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**RNS**

Half-year/Interim Report

## HALF-YEAR REPORT

### MANDARIN ORIENTAL INTERNATIONAL LD

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Mandarin Oriental International Ltd  
24 July 2024

#### **Announcement**

24th July 2024

*The following announcement was issued today to a Regulatory Information Service approved by the Financial Conduct Authority in the United Kingdom.*

#### **MANDARIN ORIENTAL INTERNATIONAL LIMITED HALF-YEAR RESULTS FOR THE SIX MONTHS ENDED 30TH JUNE 2024**

#### **HIGHLIGHTS**

- Group Revenue per Available Room ('RevPAR') up 5% from the prior year, with positive growth in all regions
- Underlying profit in the first half of 2024 of US\$23 million, compared to US\$28 million in the same period in 2023, which benefitted from a non-recurring tax credit of US\$5 million
- Successful openings of *Mandarin Oriental Mayfair, London* and *Mandarin Oriental, Muscat*: the Group reached a milestone of 40 hotels in its portfolio
- New hotel in Qianmen, Beijing scheduled to open in the second half of the year, and announcement of two new management contracts in Rome and Bali
- Interim dividend of US\$1.50 per share declared

"In the first half of 2024, the Group's RevPAR grew by 5%, driven by growth in all regions. 12% growth in Asia was notable, as our hotels in the region benefitted from returning travel demand. The majority of our hotels built on their market-leading positions and increased revenue share in the period.

We added two beautiful and strategic hotels to our portfolio - in Mayfair and Muscat, and successfully rebranded our first flag in Riyadh. We are very confident in the fundamentals of our business and our prospects for continuing our development into a brand-led, guest centric, global luxury hospitality business."

Laurent Kleitman  
*Group Chief Executive*

#### **MANDARIN ORIENTAL INTERNATIONAL LIMITED HALF-YEAR RESULTS FOR THE SIX MONTHS ENDED 30TH JUNE 2024**

#### **RESULTS**

(unaudited)

	Six months ended 30th June		Change
	2024	2023	
	US\$m	US\$m	%
Combined total revenue of hotels under management <sup>(1)</sup>	979.5	881.5	+11
Revenue	250.9	260.7	-4
Underlying EBITDA (Earnings before interest, tax, depreciation and amortisation) <sup>(2)</sup>	70.7	76.7	-8
Underlying profit attributable to shareholders <sup>(3)</sup>	22.5	27.8	-19
Revaluation loss on investment properties	(37.1)	(140.2)	+74
(Loss)/gain on sale of subsidiaries	(36.9)	43.2	n/a
Loss attributable to shareholders	(52.0)	(69.2)	+25
	US¢	US¢	
Underlying earnings per share <sup>(3)</sup>	1.78	2.20	-19
Loss per share	(4.11)	(5.48)	+25
Interim dividend per share	1.50	1.50	-
	US\$	US\$	
Net asset value per share <sup>(4)</sup>	2.27	2.34	-3
Adjusted net asset value per share <sup>(4)(5)</sup>	3.56	3.67	-3
Net debt/shareholders' funds <sup>(4)</sup>	4%	8%	
Net debt/adjusted shareholders' funds <sup>(4)(5)</sup>	2%	5%	
<p>(1) Combined revenue includes turnover of the Group's subsidiary hotels in addition to 100% of revenue from associate, joint venture and managed hotels.</p> <p>(2) EBITDA of subsidiaries plus the Group's share of EBITDA of associates and joint ventures.</p> <p>(3) The Group uses 'underlying profit' in its internal financial reporting to distinguish between ongoing business performance and non-trading items, as more fully described in note 7 to the condensed financial statements. Management considers this to be a key measure which provides additional information to enhance understanding of the Group's underlying business performance.</p> <p>(4) At 30th June 2024 and 31st December 2023, respectively.</p> <p>(5) The Group's investment properties are carried at fair value on the basis of valuations carried out by independent valuers at 30th June 2024 and 31st December 2023. The other freehold and leasehold interests are carried at amortised cost in the consolidated balance sheet. Both the adjusted net asset value per share and net debt/adjusted shareholders' funds for 30th June 2024 and 31st December 2023 have included the market value of the Group's freehold and leasehold interests which were appraised as at 31st December 2023.</p>			

The interim dividend of US\$1.50 per share will be payable on 16th October 2024 to shareholders on the register of members at the close of business on 23rd August 2024.

## 2024 HALF-YEAR PERFORMANCE

The combined total revenue of hotels under management in the first half of 2024 was US\$980 million, a 11% increase on the same period last year, boosted by the re-opening of *Mandarin Oriental, Singapore* and the opening of four new hotels: in Costa Navarino, Zurich, Mayfair and Muscat. Combined total revenue growth (excluding new hotels and re-openings) was 5%. Consolidated revenue reduced due to the disposals of our hotel properties in Jakarta and Paris.

The Group's RevPAR grew from last year by 5%, and all regions recorded an improvement. Asia delivered growth of 12%, driven by both occupancy and rates. Our hotels in Europe, the Middle East and Africa ('EMEA') achieved a modest increase, due to continued strength in leisure demand and occupancy. In America, our hotels were able to achieve a 3% improvement driven by growth in corporate occupancy.

In the period, the majority of our hotels built on already market-leading positions and improved their revenue share.

In June 2024, we released our 2023 Sustainability report, which tracked our progress made in reducing energy intensity, reducing waste, pursuing responsible sourcing and supporting communities.

In July 2024, we celebrated the topping-out of *One Causeway Bay*, our Grade A office development, which is due to be completed by the second quarter of 2025. We have also announced the enhancement of the *Landmark Mandarin Oriental, Hong Kong*, introducing new dining concepts and exquisite craftsmanship to accommodation, to set a new benchmark for ultra-luxury hospitality in the heart of Hong Kong.

## FINANCIAL PERFORMANCE

The Group reported an underlying profit of US\$23 million in the first half of 2024, compared to US\$28 million in the same period in 2023. The 2023 results benefitted from a non-recurring tax credit of US\$5 million in *Owned Hotels*.

The underlying profit of the *Management Business* was US\$14 million, reduced from US\$16 million in the equivalent period last year, as higher fee income was offset by timing differences in marketing spend.

The underlying profit of *Owned Hotels* was US\$11 million, compared with US\$14 million in 2023. There were higher contributions in 2024 from Singapore after its re-opening in September 2023, as well as from Tokyo and Madrid.

In April 2024, the Group completed the disposal of the hotel portion of its Paris property for US\$221 million, with a loss on disposal of US\$37 million. A new long-term hotel management contract has been agreed together with a renovation plan to strengthen the positioning of Mandarin Oriental in Paris. In June 2024, the Group signed a contract to sell the retail portion of its Paris property for US\$160 million. This transaction was completed in July 2024, and the Group has recognised a US\$56 million gain on disposal. Proceeds from both transactions have been applied to reduce debt.

The valuation of *One Causeway Bay* was broadly flat compared to 31st December 2023. As we continued to invest in construction, the project recorded a non-trading loss of US\$37 million.

Total losses attributable to shareholders were US\$52 million in the first half of 2024, compared to losses of US\$69 million in the same period last year.

Net debt at 30th June 2024 was US\$110 million, down from US\$225 million at the end of 2023, primarily due to the receipt of sale proceeds from the Paris hotel property. The Group remains well funded, with more than US\$619 million in cash and undrawn committed facilities. Gearing as a percentage of adjusted shareholders' funds was 2%, reduced from 5% at the end of last year.

An interim dividend of US\$1.50 per share has been declared.

## **DEVELOPMENT**

In January 2024, the Group rebranded *Mandarin Oriental Al Faisaliah, Riyadh* - its first flag in Saudi Arabia. In June 2024, we opened two new hotels - *Mandarin Oriental Mayfair, London*, located in the heart of London's art and fashion district, and *Mandarin Oriental, Muscat*, which offers unobstructed views of the Gulf of Oman. These openings bring the number of Mandarin Oriental hotels to 40 and mark a significant milestone in our growth journey. *Mandarin Oriental Qianmen, Beijing*, our second property in Beijing, is scheduled to open later this year, complementing our already market-leading *Mandarin Oriental Wangfujing, Beijing*.

Since the start of the year, the Group has announced two new management contracts: a unique hotel housed within meticulously restored 19th-century villas in the centre of Rome, and a secluded beachfront resort and residences on Bali's southern coast on the Bukit peninsula. These additions expand our development pipeline to 30 hotels, resorts and standalone residences projects globally. We remain focussed on accelerating our global expansion.

## **GOVERNANCE**

As announced by the Company on 16th July 2024, a number of changes have been made to the composition and operation of the Company's Board and Committees to reflect our ongoing focus on evolving the governance framework for the Group to support the effective operation of our business.

### **BOARD COMPOSITION**

With effect from 22nd July 2024, John Witt stepped down as a Director of the Company and as a member of the Company's Remuneration and Nominations Committees.

Fabrice Megarbane will join the Board of the Company as an Independent Non-Executive Director effective 1st August 2024.

### **BOARD COMMITTEES**

With effect from 22nd July 2024, Adam Keswick stepped down from the Nominations Committee, and Graham Baker stepped down from the Remuneration Committee. Adam remains as a Director.

On 24th July 2024, the Company's Board approved updated terms of reference for each of the Audit, Remuneration and Nominations Committees, to better align them with the future needs of the business.

### **COMPANY SECRETARY**

On 22nd July 2024, Sean Ward was appointed as Company Secretary of the Company, succeeding Jonathan Lloyd.

## **OUTLOOK**

While the global economic landscape remains uncertain, we continue to have confidence in the outlook for luxury hospitality in the long term. The strength of our Brand, the size of our pipeline and our Legendary Service proposition are all meaningful competitive differentiators and provide excellent foundations for growth. We will remain focussed on growth and quality and will continue our development into a brand-led, guest-centric, global luxury hospitality business.

Laurent Kleitman  
*Group Chief Executive*

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**Mandarin Oriental International Limited**  
**Consolidated Profit and Loss Account**  
**for the six months ended 30th June 2024**

	(unaudited)						Year ended 31st December		
	Six months ended 30th June			2023			2023		
	2024			2023					
	Underlying business performance US\$m	Non- trading Items US\$m	Total US\$m	Underlying business performance US\$m	Non- trading Items US\$m	Total US\$m	Underlying business performance US\$m	Non- trading Items US\$m	Total US\$m
Revenue									
<i>(note 2)</i>	<b>250.9</b>	-	<b>250.9</b>	260.7	-	260.7	558.1	-	558.1
Cost of sales	<b>(142.0)</b>	-	<b>(142.0)</b>	(152.8)	-	(152.8)	(308.7)	-	(308.7)
Gross profit	<b>108.9</b>	-	<b>108.9</b>	107.9	-	107.9	249.4	-	249.4
Selling and distribution costs	<b>(17.7)</b>	-	<b>(17.7)</b>	(13.7)	-	(13.7)	(35.6)	-	(35.6)
Administration expenses	<b>(60.8)</b>	-	<b>(60.8)</b>	(57.8)	-	(57.8)	(116.7)	-	(116.7)
Other operating income/ (expense)	-	-	-	-	-	-	5.2	(0.4)	4.8
Change in fair value of investment properties	-	<b>(37.1)</b>	<b>(37.1)</b>	-	(140.2)	(140.2)	-	(486.7)	(486.7)
(Loss)/gain on sale of subsidiaries <i>(note 7)</i>	-	<b>(31.5)</b>	<b>(31.5)</b>	-	45.7	45.7	-	43.8	43.8
Operating (loss)/profit <i>(note 3)</i>	<b>30.4</b>	<b>(68.6)</b>	<b>(38.2)</b>	36.4	(94.5)	(58.1)	102.3	(443.3)	(341.0)
Financing charges	<b>(6.5)</b>	-	<b>(6.5)</b>	(9.3)	-	(9.3)	(17.6)	-	(17.6)
Interest income	<b>1.7</b>	-	<b>1.7</b>	2.4	-	2.4	7.7	-	7.7
Net financing charges	<b>(4.8)</b>	-	<b>(4.8)</b>	(6.9)	-	(6.9)	(9.9)	-	(9.9)
Share of results of associates and joint ventures <i>(note 4)</i>	<b>4.7</b>	<b>(0.5)</b>	<b>4.2</b>	1.0	-	1.0	(0.3)	(0.6)	(0.9)

(Loss)/profit before tax	<b>30.3</b>	<b>(69.1)</b>	<b>(38.8)</b>	30.5	(94.5)	(64.0)	92.1	(443.9)	(351.8)
Tax (note 5)	<b>(7.7)</b>	<b>(5.4)</b>	<b>(13.1)</b>	(2.6)	(2.5)	(5.1)	(11.0)	(2.5)	(13.5)
(Loss)/profit after tax	<b>22.6</b>	<b>(74.5)</b>	<b>(51.9)</b>	27.9	(97.0)	(69.1)	81.1	(446.4)	(365.3)
Attributable to:									
Shareholders of the Company (notes 6 and 7)	<b>22.5</b>	<b>(74.5)</b>	<b>(52.0)</b>	27.8	(97.0)	(69.2)	81.0	(446.4)	(365.4)
Non-controlling interests	<b>0.1</b>	-	<b>0.1</b>	0.1	-	0.1	0.1	-	0.1
	<b>22.6</b>	<b>(74.5)</b>	<b>(51.9)</b>	27.9	(97.0)	(69.1)	81.1	(446.4)	(365.3)
	<b>US¢</b>	<b>US¢</b>	<b>US¢</b>	<b>US¢</b>	<b>US¢</b>	<b>US¢</b>	<b>US¢</b>	<b>US¢</b>	<b>US¢</b>

(Loss)/earnings per share (basic and diluted) (note 6)	<b>1.78</b>	<b>(4.11)</b>	2.20	<b>(5.48)</b>	6.41	<b>(28.91)</b>
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**Mandarin Oriental International Limited**  
**Consolidated Statement of Comprehensive Income**  
**for the six months ended 30th June 2024**

	(unaudited) Six months ended 30th June <b>2024</b> US\$m	2023 US\$m	Year ended 31st December 2023 US\$m
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Loss for the period	<b>(51.9)</b>	(69.1)	(365.3)
Other comprehensive income/(expense)			

Items that will not be reclassified to profit or loss:

Remeasurements of defined benefit plans	-	-	(2.5)
Tax on items that will not be reclassified	-	-	0.4
	-	-	(2.1)

Items that may be reclassified subsequently to profit or loss:

Net exchange translation differences			
- net (loss)/gain arising during the period	<b>(20.5)</b>	14.7	34.0
- transfer to profit and loss	<b>28.2</b>	33.0	33.5
Cash flow hedges			

- net loss arising during the period	(2.9)	(11.1)	(15.1)
Tax relating to items that may be reclassified	0.6	0.5	1.3
Share of other comprehensive (expense)/income of associates and joint ventures	(2.4)	(1.9)	0.4
	<b>3.0</b>	35.2	54.1
Other comprehensive income for the period, net of tax	<b>3.0</b>	35.2	52.0
Total comprehensive expense for the period	<b>(48.9)</b>	(33.9)	(313.3)
Attributable to:			
Shareholders of the Company	(48.7)	(34.1)	(314.2)
Non-controlling interests	(0.2)	0.2	0.9
	<b>(48.9)</b>	(33.9)	(313.3)

**Mandarin Oriental International Limited**  
**Consolidated Balance Sheet**  
**at 30th June 2024**

	2024	(unaudited) At 30th June 2023	At 31st December 2023
	US\$m	US\$m	US\$m
<b>Net assets</b>			
Intangible assets	45.7	40.2	43.7
Tangible assets	597.3	920.8	618.6
Right-of-use assets	216.1	229.6	229.1
Investment properties ( <i>note 8</i> )	2,079.9	2,354.2	2,060.3
Associates and joint ventures	154.6	158.6	155.8
Other investments	13.8	13.8	14.0
Deferred tax assets	12.2	12.1	14.0
Pension assets	1.3	2.2	0.6
Non-current debtors	11.0	11.1	10.9
Non-current assets	<b>3,131.9</b>	3,742.6	3,147.0
Stocks	5.0	5.2	5.0
Current debtors	80.1	84.3	80.3
Current tax assets	1.3	1.7	1.7
Cash and bank balances	253.9	349.3	178.8
	<b>340.3</b>	440.5	265.8
Assets classified as held for sale ( <i>note 9</i> )	80.6	-	331.9
Current assets	<b>420.9</b>	440.5	597.7

Current creditors	(147.4)	(155.8)	(158.0)
Current borrowings ( <i>note 10</i> )	-	(581.4)	(414.9)
Current lease liabilities	(5.4)	(4.4)	(5.8)
Current tax liabilities	(21.6)	(16.9)	(22.1)
	(174.4)	(758.5)	(600.8)
Liabilities directly associated with assets classified as held for sale ( <i>note 9</i> )	(0.9)	-	(24.1)
Current liabilities	(175.3)	(758.5)	(624.9)
Net current assets/(liabilities)	245.6	(318.0)	(27.2)
Long-term borrowings ( <i>note 10</i> )	(364.2)	(0.6)	(0.6)
Non-current lease liabilities	(97.1)	(112.5)	(110.6)
Deferred tax liabilities	(42.2)	(42.6)	(42.0)
Non-current creditors	(1.6)	(4.7)	(1.1)
Non-current liabilities	(505.1)	(160.4)	(154.3)
	2,872.4	3,264.2	2,965.5
<b>Total equity</b>			
Share capital	63.2	63.2	63.2
Share premium	500.9	500.9	500.9
Revenue and other reserves	2,303.4	2,695.3	2,396.3
Shareholders' funds	2,867.5	3,259.4	2,960.4
Non-controlling interests	4.9	4.8	5.1
	2,872.4	3,264.2	2,965.5

**Mandarin Oriental International Limited**  
**Consolidated Statement of Changes in Equity**  
**for the six months ended 30th June 2024**

								Attributable	to	Attributable	
	Share	Share	Capital	Revenue	Asset	Hedging	Exchange	shareholders	to	controlling	Total
	capital	premium	reserves	reserves	revaluation	reserves	reserves	of the	controlling	interests	equity
	US\$m	US\$m	US\$m	US\$m	US\$m	US\$m	US\$m	Company	US\$m	US\$m	US\$m

*Six months*  
*ended 30th*  
*June 2024*  
*(unaudited)*

At 1st January

2024	63.2	500.9	258.9	(815.9)	3,023.2	1.7	(71.6)	2,960.4	5.1	2,965.5
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Total comprehensive income	-	-	-	(51.9)	-	(2.3)	5.5	(48.7)	(0.2)	(48.9)
Dividends paid by the Company	-	-	-	(44.2)	-	-	-	(44.2)	-	(44.2)
At 30th June 2024	<u>63.2</u>	<u>500.9</u>	<u>258.9</u>	<u>(912.0)</u>	<u>3,023.2</u>	<u>(0.6)</u>	<u>(66.1)</u>	<u>2,867.5</u>	<u>4.9</u>	<u>2,872.4</u>
<i>Six months ended 30th June 2023 (unaudited)</i>										
At 1st January 2023	63.2	500.7	258.9	(428.8)	3,023.2	15.4	(138.5)	3,294.1	3.5	3,297.6
Total comprehensive income	-	-	-	(69.2)	-	(10.6)	45.7	(34.1)	0.2	(33.9)
Subsidiary disposed of	-	-	(0.6)	-	-	-	-	(0.6)	1.1	0.5
Transfer	-	0.2	(0.2)	-	-	-	-	-	-	-
At 30th June 2023	<u>63.2</u>	<u>500.9</u>	<u>258.1</u>	<u>(498.0)</u>	<u>3,023.2</u>	<u>4.8</u>	<u>(92.8)</u>	<u>3,259.4</u>	<u>4.8</u>	<u>3,264.2</u>
<i>Year ended 31st December 2023</i>										
At 1st January 2023	63.2	500.7	258.9	(428.8)	3,023.2	15.4	(138.5)	3,294.1	3.5	3,297.6
Total comprehensive income	-	-	-	(367.6)	-	(13.7)	67.1	(314.2)	0.9	(313.3)
Dividends paid by the Company	-	-	-	(19.0)	-	-	-	(19.0)	-	(19.0)
Unclaimed dividend forfeited	-	-	-	0.1	-	-	-	0.1	-	0.1
Subsidiary disposed of	-	-	0.2	(0.6)	-	-	(0.2)	(0.6)	0.7	0.1
Transfer	-	0.2	(0.2)	-	-	-	-	-	-	-
At 31st December 2023	<u>63.2</u>	<u>500.9</u>	<u>258.9</u>	<u>(815.9)</u>	<u>3,023.2</u>	<u>1.7</u>	<u>(71.6)</u>	<u>2,960.4</u>	<u>5.1</u>	<u>2,965.5</u>

Revenue reserves as at 30th June 2024 included cumulative fair value losses on the investment property under development of US\$1,244.9 million (US\$861.3 million as at 30th June 2023 and US\$1,207.8 million as at 31st December 2023).

	(unaudited)		
		Six months ended 30th June	Year ended 31st December
	<b>2024</b>	2023	2023
	<b>US\$m</b>	US\$m	US\$m
<b>Operating activities</b>			
Operating loss	<b>(38.2)</b>	(58.1)	(341.0)
Depreciation, amortisation and impairment	<b>21.7</b>	27.3	51.1
Other non-cash items	<b>69.0</b>	94.4	440.3
Movements in working capital	<b>(11.3)</b>	(1.0)	(2.8)
Interest received	<b>1.3</b>	3.0	8.5
Interest and other financing charges paid	<b>(8.6)</b>	(9.4)	(17.6)
Tax (paid)/refund	<b>(10.5)</b>	2.0	(2.6)
	<b>23.4</b>	58.2	135.9
Dividends and interest from associates and joint ventures	<b>0.3</b>	1.5	5.3
	<b>23.7</b>	59.7	141.2
Cash flows from operating activities	<b>23.7</b>	59.7	141.2
<b>Investing activities</b>			
Purchase of tangible assets	<b>(4.0)</b>	(5.4)	(13.7)
Additions to investment properties	<b>(65.4)</b>	(35.8)	(71.0)
Purchase of intangible assets	<b>(4.0)</b>	(0.7)	(6.4)
Purchase of other investments	<b>(0.1)</b>	(0.1)	(0.1)
Advance to associates and joint ventures	<b>-</b>	(20.7)	(20.7)
Repayment of loans to associates and joint ventures	<b>0.1</b>	66.4	67.2
Sale of subsidiaries ( <i>note 11</i> )	<b>215.5</b>	76.6	75.6
	<b>142.1</b>	80.3	30.9
Cash flows from investing activities	<b>142.1</b>	80.3	30.9
<b>Financing activities</b>			
Drawdown of borrowings	<b>535.7</b>	38.9	58.1
Repayment of borrowings	<b>(586.8)</b>	(60.5)	(247.9)
Principal elements of lease payments	<b>(3.0)</b>	(3.2)	(6.2)
Dividends paid by the Company ( <i>note 12</i> )	<b>(44.2)</b>	-	(19.0)
	<b>(98.3)</b>	(24.8)	(215.0)
Cash flows from financing activities	<b>(98.3)</b>	(24.8)	(215.0)
Net increase/(decrease) in cash and cash equivalents	<b>67.5</b>	115.2	(42.9)
Cash and cash equivalents at beginning of period	<b>190.3</b>	226.2	226.2
Effect of exchange rate changes	<b>(3.9)</b>	7.9	7.0
Cash and cash equivalents at end of period	<b>253.9</b>	349.3	190.3

At 31st December 2023, cash and cash equivalents of US\$190.3 million included cash and bank balances of US\$11.5 million classified as assets held for sale (*note 9*).

**Mandarin Oriental International Limited**  
**Notes to Condensed Financial Statements**

1. ACCOUNTING POLICIES AND BASIS OF PREPARATION

The condensed financial statements have been prepared in accordance with IAS 34 'Interim Financial Reporting' and on a going concern basis. The condensed financial statements have not been audited or reviewed by the Group's auditors.

There are no changes to the accounting policies as described in the 2023 annual financial statements.

A number of amendments issued by the International Accounting Standards Board were effective from 1st January 2024 and do not have significant impact on the Group's results, financial position and accounting policies.

The Group has not early adopted any standards, interpretations or amendments that have been issued but not yet effective.

2. REVENUE

	Six months ended 30th June	
	2024	2023
	US\$m	US\$m
	_____	_____
<i>By business activity:</i>		
Hotel ownership	218.9	230.9
Hotel & Residences branding and management	42.5	40.2
Less: intra-segment revenue	(10.5)	(10.4)
	<u>250.9</u>	<u>260.7</u>
<i>By geographical area:</i>		
Asia	111.5	107.2
Europe, the Middle East and Africa ('EMEA')	117.0	130.4
America	22.4	23.1
	<u>250.9</u>	<u>260.7</u>
<i>Revenue from contracts with customers:</i>		
Recognised at a point in time	73.1	77.8
Recognised over time	168.8	173.7
	<u>241.9</u>	<u>251.5</u>
<i>Revenue from other sources:</i>		
Rental income	9.0	9.2
	<u>250.9</u>	<u>260.7</u>

3. EBITDA FROM SUBSIDIARIES (EARNINGS BEFORE INTEREST, TAX, DEPRECIATION AND AMORTISATION)

	Six months ended 30th June	
	2024	2023
	US\$m	US\$m
	_____	_____



Underlying	<b>18.6</b>	<b>(8.2)</b>	<b>10.4</b>	<b>(4.8)</b>	<b>(0.9)</b>	<b>4.7</b>
Non-trading items (note 7)						
- closure costs	<b>(0.5)</b>	<b>-</b>	<b>(0.5)</b>	<b>-</b>	<b>-</b>	<b>(0.5)</b>
	<b>18.1</b>	<b>(8.2)</b>	<b>9.9</b>	<b>(4.8)</b>	<b>(0.9)</b>	<b>4.2</b>

Six months ended 30th

June 2023

*By business activity:*

Hotel ownership	12.9	(7.9)	5.0	(4.0)	0.2	1.2
Other	0.1	(0.2)	(0.1)	(0.1)	-	(0.2)
	<b>13.0</b>	<b>(8.1)</b>	<b>4.9</b>	<b>(4.1)</b>	<b>0.2</b>	<b>1.0</b>

*By geographical area:*

Asia	5.8	(5.3)	0.5	(1.4)	0.2	(0.7)
EMEA	2.8	(1.8)	1.0	(1.4)	-	(0.4)
America	4.4	(1.0)	3.4	(1.3)	-	2.1
	<b>13.0</b>	<b>(8.1)</b>	<b>4.9</b>	<b>(4.1)</b>	<b>0.2</b>	<b>1.0</b>

## 5. TAX

Six months ended 30th June

**2024**      2023  
US\$m      US\$m

Tax (charged)/credited to profit and loss is analysed as follows:

Current tax	<b>(10.6)</b>	(1.9)
Deferred tax	<b>(2.5)</b>	(3.2)
	<b>(13.1)</b>	(5.1)

*By business activity:*

Hotel ownership	<b>(10.2)</b>	(2.4)
Hotel & Residences branding and management	<b>(2.9)</b>	(2.7)
	<b>(13.1)</b>	(5.1)

*By geographical area:*

Asia	<b>(3.7)</b>	(5.4)
EMEA	<b>(8.8)</b>	1.0
America	<b>(0.6)</b>	(0.7)
	<b>(13.1)</b>	(5.1)

In 2024, current tax included a non-trading capital gain tax charge of US\$5.4 million in relation to the sale of 100% ownership stake in the owning companies of Mandarin Oriental, Paris (note 9).

In 2023, current tax included a non-trading capital gain tax charge of US\$2.5 million in relation to the sale of 96.9% ownership stake in the owning company of Mandarin Oriental, Jakarta (note 14).

Tax credit relating to cash flow hedges of US\$0.6 million (2023: US\$0.5 million) is included in other comprehensive income or expense.

Tax on profits has been calculated at rates of taxation prevailing in the territories in which the Group operates.

The Group is within the scope of the OECD Pillar Two model rules, and has applied the exception to recognising and disclosing information about deferred tax assets and liabilities relating to Pillar Two income taxes from 1st January 2023. Pillar Two legislation has been enacted or substantially enacted in certain jurisdictions in which the Group operates. The Group has assessed that the income tax expense related to Pillar Two income taxes in the relevant jurisdictions for the interim period is immaterial.

Share of tax charge of associates and joint ventures of US\$0.9 million (2023: tax credit of US\$0.2 million) is included in share of results of associates and joint ventures (*note 4*).

## 6. (LOSS)/EARNINGS PER SHARE

Loss per share is calculated using loss attributable to shareholders of US\$52.0 million (2023: US\$69.2 million) and the weighted average number of 1,263.8 million (2023: 1,263.8 million) shares in issue during the period.

Additional earnings/loss per share are also calculated based on underlying profit/loss attributable to shareholders. A reconciliation of loss/earnings is set out below:

	Six months ended 30th June			
	2024		2023	
	US\$m	US¢	US\$m	US¢
Loss attributable to shareholders	(52.0)	(4.11)	(69.2)	(5.48)
Non-trading items ( <i>note 7</i> )	74.5		97.0	
Underlying profit attributable to shareholders	22.5	1.78	27.8	2.20

## 7. NON-TRADING ITEMS

Non-trading items are separately identified to provide greater understanding of the Group's underlying business performance. Items classified as non-trading items include fair value gains or losses on revaluation of investment properties and investments which are measured at fair value through profit and loss; gains and losses arising from the sale of businesses, investments and properties; impairment of non-depreciable intangible assets and other investments; provisions for the closure of businesses; acquisition-related costs in business combinations; and other credits and charges of a non-recurring nature that require inclusion in order to provide additional insight into underlying business performance.

An analysis of non-trading items after interest, tax and non-controlling interests is set out below:

	Six months ended 30th June	
	2024	2023
	US\$m	US\$m
Change in fair value of investment properties ( <i>note 8</i> )	(37.1)	(140.2)
(Loss)/gain on sale of subsidiaries ( <i>notes 9 and 14</i> )	(36.9)	43.2

Share of results of associates and joint ventures	(74.0)	(97.0)
- closure costs ( <i>note 4</i> )	(0.5)	-
	<b>(74.5)</b>	<b>(97.0)</b>

#### 8. INVESTMENT PROPERTIES

	Year ended		
	Six months ended	31st	
	30th June	December	
	2024	2023	
	2023	2023	
	US\$m	US\$m	
	US\$m	US\$m	
Fair value at beginning of period	2,060.3	2,472.6	2,472.6
Exchange differences	1.7	(12.7)	(5.5)
Additions	55.0	34.5	79.9
Decrease in fair value	(37.1)	(140.2)	(486.7)
Fair value at end of period	<b>2,079.9</b>	<b>2,354.2</b>	<b>2,060.3</b>

At 30th June 2024, investment properties comprised a commercial investment property under development of US\$1,991.4 million (US\$2,266.0 million as at 30th June 2023 and US\$1,971.9 million as at 31st December 2023) and a completed residential investment property of US\$88.5 million (US\$88.2 million as at 30th June 2023 and US\$88.4 million as at 31st December 2023).

#### 9. ASSETS CLASSIFIED AS HELD FOR SALE

	Year ended		
	Six months ended	31st	
	30th June	December	
	2024	2023	
	2023	2023	
	US\$m	US\$m	
	US\$m	US\$m	
Intangible assets	-	-	0.1
Tangible assets	78.1	-	305.1
Deferred tax assets	-	-	0.1
Currents assets*	2.5	-	26.6
Total assets	<b>80.6</b>	<b>-</b>	<b>331.9</b>
Current liabilities	<b>(0.9)</b>	<b>-</b>	<b>(24.1)</b>

\*Included cash and bank balances of US\$11.5 million at 31st December 2023.

In December 2023, the Group signed an option to sell its interests in Mandarin Oriental, Paris (the 'Paris Hotel') to SLH Hotels Srl ('Statuto Group'), the owner of Mandarin Oriental, Milan. The Group has agreed a new long-term management agreement to manage and brand the Paris Hotel. The two retail units (the 'Retail Units') adjoining the Paris Hotel were not included in the sale and were being actively marketed for sale at 31st December 2023. The Group purchased the building containing the Paris Hotel and the Retail Units in 2013 and divided them into separate titles before the completion of disposal of the Paris Hotel to Statuto Group in April 2024. The consideration of the disposal was US\$221.1 million. The Group has recognised a post-tax, non-trading loss of US\$36.9 million (including a tax charge of US\$5.4 million) during the six months ended 30th June 2024 (*notes 7 and 11*).

In June 2024, the Group signed a contract to sell the Retail Units to Lavender Propco SNC, an entity controlled by Blackstone Europe LLP at a total consideration of US\$159.8 million. This transaction was completed in July, and the Group has recognised a post-tax, non-trading gain of US\$56.2 million (net of tax charge of US\$4.9 million) in the second half of 2024.

## 10. BORROWINGS

The Group had borrowing facilities of US\$754.4 million due to mature in the first half of 2024. In February 2024, the Group has refinanced bank facilities of US\$409.2 million for three to five years.

## 11. SALE OF SUBSIDIARIES

In April 2024, the Group completed the sale of 100% ownership stake in the owning companies of the Paris Hotel to Statuto Group (*note 9*).

In June 2023, the Group completed the sale of 96.9% ownership stake in the owning company of Mandarin Oriental, Jakarta, to P.T. Astra Land Indonesia, a subsidiary of Jardine Matheson Holdings Limited, the Group's ultimate holding company (*note 14*).

Net cash inflow for the sale of subsidiaries is summarised as follows:

	Six months ended 30th June	
	2024	2023
	US\$m	US\$m
	_____	_____
Non-current assets	218.8	3.7
Currents assets	5.7	5.3
Non-current liabilities	-	(0.4)
Current liabilities	(5.7)	(4.0)
Non-controlling interests	-	0.4
	_____	_____
Net assets	218.8	5.0
Cumulative exchange translation difference	28.2	33.1
(Loss)/profit on disposal before tax	(31.5)	45.7
	_____	_____
Sales proceeds (net of selling expenses)	215.5	83.8
Adjustment for deferred payments	-	(3.2)
Cash and cash equivalents of subsidiaries disposed of	-	(4.0)
	_____	_____
Net cash inflow	215.5	76.6
	_____	_____

## 12. DIVIDENDS

	Six months ended 30th June	
	2024	2023
	US\$m	US\$m
	_____	_____
Final dividend in respect of 2023 of US¢3.50 (2022: nil) per share	44.2	-
	_____	_____

An interim dividend in respect of 2024 of US¢1.50 (2023: US¢1.50) per share amounting to a total of US\$19.0 million (2023: US\$19.0 million) has been declared by the Board and will be accounted for as an appropriation of revenue reserves in the second half of the year ending 31st December 2024.

### 13. CAPITAL COMMITMENTS

Total capital commitments at 30th June 2024 and 31st December 2023 amounted to US\$312.1 million and US\$354.6 million, respectively.

### 14. RELATED PARTY TRANSACTIONS

The parent company of the Group is Jardine Strategic Limited ('JSL') and the ultimate holding company of the Group is Jardine Matheson Holdings Limited ('JMHL'). Both JMHL and JSL are incorporated in Bermuda.

In the normal course of business, the Group undertakes a variety of transactions with its associates and joint ventures and with JMHL's subsidiaries, associates and joint ventures. The more significant of these transactions during the six months ended 30th June 2024 are described below:

The Group managed six (2023: six) associate and joint venture hotels and received management fees of US\$8.4 million (2023: US\$7.0 million) based on long-term management agreements on normal commercial terms.

The Group provided hotel management services to Hongkong Land group ('HKL'), a subsidiary of JMHL. Total management fees received from HKL amounted to US\$1.1 million (2023: US\$1.2 million), based on long-term management agreements on normal commercial terms.

In respect of the One Causeway Bay site under development, the Group paid consultancy fees of US\$1.0 million (2023: US\$0.9 million) to HKL in consideration for project management consultancy services. In addition, Gammon Construction Limited and its group companies ('GCL'), a joint venture of JMHL, completed value of works of US\$48.6 million (2023: US\$22.5 million). The HKL agreement and GCL contract were arranged on normal commercial terms.

The Group rented a property to DFI Retail Group, a subsidiary of JMHL, and received rental income of US\$0.3 million during the six months ended 30th June 2023, based on lease agreements on normal commercial terms. The lease was terminated in the second half of 2023.

In June 2023, the Group completed the sale of 96.9% ownership stake in the owning company of Mandarin Oriental, Jakarta, to P.T. Astra Land Indonesia, a subsidiary of JMHL, the Group's ultimate holding company, at a total consideration of US\$85.0 million. The Group has recognised a post-tax, non-trading gain of US\$43.2 million (net of tax charge of US\$2.5 million) (*notes 7 and 11*). The Group has retained the hotel management contracts.

There were no other related party transactions that might be considered to have a material effect on the financial position or performance of the Group that were entered into or changed during the first six months of the current financial year.

The outstanding balances with associates and joint ventures are included in debtors as appropriate.

### 15. FINANCIAL INSTRUMENTS

Financial instruments by category

The fair values of financial assets and financial liabilities, together with carrying amounts at 30th June 2024 and 31st December 2023 are as follows:

	Fair value of hedging instruments US\$m	Fair value through profit and loss US\$m	Financial assets at amortised cost US\$m	Other financial liabilities US\$m	Total carrying amount US\$m	Fair value US\$m
<b>30th June 2024</b>						
<i>Financial assets measured at fair value</i>						
Other investments	-	13.8	-	-	13.8	13.8
<i>Financial assets not measured at fair value</i>						
Amounts due from associates and joint ventures	-	-	116.8	-	116.8	116.8

Debtors	-	-	71.5	-	71.5	71.5
Bank and cash balances	-	-	253.9	-	253.9	253.9
	-	-	442.2	-	442.2	442.2
<i>Financial liabilities measured at fair value</i>						
Derivative financial instruments	(0.5)	-	-	-	(0.5)	(0.5)
<i>Financial liabilities not measured at fair value</i>						
Borrowings	-	-	-	(364.2)	(364.2)	(364.2)
Lease liabilities	-	-	-	(102.5)	(102.5)	(102.5)
Trade and other payable excluding non-financial liabilities	-	-	-	(134.3)	(134.3)	(134.3)
	-	-	-	(601.0)	(601.0)	(601.0)
	Fair value of hedging instruments	Fair value through profit and loss	Financial assets at amortised cost	Other financial liabilities	Total carrying amount	Fair value
	US\$m	US\$m	US\$m	US\$m	US\$m	US\$m
31st December 2023						
<i>Financial assets measured at fair value</i>						
Other investments	-	14.0	-	-	14.0	14.0
Derivative financial instruments	2.4	-	-	-	2.4	2.4
	2.4	14.0	-	-	16.4	16.4
<i>Financial assets not measured at fair value</i>						
Amounts due from associates and joint ventures	-	-	122.3	-	122.3	122.3
Debtors	-	-	87.1	-	87.1	87.1
Bank and cash balances	-	-	190.3	-	190.3	190.3
	-	-	399.7	-	399.7	399.7
<i>Financial liabilities not measured at fair value</i>						
Borrowings	-	-	-	(415.5)	(415.5)	(415.5)
Lease liabilities	-	-	-	(116.4)	(116.4)	(116.4)
Trade and other payable excluding non-financial liabilities	-	-	-	(157.0)	(157.0)	(157.0)
	-	-	-	(688.9)	(688.9)	(688.9)

Fair value estimation

(i) Financial instruments that are measured at fair value

For financial instruments that are measured at fair value in the balance sheet, the corresponding fair value measurements are disclosed by level of the following fair value measurement hierarchy:

(a) *Inputs other than quoted prices in active markets that are observable for the asset or liability, either directly or indirectly ('observable current market transactions')*

The fair values of derivative financial instruments are determined using rates quoted by the Group's bankers at the balance sheet date. The rates for interest rate swaps and caps and forward foreign exchange contracts are calculated by reference to market interest rates and foreign exchange rates.

The fair values of unlisted investments mainly include club and school debentures, are determined using prices quoted by brokers at the balance sheet date.

(b) *Inputs for assets or liabilities that are not based on observable market data ('unobservable inputs')*

The fair values of other unlisted investments are determined using valuation techniques by reference to observable current market transactions (including price-to earnings and price-to book ratios of listed securities of entities engaged in similar industries) or the market prices of the underlying investments with certain degree of entity specific estimates or discounted cash flow by projecting the cash flows from these investments.

There were no changes in valuation techniques during the six months ended 30th June 2024 and the year ended 31st December 2023.

The table below analyses financial instruments carried at fair value at 30th June 2024 and 31st December 2023, by the levels in the fair value measurement hierarchy:

	Observable market current transactions <b>US\$m</b>	Unobservable inputs <b>US\$m</b>	Total <b>US\$m</b>
	_____	_____	_____
<b>30th June 2024</b>			
<i>Assets</i>			
Other investments	<b>5.6</b>	<b>8.2</b>	<b>13.8</b>
	_____	_____	_____
<i>Liabilities</i>			
Derivative financial instruments at fair value			
- through other comprehensive income	<b>(0.5)</b>	<b>-</b>	<b>(0.5)</b>
	_____	_____	_____
<b>31st December 2023</b>			
<i>Assets</i>			
Other investments	5.6	8.4	14.0
Derivative financial instruments at fair value			
- through other comprehensive income	2.4	-	2.4
	_____	_____	_____
	<b>8.0</b>	<b>8.4</b>	<b>16.4</b>
	_____	_____	_____

There were no transfers among the two categories during the six months ended 30th June 2024 and the year ended 31st December 2023.

Movement of financial instruments which are valued based on unobservable inputs during the six months ended 30th June 2024 and the year ended 31st December 2023 are as follows:

	Unlisted investments <b>US\$m</b>
	_____
At 1st January 2024	<b>8.4</b>
Disposals	<b>(0.2)</b>
	_____

At 30th June 2024	<u>8.2</u>
At 1st January 2023	8.0
Additions	<u>0.4</u>
At 31st December 2023	<u>8.4</u>

(ii) Financial instruments that are not measured at fair value

The fair values of current debtors, bank and cash balances, current creditors, current borrowings and current lease liabilities are assumed to approximate their carrying amounts due to the short-term maturities of these assets and liabilities.

The fair values of long-term borrowings are based on market prices or are estimated using the expected future payments discounted at market interest rates. The fair values of non-current lease liabilities are estimated using the expected future payments discounted at market interest rates.

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**Mandarin Oriental International Limited**  
**Principal Risks and Uncertainties**

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The Board has overall responsibility for risk management and internal control. The following have been identified previously as the areas of principal risk and uncertainty facing the Company, and they remain relevant in the second half of the year.

- Reputational Risk and Value of the Brand
- Concentration Risk
- Commercial Risk
- Environmental and Climate Risk
- Financial Strength and Funding
- Governance and Misconduct
- Health, Safety and Product Quality
- IT and Cybersecurity
- Pandemic
- Political and Economic Risk
- People and Talent
- Compliance with and Changes to Laws and Regulations

For greater detail, please refer to pages 134 to 140 of the Company's 2023 Annual Report, a copy of which is available on the Company's website [www.mandarinoriental.com](http://www.mandarinoriental.com).

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**Responsibility Statements**

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The Directors of the Company confirm to the best of their knowledge that:

- (a) the condensed financial statements prepared in accordance with IAS 34 'Interim Financial Reporting' give a true and fair view of the assets, liabilities, financial position and profit and losses of the Group; and
- (b) the interim management report includes a fair review of all information required to be disclosed under Rules 4.2.7 and 4.2.8 of the Disclosure Guidance and Transparency Rules issued by the Financial Conduct Authority in the United Kingdom.

For and on behalf of the Board

Laurent Kleitman  
Matthew Bishop

**Mandarin Oriental International Limited**  
**Dividend Information for Shareholders**

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The interim dividend of US¢1.50 per share will be payable on 16th October 2024 to shareholders on the register of members at the close of business on 23rd August 2024. The shares will be quoted ex-dividend on 22nd August 2024, and the share registers will be closed from 26th to 30th August 2024, inclusive.

Shareholders will receive cash dividends in United States Dollars, except when elections are made for alternate currencies in the following circumstances.

**Shareholders on the Jersey branch register**

Shareholders registered on the Jersey branch register can elect for their dividends to be paid in Sterling. These shareholders may make new currency elections for the 2024 interim dividend by notifying the United Kingdom transfer agent in writing by 27th September 2024. The Sterling equivalent of dividends declared in United States Dollars will be calculated by reference to a rate prevailing on 2nd October 2024.

Shareholders holding their shares through CREST in the United Kingdom will receive cash dividends in Sterling only, as calculated above.

**Shareholders on the Singapore branch register who hold their shares through The Central Depository (Pte) Limited ('CDP')**

Shareholders who are on CDP's Direct Crediting Service ('DCS')

Those shareholders on CDP's DCS will receive their cash dividends in Singapore Dollars unless they opt out of CDP Currency Conversion Service, through CDP, to receive United States Dollars.

Shareholders who are **not on** CDP's DCS

Those shareholders not on CDP's DCS will receive their cash dividends in United States Dollars unless they elect, through CDP, to receive Singapore Dollars.

Shareholders on the Singapore branch register who wish to deposit their shares into the CDP system by the dividend record date, being 23rd August 2024, must submit the relevant documents to Boardroom Corporate & Advisory Services Pte. Ltd., the Singapore branch registrar, by no later than 5.00 p.m. (local time) on 22nd August 2024.

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**Mandarin Oriental International Limited**  
**About Mandarin Oriental Hotel Group**

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Mandarin Oriental Hotel Group is an international hotel investment and management group with luxury hotels, resorts and residences in sought-after destinations around the world. Having grown from its Asian roots over 60 years ago into a global brand, the Group now operates 40 Hotels, 12 Residences and 24 *exclusive homes* in 26 countries and territories, with each property reflecting the Group's oriental heritage, local culture and unique design. Mandarin Oriental regularly receives international recognition and awards for outstanding service and quality management, and has a strong pipeline of hotels and residences under development. The Group has equity interests in a number of its properties and adjusted net assets worth approximately US\$4.5 billion as at 30th June 2024.

Mandarin Oriental continues to drive its reputation as an innovative leader in luxury hospitality, seeking selective opportunities to expand the reach of the brand, with the aim of maximising profitability and long-term shareholder value.

The Group's parent company, Mandarin Oriental International Limited, is incorporated in Bermuda and has a primary listing in the standard segment of the London Stock Exchange, with secondary listings in Bermuda and Singapore. Mandarin

Oriental Hotel Group International Limited, which operates from Hong Kong, manages the activities of the Group's hotels.  
Mandarin Oriental is a member of the Jardine Matheson Group.

- end -

For further information, please contact:

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Brunswick Group Limited

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As permitted by the Disclosure Guidance and Transparency Rules of the Financial Conduct Authority in the United Kingdom, the Company will not be posting a printed version of the Half-Year Results announcement for the six months ended 30th June 2024 to shareholders. This Half-Year Results announcement will be made available on the Company's website, [www.mandarinoriental.com](http://www.mandarinoriental.com), together with other Group announcements.

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