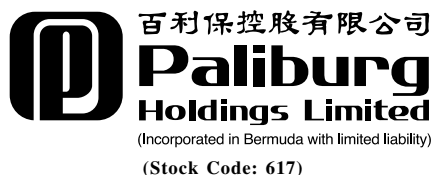


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ANNOUNCEMENT
POSSIBLE TRANSFER OF THE PALIBURG SHARES
AS A RESULT OF THE DEBT RESTRUCTURING OF CENTURY CITY

With reference to the Century Announcement, the Company was informed by Century City that the Century Group has secured the agreement of all the Century Group Creditors to the Century Restructuring, pursuant to which, the Century Group may transfer a minority part of its holding of the Paliburg Shares to the Century Group Creditors and/or other relevant parties involved in the Century Restructuring. The Company will continue to be a subsidiary of Century City after completion of the Century Restructuring.

Trading in the Paliburg Ordinary Shares was suspended from 9:30 a.m. on 4th October, 2004 at the request of the Company pending the issue of this announcement and application has been made to the Stock Exchange for the resumption of trading of the Paliburg Ordinary Shares from 9:30 a.m. on 12th October, 2004.

Shareholders and potential investors of the Company should note that the Century Restructuring may or may not become unconditional and be completed. Caution should be exercised when dealing in the Paliburg Ordinary Shares.

THE CENTURY RESTRUCTURING AND THE POSSIBLE EFFECTS ON THE SHAREHOLDING STRUCTURE OF THE COMPANY

With reference to the Century Announcement, the Company was informed by Century City that the Century Group has secured the agreement of all the Century Group Creditors to the Century Restructuring pursuant to which a maximum number of 765.7 million Paliburg Shares may be transferred by the Century Group to the Century Group Creditors and/or other relevant parties involved in the Century Restructuring. Of the 765.7 million Paliburg Shares, a total number of approximately 148.6 million Paliburg Shares may be transferred to Mr. Lo as a result of a personal guarantee arrangement between Mr. Lo and one of the Century Group Creditors.

As at the date of this announcement, the Century Group holds approximately 3,576.8 million Paliburg Ordinary Shares, representing approximately 63.2% of the Paliburg Ordinary Shares in issue, and 940 million Paliburg Preference Shares (convertible into 940 million Paliburg Ordinary Shares, subject to adjustment). Of the 940 million Paliburg Preference Shares, 202.5 million Paliburg Preference Shares may be transferred to the Second Vendor, a company controlled by Mr. Lo, if it exercises the exchange rights attaching to the 810 million EPSs held by it (such rights are exercisable anytime at the discretion of the holder of such shares). It is proposed that the exchange rights attaching to the EPSs will lapse and be cancelled upon completion of the Century Restructuring.

The table below sets out the shareholding structure of the Company (1) as at the date of this announcement (column 1), (2) after completion of the Century Restructuring if the approximately 765.7 million Paliburg Shares are transferred to the Century Group Creditors and/or other relevant parties involved in the Century Restructuring (including the approximately 148.6 million Paliburg Shares which may be transferred to Mr. Lo) as a result of the Century Restructuring and assuming that the Second Vendor exercises the exchange rights attaching to the 810 million EPSs, all the outstanding Paliburg Preference Shares will be converted into Paliburg Ordinary Shares and that there will be no other changes in the shareholding structure of the Company (column 2) and (3) after completion of the Century Restructuring and based on the same assumptions as in scenario 2 except that the Second Vendor does not exercise the exchange rights attaching to the EPSs (column 3).

	Column 1		Column 2		Column 3	
	number (million)	%	number (million)	%	number (million)	%
The Century Group	3,576.8	63.2%	3,548.6	53.8%	3,751.1	56.9%
Mr. Lo and his associates	307.3	5.4%	658.4	10.0%	455.9	6.9%
Other directors of Century City and the Company	0.8	0.0%	0.8	0.0%	0.8	0.0%
Century Creditors	—	—	617.1	9.4%	617.1	9.4%
Public	1,773.6	31.4%	1,773.6	26.8%	1,773.6	26.8%
Total	5,658.5	100.0%	6,598.5	100.0%	6,598.5	100.0%
Total public float	1,773.6	31.4%	2,390.7	36.2%	2,390.7	36.2%

While the percentage shareholding interest of the Century Group in the Company would decrease as a result of the Century Restructuring, the economic interest of the Century Group in the Company will increase from approximately 31.1% to approximately 53.8% under scenario 2 and to approximately 56.9% under scenario 3. Based on the effect of the Century Restructuring on the shareholding structure of the Company and the present generally accepted accounting principles in Hong Kong, the auditors of Century City have confirmed that the Company will continue to be accounted for as a subsidiary of the Century Group and the financial statements of the Company would still be consolidated in the consolidated financial statements of Century City as a result of the Century Restructuring after taking into account all the existing and potential voting rights in the Company held by the Century Group.

Shareholders and potential investors of the Company may refer to the Century Announcement for details of the Century Restructuring and the possible effects of the Century Restructuring on the shareholding structure of the Company.

GENERAL INFORMATION

Shareholders and potential investors of the Company should note that the Century Restructuring may or may not become unconditional and be completed. Caution should be exercised when dealing in the Paliburg Ordinary Shares.

Trading in the Paliburg Ordinary Shares was suspended from 9:30 a.m. on 4th October, 2004 at the request of the Company pending the issue of this announcement and application has been made to the Stock Exchange for the resumption of trading of the Paliburg Ordinary Shares from 9:30 a.m. on 12th October, 2004.

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

Executive Directors:
 Mr. LO Yuk Sui (Chairman and Managing Director)
 Mr. Donald FAN Tung
 Mr. Jimmy LO Chun To
 Mr. Kenneth NG Kwai Kai

Independent Non-Executive Directors:
 Mr. NG Siu Chan
 Hon Abraham SHEK Lai Him, JP
 Mr. WONG Chi Keung
 Dr. Alex WU Shu Chih, CBE,
 LL D, FBIM FIOP, F Inst D, JP

Non-Executive Director:
 Mrs. Kitty LO LEE Kit Tai

DEFINITIONS

“Century Announcement”	the announcement issued by Century City dated 11th October, 2004 in respect of, among other things, the Century Restructuring
“Century City”	Century City International Holdings Limited, a company incorporated in Bermuda, the ordinary shares of which are listed on the Main Board of the Stock Exchange
“Century Group”	Century City and its subsidiaries, excluding the Company and its subsidiaries
“Century Group Creditor(s)”	the financial creditor(s) of the Century Group participating in the Century Restructuring
“Century Restructuring”	the proposed restructuring of the indebtedness owing by the Century Group to the Century Group Creditors on the terms of the master restructuring agreement entered into between Century City, certain members of the Century Group and the Century Group Creditors on 30th September, 2004
“Company”	Paliburg Holdings Limited, a company incorporated in Bermuda, the ordinary shares of which are listed on the Main Board of the Stock Exchange
“EPS(s)”	the non-voting exchangeable preference share(s) in the share capital of Almighty International Limited, a wholly owned subsidiary of Century City, carrying rights to exchange into the Paliburg Shares held by Almighty International Limited
“Mr. Lo”	Mr. Lo Yuk Sui, the chairman of the board of directors of the Company
“Paliburg Ordinary Shares”	the ordinary shares of HK\$0.01 each in the capital of the Company
“Paliburg Preference Shares”	the non-voting convertible preference shares of HK\$0.10 each in the share capital of the Company, convertible into Paliburg Ordinary Shares on a 1-for-1 basis, subject to adjustment
“Paliburg Shares”	Paliburg Ordinary Shares and/or Paliburg Preference Shares
“Second Vendor”	Select Wise Holdings Limited, a company controlled by Mr. Lo
“Stock Exchange”	The Stock Exchange of Hong Kong Limited

By Order of the Board
Paliburg Holdings Limited
Eliza Lam Sau Fun
 Secretary

Hong Kong, 11th October, 2004