



MY HUMBLE HOUSE  
HOSPITALITY MANAGEMENT  
CONSULTING

寒舍餐旅管理顧問



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- The actual operational outcomes, financial status, and sales results in the future may differ from the forecast for various reasons, including but not limited to market demand; changes in policies, laws and regulations, and macroeconomic condition; and other risk factors beyond the reasonable control of this Company.
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# Company Profile





## Basic Data

**Company name : My Humble House Hospitality Management  
Consulting Co., Ltd. (MHH Group)**

**Establishing date : January 17, 2000**

**Date of listing : May 19, 2016**

**Paid-in capital : 1,115,260,000**

**Scope of business : Sheration Grand Taipei Hotel, Le Meridien Taipei Hotel,  
Mu Jiao Xi Hotel, Humble House Taipei Hotel (25%  
shareholding)**

**Employees : 1,809 persons (dated July. 31, 2019)**



# 台北喜來登大飯店 SHERATON GRAND TAIPEI HOTEL

Sheraton Grand Taipei Hotel is located in the heart of Taipei' s business and commercial districts. The décor blends understated Chinese cultural elements, such as meaningful Chinese totems with exquisite Chinese antiques arranged throughout the hotel, delivering an ingenious and delicate modern style. In January 2013, "Starwood Hotels and Resorts Worldwide" accredited Sheraton Grand Taipei Hotel with the highest status of its brand, "Sheraton Grand" , making it the only hotel in Taiwan with this distinction. Currently Sheraton Grand Taipei is a member of the Marriott Group of International Hotel Chains.

The 688 luxuriously appointed rooms and suites offer guests a wide selection of room types. There are also three Executive floors and one Sheraton® Club lounge. With complimentary Wi-Fi access in all areas, Sheraton Grand Taipei offers High-Speed Internet Access for business and leisure. Nine unique style restaurants which offer Chinese, Western, Japanese, and Thai cuisine. With a maximum capacity of 1800 guests, Sheraton banqueting offers a rich and detailed delicious feast.

In the end of Q4 2018, the Sheraton Grand Taipei has finished various renovation projects to provide guests with best comfort room accommodations and dining environment.

Address : No. 12, Sec. 1, Zhongxiao E Rd., Taipei City, 100, Taiwan , ROC

Tel : (02)2321-5511

Transportation : MRT: Exit No2, MRT Shandao Temple Station, MRT Bannan Line

Bus: Shandao Temple Stop





# 台北喜來登大飯店 SHERATON GRAND TAIPEI HOTEL

《 Taipei Michelin Guide 2019 》 Guest House awarded 2 Michelin Stars-Second Year





# 台北喜來登大飯店 SHERATON GRAND TAIPEI HOTEL

## 《 Taipei Michelin Guide 2019 》

- 「Dragon」 Awarded Michelin Recommended -Second Year
- Sheraton Grand Taipei Rooms won the “Top Class Comfort” award offering our guest the best comfortable accommodation.





## 台北寒舍艾美酒店 LE MERIDIEN TAIPEI

Located at Taipei' s most fashionable and culturally distinguished area — Xinyi district, offers 160 guestrooms, multifunctional banqueting venues, three restaurants and bars with unique style, and one chocolate specialty shop.

「Le Méridien」 currently is a member of the Marriott Group of International Hotel Chains. Based on the exhibition planning concept for contemporary arts, Le Méridien Taipei has chosen the theme of “Light and Shadow” to harmonize with the hotel' s interior space, collection of contemporary artists from Taiwan, China, Japan, Korea, USA, UK and Belgium, nearly 700 original artworks revive guest' s sensory experience, inspiring an unprecedented visual journey in every corner.



Address: No. 38 Songren Rd. ., Taipei City, 100, Taiwan , ROC

Tel : (02)6622-8000

Transportation : MRT: Exit No. 3, MRT Taipei City Hall Station, Bannan Line

Bus: Xingya Junior High School Stop



## 台北寒舍艾美酒店 LE MERIDIEN TAIPEI

### 《 Taipei Michelin Guide 2019 》

- 「 My Humble House Restaurant 」 Awarded Michelin Recommended- Second Year
- Le Meridien Taipei Rooms won the “Top Class Comfort” award offering our guest the best comfortable accommodation.





## 礁溪寒沐酒店 MU JIAO XI HOTEL

My Humble House has extended beyond the Taipei Metropolitan area to Yilan county Jiao Xi Township, launching our own leisure resort hotel brand! Inheriting My Humble House's unique taste on aesthetics, culture and art, MU JIAO XI HOTEL commissions Taiwanese artists and world-renowned LTW hotel design team to integrate contemporary art into local culture, curating an elegant, relaxing and tasteful space.

MU JIAO XI HOTEL and MU JIAO XI RESERVE, 2 architectural styles, featuring 6 room types, totaling 190 guest rooms, featuring outdoor hot springs, day spa, indoor virtual golf simulator, children's play area, outdoor pool and fitness center. A full range of facilities provides an array of exquisite services, offering a relaxing vacation for guests.

In 2018, Mu Jiao Xi Hotel offered special Michelin Star Banquet Menu in cooperation with the Sheraton Grand Taipei Michelin two-star Guest House.



**Address:** No.1, Jiankang Rd., Jiaoxi Township, Yilan County

**Tel :** (03)905-8077

**Transportation :** 《Freeway No 5》 Exit TOU CHENG Interchange



# 礁溪寒沐酒店 MU JIAO XI HOTEL



## Guestrooms

Every guestroom is outfitted with a private hot springs tub, and 174 guestrooms have an extended deck area. The open space design invites warm sunlight into the room, rejuvenating the body and soul.



## 礁溪寒沐酒店 MU JIAO XI HOTEL



### Conference and Events

MU JIAO XI HOTEL 3F Grand Ballroom is an exquisite, grand space with a total area of 161-pings and a 6-meter high ceiling. The flexible banquet venue has 4 halls and 5 multipurpose conference rooms to accommodate all kinds of conference and event needs.



# 礁溪寒沐酒店 MU JIAO XI HOTEL



## Food and Beverage

MU JIAO XI HOTEL, continuing the culinary excellence of My Humble House, has created 3 unique restaurants, sourcing fine local ingredients from Yilan, offering exciting taste experiences.

### MU BAR (MU JIAO XI HOTEL 1F)

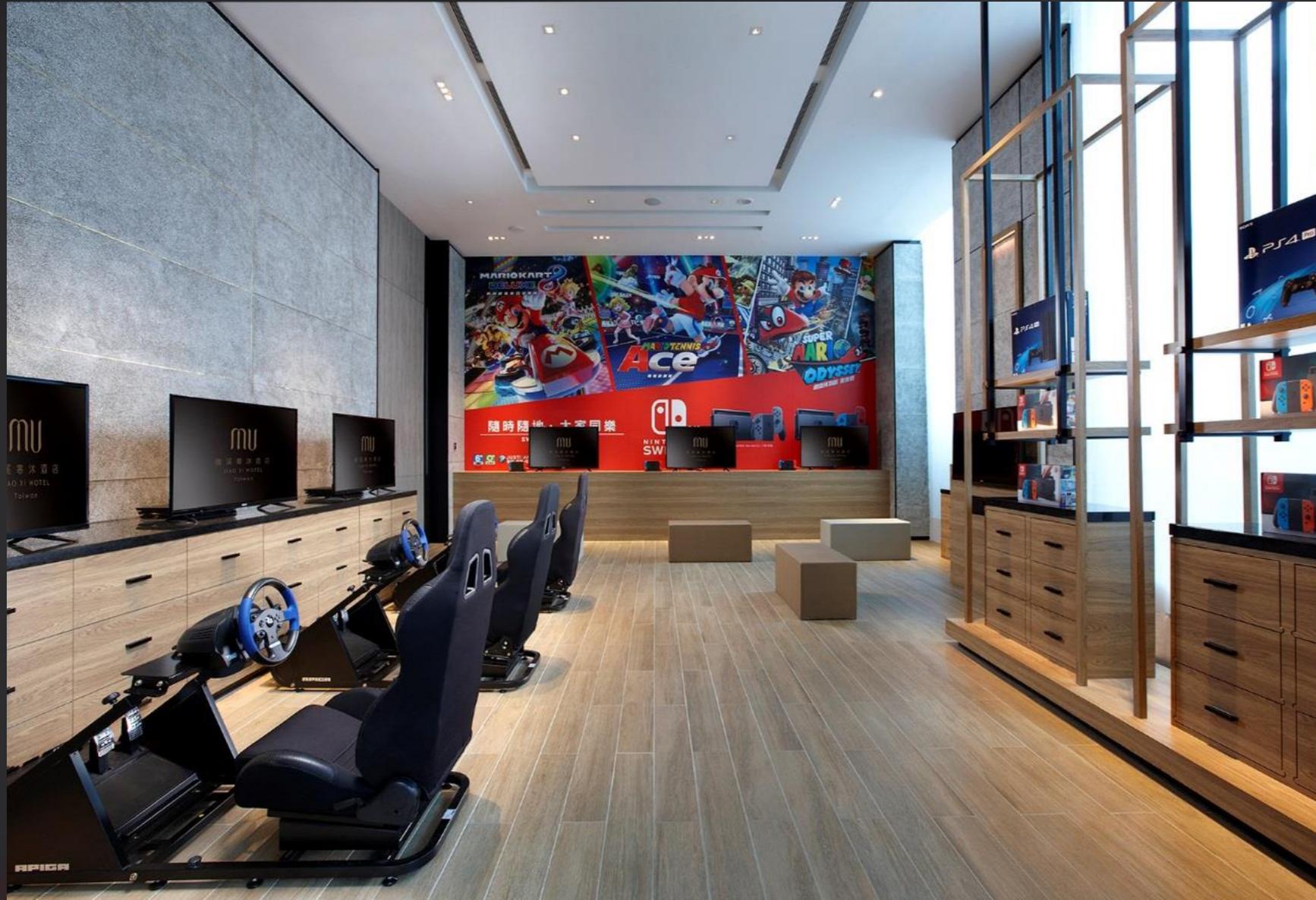
Appreciate the scenic beauty while sipping a cup of freshly brewed tea; enjoy signature cocktails and unwind with good company as the lights and shadow take stage in the starry nightfall.

### MU TABLE (MU JIAO XI HOTEL 2F)

Offering all-day buffet service, our executive chef selects fresh local ingredients for a wide selection of specialty dishes from around the world. A satisfying dining experience awaits you!



# 礁溪寒沐酒店 MU JIAO XI HOTEL



Sports Game room & small racers



# 礁溪寒沐酒店 MU JIAO XI HOTEL



The first indoor Virtual golf course simulation in a hotel in Yilan  
(300inch large wide screen / Ultra high resolution 3D visual)



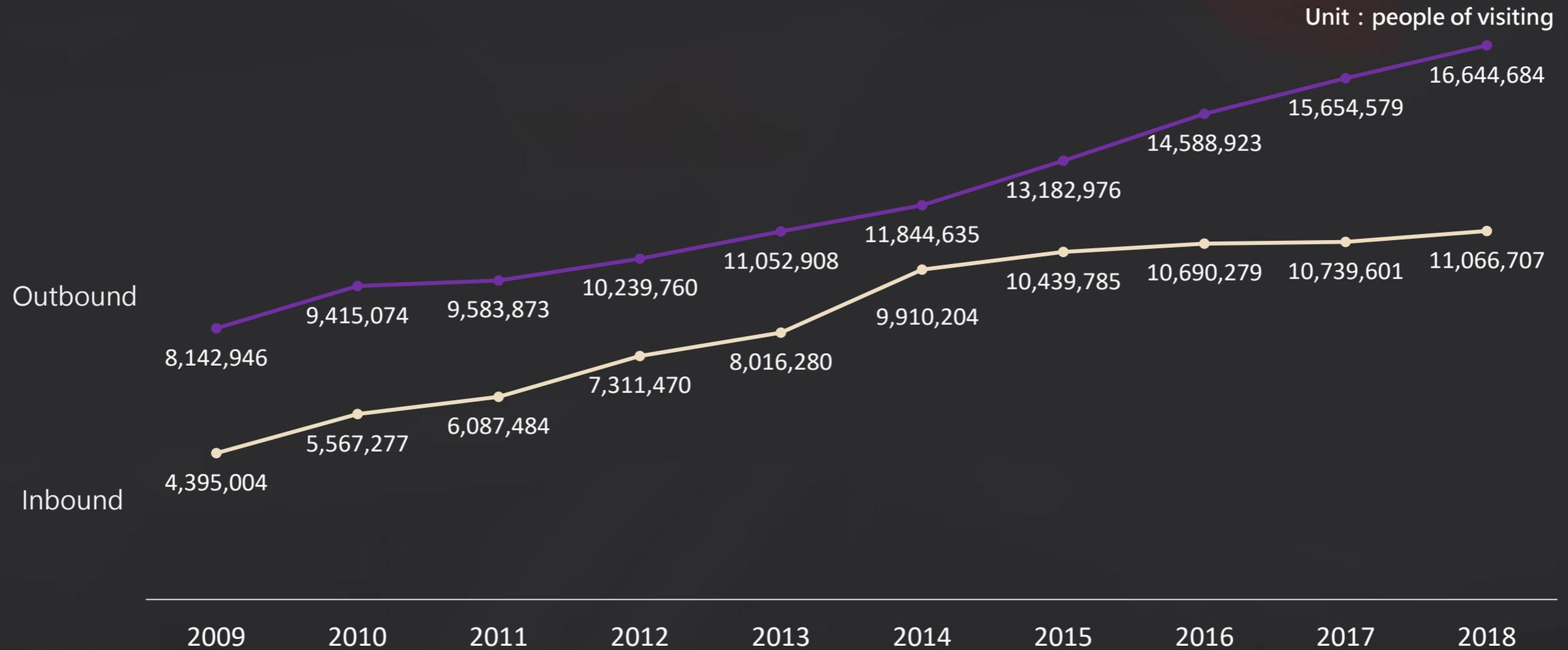
# Industry Overview





# Industry Overview

## Growth of Inbound Travelers and Outbound Citizens over Past Decade



Source: Statistics of the Tourism Bureau, MOTC.



# Industry Overview

## Tourist Revenue Statistics for the past three years

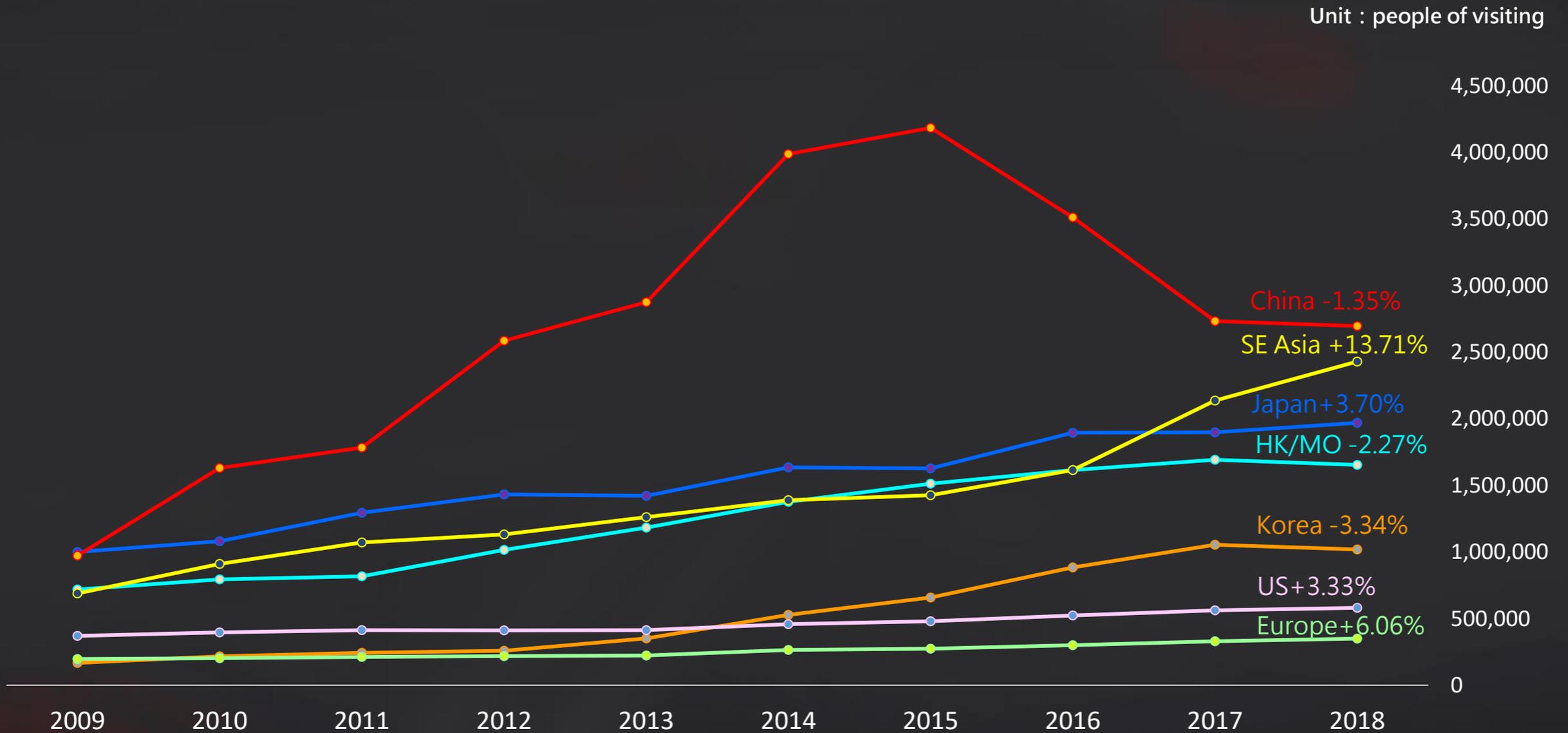
Statistic	2016	2017	2018
Visitors to Taiwan total Amount	NTD\$4,322 Billion	NTD\$3,749 Billion	NTD\$4,133 Billion
Domestic Travel total Amount	NTD\$3,971 Billion	NTD\$4,021 Billion	NTD\$3,769 Billion
Sightseeing total Amount	NTD\$8,293 Billion	NTD\$7,770 Billion	NTD\$7,902 Billion
GDP %	4.84%	4.44%	4.44%
Visitors to Taiwan / Per person per day spending	10,690,279 Visitors/ USD\$192.77	10,739,601 Visitors/ USD\$179.45	11,066,707 Visitors/ USD\$191.70
Domestic Citizen Domestic Travel / Per person per spending	19,038 Million/ NTD\$2,086	19,038 Million/ NTD\$2,192	17,109 Million/ NTD\$2,203

Source: Statistics of the Tourism Bureau, MOTC.



# Industry Overview

Growth of Inbound Travelers by region/country for the past three years

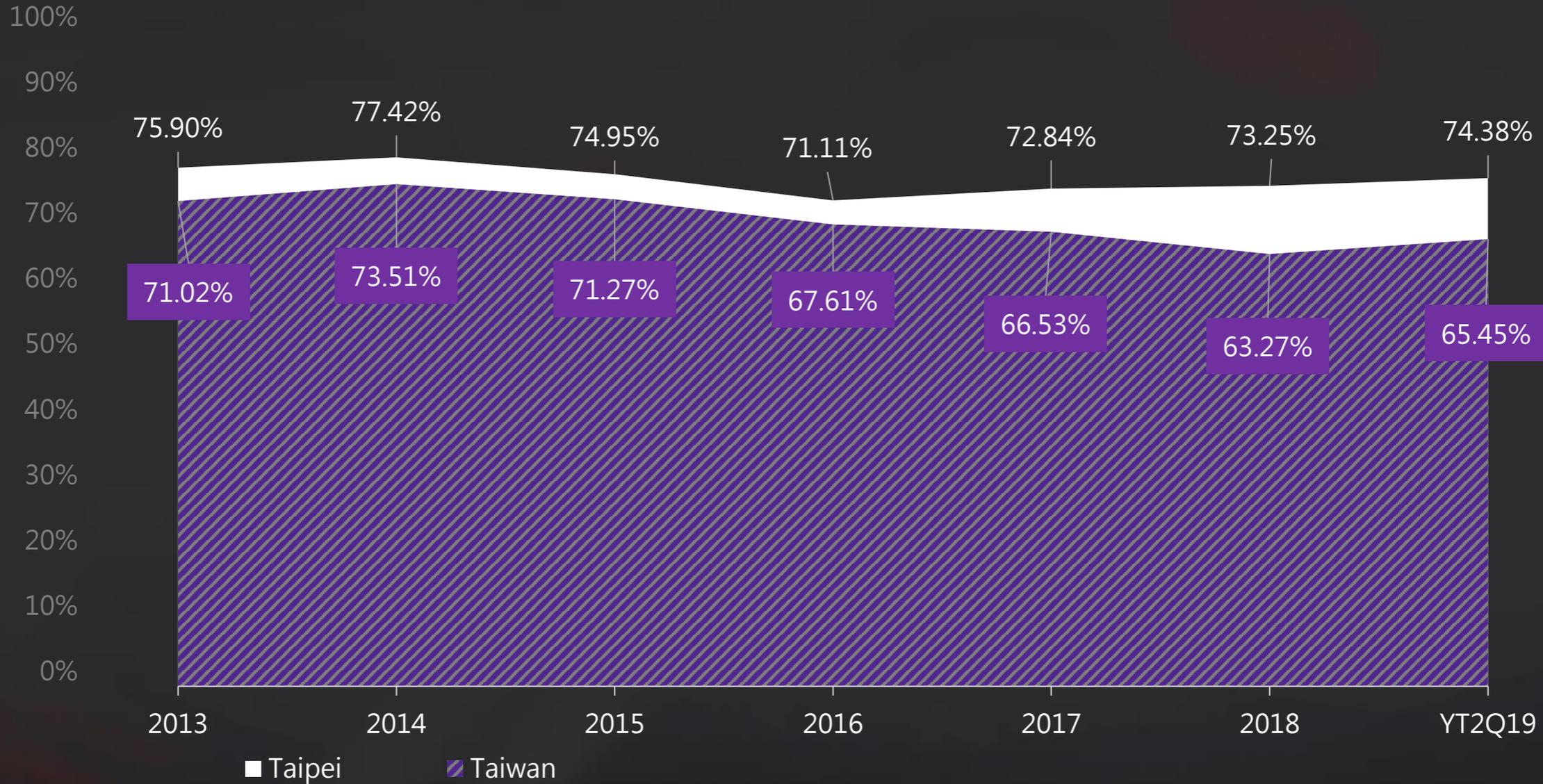


Source: Statistics of the Tourism Bureau, MOTC.



# Market Analysis

## International Hotel Occupancy Taiwan vs. Taipei

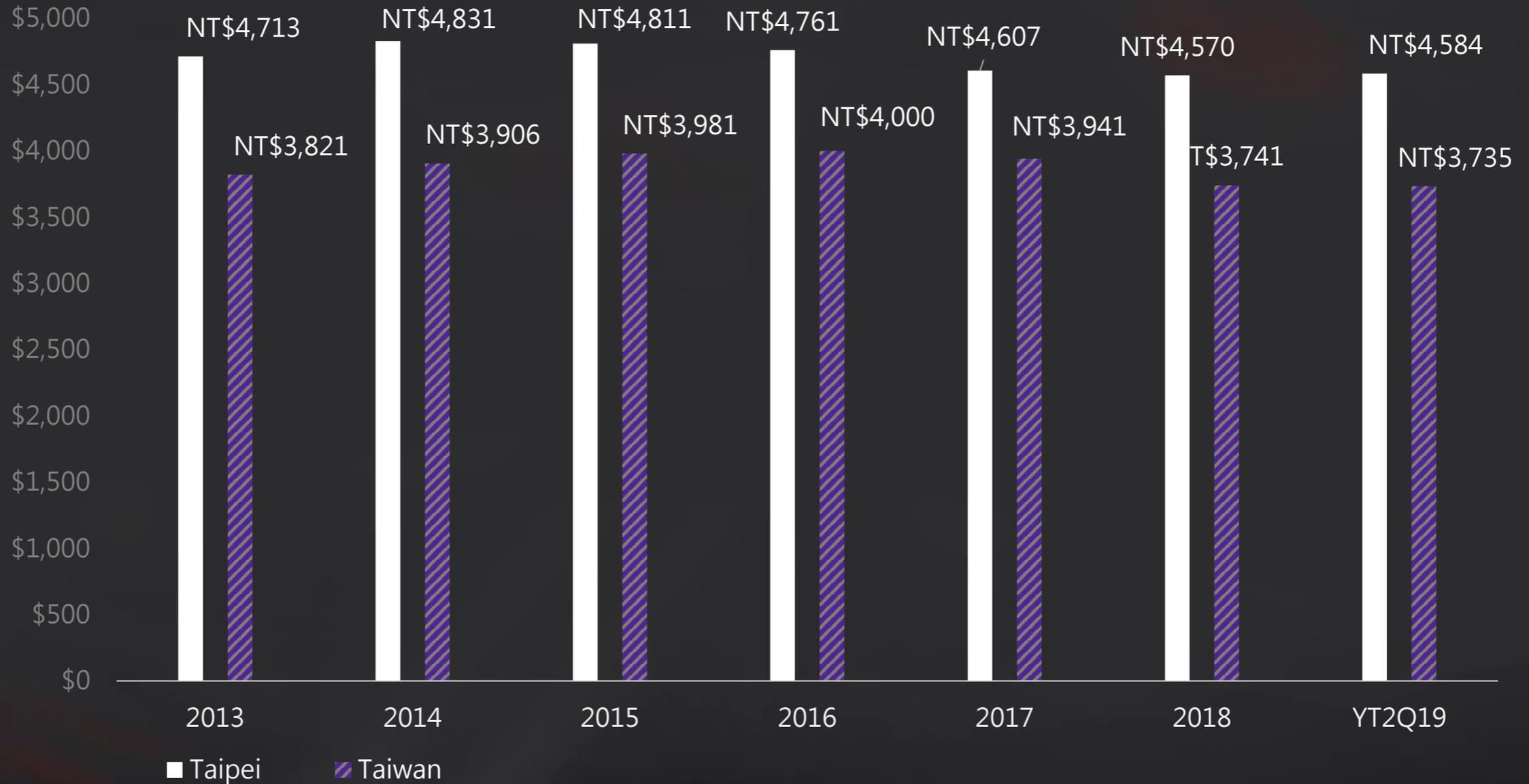


Source: Statistics of the Tourism Bureau, MOTC.



# Market Analysis

## International Hotel Average Rate Taiwan vs. Taipei



Source: Statistics of the Tourism Bureau, MOTC.

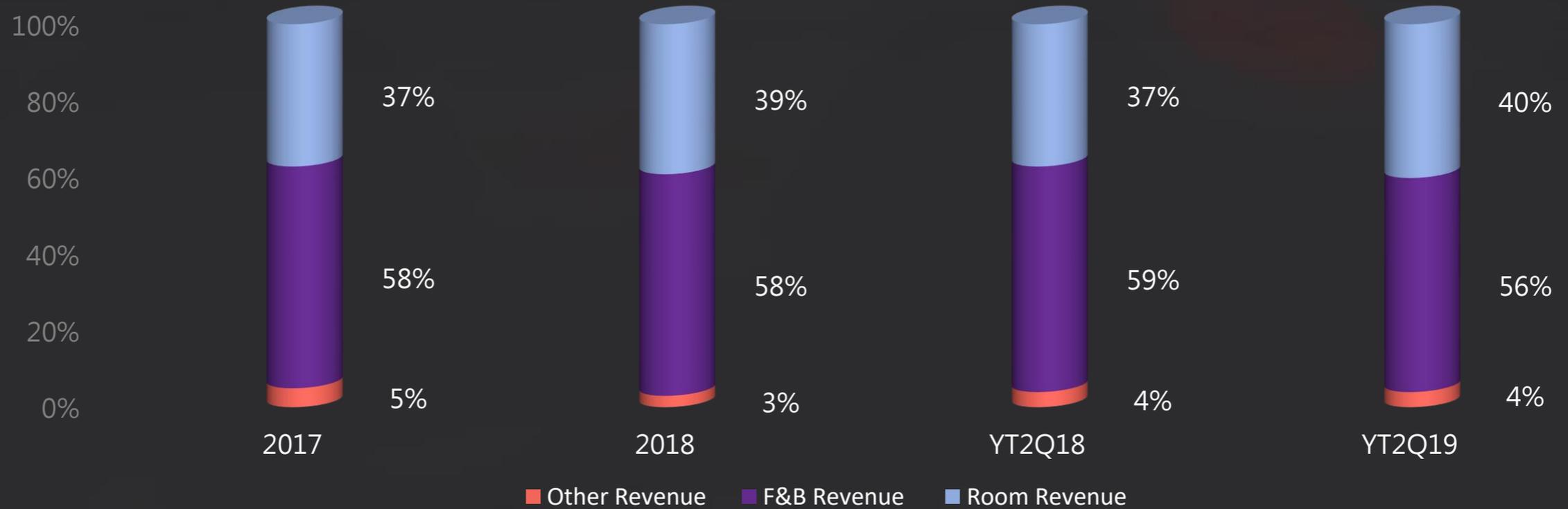


# Operational Performance





# Revenue Ratio of Major Products



Revenue Period	F&B Revenue	Room Revenue	Other Revenue	Total Revenue
2017	24.46	15.58	1.87	41.91
2018	25.43	16.83	1.32	43.58
YT2Q18	12.56	7.99	0.78	21.33
YT2Q19	12.60	8.84	0.86	22.30

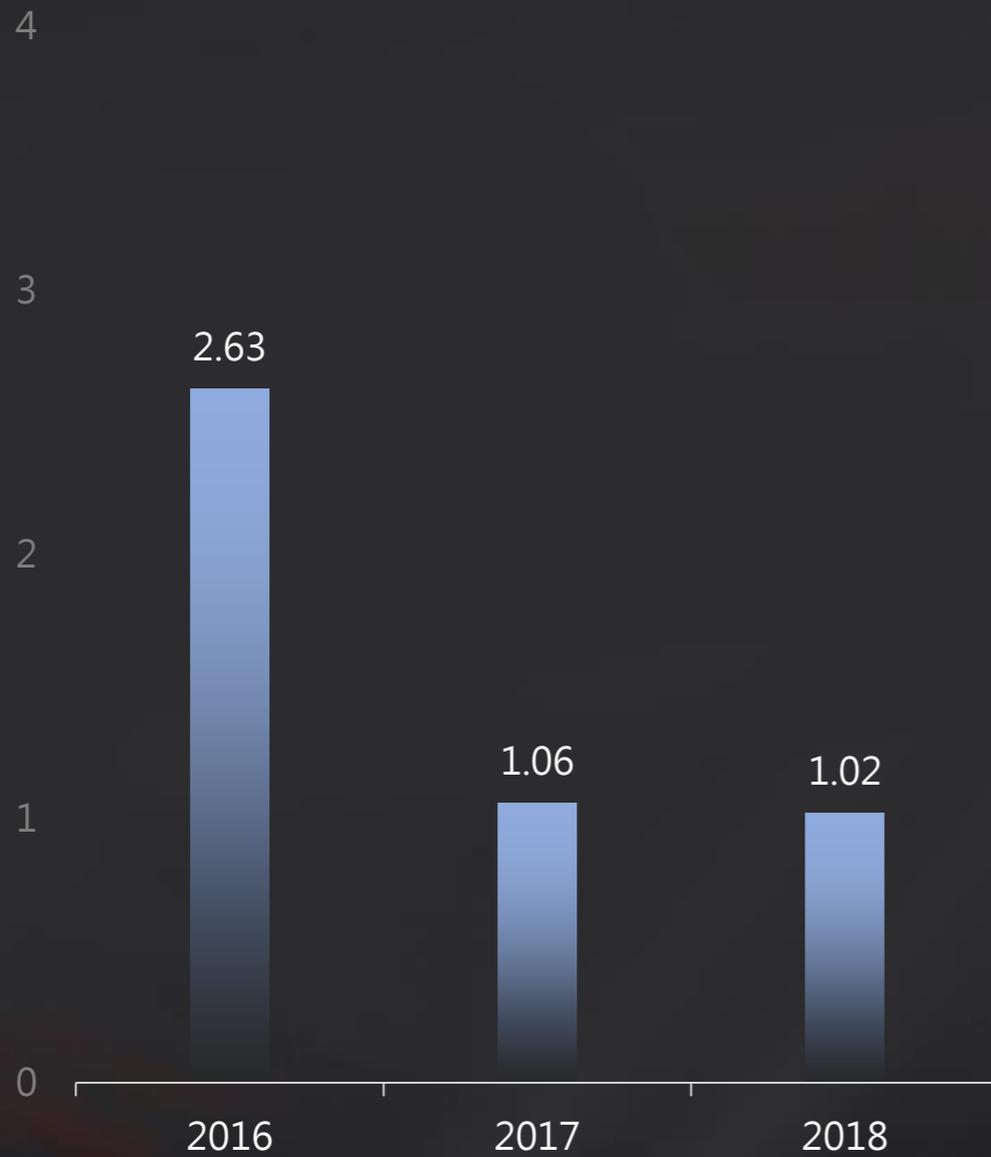
Unit: NT\$100 million

Source: The company consolidated financial reports

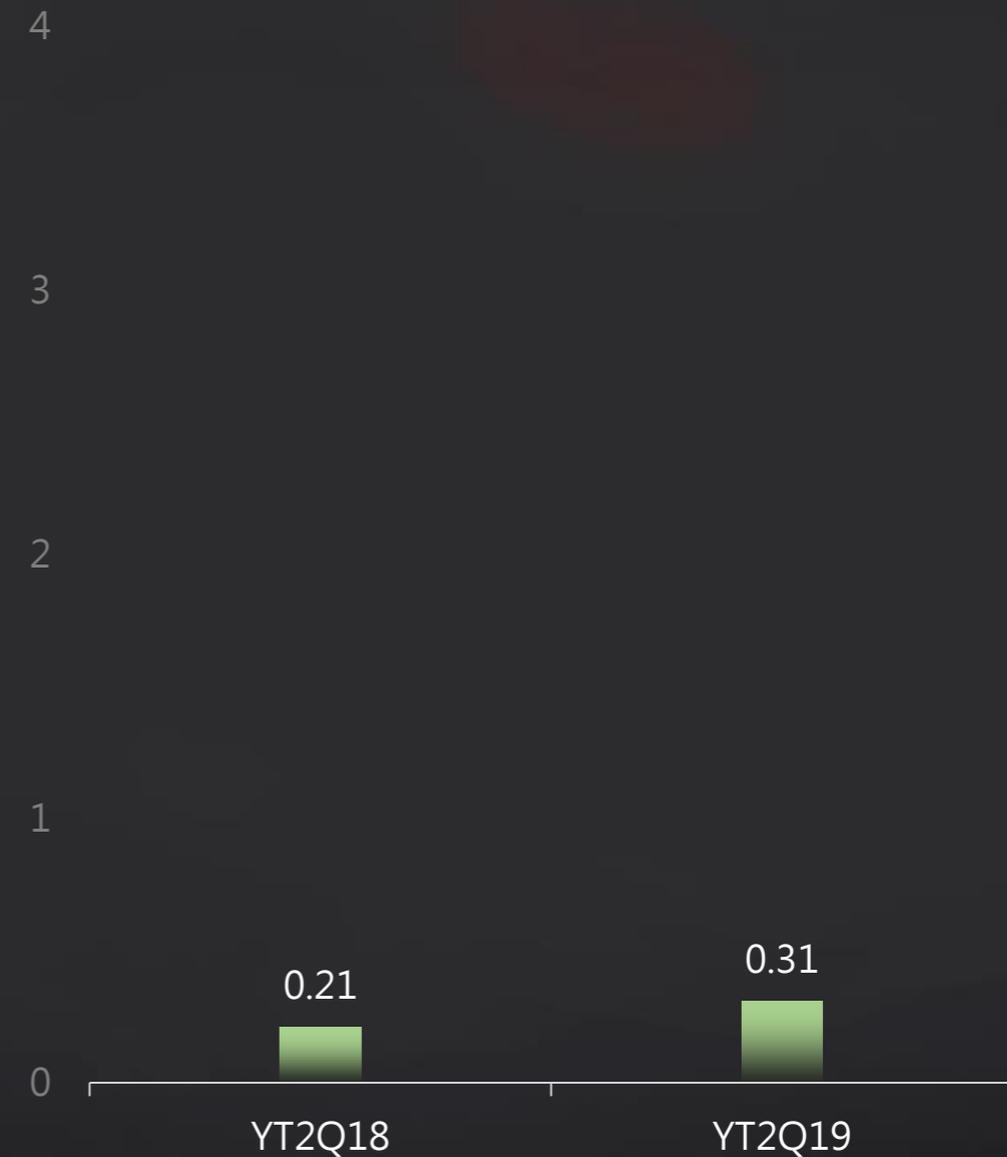


# Profitability

## EPS over past 3 Yrs



## EPS YT2Q18 & 2Q19



Unit: NTD

Source: The company consolidated financial reports



## Dividends over the Years

Unit: NTD;%

Item	2015	2016	2017	2018
Cash Dividend	2.5447	2.2	1.0	1.0
EPS	3.00	2.63	1.06	1.02
Payout ratio	85%	84%	94%	98%

Source: Market Observation Post System



# 2017~2018 CSR Report



MY HUMBLE HOUSE  
HOSPITALITY MANAGEMENT  
CONSULTING  
寒舍餐旅管理顧問

2017 CSR REPORT

寒舍餐旅 企業社會責任報告書



MY HUMBLE HOUSE  
GROUP  
寒舍集團



2018

寒舍餐旅管理顧問企業社會責任報告書

CSR REPORT



# Comparison with Major Competitors-Corporate Governance Ranking 2018

Ranking (Top down)*	Competitors
Top 5% · 43 TSE Listed Companies	
6%~20% · 131 TSE Listed Companies	
21%~35% · 131 TSE Listed Companies	Fleur
36%~50% · 129 TSE Listed Companies	MHH
51%~65% · 130 TSE Listed Companies	Ambassador
66%~80% · 130 TSE Listed Companies	Regent
81%~100% · 174 TSE Listed Companies	Leofoo

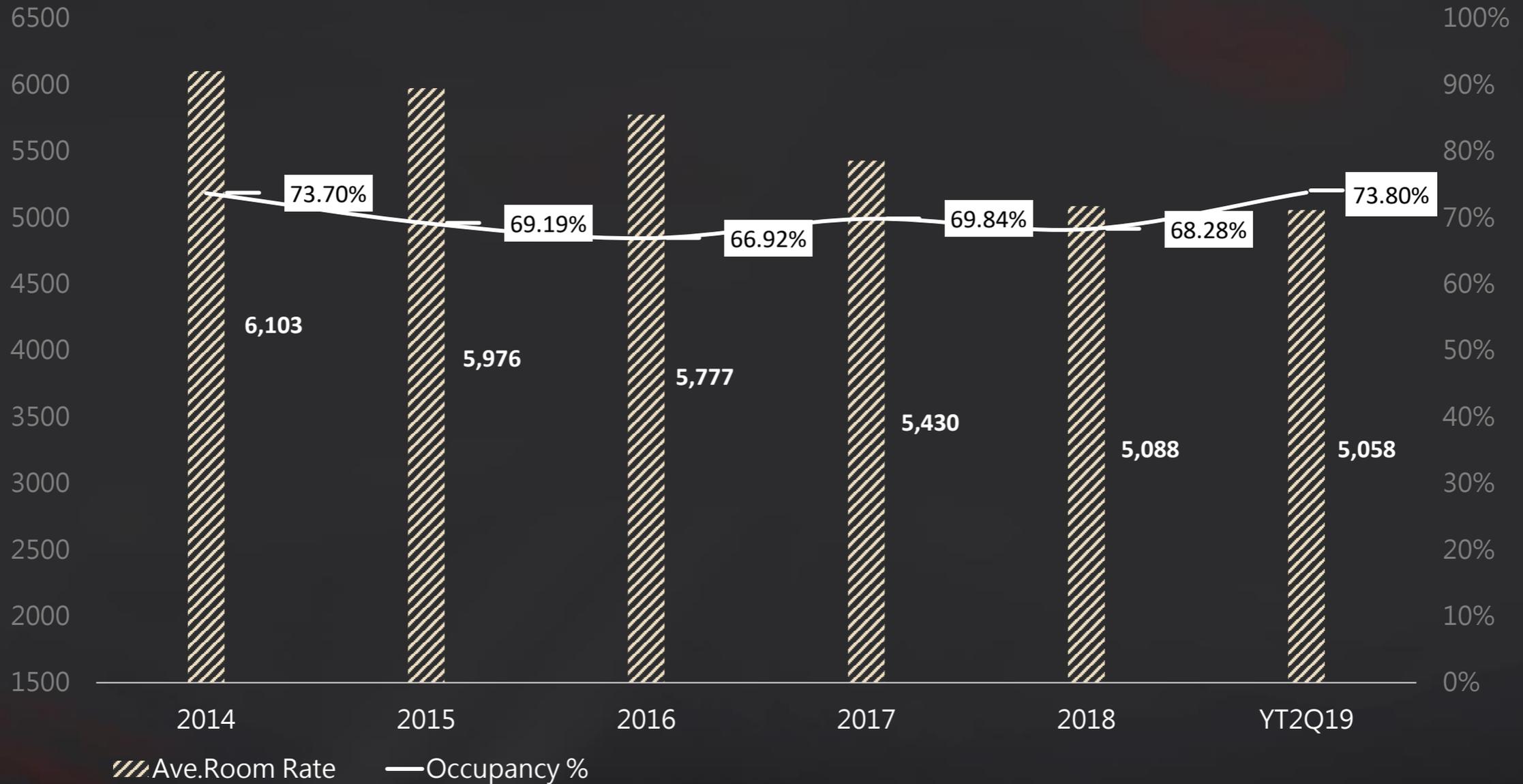
- Totally 868 TSE listed companies participate in ranking during 2018

Source: Securities & Futures Institute



# Occupancy Rate and Price

## Occupancy & Room Rate - Sheraton

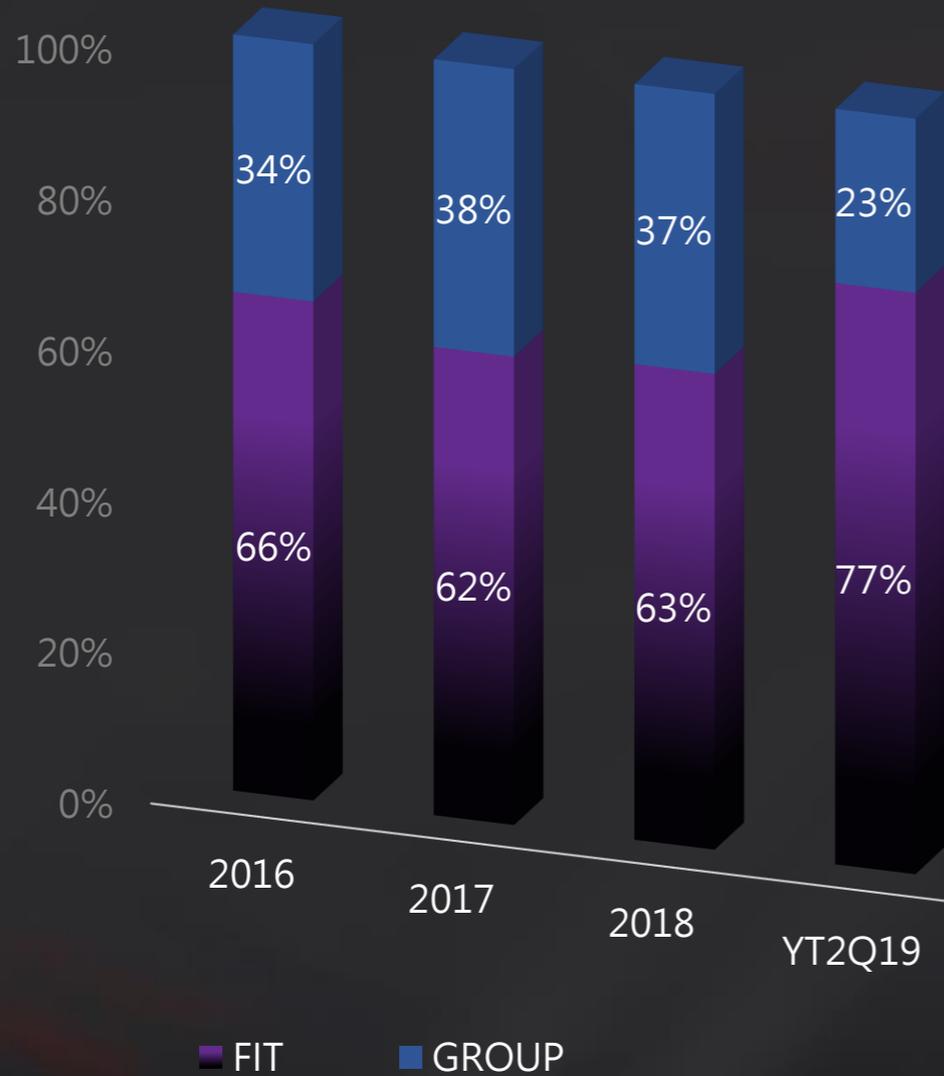


Source: Statistics of the Tourism Bureau, MOTC.

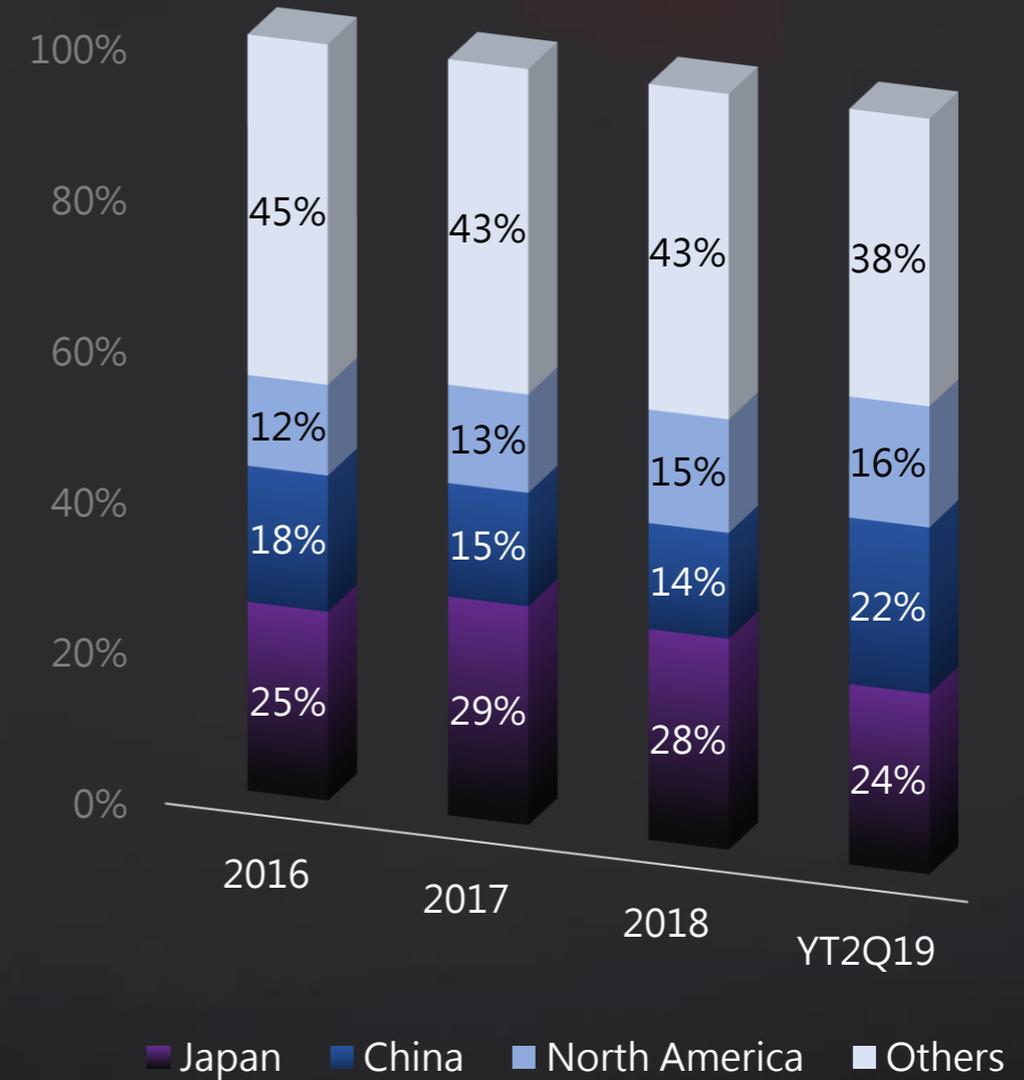


# Guest Segments Analysis

## By Type-Sheraton



## By Country/Region-Sheraton

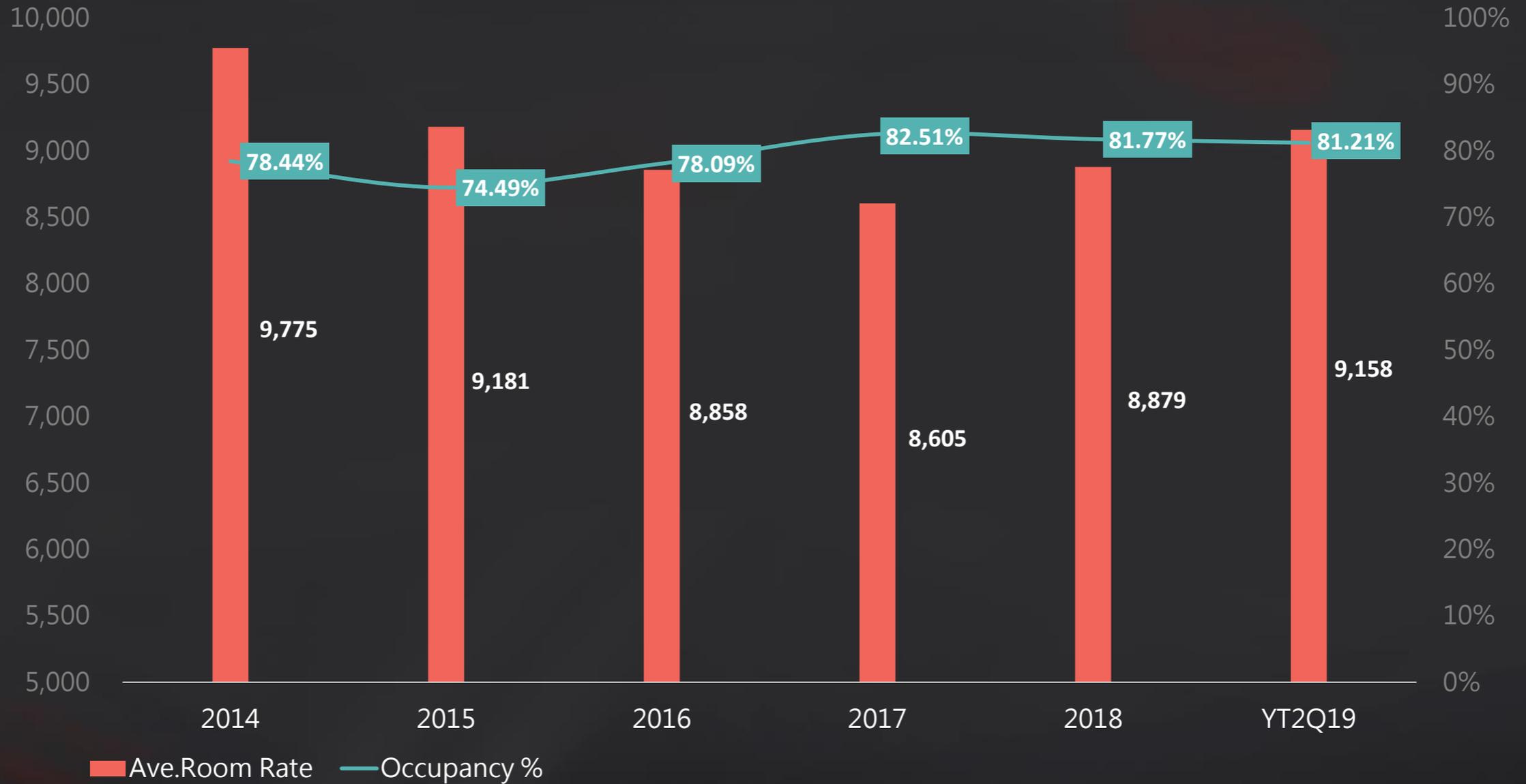


Source: Statistics of the Tourism Bureau, MOTC.



# Occupancy Rate and Price

## Occupancy & Room Rate – Le Méridien

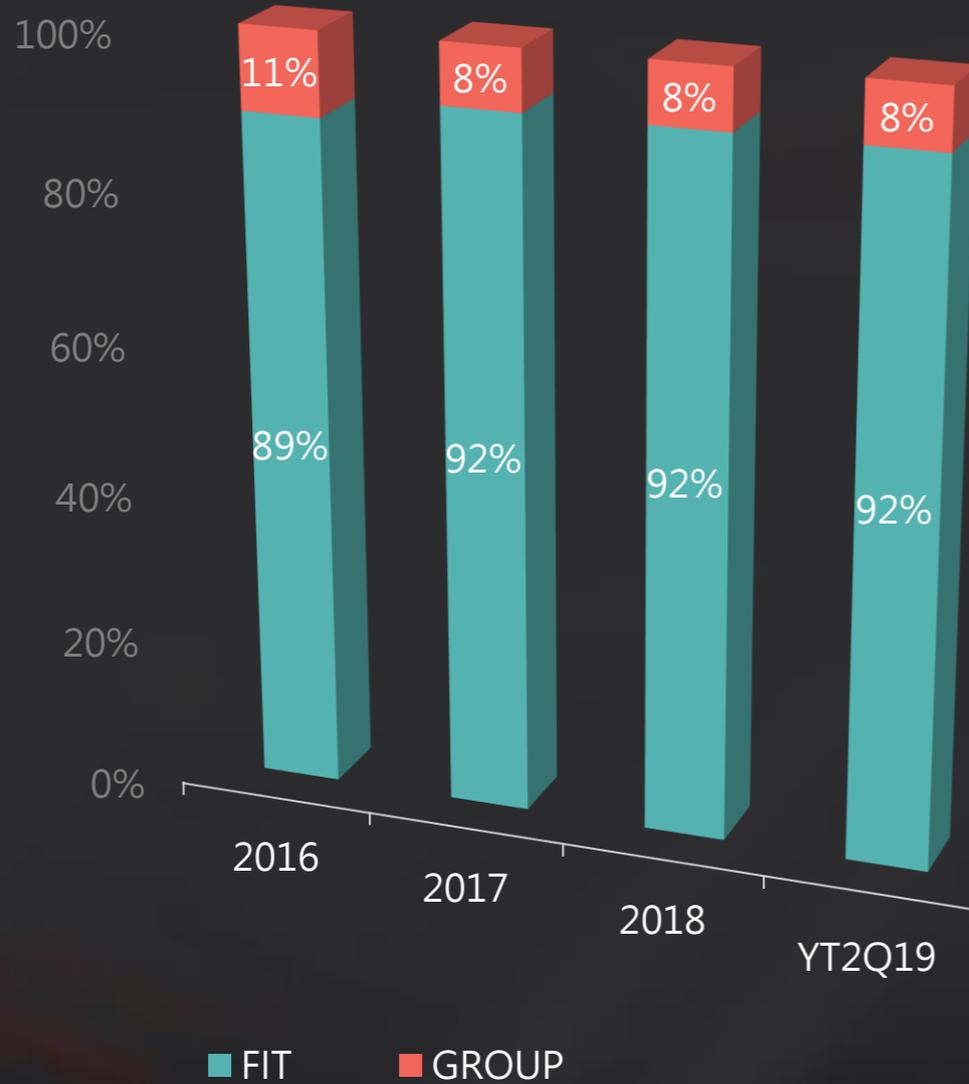


Source: Statistics of the Tourism Bureau, MOTC.

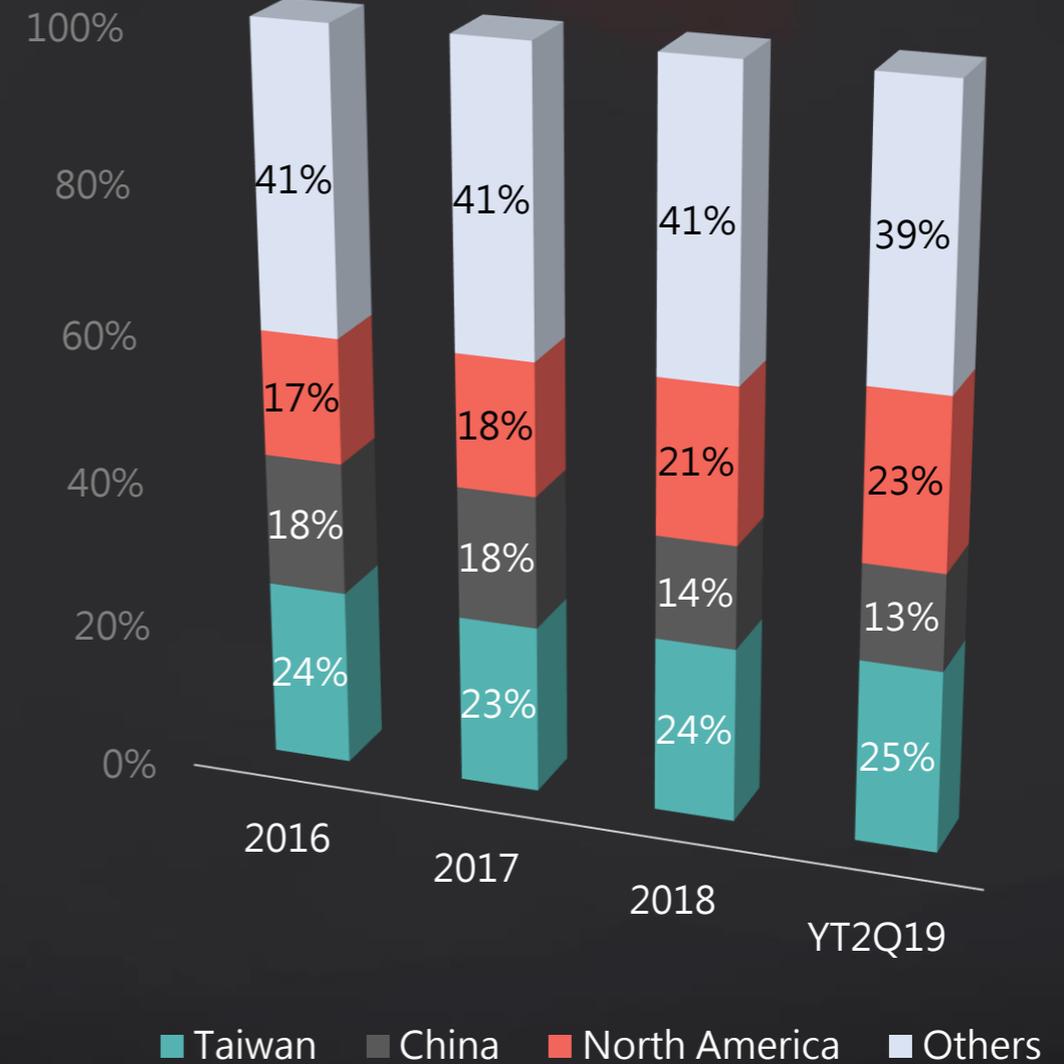


# Guest Segments Analysis

## By Type-Le Méridien



## By Country/Region-Le Méridien



Source: Statistics of the Tourism Bureau, MOTC.



## Guest Segments Analysis-MU

Items	2018	YT2Q18	YT2Q19
Ave. Room Rate	NTD\$6,289	NTD\$6,590	NTD\$6,244
Occupancy	62.8%	57.1%	60.5%
By Type	FIT 62%、GROUP 38 %	FIT 63 %、GROUP 37 %	FIT 70%、GROUP 30%
By Country/Region	Taiwan 95%、HK 2%、 China 1%、Others 2%	Taiwan 96%、HK 1%、 China 1 %、Others 2%	Taiwan 92 %、HK 2%、 China 2%、Others 4%

Source: MHH



# About IFRS 16





# Influences on MHH YT2Q19 Financial Report under IFRS 16

The International Financial Reporting Standards #16 「Leases」 ( IFRS 16 ) was implemented in MHH Groups financial statements in 01/01/2019.

In 01/01/2019, the major accounting adjustment in MHH' s financial reports was an increase reporting NT\$12,912,698,000 to 「right-of-use asset」 , and increase NT\$ 13,139,967,000 to 「 Lease liabilities」 , and decrease NT\$ 229,149 ,000 to 「 other account payable」 .



# Influences on MHH YT2Q19 Financial Report under IFRS 16

Unit: NT\$ thousand

Item	2019/Q2(IFRS16)	2018/Q2(IAS17)	Difference
Rent of operating lease	0	525,990	(525,990)
Depreciation of right-of-use asset	463,426	0	463,426
Interest fees in Lease liabilities	116,114	0	116,114
Total	579,540	525,990	53,550



# Influences on MHH YT2Q19 Financial Report under IFRS 16

- The major difference between IFRS 16 & IAS 17 is a change of accounting recognition for 「operating lease」. According to IFRS 16, MHH financial report for YT2Q19 compared to YT2Q18 has recognized increased NT\$53,550,000 expense. Based on IFRS 16, in coming few years, the annual recognized total accounting expenses will decrease gradually. The total rents expense occurring in the leasing periods will not be changed. MHH's cash flow performances will also remain the same.
- Comparing the financial outcome of YT2Q19 to YT2Q18 on the same basis (the same accounting recognition method for 「operating lease」 adopted in year 2018), MHH's financial performances in YT2Q19 would be better than these in YT2Q18.



# Operating Strategy and Future Prospects





# Operating Strategy (Updated)

## Resource Integration

Create improve operational synergies by cross integration of branding , business, regional area, and multi-generation resource platforms.

We are placing strong focus on “Cluster-Selling” , meaning every sales person cross-sell all properties including Rooms, Events and Food & Beverage to push overall revenue, obtain more business opportunities and further enhance the brand image .

## Artistic Aesthetics

Integrating aesthetics and culture into hotel management, creating differentiation and strong brand competitiveness

Le Meridien and MOCA Taipei jointly create an exquisite collection of “UnlockArt” designed room keys. Through this unique partnership, we can offer our guests from all over the world to enjoy local inspiring experiences when they present the key.

## High Technology Application

Use big data analysis to identify potential customers, optimize guest interaction, increase business opportunities.

Provide our respective hotels’ operation team-members with detailed and analyzed reports on customers consumption behavior from Food & Beverage outlets, Rooms and Banquets so that they can have a deeper understanding on consumption behavior by geographical regions, aim to uplift our competitive edge.

## Hotel Private Brand Development

Brand innovation, develop entrusted management business, and evaluate overseas investment opportunities.

Continue securing our brand trademarks to be registered in targeted overseas markets. Meanwhile, we have successfully created our own “Property Opening Portal” that can now be used for project acquisitions.



# Operating Strategy (Updated)

## Talent Cultivation

Cultivate top talents with international experience in line with the company's future development needs.

After careful selection, we have identified twenty-two top talents from different hotels/departments as our "Future Leaders" for a 18 to 24 months tailor-made trainings. Our key goals include further improve Brand Loyalty, create a Diversified Management Team, and most importantly – continue developing our core asset *PEOPLE!*

## Management Effectiveness

Optimize organizational structure, increase group purchasing power, and continue to evolve other corporate strength and execution.

For the past of 12 months, both our Purchasing and Engineering Departments have been successfully implemented corrective measures and new operating methods. These have proven to be successful as we have reduced overall expenses. We will continue to identify new areas and measures to improve savings.

## Stable Dividend Policy

Stable dividend policy and the steady growth with return on equity.



## Recent Environment and Market Fluctuation

### China

Since 01 August 2019, China has announced termination of all FITs and GITs into Taiwan until completion of Taiwan Presidential election.

Both Sheraton and Le Meridien hotels have been impacted. We will continue working closely with local operators on any future opportunities to bring in Government official visits and Business visa guests. Meanwhile, we are also exploring opportunities to develop new markets such as Malaysia, Indonesia, India, Thailand and Korea.

### Hong Kong

Hong Kong is currently suffering from non-stop "Protest Activities, which strongly affected the entire economy. We believe this situation will come to end before October. We will continue working closely with local operators and Hong Kong wholesalers to push and boost sales once the Hong Kong travelers return to Taiwan.



## Recent Environment and Market Fluctuation

### South Korea / Japan

Apart from the U.S./China Trade War, now that South Korea/Japan are also in the similar argument whereby both countries have already terminated a lot of partnerships including air transportation and travel.

We see opportunities that Taiwan may become a popular destination for both Japanese and Koreans. We are now working closely with local tour operators and , OTAs to create sales gimmicks and strategies.

4 overseas business trips have been scheduled in August and September, covering Malaysia, Singapore, South Korea and Japan to push new leads. In addition, we will also sponsor/participate the Marriott Global Sales Office familiarization trip in November.



THANK YOU