

## Welcome to PPHE Hotel Group

Our primary activities are owning, leasing, developing, operating and franchising full-service upscale and lifestyle hotels in major gateway cities and regional centres predominantly in Europe.

The majority of our hotels operate under two distinct brands, Park Plaza® Hotels & Resorts and art'otel®.

PPHE Hotel Group has an exclusive licence from Carlson<sup>SM</sup>, a global privately owned hospitality and travel company, to develop and operate Park Plaza® Hotels & Resorts in Europe, the Middle East and Africa. The art'otel® brand is fully owned by PPHE Hotel Group.

We have a minority ownership interest in the Arenaturist group, one of Croatia's leading hospitality companies.

Our portfolio of owned, managed, leased and franchised hotels comprises 38 hotels, offering a total of over 8,300 guest rooms, with an additional 1,579 rooms under development across five new hotel projects and one hotel extension and reconfiguration. Our key markets are the United Kingdom, Germany, the Netherlands and Croatia.

[pphe.com](http://pphe.com)

## Key strengths

- **Integrated and entrepreneurial approach**  
hotel development, design, construction, ownership and operation
- **Profitable niche**  
expanding 'affordable luxury' segment with upscale hotels in major gateway cities and regional centres
- **Global partnership**  
powerful distribution network through the Carlson<sup>SM</sup> partnership
- **Pipeline**  
significant portfolio and brand growth potential through organic and external expansion
- **Financial track record**  
driving top line growth and delivering industry leading profit margins
- **Management team**  
highly experienced and closely involved senior management team
- **Flexible partnership solutions**  
aligned with stakeholders to tailor the right agreement for each hotel or hotel project



Park Plaza® is a dynamic and growing collection of individual upper upscale hotels in some of the world's great cities and resort destinations, where the location is special, the welcome is sincere, the service is exceptional and the guest is always appreciated and welcome. Each of the hotels has its own creative and cosmopolitan design approach, enhanced by vibrant bars and award-winning restaurants. Our team is committed to delivering an individual and memorable experience, with the emphasis on tailored service with a personal touch.

[parkplaza.com](http://parkplaza.com)

Perpetual territorial exclusive licence agreement



art'otels are a contemporary collection of hotels that fuses exceptional architectural style with art-inspired interiors, located in cosmopolitan centres across Europe. At the brand's core is the art itself. Each hotel displays a collection of original works designed or acquired specifically for that art'otel®, rendering each a unique art gallery in its own right. art'otel has created a niche for itself in the hotel world, differentiating it from traditional hotels.

[artotels.com](http://artotels.com)

Wholly owned brand

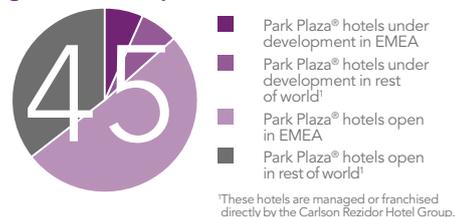


Arenaturist is one of Croatia's best known hospitality groups consisting of seven hotels, six holiday apartment complexes, eight campsites and over 50 food and beverage outlets, all of which are located in Istria. Arenaturist caters primarily for tourists and all properties are located in prime locations by the sea and are only a short distance from either the 3,000-year-old city of Pula or the touristic Medulin.

[arenaturist.com](http://arenaturist.com)

Management agreement

## Park Plaza® Hotels & Resorts global brand portfolio



## art'otel® portfolio



## Hotel portfolio



## Financial information

	FY 2015 €'000	FY 2014 €'000
Consolidated statement of operations		
Revenues	302,485	270,442
EBITDAR	122,417	105,183
EBITDA	110,850	94,798
Profit before tax	38,805	41,649
Normalised profit before tax	41,246	32,877
Consolidated balance sheet		
Total assets	1,303,540	1,182,668
Consolidated statement of cash flows		
Net cash provided by operating activities	72,789	65,091

## Selected company milestones

2015	Double digit revenue growth. Significantly progressed construction of new hotels. Signed management agreement for art'otel london battersea power station.
2014	Record revenue, increased operating profit and improved earnings per share. Celebrated a 25-year journey since acquiring first hotel.
2013	Record revenue. Completed €350.0 million refinancing of key hotels. Opened flagship, 5-star, art'otel amsterdam.
2012	Company name changed to PPHE Hotel Group, reflecting its multi-brand approach for operating hotels.
2011	Migrated from AIM to the LSE's Main Market.
2010	Opened the Company's largest hotel, Park Plaza Westminster Bridge London, offering 1,019 rooms.
2008	Entered resort segment with ownership stake in, and management of, the Arenaturist group in Croatia.
2007	Established Park Plaza Hotels Limited and completed successful floatation on AIM. Acquired art'otel® brand rights worldwide.
2002	Formed strategic marketing and distribution alliance with Carlson <sup>SM</sup> who acquired the Park Plaza® brand in this same year.
2000	Territorial licence agreement extended to a further 51 countries. Entered agreement to operate art'otels and Park Plaza® hotels in Germany and Hungary.
1999	Opening of first Park Plaza® hotel in central London.
1994	Obtained the rights to use the Park Plaza® Hotels & Resorts brand in four countries.
1989	Park Plaza Hotels Europe was established and its first hotel was Park Plaza Eindhoven, the Netherlands.

## Board of Directors



**Eli Papouchado**  
Non-Executive Chairman



**Boris Ivesha**  
President & Chief Executive Officer



**Chen Moravsky**  
Deputy Chief Executive Officer & Chief Financial Officer



**Kevin McAuliffe**  
Non-Executive Director & Senior Independent Director



**Elisha Flax**  
Non-Executive Director



**Nigel Jones**  
Non-Executive Director

## Strategic objectives

# 1

Delivering stabilised annual return on shareholder capital

# 2

Maintaining our high EBITDA margin

# 3

Improving our guest experience through a consistent service delivery and product enhancements

# 4

Driving growth by expanding our hotel portfolio through a variety of business models

# 5

Improving our overall performance through innovative revenue generation and marketing initiatives

# 6

Leveraging our partnership with Carlson<sup>SM</sup> to further grow revenues

## Looking forward

Maintain progressive dividend policy

Maintain our high EBITDA margin by improving operational performance, tight cost controls, centralised procurement and further developing our financial structure and asset management initiatives

Continue to grow employee engagement, guest satisfaction and loyalty by consistent delivery of exceptional customer service, significant product enhancements and investment in our people development activities

Focus on driving growth through construction projects and extending our development pipeline

Actively look for opportunities to improve our revenue generation through analysis of demand patterns and customer behaviour, new distribution channels, digital marketing, customer engagement, and collaboration with third parties

Embrace all marketing, sales, distribution and e-commerce channels and programmes available through Carlson's global network and increase customer loyalty and engagement.

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Any forward-looking statements in this fact sheet reflect the Group's views with respect to future events and are subject to risks, uncertainties and assumptions relating to the Group's operations, results of operations and growth strategy. These forward-looking statements speak only as of 9 March 2016. Subject to any legal or regulatory obligations, the Company undertakes no obligation publicly to update or review any forward-looking statement, whether as a result of new information, future developments or otherwise.