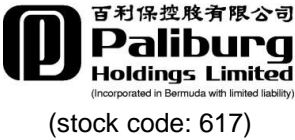


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DISCLOSEABLE TRANSACTION
ACQUISITION OF
AN AIRCRAFT

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AN AIRCRAFT

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AN AIRCRAFT

On 15 December 2017 (after trading hours), the Buyer, a wholly-owned subsidiary of Regal, and the Seller entered into the Purchase Agreement, pursuant to which the Buyer has agreed to acquire the Aircraft from the Seller for the Purchase Price of US\$18.0 million (equivalent to approximately HK\$140.4 million) (to be settled based on the Closing Payment), subject to certain conditions.

Based on the applicable percentage ratios, the Acquisition constitutes a discloseable transaction for Century City subject to announcement requirement under the Listing Rules.

This joint announcement is voluntarily made by Paliburg and Regal to provide their respective shareholders and potential investors with relevant information on the Acquisition.

PURCHASE AGREEMENT

On 15 December 2017 (after trading hours), the Buyer, a wholly-owned subsidiary of Regal, and the Seller entered into the Purchase Agreement, pursuant to which the Buyer has agreed to acquire the Aircraft from the Seller for the Purchase Price of US\$18.0 million (equivalent to approximately HK\$140.4 million) (to be settled based on the Closing Payment), subject to certain conditions. Upon Closing and pursuant to the Lease Novation, the Buyer (or its nominee) will become the new lessor under the Lease.

The Buyer is a wholly-owned subsidiary of Regal which is a listed subsidiary of Century City and Paliburg. According to information available to Century City, Paliburg and Regal, the principal business activities of the Seller are the ownership and leasing of aircraft.

To the best of the Century City Directors' knowledge, information and belief having made all reasonable enquiries, the Seller and its ultimate beneficial owners are third parties independent of Century City and its connected persons (as defined under the Listing Rules).

The principal terms of the Purchase Agreement are as follows:

Subject asset: The Aircraft is an Airbus A319 aircraft manufactured in 2008, which is owned by the Seller.

Purchase Price: The Purchase Price for the Aircraft is US\$18.0 million (equivalent to approximately HK\$140.4 million), to be settled based on the Closing Payment.

The Purchase Price was determined after arm’s-length negotiation between the parties taking into account factors including the age, model and condition of the Aircraft, the market segment relevant to the Aircraft based on its size and capacity as well as the operation base of the Lessee, the terms of the Lease and the credit quality of the Lessee.

Deposit: The Buyer had paid the Initial Deposit of US\$0.3 million (equivalent to approximately HK\$2.3 million) to the Seller following execution of the Letter of Intent.

The Buyer shall pay the Further Deposit of US\$1.5 million (equivalent to approximately HK\$11.7 million) to the Seller within 2 business days after execution of the Purchase Agreement by the parties.

The Total Deposit shall be refundable to the Buyer in full if any of the following events occurs:

- (a) total loss of the Aircraft prior to the Closing;
- (b) total loss of any engine of the Aircraft prior to the Closing without replacement of such engine by the Seller before the Closing Deadline; or
- (c) the Closing of the Aircraft not having taken place by the Closing Deadline for any reason (save for the Buyer’s default of its obligations under the Purchase Agreement).

If any of the above events occurs, the Buyer’s obligation to purchase the Aircraft shall terminate and the Seller shall refund the Total Deposit to the Buyer within 3 business days after the Buyer’s demand therefor.

Payment terms: Subject to the conditions as set out in the sections “Seller CPs” and “Buyer CPs” below, the Buyer shall pay the Closing Payment to the Seller on or prior to the Closing Date.

Seller CPs:

The obligation of the Seller to sell the Aircraft to the Buyer shall be subject to the fulfillment of, among others, the following conditions to the satisfaction of the Seller (acting reasonably) on or prior to the Closing Date:

- (a) receipt by the Seller of an insurance certificate complying with the requirements in the Novation Agreement;
- (b) receipt by the Seller of advice from its tax advisers confirming that the sale of and transfer of title in and to the Aircraft and/or the Lease Novation do not give rise to any material tax for which the Seller or the Existing Lessor may be liable;
- (c) receipt by the Seller of confirmation of satisfaction (or waiver) of all conditions precedent specified in the Novation Agreement;
- (d) the Buyer shall not be in default of its obligations under the Purchase Agreement or any other Transaction Document;
- (e) the Buyer's representations and warranties shall be true and correct as of the Closing Date; and
- (f) the Seller shall have received the Closing Payment in full in immediately available funds.

For the Closing of the Acquisition, the Seller may waive or defer in writing the fulfillment of any of the above conditions.

Buyer CPs:

The obligation of the Buyer to purchase the Aircraft from the Seller shall be subject to the fulfillment of, among others, the following conditions to the satisfaction of the Buyer (acting reasonably) on or prior to the Closing Date:

- (a) receipt by the Buyer of an insurance certificate complying with the requirements in the Novation Agreement;
- (b) receipt by the Buyer of confirmation of satisfaction (or waiver) of all conditions precedent specified in the Novation Agreement;
- (c) receipt by the Buyer of clear International Registry priority search certificate in respect of the airframe and each related engine of the Aircraft;
- (d) neither the Seller nor the Existing Lessor shall be in default of its respective obligations under the Purchase Agreement or any other Transaction Document;

- (e) no event of default or default shall be continuing under the Lease;
- (f) the Seller's representations and warranties shall be true and correct as of the Closing Date;
- (g) neither the Aircraft nor the relevant engines of the Aircraft shall have suffered a total loss;
- (h) each of the Seller and the Existing Lessor has executed and delivered to the Buyer any documents requested by the Buyer and required by the relevant aviation authority to record the Buyer as the new owner and as the new lessor of the Aircraft; and
- (i) the Aircraft is in the delivery location.

For the Closing of the Acquisition, the Buyer may waive or defer in writing the fulfillment of any of the above conditions.

Closing:

On or prior to the Closing Date, the Closing Payment shall be paid by the Buyer to the Seller and upon Closing, the good and marketable title to the Aircraft with full title guarantee shall be transferred by the Seller to the Buyer.

Based on information available to the Buyer as at the date of this joint announcement, it is expected that the Closing of the Acquisition would take place on 29 December 2017 and the Closing Payment for the expected Closing Date on 29 December 2017 would amount to approximately US\$11.7 million (equivalent to approximately HK\$91.3 million).

In the event the Closing in respect of the Aircraft has not taken place by the Closing Deadline for any reason, the Seller's obligation to sell and the Buyer's obligation to purchase the Aircraft shall automatically terminate on the Closing Deadline and neither the Seller nor the Buyer shall have any further rights, obligations and liabilities under the Purchase Agreement (other than any accrued rights, obligations and liabilities under the Purchase Agreement).

Seller's representations and warranties:

The Purchase Agreement contains representations and warranties given by the Seller including among others the following:

- (a) each consent, authorization, registration and notification required by the Seller in connection with execution, delivery, performance, legality, validity or enforceability of the Transaction Documents has been obtained (or will be obtained prior to the Closing) and is in full force or effect (or will be in full force or effect prior to the Closing);

- (b) the Seller has full legal and beneficial title in and to the Aircraft free and clear of all security interests other than (i) the Lessee's leasehold interest under the Lease, (ii) the permitted security interests (as defined in the Lease) and (iii) any other security interests created by or through the Lessee or otherwise in connection with the operation of the Aircraft;
- (c) neither the Seller nor the Existing Lessor has actual knowledge that any total loss of the Aircraft has occurred; and
- (d) the Lease for the Aircraft has not been terminated by the Existing Lessor and no notice of the termination of the Lease has been issued by the Existing Lessor.

Buyer's representations and warranties: The Purchase Agreement contains representations and warranties given by the Buyer including among others the following:

- (a) each consent, authorization, registration and notification required by the Buyer in connection with execution, delivery, performance, legality, validity or enforceability of the Transaction Documents has been obtained (or will be obtained prior to the Closing) and is in full force or effect (or will be in full force or effect prior to the Closing).

LEASE NOVATION

The Aircraft is currently leased to an independent airline operator operating in Greece under the Lease and the lease terms of the Lease will expire in April 2021. The average monthly rental under the remaining lease terms of the Lease is approximately US\$133,000 (equivalent to approximately HK\$1.0 million). The rental under the Lease is payable in advance on a monthly basis. Prior to the Closing of the sale and purchase for the Aircraft, the relevant parties will enter into the Novation Agreement for the Lease, which will take effect from the Closing. Upon the Novation Agreement becoming effective from the Closing, the Buyer (or its nominee) will become the new lessor under the Lease.

INFORMATION ON THE AIRCRAFT

The Aircraft is an Airbus A319 aircraft manufactured in 2008 and is leased to an independent airline operator under the Lease. The Buyer has not been provided with the net profits and the book value attributable to the Aircraft.

REASONS FOR THE ACQUISITION

The Buyer is a wholly-owned subsidiary of Regal which is a listed subsidiary of Century City and Paliburg.

Century City, through its subsidiaries, is principally engaged in property development and investment, construction and building related businesses, hotel ownership, hotel operation and management,

asset management, aircraft ownership and leasing business and other investments including financial assets investments.

Paliburg, through its subsidiaries, is principally engaged in property development and investment, construction and building related businesses, hotel ownership, hotel operation and management, asset management, aircraft ownership and leasing business and other investments including financial assets investments.

Regal, through its subsidiaries, is principally engaged in hotel ownership business undertaken through Regal REIT, hotel operation and management businesses, asset management of Regal REIT, property development and investment, including those undertaken through the joint venture in P&R Holdings Limited and the interest in the retained houses in Regalia Bay in Stanley, aircraft ownership and leasing business and other investments including financial assets investments.

The Century City Group currently owns a 100% interest in a Boeing 737-300F freighter aircraft which is under finance lease to a logistics operator.

The Regal Group currently owns a fleet of 12 aircraft (including 1 aircraft which is 85%-owned), of which 3 aircraft are under operating lease, 6 aircraft on finance lease, 2 aircraft pending re-lease or disposal and 1 aircraft in the process of repossession from the lessee.

The Regal Group will engage a professional aircraft manager to manage the Aircraft and the Lease. The Acquisition represents an appropriate acquisition opportunity for the Regal Group to replenish its aircraft fleet and to enlarge its lessee base. The Century City Directors consider that the terms of the Acquisition are fair and reasonable and in the interests of Century City and its shareholders as a whole.

LISTING RULES IMPLICATIONS

As the Buyer is a wholly-owned subsidiary of Regal which is a listed subsidiary of Century City and Paliburg, the Buyer is therefore a subsidiary of Century City and Paliburg. Based on the applicable percentage ratios, the Acquisition constitutes a discloseable transaction for Century City subject to announcement requirement under the Listing Rules.

This joint announcement is voluntarily made by Paliburg and Regal to provide their respective shareholders and potential investors with relevant information on the Acquisition.

DEFINITIONS

“Acquisition”	the acquisition of the Aircraft in an “as is, where is” condition by the Buyer from the Seller on the terms and subject to the conditions of the Purchase Agreement
“Aircraft”	one (1) Airbus A319 aircraft
“Buyer”	Hill Treasure Limited, a wholly-owned subsidiary of Regal

“Buyer CPs”	the conditions under the Purchase Agreement the fulfillment (by the Seller) or waiver (by the Buyer) of which will oblige the Buyer to purchase the Aircraft from the Seller
“Century City”	Century City International Holdings Limited, a limited company incorporated in Bermuda 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
“Closing”	the completion of the sale and purchase of the Aircraft and of the other transactions with respect to the Aircraft as contemplated under the Purchase Agreement
“Closing Date”	the date of the Closing
“Closing Deadline”	31 December 2017 or such later date as the parties may agree in writing
“Closing Payment”	an amount payable by the Buyer to the Seller on or prior to the Closing Date equal to the Purchase Price plus the Interest Adjustment Amount and minus the Rent Adjustment Amount, the Lease Security Deposit, the Maintenance Reserves Balance and the Total Deposit
“Existing Lessor”	the existing lessor of the Aircraft under the Lease (before the Lease Novation)
“Further Deposit”	a further deposit in the amount of US\$1.5 million (equivalent to approximately HK\$11.7 million) payable by the Buyer to the Seller within 2 business days after execution of the Purchase Agreement by the parties
“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
“Initial Deposit”	an initial deposit in the amount of US\$0.3 million (equivalent to approximately HK\$2.3 million) paid by the Buyer to the Seller following execution of the Letter of Intent

“Interest Adjustment Amount”	an amount equal to the Purchase Price multiplied by 5.5% per annum for the period from 30 June 2017 to the Closing Date calculated on a daily basis
“Lease”	the lease of the Aircraft to an independent airline operator (as the lessee)
“Lease Novation”	the novation of the Lease by the Existing Lessor to the Buyer (or its nominee)
“Lease Security Deposit”	the cash security deposit in an amount of US\$0.52 million (equivalent to approximately HK\$4.1 million) paid by the Lessee to the Existing Lessor under the Lease
“Lessee”	the lessee of the Aircraft under the Lease
“Letter of Intent”	a letter of intent entered into between the relevant parties in July 2017 in respect of the possible acquisition by the Buyer of the Aircraft
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Maintenance Reserves Balance”	the balance of maintenance reserves in relation to the Aircraft paid by the Lessee to the Existing Lessor pursuant to the Lease and held by the Seller and/or the Existing Lessor on the Closing Date
“Novation Agreement”	the aircraft lease novation and amendment agreement between the Existing Lessor, the Lessee and the Buyer (or its nominee), effecting the Lease Novation of the Aircraft
“Paliburg”	Paliburg Holdings Limited, a limited company incorporated in Bermuda and whose issued ordinary shares are listed on the Main Board of the Stock Exchange (Stock Code: 617)
“percentage ratios”	the percentage ratios calculated based on the requirements under Rule 14.07 of the Listing Rules
“Purchase Agreement”	the aircraft sale and purchase agreement dated 15 December 2017 entered into between the Buyer and the Seller in relation to the Acquisition
“Purchase Price”	the purchase price of the Aircraft for the Acquisition
“Regal”	Regal Hotels International Holdings Limited, a limited company incorporated in Bermuda and whose issued ordinary shares are listed on the Main Board of the Stock Exchange (Stock Code: 78)

“Regal Group”	Regal and its subsidiaries
“Regal REIT”	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), the issued units of which are listed on the Main Board of the Stock Exchange (Stock Code: 1881)
“Rent Adjustment Amount”	an amount equal to the base rent under the Lease paid and payable by the Lessee for the period from 30 June 2017 to the Closing Date
“Seller”	Amentum Aircraft Leasing No. Four Limited, the owner of the Aircraft
“Seller CPs”	the conditions under the Purchase Agreement the fulfillment (by the Buyer) or waiver (by the Seller) of which will oblige the Seller to sell the Aircraft to the Buyer
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Total Deposit”	the Initial Deposit and the Further Deposit in a total amount of US\$1.8 million (equivalent to approximately HK\$14.0 million)
“Transaction Document(s)”	collectively the Purchase Agreement, the Novation Agreement, the acceptance certificate, the bill of sale and other operative documents
“US\$”	United States dollars, the lawful currency of the United States of America

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, 15 December 2017

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. Jimmy LO Chun To *(Vice Chairman)*
Miss LO Po Man *(Vice Chairman)*
Mr. Kenneth NG Kwai Kai
(Chief Operating Officer)
Mr. Donald FAN Tung
Mr. Kelvin LEUNG So Po

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. Jimmy LO Chun To
(Vice Chairman and Managing Director)
Mr. Donald FAN Tung
(Chief Operating Officer)
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
Hon. Abraham SHEK Lai Him, GBS, 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)
Miss LO Po Man
(Vice Chairman and Managing Director)
Ms. Belinda YEUNG Bik Yiu
(Chief Operating Officer)
Mr. Donald FAN Tung
Mr. Jimmy LO Chun To
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

For illustration purposes, the exchange rate of US\$1.00 = HK\$7.80 has been used to convert US\$ into HK\$ in this joint announcement.