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**DISCLOSEABLE TRANSACTION
PROVISION OF FINANCIAL ASSISTANCE**

DISCLOSURE PURSUANT TO RULE 13.16 OF THE LISTING RULES

During the period from 28 August 2013 to 16 October 2013, the Group provided the Financial Assistance to the P&R Group (a 50-50 joint venture of the Group and the Paliburg Group) in proportion to its equity interest in P&R Holdings while the Paliburg Group also provided financial assistance to the P&R Group equivalent to the Financial Assistance on the same terms.

Paliburg, through its wholly-owned subsidiaries, holds approximately 56.9% of the issued share capital of the Company. P&R Holdings is a subsidiary of Paliburg. P&R Holdings is therefore a connected person of the Company under the Listing Rules. As the Company's provision of the Financial Assistance is on normal commercial terms and in proportion to the Company's equity interest in P&R Holdings, it is exempted from the reporting, announcement and independent shareholders' approval requirements under Chapter 14A of the Listing Rules.

The Company's provision of the Financial Assistance constitutes a discloseable transaction for the Company under Chapter 14 of the Listing Rules. This announcement is also made in accordance with the requirements under Rule 13.16 of the Listing Rules.

FINANCIAL ASSISTANCE

During the period from 28 August 2013 to 16 October 2013: (i) a wholly-owned subsidiary of the Company made a cash advance to P&R Holdings in the amount of HK\$12.5 million, (ii) the Company provided corporate guarantee on a several basis in proportion to the Group's equity interest in P&R Holdings to secure three banking facilities provided by certain banks to Advance Fame Investments Limited, Land Crown International Limited and Real Charm Investment Limited (each a wholly-owned subsidiary of P&R Holdings) in a total principal amount of HK\$1,293.4 million and (iii) a wholly-owned subsidiary of the Company provided a revolving loan facility of HK\$550 million to P&R Holdings pursuant to a revolving loan agreement entered into between the parties during the period. The aforesaid advance of HK\$12.5 million is interest free and has no fixed terms of repayment while the revolving loan facility of HK\$550 million is subject to an annual interest rate equivalent to the Hong Kong Dollar Prime Lending Rate and is repayable on demand of the lender. During the same period

at the relevant times, the Paliburg Group also provided financial assistance to P&R Holdings equivalent to the Financial Assistance on the same terms.

FINANCIAL ASSISTANCE TO AFFILIATED COMPANIES

As at the date of this announcement, the aggregate outstanding amount of financial assistance (including guarantees) granted to affiliated companies of the Company named in the first column of the table below amounts to approximately HK\$3,415.3 million (based on (i) the outstanding amount of the advances made by the Group to the affiliated companies and (ii) 50% of the total banking facilities provided to the affiliated companies and severally guaranteed by the Group) exceeding 8% under the assets ratio as defined under Rule 14.07(1) of the Listing Rules (based on the unaudited condensed consolidated statement of financial position of the Group as at 30 June 2013). Details of the financial assistance (including guarantees) are set out below:

Name of affiliated company	Attributable interest held by the Group	Outstanding amount of unsecured advances made by the Group to the affiliated company <i>HK\$' million</i>	Interest rate per annum	Banking facilities provided to the affiliated company		Term of the advances made by the Group to the affiliated company or the banking facilities granted to the affiliated company which are guaranteed by the Group
				50% of the total banking facilities severally guaranteed by the Group <i>HK\$' million</i>	50% of the amount drawn from the total banking facilities severally guaranteed by the Group <i>HK\$' million</i>	
1. P&R Holdings	50%	2,136.9 (Note 1)	Note 1	-	-	Note 1
2. Tristan Limited*	50%	-	-	170.0 (Note 2)	149.5	For a period up to the earlier of the date falling 36 months after the facility agreement date of 2 November 2011 or the date falling 6 months after the date of the occupation permit in respect of the relevant properties owned by Tristan Limited

Name of affiliated company	Attributable interest held by the Group	Outstanding amount of unsecured advances made by the Group to the affiliated company	Interest rate per annum	Banking facilities provided to the affiliated company		Term of the advances made by the Group to the affiliated company or the banking facilities granted to the affiliated company which are guaranteed by the Group
				50% of the total banking facilities severally guaranteed by the Group	50% of the amount drawn from the total banking facilities severally guaranteed by the Group	
		<i>HK\$' million</i>		<i>HK\$' million</i>	<i>HK\$' million</i>	
3. Fine Cosmos Development Limited*	50%	-	-	142.5 (Note 2)	74.0	For a period up to the earlier of the date falling 36 months after the facility agreement date of 7 February 2012 or the date falling 6 months after the date of the occupation permit in respect of the relevant properties owned by Fine Cosmos Development Limited
4. Wise Decade Investments Limited*	50%	-	-	264.8 (Note 2)	159.8	For a period up to the earlier of the date falling 30 months after the facility agreement date of 29 August 2012 or the date falling 6 months after the date of the occupation permit in respect of the relevant properties owned by Wise Decade Investments Limited

Name of affiliated company	Attributable interest held by the Group	Banking facilities provided to the affiliated company					Term of the advances made by the Group to the affiliated company or the banking facilities granted to the affiliated company which are guaranteed by the Group
		Outstanding amount of unsecured advances made by the Group to the affiliated company	Interest rate per annum	50% of the total banking facilities severally guaranteed by the Group	50% of the amount drawn from the total banking facilities severally guaranteed by the Group		
		<i>HK\$' million</i>		<i>HK\$' million</i>	<i>HK\$' million</i>		
5. Advance Fame Investments Limited*	50%	-	-	365.0 (Note 3)	142.0	For a period up to the earlier of the date falling 24 months after the facility agreement date of 9 October 2013 or the date falling 6 months after the date of the occupation permit in respect of the relevant properties owned by Advance Fame Investments Limited	
6. Land Crown International Limited*	50%	-	-	116.25 (Note 3)	116.25	For a period up to 9 months after the facility agreement date of 11 October 2013	
7. Real Charm Investment Limited*	50%	-	-	165.45 (Note 3)	165.45	For a period up to 9 months after the facility agreement date of 11 October 2013	
8. Faith Crown Holdings Limited (Note 4)	50%	12.8	Nil	-	-	No fixed terms of repayment	
9. 8D International (BVI) Limited	30%	2.5	Nil	-	-	No fixed terms of repayment	

Name of affiliated company	Attributable interest held by the Group	Banking facilities provided to the affiliated company				
		Outstanding amount of unsecured advances made by the Group to the affiliated company	Interest rate per annum	50% of the amount		Term of the advances made by the Group to the affiliated company or the banking facilities granted to the affiliated company which are guaranteed by the Group
				50% of the total banking facilities severally guaranteed by the Group	drawn from the total banking facilities severally guaranteed by the Group	
		HK\$' million		HK\$' million	HK\$' million	
10. 8D Matrix Limited	30%	13.7	Nil	-	-	No fixed terms of repayment
11. Bright Future (HK) Limited	50%	5.6	Nil	-	-	No fixed terms of repayment
12. Hang Fok Properties Limited	50%	19.8	Nil	-	-	No fixed terms of repayment
		2,191.3		1,224	807	

* a wholly-owned subsidiary of P&R Holdings.

Notes:

1. The advances to P&R Holdings amounting to HK\$2,136.9 million comprise:

- (i) cash advance of HK\$12.5 million and an amount of HK\$455.4 million arising from the revolving loan facility included in the Financial Assistance. Such cash advance is interest free and has no fixed terms of repayment while the loan is subject to an annual interest rate equivalent to the Hong Kong Dollar Prime Lending Rate and is repayable on demand of the lender;
- (ii) an amount of HK\$1,000.0 million arising from a revolving loan facility provided by the Group, details of which were set out in the joint announcement of the Company, Century City International Holdings Limited ("Century City") and Paliburg dated 20 August 2013 and the Company's circular dated 22 August 2013. Such loan is subject to an annual interest rate equivalent to the Hong Kong Dollar Prime Lending Rate and is repayable on demand of the lender;
- (iii) shareholder's loan with an outstanding amount of HK\$331 million as at the date of this announcement provided by the Group in relation to the acquisition by the P&R Group of a piece of land located at Ma On Shan, Sha Tin, New Territories, details of which were set out in the joint announcement of the

Company, Century City and Paliburg dated 17 June 2013. Such loan is interest free and has no fixed terms of repayment;

- (iv) shareholder's loan with an outstanding amount of HK\$89.65 million as at the date of this announcement provided by the Group in relation to the acquisition by the P&R Group of a group of companies holding certain properties located in To Kwa Wan, Kowloon, details of which were set out in the Company's announcement dated 1 March 2013. Such loan is interest free and has no fixed terms of repayment;
- (v) shareholder's loan of HK\$248.35 million (including accrued interest) arising from the Group's maximum capital commitment to P&R Holdings of HK\$1,900 million (the "P&R Capital Commitment"), details of which were set out in the joint announcement of the Company, Century City and Paliburg dated 17 March 2011 and the Company's circular dated 8 April 2011. Such loan bears interest at a fixed rate of 4% per annum and has no fixed terms of repayment.

2. These guarantees were provided under the P&R Capital Commitment.
3. These guarantees represent the corporate guarantees provided by the Group in respect of the three banking facilities under the Financial Assistance.
4. As at the date of this announcement, the Group's maximum capital commitment to Faith Crown Holdings Limited amounts to HK\$250 million, of which approximately HK\$183.1 million has been contributed as shareholder's loan (before any repayment). Such loan was funded by the internal resources of the Group.

Save as disclosed above, no further financial assistance have been made by the Company (or any of its subsidiaries) to its affiliated companies up to the date of this announcement.

REASONS FOR THE FINANCIAL ASSISTANCE

The Group is principally engaged in hotel ownership (through its 74.6%-owned subsidiary, Regal REIT), and hotel management and operations. It is also engaged in property development and investment, as well as asset management of Regal REIT and securities and other investments.

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

The Financial Assistance as well as the equivalent financial assistance provided by the Paliburg Group have been provided to the P&R Group for its property development business. The Directors consider that the terms of the Financial Assistance are fair and reasonable and in the interests of the Company and its shareholders as a whole.

GENERAL

Paliburg, through its wholly-owned subsidiaries, holds approximately 56.9% of the issued share capital of the Company. P&R Holdings is owned as to 50% by a wholly-owned subsidiary of the Company and 50% by a wholly-owned subsidiary of Paliburg. P&R Holdings is therefore a connected person of the Company under the Listing Rules. As the Company's provision of the Financial Assistance is on normal commercial terms and in proportion to the Company's equity interest in P&R Holdings, it is exempted from the reporting, announcement and independent shareholders' approval requirements under Chapter 14A of the Listing Rules.

Based on the applicable percentage ratios in respect of the Company's provision of the Financial Assistance, the Company's provision of the Financial Assistance constitutes a discloseable transaction for the Company under Chapter 14 of the Listing Rules.

As the applicable percentage ratio represented by the aggregate outstanding amount of financial assistance (including guarantees) given to the affiliated companies up to the date of this announcement exceeds 8% under the assets ratio under Rule 14.07(1) of the Listing Rules, a general disclosure obligation arises pursuant to Rule 13.16 of the Listing Rules.

DEFINITIONS

"Company"	Regal Hotels International Holdings Limited, a company incorporated in Bermuda and whose issued ordinary shares are listed on the Main Board of the Stock Exchange (Stock Code: 78)
"Directors"	the directors of the Company
"Financial Assistance"	collectively: (i) the cash advance provided by the Group to P&R Holdings of HK\$12.5 million, (ii) the several corporate guarantees provided by the Company in favour of certain banks to secure three banking facilities provided by such banks to the P&R Group in a total principal amount of HK\$1,293.4 million and (iii) the revolving loan facility of HK\$550 million provided by the Group to P&R Holdings
"Group"	the Company and its subsidiaries
"HK\$"	Hong Kong dollars, the lawful currency of Hong Kong
"Hong Kong Dollar Prime Lending Rate"	The Hongkong and Shanghai Banking Corporation Limited's best lending rate for loans in Hong Kong Dollar as quoted or designated by the said bank from time to time
"Listing Rules"	the Rules Governing the Listing of Securities on the Stock Exchange

“Paliburg”	Paliburg Holdings Limited, a company incorporated in Bermuda and whose issued ordinary shares are listed on the Main Board of the Stock Exchange (Stock Code: 617)
“Paliburg Group”	Paliburg and its subsidiaries, for the purposes of this announcement excluding the Group
“percentage ratios”	the percentage ratios calculated based on the requirements under Rule 14.07 of the Listing Rules
“P&R Group”	P&R Holdings and its subsidiaries
“P&R Holdings”	P&R Holdings Limited, a joint venture established and owned by Capital Merit Investments Limited (a wholly-owned subsidiary of Paliburg) and Regal Hotels Investments Limited (a wholly-owned subsidiary of the Company) as to 50% and 50% respectively
“Regal REIT”	Regal Real Estate Investment Trust, a Hong Kong collective investment scheme authorised under section 104 of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong), the issued units of which are listed on the Main Board of the Stock Exchange (Stock Code: 1881)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited

By Order of the Board
Regal Hotels International Holdings Limited
Eliza Lam Sau Fun
Secretary

Hong Kong, 18 October 2013

As at the date of this announcement, the board of directors of the Company comprises the following members:

Executive directors:

Mr. LO Yuk Sui
(Chairman and Chief Executive Officer)
Ms. Belinda YEUNG Bik Yiu
(Chief Operating Officer)
Mr. Donald FAN Tung
Mr. Jimmy LO Chun To
Miss LO Po Man
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
Mr. NG Siu Chan
Mr. WONG Chi Keung