

[For Immediate Release]



Great Eagle Announces 2024 Interim Results
Resilient Performance Amid Economic Headwinds

- Revenue based on core business¹ rose 4.4% to HK\$3,791 million.
- Core profit after tax attributable to equity holders decreased by 33.7% to HK\$735.8 million.
- Core profit after tax attributable to equity holders (per share) was HK\$0.98.
- Interim dividend (per share) was HK\$0.37.

(21 August 2024, Hong Kong) – **Great Eagle Holdings Limited** (“Great Eagle” or “The Group”, stock code: 41) today announced its 2024 interim results for the six months ended 30 June 2024.

Summary of Financial Results

	Six months ended 30 June		
	2024 HK\$ million	2023 HK\$ million	Change
Based on core business¹			
Revenue based on core business	3,791.0	3,630.0	4.4%
Core profit after tax attributable to equity holders	735.8	1,109.5	-33.7%
Core profit after tax attributable to equity holders (per share)	HK\$0.98	HK\$1.48	
Based on statutory accounting principles²			
Revenue based on statutory accounting principles	5,293.5	5,082.4	4.2%
Statutory (loss) / profit attributable to equity holders	(985.9)	478.7	n.m.
Interim dividend (per share)	HK\$0.37	HK\$0.37	

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

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

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

Business Overview

The Group's core profit attributable to equity holders for 1H 2024 was HK\$735.8 million, representing a 33.7% reduction compared to that of last year (1H 2023: HK\$1,109.5 million). Meanwhile, the Group's statutory results, which included revaluation deficit and fair value change on financial assets, reported a loss attributable to equity holders of HK\$985.9 million (1H 2023: reported profit of HK\$478.7 million).

Our operating income from core business dropped 16.8% to HK\$1,364.5 million (1H 2023: 1,640.4 million). This is largely due to the decline in profit recorded with the sales of ONTOLO given the absence of the one-off cost saving HK\$276.9 million in the corresponding period of last year, despite its improved sales revenue. Also, even though the Hotels Division demonstrated a resilient performance, nevertheless, the inflation pressure on payroll and operating expenses still prevailed and impeded the earnings before interest, taxes, depreciation and amortisation ("EBITDA") where it has recorded a decline of 7.0% to HK\$392.8 million (1H 2023: HK\$422.4 million).

During the reporting period, the Group has successfully launched the presale of the ONMANTIN project. Market responded positively where the accumulated sales had reached over half of our total units, with sales proceeds amounted to approximately HK\$7.6 billion as of end June 2024. The project is expected to be completed and ready for handover in Q2 2025. When the aforesaid sales proceeds are available for repayment of project loan, the Group's net gearing ratio would be further reduced to 23.5% on the basis that all owned hotels are stated at market value. Separately, the two joint-venture projects at Kai Tak and Ma Tau Chung areas were also in good progress.

On the hospitality side, construction of the new Langham Hotel in Venice and the phased refurbishment of Chelsea Hotel, Toronto continued, whilst the re-entitlement of the Chelsea Hotel site into a mixed-use condo-hotel development was in progress. We also continued to explore the joint venture options with a potential investor who has solid local development experience for our Tokyo hotel redevelopment project. The Group was devoted to expanding the midscale brand, Ying'nFlo and the first few outlets in Mainland China is expected to launch in 2025.

Outlook

Despite the prevailing volatilities, the Group stays cautiously optimistic of the medium-term prospect of the Hong Kong property market. The Group will remain cautious whilst taking proactive steps in response to the dynamic market when formulating the sales strategy for the remainder stock of ONTOLO and ONMANTIN.

The performance of our Hotels Division is expected to remain stable. Further improvement in global air capacity shall support international travel for both business and leisure, where our hotels portfolio would be benefitted.

It is expected that the rentals of Three Garden Road and Langham Place Office Tower will still be under pressure, whilst the performance of Langham Place Mall shall remain

resilient. On the positive side, the expected rate cut in 2H 2024 would help to lower the borrowing costs and hence improve the profitability of Champion REIT.

With its healthy liquidity and projected low gearing, the Group will continue to practise our usual prudence in daily operation and be well prepared to weather the prevailing economic headwinds and market uncertainties. Whilst keeping close tabs to our businesses at home and abroad, we will also explore new investment opportunities which would benefit the Group as a whole in both medium to longer term.

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About the Great Eagle Group

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

Website: www.greateagle.com.hk