

[For Immediate Release]



Great Eagle Announces 2023 Annual Results

*Swift Recovery of Hotels Division
Provided Strong Support to the Group's Overall Performance*

- Revenue based on core business¹ rose 15.1% to HK\$7,522.3 million.
- Core profit after tax attributable to equity holders increased by 32.5% to HK\$1,858.1 million.
- Core profit after tax attributable to equity holders (per share) was HK\$2.49.
- Final dividend (per share) was HK\$0.50.

(6 March 2024, Hong Kong) – **Great Eagle Holdings Limited** (“Great Eagle” or “The Group”, stock code: 41) today announced its 2023 annual results for the year ended 31 December 2023.

Summary of Financial Results

	Year ended 31 December		
	2023 HK\$ million	2022 HK\$ million	Change
Based on core business ¹			
Revenue based on core business	7,522.3	6,536.3	+15.1%
Core profit after tax attributable to equity holders	1,858.1	1,402.6	+32.5%
Core profit after tax attributable to equity holders (per share)	HK\$2.49	HK\$1.90	
Based on statutory accounting principles ²			
Revenue based on statutory accounting principles	10,644.2	8,884.8	+19.8%
Statutory profit / (loss) attributable to equity holders	763.5	(181.4)	n.m.
Interim dividend (per share)	HK\$0.37	HK\$0.33	
Final dividend (per share)	HK\$0.50	HK\$0.50	
Total dividend (per share)	HK\$0.87	HK\$0.83	

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. The management's discussion and analysis focus on the core profit of the Group.

² Financial figures prepared under statutory accounting principles were based on applicable accounting standards, which included fair value changes and consolidated the financial figures from 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's core profit attributable to equity holders for the year was HK\$1,858.1 million representing a 32.5% growth compared to HK\$1,402.6 million last year. Meanwhile, the Group's statutory results, which included fair value changes of investment properties and financial assets, reported a gain attributable to equity holders of HK\$763.5 million (2022: loss of HK\$181.4 million).

The Group's operating income from core business rose 23.3% to HK\$3,161.2 million (2022: HK\$2,563.4 million). The growth is mainly contributed by the improved performance of our hotel portfolio following the resumption of restriction-free travel around the globe where an EBITDA of HK\$1,098.2 million was reported, and this represented a 78.3% growth from that of last year (2022: HK\$615.9 million). The sales of units of ONTOLO progressed steadily and HK\$798.1 million sales income was recorded (2022: HK\$457.3 million).

Our hotels under LHI were benefited from the reopening of border where an uptick for both rate and occupancy have been recorded. Nevertheless, the increased operating expenses from the escalating labour and financing costs adversely impacted their profit margins.

The performance of Champion REIT was impeded by the sluggish office leasing market even though solid growth has been recorded for Langham Place Mall. Distribution income from Champion REIT dropped 12.3% year-on-year to HK\$698.6 million from HK\$796.8 million for the previous year, while management fee income from Champion REIT also fell 0.2% from HK\$333.4 million to HK\$332.8 million.

Outlook

The Group remains cautiously optimistic of the medium-term prospect of the Hong Kong property market. We will adopt a prudent and appropriate approach commensurate with market when planning for the presale of ONMANTIN project at Ho Man Tin, as well as the sales strategy for the remaining stocks of ONTOLO. In addition, we will work diligently with our joint venture partners for the two development projects at Kai Tak and Ma Tau Chung area.

We remain confident about the outlook of the Hotels Division as revenue of our portfolio is expected to increase alongside with the normalised travel trend and improvement of global airline capacity. Meanwhile, we will continue to expand the new midscale brand Ying'nFlo into Mainland China.

The new and renewal rentals of office space under Champion REIT is expected to be lower than the passing rentals and hence weigh on the overall performance of Champion REIT, despite the resilient performance of Langham Place Mall.

Despite the evident recovery, uncertainties still mount for the outlook of LHI as the hotel sector of Hong Kong is still impacted by the reduced number of overnight arrivals compared to the pre-pandemic period.

The Group will exercise the usual prudence in its operation whilst remaining alert to risks. We will stay abreast with market trends and keep on exploring new quality investment opportunities for future growth. With the healthy liquidity, we should be able to navigate the volatile market and target to achieve a steady growth in the long run.

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About the Great Eagle Group

The 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