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鷹君集團有限公司
Great Eagle
Holdings Limited

於百慕達註冊成立之有限公司
Incorporated in Bermuda with limited liability

(Stock Code: 41)

**MAJOR TRANSACTION
IN RELATION TO
THE PROPOSED SPIN-OFF AND SEPARATE LISTING OF
THE HOTEL PROPERTIES IN HONG KONG
ON THE MAIN BOARD OF THE STOCK EXCHANGE OF HONG KONG LIMITED**

**REVISED WEB PROOF INFORMATION PACK
AND DETERMINATION OF OFFER PRICE RANGE
FOR SHARE STAPLED UNITS
UNDER THE GLOBAL OFFERING**

Reference is made to the announcements of the Company dated 24 January 2013, 11 March 2013, 24 April 2013, 28 April 2013, 30 April 2013 and 7 May 2013 in relation to the Proposed Spin-off.

OFFER PRICE RANGE AND SIZE OF THE GLOBAL OFFERING

The Offer Price Range under the Global Offering has been determined and the Offer Price will be not less than HK\$4.65 and not more than HK\$5.36 per Share Stapled Unit (excluding brokerage fee, SFC transaction levy and the Stock Exchange trading fee). If the Global Offering proceeds:

- (a) the market capitalisation of the Langham Hospitality Investments Group calculated by reference to the Offer Price Range will be between approximately HK\$9,300 million and approximately HK\$10,720 million;

- (b) the Share Stapled Units to be offered under the Global Offering will represent approximately 42.6% of the Share Stapled Units in issue immediately following the completion of the Global Offering, assuming the Over-allotment Option is not exercised;
- (c) the size of the Global Offering, calculated by reference to such Offer Price Range, will be between approximately HK\$3,963 million and approximately HK\$4,568 million, assuming the Over-allotment Option is not exercised; and
- (d) the Group's percentage shareholding in the Langham Hospitality Investments Group will, upon completion of the Proposed Reorganisation and the Global Offering, be reduced from 100% to approximately 57.4% assuming the Over-allotment Option is not exercised, or to approximately 51.0% if the Over-allotment Option is exercised in full.

The final Offer Price will be determined on the Price Determination Date.

PROPOSED SPIN-OFF

In connection with the Proposed Spin-off:

- (i) the Assets Transfer was completed on 9 May 2013 and the Sale and Purchase Agreements were entered into on 10 May 2013 respectively in relation to the Proposed Reorganisation. Pursuant to the Sale and Purchase Agreements, the Vendors have agreed to transfer to the Purchasers, being three indirect wholly-owned subsidiaries of LHIL, the Group's interest in the Owner Group, which owns the Hotel Properties, namely: (A) The Langham, Hong Kong, (B) Langham Place Hotel, Hong Kong, and (C) Eaton, Hong Kong; and
- (ii) the Master Lease Agreements, the Hotel Management Agreements, the Centralised Services and Marketing Agreements and the Trademark Licence Agreements were entered into on 10 May 2013.

GLOBAL OFFERING

Deutsche Securities Asia Limited and HSBC Corporate Finance (Hong Kong) Limited have been appointed by the Trustee-Manager and LHIL as the joint sponsors for the Listing.

The Company will enter into underwriting agreements relating to the Global Offering with the Trustee-Manager, LHIL, LHIL Assets Holdings and the Underwriters. The Offer Share Stapled Units to be offered by the Trustee-Manager and LHIL for subscription on the terms set out in the Prospectus and in the case of the Hong Kong Public Offering, the related Application Forms at the final Offer Price which is to be determined on the Price Determination Date will be underwritten by the Underwriters subject to the terms set out in these underwriting agreements. The Company and LHIL are also expected to give certain lock-up undertakings for a period of time in relation to the disposal and issue of Share Stapled Units.

It is expected that LHIL Assets Holdings will enter into a Share Stapled Units borrowing agreement with a stabilising manager pursuant to which it will lend Share Stapled Units to the stabilising manager in order to facilitate the settlement of over-allocations of Share Stapled Units in connection with the International Offering. It is also expected that LHIL Assets

Holdings will grant the Over-allotment Option to the International Underwriters in the International Underwriting Agreement to, among other things, cover over-allocations in the International Offering pursuant to the International Underwriting Agreement.

The Global Offering will be conditional on, among other things:

- (a) the Listing Committee granting approval for the listing of, and permission to deal in, the Share Stapled Units in issue and to be issued pursuant to the Proposed Reorganisation and the Global Offering on the Main Board of the Stock Exchange;
- (b) the Offer Price having been agreed between the Joint Global Coordinators (on behalf of the Underwriters), the Trustee-Manager, LHIL and the Company;
- (c) the execution and delivery of the International Underwriting Agreement on or about the Price Determination Date; and
- (d) the obligations of the Underwriters under the underwriting agreements in relation to the Global Offering becoming unconditional and not having been terminated in accordance with the terms of the respective agreements,

in each case on or before the dates and times specified in the respective underwriting agreements (unless and to the extent such conditions are validly waived on or before such dates and times) and, in any event, not later than the date which is 30 days after the date of the Prospectus.

The Proposed Spin-off constitutes a deemed disposal by the Company under Rule 14.29 of the Listing Rules. As the highest of the applicable percentage ratios in respect of the Proposed Spin-off (also taking into account the exercise of the Over-allotment Option) exceeds 25% but each of the applicable percentage ratios is less than 75%, the Proposed Spin-off constitutes a major transaction for the Company under Chapter 14 of the Listing Rules. The Proposed Spin-off is also subject to, among other things, the approval from the Shareholders under paragraph 3(e)(1) of PN15 and Chapter 14 of the Listing Rules.

To the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, no Shareholder is required to abstain from voting if the Company were to convene a general meeting for the approval of the Proposed Spin-off (including the Proposed Reorganisation).

Dr. Lo Ka Shui, together with his interest in a discretionary trust (the trustee of which is HSBC International Trustee Limited) of which he is a founder, holds 130,449,323 Shares, representing approximately 20.6% of the voting rights of the Company as at the date of this announcement. HSBC International Trustee Limited, as trustee of another discretionary trust of which Dr. Lo Ka Shui is a beneficiary, holds either by itself or through its wholly-owned subsidiaries, 208,891,692 Shares, representing approximately 32.9% of the voting rights of the Company as at the date of this announcement. Dr. Lo Ka Shui and HSBC International Trustee Limited as trustee of the said discretionary trusts, together with its wholly-owned subsidiaries, which constitute a closely allied group of Shareholders holding an aggregate of approximately 339,341,015 Shares representing approximately 53.5% of the voting rights of the Company as at the date of this announcement, have granted their written approval to the

Company for the Proposed Spin-off and as a result, no Shareholders' meeting will be convened to consider the Proposed Spin-off.

In accordance with the requirements of paragraph 3(e)(4) of PN15:

- (a) an Independent Board Committee comprising all of the Company's independent non-executive Directors, namely Mr. Cheng Hoi Chuen, Vincent, Mr. Wong Yue Chim, Richard, Ms. Lee Pui Ling, Angelina and Mr. Zhu Qi, has been established by the Company to consider the Proposed Spin-off, and to advise the Shareholders as to whether the terms of the Proposed Spin-off are fair and reasonable and whether the Proposed Spin-off is in the interests of the Company and the Shareholders as a whole, taking into account the recommendation of the Independent Financial Adviser in that regard; and
- (b) First Shanghai has been appointed as an independent financial adviser to make recommendations to the Independent Board Committee and the Shareholders as to whether the terms of the Proposed Spin-off are fair and reasonable and whether the Proposed Spin-off is in the interests of the Company and the Shareholders as a whole.

CIRCULAR

A circular containing, among other things, details of the Proposed Spin-off and Proposed Reorganisation, the recommendation of the Independent Board Committee to the Shareholders relating to the Proposed Spin-off, the advice of First Shanghai to the Independent Board Committee and the Shareholders relating to the Proposed Spin-off, the forecast of the profit of the Trust Group, the valuation report in relation to the appraised value of the Hotel Properties from Vigers, and other necessary information is expected to be despatched to Shareholders on or about 16 May 2013.

REVISED WPIP

The Board announced on 28 April 2013 that the Trustee-Manager and LHIL had submitted the WPIP to the Stock Exchange for publication on the Stock Exchange's website. The Board also drew the attention of the Shareholders and potential investors to the profit forecast in the WPIP as contained in the specific hyperlink on the Stock Exchange's website on 30 April 2013.

In connection with the Proposed Spin-off, the Trustee-Manager and LHIL have on 12 May 2013 submitted the Revised WPIP to the Stock Exchange for publication on the Stock Exchange's website. The Revised WPIP replaces the WPIP. The Revised WPIP will be available for viewing and downloading from the Stock Exchange's website at <http://www.hkexnews.hk> from 13 May 2013. The Revised WPIP contains, amongst others, certain business and financial information relating to the Langham Hospitality Investments Group, and the profit forecast of the Trust Group for the period from the Listing Date to 31 December 2013 which remains unchanged from the profit forecast previously announced on 28 April 2013 and 30 April 2013. As was the case for the WPIP, the Revised WPIP is in draft form and the information contained in it is incomplete and is subject to change which can be material. The Company does not have any obligation or liability whatsoever in relation to the WPIP or the Revised WPIP.

The Revised WPIP is blacklined to show changes made to the WPIP.

Investors are reminded that the implementation of the Proposed Spin-off and the Global Offering is subject to, among other things, the approval of the Stock Exchange and the final decision of the Board and of the boards of directors of the Trustee-Manager and LHIL as to whether or not to proceed with the Proposed Spin-off and the Global Offering (which is subject to market conditions and pricing). The Board will only proceed with the Proposed Spin-off if the Board considers that the price of the Share Stapled Units which can be obtained under the Global Offering, which is subject to market conditions, is such that proceeding with the Proposed Spinoff on those terms would be in the interests of the Company and the Shareholders as a whole. Accordingly, Shareholders and potential investors in the Company should be aware that there is no assurance as to whether and when the Proposed Spin-off and the Global Offering will take place. If the Proposed Spin-off and the Global Offering proceed, the timetable for the Global Offering, including the Preferential Offering, will be set out in the Prospectus to be jointly issued by Langham Hospitality Investments and LHIL in connection with the Global Offering and in a further announcement to be made by the Company.

This announcement is not intended to, and does not, constitute an offer to sell or a solicitation of an offer to buy any Share Stapled Units in connection with the Global Offering or otherwise. Any such offer or solicitation will be made solely through the Prospectus or other offer documents that will be issued in compliance with applicable laws and any decision to purchase or subscribe for Share Stapled Units in connection with the Global Offering or otherwise should be made solely on the basis of the information contained in the Prospectus and such other documents. No action has been or (other than in Hong Kong) will be taken in any jurisdiction that would permit a public offering of the Share Stapled Units to be offered in the Global Offering in any jurisdiction where action for that purpose is required, including but not limited to the United States.

INTRODUCTION

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- (c) the size of the Global Offering, calculated by reference to such Offer Price Range, will be between approximately HK\$3,963 million and approximately HK\$4,568 million, assuming the Over-allotment Option is not exercised; and
- (d) the Group's percentage shareholding in the Langham Hospitality Investments Group will, upon completion of the Global Offering, be reduced from 100% to approximately 57.4% assuming the Over-allotment Option is not exercised, or to approximately 51.0% if the Over-allotment Option is exercised in full.

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PROPOSED SPIN-OFF

Overview of the structure of the Proposed Spin-off

The Proposed Spin-off involves the spin-off and separate listing of the Hotel Properties on the Main Board of the Stock Exchange by way of the Share Stapled Units structure.

It is intended that the Trust Group will remain a subsidiary of the Company and the Company will consolidate the financial results of the Trust Group as its subsidiary.

LHIL

LHIL is currently an indirect wholly-owned subsidiary of the Company and, pursuant to the Proposed Spin-off, will become the holding company of the Langham Hospitality Investments Group, which will own the Hotel Properties. The Langham Hospitality Investments Group has been established primarily to own and invest in a portfolio of hotels, with an initial focus on hotels in Asia. At the time of the Listing, the Langham Hospitality Investments Group's hotel portfolio will comprise the Hotel Properties.

Langham Hospitality Investments and the Trustee-Manager

Langham Hospitality Investments is a fixed single investment trust constituted by the Trust Deed. As a fixed single investment trust, Langham Hospitality Investments will only invest in securities and other interests in a single entity, being LHIL, and will confer on registered holders of units in Langham Hospitality Investments a beneficial interest in specifically identifiable property (being the ordinary shares in LHIL) held by Langham Hospitality Investments.

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The Trustee-Manager is an indirect wholly-owned subsidiary of the Company. Under the terms of the Trust Deed, the Trustee-Manager has been appointed as the trustee and manager of Langham Hospitality Investments and has legal ownership of the assets of Langham Hospitality Investments and will declare, under the Trust Deed, that it will hold those assets on trust for the registered holders of units of Langham Hospitality Investments. The Trustee-Manager has a specific and limited role, which is to administer Langham Hospitality Investments, and it will not be actively engaged in the management of the underlying operations of the Hotel Properties, which will be owned by the Langham Hospitality Investments Group and managed by the Hotel Manager pursuant to the Hotel Management Agreements. Under the terms of the Trust Deed, the Trustee-Manager may be removed by a resolution proposed and passed at a meeting of the registered holders of the Share Stapled Units by a simple majority of over 50% of the total number of votes cast for such resolution.

Proposed Reorganisation

Acquisition

As part of the Proposed Reorganisation, the Purchasers have entered into the Sale and Purchase Agreements with the Purchasers, the Company, LHIL and the Trustee-Manager whereby the Purchasers will acquire the Target Companies, which indirectly own the Hotel Properties through the Hotel Companies, from the Vendors, all being indirect wholly-owned subsidiaries of the Company, together with the related shareholder's loans. The Company will guarantee the obligations of the Vendors under the relevant sale and purchase agreement.

Consideration for the Acquisition

The aggregate consideration for the Acquisition (the “**Acquisition Consideration**”) will comprise the Loan Consideration and the Share Consideration, and assuming the Offer Price is HK\$4.65 (being the low end of the Offer Price Range) or HK\$5.36 (being the high end of the Offer Price Range), the Acquisition Consideration is expected to be approximately HK\$15,325 million or HK\$16,727 million, respectively.

Loan Consideration

The consideration for the assignment of the Shareholders' Loans (the “**Loan Consideration**”) will be the amount owing by each Target Company to the relevant Vendor as at the Completion Date on a dollar-for-dollar basis. Assuming completion of the Acquisition takes place on 29 May 2013, being the day immediately preceding the Listing Date, it is estimated that the Loan Consideration will be approximately HK\$4,446 million.

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Share Consideration

The consideration for the acquisition of the Hotel Companies (the “**Share Consideration**”) will comprise the initial share consideration of approximately HK\$10,466 million, assuming that completion of the Acquisition takes place on 29 May 2013, being the day immediately preceding the Listing Date, subject to adjustments including (a) excluding the assets and liabilities transferred pursuant to the Assets Transfer and (b) adjusting the value of the Hotel Properties to an agreed value as determined, among others, with reference to the appraised value of the Hotel Properties as at 28 February 2013, referred to in the property valuation report prepared by Vigers, and (c) other adjustments with reference to the final gross proceeds arising from the Global Offering and the amount of the Loan Facility to be obtained by the Langham Hospitality Investments Group incidental to the Global Offering.

The final amount of the Acquisition Consideration can only be ascertained following completion of the Global Offering. Further details of the Acquisition will be set out in Circular to be despatched to the Shareholders. When the final amount of the Acquisition Consideration has been ascertained, the Company will publish a further announcement to update the Shareholders on the final amount of the Acquisition Consideration in accordance with the Listing Rules.

Promissory Notes

The Acquisition Consideration will be settled on the Completion Date by way of the issue of a promissory note by each Purchaser (together, the “**Promissory Notes**”) to the relevant Vendor in respect of the relevant portion of the Acquisition Consideration. The Promissory Notes will not bear any interest and will be settled partly in cash and partly in Share Stapled Units on completion of the Global Offering.

Completion

Completion of the Proposed Reorganisation is expected to take place on the day before the Listing Date.

Assets Transfer

As part of the Proposed Reorganisation, the Hotel Companies have transferred certain assets and liabilities relating to the operations of the Hotel Properties to the Master Lessee (the “**Assets Transfer**”). As at the day immediately prior to the date of completion of the Assets Transfer on 9 May 2013, the aggregate book value of the assets and liabilities transferred to the Master Lessee under the Assets Transfer amounted to approximately HK\$107.4 million and HK\$207.2 million, respectively. As there was a net liability in respect of the difference between the total book value of such assets and total book value of such liabilities as at the date immediately prior to the date of completion of the Assets Transfer, a consideration of approximately HK\$99.8 million was paid by the Hotel Companies to the Master Lessee in respect of the Assets Transfer.

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Business structure

As previously announced, upon Listing, the Hotel Properties (except for three retail outlets at Eaton, Hong Kong) will be leased to the Master Lessee, which is an indirect wholly-owned subsidiary of the Company, and managed by the Hotel Manager, which is also an indirect wholly-owned subsidiary of the Company. The Board is also pleased to announce that on 10 May 2013, members of the Group have entered into the Master Lease Agreements, the Hotel Management Agreements, the Centralised Services and Marketing Agreements, the Trademark Licence Agreements and various agreements on ongoing transactions with the Langham Hospitality Investments Group with members of the Langham Hospitality Investments Group in relation to its operation.

The Master Lease Agreements

Pursuant to the Master Lease Agreements, the Master Lessee has agreed to lease the Hotel Properties (except for three retail outlets at Eaton, Hong Kong) for a term of 14 years from and including the Listing Date. During the whole term of the Master Lease Agreements, the Master Lessee has agreed to pay the Hotel Companies an aggregate base rent of HK\$225 million per annum (pro rata for any period of less than one year) and a variable rent. Until 31 December 2019, the variable rent will be calculated on the basis of 70% of the Hotel Properties' aggregate Gross Operating Profit before deduction of the Global Marketing Fees payable by each of the Hotel Companies. Thereafter, the variable rent payable will be calculated on a basis to be determined by an independent property valuer, to be appointed by LHIL, for the period from 1 January 2020 to 31 December 2023, and from 1 January 2024 for the remaining term of the Master Lease Agreements, such basis to be determined by reference to the Hotel Properties' aggregate Gross Operating Profit before deduction of the Global Marketing Fees payable by each of the Hotel Companies for the relevant period.

The Hotel Management Agreements

Pursuant to the Hotel Management Agreements, the Hotel Manager will act as the sole and exclusive manager of the Hotel Properties to supervise, direct and control the business and day-to-day operations of the Hotel Properties for a fee linked to the operating profit and revenue of the Hotel Properties. Each of the Hotel Management Agreements has an initial term of 30 years from and including the Listing Date, and subject to compliance with the relevant requirements of Chapter 14A of the Listing Rules by LHIL at the relevant time, will be renewable on the same terms for a further 10 years by notice at the election of the Hotel Manager, and thereafter for successive 10-year terms by mutual agreement of the parties.

Centralised Services and Marketing Agreements

Each of the Hotel Companies has entered into a Centralised Services and Marketing Agreement with LHIL, the Trustee-Manager, Langham Hotels Services, being an indirect wholly-owned subsidiary of the Company, as the service provider and the Master Lessee, pursuant to which Langham Hotels Services will provide global marketing and advertising services, centralised reservations services and certain hotel specific services for each Hotel Property for a fee linked to, among other things, the room revenue of the Hotel Properties.

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Each of the Centralised Services and Marketing Agreements has an initial term of 30 years from and including the Listing Date and may, subject to compliance with the relevant requirements of Chapter 14A of the Listing Rules by LHIL at the relevant time, be renewed for a term of 10 years by notice at the election of Langham Hotels Services. Thereafter, the Centralised Services and Marketing Agreements may be renewed for successive 10 year terms by mutual agreement of the parties subject to compliance with the relevant requirements of Chapter 14A of the Listing Rules at the relevant time.

Trademark Licence Agreements

Each of the Hotel Companies has entered into a Trademark Licence Agreement with the Hotel Manager, as the licensor, the Master Lessee, the Trustee-Manager and LHIL, pursuant to which the Hotel Manager will grant non-exclusive and non-transferable licences to the relevant Hotel Company, the Trustee-Manager and the Master Lessee to use the Langham Brands for branding and marketing activities relating to the Hotel Properties and/or for describing the ownership of the Hotel Properties for a fee linked to the revenue of the Hotel Properties.

Each of the Trademark Licence Agreements has an initial term of 30 years from and including the Listing Date and may, subject to compliance with the relevant requirements of Chapter 14A of the Listing Rules at the relevant time, be renewed for a term of 10 years by notice at the election of the Hotel Manager. Thereafter, the Trademark Licence Agreements may be renewed for successive 10 year terms by mutual agreement of the parties, and subject to compliance with Chapter 14A of the Listing Rules at the relevant time.

Other Agreements

Various other agreements have been entered into which will constitute on-going transactions between the Group and the Langham Hospitality Investments Group in relation to its operations. Such agreements include agreements relating to the grant of the sole and exclusive licence to the Langham Hospitality Investments Group to use the corporate name and logo and other domain names of the Group, a licence in relation to a designated area on 3/F of the Great Eagle Centre to be used by LHIL as its principal place of business, and the provision of other administrative support services to the Langham Hospitality Investments Group.

Details of the Master Lease Agreements, the Hotel Management Agreements, the Centralised Services and Marketing Agreements, the Trademark Licence Agreements and other agreements in relation to the operation of the Langham Hospitality Investments Group were set out in the announcements of the Company dated 24 April 2013 and 28 April 2013 and will be further set out in the Circular to be despatched to the Shareholders.

As the transactions under the Master Lease Agreements, the Hotel Management Agreements, the Centralised Services and Marketing Agreements, the Trademark Licence Agreements and other agreements comprise ongoing transactions with the Langham Hospitality Investments Group in relation to its operation but are revenue in nature and entered into in the ordinary and usual course of business of the Group or are de minimis in size, none of them are subject to the announcement, reporting and shareholders' approval requirements under Chapter 14 of the Listing Rules. However, since the Company will be entitled to control the exercise of more than 10% of the voting power at any general meeting of LHIL, members of the Group will become

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connected persons of LHIL upon Listing and these transactions will therefore constitute continuing connected transactions of LHIL subject to Chapter 14A of the Listing Rules.

Distributions

Under the Trust Deed, Langham Hospitality Investments will be required to distribute 100% of the dividends, distributions and other amounts received by the Trustee-Manager (as trustee-manager of Langham Hospitality Investments) in respect of the Ordinary Shares from LHIL, after deducting all amounts permitted to be deducted or paid under the Trust Deed (such as operating expenses of Langham Hospitality Investments) (the “**Trust Distributable Income**”). The distributions received by the Trustee-Manager from LHIL will be derived from the Group Distributable Income (as defined below), which will largely depend on the underlying performance of the Hotel Properties.

It is currently intended that LHIL will declare and distribute to the Trustee-Manager in respect of the ordinary shares forming part of the Share Stapled Units:

- (i) 100% of the Group Distributable Income in respect of the period from the Listing Date to 31 December 2013 and each of the two financial years ending 31 December 2015; and
- (ii) not less than 90% of the Group Distributable Income in respect of each financial year thereafter,

in each case (where applicable), on a semi-annual basis.

“**Group Distributable Income**” refers to the consolidated audited net profit after tax of the Langham Hospitality Investments Group for the relevant financial year or the relevant distribution period, after eliminating the effects of Adjustments, and as further adjusted by deducting, at the discretion of the directors of LHIL, a sum equal to the aggregate of the following:

- (a) any amounts paid and/or set aside in respect of the amount of reserves for furniture, fixtures and equipment “**FF&E Reserve**” and capital expenditure; and
- (b) any amounts set aside for the purpose of servicing future debt repayments and/or for the purpose of complying with covenants in any credit facility agreement.

“**Adjustments**” refer to adjustments of certain items which are charged or credited to the income statement of the Langham Hospitality Investments Group for the relevant financial year or the relevant distribution period (as the case may be), including, but not limited to, (a) unrealised revaluation gains/losses, including impairment provisions and reversals of impairment provisions, (b) impairment loss of goodwill/recognition of negative goodwill, (c) material non-cash gains/losses, (d) costs of any public offering of Share Stapled Units that are expensed through the income statement but are funded by proceeds from the issuance of such Share Stapled Units, (e) depreciation and amortisation, (f) any difference in the accounting base rent and/or variable rent payable under the Master Lease Agreements and the actual contractual base rent and/or variable rent payable under the Master Lease Agreements paid in cash, (g) deferred tax charges and/or adjustments, (h) any difference between cash and accounting

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finance costs and (i) the portion of the fee(s) which is paid or payable for services provided to the Langham Hospitality Investments Group in the form of Share Stapled Units.

In addition, if the Langham Hospitality Investments Group sells any fixed assets or properties, the directors of LHIL may, at their discretion, retain all or any part of the proceeds (including any realised gains) from such sale (less associated taxes and expenses and associated debt repayments), including any amounts retained for the purpose of servicing future debt repayments and/or for the purpose of complying with covenants in any credit facility agreement (such amounts retained for debt repayment and covenant compliance being “**Excluded Amounts**”), for up to three years following such sale and may utilise the retained proceeds (other than the Excluded Amounts) for the acquisition of other fixed assets or properties, FF&E Reserve and/or capital expenditure. To the extent that all or any part of the retained proceeds (other than the Excluded Amounts) are not utilised for the purposes described above within three years following such sale, LHIL will distribute such retained proceeds (other than the Excluded Amounts) to the Trustee-Manager.

Distribution Waiver

It is expected that on the Listing Date, immediately following the completion of the Proposed Spin-off, LHIL Assets Holdings, an indirect wholly-owned subsidiary of the Company, will hold not less than approximately 57.4% (or 51% if the Over-allotment Option is exercised in full) of the Share Stapled Units in issue on the Listing Date (“**Relevant Share Stapled Units**”).

On 10 May 2013, the Company, LHIL Assets Holdings and the Trustee-Manager entered into the Distribution Entitlement Waiver Deed pursuant to which LHIL Assets Holdings will waive its entitlement to receive any distributions payable in respect of a certain portion of the Relevant Share Stapled Units for the period from the Listing Date to 31 December 2013 and each of the years ending 31 December 2014, 2015, 2016 and 2017.

The purpose of the Distribution Waiver is to offset the dilution in the DPU resulting from the additional Share Stapled Units issued pursuant to the Global Offering to fund asset enhancement plans, for general working capital purposes and to fund the expenses of the Global Offering.

The percentage of the Relevant Share Stapled Units in respect of which the Distribution Waiver applies, the corresponding number of such Share Stapled Units (the “**Distribution Waiver Units**”) and the increase in the DPU due to the effect of the Distribution Waiver are set out below:

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Period/Year ending 31 December	Number of Distribution Waiver Units	Assuming the Over-allotment Option is not exercised		Assuming the Over-allotment Option is exercised in full		DPU impact
		Approximate % of total Share Stapled Units in issue following the Listing to which the Distribution Waiver applies	Approximate % of total Share Stapled Units held by Great Eagle following the Listing to which the Distribution Waiver applies	Approximate % of total Share Stapled Units in issue following the Listing to which the Distribution Waiver applies	Approximate % of total Share Stapled Units held by Great Eagle following the Listing to which the Distribution Waiver applies	
Listing Date to 31 December 2013	150,000,000	7.5%	13.1%	7.5%	14.7%	8.1%
2014	150,000,000	7.5%	13.1%	7.5%	14.7%	8.1%
2015	100,000,000	5.0%	8.7%	5.0%	9.8%	5.3%
2016	100,000,000	5.0%	8.7%	5.0%	9.8%	5.3%
2017	50,000,000	2.5%	4.4%	2.5%	4.9%	2.6%

(a) Assuming the total number of Share Stapled Units in issue will stay constant at the level immediately following the Listing

Each such portion of the distributions waived by LHIL Assets Holdings pursuant to the Distribution Waiver will be available for distribution to holders of Share Stapled Units in respect of which the distributions have not been waived (including LHIL Assets Holdings but only to the extent of the Share Stapled Units held by it to which the Distribution Waiver does not apply).

If LHIL Assets Holdings holds less than the number of Distribution Waiver Units as at the relevant record date for the payment of the distributions for the relevant distribution period or relevant financial year (as the case may be), LHIL Assets Holdings will make a cash payment (the “**Top-up Payment**”) to the Trustee-Manager in an amount equal to the product of:

- (a) the Relevant DPU (as defined below); and
- (b) the difference between (i) the number of Distribution Waiver Units and (ii) the number of Share Stapled Units held by LHIL Assets Holdings as at the relevant record date for the payment of the distributions for the relevant distribution period or relevant financial year (as the case may be).

For the purpose of determining the amount of the Top-up Payment, the “**Relevant DPU**” is the distribution per Share Stapled Unit for the relevant distribution period or relevant financial year (as the case may be) determined after taking into account the waiver by LHIL Assets Holdings of its entitlement to receive any distributions in respect of the number of the Distribution Waiver Units for that relevant distribution period or relevant financial year (as the case may be).

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The Company will guarantee the obligation of LHIL Assets Holdings to pay the Top-up Payment, if any, under the Distribution Entitlement Waiver Deed (the “**Top-up Payment Guarantee**”).

The Directors consider that it is appropriate for LHIL Assets Holdings, as controlling holder of the Share Stapled Units, to provide the Distribution Waiver and the Company to provide the Top-up Payment Guarantee under the Distribution Entitlement Waiver Deed in order to expedite the Proposed Spin-off so as to enable the Langham Hospitality Investments Group to capitalise on the current favourable market conditions for the Global Offering, which in turn will benefit the Group as a holder of not less than 51% of the Share Stapled Units in issue immediately following completion of the Proposed Spin-off. The Directors are of the view that the provision of the Distribution Waiver and the Top-up Payment Guarantee are fair and reasonable and in the interest of the Company and the Shareholders as a whole.

Great Eagle ROFR

Pursuant to the Great Eagle ROFR, the Company has granted to LHIL, subject to compliance with any applicable contractual, legal and regulatory requirements by the Company and LHIL, a right of first refusal in respect of the following:

- (a) any completed stand-alone hotel in Asia in which the Group owns an over 30% interest and that is being managed under the Langham Brands or Other Eaton Brands, which the Group proposes to sell;
- (b) any completed stand-alone hotel in Asia to be operated under the Langham Brands or Other Eaton Brands in which the Group is offered an opportunity to acquire an over 30% interest;
- (c) any uncompleted, stand-alone hotel development project in Asia to be operated under the Langham Brands or Other Eaton Brands on completion and any completed hotel to be segregated from the multi-purpose development of which it forms a part, and in which the Group owns an over 30% interest, provided that completion or segregation, as applicable, occurs prior to the expiry of the Great Eagle ROFR; and
- (d) any completed, stand-alone hotel in Asia in which the Group owns an over 30% interest that it brands as a hotel under the Langham Brands or Other Eaton Brands.

The rights under the Great Eagle ROFR are granted to LHIL with effect from the Listing Date and ending on the earliest of:

- (i) the date on which none of the hotel properties owned by the Langham Hospitality Investments Group is leased to or managed by the Group;
- (ii) the date on which the Group, directly or indirectly, ceases to be interested in not less than 30% of the Share Stapled Units in issue; and

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- (iii) the date on which the Share Stapled Units cease to be listed on the Stock Exchange.

Further details of the Great Eagle ROFR will be set out in the Circular to be despatched to the Shareholders.

GLOBAL OFFERING

In connection with the Global Offering, Deutsche Securities Asia Limited and HSBC Corporate Finance (Hong Kong) Limited have been appointed by the Trustee-Manager and LHIL as the joint sponsors for the Listing.

The Company will enter into underwriting agreements relating to the Global Offering with the Trustee-Manager, LHIL, LHIL Assets Holdings and the Underwriters. The Offer Share Stapled Units to be offered by the Trustee-Manager and LHIL for subscription on the terms set out in the Prospectus and in the case of the Hong Kong Public Offering, the related Application Forms at the final Offer Price which is to be determined on the Price Determination Date will be underwritten by the Underwriters subject to the terms set out in these underwriting agreements. The Company and LHIL are also expected to give certain lock-up undertakings for a period of time in relation to the disposal and issue of Share Stapled Units. Further details of these lock-up undertakings will be set out in the Circular.

It is expected that LHIL Assets Holdings will enter into a Share Stapled Units borrowing agreement with a stabilising manager pursuant to which it will lend Share Stapled Units to the stabilising manager in order to facilitate the settlement of over-allocations of Share Stapled Units in connection with the International Offering. It is also expected that LHIL Assets Holdings will grant the Over-allotment Option to the International Underwriters in the International Underwriting Agreement to, among other things, cover over-allocations in the International Offering.

The Global Offering will be conditional on, among other things:

- (a) the Listing Committee granting approval for the listing of, and permission to deal in, the Share Stapled Units in issue and to be issued pursuant to the Proposed Reorganisation and the Global Offering on the Main Board of the Stock Exchange;
- (b) the Offer Price having been agreed between the Joint Global Coordinators (on behalf of the Underwriters), the Trustee-Manager, LHIL and the Company;
- (c) the execution and delivery of the International Underwriting Agreement in relation to the International Offering on or about the Price Determination Date; and
- (d) the obligations of the Underwriters under the underwriting agreements in relation to the Global Offering becoming unconditional and not having been terminated in accordance with the terms of the respective agreements,

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in each case on or before the dates and times specified in the respective underwriting agreements (unless and to the extent such conditions are validly waived on or before such dates and times) and, in any event, not later than the date which is 30 days after the date of the Prospectus.

ASSURED ENTITLEMENT

Basis of the Assured Entitlement

As disclosed in the announcement of the Company dated 7 May 2013, in order to enable the Shareholders to participate in the Global Offering on a preferential basis as to allocation only, subject to the Stock Exchange granting approval for the listing of, and permission to deal in, the Share Stapled Units and on the Main Board of the Stock Exchange and the Global Offering becoming unconditional, Qualifying Shareholders will be invited by the Trustee-Manager and LHIL to apply for an aggregate 42,608,000 Reserved Share Stapled Units in the Preferential Offering, representing approximately 5% of the Share Stapled Units initially available under the Global Offering as an Assured Entitlement. The Reserved Share Stapled Units will be offered out of the International Offer Share Stapled Units under the International Offering and will not be subject to reallocation.

The basis of the Assured Entitlement is one Reserved Share Stapled Unit for every integral multiple of 15 Shares held by Qualifying Shareholders on the Record Date.

The Assured Entitlements of Qualifying Shareholders to Reserved Share Stapled Units are not transferable and there will be no trading in nil-paid entitlements on the Stock Exchange.

Shareholders are reminded that this announcement is not intended to and does not constitute an offer or any invitation to apply for their Assured Entitlement under the Preferential Offering. Such offer or invitation will only be made through the Prospectus. Shareholders should refer to the Prospectus, if and when issued, for details of the offer and the invitation to them under the Preferential Offering.

OVERVIEW OF THE BUSINESSES OF THE GROUP AND THE LANGHAM HOSPITALITY INVESTMENTS GROUP

The principal activities of the Group include property development and investment, hotel and restaurant operations, management of a real estate investment trust, trading of building materials, share investment, provision of property management and maintenance services and fitness centre operation. The Group's investment in office properties extends to the United States of America and its hotel portfolio covers Hong Kong, China, North America, Europe, Australia and New Zealand.

The Langham Hospitality Investments Group will, immediately following the completion of the Proposed Spin-off, primarily be engaged in owning and investing in a portfolio of hotels, with an initial focus on hotels located in Asia, and will own the Hotel Properties, comprising the Group's entire hotel portfolio in Hong Kong.

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The Group will, immediately following the completion of the Proposed Reorganisation and the Proposed Spin-off, continue to manage its existing business (except for owning the Hotel Properties), and will as regards the hotel operations focus more on developing its hotel management services operations and brand building. It may also participate in investment opportunities relating to the acquisition of completed hotels, branding of its furnished apartments as guesthouses to be operated under the Langham Brands or affiliated brands, and the development of uncompleted hotel projects should the opportunity arise.

Where properties or investment opportunities acquired by or made available to the Group are subject to the Great Eagle ROFR as mentioned above, the Group will offer them to the Langham Hospitality Investments Group. Immediately following completion of the Proposed Reorganisation and the Proposed Spin-off, the Group will not own any hotel properties in Hong Kong, but will continue to own an extensive international hotel portfolio under the Langham Brands, all located outside Asia, other than (i) the Langham Xintiandi, Shanghai, the PRC, which is a hotel in which the Group holds a 33.3% interest, and (ii) a hotel development project in Dalian, the PRC, which has not been completed and is part of a multi-purpose development, and in which the Group holds a 50% interest.

FURTHER INFORMATION ON THE HOTEL PROPERTIES

The Langham, Hong Kong is a High Tariff A (according to the HKTB classification system), luxury hotel located close to Canton Road in the heart of Tsim Sha Tsui, one of the busiest commercial, shopping and leisure destinations in Hong Kong.

Langham Place Hotel, Hong Kong is also a High Tariff A (according to the HKTB classification system) hotel and is the only large scale luxury hotel located in the heart of Mong Kok and is part of one of the largest mixed-use real estate developments in Hong Kong which comprises The Langham Place Shopping Mall and Grade A offices.

Eaton, Hong Kong is a High Tariff B (according to the HKTB classification system) hotel and the largest hotel (in terms of the total number of rooms) located on Nathan Road in Yau Ma Tei, which is the key arterial road linking Tsim Sha Tsui and Mong Kok and a popular tourist area given its close proximity to well-known open-air local markets.

Selected key financial figures of the Langham Hospitality Investments Group for the two financial years ended 31 December 2012 are set out below (note 1):

	For the year ended	
	31 December	
	2012	2011
	HK\$'000	HK\$'000
Total revenue	1,623,459	1,490,539
Operating profit (note 2)	504,753	440,900
EBITDA (note 3)	659,373	587,339
Net profit (before taxation and extraordinary items)	448,932	388,656
Net profit (after taxation and extraordinary items)	397,491	354,246

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Notes:

- (1) Such data is sourced from the consolidated financial statements for the Langham Hospitality Investments Group for the two years ended 31 December 2012. As the Langham Hospitality Investments Group was not then established, such figures were directly extracted from the audited accounts of the Hotel Companies.
- (2) Operating profit represents revenue less operating expenses. Operating profit differs from Gross Operating Profit, which will be used for the purposes of calculating, among other things, the variable rent payable under the Master Lease Agreements, although Gross Operating Profit (which is not a standard measure under HKFRS) will be derived from the Langham Hospitality Investments Group's financial statements prepared in accordance with HKFRS.
- (3) "EBITDA" represents revenue less operating expenses before depreciation. EBITDA is not a standard measure under the Hong Kong Financial Reporting Standards and should not be considered in isolation or construed as an alternative to cash flows, net income or any other measure of performance or as an indicator of our operating performance, liquidity, profitability or cash flows generated by operating, investing or financing activities. EBITDA presented herein may not be comparable to (i) similarly titled measures presented by other companies or (ii) the data included in the Group's annual report, due to the elimination of certain related party transactions and the allocation of certain corporate expenses.

The audited net asset value of the Target Companies (excluding inter-company balances with the Company) as at 31 December 2012 was approximately HK\$3,707 million. Upon Listing, the Hotel Properties will be reclassified as investment properties in the consolidated financial statements of the Langham Hospitality Investments Group and measured at fair value.

It should be noted that the Langham Hospitality Investments Group will operate under a different business structure after the Listing as described in the section headed "Proposed Spin-off – Business Structure" above, and as such the above historical figures may not be an appropriate reference in assessing the performance of the Langham Hospitality Investments Group following completion of the Proposed Spin-off.

ESTIMATED NET PROCEEDS AND INTENDED USE OF PROCEEDS

Assuming that the Over-allotment Option is not exercised, pursuant to the Proposed Spin-off and the Global Offering, the Group expects to receive from LHIL for the deemed disposal of its equity interest in the Target Companies (excluding the acquisition of the Shareholders' Loans) proceeds of not less than HK\$3,289 million (assuming the Offer Price is HK\$4.65, being the low end of the Offer Price Range), and HK\$3,876 million (assuming the Offer Price is HK\$5.36, being the high end of the Offer Price Range), after deducting the estimated underwriting fees and commissions, incentive fees and expenses in relation to the Global Offering payable by the Langham Hospitality Investments Group, representing the payment by the Langham Hospitality Investments Group of part of the consideration for the Acquisition. Such proceeds exclude the value of the Consideration Share Stapled Units. Such proceeds represent an excess of HK\$1,710 million (assuming the Offer Price is HK\$4.65, being the low end of the Offer Price Range) and HK\$2,297 million (assuming the Offer Price is HK\$5.36, being the high end of the Offer Price Range) over the Group's equity interest in the net asset value of the Target Companies.

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In the event that the Over-allotment Option is exercised in full, pursuant to the Proposed Spin-off and the Global Offering, the Group expects to receive from LHIL for the deemed disposal of its equity interest in the Target Companies (excluding the acquisition of the Shareholders' Loans) proceeds of not less than HK\$3,866 million (assuming the Offer Price is HK\$4.65, being the low end of the Offer Price Range), and HK\$4,541 million (assuming the Offer Price is HK\$5.36, being the high end of the Offer Price Range), after deducting the estimated underwriting fees and commissions, incentive fees and expenses in relation to the Global Offering payable by the Group, representing the payment by the Langham Hospitality Investments Group of part of the consideration for the Acquisition. Such proceeds exclude the value of the Consideration Share Stapled Units. Such proceeds represent an excess of approximately HK\$2,050 million (assuming the Offer Price is HK\$4.65, being the low end of the Offer Price Range) and HK\$2,725 million (assuming the Offer Price is HK\$5.36, being the high end of the Offer Price Range) over the Group's equity interest in the net asset value of the Target Companies.

The net proceeds received by the Group will be used for general working capital purposes, including for the purpose of investing in assets which the Group may acquire from time to time and pursuing future growth in the hospitality industry. In addition, the Company will retain not less than 57.4% of the Share Stapled Units in issue immediately following completion of the Global Offering, and not less than 51% if and after the Over-allotment Option is exercised in full.

FINANCIAL EFFECTS OF THE PROPOSED SPIN-OFF ON THE COMPANY

It is intended that the Company will continue to consolidate the financial results of the Trust Group as its subsidiary. As such, it is expected that there will be an increase in the overall gearing of the Group due to the consolidation of the Loan Facility obtained by the Trust Group. On the other hand, the gross assets of the Group will be increased due to the inclusion of cash proceeds received as part of the consideration of the Acquisition as described in the section headed "Proposed Spin-off – Proposed Reorganisation", as well as the cash reserve retained by the Trust Group for furniture, fixtures and other general working capital.

The Proposed Spin-off will have no material impact on the profit and loss of the Group, other than expenses directly incurred by the Group and also attributable expenses incurred by the Trust Group that have to be charged to the profit and loss account which will reduce the net assets attributable to the Shareholders.

Assuming the Over-allotment Option is not exercised, based on the combined net asset value of the Target Companies of HK\$3,707 million as at 31 December 2012, after excluding the net amounts due to related companies of HK\$4,375 million as at 31 December 2012, amounts of HK\$1,710 million and HK\$2,297 million, being the difference as compared with the proceeds the Group expects to receive, will be credited to and recognised in reserves upon the Listing, based on the low end and high end of the Offer Price Range of HK\$4.65 and HK\$5.36, respectively.

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In the event that the Over-allotment Option is exercised in full, the difference between the proceeds the Group expects to receive and the Group's equity interest in the net asset value of the Target Companies based on the aforesaid estimated combined net asset value of the Target Companies as at 31 December 2012 to be credited and recognised in reserves upon the Listing is HK\$2,050 million and HK\$2,725 million, based on the low end and high end of the Offer Price Range of HK\$4.65 and HK\$5.36, respectively.

As the consolidated net asset value of the Trust Group at the Listing Date may be different from the above estimated combined net asset value of the Target Companies as at 31 December 2012, the difference between the proceeds the Group actually receives and the consolidated net asset value of the Trust Group to be disposed of may be different from the estimated amounts shown above and subject to change upon the Listing.

The above potential impact of the Proposed Spin-off to the Group has been prepared for illustrative purposes only and does not purport to represent what the assets and liabilities of the Group will actually be as at the Listing Date or to give a true picture of the financial position of the Group as at the Listing Date or any future date.

REASONS FOR AND BENEFITS OF THE PROPOSED SPIN-OFF

The Board believes that the Proposed Spin-off will better position each of the Group and the Langham Hospitality Investments Group for growth in their respective lines of business and deliver clear benefits to both by:

- (i) **Unlocking the value of the Hotel Properties:** The Board believes that a separate listing of the Hotel Properties will unlock their value for the Shareholders and identify and establish the fair value of the Hotel Properties. The Board anticipates that this value will represent an enhancement to their existing value within the confines of the Group to the benefit of the Shareholders.
- (ii) **Focus and clarity of business:** The Proposed Spin-off will allow the different management teams of the Group and the Langham Hospitality Investments Group to focus more effectively on their distinctive businesses. It will also facilitate dedicated management focus on further developing the Langham Hospitality Investments Group and capturing suitable opportunities.
- (iii) **Creates own investor base for the Hotel Properties:** The Proposed Spin-off of the Langham Hospitality Investments Group will provide investors and the public with greater investment focus for both the Group and the Langham Hospitality Investments Group.
- (iv) **Fundraising flexibility:** As a result of the Proposed Spin-off, the Group and the Langham Hospitality Investments Group will have separate fundraising platforms in the equity and debt capital markets, which will increase financing flexibility for both entities.
- (v) **Continued benefit:** As the Group will hold not less than 51% of the Share Stapled Units in issue immediately following the completion of the Proposed Spin-off, Shareholders will be able to participate in any growth and development of the Langham

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Hospitality Investments Group through the Group's majority holding interest in the Share Stapled Units.

- (vi) **Increased financial resources:** The funding raised by the Company through the Proposed Spin-off will enable the Group to continue to expand its existing businesses.

In addition, the Directors have considered the main features of the Proposed Spin-off, including the Share Stapled Units structure to be adopted by Langham Hospitality Investments and LHIL upon Listing, and the terms of the Proposed Reorganisation, the Master Lease Agreements and the Hotel Agreements (and in particular, the issue of Share Stapled Units to the Hotel Manager as payment of its fees payable under the Hotel Management Agreements and the Trademark Licence Agreements), the Great Eagle ROFR and the Distribution Waiver and the Top-up Payment Guarantee, and believe that such arrangements taken as a whole would be fair and reasonable and in the interest of the Shareholders, on the following basis:

- (i) the Group, which will remain a holder of not less than 51% of the Share Stapled Units in issue immediately following the completion of the Proposed Spin-off, will benefit from a listing structure with a focus on distributions and a clearly expressed intention as to distribution policy;
- (ii) the Directors believe that the value of the Hotel Properties will be reflected in the Acquisition Consideration, and as such the Group will be compensated for its disposal of the Hotel Properties to the Langham Hospitality Investments Group pursuant to the Proposed Reorganisation;
- (iii) notwithstanding that the Group has committed to the payment of a fixed base rent under the Master Lease Agreements, the Directors believe that the split between the fixed based rent and the variable rent under the Master Lease Agreements will enable the Group to achieve the balance of sharing in any potential upside in the profitability of the Hotel Properties by virtue of the variable rent as the Master Lessee, whilst at the same time benefiting from the certainty in revenue by virtue of the fixed base rent as a holder of not less than 51% of the Share Stapled Units in issue immediately following the completion of the Proposed Spin-off;
- (iv) the fees payable under the Hotel Agreements will be charged at rates which are in line with those charged by the Group for providing similar services to third party owners, and will provide a long-term source of revenue for the Group;
- (v) the payment of fees payable under the Hotel Management Agreements and the Trademark Licence Agreements to the Hotel Manager by way of an issue of Share Stapled Units will provide the Group with an opportunity to share in the growth of the Langham Hospitality Investments Group through the acquisition of additional equity interests in the Langham Hospitality Investments Group. The Group will also benefit from such arrangement as a holder of not less than 51% of the Share Stapled Units in issue immediately following the completion of the Proposed Spin-off as payment of fees by way of an issue of Share Stapled Units in lieu of cash will preserve cash within the Langham Hospitality Investments Group and thereby the amount that may be available for distribution to holders of Share Stapled Units; and

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- (vi) the Great Eagle ROFR will allow the two groups to sufficiently delineate the location of their businesses, and together with the Distribution Waiver and the Top-up Payment Guarantee, will expedite the Proposed Spin-off and enable the Langham Hospitality Investments Group to capitalise on the current favourable market conditions for the Global Offering, which in turn will benefit the Group as a holder of not less than 51% of the Share Stapled Units in issue immediately following the completion of the Proposed Spin-off.

In view of the above, the Directors consider that the terms of the Proposed Spin-off are fair and reasonable, and the Proposed Spin-off is in the interests of the Company and the Shareholders as a whole.

LISTING RULES IMPLICATIONS

The Proposed Spin-off constitutes a deemed disposal by the Company under Rule 14.29 of the Listing Rules. As the highest of the applicable percentage ratios in respect of the Proposed Spin-off (also taking into account the exercise of the Over-allotment Option) exceeds 25% but each of the applicable percentage ratios is less than 75%, the Proposed Spin-off constitutes a major transaction for the Company under Chapter 14 of the Listing Rules. The Proposed Spin-off is also subject to, among other things, the approval from the Shareholders under paragraph 3(e)(1) of PN15 and Chapter 14 of the Listing Rules.

To the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, no Shareholder is required to abstain from voting if the Company were to convene a general meeting for the approval of the Proposed Spin-off (including the Proposed Reorganisation).

Dr. Lo Ka Shui, together with his interest in a discretionary trust (the trustee of which is HSBC International Trustee Limited) of which he is a founder, holds 130,449,323 Shares, representing approximately 20.6% of the voting rights of the Company as at the date of this announcement. HSBC International Trustee Limited, as trustee of another discretionary trust of which Dr. Lo Ka Shui is a beneficiary, holds either by itself or through its wholly-owned subsidiaries, 208,891,692 Shares, representing approximately 32.9% of the voting rights of the Company as at the date of this announcement. Dr. Lo Ka Shui and HSBC International Trustee Limited as trustee of the said discretionary trusts, together with its wholly-owned subsidiaries, which constitute a closely allied group of Shareholders holding an aggregate of approximately 339,341,015 Shares representing approximately 53.5% of the voting rights of the Company as at the date of this announcement, have granted their written approval to the Company for the Proposed Spin-off and as a result, no Shareholders' meeting will be convened to consider the Proposed Spin-off.

In accordance with the requirements of paragraph 3(e)(4) of PN15:

- (a) an Independent Board Committee comprising all of the Company's independent non-executive Directors, namely Mr. Cheng Hoi Chuen, Vincent, Mr. Wong Yue Chim, Richard, Ms. Lee Pui Ling, Angelina and Mr. Zhu Qi, has been established by the Company to consider the Proposed Spin-off, and to advise the Shareholders as to whether the terms of the Proposed Spin-off are fair and reasonable and whether the

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Proposed Spin-off is in the interests of the Company and the Shareholders as a whole, taking into account the recommendation of the Independent Financial Adviser in that regard; and

- (b) First Shanghai has been appointed as an independent financial adviser to make recommendations to the Independent Board Committee and the Shareholders as to whether the terms of the Proposed Spin-off are fair and reasonable and whether the Proposed Spin-off is in the interests of the Company and the Shareholders as a whole.

Copies of the letters setting out the advice of the Independent Board Committee and First Shanghai will be set out in the Circular.

GENERAL

To the best of the Directors' knowledge, information and belief having made all reasonable enquiry, the proposed subscribers (and their respective ultimate beneficial owners) for Share Stapled Units under the Global Offering, will be third parties independent of the Company and its connected persons, except that:

- (a) all Qualifying Shareholders on the Record Date (including connected persons of the Company who are Qualifying Shareholders) will be entitled to participate in the Preferential Offering; and
- (b) an application has been made to the Stock Exchange for a waiver from strict compliance with Rule 10.03 of the Listing Rules to permit directors of the Trustee-Manager and Langham Hospitality Investments (and their associates) who are Shareholders to subscribe for Share Stapled Units under the Preferential Offering.

In connection with the Global Offering, the price of the Share Stapled Units may be stabilised in accordance with the Securities and Futures (Price Stabilizing) Rules (Chapter 571W of the Laws of Hong Kong). Details of any intended stabilisation and how it will be regulated under the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) will be contained in the Prospectus.

Investors are reminded that the implementation of the Proposed Spin-off and the Global Offering is subject to, among other things, the approval of the Stock Exchange and the final decision of the Board and of the boards of directors of the Trustee-Manager and LHIL as to whether or not to proceed with the Proposed Spin-off and the Global Offering (which is subject to market conditions and pricing). The Board will only proceed with the Proposed Spin-off if the Board considers that the price of the Share Stapled Units which can be obtained under the Global Offering, which is subject to market conditions, is such that proceeding with the Proposed Spinoff on those terms would be in the interests of the Company and the Shareholders as a whole. Accordingly, Shareholders and potential investors in the Company should be aware that there is no assurance as to whether and when the Proposed Spin-off and the Global Offering will take place. If the Proposed Spin-off and the Global Offering proceed, the timetable for the Global Offering, including the Preferential Offering, will be set out in the Prospectus

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to be jointly issued by Langham Hospitality Investments and LHIL in connection with the Global Offering and in a further announcement to be made by the Company.

This announcement is not intended to, and does not, constitute an offer to sell or a solicitation of an offer to buy any Share Stapled Units in connection with the Global Offering or otherwise. Any such offer or solicitation will be made solely through the Prospectus or other offering documents that will be issued in compliance with applicable laws and any decision to purchase or subscribe for Share Stapled Units in connection with the Global Offering or otherwise should be made solely on the basis of the information contained in the Prospectus and such other documents. No action has been or (other than in Hong Kong) will be taken in any jurisdiction that would permit a public offering of the Share Stapled Units to be offered in the Global Offering in any jurisdiction where action for that purpose is required, including but not limited to the United States.

CIRCULAR

A circular containing, among other things, details of the Proposed Spin-off and Proposed Reorganisation, the recommendation of the Independent Board Committee to the Shareholders relating to the Proposed Spin-off, the advice of First Shanghai to the Independent Board Committee and the Shareholders relating to the Proposed Spin-off, the forecast of the profit of the Trust Group, the valuation report in relation to the appraised value of the Hotel Properties from Vigers, and other necessary information is expected to be despatched to Shareholders on or about 16 May 2013.

REVISED WPIP

The Board announced on 28 April 2013 that the Trustee-Manager and LHIL had submitted the WPIP to the Stock Exchange for publication on the Stock Exchange's website. The Board also drew the attention of the Shareholders and potential investors to the profit forecast in the WPIP as contained in the specific hyperlink on the Stock Exchange's website on 30 April 2013.

In connection with the Proposed Spin-off, the Trustee-Manager and LHIL have on 12 May 2013 submitted the Revised WPIP to the Stock Exchange for publication on the Stock Exchange's website. The Revised WPIP replaces the WPIP. The Revised WPIP will be available for viewing and downloading from the Stock Exchange's website at <http://www.hkexnews.hk> from 13 May 2013. The Revised WPIP contains, amongst others, certain business and financial information relating to the Langham Hospitality Investments Group, and the profit forecast of the Trust Group for the period from the Listing Date to 31 December 2013 which remains unchanged from the profit forecast previously announced on 28 April 2013 and 30 April 2013. As was the case for the WPIP, the Revised WPIP is in draft form and the information contained in it is incomplete and is subject to change which can be material. The Company does not have any obligation or liability whatsoever in relation to the WPIP or the Revised WPIP.

The Revised WPIP is blacklined to show changes made to the WPIP.

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DEFINITIONS

Unless the context otherwise requires, capitalised terms used in this announcement shall have the following meanings:

“Acquisition”	the acquisition of the Target Companies and the Shareholders’ Loans by the Purchasers pursuant to the Sale and Purchase Agreements
“Acquisition Consideration”	has the meaning ascribed to it under the section headed “Proposed Spin-off – Proposed Reorganisation” in this announcement
“Adjustments”	has the meaning ascribed to it under the section headed “Proposed Spin-off – Distributions” in this announcement
“Application Forms”	the application forms to be jointly issued by Langham Hospitality Investments and LHIL and to be used for applying for the subscription of the Share Stapled Units pursuant to the Hong Kong Public Offering and the Preferential Offering
“Asia”	for the purpose of this announcement, Asia excludes Australia and New Zealand
“Assets Transfer”	the transfers of certain assets and liabilities relating to the operations of the Hotel Properties by the Hotel Companies to the Master Lessee, a wholly-owned subsidiary of the Company, pursuant to three asset transfer agreements
“associate(s)”	has the meaning ascribed to it under the Listing Rules
“Assured Entitlement”	the entitlement of the Qualifying Shareholders to apply for the Reserved Share Stapled Units on an assured basis pursuant to the Preferential Offering determined on the basis of their respective shareholdings in the Company on the Record Date
“Beneficial Shareholder”	any beneficial owner of Shares whose Shares are registered, as shown in the register of members of the Company, in the name of a registered Shareholder on the Record Date
“Board”	the board of Directors

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“Centralised Services and Marketing Agreements”	the separate centralised services and marketing agreements each dated 10 May 2013 entered into between LHIL, each Hotel Company, Langham Hotels Services, the Master Lessee and the Trustee-Manager in relation to the provision of global marketing and advertising, centralised reservations and other hotel specific services by Langham Hotels Services to each Hotel Property
“Circular”	the circular to be despatched by the Company in connection with the Proposed Spin-off
“Company”	Great Eagle Holdings Limited (stock code: 41), a company incorporated in Bermuda with limited liability and the Shares of which are listed on the Main Board of the Stock Exchange
“Completion Date”	the day immediately preceding the Listing Date, subject to the satisfaction of the conditions to the Acquisition
“connected person(s)”	has the meaning ascribed to it under the Listing Rules
“Consideration Share Stapled Units”	the Share Stapled Units to be jointly issued by Langham Hospitality Investments and LHIL to LHIL Assets Holdings as partial settlement of the consideration for the Acquisition
“Directors”	the directors of the Company
“Distribution Entitlement Waiver Deed”	the deed dated 10 May 2013 entered into between LHIL Assets Holdings, the Company and the Trustee-Manager in relation to the Distribution Waiver
“Distribution Waiver”	the waiver by LHIL Assets Holdings of its entitlement to receive any distributions payable by the Trustee-Manager (on behalf of Langham Hospitality Investments) in respect of a portion of the Share Stapled Units held by it as at the Listing Date for the period from the Listing Date to 31 December 2013 and each of the years ending 31 December 2014, 2015, 2016 and 2017, each such portion of the distributions waived being available for distribution to the holders of Share Stapled Units in respect of which the distributions have not been waived
“Distribution Waiver Units”	has the meaning ascribed to it under the section headed “Proposed Spin-off – Distribution Waiver” in this announcement
“DPU”	distribution per Share Stapled Unit

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“Excluded Amounts”	has the meaning ascribed to it under the section headed “Proposed Spin-off – Proposed Reorganisation” in this announcement
“FF&E Reserve”	has the meaning ascribed to it under the section headed “Proposed Spin-off – Distributions” in this announcement
“Global Offering”	the Hong Kong Public Offering and the International Offering (including the Preferential Offering)
“Great Eagle ROFR”	the right of first refusal granted by the Company to LHIL under the Great Eagle ROFR Deed
“Great Eagle ROFR Deed”	the deed of right of first refusal dated 10 May 2013 entered into between the Company and LHIL pursuant to which the Company has granted LHIL the Great Eagle ROFR, the terms of which are more particularly described in the section headed “Proposed Spin-off - Great Eagle ROFR” in this announcement
“Gross Operating Profit”	the excess of total revenue of a Hotel Property over the operating expenses of that Hotel Property, as defined in the Hotel Management Agreements and calculated by reference to the Uniform System, which is not a standard measure under HKFRS. The calculation of Gross Operating Profit requires adjustments to be made to the operating profit number prepared under HKFRS. These adjustments consist of adding/subtracting other line items prepared under HKFRS. Other than these adjustments, there are no differences between calculating operating profit under HKFRS and Gross Operating Profit under the Uniform System (i.e. there are no differences in accounting policies nor are there any adjustments made that are not derived from the HKFRS financial statements when calculating Gross Operating Profit under the Uniform System)
“Group”	the Company and its subsidiaries, excluding the Langham Hospitality Investments Group except where the context otherwise requires
“Group Distributable Income”	has the meaning ascribed to it in the section headed “Proposed Spin-off – Distributions” in this announcement
“HKFRS”	Hong Kong Financial Reporting Standards issued by the Hong Kong Institute of Certified Public Accountants

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“HKTB”	Hong Kong Tourism Board, a statutory body which was founded on 1 April 2001 under the Hong Kong Tourism Board Ordinance (Chapter 302 of the Laws of Hong Kong). The primary responsibilities of the HKTB are to market and promote Hong Kong as a destination worldwide and to enhance the experiences of its visitors, including making recommendations to the Hong Kong government and other relevant bodies on the range and quality of visitor facilities. It also supports the industry by conducting extensive research into visitor profiles, preferences, spending and length of stay
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Hong Kong Offer Share Stapled Units”	the Share Stapled Units proposed to be initially offered jointly by Langham Hospitality Investments and LHIL pursuant to the Hong Kong Public Offering (subject to reallocation)
“Hong Kong Public Offering”	the proposed offer of the Hong Kong Offer Share Stapled Units to the public in Hong Kong for subscription at the Offer Price on and subject to the terms and conditions to be described in the Prospectus and the Application Forms
“Hotel Agreements”	the Hotel Management Agreements, the Trademark Licence Agreements and the Centralised Services and Marketing Agreements
“Hotel Companies”	the companies which own the Hotel Properties, being Harvest Star International Limited, Langham Place Hotel (HK) Limited and Grow On Development Limited, each of which is wholly-owned by a Target Company, and “Hotel Company” means any one of them
“Hotel Management Agreements”	the separate hotel management agreements each dated 8 May 2013 entered into between the Hotel Manager, the Master Lessee, each Hotel Company, the Trustee-Manager and LHIL in relation to the management of the Hotel Properties by the Hotel Manager
“Hotel Manager”	Langham Hotels International Limited, a company incorporated in Hong Kong with limited liability on 30 August 1984 and an indirect wholly-owned subsidiary of the Company

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“Hotel Properties”	The Langham, Hong Kong, Langham Place Hotel, Hong Kong and Eaton, Hong Kong and “Hotel Property” means any one of them
“Independent Board Committee”	the independent committee of the Board comprising Mr. Cheng Hoi Chuen, Vincent, Mr. Wong Yue Chim, Richard, Ms. Lee Pui Ling, Angelina and Mr. Zhu Qi, all being independent non-executive Directors, established by the Company to consider the Proposed Spin-off and advise Shareholders as to whether the terms of the Proposed Spin-off are fair and reasonable and whether the Proposed Spin-off is in the interests of the Company and the Shareholders as a whole, taking into account the recommendation of the Independent Financial Adviser in that regard
“Independent Financial Adviser” or “First Shanghai”	First Shanghai Capital Limited, a corporation licensed to carry out business in Type 6 (advising on corporate finance) regulated activity under the SFO and is the independent financial adviser to the Independent Board Committee and the Shareholders in connection with the Proposed Spin-off
“International Offer Share Stapled Units”	the Share Stapled Units proposed to be initially jointly offered by Langham Hospitality Investments and LHIL pursuant to the International Offering (subject to reallocation) together with, where relevant, any additional Share Stapled Units which may be jointly issued by Langham Hospitality Investments and LHIL pursuant to any exercise of the Over-allotment Option
“International Offering”	the proposed offer of the International Offer Share Stapled Units internationally pursuant to exemptions from the registration requirements of the U.S. Securities Act for subscription or purchase (as the case may be) at the Offer Price, in each case on and subject to the terms and conditions of the International Underwriting Agreement
“International Underwriters”	the underwriters to be appointed by the Trustee-Manager and LHIL to underwrite the International Offering
“International Underwriting Agreement”	the underwriting agreement relating to the International Offering to be entered into between the Trustee-Manager, LHIL, the Company, the Joint Global Coordinators and the International Underwriters on or about the Price Determination Date

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“Investment Opportunity”	has the meaning ascribed to it in the section headed “Right of First Refusal” in this announcement
“Joint Global Coordinators”	Deutsche Bank AG, Hong Kong Branch and The Hongkong and Shanghai Banking Corporation Limited
“Langham Brands”	“The Langham”, “Langham Place” and “Eaton” brand names which are owned by the Hotel Manager and licensed to the Langham Hospitality Investments Group pursuant to the Trademark Licence Agreements
“Langham Hospitality Investments”	Langham Hospitality Investments (朗廷酒店投資), as constituted pursuant to the Trust Deed and as if the Proposed Reorganisation had been completed
“Langham Hospitality Investments Group”	LHIL and its subsidiaries, as if the Proposed Reorganisation had been completed
“Langham Hotels Services”	Langham Hotels Services Limited, a company incorporated in Hong Kong with limited liability on 15 July 2011, which is an indirect wholly-owned subsidiary of the Company
“LHIL”	Langham Hospitality Investments Limited, a company incorporated in the Cayman Islands with limited liability on 29 January 2013, which is currently indirectly wholly-owned by the Company
“LHIL Assets Holdings”	LHIL Assets Holdings Limited, a company incorporated in the British Virgin Islands with limited liability on 25 January 2013 and an indirect wholly-owned subsidiary of the Company
“LHIL Finance”	LHIL Finance Limited, a company incorporated in Hong Kong with limited liability on 25 January 2013 and an indirect wholly-owned subsidiary of LHIL
“LHIL’s Articles”	the amended and restated articles of association of LHIL adopted on 8 May 2013, as amended from time to time
“Listing”	the listing of the Share Stapled Units on the Main Board of the Stock Exchange

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“Listing Committee”	the Listing Committee of the Stock Exchange
“Listing Date”	the date, expected to be on or about 30 May 2013, on which the Share Stapled Units are first listed and from which dealings in the Share Stapled Units are permitted to take place on the Main Board of the Stock Exchange
“Listing Rules”	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited, as amended or supplemented from time to time
“Loan Consideration”	has the meaning ascribed to it under the section headed “Proposed Spin-off – Proposed Reorganisation” in this announcement
“Loan Facility”	the facility agreement to be entered into among LHIL Finance and the participating banks as set out therein including The Hongkong and Shanghai Banking Corporation Limited, Deutsche Bank, AG Hong Kong Branch, Citigroup Global Markets Asia Limited and Citibank, N.A., Hong Kong Branch
“Master Lease Agreements”	the separate master lease agreements each dated 10 May 2013 entered into between the Master Lessee and each Hotel Company in relation to the lease of the Hotel Properties (except for the three retail outlets at Eaton, Hong Kong) by the Hotel Companies to the Master Lessee
“Master Lessee”	GE (LHIL) Lessee Limited, a company incorporated in Hong Kong with limited liability on 5 February 2013, which is indirectly wholly-owned by the Company
“Non-qualifying Shareholders”	Shareholders whose names appeared in the register of members of the Company on the Record Date and whose addresses as shown in such register are in any of the Specified Territories and any Shareholders or Beneficial Shareholders at that time who are otherwise known by the Company to be resident in any of the Specified Territories
“Offer Price”	the final offer price of each Offer Share Stapled Unit under the Global Offering
“Offer Price Range”	HK\$4.65 to HK\$5.36 per Share Stapled Unit

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“Offer Share Stapled Units”	the Hong Kong Offer Share Stapled Units, the Reserved Share Stapled Units and the International Offer Share Stapled Units, together with, where relevant, any additional Share Stapled Units which may be jointly issued by Langham Hospitality Investments and LHIL pursuant to any exercise of the Over-allotment Option
“Ordinary Shares”	ordinary shares with a nominal value of HK\$0.0005 each in the share capital of LHIL conferring the rights set out in LHIL’s Articles
“Other Eaton Brands”	the “Eaton Luxe” and “Eaton Smart” brand names
“Over-allotment Option”	the option proposed to be granted by Langham Hospitality Investments and LHIL under the International Underwriting Agreement to the International Underwriters, exercisable by the Joint Global Coordinators (on behalf of the International Underwriters) in whole or in part at one or more times from the Listing Date until 30 days after the last day for the lodging of the Application Forms under the Hong Kong Public Offering and the Preferential Offering, pursuant to which LHIL Assets Holdings may be required to sell up to an additional 127,826,000 Share Stapled Units (representing 15% of the number of Offer Share Stapled Units initially being offered under the Global Offering) at the Offer Price, to, among others, cover over-allocations in the International Offering, if any
“Owner Group”	the Target Companies and their subsidiaries
“PN15”	Practice Note 15 of the Listing Rules
“PRC”	the People’s Republic of China, which for the purposes of this announcement, excludes Hong Kong, the Macao Special Administrative Region of the PRC and Taiwan
“Preference Shares”	preference shares with a nominal value of HK\$0.0005 each in the share capital of LHIL conferring the rights set out in LHIL’s Articles
“Preferential Offering”	the proposed preferential offering to the Qualifying Shareholders of 42,608,000 Share Stapled Units representing approximately 5% of the Share Stapled Units initially being offered under the Global Offering as Assured Entitlement out of the Share Stapled Units being offered under the International Offering at the Offer Price, on and subject to the terms and conditions stated in the

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	Prospectus and in the BLUE Application Form
“Price Determination Date”	the date, expected to be on or about 23 May 2013, on which the Offer Price will be determined and, in any event, not later than 28 May 2013
“Promissory Notes”	has the meaning ascribed to it under the section headed “Proposed Spin-off – Proposed Reorganisation” in this announcement
“Proposed Reorganisation”	the proposed reorganisation of Langham Hospitality Investments Group (including the Acquisition) in preparation for the Listing, as described in the section headed “Proposed Spin-off – Proposed Reorganisation” in this announcement
“Proposed Spin-off”	the proposed spin-off of the Hotel Properties and separate listing of the Share Stapled Units on the Main Board of the Stock Exchange
“Prospectus”	the prospectus proposed to be jointly issued by Langham Hospitality Investments and LHIL in connection with the Hong Kong Public Offering
“Purchasers”	the three indirect wholly-owned subsidiaries of LHIL being <ul style="list-style-type: none">(i) LHIL (LHK) Limited, a company incorporated in the British Virgin Islands with limited liability on 25 January 2013, being the purchaser of 100% of Rowan Enterprises Limited;(ii) LHIL (LPHK) Limited, a company incorporated in the British Virgin Islands with limited liability on 25 January 2013, being the purchaser of 100% of Braveforce Investments Limited; and(iii) LHIL (EHK) Limited, a company incorporated in the British Virgin Islands with limited liability on 25 January 2013, being the purchaser of 100% of Baxter Investment Limited and Glendive Investment Limited
“Qualifying Shareholders”	the Shareholders, other than the Non-qualifying Shareholders, whose names appeared in the register of members of the Company on the Record Date

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“Record Date”	Wednesday, 15 May 2013, being the record date for determining the Assured Entitlement of the Qualifying Shareholders to the Reserved Share Stapled Units
“Relevant DPU”	has the meaning ascribed to it under the section headed “Proposed Spin-off – Distribution Waiver” in this announcement
“Reserved Share Stapled Units”	the Share Stapled Units proposed to be jointly offered by Langham Hospitality Investments and LHIL to Qualifying Shareholders pursuant to the Preferential Offering as Assured Entitlements, which are to be allocated out of the Share Stapled Units being offered under the International Offering
“Revised WPIP”	the revised web proof information pack to be jointly issued by the Trustee-Manager and LHIL
“Sale and Purchase Agreements”	the separate sale and purchase agreements each dated 10 May 2013 entered into between the Vendors, the Purchasers, the Company, LHIL and the Trustee-Manager in relation to the Acquisition
“SFC”	the Securities and Futures Commission of Hong Kong
“SFO”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong), as amended or supplemented from time to time
“Share Consideration”	has the meaning ascribed to it under the section headed “Proposed Spin-off – Proposed Reorganisation” in this announcement
“Share Stapled Units”	<p>the combination of the following securities or interests in securities which, subject to the provisions of the Trust Deed, can only be dealt with together and may not be dealt with individually or one without the others:</p> <ul style="list-style-type: none">(a) a unit in Langham Hospitality Investments;(b) a beneficial interest in a specifically identified ordinary share in LHIL held by the Trustee-Manager as legal owner in its capacity as trustee-manager of Langham Hospitality Investments and which is linked to the unit in Langham Hospitality Investments; and(c) a specifically identified preference share in LHIL which is stapled to the unit in Langham Hospitality

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Investments

“Share(s)”	ordinary share(s) of HK\$0.50 each in the capital of the Company
“Shareholders”	the shareholders of the Company
“Shareholders’ Loans”	the shareholder’s loans provided by the Vendors to the Target Companies on an interest free and unsecured basis outstanding as at the Completion Date
“Specified Territories”	Australia, Canada, Malaysia, New Zealand, the Philippines, the PRC, Singapore, Thailand and the United States, or such other territories which the directors of the Company and the Trustee-Manager and LHIL consider it necessary or expedient to exclude from the Preferential Offering on account either of the legal restrictions under the laws of the relevant jurisdiction or the requirements of the relevant regulatory body or stock exchange in that jurisdiction
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Target Companies”	Rowan Enterprises Limited, Braveforce Investments Limited, Baxter Investment Limited and Glendive Investment Limited, which indirectly hold the Hotel Properties through the Hotel Companies respectively, and “Target Company” means any one of them
“Top-up Payment”	has the meaning ascribed to it under the section headed “Proposed Spin-off – Distribution Waiver” in this announcement
“Top-up Payment Guarantee”	has the meaning ascribed to it under the section headed “Proposed Spin-off – Distribution Waiver” in this announcement
“Trademark Licence Agreements”	the separate trademark licence agreements each dated 10 May 2013 entered into between the Hotel Manager and each Hotel Company, the Master Lessee the Trustee-Manager and LHIL in relation to the grant of a licence by the Hotel Manager for the use of the Langham Brands and other trademarks for the operation of the Hotel Properties
“Trust Deed”	the trust deed dated 8 May 2013 constituting Langham Hospitality Investments and entered into between the Trustee- Manager and LHIL

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“Trust Distributable Income”	has the meaning ascribed to it under the section headed “Proposed Spin-off – Distributions” in this announcement
“Trust Group”	Langham Hospitality Investments and the Langham Hospitality Investments Group
“Trustee-Manager”	LHIL Manager Limited, a company incorporated in Hong Kong with limited liability on 25 January 2013 and an indirect wholly-owned subsidiary of the Company, in its capacity as trustee-manager of Langham Hospitality Investments
“Underwriters”	the underwriters of the Hong Kong Public Offering and the International Offering
“Uniform System”	Uniform System of Accounts for the Lodging Industry (10 th edition) as published by the Hotel Association of New York City, Inc., and all or any part of any later edition as adopted by the Hotel Manager from time to time; this is a widely used accounting system in the hospitality industry, which presents measures that are not standard measures under HKFRS
“Unit”	an undivided interest in Langham Hospitality Investments, which confers the rights stated in the Trust Deed as being conferred by a Unit (whether in its own right or as a component of a Share Stapled Unit)
“U.S.” or “United States”	the United States of America, its territories and possessions and all areas subject to its jurisdiction
“U.S. Securities Act”	the United States Securities Act of 1933, as amended or supplemented from time to time
“US\$”	United States dollars, the lawful currency of the United States
“Vendors”	Orwell Enterprises Limited, Bondcity Investments Limited and Hamni Properties Limited, all being indirect wholly-owned subsidiaries of the Company
Vigers	Vigers Appraisal and Consulting Limited, the independent property valuer
“%”	per cent

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By Order of the Board
Great Eagle Holdings Limited
LO KA SHUI
Chairman and Managing Director

Hong Kong, 12 May 2013

As at the date of this announcement, the Board comprises five Executive Directors, namely Dr. LO Ka Shui (Chairman and Managing Director), Mr. LO Kai Shui (Deputy Managing Director), Mr. LO Hong Sui, Antony, Madam LAW Wai Duen and Mr. KAN Tak Kwong (General Manager); three Non-executive Directors, namely Madam LO TO Lee Kwan, Mr. LO Hong Sui, Vincent and Dr. LO Ying Sui; and four Independent Non-executive Directors, namely Mr. CHENG Hoi Chuen, Vincent, Professor WONG Yue Chim, Richard, Mrs. LEE Pui Ling, Angelina and Mr. ZHU Qi.