Meliá Hotels International, S.A.

Financial Statements for the year ended 31 December 2024 and Directors' Report, together with Independent Auditor's Report

Translation of a report originally issued in Spanish based on our work performed in accordance with the audit regulations in force in Spain. In the event of a discrepancy, the Spanish-language version prevails.

Deloitte.

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INDEPENDENT AUDITOR'S REPORT ON FINANCIAL STATEMENTS

To the Shareholders of Meliá Hotels International, S.A.,

Report on the Financial Statements

Opinion

We have audited the financial statements of Meliá Hotels International, S.A. ("the Company"), which comprise the balance sheet as at 31 December 2024 and the statement of profit or loss, statement of changes in equity, statement of cash flows and notes to the financial statements for the year then ended.

In our opinion, the accompanying financial statements present fairly, in all material respects, the equity and financial position of the Company as at 31 December 2024, and its results and its cash flows for the year then ended in accordance with the regulatory financial reporting framework applicable to the Company (identified in Note 2.1 to the accompanying financial statements for 2024) and, in particular, with the accounting principles and rules contained therein.

Basis for Opinion

We conducted our audit in accordance with the audit regulations in force in Spain. Our responsibilities under those regulations are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report.

We are independent of the Company in accordance with the ethical requirements, including those pertaining to independence, that are relevant to our audit of the financial statements in Spain pursuant to the audit regulations in force. In this regard, we have not provided any services other than those relating to the audit of financial statements and there have not been any situations or circumstances that, in accordance with the aforementioned audit regulations, might have affected the requisite independence in such a way as to compromise our independence.

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

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.
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Key Audit Matters

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

Impairment test on assets associated with the hotel activity

Description	Procedures applied in the audit
As described in Note 1 to the accompanying financial statements, the Company engages in the management and operation of hotels (owned, leased, managed and franchised) in Spain, and has assets associated with the hotel activity and related activities, including property, plant and equipment, intangible assets and investment property with an aggregate carrying amount of EUR 396 million at 31 December 2024, in relation to which it had recognised a provision for onerous hotel leases amounting EUR 12 million at the same date. At least at each year-end Management performs an impairment test in order to determine the recoverable amount of these assets. In relation to the owned hotel assets, including investment properties, the Company has used third parties outside of the same as experts to determine their fair value, for which they have used methodologies and valuation standards widely used in the market.	Our audit procedures included, among others, evaluating the accounting policies for determining the recoverable amount of the assets associated with the hotel activity described in Notes 2.4, 4.4 and 4.10 to the accompanying financial statements for 2024, in order to evaluate their consistency with the applicable regulatory financial reporting framework. Also, in order to identify possible bias in Management's assumptions, we retrospectively reviewed the estimates made in the previous year, evaluating the degree to which they were realised, as well as those made in prior years, checking them against historical information.

Impairment test on assets associated with the hotel activity

Description

For each cash-generating unit ("CGU") under lease, the Company's Management has calculated the value in use of each of them based on the estimated generation of future cash flows, considering economic and geopolitical aspects, and applying growth and discount rates adjusted to Spain.

As a result of the test performed, a net expense was recognised under "Impairment and profit/(loss) on disposals of fixed assets" in the accompanying statement of profit or loss for 2024, totalling EUR 2.5 million, and the balance of the provision for onerous hotel leases has been reversed by EUR 0.7 million.

In this context, the circumstance described represents a key audit matter, given the significance in the balance sheet of the carrying amount of the assets related to the hotel business and given that the valuation methods used require the application of relevant estimates with a significant degree of uncertainty such as certain operating assumptions, such as occupancy rate and revenue per available room, and financial assumptions such as the discount rate, the long-term growth rate and, in the case of owned assets, the exit yield.

Procedures applied in the audit

We have obtained the valuation reports of the experts hired by the Company for the valuation of its owned assets, evaluated their competence, capacity and objectivity, as well as the suitability of their work to be used as audit evidence. We have also obtained the determination of the value in use of the CGUs of leased assets carried out by the Company's Management. In both cases, we have verified their arithmetic correctness and the adequacy of the valuation methodology used in each case, with the collaboration of our internal valuation specialists.

On a sample of assets, we have evaluated the consistency of their main operating hypotheses with the latest budgets approved by the Company's directors adapted to the circumstances of the market in which it operates, and their reasonableness compared to historical hotel data and macroeconomic and sector forecasts.

In addition, we have analysed the reasonableness of the long-term discount rates and growth rates and, for the assets owned, the exit yields applied, with the collaboration of our valuation specialists, and reviewed the sensitivity analyses carried out by Management with respect to these assumptions.

Impairment test on assets associated with the hotel activity

Description	Procedures applied in the audit
	Lastly, we evaluated whether the disclosures made by the Company in relation to these matters, which are included in Notes 2.4, 4.4, 4.10, 6, 7, 8 and 12.1 to the accompanying financial statements, contained the information required by the applicable accounting regulations.

Measurement of the net investment in Group companies, associates and joint ventures

Description	Procedures applied in the audit
The Company has ownership interests in the share capital of various companies that form the Group of which it is the parent, which engage mainly in the operation of hotels, owned both by it and by third parties, operated under a lease, management or franchise arrangement, and with which it also has receivables and payables with varying maturity dates. At 31 December 2024, the carrying amount of the Company's net investment in these companies, mainly recorded under the headings "Investments in group companies, associates and joint ventures" and "Payables to group companies, associates and joint ventures" in both the long and short term, and "Long-term provisions", in the accompanying balance sheet, amounted to €1,219 million.	Our audit procedures included, among others, the review of the accounting policies relating to the measurement of investments in Group companies, associates and joint ventures disclosed in Notes 2.4 and 4.5 to the accompanying financial statements for 2024, in order to evaluate their consistency with the applicable regulatory financial reporting framework. In addition, in order to identify possible biases in Management's assumptions, we have carried out a retrospective review of the estimates for 2024 used in the previous year to determine the recoverable value of owned assets and the present value of the cash flows of investee companies.

Measurement of the net investment in Group companies, associates and joint ventures

Description

In accordance with the applicable regulatory framework, at the end of the financial year, the directors have carried out an impairment test on the aforementioned investment, determining its recoverable value as the equity of the investee companies and their subgroups adjusted for tacit capital gains, mainly derived from the difference between the recoverable value of assets owned by the investee companies and their carrying value in their standalone financial statements, or as the present value of the future cash flows of the investee companies, estimated considering economic, geopolitical and climatic aspects. As a result of the test carried out, the Company has recognised a net loss of €59.3 million due to impairment of investments in Group companies and associates and provision for investees' equity deficits.

This was a key matter in our audit due to the significance of the investment with respect to the total volume of the Company's assets and liabilities, and because the calculation of the recoverable amount is complex and depends on significant estimates involving a significant degree of uncertainty, such as certain operating and financial assumptions.

Procedures applied in the audit

In addition, we have obtained the impairment test of the net investment in Group companies and associates carried out by the Company's Management, verifying its arithmetic correction and the adequacy of the valuation method used in relation to the investment held, as well as the consistency of the equity of the investee entities and the carrying amount of their net assets, for the purpose of determining tacit capital gains, with their accounting records. In addition, we have reviewed on a sample basis the key operational and financial assumptions (mainly discount rates, long-term country-adjusted growth rates, and exit yields) used in the determination of tacit capital gains and in future cash flow projections, and considered their consistency with those used in other estimation areas, such as the recoverability of assets related to hotel activity. We have also reviewed management's sensitivity analysis of the key financial assumptions identified.

Lastly, we evaluated whether the disclosures included in Notes 2.4, 4.5, 9.1, 12.1 and 17 and Appendix I to the accompanying financial statements for 2024 in connection with this matter were in conformity with those required by the applicable accounting regulations.

Other Information: Directors' Report

The other information comprises only the directors' report for 2024, the preparation of which is the responsibility of the Company's directors and which does not form part of the financial statements.

Our audit opinion on the financial statements does not cover the directors' report. Our responsibility relating to the directors' report, in accordance with the audit regulations in force, consists of:

a) Solely checking that the non-financial information statement, certain information included in the Annual Corporate Governance Report and the Annual Directors' Remuneration Report, to which the Spanish Audit Law refers, have been furnished as provided for in the applicable legislation and, if this is not the case, reporting this fact.

b) Evaluating and reporting on whether the other information included in the directors' report is consistent with the financial statements, based on the knowledge of the entity obtained in the audit of those financial statements, as well as evaluating and reporting on whether the content and presentation of this section of the directors' report are in conformity with the applicable regulations. If, based on the work we have performed, we conclude that there are material misstatements, we are required to report that fact.

Based on the work performed, as described above, we observed that the information described in section a) above was furnished as provided for in the applicable legislation and that the other information in the directors' report was consistent with that contained in the financial statements for 2024 and its content and presentation were in conformity with the applicable regulations.

Responsibilities of the Directors and of the Audit and Compliance Committee for the Financial Statements

The directors are responsible for preparing the accompanying financial statements so that they present fairly the Company's equity, financial position and results in accordance with the regulatory financial reporting framework applicable to the Company in Spain, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

The audit and compliance committee is responsible for overseeing the process involved in the preparation and presentation of the financial statements.

Auditor’s Responsibilities for the Audit of the Financial Statements

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

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

A further description of our responsibilities for the audit of the financial statements is included in the Appendix to this auditor's report. This description, which is on the following pages, forms part of our auditor’s report.

Report on Other Legal and Regulatory Requirements

European Single Electronic Format

We have examined the digital file in European Single Electronic Format (ESEF) of Meliá Hotels International, S.A. for 2023, which comprises an XHTML file including the financial statements for 2024, which will form part of the annual financial report.

The directors of Meliá Hotels International, S.A. are responsible for presenting the annual financial report for 2024 in accordance with the format requirements established in Commission Delegated Regulation (EU) 2019/815 of 17 December 2018 (“ESEF Regulation”). In this regard, the Annual Corporate Governance Report and the Annual Directors’ Remuneration Report were included by reference in the Directors’ Report.

Our responsibility is to examine the digital file prepared by the Company’s directors, in accordance with the audit regulations in force in Spain. Those regulations require that we plan and perform our audit procedures in order to ascertain whether the content of the financial statements included in the aforementioned file corresponds in full to that of the financial statements that we have audited, and whether those financial statements were formatted, in all material respects, in accordance with the requirements established in the ESEF Regulation.

In our opinion, the digital file examined corresponds in full to the audited financial statements, and these are presented, in all material respects, in accordance with the requirements established in the ESEF Regulation.

Additional Report to the Audit and Compliance Committee

The opinion expressed in this report is consistent with the content of our additional report to the Company's audit and compliance committee dated 26 February 2025.

Engagement Period

The Annual General Meeting held on 9 May 2024 appointed us as auditors for a period of three years from the year ended 31 December 2023, i.e., for 2024, 2025 and 2026.

Previously, we were designated pursuant to a resolution of the General Meeting for a period of 1 year and have been auditing the financial statements uninterruptedly since the year ended 31 December 2019.

DELOITTE AUDITORES, S.L.
Registered in ROAC under no. S0692

Ana Torrens Borrás
Registered in ROAC under no. 17762

27 February 2025

Appendix to our auditor's report

Further to the information contained in our auditor's report, in this Appendix we include our responsibilities in relation to the audit of the financial statements.

Auditor's Responsibilities for the Audit of the Financial Statements

As part of an audit in accordance with the audit regulations in force in Spain, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

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

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

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

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

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

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

We also provide the entity's audit and compliance committee with a statement that we have complied with ethical requirementsrelating to independence and we have communicated with it to report on all matters that may reasonably be thought to jeopardise our independence, and where applicable, on the safeguards taken to eliminate or reduce the threat.

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

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

Individual Annual Accounts and Management Report

2024

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Notes to the Annual Accounts 8

Management Report

Balance Sheet as at 31 December 2024

(thousand €)		ASSETS	Notes	31/12/2024	31/12/2023
A		NON-CURRENT ASSETS		2,650,962	2,122,175
I		**Intangible assets**	6	**65,907**	**64,021**
	1	Patents, licences, trademarks and similar rights		12	19
	2	Software		26,971	34,741
	3	Other intangible assets		38,924	29,261
II		**Property, plant and equipment**	7	**313,941**	**328,138**
	1	Land and buildings		248,346	264,613
	2	Plant and other fixed assets		65,240	63,336
	3	Fixed assets under construction and advances		355	189
III		**Investment property**	8	**16,388**	**16,466**
IV		**Long-term investments in group companies, associates and joint ventures**	9.1	**2,120,851**	**1,616,952**
	1	Equity instruments		1,765,774	1,152,175
	2	Loans to companies	17	355,077	464,777
V		**Long-term financial investments**	9.1	**55,918**	**42,049**
	1	Equity instruments		23,242	20,953
	2	Loans to companies		12,973	10,424
	3	Derivatives	9.3	8,340	389
	4	Other financial assets		11,363	10,283
VI		**Deferred tax assets**	14.4	**77,957**	**54,549**
B		CURRENT ASSETS		383,583	594,828
I		**Inventories**	10.1	**3,888**	**3,286**
	1	Trade		138	75
	2	Raw materials and other supplies		3,727	3,061
	3	Advances to suppliers		23	150
II		**Trade and other receivables**	10.2	**126,390**	**159,180**
	1	Trade receivables for sales and services		53,797	50,293
	2	Trade receivables, group companies, associates and joint ventures	17.2	67,896	93,223
	3	Sundry debtors		2,592	2,627
	4	Staff		308	168
	5	Current tax assets	14.1	48	8,907
	6	Other receivables from Public Administrations	14.1	1,749	3,962
III		**Short-term investments in group companies, associates and joint ventures**	9.1, 17	**242,985**	**383,672**
	1	Loans to companies		46,098	74,778
	2	Other financial assets		196,887	308,894
IV		**Short-term financial investments**	9.1	**5,520**	**43,199**
	1	Equity instruments		145	112
	2	Loans to companies		3,215	15,127
	3	Derivatives	9.3	282	2,698
	4	Other financial assets		1,878	25,262
V		**Short-term accruals and deferrals**		**986**	**840**
VI		**Cash and other cash equivalents**	10.3	**3,814**	**4,651**
	1	Cash		2,627	3,777
	2	Other cash equivalents		1,187	874
		TOTAL ASSETS		3,034,545	2,717,003

Notes 1 to 19 described in the attached notes to the annual accounts are an integral part of the balance sheet as at 31 December 2024.

Balance Sheet as at 31 December 2024

(thousand €)		EQUITY AND LIABILITIES	Notes	31/12/2024	31/12/2023
A		EQUITY		776,638	754,931
I		**Equity**	11.1	**778,481**	**752,662**
	1	Capital		44,080	44,080
	2	Share premium		1,079,054	1,079,054
	3.	Reserves		302,137	323,593
	4	Treasury stock and shares		(1,509)	(1,615)
	5	Prior-year results (profit/loss)		(692,450)	(700,834)
	6	Profit or loss for the period	3	47,169	8,384
II		**Measurement adjustments**	11.2	**(2,637)**	**1,429**
	1	Hedging operations		(2,637)	1,429
III		**Grants, donations and bequests received**	11.3	**794**	**840**
B		NON-CURRENT LIABILITIES		1,684,704	1,265,001
I		**Long-term provisions**	12	**161,147**	**126,269**
	1	Long-term employee benefit liabilities		8,874	7,305
	2	Other provisions		152,273	118,964
II		**Long-term payables**	9.2	**727,609**	**809,283**
	1	Bonds and other negotiable securities		52,143	52,082
	2	Bank loans		662,384	756,243
	3	Derivatives	9.3	11,967	
	4.	Other Financial Liabilities		1,115	958
III		**Long-term payables to group companies, associates and joint ventures**	9.2, 17	**751,756**	**284,396**
IV		**Deferred tax liabilities**	14.4	**37,931**	**39,495**
V		**Long-term accruals and deferrals**		**6,261**	**5,558**
C		CURRENT LIABILITIES		573,203	697,071
I		**Short-term payables**	9.2	**113,247**	**317,094**
	1	Bonds and other negotiable securities		11,242	24,585
	2	Bank loans		93,957	255,085
	3	Derivatives	9.3	900	
	4.	Other Financial Liabilities		7,148	37,424
II		**Short-term payables to group companies, associates and joint ventures**	9.2, 17	**267,883**	**223,077**
III		**Trade creditors and other payables**	13	**191,519**	**155,773**
	1	Suppliers		14,030	12,005
	2	Suppliers, group companies, associates and joint ventures	17.2	27,965	17,400
	3	Sundry creditors		59,222	64,096
	4	Accrued wages and salaries		41,867	36,497
	5	Current tax liabilities	14.1	4,137	
	6	Other payables to Public Administrations	14.1	24,951	11,790
	7	Prepayments from customers		19,347	13,985
IV		**Short-term accruals and deferrals**		**554**	**1,127**
		TOTAL EQUITY AND LIABILITIES		3,034,545	2,717,003

Notes 1 to 19 described in the attached notes to the annual accounts are an integral part of the balance sheet as at 31 December 2024.

Income Statement for the Year Ended 31 December 2024

(thousand €)			Notes	2024	2023
A	CONTINUING OPERATIONS				
1	**Net revenues**		15, 16.1	**697,594**	**622,692**
	a	Sales		559,235	512,133
	b	Provision of services		138,359	110,559
2	**In-house work on assets**				**263**
3	**Supplies**		16.2	**(48,014)**	**(41,975)**
	a	Consumption of goods		2,112	2,982
	b	Consumption of raw materials and other consumables		(50,126)	(44,957)
4	**Other operating income**		16.1	**41,668**	**38,972**
	a	Non-core and other current operating income		41,078	37,720
	b	Operating grants included in profit/(loss) for the year		590	1,252
5.	**Staff costs**		16.3	**(228,937)**	**(206,299)**
	a	Wages, salaries and similar items		(177,629)	(160,161)
	b	Social charges		(51,308)	(46,138)
6.	**Other operating expenses**		16.4	**(385,818)**	**(359,582)**
	a	External services		(378,253)	(338,061)
	b	Tax		(8,696)	(7,793)
	c	Losses on, impairment of and change in trade provisions		2,035	(2,506)
	d	Other current operating expenses		(904)	(11,222)
7	**Depreciation**		6, 7, 8	**(32,196)**	**(40,772)**
8	**Allocation of grants for non-financial fixed assets and other grants**		11.3	**61**	**61**
9	**Excess provisions**				**838**
10	**Impairment and profit/(loss) on disposal of fixed assets**			**(3,469)**	**16,631**
	a	Impairment and losses		(2,826)	16,814
	b	Profit/(loss) on disposals and other disposals		(643)	(183)
A.1	OPERATING INCOME			40,889	30,829
11	**Financial income**		16.5	**130,558**	**95,658**
	a	From equity interests		96,839	55,131
	b	From negotiable securities and other financial instruments		33,719	40,527
12	**Financial expenses**		16.5	**(89,233)**	**(81,707)**
	a	On payables to group companies, associates and joint ventures	17.2	(38,186)	(25,374)
	b	On payables to third parties		(51,047)	(56,333)
13	**Change in fair value of financial instruments**			**1,407**	**1,896**
	a	Trading portfolio and other financial instruments		1,407	1,896
14	**Exchange differences**		16.6	**4,769**	**3,633**
15	**Impairment and profit/(loss) on disposals of financial instruments**			**(58,645)**	**(62,788)**
	a	Impairment and losses	9.1,12.1	(59,290)	(62,681)
	b	Profit/(loss) on disposals and other disposals		645	(107)
A.2	NET FINANCIAL PROFIT (LOSS)			(11,144)	(43,308)
A.3	NET PROFIT (LOSS) BEFORE TAX			29,745	(12,479)
16	**Income tax**		14	**17,424**	**20,863**
A.4	PROFIT/(LOSS) FOR THE YEAR FROM CONTINUING OPERATIONS			47,169	8,384
A.5	PROFIT/(LOSS) FOR THE YEAR		3	47,169	8,384

Notes 1 to 19 described in the attached notes to the accounts are an integral part of the income statement as at 31 December 2024.

Statement of Changes in Equity for the Year Ended 31 December 2024

a) Statement of recognised income and expenses

(thousand €)	Notes	2024	2023
A) Income statement results		47,169	8,384
Income and expenses directly attributed to equity			
I On cash flow hedges	9.3,11.2	(2,744)	389
II Actuarial gains and losses and other adjustments	12.1	(917)	(877)
III Tax effect	14	915	123
B) Total income and expenses directly attributed to equity		(2,746)	(365)
Transfers to income statement			
IV On cash flow hedges	9.3,11.2	(2,676)	(3,554)
V Grants, donations and bequests received	11.3	(61)	(61)
VI Tax effect	14	684	902
C) Total transfers to income statement		(2,053)	(2,713)
Total recognised income and expenses		42,370	5,306

b) Statement of changes in equity

(thousand €)	Notes	Share capital	Share premium	Reserves	Treasury shares	Prior-year profit / (loss)	Profit / (loss) for the fiscal year	Measurement adjustments	Grants, donations and bequests received	Total
A) BALANCE AT THE END OF YEAR 2022		44,080	1,079,054	325,935	(3,936)	(678,432)	(22,402)	3,803	886	748,988
B) ADJUSTED BALANCE, BEGINNING OF YEAR 2023		44,080	1,079,054	325,935	(3,936)	(678,432)	(22,402)	3,803	886	748,988
I. Total recognised income and expenses				**(658)**			**8,384**	**(2,374)**	**(46)**	**5,306**
II. Operations with shareholders or owners				**(1,884)**	**2,321**					**438**
1. Operations with treasury shares				(1,884)	2,321					438
III. Other changes in equity				**200**		**(22.402)**	**22,402**			**200**
C) BALANCE AT THE END OF YEAR 2023		44,080	1,079,054	323,593	(1,615)	(700,834)	8,384	1,429	840	754,931
D) ADJUSTED BALANCE, BEGINNING OF YEAR 2024		44,080	1,079,054	323,593	(1,615)	(700,834)	8,384	1,429	840	754,931
I. Total recognised income and expenses				**(688)**			**47,169**	**(4,066)**	**(45)**	**42,370**
II. Operations with shareholders or owners				**(20,383)**	**105**					**(20,278)**
1. (-) Distribution of dividends	3			(20,590)						(20,590)
2. Operations with treasury shares	11.1			207	105					312
III. Other changes in equity				**(385)**		**8,384**	**(8,384)**			**(385)**
E) BALANCE AT THE END OF YEAR 2024		44,080	1,079,054	302,137	(1,509)	(692,450)	47,169	(2,637)	794	776,638

Notes 1 to 19 described in the attached notes to the annual accounts are an integral part of the statement of changes in equity as at 31 December 2024.

Cash Flow Statement for the Year Ended 31 December 2024

(thousand €)			Notes	2024	2023
A)	OPERATING ACTIVIES CASH FLOW				
	1	Result (profit/loss) for the fiscal year before taxes		29,745	(12,479)
	2	Result adjustments		45,290	70,888
	a)	Depreciation	6, 7, 8	32,196	40,772
	b)	Value adjustments for impairment	9.1,10.2	60,080	48,373
	c)	Change in provisions		(231)	(454)
	d)	Allocation of grants	11.3	(61)	(61)
	e)	Profit/loss on disposal of fixed assets		643	183
	f)	Profit/loss on disposal of financial instruments	9	(645)	107
	g)	Financial income	16.5	(130,558)	(95,658)
	h)	Financial expenses	16.5	89,233	81,707
	i)	Exchange rate differences		(4,769)	(3,633)
	j)	Change in fair value of financial instruments	9	(1,407)	(1,896)
	k)	Other income and expenses		809	2,128
	l)	Profit/loss on asset management	17.1		(679)
	3	Changes in working capital		30,194	(35,608)
	a)	Inventories	10.1	236	919
	b)	Trade and other receivables	10.2	673	(33,572)
	c)	Other current assets	10.3	(119)	379
	d)	Creditors and other payables	13	29,575	(3,279)
	e)	Other non-current assets and liabilities		(171)	(55)
	4	Other cash flows from operating activities		(20,366)	(37,235)
	a)	Interest paid		(54,423)	(49,740)
	b)	Dividends received		31,500	19,992
	c)	Interest received		7,654	2,854
	d)	Collections (payments) on income tax		(5,097)	(10,341)
	5	Cash flows from operating activities (+/-1+/-2+/-3+/-4)		84,863	(14,434)
B)	CASH FLOWS FROM INVESTMENT				
	6	Payments on investments		(343,731)	(84,756)
	a)	Group companies, associates and joint ventures	9.1	(300,858)	(20,503)
	b)	Intangible assets	6	(17,000)	(32,183)
	c)	Property, plant and equipment	7	(22,866)	(27,017)
	d)	Investment property	8	(1,919)	(1,117)
	e)	Other financial assets	9		(3,241)
	f)	Other assets		(1,088)	(694)
	7	Collections on divestments		58,672	32,777
	a)	Group companies, associates and joint ventures	9.1	41,409	28,842
	b)	Property, plant and equipment	7	606	187
	d)	Investment property		1,658	1,600
	d)	Other financial assets	9	15,000	2,149
	8	Cash flows from investment (7-6)		(285,059)	(51,979)
C)	CASH FLOWS FROM FINANCING				
	9	Collections and payments on equity instruments		312	438
	a)	Disposal of own equity instruments	10.1	312	438
	10	Collections and payments on financial liability instruments		220,022	67,106
	a)	Issuance		**1,038,149**	**458,410**
	1	Bonds and other negotiable securities	9.2	69,300	212,000
	2	Bank loans	9.2	445,958	170,959
	3	Debts with group companies, associates and joint ventures	9.2	522,891	46,163
	4	Other debts			29,288
	b)	Redemption and repayment of		**(818,127)**	**(391,304)**
	1	Bonds and other negotiable securities	9.2	(83,000)	(214,001)
	2	Bank loans	9.2	(704,460)	(172,777)
	3	Debts with group companies, associates and joint ventures	9.2		(1,172)
	4	Other debts		(30,667)	(3,355)
	11	Dividend and remuneration payments on other equity instruments		(20,590)	
	a)	Dividends	3	**(20,590)**	
	12	Cash flows from financing activities (+/-9+/-10+/-11)		199,744	67,543
D)	EFFECT OF CHANGES IN EXCHANGE RATES			(385)	199
E)	NET INCREASE / DECREASE IN CASH AND CASH EQUIVALENTS (+/-5+/-8+/-11+/-D)			(837)	1,330
F)	CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR			4,651	3,320
G)	CASH AND CASH EQUIVALENTS AT THE YEAR-END		10	3,814	4,651

Notes 1 to 19 described in the attached notes to the annual accounts are an integral part of the cash flow statement as at 31 December 2024.

Notes to the Annual Accounts for the Year Ended 31 December 2024

Note 1. Company's Activity

Meliá Hotels International, S.A. (hereinafter, the "Company") is a public limited company that was legally incorporated in Madrid on 24 June 1986, under the registered name of Investman, S.A. The change to its current name, Meliá Hotels International, S.A., was approved on 1 June 2011 and it remains unchanged since then. In 1998, the Company moved its registered address to Calle Gremio de Toneleros, 24, Palma de Mallorca.

Meliá Hotels International, S.A. is the parent company of Meliá Hotels International Group (hereinafter, the "Group"). On 27 February 2025, as required by the Commercial Code, the Group's consolidated annual accounts as at 31 December 2024 are prepared, pursuant to the International Financial Reporting Standards (IFRS) published by the International Accounting Standard Board (IASB) and adopted by the European Union, which show a consolidated profit attributable to the parent company for the amount of EUR 140.6 million and a consolidated equity attributed to the parent company for the amount of EUR 758.2 million.

The Company's business activity, which was incorporated for an indefinite period according to its bylaws, is as follows:

- The acquisition, holding, operation, promotion, marketing, development, management and assignment under any title of hotel and tourism establishments, and of any other establishments intended for tourism, leisure, entertainment or recreation-related activities, in any way authorised by Law.
- The acquisition, subscription, ownership and transfer of all kinds of transferable securities, both public and private, national and foreign, representing the share capital of companies with the corporate purpose of owning and operating the business or activities mentioned above.
- The acquisition, ownership, operation, management, marketing and assignment under any title of all kinds of goods and services intended for tourism and hotel establishments and facilities, as well as for any leisure and entertainment or recreation-related activities.
- The acquisition, development, marketing and assignment under any title of know-how or technology in the tourism, hotel, leisure, entertainment or recreation sectors.
- The promotion of all kinds of businesses related to tourism and hotel sectors and to leisure, entertainment or recreation activities, as well as the participation in the creation, development and operation of new businesses, establishments or entities in the hotel and tourism sectors, and of any leisure, entertainment or recreations activities.

The activities comprising the corporate purpose may be developed by the Company, either totally or partially, directly or indirectly, through shareholdings or equity interests in companies having the same or similar corporate purpose.

In any event, all those activities that special laws reserve for companies which meet certain requirements that are not met by the Company, 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, the Group has consolidated its international presence with 362 hotels in 37 countries, mainly Spain, Latin America, Europe and Asia. With a solid experience in nine brands to attend the different demands of its customers, which asserts its leadership in vacation hotel and bleisure sectors, the Group 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. At year-end, the Company operates a portfolio of 45 owned and leased hotels.

Note 2. Basis of Presentation of the Annual Accounts

2.1 Regulatory Framework for Financial Reporting Applicable to the Company

These annual accounts have been prepared by the Board of Directors according to the regulatory framework for financial reporting as applicable to the Company, which is that established in:

- The Spanish National Chart of Accounts approved by Royal Decree 1514/2007, which has been amended by Royal Decree 602/2016 and Royal Decree 1/2021, and its sectoral adaptations.
- The mandatory regulations approved by the Instituto de Contabilidad y Auditoría de Cuentas [Spanish Accounting and Auditing Institute] in developing the National Chart of Accounts and its complementary standards.
- Code of Commerce and other corporate legislation.
- The applicable standards and circulars of the Comisión Nacional del Mercado de Valores [Spanish National Stock Market Commission] (CNMV).
- All other Spanish accounting regulations as applicable.

The annual accounts have been prepared in accordance with the generally accepted accounting principles and measurement standards as described in Note 4. All mandatory accounting principles having a significant effect on the preparation of these annual accounts have been applied.

The figures on the balance sheet, income statement, statement of changes in equity, cash flow statement, and the accompanying notes to the annual accounts, are stated in Euro, which is the functional currency of the Company, rounded to thousands, except where otherwise indicated.

2.2 True Image

The annual accounts have been prepared on the basis of the accounting records of the Company and are presented in conformity with the regulatory framework for financial reporting as applicable to it and, in particular, the accounting principles and criteria included therein, so that they fairly present the equity, financial position and results of operations of the Company, as well as the truthfulness of the flows included in the cash flow statement.

2.3 Comparability

For comparison purposes, the annual accounts include the figures of each of the items in the balance sheet, the income statement, the statement of changes in equity, the cash flow statement and the notes to the annual accounts for year 2024 and for the previous year, which were part of the notes to the annual accounts for 2023.

2.4 Critical Issues on Measurement and Estimate of Uncertainty

Directors have prepared the Company's annual accounts 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 and the breakdown of contingent assets and liabilities at the preparation date of these annual accounts.

Such estimates and assumptions are based on historical experience and other factors considered reasonable under the circumstances. The carrying amount of assets and liabilities, which is not readily apparent from other sources, has been established based on these estimates. These estimates and assumptions are periodically reviewed, while the effects of the reviews on the accounting estimates are recognised whether in the year in which they are realised, if they have an effect solely on such period, or in the period under review and future periods, if the review affects both periods. However, the uncertainty inherent in the estimates and assumptions could lead to results that may require an adjustment to the carrying amounts of assets and liabilities affected in future periods.

The estimates made are detailed, where appropriate, in each of the explanatory notes of the balance sheet captions. The estimates and judgement that have a significant impact and may involve adjustments in future years are set out below:

Provision for income tax

The calculation of income tax requires the interpretation of the tax legislation applicable to the Company. There are also several factors related mainly, but not exclusively, to changes and interpretations of tax laws in force that require the use of estimates by the Company's Management. Such calculation is detailed in Note 14.

Deferred tax assets are recognised for all deductible temporary differences, tax loss carry forwards and unused tax credits, for which the Company probably will have future taxable profits which allow the application of these assets. Directors must carry out significant estimates to determine the amount of the deferred tax assets that can be recognised, by considering the amounts and the dates on which future taxable profits will be obtained and the reversal period of the taxable temporary differences.

Fair value of derivatives

The fair value of derivative financial instruments that are not traded in an active market is determined using measurement techniques, as specified in Note 4.5.3. The Company uses a variety of methods and makes assumptions that are based mainly on market conditions at the closing date of each balance sheet. Most of these measurements are obtained from the financial institutions with which the instruments were contracted or are determined by reference to the fair value of the asset from which these derive.

Estimated impairment loss on non-financial assets

The Company verifies annually whether there is an impairment loss in respect of fixed assets, in accordance with Notes 4.4, 6, 7 and 8. The estimate of the recoverable amount of the asset is based on the valuations made by independent experts, which mainly use the discounted cash flow as a valuation criterion.

Post-employment benefits

The cost of defined benefit pension plans is calculated using actuarial valuations. Actuarial valuations require the use of assumptions on discount rates, asset yields, salary increases, mortality tables and rotation, as well as the retirement age of employees with right to these benefits. These estimates are subject to significant uncertainties due to the long-term settlement of these plans.

The valuation of these commitments has been made by reputable independent experts using actuarial valuation techniques. Note 12.1 gives details of the assumptions used to calculate these commitments.

Provision for onerous contracts

The Company must use its judgement significantly for the estimate of the amount of the provision for onerous contracts, since it depends on the projected cash flows deriving from those contracts, which mainly relate to lease contracts for hotel establishments.

The estimate of these future cash flows requires the application of assumptions on the percentage of occupancy, the average room rate (ARR) and the evolution of the costs associated with the hotel operation, as well as the discount rate applied to update such flows.

The Company uses its expertise in operating and managing hotels to determine such assumptions and to make the relevant calculations, as described in Note 12.1.

Recoverable amount of equity investments in Group companies, associates and joint ventures

The Company recognises a provision for accumulated losses in group companies, when the interest in such controlled entities is fully impaired. The measurement of this provision is calculated similarly to that of the impairment of equity instruments in Group companies, value adjustments which are made based on the difference between their carrying amount and their recoverable amount, which is understood, unless there is better evidence, as the equity of the investee, adjusted by the amount of the unrealised capital gains at the measurement date (including the goodwill, if any) (see Note 4.5.1).

If the recoverable amount of the investment is restored, then the Company reverses the provision.

2.5 Going concern basis

The balance sheet as at 31 December 2024 shows an excess of current liabilities over total current assets of EUR 189.6 million, EUR 102.2 million as at 31 December 2023.

The directors consider that the Company has the capacity to finance its current liabilities, as the Company has available the Group's cash-flow generation, undrawn credit facilities, new sources of financing, as well as renewals of the existing ones, which ensure that the Company can obtain sufficient financial resources to continue its operations and settle its assets and liabilities for the amounts shown in the balance sheet.

In view of the foregoing, these annual accounts have been prepared on a going concern basis.

2.6 Cash Flow Statement

The expressions used in the cash flow statement have the following meanings:

- Cash flows: Inflows and outflows of cash or other cash equivalents, these being understood to be short-term investments with high liquidity and low risk of changes in value.
- Operating activities: Common operating activities, as well as other activities that cannot be classified as investment or financing.
- Investment activities: The acquisition, sale or other disposal of non-current assets and other investments not included in cash and cash equivalents.
- Financing activities: Activities that result in changes in the size and composition of the equity and liabilities which are not part of the operating activities.

For the purposes of preparation of the cash flow statement, cash in hand and demand bank deposits, as well as short-term investments with high liquidity, which are easily convertible into determined amounts of cash, are considered as "Cash and other cash equivalents", which are subject to a low risk of changes in value.

2.7 Statement of Changes in Equity

The statement of changes in equity included in these annual accounts shows the total changes in equity during the year. This information is in turn included in the statement of recognised income and expenses and in the statement of changes in equity.

Note 3. Distribution of Results

The Board of Directors will propose to the General Shareholders' Meeting the approval of the distribution of results as follows:

(thousand €)	2024
Basis of distribution	
Gains and losses (year's profit)	47,169
Distribution	
To offset prior years' losses	47,169
Total	47,169

The Company is committed to offer an attractive, predictable and sustainable dividend over time, in line with its strategy of creating value for shareholders. This policy is compatible with maintaining an adequate level of own resources, ensuring investment capacity for future growth.

In this context, the General Shareholder's Meeting decided in May 2024 to distribute a gross dividend per share of EUR 0.0935 (excluding treasury shares), resulting in a payout of EUR 20.6 million in the second half of 2024. This amount represents a pay-out of 17.5% of the consolidated profit attributable to the parent company for the financial year 2023.

In addition, the Board of Directors will propose to the next General Shareholders' Meeting an increase in the pay-out compared to the previous year, with the objective of progressively moving towards pre-pandemic levels of remuneration.

Note 4. Recognition and Measurement Standards

The accounting principles applied in relation to the different items are as follows:

4.1 Intangible assets

These are measured at acquisition or production cost. They are subsequently measured at cost less the related accumulated depreciation and impairment losses, if any, according to the criterion described in Note 4.4. These assets are depreciated on the basis of their useful lives. Where the useful life of these assets cannot be reliably estimated, they are depreciated over a period of ten years.

Intangible assets relate to various software applications, as well as transfer rights, patents and licenses.

Software applications are valued at cost price and depreciated using the straight-line method over their estimated useful life of 5 years. Software maintenance-related expenses are recognised as an expense when incurred.

The investments in technological innovation incurred by the Company in producing identifiable and unique software programmes controlled by the Company are included under this heading. In addition, these comply with the following conditions:

- The technical feasibility of completing the intangible asset so that it will be available for use or sale.
- The Company intends to use or sell the intangible asset.
- The Company can use or sell the intangible asset.
- It can be demonstrated how the intangible asset will generate probable future financial benefits.
- Adequate technical, financial and other resources are available to complete the development and to use or sell the intangible asset.
- The expenditure attributable to the intangible asset during its development can be reliably measured.

The directly attributable costs that are capitalised as part of the software programmes include the labour cost of the staff developing the programmes and a suitable percentage of general costs.

Transfer rights relate mainly to the acquisition costs of operating and management rights for various hotels and are depreciated using the straight-line method over the term of the agreements related to these rights.

Patents, licences, brands and similar items include the amounts paid to acquire from third parties the ownership of, or the right to use, trademarks and patents. The depreciation of these items will depend on the expiration of the related agreements.

4.2 Property, plant and equipment

Property, plant and equipment is stated at cost, including additional expenses incurred to bring the assets into operating conditions, increasing their value according to legal revaluations and restatements (see Note 7), less recognised accumulated depreciation and impairment losses, according to the criterion described in Note 4.4.

The repairs which do not extend the useful life of the assets and the maintenance expenses are charged directly to the profit and loss account. Costs that extend or improve the capacity, productivity or useful life of the assets, are capitalised as an increase in their value.

Works performed by the Company for its fixed assets are stated at the cost of the necessary goods and required services or at the cost of production of the goods produced by the Company and of the necessary staff time.

Within property, plant and equipment under Other fixed assets, the amount of replacements (crockery, furnishings, cutlery, linen, etc.) is included, which is stated at average cost as per the stocktaking carried out in the different hotel centres at the year end. Breakages and losses are recorded as Disposals.

Property, plant and equipment items are depreciated using the straight-line method over their estimated useful life, which is as follows:

	Years
Buildings	50
Plant	18
Machinery	18
Furniture	15
Fixtures	8
Software	6
Vehicles	5
Other fixed assets	8

Such depreciation, however, is adjusted by the Company for the assets linked to lease contracts, which are depreciated over the shorter of the assets' useful life and the lease term.

The useful life and residual value of property, plant and equipment are reviewed at the closing date of each balance sheet, specifically considering whether climate-related risks require a change in the useful life and residual value of assets. Land is not subject to systematic depreciation since it is considered to have indefinite useful life, however it is subject to impairment tests.

4.3 Investment property

The investments made by the Company to obtain rental income or capital gains, and which generate cash flows independently of the other assets held by the Company, are recorded under this caption.

Property, plant and equipment criteria are used for the measurement and depreciation of investment property, as described in Notes 4.2 y 4.4.

4.4 Impairment of Property, Plant and Equipment, Intangible Assets and Investment Property

At each year end, the Company assesses whether there is an indication that an asset may be impaired. If such indication exists, the Company estimates the asset's recoverable amount. Periodically, the Company obtains valuations made by independent experts of its owned hotel assets, which are operated by the Company or leased to third parties. Such valuations are completed with the valuations made internally.

When determining the value of the assets, the valuation criterion most used by the experts is the discounted cash flow, since hotel investments are generally valued according to the potential future income. In certain cases, other valuation methods were used, such as the comparables method or the residual value method. The latter method was mainly used to value plots and land.

At the end of the years in which such valuations are not obtained, and for assets or cash-generating units for which such valuation is not available, the Company assesses whether there is an indication that its tangible assets may be impaired. For owned hotels, the Company considers whether there is any indication that they have suffered an impairment loss mainly based on the operating result of the various cash-generating units, as well as observable external sources of information revealing that the value of the asset during the period has decreased more than expected as a consequence of the passage of time or its normal use, due to changes that may have occurred in the environment in which the hotel operates. In addition, other factors such as geopolitical circumstances, economic situation or natural disasters that may affect the recoverable amount of such assets are taken into account.

If such indication exists, or when annual impairment test for an asset is required, the Company estimates the asset's recoverable amount on the basis of the methodology used in the last valuation carried out by the independent expert for the relevant asset or cash-generating unit. An asset's recoverable amount is the higher of an asset's or cash-generating unit's fair value less costs to sell and value in use, and is determined individually for each asset, unless the asset does not generate cash inflows that are independent of those from other assets or groups of assets.

In assessing value in use, the Company projects future cash flows by considering the budget approved by its governing bodies for 2025, and applying growth assumptions that are consistent with the market in which the asset operates and its historical performance for a period of 5 years and estimating a residual value according to a long-term growth rate not higher than the expected growth of the economy and the sector in which the asset operates. Estimated future cash flows are discounted using a discount rate before taxes which reflects changes in the value of money over time in the current market and the specific risks of the asset which have not been adjusted in the estimated future cash flows, mainly the risks of the business and the country in which the asset is located, as well as the significant climate risks that may affect it.

Where the carrying amount of an asset exceeds its recoverable amount, the asset is considered impaired and its carrying value is reduced to its recoverable amount. Losses due to impairment of ongoing activities are recognised in the income statement in the expense category in accordance with the function of the impaired asset.

An assessment is made each year end as to whether there is any indication that previously recognised impairment losses no longer exist or have decreased. If such indication exists, the recoverable amount is estimated. A previously recognised impairment loss is reversed only if there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognised. If this is the case, the carrying amount of the asset is increased to its recoverable amount. This increase cannot exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in previous years. This reversal is recognised in the income statement for the year. After such reversal, the depreciation charge is adjusted in future periods to allocate the asset's revised carrying amount, less any residual value, on a systematic basis over its remaining useful life.

4.5 Financial Instruments

4.5.1 Financial Assets

Financial assets may be classified as: financial assets at fair value through profit or loss, financial assets at amortised cost, financial assets at fair value through equity and financial assets at cost.

a) Financial assets at cost

This heading includes equity investments in group companies, associates and joint ventures. Upon initial recognition, they are recognised at fair value which, unless there is evidence to the contrary, is the transaction price, which is equal to the fair value of the consideration given plus directly attributable transaction costs. After initial recognition, they are measured at cost less, where appropriate, the accumulated amount of the measurement adjustments for impairment which is recognised in the income statement in the year in which it occurs.

b) Financial assets at fair value through profit or loss

Financial assets at fair value through profit or loss include held-for-trading financial assets acquired for the purposes of selling them mainly in the short term, as well as unlisted equity instruments of companies over which no control or significant influence is exercised.

Short-term trading portfolio includes equity instruments listed in official markets; their market prices are used to determine the fair value of these investments.

The changes in their fair value are recorded in the income statement for the year.

c) Financial assets at amortised cost

Financial assets included in this category are initially measured at fair value and subsequently at amortised cost. Accrued interest is recognised in the income statement, using the effective interest method.

Nevertheless, credits from commercial operations with a due date not exceeding one year and which do not have a contractual interest rate, as well as advances to staff, dividends receivable and capital calls on equity instruments expected to be received at short term, are measured at face value, both at the initial and later measurement, when the effect of not adjusting the cash flows is not material.
Loans and receivables with a maturity of less than 12 months as of the balance sheet date are classified as current, and those with a maturity greater than 12 months are classified as non-current.

Non-current guarantees and deposits are measured at amortised cost using the effective interest rate method. Current guarantees and deposits are not discounted.

Trade receivables are shown at their face value in the balance sheet, by carrying out the corresponding measurement adjustments and providing, where appropriate, the relevant provisions based on the risk of insolvency, which are applied where the debt is deemed to be uncollectible.

d) Derecognition of financial assets

The Company derecognises a transferred financial asset when it assigns all contractual rights to receive the cash flows generated by the asset or, even when retaining such rights, it assumes a contractual obligation to pay them to the assignees and the risks and rewards related to the ownership of the asset are substantially transferred.

Where the Company has transferred assets in which the risks and rewards related to the ownership of the financial asset are substantially retained, the transferred financial asset is not derecognised in the balance sheet and is recognised as a related financial liability for an amount equal to the consideration received, which is subsequently measured at amortised cost. The transferred financial asset continues to be measured according to the same criteria applied prior to the transfer. Both income from the transferred asset and the expenses of the related financial liability are recognised, without netting, in the income statement.

e) Impairment of financial assets

Investments in group companies, jointly controlled entities, and associates are measured at cost less, where appropriate, the accumulated amount of the measurement adjustments for impairment. Such adjustments are calculated as the difference between the carrying amount and the recoverable amount, the latter being the higher amount between the fair value less costs to sell and the present value of the future cash flows arising from the investment. Unless there is better evidence, the recoverable amount is based on the value of the equity of the investee, adjusted by the amount of the unrealised capital gains at the measurement date (including the goodwill, if any). Measurement adjustments for impairment and, where appropriate, their reversal, are recognised as income or expense, respectively, in the income statement.

The Company applies a simplified approach when calculating the expected credit losses of financial assets at amortised cost and, where appropriate, a value adjustment for the expected credit losses over the entire life of the asset is recognised at each closing date. To do that, the Group has established a matrix of provisions based on its history of credit losses, adjusted by the prospective factors specific for such assets.

Due to the characteristics of the main sector in which the Company operates, the customers of the hotel segment have minimal risk of insolvency.

4.5.2 Financial Liabilities

Financial liabilities are classified in the following measurement categories: financial liabilities measured at amortised cost and financial liabilities measured at fair value through profit or loss. In both cases, financial liabilities are initially recognised at fair value. Financial liabilities measured at amortised cost are adjusted for directly attributable transaction costs. All non-derivative financial liabilities of the Company are included within the category financial liabilities at amortised cost.

a) Issuance of debentures and other marketable securities

Debt issues are initially recognised at the fair value of the consideration received, less directly attributable transaction costs. They are subsequently measured at amortised cost applying the effective interest method. Bonds with a maturity exceeding 12 months are classified as non-current liabilities, while those with shorter maturity than that are included under current liabilities.

b) Bank loans

They are initially recorded at the amount received, net of transaction costs. After initial measurement, they are carried at amortised cost using the effective interest method.

This heading includes debts originated by the acquisition of assets financed by leasing contracts.

c) Debts with group companies, associates and joint ventures

Financial liabilities included in this category are measured at amortised cost. Accrued interest is recognised in the income statement, using the effective interest method.

d) Derecognition of financial liabilities

Financial liabilities are derecognised when all the risks are substantially transferred, and the liability that resulted in their recognition on the balance sheet is extinguished.

4.5.3 Hedge Activities and Derivatives

Derivative financial instruments are classified as financial assets or liabilities at fair value through profit or loss or as accounting hedges. In both cases, derivative financial instruments are initially recognised at fair value on the date on which they are arranged, and this fair value is regularly adjusted. Derivatives are carried as assets when the fair value is positive, and as liabilities when the fair value is negative.

a) Accounting Hedges

The Company applies hedge accounting to those operations in which the hedge is expected to be highly effective; that is, when the changes in the fair value or in the cash flows of the items covered by the hedge are offset by the changes in the fair value or cash flows of the hedging instruments with an effectiveness comprised between 80% and 125%. In addition, at the inception of the hedge, the relationship between the hedged item and the derivative financial instrument designated for that purpose is formally documented.

The Company has various interest rate swaps classified as cash flow hedges. The fair value of interest rate swaps is determined through the discounted cash flow measurement technique according to the characteristics of each contract, such as the face amount and the collection and payment schedule. The discount factors used to obtain said value are calculated based on the curve of the zero-coupon rates obtained from the deposits and rates listed in the market on the date of measurement. The resulting fair value is adjusted for the own credit risk if significant. These values are obtained from studies carried out by the financial institutions with which the Company has contracted these instruments.

Changes in the fair value of these derivative financial instruments are reflected in equity, under the heading Other measurement adjustments, being allocated by the part considered an effective hedge to the income statement insofar as the item being hedged is also settled. The fair value is entered in the accounts according to the date of trade.

b) Derivatives not qualifying for hedge accounting

Any profit or loss arising from changes in the fair value of derivatives which do not qualify to be classified as hedging instruments are directly recognised in the net profit or loss for the year. The fair value of these derivative financial instruments is obtained based on studies carried out by independent experts.

4.6 Inventories

Inventories are measured at cost, whether acquisition price or production cost. Trade discounts, rebates, other similar items and interest included in the face value of the related payables are deducted in determining the acquisition price.

The Company recognises the appropriate value adjustments as an expense in the income statement when the net realisable value of the inventories is lower than acquisition price.

4.7 Cash and other cash equivalents

Cash and other cash equivalents include cash in hand and at bank, as well as short-term deposits in banks and other financial institutions with an original maturity of less than three months from the date of subscription.

4.8 Treasury Shares

Treasury shares are recognised as a decrease in the Company's equity, and are stated at acquisition cost, without valuation adjustments.

Gains and losses obtained on disposal of treasury shares are recorded directly against equity.

4.9 Grants, donations and bequests received

For the accounting of grants, donations and bequests received from third parties other than the owners, the following criteria are used by the Company:

- Non-refundable grants, donations and bequests related to assets: These are measured at the fair value of the amount, or the asset received, based on whether or not they are monetary grants, and they are taken to income in proportion to the period depreciation taken on the assets for which the grants were received or, where appropriate, on disposal of the asset or on the recognition of an impairment loss.
- Refundable grants: As long as they are refundable, they are recognised as a liability.
- Operating grants: These are recognised in the income statement at the time they are granted, unless they are intended to be allocated to the financing of the operating deficit for future years, in which case they will be recognised in those years. If they are granted to finance specific expenses, they will be recognised as the financed expenses accrue.

In addition, grants, donations and bequests received from shareholders or owners are not revenue and must be recognised directly in equity, regardless of the type of grant, provided that they are non-refundable.

4.10 Provisions and Contingencies

Provisions are recognised when the Company:

- Has a present obligation, legal or implicit, because of a past event.
- It is probable that an outflow of funds including economic benefits will be required to settle the obligation.
- A reliable estimate can be made of the amount of the obligation.

Provisions are carried at the present value of the best possible estimate of the amount needed to settle or transfer to a third party the obligation. Adjustments due to updating the provision are recognised as a financial expense as they accrue. Provisions maturing in one year or less with a non-significant financial effect are not discounted. Provisions are reviewed at each balance sheet date and are adjusted to reflect the current best estimate of the liability at any time.

On the other hand, contingent liabilities are the possible obligations, arising from past events, the materialisation of which is subject to the occurrence of future events which are not entirely under the Company's control, and those present obligations, arising as a result of past events, which are not likely to give rise to an outflow of resources for their settlement or which cannot be measured with sufficient reliability. These liabilities are not recognised in the accounts, but are disclosed in the notes to the annual accounts.

Onerous contracts

A contract is onerous when the unavoidable costs of meeting the contractual obligations exceed the expected economic benefits.

In the case of hotel lease contracts, the estimate of future results from these agreements is reviewed annually, based on the expected flows from the relevant cash-generating units, applying an appropriate discount rate. If the costs exceed the benefits, the Company records a provision for such difference, including the net assets related to the cash-generating unit. Details of the analysis performed by the Company are included in Note 12.1.

Post-employment benefits

Post-employment benefits are classified as defined benefit plans. In general, these type of provisions fix the amount of the benefit that the employee will receive on retirement, usually based on one or more factors such as age, number of years of service and remuneration.

The Company recognises in the balance sheet a provision for long-term defined benefit obligations in an amount corresponding to the difference between the present value of the committed benefits and the fair value of any assets linked to the benefit commitments which will be used to settle the obligations, less any past service costs still not recognised, if any.

If an asset results from the above-mentioned difference, its valuation may not exceed the current value of the benefits that may be returned to the Company in the form of direct reimbursements or lower future contributions, plus, where appropriate, the part not yet recognised in the income statement for past service costs.

Past service costs are recognised immediately in the income statement unless they involve non-vested rights, in which case they are taken to the income statement on a straight-line basis over the period remaining to the vesting of the past service rights.

The current value of the obligation is determined using actuarial calculation methods and unbiased financial and actuarial assumptions that are mutually compatible. The Company recognises, directly in the statement of recognised income and expense, the profits and losses arising from the change in the current value and, where applicable, the plan assets, as a result of the changes in actuarial assumptions or adjustments made on the basis of experience.

Certain collective bargaining agreements in force and applicable to the Company establish that permanent staff for a specified number of years employed by the Company who opt to terminate their employment contract will be entitled to a cash award equal to a number of monthly salary payments which is proportional to the number of years of service. During the fiscal year, an assessment of these commitments has been performed in accordance with the actuarial assumptions contained in Meliá Hotels International, S.A.'s own rotation model, by applying the calculation method known as the Projected Unit Credit Method and the population assumptions corresponding to the PER2020 tables.

The balance of provisions, as well as the capitalisation of payments for future services, cover these acquired commitments, based on an actuarial analysis prepared by an independent expert.

The Company has duly externalised the pension commitments and obligations stipulated in collective bargaining agreements subject to the Ministerial Order of 2 November 2006.

4.11 Leases

Finance Leases

The leases in which all the risks and rewards inherent in the ownership of the leased asset are substantially transferred, are classed as finance leases.

At lease inception, the lessee recognises in the balance sheet an asset and a liability in the same amount, which is equal to the fair value of the leased asset, or the present value of minimum future lease payments, if lower.

Lease instalments are divided into two parts: the financial cost and the principal payment. The financial cost is taken directly to the income statement.

Assets being recognised under finance leases are depreciated using the straight-line method over the asset's estimated useful life.

Operating leases

Leases where the lessor substantially maintains all the risks and economic benefits of ownership of the leased asset are classified as operating leases. Payments made under operating leases (net of any incentive received from the lessor) are charged to the income statement on a straight-line basis over the lease term.

The assets recognised by the Company in hotels operated under operating leases are depreciated over the shorter of their useful lives and the lease term.

Income and expenses arising from operating lease agreements are credited or charged to the profit and loss account in the year in which they accrue.

Any collections or payments that may be made under an operating lease are treated as advance collections or payments and are taken to profit or loss over the lease term as the benefits of the leased asset are transferred or received.

4.12 Trade creditors and other payables

Trade payables are initially recognised at fair value and are subsequently measured at amortised cost using the effective interest method.

However, trade payables with a maturity not exceeding one year and which have no contractual interest rate, as well as payments required by third parties for shares, the amount of which is expected to be paid in the short term, are measured at their face value provided the effect of not adjusting the cash flows is not material.

4.13 Income tax

The Company is subject to Corporate Income Tax under the Consolidated Tax Regime, within the Tax Group 70/98, as the parent company thereof.

The income tax expense for the year comprises the current tax expense or income and the deferred tax expense or income.

Current tax is the amount payable by the Company as a result of the corporate income tax assessments for the year, including, where applicable, amounts accrued in respect of Supplementary Tax for the year. Deductions and other tax benefits, excluding withholdings and payments on account, as well as tax loss carry-forwards from previous years and effectively applied in the current year result in a lower amount of current tax.

Deferred tax assets and liabilities include temporary differences which are identified as amounts expected to be payable or recoverable in respect of differences between the carrying amounts of assets and liabilities and their corresponding tax bases (tax value), as well as tax loss carry-forwards and credits for unused tax deductions. These amounts are recognised by applying to the relevant temporary difference the tax rate at which they are expected to be recovered or settled.

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

Deferred tax assets are only recognised to the extent that it is considered probable that future taxable profit will be available against which the deferred tax asset can be utilised, but no later than 10 years.

Deferred tax assets and liabilities arising from transactions charged or credited directly to equity accounts are also recognised directly in equity. Deferred tax assets are reviewed at each balance sheet date and adjusted if there are doubts as to their future recoverability.

Likewise, at each accounting close the deferred tax assets that have not been recognised in the balance sheet are assessed and are recognised to the extent that their recovery against future taxable profits has become probable.

4.14 Current and Non-Current Items

The assets linked to the normal operating cycle, which in general is one year, the assets expected to mature, be sold or be realised in the short term following the end of the fiscal year, the financial assets held for trading, except for financial derivatives expected to be settled within more than twelve months, and cash and other cash equivalents are considered to be current assets. Assets which do not meet these requirements are classified as non-current assets.

Likewise, liabilities linked to the normal operating cycle, the financial liabilities held for trading, except for financial derivatives expected to be settled within more than twelve months and, in general, all the obligations the maturity or cancellation of which will occur in the short term are considered to be current liabilities. They are otherwise classified as non-current.

4.15 Transactions in Foreign Currency

Assets and liabilities denominated in foreign currency are recorded at the exchange rate prevailing on the corresponding transaction date, and are restated at the year end at the exchange rate then in effect. The exchange differences, both positive and negative, originated during this process, are recognised in the income statement in the year in which they arise.

Non-monetary items valued at their historical cost are translated at the exchange rate prevailing on the transaction date.

4.16 Assets of an Environmental Nature

Assets that are used on a lasting basis in the Company's operations which main purpose is to minimise the impact on the environment as well as to protect and enhance the environment, including the reduction or elimination of future pollution, are considered to be environmental assets.

The Company’s activities, by definition, have no significant impact on the environment.

4.17 Income and Expenses

Income and expenses are recognised on an accrual basis regardless of when the resulting monetary or financial flow arises.

The operating revenues arising from contracts with customers are recognised as the control of goods and services is transferred to such customers. Control of goods or services can be defined as having full autonomy over the use of the asset and obtaining substantially all of its remaining benefits.

In order to apply this criterion, a process is followed, which consists of the following successive stages:

- Identification of the contract with the customer.
- Identification of the contract performance obligation.
- Determination of the transaction price.
- Allocation of the transaction price to the obligations to be met, depending on sales prices of each good or service, or by estimating the sales price when it is not independently observable.
- Recognition of the revenues from ordinary activities as the company fulfils an undertaken obligation.

Income from the sale of goods or services is measured at the fair value of the consideration received or receivable. Volume rebates, prompt payment and any other discounts, as well as the interest added to the face amount of the consideration, are recognised as a reduction therein. However, the Company includes interest added to trade receivables with a maturity not exceeding one year and which have no contractual interest rate, provided the effect of not adjusting the cash flows is not material.

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

Sale of rooms and other related services

Income deriving from the sale of rooms and other related services is recognised daily based on the services provided by each hotel establishment and including “in-house" customers, i.e. those that are still lodged at the hotel at the time daily production is closed. For this type of contracts, the only execution obligation identified is that of the own hotel service, which includes making available the hotel rooms to the customers.

Where the hotel rate includes services such as food and beverage (breakfast, half board or full board), an additional execution obligation is identified, to which a differentiated price is allocated on the basis of the expected cost plus a margin approach.

Likewise, the consideration received for banquets, events, space rental, etc., is divided among the contracted services.

Provision of hotel management services

The Company recognises income from its hotel management contracts at the end of each period, based on the evolution of the variables that determine that income, primarily consisting of total income and the Gross Operating Profit (GOP) for each of the hotel establishments managed by the Group.

Another performance obligation defined in the hotel management contracts relates to services linked to such activity, such as transfer of trademark use.

Sale of fixed assets

The Company actively manages its real estate assets portfolio. In general, the net capital gains on sales for asset rotation are recognised in the income statement once the carrying value of the relevant assets has been discounted from the selling price. The Company recognises the proceeds from the sale as operating income.

Lease income

Income deriving from operating leases in investment properties is recognised on a straight-line basis over the term of the lease and is included as operating income.

Interest income

Interest income is recognised using the effective interest method for all the financial instruments measured at amortised cost. The effective interest rate is the rate that exactly discounts payments made and received in cash estimated over the expected life of the financial instrument. Interest income is recognised as financial income in the Company's income statement.

Dividends

Income from dividends is recognised in the income statement when the right of the Company to receive the corresponding payment is established. If dividends unequivocally derive from earnings generated before the acquisition date, they will not be recognised as income and will reduce the carrying amount of the investment.

4.18 Transactions with Related Parties

In general, transactions between related companies are recognised initially at fair value. If the agreed price differs from its fair value, the difference is recognised on the basis of the economic reality of the transaction. Subsequent recognition is made in accordance with the provisions of the applicable rules.

Notwithstanding the foregoing, in mergers, demergers and non-monetary contributions of a business, the components of the acquired business are recognised for the amount that would correspond to them, upon completion of the transaction, in the Group's consolidated annual accounts, in case they are prepared under Regulations governing the Preparation of Consolidated Annual Accounts, or for the carrying amount of the absorbed company, if the Group's Consolidated Annual Accounts are prepared under International Financial Reporting Standards, as it is the case here.

In such cases, any differences that may arise between the net amount of the assets and liabilities of the acquired company, adjusted by the balance of grants, donations and bequests received and adjustments for changes in value, and any capital amount and share premium, if any, issued by the absorbing company, are recognised in reserves.

4.19 Termination Benefits

According to the existing labour legislation, the Company is required to pay termination benefits to employees terminated under certain conditions. Termination benefits that may be reasonably quantified are recognised as expenses in the year in which there is valid expectation created by the Company in the affected third parties.

4.20 Business Combinations

Mergers, demergers and non-monetary contributions of a business between group companies are recognised in accordance with the provisions for transactions with related parties (Note 4.18).

Mergers and demergers other than the above and business combinations arising from the acquisition of all the equity of a company or of a part comprising one or more businesses, are recognised in accordance with the acquisition method.

In the case of business combinations arising from the acquisition of shares or holdings in the capital of a company, the Company recognises the investment in accordance with the requirements for equity investments in Group companies, jointly controlled entities and associates (Note 4.5.1 a).

Note 5. Financial Risk Management Policy

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 Company. 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 annual accounts. The actions planned in such management are reviewed and updated periodically.

The Company's activities are mainly exposed to several risks: market risk (interest rate risk, foreign exchange risk and price risk), liquidity risk, credit risk, environmental risks and geopolitical risks. The Company, through the management it conducts, tries to minimise the potential adverse effects of these risks on the annual accounts.

Additional information on these risks is provided below:

5.1 Interest Rate Risk

Meliá Hotels International, S.A.'s financial statements include certain items subject to fixed and variable interest.

The Company 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. In some cases, and due to the early cancellation of some of these financing transactions, the Company has proceeded to restructure the financial derivatives associated with this financing to apply them to other new financing transactions at a variable rate, adapting the repayment schedules to create an effective interest rate hedge. In some of these restructurings of hedging derivatives and to avoid incurring unnecessary payments, it has not been possible to continue applying hedge accounting (see Note 9.3).

The structure of the debt with third parties as at 31 December 2024 and 2023, without considering the heading of Other financial liabilities, is as follows (these face amounts do not include interest payable):

(thousand €)	31/12/2024			31/12/2023		
	Fixed interest	Variable interest	Total	Fixed interest	Variable interest	Total
Bank loans	305,202	424,158	729,360	284,679	525,863	810,542
Mortgage loans	23,364		23,364	25,468		25,468
Credit facilities		828	828		171,623	171,623
ECP	11,100		11,100	24,800		24,800
Simple bonds	52,500		52,500	52,500		52,500
Total	**392,166**	**424,986**	**817,152**	**387,447**	**697,486**	**1,084,933**

The variable interest rate debt is basically tied to Euribor.

As at 31 December 2024, the Company has various interest rate swaps contracted, with a notional value of EUR 169.4 million, considered as cash flow hedging instruments, as stated in Note 9.3. At the 2023-year end, the notional value of the swaps contracted was EUR 100.8 million. The variable rate bank loans and mortgages hedged by these swaps are shown in the Fixed Interest column for the part of the capital hedged.

The sensitivity, in thousand euro, of 2024 and 2023 profit or loss to interest rate variations (in basis points) is as follows:

Variation	2024	2023
+ 25	1,062	1,744
- 25	(1,062)	(1,744)

The above sensitivity analysis has been carried out considering an average increase/decrease throughout the year in the basis points indicated in the table. The effect of the interest rate swaps has been considered in this calculation.

5.2 Foreign Exchange Risk

Fluctuations in items of the currencies in which the bank accounts and debts are denominated and the purchases/sales are carried out, vis-à-vis the accounting currency, may have an impact on the result (profit/loss) for the fiscal year.

The following items may be affected by foreign exchange risks:

- Debt and liquid assets denominated in currencies other than the Euro.
- Collections and payments for supplies, services or investments in currencies other than the Euro.
- Transactions in foreign currency arranged by group companies, associates and joint ventures (see Note 16.6).

Likewise, the recoverable value of shares in a functional currency other than the Euro changes due to movements in exchange rates. It is not the Company's policy to arrange derivatives for the hedge of net investments in businesses abroad.

5.3 Credit Risk

The credit risk arising from default of a counterparty (customer, supplier, or financial entity) is mitigated by the Company's policies regarding the diversification of customer portfolios, source markets, oversight of concentration and on-going in-depth debt control. In addition, in certain cases, the Company may carry out other financial operations which allow the reduction of credit risks, such as assignments of receivables.

The credit periods established by the Company range between 21 and 90 days. The average period of collection of the Company's receivables in 2024 was 34.73 days; 34.49 days in 2023.

The age of trade receivables at the year-end is as follows:

(thousand €)	31/12/2024	%	31/12/2023	%
Less than 90 days	44,920	83 %	40,887	81 %
More than 90 and less than 180	5,388	10 %	4,848	10 %
More than 180 and less than 365	3,490	6 %	4,559	9 %
Total	53,797	100 %	50,294	100 %

5.4 Liquidity Risk

The Company's liquidity policy ensures the fulfilment of its payment commitments without having to raise funds on burdensome terms. To that end, different management procedures are used, such as the maintenance of credit facilities committed for sufficient amount and flexibility, the diversification of the coverage of financing needs through the access to different markets and the diversification of the maturities of the issued debt.

The following table contains a summary of the maturities of the Company's financial liabilities as at 31 December 2024, based on face amounts, excluding interest, by maturity:

(thousand €)	< 3 months	3 to 12 months	1 to 5 years	Total
Simple bonds			52,500	52,500
Loans	15,974	72,909	663,841	752,724
Credit facilities			828	828
ECP	11,100			11,100
Total	27,074	72,909	717,169	817,152

The following table contains a summary of the maturities of the Company's financial liabilities as at 31 December 2023, based on face amounts, excluding interest, by maturity:

(thousand €)	< 3 months	3 to 12 months	1 to 5 years	> 5 years	Total
Simple bonds				52,500	52,500
Loans	50,878	196,009	589,123		836,010
Credit facilities	3,073		168,549		171,622
ECP	15,300	9,500			24,800
Total	69,251	205,509	757,672	52,500	1,084,932

5.5 Capital Management Policy

The main objectives of the Company's capital management are to guarantee financial stability in the short and long term, to ensure the necessary liquidity for daily operations and investments, positive evolution of the share value and an appropriate remuneration to shareholders through the distribution of dividends.

The financial position is also backed by the strong support of the banks and the Company's asset base. At present, 2.9% (2.3% at the 2023 year end) of the total debt relates to mortgage loans secured by the Company's assets.

5.6 Price Risk

Price risk of the Company's inventories mainly arises from the fluctuations in the price and the availability of food and beverages that the Company 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 Company does not conduct price hedging transactions.

Likewise, the Company is exposed to equity price risks of financial investments in equity instruments. Investments in equity instruments in unlisted companies are broken down in Note 9.1 and are held for strategic purposes and not for the purposes of trading with them, and they are mainly focused on entities owning hotel assets. Given the reduced percentage of equity interest in these companies, in case of variations not exceeding 10% of the fair value of the assets of the entities in which the Company holds equity instruments without exercising significant influence, these would not significantly affect the carrying amount of these investments in the balance sheet. On the other hand, the Company has no relevant investments in equity instruments of listed companies.

5.7 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 Company's commitment to sustainability and the protection of tourist destinations. For this reason, the Company 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 Company 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 Company 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 Company 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.

5.8 Geopolitical Risks

The Company is not indifferent to geopolitical and macroeconomic tensions. Recent conflicts around the world have not negatively affected hotel reservations as there has been no direct exposure to the countries involved.

The stalemate in conflicts and the recent increase in tensions between the different world power blocs, as well as an increase in tariffs between various world powers, could add pressure to the global supply chain. This could lead to a pick-up in inflation, which could affect demand.

Notes 5.1 and 5.6 detail the exposure of the Company to interest rate risks and price risks, including the existing specific or natural hedging.

5.9 Estimate of Fair Value

Fair value means the amount that may be received on the sale of an asset, or paid for the transfer of a liability, in an orderly transaction between market participants at the measurement date.

For assets and liabilities recorded at fair value in the balance sheet, the following hierarchy levels have been defined according to the variables used in the different measurement techniques:

- Level 1: Based on prices quoted in active markets
- Level 2: Based on other observable market variables, either directly or indirectly
- Level 3: Based on non-observable market variables

The amounts recognised at fair value as at 31 December 2024 according to the hierarchy levels are broken down below:

(thousand €)	31/12/2024			
	Level 1	Level 2	Level 3	Total
Financial assets at fair value:				
Hedging derivatives		231		231
Trading portfolio derivatives			8,391	8,391
Trading portfolio	145			145
Unquoted equity instruments			23,242	23,242
Total assets	145	231	31,633	32,009
Financial liabilities at fair value:				
Hedging derivatives		3,667		3,667
Trading portfolio derivatives			9,200	9,200
Total liabilities		3,667	9,200	12,867

Financial instruments included in level 1 relate to equity instruments of listed companies, which are measured through observable prices in active markets.

Financial instruments included in level 2 comprise interest rate swap type financial derivatives and are measured by financial institutions and independent experts using measurement techniques, mainly, discounted cash flows, based on observable market data.

Unquoted equity instruments included in level 3 comprise mainly minority interests in companies owning hotels managed by the Group, which are detailed in Note 9.1.

Level 3 also includes a derivative related to a call option on non-controlling interests, as well as a derivative related to the drag-along right granted to minority partners of the company Adprotel Strand, S.L., exercisable only in the event of liquidation or material breach of contract by the Company. The fair value of these derivatives has been determined by an independent expert based on the variables described above.

For comparison purposes, the balances recorded in the different hierarchies at the end of 2023 are included below:

(thousand €)	31/12/2023			
	Level 1	Level 2	Level 3	Total
Financial assets at fair value:				
Hedging derivatives		2,158		2,158
Trading portfolio derivatives		929		929
Trading portfolio	112			112
Unquoted equity instruments			20,953	20,953
Total assets	112	3,087	20,953	24,152

Note 6. Intangible Assets

The breakdown of the cost and accumulated depreciation of intangible assets for 2024 is as follows:

(thousand €)	31/12/2023	Additions	31/12/2024
Gross value			
Patents, licences, trademarks and similar rights	4,408		4,408
Transfer rights	41,695	13,019	54,714
Software	112,337	3,981	116,318
Total	158,440	17,000	175,440
Accumulated depreciation			
Patents, licences, trademarks and similar rights	(4,390)	(7)	(4,397)
Transfer rights	(12,434)	(3,356)	(15,790)
Software	(77,595)	(11,751)	(89,346)
Total	(94,419)	(15,113)	(109,533)
Net carrying value	64,021		65,907

Transfer rights include additions for the amount of EUR 13 million relating to the acquisition of the right to operate 4 hotels under management in Spain.

For comparison purposes, the situation as at 31 December 2023 was as follows:

(thousand €)	31/12/2022	Additions	Disposals	31/12/2023
Gross value				
Patents, licences, trademarks and similar rights	4,408			4,408
Transfer rights	20,619	21,076		41,695
Software	101,014	11,370	(47)	112,337
Total	126,041	32,446	(47)	158,440
Accumulated depreciation				
Patents, licences, trademarks and similar rights	(4,382)	(8)		(4,390)
Transfer rights	(9,541)	(2,893)		(12,434)
Software	(64,988)	(12,654)	47	(77,595)
Total	(78,911)	(15,555)	47	(94,419)
Net carrying value	47,130			64,021

Transfer rights included additions for the amount of EUR 21.1 million relating to the acquisition of the right to operate 8 hotels under management in Spain and 1 hotel in Vietnam.

The amount of EUR 10.7 million included in section Additions of Software related to the technological innovation project carried out by the Company for the development of the technological framework for hotel management. The main innovations in 2023 related to hotel management strategies and systems and to improvements in the Group's cross-cutting tools and processes.

The breakdown of intangible assets fully depreciated at the end of 2024 and 2023 is as follows:

(thousand €)	31/12/2024	31/12/2023
Patents, licences, trademarks and similar rights	4,338	4,338
Transfer rights	8,529	
Software	62,556	50,196
Total	75,423	54,534

Note 7. Property, Plant and Equipment

The breakdown of the cost and accumulated depreciation of property, plant and equipment for 2024 is as follows:

(thousand €)	31/12/2023	Additions	Disposals	31/12/2024
Gross value				
Land	117,041		(3,924)	113,116
Buildings	282,977	7,448	(18,895)	271,531
Plant and machinery	177,078	5,456	(13,182)	169,352
Furniture and other fixed assets	168,094	13,876	(1,001)	180,969
Fixed assets under construction and advances	189	166		355
Total	745,379	26,946	(37,002)	735,323
Accumulated depreciation				
Buildings	(130,204)	(6,645)	6,679	(130,170)
Plant and machinery	(135,623)	(5,170)	7,912	(132,881)
Furniture and other fixed assets	(134,184)	(4,984)	392	(138,776)
Total	(400,011)	(16,799)	14,982	(401,827)
Impairment				
Land	(5,201)	(226)		(5,427)
Buildings		(703)		(703)
Plant and machinery	(11,099)	(1,551)		(12,651)
Furniture and other fixed assets	(930)		156	(774)
Total	(17,230)	(2,480)	156	(19,555)
Net carrying value	328,138			313,941

The additions of property, plant and equipment recorded in 2024 for the amount of EUR 26.9 million mainly relate to renovations made in several hotels operated by the Company, mainly located in Madrid, Andalusia and the Balearic Islands.

Disposals mainly relate to the contribution of Melia Cala Galdana hotel, owned by the Company, to the company Cala Galdana Property, S.L., as detailed in Note 9.

Impairment heading includes basically the provision relating to fixed assets associated with hotels under lease contracts.

For comparison purposes, the situation as at 31 December 2023 was as follows:

(thousand €)	31/12/2022	Additions	Disposals	Transfers	31/12/2023
Gross value					
Land	117,041				117,041
Buildings	322,940	7,203	(47,166)		282,977
Plant and machinery	213,317	8,881	(45,120)		177,078
Furniture and other fixed assets	186,208	7,848	(25,962)		168,094
Fixed assets under construction and advances	211	64	(86)		189
Total	839,717	23,996	(118,334)		745,379
Accumulated depreciation					
Buildings	(166,288)	(10,959)	47,043		(130,204)
Plant and machinery	(171,570)	(9,165)	45,112		(135,623)
Furniture and other fixed assets	(154,183)	(4,509)	24,508		(134,184)
Total	(492,041)	(24,633)	116,663		(400,011)
Impairment					
Land				(5,201)	(5,201)
Plant and machinery	(33,206)		16,906	5,201	(11,100)
Furniture and other fixed assets	(1,324)		394		(930)
Total	(34,530)		17,300		(17,230)
Net carrying value	313,145				328,138

The additions of property, plant and equipment recorded in 2023 for the amount of EUR 24 million mainly related to renovations made in several hotels operated by the Company, mainly located in the Balearic Islands, Madrid and Barcelona.

The disposals mainly related to 15 hotels which were operated under lease by the Company, and which became operated under management in 2023.

Impairment heading included basically the provision and reversal of impairment relating to fixed assets associated with hotels under lease contracts, as well as the reversal of impairment relating to lease contracts cancelled during the year.

Other considerations

There is 1 (as in the previous year) owned property that has been mortgaged to secure several loans at the year end, and its net carrying value amounts to EUR 56.7 million; EUR 57.1 million in 2023.

As at 31 December 2024 and 2023 the Directors consider that there is sufficient insurance coverage for the Company's assets.

The breakdown of property, plant and equipment fully depreciated at the end of 2024 and 2023 is as follows:

(thousand €)	31/12/2024	31/12/2023
Buildings	16,623	17,355
Plant and machinery	83,113	83,502
Furniture and other fixed assets	103,177	101,559
Total	202,913	202,416

At the end of 2024 and 2023, the Company does not have firm commitments for the purchase of property, plant and equipment.

Revaluation of assets

The Company, in different processes, has merged several companies owning hotels, with the revaluation of land and properties being carried out. As at 31 December 2024 and 2023 the difference between the carrying value and the tax value of the revalued elements is as follows:

(thousand €)	Land	Buildings
Revalued net carrying value at 31/12/2022	91,318	7,284
Depreciation		(260)
Revalued net carrying value at 31/12/2023	91,318	7,024
Depreciation		(260)
Revalued net carrying value at 31/12/2024	91,318	6,764

The capital gains derived from the revaluation of assets carried out by the Company, based on various legal regulations and voluntary restatements prior to 1997, in order to correct the effects of inflation, were as follows:

(thousand €)	Amount
Restatement of budgets for 1979	24,848
Restatement of budgets for 1980	28,852
Restatement of budgets for 1981	1,197
Restatement of budgets for 1982	26,480
Voluntary restatement before 1990	3,146
Restatement under R.D.L. 7/96	53,213
Total	137,736

The net carrying value of the assets subject to the revaluation according to the balance sheet restatement approved by Royal Decree 7/96 amounts to EUR 0.5 million and EUR 0.6 million at the end of 2024 and 2023, respectively, with the value of the fully depreciated assets being EUR 6.4 million at the end of 2024, and EUR 7.1 million in 2023. The impact of this restatement on the provision for depreciation amounts to EUR 25 thousand in 2024 and 2023.

Asset valuation

The Group has entrusted an asset valuation to the independent expert CBRE, with a valuation date of 31 December 2024 and whose report has been concluded during the period of preparation of the consolidated financial statements. The result of this report reflects an increase in value of 13.88% since the valuation of June 2022 carried out by the same expert, mainly due to the renovation and repositioning processes of its properties, and to the continuity of its strategy for the upper and luxury segments.

The value of the Group's owned assets amounts to EUR 4,724 million (with a net carrying amount of EUR 2,188 million), to which EUR 561 million is added for the Group's interest in other assets held in associates and joint ventures. The sum of these two figures amounts to EUR 5,285 million and is above the figure of the portfolio in 2022, which amounted to EUR 4,641 million.

The valuation of the 12 assets owned by the Company resulted in a Gross Asset Value of EUR 1,201.34 million, with a net carrying amount at the time of the appraisal of EUR 459 million.

When determining the value of the assets, the valuation criterion most used by CBRE has been the discounted cash flow, since hotel investments are generally valued according to the potential future income. In certain cases, other valuation methods have been used, such as the comparables method or the residual value method. The latter method has been mainly used to value plots and land. Regardless of the valuation criterion, the result thereof has been checked by comparing it with other parameters such as stabilised returns, price per room or leveraged IRR.

Discounted cash flow method: Financial projections have been prepared for a 10-year period; the flows for the tenth year have been used to project the next 5 years and the cash flows for fiscal year 16 have been discounted at an exit multiple, dependent upon historical transactions, expected profitability and other factors such as age, location, maintenance conditions of the property, etc. Financial projections have been estimated by considering the operating revenues and income that a reasonably efficient operator could achieve, including the investments necessary to attain such level based on the property condition. According to the DCF method, the projected net profits for the hotel or the commercial asset over 10 years are discounted to present values using an appropriate discount rate. The value of the hotel derived from the capitalised profits in the tenth year is also taken to present values. Capital expenditure (Capex) is incorporated into the cash flow when necessary, reflecting planned investments and their impact on the generation of future income.

The valuations made by CBRE are based on CBRE Hotels' opinion on the business forecasts for each property. In preparing these projections, it has been considered the commercial performance of each asset, the planned capital expenditures (Capex) and any changes in supply or demand of which we are aware. The first year of the projections begins on the valuation date (31 December 2024) and covers a period of 10 years, assuming a constant inflation rate of 2.00% per annum.

The discount rates used by CBRE in the valuation, depending on the geographic region in which the assets are located, are shown in the following table:

	Discount rates	Output Yield
Spain	7.5% - 10.3%	5.5%-8.3%
Rest of Europe	6.8% - 9.3%	4.8%-6%
Latin America	11.25% - 13%	8.5%-10%

Comparables method: This valuation criterion takes into account the balance between the supply and demand at the time of the valuation. This means an evaluation of the property based on an analysis of the latest market transactions and a comparison of these with the average price per room.

Residual value method: This is the method generally used to value urban land, whether or not it has buildings on it. This involves determining the price that could be paid for the property, given the gross value of the development and the total cost of the project, taking into account the margins applied in the market once the characteristics of the property and the risks inherent in the project have been factored in.

Note 8. Investment Property

The balance of Investment Property includes the net carrying value of investments made by the Company in land and buildings to obtain rental income or capital gains, such as interest in four apartment owners' associations and other properties. Said apartments relate to establishments which are managed by the Company.

The breakdown of the gross value and accumulated depreciation of investment property for 2024 is as follows:

(thousand €)	31/12/2023	Additions	Disposals	31/12/2024
Gross value	29,215	1,992	(1,665)	29,541
Accumulated depreciation	(12,585)	(575)	7	(13,153)
Impairment	(164)		164	
Net carrying value	16,466			16,388

The additions during 2024 mainly relate to the purchase of 14 apartments in 3 apartment owners' associations.

Disposals during 2024 mainly relate to the sale of land for an amount of EUR 1.2 million, generating a net loss of EUR 0.2 million.

There are no fully depreciated buildings at the end of 2024 and 2023.

In 2024, dividends generated by apartments in apartment owners' associations have been recognised for the amount of EUR 3.4 million; EUR 0.5 million in 2023.

As at 31 December 2024 and 2023 the Directors consider that there is sufficient insurance coverage for the Company's assets.

For comparison purposes, the breakdown of these movements in 2023 was as follows:

(thousand €)	31/12/2022	Additions	Disposals	31/12/2023
Gross value	32,162	1,117	(4,064)	29,215
Accumulated depreciation	(15,078)	(584)	3,077	(12,585)
Impairment	(164)			(164)
Net carrying value	16,920			16,466

Additions during 2023 mainly related to the purchase of 6 apartments in 2 apartment owners' associations.

Disposals during 2023 mainly related to the sale of a property for the amount of EUR 1.6 million, generating a net capital gain of EUR 0.6 million.

Note 9. Financial Instruments

9.1 Financial Assets

The following table shows the breakdown by categories of non-current and current assets for 2024 and 2023:

(thousand €)	31/12/2024			31/12/2023		
	Long term	Short term	Total	Long term	Short term	Total
1. Financial assets at cost:						
- Equity instruments	1,765,774		1,765,774	1,152,175		1,152,175
2. Financial assets at fair value through profit or loss:						
- Equity instruments	23,242	145	23,387	20,953	112	21,065
3. Financial assets at amortised cost:						
- Loans and other financial assets to group companies, associates and joint ventures	355,077	242,985	598,062	464,777	383,672	848,449
- Loans to third parties	12,973	3,215	16,188	10,424	15,127	25,551
- Other financial assets to third parties	11,363	1,878	13,241	10,283	25,262	35,545
4. Derivatives and hedges:						
- Financial derivative assets	8,340	282	8,622	389	2,698	3,087
Total	2,176,769	248,505	2,425,274	1,659,001	426,871	2,085,872

The table does not include the headings Trade and other receivables and Cash and other cash equivalents, which also relate to financial assets. Additional breakdowns are included in Notes 10.2 and 10.3 respectively.

a) Financial assets at cost

Equity instruments:

Annex I attached to these annual accounts includes the information about the equity situation of group companies, associates and joint ventures as at 31 December 2024 and 2023, which is obtained from the financial statements provided by the respective companies. Such annex also provides information broken down by company on the net carrying value and provisions made for each investment. Annex II includes direct and indirect shareholdings, activity and country of operation.

The activity carried out by most of these companies relates to the hotel and restaurant business. These companies' shares are not listed in a regulated market.

In 2024, the Company has recognised dividend income from group companies, associates and joint ventures for the amount of EUR 94.1 million; EUR 53.5 million in 2023, see Note 16.5.

The breakdown of gross value and accumulated impairment of equity instruments in 2024 is as follows:

(thousand €)	31/12/2023	Additions	Disposals	Transfers	31/12/2024
Equity instruments in group companies (gross value)	1,025,973	1,061,571	(406,564)	47,401	1,728,381
Impairment	(98,399)	(32,738)	1,639		(129,497)
Equity instruments in associates and joint ventures (gross value)	241,865	1,590		(47,401)	196,053
Outstanding payments on shares	(4,350)			2,900	(1,450)
Impairment	(12,914)	(18,286)	3,486		(27,713)
Total	**1,152,175**	**1,012,138**	**(401,439)**	**2,900**	**1,765,774**

Additions

The most significant additions in equity instruments in group companies in 2024 are described below:

In April 2024, the Company acquired an additional 50% stake in the company Melcom Joint Venture, S.L. for the amount of EUR 40 million. This company owns 100% of the shares in Pelicanos Property, S.L.U. and Bellver Property, S.L.U. and, at the time of the transaction, also 50% of the shares in Adprotel Strand, S.L., a shareholding that has also been acquired by the Company for the amount of EUR 47.2 million. Subsequently, debts with Adprotel amounting to EUR 55.3 million have been capitalised.

In addition, the company Cala Galdana Property, S.L.U. (formerly named Wamabe Iberia, S.L.) has been incorporated, to which Melia Cala Galdana hotel has been contributed for the amount of EUR 21.4 million; finally, the remaining 29.02% stake in the company Inversiones Hoteleras la Jaquita, S.A. has been acquired for the amount of EUR 54.5 million, a subsidiary in which debts amounting to EUR 53.4 million have also been capitalised.

Following these transactions, the companies Cala Galdana Property, S.L.U. and Inversiones Hoteleras La Jaquita, S.A., owners respectively of Melia Cala Galdana and Gran Melia Palacio de Isora hotels, were in turn contributed to the company Adprotel Strand, S.L., for the amount of EUR 360.4 million.

Finally, the company Mugolu, S.L. was incorporated, to which 100% of the shares in Adprotel Strand, S.L. were contributed following the aforementioned transactions.

In addition, debt capitalisations of MHI UK Ltd., Sol Melia France, S.A.S. and Detur Panamá, S.A. amounting to EUR 139.9 million, EUR 43.6 million and EUR 24.4 million, respectively, were carried out in 2024. In addition, cash contributions were made to Operadora Mesol, S.A. de C.V. and Punta Cana Reservations, S.A. amounting to EUR 41.7 million and EUR 173.6 million, respectively.

Disposals

The main disposals during the period included the aforementioned contributions to Mugolu, S.L. for the amount of EUR 360 million, as well as the return of the contribution of partners of Hoteles Sol Melia, S.L. for the amount of EUR 34.9 million.

Regarding impairment, the provisions recognised during this year for the amount of EUR 51 million mainly relate to the depreciation of the underlying recoverable amount of the investees, of which EUR 16.8 million relates to the associate Homasi, S.A., due to the impairment of the shareholdings it holds in Cuban joint ventures, holders of the operating rights of 5 hotels in Cuba, and EUR 27.3 million relates to the group company Detur Panamá, S.A. Disposals include reversals recorded in 2024 for the amount of EUR 5.1 million mainly as a result of the restatement of the underlying recoverable amount of investees (see Annex I).

For comparison purposes, the breakdown of these movements in 2023 was as follows:

(thousand €)	31/12/2022	Additions	Disposals	Transfers	31/12/2023
Equity instruments in group companies (gross value)	996,496	23,437	(3)	6,043	1,025,973
Outstanding payments on shares	(17)		17		
Impairment	(121,545)	(6,296)	29,442		(98,399)
Equity instruments in associates and joint ventures (gross value)	215,772	38,218	(6,082)	(6,043)	241,865
Outstanding payments on shares		(4,350)			(4,350)
Impairment	(15,304)	(17,291)	19,681		(12,914)
Total	**1,075,403**	**33,719**	**43,053**		**1,152,175**

The most relevant additions in equity instruments in group companies in 2023 related to the non-cash contribution to the equity of Prodigios Interactivos, S.A. for the amount of EUR 11.6 million and the capitalisation of the debt of MHI UK Ltd. for the amount of EUR 10.6 million.

With regard to transfers during the year, the Company acquired the remaining 50.07% of the shares in the company Detur Panamá, S.A. As a result of this share acquisition, the stake in this company was transferred to equity instruments in group companies for an amount of EUR 6 million.

Additions in equity instruments in associates and joint ventures in 2023 mainly related to the acquisition of 20% of the shares in Fuerteventura Beach Property, S.L., Santa Eulalia Beach Property, S.L. and Hoteles Marmel, S.L. for a total amount of EUR 17.5 million; and also to the cash contribution to the equity of Homasi, S.A. for the amount of EUR 7.2 million, with EUR 4.4 million pending disbursement in the long term and EUR 1.5 million in the short term. In addition, the merger by absorption of Mosaico, S.A. into Homasi, S.A. was recorded as disposal and addition respectively for the amount of EUR 3.5 million. Finally, these also included the cash contribution to the equity of Holazel, S.L. for the amount of EUR 1.5 million, as well as contributions from shareholders to Evertmel, S.L. and Jamaica Devco, S.L. for the amount of EUR 3.7 million and EUR 4.8 million, respectively.

Regarding impairment, the provisions recognised during the previous year for the amount of EUR 23.6 million mainly related to the depreciation of the underlying recoverable amount of the investees. Disposals included reversals recognised in 2023 amounting to EUR 38.1 million mainly as a result of the restatement of the underlying recoverable amount of investees (see Annex I).

b) *Financial assets at fair value through profit or loss*

Long-term equity instruments:

Movements in 2024 were as follows:

(thousand €)	31/12/2023	Additions	31/12/2024
Equity instruments (gross value)	20,953	2,288	23,242
Total	20,953	2,288	23,242

Additions in 2024 for the amount of EUR 2.3 million relate to the increase in the fair value of Victoria Group, in which the Company holds a 7.5% stake through the company Victoria Hotels & Resorts, S.L., in which it has no significant influence. This amount is recorded under Change in fair value of financial instruments.

The equity situation as at 31 December 2024, obtained from the annual accounts provided by the corresponding companies, is as follows:

(thousand €)	% Sharehol.	Accounting Figures			Underlying carrying amount	Investment value
		Capital	Reserves	Result		
Hotelera Sancti Petri, S.A.	19.50 %	8,000	2,341	2,850	2,572	2,634
Inveragua RD, S.A.S. (*)	14.24 %	891	(163)	(5)	103	131
Port Cambrils Inversions, S.L.	10.00 %	6,000	839	457	730	980
Valle Yamuri, S.A. (*)	8.00 %	4,970	(1,570)	192	287	279
Victoria Hotels & Resorts, S.L. (**)	7.50 %	15,340	192,980	33	15,626	19,215
Other companies (*)		3			3	3
Total		35,204	194,427	3,527	19,321	23,242

(*) Balance sheets as at 31 December 2024 for these companies are not available.
(**) Victoria Group is made up of the companies Victoria Hotels & Resorts, S.L., Crisalian, S.L.U., and Lierinto, S.L.U.

These companies are not listed in the stock market.

Information concerning interest in securities portfolio, indicating address, activity and country in which it is exercised is included below:

COMPANIES	ADDRESS	COUNTRY	ACTIVITY
Hotelera Sancti Petri, S.A.	Gremio Toneleros, 24 (Palma de Mallorca)	Spain	Hotel owner and operator
Inveragua RD, S.A.S.	Avda. Lope de Vega, 4 (Santo Domingo)	Dominican Rep.	Holding
Port Cambrils Inversions, S.A.	Rambla Regueral, 11 (Tarragona)	Spain	Hotel owner and operator
Valle Yamuri, S.A.	Velázquez, 106 (Madrid)	Spain	Holding and owner
Victoria Hotels & Resorts, S.L.	Paseo del Club Deportivo, 1 (Madrid)	Spain	Hotel owner and operator

For comparison purposes, movements for year 2023 were as follows:

(thousand €)	31/12/2022	Additions	Transfers	31/12/2023
Equity instruments (gross value)	19,926	1,106	(79)	20,953
Provisions	(79)		79	
Total	19,847	1,106		20,953

Additions in 2023 related to the increase in the fair value of Victoria Group, in which the Company holds a 7.5% stake through the company Victoria Hotels & Resorts, S.L., in which it has no significant influence.

Likewise, the equity situation as at 31 December 2023, obtained from the annual accounts provided by the corresponding companies, was as follows:

(thousand €)	% Sharehol.	Accounting Figures			Underlying carrying amount	Investment value
		Capital	Reserves	Result		
Hotelera Sancti Petri, S.A.	19.50 %	11,900	(691)	2,883	2,748	2,634
Inveragua RD, S.A.S. (*)	14.24 %	837	(153)	(4)	97	131
Port Cambrils Inversions, S.L.	10.00 %	6,000	957	382	734	980
Valle Yamuri, S.A. (*)	8.00 %	4,970	(1,570)	192	287	279
Victoria Hotels & Resorts, S.L. (**)	7.50 %	15,340	181,434	(807)	14,698	16,927
Other companies (*)		3			3	3
Total		**39,050**	**179,977**	**2,646**	**18,567**	**20,953**

(*) Balance sheets as at 31 December 2023 for these companies were not available.

(**) Victoria Group is made up of the companies Victoria Hotels & Resorts, S.L., Crisalian, S.L.U., and Lierinto, S.L.U.

c) *Financial assets at amortised cost*

Set out below is a breakdown by nature of financial assets included in this item as at 31 December 2024 and 2023:

(thousand €)	31/12/2024			31/12/2023		
	Long term	Short term	Total	Long term	Short term	Total
Loans and other financial assets to group companies	327,826	224,420	552,245	411,271	323,946	735,216
Loans and other financial assets to associates and joint ventures	27,252	18,565	45,817	53,507	59,726	113,233
Other loans	12,973	3,215	16,188	10,424	15,127	25,551
Created deposits and guarantees	11,363	767	12,130	10,283	854	11,137
Other loans and receivables		1,111	1,111		24,408	24,408
Total	**379,414**	**248,078**	**627,491**	**485,485**	**424,061**	**909,546**

Balances recorded as Loans and other financial assets to group companies, associates and joint ventures mainly relate to loans granted for the financing of activities within the hotel business, including the hotel acquisition and renovation. Likewise, the Company performs a centralised management of collections and payments between group companies through a current account which bears interest at a market rate which is accrued annually depending on the daily balance of the account. These balances are broken down in Note 17.2.

Loans granted to several companies with which the Company does business in various operating segments are included under the heading Other loans; the most significant amounts are as follows:

- Loans granted to various unrelated companies with which the Company maintains commercial relationships for the amount of EUR 4.2 million.
- Loans to owners of several hotels operated by the Company under lease, management and franchise for the amount of EUR 11.8 million.

The guarantees arranged by the Company relate basically to the rent for hotels leased by it. Since such guarantees are granted to ensure compliance with an obligation associated with such agreements, they are not recognised at current value but at face value.

d) *Derivative assets*

The balances under Financial derivative assets heading are broken down in Note 9.3. Cash flow hedge activities relate to interest rate swaps, and Other derivative assets to the call option on non-controlling interests of a group company.

9.2 Financial Liabilities

The following table shows the breakdown by categories of the financial liabilities, for 2024 and 2023:

(thousand €)	31/12/2024			31/12/2023		
	Long term	Short term	Total	Long term	Short term	Total
1. Financial liabilities at amortised cost:						
- Bonds and other negotiable securities	52,143	11,242	63,385	52,082	24,585	76,667
- Bank loans	662,384	93,957	756,341	756,243	255,085	1,011,328
- Other financial liabilities	1,115	7,148	8,263	958	37,424	38,382
- Payables to group companies, associates and joint ventures	751,756	267,883	1,019,639	284,396	223,077	507,473
2. Derivatives and hedges:						
- Derivative liabilities	11,967	900	12,867			
Total	1,479,365	381,130	1,860,495	1,093,679	540,171	1,633,850

Balances under heading Trade creditors and other payables which are also considered as financial liabilities, are not included. Additional breakdowns of these balances are included in Note 13.

Below, each of the items included in the table of financial liabilities are detailed:

a) Bonds and other negotiable securities

At the end of 2024 and 2023, the breakdown of Bonds and other negotiable securities is as follows:

(thousand €)	31/12/2024			31/12/2023		
	Long term	Short term	Total	Long term	Short term	Total
Non-convertible bonds	52,143		52,143	52,082		52,082
Other marketable debt securities (ECP)		11,038	11,038		24,381	24,381
Interests, bonds and other marketable securities		204	204		204	204
Total	52,143	11,242	63,385	52,082	24,585	76,667

On 19 November 2018, the Company issued simple bonds for the final amount of EUR 30 million with the following characteristics:

Issue price:	EUR 30,000,000.00
Face amount:	EUR 100,000.00
Maturity:	12 years
Debt rank:	Senior unsecured
Issue price:	100 %
ISIN Code:	ES0276252014
Issue date:	19 November 2018
Maturity date:	19 November 2030
Coupon:	Fixed 3.30%
Repayment price:	100 %

On 25 May 2021, an increase in the face amount of the bond was carried out. Such increase was for the amount of EUR 22.5 million and the issue was at a price equal to 98.395% of the face amount.

Euro-Commercial Paper Programme (ECP)

In June 2024, the commercial paper programme (“Euro-Commercial Paper Programme” or ECP) was renewed, with maturity date on 27 May 2025, subject to English law, for the maximum amount of EUR 300 million, whereby debt instrument issues can be made in Europe with a maturity of less than 364 days, up to the said amount.

In 2024, issues were made for a total amount of EUR 69.3 million, and there were outstanding issues of EUR 11.1 million of face amount at year end (see Note 5.4).

b) Bank loans

The breakdown of the Company's bank borrowings analysed by nature and maturity at year-end 2024 and 2023 is as follows:

(thousand €)	31/12/2024			31/12/2023		
	Long term	Short term	Total	Long term	Short term	Total
Bank loans	640,310	86,384	726,694	564,374	244,569	808,943
Mortgage loans	21,246	2,073	23,319	23,321	2,074	25,395
Credit facilities	828		828	168,549	3,073	171,622
Interest		5,500	5,500		5,368	5,368
Total	662,384	93,957	756,341	756,244	255,084	1,011,328

At year end, the maximum limit of credit facilities is EUR 276.5 million. In 2023, the maximum limit was EUR 341.5 million. The total amount of credit facilities drawn down was EUR 0.8 million; EUR 171.6 million in 2023; and at the end of 2024 an additional balance of EUR 275.7 million was available; EUR 169.9 million in 2023.

In addition, in 2024, early repayment of loans was made for the amount of EUR 321.1 million, and interest for the amount EUR 53 million was paid.

Average interest rate accrued in 2024 on previous loans and credit facilities is 5.22%. Average interest rate accrued in 2023 was 4.87%.

The detail of the maturities at year-end 2024 and 2023 is as follows:

(thousand €)	31/12/2024
2025	93,957
2026	142,815
2027	250,617
2028	149,396
2029	108,828
2030 and subsequent years	10,728
Total	756,341

(thousand €)	31/12/2023
2024	255,084
2025	135,333
2026	495,683
2027	103,586
2028	18,065
2029 and subsequent years	3,578
Total	1,011,329

c) Other financial liabilities

At the end of 2024 and 2023, the breakdown of Other financial liabilities is as follows:

(thousand €)	31/12/2024			31/12/2023		
	Long term	Short term	Total	Long term	Short term	Total
Trade bills payable		1,644	1,644		1,511	1,511
Other payables	188	1,829	2,018	94	1,461	1,555
Guarantees and deposits received	926	12	939	864	12	876
Other current accounts		3,662	3,662		34,440	34,440
Total	1,115	7,148	8,263	958	37,424	38,382

Trade bills payable and Other debts mainly include suppliers of fixed assets relating to renovations performed in various hotels operated by the Company.

Likewise, Other current accounts mainly include debts relating to the centralised management of collections made by the Company. In the previous year, debts with the company that owns 15 hotels which were operated under lease by the Company, and which became to be operated under management in 2023, were also included.

The detail of maturities at the end of 2024 and 2023 is as follows:

(thousand €)	31/12/2024
2025	7,148
2030 and subsequent years	1,115
Total	8,263

(thousand €)	31/12/2023
2024	37,424
2029 and subsequent years	958
Total	38,382

d) *Debts with group companies, associates and joint ventures*

The balances included under this item, which mainly relate to amounts due for the centralised cash management of the Group, are broken down in Note 17.

e) *Derivative liabilities*

The balances under Financial derivative liabilities are broken down in Note 9.3. Cash flow hedge activities relate to interest rate swap contracts, and Other derivative liabilities to a put option of non-controlling interests of a group company.

9.3 Hedge Activities and Derivatives

The fair values of the Company's derivative financial instruments at the end of 2024 and 2023 are analysed below by maturity:

(thousand €)	31/12/2024			31/12/2023		
	Long term	Short term	Total	Long term	Short term	Total
Hedging derivative assets	10	221	231	278	1,880	2,158
Other derivative assets	8,330	61	8,391	111	818	929
Total	8,340	282	8,622	389	2,698	3,087
Hedging derivative liabilities	2,767	900	3,667			
Other derivative liabilities	9,200		9,200			
Total	11,967	900	12,867			

Maturity by year is as follows:

(thousand €)	31/12/2024	
	Hedge	Others
2025	(679)	61
2026	(1,368)	
2027	(872)	
2028	(428)	
2029	(89)	
2030 and subsequent years		(870)
Total	(3,436)	(809)

(thousand €)	31/12/2023	
	Hedge	Others
2024	1,880	818
2025	268	111
2026	10	
Total	2,158	929

a) Accounting Hedges

As part of its interest rate risk management policies (see Note 5.1), the Company, at the end of the fiscal year, has several interest rate swaps that qualify as cash flow hedging instruments, based on the contractual terms; therefore, changes in their fair value are taken directly to the Company's equity.

The items hedged by these operations mainly relate to a part of the variable interest rate financing in euro and dollar. These financial instruments are used to exchange interest rates, so that the Company receives variable interest from the bank in exchange for a fixed interest payment on the same face amount. The variable interest received from the derivative offsets interest payments on the financing hedged. The final result is a fixed interest payment on the financing hedged.

At the end of 2024, these derivative financial instruments have been measured and recorded in assets for the amount of EUR 0.2 million and in liabilities for the amount of EUR 3.7 million (EUR 2.2 million in assets in 2023). To determine these fair values, discounted cash flow techniques have been used based on the embedded amounts determined by the interest rate curve in accordance with the market conditions at the measurement date. The measurements of these swaps have also been carried out by the financial institutions from which these products are obtained, as independent experts in the measurement of financial instruments.

The Company has transferred to the income statement of the year an income for the amount of EUR 2.7 million because of interest rate hedging; an income for the amount of EUR 3.6 million in 2023. These amounts have been recorded in the financial expenses item, as well as the hedged item.

Likewise, as at 31 December 2024, the notional value of the interest rate swaps that qualify as hedges amounts to EUR 169.4 million, and as at 31 December 2023 such value amounted to EUR 100.8 million (see Note 5.1).

b) Other derivatives

Additions for the amount of EUR 8.3 million under heading Other derivative assets in the long term relate to the valuation made by the independent expert KPMG, of the call option on the non-controlling interests of the group company Adprotel Strand, S.L. (see Note 5).

Additions for the amount of EUR 9.2 million under heading Other derivative liabilities in the long term relate to the valuation of the drag-along right granted to minority partners of the company Adprotel Strand, S.L., exercisable only in the event of liquidation or material breach of contract., valued by the independent expert KPMG, within the framework of the sale of non-controlling interests (see Note 5). The impact on heading Change in fair value of financial instruments in the income statement has resulted in an expense for the amount of EUR 0.9 million.

Other derivative assets in the short term recognised at the end of 2024 relate to interest rate swaps contracted in the framework of the interest rate risk management performed by the Company (see Note 5.1). Interest rate swaps are not deemed to be accounting hedges, since they were contracted in the framework of a debt restructuring and thus, they do not meet the requirements for the application of hedge accounting according to the General Accounting Plan.

The measurements of these swaps have also been carried out by the financial institutions from which these products are obtained, as independent experts in the measurement of financial instruments. As at 31 December 2024, the notional value of these financial instruments amounts to EUR 6.3 million, and as at 31 December 2023 such value amounted to EUR 33.5 million.

Note 10. Current Assets

10.1. Inventories

The breakdown is as follows:

(thousand €)	31/12/2024	31/12/2023
Goods	138	75
Other	3,727	3,061
Advances to suppliers	23	150
Total	3,888	3,286

The Company does not have firm purchase or sale commitments and there are no limitations on availability of inventories.

10.2 Trade and Other Receivables

The breakdown of this heading is as follows:

(thousand €)	31/12/2024	31/12/2023
Customers	60,793	60,216
Trade bill receivable	2,330	2,036
Doubtful trade receivables	12,654	12,553
Impairment for trade operations	(21,980)	(24,512)
Total trade receivables	53,797	50,293
Trade receivables, group companies, associates and joint ventures	72,351	97,623
Impairment of group companies, associates and joint ventures	(4,455)	(4,400)
Sundry debtors	2,592	2,627
Staff	308	168
Current tax assets	48	8,907
Public Administrations	1,749	3,962
Total other receivables	72,593	108,887
Total	126,390	159,180

At the end of 2024 and 2023, the receivable balances arising from the sale of rooms and other services provided, associated with the hotel business, are included under the heading Customer receivables for sales and services.

Trade receivables, group companies, associates and joint ventures heading mainly relates to commercial transactions for the provision of services and management at market prices. Breakdown by companies is shown in Note 17.2.

The breakdown of trade receivables by age is included in Note 5.3, and the breakdown of current tax assets and Public Administrations is included in Note 14. These balances are not considered as Financial assets.

10.3 Cash and Other Cash Equivalents

Cash and bank balances include cash in hand and demand accounts in credit institutions. The heading Other cash equivalents includes short-term deposits, which periods range between one day and three months since inception, so there are no significant risks of change in value, and they are part of the normal cash management policy of the Company.

The breakdown of the balances under this heading for 2024 and 2023 is as follows:

(thousand €)	31/12/2024	31/12/2023
Cash	2,627	3,777
Other cash equivalents	1,187	874
Total	3,814	4,651

This heading includes balances in currencies other than the Euro, in particular, the US dollar and the British pound (see Note 16.6).

Note 11. Equity

11.1 Equity

a) Share Capital

The Company's share capital as at 31 December 2024 and 2023 stipulated in the Bylaws is EUR 44,080,000 corresponding to 220,400,000 shares with a par value of Euro 0.20 each. The shares are fully subscribed and paid-up, and constitute a single class and series.

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

The Ordinary and Extraordinary General Shareholders' Meeting held on 22 June 2023, renewed the authority of the Company's Board of Directors to agree the share capital increase, without having to consult the General Shareholders' Meeting beforehand, up to 50% of the share capital. Consequently, the Board of Directors can exercise this right, in one or more times, deciding in each case, not only the timing or appropriateness, but also the amount and conditions which it considers should apply within a maximum period of five years, starting from the date of said Meeting. If the capital increase is made excluding the shareholders' pre-emptive subscription rights, such authority of the Board of Directors is limited to 20% of the share capital.

The voting rights held by the main shareholders with direct and indirect stake in the Company as at 31 December 2024 and 2023, are as follows:

Shareholders	31/12/2024	31/12/2023
	% Shareholding	% 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.	11.03	13.23
Rest of shareholders (less than 3% individual)	34.16	31.97
Total	100.00	100.00

As a result of the passing of Mr Gabriel Escarrer Juliá on 26 November 2024, his widow, Mrs Ana María Jaume Vanrell, now holds 54.80% of the voting rights of Meliá Hotels International, S. A., through control over the companies Hoteles Mallorquines Consolidados, S.L., Hoteles Mallorquines Agrupados, S.L., Hoteles Mallorquines Asociados, S.L. and Tulipa Inversiones 2018, S.A.

b) Share premium

The share premium has the same restrictions and can be used for the same purposes as the Company's voluntary reserves.

c) Reserves

The following table shows the breakdown of the Reserves heading at the end of 2024 and 2023:

(thousand €)	31/12/2024	31/12/2023
Legal reserve	8,816	8,816
Revaluation reserves Royal Decree-Law 7/1996, of 7th of June	1,181	1,190
Reserves for actuarial gains and losses	(6,380)	(5,693)
Voluntary reserves	286,350	306,725
Translation reserves	12,170	12,555
Total	302,137	323,593

Legal reserve

The Company is obliged to transfer 10% of the profits of each year to a reserve fund until this fund reaches at least 20% of the share capital. This reserve is not available for distribution to the shareholders and, provided that other reserves are not available, may only be used to offset losses.

At the end of 2024 and 2023 this reserve is fully constituted.

Revaluation reserves, Royal Decree-Law 7/1996, of 7th of June

This reserve will be available to eliminate recognised losses and to increase the share capital of the Company and as of 31 December 2006 (10 years following the date of the balance sheet in which the restatement operations were reflected) it may be taken to unrestricted reserves, as the revalued assets are fully depreciated or are disposed of by other means. The balance of the reserve shall not be distributed, directly or indirectly, unless the related capital gain has been realised through the sale or total depreciation of the revalued assets.

Reserves for actuarial gains and losses

The amount recognised in this reserve is derived from actuarial gains and losses recognised in equity. Such reserve relates to changes undergone in the calculation percentages and actuarial assumptions of remunerations and retirement bonuses undertaken by the Company (see Note 12.1). This reserve is not available for distribution.

Voluntary reserves

These reserves are unrestricted, after offsetting losses. The decrease during 2024 mainly relates to the distribution of dividends from the previous year, for the amount of EUR 20.6 million, as mentioned in Note 3.

Translation reserves

These reserves relate to the incorporation of the balance sheet of the permanent establishment Sol Meliá Túnez.

d) Treasury stock and shares

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

(thousand €)	No. shares	Average price (euros)	Balance
Balance as at 31/12/2023	248,014	6.51	1,615
Liquidity contract acquisitions	7,136,089		
Liquidity contract disposals	(7,183,742)		
Balance as at 31/12/2024	200,361	7.53	1,509

At the end of 2024 and 2023, the Company does not have securities loan agreements.

As at 31 December 2024, the total number of treasury shares held by the Company is 200,361, which represents 0.09% of the share capital; 0.113% in 2023. In any case, the treasury shares do not exceed the 10% limit established by the revised text of the Spanish Corporate Enterprises Act.

The price of the Company's shares at the 2024 year end was EUR 7,365. At the 2023 year end the share price amounted to EUR 5.96.

For comparison purposes, movements for year 2023 were as follows:

(thousand €)	No. shares	Average price (euros)	Balance
Balance as at 31/12/2022	334,014	11.78	3,936
Liquidity contract acquisitions	11,307,075		
Liquidity contract disposals	(11,393,075)		
Balance as at 31/12/2023	248,014	6.51	1,615

11.2 Measurement Adjustments

Details and movements of the measurement adjustments in 2024 and 2023 are as follows:

(thousand €)	2024	2023
Hedging operations:		
Opening balance	1,429	3,803
Results attributed to equity	(2,745)	390
Transfers to results	(2,676)	(3,554)
Tax effect	1,355	790
Closing balance	(2,637)	1,429

11.3 Grants, donations and bequests received

Capital grants mainly relate to grants to finance property, plant and equipment purchases, which will be progressively transferred to the income statement depending on the useful life of such property, plant and equipment. In 2024, the total amount recorded in the income statement for this item is EUR 61 thousand; the same amount in 2023.

Movements in 2024 and 2023 are as follows:

(thousand €)	2024	2023
Opening balance	840	886
Transfers to results	(61)	(62)
Tax effect	15	16
Closing balance	794	840

At the end of 2024 and 2023, the Company meets the conditions laid down in the granting of awards.

Note 12. Provisions and Contingencies

12.1 Provisions

The balance sheet includes a balance for the amount of EUR 156.8 million in respect of provisions, EUR 126.3 million in the previous year. As indicated in Note 4.10, this heading includes the Company's commitments with staff, as well as the provisions recorded to cover the various risks and contingencies arising from transactions carried out, commitments acquired and guarantees to group companies and third parties, risks for legal claims and lawsuits, as well as potential liabilities deriving from the possible different interpretations to which the applicable legislation is open.

Movements of the fiscal year in the provisions for risks and expenses are as follows:

(thousand €)	31/12/2023	Additions	Disposals	31/12/2024
Provision for retirement, seniority bonus and personnel obligations	7,305	2,054	(485)	8,874
Provision for onerous contracts	12,401	3,288	(3,982)	11,708
Provision for negative own funds	91,472	33,427		124,899
Provision for liabilities	15,091	765	(189)	15,667
Total	126,269	39,534	(4,656)	161,147

In respect of commitments established in supra-enterprise collective agreements, in 2024 an actuarial study has been performed to assess the past services, as defined in Note 4.10, which have been estimated at EUR 9.1 million; EUR 7.6 million in 2023. The value of assets associated with outsourced commitments in compliance with the legislation in force amounts to EUR 0.3 million; the same amount in 2023.

The assessment of these commitments undertaken by the Company has been conducted in accordance with the actuarial assumptions of the model which pertains to it, using the calculation method known as the Projected Unit Credit and the demographic assumptions established by the PER2020 tables, using a capitalisation rate of 3.11%, and a salary increase assumption of 3.18%. In addition, the probability of tenure of employees until retirement has also been applied, based on the Company's experience in respect of employees leaving the Company, giving rise to the following rotation ratios according to the employee's current age:

Rotation	
Age range	%
<45	5.38
45-55	3.02
>55	2.71

Changes during the fiscal year include an impact recognised in equity for the amount of EUR 0.7 million; the same amount in the previous year (see Note 11.1 c), due to some changes occurred in the actuarial assumptions used during the calculations made.

The balance of the provision for onerous contracts at the end of 2024 amounts to EUR 11.7 million; EUR 12.4 million at the end of 2023. This provision was calculated for the hotels that in 2024 presented negative net cash flows, after discounting the relevant lease instalments. To calculate this provision, it is considered that the costs of compliance with the agreements correspond to the present value of the projected cash flows, including lease commitments, and they are compared with the costs of non-compliance with the various agreements, the lower of both amounts being allocated to the provision. The estimate of the cash flows expected for these hotels has been carried out internally by the Company, on the basis of the operating budget for 2025 and projecting the results until the termination of the contract (without considering any extensions that have not yet been signed), based on increases in the average price of rooms according to the business plan established for 2025. The discount rate used has been 9.6%.

Provisions for negative own funds are calculated for all those Group companies the accumulated losses of which exceed the value of the investment (see Note 2.4). Additions for the year mainly relate to Sol Group Exhol, S.L. for the amount of EUR 30.5 million. Additions in 2023 mainly related to Sol Group Exhol, S.L., for the amount of EUR 42.2 million, and disposals mainly related to Sol Maninvest, B.V. and Melia Europe & Middle East, S.L for the amount of EUR 5 million.

Movements in 2023 were as follows:

(thousand €)	31/12/2022	Additions	Disposals	31/12/2023
Provision for retirement, seniority bonus and personnel obligations	8,113	1,522	(2,330)	7,305
Provision for onerous contracts	12,196	206		12,401
Provision for negative own funds	53,417	43,982	(5,927)	91,472
Provision for liabilities	14,434	2,622	(1,966)	15,091
Total	88,160	48,332	(10,223)	126,269

12.2 Guarantee Commitments to Third Parties and Other Contingent Liabilities

Contingent liabilities relating to guarantees and deposits held for guarantees provided to third parties by the Company, as well as other contingent liabilities are detailed below.

Through various contracts, the Company:

- Secures lease payments in favour of several hotel owners through bank guarantees for the total amount of EUR 81.1 million and through corporate guarantee for the amount of EUR 24.3 million; EUR 81.06 million and EUR 23.88 million respectively in the previous year.
- Acts as joint and several guarantor of EUR 53.3 million for several bank loans to one group company; EUR 59.82 million in the previous year.
- Secures several operations on behalf of its subsidiary companies, associates and joint ventures through bank guarantees, amounting to EUR 40.9 million; EUR 37.9 million in the previous year.
- Secures several operations through bank guarantees and for various items, for the total amount of EUR 6 million; EUR 8.97 million in the previous year.

12.3 Operating Leases

As at 31 December 2024, the Company operates under operating lease a total of 35 hotels; 32 hotels at the end of 2023.

The average term of these operating lease contracts is 7.73 years. These lease contracts have a contingent component relating to the consumer price index (CPI) and, certain agreements, other contingent component relating to the evolution of the result obtained by each hotel establishment, which is not considered in the calculation of minimum lease payments, which are broken down in the table included in this Note. The contingent instalment in 2024 amounted to EUR 1.1 million due to the evolution of the CPI; EUR 1 million in 2023.

The following table shows a distribution by maturity of the minimum payments of such leases:

(thousand €)	31/12/2024	31/12/2023
Less than 1 year	91,971	59,417
Between 1 and 5 years	354,517	211,692
More than 5 years	282,416	95,061
Total	728,904	366,170

The increase in the calculation of minimum payments during 2024 is mainly due to new hotel lease agreements with subsidiaries, related to the corporate operations described in Note 9.1, as well as to modifications and extensions of existing ones at the end of 2023.

12.4 Contingent Assets

The Company has claims brought against third parties for compensation for damages suffered as a result of hotel closures during the 2020 health pandemic, on which it considers there are reasonable technical grounds to obtain a favourable ruling in court. However, the Company's Directors, on the basis of prudence, do not consider that the requirements established in the applicable regulations for their recognition in the balance sheet have been met for the time being.

Note 13. Trade Creditors and Other Payables

The breakdown of this heading at the end of 2024 and 2023 is as follows:

(thousand €)	31/12/2024	31/12/2023
Suppliers	14,030	12,005
Suppliers, group companies, associates and joint ventures	27,965	17,400
Sundry creditors	59,222	64,096
Accrued wages and salaries	41,867	36,497
Current tax liabilities	4,137	
Public Administrations	24,951	11,790
Prepayments from customers	19,347	13,985
Total	191,519	155,773

The balance of Suppliers and Sundry creditors includes any payables to suppliers of goods, supplies and other services or for which the invoices have not yet been received.

The balance of Suppliers, group companies, associates and joint ventures is detailed in Note 17.2. The balances of Current tax liabilities and Public Administrations are detailed in Note 14.1. These balances are not considered as Financial liabilities.

There follows the information required by Third Additional Provision of Law 18/2022, of 28th of September, on the creation and growth of enterprises, and Law 15/2010 of 5th of July (amended by Second Final Provision of Law 31/2014, of 3rd of December) prepared according to the Resolution of the ICAC (Accounting and Auditing Institute) of 29 January 2016, on information to be included in the notes to the annual accounts in relation to the average period of payment to suppliers in commercial transactions:

No. of days	2024	2023
Average period of payment to suppliers	51.34	53.84
Ratio of operations paid	49.24	50.27
Ratio of outstanding operations	107.43	130.88
(thousand €)	2024	2023
Total payments made	370,396	349,825
Total outstanding payments	13,915	16,214

According to the ICAC Resolution on 29 January 2016, for the calculation of the average period of payment to suppliers, the commercial transactions relating to the delivery of goods or provision of services accrued in each year have been considered.

For the purposes of providing the information set forth in this Resolution only, trade creditors for the supply of goods or services, included in items Sundry Suppliers and Creditors in current liabilities in the balance sheet are deemed to be suppliers.

"Average period of payment to suppliers" means the period that elapses between the supply of goods or the provision of the services by the supplier and the effective payment of the transaction.

There follows a breakdown of the monetary volume and number of invoices paid within the legal term established:

(thousand €)	2024	2023
Monetary volume	196,849	186,967
Percentage of total payments made	53.15 %	53.43 %
Number of invoices	36,399	39.494
Percentage of total invoices	16.78 %	16.90 %

Note 14. Tax Situation

In terms of taxation and income tax, the Company is subject to the Spanish tax legislation.

In 2024 and 2023, the Company has filed consolidated tax returns pursuant to Law 27/2014, of 27th of November, on Corporate Income Tax (hereinafter, “LIS” according to its acronym in Spanish), under the Group number 70/98 of which Meliá Hotels International, S.A is the Parent Company.

The consolidation tax Group comprises 38 companies which fulfil the requirements laid down for that purpose in the regulations governing taxation on consolidated profits of groups of companies. The companies within the mentioned consolidation tax Group jointly determine the group’s tax result, which is distributed among them, according to the criterion established by the Instituto de Contabilidad y Auditoría de Cuentas as for recognition and determination of individual tax liability.

Likewise, the Company is taxed under the Special Group of Entities Regime for the purposes of Value Added Tax (VAT) under assigned VAT number 40/17. The number of companies comprising this group is 13. Every month, the Company submits the aggregated periodic tax returns-assessments of the Group, by integrating the results of the individual self-assessment tax returns of the companies belonging to that Group of Companies.

'Pillar Two'

On 21 December 2024, Law 7/2024 of 20th of December was published in the Spanish Official State Gazette, transposing Directive (EU) 2022/2523 and introducing, among other measures, the Supplementary Tax. This tax, in line with Pillar Two of the OECD, aims to guarantee a minimum global tax rate of 15% for large multinational and national groups.

For tax periods starting on or after 1 January 2024, the parent company of Meliá Group must pay a Supplementary Tax in Spain on the profits obtained by its subsidiaries in jurisdictions where the effective taxation is less than 15%, calculated on an aggregate basis by country. From 2024 to 2026, the possibility of applying the so-called transitional safe harbours is envisaged, in which the Supplementary Tax is not payable if certain tests are passed (de minimis, simplified effective tax rate or economic substance).

Furthermore, some of the jurisdictions in which the Group operates have implemented regulations in line with Pillar Two of the OECD, establishing a minimum domestic tax that corrects the tax deficit until the threshold of 15% is reached.

After analysing its tax situation, Meliá Group has concluded that no additional taxation will arise in 2024 due to the application of the transitional safe harbours and/or the Supplementary Tax.

Finally, the Group has availed itself of the exception to the recognition of deferred tax assets and liabilities arising from the application of Pillar Two, in accordance with the tenth final provision of Law 7/2024, which amends Royal Decree 1514/2007 of 16th of November, which approves the General Accounting Plan.

Other tax changes derived from Law 7/2024

Furthermore, Law 7/2024 introduces various amendments affecting Corporate Tax in Spain, limiting the offsetting of tax losses to 25% of the Company's tax base, limiting the application of deductions to avoid double taxation and extending the 50% restriction to the offsetting of tax losses generated by entities in the Tax Group.

These regulatory amendments limit the Tax Group's ability to take advantage of its tax credits, increasing its tax burden and, consequently, increasing the Group's income tax expense in 2024.

According to section 14.4, the tax Group has reassessed the probability of having future taxable profit against which unused tax losses or unused tax credits can be carried forward in accordance with this new applicable tax regulation.

14.1 Current Balances Receivable from and Payable to Public Administrations

As at 31 December 2024, the Company's main balances payable to Public Administrations are EUR 11.8 million relating to value added tax (VAT); and EUR 4 million relating to Group's Corporate Income Tax.

(thousand €)	31/12/2024	31/12/2023
Income tax		
Current tax assets	48	8,907
Total	48	8,907
Other taxes / rates		
Tax Authorities, IGIC Tax receivable	444	
Tax Authorities, VAT receivable	1,168	3,938
Other receivables from Public Administrations	137	24
Total	1,749	3,962
Total assets	1,797	12,869
Income tax		
Current tax liabilities	4,137	
Total	4,137	
Other taxes / rates		
Tax Authorities, VAT payable	11,779	
Tax Authorities, IGIC Tax payable	521	348
Tax Authorities, IRPF (Income Tax) payable	3,594	2,805
Tax Authorities, payables	3,767	3,562
Payables to Social Security bodies	5,290	5,075
Total	24,951	11,790
Total liabilities	29,088	11,790

14.2 Years Open to Tax Inspections and Audits

According to the legislation in force, taxes cannot be deemed definitively settled until the returns submitted are audited by the tax authorities or the four-year statute of limitations has lapsed. As at 31 December 2024, the years open to review by the tax authorities for the main applicable taxes to which the Company is subject are as follows:

	Years
Corporate Income Tax	2020-2023
I.G.I.C (General Indirect Canary Islands Tax)	2021-2024
VAT	2021-2024
I.R.P.F. (Income Tax)	2021-2024

In 2023, the Company concluded the verification and inspection procedure carried out by the State Tax Administration Agency. As a result of this procedure, the Company proceeded to self-correct the corporate income tax settlements for 2020 and 2021, in accordance with the valuation criteria established in the inspection procedure, which led to the interruption of the statute of limitations for these years.

Other tax information

As a consequence, among others, of the different possible interpretations of current tax legislation, the results of the tax authorities' inspections for the rest of the years subject to verification may give rise to contingent tax liabilities, the amount of which cannot be objectively quantified. The Company assesses the uncertain tax treatments and reflects the effect of the uncertainty on the taxable profit (tax loss), tax bases, unused tax losses or unused tax credits. In any case, the Company considers that these additional liabilities, should they arise, would not significantly affect the income statement and the balance sheet.

14.3 Income tax

Benefits, determined in accordance with the tax legislation, are subject to taxation at the rate of 25% on the tax base. However, in accordance with Article 30 bis of the LIS, a minimum taxation of 15% is established for the tax base reduced or increased, as appropriate and as applicable, by the amounts derived from Article 105 of this Law and reduced by the Investment Reserve as regulated in Article 27 of Law 19/1994, of 6th of July, amending the Economic and Fiscal Regime of the Canary Islands.

The reconciliation of the net amount of income and expenses of the fiscal year and the tax base (tax result) of the corporate income tax is as follows:

(thousand €)	Income Statement		Income and expenses recognised directly in equity		Total
Balance of income and expenses of the fiscal year					
Continuing operations	**47,169**		**(4,798)**		**42,371**
	Increases (I)	Decreases (D)	Increases (I)	Decreases (D)	
Income tax		(17,424)	(1,600)		**(19,024)**
Permanent differences	72,659	(40,969)			**31,690**
Temporary differences:					
Arising in the fiscal year	14,376				**14,376**
Arising in previous fiscal years	2,440	(49,749)		6,398	**(40,911)**
Offset of tax loss from previous years		(20,052)			**(20,052)**
Tax base (tax result)					8,451

The Company's most significant permanent differences relate to increases due to value adjustments to the Group's shareholdings and equity for the amount of EUR 51 million and the application of the international double taxation exemption for dividends for the amount of EUR 34 million.

Temporary differences increases mainly relate to non-deductible provisions during the current year, which will be tax deductible at the time of payment or when the liability is generated.

The decreases due to temporary differences mainly relate to non-deductible financial expenses in prior periods amounting to EUR 36 million and to provisions deductible in the current year.

For comparison purposes, the reconciliation of the net amount of income and expenses of the fiscal year 2023 and the tax base (tax result) of the corporate income tax was as follows:

(thousand €)	Income Statement		Income and expenses recognised directly in equity		Total
Balance of income and expenses of the fiscal year					
Continuing operations		**8,384**		**(3,078)**	**5,306**
	Increases (I)	Decreases (D)	Increases (I)	Decreases (D)	
Income tax		(20,863)	(1,025)		**(21,888)**
Permanent differences	110,729	(87,866)			**22,863**
Temporary differences:					
Arising in the fiscal year	39,677	(77,560)			**(37,883)**
Arising in previous fiscal years	2,833			4,102	**6,935**
Offset of tax loss from previous years		(51,571)			**(51,571)**
Tax base (tax result)					(76,238)

The information shown in the changes in equity relates to income and expenses directly recognised in equity. In 2024 and 2023, none of these amounts affect the tax base of the Company.

There follows the reconciliation of the income tax expense that would result from applying the general tax rate in force to the total of recognised income and expenses, differentiating the income statement balance:

(thousand €)	2024		2023	
	Income statement	Income and expenses recognised in equity	Income statement	Income and expenses recognised in equity
Accounting profit/loss before tax	**29,745**	**(6,398)**	**(12,479)**	**(4,103)**
Theoretical tax burden (25% rate)	7,436	(1,600)	(3,120)	(1,025)
Permanent differences	7,923		5,716	
Temporary differences	(11,324)		(10,636)	
Tax loss and tax credits	(31,691)		(15,096)	
Income tax from previous years	9,211		1,934	
Foreign withholding tax	1,021		339	
Effective tax expense/(income)	(17,424)	(1,600)	(20,863)	(1,025)

The breakdown of expenses/income for income tax in the fiscal year is as follows:

(thousand €)	2024		2023	
	Allocation to income statement	Allocation to equity	Allocation to income statement	Allocation to equity
Current tax	5,850		(18,991)	
Deferred tax	(23,274)	(1,600)	(1,872)	(1,025)
Total corporate income tax expense / (income)	(17,424)	(1,600)	(20,863)	(1,025)

The calculation of Corporate Income Tax is as follows:

Euro	Amount
Current tax	2,113
Rebates and deductions	(6,391)
Net tax liability	(4,279)

14.4 Deferred Tax Assets and Liabilities

The breakdown of deferred tax assets and liabilities is as follows:

(thousand €)	31/12/2024	31/12/2023
Deferred tax assets		
Credits for tax losses available for carry forward	43,540	22,769
Tax credit carryforwards		147
Tax value of goodwill		762
Financial instruments	857	(17)
Amortisation costs pending deduction		967
Provisions that are tax-deductible at the time of payment or when the liability arises	29,263	23,363
Credit for limitation on the offset of tax losses in tax groups	4,297	6,558
Total	77,957	54,549
Deferred tax liabilities		
Finance lease operations	9,998	10,309
Land restatement and revaluation	24,520	24,585
Sales under reinvestment deferral	3,172	3,309
Non-refundable grants	183	198
Financial instruments	58	539
Other deferred tax liabilities		555
Total	37,931	39,495

The movements of the different items making up the deferred tax assets and liabilities are as follows:

(thousand €)	2024		2023	
	Deferred tax assets	Deferred tax liabilities	Deferred tax assets	Deferred tax liabilities
Opening balance	54,549	39,495	66,145	53,988
Variations reflected in the Income Statement:				
Credits for tax losses available for carry forward	20,771		18,150	
Tax credit carryforwards	(147)		(9,643)	
Provisions that are tax-deductible at the time of payment or when the liability arises	5,573		(3,192)	
Tax value of goodwill	(762)			
Finance lease operations		(311)		(98)
Land restatement and revaluation		(65)		(65)
Amortisation costs pending deduction	(966)			
Sales under reinvestment deferral		(136)		(136)
Adjustments for the limitation on deductibility of financial expenses			(23,645)	
Other deferred tax liabilities		(555)		(13,262)
Credit for limitation on the offset of tax losses in tax groups	(2,262)		6,558	
Variations reflected in Equity:				
Financial instruments	874	(482)	(43)	(916)
Non-refundable grants		(15)		(16)
Provisions that are tax-deductible at the time of payment or when the liability arises- Actuarial gains and losses	327		219	
	77,957	37,931	54,549	39,495

The Company has established a business plan covering 10 years for the purposes of determining the recoverable value of tax credits, according to the deadlines set by tax legislation, and consequently, has determined the existence of deferred tax assets that will be applied within this period. Based on this criterion, the Company considers that it is probable that future taxable profit may lead to the recovery of all deferred tax assets, within a reasonable period and never exceeding the periods allowed by the current legislation.

14.5 Tax Group's Financial expenses

At the beginning of the year, the Group has financial expenses pending application amounting to EUR 40,474 thousand, although no deferred tax asset was recognised for this item.

At the end of year, the Group has used all the financial expenses pending application for the amount of 40,474 thousand euros.

14.6 Tax Group's Tax Loss

At the year end, the Group has tax losses that may be offset in future years, with the offsetting not being limited in time, for the amount of EUR 232 million.

14.7 Tax Group's Deductions and Rebates

The Group has applied all outstanding deductions and rebates for the total amount of EUR 7.8 million.

14.8 Corporate Restructuring Operations Under the Special Regime of Title VII, Chapter VII of Law 27/2014 of 27th of November, on Corporate Income Tax

The information set out in Article 86 of the Law on Corporate Income Tax applicable to mergers and spin-offs of business lines carried out in previous years, is included in the first notes to the annual accounts approved following each of these operations and is summarised as follows:

Company	Years
Inmotel Inversiones, S.A.	1993, 1996, 1997 and 1998
Meliá Hotels International, S.A.	1999, 2001, 2005, 2009, 2012 and 2021

Note 15. Segment Reporting

Business segments identified depending on the nature of the risks and profitability of the Company, and which constitute the organisational structure, are as follows:

- Hotel business: This segment includes the results obtained by means of the operation of hotel units that are owned or leased by the Company.
- Asset management: This segment includes the capital gains on asset rotation, as well as real estate development and operations.
- Management and structure: This relates to fees received for the operation of hotels under management and franchise agreements and other leisure-related operating activities.

The segmentation of net revenues in the income statement for 2024 and 2023 is detailed in the following table:

(thousand €)	2024	2023
Hotel business	558,133	506,751
Asset management		679
Management and structure	139,461	115,262
Total	697,594	622,692

Note 16. Income and Expenses

16.1 Revenue by Items

The Company's income allocated according to the diverse types of services provided for years 2024 and 2023 is the following:

(thousand €)	2024	2023
Room revenue	425,635	392,024
Food and beverage revenue	118,314	102,198
Management fees	62,614	51,740
Fees for transfer of brand use to subsidiaries	24,464	20,137
Fixed asset capital gains		679
Other revenue	66,604	55,955
Sales rebates	(37)	(41)
Net revenues	697,594	622,692
(thousand €)	2024	2023
Sundry revenue	37,944	36,403
Operating grants	590	1,252
One-off revenue	3,133	1,317
Other operating income	41,668	38,972

Regarding its allocation by geographical markets, almost the entire income has been generated in national territory.

Contract balances

Closing and opening balances of the contract assets deriving from agreements with customers for services actually rendered and invoiced during the year or years are recognised in the balance sheet under heading Trade and Other Receivables and are broken down in Notes 5.3 and 10.2. The contract assets become payable as the invoices are sent to the customer.

The closing and opening balances of contract liabilities include the advances received from customers which are recognised in the balance sheet under heading Trade Creditors and Other Payables, for accommodation bookings for the next year, which are broken down in Note 13.

16.2 Supplies

The breakdown of the balance of this caption in the income statement for 2024 and 2023 is as follows:

(thousand €)	2024	2023
Food and beverage consumptions	35,618	30,672
Changes in inventories	(729)	385
Ancillary materials and sundry purchases	13,124	10,918
Total	48,014	41,975

Regarding its allocation by geographical markets, almost the entire income has been generated in national territory.

16.3 Staff costs

Staff costs for 2024 and 2023 are broken down as follows:

(thousand €)	2024	2023
Wages and salaries	176,223	158,586
Termination benefits	1,406	1,574
Social Security	45,126	41,788
Contribution to complementary schemes	552	449
Other	5,630	3,902
Total	228,937	206,299

The average number of employees in 2024 and 2023 is broken down by job category in the table below:

Category	No. Employees 2024	No. Employees 2023
Management	128	161
Middle management	985	925
Basic staff	4,456	4,006
Total	5,569	5,092

The distribution by gender categories at the end of 2024 and 2023 is as follows:

Category	2024			2023		
	Men	Women	Total	Men	Women	Total
Management	79	41	120	81	53	134
Middle management	553	570	1,123	395	444	839
Basic staff	1,789	2,084	3,873	1,312	1,610	2,922
Total	2,421	2,695	5,116	1,788	2,107	3,895

According to the amendments to Article 260 of the Corporate Enterprises Act, it is hereby informed that the average number of employed persons for years 2024 and 2023 with disabilities greater than or equal to 33% is as follows:

Category	No. employees 2024	No. employees 2023
Middle management	1	2
Basic staff	36	22
Total	37	24

16.4 Other operating expenses

The breakdown of the balance of this caption in the income statement for 2024 and 2023 is as follows:

(thousand €)	2024	2023
Hotel rental	112,920	96,123
Sundry rentals	4,518	9,178
Maintenance and repairs	27,512	28,411
External services	100,536	87,023
Transport and insurance	3,864	3,924
Banking expenses	6,983	6,446
Advertising and promotions	29,078	25,347
Supplies	58,953	53,707
Travel and ticketing expenses	5,960	5,097
Other expenses	27,929	22,804
Tax	8,696	7,793
Losses, impairment and change of provisions	(2,035)	2,506
Other current operating expenses	904	11,223
Total	385,819	359,582

16.5 Financial Income and Expenses

The breakdown of financial income and expenses of the Company reflected in the income statement for 2024 and 2023 is as follows:

(thousand €)	2024	2023
Dividends shar. in equity instr. group companies, associates and joint ventures	94,087	53,499
Dividends shar. in equity instr. third parties	2,752	1,632
Interest on loans with group companies, associates and joint ventures	32,476	39,483
Interest on loans with third parties and bank accounts	1,239	820
Other financial income relating to third parties	4	224
Total financial income	130,558	95,658
Interest on payables to group companies, associates and joint ventures	38,186	25,374
Interest on obligations and bonds	3,407	4,412
Interest on bank loans	47,250	51,100
Other financial expenses relating to third parties	390	821
Total financial expenses	89,233	81,707

Financial income in equity instruments in group companies, associates and joint ventures relates to dividends on which the right to receive them as shareholders was recognised (see Notes 9.1 and 17.2).

Interest income and expenses with group companies, associates and joint ventures mainly relate to loans and interest on current accounts with other group companies, associates and joint ventures (see Note 17.2).

16.6 Foreign Currency

The exchange differences recognised in the income statement amount to EUR 4.8 million of profit; EUR 3.6 million of profit in 2023, which mainly arise from accounts payable and receivable to/from group companies, associates and joint ventures, and third parties, as well as short-term cash and other cash equivalents in a currency other than Euro, mainly including US dollars and British pounds.

The most important assets and liabilities in foreign currency are as follows:

(thousand €)	Currency	31/12/2024	31/12/2023
Assets			
Loans to group companies and third parties l/t	Usd	181,071	102,086
	Gbp	66,893	51,152
Loans and other financial assets to group companies and third parties s/t	Usd	111,951	150,413
	Gbp	10,136	156,630
Cash and cash equivalents s/t	Usd	1,079	5,387
	Gbp	310	455
Total assets	Usd	294,102	257,885
	Gbp	77,339	208,237
Liabilities			
Bank loans l/t	Usd	25,529	28,740
Payables to group companies l/t	Usd	225,927	104,032
Bank loans s/t	Usd	5,870	85,220
Other liabilities s/t	Usd	20,595	59,693
	Gbp	148	2,433
Total liabilities	Usd	277,921	277,685
	Gbp	148	2,433

Note 17. Transactions with Related Parties

17.1 Identification of Related Parties

The Company's annual accounts include transactions with the following related parties:

- Group companies.
- Associates and Joint Ventures.
- Significant shareholders of the Company.
- Executives and members of the Board of Directors.

All transactions with related parties are carried out under market conditions.

17.2 Transactions with Group Companies, Associates and Joint Ventures

Commercial transactions

The attached tables show, for years 2024 and 2023, the amount recognised in the operating results in the income statement, and the balances outstanding at the year end:

(thousand €)	2024 Revenues	2024 Expenses	31/12/2024 Assets	31/12/2024 Liabilities
Group companies				
Apartotel, S.A.	5,701			
Aresol Cabos S.A. de C.V.			856	
Bellver Property, S.L.U.	19	(5,142)		144
Cala Galdana Property, S.L.		(5,592)		5,592
Colón Verona, S. A.	1,363	(96)	423	
Owners' Association of Melia Sol y Nieve Hotel	573	(2)	255	
Comp. Tunis. Gest. Hot.			1,970	
Corporación Hotelera Hispano Mexicana	970	(1)	91	
Dorpan, S.L.	12	(304)		
Hotelpoint, S.L.	4,587			
Ilha Bela - Gestão e Turismo, Unipessoal, Lda	6,014		2,406	
Inversiones Hoteleras La Jaquita, S.A.	470	(13,081)		8,910
Inversiones y Explot. Turísticas, S.A.	5,334	(473)	2,990	73
Lomondo, LTD	5,817	(2,276)	996	3
London XXI Limited	1,418	(69)	147	
Melia Brasil Administraçao Hoteleira	2,886	(9)	14,767	
Meliá Vietnam CO.LTD	1,862	(1,277)	3,521	
New Continent Ventures, Inc.	429		1,360	(3)
Operadora Mesol		(2)	7,788	
Pelícanos Property, S.L.U.	18	(10,672)		
Prodigios Interactivos, S.A.	6,013	(81,624)	555	
Prodisotel, S.A.	35			
Securisol, S.A.	13	(552)		
Sol Melia Balkans EAD	1,741		1,740	
Sol Melia Deutschland, GMBH	12,569	(4,935)	6,320	4,776
Sol Melia France S.A.S.	2,408	(1,074)	1,471	95
Sol Melia Italia, S.R.L.	4,511	(2,047)	2,000	438
Sol Melia Hotel Management (Shanghai) CO. LTD	1,073	136	1,601	
Sol Melia Luxembourg, S.A.R.L.	1,343	(339)	425	334
Sol Melia Perú, S.A.C.	279		1,742	
The Sol Group Corporation	671	(4,379)	2,575	3,272
Other group companies	10,719	(5,830)	7,418	2,598
Impairment losses			(4,455)	
Total group companies	78,845	(139,641)	58,962	26,238

(thousand €)	2024 Revenues	2024 Expenses	31/12/2024 Assets	31/12/2024 Liabilities
Associates and joint ventures				
Altavista Hotelera, S. L.	34	(5,602)	10	
Evertmel Group	4,280	(573)	30	28
Producciones de Parques Group	2,230	(14)	1,370	3
Renasala Group	4,648	(231)	2,470	(8)
Hoteles Marmel, S.L.	32	(5,699)	707	
Nexprom, S.A.	1,812	(4)	1,162	
S'Argamassa Hotelera, S.L.	1,015	(71)	1,702	
Turismo de Invierno, S.A.	451	(4)	976	1
Other associates and joint ventures	1,435	(897)	507	21
Total associates and joint ventures	15,938	(13,096)	8,934	1,726
Total	94,784	(152,737)	67,896	27,965

	2023		31/12/2023	
(thousand €)	Revenues	Expenses	Assets	Liabilities
Group companies				
Apartotel, S.A.	5,199		270	
Aresol Cabos S.A. de C.V.	1,008	(16)	887	9
Colón Verona, S. A.	1,246	(22)	390	1
Owners' Association of Melia Sol y Nieve Hotel	571	(5)	240	1
Comp. Tunis. Gest. Hot.			1,970	
Corporación Hotelera Hispano Mexicana	2,998	(41)	1,418	2
Dorpan, S.L.	11	(299)		
Hotelpoint, S.L.	4,423			
Ilha Bela - Gestão e Turismo, Unipessoal, Lda	3,241		1,693	
Inversiones Hoteleras La Jaquita, S.A.	3,873	(86)	1,154	5
Inversiones y Explot. Turísticas, S.A.	4,428	(283)	2,474	45
Lomondo, LTD	4,899	(1,834)	1,216	1,711
London XXI Limited	1,562	(62)	8,703	
Melia Brasil Administraçao Hoteleira	2,012	(6)	11,881	
Meliá Vietnam CO.LTD	468	(1,020)	1,615	
MHI UK, L.T.D.			15,666	
New Continent Ventures, Inc.	468		931	
Operadora Mesol	3,129	(3)	7,918	3
Prodigios Interactivos, S.A.		(69,691)	309	
Prodisotel, S.A.				
Securisol, S.A.	13	(542)		23
Sol Melia Balkans EAD	1,287		1,286	
Sol Melia Deutschland, GMBH	10,579	(4,069)	6,999	3,917
Sol Melia France S.A.S.	2,339	(975)	1,418	933
Sol Melia Italia, S.R.L.	3,389	(1,722)	3,923	1,541
Sol Melia Hotel Management (Shanghai) CO. LTD	1,404		2,814	
Sol Melia Luxembourg, S.A.R.L.	1,261		1,769	
Sol Melia Perú, S.A.C.	210		1,437	
The Sol Group Corporation	972	(3,622)	1,902	186
Tryp Mediterranee			2,380	
Other group companies	11,946	(5,546)	5,378	1,305
Impairment losses			(4,400)	
Total group companies	72,936	(89,845)	83,644	9,681

	2023		31/12/2023	
(thousand €)	Revenues	Expenses	Assets	Liabilities
Associates and joint ventures				
Altavista Hotelera, S. L.	34	(5,434)	172	
Evertmel Group	3,014	(365)	999	4
Melcom Group	41	(15,368)	1,384	6,514
Producciones de Parques Group	1,845	(40)	1,014	10
Renasala Group	4,052	(100)	2,471	8
Hoteles Marmel, S.L.	354	(5,745)	611	1,095
Nexprom, S.A.	1,365	(3)	838	
S'Argamassa Hotelera, S.L.	1,205	(19)	1,309	5
Turismo de Invierno, S.A.	434	(2)	538	
Other associates and joint ventures	4,431	(6,164)	243	84
Total associates and joint ventures	16,773	(33,240)	9,579	7,719
Total	89,709	(123,085)	93,223	17,400

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

Such transactions correspond to normal business transactions of the Company and are carried out at market prices, which are similar to those applied to non-related companies.

Financial transactions

There follows a breakdown of the financing or the centralised management of treasury or dividends maintained by the Group with group companies, associates and joint ventures at year-end 2024 and 2023:

	2024		31/12/2024	
(thousand €)	Revenues	Expenses	Assets	Liabilities
Group companies				
Adprotel Strand, S.L.	915	(10,379)		310,336
Aparthotel Bosque, S.A.	16,525			1,907
Apartotel, S.A.		(405)	812	8,509
Bisol Vallarta, S.A.		(557)		15,797
Bellver Property, S.L.U.		(74)	37	5,500
Cala Formentor, S.A.		(4,566)		69,558
Casino Tamarindos, S.A.		(383)	207	7,464
Colón Verona, S. A.	1,745	(39)	29,808	165
Owners' Association of Melia Sol y Nieve Hotel	1,766	(77)	31,081	19
Corp. Hot. Hispano Mexicana, S.A. de C.V.		(189)		5,853
Desarrolladora del Norte, S.A.				5,936
Dorpan, S.L.				
Gesmesol, S.A.	52,463		2	
Detur Panamá, S.A.	816			
Hogares Batle, S.A.	185	(3)	3,293	31
Hotel Alexander, SAS				
Hoteles Sol Meliá, S.L.	2,106		321	1
Hotelpoint, S.L.	20,193	(4,997)	9,750	138,318
Inversiones Hoteleras La Jaquita, S.A.	262			
Inversiones Inmobiliarias, IAR			1,106	
Inversiones y Explotaciones Turísticas, S.A.	22		22	332
Inversiones Agara, S.A.S.			36,531	
Inversiones Areito, S.A.S.				38
Lomondo, LTD			33,400	
London XXI LTD	5,429		78,686	
Meliá Europe & Middle East	74		1,354	173
Meliá Brasil Administraçao H.E.C.LTDA.	5,865		96,542	
Meliá Vietnam CO.LTD	17		900	
Melcom Joint Venture, S.L.	1,318		23,517	
MHI UK LTD				
MIA Exhol, S.A.	252		10,350	123
Naolinco Aviation, S.L.			9,644	8
Neale Expa Spain, S.A.U.	824		52,467	727
Network Investments Spain, S.A.	1,356	(31)	24,495	545
New Continent Ventures	3,667		47,279	
Operadora Cala Formentor S.A. de C.V.				4,695
Operadora Mesol, S.A.			2,148	
Pelícanos Property, S.L.U.		(135)		10,024
Peturoliso, S.L.U.	50		967	18
Prodigios Interactivos, S.A.		(3,528)	7,047	145,065
Prodisotel, S.A.	64	(516)	43	6,755
Paradisus Los Cabos S.A. de C.V.				2,007
Paradisus Playa del Carmen S.A. de C.V.				6,405
Punta Cana Reservations, S.L.	96		17,494	90
Realizaciones Turisticas, S.A.	17	(9,186)	2,268	170,177
San Juan Investments Exhol, S.L.				
Soici Nefsol, S.L.U.	125			
Sol Group Exhol, S.L.	172		3,276	24
Sol Maninvest B.V.	26		2,121	4
Sol Melia Deutschland, GMBH		(335)	993	8,833
Sol Melia Europe, B.V.				
Sol Melia France	2,426		3	
Sol Melia Funding			36,994	
Sol M. Greece H. And T. Enterprises, S.A.				1,281
Sol Melia Italia, S.R.L.	796			8,603
Sol Melia Luxembourg, SARL			447	
Sol Melia V.C. Dominicana, S.A.			12,979	
Sol Melia V.C. España, S.L.	83	(529)		5,532
Sol Meliá VC México, S. A. de C. V.			1,725	
Sol Melia V.C. Panamá, S.A.			3,561	
Sol Melia V.C. Puerto Rico				4,156
Sol Melia Perú, S.A.			17,396	
Tenerife Sol, S.A.	438	(1,722)	669	43,858
The Sol Group Corporation	194	—	10,057	—
Vacation Club Services, Inc.				567
Willet Reservations, S.L.U.		(338)		7,443
Other group companies	66	(181)	4,746	9,555
Impairment			(64,292)	
Total group companies	**120,351**	**(38,170)**	**552,245**	**1,015,620**

(thousand €)	2024		31/12/2024	
	Revenues	Expenses	Assets	Liabilities
Associates and joint ventures				
Altavista Hotelera, S.L.	604		10,462	
Evertmel Group	72		5,217	
Producciones de Parques Group		(13)		385
Renasala Group	1,002		24,200	
Sierra Parima, S.A.			20,357	
Other associates and joint ventures	4,532	(3)	3,099	3,635
Impairment			(17,518)	
Total associates and joint ventures	6,212	(16)	45,817	4,020
Total	126,563	(38,186)	598,062	1,019,639

During the year, reversal of provisions for impairment of loans with Group companies, associates and joint ventures for the amount of EUR 15.8 million were recognised.

(thousand €)	2023		31/12/2023	
	Revenues	Expenses	Assets	Liabilities
Group companies				
Adprotel Strand, S.L.	3,352		59,051	
Aparthotel Bosque, S.A.		(1,111)	533	22,473
Apartotel, S.A.		(157)		3,339
Bisol Vallarta, S.A.				182
Cala Formentor, S.A.		(3,689)		58,513
Casino Tamarindos, S.A.		(321)	237	6,807
Colón Verona, S. A.	1,574	(6)	28,528	
Owners' Association of Melia Sol y Nieve Hotel	1,625		31,416	19
Corp. Hot. Hispano Mexicana, S.A. de C.V.		(84)		3,147
Desarrolladora del Norte, S.A.		(2,378)		37,121
Detur Panamá, S.A.	928		22,136	
Hogares Batle, S.A.	188	(2)	3,192	31
Hotel Alexander, SAS				3,649
Hoteles Sol Meliá, S.L.	1,735		34,942	189
Hotelpoint, S.L.	25,466	(3,413)	6,737	
Inversiones Hoteleras La Jaquita, S.A.	3,473	(275)	51,627	
Inversiones Inmobiliarias, IAR			1,091	
Inversiones y Explotaciones Turísticas, S.A.	6,613		21	844
Inversiones Agara, S.A.S.			33,321	
Inversiones Areito, S.A.S.			14,525	
Lomondo, LTD			36,476	
London XXI LTD	3,955		51,674	58
Meliá Europe & Middle East			947	140
Meliá Brasil Administraçao H.E.C.LTDA.	5,917		98,970	
Meliá Vietnam CO.LTD	16		830	
MHI UK LTD	3,176		124,282	
MIA Exhol, S.A.	176	(41)	4,868	123
Naolinco Aviation, S.L.			5,500	
Neale Expa Spain, S.A.U.	893		16,332	
Network Investments Spain, S.A.	1,677		24,103	211
New Continent Ventures	3,182		41,001	
Operadora Mesol, S.A.				46
Peturoliso, S.L.U.	13		984	1
Prodigios Interactivos, S.A.		(2,185)	9,768	87,128
Prodisotel, S.A.	81	(649)	90	8,417
Punta Cana Reservations, S.L.	90		1,788	9
Realizaciones Turisticas, S.A.	24	(9,153)	2,274	163,321
Soici Nefsol, S.L.U.	39		3,032	3
Sol Group Exhol, S.L.	158		2,966	20
Sol Maninvest B.V.	26		355	
Sol Melia Deutschland, GMBH		(731)	2,792	4,750
Sol Melia Europe, B.V.		(270)	30	177
Sol Melia France	2,401		43,605	
Sol Melia Funding			34,868	
Sol M. Greece H. And T. Enterprises, S.A.				2,534
Sol Melia Italia, S.R.L.	605		10,858	11,836
Sol Melia Luxembourg, SARL				631
Sol Melia V.C. Dominicana, S.A.			12,863	
Sol Melia V.C. España, S.L.	40	(532)		8,929
Sol Meliá VC México, S. A. de C. V.			1,626	
Sol Melia V.C. Panamá, S.A.			3,381	
Sol Melia V.C. Puerto Rico				3,907
Sol Melia Perú, S.A.			12,062	
Tenerife Sol, S.A.	630		12,335	211
The Sol Group Corporation	169		3,660	
Willet Reservations, S.L.U.		(223)		4,399
Other group companies	95	(155)	3,247	10,727
Impairment			(86,083)	
Total group companies	**68,318**	**(25,374)**	**768,843**	**499,299**

(thousand €)	2023		31/12/2023	
	Revenues	Expenses	Assets	Liabilities
Associates and joint ventures				
Altavista Hotelera, S.L.	534		10,493	
Evertmel Group	2,427		3,791	499
Melcom Group	1,608		37,322	1,021
Producciones de Parques Group	18		14	1,645
Renasala Group	1,000		23,489	1,431
Hoteles Marmel, S.L.	106		2,578	
S'Argamassa Hotelera, S.L.	6		5	83
Sierra Parima, S.A.			13,395	
Starmel Hotels JV, S.L.	17,045			
Other associates and joint ventures	1,921		10	3,494
Impairment			(11,490)	
Total associates and joint ventures	24,664		79,606	8,174
Total	92,982	(25,374)	848,449	507,473

The breakdown by currency of assets and liabilities in group companies, associates and joint ventures for years 2024 and 2023 is as follows:

(thousand €)	31/12/2024		31/12/2023	
	Assets	Liabilities	Assets	Liabilities
Eur	210,590	784,200	437,641	345,871
Gbp	77,275		189,289	475
Usd	310,165	235,140	221,455	160,856
Other currencies	32	299	63	271
Total	598,062	1,019,639	848,449	507,473

There follows a breakdown of the maturity dates of assets and liabilities in group companies, associates and joint ventures at year-end 2024 and 2023:

(thousand €)	31/12/2024	
	Assets	Liabilities
2025	242,985	267,883
2026	17,301	3,102
2027		181,909
2028	92,964	5,664
2029	109,792	64,991
2030 and subsequent years	135,021	496,090
Total	598,062	1,019,639

(thousand €)	31/12/2023	
	Assets	Liabilities
2024	383,672	223,077
2025	172,204	213,640
2026	7,536	
2027	82,717	17,824
2028	107,074	52,932
2029 and subsequent years	95,246	
Total	848,449	507,473

For the purposes of optimising the financial resources generated, the Company performs centralised management of collections and payments between Group companies through current account, including debit or credit balances, depending on the circumstances of each subsidiary, and the return thereof is made according to the needs. These balances accrue interest at market rates, which is settled annually based on the daily balance of the account, so such collections and payments are deemed to be financing flows in the cash flow statement. The interest rate applied in 2024 has been 5.532% and in 2023 was 5.32%.

Likewise, the Company has granted loans to certain subsidiaries which are intended to finance the activities pertaining to Group companies. On the other hand, it has been granted loans by some of its subsidiaries with excess funds or which main activity is to obtain financial resources for the Group.

17.3 Transactions with Significant Shareholders

Balances by type of transaction effected with significant shareholders are as follows:

Name or corporate name of significant shareholder	Type of transaction	(thousand €)	
		2024	2023
Ms Ana María Jaume Vanrell	Receipt of services	532	
Tulipa Inversiones 2018, S.A.	Receipt of services		103
Total		532	103

17.4 Transactions with Executives and Members of the Board of Directors

The amount of directors' remuneration in their capacity as such (fixed remuneration and board and committee attendance fees) of the various directors in 2024 and 2023 is as follows:

(thousand €)	2024	2023
External independent directors	753	586
Mr Fco Javier Campo García	69	123
Mr Fernando D´Ornellas Silva	116	126
Ms Carina Szpilka Lazaro	134	102
Ms Mª Cristina Henríquez de Luna Basagoiti	107	84
Ms Cristina Aldamiz-Echevarría González de Durana	148	78
Ms Montserrat Trapé Viladomat	145	75
Mr Cristóbal Valdés Guinea	34	
Proprietary directors	346	268
Mr Luis María Díaz de Bustamante y Terminel	151	123
Mr Gabriel Escarrer Juliá	60	27
Hoteles Mallorquines Asociados, S.L.		27
Hoteles Mallorquines Agrupados, S.L.	29	60
Mr Alfredo Pastor Bodmer	72	33
Ms Mª Mercedes Escarrer Jaume	34	
Executive director	72	60
Mr Gabriel Juan Escarrer Jaume	72	60
Total	1,171	914

During 2024, the following changes have taken place in the composition of the Board of Directors:

- Resignation of Mr Francisco Javier Campo García as Other External Director, due to his loss of independent status after more than 12 years as External Independent Director and having held the position of Chairman of both Committees.
- Appointment of Mr Cristóbal Valdés Guinea as a new External Independent Director.
- Resignation of Hoteles Mallorquines Agrupados, S.L. (and its representative natural person, Mr Jose María Vázquez-Pena Pérez), as External Proprietary Director.
- Appointment of Ms María Mercedes Escarrer Jaume as an External Proprietary Director.
- Appointment of Ms María Cristina Henríquez de Luna Basagoiti as a Lead Director.
- Termination due to death of Mr Gabriel Escarrer Juliá, as Founder and Honorary Chairman of the Company.

In addition, the following changes were made to the Board in 2023:

- Appointment of Mr Alfredo Pastor Bodmer as an External Proprietary Director.
- Re-election of Ms Mª Cristina Henríquez de Luna Basagoiti as an External Independent Director.

Likewise, between June and September 2023, the number of members of the senior management was increased from 6 to 7.
The amount relating to the remuneration of executive directors and senior management (for these purposes, senior management is considered to be the members of the Group's Executive Committee, also known as the Senior Executive

Team (SET) and, for the purposes of this Report, and following the instructions of Circular 3/2021, of 28th of September of the CNMV, those executives reporting to the Chairman and CEO, and the head of Internal Audit, shall also be deemed to be included in the senior management) in 2024 and 2023 is as follows, based on amounts accrued:

(thousand €)	2024		2023	
	Fixed remuneration	Variable remuneration	Fixed remuneration	Variable remuneration
Executive director	1,004	694	865	533
Mr Gabriel Juan Escarrer Jaume	1,004	694	865	533
Senior management	2,208	928	2,303	933
Total	3,212	1,622	3,168	1,466

Furthermore, the amount indicated in respect of the total remuneration of Senior Management and the Executive Director does not include the part corresponding to the long-term variable remuneration corresponding to the Master Plan, which will accrue after the preparation of the financial statements for 2024. The amount indicated in the total remuneration of senior management for 2023 did not include the part corresponding to the compensation accrued to outgoing members of senior management, which amounted to a total of EUR 1.5 million.

In addition, the amount of EUR 87 thousand was accrued to the Chairman and Chief Executive Officer (the only Executive Director of the Company) in 2024 in respect of long-term savings schemes and other items. The amount accrued for the same items in the fiscal year 2023 amounted to 85 thousand euros.

The Company has not assumed any obligation and has not granted any advance payment or loans to directors. On the other hand, the Company has arranged a civil liability policy (D&O) for the Group's directors and executives, under the terms and conditions that are common in insurance policies of this nature, with a premium for 2024 for the amount of EUR 302,279.25; EUR 298,439.93 in 2023. There are no share-based payments.

Note 18. Other Information

18.1 Audit Fees

For the years ended 31 December 2024 and 2023, the fees charged in relation to audit services and other services provided by Deloitte Auditores, S.L., the Company's auditor, or by any company linked to the auditor by means of common ownership, control or management, have been the following (fees for the audit of the consolidated annual accounts are not included):

(thousand €)	2024	2023
Individual audit	174	174
Other services	190	183
Total	365	357

18.2 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 Company's commitment to sustainability and the protection of tourist destinations. For this reason, the Company 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 Company 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 Company 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 Company 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.

18.3 Situations of Conflicts of Interest in Which Directors are Involved

According to the requirements of Articles 229 and 230 of the Revised Text of the Spanish Corporate Enterprises Act, the members of the Board of Directors confirmed that neither they, nor any persons with whom they have ties, as referred to in Article 231 of the aforesaid Act, carry out any activities on their own account or for third parties which may involve any effective competition, present or future, with the Company or which, in any way whatsoever, would place them in a position of permanent conflict with the interests thereof, except for the following:

Mr Gabriel Escarrer Jaume (Chairman and CEO): In those resolutions or decisions of the Board of Directors relating to his remuneration (setting of his variable remuneration, etc.). In these matters, Mr. Gabriel Escarrer Jaume abstained from participating in the corresponding deliberation and vote.

Ms Cristina Henríquez de Luna Basagoiti: In those resolutions or decisions of the Board of Directors relating to the proposal for her appointment as a Lead Director. In these matters, the Director Ms Henríquez de Luna abstained from participating in the corresponding deliberation and vote.

Ms Cristina Aldámiz-Echevarría González de Durana: In those resolutions or decisions of the Board of Directors relating to the proposal for her appointment as Chairwoman of the Appointments, Remuneration and Sustainability Committee. In these matters, the Director Ms Aldámiz-Echevarría abstained from participating in the corresponding deliberation and vote.

Ms Montserrat Trapé Viladomat: In those resolutions or decisions of the Board of Directors relating to the proposal for her appointment as Chairwoman of the Auditing and Compliance Committee. In these matters, the Director Ms Trapé abstained from participating in the corresponding deliberation and vote.

Direct or indirect shareholdings controlled by members of the Board of Directors of the Company are as follows:

Director	No. of direct or indirect voting rights	% of total voting rights	Position on the Board
Mr Gabriel Escarrer Jaume	182,666	0.0829 %	Chairman and Chief Executive Officer
Mr Luis Mª Díaz de Bustamante y Terminel	300	0.0001 %	Secretary and Director
Mr Alfredo Pastor Bodmer	6,000	0.0027 %	Director
Ms Montserrat Trapé Viladomat	14,500	0.0066 %	Director
Ms Mercedes Escarrer Jaume	33,000	0.0151 %	Director

The Directors and persons related to them, other than those already mentioned, or persons acting on their behalf, have not undertaken during the fiscal year other transactions with the parent company or other Group companies, which fall out of the scope of the Group's ordinary course of business, or which are not based on market conditions.

Note 19. Events After the Reporting Date

There have been no events between the end of the reporting period and the preparation of these annual accounts which may involve any adjustments to evidence conditions that existed at the year end, and no events have taken place after the year end which could affect the capacity of the users of the annual accounts to make proper evaluations and economic decisions.

Annex I. Equity Situation of Group Companies, Associates and Joint Ventures

The equity situation as at 31 December 2024, obtained from the annual accounts provided by the relevant companies, is as follows:

(thousand €)	Shareholding	Accounting Figures			Underlying Carrying Amount	Investment Value	Impairment	Net Value
		Capital	Reserves	Result				
Group companies								
Aparthotel Bosque, S.A.	100.00 %	1,659	262	(14)	1,907	5,996	(4,089)	1,907
Apartotel, S.A.	99.79 %	962	6,603	5,843	13,379	4,150		4,150
Bedbank Trading, S.A.	100.00 %	77	4,734	(39)	4,771	65	(65)	
Casino Tamarindos, S.A.U.	100.00 %	3,005	3,234	675	6,914	13,532	(3,889)	9,643
Colón Verona, S. A.	100.00 %	15,000	9,527	735	25,262	43,075	(7,340)	35,735
Credit Control Corporation	100.00 %	48	738		786	41		41
Detur Panamá, S.A.	100.00 %	13,456	(698)	(2,438)	10,321	30,439	(28,189)	2,250
Dorpan, S.L.U.	100.00 %	1,202	231	349	1,782	1,623		1,623
Gesmesol, S.A.	100.00 %	67	86,868	160	87,096	1,821		1,821
Gestión Hotelera Turística Mesol, S.A.	100.00 %	60	20	(32)	49	61		61
Gonpons Inversiones, S.L.U.	100.00 %	3	(1)	34	35	4		4
Guarajuba Empreendimientos	100.00 %	2,184	(780)	(167)	1,237	8,755	(4,625)	4,130
Hogares Batle, S.A.	51.49 %	1,482	(197)	(176)	571	2,036	(1,013)	1,023
Hoteles Sol Meliá, S.L.	100.00 %	676	40,055	(2,424)	38,306	53,238		53,238
Hoteles Sol, S.L.	100.00 %	3	1	(1)	3	11		11
Hotelpoint, S.L.	100.00 %	3	10,273	86,767	97,044	1,003	(3)	1,000
Ilha Bela Gestao e Turismo, LTD.	100.00 %	52	19,774	(278)	19,548	3,698		3,698
Infinity Vacations Dominicana	0.03 %	83,088		(10,065)	22			
Inversiones Invermont, S.A.	100.00 %					23		23
Inversiones y Explotaciones Turísticas, S.A.	54.93 %	8,937	70,423	14,659	51,645	12,742		12,742
Melcom Joint Venture, S.L.	100.00 %	8,130	63,801	5,266	77,198	87,401		87,401
Melia Europe & Middle East	100.00 %	3		(697)	(694)	7,165	(7,165)	
Melia Hotels Albania, S.H.	100.00 %			(59)	(59)			
Melia Management, S.A.S.	99.99 %	2,215	1,145	(2,413)	948	2,202	(17)	2,186
Meliá Vietnam CO	100.00 %	747	(1,516)	(1,357)	(2,125)	777	777	
MHI UK LTD	100.00 %	57,366	18,981	141	76,488	190,908		190,908
MIA Exhol, S.A.	82.26 %	26,673	644,350	4,918	556,029	186,120		186,120
Mugolu, S.L.	100.00 %	21,694	458,186	(9)	479,871	360,436		360,436
Naolinco Aviation, S.L.	100.00 %	3	(1)	(50)	(48)	1,356	(1,338)	18
Operadora Hotelera Mesol	100.00 %	1,614	375	1,422	3,411	1,856		1,856
Operadora Mesol S.A. de C.V.	100.00 %	41,620	(10,869)	5,549	36,300	45,967		45,967
Peturoliso, S.L.U.	100.00 %	3	(2)	(107)	(106)	20		20
P.T. Sol Melia Indonesia	95.00 %	58	(141)	245	154	896	(896)	
Prodigios Interactivos, S.A.	100.00 %	42,216	84,369	77,410	203,995	76,971		76,971
Proyectos Financieros Hayman, S.A.	100.00 %	3	5,180	(19)	5,165	6,350	(141)	6,209
Punta Cana Reservations, S.L.U	75.00 %	7	245,609	(1,120)	183,372	201,257		201,257
Realizaciones Turísticas, S.A.	95.97 %	7,210	184,092	6,888	190,203	42,236		42,236
René Egli, S.L.U.	100.00 %	4	1,850	(314)	1,540	3,832	(2,271)	1,561
Securisol, S.A.	100.00 %	66	383	79	528	66		66
Soici Nefsol, S.L.U.	100.00 %	3	2,943	(131)	2,815	2,994		2,994
Sol Group Exhol, S.L.	100.00 %	1,540	(622)	(135)	784	1,529	(1,529)	
Sol Maninvest B.V.	100.00 %	19	(1,926)	1,361	(546)	19	(19)	
Sol Melia Balkans E.A.D.	100.00 %	51	951	5	1,008	51		51
Sol Melia Deutschland, GMBH	100.00 %	1,023	(7,799)	5,945	(831)	5,216		5,216
Sol Melia France S.A.S.	100.00 %	49,800	3,606	299	53,705	93,401		93,401
Sol Melia Greece Hotels, S.A.	100.00 %	5,586	(4,240)		1,346	5,586	(4,240)	1,346
Sol Melia Hotel Management Shanghai	100.00 %	7,157	(6,220)	642	1,579	7,158	(4,797)	2,361
Sol Melia Investment Exhol, S.L.	100.00 %	23,795	23,498	(13)	47,280	58,183		58,183
Sol Melia Italia, S.R.L.	100.00 %	100	92,462	5,907	98,469	93,185		93,185
Sol Melia Jamaica Ltd	100.00 %	3						
Sol Melia Luxembourg, SARL	100.00 %	200	(346)	1,685	1,539	206		206
Sol Melia Marroc S.A.R.L.	100.00 %	9	(885)		(876)	9		9
Sol Melia Perú, S.A.	99.90 %	1	934	25	959			
Sol Melia VC Puerto Rico Corp.	100.00 %	71,459	(67,152)	107	4,413	60,921	(56,688)	4,233
Tenerife Sol. S.A.	50.00 %	2,765	12,313	27,140	21,109	1,386		1,386
Tryp Mediterranee, S.A.	85.40 %					407	(407)	
Total group companies		**505,108**	**1,994,378**	**232,199**	**2,405,601**	**1,728,382**	**(129,497)**	**1,598,884**

(thousand €)	Shareholding	Accounting Figures			Underlying Carrying Amount	Investment Value	Impairment	Net Value
		Capital	Reserves	Result				
Associates and joint ventures								
Altavista Hotelera, S.L.	7.55 %	47,252	31,597	2,897	6,172	14,420	(3,104)	8,908
Evertmel, S.L.	49.00 %	35,157	13,660	(2,279)	22,804	41,818		41,818
Fuerteventura Beach Property, S.L.	20.00 %	129	2,692	(2,096)	145	4,968	—	4,968
Hellenic Hotel Management, S.A.	40.00 %	587	(776)	—	(76)	245	(245)	—
Holazel, S.L.	50.00 %	1,000	2,585	(768)	1,409	2,500	(997)	1,503
Homasi, S.A.	35.00 %	18,220	116,146	5,285	48,878	59,661	(16,799)	42,862
Jamaica Devco, S.L.	49.00 %	1,003	4,623	(931)	2,300	6,278	(1,175)	5,103
Nexprom, S.A.	17.50 %	4,591	31,322	7,723	7,636	1,081		1,081
Plaza Puerta del Mar, S.A.	12.60 %	9,000	11,803	3,360	3,044	1,904		1,904
Producciones de Parques, S.L.	50.00 %	39,884	(14,673)	17,946	21,579	27,680		27,680
Promedro, S.A.	20.00 %	1,455	(319)	427	313	292		292
Renasala, S.L.	30.00 %	4	33,405	(6,186)	8,167	14,176		14,176
Santa Eulalia Beach Property, S.L.	20.00 %	41	12,082	226	2,470	8,033	—	8,033
Sierra Parima, S.A.S.	50.00 %	6,256	(18,650)	(8,892)	(10,643)	5,394	(5,394)	
Starmel Hotels JV, S.L.	20.00 %	739	1,535	2	455	148		148
Hoteles Marmel, S.L.	20.00 %	3	17,262	(2,336)	2,986	6,099		6,099
Turismo de Invierno, S.A.	21.42 %	670	7,879	1,724	2,200	1,355		1,355
Outstanding payments on shares						(1,450)		
Total associates and joint ventures		165,992	252,172	16,100	119,839	194,603	(27,713)	166,890
Total		671,100	2,246,550	248,300	2,525,440	1,922,985	(157,211)	1,765,774

The equity situation as at 31 December 2023, obtained from the annual accounts provided by the relevant companies, was as follows:

(thousand €)	Shareholding	Accounting Figures			Underlying Carrying Amount	Investment Value	Impairment	Net Value
		Capital	Reserves	Result				
Group companies								
Adprotel Strand, S.L.	50.00 %	68,428	9,570	6,044	42,021	76,068		76,068
Aparthotel Bosque, S.A.	100.00 %	1,659	18,664	1,625	21,947	9,497		9,497
Apartotel, S.A.	99.79 %	962	5,261	1,332	7,539	4,150		4,150
Bedbank Trading, S.A.	100.00 %	72	4,433	17	4,523	65	(65)	
Casino Tamarindos, S.A.U.	100.00 %	3,005	2,475	749	6,228	13,532	(3,889)	9,643
Colón Verona, S. A.	100.00 %	15,000	4,534	5,767	25,300	43,075	(8,325)	34,750
Credit Control Corporation	100.00 %	45	694		739	41		41
Detur Panamá, S.A.	100.00 %	12,651	(36,317)	(1,778)	(25,445)	6,043	(881)	5,162
Dorpan, S.L.U.	100.00 %	1,202	86	464	1,751	1,623		1,623
Gesmesol, S.A.	100.00 %	45	81,513	154	81,712	1,803		1,803
Gestión Hotelera Turística Mesol, S.A.	100.00 %	60	18	3	81	61		61
Gonpons Inversiones, S.L.U.	100.00 %	3	(1)	(1)	1	3		3
Guarajuba Empreendimientos	100.00 %	2,614	(806)	(128)	1,680	8,755	(4,625)	4,130
Hogares Batle, S.A.	51.49 %	1,482	(26)	(171)	662	2,036	(868)	1,168
Hoteles Sol Meliá, S.L.	100.00 %	676	76,127	(1,135)	75,668	88,176		88,176
Hoteles Sol, S.L.	100.00 %	3	1	(1)	3	11		11
Hotelpoint, S.L.	100.00 %	3	9,659	19,435	29,097			
Ilha Bela Gestao e Turismo, LTD.	100.00 %	49	12,944	5,646	18,639	3,698		3,698
Infinity Vacations Dominicana	0.03 %	82,035	48,115	19,725	45			
Inversiones Areito, S.A.S. (*)	64.54 %	11,263	(69,173)	(19,361)	(49,871)	25,513		25,513
Inversiones Hoteleras la Jaquita, S.A.	70.80 %	51,767	18,628	3,813	52,539	52,547		52,547
Inversiones Invermont, S.A.	100.00 %					23		23
Inversiones y Explotaciones Turísticas, S.A.	54.93 %	8,937	59,218	11,270	43,628	12,742		12,742
Melia Europe & Middle East	100.00 %	3	68	(824)	(752)	6,395	(6,107)	289
Melia Management, S.A.S.	99.99 %	16	624	507	1,146	17		17
Meliá Vietnam CO	100.00 %	738	(176)	(1,321)	(759)	777	777	
MHI UK LTD.	100.00 %	54,798		(3,886)	72,929	50,960		50,960
MIA Exhol, S.A.	82.26 %	26,673	638,100	6,105	551,863	186,120		186,120
Naolinco Aviation, S.L.	100.00 %	3	(1)	(1)		1,355	(1,338)	17
Operadora Mesol S.A. de C.V.	100.00 %	9,567	(5,184)		(2,613)	6,095		6,095
Peturoliso, S.L.U.	100.00 %	3		(16)	(13)	3		3
P.T. Sol Melia Indonesia	95.00 %	57	(248)	109	(77)	896	(896)	
Prodigios Interactivos, S.A.	100.00 %	42,216	53,477	32,911	128,605	76,971		76,971
Proyectos Financieros Hayman, S.A.	100.00 %	3	5,198	(17)	5,183	6,349	(141)	6,209
Punta Cana Reservations, S.L.	100.00 %	5	4,670	(55)	4,621	8,277		8,277
Realizaciones Turísticas, S.A.	95.97 %	7,210	177,160	6,887	183,549	42,236		42,236
René Egli, S.L.U.	100.00 %	4	1,833	37	1,874	3,832	(2,151)	1,681
Securisol, S.A.	100.00 %	66	242	129	437	66		66
Soici Nefsol, S.L.U.	100.00 %	3	3	(50)	(44)	3		3
Sol Group Exhol, S.L.	100.00 %	1,540	(503)	(119)	918	1,529	(1,529)	
Sol M. Greece H. And T. Enterprises, S.A.	100.00 %	5,586	(3,982)	(257)	1,346	5,586	(4,240)	1,346
Sol Maninvest B.V.	100.00 %	19	4,568	1,411	5,997	19	(19)	
Sol Melia Balkans E.A.D.	100.00 %	51	667	285	1,002	51		51
Sol Melia Deutschland, GMBH	100.00 %	1,023	(14,199)	831	(12,345)	5,216		5,216
Sol Melia Europe, B.V.	100.00 %	1,500	474	121	2,096	1,500		1,500
Sol Melia France S.A.S.	100.00 %	49,800	(36,344)	561	14,017	49,801		49,801
Sol Melia Hotel Management Shanghai	100.00 %	6,962	(6,311)	261	911	7,158	(5,267)	1,891
Sol Melia Investment Exhol, S.L.	100.00 %	23,795	23,511	(15)	47,291	58,183		58,183
Sol Melia Italia, S.R.L.	100.00 %	100	84,604	7,858	92,562			
Sol Melia Jamaica Ltd	100.00 %	3			3			
Sol Melia Luxembourg, SARL	100.00 %	200	(684)	338	(146)	206		206
Sol Melia Marroc S.A.R.L.	100.00 %	9	(844)	(8)	(843)	9		9
Sol Melia Perú, S.A.	99.90 %	1	699	192	891			
Sol Melia VC Puerto Rico Corp.	100.00 %	67,180	(63,195)	64	4,049	60,921	(56,872)	4,049
Tenerife Sol, S.A.	50.00 %	2,765	13,222	(908)	7,539	1,386		1,386
Tryp Mediterranee, S.A.	85.40 %					407	(407)	
Total group companies		563,859	1,145,081	97,600	1,449,724	1,025,973	(98,399)	927,574

(thousand €)	Shareholding	Accounting Figures			Underlying Carrying Amount	Investment Value	Impairment	Net Value
		Capital	Reserves	Result				
Associates and joint ventures								
Altavista Hotelera, S.L.	7.55 %	47,252	29,124	2,472	5,953	14,420	(5,882)	8,538
Evertmel, S.L.	49.00 %	35,157	13,158	811	24,072	41,818		41,818
Fuerteventura Beach Property, S.L.	20.00 %	129	2,874	(1,754)	250	4,647		4,647
Hellenic Hotel Management, S.A.	40.00 %	587	(776)		(76)	245	(245)	
Holazel, S.L.	50.00 %	1,000	4,000	(1,415)	1,792	2,500	(708)	1,792
Homasi, S.A.	35.00 %	18,220	106,766	8,351	46,668	59,661		59,661
Jamaica Devco, S.L.	49.00 %	1,003	1,432	3,134	2,729	6,278	(685)	5,593
Melcom Joint Venture, S.L.	50.00 %	8,130	60,812	2,989	35,966	47,401		47,401
Nexprom, S.A.	17.50 %	4,591	27,462	7,378	6,900	1,081		1,081
Plaza Puerta del Mar, S.A.	12.60 %	9,000	10,855	4,029	3,009	1,904		1,904
Producciones de Parques, S.L.	50.00 %	39,884	(13,492)	(283)	13,055	27,680		27,680
Promedro, S.A.	20.00 %	1,455	33	(12)	295	292		292
Renasala, S.L.	30.00 %	4	37,181	(3,815)	10,011	14,176		14,176
Santa Eulalia Beach Property, S.L.	20.00 %	41	5,412	532	1,197	6,765		6,765
Sierra Parima, S.A.S.	50.00 %	6,177	(5,968)	(12,038)	(5,915)	5,394	(5,394)	
Starmel Hotels JV, S.L.	20.00 %	739	(41,898)	43,432	455	148		148
Hoteles Marmel, S.L.	20.00 %	3	19,193	(1,864)	3,466	6,099		6,099
Turismo de Invierno, S.A.	21.42 %	670	7,279	1,176	1,955	1,355		1,355
Outstanding payments on shares						(4,350)		
Total associates and joint ventures		174,043	263,447	53,123	151,782	237,515	(12,914)	224,601
Total		737,902	1,408,528	150,723	1,601,506	1,263,487	(111,312)	1,152,175

(*) The studies to determine the impairment losses of the shareholding in these group companies, associates and joint ventures are conducted taking into consideration the valuation of the trader companies of the hotels owned by these group companies, associates and joint ventures. (J.V.) Joint Ventures.

Annex II. Subsidiaries, Associates and Joint Ventures of the Group

There follows the list of Subsidiaries, Associates and Joint Ventures of the Group as at 31 December 2024:

Subsidiaries

		HOTEL OPERATING COMPANIES	ADDRESS	COUNTRY	DIR S.	IND S.	TOTAL
(A)		AYOSA HOTELES, S.L.	Gremio Toneleros, 24 (Palma de Mallorca)	Spain		49.00 %	49.00 %
(A)		BISOL VALLARTA, S. A. de C. V.	Paseo de la Marina Sur (Puerto Vallarta)	Mexico		99.69 %	99.69 %
(A)		CIBANCO SA IBM FIDEICOMISO EL MEDANO	Playa El Medano s/n, (Cabo San Lucas)	Mexico		100.00 %	100.00 %
(A)	(F1)	COLÓN VERONA,S.A.	Canalejas, 1 (Sevilla)	Spain	100.00 %		100.00 %
		COM.PROP. SOL Y NIEVE (*)	Plaza del Prado Llano (Sierra Nevada)	Spain	94.14 %		94.14 %
(A)		CORP.HOTELERA METOR, S. A.	Faustino Sánchez Carrión s/n (Lima)	Peru		75.87 %	75.87 %
(A)		DESARROLLOS SOL, S.A.S.	Lope de Vega, 4 (Santo Domingo)	Dom. Rep.		61.79 %	99.69 %
		DETUR PANAMA, S.A.	Antigua Escuela Las Américas (Colón)	Panama	100.00 %		100.00 %
(A)	(F2)	HOTEL ALEXANDER, S. A. S.	20, Rue du sentier 75002 (Paris)	France		100.00 %	100.00 %
(A)	(F2)	HOTEL COLBERT S.A.S.	20, Rue du sentier 75002 (Paris)	France		100.00 %	100.00 %
(A)	(F2)	HOTEL FRANCOIS S.A.S.	20, Rue du sentier 75002 (Paris)	France		100.00 %	100.00 %
(A)	(F2)	HOTEL MADELEINE PALACE, S.A.S.	8, Rue Cambon 75001 (Paris)	France		100.00 %	100.00 %
(A)	(F2)	HOTEL ROYAL ALMA S.A.S.	20, Rue du sentier 75002 (Paris)	France		100.00 %	100.00 %
(A)		INFINITY VACATIONS DOMINICANA	Instal.Hotel Circle,Avda.Barceló,Bávaro (P.Cana)	Dom. Rep.		100.00 %	100.00 %
		INNSIDE VENTURES, LLC	1029, Orange St. Wilmington (Delaware)	USA		100.00 %	100.00 %
(A)	(F7)	INVERS. EXP. TURISTICAS, S. A.	Mauricio Legendre, 16 (Madrid)	Spain	54.93 %		54.93 %
(A)		INVERS. INMOB. IAR 1997, C. A.	Avenida Casanova con C/ El Recreo (Caracas)	Venezuela		99.69 %	99.69 %
(A)		INVERSIONES AGARA, S.A.	Lope de Vega, 4 (Santo Domingo)	Dom. Rep.		99.69 %	99.69 %
(A)		INVERSIONES AREITO, S.A.	Avda. Barceló, s/n (Bávaro)	Dom. Rep.		75.00 %	75.00 %
(A)		LOMONDO Limited	Albany Street-Regents Park (London)	Great Britain		100.00 %	100.00 %
(A)		LONDON XXI Limited	336-337 The Strand (London)	Great Britain		100.00 %	100.00 %
		MELIÁ COZUMEL, S.A. DE C.V.	Playa Santa Pilar, Aptdo 9 (Cozumel)	Mexico		99.74 %	99.74 %
		MELIA HOTELS ORLANDO, LLC.	Brickell Avenue Suite 1000, 800	USA		50.00 %	50.00 %
		OPERADORA CALA FORMENTOR SA de CV	Boulevard Kukulkan (Cancun)	Mexico		99.69 %	99.69 %
		OPERADORA HOTELERA MESOL, S.A. DE C.V.	Blvd. Kukulkan Km 16.5 No 1 T.5. Zona Hot (Cancun)	México	100.00 %		100.00 %
		PARADISUS LOS CABOS, S.A. DE C.V.	Km 19,5 Ctra. Cabo San Lucas (S.Jose del Cabo)	Mexico		99.69 %	99.69 %
		PARADISUS PLAYA DEL CARMEN, S.A. DE C.V.	Boulevard Kukulkan km.12,5 (Cancun)	Mexico		99.69 %	99.69 %
	(F1)	PETUROLISO, S.L.U.	Gremio Toneleros, 24 (Palma de Mallorca)	Spain	100.00 %		100.00 %
	(F1)	REALIZACIONES TURÍSTICAS, S.A.	Mauricio Legendre, 16 (Madrid)	Spain	95.97 %	0.30 %	96.27 %
(A)		S' ARGAMASSA HOTELERA S.L.	Gremio Toneleros, 24 (Palma de Mallorca)	Spain		50.00 %	50.00 %
	(F1)	SOICI NEFSOL, S.L.U.	Gremio Toneleros, 24 (Palma de Mallorca)	Spain	100.00 %		100.00 %
		SOL MELIÁ DEUTSCHLAND, gmbh	Am Schimmersfeld 5 (Ratingen)	Germany	100.00 %		100.00 %
(A)		SOL MELIÁ ITALIA S.R.L.	Via Masaccio 19 (Milán)	Italy	100.00 %		100.00 %
(A)		SOL MELIÁ LUXEMBOURG, S.A.R.L.	1 Park Drai Eechelen, L1499	Luxembourg	100.00 %		100.00 %
(A)	(F1)	TENERIFE SOL, S. A.	Playa de las Américas (Tenerife)	Spain	50.00 %	48.13 %	98.13 %

		COMPANIES OWNING HOTELS	ADDRESS	COUNTRY	DIR S.	IND S.	TOTAL
(A)		ADPROTEL STRAND, S.L.	Mauricio Legendre, 16 (Madrid)	Spain		61.80 %	61.80 %
(A)		ARESOL CABOS S.A. de C.V.	Km 19,5 Ctra. Cabo San Lucas (S.Jose del Cabo)	Mexico		99.69 %	99.69 %
(A)	(F4)	BELLVER PROPERTY, S.L.U.	C/ Recoletos 3, 1° (Madrid)	Spain		100.00 %	100.00 %
(A)		CALA FORMENTOR, S. A. de C. V.	Boulevard Kukulkan (Cancun)	Mexico		99.69 %	99.69 %
(A)		CARIBOTELS DE MEXICO, S. A. de C. V.	Playa Santa Pilar, Aptdo 9 (Cozumel)	Mexico		99.74 %	99.74 %
(A)		CORP.HOT.HISP.MEX., S. A. de C. V.	Boulevard Kukulkan km.12,5 (Cancun)	Mexico		99.69 %	99.69 %
(A)		INV. HOTELERAS LA JAQUITA, S.A.	Avda. de los Océanos, s/n (Tenerife)	Spain		61.80 %	61.80 %
(A)	(F4)	PELÍCANOS PROPERTY, S.L.U.	C/ Recoletos 3, 1° (Madrid)	Spain		100.00 %	100.00 %
(A)		CALA GALDANA PROPERTY, S.L.	Gremio Toneleros, 24 (Palma de Mallorca)	Spain		61.80 %	61.80 %

		MANAGEMENT COMPANIES	ADDRESS	COUNTRY	DIR S.	IND S.	TOTAL
	(F1)	APARTOTEL, S. A.	Mauricio Legendre, 16 (Madrid)	Spain	99.79 %		99.79 %
		GESMESOL, S. A.	Elvira Méndez, 10 - Edif. Bco do Brasil	Panama	100.00 %		100.00 %
		ILHA BELA GESTAO E TURISMO, Ltd.	31 de Janeiro, 81 (Funchal - Madeira)	Portugal	100.00 %		100.00 %
		MELIÁ BRASIL ADMINISTRACAO	Avenida Cidade Jardim, 1030 (Sao Paulo)	Brazil		99.69 %	99.69 %
(A)		MELIÁ MANAGEMENT, S.A.	Lope de Vega, 4 (Santo Domingo)	Dom. Rep.	99.99 %	0.01 %	100.00 %
(A)		MELIA VIETNAM COMPANY LIMITED	13th Floor, Plaza Saigon Building, 39 Le Duan Street, Ben	Vietnam	100.00 %		100.00 %
		NEW CONTINENT VENTURES, Inc.	800 Brickell Avenue Suite 1000 (Miami)	USA		100.00 %	100.00 %
(A)		OPERADORA MESOL, S. A. de C. V.	Blvd. Kukulkan Km 16.5 No 1 T.5. Zona Hot (Cancun)	Mexico	100.00 %		100.00 %
		PT SOL MELIÁ INDONESIA	Ed.Plaza Bapindo-Menara Mandiri Lt.16	Indonesia	95.00 %	5.00 %	100.00 %
(A)	(F1)	SOL MANINVEST, B.V.	Strawinskylaan 915 WTC, Toren A,1077 XX (Amsterdam)	Netherlands	100.00 %		100.00 %
(A)		SOL MELIÁ BALKANS EAD	Región de Primorski,Golden-Sands-Varna	Bulgaria	100.00 %		100.00 %
(A)		SOL MELIÁ HOTEL MANAG. SHANGHAI CO, LTD.	Suite 13-1A1,13th Floor,Hang Seng Bank Tower,1000 Lujiazui Ring Road (Shanghai)	China	100.00 %		100.00 %
		SOL MELIÁ GREECE, HOTEL & TOURISTIC	14th Chalkokondili Str & 28th October str (Athens	Greece	100.00 %		100.00 %
		SOL MELIÁ PERÚ, S. A.	Av. Salaberri, 2599 (San Isidro - Lima)	Peru	99.90 %	0.10 %	100.00 %

		HOLDING COMPANIES	ADDRESS	COU	DIR S	IND S.	TOTAL
(A)	(F2)	CADSTAR FRANCE, S.A.S.	12, Rue du Mont Thabor (Paris)	France		100.00 %	100.00 %
	(F1)	DESARROLLOS HOTELEROS SAN JUAN EXHOLD, S. L.	Sarria, 50, 08029 Barcelona	Spain		99.69 %	99.69 %
	(F1)	DOMINICAN INVESTMENTS, S.L.U.	Gremio Toneleros, 24 (Palma de Mallorca)	Spain		99.69 %	99.69 %
	(F1)	FARANDOLE, B. V.	Eduard Van Beinumstraat, 40 1077 CZ (Amsterdam)	Netherlands		99.69 %	99.69 %
	(F1)	HOTELES SOL MELIÁ, S. L.	Gremio Toneleros, 24 (Palma de Mallorca)	Spain		100.00 %	100.00 %
	(F1)	INVERS. HOTELERAS LOS CABOS, S.A.U.	Gremio Toneleros, 24 (Palma de Mallorca)	Spain		99.69 %	99.69 %
(A)		MELIÁ HOTELS INTERNAT. UK LIMITED	Albany Street , Regents Park, London NW1 3UP	Great Britain	100.00 %		100.00 %
	(F4)	MELCOM JOINT VENTURE	C/ Recoletos 3, 1° (Madrid)	Spain		100.00 %	100.00 %
	(F1)	MIA EXHOL, S. A.	Sarria, 50, 08029 Barcelona	Spain	82.26 %	17.43 %	99.69 %
		MUGOLU, S.L.	C/ Poeta Joan Maragall, 3, 1	Spain	100.00 %		100.00 %
	(F1)	NEALE EXPA SPAIN, S.L.U.	Gremio Toneleros, 24 (Palma de Mallorca)	Spain		99.69 %	99.69 %
	(F1)	SAN JUAN INVESTMENTS EXHOL, S. L.	Sarria, 50, 08029 Barcelona	Spain		99.69 %	99.69 %
	(F1)	SOL GROUP EXHOL, S.L.	Gremio Toneleros, 24 (Palma de Mallorca)	Spain	100.00 %		100.00 %
(A)	(F2)	SOL MELIÁ FRANCE, S.A.S.	20 Rue du Sentier (Paris)	France	100.00 %		100.00 %
	(F1)	SM INVESTMENT EXHOL, S. L.	Sarria, 50, 08029 Barcelona	Spain	100.00 %		100.00 %
		SOL MELIA VACATION CLUB LLC.	Bickell Avenue, 800 (Miami)	USA		100.00 %	100.00 %

		COMPANIES OF DIFFERENT ACTIVITES	ADDRESS	COUNTRY	DIR S.	IND S.	TOTAL
		BAJA SERVICIOS ADMINISTRATIVOS S.A	Ctra Transpeninsular, km 19,5 (Los Cabos)	Mexico	100.00 %		100.00 %
	(F1)	CASINO TAMARINDOS, S. A.	Retama, 3 (Las Palmas)	Spain	100.00 %		100.00 %
		CREDIT CONTROL CORPORATION	Brickell Avenue, 800 (Miami)	USA	100.00 %		100.00 %
	(F1)	DORPAN, S. L.	Gremio Toneleros, 24 (Palma de Mallorca)	Spain	100.00 %		100.00 %
	(F1)	GEST.HOT.TURISTICA MESOL	Gremio Toneleros, 42 (Palma de Mallorca)	Spain	100.00 %		100.00 %
		GUARAJUBA EMPREENDIMENTOS, S.A.	Avda. Jorge Amado s/n, Bahía	Brazil	100.00 %		100.00 %
	(F1)	HOGARES BATLE, S.A.	Gremio Toneleros, 42 (Palma de Mca.)	Spain	51.49 %	46.70 %	98.19 %
(A)	(F2)	HOTEL METROPOLITAN, S.A.S.	20, Rue du sentier 75002 (Paris)	France		100.00 %	100.00 %
(A)	(F1)	HOTELPOINT, S.L.	Gremio Toneleros, 24 (Palma de Mallorca)	Spain	100.00 %		100.00 %
		GONPONS INVERSIONES, S.L.U.	Gremio Toneleros, 24 (Palma de Mallorca)	Spain	100.00 %		100.00 %
		IMPACT HOSPITALITY V3NTURES, LLC	Celebration Place, 225 (Miami)	USA		100.00 %	100.00 %
(A)		INMOBILIARIA DISTRITO CIAL., C. A.	Avda. venezuela con Casanova (Caracas)	Venezuela		89.26 %	89.26 %
(A)	(F1)	MELIA EUROPE & MIDDLE EAST, S.L.	Gremio Toneleros, 24 (Palma de Mallorca)	Spain	100.00 %		100.00 %
		MELIA HOTELS ALBANIA, SH. P. K	Tirane Tirane RRuga Abdi Toptani, Torre Drin, Kati IV,	Albania	100.00 %		100.00 %
	(F1)	NAOLINCO AVIATION,S.L.	Gremio Toneleros, 24 (Palma de Mallorca)	Spain	100.00 %		100.00 %
	(F1)	NETWORK INVESTMENTS SPAIN, S.L.U.	Gremio Toneleros, 24 (Palma de Mallorca)	Spain		100.00 %	100.00 %
(A)	(F1)	PRODIGIOS INTERACTIVOS, S.A.	Gremio Toneleros, 24 (Palma de Mallorca)	Spain	100.00 %		100.00 %
	(F1)	PROYECTOS FINANCIEROS HAYMAN, S.L.	Gremio Toneleros, 24 (Palma de Mallorca)	Spain	100.00 %		100.00 %
(A)	(F1)	PUNTA CANA RESERVATIONS, S.L.U.	Gremio Toneleros, 24 (Palma de Mallorca)	Spain	75.00 %		75.00 %
	(F1)	RENÉ EGLI, S.L.U.	Playa La Barca, Pájara (Las Palmas de G.Canaria)	Spain	100.00 %		100.00 %
	(F1)	SECURISOL, S. A.	Avda.Notario Alemany s/n Hotel Barbados (Calviá)	Spain	100.00 %		100.00 %
(A)		SEGUNDA FASE CORP.	Carretera 3, Intersecc. 955 (Rio Grande)	Puerto Rico		100.00 %	100.00 %
		SERVICIOS ARTEMISA, S.A.de C.V.	Boulevard Kukulkan Km 12 (Cancun)	Mexico	100.00 %		100.00 %
		SERVICIOS INTEGRALES DE PERSONAL IRIS, S.A.de C.V.	Paseo de la Marina Sur (Puerto Vallarta)	Mexico	100.00 %		100.00 %
		SERVICIOS PERSONALES ORFEO, S.A.de C.V.	Boulevard Kukulkan Km 16,5 (Cancun)	Mexico	100.00 %		100.00 %
		SERVICIOS PITEO, S.A.de C.V.	Avda Tulum 200, Sm 4 (B.Juarez)	Mexico	100.00 %		100.00 %
		SOL CARIBE TOURS, S. A.	Vía Grecia - Edif. Alamanda 6B (Panama)	Panama		100.00 %	100.00 %
		SOL GROUP CORPORATION 33131	800 Brickell Avenue, Suite 1000, FL, (Miami)	USA		100.00 %	100.00 %
		SOL MELIÁ FUNDING	Regatta Office Park West Bay Road P.O.Box 31106	Cayman Islands		100.00 %	100.00 %
(A)		SMVC DOMINICANA, S.A.	Lope de Vega, 4 (Santo Domingo)	Dom. Rep.		100.00 %	100.00 %
	(F1)	SMVC ESPAÑA S.L.	Mauricio Legendre,16 (Madrid)	Spain		100.00 %	100.00 %
(A)		SMVC MÉXICO, S.A de C.V.	Boluevard Kukulkan (Cancun)	Mexico		100.00 %	100.00 %
		SMVC PANAMÁ S.A.	Antigua escuela las Américas, Lago Gatún	Panama		100.00 %	100.00 %
		VACATION CLUB SERVICES INC.	Bickell Avenue, 800 (Miami)	USA		100.00 %	100.00 %
(A)	(F1)	WILLET RESERVATIONS	Gremio Toneleros, 24 (Palma de Mallorca)	Spain		100.00 %	100.00 %

		ACTIVITIES WITH NO ACTIVITY	ADDRESS	COUNTRY	DIR S.	IND S.	TOTAL
	(F1)	APARTHOTEL BOSQUE, S. A.	Camilo José Cela, 5 (Palma de Mallorca)	Spain	100.00 %		100.00 %
		BEDBANK TRADING, S.A.	Rue St.Pierre, 6A (Fribourg)	Switzerland	100.00 %		100.00 %
		COMP. TUNISIENNE GEST. HOTELIÉRE	18 Boulevard Khézama n° 44, 4051 Sousse (Tunisia)	Tunisia		100.00 %	100.00 %
(A)		DESARROLLADORA DEL NORTE, S. en C.	PMB 223, PO Box 43006, (Rio Grande)	Puerto Rico		99.69 %	99.69 %
	(F1)	HOTELES SOL, S. L.	Gremio Toneleros, 24 (Palma de Mallorca)	Spain	100.00 %		100.00 %
		INVERSIONES INVERMONT, S. A.	Av. Venezuela, Edif. T. América (Caracas)	Venezuela	100.00 %		100.00 %
	(F1)	PRODISOTEL, S.A.	Mauricio Legendre, 16 (Madrid)	Spain		100.00 %	100.00 %
(A)		SMVC PUERTO RICO	Sector Coco Beach, 200 Carretera 968 (Río Grande)	P. Rico	100.00 %		100.00 %
		SOL MELIA JAMAICA, LTD.	21, East Street (Kingston CSO)	Jamaica	100.00 %		100.00 %
		SOL MELIÁ MARROC, S.A.R.L.	Rue Idriss Al-Abkar, 4 - 1° Etage	Morocco	100.00 %		100.00 %
		SOL MELIÁ SERVICES, S. A.	Rue de Chantemerle (Friburgo)	Switzerland		100.00 %	100.00 %

(A) Audited companies.

(F1) Companies which comprise the consolidated tax group with Meliá Hotels International, S.A.

(F2) Companies which comprise the consolidated tax group with Sol Meliá France, S.A.S.

(F4) Companies which comprise the consolidated tax group with Melcom Joint Venture, S.L.

(F) Companies which comprise the consolidated tax group with Inversiones y Explotaciones Turísticas, S.A.

(*) Shareholding in these companies is through the ownership of apartments.

Associates and Joint Ventures

		HOTEL OPERATING COMPANIES	ADDRESS	COUNTRY	DIR S.	IND S.	TOTAL
		COM. PROP. APARTOTEL MELIÁ CASTILLA (*)	Capitán Haya, 43 (Madrid)	Spain	33.62 %	0.09 %	33.71 %
		C.P.APARTOTEL M.COSTA DEL SOL (*)	Paseo Marítimo 11 (Torremolinos)	Spain	5.32 %	18.71 %	24.03 %
(A)		NEXPROM, S. A. (JV)	Avda. del Lido s/n (Torremolinos)	Spain	17.50 %	2.50 %	20.00 %
		PLAZA PUERTA DEL MAR, S.A.	Plaza Puerta del Mar, 3 (Alicante)	Spain	12.60 %	7.81 %	20.41 %
(A)	(F5)	PRODUCCIONES DE PARQUES, S.L.	Avda. P.Vaquer Ramis , s/n (Calviá)	Spain	50.00 %		50.00 %
(A)	(F3)	STARMEL HOTELS OP, S.L.	Gremio Toneleros, 24 (Palma de Mallorca)	Spain		30.00 %	30.00 %
(A)		HOTELES MARMEL, S.L.	Gremio Toneleros, 24 (Palma de Mallorca)	Spain	20.00 %		20.00 %
(A)	(F5)	TERTIAN XXI, S.L.U.	Gremio Toneleros, 24 (Palma de Mallorca)	Spain		50.00 %	50.00 %
		TURISMO DE INVIERNO, S.A.	Plaza Pradollano, s/n Sierra Nevada (Granada)	Spain	21.42 %		21.42 %
		COMPANIES OWNING HOTELS	**ADDRESS**	**COUNT**	**DIR S.**	**IND S.**	**TOTAL**
(A)	(F7)	ALTAVISTA HOTELERA, S.L.	Avda. Pere IV, 272 (Barcelona)	Spain	7.55 %	41.19 %	48.74 %
		EL RECREO PLAZA & CIA., C.A.	Avda. Fco. de Miranda Torre Oeste,15 Of.15 (Caracas)	Venezuela		1.00 %	19.94 %
(A)	(F6)	EVERTMEL, S.L.	Gremio Toneleros, 24 (Palma de Mallorca)	Spain	49.00 %		49.00 %
(A)		FOURTH PROJECT 2012, S.L.	Gremio Toneleros, 24 (Palma de Mallorca)	Spain		50.00 %	50.00 %
(A)		FUERTEVENTURA BEACH PROPERTY, S.L.	Gremio Toneleros, 24 (Palma de Mallorca)	Spain	20.00 %		20.00 %
(A)		JAMAICA DEVCO, S.L.	Gremio Toneleros, 24 (Palma de Mallorca)	Spain		49.00 %	49.00 %
		MELIA HOTELS FLORIDA, LLC.	Brickell Avenue Suite 1000, 800	USA		50.00 %	50.00 %
	(F6)	MONGAMENDA, S.L.	Alexandre Rosselló, 15 (Palma de Mallorca)	Spain		49.00 %	49.00 %
(A)	(F3)	PALMANOVA BEACH PROPERTY, S.L.	Gremio Toneleros, 24 (Palma de Mallorca)	Spain		30.00 %	30.00 %
(A)	(F3)	PUERTO DEL CARMEN BEACH PROPERTY, S.L.	Gremio Toneleros, 24 (Palma de Mallorca)	Spain		30.00 %	30.00 %
(A)	(F3)	SAN ANTONIO BEACH PROPERTY, S.L.	Gremio Toneleros, 24 (Palma de Mallorca)	Spain		30.00 %	30.00 %
(A)		SANTA EULALIA BEACH PROPERTY, S.L.	Gremio Toneleros, 24 (Palma de Mallorca)	Spain	20.00 %		20.00 %
(A)	(F3)	TORREMOLINOS BEACH PROPERTY, S.L.	Gremio Toneleros, 24 (Palma de Mallorca)	Spain		30.00 %	30.00 %
		COMPANIES OF DIFFERENT ACTIVITES	**ADDRESS**	**COUNT**	**DIR S.**	**IND S.**	**TOTAL**
(A)		INVERSIONES GUIZA, S. A.	Avda. Lope de Vega, 4 (Sto. Domingo)	Dom. Rep.		49.84 %	49.84 %
(A)	(F6)	KIMEL MCA, S.L.	Gremio Toneleros, 24 (Palma de Mallorca)	Spain		49.00 %	49.00 %
(A)		SIERRA PARIMA, S.A.	Avda. Barceló, s/n (Bávaro)	Dom. Rep.	50.00 %		50.00 %
		YAGODA INVERSIONES, S.L.U.	Gremio Toneleros, 24 (Palma de Mallorca)	Spain		50.00 %	50.00 %
		HOLAZEL, S.L.	Gremio Toneleros, 24 (Palma de Mallorca)	Spain	50.00 %		50.00 %
		ACTIVITIES WITH NO ACTIVITY	**ADDRESS**	**COUNT**	**DIR S.**	**IND S.**	**TOTAL**
		HELLENIC HOTEL MANAGEMENT	Panepistimiou, 40 (Athens)	Greece	40.00 %		40.00 %
		HOLDING COMPANIES	**ADDRESS**	**COUNT**	**DIR S.**	**IND S.**	**TOTAL**
		EL RECREO PLAZA, C.A.	Avda.Fco.de Miranda Torre Oeste,15 Of.15(Caracas)	Venezuela		19.94 %	19.94 %
		HOMASI, S.A.	C/ Cavanilles 15,Pl.baja (Madrid)	Spain	35.00 %		35.00 %
		MELIA HOTELS USA, LLC.	Brickell Avenue Suite 1000, 800	USA		50.00 %	50.00 %
		PROMEDRO, S. A.	Avda. del Lido s/n (Torremolinos)	Spain	20.00 %		20.00 %
(A)	(F3)	RENASALA, S.L.	Zurbarán, 9 (Madrid)	Spain	30.00 %		30.00 %
		STARMEL HOTELS JV, S.L.	Gremio Toneleros, 24 (Palma de Mallorca)	Spain	20.00 %		20.00 %
(A)		STARMEL HOTELS JV, S.L. (JV)	Gremio Toneleros, 24 (Palma de Mallorca)	Spain	20.00 %		20.00 %

(A) Audited companies.

(F3) Companies which comprise the consolidated tax group with Renasala, S.L.

(F5) Companies which comprise the consolidated tax group with Producciones de Parques, S.L.

(F6) Companies which comprise the consolidated tax group with Evertmel, S.L.

(*) Shareholding in these companies is through the ownership of apartments.

Management Report for the Year Ended 31 December 2024

This report was prepared taking into account the "Guide of recommendations for the preparation of management reports of listed companies" published by the CNMV in July 2013.

According to the provisions of Law 11/2018 of 28th of December, and pursuant to the new wording of Article 49 of the Code of Commerce, section 5, and of Article 262.5 of the Corporate Enterprises Act, the Company is exempted from the obligation to present the Non-Financial Information Statement since this information is included in the Consolidated Management Report of Meliá Hotels International Group, which parent company is Meliá Hotels International, S.A., and which will be registered, together with the Consolidated Annual Accounts, with the Commercial Registry of Palma de Mallorca.

1. Situation of the Company

1.1 Organisational Structure

Meliá Hotels International, S.A. (hereinafter, "the Company") is the parent company of the Meliá Hotels International Group (hereinafter, "the Group"), which comprises companies that are mainly engaged in tourism activities in general, and more specifically, in the management and operation of hotels under ownership, lease, management or franchise arrangements, as well as in asset management.

In any event, those 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.

The operating segments that make up the Group's organisational structure and which results are reviewed by the key decision-makers of the Company are described below:

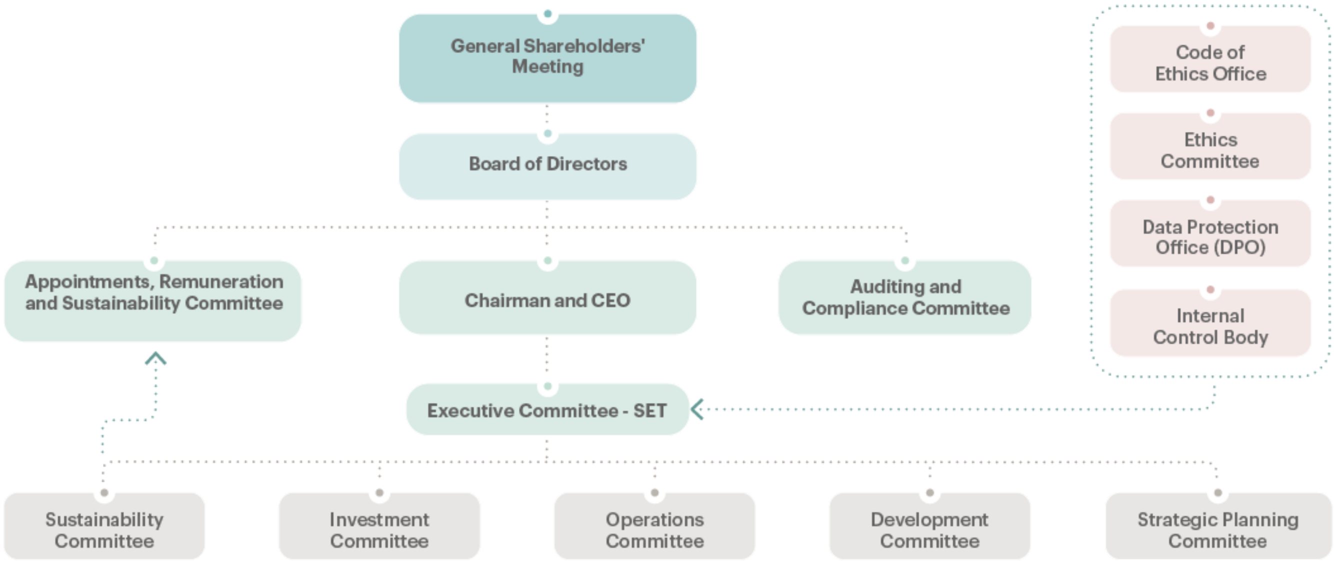
- Hotel management: This relates to the fees received for operating hotels under management and franchise agreements. It also includes the intra-group charges to the Group's hotels that are under ownership or under lease.
- Hotel business: The results obtained from the operation of hotel units owned or leased by the Group are included in this segment. Likewise, income generated by the food & beverage business is also included since this activity is considered to be fully integrated into the hotel business due to the majority sale of packages which price includes room and board, and therefore, a real segmentation of the associated assets and liabilities would be unfeasible.
- Other business linked to hotel management: This segment includes additional income from the hotel business, such as casinos and tour-operator activities.
- Asset management: This segment includes the capital gains on asset rotation, and real estate development and operation activities.
- Vacation club: It includes the results deriving from the sale of rights of shared use of specific vacation complex units.
- Corporate segments: These relate to structural costs, results linked to the intermediation and marketing of room and tourist service reservations, as well as corporate costs of the Group which cannot be assigned to any of the abovementioned three business divisions.

Governance Model

Our governance model consists of, and is implemented through, a set of regulations, rules, policies, protocols, processes and procedures based on the principles of transparency and corporate governance best practices. This system regulates and develops aspects relating to the structure, composition and functioning of the governance model, as well as the principles and commitments of the Code of Ethics and the policies approved by the Board of Directors.

Our Corporate Governance Policy, approved by the Board of Directors in 2021, sets out the responsibilities and functions of the various governing bodies and establishes the rules of conduct for all stakeholders: shareholders, employees, regulatory bodies, public administrations and the Board of Directors. It also defines the commitments made in terms of transparency, the internal control and compliance system, as well as the Group's good governance.

The Group's corporate governance structure is detailed below:



These governing bodies are regulated by the different rules that govern their functioning and serve as the basis of our model: the Company Bylaws, the Regulations of the General Shareholders' Meeting, the Regulations of the Board of Directors, the Regulations on the functioning of the governing bodies, the Code of Ethics and the Internal Code of Conduct in the Securities Market.

BOARD OF DIRECTORS

Functions of the Board of Directors

During 2024, the Board of Directors has exercised various functions relating to:

1. The General Shareholders' Meeting and the participation of shareholders: To call the General Shareholders' Meeting, to set the agenda, to prepare the proposals that are submitted for approval, to implement the resolutions approved by the Meeting, etc.
2. Policies and strategies of the Company and the Group: To follow up the Group's strategic plan, to define the Group's tax strategy, to establish the shareholders' remuneration policy, etc.
3. The organisation of the Board of Directors: To update and amend the Regulations of the Board, to monitor the effective functioning of the specialised committees, and to assess the functioning of the Board, etc.
4. The information to be provided by the Company: To prepare the annual accounts and the non-financial information statement, to approve the annual corporate governance report and the report on the remuneration of directors, etc.
5. Remuneration of directors and executives: To propose to the General Shareholders' Meeting the appointment or ratification of directors, to follow up the succession plan of the Chairperson of the Board of Directors, etc.
6. Strategic Plan: Approval of the new Strategic Plan for 2025 to 2027.
7. Regulatory framework: Approval of the Policy on the Internal Control over Financial and Sustainability Reporting System and the Sustainability Policy, update of the Code of Ethics, etc.

Diversity

Currently, the Board of Directors of Meliá Hotels International consists of five female directors, out of a total of ten members, which results in 50% of women in the Board. Thus, the 40% objective established in the CNMV's Good Governance Code of Listed Companies, the European Union's Directive 2014/95 (EU) on Diversity and Organic Law 2/2024 on equal representation and balanced presence of women and men, is fulfilled.

Assessment of the Board of Directors

Annually, the Board of Directors assesses the functioning and composition of the Board itself and the Committees, as well as the performance of the Top Executive of the Group. The Appointments, Remuneration and Sustainability Committee is responsible for approving and initiating this process. The report that includes the results of the assessment for 2024 will be submitted to the meeting of the Board of Directors during the first quarter of the following year, at which the relevant action plan, if any, shall be discussed and approved.

Regarding compliance with recommendation number 36 of the Good Governance Code of Listed Companies, which relates to the help of an external advisor in the process for assessment of the Board, in 2022, the Appointments, Remuneration and Sustainability Committee was assisted by the consulting firm PricewaterhouseCoopers for the review of the assessment questionnaires of the Board of Directors and the Top Executive.

BOARD'S SPECIALISED COMMITTEES

In 2024, the functioning of the two specialised Committees was consolidated and aligned with the recommendations on good governance.

Appointments, Remuneration and Sustainability Committee

Functions:

- To prepare the proposals for appointment and re-election of directors and senior executives, as well as their remuneration.
- To report on any transactions that imply or may imply conflict of interest.
- To lead the regular evaluation on the structure, size, composition and performance of the Board of Directors and specialised Committees, making recommendations as deemed appropriate in each case.
- To ensure that the knowledge and expertise of the directors in terms of ESG are adapted to the new trends and best practices in sustainability.
- To follow up the strategy and practices in sustainability and assess their level of achievement in cooperation with the Sustainability Committee.
- To propose to the Board of Directors the criteria and conditions of the Remuneration Policy and ensure their transparency.

During 2024, it is worth noting the Committee’s focus on appointments and selection, considering the changes in the composition of the Board and the two specialised committees. In terms of remuneration, the new Remuneration Policy applicable to years 2025 to 2027 is of particular note, as well as the Committee's dedication to sustainability-related issues, such as the monitoring of the transposition of the Sustainability Directive and the impact on verification and reporting obligations.

Auditing & Compliance Committee

Functions:

- Support for the Board in monitoring the effectiveness of the internal control and risk management systems of the Group, acting as a communication channel with the internal and external auditors.
- Monitoring of the process for preparation and submission of financial and non-financial information to the Board.
- Compliance with the legal provisions and internal regulations.
- Monitoring of the internal audit function.
- Monitoring of the Risk Control & Compliance function.
- Relationship with the external auditor of the Group (Deloitte).

As for the most important actions of this Committee during 2024, we can highlight the focus on the selection process of the external auditor for 2024 to 2026, the succession of the head of the internal audit function, as well as the monitoring of the implementation of the new Internal Control over Sustainability Reporting System (ICSR).

Senior Executive Team (SET)

The Senior Executive Team or SET is the collegiate body that drives the Meliá Hotels International’s management, as well as the critical and continuous review of the business. Thus, it ensures fulfilment of the objectives set by the Board of Directors and supports the Chairman and CEO in his management.

In addition, the SET ensures the sustainable growth of the activity and the creation of value for shareholders, promoting the projects to be undertaken by the Group and attributed to it. It also defines priorities, allocates the required resources and ensures the achievement of the Company’s objectives.

The SET is also responsible for providing the Board of Directors with updated, objective and sufficient information to allow the latter to carry out its supervisory functions.

During 2024, the SET has focused especially on the following issues:

- Monitoring of compliance with the 2022-2024 Strategic Plan.
- Preparation of the new 2025-2027 Strategic Plan for submission to the Board of Directors for approval.
- Monitoring of relevant asset rotation transactions.
- Monitoring the company's economic prospects by analysing the business from different points of view and identifying those assets or regions with a below-expectation performance.
- Monitoring and planning of the Annual Investment Plan (AIP), as well as follow-up of the budget for 2024 and monitoring and approval of the budget for 2025.
- Approval of internal regulations (Investment Rule, Credit and Budget Rule).
- Monitoring of the company's strategic projects in areas such as IT (Information Technologies), Human Resources, etc.

1.2 Strategy - Roadto2024

During 2024, the 2022-2024 Strategic Plan, identified as Roadto2024, has concluded. This plan has guided our management and transformation over the last three years, under the commitment to restore the financial soundness we had prior to COVID era, strengthening our balance sheet, improving efficiency and increasing our competitiveness.

This achievement has been possible thanks to strategic management focused on optimising resources and expanding into new markets. Furthermore, the cultural transformation programme has been a key driver to consolidate our resilience and strengthen our leadership in the face of future challenges, ensuring a more agile, innovative company that is prepared for new challenges.

Our strategic vision is based on four strategic pillars, with a firm commitment to advance the principles that underpin this Roadto2024 strategic vision: economic momentum, operational excellence, organisational efficiency and social and environmental sustainability, as essential precepts for consolidating our position in the market and facing present and future challenges.

1.3 Responsible Business

In 2024 we concluded our Roadto2024 Strategic Plan, a strategic vision designed around four pillars and a firm commitment to progress in economic excellence, operational efficiency and social, environmental and also economic sustainability.

SOLID GOVERNANCE focused on designing an agile and flexible model as an essential part of the company's transformation and adaptation:

- Reinforcing the values and principles of our Code of Ethics in the decisions adopted by the company and ensuring the mitigation of the main risks.
- Adapting the roles, functions and responsibilities of the company's management and decision-making bodies and adapting them to the new demands derived from best practices in Corporate Governance.
- Developing the company's system of proactive and reactive controls, accompanying its transformation to digitalisation.
- Integrating social, environmental and good governance (ESG) aspects into the company's most important decisions.

LEADING THE SUSTAINABLE TRANSITION by advancing in the decarbonisation of our management system, activating levers that allow our value chain to evolve towards a more efficient, responsible and sustainable tourism model:

- Progressing in the implementation of clean energy and implementing initiatives that contribute to reducing our energy consumption and operational and economic efficiency in terms of energy.
- Working on the identification of opportunities to reduce CO2 and other greenhouse gases (GHG) emissions.
- Driving the transition towards a circular hospitality model to reduce the impacts on the environment of our value chain.
- Progressing towards better management of the Water Footprint.

ESG BUSINESS MANAGEMENT with the aim of consolidating the ESG model in our owned and leased hotels and offering an attractive and profitable value proposition for owners and partners:

- Guaranteeing the implementation of the new regulatory framework in terms of sustainability in our hotel management and operation model.
- Consolidating a sustainability information model that drives improvements in the system for managing, controlling and measuring all indicators linked to sustainability.
- Identifying and ensuring the integration of critical ESG criteria in the management and franchise model, which will enhance the reputation and recognition of Meliá Hotels International both nationally and internationally.
- Ensuring ESG training and awareness-raising throughout the organisation.

STAKEHOLDER IMPACT by reinforcing a transparent and measurable relationship model, based on our values, which adds tangible and intangible value to our stakeholders through continuous improvement.

- Designing a value proposition for sustainable products & services that promotes a new, attractive and responsible hotel experience for all our customers.
- Developing an ESG value proposition that is profitable for owners and promotes the integration of ESG criteria in our portfolio under management or franchise.
- Implementing action plans which, together with appropriate training, promote the integration of ESG culture among our employees.
- Strengthening the company's reputation and recognition in the field of diversity, equity and inclusion.
- Consolidating our social commitment in those destinations that are key for the company.
- Promoting a culture of continuous dialogue with our stakeholders, which allows to strengthen Meliá's reputation and recognition in responsibility and sustainability.

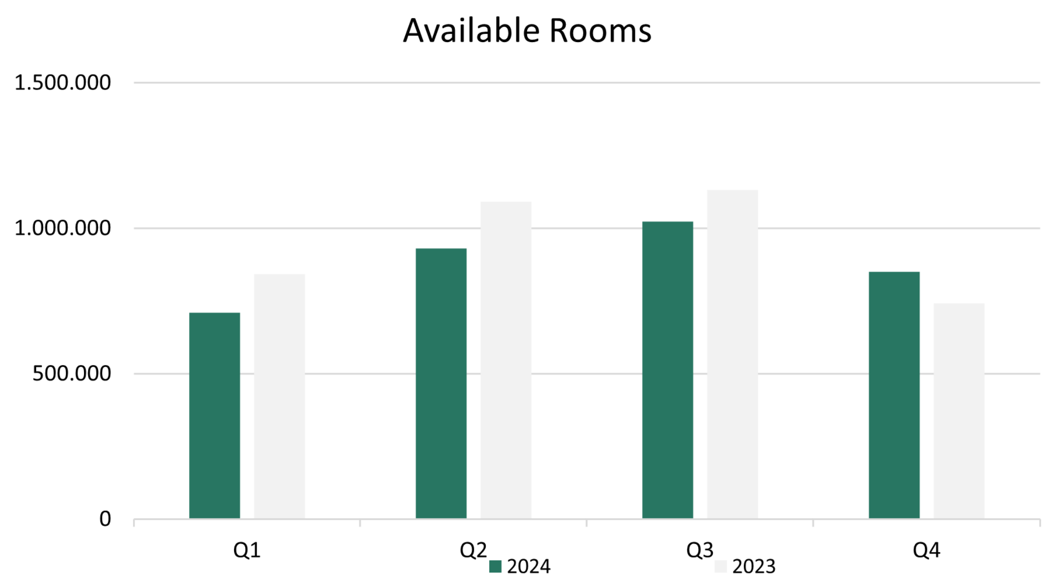
2. Business Evolution and Performance

The evolution of occupancy, average room rate (ARR) and revenues per available room (RevPAR) in 2024 compared to that in 2023 for the Company's hotels is included below:

HOTELS	OCCUPANCY		ARR		RevPAR	
	%	Δ (pp)	€	Δ%	€	Δ%
Urban	72.7 %	0,1	€172.9	16.6 %	€125.7	16.7 %
Resort	72.8 %	(3.8)	€157.9	26.6 %	€114.9	20.4 %
TOTAL HOTELS SPAIN	72.7 %	1.4	€166.7	19.7 %	€121.2	17.5 %

BRANDS	OCCUPANCY		ARR		RevPAR	
	%	Δ (pp)	€	Δ%	€	Δ%
Me by Melia	62.6 %	0.7	€457.8	45.8 %	€286.4	47.4 %
Gran Meliá	71.3 %	9.2	€307.0	(20.2) %	€218.9	(8.4) %
Meliá Collection	45.2 %		€247.9		€112.2	
Meliá	72.4 %	8.8	€174.3	14.1 %	€126.2	12.8 %
Innside	74.5 %	1.7	€161.8	7.3 %	€120.6	5.0 %
Zel	79.4 %		€291.7		€231.7	
Sol	72.9 %	6.1	€103.4	8.0 %	€75.3	(0.3) %
Affiliated by Meliá	74.8 %	1.6	€123.6	9.4 %	€92.4	11.7 %
TOTAL	72.7 %	1.4	€166.7	19.7 %	€121.2	17.5 %

The evolution of rooms available in 2024 compared to 2023 was as follows:



Performance

In Spain, tourism has continued to grow, exceeding the contribution to Spanish GDP that in 2023 was the highest in the historical series. These figures are based on a new record number of tourists visiting the country, totalling 94 million tourists, which represents a 10% increase compared to the previous year. The average daily expenditure of foreign tourists increased by an average of 4.5% according to Exceltur, in which greatest attraction and growth of differentiated and repositioned products are key.

Regarding urban hotels, performance is remarkably positive, with Madrid and Barcelona leading the increase in demand, underpinning the growth of the region. 2024 is characterised by growth in all segments in which MICE and Corporate events, the demand for leisure and the holding of large events have generated the expected volume of reservations and rate increases. In this sense, the growth in rates during the year has been over 10%, contributing almost entirely to the increase in RevPar. The evolution of the main Spanish cities is part of an improvement process of the hotel facilities and additional offer, attracting a new profile of customers and nationalities, who, in their search for superior experiences and products, are more willing to pay higher prices for better products. Highlights of 2024 include the reopening of Meliá Collection Casa de las Artes, the opening of Innside Valdebebas and the incorporation of Gran Meliá Torre Melina, consolidating our MICE offer and luxury positioning in Barcelona. With regard to other cities such as Palma de Mallorca, Bilbao and Seville, the evolution of demand is equally positive with growth in rates and a balanced contribution from leisure and business customers.

The performance in 2024 of our resort hotels has been very positive, driven by a great start to the winter season and a positive summer season. By region, hotels in the Balearic Islands managed to extend the season again with a greater number of hotels open, also achieving increases in occupancy and rates. The Canary Islands stood out as one of the main drivers of the holiday segment in Spain. The region had a considerable growth in occupancy and rates, thanks to strong last-minute demand and a strategy focused on product improvement and premium positioning, such as the recently opened Paradisus Gran Canaria and Salinas hotels.

With regard to the segments, the contribution of our Direct Customers has been very positive, generating 60% of the growth while also generating the highest average rate. Promotional campaigns, such as ‘Wonder Week’, surpassed the results of previous years, ensuring a strong reservation base and outstanding performance in all channels, allowing us to manage last-minute demand by focusing on rate increases. By nationality, the domestic market and the United Kingdom continued to be the main sources of visitors, with high increases in revenue. However, positive diversification was observed with a greater presence of other nationalities, with a notable increase from the United States and the United Arab Emirates, which have greater purchasing power and a commitment to experiences.

Outlook for the beginning of 2025

Our urban hotels in Spain are starting 2025 with a repositioned offering following various renovation processes during the previous year or new openings that are beginning to operate under our brands, thus estimating a higher volume of income. The general trend anticipates maintaining occupancy figures with a more moderate increase in average rates. By city, Madrid stands out as the main growth driver, with a solid on-the-books position in the MICE and Corporate segments, which have a longer window for reservations than other segments. This factor anticipates a good performance from leisure and bleisure customers. In Barcelona, there has been a higher growth in average rates and a positive performance since the beginning of the year, highlighting the good on-the-books position and anticipated business of the Gran Meliá Torre Melina. The rest of cities show a more modest performance, due to the greater impact of the MICE events held at the beginning of the previous year, which were on-off evets that are not held at the beginning of this year.

For resort hotels, the growth trend continues, focusing on improving average rates, with a trend towards normalisation. The good prospects for the beginning of the year in the Canary Islands stand out, thanks to higher demand and advance sales. By segment, the good results of Tour Operation and Direct Customers stand out, the latter being the channel with the highest average price contribution. In general terms, promotional campaigns such as Black Friday have had a positive effect, greatly improving sales at the beginning of the year and providing a good occupancy base. As for our source markets, the United Kingdom and Spain remain our main nationalities.

3. Risk Management

The Risk Control and Management Model is based on three basic pillars:

1. A Risk Control and Management Policy and an internal rule, which establish the general framework for action, as well as the basic principles and criteria that the company's Risk Control and Management System follows to ensure alignment with the strategy.
2. A governance structure with specific functions and responsibilities assigned to the Board of Directors, the Auditing and Compliance Committee and the Executive Committee.
3. A system of segregation and independence of functions, which follows the model of the three lines of defence, with ultimate responsibility resting with the Board of Directors, ensuring comprehensive and cross-cutting management throughout the company.

The Risk Management Model, based on the COSO methodology, is cross-cutting and involves all areas and departments of Corporate Services, Hotel Services and Operations. By following standardised criteria, it allows to identify and evaluate the main risks that could affect our strategy and objectives.

The model is developed through the following phases or stages:

- Identification of risks that may affect the strategy or objectives.
- Assessment of the risks identified in terms of their probability of occurrence.
- Response to risks through action plans.
- Monitoring and control of risks and the measures taken to mitigate them.
- Regular communication and reporting to the governing bodies and the rest of the organisation.

The risks identified are included in six different types, depending on their nature:

- Operational risks: Relating to failures that may arise from internal processes and operations.
- Business risks: Derived from the behaviour of variables inherent to the business, such as strategy, competition, the market, etc.
- Compliance risks: The consequence of regulatory changes, both internal and external, as well as the potential non-compliance therewith.
- Financial risks: These affect the financial variables of the business, i.e., liquidity, credit, debt, rates, etc.
- Information risks: These are related to events caused by the inadequate use, generation and communication of information.

This risk inventory is reviewed and updated annually and serves as the basis for updating the Risk Map, analysing both external sources (experts' reports and publications) and the internal view of the organisation's key areas (SET, Strategic Planning, Sustainability, etc.).

The abovementioned financial risks are directly related to the Company's use of financial instruments. In this regard, the Company's activities are mainly exposed to market risk (interest rate risk, foreign exchange risk and price risk), liquidity risk, credit risk, environmental risks and various geopolitical risks. Meliá Hotels International Group, through the management it conducts, tries to minimise the potential adverse effects of these risks on the annual accounts.

- Interest rate risk: The Company reflects in its financial statements certain items that bear fixed and variable interest and, consequently, 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.

- Interest rate risk: Fluctuations in items of the currencies in which the bank accounts and debts are denominated and the purchases/sales are carried out, vis-à-vis the accounting currency, may have an impact on the result (profit/loss) for the fiscal year. Despite not having financial instruments contracted (swaps, foreign exchange insurance), in order to mitigate these potential risks, the Company develops policies aimed at maintaining a balance between cash collections and payments of assets and liabilities denominated in foreign currencies.

- Price risk: Price risk of the Company's inventories mainly arises from the fluctuations in the price and the availability of food and beverages that the Company 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 Company does not conduct price hedging transactions.

- Liquidity risk: The Company's liquidity policy ensures the fulfilment of its payment commitments without having to raise funds on burdensome terms. To that end, different management procedures are used, such as the maintenance of credit facilities committed for sufficient amount and flexibility, the diversification of the coverage of financing needs through the access to different markets and the diversification of the maturities of the issued debt.

- Credit risk: Risk arising from default of a counterparty, which is mitigated by the Company's policies regarding the diversification of customer portfolios, source markets, oversight of concentration and on-going in-depth debt control. In addition, in certain cases, the Company may carry out other financial operations which allow the reduction of credit risks, such as assignments of receivables. The credit periods established by the Company range between 21 and 90 days. The average period of collection of the Company's receivables in 2024 was 34.73 days.

Environmental risks are described in section 5.3 of this Management Report. In addition, the Annual Corporate Governance Report and the Consolidated Annual Accounts explain in detail the management carried out by the Group.

4. Acquisition and Disposal of Treasury Shares

As at 31 December 2024, the number of treasury shares held by the Company is 200,361, which represents 0.09% of the share capital. As at 31 December 2023, the number was 248,014, which represented 0.113% of the share capital.

The price of Meliá Hotels International, S.A.'s shares at year end was EUR 7.365. At the 2023 year end the share price amounted to EUR 5.96.

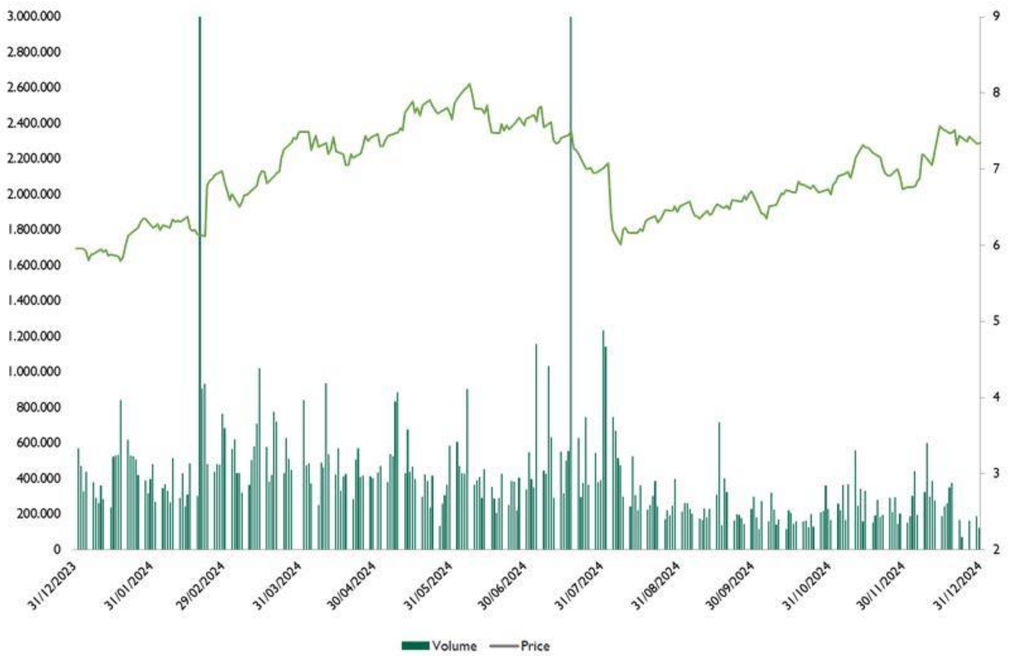
5. Other Information

5.1 Meliá's Shares

The shares of Meliá Hotels International, S.A. have registered, during 2024, an increase in value of 16.5%, while IBEX 35 closed the year with a rise of 14.78%, reaching 11,595 points.

The performance of Meliá's shares has been particularly positive in the first half of the year, driven by solid demand in the tourism sector and favourable outlook that materialised in line with market expectations. Subsequently, the announcement of asset rotation transactions and debt reduction prospects allowed a price rise in shares, reaching €8.12 per share in June. The start of the second half of the year was characterised by negative messages from other hotel companies, which showed a clear slowdown in the Chinese market, negatively impacting the share price.

At the end of the year, Meliá Hotels International, S.A.'s shares recovered much of the performance of the first half of the year, closing at €7.37 per share. Stock markets also showed a generalised recovery, thanks in part to the reduction of interest rates by central banks, mainly the European Central Bank (ECB) and the US Federal Reserve (FED).



Source: Facset
Note: The Company's shares are listed on the Ibex Medium Cap and on the index FRSE4Good Ibex.

	Dec-24	Dec-23
Number of shares (million)	220.4	220.4
Daily average volume (thousands of shares)	413.7	780.2
Maximum price (EUR)	8.12	6.68
Minimum price (EUR)	5.80	4.71
Last price (EUR)	7.37	5.96
Market capitalisation (EUR million)	1,623.2	1,313.6
Dividend (EUR)	0.0935	

5.2 Dividend Policy

The shareholder remuneration policy aims at offering an attractive dividend, which is predictable and sustainable in time. This policy is consistent with the maximum priority given to the maintenance of a level of own resources that ensures investments for the future growth of the Company and guarantees value creation.

During 2024, an additional dividend of EUR 0.0935 euros per share was paid out of voluntary reserves, following the good results of 2023 and the strengthening of the Group's balance sheet. The total dividend payment amounted to approximately EUR 20.6 million. The Group's objective is to continue to pay dividends and reach the pre-pandemic payout ratio in the medium term, standing at around a 25% payout ratio.

5.3 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 Company's commitment to sustainability and the protection of tourist destinations. For this reason, the Company 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 Company 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 Company 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 Company 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.

5.4 Average Payment Period to Suppliers

As set forth in the relevant note to the annual accounts, the average period of payment to suppliers of Meliá Hotels International, S.A. was 51.34 days in 2024; 53.84 days in 2023.

5.5 R+D+i Activities

During 2024 and 2023, the Company did not carry out any Research, Development or Innovation activities.

5.6 Events After the Reporting Date

There have been no events between the end of the reporting period and the preparation of these annual accounts which may involve any adjustments to evidence conditions that existed at the year end, and no events have taken place after the year end which could affect the capacity of the users of the annual accounts to make proper evaluations and economic decisions.

6. Annual Corporate Governance Report

In accordance with the provisions of Article 538 of the Spanish Corporate Enterprises Act, the Annual Corporate Governance Report for 2024 is part of the Consolidated Management Report and is published on the website of the Comisión Nacional del Mercado de Valores (www.cnmv.es) and on the Company's corporate website (www.meliahotelsinternational.com).

7. Annual Report on the Remuneration of Directors

In accordance with the provisions of Article 538 of the Spanish Corporate Enterprises Act, the Annual Remuneration Report for Directors for 2024 is part of the Consolidated Management Report and is published on the website of the Comisión Nacional del Mercado de Valores (www.cnmv.es) and on the Company's corporate website (www.meliahotelsinternational.com).

Preparation of the Annual Accounts and Management Report for 2024

At the meeting of the Board of Directors of Meliá Hotels International, S.A. held on 27 February 2025 (Thursday) at E-07009-Palma (Mallorca) and at the registered address, Calle de Gremio Toneleros nº 24; previously called timely and in due form 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, the Annual Accounts and Management Report (including the Non-Financial Information Statement) of Meliá Hotels International, S.A. for 2024 have been prepared and approved, which also incorporates by reference to a separate document the Annual Corporate Governance Report and the Annual Report on Remuneration of Directors, following the format and labelling requirements laid down by Delegated Regulation EU 2019/815 of the European Commission, unanimously by all the members of the Board of Directors.

By means of this Statement, all the members comprising the Board of Directors attending the meeting hereby prepare and unanimously approve the mentioned Annual Accounts and Management Report for 2024, for verification by the auditors and subsequent approval by the General Shareholders' Meeting.

In Palma (Mallorca), on 27 February 2025.

Signed by Mr Gabriel Escarrer Jaume
Chairman and Chief Executive Officer

Signed by Mr Alfredo Pastor Bodmer
Director

Signed by Ms Cristina Aldamiz-Echevarría González de Durana
Director

Signed by Ms Carina Szpilka Lazaro
Director

Signed by Ms Mª Cristina Henríquez de Luna Basagoiti
Director

Signed by Ms Montserrat Trapé Viladomat
Director

Signed by Mr Fernando D´Ornellas Silva
Director

Signed by Mr Cristóbal Valdés Guinea
Director

Signed by Ms María Mercedes Escarrer Jaume

Director

Signed by Mr. Luis María Díaz de Bustamante y Terminel

Secretary-Director

MELIÁ HOTELS INTERNATIONAL, S.A.

STATEMENT OF RESPONSIBILITY

The undersigned members of the Board of Directors state, to the best of their knowledge, that the Individual Annual Accounts of Meliá Hotels International, S.A. for 2024, prepared unanimously at the meeting held on 27 February 2025 and drafted pursuant to the applicable accounting principles, provide a true image of the equity, the financial situation and the profit and loss of the Company, and that the Management Report approved unanimously together with the mentioned annual accounts, which includes by reference to a separate document the Annual Corporate Governance Report and the Annual Report on the Remuneration of Directors, include a true analysis of the evolution, the business results and the situation of Meliá Hotels International, S.A., including the main risks and uncertainties faced by the Company.

Palma (Mallorca), on 27 February 2025.

Mr. Gabriel ESCARRER JAUME, Chairman and CEO ________________________

Mr Alfredo PASTOR BODMER ________________________

Mr Fernando d´ORNELLAS SILVA ________________________

Ms Cristina ALDÁMIZ ECHEVARRÍA GONZÁLEZ DE DURANA ________________________

Ms Mª Cristina HENRÍQUEZ DE LUNA BASAGOITI ________________________

Ms Carina SZPILKA LÁZARO ________________________

Ms Montserrat TRAPÉ VILADOMAT ________________________

Ms Mercedes ESCARRER JAUME ________________________

Mr Cristóbal VALDÉS GUINEA ________________________

Mr Luis Mª DÍAZ DE BUSTAMANTE Y TERMINEL, Secretary ________________________