



THE HONGKONG AND SHANGHAI HOTELS, LIMITED
香港上海大酒店有限公司

To: All Finance/Business/Travel Editors

FOR IMMEDIATE RELEASE

19 MARCH, 2024

**THE HONGKONG AND SHANGHAI HOTELS LIMITED
ANNUAL RESULTS FOR THE YEAR ENDED 31 DECEMBER, 2023**

The Hongkong and Shanghai Hotels Returns to Profitability

KEY HIGHLIGHTS

- 2023 was a milestone year for our group, with the opening of our two new Peninsula Hotels in London and Istanbul. This is the first time in the 157 years of our history that two Peninsula hotels have opened in the same year.
- We are pleased to report a strong rebound in business during 2023 compared to the challenging situation in the same period in 2022. With the opening up of Greater China in 2023, our Peninsula hotels in Hong Kong, Shanghai and Beijing enjoyed significantly improved operating results.
- Our operating results in the US were stable, with good average rates in New York. The Peninsula Paris continued to achieve high rates and revenue growth. The Peninsula Tokyo and The Peninsula Manila performed well and recorded historically high average rates. The Peninsula Bangkok also saw significant revenue growth although we are hoping to see a stronger recovery in the coming year.
- Our non-hotel properties and other businesses, particularly the Peak Tram, also recorded improvements year-on year.
- The group's profit attributable to shareholders amounted to HK\$146 million compared to a loss of HK\$488 million in 2022. Excluding the revaluation adjustments on investment properties, the non-recurring and non-operating expenses, the group's underlying profit amounted to HK\$277 million compared to an underlying loss of HK\$205 million in 2022.
- Overall, the group's combined revenue and combined EBITDA, including the group's effective share of revenue and EBITDA of associates and joint ventures, increased by 89% and 146% to HK\$8,703 million and HK\$1,469 million respectively. Excluding the results of the newly opened The Peninsula Istanbul and The Peninsula London as well as The Peninsula London Residences, the group's combined revenue and combined EBITDA amounted to HK\$6,181 million and HK\$1,360 million, representing an increase of 34% and 128% respectively.
- As is often typical in the hospitality industry, to support the opening of new hotels, our results were impacted by significant amounts of non-recurring, pre-opening and project expenses of HK\$311 million that were incurred by the group during the year. In addition, as the new hotels require time to ramp up to a stabilised stage of operations, earnings and full room inventory, operating losses of HK\$258 million (of which HK\$129 million was shared by the group) and HK\$193 million were incurred by The Peninsula Istanbul and The Peninsula London respectively during their soft opening periods.

The Hongkong and Shanghai Hotels, Limited today announced its annual financial results for 2023. We are pleased to share a CEO Statement and Strategic Review from Mr Clement K.M. Kwok, Managing Director and Chief Executive Officer of The Hongkong and Shanghai Hotels, Limited (HSH), as well as the HSH Group Operational Review.

CEO STATEMENT AND STRATEGIC REVIEW

1. The Year in Review

2023 was a milestone year for our group, with the opening of our two new Peninsula Hotels in London and Istanbul. This is the first time in the 157 years of our history that two Peninsula hotels have opened in the same year and I would like to give credit to the enormous effort made by each and every person involved in bringing these hotel projects to fruition. They are magnificent hotels that have already become significant landmarks and I believe they are giving us a strong foundation for the future of The Peninsula brand. As is our usual practice, both of these hotels are operated by us, and have been developed and are owned by the company; in the case of Istanbul, in partnership with Galataport.

We are pleased to report a strong rebound in business during 2023 compared to the challenging situation in the same period in 2022, when many of our key markets were still recovering from the pandemic. In the hotels division, the opening up of Greater China in February 2023 was a key factor in improving our operating results for this region, with The Peninsula Hong Kong, The Peninsula Shanghai and The Peninsula Beijing gradually enjoying improved business performance, especially from the domestic Chinese mainland market. However, the business results of our hotels in Greater China remain below pre-Covid levels due to a shortfall in international travellers from Western countries.

Our operating results in The Peninsula New York, The Peninsula Chicago and The Peninsula Beverly Hills were stable, with good average rates in New York. The Peninsula Paris continued to achieve high rates and revenue growth. The Peninsula Tokyo and The Peninsula Manila performed well and recorded historically high average rates. The Peninsula Bangkok also saw significant revenue growth although we are hoping to see a stronger recovery in the coming year.

Our non-hotel properties and other businesses recorded improvements year-on-year. The occupancy levels in our residential leasing business at The Repulse Bay have recovered significantly, although we are hoping the rental rates will improve further with more expatriates returning to live in Hong Kong. The new Peak Tram has reported a strong business recovery and has been well received by patrons as one of Hong Kong's most popular tourism attractions.

Overall, we believe that our operational results were pleasing and reflect an emerging recovery from the difficult years of the pandemic. However, our net profit for the year was affected by the substantial pre-opening expenses of the Peninsula London project as well as the losses incurred by The Peninsula London and The Peninsula Istanbul after their soft openings in 2023, although these were partly offset by the gain realised by The Peninsula London residential sales that have been completed.

Our long-term philosophies and values remain steadfast. I will summarise this strategy in the following pages.

2. Our culture, vision and development strategy

The Hongkong and Shanghai Hotels, Limited has a heritage of 157 years. Whilst we have witnessed profound political and economic changes since we were first established in 1866, both in our home market of Hong Kong and around the world, our company remains steadfast in our key philosophies and values which are:

- to conduct business with the highest levels of integrity;
- to build on our heritage while continuing to invest in and develop our people;
- to maintain and enhance the quality of our assets,
- to continuously improve the service we offer to our guests, and
- to contribute positively to the cities in which we operate.

Maintaining a unique, close-knit and robust company culture is very important to us and we are pleased that our employees are proud to work for the company. Our culture and values help us to deliver on our vision which is: *to develop, own and operate a small number of the highest quality hotels and luxury properties which we believe are considered to be amongst the finest in the world.*

Having ownership or part-ownership of each hotel is an important part of our strategy and allows us to maintain an appropriate degree of control over the design, quality, operations and capital spending in our hotels. By taking such a long-term view and by maintaining and enhancing the quality of our assets and operations, we seek to create significant value for our shareholders from the long-term appreciation in the capital value of our properties, as well as from the increasing operating yield as each property grows its income over time.

The best example of this is our flagship property, The Peninsula Hong Kong, which in 1928 was built for what was regarded in those days as an enormous sum of HK\$3 million and today is valued at over HK\$12 billion.

This is the approach which we believe has enabled us to establish and sustain a brand which is now recognised as being one of the leading luxury hotel brands in the world.

3. Business overview

Our group currently owns and operates twelve Peninsula hotels which are located in Hong Kong, Shanghai, Beijing, Tokyo, New York, Chicago, Beverly Hills, London, Paris, Istanbul, Bangkok and Manila.

Every new Peninsula hotel opening heralds an era of hope, optimism and new beginnings. We are very proud to have developed and opened The Peninsula London and The Peninsula Istanbul during 2023 and these properties are truly magnificent in terms of location, design, and service, significantly enhancing our brand presence in Europe.

The Peninsula London opened in September 2023 and is in a high-profile location at the gateway to Belgravia, overlooking Hyde Park Corner, the Wellington Arch, Green Park and the gardens of Buckingham Palace. It features 190 rooms and 24 luxury Peninsula-branded residential apartments for sale. It has been designed to embody the finest British craftsmanship and artistry combined with our renowned Peninsula service.

The Peninsula Istanbul opened in February 2023 and occupies a quartet of graceful waterfront buildings in the historic Karaköy district, near landmarks such as the Galata Tower, The Hagia Sophia Mosque, and The Blue Mosque. Many of the hotel's 177 lavish guest rooms and suites offer sweeping Bosphorus views, and direct access to the property's magnificent gardens, expansive outdoor pool, private boat dock, and luxury boutiques.

Throughout the years we have maintained a significant investment programme to enhance the physical condition and quality of our existing properties, for example, by completing major renovations at The Peninsula Hong Kong in 2014, The Peninsula Chicago in 2016 and The Peninsula Beijing in 2017. In 2024 we are undertaking a renovation of The Peninsula New York.

Our strategy is to operate only one Peninsula hotel in each city and we have the ability to take a long-term view on real estate capital appreciation. Our hotels are considered "trophy assets" in these cities and will continue to create value over time, while generating additional returns from shopping arcades or residential apartments as part of the hotel complex. We enter into long-term partnerships with our co-owners who value the benefits of creating a high-quality long-term asset. Our objective is to build up a long-term loyal clientele who are willing to pay premium prices for a superior luxury product and services. We achieve this by offering a high level of personalised service and attention to detail.

In the group's commercial properties division we take a similar investment approach and seek long-term returns on our well-located properties. We own high-end residential property including The Repulse Bay in Hong Kong's exclusive South Side and we lease commercial space to tenants at various Peninsula hotels, The Repulse Bay Arcade and The Peak Tower. Sky Terrace 428 at The Peak Tower gives tourists the opportunity to enjoy Hong Kong's panoramic views. We also hold commercial properties in Hong Kong, Paris and Ho Chi Minh City.

Peninsula Merchandising Limited develops and distributes Peninsula-branded merchandise including the famous Peninsula Mooncakes, as well as artisanal chocolates and high-quality tea. We operate Peninsula Boutiques in key gateway cities in China, Asia and the US, including a boutique at Hong Kong International Airport, and several Peninsula hotels. We opened new pop-up stores in 2023 and online business was successful during the year. We are planning to expand the business further, with new boutiques and pop-ups in the Chinese mainland market and Japan.

Our clubs and services division includes the Peak Tram, which was first established in 1888 and has been owned and operated by our group since the early 1900s. Following its significant upgrade project which was completed in 2022, the Peak Tram has performed exceptionally well and has been very well received by Hong Kong people and overseas visitors alike.

Having a diverse portfolio helps to diversify investment risks generally associated with the luxury hospitality industry. The more stable returns of the commercial properties division and, to a smaller extent, the clubs and services division help to offset the cyclical nature of the hotel business.

4. Projects Update

The Peninsula London

The Peninsula London held its soft opening on 12 September 2023 and opened with the Lobby and partial inventory of ten rooms, ramping up to 80 rooms by the end of September, 170 rooms by end of December and full inventory of 190 rooms available from 1 March 2024. Both signature restaurants were opened by the end of September 2024.

Full project practical completion was achieved on 4 March 2024, although a list of snagging and improvement works has been identified that is being executed and will be completed in the first six months of 2024.

We are in the process of preparing and agreeing final accounts with our trade contractors and consultants, which will include finalisation of programme delay costs. We continue to target that the finalisation of such accounts will enable us to come within the previously disclosed project budget approved by the Board in October 2022.

The Peninsula Istanbul

The Peninsula Istanbul soft opened on 14 February 2024 with a partial inventory of 23 rooms, gradually building up to 80 rooms by March 2023 and the full inventory of 177 rooms by 1 August 2023. We began works on the GALLADA rooftop restaurant extension and the Peninsula Suite internal staircase in early January, and the restaurant is temporarily closed during the construction period between January and April 2024. The majority of the final accounts have been settled and we expect the final project cost to be close to budget.

The Peninsula New York

We are undertaking a significant renovation of The Peninsula New York at a cost of HK\$352 million which will result in a significantly improved lobby, rooftop bar and public areas. This renovation started in phases in January 2024 and will be completed by end of summer 2024.

The Peninsula Yangon

The company entered into a shareholders' agreement with Yoma Strategic Investments Ltd. and First Myanmar Investment Public Company Limited in January 2014 to acquire a 70% majority interest for a proposed hotel development on the site of the former headquarters of the Myanmar Railway Company in central Yangon, Myanmar.

Regrettably, we have agreed with our partners to stop work for the time being on The Peninsula Yangon project as of June 2021 and we will continue to evaluate the situation in Myanmar. In the meantime, the joint venture is conducting some façade and roofing works to better weatherproof, maintain and better protect this heritage building.

5. Financial results and financial planning

Our business model as an owner-operator is capital intensive, but it allows us to have an appropriate degree of control or joint control over the upgrading of our existing assets and making investments in new developments, to ensure a high level of quality and consistency in our product and offer a bespoke, tailored guest experience.

As a result of our continuous investment into and enhancement of our property assets, the company's revalued net asset value per share has more than doubled in the last two decades to HK\$24.92 per share in 2023.

We continue to carefully monitor our company's financial position and we continuously take a proactive approach to forecasting future funding requirements.

We maintain sufficient cash reserves and adequate committed borrowing facilities from major financial institutions to ensure funds are available to finance our growth and development. Our net debt to total assets ratio is currently 26%, which we believe to be acceptable considering the financial obligations of our new developments. With business resuming to normal levels as well as the gradual handover and completion of our purchased London residences, it is expected that the group's gearing will reduce in the coming year.

We are pleased to report a continued rebound in business in 2023. As is often typical in the hospitality industry to support the opening of new hotels, our results were impacted by significant amounts of pre-opening project expenses that were incurred by the group during the year. Additionally, as the new hotels require time to ramp up to a stabilised stage of operations and earnings, operating losses of HK\$258 million (of which HK\$129 million was shared by the group) and HK\$193 million were incurred by The Peninsula Istanbul and The Peninsula London respectively. These results were partly offset by the after-tax profit of HK\$251 million realised by the group on the sale of 10 luxury Peninsula Residences in London.

Overall, the group's combined revenue and combined EBITDA, including the group's effective share of revenue and EBITDA of associates and joint ventures, increased by 89% and 146% to HK\$8,703 million and HK\$1,469 million respectively. Excluding the results of the newly opened The Peninsula Istanbul and The Peninsula London and The Peninsula London Residences, the group's combined revenue and combined EBITDA amounted to HK\$6,181 million and HK\$1,360 million, representing an increase of 34% and 128% respectively.

The group recorded a net gain of HK\$186 million on revaluation of investment properties in 2023 compared to a net revaluation loss of HK\$152 million in last year. After accounting for depreciation, net financing charges, taxation and share of results of joint ventures and associates, the company's profit attributable to shareholders amounted to HK\$146 million compared to a loss of HK\$488 million in 2022. Excluding the revaluation adjustments on investment properties, the non-recurring and non-operating expenses and the operating losses incurred by The Peninsula Istanbul and The Peninsula London, the group's underlying profit amounted to HK\$277 million compared to an underlying loss of HK\$205 million in 2022.

6. Driving business

We believe the fundamentals of luxury hospitality do not change over time and I am confident that demand for high quality service will continue long into the future.

The group's diverse portfolio of assets helps to balance the cyclical nature of the hotel industry. Our main revenue sources derive from our hotel rooms, driven by global distribution systems, digital marketing and e-commerce revenue, as well as travel agents and partners and online platforms. On the retail side, we maintain good relationships with our tenants and engage in joint promotions to encourage traffic into our arcades. We also derive significant revenue from residential leasing in our luxury property portfolio.

In recent years, a major focus of our strategy has been to attract and retain retail tenants in our hotel arcades, particularly in Hong Kong, Beijing and Shanghai, and we were pleased with the mix of tenants achieved during the year and renewed interest from anchor tenants. We welcomed new retail tenants in London and Istanbul from luxury brands. Although the market for luxury residential leasing was softer in Hong Kong due to the weak business environment, The Repulse Bay is widely recognised as one of the most attractive luxury residences on the South Side, and we are undertaking a strategic review of our retail business and arcades in that property. We are also reviewing the retail mix at the Peak Tower following the reopening of the Peak Tram.

To continue to drive brand awareness, The Peninsula's new global advertising campaign, *Peninsula Perspectives*, was placed within key media channels in our target markets throughout the year. The video-led campaign features colleagues from our Hong Kong, London and Istanbul properties showcased in the cities we call home.

For our hotels, we continued to personalise the guest experience, inviting them to experience "Life Lived Best". This initiative provides guests at all Peninsula properties with opportunities to pursue their fitness, mindfulness, and nutritional goals, with access through a dedicated Wellness Portal and 24-hour Wellness Concierge service.

Appreciation of art and supporting local artists is a key part of our strategic marketing plan. Through activations on properties, as well as access to the important cultural institutions, The Peninsula provides guests and visitors the opportunity to engage with immersive, experiential art, creating memories that will last for a lifetime. The brand's Art in Resonance program that showcases emerging and mid-career artists was seen across some of the properties and will be making a major return in 2024.

Our Sales teams travel extensively to meet in person around the world with PenClub members (Peninsula's top travel partners), with key travel partners from the Leisure and Meetings, Incentives, Conventions and Exhibitions (MICE) world, host events in our properties to showcase the brand and our know-how and attend key worldwide travel tradeshows.

Our company has its own in-house research and technology department which focuses on researching and developing the latest innovation for guest rooms and enhancing the customer experience. The team is exploring developments in voice recognition, artificial intelligence, robotics, and the latest technological innovations.

7. Managing risk

Operating a business in different overseas locations, given the unpredictable nature of the hotel industry, requires an agile yet measured approach to risk management. Our Group Risk Committee, chaired by the Chief Corporate and Governance Officer, regularly reviews the risk registers of our operations and new development projects, as well as monitors the principal risks and emerging risks of the group. We evaluate key risks and controls and using a 5-step risk management methodology we ensure the risk assessment process and internal controls remain current.

In 2023, we continued to navigate issues such as a global labour shortage in the hospitality sector, rising inflation and energy costs, geopolitical tensions and continued threats such as cybersecurity threats. Environmental, climate and social risks, including rising sea levels, has become a major focus and to be considered as company's principal risks going forward, our Group Risk Committee will continue to look into enhancement of internal controls to manage the strategic risks of the group. We will also focus on enhancing communication, inspiring greater awareness and ownership of risks and controls across the group.

8. Our people

Our commitment to talent acquisition and retention remains strong, driven by the industry-wide workforce shortage and the rising demand for flexible work arrangements and work-life effectiveness in a post-pandemic world. We continuously enhance our People and Culture strategies to adapt to evolving needs as we align our compensation and benefits package with market trends to ensure they remain relevant and appealing to our talent.

Building an exceptional team of people is crucial to the success of our organisation. We have further enhanced our talent acquisition programmes, featuring campus tours and informative talks in key countries such as China, Switzerland, and the United States, to allow us to attract top talent. Over the past year, we proudly welcomed over 1,200 new team members for The Peninsula Istanbul, The Peninsula London and Peninsula Merchandising China. Our strong company culture fosters loyalty and commitment, and it has been key in guiding us through the pandemic. We remain dedicated to preserving this culture.

In our global employee experience survey conducted this year, I am happy to share that we have achieved our highest participation rate to date with a 92% voluntary response rate across the group. We scored an engagement score of 78%, which is 5% higher than that of the global score for general industry. An impressive 90% of our employees expressed their intent to stay with the company beyond one year and up to over five years, and 89% shared that we are meeting, exceeding or greatly exceeding expectations in their work.

Besides attracting and retaining talented individuals, we are also focused on nurturing the growth of our people and cultivating meaningful global careers. Our Executive Development Programme (EDP) aims to create a talent pipeline for future senior management roles through enhancement of core business knowledge and building of peer networks over a span of 18 months. Our 12-month-long Emerging Manager Programme (EMP) for emerging managers in each operation aims to foster connections and knowledge through departmental rotations. These two programmes are part of an increasing diversity of leadership and training programmes, along with online resources, that we offer to empower our employees and support their professional development.

Our Core Principles support and help build a solid foundation for the Peninsula Services Principles (PSP) framework for all employees. In the past year, all of our hotel operations, along with Peninsula Merchandising Limited, have successfully completed the PSP foundation training. We are currently developing specialised PSP training modules for The Peak Complex and The Repulse Bay that fit their bespoke guest experience.

Through our WorkPlace 2025 Initiative, we continue our work in modernising our workplace and effectively transform our teams through innovation and empowerment. I am pleased to share that our new employee communications portal MyHSH Hub has been launched globally. The platform will serve as a virtual extension of HSH to enhance communication and information sharing and supplement the work we do. Another focus of the initiative is adapting to modern working trends to attract and retain a younger workforce. Head Office has implemented a once-a-week work from home policy, while three of our US properties, namely The Peninsula Chicago, The Peninsula New York and Quail Lodge & Golf Club, will also offer once-a-week to eligible colleagues in 2024.

Looking forward, we will continue to invest in our people to support their growth and development through comprehensive learning and development programmes, and implementing employee engagement initiatives to foster empowerment, trust and open communication.

As of 31 December 2023, there were 7,695 full time employees in the group.

9. Sustainable luxury

We believe we have the opportunity to offer our guests sustainable choices without compromising on the high quality of our products and services. This year marks the tenth year since the launch of our formal sustainability strategy, *Sustainable Luxury Vision 2030 (Vision 2030)*, which incorporates corporate responsibility and sustainability into our wider business strategy. This strategy leverages the strengths of our business, focusing on issues requiring significant and urgent attention. We seek to address key issues we are facing in our business and in society through *Vision 2030* by focusing on our three stakeholder pillars of (i) enhancing our guest experience, (ii) empowering our people and (iii) enriching our communities, underpinned by 10 key commitments.

During 2023, unusual climate events occurred in some parts of the world where we have hotels, and as mentioned in our risk section, we are becoming increasingly concerned about the risks posed by climate change to our ecosystems, businesses and human health. As a group we are exploring how to reduce our own impact on the environment, implement measures to mitigate climate risks, and take proactive climate actions to facilitate a low carbon transition. With this in mind, we continue to identify further energy saving and renewable energy adoption opportunities that will be key in our roadmap towards a net zero goal, which will entail shorter and longer-term actions to decarbonise our operations. This roadmap will also be key for us to plan ahead for resource and capital expenditure allocation to facilitate the transition to reach our goals.

As owner and operator of our hotels and properties, we are in a unique position to always act decisively and with genuine intent in our sustainability approach, while maintaining unparalleled service standards. The addition of two new hotels this year – The Peninsula London and The Peninsula Istanbul demonstrate our commitment to building for the future and creating value in the long term. The two new hotels in London and Istanbul are on track to achieve international green building certification “BREEAM Excellent”, with sustainable design elements incorporated. Their environmental impact was minimised during the construction and operation stages, and we have considered future climate resiliency for these properties. For the first time this year, The Peninsula Hotels is on-track to achieve a group Earthcheck certification for all 10 of our existing hotels, in recognition of their robust environmental management processes and commitment to continuous operational improvements on sustainability.

Starting in 2021, we further integrated sustainability into our overall business and financing strategy by obtaining green financing mechanisms to generate working capital on sustainability-related capital expenditure and initiatives. As at 31 December 2023, we have signed a total of HK\$13.1 billion sustainability-linked and green loans.

We will continue to be guided by our *Sustainable Luxury Vision 2030* strategy, which serves as a compass for who we are today, and what our hopes are for the future. More details can be read in our Corporate Responsibility and Sustainability Report.

10. Outlook

The outlook for our various businesses is generally favourable, particularly in Greater China. In Hong Kong, the long-haul market for leisure travellers remains weak and geopolitical tensions remain a concern in terms of welcoming leisure visitors from the US to Greater China. We are confident that the new Peak Tram is an attractive experience for visitors and we are seeing greater numbers of visitors from around the Asian region visiting the Peak. Although residential occupancy is still recovering, we are seeing demand returning for the residential apartments at the Repulse Bay from both the local and the expatriate markets.

In the hotels division, we are cautiously optimistic. We expect to see continued growth in Japan and Paris, while Beijing and Shanghai have a strong outlook with good business expected from the domestic market. Rates remain high in the US and the outlook is stable.

The new Peninsula London and Peninsula Istanbul hotels are truly spectacular and have significantly enhanced our brand presence in Europe. They have already achieved several industry awards and accolades and are receiving very positive reviews from guests as well as extensive media coverage.

On the commercial property side, we will continue to invest in our existing assets and uplift our offering to visitors and residents. We are planning a renovation of the Repulse Bay retail arcade as well as exploring a repositioning of The Peak Tower.

In terms of business strategy, we are a company that focuses on the very long term, and we believe that if we focus on our people, this will be reflected in the excellent service that we offer our guests. We are doing what we can to support and retain our people, as well as recruit new talent. Our unique company culture is one of our greatest assets.

Overall, our company has weathered the pandemic and maintained adequate liquidity, having closely managed our operating costs during this crisis. We are fortunate to have a highly motivated and dedicated team of management and staff who are committed to our long-term vision.

On a personal level, in October 2024, I will retire as CEO after 22 years and will stay as an Executive Director and Advisor to the new CEO until May 2025. During my tenure, we have seen the Peninsula hotel portfolio grow from seven to 12. I have led the company through the developments of The Peninsula Tokyo, The Peninsula Shanghai, The Peninsula Paris, The Peninsula Istanbul and The Peninsula London, as well as The Peninsula London Residences. We also completed significant renovations of The Peak Tram and Peak Tower, as well as complete transformations of The Peninsula Chicago, The Peninsula Beijing and The Peninsula Manila. I have also been a champion of sustainability, chairing the Corporate Responsibility and Sustainability (CRS) Committee for more than ten years. More recently, I initiated WorkPlace 2025, with the objective of modernising the workplace and creating a more meaningful and purpose-led environment for employees.

None of this would have been possible without the excellent partnership I have had with my COO Peter Borer and the hard work, loyalty and support of all our management and staff. I am truly indebted to them and I am proud that we have developed a strong organisation, team members and culture that I believe will stand the company in good stead for the future. I would especially like to pay tribute to Peter Borer for his 42 years of dedicated service to the Peninsula group, during which time he has built and maintained the exceptional hospitality standards that represent our brand. He has led the stylistic direction of the brand in terms of interior designs, advertising and overall brand image over all these years.

I would like to thank each member of my team for their loyalty and dedication in offering the world-class hospitality that Peninsula is known for, and thank you to our Chairman, our Board, and shareholders for your trust in me during my tenure. It has been a privilege to serve you.

OPERATIONAL REVIEW

BUSINESS PERFORMANCE

Our group comprises three key divisions – hotels, commercial properties and clubs and services. These divisions are described in more detail in the following review.

Hotels Division

Hotels	Revenue	Variance Year-on-Year	
	HK\$m	HK\$	Local Currency
Consolidated hotels			
The Peninsula Hong Kong	1,039	+51%	+51%
The Peninsula Beijing	328	+63%	+71%
The Peninsula New York	766	+7%	+7%
The Peninsula Chicago	617	+7%	+7%
The Peninsula London*	129	n/a	n/a
The Peninsula Tokyo	741	+69%	+78%
The Peninsula Bangkok	207	+48%	+44%
The Peninsula Manila	224	+44%	+45%
Non-consolidated hotels			
The Peninsula Shanghai	460	+54%	+61%
The Peninsula Beverly Hills	616	-4%	-4%
The Peninsula Istanbul**	191	n/a	n/a
The Peninsula Paris	714	+28%	+23%

* Opened on 12 September 2023 with a gradual buildup of inventory

** Opened on 14 February 2023 with a gradual buildup inventory

The Peninsula Hong Kong

The Peninsula Hong Kong		
Revenue	HK\$1,039m	+51%
Occupancy		+21pp
Average Room Rate		+65%
RevPAR		+226%

In 2023, **The Peninsula Hong Kong** experienced a strong recovery in terms of revenue, occupancy and average rates, compared to the previous year when the property was still negatively affected by quarantine restrictions. With the reopening of the borders with mainland China in March, business performance picked up, although the long-haul markets from US and Europe are recovering more slowly than expected. We hope to see this market picking up in 2024 and are working with our travel agency partners as well as our local airline Cathay Pacific to promote Hong Kong as a destination.

Food and beverage revenue was stable, with all outlets performing well. In March 2023 we announced a collaborative venture with Hong Kong’s iconic Star Ferry, offering afternoon tea and sunset cocktail cruises, as well as a collaboration for wedding packages, which were very well received by guests and we extended this collaboration throughout the year. To drive F&B revenue, we once again partnered with *Le French May* to host exclusive concerts and dinners. In December, we celebrated the 70th anniversary of our French fine dining restaurant *Gaddi’s* with a Gala Dinner. Our Festive campaign “The Peninsula Express” and collaboration with Chanel to decorate the Lobby was highly popular and attracted queues of guests in December.

In the Condé Nast Traveller Readers’ Choice Awards, we were pleased to be ranked No.6 in the “Best Hotels in the World” category, and The Peninsula Hong Kong was also the only hotel from Asia to make it into the top 10, winning No.1 “Best Hotels in Asia – Hong Kong and Macau”.

The Peninsula Office Tower was 86% occupied in 2023, and the immediate outlook is stable. The Peninsula Arcade occupancy was 90% and retail business is seeing a strong pickup and queues outside luxury retail outlets, following the reopening of the mainland Chinese border.

We continued to support the local community and charities by partnering with Impact HK to support the homeless and needy in Hong Kong. We also collaborated with Make-A-Wish Foundation.

The Peninsula Shanghai

The Peninsula Shanghai		
Revenue	RMB417m	+61%
Occupancy		+33pp
Average Room Rate		+14%
RevPAR		+154%

The Peninsula Shanghai had a weak start to 2023, although the situation turned around following the lifting of the stringent COVID-19 restrictions across the city at Chinese New Year. We reported strong year-on-year increase in occupancy, rates and RevPAR, albeit taking into consideration the hotel was subject to a mandatory lockdown from April to June 2022.

The majority of guests remain from the domestic market but overseas business travel is coming back slowly, particularly at the C-suite level and in the luxury brand sector. We welcomed high level overseas delegations in summer 2023, with Russia and the Middle Eastern markets being particularly strong. Business from the diplomatic sector was robust. Food and beverage revenue was stable and wedding and events started to come back.

The Peninsula Arcade was 83% occupied during the year. While the ground floor tenancy remains strong, we are currently in negotiation with number of potential tenants in the basement level.

We worked with the local community to sponsor 70 underprivileged children to attend a Peter Rabbit-themed theatre event, coinciding with The Peninsula’s global Peter Rabbit-themed marketing campaign.

The group owns a 50% interest in The Peninsula Shanghai Complex which comprises a hotel, a shopping arcade and a residential tower of 39 apartments. As at 31 December 2023, a total of 32 apartment units have been sold.

The Peninsula Beijing

The Peninsula Beijing		
Revenue	RMB298m	+ 71%
Occupancy		+42pp
Average Room Rate		+11%
RevPAR		+287%

The Peninsula Beijing experienced a very strong year compared to the same period last year when the city’s economy was suffering from stringent COVID-19 restrictions. From March 2023 onwards, the recovery was swift. However, partly due to geopolitical concerns there were still very few international leisure travellers to Beijing, although business travel from overseas is resuming. This is also partly due to the lack of a full return to normal flight capacity in Beijing. However, the hotel attracted several high level government and diplomatic delegations.

Food and beverage revenue was strong with good performance at *Huang Ting* and *The Lobby*, and banqueting picked up significantly year-on-year. Spa revenue was very strong following the introduction of a new product line, and our festive campaign was extremely popular amongst local guests.

To promote local culture, the hotel team organised a variety of “intangible cultural heritage” workshops with local artisans, and in May and June 2023 we collaborated with local pioneer artist David Yuan to host a “DavMoon” art exhibition and themed afternoon tea which was very popular with guests.

The Peninsula Arcade was 98% occupied and business in the retail outlets was good. We worked closely with our retail tenants to drive traffic to their outlets, and we are delighted that some of our anchor tenants have significantly expanded their space and we welcomed some temporary stores which helped to drive revenue.

The Peninsula Tokyo

The Peninsula Tokyo		
Revenue	JPY13.35b	+78%
Occupancy		+11pp
Average Room Rate		+89%
RevPAR		+133%

In 2023 **The Peninsula Tokyo** recorded the best performing year in the history of the hotel, with rates, occupancy and RevPAR exceeding our expectations due to a return of international business from US, UK, South Korea and Hong Kong, and we achieved the highest revenue since the hotel opened. The local domestic market was also strong, as Japanese travellers chose to stay at home rather than travel overseas.

Food and beverage performed well, with a double-digit increase in average checks. Although weddings business was flat, due to societal changes in Japan, general banquets experienced strong demand, with top-tier luxury brands hosting multi-day events. *Hei Fung Terrace* and *The Lobby* recorded good results. At *Peter Bar* we implemented private dining events, jazz performances and a new Guest Bartender Series with top mixologists from all over Japan offering innovative cocktails that were popular with guests.

We commenced a new 24-hour concierge service which proved popular with US guests, as the overseas market is heavily reliant on concierge services in Japan.

The arcade business was robust and we introduced a new beauty salon tenant as well as a new luxury car tenant.

Due to the strong market and intense competition, the labour market was difficult and we implemented several strategies to attract and retain staff.

The Peninsula Bangkok

The Peninsula Bangkok		
Revenue	THB916m	+44%
Occupancy		+12pp
Average Room Rate		+28%
RevPAR		+73%

The Peninsula Bangkok experienced significant revenue growth compared to the same period last year although business has not rebounded to the extent we had expected from certain key markets such as Japan and China, partly caused by a lack of flight capacity.

The mix of travellers into Thailand was predominantly Asian, led by Malaysia, China and India, with European and American travellers not yet coming back to the region due to geopolitical tensions.

We have seen a healthy increase in rate over 2023 and continued rate increases into 2024. The occupancy levels are increasing but not yet at pre-Covid levels. RevPAR saw a good increase year on year of 73%. The catering and wedding business has improved significantly, as has the restaurant business, with all outlets in the hotel fully operational.

The hotel continues its well-regarded wellness programme under ‘Life Lived Best’ and has further elevated the ‘Art in Resonance’ programmes with artist in residence programmes, collaborations with local galleries and government institutions as well as the faculties of arts of the main Thai universities.

The Peninsula Manila

The Peninsula Manila		
Revenue	Php1,596m	+45%
Occupancy		+9pp
Average Room Rate		+21%
RevPAR		+41%

The Peninsula Manila achieved historically high average room rates and RevPAR compared to 2022, which had been affected by stringent government travel restrictions. Occupancy also improved significantly year-on-year.

Suite business remained strong and our *Club Lounge* performed well, contributing more than 35 percent of rooms revenue. Food and beverage performance was robust, with *The Lobby*, *Spices* and *Escolta* all performing well. Our fine dining restaurant *Old Manila*, which was closed during 2022, reopened in early 2023 with a new chef and received positive reviews from guests. Our popular bar *Salon de Ning* reopened in early 2023 and is performing well. The festive season in Manila is always strong, starting in September. Wedding business was robust, with a large wedding fair held in April 2023.

The majority of our guests were international, coming from our traditional key markets of US, UK, Australia, Singapore, Japan and South Korea, with diplomatic and corporate business particularly strong.

The Peninsula New York

The Peninsula New York		
Revenue	US\$98m	+7%
Occupancy		+1pp
Average Room Rate		+5%
RevPAR		+7%

The Peninsula New York experienced a reasonably strong year compared to 2022, although we started the year conscious that the initial so-called “revenge travel after the pandemic had started to taper off in the US market. We achieved record high average daily rates. Business was fueled by the corporate sector. We spent a significant effort during the year building community ties and working with local business leaders to drive revenue from the local market in New York City.

Food and beverage revenue was satisfactory, with our innovative Turkish-themed evenings and DJ nights at our rooftop bar performing well during the summer, and *Clement* restaurant was open for breakfast and lunch.

The Peninsula New York was proud to feature artworks by James (Jim) Lambie, a Scottish contemporary artist. During the festive season we were excited to announce a collaboration with New York City’s iconic toy store, FAO Schwarz, with a special family stay package. We also donated US\$10 for each Festive Afternoon Tea to The New York Center for Children (NYCC).

In January 2024 we started a significant renovation of the Lobby and reception area, guestrooms, public areas and our rooftop bar *Salon de Ning*, which will be renamed as “*PenTop*”. We expect the renovation to be completed later in 2024 and will be carried out with minimal disruption to guests.

The Peninsula Chicago

The Peninsula Chicago		
Revenue	US\$79m	+7%
Occupancy		+4pp
Average Room Rate		-4%
RevPAR		+3%

The Peninsula Chicago recorded a stable 2023 compared to the previous year, although average rates declined slightly. Groups business remained strong and several large-scale conferences and conventions were held in the city, although they were not yet held at full capacity.

The hotel’s restaurants and dining outlets are now fully reopen, with only some limitations in dining hours. *Pierrot Gourmet* is popular following its renovation which was completed in 2022. The *Peter Rabbit* afternoon tea initiative, introduced in March, was very popular in Chicago.

As part of our commitment to promoting local artists, in April 2023, we were proud to present a collection of works by Beth Rudin deWoody as part of our global Art in Resonance programme, in collaboration with EXPO CHICAGO.

The hotel’s results were somewhat negatively affected by increasing labour costs and high energy costs. Crime remains a major problem in Chicago city centre and we have taken steps to increase our security and offer a safe and secure environment for guests and staff.

We were delighted to win the accolade of ‘Best City Hotel in the Continental U.S’ in Travel + Leisure’s Worlds’ Best Awards, and ‘#2 Hotel in the World’ in LA LISTE’s Top 1,000 World’s Best Hotels.

The Peninsula Beverly Hills

The Peninsula Beverly Hills		
Revenue	US\$79m	-4%
Occupancy		-5pp
Average Room Rate		+2%
RevPAR		-6%

The Peninsula Beverly Hills experienced a softer than expected performance in 2023 with improved average rates year-on-year, while occupancy declined slightly. International business has not yet rebounded to pre-COVID-19 levels although business travel has returned to some extent. Los Angeles was affected by prolonged inclement weather in spring and summer 2023, which negatively affected our rooftop and pool areas as well as weekend guests and drive-in visitors. The perception of increasing crime in the city also deterred visitors.

This property has traditionally received a significant amount of business from the film and entertainment industries, and unfortunately the Writers' Strike last year has affected many major events and conferences due to production of movies being on hold.

We received very high suite demand due to the Superbowl and the Milken Conference returning to Los Angeles. Food and beverage performed well and banqueting and catering demand was strong.

In January we initiated an ultra-exclusive "pop-up" of a famous high-end restaurant from the Amalfi Coast in Italy. This initiative operated as an ultra-exclusive offering with very limited places, and this was highly successful, helping to generate significant revenue. We also implemented some innovative new attractions.

We were pleased to achieve the accolade of "Best Hotel in the US" by *Global Traveler*.

The Peninsula London

The Peninsula London		
Revenue	GBP13m	n/a
Occupancy		n/a
Average Room Rate		n/a
RevPAR		n/a

The Peninsula London held its soft opening on 12 September 2023 and opened with a partial inventory of ten rooms, ramping up to 80 rooms by the end of September, 170 rooms by end of December and a full inventory of 190 rooms available from 1 March 2024. *The Lobby* was opened on 12 September 2023 and both signature restaurants of *Brooklands* and *Canton Blue* were opened by the end of September 2023.

Full project practical completion was achieved on 4 March 2024, although a list of snagging and improvement works has been identified that is being executed and will be completed in the first six months of 2024.

We are in the process of preparing and agreeing final accounts with our trade contractors and consultants, which will include finalisation of programme delay costs. We continue to target that the finalisation of such accounts will enable us to come within the previously disclosed project budget approved by the Board in October 2022.

The Peninsula London has achieved phenomenal media coverage and positive reviews to date. Rooms business is gaining momentum month by month and banquets and Spa are performing well. Food and beverage is strong, with waitlists for our Cantonese restaurant *Canton Blue* and daily queues for our rooftop bar *Brooklands*. The fine dining restaurant of *Brooklands* was bestowed with two Michelin stars in January 2024.

Prior to opening we had implemented a robust stakeholder engagement plan in order to cement our position in the local community, with local Peninsula Ambassadors who are high profile leaders in their respective industries, and this has helped us to drive business from the local London market. There has been huge media interest and we are hosting dozens of media stays. The outlook for the year ahead is very strong.

The Peninsula London Complex comprises a 190-room hotel and 24 luxury Peninsula-branded Residences. During 2023, the sales of a total of 10 luxury Residences were legally completed, generating total proceeds of HK\$2.3 billion. Of the remaining 14 residential units, a total of eight Residences have exchanged contracts as of 31 December 2023. The gross proceeds of these exchanged Residences amounting to HK\$3.5 billion will be recognised as revenue upon the completion of transfer of legal titles.

The Peninsula Paris

The Peninsula Paris		
Revenue	EUR84m	+23%
Occupancy		+2pp
Average Room Rate		+20%
RevPAR		+27%

The Peninsula Paris experienced a strong 2023, achieving the highest revenue and average room rates since the hotel opened in 2014. France and particularly Paris was once again voted the world's favourite destination and attracts not only leisure travellers but also high-level business delegations, as well as Meetings, Incentives, Conventions and Exhibitions (MICE) visitors, with high numbers of US and Middle East visitors.

We have focused heavily on promoting the hotel locally in the city as a glamorous Parisian destination and we are delighted to welcome increasing numbers of local French visitors. We held several high-profile events which attracted local celebrities and VIPs, including the reopening party of *Le Rooftop*, which achieved prominent local media coverage, and events related to Paris Fashion Week.

We were thrilled to announce that in November 2023, our Pastry Chef Anne Coruble won the accolade of International Pastry Chef of the Year by *La Liste* and our rooftop restaurant *L'Oiseau Blanc* once again achieved two Michelin stars.

We are looking forward to a strong year in 2024 and are already fully booked for the Olympics to be held in Paris in summer 2024.

The Peninsula Istanbul

The Peninsula Istanbul		
Revenue	EUR23m	n/a
Occupancy		n/a
Average Room Rate		n/a
RevPAR		n/a

The Peninsula Istanbul soft opened on 14 February 2024 with a partial inventory of 23 rooms, gradually building up to 80 rooms by March 2023 and the full inventory of 177 rooms by 1 August 2023. The project was fully complete by August 2023, although we are undertaking some additional work on the GALLADA rooftop restaurant extension and the Peninsula Suite internal staircase in early January, and the restaurant is temporarily closed until April 2024. The majority of the final accounts have been settled and we expect the final project cost to be close to budget.

Following its soft opening, the hotel has already received significant positive media coverage and received several awards and accolades including “Best New Hotel” by *Virtuoso* and “No.1 Best New Hotel” by *Traveller’s World*.

Following the opening of the hotel, food and beverage performance has been good, particularly in the Lobby and banqueting, as the hotel offers one of the largest *al fresco* ballrooms in the city. Our rooftop restaurant GALLADA, which opened on 7 July 2023, has received positive reviews and has become popular with local celebrities and high society.

The Peninsula Istanbul forms part of the wider Galataport project which originally was subject to a 30-year operating right commencing February 2014 for which The Peninsula Istanbul was granted a corresponding 30-year fixed term lease. Our partners secured an extension of the operating right from 30 to 49 years from February 2014 and a corresponding extension was granted by our partners to The Peninsula Istanbul upon payment of the apportioned premium for the extension.

Türkiye is still grappling with hyperinflation and this weighs heavily on the hotel’s operating results. We are formulating strategies to manage the fluctuating costs.

We were very sad to learn the devastating news about the earthquake just before our soft opening and we decided to place all celebrations on hold as a mark of respect. We implemented a global fundraising campaign, *Hope for Türkiye*, whereby a portion of our room rates from around the world contributed to the rescue efforts.

Commercial Properties Division

Commercial Properties	Revenue	Variance Year-on-Year	
	HK\$m	HK\$	Local Currency
The Repulse Bay Complex	556	+5%	+5%
The Peak Tower	137	+228%	+228%
St. John's Building	47	-2%	-2%
The Landmark	40	+4%	+6%
21 avenue Kléber	26	+23%	+19%
The Peninsula Shanghai Apartments	6	-11%	-6%

Our largest commercial property, **The Repulse Bay Complex**, reported increased revenue compared to the previous year, with strong banqueting revenue.

Residential revenue and occupancy improved at 101 Repulse Bay and de Ricou following a slight refurbishment of 60 apartments, and we are pleased to see demand returning from both the local market and expatriates who are returning or moving to Hong Kong. We reported positive leasing renewals during the summer months and our long-term outlook is positive.

The Repulse Bay, with its beautiful ocean views, is one of Hong Kong's most popular venue for weddings and our weddings business was particularly strong during the year. We also collaborated with luxury car brands for their launch events and promotional events and this brought significant media attention to the property as well as car *aficionados*.

The Repulse Bay Shopping Arcade, which offers a diverse range of lifestyle amenities and services, reported stable occupancy and revenue. We are undertaking a strategic review of the arcade in order to offer unique and enhanced facilities to the local community. We have completed an uplift of *Spices* terrace with new furniture and will continue to formulate plans to revitalise the property.

The Peak Tower experienced a satisfactory year after the borders reopened and visitors started returning to Hong Kong, as well as benefiting from the reopening of The Peak Tram in August 2022 which was very well received by locals and has been popular with visitors since the mainland Chinese borders reopened in March 2023. Revenue and occupancy at the Peak Tower improved with fewer rental concessions. We continue to implement a variety of promotions and business strategies to entice more visitors to the Peak. Visitors to Sky Terrace 428 improved significantly compared to the previous year, due to successful sales of "combo" tickets with the Peak Tram.

St John's Building is located above the lower terminus of the Peak Tram and offers an excellent location for office space. Revenue decreased slightly and occupancy dropped slightly to 88% during 2023.

The Landmark, a 16-storey residential and office property, is located on a prime riverfront site in the central business district of Ho Chi Minh City, Vietnam. Business performance was positive in 2023. Revenue and occupancy for the offices improved year-on-year, and residential revenue and occupancy also improved compared to the previous year. The lease for the Landmark will expire in 2026 and we are exploring options for the property.

21 avenue Kléber offers a prime location immediately adjacent to The Peninsula Paris on Avenue Kléber, just steps from the Arc de Triomphe. The office and retail spaces are currently fully occupied. Rental revenue improved slightly compared to the previous year.

Clubs and Services Division

Clubs and Services	Revenue	Variance	
	HK\$m	HK\$	Local Currency
The Peak Tram	221	+669%	+669%
Quail Lodge & Golf Club	228	+12%	+12%
Peninsula Clubs & Consultancy Services	5	+22%	+22%
Peninsula Merchandising	315	+29%	+29%
Tai Pan Laundry	59	+61%	+61%

The Peak Tram is one of Hong Kong’s most popular tourist attractions and has been in operation since 1888. The new sixth generation Peak Tram, which was launched in August 2022 following a major upgrade, has been very well received by Hong Kong people and visitors. Since the Chinese mainland borders reopened in March 2023, business has been robust, with record patronage of 186,540 achieved during the National Day Holidays in October. We implemented a new pricing scheme for Peak Tram tickets in December 2023 with the objective of managing demand.

Quail Lodge & Golf Club reported a positive year with increased revenue and robust average rates although RevPAR declined slightly year-on-year. Inclement weather in California affected the usually strong drive-in market and banqueting was weaker compared to the same period last year. Golf membership was strong.

We hosted *The Quail Motorcycle Gathering* in May, and we celebrated the 20th anniversary of *The Quail, A Motorsports Gathering* in August 2023. This has become one of the world’s leading concours events for motoring *aficionados*, with the highest sponsorship revenue achieved since the event started in 2003. The “Peninsula Classics Best of the Best Award” was held at Quail in August 2023.

Peninsula Clubs & Consultancy Services (PCCS) manages The Hong Kong Club, Hong Kong Bankers Club and The Refinery. PCCS reported a slight improvement in revenue compared to the same period last year, mainly due to the increase in management fees received for all three clubs (The Hong Kong Club, Hong Kong Bankers Club and The Refinery) as we saw business recovery in 2023.

Peninsula Merchandising had a year of expansion and development and was able to grow its revenue. One particular highlight was when we opened our first flagship standalone Peninsula Boutique & Café in the Chinese mainland in Xintiandi, Shanghai. We also launched direct operations in China across retail, e-commerce and corporate sales channels. We opened another new Peninsula Boutique & Café in Matsuya, Ginza department store in Japan and reported solid growth across all operations in Japan. We operate a Peninsula Boutique at Hong Kong International Airport and this has recorded strong growth, and has rebounded well after being closed until December 2022 due to the pandemic.

Our strategy in the coming year is to continue progressing with expansion across the Chinese Mainland and Japan with new boutiques and seasonal pop ups. In Hong Kong we will have new pop ups for key seasonal gifting seasons, including one in the luxury department store Lane Crawford during Chinese New Year 2024.

We are preparing to launch new categories of products including “lifestyle” to develop a broader range of luxury gifting. We are expanding the range across core categories such as chocolate, tea and delicacies, in order to introduce our brand in new markets.

Tai Pan Laundry revenue increased significantly compared to the same period last year, driven by improved business from hotels, clubs and gyms and diversified business services.

Projects

The Peninsula London

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The Peninsula New York

The Peninsula New York has started a comprehensive interior design refurbishment in January 2024. This will encompass revamped public spaces, including The Lobby, Reception, and The Palm Court. The *Salon de Ning* rooftop bar will undergo a transformation into “*Pen Top*”. The renovation is expected to be completed later in 2024.

The Peninsula Yangon

The company entered into a shareholders’ agreement with Yoma Strategic Investments Ltd. and First Myanmar Investment Public Company Limited in January 2014 to acquire a 70% majority interest for a proposed hotel development on the site of the former headquarters of the Myanmar Railway Company in central Yangon, Myanmar.

We have agreed with our partners to stop work on The Peninsula Yangon project as of June 2021 and we will continue to evaluate the situation in Myanmar. In the meantime, the joint venture is conducting some façade and roofing works to better weatherproof and maintain the heritage building to better protect the building.

About The Hongkong and Shanghai Hotels, Limited (HSH)

Incorporated in 1866 and listed on the Hong Kong Stock Exchange (00045), The Hongkong and Shanghai Hotels, Limited is the holding company of a Group which is engaged in the ownership, development, and management of prestigious hotels and commercial and residential properties in key locations in Asia, the United States and Europe, as well as the provision of tourism and leisure, club management and other services. The Peninsula Hotels portfolio comprises The Peninsula Hong Kong, The Peninsula Shanghai, The Peninsula Beijing, The Peninsula Tokyo, The Peninsula New York, The Peninsula Chicago, The Peninsula Beverly Hills, The Peninsula London, The Peninsula Paris, The Peninsula Istanbul, The Peninsula Bangkok and The Peninsula Manila. The property portfolio of the Group includes The Repulse Bay Complex, The Peak Tower and St. John’s Building in Hong Kong; The Landmark in Ho Chi Minh City, Vietnam and 21 avenue Kléber in Paris, France. The clubs and services portfolio of the Group includes The Peak Tram in Hong Kong; Quail Lodge & Golf Club in Carmel, California; Peninsula Clubs and Consultancy Services, Peninsula Merchandising, and Tai Pan Laundry in Hong Kong.

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