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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))

(Stock Code: 1881)

Managed by



PROFIT WARNING

This announcement is made by Regal Portfolio Management Limited (the “**REIT Manager**”), the REIT manager of Regal Real Estate Investment Trust (“**Regal REIT**”), pursuant to paragraph 10.3 of the Code on Real Estate Investment Trusts, Rule 13.09(2)(a) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (where applicable to Regal REIT) 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 REIT Manager (the “**Board**”) wishes to inform the unitholders of Regal REIT (the “**Unitholders**”) and potential investors that, based on the preliminary review by management of the REIT Manager of the unaudited consolidated management accounts of Regal REIT for the year ended 31st December, 2023, Regal REIT is expected to record a profit before distribution to Unitholders of approximately HK\$265.7 million for the year ended 31st December, 2023, as compared to a profit of HK\$929.9 million for the 2022 financial year.

The decrease in profit was mainly due to the reduction in the revaluation gain from the fair value changes on Regal REIT's investment properties from HK\$754.7 million recorded in the final results for 2022 to HK\$366.9 million for 2023 as well as the substantial increase in the financial expenses, as the Hong Kong Interbank Offered Rates, on which the borrowing costs of Regal REIT's bank loans were based, had risen rapidly in the second half of 2023.

Consequently, Regal REIT is expected to record an adjusted loss of approximately HK\$127.6 million for 2023 (2022 – total distributable income of HK\$204.8 million), which precludes any distribution for the year.

The information contained in this announcement is based only on the unaudited consolidated management accounts of Regal REIT for the year ended 31st December, 2023 and may be subject to adjustments. The audited consolidated financial statements of Regal REIT for the year ended 31st December, 2023 are still being finalised. The final results announcement of Regal REIT for the year ended 31st December, 2023 will be published on 27th March, 2024.

Unitholders and potential investors are advised to exercise caution when dealing in the units of Regal REIT.

By Order of the Board
Regal Portfolio Management Limited
(as manager of Regal Real Estate Investment Trust)
Simon LAM Man Lim
Executive Director

Hong Kong, 20th March, 2024

As at the date of this announcement, the Board comprises Mr. LO Yuk Sui as Chairman and Non-executive Director; Miss LO Po Man as Vice Chairman and Non-executive Director; Mr. Johnny CHEN Sing Hung and Mr. Simon LAM Man Lim as Executive Directors; Mr. Jimmy LO Chun To and Mr. Kenneth NG Kwai Kai as Non-executive Directors; and Mr. John William CRAWFORD, JP, Mr. Bowen Joseph LEUNG Po Wing, GBS, JP, Mr. Kai Ole RINGENSON and Mr. Abraham SHEK Lai Him, GBS, JP as Independent Non-executive Directors.