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**RH International Finance Limited**  
(Incorporated in the British Virgin Islands with limited liability)  
(Stock Code: 5425)

## PROFIT WARNING

This announcement is made by Regal Hotels International Holdings Limited (“**Regal**”, and together with its subsidiaries, the “**Group**”) and RH International Finance Limited (“**RH International**”) pursuant to Rule 13.09(2)(a) and Rule 37.47B(a) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited and Inside Information Provisions under Part XIVA of the Securities and Futures Ordinance (Cap. 571 of the laws of Hong Kong).

The board of directors of each of Regal and RH International wishes to inform the holders of the securities of Regal and RH International and potential investors that, based on the preliminary review by management of Regal of the unaudited consolidated management accounts of the Group for the year ended 31st December, 2024, it is expected that the Group will incur a net loss of approximately HK\$2,598 million for the year ended 31st December, 2024, as compared to the loss of HK\$1,791.9 million recorded for the preceding year.

During the year, the Group’s hotel business in Hong Kong continued to operate steadily, with net hotel income expected to increase by about 10% over 2023. Total gross profit from operations of the Group is expected to amount to approximately HK\$688 million, which is about 5% above the HK\$652.3 million attained in 2023.

On the other hand, as the interest rates in Hong Kong have stayed at a relatively high level throughout 2024, the outlay in finance costs remained substantial. Moreover, as explained before, the Group has, since 2015, directly held significant investments in Cosmopolitan International Holdings Limited (“**Cosmopolitan**”), a listed fellow subsidiary of Regal that principally engages in property business in China, as part of its core strategic asset portfolio. These investment holdings in Cosmopolitan have all along been held as financial assets at fair value through profit or loss and, hence, the changes in their fair value were reflected in the Group’s statements of profit or loss. Due to the decline in the market price of the Cosmopolitan shares, as compared with that prevailing as at 31st December, 2023, a fair value loss of approximately HK\$946 million would be included in the results under review in respect of its investment holding in Cosmopolitan, which is now stated in the Group’s financial statements at an unsubstantial amount.

In addition, the Group's hotel properties in Hong Kong are all owned and operated by subsidiaries of Regal and are, therefore, required to be subject to depreciation charges to conform to the applicable accounting standards. Total depreciation charges on the Group's hotel portfolio in Hong Kong for the year under review would amount to approximately HK\$583 million, including an amount of approximately HK\$124 million on the new Regala Skycity Hotel. Although these depreciation charges do not have impact on the Group's cash flow, they have nevertheless adversely affected the Group's financial results.

Consequently, due to these adverse factors and along with other fair value losses, provisions and impairment on its property and other financial assets, the Group is expected to incur for the year under review an increased loss as compared to that in the preceding financial year.

The estimated net loss is based only on the unaudited consolidated management accounts of the Group for the year ended 31st December, 2024. The audited consolidated financial statements of the Group for the year ended 31st December, 2024 are still being finalised. The final results announcement of the Group for the year ended 31st December, 2024 will be published on 28th March, 2025.

**Holders of the securities of Regal and RH International and potential investors are advised to exercise caution when dealing in the securities of Regal and RH International.**

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  
**RH International Finance Limited**  
**Kenneth Ng Kwai Kai**  
Director

Hong Kong, 21st March, 2025

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)*

Ms. LO Po Man

*(Vice Chairman and Managing Director)*

Mr. Kelvin LEUNG So Po

Mr. Jimmy LO Chun To

Mr. Kenneth NG Kwai Kai

Mr. Allen WAN Tze Wai

**Non-Executive Directors:**

Dr. Francis CHOI Chee Ming, GBS, JP

*(Vice Chairman)*

Ms. Belinda YEUNG Bik Yiu, JP

**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 board of directors of RH International comprises the following members:

**Directors:**

Mr. LO Yuk Sui

Mr. Jimmy LO Chun To

Ms. LO Po Man

Mr. Kenneth NG Kwai Kai

Mr. Allen WAN Tze Wai