

The background features a repeating pattern of golden, fan-like motifs. Each motif is a semi-circle with numerous thin, radiating lines, resembling a stylized fan or a sunburst. The motifs are arranged in a staggered, overlapping grid. The top and bottom portions of the image are in a darker, more saturated gold, while the middle portion is a lighter, more muted gold, creating a gradient effect.

2019 ANNUAL RESULTS

Mandarin Oriental Hotel Group

2019 Annual Performance and Highlights

- Re-opening of Hyde Park London hotel and Bangkok hotel
- Commenced redevelopment of The Excelsior site
- Four new hotels opened, seven new projects announced
- Fans of M.O. exceeded half a million members
- Pledge to eliminate all single-use plastic on premises by March 2021
- Earnings benefited from London re-opening but impacted by closure of The Excelsior, renovation in Bangkok and social unrest in Hong Kong

2019 Annual Results Highlights

US \$ m	2019	2018 [^] restated
Combined Total Revenue*	1,325	1,398
Group Revenue [#]	567	614
Underlying EBITDA	155	188

[^] The comparative figures in 2018 have been restated due to the adoption of the new accounting standard - IFRS 16 'Leases'

* Includes revenue from the total portfolio of owned and managed hotels

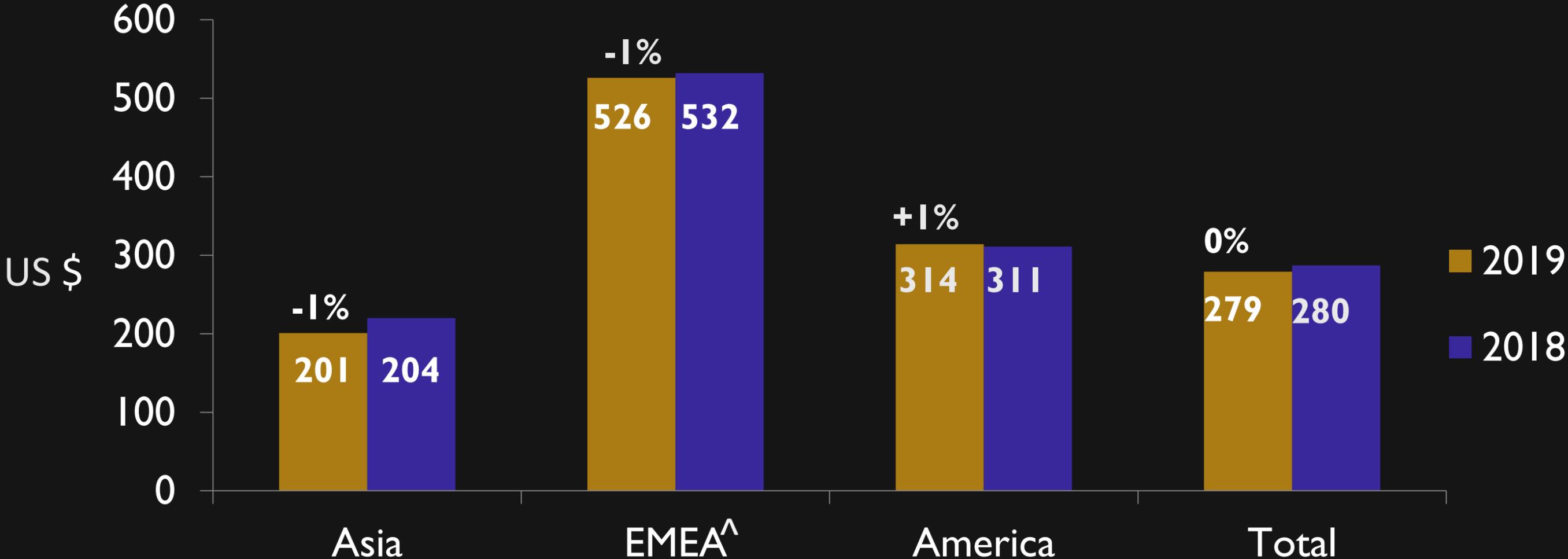
[#] Includes revenue from the Group's subsidiary hotels as well as the Group's management and branding activities

2019 Annual Results Highlights

	2019	2018 restated
Underlying Profit Attributable to Shareholders (US \$ m)	41	65
Net Non-Trading Losses (US \$ m)	(97) [#]	(22)
Underlying Earnings per Share (US ¢)	3.26	5.15
Total Dividends per Share (US ¢)	3.00	3.00
Adjusted Net Asset Value per Share (US \$)	4.70	4.62

[#] Includes US\$67 million (1%) decrease in valuation of The Excelsior site and US\$29 million of accelerated depreciation of hotel assets and closure costs

2019 Annual RevPAR Performance



- All references to RevPAR are in US dollar terms on a like-for-like basis, unless otherwise stated. The like-for-like basis only includes hotels that were trading in the portfolio for a full year for both 2018 and 2019. Mandarin Oriental, Bangkok has been included up until the end of February 2019 when the hotel closed for renovation, and the two Hong Kong hotels are included up until the end of June 2019, prior to the impact of the social unrest. Including results for the full year for the two Hong Kong hotels, RevPAR of the overall portfolio decreased by 4% as compared to the prior year

[^] Europe, Middle East and Africa

CURRENT GLOBAL PORTFOLIO



 33 hotels

2019 Annual Hotel Performance

Asia – Overall RevPAR down 1%*

Mandarin Oriental, Hong Kong

Impacted by social unrest, though F&B resilient

Tokyo

Solid earnings and RevPAR performance

Singapore

Maintained strong performance from 2018

Bangkok

River Wing closed for renovation

Kuala Lumpur

Occupancy increased by 15%

* The two Hong Kong hotels are included up until the end of June 2019, prior to the impact of the social unrest. Including results for the full year for these two hotels, RevPAR of the Asia region decreased by 8% as compared to the prior year

2019 Annual Hotel Performance

EMEA – Overall RevPAR down 1%*

Paris	Increased occupancy despite ongoing protests
Munich	Local currency RevPAR up 7%
Geneva	Reduced occupancy, stable rates
London	Quickly re-established leading position in the city
Madrid	Opening in late summer 2020

* Because Mandarin Oriental Hyde Park, London was partially closed during periods of both 2018 and 2019, its performance has been excluded from the RevPAR statistics.

2019 Annual Hotel Performance

America – Overall RevPAR up 1%

Boston	Remains market leader despite increased supply
Miami	5% increase in RevPAR
New York	Market leading position, though revenues lower
Washington D.C.	Improvement needed despite RevPAR growth

Redevelopment of The Excelsior Site

- Commenced on 1st May 2019
- Demolition is 40% complete
- Construction costs of some US\$650 million and expected to complete in 2025
- The Excelsior contributed US\$9 million in underlying EBITDA in 2019, compared to US\$35 million in 2018

Strategy

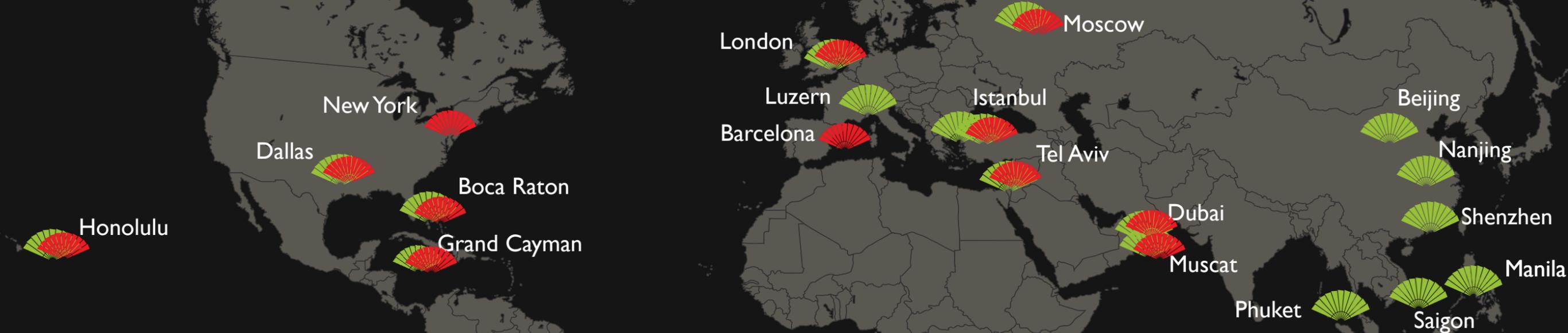
- To be recognised as the world's best luxury hotel group
- Brand is the Group's most powerful asset
- People underpin the Mandarin Oriental experience
- Personalisation is key
- Digital technologies are a major opportunity
- Expanding the portfolio is a key priority
- Colleagues must be empowered to innovate and to act sustainably



MANDARIN ORIENTAL
THE HOTEL GROUP

DEVELOPMENT

DEVELOPMENT PORTFOLIO



Expected to open within the next 5 years

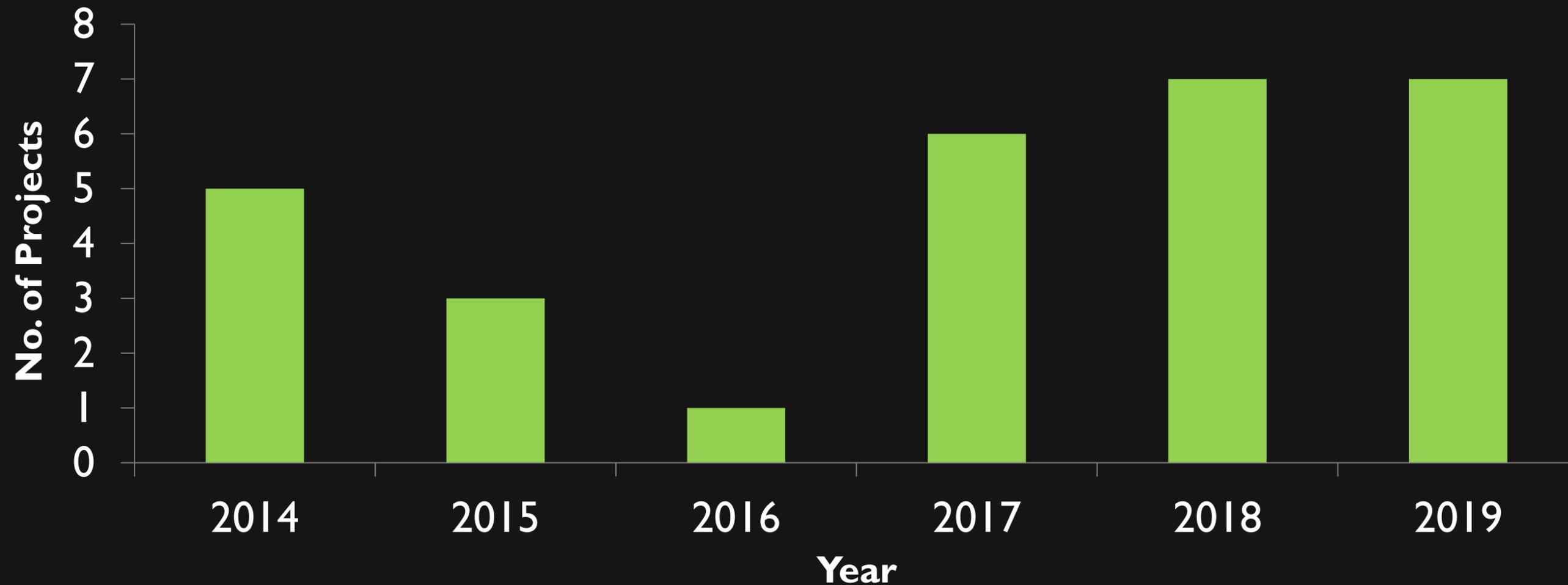
-  Hotels (18)
-  Residences (12)



Development Strategy

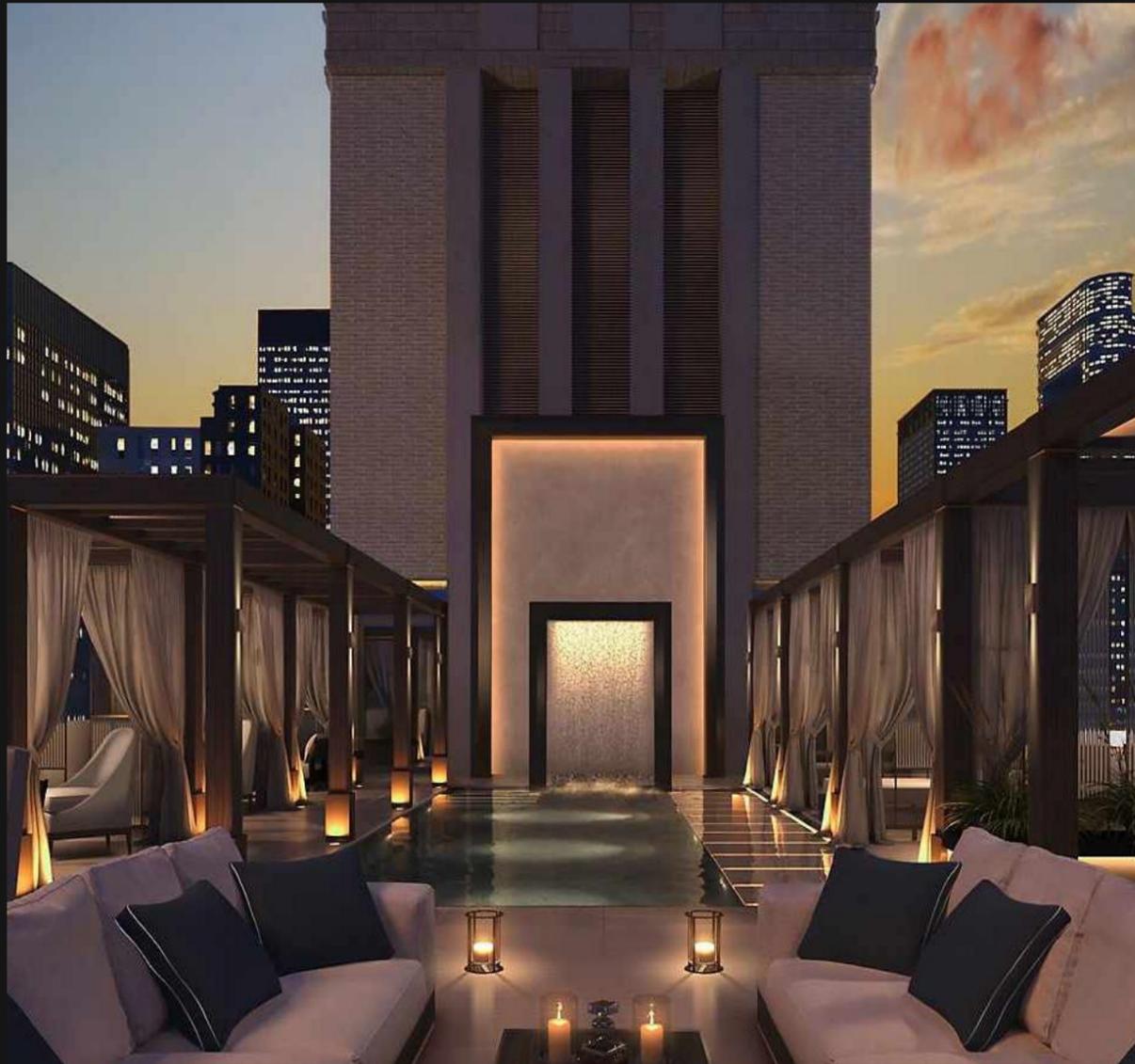
- Major city-centre and resort locations where brand is currently absent
- Reinforce position in key markets
- Grow hotel portfolio by an average of three new properties per year

Number of Announced New Projects



* Excluding the previously announced projects in Beirut (2015), Melbourne (2017) and Viña del Mar (2018) which are currently on hold

New Project



*Mandarin Oriental Residences at 685 Fifth Avenue
(Management contract)*

- 69 branded residences

New Project



Mandarin Oriental Etiler, Istanbul (Management contract)

- Second luxury hotel in Istanbul
- 158 rooms and 251 branded residences

New Project



Mandarin Oriental, Nanjing (*Management contract*)

- Located on Qinhuai River
- 106 rooms and suites

New Project



Mandarin Oriental Palace, Luzern
(*Management contract*)

- 146 rooms and suites

New Project



Mandarin Oriental, Dallas (*Management contract*)

- 176 rooms and 100 branded residences

New Project



Mandarin Oriental, Tel Aviv (*Management contract*)

- 225 rooms and 231 branded residences
- First luxury hospitality brand to enter the city

New Project



Emirates Palace, Abu Dhabi (*Management contract*)

- 394 rooms and suites
- To be rebranded as a Mandarin Oriental property after a phased renovation completes
- The Group's second hotel in the United Arab Emirates

Hotel Openings

Mandarin Oriental, Doha
Opened on 9th March 2019



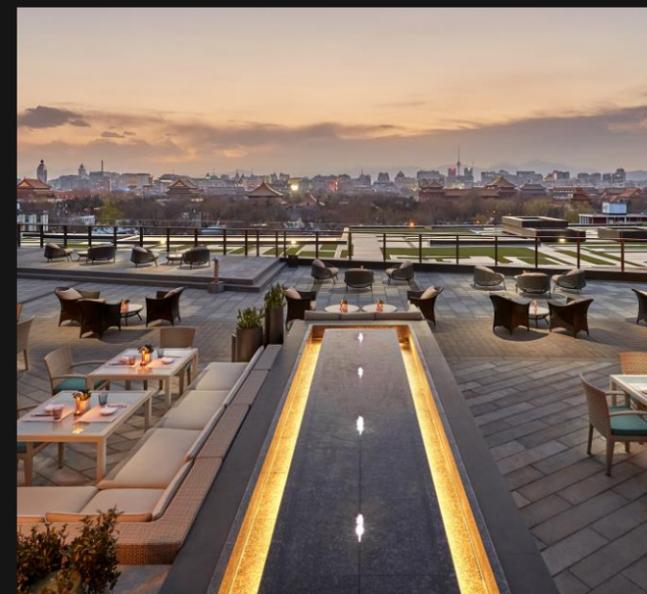
Mandarin Oriental Jumeira, Dubai
Opened on 18th February 2019



Mandarin Oriental, Lago di Como
Opened on 15th April 2019



Mandarin Oriental Wangfujing,
Beijing
Opened on 15th March 2019





MANDARIN ORIENTAL
THE HOTEL GROUP

FINANCIAL REVIEW

Underlying EBITDA Performance

Key Highlights

US \$ m	2019	2018 restated
Underlying EBITDA	155	188

- Closure of The Excelsior had substantial impact on earnings
- Impact of Hong Kong protests broadly offset by improved profitability and insurance recovery in London
- Tokyo underlying EBITDA up some 30%
- EBITDA from associates and joint ventures lower due to Bangkok renovation
- Management business lower due to one-off termination fees received in 2018

Financial Review

Non-trading Items

US \$ m

2019

2018
restated

Fire at Mandarin Oriental Hyde Park, London

Repair expenses and write-off of tangible assets and other incidental expenses

(8)

(29)

Insurance recovery for replacement of tangible assets and other incidental expenses

9

30

Closure of The Excelsior, Hong Kong

Accelerated depreciation and amortisation and other costs

(29)

(27)

Change in fair value of investment property under development

(67)

-

Change in fair value of other investments

(2)

4

Net non-trading losses

(97)

(22)

Financial Review

Cash Flow Statement – Operating Activities

US \$ m	2019	2018 restated
Operating Activities		
EBITDA from subsidiaries and non-cash items [#]	132	160
Dividends and interest from associates and JVs	6	8
Working capital movement	(3)	18
Net interest and other financing charges paid	(16)	(14)
Tax paid	(6)	(19)
Total	113	153

[#] Includes the changes in fair value of The Excelsior site in 2019 and the changes in fair value of other investments in 2018

Financial Review

Cash Flow Statement – Investing Activities

US \$ m	2019	2018 restated
Investing activities		
Net capital expenditure on existing properties	(42)	(53)
Capex for redevelopment of The Excelsior	(15)	-
Payment on Munich expansion	(1)	-
Net advance to associates and joint ventures [#]	(13)	(8)
Others	(9)	(8)
Total	(80)	(69)

[#] Principally investment costs relating to Mandarin Oriental Ritz, Madrid

Financial Review

Summary Cash Flow Statement

US \$ m	2019	2018 restated
Operating Activities	113	153
Investing Activities	(80)	(69)
Financing Activities		
Net drawdown of borrowings	34	28
Dividends paid	(38)	(38)
Others	(7)	(7)
Net increase in cash	<u>22</u>	<u>67</u>
Opening cash balance 1st January	247	184
Effect of exchange rate changes	2	(4)
Closing cash balance 31st December	<u>271</u>	<u>247</u>

Financial Review

Net Debt

US \$ m	2019	2018 restated
Net debt	300	285
Adjusted shareholders' funds [#]	5,936	5,827
Gearing	5%	5%
Adjusted net asset value per share (US \$)	4.70	4.62
Hedging ratio on gross debt	47%	44%
Average tenor on debt	4.2 years	0.8 years
Cash	271	247
Undrawn committed debt facilities	249	78

- Weighted average interest rate on gross borrowings was 2.6% (2.6% in 2018)
- EBITDA interest cover, including the Group's share of associates and joint ventures, was 8.6 times (10.7 times in 2018)

[#] Includes the market value of the Group's ownership interest in its freehold and leasehold properties

Financial Review

Future Significant Capital Commitments

	US \$	Timing
Madrid restoration (Group's 50% share)	30m	2020
Munich extension	137m	2020-24
Redevelopment of The Excelsior site	575m	2020-25
Total	742m	

- The Group's strong balance sheet is well-placed to fund capital commitments through the use of external debt and cash reserves

Coronavirus Update

- Significant impact to occupancy from late January in mainland China and Hong Kong hotels
- Other Asian hotels also affected, but so far to a lesser extent
- Recent developments will impact Europe and Middle Eastern hotels
- Too early to assess impact on 2020 results, full impact will depend on duration and geographic extent of the virus

2020 Outlook

- Remain focused on long-term strategic priorities
- Full year of earnings from the newly renovated London hotel
- Full re-opening of Bangkok hotel
- Absence of earnings from The Excelsior hotel
- Mandarin Oriental Ritz, Madrid to open in late summer



Questions to investors@mohg.com