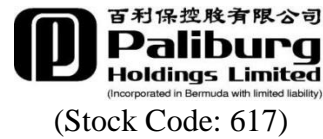


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**MAJOR TRANSACTIONS
IN RESPECT OF
THE SHARE SWAP**

**MAJOR TRANSACTIONS
IN RESPECT OF
THE SHARE SWAP**

**DISCLOSEABLE TRANSACTION
IN RESPECT OF
THE DEEMED DISPOSAL
UNDER THE BONUS ISSUE**

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UNDER THE BONUS ISSUE**

**MAJOR TRANSACTION
IN RESPECT OF
THE POSSIBLE SECURITIES
TRANSACTIONS**

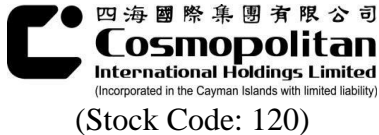
**MAJOR TRANSACTION
IN RESPECT OF
THE POSSIBLE SECURITIES
TRANSACTIONS**

AND

AND

RESUMPTION OF TRADING

RESUMPTION OF TRADING



**PROPOSED SHARE
CONSOLIDATION**

**VOLUNTARY
ANNOUNCEMENT**

**VOLUNTARY
ANNOUNCEMENT**

**PROPOSED CHANGE OF
BOARD LOT SIZE**

**PROPOSED
BONUS ISSUE**

**PROPOSED
AMENDMENTS TO
ARTICLES OF
ASSOCIATION**

AND

**RESUMPTION OF
TRADING**

JOINT ANNOUNCEMENT

Financial adviser



I. THE SHARE SWAP

A. AMTD SHARES DISPOSAL

On 30 June 2023 (before trading hours of the Stock Exchange), P&R Finance (a wholly-owned subsidiary of P&R which in turn is a 50%:50% joint venture company between the respective wholly-owned subsidiaries of Paliburg and Regal) as seller entered into the AMTD Shares Transfer Agreement with the AMTD Shares Purchaser as purchaser, pursuant to which P&R Finance conditionally agreed to sell and the AMTD Shares Purchaser conditionally agreed to purchase 9,500,000 AMTD Shares, priced at US\$8.45 per AMTD Share.

B. COSMO SHARES ACQUISITION

On 30 June 2023 (before trading hours of the Stock Exchange), Valuegood (a wholly-owned subsidiary of P&R) as purchaser, the Cosmo Shares Vendor as vendor, the AMTD Shares Purchaser and P&R Finance entered into the Cosmo Shares Transfer Agreement, pursuant to which Valuegood conditionally agreed to purchase and the Cosmo Shares Vendor conditionally agreed to sell 368,320,000 Existing Cosmo Shares, priced at HK\$1.70 per Existing Cosmo Share.

C. CONDITIONS OF THE SHARE SWAP

Completion of each of the AMTD Shares Transfer Agreement and the Cosmo Shares Transfer Agreement is inter-conditional upon each other.

D. IMPLICATIONS UNDER THE LISTING RULES FOR CENTURY CITY AND PALIBURG

As the highest applicable percentage ratio (as defined under the Listing Rules) for each of Century City and Paliburg in respect of the AMTD Shares Disposal is more than 25% but less than 75%, the AMTD Shares Disposal 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.

As the highest applicable percentage ratio (as defined under the Listing Rules) in respect of the Cosmo Shares Acquisition is more than 25% but less than 100% for each of Century City and Paliburg, the Cosmo Shares 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.

II. PROPOSED SHARE CONSOLIDATION, PROPOSED CHANGE OF BOARD LOT SIZE AND PROPOSED BONUS ISSUE OF COSMOPOLITAN

The 368,320,000 Existing Cosmo Shares to be acquired under the Cosmo Shares Transfer Agreement, represent approximately 5.76% of the issued ordinary shares of Cosmopolitan as at the date of this joint announcement. Assuming there would be no other changes in the share capital of Cosmopolitan, the Cosmo Shares Acquisition could not proceed as the percentage of the issued ordinary share capital of Cosmopolitan held in the hands of the public would be reduced to less than 25% as prescribed by Rule 8.08(1)(a) of the Listing Rules. For the purpose of complying with this provision, the Cosmopolitan Board proposes to implement the Share Consolidation and the Bonus Issue to issue the Bonus Shares with an option to elect to receive the Bonus CNs.

A. PROPOSED SHARE CONSOLIDATION

The Share Consolidation is proposed to enable the issue of the Bonus Shares with an option to elect to receive Bonus CNs to comply with Rule 13.64A of the Listing Rules. It is to consolidate every ten (10) issued and unissued Existing Cosmo Shares in the existing share capital of Cosmopolitan into one (1) Consolidated Share and to consolidate every ten (10) issued and unissued Cosmo Convertible Preference Shares in the existing share capital of Cosmopolitan into one (1) Consolidated Cosmo Convertible Preference Share.

The implementation of the Share Consolidation is subject to conditions set out in “II. Proposed Share Consolidation and proposed Change of Board Lot Size of Cosmopolitan – A. Share Consolidation – Conditions precedent to the Share Consolidation” below. An application will be made by Cosmopolitan to the Stock Exchange for the listing of, and permission to deal in, the Consolidated Shares in issue and to be issued upon the Share Consolidation becoming effective.

As at the date of this joint announcement, there are 6,392,497,800 Existing Cosmo Shares and 2,295,487,911 Cosmo Convertible Preference Shares (presently convertible into the Existing Cosmo Shares on a one-to-one basis) in issue. On the basis that there will be no change in the issued share capital of Cosmopolitan other than those contemplated under this joint announcement, upon the Share Consolidation becoming effective but before the allotment of the Bonus Shares, there will be a total of 639,249,780 Consolidated Shares in issue and 229,548,791 Consolidated Cosmo Convertible Preference Shares in issue.

B. PROPOSED CHANGE OF BOARD LOT SIZE

The Existing Cosmo Shares are currently traded on the Stock Exchange in board lot size of 2,000 Existing Cosmo Shares. It is proposed that after the Share Consolidation becomes effective, the board lot size for trading in the Consolidated Shares will change to 600 Consolidated Shares per board lot.

C. PROPOSED BONUS ISSUE

The Bonus Issue will involve the issue of fully paid-up Bonus Shares, with an option to elect to receive the Bonus CNs in lieu of the Bonus Shares.

Bonus Shares

The Bonus Shares will be issued to:

- (a) the Cosmopolitan Shareholders who are the Qualifying Shareholders on the following basis:

For every one (1) Consolidated Share held..... two (2) Bonus Shares, with an option to elect to receive one unit of the Bonus CN with a face notional value of HK\$0.10 each in lieu of every Bonus Share

and so in proportion for any other numbers of the Consolidated Shares then held; and

- (b) the Cosmo Convertible Preference Shareholders who are the Qualifying Shareholders on the following basis:

For every one (1) Consolidated Cosmo Convertible Preference Share held..... two (2) Bonus Shares, with an option to elect to receive one unit of the Bonus CN with a face notional value of HK\$0.10 each in lieu of every Bonus Share

and so in proportion for any other numbers of the Consolidated Cosmo Convertible Preference Shares then held.

The Bonus Shares issued will rank *pari passu* with the Consolidated Shares then in issue.

Bonus CNs

Each Qualifying Shareholder will be given an option to elect to receive the Bonus CNs in lieu of all or part of its entitlements to the Bonus Shares.

For the Cosmopolitan Shareholders who are Qualifying Shareholders, the amount of the Bonus CNs which they are entitled to elect to receive in lieu of their entitlements to the Bonus Shares will be calculated with the following formula:

Amount of the Bonus CNs to be received (in HK\$) = Number of the Consolidated Shares held on the Record Date for which the Bonus CNs are elected in lieu of Bonus Shares entitled
x 2 x HK\$0.10

For the Cosmo Convertible Preference Shareholders who are Qualifying Shareholders, the amount of the Bonus CNs which they are entitled to elect to receive in lieu of their entitlements to the Bonus Shares will be calculated with the following formula:

$$\text{Amount of the Bonus CNs to be received (in HK\$)} = \text{Number of the Consolidated Cosmo Convertible Preference Shares held on the Record Date for which the Bonus CNs are elected in lieu of Bonus Shares entitled} \times 2 \times \text{HK\$}0.10$$

The Bonus CNs will entitle the holders thereof to convert the principal amounts of the Bonus CNs into new fully paid Consolidated Shares at an initial conversion price of HK\$0.10 each, at any time from the date of issue of the Bonus CNs to the date falling 30 years thereafter.

In order to maintain that at least 25% of Cosmopolitan's total number of issued Consolidated Shares will continue to be held in the hands of the public immediately after completion of the Cosmo Shares Acquisition as required by the Listing Rules, each of the Cosmopolitan Controlling Shareholders has confirmed that it will elect to receive, or procure that the companies controlled by it which hold the Existing Cosmo Shares and the Cosmo Convertible Preference Shares will elect to receive, the Bonus CNs in lieu of all of its entitlements to the Bonus Shares. Pursuant to the Cosmo Shares Transfer Agreement, the Cosmo Shares Vendor agreed that it will elect to take up the Bonus CNs in lieu of Bonus Shares, in respect of its entitlements under the Bonus Issue.

The Cosmopolitan Board, having considered the terms of the Bonus Issue, and having taken into account the advice of Quam set out in "III. Proposed Bonus Issue of Cosmopolitan - F. Advice of Quam and the Cosmopolitan Board in respect of the Bonus Issue" below, recommends the Cosmopolitan Shareholders and the Cosmo Convertible Preference Shareholders (other than the Cosmopolitan Controlling Shareholders and the Cosmo Shares Vendor) to receive the Bonus Shares and NOT to elect to receive the Bonus CNs. The Cosmopolitan Shareholders and the Cosmo Convertible Preference Shareholders are NOT required to take any action if they wish to receive the Bonus Shares.

An application will be made to the Listing Committee of the Stock Exchange for the listing of, and permission to deal in, the Bonus Shares and the Bonus CN Shares to be allotted and issued upon conversion of the Bonus CNs.

III. POSSIBLE TRANSACTIONS FOR CENTURY CITY AND PALIBURG UNDER THE BONUS ISSUE AND IMPLICATIONS UNDER THE LISTING RULES

Each of Cosmopolitan Controlling Shareholders has confirmed that it will elect to receive, or procure that the companies controlled by it which hold the Existing Cosmo Shares and the Cosmo Convertible Preference Shares will elect to receive the Bonus CNs in lieu of all of its entitlements to the Bonus Shares.

Century City

The election by the Cosmopolitan Controlling Shareholders to receive the Bonus CNs will constitute a deemed disposal of interests in Cosmopolitan for Century City under Chapter 14 of the Listing Rules. As the highest applicable percentage ratio (as defined under the Listing Rules) in respect of such transaction is more than 5% but less than 25% for Century City, it will constitute a discloseable transaction for Century City and is subject to the reporting and announcement requirements under Chapter 14 of the Listing Rules.

If and to the extent that the Cosmopolitan Controlling Shareholders convert the Bonus CNs received under the Bonus Issue, the acquisition of the Bonus CN Shares by Century City will constitute a major transaction for Century City under Chapter 14 of the Listing Rules as the highest applicable percentage ratio (as defined under the Listing Rules) in respect of the Possible Securities Transactions is more than 25% but less than 100% and is subject to the reporting, announcement and shareholders' approval requirements under Chapter 14 of the Listing Rules.

Paliburg

The election by the Cosmopolitan Controlling Shareholders to receive the Bonus CNs in lieu of all of their entitlements to the Bonus Shares will constitute a deemed disposal of interest in Cosmopolitan for Paliburg under Chapter 14 of the Listing Rules. As the highest applicable percentage ratio (as defined under the Listing Rules) in respect of such transaction is more than 5% but less than 25% for Paliburg, it will constitute a discloseable transaction for Paliburg and is subject to the reporting and announcement requirements under Chapter 14 of the Listing Rules.

If and to the extent that the Cosmopolitan Controlling Shareholders convert the Bonus CNs received under the Bonus Issue, the acquisition of the Bonus CN Shares by Paliburg will constitute a major transaction for Paliburg under Chapter 14 of the Listing Rules as the highest applicable percentage ratio (as defined under the Listing Rules) in respect of the Possible Securities Transactions is more than 25% but less than 100% for Paliburg and is subject to the reporting, announcement and shareholders' approval requirements under Chapter 14 of the Listing Rules.

IV. GENERAL

Century City

A closely allied group of the shareholders of Century City in aggregate holding approximately 67.4% of the issued share capital of Century City as at the date of this joint announcement will provide written shareholders' approval to approve (i) the major transactions in respect of the Share Swap; and (ii) the major transaction in respect of the Possible Securities Transactions. Accordingly, no shareholders' meeting of Century City will be convened for the purpose of approving the aforesaid transactions.

A circular setting out, among others, the Share Swap and the Possible Securities Transactions is expected to be despatched to the shareholders of Century City for information purpose only on or before 31 July 2023.

Paliburg

A closely allied group of the shareholders of Paliburg in aggregate holding approximately 74.6% of the issued share capital of Paliburg as at the date of this joint announcement will provide written shareholders' approval to approve (i) the major transactions in respect of the Share Swap; and (ii) the major transaction in respect of the Possible Securities Transactions. Accordingly, no shareholders' meeting of Paliburg will be convened for the purpose of approving the aforesaid transactions.

A circular setting out, among others, the Share Swap and the Possible Securities Transactions is expected to be despatched to the shareholders of Paliburg for information purpose only on or before 31 July 2023.

Cosmopolitan

The EGM will be convened and held for the Cosmopolitan Shareholders to consider and, if thought fit, approve the Share Consolidation, the Bonus Issue and the amendments to the Articles of Association and the transactions contemplated thereunder. To the best of the Cosmopolitan Directors' knowledge, information and belief, and having made all reasonable enquiries, no Cosmopolitan Shareholders are required to abstain from voting on such resolutions.

A circular providing, among other things, details of the Share Consolidation, the Bonus Issue and the amendments to the Articles of Association together with a notice convening the EGM is expected to be despatched to the Cosmopolitan Shareholders and the Cosmo Convertible Preference Shareholders and, for information purpose, the Cosmo Convertible Bondholder on or before 31 July 2023.

The Share Swap, the Share Consolidation, the Change of Board Lot Size, the Bonus Issue and the amendments to the Articles of Association are subject to the fulfilment of the conditions as described in this joint announcement. They may or may not proceed. Holders of securities and potential investors of Century City, Paliburg and Cosmopolitan are reminded to exercise caution when dealing in the securities of the relevant companies.

V. SUSPENSION AND RESUMPTION OF TRADING

At the request of the respective companies, trading in the shares of each of Century City, Paliburg and Cosmopolitan on the Stock Exchange were suspended with effect from 9:00 a.m. on 30 June 2023 pending the release of this joint announcement. Applications have been made to the Stock Exchange for the resumption of trading in the shares of each of Century City, Paliburg and Cosmopolitan with effect from 9:00 a.m. on 12 July 2023.

I. THE SHARE SWAP

A. AMTD SHARES DISPOSAL

On 30 June 2023 (before trading hours of the Stock Exchange), P&R Finance (a wholly-owned subsidiary of P&R which in turn is a 50%:50% joint venture company between the respective wholly-owned subsidiaries of Paliburg and Regal) as seller entered into the AMTD Shares Transfer Agreement with the AMTD Shares Purchaser as purchaser, pursuant to which P&R Finance conditionally agreed to sell and the AMTD Shares Purchaser conditionally agreed to purchase 9,500,000 AMTD Shares, priced at US\$8.45 per AMTD Share.

The major terms of the AMTD Shares Transfer Agreement are set out below:

AMTD SHARES TRANSFER AGREEMENT

Date:	30 June 2023
Parties:	(a) AMTD Shares Purchaser, as purchaser. (b) P&R Finance, as seller.
Assets to be disposed of:	<p>P&R Finance conditionally agreed to sell and the AMTD Shares Purchaser conditionally agreed to purchase the AMTD Sale Shares (being 9,500,000 AMTD Shares) priced at US\$8.45 per AMTD Share. The AMTD Sale Shares will be delivered on completion of the AMTD Shares Transfer Agreement free from encumbrances.</p> <p>The AMTD Sale Shares represent approximately 2.03% of the latest published total share capital (including treasury shares) of AMTD as at the date of this joint announcement.</p>
Consideration:	<p>The AMTD Sale Shares are priced at US\$8.45 (equivalent to approximately HK\$65.91) per AMTD Share.</p> <p>The price per AMTD Sale Share was negotiated on an arm's length basis between P&R Finance and the AMTD Share Purchaser. It is agreed to be the same as the original acquisition cost per AMTD Sale Share of P&R Finance in 2020.</p> <p>The price per AMTD Sale Share of US\$8.45 represents (i) a premium of approximately 976.4% over the closing price of US\$1.57 per AMTD ADS (equivalent to US\$0.785 per AMTD Share) as at 29 June 2023, being the last trading day prior to the date of the AMTD Shares Transfer Agreement; and (ii) a premium of approximately 971.0% over the average closing price of US\$1.578 per AMTD ADS (equivalent to US\$0.789 per AMTD Share) for the five trading days up to and including 29 June 2023.</p>
Payment terms:	Based on the price per AMTD Sale Share of US\$8.45, the total consideration for the AMTD Sale Shares is US\$80,275,000. On the completion of the AMTD Shares Transfer Agreement, it will be satisfied by the transfer of the Cosmo Sale Shares to Valuegood pursuant to the Cosmo Shares Transfer Agreement.

Conditions precedent: Completion is subject to the satisfaction or waiver (to the extent permissible by the party(ies) entitled to such benefit) by P&R Finance and the AMTD Shares Purchaser of, among others, the following conditions precedent:

- (a) 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 Shares Transfer Agreement;
- (b) no proceeding challenging the AMTD Shares Transfer Agreement or the transactions contemplated thereby, or seeking to prohibit, alter, prevent or materially delay its completion, shall have been instituted or be pending before any governmental authority;
- (c) all the conditions to the completion of the Cosmo Shares Transfer Agreement shall be satisfied (other than the condition in that agreement requiring the conditions precedent to the completion of the AMTD Shares Transfer Agreement to be satisfied or waived); and
- (d) Century City and Paliburg having obtained their respective shareholders' approval of the transaction contemplated under AMTD Shares Transfer Agreement.

Completion: The AMTD Shares Transfer Agreement will complete concurrently with the completion of the Cosmo Shares Transfer Agreement, subject to the satisfaction (or waiver, if applicable) of the above conditions precedent.

If the completion of the AMTD Shares Transfer Agreement does not take place by the Long Stop Date, the AMTD Shares Transfer Agreement may be terminated by its parties by written notice in accordance with its terms.

B. COSMO SHARES ACQUISITION

On 30 June 2023 (before trading hours of the Stock Exchange), Valuegood (a wholly-owned subsidiary of P&R) as purchaser, the Cosmo Shares Vendor as vendor, the AMTD Shares Purchaser and P&R Finance entered into the Cosmo Shares Transfer Agreement, pursuant to which Valuegood conditionally agreed to purchase and the Cosmo Shares Vendor conditionally agreed to sell 368,320,000 Existing Cosmo Shares, priced at HK\$1.70 per Existing Cosmo Share.

The major terms of the Cosmo Shares Transfer Agreement are set out below:

COSMO SHARES TRANSFER AGREEMENT

Date: 30 June 2023

Parties:

- (a) Valuegood as purchaser.
- (b) Cosmo Shares Vendor as seller.
- (c) AMTD Shares Purchaser and P&R Finance, being parties to the AMTD Shares Transfer Agreement to procure transfer of the AMTD Sale Shares to satisfy the consideration for the Cosmo Sale Shares.

- Assets to be acquired: Valuegood conditionally agreed to purchase and the Cosmo Shares Vendor conditionally agreed to sell the Cosmo Sale Shares, comprising 368,320,000 Existing Cosmo Shares and representing approximately 5.76% of the issued ordinary shares of Cosmopolitan as at the date of this joint announcement (together with any rights and entitlements including the entitlements under the Bonus Issue to be distributed to or to be received by the Cosmo Shares Vendor before completion of the Cosmo Shares Acquisition). The Cosmo Sale Shares will be delivered on completion of the Cosmo Shares Transfer Agreement free from encumbrances.
- Consideration: The Cosmo Sale Shares are priced at HK\$1.70 per Existing Cosmo Share.
- The price per Cosmo Sale Share was negotiated on an arm's length basis between Valuegood and the Cosmo Shares Vendor and agreed to be the same as the original acquisition cost per Cosmo Sale Share of Cosmo Shares Vendor in 2020.
- The price per Cosmo Sale Share of HK\$1.70 represents (i) a premium of approximately 17.2% over the closing price of HK\$1.45 per Existing Cosmo Share as quoted on the Stock Exchange on the Last Trading Day; and (ii) a premium of approximately 12.0% over the average closing price of HK\$1.518 per Existing Cosmo Share for the last five trading days up to and including the Last Trading Day.
- Payment terms: Based on the price per Cosmo Sale Share of HK\$1.70 per Existing Cosmo Share, the total consideration for the Cosmo Sale Shares is HK\$626,144,000. On the completion of the Cosmo Shares Acquisition, it will be satisfied by the transfer of the AMTD Sale Shares to the AMTD Shares Purchaser pursuant to the AMTD Shares Transfer Agreement.
- Conditions precedent: Completion is subject to the satisfaction by Valuegood and the Cosmo Shares Vendor of the following conditions precedent:
- (a) Century City and Paliburg have obtained their respective shareholders' approval of the transactions contemplated under the Cosmo Shares Transfer Agreement;
 - (b) all the conditions to the completion of the AMTD Shares Transfer Agreement have been satisfied or waived (other than the condition in that agreement requiring the conditions precedent to the completion of the Cosmo Shares Transfer to be satisfied or waived); and
 - (c) the completion of the Cosmo Shares Acquisition would not result in Cosmopolitan in breach of any laws, regulations and the Listing Rules.
- Completion: Subject to the satisfaction of the above conditions precedent, the Cosmo Shares Transfer Agreement will complete, concurrently with the completion of the AMTD Shares Transfer Agreement, on the next business day after the date of completion of the Share Consolidation and the Bonus Issue unless the conditions precedent have not been fully satisfied on or before that day, in which event the date of completion shall be the first Business Day after Valuegood has notified the Cosmo Shares Vendor of the satisfaction of all the conditions precedent having been fully satisfied on or before the Long Stop Date or such other date as agreed by the parties in writing.

If the completion of the Cosmo Shares Transfer Agreement does not take place by the Long Stop Date, the Cosmo Shares Transfer Agreement may be terminated by its parties by written notice in accordance with its terms.

C. FINANCIAL INFORMATION ON COSMOPOLITAN

Based on the published consolidated financial statements of Cosmopolitan for the two years ended 31 December 2022, set out below is the key financial information of Cosmopolitan:

	Year ended 31 December 2021	Year ended 31 December 2022
	<i>HK\$ million</i>	<i>HK\$ million</i>
Revenue	1,638.9	1,015.7
Profit before taxation	267.7	146.0
Profit after taxation	33.6	4.0
	As at 31 December 2021	As at 31 December 2022
	<i>HK\$ million</i>	<i>HK\$ million</i>
Total assets	4,844.7	4,000.5
Total liabilities	3,216.3	2,589.8
Net assets	1,628.4	1,410.7

D. FINANCIAL INFORMATION ON AMTD

Based on the published consolidated financial statements of AMTD for the two years ended 31 December 2022 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:

	Year ended 31 December 2021	Year ended 31 December 2022
	<i>HK\$ '000</i>	<i>HK\$ '000</i>
Revenue	1,397,844	1,371,881
Profit before taxation	1,331,177	1,361,698
Profit after taxation	1,221,882	1,256,714

	As at 31 December 2021	As at 31 December 2022
	<i>HK\$'000</i>	<i>HK\$'000</i>
Total assets	6,686,838	8,271,292
Total liabilities	897,965	454,664
Net assets	5,788,873	7,816,628

E. FINANCIAL IMPACTS OF THE SHARE SWAP ON CENTURY CITY AND PALIBURG

Following the completion of the AMTD Shares Transfer Agreement, the number of AMTD Shares held by P&R will be reduced from 15,174,000 to 5,674,000, representing 1.21% of the latest published total share capital (including treasury shares) of AMTD. There will be no impact on the profit and loss for Century City and Paliburg as a result of the AMTD Shares Disposal.

Following the completion of the Cosmo Shares Transfer Agreement, 36,832,000 Consolidated Shares will be transferred to Valuegood, a wholly-owned subsidiary of P&R. Please refer to the shareholding structure of Cosmopolitan set out in “III. Proposed Bonus Issue of Cosmopolitan – H. Shareholding structure of Cosmopolitan” below.

F. REASONS FOR AND BENEFITS OF THE SHARE SWAP FOR CENTURY CITY AND PALIBURG

Reference is made to the joint announcement issued by Century City and Paliburg on 24 January 2020 in respect of the Original Share Swap Agreement. Completion of the Original Share Swap Agreement took place in 2020. The Original Share Swap was carried out with a view to further strengthening the long-term strategic relationship between AMTD and the Century City Group (which includes the Paliburg Group). The plan of the management of P&R was, at the time, that AMTD would help in its capitalization plan and could introduce investment opportunities to expand and diversify its investment portfolio and that P&R would seek to participate in commercial collaborative opportunities with AMTD.

On 30 June 2023, the parties entered into the AMTD Shares Transfer Agreement and the Cosmo Shares Transfer Agreement to unwind the Original Share Swap. The consideration of each of the AMTD Shares Disposal and the Cosmo Shares Acquisition is agreed to be the same as the original acquisition consideration of each party under the Original Share Swap. In coming to the decision to unwind the Original Share Swap, the management of P&R considered, in particular, the following factors:

- (a) The Share Swap allows P&R to dispose of the AMTD Shares at the original acquisition cost of US\$8.45 per AMTD Sale Share, which represents a significant premium over the recent closing prices of AMTD ADS. The price per AMTD Sale Share represents (a) a premium of approximately 976.4% over the closing price of US\$1.57 per AMTD ADS (equivalent to US\$0.785 per AMTD Share) as at 29 June 2023, being the last trading day prior to the date of the AMTD Shares Transfer Agreement; (b) a premium of approximately 971.0% over the average closing price of US\$1.578 per AMTD ADS (equivalent to US\$0.789 per AMTD Share) for the five trading days up to and including 29 June 2023; and (c) a premium of approximately 638.6% over the average closing price of US\$2.288 per AMTD ADS (equivalent to US\$1.144 per AMTD Share) for the 12 months up to and including 29 June 2023.

- (b) In return, the Century City Group (including the Paliburg Group) could further consolidate its control in Cosmopolitan at the original price of the Cosmo Sale Shares. The price per Cosmo Sale Share represents (i) a premium of approximately 17.2% over the closing price of the Existing Cosmo Shares on the Last Trading Day; (ii) a premium of approximately 12.0% over the average closing price of the Existing Cosmo Shares for the five trading days up to and including the Last Trading Day; and a premium of approximately 28.7% over the average closing price of the Existing Cosmo Shares for the 12 months up to and including the Last Trading Day.
- (c) A strategic co-operative relationship with the AMTD group has been built over the past few years. After the completion of the AMTD Shares Disposal, each of P&R Finance, Regal and Cosmopolitan will continue to hold 5,674,000 AMTD Shares, 601,724 AMTD Shares and perpetual securities of AMTD in the principal sum of US\$14.1 million, and 6,069,000 AMTD Shares, respectively.
- (d) The co-operative relationship between the Century City Group and the AMTD group could continue after the completion of the Share Swap. The Share Swap is not expected to affect the established relationship with the AMTD group nor it is expected to impede any future co-operation with the AMTD group should suitable opportunities arise.

The Century City Directors are of the view that the implementation of the Share Swap to unwind the Original Share Swap is in the interests of Century City and the shareholders of Century City as a whole and the terms (including consideration) of the Share Swap are fair and reasonable.

The Paliburg Directors are of the view that the implementation of the Share Swap to unwind the Original Share Swap is in the interests of Paliburg and the shareholders of Paliburg as a whole and the terms (including consideration) of the Share Swap are fair and reasonable.

Having considered the above factors and noting the co-operative relationship established with AMTD group over the years, the contemplated Share Swap is considered as an integral part of the portfolio investment strategy review with a view to streamlining the capital structure, and if future circumstances warrant, disposal of the remaining interests in the AMTD securities held by P&R Finance, Regal and Cosmopolitan may be considered.

G. LISTING RULES IMPLICATIONS FOR CENTURY CITY AND PALIBURG

Century City

As the highest applicable percentage ratio (as defined under the Listing Rules) for Century City in respect of the AMTD Shares Disposal is more than 25% but less than 75%, the AMTD Shares Disposal 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.

As the highest applicable percentage ratio (as defined under the Listing Rules) in respect of the Cosmo Shares Acquisition is more than 25% but less than 100% for Century City, the Cosmo Shares Acquisition 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.

Paliburg

As the highest applicable percentage ratio (as defined under the Listing Rules) for Paliburg in respect of the AMTD Shares Disposal is more than 25% but less than 75%, the AMTD Shares Disposal constitutes

a major transaction for Paliburg and is subject to the reporting, announcement and shareholders' approval requirements under Chapter 14 of the Listing Rules.

As the highest applicable percentage ratio (as defined under the Listing Rules) in respect of the Cosmo Shares Acquisition is more than 25% but less than 100% for Paliburg, the Cosmo Shares Acquisition constitutes a major transaction for Paliburg and is subject to the reporting, announcement and shareholders' approval requirements under Chapter 14 of the Listing Rules.

II. PROPOSED SHARE CONSOLIDATION AND PROPOSED CHANGE OF BOARD LOT SIZE OF COSMOPOLITAN

The 368,320,000 Existing Cosmo Shares to be acquired under the Cosmo Shares Transfer Agreement, represent approximately 5.76% of the issued ordinary shares of Cosmopolitan as at the date of this joint announcement. Assuming there would be no other changes in the share capital of Cosmopolitan, the Cosmo Shares Acquisition could not proceed as the percentage of the issued ordinary share capital of Cosmopolitan held in the hands of the public would be reduced to less than 25% as prescribed by Rule 8.08(1)(a) of the Listing Rules. For the purpose of complying with this provision, the Cosmopolitan Board proposes to implement the Share Consolidation and the Bonus Issue to issue the Bonus Shares with an option to elect to receive the Bonus CNs.

A. SHARE CONSOLIDATION

The Share Consolidation is to consolidate every ten (10) issued and unissued Existing Cosmo Shares in the existing share capital of Cosmopolitan into one (1) Consolidated Share and to consolidate every ten (10) issued and unissued Cosmo Convertible Preference Shares in the existing share capital of Cosmopolitan into one (1) Consolidated Cosmo Convertible Preference Share.

As at the date of this joint announcement, there are 6,392,497,800 Existing Cosmo Shares and 2,295,487,911 Cosmo Convertible Preference Shares (presently convertible into the Existing Cosmo Shares on a one-to-one basis) in issue. On the basis that there will be no change in the issued share capital of Cosmopolitan other than those contemplated under this joint announcement, upon the Share Consolidation becoming effective but before the allotment of the Bonus Shares, there will be a total of 639,249,780 Consolidated Shares in issue and 229,548,791 Consolidated Cosmo Convertible Preference Shares in issue.

The Consolidated Shares to be issued and allotted upon the Share Consolidation becoming effective shall rank *pari passu* in all respects with each other as a class; and the Consolidated Cosmo Convertible Preference Shares to be issued and allotted upon the Share Consolidation becoming effective shall rank *pari passu* in all respects with each other as a class.

Conditions precedent to the Share Consolidation

The implementation of the Share Consolidation is conditional on:-

- (a) the approval by the Cosmopolitan Shareholders in accordance with the Articles of Association and the applicable laws and regulations;
- (b) the approval by the Cosmo Convertible Preference Shareholders in accordance with the Articles of Association and the applicable laws and regulations;
- (c) any necessary amendments to the Articles of Association having been approved;
- (d) the Stock Exchange granting the listing of, and permission to deal in, the Consolidated Shares in issue and to be issued upon the Share Consolidation becoming effective; and

- (e) the compliance with all relevant procedures and requirements under the applicable laws of Hong Kong, the Cayman Islands and the Listing Rules to effect the Share Consolidation.

The Share Consolidation is expected to become effective on 18 August 2023 (subject to changes to the timetable, if any, see “III – Proposed Bonus Issue of Cosmopolitan – K. Expected timetable” below) subject to the fulfilment of the above conditions.

Board lot size of the Consolidated Shares

The Existing Cosmo Shares are currently traded on the Stock Exchange in board lot size of 2,000 Existing Cosmo Shares. After the Share Consolidation becoming effective, the board lot size for trading in the Consolidated Shares will change to 600 Consolidated Shares per board lot. Temporary counter for trading in the Consolidated Shares in board lots of 200 Consolidated Shares will be in place during the transitional period.

Based on the latest closing price of HK\$1.45 per Existing Cosmo Share (equivalent to the theoretical closing price of HK\$14.5 per Consolidated Share) on the Last Trading Day, (a) the value per board lot of 2,000 Existing Cosmo Shares is HK\$2,900; and (b) the value per board lot of 600 Consolidated Shares would remain the same as HK\$2,900 on the assumption that the Share Consolidation and the Bonus Issue become effective.

The Change of Board Lot Size is to minimize creation of odd lot holdings upon the completion of the Share Consolidation and the Bonus Issue. The Cosmopolitan Board considers the Change of Board Lot Size is in the interests of Cosmopolitan Shareholders as a whole.

Fractional entitlement to the Consolidated Shares and the Consolidated Cosmo Convertible Preference Shares

Fractional Consolidated Shares or Consolidated Cosmo Convertible Preference Shares (if any) will not be issued and each Cosmopolitan Shareholder’s or Cosmo Convertible Preference Shareholder’s entitlement under the Share Consolidation will be rounded down to the nearest whole number. All such fractional entitlements will be aggregated and, if possible, sold for the benefit of Cosmopolitan. Fractional entitlements will only arise in respect of the entire shareholding of a holder of the Existing Cosmo Shares, or the Cosmo Convertible Preference Shares, as registered on the registers of members of Cosmopolitan, regardless of the number of share certificates held by such holder.

Matching arrangement on odd lots

In order to facilitate the trading of odd lots (if any) of the Consolidated Shares, Cosmopolitan will appoint a securities firm as an agent to provide matching services, on a best effort basis, to those Cosmopolitan Shareholders who wish to acquire odd lots of the Consolidated Shares to make up a full board lot, or to dispose of their holding of odd lots of the Consolidated Shares. Please refer to “Expected Timetable” below. Further details of the odd lot arrangement will be set out in the circular to be despatched to the Cosmopolitan Shareholders.

Holders of odd lots of the Consolidated Shares should note that the matching of the sale and purchase of odd lots of the Consolidated Shares is not guaranteed. The Cosmopolitan Shareholders who are in any doubt about the odd lots matching arrangement are recommended to consult their own professional advisers.

Exchange of certificates for the Consolidated Shares and the Consolidated Cosmo Convertible Preference Shares

Subject to the Share Consolidation becoming effective, which is currently expected to be 18 August 2023, the Cosmopolitan Shareholders or the Cosmo Convertible Preference Shareholders (as the case may be) may on or after 18 August 2023 and until 25 September 2023 (both days inclusive), submit their existing share certificates in brown colour for the Existing Cosmo Shares or in orange colour for the Cosmo Convertible Preference Shares to Cosmopolitan's branch share registrar in Hong Kong, Computershare Hong Kong Investor Services Ltd. at Shops 1712-1716, 17/F, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong for exchange for new share certificates in another colour for the Consolidated Shares or in another colour for the Consolidated Cosmo Convertible Preference Shares (as the case may be) at the expense of Cosmopolitan.

The Cosmopolitan Shareholders and the Cosmo Convertible Preference Shareholders should note that after the prescribed time for free exchange of new share certificates, a fee of HK\$2.5 per share certificate (or such higher amount as may from time to time be allowed by the Stock Exchange) will be payable by the relevant Cosmopolitan Shareholders or Cosmo Convertible Preference Shareholders (as the case may be) to the branch share registrar for exchange of new share certificates.

After 4:10 p.m. on 21 September 2023, trading will only be in Consolidated Shares which share certificates will be issued in a colour different than the colour of the existing share certificate for the Existing Cosmo Shares. Existing share certificates in brown colour for the Existing Cosmo Shares will cease to be valid for trading and settlement purpose, but will remain valid and effective as documents of title.

Other information

The Consolidated Shares will not be listed or dealt in on any stock exchange other than the Stock Exchange, and no such listing or permission to deal is being or is proposed to be sought.

The Consolidated Cosmo Convertible Preference Shares will remain unlisted and will not be dealt in on any stock exchange; and no such listing or permission to deal is being or is proposed to be sought.

B. REASONS FOR THE SHARE CONSOLIDATION

The Share Consolidation is proposed to enable the Bonus Issue to comply with Rule 13.64A of the Listing Rules, which provides that the issue of Bonus Shares under the Bonus Issue must not be undertaken if Cosmopolitan's share price adjusted for the issue of Bonus Shares based on the lowest daily closing price of the Existing Cosmo Shares during the six-month period before this joint announcement will be less than HK\$1 per share.

Other than the expenses to be incurred in relation to the Share Consolidation, the implementation of the Share Consolidation will not alter the underlying assets, business operations, management or financial position of Cosmopolitan or the proportionate interests or rights of the Cosmopolitan Shareholders or the Cosmo Convertible Preference Shareholders. The Cosmopolitan Board believes that the Share Consolidation will not have any material adverse effect on the financial position of Cosmopolitan.

C. APPLICATION FOR THE LISTING OF AND PERMISSION TO DEAL IN THE CONSOLIDATED SHARES

An application will be made by Cosmopolitan to the Stock Exchange for the listing of, and permission to deal in, the Consolidated Shares to be issued upon the Share Consolidation becoming effective.

Subject to the granting of the listing of, and permission to deal in, the Consolidated Shares on the Stock Exchange, as well as compliance with the stock admission requirements of the HKSCC, the Consolidated Shares will be accepted as eligible securities by HKSCC for deposit, clearance and settlement in CCASS with effect from the commencement date of dealings in the Consolidated Shares on the Stock Exchange or such other date as determined by HKSCC. Settlement of transactions between participants of the Stock Exchange on any trading day is required to take place in CCASS on the second trading day thereafter. All activities under CCASS are subject to the General Rules of CCASS and CCASS Operational Procedures in effect from time to time. All necessary arrangements will be made for the Consolidated Shares to be admitted into CCASS established and operated by HKSCC.

III. PROPOSED BONUS ISSUE OF COSMOPOLITAN

A. THE BONUS ISSUE

Subject to the Share Consolidation becoming effective, Cosmopolitan proposes to implement the Bonus Issue to issue the Bonus Shares, with an option to elect to receive the Bonus CNs in lieu of the Bonus Shares. The Qualifying Shareholders entitled to participate in the issue of the Bonus Shares include the Cosmopolitan Shareholders and the Cosmo Convertible Preference Shareholders.

Bonus Shares

The Bonus Shares will be issued to:

- (a) the Cosmopolitan Shareholders who are the Qualifying Shareholders on the following basis:

For every one (1) Consolidated Share held..... two (2) Bonus Shares, with an option to elect to receive one unit of the Bonus CN with a face notional value of HK\$0.10 each in lieu of every Bonus Share

and so in proportion for any other numbers of Consolidated Shares then held; and

- (b) the Cosmo Convertible Preference Shareholders who are the Qualifying Shareholders on the following basis:

For every one (1) Consolidated Cosmo Convertible Preference Share held..... two (2) Bonus Shares, with an option to elect to receive one unit of the Bonus CN with a face notional value of HK\$0.10 each in lieu of every Bonus Share

and so in proportion for any other numbers of Consolidated Cosmo Convertible Preference Shares then held.

The Bonus Shares issued will rank *pari passu* with the Consolidated Shares then in issue.

Cosmopolitan will capitalize the amounts standing to its the credit of the reserve or fund available for this purpose to pay up the Bonus Shares to be allotted and the Bonus CNs to be issued.

The Bonus Shares will be issued free of payment to those entitled to them and the Bonus CNs will be issued free of payment to those elected to receive them in lieu of the Bonus Shares.

Fractional entitlements to the Bonus Shares (if any) will not be issued and the entitlement of each of the Qualifying Shareholders under the Bonus Issue will be rounded down to the nearest whole number. All such fractional entitlement will be aggregated and, if possible, sold in the market for the benefit of Cosmopolitan. The net proceeds of such sale will be retained for the benefit of Cosmopolitan.

Bonus CNs

Each Qualifying Shareholder will be given an option to elect to receive the Bonus CNs in lieu of all or part of its entitlements to Bonus Shares under the Bonus Issue.

For the Cosmopolitan Shareholders who are Qualifying Shareholders, the amount of the Bonus CNs which they are entitled to receive in lieu of their entitlements to the Bonus Shares will be calculated by the following formula:

$$\begin{array}{l} \text{Amount of the Bonus CNs} \\ \text{to be received (in HK\$)} \end{array} = \begin{array}{l} \text{Number of the Consolidated} \\ \text{Shares held on the Record} \\ \text{Date for which Bonus CNs are} \\ \text{elected in lieu of Bonus} \\ \text{Shares entitled} \end{array} \times 2 \times \text{HK\$0.10}$$

For the Cosmo Convertible Preference Shareholders who are Qualifying Shareholders, the amount of the Bonus CNs which they are entitled to receive in lieu of their entitlements to the Bonus Shares will be calculated by the following formula:

$$\begin{array}{l} \text{Amount of the Bonus CNs} \\ \text{to be received (in HK\$)} \end{array} = \begin{array}{l} \text{Number of the Consolidated} \\ \text{Cosmo Convertible} \\ \text{Preference Shares held on the} \\ \text{Record Date for which Bonus} \\ \text{CNs are elected in lieu of} \\ \text{Bonus Shares entitled} \end{array} \times 2 \times \text{HK\$0.10}$$

The principal terms of the Bonus CNs are set out below:

Principal amount	Up to an amount equal to the maximum number of the Bonus Shares issuable under the Bonus Issue, multiplied by the denomination of HK\$0.10 per unit of the Bonus CN.
Form and denomination	The Bonus CNs will be issued in registered form in the denomination of HK\$0.10 each.
Voting rights	The Bonus CNs will not entitle the Bonus CN Holders to attend or vote at general meetings of Cosmopolitan.
Conversion	The Bonus CNs will be convertible into fully paid Consolidated Shares at any time at an initial conversion price of HK\$0.10 after their issue until maturity subject to the below restriction.

If and to the extent that the minimum public float requirements in respect of the Consolidated Shares under the Listing Rules could not be complied with immediately after the purported exercise of the conversion rights of any holder of the Bonus CNs, such holder shall not be entitled to exercise such conversion rights.

Maturity and redemption

Any Bonus CNs outstanding as at the 30th anniversary of the date of issue of the Bonus CNs will be redeemed at 100% of their principal amounts then outstanding.

Prior to the maturity date, Cosmopolitan may at its discretion (without obtaining consent from the Bonus CN Holders) either compulsorily redeem or demand compulsory conversion of the remaining Bonus CNs if at least eighty (80) per cent of the Bonus CNs originally issued pursuant to the Deed Poll have been converted.

Conversion price

Initially HK\$0.10.

The conversion price will be subject to adjustments for share consolidations, share subdivisions, re-classification of share into other securities, capitalisation issues, capital distributions, rights issues, and certain other customary/usual dilutive events, including issue of new Consolidated Shares at a subscription price below the then prevailing market prices of the Consolidated Shares.

Interest

The Bonus CNs will bear interest.

From and after the date of issue of the Bonus CNs, cumulative interests shall accrue in arrears at a fixed rate of 2.0% per annum on the outstanding principal amounts of the Bonus CNs. Holders of every board lot of the Existing Cosmo Shares who have elected to receive Bonus CNs will receive Bonus CNs in principal amount of HK\$40.0 which will have accrued interest of HK\$0.80 per annum. Interest accrued shall be paid on the anniversary date of the issue of the Bonus CNs of each calendar year (“**interest payment date**”) unless the relevant Bonus CNs are converted or redeemed before such interest payment date, and subject to deferral by Cosmopolitan which may, at its sole discretion, elect to defer payment (in whole or in part) of any accrued interests on any Bonus CNs which are otherwise scheduled to be paid on an interest payment date in accordance with the Deed Poll. To the extent Cosmopolitan has elected to defer the payment of any accrued interests in respect of any interest payment date, any and all deferred interests shall accumulate on the relevant interest payment date, and remain as arrears of accumulated interests on the Bonus CNs until fully paid.

The payment of interests under the Bonus CNs is not conditional on whether Cosmopolitan declares or pays any dividend to the Cosmopolitan Shareholders. Declaration and payment of cash dividend or distribution to the Cosmopolitan Shareholders would be disabled in accordance with the Deed Poll if there is any outstanding cumulative unpaid interest accrued on the Bonus CNs. If Cosmopolitan declares, pays or makes a cash dividend or distribution on any shares of Cosmopolitan, Cosmopolitan shall pay, at the same time or no later than such time as the dividend or distribution is paid or made, to the Bonus CN Holders the lower amount of (i) the sums that the Bonus CN Holders would receive on an as converted basis assuming all Bonus CNs of the relevant Bonus CN Holders had been converted into shares of Cosmopolitan and (ii) the then

accumulated accrued interest, to satisfy, discharge or pay so much of the arrears of accumulated interests in accordance with the Deed Poll. Any unpaid parts of arrears of accumulated interests or interests accrued shall remain as arrears of accumulated on the Bonus CNs.

Listing	No listing will be sought for the Bonus CNs.
Transferability	Freely transferrable in accordance with the Deed Poll.
Other rights	The Bonus CN Holders have no rights or entitlements to participate in any dividend or other distribution (in cash or in kind), capitalization issue or rights issue for the Cosmopolitan Shareholders.

After the Share Consolidation becoming effective, the par value of the Consolidated Shares will be adjusted to HK\$0.02 each. The Bonus Shares will be issued at HK\$0.10 each which is set above the adjusted par value of the Consolidated Shares. Accordingly, the Bonus CNs will be issued in the denomination of HK\$0.10 each which is equivalent to the issue price of the Bonus Shares.

Following the completion of the Bonus Issue, the liability component of the Bonus CNs will be recognized and included under “non-current liabilities” in the consolidated statement of financial position of Cosmopolitan.

CONDITIONS PRECEDENT TO THE BONUS ISSUE

Completion of Bonus Issue is conditional upon:

- (a) the Share Consolidation becoming unconditional and effective;
- (b) the passing of a special resolution by way of poll at the EGM to approve the amendments to the Articles of Association which are necessary for the purpose of enabling Cosmopolitan to carry out the Bonus Issue;
- (c) the passing of an ordinary resolution by way of poll at the EGM to grant a mandate to the Cosmopolitan Directors to implement the Bonus Issue (including the allotment and issue of the Bonus Shares, the Bonus CNs and the Bonus CN Shares);
- (d) the Listing Committee of Stock Exchange granting the listing of, and permission to deal in, the Bonus Shares and the Bonus CN Shares; and
- (e) the compliance with all relevant procedures and requirements under the applicable laws of Hong Kong and the Cayman Islands and the Listing Rules to effect the Bonus Issue.

All of the above conditions are not waivable.

OVERSEAS SHAREHOLDERS

The circular for the Bonus Issue to be issued will not be registered or filed under any securities legislation in any jurisdiction outside Hong Kong. In determining whether it would be necessary or expedient to exclude an Overseas Shareholder who is registered as a member of Cosmopolitan on the Record Date, the Cosmopolitan Directors will make enquiry pursuant to Rule 13.36(2)(a) of the Listing Rules regarding the legal restrictions under the laws of the relevant place and the requirements of the relevant regulatory body or stock exchange of the relevant place in which such Overseas Shareholder is residing. If the Cosmopolitan Directors are of the view that, after such enquiry, the exclusion of such Overseas Shareholder is necessary or expedient on account either of the legal restrictions under the laws of the relevant place or the requirements of the relevant regulatory body or stock exchange in that place, the Bonus Shares and/or Bonus CNs will not be issued to such Overseas Shareholder.

In view of the above, the entitlements to the Bonus Shares and/or Bonus CNs which would otherwise be made available to the Non-Qualifying Shareholders under the Bonus Issue will be sold in the market as soon as possible after the commencement of dealings in the Bonus Shares, if a premium (net of expenses) can be obtained. Any net proceeds of such sale, after deduction of expenses, will be distributed in Hong Kong dollars to such Non-Qualifying Shareholders pro rata to their respective holdings. Remittance thereof will be posted to them, at their own risk, unless the amount falling to be distributed to such person(s) is less than HK\$100, in which case it will be retained for the benefit of Cosmopolitan.

All Overseas Shareholders should consult their professional advisers as to whether or not they are permitted to participate in the Bonus Issue (including the election to receive the Bonus CNs and conversion thereof if being issued and allotted) or whether any government or other consents are required or other formalities need to be observed.

B. STATUS OF THE RELEVANT SECURITIES TO BE LISTED

The Bonus Shares and the Bonus CN Shares will, upon allotment and issue, rank pari passu in all respects with the Consolidated Shares then in issue on the date of such allotment and issue, including the entitlement to receive dividends and other distributions on the relevant record date of which is on or after the date of allotment and issue of those Consolidated Shares, or as the case may be, on or after the date of exercising the conversion right of the Bonus CNs.

C. APPLICATION FOR THE LISTING OF AND PERMISSION TO DEAL IN THE RELEVANT SECURITIES

An application will be made to the Listing Committee of the Stock Exchange for the listing of, and permission to deal in, the Bonus Shares and the Bonus CN Shares which may be allotted and issued upon conversion of the Bonus CNs. No application will be made for the listing of the Bonus CNs on the Stock Exchange or any other recognized stock or securities exchanges.

D. PROPOSED AMENDMENTS TO ARTICLES OF ASSOCIATION

Under the terms of the Deed Poll and the terms and conditions of the Bonus CNs, the Bonus CN Holders will have conversion rights entitling them initially (subject to adjustment to the conversion price) to convert the Bonus CNs into an equivalent number of the Consolidated Shares as the number of the Bonus Shares which the Bonus CN Holder would otherwise be entitled to receive under the Bonus Issue had the Cosmopolitan Shareholders not elected for the Bonus CNs.

In order to facilitate the creation and issuance of the Bonus Shares, the Bonus CNs and the Bonus CN Shares in accordance with the Deed Poll and the terms and conditions of the Bonus CNs, the Cosmopolitan Board will propose amendments to the Articles of Association. A special resolution to amend the Articles of Association will be put forward at the EGM.

E. REASONS FOR AND BENEFITS OF THE BONUS ISSUE

The Cosmopolitan Directors consider that the Bonus Issue is a feasible, expedient and practical solution to maintain the minimum public float of the Cosmopolitan after the completion of the Cosmo Shares Acquisition because:

- (a) all the Cosmopolitan Shareholders will be treated equally on a pro-rata basis;

- (b) the equity interest of the Cosmopolitan Shareholders (including the Cosmo Convertible Preference Shareholders) who receive the Bonus Shares are preserved and the equity interest of the Cosmopolitan Shareholders (including the Cosmo Convertible Preference Shareholders) who elect to receive Bonus CNs are preserved upon full conversion of the Bonus CNs; and
- (c) no immediate capital raising will be required, thereby the implementation of the Bonus Issue is less likely to be subject to or dependent on market conditions or investor sentiment and the related expenses are relatively lower than the case where capital raising will be required.

In order to maintain at least 25% of the total number of issued Consolidated Shares in the hands of the public immediately after the completion of the Cosmo Shares Acquisition as required by the Listing Rules, each of the Cosmopolitan Controlling Shareholders has confirmed that it will elect to receive, or procure that the companies controlled by it which hold the Existing Cosmo Shares and the Cosmo Convertible Preference Shares will elect to receive, the Bonus CNs in lieu of all of their entitlements to the Bonus Shares. Pursuant to the Cosmo Shares Transfer Agreement, the Cosmo Shares Vendor agreed that in respect of its entitlements under the Bonus Issue of approximately 73.7 million Bonus Shares, it shall elect to take up the Bonus CNs in the principal amount of approximately HK\$7.4 million, in lieu of the Bonus Shares.

In the absence of an express election to be specified in the election form (which will be given to the Cosmopolitan Shareholders and the Cosmo Convertible Preference Shareholder) returned to Cosmopolitan's branch share registrar in Hong Kong, Computershare Hong Kong Investor Services Limited, a Cosmopolitan Shareholder or Cosmo Convertible Preference Shareholder who is a Qualifying Shareholder will by default receive the Bonus Shares under the Bonus Issue.

The impact of the Share Consolidation and the Bonus Share Issue on the shareholding structure of Cosmopolitan is set out in "III. Proposed Bonus Issue of Cosmopolitan - H. Shareholding structure of Cosmopolitan" below.

The Cosmopolitan Board considers that the Bonus Issue would effectively avoid the potential lack of public float situation as a result of implementation of the Share Swap based on, among other things, the following:

- (a) the features of the Bonus CNs;
- (b) The Cosmopolitan Controlling Shareholders and the Cosmo Shares Vendor have confirmed to elect to receive the Bonus CNs in lieu of the Bonus Shares. As disclosed in "III. Proposed Bonus Issue of Cosmopolitan" - H. Shareholding structure of Cosmopolitan" below, if the elections made by Qualifying Shareholders who are the public Cosmopolitan Shareholders to receive the Bonus CNs, in lieu of Bonus Shares, relate to not more than 1,046,428,813 Existing Cosmo Shares held in aggregate, representing approximately 82.54% of the total Existing Cosmo Shares held by the public Cosmopolitan Shareholders (other than the Cosmo Shares Vendor), the 25% minimum public float requirement under the Listing Rules will continue to be maintained immediately after the completion of the Share Consolidation, the Bonus Issue and the Cosmo Shares Transfer Agreement;
- (c) Quam is of the view that it is in the interests of the Cosmopolitan Shareholders and the Cosmo Convertible Preference Shareholders (other than the Cosmopolitan Controlling Shareholders and the Cosmo Shares Vendor) to receive the Bonus Shares; and
- (d) the Cosmopolitan Board recommends the Cosmopolitan Shareholders and the Cosmo Convertible Preference Shareholders (other than the Cosmopolitan Controlling Shareholders and

the Cosmo Shares Vendor) to receive the Bonus Shares and NOT to elect to receive the Bonus CNs. It is not expected that the Qualifying Shareholders which are public Cosmopolitan Shareholders, having noticed the advice of Quam and the recommendation of the Cosmopolitan Board, would make elections to take up Bonus CNs to an extent that exceeds the limit illustrated above.

F. ADVICE OF QUAM AND THE COSMOPOLITAN BOARD IN RESPECT OF THE BONUS ISSUE

Advice of Quam

Having considered the terms of the Bonus Issue, in particular, the following features of the Bonus CNs:

- (a) *Unlisted.* The Bonus CNs will not be listed on any stock exchange, whereas the Bonus Shares will be listed on the Stock Exchange.
- (b) *No voting rights.* The Bonus CNs will carry no voting rights at general meetings of Cosmopolitan, whereas the Bonus Shares will carry voting rights.
- (c) *No redemption until 2053 and no premium on redemption.* Any Bonus CNs outstanding as at the 30th anniversary of the date of issue of the Bonus CNs will be redeemed at 100% of their principal amounts then outstanding.
- (d) *Interest.* From and after the date of issue of the Bonus CNs, cumulative interests shall accrue in arrears at a fixed rate of 2.0% per annum on the outstanding principal amounts of the Bonus CNs. Holders of every board lot of the Existing Cosmo Shares who have elected to receive the Bonus CNs will receive in the principal amount of HK\$40.0 and will entitle to the annual interest accrued thereon of HK\$0.80. Cosmopolitan has the sole discretion to elect to defer payment (in whole or in part) of any accrued interest on any Bonus CNs.

Quam is of the view that it is in the interests of the Cosmopolitan Shareholders and the Cosmo Convertible Preference Shareholders (other than the Cosmopolitan Controlling Shareholders and the Cosmo Shares Vendor) to receive the Bonus Shares. It should be noted that decisions to receive the Bonus Shares or elect to receive the Bonus CNs are subject to their individual circumstances and investment objectives.

Advice of the Cosmopolitan Board

The Cosmopolitan Board, having considered the terms of the Bonus Issue, and having taken into account the advice of Quam, recommends the Cosmopolitan Shareholders and the Cosmo Convertible Preference Shareholders (other than the Cosmopolitan Controlling Shareholders and the Cosmo Shares Vendor) to receive the Bonus Shares and NOT to elect to receive the Bonus CNs.

The Cosmopolitan Shareholders and the Cosmo Convertible Preference Shareholders are NOT required to take any action if they wish to receive the Bonus Shares.

G. FUND RAISING ACTIVITIES OF COSMOPOLITAN IN THE PAST 12 MONTHS

Cosmopolitan has not conducted any fund raising activities by issue of equity securities in the twelve months immediately before the date of this joint announcement.

H. SHAREHOLDING STRUCTURE OF COSMOPOLITAN

Based on (i) the confirmation that the Cosmopolitan Controlling Shareholders and the Cosmo Shares Vendor will elect to receive the Bonus CNs in lieu of the Bonus Shares; (ii) assuming that no Cosmopolitan Shareholders and no Cosmo Convertible Preference Shareholders (who are not the Cosmopolitan Controlling Shareholders and the Cosmo Shares Vendor) will elect to receive the Bonus CNs in lieu of the Bonus Shares; (iii) assuming that there is no other change in the share capital of Cosmopolitan other than those indicated in the below table, the table below sets out the shareholding structure of Cosmopolitan (a) as at the date of this joint announcement; (b) immediately after the completion of the Share Consolidation; (c) immediately after the completion of the Share Consolidation and the Bonus Issue; (d) immediately after the completion of the Share Consolidation, the Bonus Issue and the Cosmo Shares Transfer Agreement; and (e) immediately after the completion of the Share Consolidation, the Bonus Issue, the Cosmo Shares Transfer Agreement and assuming full conversion of the Bonus CNs, Consolidated Cosmo Convertible Preference Shares and Cosmo Convertible Bonds into Consolidated Shares.

	As at the date of this joint announcement		Immediately after the completion of the Share Consolidation		Immediately after the completion of the Share Consolidation and the Bonus Issue		Immediately after the completion of the Share Consolidation, the Bonus Issue and the Cosmo Shares Transfer Agreement		Immediately after the completion of the Share Consolidation, the Bonus Issue, the Cosmo Shares Transfer Agreement and assuming full conversion of the Bonus CNs, the Consolidated Cosmo Convertible Preference Shares and the Cosmo Convertible Bonds into Consolidated Shares ^(Note)	
	No. of the Existing Cosmo Shares	Shareholding percentage (approx.)	No. of the Consolidated Shares	Shareholding percentage (approx.)	No. of the Consolidated Shares	Shareholding percentage (approx.)	No. of the Consolidated Shares	Shareholding percentage (approx.)	No. of the Consolidated Shares	Shareholding percentage (approx.)
The Cosmopolitan Controlling Shareholders:										
Paliburg	533,333,332	8.34%	53,333,333	8.34%	53,333,333	5.97%	53,333,333	5.97%	160,000,000	5.65%
Regal	1,065,191,332	16.66%	106,519,133	16.66%	106,519,133	11.92%	106,519,133	11.92%	319,557,400	11.29%
P&R	3,154,167,480	49.34%	315,416,748	49.34%	315,416,748	35.30%	352,248,748	39.42%	1,970,392,450	69.59%
Sub-total:	4,752,692,144	74.34%	475,269,214	74.34%	475,269,214	53.19%	512,101,214	57.31%	2,449,949,850	86.53%
Cosmopolitan Directors:										
LO Chun To Jimmy	2,269,101	0.04%	226,910	0.04%	680,730	0.08%	680,730	0.08%	680,730	0.02%
LO Po Man	1,380,000	0.02%	138,000	0.02%	414,000	0.05%	414,000	0.05%	414,000	0.01%
Public:										
The Cosmo Shares Vendor	368,320,000	5.76%	36,832,000	5.76%	36,832,000	4.12%	-	0.00%	-	0.00%
Other Cosmopolitan Shareholders	1,267,836,555	19.83%	126,783,656	19.83%	380,351,078	42.57%	380,351,078	42.57%	380,351,133	13.43%
Total:	6,392,497,800	100%	639,249,780	100%	893,547,022	100%	893,547,022	100%	2,831,395,713	100%

Note: The last column of the shareholding table is for illustrative purpose only. Pursuant to the terms of the Bonus CNs, the Cosmo Convertible Bonds and the Cosmo Convertible Preference Shares, holders shall not be entitled to exercise the conversion right if the minimum public float requirements under the Listing Rules cannot be complied with following such conversion.

Save for the Cosmo Convertible Preference Shares and the Cosmo Convertible Bonds, there is no other convertible securities, warrants or options in respect of the Existing Cosmo Shares in issue as at the date of this joint announcement.

As shown in the above table, the public Cosmopolitan Shareholders will hold approximately 42.57% of the issued share capital immediately after the completion of the Share Consolidation, the Bonus Issue and the Cosmo Shares Transfer Agreement.

The completion of the Cosmo Shares Transfer Agreement is conditional upon, among other things, the completion of the Cosmo Shares Acquisition would not result in Cosmopolitan in breach of any laws, regulations and the Listing Rules. Given that the Cosmopolitan Controlling Shareholders and the Cosmo Shares Vendor have confirmed to elect to receive the Bonus CNs in lieu of all of their entitlements to the Bonus Shares, the completion of the Cosmo Share Transfer Agreement will take place on the first Business Day after the completion of the Bonus Issue on the assumption that the elections made by other Qualifying Shareholders who are the public Cosmopolitan Shareholders to receive the Bonus CNs, in lieu of the Bonus Shares, relate to not more than 1,046,428,813 Existing Cosmo Shares held in aggregate, representing approximately 82.54% of the total Existing Cosmo Shares held by the public Cosmopolitan Shareholders (other than the Cosmo Shares Vendor), the 25% minimum public float will continue to be maintained immediately after the completion of the Share Consolidation, the Bonus Issue and the Cosmo Shares Transfer Agreement.

I. CERTIFICATES FOR THE BONUS SECURITIES

It is expected that certificates for the Bonus Shares and the Bonus CNs will be posted on or about 22 September 2023 (subject to change) after all the conditions precedent to the Bonus Issue have been fulfilled, at the risk of the Qualifying Shareholders entitled thereto to their respective addresses shown on the register of members on the Record Date on or before 25 August 2023.

J. ADJUSTMENTS FOR THE COSMO CONVERTIBLE BONDS

As at the date of this joint announcement, there are in issue 6,392,497,800 Existing Cosmo Shares and 2,295,487,911 Cosmo Convertible Preference Shares, as well as HK\$300,000,000 Cosmo Convertible Bonds outstanding. On the basis that there will be no change in the issued share capital of Cosmopolitan other than those contemplated under this joint announcement, upon the Share Consolidation becoming effective but before the allotment of the Bonus Shares, there will be a total of 639,249,780 Consolidated Shares in issue, and 229,548,791 Consolidated Cosmo Convertible Preference Shares in issue (which will be convertible into Consolidated Cosmo Shares on the same one-to-one conversion ratio); and HK\$300 million Cosmo Convertible Bonds outstanding which are expected to be convertible into 225,000,000 Consolidated Shares at an adjusted conversion price of HK\$1.333, assuming the completion of Bonus Issue (subject to confirmation by auditors).

K. EXPECTED TIMETABLE

The expected timetable for the Share Consolidation and the Bonus Issue set out below is for indicative purposes only. All times and dates in this joint announcement refer to Hong Kong local times and dates. The expected timetable is subject to change, and any changes will be announced in a separate announcement by Cosmopolitan as and when appropriate.

(A) EGM

Event	2023
Despatch date of circular with notice of EGM and proxy form	Monday, 31 July
Latest time for lodging transfer of Cosmo Shares in order to qualify for attendance and voting at the EGM	4:30 p.m. on Wednesday, 9 August

Closure of register of members of Cosmopolitan for determining entitlement to attend and vote at the EGM (both dates inclusive) Thursday, 10 August to Wednesday, 16 August

Latest day and time to submit the proxy forms for the EGM 11 a.m. on Monday, 14 August

Record date for determining entitlement to attend and vote at the EGM Wednesday, 16 August

Date and time of the EGM 11 a.m. on Wednesday, 16 August

Publication of the announcement of the result of the EGM Wednesday, 16 August

(B) Share Consolidation and the Bonus Issue

Effective date of the Share Consolidation Friday, 18 August

Dealing in the Consolidated Shares commences 9:00 a.m. on Friday, 18 August

Original counter for trading in the existing Cosmo Shares in the board lots of 2,000 existing Cosmo Shares (in the form of existing share certificates) temporarily closes 9:00 a.m. on Friday, 18 August

Temporary counter for trading in the Consolidated Shares in board lots of 200 Consolidated Shares (in the form of existing share certificates) opens 9:00 a.m. on Friday, 18 August

First day of free exchange of existing share certificates for new share certificates for Consolidated Shares Friday, 18 August

Last day of dealings in Consolidated Shares cum-entitlement to the Bonus Issue ^(Note) Friday, 18 August

First day of dealings in Consolidated Shares ex-entitlement to the Bonus Issue ^(Note) Monday, 21 August

Latest time for lodging transfer of Consolidated Shares for registration in order to qualify for the Bonus Issue ^(Note) 4:30 p.m. on Tuesday, 22 August

Closure of register of members for determining entitlements to the Bonus Issue ^(Note) (both days inclusive) Wednesday, 23 August to Friday, 25 August

Record Date for determining entitlements to the Bonus Shares, with an option to elect to receive Bonus CNs in lieu of Bonus Shares	Friday, 25 August
Register of members of Cosmopolitan re-opens	Monday, 28 August
Despatch of the circular and the election forms for the Bonus Shares and Bonus CNs (in lieu of Bonus Shares)	Wednesday, 30 August
Original counter for trading in the Consolidated Shares in board lots of 600 Consolidated Shares (in the form of new share certificates for the Consolidated Shares) re-opens	9:00 a.m. on Friday, 1 September
Parallel trading in the Consolidated Shares (in the form of both existing certificates in board lots of 200 Consolidated Shares and new share certificates for the Consolidated Shares in board lots of 600 Consolidated Shares) commences	9:00 a.m. on Friday, 1 September
Designated broker starts to stand in the market to provide matching services for odd lots of the Consolidated Shares	9:00 a.m. on Friday, 1 September
Latest day and time to submit the election forms for the Bonus CNs (in lieu of Bonus Shares)	4:30 p.m. on Thursday, 14 September
Announcement of results of the election of the Bonus Shares and the Bonus CNs (in lieu of Bonus Shares)	Monday, 18 September
Designated broker ceases to stand in the market to provide matching services for odd lots of the Consolidated Shares	4:00 p.m. on Thursday, 21 September
Parallel trading in the Consolidated Shares (in the form of both existing certificates in board lots of 200 Consolidated Shares and new share certificates for the Consolidated Shares in board lots of 600 Consolidated Shares) ends	4:10 p.m. on Thursday, 21 September
Temporary counter for trading in the Consolidated Shares in board lots of 200 Consolidated Shares (in the form of existing share certificates) closes	4:10 p.m. on Thursday, 21 September

Certificates of the Bonus Shares and the Bonus CNs
(in lieu of Bonus Shares) to be despatched

Friday, 22 September

Dealings in Bonus Shares commence

9:00 a.m. Monday, 25 September

Last day for free exchange of existing share certificate
for new share certificates for the Consolidated Shares

4:30 p.m. on Monday, 25 September

Note: Bonus Issue means issue of the Bonus Shares, with an option to elect to receive the Bonus CNs in lieu of the Bonus Shares

IV. POSSIBLE TRANSACTIONS FOR CENTURY CITY, PALIBURG AND REGAL UNDER THE BONUS ISSUE AND IMPLICATIONS UNDER THE LISTING RULES

Each of the Cosmopolitan Controlling Shareholders has confirmed that it will elect to receive, or procure that the companies controlled by it which hold Existing Cosmo Shares and Cosmo Convertible Preference Shares will elect to receive, the Bonus CNs in lieu of all of its entitlements to the Bonus Shares. The allotment and issue of the Bonus Shares to any other Cosmopolitan Shareholders and the Cosmo Convertible Preference Shareholders (who are not the Cosmopolitan Controlling Shareholders nor the Cosmo Shares Vendor) will constitute a deemed disposal of interests in Cosmopolitan for each of Century City and Paliburg under Chapter 14 of the Listing Rules.

As shown in the shareholding structure set out in “III. Proposed Bonus Issue of Cosmopolitan - H. Shareholding structure of Cosmopolitan” above, the aggregate shareholding interests of the Cosmopolitan Controlling Shareholders in Cosmopolitan will be diluted from 74.34% to a minimum of 53.19% immediately after the completion of the Share Consolidation and the Bonus Issue.

Century City

As explained above, the allotment and issue of the Bonus Shares to any other Cosmopolitan Shareholders and Cosmo Convertible Preference Shareholders will constitute a deemed disposal of interests in Cosmopolitan for Century City under Chapter 14 of the Listing Rules. As the highest applicable percentage ratio (as defined under the Listing Rules) in respect of such transaction is more than 5% but less than 25% for Century City, it will constitute a discloseable transaction for Century City and is subject to the reporting and announcement requirements under Chapter 14 of the Listing Rules.

If and to the extent that the Cosmopolitan Controlling Shareholders convert the Bonus CNs received under the Bonus Issue, the acquisition of the Bonus CN Shares will constitute a major transaction for Century City under Chapter 14 of the Listing Rules as the highest applicable percentage ratio (as defined under the Listing Rules) in respect of the Possible Securities Transactions is more than 25% but less than 100% and is subject to the reporting, announcement and shareholders' approval requirements under Chapter 14 of the Listing Rules.

Paliburg

As explained above, the allotment and issue of the Bonus Shares to any other Cosmopolitan Shareholders and Cosmo Convertible Preference Shareholders will constitute a deemed disposal of interests in Cosmopolitan for Paliburg under Chapter 14 of the Listing Rules. As the highest applicable percentage ratio (as defined under the Listing Rules) in respect of such transaction is more than 5% but less than

25% for Paliburg, it will constitute a discloseable transaction for Paliburg and is subject to the reporting and announcement requirements under Chapter 14 of the Listing Rules.

If and to the extent that the Cosmopolitan Controlling Shareholders convert the Bonus CNs received under the Bonus Issue, the acquisition of the Bonus CN Shares will constitute a major transaction for Paliburg under Chapter 14 of the Listing Rules as the highest applicable percentage ratio (as defined under the Listing Rules) in respect of the Possible Securities Transactions is more than 25% but less than 100% and is subject to the reporting, announcement and shareholders' approval requirements under Chapter 14 of the Listing Rules.

Regal

If Regal converts the Bonus CNs into the Consolidated Shares, this will constitute a connected transaction of Regal under the Listing Rules. Regal will comply with the relevant Listing Rules as and when appropriate in this regard.

V. GENERAL INFORMATION

A. INFORMATION ON THE CENTURY CITY GROUP

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.

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.

Cosmopolitan is a listed subsidiary of Paliburg and, through Paliburg, of Century City. The 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.

P&R is a 50-50 owned joint venture of Paliburg and Regal and a subsidiary of Century City and Paliburg.

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

B. INFORMATION ON AMTD, THE AMTD SHARES PURCHASER AND THE COSMO SHARES VENDOR

According to the AMTD Shares Purchaser, AMTD is a financial institution and digital solutions group connecting companies and investors from Asia, including China and Hong Kong as well as the ASEAN markets with global capital markets. Its financial services plus digital solutions platform addresses different clients' diverse and inter-connected financial needs and digital requirements. 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. Every two AMTD Class A Shares are convertible into one AMTD ADS. The AMTD ADSs are listed on the New York Stock Exchange and the AMTD Class A Shares are listed on the Singapore Stock Exchange. AMTD Shares Purchaser is a conglomerate with core business portfolio to span across financial services, digital solutions, media and entertainment, education and training, and premium real estate assets. Cosmo Shares Vendor is an investment holding company and a subsidiary of the AMTD Shares Purchaser.

According to the prospectus supplement of AMTD dated 21 April 2023, Infinity Power Investments Limited directly held 32.9% of the issued and outstanding shares of the AMTD Shares Purchaser. Infinity Power Investments Limited is wholly-owned by Dr. Calvin Choi who is a director of the AMTD Shares Purchaser.

The Cosmo Shares Vendor is a 50% shareholder of Dense Globe Investments Limited, an associated company of P&R, of which P&R is the other 50% shareholder, and providing shareholder loan in the amount of approximately HK\$410.6 million as at the date of this joint announcement. Dense Globe Investments Limited through its wholly-owned subsidiary indirectly owns and operates iclub AMTD Sheung Wan Hotel in Hong Kong. Apart from the AMTD Sale Shares, P&R Finance, Regal and Cosmopolitan also hold certain other AMTD Shares and perpetual securities of AMTD, as disclosed in “I. The Share Swap - F. Reasons for and benefits of the Shares Swap for Century City and Paliburg” above.

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, each of the AMTD Shares Purchaser and the Cosmo Shares Vendor is an Independent Third Party to Century City and Paliburg.

C. SHAREHOLDERS’ APPROVAL

Century City

A closely allied group of the shareholders of Century City in aggregate hold approximately 67.4% of the issued share capital of Century City as at the date of this joint announcement will provide written shareholders’ approval to approve (i) the major transactions in respect of the Share Swap; and (ii) the major transaction in respect of Possible Securities Transactions.

The closely allied group of the shareholders of Century City comprises Mr. Lo Yuk Sui himself, who personally owns approximately 3.6% of the issued share capital of Century City as at the date of this joint announcement, and companies wholly or majority owned and controlled by Mr. Lo Yuk Sui consisting of (i) Grand Modern Investments Limited which owns approximately 52.7% of the issued share capital of Century City, (ii) Fook Island Limited which owns approximately 0.1% of the issued share capital of Century City, (iii) Master City Limited which owns approximately 1.6% of the issued share capital of Century City, (iv) Shui To Co., Limited which owns approximately 2.2% of the issued share capital of Century City, and (v) YSL International Holdings Limited which owns approximately 7.2% of the issued share capital of Century City as at the date of this joint announcement.

Accordingly, no shareholders’ meeting of Century City will be convened for the purpose of approving Share Swap and the Possible Securities Transactions.

Paliburg

A closely allied group of the shareholders of Paliburg in aggregate hold approximately 74.6% of the issued share capital of Paliburg as at the date of this joint announcement will provide written shareholders' approval to approve (i) the major transactions in respect of the Share Swap; and (ii) the major transaction in respect of Possible Securities Transactions.

The closely allied group of the 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.

Accordingly, no shareholders' meeting of Paliburg will be convened for the purpose of approving the Share Swap and the Possible Securities Transactions.

Cosmopolitan

The EGM will be convened and held for the Cosmopolitan Shareholders to consider and, if thought fit, approve the Share Consolidation, the Bonus Issue, amendments to the Articles of Association and the transactions contemplated thereunder. To the best of the Cosmopolitan Directors' knowledge, information and belief, and having made all reasonable enquiries, no Cosmopolitan Shareholders are required to abstain from voting on such resolutions.

Each of Century City and Paliburg is not considered to have an interest materially different from other Cosmopolitan Shareholders in the Bonus Issue on the following basis:

- (i) all of the Cosmopolitan Shareholders and the Cosmo Convertible Preference Shareholders are entitled to participate in the Bonus Issue on the same terms. Each of them stands in the same position as far as the terms of the Bonus Issue are concerned;
- (ii) the entitlement of the Cosmopolitan Shareholders and the Cosmo Convertible Preference Shareholders under the Bonus Issue is pro rata (apart from fractional entitlements) to the existing shareholdings;
- (iii) the Bonus Issue is not conditional upon the completion of the Cosmo Shares Transfer Agreement. No benefit is derived from the terms of the Bonus Issue that is referable to the Cosmo Shares Transfer Agreement; and
- (iv) neither the AMTD Shares Transfer Agreement nor the Cosmo Shares Transfer Agreement is conditional upon the completion of the Bonus Issue.

D. DESPATCH OF CIRCULAR

Century City

A circular setting out, among others, the Share Swap and the Possible Securities Transactions is expected to be despatched to the shareholders of Century City for information purpose only on or before 31 July 2023.

Paliburg

A circular setting out, among others, the Share Swap and the Possible Securities Transactions is expected to be despatched to the shareholders of Paliburg for information purpose only on or before 31 July 2023.

Cosmopolitan

Cosmopolitan expects to dispatch a circular providing, among other things, details of the Share Consolidation, the Bonus Issue and the amendments to the Articles of Association together with a notice convening the EGM to the Cosmopolitan Shareholders and the Cosmo Convertible Preference Shareholders and, for information purpose, the Cosmo Convertible Bondholder on or before 31 July 2023.

E. OTHER INFORMATION

This joint announcement also falls within Rule 13.09 of the Listing Rules and the Inside Information Provisions under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) for each of Century City, Paliburg and Cosmopolitan as a result of the inside information under the Share Swap, the Bonus Issue and the Possible Securities Transactions as disclosed herein.

This joint announcement is made by each of Regal and RH International on a voluntarily basis.

The Share Swap, Share Consolidation, the Change of Board Lot Size, the Bonus Issue and the amendments to the Articles of Association are subject to the fulfilment of the conditions as described in this joint announcement. They may or may not proceed. Holders of securities and potential investors of Century City, Paliburg and Cosmopolitan are reminded to exercise caution when dealing in the securities of the relevant companies.

F. SUSPENSION AND RESUMPTION OF TRADING

At the request of the respective companies, trading in the shares of each of Century City, Paliburg and Cosmopolitan on the Stock Exchange were suspended with effect from 9:00 a.m on 30 June 2023 pending the release of this joint announcement. Applications have been made to the Stock Exchange for the resumption of trading in the shares of each of Century City, Paliburg and Cosmopolitan with effect from 9:00 a.m. on 12 July 2023.

G. DEFINITIONS

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

“AMTD ADS(s)”	American depositary share(s) of AMTD, one of which representing two AMTD Shares
“AMTD”	AMTD IDEA Group (formerly known as AMTD International Inc.), a company incorporated in the Cayman Islands, the AMTD ADSs are listed on the New York Stock Exchange and AMTD Shares of which are listed on the Singapore Stock Exchange
“AMTD Sale Shares”	9,500,000 AMTD Shares to be disposed of by P&R Finance under the AMTD Shares Transfer Agreement
“AMTD Share(s)”	Class A ordinary shares of AMTD
“AMTD Shares Disposal”	the transactions contemplated under the AMTD Shares Transfer Agreement
“AMTD Shares Purchaser”	AMTD Group Inc. (formerly known as AMTD Group Company Limited), a controlling shareholder of AMTD, of which 32.9% issued and outstanding shares are held by its single largest shareholder, Infinity Power Investments Limited
“AMTD Shares Transfer Agreement”	the conditional agreement dated 30 June 2023 entered into between P&R Finance and AMTD Shares Purchaser in respect of the sale and purchase of the AMTD Sale Shares
“Articles of Association”	the articles of association of Cosmopolitan from time to time
“associate(s)”	has the meaning ascribed to such term in the Listing Rules
“Bonus CN(s)”	the new convertible note(s) with a face notional value of HK\$0.10 each to be constituted by the Deed Poll and to be issued by Cosmopolitan pursuant to the Bonus Issue to the Cosmopolitan Shareholders and the Cosmo Convertible Preference Shareholders electing to receive such new convertible note(s) in lieu of their entitlements to the Bonus Shares
“Bonus CN Share(s)”	new Consolidated Shares to be issued upon conversion of the Bonus CNs
“Bonus CN Holder(s)”	holder(s) of the Bonus CN(s)
“Bonus Issue”	the proposed issue of the Bonus Shares, with an option to elect to receive the Bonus CNs in lieu of Bonus Shares
“Bonus Securities”	the Bonus Shares and the Bonus CNs proposed to be allotted and issued under the Bonus Issue

“Bonus Share(s)”	new Consolidated Share(s) to be issued, fully paid at an issue price of HK\$0.10 each pursuant to the Bonus Issue
“Business Day”	a day (excluding Saturday, Sunday and other general holidays in Hong Kong and any day on which a tropical cyclone warning no. 8 or above or a “black” rainstorm warning is hoisted at any time between 9:00 a.m. and 5:00 p.m.) on which licensed banks in Hong Kong are generally open for business
“BVI”	the British Virgin Islands
“CCASS”	the Central Clearing and Settlement System established and operated by HKSCC
“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 Directors”	directors of Century City
“Century City Group”	Century City and its subsidiaries
“Change of Board Lot Size”	the proposed change of the board lot size from 2,000 Existing Cosmo Shares to 600 Consolidated Shares after completion of the Share Consolidation becomes effective
“Connected Person(s)”	has the meaning ascribed to such term in the Listing Rules
“controlling shareholder”	has the same meaning as ascribed to it under the Listing Rules
“Consolidated Cosmo Convertible Preference Share(s)”	convertible preference share(s) in the share capital of Cosmopolitan after the Share Consolidation becoming effective, which will have a par value of HK\$0.02 each
“Consolidated Shares”	ordinary share(s) in the share capital of Cosmopolitan after the Share Consolidation becoming effective, which will have a par value of HK\$0.02 each
“Cosmo Convertible Bonds ”	convertible bonds with a total principal amount of HK\$300 million issued by Apex Team Limited, a wholly-owned subsidiary of Cosmopolitan, which will be due on 18 August 2026, further particulars of the Cosmo Convertible Bonds are set out in the circular of Cosmopolitan dated 10 August 2021
“Cosmo Convertible Bondholder”	Alpha Advantage Investments Limited, the holder of the Cosmo Convertible Bonds and a wholly-owned subsidiary of P&R
“Cosmo Convertible Preference Share(s)”	convertible preference share(s) in the share capital of Cosmopolitan with a par value of HK\$0.002 each before the Share Consolidation becoming effective

“Cosmo Convertible Preference Shareholder(s)”	holder(s) of the issued Cosmo Convertible Preference Share(s) or the Consolidated Cosmo Convertible Preference Share(s) after the Share Consolidation becoming effective
“Cosmo Sale Shares”	the Existing Cosmo Shares agreed to be sold to Valuegood under the Cosmo Shares Transfer Agreement, comprising 368,320,000 Existing Cosmo Shares currently held by the Cosmo Shares Vendor (together with any rights and entitlements distributed to or received by the Cosmo Shares Vendor in respect of such Cosmo Sale Shares before the date of completion of the Cosmo Shares Transfer Agreement)
“Cosmo Shares Acquisition”	the acquisition of the Cosmo Sale Shares at the price of HK\$1.70 per Cosmo Sale Share under the Cosmo Shares Transfer Agreement
“Cosmo Shares Vendor”	AMTD Properties (HK) Limited, an indirect non-wholly owned subsidiary of the AMTD Shares Purchaser
“Cosmo Shares Transfer Agreement”	the conditional agreement dated 30 June 2023 entered into among Valuegood, the Cosmo Shares Vendor AMTD Shares Purchaser and P&R Finance
“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 Board”	board of Cosmopolitan Directors
“Cosmopolitan Controlling Shareholder(s)”	Paliburg, Regal and P&R
“Cosmopolitan Directors”	directors of Cosmopolitan
“Cosmopolitan Group”	Cosmopolitan and its subsidiaries
“Cosmopolitan Shareholder(s)”	holder(s) of the Existing Cosmo Share(s) or the Consolidated Share(s) after the Share Consolidation becoming effective
“Deed Poll”	the deed poll and any other documents (as from time to time altered in accordance with the Deed Poll) to be executed by Cosmopolitan to constitute and create the Bonus CNs
“EGM”	an extraordinary general meeting of Cosmopolitan to be convened and held for considering the Share Consolidation, the Bonus Issue and amendments to the Articles of Association and the transactions contemplated thereunder
“Existing Cosmo Share(s)”	the ordinary share(s) in the share capital of Cosmopolitan with a par value of HK\$0.002 each before the Share Consolidation becoming effective

“HK\$”	Hong Kong dollar(s), the lawful currency of Hong Kong
“HKSCC”	Hong Kong Securities Clearing Company Limited
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“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 of the relevant company in accordance with the Listing Rules
“Last Trading Day”	29 June 2023, being the last trading day of the Existing Cosmo Shares immediately prior to the date of this joint announcement
“Listing Rules”	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited
“Long Stop Date”	31 December 2023 or such other date as agreed by the parties to the Share Swap
“Non-Qualifying Shareholder(s)”	the Overseas Shareholders whom the Cosmopolitan Directors, after making enquiry, are of the view that it would be necessary or expedient to exclude them from the Bonus Issue on account either of legal restrictions under the laws of the relevant jurisdiction or the requirements of the relevant regulatory body or stock exchange in that jurisdiction
“Original Share Swap”	the share swap made pursuant to the Original Share Swap Agreements
“Original Share Swap Agreements”	the agreement made between Valuegood and the Cosmo Shares Vendor in respect of 368,320,000 Existing Cosmo Shares and the agreement made between the AMTD Shares Purchaser and P&R Finance in respect of 9,500,000 AMTD Shares both dated 24 January 2020, details of which are set out in the circulars of Century City and Paliburg dated 31 March 2020
“Overseas Shareholders”	the Cosmopolitan Shareholders or the Cosmo Convertible Preference Shareholders whose addresses as shown on the registers of members of Cosmopolitan at the close of business on the Record Date is/are outside Hong Kong
“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
“Possible Securities Transactions”	the possible acquisitions by the Century City Group or the Paliburg Group (as the case may be) of the Bonus CN Shares upon the conversion of the Bonus CNs to be received under the Bonus Issue
“P&R”	P&R Holdings Limited, a company owned as to 50% by a wholly-owned subsidiary of Paliburg and 50% by Regal Group
“P&R Finance”	P&R Finance Limited, a wholly-owned subsidiary of P&R
“Qualifying Shareholders”	any Cosmopolitan Shareholders, Cosmo Convertible Preference Shareholders, other than the Non-Qualifying Shareholders, whose names appear on the registers of members of Cosmopolitan at the close of business on the Record Date
“Quam”	Quam Capital Limited, a corporation licensed to carry on Type 1 (dealing in securities) and Type 6 (advising on corporate finance) regulated activities under the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong), being the financial adviser to Century City, Paliburg, Cosmopolitan and Regal in respect of the Share Swap, the Share Consolidation, the Bonus Issue, deemed disposal in Cosmopolitan for each of Century City and Paliburg and the Possible Securities Transactions
“Record Date”	the record date for ascertaining the entitlements of the Cosmopolitan Shareholders and the Cosmo Convertible Preference Shareholder to Bonus Issue, currently scheduled for 25 August 2023
“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 senior perpetual securities of which are listed on the Main Board of the Stock Exchange (Stock Code: 5425)
“Share Consolidation”	the proposed consolidation of every ten (10) issued and unissued Existing Cosmo Shares in the existing share capital of Cosmopolitan into one (1) Consolidated Share and the proposed consolidation of every ten (10) issued and unissued Cosmo Convertible Preference Shares in the existing share capital of

	Cosmopolitan into one (1) Consolidated Cosmo Convertible Preference Share
“Share Swap”	the AMTD Shares Disposal and the Cosmo Shares Acquisition
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“subsidiaries”	has the same meaning as ascribed to it under the Listing Rules
“US\$”	United States dollar(s), the lawful currency of the United States of America
“Valuegood”	Valuegood International Limited, a wholly-owned subsidiary of P&R
“%”	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\$7.80 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

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

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

By order of the board of directors of
RH International Finance Limited
Kenneth Ng Kwai Kai
Director

Hong Kong, 11 July 2023

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. 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*)
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
Mr. Abraham SHEK Lai Him, GBS, JP
Mr. WONG Chi Keung

As at the date of this joint announcement, the board of directors of Regal 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. 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

As at the date of this joint announcement, the Cosmopolitan 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*)
Miss LO Po Man (*Vice Chairman*)
Mr. Kenneth WONG Po Man
(*Chief Operating Officer*)
Mr. Kelvin LEUNG So Po
(*Chief Financial Officer*)
Mr. Kenneth NG Kwai Kai

Independent non-executive directors:

Mr. Francis BONG Shu Ying
Ms. Alice KAN Lai Kuen
Mr. David LI Ka Fai
Mr. Abraham SHEK Lai Him, GBS, JP

As at the date of this joint announcement, the board of directors of RH International comprises the following members:

Directors:

Mr. LO Yuk Sui
Mr. Jimmy LO Chun To
Miss LO Po Man

Mr. Kenneth NG Kwai Kai
Mr. Allen WAN Tze Wai
Ms. Belinda YEUNG Bik Yiu, JP