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

## UPDATE ON FINANCIAL INFORMATION

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 on the unaudited consolidated management accounts of the Group for the year ended 31st December, 2021, it is expected that the Group will incur a net loss of approximately HK\$495 million for the year ended 31st December, 2021, as compared to the loss of HK\$885.9 million recorded for the preceding year.

The core hotel businesses of the Group continued to be severely disrupted by the COVID-19 pandemic during the year under review, as there were only very few international and Mainland visitors to Hong Kong due to the travel restrictions and quarantine requirements. Nevertheless, the Group has adjusted the operating mode of its hotels in Hong Kong to adapt to this difficult market environment, with some of its hotels operating as quarantine hotels under the Designated Quarantine Hotel Scheme implemented by the Hong Kong Government at different times during the year. Under the adjusted business strategy, the Group’s hotel portfolio as a whole managed to generate increased operating profit as compared with 2020, although the quantum is still far below the normal pre-pandemic levels. Moreover, while P&R Holdings Limited (“**P&R Holdings**”), the joint venture 50/50 owned by the Group and Paliburg Holdings Limited, the intermediate listed parent of Regal, had reported a loss in the preceding year, there was profit contribution from P&R Holdings in 2021. Consequently, the net loss attributable to shareholders of Regal for the year under review was substantially lower than that recorded in 2020.

It should also be noted that as the Group's hotel properties in Hong Kong are all owned and self-operated by subsidiaries of Regal, they are 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 amounted to approximately HK\$507 million which, although not affecting cash flow, have nonetheless adversely impacted the reported results.

The estimated net loss is only based on the unaudited consolidated management accounts of the Group for the year ended 31st December, 2021. The audited consolidated financial statements of the Group for the year ended 31st December, 2021 are still being finalised. The final results announcement of the Group for the year ended 31st December, 2021 will be published on 31st March, 2022.

**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, 23rd March, 2022

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. Donald FAN Tung  
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 board of directors of RH International comprises the following members:

**Directors:**

Mr. LO Yuk Sui

Mr. Donald FAN Tung

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