

# SALES AND RESULTS

## 1<sup>st</sup> Half 2021

July 28<sup>th</sup>, 2021



**nh** | HOTEL GROUP PART OF **MINOR**  
HOTELS



## Business update and capital structure strengthening

**Travel activity is gradually recovering with the easing of restrictions and the ramp-up in vaccinations**, being more relevant since May in those countries where restrictions are being lifted, mainly Spain and Italy, allowing us to close June with **90% of hotels opened with an occupancy rate increasing to ~40%** in the European open hotels during the last weeks of June and close to ~45% at the end of July.

The gradual recovery from May together with cost control and reduction of fixed rents have allowed the **April-June period to be the first quarter that shows an improvement in EBITDA** since the pandemic began. In turn, **the average monthly cash drain was reduced from €29m in the first quarter to €15m in the second quarter** (excluding asset rotation). The sustained monthly recovery of the business, that has continued in July, allows us to foresee **positive recurring operating cash flow in July**.

In the first half of the year, NH Hotel Group proactively implemented a battery of initiatives to strengthen the Group's capital structure:

- In May 2021, an **equity investment of €100m by Minor International** (94% shareholder) **through a subordinated unsecured shareholder loan** drawn in May and that **will be capitalized in the second half of 2021 through a capital increase process addressed to all shareholders**. This agreement has provided immediate liquidity and demonstrates the support of the main shareholder for the recovery. At the shareholders meeting held on 30 June, the rights issue was approved to capitalize this shareholder loan. Simultaneously with this capital increase, the Board will launch the monetary capital increase under the same economic conditions and with the preferred subscription right for the remaining shareholders for an additional and proportional value of up to seven million euros to avoid dilutive effects on the shares.
- Also in May, in order to continue optimizing the debt profile, the **maturity of the ICO syndicated loan of €250m was extended from 2023 to 2026**.
- In June, NH Hotel Group successfully launched an **issue of senior secured notes amounting to €400m and maturing in July 2026**. The proceeds from the notes have been applied to redeem the senior notes amounting to €357m and maturing in 2023. The new notes, which were substantially oversubscribed, carry an **annual coupon of 4%**.
- In addition, NH Hotel Group has agreed the **maturity extension of its syndicated revolving credit facility (RCF) amounting to €242m from March 2023 to March 2026**. The support granted by the financial entities of this financing instrument is worth noting, with **extension of the waiver of financial covenants throughout 2022**.
- On 30 June 2021, the **sale and leaseback of the NH Collection Barcelona Gran Hotel Calderón**, amounting to **€125.5m with a lease contract for 20 years**, with the option of two renewals of 20 years each, for a total potential lease term of 60 years. With this transaction, the Group generated a **net capital gain of €46.7m** and estimates **net cash after tax of €113m**.

These milestones reached reinforce the Company's capital structure and liquidity through a solid foundation without relevant debt maturities until 2026, to face the imminent recovery of the sector from the best position from a financial and capital structure point of view. All of this, together with the efficiency measures implemented, will allow us to return sooner and stronger to normality.



## H1 2021 Main Highlights <sup>(1)</sup>

- **Revenue fell by -30.2%** (-29.7% at constant exchange rate) reaching €216m in the first half. Revenues are still -73.7% below 2019 levels.
  - **In the Like For Like (“LFL”) perimeter**, excluding refurbishments and perimeter changes, **revenue declined -29.1% (-28.7% at constant exchange rates)**:
    - Gradual recovery in southern European countries since May: Italy (-11.3%), Spain (-20.9%), Benelux (-65.0%) and Central Europe (-71.3%; excluding €39m of subsidies received).
  - **Q2: Revenue increased by +€124m to €154m** in the quarter due to the reactivation since May after the lifting of restrictions. Revenues of the quarter include €39m of subsidies and are still - 67.2% below the reported level of 2019. **Excluding these subsidies, Q2 revenue almost doubled those of the first quarter (€62m in Q1 2021)**. The increase in the LFL reported revenues was +€110m (closure of the portfolio in Q2 2020).
    - Growth in Europe of +395.7%, with better evolution in the southern countries and greater mobility restrictions in the northern countries: Italy (+709.3%), Spain (+474.0%), Benelux (+105.7%) and Central Europe (+48.7% excluding €39m of subsidies).
- **RevPAR drop of -43.4% in the first six months due to the low level of occupancy**, with smaller declines in the countries where the restrictions are lifted. Better performance of secondary cities.
  - Occupancy drops by -28.0% (-7.3 p.p.) to 18.8% and ADR by -21.4% (-€20.0) to €73.3 due to the different business mix in absence of B2B demand and ADR driven events.
  - Q2: RevPAR growth in all regions in the second quarter **explained by the closing of the portfolio of the previous year** although still far from 2019 LFL levels (-79%). The occupancy rate in the quarter was 23.2% (14.3% in Q1), with an occupancy of 30.8% in June. ADR reached €78 in the second quarter compared to €66 in Q1 and €83 in the month of June.
- Reported **leases and property taxes** decreased +€28.2m or -83.0% mainly explained by the fixed rent savings achieved in the first half. Excluding the accounting impact of IFRS 16, fixed rent savings reached +€32.2m in the first six months of 2021 vs. +€22.6m in the same period of 2020.
- **Excluding IFRS 16, the recurring EBITDA<sup>(2)</sup> improved by +€12m up to -€137m**, due to a higher reduction in total operating costs including rents (-€106m) than the revenue drop (-€93m).
  - Including IFRS 16, the reported EBITDA improved by +€27m to -€7m.
  - **Q2: Recurring EBITDA excluding IFRS 16 improved +€79m to -€36m** with a conversion ratio of 64%. Including IFRS 16, EBITDA grew +€96m to +€31m.
- **Reported Net Recurring Income in the first half reached -€172m**, an improvement of +€30m over the same period of the last year.
- **Non-Recurring items reached +€27m** explained by the net capital gains on the sale of NHC Barcelona Calderón (+€47m) partially offset by the refinancing impacts and severance costs.
- **Reported Total Net Income improved by +€73m to -€145m** (-€219m in the first half of 2020)
- **Financial position: Net Financial Debt increased -€17m in the first half to -€703m** with **available liquidity of €478m** (€447m in cash and €31m in available credit lines) at 30 June 2021. The average monthly cash drain was reduced from €29m in the first quarter to €15m in the second quarter (excluding asset rotation).

(1) IFRS 16 and Hyperinflation (IAS 29) accounting impacts included in business performance figures unless stated

(2) Recurring EBITDA excludes capital gains from asset disposals, IFRS 16 and rent linearization accounting impacts



## H1 RevPAR Evolution:

**Note:** The “Like for Like plus Refurbishments” (LFL&R) criteria includes hotels renovated in 2020 and 2021

NH HOTEL GROUP REVPAR H1 2021/2020											
	AVERAGE ROOMS		OCCUPANCY %			ADR			REVPAR		
	2021	2020	2021	2020	% Var	2021	2020	% Var	2021	2020	% Var
<b>Spain &amp; Others LFL &amp; R <sup>(1)</sup></b>	<b>11,629</b>	<b>11,546</b>	<b>29.2%</b>	<b>29.1%</b>	<b>0.6%</b>	<b>72.5</b>	<b>92.7</b>	<b>-21.8%</b>	<b>21.2</b>	<b>26.9</b>	<b>-21.3%</b>
B.U. Spain Consolidated <sup>(1)</sup>	12,021	12,290	29.4%	29.2%	0.6%	72.0	90.9	-20.8%	21.1	26.5	-20.3%
<b>Italy LFL &amp; R</b>	<b>7,266</b>	<b>7,273</b>	<b>21.9%</b>	<b>20.9%</b>	<b>4.7%</b>	<b>87.2</b>	<b>101.4</b>	<b>-14.0%</b>	<b>19.1</b>	<b>21.2</b>	<b>-9.9%</b>
B.U. Italy Consolidated	7,865	7,493	20.8%	20.7%	0.4%	89.7	101.7	-11.8%	18.7	21.1	-11.4%
<b>Benelux LFL &amp; R</b>	<b>8,482</b>	<b>8,483</b>	<b>12.7%</b>	<b>26.4%</b>	<b>-51.8%</b>	<b>81.5</b>	<b>104.1</b>	<b>-21.7%</b>	<b>10.4</b>	<b>27.5</b>	<b>-62.3%</b>
B.U. Benelux Consolidated	9,505	9,920	11.8%	25.0%	-52.8%	82.8	106.1	-21.9%	9.7	26.5	-63.2%
<b>Central Europe LFL &amp; R</b>	<b>11,809</b>	<b>11,808</b>	<b>11.4%</b>	<b>27.9%</b>	<b>-59.1%</b>	<b>71.3</b>	<b>94.5</b>	<b>-24.6%</b>	<b>8.1</b>	<b>26.4</b>	<b>-69.2%</b>
B.U. Central Europe Consolidated	12,454	12,317	11.4%	27.7%	-58.9%	72.6	93.7	-22.5%	8.3	26.0	-68.1%
<b>Total Europe LFL &amp; R</b>	<b>39,186</b>	<b>39,110</b>	<b>18.9%</b>	<b>26.6%</b>	<b>-28.9%</b>	<b>76.8</b>	<b>97.0</b>	<b>-20.9%</b>	<b>14.5</b>	<b>25.8</b>	<b>-43.7%</b>
Total Europe Consolidated	41,846	42,020	18.4%	26.3%	-29.9%	77.4	96.7	-19.9%	14.3	25.4	-43.8%
<b>Latinamerica LFL &amp; R</b>	<b>5,495</b>	<b>5,496</b>	<b>21.7%</b>	<b>24.9%</b>	<b>-12.7%</b>	<b>46.4</b>	<b>65.3</b>	<b>-29.0%</b>	<b>10.1</b>	<b>16.2</b>	<b>-38.0%</b>
B.U. Latinamerica Consolidated	5,495	5,496	21.7%	24.9%	-12.7%	46.4	65.3	-29.0%	10.1	16.2	-38.0%
<b>NH Hotels LFL &amp; R</b>	<b>44,681</b>	<b>44,605</b>	<b>19.3%</b>	<b>26.4%</b>	<b>-27.0%</b>	<b>72.6</b>	<b>93.3</b>	<b>-22.2%</b>	<b>14.0</b>	<b>24.6</b>	<b>-43.3%</b>
Total NH Consolidated	47,341	47,516	18.8%	26.1%	-28.0%	73.3	93.2	-21.4%	13.8	24.3	-43.4%

(1) Includes France and Portugal

- **RevPAR drop of -43.4% in the first half due to the low level of occupancy.** Better RevPAR performance in southern European countries due to the easing restrictions and in secondary cities.
- **Performance of the RevPAR by region:**
  - **Spain:** RevPAR decreased -20.8% (-73% vs. LFL 2019). Barcelona (-66%), Madrid (-37%) and secondary cities (+4%).
  - **Italy:** -11.7% (-78% vs. LFL 2019). Milan (-42%), Rome (+6%) and secondary cities (+13%).
  - **Benelux:** -64.6% (-88% vs. LFL 2019), with a drop in Brussels of -81%, Amsterdam of -80% and conference hotels falling by -41%. Secondary Dutch cities fell -39%.
  - **Central Europe:** -70.9% (-89% vs. LFL 2019) with declines in Munich (-81%), Frankfurt (-84%) with an increase in the hotel supply, in Berlin it decreased by -78% and in Austria by -49%.
  - **LatAm:** -37.7% (-77% vs LFL 2019), with a drop of -29.1% in ADR and -12.2% in occupancy. Mexico City (-28%), Buenos Aires (-84%) and Bogota (-45%) were also impacted by the negative effect of the currency.
- The **activity level** decreased by -28.0% (-7.3 p.p.) to 18.8% and ADR fell by -21.4% (-€20.0) to €73.3 due to the different business mix in absence of B2B demand and ADR driven events.



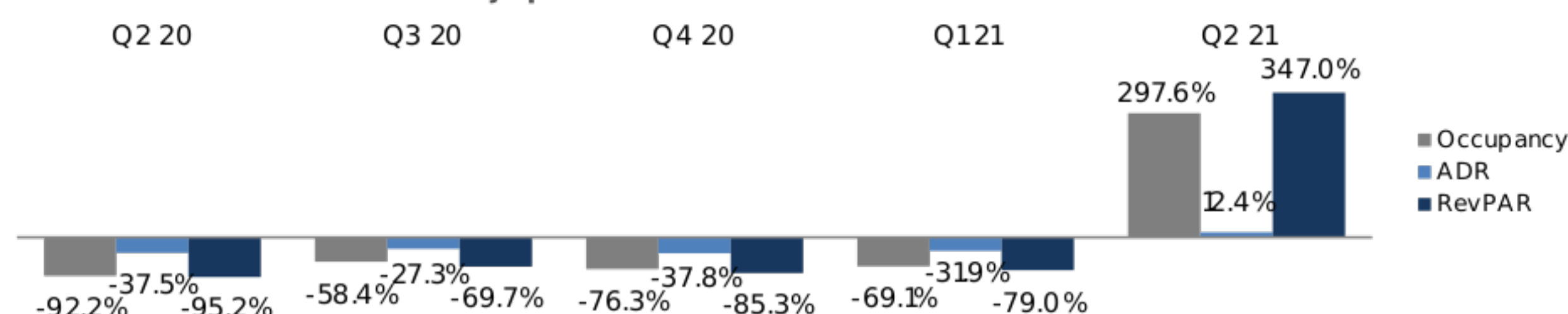
## Q2 RevPAR Evolution:

NH HOTEL GROUP REVPAR Q2 2021/2020											
	AVERAGE ROOMS		OCCUPANCY %			ADR			REVPAR		
	2021	2020	2021	2020	% Var	2021	2020	% Var	2021	2020	% Var
<b>Spain &amp; Others LFL &amp; R <sup>(1)</sup></b>	<b>11,711</b>	<b>11,546</b>	<b>36.4%</b>	<b>6.9%</b>	<b>427.1%</b>	<b>77.7</b>	<b>69.5</b>	<b>11.8%</b>	<b>28.3</b>	<b>4.8</b>	<b>489.2%</b>
B.U. Spain Consolidated <sup>(1)</sup>	12,097	12,226	36.6%	7.0%	420.8%	77.1	68.5	12.7%	28.2	4.8	486.8%
<b>Italy LFL &amp; R</b>	<b>7,264</b>	<b>7,271</b>	<b>25.1%</b>	<b>3.6%</b>	<b>599.7%</b>	<b>94.9</b>	<b>76.1</b>	<b>24.6%</b>	<b>23.8</b>	<b>2.7</b>	<b>771.9%</b>
B.U. Italy Consolidated	7,823	7,515	24.2%	3.5%	587.7%	98.5	77.3	27.4%	23.9	2.7	776.4%
<b>Benelux LFL &amp; R</b>	<b>8,479</b>	<b>8,484</b>	<b>17.2%</b>	<b>6.5%</b>	<b>165.0%</b>	<b>83.2</b>	<b>80.7</b>	<b>3.1%</b>	<b>14.3</b>	<b>5.2</b>	<b>173.2%</b>
B.U. Benelux Consolidated	9,502	9,953	16.2%	5.6%	187.0%	84.9	79.6	6.7%	13.7	4.5	206.3%
<b>Central Europe LFL &amp; R</b>	<b>11,809</b>	<b>11,808</b>	<b>14.9%</b>	<b>8.3%</b>	<b>80.7%</b>	<b>73.4</b>	<b>72.9</b>	<b>0.7%</b>	<b>11.0</b>	<b>6.0</b>	<b>81.9%</b>
B.U. Central Europe Consolidated	12,494	12,317	14.9%	8.1%	84.5%	74.7	72.6	2.8%	11.2	5.9	89.8%
<b>Total Europe LFL &amp; R</b>	<b>39,263</b>	<b>39,109</b>	<b>23.7%</b>	<b>6.6%</b>	<b>258.9%</b>	<b>81.1</b>	<b>73.8</b>	<b>9.8%</b>	<b>19.2</b>	<b>4.9</b>	<b>294.2%</b>
Total Europe Consolidated	41,916	42,011	23.2%	6.4%	263.5%	82.1	73.2	12.1%	19.0	4.7	307.5%
<b>Latinamerica LFL &amp; R</b>	<b>5,495</b>	<b>5,495</b>	<b>23.3%</b>	<b>1.7%</b>	<b>n.a.</b>	<b>47.1</b>	<b>-42.2</b>	<b>-211.7%</b>	<b>11.0</b>	<b>-0.7</b>	<b>n.a.</b>
B.U. Latinamerica Consolidated	5,495	5,495	23.3%	1.7%	n.a.	47.1	-42.2	-211.7%	11.0	-0.7	n.a.
<b>NH Hotels LFL &amp; R</b>	<b>44,758</b>	<b>44,604</b>	<b>23.7%</b>	<b>6.0%</b>	<b>294.4%</b>	<b>77.0</b>	<b>69.9</b>	<b>10.2%</b>	<b>18.2</b>	<b>4.2</b>	<b>334.7%</b>
Total NH Consolidated	47,411	47,506	23.2%	5.8%	297.6%	78.0	69.4	12.4%	18.1	4.0	347.0%

- RevPAR growth in all regions in the second quarter **explained by the closure of the portfolio of the previous year** although still far from 2019 levels. Most significant recovery in southern European countries and secondary cities.

- Occupancy increased by +17.4 p.p. to 23.2% (14.3% in Q1). Occupancy reached 30.8% in June.
- ADR grew by +12.4% (+€8.6) to €78.0 (€66.5 in Q1), although it remains penalized for the different business mix compared to 2019 (€111 in Q2 2019) due to the absence of the corporate segment and high-demand events. Secondary cities showed a lower decrease than main cities.

## Evolution of Consolidated Ratios by quarter:



Consolidated Ratios	Occupancy					ADR					RevPAR				
% Var	Q2 20	Q3 20	Q4 20	Q1 21	Q2 21	Q2 20	Q3 20	Q4 20	Q1 21	Q2 21	Q2 20	Q3 20	Q4 20	Q1 21	Q2 21
<b>Spain <sup>(1)</sup></b>	-91.2%	-58.9%	-71.0%	-57.3%	420.8%	-38.9%	-31.5%	-40.8%	-32.7%	12.7%	-94.6%	-71.9%	-82.8%	-71.2%	486.8%
<b>Italy</b>	-95.4%	-60.3%	-73.7%	-54.2%	587.7%	-43.5%	-24.1%	-30.9%	-25.6%	27.4%	-97.4%	-69.9%	-81.9%	-65.9%	776.4%
<b>Benelux</b>	-92.8%	-59.6%	-85.5%	-83.5%	187.0%	-35.9%	-27.3%	-36.1%	-28.7%	6.7%	-95.4%	-70.6%	-90.7%	-88.2%	206.3%
<b>Central Europe</b>	-89.2%	-44.3%	-77.0%	-83.5%	84.5%	-22.4%	-27.8%	-36.3%	-29.6%	2.8%	-91.6%	-59.8%	-85.4%	-88.4%	89.8%
<b>TOTAL EUROPE</b>	-91.8%	-55.0%	-76.5%	-70.6%	263.5%	-35.7%	-29.1%	-36.9%	-30.5%	12.1%	-94.7%	-68.1%	-85.2%	-79.6%	307.5%
<b>Latin America real exc. rate</b>	-97.2%	-89.0%	-74.2%	-58.2%	n.a.	-170.4%	-50.2%	-44.8%	-34.1%	-211.7%	-102.0%	-94.5%	-85.7%	-72.5%	n.a.
<b>NH HOTEL GROUP</b>	-92.2%	-58.4%	-76.3%	-69.1%	297.6%	-37.5%	-27.3%	-37.8%	-31.9%	12.4%	-95.2%	-69.7%	-85.3%	-79.0%	347.0%

(1) Includes France and Portugal



## Sales and Results H1 2021

Madrid, 28<sup>th</sup> July 2021

RECURRING HOTEL ACTIVITY *								
(€ million)	2021 Q2	2020 Q2	DIFF. 21/20	%DIFF.	2021 H1	2020 H1	DIFF. 21/20	%DIFF.
SPAIN <sup>(1)</sup>	48.3	9.4	38.9	N/A	71.7	90.3	(18.6)	(20.6%)
ITALY	21.1	2.3	18.8	N/A	35.6	39.2	(3.7)	(9.3%)
BENELUX	15.5	8.1	7.4	92.2%	22.9	65.6	(42.7)	(65.0%)
CENTRAL EUROPE	56.1	10.2	45.9	N/A	64.6	76.5	(12.0)	(15.6%)
AMERICA	7.2	(0.8)	8.1	N/A	13.8	22.1	(8.3)	(37.4%)
<b>TOTAL RECURRING REVENUE LFL&amp;R</b>	<b>148.3</b>	<b>29.1</b>	<b>119.2</b>	<b>N/A</b>	<b>208.6</b>	<b>293.7</b>	<b>(85.1)</b>	<b>(29.0%)</b>
<b>OPENINGS, CLOSINGS &amp; OTHERS</b>	<b>5.3</b>	<b>0.8</b>	<b>4.5</b>	<b>N/A</b>	<b>7.3</b>	<b>15.5</b>	<b>(8.3)</b>	<b>(53.2%)</b>
<b>RECURRING REVENUES</b>	<b>153.6</b>	<b>29.9</b>	<b>123.7</b>	<b>N/A</b>	<b>215.9</b>	<b>309.3</b>	<b>(93.4)</b>	<b>(30.2%)</b>
	0.00	0.00	0.00	0.0%				
SPAIN <sup>(1)</sup>	45.4	25.5	19.9	77.8%	70.4	89.7	(19.3)	(21.5%)
ITALY	18.4	8.7	9.7	N/A	35.4	39.2	(3.8)	(9.7%)
BENELUX	5.1	18.3	(13.2)	(72.2%)	24.0	65.3	(41.3)	(63.3%)
CENTRAL EUROPE	39.3	23.4	15.9	67.7%	62.1	76.0	(13.9)	(18.3%)
AMERICA	4.1	3.3	0.8	24.5%	14.3	22.2	(7.9)	(35.6%)
<b>RECURRING OPEX LFL&amp;R</b>	<b>112.3</b>	<b>79.2</b>	<b>33.1</b>	<b>41.8%</b>	<b>206.3</b>	<b>292.4</b>	<b>(86.2)</b>	<b>(29.5%)</b>
<b>OPENINGS, CLOSINGS &amp; OTHERS</b>	<b>6.4</b>	<b>3.7</b>	<b>2.7</b>	<b>74.5%</b>	<b>10.6</b>	<b>16.7</b>	<b>(6.0)</b>	<b>(36.2%)</b>
<b>RECURRING OPERATING EXPENSES <sup>(2)</sup></b>	<b>118.7</b>	<b>82.8</b>	<b>35.8</b>	<b>43.3%</b>	<b>216.9</b>	<b>309.1</b>	<b>(92.2)</b>	<b>(29.8%)</b>
SPAIN <sup>(1)</sup>	2.9	(16.1)	19.0	N/A	1.3	0.6	0.7	N/A
ITALY	2.7	(6.4)	9.1	N/A	0.2	0.0	0.1	N/A
BENELUX	10.4	(10.2)	20.6	N/A	(1.0)	0.3	(1.4)	N/A
CENTRAL EUROPE	16.8	(13.3)	30.1	N/A	2.4	0.5	1.9	N/A
AMERICA	3.2	(4.1)	7.3	N/A	(0.5)	(0.1)	(0.4)	N/A
<b>RECURRING GOP LFL&amp;R</b>	<b>36.0</b>	<b>(50.0)</b>	<b>86.1</b>	<b>N/A</b>	<b>2.4</b>	<b>1.3</b>	<b>1.0</b>	<b>79.7%</b>
<b>OPENINGS, CLOSINGS &amp; OTHERS</b>	<b>(1.1)</b>	<b>(2.9)</b>	<b>1.8</b>	<b>61.4%</b>	<b>(3.4)</b>	<b>(1.1)</b>	<b>(2.2)</b>	<b>N/A</b>
<b>RECURRING GOP</b>	<b>34.9</b>	<b>(52.9)</b>	<b>87.8</b>	<b>N/A</b>	<b>(1.0)</b>	<b>0.2</b>	<b>(1.2)</b>	<b>N/A</b>
SPAIN <sup>(1)</sup>	20.9	13.6	7.3	53.5%	39.1	38.6	0.5	1.4%
ITALY	10.3	11.8	(1.5)	(13.0%)	22.9	25.2	(2.3)	(9.0%)
BENELUX	11.1	8.2	2.9	35.7%	21.1	23.1	(2.1)	(9.0%)
CENTRAL EUROPE	22.0	21.1	0.8	3.9%	37.5	48.1	(10.5)	(21.9%)
AMERICA	0.7	(0.1)	0.8	N/A	2.3	2.6	(0.3)	(10.3%)
<b>RECURRING LEASES&amp;PT LFL&amp;R</b>	<b>65.0</b>	<b>54.7</b>	<b>10.3</b>	<b>18.8%</b>	<b>123.0</b>	<b>137.6</b>	<b>(14.6)</b>	<b>(10.6%)</b>
<b>OPENINGS, CLOSINGS &amp; OTHERS</b>	<b>6.2</b>	<b>7.4</b>	<b>(1.1)</b>	<b>(15.2%)</b>	<b>12.7</b>	<b>11.6</b>	<b>1.1</b>	<b>9.3%</b>
<b>RECURRING RENTS AND PROPERTY TAXES <sup>(3)</sup></b>	<b>71.2</b>	<b>62.0</b>	<b>9.2</b>	<b>14.8%</b>	<b>135.6</b>	<b>149.2</b>	<b>(13.5)</b>	<b>(9.1%)</b>
SPAIN <sup>(1)</sup>	(18.0)	(29.7)	11.8	39.5%	(37.8)	(38.0)	0.2	0.4%
ITALY	(7.6)	(18.2)	10.6	58.4%	(22.8)	(25.2)	2.4	9.5%
BENELUX	(0.7)	(18.4)	17.7	96.1%	(22.1)	(22.8)	0.7	3.2%
CENTRAL EUROPE	(5.2)	(34.4)	29.2	85.0%	(35.1)	(47.6)	12.5	26.2%
AMERICA	2.5	(4.0)	6.5	N/A	(2.8)	(2.7)	(0.1)	(3.4%)
<b>RECURRING EBITDA LFL&amp;R</b>	<b>(28.9)</b>	<b>(104.7)</b>	<b>75.8</b>	<b>72.4%</b>	<b>(120.6)</b>	<b>(136.3)</b>	<b>15.7</b>	<b>11.5%</b>
<b>OPENINGS, CLOSINGS &amp; OTHERS</b>	<b>(7.4)</b>	<b>(10.2)</b>	<b>2.9</b>	<b>28.2%</b>	<b>(16.0)</b>	<b>(12.7)</b>	<b>(3.3)</b>	<b>(25.9%)</b>
<b>RECURRING EBITDA EX. ONEROUS PROVISION <sup>(3)</sup></b>	<b>(36.3)</b>	<b>(115.0)</b>	<b>78.7</b>	<b>(68.4%)</b>	<b>(136.7)</b>	<b>(149.0)</b>	<b>12.4</b>	<b>8.3%</b>

<sup>(\*)</sup> IFRS 16 not included in business performance figures

<sup>(1)</sup> France and Portugal hotels are included in the Business Unit of Spain

<sup>(2)</sup> For the allocation of central costs, the distribution criterion used is the LFL GOP level of each business unit

<sup>(3)</sup> Rents and Recurring EBITDA exclude capital gains from asset disposals, IFRS 16 and rent linearization accounting impacts



## Recurring Results by Business Unit (LFL&R basis) <sup>(\*)</sup>

### Spain B.U. <sup>(1)</sup>:

- Q2: RevPAR grew +€23.5 in the quarter, explained by the increase in occupancy (+29.5 p.p.) and in ADR (+11.8%) due to the reactivation of the business since May. As a result, revenue increased +€38.9m to €48.3m.
- H1: RevPAR decline of -21.3% in the first half mainly due to prices since occupancy remained stable (+0.6%).
  - Revenue fell by -20.6% (-€18.6m) in the first half as a result of the activity drop. Barcelona (-63.5%), Madrid (-38.0%) and secondary cities (-0.8%).
  - Operating expenses fell by -21.5% (+€19.3m) explained by the implemented efficiency measures.
  - The GOP improved +€0.7m to +€1.3m and rents grew +€0.5m (+1.4%).
  - Therefore, the EBITDA loss of -€37.8m was very similar to the same period in 2020.

<sup>(1)</sup> Includes France and Portugal

### Italy B.U.:

- Q2: RevPAR increased +€21.1 in the second quarter explained by the improvement of the occupancy (+21.5 p.p.) and ADR (+24.6%). Revenue increased by +€18.8m in the quarter to €21.1m.
- H1: RevPAR fell by -9.9% with an improvement of +4.7% in occupancy and -14.0% fall in prices.
  - Revenue for the first half fell by -9.3% (-€3.7m) due to the decline in Milan (-44.6%), as Rome (+9.9%) and secondary cities (+18.7%) showed positive evolution.
  - Operating costs were reduced by -9.7% (+€3.8m).
  - The GOP increased by +€0.1m to €0.2m and rents fell by +€2.3m (-9.0%).
  - Thus, the EBITDA of the first half improves by +€2.4m or +9.5% to -€22.8m.

### Benelux B.U.:

- Q2: RevPAR grew by +€9.1 in the quarter with an increase in activity of +10.7p.p. and in ADR (+3.1%). Revenues increased by +€7.4m to €15.5m.
- H1: RevPAR dropped by -62.3% in the first half as a result of lower occupancy (-51.8%) and lower prices (-21.7%).
  - Revenue fell by -65.0% (-€42.7m) in the first half of the year with declines in Brussels (-79.3%), Amsterdam (-79.5%) and conference hotels (-69.0%). Lower drop in Dutch secondary cities (-43.8%).
  - Operating costs were reduced by -63.3% (+€41.3m).
  - The GOP decreases by -€1.4m to -€1.0m and rents fell by +€2.1m (-9.0%).
  - EBITDA in the first half grew +€0.7m or +3.2% to -€22.1m.

<sup>(\*)</sup> IFRS 16 not included in business performance figures

### Central Europe B.U.:

- Q2: RevPAR growth of +€4.9 in the second quarter with an occupancy that grew +6.7 p.p. and prices +0.7%. Revenue grew +€45.9m in the quarter to €56.1m, including the positive impact of the subsidies (€39m).
- H1: RevPAR fell -69.2% in the first half with an occupancy that fell -59.1% and lower ADR (-24,6%).
  - Revenues decreased by -15.6% (-€12.0m) in the first six months with declines in Berlin (-75.2%), Frankfurt (-84.7%), Munich (-81.6%) and secondary cities (-68.8%).
  - Operating costs were reduced by -18.3% (+€13.9m).
  - The GOP improved by +€1.9m to +€2.4m and rents fell by +€10.5m (-21.9%).
  - Thus, the EBITDA of the first half grew +€12.5m or +26.2% to -€35.1m.

### Americas B.U. <sup>(2)</sup>:

- Q2: RevPAR grew +€11.7 in the second quarter, with an occupancy that increased +21.6 p.p. At constant exchange rates, the growth of the BU's LFL&R revenue was +€8.2m in the quarter.
- H1: RevPAR decline -38.0% in the first half, with occupancy decreasing by -12.7% and ADR by -29.0%. At constant exchange rates, the fall of the BU's LFL&R revenue was -31.8% in the period and at real exchange rates revenue fell by -37.4%, also affected by the negative evolution of the currency.
  - By region, Mexico's revenues fell by -19.0% in local currency. Including the currency evolution (-2%), revenue fell -20.7% at real exchange rate.
  - In Argentina, revenue fell by -52.4% at constant exchange rate, while reported revenue fell by -66.8% including hyperinflation and currency depreciation.
  - In Colombia and Chile, revenue fell by -26.0% in local currency and including the -6% currency devaluation, revenue dropped -30.0%.

<sup>(2)</sup> Includes IAS 29 impact in Argentina



## Sales and Results H1 2021

Madrid, 28<sup>th</sup> July 2021

### Consolidated Income Statement H1 2021

NH HOTEL GROUP P&L ACCOUNT				
(€ million)	H1 2021 Reported	H1 2020 Reported	Var. H1 Reported	
	€ m.	€ m.	€ m.	%
<b>TOTAL REVENUES</b>	<b>215.9</b>	<b>309.3</b>	<b>(93.4)</b>	<b>(30.2%)</b>
Staff Cost	(118.6)	(176.7)	58.0	(32.9%)
Operating expenses	(98.3)	(132.4)	34.2	(25.8%)
<b>GROSS OPERATING PROFIT</b>	<b>(1.0)</b>	<b>0.2</b>	<b>(1.2)</b>	<b>N/A</b>
Lease payments and property taxes	(5.8)	(34.0)	28.2	(83.0%)
<b>RECURRING EBITDA</b>	<b>(6.8)</b>	<b>(33.8)</b>	<b>27.0</b>	<b>79.9%</b>
Margin % of Revenues	-3.1%	-10.9%	-	7.8 p.p.
Depreciation	(53.6)	(56.0)	2.4	(4.3%)
Depreciation IFRS	(86.5)	(93.4)	6.9	(7.4%)
<b>EBIT</b>	<b>(146.9)</b>	<b>(183.2)</b>	<b>36.3</b>	<b>19.8%</b>
Net Interest expenses	(16.9)	(13.5)	(3.4)	(25.6%)
IFRS Financial expenses	(42.9)	(46.5)	3.7	7.9%
Income from minority equity interestss	(0.4)	(0.3)	(0.2)	61.9%
<b>EBT</b>	<b>(207.1)</b>	<b>(243.5)</b>	<b>36.4</b>	<b>15.0%</b>
Corporate income tax	33.2	39.3	(6.1)	(15.5%)
<b>NET INCOME before minorities</b>	<b>(173.9)</b>	<b>(204.2)</b>	<b>30.3</b>	<b>14.8%</b>
Minority interests	1.7	1.9	(0.2)	(11.8%)
<b>NET RECURRING INCOME</b>	<b>(172.2)</b>	<b>(202.3)</b>	<b>30.1</b>	<b>14.9%</b>
Non Recurring EBITDA <sup>(1)</sup>	55.4	0.7	54.7	N/A
Other Non Recurring items <sup>(2)</sup>	(28.6)	(17.0)	(11.7)	68.7%
<b>NET INCOME including Non-Recurring</b>	<b>(145.4)</b>	<b>(218.5)</b>	<b>73.1</b>	<b>33.5%</b>

(1) Includes gross capital gains from asset rotation and severance costs

(2) Includes taxes from asset rotation and refinancing impacts

### H1 2021 Comments <sup>(1)</sup>:

- **Revenue fell by -30.2%** (-29.7% at constant exchange rate) **reaching €215.9m** in the first half. Revenues are still -73.7% below 2019 levels.
  - **In the Like For Like (“LFL”) perimeter**, excluding refurbishments and perimeter changes, **revenue was reduced by -29.1% (-28.7% at constant exchange rates)**:
    - Gradual recovery in southern European countries since May: Italy (-11.3%), Spain (-20.9%), Benelux (-65.0%) and Central Europe (-71.3%; excluding €39m of subsidies received).
  - Perimeter changes contributed with -€8m including the revenue loss of hotels exiting the portfolio (-€7m) during 2020 and 2021 and despite the contribution of the entries of the period, mainly Boscolo portfolio, nhow London, nhow Amsterdam RAI and NH Collection Verona.
- **Cost evolution:**
  - Significant costs savings due to the implementation of the contingency plan since the beginning of the pandemic that has continued in the first half of the year.
  - **Staff costs** were reduced by -32.9% (+€58.0m). Excluding changes of perimeter, staff costs would have been reduced by +€53.9m or -32.2%.
  - **Other operating expenses** were fell by -25.8% (+€34.2 M). Excluding the contribution of the changes of perimeter, the reduction reached +€32.3m (-25.8%).



## Sales and Results H1 2021

Madrid, 28<sup>th</sup> July 2021

- The **great effort made to contain costs** has allowed to report a **GOP virtually neutral** in the first half of the year (- €1.0m) despite the revenue decline.
- Reported **leases and property taxes** fell by +€28.2m or -83.0% mainly explained by the fixed rent savings achieved in the first half.
  - Excluding the accounting impact of IFRS 16, rent savings reached +€32.2m in the first half of 2021 vs. +€22.6m in the same period of 2020.
- **Excluding IFRS 16, the recurring EBITDA<sup>(2)</sup> improved by +€12.4m up to -€136.7m**, due to a higher reduction in total operating costs including rents (-€105.7m) than the decrease in revenues (-€93.4m), reflecting the continuous effort to reduce the cost base since the second quarter of 2020.
  - Including IFRS 16, the reported EBITDA improved by +€27.0m to -€6.8m.
- **Depreciation:** reduction of +€2.4m mainly due to lower Capex investments.
- **Net Financial Expenses:** increased by -€3.4m mainly explained by the higher gross financial debt compared to the first half of 2020: drawdown of the RCF, the new syndicated ICO loan of €250m and the shareholder loan.
- **Corporate Income Tax of +€33.2m**, -€6.1m lower than in the first half of 2020 due to the better performance of the EBT.
- **Reported Net Recurring Income in the first half improved +€30.1m reaching -€172.2m.**
- **Non-Recurring items reached +€26.8m** mainly explained by the net capital gains on the sale of NHC Barcelona Calderón (+€46.7m) partially offset by the refinancing impacts and severance costs.
- **Reported Total Net Income improved by +€73.1m to -€145.4m** vs. -€218.5m in the first half of 2020.

(1) IFRS 16 and Hyperinflation (IAS 29) accounting impacts included in business performance figures unless stated

(2) Recurring EBITDA excludes capital gains from asset disposals, IFRS 16 and rent linearization accounting impacts



## Consolidated Income Statement Q2 2021

NH HOTEL GROUP P&L ACCOUNT				
(€ million)	Q2 2021 Reported	Q2 2020 Reported	Var. Q2 Reported	
	€ m.	€ m.	€ m.	%
<b>TOTAL REVENUES</b>	<b>153.6</b>	<b>29.9</b>	<b>123.7</b>	<b>N/A</b>
Staff Cost	(64.2)	(50.6)	(13.6)	26.9%
Operating expenses	(54.5)	(32.3)	(22.3)	69.0%
<b>GROSS OPERATING PROFIT</b>	<b>34.9</b>	<b>(52.9)</b>	<b>87.8</b>	<b>N/A</b>
Lease payments and property taxes	(3.5)	(11.8)	8.2	(70.0%)
<b>RECURRING EBITDA</b>	<b>31.4</b>	<b>(64.7)</b>	<b>96.1</b>	<b>N/A</b>
Margin % of Revenues	20.4%	-216.4%	-	N/A
Depreciation	(26.9)	(27.8)	0.9	(3.3%)
Depreciation IFRS	(43.5)	(48.1)	4.7	(9.7%)
<b>EBIT</b>	<b>(39.0)</b>	<b>(140.7)</b>	<b>101.7</b>	<b>(72.3%)</b>
Net Interest expenses	(8.7)	(8.2)	(0.6)	(7.0%)
IFRS Financial expenses	(21.2)	(23.5)	2.4	10.2%
Income from minority equity interestss	(0.5)	(0.2)	(0.2)	(89.3%)
<b>EBT</b>	<b>(69.4)</b>	<b>(172.7)</b>	<b>103.3</b>	<b>(59.8%)</b>
Corporate income tax	17.7	26.5	(8.8)	(33.1%)
<b>NET INCOME before minorities</b>	<b>(51.6)</b>	<b>(146.1)</b>	<b>94.5</b>	<b>(64.7%)</b>
Minority interests	0.8	2.4	(1.6)	(65.6%)
<b>NET RECURRING INCOME</b>	<b>(50.8)</b>	<b>(143.7)</b>	<b>92.9</b>	<b>(64.7%)</b>
Non Recurring EBITDA <sup>(1)</sup>	58.1	(1.7)	59.8	N/A
Other Non Recurring items <sup>(2)</sup>	(28.6)	(15.9)	(12.7)	79.6%
<b>NET INCOME including Non-Recurring</b>	<b>(21.3)</b>	<b>(161.3)</b>	<b>140.0</b>	<b>(86.8%)</b>

(1) Includes gross capital gains from asset rotation and severance costs

(2) Includes taxes from asset rotation and refinancing impacts

### Q2 2021 Comments <sup>(1)</sup>:

- **Revenue increased by +€123.7m to €153.6m** in the second quarter due to the reactivation since May after the lifting of restrictions. Revenues of the quarter include €39m of subsidies and are still -67.2% below 2019 level. **Excluding these subsidies, the quarter's revenue almost doubled those of the first quarter (€62m in Q1 2021).**
  - The increase in the LFL reported revenues was +€109.8m (closure of the portfolio in Q2 2020).
    - Growth in Europe of +395.7%, with better evolution in the southern countries and greater restrictions in the northern countries: Italy (+709.3%), Spain (+474.0%), Benelux (+105.7%) and Central Europe (+48.7% excluding €39m of subsidies).
- **Cost evolution:**
  - The effort in controlling costs and efficiency measures is maintained in the quarter.
    - **Staff costs** increased by +26.9% (-€13.6m).
    - **Other operating expenses** grew by +69.0% (-€22.3m).
- The reported **leases and property taxes** fell by +€8.2m or -70.0% mainly explained by the fixed rent savings achieved in the quarter.



## Sales and Results H1 2021

Madrid, 28<sup>th</sup> July 2021

- Excluding the accounting impact of IFRS 16, rent savings reached +€16.3m in the second quarter of 2021 vs. +€22.6m in the same period of 2020.
- **Recurring EBITDA<sup>(2)</sup> excluding IFRS 16 improved +€78.7m to -€36.3m** with a conversion ratio of incremental revenues to EBITDA of 64% reflecting the significant effort in costs of the contingency plan that has continued in the second quarter.
  - Including IFRS 16, reported EBITDA grew +€96.1m to €31.4m driven by cost control and the fixed rent savings registered in the quarter.
- **Net Financial Expenses:** increased by -€0.6m mainly explained by the shareholder loan together with an adjustment in the cost of debt due to extension of maturities.
- **Corporate Income Tax of +€17.7m,** -€8.8m lower than in the second quarter of 2020 due to the better performance of the EBT.
- **Reported Net Recurring Income in the quarter improved +€92.9m reaching -€50.8m.**
- **Non-Recurring items reached +€29.5m** mainly explained by the net capital gains on the sale of NHC Barcelona Calderón (+€46.7m) partially offset by the refinancing impacts and severance costs.
- **Reported Total Net Income improved by +€140.0m to -€21.3m** vs. -€161.3m in the second quarter of 2020.

(1) IFRS 16 and Hyperinflation (IAS 29) accounting impacts included in business performance figures unless stated

(2) Recurring EBITDA excludes capital gains from asset disposals, IFRS 16 and rent linearization accounting impacts



## Sales and Results H1 2021

Madrid, 28<sup>th</sup> July 2021

### Financial Debt and Liquidity

As of 30/06/2021 Data in Euro million	Maximum Available	Availability	Drawn	Repayment schedule								
				2021	2022	2023	2024	2025	2026	2027	2028	Rest
<b>Senior Credit Facilities</b>												
Senior Secured Notes due 2026	400.0	-	400.0	-	-	-	-	-	400.0	-	-	-
Senior Secured RCF due in 2026	242.0	6.0	236.0	-	-	-	-	-	236.0	-	-	-
<b>Total debt secured by the same Collateral</b>	<b>642.0</b>	<b>6.0</b>	<b>636.0</b>	-	-	-	-	-	<b>636.0</b>	-	-	-
Other Secured loans <sup>(1)</sup>	26.2	-	26.2	1.5	2.7	2.1	6.0	1.3	0.8	0.9	0.9	10.0
<b>Total secured debt</b>	<b>668.2</b>	<b>6.0</b>	<b>662.2</b>	<b>1.5</b>	<b>2.7</b>	<b>2.1</b>	<b>6.0</b>	<b>1.3</b>	<b>636.8</b>	<b>0.9</b>	<b>0.9</b>	<b>10.0</b>
Unsecured loans	80.4	-	80.4	1.0	5.6	52.7	9.6	7.8	3.7	-	-	-
Unsecured credit lines	42.0	25.0	17.0	5.0	7.0	3.0	-	2.0	-	-	-	-
Subordinated loans	40.0	-	40.0	-	-	-	-	-	-	-	-	40.0
ICO syndicated loan	250.0	-	250.0	-	-	-	-	-	250.0	-	-	-
Shareholder loan	100.0	-	100.0	-	-	-	-	-	100.0	-	-	-
<b>Total unsecured debt</b>	<b>512.4</b>	<b>25.0</b>	<b>487.4</b>	<b>6.0</b>	<b>12.6</b>	<b>55.7</b>	<b>9.6</b>	<b>9.8</b>	<b>353.7</b>	<b>0.0</b>	<b>0.0</b>	<b>40.0</b>
<b>Total Gross Debt</b>	<b>1,180.5</b>	<b>31.0</b>	<b>1,149.5</b>	<b>7.5</b>	<b>15.3</b>	<b>57.7</b>	<b>15.6</b>	<b>11.1</b>	<b>990.5</b>	<b>0.9</b>	<b>0.9</b>	<b>50.0</b>
Cash and cash equivalents <sup>(2)</sup>			-446.9									
<b>Net debt</b>			<b>702.6</b>	<b>7.5</b>	<b>15.3</b>	<b>57.7</b>	<b>15.6</b>	<b>11.1</b>	<b>990.5</b>	<b>0.9</b>	<b>0.9</b>	<b>50.0</b>
Arranging expenses			-14.0	-0.7	-2.0	-3.1	-3.2	-3.3	-1.5	0.0	-0.3	-
Accrued interests			3.4	3.4								
IFRS 9 <sup>(3)</sup>			5.0	0.5	1.0	1.0	1.0	1.1	0.4	-	-	0.0
<b>Total adjusted net debt</b>			<b>697.1</b>									

<sup>(1)</sup> Bilateral mortgage loans.

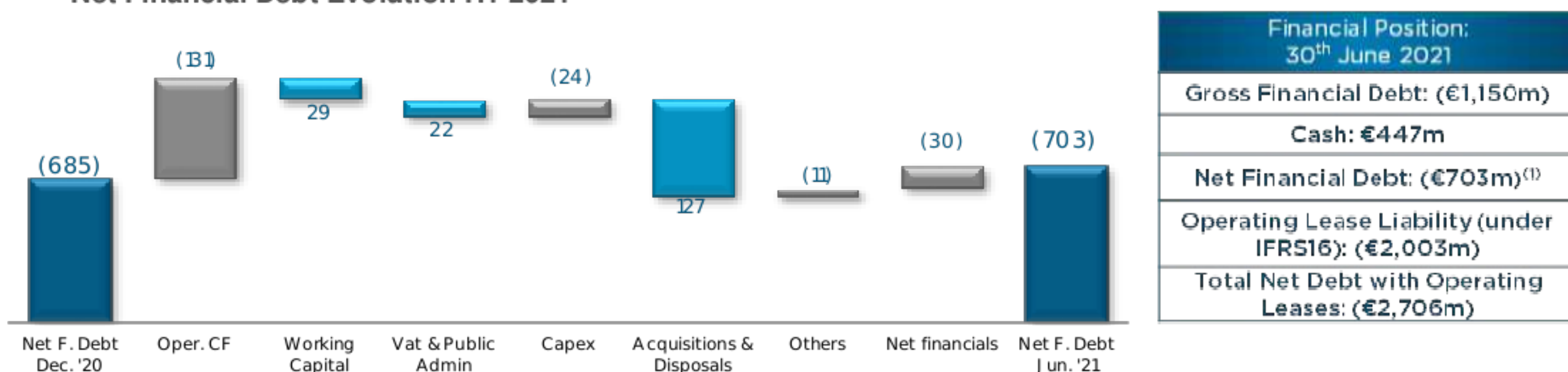
<sup>(2)</sup> Does not include treasury stock shares. As of 30/06/21 the group had 94,705 treasury stock shares with €0.332m market value as of 30 June 2021 (€3.5/share).

<sup>(3)</sup> IFRS 9 - The new IFRS 9 related to the accounting treatment of financial assets and liabilities with implementation on 1 January 2018. As of June 30th there is an impact on NH Hotel Group of €5.0m.

- **Financial position: Net Financial Debt increased -€17m in the first half to -€703m with available liquidity of €478m** (€447m in cash and €31m in available credit lines) at 30 June 2021.
- The average monthly cash drain was reduced from €29m in the first quarter to €15m in the second quarter (excluding asset rotation). The sustained monthly recovery of the business, that continued in July, allowed us to foresee positive recurring operating cash flow in the month of July.



## Net Financial Debt Evolution H1 2021



- (1) Net Financial Debt excluding accounting adjustments for arrangement expenses €14.0m, accrued interest -€3.4m and IFRS 9 adjustment -€5.0m. Including these accounting adjustments, the adjusted net financial debt would be (-€697m) at 30<sup>th</sup> June 2021 vs. (-€677m) at 31<sup>st</sup> December 2020.

## Cash flow evolution in the first half of the year:

- (-) Operating cash flow: -€130.6m, including -€2.1m of credit card expenses and corporate income tax of +€7.3m due to a refund received in January 2021 from fiscal year 2019.
- (+) Working capital: +€28.8m, mainly explained by the supply chain management, extended payment terms, improvement in receivable balances and increase of business.
- (+) VAT and Public Administration: +€22.1m, mainly due to some postponement facilities of taxes in Benelux and the CIT refund received in Spain.
- (-) CapEx payments: -€23.6m paid in the first half of 2021, compared to -€65.2m in the same period of last year. Capex will continue limited through 2021.
- (+) Acquisitions and disposals: +€126.8m, mainly from the sale & leaseback of NH Collection Barcelona Calderón (+€125.5m).
- (-) Others: mainly due to a financial investment pledge for a bank guarantee in The Netherlands in reference to a lease contract, prepaid expenses, payment of provisions and the impact of currency in non-euro financial debt.
- (-) Net financial and Dividends: -€29.9m that include -€21.4m of debt interest expense and -€8.5m of refinancing fees and expenses.

# Appendix

**nh** | HOTEL GROUP    PART OF **MINOR**  
HOTELS





## Sales and Results H1 2021

Madrid, 28<sup>th</sup> July 2021

**Appendix I:** In accordance with the Directives published by the ESMA in relation to Alternative Performance Measures (APMs), below it has been defined and reconciled the APMs used by the Group within the Results Publication of 1<sup>st</sup> Half of 2021.

In addition, the abridged consolidated financial statements as at 30 June 2021 are shown below:

ASSETS	30/06/2021	31/12/2020		31/06/2021	31/12/2020
<b>NON-CURRENT ASSETS:</b>			<b>EQUITY:</b>		
Property, plant and equipment	1,534,297	1,615,924	Share capital	784,361	784,361
Right of Use Assets	1,634,578	1,693,820	Reserves of the parent company	704,223	933,173
Real estate investment	2,930	2,950	Reserves of fully consolidated companies	(552,850)	(349,898)
Goodwill	100,016	101,069	Reserves of companies consolidated using the equity method	(25,644)	(18,176)
Other intangible assets	127,893	128,137	Exchange differences	(156,638)	(162,932)
Deferred tax assets	299,138	273,013	Treasury shares and shareholdings	(360)	(367)
Investments accounted for using the equity method	40,746	41,773	Consolidated profit for the period	(145,416)	(437,159)
Financial Assets valued at amortized cost	1,502	1,985	<b>Equity attributable to the shareholders of the Parent Company</b>	<b>607,676</b>	<b>749,002</b>
Other financial assets at amortised costs	35,410	35,664	Non-controlling interests	49,115	49,582
<b>Total non-current assets</b>	<b>3,776,510</b>	<b>3,894,335</b>	<b>Total equity</b>	<b>656,791</b>	<b>798,584</b>
			<b>NON-CURRENT LIABILITIES</b>		
			Debt instruments and other marketable securities	393,111.00	349,062
			Debts with credit institutions	630,554.00	623,011
			Debts with related parties	100,000.00	-
			Liabilities for operating leases	1,753,589	1,809,120
			Deferred tax liabilities	169,381	171,519
			Other financial liabilities	757	904
			Other non-current liabilities	10,953	10,601
			Provisions for contingencies and charges	49,648	47,255
			<b>Total non-current liabilities</b>	<b>3,107,993</b>	<b>3,011,472</b>
			<b>CURRENT LIABILITIES:</b>		
<b>CURRENT ASSETS:</b>			Trade and other payables	219,344	188,493
Inventories	8,013	7,957	Account payables with related parties	857	613
Other current assets	12,628	5,383	Tax payables	46,508	22,589
Trade receivables	34,037	29,937	Debts with credit institutions	19,626	25,927
Non-trade receivables	21,835	19,952	Debts with related parties	617	
Tax receivables	45,961	50,547	Liabilities for operating leases	249,664	250,619
Account receivable with related parties	768	955	Debt instruments and other marketable securities	89	143
Cash and cash equivalents	446,894	320,851	Other financial liabilities	813	105
<b>Total current assets</b>	<b>570,136</b>	<b>435,582</b>	Other current liabilities	41,359	25,095
			Provisions for contingencies and charges	2,985	6,277
			<b>Total current liabilities</b>	<b>581,862</b>	<b>519,861</b>
<b>TOTAL ASSETS</b>	<b>4,346,646</b>	<b>4,329,917</b>	<b>NET ASSETS AND LIABILITIES</b>	<b>4,346,646</b>	<b>4,329,917</b>

## Sales and Results H1 2021

Madrid, 28<sup>th</sup> July 2021

### NH HOTEL GROUP, S.A. AND SUBSIDIARIES

#### CONSOLIDATED COMPREHENSIVE PROFIT AND LOSS STATEMENT AT 30 JUNE 2021 AND 2020 (Thousand of euros)

	30/06/2021	30/06/2020
Revenues	175.050	306.852
Other operating income	41.281	5.453
Net gains on disposal of non-current assets	62.409	(439)
Procurements	(6.833)	(14.529)
Staff costs	(110.884)	(151.941)
Depreciation and amortisation of Right of Use	(86.455)	(94.036)
Depreciation and amortisation of tangible and intangible assets	(53.622)	(57.573)
Net Profits/(Losses) from asset impairment	326	(16.817)
Other operating expenses	(110.998)	(175.845)
Gains on financial assets and liabilities and other	(916)	
Profit (Loss) from entities valued through the equity method	(1.406)	(251)
Financial income	2.048	957
Change in fair value of financial instruments	175	151
Financial expenses for operating leases	(42.872)	(46.537)
Financial expenses	(43.764)	(18.168)
Result from exposure to hyperinflation	1.413	42
Net exchange differences (Income/(Expense))	1.669	(525)
Impairment of financial investments		(242)
<b>PROFIT BEFORE TAX FROM CONTINUING OPERATIONS</b>	<b>(173.379)</b>	<b>(263.448)</b>
Income tax	26.277	42.943
<b>PROFIT FOR THE PERIOD - CONTINUING</b>	<b>(147.102)</b>	<b>(220.505)</b>
<i>Profit (loss) for the year from discontinued operations net of tax</i>		87
<b>PROFIT FOR THE PERIOD</b>	<b>(147.102)</b>	<b>(220.418)</b>
Exchange differences	(2.102)	(22.881)
<b>Income and expenses recognised directly in equity</b>	<b>(2.102)</b>	<b>(22.881)</b>
<b>TOTAL COMPREHENSIVE PROFIT</b>	<b>(149.204)</b>	<b>(243.299)</b>
Profit / (Loss) for the year attributable to:		
<i>Parent Company Shareholders</i>	(145.416)	(218.507)
<i>Non-controlling interests</i>	(1.686)	(1.911)
Comprehensive Profit / (Loss) attributable to:		
<i>Parent Company Shareholders</i>	(147.499)	(239.135)
<i>Non-controlling interests</i>	(1.705)	(4.164)



## NH HOTEL GROUP, S.A. AND SUBSIDIARIES

### ABRIDGED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

#### FOR THE PERIOD ENDED

**30 JUNE 2021 AND 2020**

(Thousands of euros)

	Equity attributed to the Parent Company					Non-controlling interest	Total Equity
	Own Funds						
	Share Capital	Issue premium and reserves	Treasury shares and shareholdings	Profit for the year attributable to the Parent Company	Valuation adjustments		
Adjusted balance at 01/01/2021	784,361	565,099	(367)	(437,159)	(162,932)	49,582	798,584
Net profit (loss) for 2021	-	-	-	(145,416)	-	(1,686)	(147,102)
Exchange differences	-	-	-	-	(2,083)	(19)	(2,102)
Total recognised income / (expense)	-	-	-	(145,416)	(2,083)	(1,705)	(149,204)
Transactions with shareholders or owners	-	(2,798)	759	-	-	(166)	(2,205)
Distribution of dividends	-	-	-	-	-	(166)	(166)
Remuneration Scheme in shares	-	(2,798)	759	-	-	-	(2,039)
Other changes in equity	-	(436,572)	(752)	437,159	8,377	1,405	9,617
Transfers between equity items	-	(437,159)	-	437,159	-	-	-
Application NIC 29	-	-	-	-	8,377	1,407	9,783
Other changes	-	587	(752)	-	-	(2)	(167)
Ending balance at 30/06/2021	784,361	125,729	(360)	(145,416)	(156,638)	49,115	656,791

	Equity attributed to the Parent Company					Non-controlling interest	Total Equity
	Own Funds						
	Share Capital	Issue premium and reserves	Treasury shares and shareholdings	Profit for the year attributable to the Parent Company	Valuation adjustments		
Adjusted balance at 01/01/2020	784,361	480,543	(1,647)	89,964	(134,967)	57,239	1,275,493
Net profit (loss) for 2020	-	-	-	(218,507)	-	(1,911)	(220,418)
Exchange differences	-	-	-	-	(20,628)	(2,253)	(22,881)
Total recognised income / (expense)	-	-	-	(218,507)	(20,628)	(4,164)	(243,299)
Transactions with shareholders or owners	-	(1,833)	1,021	-	-	(1,150)	(1,962)
Distribution of dividends	-	-	-	-	-	(1,150)	(1,150)
Remuneration Scheme in shares	-	(1,833)	1,021	-	-	-	(812)
Other changes in equity	-	89,416	47	(89,964)	(2,766)	(222)	(3,489)
Transfers between equity items	-	89,964	-	(89,964)	-	-	-
Application NIC 29	-	-	-	-	(2,766)	(434)	(3,200)
Other changes	-	(548)	47	-	-	212	(289)
Ending balance at 30/06/2020	784,361	568,126	(579)	(218,507)	(158,361)	51,703	1,026,743

Sales and Results H1 2021  
Madrid, 28<sup>th</sup> July 2021

## NH HOTEL GROUP, S.A. AND SUBSIDIARIES

### ABRIDGED CONSOLIDATED CASH FLOW STATEMENTS FOR THE PERIOD ENDED 30 JUNE 2021 AND 2020 (Thousands of euros)

	30.06.2021	31.06.2020
<b>1. OPERATING ACTIVITIES</b>		
<b>Consolidated profit before tax:</b>	<b>(173.379)</b>	<b>(263.448)</b>
<b>Adjustments:</b>		
Amortisation of tangible and intangible assets and right-of-use assets (+)	140.077	151.609
Impairment losses (net) (+/-)	(326)	16.817
Gains/Losses on the sale of tangible and intangible assets and right-of-use assets (+/-)	(62.409)	439
Gains/Losses on investments valued using the equity method (+/-)	1.406	251
Financial income (-)	(2.048)	(957)
Variation in fair value of financial instruments (+)	(175)	(151)
Financial expenses (+)	86.636	64.705
Results from exposure to hyperinflation (IAS 29)	(1.413)	(42)
Net exchange differences (Income/(Expense))	(1.669)	525
Profit (loss) on disposal of financial investments	916	-
Impairment on financial investments	-	242
Other non-monetary items (+/-)	(4.671)	342
<b>Adjusted profit</b>	<b>(17.055)</b>	<b>(29.668)</b>
Net variation in assets / liabilities:		
(Increase)/Decrease in inventories	(56)	930
(Increase)/Decrease in trade debtors and other accounts receivable	(101)	70.284
(Increase)/Decrease in other current assets	1.594	(22.712)
Increase/(Decrease) in trade payables	23.475	(67.256)
Increase/(Decrease) in other current liabilities	25.022	(11.008)
Increase/(Decrease) in provisions for contingencies and expenses	(3.463)	(1.556)
(Increase)/Decrease in non-current assets	(392)	(67)
Increase/(Decrease) in non-current liabilities	813	(163)
Income tax paid	7.295	(3.396)
<b>Total net cash flow from operating activities (I)</b>	<b>37.132</b>	<b>(64.612)</b>
<b>2. INVESTMENT ACTIVITIES</b>		
<b>Other financial incomes/collected dividends</b>	<b>202</b>	<b>117</b>
Investments (-):		
Group companies, joint ventures and associates	-	(10.078)
Tangible and intangible assets and investments in property	(23.551)	(68.057)
	(6.000)	-
	<b>(29.551)</b>	<b>(78.135)</b>
Disinvestment (+):		
Group companies, joint ventures and associates	-	17.298
Tangible and intangible assets and investments in property	126.690	(361)
Other assets	128	-
	<b>126.818</b>	<b>16.937</b>
<b>Total net cash flow from investment activities (II)</b>	<b>97.469</b>	<b>(61.081)</b>
<b>3. FINANCING ACTIVITIES</b>		
Dividends paid out (-)	(86)	(1.150)
Interest paid on debts (-)	(32.147)	(16.223)
Financial expenses for means of payment	(2.116)	(4.084)
Interest paid on debts and other interest	(30.031)	(12.139)
Variations in (+/-):		
Equity instruments		
- Treasury shares	(740)	-
Debt instruments:		
- Bonds and other tradable securities (+)	400.000	-
- Bonds and other tradable securities (+)	(356.850)	-
- Loans from credit institutions (+)	2.484	545.465
- Loans from credit institutions (-)	(3.400)	(251.456)
- Loans from credit institutions (+)	100.000	-
- Principal elements of lease payments (-)	(118.739)	(114.653)
- Other financial liabilities (+/-)	736	59
<b>Total net cash flow from financing activities (III)</b>	<b>(8.741)</b>	<b>162.042</b>
<b>4. GROSS INCREASE/DECREASE IN CASH AND CASH EQUIVALENTS (I+II+III)</b>	<b>125.860</b>	<b>36.349</b>
<b>5. Effect of exchange rate variations on cash and cash equivalents (IV)</b>	<b>183</b>	<b>(173)</b>
<b>6. Effect of variations in the scope of consolidation (V)</b>	<b>-</b>	<b>-</b>
<b>7. NET INCREASE/DECREASE IN CASH AND CASH EQUIVALENTS (I+II+III+IV+V)</b>	<b>126.043</b>	<b>36.176</b>
<b>8. Cash and cash equivalents at the start of the financial year</b>	<b>320.851</b>	<b>289.345</b>
<b>9. Cash and cash equivalents at the end of the financial year</b>	<b>446.894</b>	<b>325.521</b>



## A) Definitions

**EBITDA (excl. IFRS 16):** Result before tax of continuing operations and before: net result from the disposal of non-current assets, depreciation, net loss from asset impairment, the result on disposal of financial investments, the result of entities valued by the equity method, financial income, change in the fair value of financial instruments, financing costs (except for credit card costs, which are considered to be operating cost) and net exchange differences. This APM is used to measure the purely operating results of the Group.

**RevPAR:** The result of multiplying the average daily price for a specific period by the occupancy in that period. This APM is used for comparison of average income per hotel room with other companies in the sector.

**Average Daily Rate (ADR):** The ratio of total room revenue for a specific period divided by the rooms sold in that specific period. This APM is used to compare average hotel room prices with those of other companies in the sector.

**LFL&R (Like for like with refurbishments):** We define LFL with refurbishments as the group of fully operated hotels in a 24-month period plus the refurbishments made in the last two years. It excludes those hotels that have just been opened or closed and that have therefore not been fully operational for 24 months. This APM is used to analyse operating results for the year in a manner comparable with those of previous periods excluding the impact of hotel refurbishments.

Below it has been provided a breakdown of the "Total Revenues" line split into "LFL and refurbishments" and "Openings, closings and other effects" to illustrate the above explanation:

		H1 2021	H1 2020
		M Eur.	M Eur.
<b>Total revenues</b>	<b>A+B</b>	<b>215.9</b>	<b>309.3</b>
Total recurring revenue LFL & Refurbishment	A	208.6	293.8
Openings, closing & others	B	7.3	15.5

It has been provided a reconciliation for the "Total Revenues" line in Point II for the period of 6 months ended 30 June 2021.

**Net Financial Debt (excl. IFRS 16):** Gross financial debt less cash and other equivalent liquid assets, excluding arrangement expenses and accrued interest. Gross financial debt includes both non-current liabilities and current obligations for bonds and other negotiable securities and debt to lending institutions.

**Capex:** Investments made on assets for improvement and development that have meant a cash outflow during the year. Obtained from the investments in fixed and intangible assets and property investments shown on the statement of cash flows on the consolidated financial statements.

**GOP (Gross operating profit):** The gross operating profit obtained from EBITDA plus costs of leases and property taxes, as follows:

**Conversion Rate:** This measures the proportion of revenue that has been transferred to EBITDA. It is calculated by dividing the change in EBITDA by the change in total revenue.



## Sales and Results H1 2021

Madrid, 28<sup>th</sup> July 2021

### B) Reconciliation of the APM to the most directly reconcilable item, subtotal or total in the financial statements:

The following significant APMs are contained in the Earnings Report of 1<sup>st</sup> Half of 2021:

#### I. ADR and RevPAR

Earnings Report of 1<sup>st</sup> Half of 2021 details the cumulative evolution of RevPAR and ADR in the following tables:

NH HOTEL GROUP REVPAR H1 2021/2020											
	AVERAGE ROOMS		OCCUPANCY %			ADR			REVPAR		
	2021	2020	2021	2020	% Var	2021	2020	% Var	2021	2020	% Var
<b>Spain &amp; Others LFL &amp; R <sup>(1)</sup></b>	<b>11.629</b>	<b>11.546</b>	<b>29,2%</b>	<b>29,1%</b>	<b>0,6%</b>	<b>72,6</b>	<b>92,7</b>	<b>-21,8%</b>	<b>21,2</b>	<b>26,9</b>	<b>-21,3%</b>
B.U. Spain Consolidated <sup>(1)</sup>	12.021	12.290	29,4%	29,2%	0,6%	72,0	90,9	-20,8%	21,1	26,5	-20,3%
<b>Italy LFL &amp; R</b>	<b>7.266</b>	<b>7.273</b>	<b>21,9%</b>	<b>20,9%</b>	<b>4,7%</b>	<b>87,2</b>	<b>101,4</b>	<b>-14,0%</b>	<b>19,1</b>	<b>21,2</b>	<b>-9,9%</b>
B.U. Italy Consolidated	7.865	7.493	20,8%	20,7%	0,4%	89,7	101,7	-11,8%	18,7	21,1	-11,4%
<b>Benelux LFL &amp; R</b>	<b>8.482</b>	<b>8.483</b>	<b>12,7%</b>	<b>26,4%</b>	<b>-51,8%</b>	<b>81,5</b>	<b>104,1</b>	<b>-21,7%</b>	<b>10,4</b>	<b>27,5</b>	<b>-62,3%</b>
B.U. Benelux Consolidated	9.505	9.920	11,8%	25,0%	-52,8%	82,8	106,1	-21,9%	9,7	26,5	-63,2%
<b>Central Europe LFL &amp; R</b>	<b>11.809</b>	<b>11.808</b>	<b>11,4%</b>	<b>27,9%</b>	<b>-59,1%</b>	<b>71,3</b>	<b>94,5</b>	<b>-24,6%</b>	<b>8,1</b>	<b>26,4</b>	<b>-69,2%</b>
B.U. Central Europe Consolidated	12.454	12.317	11,4%	27,7%	-58,9%	72,6	93,7	-22,5%	8,3	26,0	-68,1%
<b>Total Europe LFL &amp; R</b>	<b>39.186</b>	<b>39.110</b>	<b>18,9%</b>	<b>26,6%</b>	<b>-28,9%</b>	<b>76,8</b>	<b>97,0</b>	<b>-20,9%</b>	<b>14,5</b>	<b>25,8</b>	<b>-43,7%</b>
Total Europe Consolidated	41.846	42.020	18,4%	26,3%	-29,9%	77,4	96,7	-19,9%	14,3	25,4	-43,8%
<b>Latinamerica LFL &amp; R</b>	<b>5.495</b>	<b>5.496</b>	<b>21,7%</b>	<b>24,9%</b>	<b>-12,7%</b>	<b>46,4</b>	<b>65,3</b>	<b>-29,0%</b>	<b>10,1</b>	<b>16,2</b>	<b>-38,0%</b>
B.U. Latinamerica Consolidated	5.495	5.496	21,7%	24,9%	-12,7%	46,4	65,3	-29,0%	10,1	16,2	-38,0%
<b>NH Hotels LFL &amp; R</b>	<b>44.681</b>	<b>44.605</b>	<b>19,3%</b>	<b>26,4%</b>	<b>-27,0%</b>	<b>72,6</b>	<b>93,3</b>	<b>-22,2%</b>	<b>14,0</b>	<b>24,6</b>	<b>-43,3%</b>
Total NH Consolidated	47.341	47.516	18,8%	26,1%	-28,0%	73,3	93,2	-21,4%	13,8	24,3	-43,4%

Below it is explained how the aforementioned data has been calculated:

	H1 2021	H1 2020
	€ Thousand	€ Thousand
<b>A</b> Room revenues	117,001	198,973
Other revenues	58,049	107,879
<b>Revenues according to profit &amp; loss statement</b>	<b>175,050</b>	<b>306,852</b>
<b>B</b> Thousand of room nights	1,597	2,133
<b>A / B = C</b> <b>ADR</b>	<b>73.3</b>	<b>93.2</b>
<b>D</b> Occupancy	18.8%	26.1%
<b>C x D</b> <b>RevPAR</b>	<b>13.8</b>	<b>24.3</b>

#### II. INCOME STATEMENT 1<sup>st</sup> HALF OF 2021 AND 2020

The Earnings Report of 1<sup>st</sup> Half of breaks down the table entitled "Recurring hotel activity" obtained from the "Consolidated Income Statement" appearing in the same Earnings Report.

Below it has been provided a conciliation between the consolidated income statement and the abridged consolidated comprehensive income statements:



## Sales and Results H1 2021

Madrid, 28<sup>th</sup> July 2021

INVESTOR RELATIONS

investor.relations@nh-hotels.com

T: +34 91 396 05 02

### H1 2021

	Income Statements	Redasification according to the Financial Statements	Financial expenses for means of payment	Outsourcing	Assets Disposal	Scrapping and non recurring depreciation	Claims, severance payments and other non recurring	P&L according to the Financial Statements	
APM Total revenues	215,9	(215,9)	-	-	-	-	-	-	
Revenues	-	174,8	-	-	0,3	-	-	175,1	Revenues
Other operating income	-	41,3	-	-	-	-	-	41,3	Other operating income
<b>APM TOTAL REVENUES</b>	<b>215,9</b>	<b>0,2</b>	<b>-</b>	<b>-</b>	<b>0,3</b>	<b>-</b>	<b>-</b>	<b>216,3</b>	
Net gains on disposal of non-current assets	-	-	-	-	1,7	60,7	-	62,4	Net gains on disposal of non-current assets
APM Staff Cost	(118,6)	-	-	14,2	-	-	(6,4)	(110,9)	Staff costs
APM Operating expenses	(98,3)	1,2	2,1	(14,2)	-	-	(1,9)	(111,0)	Other operating expenses
Procurements	-	(6,8)	-	-	-	-	-	(6,8)	Procurements
<b>APM GROSS OPERATING PROFIT</b>	<b>(1,0)</b>	<b>(5,4)</b>	<b>2,1</b>	<b>-</b>	<b>2,0</b>	<b>60,7</b>	<b>(8,4)</b>	<b>50,0</b>	
APM Lease payments and property taxes	(5,8)	5,8	-	-	-	-	-	-	
<b>APM EBITDA</b>	<b>(6,8)</b>	<b>0,4</b>	<b>2,1</b>	<b>-</b>	<b>2,0</b>	<b>60,7</b>	<b>(8,4)</b>	<b>50,0</b>	
Net Profits/(Losses) from asset impairment	-	-	-	-	-	0,3	-	0,3	Net Profits/(Losses) from asset impairment
APM Depreciation	(140,1)	-	-	-	-	-	-	(140,1)	Depreciation and amortisation charges
<b>APM EBIT</b>	<b>(146,9)</b>	<b>0,4</b>	<b>2,1</b>	<b>-</b>	<b>2,0</b>	<b>61,0</b>	<b>(8,4)</b>	<b>(89,7)</b>	
Gains on financial assets and liabilities and other	-	(0,9)	-	-	-	-	-	(0,9)	Gains on financial assets and liabilities and other
Impairment Financial Investments	-	-	-	-	-	-	-	-	Impairment Financial investments
APM Interest expense	(59,8)	(23,3)	(2,1)	-	-	-	-	(85,2)	Finance costs
Finance Income	-	2,0	-	-	-	-	-	2,0	Finance income
Change in fair value of financial instruments	-	0,2	-	-	-	-	-	0,2	Change in fair value of financial instruments
Net exchange differences (Income/(Expense))	-	1,7	-	-	-	-	-	1,7	Net exchange differences (Income/(Expense))
APM Income from minority equity interests	(0,4)	(1,0)	-	-	-	-	-	(1,4)	Profit (loss) from companies accounted for using the equity method
<b>APM EBT</b>	<b>(207,1)</b>	<b>(21,0)</b>	<b>-</b>	<b>-</b>	<b>2,0</b>	<b>61,0</b>	<b>(8,4)</b>	<b>(173,4)</b>	<b>Profit (loss) before tax from continuing operations</b>
APM Corporate Income Tax	33,2	3,3	-	-	-	(10,2)	-	26,3	Income tax
<b>APM Net Income before minorities</b>	<b>(173,9)</b>	<b>(17,7)</b>	<b>-</b>	<b>-</b>	<b>2,0</b>	<b>50,8</b>	<b>(8,4)</b>	<b>(147,1)</b>	<b>Profit for the financial year - continuing</b>
Profit/ (Loss) for the year from discontinued operations net of tax	-	-	-	-	-	-	-	-	Profit (loss) for the year from discontinued operations net of tax
<b>APM NET INCOME before minorities</b>	<b>(173,9)</b>	<b>(17,7)</b>	<b>-</b>	<b>-</b>	<b>2,0</b>	<b>50,8</b>	<b>(8,4)</b>	<b>(147,1)</b>	<b>Profit for the financial year - continuing</b>
APM Minority interests	1,7	-	-	-	-	-	-	1,7	Non-controlling interests
<b>APM Net Recurring Income</b>	<b>(172,2)</b>	<b>(17,7)</b>	<b>-</b>	<b>-</b>	<b>2,0</b>	<b>50,8</b>	<b>(8,4)</b>	<b>(145,4)</b>	<b>Profits for the year attributable to Parent Company Shareholders</b>
APM Non Recurring EBITDA	55,4	(0,4)	-	-	(2,0)	(61,4)	8,4	-	
APM Other Non Recurring items	(28,6)	18,1	-	-	-	10,6	-	-	
<b>APM NET INCOME including Non-Recurring</b>	<b>(145,4)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(145,4)</b>	<b>Profits for the year attributable to Parent Company Shareholders</b>

**H1 2020**

	Income Statements	Reclasification according to the Financial Statements	Financial expenses for means of payment	Outsourcing	Assets Disposal	Scrapping and non recurring depreciation	Claims, severance payments and other non recurring	P&L according to the Financial Statements	
APM Total revenues	309.3	(309.3)	-	-	-	-	-		
Revenues	-	306.7	-	-	0.1	-	-	306.9	Revenues
Other operating income	-	5.5	-	-	-	-	-	5.5	Other operating income
<b>APM TOTAL REVENUES</b>	<b>309.3</b>	<b>2.9</b>	<b>-</b>	<b>-</b>	<b>0.1</b>	<b>-</b>	<b>-</b>	<b>312.3</b>	
Net gains on disposal of non-current assets	-	-	-	-	0.6	(1.0)	-	(0.4)	Net gains on disposal of non-current assets
APM Staff Cost	(176.7)	-	-	26.4	-	-	(1.6)	(151.9)	Staff costs
APM Operating expenses	(132.4)	(19.9)	4.1	(26.4)	-	-	(1.3)	(175.8)	Other operating expenses
Procurements	-	(14.5)	-	-	-	-	-	(14.5)	Procurements
<b>APM GROSS OPERATING PROFIT</b>	<b>0.2</b>	<b>(31.5)</b>	<b>4.1</b>	<b>-</b>	<b>0.7</b>	<b>(1.0)</b>	<b>(2.9)</b>	<b>(30.4)</b>	
APM Lease payments and property taxes	(34.0)	34.0	-	-	-	-	-	-	
<b>APM EBITDA</b>	<b>(33.8)</b>	<b>2.5</b>	<b>4.1</b>	<b>-</b>	<b>0.7</b>	<b>(1.0)</b>	<b>(2.9)</b>	<b>(30.4)</b>	
Net Profits/(Losses) from asset impairment	-	2.3	-	-	-	(19.1)	-	(16.8)	Net Profits/(Losses) from asset impairment
APM Depreciation	(149.4)	(2.2)	-	-	-	-	-	(151.6)	Depreciation and amortisation charges
<b>APM EBIT</b>	<b>(183.2)</b>	<b>2.5</b>	<b>4.1</b>	<b>-</b>	<b>0.7</b>	<b>(20.1)</b>	<b>(2.9)</b>	<b>(198.9)</b>	
Gains on financial assets and liabilities and other	-	-	-	-	-	-	-	-	Gains on financial assets and liabilities and other
Impairment Financial Investments	-	(0.2)	-	-	-	-	-	(0.2)	Impairment Financial investments
APM Interest expense	(60.0)	(0.6)	(4.1)	-	-	-	-	(64.7)	Finance costs
Finance Income	-	1.0	-	-	-	-	-	1.0	Finance income
Change in fair value of financial instruments	-	0.2	-	-	-	-	-	0.2	Change in fair value of financial instruments
Net exchange differences (Income/(Expense))	-	(0.5)	-	-	-	-	-	(0.5)	Net exchange differences (Income/(Expense))
APM Income from minority equity interests	(0.3)	-	-	-	-	-	-	(0.3)	Profit (loss) from companies accounted for using the equity method
<b>APMEBT</b>	<b>(243.5)</b>	<b>2.3</b>	<b>-</b>	<b>-</b>	<b>0.7</b>	<b>(20.1)</b>	<b>(2.9)</b>	<b>(263.4)</b>	<b>Profit (loss) before tax from continuing operations</b>
APM Corporate Income Tax	39.3	3.7	-	-	-	-	-	42.9	Income tax
<b>APM Net Income before minorities</b>	<b>(204.2)</b>	<b>6.0</b>	<b>-</b>	<b>-</b>	<b>0.7</b>	<b>(20.1)</b>	<b>(2.9)</b>	<b>(220.5)</b>	<b>Profit for the financial year - continuing</b>
Profit/ (Loss) for the year from discontinued operations net of tax	-	0.1	-	-	-	-	-	0.1	Profit (loss) for the year from discontinued operations net of tax
<b>APM NET INCOME before minorities</b>	<b>(204.2)</b>	<b>6.1</b>	<b>-</b>	<b>-</b>	<b>0.7</b>	<b>(20.1)</b>	<b>(2.9)</b>	<b>(220.4)</b>	<b>Profit for the financial year - continuing</b>
APM Minority interests	1.9	-	-	-	-	-	-	1.9	Non-controlling interests
<b>APM Net Recurring Income</b>	<b>(202.3)</b>	<b>6.1</b>	<b>-</b>	<b>-</b>	<b>0.7</b>	<b>(20.1)</b>	<b>(2.9)</b>	<b>(218.5)</b>	<b>Profits for the year attributable to Parent Company Shareholders</b>
APM Non Recurring EBITDA	0.7	(2.7)	-	-	(0.7)	(0.3)	2.9		
APM Other Non Recurring items	(17.0)	(3.4)	-	-	-	20.4	-		
<b>APM NET INCOME including Non-Recurring</b>	<b>(218.5)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(218.5)</b>	<b>Profits for the year attributable to Parent Company Shareholders</b>



## Sales and Results H1 2021

Madrid, 28<sup>th</sup> July 2021

### III. DEBT AND STATEMENT OF CASH FLOWS AS AT 30 JUNE 2021 AND 30 JUNE 2020

#### III.1 Debt presented in the earnings report of 1<sup>st</sup> Half of 2021.

As of 30/09/2020 Data in Euro million	Maximum Available	Availability	Drawn	Maturities					
				Year 1	Year 2	Year 3	Year 4	Year 5	Remainder
<b>Mortgage loans</b>	<b>26.171</b>	-	<b>26.171</b>	<b>3.190</b>	<b>2.043</b>	<b>6.402</b>	<b>1.286</b>	<b>1.159</b>	<b>12.091</b>
Fixed rate	23.027	-	23.027	2.366	1.437	5.787	661	685	12.091
Variable rate	3.144	-	3.144	824	606	615	625	474	-
<b>Subordinated loans</b>	<b>40.000</b>	-	<b>40.000</b>	-	-	-	-	-	<b>40.000</b>
Variable rate	40.000	-	40.000	-	-	-	-	-	40.000
<b>Shareholder loans</b>	<b>100.000</b>	-	<b>100.000</b>	-	-	-	-	-	<b>100.000</b>
variable rate	100.000	-	100.000	-	-	-	-	-	100.000
<b>Guaranteed senior notes mat. in 2026</b>	<b>400.000</b>	-	<b>400.000</b>	-	-	-	-	-	<b>400.000</b>
Fixed rate	400.000	-	400.000	-	-	-	-	-	400.000
<b>Unsecured loans</b>	<b>330.357</b>	-	<b>330.357</b>	<b>2.007</b>	<b>10.135</b>	<b>52.044</b>	<b>9.437</b>	<b>255.704</b>	<b>1.030</b>
Variable rate	8.354	-	8.354	332	2.482	2.041	1.897	1.510	92
Fixed rate	322.003	-	322.003	1.675	7.653	50.003	7.540	254.194	938
<b>Secured credit line</b>	<b>242.000</b>	<b>6.000</b>	<b>236.000</b>	-	-	-	-	<b>236.000</b>	-
Variable rate	242.000	6.000	236.000	-	-	-	-	236.000	-
<b>Credit lines</b>	<b>42.000</b>	<b>25.000</b>	<b>17.000</b>	<b>12.000</b>	<b>3.000</b>	-	<b>2.000</b>	-	-
Variable rate	42.000	25.000	17.000	12.000	3.000	-	2.000	-	-
<b>Borrowing at 30/06/2021</b>	<b>1.180.528</b>	<b>31.000</b>	<b>1.149.528</b>	<b>17.197</b>	<b>15.178</b>	<b>58.446</b>	<b>12.723</b>	<b>492.863</b>	<b>553.121</b>
Arrangement expenses	(14.022)	-	(14.022)	(1.339)	(3.003)	(3.118)	(3.230)	(3.011)	(321)
IFRS 9	5.042	-	5.042	1.025	1.027	1.037	1.055	898	-
Accrued interests	3.449	-	3.449	3.449	-	-	-	-	-
<b>Adjusted total debt at 30/06/2021</b>	<b>1.174.997</b>	<b>31.000</b>	<b>1.143.997</b>	<b>20.332</b>	<b>13.202</b>	<b>56.365</b>	<b>10.548</b>	<b>490.750</b>	<b>552.800</b>
<b>Adjusted total debt at 31/12/2020</b>	<b>1.023.143</b>	<b>25.000</b>	<b>998.143</b>	<b>26.070</b>	<b>7.861</b>	<b>891.307</b>	<b>10.239</b>	<b>7.472</b>	<b>55.194</b>

#### III.2 Statement of cash flows included in the earnings report of 1<sup>st</sup> Half of 2021.

Net financial debt as at 30 June 2021 and 31 December 2020 has been obtained from the consolidated balance sheet at 30 June 2021 and from the consolidated financial statements for 30 December 2020 and is as follows:

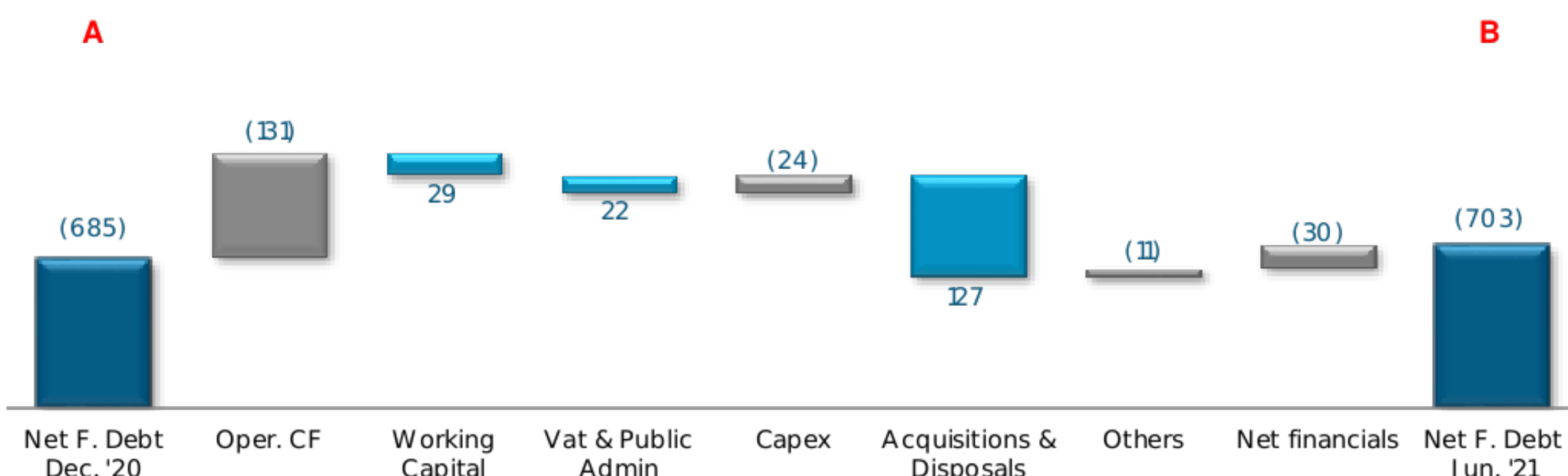
	30/06/2021	31/12/2020	VAR.
<i>Debt instruments and other marketable securities according to financial statements</i>	393.111	349.062	
<i>Bank borrowings according to financial statements</i>	630.554	623.011	
<i>Debts with related parties according to financial statements</i>	100.000	0	
<b><i>Bank borrowings and debt instruments and other marketable securities according to financial statements</i></b>	<b>1.123.665</b>	<b>972.073</b>	
<i>Debt instruments and other marketable securities according to financial statements</i>	89	143	
<i>Bank borrowings according to financial statements</i>	19.626	25.927	
<i>Debts with related parties according to financial statements</i>	617	0	
<b><i>Bank borrowings and debt instruments and other marketable securities according to financial statements</i></b>	<b>20.332</b>	<b>26.070</b>	
<b><i>Total Bank borrowings and debt instruments and other marketable securities according to financial statements</i></b>	<b>1.143.997</b>	<b>998.143</b>	
<i>Arrangement expenses</i>	a 14.022	10.917	
<i>IFRS 9</i>	b (5.042)	4.316	
<i>Borrowing costs</i>	c (3.449)	(7.357)	
<b><i>APM Gross debt</i></b>	<b>1.149.527</b>	<b>1.006.019</b>	
<i>Cash and cash equivalents according to financial statements</i>	(446.894)	(320.851)	
<b><i>APM Net Debt</i></b>	<b>B 702.633</b>	<b>A 685.168</b>	<b>17.465</b>
<i>Liabilities for operating leases (Current and non current)</i>	2.003.253	2.059.739	
<b><i>APM Net with Debt IFRS 16</i></b>	<b>2.705.886</b>	<b>2.744.907</b>	<b>(39.021)</b>

The following chart reconciles the change in net financial debt shown in the earnings report of 1<sup>st</sup> half of 2021:

## Sales and Results H1 2021

Madrid, 28<sup>th</sup> July 2021

### Evolution of Net Financial Debt H1 2021



To do so, it has been taken each heading from the statement of cash flows in the financial statements as at 30 June 2021 and shown the grouping:

	Oper. CF	Working capital	VAT & Public Admin	Capex	Acquisitions & Disposals	Others	Net Financials	Total
<b>Total</b>	130.6	(28.8)	(22.1)	23.6	(126.8)	11.1	29.9	17.5
Adjusted profit (loss)	(135.8)							(135.8)
Income tax paid	7.3							7.3
Financial expenses for means of payments	(2.1)							(2.1)
(Increase)/Decrease in inventories		(0.1)						(0.1)
(Increase)/Decrease in trade debtors and other accounts receivable		(0.1)						(0.1)
(Increase)/Decrease in trade payables		28.9						28.9
(Increase)/Decrease in VAT & public Administration			22.1					22.1
Tangible and intangible assets and investments in property				(23.6)				(23.6)
Group companies, join ventures and associates					0.1			0.1
Tangible and intangible assets and investments in property					126.7			126.7
(Increase)/Decrease in current assets						(7.0)		(7.0)
(Increase)/Decrease in provision for contingencies and expenses						(3.5)		(3.5)
- Other financial liabilities (+/-)						0.7		0.7
5. Effect of exchange rate variations on cash and cash equivalents (IV)						(1.1)		(1.1)
Increase/(Decrease) in other non current assets and liabilities and others						0.4		0.4
Interests paid in debts and other interests (without means of payments)							(30.0)	(30.0)
Dividends paid							(0.1)	(0.1)

All of the aforementioned information has been obtained from the condensed consolidated statement of cash flows from 30 June 2021 which we include at the beginning of this appendix.

The aforementioned APMs have been defined and used from the standpoint of analysing the management of the business and the sector; the measures arising from the financial statements can be interpreted and are directly comparable to those of other groups in the sector and, therefore, APMs are not more relevant than the financial statements themselves. The earnings report, which includes the aforementioned APMs, is published at the end of each quarter to provide periodic information on the business' evolution and management to investors and analysts. In addition, half-yearly and annual financial statements are published complying with the filing requirements established in the applicable accounting regulations.



## Appendix II: Portfolio changes & current portfolio

### New agreements, openings and exits

#### Hotels signed from 1<sup>st</sup> January to 30<sup>th</sup> June 2021

City / Country	Contract	# Rooms	Opening
Santiago del Estero / Argentina	Management	97	2021
<b>TOTAL SIGNED HOTELS</b>		<b>97</b>	

#### H Hotels opened from 1<sup>st</sup> January to 30<sup>th</sup> June 2021

Hotels	City / Country	Contract	# Rooms
NH Hannover	Hannover / Germany	Leased	91
NH Collection Venezia Murano Villa	Murano / Italy	Management	104
<b>TOTAL OPENINGS</b>			<b>195</b>

#### Hotels exiting from 1<sup>st</sup> January to 30<sup>th</sup> June 2021

Hotels	City / Country	Month	Contract	# Rooms
NH Cornella	Barcelona / Spain	January	Leased	78
Tivoli Évora Ecoresort	Evora / Portugal	February	Franchise	56
NH Firenze Anglo American	Florence / Italy	February	Leased	115
NH Collection León Expo	Leon / Mexico	February	Management	141
NH Collection Venezia Palazzo Barocci	Venice / Italy	March	Leased	59
NH Collection Palacio de Avilés	Aviles / Spain	June	Management	78
NH Salamanca Puerta de la Catedral	Salamanca / Spain	June	Leased	37
NH Porta Barcelona	Barcelona / Spain	June	Leased	99
<b>TOTAL EXITS</b>				<b>663</b>

## HOTELS OPENED BY COUNTRY AT 30<sup>TH</sup> JUNE 2021

Business Unit	Country	TOTAL		Leased			Owned		Management		Franchised	
		Hotels	Rooms	Call Option	Hotels	Rooms	Hotels	Rooms	Hotels	Rooms	Hotels	Rooms
BU Benelux	Belgium	13	2,271		6	1,203	7	1,068				
	Luxembourg	1	148				1	148				
	The Netherlands	34	7,231	2	21	4,010	12	2,770	1	451		
	United Kingdom	2	311		1	121			1	190		
	Ireland	1	187		1	187						
<b>BU Benelux</b>		<b>51</b>	<b>10,148</b>	<b>2</b>	<b>29</b>	<b>5,521</b>	<b>20</b>	<b>3,986</b>	<b>2</b>	<b>641</b>		
BU Central Europe	Austria	7	1,340	1	7	1,340						
	Czech Republic	4	733		1	152			3	581		
	Germany	55	10,187	2	50	9,187	5	1,000				
	Hungary	3	483		3	483						
	Poland	1	93								1	93
	Romania	2	159		1	83			1	76		
	Slovakia	1	117						1	117		
	Switzerland	2	260		2	260						
<b>BU Central Europe</b>		<b>75</b>	<b>13,372</b>	<b>3</b>	<b>64</b>	<b>11,505</b>	<b>5</b>	<b>1,000</b>	<b>5</b>	<b>774</b>	<b>1</b>	<b>93</b>
BU Italy	Italy	56	8,422	1	39	5,957	13	1,872	4	593		
<b>BU Italy</b>		<b>56</b>	<b>8,422</b>	<b>1</b>	<b>39</b>	<b>5,957</b>	<b>13</b>	<b>1,872</b>	<b>4</b>	<b>593</b>		
BU Spain	Andorra	1	60						1	60		
	Spain	93	11,495		65	8,245	13	1,977	10	881	5	392
	Portugal	16	2,753		5	854			11	1,899		
	France	5	871		4	721			1	150		
	Tunisia	1	93						1	93		
	USA	1	242				1	242				
<b>BU Spain</b>		<b>117</b>	<b>15,514</b>		<b>74</b>	<b>9,820</b>	<b>14</b>	<b>2,219</b>	<b>24</b>	<b>3,083</b>	<b>5</b>	<b>392</b>
BU America	Argentina	15	2,144				12	1,524	3	620		
	Brazil	1	178		1	178						
	Colombia	13	1,355		13	1,355						
	Cuba	2	251						2	251		
	Chile	5	583				4	498	1	85		
	Ecuador	1	124		1	124						
	Haiti	1	72						1	72		
	Mexico	16	2,531		7	993	4	685	5	853		
	Uruguay	1	136				1	136				
<b>BU America</b>		<b>55</b>	<b>7,374</b>		<b>22</b>	<b>2,650</b>	<b>21</b>	<b>2,843</b>	<b>12</b>	<b>1,881</b>		
<b>TOTAL OPEN</b>		<b>354</b>	<b>54,830</b>	<b>6</b>	<b>228</b>	<b>35,453</b>	<b>73</b>	<b>11,920</b>	<b>47</b>	<b>6,972</b>	<b>6</b>	<b>485</b>



## SIGNED PROJECTS AS OF 30<sup>TH</sup> JUNE 2021

After the latest negotiations and cancellation of signed projects, the following hotels and rooms are still to be opened:

Business Unit	Country	TOTAL		Leased		Management	
		Hotels	Rooms	Hotels	Rooms	Hotels	Rooms
BU Central Europe	Germany	3	1,067	3	1,067		
	Denmark	1	394	1	394		
<b>BU Central Europe</b>		<b>4</b>	<b>1,461</b>	<b>4</b>	<b>1,461</b>		
BU Italy	Italy	4	505	3	467	1	38
<b>BU Italy</b>		<b>4</b>	<b>505</b>	<b>3</b>	<b>467</b>	<b>1</b>	<b>38</b>
BU Spain	Spain	1	63	1	63		
	Portugal	1	150			1	150
	France	1	152	1	152		
<b>BU Spain</b>		<b>3</b>	<b>365</b>	<b>2</b>	<b>215</b>	<b>1</b>	<b>150</b>
BU America	Chile	2	281			2	281
	Mexico	3	369			3	369
	Peru	2	429			2	429
	Argentina	1	97			1	97
<b>BU America</b>		<b>8</b>	<b>1,176</b>			<b>8</b>	<b>1,176</b>
<b>TOTAL SIGNED</b>		<b>19</b>	<b>3,507</b>	<b>9</b>	<b>2,143</b>	<b>10</b>	<b>1,364</b>

Details of committed investment by NH for the hotels indicated above by year of execution:

	2021	2022
Expected Investment (€ millions)	10.4	15.6

**nh** | HOTEL GROUP    PART OF **MINOR**  
HOTELS

**nh**  
HOTELS

  
**nh** COLLECTION  
HOTELS

**nhow**  
HOTELS

**TIVOLI**  
HOTELS & RESORTS

  
**ANANTARA**  
HOTELS - RESORTS - SPA

**AVANI**  
Hotels & Resorts

  
**elewana**  
— COLLECTION —

 **AKS**  
HOTELS & RESORTS