

BUILDING

MOMENTUM
VALUE &
PARTNERSHIPS



2022



01 PPHE OVERVIEW

UNDERSTANDING PPHE HOTEL GROUP

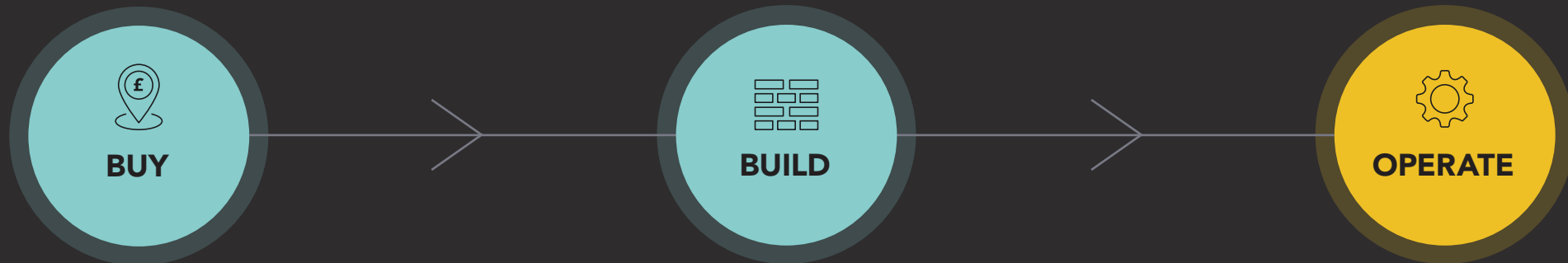
WHO WE ARE

PPHE Hotel Group is an international hospitality real estate group with a £2.0 billion portfolio of assets in Europe in leading cities, urban markets and resort destinations.

We are an owner and developer of hospitality assets with a scalable hospitality management platform attached.

VISION

To deliver a best-in-class performance through building further scale and depth in our real estate portfolio and growing the platform with our integrated 'Buy, Build, Operate' model.



WHAT SETS PPHE APART?

KEY FEATURES



01

THE BUSINESS MODEL

Integrated developer, owner and operator

- Real estate sits at the heart of our strategy
- Our “**buy, build, operate**” business model provides exposure and returns across the entire hospitality real estate value chain
- Strong preference for assets with development and/or repositioning potential
- Diversified real estate portfolio focused predominantly on European gateway cities and select resort locations

02

FOCUS ON EQUITY VALUE

Unique approach to capital structure

- Driving NAV growth through development, property repositioning and operational excellence
- Growth driven by capital recycling through raising funds (both third party equity and debt) at asset level, without diluting PPHE shareholders
- Multiple sources of capital providing a hedge against current market fluctuations
- Maintain strong banking relationships throughout economic cycles

03

HOSPITALITY MANAGEMENT PLATFORM

All disciplines under one roof

- Scalable hospitality management platform with growth potential through managing fully-, jointly- and third party owned properties
- Exclusive partnership with Radisson Hotel Group, providing benefits of scale, access to powerful brands, connection to worldwide reservation system and loyalty programme
- All hospitality management disciplines in-house, with strong operating credentials
- Long term management agreements, providing base fee income with performance-based incentive mechanisms

04

OUR BOARD AND MANAGEMENT TEAM

Track record and shareholder alignment

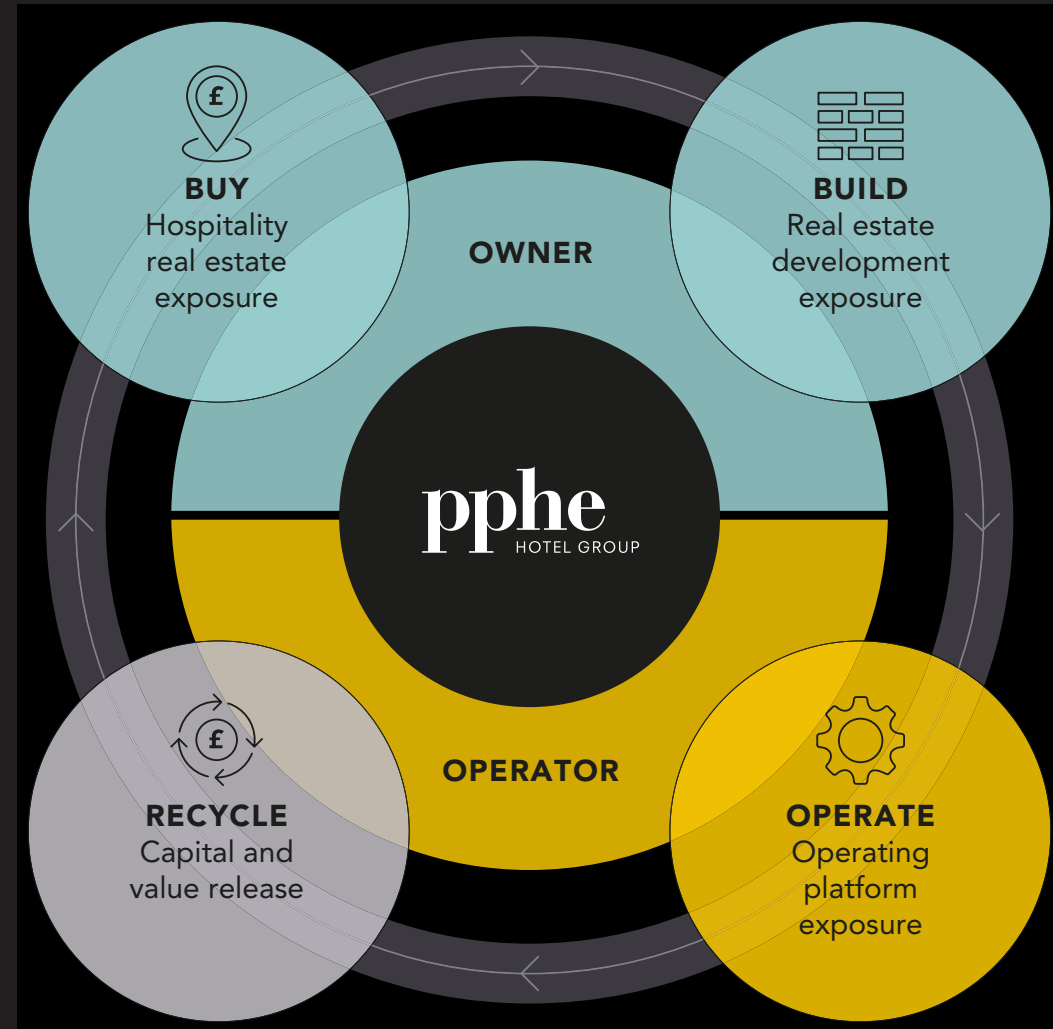
- A multi-disciplined Board and a loyal executive team with a strong track record
- Entrepreneurial mindset is the cornerstone of the Company’s DNA
- Strong shareholder alignment with founder Board members holding 43% of the shares (true custodians of shareholder capital)

VALUE CREATION AND RETURNS

PPHE IS FOCUSED ON GROWING EQUITY VALUE FOR ITS SHAREHOLDERS

We (re)develop, redesign and continuously improve assets, creating significant value along every part of the value chain

Value created is released through capital refinancing and recycled into new growth opportunities





02 STRATEGIC AND OPERATIONAL UPDATE



OPERATIONAL AND STRATEGIC REVIEW

OUTPERFORMANCE DRIVEN BY RETURN OF LEISURE AND BUSINESS TRAVEL

- London assets and Croatian hotels and premium campsites performed ahead of expectations
- Leisure travel saw the earliest pattern of recovery, followed by the growing return of business travel
- Room rate strategy (instead of occupancy) delivering
- City wide events in London adding to already high pent up leisure demand over summer months

TWO PREMIUM HOTELS OPENED AND PIPELINE PROGRESS

- Grand Hotel Brioni Pula, Croatia, has performed well since relaunched as a Radisson Collection Hotel in Q2
- UK first art'otel now fully opened at Battersea Power Station to critical acclaim
- Good progress made on £200m+ pipeline – Zagreb (opening Q2 2023); Rome (Q1 2024) & London Hoxton (H1 2024)

STRENGTHENED STRATEGIC PARTNERSHIP WITH RADISSON

- art'otel brand and portfolio growth targeted
- Potential fee-based income
- New agreements enable market segment differentiation utilising Radisson's family of recognised brands

NEW €250M EUROPEAN HOSPITALITY REAL ESTATE FUND

- Fund to capture attractive new asset opportunities via non-dilutive, third party capital
- Secured Clal as cornerstone investor for up to €75 million
- PPHE to manage Fund owned hotels via its hospitality management platform
- PPHE will commit up to €50 million to the fund
- PPHE's Rome hotel will be initial seed asset

EXTENDED STRATEGIC PARTNERSHIP WITH RADISSON HOTEL GROUP

Following our successful 20-year strategic partnership with Radisson Hotel Group, additional agreements were secured in May 2022 allowing for art'otel growth, fee-based income, brand diversification and brand portfolio growth and value creation.



Central reservation and distribution system



Powerful online and mobile platforms



Radisson Rewards programme with 11 million members



Global sales, marketing and buying power

Exclusive and perpetual EMEA licence for Park Plaza remains intact.

Benefits of new agreements:

- Joint growth of portfolio of premium lifestyle art'otels
- Target based development agreements
- Increased footprint will drive brand awareness, increase brand value and grow fee-based income
- Access to all Radisson Hotel Group brands at favourable terms
- Will enable brand diversification and market segment differentiation
- Secured luxury Radisson Collection brand for Grand Hotel Brioni Pula



€250M EUROPEAN HOSPITALITY REAL ESTATE FUND

FUND DETAILS

- PPHE launching and managing a new European Hospitality Real Estate Fund with potential size of €500 million (€250 million equity and €250 million debt)
- Secured Clal as cornerstone investor for up to €75 million
- PPHE initial commitment to the fund up to €50 million, cornerstone investor expected to commit up to €75 million.
- PPHE contributes art'otel Rome as initial seed asset
- Subject to receipt of regulatory approvals, third party investors will be able to commit up to €125m, taking the total equity up to €250m

BENEFITS

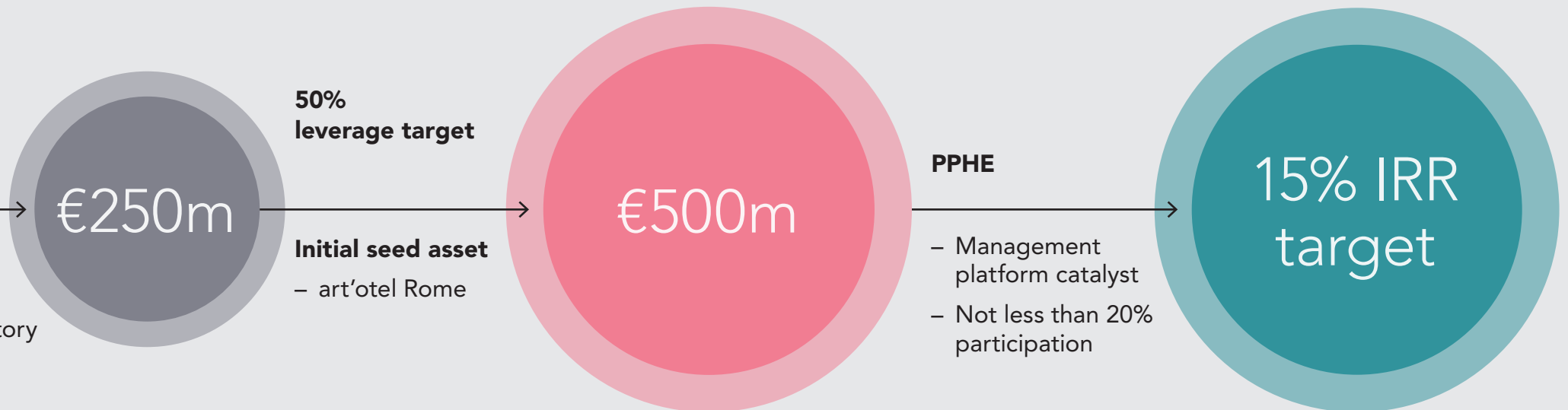
- 15% IRR target for investors over seven year life
- Fund investors will benefit from PPHE's proven ability to generate value through the acquisition and active management of European hotel assets
- Accelerate PPHE's strategy of acquiring and developing attractive hotel assets through the use of non-dilutive third party capital
- Further enhance PPHE's management platform which will manage and operate all the fund assets
- PPHE will benefit from enhanced management fees and capital value upside (min 20% fund participation)

Investors

- PPHE €50m
- Clal €75m

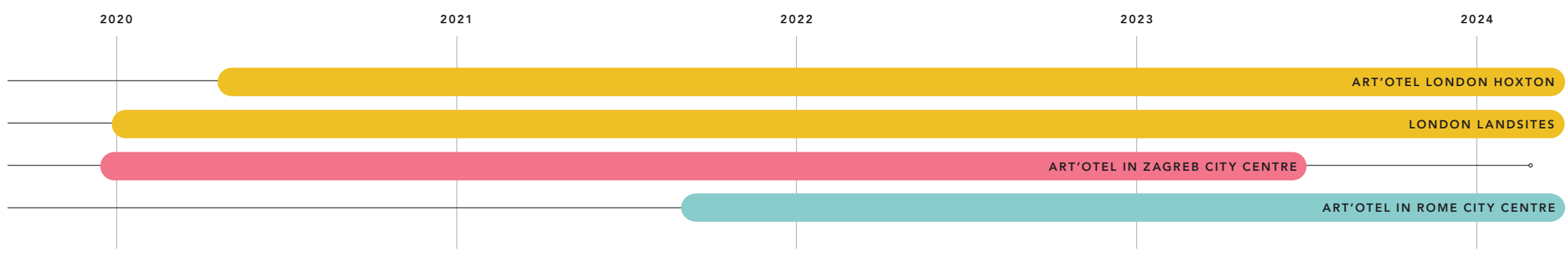
New investors

- Up to €125m
- Subject to regulatory approval



PROGRESS ON OUR PIPELINE

- PROPERTY CONSTRUCTION
- PROPERTY CONVERSION
- PROPERTY REPOSITIONING



ART'OTEL LONDON HOXTON, UK

LONDON

Our largest current construction project, expected to be completed in H1 2024. Occupying a prime location in Hoxton, this 27-storey mixed-use scheme will include a premium lifestyle art'otel with 357 rooms (including 60 suites), an art gallery, two original Banksy artwork pieces, destination restaurants, a bar, leisure facilities, events space and 5,900 square metres of office space.

Project value
£280m



LONDON LANDSITES, UK

LONDON

The Group has applied for planning to develop a mixed-use scheme consisting of a 186-room hotel and 750 square metres of office space. This development site is located near the Group's Park Plaza London Waterloo property. In addition, the Group has planning to develop a 465-key hotel on the site adjacent to its Park Plaza London Park Royal property for which it is designing plans.

Project value
TBD



ART'OTEL IN ZAGREB, CROATIA

ZAGREB

Marking the Group's debut in the Croatian capital, construction work has commenced to convert a former office building into a 115-room premium lifestyle art'otel. Located in the city centre, this hotel will offer an art gallery, a pool, destination restaurant, bar and leisure facilities.

Project value
£16m



ART'OTEL IN ROME, ITALY

ROME

Marking the Group's entry into Italy, the historic Londra & Cargill hotel in the centre of Rome will be transformed into the Group's first art'otel in Italy. Following repositioning, this hotel will offer 99 rooms, an art gallery, a destination restaurant and bar, leisure facilities and parking.

Project value
£45m



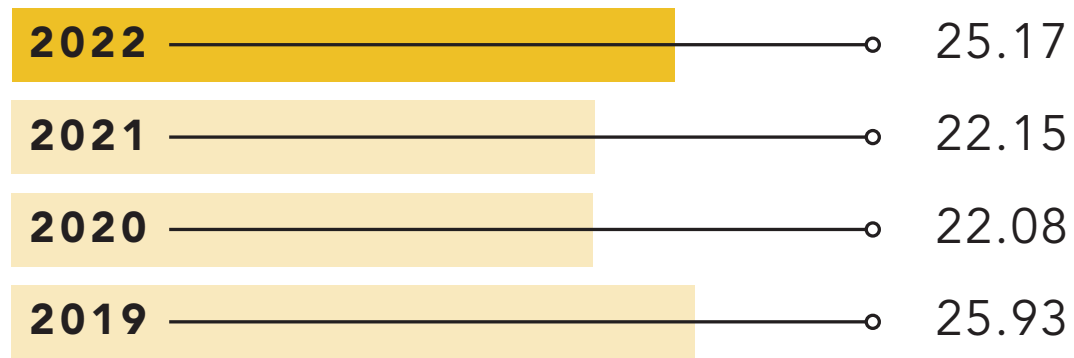
03 RESULTS AND OUTLOOK



STRONG RECOVERY IN VALUATIONS AND RATES

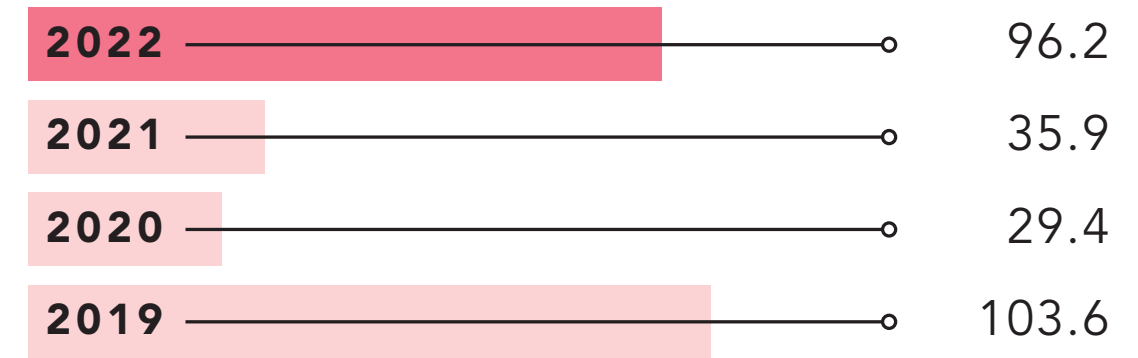
PROPERTY KPI'S

EPRA NRV per share £

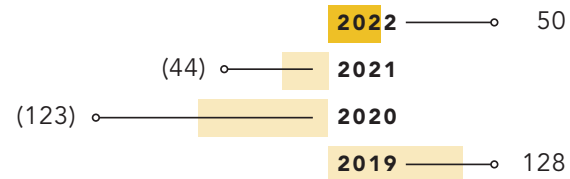


OPERATING KPI'S

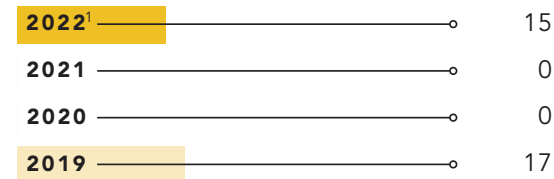
RevPAR £



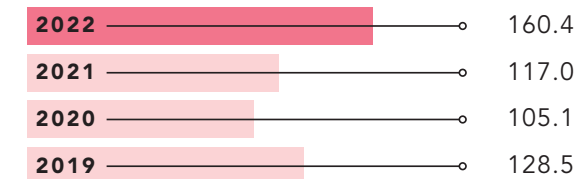
Adjusted EPRA EPS Pence



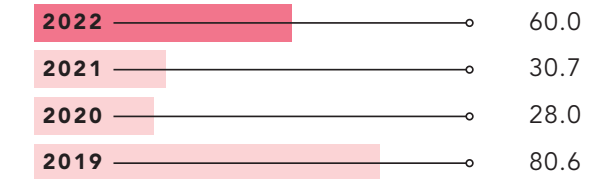
Dividend per share Pence



Average room rate £



Occupancy %

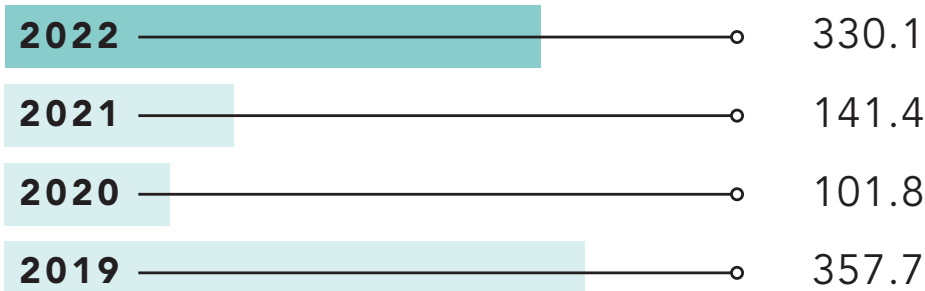


¹ Includes proposed final dividend of 12p

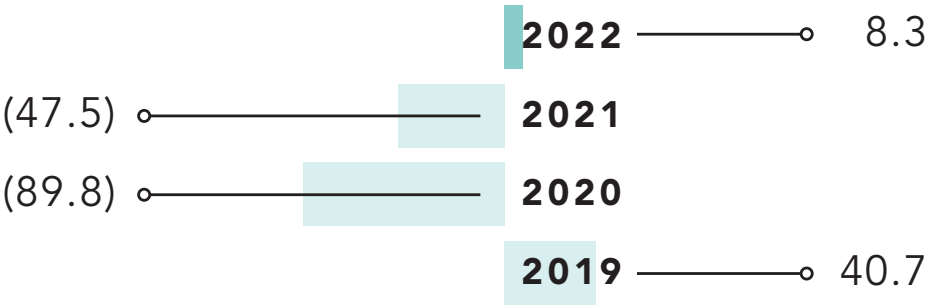
STRONG RECOVERY IN VALUATIONS AND RATES

FINANCIAL KPI'S

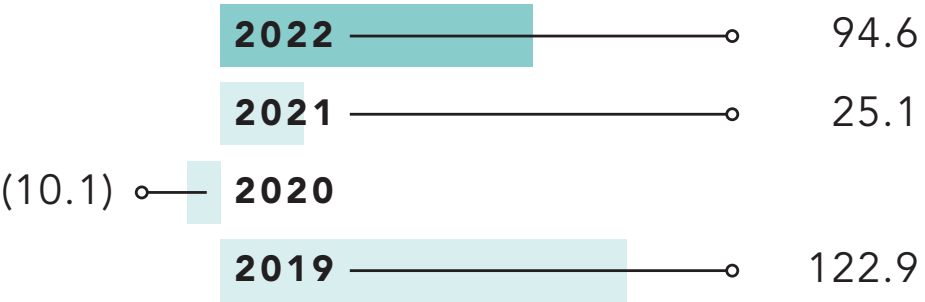
Total revenue £m



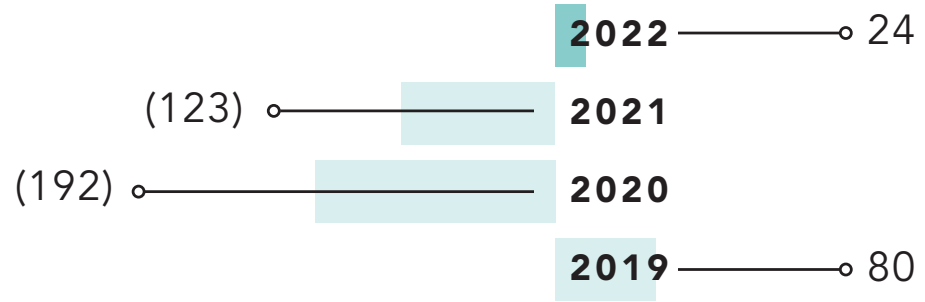
Normalised profit before tax £m



EBITDA £m

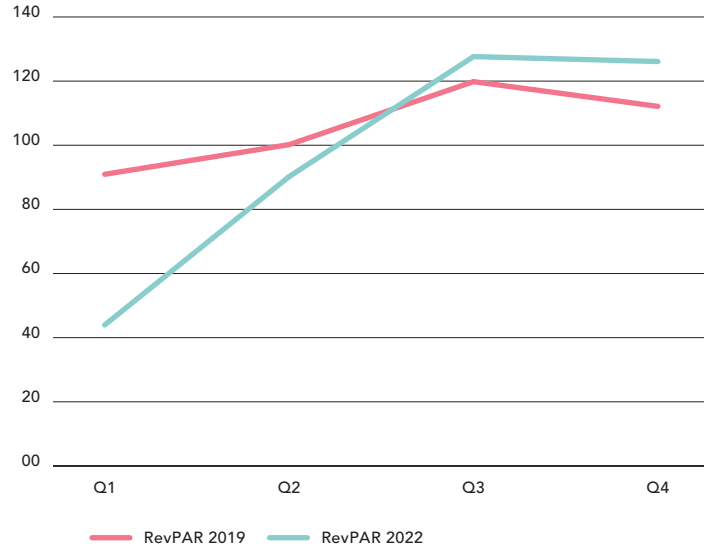


Reported earning per share pence



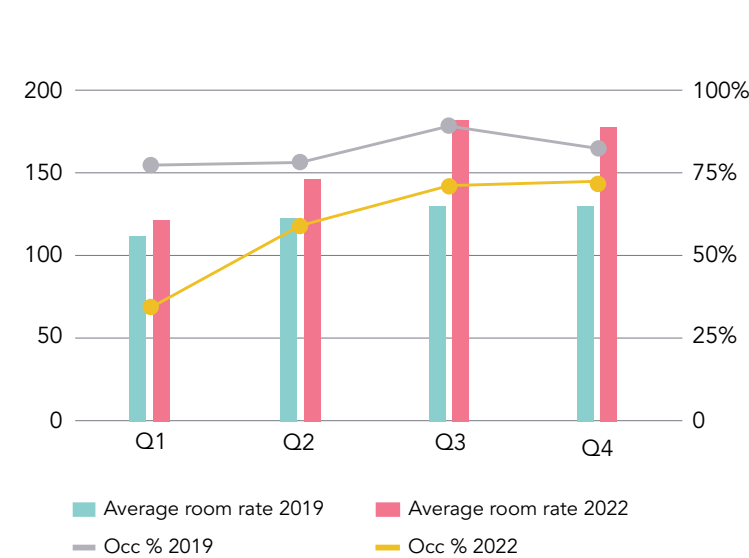
REVENUE AND MARGIN – DEEPER DIVE

Revenue per available room (RevPAR)



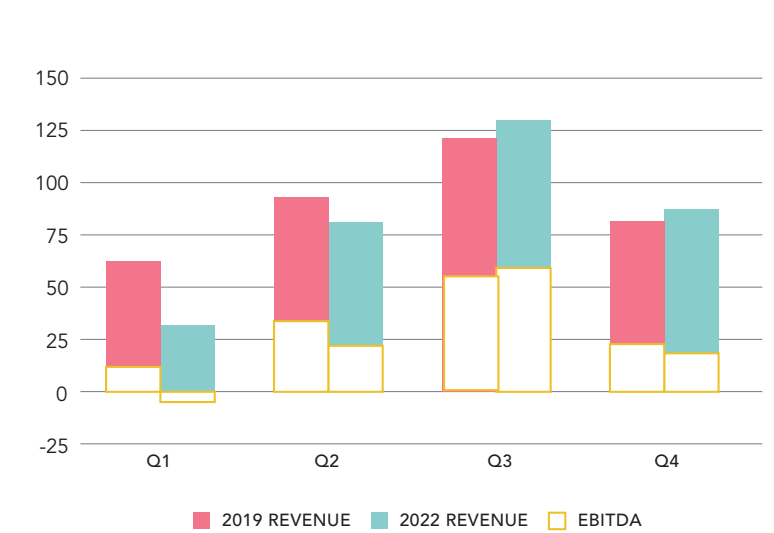
- RevPAR accelerated through H1 driven by occupancy recovery and a clear focus on average room rate across the portfolio
- Clear strategy to managing occupancy relative to staffing capacity in order to mitigate cost pressures
- FY22 RevPAR as a whole -7.2% on FY19 but Q3 RevPAR was ahead +6.6% and Q4 RevPAR was ahead +12.4%

Average room rate



- Positive occupancy momentum delivered in each quarter of FY22
- Q3 saw the sharpest increase +31% vs 2019 led by UK and a strong summer season in Croatia
- Q4 occupancy grew +1.8% vs Q3 despite Q4 being a seasonally weak quarter
- Average room rate exceeding FY19 in every quarter, accelerating from Q3 onwards

Total revenue & EBITDA

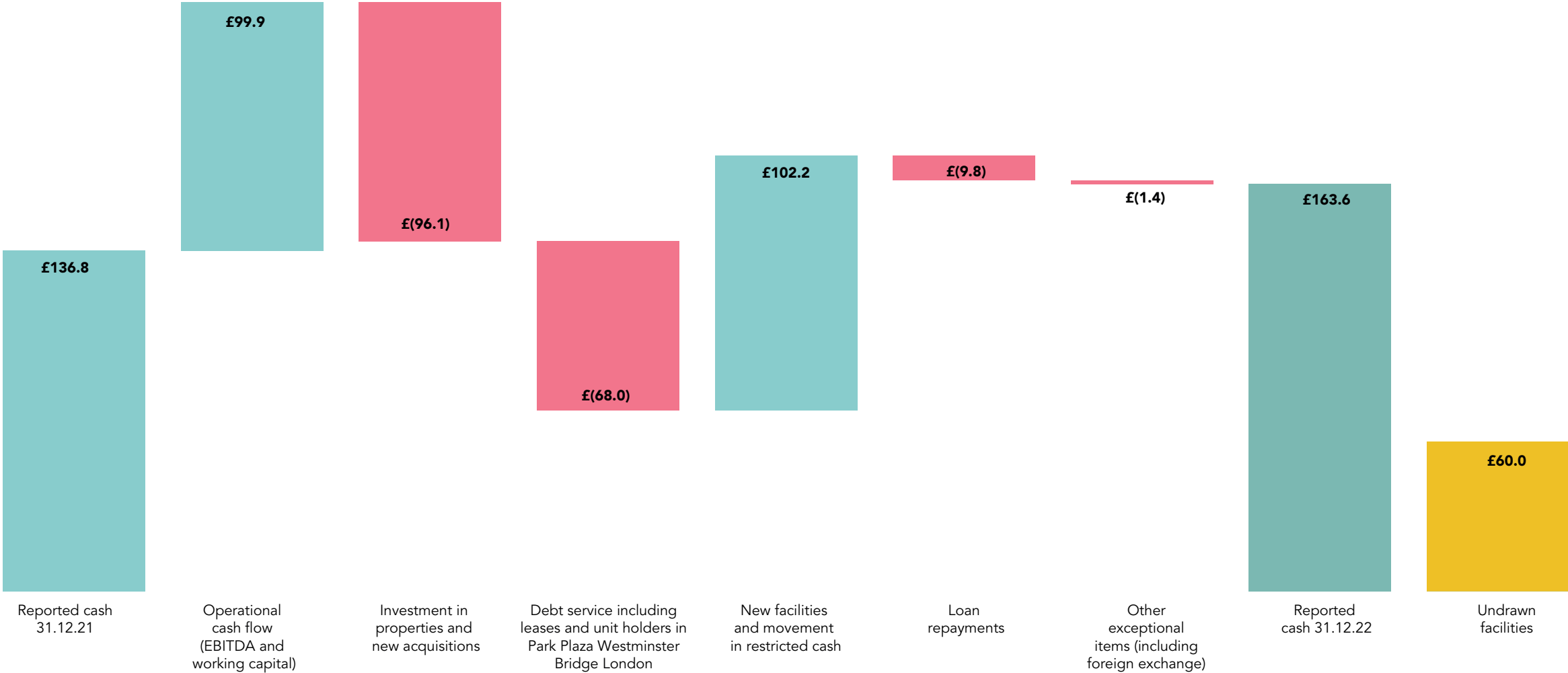


- Positive EBITDA in every quarter except Q1 despite significant cost pressures in re-opening and ramp up during the year
- Q3 and Q4 represented a more normalised environment with H2 EBITDA margins modestly behind 2019 due to inflationary pressures
- Wage costs, driven by a combination of wage inflation and scarcity, rising across all regions led by UK
- Energy cost inflation in 2022 mitigated by forward hedging

STRONG IMPROVEMENT IN OPERATIONAL CASH FLOW

FY CASH FLOW

£M



PORTFOLIO VALUATION UPLIFT

TOTAL PORTFOLIO VALUATION 2022 VS 2021¹

Total portfolio +8.0%

United Kingdom	The Netherlands	Germany	Croatia
+6.7%	+5.9%	+16.9%	+10.9%

- £104m valuation uplift driven primarily by the faster than expected Covid recovery in hotel trading performance
- Overall cap rates broadly stable with UK showing the only increase, while Germany and Netherlands saw yield compression
- Portfolio valuation supported by a recovery in secondary market transactions which are in-line or at a premium to equivalent PPHE assets on a value per key basis

¹ On a like-for-like basis.

² Cap rates applied to year 10 cash flow, discount rate used for first 10 years approx 2.5% higher than cap rates.

TOTAL PORTFOLIO VALUATION 2022 VS 2019¹

Total portfolio +4.8%

United Kingdom	The Netherlands	Germany	Croatia
+2.6%	-0.7%	+11.1%	+17.7%

	Cap rates used 2022 ²	YoY cap rate change
United Kingdom	5.25% – 8.00%	+25Bps
The Netherlands	5.25% – 7.00%	-25Bps
Germany	5.50% – 6.75%	-50Bps
Croatia	7.00% – 9.00%	–

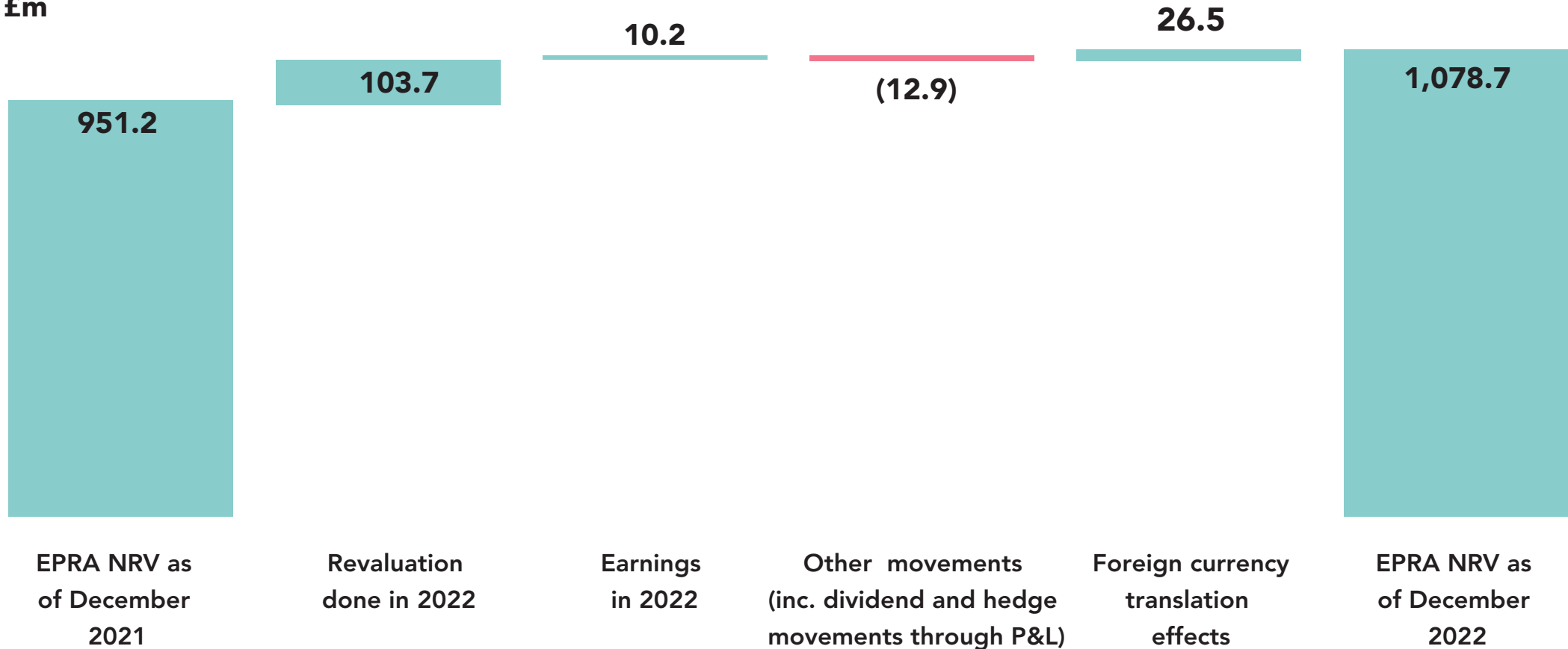
MATERIAL UPLIFT TO EPRA NRV

£25.17 PER SHARE, DRIVEN BY INCREASED ASSET PROFITABILITY AND STABLE YIELDS

Per share

£22.15	£2.42	£0.24	£(0.26)	£0.62	£25.17
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£m



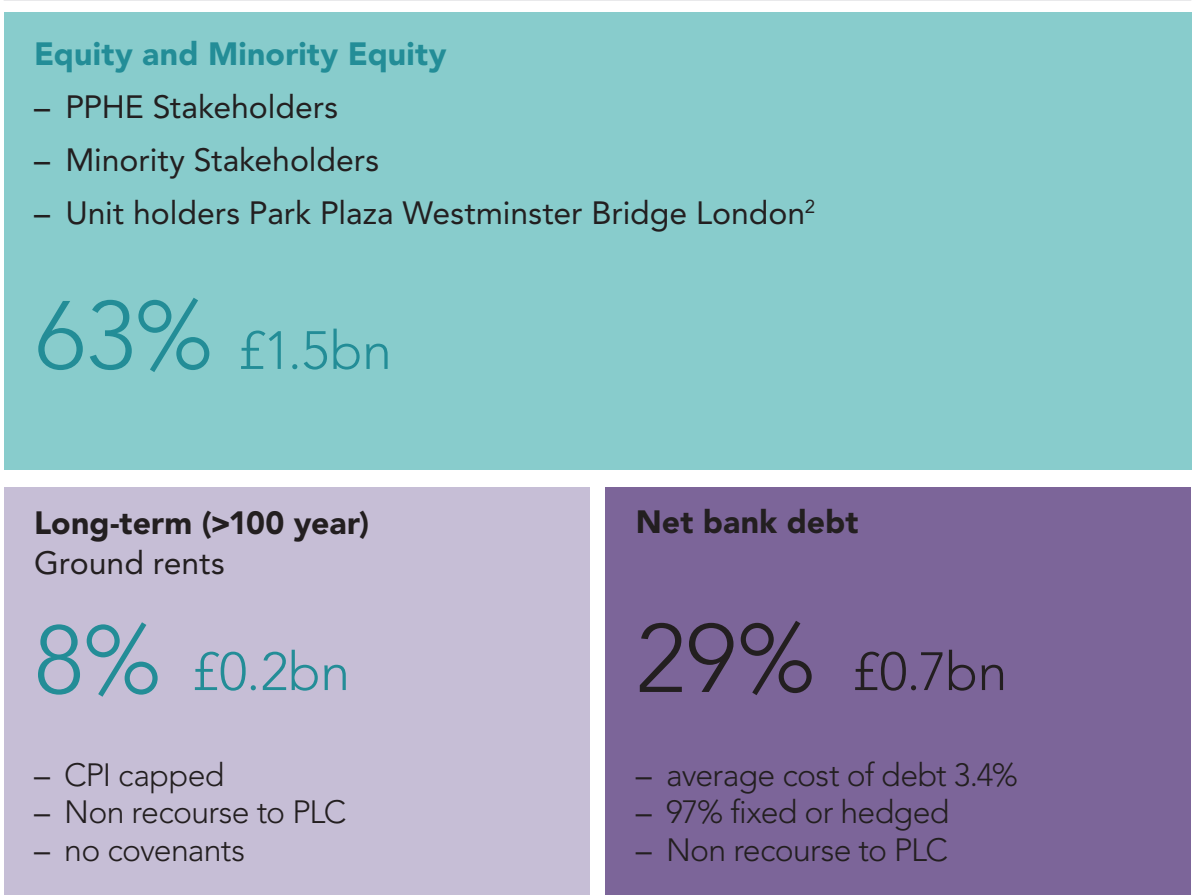
PPHE CAPITAL STACK

LOW LIQUIDITY RISK – MULTIPLE CAPITAL SOURCES DIVERSIFIES FUNDING RISK

ASSETS¹



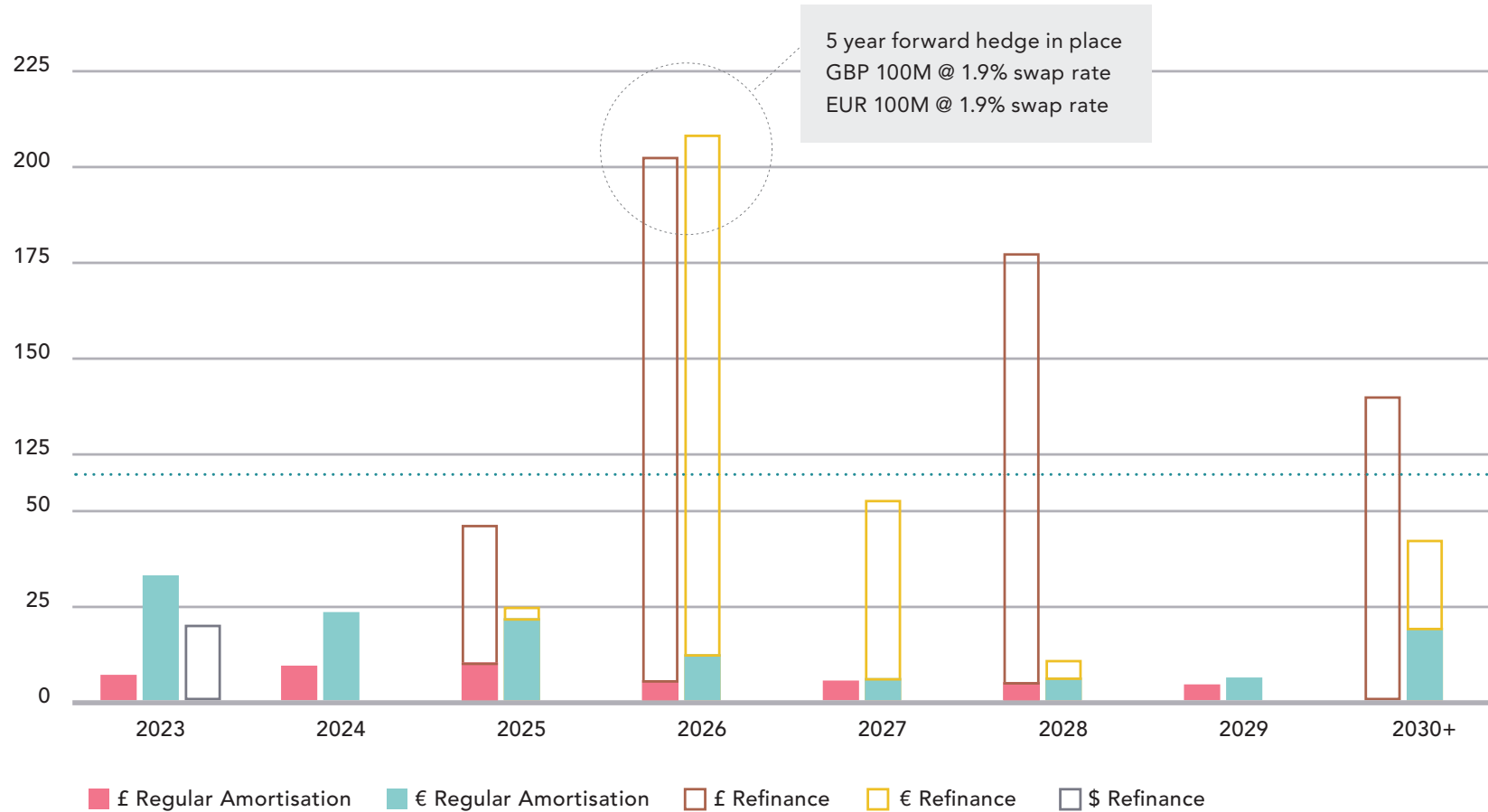
CAPITAL STACK



¹ Total assets, net working capital, excluding cash and cash equivalents. Including market value adjustment, independently assessed in December 2022
² Unit holders in Park Plaza Westminster Bridge London receive a return of a specific room they have invested in. Under IFRS these are presented as long term liabilities as profits of the hotel need to be distributed.

BANK DEBT DEEP DIVE

AMORTISING DEBT FIXED AT 3.4%, LOW EXPOSURE TO CURRENT MARKET DYNAMICS



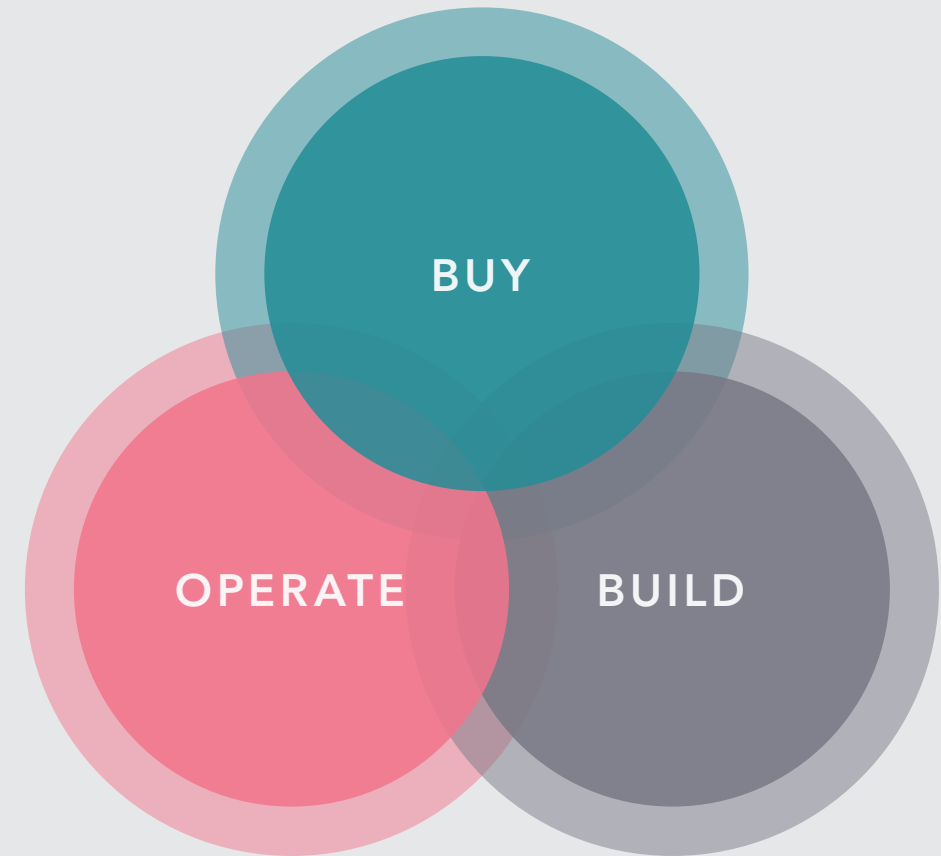
KEY DEBT CHARACTERISTICS

- Bank debt amortises annually out of PPHE free cash flow, reducing refinance nominal
- Refinancing loans in 2026 currently at 43% of the value of underlying assets
- Multi currency debt profile well positioned to benefit from distinct interest rate curves
- 97% of bank debt is fixed rate or hedged currently at and average of 3.4% with an average maturity of 4.6 years
- Bank debt non-recourse and asset backed

CURRENT TRADING AND OUTLOOK

2022 BETTER THAN EXPECTED AND MOMENTUM CONTINUING

- Room-rate strategy delivering, with average room rates in all regions exceeding pre-pandemic levels
- Occupancy gap to 2019 narrowing
- Industry wide inflation pressures likely to be a continuing margin headwind in FY23, partially offset by our rate led strategy and evolving revenue mix
- Management platform continues to grow, as evidenced through new €250m fund
- Forward booking pace continues to be solid, with no indication of consumer price resistance or cooling of leisure demand



*On track to further growing the
platform through our
“buy, build, operate” model*

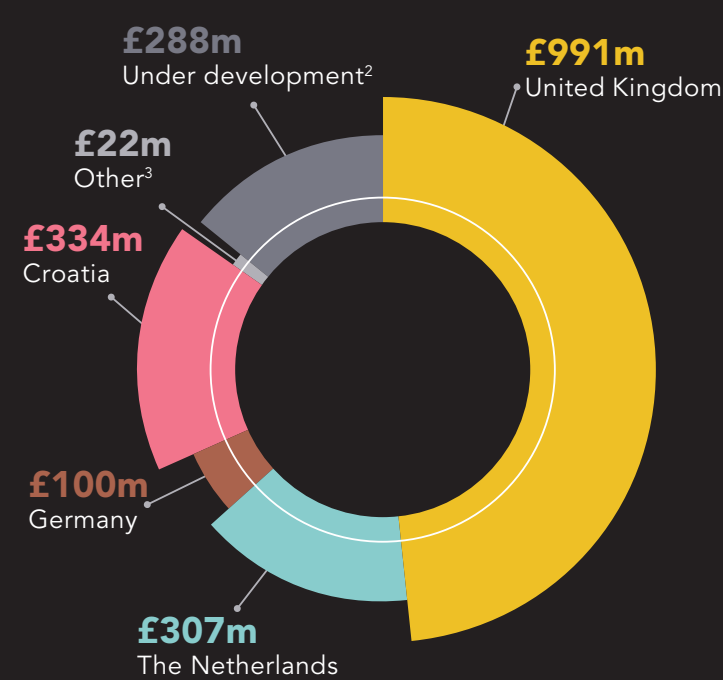


04 APPENDIX

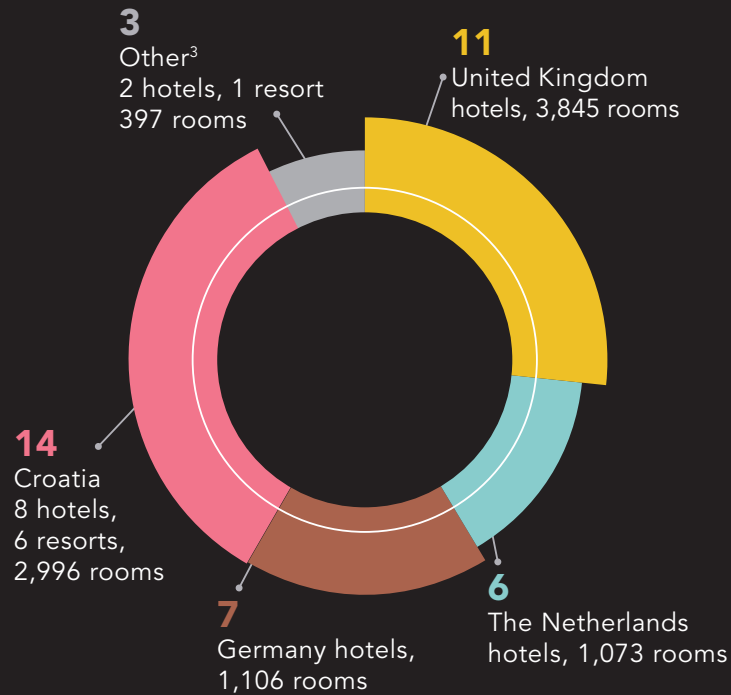
AT A GLANCE

WE ARE AN INTEGRATED HOSPITALITY REAL ESTATE GROUP WITH A £2.0BN PORTFOLIO OF PRIMARILY PRIME FREEHOLD AND LONG-LEASEHOLD ASSETS IN EUROPE.

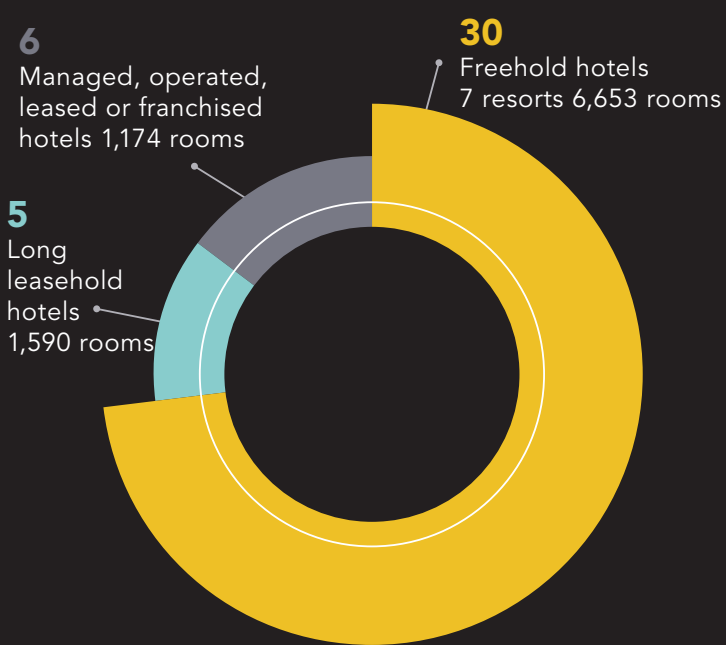
Value split by geography¹
(Excludes managed, operated, leased, franchised and unconsolidated hotels)



Hotels and resorts by geography
(Includes franchises, excludes campsites and pipeline)



Hotels and resorts by ownership type
(Includes franchises, excludes campsites)



¹ The fair values were determined on the basis of independent external valuations prepared in December 2022.
² Properties under development include: New York, art'otel London Hoxton (London), Westminster Bridge Road (London), Londra & Cargill Hotel (Rome) and Zagreb.
³ Other include the 88 Rooms Hotel in Belgrade, Serbia, the FRANZ Ferdinand Mountain Resort in Nassfeld, Austria and the leased hotel in Budapest, Hungary.

UNITED KINGDOM

FINANCIAL PERFORMANCE

UK	Reported in Pound Sterling (£)		
	Year ended 31 Dec 2022	Year ended 31 Dec 2021	% change
Total revenue	£190.1m	£75.3m	152.5%
EBITDAR	£56.8m	£11.7m	384.6%
EBITDA	£56.2m	£11.2m	401.0%
Occupancy	67.8%	31.9%	3,590 bps
Average room rate	£192.3	£136.2	41.2%
RevPAR	£130.3	£43.4	200.2%
Room revenue	£149.9m	£49.9m	200.2%
EBITDA %	29.6%	14.9%	1,470 bps

CROATIA

FINANCIAL PERFORMANCE

Croatia	Reported in Pound Sterling ² (£)		
	Year ended 31 Dec 2022	Year ended 31 Dec 2021	% change
Total revenue	£69.2m	£44.6m	55.2%
EBITDAR	£23.3m	£16.4m	42.2%
EBITDA	£21.4m	£14.6m	47.2%
Occupancy ³	55.1%	46.6%	850 bps
Average room rate ³	£123.2	£101.0	22.0%
RevPAR ³	£67.8	£47.1	44.2%
Room revenue ³	£36.1m	£21.6m	67.1%

OTHER MARKETS

ITALY, HUNGARY, SERBIA AND AUSTRIA

FINANCIAL PERFORMANCE

	Reported in Pound Sterling (£)		
	Year ended 31 Dec 2022	Year ended 31 Dec 2021	% change
Total revenue	£6.3m	£0.9m	644.0%
EBITDAR	£(0.6)m	£(0.8)m	28.7%
EBITDA	£(0.6)m	£(0.9)m	26.2%
Occupancy	34.3%	8.8%	2,550 bps
Average room rate	£97.2	£68.4	42.2%
RevPAR	£33.4	£6.0	453.8%
Room revenue	£4.6m	£0.5m	743.0%

THE NETHERLANDS

FINANCIAL PERFORMANCE

The Netherlands	Reported in Pound Sterling ¹ (£)		
	Year ended 31 Dec 2022	Year ended 31 Dec 2021	% change
Total revenue	£41.6m	£10.4m	301.6%
EBITDAR	£11.2m	£1.1m	916.6%
EBITDA	£11.2m	£1.1m	941.8%
Occupancy	57.3%	16.3%	4,110 bps
Average room rate	£142.2	£109.9	29.4%
RevPAR	£81.5	£17.9	356.2%
Room revenue	£31.9m	£7.0m	356.2%

GERMANY

FINANCIAL PERFORMANCE

Germany	Reported in Pound Sterling ¹ (£)		
	Year ended 31 Dec 2022	Year ended 31 Dec 2021	% change
Total revenue	£17.7m	£6.6m	167.8%
EBITDAR	£6.4m	£6.7m	(4.6)%
EBITDA	£6.4m	£6.7m	(4.5)%
Occupancy	53.0%	26.5%	2,640 bps
Average room rate	£110.3	£77.1	43.2%
RevPAR	£58.4	£20.4	185.9%
Room revenue	£15.2m	£5.3m	185.9%

MANAGEMENT AND CENTRAL SERVICES

FINANCIAL PERFORMANCE

	Reported in Pound Sterling (£)	
	Year ended 31 Dec 2022	Year ended 31 Dec 2021
Total revenue before elimination	£37.5m	£18.0m
Revenues within the consolidated Group	£(32.4)m	£(14.3)m
External and reported revenue	£5.1m	£3.7m
EBITDA	£0.0m	£(7.6)m

1 Average exchange rate from Euro to Pound Sterling for the period ended 31 December 2022 was 1.172 and for the period ended 31 December 2021 was 1.165 representing a 0.5% increase.

2 Average exchange rate from Croatian Kuna to Pound Sterling for the period ended 31 December 2022 was 8.829 and for the period ended 31 December 2021 was 8.768, representing a 0.7% increase.

3 The room revenue, average room rate, occupancy and RevPAR statistics include all accommodation units at hotels and self-catering apartment complexes and exclude campsites and mobile homes.

WHERE WE ARE NOW

EUROPE

- Commercial and support centre locations
- Operating hotels & resorts



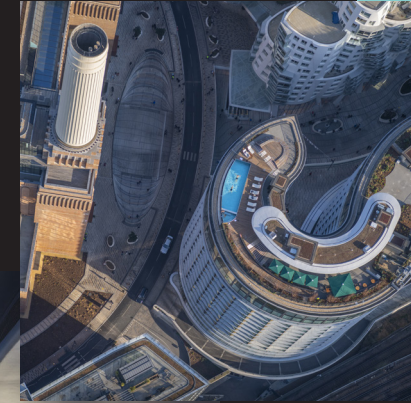
LONDON



art'otel

LONDON BATTERSEA
POWER STATION

FOLLOWING A SOFT OPENING IN
DECEMBER 2022, ART'OTEL LONDON
BATTERSEA POWER STATION WAS
FULLY LAUNCHED IN FEBRUARY 2023.

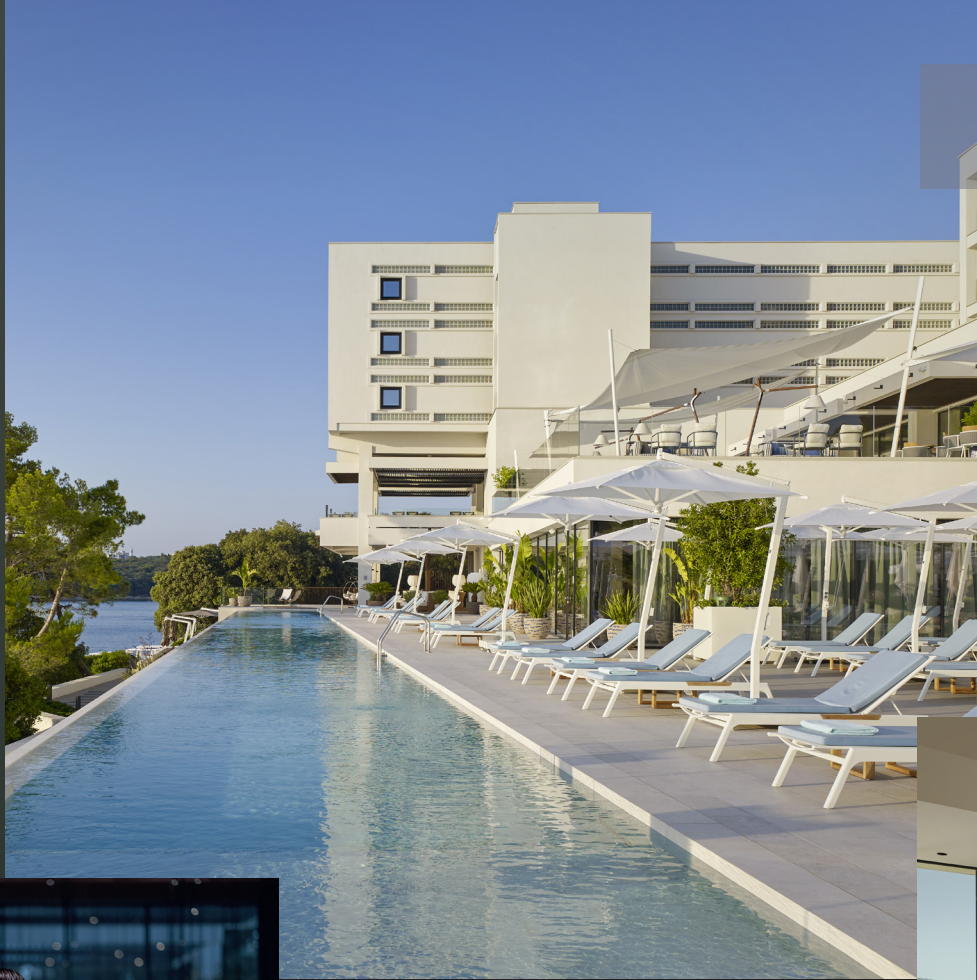


PARTNER BRAND



GRAND HOTEL BRIONI PULA

FOLLOWING TWO YEARS OF EXTENSIVE
REDEVELOPMENT, GRAND HOTEL BRIONI
PULA, WAS LAUNCHED IN MAY 2022 AS A
RADISSON COLLECTION HOTEL.



1

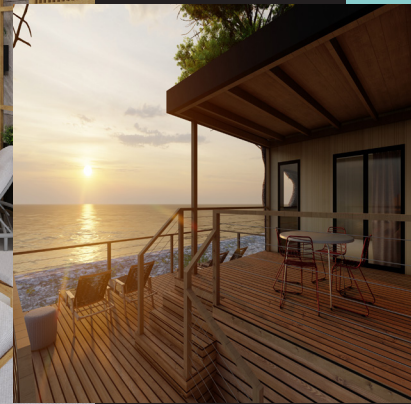
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4

5

OTHER INVESTMENTS DURING THE YEAR WERE COMPLETED AT ARENA STOJA CAMPSITE (CROATIA) AND AT OUR PROPERTIES IN BUDAPEST AND NASSFELD (AUSTRIA)





Boris Ivesha
President & Chief
Executive Officer



Greg Hegarty
Deputy Chief Executive Officer
& Chief Operating Officer



Daniel Kos
Chief Financial Officer
& Executive Director



Robert Henke
Executive Vice President
Commercial Affairs

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