

**RLH Properties ("RLH A"), the first public company specializing in high-end hotels in Mexico and the Caribbean, announces its financial results for the second quarter of 2024.**

Mexico City. - RLH Properties (BMV: RLH A), the first public company specializing in luxury and ultra-luxury hotels in Mexico, announces its financial results for the second quarter of 2024. Except where otherwise stated, all figures in the report were prepared in accordance with International Financial Reporting Standards ("IFRS") and expressed in nominal Mexican pesos.

**2Q 2024 Relevant Information.**

During the second quarter, RLH Properties' financial results showed a notable increase in both GOP and EBITDA, reflecting the good performance of the portfolio's assets. The main highlights are Fairmont Mayakoba, which continues to consolidate its position in the market during its second year of operation after its recent renovation, and One&Only Mandarin, which continues to show an appreciable recovery with positive results following the implementation of a new commercial strategy.

**Consolidated P&L**

*Figures in thousands MXN \$ except otherwise indicated*

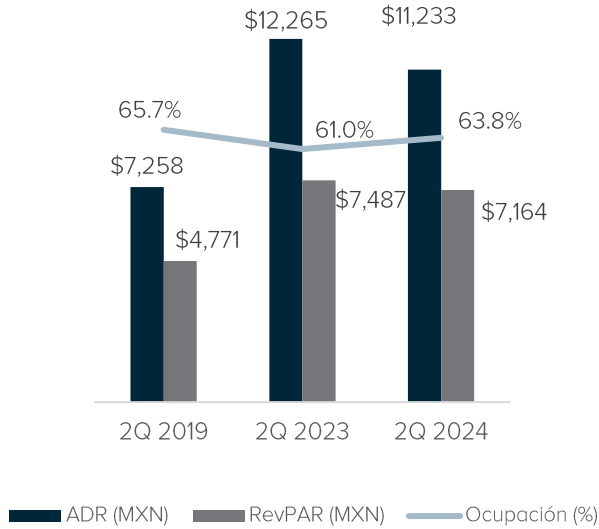
	2Q 2024		2Q 2023		Var. y/y	
	Value	%	Value	%	Value	%
Total Revenues	1,757,291	100%	1,851,632	100%	(94,341)	-5%
Hotel costs and expenses	(1,304,156)	-74%	(1,281,564)	-69%	(22,592)	2%
Residential costs and expenses	(85,238)	-5%	(296,539)	-16%	211,301	-71%
Indirect expenses	(885)	0%	(4,695)	0%	3,810	-81%
Gross Operating Profit (GOP)	367,012	21%	268,834	15%	98,178	37%
Margin (%)	21%		15%		-104%	
EBITDA	332,011	19%	213,158	12%	118,853	56%
Margin (%)	19%		12%		-126%	

**Total revenues** showed a 5% decrease compared to the same period of the previous year, mainly affected by a significant 71% decrease in revenues comprising the residential business.

**Gross operating profit (GOP)** for the second quarter amounted to 367M, 37% higher than the result of the same period of the previous year, mainly due to the implementation of the fixed cost reduction strategy in the portfolio's assets.

RLH's consolidated recurring **EBITDA** after corporate expenses for the second quarter increased 56% year-over-year to 332M. Among the factors contributing to this increase was the strengthening of the US dollar against the Mexican peso, which has had a positive impact on the profitability of the portfolio.

Aggregate Operating Assets 2Q 2024 vs 2Q 2019 and 2Q 2023 (MXN)



The occupancy rate was **63.8%**, registering an **increase of 2.7 p.p.** compared to the same period of the previous year and a **decrease of 1.9 p.p.** compared to the same period in 2019.

The average rate was **11,233 (656 USD)**, which represented a **decrease of 8.4%** with respect to the previous year and an **increase of 54.8%** with respect to 2019, in local currency. On the other hand, the rate in U.S. dollars registered a **decrease of 4.9%** compared to the previous year and an **increase of 72.7%** compared to 2019.

RevPAR was **7,164 (419 USD)**, which represented a **decrease of 4.3%** with respect to the previous year and an **increase of 50.2%** with respect to 2019, in local currency. Meanwhile, RevPAR in U.S. dollars recorded a **decrease of 0.7%** over the previous year and an **increase of 67.4%** over 2019.

## Hotel Assets Operating Statistics 2Q2024

The following are the main aggregate operating indicators<sup>1</sup> of RLH Properties' Hotel Assets portfolio as of the second quarter of 2024:

Operational Indicators for the 2nd Quarter, 2024					
Stabilized Assets and Other Assets					
Indicator	2Q 2019	2Q 2023	2Q 2024	% Var. 2Q 2024 vs. 2Q 2019	% Var. 2Q 2024 vs. 2Q 2023
ADR (USD)	\$395	\$630	\$601	52.2%	(4.7%)
ADR (MXN)	\$7,541	\$11,193	\$10,302	36.6%	(8.0%)
Occupancy (%)	69.8%	61.6%	64.0%	(5.8 pp)	2.4 pp
<b>RevPAR (USD)</b>	<b>\$276</b>	<b>\$388</b>	<b>\$385</b>	<b>39.3%</b>	<b>(1.0%)</b>
<b>RevPAR (MXN)</b>	<b>\$5,264</b>	<b>\$6,894</b>	<b>\$6,590</b>	<b>25.2%</b>	<b>(4.4%)</b>
Total Revenues (USD '000)	\$44,070	\$77,327	\$82,561	87.3%	6.8%
Total Revenues (MXN '000)	\$841,507	\$1,372,195	\$1,415,411	68.2%	3.1%
EBITDA* (USD '000)	\$11,851	\$19,229	\$18,857	59.1%	(1.9%)
EBITDA* (MXN '000)	\$225,855	\$343,520	\$319,556	41.5%	(7.0%)
EBITDA* Net of FF&E Reserve (USD '000)	\$10,368	\$16,719	\$16,177	56.0%	(3.2%)
EBITDA* Net of FF&E Reserve (MXN '000)	\$197,532	\$298,955	\$273,649	38.5%	(8.5%)
<b>EBITDA Margin (%)</b>	<b>26.8%</b>	<b>25.0%</b>	<b>22.6%</b>	<b>(4.3 bps)</b>	<b>(2.5 bps)</b>
<b>EBITDA Net of FF&amp;E Reserve Margin (%)</b>	<b>23.5%</b>	<b>21.8%</b>	<b>19.3%</b>	<b>(4.1 bps)</b>	<b>(2.5 bps)</b>
Operating Assets					
Indicator	2Q 2019	2Q 2023	2Q 2024	% Var. 2Q 2024 vs. 2Q 2019	% Var. 2Q 2024 vs. 2Q 2023
ADR (USD)	\$380	\$690	\$656	72.7%	(4.9%)
ADR (MXN)	\$7,258	\$12,265	\$11,233	54.8%	(8.4%)
Occupancy (%)	65.7%	61.0%	63.8%	(1.9 pp)	2.7 pp
<b>RevPAR (USD)</b>	<b>\$250</b>	<b>\$421</b>	<b>\$419</b>	<b>67.4%</b>	<b>(0.7%)</b>
<b>RevPAR (MXN)</b>	<b>\$4,771</b>	<b>\$7,487</b>	<b>\$7,164</b>	<b>50.2%</b>	<b>(4.3%)</b>
Total Revenues (USD '000)	\$49,419	\$91,102	\$97,971	98.2%	7.5%
Total Revenues (MXN '000)	\$943,409	\$1,617,722	\$1,677,565	77.8%	3.7%
EBITDA* (USD '000)	\$12,421	\$20,552	\$21,654	74.3%	5.4%
EBITDA* (MXN '000)	\$236,566	\$367,434	\$366,716	55.0%	(0.2%)
EBITDA* Net of FF&E Reserve (USD '000)	\$10,778	\$17,708	\$18,507	71.7%	4.5%
EBITDA* Net of FF&E Reserve (MXN '000)	\$205,186	\$316,925	\$312,885	52.5%	(1.3%)
<b>EBITDA Margin (%)</b>	<b>25.1%</b>	<b>22.7%</b>	<b>21.9%</b>	<b>(3.2 bps)</b>	<b>(0.9 bps)</b>
<b>EBITDA Net of FF&amp;E Reserve Margin (%)</b>	<b>21.7%</b>	<b>19.6%</b>	<b>18.7%</b>	<b>(3.1 bps)</b>	<b>(0.9 bps)</b>

\* Aggregated EBITDA (SoTP) of the operating assets, unaudited without adjustments due to financial consolidation.

<sup>1</sup> Aggregate operating hotel information is based on USALI (Uniform System of Accounts for the Hotel Industry), and includes the sum of hotel assets.

## Occupancy Rate

The occupancy rate was **63.8%**, registering an **increase of 2.7 p.p.** compared to the same period of the previous year and **a decrease of 1.9 p.p.** compared to the same period in 2019.

The reactivation of tourist destinations at the international level after the pandemic continues to redirect tourist flows towards the destinations that were most impacted by the pandemic. In this regard, statistical reports from IATA (The International Air Transport Association) continue to show accelerated year-over-year growth rates in the Asia Pacific region in recent months (+32.1% in April and +27.0% in May). Meanwhile, according to data published by Mexico's Ministry of Tourism, the country shows certain signs of a slowdown in the rate of international tourism arrivals. In context, from January to May 2024, international tourist arrivals registered a 6.1% growth compared to the previous year, which compares to the 16.8% growth in the same period of 2023 compared to the previous year. However, it should be noted that such impact on the arrival of U.S. tourists to the country was lower in the same comparison, since a growth of 7.5% was recorded in 2024 with respect to the previous year, which compares with the 10.5% recorded in 2023 with respect to the previous year.

With respect to the markets in which the portfolio's assets compete, according to information from the CoStar platform, **the luxury segment in Mexico City and the Riviera Maya registered increases in average occupancy** during the quarter. On the other hand, there **was a slight decrease in average occupancy levels in the luxury segment in the Riviera Nayarit** during the same period.

In terms of performance, **Four Seasons Mexico City, Fairmont Mayakoba and One&Only Mandarin stand out.** The Four Seasons Mexico City hotel continued to lead the segment in which it competes with the highest average occupancy level during the quarter. Fairmont Mayakoba continued to register the highest average occupancy increase in the portfolio with respect to the previous year, consolidating its position in the market in which it competes after its renovation. Finally, the One&Only Mandarin hotel was positioned as the hotel with the second highest average occupancy increase over the previous year, thanks to changes in its commercial strategy.

## Average Rate

The average rate was **11,233 (656 USD)**, which represented a **decrease of 8.4%** with respect to the previous year and an **increase of 54.8%** with respect to 2019, in local currency. On the other hand, the rate in U.S. dollars registered a **decrease of 4.9%** compared to the previous year and an increase of **72.7%** compared to 2019.

During the second quarter, the **portfolio's occupancy optimization strategy was continued through rate adjustments focused on achieving the RevPAR target.** Given the slowdown in demand and the new supply in the markets in which the portfolio's assets compete, **the assets had to implement more aggressive pricing strategies to reach their target occupancies.**

In line with the above, it is relevant to mention that **the portfolio's average rate is affected when assets with lower average rates have higher occupancy increases than those of assets with higher average rates,** as has been the case for the portfolio year to date.

Additionally, with respect to the difference in the decrease of the rates in Mexican pesos and in US dollars, during the second quarter of 2024 there was **an appreciation of the Mexican peso of 3.0% compared** to the same period of the previous year, going from an average of 17.72 MXN/USD in the

second quarter of 2023 to 17.21 MXN/USD in the second quarter of 2024. With respect to 2019, an **appreciation of 11.1% was recorded**, going from an average of 19.12 MXN/USD in the second quarter of 2019 to 17.21 MXN/USD in the second quarter of 2024.

In terms of performance, **the Fairmont Mayakoba and Rosewood Mayakoba hotels stand out for** leading the segment in which they compete, with the highest average rate during the period. The Fairmont Mayakoba hotel had the highest average rate increase in the portfolio during the quarter.

## **RevPar**

RevPAR was **7,164 (419 USD)**, which represented a **decrease of 4.3%** with respect to the previous year and an **increase of 50.2%** with respect to 2019 in local currency. Meanwhile, RevPAR in U.S. dollars recorded a **decrease of 0.7% over** the previous year and an **increase of 67.4% over 2019**.

Despite the decrease versus the previous year in RevPAR in both currencies, however, **the strategy of maintaining the portfolio's occupancy levels brought about a 3.7% growth in Total Revenues in Mexican pesos and 7.5% in U.S. dollars versus** the previous year. The increase versus 2019 was **77.8% in Mexican pesos and 98.2% in U.S. dollars**.

According to STR, the leader in global data intelligence and comparison, at the end of the second quarter, **trends of tourism normalization were already being observed after the effect of the pandemic on the sector**. This, considering that **65% of international markets reported RevPAR growth with respect to the previous year**. Greece, Singapore, Switzerland, France and Italy stood out with the highest RevPAR growth in real terms.

The RevPAR of the segment in which the portfolio's assets perform showed growth in the quarter compared to the same period of the previous year, but the driver of this growth varied according to the specific destination. RevPAR growth in the luxury segment in Mexico City was driven by growth in occupancy, while in the Riviera Maya and Riviera Nayarit the growth driver was the average rate.

In terms of performance, the **Four Seasons Mexico City, Fairmont Mayakoba and Rosewood Mayakoba hotels** continue to lead the RevPAR level of the markets in which they operate. Specifically, the Fairmont Mayakoba hotel recorded for the second consecutive quarter the highest RevPAR increase in the portfolio.

## **EBITDA**

EBITDA in local currency during the quarter remained relatively in line with the same period of the previous year, although it **grew 5.4% in U.S. dollar terms**, considering the appreciation of the Mexican peso against the U.S. dollar during the period. The increase compared to 2019 was **55.0% in local currency and 74.3% in U.S. dollars**. In this sense, in addition to the commercial strategies to increase the portfolio's Total Revenues, during the quarter **we continued to strictly manage the expense structure of all assets**.

The **Fairmont Mayakoba and One&Only Mandarin** hotels recorded significant growth compared to the same period of the previous year. On the one hand, the positioning experienced by the Fairmont Mayakoba hotel during the second year of operation after its total renovation allowed for a **50.0% growth in Total Revenues** during the quarter compared to the same period of the previous year, which translated into a **10.0 p.p. increase in EBITDA margin**. Meanwhile, the strategies implemented at the

One&Only Mandarin hotel resulted in a 10.5 p.p. increase in EBITDA margin in the quarter compared to the previous year, given a stabilized increase in Total Revenues.

Although the portfolio's rates are fixed in U.S. dollars, the expense structure is mostly in local currency; therefore, **the appreciation of the Mexican peso against the U.S. dollar continues to put significant pressure on the portfolio's profitability**, considering the higher investment required to cover the expense structure. It is estimated that **the appreciation of the Mexican peso against the U.S. dollar had a negative impact of 1.9 percentage points on the portfolio's EBITDA margin** during the quarter.

**Information related to the Residential Business**

The following are the main commercial indicators for RLH's Residential Business<sup>2</sup> as of the second quarter of 2024:

Item	Total Inventory	Sales 2024	Sales as of June 30, 2024	Inventory on hand	Sale and Purchase Agreements Signed in 2024
<b>Residences</b>	<b>330</b>	<b>5</b>	<b>239</b>	<b>91</b>	<b>3</b>
<b>Mayakoba</b>	<b>290</b>	<b>4</b>	<b>218</b>	<b>72</b>	<b>3</b>
Rosewood Residences	33	-	31	2	1
Fairmont Heritage Place (FO) <sup>(a)</sup>	53	-	38	15	1
Fairmont Heritage Place (FC) <sup>(b)</sup>	204	4	149	55	1
<b>Mandarin</b>	<b>40</b>	<b>-</b>	<b>21</b>	<b>19</b>	<b>-</b>
Mandarina Private Homes O&O <sup>(c)</sup>	40	1	21	19	-

(a) FO refers to units that are marketed as "Full Ownership".

(b) FC refers to units that are marketed as "Fractions".

(c) The units of the lots that are active are reported.

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<sup>2</sup> In accordance with International Financial Reporting Standards, income from the sale of residences is recognized at the time control of the property is transferred, i.e., at the time of the deed to the property.

## Second quarter 2024 results

### Total Revenues

During the quarter, total revenues showed a 5% decrease compared to the same period last year, mainly due to a 71% decrease in revenues from the residential business and the 3% appreciation of the Mexican peso against the US dollar versus the average exchange rate for the same period last year. This slight decline was offset by the good performance of the One&Only Mandarin Hotel and the Fairmont Mayakoba Hotel, which during the second quarter of 2023 was still under renovation.

RLH Properties' total revenues for the quarter amounted to \$1,757.3M:

- 839.8M in revenues from room rentals (48% of revenues).
- 578.5M in food and beverage revenues (33% of revenues).
- 266.9M of other hotel revenues (15% of revenues).
- 72.2M in revenues from the sale of residences (4% of revenues).

During the quarter, other non-recurring income amounted to 2.5M.

### Costs and expenses

During this quarter, RLH Properties' costs and overhead expenses were \$1,390.3M:

- 335.5M on food and beverage costs and expenses (24% of costs and overhead).
- 241.4M on room expenses (17% of costs and overhead).
- 233.8M on IT and telecommunications, marketing and maintenance expenses (17% of costs and overhead).
- 207.4M on administrative and operating expenses (15% costs and overhead).
- 170.7M on other departmental expenses and basic services (13% of costs and overhead).
- 130.8M on operating fees, insurance and property expenses (9% of costs and overhead).
- 70.7M on residential sales costs (5% of costs and overhead).

Costs and overheads showed a 12% decrease compared to the same period in 2023.

### EBITDA

Hotel EBITDA for the quarter reached 386.7M, registering an increase of 20% compared to the same period of 2023, while total EBITDA reached 332M, also registering an increase of 56% compared to the same period of 2023, mainly due to the good hotel performance and the strengthening of the dollar against the Mexican peso of 8% versus the exchange rate of the same quarter of the previous year.

### Corporate expenses

During the quarter, recurring corporate expenses showed an increase of 23% compared to the same period of 2023, mainly due to the addition of executive personnel.



### Comprehensive financing result

During the quarter, the financial debt and the foreign exchange loss generated a financial cost in results of 342.7M.

During the quarter, net financing cost decreased to 175.9M and is broken down as follows:

Comprehensive financing result			
<i>Figures in thousands MXN \$ except where otherwise indicated</i>			
	2Q 2024	2Q 2023	Var. y/y
<b>Financing Costs</b>			
Interest and financial costs	(104,633)	(90,521)	(14,112)
Foreign exchange loss	(238,044)	(135,087)	(102,957)
Financial cost	(342,677)	(225,608)	(117,069)
Interest earned	35,965	68,180	(32,215)
Exchange profit	130,842	103,791	27,051
<b>Financing costs</b>	<b>(175,870)</b>	<b>(53,637)</b>	<b>122,233</b>

### Net income for the period

During the quarter, net income was 307M, an increase of 339% compared to the same quarter of the previous year, mainly due to: i) the good performance of hotel assets and ii) the benefit from deferred taxes due to the implementation of tax strategies; offset by the strengthening of the dollar against the peso, causing a greater impact from foreign exchange losses from bank loans.

### Cash flow

Net cash flow as of June 30, 2024 from operating activities was 505.7M, mainly due to EBITDA of 1,048.9M offset by a set of factors, including: the decrease in hotel advances, the increase in real estate inventories and the decrease in provisions of 706.3M, additionally, by non-cash generating items of 163.1M. Net cash flow from investing activities was negative 863.8M, due to CAPEX and intangible investments of 946M; offset by 82.3M of interest collected. Net cash flow from financing activities was positive for 117.9M, due to the obtaining of bank loans for 333.1M, offset by the payment of amortizations of bank loans for 180.1M and interest paid for 35.1M.

### Financial Situation

#### Cash and Liquidity

As of June 30, 2024 the RLH position of cash and cash equivalents is 2,211.9M, showing a decrease of 240.2M with respect to December 31, 2023 mainly originated by the investment in CAPEX and

intangibles of 946M, principal loan payment and interest of 215.2M; offset by cash flow generated by operating activities of 505.7M, by obtaining bank loans of 333.1M and interest collected of 82.3M.

### **Accounts Receivable**

As of June 30, 2024 show a decrease of 195.5M with respect to December 31, 2023, mainly in accounts receivable from customers for 129.3M, the application of ISR and other tax provisions for 139.5M and the VAT credit for 3.6M; offset by the cancellation of the accounts receivable reserve for 63M and the increase in accounts receivable from related parties for 13.9M, mainly for condominium fees.

### **Real estate inventories**

As of June 30, 2024, short-term real estate inventories show a balance of 1,570.4M and are comprised of land under development for 550.4M and work in progress for 1,020.5M, these present an increase of 85.6M with respect to December 31, 2023, mainly due to the progress of the residences under construction. Long-term real estate inventories correspond to land to be developed for 1,116.4M , showing an increase of 0.7M with respect to December 31, 2023 due to notary expenses.

### **Fixed assets, goodwill and intangible assets**

As of June 30, 2024, fixed assets had a net increase of 1,574.3M with respect to December 31, 2023, mainly due to investments in construction in progress and fixed asset additions for 908.5M and the translation effect as a result of the strengthening of the dollar against the peso with respect to the valuation of fixed assets in foreign currency for 934.1M; offset by depreciation for 263.8M and write-downs for 4.5M.

As of June 30, 2024, intangible and other assets had a net increase of 17.8M with respect to December 31, 2023, mainly due to additions of 37.6M, the translation effect derived from the strengthening of the dollar against the peso for 25.8M; offset by amortization for the period for 43.3M and write-offs of intangible assets for 2.3M.

Goodwill of \$1,456.5M shows an increase of \$8M due to the translation effect derived from the strengthening of the dollar against the peso.

### **Customer advances**

As of June 30, 2024, total customer advances amounted to \$1,790.8M, comprised of \$1,235.4M of deposits received from residential pledge agreements and \$555.5M of advances from hotel customers.

The decrease of 47.4M compared to December 31, 2023, is mainly in hotel advances of 245.1M due to the decrease in hotel occupancy because of the seasonality; offset by advances received from residences of 197.7M and the strengthening of the dollar against the peso by 8%.

### Total bank debt

As of June 30, 2024, RLH's total debt is 5,724.2M showing an increase of 707.8M compared to the balance as of December 31, 2023, such increase is mainly due to the negative exchange fluctuation of 542.2M, the drawdown of credit of 333.1M and amortized costs of 12.6M; offset by the repayment of loans of 180.1M.

As of June 30, 2024, 100% of the Company's total debt is denominated in U.S. dollars, with a weighted average financial cost of 6.54%. Additionally, debt maturities are long-term.

The following table presents the detail of the debt position:

Item	2Q2024	Currency	Interest rate	Expiration
<i>Figures in thousands of USD\$ except where otherwise indicated.</i>				
Four Seasons Mexico City	57,272	USD	2.76%+ SOFR	2030
Fairmont Mayakoba	59,476	USD	2.76%+ SOFR	2032
Rosewood Mayakoba	44,193	USD	2.66%+ SOFR	2028
Banyan Tree Mayakoba (Section a)	13,808	USD	2.59%+ SOFR	2030
Banyan Tree Mayakoba (Section b)	23,490	USD	2.69%+ SOFR	2030
Andaz Mayakoba	50,188	USD	3.00%+ SOFR	2032
One&Only Mandarin	72,274	USD	2.97%+ SOFR	2029
RLH Properties	46,500	USD	2.75%+ SOFR	2026
<b>Total debt position (1)</b>	<b>6,748,163</b>			

(1) Banxico's USD applied T.C. at the end of 2Q2024

### Derivative financial instruments

As of June 30, 2024, the financial instruments held by RLH to hedge the interest rate risk of its bank loans and which are presented at fair value, show an increase due to the behavior of market rates, such effect reflects a positive hedge in the amount of 45.2M and the translation effect of 15.4M, whose effects were recorded in other comprehensive income. These products, with maturities until 2031, were collected at the time of closing the operations and have the following characteristics:

Company	Mexican Pesos	Date of Agreement	Expiration	Fixed rate	Variable rate	Fair value at	
					June 30, 2024	June 30, 2024	December 31, 2023
Four Seasons derived	629,012	26-Jun-18	24-Nov-25	3.03%	5.33%	\$19,912	\$15,517
Rosewood	609,104	14-Dec-18	15-Jun-27	2.99%	5.34%	\$24,694	\$16,960
Banyan Tree derivative 1	298,539	10-Feb-21	09-Aug-28	1.95%	5.32%	\$24,143	\$18,081
Banyan Tree derivative 2	199,026	10-Feb-21	09-Aug-28	1.95%	5.32%	\$14,228	\$12,178
Fairmont derived	983,699	23-Jul-20	20-Jun-31	1.61%	5.34%	\$115,827	\$86,214
O&O Mandarin	996,147	16-Jun-22	30-Jun-26	3.46%	5.31%	\$19,800	\$9,037
<b>Active financial instruments</b>						<b>\$218,604</b>	<b>\$157,987</b>

**Stockholders' equity**

The increase in stockholders' equity of 1,055.4M is mainly due to the net income for the period of 702.7M, the positive net valuation of assets of 321M derived from the strengthening of the peso against the dollar and the positive result of the valuation of financial instruments of 31.7M.

**Corporate Governance**

On July 24, 2024, the Board of Directors of RLH held a meeting to approve the Financial Statements as of June 30, 2024, which were unanimously approved.

## Annexes

### Portfolio:

As of June 30, 2024, RLH has **10 business components in the luxury and ultra-luxury segment** totaling **approx. 1,392 hotel rooms** (1,253 in operation and approx. 140 under development), **approx. 234 full ownership residences and 204 fractional units** both with associated hotel brands, and **1 18-hole golf course**:

- **Operating Assets** (6 hotels with 1,253 rooms and 118-hole golf course):
  - **Stabilized Assets** (5 hotels, 1,148 rooms): Four Seasons Mexico City hotel (240 rooms), Rosewood Mayakoba hotel (129 rooms), Banyan Tree Mayakoba hotel (164 rooms), Fairmont Mayakoba hotel (401 rooms) and the Andaz Mayakoba hotel (214 rooms).
  - **Ramp up Assets** (1 hotel, 105 rooms): One&Only Mandarin hotel. This hotel started operations in November 2020 and is currently in the stabilization phase.
  - **Other Assets** (1 18-hole golf course): The El Camaleón golf course was designed by famed Australian golfer Greg Norman and is the first to host a PGA tournament outside the United States and Canada.
- **Assets under development** (1 hotel with approximately 140 rooms, 234 full ownership residences and 204 fractional units, both with hotel brand):
  - **Rosewood Mandarin Hotel** (approx. 140 rooms): The Rosewood Mandarin hotel is currently under construction.
  - **Residences in Mandarin with One&Only and Rosewood brands** (up to 148 residences): The One&Only Mandarin residences are in the marketing and construction stage. Rosewood Mandarin residences will be developed in the future as the Rosewood Mandarin hotel progresses.
  - **Fairmont and Rosewood branded residences at Mayakoba**: Fairmont Heritage Place considers an inventory of approximately 53 full ownership residences and 204 fractional units. Rosewood Residences considers an inventory of 33 full ownership residences.

## Reconciliation between Operating Results and Consolidated Income Statement

The main variations between the Consolidated Statement of Income and the Aggregate Operating/Hotel Results are shown below:

The Consolidated Statement of Income presents EBITDA before corporate expenses plus other income, compared to aggregate hotel Operating EBITDA.

MXN million		
<b>Hotel EBITDA 2Q2024</b>		<b>1,260</b>
Income/Expenses of the Owner	} <b>MXN (65.0M)</b>	37.6
Residential Business Results		(41.3)
Golf Tournament (LIV)		-
IFRS adjustments		(56.7)
Holding Management		(4.7)
<b>Consolidated Income Statement 2Q2024</b>		<b>1,194</b>

The net difference of MXN (\$65.0M) arises mainly from:

- i. The owner's income/(expense) MXN \$37.6M is not recorded in the EBITDA of the hotels, but within the consolidated statement of income. Particularly, concepts such as extraordinary OPEX of assets, tax recovery, among others, are distinguished.
- ii. MXN (\$41.3M) from the results of the Residences: Rosewood Residences and Mandarin Private Homes.
- iii. IFRS adjustments, foreign exchange effects and interest generated by hotel operations and IFRS compliance are presented in the comprehensive financing result MXN (\$56.7M).
- iv. Holding Administration are tax expenses of holding companies and expenses for the construction of the Rosewood Mandarin hotel not capitalizable MXN (\$4.7M).

## Income Statement 2Q2024

RLH's 2Q2024 main consolidated financial results are shown below.

### Consolidated P&L

Figures in thousands MXN \$ except otherwise indicated

	Quarter					
	2Q 2024	%	2Q 2023	%	Var. q/q	
Hotel Revenues	1,682,614	96%	1,600,693	86%	81,921	5%
Hotel Costs and Expenses	(1,295,899)	-74%	(1,279,318)	-69%	(16,581)	1%
<b>Hotel EBITDA</b>	<b>386,715</b>	<b>22%</b>	<b>321,375</b>	<b>17%</b>	<b>65,340</b>	<b>20%</b>
Residential Revenues	72,155	4%	246,400	13%	(174,245)	-71%
Other revenues, net	2,522	0%	4,539	0%	(2,017)	-44%
Other costs and expenses	(85,238)	-5%	(296,539)	-16%	211,301	-71%
Sales & Marketing expenses	(8,257)	0%	(2,246)	0%	(6,011)	268%
Indirect expenses	(885)	0%	(4,695)	0%	3,810	-81%
<b>Operating Profit</b>	<b>367,012</b>	<b>21%</b>	<b>268,834</b>	<b>15%</b>	<b>98,178</b>	<b>37%</b>
Corporate expenses	(70,751)	-4%	(57,302)	-3%	(13,449)	23%
Other net revenues (expenses), non-recurring	35,750	2%	1,626	0%	34,124	2099%
<b>EBITDA</b>	<b>332,011</b>	<b>19%</b>	<b>213,158</b>	<b>12%</b>	<b>118,853</b>	<b>56%</b>
Depreciation and amortization	(155,507)	-9%	(150,961)	-8%	(4,546)	3%
Financing costs	(175,870)	-10%	(53,637)	-3%	(122,233)	228%
<b>Profit before income taxes</b>	<b>634</b>	<b>0%</b>	<b>8,560</b>	<b>0%</b>	<b>(7,926)</b>	<b>-93%</b>
Deferred Tax Expense	254,198	14%	(118,400)	-6%	372,598	-315%
ISR Provision	52,199	3%	(18,488)	-1%	70,687	-382%
<b>Net Profit (Loss)</b>	<b>307,031</b>	<b>17%</b>	<b>(128,327)</b>	<b>-7%</b>	<b>435,359</b>	<b>339%</b>

## Financial position

The consolidated balance sheet of RLH as of June 30, 2024 is shown below.

<b>Consolidated Balance Sheet</b>				
<i>Figures in thousands MXN \$ except otherwise indicated</i>				
	June 2024	December 2023	Var. y/y	
<b>Assets</b>				
Cash and cash equivalents	2,211,864	2,452,019	(240,155)	-10%
Accounts receivable and related parties	907,790	1,103,331	(195,541)	-18%
Real estate inventories	1,674,489	1,484,836	189,653	13%
Other items of current assets	298,741	315,572	(16,831)	-5%
<b>Current Assets</b>	<b>5,092,884</b>	<b>5,355,758</b>	<b>(262,874)</b>	<b>-5%</b>
Fixed assets, intangibles and goodwill	17,580,181	15,980,088	1,600,093	10%
Real estate inventories	1,116,422	1,115,744	678	0%
Differed Taxes	1,241,360	1,184,519	56,841	5%
Derivative financial instruments	218,604	157,987	60,617	38%
Other items of non-current assets	91,317	90,702	615	1%
<b>Non-current assets</b>	<b>20,247,884</b>	<b>18,529,040</b>	<b>1,718,844</b>	<b>9%</b>
<b>Total Assets</b>	<b>25,340,768</b>	<b>23,884,798</b>	<b>1,455,970</b>	<b>6%</b>
<b>Liabilities and equity</b>				
Short term portion of bank loans	424,605	363,477	61,128	17%
Advanced deposits	1,790,845	1,838,221	(47,376)	-3%
Accounts payable	1,642,517	1,881,752	(239,235)	-13%
<b>Short term liabilities</b>	<b>3,857,967</b>	<b>4,083,450</b>	<b>(225,483)</b>	<b>-6%</b>
Long term debt	6,157,504	5,510,861	646,643	12%
Differed taxes	830,602	677,839	152,763	23%
Other long term liabilities	85,694	259,061	(173,367)	-67%
<b>Long term liabilities</b>	<b>7,073,800</b>	<b>6,447,761</b>	<b>626,039</b>	<b>10%</b>
<b>Equity</b>	<b>14,409,001</b>	<b>13,353,587</b>	<b>1,055,414</b>	<b>8%</b>
<b>Total liabilities and equity</b>	<b>25,340,768</b>	<b>23,884,798</b>	<b>1,455,970</b>	<b>6%</b>



## Cash Flow Statement

RLH's consolidated cash flow statement as of June 30, 2024 is shown below.

Consolidated Cash Flow Statement				
<i>Figures in thousands MXN \$ except otherwise indicated</i>				
	June 30, 2024	June 30, 2023	Var. y/y	
<b>Operating Activities</b>				
EBITDA	1,048,933	916,733	132,200	14%
Net cash flows (used) from operating activities	505,729	(314,761)	820,490	-261%
Cash Flow used in investing activities	(863,779)	(563,586)	(300,193)	53%
Net cash flows (used) from financing activities	117,895	(350,351)	468,246	134%
(Decrease) increase in cash and cash equivalents	(240,155)	(1,228,698)	988,543	-80%
(+) Cash at the beginning of the period	2,452,019	5,064,823	(2,612,804)	-52%
<b>Cash and Cash Equivalents</b>	<b>2,211,864</b>	<b>3,836,125</b>	<b>(1,624,261)</b>	<b>-42%</b>

### About RLH Properties, S.A.B. de C.V.

RLH Properties is a leading company in its sector, listed on the Mexican Stock Exchange and specialized in the acquisition, development and management of luxury and ultra-luxury hotels and resorts, as well as residential products associated with hotel brands. Based in Mexico City since 2013, RLH Properties is mainly owned by pension funds, institutional investors, Mexican family wealth management offices. RLH's investment strategy focuses on AAA assets situated in unique locations with high barriers to entry, in markets with low supply in proportion to current and future demand, and in partnership with the best hotel operators internationally. RLH's current portfolio includes Rosewood Mayakoba, Fairmont Mayakoba, Banyan Tree Mayakoba, Andaz Mayakoba, Four Seasons CDMX, One&Only Mandarin, El Camaleón Mayakoba, Rosewood Residences Mayakoba, Fairmont Heritage Place Mayakoba and One&Only Mandarin Private Homes. It also has two projects under development, Rosewood Mandarin and Rosewood Residences Mandarin, which are scheduled to open in 2024. For more information, please visit: [www.rlhproperties.com](http://www.rlhproperties.com)