

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

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 third quarter of 2024. Except where otherwise noted, all figures in the report were prepared in accordance with International Financial Reporting Standards ("IFRS") and expressed in nominal Mexican pesos.

Relevant Information for 3Q 2024.

During the third quarter, RLH Properties' financial results showed an increase in **total revenues**, driven mainly by the good performance of the portfolio's assets and the strengthening of the U.S. dollar against the peso. Highlights include Fairmont Mayakoba and Four Seasons Mexico City, which continue to lead the market in which they operate, as well as One&Only Mandarin, which continues to consolidate its presence in the sector.

Consolidated P&L

Figures in thousands MXN \$ Except otherwise indicated

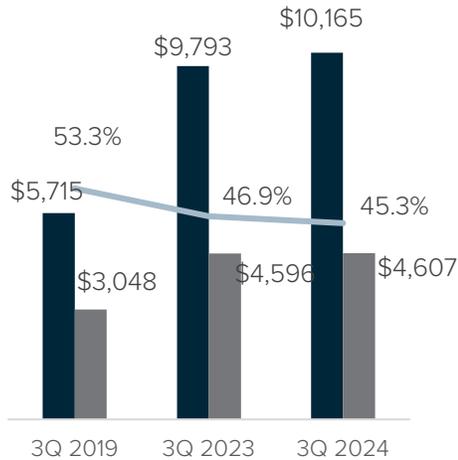
	Quarter					
	3Q 2024	%	3Q 2023	%	Var. y/y	
Total Revenues	1,254,701	100%	1,155,106	100%	99,595	9%
Hotel costs and expenses	(1,075,217)	-86%	(1,060,654)	-92%	(14,563)	1%
Residential costs and expenses	(223,207)	-18%	(79,469)	-7%	(143,738)	181%
Indirect expenses	(208)	0%	(210)	0%	2	-1%
Gross Operating Profit (GOP)	(43,931)	-4%	14,773	1%	(58,704)	-397%
<i>Margin (%)</i>	-4%		1%		-59%	
EBITDA	(116,466)	-9%	(62,249)	-5%	(54,217)	-87%
<i>Margin (%)</i>	-9%		-5%		-54%	

Total revenues increased 9% compared to the same period of the previous year, driven mainly by significant growth of 36% in residential revenues and 5% in hotel revenues.

Gross operating profit (GOP) for the third quarter was (43.9M), which represents a decrease compared to the same period of the previous year, mainly due to the costs associated with the sale of the residences affected by inflation and the exchange rate.

RLH's consolidated recurring **EBITDA** after corporate expenses for the third quarter was 87% lower than the same period of the previous year, reaching (116M). Among the factors contributing to this decrease were the costs associated with the development of the residences sold.

Aggregate Operating Assets 3Q 2024
vs. 3Q 2019 and 3Q 2023 (MXN)



■ ADR (MXN) ■ RevPAR (MXN) — Occupancy (%)

The occupancy rate was **45.3%**, registering a **decrease of 1.6 p.p.** compared to the same period of the previous year and a **decrease of 8.0 p.p.** compared to the same period in 2019.

The average rate was **10,165 (536 USD)**, which represented an **increase of 3.8%** over the previous year and an **increase of 77.8%** over 2019, in local currency. Meanwhile, the rate in U.S. dollars registered a **decrease of 6.9%** compared to the previous year and an **increase of 81.8%** compared to 2019.

RevPAR was **4,607 (243 USD)**, which represented an **increase of 0.2%** over the previous year and an **increase of 51.1%** over 2019, in local currency. Meanwhile, RevPAR in U.S. dollars recorded a **decrease of 10.1%** over the previous year and an **increase of 54.5%** over 2019.

Hotel Assets Operating Statistics 3Q2024

The following are the main aggregate operating indicators¹ of RLH Properties' Hotel Assets portfolio as of the third quarter of 2024:

Operational Indicators for the 3rd Quarter, 2024					
Stabilized Assets and Other Assets					
Indicator	3Q 2019	3Q 2023	3Q 2024	% Var. 3Q 2024 vs. 3Q 2019	% Var. 3Q 2024 vs. 3Q 2023
ADR (USD)	\$304	\$527	\$486	59.7%	(7.9%)
ADR (MXN)	\$5,902	\$8,977	\$9,240	56.6%	2.9%
Occupancy (%)	58.1%	47.2%	44.7%	(13.4 bps)	(2.4 bps)
RevPAR (USD)	\$177	\$249	\$217	22.8%	(12.6%)
RevPAR (MXN)	\$3,431	\$4,233	\$4,132	20.4%	(2.4%)
Total Revenues (USD '000)	\$28,110	\$51,145	\$46,082	63.9%	(9.9%)
Total Revenues (MXN '000)	\$545,338	\$871,366	\$875,880	60.6%	0.5%
EBITDA* (USD '000)	\$1,033	\$1,039	(\$313)	(130.3%)	(130.1%)
EBITDA* (MXN '000)	\$19,088	\$17,949	(\$3,489)	(118.3%)	(119.4%)
EBITDA* Net of FF&E Reserve (USD '000)	\$99	(\$573)	(\$1,768)	(1,886.3%)	(2,088.8%)
EBITDA* Net of FF&E Reserve (MXN '000)	\$983	(\$9,511)	(\$31,143)	(3,267.3%)	(2,275.5%)
EBITDA Margin (%)	3.5%	2.1%	-0.4%	(3.9 bps)	(2.5 bps)
EBITDA Net of FF&E Reserve Margin (%)	0.2%	-1.1%	-3.6%	(3.7 bps)	(2.5 bps)
Operating Assets					
Indicator	3Q 2019	3Q 2023	3Q 2024	% Var. 3Q 2024 vs. 3Q 2019	% Var. 3Q 2024 vs. 3Q 2023
ADR (USD)	\$295	\$575	\$536	81.8%	(6.9%)
ADR (MXN)	\$5,715	\$9,793	\$10,165	77.8%	3.8%
Occupancy (%)	53.3%	46.9%	45.3%	(8.0 bps)	(1.6 bps)
RevPAR (USD)	\$157	\$270	\$243	54.5%	(10.1%)
RevPAR (MXN)	\$3,048	\$4,596	\$4,607	51.1%	0.2%
Total Revenues (USD '000)	\$30,680	\$60,533	\$56,818	85.2%	(6.1%)
Total Revenues (MXN '000)	\$595,249	\$1,031,244	\$1,077,747	81.1%	4.5%
EBITDA* (USD '000)	(\$169)	(\$285)	\$94	155.6%	133.0%
EBITDA* (MXN '000)	(\$4,245)	(\$4,696)	\$3,347	178.9%	171.3%
EBITDA* Net of FF&E Reserve (USD '000)	(\$1,180)	(\$2,115)	(\$1,683)	(42.7%)	20.4%
EBITDA* Net of FF&E Reserve (MXN '000)	(\$23,847)	(\$35,881)	(\$30,370)	(27.4%)	15.4%
EBITDA Margin (%)	-0.7%	-0.5%	0.3%	1.0 bps	0.8 bps
EBITDA Net of FF&E Reserve Margin (%)	-4.0%	-3.5%	-2.8%	1.2 bps	0.7 bps

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

¹ 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 45.3%**, registering a **decrease of 1.6 p.p.** compared to the same period of the previous year and a **decrease of 8.0 p.p.** compared to the same period in 2019.

During the quarter, the **international tourism recovery continued its positive trend** considering the reconfiguration of tourism flows to the destinations that were most impacted by the pandemic. In this regard, according to the latest UN Tourism Barometer, in **July 2024**, international tourism **recovered 96% of the levels recorded before the pandemic**, given the significant contribution of demand in Europe and the reopening of markets in Asia and the Pacific. According to the latest available report from the International Air Transport Association (IATA), **international passenger traffic in August registered a 10.6% increase over the previous year**, with the Asia-Pacific region registering a 19.9% growth in the same period. It is worth mentioning that the current recovery is taking place despite various economic and geopolitical challenges, highlighting the strong demand for international travel.

However, considering that the **third quarter of the year** represents the **season with the lowest demand for most beach destinations in Mexico**, these destinations have also experienced an **adjustment in demand caused by the recovery of competitive destinations with historical relevance, mainly in Europe and Asia**. This effect was much more noticeable in the luxury segment, considering that its demand, preponderantly North American, had modified its travel trends given the restrictions related to the pandemic, thus benefiting Mexican markets.

According to data from the Ministry of Tourism, although the number of **international tourist arrivals to Mexico increased by 2.9%** from January to August compared to the same period of the previous year, **hotel occupancy rates have decreased**, registering a 0.3 percentage point lower occupancy rate in the same comparative period. During the third quarter of 2024, the months of July and August registered a lower number of tourist arrivals to hotel rooms compared to the previous year (0.5 percentage points lower and 2.0 percentage points lower, respectively).

In addition to the trend of tourism flows in the country, during the quarter the Riviera Maya suffered the **impact of Hurricane Beryl** in the first weeks of July. The region suffered infrastructure damage which resulted in the interruption of operations and therefore, the cancellation of certain scheduled bookings in the related assets of the portfolio.

In terms of the **performance of the portfolio's assets**, the Four Seasons Mexico City and One&Only Mandarin hotels **stand out**. The **Four Seasons Mexico City** hotel led the segment in which it competes by registering the **highest average occupancy level so far this year**, reaffirming its important position in the luxury segment. For its part, **One&Only Mandarin** registered the **highest average occupancy increase in the portfolio** with respect to the previous year. It also ranked **first in occupancy** compared to its **main competitors in the destination**, and in **July**, it **ranked second in occupancy** compared to its **main competitors in the luxury segment nationwide**. This is the result of the commercial strategy implemented since the beginning of the year, which has strengthened its presence in the market.

Average Rate

The **average rate was 10,165 (536 USD)**, which represented an **increase of 3.8%** over the previous year and an **increase of 77.8%** over 2019, in local currency. Meanwhile, the rate in U.S. dollars registered a **decrease of 6.9%** compared to the previous year and an **increase of 81.8%** compared to 2019.

During the period, in all assets of the portfolio except for the Four Seasons Mexico City hotel, aggressive strategies were implemented at different rate levels in response to demand pressures that mainly impacted the country's beach destinations. Meanwhile, the increase in rates in Mexican pesos is since, during the third quarter of 2024, there **was a 10.9% depreciation of the Mexican peso compared to the same period of the previous year**, going from an average of 17.06 MXN/USD in the third quarter of 2023 to 18.92 MXN/USD in the third quarter of 2024. Compared to 2019, a 2.6% appreciation was observed, going from an average of 19.42 MXN/USD in the third quarter of 2019 to 18.92 MXN/USD in the third quarter of 2024.

In terms of performance, **the Four Seasons Mexico City hotel stands out, with the highest rate growth in the portfolio** compared to the same period of the previous year. This is due to the fact that it is a stabilized asset and competes in a market with new supply in its segment. The **Fairmont Mayakoba** hotel stands out for its **uninterrupted leadership in the rate level of the market** in which it competes since the beginning of the year.

RevPar

RevPAR was **4,607 (243 USD)**, which represented an **increase of 0.2%** over the previous year and an **increase of 51.1%** over 2019, in local currency. Meanwhile, RevPAR in U.S. dollars recorded a **decrease of 10.1%** over the previous year and an **increase of 54.5%** over 2019.

The negative impact on RevPAR during the quarter is directly related to the contraction in demand in the country's main tourist destinations. However, it is important to mention that the pricing strategy achieved **a lower impact on most of the assets in the portfolio than the generalized impact of the markets in which they compete.**

In terms of performance, although the level achieved in the quarter was not favorable compared to the same period of the previous year, it is worth analyzing the results. The **Four Seasons Mexico City** hotel recorded the **highest RevPAR increase in the portfolio** because of its growth in occupancy and average rate. The **Rosewood Mayakoba** hotel continues to **be the uninterrupted RevPAR leader** in the market in which it competes. Finally, the One&Only Mandarin hotel led the RevPAR level of the destination in which it competes during the quarter, and in August, it achieved the **second-best RevPAR level** compared to the **main competitors in the luxury segment at a national level.** This was mainly related to the occupancy levels recorded, which allowed the hotel to achieve relevance in terms of market penetration in the luxury segment at a national level.

EBITDA

EBITDA recorded **positive results in both currencies** compared to the same period on the previous year, representing an **increase of 171.3% in Mexican pesos and 133.0% in U.S. dollars.** Compared to 2019, the increase was **178.9% in Mexican pesos and 155.6% in US dollars.**

During the quarter, **total revenue in local currency increased by 4.5% compared to the previous year but decreased by 6.1% in U.S. dollars.** This is directly related to the RevPAR results for the quarter.

Although tariff pressures significantly impacted the results of the portfolio during the quarter, **important strategies were implemented** in all assets to **optimize the cost structure**, which allowed the **EBITDA result to be higher than that recorded in the same period of the previous year**, even though a higher

level of total revenues had been achieved. This is evident in the **positive margin achieved** during this quarter compared to the previous year.

In particular, the Four Seasons Mexico City and One&Only Mandarin hotels performed favorably compared to the same period of the previous year. The result of the **Four Seasons Mexico City** hotel was **close to double the growth recorded in the same period of the previous year**, due to the important positioning of the hotel in the market and the efficiency of its structure. The **One&Only Mandarin hotel achieved growth that tripled that recorded** in the same period of the **previous** year, because of an important strategy to optimize its structure.

Finally, the performance of **El Camaleón Mayakoba** stands out, which recorded an increase in the number of rounds of golf due to the **strategic attraction of external clients** and the **positioning of the Kobá Clubhouse** after its remodeling, which reopened in December 2023.

Information related to Residential Business

The following are the main commercial indicators for RLH's Residential Business² as of the third quarter of 2024:

Component	Total Inventory	Sales 2024	Sales as of September 30, 2024	Inventory on hand	Sale and Purchase Agreements Signed in 2024
Residences	330	13	247	83	7
Mayakoba	290	12	226	64	7
Rosewood Residences	33	-	31	2	4
Fairmont Heritage Place (FO) ^(a)	53	-	38	15	1
Fairmont Heritage Place (FC) ^(b)	204	12	157	47	2
Mandarina	40	1	21	19	-
Mandarina Private Homes O&O ^(c)	40	1	21	19	-

- (a) FO refers to units that are marketed as "Full Ownership".
- (b) FC means units that are marketed as "Fractions".
- (c) The units of the lots that are active are reported.

² 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.

Third quarter 2024 results

Total Revenues

During the quarter, total revenues showed an increase of 9% compared to the same period last year, mainly due to the good performance of the hotels, mainly the Fairmont Mayakoba Hotel, the Four Seasons Mexico City Hotel and the One&Only Mandarin Hotel, and the 10.9% depreciation of the peso against the US dollar.

RLH Properties' total revenues for the quarter amounted to \$1,254.7M:

- 577.6M in revenues from room rentals (46% of revenues).
- 345M in revenues from food and beverage (28% of revenues).
- 181.5M in revenues from income from residential sales (14% of revenues).
- 150.6M in revenues from other hotel revenues (12% of revenues).

During the quarter, other non-recurring income amounted to 2.6M.

Costs and expenses

During this quarter, RLH Properties' costs and overhead expenses were \$1,298.6M:

- 241M from food and beverage costs and expenses (19% of costs and overhead).
- 223.3M from IT and telecommunications, marketing and maintenance expenses (17% of costs and overhead).
- 214.2M from the sale of residences costs (16% of costs and overhead).
- 210.8M from room expenses (16% of costs and overhead).
- 208.4M from administrative and operating expenses (16% of costs and overhead).
- 111.4M from other departmental expenses and basic services (9% of costs and overhead).
- 89.6M from operating fees, insurance and property expenses (7% of costs and overhead).

Costs and overheads showed an increase of 14% compared to the same period in 2023.

EBITDA

Hotel EBITDA for the quarter reached 11.2M, registering an increase of 190% compared to the same period of 2023, while total negative EBITDA of 116.5M, registering an increase in loss of 87% compared to the same period of 2023, mainly due to the negative effect on residential sales.

Corporate expenses

During the quarter, recurring corporate expenses showed a 7% increase compared to the same period of 2023, mainly due to corporate fees corresponding to business strategies.

Comprehensive financing result

During the quarter, the financial debt and the foreign exchange loss generated a financial cost in results of 556.6M.

During the quarter, the net financing cost amounted to 124.5M and is broken down as follows:

Comprehensive financing result

Figures in thousands MXN \$ except where otherwise indicated

	<u>3Q 2024</u>	<u>3Q 2023</u>	<u>Var. y/y</u>
Financing Costs			
Interest and financial costs	(294,445)	(119,175)	(175,270)
Foreign exchange loss	(262,102)	(170,824)	(91,278)
Financial cost	(556,547)	(289,999)	(266,548)
Interest earned	227,506	50,267	(177,239)
Exchange profit	204,569	193,649	10,920
Financing costs	(124,472)	(46,083)	(78,389)

Net loss for the period

During the quarter, the net loss was 147.4M, showing an increase of 86% compared to the same quarter of the previous year, mainly due to: i) financing costs, ii) amortization of refinancing costs and iii) the strengthening of the dollar against the peso causing a greater impact from exchange loss from bank loans; offset by the benefit of deferred taxes due to the implementation of tax strategies and interest limitation on certain assets.

Cash flow

Net cash flow as of September 30, 2024, from operating activities was 1,149.4M, mainly due to EBITDA of 932.5M and non-cash generating items of 567.2M, offset by negative working capital of 350.3M. Net cash flow from investing activities was negative 1,354.3M, due to CAPEX and intangible investments of 1,504.4M; offset by 150.1M of interest collected. Net cash flow from financing activities was positive for 4,938.9M, due to the obtaining of bank loans for 9,259.7M, the benefit received due to the termination of hedging of financial instruments for 159.7M; offset by the payment of amortizations of bank loans for 3,974M and interest paid for 506.6M.

Financial Situation

Cash and Liquidity

As of September 30, 2024 the RLH position of cash and cash equivalents is 7,186M, showing an increase of 4,733.9M with respect to December 31, 2023 mainly originated by obtaining bank loans for 9,259.71M, cash flow generated by operating activities for 1,149.4M, the benefit received due to the termination of hedging of financial instruments of 159.7M and interest collected of 150.1M; offset by the payment of loan principal and interest of 4,480.5M and the investment in CAPEX and intangibles of 1,504.4M.

Accounts Receivable

As of September 30, 2024 show a decrease of 146.8M with respect to December 31, 2023, mainly due to the low hotel occupancy as a result of the season during the quarter for 174.6M and the recovery of ISR, VAT and other taxes for 48.9M; offset by the cancellation of the accounts receivable reserve for 62.9M and the increase in accounts receivable from related parties for 13.8M, mainly for condominium fees.

Real estate inventories

As of September 30, 2024, short-term real estate inventories show a balance of 1,704.6M and are comprised of land under development for 613.1M and work in progress for 1,091.6M, these present a net increase of 157.1M 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 September 30, 2024, fixed assets had a net increase of 2,745.5M with respect to December 31, 2023, mainly due to 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 1,712.3M and due to investments in construction in progress and fixed asset additions for 1,452.4M; offset by depreciation for 399.2M and write-offs for 20M.

As of September 30, 2024, intangible and other assets had a net increase of 29.6M with respect to December 31, 2023, mainly due to additions of 52M, the translation effect derived from the strengthening of the dollar against the peso of 47.5M; offset by amortization for the period of 66.6M and write-offs of intangible assets of 3.3M.

Goodwill of 153.3M shows an increase of 14.8M due to the translation effect derived from the strengthening of the dollar against the peso.

Customer advances

As of September 30, 2024, total customer advances amounted to \$2,097.5M, comprised of \$1,165.1M of deposits received from residential pledge agreements and \$932.3M of advances from hotel customers.

The increase of 259.2M over December 31, 2023, is mainly in hotel advances of 131.7M due to the year-end holiday season, advances received from residences of 440.2M; offset by the application of residential sales of 312.7M and the strengthening of the dollar against the peso by 11%.

Total bank debt

As of September 30, 2024, RLH's total debt is 12,477.7M showing an increase of 6,603.3M compared to the balance as of December 31, 2023, such increase is mainly due to the obtaining of credit for 9,259.7M, the negative exchange fluctuation for 1,287.3M and cancellation of amortized costs of 111.9M for refinancing; offset by the payment of loans for 3,974M and unamortized costs for 81.5M.

As of September 30, 2024, 100% of the Company's total debt is denominated in U.S. dollars, with a weighted average financial cost of 6.67%. Additionally, debt maturities are long-term.

The following table presents the detail of the debt position:

Component	3Q2024	Currency	Interest rate	Expiration
<i>Figures in thousands of USD\$ except where otherwise indicated.</i>				
Four Seasons Mexico City	99,750	USD	2.70%+ SOFR	2029
Fairmont Mayakoba	104,213	USD	2.50%+ SOFR	2029
Rosewood Mayakoba	137,461	USD	2.50%+ SOFR	2029
Banyan Tree Mayakoba	135,476	USD	2.50%+ SOFR	2029
Andaz Mayakoba	49,488	USD	3.00%+ SOFR	2033
One&Only Mandarin	71,408	USD	2.97%+ SOFR	2029
RLH Properties	46,500	USD	2.75%+ SOFR	2026
Total debt position (1)	12,646,886			

(1) Banxico's USD applied C.R. at the end of 3Q2024

Derivative financial instruments

As of September 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 a decrease due to the refinancing of the debt, causing the settlement of \$159.7M and the contracting of new CAPS and SWAPS financial instruments. The valuation of the new instruments reflects a negative amount of 20.9M and an exchange effect of 1.5M, which were recorded in other comprehensive income. These products, with maturities until 2026, were cashed at the time of closing the operations and have the following characteristics:

Company	Notional Pesos	Date of Agreement	Expiration	Fixed rate	Variable rate	Fair value at	
					September 30, 2024	September 30, 2024	December 31, 2023
Four Seasons Mexico City	978,996	30-Sep-24	31-Jul-26	3.29%	4.60%	(\$2,901)	\$15,517
Rosewood Mayakoba	1,349,113	30-Sep-24	31-Jul-26	3.29%	4.60%	(\$3,825)	\$16,960
Banyan Tree Mayakoba	1,329,632	30-Sep-24	31-Jul-26	3.29%	4.60%	(\$3,770)	\$30,259
Fairmont Mayakoba	1,022,794	30-Sep-24	31-Jul-26	3.29%	4.60%	(\$2,958)	\$86,214
One&Only Mandarin	1,051,243	16-Jun-22	30-Jun-26	3.46%	4.60%	\$690	\$9,037
Active financial instruments						(\$12,764)	\$157,987

Stockholders' equity

The increase in stockholders' equity of 892.3M is mainly due to the net income for the period of 555.3M, the positive net valuation of foreign currency assets of 468M derived from the strengthening of the dollar against the peso; offset by the negative result of the revaluation and cancellation of financial instruments of 131.1M.

Corporate Governance

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

Annexes

Portfolio:

As of September 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 1 18-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 Statements.

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

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

MXN million		
Hotel EBITDA 3Q2024		1,262
Corporate Expenses	} MXN (329.3M)	(183.3)
Residential Business Results		(79.8)
Golf Tournament (LIV)		-
IFRS adjustments		(59.9)
Fork Management		(6.3)
Consolidated Statement of Income 3Q2024		932

The net difference of MXN (\$329.3M) arises mainly from:

- i. The owner's income/(expense) MXN (\$183.3M) is not recorded in the EBITDA of the hotels, but within the consolidated statement of income. In particular, items such as extraordinary OPEX of assets, consulting, legal expenses, tax recovery, among others, are distinguished.
- ii. MXN (\$79.8M) from the results of the Residences: Rosewood Residences and Mandarin Private Homes.
- iii. IFRS adjustments, foreign exchange effects and interest generated by the operation of the hotels, as well as IFRS compliance, are reflected in the comprehensive financing result in the amount of MXN (\$59.9M).
- iv. Holding Administration, are tax expenses of holding companies and expenses for the construction of the Rosewood Mandarin hotel not capitalizable MXN (\$6.3M).

Income Statement 3Q2024

The main 3Q2024 consolidated financial results of RLH are shown below.

Consolidated P&L

Figures in thousands MXN \$ except otherwise indicated

	Quarter					
	3Q 2024	%	3Q 2023	%	Var. y/y	
Hotel Revenues	1,070,586	85%	1,021,107	88%	49,479	5%
Hotel Costs and Expenses	(1,059,359)	-84%	(1,033,571)	-89%	(25,788)	2%
Hotel EBITDA	11,227	1%	(12,464)	-1%	23,691	190%
Residential Revenues	181,523	14%	133,102	12%	48,421	36%
Other revenues, net	2,592	0%	897	0%	1,695	189%
Other costs and expenses	(223,207)	-18%	(79,469)	-7%	(143,738)	181%
Sales & Marketing expenses	(15,858)	-1%	(27,083)	-2%	11,225	-41%
Indirect expenses	(208)	0%	(210)	0%	2	-1%
(Loss) Operating Profit	(43,931)	-4%	14,773	1%	(58,704)	-397%
Corporate expenses	(87,354)	-7%	(81,785)	-7%	(5,569)	7%
Other net revenues (expenses), non-recurring	14,819	1%	4,763	0%	10,056	211%
EBITDA	(116,466)	-9%	(62,249)	-5%	(54,217)	-87%
Depreciation and amortization	(158,768)	-13%	(151,911)	-13%	(6,857)	5%
Financing costs	(124,472)	-10%	(46,083)	-4%	(78,389)	170%
(Loss) Profit before income taxes	(399,706)	-32%	(260,243)	-23%	(139,463)	54%
Deferred Tax Expense	250,731	20%	152,847	13%	97,884	64%
ISR Provision	1,554	0%	28,272	2%	(26,718)	-95%
(Loss) Net Profit	(147,421)	-12%	(79,124)	-7%	(68,297)	-86%

Financial Situation

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

Consolidated Balance Sheet				
<i>Figures in thousands MXN \$ except otherwise indicated</i>				
Assets	September 2024	December 2023	Var. y/y	
Cash and cash equivalents	7,185,960	2,452,019	4,733,941	193%
Accounts receivable and related parties	956,557	1,103,331	(146,774)	-13%
Real estate inventories	1,704,634	1,484,836	219,798	15%
Other items of current assets	348,644	315,572	33,072	10%
Current Assets	10,195,795	5,355,758	4,840,037	90%
Fixed assets, intangibles and goodwill	18,769,988	15,980,088	2,789,900	17%
Real estate inventories	1,116,422	1,115,744	678	0%
Differed Taxes	1,262,476	1,184,519	77,957	7%
Derivative financial instruments	3,133	157,987	(154,854)	-98%
Other items of non-current assets	94,123	90,702	3,421	4%
Non-current assets	21,246,142	18,529,040	2,717,102	15%
Total Assets	31,441,937	23,884,798	7,557,139	32%
Liabilities and equity				
Short term portion of bank loans	400,947	363,477	37,470	10%
Advanced deposits	2,097,452	1,838,221	259,231	14%
Accounts payable	1,769,908	1,881,752	(111,844)	-6%
Short term liabilities	4,268,307	4,083,450	184,857	5%
Long term debt	12,076,717	5,510,861	6,565,856	119%
Differed taxes	768,354	677,839	90,515	13%
Other long term liabilities	69,251	259,061	(189,810)	-73%
Derivative financial instruments	13,454	0	13,454	100%
Long term liabilities	12,927,776	6,447,761	6,480,015	101%
Equity	14,245,854	13,353,587	892,267	7%
Total liabilities and equity	31,441,937	23,884,798	7,557,139	32%

Cash Flow Statement

The consolidated cash flow statement of RLH as of September 30, 2024 is shown below.

Consolidated Cash Flow Statement				
<i>Figures in thousands MXN \$ except otherwise indicated</i>				
	September 30, 2024	September 30, 2023	Var. y/y	
Operating Activities				
EBITDA	932,467	854,484	77,983	9%
Net cash flows (used) from operating activities	1,149,399	(526,166)	1,675,565	-318%
Cash Flow used in investing activities	(1,354,316)	(951,666)	(402,650)	42%
Net cash flows (used) from financing activities	4,938,858	(530,632)	5,469,490	1031%
Increase (decrease) in cash and cash equivalents	4,733,941	(2,008,464)	6,742,405	-336%
(+) Cash at the beginning of the period	2,452,019	5,064,823	(2,612,804)	-52%
Cash and Cash Equivalents	7,185,960	3,056,359	4,129,601	135%

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