MELIÃ HOTELS INTERNATIONAL

Leisure at heart,
business in mind

First Half Results 2025

Meliá reports €88.5M in first-half earnings (+72.4%) driven by a strategy that capitalizes on favourable tourism trends, anticipating another strong summer season

RevPAR maintained its normalized growth pace, increasing by 4.7% in the first half of the year.

The hotel market remained resilient, with year-on-year improvements across all destinations except Germany and Cuba.

Strong operating cash flow generation exceeded €70 million, alongside a significant 40.2% reduction in bank financing costs.

Outlook for the third quarter remains positive across all destinations, with no signs of a slowdown.

August begins with the opening of Paradisus Fuerteventura and ME Lisbon

Business evolution:

- The positive business trend continues, with improvements in both occupancy and average rates across most destinations.
- RevPAR increased by 5.8% in the second quarter, driven almost entirely by higher rates.
- Consolidated revenue for the first half of the year reached €991.1 million, up 3.2% year-on-year, despite the impact of the US dollar's depreciation against the euro.
- EBITDA rose by 3.2% to €248 million.
- EBITDA margin improved in the second quarter, reaching 28%, excluding capital gains.
- Strong performance across all segments: Leisure, Corporate, and Tour Operation.
- Spain's strong positioning as a tourist destination continues to support RevPAR growth above that of other markets.

Financial management:

- During the second quarter, Meliá generated operating cash flow exceeding €70 million, a significant improvement compared to the same period last year.
- The Company maintains its forecast to close year-end 2025 with debt ratios at levels equal to or better than those of 2024.
- Debt reduction, improved financing conditions, and lower interest rates have led to a 40.2% decrease in bank financing costs, representing savings of over €14 million.

Strategy & Growth:

- **Expansion:** The Group has opened 11 new hotels to date and signed 20, all under management or franchise agreements, progressing toward its commitment to sign at least 35 new hotels with approximately 8,000 rooms by year-end.
- **Digitalization:** Continued positive performance of owned distribution channels, with a 6.9% increase in sales through Melia.com and a 5% rise on the B2B platform Meliá Pro.
- **Brands:** The Company strengthens its focus on luxury brands such as Paradisus, which opens in Fuerteventura today, and ME by Meliá, with recent openings in Marbella and Lisbon (opening today), and an upcoming launch in Málaga city scheduled for October.
- **Sustainability:** Meliá maintains its leadership, having recently been recognized as Europe's most sustainable tourism company, according to the World's Most Sustainable Companies 2025 ranking by TIME magazine in collaboration with Statista.
- **Talent:** Meliá continues to lead the industry in talent management, as certified by Top Employer, the MERCO Talent 2024 ranking, and recognition as one of Spain's Best Companies to Work For by Forbes Spain.

Outlook:

- Meliá plans to add over 70 new hotels in the coming years, representing more than 13,000 rooms—a figure expected to grow with the addition of new projects.
- By the end of 2025, the Company has at least 15 additional openings scheduled, mostly in Mediterranean destinations such as Spain, Albania, Italy, Malta, and Portugal, as well as others in Argentina, Cuba, and the Maldives.
- A promising summer season, particularly for leisure hotels, which are showing 5% more bookings on the books compared to the same date last year—for the fourth consecutive year.
- The Company maintains its outlook to close year-end 2025 with mid-single-digit RevPAR growth, supported by a balanced contribution from both rate increases and occupancy levels.

Gabriel Escarrer Jaume, Chairman & CEO of Meliá Hotels International:

"Meliá's results for the first half of the year confirm a sustained and normalized growth trend in demand, reflected in mid-single-digit growth in Revenue per Available Room (RevPAR) until June. Notably, the second quarter delivered a strong performance, starting with an excellent Easter season, despite the impact of the US dollar exchange rate and ongoing challenges in certain destinations—challenges the Company expects to overcome soon. This outlook supports a reasonable margin for further improvement in future results.

The positive market trend compared to the same period last year is evident across all destinations where we operate, with the exception of Germany and Cuba, which are expected to improve in the coming quarters. Combined with the healthy evolution of our bookings—already exceeding last year's figures for the third quarter—this creates a favourable context to continue strengthening our "asset-light" growth strategy, which combines owned assets with capital-light models. It also supports the consolidation of strategic alliances with highly reputable and solvent financial partners for asset acquisition and repositioning, such as the recently announced agreements with Banca March and Bankinter.

In addition to net expansion —where we expect to sign between 30 and 40 new hotels by year-end— and in line with our strong focus on the Premium and Luxury segments, which continue to deliver excellent results for the Group, our rebranding and product repositioning strategy deserves special mention. Between 2025 and 2026, and with an investment of over €350 million made in collaboration with our partners, we will have reopened and repositioned several properties at a new level of luxury and profitability, including: Gran Meliá Victoria, Meliá Costa Atlantis, ME Marbella, Paradisus Fuerteventura, Paradisus Bali, and ZEL Fuerteventura (in 2025), as well as Paradisus Cancun and Gran Meliá Don Pepe (in 2026), among others.

All of this supports expectations for another strong summer season, reinforcing our forecast of mid-single-digit RevPAR growth for the whole year, and strengthening our confidence in the potential of the leisure travel segment—a market in which Meliá maintains a clear leadership position. According to the latest report by Boston Consulting Group, revenues in this segment are expected to triple by 2040."

LUXURY
Strategy

Through
EXPANSION

80%

of the **pipeline** consists of hotels in the LUXURY and PREMIUM segments.

Driven by
REPOSITIONINGS
between 2025 and 2026

> 350 M€ investment with partners

> 30 hotels

Palma de Mallorca, July 30, 2025. Meliá Hotels International has reported its results for the first half of 2024, confirming the consolidation of a normalized growth pace—with mid-single-digit growth in Revenue per Available Room (RevPAR), which increased by 4.7% compared to the same period last year. Consolidated revenue for the period reached €991.1 million, up 3.2%, driven by strong operating indicators across most destinations. This performance was achieved despite the negative impact of the US dollar's depreciation against the euro (–5% in the second quarter), which affected the Company's business in the Americas.

In addition to the solid performance of hotels across most of Europe—where results improved year-on-year except in Germany—and in key destinations across the Americas despite ongoing challenges, as well as in Southeast Asia, the Company highlights the strong momentum of both urban and, especially, leisure hotels in Spain. This performance was supported by the favorable market environment and Spain's growing appeal as a tourist destination, which generally drove RevPAR increases above those of other regions. The positive impact was further reinforced by new openings such as INNSiDE Valdebebas and the repositioning of existing properties including Paradisus Gran Canaria, Paradisus Salinas, Casa de las Artes The Meliá Collection, Meliá Costa Atlantis, and Gran Meliá Victoria, among others.

The Company reported consolidated net profit of €88.5 million (+72.4% vs. the same period in 2024), and closed the first half with EBITDA of €248 million (+3.2%), highlighting strong operating cash flow generation of €70 million. The Company maintains its forecast to end 2025 with a debt ratio at or below 2024 levels.

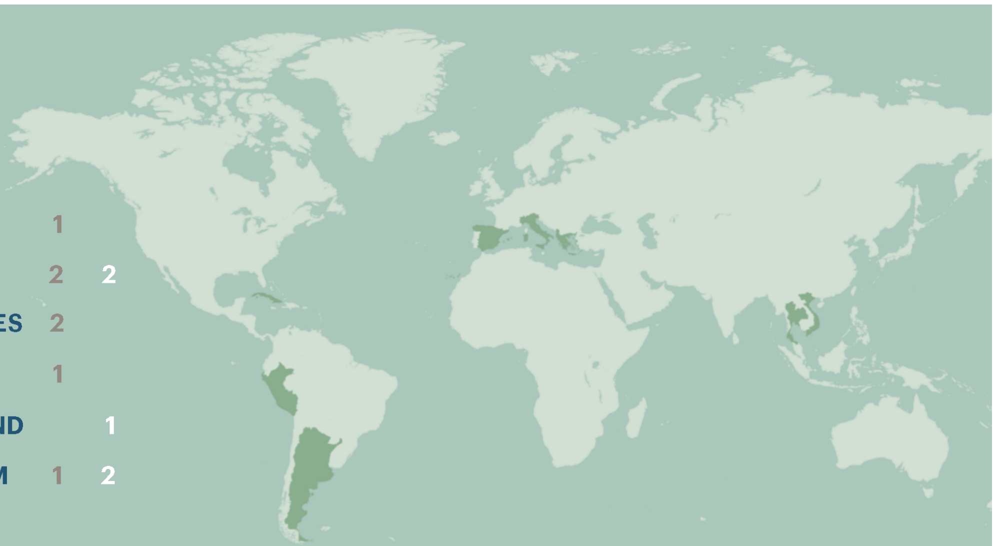
Meliá remains committed to a model that combines hotel ownership with asset-light strategies, pursuing growth through synergies and partnerships with top-tier partners. This approach enables the Company to leverage its management capabilities and systems while maximizing returns and maintaining a healthy balance sheet. Within this framework, Meliá completed two key transactions in the first half of 2025: first, the strengthening of the joint venture 70% owned by Banca March and 30% by Meliá Hotels International, which acquired two major hotels –INNSiDE Bosque in Palma and Sol Tenerife– from other Meliá-affiliated entities for €140 million, with a neutral impact on the Company's cash position; and second, the recent acquisition by Meliá Hotels International of a 50% stake in the company owning the Paradisus Salinas Lanzarote hotel from Victoria Hotels & Resorts, a company in which Meliá also holds a partial stake.

The evolution of bookings on the books—up 5% year-on-year for leisure hotels—and the results of the latest promotional campaign, Wonder Week, confirm the continued strength in global demand. The campaign generated centralized sales of €79 million, a 9% increase compared to the previous similar initiative, and achieved a 4% rise in Average Daily Rate, with a strong concentration in the months of July and August.

This growth also reflects a broader macro trend toward premium and luxury products and experiences, to which Meliá is responding by progressively shifting its portfolio toward these segments. Since 2019, the Company has doubled its number of luxury hotels. Today, luxury brands represent 15% of the portfolio, and looking ahead, one in every three new openings (33% of the pipeline) will be in the luxury segment. In terms of performance, luxury hotels contributed 30% of total operating results in 2024, and their Total Revenue per Available Room (TrevPAR) was 84% higher than that of midscale brands. Additionally, premium and luxury guests show higher repeat rates and stronger brand loyalty.

NEW PROJECTS & OPENINGS

	PROJECTS	OPENINGS
ALBANIA	2	3
ARGENTINA	4	1
CUBA	1	
SPAIN	6	2
GREECE	1	
ITALY	2	2
MALDIVES	2	
PERU	1	
THAILAND		1
VIETNAM	1	2



New signings and openings:

To date, Meliá Hotels International has signed 20 new hotels and maintains its forecast of signing between 30 and 40 properties by year-end, all under asset-light models. The Group continues to focus on key destinations within what it defines as its "leisure-centric axis," including six new hotels in Spain—located in Palma, Girona, Calvià, Tenerife, Formentera, and Estepona—four in various destinations across Argentina, two in Albania, two in Italy, and one each in Peru, Cuba, Greece, the Maldives, and Vietnam.

Of the hotels signed, nine belong to the luxury segment (Gran Meliá and The Meliá Collection), eight to the premium segment (Meliá, ZEL, and INNSiDE by Meliá), and only two to the essential segment (Affiliated by Meliá). Additionally, Meliá has opened 11 new hotels so far this year, located in Spain, Thailand, Vietnam, Argentina, and Albania, and expects to reach a total of 25 openings by the end of the year.

Third-quarter outlook:

Meliá Hotels International's outlook for the third quarter—particularly relevant given the Group's strong focus on the leisure segment—points to another positive season, expected to outperform the results of previous years for the fourth consecutive time. Operational trends remain positive with no signs of slowdown, supported by the contribution of the refurbished portfolio and recent rebrandings, including the two Paradisus properties in the Canary Islands, now consolidated in their second full season; the remarkable transformation of the new Meliá Collection Casa de las Artes and ZEL Costa Brava; the recently opened ME Marbella; and the addition of new features such as beach clubs and gastronomic outlets at hotels like Gran Meliá de Mar, Gran Meliá Victoria, and Gran Meliá Palacio de Sancti Petri, among others.

The Company maintains the guidance issued in May, forecasting mid-single-digit RevPAR growth by year-end 2025, with a balanced contribution from both rate increases and occupancy improvements.

Results by region:

SPAIN

Building on a strong Easter period, the second quarter delivered solid results for leisure hotels in the Balearic and Canary Islands, with direct customers and tour operators performing particularly well, and the U.S. market showing the highest growth. The strong contribution of premium room categories continues to consolidate, supported by growing demand that is being factored into ongoing refurbishments and product upgrades. In urban hotels, performance was also boosted by a positive Easter and the strong positioning of recently opened or renovated properties such as INNSiDE Valdebebas and Casa de las Artes in Madrid, with direct channels and OTAs being the fastest-growing segments.

Leisure hotels anticipate a strong summer season, confirming the normalization of growth levels and the sustained strength in demand for premium rooms and experiential offerings. The most favourable performance is expected in the Balearic and Canary Islands, supported by the success of the "Wonder Week" promotional campaign, which has provided a solid base of advance bookings. The UK and Spanish markets remain the top-performing source markets. Urban hotels are also expected to see a positive third quarter, with growth in both average daily rates and occupancy. These expectations are underpinned by solid tourist arrival statistics and the strong market positioning of recently opened or reopened properties in Madrid, such as INNSiDE Valdebebas and Casa de las Artes – The Meliá Collection. Tour operators and, above all, direct channels continue to show the strongest performance.

EMEA

Germany recorded a decline in RevPAR, primarily due to lower average rates and the absence of major events such as the previous edition of the UEFA Euro and several high-profile concerts, which had boosted performance in 2024. While the country did host a number of trade fairs and events during the period, occupancy levels—slightly above last year—were achieved at the expense of rates, except for Munich, which hosted the UEFA Champions League Final. Looking ahead to the third quarter, the market is expected to maintain its current trend, with a focus on building a stronger occupancy base.

France delivered a very positive performance in the second quarter, benefiting from a favourable comparison with the same period last year, which had been impacted by preparations for the Olympic Games –particularly in Paris and especially in the MICE and Corporate segments– as well as by events such as the Paris Air Show held in June. All segments performed well, with notable strength in individual leisure and tour operator business, and a positive trend in demand from U.S. travelers. For the third quarter, occupancy is expected to exceed last year's levels, and while rates will not match those seen during the Olympic period, they are projected to be in line with 2023 levels.

The United Kingdom posted a positive second quarter, supported by new corporate accounts and travel agencies, as well as a more stable performance in London, which benefited from key events such as the London Marathon. Outlook for the third quarter is also positive, with expectations of surpassing last year's results both in London and across the country, driven by major events and concerts, along with a solid base of business from groups and individual leisure travellers.

In **Italy,** the Company improved its performance in Milan, driven by increased demand in the MICE and Corporate segments, supported by major congresses held in the city. The Group's focus on the luxury segment continues to yield strong results, with Gran Meliá Palazzo Cordusio continuing to grow and gain market traction, and Gran Meliá Villa Agrippina in Rome benefiting from group business and events related to the papal transition, attracting both individual pilgrims and official delegations. Looking ahead to the third quarter, Milan is expected to remain in line with last year's performance, supported by events such as the Formula 1 Grand Prix and others, while Rome is forecast to see positive momentum, particularly from domestic and European markets.

AMERICA:

In **Mexico,** the closure of Paradisus Cancún for renovations starting in June impacted available room inventory. However, the rest of the hotels in the region performed better than the previous year, driven by stronger results in the corporate and tour operator segments. The MICE segment showed slightly weaker performance due to lower demand for conferences from the United States, influenced by fiscal policies and a more cautious business environment. Looking ahead to the third quarter, growth is expected in the region, excluding the impact of the Paradisus Cancún closure. Tour operator business is anticipated to show notable improvement, supported by better pricing. This positive trend, however, does not offset the challenge posed by softer U.S. demand, which continues to be affected by trade and tariff tensions—particularly impacting the MICE segment.

The **Dominican Republic** saw an improvement in average rates during the second quarter, supported by a strong Easter season and solid performance across most segments—except for MICE, which impacted the occupancy base. In a destination that continues to break records in tourist arrivals, the Group's strategy during the period focused on key source markets such as Canada, Spain, and other Latin American countries. Looking ahead to the third quarter, the Company anticipates growth, driven by increased demand from Latin American markets and European countries, with Spain remaining the second-largest source market. By segment, growth is underpinned by tour operations—which have already surpassed last year's booking levels—and direct channels.

In the **United States**, New York delivered a solid performance in the second quarter, supported by a stable base of group business and airline crew stays, alongside an effective pricing strategy. In contrast, Orlando was impacted by a decline in international tourist arrivals. Most segments showed overall improvement, except for tour operations, which were affected by reduced capacity marketed from various European countries. For the third quarter, forecasts for New York point to softer trends due to an expected drop in international travelers. However, the city maintains a strong position with confirmed bookings already in place and is expected to benefit from the influx generated by the FIFA Club World Cup. In Orlando, efforts will focus on boosting occupancy levels in response to the continued decline in international visitors.

ASIA:

China experienced a modest recovery in the second quarter, with a rebound in domestic leisure tourism, while the corporate segment remained weak and pricing pressure persisted. Local destinations continued to face off-season rate declines despite improved consumer confidence and growth in outbound tourism. For the third quarter, the country anticipates stronger performance driven by solid summer holiday demand and an increase in family, educational, and independent travel, with leisure destinations expected to outperform urban ones.

Southeast Asia posted strong year-on-year growth, led by Vietnam, supported by improved international connectivity and robust regional demand. Thailand, however, continued to feel the impact of reduced arrivals from China. Looking ahead to the third quarter, demand is expected to improve compared to the previous year, particularly in Vietnam, Malaysia, and Indonesia, while Thailand remains affected by lower Chinese arrivals to its key beach destinations.

NON-FINANCIAL INFORMATION STATEMENT

Among the key milestones of the semester, Meliá has unveiled its new 2025–2027 strategic vision under the Travel For Good program, along with a new Sustainability Governance Model. This model includes the creation of a Sustainability Committee, chaired by the Chief Real Estate & Sustainability Officer as the highest-ranking executive in this area, reporting directly to the Appointments, Remuneration and Sustainability Commission of the Board of Directors.

GOOD FOR THE PLANET: The Company continues to work on reducing its energy and water consumption and minimizing its carbon footprint, with the aim of meeting its emissions reduction targets aligned with the Science-Based Targets initiative (SBTi). Key milestones include:

- Digital energy monitoring system "CO2perate" implemented in 54 hotels
- Pilot project "Magnum" launched to improve water consumption efficiency using an artificial intelligence model
- Ecostars' ESG certification achieved by 87.2% of the portfolio, with 24% of hotels receiving the highest rating
- 100% of organic waste valorized in the Dominican Republic
- 40 hotels actively participating in the environmental initiative "Gravity Wave"
- "Blue Flag" sustainability recognition awarded to beaches, marinas, and vessels
- Reforestation and ecosystem restoration initiatives underway in Mexico and the Dominican Republic
- 4,000 carbon-neutral events held through the "Road to Net Zero Events" offsetting program
- +48% increase in waste recycling rate, reaching a total of 72%

GOOD FOR THE PEOPLE: Meliá continues to strengthen its commitment to people –a key driver of competitiveness– by investing in the development and training of its team members and promoting community well-being. These efforts aim to generate a greater positive impact and reinforce the Company's position as a benchmark in responsible talent management within the tourism sector. Key milestones include:

- An average workforce of 46,879 employees, with over 4,500 new hires in 2025
- 98% of new hires were full-time positions
- New talent development and pipeline programs launched, with 65% female participation
- Construction underway for the first Hospitality and Tourism Training Hotel-School in the Dominican Republic, in collaboration with INFOTEP, aimed at both internal and external professionals and candidates

GOOD GOVERNANCE: During the first half of the year, changes were made to the composition of the Board of Directors, including the appointment of two Vice-Chairs and the ratification and re-election of three Directors, confirmed at the General Shareholders' Meeting held on May 8, 2025. In addition to strengthening sustainability governance through the renewed Sustainability Committee–which held five sessions during the period–and its associated Working Groups, Meliá updated its ESG Risk Map, aligning it with the most relevant IROs (Impacts, Risks, and Opportunities) identified in the Group's first double materiality assessment conducted in 2024.