



**PPHE HOTEL GROUP LIMITED**

(Registered in Guernsey under number 47131)

# NOTICE OF ANNUAL GENERAL MEETING

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

If you are in doubt as to any aspect of the proposals referred to in this document or as to the action you should take, you should seek your own advice from your stockbroker, solicitor, accountant or other professional adviser authorised under the Financial Services and Markets Act 2000. If you have sold or otherwise transferred all your shares in PPHE Hotel Group Limited, please forward this document, together with the accompanying documents, to the purchaser or transferee, or to the person who arranged the sale or transfer so they can pass these documents to the person who now holds the shares.

Notice of the Annual General Meeting to be held on 23 May 2023 at 12 noon at 1st floor, Elizabeth House, Les Ruettes Brayes, St Peter Port, Guernsey GY1 1EW is set out on pages 2 to 7 of this document.

Unless requested from the Registrar, you will not receive a form of proxy for the Annual General Meeting in the post. Instructions on how to appoint a proxy electronically and how to register are detailed in the notes. If you wish to request a hard copy form of proxy, are unable to locate any of the documents on the web page or need any help with voting online, please contact the Link Group shareholder helpline on 0044 371 664 0300.

**PPHE HOTEL GROUP LIMITED**

(Incorporated in Guernsey with registered number 47131)

Directors:	Registered office:
Eli Papouchado (Non-Executive Chairman)	1st and 2nd floors Elizabeth House Les Ruettes Brayes St Peter Port Guernsey GY1 1EW
Yoav Papouchado (Alternate Director)	
Boris Ivesha	

Daniel Kos

Ken Bradley

Kevin McAuliffe

Nigel Keen

Stephanie Coxon

Marcia Bakker

(each a “**Director**” and together the “**Directors**” and/or “**Board**”)

20 March 2023

**DEAR SHAREHOLDER,****Notice of Annual General Meeting (“AGM”) of PPHE Hotel Group Limited (the “Company”)**

I am writing to inform you that the AGM of the Company will be held at 12 noon on 23 May 2023 at 1st floor, Elizabeth House, Les Ruettes Brayes, St Peter Port, Guernsey GY1 1EW. Shareholders can either attend in person or will be able to listen to the AGM proceedings remotely via a listen-only dial-in facility and participate by submitting questions in advance.

The dial-in details for Shareholders to listen to the AGM remotely are as follows:

United Kingdom (Local): +44 20 3936 2999

United Kingdom (Toll-Free): +44 808 189 0158

Standard international dial-in number: +44 20 3936 2999

Access Code: 186064

Shareholders are advised to allow up to 20 minutes prior to the commencement of the AGM at 12 noon on 23 May 2023 to access the service. For any questions related to the dial in facility please contact [website\\_uk@orientcap.com](mailto:website_uk@orientcap.com)

In accordance with the Articles, Shareholders or their proxies listening remotely will not be counted as being present at the AGM. Shareholder participation is important to the Directors and all Shareholders are encouraged to vote ahead of the AGM by appointing a proxy to vote on the resolutions set out in the Notice of AGM as soon as possible and in any event by 12 noon on 21 May 2023. Shareholders can appoint a proxy in respect of the resolutions by any of the following methods:

- by logging on to <https://shares.pphe.com/welcome> and following the instructions; or

- by requesting a hard copy form of proxy directly from the registrar, Link Group on Tel: 0044 371 664 0300. Calls are charged at the standard geographical rate and will vary by provider. Calls outside the United Kingdom will be charged at the applicable international rate. Lines are open between 9.00am to 5.30pm, Monday to Friday excluding public holidays in England and Wales; or
- in the case of CREST members, by utilising the CREST electronic proxy appointment service in accordance with the procedures set out on page 12.

Engagement with our Shareholders is important to the Company and the Directors. Therefore, we strongly encourage Shareholders who are unable to participate by attending the AGM, in person, to participate in the AGM by submitting any questions in advance. As such, any specific questions on the business of the AGM and on the resolutions can be e-mailed to [rhenke@pphe.com](mailto:rhenke@pphe.com) and [izilberman@pphe.com](mailto:izilberman@pphe.com) (marked for the attention of Robert Henke and Inbar Zilberman). All such questions should be submitted by 5.00pm on 9 May 2023. The Board will then upload responses to the questions that have been submitted by the aforementioned deadline and these will be found at <https://www.pphe.com/media/reports-and-presentations>. The formal notice of the AGM and the resolutions to be proposed are set out on page 9 of this document. Further information on the business to be conducted at the AGM and the resolutions to be proposed is set out below.

All resolutions at the AGM will be voted on via a poll rather than a show of hands.

**ORDINARY BUSINESS****Accounts (Resolution 1)**

The Directors are required by the Companies (Guernsey) Law, 2008 (as amended) (“**Companies Law**”) to present each year the Company’s most recent financial statements and the Directors’ and the auditors’ reports on those financial statements to the Shareholders at the AGM.

Resolution 1 will, therefore, propose that the report of the Directors and the Accounts of the Company for the year ended 31 December 2022 together with the report of the auditors, be received.

The Company’s financial statements and the Directors’ and the auditors’ reports on the financial statements are available from the Company’s website ([www.pphe.com](http://www.pphe.com)).

**Dividend (Resolution 2)**

A final dividend of 12 pence per Ordinary Share for the year ended 31 December 2022 is recommended for payment by the Directors. If Resolution 2 is passed then the recommended final dividend will be paid on 31 May 2023 to all Shareholders who were on the register of members as at the close of business on 28 April 2023.

The Companies Law has adopted a solvency based regime rather than a capital maintenance regime, which requires that a company can only pay a dividend provided it satisfies the “solvency test” (as detailed in section 527 of the Companies Law) immediately after the dividend is paid. A company satisfies the “solvency test” if: (i) it is able to pay its debts as they become due; and (ii) the value of its assets is greater than the value of its liabilities. In recommending the payment of the final dividend, the Directors have already

considered the “solvency test”. However, payment of the final dividend will remain conditional on the Directors reconfirming before paying the proposed dividend that the “solvency test” will be satisfied immediately following such payment being made on 31 May 2023.

### **Directors’ remuneration report (Resolution 3)**

In accordance with accepted best corporate governance practice for a company with shares admitted to the premium segment of the Official List of the FCA and to trading on the London Stock Exchange’s (“LSE”) Main Market, the Company will put its remuneration report contained at pages 118 to 125 of the annual report for the financial year ended 31 December 2022 (**‘Remuneration Report’**) to an advisory shareholder vote.

The Shareholders will be asked to receive and approve the Remuneration Report for the year ended 31 December 2022. The Remuneration Report is set out in full on pages 118 to 125 of the annual report and gives details of the Directors’ remuneration for the year ended 31 December 2022. The vote is advisory in nature and the Directors’ entitlement to remuneration is not conditional on it being passed.

### **Re-appointment of auditors and approval of remuneration (Resolutions 4 and 5)**

The Company is required to appoint auditors for each of its financial years. Resolution 4 will, therefore, propose the reappointment of Kost Forer Gabbay & Kasierer, a member of Ernst & Young Global, as the Company’s auditors. Resolution 5 will authorise the Directors to determine their remuneration.

### **Re-election and election of directors (Resolutions 6 to 12 (inclusive))**

The Articles of the Company require that at each annual general meeting a minimum of one-third of the Directors must retire from office, save that if the number of Directors is not three or any multiple of three then the minimum number required to resign is the number nearest to and less than one-third.

The UK Corporate Governance Code 2018 (the “Code”) recommends that all directors of listed companies should be subject to annual re-election by shareholders. The Directors have decided to endorse this recommendation of the Code and therefore all the Directors will retire at the AGM and offer themselves for election or re-election. The biographical details on pages 4 to 6 set out the skills and experience each Director brings to the Board and why their contribution continues to be important for the long-term sustainable success of the Company. Each Director’s contribution is based on, amongst other things, their business skills, experience and knowledge, both as an individual and also in contribution to the balance of capability, experience, knowledge and skills of the Board as a whole. The Board concluded that it is operating effectively, with each Director able to discharge their duties and each with sufficient capacity to meet their commitments to the Company.

The Board, accordingly, recommends each retiring Director for re-election, save for Kevin McAuliffe. As announced on 15 November 2022, Kevin McAuliffe has decided to gradually retire from business life and, as a consequence, he will not stand for re-election at the AGM and will resign from the Board at the conclusion of the meeting.

Resolutions 6 to 12 relate to the re-election and/or election of the Directors other than Kevin McAuliffe. Resolutions 9, 10, 11 and 12 relate to the election/re-election (as applicable) of non-executive directors: Ken Bradley, Nigel Keen, Stephanie Coxon and Marcia Bakker (the **‘Non-Executive Directors’**). The Non-Executive Directors are regarded by the Company as being independent of management and free from any business or other relationship that could materially interfere with the exercise of their independent judgment.

Under the FCA’s Listing Rules (“LR”), because the Company has entered into separate relationship agreements (the **“Relationship Agreements”**) with its immediate controlling shareholders: (1) Euro Plaza and Eli Papouchado (acting in his capacity as trustee of an endowment created under Israeli law); and (2) Walford and Clermont Corporate Services Limited (a professional corporate trustee in its capacity as trustee of certain trusts established for the benefit of Boris Ivesha and his family), which as a concert party hold 43.43% of the issued share capital of the Company (and exercises or controls more than 30% of the voting rights of the Company), the re-election of any independent director by shareholders must be approved by a majority of both the Shareholders as a whole, and separately by all Independent Shareholders.

Resolutions 9, 10, 11 and 12 are therefore being proposed as ordinary resolutions that all Shareholders may vote on. However, in addition, the Company will separately count the number of votes cast by Independent Shareholders in favour of each of the resolutions (as a proportion of the total votes of the Independent Shareholders cast on each resolution). At the time of the AGM results announcement in respect of resolutions 9, 10, 11 and 12 the Company will announce the results of both the vote of all Shareholders and also the vote of the Independent Shareholders.

If a vote to re-elect an independent Non-Executive Director is not passed by the Independent Shareholders, the Company may propose a further resolution to re-elect the relevant Director(s) between 90 and 120 days from the date of the AGM. This further resolution in respect of each Non-Executive Director must be passed by a majority of the Shareholders as a whole, and there is no requirement for an additional vote by the Independent Shareholders. Listing Rule 9.2.2DG allows any Non-Executive Director who is not re-elected by the Independent Shareholders to remain in office until the further resolution has been voted on. The Company is required by the Listing Rules to provide details of:

- (i) any previous or existing relationship, transaction or arrangement between an independent director and the Company, its directors, any controlling shareholder;
- (ii) why the Company considers the proposed independent director will be an effective director;

- (iii) how the Company has determined that the proposed director is an independent director; and
- (iv) the process by which the Company has selected each independent director.

The Company confirms the following to meet these requirements:

1. Previous/existing relationships: There are no existing or previous relationships, transactions or arrangements between each Director who was independent at appointment and the Company, any of its directors, any controlling shareholder of the Company or any associate of such a controlling shareholder.
2. Effectiveness: Each of the Directors who were independent at appointment continues to be effective, to contribute to the performance of the Board and to demonstrate commitment to their role. In addition to the board/committee meetings and AGM, they attend and contribute to executive management and each of them provides additional support to the Board and the Company on a specific area of interest related to their skills and experience, which for (i) Stephanie Coxon is accounting matters and capital market expertise; (ii) Ken Bradley is banking and financial services; (iii) Nigel Keen is real estate and commercial property; and (iv) Marcia Bakker audit, finance, executive search and leadership advisory.
3. Independence: The Board has determined that each Independent Director is independent by considering the various relationships referred to above and that the relevant Independent Director was not involved in any decisions relating to the dealings referred to or any other dealing between the Independent Director or any organisation with which he, she or they is/are connected and the Company, any of its directors, any controlling shareholder of the Company or any associates of such a controlling shareholder.
4. Selection: The Nomination Committee convenes at least annually and considers, among other matters, Board appointments, succession planning and the re-election of directors. No Director is involved in any decision about their own reappointment. In carrying out these activities, the Nomination Committee follows the guidelines of the Code.

The Company recommends that the Independent Directors should be re-elected as set out in the relevant resolutions.

#### **ELI PAPOUCHADO, NON-EXECUTIVE CHAIRMAN**

- Chairman of the Group since formation
- Founder of the Red Sea Group and acted as its Chairman for ten years
- Wealth of experience in the construction, design, development, financing, acquisition and management of leading hotels, including Park Plaza Westminster Bridge London, Park Plaza London Riverbank and many others
- Involved in the development of hundreds of thousands of square meters of retail space in shopping malls and large residential projects in the US, Eastern Europe and the Middle East
- Served as Chairman of the Israel Hotel Association
- Appointed to the Board on 20 June 2007

#### **BORIS IVESHA, PRESIDENT & CEO**

- President of the Group since formation
- Brought Park Plaza® brand to the group in 1994 in collaboration with the Red Sea Group
- Major influencer in the expansion of the group's portfolio
- Established the Yamit Hotel, Israel in 1984 and served as its President
- Director of the Carlton Hotel in Israel (1979–1984)
- General Manager of the Royal Horseguards Hotel in London (1972–1979)
- Appointed to the Board on 14 June 2007

#### **DANIEL KOS, CFO AND EXECUTIVE DIRECTOR**

- Appointed CFO in January 2018
- Previously Vice President Corporate Finance of the group, which he joined in 2011
- Responsible for the Group's finance, IT and procurement strategy
- 20 years of finance experience in audit and corporate finance including involvement in large M&A deals, (re) financings and transactions on the London and Zagreb public markets
- 11 years at internationally recognised accounting, audit and consulting group Mazars LLP focusing on hospitality, real estate and financial service companies

## **KENNETH BRADLEY, INDEPENDENT NON-EXECUTIVE DIRECTOR**

**Responsibilities:** Chair of the Nomination Committee which leads the process for appointments to the Board and ensures orderly succession plans are in place for the Board and Senior Management positions. Chair of the ESG Committee which is responsible for developing, reporting and setting targets in relation to ESG matters.

**Qualifications:** First class BSc (HONS) and MBA from Warwick University, he also holds a diploma from the Institute of Directors in the Company Direction Programme.

**Committees Membership:** Audit, Remuneration, Nomination and ESG Committees.

**Skills and Experience:** Over 30 years of experience in Banking and other regulated financial services businesses, covering wealth management, corporate banking, structured finance and insurance.

**Career Experience:** Spent 22 years with RBS Group, with focus on corporate banking and structured finance, he was Island Director with responsibility for all their business in Guernsey, including Retail and Private Banking, Corporate Banking, Asset Finance, Treasury Management and Insurance. Prior to that he was country manager for Barclays, overseeing their Banking and Fiduciary business, whilst having responsibility for businesses in five other jurisdictions.

**Current Directorships:** Director of a private fiduciary company and a small finance company.

**Specific contribution to company's long term success:** Independent Non-Executive Director bringing banking, corporate finance and risk management expertise to advise the Group and support its growth in line with strategy.

## **NIGEL KEEN, SENIOR INDEPENDENT NON-EXECUTIVE DIRECTOR**

**Responsibilities:** Senior Independent Director, chair of Remuneration Committee, provides management with a sounding board on Real Estate Development and Asset Management of the portfolio.

**Qualifications:** Chartered Surveyor.

**Committee membership:** Audit, Remuneration and Nomination Committees.

**Skills and Experience:** Over 35 years of property experience from site acquisition through to asset management. He sat on the Board of Waitrose for 15 years and is now a non-executive director on the board of Vistry Group PLC (previously Bovis Homes) and RG Carter Group chairing remuneration committees and sitting on nomination committees and audit committees.

**Career Experience:** He spent 10 years at Tesco Plc during a period of rapid expansion in the 1990's rising to Construction Director. He acted as Property Director for The John Lewis Partnership, leading the expansion of the Group across the UK. He was appointed to the board of directors of Waitrose in 2003 on which he served for 15 years, during a period of significant growth in turnover and expansion of the property estate.

**Current Directorships:** Non-executive director of Vistry Group PLC and chair of remuneration committee, and RG Carter Construction Company and deputy chairman of Maudsley Mental Health Charity.

**Specific contribution to company's long term success:** Independent Non-Executive Director bringing board level governance experience and property expertise to support the company's development pipeline in-line with the strategy.

## **STEPHANIE COXON, INDEPENDENT NON-EXECUTIVE DIRECTOR**

**Responsibilities:** Chair of the Audit Committee and is responsible for providing oversight of the financial reporting and disclosure process; oversight of the appointment, performance and independence of the external auditors; monitoring the internal control process; approving the annual internal audit plan; and monitoring the performance of the internal audit function and risk management policies and practices.

**Qualifications:** Fellow of the Institute of Chartered Accountants in England and Wales.

**Committee membership:** Audit, Remuneration, Nomination and ESG Committees.

**Skills and experience:** A chartered accountant, with over 15 years of capital market experience. Her role as a capital markets director at PwC included advising asset managers on listing investment funds and real estate investment trusts (UK, Guernsey and Jersey) on the London Stock Exchange. She also advised on ongoing obligations, internal controls, corporate governance, accounting policies and reporting processes.

**Career experience:** PwC's Capital Markets Director leading teams across the UK and the Channel Islands. Specialised in advising FTSE 250 and premium London listed companies on accounting, corporate governance, risk management and strategic matters. Also advised boards on ongoing obligations, corporate governance, accounting policies and reporting processes.

**Current directorships/business interests:** Non-Executive Director of Apax Global Alpha Limited, JLEN Environmental Assets Group Limited, International Public Partnerships Limited and PraxisIFM Group Limited.

**Specific contribution to the company's long-term success:** Independent Non-Executive Director bringing accounting, risk management, internal controls, and corporate governance experience to challenge and advise the Group.

## MARCIA BAKKER, INDEPENDENT NON-EXECUTIVE DIRECTOR

**Responsibilities:** Assisting with the oversight, monitoring and review functions of the Audit, Nomination, Remuneration and ESG Committees.

**Qualifications:** Certified Public Accountant.

**Committee membership:** Audit, Nomination, Remuneration and ESG Committees.

**Skills and experience:** A chartered accountant with over 20 years of experience in audit, finance, executive search and leadership advisory. Worked for 10 years at KPMG in audit and advisory with a focus on corporate clients. Broad background in finance with a speciality in financial reporting and was part of the IFRS and Financial Instrument competence centre at KPMG. During the last 10 years she has combined her finance background with executive search and succession planning for various corporate clients.

**Career experience:** As an auditor worked for approximately 10 years at KPMG in the corporate client function as auditor and advisor. Expanded her finance background further as financial consultant advising corporate and financial services clients on IFRS reporting and financial instruments. Since 2012, she merged a background in finance, recruitment and HR and successfully built her own business in interim management and recruitment. Currently working as an executive search professional for a leading international executive search firm combining her finance experience with leadership advisory.

**Current directorships/business interests:** Member of the Board of ISVW (Internationale School van de Wijsbegeerte). ISVW is a well-established foundation promoting the academic field of Philosophy in the Netherlands.

**Specific contribution to the company's long-term success:** Independent Non-Executive Director with extensive experience and oversight of accounting and financial controls, executive recruitment and management to challenge and advise the Group.

## SPECIAL BUSINESS

### Power to allot (Resolution 13)

In certain circumstances, it may be in the best interests of the Company to allot shares (or to grant rights over shares). The purpose of resolution 13 is to grant the power to the Directors to allot Ordinary Shares (or sell treasury shares) up to 14,119,586 Ordinary Shares which is equivalent to approximately one-third of total issued Ordinary Shares (excluding treasury shares) as of the Latest Practicable Date.

In addition, in accordance with guidance from the Investment Association on the expectations of institutional investors in relation to the authority of directors to allot shares, upon the passing of resolution 13, the Directors will have authority (pursuant to paragraph (b) of the resolution) to allot up to 28,239,171 Ordinary Shares in connection with a rights issue, open offer or other pre-

emptive offer in favour of ordinary shareholders, such number to be reduced by the number of shares (if any) issued under paragraph (a) of resolution 13. This amount (before any reduction) represents approximately two-thirds of the Company's current issued Ordinary Shares (excluding treasury shares) as at the Latest Practicable Date. This authority will also expire immediately following the next annual general meeting or the date 15 months after the date resolution 13 is passed, whichever is the earlier.

As a result, if Resolution 13 is passed, the Directors could allot shares representing up to two-thirds of the current issued Ordinary Shares pursuant to a fully pre-emptive offer.

The Directors will continue to seek to renew these authorities at each annual general meeting, in accordance with current best practice. The Directors have no present intention of exercising either of the authorities sought under this resolution except under paragraph (a), in connection with the Company's obligations under its executive and employee share schemes.

As at the Latest Practicable Date, the Company held 1,988,653 Ordinary Shares of the Company in treasury representing 4.69% of the total ordinary share capital in issue (excluding treasury shares) at that date.

The authority sought in Resolution 13 revokes and replaces all unexercised authorities previously granted to the Directors to allot Ordinary Shares but without prejudice to any issue or grant of rights already made, offered or agreed to be made pursuant to such authorities.

### Disapplication of pre-emption rights (Resolutions 14 and 15)

Pursuant to article 4.12 of the Company's Articles, if the Directors wish to allot Ordinary Shares or to sell treasury shares for cash, they must in the first instance offer them to existing holders of Ordinary Shares in proportion to their existing holdings. However, there may be occasions when the Directors need flexibility to finance business opportunities by the issue of Ordinary Shares without a pre-emptive offer to existing holders of Ordinary Shares.

This cannot be done under the Articles without the holders of Ordinary Shares first waiving their pre-emption rights in accordance with article 4.20 of the Articles. As a result, and in accordance with the Pre-emption Group's Statement of Principles 2022 on Disapplying Pre-emption Rights ("**Statement of Principles 2022**"), the Directors are seeking authority to disapply pre-emption rights in two separate resolutions.

Resolution 14 is conditional on the passing of resolution 13 and authorises the Directors to allot Ordinary Shares or sell treasury shares for cash without application of the pre-emption rights contained in article 4.12 of the Articles as follows:

- (i) issue Ordinary Shares (or sell treasury shares) for cash in connection with pre-emptive offers and offers to holders of other equity securities if required by the rights of those securities or as the Directors consider necessary;
- (ii) issue up to 4,235,876 Ordinary Shares (or sell treasury shares) for cash (otherwise than pursuant to (i) above), such number representing approximately 10% of the issued Ordinary Shares (excluding treasury shares); and
- (iii) issue up to 847,175 Ordinary Shares (or sell treasury shares) for cash (otherwise pursuant to (i) and (ii) above), such number representing approximately 2% of issued Ordinary Shares (excluding treasury shares), to be used only for the purposes of a follow on offer (further details below).

The aggregate number of Ordinary Shares above represent approximately 10% and 2% respectively of issued Ordinary Shares of the Company as the Latest Practicable Date.

The Directors are seeking further authority under resolution 15 to allot Ordinary Shares or sell treasury shares for cash otherwise than to existing holders of Ordinary Shares pro rata to their existing holdings up to 4,235,876 Ordinary Shares representing approximately 10% of the Company's issued Ordinary Shares (excluding treasury shares) but only for the purposes of financing a transaction which the Directors determine to be an acquisition or a specified capital investment, as contemplated by the Statement of Principles 2022, with authority for a further disapplication of pre-emption rights up to 847,175 representing approximately 2 % of issued Ordinary Shares to be used only for the purposes of a follow-on offer. The aggregate number of Ordinary Shares above represent approximately 10% and 2% respectively of issued Ordinary Shares as at the Latest Practicable Date.

Resolutions 14 and 15 are in line with the disapplication authorities permitted by the Statement of Principles 2022. This allows the Directors to issue Ordinary Shares for cash otherwise than in connection with a pre-emptive offer (i) up to 10% of a company's issued Ordinary Shares for use on an unrestricted basis, (ii) up to an additional 10% of issued ordinary share capital in connection with an acquisition or specified capital investment which is announced contemporaneously with the allotment, or which has taken place in the preceding 12 month period and is disclosed in the announcement of the allotment, and (iii) in the case of both (i) and (ii), up to an additional 2% of issued ordinary share capital for the purposes only of a follow-on offer. The Statement of Principles 2022 provides for a follow-on offer as a possible means of enabling smaller and retail shareholders in the Company to participate in a non-pre-emptive equity issue when it may not be possible (for timing or other reasons) for them to participate in a particular offer or placing being undertaken. The Statement of Principles 2022 sets out the expected features of any such follow-on offer, including in relation to qualifying shareholders, monetary caps on the amount qualifying shareholders can subscribe and the issue price of the shares.

The Directors have no present intention of exercising these authorities but consider that the authorities are appropriate in order to preserve maximum flexibility in the future.

Both authorities in resolutions 14 and 15 will expire on the earlier of either the conclusion of the next annual general meeting or of the Company or the close of business on the date 15 months after the date resolutions 14 and 15 are passed.

#### **Purchase of Own Shares (Resolution 16)**

The purpose of resolution 16 is to put in place an authority to enable the Company to make market purchases of up to 4,235,876 Ordinary Shares of nil par value, being approximately 10% of the issued ordinary share capital (excluding treasury shares) as at the Latest Practicable Date .

The Company's exercise of this authority will be subject to the stated upper and lower limits on the price payable (as set out in resolution 16). The Directors will only exercise the power of purchase after careful consideration and in circumstances where they are satisfied, that to do so would result in an increase in earnings per share and would be in the best interests of the Company and of its Shareholders generally. The Directors intend to keep under review the potential to purchase Ordinary Shares. If granted, this authority will expire on the conclusion of the next annual general meeting of the Company or, if earlier, 15 months after this resolution is passed.

If the authority conferred by this resolution is exercised, the Company will have the option of either holding in treasury or of cancelling any of its own shares purchased pursuant to this authority and will decide at the time of purchase which option to pursue. As at the Latest Practicable Date, there were 631,723 share options outstanding under the Company's share option plans in respect of 631,723 Ordinary Shares representing 1.49% of the Company's issued share capital (excluding treasury shares). If the authority to purchase the Ordinary Shares were exercised in full, then the total number of options to subscribe for Ordinary Shares outstanding would represent 1.66% of the reduced issued share capital (excluding treasury shares).

#### **ACTION TO BE TAKEN**

You will find enclosed voting instructions on page 2 of this document. Please follow the instructions as set out on that page.

#### **Recommendation**

The Directors consider that all the resolutions to be proposed at the AGM are in the best interests of the Company and its Shareholders as a whole and unanimously recommend Shareholders to vote in favour of all the resolutions, as they intend to do in respect of their own beneficial holdings.



Yours Sincerely,

**ELI PAPOUCHADO**  
**NON-EXECUTIVE CHAIRMAN**  
PPHE Hotel Group Limited  
(Registered in Guernsey under 47131)

The following definitions apply throughout this document unless the context requires otherwise.

<b>AGM</b>	the Annual General Meeting which will be held on 23 May 2023
<b>Articles</b>	the Articles of Incorporation of the Company
<b>Board</b>	the Board of Directors
<b>Companies Law</b>	the Companies (Guernsey) Law 2008 (as amended)
<b>Company or PPHE Hotel Group</b>	PPHE Hotel Group Limited
<b>Euro Plaza</b>	Euro Plaza Holdings B.V.
<b>FCA</b>	Financial Conduct Authority
<b>Group</b>	the Company and all its subsidiaries from time to time
<b>Independent Directors</b>	means Nigel Keen, Ken Bradley, Stephanie Coxon and Marcia Bakker.
<b>Independent Shareholders</b>	the Shareholders other than the parties to the Relationship Agreements defined on page 3 of this document
<b>Latest Practicable Date</b>	the latest practicable date prior to the publication of this Notice being 20 March 2023
<b>Listing Rules</b>	the Listing Rules of the FCA
<b>Notice of AGM</b>	the notice convening the AGM dated 20 March 2023
<b>Official List</b>	the official list maintained by the FCA for the purposes of Part VI of Financial Services and Markets Act 2000
<b>Ordinary Resolution</b>	a resolution that requires a simple majority of those present, in person or by proxy, and voting in favour of the resolution in order to be passed
<b>Ordinary Shares</b>	Ordinary Shares of no par value each in the capital of the Company
<b>Registrar</b>	Link Group, 10th Floor, Central Square, 29 Wellington Street, Leeds LS1 4DL.
<b>Shareholders</b>	holders of Ordinary Shares
<b>Takeover Code</b>	the City Code on Takeovers and Mergers
<b>Takeover Panel</b>	the Panel on Takeovers and Mergers responsible for the issue and administration of The Takeover Code



NOTICE IS HEREBY GIVEN that the AGM of the Company will be held at 1st floor, Elizabeth House, Les Ruettes Brayes, St Peter Port, Guernsey GY1 1EW at 12 noon on 23 May 2023 for the following purposes:

#### **Ordinary business**

To consider and, if thought fit, pass the following resolutions as ordinary resolutions:

1. That the report of the Directors and the accounts of the Company for the year ended 31 December 2022, together with the report of the auditors, be received.
2. That for the year ended 31 December 2022 of 12 pence per ordinary share be authorised.
3. To approve the Remuneration Report set out on pages 118 to 125 of the Company's Annual Report for the year ended 31 December 2022.
4. That Kost Forer Gabbay & Kasierer, a member of Ernst & Young Global, be re-appointed as auditors of the Company for the ensuing year.
5. That the Directors are authorised to determine the remuneration of the Company's auditors until the end of the next annual general meeting of the Company.
6. That Eli Papouchado, who retires and who, being eligible, offers himself for re-appointment as a Director of the Company, be re-elected.
7. That Boris Ivesha, who retires and who, being eligible, offers himself for re-appointment as a Director of the Company, be re-elected.
8. That Daniel Kos, who, retires and who, being eligible, offers himself for re-appointment as a Director of the Company, be re-elected.
9. That Ken Bradley, who retires and who, being eligible, offers himself for re-appointment as a Director of the Company, be re-elected.
10. That Nigel Keen, who retires and who, being eligible, offers himself for re-appointment as a Director of the Company, be re-elected.
11. That Stephanie Coxon, who retires and who, being eligible, offers herself for re-appointment as a Director of the Company, be re-elected.
12. That Marcia Bakker, who retires and who, being eligible, offers herself for re-appointment as a Director of the Company, be elected.

#### **SPECIAL BUSINESS**

To consider and, if thought fit, pass the following resolution as an extraordinary resolution:

13. That, in substitution for all subsisting authorities to the extent unused, the Directors of the Company be and they are hereby generally and unconditionally authorised pursuant to article 4.20 of the Company's articles of incorporation to exercise all the powers of the Company to allot ordinary shares in the Company (the "Ordinary Shares"), and to grant rights to subscribe for, or to

convert any security into, shares in the Company:

- (a) up to 14,119,586 Ordinary Shares equivalent to approximately one-third of the issued share capital (excluding treasury shares) (such amount to be reduced by the nominal amount of any equity securities (subject always to the articles of incorporation) allotted or granted under paragraph (b) of this resolution in excess of 14,119,586 Ordinary Shares); and
- (b) up to 28,239,171 Ordinary Shares equivalent to approximately two-thirds of the issued share capital (excluding treasury shares) (such number to be reduced by the number of any shares allotted or rights granted under paragraph (a) of this resolution) in connection with an offer by way of a rights issue, open offer or other pre-emptive offer:
  - (i) to ordinary shareholders in proportion (as nearly as may be practicable) to their existing holdings; and
  - (ii) to holders of other equity securities as required by the rights of those securities or, subject to such rights, as the Directors otherwise consider necessary,

and so that that Directors may impose any limits or restrictions and make any arrangements which they consider necessary or appropriate to deal with treasury shares, fractional entitlements or securities represented by depositary receipts, record dates, legal, regulatory or practical problems in, or under the laws of, any territory or the requirements of any regulatory body or stock exchange or any other matter.

The authorities conferred on the Directors under paragraphs (a) and (b) above shall expire at the conclusion of the next annual general meeting of the Company after the date of the passing of this resolution or at the close of business on the date falling 15 months after the date this resolution is passed, whichever is the earlier, save that under each authority the Company may, before such expiry, make offers, or enter into agreements, which would or might require shares to be issued or rights to subscribe for, or to convert any security into, shares to be granted after such expiry and the Directors may allot shares or grant rights to subscribe for, or to convert any security into, shares (as the case may be) in pursuance of such offers or agreements as if the relevant authority conferred hereby had not expired.

To consider and, if thought fit, pass the following resolutions as special resolutions:

14. That, subject to the passing of resolution 13, and in substitution for all subsisting authorities to the extent unused, the Directors be and they are hereby authorised, under the authority given in resolution 13, as if article 4.12 of the Company's articles of incorporation did not apply to any such issue, such authority to be limited to:

- (a) the allotment of ordinary shares in the Company (the "Ordinary Shares") and/or the sale of treasury shares for cash in connection with an offer of, or invitation to apply for, Ordinary Shares:
  - (i) to the holders of Ordinary Shares in proportion (as nearly as may be practicable) to their existing holdings on the register on fixed record date; and
  - (ii) to holders of other equity securities as required by the rights of those securities or as the Directors otherwise consider necessary,

and so that the Directors may impose any limits or restrictions and make any arrangements which they consider necessary or appropriate to deal with any treasury shares, fractional entitlements or securities represented by depositary receipts, record dates, legal, regulatory or practical problems in, or under the laws of, any territory or the requirements of any regulatory body or stock exchange or any other matter;

- (b) to the allotment of Ordinary Shares and/or sale of treasury shares (otherwise than under paragraph (a) of this resolution 14) for cash up to 4,235,876 equivalent to 10% of the issued Ordinary Shares (excluding treasury shares); and
- (c) to the allotment of Ordinary Shares or sale of treasury shares for cash (otherwise than under paragraph (a) or paragraph (b) of this resolution 14) up to 847,175 equal to 20% of any allotment of Ordinary Shares and/or sale of treasury shares from time to time under paragraph (b) of this resolution 14, such authority to be used only for the purposes of making a follow-on offer which the Directors determine to be of a kind contemplated by paragraph 3 of Section 2B of the Statement of Principles on Disapplying Pre-Emption Rights most recently published by the Pre-Emption Group prior to the date of this Notice of Annual General Meeting,

such authority to expire at the end of the next annual general meeting of the Company to be held in 2024 or, if earlier, at the close of business on the date falling 15 months after the date this resolution 14 is passed (unless previously renewed, varied or revoked by the Company at a general meeting) but, in each case, prior to its expiry the Company may make offers, and enter into agreements, which would, or might, require equity securities to be allotted (and treasury shares to be sold) after the authority expires and the Directors may issue Ordinary Shares (and sell treasury shares) under any such offers or agreements as if the authority conferred by this resolution had not expired.

15. That, subject to the passing of Resolution 13, and in substitution for all subsisting authorities to the extent unused, the Directors be and they are hereby authorised, in addition to any authority granted under Resolution 14, as if article 4.12 of the Company's articles of incorporation did not apply to such an issue, such authority to be limited to:

- (a) the allotment of ordinary shares in the Company (the "Ordinary Shares") and/or sale of treasury shares for cash up to 4,235,876 Ordinary Shares equivalent to ten per cent of the issued Ordinary Shares (excluding treasury shares) such authority to be used only for the purposes of financing (or refinancing, if the authority is to be used within 12 months after the original transaction) a transaction which the Directors determine to be an acquisition or a specified capital investment of a kind contemplated by the Statement of Principles on Disapplying Pre-Emption Rights most recently published by the Pre-Emption Group prior to the date of this Notice of Annual General Meeting; and
- (b) the allotment of equity securities or sale of treasury shares (otherwise than under paragraph (a) of this Resolution 15) up to 847,175 equal to 20% of any allotment of Ordinary Shares and/or sale of treasury shares from time to time under paragraph (a) of this resolution 15, such authority to be used only for the purposes of making a follow-on offer which the Directors determine to be of a kind contemplated by paragraph 3 of Section 2B of the Statement of Principles on Disapplying Pre-Emption Rights most recently published by the Pre-Emption Group prior to the date of this Notice of Annual General Meeting,

such authority to expire at the end of the next annual general meeting of the Company to be held in 2024 or, if earlier, at the close of business on the date 15 months after the date this resolution 15 is passed (unless previously renewed, varied or revoked by the Company at a general meeting), but, in each case, prior to its expiry the Company may make offers, and enter into agreements, which would, or might, require Ordinary Shares to be issued (and treasury shares to be sold) after the authority expires and the Directors may allot equity securities (and sell treasury shares) under any such offer or agreement as if the authority had not expired.

16. That the Company be and is hereby unconditionally and generally authorised at any time at the absolute discretion of the Directors in accordance with sections 313 and 315 of the Companies (Guernsey) Law, 2008 (as amended) to make market acquisitions (as defined in that law) of the ordinary shares of the Company (the "Ordinary Shares") on such terms and in such manner as the Directors of the Company shall from time to time determine, provided that:

- (a) the maximum aggregate number of Ordinary Shares hereby authorised to be acquired is 4,235,876 (equal to 10% of the Ordinary Shares in issue (excluding treasury shares) at the Latest Practicable Date;

- (b) the minimum price (exclusive of expenses) that may be paid for each Ordinary Share is £0.01;
- (c) the maximum price (exclusive of expenses) that may be paid for each Ordinary Share is the higher of:
  - (i) not more than 5% above the average of the middle market quotations for the Ordinary Shares (as derived from the Daily Official List of London Stock Exchange plc) for the five business days immediately preceding the date on which the Ordinary Shares is contracted to be purchased; or
  - (ii) an amount equal to the higher of the price of the last independent trade of an Ordinary Share and the highest current independent bid for an Ordinary Share on the trading venues where the purchase is carried out;
- (d) the authority conferred shall be in substitution for all such pre-existing authorities and shall expire at the conclusion of the next annual general meeting of the Company, or, if earlier, the date 15 months after the date on which this resolution is passed; and
- (e) the Company may make a contract or contracts to acquire its Ordinary Shares under the authority conferred prior to the expiry of such authority, which will be executed wholly or partly after the expiry of such authority, and may purchase its Ordinary Shares in pursuance of any such contract or contracts.

By Order of the Board

**CAREY COMMERCIAL LIMITED**

**COMPANY SECRETARY**

Registered Office:

1st and 2nd Floors  
Elizabeth House  
Les Ruettes Brayes  
St Peter Port  
Guernsey  
GY1 1EW

Dated: 20 March 2023

## Notes:

The following notes explain your general rights as a shareholder and your right to vote on the resolutions to be proposed at the AGM (the "Resolutions") or to appoint someone else to vote on your behalf. The arrangements for attendance and voting at this year's AGM and for asking questions on the business of the AGM are explained in the Chairman's letter. Any changes to the arrangements will be communicated to Shareholders through the Company's website <https://www.pphe.com/media/reports-and-presentations> and, where appropriate, by regulatory announcement.

1. To be entitled to vote on the Resolutions (and for the purpose of the determination by the Company of the number of votes they may cast), Shareholders must be registered in the register of members of the Company at the close of business on 21 May 2023 or, if the AGM is adjourned, 48 hours prior to the time fixed for the adjourned meeting. Changes to the register of members after the relevant deadline shall be disregarded in determining the rights of any person to attend and vote on the Resolutions. Shareholders are encouraged to submit their proxy vote in advance of the AGM.
2. Voting on the Resolutions will be conducted by way of a poll rather than a show of hands. This is a more transparent method of voting as shareholder votes are counted according to the number of shares held.
3. Shareholders are entitled to appoint another person as a proxy to exercise all or part of their rights to attend and to speak and vote on their behalf at the AGM. A shareholder may appoint more than one proxy in relation to the AGM provided that each proxy is appointed to exercise the rights attached to a different ordinary share or ordinary shares held by that shareholder. A proxy need not be a shareholder of the Company. However, please note that a proxy listening remotely will not be counted as being present at the AGM, will not be able to vote at the AGM and will not have the ability to speak or ask questions.
4. Shareholders, or their proxies, intending to attend the AGM in person are requested, if possible, to arrive at the AGM venue at least 20 minutes prior to the commencement of the AGM at 12 noon on 23 May 2023 so that their shareholding may be checked against the Company's register of members and attendances recorded.
5. For Shareholders who do not wish to, or are unable to, attend the AGM in person, a listen only dial-in facility will be provided to allow shareholders to listen to the AGM proceedings. The Directors strongly encourage shareholders to participate in the AGM by submitting any questions in advance and any specific questions on the business of the AGM and on the Resolutions can be submitted ahead of the AGM by e-mail to [rhenke@pphe.com](mailto:rhenke@pphe.com) and [izilberman@pphe.com](mailto:izilberman@pphe.com) (marked for the attention of Robert Henke and Inbar Zilberman).
6. Shareholders are advised to allow up to 20 minutes prior to the commencement of the AGM at 12 noon on 23 May 2023 to access the dial-in service (details are set out on page 2). If for any reason this facility fails, the validity of the AGM shall not be affected.
7. In accordance with the Articles, Shareholders or their proxies listening remotely will not be counted as being present at the AGM. Therefore, they will not be able to vote at the AGM and will not have the ability to speak or ask questions. Shareholders are encouraged to submit any questions in advance of the AGM so that the Board may respond to these after the business of the AGM is concluded. Shareholders listening remotely must, therefore, submit their proxy vote in advance of the AGM by appointing the chairman of the AGM as proxy with voting instructions to ensure their vote is counted.
8. In the case of joint holders, where more than one of the joint holders purports to appoint a proxy, only the appointment submitted by the most senior holder will be accepted. Seniority is determined by the order in which the names of the joint holders appear in the Company's register of members in respect of the joint holding (the first named being the most senior).
9. To allow effective constitution of the AGM, if it is apparent to the chairman of the AGM that no Shareholders will be present in person or by proxy, other than by proxy in the chairman's favour, the chairman may appoint a substitute to act as proxy in his or her stead for any shareholder, provided that such substitute proxy shall vote on the same basis as the chairman of the AGM.
10. A vote withheld is not a vote in law, which means that the vote will not be counted in the calculation of votes for or against the Resolution. If no voting indication is given, your proxy may vote or abstain from voting at their

discretion. Your proxy may vote (or abstain from voting) as he, she or they thinks fit in relation to any other matter which is put before the AGM.

11. You can appoint a proxy in respect of the Resolutions by any of the following methods:
  - by logging on to <https://shares.pphe.com/welcome> and following the instructions; or
  - by requesting a hard copy form of proxy directly from the registrar, Link Group, on Tel: 0044 371 664 0300. Calls are charged at the standard geographical rate and will vary by provider. Calls outside the United Kingdom will be charged at the applicable international rate. Lines are open between 9.00am to 5.30pm, Monday to Friday excluding public holidays in England and Wales; or
  - in the case of CREST members, by utilising the CREST electronic proxy appointment service in accordance with the procedures set out below.

Please note that a proxy listening remotely will not be counted as being present at the AGM, will not be able to vote at the AGM and will not have the ability to speak or ask questions. If you are appointing a proxy electronically and you have not already submitted your electronic proxy appointment, when you do so now you will be able to vote on all Resolutions. In order for a proxy appointment to be valid a form of proxy must be completed. In each case the form of proxy must be received at Link Group, PXS 1, Central Square, 29 Wellington Street, Leeds, LS1 4DL by 12 noon on 21 May 2023. Unless otherwise indicated on the Form of Proxy, CREST or any other electronic voting instruction the proxy will vote as they think fit or at their discretion or, withhold from voting.
12. If you return more than one proxy appointment, either by paper or electronic communication, the appointment received last by the registrar before the latest time for the receipt of proxies will take precedence. You are advised to read the terms and conditions of use carefully. Electronic communication facilities are open to all Shareholders and those who use them will not be disadvantaged.
13. CREST members who wish to appoint a proxy or proxies through the CREST electronic proxy appointment service may do so for the AGM (and any adjournment of the AGM) by using the procedures described in the CREST manual (available from [www.euroclear.com](http://www.euroclear.com)). CREST personal members or other CREST sponsored members, and those CREST members who have appointed a service provider(s), should refer to their CREST sponsor or voting service provider(s), who will be able to take the appropriate action on their behalf.
14. In order for a proxy appointment or instruction made by means of CREST to be valid, the appropriate CREST message (a 'CREST Proxy Instruction') must be properly authenticated in accordance with Euroclear UK & International's specifications and must contain the information required for such instructions, as described in the CREST manual. The message must be transmitted so as to be received by the issuer's agent (ID RA10) by 12 noon on 21 May 2023. For this purpose, the time of receipt will be taken to mean the time (as determined by the timestamp applied to the message by the CREST application host) from which the issuer's agent is able to retrieve the message by enquiry to CREST in the manner prescribed by CREST. After this time, any change of instructions to proxies appointed through CREST should be communicated to the appointee through other means.
15. CREST members and, where applicable, their CREST sponsors or voting service providers should note that Euroclear UK & International does not make available special procedures in CREST for any particular message. Normal system timings and limitations will, therefore, apply in relation to the input of CREST Proxy Instructions. It is the responsibility of the CREST member concerned to take (or, if the CREST member is a CREST personal member, or sponsored member, or has appointed a voting service provider(s), to procure that his CREST sponsor or voting service provider(s) take(s)) such action as shall be necessary to ensure that a message is transmitted by means of the CREST system by any particular time. In this connection, CREST members and, where applicable, their CREST sponsors or voting system providers are referred, in particular, to those sections of the CREST manual concerning practical limitations of the CREST system and timings. The Company may treat as invalid a CREST Proxy Instruction in the circumstances set out in Regulation 34 of the Uncertificated Securities (Guernsey) Regulations 2009 (as amended).

16. Any corporation which is a shareholder may, by resolution of its directors or other governing body, authorise one or more corporate representatives who may exercise on its behalf all of its powers as a shareholder (other than a power to appoint a proxy) provided that no more than one corporate representative exercises powers in relation to the same shares. However, please note that a corporate representative listening remotely will not be counted as being present at the AGM, will not be able to vote at the AGM and will not have the ability to speak or ask questions.
17. As at the Latest Practicable Date, the Company's ordinary issued share capital consisted of 42,358,757 Ordinary Shares (excluding shares held in treasury), carrying one vote each and 1,988,653 treasury shares. Therefore, the total voting rights in the Company as at the Latest Practicable Date is 42,358,757.
18. Your personal data includes data provided by you, or on your behalf, which relates to you as a shareholder, including your name and contact details, the votes you cast and your Shareholder Reference Number (attributed to you by the Company). The Company determines the purposes for which and the manner in which your data is to be processed. The Company and any third party to which it discloses the data (including the Company's registrar) may process your personal data for the purposes of compiling and updating the Company's records, fulfilling its legal obligations and processing the shareholder rights you exercise. A copy of the Company's privacy policy can be found online at <https://www.pphe.com/site-services/privacy-policy>.

A copy of this document and the Notice of AGM can be found on the Company's website at [www.pphe.com](http://www.pphe.com)