# Minor Hotels Europe & Americas, S.A.

Audit Report,
Annual Accounts and Management Report
at 31 December 2024

***Free translation of the independent auditor´s report on the annual accounts originally issued in Spanish. In the event of discrepancy, the Spanish language version prevails.***

# Independent auditor's report on the annual accounts

To the shareholders of Minor Hotels Europe & Americas, S.A.

## Report on the annual accounts

### Opinion

We have audited the annual accounts of Minor Hotels Europe & Americas, S.A. (the Company), which comprise the statement of financial position sheet as at 31 December 2024, and the statement of profit and loss, statement of changes in equity, cash flow statement and related notes for the year then ended.

In our opinion, the accompanying annual accounts present fairly, in all material respects, the equity and financial position of the Company as at 31 December 2024, as well as its financial performance and cash flows for the year then ended, in accordance with the applicable financial reporting framework (as identified in note 2 of the notes to the annual accounts), and in particular, with the accounting principles and criteria included therein.

### Basis for opinion

We conducted our audit in accordance with legislation governing the audit practice in Spain. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the annual accounts* section of our report.

We are independent of the Company in accordance with the ethical requirements, including those relating to independence, that are relevant to our audit of the annual accounts in Spain, in accordance with legislation governing the audit practice. In this regard, we have not rendered services other than those relating to the audit of the accounts, and situations or circumstances have not arisen that, in accordance with the provisions of the aforementioned legislation, have affected our necessary independence such that it has been compromised.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the annual accounts of the current period. These matters were addressed in the context of our audit of the annual accounts as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

| Key audit matters | How the matters were addressed in the audit |
|---|---|
| **Recoverability of equity investments in group companies and associates**<br><br>Equity instruments in group companies and associates recognised under non-current assets amounting to €2,308 million at 31 December 2024 represent 76% of total assets on the accompanying balance sheet.<br><br>The Company analyses these investments annually for impairment and, where there is objective evidence of impairment, determines the recoverable amount of the investments' carrying value using the present value of the future cash flows to be generated by the investments according to business plans, as outlined in the notes to the accompanying annual accounts (Note 4.f).<br><br>Calculating the recoverable amount and any value adjustments that may be necessary requires the application of judgments and significant estimates when determining future cash flows and related assumptions, such as the application of discount rates and expected growth rates, among others.<br><br>The above-mentioned aspects lead us to consider the recoverability of equity investments in Group companies and associates a key audit matter. | Our audit procedures included, among others:<br><br>Understanding and evaluating their reasonableness as well as the controls that the Company has in place in its processes for analysing the recoverability of equity investments in group companies and associates.<br><br>Obtaining the cash flow projections used to measure the investments, on which we carried out the following procedures:<br><br>• Assessment of the reasonableness of the key assumptions and estimates included in the model in relation to both future cash flow forecasts and the key items taken into account in their calculation, such as the method applied to calculate the discount rates and its resulting value within a range that we deem to be acceptable<br><br>• Arithmetic verification of the calculations taken into consideration in impairment testing and assessment of the sensitivity analyses performed by the Company, considering the ranges within which the key model assumptions should fluctuate in order to trigger impairment of investments or a reversal of existing impairment.<br><br>• Evaluation of the sufficiency of the related disclosures in the annual accounts.<br><br>The results of the procedures carried out have allowed us to achieve the audit objectives for which such procedures were designed. |

## Other information: Management report

Other information comprises only the management report for the 2024 financial year, the formulation of which is the responsibility of the Company's directors and does not form an integral part of the annual accounts.

Our audit opinion on the annual accounts does not cover the management report. Our responsibility regarding the management report, in accordance with legislation governing the audit practice, is to:

a) Verify only that the statement of non-financial information, certain information included in the Annual Corporate Governance Report and the Annual Report on Directors' Remuneration, as referred to in the Auditing Act, have been provided in the manner required by applicable legislation and, if not, we are obliged to disclose that fact.

b) Evaluate and report on the consistency between the rest of the information included in the management report and the annual accounts as a result of our knowledge of the Company obtained during the audit of the aforementioned financial statements, as well as to evaluate and report on whether the content and presentation of this part of the management report is in accordance with applicable regulations. If, based on the work we have performed, we conclude that material misstatements exist, we are required to report that fact.

On the basis of the work performed, as described above, we have verified that the information mentioned in section a) above has been provided in the manner required by applicable legislation and that the rest of the information contained in the management report is consistent with that contained in the annual accounts for the 2024 financial year, and its content and presentation are in accordance with applicable regulations.

## Responsibility of the directors and the audit and control committee for the annual accounts

The directors are responsible for the preparation of the accompanying annual accounts, such that they fairly present the equity, financial position and financial performance of the Company, in accordance with the financial reporting framework applicable to the entity in Spain, and for such internal control as the aforementioned directors determine is necessary to enable the preparation of annual accounts that are free from material misstatement, whether due to fraud or error.

In preparing the annual accounts, the directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

The audit and control committee is responsible for overseeing the process of preparation and presentation of the annual accounts.

## Auditor's responsibilities for the audit of the annual accounts

Our objectives are to obtain reasonable assurance about whether the annual accounts as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with legislation governing the audit practice in Spain will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these annual accounts.

As part of an audit in accordance with legislation governing the audit practice in Spain, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the annual accounts, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.

- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the annual accounts or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the annual accounts, including the disclosures, and whether the annual accounts represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the entity's audit and control committee regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the entity's audit and control committee with a statement that we have complied with ethical requirements relating to independence and we communicate with the aforementioned those matters that may reasonably be considered to threaten our independence and, where applicable, the safeguards adopted to eliminate or reduce such threat.

From the matters communicated with the entity's audit and control committee, we determine those matters that were of most significance in the audit of the annual accounts of the current period and are therefore the key audit matters.

We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter.

## Report on other legal and regulatory requirements

### European single electronic format

We have examined the digital file of the European single electronic format (ESEF) of Minor Hotels Europe & Americas, S.A. for the 2024 financial year that comprises an XHTML file of the annual accounts for the financial year, which will form part of the annual financial report.

The directors of Minor Hotels Europe & Americas, S.A. are responsible for presenting the annual financial report for the 2024 financial year in accordance with the formatting requirements established in the Delegated Regulation (EU) 2019/815 of 17 December 2018 of the European Commission (hereinafter the ESEF Regulation). In this regard, the Annual Corporate Governance Report and the Annual Report on Directors' Remuneration have been incorporated by reference in the management report.

Our responsibility is to examine the digital file prepared by the Company's directors, in accordance with legislation governing the audit practice in Spain. This legislation requires that we plan and execute our audit procedures in order to verify whether the content of the annual accounts included in the aforementioned file completely agrees with that of the annual accounts that we have audited, and whether the format of these accounts has been effected, in all material respects, in accordance with the requirements established in the ESEF Regulation.

In our opinion, the digital file examined completely agrees with the audited annual accounts, and these are presented, in all material respects, in accordance with the requirements established in the ESEF Regulation.

## Report to the audit and control committee

The opinion expressed in this report is consistent with the content of our additional report to the audit and control committee of the Company dated 13 February 2025.

## Appointment period

The General Ordinary Shareholders' Meeting held on 30 June 2022 appointed us as auditors for a period of three years, as from the year ended 31 December 2022.

Previously, we were appointed by resolution of the General Ordinary Shareholders' Meeting for a period of three years and we have audited the accounts continuously since the year ended 31 December 2019.

## Services provided

Services provided to the audited entity and its subsidiaries for services other than the audit of the accounts are disclosed in note 17.d to the annual accounts.

PricewaterhouseCoopers Auditores, S.L. (S0242)

Original in Spanish signed by Raúl Llorente Adrián (20613)

13 February 2025

MINOR HOTELS EUROPE & AMERICAS

# Annual accounts and Management Report for Financial Year 2024

**STATEMENT OF FINANCIAL POSITION** ..... **3**

**STATEMENT OF PROFIT AND LOSS** ..... **4**

**STATEMENT OF CHANGES IN EQUITY** ..... **5**

**STATEMENT OF CASH FLOW** ..... **6**

**REPORT ON THE ANNUAL ACCOUNTS** ..... **7**

1. NATURE, COMPANY PURPOSE AND COMPOSITION OF THE GROUP ..... 7
2. BASIS OF PRESENTATION ..... 8
3. PROPOSED DISTRIBUTION OF PROFITS ..... 9
4. ACCOUNTING POLICIES ..... 9
5. INTANGIBLE ASSETS ..... 21
6. PROPERTY, PLANT AND EQUIPMENT ..... 22
7. OPERATING LEASES ..... 23
8. FINANCIAL ASSETS AND LIABILITIES ..... 24
9. CASH AND CASH EQUIVALENTS ..... 27
10. EQUITY AND OWN FUNDS ..... 27
11. PROVISION FOR LIABILITIES AND CHARGES ..... 28
12. FINANCIAL DEBT - CURRENT AND NON-CURRENT ..... 30
13. TAX NOTE ..... 37
14. TRADE CREDITORS AND OTHER ACCOUNTS PAYABLE ..... 42
15. THIRD-PARTY GUARANTEES AND CLAIMS IN PROCESS ..... 42
16. OPERATIONS AND BALANCES BETWEEN GROUP COMPANIES ..... 43
17. INCOME AND EXPENSES ..... 46
18. REMUNERATION AND OTHER STATEMENTS MADE BY THE BOARD OF DIRECTORS AND SENIOR MANAGEMENT ..... 49
19. ENVIRONMENTAL INFORMATION ..... 51
20. EVENTS AFTER THE REPORTING PERIOD ..... 51

**MANAGEMENT REPORT** ..... **52**

MINOR HOTELS EUROPE & AMERICAS, S.A.

## STATEMENT OF FINANCIAL POSITION AT 31 December 2024

(Thousands of euros)

| | Note | 2024 | 2023 |
|---|---|---|---|
| **NON-CURRENT ASSETS:** | | | |
| Intangible assets | Note 5 | 69,207 | 23,826 |
| Property, plant and equipment | Note 6 | 60,196 | 56,264 |
| Investment in property | | 2,021 | 2,057 |
| Investments in non-current group and associated companies | | 2.611.127 | 2,791,534 |
| Equity instruments | Note 8.2 | 2.307.831 | 2,050,642 |
| Loans to companies | Note 16.1 | 303,296 | 740,892 |
| Non-current financial assets | Note 8.1 | 1,511 | 1,448 |
| Deferred tax assets | Note 13 | 48,014 | 29,830 |
| **Total non-current assets** | | **2.792.076** | **2,904,959** |
| **CURRENT ASSETS:** | | | |
| Inventories | | 221 | 201 |
| Trade and other receivables | | 13,257 | 17,405 |
| Trade accounts receivable for sales and services | Note 8 | 2,388 | 1,681 |
| Sundry debtors | Note 8 | 469 | 1,188 |
| Current tax assets | Note 13 | 9,720 | 13,438 |
| Other tax receivables | Note 13 | 680 | 1,098 |
| Current investments in group companies and associates | Note 16.1 | 231,998 | 133,401 |
| Current financial investments | | 26 | 26 |
| Current accruals | | 3,494 | 4,030 |
| Cash and cash equivalents | Note 9 | 1,118 | 1,186 |
| **Total current assets** | | **250,114** | **156,249** |
| **TOTAL ASSETS** | | **3.042.190** | **3,061,208** |
| **EQUITY** | | | |
| Capital | | 871,491 | 871,491 |
| Share premium | | 848,394 | 848,394 |
| Reserves | | 535,699 | 531,776 |
| Legal and statutory reserves | | 113,769 | 109,791 |
| Other reserves | | 421,930 | 421,985 |
| Prior years' losses | | (18,985) | (54,783) |
| Treasury shares | | (417) | (356) |
| Profit/Loss for the year | | 104,267 | 39,776 |
| **Total Equity** | Note 10 | **2.340.449** | **2,236,298** |
| **NON-CURRENT LIABILITIES:** | | | |
| Non-current provisions | Note 11 | 5,237 | 5,244 |
| Non-current debts | | 479,732 | 444,301 |
| Debt instruments and other marketable securities | Note 12.1 | 399,234 | 397,767 |
| Bank borrowings | Note 12.1 | 40,559 | 43,146 |
| Other financial liabilities | Note 12.2 | 39,939 | 3,388 |
| Non-current debts with group and associate companies | Note 16.1 | 30,341 | 243,161 |
| Deferred tax liabilities | Note 13 | 4,223 | 4,394 |
| **Total non-current liabilities** | | **519,533** | **697,100** |
| **CURRENT LIABILITIES:** | | | |
| Current provisions | Note 11 | 2,440 | 3,948 |
| Current debts | | 12,474 | 11,232 |
| Debt instruments and other marketable securities | Note 12.1 | 6,444 | 6,507 |
| Bank borrowings | Note 12.1 | 2,954 | 4,725 |
| Other financial liabilities | Note 12.1 | 3,076 | – |
| Current debts with group and associate companies | Note 16.1 | 112,459 | 64,581 |
| Trade creditors and other accounts payable | | 54,835 | 48,049 |
| Suppliers | Note 14.1 | 36,602 | 29,755 |
| Sundry creditors | Note 14.1 | 9,976 | 10,779 |
| Personnel | Note 8 | 6,720 | 6,138 |
| Other taxes payable | Note 13 | 1,537 | 1,377 |
| **Total current liabilities** | | **182,208** | **127,810** |
| **Total Liabilities** | | **701,741** | **824,910** |
| **TOTAL EQUITY AND LIABILITIES** | | **3.042.190** | **3,061,208** |

The accompanying Notes 1 to 20 are an integral part of the balance sheet at 31 December 2024.
The balance sheet at 31 December 2023 is presented for comparison purposes only.

MINOR HOTELS EUROPE & AMERICAS, S.A.

## STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED AT 31 December 2024

(Thousands of euros)

| | Note | 2024 | 2023 |
|---|---|---|---|
| **Net turnover** | Note 17.a | **169,859** | **154,693** |
| Sales | | 53,055 | 46,648 |
| Provision of services and other | | 116,804 | 108,045 |
| **Procurements** | | **72** | **(189)** |
| **Work carried out by the company for its assets** | | **2,899** | **2,678** |
| **Staff costs** | Note 17.b | **(44,568)** | **(43,213)** |
| Wages, salaries and similar | | (36,068) | (35,788) |
| Social security contributions | | (8,500) | (7,425) |
| **Other operating expenses** | | **(66,293)** | **(59,247)** |
| External services | Note 17.c | (35,522) | (31,713) |
| Taxes | | (2,433) | (2,751) |
| Losses on, impairment of and changes in allowances for trade receivables | | (13) | 8 |
| Other current operating expenses | Note 17.d | (28,325) | (24,791) |
| **Depreciation and amortisation expenses** | Notes 5 and 6 | **(15,753)** | **(16,078)** |
| **Impairment and profits/losses on disposals of non-current assets** | | **(88)** | **141** |
| Income from disposals and other | | (88) | 141 |
| **PROFIT/LOSS FROM OPERATIONS** | | **46,128** | **38,785** |
| **Financial income** | | **24,378** | **74,718** |
| From securities held for trading and other financial instruments | | | |
| Group companies and associates | Note 16.2 | 24,378 | 73,986 |
| Third parties | | – | 732 |
| **Financial expenses** | | **(32,371)** | **(37,287)** |
| On debts to Group companies and associates | Note 16.2 | (8,216) | (11,744) |
| On debts to third parties | Note 17.e | (24,155) | (25,543) |
| **Change in fair value of financial instruments** | | – | **(846)** |
| **Exchange rate differences** | | **3,906** | **(1,102)** |
| **Impairment and gains/losses on derecognition and disposal of financial instruments** | Note 8.2 | **42,691** | **(35,985)** |
| **FINANCIAL PROFIT/LOSS** | | **38,604** | **(502)** |
| **PROFIT/LOSS BEFORE TAX** | | **84,732** | **38,283** |
| Income tax | Note 13 | 19,535 | 1,493 |
| **PROFIT/LOSS FOR THE YEAR FROM CONTINUING OPERATIONS** | | **104,267** | **39,776** |
| **PROFIT/LOSS FOR THE YEAR** | | **104,267** | **39,776** |

The accompanying Notes 1 to 20 are an integral part of the statement of profit and loss 2024.
The statement of profit and loss for 2023 is presented for comparison purposes only.

MINOR HOTELS EUROPE & AMERICAS, S.A.

## STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED AT 31 December 2024

### A) STATEMENT OF COMPREHENSIVE INCOME

| | Thousands of euros 2024 | 2023 |
|---|---|---|
| **PROFIT/LOSS AS PER STATEMENT OF PROFIT AND LOSS (I)** | **104,267** | **39,776** |
| **TOTAL INCOME AND EXPENSE RECOGNISED DIRECTLY IN EQUITY (II)** | **(72)** | **(40)** |
| **TOTAL TRANSFERS TO PROFIT OR LOSS (III)** | – | – |
| **TOTAL RECOGNISED INCOME AND EXPENSE (I+II+III)** | **104,195** | **39,736** |

The accompanying Notes 1 to 20 are an integral part of the statement of recognised income and expense for 2024.

The statement of recognised income and expense for the year ended at 31 December 2023 is presented for comparison purposes only.

MINOR HOTELS EUROPE & AMERICAS, S.A.

## STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED AT 31 DECEMBER 2024

### B) STATEMENT OF CHANGES IN EQUITY

(Thousands of euros)

| | Share Capital (Note 10) | Share Premium (Note 10) | Reserves (Note 10) | Treasury Shares (Note 10) | Prior Year's Losses (Note 10) | Profit / (Loss) for the Year (Note 10) | TOTAL EQUITY (Note 10) |
|---|---|---|---|---|---|---|---|
| **Saldo inicial a 01 de enero de 2023** | **871,491** | **848,394** | **529,477** | **(273)** | **(74,907)** | **22,360** | **2,196,542** |
| **I. Total recognised income / (expense)** | – | – | **(40)** | – | – | **39,776** | **39,736** |
| **III. Other changes in equity** | – | – | **2,339** | **(83)** | **20,124** | **(22,360)** | **20** |
| 1. Transfers between equity items | – | – | 2,236 | – | 20,124 | (22,360) | – |
| 3. Other movements | – | – | 103 | (83) | – | – | 20 |
| **Balances at 31 December 2023** | **871,491** | **848,394** | **531,776** | **(356)** | **(54,783)** | **39,776** | **2,236,298** |
| **Saldo inicial a 01 de enero de 2024** | **871,491** | **848,394** | **531,776** | **(356)** | **(54,783)** | **39,776** | **2,236,298** |
| **I. Total recognised income / (expense)** | – | – | **(72)** | – | – | **104,267** | **104,195** |
| **III. Other changes in equity** | – | – | **3,995** | **(61)** | **35,798** | **(39,776)** | **(44)** |
| 1. Transfers between equity items | – | – | 3,978 | – | 35,798 | (39,776) | – |
| 3. Other movements | – | – | 17 | (61) | – | – | (44) |
| **Balances at 31 December 2024** | **871,491** | **848,394** | **535,699** | **(417)** | **(18,985)** | **104,267** | **2,340,449** |

Notes 1 to 20 in the Report are an integral part of the Statement of Changes in Equity for the year 2024.
The Statement of Changes in Equity for 2023 is presented for comparison purposes only.

MINOR HOTELS EUROPE & AMERICAS, S.A.

## CASH FLOW STATEMENT FOR THE YEAR ENDED AT 31 December 2024

(Thousands of euros)

| | Notes | 2024 | 2023 |
|---|---|---|---|
| **A) CASH FLOW FROM OPERATING ACTIVITIES** | | | |
| **1. Profit (Loss) for the year before tax** | | **84,732** | **38,283** |
| **2. Adjustments for:** | | **(18,934)** | **17,045** |
| a) Depreciation and amortisation expenses (+) | Notes 5 and 6 | 15,753 | 16,078 |
| b) Impairment losses (+/-) | | – | – |
| c) Changes in provisions (+/-) | | 3,743 | 1,963 |
| d) Profits/Losses on derecognition and disposal of non-current assets (+/-) | Note 17.e | 88 | (141) |
| e) Impairment and gains/losses on derecognition and disposal of financial instruments | Note 8.2 | (42,691) | 35,985 |
| f) Finance income (-) | | (24,378) | (74,718) |
| g) Finance costs (+) | | 32,371 | 37,287 |
| h) Exchange rate differences (+/-) | | (3,906) | 1,102 |
| i) Other income and expenses (+/-) | | 86 | (511) |
| **3. Changes in working capital** | | **(1,007)** | **7,663** |
| a) Inventories (+/-) | | (20) | (30) |
| b) Trade and other receivables(+/-) | | 432 | (1,345) |
| c) Other current assets (+/-) | | 536 | (1,339) |
| d) Trade and other payables (+/-) | | 2,529 | 10,993 |
| e) Provisions for contingencies and charges (+/-) | | (5,330) | (562) |
| f) Other non-current assets and liabilities (+/-) | | 846 | (54) |
| **4. Other cash flows from operating activities:** | | **(30,528)** | **(3,346)** |
| a) Interest paid (-) | | (25,090) | 3,649 |
| b) Interest received (+) | | – | 732 |
| c) Income tax refunded (paid) (+/-) | | (5,438) | (7,727) |
| **5. Cash flows from investment activities (+/-1+/- 2+/-3+/-4)** | | **34,263** | **59,645** |
| **B) CASH FLOWS FROM INVESTMENT ACTIVITIES** | | | |
| **6. Payments due to investment** | | **(604,633)** | **(144,003)** |
| a) Group companies and associates | | (582,255) | (133,208) |
| b) Tangible and intangible fixed assets | | (22,378) | (10,795) |
| **7. Proceeds from disposal (+):** | | **784,479** | **55,593** |
| a) Group companies and associates | | 784,264 | 55,044 |
| b) Tangible fixed assets | | 215 | 188 |
| c) Other financial assets | | – | – |
| c) Investment in property | | – | 361 |
| **8. Cash flows from investment activities (7-6)** | | **179,846** | **(88,410)** |
| **C) CASH FLOWS FROM FINANCING ACTIVITIES** | | | |
| **9. Equity instruments receivables and (payables):** | | **(45)** | **20** |
| a) Purchase of treasury shares (-) | | (45) | 20 |
| **10. Proceeds and payments relating to financial liability instruments:** | Note 12 | **(218,038)** | **(72,491)** |
| a) Issue of | | | |
| 1. Current debts with group and associate companies (+) | | 3,383 | – |
| b) Redemption of | | | |
| 1. Bank borrowings (-) | | (5,218) | (72,491) |
| 2. Current debts with group and associate companies (-) | | (216,203) | – |
| **11. Dividend and remuneration payments on other equity instruments** | | | |
| **12. Cash flows from financing activities (+/-9+/-10+/-11)** | | **(218,083)** | **(72,471)** |
| **D) EFFECT OF EXCHANGE RATE VARIATIONS** | | **3,906** | **(1,102)** |
| **E) NET INCREASE/DECREASE IN CASH AND CASH EQUIVALENTS (+/-5+/-8+/-12+/-D)** | | **(68)** | **(102,338)** |
| Cash and cash equivalents at the start of the year | | 1,186 | 103,524 |
| Cash and cash equivalents at end of the year | | 1,118 | 1,186 |

The accompanying Notes 1 to 20 are an integral part of the cash flow statement for the year 2024.

The cash flow statement for 2023 is presented for comparison only.

# Report on the Annual Accounts of Minor Hotels Europe & Americas, S.A. for the year ended at 31 December 2024

## 1. NATURE, COMPANY PURPOSE AND COMPOSITION OF THE GROUP

MINOR HOTELS EUROPE & AMERICAS, S.A. (hereinafter the "Company" or "MHE&A") was incorporated as a public limited company in Spain on 23 December 1881 under the trade name "Material para Ferrocarriles y Construcciones, S.A.", which was subsequently changed to "Material y Construcciones, S.A." (MACOSA) and later to "Corporación Arco, S.A."

In 1992, Corporación Arco, S.A. took over Corporación Financiera Reunida, S.A. (COFIR), while at the same time adopting the trade name of the company taken over and amending its corporate purpose to the new activity of the Company, which focused on the management of its shareholding portfolio.

During the 1998 financial year, (COFIR) merged with Grupo Catalán, S.L. and its subsidiaries and Gestión NH, S.A. through the absorption of these companies by the former. Subsequently, Corporación Financiera Reunida, S.A. (COFIR) took over NH Hoteles, S.A., adopted its trade name and broadened its corporate purpose to allow for the direct performance of hotel activities, activities in which it had already been engaged indirectly through its subsidiaries.

Information on these mergers can be found in the annual accounts of the years in which said transactions took place.

The General Shareholders' Meeting of 21 June 2014 agreed to change the company's name from "NH Hoteles, S.A." to "NH Hotel Group, S.A."

The General Shareholders' Meeting of 19 April 2024 agreed to change the company's name from "NH Hotel Group, S.A." to "Minor Hotels Europe & Americas, S.A."

The Company is the head of a group of subsidiary companies engaging in the same activities and that constitute, together with Minor Hotels Europe & Americas, S.A., el Grupo Minor Hotels Europe & Americas (hereinafter the "Group" or "MHE&A Group"). The Company also operates three hotels in Spain, and provides services to the Group's subsidiary companies via its corporate head office.

The shares of Minor Hotels Europe & Americas, S.A. are traded on the Madrid, Barcelona, Valencia and Bilbao Stock Markets' Continuous Market.

On 11 June 2018, MHG Continental Holding Pte Ltd made a public offer to acquire 100% of the shares making up Minor Hotels Europe & Americas, S.A.'s company capital, the result of which was that via its wholly owned subsidiary, MHG Continental Holding (Singapore) Pte. Ltd., Minor International Public Company Limited ("MINT") acquired shares representing 94.13% of the share capital of Minor Hotels Europe & Americas, S.A.

On 8 May 2023, MINT announced its decision to begin a purchase process in the market for shares in Minor Hotels Europe & Americas over a period of 30 days. As a result, between 10 May and 8 June 2023, MINT increased its position in Minor Hotels Europe & Americas to 95.87% of the share capital of Minor Hotels Europe & Americas.

On 13 December 2024 the Company's Board of Directors, at the request of the majority shareholder MINT, resolved to convene an Extraordinary General Shareholders' Meeting of the Company on 20 January 2025. The Extraordinary Meeting approved the delisting offer of all the shares representing the share capital of MHE&A from the Spanish Stock Exchanges, and the formulation by MINT of a delisting tender offer at a price of 6.37 euros per share. The effectiveness of the delisting as well as the settlement of the tender offer made by MINT is subject to the authorisation by the Spanish Markets and Securities Commission.

At year-end, the Group is present in 31 countries with 347 hotels and 55,769 rooms, including a significant presence in Europe.

Minor Hotels Europe & Americas, S.A. has its registered address at Calle Santa Engracia, 120 - 7th floor, Madrid, Spain.

The consolidated annual accounts for 2024 were prepared by the Directors of Minor Hotels Europe & Americas, S.A. in the Board meeting held on 13 February 2025 in accordance with the International Financial Reporting Standards adopted by the European Union (IFRS-EU), and other provisions within the financial reporting standards framework which are applicable and with the requirements for format and framework provided for in the Delegated Regulation EU 2018/815 of the European Commission, Regulation (CE) No. 1606/2002 of the European Parliament and by Law 62/2003, of 30 December on tax, administrative and social measures, as well as the applicable rules and circulars of the National Securities Market Commission and the other Spanish accounting regulations that may be applicable, with the purpose of showing a true image of Minor Hotels Europe & Americas, S.A. and its subsidiary company's consolidated equity and consolidated financial position at 31 December 2024, and the consolidated comprehensive income, consolidated cash flows and consolidated changes in equity for the financial year ended on that date.

Based on the contents of this consolidated annual accounts, the total volume of equity, result for the year attributable to the shareholders of the Parent Company, assets and ordinary income amounted to 1,196,384, 211,833, 4,564,915 and 2,417,875 million of euros, respectively.

## 2. BASIS OF PRESENTATION

### a) Legislative reference framework

The financial statements have been prepared using the Company's accounting books and are presented in accordance with current company legislation and the regulations provided for in the General Accounting Plan, approved by Royal Decree 1514/2007, and the amendments made to it by Royal Decree 1159/2010, Royal Decree 602/2016 and Royal Decree 1/2021 for the purpose of showing a true and fair presentation of equity, the financial situation and the Company's results, as well as the veracity of the cash flows included in the statement of cash flow.

### b) True and fair presentation

The financial statements have been drawn up using the Company's accounting books and have been prepared in accordance with applicable regulatory framework for financial information to give a true and fair view of the assets and financial situation 31 December 2024 and the results of its operations, the changes in equity and of the cash flows corresponding to the year ended on that date.

The Company's Directors consider that the consolidated financial statements for 2024, which were drawn up on 13 February 2025, will be approved by the General Shareholders' Meeting without amendment.

### c) Non-obligatory accounting principles

No non-obligatory accounting principles were applied. Furthermore, the Company's directors formally prepared these financial statements by taking into account all the obligatory accounting principles and standards with a significant effect hereon. All obligatory accounting principles were applied.

### d) Comparative information

In addition to the figures for 2024 and for comparative purposes, the financial statements are presented with the statement of financial position, statement of profit and loss, statement of changes in equity, statement of cash flow and the report corresponding to the previous year, which were part of the financial statements for 2023 approved by the General Shareholders' Meeting on 19 April 2024.

### e) Critical valuation and estimation aspects of relevant uncertainties and judgements in the application of accounting policies.

In the preparation of these financial statements, estimates were made by the Company's directors in order to quantify certain assets, liabilities, income, expenses and obligations reported herein. These estimates relate basically to the following:

- The assessment of possible impairment losses on certain assets.
- The hypotheses used in the actuarial calculation of liabilities for pensions and other undertakings made to the workforce;
- The useful life of the tangible and intangible assets.
- The market value of specific assets.
- The calculation of provisions.
- The calculation of corporation tax.
- Recoverability of tax assets.

The Company's strategy takes into account the targets set in relation to climate change (Note 19), for which reason they are also taken into account when preparing these annual statements. Therefore, in the context of preparing consolidated annual statements, the effect of the commitments taken on by the Company was taken into account when calculating the service life of assets, closing costs and analysing impairment to non-financial assets.

Likewise, despite the fact that the estimates made by the Company's Directors have been calculated based on the best information available at 31 December 2024, it is possible that events that may take place in the future require their modification in upcoming years. The effect on the financial statements of the modifications that, where appropriate, derive from the adjustments to be made in upcoming years would be recorded prospectively.

### f) Functional currency and presentation currency

The financial statements are presented in thousands of euros, which is the Company's functional and presentation currency, rounded to the nearest thousand.

### g) Grouping of items

Certain items in the statement of financial position, statement of profit and loss, statement of comprehensive income, statement of changes in equity and statement of cash flow are grouped together to make them easier to understand. However, whenever the amounts involved are material, the information is broken down in the related notes to the financial statements.

### h) Going concern

At 31 December 2024, the company has positive working capital of 67,906 thousand euros (28,439 thousand euros in 2023). In addition, the Company made a profit of 104,267 thousand euros (39,776 thousand euros profit in 2023), and has equity of 2.340.449 thousand euros (2.236.298 thousand euros in 2023).

The Directors have prepared the Consolidated Annual Statements bearing in mind the going concern principle as they understand that the future perspectives for the business will allow positive results and positive cash flows to be obtained in the next financial years.

## 3. PROPOSED DISTRIBUTION OF PROFITS

The proposed distribution of profits for the year prepared by the Company's Directors and that will be submitted for approval by the Shareholders at the General Shareholders' Meeting is as follows:

| Thousands of euros | Year 2024 |
|---|---|
| To legal reserves | 10,427 |
| To voluntary reserves | 74,855 |
| To prior years' losses | 18,985 |
| **Total** | **104,267** |

## 4. ACCOUNTING POLICIES

### a) Business combinations

In business combinations, except for mergers, spin-offs and non-monetary contributions of a business between group companies, the Company applies the acquisition method.

Mergers, spin-offs and non-monetary contributions of a business between Group companies are recorded in accordance with the provisions for transactions between related parties.

In the case of business combinations arising from the acquisition of shares or shareholdings in a company's capital, the Company recognises the investment in accordance with that established for investments in the equity of group companies, multi-group and associates (Note 4-f).

The acquisition date is the date on which the Company obtains control of the acquired business.

## b) Intangible assets

Intangible assets are considered to be any specifically identifiable non-monetary assets which have been acquired from third parties or developed by the Company. Only those whose cost can be estimated in an objective way and from which future economic profits are expected are recognised.

As a general rule, intangible assets are recognised initially at acquisition or production cost. They are subsequently measured at cost less the related accumulated amortisation and any impairment losses.

Any intangible assets deemed to contribute indefinitely to the generation of profits are considered to have an indefinite useful life. The remaining intangible assets are considered to have a "finite useful life". All the Company's intangible assets are considered to have a "finite useful life".

Intangible assets with a finite useful life are amortised according to the straight-line method, applying annual amortisation percentages calculated according to the estimated years of useful life of the asset in question, applying the amortisable amount. For these purposes, the amortisable amount is understood to be the acquisition cost less its residual value, if applicable. The Company considers the residual value of the assets to be zero.

The Company reviews the residual value, the useful life and the amortisation method of intangible assets at the end of each year. Amendments to the initially established criteria are recognised as a change in estimate.

"Intangible Assets" in the accompanying statement of financial position includes, essentially, the following:

i. "Usufruct rights": includes the renewal of the contract for the usufruct rights of the NH Plaza de Armas hotel until 2054. Depreciation is provided on a linear basis with an estimated useful life of 30 years. The price consists of a periodic payment over 20 years. The measurement of this asset is recognised for the agreed payments as part of the price discounted at a discount rate equivalent to the interest that would be incurred if the asset were acquired by financing, over a similar term, with similar collateral and in a similar economic environment.

ii. The "Computer software" acquired and produced by the company itself, including website development expenses are recognised to the extent that they meet the conditions set forth for development expenses. Outlays made for website development for promotional reasons or to advertise the Company's products or services are recognised as expenses at the time they are incurred. Computer software maintenance costs are accounted for at the time they are incurred. The amortisation of software applications is performed using the straight-line method at a rate of 20-25% per year.

iii. "Concessions, patents and trademarks" includes amounts paid by the company for the registration or development of the Company's trademarks and licences.

## c) Property, plant and equipment

Property, plant and equipment are initially recognised at acquisition cost and are subsequently reduced by the related accumulated depreciation and the valuation adjustments for accumulated impairment, if any, as indicated in Note 4-d.

Property, plant and equipment upkeep and maintenance expenses are recognised on the statement of profit and loss for the year in which they are incurred. However, the costs of improvements leading to increased capacity or efficiency or to a lengthening of the useful lives of the assets are capitalised.

For non-current assets that necessarily take a period of more than twelve months to get ready for their intended use, the capitalised costs include such borrowing costs as might have been incurred before the assets are ready for their intended use and which have been charged by the supplier or relate to loans or other funds borrowed specifically or generally directly attributable to the acquisition or production of the assets.

Withdrawn assets and items, whether arising as a result of a modernisation process or due to any other cause, are accounted for by derecognising the balances presented in the corresponding cost and accumulated depreciation accounts.

Depreciation of property, plant and equipment is carried out by distributing its depreciable amount systematically over its useful life. For these purposes, the depreciable amount is understood to be the acquisition cost less its residual value. The Company determines the depreciation expense independently for each component that has a significant cost in relation to the total cost of the item and a different useful life from the rest of the item.

The depreciation of property, plant and equipment is determined by applying the following criteria:

| | Estimated years of useful life |
|---|---|
| Buildings | 50 |
| Technical installation | 10 - 12 |
| Other installations, fittings and furniture | 5 - 10 |
| Other tangible assets | 4 - 5 |

These items are depreciated based on their estimated useful life or the remaining term of the lease, if this is less than the useful life.

The Company reviews the residual value, the useful life and the depreciation method of property, plant and equipment at the end of each year. Amendments to the initially established criteria are recognised as a change in estimate.

The profit or loss resulting from the disposal or retirement of an asset is calculated as the difference between the profit on the sale and the book value of the asset, and is recognised in the statement of profit and loss.

### d) Impairment of non-financial assets subject to amortisation or depreciation

Each year the Company assesses the possible existence of impairment requiring it to reduce the book value of its property, plant and equipment and intangible assets. A loss is deemed to exist when the recoverable amount is less than the book value.

The recoverable amount of the assets is the greater of their fair value less the costs of transfer or disposal by another means and their value in use.

The recoverable amount should be calculated for an individual assets, unless the asset does not generate cash entries which are, by and large, independent of those relating to other assets or groups of assets. If this is the case, the recoverable amount is calculated for the Cash-Generating Unit (CGU) it belongs to. As a general rule, the Company has defined each of the hotels it operates as cash-generating units, according to the real management of their operations.

The operating result for each CGU is obtained at the end of the year without taking non-recurring results (if any) or financial results into account. Once the operating result is obtained for each CGU, the impairment test is performed for those in which there are indications of impairment. Among others, the Company considers that a CGU has indications of impairment if it meets the following conditions: it has negative operating results and its business is stable (it has been open for 3 years).

In addition, on each closing date the Company assesses whether there are any indications that impairment losses recognised in previous years no longer exist, or may have decreased. Among others, the Company considers that a CGU shows signs of impairment if it meets the following conditions: it has an associated impairment or negative operating results and its business is stable (3 years since opening). Impairment losses are only reversed if a change has occurred in the calculations used to determine the asset’s recoverable amount. Reversal of the impairment loss is recorded as a credited to profit and loss.

The value in use is calculated on the basis of estimated future cash flows, discounted at an after-tax discount rate that reflects the current market valuation of the value of money and the specific risks associated with the asset, covering a five-year period and a perpetual value, except in the case of leased hotels, which corresponds to the term of the lease contract, and therefore does not consider a perpetual value in the case of leased hotels.

For the purposes of determining fair value for the owned hotels, this year the Company carried out a valuation of the hotel assets in ownership, which were valued by a global firm specialising in valuation and consultancy services. The valuation was made by a global firm specialising in valuation and consultancy services.

Depreciation of assets subject to impairment is affected depending on their book value net of impairment. In the event that an impaired asset reaches a recoverable amount that is higher than its net book value, the impairment loss will be reversed but will not exceed the book value that could have been obtained (net of depreciation) if a value impairment loss had not been recognised for that asset in previous years.

The evolution of the key assumptions in the analysed hotels has been developed taking the business knowledge of Group Management into account, as well as the growth expected in the sector. In this respect, the projections assumed are based on the Company's budget exercise for 2025.

A series of factors are considered by the Company's managers when drafting their projections, including:

- Estimate of external sources specialising in the hotel sector, along with investment banks with reference to the expected growth of the hotel sector.
- Knowledge of the business/asset/local situation of the local Management of each Business Unit to which each CGU belongs.
- Historical results obtained by the CGUs.
- Investments in repositioning the CGUs.

These factors are reflected in the cash flows through the following working hypotheses used to obtain the projections:

- Income from accommodation is projected as the product of percentage occupation, and average rate per room ("ADR" Average Daily Rate: is the ratio of the total income from rooms in a specific period divided by the rooms sold in that specific period) and the total rooms available per year.
- The other revenues are projected based on the average of the relationship between the revenue from accommodation and those revenues.
- Personnel expenses are calculated on the basis of the average cost for personnel plus the relevant increase in each country referenced to the collective employment agreement for each year.
- Fixed expenses increase with the inflation forecast in each country according to the International Monetary Fund (IMF) estimate in its report published in October each year for the next 5 years, and variable expenses are projected on the basis of the evolution of income. With respect to energy expenses, a gradual correction downwards has been estimated for 2025-2027 until a return to normal levels prior to the geopolitical conflict in Eastern Europe. In some countries, wage costs are affected by the growth of the minimum wage.
- For its part, tax is calculated from the tax rates applicable in each country.

The discount rates were calculated by a third party using the Weighted Average Cost of Capital (WACC) methodology: Weighted Average Cost of Capital (WACC), as follows:

$$WACC=Ke*E/(E+D) + Kd*(1-T)*D/(E+D)$$

Where:

Ke: Cost of Equity
Kd: Cost of Financial Debt
E: Equity
D: Financial Debt
T: Tax Rate

The Capital Asset Pricing Model (CAPM) is used to estimate the cost of equity (ke).

The main variables used by a third party to calculate the discount rate are as follows:

- Risk-free rate: The risk-free rate is standardised to show the average sustainable performance of the long-term bonds issued by governments and considered to be "safe" (usually those classified as AAA by the main ratings agencies). At the valuation date, the higher of 2.5% and the spot value of the German long-term bond has been considered, concluding at 2.5% as the higher value.
- Market risk premium: A market risk premium of 5.5% is estimated for the discount rates, based on a wide range of economic information and multiple methodologies and economic and financial market conditions as of September 2024.
- Beta or systematic risk: Using a sample of listed companies whose businesses are comparable, the sector's risk differential is estimated in relation to the average risk on the global market. To calculate the WACC of leased hotels, a sample of traditional hotel companies is considered as comparables. In addition to this group of comparables, the calculation of the WACC of owned hotels also includes a sample of real estate investment trusts (REITs) as comparables to reflect the real estate contribution to the business. Bloomberg's historic betas were taken as a reference (weekly data at 2 years). Given that these betas are leveraged, they have been de-leveraged taking into account the average historical debt/capital structure for each company over 2 years.
- The capital structure applied was estimated on the basis of the capital structure of the comparable companies, taking the proportion of debt with interest, preferential capital and ordinary capital of these companies that are

listed on the stock exchange into consideration. The average capital structure applied is 55.9% for Own Funds and 44.1% for Debt for the group of owned hotel comparables, and 85.7% for Equity and 14.3% for Debt for the group of leased hotel comparables.

- In addition, the local rate for corporation tax on the valuation date was considered.
- To calculate the Cost of Debt, a debt spread of 1.2% is applied for the comparable group of owned hotels and 1.1% for the comparable group of leased hotels, calculated as the average spread of the bond issues of the comparable group.

The after-tax discount rate applied by the Company for this purpose in Spain is 6.75%-7% (7.25%-8% in 2023). In this regard, the cash flows resulting from the impairment tests were also calculated after tax. In addition, the book value to which the value-in-use is compared does not include any deferred tax liabilities which could be associated with the assets.

The average pre-tax discount rate applied by the Company for this purpose is 8.49%-8.74% (13.76%-14.51% in 2023).

Using an after-tax discount rate and after-tax cash flows is consistent because the estimated future cash flows will reflect assumptions that are consistent with the manner of determining the discount rate. In addition, the result of the post-tax flows updated at a post-tax discount rate would obtain uniform results with respect to the impairment test if a pre-tax rate were used and, therefore, the impairment and reversion accounting records would be uniform.

No impairment losses were recognised in 2024, the related information is disclosed in Notes 5 and 6 to the consolidated financial statements.

## e) Lease

Leases are classified as financial leases whenever the terms of the lease substantially transfer all the risks and rewards incidental to ownership of the leased asset to the lessee. All other leases are classified as operating leases.

The Company generally classifies all leases as operating leases. Whether a lease is financial or operating depends on the economic background and nature of the transaction, rather than the mere form of the lease agreement.

The arguments used to classify the leases as operative are as follows:

- The ownership of the asset is transferred to the lessor at the end of the lease;
- There is no option to acquire the asset at the end of the lease;
- The term of the lease does not exceed the economic life of the asset
- The present value of the minimum lease payments does not substantially cover the market value of the underlying asset;
- In the event that it is decided to extend the duration of the lease, the terms of the new lease should be renegotiated;
- The increases or decreases in the residual value of the underlying asset are not borne by the Company, but by the lessor.

Expenses resulting from operating leases are charged to income in the year in which they are incurred.

When the Company acts as the lessor, it recognises the income from operating leases using the straight-line method according to the terms of the agreements signed. These assets are recorded at the acquisition cost of the leased assets under "Property, plant and equipment" and are depreciated in accordance with the policies adopted for similar own-use tangible assets. When the Company is the lessee, the cost of leasing is charged to the statement of profit and loss on a straight-line basis, with the resulting asset or liability recorded in the corresponding sections of the statement of financial position.

## f) Financial instruments

### 1) Financial assets

The financial assets held by the Company are classified into the following categories:

### a) Financial Assets at Amortised Cost

This category includes financial assets, including those admitted for trading on an organised market, that the Company has invested in for the purpose of receiving cash flows arising from performance of the contract, and the contractual conditions for the financial asset give rise, on specific dates, to cash flows that are solely receipts of principal and interest on the outstanding amount of principal.

Contractual cash flows that are solely receipts of principal and interest on the outstanding amount of principal are inherent to an agreement that is an ordinary or common loan by nature, without prejudice to the fact that the transaction is agreed at zero, or below market rate, interest.

This category includes credits on commercial transactions and credits on non-commercial transactions.

- Credits on commercial transactions: are financial assets arising from the sale of goods and the provision of services for the normal course of business with deferred collection.
- Credits on non-commercial transactions: are financial assets that, not being equity instruments or derivatives, do not have a commercial origin and their collections are for a determined or determinable amount, arising from loan or credit transactions granted by the company.

#### Initial measurement –

The financial assets classified in this category are initially valued at their fair value which, unless there is evidence otherwise, will be the price for the transaction, which will be the equivalent of the fair value of the consideration given, plus any transaction costs that are directly attributable to them.

Nevertheless, credits on commercial transactions maturing in no more than one year, and which do not have an explicit contractual interest rate, and loans to personnel, dividends receivable and repayments required on equity instruments where it is expected to receive their amount in the short term, are valued at their nominal value in as far as it can be considered that the effect of not updating cash flows is insignificant.

#### Subsequent measurement –

Financial assets included in this category are valued at their amortised cost. The accrued interest is accounted for on the statement of profit and loss, using the effective interest rate method.

Nevertheless, credits maturing in no more than one year, in accordance with the provisions of the previous paragraph, are initially valued at their nominal value, and continue to the valued for that amount unless they have become impaired.

When contractual cash flows for a financial asset change due to the issuer being in financial difficulties, the company analyses whether it is appropriate to record and impairment loss.

#### Impairment –

The necessary valuation corrections are made, at the least at the close of the year and whenever there is objective evidence that the value of a financial asset, or a group of financial assets with similar risk characteristics that are valued collectively, has become impaired as a result of one or more events that occurred after its original recognition and which cause a reduction or delay in the estimated future cash flows, which may be based on the insolvency of the debtor.

In general, impairment loss on these financial assets is the difference between their book value and the actual value of future cash flows including, if appropriate, those arising from calling on real and personal guarantees, that it is estimated they will generate, discounted at the effective interest rate calculated at the time they were initially recognised. For financial assets at a variable interest rate, the effective interest rate corresponding to the financial statements closing date in accordance with the contractual conditions is used. To calculate impairment loss for a group of financial assets, models based on statistical formulas or methods are used.

Corrections to impairment, as well as its reversal where the amount of the loss decreases on the grounds of a subsequent event, are recognised as an expense or income, respectively, on the statement of profit and loss. Reversal of the impairment is limited to the book value of the asset that would be recognised at the reversal date if the impairment had not been recorded.

The valuation correction for impairment on commercial debtors implies a high level of judgement by Management and the review of individual balances based on the credit quality of customers, current market trends and historical analyses of bad debts at an aggregate level. In relation to the valuation correction derived from the aggregate analysis of the historical experience of bad debts, a reduction in the volume of balances implies a reduction of the valuation corrections and vice versa.

### b) Financial assets at cost

At any event, this valuation category includes:

- Equity investments in group, jointly controlled and associate companies.
- The remaining investments in equity instruments whose fair value cannot be determined by reference to a traded price on an active market for an identical instrument, or cannot be reliably estimated, and the derivatives that underlie these investments.
- Hybrid financial assets whose fair value cannot be reliably estimated,, unless they comply with the requirements to record them at amortised cost.
- Provisions made as a result of a joint venture agreement, or similar.

- Participating loans where the interest is contingent by nature, either because a fixed or variable interest rate is agreed conditional on the borrower company reaching a milestone (for example, making profit), or because they are exclusively calculated by reference to the evolution of that company's business.

- Any other financial asset that is initially classified in the portfolio at fair value with changes in the statement of profit and loss where it is not possible to obtain a reliable estimate of its fair value.

Group companies are deemed to be those related to the Company as a result of a relationship of control and associates are companies over which the Company exercises significant influence. Jointly controlled entities include companies over which, by virtue of an agreement, the Company exercises joint control with one or more other partners.

### Initial measurement

The investments included in this category are initially valued at cost, which is the equivalent of the fair value of the consideration given, plus the costs that are directly attributable to the transaction, with the latter not being included in the cost of the group's investments in companies.

Nevertheless, in cases where an investment exists prior to its classification as a group, jointly controlled or associate company, the book value that it should have had immediately before the company came under that classification is considered to be the cost of the investment.

The amount for preferential subscription rights, and similar, that, as appropriate may have been acquired forms a part of the initial valuation.

### Subsequent measurement

Equity instruments included in this category are measured at cost, less any accumulated impairment losses, where appropriate.

Where a value must be given to these assets due to de-recognition on the statement of financial position, or any other reason, the weighted average cost by homogeneous groups method is used, with these being understood to be securities with equal rights.

In the event of the sale of preferential subscription rights, or similar, or separation of them to exercise them, the amount of the cost for the rights decreases the book value of the respective assets.

Provisions made as a result of a joint venture agreement, or similar, are valued at cost, increased or decreased by the profit or loss, respectively, that correspond to the company as a non-managing participant, and less, if appropriate, the accumulated amount for valuation corrections due to impairment.

This same criteria is applied to participating loans where the interest is contingent by nature, either because a fixed or variable interest rate is agreed conditional on the borrower company reaching a milestone (for example, making profit), or because they are exclusively calculated by reference to the evolution of that company's business. If, in addition to contingent interest, an irrevocable fixed interest rate is agreed, this will be accounted for as financial income as it becomes due. The transaction costs are allotted to the statement of profit and loss on a straight line basis throughout the life of the participatory loan.

### Impairment

At least at the close of the financial year, the valuation corrections needed are made, as long as there is objective evidence that the book value of an investment is not recoverable. The amount of the valuation correction is the difference between its book value and the sum recoverable, with this being understood to be the higher value between its fair value less costs of sale and the current value of future cash flows arising from the investment. In the case of equity instruments, this is either calculated by estimating what is expected to be received as a result of the distribution of dividends by the investee company and the disposal or derecognition on accounts of the investment in it, or by estimating the participation in cash flows that are expected to be generated by the investee company, either from its ordinary business or its disposal or derecognition on accounts.

Unless there is better evidence of the amount recoverable from investments in equity instruments, the estimate of impairment loss on this type of assets is calculated based on the investee company's equity and the unrealised gains existing at the valuation date, less the tax burden. When determining this value, and as long as the investee company has, in turn, invested in another, the equity included in the consolidated financial statements, drawn up in application of the Commercial Code and its implementing regulations, is taken into account.

Nevertheless, in the event that an investment is made in the company, once it is classified as a group, jointly controlled or associate company, and valuation adjustments directly allotted to equity arising from the investment were made prior to this classification, such adjustments are maintained after the classification until the investment is disposed of or derecognised, at which time they are recorded on the statement of profit and loss, or until the following circumstances occur:

- In the case of prior valuation adjustments due to increases in value, the impairment corrections are recorded against the equity heading that includes the valuation adjustments made previously until their amount, and the excess, if any, is recorded on the statement of profit and loss. The valuation correction for impairment directly allotted to equity is not reversed.

- In the case of prior valuation adjustments due to reductions in value, where, subsequently, the recoverable amount exceeds the book value of the investments, the latter is increased, up to the limit of the reduction in value indicated, against the entry that included the prior valuation adjustments and from then on the new amount arising is considered to be an investment cost. However, where there is objective evidence of impairment to the investment, the losses accumulated directly in equity are recognised on the statement of profit and loss.

## 2) Financial liabilities

Financial liabilities are financial liabilities at amortised cost that the Company has, that have arisen from the purchase of goods or services in the normal course of the Company's business and those which, not having commercial substance, cannot be classed as derivative financial instruments.

### a) Financial liabilities at amortised cost

In general, this category includes debits on commercial transactions and debits on non-commercial transactions.

a. Debits on commercial transactions: are financial liabilities arising from the purchase of goods and services for the normal course of business with deferred payment.

b. Debits on non-commercial transactions: are financial liabilities that, not being derivative instruments, do not have a commercial origin but arise from loan or credit transactions received by the company.

Participating loans that have the characteristics of an ordinary or common loan are also included in this category, without prejudice to the interest rate agreed (zero or under market rate).

### Initial measurement

The financial liabilities included in this category are initially valued at their fair value which, unless there is evidence otherwise, will be the price for the transaction, which will be the equivalent of the fair value of the consideration received, adjusted by any transaction costs that are directly attributable to them.

Nevertheless, debits on commercial transactions maturing in no more than one year, and which do not have a contractual interest rate, and repayments required by third parties on participations, where it is expected to pay their amount in the short term, are valued at their nominal value where the effect of not updating cash flows is insignificant.

### Subsequent measurement

Financial liabilities included in this category are valued at their amortised cost. The accrued interest is accounted for on the statement of profit and loss, using the effective interest rate method.

Nevertheless, debits maturing in no more than one year are initially valued at their nominal value, and continue to the valued for that amount.

The Company has contracted confirming operations with various financial entities to manage the payment to suppliers. Trade liabilities whose payment is managed by financial entities are shown in the trade creditors and other accounts payable entry, in as far as the Company has only assignment payment management to the financial entities, and remains primarily liable for payment of the debts to trade creditors.

Debt issues are initially recognised at the fair value of the consideration received, less the costs directly attributable to the transaction. They are subsequently valued at their amortised cost using the effective interest rate method. Bonds with a maturity date greater than twelve months are classified under non-current liabilities, while those with a maturity date of less than twelve months are included in current liabilities.

Loans received from banking institutions are recognised at the amount received, net of costs incurred in the transaction. They are subsequently valued at amortised cost. These transaction costs and financial expenses are recognised on an accrual basis in the statement of profit and loss using the effective interest rate method, and their amount is added to liabilities in the measure that they are not settled in the period they were produced.

In the event existing debts are renegotiated, it is considered that there are no substantial changes to financial liabilities where the lender for the new loan is the same as the one who granted the initial loan, and the current value of cash flows, including net fees, does not differ from the current value of cash flows pending payment of the original liability calculated using the same method by more than 10%.

Participating loans that have the characteristics of an ordinary or common loan are also included in this category, without prejudice to the interest rate agreed (zero or under market rate).

### Valuation techniques and assumptions applying to the measurement of fair value

The fair values of financial assets and liabilities are determined as follows:

- The fair value of financial assets and liabilities under standard terms and conditions which are traded in active liquid markets are based on market prices.
- The fair value of other financial assets and liabilities (excluding derivatives) is determined in accordance with generally accepted valuation models on the basis of cash flow discounting using the price of observable market transactions and contributor listings of similar instruments.
- In order to determine the fair value of interest rate derivatives, cash flow discounting is used based on the implicit flow determined by the interest rate curve according to market conditions. In order to determine the fair value of options, the Company uses the Black-Scholes valuation model and its variants, using for this purpose market volatilities for the strike and maturity prices of said options.

Any financial instruments valued after their initial recognition at fair value are classified as level 1 to 3 based on the extent to which fair value can be observed:

- Level 1: includes any instruments indexed to listed prices (without adjustment) of identical assets or liabilities in active markets.
- Level 2: includes any instruments indexed to other observable inputs (which are not the listed prices included under Level 1) for assets or liabilities, be it directly (i.e., prices) or indirectly (i.e., derived from prices).
- Level 3: includes any instruments indexed to valuation techniques, which include inputs for assets or liabilities that are not based on observable market data (unobservable inputs).

## g) Equity instruments

An equity instrument represents a residual interest in the assets of the Company after deducting all of its liabilities.

Equity instruments issued by the Company are recognised in equity as the proceeds received, net of issue costs.

Treasury shares acquired by the Company during the year are recognised at the value of the consideration paid and are deducted directly from equity. Gains and losses on the acquisition, sale, issue or retirement of treasury shares are recognised directly in equity and in no case are they recognised in profit or loss.

## h) Inventories

Inventories are measured at the lower of cost or realisable value and the cost of inventory is based on the amount invoiced by the supplier and using a weighted average cost system for the valuation of each type of inventory.

The inventories recorded as at 31 December 2024 relate mainly to food and beverages, and room service and cleaning materials.

## i) Cash and cash equivalents

Cash and cash equivalents include cash on hand and demand bank deposits with credit institutions. Other highly liquid short-term investments are also included as long as they are easily convertible into specified amounts of cash and are subject to insignificant risks of changes in value. For these purposes, investments maturing in less than three months from acquisition date are included.

## j) Foreign currency transactions

Foreign currency transactions have been converted into euros using the spot rate on the dates on which the conversions are made.

Monetary assets and liabilities denominated in foreign currency have been converted to euros by applying the current rate at the end of the year, while non-monetary assets, valued at historical cost, have been converted by applying the exchange rate on the date on which the transactions took place.

In the presentation of the statement of cash flows, the flows from transactions in foreign currencies have been converted into euros by applying the spot exchange rate to the amount of foreign currency on the dates they occur.

The effect of exchange rate on cash and cash equivalents in foreign currency is presented separately in the statement of cash flow as "Effect of exchange rate differences".

The positive and negative differences that appear in the settlement of foreign currency transactions and in the conversion of monetary assets and liabilities denominated in foreign currency to euros, are recognised in results.

### k) Obligations to employees

The Company has not established any supplementary pension plan to the social security system

Collective agreements in the hotel industry, applicable to the Company in Spain, require a specific number of monthly salary payments to those employees who leave the company due to retirement, permanent disability or upon reaching a certain age and having a certain number of years of service and fulfilling certain pre-established requirements.

In this regard and in compliance with Royal Decree-Law 16/2005, the Company has outsourced its obligations concerning its employees' pension plans.

### l) Severance payments

Under current legislation and certain employment contracts, the Company is required to make severance payments to employees terminated under certain conditions. Therefore, severance payments that can be reasonably quantified are recognised when the Company has an implicit obligation due to the existence of a detailed plan and the generation of valid expectations among those affected that the process will be carried out, either due to the plan having begun or its main characteristics having been announced.

### m) Provisions

Provisions are recognised when the Company has a present obligation, whether legal, contractual, implicit or tacit, as a result of a past event; it is probable that there will be an outflow of resources that require future economic benefits to cancel the obligation; and a reliable estimate of the amount of the obligation can be made.

The financial statements include all the provisions with respect to which it is considered likely that the obligation will have to be settled. Contingent liabilities are not recognised in the financial statements but rather are disclosed, unless the possibility of an outflow in settlement is considered to be remote.

Provisions are measured at the present value of the best possible estimate of the amount required to settle or transfer the obligation, taking into account the information available on the event and its consequences. Where discounting is used, adjustments made to provisions are recognised as interest cost on an accrual basis.

The compensation to be received from a third party on settlement of the obligation is recognised as an asset, provided that there are no doubts that the reimbursement will take place, unless there is a legal relationship whereby a portion of the risk has been externalised as a result of which the Company is not liable; in this situation, the compensation will be taken into account for the purpose of estimating the amount of the related provision that should be recognised.

### n) Onerous contracts

The Company considers onerous contracts to be those in which the inevitable costs of fulfilling the obligations they entail exceed the economic benefits expected from them. In the current financial year, no contract or business is in this situation, nor is it estimated that any could acquire such a situation.

The Company follows the principle of recording a provision at the present value of the aforementioned difference between the costs and benefits of the contract, or the compensation foreseen for abandonment of the contract, if such is decided.

### o) Income and expenses

Revenue and expenses are recognised on an accrual basis, i.e. when the actual flow of the related goods and services occurs, regardless of when the resulting monetary or financial flow arises. Revenue is measured at the fair value of the consideration received, net of discounts and taxes.

Revenue from sales and services rendered is also recognised by reference to the stage of completion of the transaction at the reporting date, provided the outcome of the transaction can be reliably estimated.

Interest income from financial assets is recognised using the effective interest method and dividend income is recognised when the shareholder’s right to receive payment has been established. In any case, interest from financial assets accrued after the date of acquisition is recognised as income in the statement of profit and loss.

#### Management fee income

The Company has also created, developed and current runs hotel businesses in Spain and other countries under a single, distinctive system that it owns, known as the “NH System”. The Company, as creator and sole owner of the “NH System”, assigns the use and operation of the “NH System”, including its commercial brands, to its subsidiaries running hotel establishments. Furthermore, the Company provides hotel services relating to booking management, marketing and publicity services and an IT systems access service. The company charges a management fee for all these actions.

#### Sale of rooms and other related services

Income from the sale of rooms and other related services is recognised daily based on the services provided by each hotel, including customers who are still staying at the hotel at the close of each day. In this respect, the Company recognises the income when the service is considered to be provided and, therefore, fulfils the obligation for performance assumed on check-in. Due to this, for example, in the case of an accommodation service that covers several nights, the income is recognised on a daily basis for each one of the overnight stays.

The consideration received is distributed among the contracted services. These include direct services such as room, food, drink and other consumption, and others related to banquets, events and the rental of spaces. Therefore, the obligations are completely separate and they are recorded at the time they occur.

In the case of the sale of several services together, such as, for example, an accommodation service with one for breakfast, the Company, when it makes the offer, sets the price for each one of the obligations assumed, for which reason at the time the service is considered to be provided the income is recorded at the price set beforehand. Solely in the case of promotions where the service is provided “free-of-charge” with the other one, the Company applies a methodology where the consideration is divided using a ratio calculated by hotel based on the costs of the service at that hotel plus an additional margin.

### p) Income tax

Tax expense (tax income) comprises current tax expense (current tax income) and deferred tax expense (deferred tax income).

The current income tax expense is the amount payable by the Company as a result of income tax settlements for a given year. Tax credits and other tax benefits, excluding tax withholdings and interim payments, and tax loss carried forwards from prior years effectively offset in the current year reduce the current income tax expense.

In addition, as the Group is within the scope of the OECD Pillar 2 rules and on 21 December 2024, Law 7/2024 of 20 December was published in the Official State Gazette, establishing a Supplementary Tax to ensure an overall minimum level of taxation for multinational groups and large domestic groups, a Tax on the interest and commission income of certain financial institutions and a Tax on liquids for electronic cigarettes and other tobacco-related products, and amending other tax regulations (hereinafter "Law 7/2024"), the Group analyses the possible impacts that may arise from the application of such tax and whether it would be required to pay an additional tax on the difference between the effective GloBE tax rate per jurisdiction and the minimum rate of 15%.

The deferred tax expense or income relates to the recognition and derecognition of deferred tax assets and liabilities. These include temporary differences measured as the amount expected to be payable or recoverable on differences between the carrying values of assets and liabilities and their tax bases, and tax loss and tax credit carried forwards. Said amounts are recognised by applying to the relevant temporary difference or credit the tax rate at which they are expected to be recovered or settled.

Deferred tax liabilities are recognised for all taxable temporary differences, except for those arising from the initial recognition of goodwill or of other assets and liabilities in a transaction that is not a business combination and affects neither accounting profit (loss) nor taxable profit (tax loss).

Regarding deferred tax assets, identified with temporary differences, are recognised only if it is deemed probable that the entity will make sufficient tax profits in the future to realise them, and they do not come from the initial recognition of other assets and liabilities in a transaction which does not affect either the tax or accounting result. The remaining deferred tax assets (negative tax bases and tax credit carryforwards) recognised are those for which it is considered probable that the company will have sufficient taxable profits in the future against which they can be utilised, based on information available at the date of preparation of these financial statements.

The Group capitalises tax credits on the basis that it is considered likely that the consolidated companies will have sufficient future taxable profits against which they can be utilised, based on estimates of future profits over a reasonable period of time, prepared on the basis of information available at the date of preparation of these consolidated annual accounts.

Deferred tax assets and liabilities arising from transactions charged or credited directly to equity are also recognised in equity.

The deferred tax assets recognised are reassessed at the end of each reporting period and the appropriate adjustments are made, according to the extent of doubts as to their future recoverability. Also, unrecognised deferred tax assets are reassessed at the end of each reporting period and are recognised to the extent that it has become likely that they will be recovered through future taxable profits.

The Company capitalises tax credits on the basis that it is considered probable that the Company will have sufficient future taxable profits against which the credits can be utilised, based on estimates of future profits over a reasonable period of time, prepared on the basis of information available at the date of preparation of these annual accounts.

### q) Environment

Environmental assets are deemed to be assets used on a lasting basis in the Company's operations whose main purpose is to minimise environmental impact and protect and improve the environment, including the reduction or elimination of future pollution.

Because of their nature, the Company's business activities do not have a significant environmental impact.

### r) Transactions among group companies

Transactions between group companies, except those related to mergers, spin-offs and non-monetary contributions of businesses, including investments in group companies, are recognised at the fair value of the consideration given or received. The difference between said value and the agreed amount is recorded according to the underlying economic substance, either as a contribution or a distribution of dividends. However, the part that does not occur on terms proportional to the shareholding in the group company is recognised as an income or expense by donation.

The Company performs all its transactions with related parties at market value. Also, the transfer prices are adequately supported and, therefore, the Company's directors consider that there are no material risks in this connection that might give rise to significant liabilities in the future.

### s) Current/Non-current items

Current assets are assets associated with the normal operating cycle, which in general is considered to be one year; other assets which are expected to mature, be disposed of or be realised within twelve months from the end of the reporting period; financial assets held for trading, except for financial derivatives that will be settled in a period exceeding one year; and cash and cash equivalents. Assets that do not meet these requirements are classified as non-current assets.

Similarly, current liabilities are liabilities associated with the normal operating cycle, financial liabilities held for trading, except for financial derivatives that will be settled in a period exceeding one year; and, in general, all obligations that will mature or be extinguished in the short term. All other liabilities are classified as non-current liabilities.

### t) Statement of cash flow

The following terms with their corresponding explanation are used in the statement of cash flow prepared using the indirect method:

- Cash flows: inflows and outflows of cash and cash equivalents, which are short-term, highly liquid investments that are subject to an insignificant risk of changes in value.

- Operating activities: the principal revenue-producing activities of the Company, and other activities that are not investing or financing activities. The Company presents trade payables confirming activities as an operating activity.

- Investing activities: the acquisition and disposal of non-current assets and other investments not included in cash and cash equivalents.

- Financing activities: activities that result in changes in the size and composition of the equity and liabilities that are not operating activities.

# 5. INTANGIBLE ASSETS

The detail of the different items included under this heading and of the changes therein during the year are as follows:

| | Thousands of euros | | | | |
|---|---|---|---|---|---|
| | Balance at 01 January 2024 | Additions | Derecognitions | Transfers (Note 6) | Balance at 31 December 2024 |
| **COST** | | | | | |
| Rights of use | 32,478 | 40,240 | – | – | 72,718 |
| Concessions, patents and trademarks | 1,762 | 408 | – | – | 2,170 |
| Software applications | 121,955 | 15,610 | – | 22 | 137,587 |
| | **156,195** | **56,258** | **–** | **22** | **212,475** |
| **ACCUMULATED AMORTISATION** | | | | | |
| Rights of use | (31,628) | (1,493) | – | – | (33,121) |
| Concessions, patents and trademarks | (1,222) | (175) | – | – | (1,397) |
| Software applications | (99,519) | (9,231) | – | – | (108,750) |
| | **(132,369)** | **(10,899)** | **–** | **–** | **(143,268)** |
| **Impairment** | **–** | **–** | **–** | **–** | **–** |
| **NET BOOK VALUE** | **23,826** | | | | **69,207** |

| | Thousands of euros | | | | |
|---|---|---|---|---|---|
| | Balance at 01 January 2023 | Additions | Derecognitions | Transfers (Note 6) | Balance at 31 December 2023 |
| **COST** | | | | | |
| Rights of use | 32,478 | – | – | – | 32,478 |
| Concessions, patents and trademarks | 1,604 | 158 | – | – | 1,762 |
| Software applications | 109,648 | 12,215 | – | 92 | 121,955 |
| | **143,730** | **12,373** | **–** | **92** | **156,195** |
| **ACCUMULATED AMORTISATION** | | | | | |
| Rights of use | (30,122) | (1,506) | – | – | (31,628) |
| Concessions, patents and trademarks | (1,046) | (179) | – | 3 | (1,222) |
| Software applications | (90,609) | (8,907) | – | (3) | (99,519) |
| | **(121,777)** | **(10,592)** | **–** | **–** | **(132,369)** |
| **Impairment** | **–** | **–** | **–** | **–** | **–** |
| **NET BOOK VALUE** | **21,953** | | | | **23,826** |

The section “Usufruct Rights” recognises the total amount agreed by way of payment for the usufruct rights over the Hotel NH Plaza de Armas. The additions under this heading are due to the renewal of the right of usufruct of the NH Plaza de Armas hotel until 2054.

Additions were also made in 2024 as a result of the investments made in the development of the Company's computer applications.

At the end of 2024 and 2023, the Company had fully amortised intangible assets still in use, itemised as follows (in thousands of euros):

| | Thousands of euros | |
|---|---|---|
| | 2024 | 2023 |
| Usage rights, concessions, patents and brands | 33,518 | 2,856 |
| Software applications | 88,889 | 75,432 |
| **Total** | **122,407** | **78,288** |

## 6. PROPERTY, PLANT AND EQUIPMENT

The detail of the different items included under this heading and of the changes therein during the year was as follows:

| | Thousands of euros | | | | |
|---|---|---|---|---|---|
| | Balance at 1.1.24 | Additions | Derecognitions | Transfers | Balance at 31.12.24 |
| **COST** | | | | | |
| Land and buildings | 58,936 | – | – | – | 58,936 |
| Technical installation | 51,686 | 4,287 | (3,656) | 271 | 52,588 |
| Other installations, fittings and furniture | 10,103 | 759 | (174) | 63 | 10,751 |
| Other fixed assets and assets under construction | 391 | 4,029 | (215) | (356) | 3,849 |
| | **121,116** | **9,075** | **(4,045)** | **(22)** | **126,124** |
| **ACCUMULATED AMORTISATION** | | | | | |
| Buildings | (16,896) | (1,413) | – | – | (18,309) |
| Technical installation | (39,187) | (2,559) | 3,574 | – | (38,172) |
| Other installations, fittings and furniture | (8,769) | (846) | 168 | – | (9,447) |
| | **(64,852)** | **(4,818)** | **3,742** | **–** | **(65,928)** |
| **Impairment** | **–** | **–** | **–** | **–** | **–** |
| **NET BOOK VALUE** | **56,264** | | | | **60,196** |

The heading Land and Buildings is broken down into a net book value of 31,322 thousand euros corresponding to Land (31,322 thousand euros in 2023), and 9,305 thousand euros corresponding to Buildings (10,718 thousand euros in 2023).

| | Thousands of euros | | | | |
|---|---|---|---|---|---|
| | Balance at 01.01.23 | Additions | Derecognitions | Transfers | Balance at 31.12.23 |
| **COST** | | | | | |
| Land and buildings | 58,936 | – | – | – | 58,936 |
| Technical installation | 50,459 | 1,262 | (55) | 20 | 51,686 |
| Other installations, fittings and furniture | 9,810 | 344 | (56) | 5 | 10,103 |
| Other fixed assets and assets under construction | 142 | 486 | (120) | (117) | 391 |
| | **119,347** | **2,092** | **(231)** | **(92)** | **121,116** |
| **ACCUMULATED AMORTISATION** | | | | | |
| Buildings | (15,484) | (1,412) | – | – | (16,896) |
| Technical installation | (36,263) | (2,956) | 32 | – | (39,187) |
| Other installations, fittings and furniture | (7,695) | (1,085) | 11 | – | (8,769) |
| | **(59,442)** | **(5,453)** | **43** | **–** | **(64,852)** |
| **Impairment** | **–** | **–** | **–** | **–** | **–** |
| **NET BOOK VALUE** | **59,905** | | | | **56,264** |

At year-end, the Company had fully depreciated items of property, plant and equipment still in use, itemised as follows:

| | Thousands of euros | |
|---|---|---|
| | 2024 | 2023 |
| Buildings | 1,030 | – |
| Technical installation | 25,756 | 17,140 |
| Other installations, fittings and furniture | 7,642 | 3,557 |
| **Total** | **34,428** | **20,697** |

The Company has taken out insurance policies to cover any possible risks to which the different elements of its tangible fixed assets are subject, and to cover any possible claims that may be filed against it in the course of its activities. These policies sufficiently cover the risks to which the Group is exposed.

At 31 December 2024 and 2023, there were no commitments for the purchase of fixed assets.

## 7. OPERATING LEASES

At 31 December, the Company had contracted with lessors for the following minimum lease payments, based on the leases currently in force, without taking into account the charging of common expenses, future increases in the CPI or future contractual lease payment reviews:

| | Nominal value | |
|---|---|---|
| **Thousands of euros** | 2024 | 2023 |
| Less than one year | 3,347 | 3,876 |
| Between two and five years | 10,669 | 11,304 |
| More than five years | 18,995 | 21,638 |
| **Total** | **33,011** | **36,818** |

Operating lease payments recognised as an expense in the year amount to 13,244 thousand euros (11,798 thousand euros in 2023), almost entirely comprising hotel lease payments (Note 17-c).

The term of the operating leases arranged by the Company ranges from 2 to 20 years. Also, the rental income from said leases consists of a fixed amount tied to the CPI index which is reviewed annually.

The amount of the operating lease instalments recognised as income and expenses is as follows:

| | Thousands of euros | |
|---|---|---|
| | **2024** | **2023** |
| Minimum lease payments | 13,244 | 11,798 |
| Income from leases and subleases | 9,373 | 7,818 |

# 8. FINANCIAL ASSETS AND LIABILITIES

## 8.1. Analysis by category

The book value for each one of the categories of financial instruments established in the rules for recording and valuing “financial instruments”, except for cash and cash equivalents (Note 9) was as follows:

| | Thousands of euros | | | | | |
|---|---|---|---|---|---|---|
| | Financial assets at amortised cost | | Financial assets at cost | | Total | |
| | **2024** | **2023** | **2024** | **2023** | **2024** | **2023** |
| **Equity instruments (Note 8.2)** | – | – | **2,307,831** | **2,050,642** | **2,307,831** | **2,050,642** |
| **Loans to companies (Note 16.1)** | **303,296** | **740,892** | – | – | **303,296** | **740,892** |
| **Non-current financial assets** | **1,511** | **1,448** | – | – | **1,511** | **1,448** |
| Guarantees | 1,481 | 1,417 | – | – | 1,481 | 1,417 |
| Others | 30 | 31 | – | – | 30 | 31 |
| **Trade accounts receivable for sales and services** | **2,388** | **1,681** | – | – | **2,388** | **1,681** |
| **Sundry debtors** | **469** | **1,188** | – | – | **469** | **1,188** |
| **Current investments in group companies and associates (Note 16.1)** | **231,998** | **133,401** | – | – | **231,998** | **133,401** |
| **Current financial investments** | **26** | **26** | – | – | **26** | **26** |
| **Total** | **539,688** | **878,636** | **2,307,831** | **2,050,642** | **2,847,519** | **2,929,278** |

| | Thousands of euros | |
|---|---|---|
| | Financial liabilities at amortised cost | |
| | **2024** | **2023** |
| Debenture issuance and non-current bank borrowings (Note 12.1) | 439,793 | 440,913 |
| Non-current debts with group and associate companies (Note 16.1) | 30,341 | 243,161 |
| Other non-current financial liabilities (Note 12.2) | 39,939 | 3,388 |
| Debenture issuance and current bank borrowings (Note 12.1) | 12,474 | 11,232 |
| Other current financial liabilities (Note 12.2) | 3,076 | – |
| Current debts with group and associate companies (Note 16.1) | 112,459 | 64,581 |
| Suppliers (Note 14.1) | 36,602 | 29,755 |
| Sundry creditors (Note 14.1) | 9,976 | 10,779 |
| Personnel | 6,720 | 6,138 |
| **Total** | **691,380** | **809,947** |

## 8.2. Equity instruments

The most significant information in relation to equity instruments in Group, jointly controlled and associate companies is as follows:

| | | 2024 – Miles de Euros | | | | | |
|---|---|---|---|---|---|---|---|
| **Company/ Registered address /Activity** | **Direct shareholding** | **Capital** | **Profit (Loss)** | **Other equity items** | **Total Equity** | **Cost** | **Provision** |
| **Group Companies:** | | | | | | | |
| NH Italia, S.p.A./Valdagno/Hotel | 51% | 233,847 | 73,758 | 182,873 | 490,478 | 300,137 | – |
| NH Europa, S.L./Barcelona/Holding | 100% | 100,743 | (10,470) | 403,521 | 493,794 | 973,359 | – |
| Latinoamericana De Gestion Hotelera, S.L./ Madrid/Holding | 100% | 104,036 | 51,185 | (34,620) | 120,601 | 179,217 | – |
| Minor Hotels Portugal, S.A. / Lisbon / Hotels | 100% | 1,000 | 18,781 | 74,448 | 94,229 | 138,551 | – |
| NH Hoteles España, S.L./Barcelona/Hotelera | 100% | 177,059 | 58,448 | (70,561) | 164,946 | 351,844 | – |
| NH Central Reservation Office, S.L/Madrid/ Call Centre | 100% | 7,700 | (1,424) | (2,064) | 4,212 | 31,666 | (27,454) |
| NH Cash Link, S.L.U./Madrid/Financial | 100% | 3 | 1,998 | 79,444 | 81,445 | 82,121 | (680) |
| Capredo Investments GmbH/Switzerland/ Holding | 100% | 37 | (124) | 13,966 | 13,879 | 9,066 | – |
| Roco Hospitality Group S.R.L./Venice/Hotel | 51% | 10 | 1,439 | (3,716) | (2,267) | 28,584 | (8,437) |
| Minor Continental Holding II S.à r.l. / Luxembourg / Holding | 100% | 12,500 | 15,509 | 183,759 | 211,768 | 211,483 | – |
| Others | | | | | | 2,411 | (11) |
| **Associates:** | | | | | | | |
| Sotocaribe S.L/Madrid/Holding | 36% | 61,082 | 1,176 | 145,467 | 207,725 | 50,997 | (15,023) |
| **Total** | | | | | | **2,359,436** | **(51,605)** |

| | | 2023 – Miles de Euros | | | | | |
|---|---|---|---|---|---|---|---|
| **Company/ Registered address /Activity** | **Direct shareholding** | **Capital** | **Profit (Loss)** | **Other equity items** | **Total Equity** | **Cost** | **Provision** |
| **Group Companies:** | | | | | | | |
| NH Italia, S.p.A./Valdagno/Hotel | 51% | 233,847 | 72,413 | 111,070 | 417,330 | 300,137 | – |
| NH Europa, S.A./Madrid/Holding | 100% | 100,743 | (62,313) | 465,834 | 504,264 | 973,359 | – |
| Latinoamericana De Gestion Hotelera, S.A./ Madrid/Holding | 100% | 104,036 | (37,266) | 2,646 | 69,416 | 179,217 | (35,104) |
| Minor Continental Holding I S.à r.l. / Luxembourg / Holding | 100% | 13 | – | 54,887 | 54,900 | 135,912 | – |
| NH Hoteles España, S.A./Madrid/Hotel | 100% | 177,059 | 38,791 | (69,090) | 146,760 | 351,844 | – |
| NH Central Reservation Office, S.L/Madrid/ Call Centre | 100% | 7,700 | (1,079) | (980) | 5,641 | 31,666 | (29,339) |
| NH Cash Link, S.L.U./Madrid/Financial | 100% | 3 | 3,220 | 76,224 | 79,447 | 82,121 | (2,678) |
| Capredo Investments GmbH/Switzerland/ Holding | 100% | 37 | (72) | 14,446 | 14,411 | 9,066 | – |
| Roco Hospitality Group S.R.L./Venice/Hotel | 51% | 10 | (1,522) | (2,194) | (3,706) | 28,584 | (13,376) |
| Others | | | | | | 2,125 | (11) |
| **Associates:** | | | | | | | |
| Sotocaribe S.L/Madrid/Holding | 36% | 61,082 | 120 | 145,103 | 206,305 | 50,907 | (13,788) |
| **Total** | | | | | | **2,144,938** | **(94,296)** |

As part of the corporate reorganisation following the acquisition of the hotels in Portugal in financial year 2023, a reverse merger between Minor Continental Holding S.à.r.l. and Minor Hotels Portugal, S.A. took place in financial year 2024.

The changes in "Investments in Group Companies" in 2024 and 2023 are as follows (in thousands of euros):

| | Cost | | | | | Provision | | | | Net |
|---|---|---|---|---|---|---|---|---|---|---|
| **Company/ Registered address /Activity** | **Balance at 01/01/2024** | **Additions** | **Dereco gnitions** | **Transfers** | **Balance at 31/12/2024** | **01/01/2024** | **Additions** | **Dereco gnitions** | **Balance at 31/12/2024** | **Balance at 31/12/2024** |
| **Group Companies:** | | | | | | | | | | |
| NH Italia, S.p.A./Valdagno/Hotel | 300,137 | – | – | – | 300,137 | – | – | – | – | 300,137 |
| NH Europa, S.L./Madrid/Holding | 973,359 | – | – | – | 973,359 | – | – | – | – | 973,359 |
| Latinoamericana De Gestion Hotelera, S.L./Madrid/ Holding | 179,217 | – | – | – | 179,217 | (35,104) | – | 35,104 | – | 179,217 |
| Minor Hotels Portugal, S.A. / Lisbon / Hotels | 135,912 | 2,639 | – | – | 138,551 | – | – | – | – | 138,551 |
| NH Hoteles España, S.L./Madrid/Hotelera | 351,844 | – | – | – | 351,844 | – | – | – | – | 351,844 |
| NH Central Reservation Office, S.L/Madrid/Call Centre | 31,666 | – | – | – | 31,666 | (29,339) | – | 1,885 | (27,454) | 4,212 |
| NH Cash Link, S.L.U./Madrid/Financial | 82,121 | – | – | – | 82,121 | (2,678) | – | 1,998 | (680) | 81,441 |
| Capredo Investments GmbH/Switzerland/Holding | 9,066 | – | – | – | 9,066 | – | – | – | – | 9,066 |
| Roco Hospitality Group S.R.L./Venice/Hotel | 28,584 | – | – | – | 28,584 | (13,376) | – | 4,939 | (8,437) | 20,147 |
| Minor Continental Holding II S.à r.l. / Luxembourg / Holding | – | 211,483 | – | – | 211,483 | – | – | – | – | 211,483 |
| Others | 2,125 | 286 | – | – | 2,411 | (11) | – | – | (11) | 2,400 |
| **Associates:** | | | | | | | | | | |
| Sotocaribe S.L/Madrid/Holding | 50,907 | 90 | – | – | 50,997 | (13,788) | (1,235) | – | (15,023) | 35,974 |
| **Total** | **2,144,938** | **214,498** | **–** | **–** | **2,359,436** | **(94,296)** | **(1,235)** | **43,926** | **(51,605)** | **2,307,831** |

| | Cost | | | | | Provision | | | | Net |
|---|---|---|---|---|---|---|---|---|---|---|
| **Company/ Registered address /Activity** | **Balance at 01/01/2023** | **Additions** | **Derecog nitions** | **Transfers** | **Balance at 31/12/2023** | **01/01/2023** | **Additions** | **Derecog nitions** | **Balance at 31/12/2023** | **Balance at 31/12/2023** |
| **Group Companies:** | | | | | | | | | | |
| NH Italia, S.p.A./Valdagno/Hotel | 300,137 | – | – | – | 300,137 | – | – | – | – | 300,137 |
| NH Europa, S.A./Madrid/Holding | 973,359 | – | – | – | 973,359 | – | – | – | – | 973,359 |
| Latinoamericana De Gestion Hotelera, S.L./Madrid/ Holding | 179,217 | – | – | – | 179,217 | – | (35,104) | – | (35,104) | 144,113 |
| Minor Continental Holding I S.à r.l./ Luxemburgo / Holding | – | 135,912 | – | – | 135,912 | – | – | – | – | 135,912 |
| NH Hoteles España, S.A./Madrid/Hotel | 351,844 | – | – | – | 351,844 | – | – | – | – | 351,844 |
| NH Central Reservation Office, S.L/Madrid/Call Centre | 31,666 | – | – | – | 31,666 | (28,250) | (1,089) | – | (29,339) | 2,327 |
| NH Cash Link, S.L.U./Madrid/Financial | 82,121 | – | – | – | 82,121 | (5,898) | – | 3,220 | (2,678) | 79,443 |
| Capredo Investments GmbH/Switzerland/Holding | 9,066 | – | – | – | 9,066 | – | – | – | – | 9,066 |
| Roco Hospitality Group S.R.L./Venice/Hotel | 27,574 | 1,010 | – | – | 28,584 | (11,302) | (2,074) | – | (13,376) | 15,208 |
| Others | 2,122 | 3 | – | – | 2,125 | (13) | – | 2 | (11) | 2,114 |
| **Associates:** | | | | | | | | | | |
| Sotocaribe S.L/Madrid/Holding | 49,234 | – | (26) | 1,699 | 50,907 | (12,848) | (940) | – | (13,788) | 37,119 |
| **Total** | **2,006,340** | **136,925** | **(26)** | **1,699** | **2,144,938** | **(58,311)** | **(39,207)** | **3,222** | **(94,296)** | **2,050,642** |

The main additions are:

During the financial year 2024, the Company acquired 100% of the share capital of Minor Continental Holding II S.à r.l., which in turn holds the shares of Pojuca, S.A. This company holds the ownership or the lease agreement or the hotel services contract: Tivoli Ecoresort Praia do Forte, Tivoli Mofarrej Sao Paulo and NH Feira de Santana in Brazil. The investment in this company amounts to 211,483 thousand euros.

The initial consideration for the acquisition was 201,047 thousand euros adjusted upwards by the net working capital position at 31 August 2024 of 10,913 thousand euros. At the closing date, the Company paid 169,568 thousand euros and the second tranche of the purchase price, plus an interest rate of 5.25% applicable from the closing date to the payment date, will be paid no later than 19 September 2025. This second tranche at 31 December amounted to 43,026 thousand euros (Note 14.1). Following a subsequent review of the net working capital position at the acquisition date and an additional agreement with the seller, the Company has recorded a receivable from the seller amounting to 477 thousand euros, recorded under "Investments in Group companies and current associates" (Note 16.1).

During the financial year 2023, the Company acquired 100% of the share capital of Minor Continental Holding S.à r.l. The price paid was based on the financial statements at the end of November, and the year-end investment was determined on the basis of the combined assets and liabilities of the target companies at the date of the transaction. During the financial year 2024, the final price was decided, thereby adjusting the value of the shareholding.

The main movement under provisions is due to the reversal of impairment applied to the investments in Latinoamericana de Gestión Hotelera, S.L. and Roco Hospitality Group S.R.L., mainly due to the improvement in their projections.

A sensitivity analysis of the result of the impairment analysis has also been performed, with different scenarios: a negative scenario where the discount rate is sensitised 100 bp above the rate used in the test, and a growth rate that is lower by 100 bp, i.e., with minimum growth; and a positive scenario where the discount rate is sensitised 100 bp below the rate used in the test, and a growth rate that is higher by 100 bp. The impacts obtained as a result of this sensitivity analysis were not significant.

## 9. CASH AND CASH EQUIVALENTS

"Cash and Cash Equivalents" largely includes the Company’s cash position and bank deposits maturing in three months or less. These assets are recognised at their fair value. There are no restrictions on how cash may be used. The breakdown of this heading is as follows:

| | Thousands of euros | |
|---|---|---|
| | 2024 | 2023 |
| Cash and banks | 1,118 | 1,186 |
| **Total** | **1,118** | **1,186** |

The Company's liquidity position at 31 December 2024 is based on the following items:

- The Company has cash and cash equivalents amounting to 1,118 thousand euros (1,186 thousand euros in 2023).
- Available in undrawn credit lines amounting to 313.000 thousand euros (303,987 million euros in 2023) (Note 12).

As a result of the enactment of Royal Decree 1558/2012 of 15 November, of Article 42 bis of Royal Decree 1065/2007 of 27 July, approving the General Regulations on tax management, inspection and procedures, and implementing the common rules of the procedures for applying taxes, which establishes, among other points, certain reporting obligations with regard to overseas assets and rights, among others, it is disclosed that some members of the Minor Hotels Europe & Americas, S.A. Board of Directors have the right, as representatives or authorised officials, to dispose of bank accounts located overseas, which are in the name of Group companies. The reason certain Board members have the right to dispose of overseas bank accounts is that they are directors or board members of said subsidiaries.

Minor Hotels Europe & Americas, S.A. holds other accounting documents, namely the consolidated annual accounts, from which sufficient data can be extracted in relation to the aforementioned accounts

## 10. EQUITY AND OWN FUNDS

### a) Share capital

At 31 December 2024, the share capital of Minor Hotels Europe & Americas, S.A. was represented by 435,745,670 fully subscribed and paid-up bearer shares each with a nominal value of 2 euros each (435,745,670 shares at 31 December 2023). All these shares carry identical voting and economic rights and are traded on the Continuous Market of the Spanish Stock Exchanges.

According to the most recent notifications received by the Company and the communications submitted to the Spanish National Securities Market Commission (CNMV) prior to the end of each reporting period, the main shareholdings at 31 December were as follows:

| | 31/12/2024 | 31/12/2023 |
|---|---|---|
| Minor International Public Company Limited (“MINT”) | 95.87% | 95.87% |

The aforementioned (indirect) shareholding of MINT in Minor Hotels Europe & Americas, S.A. is the result of the IPO made by MHG Continental Holding Pte Ltd. on 11 June 2018 for 100% of the shares that were part of the share capital of Minor Hotels Europe & Americas, S.A., the result of which was that MINT acquired, through its wholly owned subsidiary MHG Continental Holding Pte. Ltd., shares representing 94.13% of the share capital of Minor Hotels Europe & Americas, S.A.

In addition, on 8 May 2023, MINT announced its decision to begin a purchase process in the market for shares in Minor Hotels Europe & Americas over a period of 30 days. As a result, between 10 May and 8 June 2023, MINT purchased 7,544,225 shares and increased its position in Minor Hotels Europe & Americas to 417,728,222 representative shares or 95.87% of the share capital of Minor Hotels Europe & Americas.

### b) Dividends

The Company did not distribute dividends in 2023 or 2024.

### c) Share premium

The balance of the "Share Premium" account arose as a result of the capital increases carried out by the Company.

This reserve is freely distributable.

### d) Legal reserve

The legal reserve is allotted in accordance with article 274 of the Consolidated Text of the Capital Companies Act, which provides that, in all cases, a figure equal to 10% of the profit for the financial year must go into it until it reaches at least 20% of the share capital.

It may not be distributed and, if it is used to offset losses, in the event that there are no other reserves that are sufficient for that purpose, it must be replenished with future profits.

At 31 December 2024 and 2023, the Parent Company has not set up this reserve with the minimum limit established in the Consolidated Text of the Spanish Companies Act.

### e) Other Reserves

This includes reserves totalling 417 thousand euros as at 31 December 2024 (31 December 2023: 356 thousand euros), which cannot be distributed as they relate to treasury shares.

### f) Treasury Shares

At 31 December 2024, the Company had 97,586 treasury shares, compared to 87,989 treasury shares at 31 December 2023. The evolution in treasury shares over the period can be explained by the following movement:

- On 10 April 2019, the Group signed a liquidity contract to manage its treasury shares with Banco Santander, which entered into force on 11 April 2019. The total number of shares allocated to the securities account associated with the new Liquidity Agreement as at 31 December 2024 is 97,586 shares, and the amount allocated to the cash account is 304,524 euros. At 31 December 2023, the number of shares allocated to the liquidity contract was 87,989 shares. The effect recorded in reserves for operations carried out in 2024 was -61 thousand euros.

- By request of the majority shareholder Minor International for a public offer for the acquisition of shares by delisting (Note 1), on 13 December 2024, the liquidity contract for the management of treasury shares with Banco Santander was discontinued.

# 11. PROVISIONS

The detail of the Provisions is as follows:

| | Thousands of euros | |
|---|---|---|
| | **2024** | **2023** |
| **Non-current provisions:** | | |
| Provision for long-term incentives for staff | 2,754 | 2,836 |
| Provision for pensions and similar obligations | 513 | 440 |
| Provision for liabilities | 1,970 | 1,968 |
| | **5,237** | **5,244** |
| **Current provisions:** | | |
| Provision for short-term incentives for staff | 2,387 | 3,895 |
| Provision for other liabilities | 53 | 53 |
| | **2,440** | **3,948** |

The main movement in the Company's provisions was due to staff incentive plans.

## Staff Incentive Plan

The Company introduced its Long-Term Incentive Plan 2022-2026 ("Performance Cash Plan") in 2022, under which a cash amount is to be paid out when certain established targets are met. The Plan has a duration of five years and is divided into three cycles, with each cycle lasting as follows:

- First cycle 2022-2024, payment of which will occur in 2025 (ended on 31.12.2024).
- Second cycle 2023-2025, payment of which will occur in 2026 (current)
- Third cycle 2024-2026, payment of which will occur in 2027 (current)

These schemes consist of a promise to deliver a cash amount to the beneficiaries. The final amount to deliver is conditional on the degree of compliance with Recurring EBITDA/Net Profit in each year of the plan. The degree to which the EBITDA/ Net Profit targets are achieved for each cycle is calculated as follows:

- If the degree to which the EBITDA/Recurring Net Profit targets for the Group are achieved falls below 90%, no long-term incentive amount will be paid for that year.
- If the degree to which the EBITDA/Recurring Net Profit targets for the Group are achieved is between 90% and 100%, 100% of the long-term incentive amount will be paid for that year.
- If the degree of achievement of the Group's EBITDA/Recurring Net Profit target is higher than 100% and lower than 120%, the final degree for that year will be made by linear interpolation.
- If the degree to which the EBITDA/Recurring Net Profit targets for the Group are achieved is 120% or higher, a maximum of 120% of the long-term incentive amount for that year will be paid.

The payment of the first cycle of the Long-Term Incentive Plan 2022-2024 will occur during the first quarter of 2025. The final achievement of this incentive was: 113.62%.

In addition, during the first quarter of 2025, the Company will launch a new long-term incentive cycle, as a continuation of the 2022-2026 Long-Term Incentive Plan. This incentive will begin accruing retroactively from 1 January 2025 and end on 31 December 2027, and consists of the promise to deliver a cash amount to the beneficiaries calculated as a percentage of the fixed salary in accordance with their level of responsibility.

The final amount to deliver is conditional on the degree of compliance with EBITDA and recurring net profit in each year of the plan (2025, 2026 and 2027).

All existing schemes, such as the one intended to be launched in 2025, target approximately 100 beneficiaries. The beneficiaries must remain in the Group at the end of each cycle, notwithstanding the exceptions deemed appropriate, as well as achieving the minimum thresholds for each of the objectives.

### Provision for pensions and similar obligations

This section includes various retirement, performance related and/or long-stay awards considered in the Collective Bargaining Agreements that are applicable in Spain.

The breakdown of the main assumptions used to calculate actuarial liabilities is as follows:

| | 2024 | 2023 |
|---|---|---|
| Discount rates | 3.38% | 3.7% |
| Expected annual rate of salary rise | 2.5% | 2.5% |

### Provision for liabilities

In 2024, the non-current "Provision for liabilities" account includes provisions for litigation and risks which the Company considers probable and derecognising during the year those that have been resolved in the year. No decision on these claims is expected in the short term (Note 15).

## 12. FINANCIAL DEBT - CURRENT AND NON-CURRENT

### 12.1. Debt instruments and debts with credit institutions

The balances of the "Bonds and other negotiable securities" and "Debts with credit institutions" items were as follows:

| | Thousands of euros | | | |
|---|---|---|---|---|
| | 2024 | | 2023 | |
| | Non.current | Current | Non.current | Current |
| Guaranteed senior notes | 400,000 | – | 400,000 | – |
| Borrowing costs | – | 7,911 | – | 7,911 |
| Arrangement expenses | (766) | (1,467) | (2,233) | (1,404) |
| **Debt instruments and other marketable securities** | **399,234** | **6,444** | **397,767** | **6,507** |
| Unsecured loans | 1,127 | 3,572 | 4,699 | 5,205 |
| Subordinated loans | 40,000 | – | 40,000 | – |
| Credit lines | – | – | – | 13 |
| Arrangement expenses | (568) | (984) | (1,553) | (951) |
| Borrowing costs | – | 366 | – | 458 |
| **Bank borrowings** | **40,559** | **2,954** | **43,146** | **4,725** |
| **Total** | **439,793** | **9,398** | **440,913** | **11,232** |

### Secured senior bonds maturing in 2026

On 14 June 2021, the Company made an offer of secured senior bonds for a nominal amount of 400,000 thousand euros, maturing in 2026. The nominal annual interest rate for the issue is 4% and the cost of arranging the issue of the bond was 6,896 thousand euros.

The outstanding nominal amount at 31 December 2024 was 400,000 thousand euros.

### Secured syndicated credit line

On 22 September 2016, the Company and NH Finance, S.A. entered into a “revolving” business credit line with credit institutions amounting to 250,000 thousand euros ("syndicated credit line") maturing in three years, extendable to five years upon the refinancing of the secured senior bonds maturing in 2019. As a consequence of the refinancing of the guaranteed senior notes maturing in 2019, which took place in 2017, the maturity date of said financing was extended to 29 September 2021.

On 16 October 2020, the Company and NH Finance, S.A. agreed with the credit institutions to extend the maturity of this financing until 29 March 2023, with a limit of 236,000 thousand euros.

On 29 June 2021, the Company and NH Finance, S.A. agreed with the credit institutions an additional extension of the maturity of this financing until 31 March 2026, with a limit of 242,000 thousand euros. On 1 December 2022, NH Finance S.A. was liquidated and replaced by NH Cash Link S.L., remaining together with the Company as the accredited companies.

At 31 December 2024, the total amount of 242,000 thousand euros of this financing was available.

## Unsecured loans

- Other non-guaranteed loans

  - In May 2020, the Company signed a bilateral loan for 10,000 thousand euros over 2 years, within the legal framework provided by the Spanish state to mitigate the economic impact of COVID-19, and thereby receiving the ICO guarantee. In May 2021, and on the basis of Royal Decree Law 34/2020, the Company agreed the extension of the maturity of this loan for a further 3 years, with a new maturity date of May 2025. At 31 December 2024, the outstanding nominal amount of this financing was 1,667 thousand euros.

  - In July 2020, the Company signed a bilateral loan for 7,500 thousand euros over 3 years, within the legal framework provided by the Spanish state to mitigate the economic impact of COVID-19, thereby receiving the ICO guarantee. In April 2021, and on the basis of Royal Decree Law 34/2020, the Company agreed the extension of the maturity of this loan for a further 3 years, with a new maturity date of July 2026. At 31 December 2024, the outstanding nominal amount of this financing was 3,032 thousand euros.

### Subordinated loan

One loan amounting to 40,000 thousand euros, fully drawn at 31 December 2024 and with a single maturity and repayment date at the end of its term, in 2037, is included in this item. The interest rate on this loan is the 3-month Euribor plus a spread.

### Bilateral credit lines

At 31 December 2024, the balances under this item include the amount drawn down from credit facilities. The joint limit of the credit facilities at 31 December 2024 amounted to 71,000 thousand euros, which is available in full.

## Obligations required in the senior notes contracts maturing in 2026, and the syndicated credit line maturing in 2026

The senior notes maturing in 2026, the syndicated and the syndicated credit line maturing in 2026 require the fulfilment of a series of obligations and limitations of essentially homogeneous content as regards the assumption of additional borrowing or provision of guarantees in favour of third parties, the granting of real guarantees on assets, the sale of assets, investments that are permitted, restricted payments (including the distribution of dividends to shareholders), transactions between related parties, corporate transactions and disclosure obligations. These obligations are detailed in the issue prospectus for the aforementioned notes, as well as in the credit agreement of the syndicated credit line.

Additionally, the syndicated credit line requires compliance with financial ratios (financial covenants); in particular, (i) an interest coverage ratio of > 2.00x, (ii) a net indebtedness ratio of < 5.50x.

Furthermore, the senior notes maturing in 2026 and the syndicated credit line require fulfilment of a Loan to Value (“LTV”) ratio that depends on MHE&A’s net debt level at any time as shown below:

- Net debt-to-income ratio > 4.00x: LTV ratio = 70%
- Net debt-to-income ratios ≤ 4.00x: LTV ratio = 85%
- Net debt-to-income ratio ≤ 3.50x: LTV ratio = 100%

At 31 December 2024, and based on the reported figures for that year, the ratios described above (“financial covenants” and “LTV”) are met.

### Package of guaranteed senior bonds maturing in 2026 and syndicated credit line maturing in 2026

The guaranteed senior notes maturing in 2026 and syndicated credit line maturing in 2026 share the following guarantees: (i) pledge of shares: 100% of the share capital of (A) Diegem, (B) Immo Hotel Brugge NV, (C) Immo Hotel Diegem NV, (D) Immo Hotel Stephanie NV,(E) Onroerend Goed Beheer Maatschappij Van Alphenstraat Zandvoort, B.V. and (F) NH Italia, S.p.A.; (ii) first-tier mortgage guarantee on the following hotels located in the Netherlands: NH Conference Centre Koningshof, owned by Koningshof, B.V., NH Conference Centre Leeuwenhorst, owned by Leeuwenhorst Congres Center, B.V., and the joint and several guarantee on first demand of the main operating companies of the Group wholly owned by the Company.

The net book value of the assets granted as mortgage security against the syndicated credit line (242,000 thousand euros fully available at 31 December 2024) and secured senior bonds amounting to 400,000 thousand euros, maturing in 2026, can be broken down as follows:

| Mortgaged asset | Net Book value mortgaged asset (Thousands of Euros) |
|---|---|
| NH Conference Centre Leeuwenhorst | 44,606 |
| NH Conference Centre Koningshof | 29,326 |
| **Total** | **73,932** |
| **Net book value of assets assigned as mortgage collateral** | **73,932** |
| **Value of guaranteed debt** | **400,000** |
| **Fixed interest** | **400,000** |
| **Variable interest** | – |

## Limitation on the distribution of Dividends

The obligations of the guaranteed "senior" bonds maturing in 2026 and the revolving syndicated credit line maturing in 2026 described above contain clauses limiting the distribution of dividends.

In the case of the "senior" bonds maturing in 2026, a dividend distribution is generally permitted provided that (a) there is no default in force and that this does not occur as a result of the distribution, (b) the pro forma interest coverage ratio considering the contemplated distribution is > 2.0x , and (c) the sum of restricted payments (including, inter alia, certain restricted investments, subordinated debt prepayments, dividends, share repurchases, cash payments under subordinated debt of controlling shareholders or persons connected with them and other forms of shareholder remuneration in their capacity as shareholders) made since the offer date (14 June 2021) is less than the sum of, among other items, (i) 50% of the consolidated net revenues of the Minor Hotels Europe & Americas Group (herein "the Group" or "MHE&A Group") from the first day of the full quarter immediately preceding the Offer Date to the date of the full quarter closest to the date of the distribution for which quarterly accounts are available, provided that in calculating net income, 100% of consolidated net losses during the period, excluding the losses prior to 31 March 2022 (this is referred to as the "CNI builder basket") and (ii) 100% of net contributions to the capital of the MHE&A Group since the Offering Date are deducted.

Additionally, as an alternative and without having to be in compliance with the previous condition, MHE&A Group may distribute dividends and make other restricted payments without any limit on the amount as long as the leverage ratio (gross debt/EBITDA) pro forma taking into account the intended restricted payment should not be higher than 4.5x.

Finally, and also alternatively and without having to be concurrent with the previous ones, the notes maturing in 2026 establish a franchise to be able to make restricted payments (including dividends) without needing to comply with any specific requirement, for a total aggregate amount of 25,000 thousand euros from the issue date.

In the case of the syndicated credit line, the distribution of dividends or other forms of remuneration to shareholders were not allowed while the waiver on complying with financial ratios (financial covenants) was in still in force until December 2022. After that date, according to the syndicated credit line, the distribution of a percentage of the MHE&A Group's consolidated net profit from the previous year is allowed, provided that there has been no breach of the relevant financing agreement and the net financial debt (through the dividend payment or other type of distribution)/EBITDA ratio is less than 4.0x. The amount that may be distributed depends on the net financial debt/EBITDA ratio (pro forma taking into account the dividend payment or other type of distribution) in accordance with the following breakdown:

- Net Financial Debt/EBITDA ≤ 4.0x: Percentage of consolidated net profit: 75%
- Net Financial Debt/EBITDA ≤ 3.5x: Percentage of consolidated net profit: 100%
- Net Financial Debt/EBITDA ≤ 3.0x: Percentage of consolidated net profit: unlimited

All these metrics are calculated using consolidated data.

At 31 December 2024, the requirements for the distribution of dividends this year were met.

## Detail of current and non-current payables

The detail, by maturity, of the items included under "Non-Current and Current Payables" is as follows (in thousands of euros):

| At 31/12/2024 | | | | Maturity schedule | | | | | |
|---|---|---|---|---|---|---|---|---|---|
| **Figures in thousands of euros** | **Limit** | **Available** | **Disposed** | **Year 1** | **Year 2** | **Year 3** | **Year 4** | **Year 5** | **Remainder** |
| **Subordinated loans** | **40,000** | – | **40,000** | – | – | – | – | – | **40,000** |
| Variable interest | 40,000 | – | 40,000 | – | – | – | – | – | 40,000 |
| **Guaranteed senior notes mat. in 2026** | **400,000** | – | **400,000** | – | **400,000** | – | – | – | – |
| Fixed rate | 400,000 | – | 400,000 | – | 400,000 | – | – | – | – |
| **Unsecured loans** | **4,699** | – | **4,699** | **3,572** | **1,127** | – | – | – | – |
| Fixed rate | 3,032 | – | 3,032 | 1,905 | 1,127 | – | – | – | – |
| Variable interest | 1,667 | – | 1,667 | 1,667 | – | – | – | – | – |
| **Secured syndicated credit line** | **242,000** | **242,000** | – | – | – | – | – | – | – |
| Variable interest | 242,000 | 242,000 | – | – | – | – | – | – | – |
| **Credit lines** | **71,000** | **71,000** | – | – | – | – | – | – | – |
| Variable interest | 71,000 | 71,000 | – | – | – | – | – | – | – |
| **Borrowing at 31/12/2024** | **757,699** | **313,000** | **444,699** | **3,572** | **401,127** | – | – | – | **40,000** |
| Arrangement expenses | (3,785) | – | (3,785) | (2,451) | (1,036) | (30) | (30) | (30) | (208) |
| Borrowing costs | 8,277 | – | 8,277 | 8,277 | – | – | – | – | – |
| **Adjusted total debt at 31/12/2024** | **762,191** | **313,000** | **449,191** | **9,398** | **400,091** | **(30)** | **(30)** | **(30)** | **39,792** |
| **Adjusted total debt at 31/12/2023** | **756,133** | **303,987** | **452,145** | **11,232** | **1,121** | **400,090** | **(30)** | **(30)** | **39,762** |

At 31 December 2024, the average cost of the gross drawdown amount of the Company was 4.0% (4.1% in 2023).

## 12.2. Other current and non-current financial liabilities

The balance this account at year-end is as follows:

| Thousands of euros | 2024 | 2023 |
|---|---|---|
| Debt for investments in group companies (Note 8.2) | 3,150 | 3,150 |
| Others | 36,789 | 238 |
| **Other non-current financial liabilities** | **39,939** | **3,388** |
| Others | 3,076 | – |
| **Other current financial liabilities** | **3,076** | – |
| **Total** | **43,015** | **3,388** |

"Other" includes the liability for the renewal of the right of usufruct of the NH Plaza de Armas hotel (Note 5).

The maturities of other current and non-current financial liabilities are as follows:

| Thousands of euros | Nominal value | |
|---|---|---|
| | **2024** | **2023** |
| Less than one year | 3,076 | – |
| Between two and five years | 13,220 | – |
| More than five years | 26,719 | 3,388 |
| **Total** | **43,015** | **3,388** |

## 12.3. Information on the nature of financial instruments and their level of risk

Group financial risk management is centralized in the Corporate Finance Division in accordance with the policies approved by the Board of Directors. Depending on the Company's financial structure and position and the economic variables in the environment, this Division has the necessary mechanisms in place to control exposure to interest rate and exchange rate fluctuations, as well as credit, liquidity and market price risks, resorting to specific hedging transactions if necessary. The main financial risks and the corresponding policies of the Company are described below:

## Credit risk

The Company’s main financial assets include cash and cash equivalents (Note 9) and trade and other accounts receivables (Note 8.1). In general, the Company holds its cash and cash equivalents in institutions with a high level of creditworthiness and part of its trade and other receivables are endorsed by guarantees, guarantors and advance payments by tour operators.

The Company does not have a significant concentration of credit risk with third parties, except for balances with the group, due both to the diversification of its financial investments and to the distribution of commercial risk among a large number of customers with short collection periods.

The Company has formal procedures for detecting objective evidence of impairment in trade receivables for the provision of services. As a result of these, significant delays in payment terms and the methods to be followed in estimating the impairment loss based on individual analyses are identified.

## Interest rate risk

The company’s financial assets and liabilities are exposed to fluctuations in interest rates, and this may have an adverse effect on its results and cash flow. In order to mitigate this risk, the Company has established policies and has part of its debt at fixed interest rates through the issuance of guaranteed senior bonds. At 31 December 2024, approximately 91% of the Company's gross borrowings was tied to fixed interest rates (90% in 2023).

## Liquidity risk

Exposure to adverse situations in debt or capital markets could hinder or prevent the Group from meeting the financial needs required for the proper conduct of the Company's business.

The management of this risk focuses on monitoring the maturity schedule of the Company's financial debt in detail, as well as on proactive management and maintaining credit lines that allow any forecast cash needs to be met.

The Company’s liquidity position in 2024 is based on the following points:

- The Company had cash and cash equivalents at 31 December 2024 amounting to 1,118 thousand euros (1,186 thousand euros in 2023) (Note 9).

- Available undrawn credit lines at 31 December 2024 of 313,000 thousand euros (303,987 thousand euros in 2023) (Note 12).

The Company also has 9,646 thousand euros in confirming lines, which it uses to manage part of its payments with trade creditors. These lines are distributed among several banks and cover commercial suppliers.

Lastly, the Company makes cash position forecasts on a systematic basis in order to assess their needs. This liquidity policy followed by the Company ensures that payment undertakings are fulfilled without having to request funds under onerous conditions and allows its liquidity position to be monitored on a continuous basis. It should be noted that the Company manages cash as part of the overall management of MHE&A Group, of which it is the parent company, and therefore cash forecasts are made taking into account the Company's position in the Group.

## Exchange rate risk

The Company is exposed to exchange rate fluctuations that may affect its sales, results, equity and cash flows, arising largely from:

- Investments in foreign countries (mainly in Mexico, Argentina, Colombia, Chile, Ecuador, the United States, Brazil, Switzerland, Hungary and the Czech Republic).

- Transactions carried out by Group companies operating in countries whose currency is not the euro (mainly Mexico, Argentina, Colombia, Chile, Ecuador, Brazil, the United States, Switzerland, Hungary and the Czech Republic).

MHE&A seeks to align the composition of its financial debt with cash flows in different currencies.

The most significant balances in foreign currency in 2024, valued at the year-end exchange rate, is broken down as follows:

| | Currency | Thousands of euros |
|---|---|---|
| Short-term investments in Group companies and associates | ARS | 7,646 |
| Short-term investments in Group companies and associates | BRL | 176 |
| Short-term investments in Group companies and associates | CLP | 2,575 |
| Short-term investments in Group companies and associates | COP | 5,302 |
| Short-term investments in Group companies and associates | CZK | 87 |
| Short-term investments in Group companies and associates | CHF | 2,811 |
| Short-term investments in Group companies and associates | DKK | 4 |
| Short-term investments in Group companies and associates | DOP | 226 |
| Short-term investments in Group companies and associates | HUF | 36 |
| Short-term investments in Group companies and associates | MXN | 2,081 |
| Short-term investments in Group companies and associates | PLN | 3 |
| Short-term investments in Group companies and associates | RON | 3 |
| Short-term investments in Group companies and associates | AED | 7 |
| Short-term investments in Group companies and associates | USD | 107 |
| Short-term investments in Group companies and associates | UYU | 365 |
| Short-term investments in Group companies and associates | THB | 1,245 |
| Short-term investments in Group companies and associates | SGD | 329 |
| Short-term debts with group and associate companies | ARS | (63) |
| Short-term debts with group and associate companies | BRL | (5) |
| Short-term debts with group and associate companies | CLP | (6) |
| Short-term debts with group and associate companies | COP | (381) |
| Short-term debts with group and associate companies | DOP | (633) |
| Short-term debts with group and associate companies | GBP | (54) |
| Short-term debts with group and associate companies | MXN | (307) |
| Short-term debts with group and associate companies | THB | (159) |
| Short-term debts with group and associate companies | SGD | (44,986) |
| Short-term debts with group and associate companies | USD | (83) |
| Cash and cash equivalents | USD | 25 |

The most significant balances in foreign currency in 2023, valued at the year-end exchange rate, is broken down as follows:

| | Currency | Thousands of euros |
|---|---|---|
| Short-term investments in Group companies and associates | ARS | 7,188 |
| Short-term investments in Group companies and associates | BRL | 164 |
| Short-term investments in Group companies and associates | CLP | 1,874 |
| Short-term investments in Group companies and associates | COP | 1,796 |
| Short-term investments in Group companies and associates | CZK | 64 |
| Short-term investments in Group companies and associates | CHF | 2,591 |
| Short-term investments in Group companies and associates | DKK | – |
| Short-term investments in Group companies and associates | DOP | 227 |
| Short-term investments in Group companies and associates | HUF | 16 |
| Short-term investments in Group companies and associates | MXN | 14,343 |
| Short-term investments in Group companies and associates | PLN | 9 |
| Short-term investments in Group companies and associates | RON | 5 |
| Short-term investments in Group companies and associates | USD | 25 |
| Short-term investments in Group companies and associates | UYU | 277 |
| Short-term investments in Group companies and associates | THB | 449 |
| Short-term investments in Group companies and associates | SGD | 159 |
| Short-term debts with group and associate companies | ARS | (59) |
| Short-term debts with group and associate companies | CLP | (3) |
| Short-term debts with group and associate companies | COP | (180) |
| Short-term debts with group and associate companies | DOP | (616) |
| Short-term debts with group and associate companies | GBP | (55) |
| Short-term debts with group and associate companies | MXN | (432) |
| Short-term debts with group and associate companies | THB | (43) |
| Short-term debts with group and associate companies | SGD | (851) |
| Short-term debts with group and associate companies | USD | (49) |
| Cash and cash equivalents | USD | 283 |

## Market price risk

The Company is exposed to risks related to fluctuations in prices of goods and services. These risks are essentially managed in the purchasing process.

In an inflationary environment, the Company can be impacted in various ways, for example, through increases in supplies of products and services, wage costs, rental costs of leased hotels. This inflation risk can be buffered, among others, by diversifying supplies providers, renegotiating existing contracts that include protection clauses, a business strategy focusing on maximising the average price for the sale of hotel rooms, and identifying efficiency measures for operational costs.

However, the disruptions to the supply chain, exacerbated by geopolitical tensions, have caused upward pressure in the price of supplies of products and services, particularly energy, which has increased drastically in Europe and is reflected in the cost of its supply and services with a high energy use, such as laundry services. As mentioned above, these risks are managed, among others, by diversification of supply providers, renegotiation of existing contracts and identification of operational cost efficiency measures.

# 13. TAX NOTE

Minor Hotels Europe & Americas, S.A. and the companies with tax residence in Spain in which it has held a direct or indirect interest of at least 75% during the 2024 tax period are taxed under the tax consolidation regime regulated in Chapter VI of Title VII of Law 27/2014 on Corporate Income Tax ("Corporate Income Tax Law").

The tax group of Minor Hotels Europe & Americas, S.A. (hereinafter "Tax Group") consists of the following companies in 2024:

| | |
|---|---|
| Minor Hotels Europe & Americas, S.A. | NH Europa, S.L. |
| Latinoamericana de Gestión Hotelera, S.L. | NH Atardecer Caribeño, S.A. |
| NH Central Reservation Office, S.A. | Gestora Hotelera del Siglo XXI, S.A. |
| NH Hoteles España, S.A. | Nuevos Espacios Hoteleros, S.A. |
| NH Hotel Ciutat De Reus, S.A. | Coperama Holding, S.L. |
| Gran Círculo de Madrid, S.A. | Coperama Spain, S.L. |
| Iberinterbrokers, S.L. | NH Las Palmas, S.A. |
| Wilan Ander, S.L. | NH Lagasca, S.A. |
| Palacio de la Merced, S.A. | Wilan Huel S.L. |
| NH Cash Link, S.L. | NH Marbella Hotel, S.L. |

The companies belonging to the Tax Group have signed an agreement to share the tax burden, whereby the Company settles the receivables and payables to the companies of the Tax Group in respect of the taxable income and tax losses contributed by them to the Tax Group.

In previous years, the Tax Group carried out restructuring operations in which it opted for the special scheme for business reorganisation provided in the Corporation Tax Law. The legally established items are included in the annual report of the corresponding year.

## Balances with Public Authorities

The detail of "Balances with Public Authorities" is as follows:

## Tax receivables

| | Thousands of euros | |
|---|---|---|
| | **2024** | **2023** |
| **Non-current receivables** | | |
| Deferred tax assets | 48,014 | 29,830 |
| **Total** | **48,014** | **29,830** |
| **Current receivables** | | |
| Value Added Tax | 680 | 1,098 |
| Current tax assets | 9,720 | 13,438 |
| **Total** | **10,400** | **14,536** |

## Tax payables

| | Thousands of euros | |
|---|---|---|
| | 2024 | 2023 |
| **Non-current payables** | | |
| Deferred tax liabilities | 4,223 | 4,394 |
| **Total** | **4,223** | **4,394** |
| **Current payables** | | |
| Retentions | 801 | 682 |
| Social Security | 659 | 658 |
| Others | 77 | 37 |
| **Total** | **1,537** | **1,377** |

## Reconciliation of the accounting profit to the taxable income

Corporation Tax is calculated on the basis of accounting profit or loss determined by application of the generally accepted accounting principles, and applying the relevant adjustments in accordance with the rules set out in the Corporation Tax Law. Therefore, the accounting profit may not necessarily coincide with the taxable income for Corporation Tax purposes.

The reconciliation of the accounting profit and the Corporation Tax to pay or refund for the year corresponding to the tax group is as follows (in thousands of euros):

| | Thousands of euros | |
|---|---|---|
| | 2024 | 2023 |
| Accounting profit before tax | 84,732 | 38,283 |
| **Adjustments to accounting profit (loss):** | | |
| Due to permanent differences | (72,266) | (40,800) |
| Due to temporary differences | (624) | 2,851 |
| **Individual taxable base** | **11,842** | **334** |
| Bases provided by the tax consolidated companies | 58,814 | 36,559 |
| **Previous tax base of the Tax Group** | **70,656** | **36,893** |
| Carryforwards for consolidated negative tax bases of the Tax Group | (17,664) | (25,825) |
| **Tax base of the Tax Group** | **52,992** | **11,068** |
| Settled rate (25%) | (13,248) | (2,767) |
| Activated deductions used in the year | 92 | – |
| Non-activated deductions used in the year | 2,166 | 20 |
| Withholdings and payment by instalments | 20,710 | 16,185 |
| **Current taxes to be refunded / (to pay)** | **9,720** | **13,438** |
| Previous years' taxes to be refunded | – | – |
| **Total taxes to be refunded/(paid)** | **9,720** | **13,438** |

In relation to the calculation of the Spanish income tax expense, the Group has made its best estimate by offsetting tax loss carryforwards from previous years with the limitation of 25% of the positive result for 2024, in accordance with the provisions of the fifteenth additional provision of the Corporate Income Tax Law as amended by Law 7/2024.

The permanent differences relate mainly to the removal of provisions in the accounting portfolio and non-deductible financial expenses calculated in accordance with article 16 of the Corporate Income Tax Act.

The temporary differences relate mainly to provisions for accounting purposes and impairment losses not considered a tax expense and with the recovery of 30% of the amortisation that was not deductible in 2013 and 2014 calculated in accordance with Article 7 of Law 16/2014, introducing various tax and administrative measures aimed at consolidating public finances and driving economic activity.

## Reconciliation of accounting profit and Corporate Income Tax (expense)/income

The reconciliation of accounting profit and Corporate Income Tax (expense)/income is as follows:

| | 2024 | 2023 |
|---|---|---|
| Accounting profit before tax | 84,732 | 38,283 |
| Permanent differences | (72,266) | (40,800) |
| Permanent differences tax credits | (8,506) | – |
| Temporary differences | (624) | 2,851 |
| Temporary differences tax credits | (7,365) | (10,537) |
| **Adjusted tax base** | **(4,029)** | **(10,203)** |
| Current tax attributable to the company | 1,007 | 2,551 |
| Deferred tax | (1,989) | (1,922) |
| Regularisation of tax from the previous year | (49) | 964 |
| Taxes paid overseas | (1,305) | (100) |
| Activation/Cancellation of tax credits | 21,871 | – |
| **Total tax (expense)/income recognised in the statement of profit and loss** | **19,535** | **1,493** |

## Deferred tax assets

The changes in this account are as follows:

| Deferred tax assets | Thousands of euros | |
|---|---|---|
| | 2024 | 2023 |
| **Opening balance** | **29,830** | **31,955** |
| Tax credit offsets | (1,841) | (2,667) |
| Temporary differences | (319) | 542 |
| Activation/Cancellation of tax credits | 21,871 | – |
| Other movements | (1,527) | – |
| **Balance at end of year** | **48,014** | **29,830** |

The detail of the balance of deferred tax assets at year-end is:

| | Thousands of euros | |
|---|---|---|
| | 2024 | 2023 |
| Tax credits | 40,423 | 19,949 |
| Deductions | – | 554 |
| Others | 7,591 | 9,327 |
| **Balance at end of year** | **48,014** | **29,830** |

The balance of deferred tax assets corresponds mostly to tax credits for prior year's losses and non-deductible financial expenses, and for miscellaneous provisions.

The increase in deferred tax assets is mainly due to the movement in deferred tax relating to tax credits amounting to 20,474 thousand euros. At 31 December 2024, the Company has tax credit assets of 40,423 thousand euros (19,949 thousand euros in 2023). At 31 December 2024, the tax credit recovery plan that supports the recognition of these tax credits had been updated. In accordance with the above, based on the results obtained from the tax credit recovery plan, an additional capitalisation of tax credits amounting to 21,871 thousand euros took place in 2024. These capitalised tax credits are those which it is considered probable that the Company will have sufficient future taxable profits against which they can be utilised, based on estimates of future profits over a reasonable period of time, prepared on the basis of information available at the date of preparation of these annual accounts.

## Tax credits generated by the consolidated tax group

At 31 December 2024, the Tax Group has the following tax loss carryforwards available for offset (amount in instalments):

| Year | Amount |
|---|---|
| 2009 | 378 |
| 2010 | 4,578 |
| 2011 | 6,477 |
| 2012 | 32,893 |
| 2013 | 3,191 |
| 2014 | 20,031 |
| 2015 | 3,726 |
| 2019 | 3,637 |
| 2020 | 21,801 |
| **Total** | **96,712** |

Of the previous total, 50,094 thousand euros corresponds to non-activated tax losses.

At 31 December 2024, the Tax Group has uncapitalised tax credits of 75,729 thousand euros (101,962 thousand euros at 31 December 2023) under the following concepts:

| | Thousands of euros | |
|---|---|---|
| | 2024 | 2023 |
| **Finance costs and negative tax bases** | | |
| Non-deductible finance costs by the Tax Group | – | 40,356 |
| Negative tax bases generated by the Tax Group | 50,094 | 33,856 |
| Negative tax bases generated by the Spanish entities before inclusion in the Tax Group | 25,635 | 25,703 |
| **Total rate** | **75,729** | **99,915** |
| Tax Group deductions | – | 2,047 |
| **Total non-activated tax credits** | **75,729** | **101,962** |

## Deferred tax liabilities

The movements in deferred tax liabilities during the year are as follows:

| Deferred tax liabilities | Thousands of euros | |
|---|---|---|
| | 2024 | 2023 |
| **Opening balance** | **4,394** | **4,565** |
| Deferral on reinvestment | (171) | (171) |
| Others | – | – |
| **Balance at end of year:** | **4,223** | **4,394** |

## Years open for review and tax audits

The years open for review for the Tax Group are as follows:

| Tax | Pending periods |
|---|---|
| Corporation | 2017, 2018 & 2020 to 2023 |
| VAT | 2021 to 2024 |
| IRPF (personal income tax) | 2021 to 2024 |
| Non-resident Income Tax | 2021 to 2024 |

Financial year 2017, which is open to inspection since the Group requested the rectification of the Spanish consolidation group's corporation tax returns for 2017, 2018, 2021 and 2022, given that it considers the measures introduced by Royal Decree-Law 3/2016 of 2 December to be unconstitutional. The ruling of the Constitutional Court of 18 January 2024 (unconstitutionality issue 2577/2023) declared certain corporation tax measures introduced by this Royal Decree-Law as unconstitutional. At the date of preparing the accounts, the Group had not obtained a resolution in respect of the years for which rectification was requested. The Group estimates that it will obtain a refund of the overpaid amount of between 8 and 12 million euros, but classifies this asset as contingent as it does not consider it virtually certain that it will be obtained.

In January 2025, notification of the initiation of verification and investigation proceedings has been received for the Spanish VAT Group for the periods from December 2020 to December 2023.

In relation to the years open to audit by the Tax Agency, contingent liabilities not susceptible to objective quantification may exist but, in the opinion of the Directors, they are not material.

### Deductions applicable by the Tax Group

At 31 December 2024, the Tax Group has no outstanding tax incentives of a material amount.

Similarly, the Tax Group availed itself in prior years of the “Deferral for reinvestment of extraordinary profit.” The essential characteristics of this reinvestment are as follows (in thousands of euros):

| | | Amount offset | | | |
|---|---|---|---|---|---|
| Year origin | Profit subject to deferral | Prior years | Year 2023 | Amount pending | Last year of deferral |
| 1999 | 75,145 | 57,577 | 682 | 16,886 | 2049 |

This income was reinvested in the acquisition of buildings.

### Pillar 2 Directive

Within the European Union, the Pillar 2 Directive (Directive EU2022/2523) was adopted on 15 December 2022, according to which large multinationals with a global turnover of more than 750 million euros in at least two of the previous four financial years will be subject to these rules, which basically seek a minimum taxation on profits.

The Group is within the scope of the OECD Pillar 2 rules.

The ultimate parent company of the Group is MINT, an entity resident in Thailand, which holds its interest through its wholly owned subsidiary resident in Singapore MHG Continental Holding Pte. Ltd. In 2024, the implementation of Pillar 2 regulations has been approved in Thailand and these regulations will be applicable for financial years beginning on or after 1 January 2025.

In Spain, on 21 December 2024, Law 7/2024 of 20 December was published in the Official State Gazette, establishing a Supplementary Tax to guarantee an overall minimum level of taxation for multinational groups and large domestic groups, a Tax on the interest and commission margins of certain financial institutions and a Tax on liquids for electronic cigarettes and other tobacco-related products, and amending other tax rules (hereinafter "Law 7/2024"). Law 7/2024 implements Pillar Two in Spain, establishing, with retroactive effect for years beginning on or after 31 December 2023, a Supplementary Tax, which ensures that large multinational groups are taxed at a minimum effective rate of 15% wherever they operate.

Under Pillar 2 legislation, the Group would be required to pay an additional tax on the difference between the effective GloBE tax rate per jurisdiction and the minimum rate of 15%. In this regard, the Group has carried out an analysis of the possible impacts that may arise from the application of this tax in 2024, considering the application of the Transitional Safe Harbours provided for in Transitional Provision four of Law 7/2024 and the full calculation, if applicable.

Based on the information available at the date these annual accounts were prepared, the Company believes that it has no material impact related to the Pillar 2 rules on its current tax expense.

# 14. TRADE CREDITORS AND OTHER ACCOUNTS PAYABLE

## 14.1 Trade payables

The breakdown of this heading at 31 December is as follows:

| | Thousands of euros | |
|---|---|---|
| | 2024 | 2023 |
| Suppliers | 34,848 | 28,473 |
| Advance payments from customers | 1,754 | 1,282 |
| Sundry creditors | 9,976 | 10,779 |
| | **46,578** | **40,534** |

"Commercial Creditors and Other Accounts Payable" covers the accounts payable derived from commercial activity typical of the Group. This heading includes 9,646 thousand euros (10,728 thousand euros at 31 December 2023) relating to creditors from confirming operations.

The "Advance payments from customers" item mainly includes customer deposits arising from the Group's hotel businesses.

## 14.2. Information on average period for payment to suppliers

Below is the information required by Additional Provision Three of Law 15/2010 of 5 July and modified by the Resolution of 29 January 2016, of the Institute of Accounting and Auditing, and Law 18/2022, of 28 September, on the creation and growth of businesses, on the information to be incorporated in the record of annual financial statements relating to the average period for payment to suppliers in commercial transactions.

| | 2024 | 2023 |
|---|---|---|
| | Days | |
| Average period for payment to suppliers | 53 | 62 |
| Ratio of paid transactions | 52 | 61 |
| Ratio of transactions pending payment | 89 | 67 |
| | Thousands of euros | |
| Total payments made | 142,855 | 122,868 |
| Total payments pending | 4,989 | 8,832 |

Suppliers, for the exclusive purpose of giving the information prior to this Resolution, are considered as trade creditors for debts with suppliers of goods or services, included in the items “Suppliers” and “Sundry Creditors” in current liabilities on the attached financial statement of financial position at 31 December 2024.

During 2024, the monetary volume of the invoices paid within the maximum limit provided for in the bad debt regulations was 95,876 thousand euros (63,889 thousand euros in 2023), representing 69% (52% in 2023) of the total monetary volume of the invoices. The number of invoices paid within the maximum limit provided for in the bad debt regulations was 11 thousand invoices (10 thousand invoices in 2023), representing 63% (57% in 2023) of the total volume of invoices;

The average period for payment to suppliers has been calculated using the weighted average of the two ratios explained below:

- Ratio of paid transactions: average payment period of transactions paid weighted by the amount of each transaction.
- Ratio of transactions pending payment: average period between the invoice date and the end of the year weighted by the amount of each transaction.

The Company has significantly reduced the maximum payment period to trade suppliers compared to previous years. This has been result of various measures focused on resizing existing resources, as well as renegotiating contracts, implementing technological improvements in invoice processing and other actions in different areas aimed at recovering the legal ratio (set at 60 days), which are showing results compared to the previous year.

# 15. THIRD-PARTY GUARANTEES AND CLAIMS IN PROCESS

At 31 December 2024, the Company had a total of 31,361 thousand euros (28,820 thousand euros in 2023) in economic or financial bank guarantees issued by various banks to guarantee lease agreement obligations and others related to the usual operations of the Group in various countries. Therefore, their execution would be linked to a failure to comply with those contractual obligations.

At 31 December 2024, the Company had taken out insurance policies to cover risks arising from damage to material goods, loss of profits and third-party liability. The capital insured sufficiently covers the assets and risks mentioned above.

### Commitments to third parties

- Within the framework of new development projects in the normal course of business, in which Group subsidiaries act as lessees or operators, the Group's parent company gives personal guarantees in favour of third parties to secure its contractual obligations, often issue promissory notes in payment of said obligations and agrees penalty clauses in case of breach of contract.
- Likewise, within the framework of the Group's financing, personal and real guarantees have been granted to fulfil the obligations guaranteed under the financing agreements (Note 12).

### Claims in process

The Company's main contingent assets and liabilities at the date of drafting these consolidated financial statements were as follows:

- In the context of a claim brought by the Company against a management entity, this entity has counterclaimed against a Group company for the payment of management entity fees for 2018, 2019, with the claim having been dismissed in full at the first instance, partially upheld at the second instance and the proceedings are currently at the cassation stage.
- On the occasion of the agreements reached in 2014 for the sale of the shares held by Minor Hotels Europe & Americas, S.A in the company Sotogrande, S.A., the Group agreed to subrogate to the position of Sotogrande, S.A. for certain claims assuming all rights and obligations relating thereto, and are summarised as follows:
  - Plaintiff in the proceedings against construction agents for construction defects in twenty-five homes and contractual liability, where partially favourable judgements have been obtained.
  - Respondent in the process of claiming amounts from a real estate development due to construction defects, where a partially favourable judgment has been obtained.
- A former shareholder of the Group has requested the annulment of certain resolutions adopted by the Board of Directors. The claim was wholly dismissed and the proceedings are currently under appeal.

The Company's directors consider that the hypothetical loss of the Company incurred as a result of such actions would not have a material effect on its equity.

## 16. OPERATIONS AND BALANCES BETWEEN GROUP COMPANIES

### 16.1. Balances with related parties

The detail of balances with related parties during the year is as follows:

### Year 2024

| Thousands of euros | Parent company | Other Group companies |
|---|---|---|
| **Non-current investments:** | – | **303,296** |
| Loans to companies | – | 303,296 |
| **Current investments:** | **477** | **231,521** |
| Loans to companies | 477 | 231,521 |
| **Non-current debts** | – | **(30,341)** |
| **Current debts** | **(43,145)** | **(69,314)** |
| **Other current liabilities** | – | – |

## Year 2023

| Thousands of euros | Parent company | Other Group companies |
|---|---|---|
| **Non-current investments:** | – | **740,892** |
| Loans to companies | – | 740,892 |
| **Current investments:** | – | **133,401** |
| Loans to companies | – | 133,401 |
| **Non-current debts** | – | **(243,161)** |
| **Current debts** | **(119)** | **(64,462)** |

## Non-current investments

"Loans to Companies" includes the following loans granted to the following Group companies:

| | Thousands of euros | |
|---|---|---|
| | 2024 | 2023 |
| **Loans** | | |
| NH Cash Link, S.L. | 300,245 | – |
| NH Europa, S.L. | – | 176,287 |
| Latinoamericana de Gestión Hotelera, S.L. | – | 139,654 |
| NH Hoteles España, S.A. | – | 358,920 |
| NH Hungary Szallodauzemelteto KFT | – | 22,452 |
| Central Reservation Office, S.A. | – | 31,274 |
| NH Hoteles Czechia, S.R.O. | – | 9,722 |
| Others | 3,051 | 2,583 |
| **Total** | **303,296** | **740,892** |

The loans balance in 2024 mainly corresponds to the inter-company financing agreement that matures in 2025. The remuneration of said loan is a variable quarterly interest rate linked to the Euribor plus a spread. As part of the intercompany financing process, short-term balances have been analysed and balances that could not be settled during the year have been transferred to long-term.

During the financial year 2024, and within the framework of intra-group financing, a debt reorganisation was carried out, resulting in a centralised net debtor position with NH Cash Link, S.L.

## Current investments

"Current investments in group companies and associates" includes the following balances with Group companies:

| | Thousands of euros | |
|---|---|---|
| | 2024 | 2023 |
| NH Hoteles España, S.A. | 161,979 | 73,158 |
| NH Central Reservation Office S.L | 6,301 | 674 |
| NH Italia, SPA | 7,323 | 6,258 |
| NH Hoteles Deutschland GMBH | 8,315 | 7,313 |
| Operadora Nacional Hispana, S.A. de C.V. | 1,963 | 14,233 |
| NH Hotel Rallye Portugal, Lda | 7,663 | 7,396 |
| Latina de Gestion Hotelera S.A. | 7,644 | 7,137 |
| Other current payables to Group companies | 30,810 | 17,232 |
| **Total** | **231,998** | **133,401** |

The balances that comprise the current accounts receivables to Group companies are made up mainly of the balances relating to the financing structure of the Group of which the Company is the Parent. The accounts receivable or accounts payable accrue interest at a floating rate pegged to the 3-month Euribor plus a spread. Minor Hotels Europe & Americas, S.A. thereby centralises the Group's liquidity in a single bank account. As part of the intercompany financing process, short-term balances have been analysed and balances that could not be settled during the year have been transferred to long-term.

### Non-current debts

| | Thousands of euros | |
|---|---|---|
| | 2024 | 2023 |
| NH Cash Link, S.L.U. | – | 216,203 |
| NH Atardecer Caribeño, S.A. | 24,588 | 23,111 |
| Other related parties | 5,753 | 3,847 |
| **Total** | **30,341** | **243,161** |

During the financial year 2024, and within the framework of intra-group financing, a debt reorganisation was carried out, resulting in a centralised net debtor position with NH Cash Link, S.L.

### Current debts

"Current debts" includes the following loans with Group companies:

| | Thousands of euros | |
|---|---|---|
| | 2024 | 2023 |
| NH Europa, S.L. | 60,788 | 60,800 |
| MHG Continental Holding (Singapore) PTE.LTD. | 43,026 | – |
| Coperama Holding | 4,529 | 1,454 |
| Other current creditor accounts with Group companies | 3,997 | 2,208 |
| Current creditor accounts with the parent company | 119 | 119 |
| **Total** | **112,459** | **64,581** |

The balances that comprise the current accounts payable to Group companies are made up mainly of the balances relating to the financing structure of the Group of which the Company is the Parent. The accounts receivable or accounts payable accrue interest at a floating rate pegged to the 3-month Euribor plus a spread. Minor Hotels Europe & Americas, S.A. thereby centralises the Group's liquidity in a single bank account. As part of the intercompany financing process, short-term balances have been analysed and balances that could not be settled during the year have been transferred to long-term.

The balance with MHG Continental Holding (Singapore) PTE.LTD. includes the outstanding payment for the acquisition of the shareholding in Minor Continental Holding S.à r.l. II (Luxembourg) amounting to 43,026 thousand euros (note 8.1).

## 16.2. Transactions with related parties

The transactions with related parties during the year were as follows:

### Income

| | Thousands of euros | |
|---|---|---|
| | 2024 | 2023 |
| **Income from leases and subleases** | **9,062** | **7,561** |
| Group (Note 17.a) | 9,062 | 7,561 |
| **Financial income** | **24,378** | **73,986** |
| Group interest received | 24,378 | 49,975 |
| Dividends | – | 24,011 |
| **Fees** | **116,804** | **108,045** |
| Group (Note 17.a) | 116,804 | 108,045 |

Royalty income is based on the services provided by the Company to its network of subsidiaries and hotels that form part of its portfolio.

Financial income by interest is based on loans granted by the Company to Group companies and whose remuneration consists of a variable periodic interest rate linked to Euribor, plus a spread.

### Expenses

| | Thousands of euros | |
|---|---|---|
| | 2024 | 2023 |
| **Interests** | **8,216** | **11,744** |
| Group | 8,216 | 11,744 |

Interest financial expenses are based on loans received by the Company from group companies and whose remuneration consists of a variable periodic interest rate linked to Euribor, plus a spread.

## 17. INCOME AND EXPENSES

### a) Net turnover

The revenue itemised by activity is as follows (in thousands of euros):

| | Thousands of euros | |
|---|---|---|
| | 2024 | 2023 |
| Hotel activity: | | |
| Accommodation in rooms | 32,188 | 28,302 |
| Leases group companies (Notes 16.2 and 7) | 9,062 | 7,561 |
| Other leasing (Note 7) | 311 | 257 |
| Catering | 8,012 | 7,423 |
| Rooms | 1,632 | 1,605 |
| Others | 1,850 | 1,500 |
| Provision of services: | | |
| Fees (Note 16) | 116,804 | 108,045 |
| **Net turnover** | **169,859** | **154,693** |

In both 2023 and 2024, income from the Company's various activities generated in the ordinary course of business, in the measure that it is obtained on a regular and periodic basis and derives from the business cycle of production, marketing or provision of the Company's own services, is recognised as net turnover.

Similarly, net turnover corresponding to the year distributed by geographic market was as follows:

| | Thousands of euros | |
|---|---|---|
| | 2024 | 2023 |
| National market | 169,859 | 154,693 |
| | **169,859** | **154,693** |

### b) Staff costs

The breakdown of this heading on the statement of profit and loss for the year was as follows:

| | Thousands of euros | |
|---|---|---|
| | **2024** | **2023** |
| Wages, salaries and similar | 36,019 | 35,715 |
| Social security contributions | 8,500 | 7,425 |
| Severance payments | 49 | 73 |
| | **44,568** | **43,213** |

The average number of employees at the Company in the year, by professional category, was as follows:

| | **2024** | **2023** |
|---|---|---|
| Group's general management | 9 | 9 |
| Managers and heads of department | 116 | 106 |
| Technical staff | 136 | 125 |
| Sales representatives | 14 | 14 |
| Administrative staff | 22 | 17 |
| Rest of workforce | 205 | 179 |
| **Average number of employees** | **502** | **450** |

In calculating the average number of employees, the Group has not taken into account employees whose contracts have a duration of less than two days.

The workforce at 31 December, by professional category and sex, was as follows:

| | **31/12/2024** | | **31/12/2023** | |
|---|---|---|---|---|
| | **Males** | **Females** | **Males** | **Females** |
| Group's general management | 7 | 3 | 7 | 2 |
| Managers and heads of department | 55 | 60 | 58 | 53 |
| Technical staff | 65 | 77 | 59 | 75 |
| Sales representatives | 1 | 14 | 3 | 11 |
| Administrative staff | 10 | 14 | 8 | 12 |
| Rest of workforce | 108 | 120 | 91 | 102 |
| **Average number of employees** | **246** | **288** | **226** | **255** |

At 31 December 2024 and 2023, there were no employees at the company with a disability of 33% or more.

The average age of the workforce was approximately 42.2, and average seniority was 11.2 years (42.4 years and 11.5 years, respectively, in 2023).

### c) External services

Shown below is a breakdown of the items included in "External services":

| | Thousands of euros | |
|---|---|---|
| | **2024** | **2023** |
| Leasing (Note 7) | 13,244 | 11,798 |
| Outsourcing of services | 1,664 | 1,814 |
| Supplies | 948 | 687 |
| Maintenance and cleaning | 1,587 | 1,351 |
| Laundry and related costs | 806 | 749 |
| Costs associated with information technologies | 16,905 | 14,889 |
| Marketing and merchandising | 101 | 71 |
| Other external services | 267 | 354 |
| | **35,522** | **31,713** |

## d) Other current operating expenses

Shown below is a breakdown of the items included in "Other current operating expenses":

| | Thousands of euros | |
|---|---|---|
| | **2024** | **2023** |
| Commissions | 1,037 | 2,485 |
| Central bookings fee | 5,787 | 6,180 |
| Advisory services | 5,720 | 4,394 |
| Marketing and media | 9,799 | 8,011 |
| Travel expenses | 1,698 | 1,583 |
| Institutional relations | 234 | 206 |
| Others | 4,050 | 1,932 |
| | **28,325** | **24,791** |

This year, the fees for account auditing and other services provided by the auditor of the Group's consolidated financial statements and the fees for services invoiced by the entities related to it by control, shared ownership or management, were as follows:

| | Thousands of euros | |
|---|---|---|
| | **2024** | **2023** |
| Auditing services | 803 | 704 |
| Other verification services | 411 | 251 |
| **Total auditing and related services** | **1,214** | **955** |
| Other services | 357 | 392 |
| **Total other services** | **357** | **392** |
| **Total professional services** | **1,571** | **1,347** |

Additionally, entities associated with the international network of the consolidated annual accounts auditor have invoiced the Group for the following services:

| | Thousands of euros | |
|---|---|---|
| | **2024** | **2023** |
| Auditing services | 1,163 | 992 |
| Other verification services | 258 | 260 |
| **Total auditing and related services** | **1,421** | **1,252** |
| | | |
| Tax consulting services | 38 | 37 |
| Other services | 13 | 134 |
| **Total other services** | **51** | **171** |
| **Total** | **1,472** | **1,423** |

During 2024, other auditing firms apart from the auditor of the consolidated annual accounts or entities associated with this company by control, shared ownership or management, provided account auditing services to the companies making up the Group, for fees totalling 276 thousand euros (171 thousand euros in 2023). The fees accrued in 2024 by these firms for tax advice services were 527 thousand euros (578 thousand euros in 2023) and for other services 673 thousand euros (535 thousand euros in 2023).

### e) Financial expenses

The breakdown of this chapter in the consolidated comprehensive statement of profit and loss is as follows:

| | Thousands of euros | |
|---|---|---|
| | **2024** | **2023** |
| Interest expenses | 21,355 | 22,642 |
| Other financial expenses | 446 | 309 |
| Amortisation of debt arrangement expenses | 2,354 | 2,592 |
| **Financial expenses** | **24,155** | **25,543** |

Interest expenses corresponds to debts valued at amortised cost.

## 18. REMUNERATION AND OTHER STATEMENTS MADE BY THE BOARD OF DIRECTORS AND SENIOR MANAGEMENT

The Management Bodies of the Parent Company have the following composition at 31 December:

- Board of Directors 10 members in 2024 (10 members at31 December 2023),
- Audit and Control Committee: 3 members in 2024 (3 members at 31 December 2023),
- Appointments and Remuneration Committee: 3 members in 2024 (3 members at 31 December 2023).

### 18.1 Remuneration of the Board of Directors

The amount accrued during the year by the members of the Parent Company's Board of Directors in relation to the remuneration of the Executive Directors, by law stipulated directors' fees and attendance fees and other items, is as follows:

| | Thousands of euros | |
|---|---|---|
| **Remuneration item** | **2024** | **2023** |
| Fixed remuneration | 1,612 | 1,536 |
| Short-term variable remuneration | 1,062 | 1,013 |
| Long-term variable remuneration | 999 | 1,637 |
| Parent Company: allowances | 11 | 6 |
| Parent Company: attendance allowances | 230 | 305 |
| Life insurance premiums | 38 | 30 |
| Others | 17 | 14 |
| **Total** | **3,969** | **4,541** |

At 31 December 2024, the Board of Directors had 10 members, three women and seven men (10 members in 2023, one woman).

Remuneration in kind (vehicles and medical insurance) is included under "Other", as well as the loyalty bonus reflected in the Ramón Aragonés agreement.

Additional information in the Annual directors' Remuneration Report.

## 18.2 Remuneration of senior management

The remuneration of members of the Management Committee during the year, excluding those who simultaneously held office as members of the Board of Directors (whose remuneration has been set out above), is detailed below:

| | Thousands of euros | |
|---|---|---|
| | **2024** | **2023** |
| Pecuniary remuneration | 3,161 | 2,476 |
| Remuneration in kind | 127 | 126 |
| Others | 692 | 1,306 |
| **Total** | **3,980** | **3,908** |

There were 7 members of Senior Management 31 December 2024 (6 members at 31 December 2023) excluding the CEO, the Chief Operations Officer and the Chief Assets and Development Officer due to their status as executive directors.

Since 1 January 2025, Gonzalo Aguilar has been the Company's chief executive officer. Mr Aguilar joined the company's senior management on 1 October 2024 in a three-month on-boarding process in which he was supported by Mr Aragonés to ensure a smooth transition.

It is worth pointing out that the post of Chief Financial Officer has been held by Ana Muñoz since 1 May and her remuneration is included from her appointment date. Luis Martínez Jurado, ex-Chief People Officer, left the company on 30 April 2024 and his remuneration is included up to his leaving date.

The item "Cash remuneration" includes fixed and short-term variable remuneration accrued in full until 31 December 2024. Remuneration in kind includes the vehicle and the cost of insurance. The heading "Other" takes the long-term objective remuneration accrued in 2024 into consideration.

## 18.3 Information on conflicts of interest on the part of Directors

During 2024, Minor International Public Company Limited ("Minor"), an indirect majority shareholder of the Group (95.87%) and represented on the Board by four proprietary Directors, and the Group signed a series of Related Party Transactions, which are broken down in the Audit and Control Committee's Annual Report, and there were transactions arising from Related Transactions approved in previous years which are broken down in Note 16 of this Report. These Related Party Transactions have always been executed in strict compliance with the rules established in the applicable regulations and the Procedure for Conflicts of Interest and Related Party Transactions with Significant Shareholders, Directors and Senior Management of Minor Hotels Europe & Americas, S.A. approved by the Board of Directors on 11 November 2021. All transactions signed with Minor (and/or its group of companies) have counted on a report from the Audit and Control Committee, have been signed under market conditions and with the participation of external advisors, and in compliance with the provisions in the Framework Agreement signed between the parties on 7 February 2019, which regulates, among others, the scope of action of the respective hotel groups headed by the Group and Minor through the identification of preferred geographic areas or zones, the mechanisms necessary to prevent and deal with possible conflicts of interest, as well as to carry out operations with related parties and develop business opportunities. The aforementioned Framework Agreement was duly communicated to the Market via a Relevant Fact and is published in full on the Company's website.

During all meetings of both the Audit and Control Committee and the Board of Directors that dealt with any matter related to Minor, proprietary directors were absent from the meetings, and consequently did not take part in the debate or in the adoption of the corresponding resolution.

In addition, and when the related-party operation so requires, the Company informs the market of the details of the transaction, as was done in the communication sent to the CNMV on 18 December 2023, describing in detail the operation entered into with Minor in relation to the operation in Portugal, whose review, study and approval has scrupulously complied with the rules of good governance.

## 19. ENVIRONMENTAL INFORMATION

The Parent Company's Board of Directors is the body responsible for supervision of the risk management system, and the Audit and Control Committee supports the Board in supervising the effectiveness of the internal control, internal audit and the risk management systems.

The governing bodies receive information about the main risks the Group is exposed to and the capital resources available to face up to them at least every quarter, along with information about compliance with the limits set in the risk appetite.

Therefore, as in previous years, in 2024 the Audit and Control Committee supervised and validated the Risk Map update and the correct implementation of the action plans that fully or partially contribute to mitigating the main risks.

An analysis was carried out of the 81 risks appearing in the Group's risk catalogue for 2024 to identify those relating to *ESG (Environmental, Social and Governance)* criteria, resulting in 51% of all the risks classified as such.

As it is integrated within the Company's Risk Management Model, the ESG Risk Map follows the same process phases, including risk response, monitoring and control and mitigation measures adopted.

In addition, all risks and opportunities arising from climate change have been identified and quantified following the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD).

*For more information on the Group's risk management model, see section 6. Risk Management of the Consolidated Management Report 2024.*

### Sustainable Business Strategy

Minor Hotels Europe & Americas runs its hotel business with the ambition of spearheading responsible behaviour, generating a positive social and environmental impact where it is present, conveying its human rights, ethical and corporate commitments in its way of working along its entire value chain: shareholders, customers, partners, suppliers and employees, while promoting responsible alliances with two pillars: UP FOR PLANET and UP FOR PEOPLE.

A noteworthy milestone was the setting up of the Sustainability Executive Committee in May 2022, whose main function is to support the Board of Directors in its work providing monitoring of Minor Hotels Europe & Americas' sustainability strategy. This committee is co-chaired by the Chief Assets & Development Officer and the Chief People & Sustainable Business Officer , and it is made up of members of the Company from different key areas with a direct impact on the Minor Hotels Europe & Americas strategy execution.

Convinced it is moving in the right direction to achieve the next sustainability challenges, the Company is aligned with the Sustainable Development Goals (SDGs) to which it can contribute and undertakes to continue creating long-term and global value within the framework of the 2030 Agenda.

*More information on this Model and its performance during 2024 is available in section 7. Consolidated statement of non-financial information, Strategy, within the Consolidated Directors' Report 2024*

## 20. EVENTS AFTER THE REPORTING PERIOD

No significant subsequent events have occurred since 31 December 2024.

# Management report for the year ended 31 December 2024

## GLOBAL ECONOMIC AND TOURISM CONTEXT

The recovery that began in 2021 after the economic crisis caused by the Covid-19 pandemic was consolidated during 2024. To this effect, the world economy grew +3.2%, compared to +3.3% growth in the previous year. More specifically, the Eurozone grew by +0.8% in 2024 (+0.4% in 2023).

The world economy faces the year 2025 with optimistic growth, although uncertainty and threats remain. Two positive factors: the long (but transitory) inflation episode of 2022-2023 is behind us and the global economy has proven to be very resilient in terms of growth and employment, both to the interest rate hikes needed to stem rising prices and to geopolitical shocks (Ukraine and the Middle East, US-China rivalry). In fact, to the surprise of many, the spectre of recession has disappeared and financial markets closed 2024 with excellent results.

In this context, the International Monetary Fund (IMF) identifies as risks the escalation of tariffs leading to increased uncertainty and fragmentation of the world economy, a reduction in migratory flows and a tightening of global liquidity. Such risks are more likely to materialise since Trump won the election in November 2024.

The four countries that account for the greatest proportion of the Company's sales and profits show rates of growth in 2024: Spain (+3.1% in 2024 vs +2.7% in 2023), the Netherlands (+0.9% in 2024 vs +0.1% in 2023), Germany (-0.2% in 2024 vs -0.3% in 2023), and Italy (+0.6% in 2024 vs +0.7% in 2023). Meanwhile, growth in Latin America was +2.4% in 2024, the same figure as the previous year.

Core goods price inflation has declined, but services price inflation remains above averages in many countries, particularly in the US and the euro area. Central banks in economies where inflation is proving more persistent are moving more cautiously through the easing cycle, keeping a close eye on activity and labour market indicators, as well as exchange rate movements.

Global headline inflation is projected to fall from an annual average of 6.7% in 2023 to 5.8% in 2024 and 4.3% in 2025, with advanced economies reaching their targets ahead of emerging and developing economies. These levels remain well above the target level and still higher than those observed prior to the pandemic (2017-19) of around 3.5%.

According to UNWTO data, more than 1.4 billion tourists travelled internationally in 2024, indicating a near recovery (99%) from pre-pandemic levels. These figures represent an 11% increase over 2023, or 140 million more international tourist arrivals, with results driven by strong post-pandemic demand, the strong performance of major source markets, and the ongoing recovery of Asia-Pacific destinations.

Europe, the world's largest destination region, had 747 million international arrivals in 2024 (+1% above 2019 levels and 5% above 2023 levels), supported by strong intra-regional demand.

The Americas (213 million) recovered 97% of pre-pandemic arrivals, with the Caribbean and Central America already above 2019 levels. Compared to 2023, the region grew by 7%.

The latest UNWTO data also highlights the economic impact of tourism. International tourism receipts recorded strong growth in 2024, having almost reached pre-pandemic levels already in 2023. This would bring revenues in 2024 to $1.6 trillion, about 3% more than in 2023 and 4% more than in 2019 (in real terms), according to preliminary estimates.

## COMPANY SITUATION

The rapid recovery in MHE&A's results should be noted. This can be explained by the operational and financial transformation undertaken in the years prior to the pandemic, as well as the measures adopted during the pandemic.

The Company's excellent performance in the years prior to the pandemic was the result of a complete transformation, particularly brand segmentation and increased positioning in the premium segment, portfolio optimisation, significant investment in repositioning and information systems for pricing strategy, the focus on efficiency and cost control, and the reduction of financial indebtedness.

This Plan prioritised boosting the Company's income, increasing its efficiency and, at the same time, taking advantage of its strengths for new repositioning opportunities and organic expansion as an additional path to growth.

Furthermore, MHE&A proactively implemented a series of initiatives in 2021 to boost the capital structure. These included a share capital increase, the refinancing and extension of financial debt, and the divestment of an important asset via a sale & leaseback operation. These milestones have enabled the sector's recovery to be tackled from the best possible financial position, and have led to a rapid reduction in financial borrowing.

With the entrance of Minor International into the share capital at the end of 2018, a new era of opportunity opened up with the creation of a global hotel platform operating on five continents. In this way, a new stage began where additional opportunities arose, such as:

- The possibility of increasing the current customer base, attracting the growing Asian demand to the European markets.
- Economies of scale with business partners, travel agencies and suppliers.
- The ability to use a larger brand umbrella in new geographical areas, that is to say, take the NH brands into Minor geographical areas and vice versa.
- Access the luxury segment with new opportunities for brand change and opening and signing up new hotels in the segment.
- Boost the segment diversification strategy, integrating the resorts market into our cornerstones for growth.
- Integration of Tivoli operations in Europe under the NH umbrella.
- Contact the best teams, driving an exchange of talent.

In 2024, Minor Hotels unified its global corporate identity with a change of name from Minor Hotels Europe & Americas to Minor Hotels Europe & Americas, following a favourable vote at the General Shareholders' Meeting held in April 2024. By adopting the name Minor Hotels Europe & Americas, Minor Hotels Europe & Americas reinforces its integration with Minor Hotels, and fosters a unique and recognisable corporate identity for stakeholders, accelerating the global growth of the hotel group. In addition, this strategic move strengthens the overall commercial and operational structure, benefiting industry professionals, customers and shareholders. Minor Hotels is a global hotel group operating more than 560 hotels, resorts and residences in 57 countries.

Both groups currently share their knowledge base and experience in the sector in order to materialise short-term opportunities, taking advantage of the complementarity of their hotel portfolios to define a global sales strategy, the implementation of economies of scale with a broader customer base, explore development pathways for all their brands in different geographical areas and access to shared talent.

Digitisation has been and will be key to the sector’s evolution. The customer experience is improved and efficiency increased using technology and digitisation. The digital component is key in responding to travellers’ security needs and experience. Technology is a facilitator that complements our employees’ work, freeing them up from administrative tasks so they can give more personal attention to customers.

Notably, MHE&A continues to be at the forefront of innovation. The Company's Digital Transformation has allowed processes and systems to be made more efficient, increasing the capacity to be different from the competition and to continue improving the Company's basic processes. One of the greatest achievements was, therefore, centralising all its properties and functions into a single integrated system. This allows MHEA to have a fully-integrated digital platform: NH Digital Core Platform. A pioneering technological solution in the sector that has made it possible to integrate the systems of all the hotels in the portfolio, and which has become the basis for MHE&A to expand its knowledge of the client, maximise its efficiency and innovate on a large scale in all its areas of value.

In a continuous improvement of the customer experience and to adapt to new traveller trends, a series of initiatives have been launched over the last 5 years, among which the following stand out:

- "Fastpass", a combination of three innovative services - Check-in Online, Choose Your Room and Check-out Online - which gives customers full control over their stay.
- "Stay in one hotel, enjoy them all", which allows customers to enjoy a selection of services at any hotel in the city they are in for the duration of their stay.
- Extended Stay, with discounts of up to 35% for stays of more than 7 days to work away from home for an extended period.
- Smart Spaces, a new B2B offer, with exclusive spaces for working and organising small business meetings, making the most of all the advantages of our hotels.
- Hybrid Meetings, to enhance the value of business events by reaching a wider audience from different destinations by combining face-to-face and virtual attendees.
- NH+, a new focus on the corporate segment towards SMEs, which were the first to resume business, enabling us to extend this segment of corporate customers.
- The NH Rewards loyalty programme was renamed NH Discovery following the migration to the Global Hotel Alliance programme of which Minor International is part. This allows us to take part in and benefit from a loyalty programme with over 30 million members and more than 850 hotels with 45 brands in over 100 countries. The NH hotels and members are complementary to GHA's, which entails a huge advantage when it comes to gaining visibility on the main source markets and the various business segments.

The increase in the costs of supplies and operational costs, amongst which staff costs, energy costs and all costs linked to the CPI stand out, is playing an important role in the profitability of hotel businesses which is partly offset by the strategy to maximise prices.

Size continued to be an important factor as the economies of scale enable greater efficiency in operational management. The fragmentation of the hotel sector in Europe continues to be high and, therefore, opportunities will arise so that the concentration of the sector accelerates towards more efficient, sustainable business and management models with greater economies of scale.

When recovery after the pandemic started, hotel businesses experienced difficulties finding staff, which is why the sector must go back to attracting talent with attractive professional career plans that promote training and job flexibility.

Regarding quality indicators, the MHE&A Hotel Group focuses on measuring quality using sources of information and surveys with a high volume of reviews and number of assessments received. In this regard, its average score on TripAdvisor in 2024 reached 8.7, up from 8.5 in December 2023. Additionally, in 2024 the average Google Reviews score was 9.0, up from 8.9 in December 2023.- These average scores demonstrate the high levels of quality perceived by MHE&A's customers, and the continued commitment to quality. For more details see: quality measurement.

Furthermore, as mentioned in previous sections, the Company has started operating 5 new hotels in 2024, 3 in Paris, Vienna and Helsinki, providing 765 rooms. Thus, as of 31 December 2024 , the Company has a total of 347 hotels with 55,769 rooms. In addition, MHE&A has signed 8 new hotels in 2024 with 699 rooms. These signings have been under rental, management and franchise formulas, and under the NH Collection, Tivoli and Anantara brands. Signatures in European locations such as Benidorm, Marbella, Ibiza, Palermo and Alagna Valsiesa (Piedmont, Italy) stand out, and in Latin America, Merida (Mexico) and Asuncion (Paraguay).

The Company's income in 2024, totalled 169.9 million euros, which was an increase of 10% (+15.2 million euros). A profit of 104.3 million euros was achieved in the financial year compared to 39.8 million euros in 2023. This increase is explained by the increase in downstream activity and the consolidation of the recovery during 2024.

In this year, gross indebtedness decreased from 452.1 million euros in 31 December 2023 to 449.2 million euros in 31 December 2024. Regarding the cash position and other liquid assets, at 31 December 2024, this amounts to 1.1 million euros (1.2 million euros at 31 December 2023). Furthermore, this liquidity is complemented by the syndicated credit line for 242.0 million euros (fully available at the close of the 2024 and 2023 financial years), and some credit lines at the close of the 2024 financial year of 71.0 million euros.

As a result of the strong business recovery, rapid debt reduction and cash generation, MHE&A's credit rating has been favourably reviewed by the rating agencies this year. In April 2024, Fitch upgraded MHE&A's rating from "B" to "BB-" with a stable outlook. In addition, in October 2024, Moody's upgraded the credit rating from "B1" to "Ba3" with a stable outlook. Notably, both agencies have highlighted that MHE&A has a relevant portfolio of owned assets that increase its financial flexibility and deleveraging capacity.

As a result of the public offering on 31 October 2018 and the 30-day on-market purchase process ending on 8 June 2023, Minor currently owns 417,728,222 shares in Minor Hotels Europe & Americas, S.A. Representing 95.87% of its share capital. For more details: see: Shareholding structure

In December 2023, MHE&A announced the acquisition of 5 hotels in Portugal from Minor for €133 million, strengthening MHE&A's presence in the Portuguese resort market by acquiring ownership of a portfolio of hotels it had already been operating since 2019 under a management agreement with Minor, allowing it to leverage operational and commercial synergies through MHE&A's platform in Southern Europe and to strengthen its existing growth strategy in that holiday segment.

Additionally, on 19 September 2024, MHE&A Hotel Group announced the acquisition of 4 hotels in Brazil from Minor for 212 million euros. This amount will be paid in cash in two tranches, the first tranche, amounting to 169.6 million euros, representing 80% of the estimated price, was paid on the closing date of the Transaction; and the second tranche, equivalent to 20% of the estimated price, plus an interest rate of 5.25% applicable from the closing date until the payment date, will be paid no later than 19 September 2025. With this transaction, MHE&A consolidates a growth platform in Brazil for future expansion projects, including the Anantara Mamucabo Bahia Resort and Anantara Prea Ceara Resort hotels in the Pojuca pipeline, for which hotel management contracts have already been signed subject to the construction of the respective assets by their owners.

This completes the business reorganisation process between the Company and Minor based on the preferred geographic areas defined for each of them in the Framework Agreement entered into between the Company and Minor on 7 February 2019. These corporate reorganisations were carried out at arm's length and with the validation of external advisors.

Last, on 13 December 2024, the Board of Directors of the Company resolved, at the request of the majority shareholder Minor International, to convene an Extraordinary General Meeting of shareholders of the Company on 20 January 2025. The Extraordinary General Meeting approved the offer to delist all the shares representing the share capital of MHE&A from trading on the Spanish Stock Exchanges, and the formulation by Minor International of a delisting tender offer at a price of 6.37 euros per share. The effectiveness of the delisting and the settlement of the tender offer made by Minor International is subject to the authorisation by the Spanish Securities and Exchange Commission (Comisión Nacional del Mercado de Valores).

## ETHICS and COMPLIANCE

Minor Hotels Europe & Americas Group is committed to complying with the laws and regulations of the countries and jurisdictions where it operates. This includes, amongst other things, laws and regulations on health and safety, discrimination, taxation, data privacy, human rights, competition, prevention of corruption and money laundering, and environmental commitment.

Minor Hotels Europe & Americas currently continues to implement and reinforce measures to promote and place value on the culture of compliance and the importance of consolidating an ethical business culture, promoting awareness amongst all the employees about its relevance, and not just complying with the applicable regulations but also acting ethically and in accordance with the Company's principles and values.

For further information related to ethics, please see the Consolidated Management Report containing the Consolidated Statement of Non-Financial Information - Sustainability Information.

## RISK MANAGEMENT

### Risk management governance

The Company's Board of Directors is responsible for overseeing the risk management system, in line with the provisions of Article 5 of the Regulation of the Board of Directors. As regulated by Section 3 of article 25 b) of the Regulation of the Company's Board of Directors, the Audit and Control Committee supports the Board of Directors in supervising the effectiveness of the internal control, internal audit and the risk management systems, including tax risks. In that regard, during 2023, a control and monitoring process of the Company's main risks has been carried out.

On the other hand, amongst other functions, the Company's Management Committee manages and controls risks based on risk tolerance, assigns ownership of the main risks, periodically monitors their evolution, identifies mitigation actions as well as defining response plans. For these purposes, the Executive Risk Committee, made up from members of the Management Committee and Senior Executives, supports the Management Committee in such oversight, as well as promoting a culture of risks in the Company. For this, the Company has an internal risk management manual that details the principles, processes and controls in place.

Risk Management, integrated into the Internal Audit department, is responsible for ensuring the risk management and control system in the Company functions properly and is linked to the strategic objectives.

As an additional guarantee of independence, Risk Management is independent of the business units and, as with Internal Audit, it maintains a functional reporting line to the Audit and Control Committee.

In line with the above, MHEA follows the Three Lines model published in July 2020 by the Global IIA:

- First line: carried out by each function (business and corporate units) that owns the risk and its management (Operations, Commercial, Marketing, etc.).
- Second line: performed by the functions responsible for risk supervision (Risk Management, Compliance, Data Protection, Internal Control, etc.)
- Third line: carried out by Internal Audit that affords independent assurance.

The Corporate Risk Management Policy of Minor Hotels Europe & Americas (approved by the Board of Directors in 2015), and the internal manual that implements it, aim to define the basic principles and the general framework of action to identify and control all types of risks that may affect the companies over which Minor Hotels Europe & Americas has effective control, as well as ensure alignment with the Company's strategy.

### Risk management model

The risk management system of Minor Hotels Europe & Americas rolled out at Group level aims to identify events that may negatively affect achievement of the objectives of the Company's Strategic Plan, providing the maximum level of assurance to shareholders and protecting the Group's revenue and reputation.

The risk management model is based on the integrated COSO IV ERM (Enterprise Risk Management) framework, and includes a set of methodologies, procedures and support tools that allow Minor Hotels Europe & Americas:

1. To adopt adequate governance in relation to the Company's risk management, as well as promoting an appropriate risk management culture.
2. To ensure that the Company's defined objectives are aligned with its strategy and risk profile.
3. To identify, evaluate and prioritise the most significant risks that could affect achievement of strategic objectives. To identify measures to mitigate these risks, as well as establish action plans based on the Company's tolerance to risk.
4. To follow-up on the action plans established for the main risks, within a continuous improvement model framework.

The Group's Risk Map is updated annually and approved by the Board of Directors once reviewed and validated by the Audit and Control Committee. In 2023, the Company updated its risk catalogue (78 risks) and its Risk Map, which was approved by the Board of Directors at their meeting on 18 December 2023.

Each of the main risks on the Company's Risk Map is assigned a Risk Owner who, in turn, is a member of the Management Committee. Each risk owner is responsible for mitigation measures, either existing or in progress, for their risks and the implementation status of action plans. The Risk Owners periodically submit the status of the main risks they are responsible for and the mitigating controls and actions plans for the future to the Audit and Control Committee (for example, Cyberrisk was submitted on 13 December 2023).

Each year, coinciding with the update of the Risk Map, Risk Management is responsible for reassessing the risk catalogue, both financial and non-financial. The final catalogue is validated with the Senior Executives who take part in the process, as well as with the bodies involved in its validation (Management Committee, Executive Risk Committee and Audit and Control Committee) and approval (Board of Directors). Additionally, Risk Owners can report/suggest a new risk to the Risk Office during the year.

In general, the risks to which the Group is exposed can be classified into the following categories.

- Financial Risks: events that affect financial variables (interest rates, exchange rates, inflation, liquidity, debt, credit, etc.).
- Compliance Risks: arising from possible regulatory changes as well as non-compliance with internal and external regulations.
- Business Risks: generated by inadequate management of procedures and resources, whether human, material or technological.
- Risks from External Factors: arising from natural disasters, pandemics, political instability or terrorist attacks.
- Systems Risks: events that could affect the integrity, availability or reliability of operational and financial information (including cyber).
- Strategic Risks: produced by difficulty accessing markets and difficulties in asset disinvestment.

In addition to this classification, the Company has identified emerging risks and ESG risks, which it particularly monitors. For further information on risk management, please see the Consolidated Management Report.

## SUSTAINABLE BUSINESS STRATEGY

The Company is aware of the effects of its activity on the environment, and works to prevent and anticipate possible environmental contingencies, and to integrate sustainability into all its processes, striving to reduce its negative impacts and maximise its positive impacts. Convinced it is moving in the right direction to achieve the next sustainability challenges, the Company is aligned with the Sustainable Development Goals (SDGs) to which it can contribute and undertakes to continue creating long-term and global value within the framework of the 2030 Agenda.

Minor Hotels Europe & Americas runs its hotel business with the ambition of spearheading responsible behaviour, generating a positive social and environmental impact where it is present, conveying its human rights, ethical and corporate commitments in its way of working along its entire value chain: shareholders, customers, partners, suppliers and employees, while promoting responsible alliances with two pillars: UP FOR PLANET & PEOPLE.

## UP FOR PLANET

Through this pillar, the Company minimises the environmental impact by means of the design, construction, operations and refurbishment of its hotels. Efforts are focused on reducing, reusing and recycling natural resources such as water and energy, greenhouse gases and waste, and replacing existing materials with alternatives that are more environmentally friendly, sustainable and innovative. The Company's environmental strategy is channelled through UP FOR PLANET, which defines a roadmap to comply with the commitments made to fight climate change and advance towards decarbonisation, efficient management and responsible consumption, and to circulate resources and develop more sustainable products.

At Minor Hotels Europe & Americas, the fight against climate change is a core strategic value, which is why MinorHotels Europe & Americas has committed to reduce its absolute Scope 1 and 2 greenhouse gas emissions by 46.2% by 2030 compared to 2019, as well as by 27.50 % itsScope 3 greenhouse gas emissions from purchased goods and services, capital goods, fuel and energy activities, waste generated in operations, assets under management and franchises in the same timeframe. In this regard, through its global electrification and decarbonisation measures for 2030, it is committed to reducing its total greenhouse gas emissions into the atmosphere by more than 185,000 tonnes of carbon dioxide equivalent.

## UP FOR PEOPLE

Under the UP FOR PEOPLE pillar, the company promotes the professional development of its team members, while creating a positive impact in the places and communities where it is present so it can offer its customers the best experience, making them participants in sustainable commitments. Under this pillar, the commitments of three of its stakeholders are managed:

The number of FTEs employed by the Parent Company and consolidated companies during 2024 was 13,380 team members, located in 24countries, where 51% are women and 49% men.

Minor Hotels Europe & Americas' commitment to employment stability is evidenced by the high percentage of team members with permanent contracts, amounting to a total of 12,779. The policies and actions for recruiting, employing, training and internal promotion of team members are based on criteria of ability, skills and professional merit.

Additionally, in 2024 7,663 new staff were recruited, of which 50% are team members under 30 years old, and 51% are women. In 2024, the target of at least 51% women in the workforce was met, and 46% in management positions. Although the target has been achieved, recruitment and churn rate are monitored to ensure that parity is balanced.

Year after year, Minor Hotels Europe & Americas monitors the associated metrics in this area, allowing for the correct management and measurement of diversity and equality. This is evidenced by the 154 different nationalities identified among the 13,380 team members of the Group in 2024. Of these, 26% work in countries other than their country of origin. In addition, 51% of the total workforce are women, who occupy 46% of all management positions.

The average number of employees at the Company in the year, by professional category, was as follows:

| | 2024 | 2023 |
|---|---|---|
| Group's general management | 9 | 9 |
| Managers and heads of department | 116 | 106 |
| Technical staff | 136 | 125 |
| Sales representatives | 14 | 14 |
| Administrative staff | 22 | 17 |
| Rest of workforce | 205 | 179 |
| **Average number of employees** | **502** | **450** |

In calculating the average number of employees, the Group has not taken into account employees whose contracts have a duration of less than two days.  In addition, at 31 December, the distribution by gender and professional category of the staff on the payroll at that date is as follows:

| | 31/12/2024 | | 31/12/2023 | |
|---|---|---|---|---|
| | Males | Females | Males | Females |
| Group's general management | 7 | 3 | 7 | 2 |
| Managers and heads of department | 55 | 60 | 58 | 53 |
| Technical staff | 65 | 77 | 59 | 75 |
| Sales representatives | 1 | 14 | 3 | 11 |
| Administrative staff | 10 | 14 | 8 | 12 |
| Rest of workforce | 108 | 120 | 91 | 102 |
| **Average number of employees** | **246** | **288** | **226** | **255** |

For further information on the performance of the Sustainable Business Strategy please see Consolidated Management Report 2024.

## SHAREHOLDING STRUCTURE

At the close of 2024, the share capital of Minor Hotels Europe & Americas, S.A. Was 871,491,340 euros, comprised of 435,745,670 fully subscribed and paid-up bearer shares with a nominal value of 2 euros each. All these shares carry identical voting and economic rights and are traded on the Continuous Market of the Spanish Stock Exchanges.

According to the latest notifications received by the Company and the notifications made to the CNMV before the end of each year, the most significant shareholdings at year-end were as follows:

| | 2024 | 2023 |
|---|---|---|
| Minor International Public Company Limited ("MINT") | 95.87 % | 95.87 % |
| *MINT is the indirect shareholder through MHG Continental Holding (Singapore) Pte Ltd. | | |

The aforementioned (indirect) shareholding of MINT in Minor Hotels Europe & Americas, S.A. is the result of the IPO made by MHG Continental Holding Pte Ltd. on 11 June 2018 for 100% of the shares that were part of the share capital of Minor Hotels Europe & Americas, S.A., the result of which was that MINT acquired, through its wholly owned subsidiary MHG Continental Holding Pte. Ltd., shares representing 94.13% of the share capital of Minor Hotels Europe & Americas, S.A.

In addition, on 8 May 2023, MINT announced its decision to begin a purchase process in the market for shares in Minor Hotels Europe & Americas over a period of 30 days. As a result, between 10 May and 8 June 2023, MINT purchased 7,544,225 shares and increased its position in MHE&A Hotel Group to 417,728,222 representative shares, or 95.87% of the share capital of MHE&A Hotel Group.

The average share price of Minor Hotels Europe & Americas, S.A. in 2024 was 4.97 euros per share (4.16 euros in 2023), with a minimum price in August of 3.96 euros per share (2.96 euros in January 2023) and a maximum price in December of 6.30 euros per share (4.84 euros in June 2023). The market capitalisation of MHE&A at the end of 2024 amounted to 2.745,20 million euros.

As of 31 December 2024, MHE&A holds 97,586 treasury shares (all of which relate to the liquidity contract), compared to 87,989 treasury shares at 31 December 2023. The reduction in treasury shares in the period is wholly explained by the liquidity contract operation.

### Liquidity contract for treasury shares management

On 10 April 2019, the NH Board of Directors entered into a liquidity contract to manage its treasury shares with Banco Santander, S.A. The Contract became effective on 11 April 2019.

The execution of the Liquidity Agreement was agreed by the Board of Directors at the proposal of the Proprietary Directors representing the shareholder Minor, as a measure to promote and favour the liquidity of the Company's shares taking into account the current market conditions.

This contract is in accordance with the liquidity contract model in Circular 1/2017 of 26 April from the National Securities Market Commission on liquidity contracts for the purpose of its acceptance as a market practice.

The total number of shares allocated to the securities account associated with the Liquidity Contract at 31 December 2024 is 97,586 shares, and the amount allocated to the cash account is 304,524 euros.

On the occasion of the launch by MINT- the majority shareholder of the Company- of a delisting tender offer for all of the shares representing the share capital of MHE&A, which was announced on Friday 13 December 2024, the liquidity agreement entered into with Banco Santander, S.A. on 10 April 2019 has been temporarily suspended.

### Average period for payment

Below is the information required by Additional Provision Three of Law 15/2010 of 5 July and modified by the Resolution of 29 January 2016, of the Institute of Accounting and Auditing, and Law 18/2022, of 28 September, on the creation and growth of businesses, on the information to be incorporated in the report to the annual accounts relating to the average period for payment to suppliers in commercial transactions of Spanish companies.

| | 2024 | 2023 |
|---|---|---|
| | Days | |
| Average period for payment to suppliers | 53 | 62 |
| Ratio of paid transactions | 52 | 61 |
| Ratio of transactions pending payment | 89 | 67 |
| | Amount (Thousands of euros) | |
| Total payments made | 142,855 | 122,868 |
| Total payments pending | 4,989 | 8,832 |

The above information on payments to suppliers of Spanish companies refer to those which by their nature are trade creditors due to debts with suppliers of goods and services. The table includes, therefore, the "Commercial Creditors and Other Accounts Payable" item in current liabilities of the consolidated statement of financial position.

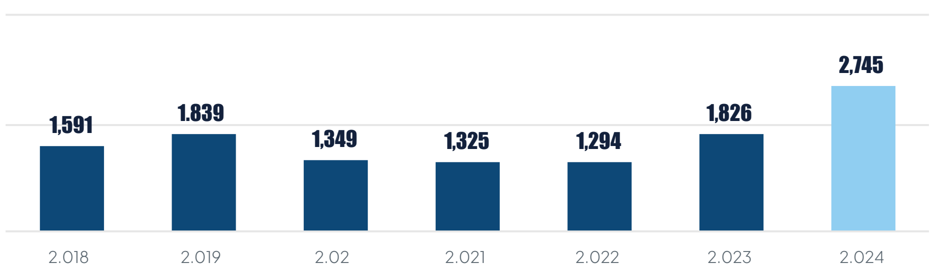
During 2024, the monetary volume of invoices paid in a period below the maximum period established in the late payment regulations was 95.876 thousand euros (63.889 thousand euros in 2023) representing 69% (52% in 2023) of the total monetary volume of invoices; the number of invoices paid in a period below the maximum period established in the late payment regulations was 11 thousand invoices (10 thousand invoices in 2023) representing 63% (57% in 2023) of the total volume of invoices.

The average period for payment to suppliers has been calculated using the weighted average of the two ratios explained below:

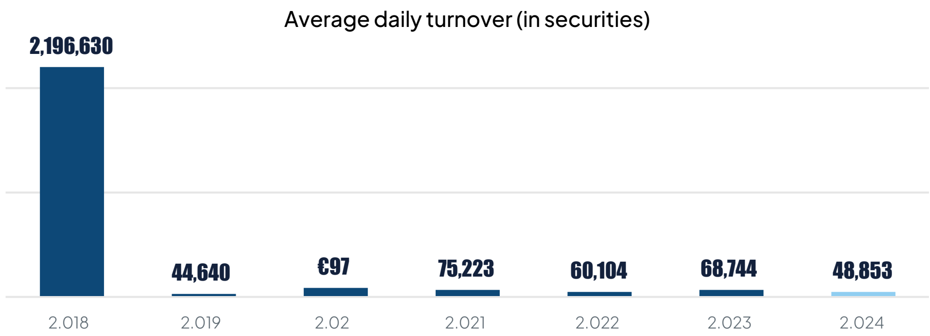
- Ratio of paid transactions: average payment period of transactions paid in each year weighted by the amount of each transaction.
- Ratio of transactions pending payment: average period between the invoice date and the end of the year weighted by the amount of each transaction.

The Spanish Companies have significantly reduced the maximum payment period to trade suppliers compared to previous years. This has been result of various measures focused on resizing existing resources, as well as renegotiating contracts, implementing technological improvements in invoice processing and other actions in different areas aimed at recovering the legal ratio (set at 60 days), which are showing results compared to the previous year.

Capitalisation at the end of each financial year (in millions of €)




During 2024, 12,506,373 shares of Minor Hotels Europe & Americas, S.A. were traded on the Continuous Market (17,461,171 shares in 2023), with an average daily trading of 48,853 shares on the Continuous Market (68,744 shares in 2023).


Average daily turnover (in securities)
2,196,630
44,640
€97
75,223
60,104
68,744
48,853
2.018
2.019
2.02
2.021
2.022
2.023
2.024

## Shareholder and investor relations

Throughout 2024, MHE&A has maintained continuous and permanent contact with the Company's analysts and investors, to attend to their needs regarding the Company's general evolution. This contact with the market takes the form of individual meetings, attendance at investor conferences organised by various financial institutions and requests for individual calls.

| **Key indicators of shareholder and investor relations in 2024** | |
|---|---|
| Entities that carry out analyses of Minor Hotels Europe & Americas | 8 |
| Shareholder and investor queries handled | 80 |
| Individual shareholder and investor meetings | 70 |
| Analyst monitoring reports | 40 |

The Company produces consistent and transparent financial information on a regular basis to enable monitoring for analysis and valuation of the Company.

As a listed company, MHE&A publishes quarterly results to the market. In the half-yearly and annual publications, an additional market call/conference is held with an average of 50 participants, including investors and analysts.

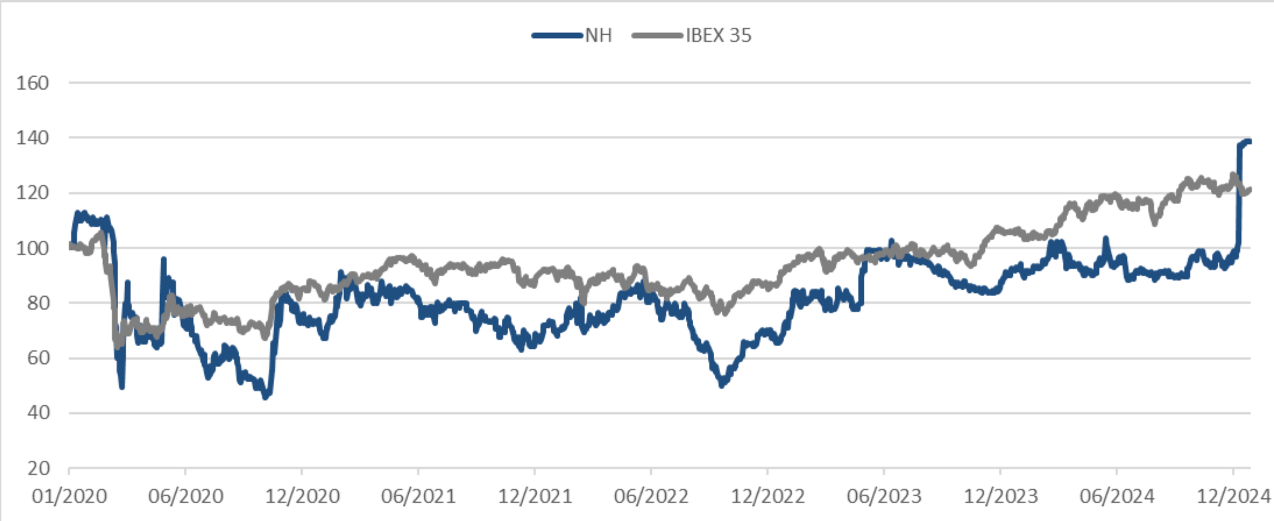
Details are provided in the quarterly earnings releases:

- Key KPIs and performance drivers.
- Evolution by geography.
- Cost developments.
- Detail of cash flow and financial debt position.

In addition, the Investor Relations department maintains permanent contact with the market through calls, trips, investor conferences, etc. to inform the investment community of the Company's evolution. All information of interest to shareholders, including information on corporate governance and other information on General Meetings, is available at all times on the Minor Hotels Europe & Americas website, www.nh-hotels.es, under "Shareholders and Investors".

## MINOR HOTELS EUROPE & AMERICAS vs IBEX 35

## 1 JANUARY 2020 - 31 DECEMBER 2024




## FUTURE OUTLOOK

Global growth, estimated at 3.2% in 2024, is projected to increase slightly in 2025 to 3.3%, the same growth figure expected in 2026, which is below the historical average (2000-2019) of 3.7%. Global headline inflation is projected to decline to 4.2% in 2025 and 3.5% in 2026, converging to the target level sooner in advanced economies than in emerging market and developing economies.

The global economy enters the year 2025 amid high uncertainty of both an economic and a political nature. Donald Trump's victory in the US election could intensify trade tensions, increase the fiscal deficit and destabilise financial markets.

In the EU, the weak performance of Germany and France jeopardises European economic growth and the momentum for necessary reforms and investments. Asia continues to lead global growth, albeit at lower rates and with China facing a real estate and financial crisis, while Latin America and Africa have mixed prospects requiring reforms and increased financing. Spain stands out with robust growth thanks to dynamic exports and employment, although it faces structural challenges in the medium and long term, and could be affected in the short term by geo-economic tensions and the weak performance of Germany and France.

Energy commodity prices are projected to decline by 2.6% in 2025, partly due to falling oil prices because of weak Chinese demand. The policy rates of the major central banks are expected to continue to decline, albeit at different paces, due to changes in the outlook for growth and inflation. The fiscal policy stance is expected to become tighter over the period 2025-26 in advanced economies, particularly in the US.

According to UNWTO forecasts, international tourist arrivals will grow by 3% to 5% in 2025 relative to 2024, assuming continued recovery in Asia and the Pacific and solid growth in most other regions. This initial forecast has been made under the assumption that global economic conditions remain favourable, inflation continues to decline, and geopolitical conflicts do not escalate.

The outlook reflects a stabilisation of growth rates after a strong rebound in international arrivals in 2023 (+33% vs. 2022) and 2024 (+11% vs. 2023).

The latest UN Tourism Confidence Index confirms these positive expectations. Some 64% of the UN Tourism panel consider the outlook to be "better" or "much better" for 2025 compared to 2024. Some 26% foresee a similar performance at their destination, while only 9% believe that 2025 will be "worse" or "much worse" than last year.

However, economic and geopolitical headwinds continue to pose considerable risks. More than half the respondents indicate that the main challenges facing international tourism in 2025 are high transport and accommodation costs and other economic factors, such as volatile oil prices. In addition, geopolitical risks (apart from ongoing conflicts), extreme weather events and staff shortages are crucial challenges of concern. It is expected that, in this context, tourists will continue to look for value for money.

MINOR HOTELS EUROPE & AMERICAS, S.A.

## DIRECTORS' DECLARATION OF RESPONSIBILITY FOR THE PURPOSES OF THE PROVISIONS OF ARTICLE 99 OF LAW 6/2023, OF MARCH 17, ON STOCK MARKETS AND INVESTMENTS SERVICES.

The Directors of MINOR HOTELS EUROPE & AMERICAS, S.A., declare that to the best of their knowledge, the Annual Accounts, the Management Report that includes the Annual Corporate Governance Report (presented by reference separately) and Annual Directors' Remuneration Report, drafted at the meeting of the Board of Directors held on 13 February 2025, and prepared in accordance with the applicable accounting principles, offer a true and fair view of the assets, financial situation and results of Minor Hotels Europe & Americas, S.A., and includes a faithful analysis of the required information.

In compliance with the provisions of article 253 of the Consolidated Text of the Spanish Companies Act, the Directors of Minor Hotels Europe & Americas, S.A., proceed to sign the Annual Accounts and Directors' Report of Minor Hotels Europe & Americas, S.A. for the year ended 31 December 2024.

| | |
|---|---|
| Mr. EMMANUEL JUDE DILLIPRAJ RAJAKARIER | Mr. RAMÓN ARAGONÉS MARÍN |
| Mr. KOSIN KENNETH CHANTIKUL | Mr. STEPHEN ANDREW CHOJNACKI |
| Ms. MIRIAM GONZÁLEZ-AMÉZQUETA LÓPEZ | Mr. WILLIAM ELLWOOD HEINECKE |
| Ms. LAIA LAHOZ MALPARTIDA | Mr. TOMÁS LÓPEZ FERNEBRAND |
| Mr. RUFINO PÉREZ FERNÁNDEZ | Ms. MARIA SEGIMÓN DE MANZANOS |

DILIGENCE issued by the Secretary of the Board of Directors, to record that the above Declaration of Responsibility has been signed by all the members of the Board of Directors in accordance with the Annual Accounts and Directors' Report for the year ended 31 December 2024 of Minor Hotels Europe & Americas, S.A., which was drawn up at the meeting of the Board of Directors held on 13 February 2025, the signature being stamped together with the respective name and surname of the signatory Director. It is hereby stated that Mr. Ramón Aragonés Marín signs on behalf of (i) the Proprietary Directors Mr. Emmanuel Jude Dillipraj Rajakarier, Mr. Kosin Chantikul, Mr. Stephen Andrew Chojnacki and Mr. William Ellwood Heinecke, (ii) the Executive Director Ms. Laia Lahoz Malpartida and (ii) the Independent Director Mr. Tomás López Fernebrand.

Mr William Ellwood Heinecke delegated his representation and vote in the aforementioned Board of Directors to Mr Stephen Andrew Chojnacki by virtue of express delegation.

Ms Laia Lahoz Malpartida delegated her representation and vote in the aforementioned Board of Directors to Mr Ramón Aragonés by virtue of express delegation.

Mr. Emmanuel Jude Dillipraj Rajakarier, Mr. Kosin Chantikul, Mr. Stephen Andrew Chojnacki, and Mr. Tomás López Fernebrand attended personally by videoconference, expressly authorizing Mr Ramón Aragonés Marín during the Board of Directors session to sign as many documents as necessary in the framework of the preparation of the Annual Accounts.

Of all this, I attest.

Madrid, 13 February 2025.

Carlos Ulecia Palacios
Secretary to the Board of Directors