



***2024-2027 STRATEGIC PLAN***

Growth, Profitability and Sustainability

*21 June 2024*



## *Disclaimer*

This document has been prepared by MILLENIUM HOSPITALITY REAL ESTATE, SOCIMI, SOCIEDAD ANÓNIMA (“MHRE” or the “Company”) solely for use in the Company's presentations. Reproduction in whole or in part, disclosure, publication or use of any kind other than for the aforementioned purpose is prohibited without the express prior written consent of the Company.

This presentation does not constitute or form part of, and should in no way be construed as, an offer to sell, exchange, acquire or issue, or an invitation or request for any kind of offer, and specifically, to purchase or subscribe the Company's securities. Furthermore, neither this presentation nor any part of it constitutes a contractual document, nor may it or its distribution be relied on as the basis for drawing up or interpreting any contract or any kind of commitment or investment decision.

It is expressly stated that this document is in no way directed at persons resident in countries where the distribution of this document or the making of an offer would give rise to any notification, reporting or registration obligations. Investors and potential investors in the Company's securities should conduct their own independent research and an assessment of the Company's business and financial position, and should not place undue or excessive reliance on the information contained in this document.

No representation or guarantees, express or implied, is or will be made by or on behalf of the Company, any of its executives or its respective subsidiaries or agents, or any of their board members, executives, employees or advisers or any other person, as to the accuracy, completeness or correctness of the information or opinions contained in this document, and if they are relied on, it will be at your own risk. In addition, no liability or obligation (whether direct or indirect, contractual, non-contractual or otherwise) is or will be assumed by the Company, any executive or any other person in relation to the aforementioned information or opinions or any other matters in relation to this document or its content or otherwise arising in connection with them. Accordingly, none of the above assume any liability whatsoever, whether contractual, non-contractual or otherwise, regardless of whether negligence is demonstrated or otherwise, for any damages that may arise from any use of this presentation or any information related thereto.

This presentation contains information and statements, other than statements regarding historical data, that are forward-looking projections or estimates about the Company, including, but not limited to, statements regarding our financial position, business strategies, management plans and targets, and future operations and expectations. These forward-looking projections and estimates are based on numerous assumptions regarding our present and future business strategies, and the environment in which we expect to operate in the future. Such projections or estimates are not historical facts, are generally identified by the use of terms such as "expects", "anticipates", "believes", "intends", "estimates" and similar expressions, and are subject to known and unknown risks, uncertainties, changes and other factors, which are difficult to predict and generally beyond the Company's control, that could cause our actual results, performance or achievements, or industry results, to differ significantly from those expressed, implied or projected in these forward-looking projections or estimates. Forward-looking statements, projections, estimates and information about the Company refer only to the date on which they are made, they are based on information available as at the date of this presentation and, except to the extent required by applicable law, the Company assumes no obligation to publicly update or revise any such forward-looking statements, even if new information is published or new facts or future events or otherwise occur. Consequently, any forward-looking statements, estimates or projections contained in this Presentation do not constitute any guarantee whatsoever of future results and no undue reliance should be placed on any of them.

To the extent possible, the industry, market and competitive position data contained in this Presentation come from official or third-party sources. In general, third-party industry publications, studies and surveys assert that the data they contain was obtained from sources believed to be reliable, but the accuracy or completeness of such data is not guaranteed. Although the Company reasonably believes that each of these publications, studies and surveys has been prepared by a reliable source, the Company has not independently verified the data contained in them. In addition, some of the industry, market and competitive position data contained in this Presentation comes from the Company's internal research and estimates based on the knowledge and experience of the Company's management in the markets in which the Group operates. Although the Company reasonably believes that such research and estimates are reasonable and reliable, said research and estimates, as well as their underlying methodology and assumptions, have not been verified by any independent source as to their accuracy or completeness, and they are subject to change.

In addition to financial reporting in accordance with IFRS, this Presentation contains Alternative Performance Measures ("APMs") for the purposes of the provisions of Commission Delegated Regulation (EU) 2019/979 of 14 March 2019, and as defined in the Guidelines published by the European Securities and Markets Authority on Alternative Performance Measures on 5 October 2015. APMs have a limited use, may not be indicative of the results of operations and should not be considered as alternatives to those set out in the Company's financial reporting, but as additional information to the same. Other companies may define or calculate APMs differently or use such measures for different purposes than the Company, which limits their comparability.



1. Business description
2. Current situation
3. Growth drivers
4. Phases: stabilisation and consolidation
5. Financial and Strategic Pillars
6. Portfolio Strategy
7. 2027 Targets
8. Conclusions

***The only listed company with a Value Added focus on luxury hotels and a presence in Spain***

**Strategy**

- ✓ Acquisition of iconic real estate assets in prime locations of the leading tourist areas and cities in Spain and Portugal.
- ✓ Value creation through the transformation and repositioning of acquired assets into luxury hotels.
- ✓ Contract with a variable income structure with guaranteed minimum.

**Differential model with unique market niche**

- ✓ Scalable differential model.
- ✓ The luxury hotel sector as a niche market with great potential.
- ✓ A strategy with attractive returns in the short term and clear upside potential in the medium term.

**Management team aligned with the Group's strategy**

- ✓ Free float approximately 40%.
- ✓ Management with more than 25 years of average experience in the real estate market, hotel sector and capital markets, highly qualified and committed to the Company's strategy.

**First-class corporate governance**






- ✓ The Board of Directors is made up of 9 prestigious members.
- ✓ Corporate Governance structure in line with the good governance practices established by the CNMV.



**SOCIMI LISTED IN BME GROWTH SINCE 4 JULY 2019**



## 2. Current situation of MHRE<sup>(5)</sup>

Strong position to tackle business consolidation				
 <b>PRIME HOTEL PORTFOLIO WITH HIGH VALUE POTENTIAL</b>	 <b>FINANCIAL SOLVENCY</b>	 <b>GROWTH AT THE OPERATIONAL LEVEL</b>	 <b>1st CLASS CORPORATE GOVERNANCE</b>	 <b>STABLE BODY OF SHAREHOLDERS</b>
<p><b>12 assets</b> Main prime locations in Spain</p> <p><b>5* Category<sup>(7)</sup></b></p> <p><b>1st class brands:</b> Radisson Collection, Marriott, Nobu, Meliá and Fairmont</p> <p><b>Variable income contract</b> (72%-80% GOP, with guaranteed minimum)</p> <p><b>47% of the portfolio's GAV is certified LEED Gold or higher</b></p>	<p><b>GAV<sup>(1)</sup> €631 million</b></p> <p>56% in operation <sup>(6)</sup> 44% in restructuring</p> <p><b>GAV/Cost of acquisition hotels in operation<sup>(3)</sup> +17%</b></p>	<p><b>Low net LTV leverage level<sup>(2)</sup> 17.7%</b> (gross LTV 26.1%)</p> <p><b>80% of the debt</b> matures after January 2026</p> <p><b>82% fixed rate debt<sup>(4)</sup></b></p>	<p><b>Revenue €22.2 million;</b> (+80% vs 2022)</p> <p><b>EBITDA €9.4 million</b> (6x that of 2022)</p>	<p><b>Board of directors</b></p> <p>9 members with multidisciplinary backgrounds and 4 independent/outside directors</p> <p><b>Highly qualified management team</b></p> <p>One of the few companies in the sector with extensive experience in transforming assets into luxury hotels</p>
			<p><b>Major shareholders</b></p> <p>Castlake 49.72% Arconas Int 5% Mutualidad de la Abogacía: 5%</p> <p><b>Free Float aprx 40%</b></p> <p><b>More than 500 shareholders</b></p>	

(1) Valuation carried out on 31 December 2023 by independent experts following the sale of Lucentum in March 2024.

(2) (Debt with credit institutions – Cash and cash equivalents)/GAV

(3) Acquisition cost = acquisition price + transaction costs + Capex

(4) Includes debt with negotiated cap

(5) The figures for revenues, EBITDA and net result are as at 31 December 2023

(6) Includes: Radisson Seville, Radisson Bilbao, Meliá Bilbao, JW Marriott Madrid, Nobu Seville and Nobu San Sebastian

(7) The Iberostar Las Letras hotel is currently a 4-star hotel, but after the repositioning process starting in July it will become a 5-star Nomade hotel

## 2. Current situation: Portfolio

LEED Gold certification (minimum) has been requested for all assets undergoing restructuring

### Assets in portfolio with a GAV<sup>(1)</sup> of 631 million

In operation (56% <sup>(2)</sup> GAV <sup>(1)</sup> )						In repositioning (44% GAV <sup>(1)</sup> )					
<b>Radisson Seville</b>	<b>Radisson Bilbao</b>	<b>JW Marriott Madrid</b>	<b>Nobu Seville</b>	<b>Nobu San Sebastian</b>	<b>Meliá Bilbao</b>	<b>Autograph Collection Madrid</b>	<b>Fairmont La Hacienda Cadiz</b>	<b>Hotel Iberostar Las Letras Madrid</b>	<b>Nobu Madrid</b>	<b>Palacetes de Cordoba</b>	<b>El Palmar Cadiz</b>
<ul style="list-style-type: none"> <li>▪ <b>Bedrooms: 89</b></li> <li>▪ <b>Category 5*</b></li> <li>▪ Type: Luxury</li> <li>▪ Brand: Radisson Collection</li> <li>▪ Contract type: Variable income with guaranteed minimum income</li> <li>▪ Main building incorporated into the scope in 2018 and annex in 1H2019</li> <li>▪ <b>LEED Gold Certificate</b></li> <li>▪ <b>Energy certificate B</b></li> </ul>	<ul style="list-style-type: none"> <li>▪ <b>Bedrooms: 137</b></li> <li>▪ <b>Category 5*</b></li> <li>▪ Type: Luxury</li> <li>▪ Brand: Radisson Collection</li> <li>▪ Contract type: Variable income with guaranteed minimum income</li> <li>▪ Incorporated into the scope in 1H2019</li> <li>▪ <b>LEED Platinum Certificate</b></li> <li>▪ <b>Energy certificate A</b></li> </ul>	<ul style="list-style-type: none"> <li>▪ <b>Bedrooms: 139</b></li> <li>▪ <b>Category 5*</b></li> <li>▪ Type: High-end Luxury</li> <li>▪ Brand: JW Marriot</li> <li>▪ Contract type: Variable income with guaranteed minimum income.</li> <li>▪ Incorporated into the scope in October 2019. Consists of two buildings</li> <li>▪ <b>LEED Gold Certificate</b></li> <li>▪ <b>Energy certificate A</b></li> </ul>	<ul style="list-style-type: none"> <li>▪ <b>Bedrooms: 25</b></li> <li>▪ <b>Category 5*</b></li> <li>▪ Type: Boutique luxury</li> <li>▪ Brand: Nobu</li> <li>▪ Contract type: Variable income with guaranteed minimum income</li> <li>▪ Incorporated into the scope in 2019. Consists of two buildings</li> <li>▪ <b>LEED Gold Certificate</b></li> <li>▪ <b>Energy certificate A</b></li> </ul>	<ul style="list-style-type: none"> <li>▪ <b>Bedrooms: 20</b></li> <li>▪ <b>Category 5*</b></li> <li>▪ Asset type: Boutique luxury</li> <li>▪ Brand: Nobu</li> <li>▪ Contract type: variable income with guaranteed minimum</li> <li>▪ Included in the portfolio in 4Q20.</li> <li>▪ <b>LEED Platinum Certificate</b></li> <li>▪ <b>Energy certificate A</b></li> </ul>	<ul style="list-style-type: none"> <li>▪ <b>Bedrooms: 211</b></li> <li>▪ <b>Category 5*</b></li> <li>▪ Type: Bleisure</li> <li>▪ Brand: Meliá</li> <li>▪ Contract type: Variable income with guaranteed minimum income after the repositioning that has been taking place since January 24.</li> <li>▪ Incorporated into the scope in November 2019</li> </ul>	<ul style="list-style-type: none"> <li>▪ <b>Bedrooms: 50</b></li> <li>▪ <b>Category 5*</b></li> <li>▪ Brand: Marriott Autograph Collection</li> <li>▪ Contract type: Variable income with guaranteed minimum income</li> <li>▪ Incorporated into the scope in July 2022</li> <li>▪ <b>LEED Platinum Certificate</b></li> <li>▪ <b>Target energy certificate A</b></li> </ul>	<ul style="list-style-type: none"> <li>▪ <b>Bedrooms: 311</b></li> <li>▪ <b>Category 5*</b></li> <li>▪ Type: Resort I</li> <li>▪ Brand: Fairmont</li> <li>▪ Contract type: Variable income with guaranteed minimum income</li> <li>▪ Incorporated in December 2019.</li> <li>▪ Consists of Hotel, 2 plots of land (non-core), 2 golf courses, 1 clubhouse and 32 clubhouses and 32 branded residences (non-core)</li> <li>▪ <b>Target LEED Gold</b></li> <li>▪ <b>Target energy certificate A</b></li> </ul>	<ul style="list-style-type: none"> <li>▪ <b>Bedrooms: 109</b></li> <li>▪ <b>Category 4*</b></li> <li>▪ Type: <i>Bleisure</i></li> <li>▪ Brand: Nomade<sup>(3)</sup></li> <li>▪ Contract type: Fixed income: Variable income with guaranteed minimum income</li> <li>▪ Incorporated into the scope in October 2022</li> <li>▪ <b>Target LEED Platinum</b></li> <li>▪ <b>Target energy certificate A</b></li> </ul>	<ul style="list-style-type: none"> <li>▪ <b>Bedrooms: 50</b></li> <li>▪ <b>Category 5*</b></li> <li>▪ Asset type: Luxury.</li> <li>▪ Included in the portfolio in December 2021.</li> <li>▪ Brand: Nobu.</li> <li>▪ Contract type: variable income with guaranteed minimum.</li> <li>▪ <b>Target LEED Platinum</b></li> <li>▪ <b>Target energy certificate A</b></li> </ul>	<ul style="list-style-type: none"> <li>▪ <b>Bedrooms: 44</b></li> <li>▪ <b>Category 5*</b></li> <li>▪ Type: boutique</li> <li>▪ Operator: pending</li> <li>▪ Included in the portfolio in 1H2020. Consists of converting different properties into a single hotel</li> </ul>	<ul style="list-style-type: none"> <li>▪ <b>Bedrooms: 130</b></li> <li>▪ <b>Category 5*</b></li> <li>▪ Type: Luxury eco-resort</li> <li>▪ The project design is currently underway</li> <li>▪ Incorporated into the scope in November 2022</li> <li>▪ Operator Pending</li> </ul>
						<p>Openings scheduled for 2024</p> <p>Openings scheduled in 1Q2026</p>					
										<p>Non-core assets</p>	

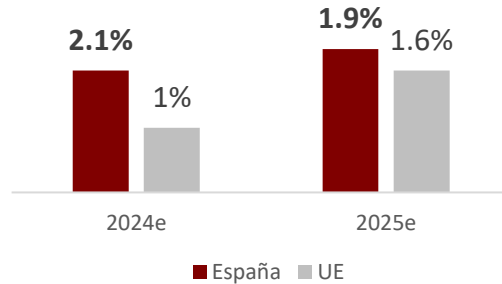
(1) Valuation carried out on 31 December 2023 by independent experts. Excluding the Lucentum hotel sold in March 2024 for €29.9 million.  
 (2) Includes: Radisson Seville, Radisson Bilbao, Meliá Bilbao, JW Marriott Madrid, Nobu Seville and Nobu San Sebastian  
 (3) Currently Iberostar Las Letras, which closes on 30 June to undergo a repositioning process to a hotel operating under the Nomade brand

**FAVOURABLE ENVIRONMENT**

**FAVOURABLE MACROECONOMIC ENVIRONMENT FOR SPAIN**

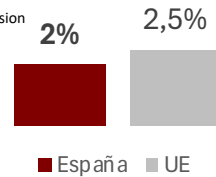
**Estimated GDP**

Source: European Commission



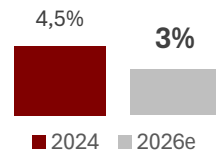
**Estimated CPI 2025**

Source: European Commission



**Estimated ECB interest rate**

Source: Bloomberg



**POSITIVE EVOLUTION OF TOURISM IN SPAIN**



**In 2023**

It is consolidated as the 2nd country in the world in terms of number of tourists (85 million), surpassing pre-pandemic figures for 2019.

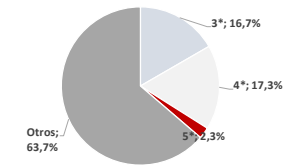
1st country in Europe in terms of hotel investment (>€4.3 billion).

**In 2024 and beyond**

Trends point to exponential growth in all tourism segments.

**HIGH DEMAND FOR LUXURY HOTEL BRANDS TO SET UP IN SPAIN**

Only 2.5% of hotels in Spain are categorised as 5-star vs. 4.6% of the European average.



The price paid per room reached a new record high in 2023.

>€1 million in Madrid and Barcelona in 5\* category  
CAGR 2016-2023 price paid per room of 10.4%

The main hotel variables in the 5\* segment in 2023 have continued to show clear signs of strength.

ADR of €256 (+9.5% vs 2022) and REVPAR €173.7 (+14.66% vs 2022), with the 5-star category performing best in 2023.

2024 points to new record highs in both variables.

### 1st Phase Stabilisation

- ✓ Stabilisation of the income statement. Boost to revenues and cost efficiency.
- ✓ Completion of works in progress with strict control of capex and deadlines.
- ✓ Study and adaptation of contracts and their structures in line with the investment strategy.
- ✓ Closing of outstanding financing on each of the assets on an individual basis, controlling the company's leverage, as well as its capacity to service the debt.
- ✓ Efficiency and cost reduction programme, with a plan to externalise or internalise certain practices depending on the improvement in business management profitability.
- ✓ Realignment of employee remuneration and interests with total shareholder remuneration.
- ✓ Management based on the creation of shareholder returns, control of leverage and cash generation capacity to support the Company's balance sheet.

### 2nd Phase Consolidation

- ✓ Strategy based on remunerating all the Company's shareholders via dividends and/or increase in EPRA NAV, generating value through repositioning, development, investment and asset turnover, all based on the criteria of economic and technical discipline.
- ✓ Development of management based on the principles of generating free cash flows from raising income, to serve the capital structure and individual financing of the assets, as well as obtaining an additional return through the revaluation of the assets after their repositioning and commissioning.

## *4. Stabilisation and consolidation phases*







(1) Excluding El Palmar and Cordoba

## 5. Strong pillars on which to build growth Growth, Profitability and Sustainability

### STRATEGIC PILLARS

- 1** **PORTFOLIO OPTIMISATION**
  - ✓ Strict investment and divestment policy for projects. Selective acquisitions, with minimum size, competitive pricing and value creation potential. Target GYoC in stabilised portfolio c.6%.
  - ✓ Priority for urban areas with high demand for quality tourism: Madrid, Barcelona, Valencia, Malaga, and outside Spain, Lisbon.
  - ✓ Alliances with the world's leading hotel chains operating in the luxury segment.
  - ✓ Variable income contract with guaranteed minimum. Target income in the range 70%-80% of the hotel's GOP.
  - ✓ Short maturity 5-star category projects
- 2** **SUSTAINABILITY AS A CROSS-CUTTING PILLAR**
  - ✓ Portfolio with LEED Gold or higher, and "A" energy certification
  - ✓ Linking remuneration to ESG policy.
- 3** **OPTIMISATION OF LIQUIDITY AND STOCK MARKET VISIBILITY**

### FINANCIAL PILLARS

- 1** **BOOSTING REVENUES**
  - ✓ Accelerating the commissioning of hotels with the goal of having the entire current portfolio open by 2026<sup>(1)</sup>
  - ✓ Turnover of non-core assets to increase the Group's profitability.
  - ✓ New investments depending on the divestments that are actually materialised.

**Target EBITDA Margin 2027 75%-80%**
- 2** **IMPROVING OPERATIONAL EFFICIENCY**
  - ✓ Simplification of the organisational structure and streamlining of internal resources and services provided by independents
  - ✓ New management remuneration policy aligned with market practices
- 3** **DIVIDEND MAXIMISATION**

**Target for 1st dividend payment in 2025**  
**Target payout > 90%**
- 4** **FINANCIAL SOLVENCY**

**Target LTV in the range of c.40%**

## Strict investment and disinvestment policy for projects



### ASSET INVESTMENT AND DISINVESTMENT CRITERIA

- Classification of the assets in the current portfolio into Core and Non-Core, developing and exploiting Core assets and disposing of Non-Core assets.
- Focus on investments that generate value for shareholders, considering the Cost of Capital and Cost of Debt as the fundamental criteria for investment in newly incorporated assets.
- Definition of a maximum period for asset repositioning/refurbishment and entry into income generation, with strict capex control.
- Asset turnover strategy: Disinvestment of mature assets whose Yield Compression has been completed and lack upside potential, and investment in newly incorporated assets with ample potential returns. All while ensuring stability and recurring revenue.
- Investment decisions regarding new assets governed by strict criteria of economic discipline (returns, time, financing, location etc.):
  - ✓ Minimum expected return requirement
  - ✓ Prioritisation in 5\* projects, short maturity and with a minimum size in number of rooms
  - ✓ Efficient financing structure from when the asset is acquired
  - ✓ Selection of solvent operators with reinforced contracts to protect the Company's cash flow.
  - ✓ Location or localisation of investments focused only on the areas considered core by the Company.

**Ongoing analysis of new opportunities to nurture a recurring pipeline for the future growth of the Company.**

### Core assets

- Core zone 5\* assets.
- Target GYoC on stabilised assets c. 6%.

### Non-core assets

- El Palmar.
- Cordoba.
- Alcaidesa: plot of land R1H1 and 32 Fairmont villas

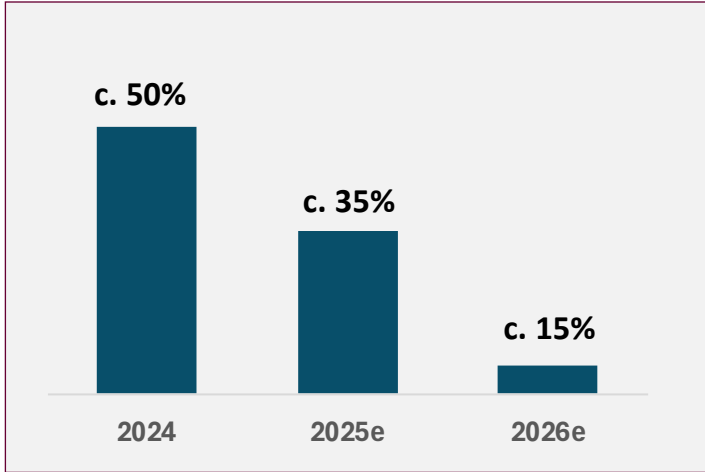
### Potential investments

- Target 5\* assets with more than 50 keys
- Maximum repositioning period 12 months.
- Core or priority areas: Madrid, Barcelona, Valencia, Malaga, and Palma, and outside Spain, in Lisbon.
- Target GYoC in stabilised assets c.6%
- Variable income contract with guaranteed minimum (70-80% of GOP)

**MHRE has sufficient financial capacity to complete the current projects underway**

**Capex c.100M <sup>(1)</sup>**

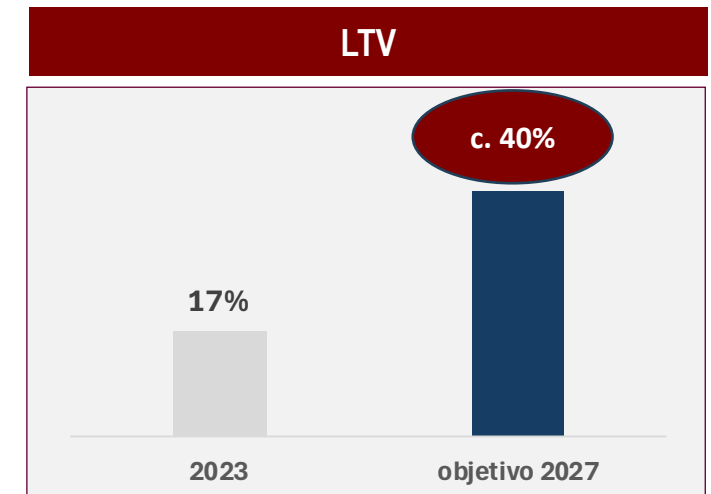
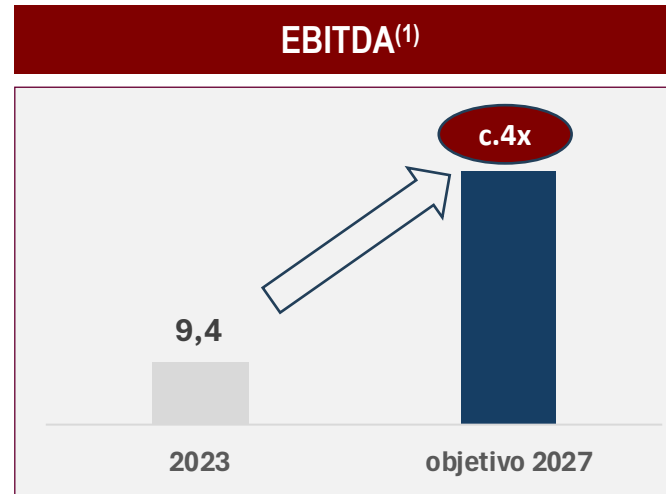
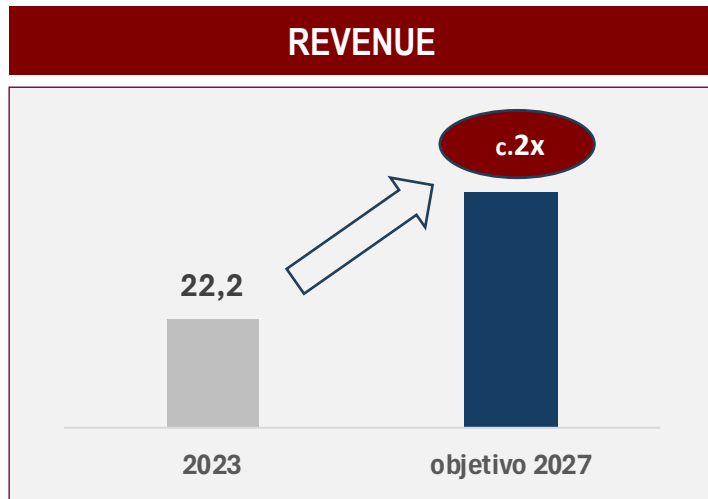
- ✓ The capex for 2024 is expected to be spent mostly on the completion of La Hacienda San Roque (Cadiz) and Autograph Collection Madrid (Zorrilla 19). Both hotels are expected to open in 2024.
- ✓ During 2025 and 2026, the capex will be used primarily for the renovation of the Nobu and Nomade hotels in Madrid
- ✓ The capex will be financed by debt and own resources.



**Measures have been implemented to manage outstanding capex more efficiently in order to shorten the duration of projects until opening.**

*(1) Does not include target capex for potential new investments*

## 7. Financial targets



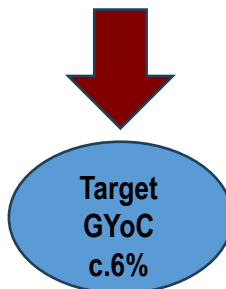
### TARGET- SHAREHOLDER REMUNERATION FROM 2025 ONWARDS



(1) EBITDA definition = Operating result - variation in provisions - variation in the fair value of investment property - Impairment and income from disposal of fixed assets - Amortisation - Result from loss of control of subsidiaries



## 7. Financial targets. Target Revenue



### 2024

- ✓ 12 months: JW Marriott Madrid, Radisson Seville, Radisson Bilbao, Nobu Seville and Nobu San Sebastian
- ✓ 6 months: Iberostar Las Letras, due to the fact that repositioning will start in July, with an estimated duration of 12-18 months, which is expected to end in 4Q25.
- ✓ 7 months: Meliá Bilbao since it has undergone a repositioning process from January to June, and is now operational
- ✓ 1-3 months: Marriott Autograph Collection Madrid and La Hacienda San Roque (Alcaidesa).
- ✓ Golf Courses business activity. Expected improvement in the revenue from golf courses, arising from an increased number of visitors and increased rates.

### 2025

- ✓ 12 months: the entire portfolio<sup>(1)</sup> except Nobu Madrid and Nomade Madrid, which are scheduled to open in 1Q26.

### 2026

- ✓ 12 months: the entire portfolio<sup>(1)</sup> except Nobu Madrid and Nomade Madrid, which are scheduled to open in 1Q26.
- ✓ Potential new acquisitions.

## 2027 PORTFOLIO CONSOLIDATION

**Growing contribution of assets to revenue through**

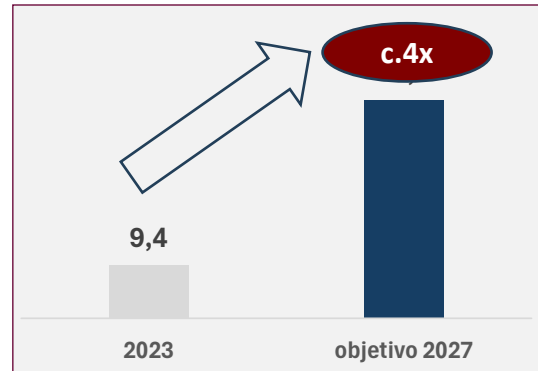
(1) asset stabilisation

(2) entry of new assets following repositioning and potential acquisitions

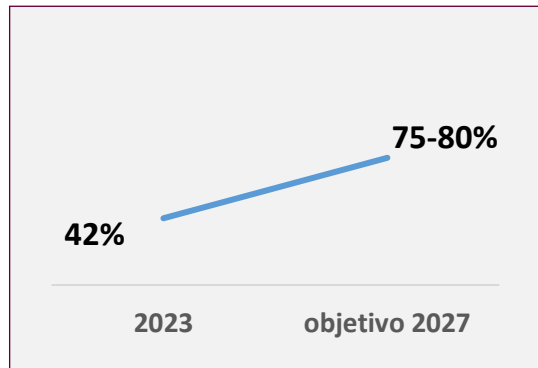


## 7. Financial targets. Target EBITDA

### EBITDA<sup>(1)</sup>



### EBITDA MARGIN



### Implementation of measures aimed at improving operational efficiency

- ✓ Reorganisation of the Company's organisational structure into 5 major areas, all reporting to the CEO, to make the organisation of resources more efficient.
- ✓ Approval of a variable remuneration policy for management in line with best market practices and the interests of all shareholders.
- ✓ A better balance between outsourcing to independent professionals and internal resources to significantly reduce these budget lines compared to previous years.
- ✓ Savings from the maturity of the business.
- ✓ Estimated neutral impact of golf course business activity, with the aim of leasing it to a third party.
- ✓ Improvement of the Company's capital structure.



### Environmental objectives Sustainable management of our assets



100% of the portfolio certified LEED Gold or higher



100% commitment to energy certification

“A”<sup>(1)</sup> for repositioned assets.

Implementation of measures with the aim of:

- ✓ Maximising ESG engagement with employees and suppliers.
- ✓ Digitalisation as an efficiency accelerator.

### Social objectives Improving the impact with the Group's various external and internal stakeholders

We create buildings with a positive social impact

- ✓ Contribution to local development and promoting employment.
- ✓ The pursuit of employee and customer satisfaction at our hotels.
- ✓ Diversity and equal opportunities
- ✓ Human rights.
- ✓ Talent development and training.
- ✓ Occupational health and safety.
- ✓ Wage gap.



### Governance objectives Committing to the highest standards of corporate governance and transparency

Respectful, equal and transparent investor communication policy.

Whistleblower protection and anti-corruption policy.

Strong governance structure

- ✓ Board of Directors
- ✓ Audit and Control Committee
- ✓ Appointments and Remuneration Committee
- ✓ Coordinating Director
- ✓ Internal Auditor and Compliance Officer

Objectives:

- ✓ Creation of a Sustainability Committee
- ✓ Sustainability Report publication
- ✓ Succession plan for key positions
- ✓ Annual evaluations of the Board of Directors
- ✓ Continuous review of the control system.

(1) With the exception of Radisson Seville, which has energy certification B

**We are adequately positioned to tackle the Company's growth and stabilisation.**

- ❑ **Defensive portfolio with high value potential and focus on 5-star hotels in the leading tourist cities in Spain and Portugal**
- ❑ **Exposure to a leading global tourism market with prospects for further significant growth in the luxury segment.**
  - ✓ Spain is expected to grow above the average for EU countries and with lower inflation<sup>(1)</sup>
  - ✓ Spain consolidates its position as the 2nd country in the world in number of tourists<sup>(1)</sup>.
  - ✓ Hotel chains operating in the luxury segment continue to commit to Spain to have or increase their presence in the country.
  - ✓ The real estate market could benefit from a *foreseeable* lowering of interest rates by the ECB
- ❑ **We focus with a clear and well-defined strategy.**
  - ✓ Boosting the income statement and operating efficiency (target of doubling 2023 revenues and bringing the EBITDA margin to 75%-80% by 2027).
  - ✓ Sustained growth through efficient portfolio management: Asset turnover and operator control.
  - ✓ Strong balance sheet (target LTV c.40%).
- ❑ **Sustainability as a cross-cutting pillar of our strategy.**
  - ✓ Transparency and good governance as a priority objective.
  - ✓ Portfolio with at least LEED Gold certification and "A" energy certification<sup>(2)</sup> on repositioned assets.
- ❑ **Alignment of interests between shareholders and management.**

**To maximise shareholder returns based on dividends and revaluation of asset value.**

**Target 1st dividend in 2025  
PAYOUT >90%**



(1) IBE; European Commission

(2) In repositioned hotels, except for the Radisson Seville, which has a B certification





### *Contact*

*María Pardo Martínez*

*Corporate Communications and Investor Relations Director*

Email: [mariapardo@mhre.es](mailto:mariapardo@mhre.es)

Paseo de la Castellana 102  
28046 Madrid

Phone number: 91 185 17 10

[www.mhre.es](http://www.mhre.es)