



MANDARIN ORIENTAL
THE HOTEL GROUP

2022 Annual Results

Mandarin Oriental Hotel Group

2 March 2023

Agenda

- Overview of 2022
- Strategic Priorities
- Group Portfolio
- Operating Performance
- Financial Results
- Development
- Outlook for 2023

2022 Annual Results

Overview of 2022



Robust recovery as travel conditions returned to normal

- 2022 was a year of transition from a difficult pandemic environment to the return of normal travel conditions, yet performance varied by region.
- The Group's hotels performed strongly in regions where there was full freedom of movement.
- Underlying profit achieved for the first time since 2019.
- Net debt was reduced by 27%. Liquidity and funding position remains robust.
- Two hotel openings and two residences in 2022, representing 7% growth in the portfolio.
- Eight new projects announced since the start of 2022. Currently 26 projects in the pipeline.



Much improved financial performance compared to 2021

Total Combined Revenue Under Management*

US\$1,568m

▲ 49% (vs 2021)

▲ 20% (vs 2019#)

Consolidated Revenue^

US\$454m

▲ 43% (vs 2021)

▼ 17% (vs 2019#)

Underlying EBITDA

US\$111m

▲ 174% (vs 2021)

▼ 24% (vs 2019#)

Underlying Profit Attributable to Shareholders

US\$8m

n/a (vs loss of US\$68m in 2021)

▼ 77% (vs profit of US\$35m in 2019#)

* Combined revenue includes turnover of the Group's subsidiary hotels in addition to 100% of revenue from associates, joint ventures and managed hotels.

^ Includes revenue from the Group's subsidiary hotels and fees from the management business.

Excludes The Excelsior that was closed in 2019.



2022 Annual Results

Strategic Priorities



Continued effort across 4 strategic priorities to build *A World of Fans*



ELEVATING OUR BRAND

Continue to open new hotels and residences, expanding our brand into new areas, building relationships with our Fans

LIFTING OUR PEOPLE



Evolving and protecting our unique cultural DNA; elevating our colleague experience; attracting, engaging, and retaining talent



POWERING OUR CORE

Driving operational efficiencies, and leveraging data to gain deeper insights

EXCEPTIONAL QUALITY



Consistent delivery of service excellence, characterised by the warm, engaging, personal interactions with our guests



OWNED HOTELS

MANAGEMENT BUSINESS

VENTURES



2022 Key Highlights

Progress made across our key strategic priorities



Mandarin Oriental Costa Navarino, Greece

8 New Management Contracts Announced



Mandarin Oriental Palace, Luzern

4 New Hotel and Residences Openings



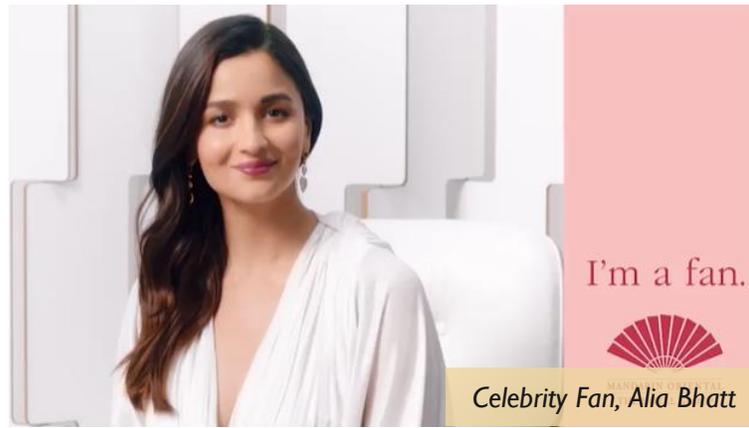
Mandarin Oriental, Washington D.C.

Sale of Mandarin Oriental, Washington D.C.



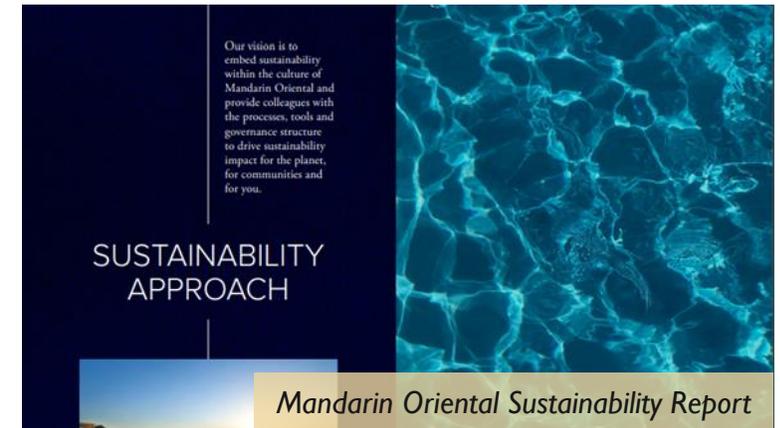
Mandarin Oriental Exclusive Homes, Bali

Continued Focus on Partnerships



Celebrity Fan, Alia Bhatt

New Celebrity Fan



Mandarin Oriental Sustainability Report

Advancement in Key Sustainability Initiatives



2022 Annual Results

Group Portfolio



The Group opened two hotels and two managed residences in 2022

MANDARIN ORIENTAL RESIDENCES, BEVERLY HILLS



- Opened in November 2022
- 54 residences
- Situated atop Beverly Hills' famed Golden Triangle and Rodeo Drive

MANDARIN ORIENTAL PALACE, LUZERN



- Opened in September 2022
- 136 rooms and suites
- Iconic Belle Époque landmark of the city, opened after extensive renovation

MANDARIN ORIENTAL RESIDENCES, BARCELONA



- Opened in September 2022
- 30 apartments and 4 penthouses
- Ultimate city address on the wide tree-lined avenue of Passeig de Gràcia

MANDARIN ORIENTAL, SHENZHEN



- Opened in January 2022
- 178 rooms and suites
- Located on the upper floors of a new 79-storey premium building

 Managed Hotels

 Managed Residences

The Group operates 14 owned or partially owned hotels



 14 Owned or Partially Owned Hotels

Global Portfolio – Managed Hotels and Residences

And 27 managed hotels and residences



- 4 Managed Hotels and Residences
- 18 Managed Hotels
- 5 Managed Residences

2022 Annual Results

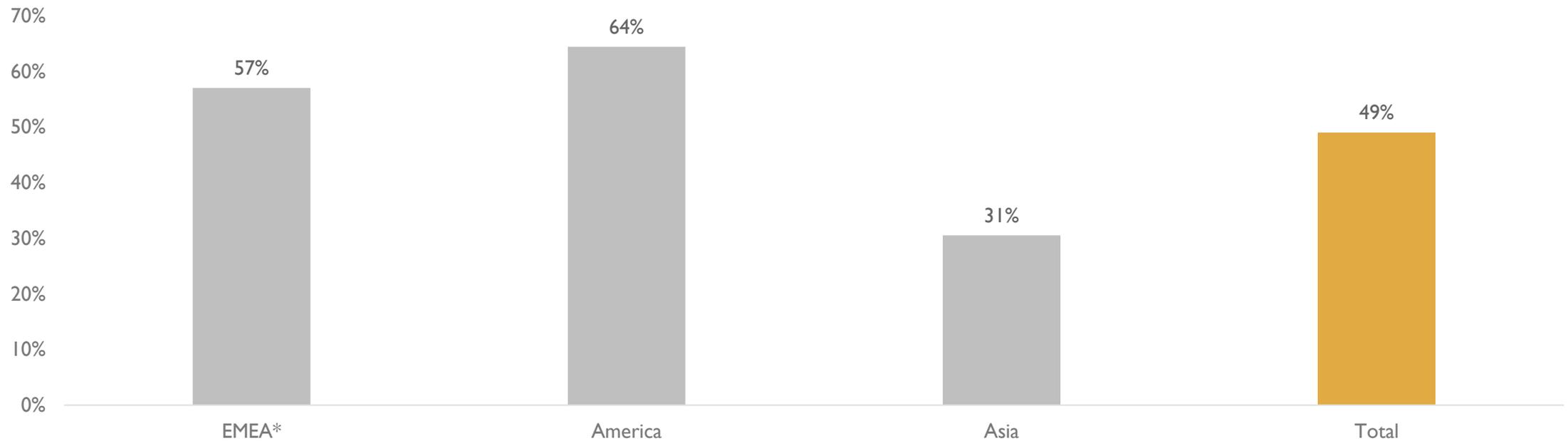
Operating Performance



2022 Total Combined Revenue of Hotels Under Management

Increased revenue across regions driven by improved trading conditions and expanded portfolio

**Average % change in Total Combined Revenue of Hotels Under Management
2022 vs 2021 (US\$ terms)**



* Europe, Middle East, and Africa

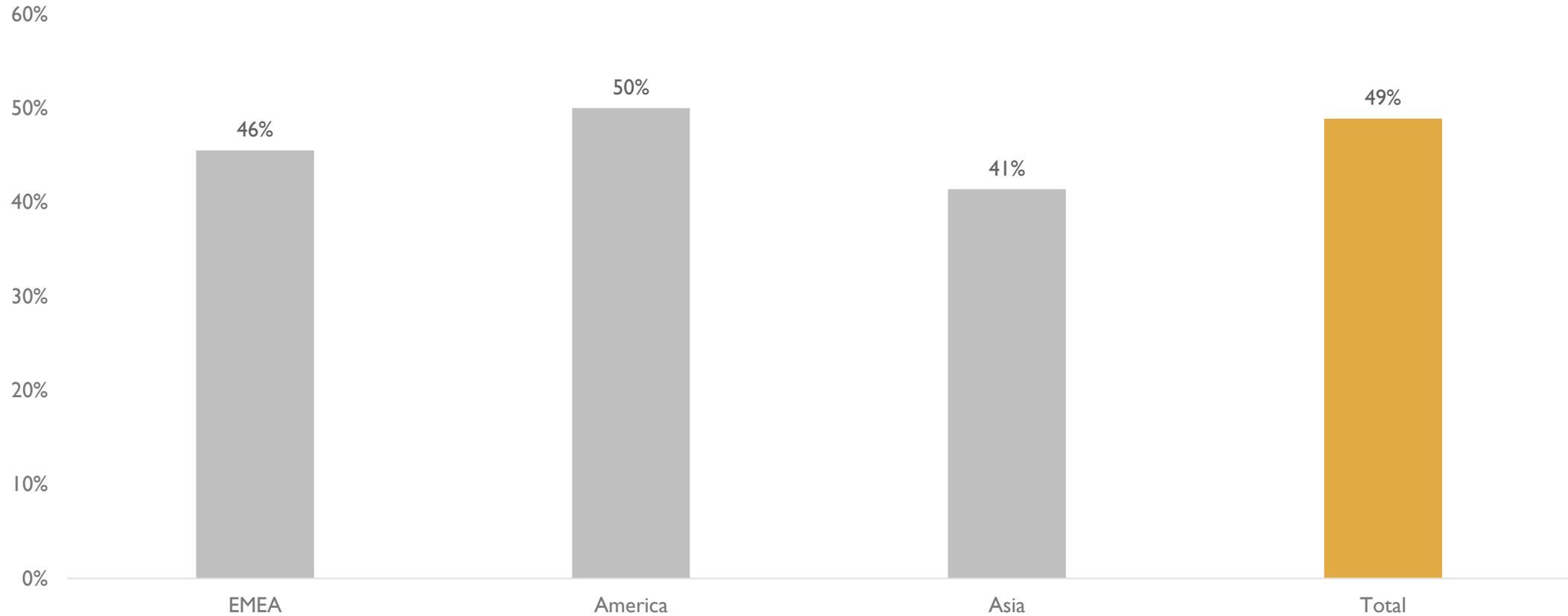


MANDARIN ORIENTAL

2022 Annual Revenue Per Available Room ('RevPAR') Performance

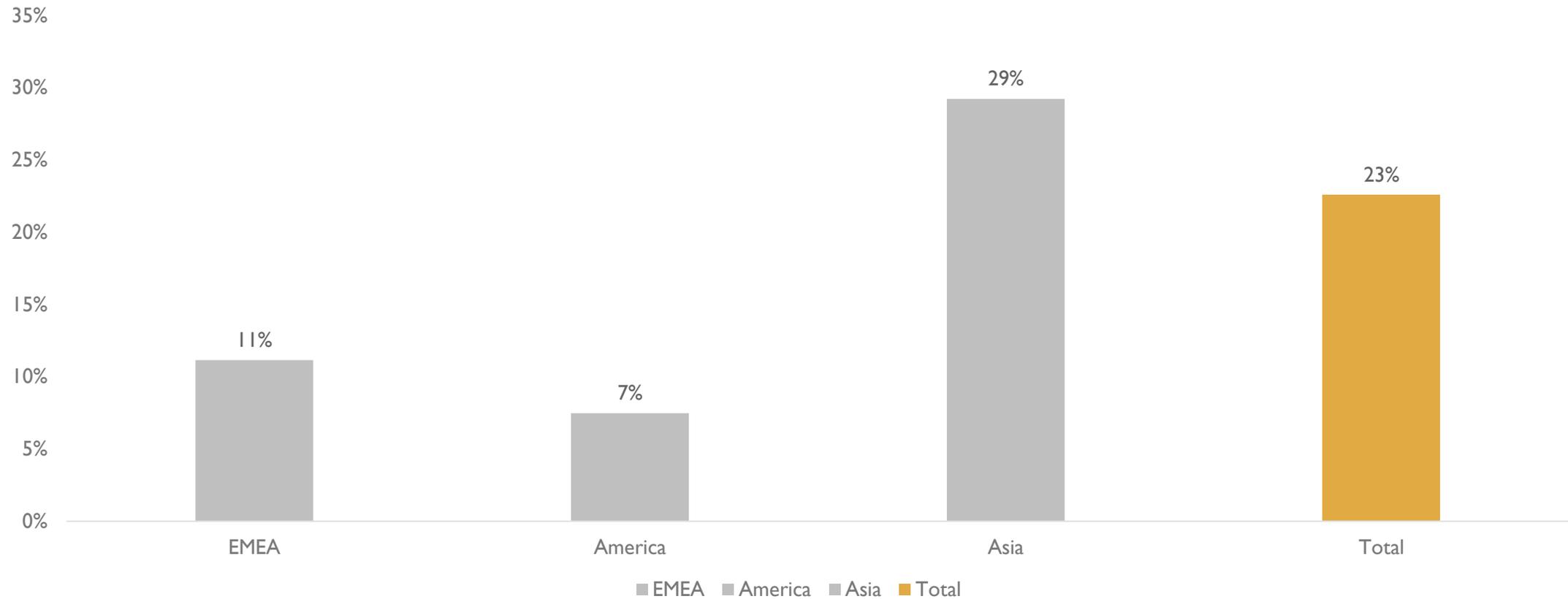
Robust improvement in RevPAR across all regions

Average % change in RevPAR 2022 vs 2021 (US\$ terms)



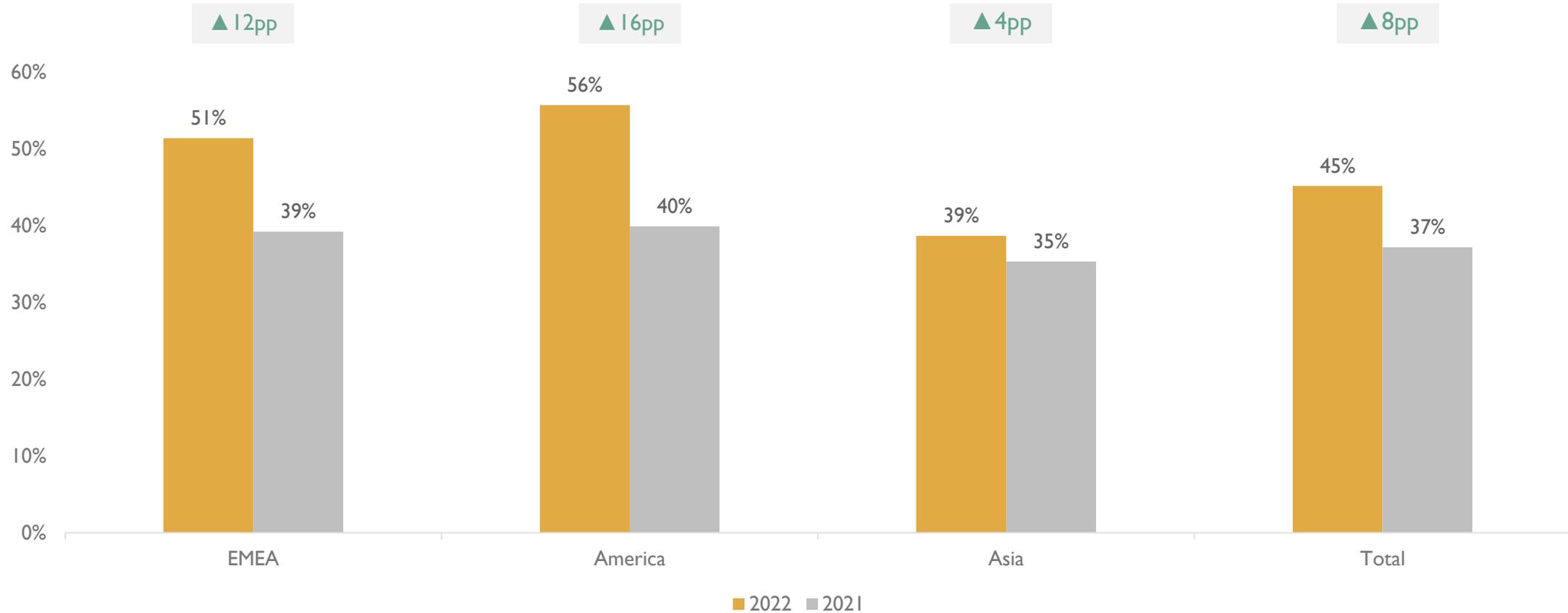
Higher ADR across all regions driven by strong leisure demand

Average % change in ADR 2022 vs 2021 (US\$ terms)



Growth in occupancies primarily led by America and EMEA

Occupancy by Region 2022 vs 2021



Owned Hotels Operating Performance

Strong performance offset by continued restrictions in HK and Tokyo



- Hotels in regions without travel restrictions performed strongly
- Hotels in leisure destinations and gateway cities were able to achieve rates higher than 2019 levels
- London and Paris delivered profitability at or above pre-COVID levels
- New York, Boston, and Miami delivered record rates
- Robust improvement in Bangkok and Singapore from Q4 onwards
- Operations in two of the Group's key profit generating hotels in Hong Kong and Tokyo remained impacted by the pandemic for the whole year



Improved trading conditions and expanded portfolio drove higher management fees



Mandarin Oriental Jumeira, Dubai



Mandarin Oriental, Bodrum



Mandarin Oriental, Milan



Mandarin Oriental, Shenzhen



Mandarin Oriental Bosphorus, Istanbul

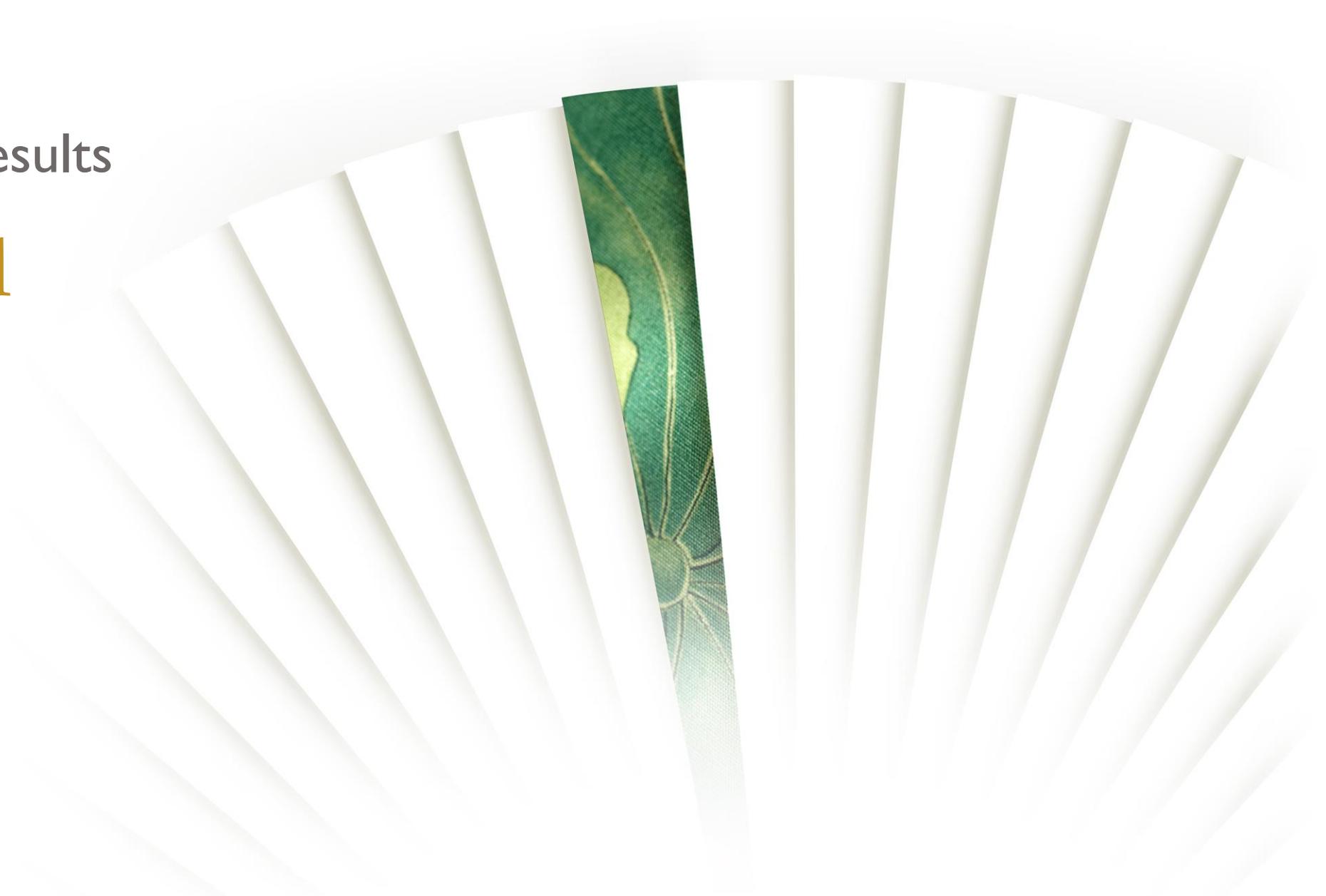


Mandarin Oriental, Lago di Como

- Total hotel management fees 57% higher than 2021
- Most hotels delivered higher management fees compared to 2021, except those in Mainland China, Hong Kong and Macau
- Leisure destinations continued to achieve high rates and occupancy
- Results in Mainland China, Hong Kong and Macau impacted by travel restrictions throughout the year
- Corporate overheads well controlled

2022 Annual Results

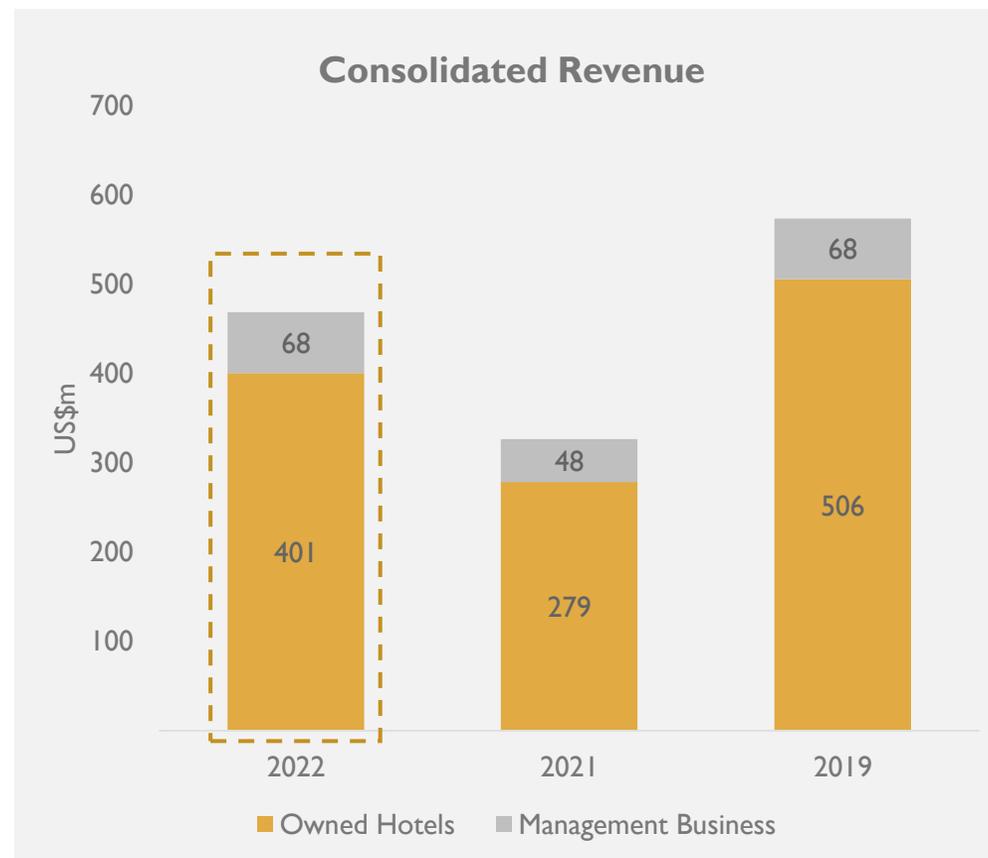
Financial Results



Consolidated Revenue

Higher consolidated revenue than 2021. Management business back to pre-pandemic levels

Consolidated Revenue					
US\$m	IH 2022	2H 2022	2022	2021	2019*
Subsidiary Hotels	177	224	401	279	506
Management Business	27	41	68	48	68
Less: Intra Segment Revenue	(6)	(9)	(15)	(10)	(28)
Total	198	256	454	317	546



* Excludes The Excelsior that was closed in 2019.

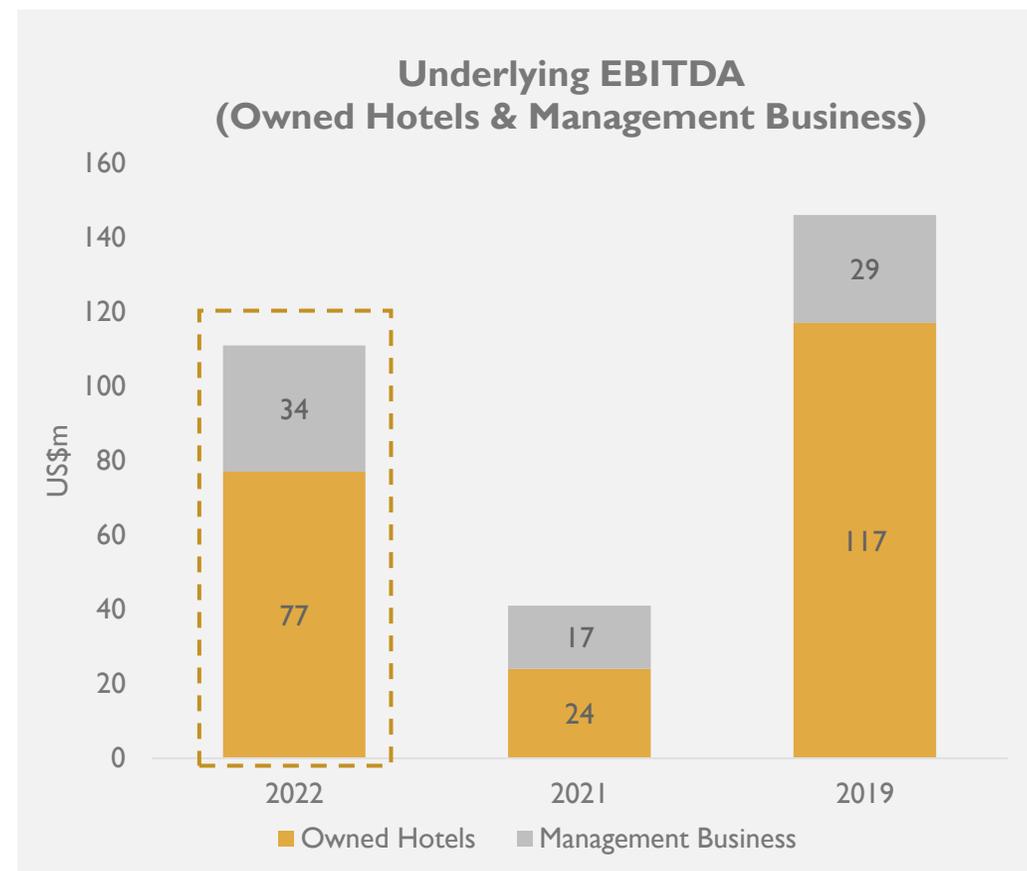


Underlying EBITDA Performance

Strong performance recovery in 2022, particularly in 2H

Underlying EBITDA

US\$m	IH 2022	2H 2022	2022	2021	2019*
Owned Hotels	15	62	77	24	117
Management Business	13	21	34	17	29
Total	28	83	111	41	146



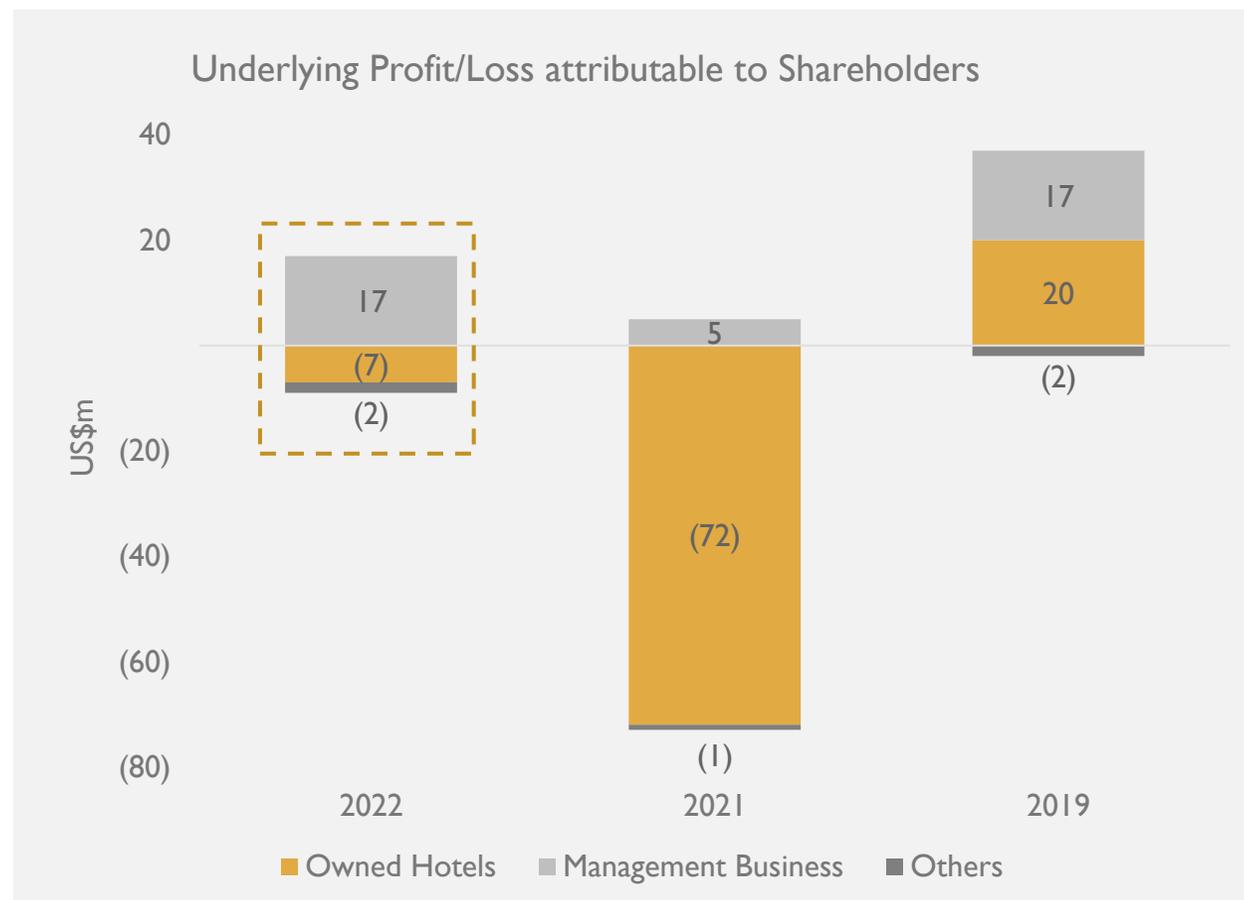
- Government support of US\$5m and US\$41m were recognised in EBITDA across subsidiaries, management business and associates and joint ventures in 2022 and 2021 respectively.
- * Excludes The Excelsior which was closed in 2019.

Underlying Profit and Loss

The Group achieved underlying profit for the first time since 2019

Underlying Profit/(Loss) Attributable To Shareholders

US\$m	2022	2021	2019*
Owned Hotels	(7)	(72)	20
Management Business	17	5	17
Others [^]	(2)	(1)	(2)
Total	8	(68)	35



[^] Others include interest costs in relation to the redevelopment of the Causeway Bay site.

* Excludes The Excelsior which was closed in 2019.



Loss Attributable to Shareholders

Reduction in loss attributable to shareholders driven by improved operating performance

Loss Attributable to Shareholders

US\$m	2022	Change	2021	2019
Underlying Profit/(Loss)	8	▲ n/a	(68)	35*
Net Non-Trading Losses [^]	(57)	▲ 22%	(73)	(97)
Loss Attributable to Shareholders	(49)	▲ 65%	(141)	(62)*
Adjusted Net Asset Value per Share (US\$)	3.87	▼ 2%	3.93	4.70

[^] Net non-trading losses primarily comprise a 3% decrease (2021: 3% decrease) in the valuation of the Causeway Bay site under development. The redevelopment was valued at US\$2.4 billion, net of future construction costs, at the end of 2022.

* Excludes The Excelsior which was closed in 2019.

Cash Flow Statement

Net increase in cash from improved operating performance and investing activities

Summary Cash Flow Statement

<i>US\$m</i>	2022	2021
Operating Activities	56	26
Investing Activities	87	(32)
Financing Activities	(122)	61
Net increase in cash	21	55



Cash Flow Statement – Investing Activities

Cash inflow from investing activities primarily driven by the gain on asset disposal in Washington D.C.

Cash Flow From Investing Activities

<i>US\$m</i>	2022	2021
Net capital expenditure on existing properties	(13)	(15)
Redevelopment of the Causeway Bay site	(30)	(20)
Net proceeds from disposal of Washington D.C. hotel	131	-
Others	(1)	3
Total	87	(32)



Net Debt and Gearing

The Group reduced net debt and its liquidity position remains strong

Net Debt and Liquidity

<i>US\$m</i>	2022	2021
Net debt	376	517
Adjusted shareholders' funds*	4,897	4,966
Gearing [^]	8%	10%
Cash balance	226	213
Undrawn committed debt facilities	471	294
Group liquidity	697	507

* Includes the market value of the Group's ownership interest in its freehold and leasehold properties.

[^] Net debt as a percentage of adjusted shareholders' funds.



On track and on budget to complete in 2025

- Mixed-use commercial building development
- Completion expected in 2025
- Total project costs remain at US\$650m
- The majority of the construction costs will be incurred between 2023 and 2025
- Future capital commitments of some US\$500m



2022 Annual Results

Development



Expected Openings in 2023

The Group expects to open five new hotels and residences in 2023

MANDARIN ORIENTAL MAYFAIR, LONDON



- Scheduled to open in Q3 2023
- 50 rooms and 77 branded residences

MANDARIN ORIENTAL SAVOY, ZURICH



- Scheduled to open in Q4 2023 after renovation
- 80 rooms and suites

MANDARIN ORIENTAL RESIDENCES, FIFTH AVENUE



- Scheduled to open in Q3 2023
- 69 branded residences

MANDARIN ORIENTAL, MUSCAT



- Scheduled to open in Q4 2023
- 150 rooms and 150 branded residences
- The Group's first property in Oman

MANDARIN ORIENTAL, COSTA NAVARINO



- Scheduled to open in Q3 2023
- 99 villas
- The Group's first property in Greece



The Group announced 8 new management contracts



Mallorca, Spain

- 131 rooms, suites and bungalows
- Beachfront resort in the Balearics



Cortina, Italy

- 83 rooms and suites
- Rebranding of Hotel Cristallo, built in 1901



Cairo, Egypt

- 276 rooms and suites
- Rebranding of the historic Shephard Hotel



Tianfu, China

- 267 rooms and suites
- Located in a modern business district south of Chengdu



Costa Navarino, Greece

- 99 villas
- Beachfront resort on the Peloponnese coast



Kuwait City, Kuwait

- 159 rooms, suites, and serviced apartments
- Located in an iconic 80-storey tower



Maldives

- 120 stand-alone villas and 10 branded residences
- Located on a private island



Bai Nom, Vietnam

- 72 suites and villas
- 25 branded residences

2022 Annual Results

Outlook for 2023



Continued improvement as global travel demand recovers to pre-pandemic levels

- Strong leisure demand benefiting leisure-oriented destinations and resorts
- Material improvement expected in financial results as restrictions in East Asia continue to ease
- Gradual return in demand from corporate and MICE business
- Well positioned to benefit from improving market conditions with a globally recognised brand and an expanding portfolio and fan base



Questions to Investors@moHG.com

