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THE HONGKONG AND SHANGHAI HOTELS, LIMITED
香港上海大酒店有限公司
(Incorporated in Hong Kong with limited liability)
(Stock Code: 00045)

Profit Warning

This announcement is made by The Hongkong and Shanghai Hotels, Limited (the “Company”, and 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 and Part XIVA of the Securities and Futures Ordinance (Cap.571, Laws of Hong Kong).

The Board of Directors (the “Board”) of the Company wishes to inform the shareholders of the Company and potential investors that, based on the information currently available to the Company, the Board anticipates that the Group’s loss attributable to shareholders and underlying loss (excluding the post-tax effects of unrealised property valuation movements, impairment provision and other non-operating items) for the year ended 31 December 2024 will be in the region of HK\$900 million and HK\$200 million as compared to profit attributable to shareholders and underlying profit of HK\$146 million and HK\$277 million respectively for the year ended 31 December 2023.

The information contained in this announcement is in addition to the Group’s previous profit warning announcement issued on 16 July 2024 and Interim Report published on 7 August 2024.

The Group’s unfavourable results for the year ended 31 December 2024, as compared to last year, were principally due to:

1. An increase in depreciation of approximately 30% mainly attributed to The Peninsula London which opened in September 2023.
2. An increase in net financing charges of approximately 150% as the Group is no longer capitalising interest on borrowings relating to The Peninsula London project following the opening of the hotel, as well as higher interest rates.
3. A revaluation loss of the Group’s investment properties of approximately HK\$600 million for the year ended 31 December 2024 as compared to a revaluation gain of HK\$186 million for last year.

4. An impairment provision of approximately HK\$160 million in respect of the Group's investment in The Peninsula Yangon project. As development work for the project is still on hold and the outlook of the tourism market in Myanmar continues to be uncertain, a review has been conducted by management to assess the recoverability of The Peninsula Yangon's book value. Based on the assessment, the Directors consider it appropriate to write off The Peninsula Yangon's remaining book value resulting in an impairment provision of approximately HK\$160 million.

The information in this announcement is based on a preliminary review of the financial information currently available to the Group. Such information has not been reviewed or audited by the Company's independent auditor and has not been reviewed and approved by the Audit Committee of the Company. The Company is still in the process of finalising the year end results for the year ended 31 December 2024 which are subject to audit by the Company's independent auditor and review and approval by the Company's Audit Committee and the Board. The year end results will be announced on 31 March 2025.

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

By Order of the Board
Till Lembke
Company Secretary

Hong Kong, 14 February 2025

As at the date of this announcement, the Board of Directors of the Company comprises the following Directors:

Non-Executive Chairman

The Hon. Sir Michael Kadoorie

Non-Executive Deputy Chairman
Philip Lawrence Kadoorie

Executive Directors

*Interim Chief Executive Officer and
Chief Corporate and Governance Officer*
Christobelle Yi Ching Liao

Chief Financial Officer
Keith James Robertson

Chief Operating Officer
Gareth Owen Roberts

Clement King Man Kwok

Non-Executive Directors

Nicholas Timothy James Colfer
Andrew Clifford Winawer Brandler
James Lindsay Lewis
Diego Alejandro González Morales
Peter Camille Borer

Independent Non-Executive Directors

Dr the Hon. Sir David Kwok Po Li
Patrick Blackwell Paul
Pierre Roger Boppe
Dr William Kwok Lun Fung
Dr Rosanna Yick Ming Wong
Dr Kim Lesley Winser
Ada Koon Hang Tse