



Announcement

Reference is made to the joint announcements of Century City, Paliburg and Regal dated 8th July, 2005 and 9th January, 2006 in respect of the Sale and Purchase Agreement entered into between the Vendor, Paliburg, the Purchaser, Regal and Hang Fok and the extension of the Long Stop Date. On 3rd April, 2006, the Purchaser agreed to accept the Condition Subsequent as fulfilled or otherwise as waived and thus the right to rescind or terminate the Sale and Purchase Agreement will not be exercised.

Reference is made to the joint announcements dated 8th July, 2005 and 9th January, 2006 made by Century City, Paliburg and Regal (the "Announcements") and the circulars dated 25th July, 2005 issued respectively by Century City and Paliburg in respect of the Sale and Purchase Agreement entered into between the Vendor, Paliburg, the Purchaser (a wholly-owned subsidiary of Regal), Regal and Hang Fok and the extension of the Long Stop Date. Unless otherwise defined herein, capitalised terms used in this announcement shall have the same meanings as defined in the Announcements.

As stated in the Announcements, completion of the Sale and Purchase Agreement took place immediately following the signing of the Sale and Purchase Agreement on 8th July, 2005. Pursuant to the Sale and Purchase Agreement (as amended by the supplemental deed dated 7th January, 2006), the Vendor and Paliburg shall use their reasonable endeavours to procure the fulfillment of the Condition Subsequent on or before 29th April, 2006, being the Long Stop Date. The Condition Subsequent requires the Vendor to provide the Purchaser with documentary evidence satisfactory to the Purchaser to demonstrate that any of the Investee Companies is entitled to acquire the land use right of a development site in the Central Business District of Beijing, the PRC with total permissible gross floor area of not less than 430,000 square metres at a consideration of not more than RMB580 million, subject to any adjustment mutually acceptable to the Vendor and the Purchaser if the permissible gross floor area and/or the permitted use of which has been altered. If the Condition Subsequent is not fulfilled or waived by the Purchaser on or before the Long Stop Date, the Purchaser will have the right to rescind or terminate the Sale and Purchase Agreement.

Land Grant Contracts have been granted to one of the Investee Companies by the relevant authority in the PRC in respect of certain portions of the original development site with total permissible gross floor area of 280,833 square metres encompassing office, commercial, residential uses at a consideration of approximately RMB390.5 million (the "Land Grant Contracts"). The Investee Companies are continuing with their efforts with a view to further securing their rights to the remaining portion of the original development site. After having considered the entitlements to the land use rights under the Land Grant Contracts granted to the Investee Companies, the favourable market environment currently prevailing in Beijing and the relatively attractive opportunity for Regal to participate in this development project, the directors of Regal consider it in the interests of Regal and its shareholders as a whole to continue its investment in Hang Fok. Accordingly, the Purchaser agreed to accept the Condition Subsequent as fulfilled or otherwise as waived on 3rd April, 2006 and thus the right to rescind or terminate the Sale and Purchase Agreement will not be exercised.

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

Executive Directors:

Mr. LO Yuk Sui (*Chairman and Managing Director*)
Mr. Jimmy LO Chun To
Mr. Kenneth NG Kwai Kai

Non-Executive Director:

Mrs. Kitty LO LEE Kit Tai

Independent Non-Executive Directors:

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

As at the date of this announcement, the board of directors of Paliburg 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

Non-Executive Director:

Mrs. Kitty LO LEE Kit Tai

Independent Non-Executive Directors:

Hon Abraham SHEK Lai Him, JP
Mr. NG Siu Chan
Mr. WONG Chi Keung

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

Executive Directors:

Mr. LO Yuk Sui (*Chairman and Managing Director*)
Mr. Donald FAN Tung
Mr. Jimmy LO Chun To
Miss LO Po Man
Mr. Kenneth NG Kwai Kai
Ms. Belinda YEUNG Bik Yiu

Non-Executive Directors:

Dr. Francis CHOI Chee Ming, JP (*Vice Chairman*)
Mr. Kai Ole RINGENSON

Independent Non-Executive Directors:

Ms. Alice KAN Lai Kuen
Mr. NG Siu Chan
Mr. WONG Chi Keung

By Order of the Board
Century City International
Holdings Limited
Eliza Lam Sau Fun
Secretary

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

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

Hong Kong, 3rd April, 2006