy Gold Limited, a wholly-owned subsidiary of Cosmo
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Jumbo Pearl”	Jumbo Pearl Investments Limited, a wholly-owned subsidiary of Paliburg
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Option(A)”	the option granted by Apex Team to Sun Joyous to subscribe for the Optional CB(A) with a principal amount of up to HK\$100 million pursuant to the CB2013(A) Subscription Agreement
“Option(A) Extension”	the proposed extension of the expiry date of the Option(A) to 2 July 2013
“Option(A) Extension Agreement”	the supplemental agreement to the CB2013(A) Subscription Agreement dated 16 November 2012 entered into between Sun Joyous, Jumbo Pearl, Apex Team and Cosmo in respect of the Option(A) Extension
“Option(B)”	the option granted by Apex Team to Well Mount to subscribe for the Optional CB(B) with a principal amount of up to HK\$100 million pursuant to the CB2013(B) Subscription Agreement
“Option(B) Extension”	the proposed extension of the expiry date of the Option(B) to 2 July 2013

“Option(B) Extension Agreement”	the supplemental agreement to the CB2013(B) Subscription Agreement dated 16 November 2012 entered into between Well Mount, Time Crest, Apex Team and Cosmo in respect of the Option(B) Extension
“Option(s)”	the Option(A) and/or the Option(B)
“Optional CB(A)”	the zero coupon guaranteed convertible bonds to be issued by Apex Team to Sun Joyous upon exercise of the Option(A) with a principal amount of up to HK\$100 million
“Optional CB(B)”	the zero coupon guaranteed convertible bonds to be issued by Apex Team to Well Mount upon exercise of the Option(B) with a principal amount of up to HK\$100 million
“Optional CBs”	the Optional CB(A) and the Optional CB(B) collectively
“Options Extension”	the Option(A) Extension and the Option(B) Extension collectively
“Options Extension Agreement(s)”	the Option(A) Extension Agreement and/or the Option(B) Extension Agreement
“Paliburg”	Paliburg Holdings Limited, a company incorporated in Bermuda with limited liability and whose issued ordinary shares are listed on the Main Board of the Stock Exchange (Stock Code: 617)
“Paliburg Directors”	the directors of Paliburg
“Paliburg Group”	Paliburg and its subsidiaries, for the purposes of this joint announcement excluding the Regal Group
“percentage ratios”	the percentage ratios calculated based on the requirements under Rule 14.07 of the Listing Rules
“PRC”	the People’s Republic of China
“Regal”	Regal Hotels International Holdings Limited, a company incorporated in Bermuda with limited liability and whose issued ordinary shares are listed on the Main Board of the Stock Exchange (Stock Code: 78)
“Regal Directors”	the directors of Regal
“Regal Group”	Regal and its subsidiaries

“Regal Independent Board Committee”	the independent board committee to be established by Regal to consider the CB2010 Extension and the CB2013(B) Extension
“Regal Independent Shareholders”	Regal Shareholders other than Paliburg and its associates
“Regal Shareholders”	holders of ordinary shares of HK\$0.10 each in the capital of Regal
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Sun Joyous”	Sun Joyous Investments Limited, a wholly-owned subsidiary of Paliburg
“Time Crest”	Time Crest Investments Limited, a wholly-owned subsidiary of Regal
“Valuegood”	Valuegood International Limited, a wholly-owned subsidiary of Regal
“Well Mount”	Well Mount Investments Limited, a wholly-owned subsidiary of Regal

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

By Order of the Board
**Regal Hotels International
Holdings Limited**
Eliza Lam Sau Fun
Secretary

Hong Kong, 16 November 2012

As at the date of this joint 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. 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

As at the date of this joint 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. Bowen Joseph LEUNG Po Wing, GBS, JP
Mr. NG Siu Chan
Mr. Abraham SHEK Lai Him, SBS, JP
Mr. WONG Chi Keung

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

Executive directors:

Mr. LO Yuk Sui
(Chairman and Chief Executive Officer)
Ms. Belinda YEUNG Bik Yiu
(Chief Operating Officer)
Mr. Donald FAN Tung
Mr. Jimmy LO Chun To
Miss LO Po Man
Mr. Kenneth NG Kwai Kai
Mr. Allen WAN Tze Wai

Non-executive director:

Dr. Francis CHOI Chee Ming, GBS, JP
(Vice Chairman)

Independent non-executive directors:

Ms. Alice KAN Lai Kuen
Professor Japhet Sebastian LAW
Mr. NG Siu Chan
Mr. WONG Chi Keung