Meliá Hotels International, S.A. and Subsidiaries

Interim Condensed Consolidated Financial Statements for the six-month period ended 30 June 2025, together with Report on Limited Review

Translation of a report originally issued in Spanish and of interim condensed consolidated financial statements originally issued in Spanish and prepared in accordance with the regulatory financial reporting framework applicable to the Group in Spain (see Note 2). In the event of a discrepancy, the Spanish-language version prevails.

Deloitte.

Deloitte Auditores, S.L.
Avda. Comte de Sallent, 3
07003 Palma de Mallorca
España

Tel: +34 971 71 97 27
Fax: +34 971 71 00 98
www.deloitte.es

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REPORT ON LIMITED REVIEW OF INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

To the Shareholders of Meliá Hotels International, S.A., at the request of the Board of Directors:

Report on the Interim Condensed Consolidated Financial Statements

Introduction

We have performed a limited review of the accompanying interim condensed consolidated financial statements ("the interim financial statements") of Meliá Hotels International, S.A. ("the Parent") and Subsidiaries ("the Group"), which comprise the condensed consolidated balance sheet as at 30 June 2025 and the condensed consolidated statement of profit or loss, condensed consolidated statement of comprehensive income, condensed consolidated statement of changes in equity, condensed consolidated statement of cash flows and explanatory notes thereto for the six-month period then ended. The Parent's directors are responsible for preparing these interim financial statements in accordance with the requirements of International Accounting Standard (IAS) 34, Interim Financial Reporting, as adopted by the European Union, for the preparation of interim condensed financial information, in conformity with Article 12 of Royal Decree 1362/2007. Our responsibility is to express a conclusion on these interim financial statements based on our limited review.

Scope of Review

We conducted our limited review in accordance with International Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity". A limited review of interim financial statements consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A limited review is substantially less in scope than an audit conducted in accordance with the audit regulations in force in Spain and, consequently, does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion on the accompanying interim financial statements.

Conclusion

Based on our limited review, which under no circumstances may be considered to be an audit of financial statements, nothing has come to our attention that causes us to believe that the accompanying interim financial statements for the six-month period ended 30 June 2025 are not prepared, in all material respects, in accordance with the requirements of International Accounting Standard (IAS) 34, Interim Financial Reporting, as adopted by the European Union, for the preparation of interim condensed financial statements, pursuant to Article 12 of Royal Decree 1362/2007.

Deloitte Auditores, S.L. Inscrita en el Registro Mercantil de Madrid, tomo 13.650, sección 8ª, folio 188, hoja M-54414, inscripción 96ª.
C.I.F.: B-79104469. Domicilio social: Plaza Pablo Ruiz Picasso, 1, Torre Picasso, 28020, Madrid.

Emphasis of Matter

We draw attention to Note 2 to the accompanying interim financial statements, which indicates that the aforementioned accompanying interim financial statements do not include all the information that would be required for a complete set of consolidated financial statements prepared in accordance with International Financial Reporting Standards, as adopted by the European Union and, therefore, the accompanying interim financial statements should be read in conjunction with the Group's consolidated financial statements for the year ended 31 December 2024. Our conclusion is not modified in respect of this matter.

Report on Other Legal and Regulatory Requirements

The accompanying interim consolidated directors' report for the six-month period ended 30 June 2025 contains the explanations which the Parent's directors consider appropriate about the significant events that took place in that period and their effect on the interim financial statements presented, of which it does not form part, and about the information required under Article 15 of Royal Decree 1362/2007. We have checked that the accounting information in the aforementioned directors' report is consistent with that contained in the interim financial statements for the six-month period ended 30 June 2025. Our work was confined to checking the interim consolidated directors' report with the scope mentioned in this paragraph and did not include a review of any information other than that drawn from the accounting records of Meliá Hotels International, S.A., and Subsidiaries.

Other matters

This report was prepared at the request of the Board of Directors of Meliá Hotels International, S.A. in relation to the publication of the half-yearly financial report required by Article 100 of the Law 6/2023, of 17 March, of Spanish Securities Market and Investments Services.

DELOITTE AUDITORES, S.L.

Ana Torrens Borrás

30 July 2025

CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS AND CONDENSED CONSOLIDATED INTERIM MANAGEMENT REPORT FOR THE FIRST HALF OF YEAR 2025

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

Consolidated Balance Sheet

(Thousand €)	Note	30/06/2025	31/12/2024
NON-CURRENT ASSETS			
Goodwill	8	27,114	27,164
Other intangible assets	8	76,707	81,183
Property, Plant and Equipment	8	1,559,610	1,594,373
Right of use	8	1,505,525	1,517,855
Investment property		156,940	156,832
Investments measured using the equity method	9	225,500	206,876
Other non-current financial assets	10.1	159,322	129,071
Deferred tax assets		285,834	296,574
TOTAL NON-CURRENT ASSETS		**3,996,552**	**4,009,928**
CURRENT ASSETS			
Inventories		30,184	31,988
Trade and other receivables		279,350	265,480
Current tax assets		26,031	24,119
Other current financial assets	10.1	56,804	79,001
Cash and other cash equivalents		299,542	171,272
TOTAL CURRENT ASSETS		**691,911**	**571,859**
TOTAL GENERAL ASSETS		**4,688,463**	**4,581,787**
EQUITY			
Share capital	11.1	44,080	44,080
Share premium		1,079,054	1,079,054
Reserves		412,003	411,939
Treasury shares	11.2	(1,663)	(1,509)
Retained earnings		(571,529)	(710,465)
Translation differences		(236,970)	(202,901)
Other measurement adjustments		(2,978)	(2,652)
Profit/(loss) for the year attributed to parent company		75,428	140,626
NET INCOME ATTRIBUTED TO THE PARENT COMPANY		*797,425*	*758,172*
Non-controlling shareholdings	11.3	319,142	311,705
TOTAL NET EQUITY		**1,116,568**	**1,069,877**
NON-CURRENT LIABILITIES			
Bonds and other negotiable securities	10.2	52,173	52,143
Bank loans	10.2	899,461	769,022
Lease liabilities	10.2	1,308,298	1,312,338
Other non-current financial liabilities	10.2	41,413	56,268
Capital grants and other deferred income		222,606	270,374
Provisions	15.1	37,047	41,036
Deferred tax liabilities		201,321	212,746
TOTAL NON-CURRENT LIABILITIES		**2,762,318**	**2,713,927**
CURRENT LIABILITIES			
Bonds and other negotiable securities	10.2	1,063	11,242
Bank loans	10.2	102,088	111,555
Lease liabilities	10.2	144,846	151,595
Trade creditors and other payables		502,925	473,383
Current tax liabilities		40,785	23,846
Other current financial liabilities	10.2	17,869	26,363
TOTAL CURRENT LIABILITIES		**809,577**	**797,984**
TOTAL GENERAL LIABILITIES AND NET EQUITY		**4,688,463**	**4,581,787**

Consolidated Income Statement

(Thousand €)	Note	30/06/2025	30/06/2024
Operating income	6	986,622	957,416
Results from assets sale	2.4	4,491	2,634
Total Operating income and Results from assets sale		**991,113**	**960,051**
Supplies		(92,719)	(102,179)
Staff costs		(299,274)	(279,198)
Other expenses		(331,793)	(324,121)
Total Operating expenses		**(723,786)**	**(705,497)**
EBITDAR		**267,326**	**254,554**
Leases		(19,298)	(14,254)
EBITDA		**248,028**	**240,299**
Amortisation and impairment of PPE and intangible assets	8	(48,360)	(50,487)
Amortisation and impairment of Right of use	8	(73,801)	(72,226)
EBIT / Results from operating activities	6.1	**125,867**	**117,587**
Exchange differences		(4,710)	(170)
Borrowings		(21,554)	(36,029)
Financial lease expenses		(20,193)	(18,727)
Other financial income		16,097	2,302
Net financial income (expense)		**(30,360)**	**(52,624)**
Profit /(Loss) of associates and joint ventures	9	**22,559**	**3,511**
NET PROFIT (LOSS) BEFORE TAX		**118,066**	**68,475**
Income Tax	13	(29,516)	(17,119)
NET PROFIT / (LOSS)		**88,549**	**51,356**
a) Attributed to parent company		75,428	43,739
b) Attributed to minority interests	11.3	13,121	7,617
BASIC EARNINGS PER SHARE IN EUROS		0.34	0.20
DILUTED EARNINGS PER SHARE IN EUROS		0.34	0.20

Consolidated Statement of Comprehensive Income

(Thousand €)	30/06/2025	30/06/2024
Net consolidated (loss) income	**88,549**	**51,356**
Other comprehensive income		
Items that will not be transferred/reclassified to results		
Actuarial gains and losses in post-employment plans	29	(351)
Equity consolidated companies	(4)	(457)
Other results attributed to equity	(1,200)	(401)
Total Items that will not be transferred to results	**(1,174)**	**(1,210)**
Items that may be subsequently transferred/reclassified to results		
Cash flow hedges	(571)	(1,528)
Translation differences	(38,122)	22,844
Equity consolidated companies	(142)	(340)
Tax effect	156	382
Total ittems that may be transferred to results	**(38,679)**	**21,358**
Total Other comprehensive results	(39,853)	20,148
TOTAL COMPREHENSIVE (LOSS) INCOME	**48,696**	**71,504**
a) Attributed to the parent company	39,723	63,213
b) Attributed to minority interests	8,974	8,291

Consolidated Statement of Changes in Equity

(Thousand €)	Note	Capital	Share premium	Other reserves	Treasury shares	Retained earnings	Measurement adjustments	Net income of parent company	Total result	Minority interest	Total NET EQUITY
BALANCE AT 01/01/2025		**44,080**	**1,079,054**	**411,939**	**(1,509)**	**(710,465)**	**(205,553)**	**140,626**	**758,171**	**311,705**	**1,069,877**
Total recognised income and expenses		**-**	**-**	**-**	**-**	**(1,398)**	**(34,394)**	**75,428**	**39,723**	**8,974**	**48,696**
Operations with treasury shares	11.2	-	-	(23)	(153)	-	-	-	(177)	-	(177)
Other operations with shareholders/owners		-	-	-	-	(64)	-	-	(64)	(1,527)	(1,590)
Operations with shareholders or owners		**-**	**-**	**(23)**	**(153)**	**(64)**	**-**	**-**	**(241)**	**(1,527)**	**(1,767)**
Distribution 2024 net income		-	-	-	-	140,626	-	(140,626)	-	-	-
Other variations		-	-	-	-	(228)	-	-	(228)	(11)	(239)
Other variations in net equity		**-**	**-**	**-**	**-**	**140,398**	**-**	**(140,626)**	**(228)**	**(11)**	**(239)**
BALANCE AT 30/06/2025		**44,080**	**1,079,054**	**412,003**	**(1,663)**	**(571,529)**	**(239,948)**	**75,428**	**797,425**	**319,142**	**1,116,568**
BALANCE AT 01/01/2024		**44,080**	**1,079,054**	**433,010**	**(1,615)**	**(920,599)**	**(238,728)**	**117,734**	**512,936**	**50,211**	**563,147**
Total recognised income and expenses		**-**	**-**	**(217)**	**-**	**(1,260)**	**20,950**	**43,739**	**63,213**	**8,291**	**71,504**
Operations with treasury shares	11.2	-	-	238	(131)	-	-	-	107	-	107
Other operations with shareholders/owners		-	-	-	-	66,952	-	-	66,952	206,703	273,654
Operations with shareholders or owners		**-**	**-**	**238**	**(131)**	**66,952**	**-**	**-**	**67,059**	**206,703**	**273,761**
Distribution 2023 net income		-	-	-	-	117,734	-	(117,734)	-	-	-
Other variations		-	-	-	-	(366)	-	-	(366)	7	(360)
Other variations in net equity		**-**	**-**	**-**	**-**	**117,368**	**-**	**(117,734)**	**(366)**	**7**	**(360)**
BALANCE AT 30/06/2024		**44,080**	**1,079,054**	**433,032**	**(1,746)**	**(737,539)**	**(217,779)**	**43,739**	**642,841**	**265,211**	**908,053**

Consolidated Cash Flow Statement

(Thousand €)	Note	30/06/2025	30/06/2024
1. OPERATING ACTIVITIES			
Net Income before tax		118,066	68,475
Result adjustments:			
Amortisation /depreciation and impairment	8	122,161	122,713
Profit/(loss) from companies carried by the equity method	9	(22,559)	(3,512)
Net financial income		30,360	52,624
EBITDA		248,028	240,299
Results from assets sale	2.4	(4,491)	(2,634)
Other result adjustments		(2,004)	(1,827)
Trade and other receivables		(12,888)	(64,565)
Other assets		1,743	1
Trade creditors and other payables		34,101	26,418
Other Liabilities		(49,874)	740
Income taxes paid (collected)		(14,625)	(5,802)
Total net cash flows from operating activities (I)		**199,989**	**192,630**
2. INVESTMENT ACTIVITIES			
Dividends received		27,105	8,988
Flows to obtain control of subsidiaries	5.2	165	(37,936)
Investment (-):			
Investments in associates and joint ventures		(25,538)	(3,836)
Loans to associates and joint ventures, net of cash		-	(7,848)
Property, plant and equipment, intangible assets and investment property	8	(40,771)	(32,828)
Other financial investments		(20,122)	(1,895)
Divestments (+):			
Loans to associates and joint ventures, net of cash		11,588	-
Flows from loss of control in subsidiaries		1,000	-
Other financial investments		7,297	15,657
Total net cash flows from investment activities (II)		**(39,277)**	**(59,698)**
3. FINANCING ACTIVITIES			
Paid dividends (-)		-	(5,017)
Proceeds from changes in shareholdings in subsidiaries without loss of control	11.3	-	300,000
Payments for changes in shareholdings in subsidiaries without loss of control	5.2	-	(27,947)
Treasury stock	11.2	(177)	107
Debt interest paid (-)		(21,419)	(34,580)
Debt issue	10.2	189,950	265,500
Debt redemption and repayment	10.2	(74,338)	(487,907)
Leases	10.2	(92,369)	(88,852)
Other financial liabilities (+/-)		(28,151)	(1,165)
Total net cash flows from financing activities (III)		**(26,504)**	**(79,861)**
4. GROSS INCREASE/ DECREASE IN CASH OR EQUIVALENTS (I+II+III)		**134,209**	**53,071**
5. Effect of exchange rate changes in cash or equivalents (IV)		**(5,939)**	**4,837**
6. Effect of changes in the scope of consolidation (V)			**86**
7. NET INCREASE/ DECREASE IN CASH AND CASH EQUIVALENTS (I+II+III-IV+V)		**128,270**	**57,994**
8. Cash and cash equivalents at the beginning of the year		**171,272**	**160,229**
9. Cash and cash equivalents at the year end (7+8)		**299,542**	**218,223**

Explanatory Notes to the Condensed Consolidated Interim Financial Statements

Note 1. Group's Corporate Information

The parent or controlling company, Meliá Hotels International, S.A., hereinafter the "Company" or the "Parent Company" is a Spanish public limited company that was incorporated in Madrid, Spain, on 24 June 1986 under the registered name of Investman, S.A. On 1 June 2011, the General Shareholders' Meeting approved the change of company name to Meliá Hotels International, S.A. In 1998 the Company moved its registered address to Calle Gremio Toneleros, 24, Palma de Mallorca.

Meliá Hotels International, S.A. and its subsidiaries and associates (hereinafter, the "Group" or the "Company") form a Group comprising companies that are mainly engaged in tourist activities in general, and more specifically, in the management and operation of hotels under ownership, lease, management or franchise arrangements, as well as in vacation club operations. The Group is also engaged in the promotion of all types of businesses related to the tourism and hotel industry or leisure and recreational activities, as well as the participation in the creation, development and operation of new businesses, establishments or companies, in the tourism and hotel industry or any other recreational or leisure activities. Likewise, some companies within the Group also carry out real estate activities by taking advantage of the synergies obtained in hotel development as a result of the dynamic expansion process undertaken.

In any event, the activities that special laws reserve for companies which meet certain requirements that are not met by the Group are expressly excluded from the corporate purpose; in particular, the activities that the law restricts to Collective Investment Institutions or to Stock Market intermediary firms, are excluded.

With over 65 years of history, Meliá Hotels International has consolidated its international presence with 365 hotels in 37 countries, mainly Spain, Latin America, rest of Europe and Asia. With a solid experience in nine brands to attend the different demands of its customers, which demonstrates its leadership in vacation hotel industry and bleisure, Meliá Hotels International aims to position itself amongst the world's leading hotel groups in the upper-medium segment, as well as to be recognised as a world leader in terms of excellence, responsibility and sustainability.

Note 2. Basis of Presentation of the Interim Financial Statements

These Condensed Consolidated Interim Financial Statements for the first six months to 30 June 2025 have been prepared in accordance with IAS 34, "Interim Financial Reporting" and should be read together with the Consolidated Annual Accounts for the year ended 31 December 2024.

The Meliá Hotels International Group's Condensed Consolidated Interim Financial Statements are prepared in accordance with the International Financial Reporting Standards (IFRS) and their interpretations (IFRIC) in force as at 30 June 2025, published by the International Accounting Standards Board (IASB) and adopted by the European Union.

The present Condensed Consolidated Interim Financial Statements are prepared by the Board of Directors of Meliá Hotels International, S.A. at its meeting to be held on 30 July 2025. Likewise, these Condensed Consolidated Interim Financial Statements will be subject to a limited review by an auditor.

The figures on the Interim Balance Sheet, the Interim Income Statement, the Interim Statement of Comprehensive Income, the Interim Statement of Changes in Equity, the Interim Cash Flow Statement, all of them in a condensed and consolidated form, as well as these explanatory notes to the accounts are stated in Euro, rounded to thousands, except where otherwise indicated.

The Group's Condensed Consolidated Interim Financial Statements have been prepared on a historical cost basis, understood as the fair value of the consideration given or received in exchange for goods and services, except for those items listed under heading investment property, and for financial instruments classified as financial assets and financial liabilities at fair value through profit or loss, and at fair value through other comprehensive income, which are measured at fair value. It should be mentioned that the balances from the Venezuelan Group companies have been restated at current cost, in accordance with IAS 29, since Venezuelan economy is considered as hyperinflationary.

2.1. Changes in Accounting Policies

The accounting policies applied by the Group are consistent with those of the previous year, and the corresponding interim reporting period.

This financial year, the Group has adopted the following amendment approved by the European Union, whose application was not obligatory in 2024:

- Amendment to IAS 21: 'Lack of Exchangeability'

This amendment has had no material effects on the Condensed Consolidated Interim Financial Statements or the financial position of the Group.

The following amendment to standard has been issued and approved for use by the EU prior to the date of preparation of these Condensed Consolidated Interim Financial Statements, however, it will come into force at later dates.

- Amendment to IFRS 7 and IFRS 9: 'Classification and Measurement of Financial Instruments'.

This amendment is not expected to have a significant impact on the Consolidated Financial Statements or the financial position of the Group.

The standards and amendments issued prior to the date of preparation of these consolidated annual accounts, and which will come into force at later dates, if adopted by the EU, are as follows:

- IFRS 18: 'Presentation and Disclosure of Financial Statements.'
- IFRS 19: 'Disclosure of subsidiaries without public accountability.'
- Amendment to IFRS 9 and IFRS 7: 'Nature-dependent electricity contracts'
- Annual improvements (vol. 11).

The adoption of the aforementioned standards is not expected to have a material impact on the Group's financial statements.

2.2. True Image

The Condensed Consolidated Interim Financial Statements have been prepared on the basis of the internal accounting records of the Parent Company, Meliá Hotels International, S.A., and the accounting records of the other companies included in the scope of consolidation as at 30 June 2025, duly adjusted according to the accounting principles established in the IFRS, and fairly present the equity, financial position and the results of operations of the Company, and the cash flows during the relevant period.

2.3. Comparability

The comparison of the Interim Financial Statements refers to six-month periods ended 30 June 2025 and 2024, except for the Consolidated Balance Sheet, which compares the period ended 30 June 2025 with that of 31 December 2024.

2.4. Alternative Performance Measures

The paragraphs below include additional breakdowns on the alternative performance measures (APM) used by the Company, updating the calculations provided at the end of 2024 with their corresponding figures at the closing date of these Interim Financial Statements.

Financial indicators

- EBITDAR and EBITDA without capital gains: The calculation of the measure for the first half of 2025 is presented.

(Thousand €)	Revenues	Expenses	EBITDAR	Leases	EBITDA
Consolidated Income Statement	991,113	(723,786)	267,326	(19,298)	248,028
Capital gains on fixed assets	(4,491)		(4,491)		(4,491)
Without capital gains	986,622	(723,786)	262,835	(19,298)	243,537

The net income from Capital gains on fixed assets for the amount of EUR 4.5 million relates to the net proceeds from the sale of land owned by the Group and located in Brazil, which sale under deed and delivery to the purchasers took place in the first half of 2025, and on which the Group had received advances at the end of the previous year.

For comparison purposes, the reconciliation of EBITDAR and EBITDA without capital gains for the first half of 2024 is included below:

(Thousand €)	Revenues	Expenses	EBITDAR	Leases	EBITDA
Consolidated Income Statement	960,051	(705,497)	254,554	(14,254)	240,299
Capital gains on fixed assets	(2,634)		(2,634)		(2,634)
Without capital gains	957,416	(705,497)	251,919	(14,254)	237,665

The net income from Capital gains on fixed assets for the amount of EUR 2.6 million related to the net proceeds from the sale of land owned by the Group, located in Brazil, which sale under deed and delivery to the purchasers took place in the first half of 2024, and on which the Group had received advances at the end of the previous year (see Note 8).

EBITDAR and EBITDA without capital gains: The summary of the calculation of the EBITDAR and EBITDA margin without capital gains for the first half of the financial years 2025 and 2024 is shown in the table below:

(Thousand €)	2025	2024
Income without capital gains	986,622	957,416
EBITDAR without capital gains	262,835	251,919
EBITDAR margin without capital gains	26.64%	26.31%
EBITDA without capital gains	243,537	237,665
EBITDA margin without capital gains	24.68%	24.82%

- Net Debt: The calculation in which the figures as at 30 June 2025 and 31 December 2024 are included is shown below:

(Thousand €)	30/06/2025	31/12/2024
Bonds and Other Negotiable Securities	53,236	63,385
Bank Loans	1,001,549	880,578
Lease liabilities	1,453,143	1,463,933
Cash and other cash equivalents	(299,542)	(171,272)
Net Debt	2,208,387	2,236,624

- Net Debt Ratio over EBITDA: This indicator is not calculated for the Interim Financial Statements because the EBITDA figure does not correspond to the full financial year.

Hotel management stats:

- Occupancy rate: The calculation details of the occupancy rate of hotels operated under lease and under ownership by the Group at the end of the first half of 2025 and 2024 are shown in the table below:

(Rooms)	30/06/2025	30/06/2024
Available Rooms	4,902,752	4,872,336
Occupied Rooms	3,410,201	3,348,510
Occupancy Rate	69.56%	68.72%

- ARR (Average room rate): The result of the ARR calculation for the first half of 2025 and 2024 is as follows:

	30/06/2025	30/06/2024
Room Income (Thousand €)	583,042	552,391
Occupied Rooms (nº rooms)	3,410,201	3,348,510
ARR (euros)	170.97	164.97

- RevPAR (Revenue Per Available Room): The result of the RevPAR calculation for the first half of 2025 and 2024 is as follows:

	30/06/2025	30/06/2024
Room Income (Thousand €)	583,042	552,391
Available Rooms (nº rooms)	4,902,752	4,872,336
RevPAR (euros)	118.92	113.37

2.5. Accounting Valuations and Estimates

The Directors of the Parent Company have prepared the Group's Condensed Consolidated Interim Financial Statements using judgements, estimates and assumptions which have an effect on the application of the accounting policies as well as on the balances of assets, liabilities, income and expenses at the issuance date of the present Condensed Consolidated Interim Financial Statements.

The main judgements made by the Directors when applying the Group's accounting policies and the main sources of uncertainty in the estimate were the same as those applied in the Consolidated Annual Accounts for the year ended 31 December 2024, except for:

Corporate income tax expense

Tax accrued on the results of the interim period is calculated on the basis of the best estimate of the weighted average tax rate expected to be applicable at the end of the financial year. The estimated amounts for the corporate income tax expense for the interim period may vary in subsequent periods provided that the estimates of the annual rate also vary.

Recoverable value of fixed assets

As a result of the evolution of operations during the first half of 2025, and taking into account the inflation and market interest rates, the Group, as at 30 June 2025, has re-estimated the future cash flow forecasts of the hotels under lease.

Regarding hotels under ownership and investment property, no evidence that would lead to a significant re-estimation of the market value thereof was identified during the first half of 2025.

Note 3. Accounting Policies

The applied accounting policies are consistent with those of the preceding year.

The exceptional items are presented and described separately in the corresponding notes to the Condensed Consolidated Interim Financial Statements when necessary to provide a better understanding of the Group's results. These are significant items of income or expense that have been presented separately due to the importance of their nature or amount.

Note 4. Risk Management Policies

The General Policy for Risk Control, Analysis and Management of Meliá Group establishes the core principles and guidelines that govern the activities for control and management of risks, both financial and non-financial, faced by the Group. This policy establishes a reduced tolerance for financial risks; therefore, mitigation of risks is a priority in the management of this type of risks in order to minimise the potential adverse effects of these risks on the Consolidated Financial Statements. The actions included in this management are regularly reviewed and updated.

The Group's activities are mainly exposed to several risks: market risk (foreign exchange risk, interest rate risk and price risks), credit risk, liquidity risk, environmental risks and several geopolitical risks. Meliá Hotels International Group, through the management applied, tries to minimise the adverse effects that these risks would have had on its Consolidated Financial Statements.

There follows additional information on these risks:

Environmental Risks

The fight against climate change, the environment protection and the responsibility assumed to address the risks and opportunities arising from climate change are the priority strategic lines of the Group's commitment to sustainability and the protection of tourist destinations. For this reason, the Group continues to promote an efficient and responsible hotel management model, both in the consumption of resources and the minimisation of the impact of its activity and incorporates ESG risks arising from climate change into its Global Risk Map.

In terms of climate change mitigation, the Group drives three major levers with the aim of facilitating the decarbonisation of its business model: firstly, the optimisation of energy consumption, with initiatives such as the implementation of environmental monitoring, control and management systems, the integration of sustainable criteria in new building processes, among others. Secondly, the migration towards renewable energy sources, with actions such as the installation of photovoltaic panels and the contracting of renewable guarantees, etc. and thirdly, raising awareness of our value chain by offering sustainable products and services for hotels under management.

In terms of risk management and adaptation, the Group has updated and deepened the analysis carried out in 2021 based on the guide of recommendations prepared by the Task Force on Climate Related Financial Disclosure (TCFD). Thus, it has not only extended the assessment to the entire portfolio of owned and leased hotels but has also included the methodologies proposed in the new regulatory reporting framework. In the short term, the Group has developed a set of preventive measures, such as specific protocols and continuity plans to manage extreme weather events (heavy rainfall, hurricanes or exposure to extreme temperatures) that will complement future adaptation plans.

Geopolitical Risks

The Group continues to monitor geopolitical and macroeconomic tensions. The conflicts in Ukraine and the Middle East are at standstill, with new tensions emerging in the Red Sea and other strategic areas. At present, these conflicts have not had a direct impact on hotel reservations, since the Group does not have significant operational exposure in the regions directly affected.

To date, the risk of spread to other geographical areas has been contained, thus mitigating potential large-scale adverse effects. However, a worsening of conflicts or greater involvement of relevant economies could put pressure on international supply chains again and trigger inflationary spikes. For the time being, this scenario is unlikely, although the Group has procedures and processes in place to adapt and limit potential future impacts.

On the other hand, the beginning of 2025 has been marked by a tightening of US trade policies with the rest of the world, with the intention of imposing significantly higher tariffs than in the past. Although the Group does not have direct exposure that could significantly impact its cost structure, the economic effects of an escalation and entry into a prolonged trade dispute are difficult to predict. At present, the Group is monitoring the situation in accordance with the protocols established for this purpose.

Liquidity risk

The Directors and the Management of the Parent Company constantly monitor the evolution of the liquidity situation, as well as the impacts that it may have on the credit market, and they consider that, without prejudice to possible improvements and adaptations that may be applied, the liquid assets included in the Consolidated Balance Sheet, as well as the availability of credit facilities (for the amount of EUR 256.5 million as at 30 June 2025) and financing, the applied borrowing policies (which have led to improved financial conditions following a refinancing process carried out in the first half of 2024) and the amount of cash flows generated in the worst scenarios, ensure that the Group will meet the obligations included in the Consolidated Balance Sheet as at 30 June 2025 with solvency, and there is no significant uncertainty on the Group's ability to continue as a going concern.

The maturity schedule is shown below. At 30 June, there are no credit facilities available or European Commercial Papers (ECPs) issued. These amounts do not include accrued interest that has not been paid or lease liabilities:

(Thousand €)	2025	2026	2027	2028	2029	> 5 years	Total
Bank Loans	43,275	164,579	282,655	228,066	158,947	122,590	1,000,113
Capital market						52,500	52,500
TOTAL	43,275	164,579	282,655	228,066	158,947	175,090	1,052,613

The maturity schedule at year-end 2024 is set out below:

(Thousand €)	2025	2026	2027	2028	2029	> 5 years	Total
Bank Loans	106,162	160,103	268,741	200,215	119,419	22,870	877,511
Capital market						52,500	52,500
TOTAL	106,162	160,103	268,741	200,215	119,419	75,370	930,011

Credit risk

The credit risk arising from the failure of a counterparty (customer, supplier or financial institution) is mitigated by the policies followed by the Group in terms of diversification of the customer portfolio, source markets, monitoring of concentrations and exhaustive control of debt at all times.

The average collection period has decreased compared to the end of the previous year by 1.57 days, being 33.16 days at the end of June.

Interest rate risk

The Group maintains a policy of partially hedging against changes in interest rates by obtaining different financial derivatives that allow it to contract a fixed rate for a specified period of time that it applies to financing transactions with variable rates. Of the total financial debt tied to variable interest rates, 22.2% thereof is protected with hedging instruments, 27.8% in the first half of 2024.

There follows a breakdown of the debt structure according to the interest rate (these amounts do not include accrued interest that has not been paid or lease liabilities):

(Thousand €)	Variable Interest	Fixed Interest	Total
Bank Loans	581,250	273,228	854,478
Mortgage Loans	2,625	143,010	145,635
Simple Bonds		52,500	52,500
TOTAL	583,875	468,738	1,052,613

The breakdown of short- and long-term debts at variable interest rate is as follows:

(Thousand €)	Variable Interest Short Term	Variable Interest Long Term	Total
Bank Loans	64,425	516,824	581,249
Mortgage Loans	583	2,042	2,625
TOTAL	65,008	518,866	583,874

Foreign exchange risk

Despite of not having financial instruments contracted (swaps, exchange insurances), in order to mitigate the possible foreign exchange risks, which arises from commercial, financial, investment and translation transactions, the Group develops policies aimed at maintaining a balance between collections and payments in cash of assets and liabilities denominated in foreign currency.

In this sense, the financial debt of the Group as at 30 June 2025 is 87.8% denominated in Euros (86% in the first half of 2024), thus adjusting to the cash generation and needs in different currencies and managing a natural debt hedging.

Price risk

Price risk of the Group's inventories mainly arises from the fluctuations in the price and the availability of food and beverages that the Group sells to its customers. However, the Directors consider that changes in prices are insignificant and are transferred to the selling price of food and beverages, therefore, the Group does not conduct price hedging transactions.

Likewise, the Group is exposed to equity price risks of financial investments in equity instruments. Given the reduced percentage of ownership interest therein, in case of variations not exceeding 10% of the fair value of the assets of the entities in which the Group holds equity instruments without exercising significant influence, these would not significantly affect the carrying amount of these investments in the Consolidated Balance Sheet. On the other hand, the Group has no relevant investments in equity instruments of listed companies.

Note 5. Scope of Consolidation

The most significant changes in the Group's scope of consolidation during the first half of 2025 are detailed below:

5.1. Business Combinations

On 31 May 2025, the Group's parent company acquired an additional 50% of the company Sierra Parima, S.L. , with this company being fully consolidated from that date. This company owns the rights to operate a tourist park complementary to the hotel business. As a result, as at 30 June 2025 the equity method accounting for this company has been eliminated and assets and liabilities amounting to EUR 19.1 million and EUR 8.5 million, respectively, have been recognised based on a provisional valuation, with a positive impact on the income statement of EUR 10.7 million, recorded under heading Other financial profit (loss).

On the other hand, on 31 May 2025, the subsidiary Ayosa Hoteles, S.L. acquired 100% of the shares in Kimel, S.L. for EUR 2 million. As a result of this transaction, Kimel, S.L., which was previously consolidated using the equity method, is now fully consolidated. In this regard, as at 30 June, the equity method accounting for this company was eliminated for the amount of EUR 1.1 million (included in the investment in Evertmel, S.L.) and assets and liabilities amounting to EUR 4.6 million and EUR 2.4 million, respectively, were recognised, with a net positive impact of EUR 0.1 million on the income statement.

In the first half of 2024 no business combinations took place.

5.2. Other Scope Changes

In addition to the above, the following changes have occurred without significant impacts:

Additions

During the first half of 2025, the companies Hotelbetriebshorizonte Tramuntana GMBH in Germany and Melia Hotels International for Hotel Services LLC in Saudi Arabia were incorporated. Furthermore, the company Hospitality Group Sudamerica, S.A. has been acquired in Argentina. These companies are wholly owned by the Group and are fully consolidated. These transactions had no significant impacts on the Condensed Consolidated Interim Financial Statements.

Disposals

In the first half of the year, Soici Nefsol, S.L.U., a company wholly owned by the consolidated Group, was derecognised due to its sale.

Furthermore, Aparthotel Bosque, S.A., a company wholly owned by the consolidated Group, has been dissolved.

Both transactions had no relevant impacts on the Condensed Consolidated Interim Financial Statements.

Change of shareholding in companies accounted for using the equity method

On 30 May 2025, the Group acquired 30% of the shares in the company Tertian XXI, S.L. for the amount of EUR 21.2 million (previously wholly owned by the associated company Producciones de Parque, S.L.), which, in turn, acquired 100% of the shares in the company Lierinto, S.L.U., with this company being accounted for in Meliá Group using the equity method. These 2 companies own 2 hotels in Spain, which are operated by the Group under lease.

Furthermore, the Group has increased its shareholding in the company Plaza Puerta del Mar S.A. by 0.13% through the purchase of two shares in the company.

In addition, Hotel Arroyo S.A., a company in turn wholly owned through the company Hospitality Group Sudamerica, S.A., has been included in the scope of consolidation with a 33% shareholding and accounted for using the equity method. The corporate purpose of this company is the lease of a hotel located in Argentina.

Acquisition of minority interests

During the first half of the year, the Group acquired an additional shareholding through the purchase of three apartments in the Owners' Association of Meliá Sol y Nieve hotel, increasing its shareholding by 2.09%.

For comparison purposes, the changes in the scope of consolidation during the first half of 2024 are shown below:

Acquisition of 50% of Melcom Joint Venture, S.L.

In April 2024, the Group's parent company acquired an additional 50% of Melcom Joint Venture, S.L. for the amount of EUR 66 million. This company owns 100% of the shares of Pelicanos Property, S.L.U. and Bellver Property, S.L.U. (all of them previously accounted for using the equity method) and, at the time of the transaction, also 50% of Adprotel Strand, S.L.

As a result of this transaction, the shareholding in Adprotel Strand, S.L. was increased to 100% without change of control, and the companies Melcom Joint Venture, S.L., Pelicanos Property, S.L.U. and Bellver Property, S.L.U. were fully consolidated. These companies hold the lease contracts for two hotels in Spain, which were previously operated by Melia Hotels International, S.A. under lease contracts. As a result, at 30 June 2024 the holdings in equity-method companies decreased by EUR 19 million, and assets and liabilities for the amount of EUR 158 million and EUR 104 million, respectively, were included, and minority interests were reduced by EUR 28 million, with a positive impact on reserves of EUR 0.2 million.

Transfer of 38.2% of Adprotel Strand, S.L.

In January 2024, the company Mugolu, S.L. was incorporated, to which, subsequently, 100% of the shares in Adprotel Strand, S.L. were contributed following the aforementioned transaction with Melcom Joint Venture, S.L. The company Wamabe Iberia, S.L. was incorporated, to which the hotel Melia Cala Galdana was contributed.

Following this contribution, the companies Wamabe Iberia, S.L. and Inversiones Hoteleras La Jaquita, S.A., owners respectively of the hotels Melia Cala Galdana and Gran Melia Palacio de Isora, were in turn contributed to the company Adprotel Strand, S.L., which subsequently issued preference shares for the amount of EUR 300 million to give a new minority shareholder a 38.2% of its share capital (see Note 11.3).

Additions

On 1 January 2024, five Mexican companies were spun off, giving rise to five new companies that are accounted for using the full consolidation method.

Acquisition of additional shareholding in companies accounted for using the equity method

During the first half of 2024, the Group increased its shareholding by 0.79% in the Owners' Association of Meliá Castilla through the purchase of seven apartments. This transaction had no significant impacts on the Condensed Consolidated Interim Financial Statements.

Note 6. Segment Reporting

The identified business segments constitute the organisational structure of the Group and their results are reviewed by the Group's highest decision-making authority.

Due to the evolution of the business and the product, in 2025, the information relating to the Vacation Club is included in the Hotel Division, within the management segment, which is considered a strategic distribution channel. Likewise, details of the comparison of 2024 are showed in accordance with this reclassification.

6.1. Information by Operating Segments

The following table shows the information by segments on the volume of revenue before eliminations of inter-segment transactions and profit or loss before interest and taxes for the first half of 2025:

	Hotel						
(Thousand €)	Hotel Management	Hotel business	Other business assoc with hotel management	Real Estate	Corporate	Eliminations	Balance at 30/06/2025
Operating income	247,178	866,769	48,523	12,993	60,836	(245,186)	991,113
EBIT	**65,417**	**93,035**	**2,378**	**3,315**	**(38,278)**	**-**	**125,867**

Under the Hotel Management segment, EUR 78 million of management fees are recorded, of which EUR 6.4 million relates to associates. Furthermore, this segment includes EUR 60.4 million arising from the distribution channel of the Vacation Club.

The main inter-segment transactions relate to the hotel management activity, which includes EUR 128.2 million mainly invoiced to the Hotel Business segment for management fees and reservation fees. Likewise, the Corporate segment includes income from inter-segment transactions for a total amount of EUR 49.5 million.

For comparison purposes, the following table shows the information by segments for the first half of 2024:

(Thousand €)	Hotel						
	Hotel Management	Hotel business	Other business assoc with hotel management	Real Estate	Corporate	Eliminations	Balance at 30/06/2024
Operating income	220,035	840,447	51,525	9,365	49,029	(210,351)	960,051
EBIT	**60,476**	**94,318**	**2,271**	**2,515**	**(41,993)**	**-**	**117,587**

Under the Hotel Management segment, EUR 80 million of management fees were recorded, of which EUR 7 million related to associates. In addition, revenues from the distribution channel of the Vacation Club were included in the segment, amounting to EUR 51.4 million.

The main inter-segment transactions were related to the hotel management activity and included EUR 125.2 million mainly invoiced to the Hotel Business segment for management fees and reservation fees. The Corporate segment included income from inter-segment transactions for a total amount of EUR 39.7 million.

6.2. Information by Geographic Areas

The following table shows the segmentation by geographic areas of the volume of operating revenues generated during the first half of 2025 and 2024:

(Thousand €)	30/06/2025	30/06/2024
Spain	554,504	493,825
EMEA (*)	239,393	245,302
America	385,761	379,649
Asia	3,748	4,744
Eliminations	(192,292)	(163,469)
Total income	**991,113**	**960,051**

(*) EMEA (Europe, Middle East, Africa):
It includes areas of Africa, Middle East and Europe, excluding Spain

Note 7. Paid Dividends

The General Shareholders' Meeting held on 8 May 2025 approved the distribution of a dividend charged to the 2024 financial year results, setting a gross amount of EUR 0.1436 per share (excluding treasury shares) with a maximum total amount of EUR 31.6 million. The payment was made on 9 July 2025. This distribution represents a payout of 22.5% of the consolidated net profit for 2024.

Likewise, in May 2024, the General Shareholders' Meeting approved the distribution of a gross dividend of EUR 0.0935 per share (excluding treasury shares), representing a total amount of EUR 20.6 million, which was paid in the second half of 2024, representing a payout of 17.5% of the consolidated result for 2023.

Note 8. Property, Plant and Equipment, Rights of Use and Intangible Assets

The movements recorded during the first half of 2025 are broken down in the table below:

(Thousand €)	Goodwill	Other intangible assets	Property, Plant and Equipment	Right of use
Balance at 01/01/2025	27,164	81,183	1,594,373	1,517,855
Additions		3,257	38,870	82,433
Disposals		(4)	(1,346)	(4,553)
Depreciation and impairment		(7,739)	(40,621)	(73,801)
Changes in the scope of consolidation		214	15,074	
Exchange differences	(50)	(204)	(46,739)	(16,409)
Balance at 30/06/2025	**27,114**	**76,707**	**1,559,610**	**1,505,525**

Section additions of Other intangible assets includes EUR 0.9 million for a transfer right related to the operation of a hotel located in Argentina.

Regarding Property, plant and equipment, the amount of EUR 38.9 million in additions relates to investments and renovations in hotels, of which 18.4 million has been recognised in Spain. In addition, EUR 1.3 million was recorded in disposals resulting from the sale of land in Brazil (see Note 2.4).

The heading 'Changes in scope' includes the consolidation of a Dominican company, owner a leisure centre, for the amount of EUR 16.3 million and a company that operates a beach club in the Balearic Islands for the amount of EUR 1.9 million, both previously accounted for using the equity method (see Note 5). It also includes EUR 2.9 million for the derecognition of a company (see Note 5).

With regard to Rights of use, the additions section includes 2 new lease agreements for 2 hotel establishments located in Spain which, until now, were managed by the company under a management agreement, representing an increase of EUR 16.2 million. Under this heading, the variations caused by the amendments of the terms and conditions of the already existing contracts and the variation of lease payments subject to CPI are also included. Additions arising from these contractual amendments affect 1 hotel located in Spain and 1 hotel located in France. Disposals under heading Rights of use relate to 1 hotel located in Spain and 1 hotel located in Germany.

Heading depreciation and impairment of Rights of use includes a net provision of impairment for the amount of EUR 1.7 million, due to the restatement of the flow forecasts until the end of the contract, taking into account the variations between the results obtained in the first half of the year and the forecasts for that period.

Exchange differences have decreased the value of property, plant and equipment and rights of use mainly due to the depreciation of the British pound and the dollar against the Euro.

For comparison purposes, the changes for the first half of 2024 were as follows:

(Thousand €)	Goodwill	Other intangible assets	Property, Plant and Equipment	Right of use
Balance at 01/01/2024	27,088	79,239	1,578,149	1,375,854
Additions		13,364	19,977	224,244
Disposals			(3,024)	
Depreciation and impairment		(8,979)	(41,508)	(72,226)
Exchange differences	41	(43)	23,762	10,624
Balance at 30/06/2024	**27,129**	**83,582**	**1,577,356**	**1,538,496**

Section additions of Other intangible assets included EUR 9 million for a transfer right related to the operation of a hotel located in Catalonia, of which EUR 2 million was paid during the period, and EUR 2 million for the payment of a transfer right related to the operation of a hotel located in Andalusia, in both cases under management.

Regarding Property, plant and equipment, the amount of EUR 20 million in additions related to investments and renovations in hotels, of which 13 million was recognised in Spain. In addition, EUR 3 million was recorded in disposals arising from the sale of land in Brazil (see Note 2.4).

Depreciation and impairment of property, plant and equipment included a value adjustment for the amount EUR 2.5 million of a hotel asset.

Regarding Rights of use, the additions section included the variations resulting from amendments of the terms and conditions of the already existing contracts, due to the inclusion of the company Melcom Joint Venture, S.L. and its subsidiaries (see Note 5), as well as the variation of lease payments subject to CPI. Additions arising from contractual amendments affected 2 hotels located in Spain, one hotel located in France and one hotel located in Germany.

Heading depreciation and impairment of Rights of use included a net reversal of impairment for the amount of EUR 2.3 million, due to the restatement of the flow forecasts until the end of the contract, taking into account the variations between the results obtained in the first half of 2024 and the forecasts for that period.

Exchange differences increased the value of tangible assets and rights of use mainly due to the appreciation of the British pound ant the dollar against the Euro.

Note 9. Investments Measured Using the Equity Method

The financial investments representing shareholdings in associates and joint ventures have been measured by applying the equity method.

The following table shows the changes in these shareholdings during the first half of 2025 and 2024:

(Thousand €)	2025	2024
Balance on January 1	**206,876**	**240,820**
Profit / (Loss) on associates and joint ventures	22,559	3,512
Additions	26,713	3,836
Disposals	(30,843)	(27,883)
Exchange differences	195	(116)
Total equity method investments at 30 June	**225,500**	**220,168**

The results for the year of companies measured using the equity method include EUR 23.9 million relating to the corresponding percentage of the profit generated by the company Producciones de Parque, S.L. on the sale of its shares in the company Tertian XXI, S.L.U. (see note 5.2). In addition, these include a loss for the amount of EUR 7.5 million recorded in the company Homasi, S.A. on the shares that this company has in companies that own the operating rights of 5 hotels in the Republic of Cuba.

The additions in the first half of 2025 mainly relate to the purchase of shares in the company Tertian XXI, S.L.U. (see Note 5.2).

Likewise, disposals during the period mainly relate to the companies Kimel Mca S.L. and Sierra Parima, S.A for the total amount of EUR 0.8 million, which have become fully consolidated (see Note 5.1), as well as the distribution of dividends of several companies for the amount of EUR 29.7 million.

Regarding 2024, disposals during the period mainly related to the derecognition of the companies Melcom Joint Venture, S.L., Pelícanos Property, S.L.U and Bellver Property, S.L.U. for the amount of EUR 19 million, which became fully consolidated (see Note 5.2), as well as the distribution of dividends of several companies for the amount of EUR 8.4 million.

Note 10. Other Financial Instruments

10.1. Financial Assets

The following table shows the breakdown by financial instrument categories included in heading Other financial assets under non-current and current assets in the Balance Sheet as at 30 June 2025 and 31 December 2024:

(Thousand €)	30/06/2025			31/12/2024		
	Long term	Short term	Total	Long term	Short term	Total
1. Financial instruments at amortised cost:						
- Loans to associates	30,087	39,694	69,782	31,507	49,660	81,167
- Other loans	21,186	13,423	34,609	25,679	8,172	33,850
- Other	43,430	3,097	46,527	40,106	3,411	43,517
2. Financial instruments at fair value with changes in Other Comprehensive Income						
- Cash flow hedges	142	166	307	207	392	599
3. Financial instruments at fair value through profit or loss:						
- Trading portfolio		424	424		310	310
- Trading portfolio derivatives	8,330		8,330	8,330	17,056	25,386
- Unlisted equity instruments	56,147		56,147	23,242		23,242
TOTAL	**159,322**	**56,804**	**216,126**	**129,071**	**79,001**	**208,072**

The increase under heading Unlisted equity instruments is mainly due to the acquisition of shares in a company that owns a hotel, through the exercise of a purchase option recorded in the consolidated financial statements as at 31 December 2024 for the amount of EUR 17 million and which has been derecognised from heading Derivatives in the trading portfolio. This acquisition is part of a transaction aimed at acquiring a minority stake in a hotel establishment in Spain, operated by Meliá Group under a management agreement, which the Company expects to complete during the second half of 2025.

10.2. Financial Liabilities

The table below shows the breakdown by categories of financial instruments, recorded in headings Bonds and other negotiable securities, Bank debts, Other financial liabilities and Lease liabilities of current and non-current liabilities in the Balance Sheet as at 30 June 2025 and 31 December 2024:

(Thousand €)	30/06/2025			31/12/2024		
	Long term	Short term	Total	Long term	Short term	Total
1. Financial instruments at fair value with changes in Other Comprehensive Income						
- Cash flow hedges	2,417	1,528	3,945	2,767	900	3,667
2. Financial instruments at fair value through profit or loss:						
- Derivatives in trading portfolio	9,200		9,200	9,200		9,200
3. Other financial liabilities at amortised cost:						
- Bonds and Other negotiable securities	52,173	1,063	53,236	52,143	11,242	63,385
- Bank debts	899,461	102,088	1,001,549	769,022	111,555	880,578
- Lease liabilities	1,308,298	144,846	1,453,143	1,312,338	151,595	1,463,933
- Other financial liabilities	29,796	16,341	46,137	44,302	25,462	69,764
TOTAL	2,301,344	265,866	2,567,211	2,189,771	300,755	2,490,526

The net variation in headings Bank debts and Bonds and other negotiable securities includes a decrease of EUR 0.8 million due to less use of credit facilities, EUR 190.0 million of new financing and EUR 6.1 million due to the inclusion of Sierra Parima, S.A.S. in the scope of consolidation, as well as EUR 73.5 million of repayments (of which EUR 11.1 million relates to net repayment of ECPs) and EUR 21.4 million of payment of interest and commissions, as reflected in the Consolidated Cash Flow Statement.

The decrease in the balance of Lease liabilities is derived from the debt repayment and the effect of the depreciation of the dollar and the pound sterling. This decrease has been offset by the signing of 2 new lease agreements for 2 hotel establishments located in Spain, which until now were managed by the company under a management agreement. These additions have resulted in an increase of EUR 16.2 million. Debt has also increased due to the variations caused by the amendments of the terms and conditions of the already existing contracts and the variation of lease payments subject to CPI. Additions arising from these contractual amendments affect 1 hotel located in Spain and 1 hotel located in France. Disposals in Lease liabilities relate to 1 hotel located in Spain and 1 hotel located in Germany.

The decrease in Other financial liabilities includes the repayment of EUR 29 million (USD 30 million) collected in 2023 as a result of the cancellation of a real estate transaction planned in a hotel in Mexico.

Note 11. Equity

11.1. Share Capital

As at 30 June 2025 and 31 December 2024 the share capital of Meliá Hotels International, S.A. is EUR 44,080,000 which consists of 220,400,000 shares of EUR 0.20 par value each. The shares are fully subscribed and paid-up, and constitute a single class and series.

All these shares carry the same rights and are listed on the Continuous Market (Spain), except for the treasury shares.

The voting rights held by the major shareholders with a direct and indirect shareholding in Meliá Hotels International, S.A. as at 30 June 2025, compared to the end of 2024, are as follows:

Shareholder	30/06/2025 % Shareholding	31/12/2024 % Shareholding
Hoteles Mallorquines Consolidados, S.L.	24.37	24.37
Hoteles Mallorquines Asociados, S.L.	13.76	13.76
Hoteles Mallorquines Agrupados, S.L.	11.29	11.29
Tulipa Inversiones 2018, S.A.	5.39	5.39
Global Alpha Capital Management Ltd.	9.99	11.03
Other (less than 3% individual)	35.20	34.16
TOTAL	100.00	100.00

11.2. Treasury Shares

Breakdown and movements of treasury shares under liquidity contract are as follows:

	Shares
SHARES AT 31/12/2024	200,361
Liquidity contract purchases	2,482,534
Liquidity contract disposals	(2,450,881)
SHARES AT 30/06/2025	232,014
Average Price €	7.17
BALANCE AT 30/06/2025 (Thousand €)	1,663

There are no securities loaned to banks as at 30 June 2025.

As at 30 June 2025, the total number of shares held by the Company is 232,014, which represent 0.105% of the share capital. Treasury shares do not exceed the 10% limit established by the Spanish Corporate Enterprises Act.

The price of Meliá Hotels International, S.A.'s shares at the end of the first half of 2025 is EUR 7.11. At the 2024 year end, the share price amounted to EUR 7.365.

For comparison purposes, movements for year 2024 were as follows:

	Shares
SHARES AT 31/12/2023	248,014
Liquidity contract purchases	4,399,116
Liquidity contract disposals	(4,422,116)
SHARES AT 30/06/2024	225,014
Average Price €	7.76
BALANCE AT 30/06/2024 (Thousand €)	1,746

As at 30 June 2024, the total number of shares held by the Company was 225,014, which represented 0.102% of the share capital.

11.3. Non-controlling interests

This heading includes the equity interest relating to the rights of third parties outside the Group, including the proportional part of the result corresponding to them.

The consolidated amounts, before reciprocal intra-group eliminations, of the assets and liabilities of subsidiaries and their investees with non-controlling interests, as well as their corresponding share in profit or loss, are as follows:

(Thousand €)	Minority percentage	Total Assets	Total Liabilities	Total Net Assets	Non-controlling interests	Non-controlling interests profit/(loss)
Invers. Explot. Turísticas, S.A.	45.07%	92,445	41,977	50,467	22,873	3,311
Realizaciones Turísticas, S.A. (*)	3.73%	205,250	2,714	202,536	7,610	142
Adprotel Strand, S.L.U. (*)	38.20%	730,043	51,172	678,871	259,329	9,635
MIA Exhol, S.A.	0.31%	416,726	416,776	(50)	2,537	92
Punta Cana Reservations, S.L.U.	25.00%	186,713	70,037	116,675	26,961	1,468
Other companies		360,642	289,919	70,723	(167)	(1,527)
TOTAL		1,991,817	872,594	1,119,222	319,142	13,121

(*) It includes non-controlling interests in subsidiaries

Other section includes information relating mainly to hotel operating companies.

The movements recorded under heading Other transactions with partners or owners of the Consolidated Statement of Changes in Equity include a dividend distribution of EUR 1.7 million.

In the second half of the 2024, the Group signed an agreement with Administradora de Fondos de Inversión Popular (AFI Popular), a subsidiary of Popular Group, whereby, through a capital increase, said investment fund acquired 25% of the company Punta Cana Reservations S.L.U. and its subsidiary Inversiones Areito S.A., which in turn owns the Paradisus Palma Real Golf & Spa and ZEL Punta Cana hotels in the Dominican Republic.

For comparison purposes the amounts as at 30 June 2024 are included below:

(Thousand €)	Minority percentage	Total Assets	Total Liabilities	Total Net Assets	Non-controlling interests	Non-controlling interests profit/(loss)
Invers. Explot. Turísticas, S.A.	45.07%	159,014	111,327	47,687	17,443	3,387
Realizaciones Turísticas, S.A. (*)	3.73%	221,926	63,525	158,400	6,518	157
Adprotel Strand, S.L.U. (*)	38.20%	669,638	54,285	615,353	240,835	5,217
MIA Exhol, S.A.	0.31%	437,183	477,561	(40,378)	2,587	72
Other companies		286,518	239,277	47,241	(2,172)	(1,218)
TOTAL		1,774,279	945,976	828,303	265,211	7,617

(*) Includes non-controlling interests in subsidiaries.

Adprotel Strand, S.L.

Following the transactions described in Note 5.2, the company Adprotel Strand, S.L. (Adprotel) owns 3 hotels: the ME London (London), directly, and Melia Cala Galdana (Menorca) and Gran Melia Palacio de Isora (Tenerife), indirectly, through the companies Wamabe Iberia, S.L. and Inversiones Hoteleras La Jaquita, S.A. respectively.

During the first half of 2024, the Group entered into an agreement with the company Moon GC&P Investments, S.L.U., owned by Banco de Santander, S.A., whereby this company acquired a 38.2% stake in the share capital of Adprotel through the subscription of new type B company shares, for a total amount of EUR 300 million between capital and share premium, which grant political rights in accordance with the percentage stake acquired and, consequently, the Group reduced its stake in this percentage, without loss of control.

These are preference shares since they grant the minority shareholder a preferential access, until the recovery of its investment and without this being guaranteed, to the cash flows from a potential sale of assets or shares by Adprotel, or from a joint sale of Adprotel's own shares by its shareholders, as well as to a percentage of the dividends that, if applicable, the General Partners' Meeting of Adprotel may decide to approve. On the remaining cash flows from a potential sale, Meliá is entitled to the recovery of its investment under the same conditions and, once covered, a proportional distribution would be made on the basis of the corresponding percentage stake (i.e. 61.8% for the Meliá Group and 38.2% for the Santander Group). All events that could result in future cash outflows are under the control of the Meliá Group in accordance with the terms of the agreement.

As indicated above, the percentage stake of each shareholder gives them political rights in accordance with this percentage, and decisions are taken by the General Partners' Meeting by majority vote in accordance with the commercial law. The Group, through other Group companies, operates the aforementioned hotels under lease and manages the use of the assets. On the other hand, Adprotel's preference shares have no maturity date, and there is no contractual obligation on the part of the Meliá Group to purchase or assume in any way the said stake.

However, the Company holds a call option of these preference shares exercisable during the first 7 years from the date of the agreement at a variable strike price depending on when it is exercised which, at the date of the agreement, was out of the money. This option is a derivative financial asset instrument. On the other hand, and only in the event of a liquidation situation or a situation of material breach of conditions under the Group's control, the minority investor has the right to sell its shares at market value to a third party which, if exercised, would activate a drag-along right on the shares held by the Group to such third party, with preference for the minority investor in the cash flows until recovery of its investment, as indicated above, so that from the date of the agreement there is a derivative financial instrument which should reflect the value of the Group's waiver of part of the economic rights that could eventually be obtained. The Group engaged the independent expert KPMG for the evaluation and valuation of both instruments, recognising an asset for the amount of EUR 8.7 million and a liability for the amount of EUR 6.8 million in the consolidated balance sheet (see Note 10).

According to the above, and in accordance with IAS 32, an amount of EUR 234.6 million was recognised under heading Non-controlling interests in the consolidated balance sheet, relating to the percentage stake acquired by the minority shareholder on the net carrying amount of the net assets of Adprotel and its subsidiaries, and an amount of EUR 65.4 million was recognised under Retained earnings in the consolidated balance sheet for the difference between the cash received and the aforementioned amount of non-controlling interests recognised, since this is an equity transaction to reduce the percentage stake without loss of control.

Note 12. Evolution of the Average Staff Numbers

The average number of employees in the Group during the first half of 2025 and 2024 is shown in the table below:

GENDER	30/06/2025	30/06/2024
M	9,917	9,695
F	8,732	8,389
TOTAL	18,648	18,084

Note 13. Tax Situation

Corporate income tax is recognised based on the Management's estimate of the weighted average annual income tax rate expected for the full financial year. The average annual income tax rate estimated for the year as at 31 December 2025 is 25%.

The Group has analysed its potential exposure to additional taxation arising from Law 7/2024 of 20th of December establishing a supplementary tax, as well as Royal Decree 252/2025, of 1st of April, which approves the regulations implementing said supplementary tax and establishes its application with respect to financial years beginning on or after 31 December 2023. Based on a preliminary analysis, the Group estimates that the cumulative effect up to 30 June 2025 is not material and does not expect any significant effects on the Group's consolidated financial statements.

Net deferred taxes relating to IFRS16 correspond to EUR 327,798 thousand of deferred tax assets and EUR 308,997 thousand of deferred tax liabilities.

Note 14. Information on Related Parties

The following are considered to be related parties:

- Associates and joint ventures accounted for using the equity method.
- Significant shareholders of the parent company.
- Members of the Board of Directors and members of the SET.

All transactions with related parties are arm's length transactions under market conditions.

14.1. Transactions with Associates and Joint Ventures

Commercial transactions

Commercial transactions carried out with associates and joint ventures mainly relate to hotel management activities and other related services.

During the first half of 2025, the Group has continued its commercial transactions in relation to associates and joint ventures as it has been doing in 2024, except for the transactions with Kimel, S.L. and Sierra Parima, S.L., which were consolidated in the first half of 2025 without any significant impact (see Note 5).

Financing transactions

During the first half of 2025, the Group has continued its financing transactions in relation to associates and joint ventures as it has been doing in 2024, except for the transactions with the companies Kimel, S.L. and Sierra Parima, S.L., which were consolidated in the first half of 2025 without any significant impact (see Note 5).

Guarantees and deposits

Regarding guarantees held by the Group in relation to liabilities recognised in associates and joint ventures, it is worth mentioning that this half of the year no significant variations took place.

At the end of June 2025 and 2024, the Group has guarantees with associates and joint ventures for the amount of EUR 0.3 million.

14.2. Transactions with Significant Shareholders

Balances by type of transaction carried out with significant shareholders of the Group during the first half of the year are as follows:

(Thousand €)	Transaction type	30/06/2025	30/06/2024
Tulipa Inversiones 2018, S.A.	Leases	86	89
Tulipa Inversiones 2018, S.A.	Services received	250	356
TOTAL		335	445

14.3. Transactions with Executives and Members of the Board of Directors

Remuneration and other benefits paid to Directors and Senior Management during the first half of the year are as follows:

(Thousand €)	30/06/2025	30/06/2024
Attendance fees	579	634
Executive directors remuneration	2,592	997
Senior management remuneration	4,018	1,753
TOTAL	7,190	3,384

The Company has not assumed obligations nor has granted any advance payments or loans to Directors.

Remuneration paid to directors and senior management in the first half of the year includes annual payments for short-term variable remuneration corresponding to the previous year which had been duly provisioned.

Likewise, the payment relating to the long-term variable remuneration accrued for the financial years 2022 to 2024 is included in 2025.

Note 15. Provisions and Contingencies

15.1.Provisions

The breakdown of the balance by type of obligations for the periods ending 30 June 2025 and 31 December 2024, respectively, is as follows:

(Thousand €)	30/06/2025	31/12/2024
Provision for retirement, seniority bonus and personnel obligations	12,657	12,577
Provision for liabilities and taxes	24,390	28,458
Total	37,047	41,036

As at 30 June 2025, the Group assesses the commitments established in collective agreements based on actuarial studies and an accrued amount of EUR 13.1 million has been estimated. As at 31 December 2024, the accrued amount was also EUR 13.1 million.

Moreover, the balance of the externalised commitments was EUR 0.4 million in June 2025, with liabilities being recorded at their net amount. At the end of 2024, the balance for this item amounted to EUR 0.5 million.

The technical interest rate applied for the assessment of such commitments as at 30 June 2025 was 3.39%, while as at 31 December 2024, this rate was 3.11%.

15.2. Contingencies

The Group has commitments to third parties not recognised in the Balance Sheet, due to the limited probability that they will entail an outflow of funds in the future.

During the first half of 2025 a guarantee with the subsidiary Corporación Hotelera Hispano Mexicana, S.A. de C.V was renewed with a total net reduction of EUR 0.9 million. In addition, during the year new guarantees were granted to Group subsidiaries for the amount of EUR 0.4 million and guarantees were renewed for the amount of EUR 0.1 million.

During the first half of 2024 a guarantee with the subsidiary Corporación Hotelera Hispano Mexicana, S.A. de C.V was renewed with a total net reduction of EUR 0.5 million. In addition, during the year new guarantees were granted to Group subsidiaries for the amount of EUR 0.7 million and several guarantees in the parent company were cancelled for the amount of EUR 1 million.

Note 16. Events After the Reporting Date

On 15 July 2025, 50% of Crisalian, S.L., which owns a hotel in the Canary Islands, was acquired from Victoria Hotels Resorts, S.L. for EUR 36.5 million and, consequently, this company is now accounted for using the full consolidation method.

Condensed Consolidated Interim Management Report

1. Company's Situation

During the first half of 2025 there have been no significant changes in relation to those aspects related to the organisation structure of Meliá Hotels International, S.A. and its subsidiaries, its organisation chart (except for the changes in the scope of consolidation described in the notes to the Condensed Consolidated Interim Financial Statements), as well as in the Company's operations, therefore, the information available in the 2024 Consolidated Annual Accounts and its corresponding Consolidated Management Report, is considered the most up-to-date information.

2. Business Evolution and Performance

There follows a breakdown for each of the operating segments in which the Company is structured:

2.1. Hotel Division

The evolution of the hotel business for the entire Company is summarised in the following KPIs, broken down by type of management:

€ Millions	H1 2025	H1 2024	% Change
Total aggregated Revenues	**866.8**	**840.4**	**3.1%**
Owned	439.4	438.2	0.3%
Leased	427.4	402.3	6.2%
Of which Room Revenues	**583.0**	**552.4**	**5.5%**
Owned	257.8	249.3	3.4%
Leased	325.2	303.1	7.3%
EBITDAR	**222.9**	**219.0**	**1.7%**
Owned	111.9	110.7	1.1%
Leased	110.9	108.3	2.4%
EBITDA	**203.7**	**204.9**	**(0.6%)**
Owned	111.9	110.7	1.1%
Leased	91.8	94.2	(2.6%)
EBIT	**93.0**	**94.3**	**(1.4%)**
Owned	79.3	76.0	4.3%
Leased	13.7	18.3	(25.0%)

The evolution of the hotel management model by revenue source is summarised in the table below:

€ Millions	H1 2025	H1 2024	% Change
lanagement Model Revenues	**247.2**	**220.0**	**12.3%**
Third Parties Fees	29.9	35.5	(15.7%)
Owned &Leased Fees	48.1	44.5	7.9%
Other Revenues	169.2	140.0	20.8%
BITDA Management Model	**67.4**	**61.9**	**8.9%**
BIT Management Model	**65.4**	**60.5**	**8.2%**

Regarding Other businesses linked to the hotel management, the evolution has been the following:

€ Millions	H1 2025	H1 2024	% Change
Revenues	48.5	51.5	(5.8%)
EBITDAR	3.1	3.0	0.5%
EBITDA	2.9	2.9	1.0%
EBIT	2.4	2.3	4.7%

Occupancy rates, ARR and RevPAR by business model, are broken down in the table below, including the (%) change compared to the same period last year:

	OWNED & LEASED					
	Occupancy		ARR		RevPAR	
	%	Chg.(Pts)	€	% Change	€	% Change
al Hotels	69.6%	0.8	171.0	3.6%	118.9	4.9%
America	66.0%	(0.8)	169.0	3.5%	111.5	2.3%
EMEA	69.6%	2.8	177.3	0.7%	123.3	4.9%
Spain	71.4%	0.2	167.8	5.9%	119.9	6.3%

Available Rooms in H1 2025 for Owned & Leased hotels were 4.903 millions (4.872 millions in H1 2024) in PA

	OWNED,LEASED & MANAGED					
	Occupancy		ARR		RevPAR	
	%	Change (Pts)	€	% Change	€	% Change
›tels	60.0%	(0.1)	139.7	4.9%	83.8	4.7%
America	61.5%	(0.2)	159.5	2.5%	98.0	2.2%
EMEA	66.4%	2.1	180.6	1.9%	119.9	5.3%
Spain	71.1%	1.2	153.9	10.1%	109.4	12.0%
Cuba	39.4%	(2.9)	80.4	(10.2%)	31.7	(16.3%)
Asia	52.3%	0.0	82.2	0.4%	43.0	0.4%

Available Rooms in H1 2025 for Owned,Leased & Managed hotels were 12,371k (12,911k millions in H1 2024) in PAG

The number of hotels and rooms by business model at the end of the first half of 2025 and year 2024 is as follows:

	Current Portfolio			
	30/06/2025		31/12/2024	
	Hotels	Rooms	Hotels	Rooms
Global Hotels	365	93,350	362	93,982
Owned	39	12,148	40	12,193
Leased	85	19,936	85	19,401
Management	167	45,295	168	46,745
Franchise	74	15,971	69	15,643

On the other hand, the hotel pipeline for the upcoming years is as follows:

	Pipeline									
	2025		2026		2027		Onwards		Total	
	Hotels	Rooms	Hotels	Rooms	Hotels	Rooms	Hotels	Rooms	Hotels	Rooms
lobal Hotels	13	1,593	24	3,514	12	2,561	21	5,286	70	12,954
Leased	1	68	0	0	0	0	0	0	1	68
Management	7	1,052	17	2,546	5	1,526	17	4,668	46	9,792
Franchise	5	473	7	968	7	1,035	4	618	23	3,094

The first half of 2025 maintains a positive outlook thanks to robust demand in both the holiday and corporate segments. Despite a less dynamic events calendar in some regions, both leisure and corporate clients continue to prioritise tourism and face-to-face interactions. Our positioning advantage in the leisure and bleisure segments has allowed us to capitalise on these trends, with increased RevPAR figures in most regions. The daily rate of bookings as well as reservation volumes are on a positive trend, consistently above the levels recorded in previous years.

Region-by-region highlights for the first half of the year are as follows:

In **Spain**, our urban hotels saw a positive first half of the year, driven by the opening and repositioning of assets, together with favourable market dynamics. Madrid leads the growth, combining solid leisure demand with an outstanding activity in events and conferences, with FITUR taking centre stage. Barcelona also showed an outstanding evolution, especially thanks to the good performance of the Gran Meliá Torre Melina and the positive effect of the Mobile World Congress. The city of Seville performed well, with increased rates and a good outcome during festivities such as Easter. In the case of Palma, the evolution followed a straight-line trend, although the absence of certain sporadically held conferences or events may have caused a one-time impact.

As for our resort hotels, the first half of the year was positive thanks to the good performance of domestic and international demand alike. The performance of our hotels in the Canary Islands was very positive. In general, events and festivities were favourable, helped by good weather on important dates such as Easter. Promotional campaigns during the year, as well as last year's Black Friday, ensured a good occupancy base, allowing us to prioritise growth in rates for short-notice sales. We must also highlight the positive trend in demand for superior rooms. In terms of channels, we continue to see excellent progress in Direct Clients and Tour Operators, which account for the main increases in absolute terms. In terms of markets, the United Kingdom and Spain continue to be the main source countries, while growth in US customers was consolidated thanks to improved air connections, with a number of key destinations in the country.

In the **EMEA** region, Germany underwent a difficult first half of the year. The absence of major national events, such as the Euro 2024, together with a less dynamic concert calendar as compared to previous years, had an impact on the outcome for the period. Even though occupancy figures did increase, it was at the cost of lower rates. MICE and Corporate demand and, to a certain extent, domestic leisure demand slowed down, partly due to the political instability experienced at the beginning of the year. In addition, the removal of some assets under lease from the portfolio resulted in a reduction in the number of rooms available in the region during the first half of the year.

In France, the first half of the year saw a remarkable performance. On the one hand, the beginning of the period aligned with the reopening of Notre Dame, boosting visits from leisure customers linked to cultural tourism. Later on, the second quarter was also positive, with the biannual Paris Air Show, together with top-level sporting events such as Roland Garros, resulting in an increase in demand. It must be also noted that the previous year was impacted by the works carried out in the city as preparation for the 2024 Olympic Games. By segment, the first half of the year showed a positive performance in all of them, with a notable increase in the number of customers from the United States, with growth in rates as well as in volume.

In the United Kingdom, the first half of the year saw growth compared to 2024, mainly thanks to an increase in occupancy. London hotels led this trend as a result of a favourable combination of major events in the city together with the contribution of leisure and business customers. By segment, Corporate agencies performed well, with a new agreement signed with a leading global airline paving the way for a good base occupancy rate. The other segments experienced organic growth compared to 2024. In contrast, the northern region recorded a somewhat weaker demand.

Italy recorded a positive performance in the first half of the year, with growth in both average rates and occupancy levels. In Milan, the beginning of the year was marked by lower activity in the events calendar, especially in the fashion industry, which has experienced a slight contraction as a result of international tariff pressures. This lower demand was offset by a strategic focus on tour operators and travel agencies, which enabled us to maintain a solid occupancy base. Despite the more moderate context in events, we are firmly committed to the luxury segment in the city, where the Gran Meliá Palazzo Cordusio continues to strengthen its position and contribute to our presence in the sector. In Rome, the first half of the year showed good progress, with a solid performance in both the MICE and leisure segments. The city recorded a significant increase in demand, especially driven by official ceremonies and the exceptional context following the death of Pope Francis. The influx of the faithful, official delegations and international media generated an additional volume of bookings, thus reinforcing occupancy at key times during the period.

In the **Americas**, Mexico's performance during the first half of the year was in line with the previous year. Towards the end of the period, the Paradisus Cancun hotel temporarily closed its operations to undergo comprehensive refurbishment, aimed at enhancing the value proposition in a destination that continues to show a high level of tourist dynamism. The hotel is scheduled for reopening in the second half of 2026. The other hotels in the region operated in a context of relative stability. However, the MICE segment from the United States remained below the levels of the previous year, affected by the uncertainty derived from the electoral process and the subsequent protectionist measures, which have curbed the organisation of events and conventions. In contrast, other segments showed a more favourable evolution. OTAs saw increases in their main accounts, while the direct channel provided the highest average rates in the period, although with a lower volume of bookings.

In the Dominican Republic, the first half of the year closed with a very similar performance to the same period in 2024, with most hotels recording similar results to the previous year, and the US market showing the strongest growth. At segment level, online channels maintained a stable performance, without major variations, while the main disruption took place in the MICE segment, which experienced a drop partially offset by the recovery in the Tour Operator segment. During this period, the ZEL Punta Cana, opened at the end of 2024, continued to strengthen its presence in the market.

In the United States, Orlando displayed a positive performance, even in a context of declining international tourist arrivals. Promotional efforts were focused on boosting last-minute demand in the city, which slightly penalised rates. As concerns New York, the destination performed positively in terms of both rates and occupancy. By segment, Direct Customers fell slightly, although they continue to be one of our main revenue generators, along with OTAs.

In **Asia**, the Chinese hotel industry recorded a year-on-year decline in revenues, with rates and occupancy under pressure, especially in urban sites. Although international tourism was helped by visa relaxation, weak domestic demand for corporate travel limited the recovery, with demand mostly concentrated in leisure. The first half of 2025 showed solid year-on-year growth in Southeast Asia, with sustained recovery mainly in Vietnam, especially in beach resorts and leisure destinations. A shift in traveller behaviour was observed, with longer stays and smaller groups. Factors such as the easing of entry requirements, together with increased and improved international air connectivity, supported this growth.

In **Cuba**, the situation of the region remains challenging. The stagnation of energy supply issues and the difficulties faced by imports have created challenges that are complex to solve. This, added to ongoing negative campaigns on social media in relation to the shortage of supplies and alleged security risks, has had a direct impact on the destination's appeal. For this reason, certain tour operators have cancelled their operations there, which in turn has reduced air connectivity. This lower influx of tourists, coupled with the operational complexity of the region, has led to significant decreases in occupancy figures and rates. As a positive note, the Canadian market maintained air connectivity throughout the period, while markets such as Colombia even increased it.

Outlook

Once again, and consistently over the past years, the outlook for the summer season is positive. The main indicators suggest that Spain will break records in international arrivals for the second year in a row, consolidating its position as a leading destination. The real challenge, however, lies in maintaining the pace of transformation of the tourism model by focusing on an offer with greater added value that combines experiences in the local setting and superior catering proposals.

Thanks to our repositioning efforts and ongoing commitment to enhancing our Portfolio, Meliá Hotels International takes on these endeavours with the confidence that we have the means and the right people to succeed.

In general, on-the-books reservations in resort hotels for this new season remain above mid-single digits compared to last year. In the events sector, despite not having the Olympic Games or the European Football Championship this year, the commercial approach is to capitalise on our traditional segments. In some regions, occupancy figures are expected to reach levels similar to pre-pandemic figures, focusing growth on the improvement of average rates. An existing lever with great potential is the sale of superior rooms, which continues to maintain a positive trend and leaves room for growth throughout the season.

By region, the outlook is as follows:

In **Spain**, our resort hotels anticipate a positive season, with a normalisation of growth. In this regard, the marketing of superior rooms shows good prospects both in terms of rates and sales. Our hotels in the Balearic and Canary Islands account for the strongest increases, driven by Tour Operators and Direct Clients, following a WonderWeek promotional campaign that allowed for solid advance sales, which in turn opens up the possibility of rising rates for last-minute sales. By nationality, the UK and Spain remain as the main markets, with the highest nominal growth.

In our urban hotels, the outlook for the third quarter is positive, with growth in both rates and occupancy. These good prospects are supported not only by solid tourist arrivals statistics, but also by the new openings and reopenings we have recently carried out, such as Madrid Valdebebas or Casa de las Artes Meliá Collection, which is making progress in strengthening its position in the market. By segment, Direct Clients stand out as the main one, with a growing share for Tour Operators, too. In terms of major events, Madrid will host an important conference in August and the Fruit Fair in September, both with good prospects.

In **EMEA**, Germany maintains the trend seen to date. The absence of large concerts or the Euro 2024 will negatively impact performance compared to the previous year, although seasonal events will contribute to stabilise overall performance. Commercial actions for the time being focus on promotions and early booking offers to generate higher baseline occupancy.

In France, there is a relevant effect caused by the hosting of the 2024 Olympic Games, making comparisons with other periods difficult due to the volume of bookings and the increase in rates generated by the event. Occupancy for this third quarter will be higher, returning to rates similar to those recorded in the last comparable summer of 2023. The reactivation of channels such as Tour Operators will be positive during the quarter. In September, the start of the business season will coincide with the organisation of an important medical congress in the city.

In the United Kingdom, there are good prospects for the third quarter, which is expected to outperform last year's results in London, as well as in the rest of the country. The quarter will be driven by demand associated with events and concerts by major artists, especially in the capital and Manchester, as well as a solid base of group business and good momentum in the leisure segment. However, macroeconomic uncertainties persist in key source markets such as the US and the Middle East, and growth in these countries is not expected.

In Italy, the start of the third quarter in Milan was in line with the previous year, with positive impacts in September with the Formula 1 Grand Prix and other events, which offset the absence of non-recurring groups. In Rome, the domestic and European market is expected to perform well, as opposed to a reduction in bookings from US customers for the time being.

In the **Americas**, Mexico anticipates growth for the quarter, thus buffering the impact of the closure of Paradisus Cancun. Tour Operators are leading the growth, with an additional component of strength based on rates rather than volume. While the trend is positive, trade tensions and changes in US tariff and tax policies continue to affect US demand. This effect continues to be seen in the MICE segment, which has not recovered the volume lost.

In the Dominican Republic, growth is expected for the quarter, although there is a concentration of short-term sales. Enhanced air connectivity and a reduction in ticket costs are generating greater penetration for Latin American markets. In addition, the growth in European source countries is also noteworthy, especially Spain, which has become the second largest outbound market and the one with the highest growth. We expect the new Zel Punta Cana to make progress in establishing itself in the market and to lead growth in this quarter. By segment, growth is supported by Tour Operators, with a better book position than last year, while short-term sales should favour conversion through Online channels.

In the United States, Orlando still faces some of the challenges of the previous quarter, in particular the lower number of international travellers. The focus will be on increasing occupancy. In addition, we are entering the tropical storm season in the region, which may cause disruptions to air operations. In New York, the summer is showing more subdued trends, with an expected decrease in international travellers affecting both occupancy and rates. However, the on-the-books position is strong. One-off events such as the FIFA Club World Cup has generated a large influx of travellers.

In **Asia**, the third quarter of 2025 in China is expected to outperform the same period last year, fuelled by strong demand for summer holidays. The rise in family, education and independent travel is offsetting declines in traditional group tourism. Occupancy is improving especially in leisure destinations, while urban destinations see a more limited recovery. In Southeast Asia, demand is expected to improve year-on-year, especially in Vietnam, Malaysia and Indonesia, driven by summer travel trends and the return of family and group tourism. However, recovery in Thailand remains constrained by reduced arrivals from China, affecting key beach destinations.

In **Cuba**, the scenario for the third quarter is still unfavourable compared to the same period last year. The objective will be to strengthen the Canadian and local markets in order to recover the number of stays, in the face of a decline in air connections with other countries. The opening of the Gran Bristol Habana in July is also worth highlighting.

Other Businesses

Circle by Meliá

Starting in 2025, and as a result of the product's recent developments, the information relating to Circle by Meliá has been included in the Hotel Business segment, consolidating its role as an additional strategic distribution channel that works similarly to an internal tour operator, and also as a growth lever for the loyalty programme. During the first half of the year, sales continued to perform well, reinforcing its contribution especially in key destinations such as Punta Cana and Mexico. In Spain, Circle by Meliá's sales volume continues to grow thanks to the new points of sale that were recently opened.

From an accounting standpoint, it continues to be reported in accordance with IFRS 15, recognising revenue associated with the holiday business based on the degree of fulfilment of contractual obligations. This allows for an accurate depiction of the nature of the model and the evolution of Members' reservations, which continue to show a positive year-on-year trend.

Real Estate Business

During the first half of the year, net capital gains of EUR 4.5 million were recorded, mainly corresponding to the completion of successive phases of the sale of land and other non-hotel assets located in Brazil. For comparison purposes, the amount recorded in the same period of the previous year amounted to EUR 2.6 million.

The most relevant corporate transactions carried out during the period include the following:

On 31 May 2025, there was a corporate transaction resulting in the Group owning 30% of two hotels (Sol Tenerife and Innside Palma Bosque), with Banca March owning the remaining 70%, thereby expanding the strategic relationship between the two entities. The transaction and adjustments to the stakes previously held by the Group in both assets through the corresponding subsidiaries made it possible to complete the transaction with a neutral cash impact.

In another unrelated transaction completed on the same date, the Group acquired the remaining 50% of Sierra Parima, which holds the rights to operate a tourist park complementary to the hotel business, located in the Dominican Republic. The transaction amounted to USD 500, generating a positive impact on the income statement under Other Financial Results in the amount of EUR 10.7 million. In addition, the integration of this subsidiary into the consolidation perimeter led to a EUR 6.1 million increase in bank debt.

Moreover, during the period, the Company returned the USD 30 million it had received in 2023 as part of an asset rotation transaction. This transaction involved the sale of 50% of the share capital of a subsidiary that owns a hotel in Mexico. Although the agreement with the investor was executed in January 2024, effectiveness was conditional upon obtaining certain authorisations from the Mexican competition authorities. In view of the delays in obtaining these authorisations, the parties agreed to cancel the transaction and proceed with the full reimbursement of the amount received.

In relation to asset refurbishment, improvement works on the Paradisus Cancun hotel in Mexico began in June 2025. This is one of the destination's flagship assets, with approximately 700 rooms. The total cost of the project is estimated at USD 50 million. The hotel will be closed for around 12 months, with reopening scheduled for the second quarter of 2026 as a completely renovated hotel.

Following the end of the half-year, on 15 July 2025, a 50% stake in the Paradisus Salinas hotel was purchased from Victoria Hotels Resorts, S.L. for EUR 36.5 million, and this asset is therefore accounted for using the full consolidation method. After being repositioned, this hotel located on the island of Lanzarote expanded the presence of Paradisus in Spain, becoming the brand's second hotel to arrive in the Canary Islands. Meliá Hotels International sees the expansion of the Paradisus brand beyond the Caribbean as a strategic move. This transaction allowed the management agreement for the hotel to be restarted for a further 30 years.

In total, Paradisus will have almost 1,000 rooms in the Canary Islands this year, in yet another sign that the Group is committed to promoting quality tourism in an archipelago with many strengths.

3. Non-Financial Information

Milestones & Awards

- Launch of new strategic vision for 2025-2027: "Travel for Good"
- Restructuring of the Sustainability Committee
- Emissions offsetting under Road to Net Zero Events
- Renewal of Sustainable Tourism Certifications
- 50% of the Board of Directors are women

Evolution of Key Indicators

ENVIRONMENT					
Gross emissions (Scope 1&2) Location Based	tCO2eq	85,950	88,378	-2.75%	-4.20%
Gross emissions (Scope 1&2) Market Based	tCO2eq	64,721	68,021	-4.85%	
Electrical energy intensity per stay	Kwh/ stay	19.27	20.02	-3.75%	
Thermal energy intensity per stay	Kwh/ stay	18.21	18.94	-3.85%	
Renewable energy consumption	%	32.75%	30.94%	1.81	
Water consumption per stay	M3/ stay	0.65	0.76	-13.89%	
Recycling rate	%	22.12%	23.73%	-1.61	
SOCIAL					
Average Workforce	FTE`s	18,649	18,084	3.12%	
Women in junior executive positions (*)	%	44.8%	45.6%	-0.80	
Temporary contract	%	13.33%	13.20%	0.13	
Full time contract	%	97.99%	97.52%	0.47	
Hirings	Nº	4,477	4,592	-2.50%	
GOVERNANCE					
Female members of the Board of Directors	%	50%	45%	4.55	
Purchase Volume	M€	246,704	203,722	21.10%	
Active Suppliers	Nº	4,592	4,067	12.91%	

(*) It refers to front-line managers, junior managers, and the lowest level of management within a company's management hierarchy. These individuals are typically responsible for steering and executing the day-to-day operational objectives of organizations, conveying the directions provided by senior officials, and managing subordinate staff.
(**) Average annual emissions reduction target, aligned with SBTi.

TRAVEL FOR GOOD – A new strategic vision

We started 2025 with a new strategic vision for 2025-2027 under the Travel for Good programme, an essential component of our sustainability strategy. As a European and worldwide leader in the industry in terms of sustainability, and after seven consecutive years being included in the S&P Sustainability Yearbook, both globally and in Europe, Meliá wishes to continue advancing its commitments and maximising its positive impact on the environment, the people, and the entire value chain.

Travel for Good is also a positioning and communication framework operating across three dimensions: Environment, People & Society, and Corporate Governance. As our sustainability strategy becomes more ambitious, Travel for Good must be strengthened and progressively integrated into our business globally, thus framing the narrative and supporting the momentum and recognition of commitments and progress around three pillars:

- **Good for the Planet (E)**, because we want to build a more sustainable future for the tourism industry through actions that minimise our environmental and water footprint and promote a transition towards circular hospitality, while preserving biodiversity and ecosystems in the destinations where we operate.
- **Good for the People (S)**, because our employees are at the heart of our business and we are committed to their well-being and professional development, providing decent employment and promoting equality, diversity, and social integration wherever we operate.
- **Good Governance (G)**, because as a family-owned company, our business project is based on our corporate values and our Code of Ethics, with responsibility guiding our conduct throughout our entire value chain.

During the first half of the year, we made progress in all three areas, as detailed below for each of them.

GOOD Governance

Changes in the Composition of the Board of Directors

The following changes to the composition of the Board of Directors were undertaken during the first half of 2025:

- Appointment of Ms Montserrat Trapé Viladomat as First Vice-Chairwoman of the Board of Directors.
- Appointment of Ms Cristina Aldámiz-Echevarría González de Durana as Second Vice-Chairwoman of the Board of Directors.
- Ratification and re-election of Mr Cristóbal Valdés Guinea as an External Independent Director.
- Ratification and re-election of Ms Mercedes Escarrer Jaume as an External Proprietary Director.
- Re-election of Ms Carina Szpilka Lázaro as an External Independent Director.

The Company has achieved 50% female representation on its Board of Directors (exceeding the 40% target set by the Diversity Policy) and 50% independent directors, thereby complying with the recommendations of the CNMV's Code of Good Governance for Listed Companies regarding the independence and diversity of the Board of Directors.

General Shareholders' Meeting

This year, attendance to the General Shareholders' Meeting rose once again, going from 80.60% in 2024 to 82.50% of the share capital with voting rights.

On 8 May 2025, the General Shareholders' Meeting approved the proposal for dividend payout from voluntary reserves.

At this General Shareholders' Meeting, the appointments of Ms Mercedes Escarrer Jaume and Mr Cristóbal Valdés Guinea were ratified, and the re-election of External Independent Director Ms Carina Szpilka Lázaro was approved. The Meeting also renewed the delegation of authority to the Board of Directors for the purchase of treasury stock, and approved a medium-term remuneration system for the executive director, senior management, and other professionals within the Group, linked to the share price, among other parameters.

Sustainability Governance

On 27 February 2025, the Board of Directors approved the update to the Privacy Policy. The Privacy Policy establishes the principles and commitments assumed by the Group regarding the protection of information and personal data, reinforcing our commitment to transparency.

The Policy was also expanded to include obligations for individuals and legal entities linked to the Group, in line with the Corporate Sustainability Reporting Directive (CSRD).

Furthermore, as part of its efforts to adapt to the newest sustainability regulations, the Group will undertake a review of various policies related to this area, in accordance with the results of the Double Materiality exercise.

New Sustainability Committee

Following the organisational changes that took place last year, whereby responsibility for sustainability was assigned to the Chief Real Estate Officer, the Company has updated its governance model, as well as the functions and composition of the Sustainability Committee, which was established in July 2020.

As the highest governing body for sustainability, reporting to the Management Committee and the Appointments, Remuneration and Sustainability Committee, all of its permanent members are professionals with recognised experience or knowledge in this field.

Chairman: Chief Real Estate Officer.

Vice-Chairman: Sustainability VP.

Members
VP Hotels Operations Spain & Latam.
Organization & Compensation VP.
Corporate Communication & Institutional Relations Senior Director.
Strategy & Digital Transformation Director.

Its main functions include promoting and monitoring progress in initiatives and projects related to the Group's global sustainability strategy, ensuring their implementation across the entire portfolio of owned and leased properties (global integration) and, to the extent possible, in managed hotels.

In order to promote progress and the commitments made by the Group in this area, we have created specialised working groups led by the person responsible for each area concerned, with the mission of designing, developing, and implementing the necessary initiatives and projects. It is also key to ensure the involvement, whether occasional or permanent, of all areas that, due to their function or competence, should participate, with the aim of securing a comprehensive view of the matter and minimising any risk during the design and implementation stages.

The Committee held 5 sessions during this first semester.

ESG Risk Management

During the first half of 2025, following the first double materiality analysis carried out last year, and as part of its update process, the Risk Map was aligned with the IROs that were considered relevant, integrating them into our catalogue for annual assessment.

On the other hand, in terms of internal controls, we continue to make progress in our commitment to strengthen our internal control systems for both financial and sustainability reporting (ICFR and ICSR) by reviewing and updating processes and risk & control matrices linked to ICFR and ICSR, and identifying and creating new processes, where appropriate, for subsequent evaluation and reporting to the Auditing and Compliance Committee.

Ethics & Corruption

The complaints received through our reporting channels (employees and third parties) show a very similar pattern to last year, and remain stable since the enactment of Law 2/2023, regulating the protection of persons who report regulatory violations and corruption, which led to an increase in the number of complaints received because it opened up reporting channels to any third party.

In this regard, the 47 complaints admitted during the first half of 2025 (compared to 50 admitted in the first half of the previous year), include 30 complaints from employees, most of them referring to purely labour-related matters. The remaining 17 complaints were mostly from customers and were generally referred to operational incidents that occurred during their stay at the hotel. None of the 47 complaints admitted refer to corruption issues.

Supply Chain

Last year, we launched a pilot programme covering a total of 70 suppliers in Mexico and Spain with the aim of identifying ESG risks associated with the supply chain. During the first half of this year, the Group has designed a new ESG criteria assessment questionnaire, which has been sent to more than 3,000 suppliers worldwide, reinforcing sustainability criteria in the supplier approval process. This will strengthen the due diligence process that Meliá already conducts when registering a new supplier.

GOOD for the Planet

Progress in the Fight Against Climate Change and Environmental Issues

The Group continues to work to reduce its energy and water consumption and minimise its carbon footprint through different levers, with the aim of achieving its emissions reduction targets, in line with the SBTi initiative.

- Energy and water efficiency.
- Increase of the emissions mix: fuel switching, electrification and photovoltaic installations.
- Identification of opportunities to procure guarantees of origin (GO).

During the first half of this year, the Group expanded its photovoltaic plant at the Paradisus Palma Real hotel, once again in collaboration with CEPM (Consorcio Energético Punta Cana), a private company in the electricity sector in the Dominican Republic, with the aim of increasing its production capacity by approximately 2,400,000 kWh/year, which will enable savings of EUR 250,000/year.

With an installed capacity of 1,499 kWp, covering an area of 18,000 m2, this investment will enable us to produce 2,483,000 kWh per year, offsetting around 10% of the total annual energy consumption of our hotel complex in the Dominican Republic.

Energy Monitoring System (CO_2perate Project)

As part of the CO_2perate project, aimed at improving energy efficiency and operational sustainability, a new comprehensive energy monitoring system has been implemented in collaboration with Repsol, using the Smarkia digital platform (formerly known as Plataforma Viesgo).

The project has been implemented in a total of 54 hotels, representing a key step towards advanced, centralised, and data-driven energy management.

Its main objective is to improve energy efficiency and optimise electricity consumption in hotels through a centralised monitoring system. The solution enables informed decisions to be made thanks to access to real-time data, smart alarms, and energy simulations, directly contributing to the Group's sustainability goals.

This new deployment is fully integrated into the CO_2perate project roadmap and provides the organisation with a digitised, robust, and scalable energy ecosystem capable of adapting to the operational needs of each establishment. Its progressive and modular implementation allows for progress towards more efficient energy management, greater control over consumption, and key support in technical and economic decision-making.

Water Footprint

During the first half of this year, the MAGNUM project has continued to make progress toward its goal of transforming water management. The installation and connection of smart meters at the Gran Meliá Palacio de Isora hotel (pilot hotel) has been successfully completed, enabling real-time integration of water consumption data into the MAGNUM platform.

In addition, training of artificial intelligence models for leak and anomaly detection has been completed, which will enable more efficient consumption management thanks to increased data collection and frequency. At the same time, the automated calculation layer for direct and indirect water footprints has been completed and integrated into the designed tool, as an essential part of the project.

As a new feature, a project has been launched to analyse our guests' behaviour at the Palacio de Isora hotel, with the aim of raising awareness about the importance of reducing our water footprint, especially in water-stressed settings. These actions are being monitored in pilot rooms equipped with individual meters, which will enable real-time analysis of the effectiveness of each initiative.

An ESG-Certified Portfolio

For the second consecutive year, Meliá Hotels International has renewed, across 87.2% of its hotel portfolio, its sustainability certification from Ecostars, a sustainability certifier specific to the hotel industry that awards eco-stars based on environmental impact, energy efficiency, water management, waste management, carbon emissions, and sustainable procurement, all in line with GSTC[1] criteria. Furthermore, 23.85% of our certified portfolio has delivered improved results compared to the previous certification period.

Waste Management & Circular Economy

With the aim of consolidating a waste control, management, and measurement model, the Group has strengthened its environmental area to reduce waste estimation ratios, assure processes, and improve the results of the relevant indicators. These new additions will also help identify training needs for teams and best practices in this area.

Meliá continues to identify various initiatives to promote progress in circular economy projects, which in many cases require the involvement and drive of local teams to identify opportunities at a local or national level. Some of these actions involve the partial recovery of the waste generated or the reuse of certain items, thus extending their useful life, e.g. by recycling oil or selling organic waste in all our hotels in the Dominican Republic for use as livestock feed.

The Group also works with Gravity Wave, a company that removes plastic nets found in the Mediterranean, with the support of fishermen, and transforms them into recycled materials. They then sell the items made from this plastic to partner entities. In particular, Meliá purchases some of these items for use in the hotel and also acquires sculptures, in collaboration with an artist. Currently, 21 hotels located in Spain and Europe have joined this project.

Biodiversity & Ecosystems

Mexico and the Dominican Republic are two destinations committed to the care of their natural capital. We work in coordination with governmental entities specialised in this field to preserve the environment, joining initiatives such as the National Plan for Reforestation and Restoration of Forest Ecosystems in the Dominican Republic. In the first half of the year, 1,500 trees were planted, with a commitment to planting 3,000 trees during the year.

Also, in collaboration with Mexican institutions, an area of 200 m2 was reforested with the aim of restoring the coastal dunes, with the participation of our people at Paradisus Playa del Carmen.

During this first half of the year, we have revalidated our Blue Flag recognition, both for the beaches of the Dominican Republic and for the beach of ME Cabo hotel (Mexico). This is a voluntary and globally recognised certification for beaches, marinas and sustainable tourism vessels which attests to ongoing compliance with a number of strict environmental, water quality, educational, safety and accessibility criteria.

Offsetting Emissions

The Road to Net Zero Events project embodies Meliá's commitment to raising awareness among our customers about the environmental impact generated by a given event. Through this programme, the Group measures the carbon footprint of accommodation, use of meeting rooms, and food and beverage services for contracted celebrations and events. During 2024, we covered a total of 3,945 events held in 37 iconic MICE-segment hotels across 9 countries.

The Group then proceeds to offset the carbon footprint generated, if the customer does not express a desire to do so among the alternatives offered. Under this concept, the Group has offset a total of 5,337.69 tCO_2e by purchasing carbon credits on the Climatetrade platform, which will be used to finance a clean energy project in the Dominican Republic, one of the Group's most important destinations within the groups and conferences segment.

[1] The Global Sustainable Tourism Council (GSTC®) manages the GSTC Standards (formerly known as the GSTC Criteria), the global standards for sustainable travel and tourism, and provides international accreditation to sustainable tourism certification bodies.

GOOD FOR THE PEOPLE

People & Talent

In a global environment where attracting and retaining talent has become a key factor in competitiveness, Meliá reinforces its commitment to people. Through a strategy focused on promoting development and training initiatives, commitment to well-being, and connection with the community, we seek to generate a positive impact, both among our employees and in the regions where we operate, in order to position ourselves as a benchmark in responsible and humane talent management in the tourism sector.

Average workforce by gender and category

GENDER	H1	MANAGEMENT STAFF	MIDDLE MANAGEMENT	CORE STAFF	TOTAL
M	2025	152	1,484	8,281	9,917
	2024	161	919	8,616	9,695
F	2025	61	1,326	7,345	8,732
	2024	76	866	7,446	8,389
TOTAL	**2025**	**213**	**2,810**	**15,626**	**18,649**
	2024	**237**	**1,785**	**16,062**	**18,084**

Average workforce by region

REGION	H1	TOTAL STAFF
AMERICA	2025	8,133
	2024	8,238
APAC	2025	55
	2024	54
CUBA	2025	61
	2024	59
EMEA	2025	2,605
	2024	2,331
SPAIN	2025	7,795
	2024	7,401
TOTAL	**2025**	**18,649**
	2024	**18,084**

New recruits

GENDER	H1	MANAGEMENT STAFF	MIDDLE MANAGEMENT	CORE STAFF	TOTAL
M	2025	7	137	2,367	2,511
	2024	7	100	2,357	2,464
F	2025		85	1,881	1,966
	2024	1	68	2,059	2,128
TOTAL	**2025**	**7**	**222**	**4,248**	**4,477**
	2024	**8**	**168**	**4,416**	**4,592**

Excellence in Service

We promote a culture of service in line with the Company's values and standards through Meliá Service Promise, our service manifesto. This is accompanied with the experience-based training approach of our Luxury Standards Training, which seeks to enhance the experience of our luxury brands by consolidating a more humane, friendly, and refined service.

Career Development

We continue to implement career development programmes tailored to each profile and focused on the future needs of the business, from Graduate Programmes, aimed at recent graduates, to the Hotel Management Talent Pool, designed to develop a pool of business leaders.

During this half-year, we launched the fourth edition of our Corporate Talent Pool, a programme aimed at high-potential corporate managers that combines executive training in collaboration with ESADE Business School, individualised coaching sessions, and other development support tools. Programme participants are professionals from different roles and departments within the Group, which enriches collective learning and strategic vision. It is also worth noting that female professionals account for 65% of all participants in the project.

Well-Being of Our Teams

We have strengthened our commitment to the well-being of our teams, focusing our efforts on improving workspaces and working conditions in hotels. During these months, we have undertaken a comprehensive analysis of the situation of these spaces in each establishment, and this will allow us to define specific action plans aimed at their continuous improvement.

On the other hand, our Employee Emotional Support Program (PAE) promotes the psychological and emotional well-being of our employees, facilitating stress and anxiety management, providing support in difficult personal situations, and helping to detect risk factors such as workplace harassment or work overload.

In a similar way, we have promoted the development of emotional skills to strengthen resilience and personal balance in the workplace. This initiative includes 24/7/365 psychological support, access to the Psicoflix platform, and specific webinars for promoting mental health. To date, this has been launched in our corporate offices in Spain and the hotels in the Canary Islands.

The Group was also awarded the ISPA Innovate Award 2024 (Dominican Republic) for its programme in support of the well-being of employees who face the challenge of cancer.

Impact on the Community

With the aim of strengthening our commitment and collaboration with key stakeholders, we have launched the Meliá Bootcamp initiative in Spain, Mexico, and the Dominican Republic. This initiative, aimed at the children and relatives of our employees aged between 15 and 17, seeks to provide tools and knowledge to support them in choosing their future career path.

Awards & Rankings

During the first half of the year, the Group received the following awards and recognitions, in addition to the updated results of the rankings and indexes in which it participates annually.

RECOGNITION	ENTITY	POSITION / AWARD
Leadership & ESG		
Sustainability Yearbok 2025	S&P Global ESG	3rd Most Sustainable Company in the World (1st in Europe and Spain)
MERCO Empresas	MERCO	Spain's most reputable tourism company (Overall ranking #21)
MERCO Responsabilidad ESG	MERCO	Most responsible tourism company in Spain (Overall ranking #17)
World's Most Sustainable Companies	TIME & Statista	Most sustainable hotel company in Europe
Empresa Socialmente Responsable (ESR)	CEMEFI	Recognition for Meliá Hotels International Mexico in the area of sustainability
Environment		
CDP Climate		Score B
Premios Gaudi Gresol	Fundación Gresol	Environment Award
Europe's Climate Leaders	Financial Times & Statista	
Índice Español de Innovación	Universidad Carlos III	Leading Spanish company in social and environmental innovation
Talent & People		
Top Employer 2025	TOP Employer	Top Employers Enterprise Certification (10 countries & Regional Europe and North America)
MERCO Talento Universitario	MERCO	Best Tourism Company to Work For According to University Students (Overall ranking #34)
Mejores Empresas para Trabajar	Forbes	
Internal Comms Awards	Equipos & Talento	Best employer branding campaign
Government & Compliance		
ECOVADIS		Bronze position (+6 points vs. 2024)
Compliance Awards	Expansión	Best practices (not Ibex)
Compliance Awards	Expansión	Most innovative company

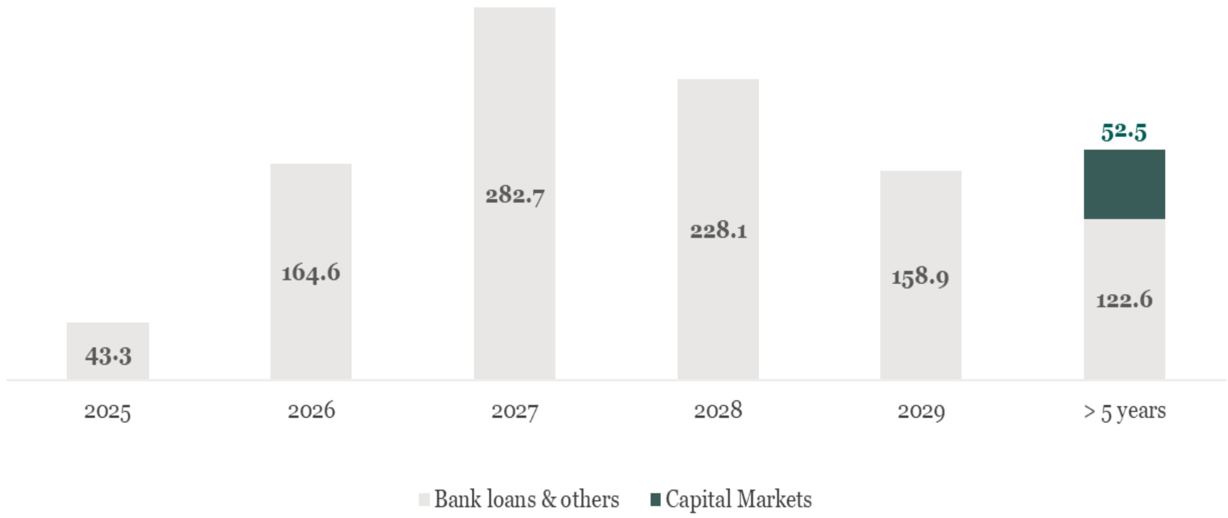
4. Liquidity and Capital Resources

At the end of June, net debt stood at EUR 2,208.4 million, representing a reduction of EUR 28.2 million during the first half of the year. During the same period, net financial debt excluding leases fell by EUR 17.5 million to EUR 755.2 million.

Following the debt reduction achieved in 2024 thanks to operating cash flow generation together with strategic asset rotation transactions, the Company's debt level remains stable. The objective is to maintain stability in leverage levels in order to flexibly address opportunities for growth and repositioning of the hotel portfolio. At present, there are no additional asset rotation transactions planned for the 2025 financial year.

The Company has the following maturity schedule, excluding drawn policies and European Commercial Papers (ECPs):

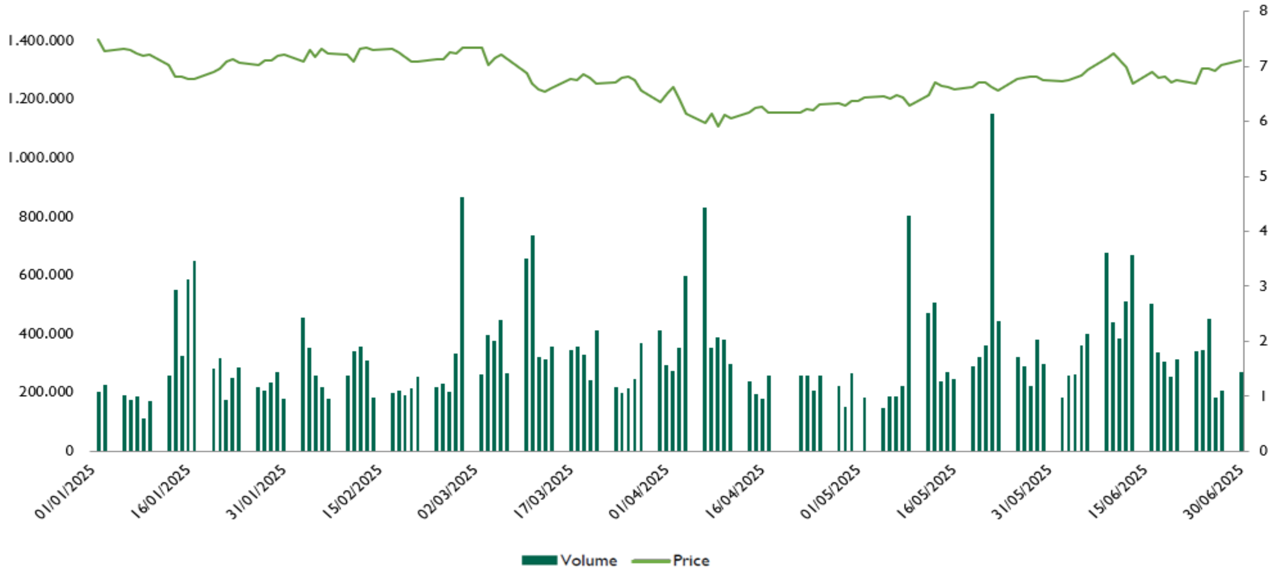
(Thousands €)	2025	2026	2027	2028	2029	> 5 years	TOTAL
Bank loans & others	43.3	164.6	282.7	228.1	158.9	122.6	1,000.1
Capital Markets						52.5	52.5
TOTAL DEBT (no policies and ECP)	43.3	164.6	282.7	228.1	158.9	175.1	1,052.6



5. Other Information

Stock Market Information

The following table shows the evolution of Meliá's stock price during the first half of 2025:



	Q1 2025	Q2 2025	2025
Average Daily Volume (Thousand Shares)	307,3	346,23	326,61
Melia performance	-13.92%	12.15%	-3.46%
IBEX 35 performance	13.29%	6.52%	20.67%

	H1 2025	H1 2024
Number of Shares (Millions)	220.40	220.40
Average Daily Volume (Thousand Shares)	326.60	489.20
Maximum Share Price (euros)	7.48	8.12
Minimum Share Price (euros)	5.92	5.80
Last price (euros)	7.11	7.67
Market capitalization (million euros)	1,567.0	1,689.4

Data source: Factset

Dividend Policy

On 28 February 2025, the Board of Directors agreed to propose to the General Shareholders' Meeting a gross dividend of EUR 0.1436 per share. On 8 May 2025, the General Shareholders' Meeting agreed, by a large majority, to pay this dividend out of voluntary reserves. The amount was paid on 9 July 2025, representing a payout ratio of 22.5% of the 2024 consolidated result, up from 17.5% in the previous financial year.

Environmental Risks

The fight against climate change, the environment protection and the responsibility assumed to address the risks and opportunities arising from climate change are the priority strategic lines of the Group's commitment to sustainability and the protection of tourist destinations. For this reason, the Group continues to promote an efficient and responsible hotel management model, both in the consumption of resources and the minimisation of the impact of its activity, and incorporates ESG risks arising from climate change into its Global Risk Map.

In terms of climate change mitigation, the Group drives three major levers with the aim of facilitating the decarbonisation of its business model: firstly, the optimisation of energy consumption, with initiatives such as the implementation of environmental monitoring, control and management systems, the integration of sustainable criteria in new building processes, among others. Secondly, the migration towards renewable energy sources, with actions such as the installation of photovoltaic panels and the contracting of renewable guarantees, etc. and thirdly, raising awareness of our value chain by offering sustainable products and services for hotels under management.

In terms of risk management and adaptation, the Group has updated and deepened the analysis carried out in 2021 based on the guide of recommendations prepared by the Task Force on Climate Related Financial Disclosure (TCFD). Thus, it has not only extended the assessment to the entire portfolio of owned and leased hotels, but has also included the methodologies proposed in the new regulatory reporting framework. In the short term, the Group has developed a set of preventive measures, such as specific protocols and continuity plans to manage extreme weather events (heavy rainfall, hurricanes or exposure to extreme temperatures) that will complement future adaptation plans.

6. Events after the Reporting Date

On 15 July 2025, 50% of Crisalian, S.L., which owns a hotel in the Canary Islands, was acquired from Victoria Hotels Resorts, S.L. for EUR 36.5 million and, consequently, this company is now accounted for using the full consolidation method.

PREPARATION OF THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS AND MANAGEMENT REPORT FOR THE FIRST HALF OF YEAR 2025

CERTIFICATE OF PREPARATION OF FINANCIAL STATEMENTS. I, the Director-Secretary of the Board of Directors of MELIÁ HOTELS INTERNATIONAL, S.A., hereby issue this certificate to place on record that at the meeting of the Board of Directors of the Company held on 30 July 2025 (Wednesday); previously convened in a proper and timely manner and according to the provisions of Article 35 and related articles of the Company Bylaws and Article 17 and related articles of the Regulations of the Board of Directors; with address/head office for this purpose in the registered office at Calle Gremio Toneleros, No.24 of E-07009-Palma (Majorca), the attached condensed consolidated interim financial statements and condensed consolidated interim management report have been prepared and approved unanimously by all the members of the Board of Directors.

The said document (the Condensed Consolidated Interim Financial Statements and the Condensed Consolidated Interim Management Report) is issued in 43 sheets (pages from 1 to 43) and has been signed electronically by me, the Secretary of the Board of Directors.

In witness whereof and for all pertinent legal and formal purposes, I, the Secretary, hereby certify the above information in Palma on 30 July 2025.

Ltdo. Luis Mª Díaz de Bustamante y Terminel
Director-Secretary of
MELIÁ HOTELES INTERNATIONAL, S.A.