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Great Eagle Holdings

Investor Presentation

1H 2025



Highlights of 2025 Interim Results

(for the six months period ended June 30, 2025 unless otherwise stated)

- The Group's core profit attributable to equity holders was HK\$597.3 million representing a 18.8% reduction compared to HK\$735.8 million for the same period last year.
- The reported earnings before interest, taxes, depreciation and amortisation of the Hotels Division excluding those owned by LHI is HK\$408.6 million, which reflected a year-on-year growth of 4.0% (1H 2024: HK\$392.8 million).
- The performance of our Hong Kong hotels was still impacted by the softened market conditions. LHI did not declare any interim distribution for 1H 2025 (1H 2024: nil).
- ONTOLO entered its final stage of sales where 15 residential units, 13 car parking spaces and 1 motorcycle space were delivered, resulting in the booking of relevant revenue of HK\$470.0 million and gross profit of HK\$223.6 million (1H 2024: HK\$361.2 million). For ONMANTIN, no new sale was made whilst 31 out of 709 presold units had been delivered to purchasers resulted in booking of revenue of HK\$436.2 million.
- Distribution income from Champion REIT dropped by 11.6% year-on-year to HK\$301.7 million (1H 2024: HK\$341.4 million), whilst its management fee income recorded 9.1% decline to HK\$142.6 million (1H 2024: HK\$156.8 million).
- Net rental income from our investment portfolio, mainly Great Eagle Centre and serviced apartments, recorded an increase of 6.6% to HK\$58.0 million (1H 2024: HK\$54.4 million).
- The administrative, selling and other expenses decreased by 7.8% to HK\$230.2 million (1H 2024: HK\$249.6 million) and this was largely attributed to the reduction in selling expenses for property sales as there was no major sale campaign launched during the reporting period.
- The finance costs of the Group dropped 13.2% to HK\$226.2 million (1H 2024: HK\$260.7 million) which was mainly attributed to the lower average interest rates compared to the same period last year.
- During the reporting period, over 30 residential units in sought-after locations in both first and second-handed market, plus an office floor in a prime building in Central had been acquired which we planned to hold them for long-term investment. On the hospitality side, our midscale brand, Ying'nFlo, opened its first outlet in Hangzhou in July 2025.



2025 Interim Results – Core Earnings

	1H 2025	1H 2024	Change	
	HK\$'000	HK\$'000	HK\$'000	%
Revenue				
Revenue from property sales	906,196	769,286	136,910	17.8%
Rental Income	88,635	84,196	4,439	5.3%
Hotel Income				
- Overseas and Mainland China	2,245,149	2,195,129	50,020	2.3%
- Others	145,159	126,953	18,206	14.3%
Income from Champion REIT*	444,303	498,150	(53,847)	-10.8%
Income from LHI*	-	-	-	
Other Operations	170,602	117,281	53,321	45.5%
Total revenue	4,000,044	3,790,995	209,049	5.5%

* Based on attributable distribution income from Champion REIT and LHI in respect of the same financial period.



2025 Interim Results – Core Earnings (Continued)

	1H 2025	1H 2024	Change	
	HK\$'000	HK\$'000	HK\$'000	%
Operating Income				
Operating income from property sales	225,216	361,190	(135,974)	-37.6%
Net Rental Income	57,960	54,357	3,603	6.6%
Hotel Income				
- Owned hotels	362,755	320,299	42,456	13.3%
- Others^	45,893	72,509	(26,616)	-36.7%
Income from Champion REIT*				
- Distribution income	301,748	341,367	(39,619)	-11.6%
- Asset management	104,552	115,959	(11,407)	-9.8%
- Leasing management	38,003	40,824	(2,821)	-6.9%
Income from LHI*				
- Distribution income	-	-	-	
Other Operations	58,407	57,989	418	0.7%
Operating income from core business	1,194,534	1,364,494	(169,960)	-12.5%
Other income	67,961	70,407	(2,446)	-3.5%
Depreciation and amortisation	(190,357)	(168,699)	(21,658)	12.8%
Administrative and other expenses	(230,234)	(249,626)	19,392	-7.8%

* Based on attributable distribution income from Champion REIT and LHI in respect of the same financial period.

^ including hotel management fee income, master lessee surplus or shortfall, income from Ying'nFlo, Wesley Admiralty and pre-opening expenses of Ying'nFlo in Mainland China.



2025 Interim Results – Core Earnings (Continued)

	1H 2025	1H 2024	Change	
	HK\$'000	HK\$'000	HK\$'000	%
Net finance costs				
Finance cost	(226,165)	(260,732)	34,567	-13.3%
Interest income	82,435	86,898	(4,463)	-5.1%
	(143,730)	(173,834)	30,104	-17.3%
Share of results of associates	(11,908)	(10,151)	(1,757)	17.3%
Share of results of joint ventures	(735)	141	(876)	n.m.
Core profit before tax	685,531	832,732	(147,201)	-17.7%
Income taxes	(77,385)	(98,115)	20,730	-21.1%
Core profit after tax	608,146	734,617	(126,471)	-17.2%
Less: Non-controlling interest	(10,791)	1,181	(11,972)	n.m.
Core profit after tax attributable to equity holders	597,355	735,798	(138,443)	-18.8%
Core profit after tax attributable to equity holders (per share)	\$0.80	\$0.98		



2025 Interim Results – Breakdown of Income from Champion REIT

	1H 2025	1H 2024	Change	
	HK\$'000	HK\$'000	HK\$'000	%
Distribution income	301,748	341,367	(39,619)	-11.6%
Asset management income	104,552	115,959	(11,407)	-9.8%
Leasing management income	38,003	40,824	(2,821)	-6.9%
	<u>444,303</u>	<u>498,150</u>	<u>(53,847)</u>	-10.8%
Distribution Per Unit declared in HK\$	0.0701	0.0809		-13.3%
Units held by Great Eagle in '000	4,306,589	4,218,280		2.1%



Analysis on change in core earnings

	1H 2025 \$'000
Arise from:	
Decrease in income from property sales	(135,974)
Decrease in distribution and income from Champion REIT	(53,847)
Decrease in gain on disposal of equity stock	(46,202)
Increase in depreciation and amortisation	(21,658)
Increase in other income from HMT project	39,998
Decrease in net interest expenses	30,104
Decrease in income taxes	20,730
Decrease in administrative, selling and other expenses	19,392
Increase in hotels EBITDA	15,840
Others	(6,826)
Net change in Core Profit for the period attributable to equity holders	(138,443)



Discount to NAV

Financials

NAV based on statutory accounting principles (Jun 2025)

	HK\$m	HK\$/shr	% of Total
Investment properties (Note 1)	5,510	7.4	10%
Hotels	15,608	20.9	27%
Property development (at cost)	14,464	19.3	25%
Statutory accounting treatments for Champion REIT and LHI			
Investment in Champion REIT:			
- 70.49% share of Champion's Net Assets	29,540	39.5	52%
Investment in LHI:			
- 71.31% share of net liab. from three HK hotels	(2,277)	(3.0)	-4%
Based on cost less depreciation approach (calculated as book cost of the hotels less debt)			
	27,263	36.5	48%
Other net (liabilities)/assets	(5,545)	(7.4)	-10%
Total	57,300	76.63	100%
Net debt (Note 2)	(4,069)	(5.4)	
Great Eagle's NAV	53,231	71.19	
Discount to NAV based on share price of HK\$14.5		-79.6%	

NAV based on net assets of Champion REIT and LHI (Jun 2025)

	HK\$m	HK\$/shr	% of Total
Investment properties (Note 1)	5,510	7.4	8%
Hotels	15,608	20.9	24%
Property development (at cost)	14,464	19.3	25%
Share of net assets of Champion REIT and LHI			
Investment in Champion REIT:			
- 70.49% share of Champion's Net Assets	29,540	39.5	45%
Investment in LHI:			
- 71.31% share of LHI's Net Assets	6,639	8.9	10%
Based on appraised valuation of LHI's hotels			
	36,179	48.4	55%
Other net (liabilities)/assets	(5,545)	(7.4)	-8%
Total	66,216	88.56	103%
Net debt (Note 2)	(4,069)	(5.4)	
Great Eagle's NAV	62,147	83.11	
Discount to NAV based on share price of HK\$14.5		-82.6%	

Note 1: Calculation on investment properties include owner-occupied portion.

Note 2: Including other liquid investments such as investment in linked notes, bonds and equities amounting to HK\$939 million as at the end of Jun 2025



Financial position

Financials

(A) Base on statutory financial positions ^(c)

(HK\$ Million)	Attributable Book Value	Attributable Net Debt	Net Equity	Loan to Value	Gearing	EBITDA	Net Interest Expense	Interest Cover
Hong Kong/ PRC Assets	59,154	(16,733)	42,421	28.3%	39.4%	1,266	524	2.4
Overseas Assets	12,951	(2,141)	10,810	16.5%	19.8%	370	81	4.6
Group Total	72,105	(18,874)	53,231	26.2% ^(c)	35.5% ^{(b)(c)}	1,636	605	2.7

(B) Base on core financial positions ^(a)

(HK\$ Million)	Attributable Book Value	Net Debt	Net Equity	Loan to Value	Gearing	Core EBITDA	Net Interest Expense	Interest Cover
Hong Kong/ PRC Assets	54,157	(2,843)	51,314	5.2%	5.5%	661	99	6.7
Overseas Assets	12,951	(2,118)	10,833	16.4%	19.6%	370	81	4.6
Group Total	67,108	(4,961)	62,147	7.4%	8.0% ^(b)	1,031	180	5.7

Notes:

- (a) Core financial positions is arrived at sharing the net assets of Champion REIT and LHI. Core EBITDA and net interest expenses are arrived at the Group's profit from core business, and in particular based on dividend entitlement from the two subsidiary groups.
- (b) If other liquid investments such as investment in linked notes, bonds and equities amounting to HK\$939 million as at the end of June 2025 are included, then the net consolidated gearing ratio would be reduced to 33.7% whilst net gearing ratio based on core financial position would be reduced to 6.5%.
- (c) In addition to (b), since most of the Group's owned hotels were acquired years ago, their market values well exceed their depreciated costs. Should estimated market value instead of depreciated costs be recognized in the consolidated financial statements for these hotels, the net gearing ratio would be reduced from 35.5% to 25.7% while debt to asset ratio would be reduced from 26.2% to 20.5%.



Valuation - Investment Properties

Financials

As at the end of June 2025

Hong Kong investment properties

	GFA (Sqft)	Valuation HK\$/psf	Cap rate	Change from end of Dec 2024
Great Eagle Centre				
Office	193,271	18,653	2.9%	-2.6%
Retail	55,944	7,919	4.5%	-2.9%
Retail 3rd floor	20,959	9,208		-2.5%
Carparks (nos/unit price)	296	1,219,595		-2.4%
Signage (gross value in HK\$mn)		136		0.0%
 Eaton Residences, Blue Pool Road	33,700	12,255	3.0%	-4.4%
Eaton Residences, Village Road	23,350	8,779	3.5%	-1.9%
Ying'nFlo, Wanchai Gap Road	34,915	9,280	3.7%	-1.8%
 Various residential units held for leasing (saleable area)	10,768	19,214		n/a
 Convention Plaza apartments	5,817	14,423		-8.8%
 Tak Woo House (Retail)	1,500	88,667		-10.1%



Development Projects for Sales

ONTOLO, Pak Shek Kok

The site, which is located in Pak Shek Kok, Tai Po and commands spectacularly unobstructed sea views over Tolo Harbour was acquired in May 2014. The development, with a total permissible gross floor area (“GFA”) of 730,870 sq. ft. or saleable area of 635,612 sq. ft., comprising 723 luxury residential units and 456 car parking spaces, was completed in Q4, 2020.

The average sales price of residential units for 1H 2025 was HK\$19,592 per sq. ft. based on saleable area, while the average sales price for the sold car parking spaces was HK\$1.96 million per unit.

During the reporting period, 15 residential units, 13 car parking spaces and 1 motorcycle space were handed over to purchasers resulted in the booking of revenue of HK\$470.0 million and gross profit of HK\$223.6 million.

By the end of 1H 2025, accumulated sales reached 712 residential units which represented 98.5% of the total 723 residential units (or 95.7% of total saleable area). Among such, 684 units had been delivered to buyers.



Development Projects for Sales (Continued)

ONMANTIN, Ho Man Tin

This project comprises a GFA of approximately 742,000 sq. ft., or a saleable area of approximately 664,000 sq. ft., for the development of 990 apartments above Ho Man Tin MTR station under a Development Agreement with MTR Corporation Limited.

Both Occupation Permit and Certificate of Compliance had been successfully obtained during 1H 2025, whilst handover commenced subsequently since mid-June 2025.

During the reporting period, no new sale was made whilst 31 out of 709 presold units had been delivered to purchasers resulted in the booking of sale revenue of HK\$436.2 million. The project recorded a slim gross profit of HK\$1.6 million pursuant to applicable accounting standards, nevertheless, after deducting the selling and marketing expenses, there was a reported loss of HK\$8.5 million for the period ended 30 June 2025.



Joint Venture Development Projects

NKIL 6590 at Kai Tak, Kowloon Joint Venture Development Project

This is a joint venture project of which the Group had partnered with Sino Land Company Limited (“Sino Land”), China Overseas Land and Investment Limited and Chinese Estates Holdings Limited. Our Group holds a 20% share and Sino Land is the project manager. The total land premium was HK\$5,350 million (about HK\$5,392 per sq. ft. based on permissible total GFA).

The site has an area of 145,302 sq. ft. and consists of two parcels, notably the eastern and western portion. It is situated within the Kai Tak area with direct access to Sung Wong Toi MTR station via the future underground shopping street. It is planned for a development comprising the majority of residential units, retail podium, underground shopping street, basement carpark and government accommodation with a total maximum GFA of approximately 992,270 sq. ft. (excluding government accommodation).

General building plan (“GBP”) amendment for the eastern parcel based on a Modular Integrated Construction design is under preparation and will be submitted in Q3 2025.

Occupation Permits for both parcels are expected to obtain in 1H 2029.



Joint Venture Development Projects (Continued)

KIL 11290, Shing Tak Street / Ma Tau Chung Road, Kowloon City Joint Venture Development Project

This is a joint venture project of which the Group had partnered with Sino Land and China Merchants Land Limited under a development contract with Urban Renewal Authority. The Group holds a 15% share and Sino Land is the project manager. The total land premium was HK\$1,934 million (about HK\$4,661 per sq. ft. based on permissible total GFA).

The site is situated at Shing Tak Street / Ma Tau Chung Road in Kowloon City with an area of 46,102 sq. ft. and is planned to develop into a composite building of residential units and some shops with a total maximum GFA of around 414,920 sq. ft.

GBP amendment plans were approved in Q2 2025.

The issuance of Occupation Permit is expected in Q1 2029.



Hotel portfolio – 2025 Interim Operational Statistics

(in local currency)

Under LHI

Hong Kong

The Langham, Hong Kong

Cordis, Hong Kong

Eaton HK

Owned Hotels

Europe

The Langham, London

North America

The Langham, Boston

The Langham, Huntington Pasadena

The Langham, Chicago

The Langham, New York, Fifth Avenue

Eaton Washington DC

Chelsea Hotel, Toronto

Australia / New Zealand

The Langham, Melbourne

The Langham, Sydney

Cordis, Auckland

Mainland China

The Langham, Shanghai, Xintiandi

Cordis, Shanghai, Hongqiao

YTD Occupancy			YTD Average Room Rate			YTD RevPar		
Jun-25	Jun-24	Change	Jun-25	Jun-24	Change	Jun-25	Jun-24	Change
85.6%	87.7%	-2.1%	\$1,950	\$1,947	0.1%	\$1,669	\$1,707	-2.3%
89.2%	92.3%	-3.1%	\$1,596	\$1,596	0.0%	\$1,424	\$1,473	-3.3%
90.1%	88.5%	1.6%	\$1,114	\$1,093	1.9%	\$1,003	\$967	3.7%
74.7%	75.7%	-1.0%	£476	£490	-2.8%	£356	£371	-4.1%
72.6%	68.1%	4.5%	\$472	\$461	2.4%	\$343	\$314	9.2%
67.0%	58.2%	8.8%	\$358	\$330	8.5%	\$240	\$192	25.0%
65.2%	67.1%	-2.0%	\$517	\$466	11.0%	\$337	\$313	7.7%
82.0%	74.8%	7.2%	\$777	\$719	8.2%	\$637	\$537	18.6%
68.3%	71.5%	-3.2%	\$267	\$280	-4.7%	\$182	\$200	-9.0%
65.8%	60.7%	5.1%	\$207	\$206	0.5%	\$136	\$125	9.0%
85.5%	73.4%	12.0%	\$336	\$339	-0.9%	\$287	\$249	15.3%
89.2%	73.6%	15.7%	\$501	\$531	-5.5%	\$447	\$391	14.5%
72.0%	71.1%	0.9%	\$227	\$237	-4.1%	\$164	\$169	-2.8%
84.3%	83.1%	1.2%	¥ 1,470	¥ 1,429	2.9%	¥ 1,239	¥ 1,188	4.3%
82.7%	76.9%	5.9%	¥ 808	¥ 850	-4.9%	¥ 669	¥ 653	2.3%



Hotel portfolio – 2025 Interim Profit Contribution

<u>Owned Hotels</u>	1H 2025 in HK\$ mn	1H 2024 in HK\$ mn	Fav/(-) unfav	Contribution to hotel profit
Europe				
UK (The Langham, London)	83.2	90.8	-8.4%	23%
North America				
U.S. (The Langham in Boston, Chicago, New York, Pasadena and Eaton Washington D.C.)	188.3	151.1	24.7%	52%
Canada (Chelsea)				
Australia / New Zealand				
Australia (The Langham, Melbourne and Sydney)	28.8	24.4	18.0%	8%
New Zealand (Cordis, Auckland)				
Mainland China				
Shanghai (The Langham, Xintiandi and Cordis, Hongqiao)	62.4	54.0	15.6%	17%
Total	362.7	320.3	13.2%	100%



Outlook for the Group's results

- Looking ahead, the global operating environment is expected to remain unsettled, with persistent geopolitical tensions, trade policy uncertainties, and lingering inflationary pressures continuing to drive market volatilities. The timeline for rate cuts is still unclear, which would prolong the prevailing high interest rate environment and this might impact on the economy in general.
- In Hong Kong, these headwinds coupled with the shifting spending pattern of both locals and tourists are expected to continuously exerting pressure to our retail and hospitality sector in general. Nevertheless, talent inflows support residential demand, while the city's strength as an IPO and family office hub would continue to drive demand for quality office space. The Group is cautiously optimistic about the city's medium-term general property outlook.
- The outlook of our Hotels Division is expected to be impacted by the ongoing global macroeconomic and geopolitical uncertainties, which would weigh on hospitality demand and hence impact the performance of our hotels.
- The performance of LHI still faces headwinds from Hong Kong's hospitality sector in general including the rise in cost-conscious Mainland tourists. Elevated operating costs will compress profitability and hence weigh on its distributions.
- The office market of Hong Kong remains challenging with high vacancies and softened demand where negative rental reversion for Three Garden Road and Langham Place Office Tower is expected to continue, whilst the performance of Langham Place Mall should remain stable. The delayed rate cuts and resulted higher borrowing costs would also impede its overall profitability. As such, Champion REIT will optimise the leasing strategies and implement stringent cost control measures to mitigate the negative impacts while positioning for recovery.
- The Group's robust liquidity and low gearing offer strong resilience against ongoing market volatilities. We would remain focused on optimizing operational performance and managing capital in a prudent manner, while actively pursuing strategic investments aligned with our long-term objectives. This balanced approach enables the Group to weather near-term uncertainties, while nurturing sustainable growth for the longer term.



Reconciliation to core earnings from reported earnings

	Reported earnings 1H 2025 HK\$'000	Core earnings 1H 2025 HK\$'000	Core earnings 1H 2024 HK\$'000	
Revenue				
Revenue from property sales	906,196	906,196	769,286	
Rental income	88,635	88,635	84,196	
Hotel income				
- HK hotels	736,221			- Core revenue ignored revenue of HK hotels
- Overseas & Mainland China	2,245,149	2,245,149	2,195,129	
- Others, including hotel mgt fee	145,159	145,159	126,953	
Income from Champion REIT				
- Management fee income	142,555	142,555	156,783	
- Gross rental income	1,163,503			- Core profit took account of distributions instead of rental
- Distributions		301,748	341,367	- Add back distributions from CREIT
Income from LHI				
- Gross rental income	220,930			- Core profit took account of distributions instead of rental
- Distributions		-	-	- Add back distributions from LHI, if any
Other Operations	170,602	170,602	117,281	
Elimination of intra-group transactions	(399,601)			- Intra-group elimination associated with CREIT and LHI which were not applicable to core earnings
Total revenue	<u>5,419,349</u>	<u>4,000,044</u>	<u>3,790,995</u>	



Reconciliation to core earnings from reported earnings (Continued)

	Reported earnings 1H 2025 HK\$'000	Core earnings 1H 2025 HK\$'000	Core earnings 1H 2024 HK\$'000	
Net Operating Income				
Income from property sales	225,216	225,216	361,190	
Net Rental Income	57,960	57,960	54,357	
Hotel Income				
- Owned hotels	362,755	362,755	320,299	
- Others	45,893	45,893	72,509	
Income from Champion REIT				
- Management fee income	142,555	142,555	156,783	
- Net rental income	754,520			- Core profit took account of distributions instead of rental
- Distributions		301,748	341,367	- Add back distributions from CREIT
Income from LHI				
- Net rental income	173,916			- Core profit took account of distributions instead of rental
- Distributions	-	-	-	- Add back distributions from LHI, if any
Other Operations	58,407	58,407	57,989	
Elimination of intra-group transactions	(8,306)			
Operating profit	1,812,916	1,194,534	1,364,494	



Reconciliation to core earnings from reported earnings (Continued)

	Reported earnings 1H 2025 HK\$'000	Core earnings 1H 2025 HK\$'000	Core earnings 1H 2024 HK\$'000	
Operating profit before Dep. and Amortisation	1,812,916	1,194,534	1,364,494	
Depreciation and amortisation	(450,481)	(190,357)	(168,699)	- Excluded depreciation of CREIT and LHI, add back depreciation relating to hotel land and buildings
Fair value changes on investment properties	(2,161,308)			- Ignored in core earnings calculation
Fair value changes on derivative financial instruments	37,257			- Ignored in core earnings calculation
Fair value changes of financial assets at FVTPL	110,495			- Ignored in core earnings calculation
Other income (excluding interest income)	64,223	67,961	70,407	
		54,895	11,139	- Ignored other income of CREIT and LHI
		13,066	59,268	- Gain on disposal of equity securities via fair value changes
Administrative, selling expenses and other expenses	(242,574)	(230,234)	(249,626)	- Excluded admin. expense of CREIT and LHI



Reconciliation to core earnings from reported earnings (Continued)

	Reported earnings 1H 2025 HK\$'000	Core earnings 1H 2025 HK\$'000	Core earnings 1H 2024 HK\$'000	
Net finance costs				
Finance cost	(669,763)	(226,165)	(260,732)	- Excluded interest expense of CREIT and LHI
Interest income (Classified as "Other income" on income statement)	101,194	82,435	86,898	- Excluded interest income of CREIT and LHI
	(568,569)	(143,730)	(173,834)	
Share of results of associates	(11,908)	(11,908)	(10,151)	
Share of results of joint ventures	592	(735)	141	- Excluded share of results of CREIT's JV
(Loss) / Profit before tax	(1,409,357)	685,531	832,732	
Income taxes	(147,712)	(77,385)	(98,115)	- Excluded taxes of CREIT and LHI
(Loss) / Profit after tax	(1,557,069)	608,146	734,617	
Less: Non-controlling interest	500,616	(10,791)	1,181	- Excluded non-controlling interest of CREIT and LHI
(Loss) / Profit attributable to equity holders	(1,056,453)	597,355	735,798	
Basic (loss) / earnings per share	(\$1.41)	\$0.80	\$0.98	