

# INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS AND NOTES

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Unless stated otherwise, the amounts presented are in millions of euros, rounded to the nearest million. In general, the amounts presented in the consolidated financial statements and related notes are rounded to the nearest unit. This may result in a non-material difference between the sum of the rounded amounts and the reported total. All ratios and variances are calculated using the underlying amounts rather than the rounded amounts.

## Consolidated income statement

<i>(€ in million)</i>	Notes	1st semester 2023	1st semester 2024
<b>Revenue</b>	4	<b>2,402</b>	<b>2,677</b>
Operating expenses	4	(1,955)	(2,173)
<b>Current EBITDA</b>	4	<b>447</b>	<b>504</b>
Depreciation and amortization		(131)	(159)
<b>Current EBIT</b>		<b>316</b>	<b>345</b>
Share of net profit/(loss) of equity-investments	5	9	49
<b>EBIT including share of net profit/(loss) of equity investments</b>		<b>325</b>	<b>395</b>
Other income and expenses	6	26	(2)
<b>Operating profit</b>		<b>351</b>	<b>393</b>
Net financial expense	9	(45)	(21)
Income tax	10	(48)	(100)
<b>Net profit of the period</b>		<b>258</b>	<b>272</b>
<b>• Group share</b>		<b>248</b>	<b>253</b>
<b>• Minority interests</b>		<b>10</b>	<b>19</b>
<b>Basic earnings per share</b>		<b>0.81</b>	<b>0.90</b>
<b>Diluted earnings per share</b>		<b>0.81</b>	<b>0.89</b>

## Consolidated statement of other comprehensive income

<i>(€ in million)</i>	<b>1st semester 2023</b>	<b>1st semester 2024</b>
<b>Net profit of the period</b>	<b>258</b>	<b>272</b>
Currency translation adjustments	(30)	15
Effective portion of gains and losses on hedging instruments	3	(2)
<b>Items that may be reclassified subsequently to profit or loss</b>	<b>(28)</b>	<b>14</b>
Changes in the fair value of non-consolidated investments	67	(2)
Actuarial gains and losses on defined benefit plans	(0)	5
<b>Items that will not be reclassified to profit or loss</b>	<b>67</b>	<b>3</b>
<b>Other comprehensive income, net of tax</b>	<b>39</b>	<b>17</b>
<b>Total comprehensive income of the period</b>	<b>297</b>	<b>288</b>
• Group share	291	270
• Minority interests	6	18

## Consolidated statement of financial position

### Assets

<i>(€ in million)</i>	Notes	Dec. 2023	June 2024
<b>Goodwill</b>	7	<b>2,340</b>	<b>2,394</b>
<b>Other intangible assets</b>	7	<b>3,156</b>	<b>3,118</b>
<b>Property, plant &amp; equipment</b>	7	<b>416</b>	<b>377</b>
<b>Right-of-use assets</b>	7	<b>689</b>	<b>697</b>
Equity-accounted investments	5	988	1,185
Other non-current financial assets	9	310	363
<b>Non-current financial assets</b>		<b>1,298</b>	<b>1,548</b>
Deferred tax assets		229	239
Non-current contract assets	4	357	379
Other non-current assets		1	1
<b>Non-current assets</b>		<b>8,486</b>	<b>8,753</b>
Inventories	4	36	39
Trade receivables	4	824	953
Other current assets	4	434	604
Current financial assets	9	152	149
Cash and cash equivalents	9	1,283	922
Assets classified as held for sale	3	53	73
<b>Current assets</b>		<b>2,781</b>	<b>2,740</b>
<b>TOTAL ASSETS</b>		<b>11,267</b>	<b>11,492</b>

## Equity and Liabilities

<i>(€ in million)</i>	<b>Notes</b>	<b>Dec. 2023</b>	<b>June 2024</b>
Share capital	11	757	731
Additional paid-in capital and reserves	11	2,541	2,499
Net profit of the year		633	253
<b>Ordinary shareholders' equity</b>		<b>3,931</b>	<b>3,483</b>
Perpetual subordinated bonds	11	1,000	1,000
<b>Shareholders' equity - Group share</b>		<b>4,931</b>	<b>4,483</b>
Minority interests	11	380	398
<b>Shareholders' equity</b>		<b>5,311</b>	<b>4,881</b>
Non-current financial debt	9	1,887	2,519
Non-current lease liabilities	9	639	651
Deferred tax liabilities		491	485
Non-current provisions	8	31	29
Pensions and other benefits		52	51
Non-current contract liabilities	4	27	20
<b>Non-current liabilities</b>		<b>3,127</b>	<b>3,754</b>
Current financial debt	9	736	582
Current lease liabilities	9	110	110
Current provisions	8	99	82
Trade payables	4	515	533
Other current liabilities	4	887	971
Current contract liabilities	4	152	229
Loyalty program liabilities	4	319	349
Liabilities classified as held for sale	3	13	0
<b>Current liabilities</b>		<b>2,829</b>	<b>2,858</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>11,267</b>	<b>11,492</b>

## Consolidated statement of cash flows

<i>(€ in million)</i>	Notes	1st semester 2023	1st semester 2024
Current EBITDA	4	447	504
Interests received / (paid)		(28)	(42)
Income tax paid		(67)	(108)
Non-cash revenue and expense included in current EBITDA		23	29
<b>Funds from (used in) operations</b>		<b>374</b>	<b>383</b>
Decrease / (increase) in working capital	4	(310)	(222)
Decrease / (increase) in contract assets and liabilities	4	69	60
<b>Net cash flows from (used in) recurring operating activities</b>		<b>133</b>	<b>220</b>
Cash received / (paid) on non-recurring items		(24)	(44)
<b>Net cash flows from (used in) operating activities (A)</b>		<b>110</b>	<b>176</b>
Acquisition of subsidiaries, net of cash acquired		(17)	(44)
Acquisition of property, plant and equipment & intangible assets		(83)	(186)
Acquisition of equity-investments and non-current financial assets		(49)	(163)
Loans granted to third parties		(58)	166
Proceeds from disposal of subsidiaries, net of cash transferred		106	71
Proceeds from disposal of equity-investments and non-current financial assets		302	8
Dividends received		5	5
<b>Net cash flows from (used in) investing activities (B)</b>		<b>205</b>	<b>(143)</b>
Acquisition of minority interests		-	(2)
Share buyback programs	11	-	(405)
Coupons on perpetual subordinated bonds	11	(35)	(31)
Dividends paid		(288)	(295)
New loans issued		356	1,377
Repayment of loans		(399)	(978)
Repayment of lease liabilities		(49)	(54)
Changes in other short-term financial debts		1	(6)
<b>Net cash flows from (used in) financing activities (C)</b>		<b>(414)</b>	<b>(395)</b>
<b>Net change in cash and cash equivalents (D) = (A) + (B) + (C)</b>		<b>(100)</b>	<b>(362)</b>
<b>Cash and cash equivalents at beginning of the period</b>		<b>1,625</b>	<b>1,279</b>
Net change in cash and cash equivalents		(100)	(362)
Effect of changes in exchange rates on cash and cash equivalents		(21)	(14)
Reclassification of change in cash and cash equivalents from assets held for sale		35	0
<b>Cash and cash equivalents at end of the period</b>		<b>1,539</b>	<b>903</b>

## Consolidated statement of changes in equity

(€ in million)	Number of shares	Share capital	Additional paid-in capital	Currency translation reserve	Reserves	Equity Group share	Minority interests	Total Equity
<b>Balance at January 1, 2023</b>	<b>263,031,794</b>	<b>789</b>	<b>1,675</b>	<b>(133)</b>	<b>2,728</b>	<b>5,059</b>	<b>397</b>	<b>5,456</b>
Capital increase	1,862,048	6	(3)	-	(2)	-	0	0
Share buyback	-	-	-	-	(0)	(0)	-	(0)
Dividends paid	-	-	-	-	(277)	(277)	(12)	(288)
Share-based payments	-	-	-	-	19	19	-	19
Perpetual subordinated bonds	-	-	-	-	(35)	(35)	-	(35)
Effects of scope changes	-	-	-	-	1	1	(0)	0
Other movements	-	-	-	-	32	32	(1)	31
<b>Transactions with shareholders</b>	<b>1,862,048</b>	<b>6</b>	<b>(3)</b>	<b>-</b>	<b>(263)</b>	<b>(261)</b>	<b>(13)</b>	<b>(274)</b>
Net profit of the period	-	-	-	-	248	248	10	258
Other comprehensive income	-	-	-	(27)	70	43	(4)	39
<b>Total comprehensive income</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(27)</b>	<b>318</b>	<b>291</b>	<b>6</b>	<b>297</b>
<b>Balance at June 30, 2023</b>	<b>264,893,842</b>	<b>795</b>	<b>1,671</b>	<b>(160)</b>	<b>2,783</b>	<b>5,088</b>	<b>391</b>	<b>5,479</b>

(€ in million)	Number of shares	Share capital	Additional paid-in capital	Currency translation reserve	Reserves	Equity Group share	Minority interests	Total Equity
<b>Balance at January 1, 2024</b>	<b>252,289,352</b>	<b>757</b>	<b>1,309</b>	<b>(171)</b>	<b>3,036</b>	<b>4,931</b>	<b>380</b>	<b>5,311</b>
Capital increase	1,256,736	4	(4)	-	-	-	-	-
Share buyback	(9,923,228)	(30)	(370)	-	(5)	(405)	-	(405)
Dividends paid	-	-	-	-	(286)	(286)	(10)	(296)
Share-based payments	-	-	-	-	20	20	-	20
Perpetual subordinated bonds	-	-	-	-	(31)	(31)	-	(31)
Effects of scope changes	-	-	-	-	(24)	(24)	2	(22)
Other movements	-	-	-	-	9	9	8	16
<b>Transactions with shareholders</b>	<b>(8,666,492)</b>	<b>(26)</b>	<b>(374)</b>	<b>-</b>	<b>(318)</b>	<b>(718)</b>	<b>(1)</b>	<b>(718)</b>
Net profit of the period	-	-	-	-	253	253	19	272
Other comprehensive income	-	-	-	16	1	17	(0)	17
<b>Total comprehensive income</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>16</b>	<b>254</b>	<b>270</b>	<b>18</b>	<b>288</b>
<b>Balance at June 30, 2024</b>	<b>243,622,860</b>	<b>731</b>	<b>935</b>	<b>(156)</b>	<b>2,973</b>	<b>4,483</b>	<b>398</b>	<b>4,881</b>

## Notes to the interim condensed consolidated financial statements

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## Note 1. Basis of preparation

The interim condensed consolidated financial statements of Accor Group for the six months ended June 30, 2024, were approved for issue by the Board of Directors on July 24, 2024.

### 1.1. Accounting framework

The interim condensed consolidated financial statements have been prepared in accordance with IAS 34 *Interim financial reporting*. Accordingly, the interim financial report does not include all the information and disclosures required in an annual report and should be read in conjunction with the annual report for the year ended December 31, 2023.

The accounting policies applied are consistent with those of the previous financial year, except for the adoption of new standards and amendments effective as at January 1<sup>st</sup>, 2024 as set out below. The specific measurement principles applied in the interim reporting period are described in Note 4.5 for employee benefits and Note 10 for income tax.

### 1.2 Evolution of accounting framework

#### 1.2.1 New standards and amendments

As at June 30, 2024, the Group has applied the same accounting policies and measurement methods as for the consolidated financial statements for the year ended December 31, 2023, except for mandatory changes in standards effective from January 1<sup>st</sup>, 2024. The amendment to IAS 1 *Classification of Liabilities as Current or Non-current* clarifies that the classification as a non-current liability should be based on existing rights at the end of the reporting period to defer settlement of the liability for at least twelve months after the reporting date. The application of this amendment had no significant impact on the Group's consolidated interim financial statements.

#### 1.2.2 Future standards, amendments and interpretations

The Group has not early applied any standards, amendments to standards or interpretations applicable on January 1<sup>st</sup>, 2024, regardless of whether they were adopted by the European Union.

In August 2023, the IASB issued an amendment to IAS 21 *Lack of Exchangeability*. This amendment aims to help entities to determine whether a currency is exchangeable into another currency, and the spot exchange rate to use when it is not. This new amendment, not yet adopted by the European Union, is mandatory for annual reporting periods beginning on or after January 1<sup>st</sup>, 2025 and is not expected to have a significant impact on the Group's financial statements.

### 1.3 Use of estimates and judgments

The preparation of the consolidated interim financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at closing date, income and expenses of the year and accompanying disclosures.

Management also needs to exercise judgement in applying the Group's accounting policies. Actual outcome may vary from these estimates, due to changes in facts and circumstances. The estimates and assumptions used are reviewed on an on-going basis, based on historical experience and all other factors considered to be decisive given the environment and circumstances.

The main areas that involved significant estimates or a high degree of judgement are for the preparation of the consolidated interim financial statements are:

- The useful lives of tangible and intangible assets,
- The measurement at fair value of consideration transferred and intangible assets acquired in business combinations,
- The measurement of the recoverable value of goodwill and other non-current assets,
- The measurement of the recoverable value of equity-accounted investments,
- The assessment of lease term and measurement of lease liability,
- The measurement of variable considerations from contracts with hotel owners,
- The measurement of unexercised benefits granted to customers under the loyalty program ("breakage"),
- The assumptions used to determine obligations under pension plans and share-based payment plans,
- The assessment of available future taxable profits over which deferred tax assets can be utilized,
- The fair value measurement of financial assets,
- The measurement of provisions.

## Note 2. Significant events in the current period

### 2.1 Group performance

#### Group's activities

The first half of 2024 confirms the Group's growth outlook. The Group's diversification, both in terms of geographies and segments, plays a key role for each of the two divisions: Premium, Midscale & Economy and Luxury & Lifestyle.

In the first half, demand remained generally strong across all regions, and Accor continues to benefit from rising prices.

The "RevPAR" (Revenue Per Available Room) of the hotel network grew by 6% compared to the first half of 2023. The occupancy rate stood at 64%.

In the first half of 2024, consolidated revenue amounted to €2,677 million, up by 11% compared to the €2,402 million revenue for the comparative period. This increase breaks down into a 4% rise for the Premium, Midscale & Economy division, and a 22% rise for the Luxury & Lifestyle division.

#### Cash management

As at June 30, 2024, the Group maintained a robust financial structure with a net cash and cash equivalent position of €903 million. Accor has an undrawn credit facility for an amount of €1,000 million maturing in December 2028, with two one-year extension options, exercisable in 2024 and 2025.

### 2.2 Other significant events

Other significant events that occurred in the period are:

- The takeover of Rikas (see Note 3.1.1),
- The takeover of the operational division of Our Habitas (see Note 3.1.2),
- The partnership with LVMH for the development of Orient Express (see Note 3.1.3),
- The sale of Accor Vacation club (see Note 3.1.4),
- The execution of a new share buyback program for an amount of €400 million (see Note 11.1.4).

## Note 3. Group Structure

### 3.1 Scope consolidation changes

#### 3.1.1 Rikas takeover

On March 8, 2024, Accor, through its subsidiary Ennismore, acquired a 51% stake in Rikas Restaurants Management LLC (“Rikas”), a hospitality company based in Dubai, specializing in managing high-end restaurants and dining establishments for a transaction price of USD 50 million (€46 million) – including an earn-out based on the company's economic performance. In addition, Ennismore is committed to acquire an additional stake in 2025 for an estimated amount of €24 million recognized as a financial liability.

The transaction qualifies as a business combination under IFRS 3 *Business Combinations*. The purchase price allocation will be completed within the 12-month measurement period following the acquisition date.

The company's contribution to the Group's half-year consolidated revenue and net income is not material.

#### 3.1.2 Takeover of Our Habitas operating division

On June 12, 2024, the Group entered into a partnership with Habitas Group Ltd (“Our Habitas”) providing for:

- The subscription of convertible bonds for USD 30 million (€28 million) by its subsidiary Ennismore. The bonds should be converted into Our Habitas shares in the first half of 2028, and
- The signing of a management agreement under which Ennismore assumes the management and the development of the operating division of the company.

Our Habitas is a luxury hospitality brand founded in 2014 and focused on sustainable hospitality that currently operates 10 resorts in Mexico, Saudi Arabia, Qatar, Chile, Morocco and Namibia.

Pending the completion of the valuation work on the acquisition price and the valuation of the acquired assets and assumed liabilities of this division, the Group has recognized the convertible bonds as non-current financial assets for an amount of €28 million.

### 3.1.3 Strategic Partnership with LVMH for the Development of Orient Express

On June 13, 2024, Accor and LVMH entered into a strategic partnership to accelerate the development of Orient Express.

According to the terms of the agreement, LVMH acquired a stake in the capital of the Orient Express business entities: Orient Express SAS, entity that owns the Orient Express brand, OE Management SAS, entity managing the future hotels and trains under the Orient Express brand, and Shipping HoldCo SAS, entity operating the two yachts currently under construction at Chantiers de l'Atlantique, for which the search for a third partner is ongoing.

Considering the established governance structure, and in accordance with IFRS 10 *Consolidated Financial Statements*, these transactions resulted in the Group losing control of the Orient Express activity. This led to:

- The derecognition of all assets and liabilities of the three entities,
- The recognition at fair value of the interests retained by the Group in Orient Express SAS, OE Management SAS, and Shipping HoldCo. These companies are now accounted for using the equity method,
- The recognition of the interests in Shipping HoldCo that the Group holds with a view of being sold as assets held for sale (see Note 3.2), and
- The recognition of a gain on disposal, presented in other income and expenses in the consolidated income statement for the period (See Note 6).

### 3.1.4 Sale of Accor Vacation Club

On March 1<sup>st</sup>, 2024, Accor sold Accor Vacation Club, its timeshare business in Australia, New Zealand, and Indonesia, to Travel + Leisure for a total amount of AUD 77 million (€47 million). The agreement also includes an exclusive franchise agreement for Travel + Leisure's future new timeshares under the Accor brands in Asia Pacific, the Middle East, Africa and Turkey. This operation is part of the Group's ongoing Asset Light strategy.

In accordance with the principles of IFRS 5 *Non-current Assets Held for Sale and Discontinued Operations*, the assets and liabilities of Accor Vacation Club had been classified as assets and liabilities held for sale as of December 31, 2023.

This transaction resulted in:

- The derecognition of the assets and liabilities held for sale (see Note 3.2), and
- The recognition of a gain on disposal, presented in other income and expenses in the consolidated income statement for the period (see Note 6).

### **3.2 Assets held for sale and discontinued operations**

As at June 30, 2024, the assets held for sale (and associated liabilities) are mainly composed of the Group's shares held for sale in Shipping HoldCo SAS, as well as shares in associates for which the Group is engaged in a disposal plan (see Note 3.1.3).

As indicated above, Accor Vacation Club, which was classified as held for sale in December 2023, was sold over the semester (see Note 3.1.4).

## Note 4. Operating activities

### 4.1 Segment information

In accordance with IFRS 8 *Operating Segments*, the segment information is based on the Group's internal reporting that is provided to the Executive Committee, the Group's Chief Operating Decision Maker.

The reportable segments of Accor are as follows:

- « **Premium, Midscale and Economy (Premium, Mid. & Eco.)** », comprising notably the Group's brands Ibis, Novotel, Mercure, Swissôtel, Mövenpick and Pullman. This division has leadership positions in Europe, Latin America, Asia-Pacific and the Middle East. It focuses its strategy on accelerating its development notably through franchises, the rejuvenation of its brands and the industrialization of its operating model. Premium, Mid. & Eco is organized around four regions:
  - Europe et North Africa (ENA),
  - Middle East, Asia-Pacific (MEA APAC),
  - Americas,
  - China.
- « **Luxury & Lifestyle** », bringing together the Group's luxury brands as well as its lifestyle entity, Ennismore. This division is committed to strengthening the identities of its iconic brands, selecting the best locations and offering unique and innovative experiences. Luxury & Lifestyle is structured by brand around 4 pillars:
  - Raffles & Fairmont (now gathered under a single operating manager),
  - Orient Express,
  - Sofitel & MGallery & Emblems,
  - Ennismore.

#### 4.1.1 Revenue

<i>(€ in million)</i>	<b>1st semester 2023</b>	<b>1st semester 2024</b>
Management & Franchise	403	431
Services to Owners	521	538
Hotel Assets & Other	494	505
<b>Premium, Mid. &amp; Eco.</b>	<b>1,418</b>	<b>1,473</b>
Management & Franchise	210	242
Services to Owners	655	716
Hotel Assets & Other	155	285
<b>Luxury &amp; Lifestyle</b>	<b>1,020</b>	<b>1,243</b>
Holding & Intercos	(37)	(39)
<b>Revenue</b>	<b>2,402</b>	<b>2,677</b>

Revenue in France amounted to €623 million in the first half of 2024.

The Management & Franchise revenue was composed as follows:

<i>(€ in million)</i>	<b>1st semester 2023</b>	<b>1st semester 2024</b>
ENA	242	254
MEA APAC	128	140
Americas	33	37
<b>Premium, Mid. &amp; Eco.</b>	<b>403</b>	<b>431</b>
Luxury	153	159
Lifestyle	57	83
<b>Luxury &amp; Lifestyle</b>	<b>210</b>	<b>242</b>
<b>Revenue M&amp;F</b>	<b>613</b>	<b>673</b>

#### 4.1.2 EBITDA

<i>(€ in million)</i>	<b>1st semester 2023</b>	<b>1st semester 2024</b>
Management & Franchise	276	299
Services to Owners	2	13
Hotel Assets & Other	52	48
<b>Premium, Mid. &amp; Eco.</b>	<b>330</b>	<b>360</b>
Management & Franchise	141	169
Services to Owners	19	4
Hotel Assets & Other	14	24
<b>Luxury &amp; Lifestyle</b>	<b>174</b>	<b>196</b>
Holding & Intercos	(57)	(52)
<b>EBITDA</b>	<b>447</b>	<b>504</b>



## 4.2 Operating expenses

<i>(€ in million)</i>	<b>1st semester 2023</b>	<b>1st semester 2024</b>
Cost of goods sold	(54)	(65)
Personnel expenses	(578)	(671)
Personnel expenses recharged to owners	(557)	(608)
Property variable lease payments	(58)	(64)
Non-property variable lease payments	(8)	(17)
Energy, maintenance and repairs	(36)	(37)
Taxes	(33)	(29)
Other operating expenses	(629)	(682)
<b>Operating expenses</b>	<b>(1,955)</b>	<b>(2,173)</b>

The increase in operating expenses is due to:

- The integration of Potel & Chabot (acquisition in October 2023)
- The increase in staff costs incurred on behalf of owners under hotel management contracts (and entirely invoiced to them), particularly in North America, due to the combined effect of the business growth and salary increase,
- The growth in expenditure on marketing, distribution and IT consistent with the level of business activity,
- The increase in variable rents on leased hotel assets, mainly in Brazil, Paris Society restaurants and Potel & Chabot pavilions operated under lease or concession contracts.

### 4.3 Working capital

The working capital was composed as follows:

<i>(€ in million)</i>	<b>Dec. 2023</b>	<b>June 2024</b>	<b>Variation</b>	<b>Neutralization of non-cash items</b>	<b>Cash flow statement items</b>
Inventories	36	39	3	1	2
Trade receivables	824	953	130	(12)	142
Other current assets	434	604	170	75	95
<b>Current assets</b>	<b>1,293</b>	<b>1,596</b>	<b>303</b>	<b>65</b>	<b>239</b>
Trade payables	515	533	18	2	16
Other current liabilities	887	971	84	84	1
<b>Current liabilities</b>	<b>1,402</b>	<b>1,505</b>	<b>103</b>	<b>86</b>	<b>17</b>
<b>Working capital</b>	<b>(109)</b>	<b>92</b>	<b>200</b>	<b>(21)</b>	<b>222</b>

### 4.4 Contract assets and liabilities

Contract assets and liabilities were composed as follows:

<i>(€ in million)</i>	<b>Dec. 2023</b>	<b>June 2024</b>	<b>Variation</b>	<b>Neutralization of non-cash items</b>	<b>Cash flow statement items</b>
Key moneys and other payments to owners	357	379	22	(12)	34
<b>Contract assets</b>	<b>357</b>	<b>379</b>	<b>22</b>	<b>(12)</b>	<b>34</b>
Deferred income	179	249	70	7	64
<b>Contract liabilities</b>	<b>179</b>	<b>249</b>	<b>70</b>	<b>7</b>	<b>64</b>
<b>Loyalty program liability</b>	<b>319</b>	<b>349</b>	<b>30</b>	<b>-</b>	<b>30</b>
<b>Net contract assets and liabilities</b>	<b>(141)</b>	<b>(219)</b>	<b>(78)</b>	<b>(19)</b>	<b>(60)</b>

## 4.5 Employee benefits

### 4.5.1 Pensions and other benefits

#### Accounting policy

The post-employment and other long-term employee benefits obligation is calculated by projecting over a half-year period, the obligation as at December 31, of the previous financial year, taking into account the benefits paid and changes in plan assets. As at June 30, the actuarial assumptions used in the calculation of the employee benefits obligation are updated in the event of significant change over the period.

Following the increase in market interest rates over the first semester of 2024, the Group updated the rates assumptions on post-employment benefits resulting in a €5 million decrease of post-employment benefits obligation recognized in other comprehensive income.

The main discount rates used were as follows:

	Discount rate	
	Dec. 2023	June 2024
France	2%(*) - 3.2%	2%(*) - 3.7%
Belgium	3.2%	3.7%
Switzerland	2.0%	1.7%
Canada	4.7%	5.1%
United Kingdom	4.5%	5.2%

(\*) Rate used for one of the frozen supplementary pension schemes

### 4.5.2 Share-based payments

In the first half of 2024, personnel expenses included €22 million related to share-base payments.

On May 31, 2024, the Group granted 1,203,489 performance shares to some of its employees, subject to a three-year vesting period. At this date, the fair value of the performance share was €36.35, corresponding to a share price of €40.23 adjusted downwards to reflect the expected dividends forgone over the vesting period and the probability of meeting the market conditions.

The shares provided will vest if the grantee remains within the Group until the end of the vesting period, and if the following performance conditions are fulfilled:

- Non-market conditions (80% weighting): level of achievement of Group EBITDA (40%) and Recurring Free Cash flows (20%) compared to the budget over the financial years 2024 to 2026, carbon reduction targets compared to 2019 (10%) and a reduction in food waste compared to 2023 (10%) by the end of 2026.
- Market condition (20% weighting): change in Accor's Total Shareholder Return (TSR) compared to a reference synthetic index composed of European and international hotel groups.

The total fair value of this plan amounts to €44 million and will be recognized on a straight-line basis over the vesting period under employee benefits expenses, with a corresponding adjustment to equity. The expense recognized in the first half amounted to €1 million.

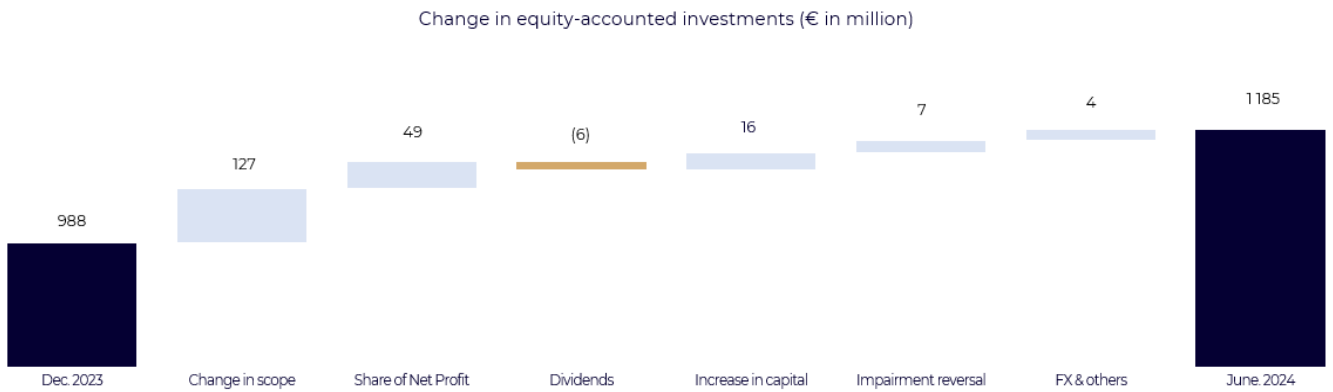
## Note 5. Equity-accounted investments

### 5.1 Share of net results of equity-accounted investments

The main contributions of associates and joint ventures were as follows:

<i>(€ in million)</i>	<b>1st semester 2023</b>	<b>1st semester 2024</b>
AccorInvest	(10)	44
Others	16	0
<b>Associates</b>	<b>6</b>	<b>44</b>
<b>Joint ventures</b>	<b>3</b>	<b>5</b>
<b>Share of net results of equity-accounted investments</b>	<b>9</b>	<b>49</b>

### 5.2 Carrying value of equity-accounted investments



Changes in scope mainly related to the recognition of the Group's interests in Orient Express entities as equity-accounted investments (see Note 3.1.3).

## Note 6. Other income and expenses

<i>(€ in million)</i>	<b>1st semester 2023</b>	<b>1st semester 2024</b>
Capital gains or losses	40	70
Restructuring costs	(1)	(2)
Impairment of assets	(9)	(18)
Other non-recurring income and expenses	(4)	(52)
<b>Other income and expenses</b>	<b>26</b>	<b>(2)</b>

In the first half of 2024, other income and expenses mainly included:

- Gains on disposal for €70 million, mainly on Orient Express following the partnership with LVMH (see Note 3.1.3) and Accor Vacation Club (see Note 3.1.4),
- A net impairment loss of €(18) million (see Note 7.3),
- Costs related to Group reorganization of €(15) million, and
- Costs related to acquisitions and integrations of €(10) million.

In the comparative period, other income and expenses mainly included a gain on disposal of SCI Sequana for €45 million, costs related to the Group reorganization for €(10) million, and a net impairment loss of €(9) million.

## Note 7. Intangible assets and property, plant & equipment

### 7.1 Intangible assets

Changes in the carrying amount of intangible assets over the period were as follows:

€ in million	Goodwill	Trademarks	Contracts	Licences, software	Others	Total
<b>Gross value</b>						
<b>As at January 1, 2024</b>	<b>2,917</b>	<b>2,330</b>	<b>1,243</b>	<b>473</b>	<b>263</b>	<b>7,226</b>
Business combinations	57	-	-	1	0	58
Additions	-	-	-	24	44	67
Disposals	(9)	(40)	(0)	(0)	(0)	(50)
Exchange differences	15	11	9	-	-	35
Reclassifications and others	-	-	4	15	(15)	4
<b>As at June 30, 2024</b>	<b>2,980</b>	<b>2,302</b>	<b>1,255</b>	<b>513</b>	<b>292</b>	<b>7,341</b>
<b>Depreciation and impairment</b>						
<b>As at January 1, 2024</b>	<b>(578)</b>	<b>(188)</b>	<b>(473)</b>	<b>(338)</b>	<b>(154)</b>	<b>(1,731)</b>
Depreciation	-	-	(21)	(32)	(19)	(72)
Impairment loss	(7)	(0)	(18)	-	-	(25)
Exchange differences	(1)	2	(1)	-	-	0
Reclassifications and others	-	-	(1)	(1)	0	(1)
<b>As at June 30, 2024</b>	<b>(586)</b>	<b>(186)</b>	<b>(514)</b>	<b>(371)</b>	<b>(173)</b>	<b>(1,830)</b>
<b>Net book value</b>						
As at January 1, 2024	2,340	2,142	770	135	109	5,496
<b>As at June 30, 2024</b>	<b>2,394</b>	<b>2,115</b>	<b>741</b>	<b>142</b>	<b>119</b>	<b>5,512</b>

## Goodwill

As at June 30, 2024, the breakdown of goodwill was as follows:

<i>(€ in million)</i>	<b>Dec. 2023</b>	<b>Scope variation</b>	<b>Impairment loss</b>	<b>Exchange diff. &amp; Others</b>	<b>June 2024</b>
HotelServices ENA	799	-	-	3	802
HotelServices MEA APAC	424	-	-	3	426
HotelServices Americas	29	-	-	(2)	27
Hotel Assets & Other	244	8	(7)	0	245
<b>Premium, Mid. &amp; Eco.</b>	<b>1,496</b>	<b>8</b>	<b>(7)</b>	<b>4</b>	<b>1,500</b>
HotelServices Luxury	189	-	-	2	192
HotelServices Lifestyle	384	-	-	7	392
Hotel Assets & Other Luxury	77	(9)	-	-	67
Hotel Assets & Other Lifestyle	193	49	-	1	243
<b>Luxury &amp; Lifestyle</b>	<b>844</b>	<b>39</b>	<b>-</b>	<b>10</b>	<b>894</b>
<b>Net book value</b>	<b>2,340</b>	<b>47</b>	<b>(7)</b>	<b>14</b>	<b>2,394</b>

The main change in the period related to the acquisition of Rikas (see Note 3.1.1), which led to the recognition of a provisional goodwill, presented under « Hotel Assets & Other Lifestyle » in the Group's Luxury & Lifestyle division.

## 7.2 Property, plant & equipment and right-of-use assets

Property, plant & equipment and right-of-use assets breakdown was as follows:

<i>(€ in million)</i>	<b>Land Buildings</b>	<b>Leasehold improvements</b>	<b>Equipment, furniture</b>	<b>Assets in progress</b>	<b>Right-of- use assets</b>	<b>Total</b>
<b>Gross value</b>						
<b>As at January 1, 2024</b>	<b>261</b>	<b>203</b>	<b>268</b>	<b>112</b>	<b>1,012</b>	<b>1,855</b>
Business combinations	3	0	13	0	20	36
Additions	-	4	14	117	38	172
Disposals	(1)	(0)	(3)	(159)	(20)	(183)
Exchange differences	(2)	(0)	(1)	0	2	(1)
Reclassifications and others	0	0	43	(36)	10	17
<b>As at June 30, 2024</b>	<b>261</b>	<b>206</b>	<b>334</b>	<b>35</b>	<b>1,061</b>	<b>1,897</b>
<b>Depreciation and impairment</b>						
<b>As at January 1, 2024</b>	<b>(154)</b>	<b>(156)</b>	<b>(117)</b>	<b>(1)</b>	<b>(323)</b>	<b>(751)</b>
Depreciation	(3)	(6)	(18)	-	(60)	(86)
Disposals	-	0	2	-	11	13
Exchange differences	1	0	0	-	(1)	1
Reclassifications and others	-	-	(7)	(1)	8	(0)
<b>As at June 30, 2024</b>	<b>(156)</b>	<b>(161)</b>	<b>(140)</b>	<b>(2)</b>	<b>(364)</b>	<b>(823)</b>
<b>Net book value</b>						
As at January 1, 2024	107	47	151	111	689	1,104
<b>As at June 30, 2024</b>	<b>105</b>	<b>45</b>	<b>194</b>	<b>33</b>	<b>697</b>	<b>1,074</b>

On the first half, the change in assets under construction is mainly explained by the costs incurred on the Orient Express activity, followed by their derecognition as a result of the partnership concluded with LVMH (see Note 3.1.3).



### 7.3 Impairment tests

In accordance with IAS 36 *Impairment of assets*, Accor is required to assess at each closing date, whether there is an indication that an asset may be impaired. If such indications exist, the Group estimates the recoverable value of the respective asset.

As at June 30, 2024, the Group updated its forecasts to consider the revised budget for 2024, which reflects the latest "RevPAR" (Revenue Per Available Room) trends by geography.

Based on these forecasts, the Group has not identified any impairment indicators that require the performance of impairment tests on its goodwill, except for its activity of digital sale.

Accor also conducted a review of its trademarks, hotel management contracts, right-of-use assets and equity-accounted investments. Impairment tests were carried out on a case-by-case basis when an impairment indicator, or on an indication that an impairment loss recognized in prior periods may no longer exist or may have decreased, was identified.

As a result, the Group recognized a net impairment loss of €(18) million presented in other income and expenses in the consolidated income statement of the period (see Note 6). It included:

- An impairment loss of €(18) million on Management & Franchise contracts, mainly related to unrealized projects or to hotels that were no longer part of the Group's network,
- An impairment loss of €(7) million on the goodwill of the digital sale activity, and
- A reversal of impairment of €7 million on equity-accounted investments.

## Note 8. Provisions

Changes in provisions in the first half of 2024 was analyzed as follows:

<i>(€ in million)</i>	<b>Dec. 2023</b>	Allowance	Reversal		Exchange diff. & others	<b>June 2024</b>
			Utilizations	Unused provisions		
Litigation and others risks	74	8	(7)	(10)	1	65
Insurance liabilities	42	14	(14)	(2)	-	40
Restructuring	13	0	(8)	(0)	0	6
<b>Provisions</b>	<b>130</b>	<b>22</b>	<b>(29)</b>	<b>(12)</b>	<b>1</b>	<b>111</b>
· of which non-current	31	1	(0)	(3)	0	29
· of which current	99	21	(28)	(9)	1	82

Insurance liabilities are carried by Comura, a subsidiary specializing in reinsurance, covering the property and liability risks of almost half of the hotels of the Group's network.

## Note 9. Financing and financial instruments

### 9.1 Net financial result

The net financial result was analyzed as follows:

<i>(€ in million)</i>	1st semester 2023	1st semester 2024
Interests on bonds and bank borrowings	(48)	(44)
Interests expenses on current accounts	(5)	(7)
Interests income on loans and securities	23	21
Interests on lease liabilities	(8)	(16)
Interests on hedging derivatives	(0)	(1)
Cost of net debt	(39)	(47)
Other financial income and expenses	(6)	27
<b>Net financial result</b>	<b>(45)</b>	<b>(21)</b>

In the first half, the other income and expenses mainly comprised foreign exchange gains (€14 million) and interest income on loans (€8 million).

### 9.2 Group net financial debt

#### 9.2.1 Breakdown of net financial debt

As at June 30, 2024, the Group net financial debt amounted to €2,934 million and was analyzed as follows:

<i>(€ in million)</i>	Dec. 2023			June 2024		
	Current	Non current	Total	Current	Non current	Total
Bonds	384	1,730	2,114	23	2,333	2,356
Negotiable commercial papers (NEU CP)	291	-	291	467	-	467
Bank overdrafts	4	-	4	19	-	19
Other bank borrowings	31	90	121	27	87	115
<b>Bonds and bank borrowings</b>	<b>709</b>	<b>1,820</b>	<b>2,529</b>	<b>536</b>	<b>2,420</b>	<b>2,956</b>
Other financial debts	23	67	90	38	99	137
Derivative financial instruments	4	-	4	8	-	8
<b>Gross financial debt</b>	<b>736</b>	<b>1,887</b>	<b>2,623</b>	<b>582</b>	<b>2,519</b>	<b>3,101</b>
Lease liabilities	110	639	748	110	651	761
<b>Total financial debt</b>	<b>845</b>	<b>2,526</b>	<b>3,372</b>	<b>693</b>	<b>3,169</b>	<b>3,862</b>
Cash and cash equivalents	1,283	-	1,283	922	-	922
Derivative financial instruments	14	-	14	6	-	6
<b>Financial assets</b>	<b>1,298</b>	<b>-</b>	<b>1,298</b>	<b>928</b>	<b>-</b>	<b>928</b>
<b>Net financial debt</b>	<b>(452)</b>	<b>2,526</b>	<b>2,074</b>	<b>(236)</b>	<b>3,169</b>	<b>2,934</b>

In the first half of 2024, changes in financial debt were as follows:

( <i>€ in million</i> )	Dec. 2023	Cash flows	Other changes				June 2024
			Scope effects	Exchange differences	Fair value	Others	
Bonds	2,114	236	0	0	-	6	2,356
Negotiable commercial papers (NEU CP)	291	178	-	-	-	(2)	467
Bank borrowings	125	(15)	8	2	-	14	133
Other financial debts	90	10	27	1	-	9	137
Derivative financial instruments	4	-	-	0	2	1	8
<b>Gross financial debt</b>	<b>2,624</b>	<b>409</b>	<b>35</b>	<b>3</b>	<b>2</b>	<b>28</b>	<b>3,101</b>
Lease liabilities	748	(70)	19	1	-	63	761
<b>Total debt</b>	<b>3,372</b>	<b>339</b>	<b>54</b>	<b>4</b>	<b>2</b>	<b>91</b>	<b>3,862</b>

### Bonds

In the first half, Accor redeemed the remaining €357 million balance of the €600 million bond issued in January 2017, which matured in January 2024. These bonds were partially redeemed for €243 million as part of the refinancing operation in November 2021. On March 4, 2024, the Group issued a bond for €600 million, with a 3.875% coupon, maturing in March 2031.

### Short-term financing

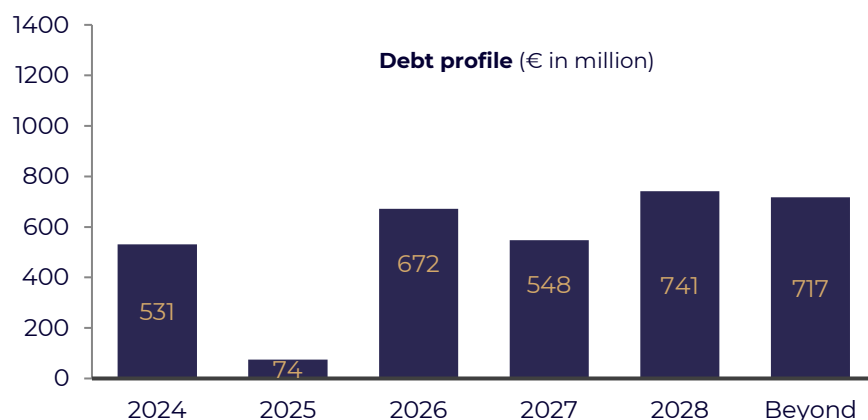
Accor has a short-term financing program in the form of negotiable commercial papers (NEU CP) capped at €750 million since February 2024 (previously €500 million). As at June 30, 2024, this program is drawn for €467 million, representing an increase of €176 million compared to December 31, 2023.

### Credit Line

The Group has an undrawn credit facility line for €1,000 million maturing in December 2028, with two one-year extension options, exercisable in 2024 and 2025.

## 9.2.2 Debt profile

As at June 2024, the bonds and bank borrowings profile (corresponding to contractual undiscounted cash-flows) position were as follows:



### 9.3 Financial assets

<i>(€ in million)</i>	<b>Dec. 2023</b>	<b>June 2024</b>
Short-term loans	138	142
Long-term loans	72	88
Security deposits	15	16
<b>Financial assets at amortized cost</b>	<b>224</b>	<b>247</b>
Non-consolidated investments	99	101
Other non-current financial assets	125	157
<b>Financial assets at fair value</b>	<b>224</b>	<b>258</b>
<b>Total financial assets</b>	<b>448</b>	<b>505</b>
o/w current financial assets	138	142
o/w non-current financial assets	310	363

The short-term loans mainly consisted of the subordinate loan granted to The Valesco Group following the sale of SCI Sequana shares in June 2023.

The change in other non-current financial assets in the period was mainly related to the convertible bonds subscribed by Ennismore (see Note 3.1.2).

## 9.4 Financial instruments

### 9.4.1 Breakdown of financial assets and liabilities

<i>(€ in million)</i>	By class of instrument			Derivatives qualified as hedges	Dec. 2023
	Amortized cost	Fair value through equity	Fair value through P&L		
Long-term loans	72	-	-	-	72
Deposits	15	-	-	-	15
Non-consolidated investments	-	99	-	-	99
Other non-current financial assets	-	-	125	-	125
Trade receivables	824	-	-	-	824
Cash and cash equivalents	845	-	438	-	1,283
Short term loans	138	-	-	-	138
Derivative instruments	-	-	14	-	14
<b>Financial assets</b>	<b>1,893</b>	<b>99</b>	<b>578</b>	<b>-</b>	<b>2,569</b>
Bonds	2,114	-	-	-	2,114
Negotiable commercial papers (NEU CP)	291	-	-	-	291
Bank borrowings	125	-	-	-	125
Other financial debts	90	-	-	-	90
Trade payables	515	-	-	-	515
Derivative instruments	-	-	3	0	4
<b>Financial liabilities</b>	<b>3,134</b>	<b>-</b>	<b>3</b>	<b>0</b>	<b>3,138</b>

<i>(€ in million)</i>	By class of instrument			Derivatives qualified as hedges	June 2024
	Amortized cost	Fair value through equity	Fair value through P&L		
Long-term loans	88	-	-	-	88
Deposits	16	-	-	-	16
Non-consolidated investments	-	101	-	-	101
Other non-current financial assets	-	-	157	-	157
Trade receivables	953	-	-	-	953
Cash and cash equivalents	687	-	235	-	922
Other current financial assets	-	-	-	-	-
Derivative instruments	-	-	6	0	6
<b>Financial assets</b>	<b>1,744</b>	<b>101</b>	<b>398</b>	<b>0</b>	<b>2,244</b>
Bonds	2,356	-	-	-	2,356
Negotiable commercial papers (NEU CP)	467	-	-	-	467
Bank borrowings	133	-	-	-	133
Other financial debts	137	-	-	-	137
Trade payables	533	-	-	-	533
Derivative instruments	-	-	6	2	8
<b>Financial liabilities</b>	<b>3,627</b>	<b>-</b>	<b>6</b>	<b>2</b>	<b>3,635</b>

### 9.4.2 Fair value hierarchy

	Dec. 2023	Hierarchy		
	Fair value	Level 1	Level 2	Level 3
<i>(€ in million)</i>				
Non-consolidated investments	99	37	-	62
Other non-current financial assets	125	-	-	125
Mutual funds units	438	438	-	-
Derivative instruments - assets	14	-	14	-
<b>Financial assets</b>	<b>677</b>	<b>475</b>	<b>14</b>	<b>187</b>
Derivatives - liabilities	4	-	4	-
<b>Financial liabilities</b>	<b>4</b>	<b>-</b>	<b>4</b>	<b>-</b>

	June 2024	Hierarchy		
	Fair value	Level 1	Level 2	Level 3
<i>(€ in million)</i>				
Non-consolidated investments	101	37	-	64
Other non-current financial assets	157	-	-	157
Mutual funds units	235	235	-	-
Derivative instruments - assets	6	-	6	-
<b>Financial assets</b>	<b>500</b>	<b>272</b>	<b>6</b>	<b>221</b>
Derivatives - liabilities	8	-	8	-
<b>Financial liabilities</b>	<b>8</b>	<b>-</b>	<b>8</b>	<b>-</b>

## Note 10. Income tax

### Accounting policy

In the interim financial statements, the tax charge is calculated, for each tax jurisdiction in which the Group operates, by applying to the interim period net income before "income tax" and "other income and expenses" the estimated effective annual tax rate.

The tax effects related to "other income and expenses" are recognized in the period in which these non-recurring events occur and are not considered in the calculation of the effective annual tax rate.

In the first half of 2024, the Group recognized an income tax expense for €(100) million, of which €(24) million related to Group internal reorganization.

In the comparative period, the €(48) million tax expense included a reversal of tax risk liabilities for €18 million.

The group is within the scope of the OECD Pillar Two model rule, which particularly aim to establish a minimum tax rate of 15% in each tax jurisdiction in which it operates. The implementation of these rules in France on January 1<sup>st</sup>, 2024 had no material impact on the Group's current tax expense as at June 30, 2024.



## Note 11. Shareholder’s equity

### 11.1. Share capital

#### 11.1.1 Changes in share capital

Changes in the number of outstanding shares during the first half of 2024 were as follows:

<i>In number of shares</i>	<b>2024</b>
<b>Number of issued shares as at January 1, 2024</b>	<b>252,289,352</b>
Performance shares vested	1,256,736
Shares cancelled	(9,923,228)
<b>Number of issued shares as at June 30, 2024</b>	<b>243,622,860</b>

#### 11.1.2 Dividends distribution

On June 7, 2024, Accor SA paid a dividend in cash of €1.18 per share for a total amount of €286 million.

#### 11.1.3 Perpetual subordinated notes

In the first half of 2024, compensation paid to bond holders amounted to €31 million. It is analyzed as a distribution of profits, recognized as a reduction of shareholders' equity.

#### 11.1.4 Share buyback program

In the first half of 2024, Accor launched a new share buyback program.

Within this context, on March 11, 2024, Accor repurchased 7 million of its own shares - representing 2.77% of its capital - from Jinjiang International. The price per Accor share was €39.22, reflecting a 3.0% discount to the closing price of €40.43.

In April 2024, the Group finalized its share buyback program, purchasing 2,923,228 of its own shares at an average price of €42.93 per share.

In total, the Group repurchased 9,923,228 of its own shares for €400 million. These shares were cancelled as part of a capital reduction.

#### 11.1.5 Reserves

<i>(€ in million)</i>	<b>Dec. 2023</b>	Change	<b>June 2024</b>
Currency translation reserve	(171)	16	(156)
Changes in fair value of financial Instruments	(5)	(5)	(10)
Reserve for actuarial gains/losses	(86)	5	(81)
Share based payments	421	20	441
Retained earnings and others	2,707	(84)	2,623
<b>Reserves - Group share</b>	<b>2,865</b>	<b>(48)</b>	<b>2,817</b>

## 11.2 Minority interests

As at June 30, 2024, minority interests breakdown was as follows:

<i>€ in million</i>	<b>Dec. 2023</b>	Change	<b>June 2024</b>
Ennismore	297	11	309
Rixos Hotels & Resorts	81	12	92
Paris Society subsidiaries	(24)	(8)	(32)
Others minority interests	26	3	29
<b>Minority interests</b>	<b>380</b>	<b>18</b>	<b>398</b>

## Note 12. Other information

### 12.1 Subsequent Events

Since 2023, AccorInvest, which is accounted for under the equity method in the Group's consolidated statements, has initiated a significant asset disposal plan by 2025, aimed at optimizing its financial structure by reducing its debt and improving the profitability of its asset portfolio.

In July 2024, AccorInvest finalized the refinancing of its bank borrowings, extending by the two years the maturities due in 2025, along with as a partial reimbursement. To facilitate the execution of this refinancing, a capital increase in the form of preferred shares was subscribed to by the company's shareholders, including Accor for €67 million.

Furthermore, the shareholders are committed to subscribe, by March 2025, to an additional issuance of preferred shares for maximum amount equivalent to the first issuance and a function of the amount of asset disposal plan completed by AccorInvest.

### 12.2 Related parties

The revenue realized by AccorInvest, which is the main client of the Group, represented 11% of the total revenue of the Group. As at June 30, 2024, the gross value of receivables towards AccorInvest amounted to €100 million in the consolidated interim statement of financial position.

The other transactions carried out with related parties during the first half of 2024 were similar in nature to the transactions carried out during the financial year ended December 31, 2023.