

In compliance with the provisions of article 227 of Law 6/2023, of March 17, on Securities Markets and Investment Services and its concordant provisions, NH Hotel Group, S.A. (hereinafter, “**NH Hotel Group**” or the “**Company**”) hereby notifies the following

### **OTHER RELEVANT INFORMATION**

With regard to the General Shareholders’ meeting held today, the Company discloses the speech and presentation of Mr. Ramón Aragonés Marín, Vice-Chairman of the Board of Directors and Chief Executive Officer.

Madrid, 29 June 2023.

Carlos Ulecia  
General Counsel and Secretary to the Board

## **NH Hotel Group. General Shareholders' Meeting 2023**

Hotel NH Madrid Ventas, June 29, 2023

Speech by the Executive Vice Chairman of NH, Ramón Aragonés

Ladies and gentlemen, shareholders of NH:

On behalf of the Board of NH Hotel Group, and following my recent appointment to the additional post of Vice Chairman of the Board, I intend to divide my comments this year into two major parts. This first part concerns domestic and international activity of the sector and of the Board in 2022, while the second part will deal with the evolution and specific forecasts of our Group.

In the early days of 2022, it was difficult to know whether omicron would be just another variant of Covid-19, and whether others would follow it, as had been the case up to that point. We had hoped so much that the pandemic was over, and our expectations had been dashed previously so many times, that at the beginning of last year we barely dared to be optimistic.

However, despite all our misgivings, following omicron in a large part of the world we saw the end of the pandemic. In the last quarter of 2022, there was logical concern in light of the further outbreak in China, a situation which fortunately saw a low number of cases and was short-lived.

The pandemic forced all businesses in the sector to undertake drastic restructuring and to carry out extremely complex refinancing. These were desperate measures, which we took not knowing for certain when the pandemic would be over. A year later, when Covid-19 is now history, I believe that these measures have fully proven their effectiveness. We should remember them for the great value and the huge stability they have brought.

In these extremely adverse conditions, NH successfully preserved its viability and its future. And we did so consolidating a differential strategic approach to the business, thanks to which we managed the health crisis in a responsible and also very efficient way. I will refer this to again further on.

We have the best starting position. A sound orientation towards the upper upscale and luxury segment, which is the preferred approach

in this markets. We also continue to have the support of Minor Hotels, which has been decisive in allowing NH to gain a footing and become consolidated in the luxury sector in record time, I would even say for the first time in our history.

If we look at tourism in our country, the prospects are also optimistic. In 2022, 71.5 million tourists visited Spain, which represents 86% of the 83 million tourists in 2019. As far as spending is concerned, they left over 87 billion euros, 95% of the figure for the year before the pandemic. The current minister of Tourism, Héctor Gómez, expects the number of tourists in 2023 to exceed 85 million, which will be a new record for our country.

The most recent report issued by Exceltur on Tourist Prospects highlights that Spanish nominal tourist activity grew by 10.8% between January and March this year compared to the same quarter of 2019. For the full year, Exceltur is confident that tourism will represent 12.3% of our total GDP, 10% more than in 2019.

However, this nominal recovery is mainly due to an increase in prices, which is associated to an even greater increase in costs. If we discount this combined effect, the activity of the sector is still below the level of 2019. The forecast for the full year is that activity will continue to be 1.9% inferior, while by then the GDP for the Spanish economy as a whole will be two tenths higher than pre-pandemic levels, according to the Bank of Spain's estimates.

Exceltur also warns of a veiled threat that could become a real risk further down the line: the rapid return to the market of housing for tourist use, which continues to benefit from the uncontrolled and, to a considerable extent, illegal way owners are allowed to operate in a large part of the country.

In short, the tourist sector in Spain is approaching the change in direction that will leave the effect of the pandemic behind once and for all. We all want to exceed pre-pandemic figures, and on that basis build together a future in the tourist sector that is more qualified, more sustainable and more profitable, and also more respectful of the host societies.

We at the Board of NH Hotel Group have tried to light the way to our future with our headlamps dipped or on full beam, as required. As we strive to advance in a safe and reliable way, leaving nobody

behind. I think this has been an arduous and very admirable task, carried out at all times with a good understanding, which has been key in enabling the company to get to where we are in the best financial, strategic and business conditions.

In June 2022, the then president of NH gave a rigorous account of the work undertaken by the Board. He saw, as one of the keys to success, the renegotiating of contracts during the pandemic, as well as the growth policy. The entire Board agreed then on the importance of consolidating the unified brand architecture with Minor Hotels to attract long-haul Asian and American travelers who would massively choose Europe as a tourist destination once again.

In 2021, the Board also unanimously backed the corporate debt refinancing plan and the gradual repayment of its main items. It is a fact that, at the time, the injection of capital by Minor was decisive in allowing the Group to place simultaneously on the market a secured senior bond issue of 400 million euros, to extend the syndicated credit facility, push back the repayment of its loan secured by the Official Credit Institution, which has now been repaid in full. In short, Minor International's support throughout the pandemic signified the turning point that allowed NH Hotel Group to come through, and it did so paying special attention to preserving the rights of minority shareholders.

Furthermore, since Minor acquired a stake in NH in 2018, and following the framework agreement between the two parties formalized in 2019 (once again with the unanimous backing of the Board), the integration with Minor has contributed a significant additional value to NH: access to the principal markets in Asia, with a solid positioning in the five-star and luxury segment, which has proven decisive for our company's excellent performance since the pandemic.

In 2022, the Company has also continued to encourage constant attention to the principles of good corporate governance. The Board's Committees, both the Audit and Control Committee and the Appointments, Remuneration and Corporate Governance Committee, which have a majority of independent directors, have continued to carry out their activity on a regular basis and with the utmost rigor, as you can see in the documentation we have provided you with for this Meeting. With regard to this attention to the principles of good corporate governance, and as can be seen

specifically and in detail in the available Annual Corporate Governance Report, NH complies with 61 of the 64 Good Governance recommendations.

In 2022 the Board of Directors of NH approved the updated Code of Conduct, which fulfilled the new legal requirements and incorporated best practice on compliance, applicable to the company's professionals. The Code also includes the "internal procedure for conflicts of interest and related-party transactions", adapted to the most recent modifications of the Spanish Companies Act.

In short, I would like to emphasize to you that, in exercising its activity, the NH Hotel Group Board of Directors has been subject at all times to the highest standards of governance, as has been attested for several years by the leading international indicators.

Our company was chosen as one of the Top10% in the S&P Global Sustainability Yearbook for 2023, where it appears as one of the most sustainable hotels in the index. It has also been selected for ten consecutive years by FTSE4Good, created by the London Stock Exchange, which measures governance parameters and ESG criteria based on public corporate information. It has also been selected in the last four years among the companies included in the Bloomberg Gender Equality Index for its commitment to equality policies and for the transparency in its performance as a listed company.

On this basis, allow me to refer not to certain recent events that have taken place within the Board.

As you know, the Company's majority shareholder, Minor, decided to initiate a process of study and analysis of a hypothetical delisting takeover bid on the shares of NH. For this purpose, Minor received advice from EY as an independent expert for the valuation of the shares in NH. The Board was fully aware of this process, and engaged its own independent expert of renowned prestige to protect, especially, the interests of minority shareholders. As is public knowledge, the value range determined by EY was between 4.81€ and 5.68€, while the value determined by the independent expert engaged by Board of NH was **below** that range of values determined by EY. In any case, the process initiated by Minor did not have the approval of the CNMV with regard to the price of the

takeover bid, and consequently Minor notified the CNMV, on May 5, 2023, of its lawful decision to desist from the aforesaid process of exclusion from trading.

Based on this decision, Minor gave notice of its intention to initiate a process to buy the shares in NH over a 30-day period at market conditions, all of this, according to Minor, to provide an additional liquidity mechanism for the shareholders of NH. As a result of this, Minor has acquired an additional 1.74%, which added to the 94.13% it held previously, means that Minor currently holds 95.87% of the Company's share capital.

These events caused the Company's independent directors, here present, Alfredo Fernández, José María Cantero and Fernando Lacadena, to give notice on May 16, 2023, in a joint letter, of their decision to resign irrevocably as independent directors of the Company, with effect from the end of this Shareholders' Meeting. The reason given for their resignation is their disagreement with Minor's actions in relation to the acquisition of NH shares on the market, after withdrawing from the process of promoting the delisting takeover bid, which, in their opinion, would be damaging to the Company's minority shareholders.

This stance is not shared by the rest of the members of the Board of Directors, as stated in the communication of May 19, 2023, send to the CNMV. Furthermore, these resignations have made it necessary to recompose the Company's corporate governance body (i) by initiating a process for the selection of new independent directors, which has been successfully completed, and (ii) by appointing Dillip Rajakarier and myself as new Chairman and Vice Chairman, respectively, of the Board of Directors, in spite of the unfavorable report of the Appointments and Remuneration Committee, inevitably, as there were no other independent directors except those who were resigning.

Finally, and in light of the communications received from a shareholder seeking to make an accusation of irregular use of information during this process of the purchase of NH shares by Minor, I have to tell you that the information to which Minor had access and which served as the basis for the valuations by the independent experts does not constitute privileged information. On the basis of this, all the executive directors and members of the executive committee, have decided individually to sell our shares in

NH on the market during this process. Our commitment to and confidence in the NH project is absolute, but like the rest of the shareholders who have decided to take advantage of this window of liquidity (indeed, many of them are historical shareholders of NH who decided not to sell in the 2018 takeover bid), each one of us has taken into consideration, to a greater or lesser extent depending on each individual case, a series of factors, such as the market price and conditions, the low levels of trading prices up to May 2023, and Minor's own statements of May 9, when it stated its intention to not promote the exclusion of NH shares from trading at the end of the 30-day share purchase period.

In conclusion, ladies and gentlemen, as Vice Chairman of the Board, I must reiterate that all the decisions and actions taken by the Board of Directors have been in compliance with applicable legislation and internal procedures, and that NH maintains and will continue to maintain very high levels of corporate governance, in line with recent years.

# ANNUAL GENERAL MEETING

Madrid, 29<sup>th</sup> of June 2023



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





# CONTENT

- **2022 RESULTS**
- 2023: RECOVERY  
CONSOLIDATION

# 2022, start of the recovery

- A year with two different periods:
  - **First quarter impacted by Omicron**
  - **Change in trend since April** with a sustained reactivation of leisure and business customers
- **The excellent evolution since the second quarter both in activity and in prices** has allowed to exceed 2019 metrics since April
- **Strict cost control** to contain inflationary pressure during the recovery phase
- **The strong cash generation allowed to significantly reduce the net financial leverage in 2022**

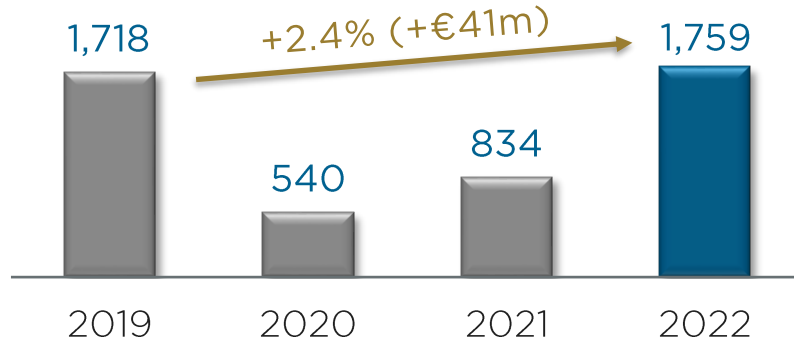
# 2022: first year with profit since 2019

- **Revenues of €1,759m**, representing an increase of €925m vs 2021 and €41m vs 2019 due to the strong reactivation since April
- **Net Profit of €100m (€76m recurring)** including net capital gains from asset rotation
- **Recurring EBITDA<sup>(1)</sup> reached €250m**, implying reaching 85% of 2019 figure, explained by the negative impact of the first quarter
- **Leverage:**
  - Gross Financial Debt: €609m
  - Cash: €302m
  - **Net Financial Debt: €308m**, implying a reduction of €260m vs 2021

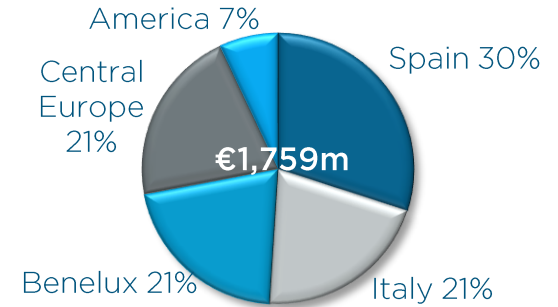
<sup>(1)</sup> Excludes IFRS 16 impacts

# Revenue recovery since April

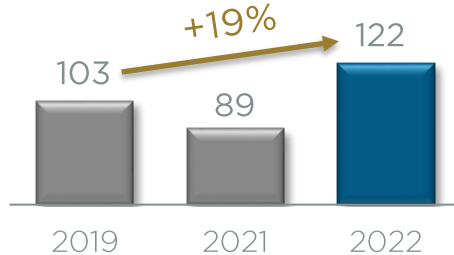
## Revenue evolution (€m)



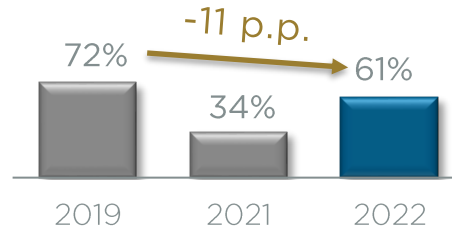
## Distribution by geography



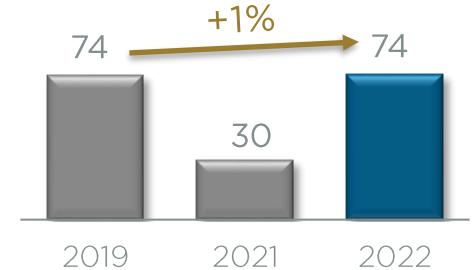
## ADR (€)



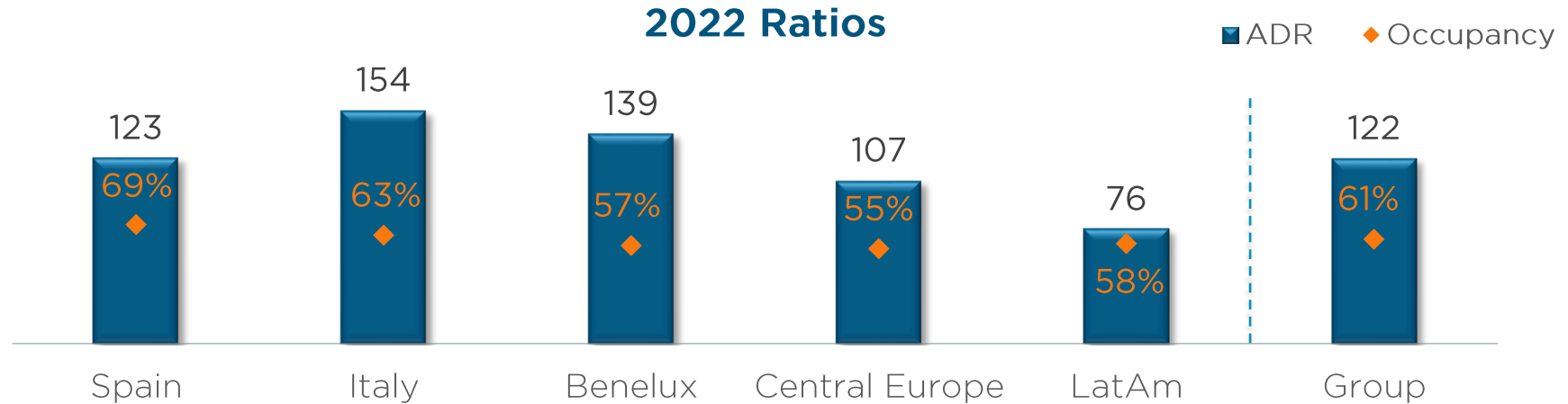
## Occupancy (%)



## RevPAR (€)

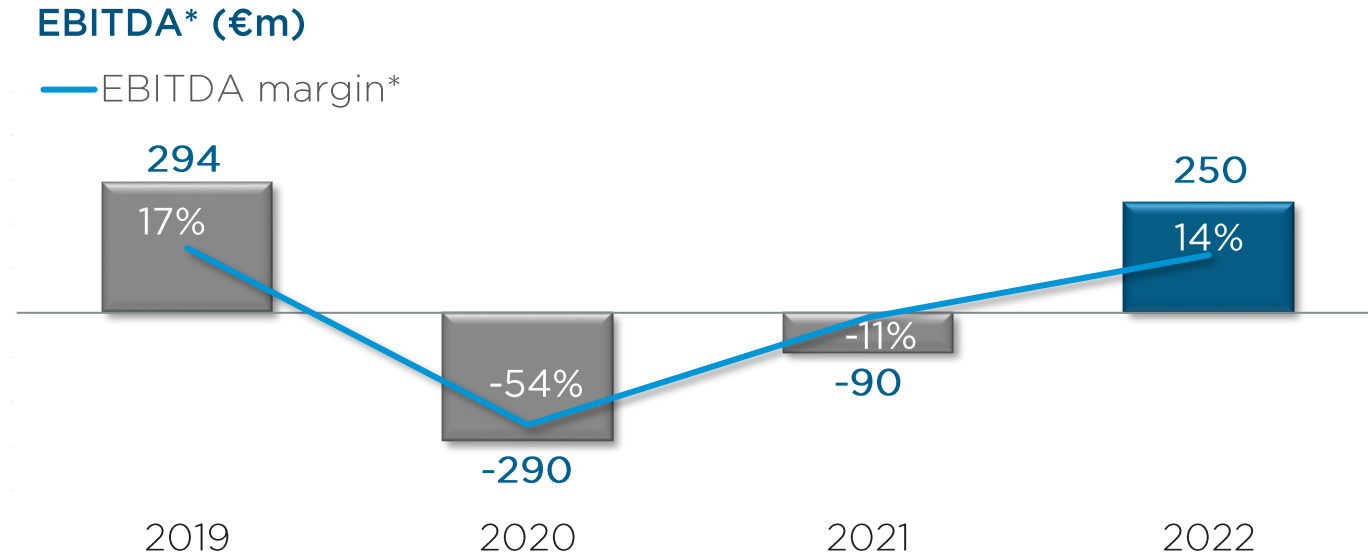


# RevPAR: higher ADR with lower occupancy than in 2019



- The **commercial strategy** allowed to increase the ADR from €90 in the first quarter to **€122 in the year** (€103 in 2019)
- **Higher level of activity in Southern Europe** due to an early lifting of mobility restrictions
- Highlight the **positive evolution of the key European cities with the reactivation of business customers**

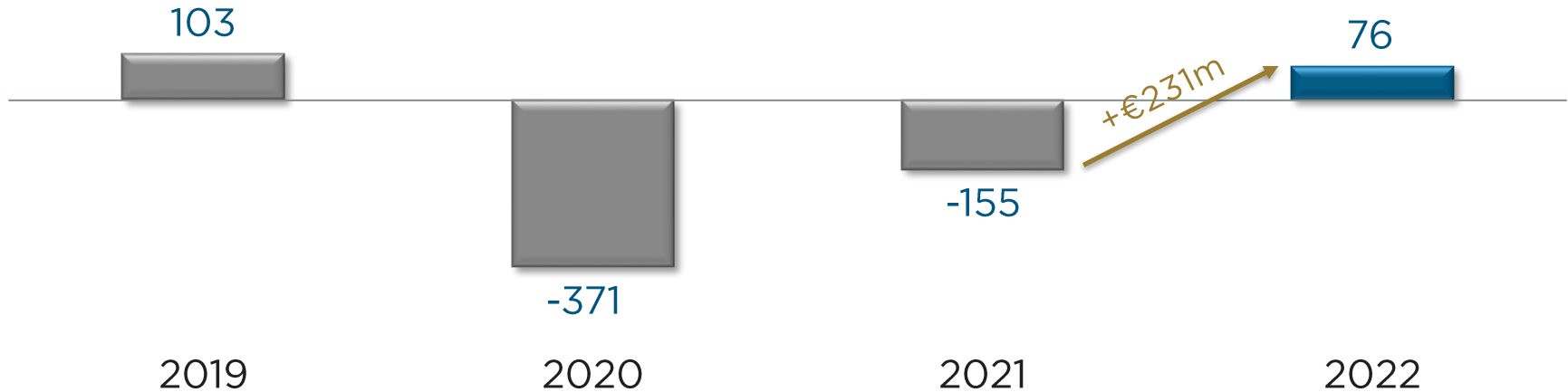
# EBITDA reached 85% of 2019 figure



- Excluding the first quarter, EBITDA was 11.5% higher than the same period of 2019, explained by the focus on price maximization and cost control

# First year with profit since 2019

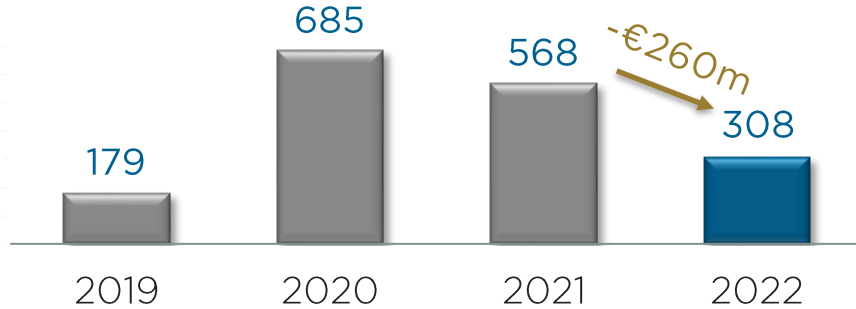
## Net Recurring Profit (€m)



- Including net capital gains from asset rotation, **Total Net Profit reached €100m (€90m in 2019)**

# Relevant reduction of financial leverage in 2022

## Net Financial Debt(€m)



## Liquidity (€m; 31 December 2022)

- Cash: €302m
- Available credit lines: €267m

**Available liquidity €569m**

- Solid cash generation and asset rotation have allowed to **reduce Net Financial Debt by €260m in 2022**
- €200m voluntary early repayment of the ICO loan. The remaining €50m were repaid in January 2023



# 2022 Openings

Anantara Plaza Nice



NHC Milano City Life



# 2022 Openings

nhow Frankfurt



NH Milano Corso Buenos Aires



# 2022 Openings

NH Santiago del Estero



NH Cali Boulevard del Río



# Sustainable Business: readiness to operate in a decarbonised world

## UP FOR PLANET

11 SUSTAINABLE CITIES AND COMMUNITIES



Minimizing impact in the environment from design, construction, operations, and renovation with sustainable and innovative materials

## UP FOR PEOPLE

8 DECENT WORK AND ECONOMIC GROWTH



Promote the professional development and create positive impact in those locations where we are present, involving our clients in our sustainable commitments

### SUSTAINABLE HOTELS

#### INCREASE ASSET VALUE

**173** certified hotels / year  
**64%** electricity consumed from renewable sources  
**100%** in Southern European hotels



### EMPLOYEES

#### DEVELOPMENT

**+147%** Training investment  
**+111%** training hours  
**101** Employees with disabilities

**51%** Women in the workforce  
**44%** Women management positions



### OPERATING PROCESSES

#### INCREASE SERVICE VALUE

**-20%** tn CO<sub>2</sub>e/RN  
**8.57** Carbon Footprint Ratio



### CUSTOMERS

#### EXPERIENCE

**8,5** Customer Reviews - NH survey  
**8,4** Customer Reviews - Online Surveys



### SUSTAINABLE PURCHASING

#### PARTNERSHIP

**1,760** # of active suppliers with signed Ethical Codes



### COMMUNITIES

#### POSITIVE IMPACT

**4,885** # of volunteers NH  
**60,724** # of total beneficiaries  
**1,438** solidarity room nights

**147** associations with a  
**+68%** contribution



# Awards & Honours 2022

More than 50 recognitions to our hotels, services, team, innovation and experience



PREMIOS ROCA  
a la iniciativa hotelera



**21** hotels won  
TripAdvisor's  
Traveler's Choice  
award

Sustainability Yearbook  
Member 2022

S&P Global



**21** hotels winners of  
the Luxury Lifestyle  
Reader's Travel Awards

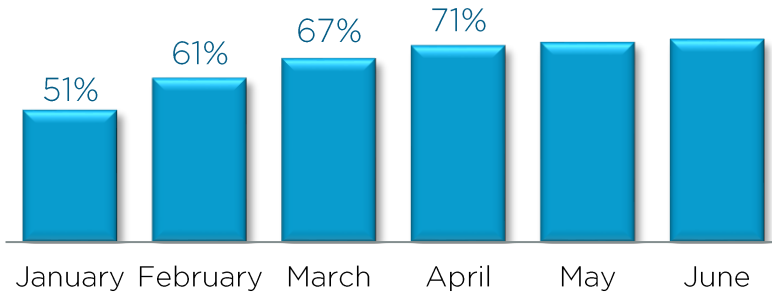
# CONTENT

- 2022 RESULTS
- **2023: RECOVERY CONSOLIDATION**

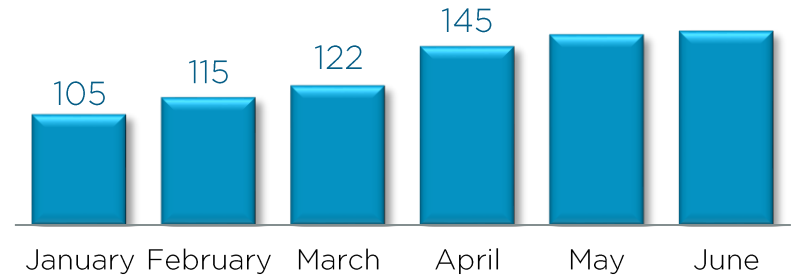


# Solid revenue dynamics despite cost inflationary pressure

## Occupancy 2023 (%)

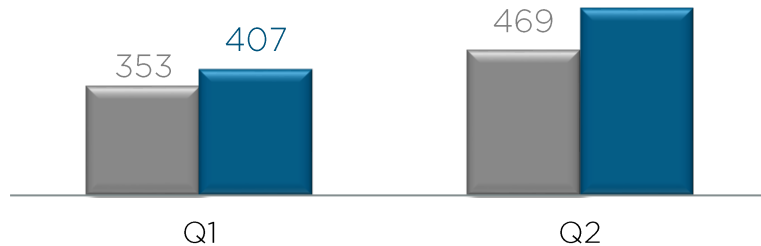


## ADR 2023 (€)



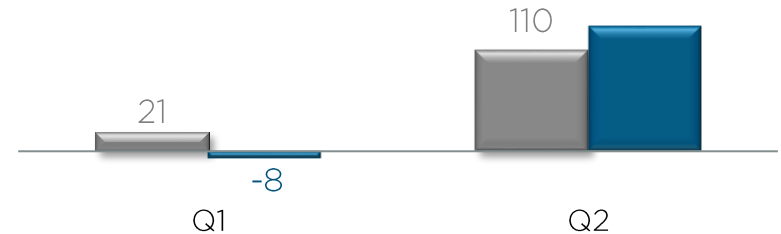
## Revenues (€m)

■ 2019 ■ 2023



## EBITDA (€m)

■ 2019 ■ 2023



# Financial position improvement in the first 5 months

	31 December 2022	31 May 2023
<b>Net Financial Debt</b>	€308m	€274m
<b>Cash</b>	€302m	€263m
<b>Liquidity</b>	€569m	€547m

- Net financial debt fell by €34m in the first 5 months

## Rating Agencies

	NH	Outlook
Fitch	B	Positive
Moody's	B2	Stable

## MOODY'S

- Credit rating upgraded from B3 to B2 in March 2023 with stable outlook

## FitchRatings

- In April 2023, the outlook was upgraded from stable to positive, revising NH's standalone rating from B to B+



# Brands: urban positioning in the upper segment



	Open	Signed	Open	Signed	Open	Signed	Open	Signed	Open	Signed	Open	Signed
<b># Hotels</b>	226	6	93	6	8	3	9	1	10		3	
Spain	70		29	2	1		4	1	9		2	
Italy	35	1	19	3	1		2				1	
Benelux	33		6		4		2		1			
Central Europe	53		17	1	2	1	1					
America	35	5	22			2						
<b># Rooms</b>	<b>33,668</b>		<b>14,776</b>		<b>2,494</b>		<b>1,771</b>		<b>2,275</b>		<b>285</b>	
<b>% Rooms</b>	<b>61%</b>		<b>27%</b>		<b>5%</b>		<b>3%</b>		<b>4%</b>		<b>1%</b>	

Average score  
of NH portfolio  
in 2022



tripadvisor®

8.4 / 10

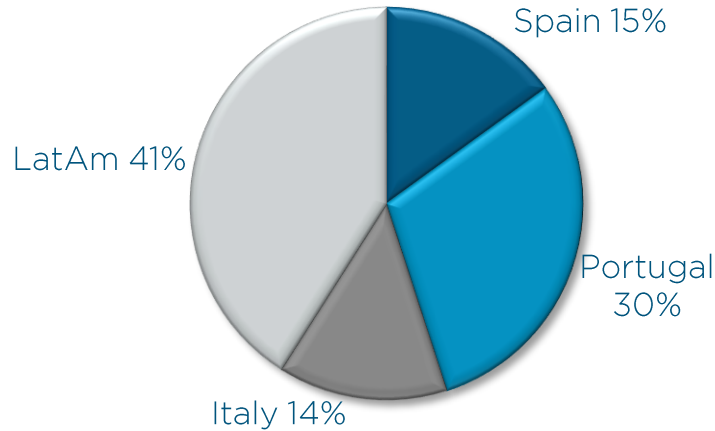


8.7 / 10

- Most valuable Spanish hotel brand, 6<sup>th</sup> in Europe and top 25 worldwide<sup>(\*)</sup>
- Specific plan for the Luxury segment (Anantara) and Resorts (Tivoli)

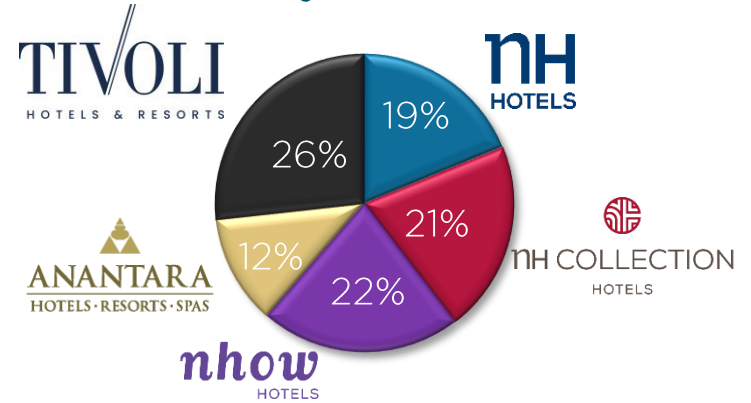
# Pipeline (opening 2023-2026): 1,900 rooms

## Pipeline by country\*

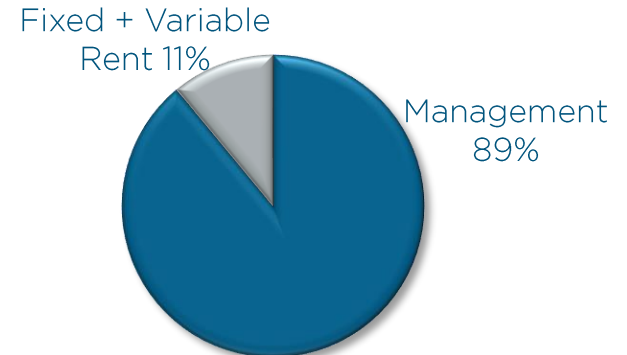


**Focus on the upper-upscale segment, with management or variable lease contracts and strengthening our key markets**

## By brand\*



## By contract\*



\* By number of rooms

# 2023 Openings

NH Bern The Bristol



NHC Frankfurt Spin Tower



# 2023 Openings

Tivoli Alvor Algarve Resort



NH Coimbra Dona Inês



# 2023 Openings

Tivoli La Caleta Tenerife Resort



Tivoli Portopiccolo Sistiana Resort



# Always proud of our main asset: our employees

Promoting a **responsible culture** and a **sustainable mentality** for our teams while fostering **diversity, ethics** and **well-being** are some of our priorities

The Company maintained throughout the year its **focus on its strategic pillars**, ensuring that it continues to uphold its long-term vision, but adapting the initiatives to the individual, social and company context

## Organizational commitment

- o Launch of the **climate survey** and design of action plans
- o Implementation of the **mobile version of NH Talent**
- o **Channel strategy** update to encourage internal engagement
- o **Internal Communication Plan** to guarantee the transparency and alignment of our employees with the priorities of the Company

## Talent attraction and management

- o **Individual development plans** as a result of talent calibrations
- o Design of a **global referral program**
- o **Promotion of internal mobility** through the offer of international development opportunities

## Employer Branding

- o Reinforcement of **collaboration with the most relevant Hospitality Schools**
- o **Renewal of the strategy and image** in the Employer Brand channels in Social Networks
- o **Visibility to Sustainability content** to attract and retain talent



The background image shows a multi-story building with classical architectural features like columns and decorative moldings. In the foreground, there is an outdoor cafe terrace with several tables and chairs. Some tables are covered with red umbrellas, and others with white ones. The cafe's interior is visible through the glass windows, showing people and warm lighting. The overall scene is bright and sunny.

**THANK YOU VERY MUCH TO OUR**

**EMPLOYEES**

**You are the soul of the Company, and your service vocation is what differentiate us**

**SHAREHOLDERS AND INVESTORS**

**Your trust is the basis that allows us to generate value day by day**

**LANDLORDS**

**Together we have expanded horizons**

**SUPPLIERS**

**Your excellence helps us to be more competitive**

**AND CUSTOMERS**

**You are our reason for being and your loyalty impels us to continue innovating**

**YOUR COMMITMENT IS THE MOST SOLID GUARANTEE OF  
FUTURE FOR NH HOTEL GROUP**

# ANNUAL GENERAL MEETING

Madrid, 29<sup>th</sup> of June 2023



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

