

LANGHAM

HOSPITALITY INVESTMENTS

Stock code 股份代號 : 1270



Interim Report 中期報告

2025



LANGHAM HOSPITALITY INVESTMENTS

CORPORATE PROFILE

Langham Hospitality Investments has been established primarily to own and invest in a portfolio of hotels, with an initial focus on completed hotels in Asia. The hotel portfolio comprises:

The Langham,
Hong Kong

Cordis,
Hong Kong

Eaton HK

The Langham, Hong Kong and Cordis, Hong Kong are both High Tariff A hotels and Eaton HK is a High Tariff B hotel under the classification set out by Hong Kong Tourism Board, with High Tariff A being the highest category and High Tariff B being the second highest category.

Each of the Hotels is located on the Kowloon peninsula in Hong Kong, a vibrant commercial and leisure hub which offers a variety of activities ranging from shopping, food and beverage, and entertainment to cultural attractions.

The Hotels are also located near well-connected transportation hubs in Hong Kong allowing guests to enjoy access to other leisure and business districts in Hong Kong.





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CORPORATE INFORMATION

TRUST

Langham Hospitality Investments

(a fixed single investment trust constituted pursuant to the Trust Deed under the laws of Hong Kong)

COMPANY

Langham Hospitality Investments Limited

(incorporated in the Cayman Islands with limited liability)

TRUSTEE-MANAGER

LHIL Manager Limited

(as Trustee-Manager of the Trust)

COMPANY AND TRUSTEE-MANAGER BOARDS OF DIRECTORS

LO Ka Shui *(Chairman and Non-executive Director)*

Brett Stephen BUTCHER *(Chief Executive Officer and Executive Director)*

CHAN Ka Keung, Ceajer*

LIN Syaru, Shirley*

LO Chun Him, Alexander[#]

LO Chun Lai, Andrew[#]

WONG Kwai Lam*

[#] Non-executive Directors

* Independent Non-executive Directors

COMPANY AND TRUSTEE-MANAGER AUDIT COMMITTEES

WONG Kwai Lam *(Chairman)*

CHAN Ka Keung, Ceajer

LIN Syaru, Shirley

COMPANY REMUNERATION COMMITTEE

CHAN Ka Keung, Ceajer *(Chairman)*

LO Ka Shui

LIN Syaru, Shirley

WONG Kwai Lam

COMPANY NOMINATION COMMITTEE

LIN Syaru, Shirley *(Chairperson)*

LO Ka Shui

CHAN Ka Keung, Ceajer

WONG Kwai Lam

COMPANY SECRETARY

WONG Mei Ling, Marina

AUDITOR

Deloitte Touche Tohmatsu

Certified Public Accountants

Registered Public Interest Entity Auditors

CORPORATE INFORMATION

LEGAL ADVISORS

Conyers Dill & Pearman
Johnson Stokes & Master

PRINCIPAL BANKERS

Agricultural Bank of China Limited
Bank of China (Hong Kong) Limited
China Construction Bank (Asia) Corporation Limited
Chong Hing Bank Limited
DBS Bank Ltd.
Hang Seng Bank Limited
Industrial Bank Co., Ltd.
Overseas-Chinese Banking Corporation Limited
Sumitomo Mitsui Banking Corporation
The Hongkong and Shanghai Banking Corporation Limited

COMPANY REGISTERED OFFICE

Cricket Square, Hutchins Drive
P.O. Box 2681
Grand Cayman, KY1-1111
Cayman Islands

COMPANY PRINCIPAL PLACE OF BUSINESS IN HONG KONG

Suite 3210, 32nd Floor
Great Eagle Centre
23 Harbour Road
Wanchai, Hong Kong
Tel: (852) 2186 2500
Fax: (852) 2186 9867

COMPANY PRINCIPAL SHARE REGISTRAR

Conyers Trust Company (Cayman) Limited
Cricket Square, Hutchins Drive
P.O. Box 2681
Grand Cayman, KY1-1111
Cayman Islands

COMPANY HONG KONG BRANCH SHARE REGISTRAR AND SHARE STAPLED UNITS REGISTRAR

Computershare Hong Kong Investor Services Limited
Shops 1712-1716
17th Floor, Hopewell Centre
183 Queen's Road East
Wanchai, Hong Kong

WEBSITE

www.langhamhospitality.com

INVESTORS ENQUIRIES

For enquiries from investors or Holders of Share Stapled Units, please email to enquiry@langhamhospitality.com

HKEX STOCK CODE

1270

FINANCIAL HIGHLIGHTS

(in HK\$ million, unless otherwise specified)	1H 2025	1H 2024	Change
Revenue of hotel portfolio	737.5	772.9	-4.6%
Hotel portfolio's aggregate gross operating profit before deduction of the global marketing fee	217.0	232.5	-6.7%
Total rental income for the Trust Group after netting service fees	184.8	191.1	-3.3%
Profit attributable to Holders of Share Stapled Units excluding fair value changes on investment properties and derivative financial instruments, and change related to settlement arrangement of hotel management fees and licence fee ("Hotel Manager's Fees")	28.4	4.3	560.5%
Distributable income	28.0	34.0	-17.6%
Interim distribution per Share Stapled Unit (HK cents)	—	—	—

As at	30 Jun 2025	31 Dec 2024	30 Jun 2024
Gross value of hotel portfolio (in HK\$ million)	15,764	15,895	15,725
Net asset value per Share Stapled Unit	HK\$2.70	HK\$2.77	HK\$2.75
Gearing ratio	38.5%	38.2%	38.1%

CHAIRMAN'S STATEMENT



In the first half of 2025, Hong Kong welcomed 23.6 million visitor arrivals, reflecting an 11.7% year-on-year increase as regional travel momentum continued to build. Of these, overnight visitors accounted for 47.7%, or approximately 11.3 million arrivals, representing a 7.0% year-on-year growth. While this indicates a positive trajectory, overnight visitor volume remains below pre-pandemic benchmarks, reaching only 81.4% of the 13.9 million recorded in the first half of 2018 and 75.6% of the 14.9 million in the first half of 2019.

CHAIRMAN'S STATEMENT

Mainland China remained the dominant source market, contributing 65.0% of overnight arrivals, followed by short-haul markets (exclude Mainland China) (23.9%) such as Southeast Asia, Taiwan, South Korea, and Japan, and long-haul markets (11.1%) including Europe, North America, and Australia. Growth in overnight visitation was led by a 13.5% increase from short-haul markets (exclude Mainland China) and a 17.3% rebound in long-haul travel, supported by improved air connectivity and relaxed visa policies. Mainland overnight arrivals grew at a more modest pace of 3.3%, constrained in part by currency headwinds and evolving outbound travel preferences.

While recovery is underway, the hospitality sector continues to face subdued market conditions and enduring structural challenges. Shifts in traveler behaviors, such as shorter booking lead times, heightened price sensitivity, and a growing preference for experiential travel, are reshaping demand dynamics. Furthermore, the appreciation of the Hong Kong dollar relative to the Chinese yuan has dampened spending by mainland visitors, exerting pressure on retail and food and beverage ("F&B") performance.

In response, strategic revenue management efforts were focused on optimising the balance between occupancy and average room rate ("ADR"). As a result, our hotel portfolio (the "Hotels") successfully maintained ADR at HK\$1,561 per night, consistent with the previous period, despite a marginal decline in occupancy to 88.4%, down 1.4 percentage points year-over-year. This slight contraction in occupancy, coupled with stable ADR, led to a 1.5% year-over-year decrease in revenue per available room ("RevPAR"), which stood at HK\$1,379 per night.

F&B segment also experienced a contraction, with revenue declining by 8.2% year-over-year. The downturn was primarily attributed to evolving consumer dining preferences and the structural decline in banquet activities highlighted by smaller sized events. The decline in banquet business was also partly due to the rescheduling of wedding banquets that had been postponed during the COVID-19 period and subsequently concentrated in early 2024, inflating last period's comparative base.

As a result of the softening in both room and F&B performance, the Hotels' aggregate gross operating profit before deduction of the global marketing fee declined by 6.7% to HK\$217.0 million. The decline in hotel operating profitability translated into a 3.3% reduction from the same period last year in total rental income for the Trust Group after service fees, which fell to HK\$184.8 million for the first half of 2025.

As at 30 June 2025, the valuation of the hotel portfolio declined slightly to HK\$15,764 million, compared to HK\$15,895 million as at 31 December 2024. The fair value loss on investment properties and derivative financial instruments, totaling to HK\$170.6 million, was partially offset by a 15.4% reduction in finance costs, equivalent to HK\$25.1 million, primarily driven by a lower average HIBOR during the period. The combined effect of these factors resulted in a net loss attributable to Holders of Share Stapled Units of HK\$142.2 million.

After adjusting for all non-cash items and the cash contribution to furniture, fixtures and equipment reserve, total distributable income for the period amounted to HK\$28.0 million, reflecting a 17.6% decline compared to the same period last year. Given the Hotels' uncertain operating outlook and the volatile interest rate environment, the Boards have adopted a prudent approach to capital management and operational funding. Accordingly, no interim distribution was declared for the period.

OUTLOOK

The broader macroeconomic environment remains clouded by escalating geopolitical tensions, uncertainties in global trade and tariff regimes, and shifting consumer behaviours. These factors continue to reshape the competitive landscape, requiring our Hotels to remain agile and responsive.

The Hotel sector remains sluggish, and well behind all time highs, due to an inability to increase room rates. The outlook for the second half of 2025 appears to be in line with the first half of 2025. As a result, profitability remains under pressure due to below-peak room rates and rising operating costs, especially frontline labour.

To capture emerging opportunities, our Hotels are refining dynamic pricing strategies and enhancing value-added offerings.

The outlook for interest rates remains uncertain, introducing additional complexity into the Trust Group's financial planning. Given that finance costs represent the largest single expense for the Trust Group, management remains vigilant in monitoring rate movements and stands ready to take appropriate actions to mitigate interest rate risks.

While the short-term outlook remains mixed, the longer-term prospects for Hong Kong's hotel industry remain positive. Limited new supply, combined with the Hotels' strategic location, resilient tourism infrastructure, and strong regional connectivity, positions our business for long-term value creation.

On behalf of the Board, I would like to express my sincere gratitude to the Hotel teams and staff of the Trustee-Manager and the Trust Group for their dedication and extend my sincere thanks to our Unitholders for their continued support.



LO Ka Shui
Chairman

CEO'S REVIEW

As the Hotels of the Trust Group are leased to GE (LHIL) Lessee Limited (the "Master Lessee"), an indirect wholly-owned subsidiary of Great Eagle Holdings Limited, the Trust Group derives rental income comprising a pre-determined fixed rent (pro-rata at HK\$225.0 million per annum) and a variable rent equivalent to 50% of the Hotels' aggregate gross operating profit, before deduction of the global marketing fee. In addition to the rental income from the Master Lessee, the Trust Group also receives rental income directly from the retail shops located at Eaton HK, which are leased to independent third parties.

In the first half of 2025, the Trust Group maintained a steady stream of fixed rental income amounting to HK\$111.6 million and earned HK\$108.5 million in variable rent. The total rent received from the Master Lessee was HK\$220.1 million. Combined with modest rental income from the retail shops at Eaton HK of HK\$0.8 million, total rental income received by the Trust Group before service fees amounted to HK\$220.9 million, reflecting a year-on-year decline of 3.5%.

After deducting HK\$36.1 million in service fees incurred, net rental income was HK\$184.8 million, representing a year-on-year decrease of 3.3%.

(in HK\$ million)	1H 2025	1H 2024	Change
Fixed rental income	111.6	111.9	-0.3%
Variable rental income	108.5	116.2	-6.6%
Rental income from retail shops	0.8	0.9	-11.1%
Total rental income before service fees	220.9	229.0	-3.5%
Service fees expenses	(36.1)	(37.9)	-4.7%
Total rental income for the Trust Group	184.8	191.1	-3.3%

Total service fees comprise: i) hotel management fees; ii) licence fee; and iii) global marketing fee paid to the hotel management companies. Hotel management fees consist of a base management fee, which is calculated at 1.5% of total hotel revenue, and an incentive fee of 5.0% of the adjusted gross operating profit of the relevant hotels. The licence fee is calculated based on 1.0% of the total revenue of the relevant hotel, and the global marketing fee is calculated at 2.0% of total room revenue of the relevant hotel.

It should be noted that the global marketing fee is paid in cash, whereas the Hotel Manager's Fees can be elected to be settled in the form of Share Stapled Units, cash or a combination of both by the Hotel Manager. The Hotel Manager has elected to receive the Hotel Manager's Fees for the year ending 31 December 2025 entirely in cash.

In the first half of 2025, the operating performance of the Hotels showed a slight decline compared to the same period in the previous year. As a result, hotel management fees decreased by 5.9% to HK\$20.6 million, licence fees dropped by 3.9% to HK\$7.4 million, and the global marketing fee declined by 2.4% to HK\$8.1 million. Overall, total service fees payable to the hotel management companies amounted to HK\$36.1 million, representing a year-on-year reduction of 4.7%.

(in HK\$ million)	1H 2025	1H 2024	Change
Hotel management fees	20.6	21.9	-5.9%
Licence fee	7.4	7.7	-3.9%
Global marketing fee	8.1	8.3	-2.4%
Total service fees	36.1	37.9	-4.7%

Hotel property related expenses rose by 6.9% year-on-year to HK\$10.9 million in the first half of 2025, primarily driven by higher insurance premiums and increased government rent and rates. Consequently, the Trust Group's net property income declined to HK\$173.9 million, representing a 3.9% decrease compared to the same period in the prior year.

(in HK\$ million)	1H 2025	1H 2024	Change
Total rental income after service fees	184.8	191.1	-3.3%
Hotel property related expenses	(10.9)	(10.2)	6.9%
Net property income	173.9	180.9	-3.9%

Total finance costs declined to HK\$137.7 million in the first half of 2025, representing a 15.4% year-on-year decrease. This was primarily driven by a 24.6% reduction in interest expenses on bank borrowings, largely attributable to the decrease in the average HIBOR during the period, despite small increase in the average outstanding loan balance compared to the same period last year. The reduction in borrowing costs was partially offset by net interest expenses arising from interest rate swap arrangements ("Swaps"). In contrast, the first half of 2024 recorded net interest income from Swaps. This shift was primarily due to the average HIBOR during the current period falling below the fixed rates of the Swaps, resulting in a net cost to the Trust Group. In the first half of 2024, the higher HIBOR environment had rendered the Swaps favorable, generating net interest income.

The amortisation of the underwriting fee, amounting to HK\$6.8 million for the period, reflects the systematic recognition of the HK\$40.8 million fee paid in full in December 2024. This fee is being amortised on a straight-line basis over a three-year period, ending with the expiry of the loan facilities in December 2027.

During the period, the Trust Group entered into several new Swaps with a total notional amount of HK\$1,100.0 million. As a result, the total notional amount of Swaps increased from HK\$1,500.0 million as at 31 December 2024 to HK\$2,600.0 million as at 30 June 2025, representing 41.9% of the Trust Group's total outstanding bank borrowings (prior to the amortisation of the underwriting fee). The Trust Group remains vigilant in monitoring interest rate trends and, subject to market conditions, may consider further hedging its interest rate exposure by converting a portion of its remaining floating-rate borrowings to fixed rates when appropriate.

CEO'S REVIEW

(in HK\$ million)	1H 2025	1H 2024	Change
Breakdown of finance costs			
Interest expense on bank borrowings	(122.2)	(162.1)	-24.6%
Net interest on interest rate swaps	(8.3)	4.2	n.m.
Underwriting/loan extension fee amortisation	(6.8)	(4.7)	44.7%
Other borrowing costs	(0.4)	(0.2)	100.0%
Total finance costs	(137.7)	(162.8)	-15.4%

For the first half of 2025, the Trust Group recorded fair value losses of HK\$143.3 million on its hotel investment properties and HK\$27.3 million on derivative financial instruments, reflecting slight adjustments in market valuations. While these non-cash losses were partially mitigated by a reduction in finance costs, they nonetheless resulted in a net loss attributable to Holders of Share Stapled Units of HK\$142.2 million.

Excluding the impact of fair value changes, the Trust Group achieved a net profit after tax of HK\$28.4 million, representing a substantial year-on-year increase of 560.5%.

(in HK\$ million)	1H 2025	1H 2024	Change
Net property income	173.9	180.9	-3.9%
Interest and other income	4.2	2.0	110.0%
(Decrease)/increase in fair value of investment properties (hotel portfolio)	(143.3)	37.4	n.m.
Change in fair value of derivative financial instruments (interest rate swaps)	(27.3)	15.9	n.m.
Change related to settlement arrangement of Hotel Manager's Fees	–	(14.6)	-100.0%
Administrative and other expenses	(6.4)	(8.1)	-21.0%
Finance costs	(137.7)	(162.8)	-15.4%
(Loss)/profit before tax	(136.6)	50.7	n.m.
Income tax expense	(5.6)	(7.7)	-27.3%
(Loss)/profit attributable to Holders of Share Stapled Units	(142.2)	43.0	n.m.
Profit attributable to Holders of Share Stapled Units excluding fair value changes on investment properties and derivative financial instruments, and change related to settlement arrangement of Hotel Manager's Fees	28.4	4.3	560.5%

To derive the Trust Group's distributable income, profit attributable to Holders of Share Stapled Units was adjusted for certain items which are charged or credited to the statement of profit or loss and other comprehensive income of the Trust Group for the relevant distribution period. For the first half of 2025, these adjustments included decrease in fair value of investment properties, change in fair value of the derivative financial instruments, underwriting fee amortisation, deferred tax, depreciation and the cash contribution to furniture, fixtures and equipment reserve.

After adjusting for these items, total distributable income came to HK\$28.0 million for the first half of 2025.

(in HK\$ million)	1H 2025	1H 2024	Change
(Loss)/profit attributable to Holders of Share Stapled Units	(142.2)	43.0	n.m.
Adjustments:			
Decrease/(increase) in fair value of investment properties	143.3	(37.4)	n.m.
Change in fair value of derivative financial instruments	27.3	(15.9)	n.m.
Change related to settlement arrangement of			
Hotel Manager's Fees	–	14.6	-100.0%
Hotel Manager's Fees payable in form of Share Stapled Units	–	29.6	-100.0%
Underwriting/loan extension fee amortisation	6.8	4.7	44.7%
Deferred tax	3.5	6.4	-45.3%
Depreciation	0.4	0.6	-33.3%
Reserve for furniture, fixtures and equipment	(11.1)	(11.6)	-4.3%
Distributable income	28.0	34.0	-17.6%

Same as last year, the Boards have decided not to distribute any income for the first half of 2025 and allow this to be carried forward.

CEO'S REVIEW

Hotel Performance

Revenue breakdown (in HK\$ million)	The Langham, Hong Kong	Cordis, Hong Kong	Eaton HK	Total
Rooms	150.4	172.4	84.5	407.3
Food & Beverage	94.8	125.4	90.7	310.9
Others	2.4	8.1	8.8	19.3
Total revenue	247.6	305.9	184.0	737.5

Year-on-year change	The Langham, Hong Kong	Cordis, Hong Kong	Eaton HK	Total
Rooms	-2.8%	-3.6%	3.2%	-1.9%
Food & Beverage	-7.5%	-10.4%	-5.9%	-8.2%
Others	-42.9%	32.8%	4.8%	3.2%
Total revenue	-5.3%	-5.8%	-1.4%	-4.6%

	Average Daily Rooms Available		Occupancy		Average Room Rate (in HK\$)		RevPAR (in HK\$)	
	1H 2025	1H 2024	1H 2025	1H 2024	1H 2025	1H 2024	1H 2025	1H 2024
The Langham, Hong Kong	498	498	85.6%	87.7%	1,950	1,947	1,669	1,707
<i>year-on-year growth</i>			<i>-2.1 ppt</i>		<i>+0.2%</i>		<i>-2.2%</i>	
Cordis, Hong Kong	669	667	89.2%	92.3%	1,596	1,596	1,424	1,473
<i>year-on-year growth</i>			<i>-3.1 ppt</i>		<i>-</i>		<i>-3.3%</i>	
Eaton HK	465	465	90.1%	88.5%	1,114	1,093	1,003	967
<i>year-on-year growth</i>			<i>+1.6 ppt</i>		<i>+1.9%</i>		<i>+3.7%</i>	
Hotel Portfolio	1,632	1,630	88.4%	89.8%	1,561	1,559	1,379	1,400
<i>year-on-year growth</i>			<i>-1.4 ppt</i>		<i>+0.1%</i>		<i>-1.5%</i>	

Hong Kong Hotel Markets	Occupancy		Average Room Rate (in HK\$)		RevPAR (in HK\$)	
	1H 2025	1H 2024	1H 2025	1H 2024	1H 2025	1H 2024
High Tariff A	77.0%	76.0%	2,111	2,322	1,625	1,765
<i>year-on-year growth</i>	<i>+1.0 ppt</i>		<i>-9.1%</i>		<i>-7.9%</i>	
High Tariff B	87.0%	85.0%	974	1,067	847	907
<i>year-on-year growth</i>	<i>+2.0 ppt</i>		<i>-8.7%</i>		<i>-6.6%</i>	
All Hotels	85.0%	83.0%	1,220	1,368	1,037	1,135
<i>year-on-year growth</i>	<i>+2.0 ppt</i>		<i>-10.8%</i>		<i>-8.6%</i>	

When benchmarked against the broader Hong Kong hospitality market, The Langham, Hong Kong and Cordis, Hong Kong demonstrated relative resilience in the first half of 2025. Their RevPAR declined by 2.2% and 3.3%, respectively, compared to a 7.9% drop in the High Tariff A market segment, indicating a reasonable performance amid market-wide pricing pressures. Both properties maintained robust occupancy levels, averaging 87.7%, well above the market average of 77.0%, reflecting sustained demand and effective yield management.

Meanwhile, Eaton HK outperformed its High Tariff B market segment, achieving a 3.7% year-on-year increase in RevPAR, while the segment as a whole recorded a 6.6% decline. This outperformance highlights Eaton HK's successful positioning and operational agility in a competitive mid-tier market environment.

Performance of the individual hotels

The Langham, Hong Kong derived approximately 48% of its room revenue from mainland visitors, making this segment a key driver of the room performance. While there were signs of recovery in overnight visitor arrivals, intense competition in the surrounding area, particularly within the mainland visitor segment, prompted the hotel to be agile with its ADR to remain competitive. During the first half of 2025, the hotel successfully maintained its ADR and achieved a healthy occupancy of 85.6% although this represented a slight decline of 2.1 percentage points compared to the same period last year. As a result, RevPAR decreased by 2.2%, settling at HK\$1,669 per night.

F&B revenue declined by 7.5% year-on-year, mainly due to shifting consumption patterns and a reduction in banquet business. Additionally, the closure of a fine dining outlet in July 2024 contributed to the revenue shortfall. Overall, total revenue for the first half of 2025 decreased by 5.3% compared to the same period last year.

At **Cordis, Hong Kong**, room revenue from local and mainland visitor markets accounted for over 41% of overall room performance. The hotel maintained its ADR at the same level as the previous year although occupancy declined by 3.1 percentage points year-on-year. As a result, RevPAR decreased by 3.3%, settling at HK\$1,424 per night.

F&B revenue declined by 10.4% year-on-year, primarily due to a reduction in banquet activities. This drop was partly attributed to the rescheduling of wedding banquets that had been postponed during the COVID-19 period and subsequently concentrated in early 2024, inflating the prior year's comparative base. Overall, total revenue for the first half of 2025 decreased by 5.8% compared to the same period last year.

CEO'S REVIEW

Eaton HK capitalised on a diverse range of events, including sports tournaments, concerts, and trade exhibitions. The hotel received strong support from both long-haul and short-haul markets, which together contributed over 60% of total room revenue. Benefiting from its prime location, excellent transport connectivity, and attractive brand dynamics, Eaton HK maintained a competitive edge. As a result, it achieved the highest occupancy rate among our hotel portfolio at 90.1%, while ADR increased by 1.9% to HK\$1,114 per night. These factors led to a 3.7% year-on-year rise in RevPAR, reaching HK\$1,003 per night.

Despite some positive momentum from the hotel's Michelin-starred Chinese restaurant, overall F&B revenue declined by 5.9%. This was largely attributed to evolving consumer behaviours and a growing trend of local residents dining in other Greater Bay Area cities outside Hong Kong, which impacted the hotel's buffet and bar operations. Additionally, the banquet segment experienced a downturn due to a notable reduction in wedding events during the year. In total, the hotel's total revenue recorded a slight year-on-year decline of 1.4%.

FINANCIAL REVIEW

Net Assets Attributable to Holders of Share Stapled Units

Net Assets Attributable to Holders of Share Stapled Units were HK\$9,310.0 million or HK\$2.70 per Share Stapled Unit as at 30 June 2025 (31 December 2024: HK\$9,502.4 million or HK\$2.77 per Share Stapled Unit), which represents a 400.0% premium to the closing Share Stapled Unit price of HK\$0.54 as at 30 June 2025.

Debt Profile

As at 30 June 2025, the Trust Group's total outstanding borrowings, before the deduction of underwriting fee, amounted to HK\$6,201.6 million, representing a slight decrease from HK\$6,204.6 million as at 31 December 2024. Secured term loans remained unchanged at HK\$6,201.6 million (31 December 2024: HK\$6,201.6 million), bearing floating-rate interest and scheduled for full repayment in December 2027. Secured revolving loan facilities totaled HK\$598.4 million as at both 30 June 2025 and 31 December 2024. The HK\$3.0 million in revolving loans outstanding as at 31 December 2024 was fully repaid in early 2025, resulting in no outstanding balance under revolving loan facilities as at 30 June 2025.

To manage interest rate exposure, the Trust Group implemented a series of Swaps, effectively converting a portion of its floating-rate borrowings into fixed-rate obligations. During the period, additional Swaps were executed with a total notional amount of HK\$1,100.0 million, increasing the total notional amount of Swaps to HK\$2,600.0 million as at 30 June 2025 from HK\$1,500.0 million as at 31 December 2024. As at 30 June 2025, 41.9% of the Trust Group's total outstanding bank borrowings (before accounting for the underwriting fee) of HK\$6,201.6 million (31 December 2024: HK\$6,204.6 million) were hedged at a weighted average fixed swap rate of 3.59% per annum, compared to 24.2% hedged at 3.99% per annum as at 31 December 2024.

The Trust Group will continue to actively monitor interest rate trends and, subject to prevailing market conditions, may consider further mitigating its interest rate exposure by converting a portion of its remaining floating-rate bank borrowings into fixed-rate obligations through additional Swaps, as deemed appropriate.

As at 30 June 2025, the total gross assets of the Trust Group were HK\$16,087.4 million (31 December 2024: HK\$16,238.3 million). The gearing ratio, calculated as total outstanding borrowings as a percentage of total gross assets, was 38.5% (31 December 2024: 38.2%).

Cash Position

As at 30 June 2025, excluding the restricted bank balance of HK\$51.0 million (31 December 2024: nil) held to maintain the minimum interest coverage ratio required under the bank facilities agreement, the Trust Group maintained a cash balance of HK\$241.2 million (31 December 2024: HK\$293.4 million). This cash reserve is designated to support asset enhancement initiatives for the Hotels and to meet ongoing working capital and operational requirements.

In addition, the Trust Group had access to undrawn revolving loan facilities totaling HK\$598.4 million as at 30 June 2025 (31 December 2024: HK\$595.4 million), providing further liquidity flexibility.

Pledge of Assets

As at 30 June 2025, restricted bank balance and all investment properties (31 December 2024: all investment properties) of the Trust Group, together with assignments of sales proceeds, insurance proceeds, rental income, revenues and all other income generated from the properties, are pledged to secure the term and revolving loan facilities granted to the Trust Group.

Commitments

The Trust Group did not have any significant commitments as at 30 June 2025 and 31 December 2024.



Brett Stephen BUTCHER
Chief Executive Officer

BIOGRAPHICAL DETAILS OF DIRECTORS

In accordance with Rule 13.51B(1) of the Listing Rules, the information of Directors of the Trustee-Manager and the Company subsequent to the publication of the 2024 Annual Report of the Trust and the Company and up to the date of this Interim Report, is updated as follow:

Dr. LO Ka Shui

Chairman and Non-executive Director

Dr. LO Ka Shui, aged 78, has been Chairman and Non-executive Director of the Trustee-Manager and the Company since 2013. He is a Member of both the Company's Remuneration Committee and Nomination Committee and a Director of all subsidiaries of the Company. Dr. Lo also serves as Chairman and Managing Director of Great Eagle Holdings Limited, as well as Chairman and Non-executive Director of the Manager of a publicly-listed trust, Champion Real Estate Investment Trust. He is also Vice President of The Real Estate Developers Association of Hong Kong and a member of The Hong Kong Centre for Economic Research's Board of Trustees. Dr. Lo was formerly Director of Hong Kong Exchanges and Clearing Limited; Chairman of the Listing Committee for the Main Board and Growth Enterprise Market; a Member of the Exchange Fund Advisory Committee of the Hong Kong Monetary Authority; Chairman of The Chamber of Hong Kong Listed Companies; Chairman of the Hospital Authority of Hong Kong; a Board Member of the Airport Authority Hong Kong; and a Member of the University Grants Committee of Hong Kong.

Dr. Lo graduated from McGill University with a Bachelor of Science Degree and obtained a Doctor of Medicine (M.D.) Degree from Cornell University, and was certified in Internal Medicine and Cardiovascular Disease at University of Michigan Hospitals. He has over four decades of experience in property and hotel development and investment both in Hong Kong and overseas. Dr. Lo is the father of Mr. Lo Chun Him, Alexander and an uncle to Mr. Lo Chun Lai, Andrew, both Non-executive Directors of the Trustee-Manager and the Company.

Mr. Brett Stephen BUTCHER

Chief Executive Officer and Executive Director

Mr. Brett Stephen BUTCHER, aged 65, has been the Chief Executive Officer and Executive Director of the Trustee-Manager and the Company since April 2019. He is also a Director of all subsidiaries of the Company. Mr. Butcher has over 40 years' extensive hotel business experience in both hotel operations and sales and marketing in Asia, the Pacific and North America. He is currently a Consultant to the hotel asset management arm of Great Eagle Holdings Limited. Mr. Butcher was also the former Chief Executive Officer of Langham Hospitality Group overseeing all aspects of management and brands for the Langham Hospitality Group's global portfolio of hotels, resorts and residences. Mr. Butcher holds a Bachelor's Degree in Business (Hospitality Management) from University of Queensland Lawes Campus.

BIOGRAPHICAL DETAILS OF DIRECTORS

Professor CHAN Ka Keung, Ceajer

Independent Non-executive Director

Professor CHAN Ka Keung, Ceajer, aged 68, has been an Independent Non-executive Director of the Trustee-Manager and the Company since August 2018. He is the Chairman of the Company's Remuneration Committee, a Member of the Company's Nomination Committee and a Member of the Audit Committees of the Trustee-Manager and the Company. Professor Chan holds an Honorary Doctoral Degree from The Hong Kong University of Science and Technology ("HKUST"). He is currently an Adjunct Professor and a Senior Advisor to the Dean at HKUST Business School. From July 2007 to June 2017, he served as the Secretary for Financial Services and the Treasury of the Government of the Hong Kong Special Administrative Region. Prior to that, he was Dean of Business and Management in HKUST. Before joining the HKUST Business School in 1993, he taught at Ohio State University in the United States for nine years. Professor Chan is currently a Director of the One Country and Two Systems Research Institute. He is an Independent Non-executive Director of China Overseas Land & Investment Limited, CTF Services Limited (formerly known as NWS Holdings Limited) and Guotai Junan International Holdings Limited (all listed in Hong Kong), as well as an Independent Non-executive Director of the Manager of a publicly-listed trust, Champion Real Estate Investment Trust. He is also an Independent Non-executive Director of Greater Bay Area Homeland Investments Limited, the Chairman and a Non-executive Director of WeLab Bank Limited, and a Senior Advisor to WeLab Holdings Limited. Professor Chan previously served as an Independent Non-executive Director of USPACE Technology Group Limited (listed in Hong Kong).

Professor Chan received his Bachelor's Degree in Economics from Wesleyan University and both of his M.B.A. and Ph.D. in Finance from The University of Chicago. He specialised in assets pricing, evaluation of trading strategies and market efficiency and has published numerous articles on these topics.

Professor LIN Syaru, Shirley

Independent Non-executive Director

Professor LIN Syaru, Shirley, aged 57, has been an Independent Non-executive Director of the Trustee-Manager and the Company since 2013. She is the Chairperson of the Company's Nomination Committee, a Member of the Company's Remuneration Committee and a Member of the Audit Committees of the Trustee-Manager and the Company. Previously, she was a Partner at Goldman Sachs, where she led the firm's efforts in private equity and venture capital in Asia. In addition, Professor Lin was involved in the privatisation of state-owned enterprises in Mainland China, Singapore and Taiwan. She has served on the boards of numerous private and public companies. Professor Lin is currently an Independent Non-executive Director of Goldman Sachs Asia Bank Limited, a restricted licence bank in Hong Kong, and TE Connectivity Ltd., a NYSE-listed company based in Dublin, and an Independent Director of MediaTek Inc., a company listed in Taiwan. She currently serves on the board of the Focused Ultrasound Foundation in the U.S. and is the Founder of the Focused Ultrasound Hong Kong Foundation.

Professor Lin is Research Professor at the Miller Center of Public Affairs at the University of Virginia and a Non-resident Senior Fellow in the Foreign Policy Program at the Brookings Institution. She is also a faculty member at the Chinese University of Hong Kong and chairs the Center for Asia-Pacific Resilience and Innovation. Her book on cross-strait economic policy focusing on the semiconductor industry was published by Stanford University Press in 2016. She is currently working on the challenges facing the advanced economies in East Asia that have entered the high-income trap. Her commentary frequently appears in English and Chinese media. She received her Master's Degree in International and Public Affairs with distinction and her Ph.D. in Politics and Public Administration from the University of Hong Kong and her A.B. from Harvard College, *cum laude*.

BIOGRAPHICAL DETAILS OF DIRECTORS

Mr. LO Chun Him, Alexander

Non-executive Director

Mr. LO Chun Him, Alexander, aged 40, has been a Non-executive Director of the Trustee-Manager and the Company since February 2017. He is also a Director of all subsidiaries of the Company. Mr. Lo is an Executive Director of Great Eagle Holdings Limited, which is listed on the Main Board of the Stock Exchange. Prior to joining the Great Eagle Group in 2010, he had worked at Citibank's investment banking division with a focus on Hong Kong's market. Mr. Lo is also a member of the Executive Committee of The Real Estate Developers Association of Hong Kong and a member of the Management Committee of The Federation of Hong Kong Hotel Owners Limited. He graduated from Washington University in St. Louis with a Bachelor of Arts in Psychology. Mr. Lo is a son of Dr. Lo Ka Shui, the Chairman and Non-executive Director of the Trustee-Manager and the Company. He is also a cousin of Mr. Lo Chun Lai, Andrew, a Non-executive Director of the Trustee-Manager and the Company.

Mr. LO Chun Lai, Andrew

Non-executive Director

Mr. LO Chun Lai, Andrew, aged 37, has been a Non-executive Director of the Trustee-Manager and the Company since October 2020. He is currently the Managing Director – Hospitality Asset Management of Langham Hospitality Group ("LHG") overseeing the management of all hotel assets of Great Eagle Holdings Limited worldwide.

Prior to joining LHG in 2013, he held positions at Horwath HTL and Mandarin Oriental. He graduated from Stanford University with a Bachelor of Arts in International Relations and from Columbia University in New York with a Master of Science in Real Estate Development. He also holds a certificate in Hotel Real Estate Investments and Asset Management from Cornell University. Mr. Lo is a nephew of Dr. Lo Ka Shui, the Chairman and Non-executive Director of the Trustee-Manager and the Company. He is also a cousin of Mr. Lo Chun Him, Alexander, a Non-executive Director of the Trustee-Manager and the Company.

BIOGRAPHICAL DETAILS OF DIRECTORS

Mr. WONG Kwai Lam

Independent Non-executive Director

Mr. WONG Kwai Lam, aged 76, has been an Independent Non-executive Director of the Trustee-Manager and the Company since 2013. He is the Chairman of the Audit Committees of the Trustee-Manager and the Company, and a Member of both the Company's Remuneration Committee and Nomination Committee. Mr. Wong is currently an Independent Non-executive Director of CK Hutchison Holdings Limited ("CKHH"), ESR Asset Management (Prosperity) Limited as manager of Prosperity Real Estate Investment Trust ("Prosperity REIT") and K. Wah International Holdings Limited ("KWIH"). CKHH, Prosperity REIT and KWIH are listed in Hong Kong. Mr. Wong is currently the Chairman of IncitAdv Consultants Ltd., Chairman and a Director of Hong Kong Grand Opera Company Limited, an advisor to the Chamber of Hong Kong Listed Companies, a member of the Advisory Board of the School of Continuing and Professional Studies, The Chinese University of Hong Kong ("CUHK"), a Vice Chairman of the Board of Trustees and a Member of the Investment Sub-committee of the Board of Trustees of New Asia College, CUHK and a Director of the CUHK Medical Centre Limited. He was formerly a Member of the Advisory Committee and a Member of the Real Estate Investment Trust (REIT) Committee of the Securities and Futures Commission in Hong Kong and a Member of the China Committee of the Hong Kong Trade Development Council. Mr. Wong was an Independent Non-executive Director of Hutchison Port Holdings Management Pte. Limited as trustee-manager of Hutchison Port Holdings Trust (listed in Singapore).

Mr. Wong has over 30 years of experience in the commercial and investment banking industry. He worked with Merrill Lynch (Asia Pacific) Ltd. from May 1993 to August 2009 where he served as a Managing Director in the Asia Investment Banking Division since January 1995. He was appointed as a Senior Client Advisor to Merrill Lynch (Asia Pacific) Ltd. in September 2009 and served in that position for one year. Prior to that, Mr. Wong had been a Director in the Investment Banking Division of CS First Boston (Hong Kong) Ltd. and a Director and the Head of Primary Market in Standard Chartered Asia Limited.

Mr. Wong holds a Bachelor of Arts Degree and Honorary Fellowship from CUHK and a Ph.D. from Leicester University, England.

Directors' interests in the Trust and the Company and/or in the associated corporations (within the meaning of Part XV of the SFO) of the Trust and the Company are set out in the section "Disclosure of Interests" in this Interim Report.

GOVERNANCE AND COMPLIANCE

Langham Hospitality Investments, LHIL Manager Limited and Langham Hospitality Investments Limited are committed to upholding and advancing high standards of corporate governance practices that aimed at enhancing corporate image, creating value for our Unitholders, minimising risk in fraudulent practices and addressing potential conflict of interest issues.

Sound corporate governance practices underpin the foundation for the Directors to perform and fulfill their respective roles and obligations effectively. The Trust Group formulates various policies and procedures that constitute the core elements of its governance framework. The Trustee-Manager Board and the Company Board regularly review the policies and procedures on corporate governance as well as legal and regulatory compliance. Further enhancements will be made from time to time in response to the latest statutory regime and recommended best practices.

STRUCTURE OF THE TRUST GROUP

Langham Hospitality Investments is constituted pursuant to the Trust Deed dated 8 May 2013 entered into between the Trustee-Manager and the Company under the laws of Hong Kong as a fixed single investment trust, meaning that the Trust may only invest in the securities and other interests of a single entity, being the Company.

The Trustee-Manager is a company incorporated in Hong Kong with limited liability and an indirect wholly-owned subsidiary of Great Eagle. In its capacity as trustee-manager of the Trust, the Trustee-Manager has a limited role in the administration of the Trust and is not involved in the management of the operations of the Trust Group.

The Company is incorporated in the Cayman Islands as an exempted company with limited liability. It is the holding company of the hospitality business operated by the Trust Group and currently owns and controls the Hotels indirectly through its subsidiaries.

Capital Structure of the Trust and the Company

Share Stapled Units are jointly issued by the Trust and the Company. Each Share Stapled Unit is composed of the following three components which, subject to the provisions in the Trust Deed, can only be dealt with together and may not be dealt with individually or one without the others:

- (a) a unit in the Trust;
- (b) a beneficial interest in a specifically identified ordinary share in the Company held by the Trustee-Manager, which is “linked” to the unit in the Trust; and
- (c) a specifically identified preference share in the Company which is “stapled” to the unit in the Trust.

As the components of the Share Stapled Units, all of the units in the Trust, the ordinary shares and the preference shares of the Company in issue are listed on the Stock Exchange. However, for so long as the Share Stapled Units are listed on the Stock Exchange, trading on the Stock Exchange will only take place in the form of Share Stapled Units and there is only a single price quotation on the Stock Exchange for a Share Stapled Unit. No price is quoted for the individual components of a Share Stapled Unit.

COMPLIANCE WITH CORPORATE GOVERNANCE CODE

Pursuant to the Trust Deed, the Trustee-Manager and the Company must co-operate with each other to ensure that each party complies with the applicable Listing Rules and other relevant rules and regulations.

During the six-month period ended 30 June 2025, the Trust (via the Trustee-Manager) and the Company had complied with all applicable code provisions, and where appropriate, adopted some of the recommended best practices as set out in the Corporate Governance Code. The requirement to establish a Nomination Committee is not applicable to the Trustee-Manager because the Directors of the Trustee-Manager shall at all times comprise the same individuals who serve as Directors of the Company as required by the Trust Deed. The requirement to establish a Remuneration Committee is also not applicable to the Trustee-Manager as the Directors of the Trustee-Manager are not entitled to any remuneration payable by the Trust or the Trustee-Manager, and the Trustee-Manager does not have any employees.

CORPORATE GOVERNANCE MEASURES TO ADDRESS POTENTIAL CONFLICTS OF INTEREST

Apart from the parent-subsidiary relationship, the Trust Group maintains close business ties with the Great Eagle Group, which are governed by various formal agreements entered into between the two groups. These contractual arrangements also constitute connected transactions and/or continuing connected transactions of the Trust and the Company under the Listing Rules. Details of the transactions which are subject to disclosure and reporting requirements in interim report, are summarised under the sub-section headed "Connected Transactions and/or Continuing Connected Transactions Subject to Disclosure Requirements" on pages 23 to 27 of this Interim Report.

These business relationships and the fact that some Directors of the Trustee-Manager and the Company also hold directorships in the Great Eagle Group might give rise to potential conflicts of interest between the Trust Group and the Great Eagle Group. Given the alignment of interests between the Trust Group and the Great Eagle Group, their respective performance and growth are mutually complementary and the impact of these conflicts is minimal. The Boards believe that the Directors can make independent decisions in the best interests of the Trust Group and the Unitholders. In all circumstances, the Trustee-Manager Board and the Company Board believe that the potential conflicts are sufficiently mitigated as follows:

- the Trust Group focuses on optimising the performance of the Hotels with a growth strategy of investing in completed stand-alone hotels in Asia while the Great Eagle Group focuses on further capitalising on its resources and expertise in developing its hotel management services operations and brand building;
- given that the Trust Group is among the major contributors to the performance of the Great Eagle Group, any reliance that the Trust Group may have on the Great Eagle Group in relation to its performance and growth will be mutually complementary;
- the Great Eagle Group has granted to the Company a Deed of Right of First Refusal pursuant to which the Trust Group will have the first right to participate and to acquire completed stand-alone hotels to be managed under the Langham Brands and Other Eaton Brands (as defined in the Great Eagle ROFR Deed) in Asia (excluding Australia and New Zealand) should the Great Eagle Group wish to sell or have the opportunity to invest in these hotels;

GOVERNANCE AND COMPLIANCE

- various corporate governance measures are established to address any potential conflicts of interest, thereby safeguarding the interests of independent Unitholders. They include:
 - (i) any conflicted Director must abstain from voting and will not be counted in the quorum of the relevant Board meeting in respect of any transaction, contract or arrangement in which he/she has material interests;
 - (ii) pursuant to Article 90 of the articles of association of the Trustee-Manager, a Director of the Trustee-Manager must give priority to the interest of all Unitholders as a whole over the interest of the Trustee-Manager in the event of a conflict between the interest of all Unitholders as a whole and that of the Trustee-Manager;
 - (iii) potential connected transactions between the Great Eagle Group and the Trust Group, and the existing continuing connected transactions (other than exempt continuing connected transactions and those transactions qualifying for an exemption) are reviewed and reported annually by the Independent Non-executive Directors and auditors of the Trustee-Manager and the Company;
 - (iv) where decisions under the Great Eagle ROFR Deed are required, the Trustee-Manager Board and the Company Board will refer such matters to the Independent Non-executive Directors and/or to those Directors without material interests in the matter; and
- specific corporate governance measures have also been put in place in respect of the operation of the Great Eagle ROFR Deed as follows:
 - (i) as part of the Trustee-Manager's and the Company's respective internal control systems, each has maintained a register of all opportunities and/or transactions arising from the implementation of the Great Eagle ROFR Deed;
 - (ii) as part of its internal audit plan, each of the Trustee-Manager and the Company will, through the internal audit function, review the implementation of the Great Eagle ROFR Deed each year;
 - (iii) the Audit Committees of the Trustee-Manager and the Company will review the implementation of the Great Eagle ROFR Deed to ascertain that the terms of the Great Eagle ROFR Deed have been complied with. The review will include an examination of supporting documents and such other information deemed necessary by the Audit Committees; and
 - (iv) the Independent Non-executive Directors will annually review Great Eagle's compliance with the terms of the Great Eagle ROFR Deed. The findings will be disclosed in the annual report of the Trust and the Company, including any decisions made by the Trust Group regarding the exercise of the right of first refusal and the basis of such decisions, providing that there is no breach of any of the Trust Group's or Great Eagle's contractual or legal obligations.

The Audit Committees of the Trustee-Manager and the Company shall be responsible for overseeing the implementation of the above corporate governance measures in respect of the operation of the Great Eagle ROFR Deed.

GOVERNANCE AND COMPLIANCE

CONNECTED TRANSACTIONS AND/OR CONTINUING CONNECTED TRANSACTIONS SUBJECT TO DISCLOSURE REQUIREMENTS

As disclosed in the initial public offering prospectus dated 16 May 2013, continuing connected transactions set out below are subject to disclosure requirements in the interim reports and are granted with waivers by the Stock Exchange from strict compliance with, *inter alia*, the announcement and approval of independent Holders of Share Stapled Units requirements. Further details and conditions of the waivers were disclosed in the said prospectus.

		Aggregate Transaction Amount for the six-month period ended 30 June 2025 (HK\$'000)
(1)	Master Lease Agreements ^(a)	
	– Base Rent	111,575
	– Variable Rent ^(b)	108,520
(2)	Hotel Management Agreements ^{(a)(b)(c)}	
	– Base Fee	11,062
	– Incentive Fee	9,523
(3)	Centralised Services and Marketing Agreements ^{(a)(b)}	
	– Reimbursement of Costs ^(d)	3,631
	– Global Marketing Fee	8,147
	– Reservation Fees ^(d)	5,059
(4)	Trademark Licence Agreements ^{(a)(b)(c)}	7,374

Notes:

- (a) Obtained waiver from the requirements of publishing announcement and/or obtaining approval of independent Holders of Share Stapled Units.
- (b) Obtained waiver from the requirement of setting a monetary cap.
- (c) Obtained approval from independent Holders of Share Stapled Units to settle the fees payable for the three financial years ending 31 December 2026 in the form of Share Stapled Units subject to the election of the Hotel Manager.
- (d) Reimbursement of Costs and Reservation Fees are included in the operating expenses of the Hotels.

GOVERNANCE AND COMPLIANCE

1. **Master Lease Agreements** – three separate lease agreements each dated 10 May 2013, and entered into between each of the Hotel Companies as the Lessors and GE (LHIL) Lessee Limited as the Master Lessee. The Master Lessee, being an indirect wholly-owned subsidiary of Great Eagle, which is a controlling Holder of Share Stapled Units of the Trust and the Company, is a connected person of the Trust and the Company under the Listing Rules.

Pursuant to the Master Lease Agreements, each of the Lessors has agreed to lease the hotel it owned (excluding the designated outlets at Eaton HK) to the Master Lessee for a term of 14 years from and including 30 May 2013 (the Listing Date) and shall, subject to compliance with the requirements of the relevant Listing Rules by the Company, be renewable by mutual agreement of the parties. The Master Lessee assumes such responsibilities as set out under the Hotel Management Agreements and bears all operating expenses in respect of the Hotels (other than payment of the Hotel Management Fees, the Licence Fees, the Global Marketing Fee, etc.), and delegates the management and operations obligations to the Hotel Manager of the respective Hotels under the terms of the Hotel Management Agreements.

Under the Master Lease Agreements, the Master Lessee has agreed to pay the Lessors an aggregate fixed Base Rent of HK\$225.0 million per annum (pro rata for any period of less than one year) and a Variable Rent for the whole term.

Based on the rental review conducted by Vigers Appraisal and Consulting Limited, an independent property valuer, in 2023, it was determined that the market rental package of the Hotels for the period from 1 January 2024 to 29 May 2027 (the expiry date of the Master Lease Agreements) (the “Third Period”) should be composed of (i) a fixed Base Rent of HK\$225.0 million per annum under the Master Lease Agreements; and (ii) a Variable Rent being 50% of the Hotels’ Aggregate Gross Operating Profit before deduction of the Global Marketing Fee on an annual basis. An ordinary resolution in relation to the approval of the remaining transactions under the Master Lease Agreements for the Third Period, and the Base Rent and Variable Rent during the Third Period was passed by the independent Holders of Share Stapled Units at the extraordinary general meeting of the Trust and the Company held on 21 July 2023.

The cap for the Variable Rent under the Master Lease Agreements is determined by reference to the formula for determining the Variable Rent. As the Stock Exchange granted a waiver from setting a monetary cap for the Variable Rent payable under the Master Lease Agreements (the “Monetary Cap Waiver”) for the duration of the Master Lease Agreements and the Monetary Cap Waiver is valid notwithstanding that the Variable Rent percentage for the Third Period is updated, no annual cap has been set on the Variable Rent in respect of the Third Period.

2. **Hotel Management Agreements** – three separate hotel management agreements each dated 10 May 2013, entered into by each Hotel Company, the Master Lessee, Langham Hotels International Limited as the Hotel Manager, the Trustee-Manager and the Company, and amended and supplemented by the Addendum (defined as below). As the Hotel Manager and the Master Lessee are both indirect wholly-owned subsidiaries of Great Eagle, which is a controlling Holder of Share Stapled Units of the Trust and the Company, they are connected persons of the Trust and the Company under the Listing Rules.

Pursuant to the Hotel Management Agreements, the Master Lessee has agreed to engage the Hotel Manager as the sole and exclusive manager of the Hotels to supervise, direct and control the businesses and day-to-day operations of the Hotels in accordance with the agreed standards of the relevant Hotel and to formulate and manage the annual plan and budget for each Hotel for an initial term of 30 years from and including 30 May 2013 (the Listing Date) and may, subject to compliance with the requirements of the relevant Listing Rules at the relevant time, be renewed for a further term of 10 years by notice at the election of the Hotel Manager. Thereafter, the Hotel Management Agreements may be renewed for successive 10-year terms by mutual agreement of the parties subject to compliance with the requirements of the relevant Listing Rules at the relevant time. The service fees payable to the Hotel Manager under the Hotel Management Agreements shall be linked to the operating profit and revenue of the Hotels on the following basis:

- *Base Fee*: a fixed percentage of 1.5% of total revenue of the relevant Hotel
- *Incentive Fee*: a fixed percentage of 5.0% of the adjusted Gross Operating Profit (being gross operating profit less the Base Fee (as mentioned above) and Licence Fees payable under the relevant Trademark Licence Agreement)

The annual cap for the fees payable under the Hotel Management Agreements is determined by reference to the formulae for determining the fees payable pursuant to the Hotel Management Agreements as described above.

Pursuant to the Hotel Management Agreements and the Trademark Licence Agreements (collectively, the “Hotel Agreements”), the fees payable thereunder (the “Hotel Manager’s Fees”) from 1 January 2018 onwards should be settled by way of cash, the issue of Share Stapled Units, or a combination of both, at the election of the Hotel Manager, subject to the approval of the independent Holders of Share Stapled Units for the issue of the Share Stapled Units.

According to the addendum to the Hotel Agreements dated 8 May 2024, entered into among the Hotel Companies, the Master Lessee, the Hotel Manager, the Trustee-Manager and the Company, and approved by the independent Holders of Share Stapled Units at the extraordinary general meeting held on the same day (the “Addendum”), amendments were made to the Hotel Agreements to increase the issuance cap from 1.5% to 3.5% and to incorporate a deferment mechanism for satisfying the payment of the Hotel Manager’s Fees by way of the issue of Share Stapled Units. Further details of the Addendum were disclosed in the circular of the Trust and the Company dated 22 April 2024.

GOVERNANCE AND COMPLIANCE

3. **Centralised Services and Marketing Agreements** – three separate centralised services and marketing agreements each dated 10 May 2013, and entered into by each Hotel Company, the Master Lessee, Langham Hotels Services Limited as the Service Provider, the Trustee-Manager and the Company. As the Master Lessee and the Service Provider are both indirect wholly-owned subsidiaries of Great Eagle, which is a controlling Holder of Share Stapled Units of the Trust and the Company, they are connected persons of the Trust and the Company under the Listing Rules.

Pursuant to the Centralised Services and Marketing Agreements, the Service Provider has agreed to provide global marketing and advertising services, centralised reservation services and certain hotel specific services of each Hotel for an initial term of 30 years from and including 30 May 2013 (the Listing Date) and may, subject to compliance with the requirements of the relevant Listing Rules at the relevant time, be renewed for a term of 10 years by notice at the election of the Service Provider. 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 requirements of the relevant Listing Rules at the relevant time. Each of the Centralised Services and Marketing Agreements shall be coterminous with the Hotel Management Agreement for the same Hotel. The fee and other amounts payable to the Service Provider under each Centralised Services and Marketing Agreement shall be determined on the following basis:

- *Reimbursement of Costs*: at cost to be paid by the Master Lessee as an operating expense of the Hotels
- *Global Marketing Fee*: a fixed percentage of 2.0% of the total room revenue of the relevant Hotel to be paid by each Hotel Company
- *Reservation Fees*: a fixed US\$ amount and percentage of revenue for each materialised reservation, depending on the means through which the reservation is made, to be paid by the Master Lessee as an operating expense of the Hotels

The annual caps for the Global Marketing Fee payable under the Centralised Services and Marketing Agreements are determined by reference to the formula for determining the Global Marketing Fee payable pursuant to the Centralised Services and Marketing Agreements as described above.

4. **Trademark Licence Agreements** – three separate trademark licence agreements each dated 10 May 2013, entered into by each Hotel Company, the Hotel Manager as the Licensor, the Master Lessee, the Trustee-Manager and the Company, and amended and supplemented by the Addendum. As the Hotel Manager and the Master Lessee are both indirect wholly-owned subsidiaries of Great Eagle, which is a controlling Holder of Share Stapled Units of the Trust and the Company, they are connected persons of the Trust and the Company under the Listing Rules.

Pursuant to the Trademark Licence Agreements, the Licensor has agreed to grant non-exclusive and non-transferable licences to the relevant Hotel Company, the Trustee-Manager, the Company and the Master Lessee to use the Langham brands for branding and marketing activities relating to the Hotels and/or for describing the ownership of the Hotels for an initial term of 30 years from and including 30 May 2013 (the Listing Date) and may, subject to compliance with the requirements of the relevant 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 subject to compliance with the requirements of the relevant Listing Rules at the relevant time. Each of the Trademark Licence Agreements shall be coterminous with the Hotel Management Agreement for the same Hotel. The Licence Fees payable to the Hotel Manager by each Hotel Company under the Trademark Licence Agreements shall be 1.0% of the total revenue of the relevant Hotel.

The annual cap for the Licence Fees payable under the Trademark Licence Agreements is determined by reference to the formula for determining the Licence Fees payable pursuant to the Trademark Licence Agreements as described above.

Pursuant to the Hotel Agreements, the Hotel Manager's Fees from 1 January 2018 onwards should be settled by way of cash, the issue of Share Stapled Units, or a combination of both, at the election of the Hotel Manager, subject to the approval of the independent Holders of Share Stapled Units for the issue of the Share Stapled Units.

According to the Addendum, amendments were made to the Hotel Agreements to increase the issuance cap from 1.5% to 3.5% and to incorporate a deferment mechanism for satisfying the payment of the Hotel Manager's Fees by way of the issue of Share Stapled Units. Further details of the Addendum were disclosed in the circular of the Trust and the Company dated 22 April 2024.

The Trust and the Company had fully complied with the relevant requirements under Chapter 14A of the Listing Rules in relation to all continuing connected transactions, including the transactions described in paragraphs 1 to 4 above, and the property management services fee transactions disclosed in the announcement of the Trust and the Company dated 6 August 2024, for both the year ended 31 December 2024 and the six-month period ended 30 June 2025. Save as the continuing connected transactions disclosed above, the related party transactions set out in note 23 to the condensed consolidated financial statements of the Trust Group are exempt from the disclosure requirements under Chapter 14A of the Listing Rules.

GOVERNANCE AND COMPLIANCE

ISSUED SHARE STAPLED UNITS

As at 30 June 2025, the total number of issued Share Stapled Units of the Trust and the Company was 3,444,141,132. Compared to 31 December 2024, a total of 10,594,487 new Share Stapled Units were issued during the first half of the year, representing 0.31% of the total number of issued Share Stapled Units as at 30 June 2025.

Date	Particulars	No. of Issued Share Stapled Units
31 December 2024	Total number of issued Share Stapled Units	3,433,546,645
28 February 2025	Issue of new Share Stapled Units at the price of HK\$0.470 per Share Stapled Unit as partial payment of the Hotel Manager's Fees to the Hotel Manager of HK\$4,979,409 for the second half of 2024 pursuant to the approval of the independent Holders of Share Stapled Units	10,594,487
30 June 2025	Total number of issued Share Stapled Units	3,444,141,132^(Note)

Note: The total number of issued Share Stapled Units does not include the 46,320,885 Deferred Share Stapled Units. The Deferred Share Stapled Units, as partial payment of the Hotel Manager's Fees for the six-month period ended 31 December 2024, will be issued at a price of HK\$0.470 per Share Stapled Unit within three years from the payment deadline day of 28 February 2025, and subject to the public float requirement. If any of the Deferred Share Stapled Units remains unissued on the last business day of the three-year buffer period, all such outstanding parts of the Hotel Manager's Fees will be paid in cash without interest. Please refer to the announcement of the Trust and the Company dated 27 February 2025 for further details.

BUY-BACK, SALE OR REDEMPTION OF SHARE STAPLED UNITS

Pursuant to the Trust Deed, the Trustee-Manager shall not buy-back or redeem any Share Stapled Units on behalf of the Trust unless and until expressly permitted to do so by relevant codes and guidelines issued by the Securities and Futures Commission from time to time. Accordingly, the Trust and the Company are not allowed to buy-back or redeem their own Share Stapled Units.

During the six-month period ended 30 June 2025, none of the Trust, the Trustee-Manager, the Company nor the Company's subsidiaries had bought back, sold or redeemed any Share Stapled Units.

COMPLIANCE WITH THE MODEL CODE

The Trustee-Manager and the Company have adopted its own Code of Conduct for Securities Transactions on terms no less exacting than the required standard set out in the Model Code and the same is updated from time to time in accordance with the Listing Rules requirements.

Having made specific enquiries, all Directors and relevant employees of the Trustee-Manager and the Company confirmed that they had fully complied with the Code of Conduct for Securities Transactions for the six-month period ended 30 June 2025.

REVIEW OF INTERIM RESULTS

The unaudited condensed consolidated financial statements of the Trust Group and the unaudited condensed financial statements of the Trustee-Manager for the six-month period ended 30 June 2025 were prepared in accordance with HKAS 34 “Interim Financial Reporting” issued by the HKICPA and have also been reviewed by the Audit Committees of the Trustee-Manager and the Company. Such financial information has been reviewed by Deloitte Touche Tohmatsu, the independent auditor of the Trustee-Manager and the Company, in accordance with Hong Kong Standard on Review Engagements 2410 “Review of Interim Financial Information Performed by the Independent Auditor of the Entity” issued by the HKICPA.

HOTEL MANAGER AND EMPLOYEES

The Trust Group does not manage the daily operations of the Hotels. The Hotel Manager is responsible for the management of and all sales, marketing and advertising activities in relation to the Hotels pursuant to the Hotel Management Agreements. The Hotel Manager has a team of well-experienced operational staff exclusively dedicated in providing services to the Hotels. The Hotels control the payroll and related expense in accordance with the business level and also continuously review the process for higher efficiency. Compared to 31 December 2024, there is no material change in headcount.

Salary levels of the Hotel Manager’s employees are competitive, and discretionary bonuses are granted based on performance of the Hotels as well as achievement of departmental key performance indicators. Other employee benefits include educational allowance, insurance, medical scheme and provident fund schemes. The Hotel Manager and its subsidiaries are required to contribute an amount equivalent to 5% of the employees’ basic salary (subject to the cap as stipulated under the applicable laws) to the Mandatory Provident Fund Scheme as mandatory contribution.

The Company employs a team of four professional staff to support the effective operation of the Trust Group. The Great Eagle Group provides certain administrative and non-management services to the Trust Group on a cost-sharing basis under the Administrative Support Services Agreement. These services include, but not limited to, legal and corporate secretarial support, finance, accounting and taxation support, human resources support, information technology support, internal audit support and general office administrative support. The remuneration package for employees comprises salary, bonuses, allowances and various retirement benefit schemes, including the Mandatory Provident Fund Scheme, for the benefit of the staff.

SUSTAINABILITY

The Trust Group, together with the Hotel Manager, is committed to being a sustainable group and places a strong emphasis on environmental, social and governance responsibilities in hotel operations. Sustainability is embedded in these operations by engaging major stakeholders through CONNECT, the corporate sustainability program. CONNECT encompasses four key areas: Governance, People, Community and Environment, which provides a comprehensive framework for implementing sustainable practices and establishes a solid foundation for sustainable hotel operation. This ensures cohesive implementation and alignment with the Trust Group’s sustainability vision. The Trust Group strives to protect the environment, engage the community and promote social integration, and believes that sustainability could create long-term value for stakeholders and enhance the quality of life in the workplace, the local community as well as the world at large.

DISCLOSURE OF INTERESTS

DIRECTORS' INTERESTS AND SHORT POSITIONS IN SHARE STAPLED UNITS, UNDERLYING SHARE STAPLED UNITS AND DEBENTURES

As at 30 June 2025, the interests and short positions of the Directors or chief executives of the Trustee-Manager and the Company in the Share Stapled Units, underlying Share Stapled Units and debentures of the Trust and the Company or any of its associated corporations (within the meaning of Part XV of the SFO) which were notified to the Trustee-Manager, the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests or short positions which they were taken or deemed to have under such provisions of the SFO) and the Model Code, or which were recorded in the register required under Section 352 of the SFO are as follows:

Long Positions in Share Stapled Units and Underlying Share Stapled Units

Name of Directors	Capacity	Nature of Interests	Number of SSUs/ Underlying SSUs Held	Percentage of Issued SSUs ⁽²⁾	Total
LO Ka Shui	Beneficial Owner	Personal Interests	31,584,000	0.92)	
	Interests of Controlled Corporations	Corporate Interests	2,505,361,939 ⁽¹⁾	72.74)	
	Settlor and a Member of the Advisory Committee and Management Committee of a Charitable Trust	Trust Interests	90,010,250	2.61)	76.27
Brett Stephen BUTCHER	Beneficial Owner and Jointly with Spouse	Joint Interests	2,170,545	0.06	0.06
LO Chun Lai, Andrew	Beneficial Owner	Personal Interests	300,000	0.01	0.01

Notes:

(1) These 2,505,361,939 Share Stapled Units comprise the following:

- (i) 2,502,271,939 Share Stapled Units respectively held by LHIL Assets Holdings Limited as to 2,358,327,439 Share Stapled Units (68.47%), Fine Noble Limited as to 87,894,750 Share Stapled Units (2.55%), The Great Eagle Company, Limited as to 47,102,250 Share Stapled Units (1.37%) and Great Eagle Nichemusic Limited as to 8,947,500 Share Stapled Units (0.26%), all of the said companies are wholly-owned subsidiaries of Great Eagle. Dr. Lo Ka Shui is a substantial shareholder, the Chairman and Managing Director of Great Eagle. His interests in Great Eagle are disclosed on page 31;
- (ii) 3,090,000 Share Stapled Units (0.09%) were held by two companies wholly owned by Dr. Lo Ka Shui. Dr. Lo Ka Shui and Mr. Lo Chun Him, Alexander are directors of these companies; and
- (iii) Among the 2,358,327,439 Share Stapled Units held by LHIL Assets Holdings Limited, 46,320,885 are the Deferred Share Stapled Units for partial payment of the Hotel Manager's Fees for the six-month period ended 31 December 2024, to be issued at a price of HK\$0.470 per Share Stapled Unit within three years from the payment deadline day of 28 February 2025, subject to the public float requirement. Please refer to the announcement of the Trust and the Company dated 27 February 2025 for further details.

(2) This percentage has been compiled based on 3,444,141,132 Share Stapled Units of the Trust and the Company in issue as at 30 June 2025.

DISCLOSURE OF INTERESTS

Long Positions in Shares and Underlying Shares of Associated Corporations

Great Eagle

As at 30 June 2025, Great Eagle held 71.31% of the issued Share Stapled Units of the Trust and the Company and therefore is an associated corporation of the Trust and the Company. The interests of Directors of the Trustee-Manager and the Company in Great Eagle as at 30 June 2025 are disclosed as follows:

Name of Directors	Capacity	Nature of Interests	Number of Ordinary Shares/ Underlying Shares Held	Percentage of Issued Share Capital ⁽⁶⁾	Total
LO Ka Shui	Beneficial Owner	Personal Interests	64,894,835 ⁽¹⁾	8.68)	
	Interests of Controlled Corporations	Corporate Interests	95,988,364 ⁽²⁾	12.83)	
	Discretionary Beneficiary of a Discretionary Trust	Discretionary Trust Interests	254,664,393	34.06)	
	Founder of a Discretionary Trust	Trust Interests	65,866,676	8.81)	64.38
Brett Stephen BUTCHER	Beneficial Owner	Personal Interests	572,933 ⁽³⁾	0.08)	
	Beneficial Owner and Jointly with Spouse	Joint Interests	31,433	0.00)	0.08
LO Chun Him, Alexander	Beneficial Owner	Personal Interests	936,978 ⁽⁴⁾	0.13	0.13
LO Chun Lai, Andrew	Beneficial Owner	Personal Interests	766,986 ⁽⁵⁾	0.10	0.10

Notes:

- (1) Among these interests, 3,412,000 were share options.
- (2) These interests were held by certain companies wholly owned by Dr. Lo Ka Shui. Dr. Lo Ka Shui and Mr. Lo Chun Him, Alexander are directors of these companies.
- (3) Among these interests, 514,000 were share options and 6,933 were share awards.
- (4) Among these interests, 787,000 were share options and 21,490 were share awards.
- (5) Among these interests, 153,000 were share options and 3,986 were share awards.
- (6) This percentage has been compiled based on 747,723,345 shares of Great Eagle in issue as at 30 June 2025.

DISCLOSURE OF INTERESTS

Champion Real Estate Investment Trust ("Champion REIT")

Champion REIT is accounted for as a subsidiary of Great Eagle, the holding company of the Trust and the Company. As at 30 June 2025, Great Eagle owned 70.49% interests in Champion REIT. While the definition of "associated corporation" under the SFO caters only to corporations, for the purpose of enhancing the transparency, the holdings of Directors of the Trustee-Manager and the Company in Champion REIT as at 30 June 2025 are disclosed as follows:

Name of Director	Capacity	Nature of Interests	Number of Units/ Underlying Units Held	Percentage of Issued Units ⁽²⁾	Total
Lo Ka Shui	Beneficial Owner	Personal Interests	6,620,007	0.11)	
)	
	Interests of Controlled Corporations	Corporate Interests	4,309,848,012 ⁽¹⁾	70.54)	
)	
	Settlor and a Member of the Advisory Committee and Management Committee of a Charitable Trust	Trust Interests	6,711,000	0.11)	70.76

Notes:

(1) These 4,309,848,012 units comprise the following:

- (i) 4,306,589,402 units (70.49%) were indirectly held by Great Eagle of which Dr. Lo Ka Shui is a substantial shareholder, the Chairman and Managing Director. His interests in Great Eagle are disclosed on page 31; and
- (ii) 3,258,610 units (0.05%) were held by certain companies wholly owned by Dr. Lo Ka Shui. Dr. Lo Ka Shui and Mr. Lo Chun Him, Alexander are directors of these companies.

(2) This percentage has been compiled based on 6,109,590,638 units of Champion REIT in issue as at 30 June 2025.

Save as disclosed above, as at 30 June 2025, none of the Directors or chief executives of the Trustee-Manager and the Company were taken to be interested or deemed to have any other interests or short positions in Share Stapled Units, underlying Share Stapled Units or debentures of the Trust and the Company or any of its associated corporations (within the meaning of Part XV of the SFO) which would have to be notified to the Trustee-Manager, the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO and the Model Code, or which were recorded in the register required under Section 352 of the SFO.

DISCLOSURE OF INTERESTS

INTERESTS OF SUBSTANTIAL HOLDERS IN SHARE STAPLED UNITS

As at 30 June 2025, the interests and short positions of persons (other than the Directors or chief executives of the Trustee-Manager and the Company) in the Share Stapled Units or underlying Share Staple Units of the Trust and the Company which would fall to be disclosed under the provisions of Divisions 2 and 3 of Part XV of the SFO, or which were recorded in the register required under Section 336 of the SFO as having an interest in 5% or more of the issued Share Stapled Units of the Trust and the Company are as follows:

Name	Total Number of SSUs/ Underlying SSUs Held	Percentage of Issued SSUs ⁽⁴⁾
Great Eagle Holdings Limited	2,502,271,939 ⁽¹⁾	72.65
LHIL Assets Holdings Limited	2,358,327,439 ⁽²⁾	68.47
HSBC International Trustee Limited	2,448,103,067 ⁽³⁾	71.08

Notes:

- (1) These 2,502,271,939 Share Stapled Units were indirectly held by Great Eagle through its wholly-owned subsidiaries in the following manner:
 - (i) the same parcel of Share Stapled Units held by LHIL Assets Holdings Limited as disclosed in the above table;
 - (ii) 87,894,750 Share Stapled Units (2.55%) held by Fine Noble Limited;
 - (iii) 47,102,250 Share Stapled Units (1.37%) held by The Great Eagle Company, Limited; and
 - (iv) 8,947,500 Share Stapled Units (0.26%) held by Great Eagle Nichemusic Limited.
- (2) Among these interests, 46,320,885 are the Deferred Share Stapled Units for partial payment of the Hotel Manager's Fees for the six-month period ended 31 December 2024, to be issued at a price of HK\$0.470 per Share Stapled Unit within three years from the payment deadline day of 28 February 2025, subject to the public float requirement. Please refer to the announcement of the Trust and the Company dated 27 February 2025 for further details.
- (3) The disclosure was based on the latest Disclosure of Interest Form (with the date of relevant event as at 30 August 2024) of the Trust and the Company received from HSBC International Trustee Limited ("HITL").

HITL in its capacity as a trustee of several discretionary trusts held 315,009,622 shares in Great Eagle as at 30 June 2025 based on the latest Disclosure of Interest Form (with the date of relevant event as at 21 June 2021) of Great Eagle received from HITL.
- (4) This percentage has been compiled based on 3,444,141,132 Share Stapled Units of the Trust and the Company in issue as at 30 June 2025.

Save as disclosed above, as at 30 June 2025, no person (other than the Directors or chief executives of the Trustee-Manager and the Company whose interests are set out on page 30) was interested (or deemed to be interested) or held any short positions in the Share Stapled Units or underlying Share Stapled Units of the Trust and the Company which would fall to be disclosed to the Trustee-Manager and the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO, or which were recorded in the register required under Section 336 of the SFO.



FINANCIAL INFORMATION

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- 36** Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income
- 37** Condensed Consolidated Statement of Financial Position
- 38** Condensed Consolidated Statement of Changes in Equity
- 39** Condensed Consolidated Statement of Cash Flows
- 40** Notes to the Condensed Consolidated Financial Statements

LHIL MANAGER LIMITED

- 62** Report on Review of Condensed Financial Statements
- 63** Condensed Statement of Profit or Loss and Other Comprehensive Income
- 63** Condensed Statement of Financial Position
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REPORT ON REVIEW OF THE TRUST AND THE COMPANY'S CONDENSED CONSOLIDATED FINANCIAL STATEMENTS



TO THE HOLDERS OF SHARE STAPLED UNITS OF LANGHAM HOSPITALITY INVESTMENTS AND LANGHAM HOSPITALITY INVESTMENTS LIMITED

(Langham Hospitality Investments is a trust constituted under the laws of Hong Kong;

Langham Hospitality Investments Limited is incorporated in the Cayman Islands with limited liability)

INTRODUCTION

We have reviewed the condensed consolidated financial statements of Langham Hospitality Investments (the "Trust") and Langham Hospitality Investments Limited (the "Company") and its subsidiaries (collectively referred to as the "Trust Group") and of the Company and its subsidiaries (collectively referred to as the "Group") set out on pages 36 to 61 (hereinafter collectively referred to as "the Trust and the Company's Condensed Consolidated Financial Statements"). As explained in note 2 to the Trust and the Company's Condensed Consolidated Financial Statements, the condensed consolidated financial statements of the Trust Group and the condensed consolidated financial statements of the Group are presented together. The Trust and the Company's Condensed Consolidated Financial Statements together comprise the condensed consolidated statement of financial position of the Trust Group and of the Group as of 30 June 2025 and the related condensed consolidated statement of profit or loss and other comprehensive income, condensed consolidated statement of changes in equity and condensed consolidated statement of cash flows of the Trust Group and of the Group for the six-month period then ended, and certain explanatory notes. The Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited require the preparation of a report on interim financial information to be in compliance with the relevant provisions thereof and Hong Kong Accounting Standard 34 "Interim Financial Reporting" ("HKAS 34") issued by the Hong Kong Institute of Certified Public Accountants. The Trustee-Manager of the Trust and Directors of the Company are responsible for the preparation and presentation of these condensed consolidated financial statements in accordance with HKAS 34. Our responsibility is to express a conclusion on these condensed consolidated financial statements based on our review, and to report our conclusion solely to you, as a body, in accordance with our agreed terms of engagement, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

SCOPE OF REVIEW

We conducted our review in accordance with Hong Kong Standard on Review Engagements 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Hong Kong Institute of Certified Public Accountants. A review of these condensed consolidated financial statements consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Hong Kong Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

CONCLUSION

Based on our review, nothing has come to our attention that causes us to believe that the Trust and the Company's Condensed Consolidated Financial Statements are not prepared, in all material respects, in accordance with HKAS 34.

Deloitte Touche Tohmatsu

Certified Public Accountants

Hong Kong

12 August 2025

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME OF THE TRUST AND OF THE COMPANY

For the six months ended 30 June 2025

	NOTES	Six months ended 30 June	
		2025 HK\$'000 (unaudited)	2024 HK\$'000 (unaudited)
Revenue	4	184,823	191,166
Property related expenses		(10,907)	(10,210)
Net property income		173,916	180,956
Other income		4,194	1,979
(Decrease) increase in fair value of investment properties		(143,327)	37,373
Change in fair value of derivative financial instruments		(27,317)	15,912
Change related to settlement arrangement of hotel management fees and licence fee	19(b)	–	(14,634)
Administrative and other expenses		(6,357)	(8,038)
Finance costs	6	(137,726)	(162,843)
(Loss) profit before tax		(136,617)	50,705
Income tax expense	7	(5,637)	(7,685)
(Loss) profit and total comprehensive (expense) income for the period attributable to holders of Share Stapled Units	10	(142,254)	43,020
(Loss) earnings per Share Stapled Unit			
Basic and diluted	11	(HK4 cents)	HK1 cent

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION OF THE TRUST AND OF THE COMPANY

At 30 June 2025

	NOTES	At 30 June 2025 HK\$'000 (unaudited)	At 31 December 2024 HK\$'000 (audited)
Non-current assets			
Property, plant and equipment	12	928	908
Investment properties	13	15,764,000	15,895,000
Deposits	14	8,222	8,838
		15,773,150	15,904,746
Current assets			
Debtors, deposits and prepayments	14	14,579	32,678
Tax recoverable		7,467	7,518
Restricted bank balance	15	51,000	–
Bank balances		241,233	293,402
		314,279	333,598
Current liabilities			
Creditors, deposits and accruals	16	65,844	61,131
Derivative financial instruments	17	12,920	2,974
Lease liabilities due within one year		689	610
Tax payable		24,599	22,465
		104,052	87,180
Net current assets		210,227	246,418
Total assets less current liabilities		15,983,377	16,151,164
Non-current liabilities			
Derivative financial instruments	17	17,371	–
Secured bank loans due after one year	18	6,168,404	6,164,604
Lease liabilities due after one year		239	283
Deferred tax liabilities		487,318	483,866
		6,673,332	6,648,753
NET ASSETS		9,310,045	9,502,411
Capital and reserves			
Issued capital/units	19	3,444	3,434
Reserves		9,306,601	9,498,977
TOTAL EQUITY		9,310,045	9,502,411

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY OF THE TRUST AND OF THE COMPANY

For the six months ended 30 June 2025

	Share capital/ units HK\$'000	Share premium HK\$'000 (Note a)	Other reserve HK\$'000 (Note b)	Share-based payment reserve HK\$'000 (Note c)	Property revaluation reserve HK\$'000 (Note d)	(Accumulated losses) retained profits HK\$'000	Total HK\$'000
At 1 January 2024 (audited)	3,319	8,260,666	(11,562,543)	1,179	12,598,157	(110,120)	9,190,658
Profit and other comprehensive income for the period	–	–	–	–	–	43,020	43,020
Recognition of equity-settled share based payment	–	–	–	9	–	–	9
Issue of Share Stapled Units (note 19)	55	35,755	–	14,634	–	–	50,444
At 30 June 2024 (unaudited)	3,374	8,296,421	(11,562,543)	15,822	12,598,157	(67,100)	9,284,131
At 1 January 2025 (audited)	3,434	8,325,924	(11,562,543)	15,835	12,598,157	121,604	9,502,411
Loss and other comprehensive expense for the period	–	–	–	–	–	(142,254)	(142,254)
Recognition of equity-settled share based payment	–	–	–	15	–	–	15
Distribution paid	–	(55,106)	–	–	–	–	(55,106)
Issue of Share Stapled Units (note 19)	10	4,969	–	–	–	–	4,979
At 30 June 2025 (unaudited)	3,444	8,275,787	(11,562,543)	15,850	12,598,157	(20,650)	9,310,045

Notes:

- (a) Under the Cayman Islands Companies Act, the share premium of the Company is available for distribution.
- (b) Pursuant to a group reorganisation in May 2013, certain businesses were transferred to the Groups (as defined in note 2). Other reserve represents the difference between the considerations of the transfers and the share capital of the businesses as of the date of the transfer.
- (c) Share-based payment reserve mainly represents the impact of the difference between the issue price of Share Stapled Unit determined pursuant to the hotel management agreements and trademark licence agreements and the closing price of Share Stapled Unit immediately preceding the issue date.
- (d) Property revaluation reserve represents the revaluation gain arising from transfer from property, plant and equipment to investment properties which amounted to the difference between the fair value of the investment properties and the carrying amount of the property, plant and equipment at the date of transfer.

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS OF THE TRUST AND OF THE COMPANY

For the six months ended 30 June 2025

	Six months ended 30 June	
	2025	2024
	HK\$'000	HK\$'000
	(unaudited)	(unaudited)
Cash generated from operations	207,081	232,653
Interest paid	(140,331)	(160,996)
Net cash from operating activities	66,750	71,657
Investing activities		
Additions of investment properties	(13,417)	(27,418)
Interest received	4,060	1,488
Placement of restricted bank balance	(51,000)	–
Net cash used in investing activities	(60,357)	(25,930)
Financing activities		
Distribution paid	(55,106)	–
Repayment of bank loans	(3,000)	–
Repayment of lease liabilities	(433)	(545)
Interest paid for leases	(23)	(11)
Cash used in financing activities	(58,562)	(556)
Net (decrease) increase in cash and cash equivalents	(52,169)	45,171
Cash and cash equivalents at the beginning of the period	293,402	122,516
Cash and cash equivalents at the end of the period, represented by bank balances	241,233	167,687

NOTES TO THE TRUST AND THE COMPANY'S CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 June 2025

1. GENERAL

Langham Hospitality Investments (the "Trust") is constituted by a Hong Kong law governed trust deed and as supplemented, amended or substituted from time to time (the "Trust Deed"), entered into between LHIL Manager Limited (the "Trustee-Manager", in its capacity as the trustee-manager of the Trust) and Langham Hospitality Investments Limited (the "Company"). The Company is a company incorporated in the Cayman Islands with limited liability. The share stapled units ("Share Stapled Units") structure comprises: (a) a unit in the Trust; (b) a beneficial interest in a specifically identified ordinary share in the Company which is linked to the unit in the Trust and held by the Trustee-Manager as legal owner in its capacity as trustee-manager of the Trust; and (c) a specifically identified preference share in the Company which is "stapled" to the unit in the Trust. The Share Stapled Units were listed on the Main Board of The Stock Exchange of Hong Kong Limited (the "Stock Exchange") on 30 May 2013 (the "Listing Date").

The Company acts as an investment holding company. The principal activity of the Trust Group (as defined in note 2 below) is property investment.

The condensed consolidated financial statements are presented in Hong Kong dollar ("HK\$"), which is also the functional currency of the Trust and the Company.

2. BASIS OF PRESENTATION OF CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

In accordance with the Trust Deed, the Trust and the Company are each required to prepare their own sets of financial statements on a consolidated basis. The Trust's condensed consolidated financial statements for the six months ended 30 June 2025 comprise the condensed consolidated financial statements of the Trust, the Company and its subsidiaries (collectively referred to as the "Trust Group"). The Company's condensed consolidated financial statements for the six months ended 30 June 2025 comprise the condensed consolidated financial statements of the Company and its subsidiaries (collectively referred to as the "Group").

The unitholders of the Trust have beneficial interest in the ordinary shares of the Company and the sole activity of the Trust during the period ended 30 June 2025 was investment in the Company. Therefore, the condensed consolidated results and financial position that would be presented in the condensed consolidated financial statements of the Trust Group are identical to the condensed consolidated financial statements of the Group with the only differences being the disclosures of capital. The Trustee-Manager and the directors of the Company (the "Directors") believe therefore that it is clearer to present the condensed consolidated financial statements of the Trust Group and the Group together. The condensed consolidated financial statements of the Trust Group and the condensed consolidated financial statements of the Groups are presented together to the extent they are identical and are hereinafter referred as "the Trust and the Company's Condensed Consolidated Financial Statements".

The Trust Group and the Group are referred as the "Groups".

NOTES TO THE TRUST AND THE COMPANY'S CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 June 2025

3. BASIS OF PREPARATION OF CONDENSED CONSOLIDATED FINANCIAL STATEMENTS AND PRINCIPAL ACCOUNTING POLICIES

3.1 Basis of preparation of condensed consolidated financial statements

The Trust and the Company's Condensed Consolidated Financial Statements have been prepared in accordance with Hong Kong Accounting Standard ("HKAS") 34 "Interim Financial Reporting" issued by the Hong Kong Institute of Certified Public Accountants (the "HKICPA") as well as the applicable disclosure requirements of Appendix 16 of the Rules Governing the Listing of Securities on the Stock Exchange (the "Listing Rules").

3.2 Principal accounting policies

The condensed consolidated financial statements have been prepared on the historical cost basis except for investment properties and derivative financial instruments, which are measured at fair values.

Other than the change in accounting policies resulting from application of amendments to HKFRS Accounting Standards, the accounting policies and methods of computation used in the condensed consolidated financial statements for the six months ended 30 June 2025 are the same as those presented in the Groups' annual consolidated financial statements for the year ended 31 December 2024.

Application of amendments to HKFRS Accounting Standards

In the current interim period, the Groups have applied the following amendment to a HKFRS Accounting Standard issued by the HKICPA, for the first time, which are mandatorily effective for the Groups' annual period beginning on 1 January 2025 for the preparation of the Groups' condensed consolidated financial statements:

Amendments to HKAS 21

Lack of Exchangeability

The application of the amendments to a HKFRS Accounting Standard in the current interim period has had no material impact on the Groups' financial positions and performance for the current and prior periods and/or on the disclosures set out in these condensed consolidated financial statements.

4. REVENUE

	Six months ended 30 June	
	2025 HK\$'000 (unaudited)	2024 HK\$'000 (unaudited)
Rental income from GE (LHIL) Lessee Limited (the "Master Lessee") (Note)		
Base rent	111,575	111,885
Variable rent	108,520	116,226
Service fees expenses	(36,106)	(37,871)
	183,989	190,240
Rental income from retail shops in Eaton HK	834	926
	184,823	191,166

Note: Included in rental income from Master Lessee, service fees income of HK\$36,106,000 (six months ended 30 June 2024: HK\$37,871,000) has been netted with the same amount of the corresponding service fees expenses. Details set out in note 23(a).

NOTES TO THE TRUST AND THE COMPANY'S CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 June 2025

5. SEGMENT INFORMATION

The Groups' operating segments, based on information reported to the chief operating decision maker ("CODM") who is the management of the Trustee-Manager and the Company, for the purpose of resource allocation and performance assessment are more specifically focused on the operating results from leasing of The Langham, Hong Kong, Cordis, Hong Kong and Eaton HK (the "Hotels").

The Groups' results are derived from property investment operation, which relates to the operating results from leasing of the Hotels and represents three operation segments under HKFRS 8 "Operating Segments".

Segment revenue and results

The following is an analysis of the Groups' revenue and results by the three investment properties for the periods under review.

Six months ended 30 June 2025

	The Langham, Hong Kong HK\$'000 (unaudited)	Cordis, Hong Kong HK\$'000 (unaudited)	Eaton HK HK\$'000 (unaudited)	Segment total HK\$'000 (unaudited)	Reconciliation HK'000 (unaudited) (note)	Consolidated HK'000 (unaudited)
Segment revenue	77,631	97,100	46,198	220,929	(36,106)	184,823
Segment results	62,316	75,866	35,734	173,916	–	173,916
Other income						4,194
Decrease in fair value of investment properties						(143,327)
Change in fair value of derivative financial instruments						(27,317)
Change related to settlement arrangement of hotel management fees and licence fee						–
Administrative and other expenses						(6,357)
Finance costs						(137,726)
Loss before tax						(136,617)
Income tax expense						(5,637)
Loss for the period attributable to holders of Share Stapled Units						(142,254)

NOTES TO THE TRUST AND THE COMPANY'S CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 June 2025

5. SEGMENT INFORMATION (CONTINUED)

Segment revenue and results (Continued)

Six months ended 30 June 2024

	The Langham, Hong Kong HK\$'000 (unaudited)	Cordis, Hong Kong HK\$'000 (unaudited)	Eaton HK HK\$'000 (unaudited)	Segment total HK\$'000 (unaudited)	Reconciliation HK'000 (unaudited) (note)	Consolidated HK'000 (unaudited)
Segment revenue	80,786	100,984	47,267	229,037	(37,871)	191,166
Segment results	65,099	79,089	36,768	180,956	–	180,956
Other income						1,979
Increase in fair value of investment properties						37,373
Change in fair value of derivative financial instruments						15,912
Change related to settlement arrangement of hotel management fees and licence fee (note 19(b))						(14,634)
Administrative and other expenses						(8,038)
Finance costs						(162,843)
Profit before tax						50,705
Income tax expense						(7,685)
Profit for the period attributable to holders of Share Stapled Units						43,020

Note: Reconciliation represents netting of service fees income of HK\$36,106,000 (six months ended 30 June 2024: HK\$37,871,000) with the same amount of the corresponding service fees expenses (including hotel management fees, licence fee and global marketing fee) that has been adjusted from revenue.

Segment assets and liabilities

For the purpose of performance assessment, other than the fair values of investment properties, no other segment assets are reviewed by the CODM. At the end of the reporting period, the fair values of The Langham, Hong Kong, Cordis, Hong Kong and Eaton HK were HK\$5,410,000,000, HK\$6,770,000,000 and HK\$3,584,000,000 (31 December 2024: HK\$5,440,000,000, HK\$6,840,000,000 and HK\$3,615,000,000), respectively.

No analysis of segment liabilities is presented as they are not regularly provided to the CODM.

NOTES TO THE TRUST AND THE COMPANY'S CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 June 2025

6. FINANCE COSTS

	Six months ended 30 June	
	2025 HK\$'000 (unaudited)	2024 HK\$'000 (unaudited)
Interest on bank borrowings	122,155	162,063
Net interest on interest rate swaps	8,346	(4,151)
Underwriting/loan extension fee amortisation	6,800	4,685
Interest on lease liabilities	23	11
Other borrowing costs	402	235
	137,726	162,843

7. INCOME TAX EXPENSE

	Six months ended 30 June	
	2025 HK\$'000 (unaudited)	2024 HK\$'000 (unaudited)
Hong Kong Profits Tax:		
Current tax		
– Current period	2,185	1,246
Deferred tax		
– Current period	3,452	6,430
– Underprovision in prior year	–	9
	5,637	7,685

Hong Kong Profits Tax is calculated at 16.5% of the estimated assessable profit for both periods.

NOTES TO THE TRUST AND THE COMPANY'S CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 June 2025

8. TOTAL DISTRIBUTABLE INCOME

Total distributable income is the (loss) profit for the period attributable to holders of Share Stapled Units as adjusted to eliminate the effects of adjustments (as set out in the Trust Deed) which have been recorded in the condensed consolidated statement of profit or loss and other comprehensive income for the relevant period. The adjustments to arrive at the total distributable income for the periods are set out below:

	Six months ended 30 June	
	2025 HK\$'000 (unaudited)	2024 HK\$'000 (unaudited)
(Loss) profit for the period attributable to holders of Share Stapled Units	(142,254)	43,020
Adjustments:		
Depreciation	447	559
Deferred tax	3,452	6,439
Underwriting/loan extension fee amortisation	6,800	4,685
Hotel management fees and licence fee payable in form of Share Stapled Units (notes 20 and 23(c))	–	29,563
Decrease (increase) in fair value of investment properties	143,327	(37,373)
Change in fair value of derivative financial instruments	27,317	(15,912)
Change related to settlement arrangement of hotel management fees and licence fee (note 19(b))	–	14,634
Reserve for furniture, fixtures and equipment	(11,062)	(11,593)
Total distributable income	28,027	34,022

NOTES TO THE TRUST AND THE COMPANY'S CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 June 2025

9. DISTRIBUTION STATEMENT

		Six months ended 30 June	
		2025	2024
	NOTE	HK\$'000 (unaudited)	HK\$'000 (unaudited)
Interim distribution period (note a)			
Total distributable income in respect of the six months ended 30 June 2025 (six months ended 30 June 2024: in respect of the six months ended 30 June 2024)	8	28,027	34,022
Percentage of distributable income for distribution (note b)		–	–
Distributable income for interim distribution period		–	–
Interim distribution		–	–
Final distribution period (note a)			
Total distributable income in respect of the financial year ended 31 December 2024 (six months ended 30 June 2024: in respect of the financial year ended 31 December 2023)		113,022	297,613
Less: distributable income paid for interim distribution period		–	–
Distributable income available for final distribution period		113,022	297,613
Percentage of distributable income for distribution (note b)		48%	–
Distributable income for final distribution period		54,251	–
Final distribution (note c)		54,251	–
Distribution per Share Stapled Unit			
Interim distribution per Share Stapled Unit in respect of the six months ended 30 June 2025 (six months ended 30 June 2024: in respect of the six months ended 30 June 2024)		–	–
Final distribution per Share Stapled Unit in respect of the financial year ended 31 December 2024 (six months ended 30 June 2024: in respect of the financial year ended 31 December 2023) (note c)		HK1.6 cents	–

NOTES TO THE TRUST AND THE COMPANY'S CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 June 2025

9. DISTRIBUTION STATEMENT (CONTINUED)

Notes:

- (a) The interim distribution in 2025 and 2024 were based on total distributable income for the six months ended 30 June 2025 and 2024, respectively.

The final distribution in 2024 and 2023 were based on total distributable income for the year ended 31 December 2024 and 2023, respectively.

- (b) The Board of the Company has resolved not to declare any of the total distribution income for the six months ended 30 June 2025 (six months ended 30 June 2024: Nil).

48% of the total distributable income was distributed in respect of the financial year ended 31 December 2024. No distributable income was distributed in respect of the financial year ended 31 December 2023.

- (c) Final distribution

Financial distribution per Share Stapled Unit of HK1.6 cents in respect of the financial year ended 31 December 2024 was calculated based on distributable income available for final distribution period of HK\$54,251,000 and 3,433,546,645 Share Stapled Units as at 31 December 2024. In consideration of 10,594,487 Share Stapled Units issued as partial payment of hotel management fees and licence fee for the six months ended 31 December 2024 on 28 February 2025, the number of Share Stapled Units entitled for final distribution in 2024 had been adjusted to be 3,444,141,132. Total distribution of HK\$55,106,000 in respect of 2024 final distribution period was paid on 4 June 2025.

The final distribution after 31 December 2024 had not been recognised as a liability as at 31 December 2024.

10. (LOSS) PROFIT AND TOTAL COMPREHENSIVE (EXPENSE) INCOME FOR THE PERIOD ATTRIBUTABLE TO HOLDERS OF SHARE STAPLED UNITS

	Six months ended 30 June	
	2025 HK\$'000 (unaudited)	2024 HK\$'000 (unaudited)
(Loss) profit and total comprehensive (expense) income for the period has been arrived at after charging (crediting):		
Staff costs (including Directors' emoluments) (Note)	3,275	3,231
Depreciation	447	559
Interest income	(3,870)	(1,500)

Note: The Groups recognised the total expenses of HK\$15,000 (six months ended 30 June 2024: HK\$9,000) for the six months ended 30 June 2025 in relation to share awards and share options (six months ended 30 June 2024: share options) granted by the ultimate holding company under share award and share option scheme (six months ended 30 June 2024: share option scheme).

NOTES TO THE TRUST AND THE COMPANY'S CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 June 2025

11. BASIC AND DILUTED (LOSS) EARNINGS PER SHARE STAPLED UNIT

The calculation of basic and diluted (loss) earnings per Share Stapled Unit attributable to holders of Share Stapled Units is based on the following data:

	Six months ended 30 June	
	2025 HK\$'000 (unaudited)	2024 HK\$'000 (unaudited)
(Loss) profit		
(Loss) profit for the period for the purposes of basic and diluted earnings per Share Stapled Unit	(142,254)	43,020
	Six months ended 30 June	
	2025 '000 (unaudited)	2024 '000 (unaudited)
Number of Share Stapled Units		
Weighted average number of Share Stapled Units for the purposes of basic and diluted earnings per Share Stapled Unit	3,440,746	3,361,407

Note: The basic and diluted loss per unit for the six months ended 30 June 2025 is the same as it is anti-dilutive (for the six months ended 30 June 2024: same as the impact is immaterial).

12. PROPERTY, PLANT AND EQUIPMENT

During the six months ended 30 June 2025, the Groups extended the existing lease agreement of a leased property for 1.5 months. On the lease modification date, the Groups recognised right-of-use of HK\$67,000 and lease liability of HK\$67,000 (for the six month ended 30 June 2024: Nil) respectively. After the lease agreement expired, the Groups entered into a new licence agreement of a leased property with lease terms of 3 years (for the six months ended 30 June 2024: Nil). The Groups are required to make fixed monthly payments. On lease commencement, the Groups recognised right-of-use asset of HK\$401,000 and lease liability of HK\$401,000 (for the six months ended 30 June 2024: Nil) respectively.

For the six months ended 30 June 2025 and 2024, there are no additions of property, plant and equipment other than the leased properties.

NOTES TO THE TRUST AND THE COMPANY'S CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 June 2025

13. INVESTMENT PROPERTIES

	At 30 June 2025 HK\$'000 (unaudited)	At 31 December 2024 HK\$'000 (audited)
FAIR VALUE		
At the beginning of the period/year (audited)	15,895,000	15,662,000
Additions	12,327	46,474
(Decrease) increase in fair value recognised in profit or loss	(143,327)	186,526
At the end of the period/year	15,764,000	15,895,000

The fair value of the Groups' investment properties of HK\$15,764,000,000 at 30 June 2025 (31 December 2024: HK\$15,895,000,000) has been arrived at on a basis of valuation carried out by Knight Frank Petty Limited (31 December 2024: Vigers Appraisal and Consulting Limited), an independent professional property valuer not connected with the Groups.

The Groups engage independent professional property valuer to perform the valuation. Management works closely with the independent professional property valuer to establish the appropriate valuation techniques and inputs to the model. Management reports the valuation report and findings to the Trustee-Manager and the Directors half-yearly to explain the cause of fluctuations in the fair value of the investment properties.

The independent professional property valuer adopted income approach by using discounted cash flow analysis for the Hotels and term and reversion method for the retail shops to arrive at the valuation of investment properties as at 30 June 2025.

The discounted cash flow analysis for the hotel properties is established based on explicit assumptions regarding the prospective cash flow to operating real properties. This analysis involves the projection of a series of periodic cash flows to an operating property. To this projected cash flow series, an appropriate discount rate is applied to establish an indication of the present value of the income stream associated with the Hotels. In the case of operating real properties, periodic cash flow is typically estimated as gross income less vacancy and operating expenses and other outgoings. The series of periodic net operating incomes, along with an estimate of the reversionary or terminal value, anticipated at the end of the projection period, is then discounted at the discount rate, being a cost of capital or a rate of return used to convert a monetary sum, payable or receivable in the future, into present value. We have undertaken the discounted cash flow analysis on a yearly basis over a 10-year investment horizon. The net income in the exit year is capitalised at an appropriate yield.

The term and reversion method for the retail shops is established by capitalising the amount of net income receivable under the current terms of tenancies, along with potential changes in rental income on reversion. Both the term and reversion are capitalised by the market capitalisation rates, which reflect the rate of investment return, effect of inflation and prospect of rental growth, if any.

In estimating the fair value of the investment properties, the highest and best use of the investment properties is their current use.

NOTES TO THE TRUST AND THE COMPANY'S CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 June 2025

14. DEBTORS, DEPOSITS AND PREPAYMENTS

	At 30 June 2025 HK\$'000 (unaudited)	At 31 December 2024 HK\$'000 (audited)
Receivable from Master Lessee	13,314	29,417
Lease receivable	5	67
Deferred rent receivable	161	204
Other receivables	332	529
Deposits and prepayments	8,989	11,299
	22,801	41,516
Less: deposits paid to contractors for hotel renovation classified as non-current assets	(8,222)	(8,838)
Debtors, deposits and prepayments classified as current assets	14,579	32,678

Aging analysis of receivable from Master Lessee and lease receivable based on the invoice date at the end of the reporting period is as follows:

	At 30 June 2025 HK\$'000 (unaudited)	At 31 December 2024 HK\$'000 (audited)
Within 3 months	13,319	29,484

Receivable from Master Lessee represents amount due from a fellow subsidiary of HK\$13,314,000 (31 December 2024: HK\$29,417,000), which was unsecured, interest free and repayable on presentation of invoices.

Other receivables mainly consist of interest receivable from banks for the fixed deposits.

Deposits and prepayments mainly consist of deposits paid to contractors for hotels renovation.

15. RESTRICTED BANK BALANCE

Restricted bank balance of HK\$51,000,000 (31 December 2024: Nil) represents an additional security placed in a bank account to maintain the minimum interest coverage ratio as required under the banking facilities agreement. The restricted bank balance will be released upon the satisfactory of such requirement.

NOTES TO THE TRUST AND THE COMPANY'S CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 June 2025

16. CREDITORS, DEPOSITS AND ACCRUALS

	At 30 June 2025 HK\$'000 (unaudited)	At 31 December 2024 HK\$'000 (audited)
Trade creditors	50,895	34,498
Accruals and other payables	13,461	23,440
Construction fee payables	911	2,616
Deposits received	577	577
	65,844	61,131

Aging analysis of creditors based on the invoice date at the end of the reporting period is as follows:

	At 30 June 2025 HK\$'000 (unaudited)	At 31 December 2024 HK\$'000 (audited)
Within 3 months	13,795	20,758
More than 3 months and within 6 months	15,328	13,740
More than 6 months	21,772	–
	50,895	34,498

Trade creditors represent amounts due to fellow subsidiaries of HK\$50,895,000 (31 December 2024: HK\$34,498,000), which are unsecured, interest-free and payable on presentation of invoices. At 30 June 2025, included in trade creditors is an amount due to a fellow subsidiary of HK\$21,772,000, relating to outstanding hotel management fees and licence fee for the second half of 2024. This amount will be settled through the allotment and issuance of 46,320,885 Share Stapled Units. Due to the public float requirement under the Listing Rules, the allotment and issuance of these Share Stapled Units will be carried out in one or more batch(es), on any business day(s) within three years from 28 February 2025, provided that the public float requirement is satisfied on the relevant allotment and issuance date. If any of the deferred Share Stapled Units remain unissued on the last business day of the three-year buffer period, all such outstanding part of the hotel management fees and licence fee will be paid in cash without interest. These deferred Share Stapled Units will not be entitled to any distribution until they are allotted and issued.

Accruals and other payables mainly consist of interest payable on bank borrowings and interest rate swaps.

Included in accruals and other payables are amounts due to fellow subsidiaries of HK\$218,000 (31 December 2024: HK\$106,000), which are unsecured, interest-free and payable on presentation of invoices.

Included in construction fee payable is retention money payables to contractors of HK\$200,000 (31 December 2024: HK\$578,000), which are payable within one year (31 December 2024: within one year).

NOTES TO THE TRUST AND THE COMPANY'S CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 June 2025

17. DERIVATIVE FINANCIAL INSTRUMENTS

As at 30 June 2025 and 31 December 2024, all the derivative financial instruments are interest rate swaps. The Groups implemented a series of interest rate swap contracts to manage the exposure to the interest rate risk on the Groups' floating-rate borrowings by swapping a proportion of those borrowings from floating rate to fixed rate. No hedge accounting is adopted and there is no offsetting during the period/year.

Major terms of the interest rate swaps are as follows:

Total notional amount	Maturity	Floating interest rate	Fixed interest rate	Interest period
At 30 June 2025 HK\$2,600,000,000	October 2025 – December 2027	Hong Kong Interbank Offered Rate ("HIBOR")	2.899% – 3.995%	Monthly
At 31 December 2024 HK\$1,500,000,000	October 2025 – December 2025	HIBOR	3.975% – 3.995%	Monthly

18. SECURED BANK LOANS

	At 30 June 2025 HK\$'000 (unaudited)	At 31 December 2024 HK\$'000 (audited)
Secured term loans	6,201,600	6,201,600
Secured revolving loans	–	3,000
Underwriting/loan extension fee	(33,196)	(39,996)
	6,168,404	6,164,604
Less: Amount due within one year shown under current liabilities	–	–
	6,168,404	6,164,604

At 30 June 2025, the Groups have a banking facility amounted to HK\$6,800,000,000 (31 December 2024: HK\$6,800,000,000), including term loans facility amounted to HK\$6,201,600,000 (31 December 2024: HK\$6,201,600,000) and revolving loans facility amounted to HK\$598,400,000 (31 December 2024: HK\$598,400,000).

NOTES TO THE TRUST AND THE COMPANY'S CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 June 2025

18. SECURED BANK LOANS (CONTINUED)

Secured term loans of HK\$6,201,600,000 (31 December 2024: HK\$6,201,600,000) are variable-rate borrowings, bearing interest at HIBOR plus 0.82% (31 December 2024: HIBOR plus 0.85%) per annum and are repayable in one lump sum on maturity date which will fall due in December 2027 (31 December 2024: December 2027). There is no secured revolving loans outstanding at 30 June 2025. At 31 December 2024, secured revolving loans of HK\$3,000,000 were variable rate borrowings, bearing interest at HIBOR plus 0.85% per annum and were revolving on a monthly basis, of which the related banking facilities will expire in 2027. At 30 June 2025 and 31 December 2024, all bank loans are secured by the Groups' investment properties and restricted bank balance (31 December 2024: investment properties).

In respect of the secured bank loans with carrying amount of HK\$6,201,600,000 as at 30 June 2025 (31 December 2024: HK\$6,204,600,000), the Groups are required to conduct tests on certain financial covenants twice a year.

As at 30 June 2025 and 31 December 2024, the Groups had complied with all financial covenants' tests, except for a test that is subject to the amount of deposit eligible to be placed into a restricted bank account after the end of the reporting period, therefore, the Groups classified the secured bank loans as non-current. The management of the Groups has assessed the financial condition of the Groups for the deposit and has considered the Groups are able to meet the forementioned financial covenant.

In respect of a non-current secured revolving loan with carrying amount of HK\$3,000,000 as at 31 December 2024, the Groups fully settled such secured revolving loan subsequently in January 2025.

19. ISSUED CAPITAL/UNITS

	Number of shares/units	Nominal value HK\$
Authorised: Ordinary shares of HK\$0.0005 each		
At 1 January 2024 (audited), 31 December 2024 (audited) and 30 June 2025 (unaudited)	5,000,000,000	2,500,000
Preference shares of HK\$0.0005 each		
At 1 January 2024 (audited), 31 December 2024 (audited) and 30 June 2025 (unaudited)	5,000,000,000	2,500,000

Units issued/share capital issued and fully paid:

Share Stapled Units

In accordance with the Trust Deed and the Company's articles of association, the number of ordinary shares and preference shares of the Company must be the same at all times and must be equal to the number of Share Stapled Units. Hence, the movement of the number of Share Stapled Units is the same as that of the ordinary shares and preference shares of the Company as shown below.

NOTES TO THE TRUST AND THE COMPANY'S CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

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19. ISSUED CAPITAL/UNITS (CONTINUED)

Share Stapled Units (Continued)

	Number of shares/units	Nominal value HK\$
Ordinary shares of HK\$0.0005 each (note a)		
At 1 January 2024 (audited)	3,318,869,006	1,659,435
Issue of ordinary shares as payment of hotel management fees and licence fee (note b)	55,432,596	27,716
Issue of ordinary shares as payment of hotel management fees and licence fee (note b)	59,245,043	29,622
At 31 December 2024 (audited)	3,433,546,645	1,716,773
Issue of ordinary shares as payment of hotel management fees and licence fee (note b)	10,594,487	5,297
At 30 June 2025 (unaudited)	3,444,141,132	1,722,070
Preference shares of HK\$0.0005 each (note c)		
At 1 January 2024 (audited)	3,318,869,006	1,659,435
Issue of preference shares as payment of hotel management fees and licence fee (note b)	55,432,596	27,716
Issue of preference shares as payment of hotel management fees and licence fee (note b)	59,245,043	29,622
At 31 December 2024 (audited)	3,433,546,645	1,716,773
Issue of preference shares as payment of hotel management fees and licence fee (note b)	10,594,487	5,297
At 30 June 2025 (unaudited)	3,444,141,132	1,722,070
	At 30 June 2025 HK\$'000 (unaudited)	At 31 December 2024 HK\$'000 (audited)
Issued capital/unit as shown in the condensed consolidated financial statements	3,444	3,434

Notes:

- (a) All of the issued ordinary shares of the Company are held by the Trustee-Manager as legal owner in its capacity as trustee-manager of the Trust.

NOTES TO THE TRUST AND THE COMPANY'S CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

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19. ISSUED CAPITAL/UNITS (CONTINUED)

Share Stapled Units (Continued)

Notes: (Continued)

(b) Details of Share Stapled Units issued for both periods as payment of hotel management fees and licence fee are as follows (notes 20 and 23(c)):

Issue date	Relevant period	Date of issue price determined	Issue price HK\$	Aggregate issue price HK\$'000	Number of units
25 August 2023	1 January 2023 to 30 June 2023	24 August 2023	0.951	28,091	29,538,995
9 May 2024 (note)	1 July 2023 to 31 December 2023	4 March 2024	0.646 (note)	35,810	55,432,596
30 August 2024	1 January 2024 to 30 June 2024	29 August 2024	0.499	29,563	59,245,043
28 February 2025	1 July 2024 to 31 December 2024	27 February 2025	0.470	4,979	10,594,487

Note: The hotel management fees and licence fee for the second half of 2023 of HK\$35,810,000 ("2H 2023 Hotel Manager's Fees") were payable to Langham Hotels International Limited, a fellow subsidiary as at 31 December 2023, which was settled by the allotment and issuance of 55,432,596 new Share Stapled Units at HK\$0.646 per Share Stapled Unit (the "New SSUs") on 5 March 2024, the original payment deadline day of 2H 2023 Hotel Manager's Fees pursuant to the hotel management agreements and trademark licence agreements. On 4 March 2024, Langham Hotels International Limited and the Groups agreed to extend the original payment deadline day of 2H 2023 Hotel Manager's Fee to on or before 30 June 2024 as the issuance of the New SSUs would exceed the original issuance cap that set in the hotel management agreements and trademark licence agreements. Following the approval of the majority of independent holders of Share Stapled Units in the extraordinary general meeting held on 8 May 2024 for increasing the issuance cap, the New SSUs were allotted and issued on 9 May 2024. The closing price of the Share Stapled Unit immediately preceding the issue date of 9 May 2024 was HK\$0.910 per Share Stapled Unit and the aggregate value of the New SSUs being issued is HK\$50,444,000 ("Aggregate Value"). An amount of HK\$14,634,000 was therefore recognised in the profit or loss as the difference between the aggregate issue price of the New SSUs and the Aggregate Value.

(c) The preference shares issued are components of the Share Stapled Units and have no rights to dividends, distributions or other payment from the Company except in case of the winding up of the Company, or if the Trust is terminated, the preference shares of the Company would be redeemed on termination at their par value.

20. MAJOR NON-CASH TRANSACTION

For the six months ended 30 June 2025, hotel management fees and licence fee payable to Langham Hotels International Limited of HK\$27,959,000 (six months ended 30 June 2024: HK\$29,563,000) (note 23(c)) will be settled by cash (six months ended 30 June 2024: were settled by Share Stapled Units) subsequent to the end of the reporting period.

21. COMMITMENTS

As at 30 June 2025 and 31 December 2024, the Groups had no significant capital expenditures for investment properties that were either authorised and contracted for but not provided for, or authorised but not yet contracted for, in these condensed consolidated financial statements.

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For the six months ended 30 June 2025

22. OPERATING LEASE COMMITMENTS

The Groups as lessor

Minimum lease payments receivable on leases are as follows:

	At 30 June 2025 HK\$'000 (unaudited)	At 31 December 2024 HK\$'000 (audited)
With Master Lessee		
Within one year	225,000	225,000
In the second year	205,274	225,000
In the third year	–	91,849
	430,274	541,849
With other tenants		
Within one year	1,300	1,289
In the second year	981	1,267
In the third year	582	738
In the forth year	–	213
	2,863	3,507

Lease with Master lessee (note 23(a)) are negotiated for a term of 14 years from the Listing Date.

From commencement date to 31 December 2019 (the "First Period"), leases are negotiated at fixed annual base rent and variable rent based on 70% of the Hotels' aggregate gross operating profit before deduction of global marketing fee. From 1 January 2020 to 31 December 2023 (the "Second Period") and 1 January 2024 to expiry date of lease term (the "Third Period"), the lease are negotiated with reference to market rental to be determined by independent professional property valuer. It was determined in 2019 that fixed annual base rent of Second Period remained the same as the First Period and variable rent of Second Period was calculated as the same basis as that of the First Period. In 2023, it was determined that fixed annual base rent of the Third Period remains the same as the Second Period, while the applicable percentage of variable rent is changed to 50%. The above minimum lease payments only include fixed annual base rent of the Third Period as the variable rent of the Third Period cannot be determined as of the date of approval of the condensed consolidated financial statements.

Lease with other tenants in respect of the retail shops on Eaton HK are negotiated for a term of four years at fixed monthly rentals and variable rentals which are charged based on the percentage of sales of retail shops. The above minimum lease payments only include fixed monthly rentals determined in the lease agreements as the variable rentals and the final year fixed rentals of one of the retail shops cannot be determined as of the date of approval of the condensed consolidated financial statements.

NOTES TO THE TRUST AND THE COMPANY'S CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 June 2025

23. CONNECTED AND RELATED PARTY DISCLOSURES

Other than as disclosed elsewhere in these condensed consolidated financial statement, the Groups had the following significant transactions with related parties during the period. All of the following related parties are subsidiaries of Great Eagle Holdings Limited, the ultimate holding company, and Dr. Lo Ka Shui, Director of the Company, is a substantial shareholder, the chairman and managing director of Great Eagle Holdings Limited. The transactions were carried out in the normal course of the Groups' business on terms mutually agreed between the parties. The following significant transactions are connected transactions, and the following related parties are connected parties of the Groups as defined in the chapter 14A of the Listing Rules.

	NOTES	Six months ended 30 June	
		2025 HK\$'000 (unaudited)	2024 HK\$'000 (unaudited)
Rental income			
Master Lessee	(a)	220,095	228,111
Management fee income			
Langham Hotels International Limited	(b)	324	315
Hotel management fees and licence fee			
Langham Hotels International Limited	(c)	27,959	29,563
Global marketing fee			
Langham Hotels Services Limited	(d)	8,147	8,308
Property management services fee			
Keysen Property Management Services Limited	(e)	1,530	1,529
Addition of right-of-use asset/addition of lease liabilities			
The Great Eagle Company Limited	(f)	401	–
Moon Yik Company, Limited	(g)	67	–
Interest expenses on lease liabilities			
The Great Eagle Company, Limited	(f)	2	–
Moon Yik Company, Limited	(g)	–	9
Management fee, air conditioning charge and service fee			
The Great Eagle Company, Limited	(f)	16	–
Moon Yik Company, Limited	(g)	27	55
Lease agency fee			
The Great Eagle Estate Agents Limited	(h)	29	85
Administrative support service fee			
The Great Eagle Company, Limited	(i)	480	480
Procurement services fee			
Champion Global Services Limited	(j)	127	219
Project management services fee			
The Great Eagle Development and Project Management Limited	(k)	–	540
Design and construction contracting services fee			
Keysen Engineering Company, Limited	(l)	60	29
Licence fee			
Sunrise Success Limited	(m)	481	481

NOTES TO THE TRUST AND THE COMPANY'S CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 June 2025

23. CONNECTED AND RELATED PARTY DISCLOSURES (CONTINUED)

Notes:

- (a) For the purpose of connected and related party disclosures, rental income and related service fees income that charged to Master Lessee in accordance with the master lease agreements has been presented before netting with service fees (including hotel management fees, licence fee and global marketing fee) of HK\$36,106,000 (six months ended 30 June 2024: HK\$37,871,000). Annual base rent of HK\$225 million was charged proportionately over the period for the six months ended 30 June 2025 and 2024. Variable rent payable was recorded based on 50% (six months ended 30 June 2024: 50%) of the Hotels' aggregate gross operating profit before deduction of global marketing fee.

A reconciliation between the Hotels' aggregate gross operating profit and the Groups' segment profit, and calculation of variable rent are shown as follows:

	Six months ended 30 June	
	2025	2024
	HK\$'000	HK\$'000
	(unaudited)	(unaudited)
Hotels' aggregate gross operating profit before deduction of global marketing fee	217,041	232,452
50% (six months ended 30 June 2024: 50%) thereon, variable rent (before netting with service fees)	108,520	116,226
Base rent	111,575	111,885
Add:		
Rental income from retail shops in Eaton HK	834	926
Groups' segment revenue	220,929	229,037
Less:		
Service fees		
– Hotel management fees (i.e. base fee and incentive fee)	(20,585)	(21,834)
– Licence fee	(7,374)	(7,729)
– Global marketing fee	(8,147)	(8,308)
Property taxes, rates and insurance	(10,551)	(9,767)
Other deductions	(356)	(443)
Groups' segment profit	173,916	180,956

- (b) The management fee income was charged to Langham Hotels International Limited for its share of administration expenses.

NOTES TO THE TRUST AND THE COMPANY'S CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 June 2025

23. CONNECTED AND RELATED PARTY DISCLOSURES (CONTINUED)

Notes: (Continued)

- (c) Langham Hotels International Limited is entitled, in accordance with hotel management agreements, to (i) a base fee of 1.5% of the total revenue of the relevant hotels; (ii) licence fee of 1% of the total revenue of the relevant hotels (payable under the trademark licence agreements); and (iii) an incentive fee of 5% of the adjusted gross operating profit (i.e. Hotels' gross operating profit less the base fee, licence fee and global marketing fee) of the relevant hotels. The hotel management fees and licence fee, which are part of service fees and have been netted with revenue, are reported as connected and related party transactions for the disclosure purpose. The hotel management fees and licence fee would be settled by cash (for the six months ended 30 June 2024: Share Stapled Units) (notes 19 and 20).

	Six months ended 30 June	
	2025 HK\$'000 (unaudited)	2024 HK\$'000 (unaudited)
(A) Total revenue of relevant hotels	737,458	772,888
(B) Adjusted relevant Hotels' gross operating profit	190,458	204,822
(i) Base fee (A × 1.5%)	11,062	11,593
(ii) Licence fee (A × 1%)	7,374	7,729
(iii) Incentive fee (B × 5%)	9,523	10,241
Total fees	27,959	29,563

- (d) Global marketing fee was payable on a fixed percentage of 2% of the total room revenue of the relevant hotels (i.e. HK\$407,345,000 (six months ended 30 June 2024: HK\$415,403,000)) under centralised services fees and marketing agreements. Global marketing fee, which is part of service fees and has been netted with revenue, is reported as a connected and related party transaction for the disclosure purpose.
- (e) The management services fee payable is determined based on the annual budget prepared by Keyesen Properties Management Services Limited, taking into account the actual cost incurred, plus remuneration to Keyesen Properties Management Services Limited, and the management shares allocated to Cordis, Hong Kong in respect of the lot of land on which it is situated.
- (f) During the period ended 30 June 2025, the Groups entered into a new lease agreement for leasing an office premise at Suite 3210 Great Eagle Centre, 23 Harbour Road, Wanchai, Hong Kong from 1 April 2025. On lease commencement, addition of the new right-of-use asset and lease liability amounted to HK\$401,000 (Six months ended 30 June 2024: Nil) and HK\$401,000 (Six months ended 30 June 2024: Nil) respectively. Rental payments were made to The Great Eagle Company, Limited for leasing office premise. Interest expenses on lease liabilities, representing the imputed cost of financing the right to use the office premise over the lease term, were recognised for period ended 30 June 2025. As at 30 June 2025, lease liabilities to The Great Eagle Company, Limited was approximately HK\$368,000 (31 December 2024: Nil). The management fee, air conditioning charge and services fee were payable to The Great Eagle Company, Limited for the expenses related to office premise.
- (g) Rental payments were made to Moon Yik Company, Limited for leasing office premise at Suite 2702, Great Eagle Centre, 23 Harbour Road, Wan Chai, Hong Kong. Interest expenses on lease liabilities were recognised in both periods. During the six months ended 30 June 2025, addition of the new right-of-use asset and lease liability amounted to HK\$67,000 (Six months ended 30 June 2024: Nil) and HK\$67,000 (Six months ended 30 June 2024: Nil) respectively upon lease modification. As at 30 June 2025, lease liabilities to Moon Yik Company, Limited was Nil (31 December 2024: HK\$67,000). The management fee and air conditioning charge were payable to Moon Yik Company, Limited for the expenses related to office premise.
- (h) Lease agency fee was charged at the rate of 4% of the monthly rental income receivable from Eaton HK's retail shops plus an amount equivalent to a month's rental income arising from the leasing of the relevant retail shops for new leases and/or an amount equivalent to half month's rental income arising from the leasing of the relevant retail shops for renew leases (if any).
- (i) Administrative support service fee was charged on cost sharing basis and allocated to the Groups according to time spent by relevant personnel of The Great Eagle Company, Limited on the businesses of the Groups and the related share of administrative costs.

NOTES TO THE TRUST AND THE COMPANY'S CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 June 2025

23. CONNECTED AND RELATED PARTY DISCLOSURES (CONTINUED)

Notes: (Continued)

- (j) Procurement services fee at a rate of 5% of (a) the respective budgeted sums of furniture, fixtures and equipment categories for hotel renovation and operating supplies and equipment categories for hotel renovation and (b) the actual amount of the purchase orders for furniture, fixtures and equipment and operating supplies and equipment categories for hotel maintenance and miscellaneous categories.
- (k) Project management services fee was charged at a rate of 3% of the actual amount of the construction cost for renovation of the Hotels as certified by project quantity surveyor or other consultants.
- (l) The contract sum for the work of design and construction contracting services shall be negotiated on an arm's length basis and determined between Keysen Engineering Company, Limited and/or its associated companies and the Groups subject to tender or price comparison process to be arranged by the Groups in accordance with its internal control policy.
- (m) Licence fee was paid to Sunrise Success Limited for the non-exclusive right of using the licenced area on 7th Floor of Wah Shun Industrial Building as warehouse.

The remuneration of Directors and other members of key management during both periods are as follows:

	Six months ended 30 June	
	2025 HK\$'000 (unaudited)	2024 HK\$'000 (unaudited)
Short-term benefits	924	1,802
Post-employment benefits	–	9
	924	1,811

The remuneration of Directors and key executives is determined by the remuneration committee having regard to the performance of individuals and market trends.

NOTES TO THE TRUST AND THE COMPANY'S CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 June 2025

24. FAIR VALUE MEASUREMENTS OF FINANCIAL INSTRUMENTS

Fair values of the Groups' financial liability that are measured at fair values on a recurring basis

One of the Groups' financial liabilities is measured at fair values at the end of the reporting period. The following table gives information about how the fair values of these financial instruments are determined (in particular, the valuation techniques and inputs used), as well as the level of the fair value hierarchy into which the fair value measurements are categorised (Levels 1 to 3) based on the degree to which the inputs to the fair value measurements is observable.

- Level 1 fair value measurements are quoted prices (unadjusted) in active markets for identical asset or liability;
- Level 2 fair value measurements are inputs other than those quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and
- Level 3 fair value measurements are those derived from valuation techniques that include inputs for the asset or liability that are not based on observable market data (unobservable inputs).

	Fair value as at 30 June 2025 HK\$'000 (unaudited)	31 December 2024 HK\$'000 (audited)	Fair value hierarchy	Valuation technique and key inputs
Financial liability				
Interest rate swaps classified as non-current	17,371	–	Level 2	Discounted cash flow – Future cash flows are estimated based on interest rates (from observable interest rates at the end of the reporting period) and contracted rates discounted at a rate that reflects the credit risk of the counterparties.
Interest rate swaps classified as current	12,920	2,974	Level 2	Discounted cash flow – Future cash flows are estimated based on interest rates (from observable interest rates at the end of the reporting period) and contracted rates discounted at a rate that reflects the credit risk of the counterparties.

There were no transfers between Levels 1 and 2 during the current period/prior year.

The Trustee-Manager and the Directors consider that the carrying amounts of financial liabilities recorded at amortised cost in the condensed consolidated financial statements approximate to their fair values, determined in accordance with generally accepted pricing models based on discounted cash flow analysis.

REPORT ON REVIEW OF CONDENSED FINANCIAL STATEMENTS OF LHIL MANAGER LIMITED



TO THE MEMBER OF LHIL MANAGER LIMITED

(incorporated in Hong Kong with limited liability)

INTRODUCTION

We have reviewed the condensed financial statements of LHIL Manager Limited (the “Company”) set out on pages 63 to 66, which comprise the condensed statement of financial position as of 30 June 2025 and the related condensed statement of profit or loss and other comprehensive income and condensed statement of changes in equity for the six-month period then ended, and certain explanatory notes. Pursuant to the deed of trust dated 8 May 2013 (as amended and supplemented by the first supplemental deed of trust dated 22 April 2016 and the second supplemental deed of trust dated 12 May 2022) constituting Langham Hospitality Investments entered into between the Company and Langham Hospitality Investments Limited (the “Trust Deed”), the Company is required to prepare its interim financial information in accordance with the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited which require the preparation of a report on interim financial information to be in compliance with the relevant provisions thereof and Hong Kong Accounting Standard 34 “Interim Financial Reporting” (“HKAS 34”) issued by the Hong Kong Institute of Certified Public Accountants. The directors of the Company are responsible for the preparation and presentation of these condensed financial statements in accordance with HKAS 34. Our responsibility is to express a conclusion on these condensed financial statements based on our review, and to report our conclusion solely to you, as a body, in accordance with our agreed terms of engagement, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

SCOPE OF REVIEW

We conducted our review in accordance with Hong Kong Standard on Review Engagements 2410 “Review of Interim Financial Information Performed by the Independent Auditor of the Entity” issued by the Hong Kong Institute of Certified Public Accountants. A review of these condensed financial statements consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Hong Kong Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

CONCLUSION

Based on our review, nothing has come to our attention that causes us to believe that the condensed financial statements are not prepared, in all material respects, in accordance with HKAS 34.

Deloitte Touche Tohmatsu

Certified Public Accountants

Hong Kong

12 August 2025

CONDENSED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME OF LHIL MANAGER LIMITED

For the six months ended 30 June 2025

	NOTE	Six months ended 30 June	
		2025 HK\$ (unaudited)	2024 HK\$ (unaudited)
Revenue		–	–
Administrative expenses		11,857	11,857
Less: Amount borne by a fellow subsidiary and Trust Property (as defined in note 1)		(11,857)	(11,857)
Profit or loss before tax		–	–
Income tax	3	–	–
Profit or loss and other comprehensive income/expense for the period		–	–

CONDENSED STATEMENT OF FINANCIAL POSITION OF LHIL MANAGER LIMITED

At 30 June 2025

	NOTE	At 30 June 2025 HK\$ (unaudited)	At 31 December 2024 HK\$ (audited)
Current asset			
Cash on hand		1	1
NET ASSET		1	1
Capital			
Share capital	4	1	1
TOTAL EQUITY		1	1

CONDENSED STATEMENT OF CHANGES IN EQUITY OF LHIL MANAGER LIMITED

For the six months ended 30 June 2025

	Share capital HK\$
At 1 January 2024 (audited) and 30 June 2024 (unaudited)	1
At 1 January 2025 (audited) and 30 June 2025 (unaudited)	1

NOTES TO THE CONDENSED FINANCIAL STATEMENTS OF LHIL MANAGER LIMITED

For the six months ended 30 June 2025

1. GENERAL

LHIL Manager Limited (“the Company”) is a limited liability company incorporated in Hong Kong. The Company’s parent company is LHIL Management Limited, a limited liability company incorporated in the British Virgin Islands. The directors of the Company (the “Directors”) consider the Company’s ultimate holding company to be Great Eagle Holdings Limited, a limited liability company incorporated in Bermuda with its shares listed on The Stock Exchange of Hong Kong Limited. The address of the registered office and the principal place of business of the Company is 33/F., Great Eagle Centre, 23 Harbour Road, Wanchai, Hong Kong.

The principal activity of the Company is administering Langham Hospitality Investments (the “Trust”), in its capacity as trustee-manager of the Trust.

The costs and expenses of administering the Trust may be deducted from all property and rights of any kind whatsoever which are held on trust for the register holders of units of the Trust (the “Trust Property”), in accordance with the terms of the deed of trust dated 8 May 2013 constituting the Trust entered into between the Company and Langham Hospitality Investments Limited as amended by the first supplemental deed dated 22 April 2016 and the second supplemental deed dated 12 May 2022 (collectively refer to as the “Trust Deed”) but, commensurate with its specific and limited role, the Company will not receive any fee for administering the Trust.

The Company had no income for both periods, thus the distribution statement is not presented.

The condensed financial statements are presented in Hong Kong dollar (“HK\$”), which is also the functional currency of the Company.

The Company had no cash transaction for both periods as all of its transactions were settled through inter-company current account, thus the condensed statement of cash flows is not presented.

2. BASIS OF PREPARATION OF CONDENSED FINANCIAL STATEMENTS AND PRINCIPAL ACCOUNTING POLICIES

2.1 Basis of preparation of condensed financial statements

The condensed financial statements have been prepared in accordance with the applicable disclosure requirements of Appendix 16 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited, and with Hong Kong Accounting Standard 34 “Interim Financial Reporting” issued by the Hong Kong Institute of Certified Public Accountants (“HKICPA”) pursuant to the Trust Deed.

The financial information relating to the year ended 31 December 2024 that is included in these condensed financial statements as comparative information does not constitute the Company’s statutory annual financial statements for that year but is derived from those financial statements. Further information relating to those statutory financial statements required to be disclosed in accordance with section 436 of the Hong Kong Companies Ordinance is as follows:

As the Company is a private company, it is not required to deliver its financial statements to the Registrar of Companies, and the Company has not done so.

The Company’s auditor has reported on those financial statements. The auditor’s report was unqualified; did not include a reference to any matters to which the auditor drew attention by way of emphasis without qualifying its report; and did not contain a statement under sections 406(2), 407(2) or (3) of the Hong Kong Companies Ordinance.

NOTES TO THE CONDENSED FINANCIAL STATEMENTS OF LHIL MANAGER LIMITED

For the six months ended 30 June 2025

2. BASIS OF PREPARATION OF CONDENSED FINANCIAL STATEMENTS AND PRINCIPAL ACCOUNTING POLICIES (CONTINUED)

2.2 Principal accounting policies

The condensed financial statements have been prepared on the historical cost basis.

The accounting policies and methods of computation used in the condensed financial statements for the six months ended 30 June 2025 are the same as those followed in the preparation of the Company's annual financial statements for the year ended 31 December 2024.

Application of amendments to HKFRS Accounting Standards

In the current interim period, the Company has applied the following amendment to a HKFRS Accounting Standard issued by the HKICPA, for the first time, which are mandatorily effective for the Company's annual period beginning on 1 January 2025 for the preparation of the Company's condensed financial statements:

Amendments to HKAS 21

Lack of Exchangeability

The application of the amendments to a HKFRS Accounting Standard in the current interim period has had no material impact on the amounts reported and/or disclosures set out in these condensed financial statements.

3. INCOME TAX

No provision for Hong Kong Profits Tax has been made in the condensed financial statements as the Company did not have any assessable profits during both periods.

4. SHARE CAPITAL

	At 30 June 2025 (unaudited)		At 31 December 2024 (audited)	
	Number of ordinary share	Nominal value HK\$	Number of ordinary share	Nominal value HK\$
Ordinary share with no par value				
Issued and fully paid:				
Balance brought forward and carried forward	1	1	1	1

5. RELATED PARTY DISCLOSURES

Transaction with a fellow subsidiary is disclosed in the condensed statement of profit or loss and other comprehensive income.

All of the Company's key management personnel are directors. No directors' emoluments were paid or payable by the Company since the directors of the Company are not entitled to any remuneration under the terms as set out in their letters of appointment of directors.

GLOSSARY OF TERMS

In this Interim Report, unless the context otherwise requires, the following expressions shall have the following meanings:

Terms	Definition
"Board(s)" or "Board(s) of Directors"	Board of directors of the Trustee-Manager and/or Board of directors of the Company
"Code of Conduct for Securities Transactions"	Code of Conduct regarding Securities Transactions by Directors and Relevant Employees adopted by the Trustee-Manager and the Company
"Company"	Langham Hospitality Investments Limited, a company incorporated in the Cayman Islands as an exempted company with limited liability on 29 January 2013
"Company's Articles of Association"	The second amended and restated articles of association of the Company adopted on 12 May 2022 as amended, supplemented, substituted or otherwise modified for the time being in force
"Company Board"	The Board of the Company
"Corporate Governance Code"	Appendix C1 "Corporate Governance Code" of the Listing Rules
"Deferred Share Stapled Units"	46,320,885 deferred Share Stapled Units for partial payment of the Hotel Manager's Fees for the six-month period ended 31 December 2024, will be issued at a price of HK\$0.470 per Share Stapled Unit within three years from the payment deadline day of 28 February 2025, subject to the public float requirement. If any of the Deferred Share Stapled Units remains unissued on the last business day of the three-year buffer period, all such outstanding parts of the Hotel Manager's Fees will be paid in cash without interest. Please refer to the announcement of the Trust and the Company dated 27 February 2025 for further details.
"Great Eagle"	Great Eagle Holdings Limited (Stock Code: 41), the holding company of the Trust and the Company, holding 71.31% of the issued Share Stapled Units of the Trust and the Company as at 30 June 2025
"Great Eagle Group"	Great Eagle and its subsidiaries
"Great Eagle ROFR Deed"	The Deed of Right of First Refusal dated 10 May 2013 entered into between Great Eagle and the Company
"Group"	The Company and its subsidiaries
"HKAS"	Hong Kong Accounting Standard
"HKEX"	Hong Kong Exchanges and Clearing Limited
"HKFRS"	Hong Kong Financial Reporting Standard
"HKICPA"	Hong Kong Institute of Certified Public Accountants
"Holder(s) of Share Stapled Units" or "Unitholder(s)"	Holder(s) of Share Stapled Units of the Trust and the Company
"Hong Kong"	the Hong Kong Special Administrative Region of the People's Republic of China

GLOSSARY OF TERMS

Terms	Definition
"Hotel Companies"	The companies which own the Hotels, being Harvest Star International Limited, Cordis Hong Kong Limited and Grow On Development Limited; and "Hotel Company" shall mean any of them
"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 Great Eagle
"Hotel(s)"	The Langham, Hong Kong, Cordis, Hong Kong and Eaton HK
"Listing Date"	30 May 2013, being the date of listing of the Share Stapled Units on the Stock Exchange
"Listing Rules"	Rules Governing the Listing of Securities on the Stock Exchange
"Master Lessee"	GE (LHIL) Lessee Limited, a company incorporated in Hong Kong with limited liability on 5 February 2013 and an indirect wholly-owned subsidiary of Great Eagle
"Model Code"	Appendix C3 "Model Code for Securities Transactions by Directors of Listed Issuers" of the Listing Rules
"RevPAR"	Revenue per available room
"SFO"	Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
"Share Stapled Unit(s)" or "SSU(s)"	<p>Share stapled unit(s) jointly issued by the Trust and the Company. A share stapled unit is the combination of the following securities or interests in securities which, subject to the provisions in 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 the Trust; (b) the beneficial interest in a specifically identified ordinary share in the Company linked to the unit in the Trust and held by the Trustee-Manager; and (c) a specifically identified preference share in the Company stapled to the unit in the Trust
"Stock Exchange"	The Stock Exchange of Hong Kong Limited
"Trust"	Langham Hospitality Investments, as constituted pursuant to the Trust Deed
"Trust Deed"	The deed of trust dated 8 May 2013 constituting the Trust, entered into between the Trustee-Manager and the Company and as amended by a first supplemental deed dated 22 April 2016 and a second supplemental deed dated 12 May 2022
"Trust Group"	The Trust and the 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 Great Eagle, in its capacity as trustee-manager of the Trust
"Trustee-Manager Board"	The Board of the Trustee-Manager



Langham Hospitality Investments 朗廷酒店投資

(as constituted pursuant to a deed of trust on 8 May 2013 under the laws of Hong Kong, the trustee of which is LHIL Manager Limited)
(根據香港法律按日期為二零一三年五月八日之信託契約組成，其託管人為朗廷酒店管理人有限公司)

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Langham Hospitality Investments Limited 朗廷酒店投資有限公司

(Incorporated in the Cayman Islands with limited liability)
(於開曼群島註冊成立之有限公司)

Suite 3210, 32nd Floor, Great Eagle Centre
23 Harbour Road, Wanchai, Hong Kong
Tel: 2186 2500 Fax: 2186 9867

香港灣仔港灣道23號
鷹君中心32樓3210室
電話：2186 2500 傳真：2186 9867

www.langhamhospitality.com

