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PLACING OF NEW SHARES

On 8th July, 2003, the Company entered into a Placing Agreement with the Placing Agent for the placing of 180,000,000 new Shares at a price of HK\$0.048 per Share. The 180,000,000 Shares represent approximately 2.74% of the existing issued ordinary share capital of the Company and approximately 2.67% of the issued ordinary share capital of the Company as enlarged by the Placing. The Placing is fully underwritten by the Placing Agent, subject to usual force majeure provisions. The Placing Shares will be placed by the Placing Agent to six or more independent professional, institutional and/or individual investors.

PLACING AGREEMENT DATED 8TH JULY, 2003

Issuer:

The Company

Placing Agent:

The Placing Agent is independent of and not connected with the Company. It is also independent of and not connected with the directors, chief executive or substantial shareholders of the Company and its subsidiaries or any of their respective associates.

The Placing is fully underwritten by the Placing Agent, subject to usual force majeure provisions. The Placing Agent will receive a placement commission of 2.5% of the gross proceeds of the Placing.

Number of new Shares to be placed:

180,000,000 new Shares, representing approximately 2.74% of the existing issued ordinary share capital of the Company and approximately 2.67% of the issued ordinary share capital of the Company as enlarged by the Placing.

Placing Price:

HK\$0.048 per Share, representing (i) a discount of approximately 11.11% to the closing price of HK\$0.054 per Share quoted on the Stock Exchange on the date of this announcement and the date on which the Placing Agreement was entered into, and (ii) a discount of approximately 4.38% to the average closing price of HK\$0.0502 per Share as quoted on the Stock Exchange for the last 10 trading days up to and including 8th July, 2003. The Placing Price is determined after arm's length negotiation between the Company and the Placing Agent and the board of directors of the Company considers that the Placing Price is fair and reasonable based on the market price of the Shares.

Placees:

The Placing will be made to six or more independent professional, institutional and/or individual investors to be procured by the Placing Agent.

The placees to be procured by the Placing Agent will be independent of and not connected with the directors, chief executive or substantial shareholders of the Company or its subsidiaries or any of their respective associates.

Mandate to issue the new Shares:

The Placing Shares are to be issued under the general mandate to allot, issue and deal with Shares granted to the directors of the Company at the Company's annual general meeting held on 12th June, 2003. The Company has not issued any Shares pursuant to such mandate prior to the Placing.

Ranking of the new Shares:

The Placing Shares, when fully paid, will rank pari passu in all respects with the Shares in issue at the time of the issue and allotment of the Placing Shares.

Condition of the Placing:

The Placing is conditional upon the Listing Committee of the Stock Exchange granting the listing of and permission to deal in the Placing Shares.

The Company will apply to the Listing Committee of the Stock Exchange for the listing of, and permission to deal in, the Placing Shares.

Completion of the Placing:

Completion of the Placing will take place within 2 Business Days after the fulfilment of the above condition, but in any event not later than 24th July, 2003 (or such later date as the parties may mutually agree).

REASON FOR THE PLACING AND USE OF PROCEEDS OF THE PLACING

The directors of the Company consider that it is in the interests of the Company to raise capital for the Company through the Placing while broadening the shareholder and capital base of the Company. The Company intends to use the estimated net proceeds of the Placing of approximately HK\$8.4 million (after deduction of the costs and expenses for the Placing which is estimated to be approximately HK\$0.2 million) for general working capital purposes, including payment of normal operating expenses.

PREVIOUS FUND RAISING EXERCISES

During the twelve months prior to the date of this announcement, the Company had carried out three fund raising exercises.

On 15th October, 2002, Richtech issued HK\$50 million Convertible Bonds to Faith Master Limited, an independent third party not connected with any of the directors, chief executive and substantial shareholders of the Company and its subsidiaries and any of their respective associates. As mentioned in the announcement of the Company dated 16th September, 2002, the Company stated its intention to use the net proceeds of approximately HK\$50 million receivable from the issue of the HK\$50 million Convertible Bonds substantially for reduction of bank indebtedness as referred to in an announcement dated 10th September, 2002 of the Company relating to its entering into of a standstill agreement with bank creditors. Such net proceeds of approximately HK\$50 million were subsequently applied by the Company for the reduction of bank indebtedness as disclosed. Details in respect of the Convertible Bonds and related matters were disclosed in the announcements of the Company dated 16th September, 2002, 15th October, 2002, 16th January, 2003 and 29th January, 2003 and the circular of the Company dated 30th January, 2003.

On 9th December, 2002, Guo Yui and Taylor each subscribed for 155,000,000 Shares, i.e. an aggregate number of 310,000,000 Shares, at a

price of HK\$0.065 per Share, following the completion of the placing, through placing agents, of 155,000,000 Shares held by Taylor at a price of HK\$0.065 per Share on 2nd December, 2002. As mentioned in the announcement of the Company dated 27th November, 2002, the Company stated its intention to use the net proceeds of approximately HK\$20 million receivable from the subscription for 310,000,000 Shares for general working capital purposes. Such net proceeds were subsequently so applied by the Company for general working capital purposes, including payment of normal operating expenses. Details relating to the placing of 155,000,000 Shares and the subscription for 310,000,000 Shares were disclosed in the announcement of the Company dated 27th November, 2002.

On 16th June, 2003, Guo Yui subscribed for 210,000,000 Shares at a price of HK\$0.048 per Share pursuant to a subscription agreement dated 3rd June, 2003 entered into between the Company and Guo Yui, following the completion of the placing, through a placing agent, of 150,000,000 Shares held by Guo Yui at a price of HK\$0.048 per Share on 10th June, 2003. As mentioned in the announcement of the Company dated 5th June, 2003, the Company stated its intention to use the net proceeds of approximately HK\$10 million receivable from the subscription for 210,000,000 Shares for general working capital purposes. Such net proceeds were subsequently so applied by the Company for general working capital purposes, including payment of normal operating expenses. Details relating to the placing of 150,000,000 Shares and the subscription for 210,000,000 Shares were disclosed in the announcement of the Company dated 5th June, 2003.

PALIBURG'S INTEREST IN THE COMPANY

The shareholding of Paliburg in the issued ordinary share capital of the Company will be reduced from approximately 72.71% (being the shareholding percentage as of the date of this announcement) to approximately 70.78% immediately upon completion of the Placing, assuming there will be no change to the shareholding structure of the Company before completion of the Placing.

DEFINITIONS

As used in this announcement, the following words and phrases have the same meanings assigned:

"associates"	has the meaning as ascribed in the Listing Rules
"Business Day"	any day (excluding Saturday) on which banks generally open for business in Hong Kong
"Company"	Regal Hotels International Holdings Limited, a subsidiary of Paliburg incorporated in Bermuda with limited liability and the Shares of which are listed on the Stock Exchange, in which Paliburg currently holds approximately 72.71% shareholding interests.
"Convertible Bonds"	5% Guaranteed Convertible Bonds due 2004 convertible into Shares of the Company issued by Richtech and guaranteed by the Company
"Guo Yui"	Guo Yui Investments Limited, a wholly owned subsidiary of Paliburg incorporated in the British Virgin Islands with limited liability
"Hong Kong"	the Hong Kong Special Administrative Region of the People's Republic of China
"Listing Rules"	the Rules Governing the Listing of Securities on the Stock Exchange
"Paliburg"	Paliburg Holdings Limited, a company incorporated in Bermuda with limited liability and the ordinary shares of which are listed on the Stock Exchange
"Placing"	the placement of 180,000,000 new Shares by the Placing Agent to independent investors at the Placing Price
"Placing Agent"	Uni-Alpha Securities Limited, a deemed licensed corporation for types 1, 4, 6 and 9 regulated activities under the Securities and Futures Ordinance
"Placing Agreement"	The placing and underwriting agreement dated 8th July, 2003 between the Company and the Placing Agent in respect of the Placing
"Placing Price"	the placing price of HK\$0.048 per Share
"Placing Shares"	180,000,000 new Shares
"Richtech"	Richtech Holdings Limited, a wholly owned subsidiary of the Company incorporated in Hong Kong with limited liability
"Shares"	ordinary shares of HK\$0.01 each in the share capital of the Company
"Stock Exchange"	The Stock Exchange of Hong Kong Limited
"substantial shareholders"	has the meaning as ascribed in the Listing Rules
"Taylor"	Taylor Investments Ltd., a wholly owned subsidiary of Paliburg incorporated in the British Virgin Islands with limited liability
"HK\$"	Hong Kong dollars

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

Hong Kong, 8th July, 2003