

Unlock A Prestigious Legacy With An Acquisition Opportunity

in Hotel Developers (Lanka) Limited

which owns the landmark
Hilton Colombo

FOR SALE BY EXPRESSION OF INTEREST

EOI Closing: 09 November 2023, 2:00 pm (IST)

Key Highlights



Arguably the most established international branded upscale hotel in Colombo with a 35-year operational track record



Well-maintained property with extensive F&B offerings and premium meeting facilities. Rooms are currently undergoing a comprehensive renovation programme



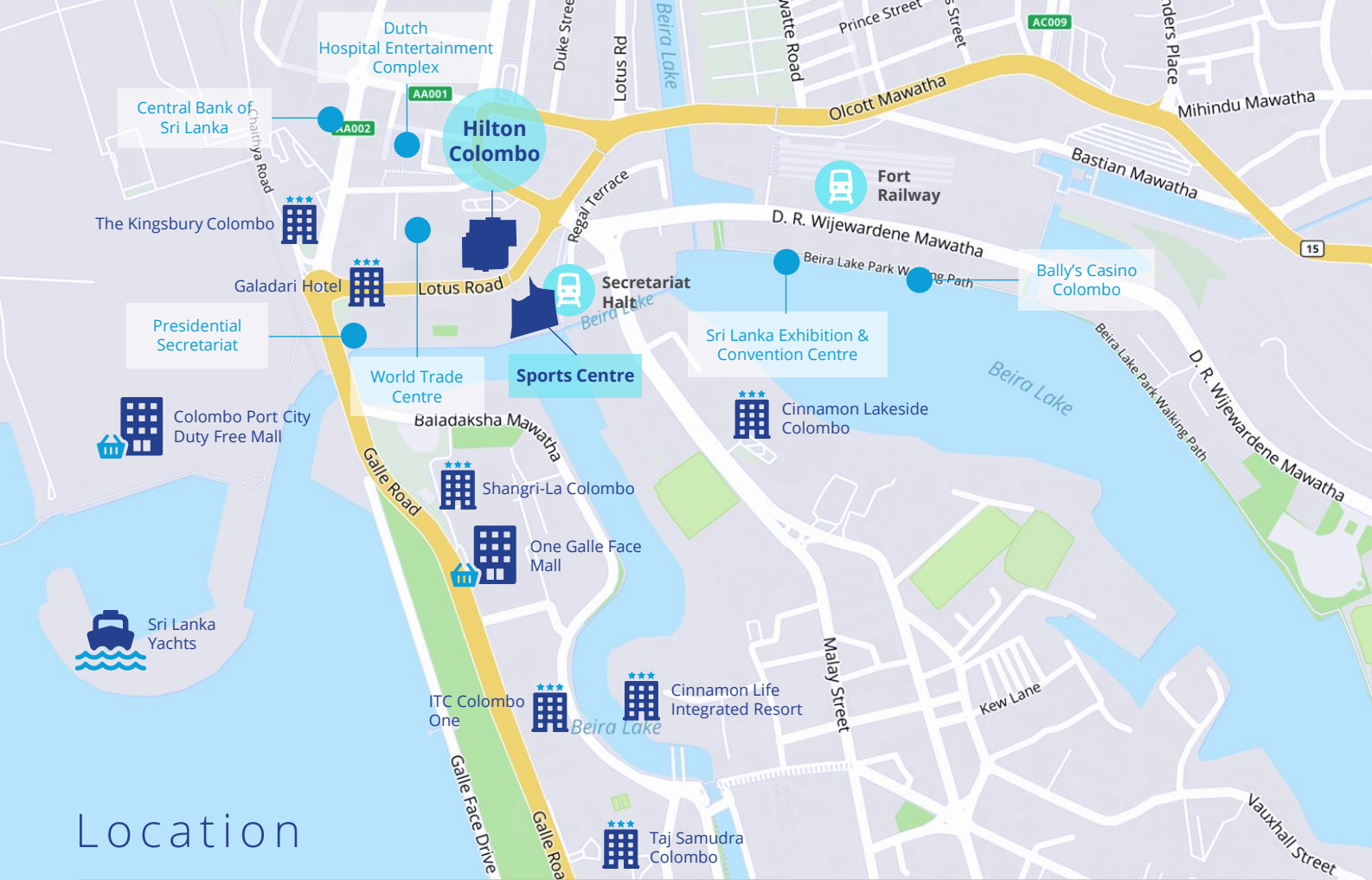
Prime location in the heart of Colombo, with proximity to Presidential Secretariat, Ministry of Finance, World Trade Centre, Old Dutch Hospital Entertainment Complex, Proposed Port City Financial District, Bally's Casino and One Galle Face Mall



Unique opportunity to obtain 100% ownership directly from the Government of Sri Lanka



Future upside: Significant adjacent land provides a myriad of opportunities for hotel extension and redevelopment - a rare plot of 1.9-acre development land in prime city centre



Location

The property is operated and managed by the Hilton and is strategically located in the heart of the capital city within walking distance to the Central Business District and popular Colombo attractions along the Galle Face Beach. The landmark asset overlooks the Indian Ocean and Beira Lake, offering direct access to Colombo's World Trade Centre and sits at a prime location opposite the Presidential Secretariat and Ministry of Finance. Major local and international banks including Central Bank of Sri Lanka, HSBC Head Office and Standard Chartered Bank are nearby.

Hilton Colombo is located within close proximity to Bally's Casino and is within walking distance to the proposed international gaming cluster, which will house two integrated gaming resorts, making Colombo

South Asia's first world class integrated gaming resort destination.

It has excellent transport connectivity, being a 10-minute walk to Fort Railway Station and a 30-minute drive from Bandaranaike International Airport. It is in close proximity to the Port City Colombo development.

The project offers a rare opportunity to acquire a prime asset comprising two parcels (Site I & II) in the highly sought-after district of Echelon Square. The existing development on Site I offers the ability to add a new tower to the existing building. Subject to conditions, the Urban Development Authority has also advised that Site II may be used for development as economically suited.

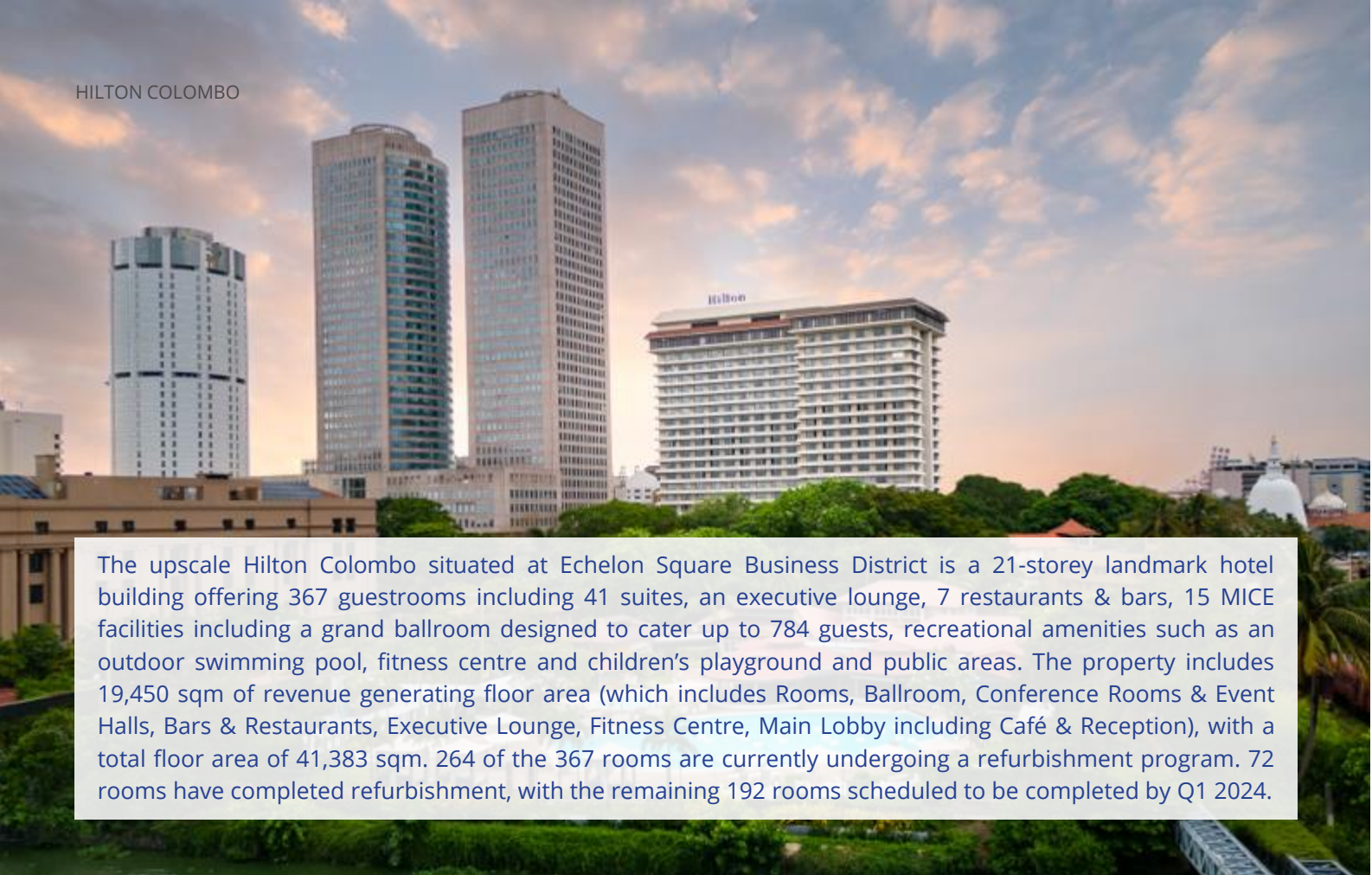
Site Information

Address	No. 2, Sir Chittampalam A Gardiner Mawatha, Colombo 02, 00200 Sri Lanka
District	District of Colombo, Western Province
Zoning	Concentrated Development Zone
Tenure	99-year leasehold (with over 88 years remaining which can be topped up)
Site Area*	Site I: 18,658 sqm Site II: 7,609 sqm Site I & Site II are connected by an overhead bridge
Development Approval **	22-storey hotel plus future extension (Site I) & recreation facility (Site II) development up to verified Gross Floor Area of 41,311m ²

Site Plan



* Based on the Property Valuation Report dated 31 Dec. 2019.
** Based on UDA's development permit approved on 17/09/85



The upscale Hilton Colombo situated at Echelon Square Business District is a 21-storey landmark hotel building offering 367 guestrooms including 41 suites, an executive lounge, 7 restaurants & bars, 15 MICE facilities including a grand ballroom designed to cater up to 784 guests, recreational amenities such as an outdoor swimming pool, fitness centre and children’s playground and public areas. The property includes 19,450 sqm of revenue generating floor area (which includes Rooms, Ballroom, Conference Rooms & Event Halls, Bars & Restaurants, Executive Lounge, Fitness Centre, Main Lobby including Café & Reception), with a total floor area of 41,383 sqm. 264 of the 367 rooms are currently undergoing a refurbishment program. 72 rooms have completed refurbishment, with the remaining 192 rooms scheduled to be completed by Q1 2024.

HILTON COLOMBO HOTEL Facilities Breakdown

Guestroom Type	No. of Rooms	Room Size (sqm)	Total Area (sqm)
King Room (4~15F)	173	29.6	5,120.8
Twin Room (4~15F)	92	29.6	2,723.2
King Executive (16~19F)	47	29.6	1,391.2
Twin Executive (16~19F)	14	29.6	414.4
J-Suite (5~14F)	11	49.3	542.3
G-Suite (5~14F)	11	78.9	867.9
Corner Suite (4, 16~19F)	9	49.3	443.7
Businessman Suite (18&19F)	7	71.9	503.3
Executive Suites (18F)	1	72.1	72.1
Junior Presidential Suite (18F)	1	179.2	179.2
Presidential Suite (19F)	1	238.5	238.5
Total	367		12,496.6

Facility Type	Number	Capacity (pax)	Total Area (sqm)
Ballroom	1	784	729
Conference Rooms & Event Halls	14	38~386	2,096
Bars & Restaurants	7	30~240	1,906
Executive Lounge	1	56	353
Fitness Centre	1	-	507
Main Lobby including Café & Reception	1	-	1363

* Note: Based on the breakdown of hotel facilities provided by Hotel Developers (Lanka) Limited in August 2023

Suite - Bedroom



Suite - Lounge



LAB



Ballroom



ROBUST RECOVERY IN SRI LANKA TOURISM



Sri Lanka's tourism booming post pandemic

The number of foreign tourist arrivals in Sri Lanka jumped 206% year-on-year in July 2023 after a 206% surge in the previous month, and is expected to reach 2 million by the end of 2023. The increased connectivity and focused promotional campaigns have supported the growth in arrivals. Large-scale infrastructure (e.g. Port City and the 170km Central Expressway) and capacity improvements are underway, with the expansion of Bandaranaike International Airport being the real game changer.

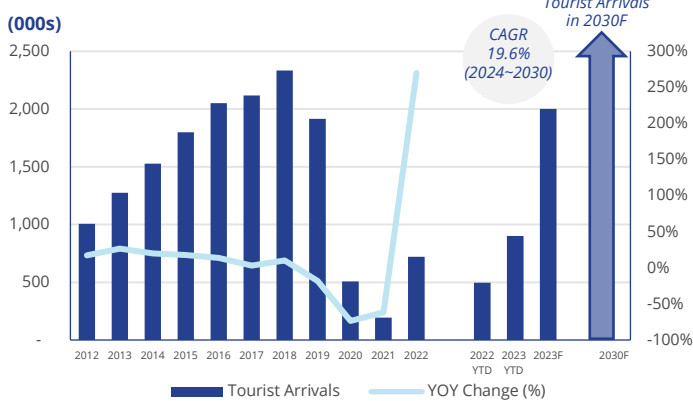
India and European markets lead the surge in tourism

India was the largest source market (18.8%) for Sri Lanka as of August this year with arrivals growing significantly, driven by both leisure and business travellers. The European markets such as Russia, UK, Germany and France maintained their dominant position as Sri Lanka's main source markets (accounting for 52.6% of total arrivals).

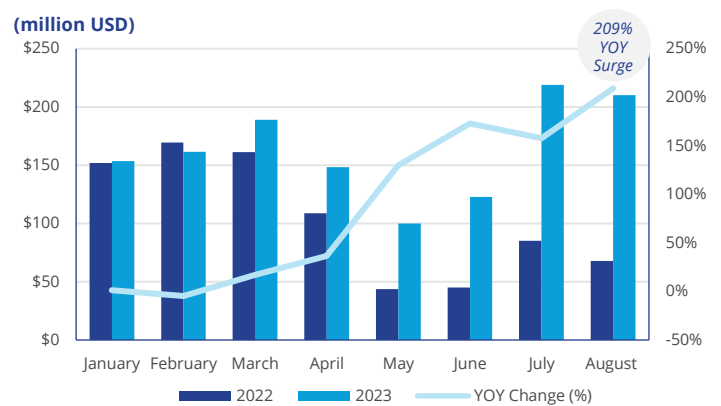
One of Asia's emerging hotel investment destinations

Colombo's historical hotel occupancy rates have been at a healthy level of above 75% from 2010 to 2018. The country's tourism revenue reached a peak of US\$4.3 billion in 2018. After the pandemic, the recovery in tourism accelerated in 2023 with a growth of over 209% year-on-year and US\$210 million monthly revenue in Aug 2023. Government of Sri Lanka is targeting USD 5 Bn in revenues in 2024, rising to USD 10 Bn in 2030.

Tourist Arrivals (2012-2030F)



Tourism Revenue (2022 vs. 2023)



Source: Sri Lanka Tourism Development Authority

*Note: 2022 YTD and 2023 YTD means data as of the end of August 2022 and 2023



Ministry of Finance,
Economic Stabilization
& National Policies



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