

PRESS RELEASE

Hipotels Hotels & Resorts consolidates its expansion in Mexico with the construction of a convention centre in 2023 and a new hotel in 2024

- This coming year the hotel chain will also carry out renovations and updates in its hotels Barrosa Palace (Andalusia), Mediterráneo (Majorca), and Bahía Grande (Majorca).
- Hipotels Hotels & Resorts takes stock of 2022 and the preliminary results are positive with revenues above 2019 levels.



Photo of the lobby designed for Hotel Barrosa Palace in Sancti Petri

2 December 2022.

A press conference was held with company directors in Hotel Hipotels Playa de Palma Palace (Majorca) to announce the chain's development plans for the coming year and the preliminary results of the 2022 season. In the past year, the Majorcan native company recovered levels similar to those prior to the pandemic, exceeding 2.7 million stays in its hotels in Mallorca, Andalusia and Canary Islands.

Gabriel Abraham, Vice President of the Group, positively assessed the figures: *"We've practically reached the same number of reservations as in 2019 with similar revenues; however, profitability has decreased by 4% due to the increased costs of energy and other services such as food."* In fact, Abraham confirmed that the group's electricity bills went up from 6 million in 2019 to 13 million in 2022. Despite this increase, revenues levelled out due to the reduced impact of early bookings: many clients waited until the last minute to reserve their stays.

With regards to expenditures, the price of food went up on average by 15%. Hipotels Hotels & Resorts did not apply price increases during the pandemic but management feels that raising prices will be necessary in 2023.

In terms of strategy for this coming year, the company will prioritise highly consolidated segments such as golf and business tourism where it has made very solid commitments, such as the opening of Hipotels Convention Centre in Palma de Mallorca and the new convention centre in the Riviera Maya for 2023.

New projects

Maria Antonia Llull, Vice-President of Hipotels Hotels & Resorts, explained that “*in 2023, the group’s presence in Mexico will continue to grow with the construction of a **convention centre** as part of Hotel Haven Riviera Cancun, which was expanded in 2022 to include 104 new rooms. In 2024, development will continue in Cancun with a second hotel of 600 rooms geared towards the family segment. This project is currently in the design stage.*”



Photo of the new rooms at Hotel Hipotels Mediterraneo in Majorca

Sustainability

During the pandemic, the group continued to work on its objectives of improving its sustainability and energy efficiency under the slogan “maximum comfort and minimum impact”. Decarbonisation, clean energy, and water use are the company’s three priorities. To that effect, solar panels and solar thermal solutions are being installed in all hotels as well as waste water processing centres to reuse waste water for the hotel gardens and cisterns. Therefore, as the group expands, these measures are playing a crucial role in controlling energy consumption.

About Hipotels Hotels & Resorts

Hipotels Group has been spearheading the development of tourism in Majorca for over 50 years and offers one of the highest number of bed-places on the island. Joan Llull, founder of the group, has imbued the company with his personality and vision, first focusing on careful expansion in Majorca before expanding to other destinations including Cadiz, Lanzarote, and more recently, Cancun. With a development model based on the regular renovation of hotel infrastructure, the company is able to create a close-knit management style rooted in long-term relationships with both clients and employees.

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