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(stock code: 355)

VERY SUBSTANTIAL ACQUISITION

AND

VERY SUBSTANTIAL DISPOSAL



(stock code: 617)

MAJOR TRANSACTIONS

JOINT ANNOUNCEMENT

AMTD III SHARE SWAP

Financial adviser



Yue Xiu Capital Limited

This joint announcement is made by Century City and Paliburg pursuant to Chapter 14 of the Listing Rules.

Reference is made to the joint announcement issued by Century City, Paliburg, Regal, RH International and Cosmopolitan dated 2 January 2020 in relation to, among others, (i) the Shares Related Transactions comprising the Cosmo Shares Transfer and the AMTD I Acquisition; (ii) the CIDL Related Transactions comprising the CIDL Disposal and the AMTD II Acquisition; and (iii) the Hotel Related Transactions comprising the Hotel Interests Disposal and the Hotel Financial Assistance.

AMTD III SHARE SWAP

On 24 January 2020 (after trading hours of the Stock Exchange), the Second Cosmo Shares Vendor entered into the Second Cosmo Shares Transfer Agreement with the Second Cosmo Transfer Purchaser, AMTD Shares Vendor and P&R Finance, pursuant to which the Second Cosmo Shares Vendor conditionally agreed to sell and the Second Cosmo Transfer Purchaser conditionally agreed to acquire the Second Cosmo Shares at HK\$1.70 per Second Cosmo Share. Completion of the Second Cosmo Shares Transfer is conditional upon (i) Century City and Paliburg having obtained approval of the transactions contemplated under the Second Cosmo Shares Transfer Agreement from their respective

shareholders in a general meeting or by written approval (as the case may be); and (ii) the AMTD III Acquisition Agreement having been signed and the AMTD III Acquisition having become unconditional (other than the condition relating to the Second Cosmo Shares Transfer Agreement having become unconditional).

On 24 January 2020 (after trading hours of the Stock Exchange), P&R Finance entered into the AMTD III Acquisition Agreement with the AMTD Shares Vendor, pursuant to which the AMTD Shares Vendor conditionally agreed to sell and P&R Finance conditionally agreed to acquire the AMTD III Shares at US\$8.45 (equivalent to approximately HK\$65.91) per AMTD Class A Share. Completion of the AMTD III Acquisition is conditional upon, among others, Century City and Paliburg having obtained approval of the transaction contemplated under the AMTD III Acquisition Agreement from their respective shareholders in general meeting or by written approval (as the case may be) and the Second Cosmo Shares Transfer Agreement having been signed and the Second Cosmo Shares Transfer having become unconditional (other than the condition relating to the AMTD III Acquisition Agreement having become unconditional).

LISTING RULES IMPLICATIONS

Completion of the AMTD III Share Swap (i.e. the Second Cosmo Shares Transfer and the AMTD III Acquisition) is not conditional on completion of the Shares Related Transactions, the CIDL Related Transactions and the Hotel Related Transactions.

AMTD III Share Swap

As the highest of the relevant applicable percentage ratios set forth under Rule 14.07 of the Listing Rules in respect of the Second Cosmo Shares Transfer under the Second Cosmo Shares Transfer Agreement is more than 25% but is less than 75% for Century City, the Second Cosmo Shares Transfer constitutes a major transaction for Century City and is subject to the reporting, announcement and shareholders' approval requirements under Chapter 14 of the Listing Rules whilst the highest of the relevant applicable percentage ratios for Paliburg is more than 5% but is less than 25%, the Second Cosmo Shares Transfer constitutes a discloseable transaction for Paliburg and is subject to the reporting and announcement requirements under Chapter 14 of the Listing Rules.

As the highest of the relevant applicable percentage ratios set forth under Rule 14.07 of the Listing Rules in respect of the AMTD III Acquisition under the AMTD III Acquisition Agreement is more than 25% but is less than 100% for each of Century City and Paliburg, the AMTD III Acquisition constitutes a major transaction for each of Century City and Paliburg and is subject to the reporting, announcement and shareholders' approval requirements under Chapter 14 of the Listing Rules.

Aggregation

The highest applicable percentage ratio (as defined under the Listing Rules) for Century City in respect of (i) the AMTD III Acquisition, AMTD Shares Acquisitions and the Hotel Financial Assistance in aggregate is more than 100% and (ii) the Second Cosmo Shares Transfer, the Cosmo Shares Transfer, the CIDL Disposal and the Hotel Interests Disposal in aggregate is more than 75%. Accordingly, the AMTD III Share Swap together with the Shares Related Transactions, the CIDL Related Transactions and the Hotel Related Transactions as a whole constitutes a very substantial acquisition and a very

substantial disposal for Century City and is subject to the reporting, announcement and shareholders' approval requirements under Chapter 14 of the Listing Rules.

The highest applicable percentage ratio (as defined under the Listing Rules) for Paliburg in respect of (i) the AMTD III Acquisition, AMTD Shares Acquisitions and the Hotel Financial Assistance in aggregate is more than 25% but is less than 100%; and (ii) the Second Cosmo Shares Transfer, the Cosmo Shares Transfer, the CIDL Disposal and the Hotel Interests Disposal in aggregate is more than 25% but is less than 75%. Accordingly, the AMTD III Share Swap together with the Shares Related Transactions, the CIDL Related Transactions and the Hotel Related Transactions as a whole constitutes a major acquisition transaction and a major disposal transaction for Paliburg and is subject to the reporting, announcement and shareholders' approval requirements under Chapter 14 of the Listing Rules.

GENERAL

The Century City SGM will be convened and held for the Century City shareholders to consider and, if thought fit, approve the AMTD III Share Swap. A circular of Century City containing, among others, (i) further details of the AMTD III Share Swap; (ii) financial information of AMTD; (iii) financial information of Cosmopolitan; and (iv) a notice convening the Century City SGM, will be despatched its shareholders on or before 18 February 2020.

Paliburg will obtain a written approval from its shareholders for the AMTD III Share Swap from a closely allied group of shareholders of Paliburg who together hold more than 50% of the issued share capital of Paliburg. Accordingly, no shareholders' meeting of Paliburg will be convened for the purpose of approving the AMTD III Share Swap. Paliburg expects to despatch a circular to its shareholders for information purpose on or before 18 February 2020.

The Second Cosmo Shares Transfer Agreement and the AMTD III Acquisition Agreement are subject to, among other things, the approval of the respective shareholders of Century City and Paliburg. Shareholders and potential investors of Century City and Paliburg should exercise caution when dealing in or investing in the securities of Century City and Paliburg.

Reference is made to the joint announcement issued by Century City, Paliburg, Regal, RH International and Cosmopolitan dated 2 January 2020 in relation to, among others, (i) the Shares Related Transactions comprising the Cosmo Shares Transfer and the AMTD I Acquisition; (ii) the CIDL Related Transactions comprising the CIDL Disposal and the AMTD II Acquisition; and (iii) the Hotel Related Transactions comprising the Hotel Interests Disposal and the Hotel Financial Assistance.

THE SECOND COSMO SHARES TRANSFER AGREEMENT

On 24 January 2020 (after trading hours of the Stock Exchange), the Second Cosmo Shares Vendor entered into the Second Cosmo Shares Transfer Agreement with the Second Cosmo Transfer Purchaser, AMTD Shares Vendor and P&R Finance, pursuant to which the Second Cosmo Shares Vendor conditionally agreed to sell and the Second Cosmo Transfer Purchaser conditionally agreed to acquire the Second Cosmo Shares at HK\$1.70 per Cosmopolitan Share. Completion of the Second Cosmo Shares Transfer is conditional upon

(i) Century City and Paliburg having obtained approval of the transactions contemplated under the Second Cosmo Shares Transfer Agreement from their respective shareholders in a general meeting or by written approval (as the case may be); and (ii) the AMTD III Acquisition Agreement having been signed and the AMTD III Acquisition having become unconditional (other than the condition relating to the Second Cosmo Shares Transfer Agreement having become unconditional).

The major terms of the Second Cosmo Shares Transfer Agreement are set out as follows:

Date: 24 January 2020

Parties: (i) Second Cosmo Transfer Purchaser (as buyer)
(ii) Second Cosmo Shares Vendor (as seller)
(iii) AMTD Shares Vendor (as seller under the AMTD III Acquisition Agreement)
(iv) P&R Finance (as buyer under the AMTD III Acquisition Agreement)

As at the date of this joint announcement, (i) P&R Finance was interested in 5,674,000 AMTD Class A Shares through the AMTD I Acquisition; and (ii) the Regal Group was interested in 461,538 AMTD Class A Shares and US\$14.1 million worth of 7.625% senior perpetual securities issued by AMTD Shares Vendor which are listed on the Stock Exchange (Stock Code: 5222); and (iii) each of P&R and a wholly-owned subsidiary of the AMTD Shares Vendor holds 50% equity interests in Dense Globe Investment Limited following the completion the Hotel Interests Disposal. Furthermore, the Cosmopolitan Group will be interested in 6,069,000 AMTD Class A Shares upon completion of the AMTD II Acquisition.

Save as disclosed above, to the best of the knowledge, information and belief of the Century City Directors and Paliburg Directors, after having made all reasonable enquiries, the Second Cosmo Transfer Purchaser and the AMTD Shares Vendor and their ultimate beneficial owners are Independent Third Parties of Century City and Paliburg and their respective connected persons.

Assets to be disposed of: the Second Cosmo Shares, being 368,320,000 Cosmopolitan Shares held by the Second Cosmo Shares Vendor, representing approximately 8.34% of the issued ordinary shares of Cosmopolitan as at the date of this joint announcement.

Consideration: The consideration per Second Cosmo Share is HK\$1.70, representing a discount of approximately 1.16% to the closing price of HK\$1.72 per Cosmopolitan Share as quoted on the Stock Exchange on 24 January 2020. The consideration per Second Cosmo Share was negotiated on an arm's length basis between the Second Cosmo Shares Vendor and the Second Cosmo Transfer Purchaser with reference to the prevailing market price of the Cosmopolitan Shares.

The total consideration for the Second Cosmo Shares Transfer is approximately HK\$626.1 million.

Payment terms: The consideration for the Second Cosmo Shares Transfer shall be paid and satisfied by AMTD Shares Vendor transferring and delivering the AMTD III Shares under the AMTD III Acquisition to P&R Finance on the date of completion of the Second Cosmo Shares Transfer.

Conditions precedent: Completion of the Second Cosmo Shares Transfer shall be conditional upon, (i) Century City and Paliburg having obtained approval of the transactions contemplated under the Second Cosmo Shares Transfer Agreement from their respective shareholders in general meeting or by written approval (as the case may be); and (ii) the AMTD III Acquisition Agreement having been signed and the AMTD III Acquisition having become unconditional (other than the condition relating to the Second Cosmo Shares Transfer Agreement having become unconditional).

Completion: Completion shall take place on the third business day after the day on which the last condition precedent is satisfied.

If the condition precedents are not satisfied on or before 24 April 2020 or such other date as the parties may agree in writing, the Second Cosmo Shares Transfer Agreement shall terminate.

Upon completion of the Second Cosmo Shares Transfer, the Second Cosmo Shares shall be transferred and delivered to the Second Cosmo Transfer Purchaser.

Undertaking by the Second Cosmo Transfer Purchaser: Until 31 December 2026 and subject to availability of a scrip dividend alternative option offered by Cosmopolitan, so long as Second Cosmo Transfer Purchaser continues to hold any of the Second Cosmo Shares or any reinvestment Cosmopolitan Shares, Second Cosmo Transfer Purchaser shall irrevocably elect receiving scrip dividend in Cosmopolitan Shares with respect to the Second Cosmo Shares under the Second Cosmo Shares Transfer and reinvestment held by Second Cosmo Transfer Purchaser. The reinvestment period shall be automatically extended for seven years and ends on 31 December 2033 unless the parties mutually agree otherwise.

Lock-up: The Second Cosmo Transfer Purchaser shall not, during the 180 days lock-up period after completion of the Second Cosmo Shares Transfer Agreement, transfer any Second Cosmo Shares acquired under the Second Cosmo Shares Transfer Agreement without the prior written consent of the Second Cosmo Shares Vendor except for transfer of such Second Cosmo Shares (including any reinvestment Cosmopolitan Shares) to any of the affiliates of the Second Cosmo Transfer Purchaser.

EFFECT ON SHAREHOLDING STRUCTURE OF COSMOPOLITAN

For illustrative purpose only, the following table sets out the shareholding structure of Cosmopolitan (i) as at the date of this joint announcement; (ii) assuming conversion of 50,000,000 Cosmopolitan CPSs into 50,000,000 Cosmopolitan Shares before completion of the Second Cosmo Shares Transfer; and (iii) immediately after completion of the Second Cosmo Shares Transfer (assuming there is no other change in the shareholding structure of Cosmopolitan before completion of the Second Cosmo Shares Transfer):

	As at the date of this joint announcement		Assuming conversion of 50,000,000 Cosmopolitan CPSs into 50,000,000 Cosmopolitan Shares before completion of the Second Cosmo Shares Transfer			
			Cosmopolitan Shares before completion of the Second Cosmo Shares Transfer		Immediately after completion of the Second Cosmo Shares Transfer	
	<i>Number of Cosmopolitan Shares</i>	<i>%</i>	<i>Number of Cosmopolitan Shares</i>	<i>%</i>	<i>Number of Cosmopolitan Shares</i>	<i>%</i>
Cosmopolitan Shareholders						
P&R Group (<i>note</i>)	2,552,316,716	57.82	2,602,316,716	58.30	2,233,996,716	50.05
Regal Group	<u>531,858,000</u>	<u>12.05</u>	<u>531,858,000</u>	<u>11.91</u>	<u>531,858,000</u>	<u>11.91</u>
Sub-total	3,084,174,716	69.87	3,134,174,716	70.21	2,765,854,716	61.96
Cosmopolitan Directors	3,649,101	0.08	3,649,101	0.08	3,649,101	0.08
Second Cosmo Transfer Purchaser	-	-	-	-	368,320,000	8.25
Other shareholders	<u>1,326,102,555</u>	<u>30.05</u>	<u>1,326,102,555</u>	<u>29.71</u>	<u>1,326,102,555</u>	<u>29.71</u>
Total	<u>4,413,926,372</u>	<u>100.00</u>	<u>4,463,926,372</u>	<u>100.00</u>	<u>4,463,926,372</u>	<u>100.00</u>

Note: P&R Group will convert certain amount of its Cosmopolitan CPSs into Cosmopolitan Shares prior to completion of the Second Cosmo Shares Transfer so as to maintain its then shareholding in Cosmopolitan Shares at more than 50% immediately before completion of the Second Cosmo Shares Transfer.

Financial information on Cosmopolitan

Based on the published consolidated financial statements of Cosmopolitan for the years ended 31 December 2017 and 31 December 2018, set out below is the key financial information of Cosmopolitan:

	Financial year ended 31 December 2017 HK\$ million	Financial year ended 31 December 2018 HK\$ million
Revenue	830.1	2,147.3
Profit before taxation	36.3	316.5
Profit after taxation	11.8	201.9

	As at 31 December 2017	As at 31 December 2018
	<i>HK\$ million</i>	<i>HK\$ million</i>
Total assets	5,855.3	4,638.6
Total liabilities	4,542.7	3,225.5
Net assets	1,312.6	1,413.1

Based on 2019 interim report of Cosmopolitan, the net asset value per Cosmopolitan Share as at 30 June 2019 was HK\$0.2.

THE AMTD III ACQUISITION AGREEMENT

On 24 January 2020 (after trading hours of the Stock Exchange), P&R Finance entered into the AMTD III Acquisition Agreement with the AMTD Shares Vendor, pursuant to which the AMTD Shares Vendor conditionally agreed to sell and P&R Finance conditionally agreed to acquire the AMTD III Shares at US\$8.45 (equivalent to approximately HK\$65.91) per AMTD Class A Share. Completion of the AMTD III Acquisition is conditional upon, among others, Century City and Paliburg having obtained approval from their respective shareholders in general meeting or by written approval (as the case may be) and the Second Cosmo Shares Transfer Agreement having been signed and the Second Cosmo Shares Transfer having become unconditional (other than the condition relating to the AMTD III Acquisition Agreement having become unconditional).

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

Date: 24 January 2020

Parties: (i) P&R Finance (as buyer)
(ii) AMTD Shares Vendor (as seller)

Save as otherwise disclosed in this joint announcement, to the best of the knowledge, information and belief of the Century City Directors and Paliburg Directors, after having made all reasonable enquiries, the AMTD Shares Vendor and its ultimate beneficial owners are Independent Third Parties of Century City and Paliburg and their respective connected persons.

Assets to be acquired: the AMTD III Shares, being 9,500,000 AMTD Class A Shares, representing approximately (i) 3.87% of the total outstanding share capital of AMTD; (ii) 0.25% of the total voting power represented by the total outstanding share capital of AMTD; and (iii) 16.89% of the AMTD Class A Shares as at the date of this joint announcement

Taking into account of the total of AMTD Class A Shares under the AMTD I Acquisition, the AMTD II Acquisition and the AMTD III Acquisition, Century

City and Paliburg (including the Regal Group and the Cosmopolitan Group) will be interested in an aggregate of 21,704,538 AMTD Class A Shares representing approximately (i) 8.84% of the total outstanding share capital of AMTD; (ii) 0.58% of the total voting power represented by the total outstanding share capital of AMTD; and (iii) 34.82% of the AMTD Class A Shares as at the date of this joint announcement.

Consideration: The consideration per AMTD III Share is US\$8.45 (equivalent to approximately HK\$65.91) which represents a discount of approximately 0.59% to the closing price of US\$8.50 per ADS of AMTD as quoted on the New York Stock Exchange on 23 January 2020 and a premium of approximately 0.8% to the offer price of US\$8.38 per ADS of AMTD at the time of AMTD's initial public offering. The consideration per AMTD III Share was negotiated on an arm's length basis between P&R Finance and the AMTD Shares Vendor and was determined with reference to the prevailing market price of ADSs of AMTD.

The total consideration for the AMTD III Acquisition is approximately US\$80.3 million (equivalent to approximately HK\$626.1 million).

Payment terms: The consideration for AMTD III Acquisition shall be paid and satisfied by Second Cosmo Shares Vendor transferring and delivering the Second Cosmo Shares to the Second Cosmo Transfer Purchaser under the Second Cosmo Shares Transfer.

Conditions precedent: Completion is subject to the satisfaction, among others, the following conditions precedent:

- (i) no provision of any applicable law or no judgment entered by or with any governmental authority with competent jurisdiction, shall be in effect that enjoins, prohibits or materially alters the terms of the transactions contemplated by the AMTD III Acquisition Agreement;
- (ii) no proceeding challenging the AMTD III Acquisition Agreement or the transactions contemplated thereby, or seeking to prohibit, alter, prevent or materially delay the completion, shall have been instituted or be pending before any governmental authority;
- (iii) the Second Cosmo Shares Transfer Agreement shall have been signed and the Second Cosmo Shares Transfer having become unconditional (other than the condition relating to the AMTD III Acquisition Agreement having become unconditional);
- (iv) Century City and Paliburg having obtained approval from their respective shareholders in general meeting or by written approval (as the case may be) in accordance with the requirements of the Listing Rules;
- (v) the representations and warranties of the AMTD Shares Vendor shall be true and correct in all material respects; and
- (vi) the representations and warranties of P&R Finance shall be true and correct in all material respects.

- Completion:** Subject to the fulfilment of the relevant conditions precedent, the completion of the AMTD III Acquisition shall take place concurrently with completion of the Second Cosmo Shares Transfer which shall take place on or before 29 April 2020.
- Undertaking by P&R Finance:** So long as P&R Finance or its affiliates hold any AMTD III Shares (or any ADSs converted therefrom) or reinvestment AMTD Class A Shares prior to 31 December 2026, P&R Finance shall and shall cause its affiliates to reinvest any future cash dividends to be declared and paid by AMTD with respect to the AMTD III Shares under the AMTD III Acquisition and any related cumulative reinvestment shares in AMTD under its ownership by way of subscription of new AMTD Class A Shares up to a cumulative limit of HK\$320 million for the initial reinvestment period up to 31 December 2026 at a price that is equal to the average closing price of the ADSs for 15 trading days prior to the relevant record date set by AMTD for the purposes of distributing the dividends. The reinvestment period shall be automatically extended for seven years and ends on 31 December 2033 unless the parties mutually agree otherwise.
- Lock-up:** P&R Finance shall not, during the 180 days lock-up period after completion of AMTD III Acquisition Agreement, transfer any AMTD III Shares under the AMTD III Acquisition Agreement without the prior written consent of the AMTD Shares Vendor except for transfer of such AMTD III Shares (including any reinvestment AMTD Class A Shares) to any of the affiliates of P&R Finance.

FINANCIAL EFFECTS OF THE AMTD III SHARE SWAP

Upon completion of the Second Cosmo Shares Transfer, Cosmopolitan will remain a subsidiary of Century City and Paliburg and the financial statements of Cosmopolitan will continue to be consolidated into the financial statements of each of Century City and Paliburg. There will be no impact on the consolidated statement of comprehensive income of Century City and Paliburg as a result of completion of the Second Cosmo Shares Transfer.

Upon completion of the AMTD I Acquisition, the AMTD II Acquisition and the AMTD III Acquisition, AMTD will not become a subsidiary of Century City and Paliburg and its financial statements will not be consolidated into that of each of Century City and Paliburg. The investment in AMTD Class A Shares will be recognised as equity investment designated at fair value through other comprehensive income, and the subsequent gain or loss arising from such investment will be accounted for in other comprehensive income in the consolidated financial statements of Century City and Paliburg.

INFORMATION ON THE CENTURY CITY GROUP

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.

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.

Regal is a listed subsidiary of Paliburg. Regal Group is principally engaged in hotel ownership business undertaken through Regal Real Estate Investment Trust (“**Regal REIT**”), hotel operation and management businesses, asset management of Regal REIT, property development and investment, including those undertaken through P&R, aircraft ownership and leasing business and other investments including financial assets investments.

RH International is a wholly-owned subsidiary of Regal, the medium term notes and the senior perpetual securities of which are listed on the Main Board of the Stock Exchange (Stock Code: 5687 and 5425).

P&R is a 50-50 owned joint venture of Paliburg and Regal and a subsidiary of Century City and Paliburg. The P&R Group is principally engaged in the development of real estate projects for sale and/or leasing, the undertaking of related investment and financing activities, and the acquisition or making of any investments (directly or indirectly) in the financial assets of or interests in, or extending loans to, any private, public or listed corporations or undertakings that have interests in real estate projects or other financial activities where the underlying assets or security comprise real estate properties.

Cosmopolitan Group is principally engaged in property development and investment and other investments, which are mainly focused in the PRC, and investment in financial assets. Cosmopolitan is a listed subsidiary of P&R and is therefore a listed subsidiary of Paliburg, and, through Paliburg, of Century City.

INFORMATION ON AMTD

AMTD is a comprehensive financial institution headquartered in Hong Kong which was incorporated under the laws of the Cayman Islands. AMTD operates a full-service platform encompassing three business lines: investment banking, asset management, and strategic investment. The share capital of AMTD comprises AMTD Class A Shares and AMTD Class B Shares. Holders of AMTD Class A Shares and AMTD Class B Shares have the same rights except for voting right and conversion right. Each AMTD Class A Share is entitled to one vote and is not convertible into AMTD Class B Share. Each AMTD Class B Share is entitled to twenty votes and is convertible into one AMTD Class A Share. Each AMTD Class A Share is convertible into one ADS, and the ADSs are listed on the New York Stock Exchange under the symbol “HKIB”.

Upon completion of the AMTD I Acquisition, the AMTD II Acquisition and the AMTD III Acquisition, P&R Group (excluding Cosmopolitan Group), Cosmopolitan Group and Regal Group will be interested in 15,174,000, 6,069,000, and 461,538 AMTD Class A Shares, respectively, representing 6.18%, 2.47% and 0.19% of the total outstanding share capital of AMTD, respectively.

Financial information on AMTD

Based on the published consolidated financial statements of AMTD for the two years ended 31 December 2018 prepared in accordance with the International Financial Reporting Standards of the International Accounting Standards Board, set out below is the key financial information of AMTD:

	Financial year ended 31 December 2017	Financial year ended 31 December 2018
	<i>HK\$ '000</i>	<i>HK\$ '000</i>
Revenue	1,033,164	723,226
Profit before taxation	808,585	608,965
Profit after taxation	673,372	525,126
	As at 31 December 2017	As at 31 December 2018
	<i>HK\$ '000</i>	<i>HK\$ '000</i>
Total assets	6,041,617	7,107,190
Total liabilities	3,372,341	3,912,788
Net assets	2,669,276	3,194,402

INFORMATION ON THE SECOND COSMO TRANSFER PURCHASER AND AMTD SHARES VENDOR

Second Cosmo Transfer Purchaser is a company incorporated in the BVI and a wholly-owned subsidiary of AMTD Shares Vendor.

AMTD Shares Vendor is a company incorporated in the BVI, and the controlling shareholder of AMTD. As disclosed in the prospectus of AMTD dated 2 August 2019, the shareholders of AMTD Shares Vendor include Infinity Power Investments Limited, a company wholly-owned by Mr. Calvin Choi, the chairman of the board of directors and chief executive officer of AMTD, and L.R. Capital Financial Holdings Limited, which is ultimately controlled by L.R. Capital Management Company (Cayman) Limited. Infinity Power Investments Limited and L.R. Capital Financial Holdings Limited owned 32.5% and 61.6% of the total outstanding shares of AMTD Shares Vendor, respectively.

REASONS FOR AND BENEFITS OF THE AMTD III SHARE SWAP

The Century City Directors and the Paliburg Directors consider that the transactions contemplated under the Second Cosmo Shares Transfer Agreement and the AMTD III Acquisition Agreement will strengthen the long-term strategic relationship between AMTD and the Century City Group (which includes the Paliburg Group). As AMTD is a listed financial services platform which is well-positioned to capitalise on merchant banking opportunities emanating from the Asian Pacific region, the Century City Group (which includes the Paliburg Group) could benefit from AMTD's expertise in the financial industry. It is expected that AMTD will be able to help in the capitalisation plan of the Century City Group (which includes the Paliburg Group) and could introduce investment opportunities to the Century City Group (which includes the Paliburg Group) to expand and diversify its investment portfolio. The AMTD III Shares Swap provides

an opportunity for the Century City Group (which includes the Paliburg Group) to re-allocate its existing resources for deployment in AMTD without affecting its controlling position in Cosmopolitan and cash position, and also would allow Cosmopolitan to enlarge its shareholders' base and to introduce the AMTD Shares Vendor as its new strategic investor, and consequentially, would potentially enhance the underlying embedded liquidity of the Cosmopolitan Shares as a whole. Accordingly, the Century City Directors and the Paliburg Directors are of the view that the terms of the Second Cosmo Shares Transfer Agreement and the AMTD III Acquisition Agreement are fair and reasonable and are in the interests of Century City and Paliburg and their respective shareholders as a whole.

LISTING RULES IMPLICATIONS

Completion of the AMTD III Share Swap (i.e. the Second Cosmo Shares Transfer and the AMTD III Acquisition) is not conditional on completion of the Shares Related Transactions, the CIDL Related Transactions and the Hotel Related Transactions.

AMTD III Share Swap

P&R is owned as to 50% by Paliburg and 50% by Regal. As Regal is a listed subsidiary of Paliburg which in turn is a listed subsidiary of Century City, P&R is therefore a subsidiary of Paliburg and Century City.

As the highest of the relevant applicable percentage ratios set forth under Rule 14.07 of the Listing Rules in respect of the Second Cosmo Shares Transfer under the Second Cosmo Shares Transfer Agreement is more than 25% but is less than 75% for Century City, the Second Cosmo Shares Transfer constitutes a major transaction for Century City and is subject to the reporting, announcement and shareholders' approval requirements under Chapter 14 of the Listing Rules whilst the highest of the relevant applicable percentage ratios for Paliburg is more than 5% but is less than 25%, the Second Cosmo Shares Transfer constitutes a discloseable transaction for Paliburg and is subject to the reporting and announcement requirements under Chapter 14 of the Listing Rules.

As the highest of the relevant applicable percentage ratios set forth under Rule 14.07 of the Listing Rules in respect of the AMTD III Acquisition under the AMTD III Acquisition Agreement is more than 25% but is less than 100% for each of Century City and Paliburg, the AMTD III Acquisition constitutes a major transaction for each of Century City and Paliburg and is subject to the reporting, announcement and shareholders' approval requirements under Chapter 14 of the Listing Rules.

Aggregation

The highest applicable percentage ratio (as defined under the Listing Rules) for Century City in respect of (i) the AMTD III Acquisition, AMTD Shares Acquisitions and the Hotel Financial Assistance in aggregate is more than 100%; and (ii) the Second Cosmo Shares Transfer, the Cosmo Shares Transfer, the CIDL Disposal and the Hotel Interests Disposal in aggregate is more than 75%. Accordingly, the AMTD III Share Swap together with the Shares Related Transactions, the CIDL Related Transactions and the Hotel Related Transactions as a whole constitutes a very substantial acquisition and a very substantial disposal for Century City and is subject to the reporting, announcement and shareholders' approval requirements under Chapter 14 of the Listing Rules.

The highest applicable percentage ratio (as defined under the Listing Rules) for Paliburg in respect of (i) the AMTD III Acquisition, AMTD Shares Acquisitions and the Hotel Financial Assistance in aggregate is more than 25% but is less than 100%; and (ii) the Second Cosmo Shares Transfer, the Cosmo Shares Transfer, the CIDL Disposal and the Hotel Interests Disposal in aggregate is more than 25% but is less than 75%. Accordingly, the AMTD III Share Swap together with the Shares Related Transactions, the CIDL Related Transactions and the Hotel Related Transactions as a whole constitutes a major acquisition transaction and a major disposal transaction for Paliburg and is subject to the reporting, announcement and shareholders' approval requirements under Chapter 14 of the Listing Rules.

GENERAL

The Century City SGM will be convened and held for the Century City shareholders to consider and, if thought fit, approve the AMTD III Share Swap. A circular of Century City containing, among others, (i) further details of the AMTD III Share Swap; (ii) financial information of AMTD; (iii) financial information of Cosmopolitan; and (iv) a notice convening the Century City SGM, will be despatched to its shareholders on or before 18 February 2020.

Paliburg will obtain a written approval for the AMTD III Share Swap from a closely allied group of shareholders of Paliburg who together hold more than 50% of the issued share capital of Paliburg. Accordingly, no shareholders' meeting of Paliburg will be convened for the purpose of approving the AMTD III Share Swap. Paliburg expects to despatch a circular to its shareholders for information purpose on or before 18 February 2020.

The closely allied group of shareholders of Paliburg in aggregate hold approximately 74.6% of the issued share capital of Paliburg as at the date of this joint announcement. The closely allied group of shareholders of Paliburg comprises Mr. Lo Yuk Sui himself, who personally owns approximately 8.1% of the issued share capital of Paliburg as at the date of this joint announcement, and companies wholly or majority owned and controlled by Mr. Lo Yuk Sui consisting of (i) Select Wise Holdings Limited, which owns approximately 1.5% of the issued share capital of Paliburg, (ii) Splendid All Holdings Limited, which owns approximately 2.7% of the issued share capital of Paliburg, (iii) Almighty International Limited, which owns approximately 31.1% of the issued share capital of Paliburg, (iv) Century City Holdings Limited, which owns approximately 2.7% of the issued share capital of Paliburg, (v) Cleverview Investments Limited, which owns approximately 16.2% of the issued share capital of Paliburg, (vi) Gold Concorde Holdings Limited, which owns approximately 2.6% of the issued share capital of Paliburg, (vii) Meylink Limited, which owns approximately 4.4% of the issued share capital of Paliburg, (viii) Smartaccord Limited, which owns approximately 0.8% of the issued share capital of Paliburg, and (ix) Splendour Corporation, which owns approximately 4.5% of the issued share capital of Paliburg as at the date of this joint announcement.

The Second Cosmo Shares Transfer Agreement and the AMTD III Acquisition Agreement are subject to, among other things, the approval of the respective shareholders of Century City and Paliburg. Shareholders and potential investors of Century City and Paliburg should exercise caution when dealing in or investing in the securities of Century City and Paliburg.

DEFINITIONS

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

“ADS(s)”	American depositary shares of AMTD, each representing one AMTD Class A Share, that are listed on the New York Stock Exchange
“AMTD”	AMTD International Inc., a company incorporated in Cayman Islands, the ADSs of which are listed on the New York Stock Exchange (Symbol: HKIB)
“AMTD Class A Share(s)”	Class A ordinary share(s) of AMTD
“AMTD Class B Share(s)”	Class B ordinary share(s) of AMTD
“AMTD I Acquisition”	the acquisition of 5,674,000 AMTD Class A Shares by P&R Finance at US\$8.45 per AMTD Class A Share pursuant to the AMTD I Acquisition Agreement, the details of which were set out in the joint announcement of the Companies dated 2 January 2020
“AMTD I Acquisition Agreement”	the agreement dated 31 December 2019 entered into between P&R Finance and the AMTD Shares Vendor in respect of the AMTD I Acquisition
“AMTD II Acquisition”	the acquisition of 6,069,000 AMTD Class A Shares by Clear Radiant Limited, a wholly-owned subsidiary of Cosmopolitan, at US\$8.45 per AMTD Class A Share pursuant to the AMTD II Acquisition Agreement, the details of which were set out in the joint announcement of the Companies dated 2 January 2020
“AMTD II Acquisition Agreement”	the agreement dated 31 December 2019 entered into between Clear Radiant Limited, a wholly-owned subsidiary of Cosmopolitan, and the AMTD Shares Vendor in respect of the AMTD II Acquisition
“AMTD III Acquisition”	the acquisition of AMTD III Shares by P&R Finance at US\$8.45 per AMTD Class A Share pursuant to the AMTD III Acquisition Agreement
“AMTD III Acquisition Agreement”	the agreement dated 24 January 2020 entered into between P&R Finance and the AMTD Shares Vendor in respect of the AMTD III Acquisition
“AMTD III Shares”	a total of 9,500,000 AMTD Class A Shares, currently held by the AMTD Shares Vendor, to be acquired by P&R Finance under the AMTD III Acquisition
“AMTD III Share Swap”	the Second Cosmo Shares Transfer and the AMTD III Acquisition

“AMTD Shares Acquisitions”	collectively, the AMTD I Acquisition and the AMTD II Acquisition
“AMTD Shares Vendor”	AMTD Group Company Limited, a company incorporated in the BVI, the controlling shareholder of AMTD
“associate(s)”	has the meaning ascribed to such term in the Listing Rules
“BVI”	the British Virgin Islands
“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
“Century City SGM”	the special general meeting of Century City to be convened for considering and, if thought fit, approving the transactions contemplated under the Second Cosmo Shares Transfer Agreement and the AMTD III Acquisition Agreement
“CIDL Disposal”	the proposed disposal of the entire issued share capital of Cosmopolitan International Development Limited and all loans or other debts owed to the seller by Cosmopolitan International Development Limited under the relevant sale and purchase agreement dated 31 December 2019, the details of which were set out in the joint announcement of the Companies dated 2 January 2020
“CIDL Related Transactions”	collectively, the CIDL Disposal and the AMTD II Acquisition
“Companies”	Century City, Paliburg, Regal and RH International and Cosmopolitan
“connected person”	has the meaning ascribed to such term in the Listing Rules
“Cosmo Shares Transfer”	the sale of an aggregate of 220,000,000 Cosmopolitan Shares by Lendas Investments Limited at HK\$1.70 per Cosmopolitan Share, the details of which were set out in the joint announcement of the Companies dated 2 January 2020
“Cosmopolitan”	Cosmopolitan International Holdings Limited, a company incorporated in the Cayman Islands, the issued ordinary shares of which are listed on the Main Board of the Stock Exchange (Stock Code: 120)

“Cosmopolitan CPS(s)”	non-voting non-redeemable convertible preference share(s) in the share capital of Cosmopolitan
“Cosmopolitan Directors”	directors of Cosmopolitan
“Cosmopolitan Group”	Cosmopolitan and its subsidiaries
“Cosmopolitan Share(s)”	ordinary share(s) in the share capital of Cosmopolitan
“Cosmopolitan Shareholder(s)”	holder(s) of the Cosmopolitan Share(s)
“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
“Hotel Financial Assistance”	the guarantees for the HK\$357.2 million project loan facility provided by each of Paliburg and Regal in proportion to their respective equity interests in P&R on a several basis and a term loan in the amount of up to HK\$302.8 million to be advanced by P&R as contemplated under the Hotel Related Transactions, the details of which were set out in the joint announcement of the Companies dated 2 January 2020
“Hotel Interests Disposal”	the disposal of 50% of (a) the issued share capital of Dense Globe Investments Limited and (b) the loan (other than the term loan of up to HK\$302.8 million) due by Fine Cosmo Investments Limited to P&R to a wholly-owned subsidiary of AMTD Shares Vendor pursuant to the terms of the relevant sale and purchase agreement dated 31 December 2019, the details of which were set out in the joint announcement of the Companies dated 2 January 2020
“Hotel Related Transactions”	collectively, the Hotel Interests Disposal and the Hotel Financial Assistance
“Independent Third Party(ies)”	any person(s) or company(ies) and their respective ultimate beneficial owner(s) whom, to the best of the directors’ knowledge, information and belief having made all reasonable enquiries, are third parties independent of the relevant company and its connected persons in accordance with the Listing Rules
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“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
“percentage ratios”	the percentage ratios calculated based on the requirements under Rule 14.07 of the Listing Rules
“PRC”	The People's Republic of China, which, for the purpose of this joint announcement, excludes Hong Kong, Macau Special Administrative Region and Taiwan
“P&R”	P&R Holdings Limited, a company owned as to 50% by Paliburg Group (excluding Regal Group) and 50% by Regal Group
“P&R Finance”	P&R Finance Limited, a company incorporated in Hong Kong, a wholly-owned subsidiary of P&R
“P&R Group”	P&R and its subsidiaries
“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 Group”	Regal and its subsidiaries
“RH International”	RH International Finance Limited, a company incorporated in the BVI, a wholly-owned subsidiary of Regal, the medium term notes and the senior perpetual securities of which are listed on the Main Board of the Stock Exchange (Stock Code: 5687 and 5425)
“Second Cosmo Shares”	a total of 368,320,000 Cosmopolitan Shares, currently held by the Second Cosmo Shares Vendor, to be acquired by the Second Cosmo Transfer Purchaser under the Second Cosmo Shares Transfer Agreement
“Second Cosmo Shares Transfer”	the sale of an aggregate of 368,320,000 existing Cosmopolitan Shares by the Second Cosmo Shares Vendor at HK\$1.70 per Cosmopolitan Share pursuant to the Second Cosmo Shares Transfer Agreement
“Second Cosmo Shares Transfer Agreement”	the agreement dated 24 January 2020 and entered into between the Second Cosmo Shares Vendor, the Second Cosmo Transfer Purchaser, AMTD Shares Vendor and P&R Finance in respect of the Second Cosmo Shares Transfer

“Second Cosmo Shares Vendor”	Valuegood International Limited, a company incorporated in BVI, a wholly-owned subsidiary of P&R
“Second Cosmo Transfer Purchaser”	AMTD Properties (HK) Limited, a company incorporated in BVI, a wholly-owned subsidiary of AMTD Shares Vendor
“Shares Related Transactions”	collectively, the Cosmo Shares Transfer and the AMTD I Acquisition
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“subsidiaries”	has the meaning as ascribed to it under the Listing Rules
“US\$”	United States dollars, the lawful currency of the United States of America
“%”	per cent.

For the purpose of this joint announcement, unless the context otherwise requires or expressly specified, conversion of United States dollars into Hong Kong dollars is based on the approximate exchange rate of HK\$7.8 to US\$1.00. Such exchange rate is for the purpose of illustration only and does not constitute a representation that any amounts in Hong Kong dollars or United States dollars 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

Hong Kong, 24 January 2020

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