

LANGHAM

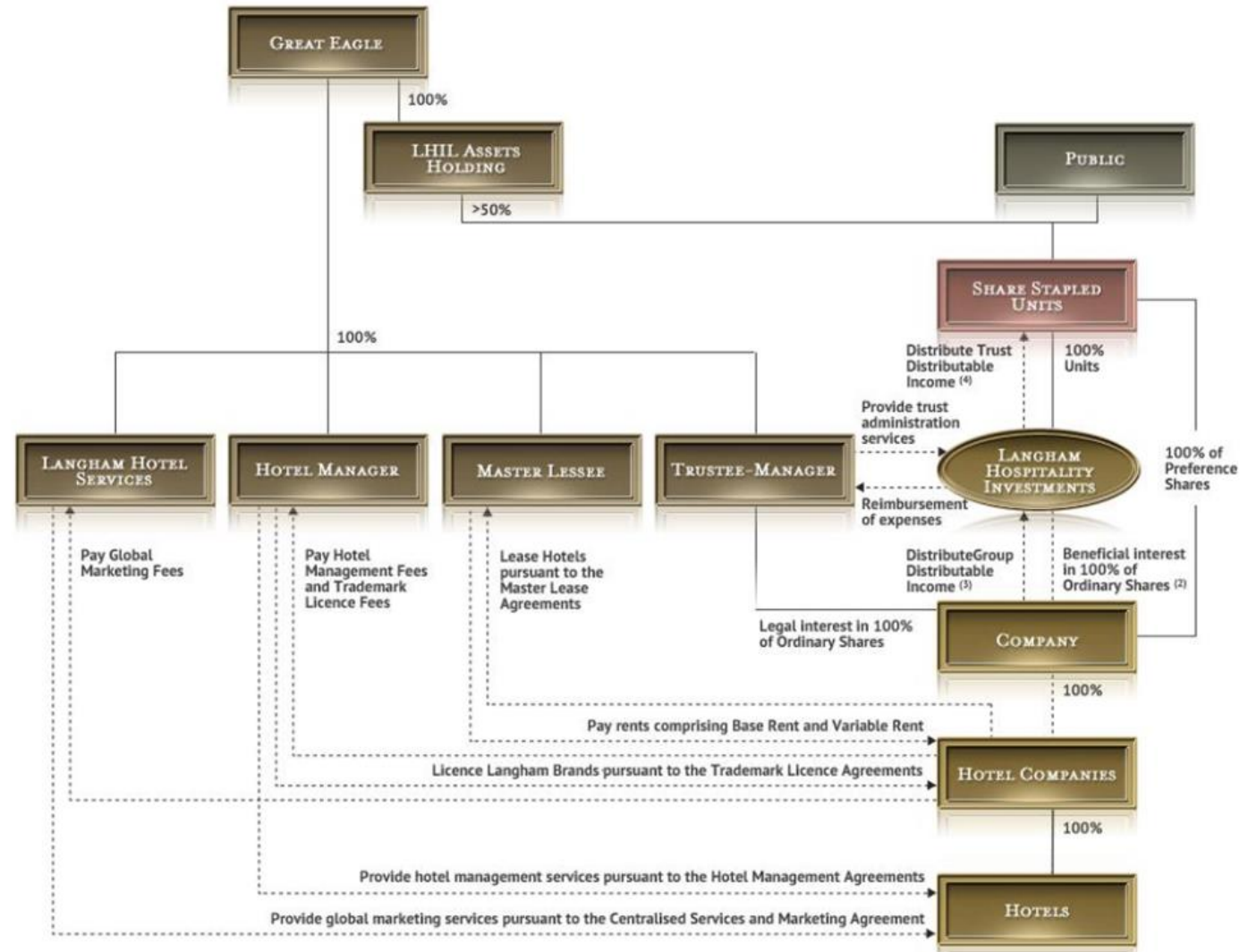
HOSPITALITY INVESTMENTS



Structure of Company

In 1994, Great Eagle Holdings acquired the Hong Kong Renaissance Hotel, which was re-branded twice. Once, in 1998, to Great Eagle Hotel, and finally, in 2004, to The Langham. This is how the famous Langham name arrived to Hong Kong.

Langham Hospitality Investments was founded on January 29, 2013. Langham Hospitality Investments was incorporated in the Cayman Islands and is a subsidiary of Great Eagle Group. The management of these hotels is done by Langham Hospitality Group.



Investment Portfolio

- The Langham, Hong Kong
- Eaton HK
- Cordis, Hong Kong
- Langham Place





Financials



Initial Public Offering

- When: May 30, 2013
- Ticker 1270.HK
- Shares: 852.2 million
- Price: HKD 5 each
- Total: HKD 4.26 billion

88 percent to pay off a loan

12 percent to make improvements to their properties

Joint Global Coordinators and Joint Sponsors
(in alphabetical order)



Joint Bookrunners
(in alphabetical order)



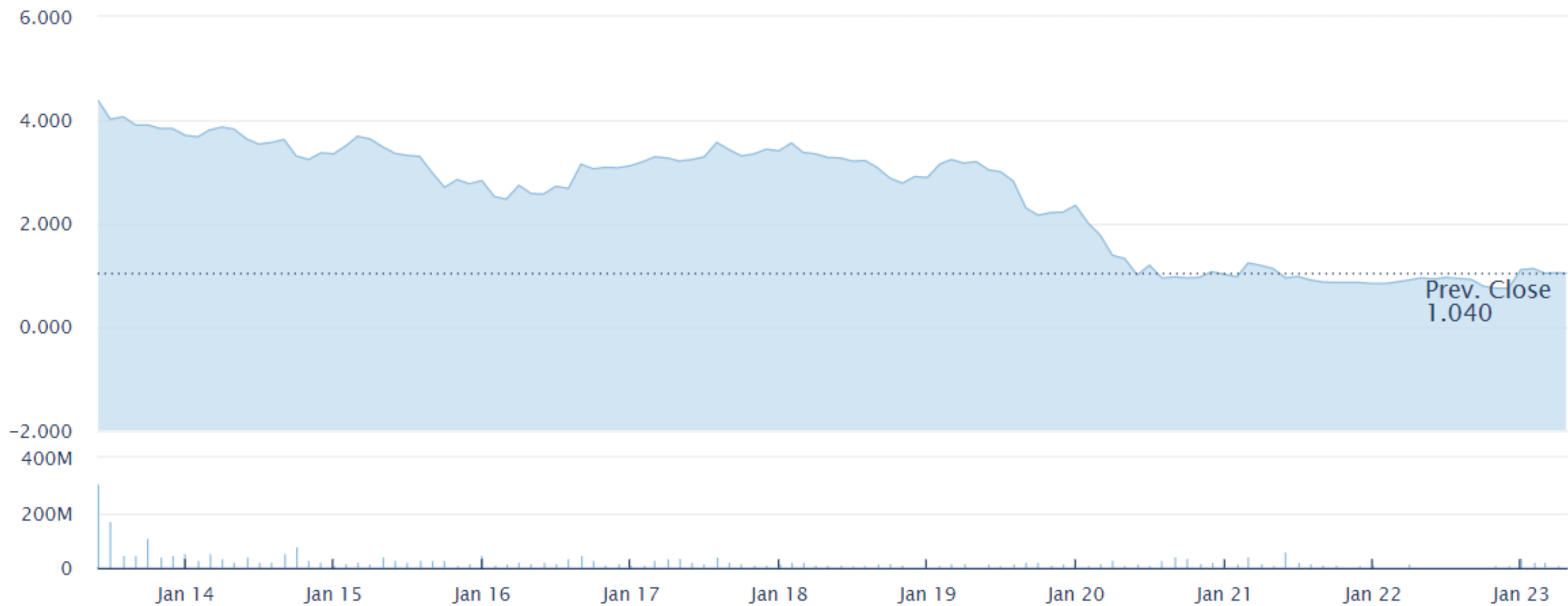
Joint Lead Managers
(in alphabetical order)



Co-Lead Managers
(in alphabetical order)



Stock Price After IPO



Why - Stock Price Drop After IPO

Total Price Per Share					
Terminal EBITDA Multiple					
WACC	7.5x		8.0x		8.5x
4.0%	HKD	3.17	HKD	3.49	HKD 3.80
5.0%	HKD	2.87	HKD	3.18	HKD 3.48
6.0%	HKD	2.60	HKD	2.89	HKD 3.18

Competitors



新世界發展有限公司
New World Development Company Limited



Sun Hung Kai Properties:

- ALVA Hotel by Royal, Hyatt Centric Victoria Harbour Hong Kong, The Royal Garden, Four Seasons Hotel Hong Kong, Royal Park Hotel, The Ritz-Carlton Hong Kong, Royal Plaza Hotel, W Hong Kong, Royal View Hotel, Crowne Plaza Hong Kong Kowloon East

New World Development Company Limited:

- Grand Hyatt Hong Kong, Renaissance Harbour View Hotel, Rosewood Hong Kong, Hyatt Regency Hong Kong (Tsim Sha Tsui), Pentahotel Hong Kong, Hyatt Regency Hong Kong (Sha Tin)

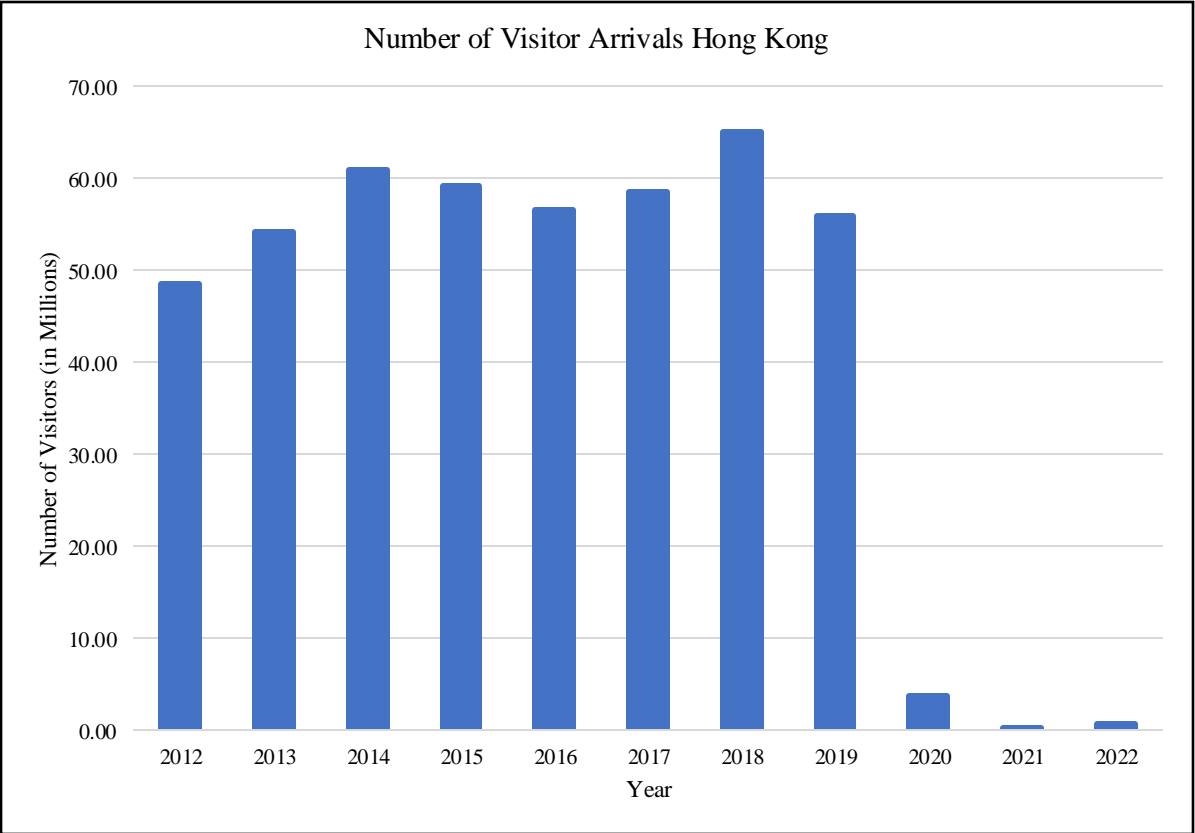
Wharf Real Estate Investment Company Limited:

- Marco Polo Hotels (Hong Kong, Gateway, Prince), The Murray – A Niccolo Hotel

Stock Price Compared to Competitors



Stock Price Compared to Competitors





Changes in Hong Kong Tourism

Positive:

- Hong Kong-Zhuhai-Macau bridge
- Guangzhou-Shenzhen-Hong Kong Express Rail Link

Negative:

- 2016 Travel Policy
- Hong Kong Protests
- COVID-19



Impact on Stock Price

1D | 5D | 1M | 6M | YTD | 1Y | 5Y | Max



Adaptations Post-Covid

- Marketing for long-term customers
- Marketing for local guests
- Approved quarantine hotel
- “Stay Safe and Save” vaccination discount scheme
- Family-friendly events and workshops
- Covid-safe design



Rights Issue for Great Eagle Holdings

September 9, 2020: The proceeds from the rights issue amounted to HKD 1,019.1 million.

- HKD 810.0 million was used to prepay outstanding loans
- HKD 116.3 million was used for net working capital
- HKD 84.9 million was used to pay for financing

Questions

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