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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 on the unaudited consolidated management accounts of Regal REIT for the six months ended 30th June, 2023 (the “**Interim Period**”), Regal REIT is expected to record for the Interim Period a profit before distribution to Unitholders of approximately HK\$105.0 million, as compared to a profit of HK\$613.1 million in the corresponding period in 2022.

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\$444.3 million recorded in the interim results for 2022 to HK\$120.0 million for the Interim Period as well as the substantial increase in the financial expenses incurred, as the Hong Kong Interbank Offered Rates, on which the borrowing costs of Regal REIT’s bank loans are based, has risen rapidly since the second quarter of this year.

Consequently, Regal REIT is also expected to record a negative distributable income attributable to Unitholders of approximately HK\$19.0 million for the Interim Period, as compared to a total distributable income of HK\$183.1 million attained in the corresponding period last year.

The information contained in this announcement is only based on the unaudited consolidated management accounts of Regal REIT for the Interim Period and may be subject to adjustments. The unaudited condensed consolidated financial statements of Regal REIT for the Interim Period are still being finalised. The interim results announcement of Regal REIT for the Interim Period is anticipated to be published on or about 25th August, 2023.

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, 18th August, 2023

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.