

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.

LANGHAM

HOSPITALITY INVESTMENTS

Langham Hospitality Investments

*(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)*

and

Langham Hospitality Investments Limited

(Incorporated in the Cayman Islands with limited liability)

(Stock code: 1270)

ISSUE OF SHARE STAPLED UNITS UNDER SPECIFIC MANDATE FOR PAYMENT OF HOTEL MANAGEMENT FEES AND LICENCE FEES FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2023

The Boards announce that 29,538,995 new SSUs will be issued by the Trust and the Company to LHIL Assets on 25 August 2023 for the settlement of the Hotel Management Fees and Licence Fees for the six-month period ended 30 June 2023 payable to the Hotel Manager under the Specific Mandate. An application has been made to the Stock Exchange for the listing of, and permission to deal in the SSUs in settlement for the Manager Fees to be issued for the six-month period ended 30 June 2023.

The number of SSUs in settlement for the Manager Fees to be issued for the six-month period ended 30 June 2023 was calculated with reference to the applicable price of HK\$0.951 per SSU, being the higher of the market price of the SSUs on the trading day immediately before the date of issue (being HK\$0.910 per SSU) and the average closing price of the SSUs for the ten consecutive trading days immediately before the date of issue (being HK\$0.951 per SSU).

The SSUs in settlement for the Manager Fees to be issued for the six-month period ended 30 June 2023 represent (i) approximately 0.8980% of the issued SSUs as at the date of this announcement; and (ii) approximately 0.8900% of the issued SSUs as enlarged by the issue of the SSUs in settlement for the Manager Fees.

INTRODUCTION

Reference is made to the announcement of the Trust and the Company dated 11 August 2023 in connection with the 2023 Interim Results Announcement of the Trust Group whereby it was announced that the total amount of Hotel Management Fees and Licence Fees payable to the Hotel Manager for the six-month period ended 30 June 2023 was approximately HK\$28.091 million. Pursuant to the Hotel Management Agreements and the Trademark Licence Agreements, the fees payable thereunder shall be settled by way of cash, the issue of SSUs, or a combination of both from 1 January 2018 onwards, at the election of the Hotel Manager, subject to the approval of the Independent Holders of SSUs for the issue of the SSUs. The Specific Mandate relating to the issue of SSUs as payment of the Manager Fees under the Hotel Management Agreements and the Trademark Licence Agreements for the three financial years ending 31 December 2023 was approved by Independent Holders of SSUs at the extraordinary general meeting held on 12 May 2021. Unless otherwise informed by the Hotel Manager in accordance with the Hotel Management Agreements and the Trademark Licence Agreements, the Manager Fees for the three financial years ending 31 December 2023 shall be paid in the form of SSUs.

ISSUE OF SSUs

The Boards announce that 29,538,995 new SSUs at a price of HK\$0.951 per SSU will be issued by the Trust and the Company to LHIL Assets on 25 August 2023 for the settlement of the Hotel Management Fees and Licence Fees for the six-month period ended 30 June 2023 payable to the Hotel Manager under the Specific Mandate. An application has been made to the Stock Exchange for the listing of, and permission to deal in the SSUs in settlement for the Manager Fees to be issued for the six-month period ended 30 June 2023.

LHIL Assets has been nominated by the Hotel Manager to receive the SSUs in settlement for the Manager Fees on its behalf pursuant to the terms of the Hotel Management Agreements and Trademark Licence Agreements. The issue price of HK\$0.951 per SSU, being the higher of the market price of the SSUs on the trading day immediately before the date of issue (being HK\$0.910 per SSU) and the average closing price of the SSUs for the ten consecutive trading days immediately before the date of issue (being HK\$0.951 per SSU), was determined in accordance with the terms of the Hotel Management Agreements and Trademark Licence Agreements. The SSUs to be issued represent (i) approximately 0.8980% of the issued SSUs as at the date of this announcement; and (ii) approximately 0.8900% of the issued SSUs as enlarged by the issue of the SSUs in settlement for the Manager Fees for the six-month period ended 30 June 2023.

The SSUs in settlement for the Manager Fees will rank, upon issue, *pari passu* in all respects with the SSUs in issue on the date of allotment and issue of the SSUs in settlement for the Manager Fees.

The payment of Manager Fees by way of SSUs for the six-month period ended 30 June 2023 is in accordance with the terms of the Hotel Management Agreements and the Trademark Licence Agreements and within the SSUs Issuance Cap in 2023.

EFFECT ON OWNERSHIP STRUCTURE

As at the date of this announcement, LHIL Assets holds 2,157,195,433 SSUs, representing approximately 65.58% of the issued SSUs. After the issue of SSUs in settlement for the Manager Fees for the six-month period ended 30 June 2023, LHIL Assets will be interested in 2,186,734,428 SSUs, representing approximately 65.89% of the issued SSUs as enlarged by the issue of the SSUs in settlement for the Manager Fees for the six-month period ended 30 June 2023 and Great Eagle, being the ultimate holding company of LHIL Assets, will be indirectly interested in 2,330,678,928 SSUs, representing approximately 70.23% of the enlarged issued SSUs. Based on information that is publicly available and within the knowledge of the Boards, the Trust and the Company will be able to maintain a sufficient public float with more than 25% of the issued SSUs being held by the public immediately after the issue of SSUs in settlement for the Manager Fees for the six-month period ended 30 June 2023.

DEFINITIONS

In this announcement, unless the context otherwise requires, the following terms have the following meanings:

“associate(s)”	has the meaning ascribed to it under the Listing Rules
“Boards”	the board of directors of the Trustee-Manager and the board of directors of the Company
“Company”	Langham Hospitality Investments Limited (朗廷酒店投資有限公司), a company incorporated in the Cayman Islands with limited liability on 29 January 2013
“Interim Results Announcement”	the announcement of the Trust and the Company dated 11 August 2023 reporting the consolidated financial results of the Trust Group for the six-month period ended 30 June 2023
“Great Eagle”	Great Eagle Holdings Limited (鷹君集團有限公司), a company incorporated in Bermuda with limited liability and the shares of which are listed on the Main Board of the Stock Exchange (stock code: 0041)
“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Holders of SSUs”	persons registered in the SSUs register as holders of SSUs
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China

“Hotel(s)”	the three hotels comprising The Langham, Hong Kong, Cordis, Hong Kong and Eaton HK and “Hotel” means any of them
“Hotel Company(ies)”	the companies which own the Hotels, being Harvest Star International Limited (發星國際有限公司), Cordis Hong Kong Limited (康得思酒店(香港)有限公司) and Grow On Development Limited (展安發展有限公司), and “Hotel Company” means any of them
“Hotel Management Agreements”	three separate hotel management agreements each dated 10 May 2013 entered into among each Hotel Company, the Master Lessee, the Hotel Manager, the Trustee-Manager and the Company in relation to the management of the Hotels by the Hotel Manager
“Hotel Management Fees”	the aggregate base and incentive fees payable under the Hotel Management Agreements
“Hotel Manager”	Langham Hotels International Limited (朗廷酒店國際有限公司), a company incorporated in Hong Kong with limited liability on 30 August 1984 and an indirect wholly-owned subsidiary of Great Eagle
“Independent Holders of SSUs”	Holders of SSUs other than Great Eagle and its associates
“Langham Brands”	“The Langham”, “Cordis” and “Eaton” brand names which are owned by the Hotel Manager and licensed to the Group pursuant to the Trademark Licence Agreements
“LHIL Assets”	LHIL Assets Holdings Limited, a company incorporated in the British Virgin Islands with limited liability on 25 January 2013 and an indirect wholly-owned subsidiary of Great Eagle
“Licence Fee”	the aggregate licence fees payable under the Trademark Licence Agreements
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Manager Fees”	the Hotel Management Fees and the Licence Fees
“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

“Share Stapled Unit(s)” or “SSU(s)”	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: <ul style="list-style-type: none"> (a) a unit in the Trust; (b) the beneficial interest in a specifically identified ordinary share of the Company linked to the unit in the Trust and held by the Trustee-Manager; and (c) a specifically identified preference share of the Company stapled to the unit in the Trust
“Specific Mandate”	the specific mandate relating to the issue of Share Stapled Units as payment of the Manager Fees under the Hotel Management Agreements and the Trademark Licence Agreements as approved by Independent Holders of SSUs on 12 May 2021 for the three financial years ending 31 December 2023, subject to the SSU Issuance Cap
“SSU Issuance Cap”	an aggregate cap of 1.5% of the total number of SSUs in issue as at the last day of the immediately preceding financial year plus the number of SSUs (if any) issued at the relevant financial year or period (excluding those issued pursuant to the Hotel Management Agreements and the Trademark Licence Agreements), being the maximum number of SSUs that may be issued as payment of the Manager Fees in a year
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Trademark Licence Agreements”	three separate trademark licence agreements each dated 10 May 2013 entered into among each Hotel Company, the Hotel Manager, the Master Lessee, the Trustee-Manager and the Company in relation to the grant of a licence by the Hotel Manager for the use of the Langham Brands and other trademarks for the operation of the Hotels
“Trust”	Langham Hospitality Investments (朗廷酒店投資), as constituted pursuant to the Trust Deed
“Trust Deed”	the trust deed dated 8 May 2013 constituting the Trust, entered into between the Trustee-Manager and the Company as amended, supplemented, substituted or otherwise modified from time to time
“Trust Group”	the Trust and the Group

“Trustee-Manager”

LHIL Manager Limited (朗廷酒店管理人有限公司), 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

By Order of the Boards
LHIL Manager Limited
and
Langham Hospitality Investments Limited
LO Ka Shui
Chairman

Hong Kong, 24 August 2023

As at the date of this announcement, the Boards comprise: Dr. LO Ka Shui (Chairman and Non-executive Director), Mr. Brett Stephen BUTCHER (Chief Executive Officer and Executive Director), Professor CHAN Ka Keung, Ceajer, Professor LIN Syaru, Shirley*, Mr. LO Chun Him, Alexander#, Mr. LO Chun Lai, Andrew# and Mr. WONG Kwai Lam*.*

Non-executive Directors

** Independent Non-executive Directors*