ROYALE HOME HOLDINGS LIMITED
皇朝家居控股有限公司*

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1198)

PROFIT WARNING

This announcement is made by Royale Home Holdings Limited (the "**Company**", together with its subsidiaries, the "**Group**") pursuant to Rule 13.09 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "**Listing Rules**") and the Inside Information Provisions (as defined in the Listing Rules) under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

The board of directors of the Company (the "**Board**") wishes to inform shareholders of the Company (the "**Shareholders**") and potential investors that, based on the preliminary review by the Board on the latest unaudited consolidated management accounts of the Group for the year ended 31 December 2025, which have not been reviewed or audited by the independent auditors and/or the audit committee of the Company, and taking into account the information currently available to the Board, it is estimated that the Group will record a loss for the year of RMB580 million to RMB730 million, as compared to the loss for the year of approximately RMB348 million for the year ended 31 December 2024.

The loss for the year was primarily attributable to the combined effects of the following factors: (i) a decrease in the operating profit of the furniture products due to the impact of the macro operation environment and weakened overall market demand; (ii) a relatively significant drop in the gross profit recognized from the home furnishing business as a result of the cyclical adjustment in the real estate sector; (iii) an increase in general provision on trade receivables, other receivables and inventories; (iv) revaluation loss in respect of investment properties; (v) an increase in share of losses of associates; and (vi) an increase in finance cost.

As the Company is still in the process of finalizing the unaudited consolidated annual results of the Group for the year ended 31 December 2025, the information contained in this announcement is only based on the information currently available to the Board and the preliminary review by the Board on the unaudited management accounts of the Group for the year ended 31 December 2025, which have not been reviewed or audited by the independent auditors of the Company and/or the audit committee of the Board.

The actual financial results of the Group for the year ended 31 December 2025 may differ from what is disclosed in this announcement. Shareholders and potential investors are advised to read carefully the announcement of the Company in relation to the results of the Group for the year ended 31 December 2025, which is expected to be published in March 2026 in accordance with the requirements of the Listing Rules.

Shareholders and potential investors are advised to exercise caution when dealing in the shares of the Company.

By order of the Board
Royale Home Holdings Limited
Lin Ruhai
Chairman, Executive Director and Chief Executive Officer

Hong Kong, 23 March 2026

As at the date of this announcement, the Board comprises one executive Director, namely, Mr. Lin Ruhai (Chairman); four non-executive Directors, namely, Mr. Wu Zhongming, Mr. Tao Ying, Ms. Yang Ying and Mr. Yan Weihao; and three independent non-executive Directors, namely, Mr. Lau Chi Kit, Mr. Yue Man Yiu Matthew and Mr. Chan Wing Tak Kevin.

* *For identification purposes only*