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PROFIT WARNING

This announcement is made by Century City International Holdings Limited (the “**Company**”, and together with its subsidiaries, the “**Group**”) pursuant to Rule 13.09(2) 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 the Company (the “**Board**”) wishes to inform the shareholders of the Company and potential investors that, based on the preliminary review by management of the Company on the unaudited consolidated management accounts of the Group for the year ended 31st December, 2020, it is expected that the Group will incur a net loss in the region of HK\$540 million for the year ended 31st December, 2020, while a profit of HK\$174.9 million was recorded for the preceding year. The loss expected to be incurred for the year is primarily attributable to the fair value losses on investment properties and impairment losses on other assets, the depreciation charges in an aggregate amount of about HK\$574 million on the Group’s hotel portfolio, which is essentially a non-cash item, and the finance costs incurred.

For the year 2020 as a whole, the tourism industry as well as the overall economy of Hong Kong have been severely affected by the coronavirus pandemic. Consequently, the revenues from the Group’s core hotel businesses, which are undertaken through Regal Hotels International Holdings Limited (“**Regal**”), the hotel operating group held through Paliburg Holdings Limited (“**Paliburg**”), both listed subsidiaries of the Company, during the year have dropped drastically as compared with the preceding year. Through the implementation of measures to streamline the operating structure and to reduce operating costs, Regal was nevertheless able to achieve during the year a modest gross operating profit in the overall operations of its hotels in Hong Kong. As compared to the net loss of HK\$365.5 million recorded in the six months ended 30th June, 2020, the results expected to be attained by the Group in the second half of 2020 can be seen to have improved, which is primarily attributable to the fair value gains on the Group’s financial assets, as the global capital

markets significantly rebounded during that period, as well as the reduction in the finance costs due to the lower interbank interest rates, on which the bank borrowing costs of the Group are based.

The estimated net loss is only based on the unaudited consolidated management accounts of the Group for the year ended 31st December, 2020. The audited consolidated financial statements of the Group for the year ended 31st December, 2020 are still being finalised. The final results announcement of the Group for the year ended 31st December, 2020 will be published on 23rd March, 2021.

Separately, the following is a brief update on the luxury residential development at Mount Regalia in Kau To, Sha Tin, a major property project undertaken by P&R Holdings Limited (“**P&R Holdings**”), a 50-50% held joint venture of Paliburg and Regal and effectively a subsidiary of Paliburg and the Company. The project comprises 24 garden houses and 136 apartment units, of which a total of 14 garden houses and 36 apartment units have been sold or contracted to be sold to date for an aggregate gross consideration of about HK\$2,957 million. Out of these contracted sales, the sales of 4 garden houses and 10 apartment units with an aggregate gross consideration of about HK\$788 million have been completed in 2019 and 2020. The revenue from the other contracted sales with an aggregate gross consideration of about HK\$2,169 million, which are mostly scheduled for completion at different dates within the next one or two years, will be accounted for when the sale transactions are completed.

Recently, in February 2021, a refinancing for a 3-year term in an aggregate facility amount of HK\$4,125 million secured on the Mount Regalia properties was completed with a syndicate of bank lenders. The facility is divided into two separate tranches. The first tranche is a term loan to P&R Holdings in a facility amount of HK\$3,000 million, which is extendable for a further term of two years subject to certain conditions. The other tranche is a revolving loan in a facility amount of HK\$1,125 million made directly available to Regal, which will serve to further strengthen Regal’s financial resources.

Shareholders of the Company and potential investors are advised to exercise caution when dealing in the shares of the Company.

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

Hong Kong, 16th March, 2021

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

Executive Directors:

Mr. LO Yuk Sui

(Chairman and Chief Executive Officer)

Mr. Jimmy LO Chun To *(Vice Chairman)*

Miss LO Po Man *(Vice Chairman)*

Mr. Kenneth NG Kwai Kai

(Chief Operating Officer)

Mr. Donald FAN Tung

Mr. Kelvin LEUNG So Po

Independent Non-Executive Directors:

Mr. Anthony CHUANG

Ms. Winnie NG, JP

Mr. WONG Chi Keung