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**THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION**

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**If you are in any doubt** as to any aspect of this circular or as to the action to be taken, you should consult your licensed securities dealer, bank manager, solicitor, professional accountant or other professional adviser.

**If you have sold or transferred** all your shares in **Century City International Holdings Limited**, you should at once hand this circular to the purchaser or transferee or the bank, licensed securities dealer or other agent through whom the sale was effected for transmission to the purchaser or transferee.

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This circular is for information purposes only and does not constitute an invitation or offer to acquire, purchase or subscribe for any shares, warrants or any other securities in Century City International Holdings Limited.

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**DISCLOSEABLE TRANSACTION**  
**SUBSCRIPTION OF OPEN OFFER SHARES**  
**AND POSSIBLE SUBSCRIPTION OF SUBSCRIPTION SHARES**  
**UNDER THE OPEN OFFER OF**  
**PALIBURG HOLDINGS LIMITED**

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## DEFINITIONS

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*In this circular, the following expressions have the following meanings unless the context requires otherwise:*

|                             |   |
|-----------------------------|---|
| “Announcements”             | the announcements jointly issued by the Company and Paliburg dated 28 September 2007 and 10 October 2007 respectively in relation to the Open Offer   |
| “associate(s)”              | has the meaning ascribed to it under the Listing Rules  |
| “Board”                     | the board of Directors  |
| “Business Day(s)”           | any day (other than Saturday, Sunday or public holiday) on which licensed banks in Hong Kong are generally open for business throughout their normal business hours   |
| “Companies Act”             | the Companies Act 1981 of Bermuda (as amended from time to time)  |
| “Companies Ordinance”       | the Companies Ordinance, Chapter 32 of the Laws of Hong Kong (as amended from time to time)   |
| “Company” or “Century City” | Century City International Holdings Limited, a company incorporated in Bermuda with limited liability, the Shares and warrants of which are listed on the Stock Exchange  |
| “Director(s)”               | the director(s) of the Company  |
| “Excluded Shareholder(s)”   | those Overseas Shareholders with registered addresses in the territories where, based on Paliburg’s enquiry, there may be legal restrictions (under the laws of the relevant places and the requirements of the relevant regulatory bodies or stock exchanges), other restrictions, impracticality or difficulties for Paliburg’s making the Open Offer to such Overseas Shareholders |
| “Exercise Price”            | the sum payable in respect of each Subscription Share subscribed for upon exercise of a Subscription Right by a holder of a Warrant, initially being HK\$0.21 per Subscription Share, subject to adjustment   |
| “Group”                     | the Company and its subsidiaries (excluding the Paliburg Group)   |
| “HKSCC”                     | Hong Kong Securities Clearing Company Limited   |
| “Hong Kong”                 | the Hong Kong Special Administrative Region of the People’s Republic of China   |

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## DEFINITIONS

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| “Last Trading Day”        | 21 September 2007, being the last whole trading day which was immediately prior to the suspension of trading in the Paliburg Shares on the Stock Exchange before the release of the joint announcement of the Company and Paliburg dated 28 September 2007 |
| “Latest Practicable Date” | 16 October 2007, being the latest practicable date for ascertaining certain information for inclusion in this circular   |
| “Listing Committee”       | has the meaning ascribed thereto in the Listing Rules  |
| “Listing Rules”           | the Rules Governing the Listing of Securities on the Stock Exchange  |
| “Mr. Lo”                  | Mr. Lo Yuk Sui, the Chairman of the respective boards of directors of the Company and Paliburg   |
| “Open Offer”              | the offer of the Open Offer Shares on the basis of 7 Open Offer Shares (with 3 Warrants for every 7 Open Offer Shares taken up) for every 20 existing Paliburg Shares held by the Qualifying Shareholders on the Record Date                               |
| “Open Offer Documents”    | the Prospectus and the relevant application forms  |
| “Open Offer Share(s)”     | new Paliburg Share(s) to be issued and allotted under the Open Offer   |
| “Overseas Shareholders”   | Paliburg Shareholders whose names appear on the register of members of Paliburg at the close of business on the Record Date with registered addresses outside Hong Kong  |
| “Paliburg”                | Paliburg Holdings Limited, a company incorporated in Bermuda with limited liability, the Paliburg Shares of which are listed on the Stock Exchange   |
| “Paliburg Group”          | Paliburg and its subsidiaries  |
| “Paliburg Share(s)”       | ordinary share(s) of HK\$0.01 each in the share capital of Paliburg  |
| “Paliburg Shareholder(s)” | holder(s) of the Paliburg Shares   |
| “Paliburg SGM”            | the special general meeting of Paliburg to be convened on 7 November 2007 for the purpose of considering and, if thought fit, approving the issue of the Warrants and the Subscription Shares  |

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## DEFINITIONS

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|---------------------------|--|
| “Promissory Notes”        | promissory notes issued by the Paliburg Group on 24 April 2007 with an aggregate principal amount of HK\$300 million due on 30 November 2007   |
| “Prospectus”              | the prospectus of Paliburg dated 22 October 2007 in respect of the Open Offer  |
| “Qualifying Shareholders” | Paliburg Shareholders, other than the Excluded Shareholders, whose names appear on the register of members of Paliburg at the close of business on the Record Date   |
| “Record Date”             | 22 October 2007 or such other date as Paliburg may determine for the determination of entitlements of the Paliburg Shareholders under the Open Offer   |
| “Regal”                   | Regal Hotels International Holdings Limited, a company incorporated in Bermuda with limited liability, the ordinary shares of which are listed on the Stock Exchange   |
| “Registrar”               | Tricor Tengis Limited, the branch share registrar of Paliburg in Hong Kong   |
| “Shareholder(s)”          | holder(s) of the Share(s)  |
| “Share(s)”                | ordinary share(s) of HK\$0.01 each in the share capital of the Company   |
| “SFC”                     | the Securities and Futures Commission  |
| “SFO”                     | Securities and Futures Ordinance, Chapter 571 of the Laws of Hong Kong (as amended from time to time)  |
| “Stock Exchange”          | The Stock Exchange of Hong Kong Limited  |
| “Subscription Price”      | HK\$0.21 per Open Offer Share  |
| “Subscription Right(s)”   | in relation to each Warrant, means the right of the holder of the Warrant, in units of HK\$0.21 each, to subscribe for a certain number of new Paliburg Shares at the Exercise Price per Paliburg Share in accordance with the terms of the Warrants |
| “Subscription Shares”     | new Paliburg Shares to be issued upon exercise of the Subscription Rights  |
| “Takeovers Code”          | the Code on Takeovers and Mergers  |

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## DEFINITIONS

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|                 |   |
|-----------------|---|
| “Warrants”      | warrants due 2010 to be issued by Paliburg under the Open Offer which carry the benefit of the Subscription Rights  |
| “Warrantholder” | the holders of the warrants issued by the Company carrying subscription rights which are exercisable during the period from 18 April 2006 to 11 January 2011 to subscribe for new Shares at an initial subscription price of HK\$0.10 per Share (subject to adjustment) |
| “HK\$”          | Hong Kong dollars   |
| “%”             | per cent.   |

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## LETTER FROM THE BOARD

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*Executive Directors:*

Mr. LO Yuk Sui (*Chairman and Chief Executive Officer*)  
Mr. Kenneth NG Kwai Kai (*Chief Operating Officer*)  
Mr. Donald FAN Tung  
Mr. Jimmy LO Chun To  
Miss LO Po Man

*Independent non-executive Directors:*

Mr. Anthony CHUANG  
Mr. NG Siu Chan  
Mr. WONG Chi Keung

*Registered office:*

Rosebank Centre  
11 Bermudiana Road  
Pembroke  
Bermuda

*Head office and  
principal place of business:*

11th Floor  
68 Yee Wo Street  
Causeway Bay  
Hong Kong

22 October 2007

*To the Shareholders and Warrantholders (for information purposes only)*

Dear Sir or Madam,

### **DISCLOSEABLE TRANSACTION**

### **SUBSCRIPTION OF OPEN OFFER SHARES AND POSSIBLE SUBSCRIPTION OF SUBSCRIPTION SHARES UNDER THE OPEN OFFER OF PALIBURG HOLDINGS LIMITED**

#### **INTRODUCTION**

As set out in the Announcements, Paliburg proposes the Open Offer of 7 Open Offer Shares for every 20 existing Paliburg Shares held on the Record Date. The Subscription Price is HK\$0.21 per Open Offer Share. The Open Offer is not underwritten. Based on the number of Paliburg Shares in issue as at the Latest Practicable Date, approximately 2,640.7 million Open Offer Shares will be issued by Paliburg if all the Open Offer Shares are taken up by the Qualifying Shareholders. The Company has irrevocably undertaken to Paliburg that the Group will subscribe in full for approximately 1,337.1 million Open Offer Shares to which it is entitled under the Open Offer based on the number of Paliburg Shares held by the Group as at the Latest Practicable Date. In addition, Mr. Lo has separately and irrevocably undertaken to Paliburg that he and his associates (other than the Group) will subscribe in full for approximately 150.9 million Open Offer Shares to which they are entitled under the Open Offer based on the number of Paliburg Shares held by them as at the Latest Practicable Date.

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## LETTER FROM THE BOARD

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Warrants will be issued by Paliburg by way of bonus issue to the Qualifying Shareholders in the proportion of 3 Warrants for every 7 Open Offer Shares taken up. The Warrants will carry the Subscription Rights in units of HK\$0.21 each which confer on their holders the rights to subscribe for Subscription Shares at the initial Exercise Price of HK\$0.21 per Paliburg Share.

The purpose of this circular is to provide you with, among other things, information on the subscription of the Open Offer Shares to which the Group is entitled and the possible subscriptions of excess Open Offer Shares (as set out in the paragraph headed “Application for excess Open Offer Shares” below) and Subscription Shares through exercise of the Subscription Rights attaching to the Warrants to be issued to the Group under the Open Offer.

### DETAILS OF THE OPEN OFFER

#### Terms of the Open Offer

|   |  |
|---|--|
| Basis of the Open Offer   | 7 Open Offer Shares (with 3 Warrants by way of bonus issue for every 7 Open Offer Shares taken up) for every 20 existing Paliburg Shares held on the Record Date at the Subscription Price, payable in full on application   |
| Number of existing Paliburg Shares in issue as at the Latest Practicable Date | 7,544,997,452 Paliburg Shares  |
| Total number of Open Offer Shares and Warrants to be issued                   | not more than approximately 2,640.7 million Open Offer Shares and Warrants carrying up to approximately 1,131.7 million units of Subscription Rights at an initial Exercise Price of HK\$0.21 per Paliburg Share based on the number of Paliburg Shares in issue as at the Latest Practicable Date |
| Subscription Price  | HK\$0.21 per Open Offer Share  |

The Open Offer is not underwritten. The Company understands that Paliburg considers it appropriate not to have the Open Offer underwritten given the additional costs involved and the specific purpose of the fund raising under the Open Offer. Based on the closing price of Paliburg Share as at the Last Trading Day, Paliburg’s public shareholding had a market capitalization of approximately HK\$1,020.6 million. Paliburg recorded net profits attributable to Paliburg Shareholders for each of the two years ended 31 December 2006. Accordingly, Paliburg satisfies the requirements under Note 2 to Rule 7.19(2) of the Listing Rules in respect of the Open Offer not being underwritten.

The Company has irrevocably undertaken to Paliburg that the Group will subscribe in full for approximately 1,337.1 million Open Offer Shares to which it is entitled under the Open Offer based on the number of Paliburg Shares held by the Group as at the Latest Practicable Date. In addition, Mr. Lo has separately and irrevocably undertaken to Paliburg that he and his associates (other than the Group) will subscribe in full for approximately 150.9 million Open Offer Shares to which they are entitled under the Open Offer based on the number of Paliburg Shares held by them as at the Latest Practicable Date.



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## LETTER FROM THE BOARD

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The number of Open Offer Shares and Warrants which may be issued depends on the level of acceptances and excess application under the Open Offer. Nevertheless, the Open Offer will proceed regardless of the ultimate subscription level and there is no minimum subscription amount that must be raised by the Open Offer in order for the Open Offer to proceed.

### Subscription Price

The Subscription Price is HK\$0.21 per Open Offer Share. The aggregate Subscription Price in respect of the Open Offer is payable in full upon acceptance of the assured entitlements.

The Subscription Price represents:

- a discount of approximately 32.3% to the closing price of HK\$0.31 per Paliburg Share as quoted on the Stock Exchange on the Last Trading Day;
- a discount of approximately 25.0% to the theoretical ex-entitlement price of approximately HK\$0.28 per Paliburg Share based on the closing price per Paliburg Share as quoted on the Stock Exchange on the Last Trading Day;
- a discount of approximately 34.4% to the average closing price of HK\$0.32 per Paliburg Share for the ten trading days up to and including the Last Trading Day; and
- a discount of approximately 26.3% to the closing price of HK\$0.285 per Paliburg Share on the Latest Practicable Date.

The Subscription Price was determined by Paliburg based on the recent market prices of the Paliburg Shares prior to the Last Trading Date. Paliburg is of the view that the Open Offer will provide Paliburg Group with additional funding to further strengthen the financial position of the Paliburg Group. Both the Directors and directors of Paliburg consider that the terms of the Open Offer are fair and reasonable and the Directors consider that the subscriptions of the Open Offer Shares is in the interests of the Company and the Shareholders as a whole.

### The Warrants

The Warrants will be issued to the Qualifying Shareholders who have taken up the Open Offer Shares under the Open Offer by way of bonus issue.

Based on the initial Exercise Price of HK\$0.21 per Subscription Share, every unit of the Subscription Right will confer on the holder of the relative Warrant the right to subscribe for one new Subscription Share. The initial Exercise Price is the same as the Subscription Price of HK\$0.21 and is subject to adjustment in accordance with the terms of the Warrants in certain events, such as, share consolidation, sub-division, capitalisation issue or certain dilutive issues. Should the Exercise Price be adjusted pursuant to the terms of the Warrants, the number of Subscription Shares for which a holder of a Warrant is entitled to subscribe will also be adjusted.

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## LETTER FROM THE BOARD

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The Warrants will be exercisable at any time from and including the date falling 7 days after the issue date of the Warrants (if such date is not a Business Day, the following Business Day) to the close of business on the date falling 7 days prior to the third anniversary of the issue of the Warrants (if such date is not a Business Day, the following Business Day).

Based on the shareholding of Paliburg as at the Latest Practicable Date, Warrants carrying approximately 1,131.7 million units of Subscription Rights will be granted if all the Open Offer Shares are taken up by the Qualifying Shareholders. If all such Subscription Rights are exercised at the initial Exercise Price, the aggregate gross proceeds receivable by the Paliburg Group would be approximately HK\$237.7 million.

Fractional entitlements to less than one unit of HK\$0.21 Subscription Right attaching to the Warrants will not be granted and will be ignored.

The rights of the Subscription Shares are set out in the paragraph headed “Status and rights of the Open Offer Shares and the Subscription Shares” below.

The Warrants will be freely transferable.

### **Qualifying Shareholders**

To qualify for the Open Offer, a Paliburg Shareholder must be registered as a member of Paliburg on the Record Date. The register of members of Paliburg was closed between 16 October 2007 and 22 October 2007 and no transfer of Paliburg Shares could be registered during such period. As at the Latest Practicable Date, certain members of the Group held a total of approximately 3,820.2 million Paliburg Shares. Those members of the Group will be Qualifying Shareholders entitled to apply for an aggregate of approximately 1,337.1 million Open Offer Shares (attached with Warrants carrying approximately 573.0 million units of Subscription Rights based on the initial Exercise Price of HK\$0.21).

Entitlements to the Open Offer Shares under the Open Offer are not transferable nor capable of renunciation. There will not be any trading of nil-paid entitlements to the Open Offer Shares. As mentioned above, the Company has irrevocably undertaken to Paliburg that the Group will take up its entitlements under the Open Offer in full.

The Open Offer will not be extended to the Excluded Shareholders. Any entitlements of the Excluded Shareholders pursuant to the Open Offer will be made available for excess applications as more detailed below.

### **Fractions of Open Offer Shares**

Fractional entitlements of Open Offer Shares will not be allotted, but will be aggregated and made available for excess applications.

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## LETTER FROM THE BOARD

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### **Application for excess Open Offer Shares**

Under the Open Offer, the Qualifying Shareholders may apply for the entitlements of the Excluded Shareholders, any Open Offer Shares not initially taken up by the Qualifying Shareholders and any aggregate fractional entitlements of the Open Offer Shares. The Group, Mr. Lo and his associates (excluding the Group) may separately apply for the subscription of excess Open Offer Shares through the excess application arrangement.

The Company notes that Paliburg will allocate any excess Open Offer Shares at its discretion on a fair and equitable basis with preference first be given to topping up odd lots to whole board lots under the Open Offer and then have the remaining excess Open Offer Shares be allocated with reference to the shareholding in Paliburg of those Qualifying Shareholders who have validly made excess applications.

### **Status and rights of the Open Offer Shares and the Subscription Shares**

The Open Offer Shares and the Subscription Shares, when allotted and fully paid, will rank *pari passu* with the then existing Paliburg Shares in all respects. Holders of the Open Offer Shares will be entitled to receive all future dividends and distributions which are declared, made or paid after the allotment of the Open Offer Shares and holders of the Subscription Shares will be entitled to receive all dividends or other distributions paid or made after the relevant subscription date other than any dividend or other distribution previously declared or recommended or resolved to be paid or made if the record date therefor shall be on or before the relevant subscription date and notice of the amount and record date for which shall have been given to the Stock Exchange (or any other stock exchange on which Paliburg Shares are listed as is in the opinion of the directors of Paliburg the primary stock exchange in relation to the Paliburg Shares) prior to the relevant subscription date.

### **APPLICATION FOR LISTING**

The Company notes that Paliburg has applied to the Stock Exchange for the listing of, and permission to deal in, the Open Offer Shares and the Subscription Shares on the Stock Exchange.

The Warrants upon issue will not be listed on the Stock Exchange or any other stock exchange. Depending on the results of the Open Offer, the Company notes that Paliburg may apply for listing of the Warrants on the Stock Exchange by way of introduction after their issue subject to the relevant requirements of the Listing Rules. A further announcement will be made by Paliburg if application for listing of the Warrants on the Stock Exchange is made.

### **CONDITIONS OF THE OPEN OFFER**

Completion of the Open Offer is conditional upon:

- (a) the listing committee of the Stock Exchange granting or agreeing to grant (subject to allotment) and not having revoked, listing of and permission to deal in the Open Offer Shares and the Subscription Shares to be issued;

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## LETTER FROM THE BOARD

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- (b) the delivery to the Stock Exchange and registration with the Registrar of Companies in Hong Kong of one duly signed copy of the Open Offer Documents and otherwise being in compliance with the Listing Rules and the Companies Ordinance in Hong Kong;
- (c) the posting of the Open Offer Documents to the Qualifying Shareholders and the posting of the Prospectus to the Excluded Shareholders;
- (d) the filing with the Registrar of Companies in Bermuda, one copy of each of the Open Offer Documents duly signed by one director of Paliburg (for and on behalf of all Paliburg's directors) as having been approved by a resolution of the board of directors of Paliburg (and all documents required thereto) and otherwise in compliance with the Companies Act; and
- (e) the Paliburg Shareholders passing an ordinary resolution at the Paliburg SGM to approve the issue of the Warrants and the Subscription Shares falling to be issued on exercise of the Warrants.

Conditions (b) and (c) above have been fulfilled. Conditions (a), (d) and (e) above have not been fulfilled.

According to the bye-laws of Paliburg, an issue of warrants by Paliburg is subject to Paliburg Shareholders' approval in general meeting. As such, the issue of the Warrants pursuant to the Open Offer is subject to Paliburg Shareholders' approval. The Open Offer will therefore be conditional on, inter alia, Paliburg Shareholders approving the ordinary resolution at the Paliburg SGM for the issue of the Warrants and the Subscription Shares falling to be issued on exercise of Warrants.

As at the Latest Practicable Date, the Group held approximately 3,820.2 million Paliburg Shares (representing approximately 50.63% of the issued Paliburg Shares) and Mr Lo and his associates (excluding the Group) held approximately 431.1 million Paliburg Shares (representing approximately 5.71% of the issued Paliburg Shares). The Company has irrevocably undertaken to Paliburg that the Group will, and Mr Lo has also separately and irrevocably undertaken to Paliburg that he and his associates (excluding the Group) will, vote in favour of the ordinary resolution to be proposed at the Paliburg SGM to approve the issue of the Warrants and the Subscription Shares. If the ordinary resolution to approve the issue of the Warrants and the Subscription Shares is not passed at the Paliburg SGM or if any other conditions of the Open Offer are not fulfilled on or before 30 November 2007, the Open Offer will lapse and will not proceed.

## LETTER FROM THE BOARD

### SHAREHOLDING STRUCTURE OF PALIBURG AND EFFECTS OF THE OPEN OFFER

The table below shows the shareholding structure of Paliburg, and the effects of the Open Offer on the shareholding structure (assuming there will be no other changes to the shareholding structure of Paliburg).

|  | Assuming only the Company, Mr. Lo and their respective associates take up their entitlements under the Open Offer and all remaining entitlements are taken up by the Group via excess application |                           | Assuming only the Company, Mr. Lo and their respective associates take up their entitlements under the Open Offer and no excess application is made |                           | Assuming only the Company, Mr. Lo and their respective associates take up their entitlements under the Open Offer and exercise of the Subscription Rights by the allottees of the Warrants in full based on the initial Exercise Price |                           | Assuming all Paliburg Shareholders take up their entitlements under the Open Offer |                           | Assuming only the Company, Mr. Lo and their respective associates take up their entitlements under the Open Offer and exercise of the Subscription Rights by the allottees of the Warrants in full based on the initial Exercise Price |                           |                |        |
|--|---|---------------------------|---|---------------------------|--|---------------------------|--|---------------------------|--|---------------------------|----------------|--------|
|  | As at the Latest Practicable Date   | Number of Paliburg Shares | %   | Number of Paliburg Shares | %  | Number of Paliburg Shares | %  | Number of Paliburg Shares | %  | Number of Paliburg Shares | %              |        |
| The Group  | 3,820,218,001   | 50.63                     | 5,157,294,301   | 50.63                     | 5,157,294,301  | 57.09                     | 5,730,327,001  | 59.25                     | 6,310,082,540  | 61.95                     | 7,377,167,341  | 65.18  |
| Mr. Lo and his associates (other than the Group)               | 431,098,765   | 5.71                      | 581,983,332   | 5.71                      | 581,983,332  | 6.44                      | 646,648,146  | 6.69                      | 581,983,332  | 5.71                      | 646,648,146    | 5.71   |
| Directors of Paliburg (other than Mr. Lo) and their associates | 1,325,218   | 0.02                      | 1,789,044   | 0.02                      | 1,325,218  | 0.01                      | 1,325,218  | 0.01                      | 1,325,218  | 0.01                      | 1,325,218      | 0.01   |
| Public Shareholders of Paliburg                                | 3,292,355,468   | 43.64                     | 4,444,679,881   | 43.64                     | 3,292,355,468  | 36.46                     | 3,292,355,468  | 34.05                     | 3,292,355,468  | 32.33                     | 3,292,355,468  | 29.10  |
| Total  | 7,544,997,452   | 100.00                    | 10,185,746,558  | 100.00                    | 9,032,958,319  | 100.00                    | 9,670,655,833  | 100.00                    | 10,185,746,558   | 100.00                    | 11,317,496,173 | 100.00 |

*Note: The above shareholding table has not taken into account that fractional entitlements under the Open Offer may not be offered to the Paliburg Shareholders.*

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## LETTER FROM THE BOARD

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### REASONS FOR AND BENEFITS OF THE OPEN OFFER

The Group together with the Paliburg Group are principally engaged in property development and investment, construction and building related businesses, and other investments.

In April 2007, the Paliburg Group acquired certain convertible bonds convertible into ordinary shares of Regal at a total consideration of HK\$360 million. The Paliburg Group settled the consideration partly by cash and partly by the issue of the Promissory Notes. The Promissory Notes have an aggregate principal amount of HK\$300 million bearing interest at 5% per annum. The Promissory Notes will become due on 30 November 2007 as agreed between the Paliburg Group and the holders of the Promissory Notes in writing after issue of the Promissory Notes. The total amount repayable by the Paliburg Group under the Promissory Notes upon maturity amounts to approximately HK\$309 million. Based on the shareholding structure of Paliburg as at the Latest Practicable Date, the maximum gross proceeds from the Open Offer are estimated to amount to approximately HK\$554.6 million and the maximum net proceeds from the Open Offer are estimated to be approximately HK\$552.8 million. The Company notes that Paliburg proposes to use (1) the first available amount of HK\$309 million from the proceeds from the Open Offer to repay the Promissory Notes, (2) the next available amount of approximately HK\$197 million from the proceeds for the repayment of a secured bank loan of the Paliburg Group which is due in February 2008 (subject to any new financing or refinancing arrangements that could be concluded on terms acceptable to Paliburg before the aforesaid maturity date) and (3) any remaining balance of the proceeds to be used for the existing property project of the Paliburg Group in China.

The Company and Mr. Lo have respectively and irrevocably undertaken to Paliburg that the Group and Mr. Lo and his associates (other than the Group) will subscribe in full for the Open Offer Shares to which they are respectively entitled under the Open Offer. As at the Latest Practicable Date, the Group and Mr. Lo and his associates (excluding the Group) held approximately 3,820.2 million Paliburg Shares and approximately 431.1 million Paliburg Shares respectively. The Group, Mr. Lo and his associates together are entitled to subscribe for approximately 1,488.0 million Open Offer Shares under the Open Offer and Paliburg will raise at least aggregate gross proceeds of approximately HK\$312.5 million, representing the aggregate Subscription Price of such Open Offer Shares to which the Group, Mr. Lo and his associates are entitled under the Open Offer. Paliburg estimates that such proceeds (after netting off expenses incurred by the Paliburg Group in connection with the Open Offer) will be sufficient to repay the Promissory Notes in full and any further subscriptions of the Open Offer Shares will help strengthen the financial and working capital position of the Paliburg Group. If all the Open Offer Shares are taken up by the Qualifying Shareholders, the gross proceeds are estimated to be approximately HK\$554.6 million.

Based on the shareholding of Paliburg as at the Latest Practicable Date, Warrants carrying approximately 1,131.7 million units of Subscription Rights will be granted if all the Open Offer Shares are taken up by the Qualifying Shareholders. If all such Subscriptions Rights are exercised at the initial Exercise Price, Paliburg would raise an additional gross proceeds of approximately HK\$237.7 million.

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## LETTER FROM THE BOARD

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Paliburg is of the view that the Open Offer will help improve the financial and working capital position of the Paliburg Group and is in the interests of Paliburg and the Paliburg Shareholders as a whole. The Company also considers that the Open Offer will help improve the financial and working capital position of the Paliburg Group which will in turn benefit the Company and the Shareholders. Subscription of the Open Offer Shares to which the Group is entitled under the Open Offer will enable the Group to at least maintain its present shareholding interest in Paliburg and any possible subscriptions of further Open Offer Shares through excess application will allow the Company to increase its shareholding in Paliburg. Depending on the market situation from time to time, the Group may exercise the Warrants to be issued to it under the Open Offer which will further increase the Group's shareholding interest in Paliburg.

### INFORMATION ON PALIBURG

Set out below are the audited consolidated revenue and the audited consolidated profit before and after tax of Paliburg for the two years ended 31 December 2006 and the six months ended 30 June 2007:

| <i>(HK\$'million)</i> | <b>For the year ended</b> |             | <b>For the six months</b> |
|-----------------------|---------------------------|-------------|---------------------------|
|                       | <b>31 December</b>        |             | <b>ended 30 June</b>      |
|                       | <b>2005</b>               | <b>2006</b> | <b>2007</b>               |
| Revenue               | 106.8                     | 187.3       | 221.0                     |
| Profit before tax     | 519.5                     | 308.7       | 1,201.0                   |
| Profit after tax      | 517.4                     | 300.1       | 1,200.1                   |

The unaudited consolidated net assets value of Paliburg amounted to approximately HK\$4,424.1 million as at 30 June 2007. As set out in the interim report of Paliburg for the six months ended 30 June 2007, the unaudited pro forma consolidated net assets value of Paliburg amounted to approximately HK\$6,058.0 million after having taken into account the share of the underlying reported net assets of Regal Real Estate Investment Trust attributable to Regal (an associate of Paliburg) as at 30 June 2007.

### DISCLOSEABLE TRANSACTION

As stated above, the Group may apply for excess Open Offer Shares not initially taken up by the other Qualifying Shareholders. Taking into account the number of Open Offer Shares undertaken to be taken up by the Group, Mr. Lo and his associates, the Group may potentially subscribe for up to an addition of approximately 1,152.7 million Open Offer Shares attaching with Warrants carrying approximately 494.1 million units of Subscription Rights (based on the initially Exercise Price of HK\$0.21) to be issued to the Group pursuant to the Open Offer through excess application.



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## LETTER FROM THE BOARD

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The subscription of up to approximately 2,489.8 million Open Offer Shares at the Subscription Price by the Group under the Open Offer (including the subscription of approximately 1,337.1 million Open Offer Shares which the Group are entitled as Qualifying Shareholders and the possible subscription of up to approximately 1,152.7 million Open Offer Shares (being the total number of Open Offer Shares less such amount of the Open Offer Shares undertaken to be taken up by the Group, Mr Lo and his associates) through excess application) and the possible subscriptions of Subscription Shares through exercise of any of the approximately 1,067.1 million units of Subscriptions Rights (based on the initial Exercise Price of HK\$0.21) attached to the Warrants to be issued to the Group pursuant to the Open Offer in aggregate constitute a discloseable transaction for the Company under the Listing Rules. The Group will fund the above possible acquisitions of the Open Offer Shares by its internal resources.

The Directors (including the independent non-executive Directors) consider that the terms of the above subscriptions pursuant to the Open Offer and the possible exercise of the Subscription Rights are fair and reasonable and in the interests of the Company and the Shareholders as a whole.

The Company will not be required to re-comply with the requirements under Chapter 14 of the Listing Rules when it exercises any Subscription Rights attached to the Warrants to be issued to the Group under the Open Offer unless there are any material changes to the terms of the Warrants.

### **EFFECTS ON ASSETS, LIABILITIES AND EARNINGS**

Paliburg is a major subsidiary of the Company. As at the Latest Practicable Date, the Group held an approximately 50.63% interest in Paliburg. Subscription of the Open Offer Shares to which the Group is entitled will enable the Group to at least maintain its shareholding interest in Paliburg after completion of the Open Offer. If the Group applies for and is allotted and issued with any excess Open Offer Shares, the shareholding interest of the Group in Paliburg will increase. As set out in the paragraph headed “Shareholding structure of Paliburg and effects of the Open Offer”, the shareholding interest of the Group in Paliburg would increase to approximately 57.09% if no other Qualifying Shareholders (other than the Group, Mr Lo and his associates) take up their entitlements under the Open Offer. Shareholding interest of the Group in Paliburg may further increase if the Group exercises the Subscription Rights attached to the Warrants issued to it under the Open Offer.

In the absence of any other changes, immediately upon completion of the Open Offer, Paliburg will continue to be a subsidiary of the Company. The assets, liabilities, income and expenses of the Paliburg Group will continue to be consolidated in the financial statements of the Group. The Company is confident in the prospects of the Paliburg Group and believes that it is important to the Group’s earnings prospects to maintain the Group’s majority shareholding status in Paliburg.



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## LETTER FROM THE BOARD

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The total assets of the Group will increase upon completion of the Open Offer if Open Offer Shares are issued to Qualifying Shareholders other than the Group. Part of the proceeds from the Open Offer will be used to repay the Promissory Notes. This will help lower the gearing level of the Group and the Paliburg Group.

### ADDITIONAL INFORMATION

Your attention is also drawn to the additional information contained in the Appendix to this circular.

By Order of the Board  
**Century City International Holdings Limited**  
**Lo Yuk Sui**  
*Chairman*

## 1. RESPONSIBILITY STATEMENT

This circular includes particulars given in compliance with the Listing Rules for the purpose of giving information with regard to the Company. The Directors collectively and individually accept full responsibility for the accuracy of the information contained in this circular and confirm, having made reasonable enquiries, that to the best of their knowledge and belief, there are no other facts not contained herein the omission of which would make any statement contained in this circular misleading.

## 2. DISCLOSURE OF DIRECTORS' INTERESTS

As at the Latest Practicable Date, the interests and short positions, if any, of each Director and chief executive of the Company in the shares, underlying shares and debentures of the Company and any of its associated corporations (within the meaning of Part XV of the SFO) which were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which the Directors and chief executive were deemed or taken to have under such provisions of the SFO), or which were required to be and are recorded in the register required to be kept by the Company pursuant to Section 352 of the SFO, or as otherwise required to be notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers adopted by the Company ("Model Code") were as follows:

|                | Name of Director     | Class of shares held          | Number of Shares Held                           |                                   |                                      | Total (Approximate percentage of the issued share as at the Latest Practicable Date) |
|----------------|----------------------|-------------------------------|---|-----------------------------------|--------------------------------------|--|
|                |                      |                               | Personal interests                              | Family/other interests            | Corporate interests                  |  |
| 1. The Company | Mr. Lo               | Ordinary (i) issued           | 294,516,903                                     | 2,510,000                         | 11,664,822,186<br><i>(Note a(i))</i> | 11,961,849,089   |
|                |                      | (ii) unissued                 | 408,903,380<br><i>(Notes a(ii) &amp; (iii))</i> | 502,000<br><i>(Note a(iv))</i>    | 2,332,964,436<br><i>(Note a(v))</i>  | 2,742,369,816  |
|                |                      |                               |   | Total (i) & (ii):                 | 14,704,218,905<br>(68.45%)           |  |
|                | Mr. Jimmy Lo Chun To | Ordinary (i) issued           | 1,659,800                                       | —                                 | —                                    | 1,659,800  |
|                | (ii) unissued        | 331,960<br><i>(Note b(i))</i> | —   | —                                 | 331,960                              |  |
|                |                      |                               |   | Total (i) & (ii):                 | 1,991,760<br>(0.009%)                |  |
|                | Miss Lo Po Man       | Ordinary (i) issued           | 740,437   | —                                 | —                                    | 740,437  |
|                |                      | (ii) unissued                 | 148,087<br><i>(Note b(ii))</i>                  | —                                 | —                                    | 148,087  |
|                |                      |                               |   | Total (i) & (ii):                 | 888,524<br>(0.004%)                  |  |
|                | Mr. Ng Siu Chan      | Ordinary (i) issued           | —   | 23,221,800                        | —                                    | 23,221,800   |
|                |                      | (ii) unissued                 | —   | 4,644,360<br><i>(Note b(iii))</i> | —                                    | 4,644,360  |
|                |                      |                               |   | Total (i) & (ii):                 | 27,866,160<br>(0.13%)                |  |

| Name of associated corporation | Name of Director        | Class of shares held          | Number of Shares Held              |                        |  | Total (Approximate percentage of the issued shares as at the Latest Practicable Date) |
|--------------------------------|-------------------------|-------------------------------|------------------------------------|------------------------|--|---|
|                                |                         |                               | Personal interests                 | Family/other interests | Corporate interests                            |   |
| 2. Paliburg                    | Mr. Lo                  | Ordinary                      |                                    |                        |  |   |
|                                |                         | (i) issued                    | 124,242,765                        | 100,000                | 4,126,974,001<br><i>(Note c(i))</i>            | 4,251,316,766   |
|                                |                         | (ii) unissued                 | 180,000,000<br><i>(Note c(ii))</i> | —                      | —  | 180,000,000   |
|                                |                         |                               |                                    |                        | Total (i) & (ii):                              | 4,431,316,766<br>(58.73%)   |
|                                | Mr. Kenneth Ng Kwai Kai | Ordinary                      |                                    |                        |  |   |
|                                |                         | (i) issued                    | 500,000                            | —                      | —  | 500,000   |
|                                |                         | (ii) unissued                 | 19,500,000<br><i>(Note d)</i>      | —                      | —  | 19,500,000  |
|                                |                         |                               |                                    |                        | Total (i) & (ii):                              | 20,000,000<br>(0.27%)   |
|                                | Mr. Donald Fan Tung     | Ordinary                      |                                    |                        |  |   |
|                                |                         | (i) issued                    | 2,718                              | —                      | —  | 2,718   |
|                                |                         | (ii) unissued                 | 20,000,000<br><i>(Note e)</i>      | —                      | —  | 20,000,000  |
|                                |                         |                               |                                    |                        | Total (i) & (ii):                              | 20,002,718<br>(0.27%)   |
|                                | Mr. Jimmy Lo Chun To    | Ordinary                      |                                    |                        |  |   |
|                                |                         | (i) issued                    | 284,000                            | —                      | —  | 284,000   |
|                                |                         | (ii) unissued                 | 20,000,000<br><i>(Note e)</i>      | —                      | —  | 20,000,000  |
|                                |                         |                               |                                    | Total (i) & (ii):      | 20,284,000<br>(0.27%)                          |   |
| Miss Lo Po Man                 | Ordinary (unissued)     | 10,000,000<br><i>(Note f)</i> | —                                  | —                      | 10,000,000<br>(0.13%)                          |   |
|                                | Mr. Ng Siu Chan         | Ordinary (issued)             | —                                  | 536,500                | —  | 536,500<br>(0.0071%)  |
| 3. Regal                       | Mr. Lo                  | Ordinary                      |                                    |                        |  |   |
|                                |                         | (i) issued                    | 242,000                            | 2,607,000              | 4,760,972,636<br><i>(Note g(i))</i>            | 4,763,821,636   |
|                                |                         | (ii) unissued                 | 200,000,000<br><i>(Note g(iv))</i> | —                      | 15,608,427<br><i>(Notes g(ii) &amp; (iii))</i> | 215,608,427   |
|                                |                         |                               |                                    |                        | Total (i) & (ii):                              | 4,979,430,063<br>(46.93%)   |
|                                |                         | Preference (issued)           | —                                  | —                      | 3,440<br><i>(Note g(iii))</i>                  | 3,440<br>(20.54%)   |

| Name of associated corporation                  | Name of Director        | Class of shares held | Number of Shares Held           |                        |                                | Total (Approximate percentage of the issued shares as at the Latest Practicable Date) |
|---|-------------------------|----------------------|---------------------------------|------------------------|--------------------------------|---|
|   |                         |                      | Personal interests              | Family/other interests | Corporate interests            |   |
| 3. Regal  | Mr. Kenneth Ng Kwai Kai | Ordinary (unissued)  | 20,000,000<br>( <i>Note h</i> ) | —                      | —                              | 20,000,000<br>(0.19%)   |
|   | Mr. Donald Fan Tung     | Ordinary (unissued)  | 20,000,000<br>( <i>Note h</i> ) | —                      | —                              | 20,000,000<br>(0.19%)   |
|   | Mr. Jimmy Lo Chun To    | Ordinary (unissued)  | 15,000,000<br>( <i>Note i</i> ) | —                      | —                              | 15,000,000<br>(0.14%)   |
|   | Miss Lo Po Man          | Ordinary (i) issued  | 3,000,000                       | 2,691,690              | —                              | 5,691,690   |
|   |                         | (ii) unissued        | 30,000,000<br>( <i>Note j</i> ) | —                      | —                              | 30,000,000  |
| Total (i) & (ii):                               |                         |                      |                                 |                        |                                | 35,691,690<br>(0.34%)   |
| 4. 8D International (BVI) Limited               | Mr. Lo                  | Ordinary (issued)    | —                               | —                      | 1,000<br>( <i>Note k</i> )     | 1,000<br>(100%)   |
| 5. 8D Matrix Limited                            | Mr. Lo                  | Ordinary (issued)    | —                               | —                      | 2,000,000<br>( <i>Note l</i> ) | 2,000,000<br>(100%)   |
| 6. 8D International Limited                     | Mr. Lo                  | Ordinary (issued)    | —                               | —                      | 500,000<br>( <i>Note m</i> )   | 500,000<br>(100%)   |
| 7. 8D International (China) Limited             | Mr. Lo                  | Ordinary (issued)    | —                               | —                      | 1<br>( <i>Note n</i> )         | 1<br>(100%)   |
| 8. 8D Travel Limited                            | Mr. Lo                  | Ordinary (issued)    | —                               | —                      | 500,000<br>( <i>Note o</i> )   | 500,000<br>(100%)   |
| 9. Century Digital Communications (BVI) Limited | Mr. Lo                  | Ordinary (issued)    | —                               | —                      | 1<br>( <i>Note p</i> )         | 1<br>(100%)   |
| 10. Century Digital Communications Limited      | Mr. Lo                  | Ordinary (issued)    | —                               | —                      | 2<br>( <i>Note q</i> )         | 2<br>(100%)   |
| 11. Century Digital Enterprise Limited          | Mr. Lo                  | Ordinary (issued)    | —                               | —                      | 100<br>( <i>Note r</i> )       | 100<br>(100%)   |

|     | Name of associated corporation                    | Name of Director | Class of shares held | Number of Shares Held |                        |                           | Total (Approximate percentage of the issued shares as at the Latest Practicable Date) |
|-----|---|------------------|----------------------|-----------------------|------------------------|---------------------------|---|
|     |   |                  |                      | Personal interests    | Family/other interests | Corporate interests       |   |
| 12. | Century Digital Holdings Limited                  | Mr. Lo           | Ordinary (issued)    | —                     | —                      | 3<br><i>(Note s)</i>      | 3<br>(100%)   |
| 13. | Century Digital Investments Limited               | Mr. Lo           | Ordinary (issued)    | —                     | —                      | 49,968<br><i>(Note t)</i> | 49,968<br>(99.94%)  |
| 14. | China Noble Investments Limited                   | Mr. Lo           | Ordinary (issued)    | —                     | —                      | 1<br><i>(Note u)</i>      | 1<br>(100%)   |
| 15. | Full Range Technology Limited                     | Mr. Lo           | Ordinary (issued)    | —                     | —                      | 10,000<br><i>(Note v)</i> | 10,000<br>(100%)  |
| 16. | Giant Forward Holdings Limited                    | Mr. Lo           | Ordinary (issued)    | —                     | —                      | 1<br><i>(Note w)</i>      | 1<br>(100%)   |
| 17. | Grand Modern Investments Limited (“Grand Modern”) | Mr. Lo           | Ordinary (issued)    | —                     | —                      | 330<br><i>(Note x)</i>    | 330<br>(100%)   |
| 18. | Important Holdings Limited                        | Mr. Lo           | Ordinary (issued)    | —                     | —                      | 10,000<br><i>(Note y)</i> | 10,000<br>(100%)  |
| 19. | Net Age Technology Limited                        | Mr. Lo           | Ordinary (issued)    | —                     | —                      | 97<br><i>(Note z)</i>     | 97<br>(100%)  |
| 20. | Net Community Limited                             | Mr. Lo           | Ordinary (issued)    | —                     | —                      | 3<br><i>(Note aa)</i>     | 3<br>(100%)   |
| 21. | Pilot Pro Holdings Limited                        | Mr. Lo           | Ordinary (issued)    | —                     | —                      | 1<br><i>(Note ab)</i>     | 1<br>(100%)   |

|     | Name of associated corporation            | Name of Director | Class of shares held | Number of Shares Held |                        |                     | Total (Approximate percentage of the issued shares as at the Latest Practicable Date) |
|-----|---|------------------|----------------------|-----------------------|------------------------|---------------------|---|
|     |   |                  |                      | Personal interests    | Family/other interests | Corporate interests |   |
| 22. | Shinehero Investments Limited             | Mr. Lo           | Ordinary (issued)    | —                     | —                      | 70<br>(Note ac)     | 70<br>(70%)   |
| 23. | Speedway Technology Limited               | Mr. Lo           | Ordinary (issued)    | —                     | —                      | 50,000<br>(Note ad) | 50,000<br>(100%)  |
| 24. | Task Master Technology Limited            | Mr. Lo           | Ordinary (issued)    | —                     | —                      | 1<br>(Note ae)      | 1<br>(100%)   |
| 25. | Top Technologies Limited                  | Mr. Lo           | Ordinary (issued)    | —                     | —                      | 10,000<br>(Note af) | 10,000<br>(100%)  |
| 26. | Treasure Collection International Limited | Mr. Lo           | Ordinary (issued)    | —                     | —                      | 2<br>(Note ag)      | 2<br>(100%)   |

## Notes:

- (a) (i) The interests in 914,822,186 issued Shares were held through companies wholly owned by Mr. Lo and a company, namely Master City Limited, 99.9% owned by Mr. Lo.

The interests in 10,750,000,000 issued Shares were held through corporations controlled by Mr. Lo as detailed below:

| (a) | Name of corporation               | Controlled by                     | % of control |
|-----|-----------------------------------|-----------------------------------|--------------|
|     | Century City                      | Mr. Lo                            | 55.68        |
|     | Century City BVI Holdings Limited | Century City                      | 100.00       |
|     | 8D International (BVI) Limited    | Century City BVI Holdings Limited | 40.00        |
|     | Task Master Technology Limited    | 8D International (BVI) Limited    | 100.00       |
|     | Net Community Limited             | Task Master Technology Limited    | 33.33        |
|     | Century Digital Holdings Limited  | Net Community Limited             | 100.00       |
|     | Grand Modern                      | Century Digital Holdings Limited  | 100.00       |

| (b) Name of corporation          | Controlled by                    | % of control |
|----------------------------------|----------------------------------|--------------|
| Manyways Technology Limited      | Mr. Lo                           | 100.00       |
| Secure Way Technology Limited    | Mr. Lo                           | 92.50        |
| 8D International (BVI) Limited   | Manyways Technology Limited      | 60.00        |
| Task Master Technology Limited   | 8D International (BVI) Limited   | 100.00       |
| Net Community Limited            | Secure Way Technology Limited    | 66.67        |
| Net Community Limited            | Task Master Technology Limited   | 33.33        |
| Century Digital Holdings Limited | Net Community Limited            | 100.00       |
| Grand Modern                     | Century Digital Holdings Limited | 100.00       |

- (ii) The interests in 350,000,000 unissued Shares were held through the interests in the options granted under the share option scheme of the Company named as “The Century City International Holdings Limited Share Option Scheme” (the “Century Share Option Scheme”), entitling the holder thereof to subscribe for a total of 350,000,000 new Shares at an exercise price of HK\$0.12 per Share (subject to adjustment). The options have, and will, become vested in stages, commencing with 40% of options granted from two years after the offer date of 12 May 2005 and thereafter a further 20% of options granted for each subsequent year, and are, and will be, exercisable as follows:

| Exercise period            | Number of Shares under vested options |
|----------------------------|---------------------------------------|
| 12 May 2007 to 11 May 2011 | 140,000,000                           |
| 12 May 2008 to 11 May 2011 | 70,000,000                            |
| 12 May 2009 to 11 May 2011 | 70,000,000                            |
| 12 May 2010 to 11 May 2011 | 70,000,000                            |

- (iii) The interests in 58,903,380 unissued Shares related to the interests in the warrants of the Company (the “2011 Warrants”) carrying subscription rights in an aggregate amount of HK\$5,890,338.00, which are exercisable during the period from 18 April 2006 to 11 January 2011 to subscribe for a total of 58,903,380 new Shares at an initial subscription price of HK\$0.10 per Share (subject to adjustment).
- (iv) The interests in 502,000 unissued Shares related to the interests in the 2011 Warrants carrying subscription rights in an aggregate amount of HK\$50,200.00, which are exercisable to subscribe for a total of 502,000 new Shares upon the terms as set out in note (a)(iii) above.
- (v) The interests in 2,332,964,436 unissued Shares related to the interests in the 2011 Warrants carrying subscription rights in an aggregate amount of HK\$233,296,443.60, which are exercisable to subscribe for a total of 2,332,964,436 new Shares upon the terms as set out in note (a)(iii) above.
- (b) (i) The interests in 331,960 unissued Shares related to the interests in the 2011 Warrants carrying subscription rights in an aggregate amount of HK\$33,196.00, which are exercisable to subscribe for a total of 331,960 new Shares upon the terms as set out in note (a)(iii) above.
- (ii) The interests in 148,087 unissued Shares related to the interests in the 2011 Warrants carrying subscription rights in an aggregate amount of HK\$14,808.70, which are exercisable to subscribe for a total of 148,087 new Shares upon the terms as set out in note (a)(iii) above.
- (iii) The interests in 4,644,360 unissued Shares related to the interests in the 2011 Warrants carrying subscription rights in an aggregate amount of HK\$464,436.00, which are exercisable to subscribe for a total of 4,644,360 new Shares upon the terms as set out in note (a)(iii) above.

- (c) (i) The interests in 3,820,218,001 issued Paliburg Shares were held through companies wholly owned by the Company, in which Mr. Lo held 55.68% shareholding interests.

The interests in 106,756,000 issued Paliburg Shares were held through corporations controlled by Mr. Lo as detailed below:

| Name of corporation                 | Controlled by                       | % of control |
|-------------------------------------|-------------------------------------|--------------|
| Wealth Master International Limited | Mr. Lo                              | 90.00        |
| Select Wise Holdings Limited        | Wealth Master International Limited | 100.00       |

The interests in 200,000,000 issued Paliburg Shares were held through corporations controlled by Mr. Lo as detailed below:

| Name of corporation                 | Controlled by                       | % of control |
|-------------------------------------|-------------------------------------|--------------|
| Wealth Master International Limited | Mr. Lo                              | 90.00        |
| Select Wise Holdings Limited        | Wealth Master International Limited | 100.00       |
| Splendid All Holdings Limited       | Select Wise Holdings Limited        | 100.00       |

- (ii) The interests in 180,000,000 unissued Paliburg Shares were held through the interests in the options granted to under the share option scheme of Paliburg named as “The Paliburg Holdings Limited Share Option Scheme” (the “Paliburg Share Option Scheme”), entitling the holder thereof to subscribe for a total of 180,000,000 new Paliburg Shares at an exercise price of HK\$0.22 per Paliburg Share (subject to adjustment). The options have, and will, become vested in stages, commencing with 40% of options granted from two years after the offer date of 12 May 2005 and thereafter a further 20% of options granted for each subsequent year, and are, and will be, exercisable as follows:

| Exercise period            | Number of Paliburg Shares under vested options |
|----------------------------|--|
| 12 May 2007 to 11 May 2011 | 72,000,000                                     |
| 12 May 2008 to 11 May 2011 | 36,000,000                                     |
| 12 May 2009 to 11 May 2011 | 36,000,000                                     |
| 12 May 2010 to 11 May 2011 | 36,000,000                                     |

- (d) The interests in 19,500,000 unissued Paliburg Shares were held through the interests in the options granted under the Paliburg Share Option Scheme, entitling the holder thereof to subscribe for a total of 19,500,000 new Paliburg Shares at an exercise price of HK\$0.22 per Paliburg Share (subject to adjustment). The options have, and will, become vested in stages, commencing with 40% of options granted from two years after the offer date of 25 July 2005 and thereafter a further 20% of options granted for each subsequent year, and are, and will be, exercisable as follows:

| Exercise period              | Number of Paliburg Shares under vested options |
|------------------------------|--|
| 25 July 2007 to 24 July 2011 | 7,500,000                                      |
| 25 July 2008 to 24 July 2011 | 4,000,000                                      |
| 25 July 2009 to 24 July 2011 | 4,000,000                                      |
| 25 July 2010 to 24 July 2011 | 4,000,000                                      |



- (e) The interests in 20,000,000 unissued Paliburg Shares were held through the interests in the options granted under the Paliburg Share Option Scheme, entitling the holder thereof to subscribe for a total of 20,000,000 new Paliburg Shares at an exercise price of HK\$0.22 per Paliburg Share (subject to adjustment). The options have, and will, become vested in stages, commencing with 40% of options granted from two years after the offer date of 25 July 2005 and thereafter a further 20% of options granted for each subsequent year, and are, and will be, exercisable as follows:

| <b>Exercise period</b>       | <b>Number of Paliburg Shares<br/>under vested options</b> |
|------------------------------|---|
| 25 July 2007 to 24 July 2011 | 8,000,000   |
| 25 July 2008 to 24 July 2011 | 4,000,000   |
| 25 July 2009 to 24 July 2011 | 4,000,000   |
| 25 July 2010 to 24 July 2011 | 4,000,000   |

- (f) The interests in 10,000,000 unissued Paliburg Shares were held through the interests in the options granted under the Paliburg Share Option Scheme, entitling the holder thereof to subscribe for a total of 10,000,000 new Paliburg Shares at an exercise price of HK\$0.22 per Paliburg Share (subject to adjustment). The options have, and will, become vested in stages, commencing with 40% of options granted from two years after the offer date of 25 July 2005 and thereafter a further 20% of options granted for each subsequent year, and are, and will be, exercisable as follows:

| <b>Exercise period</b>       | <b>Number of Paliburg Shares<br/>under vested options</b> |
|------------------------------|---|
| 25 July 2007 to 24 July 2011 | 4,000,000   |
| 25 July 2008 to 24 July 2011 | 2,000,000   |
| 25 July 2009 to 24 July 2011 | 2,000,000   |
| 25 July 2010 to 24 July 2011 | 2,000,000   |

- (g) (i) The 4,214,000 issued ordinary shares of Regal were held through companies wholly owned by the Company, in which Mr. Lo held 55.68% shareholding interests, and the other 4,756,758,636 issued ordinary shares of Regal were held through companies wholly owned by Paliburg, in which the Company held 50.63% shareholding interests.
- (ii) The interests in 15,608,427 unissued ordinary shares of Regal were held through companies wholly owned by Paliburg, in which the Company held 50.63% shareholding interests.
- (iii) The interests in 15,608,427 unissued ordinary shares of Regal related to the interests in 3,440 convertible cumulative preference shares of Regal carrying rights to convert into 15,608,427 new ordinary shares of Regal, based on the conversion price of HK\$1.7037 per ordinary share and on a reference amount of US\$1,000 per preference share at the fixed exchange rate of HK\$7.730255 to US\$1.00, during the period from 5 December 1993 to 5 December 2008.

- (iv) The interests in 200,000,000 unissued ordinary shares of Regal were held through the interests in the options granted under the new share option scheme of Regal named as “The Regal Hotels International Holdings Limited Share Option Scheme” (the “Regal Share Option Scheme”), entitling the holder thereof to subscribe for a total of 200,000,000 new ordinary shares of Regal at an exercise price of HK\$0.75 per ordinary share (subject to adjustment). The options have, and will, become vested in stages, commencing with 40% of options granted from two years after the offer date of 12 May 2005 and thereafter a further 20% of options granted for each subsequent year, and are, and will be exercisable as follows:

| <b>Exercise period</b>     | <b>Number of ordinary shares of<br/>Regal under vested options</b> |
|----------------------------|--|
| 12 May 2007 to 11 May 2011 | 80,000,000   |
| 12 May 2008 to 11 May 2011 | 40,000,000   |
| 12 May 2009 to 11 May 2011 | 40,000,000   |
| 12 May 2010 to 11 May 2011 | 40,000,000   |

- (h) The interests in 20,000,000 unissued ordinary shares of Regal were held through the interests in the options granted under the Regal Share Option Scheme, entitling the holder thereof to subscribe for a total of 20,000,000 new ordinary shares of Regal at an exercise price of HK\$0.75 per ordinary share (subject to adjustment). The options have, and will, become vested in stages, commencing with 40% of options granted from two years after the offer date of 25 July 2005 and thereafter a further 20% of options granted for each subsequent year, and are, and will be, exercisable as follows:

| <b>Exercise period</b>       | <b>Number of ordinary shares of<br/>Regal under vested options</b> |
|------------------------------|--|
| 25 July 2007 to 24 July 2011 | 8,000,000  |
| 25 July 2008 to 24 July 2011 | 4,000,000  |
| 25 July 2009 to 24 July 2011 | 4,000,000  |
| 25 July 2010 to 24 July 2011 | 4,000,000  |

- (i) The interests in 15,000,000 unissued ordinary shares of Regal were held through the interests in the options granted under the Regal Share Option Scheme, entitling the holder thereof to subscribe for a total of 15,000,000 new ordinary shares of Regal at an exercise price of HK\$0.75 per ordinary share (subject to adjustment). The options have, and will, become vested in stages, commencing with 40% of options granted from two years after the offer date of 25 July 2005 and thereafter a further 20% of options granted for each subsequent year, and are, and will be, exercisable as follows:

| <b>Exercise period</b>       | <b>Number of ordinary shares of<br/>Regal under vested options</b> |
|------------------------------|--|
| 25 July 2007 to 24 July 2011 | 6,000,000  |
| 25 July 2008 to 24 July 2011 | 3,000,000  |
| 25 July 2009 to 24 July 2011 | 3,000,000  |
| 25 July 2010 to 24 July 2011 | 3,000,000  |

- (j) The interests in 30,000,000 unissued ordinary shares of Regal were held through the interests in the options granted under the Regal Share Option Scheme, entitling the holder thereof to subscribe for a total of 30,000,000 new ordinary shares of Regal at an exercise price of HK\$0.75 per ordinary share (subject to adjustment). The options have, and will, become vested in stages, commencing with 40% of options granted from two years after the offer date of 25 July 2005 and thereafter a further 20% of options granted for each subsequent year, and are, and will be, exercisable as follows:

| Exercise period              | Number of ordinary shares of<br>Regal under vested options |
|------------------------------|--|
| 25 July 2007 to 24 July 2011 | 12,000,000   |
| 25 July 2008 to 24 July 2011 | 6,000,000  |
| 25 July 2009 to 24 July 2011 | 6,000,000  |
| 25 July 2010 to 24 July 2011 | 6,000,000  |

- (k) 400 shares were held through companies controlled by the Company, in which Mr. Lo held 55.68% shareholding interests, and 600 shares were held through a company controlled by Mr. Lo.
- (l) 800,000 shares were held through companies controlled by the Company, in which Mr. Lo held 55.68% shareholding interests, and 1,200,000 shares were held through companies controlled by Mr. Lo (including 8D International (BVI) Limited).
- (m) The interests in these shares of 8D International Limited were held through corporations controlled by Mr. Lo as detailed below:

| (a) Name of corporation           | Controlled by                     | % of control |
|-----------------------------------|-----------------------------------|--------------|
| Century City                      | Mr. Lo                            | 55.68        |
| Century City BVI Holdings Limited | Century City                      | 100.00       |
| 8D International (BVI) Limited    | Century City BVI Holdings Limited | 40.00        |
| Task Master Technology Limited    | 8D International (BVI) Limited    | 100.00       |
| Net Community Limited             | Task Master Technology Limited    | 33.33        |
| Century Digital Holdings Limited  | Net Community Limited             | 100.00       |
| 8D Matrix Limited                 | Century Digital Holdings Limited  | 60.00        |
| 8D Matrix Limited                 | Century City BVI Holdings Limited | 40.00        |

  

| (b) Name of corporation          | Controlled by                    | % of control |
|----------------------------------|----------------------------------|--------------|
| Manyways Technology Limited      | Mr. Lo                           | 100.00       |
| Secure Way Technology Limited    | Mr. Lo                           | 92.50        |
| 8D International (BVI) Limited   | Manyways Technology Limited      | 60.00        |
| Task Master Technology Limited   | 8D International (BVI) Limited   | 100.00       |
| Net Community Limited            | Secure Way Technology Limited    | 66.67        |
| Net Community Limited            | Task Master Technology Limited   | 33.33        |
| Century Digital Holdings Limited | Net Community Limited            | 100.00       |
| 8D Matrix Limited                | Century Digital Holdings Limited | 60.00        |

- (n) The interest in the share of 8D International (China) Limited was held through corporations controlled by Mr. Lo as detailed below:

| (a) Name of corporation           | Controlled by                     | % of control |
|-----------------------------------|-----------------------------------|--------------|
| Century City                      | Mr. Lo                            | 55.68        |
| Century City BVI Holdings Limited | Century City                      | 100.00       |
| 8D International (BVI) Limited    | Century City BVI Holdings Limited | 40.00        |
| Task Master Technology Limited    | 8D International (BVI) Limited    | 100.00       |
| Net Community Limited             | Task Master Technology Limited    | 33.33        |
| Century Digital Holdings Limited  | Net Community Limited             | 100.00       |
| 8D Matrix Limited                 | Century Digital Holdings Limited  | 60.00        |
| 8D Matrix Limited                 | Century City BVI Holdings Limited | 40.00        |

| (b) Name of corporation          | Controlled by                    | % of control |
|----------------------------------|----------------------------------|--------------|
| Manyways Technology Limited      | Mr. Lo                           | 100.00       |
| Secure Way Technology Limited    | Mr. Lo                           | 92.50        |
| 8D International (BVI) Limited   | Manyways Technology Limited      | 60.00        |
| Task Master Technology Limited   | 8D International (BVI) Limited   | 100.00       |
| Net Community Limited            | Secure Way Technology Limited    | 66.67        |
| Net Community Limited            | Task Master Technology Limited   | 33.33        |
| Century Digital Holdings Limited | Net Community Limited            | 100.00       |
| 8D Matrix Limited                | Century Digital Holdings Limited | 60.00        |

- (o) The interests in these shares of 8D Travel Limited were held through corporations controlled by Mr. Lo as detailed below:

| (a) Name of corporation           | Controlled by                     | % of control |
|-----------------------------------|-----------------------------------|--------------|
| Century City                      | Mr. Lo                            | 55.68        |
| Century City BVI Holdings Limited | Century City                      | 100.00       |
| 8D International (BVI) Limited    | Century City BVI Holdings Limited | 40.00        |
| Task Master Technology Limited    | 8D International (BVI) Limited    | 100.00       |
| Net Community Limited             | Task Master Technology Limited    | 33.33        |
| Century Digital Holdings Limited  | Net Community Limited             | 100.00       |
| 8D Matrix Limited                 | Century Digital Holdings Limited  | 60.00        |
| 8D Matrix Limited                 | Century City BVI Holdings Limited | 40.00        |
| Pilot Pro Holdings Limited        | 8D Matrix Limited                 | 100.00       |

| <b>(b) Name of corporation</b>   | <b>Controlled by</b>             | <b>% of control</b> |
|----------------------------------|----------------------------------|---------------------|
| Manyways Technology Limited      | Mr. Lo                           | 100.00              |
| Secure Way Technology Limited    | Mr. Lo                           | 92.50               |
| 8D International (BVI) Limited   | Manyways Technology Limited      | 60.00               |
| Task Master Technology Limited   | 8D International (BVI) Limited   | 100.00              |
| Net Community Limited            | Secure Way Technology Limited    | 66.67               |
| Net Community Limited            | Task Master Technology Limited   | 33.33               |
| Century Digital Holdings Limited | Net Community Limited            | 100.00              |
| 8D Matrix Limited                | Century Digital Holdings Limited | 60.00               |
| Pilot Pro Holdings Limited       | 8D Matrix Limited                | 100.00              |

(p) The interest in the share of Century Digital Communications (BVI) Limited was held through corporations controlled by Mr. Lo as detailed below:

| <b>(a) Name of corporation</b>    | <b>Controlled by</b>              | <b>% of control</b> |
|-----------------------------------|-----------------------------------|---------------------|
| Century City                      | Mr. Lo                            | 55.68               |
| Century City BVI Holdings Limited | Century City                      | 100.00              |
| 8D International (BVI) Limited    | Century City BVI Holdings Limited | 40.00               |
| Task Master Technology Limited    | 8D International (BVI) Limited    | 100.00              |
| Net Community Limited             | Task Master Technology Limited    | 33.33               |
| Century Digital Holdings Limited  | Net Community Limited             | 100.00              |

| <b>(b) Name of corporation</b>   | <b>Controlled by</b>           | <b>% of control</b> |
|----------------------------------|--------------------------------|---------------------|
| Manyways Technology Limited      | Mr. Lo                         | 100.00              |
| Secure Way Technology Limited    | Mr. Lo                         | 92.50               |
| 8D International (BVI) Limited   | Manyways Technology Limited    | 60.00               |
| Task Master Technology Limited   | 8D International (BVI) Limited | 100.00              |
| Net Community Limited            | Secure Way Technology Limited  | 66.67               |
| Net Community Limited            | Task Master Technology Limited | 33.33               |
| Century Digital Holdings Limited | Net Community Limited          | 100.00              |

(q) The interests in these shares of Century Digital Communications Limited were held through corporations controlled by Mr. Lo as detailed below:

| <b>(a) Name of corporation</b>               | <b>Controlled by</b>              | <b>% of control</b> |
|--|-----------------------------------|---------------------|
| Century City                                 | Mr. Lo                            | 55.68               |
| Century City BVI Holdings Limited            | Century City                      | 100.00              |
| 8D International (BVI) Limited               | Century City BVI Holdings Limited | 40.00               |
| Task Master Technology Limited               | 8D International (BVI) Limited    | 100.00              |
| Net Community Limited                        | Task Master Technology Limited    | 33.33               |
| Century Digital Holdings Limited             | Net Community Limited             | 100.00              |
| Century Digital Communications (BVI) Limited | Century Digital Holdings Limited  | 100.00              |

| (b) Name of corporation                      | Controlled by                    | % of control |
|--|----------------------------------|--------------|
| Manyways Technology Limited                  | Mr. Lo                           | 100.00       |
| Secure Way Technology Limited                | Mr. Lo                           | 92.50        |
| 8D International (BVI) Limited               | Manyways Technology Limited      | 60.00        |
| Task Master Technology Limited               | 8D International (BVI) Limited   | 100.00       |
| Net Community Limited                        | Secure Way Technology Limited    | 66.67        |
| Net Community Limited                        | Task Master Technology Limited   | 33.33        |
| Century Digital Holdings Limited             | Net Community Limited            | 100.00       |
| Century Digital Communications (BVI) Limited | Century Digital Holdings Limited | 100.00       |

(r) The interests in these shares of Century Digital Enterprise Limited were held through corporations controlled by Mr. Lo as detailed below:

| (a) Name of corporation             | Controlled by                     | % of control |
|-------------------------------------|-----------------------------------|--------------|
| Century City                        | Mr. Lo                            | 55.68        |
| Century City BVI Holdings Limited   | Century City                      | 100.00       |
| 8D International (BVI) Limited      | Century City BVI Holdings Limited | 40.00        |
| Task Master Technology Limited      | 8D International (BVI) Limited    | 100.00       |
| Net Community Limited               | Task Master Technology Limited    | 33.33        |
| Century Digital Holdings Limited    | Net Community Limited             | 100.00       |
| Century Digital Investments Limited | Century Digital Holdings Limited  | 99.93        |

| (b) Name of corporation             | Controlled by                       | % of control |
|-------------------------------------|-------------------------------------|--------------|
| Century Digital Investments Limited | Century Digital Holdings Limited    | 99.93        |
| Net Age Technology Limited          | Century Digital Investments Limited | 100.00       |

| (c) Name of corporation             | Controlled by                    | % of control |
|-------------------------------------|----------------------------------|--------------|
| Manyways Technology Limited         | Mr. Lo                           | 100.00       |
| Secure Way Technology Limited       | Mr. Lo                           | 92.50        |
| 8D International (BVI) Limited      | Manyways Technology Limited      | 60.00        |
| Task Master Technology Limited      | 8D International (BVI) Limited   | 100.00       |
| Net Community Limited               | Secure Way Technology Limited    | 66.67        |
| Net Community Limited               | Task Master Technology Limited   | 33.33        |
| Century Digital Holdings Limited    | Net Community Limited            | 100.00       |
| Century Digital Investments Limited | Century Digital Holdings Limited | 99.93        |

(s) The interests in these shares of Century Digital Holdings Limited were held through corporations controlled by Mr. Lo as detailed below:

| (a) Name of corporation           | Controlled by                     | % of control |
|-----------------------------------|-----------------------------------|--------------|
| Century City                      | Mr. Lo                            | 55.68        |
| Century City BVI Holdings Limited | Century City                      | 100.00       |
| 8D International (BVI) Limited    | Century City BVI Holdings Limited | 40.00        |
| Task Master Technology Limited    | 8D International (BVI) Limited    | 100.00       |
| Net Community Limited             | Task Master Technology Limited    | 33.33        |

| (b) Name of corporation        | Controlled by                  | % of control |
|--------------------------------|--------------------------------|--------------|
| Manyways Technology Limited    | Mr. Lo                         | 100.00       |
| Secure Way Technology Limited  | Mr. Lo                         | 92.50        |
| 8D International (BVI) Limited | Manyways Technology Limited    | 60.00        |
| Task Master Technology Limited | 8D International (BVI) Limited | 100.00       |
| Net Community Limited          | Secure Way Technology Limited  | 66.67        |
| Net Community Limited          | Task Master Technology Limited | 33.33        |

(t) The interests in these shares of Century Digital Investments Limited were held through corporations controlled by Mr. Lo as detailed below:

| (a) Name of corporation           | Controlled by                     | % of control |
|-----------------------------------|-----------------------------------|--------------|
| Century City                      | Mr. Lo                            | 55.68        |
| Century City BVI Holdings Limited | Century City                      | 100.00       |
| 8D International (BVI) Limited    | Century City BVI Holdings Limited | 40.00        |
| Task Master Technology Limited    | 8D International (BVI) Limited    | 100.00       |
| Net Community Limited             | Task Master Technology Limited    | 33.33        |
| Century Digital Holdings Limited  | Net Community Limited             | 100.00       |

| (b) Name of corporation          | Controlled by                    | % of control |
|----------------------------------|----------------------------------|--------------|
| Century Digital Holdings Limited | Net Community Limited            | 100.00       |
| Important Holdings Limited       | Century Digital Holdings Limited | 100.00       |
| Top Technologies Limited         | Century Digital Holdings Limited | 100.00       |

| (c) Name of corporation          | Controlled by                  | % of control |
|----------------------------------|--------------------------------|--------------|
| Manyways Technology Limited      | Mr. Lo                         | 100.00       |
| Secure Way Technology Limited    | Mr. Lo                         | 92.50        |
| 8D International (BVI) Limited   | Manyways Technology Limited    | 60.00        |
| Task Master Technology Limited   | 8D International (BVI) Limited | 100.00       |
| Net Community Limited            | Secure Way Technology Limited  | 66.67        |
| Net Community Limited            | Task Master Technology Limited | 33.33        |
| Century Digital Holdings Limited | Net Community Limited          | 100.00       |

**APPENDIX****GENERAL INFORMATION**

| <b>(d) Name of corporation</b>   | <b>Controlled by</b>             | <b>% of control</b> |
|----------------------------------|----------------------------------|---------------------|
| Century Digital Holdings Limited | Net Community Limited            | 100.00              |
| Important Holdings Limited       | Century Digital Holdings Limited | 100.00              |
| Top Technologies Limited         | Century Digital Holdings Limited | 100.00              |

- (u) The interests in these shares of China Noble Investments Limited were held through corporations controlled by Mr. Lo as detailed below:

| <b>(a) Name of corporation</b>    | <b>Controlled by</b>              | <b>% of control</b> |
|-----------------------------------|-----------------------------------|---------------------|
| Century City                      | Mr. Lo                            | 55.68               |
| Century City BVI Holdings Limited | Century City                      | 100.00              |
| 8D International (BVI) Limited    | Century City BVI Holdings Limited | 40.00               |
| Task Master Technology Limited    | 8D International (BVI) Limited    | 100.00              |
| Net Community Limited             | Task Master Technology Limited    | 33.33               |
| Century Digital Holdings Limited  | Net Community Limited             | 100.00              |
| 8D Matrix Limited                 | Century Digital Holdings Limited  | 60.00               |
| 8D Matrix Limited                 | Century City BVI Holdings Limited | 40.00               |
| Pilot Pro Holdings Limited        | 8D Matrix Limited                 | 100.00              |

| <b>(b) Name of corporation</b>   | <b>Controlled by</b>             | <b>% of control</b> |
|----------------------------------|----------------------------------|---------------------|
| Manyways Technology Limited      | Mr. Lo                           | 100.00              |
| Secure Way Technology Limited    | Mr. Lo                           | 92.50               |
| 8D International (BVI) Limited   | Manyways Technology Limited      | 60.00               |
| Task Master Technology Limited   | 8D International (BVI) Limited   | 100.00              |
| Net Community Limited            | Secure Way Technology Limited    | 66.67               |
| Net Community Limited            | Task Master Technology Limited   | 33.33               |
| Century Digital Holdings Limited | Net Community Limited            | 100.00              |
| 8D Matrix Limited                | Century Digital Holdings Limited | 60.00               |
| Pilot Pro Holdings Limited       | 8D Matrix Limited                | 100.00              |

- (v) The interests in these shares of Full Range Technology Limited were held through corporations controlled by Mr. Lo as detailed below:

| <b>(a) Name of corporation</b>    | <b>Controlled by</b>              | <b>% of control</b> |
|-----------------------------------|-----------------------------------|---------------------|
| Century City                      | Mr. Lo                            | 55.68               |
| Century City BVI Holdings Limited | Century City                      | 100.00              |
| 8D International (BVI) Limited    | Century City BVI Holdings Limited | 40.00               |
| Task Master Technology Limited    | 8D International (BVI) Limited    | 100.00              |
| Net Community Limited             | Task Master Technology Limited    | 33.33               |
| Century Digital Holdings Limited  | Net Community Limited             | 100.00              |



| <b>(b) Name of corporation</b>   | <b>Controlled by</b>           | <b>% of control</b> |
|----------------------------------|--------------------------------|---------------------|
| Manyways Technology Limited      | Mr. Lo                         | 100.00              |
| Secure Way Technology Limited    | Mr. Lo                         | 92.50               |
| 8D International (BVI) Limited   | Manyways Technology Limited    | 60.00               |
| Task Master Technology Limited   | 8D International (BVI) Limited | 100.00              |
| Net Community Limited            | Secure Way Technology Limited  | 66.67               |
| Net Community Limited            | Task Master Technology Limited | 33.33               |
| Century Digital Holdings Limited | Net Community Limited          | 100.00              |

(w) The interest in the share of Giant Forward Holdings Limited was held through corporations controlled by Mr. Lo as detailed below:

| <b>(a) Name of corporation</b>    | <b>Controlled by</b>              | <b>% of control</b> |
|-----------------------------------|-----------------------------------|---------------------|
| Century City                      | Mr. Lo                            | 55.68               |
| Century City BVI Holdings Limited | Century City                      | 100.00              |
| 8D International (BVI) Limited    | Century City BVI Holdings Limited | 40.00               |
| Task Master Technology Limited    | 8D International (BVI) Limited    | 100.00              |
| Net Community Limited             | Task Master Technology Limited    | 33.33               |
| Century Digital Holdings Limited  | Net Community Limited             | 100.00              |
| 8D Matrix Limited                 | Century Digital Holdings Limited  | 60.00               |
| 8D Matrix Limited                 | Century City BVI Holdings Limited | 40.00               |

| <b>(b) Name of corporation</b>   | <b>Controlled by</b>             | <b>% of control</b> |
|----------------------------------|----------------------------------|---------------------|
| Manyways Technology Limited      | Mr. Lo                           | 100.00              |
| Secure Way Technology Limited    | Mr. Lo                           | 92.50               |
| 8D International (BVI) Limited   | Manyways Technology Limited      | 60.00               |
| Task Master Technology Limited   | 8D International (BVI) Limited   | 100.00              |
| Net Community Limited            | Secure Way Technology Limited    | 66.67               |
| Net Community Limited            | Task Master Technology Limited   | 33.33               |
| Century Digital Holdings Limited | Net Community Limited            | 100.00              |
| 8D Matrix Limited                | Century Digital Holdings Limited | 60.00               |

(x) The interests in these shares of Grand Modern were held through corporations controlled by Mr. Lo as detailed below:

| <b>(a) Name of corporation</b>    | <b>Controlled by</b>              | <b>% of control</b> |
|-----------------------------------|-----------------------------------|---------------------|
| Century City                      | Mr. Lo                            | 55.68               |
| Century City BVI Holdings Limited | Century City                      | 100.00              |
| 8D International (BVI) Limited    | Century City BVI Holdings Limited | 40.00               |
| Task Master Technology Limited    | 8D International (BVI) Limited    | 100.00              |
| Net Community Limited             | Task Master Technology Limited    | 33.33               |
| Century Digital Holdings Limited  | Net Community Limited             | 100.00              |

| <b>(b) Name of corporation</b>   | <b>Controlled by</b>           | <b>% of control</b> |
|----------------------------------|--------------------------------|---------------------|
| Manyways Technology Limited      | Mr. Lo                         | 100.00              |
| Secure Way Technology Limited    | Mr. Lo                         | 92.50               |
| 8D International (BVI) Limited   | Manyways Technology Limited    | 100.00              |
| Task Master Technology Limited   | 8D International (BVI) Limited | 100.00              |
| Net Community Limited            | Secure Way Technology Limited  | 66.67               |
| Net Community Limited            | Task Master Technology Limited | 33.33               |
| Century Digital Holdings Limited | Net Community Limited          | 100.00              |
| Ultra Performance Limited        | Mr. Lo                         | 100.00              |

(y) The interests in these shares of Important Holdings Limited were held through corporations controlled by Mr. Lo as detailed below:

| <b>(a) Name of corporation</b>    | <b>Controlled by</b>              | <b>% of control</b> |
|-----------------------------------|-----------------------------------|---------------------|
| Century City                      | Mr. Lo                            | 55.68               |
| Century City BVI Holdings Limited | Century City                      | 100.00              |
| 8D International (BVI) Limited    | Century City BVI Holdings Limited | 40.00               |
| Task Master Technology Limited    | 8D International (BVI) Limited    | 100.00              |
| Net Community Limited             | Task Master Technology Limited    | 33.33               |
| Century Digital Holdings Limited  | Net Community Limited             | 100.00              |

| <b>(b) Name of corporation</b>   | <b>Controlled by</b>           | <b>% of control</b> |
|----------------------------------|--------------------------------|---------------------|
| Manyways Technology Limited      | Mr. Lo                         | 100.00              |
| Secure Way Technology Limited    | Mr. Lo                         | 92.50               |
| 8D International (BVI) Limited   | Manyways Technology Limited    | 100.00              |
| Task Master Technology Limited   | 8D International (BVI) Limited | 100.00              |
| Net Community Limited            | Secure Way Technology Limited  | 66.67               |
| Net Community Limited            | Task Master Technology Limited | 33.33               |
| Century Digital Holdings Limited | Net Community Limited          | 100.00              |

(z) The interests in these shares of Net Age Technology Limited were held through corporations controlled by Mr. Lo as detailed below:

| <b>(a) Name of corporation</b>      | <b>Controlled by</b>              | <b>% of control</b> |
|-------------------------------------|-----------------------------------|---------------------|
| Century City                        | Mr. Lo                            | 55.68               |
| Century City BVI Holdings Limited   | Century City                      | 100.00              |
| 8D International (BVI) Limited      | Century City BVI Holdings Limited | 40.00               |
| Task Master Technology Limited      | 8D International (BVI) Limited    | 100.00              |
| Net Community Limited               | Task Master Technology Limited    | 33.33               |
| Century Digital Holdings Limited    | Net Community Limited             | 100.00              |
| Century Digital Investments Limited | Century Digital Holdings Limited  | 99.93               |

| <b>(b) Name of corporation</b>      | <b>Controlled by</b>             | <b>% of control</b> |
|-------------------------------------|----------------------------------|---------------------|
| Manyways Technology Limited         | Mr. Lo                           | 100.00              |
| Secure Way Technology Limited       | Mr. Lo                           | 92.50               |
| 8D International (BVI) Limited      | Manyways Technology Limited      | 60.00               |
| Task Master Technology Limited      | 8D International (BVI) Limited   | 100.00              |
| Net Community Limited               | Secure Way Technology Limited    | 66.67               |
| Net Community Limited               | Task Master Technology Limited   | 33.33               |
| Century Digital Holdings Limited    | Net Community Limited            | 100.00              |
| Century Digital Investments Limited | Century Digital Holdings Limited | 99.93               |

(aa) The interests in these shares of Net Community Limited were held through corporations controlled by Mr. Lo as detailed below:

| <b>(a) Name of corporation</b>    | <b>Controlled by</b>              | <b>% of control</b> |
|-----------------------------------|-----------------------------------|---------------------|
| Century City                      | Mr. Lo                            | 55.68               |
| Century City BVI Holdings Limited | Century City                      | 100.00              |
| 8D International (BVI) Limited    | Century City BVI Holdings Limited | 40.00               |
| Task Master Technology Limited    | 8D International (BVI) Limited    | 100.00              |

| <b>(b) Name of corporation</b> | <b>Controlled by</b>           | <b>% of control</b> |
|--------------------------------|--------------------------------|---------------------|
| Manyways Technology Limited    | Mr. Lo                         | 100.00              |
| 8D International (BVI) Limited | Manyways Technology Limited    | 60.00               |
| Task Master Technology Limited | 8D International (BVI) Limited | 100.00              |
| Secure Way Technology Limited  | Mr. Lo                         | 92.50               |

(ab) The interest in the share of Pilot Pro Holdings Limited was held through corporations controlled by Mr. Lo as detailed below:

| <b>(a) Name of corporation</b>    | <b>Controlled by</b>              | <b>% of control</b> |
|-----------------------------------|-----------------------------------|---------------------|
| Century City                      | Mr. Lo                            | 55.68               |
| Century City BVI Holdings Limited | Century City                      | 100.00              |
| 8D International (BVI) Limited    | Century City BVI Holdings Limited | 40.00               |
| Task Master Technology Limited    | 8D International (BVI) Limited    | 100.00              |
| Net Community Limited             | Task Master Technology Limited    | 33.33               |
| Century Digital Holdings Limited  | Net Community Limited             | 100.00              |
| 8D Matrix Limited                 | Century Digital Holdings Limited  | 60.00               |
| 8D Matrix Limited                 | Century City BVI Holdings Limited | 40.00               |

| <b>(b) Name of corporation</b>   | <b>Controlled by</b>             | <b>% of control</b> |
|----------------------------------|----------------------------------|---------------------|
| Manyways Technology Limited      | Mr. Lo                           | 100.00              |
| Secure Way Technology Limited    | Mr. Lo                           | 92.50               |
| 8D International (BVI) Limited   | Manyways Technology Limited      | 60.00               |
| Task Master Technology Limited   | 8D International (BVI) Limited   | 100.00              |
| Net Community Limited            | Secure Way Technology Limited    | 66.67               |
| Net Community Limited            | Task Master Technology Limited   | 33.33               |
| Century Digital Holdings Limited | Net Community Limited            | 100.00              |
| 8D Matrix Limited                | Century Digital Holdings Limited | 60.00               |

(ac) The interests in these shares of Shinehero Investments Limited were held through corporations controlled by Mr. Lo as detailed below:

| <b>(a) Name of corporation</b>    | <b>Controlled by</b>              | <b>% of control</b> |
|-----------------------------------|-----------------------------------|---------------------|
| Century City                      | Mr. Lo                            | 55.68               |
| Century City BVI Holdings Limited | Century City                      | 100.00              |
| 8D International (BVI) Limited    | Century City BVI Holdings Limited | 40.00               |
| Task Master Technology Limited    | 8D International (BVI) Limited    | 100.00              |
| Net Community Limited             | Task Master Technology Limited    | 33.33               |
| Century Digital Holdings Limited  | Net Community Limited             | 100.00              |
| 8D Matrix Limited                 | Century Digital Holdings Limited  | 60.00               |
| 8D Matrix Limited                 | Century City BVI Holdings Limited | 40.00               |
| Pilot Pro Holdings Limited        | 8D Matrix Limited                 | 100.00              |

| <b>(b) Name of corporation</b>   | <b>Controlled by</b>             | <b>% of control</b> |
|----------------------------------|----------------------------------|---------------------|
| Manyways Technology Limited      | Mr. Lo                           | 100.00              |
| Secure Way Technology Limited    | Mr. Lo                           | 92.50               |
| 8D International (BVI) Limited   | Manyways Technology Limited      | 60.00               |
| Task Master Technology Limited   | 8D International (BVI) Limited   | 100.00              |
| Net Community Limited            | Secure Way Technology Limited    | 66.67               |
| Net Community Limited            | Task Master Technology Limited   | 33.33               |
| Century Digital Holdings Limited | Net Community Limited            | 100.00              |
| 8D Matrix Limited                | Century Digital Holdings Limited | 60.00               |
| Pilot Pro Holdings Limited       | 8D Matrix Limited                | 100.00              |

(ad) The interests in these shares of Speedway Technology Limited were held through corporations controlled by Mr. Lo as detailed below:

| (a) Name of corporation           | Controlled by                     | % of control |
|-----------------------------------|-----------------------------------|--------------|
| Century City                      | Mr. Lo                            | 55.68        |
| Century City BVI Holdings Limited | Century City                      | 100.00       |
| 8D International (BVI) Limited    | Century City BVI Holdings Limited | 40.00        |
| Task Master Technology Limited    | 8D International (BVI) Limited    | 100.00       |
| Net Community Limited             | Task Master Technology Limited    | 33.33        |
| Century Digital Holdings Limited  | Net Community Limited             | 100.00       |

| (b) Name of corporation          | Controlled by                  | % of control |
|----------------------------------|--------------------------------|--------------|
| Manyways Technology Limited      | Mr. Lo                         | 100.00       |
| Secure Way Technology Limited    | Mr. Lo                         | 92.50        |
| 8D International (BVI) Limited   | Manyways Technology Limited    | 60.00        |
| Task Master Technology Limited   | 8D International (BVI) Limited | 100.00       |
| Net Community Limited            | Secure Way Technology Limited  | 66.67        |
| Net Community Limited            | Task Master Technology Limited | 33.33        |
| Century Digital Holdings Limited | Net Community Limited          | 100.00       |

(ae) The interest in the share of Task Master Technology Limited was held through corporations controlled by Mr. Lo as detailed below:

| (a) Name of corporation           | Controlled by                     | % of control |
|-----------------------------------|-----------------------------------|--------------|
| Century City                      | Mr. Lo                            | 55.68        |
| Century City BVI Holdings Limited | Century City                      | 100.00       |
| 8D International (BVI) Limited    | Century City BVI Holdings Limited | 40.00        |

| (b) Name of corporation        | Controlled by               | % of control |
|--------------------------------|-----------------------------|--------------|
| Manyways Technology Limited    | Mr. Lo                      | 100.00       |
| 8D International (BVI) Limited | Manyways Technology Limited | 60.00        |

(af) The interests in these shares of Top Technologies Limited were held through corporations controlled by Mr. Lo as detailed below:

| (a) Name of corporation           | Controlled by                     | % of control |
|-----------------------------------|-----------------------------------|--------------|
| Century City                      | Mr. Lo                            | 55.68        |
| Century City BVI Holdings Limited | Century City                      | 100.00       |
| 8D International (BVI) Limited    | Century City BVI Holdings Limited | 40.00        |
| Task Master Technology Limited    | 8D International (BVI) Limited    | 100.00       |
| Net Community Limited             | Task Master Technology Limited    | 33.33        |
| Century Digital Holdings Limited  | Net Community Limited             | 99.93        |

| (b) Name of corporation          | Controlled by                  | % of control |
|----------------------------------|--------------------------------|--------------|
| Manyways Technology Limited      | Mr. Lo                         | 100.00       |
| Secure Way Technology Limited    | Mr. Lo                         | 92.50        |
| 8D International (BVI) Limited   | Manyways Technology Limited    | 60.00        |
| Task Master Technology Limited   | 8D International (BVI) Limited | 100.00       |
| Net Community Limited            | Secure Way Technology Limited  | 66.67        |
| Net Community Limited            | Task Master Technology Limited | 33.33        |
| Century Digital Holdings Limited | Net Community Limited          | 100.00       |

(ag) The interests in these shares of Treasure Collection International Limited were held through corporations controlled by Mr. Lo as detailed below:

| (a) Name of corporation           | Controlled by                     | % of control |
|-----------------------------------|-----------------------------------|--------------|
| Century City                      | Mr. Lo                            | 55.68        |
| Century City BVI Holdings Limited | Century City                      | 100.00       |
| 8D International (BVI) Limited    | Century City BVI Holdings Limited | 40.00        |
| Task Master Technology Limited    | 8D International (BVI) Limited    | 100.00       |
| Net Community Limited             | Task Master Technology Limited    | 33.33        |
| Century Digital Holdings Limited  | Net Community Limited             | 100.00       |
| 8D Matrix Limited                 | Century Digital Holdings Limited  | 60.00        |
| 8D Matrix Limited                 | Century City BVI Holdings Limited | 40.00        |
| Giant Forward Holdings Limited    | 8D Matrix Limited                 | 100.00       |

| (b) Name of corporation          | Controlled by                    | % of control |
|----------------------------------|----------------------------------|--------------|
| Manyways Technology Limited      | Mr. Lo                           | 100.00       |
| Secure Way Technology Limited    | Mr. Lo                           | 92.50        |
| 8D International (BVI) Limited   | Manyways Technology Limited      | 60.00        |
| Task Master Technology Limited   | 8D International (BVI) Limited   | 100.00       |
| Net Community Limited            | Secure Way Technology Limited    | 66.67        |
| Net Community Limited            | Task Master Technology Limited   | 33.33        |
| Century Digital Holdings Limited | Net Community Limited            | 100.00       |
| 8D Matrix Limited                | Century Digital Holdings Limited | 60.00        |
| Giant Forward Holdings Limited   | 8D Matrix Limited                | 100.00       |

Save as disclosed above, none of the Directors or the chief executive of the Company had, as at the Latest Practicable Date, any interests or short positions in the shares, underlying shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) which would have to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests or short positions which they were taken or deemed to have under such provisions of the SFO), or which were recorded in the register required to be kept by the Company under Section 352 of the SFO, or which were required to be notified to the Company and the Stock Exchange pursuant to the Model Code.

## 3. DISCLOSURE OF SUBSTANTIAL SHAREHOLDERS' INTERESTS

As at the Latest Practicable Date, so far as is known to the Directors and the chief executive of the Company, the following persons (other than a Director or chief executive of the Company) had an interest or short position in the Shares and underlying Shares which fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO, or who are, directly or indirectly interested in 10 per cent. or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at a general meeting of any member of the Group (including the Paliburg Group).

| Name of substantial shareholder  | Number of issued Shares held | Number of underlying Shares (unissued) held | Total number of Shares (issued and unissued) held | Approximate percentage of issued Shares as at the Latest Practicable Date |
|--|------------------------------|---|---|---|
| Manyways Technology Limited<br>("Manyways")<br>(Notes i and ii)              | 10,750,000,000               | 2,150,000,000                               | 12,900,000,000                                    | 60.06%  |
| 8D International (BVI) Limited<br>("8D BVI")<br>(Notes i, ii and iii)        | 10,750,000,000               | 2,150,000,000                               | 12,900,000,000                                    | 60.06%  |
| Task Master Technology Limited ("Task Master")<br>(Notes i, ii and iv)       | 10,750,000,000               | 2,150,000,000                               | 12,900,000,000                                    | 60.06%  |
| Secure Way Technology Limited<br>("Secure Way")<br>(Notes i and ii)          | 10,750,000,000               | 2,150,000,000                               | 12,900,000,000                                    | 60.06%  |
| Net Community Limited<br>("Net Community")<br>(Notes i, ii and v)            | 10,750,000,000               | 2,150,000,000                               | 12,900,000,000                                    | 60.06%  |
| Century Digital Holdings Limited ("Century Digital")<br>(Notes i, ii and vi) | 10,750,000,000               | 2,150,000,000                               | 12,900,000,000                                    | 60.06%  |
| Grand Modern<br>(Notes i, ii and vii)  | 10,750,000,000               | 2,150,000,000                               | 12,900,000,000                                    | 60.06%  |

| Name of substantial shareholder                                    | Number of issued Shares held | Number of underlying Shares (unissued) held | Total number of Shares (issued and unissued) held | Approximate percentage of issued Shares as at the Latest Practicable Date |
|--|------------------------------|---|---|---|
| Shenyin Wanguo (H.K.) Limited<br>("Shenyin Wanguo")<br>(Note viii) | 50,000,060                   | 1,988,604,181                               | 2,038,604,241                                     | 9.49%   |

*Notes:*

- (i) These companies are controlled by Mr. Lo and their interests in Shares are included in the corporate interests of Mr. Lo in the Company as disclosed in the section headed "Disclosure of Directors' Interests" above.
- (ii) The interests in these Shares are directly held by Grand Modern.
- (iii) 8D BVI is 60% owned by Manyways.
- (iv) Task Master is wholly owned by 8D BVI.
- (v) Net Community is 33.33% owned by Task Master and 66.67% owned by Secure Way.
- (vi) Century Digital is wholly owned by Net Community.
- (vii) Grand Modern is wholly owned by Century Digital.
- (viii) The interests in these unissued Shares are directly held by Shenyin Wanguo Strategic Investments (H.K.) Ltd., which is wholly owned by Shenyin Wanguo, through its holding of 1,988,604,181 Series C convertible non-voting preference shares of the Company (the "Series C Shares"). 1,988,604,181 Series C Shares are convertible into 1,988,604,181 new Shares on a phased basis.

Save as disclosed above, the Directors and the chief executive of the Company are not aware that there is any person (other than a Director or chief executive of the Company) who, as at the Latest Practicable Date, had an interest or short position in the Shares and underlying Shares which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO, or who is, directly or indirectly, interested in 10 per cent. or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at a general meeting of any other member of the Group (including the Paliburg Group).

Details of directorships of the Directors in each of those companies which has an interest in Shares and underlying Shares as disclosed under the provisions of Divisions 2 and 3 of Part XV of the SFO are set out as follows:

- (1) Mr. Lo Yuk Sui is a director of Manyways and Secure Way.



- (2) Messrs. Lo Yuk Sui, Donald Fan Tung, Jimmy Lo Chun To and Kenneth Ng Kwai Kai are directors of 8D BVI, Task Master, Net Community, Century Digital and Grand Modern.

#### **4. SERVICE CONTRACTS**

As at the Latest Practicable Date, none of the Directors had entered into any service agreement with any member of the Group (including the Paliburg Group) which would not expire or would not be determinable by the Company within one year without payment of compensation (other than statutory compensation).

#### **5. LITIGATION**

As at the Latest Practicable Date, neither the Company nor any of its subsidiaries was engaged in any litigation, or arbitration of material importance and there was no litigation or claim known to the Directors to be pending or threatened against the Company or any of its subsidiaries which in the opinion of the Directors would be or is likely to be of material importance.

#### **6. COMPETING INTERESTS**

As at the Latest Practicable Date, none of the Directors and his/her respective associates was considered to have an interest in a business which competes or is likely to compete, either directly or indirectly, with the business of the Group (including the Paliburg Group) other than those businesses to which the Directors and his/her associates were appointed to represent the interests of the Company and/or the Group (including the Paliburg Group).

#### **7. GENERAL**

- (a) The head office and principal place of business of the Company is located at 11th Floor, 68 Yee Wo Street, Causeway Bay, Hong Kong. The registered office of the Company is located at Rosebank Centre, 11 Bermudiana Road, Pembroke, Bermuda.
- (b) The branch share registrar of the Company in Hong Kong is Tricor Tengis Limited, 26th Floor, Tesbury Centre, 28 Queen's Road East, Wanchai, Hong Kong.
- (c) The secretary of the Company is Ms. Lam Sau Fun, Eliza, an associate of the Institute of Chartered Secretaries and Administrators and The Hong Kong Institute of Company Secretaries.
- (d) The qualified accountant of the Company is Mr. Allen Wan Tze Wai, an associate of the Hong Kong Institute of Certified Public Accountants.
- (e) The English text of this circular shall prevail over the Chinese text.