

[For Immediate Release]



Great Eagle Announces 2023 Interim Results

*Strong Recovery in Global Hotel Business
after Returning to Normalcy and Reopening of Borders*

- Revenue based on core business rose 22.3% to HK\$3,630.0 million.
- Core profit after tax attributable to equity holders increased by 116.3% to HK\$1,109.5 million.
- Core profit after tax attributable to equity holders (per share) was HK\$1.48.
- Interim dividend (per share) was HK\$0.37.

(25 August 2023, Hong Kong) – **Great Eagle Holdings Limited** (“Great Eagle” or “The Group”, stock code: 41) today announced its 2023 interim results for the six months ended 30 June 2023.

Summary of Financial Results

	Six months ended 30 June		
	2023 HK\$ million	2022 HK\$ million	Change
Based on core business¹			
Revenue based on core business	3,630.0	2,967.0	22.3%
Core profit after tax attributable to equity holders	1,109.5	513.0	116.3%
Core profit after tax attributable to equity holders (per share)	HK\$1.48	HK\$0.70	
Based on statutory accounting principles²			
Revenue based on statutory accounting principles	5,082.4	4,091.0	24.2%
Statutory profit attributable to equity holders	478.7	123.9	286.4%
Interim dividend (per share)	HK\$0.37	HK\$0.33	

¹ On the basis of core business, figures excluded fair value changes relating to the Group’s investment properties and financial assets, and were based on attributable distribution income from Champion REIT, Langham Hospitality Investments and Langham Hospitality Investments Limited (“LHI”) and the U.S. Real Estate Fund (“U.S. Fund”), as well as realised gains and losses on financial assets.

² Financial figures prepared under the statutory accounting principles were based on applicable accounting standards, which included fair value changes and had consolidated financial figures of Champion REIT, LHI and the U.S. Fund.

The full results announcement is available on the Group’s corporate website under the section of [“Investor Relations > Financial Reports”](#).

Business Overview

The Group had been benefitted from the resumption of post-COVID normalcy during the first half of 2023 where a significant part of the growth was derived from the improved performance of our hotel portfolio worldwide. The operation of our overseas hotels in the UK, North American and Oceanic regions had recorded a sustained growth. In addition, a strong recovery was also witnessed for our hotels in Mainland China.

For hotel development, the Group commenced the construction works for the new Langham Hotel in Venice, and the continuation of major phased refurbishment of Chelsea Hotel, Toronto, as well as strategically planning the huge redevelopment of the Chelsea site into a mixed-use condo-hotel development. In addition, we implemented the development of the new midscale hotel brand Ying'nFlo into Hong Kong and Mainland China, where the second outlet namely Ying'nFlo Wesley located in Admiralty, Hong Kong is scheduled to open in Q4, 2023.

The Group's core profit attributable to equity holders for the 1H 2023 period was HK\$1,109.5 million, representing a 116.3% growth compared to that of last year (1H 2022: HK\$513.0 million). Meanwhile, the Group reported a profit attributable to equity holders of HK\$478.7 million (1H 2022: HK\$123.9 million). Our operating income from core business rose 47.4% to HK\$1,640.4 million (1H 2022: HK\$1,113.2 million). This is mainly attributed to the strong performance of our hotels worldwide where an earning before interest, taxes, depreciation and amortisation ("EBITDA") of HK\$422.4 million was reported for the Hotels Division, and this represented a 220.2% growth from that of last year (1H 2022: HK\$131.9 million).

The operating environment of Champion REIT remained challenging amid the weakened business sentiment and abundant office supply. Distribution income from Champion REIT dropped by 11.3% to HK\$382.0 million (1H 2022: HK\$430.8 million), whilst management fee income remained stable at HK\$170.7 million during the first half of 2023 (1H 2022: HK\$168.8 million).

Outlook

The landscape of global economy remains challenging for the remainder of 2023. The Group remains cautiously optimistic of the longer-term prospect of the Hong Kong residential market. In view of such, the Group will stay cautious regarding the sale of the remainder units at ONTOLO in Pak Shek Kok, as well as the presale of the new Ho Man Tin project which is tentatively planned to launch in the first half of 2024. We will stay abreast of the latest market movement and adopt flexible strategies to address any changes.

There is room for LHI to improve further for the second half of 2023 with the anticipation of receiving more travellers from Mainland China and internationally following the

improvement of airline capacity. The Group is rolling out its plan to expand the midscale brand Ying'nFlo into the Greater China region to meet the growing demand.

The performance of Champion REIT would still be impeded by the subdued office market. Nevertheless, such risk shall be partially mitigated by the improved performance of Langham Place Mall given the rebound of retail spending with the return of travellers after borders reopened.

Given our strong balance sheet with sound liquidity, we are confident in weathering the prevailing market uncertainties. We will closely monitor the market movements for our businesses at home and abroad and stay opened for new investment should right opportunities arise.

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About Great Eagle Group

Great Eagle Group was founded by the late Mr. Lo Ying Shek in 1963, and was listed on the Hong Kong Stock Exchange in 1972 (Stock Code: 41). The Group's principal holdings include Champion Real Estate Investment Trust (Champion REIT) (Stock Code: 2778) and Langham Hospitality Investments (LHI) (Stock Code: 1270), which were listed in Hong Kong in 2006 and 2013, respectively. Being a Hong Kong developer, the Group also owns and manages an extensive international hotel portfolio under "The Langham" and affiliate brands. Founded and headquartered in Hong Kong, the Group develops, invests in and manages high quality residential, office, retail and hotel properties across Asia, North America, Australasia and Europe.

Website: www.greateagle.com.hk