

The Securities and Futures Commission of Hong Kong, Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.



## 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



### 2025 ANNUAL RESULTS ANNOUNCEMENT

#### FINANCIAL AND BUSINESS HIGHLIGHTS

For the year ended 31st December, 2025

	2025 HK\$ million	2024 HK\$ million	% Change
Gross rental revenue	678.0	671.3	+1.0%
Gross hotel revenue	32.5	29.9	+8.7%
Net rental and hotel income	689.2	681.0	+1.2%
Loss for the year, before distributions to Unitholders*	(171.9)	(204.4)	-15.9%
Core operating profit/(loss), excluding fair value changes on investment properties	16.6	(75.6)	N/A
Distributable income/(adjusted loss) for the year attributable to Unitholders	<u>29.1</u>	<u>(90.6)</u>	N/A
Total assets	<u>24,175.2</u>	<u>24,225.5</u>	-0.2%
Net assets attributable to Unitholders	<u>12,698.7</u>	<u>12,907.5</u>	-1.6%
Final distribution per Unit	<u>HK\$0.0088</u>	<u>–</u>	N/A
Total distributions per Unit	<u>HK\$0.0088</u>	<u>–</u>	N/A
Net Asset Value per Unit attributable to Unitholders	<u>HK\$3.898</u>	<u>HK\$3.962</u>	-1.6%

\* Included a fair value loss of HK\$188.5 million and HK\$128.8 million (after taking into account capital expenditures incurred) that arose from the changes in the aggregate appraised value of the investment properties as at 31st December, 2025 and 31st December, 2024, respectively.

- During the year under review, all the nine hotels owned by Regal REIT operated satisfactorily, achieving positive increases in their average Revenue per Available Room that outperformed market average.
- Net rental and hotel income amounted to HK\$689.2 million (2024 – HK\$681.0 million).
- Loss for the year, before distributions to Unitholders, amounted to HK\$171.9 million, as compared to a loss of HK\$204.4 million in the preceding year.
- The loss recorded for the year under review included a fair value loss of HK\$188.5 million arising from the changes in the appraised value of Regal REIT's investment property portfolio as at 31st December, 2025, after accounting for the additional capital expenditures incurred, while for the comparative year in 2024, a fair value loss of HK\$128.8 million was recorded.
- Excluding the fair value changes on investment properties, core operating profit for 2025 would amount to HK\$16.6 million, as compared to a loss of HK\$75.6 million in 2024. The profit was mainly attributable to the decrease in the financial expenses to HK\$508.4 million (2024 – HK\$640.4 million), as the Hong Kong Interbank Offered Rates, on which the borrowing costs of a majority part of Regal REIT's bank loans are based, had gradually softened during the year.
- As at 31st December, 2025, net assets attributable to Unitholders amounted to HK\$12,698.7 million, representing a net asset value of HK\$3.898 per Unit (31st December, 2024 – HK\$3.962 per Unit).
- Total distributable income for the year under review amounted to HK\$29.1 million, reversing from an adjusted loss of HK\$90.6 million reported in 2024.
- The aggregate annual base rent for the Initial Hotels for 2026 was determined to be HK\$553.0 million, which is about 0.5% above the aggregate base rent for 2025. Variable rent will continue to be based on 50% sharing of the excess of their aggregate net property income over the aggregate base rent.
- The aggregate annual base rent for 2026 for the three iclub Hotels was determined to be HK\$126.0 million, which is about 2.4% above the aggregate base rent in 2025, with variable rent continuing to be based on 50% sharing of the excess of the net property income over the base rent of the respective hotels.

- **In December 2025, Regal REIT entered into a binding letter of intent and, subsequently in March 2026, a second supplemental lease agreement with the Airport Authority Hong Kong, pursuant to which the sub-lease for the Regal Airport Hotel has been formally extended for a further term of three years from 31st December, 2028 to 30th December, 2031.**
- **Aligning with Regal REIT’s objective of delivering long-term stable returns through disciplined capital management, asset recycling and selective reinvestments, Regal REIT has most recently entered into a legally binding preliminary agreement in March 2026 with an independent third party for the sale of its entire equity interests in the company that indirectly holds the Regal Oriental Hotel in Kowloon City, based on an agreed property value of HK\$1,518.0 million for the hotel property.**
- **If 1-month HIBOR continues to hover at the current relatively lower level of around 2.0% to 2.5% per annum in the remaining part of this year, it could be expected that the distributable income of Regal REIT will further increase in 2026, due to the anticipated reduction in its financial expenses.**
- **The REIT Manager will continue to watch out for appropriate assets repositioning and enhancement opportunities, with a view to securing for the Unitholders a stable return in the long term.**

## **FINANCIAL RESULTS**

For the year ended 31st December, 2025, Regal Real Estate Investment Trust (“**Regal REIT**”) recorded a consolidated loss before distributions to unitholders of Regal REIT (the “**Unitholders**”) of HK\$171.9 million, as compared to a loss of HK\$204.4 million in the preceding year. The loss recorded for the year under review included a fair value loss of HK\$188.5 million arising from the changes in the appraised values of Regal REIT’s investment property portfolio, after accounting for the additional capital expenditures incurred, while for the comparative year in 2024, a fair value loss of HK\$128.8 million was recorded. If the effects of these fair value changes are excluded, there would be a core operating profit of HK\$16.6 million reported for 2025, as compared to a loss of HK\$75.6 million in 2024. The core operating profit achieved was mainly attributable to the decrease in the financial expenses incurred, which has been reduced to HK\$508.4 million (2024 – HK\$640.4 million), as the Hong Kong Interbank Offered Rates (“**HIBOR**”), on which the borrowing costs of a majority part of Regal REIT’s bank loans are based, had gradually softened during the year.

## **DISTRIBUTABLE INCOME AND FINAL DISTRIBUTION FOR 2025**

Total distributable income for the year under review amounted to HK\$29.1 million, reversing from an adjusted loss of HK\$90.6 million reported in 2024. The board of directors (the “**Directors**”) of Regal Portfolio Management Limited (the “**REIT Manager**”) has resolved to declare a final distribution of HK\$0.0088 per Unit for the year ended 31st December, 2025 (2024 final distribution: Nil), which represents a payout ratio of 98.49% of the total distributable income for 2025.

## **HOTEL MARKET AND BUSINESS REVIEW**

Based on a recent research by the World Bank Group, the global economy has shown notable resilience to heightened trade tensions and policy uncertainty, with global growth estimated to have averaged 2.7% in 2025.

Despite of the complex changes in the domestic and global economic environments, the Gross Domestic Product (GDP) for China in 2025 increased by 5.0% over the previous year at constant prices, with its national economy successfully pushed forward by innovation-led and high-quality development. Hong Kong’s economy recorded a growth of 3.5% in 2025, which was above the high-end forecast of 3.0% made by the Hong Kong Government in August 2025.

In 2025, Hong Kong welcomed about 49.9 million visitors, representing a year-on-year increase of 12.1%. While visitors from the Chinese Mainland remained predominantly the single largest market segment, encouraging growth was seen in the number of visitors from most other short haul as well as the long haul markets. Although the number of total visitor arrivals in 2025 was still behind the historical peak recorded in 2018, the recovery trend of Hong Kong’s tourist industry is obvious and solid. According to the Hong Kong Tourism Board (“**HKTb**”), overnight visitors accounted for 46.5% of all visitors in 2025, with an average length of stay of 3.1 nights in Hong Kong.

Based on the hotel survey published by the HKTb, the average hotel occupancy rate for all the surveyed hotels in different categories in 2025 was 87.0%, an increase of 2.0 percentage points from 2024, but the industry-wide average room rate had contracted by 5.2%, with the average Revenue per Available Room (“**RevPAR**”) having overall decreased by 2.9% year-on-year.

As one of the major local hotel owners, Regal REIT presently owns a portfolio of nine operating hotels in Hong Kong, comprising five hotels under the full-service Regal brand (the “**Initial Hotels**”) and four hotels under the select-service iclub brand, commanding total room count of over 4,900 rooms. These hotels are all strategically positioned to cater to different market demands from a wide range of business and leisure customers.

Other than the iclub Wan Chai Hotel which is self-operated by Regal REIT, all the five Initial Hotels and the other three iclub Hotels are leased to a wholly-owned subsidiary of Regal Hotels International Holdings Limited, the immediate listed holding company of Regal REIT, for hotel operations.

Despite the strong increase in tourist arrivals, hotel operators in Hong Kong were still faced with challenges from the changed spending habits of the incoming visitors, a strong Hong Kong dollar, the cross-border consumption pattern as well as the increase of frontline staff costs. Nevertheless, the hotel properties owned by Regal REIT were able to manage the market transformation and achieved satisfactory increase in their overall net property income (“**NPI**”) during the year under review.

In accordance with the terms of the 2025 market rental packages, the Initial Hotels generated aggregate base rent of HK\$550.0 million. The market rental review for the Initial Hotels for 2026 was completed in September 2025 and their aggregate annual base rent determined to be HK\$553.0 million, which is about 0.5% above the aggregate base rent for 2025. The variable rent will continue to be based on 50% sharing of the excess of their aggregate NPI over the aggregate base rent.

The iclub Wan Chai Hotel was the first iclub hotel in Hong Kong and has been self-operated by Regal REIT since 2011. Business operations at this hotel continued to perform steadily and generated a modest gross operating profit during the year.

The other three iclub Hotels, namely, the iclub Sheung Wan Hotel, the iclub Fortress Hotel and the iclub To Kwa Wan Hotel, also achieved satisfactorily performance during the year and generated total rental receipts of HK\$123.0 million for 2025.

Based on the market rental reviews determined by the independent property valuer under the terms of the leases, the aggregate base rent for these three iclub Hotels for 2026 was determined to be HK\$126.0 million, which was about 2.4% above the aggregate base rent in 2025, with variable rent continuing to be based on 50% sharing of the excess of the NPI over the base rent of the respective hotels.

In December 2025, Regal REIT entered into a binding letter of intent and, subsequently in March 2026, a second supplemental lease agreement with the Airport Authority Hong Kong, pursuant to which the Sub-Lease for the Regal Airport Hotel has been formally extended for a further term of three years from 31st December, 2028 to 30th December, 2031. Further details on the terms for the extension of this sub-lease were contained in the announcement of Regal REIT dated 12th December, 2025.

The REIT Manager conducts regular holistic review of the properties owned by Regal REIT, having regard to their income generation capabilities, future capital requirements, prevailing market conditions as well as Regal REIT's overall portfolio strategy. Aligning with Regal REIT's objective of delivering long-term stable returns through disciplined capital management, asset recycling and selective reinvestments, Regal REIT has most recently entered into a legally binding preliminary agreement in March 2026 with an independent third party for the sale of its entire equity interests in an intermediate holding company of the company that directly holds the Regal Oriental Hotel in Kowloon City, based on an agreed property value of HK\$1,518.0 million for the hotel property. Unitholders can refer to the announcement published by Regal REIT on 22nd March, 2026 for the full details of this sale transaction.

More details on the hotel properties owned by Regal REIT, including their detailed lease terms and their 2025 operating data, are contained in the Report of the REIT Manager in the Annual Report 2025.

## **BUSINESS OUTLOOK**

According to the World Bank Group research, global growth is forecast to edge down to 2.6% in 2026, driven by a notable slowdown in demand for traded goods and softening domestic demand in many major economies. Under the uncertainty of the United States trade policies and the heightened geopolitical tensions, particularly now in the Middle East region which is impacting the global energy ecosystem, there is still a high level of uncertainties in the global economic outlook. However, Hong Kong had registered a robust GDP growth of 3.5% in 2025 and it is anticipated that it will be able to maintain a steady growth trend in 2026.

To ensure the continuing success in the holding of mega events, the HKTB has been actively collaborating with different organisers and sponsors to stage a line-up of world-class mega events, festivities, international conferences and exhibitions year-round. This is expected to generate substantial economic benefits to different market sectors of the tourist industry in Hong Kong, including hotel, meeting and exhibition venues, retail as well as food and beverage and catering businesses.

2026 marks the first year of China's 15th Five-Year Plan and the development of the Guangdong-Hong Kong-Macao Greater Bay Area (GBA) will enter a period of full acceleration. With the support of the Central Government, the economy of Hong Kong should be able to further expand through its deepened integration with the GBA and the development of its new growth drivers in the innovation and technology sectors.

The 1-month HIBOR has further softened to the range of 2.0% to 2.5% per annum recently. If HIBOR continues to hover around this relatively lower level in the remaining part of this year, we could expect the distributable income of Regal REIT to further increase in 2026, due to the anticipated reduction in its financial expenses.

The REIT Manager will continue to watch out for appropriate assets repositioning and enhancement opportunities, with a view to securing for the Unitholders a stable return in the long term.

## MANAGEMENT DISCUSSION AND ANALYSIS

### Operational Review

During the year under review, all the nine hotels owned by Regal REIT operated satisfactorily, achieving positive increases in their average Revenue per Available Room that outperformed market average.

The combined average occupancy rate of the Initial Hotels in 2025 was 73.0%, as compared to 71.0% in the prior year. Their combined average room rate improved by 6.6% and their combined average RevPAR has risen by 9.5% year-on-year. During the year under review, Regal REIT received aggregate base rent in cash of HK\$550.0 million from Favour Link International Limited for the leases of the Initial Hotels. For the year, the aggregate NPI from hotel operations of the Initial Hotels amounted to HK\$446.2 million, which was below the aggregate base rent of HK\$550.0 million. Therefore, no variable rent was earned.

The year-round average occupancy rate of iclub Wan Chai Hotel was 94.7% in 2025, as compared to 95.3% in 2024. Its average room rate has increased by 9.8%, resulting in a year-on-year improvement of 9.1% in its average RevPAR. The iclub Wan Chai Hotel – hotel portion contributed gross hotel revenue of HK\$32.5 million and incurred operating costs and expenses of HK\$17.4 million. iclub Wan Chai Hotel – non-hotel portions generated net rental income of HK\$1.4 million for the year under review.

For 2025, the iclub Sheung Wan Hotel achieved an overall average occupancy rate of 85.7%, as compared to 85.9% in 2024. Its average room rate has increased by 3.4%, with its average RevPAR improved by 3.2% year-on-year. During the year ended 31st December, 2025, Regal REIT received base rent of HK\$44.0 million for the leasing of the iclub Sheung Wan Hotel. As the NPI from its hotel operations was HK\$40.5 million, which fell short of the base rent of HK\$44.0 million, no variable rent was earned.

For 2025, the iclub Fortress Hill Hotel achieved an overall average occupancy rate of 91.5%, as compared to 87.6% in 2024. As its average room rate has increased by 12.8%, its average RevPAR was up by 17.8% year-on-year. During the year ended 31st December, 2025, Regal REIT received base rent of HK\$42.0 million for the leasing of the iclub Fortress Hill Hotel. As the NPI from its hotel operations was HK\$38.7 million, which fell short of the base rent of HK\$42.0 million, no variable rent was earned.

For 2025, the iclub To Kwa Wan Hotel achieved an overall average occupancy rate of 84.8%, as compared to 79.4% in 2024. As its average room rate has increased by 13.6%, its average RevPAR has improved by 21.2% year-on-year. Regal REIT received base rent of HK\$37.0 million for the leasing of the iclub To Kwa Wan Hotel. As the NPI from its hotel operations was HK\$35.9 million, which fell short of the base rent of HK\$37.0 million, no variable rent was earned.

## **Financial Review**

As at 31st December, 2025, Regal REIT's loan facilities aggregating HK\$10,371.0 million, with varying maturity terms, were comprised of: (a) term and revolving loan facilities of up to HK\$5,000.0 million secured by four of the five Initial Hotels; (b) a term loan facility of HK\$2,800.0 million secured by Regal Kowloon Hotel; (c) a term loan facility of HK\$416.5 million secured by the iclub Wan Chai Hotel; (d) a term loan facility of HK\$749.5 million secured by the iclub Sheung Wan Hotel; (e) a term loan facility of HK\$755.0 million secured by the iclub Fortress Hill Hotel; and (f) a term loan facility of HK\$650.0 million secured by the iclub To Kwa Wan Hotel.

The facility agreement for a term loan facility of HK\$4,500.0 million and a revolving loan facility of up to HK\$500.0 million (the “**2021 IH Facilities**”), concluded on 10th August, 2021 through Regal REIT's wholly-owned subsidiaries, were secured by four of the five Initial Hotels, namely, the Regal Airport Hotel, the Regal Hongkong Hotel, the Regal Oriental Hotel and the Regal Riverside Hotel. The 2021 IH Facilities have a term of five years to August 2026 and carry interest based on HIBOR. As at 31st December, 2025, the 2021 IH Facilities had an outstanding amount of HK\$4,983.5 million, representing the full amount of the term loan facility and an amount of HK\$483.5 million under the revolving loan facility.

On 24th June, 2022, Regal REIT arranged, through a wholly-owned subsidiary, a term loan facility of HK\$2,950.0 million (the “**2022 RKH Facility**”), secured by a mortgage over the Regal Kowloon Hotel. This facility bears HIBOR-based interest and has a term of five years to June 2027. As at 31st December, 2025, the outstanding amount of the 2022 RKH Facility was HK\$2,800.0 million, after installment repayments of HK\$50.0 million each in June 2023, June 2024 and June 2025, respectively, representing the full amount of the outstanding term loan facility.

On 18th July, 2024, Regal REIT arranged, through a wholly-owned subsidiary, a term loan facility of HK\$416.5 million secured by the iclub Wan Chai Hotel (the “**2024 WC Facility**”). The 2024 WC Facility carries interest based on HIBOR and has a loan maturity of December 2027. As at 31st December, 2025, the outstanding facility amount was HK\$416.5 million, representing full amount of the 2024 WC Facility.

On 17th October, 2023, Regal REIT arranged, through a wholly-owned subsidiary, a bilateral term loan facility of HK\$749.5 million secured by the iclub Sheung Wan Hotel (the “**2023 SW Facility**”). The 2023 SW Facility bears HIBOR-based interest with a four-year term to October 2027. As at 31st December, 2025, the outstanding amount was HK\$749.5 million, representing the full amount of the 2023 SW Facility.

On 27th November, 2023, Regal REIT arranged, through a wholly-owned subsidiary, another bilateral term loan facility of HK\$755.0 million secured by the iclub Fortress Hill Hotel (the “**2023 FH Facility**”). The 2023 FH Facility bears HIBOR-based interest and has a term of five years to November 2028. As at 31st December, 2025, the outstanding amount was HK\$755.0 million, representing the full amount of the 2023 FH Facility.

On 15th November, 2025, Regal REIT arranged, through a wholly-owned subsidiary, a new term loan facility of HK\$650.0 million, similarly secured by the iclub To Kwa Wan Hotel (the “**2025 TKW Facility**”), which was used primarily to refinance the previous term loan facility of HK\$650.0 million that matured in November 2025. The 2025 TKW Facility carries interest based on HIBOR and has a loan maturity of November 2027. As at 31st December, 2025, the outstanding amount was HK\$650.0 million, representing the full amount of the 2025 TKW Facility.

During the year under review, the HIBOR stayed at a relatively high level for the first 4 months but went down significantly since mid-May, with 1-month HIBOR fluctuating within a range of about 4.18% per annum at the start of the year to the low end of about 0.52% per annum and stayed at about 3.08% per annum on 31st December, 2025.

With a view to managing the financial expenses in the near term and hedging against any unexpected reversionary movements in the interest rates, Regal REIT further entered into several interest rate swap (“**IRS**”) transactions with a total notional amount of HK\$1,071.5 million during the year under review, to swap the interest expenses on certain of its outstanding bank loans from floating rates to fixed rates.

As at 31st December, 2025, the committed notional amount of the fixed rates IRS transactions was HK\$2,921.0 million or 28.2% of Regal REIT’s total outstanding bank borrowings, at fixed rates of 2.70% per annum to 3.66% per annum and with terms ranging from 2.0 years to 3.6 years. The REIT Manager will continue to monitor the interest rates environment and to assess from time to time its strategies on hedging and cashflow management, in order to contain its exposure to interest rate fluctuations.

Mainly benefiting from the significant drop in HIBOR since mid-May this year, the financial expenses incurred during 2025 amounted to HK\$508.4 million, which was a reduction of HK\$132.0 million from HK\$640.4 million in the last year.

As at 31st December, 2025, the gearing ratio of Regal REIT was 42.8% (2024: 43.0%), being the gross amount of the outstanding loans aggregating HK\$10,354.5 million, which takes into account: (a) the 2021 IH Facilities of HK\$4,983.5 million; (b) the 2022 RKH Facility of HK\$2,800.0 million; (c) the 2024 WC Facility of HK\$416.5 million; (d) the 2023 SW Facility of HK\$749.5 million; (e) the 2023 FH Facility of HK\$755.0 million; and (f) the 2025 TKW Facility of HK\$650.0 million, as compared to the total gross assets of Regal REIT of HK\$24,175.2 million. The gearing ratio is below the maximum 50% permitted under the Code on Real Estate Investment Trusts (the “**REIT Code**”).

Regal REIT had a total of HK\$6.6 million in unrestricted and HK\$227.5 million in restricted cash balances and bank deposits, and unutilised revolving loan facilities of HK\$16.5 million as at 31st December, 2025. Regal REIT maintains adequate cash reserves and revolving loan facilities and receives timely payments of rental income to satisfy its financial commitments as well as working capital requirements on an on-going basis.

As at 31st December, 2025, all nine Regal REIT properties with an aggregate carrying value of HK\$23,776.0 million were pledged to secure its bank loan facilities.

## Valuation of the Property Portfolio

As at 31st December, 2025, Regal REIT's overall property portfolio was valued at HK\$23,776.0 million (31st December, 2024: HK\$23,943.0 million). The property portfolio is comprised of (i) the five Initial Hotels\*, the iclub Sheung Wan Hotel, the iclub Fortress Hill Hotel, the iclub To Kwa Wan Hotel and the non-hotel portions of iclub Wan Chai Hotel that are classified as investment properties for an aggregate amount of HK\$23,112.0 million; and (ii) the owner-operated hotel portion of the iclub Wan Chai Hotel which is classified as property, plant and equipment for an amount of HK\$664.0 million.

Valuations of the properties as at 31st December, 2025 and 31st December, 2024 are tabulated below.

Property	Location	31 Dec 2025 Valuation HK\$ million	31 Dec 2024 Valuation HK\$ million	% Change
<i>Initial Hotels:</i>				
Regal Airport Hotel	Lantau Island	1,278	1,134	+12.7%
Regal Hongkong Hotel	HK Island	4,297	4,356	-1.4%
Regal Kowloon Hotel	Kowloon	5,911	6,012	-1.7%
Regal Oriental Hotel*	Kowloon	1,767	1,815	-2.6%
Regal Riverside Hotel	New Territories	5,095	5,181	-1.7%
		<u>18,348</u>	<u>18,498</u>	<b>-0.8%</b>
<i>iclub Hotels:</i>				
iclub Wan Chai Hotel	HK Island	848	858	-1.2%
iclub Sheung Wan Hotel	HK Island	1,632	1,636	-0.2%
iclub Fortress Hill Hotel	HK Island	1,573	1,579	-0.4%
iclub To Kwa Wan Hotel	Kowloon	1,375	1,372	+0.2%
		<u>1,375</u>	<u>1,372</u>	<b>+0.2%</b>
<b>Overall property portfolio</b>		<u><u>23,776</u></u>	<u><u>23,943</u></u>	<b>-0.7%</b>

\* Includes the valuation of certain floor areas of Po Sing Court.

The valuations of the properties in the portfolio as at 31st December, 2025 were conducted by Knight Frank Petty Limited (“**Knight Frank**”), the principal valuer of Regal REIT appointed by the trustee of Regal REIT for a term of three years commencing from December 2024 pursuant to the provisions of the REIT Code.

## CONSOLIDATED STATEMENT OF PROFIT OR LOSS

For the year ended 31st December, 2025

	Notes	2025 HK\$'000	2024 HK\$'000
<b>Revenue</b>			
Gross rental revenue	5	677,987	671,307
Gross hotel revenue	5	32,486	29,905
		<u>710,473</u>	<u>701,212</u>
Property and hotel operating expenses		<u>(21,240)</u>	<u>(20,208)</u>
Net rental and hotel income	5	689,233	681,004
Interest income		574	664
Depreciation	10	(9,208)	(8,013)
Fair value changes on investment properties	11	(188,540)	(128,814)
REIT Manager fees	6	(93,103)	(93,031)
Trust, professional and other expenses		(10,372)	(11,836)
Finance costs – excluding distributions to Unitholders	7	<u>(508,405)</u>	<u>(640,434)</u>
<b>Loss before tax and distributions to Unitholders</b>		<b>(119,821)</b>	<b>(200,460)</b>
Income tax expenses	8	<u>(52,074)</u>	<u>(3,940)</u>
<b>Loss for the year, before distributions to Unitholders</b>		<b>(171,895)</b>	<b>(204,400)</b>
Finance costs – distributions to Unitholders		<u>–</u>	<u>–</u>
<b>Loss for the year, after distributions to Unitholders</b>		<b><u>(171,895)</u></b>	<b><u>(204,400)</u></b>
<b>Loss per Unit attributable to Unitholders</b>			
Basic and diluted	9	<u>HK\$(0.053)</u>	<u>HK\$(0.063)</u>

## CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the year ended 31st December, 2025

	Notes	2025 HK\$'000	2024 HK\$'000
<b>Loss for the year, before distribution to Unitholders</b>		<b>(171,895)</b>	(204,400)
<b>Other comprehensive income/(loss)</b>			
Other comprehensive income/(loss) that may be reclassified to profit or loss in subsequent periods:			
Cash flow hedges:			
Change in fair value of cash flow hedges		(51,430)	12,569
Transfer from hedging reserve to consolidated statement of profit or loss		<u>14,643</u>	<u>(10,902)</u>
Net other comprehensive income/(loss) that may be reclassified to profit or loss in subsequent periods		<u>(36,787)</u>	<u>1,667</u>
Other comprehensive income/(loss) that will not be reclassified to profit or loss in subsequent periods:			
Gain/(loss) on revaluation of property	10	(187)	43,543
Income tax effect	16	<u>31</u>	<u>(7,184)</u>
Net other comprehensive income/(loss) that will not be reclassified to profit or loss in subsequent periods		<u>(156)</u>	<u>36,359</u>
<b>Other comprehensive income/(loss) for the year, net of tax</b>		<u>(36,943)</u>	<u>38,026</u>
<b>Total comprehensive loss for the year, before distributions to Unitholders</b>		<u><u>(208,838)</u></u>	<u><u>(166,374)</u></u>

## CONSOLIDATED STATEMENT OF FINANCIAL POSITION

*As at 31st December, 2025*

	Notes	As at 31st December, 2025 HK\$'000	As at 31st December, 2024 HK\$'000
<b>Non-current assets</b>			
Property, plant and equipment	10	664,000	672,000
Investment properties	11	23,112,000	23,271,000
Right-of-use assets		143,965	–
Derivative financial instruments		–	2,671
Finance lease receivables		4,908	–
Total non-current assets		23,924,873	23,945,671
<b>Current assets</b>			
Accounts receivable	12	958	335
Prepayments, deposits and other receivables		7,905	9,642
Due from related companies		3,239	3,401
Tax recoverable		175	2,661
Finance lease receivables		3,956	998
Restricted cash		227,540	259,015
Cash and cash equivalents		6,599	3,741
Total current assets		250,372	279,793
<b>Total assets</b>		<b>24,175,245</b>	<b>24,225,464</b>
<b>Current liabilities</b>			
Accounts payable	13	57,786	44,939
Deposits received		48	2,282
Due to related companies		173,687	183,694
Derivative financial instruments		457	–
Other payables and accruals		40,665	61,585
Contract liabilities		559	482
Interest-bearing bank borrowings		5,035,128	697,656
Lease liabilities		3,956	998
Tax payable		33,891	14,092
Total current liabilities		5,346,177	1,005,728
<b>Net current liabilities</b>		<b>(5,095,805)</b>	<b>(725,935)</b>
<b>Total assets less current liabilities</b>		<b>18,829,068</b>	<b>23,219,736</b>

**CONSOLIDATED STATEMENT OF FINANCIAL POSITION (Cont'd)***As at 31st December, 2025*

	Notes	As at 31st December, 2025 HK\$'000	As at 31st December, 2024 HK\$'000
<b>Non-current liabilities, excluding net assets attributable to Unitholders</b>			
Interest-bearing bank borrowings		5,284,231	9,656,447
Lease liabilities		150,165	–
Derivative financial instruments		34,832	682
Deposits received		1,633	633
Deferred tax liabilities	16	659,546	654,475
Total non-current liabilities		<u>6,130,407</u>	<u>10,312,237</u>
<b>Total liabilities, excluding net assets attributable to Unitholders</b>		<u>11,476,584</u>	<u>11,317,965</u>
<b>Net assets attributable to Unitholders</b>		<u>12,698,661</u>	<u>12,907,499</u>
<b>Number of Units in issue</b>	14	<u>3,257,431,189</u>	<u>3,257,431,189</u>
<b>Net asset value per Unit attributable to Unitholders</b>	15	<u>HK\$3.898</u>	<u>HK\$3.962</u>

## DISTRIBUTION STATEMENT

For the year ended 31st December, 2025

	Notes	2025 HK\$'000	2024 HK\$'000
<b>Loss for the year, before distributions to Unitholders</b>		<b>(171,895)</b>	<b>(204,400)</b>
Adjustments:			
Amounts set aside for the furniture, fixtures and equipment reserve	(e)	<b>(29,805)</b>	(27,910)
Amortisation of debt establishment costs		<b>27,956</b>	27,987
Fair value changes on investment properties		<b>188,540</b>	128,814
Depreciation		<b>9,208</b>	8,013
Deferred tax charges/(credit)		<b>5,102</b>	(23,082)
<b>Distributable income/(adjusted loss) for the year</b>	(a) & (c)	<b>29,106</b>	<b>(90,578)</b>
		<b>HK\$</b>	<b>HK\$</b>
<b>Distributions per Unit:</b>			
Interim	(b)	–	–
Final	(c) & (d)	<b>0.0088</b>	–
		<b>0.0088</b>	–

Notes:

- (a) Pursuant to the Trust Deed, Regal REIT is required to ensure that the total amount distributed to Unitholders shall be no less than 90% of Regal REIT's total distributable income for each financial year. The current policy of the REIT Manager is to distribute to Unitholders no less than 90% of Regal REIT's total distributable income for each financial year.

- (b) The amount of any distribution for the interim period of each financial year is at the discretion of the REIT Manager.

Regal REIT recorded a distributable income of HK\$15.6 million for the six months ended 30th June, 2025 and an adjusted loss of HK\$43.8 million for the six months ended 30th June, 2024. Hence, no interim distribution was declared for the six months ended 30th June, 2025 and 2024, respectively.

- (c) Regal REIT recorded a distributable income of HK\$29.1 million for the year under review, as compared to an adjusted loss of HK\$90.6 million in 2024.

Pursuant to the Trust Deed, the REIT Manager determines the date (the “**Record Date**”) in respect of each distribution period for the purpose of establishing Unitholders entitlement to distributions. The Record Date has been set as 19th May, 2026 in respect of the final distribution for the period from 1st July, 2025 to 31st December, 2025. The final distribution will be paid out to Unitholders on or about 29th May, 2026. The total amount of final distribution to be paid to Unitholders of HK\$28.67 million is arrived at based on the final distribution per Unit of HK\$0.0088 and the number of Units expected to be in issue at the Record Date that are entitled to distributions. The total distribution to Unitholders for the year, being the final distribution of HK\$28.67 million, represents 98.49% of the Total Distributable Income for the year.

- (d) The final distribution of HK\$0.0088 per Unit for the period from 1st July, 2025 to 31st December, 2025, involving an amount of HK\$28.67 million, was resolved and declared by the REIT Manager on 30th March, 2026. Accordingly, the distribution is not reflected as a distribution payable in the consolidated financial statements and will be reflected in the consolidated financial statements for the year ending 31st December, 2026.
- (e) Amounts set aside by Regal REIT for the furniture, fixtures and equipment reserve with respect to the Initial Hotels, iclub Wan Chai Hotel, iclub Sheung Wan Hotel, iclub Fortress Hill Hotel and iclub To Kwa Wan Hotel aggregated to HK\$29.8 million (2024: HK\$27.9 million).

## Notes:

### 1. GENERAL

Regal REIT is a Hong Kong collective investment scheme authorised under section 104 of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) and its units (the “Units”) were listed on The Stock Exchange of Hong Kong Limited on 30th March, 2007. Regal REIT is governed by a trust deed dated 11th December, 2006 (as amended and restated by the first amending and restating deed dated 23rd March, 2021 and the second amending and restating deed dated 31st January, 2024) constituting Regal REIT (the “Trust Deed”) and the REIT Code.

The principal activity of Regal REIT and its subsidiaries (collectively, the “Group”) is to own and invest in income-producing hotels, serviced apartments or commercial properties (including office premises) with the objectives of producing stable and growing distributions to Unitholders and to achieve long-term growth in the net asset value per Unit attributable to Unitholders.

### 2. BASIS OF PREPARATION

The consolidated financial statements have been prepared in accordance with HKFRS Accounting Standards (which include all Hong Kong Financial Reporting Standards, Hong Kong Accounting Standards (“HKASs”) and Interpretations) as issued by the Hong Kong Institute of Certified Public Accountants. In addition, the consolidated financial statements have been prepared in accordance with the relevant provisions of the Trust Deed and the relevant disclosure provisions of Appendix C of the REIT Code. The consolidated financial statements have been prepared under the historical cost convention, except for property, plant and equipment, investment properties and derivative financial instruments which have been measured at fair value. The consolidated financial statements are presented in Hong Kong dollars (“HK\$”), the functional currency of Regal REIT, and all values are rounded to the nearest thousand except when otherwise indicated.

As at 31st December, 2025, the Group’s current liabilities exceeded its current assets by HK\$5,095,805,000. The net current liabilities position was mainly due to the term loans of HK\$4,560,000,000 and revolving loan of HK\$483,500,000 which mature within twelve months and were classified under current liabilities as at the end of the reporting period. Taking into account the stable operating cash inflows to be generated from rental income, the planned refinancing of the loan facility maturing within the next twelve months, the proceeds from the disposal of Chasehill Limited and its subsidiary, the Group’s unutilised revolving loan facility and the financial support provided by the immediate listed holding company of the Group, the REIT Manager considers the Group has adequate resources to meet its liabilities, commitments and funding requirements as and when they fall due within one year from the end of the reporting period. Accordingly, the REIT Manager continues to adopt the going concern basis in preparing the consolidated financial statements.

The basis of preparation and accounting policies adopted in the financial statements are consistent with those adopted in the Group's annual financial statements for the year ended 31st December, 2025 except for the adoption of the revised standards as disclosed in note 3 below.

### **3. CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES**

The Group has amendments to HKAS 21 *Lack of Exchangeability* for the first time for the current year's financial statements. The Group has not early adopted any other standard or amendment that has been issued but is not yet effective.

Amendments to HKAS 21 specify how an entity shall assess whether a currency is exchangeable into another currency and how it shall estimate a spot exchange rate at a measurement date when exchangeability is lacking. The amendments require disclosures of information that enable users of financial statements to understand the impact of a currency not being exchangeable. As the currencies that the Group had transacted in and the functional currencies of overseas subsidiaries, joint ventures and associates for translation into the Group's presentation currency were exchangeable, the amendments did not have any impact on the Group's financial statements.

### **4. OPERATING SEGMENT INFORMATION**

Operating segments of the Group are identified on the basis of internal reports covering the components of the Group which are regularly reviewed by the Group's chief operating decision-maker to make decisions about resources to be allocated to segments and assess their performance. Information reported to the Group's chief operating decision-maker, for the above-mentioned purposes, is mainly focused on the segment results related to the nature of properties, namely, the hotel properties and the mixed use property. For management purposes, the two reportable operating segments are (i) the hotel properties segment which invested in the Initial Hotels, iclub Sheung Wan Hotel, iclub Fortress Hill Hotel and iclub To Kwa Wan Hotel; and (ii) the mixed use property segment which invested in the iclub Wan Chai Hotel and is made up of the hotel portion and non-hotel portions.

The operating segments of the Group for the year ended 31st December, 2025 are as follows:

	<b>Hotel Properties HK\$'000</b>	<b>Mixed Use Property HK\$'000</b>	<b>Total HK\$'000</b>
<b>Segment revenue</b>			
Gross rental revenue	675,687	2,300	677,987
Gross hotel revenue	–	32,486	32,486
Total	<u>675,687</u>	<u>34,786</u>	<u>710,473</u>
<b>Segment results</b>	<u>672,467</u>	<u>16,766</u>	<u>689,233</u>
Fair value changes on investment properties	(186,540)	(2,000)	(188,540)
Depreciation	(1,003)	(8,205)	(9,208)
Interest income			574
REIT Manager fees			(93,103)
Trust, professional and other expenses			(10,372)
Finance costs – excluding distributions to Unitholders			<u>(508,405)</u>
Loss before tax and distributions to Unitholders			<u>(119,821)</u>

The operating segments of the Group for the year ended 31st December, 2024 are as follows:

	<b>Hotel Properties HK\$'000</b>	<b>Mixed Use Property HK\$'000</b>	<b>Total HK\$'000</b>
<b>Segment revenue</b>			
Gross rental revenue	664,659	6,648	671,307
Gross hotel revenue	–	29,905	29,905
Total	<u>664,659</u>	<u>36,553</u>	<u>701,212</u>
<b>Segment results</b>	<u>661,420</u>	<u>19,584</u>	681,004
Fair value changes on investment properties	(117,814)	(11,000)	(128,814)
Depreciation	–	(8,013)	(8,013)
Interest income			664
REIT Manager fees			(93,031)
Trust, professional and other expenses			(11,836)
Finance costs – excluding distributions to Unitholders			<u>(640,434)</u>
Loss before tax and distributions to Unitholders			<u>(200,460)</u>

### Segment assets and liabilities

As part of the Group's performance assessment, the fair values of investment properties and property, plant and equipment are reviewed by the Group's chief operating decision-maker.

As at 31st December, 2025, the Group's segment assets, comprised of the aggregate fair values of the investment properties and property, plant and equipment in the hotel properties segment and the mixed use property segment, amounted to HK\$22,928,000,000 (2024: HK\$23,085,000,000) and HK\$848,000,000 (2024: HK\$858,000,000), respectively.

Save as set out above, no other assets and liabilities are included in the assessment of the Group's segment performance.

### Other segment information

	Year ended 31st December, 2025		
	Hotel Properties HK\$'000	Mixed Use Property HK\$'000	Total HK\$'000
Capital expenditures	<u>29,540</u>	<u>392</u>	<u>29,932</u>

  

	Year ended 31st December, 2024		
	Hotel Properties HK\$'000	Mixed Use Property HK\$'000	Total HK\$'000
Capital expenditures	<u>47,384</u>	<u>470</u>	<u>47,854</u>

Capital expenditures consist of additions to investment properties and property, plant and equipment.

### Information about a major customer

For the year ended 31st December, 2025, revenue of HK\$675,687,000 (2024: HK\$664,659,000) was derived from the lease of hotel properties to a single lessee which is a related company.

### Geographical information

The Group's investment properties and property, plant and equipment are all located in Hong Kong.

## 5. NET RENTAL AND HOTEL INCOME

	Notes	2025 HK\$'000	2024 HK\$'000
<b>Gross rental revenue</b>			
Rental income			
Initial Hotels	(a)	550,000	544,000
iclub Wan Chai Hotel – Non-hotel portions		2,300	6,648
iclub Sheung Wan Hotel	(b)	44,000	42,000
iclub Fortress Hill Hotel	(c)	42,000	40,000
iclub To Kwa Wan Hotel	(d)	37,000	36,000
Other income		2,687	2,659
		<u>677,987</u>	<u>671,307</u>
Property operating expenses		<u>(3,863)</u>	<u>(4,863)</u>
<b>Net rental income</b>		<u>674,124</u>	<u>666,444</u>
<b>Gross hotel revenue</b>			
Hotel operating expenses		<u>(17,377)</u>	<u>(15,345)</u>
<b>Net hotel income</b>		<u>15,109</u>	<u>14,560</u>
<b>Net rental and hotel income</b>		<u>689,233</u>	<u>681,004</u>
<b>Revenue from contracts with customers</b>			
Gross hotel revenue	(e)	<u>32,486</u>	<u>29,905</u>
<b>Revenue from other sources</b>			
Gross rental income		<u>677,987</u>	<u>671,307</u>

Notes:

(a) An analysis of the Initial Hotels rental income is as follows:

	2025 HK\$'000	2024 HK\$'000
Base Rent	550,000	544,000
Variable Rent	–	–
	<u>550,000</u>	<u>544,000</u>

(b) An analysis of the iclub Sheung Wan Hotel rental income is as follows:

	<b>2025</b> <b>HK\$'000</b>	2024 HK\$'000
Base Rent	<b>44,000</b>	42,000
Variable Rent	–	–
	<u><b>44,000</b></u>	<u>42,000</u>

(c) An analysis of the iclub Fortress Hill Hotel rental income is as follows:

	<b>2025</b> <b>HK\$'000</b>	2024 HK\$'000
Base Rent	<b>42,000</b>	40,000
Variable Rent	–	–
	<u><b>42,000</b></u>	<u>40,000</u>

(d) An analysis of the iclub To Kwa Wan Hotel rental income is as follows:

	<b>2025</b> <b>HK\$'000</b>	2024 HK\$'000
Base Rent	<b>37,000</b>	36,000
Variable Rent	–	–
	<u><b>37,000</b></u>	<u>36,000</u>

(e) Gross hotel revenue is recognised over time.

## 6. REIT MANAGER FEES

	<b>2025</b> <b>HK\$'000</b>	2024 HK\$'000
Base Fees	<b>72,499</b>	72,671
Variable Fees	<b>20,604</b>	20,360
	<u><b>93,103</b></u>	<u>93,031</u>

For the financial year 2025, the REIT Manager elected to receive its Base Fees and Variable Fees in the form of cash.

## 7. FINANCE COSTS – EXCLUDING DISTRIBUTIONS TO UNITHOLDERS

	2025 HK\$'000	2024 HK\$'000
Total interest expense on financial liabilities not at fair value through profit or loss:		
Interest expense on interest-bearing bank borrowings	467,572	630,373
Amortisation of debt establishment costs	27,956	27,987
Interest income from restricted cash	(3,272)	(7,883)
Interest income on lease liabilities	797	84
	<u>493,053</u>	<u>650,561</u>
Fair value changes on derivative financial instruments		
- cash flow hedges (transfer from hedging reserve)	14,643	(10,902)
Others	709	775
	<u>508,405</u>	<u>640,434</u>

## 8. INCOME TAX

Hong Kong profits tax has been provided at the rate of 16.5% (2024: 16.5%) on the estimated assessable profits arising in Hong Kong during the year.

	2025 HK\$'000	2024 HK\$'000
Charge for the year	16,295	12,949
Underprovision in prior years	30,677	14,073
Deferred	5,102	(23,082)
Total tax charge for the year	<u>52,074</u>	<u>3,940</u>

In 2025, the Hong Kong Inland Revenue Department (the “IRD”) issued enquiry letters to four subsidiaries of Regal REIT regarding the claim for deduction of certain interest expenses incurred on certain non-income generating assets for the year of assessment 2018/19 to 2023/24. Up to the date of approval of the financial statements, the REIT Manager considers that adequate tax provisions have been made in the consolidated financial statements by the above-mentioned subsidiaries, which are subject to the agreement by the IRD.

## 9. LOSS PER UNIT ATTRIBUTABLE TO UNITHOLDERS

The calculation of the basic loss per Unit attributable to Unitholders is based on the loss for the year before distributions to Unitholders of HK\$171,895,000 (2024: loss of HK\$204,400,000) and 3,257,431,189 Units in issue (2024: 3,257,431,189 Units). The basic loss per Unit attributable to Unitholders for the year amounted to HK\$0.053 (2024: basic loss per Unit of HK\$0.063).

The diluted loss per Unit attributable to Unitholders is the same as the basic loss per Unit attributable to Unitholders as there were no dilutive instruments in issue during the year (2024: Nil).

## 10. PROPERTY, PLANT AND EQUIPMENT

	<b>Authorised investment</b>
	<b>Hotel property HK\$'000</b>
At 1st January, 2024	636,000
Additions	470
Surplus on revaluation	43,543
Depreciation provided during the year	<u>(8,013)</u>
At 31st December, 2024 and 1st January, 2025	<b>672,000</b>
Additions	<b>392</b>
Deficit on revaluation	<b>(187)</b>
Depreciation provided during the year	<u><b>(8,205)</b></u>
At 31st December, 2025	<u><u><b>664,000</b></u></u>

The Group's property, plant and equipment represents the value of land and building together with furniture, fixtures and equipment of iclub Wan Chai Hotel for the hotel portion. The REIT Manager has determined that the property, plant and equipment constitute a single class of asset (i.e. hotel property) based on the nature, characteristics and risks of the property. The property, plant and equipment was valued by Knight Frank, an independent property valuer and the principal valuer of Regal REIT, at HK\$664,000,000 as at 31st December, 2025 (2024: HK\$672,000,000). A revaluation deficit of HK\$187,000 (2024: surplus of HK\$43,543,000) resulting from the valuation as at 31st December, 2025 has been charged to other comprehensive loss (2024: credited to other comprehensive income).

The carrying amount of the Group's property, plant and equipment would have been HK\$362,157,000 (2024: HK\$367,095,000) had such assets been stated in the consolidated financial statements at cost less accumulated depreciation.

## 11. INVESTMENT PROPERTIES

	<u>Authorised investments</u>		
	<b>Hotel properties HK\$'000</b>	<b>Commercial properties HK\$'000</b>	<b>Total HK\$'000</b>
At 1st January, 2024	23,155,000	197,000	23,352,000
Fair value changes	(117,814)	(11,000)	(128,814)
Capital expenditures for the year	47,384	–	47,384
Others	430	–	430
At 31st December, 2024 and 1st January, 2025	<b>23,085,000</b>	<b>186,000</b>	<b>23,271,000</b>
Fair value changes	<b>(186,540)</b>	<b>(2,000)</b>	<b>(188,540)</b>
Capital expenditures for the year	<b>29,540</b>	–	<b>29,540</b>
At 31st December, 2025	<b><u>22,928,000</u></b>	<b><u>184,000</u></b>	<b><u>23,112,000</u></b>

The Group's investment properties were valued by Knight Frank at HK\$23,112,000,000 as at 31st December, 2025 (2024: HK\$23,271,000,000).

## 12. ACCOUNTS RECEIVABLE

	<b>2025 HK\$'000</b>	2024 HK\$'000
Other accounts receivable	<b><u>958</u></b>	<u>335</u>

The Group's accounts receivable as at the end of the reporting period, based on invoice dates, are aged as being within 3 months. No accounts receivable are past due at the end of the reporting period.

The general credit terms for other accounts receivable are 30 days. The Group seeks to maintain control over the outstanding receivables and to minimise any credit risk associated thereon.

**13. ACCOUNTS PAYABLE**

	<b>2025</b>	2024
	<b>HK\$'000</b>	HK\$'000
Amounts due to related companies	57,229	43,818
Other accounts payable	<u>557</u>	<u>1,121</u>
	<u><b>57,786</b></u>	<u><b>44,939</b></u>

The amounts due to related companies are unsecured, interest-free and repayable on demand. Other accounts payable are unsecured, non interest-bearing and are normally settled within 90 days.

The Group's accounts payable as at the end of the reporting period, based on invoice dates, are all aged within 3 months.

**14. NUMBER OF UNITS IN ISSUE**

	<b>Number of Units</b>	
	<b>2025</b>	2024
At beginning and end of the year	<u><b>3,257,431,189</b></u>	<u><b>3,257,431,189</b></u>

**15. NET ASSET VALUE PER UNIT ATTRIBUTABLE TO UNITHOLDERS**

The net asset value per Unit attributable to Unitholders is calculated by dividing the net assets attributable to Unitholders as at 31st December, 2025 of HK\$12,698,661,000 (2024: HK\$12,907,499,000) by the number of Units in issue of 3,257,431,189 (2024: 3,257,431,189) as at that date.

## 16. DEFERRED TAX

The movements in deferred tax assets and liabilities during the year were as follows:

	Fair value adjustments arising from revaluation of property, plant and equipment HK\$'000	Depreciation allowances in excess of related depreciation HK\$'000	Losses available for offsetting against future taxable profits HK\$'000	Total HK\$'000
Gross deferred tax assets/(liabilities) at 1st January, 2024	(43,562)	(686,614)	59,803	(670,373)
Deferred tax charged to other comprehensive income during the year	(7,184)	–	–	(7,184)
Deferred tax credited/(charged) to the consolidated statement of profit or loss during the year	437	(18,178)	40,823	23,082
Gross deferred tax assets/(liabilities) at 31st December, 2024	<u>(50,309)</u>	<u>(704,792)</u>	<u>100,626</u>	<u>(654,475)</u>
Gross deferred tax assets/(liabilities) at 1st January, 2025	<b>(50,309)</b>	<b>(704,792)</b>	<b>100,626</b>	<b>(654,475)</b>
Deferred tax credited to other comprehensive income during the year	31	–	–	31
Deferred tax credited/(charged) to the consolidated statement of profit or loss during the year	475	(14,209)	8,632	(5,102)
Gross deferred tax assets/(liabilities) at 31st December, 2025	<u><b>(49,803)</b></u>	<u><b>(719,001)</b></u>	<u><b>109,258</b></u>	<u><b>(659,546)</b></u>

For presentation purposes, certain deferred tax assets and liabilities have been offset in the consolidated statement of financial position.

## **17. EVENT AFTER THE REPORTING PERIOD**

On 20th March, 2026, the Group entered into a legally binding preliminary SP agreement with an independent third party to dispose of the entire issued share capital of Chasehill Limited (the “**Target Company**”), a wholly-owned subsidiary of Regal REIT, at agreed property value of HK\$1,518,000,000. The wholly-owned subsidiary of the Target Company is the sole registered legal and beneficial owner of Regal Oriental Hotel. Further details of the transaction are contained in Regal REIT’s announcement dated 22nd March, 2026.

## **EMPLOYEES**

Regal REIT is managed by the REIT Manager and DB Trustees (Hong Kong) Limited acts as the trustee of Regal REIT. By contracting out such services, Regal REIT does not employ any staff in its own right.

## **NEW UNITS ISSUED**

There were no new Units allotted and issued during the year.

## **BUY-BACK, SALE OR REDEMPTION OF UNITS**

There were no buy-backs, sales or redemptions of Units during the year.

## **CORPORATE GOVERNANCE**

The REIT Manager has adopted a compliance manual (the “**Compliance Manual**”) which sets out the key processes, internal control and systems, and policies and procedures to guide operations and, thereby, set a high standard of corporate governance to ensure the relevant regulations and legislation are adhered to.

During the year ended 31st December, 2025, Regal REIT and the REIT Manager have in material terms complied with the provisions of the Compliance Manual and, where applicable, the code provisions in the Corporate Governance Code as set out in Appendix C1 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.

## **SUFFICIENCY OF PUBLIC FLOAT**

As at the date of this announcement, based on the information that is publicly available and as far as the REIT Manager is aware, Regal REIT has maintained sufficient public float with more than 25% of the issued and outstanding Units being held by public.

## **SCOPE OF WORK OF THE AUDITORS OF REGAL REIT IN RESPECT OF THIS PRELIMINARY RESULTS ANNOUNCEMENT**

The figures in respect of Regal REIT’s consolidated statement of financial position, consolidated statement of profit or loss, consolidated statement of comprehensive income, distribution statement and the related notes thereto for the year ended 31st December, 2025 as set out in this preliminary results announcement have been agreed by the auditors of Regal REIT to the amounts set out in Regal REIT’s draft consolidated financial statements for the year. The work performed by the auditors of Regal REIT in this respect did not constitute an assurance engagement and consequently no opinion or assurance conclusion has been expressed by the auditors of Regal REIT on this preliminary results announcement.

## **REVIEW OF RESULTS**

The Disclosure Committee and the Audit Committee of the REIT Manager have reviewed Regal REIT’s draft consolidated financial statements for the year ended 31st December, 2025, including the accounting principles and practices adopted by Regal REIT, in conjunction with the auditors of Regal REIT.

## **ISSUANCE OF ANNUAL REPORT**

The Annual Report of Regal REIT for the year ended 31st December, 2025 is expected to be despatched to Unitholders (who have elected to receive printed copies) and published on the websites of The Stock Exchange of Hong Kong Limited and Regal REIT, respectively, on or about 17th April, 2026.

## **ANNUAL GENERAL MEETING**

An Annual General Meeting of Regal REIT will be convened on Tuesday, 19th May, 2026 (the “**2026 AGM**”). The Notice of the 2026 AGM will be published and sent to Unitholders, together with the 2025 Annual Report of Regal REIT, in due course.

## **CLOSURE OF REGISTER OF UNITHOLDERS**

For the purpose of ascertaining Unitholders' entitlement to (i) the final distribution; and (ii) attend and vote at the 2026 AGM, the Register of Unitholders will be closed from Thursday, 14th May, 2026 to Tuesday, 19th May, 2026, both days inclusive, during which period no transfers of Units will be effected. In order to be entitled to qualify for the final distribution and attend and vote at the 2026 AGM, all Unit certificates with completed transfer forms must be lodged with Regal REIT's Unit registrar, Computershare Hong Kong Investor Services Limited, no later than 4:30 p.m. on Wednesday, 13th May, 2026.

By Order of the Board  
**Regal Portfolio Management Limited**  
**(as manager of Regal Real Estate Investment Trust)**  
**LO Yuk Sui**  
*Chairman*

Hong Kong, 30th March, 2026

*As at the date of this announcement, the Board of Directors of the REIT Manager comprised Mr. LO Yuk Sui as Chairman and Non-executive Director; Ms. 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. Kai Ole RINGENSON, Mr. Bowen Joseph LEUNG Po Wing, GBS, JP and Mr. Abraham SHEK Lai Him, GBS, JP as Independent Non-executive Directors.*