

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this joint announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this joint announcement.



(stock code: 355)

DISCLOSEABLE TRANSACTION



(stock code: 617)

VOLUNTARY ANNOUNCEMENT



(stock code: 78)

VOLUNTARY ANNOUNCEMENT

JOINT ANNOUNCEMENT

PARTICIPATION IN SYGNUM SECURITIES

On 12 April 2022 (after trading hours), TCL (a wholly-owned subsidiary of Regal) and SHKSCL entered into the Agreement, pursuant to which TCL shall be entitled to participate in the Participation Percentage of the Receipts in respect of 6,318,682 Preferred B Shares of Sygnum at a par value of CHF0.21 per share (representing approximately 3% of the issued share capital of Sygnum) held by SHKSCL for a consideration of CHF10 million (equivalent to approximately HK\$84.4 million), subject to certain terms and conditions therein.

As the highest applicable percentage ratio in respect of the Participation is more than 5% but is less than 25% for Century City, the Participation constitutes a discloseable transaction for Century City subject to the announcement requirement under Chapter 14 of the Listing Rules.

INTRODUCTION

On 12 April 2022 (after trading hours), TCL (a wholly-owned subsidiary of Regal) and SHKSCL entered into the Agreement, pursuant to which TCL shall be entitled to participate in the Participation Percentage of the Receipts in respect of 6,318,682 Preferred B Shares of Sygnum at a par value of CHF0.21 per share (i.e. Sygnum Securities) (representing approximately 3% of the issued share capital of Sygnum) held by SHKSCL for a consideration of CHF10 million (equivalent to approximately HK\$84.4 million), subject to certain terms and conditions therein.

THE AGREEMENT

The major terms of the Agreement are set out as follows:

Date: 12 April 2022

Parties: (i) TCL (as the participant); and
(ii) SHKSCL (as the issuer)

To the best of the knowledge, information and belief of Century City Directors, Paliburg Directors and Regal Directors after having made all reasonable enquiries, SHKSCL and its ultimate beneficial owners are independent of Century City, Paliburg, Regal and their respective connected persons.

Subject matter: the Participation in the Receipts in respect of the Sygnum Securities

Consideration: CHF10 million (equivalent to approximately HK\$84.4 million), payable in cash by TCL upon completion.

The Consideration was determined after an arm's length negotiation between the parties taking into account the acquisition cost of the SHKSCL in respect of the Sygnum Securities.

Completion: Completion shall take place on the 5th business day after execution of the Agreement by the parties.

Fees: TCL shall pay to SHKSCL the following fees as stipulated under the Agreement:

- (i) one-off set-up fee of CHF200,000 (equivalent to approximately HK\$1,688,000, being 2% of the Participation Amount, payable upon completion;
- (ii) annual maintenance fee of CHF100,000 (equivalent to approximately HK\$844,000), being 1% of the Participation Amount, payable in advance until the termination of the Agreement; and
- (iii) performance fee, representing 10% of the Capital Gain and cumulative Investment Income, payable within 7 days of receipt by TCL of the sale proceeds of the Sygnum Securities attributable to TCL.

Voting and other rights of the Sygnum Securities:	SHKSCL reserves the sole right to enforce and/or exercise (or not to enforce and/or exercise) any obligations, remedies, rights or otherwise of Sygnum or in respect of or in connection with the Sygnum Securities.
Transfer of the Sygnum Securities:	With the consent of TCL, SHKSCL can transfer all or a portion of the Sygnum Securities into a fund to be established as a Cayman Islands exempted company and managed by an affiliate of SHKSCL. Upon such transfer, TCL will be allocated certain interest (in the form of shares) in such fund and subject to the terms thereof based on, among others, the Participation Amount and the investment or management objectives and strategies of such fund. Upon effect of the aforesaid transfer and allocation, the Participation will be cancelled immediately and the Agreement will be terminated automatically.
Termination:	<p>The Agreement shall terminate upon occurrence of any of the following events, among others:</p> <ul style="list-style-type: none"> (i) SHKSCL transfers to TCL the Sygnum Securities based on the Participation Percentage; (ii) sale or disposal of the Sygnum Securities to a third party and the distribution of the net proceeds thereof based on the Participation Percentage to TCL; (iii) on the earlier of (a) liquidation or winding up of Sygnum or (b) the 7th anniversary of the execution of the Agreement, in the reasonable opinion of SHKSCL there is no likelihood of receiving any further Receipts; (iv) upon effect of the transfer of the Sygnum Securities to the fund and allocation of certain interest of such fund to TCL as set out in the above item "Transfer of the Sygnum Securities".

INFORMATION ON THE PARTIES

According to the latest published annual report of SHK, SHKSCL is a wholly-owned subsidiary of SHK and the principal activities of SHKSCL are investment holding, securities trading and financial services.

According to the information provided by SHKSCL, Sygnum was founded in 2018 and is a digital asset bank based in Switzerland and Singapore. Sygnum has a full banking and securities dealer license in Switzerland and a capital markets services license in Singapore and its business lines comprise accounts and custody, credit and lending, brokerage, financial products and asset management, tokenization and business-to-business banking services.

REASONS FOR AND BENEFITS OF THE PARTICIPATION

The Century City Group is principally engaged in property development and investment, construction and building related businesses, hotel ownership, hotel operation and management, asset management, aircraft ownership and leasing business and other investments including financial assets investments.

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

The Regal Group is principally engaged in hotel ownership business, which is mainly undertaken through Regal REIT, hotel operation and management businesses, asset management of Regal REIT, property development and investment, including those undertaken through the joint venture in P&R, aircraft ownership and leasing business and other investments including financial assets investments.

The digital assets market has been developing, with room for further expansion. Taking into account Sygnum's multiple business lines and respective licenses all focusing on digital assets, TCL expects that Sygnum will be poised to capture the aforementioned market expansion in the coming future. The Participation will provide the Regal Group with an opportunity to expand its investment portfolio with an objective to diversify its income sources to digital assets market. The Participation will be financed by the internal resources of the Regal Group. The Century City Board, the Paliburg Board and the Regal Board consider that the terms of the Participation are fair and reasonable and in the interests of Century City, Paliburg, Regal and their respective shareholders as a whole.

LISTING RULES IMPLICATIONS

TCL is a wholly-owned subsidiary of Regal which in turn is a listed subsidiary of Century City and Paliburg.

As the highest applicable percentage ratio in respect of the Participation is more than 5% but is less than 25% for Century City and is less than 5% for each of Paliburg and Regal, the Participation constitutes a discloseable transaction for Century City subject to the announcement requirement under Chapter 14 of the Listing Rules.

DEFINITIONS

In this joint announcement, the following expressions have the meanings set out below unless the context otherwise requires:

“Agreement”	the participation agreement dated 12 April 2022 entered into between TCL and SHKSCL in respect of the Participation
“Capital Gain”	the amount by which the net sale proceeds of the Sygnum Securities attributable to TCL exceed the Participation Amount
“Century City”	Century City International Holdings Limited, a company incorporated in Bermuda, the issued ordinary shares of which are listed on the Main Board of the Stock Exchange (Stock Code: 355)
“Century City Board”	board of Century City Directors
“Century City Directors”	directors of Century City
“Century City Group”	Century City and its subsidiaries

“CHF”	Swiss Francs, the lawful currency of Switzerland
“connected person”	has the meaning ascribed to such term in the Listing Rules
“Consideration”	the consideration payable by TCL in respect of the Participation contemplated under the Agreement
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Investment Income”	the gross income received by TCL relating to the Sygnum Securities, including dividends, interest and other amounts (other than the Capital Gain)
“Listing Rules”	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited
“Paliburg”	Paliburg Holdings Limited, a company incorporated in Bermuda, the issued ordinary shares of which are listed on the Main Board of the Stock Exchange (Stock Code: 617)
“Paliburg Board”	board of Paliburg Directors
“Paliburg Directors”	directors of Paliburg
“Paliburg Group”	Paliburg and its subsidiaries
“Participation”	the participation right in the performance of the Sygnum Securities based on the Receipts and the Participation Percentage as contemplated under the Agreement
“Participation Amount”	CHF10 million
“Participation Percentage”	approximately 43.48%, based on the Participation Amount and the acquisition cost of SHKSCL in respect of the Sygnum Securities
“percentage ratios”	the percentage ratios calculated based on the requirements under Rule 14.07 of the Listing Rules
“P&R”	P&R Holdings Limited, a joint venture established and owned by a wholly-owned subsidiary of Paliburg and a wholly-owned subsidiary of Regal as to 50% and 50% respectively
“Receipts”	any cash amounts or non-cash consideration actually received by SHKSCL in connection with the Sygnum Securities, including sale proceeds and any interest or cash distributions therefrom

“Regal”	Regal Hotels International Holdings Limited, a company incorporated in Bermuda, the issued ordinary shares of which are listed on the Main Board of the Stock Exchange (Stock Code: 78)
“Regal Board”	board of Regal Directors
“Regal Directors”	directors of Regal
“Regal Group”	Regal and its subsidiaries
“Regal REIT”	Regal Real Estate Investment Trust, a Hong Kong collective investment scheme authorised under section 104 of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong), the issued units of which are listed on the Main Board of the Stock Exchange (Stock Code: 1881)
“SHK”	Sun Hung Kai & Co. Limited, a company incorporated in Hong Kong, the issued ordinary shares of which are listed on the Main Board of the Stock Exchange (Stock Code: 86)
“SHKSCL”	Sun Hung Kai Strategic Capital Limited, a company incorporated in Hong Kong and a wholly-owned subsidiary of SHK
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Sygnum”	Sygnum Bank AG
“Sygnum Securities”	6,318,682 Preferred B Shares of Sygnum at a par value of CHF0.21 per share
“TCL”	Talent Collection Limited, a wholly-owned subsidiary of Regal
“%”	per cent.

For the purpose of this joint announcement, unless the context otherwise requires or expressly specified, conversion of Swiss Francs into Hong Kong dollars is based on the approximate exchange rate of HK\$8.4381 to CHF1.0000. Such exchange rate is for the purpose of illustration only and does not constitute a representation that any amounts in Hong Kong dollars or Swiss Francs has been, could have been or may be converted at such or any other rate or at all.

By order of the board of directors of
Century City International Holdings Limited
Eliza Lam Sau Fun
Secretary

By order of the board of directors of
Paliburg Holdings Limited
Eliza Lam Sau Fun
Secretary

By order of the board of directors of
Regal Hotels International Holdings Limited
Eliza Lam Sau Fun
Secretary

Hong Kong, 12 April 2022

As at the date of this joint announcement, the Century City Board comprises the following members:

Executive directors:

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

Independent non-executive directors:

Mr. Anthony CHUANG
Ms. Winnie NG, JP
Mr. WONG Chi Keung

As at the date of this joint announcement, the Paliburg Board comprises the following members:

Executive directors:

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

Independent non-executive directors:

Mr. Bowen Joseph LEUNG Po Wing, GBS, JP
Ms. Winnie NG, JP
Hon Abraham SHEK Lai Him, GBS, JP
Mr. WONG Chi Keung

As at the date of this joint announcement, the Regal Board comprises the following members:

Executive directors:

Mr. LO Yuk Sui
(Chairman and Chief Executive Officer)
Miss LO Po Man
(Vice Chairman and Managing Director)
Ms. Belinda YEUNG Bik Yiu, JP
(Chief Operating Officer)
Mr. Donald FAN Tung
Mr. Jimmy LO Chun To
Mr. Kenneth NG Kwai Kai
Mr. Allen WAN Tze Wai

Non-executive director:

Dr. Francis CHOI Chee Ming, GBS, JP
(Vice Chairman)

Independent non-executive directors:

Ms. Alice KAN Lai Kuen
Professor Japhet Sebastian LAW
Ms. Winnie NG, JP
Mr. WONG Chi Keung