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

PROFIT ALERT

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 six months ended 30th June, 2022 (the “**2022 Interim Period**”), it is expected that the Group will record a net profit attributable to the equity holders of the Company of approximately HK\$138 million, as compared to the net loss of HK\$276.4 million recorded for the comparative six months in 2021.

During the period under review, six of the Group’s hotels, including the new Regala Skycity Hotel that was opened for business in December 2021, have been operating as quarantine hotels or facilities under various quarantine or isolation schemes organised by the Hong Kong Government to combat the COVID-19 pandemic, which generated for the hotels steady revenues during the period. Consequently, the income from hotel operations contributed by the Group’s portfolio of hotels operating in Hong Kong in the first six months of 2022 has substantially surpassed the comparative level in the prior year, which was the key driver for the significant enhancement achieved by the Group in its overall operating results under review.

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 this six-month period, including those for the new Regala Skycity Hotel, amounted to approximately HK\$299 million which, although not affecting cash flow, have nonetheless adversely impacted the reported results.

The expected interim net profit is only based on the unaudited consolidated management accounts of the Group for the 2022 Interim Period. The unaudited condensed consolidated financial statements of the Group for the 2022 Interim Period are still being finalised. The interim results announcement of the Group for the 2022 Interim Period will be published on 25th August, 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, 18th August, 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