

H1 2023 Results

July 27th, 2023



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H1 2023 Highlights

Solid business momentum

1 | Systemwide RevPAR

+38% vs. H1 22

+25% vs. Q2 22

2 | Net Unit Growth at +3.5% LTM

3 | €2,402m Revenue

+35% L/L vs. H1 22

Strong profitability and cash flow

1 | €447m EBITDA

+109% vs H1 2022

Positive Services to Owners

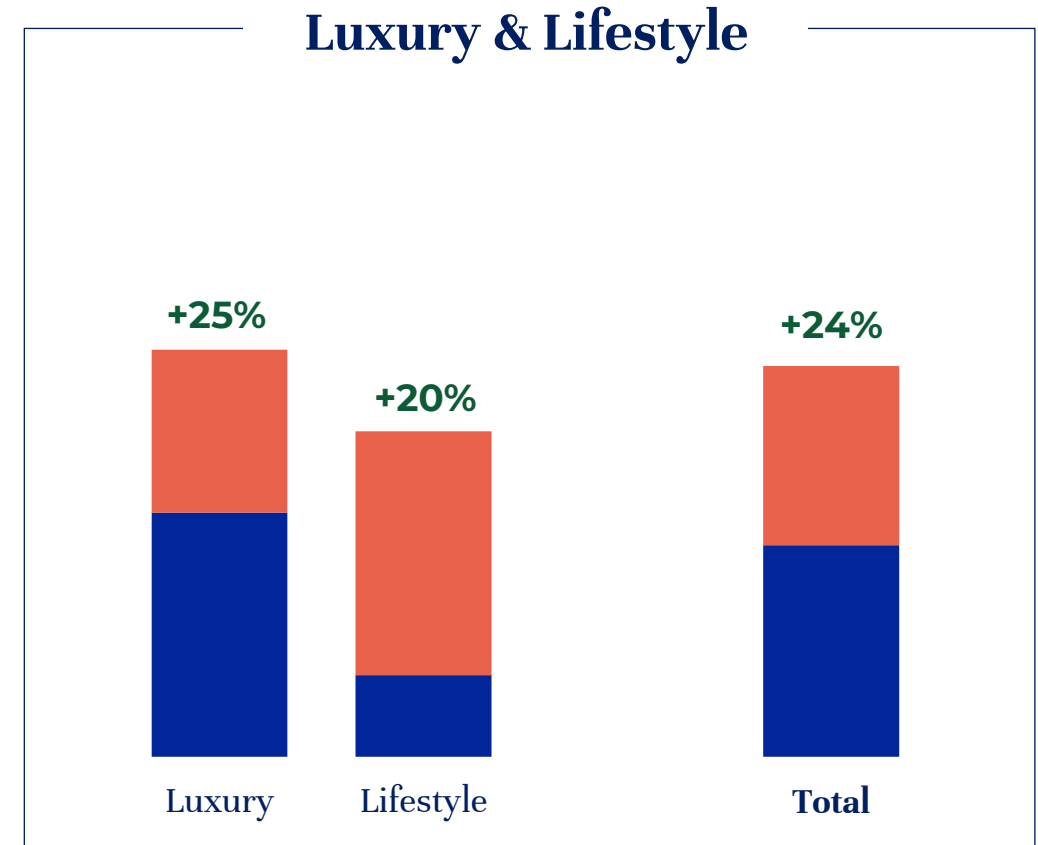
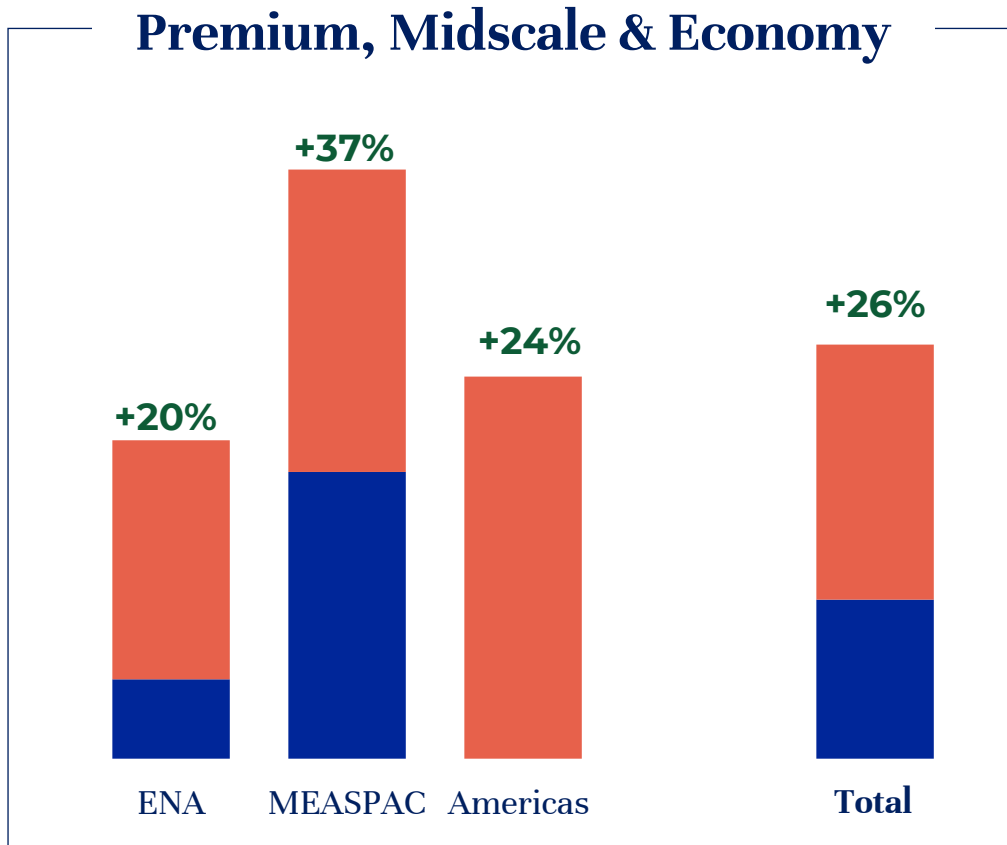
2 | €157m Recurring FCF

vs. €41m in H1 2022

3 | Raised FY23 EBITDA Guidance

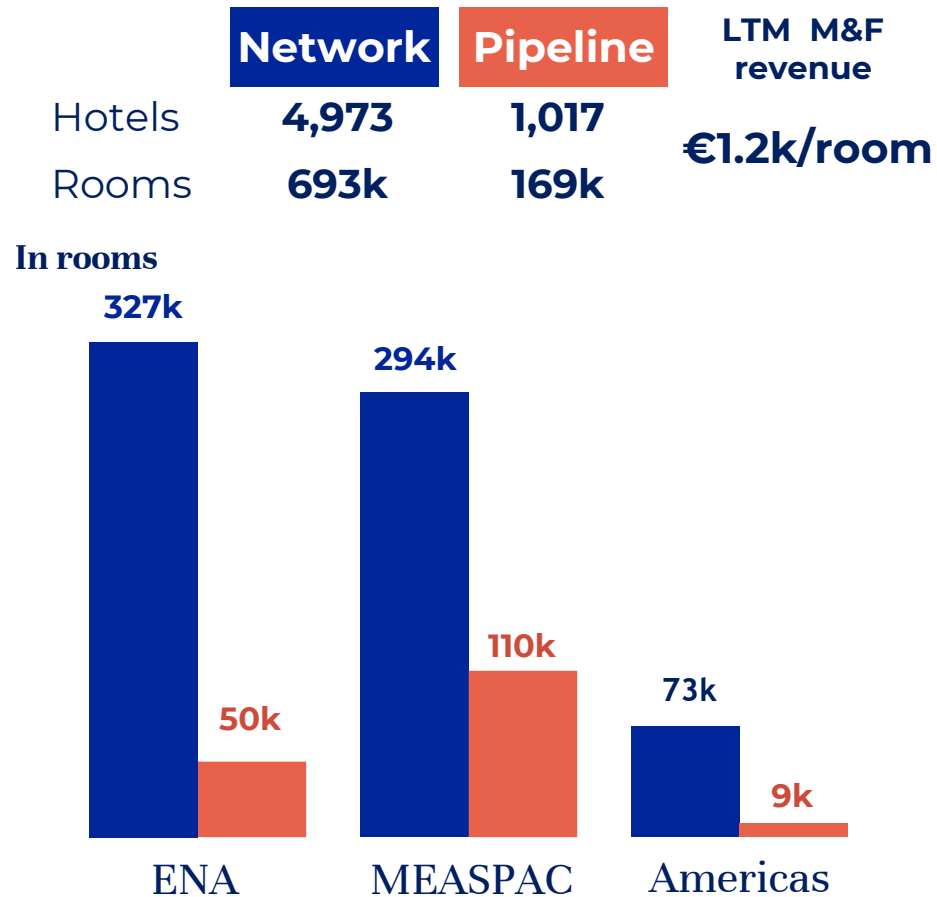
MGallery Jerusalem, Israel

Q2 23 RevPAR Driven by Continued Gains in Occupancy and Sustained Pricing Momentum

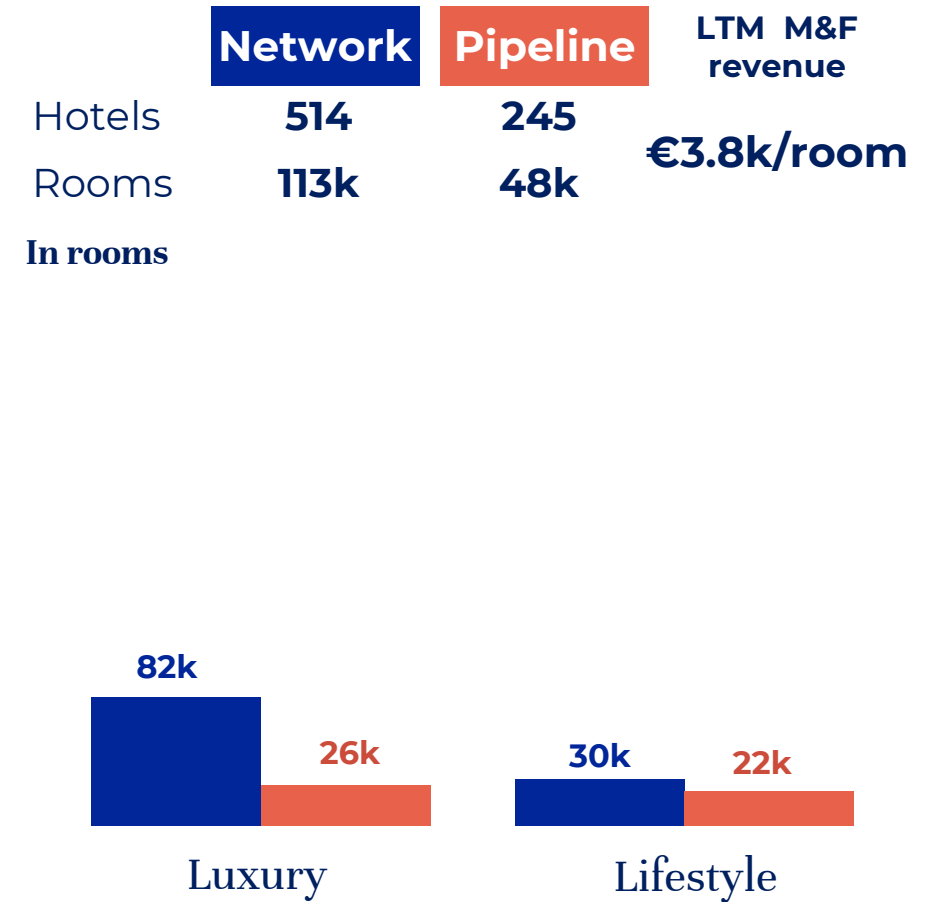


Portfolio as of June 30th, 2023

Premium, Midscale & Economy



Luxury & Lifestyle



H1 23 Group Revenue Growth in line with RevPAR

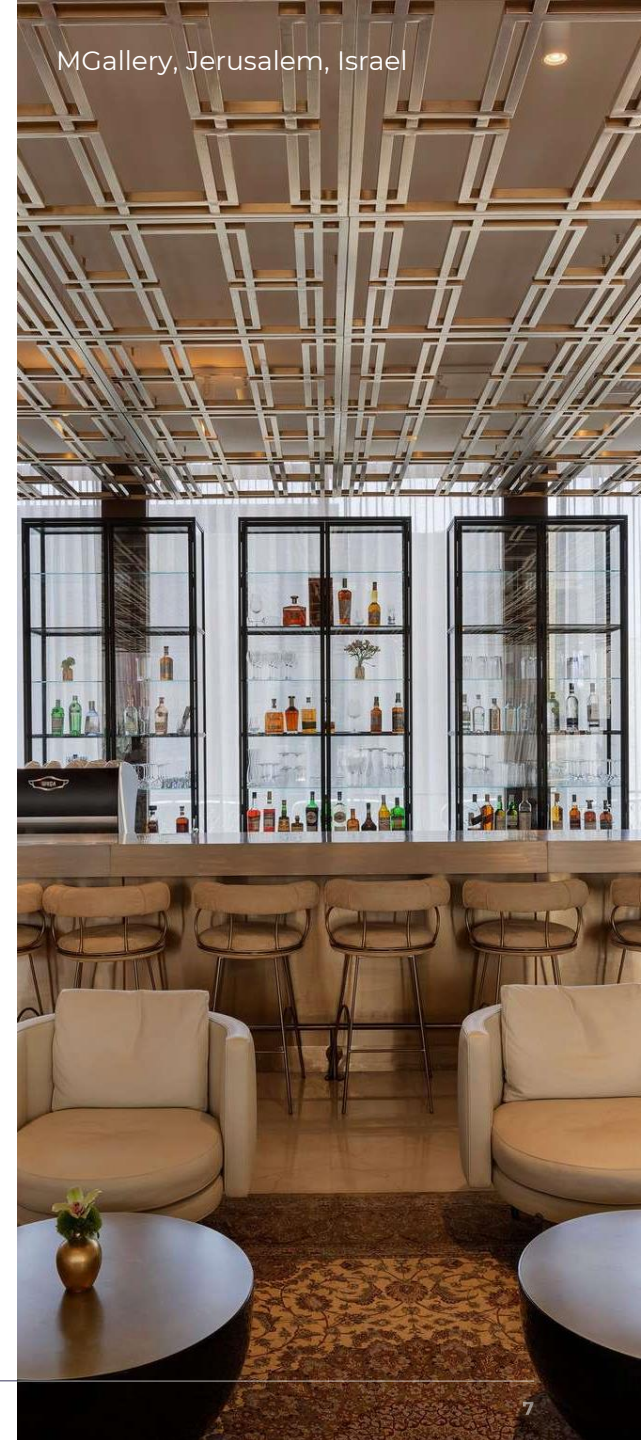
In € millions	H1 2022	H1 2023	Reported change	L/L Change
M&F	296	403	+36%	+39%
STO	363	521	+44%	+41%
HA & Other	420	494	+18%	+24%
Prem., Mid. & Eco.	1,079	1,418	+31%	+34%
M&F	138	210	+52%	+58%
STO	479	655	+37%	+36%
HA & Other	42	155	+269%	+20%
Luxury & Lifestyle	659	1,020	+55%	+40%
Interkos	(14)	(37)	N/A	N/A
Total	1,725	2,402	+39%	+35%



M&F Revenue Growth Boosted by Incentives

In € millions	H1 2022	H1 2023	Reported change	L/L Change
ENA	193	242	+26%	+26%
MEASPAC	80	128	+59%	+68%
Americas	23	33	+44%	+45%
Prem., Mid. & Eco.	296	403	+36%	+39%
Luxury	99	153	+55%	+60%
Lifestyle	40	57	+44%	+54%
Luxury & Lifestyle	138	210	+52%	+58%
Total	434	613	+41%	+45%

MGallery, Jerusalem, Israel



Group EBITDA Doubled

In € millions	H1 2022	H1 2023	Reported change	L/L Change
M&F	212	276	+30%	+33%
STO	(68)	2	N/A	N/A
HA & Other	57	52	(10)%	(5)%
Prem., Mid. & Eco.	201	330	+64%	+71%
M&F	85	141	+67%	+76%
STO	(21)	19	N/A	N/A
HA & Other	1	14	N/A	N/A
Luxury & Lifestyle	65	174	+169%	+176%
Holding	(60)	(57)	N/A	N/A
Total	205	447	+118%	+109%



Driving Significant Improvement in Net Profit

In € millions	H1 2022	H1 2023
EBITDA	205	447
Depreciation and amortization	(107)	(131)
EBIT	99	316
Share of net losses of associates and JVs	(27)	9
Non-recurring items	25	26
Operating profit	97	351
Net financial expense	(32)	(45)
Income tax	(25)	(48)
Minority interests	(8)	(10)
Profit from continuing operations	32	248
Profit from discontinued operations	-	-
Net profit for the period	32	248



Cash Conversion well ahead of Prior Year

In € millions	H1 2022	H1 2023
EBITDA	205	447
Cost of net debt	(40)	(28)
Income tax paid	(31)	(67)
Lease payments	(36)	(49)
Non-cash items & other	23	23
FUNDS FROM OPERATIONS	121	325
Recurring investments	(55)	(80)
Working capital	(25)	(88)
RECURRING FREE CASH FLOW	41	157
CASH CONVERSION ⁽¹⁾	20%	35%
NET DEBT	1,658 ⁽²⁾	1,837

⁽¹⁾ Cash conversion defined as recurring Free Cash Flow divided by EBITDA

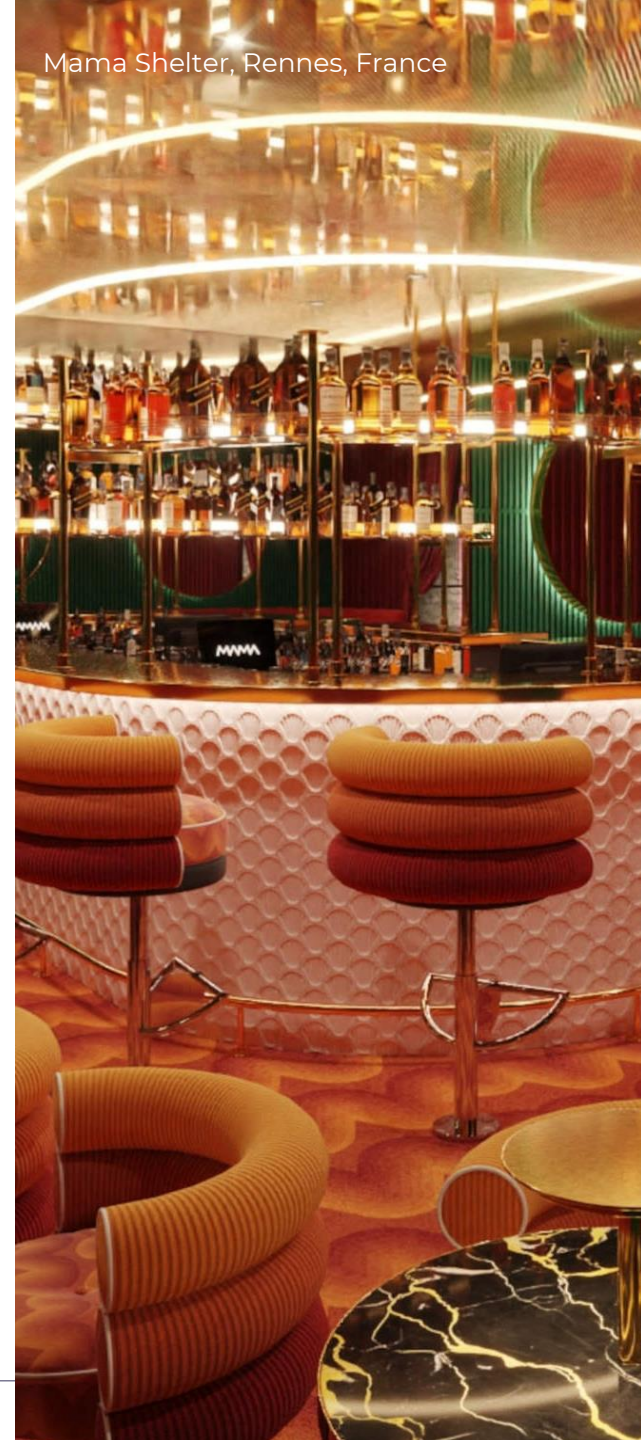
⁽²⁾ Net debt as of December 31st, 2022



Key Takeaways

- 1 | **Solid momentum sustained in Q2**
- 2 | **Sound demand expected for the summer on high comps**
- 3 | **Raised FY23 guidance**
 - **RevPAR growth expected at the high end of the 15-20% range**
 - **EBITDA expected between €930m and €970m**

Mama Shelter, Rennes, France



Appendices



Pullman Phuket Arcadia Naithon Beach, Thailand

H1 2023 Revenue vs. H1 2022 – From Like-for-Like to Reported

+35%

Like-for-Like

€599m

+8%

Perimeter

€139m

Mainly Paris Society

(4)%

Currency

€(61)m

Negative currency effect

- USD: €7m
- BRL: €2m
- CAD: €(8)m
- TRY: €(11)m
- AUD: €(20)m
- EGP: €(20)m

+39%

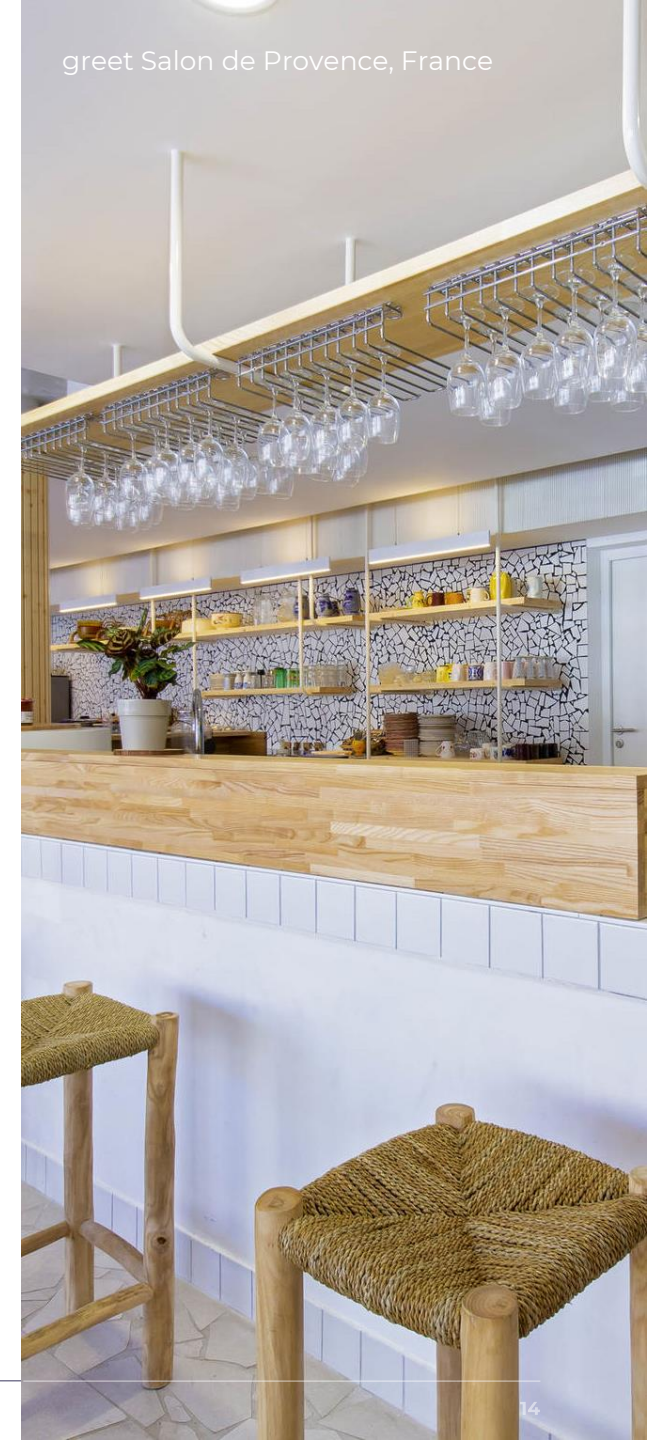
Reported

€677m



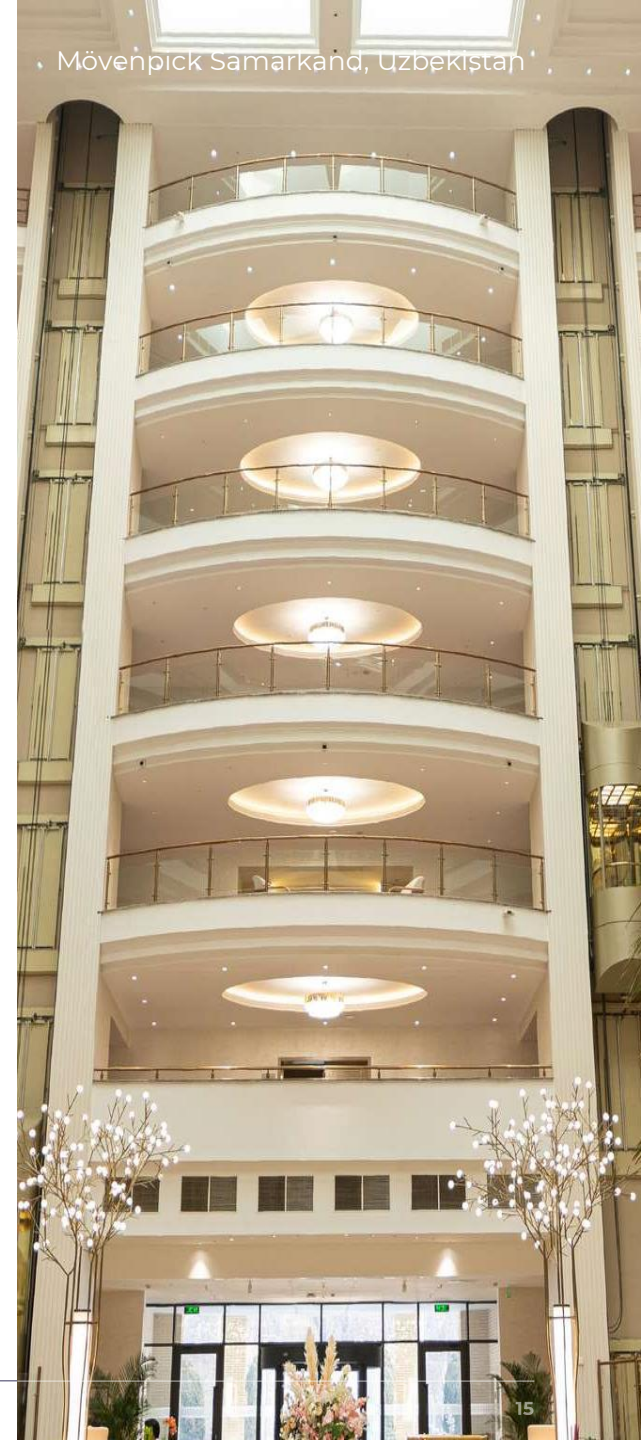
Q2 Group Revenue

In € millions	Q2 2022	Q2 2023	Reported change	L/L Change
M&F	194	230	+18%	+22%
STO	223	258	+16%	+12%
HA & Other	239	250	+5%	+14%
Prem., Mid. & Eco.	655	738	+13%	+16%
M&F	82	116	+41%	+50%
STO	271	340	+26%	+27%
HA & Other	23	88	+275%	+6%
Luxury & Lifestyle	376	544	+45%	+30%
Holding	(8)	(19)	N/A	N/A
Total	1,024	1,263	+23%	+21%



Q2 M&F Revenue

In € millions	Q2 2022	Q2 2023	Reported change	L/L Change
ENA	133	142	+7%	+7%
MEASPAC	48	69	+43%	+55%
Americas	13	19	+48%	+54%
Prem., Mid. & Eco.	194	230	+18%	+22%
Luxury	59	82	+38%	+46%
Lifestyle	23	34	+47%	+59%
Luxury & Lifestyle	82	116	+41%	+50%
Total	276	346	+25%	+30%



Q2 2023 Revenue vs. Q2 2022 – From Like-for-Like to Reported

+21%

Like-for-Like

€217m

+8%

Perimeter

€80m

Mainly Paris Society

(6)%

Currency

€(59)m

Negative currency effect

- BRL: €(2)m
- USD: €(4)m
- CAD: €(7)m
- TRY: €(7)m
- EGP: €(10)m
- AUD: €(19)m

+23%

Reported

€238m



2

RevPAR



RevPAR – Systemwide

	Q2 2023 vs. Q2 2022						H1 2023 vs. H1 2022					
	OR		ARR		RevPAR		OR		ARR		RevPAR	
	%	chg pts L/L	€	chg % L/L	€	chg % L/L	%	chg pts L/L	€	chg % L/L	€	chg % L/L
ENA	72.1	3.2	104	15.0	75	20.3	65.1	8.0	97	15.9	63	31.9
MEASPAC	66.0	8.5	85	19.4	56	36.6	65.2	12.0	86	23.9	56	50.9
Americas	57.0	0.1	66	23.4	38	23.7	56.8	3.3	66	27.2	37	34.9
Prem., Mid. & Eco.	68.0	5.0	93	17.0	63	26.0	64.2	9.0	90	19.9	58	39.2
Luxury	62.8	7.5	257	10.1	162	24.5	61.2	12.7	250	9.3	153	36.8
Lifestyle	66.9	3.2	216	14.4	144	19.8	62.8	7.9	219	9.9	138	24.8
Luxury & Lifestyle	63.9	6.6	246	11.2	157	23.5	61.6	11.6	243	9.6	149	34.2
SYSTEMWIDE	67.4	5.2	112	15.9	76	25.3	63.9	9.4	109	17.9	70	37.7





Portfolio



Portfolio as of June 30th, 2023

	OWNED & LEASED		MANAGED		FRANCHISED		TOTAL	
	# hotels	# rooms	# hotels	# rooms	# hotels	# rooms	# hotels	# rooms
ENA	8	2,493	928	139,175	2,012	184,876	2,948	326,544
MEASPAC	42	7,474	779	178,455	754	107,595	1,575	293,524
Americas	56	11,395	168	29,566	226	31,760	450	72,721
Prem., Mid. & Eco.	106	21,362	1,875	347,196	2,992	324,231	4,973	692,789
Luxury	5	839	296	73,990	74	7,510	375	82,339
Lifestyle	2	152	110	22,205	27	7,951	139	30,308
Luxury & Lifestyle	7	991	406	96,195	101	15,461	514	112,647
TOTAL	113	22,353	2,281	443,391	3,093	339,692	5,487	805,436





Exchange rates



H1 2023 Exchange Rates

1€ = X foreign currency	H1 2022 Average Rate	H1 2023 Average Rate	H1 2023 vs. H1 2022
American Dollar (USD)	1.10	1.08	(1)%
Australian Dollar (AUD)	1.52	1.60	+5%
Brazilian Real (BRL)	5.58	5.50	(2)%
Turkish Lira (TRY)	16.16	21.27	+32%
Canadian Dollar (CAD)	1.39	1.46	+5%
British Sterling (GBP)	0.84	0.88	+4%
Egyptian Pound (EGP)	18.82	32.86	+75%



Q2 2023 Exchange Rates

1€ = X foreign currency	Q2 2022 Average Rate	Q2 2023 Average Rate	Q2 2023 vs. Q2 2022
American Dollar (USD)	1.07	1.09	+2%
Australian Dollar (AUD)	1.49	1.63	+10%
Brazilian Real (BRL)	5.22	5.41	+4%
Turkish Lira (TRY)	16.71	22.31	+33%
Canadian Dollar (CAD)	1.36	1.47	+8%
British Sterling (GBP)	0.85	0.87	+3%
Egyptian Pound (EGP)	19.76	33.65	+70%





Glossary



Glossary

Division definitions

- M&F: Management & Franchise
- STO: Services to Owners
- HA & Other: Hotel Assets & Other

Region organization

- ENA: Europe North Africa including France, Germany and UK
- MEASPAC: Middle East Asia Pacific including United Arab Emirates, Dubai, China and Australia
- Americas: North, Central and South America & Caribbean

Like-for-like (L/L) definition for P&L figures

- Foreign exchange changes vs. Euro are cancelled applying the n-1 exchange rate to year n
- Perimeter effects (i.e. acquisitions and disposals) are neutralized:
 - Excluding impacts from disposals defined as a change in the consolidation methodology of a given entity
 - Excluding impacts from acquisition defined as a change in the consolidation methodology of a given entity or as the acquisition of an activity or company
 - Excluding impact from subsidiaries hotel openings & closings
 - Organic system growth and churn are not neutralized on HotelServices revenue





ORIENT EXPRESS \ RAFFLES \ FAENA \ BANYAN TREE \ FAIRMONT \ EMBLEMS \ SOFITEL \ MGALLERY

ENNI SMORE 21C MUSEUM HOTEL \ 25HOURS \ DELANO \ GLENEAGLES \ HYDE \ JO&JOE \ MAMA SHELTER \ MONDRIAN
MORGANS ORIGINALS \ SLS \ SO \ THE HOXTON \ TRIBE \ WORKING FROM \ RIXOS \ PARIS SOCIETY

MANTIS \ ART SERIES \ PULLMAN \ SWISSÔTEL \ MÖVENPICK \ GRAND MERCURE \ PEPPERS
THE SEBEL \ MANTRA \ HANDWRITTEN \ NOVOTEL \ MERCURE \ ADAGIO \ BREAKFREE \ IBIS \ IBIS STYLES
GREET \ IBIS BUDGET \ HOTELF1