

# Hyatt Investor Presentation

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HYATT

THE CHATWAL LODGE TREEHOUSES

# DISCLAIMERS

## Forward-Looking Statements

Forward-Looking Statements in this presentation, which are not historical facts, are forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. These statements include statements about Hyatt Hotels Corporation's (the "Company") plans, strategies, outlook, pipeline, asset sell down commitment, earnings mix, growth, expected free cash flow, financial performance, prospects or future events and involve known and unknown risks that are difficult to predict. As a result, our actual results, performance or achievements may differ materially from those expressed or implied by these forward-looking statements. In some cases, you can identify forward-looking statements by the use of words such as "may," "could," "expect," "intend," "plan," "seek," "anticipate," "believe," "estimate," "predict," "potential," "continue," "likely," "will," "would" and variations of these terms and similar expressions, or the negative of these terms or similar expressions. Such forward-looking statements are necessarily based upon estimates and assumptions that, while considered reasonable by us and our management, are inherently uncertain. Factors that may cause actual results to differ materially from current expectations include, among others, general economic uncertainty in key global markets and a worsening of global economic conditions or low levels of economic growth; the rate and pace of economic recovery following economic downturns; global supply chain constraints and interruptions, rising costs of construction-related labor and materials, and increases in costs due to inflation or other factors that may not be fully offset by increases in revenues in our business; risks affecting the luxury, resort, and all-inclusive lodging segments; levels of spending in business, leisure, and group segments, as well as consumer confidence; declines in occupancy and average daily rate; limited visibility with respect to future bookings; loss of key personnel; domestic and international political and geopolitical conditions, including political or civil unrest or changes in trade policy; hostilities, or fear of hostilities, including future terrorist attacks, that affect travel; travel-related accidents; natural or man-made disasters, weather and climate-related events, such as earthquakes, tsunamis, tornadoes, hurricanes, droughts, floods, wildfires, oil spills, nuclear incidents, and global outbreaks of pandemics or contagious diseases, or fear of such outbreaks; our ability to successfully achieve certain levels of operating profits at hotels that have performance tests or guarantees in favor of our third-party owners; the impact of hotel renovations and redevelopments; risks associated with our capital allocation plans, share repurchase program, and dividend payments, including a reduction in, or elimination or suspension of, repurchase activity or dividend payments; the seasonal and cyclical nature of the real estate and hospitality businesses; changes in distribution arrangements, such as through internet travel intermediaries; changes in the tastes and preferences of our customers; relationships with colleagues and labor unions and changes in labor laws; the financial condition of, and our relationships with, third-party owners, franchisees, and hospitality venture partners; the possible inability of third-party owners, franchisees, or development partners to access the capital necessary to fund current operations or implement our plans for growth; risks associated with potential acquisitions and dispositions and our ability to successfully integrate completed acquisitions with existing operations; failure to successfully complete proposed transactions (including the failure to satisfy closing conditions or obtain required approvals); our ability to successfully execute our strategy to expand our management and hotels services and franchising business while at the same time reducing our real estate asset base within targeted timeframes and at expected values; our ability to maintain effective internal control over financial reporting and disclosure controls and procedures; declines in the value of our real estate assets; unforeseen terminations of our management and hotels services or franchise agreements; changes in federal, state, local, or foreign tax law; increases in interest rates, wages, and other operating costs; foreign exchange rate fluctuations or currency restructurings; risks associated with the introduction of new brand concepts, including lack of acceptance of new brands or innovation; general volatility of the capital markets and our ability to access such markets; changes in the competitive environment in our industry, industry consolidation, and the markets where we operate; our ability to successfully grow the World of Hyatt loyalty program and Unlimited Vacation Club paid membership program; cyber incidents and information technology failures; outcomes of legal or administrative proceedings; and violations of regulations or laws related to our franchising business and licensing businesses and our international operations; and other risks discussed in the Company's filings with the SEC, including our annual reports on Form 10-K and quarterly reports on Form 10-Q, which filings are available from the SEC. We caution you not to place undue reliance on any forward-looking statements, which are made only as of the date of this presentation. We do not undertake or assume any obligation to update publicly any of these forward-looking statements to reflect actual results, new information or future events, changes in assumptions or changes in other factors affecting forward-looking statements, except to the extent required by applicable law. If we update one or more forward-looking statements, no inference should be drawn that we will make additional updates with respect to those or other forward-looking statements.

## Non-GAAP Financial Measures

This presentation includes references to certain financial measures, each identified with the symbol "†", that are not calculated or presented in accordance with generally accepted accounting principles in the United States ("GAAP"). These non -GAAP financial measures have important limitations and should not be considered in isolation or as a substitute for measures of the Company's financial performance prepared in accordance with GAAP. In addition, these non -GAAP financial measures, as presented, may not be comparable to similarly titled measures of other companies due to varying methods of calculations.

## Key Business Metrics

This presentation includes references to certain key business metrics used by the Company, each identified with the symbol "◇".

## Definitions

**Asset-Light Earnings Mix:** Asset-Light Earnings Mix is calculated as Adjusted EBITDA from the Americas Management and Franchising Segment, ASPAC Management and Franchising Segment, EAME Management and Franchising Segment, and Apple Leisure Group Segment plus Net Deferrals and Net Financed Contracts divided by Adjusted EBITDA, excluding Corporate & Other and Eliminations, plus Net Deferrals and Net Financed Contracts. Our management uses this calculation to assess the composition of the Company's earnings.

**Free Cash Flow:** Free cash flow represents net cash provided by operating activities less capital expenditures. We believe free cash flow to be a useful liquidity measure to us and investors to evaluate the ability of our operations to generate cash for uses other than capital expenditures and, after debt service and other obligations, our ability to grow our business through acquisitions and investments, as well as our ability to return cash to shareholders through dividends and share repurchases. Free cash flow is not necessarily a representation of how we will use excess cash. Free cash flow is not a substitute for net cash provided by operating activities or any other measure prescribed by GAAP. There are limitations to using non-GAAP measures such as free cash flow and management compensates for these limitations by referencing our GAAP results and using free cash flow supplementally. See our consolidated statements of cash flows in our consolidated financial statements included in our Annual Report on Form 10-K.

**Net Deferrals:** Net Deferrals represent the change in contract liabilities associated with the Unlimited Vacation Club membership contracts less the change in deferred cost assets associated with the contracts. The contract liabilities and deferred cost assets are recognized as revenue and expense, respectively, on our condensed consolidated statements of income (loss) over the customer life, which ranges from 3 to 25 years.

**Net Financed Contracts:** Net Financed Contracts represent Unlimited Vacation Club contracts signed during the period for which an initial cash down payment has been received and the remaining balance is contractually due in monthly installments over an average term of less than 4 years. The Net Financed Contract balance is calculated as the unpaid portion of membership contracts reduced by expenses related to fulfilling the membership program contracts and further reduced by an allowance for future estimated uncollectible installments. Net Financed Contract balances are not reported on our condensed consolidated balance sheets as our right to collect future installments is conditional on our ability to provide continuous access to member benefits at ALG resorts over the contract term, and the associated expenses to fulfill the membership contracts become liabilities of the Company only after the installments are collected. We believe Net Financed Contracts is useful to investors as it represents an estimate of future cash flows due in accordance with contracts signed in the current period.

# GLOBAL HOSPITALITY COMPANY FOCUSED ON SUPER SERVING THE HIGH-END TRAVELER

77

Countries Around  
the World and 6 Continents

29

Global Brands

1,335

Hotels and All-Inclusive  
Properties

322,141

Rooms

#1

World's Largest Portfolio  
of Luxury Branded Rooms  
in Resort Locations

~127,000

Rooms in Pipeline  
A Company Record

# WORLD OF HYATT GLOBAL BRANDS

WORLD  
OF  
HYATT

## TIMELESS COLLECTION

PARK HYATT®

GRAND | HYATT™

HYATT  
REGENCY™

HYATT™

HYATT  
VACATION  
CLUB

HYATT  
PLACE™

HYATT  
house™

UrCove  
— by HYATT —  
逸扉酒店

HYATT  
studios

## BOUNDLESS COLLECTION

M/RAVAL.

Alila

ANdAZ.

THOMPSON HOTELS

DREAM  
HOTELS

HYATT  
CENTRIC™

Caption  
BY HYATT

THE UNBOUND COLLECTION  
BY HYATT

DESTINATION  
BY HYATT

JD  
BY HYATT

## INCLUSIVE COLLECTION

IMPRESSION  
BY SECRETS

HYATT ZIVA™

HYATT ZILARA™

ZOETRY™  
WELLNESS & SPA RESORTS

SECRETS  
Resorts & Spas  
BY AMR™ COLLECTION

breathless  
RESORTS & SPAS  
BY AMR™ COLLECTION

DREAMS  
Resorts & Spas  
BY AMR™ COLLECTION

HYATT  
vivid  
HOTELS & RESORTS

ALUA  
HOTELS & RESORTS

SUNSCAPE  
RESORTS & SPAS

HYATT

Brands reflective of December 31, 2023 brand bar.

# INVESTMENT CONSIDERATIONS AND STRATEGIC VISION<sup>1</sup>



**76%**

Asset-Light Earnings Mix<sup>◇</sup>



**\$602M**

Free Cash Flow<sup>†</sup>; A record by nearly 50%



**7 Years**

Industry Leading Net Rooms Growth



**\$2.5B**

Returned to shareholders<sup>2</sup>



76% Asset-Light Earnings Mix<sup>◇</sup> in 2023, compared to 47% in 2017



Rooms, fees, pipeline, and loyalty membership growing at a faster rate than our largest competitors



Operational and commercial execution driving record performance and Free Cash Flow<sup>†</sup>



Capital Allocation Strategy Driving Growth and Shareholder Returns

<sup>1</sup> Key Investment data as of December 31, 2023 (unless otherwise noted).

<sup>2</sup> Returned to shareholders through share repurchases and dividends since year-end 2017.



# 2023 RECAP



# ACHIEVED STRONG OPERATIONAL & FINANCIAL RESULTS IN 2023

## Operational Results

**\$1,029M** + **\$91M** + **\$67M**  
 Adjusted EBITDA<sup>†</sup>      Net Deferrals<sup>◇</sup>      Net Financed Contracts<sup>◇</sup>

**5.9%**

Full-Year Net Rooms Growth

**127,000**

Record Rooms Pipeline

## Cash Flow & Capital Allocation

**\$602M**      **\$500M**  
 Free Cash Flow<sup>†</sup>      Returned to Shareholders<sup>1</sup>

**\$961M**

Proceeds from Dispositions  
 Less Acquisitions<sup>2</sup>



# WHAT TO EXPECT IN 2024 AND BEYOND...

- ✓ Sale of majority interest in Unlimited Vacation Club and segment realignment leads to **simplified business model**
- ✓ **Increasing Asset-Light Earnings Mix<sup>◇</sup> (> 80%)**, underpinned by the successful completion of our asset disposition program
- ✓ **Growth** that enhances network effect, and creates value for all stakeholders
- ✓ Durable and predictable earnings model that will generate growing **Free Cash Flow<sup>†</sup>**

CARMEL VALLEY RANCH

We *care* for people  
so they can be their best.