



Great Eagle Holdings  
Investor Presentation Q3 2020



## Highlights of 2020 Interim Results

- The Group's core profit fell 89.2% year-on-year to HK\$88.8 million in the first half of 2020, as the COVID-19 pandemic took a toll across our businesses. Our hotel business was especially hard hit and has recorded its worst performance on record in the first half of 2020. The Group's statutory result, which included revaluation deficit of investment properties and fair value changes on financial instruments, came to a loss attributable to equity holders of HK\$6,512.8 million in the first half period.
- The Hotels Division swang to a loss before interest, taxes and depreciation of HK\$357.2 million. As for LHI, LHI did not declare a distribution for the first half of 2020. Distribution income from Champion REIT dropped by 6.7% year-on-year to HK\$482.1 million. Meanwhile, management fee income from Champion REIT fell by 13.2% year-to-year to HK\$191.4 million. Net rental income dropped by 18.6% year-on-year to HK\$70.9 million. There was also an across-the-board decline in the Group's other business operations. Furthermore, the Group has written-off our non-core residual investment of HK\$69.8 million in NeueHouse, a high-end co-working club company based in New York in the first half of 2020, which was included under "administrative and other expenses".
- Net finance income amounted to HK\$22.4 million. Share of profits of joint ventures came to HK\$13.9 million in the first half period, as a result of the profit contribution from residential sales in the Miami project. A tax credit of HK\$67.8 million was booked in the first half period, which was mainly attributable to the recognition of a deferred tax credit associated with the loss of our hotel operation. Profit attributable to equity holders dropped by 89.2% to HK\$88.8 million in the first half of 2020.
- For our residential luxury development project "ONTOLO", pre-sale continued throughout the pandemic and another 32 units were sold in the first half of 2020, which brought accumulated pre-sold units to 443. The accumulated sales will be recognised upon handover of the units targeted for October 2020, as compared with our prior target of July 2020 before the pandemic hit.
- LHI announced the details of a proposed rights issue on 16 July 2020. As a major shareholder of LHI, the Group will unconditionally subscribe in full for all of its rights entitled under the proposed rights issue to ensure a certain level of fund will be raised for LHI. We expect to invest at least HK\$648.0 million and up to HK\$944.0 million in subscribing to all of our rights entitled in addition to rights applied under excess applications.



## 2020 Interim Results

		<b>1H 2020</b>	<b>1H 2019</b>	<b>Change</b>	
		HK\$'000	HK\$'000	HK\$'000	%
<b>Gross Revenue</b>					
Rental Income	- HK	<b>83,308</b>	<b>98,980</b>	(15,672)	-15.8%
	- Building mgt fee	<b>13,402</b>	<b>12,994</b>	408	3.1%
<b>Hotel Income</b>					
	- - Overseas	<b>705,191</b>	<b>1,937,142</b>	(1,231,951)	-63.6%
	- Others	<b>28,992</b>	<b>86,254</b>	(57,262)	-66.4%
Income from Champion REIT*		<b>673,509</b>	<b>737,570</b>	(64,061)	-8.7%
Income from Langham Hosp. Investments*		-	<b>116,558</b>	(116,558)	-100.0%
Other Operations		<b>161,907</b>	<b>222,152</b>	(60,245)	-27.1%
		<b>1,666,309</b>	<b>3,211,650</b>	(1,545,341)	-48.1%

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





## 2020 Interim Results

	1H 2020 HK\$'000	1H 2019 HK\$'000	Change	
			HK\$'000	%
<b>Net Operating Income</b>				
Net Rental Income - HK	70,934	87,076	(16,142)	-18.5%
Hotel Income				
- Overseas	(220,152)	251,725	(471,877)	-187.5%
- Others	(137,056)	52,698	(189,754)	-360.1%
Income from Champion REIT*				
- Asset management	143,320	151,514	(8,194)	-5.4%
- Dividend income	482,075	516,942	(34,867)	-6.7%
- Agency commission	48,114	69,114	(21,000)	-30.4%
Income from Langham Hosp. Investments*				
- Dividend income	-	116,558	(116,558)	-100.0%
Other Operations	52,177	72,358	(20,181)	24.1%
<b>Income before expenses</b>	<b>439,412</b>	<b>1,317,985</b>	<b>(878,573)</b>	<b>-66.7%</b>
<b>Other income</b>	<b>9,331</b>	<b>4,473</b>	<b>4,858</b>	<b>-1.0%</b>
<b>Depreciation and amortisation</b>	<b>(188,251)</b>	<b>(145,766)</b>	<b>(42,485)</b>	<b>29.1%</b>
<b>Administrative and other expenses</b>	<b>(279,267)</b>	<b>(279,835)</b>	<b>568</b>	<b>-0.2%</b>

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



## 2020 Interim Results

	1H 2020 HK\$'000	1H 2019 HK\$'000	Change	
			HK\$'000	%
<b>Net finance costs</b>				
Finance cost	(77,784)	(86,478)	8,694	-4.3%
Interest income	100,208	81,289	18,919	-9.3%
	22,424	(5,189)	27,613	-532.1%
<b>Share of results of associates</b>	4,338	449	3,889	n.m.
<b>Share of results of joint ventures</b>	13,925	(16,958)	30,883	-182.1%
<b>Profit before taxation</b>	21,912	875,159	(853,247)	-97.5%
<b>Income taxes</b>	67,763	(53,746)	121,509	10.3%
<b>Net Profit</b>	89,675	821,413	(731,738)	-89.1%
<b>Less: Non-controlling interest</b>	873	899	(26)	3.7%
<b>Profit Attributable to Shareholders</b>	88,802	820,514	(731,712)	-89.2%
<b>Basic earnings per share</b>	\$ 0.12	\$ 1.17		



## 2020 Interim Results – Breakdown of Income from Champion REIT

	<b>1H 2020</b>	<b>1H 2019</b>	<b>Change</b>	
	HK\$'000	HK\$'000	HK\$'000	%
Dividend received	<b>482,075</b>	<b>516,942</b>	(34,867)	-6.7%
Asset management income	<b>143,320</b>	<b>151,514</b>	(8,194)	-5.4%
Agency commission income & Property management income	<b>48,114</b>	<b>69,114</b>	(21,000)	-30.4%
	<b><u>673,509</u></b>	<b><u>737,570</u></b>	<b><u>(64,061)</u></b>	-8.7%
<b>Distribution Per Unit declared in HK\$</b>	<b>0.12290</b>	<b>0.13350</b>		-7.9%
<b>Units held by Great Eagle in 000</b>	<b>3,922,496</b>	<b>3,872,228</b>		1.3%



## Analysis on change on core income

	<b>1H 2020</b>
	<b>\$'000</b>
Change in profit from core business after tax	<u>(731,712)</u>
Arise from:	
Decrease in hotels EBITDA	(661,631)
Decrease in distribution income from LHI	(116,558)
Decrease in dividend and management income from Champion REIT	(64,061)
Decrease in net rental income and income from other business operations	(36,323)
Increase in depreciation and amortisation	(42,485)
Decrease in income taxes	121,509
Changes in share of results of JVs	30,883
Decrease in net interest expense	27,613
Others	9,341
<b>Change in profit from core business after tax</b>	<u><b>(731,712)</b></u>



## Discount to NAV

Financials

## NAV based on statutory accounting principles (June 2020)

	HK\$m	HK\$/shr	% of Total
Investment properties	7,098	9.9	12%
Appraised valuation by independent valuer			
	HK\$m		
Hotels	16,149	22.4	27%
All valued at cost less depreciation			
Investment in JVs - Dalian and Miami project	216	0.3	0%
Pak Shek Kok Development project (on cost incurred)	5,146	7.1	9%
	HK\$m	HK\$/shr	
Statutory accounting treatments for Champion REIT and LHI			
Investment in Champion REIT:			
-66.61% share of Champion's Net Assets	37,494	52.1	63%
Investment in U.S. Real Estate Fund			
- 49.97% share of Fund's NAV	369	0.5	1%
Investment in Langham Hospitality Investments (LHI):			
Net liabilities from three HK hotels (calculated as book cost of the hotels less debt)	(2,303)	(3.2)	-4%
	35,560	49.4	60%
Other net (liabilities)/assets	(4,707)	(6.5)	-8%
- included sales deposit rec'd			
<b>Total</b>	<b>59,462</b>	<b>82.60</b>	<b>100%</b>
Net cash	2,269	3.15	
- included property sales deposit of HK\$3.2 bn			
<b>Great Eagle's NAV</b>	<b>61,731</b>	<b>85.75</b>	

Discount to NAV based on share price of HK\$ 18.00

-79%

Note: valuation on investment properties include owner-occupied portion

## NAV based on net assets of Champion REIT, LHI and US Fund

	HK\$m	HK\$/shr	% of Total
Investment properties	7,098	9.9	11%
Appraised valuation by independent valuer			
	HK\$m		
Hotels	16,149	22.4	24%
All valued at cost less depreciation			
Investment in JVs - Dalian and Miami project	216	0.3	0%
Pak Shek Kok Development project (on cost incurred)	5,146	7.1	8%
	HK\$m	HK\$/shr	
Share of net assets of Champion REIT and LHI			
Investment in Champion REIT:			
-66.61% share of Champion's Net Assets	37,494	52.1	56%
Investment in U.S. Real Estate Fund			
- 49.97% share of Fund's NAV	369	0.5	1%
-63.61% share of LHI's Net Assets			
Based on appraised valuation of LHI's hotels	5,025	7.0	8%
	42,888	59.6	64%
Other net (liabilities)/assets	(4,707)	(6.5)	-7%
- included sales deposit rec'd			
<b>Total</b>	<b>66,790</b>	<b>92.77</b>	<b>100%</b>
Net cash	2,269	3.15	
- included property sales deposit of HK\$3.2 bn			
<b>Great Eagle's NAV</b>	<b>69,059</b>	<b>95.93</b>	

Discount to NAV based on share price of HK\$ 18.00

-81%





## Financial position

### (A) Base on statutory financial positions

(HK\$ Million)	Book Carrying Value	Net Cash (Debt)	Net Equity	Loan to Value	Gearing	EBITDA	Net interest expense	Interest Cover
<b>Hong Kong/ PRC Assets</b>	59,548	(8,162)	51,386	13.7%	15.9%	1,027	284	3.6
<b>Overseas Assets</b>	13,276	(2,931)	10,345	22.1%	28.3%	(191)	30	n/a
<b>Group Total</b>	72,824	(11,093) <sup>(c)</sup>	61,731	15.2%	18.0%	836	314	2.7

### (B) Base on core financial positions <sup>(a)</sup>

	Book Carrying Value	Net Cash (Debt)	Net Equity	Loan to Value <sup>(b)</sup>	Gearing <sup>(b)</sup>	Core EBITDA	Net interest expense	Interest Cover
<b>Hong Kong/ PRC Assets</b>	53,809	5,308	59,117	n/a	n/a	360	(15)	n/a
<b>Overseas Assets</b>	12,981	(3,039)	9,942	23.4%	30.6%	(187)	26	n/a
<b>Group Total</b>	66,790	2,269 <sup>(c)</sup>	69,059	n/a	n/a	173	11	15.7

Notes:

- (a) Core financial positions is arrived at sharing the net assets of Champion REIT, LHI and the US Fund. 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 Champion REIT, LHI and the U.S. Fund.
- (b) Not applicable since it is in a net cash position.
- (c) Including other liquid investments such as investments in link notes, bonds and equities amounting to HK\$1,328 mn as at the end of June 2020.



## Valuation – Investment properties

Financials

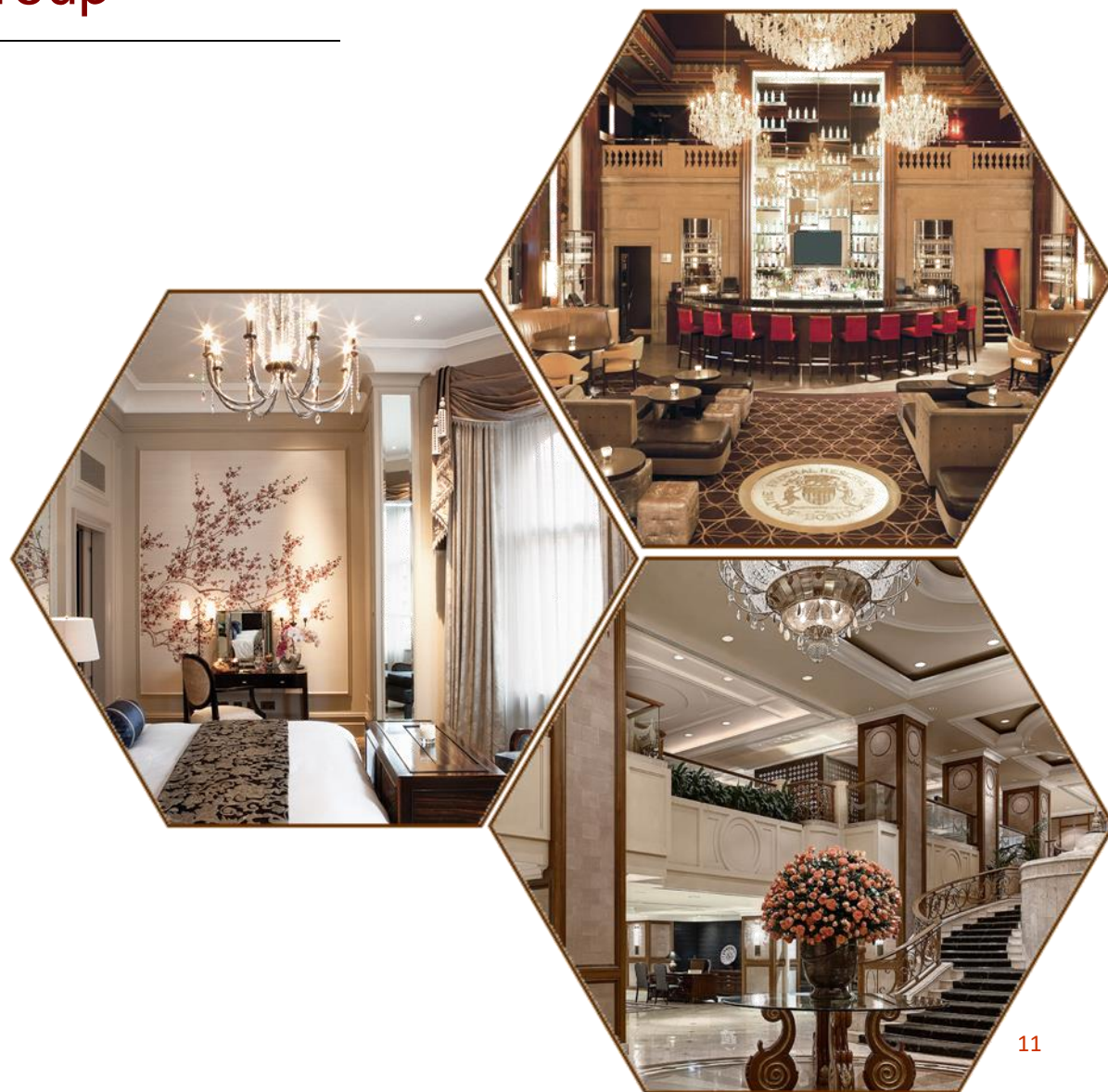
As at the end of June 2020

**Hong Kong investment properties**

	GFA (Sqft)	Valuation HK\$/psf	Cap rate	Change from end of Dec 2019
Great Eagle Centre				
Office	193,271	24,629	2.9%	-5.1%
Retail	55,944	9,295	4.5%	-5.3%
3rd floor	20,959	12,071		-5.2%
Carparks (nos/unit price)	296	1,300,676		0.0%
Signage (gross value in HK\$m)		125		-5.3%
Eaton House				
Wanchai Gap Road	34,915	10,454	3.7%	-4.7%
Village Road	23,350	9,722	3.5%	-3.4%
Blue Pool Road	33,700	10,831	3.2%	-3.9%
Convention Plaza apartments	5,817	16,813		-1.4%

# Langham Hospitality Group

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The Langham, London



The Langham, Boston



The Langham, Melbourne



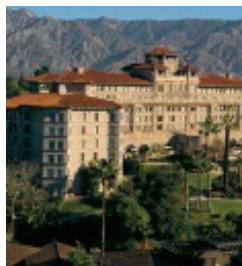
The Langham, Sydney



Cordis, Auckland



Cordis, Hongqiao



The Langham, Pasadena



The Langham, Xintiandi



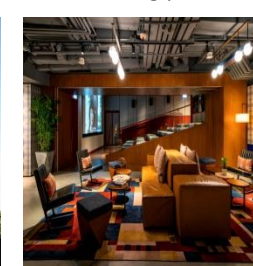
Chelsea Hotel, Toronto



The Langham, New York



The Langham, Chicago



Eaton, Washington D.C.

## North America

- Since local state governments enforced stay at home orders in March 2020, all four hotels in the U.S. have suspended their operations and have remained closed throughout the second quarter of 2020. Although the Chelsea hotel remained open throughout the first half period, the hotel witnessed a significant decline in occupancy in the first half period.

## Australia/New Zealand

- The Langham, Melbourne and The Langham, Sydney suspended their operations from April 2020 and remained closed throughout the second quarter of 2020. While The Cordis, Auckland remained open throughout the first half period, the hotel suffered significantly reduced occupancy amid lack of demand.

## Europe

- The hotel was forced to suspend its operation amid the government lockdown since late March 2020.

## China

- RevPARs for the hotels in China were in significant declines in the first quarter of 2020, but as restrictions have been lifted with domestic travel resumed in the second quarter of 2020, business was gradually recovering.



## Hotel portfolio – 1H 2020 Operational Statistics

	YTD Occupancy			YTD Average Room Rate			YTD RevPar		
	1H 2020	1H 2019	Change	1H 2020	1H 2019	Change	1H 2020	1H 2019	Change
<b><u>Owned by subsidiary LHI</u></b>									
<b><u>Hong Kong</u></b>									
The Langham, Hong Kong	14.4%	90.0%	-75.6%	\$1,490	\$2,169	-31.3%	\$214	\$1,952	-89.0%
Cordis, Hong Kong	19.5%	94.4%	-74.9%	\$1,293	\$1,737	-25.6%	\$252	\$1,640	-84.6%
Eaton Hotel, Hong Kong	30.1%	86.6%	-56.5%	\$584	\$1,063	-45.1%	\$176	\$920	-80.9%
<b><u>Wholly-owned hotels</u></b>									
<b><u>Europe</u></b>									
The Langham, London	29.5%	72.9%	-43.4%	£324	£356	-9.0%	£96	£260	-63.2%
<b><u>North America</u></b>									
The Langham, Boston	0.0%	59.2%	-59.2%	\$0	\$233	-100.0%	\$0	\$138	-100.0%
The Langham, Huntington Pasadena	27.1%	68.3%	-41.2%	\$284	\$285	-0.3%	\$77	\$195	-60.5%
The Langham, Chicago	26.2%	73.1%	-46.9%	\$359	\$383	-6.2%	\$94	\$280	-66.4%
The Langham, Fifth Avenue, New York	27.2%	81.1%	-53.9%	\$486	\$523	-7.2%	\$132	\$424	-68.9%
Eaton, Washington D.C.	23.1%	53.3%	-30.2%	\$203	\$272	-25.4%	\$47	\$145	-67.7%
Chelsea Hotel, Toronto	25.7%	75.9%	-50.3%	\$148	\$168	-12.1%	\$38	\$128	-70.3%
<b><u>Australia/New Zealand</u></b>									
The Langham, Melbourne	35.9%	86.5%	-50.5%	\$352	\$311	13.4%	\$127	\$269	-52.9%
The Langham, Sydney	31.7%	81.5%	-49.8%	\$495	\$458	8.0%	\$157	\$373	-58.0%
Cordis, Auckland	49.4%	85.1%	-35.7%	\$239	\$225	6.1%	\$118	\$191	-38.4%
<b><u>China</u></b>									
The Langham, Xintiandi, Shanghai	31.9%	78.9%	-46.9%	¥ 1,191	¥ 1,614	-26.2%	¥ 380	¥ 1,273	-70.1%
Cordis, Hongqiao	20.2%	59.5%	-39.3%	¥ 709	¥ 921	-23.0%	¥ 143	¥ 548	-73.9%

\* The Langham, Boston remained closed throughout the first half period.



## Hotel portfolio – 1H 2020 Room and F&B revenue growth (in local currency)

	Room revenue growth 1H 2020	F&B revenue growth 1H 2020
The Langham, London	-63%	-61%
The Langham, Boston (closed since April 2019 for renovations)	N.A.	N.A.
The Langham, Huntington Pasadena	-60%	-50%
The Langham, Chicago	-66%	-69%
The Langham, Fifth Avenue, New York	-69%	-66%
Eaton, Washington DC	-67%	-58%
Chelsea Hotel, Toronto	-70%	-74%
The Langham, Melbourne	-53%	-58%
The Langham, Sydney	-58%	-27%
Cordis, Auckland	-42%	-58%
The Langham, Xintiandi, Shanghai	-70%	-66%





## Hotel portfolio – Profit contribution

	1H 2020 in 'mn in LC	1H 2019 in 'mn in LC	Change	in HK\$	
<a href="#">Owned Hotels</a>				1H 2020 in 'mn	Contribution to hotel loss
<b>Europe</b>					
UK (The Langham, London)	(£1.6)	£5.6	-128.8%	-15.9	7%
<b>North America</b>					
U.S. (The Langham, Boston, Chicago, New York L.A., and Eaton Washington D.C.)	(US\$20.1)	(US\$1)	n.m.	-156.0	71%
Canada (Chelsea)	(C\$2.6)	C\$13.6	-119.1%	-14.9	7%
<b>Australia/New Zealand</b>					
Australia (The Langham, Melbourne and Sydney)	(A\$2.9)	A\$5.1	-156.9%	-14.7	7%
New Zealand (Cordis, Auckland)	(N\$0.2)	N\$4.6	-104.3%	-1.1	0%
<b>China</b>					
The Langham, Xintiand and Cordis, Hongqiao	(RMB15.9)	RMB63.6	-125.0%	-17.6	8%
<b>Total in HK\$' mn</b>	<b>(\$220.2)</b>	<b>\$251.7</b>	<b>-187.5%</b>	<b>-220.2</b>	<b>100%</b>

# Investment properties

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## 1H 2020 - Rental income breakdown

	Gross rental income		Growth	Net rental income		Growth
	1H 2020	1H 2019	(%)	1H 2020	1H 2019	(%)
(in HK\$ mn)						
<b>Hong Kong Investment Properties</b>						
Great Eagle Centre	61.6	69.2	(11.0)	58.5	67.6	(13.5)
Eaton Residence Apartments	19.4	26.8	(27.7)	10.5	16.7	(37.2)
Others (Building mgt income, rental income at convention plaza and other properties)	15.8	16.0	(1.5)	2.0	2.8	(28.3)
<b>Total</b>	<b>96.7</b>	<b>112.0</b>	<b>0.4</b>	<b>70.9</b>	<b>87.1</b>	<b>(18.5)</b>

- In the first half of 2020, overall net rental income from our investment properties dropped by 18.6% to HK\$70.9 million.
- Decrease in net rental income at Great Eagle Centre was primarily due to a reduction in available lettable area, as the Group took up more space for its in-house expansion.
- Reduced demand for serviced apartments and guest houses amid travel restrictions imposed has led to lower and passing rent of the portfolio in the first half of 2020, resulting in a decline in net rental income for the period.



## U.S. Fund

The Austin, San Francisco

Construction work was completed by December 2017. The property was highly acclaimed by Wallpaper Magazine as an embodiment of Californian modernism. Out of 100 units, 96 were sold and handed to buyers by the end of June 2020. The profitability of this small project would be minimal.

Cavalleri, Malibu

The U.S. Fund has successfully repositioned the 68 apartment units project to high-end products with renovation works completed in 2018. Since offers received so far for an en-bloc sale of the project did not meet our minimum acceptable price, the Fund has decided to change its strategy to lease out the units as luxury rental apartments instead. Thus far, 30 leases were signed with another 5 leases under active negotiations.



## Outlook for the Group's results

- In the second half of 2020, we will continue selling the remaining units at ONTOLO in Pak Shek Kok. As transactions in the primary market remain steady thus far, we expect a continued stable sales momentum of ONTOLO in the remainder of 2020. As we begin to recognise development profit of the pre-sold units in the fourth quarter of 2020, it will support the Group's core profit in 2020.
- For LHI and the Hotels Division, as the path of the pandemic remains highly uncertain, international travel is particularly vulnerable and we expect that it may take a long time for the global hospitality market to recover. For now, hotels in China is leading the rebound, with occupancy rates of 70% in July 2020, led by strong local leisure demand albeit at much lower room rates. In the interim period, we continue to implement strict cost control measures, whereas the extent and scope of government stimulus in different countries will also affect earnings of our hotels in different countries.
- For Champion REIT, the REIT is expected to continue to face downside risks in rental income and distribution per unit in the second half of 2020, as a result of the unfavourable outlook for all its properties in the portfolio.
- Regarding the booking of the remaining profit from the sale of our investment in the Dalian mixed-use development project, as the remainder of the sales proceeds has yet to be received as initially scheduled in July 2020, we do not expect such profit to be recognised in this year's results. It is uncertain when the final remaining sales proceeds will be received and therefore, the Group has initiated legal proceedings to pursue the outstanding proceeds.



## Reconciliation to core earnings from reported

	Reported earnings 1H 2020 HK\$'000	Core earnings 1H 2020 HK\$'000	Core earnings 1H 2019 HK\$'000	
Gross Revenue				
Rental Income	- HK 83,308	83,308	98,980	
	- Building mgt fee inc 13,402	13,402	12,994	
Hotel Income	- HK hotels revenue 245,165	-	-	- Core revenue ignores revenue of HK hotels after the spin off
	- Overseas 705,191	705,191	1,937,142	
	- Others 28,992	28,992	86,254	
Income from Champion REIT				
	- Management fee income 191,434	191,434	220,628	- Ignore, core profit base on distributions
	- Gross rental income 1,487,840			- Add back distributions of Champion REIT
	- Distributions	482,075	516,942	
Income from Langham Hosp. Investments				
	- Gross rental income 104,884			- Ignore, core profit base on distributions
	- Distributions	-	116,558	- Add back distributions of LHI, if any
Income from U.S. Real Estate Fund	49,231			- Ignore, core profit base on distributions
Other Operations	161,907	161,907	222,152	
Elimination of intra-group transactions	(346,994)			- Ignore intra-group elimination associated with CREIT, LHI and US fund
Revenue	<u>2,724,360</u>	<u>1,666,309</u>	<u>3,211,650</u>	





## Reconciliation to core earnings from reported

	Reported earnings 1H 2020 HK\$'000	Core earnings 1H 2020 HK\$'000	Core earnings 1H 2019 HK\$'000	
Net Operating Income				
Net Rental Income - HK	70,934	70,934	87,076	
Hotel Income - Overseas	(220,152)	(220,152)	251,725	
- Others	(137,056)	(137,056)	52,698	
Income from Champion REIT				
- Management fee income	191,434	191,434	220,628	
- Net rental income	1,051,013			- Ignore net rental income, core profit base on distributions
- Distributions		482,075	516,942	- Add back distributions of Champion REIT
Income from Langham Hosp. Investments	89,614			- Ignore income of the HK hotels, base on distributions
- Distributions		-	116,558	- Add back distributions of LHI, if any
Operating income from U.S. Real Estate Fund	(3,202)			- Ignore operating income of US fund, core profit base on distributions
Other Operations	52,177	52,177	72,358	
Elimination of intra-group transactions	(40,856)			
Operating profit	1,053,906	439,412	1,317,985	



## Reconciliation to core earnings from reported

	Reported earnings 1H 2020 HK\$'000	Core earnings 1H 2020 HK\$'000	Core earnings 1H 2019 HK\$'000	
Operating profit before Dep. and Amortisation	1,053,906	439,412	1,317,985	
Depreciation and amortisation	(409,704)	(188,251)	(145,766)	- Exclude depreciation of CREIT, LHI and US Fund, add back depreciation relating to hotel land and buildings
Fair value changes on investment properties	(9,403,077)			- Ignored in core earnings calculation
Fair value changes on derivative financial instruments	(114,818)			- Ignored in core earnings calculation
Fair value changes of financial assets designated at FVTPL	(3,421)			- Ignored in core earnings calculation
Other income (excluding interest income)	7,837	9,331	4,473	- Ignore other income of CREIT, LHI and the US fund
Administrative expenses and other expenses	(229,115)	(279,267)	(279,835)	- Exclude admin. expense of CREIT, LHI and US fund



## Reconciliation to core earnings from reported

	Reported earnings 1H 2020 HK\$'000	Core earnings 1H 2020 HK\$'000	Core earnings 1H 2019 HK\$'000	
Net finance costs				
Finance cost	(403,188)	(77,784)	(86,478)	- Exclude interest expense of CREIT, LHI and US fund
Interest income (Classified as "Other income" on income statement)	122,403	100,208	81,289	- Exclude interest income of CREIT, LHI, US fund
	(280,785)	22,424	(5,189)	
Share of results of associates	4,338	4,338	449	
Share of results of joint ventures	13,925	13,925	(16,958)	
(Loss)/Profit before tax	(9,360,914)	21,912	875,159	
Income taxes	(61,222)	67,763	(53,746)	- Exclude taxes of CREIT, LHI and US fund
Net (Loss)/Profit	(9,422,136)	89,675	821,413	
Less: Non-controlling interest	(2,909,366)	873	899	- Exclude non-controlling interest of CREIT, LHI and US fund
(Loss)/Profit Attributable to Shareholders	(6,512,770)	88,802	820,514	
Basic (loss)/earnings per share	\$ (9.05)	\$ 0.12	\$ 1.17	