MOORE

H1
2025
RESULTS

Hotels Quarterly

International Hotel
Market Assessment
based on fresh-released data

Eleventh Edition

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When it comes to hospitality real estate properties, Moore Hotels, Financial, Legal, and M&A transaction advisory practices help owners, investors and financiers as one professional team to get around all obstacles and explore new business opportunitites - from delivering a global hotel brand to your property, to helping you in a successful exit.

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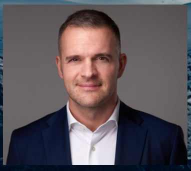

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About the Hotels Quarterly

These short reports are based on quarterly earnings reports of select leading, internationally branded hotel companies. We compiled and analysed data to draw conclusions that can be projected to the global hotel industry at large. This series is published quarterly with the intention to serve as a new source of credible and interesting information for industry stakeholders of all kinds.

For data compatibility we have picked and analysed companies traded on U.S. stock exchanges, namely Marriott International (NASDAQ: MAR), Hilton Worldwide Holdings (NYSE: HLT), InterContinental Hotels Group (NYSE:IHG and LON:IHG), and Hyatt Hotels Corporation (NYSE: H). The conclusions drawn in this report are the result of data analysis from a diverse group of randomly selected companies.

These selected companies, as of today, together represent a total geographic coverage of 109 countries across the globe and collectively comprise more than 26 655 internationally branded properties at the time of the preparation of this study (June, 2025). This robust dataset serves as a representative sample, providing valuable insights into the performance of the global hotel market.

We hope our quarterly reports are valuable resources, providing you with a new angle on the evolution of the industry, its news and trends.

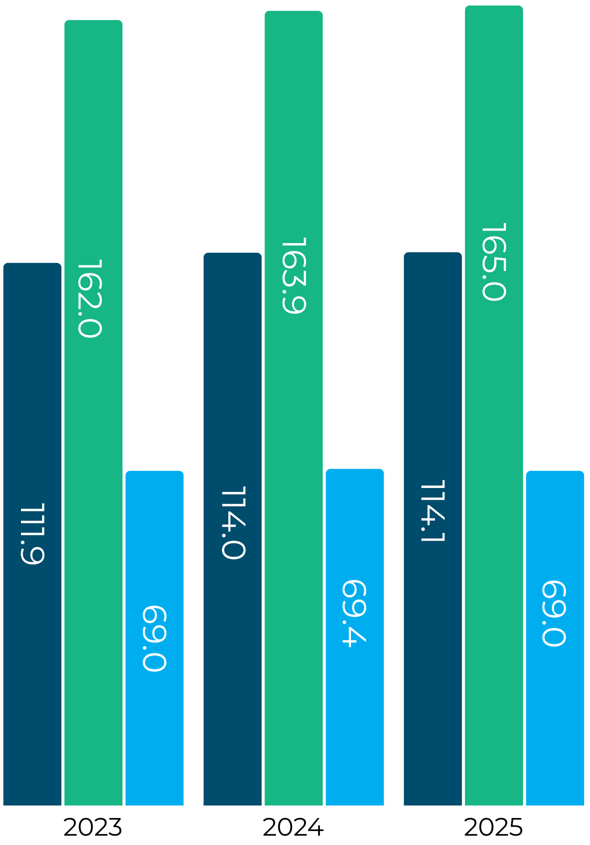
You can subscribe to our e-mail list at hotels@mooreglobal.hu to receive the Hotels Quarterly at the time of its publishing.

Moore Hotels and Leisure specialises in industry-specific strategic, development and M&A advisory, working closely with owners, developers, financiers, hotel brands, operators and other industry stakeholders.

The Waldorf Astoria New York

Holding strong amidst headwinds

H1 2025



US$114.1
Global average RevPAR
+ 0.1%

US$165.0
Global average net. Daily rates
+ 0.7%

69.0%
Global branded Hotel occupancy
-0.3pp

RevPAR (USD) ADR (USD) Occupancy (%)

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2025 H1 RESULTS

The global hotel industry's first-half performance was marked by regional variations, shaped by geopolitical uncertainty, economic headwinds, and uneven demand patterns.
After a RevPAR growth of 0.52% in Q1, global performance shifted to a 0.48% decline in Q2. This modest first-quarter gain, followed by a second-quarter dip, meant that

year-over-year global average RevPAR remained essentially flat, up just 0.1% to US$114.1.

The stagnation was driven by a 0.3-percentage-point fall in global branded hotel occupancy, only partly offset by a 0.7% increase in the global average net daily rate, which rose to US$165.
Weaker-than-expected global results were largely shaped by slowdowns in the two largest markets, the United States and Greater China.

North America experienced a clear softening through H1,

with business transient and group segments showing the greatest weakness. Government spending cuts, extended holiday impacts, and broader economic caution weighed on performance across the region, despite ongoing resilience in leisure demand. The region's challenges were compounded by short booking windows and restrained corporate travel policies that reduced visibility and planning.

No one expected this US slowdown, which caught many by surprise given that travel demand had appeared stable going into 2025.

The drivers became clearer over the summer. Weekday corporate demand in the top 25 metropolitan markets stalled even as weekends and leisure held firm; inflationary pressures and tariff uncertainty curbed confidence; and year-on-year comparisons became more demanding after an exceptionally strong 2024. Luxury and upper-upscale hotels weathered conditions better, while midscale and economy properties came under pressure, accentuated by a decline in government-related demand.

Greater China remained challenging for operators, particularly in secondary and tertiary cities. However, the region showed signs of stabilisation, with sequential improvement from Q1 to Q2. Despite persistent RevPAR pressures, development pipelines remain active and long-term growth expectations intact.

Europe, Middle East & Africa emerged as the strongest performing region globally,

lifted by robust event-driven demand including religious holidays, major conventions, and buoyant inbound leisure flows. The region displayed notable resilience despite geopolitical headwinds, with

operators reporting double-digit growth in several key markets supported by both domestic and international travellers.

Asia Pacific markets excluding China maintained strong momentum through the first half, driven by group bookings, leisure demand, and a renewed wave of Chinese outbound travel to neighbouring destinations.

Leisure segments generally outperformed business and group travel across most regions, underlining consumers' continued prioritisation of experiential spending over corporate travel normalisation. This trend varied by market maturity and economic backdrop, but luxury and resort properties frequently stood out as the strongest performers within the leisure category.

Marriott International

Hilton Worldwide

InterContinental Hotels

Hyatt Hotels Corporation

HOTEL

109 **COUNTRIES**

26 655 **PROPERTIES**

COVERED IN THIS STUDY

Q2 2025

Global hotel chains continued to expand at a rapid pace in the first half of 2025, with the total number of properties worldwide rising by 8.7% compared to the same period last year.
This strong growth was largely supported by a high volume of conversions and acquisitions, as operators sought to accelerate expansion and capture new demand in key markets. Conversions now account for a significantly larger share of portfolio growth, driven by their speed to market and appeal amid elevated construction costs.

"Branded hotels in the portfolio grew by a **staggering 2,124 properties** in just 12 months."

Marton Takacs
Partner, Hotel Advisory and Hotel and Leisure Global Sector Leader

A softer second quarter

Q2

2025

US$122.2
Global Average RevPAR
-0.48%

US$168.3
Average Net. Daily Rates
+0.63%

72.5%
Global Hotel Occupancy
-0.8pp

During the second quarter, global RevPAR eased 0.48% year on year, reflecting a 0.8 percentage point reduction in occupancy alongside continued rate growth.

Performance was supported by the Middle East & Africa and Asia Pacific excluding China, but offset by softer trends in the United States and China. Average daily rate increased by 0.63%, partly balancing the occupancy pullback. After several years of gains, this was the first year-on-year decrease in RevPAR, and it was marginal.

Looking ahead, the third quarter is expected to be shaped largely by the trajectory of the US market, yet the underlying global fundamentals remain intact.

RevPAR (USD) ADR (USD) Occupancy (%)

HOTEL SUPPLY SEGMENT ANALYSIS

H1 2025 results came against an exceptionally high base, with performance across all segments consolidating near record levels. Luxury maintained the highest RevPAR at US$303 with only a marginal easing, while upper upscale and upscale remained broadly stable, demonstrating sustained pricing strength. Upper midscale, the largest supply tier, held steady at US$125, and midscale delivered the strongest relative growth, reaching US$114 as value-oriented demand continued to expand.KPIs of the first six months of 2024 per supply segments were as follows (ADRs and RevPars in US$):

Global key performance indicators per supply segments in 2025											
		Avg. ADR (US$)			Avg. RevPAR (US$)			Average RevPAR (US$)			
Tier	Share	2023	2024	**2025 H1**	2023	2024	**2025 H1**	2023	2024	**2025 H1**	
LUXURY	4.22%	68%	67%	**67%**	294	308	**303**	199	198	**197**	↓
UPPER UPSCALE	12.01%	69%	70%	**70%**	198	199	**201**	136	140	**142**	↑
UPSCALE	26.05%	71%	71%	**70%**	144	145	**144**	103	103	**102**	↓
UPPER MIDSCALE	53.22%	70%	70%	**69%**	124	125	**125**	88	88	**87**	↓
MIDSCALE	4.51%	74%	72%	**72%**	112	114	**114**	83	82	**82**	→

**Since our study for H1 2024, key performance data for one of the hotel brand has been adjusted.*

KPIs of the second quarter of 2024 per supply segments were as follows (ADRs and RevPars in US$):

Global key performance indicators per supply segments in 2025											
		Avg. Occ. Rates (%)			Avg. ADR (US$)			Avg. RevPAR (US$)			
Tier	Share	2023	2024	**2025 Q2**	2023	2024	**2025 Q2**	2023	2024	**2025 Q2**	
LUXURY	4.22%	69%	69%	**69%**	288	303	**300**	198	202	**202**	→
UPPER UPSCALE	12.01%	72%	74%	**74%**	203	203	**205**	146	150	**151**	↑
UPSCALE	26.05%	74%	75%	**74%**	149	150	**148**	111	113	**110**	↓
UPPER MIDSCALE	53.22%	74%	74%	**73%**	129	131	**129**	96	98	**95**	↓
MIDSCALE	4.51%	77%	77%	**76%**	116	118	**118**	89	91	**89**	↓

DATA REFLECT ALL BRANDS, SYSTEMWIDE, ALL LOCATIONS.

MOORE

Published financial data

SUMMARY OF OF PUBLICLY TRADED HOTEL COMPANIES IN **Q2 2025**

Q2 2025 Published Financial Data of Hotel Groups Under Study						
	HILTON		MARRIOTT		HYATT	
Total revenue	3 137	mUSD	6 744	mUSD	1 808	mUSD
Net income	440	mUSD	763	mUSD	-4	mUSD
Adjusted EBITDA	1 008	mUSD	1 415	mUSD	303	mUSD
Operating profit	778	mUSD	1 236	mUSD	-	mUSD
Earnings per share (diluted)	1.7	USD	2.8	USD	0	USD
Number of repurchased shares (pc.)	3.2	million	2.8	million	-	million

(excluding IHG as relevant quartelry data was not published)

Selected key financial data for the hotel groups under study are presented in the table above. It is crucial to note that the disclosed figures are limited to the financial information of the subject publicly traded hotel companies and do not include the comprehensive systemwide operating performance of the branded hotel portfolios. Furthermore, it is essential to acknowledge that the earnings reports published by these companies may still be unaudited, and hence may differ from the official audited figures that are released annually.

In 2024, we have seen remarkable growth across the hotel groups in our study. A further growth was observed in the Q2 2025 compared to the Q2 2024, both in terms of revenue and EBITDA levels. Revenue and adjusted EBITDA increased at an average growth rate of 5% and 7%, respectively, compared to the previous year. However, operating profit, diluted earnings per share, and net income decreased relative to the Q2 2024.

While these hotel groups achieved moderate top-line growth and sustained positive operational momentum, profitability has nonetheless weakened compared to the same period of the previous year. This indicates that revenue expansion has not fully translated into bottom-line gains. As of the date of this analysis, the implications of the quarterly decline in net income for the year-end performance remain unclear; in our assessment, the quarterly results should be interpreted in light of their potential cumulative impact over the full fiscal year.

MOORE

Moore Global Network

116
Countries

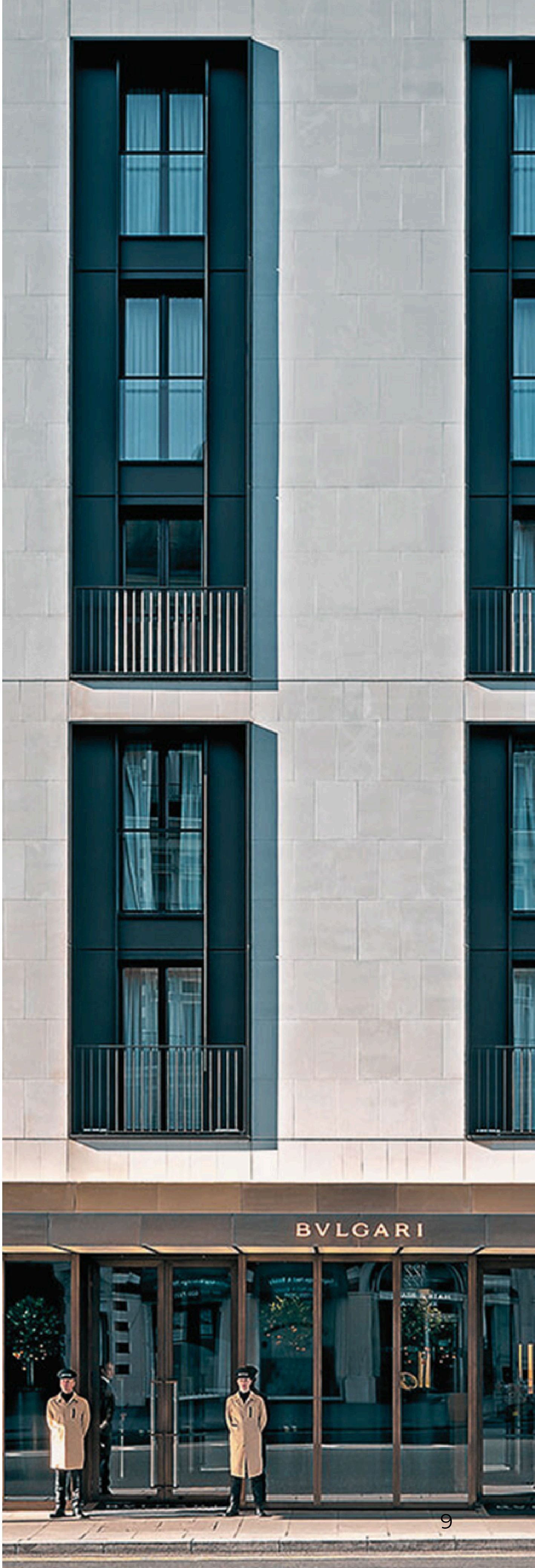
>37,000
People

234
Independent Firms

~5.1+ billion
USD revenue
in FY2024

WE ARE THE
FASTEST GROWING
ADVISORY NETWORK

AMONG THE TOP
25 NETWORKS



End-to-end support throughout the hospitality real estate lifecycle.

PLANNING,
MARKET POSITIONING
& FEASIBILITY

INVESTMENT,
ACQUISITION
& DEVELOPMENT

ASSET
MANAGEMENT
& OPERATION

EXIT STRATEGY
& TRANSACTION
EXECUTION


THANK YOU FOR CHOOSING TO BE PART OF OUR JOURNEY.

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