

PPHE Hotel Group Limited
("PPHE Hotel Group", "PPHE, or the "Group")

Audited Annual Results for the financial year ended 31 December 2024
Publication of Annual Report & Accounts

***Record year building further scale and unlocking long-term growth
through new openings and brand diversification***

PPHE Hotel Group, the international hospitality real estate group which develops, owns and operates hotels and resorts, is pleased to announce its audited annual results for the financial year ended 31 December 2024.

Key financials

	Reported in GBP (£)			Like-for-like* ¹ in GBP (£)		
	Year ended 31 December 2024	Year ended 31 December 2023	Variance ²	Year ended 31 December 2024	Year ended 31 December 2023	Variance ²
Total revenue	£442.8 million	£414.6 million	6.8%	£428.3 million	£414.6 million	3.3%
Room revenue ³	£317.2 million	£300.1 million	5.7%	306.4 million	£300.1 million	2.1%
EBITDA*	£136.5 million	£128.2 million	6.5%	£139.3 million	£128.2 million	8.7%
EBITDA Margin*	30.8 %	30.9%	(10)bps	32.5%	30.9%	160bps
Reported profit before tax	£30.6 million	£28.8 million	6.2%	n/a	n/a	n/a
Reported basic EPS	67 p	53p	26.8%	n/a	n/a	n/a
Reported diluted EPS	66p	53p	26.0%	n/a	n/a	n/a
EPRA NRV per share*	£27.51	£26.72	3.0%	n/a	n/a	n/a
Adjusted EPRA earnings per share*	125p	118p	5.9%	n/a	n/a	n/a
Dividend per share	38p	36p	5.6%	n/a	n/a	n/a
Occupancy ³	74.5%	72.4%	215 bps	75.8%	72.4%	350 bps
Average room rate* ³	£161.5	£166.8	(3.2)%	£160.8	£166.8	(3.6)%
RevPAR* ³	£120.3	£120.7	(0.3)%	£122.0	£120.7	1.0%

¹ The like-for-like* figures exclude the 2024 results of the newly opened art'otel London Hoxton and the results of art'otel Zagreb for the first ten months of 2024.

² Percentage change figures are calculated from actual figures as opposed to the rounded figures included in the above table.

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.

*This announcement includes various Alternative Performance Measures (APMs), such as EPRA performance metrics and hospitality operational performance indicators. For definitions, further details, and reconciliations to measures defined under International Financial Reporting Standards (IFRS), please refer to the Appendix: Alternative Performance Measures.

Commenting on the results, Greg Hegarty, Co-Chief Executive Officer, PPHE Hotel Group said:

"I am pleased that PPHE delivered solid topline growth on the back of a strong underlying performance, which was achieved against strong prior year comparatives and in the context of a challenging macroeconomic backdrop. Our performance was driven by growing occupancy across our portfolio, a continued focus on cost management and margin, and delivery on our development pipeline.

"2024 was an exciting and busy year for the Group as we neared completion of our £300+ million development pipeline, which is now in its final phases. We opened several new hotels, including our flagship art'otel London Hoxton, our first art'otel in Croatia, and the Group's first two hotels under the Radisson RED brand. These hotels are receiving excellent feedback from guests, are performing well and are on track to add at least £25 million of incremental EBITDA* upon stabilisation of trading. The 2024 openings will soon be joined by art'otel Rome Piazza Sallustio, which is due to open in March 2025.

“These strategic projects signify the evolution of the Group into a truly pan-European, multi-brand hospitality real estate group with broad customer appeal, with 51 hotels, resorts and campsites across Europe, including properties in 16 European cities including seven capital cities. Following the extensive investment programme, we are now resolutely focused on delivering the potential of our new and existing hotels, as well as building our landbank and continuing to explore further exciting opportunities for long-term growth in our land sites.

“We look forward to building on the record performance achieved in 2024 during 2025, underpinned by a focus on increasing occupancy and growing the contribution of our newly opened hotels. This supports the Board’s confidence in the Group’s positive outlook and long-term prospects for growth.”

Financial highlights

- Total revenue increased by 6.8% to a record £442.8 million (2023: £414.6 million), achieved despite the weaker Euro in 2024, which accounts for c.40% of Group revenue. On a like-for-like* basis, revenue grew by 3.3%.
- EBITDA* increased by 6.5% to £136.5 million (2023: £128.2 million). Like-for-like* EBITDA* increased by 8.7% to £139.3 million.
- Like-for-like* EBITDA margin* improved to 32.5% (2023: 30.9%), supported by a strong focus on cost management and technological initiatives.
- EPRA NRV per share* increased by 3.0% to £27.51 (2023: £26.72) and included art’otel London Hoxton for the first time.
- Adjusted EPRA earnings per share* improved by 5.9% to 125 pence (2023: 118 pence).
- The Group continued to rebuild occupancy throughout the year whilst average room rates* moderated as anticipated, alongside the normalisation of the business mix throughout the year, with increased weighting towards corporate travel:
 - Occupancy grew across all regions to 74.5% (2023: 72.4%). On a like-for-like* basis, occupancy increased by 350 bps to 75.8%.
 - Average room rate* was 3.2% lower at £161.5 (2023: £166.8). Like-for-like* average room rate* decreased 3.6% to £160.8.
 - RevPAR* was stable at £120.3 (2023: £120.7), reflecting the gradual opening of the Group’s new hotels. Like-for-like* RevPAR* increased 1.0% to £122.0.
- In the UK, The Netherlands and in Germany in particular, occupancy continued to build whilst room rates moderated as anticipated. In Croatia, the Group’s portfolio performed well during July and August, the peak trading months
- The Board has recommended a final proposed dividend of 21p per share. Together with the 17p per share interim dividend paid, the total dividend for 2024 is 38p per share (2023: 36p per share). Additionally, in line with its commitment to delivering shareholder value, the Group completed two Share Buyback Programmes in the year, totalling £7.8 million.

Strategic highlights

- Excellent progress against £300+ million pipeline, which is almost completed following high profile and strategic hotel openings during the year:
 - **art’otel London Hoxton** phased soft opening in April 2024, further cementing the Group’s strong presence in London
 - **Radisson RED Belgrade** in February 2024 and **Radisson RED Berlin** with a phased opening in June 2024, marking the Group’s first openings under the Radisson RED brand

- **art'otel Zagreb** in May 2024, the Group's first art'otel in Croatia, following its soft opening in October 2023
- Good progress made against the Group's sustainability commitments, including the implementation of cross-Group alignment, preparedness for future reporting frameworks as well as the implementation of a number of environmental minimising initiatives across our hotels.

Post-Period end

- Appointment of Ken Bradley, previously Non-Executive Deputy Chairman, as Non-Executive Chairman of the Board in January 2025, following the decision of Eli Papouchado to step aside from this role.
- Development of **art'otel Rome Piazza Sallustio** continues as planned, with opening scheduled for 6 March 2025.
- The Group continues to progress with several long-term investment opportunities to drive further shareholder value, as well as exploring other development opportunities on our land sites.

Outlook

- Notwithstanding wider macro-economic and geo-political uncertainties, the Board expects to build on the record performance achieved during 2024, and to further grow revenue and EBITDA* in 2025, driven by a growing contribution from its newly opened and repositioned hotels.
- Forward booking momentum across all regions for Q2 and the remainder of the year is encouraging following a quieter Q1, the Group's slowest quarter in the financial year.
- The Board remains confident in delivering results in line with market expectations⁴ for 2025 and the longer-term opportunities ahead.
- The Board maintains its expectation that its newly-opened hotels (including art'otel Rome Piazza Sallustio once open) will generate at least £25 million of incremental EBITDA* upon stabilisation of trading.

⁴ At 26 February 2025, the Company compiled analyst consensus forecast range for the financial year ending 31 December 2025 showed a revenue range of £448.7 million to £477.4 million and an EBITDA* range of £147.3 million to £158.6 million.

Publication of Annual Report & Accounts

PPHE Hotel Group Limited will publish later today its annual report and accounts for the financial year ended 31 December 2024 (the "Annual Report"). This document shall be available today on the Company's website: www.pphe.com

Pursuant to UK Listing Rule 9.6.1, copies of the Annual Report shall be submitted later today to the National Storage Mechanism and will shortly be available for inspection at: <https://data.fca.org.uk/#/nsm/nationalstoragemechanism>

In accordance with Disclosure Guidance and Transparency Rule 6.3.5, the information in the attached Appendix consisting of a Directors' Responsibility Statement, principal risks and uncertainties and related party transactions has been extracted unedited from the Annual Report & Accounts for the financial year ended 31 December 2024. This material is not a substitute for reading the full Annual Report.

This announcement contains inside information. The person responsible for arranging the release of this announcement on behalf of the Company is Daniel Kos, Chief Financial Officer & Executive Director.

Enquiries:

PPHE Hotel Group Limited

Daniel Kos, Chief Financial Officer & Executive Director

Tel: +31 (0)20 717 8600

h2Radnor

Iain Daly / Joshua Cryer

Tel: +44 (0) 203 897 1830

Hudson Sandler

Wendy Baker / India Laidlaw

Tel: +44 (0)20 7796 4133

Email: pphe@hudsonsandler.com

Notes to Editors

PPHE Hotel Group is an international hospitality real estate company, with a £2.2 billion portfolio, valued as at December 2024 by Savills and Zagreb nekretnine Ltd (ZANE), of primarily prime freehold and long leasehold assets in Europe.

Through its subsidiaries, jointly controlled entities and associates it owns, co-owns, develops, leases, operates and franchises¹ hospitality real estate. Its portfolio includes full-service upscale, upper upscale and lifestyle hotels in major gateway cities and regional centres, as well as hotel, resort and campsite properties in select resort destinations. The Group's strategy is to grow its portfolio of core upper upscale city centre hotels, leisure and outdoor hospitality and hospitality management platform.

PPHE Hotel Group benefits from having an exclusive and perpetual licence from the Radisson Hotel Group, one of the world's largest hotel groups, to develop and operate Park Plaza® branded hotels and resorts in Europe, the Middle East and Africa. In addition, PPHE Hotel Group wholly owns, and operates under, the art'otel® brand and its Croatian subsidiary owns, and operates under, the Arena Hotels & Apartments® and Arena Campsites® brands.

PPHE Hotel Group is a Guernsey registered company with shares listed on the London Stock Exchange. PPHE Hotel Group also holds a controlling ownership interest in Arena Hospitality Group ('AHG'), whose shares are listed on the Prime market of the Zagreb Stock Exchange.

Company websites: www.pphe.com | www.arenahospitalitygroup.com

For reservations:

www.parkplaza.com | www.artotel.com | www.radissonhotels.com | www.arenahotels.com | www.arenacampsites.com

CHAIRMAN'S STATEMENT

INTRODUCTION

I was pleased to be appointed Chairman of the Board on 9 January 2025, succeeding Eli Papouchado ('Papo') following his decision to step aside. I am thankful to the Board for its trust in me and look forward to engaging with all stakeholder groups.

A YEAR OF UNLOCKING LONGER-TERM GROWTH

Looking back at 2024, I am pleased to report on a year of excellent strategic progress for the Group, marked by a number of key highlights, including new openings and brand diversification, as we continue to unlock longer-term growth. We began the year with strong momentum and delivered year-on-year growth. We also entered the final stages of our £300+ million development, repositioning and refurbishment pipeline, which has included the expansion of our upper upscale premium lifestyle art'otel brand in Zagreb, Croatia, and Hoxton, London, all of which will contribute to the Group's continuing growth.

Alongside this excellent strategic progress, the Group's existing portfolio performed strongly to deliver a solid like-for-like*¹ performance, driven by higher occupancy levels in all our operating markets, achieved despite a challenging geo-political and macro-economic environment and strong prior year comparatives.

¹ The like-for-like* performance excludes the 2024 results of the newly opened art'otel London Hoxton and the results of art'otel Zagreb for the first ten months of 2024.

CONTINUED FOCUS ON ENVIRONMENT, SOCIAL AND GOVERNANCE

We strive to minimise our impact on the environment in which we operate and to positively impact all our stakeholders, including employees, guests, partners and those in our local communities. To reflect this, our Environmental, Social and Governance (ESG) strategy and commitments are divided between Sustainable Properties, Forward-looking People, Strong Local Communities and Resilient Supply Chain, with governance at its heart.

We recognise the importance of engagement with all our stakeholders to understand their priorities and hear their feedback. The Board and leadership team regularly meet with shareholders and seek to be available on an ongoing basis. The Group actively engages with our team members through twice-a-year engagement surveys and quarterly town hall meetings, and our guests always have the opportunity to tell us about their experience staying with us.

As we start the new financial year, we remain focused on ESG and good corporate governance and will continue to develop and expand our ESG reporting and fundamental KPIs for the business.

THE BOARD

We welcomed Greg Hegarty to the role of Co-Chief Executive Officer in February 2024, alongside the Company's long-serving President and Chief Executive Officer, Boris Ivesha. This appointment, which followed Greg's appointment to the Board in May 2023, further strengthens the Group's strong leadership team and is in keeping with the PPHE's long-standing emphasis on promoting internal talent and intra-Group mobility. Greg manages the day-to-day running of the business and has a key role in defining and implementing the Group's long-term strategy. Greg also remains responsible for the Group's ongoing proactive engagement with shareholders. Meanwhile, Boris Ivesha is focused on pursuing growth and development opportunities for the Group, including concept creation.

In the first quarter, Marcia Bakker assumed the role of Chair of the Group's ESG Committee. Marcia assumed this responsibility from me, but I still remain a member of the Committee. Nigel Keen also joined the Committee, which reflects our commitment to this important area of our business.

As mentioned above, I succeeded Papo as Non-Executive Chairman in January from my prior role of Non-Executive Deputy Chairman, having joined the Group as a Non-Executive Director in 2019. Papo, a founder of the Group, has held the role of Chairman since its formation in 1989. Over this period, he has played an instrumental role in both the Group's growth and development, and the expansion of the Park Plaza and art'otel brands across Europe.

Roni Hirsch was appointed as Non-Executive Director on 9 January 2025. Roni is the CEO of the Red Sea Group, a role he has held since 1993. The Red Sea Group is controlled by Papo, who, together with his family trusts, owns 32.93% of the voting rights in PPHE Hotel Group.

We have a strong, multi-disciplined Board and highly skilled leadership team with an entrepreneurial mindset. Together, we look forward to continuing to drive forward our growth strategy and the longer-term development of the Group.

DIVIDENDS

The Board has a progressive dividend policy and remains committed to delivering value to its shareholders.

In light of this, we have declared a proposed final dividend of 21 pence per share, an increase of 5.0%, which, combined with the interim dividend, brings the total dividend for the 2024 financial year to 38 pence per share, an increase of 5.6% compared with 2023.

In addition, we were pleased to complete two Share Buy-Back Programmes, amounting to a total of £7.9 million, which the Board considered the best means to return a portion of capital to shareholders. We will continue to engage with shareholders regarding how we can best deliver enhanced value.

Further details about dividends and the Share Buy-Back Programmes are set out in the Financial Review below.

A PLATFORM FOR FUTURE GROWTH

The excellent performance achieved by the Group during 2024 provides a strong platform for long-term growth. Our portfolio spans 51 properties in operation across eight key countries in Europe, and we are proud to deliver memorable experiences for our guests through our seven brands every day. This is made possible by our unique business model, our relentless focus on quality and our team's expertise.

As we near the completion of our £300+ million development pipeline, we are working on longer-term development opportunities to support our future growth.

We look forward to building on our successful and proven strategy in 2025 and beyond, and updating our stakeholders on further progress.

KEN BRADLEY
CHAIRMAN

CEO REVIEW

2024 IN REVIEW

2024 was an exciting and busy year for the Group as we neared completion of our £300+ million development pipeline. This included opening four new hotels across four countries in the year, one of which was our flagship art'otel London Hoxton, as well as preparing for the forthcoming opening of our new art'otel Rome Piazza Sallustio in Italy.

The Group's operational and financial performance was characterised by our focus on driving EBITDA* and EBITDA margin* growth through a combination of occupancy growth and a strong internal focus on efficiencies and enhancements.

We saw increased occupancy across our property portfolio, including newly opened hotels, and the stabilisation of room rates alongside a normalisation of the business mix throughout the year. While leisure travel remained the most dominant segment, bookings stabilised, meetings and events bookings recovered, and business travel and in-person engagements increased, which supported the continued recovery of corporate travel albeit at a slightly slower pace than anticipated. As predicted, this led to a moderation of average room rate*.

This was particularly true in the Group's two largest markets, the UK and the Netherlands. In Croatia, our portfolio of eight hotels, six resorts and eight campsites performed well, particularly during the peak summer months of July and August.

We were pleased to achieve a strong underlying performance for the year, against strong comparables and despite the ongoing challenging macro-economic and geo-political backdrop. This was underpinned by the strength of our unique Buy, Build, Operate business model, the broadening appeal of our high quality multi-brand portfolio and the hard work and dedication of our teams.

DELIVERY OF £300+ MILLION DEVELOPMENT PIPELINE

After years of planning, investment and construction, the delivery of our £300+ million repositioning and refurbishment pipeline is now nearly complete, with several high profile hotels opening in the year, and the efforts of our team are now reflected in the fantastic reviews of our guests.

Most notably, we opened our second art'otel in London. The development cost for art'otel London Hoxton (including the land), was approximately £300 million delivered through our partnership with Clal Insurance. In 2025, we expect to launch the extensive office space available at this property, as well as the restaurant and bar on the 25th floor. We have a long-term hotel management agreement for this 357 room property, and upon stabilisation, we expect it to contribute £20+ million of additional EBITDA*.

We opened our first two Radisson RED branded hotels following our recently extended strategic partnership with Radisson Hotel Group, facilitating our focus on brand diversification. These were Radisson RED Belgrade in February 2024 and Radisson RED Berlin Kudamm with a soft opening in June and full opening in September 2024.

These new openings followed a £19 million investment at art'otel Zagreb – the Group's first art'otel in Croatia – which fully opened in May 2024, building on the hotel's soft opening in October 2023.

Whilst in some instances the full openings of these hotels were slightly later than initially anticipated, we are delighted with the excellent guest feedback and reviews received so far as well as the performance to date.

Finally, the repositioning of art'otel Rome Piazza Sallustio in Italy is now in its final stages and we look forward to welcoming guests from March 2025.

The strategic progress delivered during the year yet again demonstrates the value of our unique 'Buy, Build, Operate' business model, which sees the Group maximise value by acquiring and (re)developing assets to reach their full potential, operating them to deliver high quality hospitality experiences, and unlocking investment for future opportunities through non-dilutive capital recycling.

These openings are notable in what they signify. Firstly, the successful evolution of PPHE into a truly pan-European, multi-brand hospitality real estate group, generating broader customer appeal and the opportunity for heightened long-term growth. Secondly, the successful execution of our expanded strategic partnership with

Radisson Hotel Group, namely the leveraging and development of cross-business brands to accelerate our expansion in key gateway cities and to drive brand awareness across multiple customer segments.

A SOLID LIKE-FOR-LIKE* PERFORMANCE

We saw solid underlying trading momentum throughout the year, with like-for-like* revenue, which excludes the newly opened art'otel Zagreb and art'otel London Hoxton, 3.3% higher at £428.3 million (2023: £414.6 million). Like-for-like* EBITDA* increased by 8.7% to £139.3 million (2023: £128.2 million), delivering an enhanced like-for-like* EBITDA margin* of 32.5% (2023: 30.9%). This margin performance was aligned with our commitment to enhance margins through our focus on cost management, centralisation and technological initiatives.

We were particularly pleased to achieve this against a more measured travel market backdrop and macro-economic environment, and a strong comparable performance achieved in 2023.

Reported revenue, which included the impact of the phased openings of new hotels, increased by 6.8% to £442.8 million. Reported EBITDA* was up 6.5%, at £136.5 million and the EBITDA margin* was 30.8%.

Our Business Review below sets out the full-year performance of our assets across all our international markets.

LONGER-TERM DEVELOPMENT OPPORTUNITIES

As we complete the final phase of our £300+ million development pipeline, we are pleased to have secured several exciting longer-term development opportunities as we look to expand our London portfolio and deliver value for our stakeholders.

We have secured planning approval for a 186-room mixed-use hotel led development at London Westminster Bridge Road, in the vibrant South Bank area. The site was purchased for £12.5 million in 2019 and will increase the Group's presence in the capital to 3,900 rooms, cementing our very strong presence in this part of London.

Other longer-term development opportunities include a 465-room mixed-use hotel adjacent to Park Plaza London Park Royal in West London and consent to convert 6,500m² of subterranean space at Park Plaza Victoria London to a 179-room subterranean hotel.

On our development site near Hudson Yards in New York we completed the demolition of the existing structures and we are reviewing development opportunities for this site.

We also continue to explore investment and development opportunities in existing and target markets, including Croatia, where we see a clear opportunity to drive returns across the entire hospitality real estate value chain through our unique business model.

OUR SUSTAINABILITY COMMITMENT

Throughout the year, our teams made good progress against our sustainability commitments, as described in the ESG section of this report. We were particularly pleased to have implemented a number of initiatives across our hotels to minimise environmental impact, including the introduction of large amenities' dispensers, which have replaced small, single-use plastic bottles, the offer of wooden cards (instead of plastic) in some of our hotels, supported by a focus on our digital check-in to reduce card use altogether.

Having submitted our commitment letter to the Science Based Targets initiative (SBTi) in 2023, in 2024 we have engaged external specialists to support us in assembling our decarbonisation plan and refining our emission reduction targets. The project is expected to be completed in 2025, with the final output being a comprehensive list of actions to reduce the carbon emissions across the whole business and our targets being submitted to SBTi. This will address emissions throughout all our business activities, ranging from implementing energy efficiency initiatives to working with our suppliers to improve the environmental performance of the products and services we purchase.

This year, we have also worked with our listed subsidiary Arena Hospitality Group D.D. to ensure preparedness for the IFRS S1 and S2 and CSRD reporting frameworks. With this in mind, Arena Hospitality Group D.D. has conducted its double materiality assessment in 2024, covering the Croatian, German and CEE regions, while the consolidated Group will conduct it in the first half of 2025, informing our ESG reporting requirements for the coming years.

INCREASED SHAREHOLDER RETURNS

The Board remains highly focused on enhancing value for shareholders, which is reflected in the Group's progressive dividend policy. This will see £15.9 million returned to shareholders in respect of 2024 through a 5.6% increase in total ordinary dividend to 38 pence per share, and the completion of two Share Buy-Back Programmes in the year.

OUR EXPERT TEAMS

Our teams are at the heart of our business and at the forefront of creating memorable experiences for our guests. We place great importance on ensuring that we provide rewarding long-term careers for all our employees at every level, so they feel valued at every stage of their career, positioning the Group as a market leading employer of choice.

During the year, we hired many employees, which included more than 250 newly created jobs at art'otel London Hoxton.

We invested in a Head of Employee Experience role in our head office team to futureproof all parts of our employee life cycle and implement leadership training and development initiatives to support a sustainable talent pipeline over the coming years. We also have programmes to encourage talent to a career in hospitality, including a degree apprenticeship programme.

We are seeing the positive output from our focus on engagement, retention and development. The integration of our London in-house housekeeping colleagues into hotel operations has delivered a significant improvement in engagement and productivity levels and has reduced staff turnover.

I am pleased to report that our continued efforts in this area are resonating well with our colleagues, with our twice-annual employee engagement surveys returning an increase in the Group's engagement scores from 83.0% to 84.5%, notably exceeding the sector average of 82%.

We also continued to deploy technology to support our teams, optimise the service offered to our guests in the UK and the Netherlands, and to enhance back-office efficiencies. We introduced a digital concierge platform for guests at our lifestyle properties.

We expanded our in-house data and technology team to build and manage data cloud platforms, customer data platforms and robotics and Artificial Intelligence (AI) programmes and processes, including piloting AI for our customer service centre.

In Croatia, to address an increasingly competitive labour market for skilled hospitality workers, the HR team has been focused on diversifying the sources of labour with overseas recruitment on a permanent and seasonal basis. To accommodate this approach, there is greater provision for employee accommodation and transport between Company sites. In Germany, we opened the first Radisson RED in Berlin and recruited and onboarded a new team aligned to new brand standards. There has also been the expansion of an employee communications app among the properties of our Croatian subsidiary, with this app now also providing some learning content and a survey tool.

LOOKING AHEAD

Notwithstanding wider macro-economic and geo-political uncertainties, the Board expects to build on the record performance achieved during 2024, and to further grow revenue and EBITDA* in 2025, driven by a growing contribution from its newly opened and repositioned hotels. Forward booking momentum across all regions for Q2 and the remainder of the year is encouraging following a quieter Q1, the Group's slowest quarter in the financial year.

The Board remains confident in delivering results in line with market expectations for 2025 and the longer-term opportunities ahead. The Board maintains its expectation that its newly-opened hotels (including art'otel Rome Piazza Sallustio once open) will generate at least £25 million of incremental EBITDA* upon stabilisation of trading.

On 6th March 2025, we will welcome the first guests to our first property in Italy – art'otel Rome Piazza Sallustio – following a major repositioning programme. As ever, we would like to thank all our team members for their hard work and excellent service delivery during 2024, and our shareholders for their continued support.

BORIS IVESHA
President & Chief Executive Officer

GREG HEGARTY
Co-Chief Executive Officer

FINANCIAL REVIEW

Overview of 2024

In 2024, the Group achieved a solid financial performance on a like-for-like* basis, with noteworthy revenue growth primarily driven by increased occupancy throughout the year, although room rates were marginally lower following significant increases in previous years. EBITDA* and EBITDA margin* growth were realised despite facing inflationary pressures, particularly concerning labour costs.

The Group sustained a stringent focus on cost control during the year, coupled with ongoing efficiency measures to support the like-for-like* EBITDA margin* growth, which increased by 160 basis points from 30.9% in the previous year to 32.5% in the current year.

In the second half of the year, the Group refinanced an existing loan facility related to six Dutch hotels and one in London, originally set to mature in June 2026. The new facility, maturing in June 2031, comprises two tranches: the first tranche, amounting to €160 million for the Dutch hotels, carries an all-in fixed interest rate of 2.765% until June 2026, rising to 4.49% thereafter until maturity. The second tranche pertains to Holmes Hotel London and has a fixed interest rate of 3.9% until 2026, followed by a competitive floating interest rate. During this refinancing process, independent valuations commissioned by the bank confirmed the value included in the Group's EPRA NRV*, which stands at £1,163.3 million at year-end.

The Group is currently nearing the completion of an extensive development cycle. Throughout the year, several new hotels within the Group's £300 million+ development pipeline became fully operational. These openings initially had a negative impact on the Group's results, characteristic of the pre-opening phase, but, upon stabilisation, these openings are projected to increase EBITDA* by at least £25 million.

FINANCIAL RESULTS

Key financial statistics for the financial year ended 31 December 2024.

	Reported			Like-for-like* ¹		
	Year ended 31 December 2024	Year ended 31 December 2023	% change ²	Year ended 31 December 2024	Year ended 31 December 2023	% change ²
Occupancy ³	74.5%	72.4%	215 bps	75.8%	72.4%	350 bps
Average room rate* ³	£161.5	£166.8	(3.2)%	£160.8	£166.8	(3.6)%
RevPAR* ³	£120.3	£120.7	(0.3)%	£122.0	£120.7	1.0%
Total revenue	£442.8 million	£414.6 million	6.8%	£428.3 million	£414.6 million	3.3%
Total room revenue ³	£317.2 million	£300.1 million	5.7%	£306.4 million	£300.1 million	2.1%
EBITDA*	£136.5 million	£128.2 million	6.5%	£139.3 million	£128.2 million	8.7%
EBITDA margin*	30.8%	30.9%	(10) bps	32.5%	30.9%	160 bps
Adjusted EPRA EPS	125p	118p	5.9%	n/a	n/a	n/a
EPRA NRV per share*	£27.5	£26.7	3.0%	n/a	n/a	n/a
Reported PBT	£30.6 million	£28.8 million	6.2%	n/a	n/a	n/a
Normalised PBT*	£38.8 million	£37.5 million	3.6%	n/a	n/a	n/a
Reported basic EPS	67p	53p	26.8%	n/a	n/a	n/a
Reported diluted EPS	66p	53p	26.0%	n/a	n/a	n/a

¹ The like-for-like* figures exclude the 2024 results of art'otel London Hoxton and the results of art'otel Zagreb for the first ten months of 2024.

² Percentage change figures are calculated from actual figures as opposed to the rounded figures included in the above table.

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.

REVENUE

Like-for-like* total revenue, which excludes the impact of art'otel London Hoxton and art'otel Zagreb, rose 3.3% to £428.3 million. Reported total revenue was up 6.8% to £442.8 million.

2024 RevPAR* was £120.3, a decrease of 0.3%. This reflected good growth in occupancy, which rose to 74.5% against a strong 2023 comparative, and an anticipated reduction in average room rate* to £161.5 due to the evolving composition of the Group's booking mix, namely the increasing proportion of business and meetings and events bookings.

EBITDA*, PROFIT AND EARNINGS PER SHARE

The Group reported like-for-like* EBITDA* of £139.3 million for 2024, compared with £128.2 million in the previous year. The like-for-like* EBITDA margin* showed a year-on-year improvement to 32.5%, up from 30.9% in 2023. This growth was achieved despite double-digit percentage increases in minimum wage across the portfolio. The Group focused on enhancing efficiencies within back-office functions through automation and increasing productivity levels. Additionally, the Group benefited from lower utility costs per occupied room, primarily due to favourable hedged utility prices.

Reported basic earnings per share for the period were 67 pence, compared with 53 pence in 2023. Depreciation for the year amounted to £47.1 million (2023: £45.1 million). While depreciation is recorded in accordance with IFRS, internally, we consider the ongoing average CAPEX over the lifespan of our hotels as a more pertinent measure for determining profit. In the hospitality industry, this is approximately 4% of total revenue. Our EPRA earnings* are calculated using this 4% rate instead of the reported non-cash depreciation charge (refer to the EPRA earnings* table below).

Normalised profit before tax* improved to £38.8 million, compared with £37.5 million in 2023. Reported profit before tax increased by £1.8 million to £30.6 million (2023: £28.8 million). Further details can be found in the normalisation adjustments table below.

CASH FLOW AND EPRA EARNINGS*

In 2024, the Group had a positive operational cash flow of £124.3 million. Debt service costs increased to £95.2 million (2023: £82.2 million), mainly due to net interest expenses (£49.9 million), loan amortisations (£41.1 million) and lease amortisations (£4.2 million). This rise was driven by the opening of art'otel London Hoxton.

Investment cash flows reported an outflow of £79.3 million, with around 70% due to development projects and £16.0 million dedicated to maintenance CAPEX* projects. With the current £300m+ investment pipeline nearing completion, construction CAPEX is expected to drop significantly in 2025.

The Group reported adjusted EPRA earnings* of £53.2 million, up 6.4% (2023: £50.1 million), with adjusted EPRA earnings per share* of 125 pence, up 5.9% (2023: 118 pence).

NORMALISED PROFIT BEFORE TAX*

£million	12 months ended 31 December 2024	12 months ended 31 December 2023
Reported profit before tax	30.6	28.8
Loss on buy-back of units in Park Plaza London Westminster Bridge from private investors	1.5	3.3
Non-cash revaluation of finance lease	4.0	3.9
Refinance expenses	2.6	–
Non-cash changes in fair value of Park Plaza County Hall London Income Units	(0.5)	(1.6)
Pre-opening expenses and other non-recurring expenses	3.9	1.4
Capital loss on disposal of fixed assets and inventory	0.2	–
Non-cash changes in fair value of financial instruments	(3.5)	1.7
Normalised profit before tax*	38.8	37.5

REAL ESTATE PERFORMANCE

Valuations

The Group is an integrated developer, owner and operator of hotels, resorts and campsites, with a business model centred on real estate. We generate returns and enhance value for all stakeholders by developing our owned assets and optimising the operation of our properties. Certain EPRA performance measures are disclosed to assist investors in analysing the Group's performance and assessing the value of its assets and earnings from a property perspective.

In December 2024, the Group's properties (excluding operating leases and managed and franchised properties) were independently valued primarily by Savills for properties in the Netherlands, UK and Germany, and by Zagreb Nekretnine Ltd (Zane) for properties in Croatia.

Based on these valuations, we have calculated the Group's EPRA NRV*, EPRA NTA* and EPRA NDV*. As of 31 December 2024, the EPRA NRV*, as detailed in the EPRA performance measurement section below, amounts to £1,163.3 million (2023: £1,136.4 million), equating to £27.51 per share (2023: £26.72 per share).

The EPRA NRV* was positively impacted by the £28.2 million profit for the year, as well as a £41.0 million increase in property valuations (on a constant currency basis). However, this was offset by a £23.4 million reduction due to dividend distributions and share buybacks, along with a £20.0 million decline resulting from unfavourable foreign currency translation to the British Pound.

The table below provides additional information regarding the discount and cap rates used.

Actualised trading versus assumption in 2024 valuations

	Discount rates		Cap rates	
	2024 Valuations	2023 Valuations	2024 Valuations	2023 Valuations
United Kingdom	7.75%–10.50%	7.75%–10.50%	5.25%–8.00%	5.25%–8.00%
The Netherlands	8.00%–10.00%	8.25%–9.75%	5.50%–7.50%	5.75%–7.25%
Germany	8.25%–9.25%	8.25%–9.25%	5.75%–6.75%	5.75%–6.75%
Croatia	8.00%–11.00%	8.00%–11.00%	6.00%–9.00%	6.00%–9.00%

Valuation comparison

2024 versus 2023 valuation – total portfolio +1.7%

United Kingdom	3.4%
The Netherlands	0.3%
Germany	(7.2)%
Croatia	(2.8)%

EPRA PERFORMANCE MEASUREMENT

EPRA summary

	Summary of EPRA Performance Indicators			
	Year ended 31 December 2024		Year ended 31 December 2023	
	£ million	Per share	£ million	Per share
EPRA NRV* (Net Reinstatement Value)	1,163.3	£27.51	1,136.4	£26.72
EPRA NTA* (Net Tangible Assets)	1,134.1	£26.82	1,106.6	£26.02
EPRA NDV* (Net Disposal Value)	1,101.3	£26.05	1,070.4	£25.17
EPRA earnings*	60.7	143p	59.0	139p
Adjusted EPRA earnings*	53.2	125p	50.1	118p

EPRA NRV*

£ million	31 December 2024			31 December 2023		
	EPRA NRV*	EPRA NTA**	EPRA NDV*	EPRA NRV*	EPRA NTA**	EPRA NDV*
NAV per the financial statements	312.7	312.7	312.7	314.6	314.6	314.6
Effect of exercise of options	0.5	0.5	0.5	–	–	–
Diluted NAV, after the exercise of options ¹	313.2	313.2	313.2	314.6	314.6	314.6
Includes:						
Revaluation of owned properties in operation (net of non-controlling interest) ²	824.5	824.5	824.5	794.6	794.6	794.6
Revaluation of the joint venture interest held in two German properties (net of non-controlling interest) ²	6.3	6.3	6.3	6.1	6.1	6.1
Fair value of fixed interest rate debt	–	–	(6.8)	–	–	(5.9)
Deferred tax on revaluation of properties	–	–	(35.9)	–	–	(39.0)
Real estate transfer tax ³	21.6	–	–	19.1	–	–
Excludes:						
Fair value of financial instruments	18.3	18.3	–	14.2	14.2	–
Deferred tax	(16.0)	(16.0)	–	(16.2)	(16.2)	–
Intangibles as per the IFRS balance sheet	–	7.6	–	–	10.7	–
NAV	1,163.3	1,134.1	1,101.3	1,136.4	1,106.6	1,070.4
Fully diluted number of shares (in thousands) ¹	42,288	42,288	42,288	42,527	42,527	42,527
NAV per share (in £)	27.51	26.82	26.05	26.72	26.02	25.17

¹ The fully diluted number of shares excludes treasury shares but includes 498,248 outstanding dilutive options (as at 31 December 2023: 163,221).

- 2 The fair values of the properties were determined on the basis of independent external valuations prepared in December 2024.
3 EPRA NTA* and EPRA NDV* reflect fair value net of transfer costs. Transfer costs are added back when calculating EPRA NRV*.
4 NTA is calculated under the assumption that the Group does not intend to sell any of its properties in the long run.

EPRA earnings*

	12 months ended 31 December 2024 £ million	12 months ended 31 December 2023 £ million
Earnings attributed to equity holders of the parent company	28.2	22.4
Reported depreciation and amortisation	47.1	45.1
Revaluation of Park Plaza County Hall London Income Units	(0.5)	(1.6)
Changes in fair value of financial instruments	(3.5)	1.7
Non-controlling interests in respect of the above ³	(10.6)	(8.6)
EPRA earnings*	60.7	59.0
Weighted average number of ordinary shares outstanding (in thousands)	42,482	42,541
EPRA earnings per share* (in pence)	143	139
Company specific adjustments:¹		
Capital loss on buy-back of Income Units in Park Plaza London Westminster Bridge	1.5	3.3
Remeasurement of lease liability ⁴	4.0	3.9
Disposals and other non-recurring expenses (including pre-opening expenses) ⁷	4.1	1.4
Refinance expenses	2.6	–
Adjustment of lease payments ⁵	(2.6)	(2.3)
One-off tax adjustments ⁶	(1.7)	(2.5)
Maintenance CAPEX* ²	(17.7)	(16.6)
Non-controlling interests in respect of maintenance CAPEX* and the adjustments above ³	2.3	3.9
Company adjusted EPRA earnings*¹	53.2	50.1
Company adjusted EPRA earnings per share* (in pence)	125	118
Reconciliation Company adjusted EPRA earnings* to normalised PBT*:		
Company adjusted EPRA earnings* ¹	53.2	50.1
Reported depreciation and amortisation	(47.1)	(45.1)
Non-controlling interest in respect of reported depreciation ³	10.6	8.6
Maintenance CAPEX* ²	17.7	16.6
Non-controlling interests in respect of maintenance CAPEX* and the adjustments above ³	(2.3)	(3.9)
Adjustment of lease payments ⁵	2.6	2.3
One-off tax adjustments ⁶	1.7	2.5
Profit attributable to non-controlling interests ³	(0.5)	4.7
Reported tax	2.9	1.7
Normalised profit before tax*	38.8	37.5

- 1 The 'Company specific adjustments' represent adjustments of non-recurring or non-trading items.
2 Calculated as 4% of revenues, which represents the expected average maintenance capital expenditure* required in the operating properties.
3 Non-controlling interests include the non-controlling shareholders in Arena, third party investors in Income Units of Park Plaza London Westminster Bridge and the non-controlling shareholders in the partnership with Clal that was entered into in June 2021 and March 2023.
4 Non-cash revaluation of finance lease liability relating to minimum future CPI/RPI increases.
5 Lease cash payments which are not recorded as an expense in the Group's income statement due to the implementation of IFRS 16.
6 Mainly relates to deferred tax asset on carry forward losses recorded in 2023 and 2024
7 Mainly relates to pre-opening expense and net profit and loss on disposal of property, plant and equipment.

Category	Year ended 31 December 2024 £ million Group ¹	Year ended 31 December 2023 £ million Group ¹
Acquisitions	–	–
Development	53.3	107.2
Investment properties	16.0	15.0
Incremental lettable space	–	–
No incremental lettable space	16.0	15.0
Tenant incentives	–	–
Other material non-allocated types of expenditure	–	–
Capitalised interest	1.9	3.4
Total CAPEX	71.2	125.6
Conversion from accrual to cash basis	2.9	(10.5)
Total CAPEX on cash basis	74.1	115.1

- 1 Proportionate consolidation was not applied to the joint ventures as it is considered as not material.

OTHER EPRA MEASUREMENTS

Given that the Group's asset portfolio comprises hotels, resorts and campsites which are also operated by the Group, a few of EPRA's performance measurements, which are relevant to real estate companies with passive rental income, have not been disclosed as they are not relevant or non-existent. Those EPRA performance measurements include EPRA Net Initial Yield (NIY), EPRA 'Topped-up' NIY, EPRA Vacancy Rate and EPRA Cost Ratios.

CAPITAL STRUCTURE

Call impact minorities and future

As part of our strategy, we unlock capital from our assets through various methods. This includes raising debt, securing equity via multiple partnership forms, or sometimes entering into ground rent structures exceeding 100 years. This funding approach allows us to leverage the fair value of our assets, while balancing liquidity and interest rate risk within our capital structure.

Our partnerships, including third party unit holders in Park Plaza London Westminster Bridge, shareholders in our listed Croatian subsidiary, and individual professional partners across several assets, provide long-term equity, thereby sharing the risks and returns on each asset.

The 100+ year ground rent structures offer long-term access to capital without covenants, recourse to the Group, refinance risk, or interest rate exposure. These arrangements are typically linked to inflation, often capped at approximately 4–5% annually.

Furthermore, our asset-backed mortgages are mainly established with long-standing banking partners, featuring five to ten-year maturities and either fixed or variable rates with hedging arrangements. These mortgages include covenants relating to asset value (loan-to-value, or LTV*) and trading performance (interest or debt service coverage ratios*). The debt raised on trading assets generally represents about 50% of their value, with appropriate buffers maintained towards loan covenants. Additionally, most loans are amortised annually at around 2.5% of the nominal amount over the term. The current net bank debt leverage (EPRA LTV*) percentage stands at 33.5%.

Although our mortgages involve interest rate risks, the majority were secured years ago, averaging at 3.8% interest (96% fixed), with an average remaining maturity of 4.0 years.

NET DEBT* LEVERAGE/EPRA LTV* RECONCILIATION

	Group as reported under IFRS £ million	Adjustments to arrive at EPRA Group LTV* £ million	Group EPRA LTV* before non-controlling interest adjustment £ million	Proportionate consolidation (non-controlling interest) £ million	Combined EPRA LTV* £ million
Include:					
Borrowings (short-/long-term)	885.6	–	885.6	(205.0)	680.6
Exclude:					
Cash and cash equivalents and restricted cash	(135.6)	–	(135.6)	28.7	(106.9)
Net debt* (a)	750.0	–	750.0	(176.3)	573.7
Include:					
Property, plant and equipment	1,421.4	791.7	2,213.1	(521.3)	1,691.8
Right-of-use assets	225.3	(225.3)	–	–	–
Lease liabilities	(281.9)	281.9	–	–	–
Liability to Income Units at Park Plaza London Westminster Bridge	(110.6)	110.6	–	–	–
Intangible assets	7.6	–	7.6	(0.7)	6.9
Investments in joint ventures ¹	8.2	11.8	20.0	(9.0)	11.0
Other assets and liabilities, net	6.1	(9.1)	(3.0)	8.2	5.2
Total property value (b)	1,276.1	961.6	2,237.7	(522.8)	1,714.9
EPRA LTV* (a/b)	58.8%		33.5%		33.5%
Adjustments to reported EPRA NRV*:					
Real estate transfer tax	–	26.6	26.6	(5.0)	21.6
Effect of exercise of options	–	0.5	0.5	–	0.5

Total property value after adjustments (c)	1,276.1	988.7	2,264.8	(527.8)	1,737.0
Total equity (c-a)	526.1	988.7	1,514.8	(351.5)	1,163.3

1 Proportionate consolidation was not applied to the joint ventures as it is considered as not material.

CAPITAL EXPENDITURE/DEVELOPMENT PIPELINE UPDATE

With an expansion CAPEX of £55.2 million, we have remained committed to executing our strategy, advancing our development pipeline, and extending our presence into new and highly attractive markets.

The construction phase of our new hotel in Hoxton London (art'otel London Hoxton) was fully completed in December 2024, following a phased opening that began in April 2024.

Our first art'otel in Croatia, art'otel Zagreb, was fully operational by May 2024 after a phased opening that started in Q3 2023. This was an office-to-hotel conversion project located in the centre of Zagreb, with a total investment of £19 million.

Similarly, Radisson RED Belgrade, the first Radisson RED property to be operated by the Group and the second under the extended Radisson partnership, opened in February 2024 following extensive repositioning efforts.

In Rome, the full repositioning and construction of art'otel Rome Piazza Sallustio, formerly the Londra & Cargill Hotel, which began in July 2022, is progressing well and is expected to open in early March 2025.

The Group has a remaining commitment of approximately £13 million for its investment pipeline.

We are continuously striving to enhance our existing portfolio and seek out promising opportunities to acquire additional assets to expand the Group's holdings. The capital expenditures of the last three years attributable to recent openings are expected to deliver EBITDA* growth of at least £25 million.

DIVIDEND

The Board proposes increasing the final dividend to 21 pence per share (2023: 20 pence). Combined with the interim dividend of 17 pence, the total for the financial year will be 38 pence per share, a 5.6% increase from 2023.

Pending approval at the 2025 Annual General Meeting, the final dividend will be paid on 30 May 2025 to all shareholders who are on the register as of 25 April 2025.

This follows the Company's policy of distributing around 30% of adjusted EPRA earnings*, supporting both returns and future growth investments.

DANIEL KOS

Chief Financial Officer & Executive Director

BUSINESS REVIEW

THE UNITED KINGDOM

PROPERTY PORTFOLIO

Total value of the UK property portfolio² £1,328 million (2023: 1,014 million)

The Group operates over 3,700 rooms in the upper upscale segment of the London hotel market. This well-invested property portfolio has been further enhanced with the addition of 357 rooms following the opening of art'otel London Hoxton in 2024.

Four of these hotels are located in London's popular South Bank area, with further properties in Hoxton, Victoria, Marylebone, Battersea and Park Royal. Three of the Group's properties are in the UK regional cities of Nottingham, Leeds and Cardiff.

The Group has an ownership interest in ten properties: Park Plaza London Westminster Bridge, Park Plaza London Riverbank, Park Plaza London Waterloo, Park Plaza County Hall London³ Park Plaza Victoria London, Park Plaza London Park Royal, art'otel London Hoxton, Holmes Hotel London, Park Plaza Leeds and Park Plaza Nottingham. Park Plaza Cardiff³ operates under a franchise agreement. The Group operates art'otel London Battersea Power Station³ hotel under a long-term management agreement through its hospitality platform.

The Group also has three development sites in London, which are expected to add more than 800 rooms to its UK portfolio.

FINANCIAL PERFORMANCE

	Reported in Pound Sterling (£)			Like-for-like* ¹ Pound Sterling (£)		
UK	Year ended 31 Dec 2024	Year ended 31 Dec 2023	% change ⁴	Year ended 31 Dec 2024	Year ended 31 Dec 2023	% change ⁴
Total revenue	£248.6m	£234.9m	5.8%	£237.6m	£234.9m	1.1%
Room revenue	£192.2m	£183.8m	4.6%	£183.4m	£183.8m	(0.2)%
EBITDA*	£77.4m	£76.3m	1.4%	£79.9 m	£76.3m	4.8%
EBITDA margin*	31.1%	32.5%	(135) bps	33.6%	32.5%	120 bps
Occupancy	83.0%	83.6%	(60) bps	85.8%	83.6%	210 bps
Average room rate*	£186.0	£190.8	(2.5)%	£185.2	£190.8	(3.0)%
RevPAR*	£154.4	£159.6	(3.3)%	£158.8	£159.6	(0.5)%

1 The like-for-like* figures for the year ended 31 December 2024 exclude the results of art'otel London Hoxton.

2 Independent valuation by Savills in December 2024, excluding the London development at Westminster Bridge Road.

3 Revenues derived from these hotels are accounted for in Management and Holdings, and their values and results are excluded from the data provided in this section.

4 Percentage change figures are calculated from actual figures as opposed to the rounded figures included in the above table.

PORTFOLIO PERFORMANCE

The United Kingdom remains the Group's most significant operating region in terms of revenue generated and the value of its property portfolio.

The solid like-for-like* performance was characterised by growth in occupancy throughout the year as the business mix normalised, with increasing demand from corporates, groups and meetings and events alongside the leisure segment. As anticipated, average room rates* stabilised compared with the strong performance in the prior year, which included the Coronation of His Majesty King Charles III in May 2023.

April 2024 saw the phased soft opening of the Group's highly anticipated flagship art'otel London Hoxton, with an inventory of approximately 100 rooms, a ground floor restaurant, a bar, spa and pool, gallery and auditorium. Works continued throughout 2024 and, by the end of the year, the gym on the 26th floor, the meetings and events spaces on the 24th floor and the vast majority of the 357 guestrooms (with the exception of some of the premium suites) had all been completed. The hotel has been very well received by guests and in the wider London market, with excellent guest feedback and reviews, recognised with a 9.3 score on Booking.com (on a scale of 1-10), rated a 5-star score on Tripadvisor.com (on a scale of 1-5) and ranked in 52nd position on Tripadvisor.com (out of 1,160 hotels in London). In 2025, we look forward to launching the premium suites, the office spaces and the 25th floor restaurant and bar.

On a like-for-like* basis, total revenue increased by 1.1% to £237.6 million (2023: £234.9 million). This was driven by an improvement in occupancy from 83.6% to 85.8%, a slightly lower average room rate* at £185.2 (2023: £190.8), which resulted in RevPAR* of £158.8, down 0.5% (2023: £159.6).

Like for like* EBITDA* increased to £79.9 million (2023: £76.3 million), delivering a like-for-like* EBITDA margin* of 33.6% (2023: 32.5%).

Reported revenue was £248.6 million, up 5.8%, adversely affected by the gradual opening of art'otel London Hoxton. Reported RevPAR* was £154.4 (2023: £159.6), which was the result of an occupancy of 83.0% (2023: 83.6%) and an average room rate* of £186.0 (2023: £190.8).

Reported EBITDA* was £77.4 million (2023: £76.3 million), delivering an EBITDA margin* of 31.1% (2023: 32.5%).

In 2025, the Company will continue to focus on driving further efficiencies, particularly to help mitigate the cost pressures as a direct result of the increases in the national minimum wage and national insurance contributions.

DEVELOPMENT PROJECTS

The Group continues to identify and assess opportunities to replenish its development pipeline in the UK. It has three longer-term development projects in London with planning consent.

The Group's site at 79–87 Westminster Bridge Road in the South Bank area, close to the Group's Park Plaza London Waterloo and Westminster Bridge properties, has been granted planning permission for a mixed-use hotel led development. Under the approved plans, PPHE will bring a novel 15-storey design led midscale concept to the market, comprising up to 186 rooms as well as two floors of office and light industrial floorspace, activated by a flexible use ground floor public space featuring an all-day dining bar and café. The building's design will focus heavily on sustainability, transforming a former brownfield site, and targeting a Building Research Establishment Environmental Assessment Methodology (BREEAM) 'Excellent' environmental accreditation.

At a site adjacent to Park Plaza London Park Royal (in West London), planning has been granted for a 465-room hotel.

In Victoria, the Group has planning consent to create an additional 179-rooms at Park Plaza Victoria London in predominantly subterranean space. The Group is currently assessing various options for best use of space, with value creation as guiding principle.

THE UNITED KINGDOM HOTEL MARKET*

RevPAR* was up 2.6%, at £94.5, driven by a 1.9% increase in average room rate* to £121.7 and a 0.6% increase in occupancy to 77.6%.

In London, RevPAR* increased by 1.4% to £157.9 compared with 2023, reflecting a 1.5% increase in occupancy to 81.0%, and a 0.1% decrease in average room rate* to £194.9.

* Source: STR European Hotel Review, December 2024

THE NETHERLANDS

PROPERTY PORTFOLIO

Total value of the Netherlands property portfolio² £319 million (2023: 318 million)

The Group has an ownership interest in three hotels in the centre of Amsterdam (Park Plaza Victoria Amsterdam, art'otel Amsterdam and Park Plaza Vondelpark, Amsterdam), and a fourth property located near Schiphol Airport (Park Plaza Amsterdam Airport). It also owns Park Plaza branded hotels in Utrecht and Eindhoven.

FINANCIAL PERFORMANCE

	Reported in Pound Sterling (£)			Reported in local currency Euro ¹ (€)		
	Year ended 31 Dec 2024	Year ended 31 Dec 2023	% change ³	Year ended 31 Dec 2024	Year ended 31 Dec 2023	% change ³
The Netherlands						
Total revenue	£66.2m	£63.3m	4.6%	€78.4m	€72.8m	7.7%
Room revenue	£49.1m	£48.1m	2.0%	€58.1m	€55.4m	5.0%
EBITDA*	£22.1m	£19.6m	13.0%	€26.2m	€22.5m	16.3%
EBITDA margin*	33.4%	30.9%	250 bps	33.4%	30.9%	250 bps
Occupancy	86.5%	82.4%	410 bps	86.5%	82.4%	410 bps
Average room rate*	£144.5	£149.1	(3.1)%	€171.2	€171.6	(0.2)%
RevPAR*	£124.9	£122.8	1.7%	€148.0	€141.4	4.7%

1 Average exchange rate from Euro to GBP for the period ended 31 December 2024 was 1.185 and for the period ended 31 December 2023 was 1.151, representing a 2.9% increase.

2 Independent valuation by Savills in December 2024.

3 Percentage change figures are calculated from actual figures as opposed to the rounded figures included in the above table.

PORTFOLIO PERFORMANCE

The Group's properties in the Netherlands continued to perform well throughout the year, with improving occupancy driving the performance while maintaining average room rate*.

Total revenue (in local currency) increased by 7.7% to €78.4 million (2023: €72.8 million), which reflected the solid improvement in occupancy to 86.5% (2023: 82.4%). The average room rate* was stable at €171.2 (2023: €171.6). This resulted in an 4.7% increase in RevPAR* to €148.0 (2023: €141.4).

EBITDA* improved by €3.7 million to €26.2 million (2023: €22.5 million), delivering an EBITDA margin* of 33.4% (2023: 30.9%).

THE DUTCH HOTEL MARKET*

RevPAR* decreased by 0.4% to €108.0 compared with 2023. Occupancy increased by 1.5% to 72.7%, and the average room rate* was €148.7, 1.8% lower than in 2023. In Amsterdam, our main market in the Netherlands, RevPAR* decreased by 2.3% to €131.0. Occupancy levels increased by 0.6% to 75.7%, and the average daily room rate decreased by 3.0% to €173.1.

* Source: STR European Hotel Review, December 2024.

CROATIA

PROPERTY PORTFOLIO

Total value of the Croatian property portfolio³ £351 million (2023: £361 million)

The Group's subsidiary Arena Hospitality Group d.d. owns and operates a Croatian portfolio comprising nearly 8,500 rooms and accommodation units across eight hotels, six resorts and eight campsites (including one all-glamping property). Four of these properties are Park Plaza branded, one property is art'otel branded, and Grand Hotel Brioni Pula is a Radisson Collection hotel. The remainder of our portfolio operates as part of the Arena Hotels & Apartments and Arena Campsites brands. Except for art'otel Zagreb, the Group's first art'otel in Croatia, which opened in Q4 2023, all properties are located in Istria – Croatia's most prominent tourist region, which benefits from easy access from Italy, the DACH countries and Central and Eastern Europe.

FINANCIAL PERFORMANCE

	Reported in Pound Sterling (£)			Reported in local currency Euro ² (€)		
	Year ended 31 Dec 2024	Year ended 31 Dec 2023	% change ⁵	Year ended 31 Dec 2024	Year ended 31 Dec 2023	% change ⁵
Croatia						
Total revenue	£84.1m	£78.1m	7.6%	€99.6m	€89.9m	10.8%
Room revenue ⁴	£46.6m	£42.6m	9.5%	€55.2m	€49.0m	12.7%
EBITDA*	£21.5m	£20.4m	5.2%	€25.4m	€23.5m	8.3%
EBITDA margin*	25.6%	26.1%	(60) bps	25.6%	26.1%	(60) bps
Occupancy ⁴	54.8%	52.7%	210 bps	54.8%	52.7%	210 bps
Average room rate ⁴	£138.3	£140.2	(1.3)%	€163.8	€161.3	1.6%
RevPAR ⁴	£75.7	£73.8	2.6%	€89.7	€85.0	5.6%

	Like-for-like* ¹ in Pound Sterling (£)			Like-for-like* ¹ in local currency Euro ² (€)		
	Year ended 31 Dec 2024	Year ended 31 Dec 2023	% change ⁵	Year ended 31 Dec 2024	Year ended 31 Dec 2023	% change ⁵
Croatia						
Total revenue	£80.6m	£78.1m	3.2%	€95.5m	€89.9m	6.2%
Room revenue ⁴	£44.6m	£42.6m	4.7%	€52.8m	€49.0m	7.8%
EBITDA*	£21.7m	£20.4m	6.5%	€25.7m	€23.5m	9.6%
EBITDA margin*	27.0%	26.1%	85 bps	27.0%	26.1%	85 bps
Occupancy ⁴	55.2%	52.7%	255 bps	55.2%	52.7%	255 bps
Average room rate ⁴	£138.7	£140.2	(1.0)%	€164.3	€161.3	1.9%
RevPAR ⁴	£76.6	£73.8	3.8%	€90.8	€85.0	6.8%

1 The like-for-like* figures exclude the results of art'otel Zagreb for the first 10 months of 2024.

2 Average exchange rate from Euro to GBP for the period ended 31 December 2024 was 1.185 and for the period ended 31 December 2023 was 1.151, representing a 2.9% increase.

3 Independent valuation by Zagreb nekretnine Ltd in December 2024.

4 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.

5 Percentage change figures are calculated from actual figures as opposed to the rounded figures included in the above table.

PORTFOLIO PERFORMANCE

The Group's operations in Croatia are principally seasonal and aimed at the leisure segment. Most hotels, resorts and campsites are closed during the winter season (the first and last quarters of the year), and open for guests from early spring, around Easter time. Demand and activity then accelerate during Q2 ahead of the peak summer season in June, July and August.

The portfolio performed well during the peak season, albeit the shoulder month of September was impacted by unseasonal weather. Growth reported is a result of the continued maturing of properties which we have repositioned throughout the years, with enhanced guest appeal and now firmly positioned as upscale and upper upscale properties. Tourism demand for our portfolio is predominantly from countries within driving distance, such as Germany, Austria, Italy, Slovenia, the Czech Republic, Poland and Hungary, as well as domestic guests. This growth was delivered despite reduced flight capacity into Pula Airport compared with 2019, which affected demand from guests relying on flights from countries such as the UK and the Nordics.

The Group's hotels, campsites, and self-catering holiday apartments all delivered year-on-year revenue growth, driven by increased average daily rates, increased occupancy levels, and recent investment projects. Following a repositioning investment programme, Arena Stoja Campsite was upgraded to four-star and was awarded the prestigious 'Croatia's Best Campsites 2025' for the second consecutive year, together with Arena Grand Kažela Campsite and Arena One 99 Glamping.

The performance in the region benefited from a strong year-on-year performance of Grand Hotel Brioni Pula, which continued to capitalise on significant investment to reposition the property as a luxury destination, and the recently opened city centre art'otel Zagreb. These hotels operate all year round.

Total reported revenue (in local currency) was up 10.8% to €99.6 million (2023: €89.9 million). RevPAR* increased by 5.6% to €89.7, which reflected a 1.6% higher average room rate* to £163.8 (2023: €161.3), while occupancy was 210 bps higher at 54.8% (2023: 52.7%).

Reported EBITDA* increases by 8.3% to €25.4 million (2023: €23.5 million), which delivered an EBITDA margin* of 25.6% (2023: 26.1%).

On a like-for-like* basis, which excludes art'otel Zagreb, total revenue was up 6.2% to €95.5. Like-for-like* EBITDA* was up 9.6% to €25.7, which represented an EBITDA margin* of 27.0%.

GERMANY

PROPERTY PORTFOLIO

Total value of the German property portfolio² £85 million (2023: £92 million)

The Group's portfolio includes four properties in Berlin and one hotel each in Cologne, Nuremberg and Trier. Hotels with an ownership interest include Radisson RED Berlin Kudamm³ (formerly Park Plaza Berlin Kudamm), Park Plaza Nuremberg, art'otel Berlin Mitte³, Park Plaza Berlin and art'otel Cologne. Park Plaza Wallstreet Berlin Mitte operates under an operating lease and Park Plaza Trier³ operates under a franchise agreement.

FINANCIAL PERFORMANCE

	Reported in Pound Sterling (£)			Reported in local currency Euro ¹ (€)		
	Year ended 31 Dec 2024	Year ended 31 Dec 2023	% change ⁴	Year ended 31 Dec 2024	Year ended 31 Dec 2023	% change ⁴
Germany						
Total revenue	£24.4m	£22.8m	7.2%	€28.9m	€26.2m	10.4%
Room revenue	£20.9m	£19.5m	7.3%	€24.8m	€22.5m	10.5%
EBITDA*	£6.8m	£5.5m	24.9%	€8.1m	€6.3m	28.5%
EBITDA margin*	28.0%	24.0%	395 bps	28.0%	24.0%	395 bps
Occupancy	69.5%	62.3%	720 bps	69.5%	62.3%	720 bps
Average room rate*	£115.3	£120.3	(4.1)%	€136.6	€138.4	(1.3)%
RevPAR*	£80.1	£74.9	7.0%	€94.9	€86.2	10.2%

1 Average exchange rate from Euro to GBP for the period ended 31 December 2024 was 1.185 and for the period ended 31 December 2023 was 1.151 representing a 2.9% increase.

2 Independent valuation by Savills in December 2024.

3 Revenues derived from these hotels are accounted for in Management and Central Services performance and their values and results are excluded from the data provided in this section.

4 Percentage change figures are calculated from actual figures as opposed to the rounded figures included in the above table.

PORTFOLIO PERFORMANCE

In Germany, the Group's portfolio delivered strong RevPAR* growth, driven by significantly higher year-on-year occupancy and relatively stable average room rate*, underscored by favourable travel trends, international trade fairs and events in Berlin, Cologne and Nuremberg, and continued recovery in demand.

Total revenue (in local currency) was up 10.4%, at €28.9 million (2023: €26.2 million). RevPAR* grew by 10.2% to €94.9 (2023: €86.2), driven by occupancy rebuilding to 69.5% (2023: 62.3%) and average room rate*¹ was maintained at €136.6 (2023: €138.4).

EBITDA* improved significantly, up 28.5% to €8.1 million (2023: €6.3 million), due to increased revenue as well as a more stable inflationary and labour cost environment. EBITDA margin* improved to 28.0% (2023: 24.0%).

During the year, the repositioning and rebranding of the former Park Plaza Berlin Kudamm was completed. The property closed in November 2023 for the refurbishment of all the public areas and guest rooms and was relaunched as a Radisson RED⁴ hotel in June 2024. The soft opening enabled the hotel to take advantage of the high level of demand in Berlin during the European UEFA Football Championship in June and July. The hotel was fully operational from September 2024 and is achieving excellent guest feedback. This is the second Radisson RED branded hotel operated by PPHE's Croatian subsidiary Arena Hospitality Group d.d.. The property is a joint venture, so its performance is not included in the metrics reported above.

THE GERMAN HOTEL MARKET*

The German market experienced a 6.8% increase in RevPAR* to €79.4, resulting from a 3.0% improvement in occupancy to 66.9% and a 3.8% increase in average room rate* to €118.8.

In Berlin, RevPAR* increased by 8.3% to €93.1 and occupancy increased by 2.4% to 73.4%. Average room rate* increased 5.8% to €126.8.

* Source: STR European Hotel Review, December 2024

OTHER MARKETS

ITALY, HUNGARY, SERBIA AND AUSTRIA

This includes the Group's properties in Austria, Italy and Serbia, and a property operated in Hungary.

	Reported in Pound Sterling (£)		
	Year ended 31 Dec 2024	Year ended 31 Dec 2023	% change ¹
Total revenue	£10.7m	£7.9m	35.8%
Room revenue	£8.3m	£6.1m	36.7%
EBITDA*	£1.3m	£(0.5)m	n/a
EBITDA margin*	11.8%	(6.7)%	1,850 bps
Occupancy	59.3%	44.4%	1,485 bps
Average room rate*	£116.1	£129.8	(10.6)%
RevPAR*	£68.8	£57.7	19.3%

1 Percentage change figures are calculated from actual figures as opposed to the rounded figures included in the above table.

OUR PERFORMANCE

The Group's properties in Austria and Hungary were open throughout the year. The property in Serbia reopened as a Radisson RED branded hotel in February 2024 following an investment programme. The property in Italy was closed throughout the year due to an ongoing major repositioning investment programme.

Total revenue increased by 35.8% to £10.7 million, and EBITDA* increased to £1.3 million. This significant improvement reflected the strong trading performance of the three properties in operation, including the Radisson RED in Serbia, which was open for most of the year, compared with two properties in operation in 2023.

RevPAR* increased by 19.3% to £68.8, driven by occupancy, which increased to 59.3%. The average room rate* decreased to £116.1.

The Group's three properties in operation all have achieved a 4.5 out of 5 guest rating on Tripadvisor.

NASSFELD, AUSTRIA

The Arena FRANZ Ferdinand, a 144-room mountain resort in the Austrian Alps, performed strongly in its second year in operation, following an investment programme to refurbish the hotel and upgrade amenities to position the resort.

The resort, which is now well positioned to capture, benefiting from now operating 10 months of the year.

ROME, ITALY

The major repositioning programme for art'otel Rome Piazza Sallustio is nearing completion, with construction work finished and the hotel scheduled to open early March 2025. Following an extensive investment programme, the property will be a 99-room upper upscale premium lifestyle hotel in a prime position in the city of Rome, opposite the famous Horti Sallustiani (the Gardens of Sallust) and close to other iconic landmarks such as the Spanish Steps and Villa Borghese. The Signature Artist is renowned contemporary Roman artist Pietro Ruffo and each room will feature Ruffo's signature artworks and originals, enhancing the guest experience.

As well as contemporary rooms, the hotel will offer guests a unique restaurant and bar concept, and an art gallery with seasonal exhibitions.

BELGRADE, SERBIA

Radisson RED Belgrade opened in February 2024, following a £2.6 million refurbishment programme to reposition and rebrand the property. The hotel offers a guest gym, an all-day restaurant, flexible event spaces, a co-working area, and a rooftop bar with views of the historic city centre. Since reopening, the hotel has continued to rebuild its presence in the city.

This property was formerly Arena 88 Rooms Hotel. It was the Group's first Radisson RED branded property to open.

BUDAPEST, HUNGARY

Park Plaza Budapest (formerly art'otel Budapest) performed well, reporting an increase in revenue, driven by an improvement in occupancy.

THE HUNGARIAN HOTEL MARKET*

The Hungary market experienced a 4.4% increase in RevPAR* to €82.4, resulting from a 4.0% increase in occupancy to 70.3% and a 0.4% increase in average room rate* to €117.1.

In Budapest, RevPAR* increased by 6.3% to €86.9 and occupancy increased by 5.0% to 70.6%. Average room rate* increased 1.2% to €123.0.

* Source STR European Hotel Review, December 2024

THE BELGRADE HOTEL MARKET, SERBIA*

In Belgrade, RevPAR* increased by 15.6% to €85.53 and occupancy increased by 2.2% to 67.3%. Average room rate* increased 13.1% to €127.1.

* Source STR European Hotel Review, December 2024

THE ITALIAN HOTEL MARKET*

The Italian market experienced a 4.5% increase in RevPAR* to €154.3, resulting from a 0.1% increase in occupancy to 69.4% and a 4.4% increase in average room rate* to €222.5.

In Rome, RevPAR* increased by 3.1% to €172.4 and occupancy increased by 1.1% to 72.4%. Average room rate* increased 2.0% to €238.2.

* Source STR European Hotel Review, December 2024

MANAGEMENT AND CENTRAL SERVICES

OUR PERFORMANCE

The revenue in this segment is primarily related to management, sales, marketing and franchise¹ fees, and other charges for Central Services. This includes properties operated by the Group's hospitality management platform, such as art'otel London Battersea Power Station.

These fees and costs are mainly charged within the Group and therefore eliminated upon consolidation. For the year ended 31 December 2024, the segment showed an EBITDA* profit of £7.4 million, as internally and externally charged management fees exceeded the costs in this segment.

Management, Group Central Services and licence, sales and marketing fees are calculated as a percentage of revenue and profit and therefore are affected by underlying hotel performance.

Reported in Pound Sterling (£)
Year ended 31 Dec 2024

	Listed Company	Development Projects	Management Platform	Arena Hospitality Group	Total
Management revenue	–	£0.1m	£40.1m	–	£40.1m
Central Services revenue	–	–	–	£15.8m	£15.8m
Revenues within the consolidated Group	–	–	£(32.2)m	£(14.9)m	£(47.1)m
External and reported revenue	–	£0.1m	£7.8m	£0.9m	£8.8m
EBITDA*	£(3.2)m	£(0.3)m	£11.1m	£(0.2)m	£7.4m

Reported in Pound Sterling (£)
Year ended 31 Dec 2023

	Listed Company	Development Projects	Management Platform	Arena Hospitality Group ¹	Total
Management revenue	–	–	£37.3m	–	£37.4m
Central Services revenue	–	–	–	£14.0m	£14.0m
Revenues within the consolidated Group	–	–	£(30.9)m	£(12.9)m	£(43.7)m
External and reported revenue	–	–	£6.5m	£1.2m	£7.7m
EBITDA*	£(2.2)m	£(1.0)m	£12.0m	£(1.9)m	£7.0m

CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2024

	As at 31 December	
	2024 £'000	2023 £'000
Assets		
Non-current assets:		
Intangible assets	7,632	10,665
Property, plant and equipment	1,421,376	1,412,830
Right-of-use assets	225,265	229,215
Investment in joint ventures	8,233	5,438
Other non-current assets	46,993	39,646
Restricted deposits and cash	5,826	10,385
Deferred income tax asset	12,890	13,833
	1,728,215	1,722,012
Current assets:		
Restricted deposits and cash	16,602	6,909
Inventories	2,703	3,288
Trade receivables	18,712	17,880
Other receivables and prepayments	17,683	23,260
Cash and cash equivalents	113,225	150,416
	168,925	201,753
Total assets	1,897,140	1,923,765
Equity and liabilities		
Equity:		
Issued capital	–	–
Share premium	134,472	133,469
Treasury shares	(14,519)	(6,873)
Foreign currency translation reserve	4,862	13,903
Hedging reserve	9,995	7,801
Accumulated earnings	177,874	166,281
Attributable to equity holders of the parent	312,684	314,581
Non-controlling interests	213,374	216,592
Total equity	526,058	531,173
Non-current liabilities:		
Borrowings	805,057	845,199
Provision for concession fee on land	4,995	5,233
Financial liability in respect of Income Units sold to private investors	110,565	114,287
Other financial liabilities	277,878	280,200
Deferred income taxes	5,192	5,878
	1,203,687	1,250,797
Current liabilities:		
Trade payables	9,088	14,809
Other payables and accruals	77,720	79,149
Borrowings	80,587	47,837
	167,395	141,795
Total liabilities	1,371,082	1,392,592
Total equity and liabilities	1,897,140	1,923,765

The accompanying notes are an integral part of the consolidated financial statements. Date of approval of the consolidated financial statements: 26 February 2025. Signed on behalf of the Board by Boris Ivesha and Daniel Kos.

BORIS IVESHA
President & Chief Executive Officer

DANIEL KOS
Chief Financial Officer & Executive Director

CONSOLIDATED INCOME STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2024

	As at 31 December	
	2024 £'000	2023 £'000
Revenues	442,787	414,598
Operating expenses	(303,988)	(284,090)
EBITDAR*	138,799	130,508
Rental expenses	(2,336)	(2,332)
EBITDA*	136,463	128,176
Depreciation and amortisation	(47,083)	(45,068)
EBIT*	89,380	83,108
Financial expenses	(42,634)	(36,145)
Financial income	5,226	4,758
Other expenses	(13,243)	(13,046)
Other income	5,048	4,416
Net expenses for financial liability in respect of Income Units sold to private investors	(12,896)	(14,156)
Share in results of joint ventures	(268)	(113)
Profit before tax	30,613	28,822
Income tax expense	(2,881)	(1,677)
Profit for the year	27,732	27,145
Profit (loss) attributable to:		
Equity holders of the parent	28,206	22,415
Non-controlling interests	(474)	4,730
	27,732	27,145
Basic earnings per share (in Pound Sterling)		
	0.67	0.53
Diluted earnings per share (in Pound Sterling)		
	0.66	0.53

The accompanying notes are an integral part of the consolidated financial statements.

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 DECEMBER 2024

	As at 31 December	
	2024 £'000	2023 £'000
Profit for the year	27,732	27,145
Other comprehensive income (loss) Items that may be reclassified subsequently to profit or loss:¹		
Profit (loss) from cash flow hedges	4,315	(5,007)
Foreign currency translation adjustments of foreign operations	(14,344)	(8,463)
Other comprehensive income (loss)	(10,029)	(13,470)
Total comprehensive income	17,703	13,675
Total comprehensive income (loss) attributable to:		
Equity holders of the parent	21,238	13,812
Non-controlling interests	(3,535)	(137)
	17,703	13,675

¹ There is no other comprehensive income that will not be reclassified to the profit and loss in subsequent periods.

The accompanying notes are an integral part of the consolidated financial statements.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 DECEMBER 2024

In £'000	Issued capital ¹	Share premium	Treasury shares	Foreign currency translation reserve	Hedging reserve	Accumulated earnings	Attributable to equity holders of the parent	Non-controlling interests	Total equity
Balance as at 1 January 2024	–	133,469	(6,873)	13,903	7,801	166,281	314,581	216,592	531,173
Profit (loss) for the year	–	–	–	–	–	28,206	28,206	(474)	27,732
Other comprehensive income (loss) for the year	–	–	–	(9,159)	2,191	–	(6,968)	(3,061)	(10,029)
Total comprehensive income (loss)	–	–	–	(9,159)	2,191	28,206	21,238	(3,535)	17,703
Share-based payments	–	1,389	–	–	–	88	1,477	72	1,549
Share buy-back	–	–	(7,864)	–	–	–	(7,864)	–	(7,864)
Dividend distribution ²	–	–	–	–	–	(15,549)	(15,549)	–	(15,549)
Dividend paid to non-controlling interests	–	–	–	–	–	–	–	(1,452)	(1,452)
Exercise of options	–	(386)	218	–	–	–	(168)	–	(168)
Transactions with non-controlling interests (see Note 5)	–	–	–	118	3	(1,152)	(1,031)	1,697	666
Balance as at 31 December 2024	–	134,472	(14,519)	4,862	9,995	177,874	312,684	213,374	526,058
Balance as at 1 January 2023	–	133,177	(5,472)	20,039	10,950	156,364	315,058	188,187	503,245
Profit for the year	–	–	–	–	–	22,415	22,415	4,730	27,145
Other comprehensive loss for the year	–	–	–	(6,027)	(2,576)	–	(8,603)	(4,867)	(13,470)
Total comprehensive income (loss)	–	–	–	(6,027)	(2,576)	22,415	13,812	(137)	13,675
Share-based payments	–	442	–	–	–	93	535	87	622
Share buy-back	–	–	(1,621)	–	–	–	(1,621)	–	(1,621)
Dividend distribution ²	–	–	–	–	–	(11,897)	(11,897)	–	(11,897)
Dividend paid to non-controlling interests	–	–	–	–	–	–	–	(1,436)	(1,436)
Exercise of options	–	(150)	220	–	–	–	70	–	70
Transactions with non-controlling interests (see Note 5)	–	–	–	(109)	(573)	(694)	(1,376)	29,891	28,515
Balance as at 31 December 2023	–	133,469	(6,873)	13,903	7,801	166,281	314,581	216,592	531,173

1 No par value.

2 The dividend distribution comprises a final dividend for the year ended 31 December 2023 of 20.0 pence per share (31 December 2022: 12.0 pence per share) and an interim dividend of 17.0 pence per share paid in 2024 (2023: 16.0 pence per share).

The accompanying notes are an integral part of the consolidated financial statements.

CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 DECEMBER 2024

	As at 31 December	
	2024	2023
	£'000	£'000
Cash flows from operating activities:		
Profit for the year	27,732	27,145
Adjustment to reconcile profit to cash provided by operating activities:		
Financial expenses and expenses for financial liability in respect of Income Units sold to private investors	55,530	50,301
Financial income	(5,226)	(4,758)
Income tax expense	2,881	1,677
Loss on buy-back of Income Units sold to private investors	1,486	3,266
Re-measurement of lease liability	3,984	3,852
Revaluation of Park Plaza County Hall London Units	(450)	(1,600)
Capital loss on sale of fixed assets, net	195	29
Share in results of joint ventures	268	113
Share appreciation rights revaluation	767	(2,816)
Fair value movement derivatives through profit and loss	(4,299)	4,553
Depreciation and amortisation	47,083	45,068
Share-based payments	1,549	622
	103,768	100,307
Changes in operating assets and liabilities:		
Decrease (increase) in inventories	468	(152)
Increase in trade and other receivables	(5,694)	(1,803)
Increase (decrease) in trade and other payables	(6,002)	1,795
	(11,228)	(160)
Cash paid and received during the period for:		
Interest paid	(54,710)	(50,104)
Interest received	4,837	3,721
Taxes paid	(2,436)	(2,558)
Taxes received	-	-
	(52,309)	(48,941)
Net cash provided by operating activities	67,963	78,351
Cash flows from investing activities:		
Investments in property, plant and equipment	(74,075)	(115,090)
Investments in intangible assets	(280)	(779)
Disposal of property, plant and equipment and intangible assets	328	-
Loan to joint venture	(2,984)	(888)
Decrease (increase) in restricted cash	(5,572)	960
Net cash used in investing activities	(82,583)	(115,797)
Cash flows from financing activities:		
Proceeds from loans and borrowings	46,668	65,265
Buy-back of Income Units previously sold to private investors	(5,287)	(5,609)
Proceeds (payment) of derivatives	1,481	(4,080)
Dividend payment	(15,549)	(11,897)
Dividend payment by a subsidiary to non-controlling shareholders	(1,452)	(1,436)
Repayment of loans and borrowings	(41,147)	(31,717)
Repayment of leases	(4,162)	(4,095)
Proceeds from transactions with non-controlling interest	10,444	22,489
Payments in relation to transactions with non-controlling interests	(2,734)	(1,018)
Purchase of treasury shares	(7,864)	(1,621)
Exercise of options settled in cash	(167)	70
Net cash (used in) provided by financing activities	(19,769)	26,351
Decrease in cash and cash equivalents	(34,389)	(11,095)
Net foreign exchange differences	(2,802)	(2,078)
Cash and cash equivalents at beginning of year	150,416	163,589
Cash and cash equivalents at end of year	113,225	150,416
Non-cash items:		
Lease additions and lease re-measurement	5,938	11,166
Outstanding payable on investments in property, plant and equipment	8,077	13,934
Receivables in respect of transaction with non-controlling interests	-	7,044

The accompanying notes are an integral part of the consolidated financial statements.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024

Note 1: General

- a. The consolidated financial statements of PPHE Hotel Group Limited (the 'Company') and its subsidiaries (together, the 'Group') for the year ended 31 December 2024 were authorised for issuance in accordance with a resolution of the Directors on 26 February 2025.

The Company was incorporated in Guernsey on 14 June 2007 and is listed on the Premium Listing segment of the Official List of the UK Listing Authority (UKLA) and the shares are traded on the Main Market for listed securities of the London Stock Exchange.

Contact details of the Group can be found on the final page of these financial statements.

- b. Description of the Group business:

The Group is an international hospitality real estate group, which owns, co-owns and develops hotels, resorts and campsites, operates the Park Plaza[®] brand in EMEA and owns and operates the art'otel[®] brand.

The Group has interests in hotels in the United Kingdom, the Netherlands, Germany, Hungary, Serbia, Italy and Austria and hotels, self-catering apartment complexes and campsites in Croatia.

- c. Assessment of going concern and liquidity:

As part of their ongoing responsibilities, the Directors have recently undertaken a thorough review of the Group's cash flow forecast and potential liquidity risks. Detailed budgets and cash flow projections, which take into account the current trading environment and the industry-wide cost pressures, have been prepared for 2025 and 2026, and show that the Group's hotel operations are expected to be cash generative during this period. Furthermore, under those cash flow projections it is expected that the Group will comply with its loan covenants. Having reviewed those cash flow projections, the Directors have determined that the Company is likely to continue in business for at least 12 months from the date of approval of the consolidated financial statements.

Note 2: Earnings per share

The following reflects the income and share data used in the basic earnings per share computations:

	As at 31 December	
	2024	2023
	£'000	£'000
Profit attributable to equity holders of the parent basic and diluted	28,206	22,415
Weighted average number of ordinary shares outstanding for basic earnings per share (in thousands)	42,045	42,365
Basic earnings per share	0.67	0.53
Effect of dilution from:		
Share option	437	176
Weighted average number of ordinary shares adjusted for the effect of dilution	42,482	42,541
Diluted earnings per share	0.66	0.53

In 2024, 37,500 share options (2023: 417,500) were excluded from the weighted number of ordinary shares adjusted for the effect of dilution as they had an anti-dilutive effect.

Note 3: Segments

For management purposes, the Group's activities are divided into Owned Hotel Operations and Management and Central Services Activities (for further details see Note 12(c)(i)). Owned Hotel Operations are further divided into four reportable segments: the Netherlands, Germany, Croatia and the United Kingdom. Other includes individual hotels in Hungary, Serbia, Italy and Austria. The operating results of each of the aforementioned segments are monitored separately for the purpose of resource allocations and performance assessment. Segment performance is evaluated based on EBITDA*, which is measured on the same basis as for financial reporting purposes in the consolidated income statement.

Year ended 31 December 2024

	The Netherlands £'000	Germany £'000	United Kingdom £'000	Croatia £'000	Other ¹ £'000	Management and Central Services £'000	Adjustments ² £'000	Consolidated £'000
Revenue								
Third party	66,196	24,399	248,627	84,058	10,675	8,832	–	442,787
Inter-segment	–	–	400	210	7	47,097	(47,714)	–
Total revenue	66,196	24,399	249,027	84,268	10,682	55,929	(47,714)	442,787
Operating expenses								
Third party	(37,389)	(14,178)	(150,051)	(45,600)	(8,380)	(48,390)	–	(303,988)
Inter-segment	(6,662)	(3,387)	(20,809)	(15,274)	(926)	(210)	47,268	–
Total operating expenses	(44,051)	(17,565)	(170,860)	(60,874)	(9,306)	(48,600)	47,268	(303,988)
Segment EBITDA*	22,116	6,825	77,373	21,479	1,259	7,411	–	136,463
Depreciation, amortisation								(47,083)
Financial expenses								(42,634)
Financial income								5,226
Net expenses for liability in respect of Income Units sold to private investors								(12,896)
Other income (expenses), net								(8,195)
Share in result of joint ventures								(268)
Profit before tax								30,613

- 1 Includes Park Plaza Budapest in Hungary, Radisson RED Belgrade, Serbia, art'otel Rome Piazza Sallustio, Italy, and Arena Franz Ferdinand Mountain Resort in Nassfeld, Austria.
2 Consist of inter-company eliminations.

	The Netherlands £'000	Germany £'000	United Kingdom £'000	Croatia £'000	Other ¹ £'000	Adjustments ² £'000	Consolidated £'000
Geographical information							
Non-current assets ³	179,692	64,310	1,037,036	234,040	94,847	44,348	1,654,273

- 1 Includes Park Plaza Budapest in Hungary, Radisson RED Belgrade, Serbia, art'otel Rome Piazza Sallustio, Italy, and Arena Franz Ferdinand Mountain Resort in Nassfeld, Austria..
2 This includes the non-current assets of Management and Central Services.
3 Non-current assets for this purpose consist of property, plant and equipment, right-of-use assets and intangible assets.

Year ended 31 December 2023

	The Netherlands £'000	Germany £'000	United Kingdom £'000	Croatia £'000	Other ¹ £'000	Management and Central Services £'000	Adjustments ² £'000	Consolidated £'000
Revenue								
Third party	63,302	22,759	234,912	78,123	7,859	7,643	–	414,598
Inter-segment	–	–	400	257	–	40,626	(41,283)	–
Total revenue	63,302	22,759	235,312	78,380	7,859	48,269	(41,283)	414,598
Operating expenses								
Third party	(37,466)	(14,243)	(138,018)	(42,482)	(7,711)	(44,170)	–	(284,090)
Inter-segment	(6,219)	(3,047)	(20,258)	(13,547)	(637)	(257)	43,965	–
Total operating expenses	(43,685)	(17,290)	(158,276)	(56,029)	(8,348)	(44,427)	43,965	(284,090)
Segment EBITDA*	19,580	5,466	76,276	20,409	(528)	6,973	–	128,176
Depreciation, amortisation								(45,068)
Financial expenses								(36,145)
Financial income								4,758
Net expenses for liability in respect of Income Units sold to private investors								(14,156)
Other income (expenses), net								(8,630)
Share in result of joint ventures								(113)
Profit before tax								28,822

- 1 Includes Park Plaza Budapest in Hungary, Radisson RED Belgrade, Serbia, art'otel Rome Piazza Sallustio, Italy, and Arena Franz Ferdinand Mountain Resort in Nassfeld, Austria.

2 Consist of inter-company eliminations.

	The Netherlands £'000	Germany £'000	United Kingdom £'000	Croatia £'000	Other ¹ £'000	Adjustments ² £'000	Consolidated £'000
Geographical information							
Non-current assets ³	190,420	72,311	1,007,301	249,910	86,306	46,462	1,652,710

1 Includes Park Plaza Budapest in Hungary, Radisson RED Belgrade, Serbia, art'otel Rome Piazza Sallustio, Italy, and Arena Franz Ferdinand Mountain Resort in Nassfeld, Austria..

2 This includes the non-current assets of Management and Central Services.

3 Non-current assets for this purpose consist of property, plant and equipment, right-of-use assets and intangible assets.

NOTE 4: RELATED PARTIES

a. Balances with related parties

	As at 31 December	
	2024 £'000	2023 £'000
Loans to joint ventures (see Note 5a)	9,535	6,515
Short-term receivables	74	65
Payable to GC Project Management Limited	(45)	(75)
Payable to Gear Construction UK Limited (see c(i))	(7,055)	(12,445)

b. Transactions with related parties

	As at 31 December	
	2024 £'000	2023 £'000
Cost of transactions with GC Project Management Limited	(491)	(670)
Cost of transactions with Gear Construction UK Limited (see c(i))	(28,207)	(55,069)
Rent income from sub-lease of office space	55	56
Management fee revenue from jointly controlled entities	978	872
Interest income from jointly controlled entities	301	354

c. Significant other transactions with related parties

(i) **Construction of the art'otel London Hoxton** – Following the approval by the independent shareholders, on 7 April 2020 PPHE Hoxton B.V. (the “Employer”) entered into a JCT design and build building contract with Gear Construction UK Limited, an entity controlled by Eli Papouchado, together with members of his family (‘Gear’), for the design and construction of the art'otel London Hoxton hotel on a ‘turn-key’ basis (the ‘building contract’). The works under the building contract achieved Practical Completion on 20 December 2024. AECOM was appointed to act as the Employer’s agent to ensure that the project was administered in line with the terms of the building contract. It is also noted that over the course of construction, the Employer submitted a number of variations, with the Contract Sum in each case being adjusted in line with Aecom’s subsequent cost assessment of the relevant variation.

Gear’s obligations and liabilities under the building contract are supported by a corporate guarantee from Red Sea Hotels Limited, an associate of Euro Plaza Holdings B.V. and therefore a related party of the Company, in the amount of 10% of the Contract Sum (the ‘corporate guarantee’). The corporate guarantee expires on the later of: (i) the expiry of the two-year defects rectification period which follows practical completion of the works; and (ii) the issue of the latent defect insurer’s approval or final technical audit report.

(ii) **Sub-lease of office space** – A member of the Group has agreed to sub-lease a small area of office space to members or affiliates of the Red Sea Group at its County Hall corporate office in London. The rent payable by the Red Sea Group to PPHE Hotel Group is based on the cost at which the landlord is leasing such space to PPHE Hotel Group.

(iii) **Pre-Construction and Maintenance Contract** – The Group frequently uses GC Project Management Limited, an entity controlled by Eli Papouchado together, with members of his family (GC), to undertake preliminary assessment services, including appraisal work, and provide initial estimates of the construction costs. Further, GC provides ad-hoc maintenance work when required to the Group’s various sites.

Accordingly, the Group has entered into an agreement with GC for the provision of pre-construction and maintenance services by GC to the Group for a fixed annual retainer of £60,000.

- (iv) Transactions in the ordinary course of business, in connection with the use of hotel facilities (such as overnight room stays and food and beverages) and transportation services provided to the Group are being charged at market prices. These transactions occur occasionally.
- (v) Londra & Cargill project management agreement – The Group entered into a series of agreements with GC Project Management Limited for the provision of project management services and site supervision services to the Group in respect of the redevelopment of Hotel Londra & Cargill in Rome, Italy, commencing in 2022 and completing on practical completion of the project.

Summary of the remuneration for Executive and Non-Executive Directors for the year ended 31 December 2024:

	Base salary and fees £'000	Bonus £'000	Pension contributions £'000	Other benefits £'000	Total £'000
Chairman and Executive Directors	1,820	482	73	22	2,397
Non-Executive Directors	289	–	–	–	289
	2,109	482	73	22	2,686

The above table does not include the bonus share awards for 2024 and the 2022 LTIP share awards that fully vested after the balance sheet date.

Summary of the remuneration for Executive and Non-Executive Directors for the year ended 31 December 2023:

	Base salary and fees £'000	Bonus £'000	Pension contributions £'000	Other benefits £'000	Total £'000
Chairman and Executive Directors	1,726	473	67	19	2,285
Non-Executive Directors	283	–	–	–	283
	2,009	473	67	19	2,568

Directors' interests in employee share incentive plan

As at 31 December 2024, the Executive Directors held share options to purchase 143,308 ordinary shares (2023: 121,308). 27,308 options were fully exercisable with a £nil exercise price (2023: 27,308 with nil exercise price and 50,000 with an exercise price of £14.30). No share options were granted to Non-Executive Directors of the Board.

NOTE 5: SUBSEQUENT EVENTS

The Board is proposing a final dividend payment of 21 pence per share (2023: 20 pence per share), subject to shareholder approval at the Annual General Meeting.

PRINCIPAL RISKS AND UNCERTAINTIES

Our Risk Environment

Our Group-wide risk management framework drives better decision making through the proactive identification, assessment and management of the risks we face and emerging threats.

Our approach is well established and continues to evolve to meet the needs of the business and harness the input from functional management, executive leadership and the Board.

As we focus on unlocking growth from our new hotel openings, our risk profile is expected to shift focus throughout 2025. As our inherent development project risk should reduce as we deliver our latest developments, addressing any threats to the growth objectives of our existing portfolio will be a priority, to ensure we deliver operating efficiency and performance.

Macroeconomic and geo-political uncertainty remains a constant driver of risk and is something that the Group has demonstrated real resilience to in recent years. The significant political change across the globe in 2024 could see a pace of change in global relationships, policies, regulation and taxation throughout 2025 which could impact our markets, supply chains and operations. Resilience to challenging conditions continues to be a priority with focussed cost management, dynamic pricing strategies, technology initiatives and new process efficiencies.

Horizon scanning for emerging threats remains an important part of our risk management approach. The evolution of AI is presenting many opportunities for us to improve the way we operate and meet the needs of our guests. We continue to embrace the use of new technologies while introducing safeguards to mitigate any associated risk.

Climate related risk is fully integrated within our risk management framework. Climate change is one of the drivers of several existing principal risks. Our TCFD report details our specific climate related risks (See pages 85-86).

PRINCIPAL RISKS – AT A GLANCE

We define our principal risks as those which could have the greatest impact on our business and represent the most significant threats to the achievement of our objectives in the year ahead. To be considered a principal risk, the potential downside or residual impact must be assessed as ‘Major’ or above, equating to a negative financial impact or falling asset values greater than 5% of annual EBITDA* (under normal operating conditions).

Principal risks for 2025	Inherent risk assessment	Residual risk assessment	Trend from previous year	Oversight responsibility
1 Adverse economic climate	High	High	Unchanged	CFO
2 Cyber threat – undetected/unrestricted cyber security incidents	Very High	High	Increased	CFO
3 Funding and liquidity risk	High	Medium	Unchanged	CFO
4 Data privacy – risk of data breach	Very High	Medium	Unchanged	CCLLO
5 Technology disruption – prolonged failure of core technology	High	Medium	Unchanged	CFO
6 Operational disruption	High	Medium	Unchanged	Co-CEO
7 Market dynamics – significant decline in market demand	High	Medium	Unchanged	EVP Commercial Affairs
8 Difficulty in attracting, engaging, and retaining a suitably skilled workforce	High	Medium	Unchanged	Co-CEO
9 Significant development project delays or unforeseen cost increases	High	Medium	Reduced	CCLLO and Co-CEO
10 Negative stakeholder perception of the Group with regard to ESG matters	High	Medium	Unchanged	CCLLO
11 Serious threat to guest, team member or third party health, safety and security	High	Medium	Unchanged	Co-CEO

OUR RISK-REWARD STRATEGY

Our risk-reward strategy, which articulates our risk appetite across various business activities, is aligned to our strategic objectives. The Board has reassessed the strategy and adjusted the risk appetite for Technology change and development to Active, indicating a more proactive stance on adopting new technologies.

Risk appetite levels	Definition	Business activities	Strategic pillars and enablers
Active	We will actively seek to take calculated risks in this area in pursuit of our strategic objectives, as long as the associated benefits significantly outweigh the risk impact, and the risk remains within our tolerances. We will apply appropriate safeguards when pursuing these opportunities.	<ul style="list-style-type: none"> Acquisitions and development opportunities Technological change/development 	Diversification of property portfolio Entrepreneurial, people-oriented and creator culture to underpin growth agenda
Neutral	We will take on a limited increased exposure to risk in pursuit of our strategic objectives if the associated benefits outweigh the risk impact and the risk remains within our tolerances. We will apply appropriate safeguards when pursuing these opportunities.	<ul style="list-style-type: none"> Development projects (construction) Working with third parties Funding Commercial and promotional activity 	Non-dilutive capital approach Destination led restaurant and bar experience with ambitious growth plans Entrepreneurial, people-oriented and creator culture to underpin growth agenda
Averse	We will act to protect the business from increased risk exposure in these areas.	<ul style="list-style-type: none"> Environmental impact Responsible and ethical sourcing Human rights Operational continuity Health and safety Data privacy Compliance Financial and tax reporting Financial control 	Meaningful ESG impact for the benefit of all stakeholders Guest satisfaction – memorable and superior guest experiences

OUR RISK GOVERNANCE AND RISK MANAGEMENT PROCESS

Governance

Executive Leadership – Risk Forum	Audit Committee	Board
<ul style="list-style-type: none"> Agree the Risk Policy and Framework and formulate a risk-reward strategy (risk appetite) for proposal to the Board. Challenge the robustness and completeness of the full-year and half-year updates to the Group's risk registers, including key actions. Report PPHE principal risks for Board approval and inclusion in the Annual Report. Ensure effective monitoring of emerging risk and progress against key risk actions. 	<ul style="list-style-type: none"> Keep under review the effectiveness of the Group's procedures for the identification, assessment and reporting of risks, assisting the Board in monitoring the Group's risk management systems. Oversee internal and external assurance requirements. <p>ESG Committee</p> <ul style="list-style-type: none"> Keep under review specific ESG and climate related risk assessment. 	<ul style="list-style-type: none"> Ultimately responsible for risk management including approval of the Group risk profile; the Group Risk Policy and Framework; the risk-reward strategy; and the statement on risk management in the Annual Report.

Process

ENTERPRISE RISK ASSESSMENT

Consolidation of underlying functional and subsidiary risks into a single view of risk reported to the Board.
The enterprise assessment underpins the Group's principal risk disclosure.

CURRENT RISKS	EMERGING RISKS
<p>Existing threats to the achievement of our business objectives. Regular risk updates from functional management to identify, assess and respond to current risks. Key steps include the following:</p> <ul style="list-style-type: none"> Assessment of the severity of each risk using the Group risk assessment criteria. Consideration is given to the effectiveness of the current controls/mitigating activity. Establishing clear actions with nominated accountability where further mitigation is required to contain or reduce risks to a more acceptable level. Regular risk reporting to Executive Leadership to support informed decision-making and prioritisation of resources. 	<p>Future threats that cannot be accurately assessed at the current time but could have a material impact on the business in the future through either heightening existing risks or becoming new stand alone risks.</p> <p>Horizon scanning for emerging risk is considered at each functional risk workshop and each Executive Level Risk Forum with a view to improving our response plans and exploiting potential opportunities. Emerging risk trends are reported alongside the current enterprise risk assessment to the Audit Committee quarterly.</p>

- Reporting the enterprise risk profile to the Audit Committee quarterly.

When identifying emerging risk, we consider several drivers of change, including:

- shifts in market dynamics;
- social, geo-political, macro-economic and environmental factors;
- technological trends; and
- legal and regulatory developments.

FUNCTIONAL AND SUBSIDIARY RISK ASSESSMENTS

Management identifying, assessing and managing the risks and controls across all business functions.

EMERGING RISK

Our Executive Leadership Team considers emerging threats and risk drivers that could have a material impact on the business in the future, with a view to improving our response plans and exploiting potential opportunities. The near-term threats may already influence our principal risk assessments and the prioritisation of our risk actions.

PRINCIPAL RISKS

The tables below detail our principal risks for the year ahead. The reported risks are those we consider could have the greatest impact on our business and represent the most significant threats to the achievement of our objectives. This is not an exhaustive list of all risks identified and monitored through our risk management process, which includes the consolidation of underlying functional and subsidiary risk registers into a single view of risk reported to the Board. Our risk level is decided through an assessment of the likelihood of the risk and its impact should it materialise. Our assessments are weighted towards impact to encourage prioritisation of high impact risks.

Strategic blocks	Sources of value	
1 Core, upper upscale, city centre hotels	4 Diverse prime property portfolio	7 International network
2 Leisure and Outdoor Hospitality	5 Multi-brand approach	8 Our people and culture
3 Hospitality management platform	6 In-house hospitality management platform	9 Financial strength and non-dilutive capital approach

MARKET AND MACRO-ECONOMIC ENVIRONMENT

Risk appetite: Not applicable

Principal risk description	Residual risk	Outlook and risk response for 2025
<p>Adverse economic climate Economic stress fuelled by the volatile geo-political environment could mean a continuation of steep inflation and unstable interest rates impacting growth and profit margins.</p> <p>Related strategic blocks: 1, 2, 3</p> <p>Related sources of value: 7, 8, 9</p>	<p>High Unchanged</p>	<p>An unfavourable economic climate poses a significant and persistent risk to the achievement of our objectives. Numerous factors are expected to drive this risk in 2025, including geopolitical instability, trade disputes and regional tensions that are influencing the global macro environment.</p> <p>Despite challenging conditions, our robust business model means we are equipped to achieve success and unlock growth.</p> <p>Over the course of 2025 we will closely observe economic trends and respond as needed to protect our business.</p> <p>Our approach includes:</p> <ul style="list-style-type: none"> • Enhanced budgeting and forecasting methods • Active pursuit of efficiencies through the introduction of new technologies • Continued focus on cost management • Agility in our strategic planning
<p>Market dynamics – significant decline in market demand Uncertainty in future market demand could arise due to volatile macro-economic or geo-political conditions, or significant incidents which impact global travel.</p> <p>Related strategic blocks: 1, 2, 3</p> <p>Related sources of value:</p>	<p>Medium Unchanged</p>	<p>While an uncertain macro-economic and geo-political climate can present market challenges in 2025, we will benefit from unlocking the growth potential of our recent investments and our proven ability to adapt to changing market conditions, through for example changing our market segmentation or geographic areas of focus.</p> <p>We are also focussed on areas of opportunity such as growing contracted business and Groups and Meetings & Events bookings. We strive to drive demand, grow occupancy and maintain strong average room rates* through a range of key process enhancements, and commercial initiatives:</p>

- AI enabled revenue management and pricing systems
- New AI enabled technology for guest interactions
- Focussed promotional initiatives to drive demand in advance and tactical campaigns for 'need' periods
- Partnerships and promotional opportunities with third party distribution partners and booking channels
- Close collaboration with Radisson Hotel Group and leveraging their reach for promotional campaigns
- Radisson Rewards programme which consists of 20+ million members.
- Focus on digital marketing and online advertising and customer acquisition
- Planned activities across key source markets and market segments, including tradeshow, hosted events and sales missions
- Guest experience focused initiatives and brand audit programmes to ensure brand consistency
- Ancillary revenue growth through online and pre-stay upselling initiatives, gift card sales and other commercial programmes

FUNDING AND INVESTMENT

Risk appetite: Neutral

Principal risk description	Residual risk	Outlook and risk response for 2025
<p>Funding and liquidity risk The impact of failing to proactively manage funding and liquidity risk could include a breach of debt covenants, cash restrictions, loss of stakeholder confidence and less favourable terms when refinancing in the future.</p> <p>Related strategic blocks: 1, 2</p> <p>Related sources of value: 7, 9</p>	<p>Medium Unchanged</p>	<p>In the environment of fluctuating interest rates and economic uncertainty, our funding and liquidity risk is managed to an acceptable level through stringent oversight controls, coupled with our successful trading performance and solid property valuations. We also increase certainty through fixed rates on most loans.</p> <p>This risk and the parameters of our associated risk appetite will be closely monitored as we approach 2026 when refinancing is due for several loans.</p> <p>Our key treasury monitoring and reporting controls include:</p> <ul style="list-style-type: none"> • Board approved treasury policy • Monthly forward covenant testing • Monthly treasury monitoring and reporting to the Board • Proactive and regular liaison with our lenders

DEVELOPMENT PROJECTS

Risk appetite: Neutral

Principal risk description	Residual risk	Outlook and risk response for 2025
<p>Significant development project delays or unforeseen cost increases Various factors, such as supply chain disruption, labour market pressures and steep increases in cost of materials can influence the delivery of major construction projects, resulting in additional cost or delays in new openings.</p> <p>Related strategic blocks: 1, 2</p> <p>Related sources of value: 4, 7</p>	<p>Medium Reduced</p>	<p>While this risk area will continue to be of importance, it is anticipated to decrease in the short term with the completion of the art'otel London Hoxton and art'otel Rome Piazza Sallustio projects.</p> <p>Our assessment is reviewed frequently and could increase again as we embark on new development opportunities.</p> <p>The risk continues to be managed through the focused oversight of senior leadership and our in-house Technical Services team, with well-established project management controls including:</p> <ul style="list-style-type: none"> • Regular project meetings with our contractors to identify and tackle any approaching issues which could impact the overall cost, targeted delivery schedule or the expected quality standards • Independent monitoring of projects by appointed third party experts

TECHNOLOGY AND INFORMATION SECURITY

Risk appetite: Averse

Principal risk description	Residual risk	Outlook and risk response for 2025
<p>Cyber threat – undetected/unrestricted cyber security incidents The Group could be subject to a serious cyber attack, resulting in significant disruption to operations and financial loss from falling revenues, cost of recovery, reputation loss and significant fines in the event of a related data breach.</p>	<p>High Increased</p>	<p>This year we have increased our assessment of this risk to reflect the constantly evolving challenge of combatting cyber threats.</p> <p>Although we have bolstered our defense mechanisms and monitoring capabilities to their strongest levels yet, we recognise the increasingly sophisticated nature of these attacks. This keeps cyber risk as one of the most prominent threats to our business and a key priority for our risk mitigation efforts.</p>

Related strategic blocks: 3	Where possible we aim to reduce the risk through solidifying our established controls and implementing new defence and response mechanisms. Key actions include:
Related sources of value: 6	<ul style="list-style-type: none"> Aligning security controls with the changing technology infrastructure landscape Compliance to the official Payment Card Industry Data Security Standard (PCI DSS) AI powered network monitoring & detecting and autonomously responding to threats Continuous vulnerability scanning and remediation Enhanced back-up and recovery solution, including ransomware recovery Focused team member awareness campaigns and training programmes, including the responsible use of AI in business Targeted phishing training Enhanced filtering of malicious phishing sites Penetration testing programme Targeted risk analysis/profiling and security incident tabletop exercises
Data privacy – risk of data breach The Group could experience a serious data privacy breach, which could result in investigation, significant fines in accordance with the GDPR and subsequent reputational damage.	<p>Medium Unchanged</p> <p>Managing data privacy risk is a high priority for our business. Safeguarding the information of our guests and team members remains a core commitment.</p> <p>Our key mitigating controls include:</p> <ul style="list-style-type: none"> Centralised records of personal data processing activity maintained within a data protection and information security platform. Internal awareness campaigns and training programmes Documented data protection and privacy procedures Monitoring of databases containing Personally Identifiable Information, with data owners Renewing and updating data privacy risk assessments and other documentation required under GDPR
Related strategic blocks: 3	
Related sources of value: 6, 8	
Technology disruption A prolonged failure in our core technology infrastructure could present a significant threat to the continuation of our business operations, particularly where failures impact hotel management and reservation systems.	<p>Medium Unchanged</p> <p>As we actively seek opportunities to enhance performance by integrating new technology into our business, we remain dedicated to safeguarding the robustness of our technology infrastructure and ensuring the uninterrupted delivery of our services.</p> <p>In 2025 our technology strategy includes crucial projects that will enhance our long-term resilience, including:</p> <ul style="list-style-type: none"> Transitioning to cloud services with a top-tier provider for our core infrastructure Redesigning and implementing a new back-up and recovery solution alongside the move to cloud services Upgrading to a new Property Management System Enhancing network monitoring and vulnerability scanning capabilities.
Related strategic blocks: 3	
Related sources of value: 6	

SAFETY AND CONTINUITY

Risk appetite: Averse

Principal risk description	Residual risk	Outlook and risk response for 2025
Operational disruption Major global events such as pandemic, war or environmental disasters could result in widespread disruption, impacting our guests, our supply chain and our hotel operations. We could also experience more localised disruption to our operations from incidents at our hotels or in the immediate vicinity, for example floods, extreme weather, social unrest or terrorism.	Medium Unchanged	<p>We are dedicated to protecting our operational capabilities and ensuring the stability of our services, supply chains, and vital hotel management and reservation systems to deliver a seamless guest experience. Our mitigation of this threat includes:</p> <ul style="list-style-type: none"> Established crisis management plans and procedures Regular crisis management training for management and team members Relationship management with key suppliers and partners to identify and mitigate any potential issues which could impact the continuity of their service Business continuity planning to prepare proportionate responses to the most significant threats which could impact the continuity of our critical services and operations
Related strategic blocks: 3		
Related sources of value: 6, 8		

<p>Serious health, safety and security incidents The Group could experience significant health and safety, food safety or physical security incidents.</p> <p>A failure to take reasonable steps to prevent such incidents, or a failure to respond appropriately, could impact our reputation, disrupt our operations and result in significant loss of guest, team member and stakeholder confidence.</p> <p>Related strategic blocks: 3</p> <p>Related sources of value: 6, 8</p>	<p>Medium Unchanged</p>	<p>To ensure a high level of health, safety and security for our guests, and to maintain a secure working environment for our team members, we have an established and comprehensive system of controls supported by external experts which includes:</p> <ul style="list-style-type: none"> • Regular risk assessments including those specific to large events • Security and fire safety procedures • Health & Safety audit programmes • In-house and supplier food safety audit programmes • Team member training programmes • Mental health and wellbeing training • Centralised incident reporting • Proactive gathering of intelligence and advice on potential security risks through regular liaison with local police and security services
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PEOPLE

Risk appetite: Averse

Principal risk description	Residual risk	Outlook and risk response for 2025
<p>Difficulty in attracting, engaging and retaining a suitably skilled workforce Difficulties in maintaining an engaged and suitably skilled workforce could impact our service standards, drive up operating costs, disrupt operations and impact the overall delivery of our key strategic objectives.</p> <p>Related strategic blocks: 3</p> <p>Related sources of value: 6, 8</p>	<p>Medium Unchanged</p>	<p>We are continually striving to address the challenge of recruiting, developing, and keeping skilled team members within our organisation. Our team members are crucial to our success, so we adopt a proactive and continuous management strategy to address this risk, including:</p> <ul style="list-style-type: none"> • Employee experience programmes focused on employee needs and the delivery of group initiatives for developing retention, wellbeing, and engagement • Employer value proposition development to attract candidates and drive retention • Learning & Development programmes with focus on technical skills and management development • Internal communication strategy and use of related technologies for employee voice enablement • Talent management and succession planning to promote intra-company mobility options • Regular talent reviews and learning need analysis • Physical health and well-being initiatives • Further development of the HR technology landscape

ENVIRONMENTAL, SOCIAL AND GOVERNANCE

Risk appetite: Averse

Principal risk description	Residual risk	Outlook and risk response for 2025
<p>Negative stakeholder perception of the Group with regard to ESG matters With ESG being a key concern for our stakeholders, a perception that the Group does not apply best practice corporate governance principles, or does not act responsibly to protect the environment and the communities we operate in, could impact our performance by damaging our appeal to customers, investors and other business partners. It could also affect our ability to retain and attract talent.</p> <p>A failure to comply with the upcoming regulatory changes to governance and ESG reporting could further heighten this area of risk.</p> <p>Related strategic blocks: 1, 2, 3</p> <p>Related sources of value: 8</p>	<p>Medium Unchanged</p>	<p>ESG continues to be an important factor in shaping our strategic direction. Our ESG strategy is designed to meet our stakeholders' expectations, with its implementation led by our ESG Manager, and overseen by the Chief Legal & Corporate Officer.</p> <p>Our report on pages 68 to 83 of the 2024 Annual Report & Accounts details our ESG strategic objectives. The ESG Committee is charged with the Board's task of monitoring the Group's progress against these objectives.</p> <p>We address this risk area through various channels and programmes:</p> <ul style="list-style-type: none"> • ESG strategy (aligned to Radisson Hotel Group's Responsible Business Programme). • Externally certified performance against recognised standards, e.g. Green Key. • Initiatives to reduce energy consumption in our properties. • Property sustainability certifications e.g. BREEAM (Building Research Establishment Environmental Assessment Methodology) • Member of Zero Carbon Forum • Member of the Energy & Environment Alliance • CDP independent environmental disclosures and Workforce Disclosure Initiative (WDI) reporting • Regular social media communications about ESG strategic approach, priorities and initiatives

DIRECTORS' RESPONSIBILITY STATEMENT

Each of the directors named on pages 104 and 105 of the 2024 Annual Report & Accounts as of the time of the publication, confirms to the best of his or her knowledge that:

- I. The consolidated financial statements, which have been prepared in accordance with International Financial Reporting Standards (IFRS) as adopted by the European Union, give a true and fair view of the assets, liabilities, financial position and profit and loss of the Company and the undertakings included in the consolidation taken as a whole.
- II. The Strategic Report includes a fair review of the development and performance of the business and the position of the Company and the undertakings included in the consolidation taken as a whole, together with a description of the principal risks and uncertainties that they face, and provides information necessary for shareholders to assess the Company's performance business model and strategies.
- III. The Directors consider that the Annual Report and Accounts, taken as a whole, are fair, balanced and understandable and provide the information necessary for shareholders to assess the Company's position and performance, business model and strategy.

Signed on behalf of the Board by

Boris Ivesha

President & Chief Executive Officer

Daniel Kos

Chief Financial Officer & Executive Director

26 February 2025

Appendix 1 - Glossary and Alternative Performance Measures

Glossary

Annual General Meeting	The Annual General Meeting of PPHE Hotel Group.
Annual Report and Accounts	The Annual Report of PPHE Hotel Group in relation to the year ended 31 December 2024.
Arena Campsites®	Located in eight beachfront sites across the Southern coast of Istria, Croatia. They operate under the Arena Hospitality Group umbrella, of which PPHE Hotel Group is a controlling shareholder. arenacampsites.com
Arena Hospitality Group	Also referred to as 'Arena' or 'AHG'. One of the most dynamic hospitality groups in Central and Eastern Europe, currently offering a portfolio of 30 owned, co-owned, leased and managed properties with more than 10,000 rooms and accommodation units in Croatia, Germany, Hungary, Serbia and Austria. PPHE Hotel Group has a controlling ownership interest in Arena Hospitality Group. arenahospitalitygroup.com
Arena Hotels & Apartments®	Arena Hotels & Apartments is a collection of hotels and self-catering apartment complexes offering relaxed and comfortable accommodation within beachfront locations across the historic settings of Pula and Medulin in Istria, Croatia and at a mountain resort in Nassfeld, Austria. They operate under the Arena Hospitality Group umbrella, of which PPHE Hotel Group is a controlling shareholder.
art'otel®	A lifestyle collection of hotels that fuse exceptional architectural style with art-inspired interiors, located in cosmopolitan centres across Europe. PPHE Hotel Group is owner of the art'otel® brand worldwide. artotel.com

Board	Eli Papouchado (Non-Executive Chairman), Yoav Papouchado (Alternate Director), Boris Ivesha (President & Chief Executive Officer), Greg Hegarty (Co-Chief Executive Officer), Daniel Kos (Chief Financial Officer & Executive Director), Nigel Keen (Non-Executive Director & Senior Independent Director), Ken Bradley ((Deputy) Non-Executive Chairman), Marcia Bakker (Non-Executive Director), Stephanie Coxon (Non-Executive Director), Roni Hirsch (Non-Executive Director)
BREEAM	Building Research Establishment Environmental Assessment Method.
Capital expenditure, CAPEX	Purchases of property, plant and equipment, intangible assets, associate and joint venture investments, and other financial assets.
Company	PPHE Hotel Group Limited, a Guernsey incorporated Company listed on the Main Market of the London Stock Exchange plc.
CSRD	Corporate Sustainability Reporting Directive.
Derivatives	Financial instruments used to reduce risk, the price of which is derived from an underlying asset, index or rate.
Direct channels	Methods of booking hotel rooms (both digital and voice) not involving third party intermediaries.
Dividend per share	Proposed/approved dividend for the year divided by the weighted average number of outstanding shares after dilution at the end of the period.
Employee engagement survey	We ask our team members to participate in a survey to measure employee engagement.
EPRA (European Public Real Estate Association)	The EPRA reporting metrics analyse performance (value, profit and cash flow) given that we have full ownership of the majority of our properties.
EPS	Earnings per share.
EU	The European Union.
Euro, EUR, €	The currency of the European Economic and Monetary Union.
Exceptional items	Items which are not reflective of the normal trading activities of the Group.
Exchange rates, FX	The exchange rates used were obtained from the local national banks' website.
FF&E	Furniture, fittings and equipment.
Franchise	A form of business organisation in which a company which already has a successful product or service (the franchisor) enters into a continuing contractual relationship with other businesses (franchisees) operating under the franchisor's trade name and usually with the franchisor's guidance, in exchange for a fee.
Goodwill	The difference between the consideration given for a business and the total of the fair values of the separable assets and liabilities comprising that business.
GRS	Guest Rating Score is the online reputation score used by ReviewPro – an industry leader in guest intelligence solutions.
Guernsey	The Island of Guernsey.
Hotel revenue	Revenue from all revenue-generating activity undertaken by managed and owned and leased hotels, including room nights, food and beverage sales.

Income Units	Cash flows derived from the net income generated by rooms in Park Plaza London Westminster Bridge, which have been sold to private investors.
LSE	London Stock Exchange. PPHE Hotel Group's shares are traded on the Premium Listing segment of the Official List of the UK Listing Authority.
Key Performance Indicator (KPI)	Key Performance Indicator (KPI) is a measurable value that demonstrates how effectively an organization is achieving its key business objectives.
Market share	The share of the total sales of a product or group of products by a company in a particular market. It is often shown as a percentage and can be used as a performance indicator to compare with competitors in the same market (sector).
NCI	Non-controlling interest
Number of properties	Number of owned hotel properties at the end of the period.
Number of rooms	Number of rooms in owned hotel properties at the end of the period.
Occupancy	Total occupied rooms divided by net available rooms or RevPAR divided by ARR.
Online travel agent	Online companies whose websites permit consumers to book various travel related services directly over the Internet.
Park Plaza®	Upper upscale hotel brand. PPHE Hotel Group is master franchisee of the Park Plaza® Hotels & Resorts brand owned by Radisson Hotel Group. PPHE Hotel Group has the exclusive right to develop the brand across 56 countries in Europe, the Middle East and Africa. parkplaza.com
Park Plaza Hotel	One hotel from the Park Plaza® Hotels & Resorts brand.
Pipeline	Hotels/rooms that will enter the PPHE Hotel Group system at a future date.
Pound Sterling/ GBP £	The currency of the United Kingdom.
PPHE Hotel Group	PPHE Hotel Group is also referred to as 'the Group' and is an international hospitality real estate group. Through its subsidiaries, jointly controlled entities and associates, the Group owns, co-owns, develops, leases, operates and franchises hospitality real estate. The Group's primary focus is full-service upscale, upper upscale and lifestyle hotels in major gateway cities and regional centres, as well as hotel, resort and campsite properties in select resort destinations.
Radisson Hotel Group	Created in early 2018, one of the largest hotel companies in the world. Hotel brands owned by Radisson Hotel Group are Radisson Collection™, Radisson Blu®, Radisson®, Radisson RED®, Radisson Individuals, Park Plaza®, Park Inn® by Radisson, Country Inn & Suites® by Radisson, and Prize by Radisson. The portfolio of Radisson Hotel Group includes more than 1,495 hotels in operation and under development, located in more than 100 countries and territories, operating under global hotel brands. Jin Jiang International Holdings is the majority shareholder of Radisson Hotel Group. radissonhotelgroup.com
Radisson Rewards™	The hotel rewards programme of Radisson Hotel Group, including Park Plaza® Hotels & Resorts and art'otel®. The programme is owned by Radisson Hotel Group. radissonrewards.com
Responsible Business	PPHE Hotel Group's Responsible Business strategy is a genuine, active and responsible commitment to our environment and society.
Room count	Number of rooms franchised, managed, owned or leased by PPHE Hotel Group.
Subsidiary	A company over which the Group exercises control.
Weighted average number of shares	The weighted average number of outstanding shares taking into account changes in the number of shares outstanding during the year.

outstanding during the year	
Working capital	The sum of inventories, receivables and payables of a trading nature, excluding financing and taxation items.

Alternative Performance Measures

In order to aid stakeholders and investors in analysing the Group's performance and understanding the value of its assets and earnings from a property perspective, the Group has disclosed the following Alternative Performance Measures, which are commonly used in the Real Estate and the Hospitality sectors.

Adjusted EPRA earnings	EPRA earnings with the Company's specific adjustments. The main adjustments include removal of unusual or one-time influences which are not part of the Group's regular operations and adding back the reported depreciation charge, which is based on assets at historical cost, and replacing it with a charge calculated as 4% of the Group's total revenues, representing the Group's expected average cost to upkeep the real estate in good quality. The reconciliation of the Group's earnings attributed to equity holders of the parent company to Adjusted EPRA earnings can be found on page 44 of the 2024 Annual Report & Accounts.
Adjusted EPRA earnings per share	Adjusted EPRA earnings divided by the weighted average number of ordinary shares outstanding during the year.
Average room rate (ARR)	Total room revenue divided by the number of rooms sold.
Debt Service Coverage Ratio (DSCR)	EBITDA, less net expenses for financial liability in respect of Income Units sold to private investors and lease payments, divided by the sum of interest on bank loans and yearly bank loans redemption.
EBIT	Earnings before interest (Financial income and expenses), tax, share in results of joint ventures and exceptional items presented as other income and expense.
EBITDA	Earnings before interest (Financial income and expenses), tax, depreciation and amortisation, impairment loss, share in results of joint ventures and exceptional items presented as other income and expense.
EBITDA margin	EBITDA divided by total revenue.
EBITDAR	Earnings before interest (Financial income and expenses), tax, depreciation and amortisation, impairment loss, rental expenses, share in results of joint ventures and exceptional items presented as other income and expense.
EPRA earnings	Shareholders' earnings from operational activities adjusted to remove changes in fair value of financial instruments and reported depreciation. The reconciliation of the Group's earnings attributed to equity holders of the parent company to EPRA earnings can be found on page 44 of the 2024 Annual Report & Accounts.
EPRA earnings per share	EPRA earnings divided by the weighted average number of ordinary shares outstanding during the year.
EPRA net debt leverage	Net debt based on proportionate consolidation divided by the sum of the market value of the properties and the net working capital and excluding certain items not expected to crystallise in a long-term investment property business model (deferred tax on timing differences and financial instruments) based on proportionate consolidation. The reconciliation of the ratio between the reported net debt and the reported property value (net debt leverage per the financial statements) to EPRA LTV can be found on page 47 of the 2024 Annual Report & Accounts.
EPRA NAV (Net Asset Value)	Recognised equity, attributable to the parent company's shareholders, including reversal of derivatives, deferred tax asset for derivatives, deferred tax liabilities related to the properties and revaluation of operating properties.

EPRA NDV (Net Disposal Value)	Recognised equity, attributable to the parent company's shareholders on a fully diluted basis adjusted to include properties, other investment interests, deferred tax, financial instruments and fixed interest rate debt at disposal value. Adjustments to the recognised equity are calculated on the share allocated to the parent company's shareholders (net of non-controlling interest). The reconciliation of the Group's equity attributable to equity holders of the parent (NAV per the financial statements) to EPRA NDV can be found on page 43 of the 2024 Annual Report & Accounts.
EPRA NDV per share	EPRA NDV divided by the fully diluted number of shares at the end of the period.
EPRA NRV (Net Reinstatement Value)	Recognised equity, attributable to the parent company's shareholders on a fully diluted basis adjusted to include properties and other investment interests at fair value and to exclude certain items not expected to crystallise in a long-term investment property business model (deferred tax on timing differences on property, plant and equipment and intangible assets and financial instruments). Adjustments to the recognised equity are calculated on the share allocated to the parent company's shareholders (net of non-controlling interest). The reconciliation of the Group's equity attributable to equity holders of the parent (NAV per the financial statements) to EPRA NRV can be found on page 43 of the 2024 Annual Report & Accounts.
EPRA NRV per share	EPRA NRV divided by the fully diluted number of shares at the end of the period.
EPRA NTA (Net Tangible Assets)	Recognised equity, attributable to the parent company's shareholders on a fully diluted basis adjusted to include properties and other investment interests at fair value and to exclude intangible assets and certain items not expected to crystallise based on the Company's expectations for investment property disposals in the future. Adjustments to the recognised equity are calculated on the share allocated to the parent company's shareholders (net of non-controlling interest). The reconciliation of the Group's NAV to EPRA NTA can be found on page 43 of the 2024 Annual Report & Accounts.
EPRA NTA per share	EPRA NTA divided by the fully diluted number of shares at the end of the period.
Gearing ratio	Net bank debt divided by the sum of total equity excluding hedging reserve and net bank debt.
Interest Cover Ratio (ICR)	EBITDA, less net expenses for financial liability in respect of Income Units sold to private investors and lease payments, divided by interest on bank loans.
Like-for-like	Results achieved through operations that are comparable with the operations of the previous period. Current period's reported results are adjusted to have an equivalent comparison with previous periods' results, with similar seasonality and the same set of hotels.
Loan-to-value ratio (LTV)	Interest-bearing liabilities after deducting cash and cash equivalents as a percentage of the properties' market value at the end of the period.
Maintenance CAPEX	Calculated as 4% of revenues, which represents the expected average maintenance capital expenditure required in the operating properties.
Net debt	Calculated as total borrowings minus cash and cash equivalents, including both long-term and short-term restricted cash.
Normalised PBT, normalised profit before tax	Profit before tax adjusted to remove exceptional or one-time influences which are not part of the Group's regular operations. The reconciliation of the Group's reported profit before tax to normalised profit before tax can be found on page 42 of the 2024 Annual Report & Accounts.
RevPAR	Revenue per available room. Total room revenue divided by the number of available rooms.