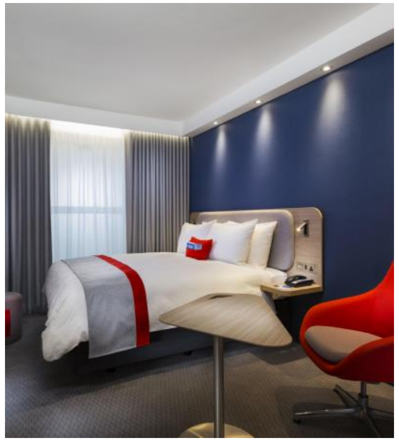
IHG

HOTELS & RESORTS

2022 Full Year Results

21 February 2023

Cautionary note regarding forward-looking statements

This presentation may contain projections and forward looking-statements. The words "believe", "expect", "anticipate", "intend" and "plan" and similar expressions identify forward-looking statements. All statements other than statements of historical facts included in this presentation, including, without limitation, those regarding the Company's financial position, potential business strategy, potential plans and potential objectives, are forward-looking statements. Such forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause the Company's actual results, performance or achievements to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements. Such forward-looking statements are based on numerous assumptions regarding the Company's present and future business strategies and the environment in which the Company will operate in the future. Further, certain forward-looking statements are based upon assumptions of future events which may not prove to be accurate. The forward-looking statements in this document speak only as at the date of this presentation and the Company assumes no obligation to update or provide any additional information in relation to such forward-looking statements.

The merits or suitability of investing in any securities previously issued or issued in future by the Company for any investor's particular situation should be independently determined by such investor. Any such determination should involve, inter alia, an assessment of the legal, tax, accounting, regulatory, financial, credit and other related aspects of the transaction in question.

Keith Barr

Chief Executive Officer

FY 2022

strong trading, profitability and returns; excellent further progress strengthening our enterprise platform

RevPAR & rooms

- FY global RevPAR +37% vs 2021; (3.3)% vs 2019; Q4 global RevPAR +4.1% vs 2019, +9.0% in Americas
- FY ADR +18% vs 2021, +8% vs 2019; Occupancy +9%pts vs 2021, (7)%pts vs 2019
- System 912k rooms (6,164 hotels); +5.6% gross system growth YoY; +4.3% adjusted net YoY (+2.9% excl. Iberostar)
- Opened 269 hotels (49k rooms); signed 467 hotels (80k rooms)

Profit & returns

- $828m operating profit from reportable segments, +55% vs 2021
- $565m adjusted free cash flow ($571m in 2021)
- Net debt:adjusted EBITDA reduced to 2.1x
- Proposed final dividend of 94.5¢, +10% vs 2021; total dividend for the year of 138.4¢
- Further $750m share buyback programme to return additional surplus capital in 2023

Foundations for future growth

- A well-invested business and enterprise platform
- Transforming loyalty – IHG One Rewards; delivering significant improvements across key metrics
- Digital-first approach coupled with continuous innovation and developments to stay ahead – new mobile app, new websites, booking experience improvements
- Delivering on our 2030 Journey to Tomorrow responsible business commitments by caring for our people, communities and planet

Further brand expansion

- Iberostar Beachfront Resorts adds 18th brand and up to 70 resort and all-inclusive hotels in the Caribbean, Americas, Southern Europe and North Africa
- Conversions around a quarter of signings and a third of openings (excluding Iberostar); voco and Vignette Collection accelerating their global rollout
- Luxury & Lifestyle portfolio now 13% of our estate and 20% of pipeline, approaching twice the size of five years earlier
- Pipeline +4% YoY and represents >30% of current system size

FY 2022 Financial Review

Paul Edgecliffe-Johnson

Chief Financial Officer & Group Head of Strategy

Financial performance overview

results from reportable segments[1]

	Reported					Underlying[2]	
	FY 2022	FY 2021		FY 2019		FY 2021	FY 2019
			% change		% change	% change	% change
Revenue[3]	$1,843m	$1,390m	+33%	$2,083m	(12)%	+39%	(9)%
Operating profit	**$828m**	**$534m**	**+55%**	**$865m**	**(4)%**	**+53%**	**(3)%**
Revenue from fee business	$1,449m	$1,153m	+26%	$1,510m	(4)%	+28%	(5)%
Operating profit from fee business	$809m	$570m	+42%	$813m	(0)%	+43%	(1)%
Fee margin[4]	56.2%	49.6%	+6.6%pts	54.1%	+2.1%pts		
Adjusted interest[5]	$(122)m	$(142)m	(14)%	$(133)m	(8)%		
Effective tax rate[6]	(27)%	(31)%	(4)%pts	(24)%	+3%pts		
Adjusted EPS[7]	**282.3¢**	**147.0¢**	**+92%**	**303.3¢**	**(7)%**		
Dividend for the year	138.4¢	85.9¢	+61%	39.9¢	+247%		

1. Reportable segments excludes System Fund results, hotel cost reimbursements and exceptional items.
2. Reportable segment results excluding significant liquidated damages, current and prior year owned asset disposals and stated at FY 2022 constant exchange rates (CER).
3. Comprises the Group's fee business and owned, leased and managed lease hotels.
4. Excludes owned, leased and managed lease hotels, significant liquidated damages and the results of the Group's captive insurance company.
5. Adjusted interest adds back $16m (FY 2021: $3m; FY 2019: $13m) of interest charges relating to the System Fund and excludes exceptional items and foreign exchange gains/losses primarily related to the Group's internal funding structure.
6. The Group's effective tax rate on profit before exceptional items, foreign exchange gains/losses and System Fund results.
7. Calculated using results from Reportable Segments and Adjusted interest, and related tax, and excluding changes in fair value of contingent purchase consideration.

Fee-based business model shows strength as demand recovers

FY 2022 fee revenue:

$1,449m, up +26%[1] and **+28%** underlying[2] (vs 2021)

RevPAR

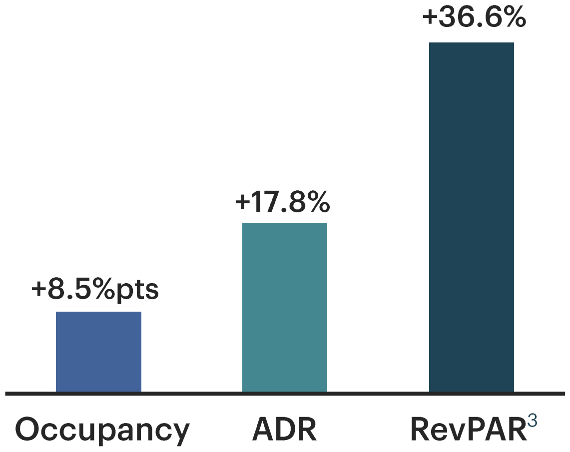
X

Rooms

X

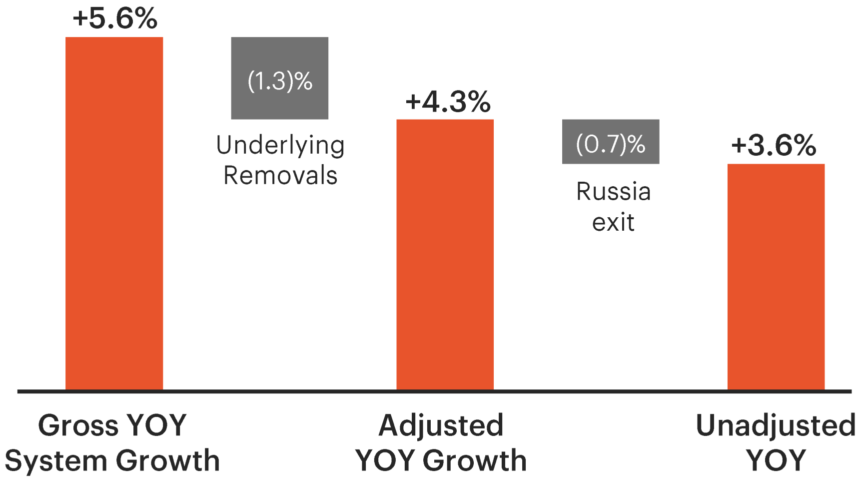
Royalty Rate

FY 2022 Group comparable RevPAR growth (vs 2021)



+38% Total RevPAR growth

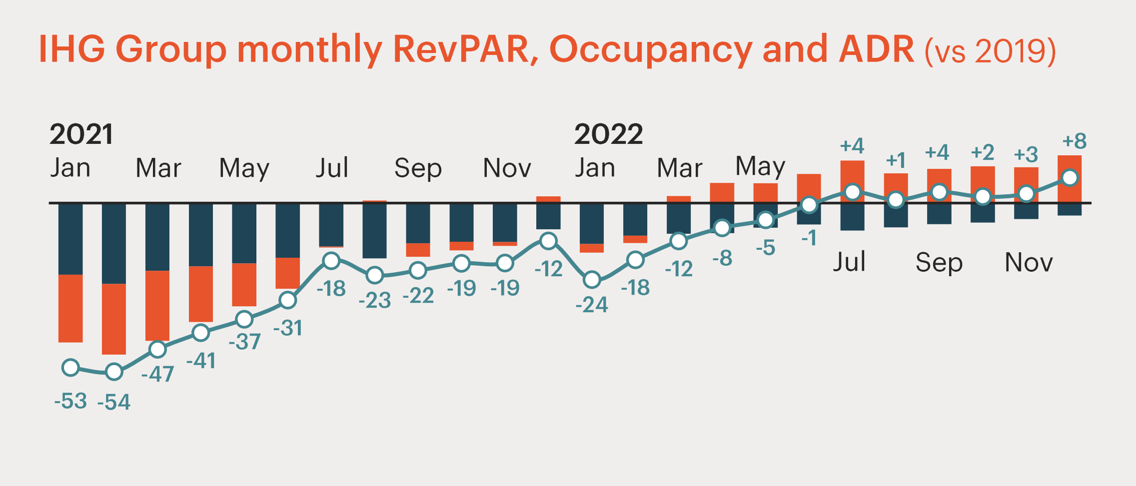
FY 2022 Group system growth (vs 2021)

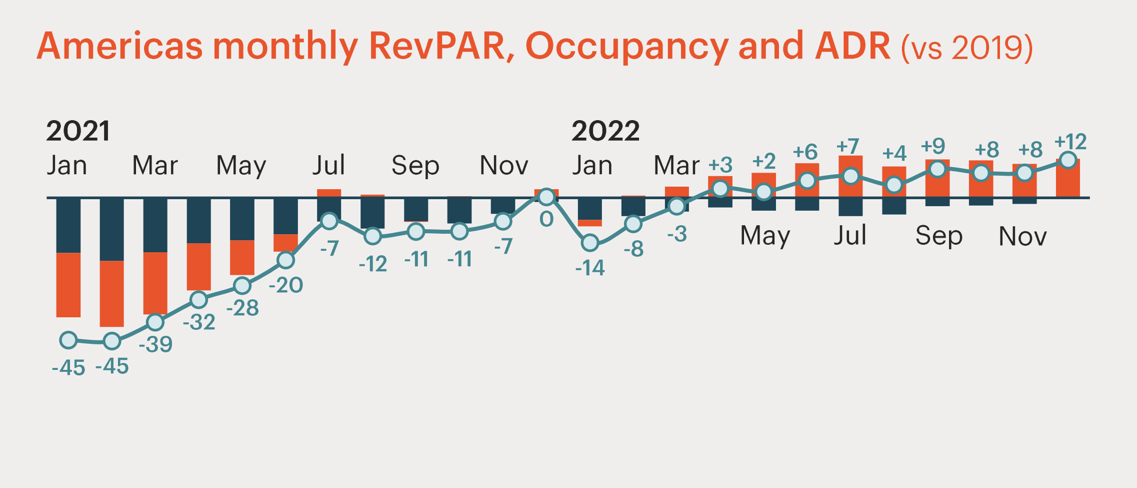


+0.5% growth in **available** rooms[4]

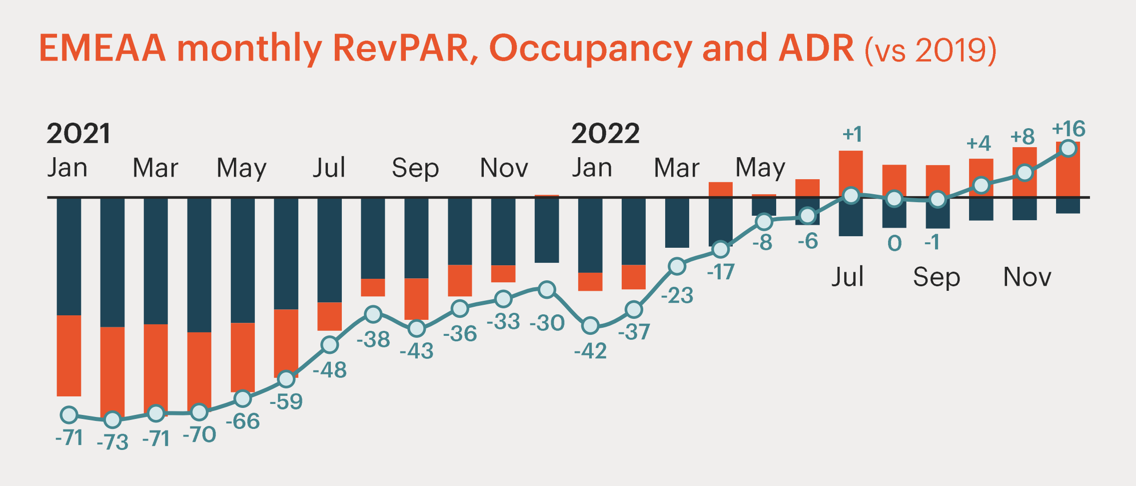
1. Growth stated at actual exchange rates (AER).
2. Underlying fee revenue excludes significant liquidated damages and is stated at FY 2022 CER.
3. RevPAR in comparable estate vs 2021, at CER.
4. Growth in available fee business rooms.

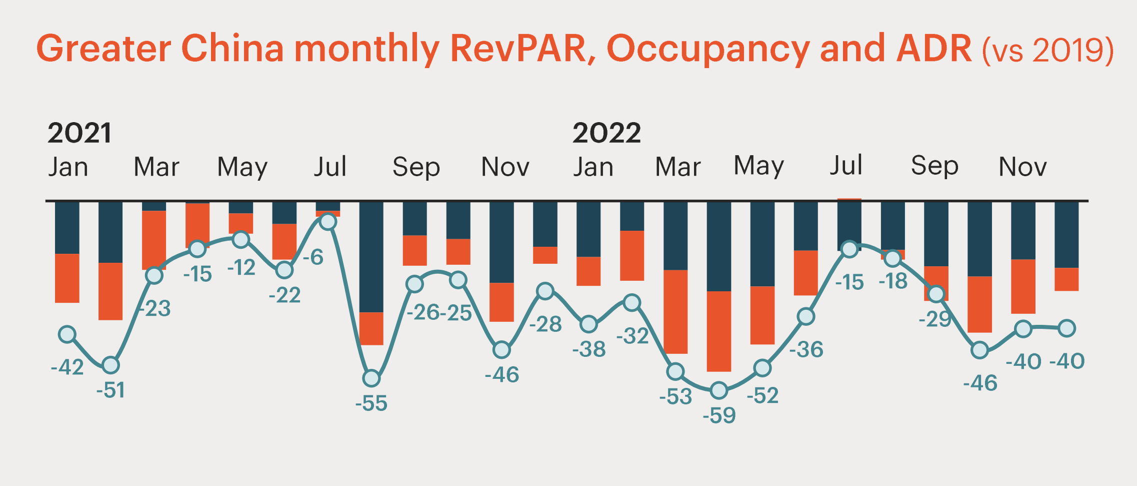
Regional variations in RevPAR; strong and stable ADR recovery





RevPAR (%) Occupancy (% Pts) ADR (%)





IHG HOTELS & RESORTS

Americas

record rates; sequential improvement in RevPAR throughout 2022

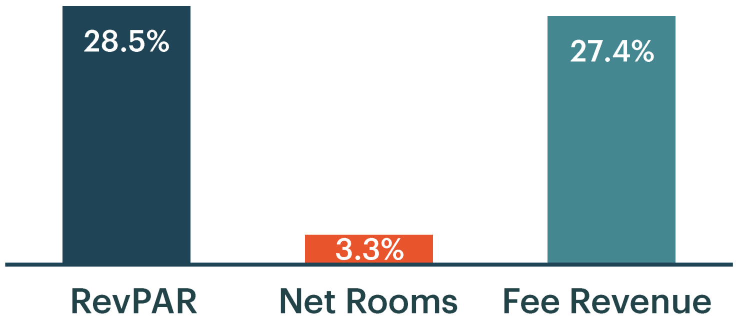
- FY RevPAR up +29% (up +3.3% vs 2019); US up +25% (up +3.5% vs 2019)
- Q4 US RevPAR up +13% (up +7.8% vs 2019)
  - Leisure demand continued to be strongest, with business demand strengthening as the year went on with more corporate bookings and group activity and events returning
  - Across our US franchised estate, which is weighted to upper midscale hotels, Q4 RevPAR increased by +9% vs 2019. The US managed estate, weighted to upscale and luxury hotels in urban locations, increased by +1% vs 2019

- YoY net rooms up +3.3%; gross up +4.1%

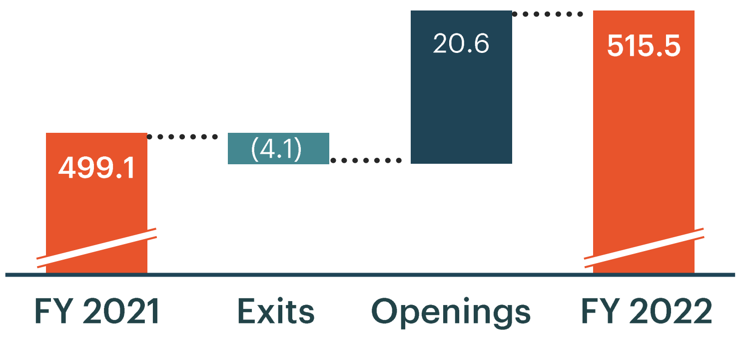
- Underlying fee revenue[1] up +27% to $879m (up +3% vs 2019)
- Underlying fee operating profit[1] up +31% to $741m (up +12% vs 2019):
  - vs 2021: driven by improved trading
  - vs 2019: benefiting also from the prior delivery of sustainable fee business cost savings
- Owned, leased and managed lease profit of $20m compared to a loss of $(9)m in 2021

- Pipeline: 100k rooms; 32.5k signed in year (including 11.4k Iberostar Beachfront Resorts)
- Signings include 60 Holiday Inn Express, 44 Candlewood Suites and 14 avid hotels

FY 2022 growth in fee revenue drivers[1]
(vs 2021)



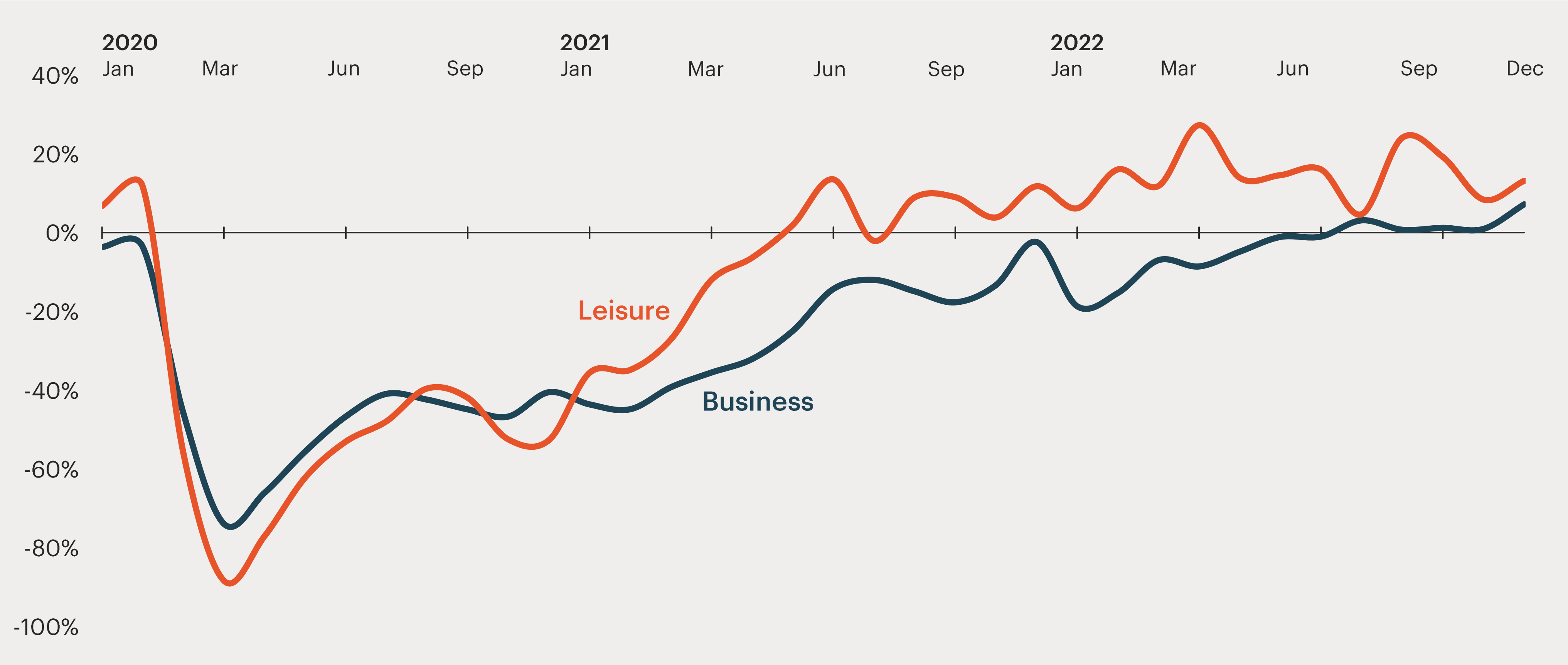
FY 2022 net rooms growth ('000s)
(vs 2021)



1. Underlying fee revenue and underlying fee operating profit exclude significant liquidated damages and is stated at FY 2022 CER.

US Leisure strength of demand has sustained; recovery of Business demand has continued

IHG US estate Business and Leisure revenue (vs 2019)



IHG HOTELS & RESORTS

Europe, Middle East, Asia & Africa
trading has recovered strongly as travel restrictions lifted

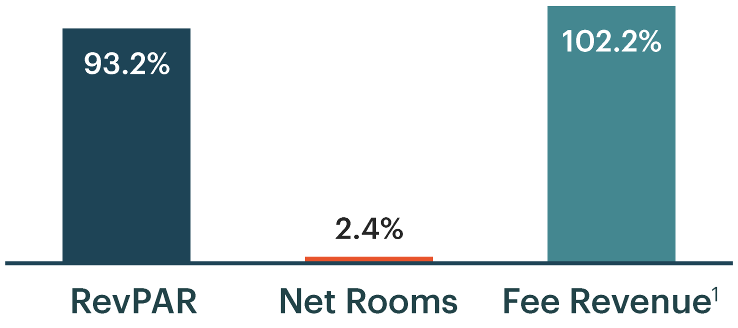
- FY RevPAR up +93% (down (7.5)% vs 2019); Q4 up +65% (up +8.8% vs 2019)
- Variance in performance within the region continued to predominantly reflect the timing of easing of restrictions

- YoY net rooms up +2.4% (up +5.5% on an adjusted basis); gross up +7.2%
- 6.5k rooms exited the system following the ceasing of all operations in Russia

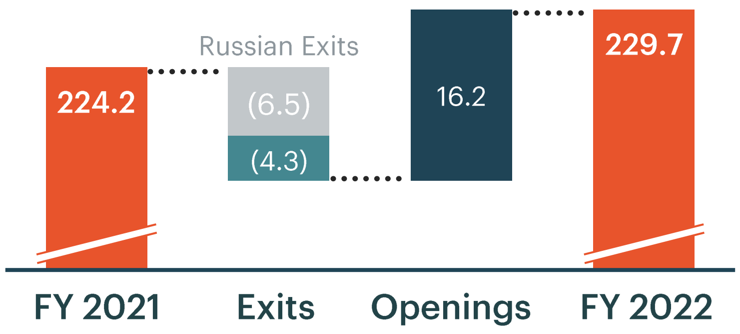
- Underlying fee revenue[1] up +102% to $277m (down (18)% vs 2019)
- Underlying fee operating profit[1] up $119m to $146m (down (26)% vs 2019):
  - vs 2021: driven by improved YoY trading, including +$41m more IMFs
  - vs 2019: impacted by $(20)m lower IMFs
- Owned, leased and managed lease revenue up $114m to $268m; operating loss decreased to just $1m (from $27m loss in 2021)

- Pipeline: 83k rooms; 25.8k signed (including 7.0k Iberostar Beachfront Resorts)
- Signings include 14 InterContinental, 16 voco, 12 Crowne Plaza and 6 Six Senses

FY 2022 growth in fee revenue drivers[1]
(vs 2021)



FY 2022 net rooms growth ('000s)
(vs 2021)



1. Underlying fee revenue and underlying fee operating profit exclude significant liquidated damages and is stated at FY 2022 CER.

Greater China
travel substantially impacted by Covid restrictions

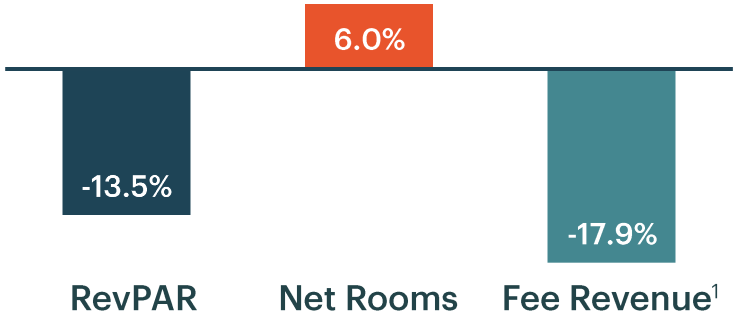
- FY RevPAR down (14)% (down (38)% vs 2019); Q4 down (13)% (down (42)% vs 2019)
  - FY Mainland China down (17)% (down (38)% vs 2019); Q4 down (15)% (down (45)% vs 2019)
  - FY Tier 1 RevPAR down (24)% (down (53)% vs 2019); Q4 down (21)% (down (55)% vs 2019)
  - FY Tiers 2-4 down (15)% (down (30)% vs 2019); Q4 down (13)% (down (38)% vs 2019)

- YoY net rooms up +6.0%; gross up +8.1%

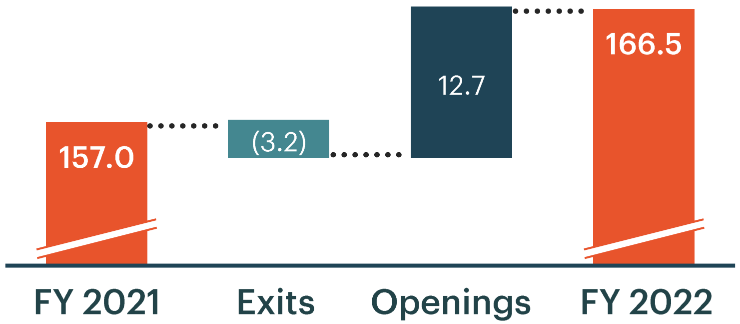
- Underlying fee revenue[1] down (18)% to $87m (down (40)% vs 2019)
- Underlying fee operating profit[1] down $(27)m to $23m (down $(54)m vs 2019):
  - Impacted by Covid restrictions throughout the year, though particularly in Q2 and Q4
  - vs 2021: impacted by $10m lower IMFs
  - vs 2019: impacted by $32m lower IMFs

- Pipeline: 98k rooms; 22k rooms signed
- Signings include 34 Holiday Inn Express, 23 Crowne Plaza and 19 Holiday Inn

FY 2022 growth in fee revenue drivers[1]
(vs 2021)



FY 2022 net rooms growth ('000s)
(vs 2021)

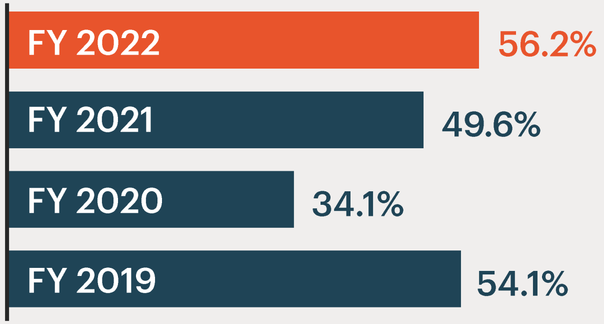


1. Underlying fee revenue and underlying fee operating profit exclude significant liquidated damages and is stated at FY 2022 CER.

IHG HOTELS & RESORTS

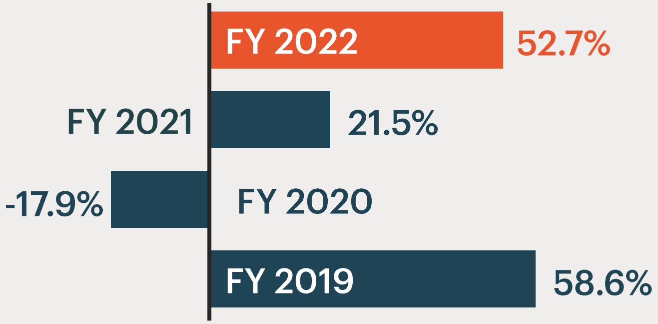
Fee margin[1] 210bps ahead of FY 2019, driven by Americas

Group

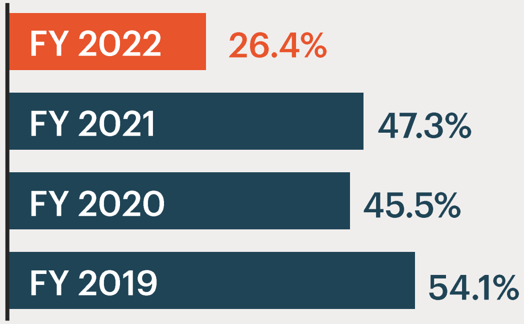


Americas

Europe, Middle East, Asia and Africa



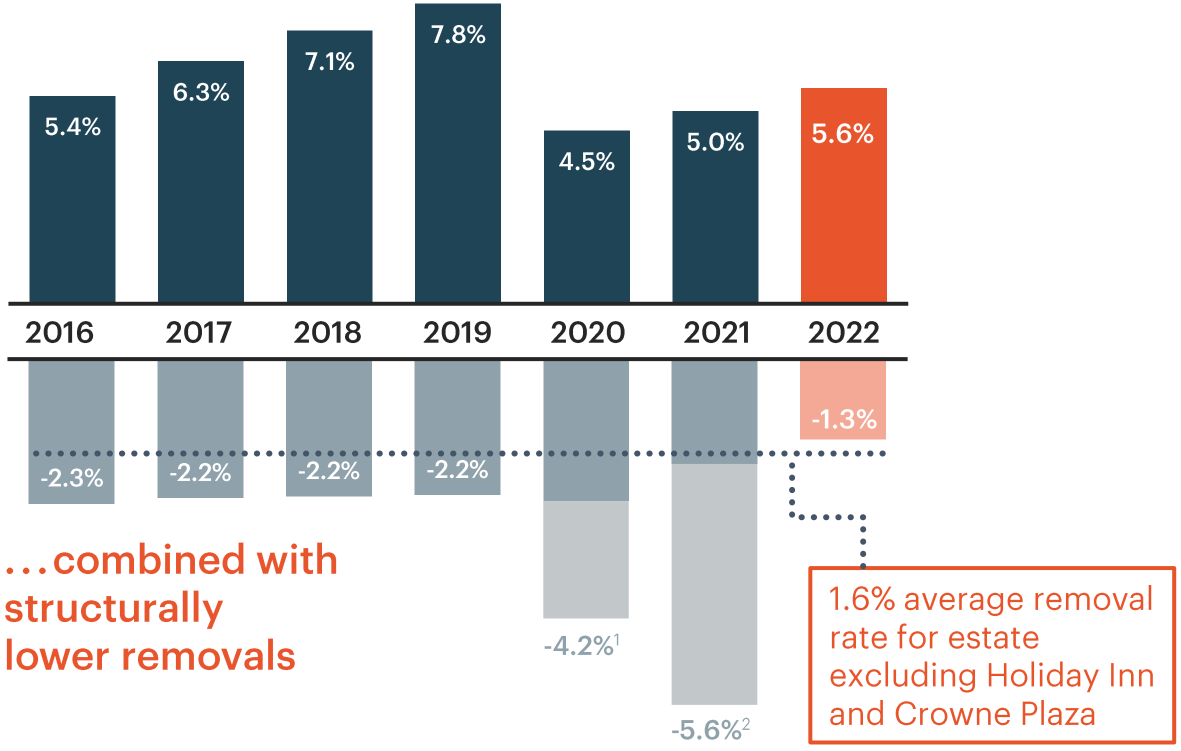
Greater China



1. Fee margin excludes owned, leased and managed lease hotels, significant liquidated damages and, for total IHG, excludes the results of the Group's captive insurance company. It is stated at AER.
2. Americas consists of fee business revenue and operating profit of $879m (FY 2021: $691m; FY 2020: $457m, FY 2019: $853m) and $741m (FY 2021: $568m; FY 2020: $323m; FY 2019: $663m), respectively. Europe, Middle East, Asia and Africa consists of fee business revenue and operating profit of $277m (FY 2021: $149m; FY 2020: $106m; FY 2019: $326m) and $146m (FY 2021: $32m; 2020: $(19)m; 2019: $191m) respectively, which excludes significant liquidated damages of $7m (FY 2021: $nil; FY 2020: $1m; FY 2019 $11m). Greater China consists of fee business revenue and operating profit of $87m (FY 2021: $110m; FY 2020: $77m; FY 2019: $135m) and $23m (FY 2021 $52m; FY 2020: $35m; FY 2019: $73m) respectively, which excludes significant liquidated damages of $nil (FY 2021 $6m; FY 2020: $nil; FY 2019 $nil).

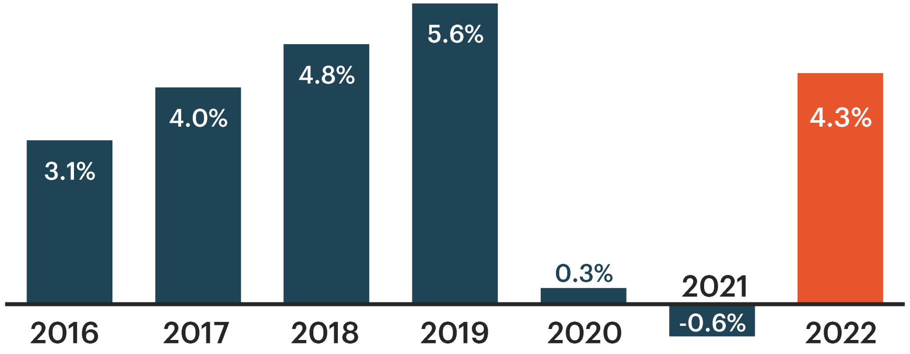
Net system size growth delivered through strength of brands and enterprise platform

Improvement in gross openings …



…combined with structurally lower removals

…resulting in stronger net system size growth



Future growth underpinned by:

- >40% pipeline under construction
- Healthy volume of deal discussions across regions
- Compelling owner offer with a complete brand portfolio across chainscales and global reach
- Strength of enterprise platform accelerating conversion opportunities and Exclusive Partner discussions to add further high-quality fee streams

1. 2.3% excluding 1.9%pt impact from termination of SVC hotels.
2. 1.7% excluding 3.9%pt impact from removal of Holiday Inn and Crowne Plaza hotels across the Group.

Targeted capital expenditure to drive growth

$m	FY 2022	FY 2021
Key money and maintenance capex		
Key money[1]	(64)	(42)
Maintenance capex	(44)	(33)
Total	**(108)**	**(75)**
Recyclable investments		
Gross out	(15)	(5)
Gross in	16	58
Net total	**1**	**53**
System Fund capital investments		
Gross out	(35)	(19)
Gross in[2]	83	91
Net total	**48**	**72**
Total capital investments		
Gross total[3]	(161)	(100)
Net total	**(59)**	**50**

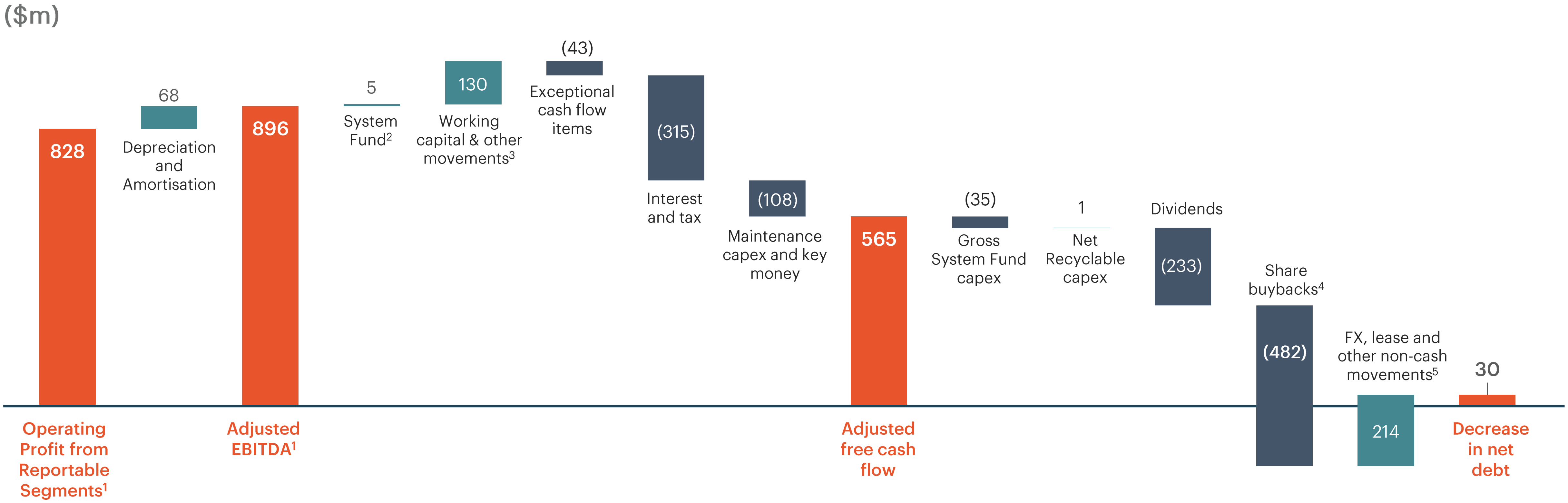
- **Key money:** used to secure hotel signings
- **Maintenance:** relates to owned, leased and managed lease hotels and corporate infrastructure

- Investment behind growth initiatives
- Profile can vary year to year, but expected to be broadly neutral over time

- Invested into projects that benefit our hotel network
- Repaid when depreciation charged to System Fund e.g. GRS

1. Key money presented net of repayments of $3m in FY 2022 (FY 2021: $1m).
2. Consists of depreciation and amortisation of $86m in FY 2022 (FY 2021: $94m), adjusted to exclude depreciation for right of use assets of $3m (FY 2021: $3m).
3. Includes gross key money payments of $67m in FY 2022 (FY 2021: $43m).

Cash flow
FY 2022



1. Before exceptional items and System Fund result.
2. System Fund inflow reflects $(105)m reported result for the year, adding back $86m of depreciation and amortisation and $24m of other non-cash adjustments to System Fund result; working capital movements related to the System Fund, including movements in deferred revenue, are included within the Group's overall working capital & other movements.
3. Includes $101m of working capital and other adjustments, $61m of other non-cash adjustments to operating profit/loss, $5m of impairment loss on financial assets, less $(36)m of principal element of lease payments, together with $(1)m purchase of own shares by employee trusts.
4. Includes $(2)m of transaction costs relating to share buybacks.
5. Includes $230m of net favourable exchange movements, $(48)m movement in lease liabilities, $36m principal element of lease repayments and $(1)m increase in accrued interest, together with $(3)m of other non-cash movements.

Having returned $14.3bn to shareholders since 2003, our strategy for uses of cash remains unchanged

Invest in the business
to drive growth

Sustainably grow
the ordinary dividend

Return surplus funds
to shareholders

Objective of maintaining an investment grade credit rating
2.5x – 3.0x Net Debt: Adjusted EBITDA under normalised conditions

Adjusted FY22 EBITDA $896m | 31 December 2022 Net Debt $1,851m | Leverage ratio reduced to 2.1x

$750m buyback increases leverage by 0.8x on a pro forma basis

Update on our industry and IHG's positioning

Keith Barr

Chief Executive Officer

Current industry forces

Tailwinds

- Further recovery in international, corporate and group travel
- China re-opening: domestic, inbound, and outbound travel
- Trends in working practices: hybrid working, bleisure travel, digital nomads
- Full employment; household incomes and savings remain healthy
- Lower oil & gas prices, easing supply chain challenges, fading inflation
- Supply & demand dynamics support RevPAR growth

Headwinds

- Reduced air travel capacity and high pricing
- Macro-economic uncertainties
- Availability and cost of financing impacting new hotel development
- Availability and cost of labour impacting both development and operations

Attractive long-term industry growth drivers

- **Demand resiliency** is well proven
  - Industry revenue CAGR of +3.3% from 2000 to 2022
  - Outpaced global economic growth in 18 of last 23 years
- Further **new hotel supply supported** by both **healthy asset returns** and **long-term structural growth drivers**
  - Global net new supply growth CAGR of +2.0% over last decade
- **Leading global hotels brands** expected to continue their long-term trend of **taking market share**
  - Leading 3 have increased combined share of global rooms inventory from ~15% to ~17% over last 5 years
- Improvements in industry demand **volume and pricing expected to be sustained**
  - STR forecast US industry RevPAR +12% ahead of 2019 levels in 2023, +25% ahead by 2025
  - Occupancy over 96% of 2019 levels by 2023, fully recovered by 2025
  - ADR flat in real terms by 2025, with RevPAR growth driven by nominal ADR

Strongly positioned to drive growth and shareholder value

Asset Light, fee-based, mainly franchised	Geographic and chain scale diversification	Well-invested portfolio and enterprise platform	Robust pipeline delivering multi-year growth
~70% franchised, ~30% managed, <1% owned/leased ~80% of revenue from fee business linked to hotel revenues	100+ countries Exposure to resilient and high growth segments	18 market leading brands 6,000+ hotels 900,000+ rooms	>30% of system size 1,800+ hotels 280,000+ rooms
Long-term structural growth in both demand and supply	**Efficient cost base, increasing margins, growing earnings**	**Strong cash generation and capital allocation**	**High barriers to entry**
IHG's average annual growth over the decade to 2019: +3.9% RevPAR +3.2% Net System Size	IHG 2010-2019: ~130bps avg. annual fee margin improvement +11.4% CAGR in Adjusted EPS	>$14bn returned to shareholders since 2003: $2.6bn ordinary dividends $11.7bn additional returns	Decades of brand heritage >$1bn+ System Fund 115m+ loyalty members Leading tech, procurement, sales

Investing for performance, growth and competitive advantage
enabling us to deliver on our strategic priorities

System Fund

- Leveraging scale efficiencies across:
  - **~$1bn+** of Opex annually
  - **~$0.3bn** of Capex investment over the past 5 years
- Key projects include:
  - industry-leading **Global Reservations System**
  - transformed loyalty programme – **IHG One Rewards**
  - new mobile **app**
  - revamped **web** presence
  - **largest global media campaign** in a decade

IHG

- Key Money and Maintenance Capex of **~$150m** p.a. that further strengthens the enterprise platform
- Highly efficient fee business overhead base of **~$0.6bn** p.a. which enables further Opex investment
- Key projects include:
  - launching and refreshing **brands**
  - modernising **our technology infrastructure**
  - advanced **data analytics capabilities**

These investments have laid excellent foundations for future growth and enabled us to:

- ✓ drive owner performance and returns
- ✓ deepen the relationship with our customers
- ✓ innovate our technology and distribution platforms

Update on Strategic Priorities

Keith Barr

Chief Executive Officer

CUSTOMERS

Being customer centric in all we do

IHG Hotels & Resorts Masterbrand

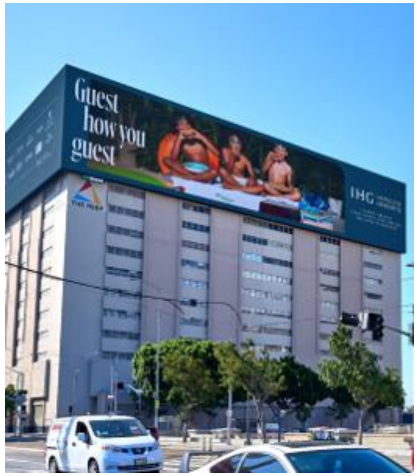
strengthening the bond between our masterbrand and our individual hotel brands

IHG®
HOTELS & RESORTS

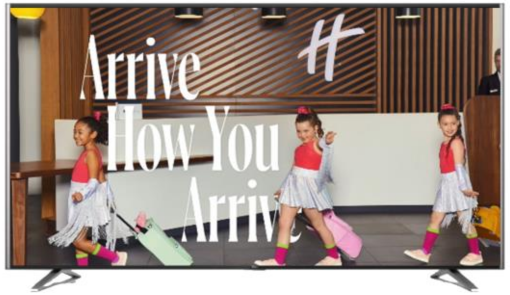
Driving uplifts in perception and engagement

+6 pts
Aided Awareness

+7 pts
Brand Favourability



Guest how you guest



MLS Partnership

Lollapalooza

IHG One Rewards

our biggest transformation and investment; delivering significant improvements across key metrics

IHG ONE REWARDS

Faster Earn
More bonus points across tiers
+ more valuable points

Exceptional Choice
Unique options to personalise
that put the member in control

Richer Benefits
New, customer-preferred
benefits that members value

The scale and importance of loyalty:

115m+
members
and growing

~50%
of room nights
booked by members

9x
more likely
to book direct

Points
+25%
more valuable with
Dynamic Pricing

20%
more spend
than non-members

Highlights in 2022:

+11% points redeemed
vs 2019

+16% reward nights booked
vs 2019

+27% enrolments
YoY

+12 million loyalty members added
YoY

>1 million Milestone Rewards
selected since launch of new Rewards Wallet

Best Hotel Rewards Program in the World
Global Traveler
'21-22

Best Hotel Loyalty Investment
The Points Guy
Awards '22

Most Inspiring Loyalty Program
GO TRAVEL
Awards '22

"This next evolution of the loyalty program, makes **IHG One Rewards competitive in areas that really matter** to the guest…
The **timing could not be better** for our recovery"

– IHG Owner

Lowering costs and driving efficiencies for our owners

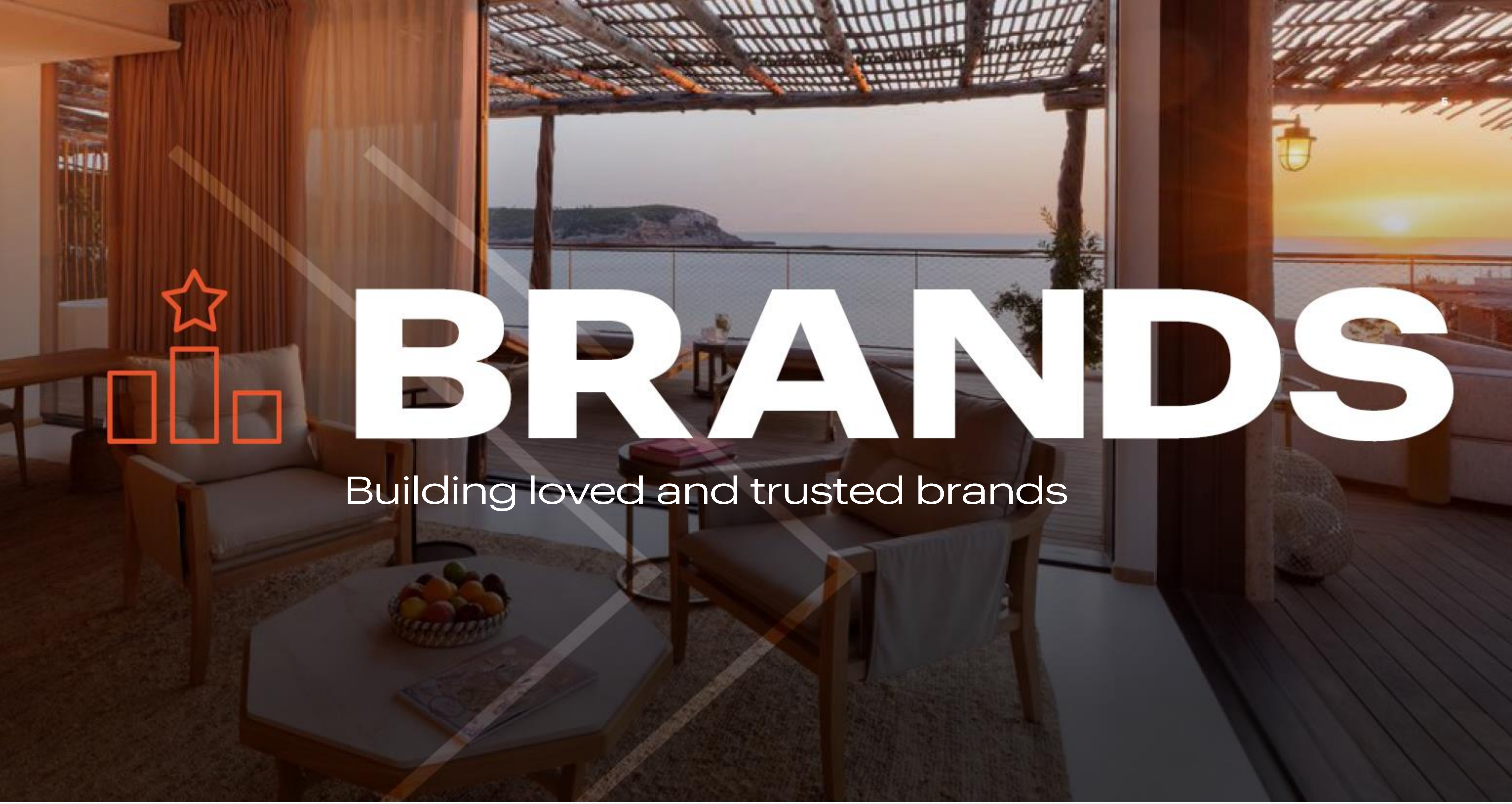
supporting performance and returns

Cost to build & renovate

- Deployed **value engineering** to **mitigate the impact of inflation by 10-20%** across furniture, fixtures and equipment **(FF&E)** categories
- **Lowered build costs by 3-5% per key** for prototypes through architectural improvements and FF&E updates for **Atwell Suites, Staybridge Suites, and Candlewood Suites**
- More countries piloting our **procurement service to help lower construction costs**
- **Supply chain financing** programme in Greater China connecting owners to specialist financiers

Cost to operate

- Relaunched **lighter touch Daily Room Refresh** housekeeping to streamline operations and lower costs, while driving up guest satisfaction
- 20% more US hotels joined **F&B purchasing programme**; now covering **~4,100 properties** in Americas region; savings of **up to 15%** generated for owners
- **Mitigating energy cost increases** and **shifting to cleaner fuels:** more energy-efficient formats; community solar; green energy tariffs; owner groups benefitting from scale access to low carbon projects and lower-cost energy
- **Reduced operating cost of Staybridge Suites Social Hour by 35%** through shortened service hours and optimised F&B offering, while improving guest satisfaction



BRANDS

Building loved and trusted brands

18 hotel brands | 6,000+ destinations | One loyalty programme

IHG HOTELS & RESORTS

IHG ONE REWARDS

LUXURY & LIFESTYLE

SIX SENSES | REGENT | INTERCONTINENTAL HOTELS & RESORTS | VIGNETTE COLLECTION | KIMPTON HOTELS & RESTAURANTS | HOTEL INDIGO

PREMIUM

VOCO | HUALUXE 華邑酒店及度假村 | CROWNE PLAZA | EVEN

ESSENTIALS

Holiday Inn Express | Holiday Inn | avid

SUITES

ATWELL SUITES | STAYBRIDGE SUITES | Holiday Inn Club Vacations | CANDLEWOOD SUITES

EXCLUSIVE PARTNERS

IBEROSTAR BEACHFRONT RESORTS

LEGEND:

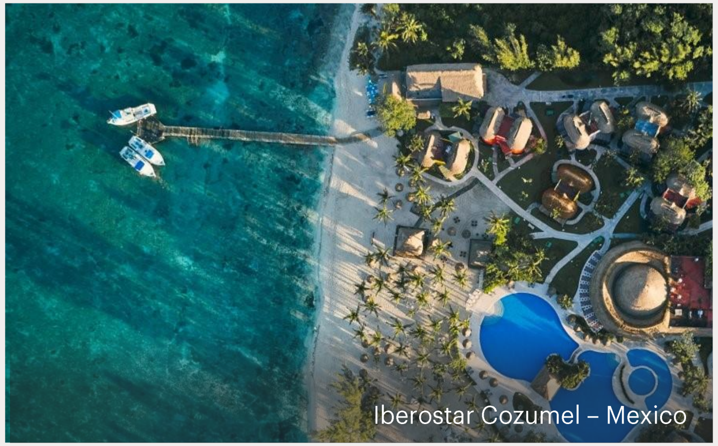
New Brand

Iberostar Beachfront Resorts

long term-commercial agreement for up to 70 hotels (24.3k rooms)

IBEROSTAR
BEACHFRONT RESORTS

Adding **Exclusive Partners** demonstrates **strength of IHG Enterprise Platform** and desire for strategic partners to join the IHG system



Iberostar Cozumel – Mexico

48 hotels (18.5k rooms) signed into pipeline (43 open + 5 new build opportunities); **33 hotels (12.4k rooms)** already added to IHG's system in 2022; **remaining 27 open hotels** require third-party approvals

Iberostar Montego Bay – Jamaica

$40m+ Annual fee revenue by 2027 from current portfolio, plus broadly similar amount into System Fund; **fees per key more than 10% higher** than IHG's average; further **pipeline and fee growth expected**

Iberostar Grand Paraiso – Mexico

Our **18th brand** substantially **grows our resort and all-inclusive presence**

IHG now has around **300 resorts** across our

Iberostar Beachfront Resorts, Six Senses, Regent, InterContinental, Kimpton, Hotel Indigo, Crowne Plaza, voco, and **Holiday Inn brands** in highly sought after destinations

Luxury & Lifestyle

an industry-leading collection; now 13% of our system and 20% of our pipeline

Six Senses

In 4 years
since acquisition, hotel system growth of approx. 20% and **pipeline more than doubled**

Six Senses Shaharut – Israel

System Size: **1,366 rooms** (19 hotels)
Pipeline: **2,631 rooms** (38 hotels)
Pipeline as % of System Size: **193%**

Regent

In 5 years
since acquisition, hotel system growth of 50% and **pipeline more than tripled**

Regent Cannes – France

System Size: **3,028 rooms** (9 hotels)
Pipeline: **2,310 rooms** (10 hotels)
Pipeline as % of System Size: **76%**

InterContinental

World's **largest luxury hotel brand** with more than **200 open** hotels and a further **90** in the **pipeline**

InterContinental Ras al Khaimah – UAE

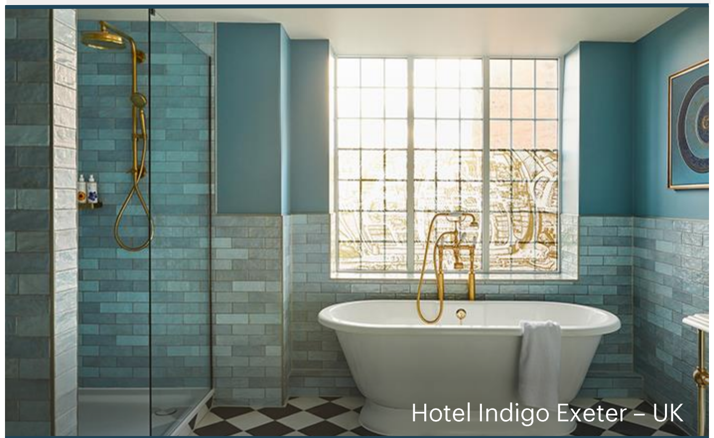
System Size: **69,806 rooms** (207 hotels)
Pipeline: **22,581 rooms** (90 hotels)
Pipeline as % of System Size: **32%**

Luxury & Lifestyle

an industry-leading collection; now 13% of our system and 20% of our pipeline

Hotel Indigo

System size accelerating to **200 hotels** in **next 3 years,** doubling in half the time it took to open the first 100



Hotel Indigo Exeter – UK

System Size: **18,454 rooms** (143 hotels)
Pipeline: **19,851 rooms** (119 hotels)
Pipeline as % of System Size: **108%**

Kimpton

The boutique luxury lifestyle brand continues its **global expansion;** expected to be in **20 countries** by 2025

Kimpton Aysla Mallorca – Spain

System Size: **13,308 rooms** (76 hotels)
Pipeline: **8,443 rooms** (41 hotels)
Pipeline as % of System Size: **63%**

Vignette Collection

First three hotels now open, 14 in the pipeline, and sizeable market opportunity

Vignette Collection Sindhorn Midtown Bangkok – Thailand

System Size: **579 rooms** (3 hotels)
Pipeline: **1,768 rooms** (14 hotels)
Pipeline as % of System Size: **305%**

Premium
uniquely tailored to target upscale customer segments

EVEN

The premium wellness-focused brand now has over **50 open and pipeline properties**


EVEN Hotel Chengdu Jinniu – China

System Size: **3,180 rooms** (22 hotels)
Pipeline: **5,279 rooms** (31 hotels)
Pipeline as % of System Size: **166%**

HUALUXE

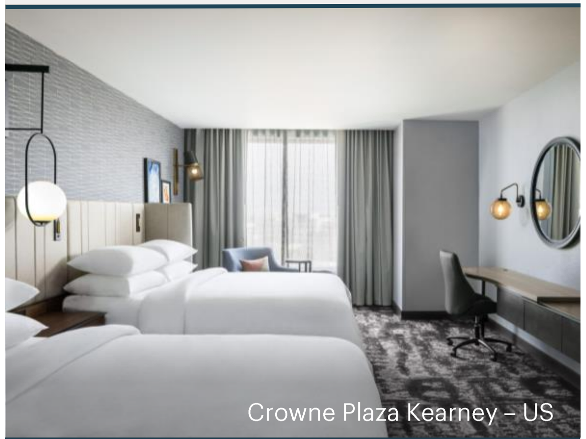
Our premium brand, designed with the Chinese guest in mind, reaches **milestone of >20 open hotels**


HUALUXE Kunshan Huaqiao – China

System Size: **5,983 rooms** (21 hotels)
Pipeline: **5,350 rooms** (21 hotels)
Pipeline as % of System Size: **89%**

Crowne Plaza

Our refreshed premium brand; three-quarters of the Americas estate will have been updated by 2025


Crowne Plaza Kearney – US

System Size: **110,419 rooms** (403 hotels)
Pipeline: **28,950 rooms** (111 hotels)
Pipeline as % of System Size: **26%**

voco

Our **conversion-focused premium brand** has opened **>10,000 rooms in** <5 years since launch


voco Auckland City Centre – New Zealand

System Size: **10,424 rooms** (45 hotels)
Pipeline: **12,358 rooms** (53 hotels)
Pipeline as % of System Size: **119%**

Essentials
driving growth at scale

Holiday Inn Express

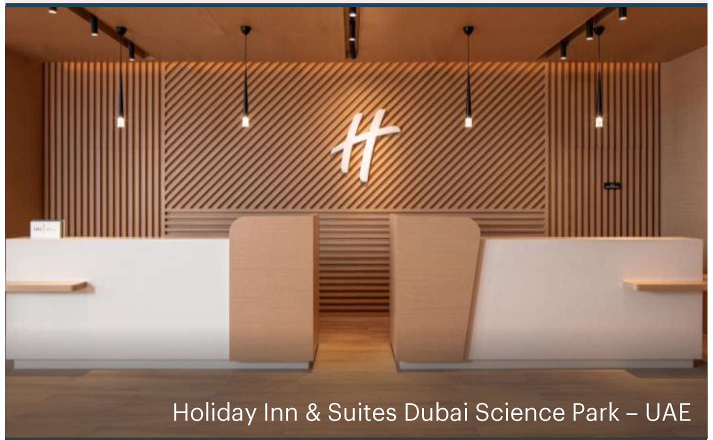
The world's largest hotel brand, continuing its category leadership and strong growth

Holiday Inn Express Cambridge West - Cambourne – UK

System Size: **326,902k rooms** (3,091 hotels)
Pipeline: **76,735k rooms** (617 hotels)
Pipeline as % of System Size: **23%**

Holiday Inn

Refreshed estate with a further evolved **design and format,** and a new **premium breakfast offering**

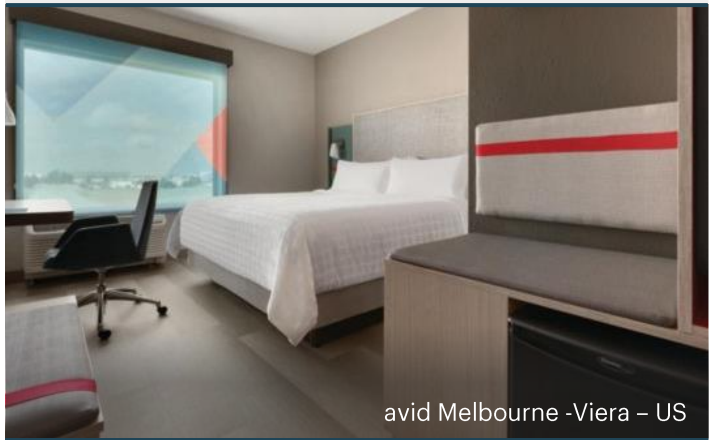


Holiday Inn & Suites Dubai Science Park – UAE

System Size: **224,381 rooms** (1,226 hotels)
Pipeline: **44,242 rooms** (230 hotels)
Pipeline as % of System Size: **20%**

avid

>200 open and **pipeline** properties; strong guest satisfaction and owner returns



avid Melbourne -Viera – US

System Size: **5,353k rooms** (59 hotels)
Pipeline: **12,385k rooms** (145 hotels)
Pipeline as % of System Size: **231%**

avid

a brand of scale; an engine of future growth

Launched in **September 2017**

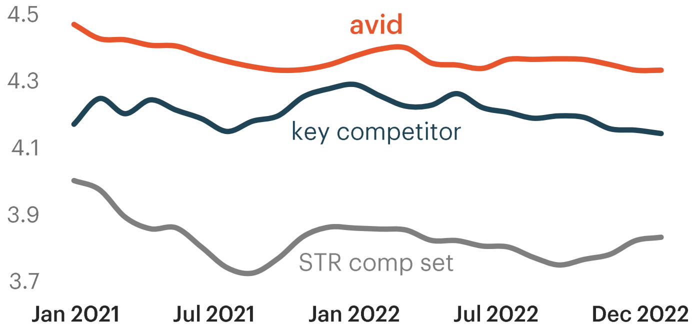
Today, present in

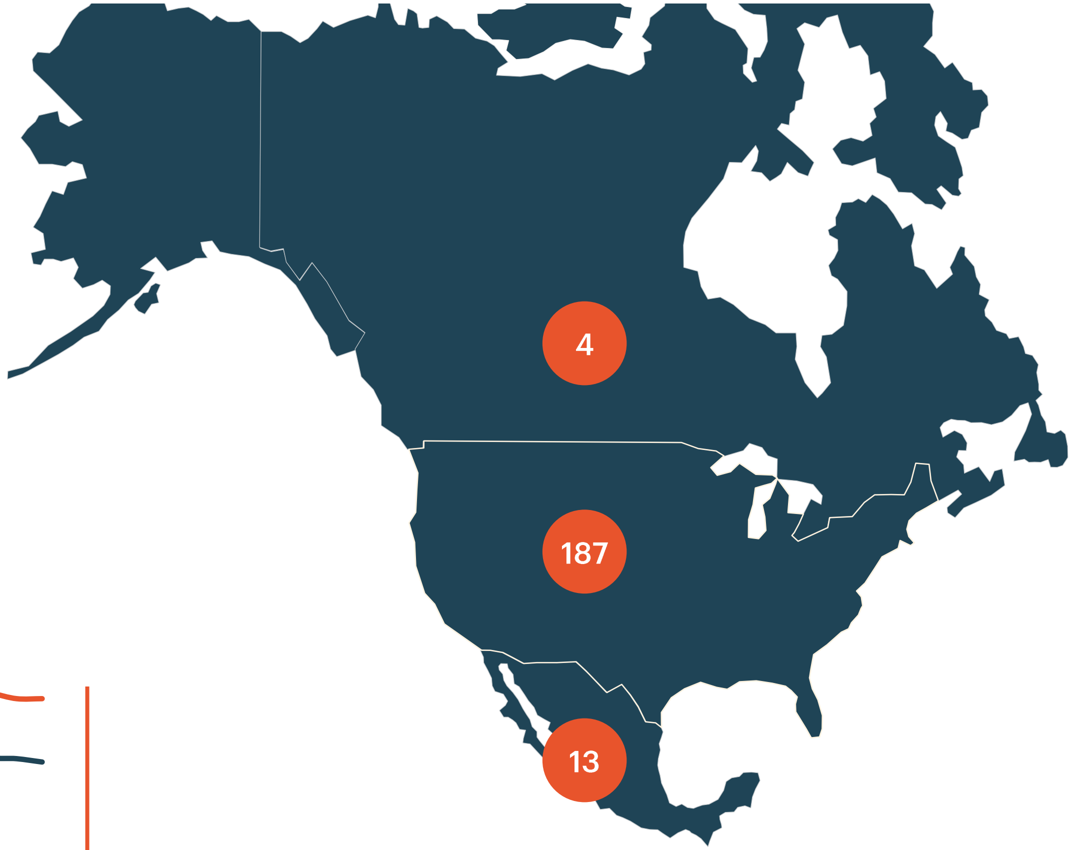
24 US states

and will be in

34 by 2025

2021-2022 social review scores





Total open and pipeline hotels

Americas rooms

5,353 open

12,385 pipeline

Americas hotels

59 open / **145** pipeline

US
55 / 132

Canada
1 / 3

Mexico
3 / 10

IHG HOTELS & RESORTS

Suites

an expanding portfolio across chainscales, in a segment with notable growth potential

Candlewood Suites

Our Americas-focused midscale extended stay brand with over **365 open hotels**


Candlewood Suites Nashville South – US

System Size: **32,753 rooms** (368 hotels)
Pipeline: **10,268 rooms** (124 hotels)
Pipeline as % of System Size: **31%**

Staybridge Suites

Our premium extended stay brand with a **growing global footprint**


Staybridge Suites Al Khobar City – KSA

System Size: **33,961 rooms** (314 hotels)
Pipeline: **17,995 rooms** (162 hotels)
Pipeline as % of System Size: **53%**

Atwell Suites

Our **newest extended stay brand** with significant interest and an **accelerating pipeline**

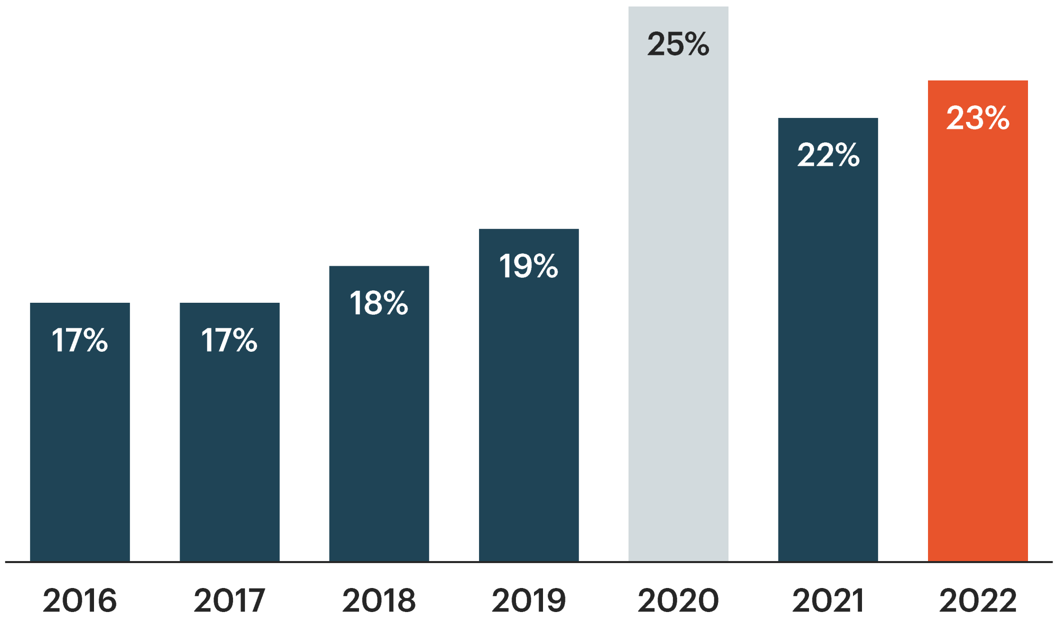

Atwell Suites Miami Brickell – US

System Size: **186 rooms** (2 hotels)
Pipeline: **3,001 rooms** (30 hotels)
Pipeline as % of System Size: **16x**

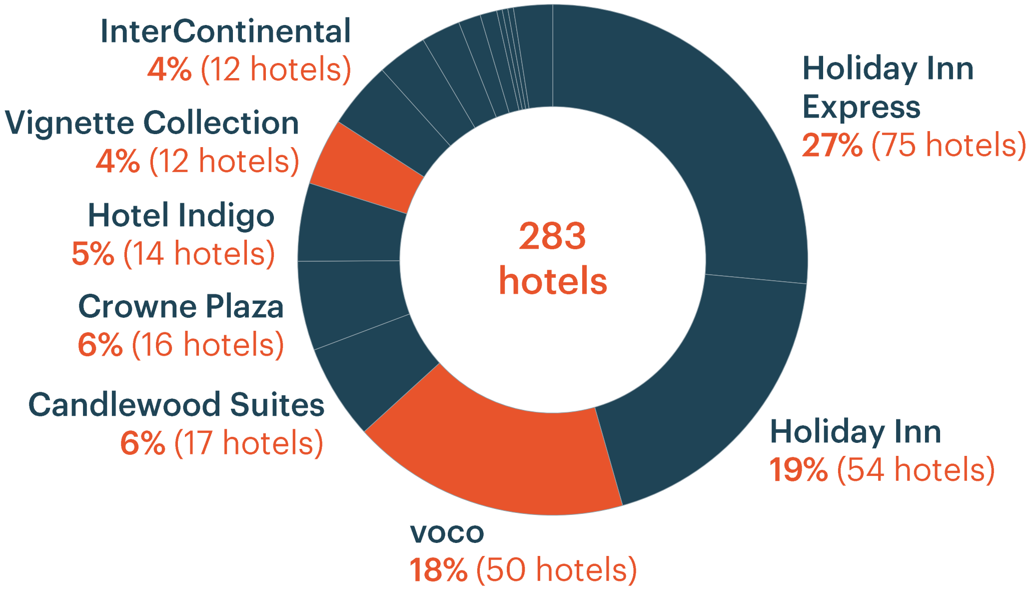
Conversions

growing in importance and future opportunity

2016-2022 share of conversion signings across all IHG brands (excluding Iberostar)



2020-2022 conversion signings by brand



Notes: hotels added through acquisitions of Regent in 2018 and Six Senses in 2019 are excluded from the share of signings analysis; conversions include the rebranding of non-IHG hotels and adaptive-reuse properties.

DIGITAL

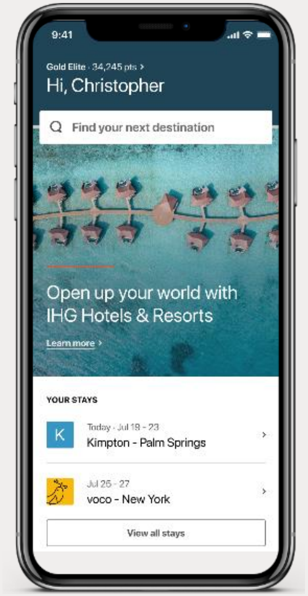
Creating digital advantage

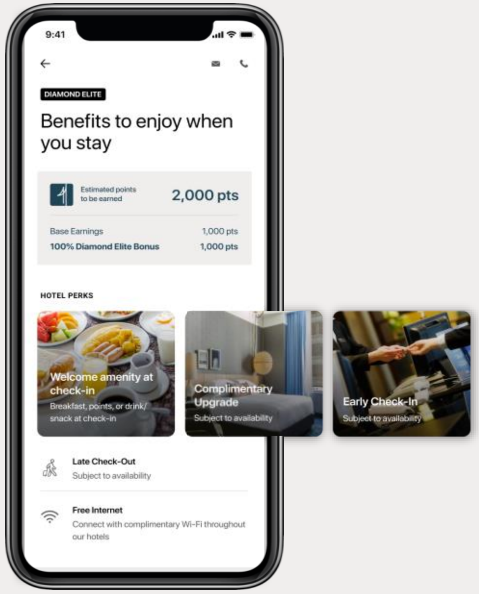
Innovating our technology and distribution platforms

ongoing, agile and rapid development

Mobile accounts for **58%** of all digital bookings

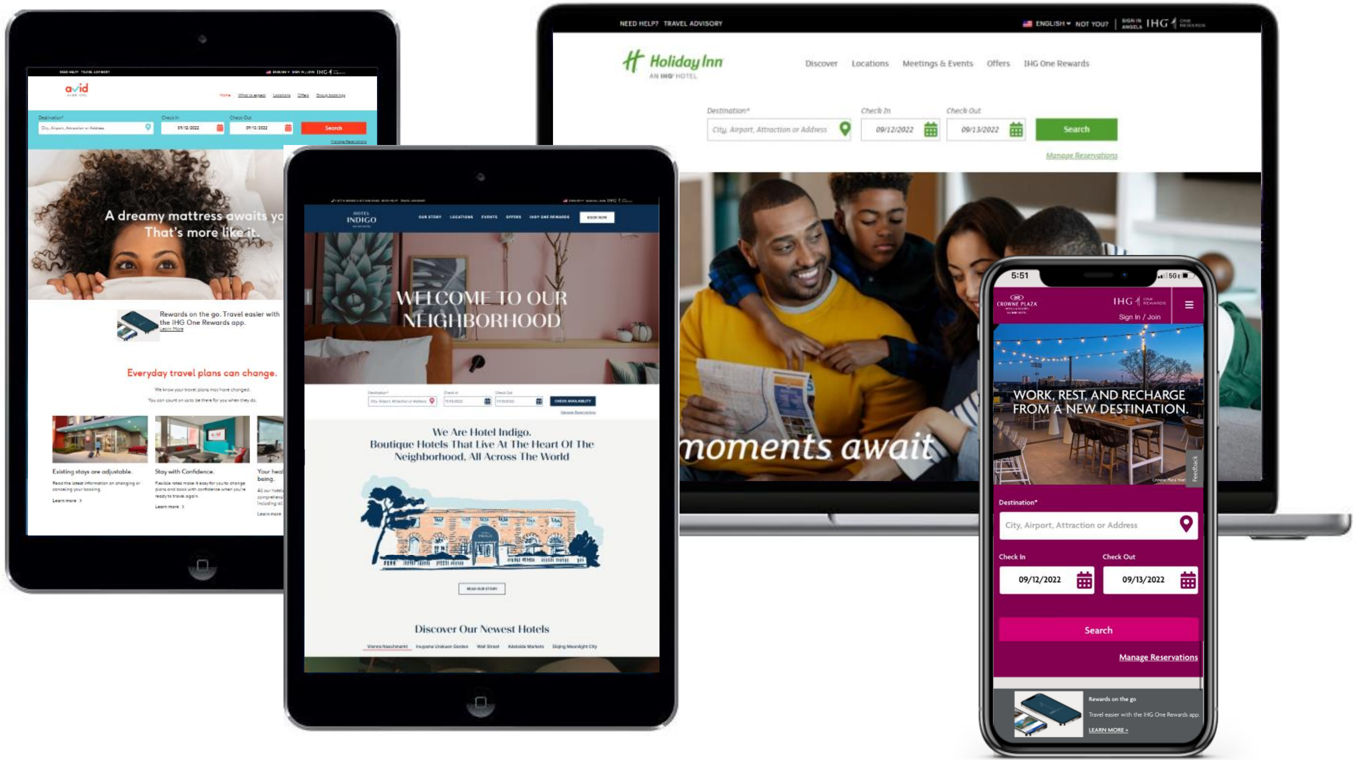
Mobile app revenue[1] **+30%** vs 2019





New IHG.com & brand.com websites

Ongoing improvements to a revamped digital customer experience



[1] in Americas and EMEAA regions.

CARE

Caring for our people, communities and planet

BEING A RESPONSIBLE BUSINESS

Our actions as a responsible business are shaped by a culture of strong governance, clear policies and a series of ambitious commitments set out in our Journey to Tomorrow 2030 responsible business plan.

Our 2030 Journey to Tomorrow plan

JOURNEY TO TOMORROW

Key to delivering our strategic priority to care for our people, communities and planet is our Journey to Tomorrow plan.

Our people
Champion a diverse culture where everyone can thrive

Communities
Improve the lives of 30 million people in our communities around the world

Carbon & energy
Reduce our energy use and carbon emissions in line with climate science

Waste
Pioneer the transformation to a minimal waste hospitality industry

Water
Conserve water and help secure water access in those areas at greatest risk

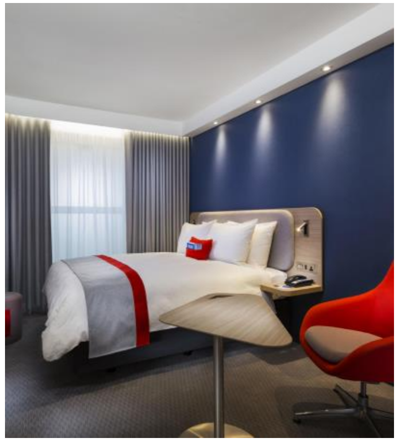
Conclusions

a well-invested, high-performing business

- **RevPAR growth has returned strongly**
  - In Americas and EMEAA, Q4 RevPAR +9% vs pre-pandemic levels; Greater China set to significantly improve in 2023
  - Demand recovery initially led by leisure, with business and groups following well
  - Pricing power clearly demonstrated and expected to be sustained
- **Adjusted net system growth of +4.3%; pipeline growth of +3.9%**
  - Attraction of joining IHG's enterprise platform further demonstrated with Exclusive Partners
- **$828m operating profit from reportable segments, +55% vs 2021**
  - Fee margin sustainably higher than 2019; business model supports further margin accretion
- **Strength of cash generation funding growth investment, ordinary dividends and additional returns to shareholders**
  - Major strategic initiatives delivered; well-invested technology infrastructure
  - +10% growth in final dividend, totalling ~$250m; further buyback of $750m in 2023

IHG is a stronger and more resilient company today, made possible by the investments we have made in our enterprise platform and the execution of our strategic priorities

IHG
HOTELS & RESORTS

Appendices

IHG
HOTELS & RESORTS

A global hospitality leader with 6,000+ open hotels and a further 1,800+ in the pipeline; driven by clear purpose, ambition, strategy and priorities

Our Purpose

True Hospitality for Good.

Our Ambition

To deliver industry-leading growth in our scale, enterprise platform and performance, doing so sustainably for all stakeholders including our hotel owners, guests and society as a whole.

Our Strategy

Use our scale and expertise to create the exceptional guest experiences and owner returns needed to grow our brands in the industry's most valuable markets and segments. Delivered through a culture that retains and attracts the best people and embraces opportunities to positively impact the world around us.

Our Priorities

- Build loved and trusted BRANDS
- CUSTOMER centric in all we do
- Create DIGITAL advantage
- CARE for our people, communities and planet

Strong portfolio of preferred brands across chain scales

having added seven brands to our portfolio since 2017

	LUXURY & LIFESTYLE	PREMIUM	ESSENTIALS	SUITES	EXCLUSIVE PARTNERS
SYSTEM	13%	15%	62%	9%	1%
PIPELINE	20%	18%	49%	11%	2%

LUXURY & LIFESTYLE: SIX SENSES, REGENT, INTERCONTINENTAL HOTELS & RESORTS, KIMPTON HOTELS & RESTAURANTS, VIGNETTE COLLECTION, HOTEL INDIGO

PREMIUM: voco, HUALUXE HOTELS AND RESORTS 華邑酒店及度假村, CROWNE PLAZA HOTELS & RESORTS, EVEN

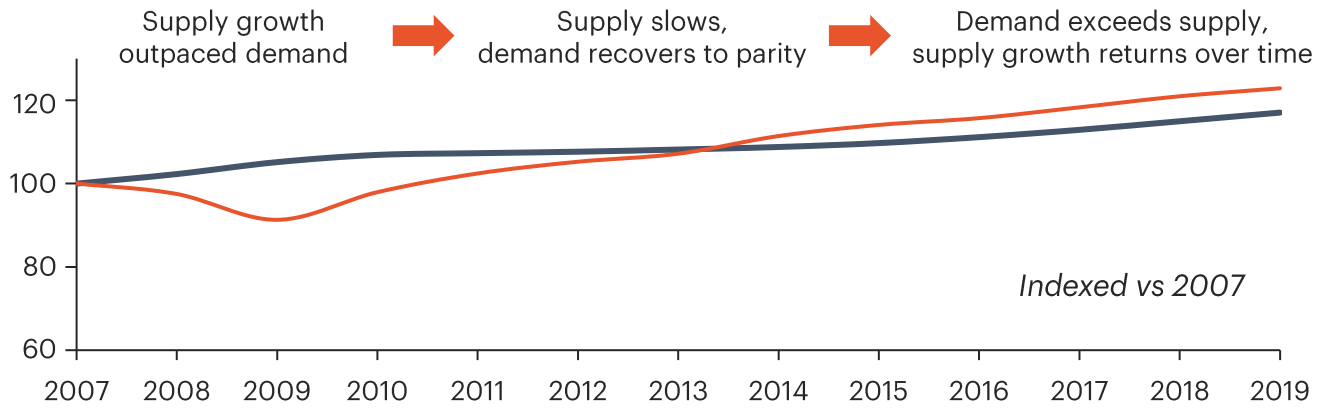
ESSENTIALS: Holiday Inn Express, Holiday Inn, avid

SUITES: ATWELL SUITES, STAYBRIDGE SUITES, Holiday Inn Club Vacations, CANDLEWOOD SUITES

EXCLUSIVE PARTNERS: IBEROSTAR BEACHFRONT RESORTS

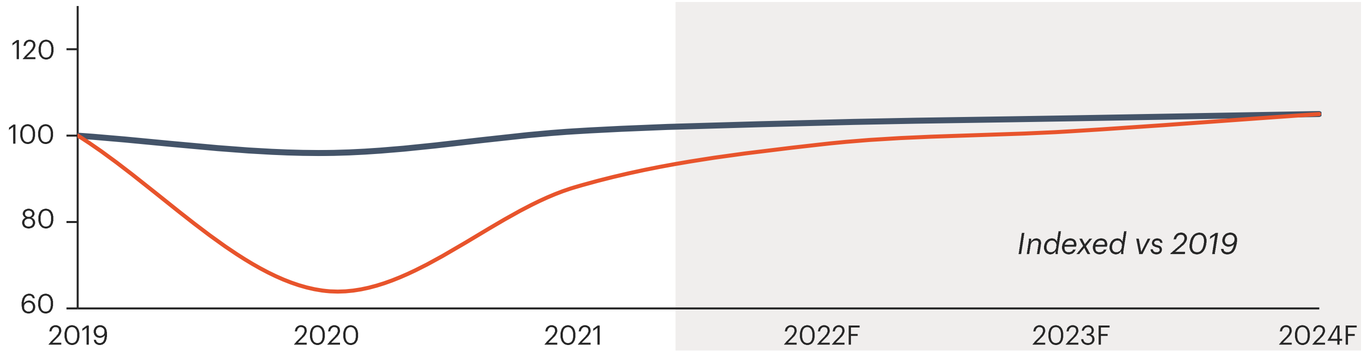
Two structural growth drivers: demand and supply

US industry GFC recovery



	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Occupancy	63%	60%	55%	58%	60%	61%	62%	64%	65%	65%	66%	66%	66%
Supply YoY Growth %	1.2%	2.3%	2.8%	1.6%	0.4%	0.3%	0.5%	0.6%	0.9%	1.3%	1.6%	1.8%	1.8%

US industry pandemic recovery



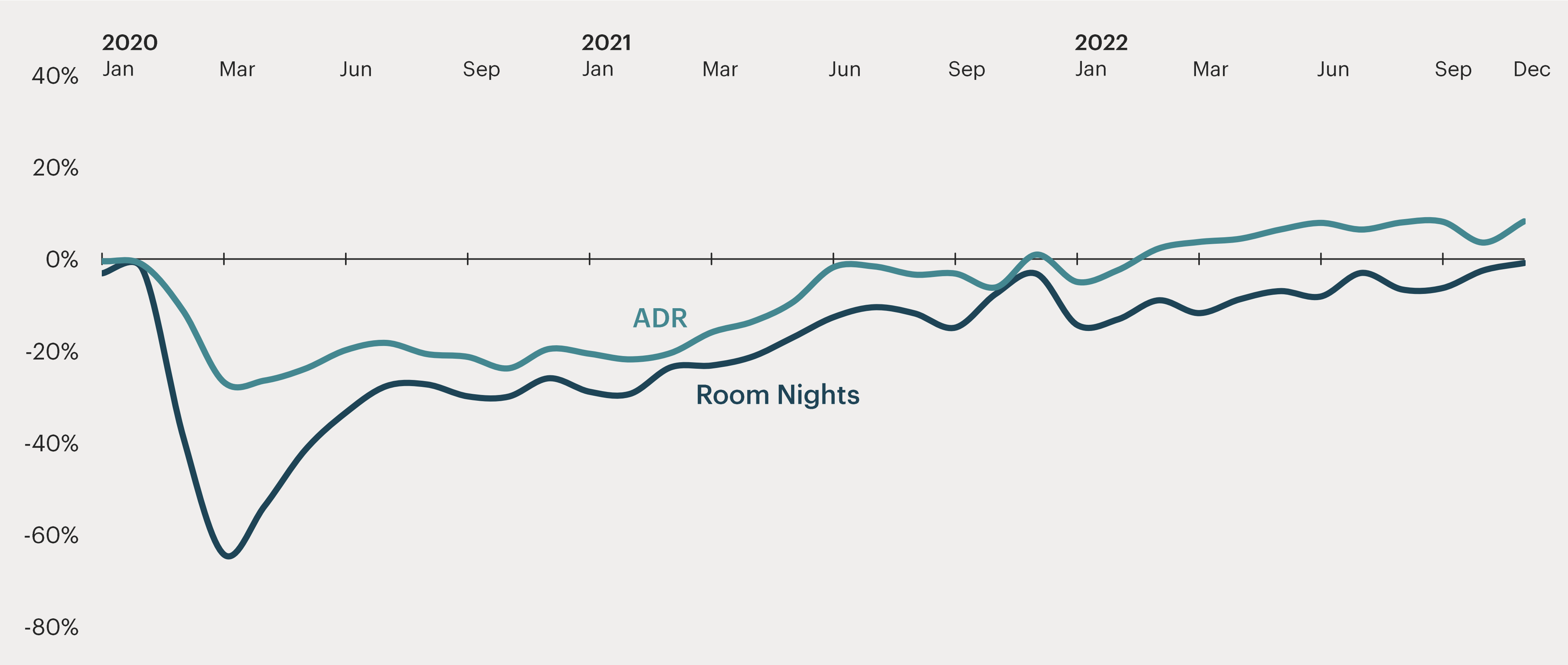
	2019	2020	2021	2022F	2023F	2024F
Occupancy	66%	44%	58%	63%	64%	66%
Supply YoY Growth %	1.8%	0.9%*			1.1%	1.3%

Supply Demand

Sources: STR; total includes Economy and Independents; *3-year CAGR used for 2020/2021/2022 given impact of temporary hotel closures during Covid.

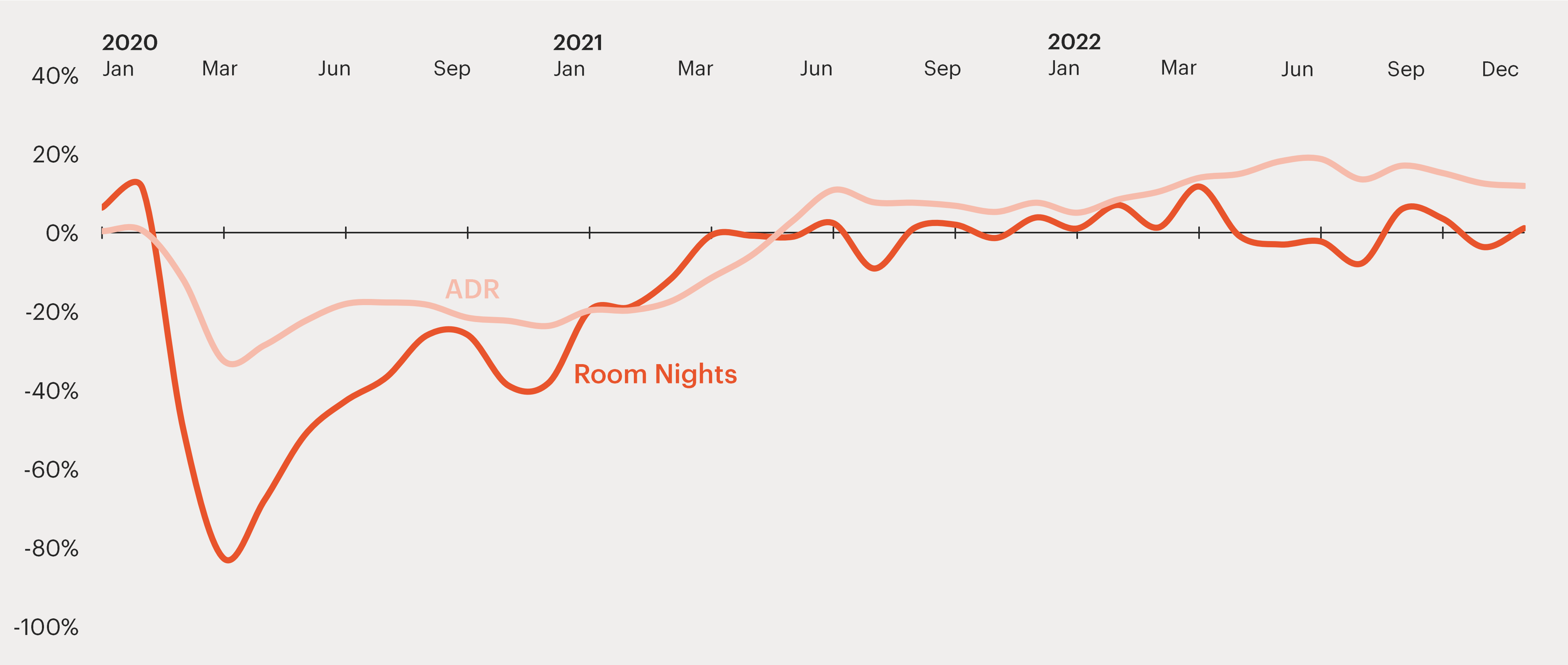
US Business ADR has sustained above pre-Covid levels; occupancy near fully recovered

IHG US estate Business revenue (vs 2019) – split of rooms nights and ADR



US Leisure rates have consistently outpaced 2019 levels for 18 months; occupancy has recovered

IHG US estate Leisure revenue (vs 2019) – split of rooms nights and ADR



Fee business growth rate analysis vs 2021

	RevPAR growth %		Net rooms growth %		Underlying Fee Revenue[1] Growth %	Comments
FY 2022	Comparable	Total[2]	YoY	Available[2]		
	Hotels that have traded in all months being compared (i.e. steady state)	All hotels that were open in FY 2022 and FY 2021 (incl. hotels that are ramping up)	31 December 2022 vs 2021	Aggregate number of rooms available for sale in FY 2022 vs FY 2021		
Americas	28.5%	30.1%	3.3%	(1.1)%	27.4%	
EMEAA	93.2%	97.8%	2.4%	(0.3)%	102.2%	
Greater China	(13.5)%	(14.0)%	6.0%	7.3%	(17.9)%	• Fee revenue growth impacted by lower levels of incentive management fee income
Group	**36.6%**	**37.9%**	**3.6%**	**0.5%**	**28.2%**	• Also impacted by lower growth in non-RevPAR related fee streams within Central revenues

1. Underlying fee revenue excludes significant liquidated damages and is stated at constant FY 2022 exchange rates (CER).
2. Underlying fee business Total RevPAR and available rooms.

Fee business growth rate analysis vs 2019

FY 2022	RevPAR growth % Comparable	RevPAR growth % Total[2]	Net rooms growth % YoY	Net rooms growth % Available[2]	Underlying Fee Revenue[1] Growth %	Comments
	Hotels that have traded in all months being compared (i.e. steady state)	All hotels that were open in FY 2022 and FY 2019 (incl. hotels that are ramping up)	31 December 2022 vs 2019	Aggregate number of rooms available for sale in FY 2022 vs FY 2019		
Americas	3.3%	3.4%	(1.7)%	1.5%	3.0%	
EMEAA	(7.5)%	(7.0)%	2.8%	4.5%	(17.8)%	• Fee revenue growth impacted by lower levels of incentive management fee income
Greater China	(38.1)%	(42.2)%	22.8%	29.3%	(39.6)%	• Fee revenue growth impacted by lower levels of incentive management fee income
Group	**(3.3)%**	**(6.3)%**	**3.2%**	**6.3%**	**(5.2)%**	• Fee revenue growth impacted by lower levels of incentive management fee income

1. Underlying fee revenue excludes significant liquidated damages and is stated at constant FY 2022 exchange rates (CER).
2. Underlying fee business Total RevPAR and available rooms excluding the SVC portfolio termination of 16.7k rooms (102 hotels) in Q4 2020.

Revenue and operating profit 2019-2022

Actual US$	Total Revenue FY 2022	2021	2020	2019	Total Operating Profit[1] FY 2022	2021	2020	2019
Franchise and Base Management Fees	861	683	452	840		-	-	-
Incentive Management Fees	18	8	5	13		-	-	-
Fee Business	879	691	457	853	741	568	323	663
Owned, Leased & Managed Lease	126	83	55	187	20	(9)	(27)	37
Total Americas	**1,005**	**774**	**512**	**1,040**	**761**	**559**	**296**	**700**
Franchise and Base Management Fees	215	120	93	247		-	-	-
Incentive Management Fees	69	29	14	90		-	-	-
Fee Business	284	149	107	337	153	32	(18)	202
Owned, Leased & Managed Lease	268	154	114	386	(1)	(27)	(32)	15
Total EMEAA	**552**	**303**	**221**	**723**	**152**	**5**	**(50)**	**217**
Franchise and Base Management Fees	71	91	61	87		-	-	-
Incentive Management Fees	16	25	16	48		-	-	-
Fee Business	87	116	77	135	23	58	35	73
Total Greater China	**87**	**116**	**77**	**135**	**23**	**58**	**35**	**73**
Central Results	199	197	182	185	(108)	(88)	(62)	(125)
Total Reportable Segments	**1,843**	**1,390**	**992**	**2,083**	**828**	**534**	**219**	**865**
Reimbursement of Costs	832	589	637	1,171		-	-	-
System Fund	1,217	928	765	1,373	(105)	(11)	(102)	(49)
Total IHG	**3,892**	**2,907**	**2,394**	**4,627**	**723**	**523**	**117**	**816**

1. Excludes exceptional items

2022 and 2023 notable items

Notable items		FY 2022	FY 2023
Payroll tax credits	Americas	$4m	-
Individually significant Liquidated Damages	EMEAA	$7m	-
Iberostar related costs	Central	$(5)m	$(10-15)m

FY 2019 underlying fee business revenue and operating profit non-GAAP reconciliations

	Americas		EMEAA		Greater China		Central		Total IHG	
$m	Revenue	Operating Profit	Revenue	Operating Profit	Revenue	Operating Profit	Revenue	Operating Loss	Revenue	Operating Profit
Fee business	853	663	337	202	135	73	185	(125)	1,510	813
Owned, leased and managed lease	187	37	386	15	-	-	-	-	573	52
Per FY 2019 financial statements	**1,040**	**700**	**723**	**217**	**135**	**73**	**185**	**(125)**	**2,083**	**865**
Significant liquidated damages	-	-	(11)	(11)	-	-	-	-	(11)	(11)
Owned asset disposal[1]	(41)	(7)	(67)	(4)	-	-	-	-	(108)	(11)
Currency impact[2]	(1)	-	33	7	9	4	2	(6)	43	5
Underlying revenue and underlying operating profit	998	693	678	209	144	77	187	(131)	2,007	848
Owned, leased and managed lease included in the above	(145)	(30)	(341)	(11)	-	-	-	-	(486)	(41)
Underlying fee business	**853**	**663**	**337**	**198**	**144**	**77**	**187**	**(131)**	**1,521**	**807**

1. Americas: the results of one InterContinental hotel have been removed (disposed in 2020) along with the results of three EVEN hotels (disposed in 2021) to determine underlying performance. EMEAA: the results of one Holiday Inn hotel (disposed 2020), one InterContinental hotel (disposed 2021), along with the results of three UK Portfolio hotels and one other InterContinental hotel (disposed 2022) have been removed to determine underlying performance.
2. Stated at FY 2022 CER.

FY 2021 underlying fee business revenue and operating profit non-GAAP reconciliations

$m	Americas Revenue	Americas Operating Profit	EMEAA Revenue	EMEAA Operating Profit	Greater China Revenue	Greater China Operating Profit	Central Revenue	Central Operating Loss	Total IHG Revenue	Total IHG Operating Profit
Fee business	691	568	149	32	116	58	197	(88)	1,153	570
Owned, leased and managed lease	83	(9)	154	(27)	-	-	-	-	237	(36)
Per FY 2021 financial statements	**774**	**559**	**303**	**5**	**116**	**58**	**197**	**(88)**	**1,390**	**534**
Significant liquidated damages	-	-	-	-	(6)	(6)	-	-	(6)	(6)
Owned asset disposal[1]	(11)	3	(25)	5	-	-	-	-	(36)	8
Currency impact[2]	(1)	(1)	(30)	(2)	(4)	(2)	(5)	6	(40)	1
Underlying revenue and underlying operating profit	762	561	248	8	106	50	192	(82)	1,308	537
Owned, leased and managed lease included in the above	(72)	6	(111)	19	-	-	-	-	(183)	25
Underlying fee business	**690**	**567**	**137**	**27**	**106**	**50**	**192**	**(82)**	**1,125**	**562**

1. Americas: the results of three EVEN hotels (disposed in 2021) have been removed to determine underlying performance. EMEAA: the results of one InterContinental hotel (disposed 2021), along with the results of three UK Portfolio hotels and one other InterContinental hotel (disposed 2022) have been removed to determine underlying performance.
2. Stated at FY 2022 CER.

FY 2022 underlying fee business revenue and operating profit non-GAAP reconciliations

$m	Americas		EMEAA		Greater China		Central		Total IHG	
	Revenue	Operating Profit	Revenue	Operating Profit	Revenue	Operating Profit	Revenue	Operating Loss	Revenue	Operating Profit
Fee business	879	741	284	153	87	23	199	(108)	1,449	809
Owned, leased and managed lease	126	20	268	(1)	-	-	-	-	394	19
Per FY 2022 financial statements	**1,005**	**761**	**552**	**152**	**87**	**23**	**199**	**(108)**	**1,843**	**828**
Significant liquidated damages	-	-	(7)	(7)	-	-	-	-	(7)	(7)
Owned asset disposal[1]	-	-	(19)	(2)	-	-	-	-	(19)	(2)
Currency impact[2]	-	-	-	-	-	-	-	-	-	-
Underlying revenue and underlying operating profit	1,005	761	526	143	87	23	199	(108)	1,817	819
Owned, leased and managed lease included in the above	(126)	(20)	(249)	3	-	-	-	-	(375)	(17)
Underlying fee business	**879**	**741**	**277**	**146**	**87**	**23**	**199**	**(108)**	**1,442**	**802**

1. The results of three UK Portfolio hotels and one InterContinental hotel have been removed to determine underlying performance.
2. Stated at FY 2022 CER.

Ordinary shares

Number of shares (m)	2022	2021
Opening balance at 1 January	187.7	187.7
Closing balance at 31 December	183.1	187.7
Closing balance excluding treasury shares[1]	175.6	184.0
Basic weighted average shares (excluding treasury shares)	181.4	183.0
Dilutive potential ordinary shares	1.3	1.1
Basic diluted average shares	182.7	184.1

1. The total number of shares held as treasury shares at 31 December 2022 was 7.5m (2021: 3.7m).

Currency impacts

($m)

Revenue	Reported FY21	FY21 at FY22 AER[2]	Var.	Reported FY22	FY22 at FY21 AER[2]	Var.	Reported FY22	FY22 at Jan 2023 AER[3]	Var.
Americas	774	773	**1**	1,005	1,008	**(3)**	1,005	1,005	**0**
EMEAA	304	271	**33**	552	618	**(66)**	552	519	**32**
Greater China	116	112	**5**	86	90	**(4)**	86	86	**0**
Central Overheads	196	193	**3**	199	203	**(4)**	199	200	**(1)**
Total IHG	1,390	1,348	**42**	1,843	1,919	**(77)**	1,843	1,811	**32**

Operating Profit									
Americas	559	558	**1**	762	764	**(2)**	762	761	**1**
EMEAA	5	2	**3**	152	174	**(22)**	152	142	**9**
Greater China	58	56	**2**	23	24	**(1)**	23	23	**(0)**
Central Overheads	(88)	(82)	**(7)**	(108)	(117)	**9**	(108)	(107)	**(1)**
Total IHG	534	534	**0**	828	845	**(17)**	828	819	**(9)**

1. Major non-USD currency exposure by region (**Americas**: Canadian Dollar, Mexican Peso; **EMEAA**: British Pound, Euro, Russian Rouble, Japanese Yen, Singapore Dollar; **Greater China**: Chinese Renminbi; **Central**: British Pound).
2. Includes the impact from the movement in the average GBP/USD exchange rates which were FY21 $1.38 and FY22 $1.24.
3. Includes the impact from the movement in the average GBP/USD exchange rate which for January 2023 was $1.22.

IHG HOTELS & RESORTS

SIX SENSES | REGENT | INTERCONTINENTAL HOTELS & RESORTS | VIGNETTE COLLECTION | KIMPTON HOTELS & RESTAURANTS | HOTEL INDIGO | VOCO | HUALUXE HOTELS AND RESORTS 華邑酒店及度假村 | CROWNE PLAZA

IBEROSTAR BEACHFRONT RESORTS | EVEN | Holiday Inn Express | Holiday Inn | avid | ATWELL SUITES | STAYBRIDGE SUITES | Holiday Inn Club Vacations | CANDLEWOOD SUITES

IHG ONE REWARDS