27 August 2026

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

Unaudited Interim Results for the six months ended 30 June 2026

Good first half financial and operating performance

PPHE Hotel Group, the international hospitality real estate group which develops, owns and operates hotels and resorts, announces its unaudited interim results for the six months ended 30 June 2026 (the "Period").

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

"Whilst the conclusion of the Strategic Review and Offer period was a significant moment, this has not distracted from our core focus on delivering continued financial progress from our high-quality hotel and leisure assets. We have delivered RevPAR growth and materially higher average room rates*, leading to an improved EBITDA* performance despite continuing macro and fiscal headwinds.*

The conclusion of the Strategic Review has re-affirmed our strategic priority to maximise shareholder value through a combination of operational delivery alongside balance sheet simplification. Further opportunities remain to enhance value, from within the balance sheet and development pipeline alongside our recently opened hotels as they become increasingly established in their markets.

Overall, revenue and EBITDA performance in H1 has been encouraging and the Group continues to trade in line with consensus expectations for FY26."*

Trading and financial highlights

- Total revenue increased by 4.7% to £209.3 million, benefiting from a strong performance from the Group's UK properties, maturing of recently opened properties, and a favourable Euro to Sterling exchange rate. Like-for-like*[2], total revenue increased by 5.5%.

- RevPAR* was up 3.9% at £113.5, driven by a 4.2% increase in average room rate* to £157.3 and stable occupancy. Like-for-like*[2] RevPAR* was up 3.1% and average room rate* was up 3.2%.

- EBITDA* increased by 6.3% to £48.4 million, which reflected revenue growth and a focus on costs, partially offset by higher business rate costs in the UK. EBITDA margin* was 40 bps higher at 23.1%. Like-for-like*[2], EBITDA* grew by 8.0% and EBITDA margin* was 23.5%.

- Adjusted EPRA earnings per share* of 125 pence for the last 12 months (LTM)* ended 30 June 2026 was in line with the 125 pence reported for the 12 months ended 31 December 2025.

- The Board has approved the payment of an interim dividend of 17 pence per ordinary share for the period ended 30 June 2026.

- EPRA NRV per share* as at 30 June 2026 decreased by 1.4% to £26.97 (31 December 2025: £27.35), this decrease is largely due to foreign exchange results and dividend distribution in the first half year. Annual external valuations will be performed in December 2026.

Strategic highlights and future growth

- Acquisition of the freehold of Park Plaza London Waterloo for £147.9 million, funded by a new £136.5 million loan facility from Bank Hapoalim. This acquisition has both simplified and strengthened the Group's balance sheet, whilst removing a growing rental liability. Although in the medium-term cash flow will be impacted by bank loan repayment instalments, in the long term this acquisition is expected to be accretive to both earnings and free cash generation.

- Entered into a new agreement to refinance its loan in relation to art'otel Rome Via Veneto in Italy, with a new five-year facility of €27.6 million.

- Disposal of development site in New York for US$ 33.5 million post balance sheet date, providing the opportunity to redeploy capital into the Group's core geographic regions.

- A key focus for the year has been on optimising our maturing and recently opened hotels as they become further established in their markets.

Current trading and outlook

- Trading across the Group's city locations has remained consistent with trends seen in the first half, particularly the Group's UK properties which continue to perform strongly. In Croatia, the Group expects the gradual improvement in momentum seen in the first half of the year to continue through the summer season.

- Notwithstanding the wider geopolitical volatility and fiscal headwinds impacting FY26 and beyond, the Board expects to deliver results for the financial year ending 31 December 2026 in line with market expectations[1]

[1] At 26 August 2026, the Company compiled analysts' consensus forecast range for the financial year ending 31 December 2026 showed a revenue range of £475.0 million to £483.0 million and an EBITDA* range of £140.0 million to £147.0 million.

[2] The like-for-like* figures exclude the results from art'otel Rome Via Veneto for Q1 2026 and Q1 2025 and the results of the terminated leasehold of Park Plaza Wallstreet Berlin Mitte.

* This interim management report contains various Alternative Performance Measures (APMs). For details, please refer to the Appendix 1: Alternative Performance Measures.

Enquiries:

PPHE Hotel Group Limited Greg Hegarty, Co-Chief Executive Officer Daniel Kos, Chief Financial Officer & Executive Director Robert Henke, Executive Vice President Commercial Affairs	Tel: +31 (0)20 717 8600
h2Radnor Iain Daly / Joshua Cryer	Tel: +44 (0) 203 897 1830
Hudson Sandler Wendy Baker / Lucy Wollam / 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 £2.4 billion portfolio, valued as at December 2025 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 franchises 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, 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.arenahotels.com | www.arenacampsites.com | www.radissonhotels.com

BUSINESS & FINANCIAL REVIEW

CONCLUSION OF STRATEGIC REVIEW

In November 2025, the Board announced that it was undertaking a strategic review to consider a range of potential options to maximise value for all shareholders (the "**Strategic Review**). In connection with the Strategic Review, the Takeover Panel agreed that any discussions with third parties in relation to an offer for the Company would take place within the context of a "formal sale process" (the **Formal Sale Process**).

On 27 May 2026, the Board received an indicative proposal from Fattal Hotel Group (**Fattal**) regarding a possible cash offer for the Company (the **Fattal Proposal**). The Board evaluated the Fattal Proposal together with its independent financial adviser and unanimously determined that the Fattal Proposal represented fair value. At this point, the Board formed an independent offer committee (**Independent Committee**).

The Independent Committee then consulted widely with a significant proportion of shareholders to seek feedback on the Fattal Proposal. During that consultation process, Euro Plaza Holdings (PPHE's largest shareholder holding approximately 33% of the issued share capital) informed the Independent Committee that it was opposed to the Fattal Proposal. Having been informed that Fattal would not be prepared to proceed with the Fattal Proposal in circumstances where Euro Plaza Holdings were opposed to such an offer, on 19 June 2026 the Independent Committee announced that it had concluded that the Fattal Proposal was not capable of being delivered. Shortly thereafter, on 19 June, Fattal announced that it did not intend to make an offer for the Company.

On 2 July 2026, the Company announced that it was no longer in discussions with any party in relation to any proposal for a potential sale of the Company that the Board considered to be deliverable and that it had concluded the Strategic Review and Formal Sales Process. Accordingly, it was not in receipt of any approach and ceased to be in an Offer Period.

Despite the fact that the Strategic Review did not result in a firm offer for shareholders it did, however, facilitate a deeper discussion around the future strategy of the Group. The Board has concluded that shareholders' interests are best served by seeking to maximise shareholder value through a clear focus on operational delivery and further balance sheet simplification. There remain a number of opportunities to simplify, de-risk and crystallise significant value across the Group balance sheet structure, existing portfolio of assets and development pipeline. The strategic actions already delivered in the first half are fully aligned with these strategic priorities and the Board looks forward to updating the market further.

BUSINESS REVIEW

The Group has reported revenue and EBITDA* growth in the first half of the year, driven by a strong performance from the United Kingdom in particular. This performance was achieved despite a number of external factors, including the Middle East conflict and increased government taxes in the UK and the Netherlands, which have affected consumer confidence and operating costs.

Reported revenue increased by 4.7% to £209.3 million and reported EBITDA* improved by 6.3% to £48.4 million. The overall performance benefitted from recent investments in new and repositioned properties, a strong performance in London and a favourable Euro to Sterling currency conversion rate.

On a like-for-like* basis, excluding contributions from art'otel Rome Via Veneto in Rome (previously called art'otel Rome Piazza Sallustio) for Q1 2026 and Q1 2025 and the contributions from Park Plaza Wallstreet Berlin Mitte, revenue was up 5.5% to £208.3 million and like-for-like* EBITDA* increased by 8.0% to £49.0 million, with an EBITDA margin* of 23.5% (H1 2025: 23.0%).

The Group's recently opened properties, including art'otel London Hoxton, art'otel Zagreb and art'otel Rome Via Veneto continue to mature and build their positions in these markets. The acquisition and disposal completed during the period, alongside funding and refinancing, have de-risked the Group's balance sheet and strengthened its property portfolio in London.

Update on corporate activity

Sale of New York site

On 18 February 2026, the Group announced that one of its subsidiaries had entered into an agreement for the sale of its development site located in Manhattan, New York, for a purchase price of $33.5 million. The transaction was completed after the balance sheet date, and the sale proceeds were used to repay the associated debt of $6.75 million, with the balance of funds to be deployed in accordance with the Group's capital allocation strategy.

Acquisition of Park Plaza London Waterloo freehold

On 27 February 2026, the Group entered into an agreement to acquire the freehold of Park Plaza London Waterloo for £147.9 million. The acquisition was funded by a new £136.5 million five-year facility entered into with long-term strategic partner, Bank Hapoalim. Approximately 90% of the new facility bears an all-in interest rate of 5.853% for a period of two years, with the remaining period and balance at a floating rate. The acquisition and funding were completed on 17 June 2026.

In 2017, the Group entered into a sale and leaseback transaction whereby it sold its interest in the hotel for £161.5 million and leased the property back under a long-term finance lease arrangement. As a result, the hotel remained recognised on the Group's balance sheet as a leasehold liability. Annual rent uplifts, combined with EBITDA* growth that did not keep pace due to significant increases in staff, energy and tax costs, led to a gradual annual decline in the leasehold valuation. The transaction stopped this annual decline and increased the Group's freehold exposure, providing protection from expected future rental uplifts, whilst further simplifying and de-risking the Group's balance sheet position. The freehold acquisition was made at an attractive initial yield and we expect that it will enhance both earnings and free cash generation over time.

The acquisition was accounted for as a termination of the existing lease arrangement and acquisition of the underlying freehold interest. The transaction resulted in a non-cash accounting gain of £145.6 million, recognised within other income.

Refinance of art'otel Rome Via Veneto

On 16 February 2026, the Group entered into a new agreement to refinance its loan in relation to art'otel Rome Via Veneto in Italy. Under the terms of the new facility, the €27.6 million (£24.1 million) loan has a five-year term and carries a fixed interest rate of 4.8% and requires no amortisation during the term of the loan.

Longer-term development pipeline

Alongside a focus on driving maturation of the recently opened properties, the Group continues to assess longer-term opportunities to enhance its existing assets through redevelopment and repositioning investment programmes as well as seeking opportunities in new and existing markets.

The Group currently has four longer-term development sites in London. Close to the City of London, a mixed-use development site is earmarked for a 182-room select-service Radisson RED lifestyle hotel. On the South Bank, planning has been granted for a mixed-use development, including an 186-room hotel. In Victoria, the Group is progressing its 79-room subterranean hotel at its Park Plaza London Victoria property. In West London, planning has been granted for a 616-room aparthotel on land adjacent to Park Plaza London Park Royal, incorporating long-stay accommodation features that align with extended-stay and co-living market trends, pursuant to the approved hotel management plan. These projects are currently under review to achieve maximum shareholder value.

Shareholder returns

The Group has a progressive dividend policy and is committed to delivering value to shareholders.

The Board has proposed an interim dividend of 17 pence per share (H1 2025: 17 pence per share), which will be paid on 16 October 2026 to those shareholders on the register at the close of business on 18 September 2026. This will return £7.1 million to shareholders.

Current trading and outlook

Since the end of June, trading across the Group's city locations has remained consistent with the trends seen in the first half, particularly the Group's UK properties which continue to perform strongly. In Croatia, the Group expects the gradual improvement in momentum seen during the first half to continue through the summer season.

Notwithstanding the wider geopolitical volatility and fiscal headwinds impacting FY26 and beyond, the Board expects to deliver results for the financial year ending 31 December 2026 in line with market expectations[1].

[1] At 26 August 2026, the Company compiled analysts' consensus forecast range for the financial year ending 31 December 2026 showed a revenue range of £475.0 million to £483.0 million and an EBITDA* range of £140.0 million to £147.0 million.

Environmental, Social and Governance (ESG)

Carbon and energy

Following the submission of the Group's targets to SBTi (Science-Based Target Initiative) in December 2025, these were validated in Q2 2026. SBTi's validation means that PPHE Hotel Group now has formal near-term emissions targets for 2035, as well as long-term emissions targets and net zero targets for 2050, covering both direct operations and supply chain emissions (Scopes 1, 2 and 3).

Building certifications

The Group continues to advance its BREEAM In-Use certification programme across Park Plaza Westminster Bridge London, Park Plaza London Riverbank, art'otel London Hoxton and art'otel Rome Via Veneto. Certification applications for several properties are progressing through BRE's review process, while the remaining submissions are expected to be finalised by the end of Q3 2026.

Waste management

By partnering with external specialists, the Group has been improving its waste management practices since the beginning of 2024. This resulted in increased recycling rates in 2025, reduced waste management costs and further progress was made in H1 2026, with clear, bespoke targets for each property. The Group is also continuing to phase out single-use plastic items from bedrooms across the portfolio and is aiming to complete this process by early 2027.

People and communications

The Group conducts pulse surveys for team members every eight months, which are instrumental in measuring progress on metrics such as team member engagement and wellbeing. In H1 2026, ESG communications were enhanced to increase awareness and engagement with the ESG strategy, both internally through more regular content on the Group's intranet and externally through increased presence on social media.

FINANCIAL PERFORMANCE

* This interim management report contains 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 reporting standards), please refer to the Appendix 1: Alternative Performance Measures. The metrics presented remain consistent with those in our previous annual report, with no changes to the bases of calculation. All APMs have been separately flagged throughout the report with the use of an asterisk*.

H1 2026

	H1 Reported in GBP			H1 Like-for-like*[2] GBP		
	Six months ended 30 June 2026	Six months ended 30 June 2025	**Change[1]**	**Six months ended 30 June 2026**	Six months ended 30 June 2025	**Change[1]**
Total revenue	**£209.3 million**	£199.9 million	**4.7%**	**£208.3 million**	£197.4 million	**5.5%**
Room revenue[3]	**£147.2 million**	£144.0 million	**2.2%**	**£146.6 million**	£141.9 million	**3.3%**
Occupancy[3]	**72.1%**	72.4%	**(20) bps**	**72.5%**	72.5%	**(10) bps**
Average room rate*[3]	**£157.3**	£151.0	**4.2%**	**£157.1**	£152.2	**3.2%**
RevPAR*[3]	**£113.5**	£109.3	**3.9%**	**£113.8**	£110.4	**3.1%**
EBITDA*	**£48.4 million**	£45.5 million	**6.3%**	**£49.0 million**	£45.4 million	**8.0%**
EBITDA margin*	**23.1%**	22.8%	**40 bps**	**23.5%**	23.0%	**50 bps**
Reported PBT	**£135.1 million**	£(10.2) million	**n/a**	**n/a**	n/a	**n/a**
Normalised PBT*	**£(6.8) million**	£(3.7) million	**n/a**	**n/a**	n/a	**n/a**

	Q1 Reported in GBP			Q1 Like-for-like*[2] in GBP		
	Three months ended 31 March 2026	Three months ended 31 March 2025	Change[1]	**Three months ended 31 March 2026**	Three months ended 31 March 2025	**Change[1]**
Total revenue	**£83.8 million**	£77.6 million	**8.0%**	**£82.8 million**	£76.5 million	**8.2%**
Total room revenue[3]	**£57.2 million**	£55.6 million	**2.9%**	**£56.6 million**	£54.8 million	**3.4%**
Occupancy[3]	**70.0%**	69.7%	**20 bps**	**70.7%**	70.3%	**40 bps**
Average room rate*[3]	**£142.9**	£136.7	**4.6%**	**£142.2**	£137.8	**3.2%**
RevPAR*[3]	**£100.0**	£95.3	**4.9%**	**£100.5**	£96.8	**3.8%**

	Q2 Reported in GBP			Q2 Like-for-like*[2] in GBP		
	Three months ended 30 June 2026	Three months ended 30 June 2025	**Change[1]**	**Three months ended 30 June 2026**	Three months ended 30 June 2025	**Change[1]**
Total revenue	**£125.5 million**	£122.3 million	**2.6%**	**£125.5 million**	£120.9 million	**3.8%**
Total room revenue[3]	**£90.0 million**	£88.4 million	**1.8%**	**£90.0 million**	£87.1 million	**3.2%**
Occupancy[3]	**73.9%**	74.4%	**(60) bps**	**73.9%**	74.3%	**(40) bps**
Average room rate*[3]	**£168.1**	£161.7	**4.0%**	**£168.1**	£163.1	**3.1%**
RevPAR*[3]	**£124.2**	£120.4	**3.2%**	**£124.2**	£121.2	**2.5%**

[1] Percentage change figures are calculated from actual figures as opposed to the rounded figures included in the above table.
[2] The like-for-like* figures exclude the results from art'otel Rome Via Veneto for Q1 2026 and Q1 2025 and the results of the terminated leasehold of Park Plaza Wallstreet Berlin Mitte.
[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.

Reported total revenue for the first half was £209.3 million, which represented an increase of 4.7% (H1 2025: £199.9 million). On a like-for-like[2] basis, total revenue was up 5.5%.

The Group reported an encouraging start to 2026, driven by strong demand across the Group's London portfolio which continued throughout Q2. In H1 2026, the Group's properties in the United Kingdom delivered revenue and EBITDA* growth, supported by higher average room rates* and stable occupancy. In the Netherlands, the hotel market was more challenging due to the introduction of a higher VAT rate for accommodation effective from January 2026, which, as anticipated, suppressed RevPAR* growth. In Croatia, revenue improved as the properties re-opened for the summer season. Trading in Germany delivered RevPAR* growth through improved average room rate*. The overall reported financial performance benefited from a stronger Euro to Sterling currency exchange rate compared to H1 2025.

Reported RevPAR* for H1 increased by 3.9% to £113.5 (H1 2025: £109.3), driven by a 4.2% increase in average room rate* to £157.3 and stable occupancy. Like-for-like[2] RevPAR* was £113.8, reflecting a 3.2% increase in average room rate*.

Reported EBITDA* for H1 2026 grew by 6.3% to £48.4 million (H1 2025: £45.5 million), which led to an improved EBITDA margin* of 23.1% (H1 2025: 22.8%). Like-for-like[2] EBITDA* grew by 8.0% and RevPAR* grew by 3.1%.

Reconciliation of reported profit before tax to normalised profit before tax*[1]

In £ millions	**Six months ended 30 June 2026**	Six months ended 30 June 2025	**12 months ended 30 June 2026**	12 months ended 31 December 2025
Reported profit (loss) before tax	**135.1**	(10.2)	**146.8**	1.5
Loss on buyback of units in Park Plaza Westminster Bridge London from private investors	**0.6**	0.6	**1.1**	1.1
Non-cash re-measurement of lease liability	**2.1**	2.0	**4.2**	4.1
Gain on lease termination	**-**	-	**(2.1)**	(2.1)
Non-cash changes in fair value of Park Plaza County Hall London Income Units	**-**	-	**(0.2)**	(0.2)
Pre-opening expenses and other non-recurring expenses	**0.4**	1.2	**0.7**	1.5
Capital loss on disposal of fixed assets and inventory, net	**-**	-	**0.2**	0.2
Waterloo freehold purchase profit	**(145.6)**	-	**(145.6)**	-
Non-cash changes in fair value of financial instruments	**0.6**	2.7	**2.3**	4.4
Property impairment	**-**	-	**23.7**	23.7
Normalised profit before tax*	**(6.8)**	(3.7)	**31.1**	34.2

EPRA accounting information

The Group is a developer, owner and operator of hotels, resorts and campsites and realises returns through both developing and owning assets as well as managing the operations of those assets to their full potential. Certain EPRA performance measurements are disclosed to aid investors in analysing the Group's performance and understanding the value of its assets and earnings from a property perspective.

EPRA performance indicators

The Group's adjusted EPRA earnings per share* for the last twelve months (LTM)* to 30 June 2026 was 125 pence per share. A summary of the Group's EPRA performance measures is set out in the table below.

	Summary of EPRA Performance Indicators			
	30 June 2026	**30 June 2026**	31 December 2025	31 December 2025
	£ million	**£ per share**	£ million	£ per share
EPRA NRV*[2] (Net Reinstatement Value)	**£1,140.2**	**£26.97**	£1,157.4	£27.35
EPRA NTA*[2] (Net Tangible Assets)	**£1,113.4**	**£26.33**	£1,129.1	£26.69
EPRA NDV*[2] (Net Disposal Value)	**£1,058.3**	**£25.03**	£1,076.8	£25.45
EPRA earnings (LTM)*[1]	**£63.9**	**152p**	£66.9	160p
Adjusted EPRA earnings* (LTM)*[1]	**£52.7**	**125p**	£52.9	125p

[1] EPRA earnings* and adjusted EPRA earnings* for 30 June 2026 are calculated for the last 12-month period ended on 30 June 2026.
[2] EPRA NRV* / NTA / NDV and EPRA NRV* / NTA / NDV per share were calculated based on the independent external valuations prepared in December 2025.

EPRA performance measures

a. EPRA net asset value*

To guide investors on the market value of the Group's property portfolio and performance, the Group has been reporting various EPRA key performance indicators since 2018, alongside its operational metrics. Property valuations are undertaken once a year by independent external valuers, using established and widely recognised methods, including applying appropriate discount rates to property cash flow generation and applying capitalisation rates from precedent transactions.

In December 2025, the Group's properties (with the exception of operating leases, managed and franchised properties) were independently valued by Savills (in respect of properties in the Netherlands, UK and Germany) and by Zagreb nekretnine Ltd (ZANE) (in respect of properties in Croatia). Based on those valuations, the Directors have updated the Group's EPRA NRV*, EPRA NTA* and EPRA NDV* for 30 June 2026.

The EPRA NRV* as at 30 June 2026, set out in the table below, amounts to £1,140.2 million (31 December 2025: £1,157.4 million), which equates to £26.97 per share (31 December 2025: £27.35). The movement in EPRA NRV* was primarily driven by a dividend distribution of £9.2 million and £6.7 million drop from unfavourable foreign currency translation into British pound.

	30 June 2026 £ million		
	EPRA NRV (Net Reinstatement Value)*	**EPRA NTA (Net Tangible Assets)*[4]**	**EPRA NDV (Net Disposal Value)***
NAV per the financial statements	**449.6**	**449.6**	**449.6**
Effect of exercise of options	**0.3**	**0.3**	**0.3**
Diluted NAV, after the exercise of options[1]	**449.9**	**449.9**	**449.9**
Includes:			
Revaluation of owned properties in operation[2]	**658.6**	**658.6**	**658.6**
Revaluation of the JV interest held in two German properties[2]	**8.1**	**8.1**	**8.1**
Fair value of fixed interest rate debt	**-**	**-**	**(12.4)**
Deferred tax on revaluation of properties	**-**	**-**	**(45.9)**
Real estate transfer tax[3]	**21.6**	**-**	**-**
Excludes:			
Fair value of financial instruments	**14.4**	**14.4**	**-**
Deferred tax on timing differences on Property, plant and equipment and intangible assets	**(16.4)**	**(16.4)**	**-**
Intangibles assets as per the IFRS reporting standards balance sheet	**-**	**5.2**	**-**
EPRA NAV*	**1,140.2**	**1,113.4**	**1,058.3**
Fully diluted number of shares (in thousands)[1]	**42,276**	**42,276**	**42,276**
EPRA NAV* per share (in £)	**26.97**	**26.33**	**25.03**

[1] The fully diluted number of shares excludes treasury shares but includes 417,829 outstanding dilutive options (as at 31 December 2025: 454,824)
[2] The fair values of the properties were determined on the basis of independent external valuations prepared in December 2025 (with properties under development measured at cost), updated for the Waterloo freehold acquisition completed on 17 June 2026 (see Note 3a for further details)
[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

	31 December 2025 £ million		
	EPRA NRV (Net Reinstatement Value)*	EPRA NTA (Net Tangible Assets)*[4]	EPRA NDV (Net Disposal Value)*
NAV per the financial statements	321.4	321.4	321.4
Effect of exercise of options	0.7	0.7	0.7
Diluted NAV, after the exercise of options[1]	322.1	322.1	322.1
Includes:			
Revaluation of owned properties in operation[2]	803.2	803.2	803.2
Revaluation of the JV interest held in two German properties[2]	8.1	8.1	8.1

Fair value of fixed interest rate debt	–	–	(11.5)
Deferred tax on revaluation of properties	–	–	(45.1)
Real estate transfer tax[3]	21.7	–	–
Excludes:			
Fair value of financial instruments	14.3	14.3	–
Deferred tax on timing differences on Property, plant and equipment and intangible assets	(16.6)	(16.6)	–
Intangibles assets as per the IFRS reporting standards balance sheet	–	6.6	–
EPRA NAV*	1,157.4	1,129.1	1,076.8
Fully diluted number of shares (in thousands)[1]	42,311	42,311	42,311
EPRA NAV* per share (in £)	27.35	26.69	25.45

[1] The fully diluted number of shares excludes treasury shares but includes 454,824 outstanding dilutive options (as at 31 December 2024: 498,248).
[2] The fair values of the properties were determined on the basis of independent external valuations prepared in December 2025. The properties under development are measured at cost
[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*

The basis for calculating the Company's adjusted EPRA earnings* of £52.7 million for the 12 months to 30 June 2026 (LTM)* (12 months to 31 December 2025: £52.9 million) and the Company[1]'s adjusted EPRA earnings per share* of 125.0 pence for the 12 months to 30 June 2026 (12 months to 31 December 2025: 125.0 pence) is set out in the table below.

	12 months ended 30 June 2026 £ million	12 months ended 31 December 2025 £ million
Earnings attributed to equity holders of the parent company	**155.6**	13.2
Depreciation and amortisation expenses	**74.8**	72.3
Revaluation of Park Plaza County Hall London Income Units	**(0.2)**	(0.2)
Changes in fair value of financial instruments	**2.3**	4.4
Profit from Waterloo lease termination and asset acquisition (see note 3a)	**(145.6)**	-
Non-controlling interests[4] in respect of reported depreciation and amortisation	**(23.0)**	(22.8)
EPRA earnings*	**63.9**	66.9
Weighted average number of shares outstanding[1] (in thousands) (LTM)*	**41,855**	41,840
EPRA earnings per share* (in pence)	**152**	160
Company specific adjustments[1]:		
Capital loss on buyback of Income Units in Park Plaza Westminster Bridge London	**1.1**	1.1
Remeasurement of lease liability[4]	**4.2**	4.1
Disposals and Other non-recurring expenses (including pre-opening expenses)[7]	**0.7**	1.7
Adjustment of lease payments[5]	**(1.9)**	(2.5)
One-off tax adjustments[6]	**2.1**	(0.7)
Maintenance capex*[2]	**(19.0)**	(18.7)
Lease termination	**(2.1)**	(2.1)
Non-controlling interests in respect of Maintenance capex* and the adjustments above[3]	**3.7**	3.1
Company adjusted EPRA earnings*	**52.7**	52.9
Company adjusted EPRA earnings per share* (in pence)	**125**	125
Reconciliation Company adjusted EPRA earnings* to normalised reported profit before tax:		
Company adjusted EPRA earnings*	**52.7**	52.9
Reported depreciation and amortisation	**(74.8)**	(72.3)
Non-controlling interest[3] in respect of reported depreciation and amortisation	**23.0**	22.8
Maintenance capex*[2]	**19.0**	18.7
Non-controlling interests[3] in respect of Maintenance capex*[2] and the adjustments above	**(3.7)**	(3.1)
Adjustment of lease payments[5]	**1.9**	2.5

One-off tax adjustments[6]	**(2.1)**	0.7
Profit attributable to non-controlling interests[3]	**(12.1)**	(12.6)
Impairments[9]	**23.7**	23.7
Reported tax	**3.5**	0.9
Normalised profit before tax*	**31.1**	34.2

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 Westminster Bridge London and the non-controlling shareholders in the partnership with Clal that was entered into in June 2021 and March 2023 respectively
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 the recognition of a deferred tax asset on carry forward losses recorded in 2025
7 Mainly relates to pre-opening expense and net profit and loss on disposal of property, plant and equipment.
8 Profit recorded as a result of the early termination of the Park Plaza Wallstreet Berlin Mitte lease.
9 Impairments of PP&E (see Note 4b in the 2025 Report consolidated financial statements)

Net debt* leverage/EPRA LTV* reconciliation

			30 June 2026 £ million		
	Group as reported under IFRS reporting standards	**Adjustments to arrive at EPRA Group LTV***	**Group EPRA LTV* before non-controlling interest adjustment**	**Proportionate consolidation (non-controlling interest)[1]**	**Combined EPRA LTV***
Include:					
Borrowings (short-/long-term)	1,031.9	-	1,031.9	(182.7)	849.2
Exclude:					
Cash and cash equivalents and restricted cash	(100.1)	-	(100.1)	14.4	(85.7)
Net debt* (a)	**931.8**	**-**	**931.8**	**(168.3)**	**763.5**
Include:					
Property, plant and equipment	1,627.3	711.0	2,338.3	(481.3)	1,857.0
Right-of-use assets	103.3	(103.3)	-	-	-
Assets held for sale	23.9	-	23.9	-	23.9
Lease liabilities	(68.6)	68.6	-	-	-
Liability to Income Units at Park Plaza London Westminster Bridge	(106.4)	106.4	-	-	-
Intangible assets	5.2		5.2	(0.3)	4.9
Investments in joint ventures[1]	8.1	12.2	20.3	(6.8)	13.5
Other assets and liabilities, net	(29.1)	(2.1)	(31.2)	13.7	(17.5)
Total property value (b)	**1,563.7**	**792.8**	**2,356.5**	**(474.7)**	**1,881.8**
EPRA LTV* (a/b)	**59.6%**		**39.5%**		**40.6%**
Adjustments to reported EPRA NRV*:					
Real estate transfer tax	-	26.8	26.8	(5.2)	21.6
Effect of exercise of options	-	0.3	0.3	-	0.3
Total property value after adjustments (c)	**1,563.7**	**819.9**	**2,383.6**	**(479.9)**	**1,903.7**
Total equity (c-a)	**631.9**	**819.9**	**1,451.8**	**(311.6)**	**1,140.2**

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

31 December 2025 £ million					
	Group as reported under IFRS reporting standards	**Adjustments to arrive at EPRA Group LTV***	**Group EPRA LTV* before non-controlling interest adjustment**	**Proportionate consolidation (non-controlling interest)[1]**	**Combined EPRA LTV***
Include:					
Borrowings (short-/long-term)	913.5	–	913.5	(187.2)	726.3
Exclude:					
Cash and cash equivalents and restricted cash	(138.0)	–	(138.0)	18.3	(119.7)
Net debt* (a)	**775.5**	**–**	**775.5**	**(168.9)**	**606.6**
Include:					
Property, plant and equipment	1,460.7	759.0	2,219.7	(485.0)	1,734.7
Right-of-use assets	222.9	(222.9)	–	–	–
Lease liabilities	(281.6)	281.6	–	–	–
Liability to Income Units at Park Plaza London Westminster Bridge	(108.0)	108.0	–	–	–
Intangible assets	6.6	–	6.6	(0.4)	6.2
Investments in joint ventures[1]	8.1	12.3	20.4	(7.0)	13.4
Other assets and liabilities, net	(20.6)	(1.5)	(22.1)	9.4	(12.7)
Total property value (b)	**1,288.1**	**936.5**	**2,224.6**	**(483.0)**	**1,741.6**
EPRA LTV* (a/b)	**60.2%**		**34.9%**		**34.8%**
Adjustments to reported EPRA NRV*:					
Real estate transfer tax	–	27.0	27.0	(5.3)	21.7
Effect of exercise of options	–	0.7	0.7	–	0.7
Total property value after adjustments (c)	**1,288.1**	**964.2**	**2,252.3**	**(488.3)**	**1,764.0**
Total equity (c-a)	**512.6**	**964.2**	**1,476.8**	**(319.4)**	**1,157.4**

[1] Proportionate consolidation was not applied to the Joint ventures as it is considered not material

Other EPRA measurements

Given that the Group's asset portfolio is comprised of 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.

REVIEW OF OPERATIONS

United Kingdom

Hotel operations

	Reported in GBP		
	Six months ended 30 June 2026	Six months ended 30 June 2025	% change
Total revenue	**£126.9 million**	£118.8 million	6.8%
Room revenue	**£95.1 million**	£90.4 million	5.3%
EBITDA*	**£35.0 million**	£32.3 million	8.5%
EBITDA margin*	**27.6%**	27.2%	40 bps
Occupancy	**83.8%**	83.9%	(10) bps
Average room rate*	**£178.4**	£169.4	5.3%
RevPAR*	**£149.6**	£142.2	5.2%

Hotel portfolio performance

The United Kingdom, the Group's most significant region in terms of property portfolio, revenue and EBITDA* contribution, delivered a strong first-half performance, reporting revenue, EBITDA* and RevPAR* growth compared to the prior-year period. This was achieved despite the recent increase in UK business rates, and the ongoing conflict in the Middle East, which has created travel uncertainty, shortened booking windows and reduced forward-booking visibility.

Throughout the period, art'otel London Hoxton continued to build its profile in the London market and is performing well, generating excellent customer feedback. The 5,000 sqm of premium office space is currently being marketed to prospective targeted tenants.

Total reported revenue increased by 6.8% to £126.9 million (H1 2025: £118.8 million). RevPAR* grew by 5.2% to £149.6 (H1 2025: £142.2), reflecting strong average room rate* growth of 5.3% to £178.4 (H1 2025: £169.4) and stable occupancy at 83.8% (H1 2025: 83.9%).

EBITDA* grew 8.5% to £35.0 million (H1 2025: £32.3 million). This led to an EBITDA margin* improvement to 27.6% (H1 2025: 27.2%).

The United Kingdom hotel market^

RevPAR* was up 2.4% at £87.37, driven by a 2.1% increase in average room rate* to £116.76 and a 0.3% increase in occupancy to 74.8%.

In London, RevPAR* increased by 0.6% to £138.31 compared with 2025, reflecting a 0.0% change in occupancy remaining at 77.4%, and a 0.7% increase in average room rate* to £178.72.

^Source STR European Hotel Review, June 2026

The Netherlands

Hotel operations

	Reported in Pound Sterling (£)			Reported in local currency EUR[1]		
	Six months ended 30 June 2026	Six months ended 30 June 2025	% change	**Six months ended 30 June 2026**	Six months ended 30 June 2025	% change
Total revenue	**£30.5 million**	£31.3 million	(2.4)%	**€35.2 million**	€37.1 million	(5.3)%
Room revenue	**£21.9 million**	£22.9 million	(4.4)%	**€25.3 million**	€27.3 million	(7.2)%
EBITDA*	**£8.5 million**	£9.8 million	(13.1)%	**€9.8 million**	€11.6 million	(15.7)%
EBITDA margin*	**27.8%**	31.2%	(340) bps	**27.8%**	31.2%	(340) bps
Occupancy	**79.3%**	82.6%	(330) bps	**79.3%**	82.6%	(330) bps
Average room rate*	**£142.3**	£142.9	(0.4)%	**€164.1**	€169.8	(3.4)%
RevPAR*	**£112.8**	£118.1	(4.4)%	**€130.2**	€140.3	(7.2)%

[1] The average exchange rate from EUR to GBP for the Period ended 30 June 2026 was 1.153 and for the Period ended 30 June 2025 was 1.189, representing a 2.9% decrease.

Hotel portfolio performance

In the Netherlands, the hotel market was impacted by a 12 percentage points increase in the VAT rate for accommodation from 9% to 21%, which took effect from January 2026. As anticipated, this industry-wide change put pressure on average room rates* and occupancy across the Dutch hotel market, including the Group's properties.

Total revenue (in local currency) decreased by 5.3% to €35.2 million (H1 2025: €37.1 million). Average room rate* decreased by 3.4% to €164.1 (H1 2025: €169.8), and occupancy was 330 bps lower at 79.3% (H1 2025: 82.6%). This led to RevPAR* of €130.2, a decline of 7.2% (H1 2025: €140.3).

EBITDA* was €9.8 million, which represented a decrease of 15.7% (H1 2025: €11.6 million). EBITDA margin* was 27.8% (H1 2025: 31.2%).

*The Dutch hotel market^*

RevPAR* decreased by 4.8% to €101.87 compared with 2025. Occupancy decreased by 0.2% to 71.2%, and the average room rate* was €143.10, 4.6% lower than in 2025.

In Amsterdam, our main market in the Netherlands, RevPAR* decreased by 3.6% to €123.63. Occupancy levels increased by 0.7% to 74.7%, and the average daily room rate decreased by 4.2% to €165.53.

^Source STR European Hotel Review, June 2026

Croatia
Hotel operations

	Reported in Pound Sterling (£)			Reported in local currency EUR[1]		
	Six months ended 30 June 2026	Six months ended 30 June 2025	% change	**Six months ended 30 June 2026**	Six months ended 30 June 2025	% change
Total revenue	**£28.1 million**	£27.0 million	4.2%	**€32.4 million**	€32.1 million	1.1%
Room revenue	**£15.4 million**	£15.5 million	(1.1)%	**€17.7 million**	€18.5 million	(4.1)%
EBITDA*	**£0.6 million**	£0.9 million	(30.5)%	**€0.7 million**	€1.1 million	(32.6)%
EBITDA margin*	**2.2%**	3.3%	(110) bps	**2.2%**	3.3%	(110) bps
Occupancy	**47.2%**	46.7%	50 bps	**47.2%**	46.7%	50 bps
Average room rate*[2]	**£113.2**	£117.2	(3.4)%	**€130.6**	€139.3	(6.2)%
RevPAR*	**£53.5**	£54.8	(2.4)%	**€61.7**	€65.1	(5.2)%

[1] The average exchange rate from EUR to GBP for the Period ended 30 June 2026 was 1.153 and for the Period ended 30 June 2025 was 1.189, representing a 2.9% decrease.
[2] The room revenue, average room rate*, occupancy and RevPAR* statistics include all accommodation units at hotels and self-catering apartment complexes but exclude campsites and mobile homes.

Property portfolio performance

The Croatian portfolio of hotels, self-catering apartments and campsites is primarily seasonal, with activities increasing from Q2 onwards as the portfolio ramps up into the summer season.

art'otel Zagreb, which opened late 2023 and operates throughout the year, continued to build its position in the local market and performed ahead of last year. Notably, Grand Hotel Brioni reopened three weeks later than in 2025 following the winter closure.

The Group is encouraged by the year-on-year growth delivered by the recently renovated Arena Stupice Campsite and Arena Indije Campsite properties.

Total reported revenue (in local currency) was up slightly at €32.4 million (H1 2025: €32.1 million). RevPAR* declined by 5.2% to €61.7 (H1 2025: €65.1). Average room rate* was down 6.2% to €130.6, and occupancy was slightly higher at 47.2% (H1 2025: 46.7%). EBITDA* was 32.6% lower at €0.7 million (H1 2025: €1.1 million), and EBITDA margin* was 2.2% (H1 2025: 3.3%), reflecting a rise in operating costs.

Germany

Hotel operations

	Reported in Pound Sterling (£)			Like-for-like*[2] in Pound Sterling (£)		
	Six months ended 30 June 2026	Six months ended 30 June 2025	% change[4]	**Six months ended 30 June 2026**	Six months ended 30 June 2025	% change[4]
Total revenue	**£8.7 million**	£10.8 million	(19.5)%	**£8.7 million**	£8.5 million	2.9%
Room revenue	**£7.4 million**	£9.1 million	(18.9)%	**£7.4 million**	£7.1 million	4.2%
EBITDA*	**£1.9 million**	£2.4 million	(20.0)%	**£1.9 million**	£2.0 million	(5.4)%
EBITDA margin*	**22.0%**	22.1%	(10) bps	**21.7%**	23.7%	(190) bps
Occupancy	**65.7%**	66.2%	(40) bps	**65.7%**	64.8%	100 bps
Average room rate*	**£113.9**	£107.0	6.5%	**£113.9**	£111.0	2.6%
RevPAR*	**£74.9**	£70.8	5.8%	**£74.9**	£71.9	4.2%

	Reported in local currency Euros[1] (€)			Like-for-like*[1,2] in local currency (€)		
	Six months ended 30 June 2026	Six months ended 30 June 2025	% change	**Six months ended 30 June 2026**	Six months ended 30 June 2025	% change
Total revenue	**€10.1 million**	€12.9 million	(21.9)%	**€10.1 million**	€10.1 million	(0.1)%
Room revenue	**€8.6 million**	€10.9 million	(21.3)%	**€8.6 million**	€8.5 million	1.1%
EBITDA*	**€2.2 million**	€2.8 million	(22.3)%	**€2.2 million**	€2.4 million	(8.2)%
EBITDA margin*	**22.0%**	22.1%	(10) bps	**21.7%**	23.7%	(190) bps
Occupancy	**65.7%**	66.2%	(40) bps	**65.7%**	64.8%	100 bps
Average room rate*	**€131.4**	€127.1	3.4%	**€131.4**	€132.0	(0.4)%
RevPAR*	**€86.4**	€84.1	2.7%	**€86.4**	€85.5	1.1%

[1] The average exchange rate from EUR to GBP for the Period ended 30 June 2026 was 1.153 and for the Period ended 30 June 2025 was 1.189, representing a 2.9% decrease.
[2] The like-for-like* figures exclude the results of the terminated leasehold of Park Plaza Wallstreet Berlin Mitte.

Hotel portfolio performance

The Group's portfolio in Germany was subdued in Q1, primarily due to fewer events and trade fairs compared with the previous period, resulting in softer market conditions and pressure on both occupancy and average room rate*. However, the performance improved in Q2, with growth in revenue, EBITDA*, and RevPAR*.

On a like-for-like* basis (in local currency) excluding the 2025 figures for Park Plaza Wallstreet Berlin Mitte, H1 2026 revenue was flat at €10.1 million (H1 2025: €10.1 million). RevPAR* improved by 1.1%, which reflected a marginal increase in occupancy to 65.7% (H1 2025: 64.8%) and a broadly flat average room rate*. EBITDA* declined by 8.2% to €2.2 million (H1 2025: €2.4 million), which delivered an EBITDA margin* of 21.7% (H1 2025: 23.7%).

Total revenue (in local currency) decreased to €10.1 million, a decrease of 21.9% (H1 2025: €12.9 million). Average room rate* improved by 3.4% to €131.4 (H1 2025: €127.1), while occupancy[1] was marginally down at 65.7% (H1 2025: 66.2%). This led to RevPAR* growth of 2.7% to €86.4 (H1 2025: €84.1). EBITDA* decreased by 22.3% to €2.2 million, which reflected lower revenue compared to EBITDA* of €2.8 million in H1 2025. EBITDA margin* was 22.0% (H1 2025: 22.1%).

*The German hotel market^*

The German market experienced a 0.1% increase in RevPAR* to €73.92, resulting from a 1.7% improvement in occupancy to 65.3% and a 1.6% decrease in average room rate* to €113.22.

In Berlin, RevPAR* increased by 2.0% to €85.86 and occupancy increased by 0.6% to 71.8%. Average room rate* increased 1.4% to €119.61.

^Source STR European Hotel Review, June 2026

Other Markets: Italy, Austria, Serbia and Hungary

Hotel operations

	Reported in GBP			Like-for-like*[1] in GBP		
	Six months ended 30 June 2026	Six months ended 30 June 2025	% change	**Six months ended 30 June 2026**	Six months ended 30 June 2025	% change
Total revenue	**£9.7 million**	£7.6 million	27.8%	**£8.8 million**	£7.5 million	16.3%
Room revenue	**£7.4 million**	£6.0 million	22.8%	**£6.7 million**	£5.9 million	13.9%
EBITDA*	**£0.8 million**	£0.7 million	16.8%	**£1.4 million**	£1.0 million	50.1%
EBITDA margin*	**8.4%**	9.2%	(80) bps	**16.4%**	12.7%	370 bps
Occupancy	**59.3%**	55.8%	350 bps	**63.4%**	57.4%	600 bps
Average room rate*	**£154.7**	£143.7	7.7%	**£148.9**	£142.7	4.3%
RevPAR*	**£91.7**	£80.2	14.4%	**£94.5**	£81.9	15.3%

[1] The like-for-like* figures exclude results for Q1 2026 and Q1 2025 from the newly opened art'otel Rome Via Veneto.

Hotel portfolio performance

The Group operates properties in Italy, Hungary, Austria and Serbia.

art'otel Rome Via Veneto is the most recent addition to the Group's portfolio, having opened in March 2025 following a significant repositioning investment programme. Demand for the property continues to grow, supported by excellent guest feedback.

In Hungary, Park Plaza Budapest continued to gradually improve, with the property delivering a positive performance, reporting occupancy and average room rate* growth.

In Austria, the FRANZ Ferdinand Mountain Resort in Nassfeld reported a record result during the winter season, delivering growth in average room rate* and occupancy. As usual, the hotel closed at the end of March, before it reopened for the summer season at the beginning of June.

In Serbia, the Radisson RED Belgrade reported an improved performance, as the hotel team continues to focus on mitigating the impact of the ongoing political situation in the country.

Total reported revenue from Other Markets increased by 27.8% to £9.7 million. RevPAR* grew 14.4%, benefiting from 7.7% growth in average room rate* to £164.7 (H1 2025: £143.7), and improved occupancy to 59.3%, up from 55.8% in H1 2025. EBITDA* increased 16.8% to £0.8 million.

On a like-for-like* basis, excluding contributions from art'otel Rome Via Veneto, revenue was up 16.3%, RevPAR* was up 15.3% and EBITDA* was 50.1% higher.

*The Italian hotel market^*

The Italian market experienced a 11.3% increase in RevPAR* to €161.65, resulting from a 1.1% improvement in occupancy to 68.5% and a 10.1% increase in average room rate* to €236.14.

In Rome, RevPAR* increased by 3.4% to €176.47 and occupancy decreased by 0.6% to 70.6%. Average room rate* increased 4.1% to €250.00.

^Source STR European Hotel Review, June 2026

*The Hungarian hotel market^*

The Hungary market experienced a 11.9% increase in RevPAR* to €82.52, resulting from a 1.6% increase in occupancy to 67.4% and a 10.2% increase in average room rate* to €122.41.

In Budapest, RevPAR* increased by 15.3% to €89.89 and occupancy increased by 2.1% to 68.6%. Average room rate* increased 12.9% to €131.07.

^Source STR European Hotel Review, June 2026

*The Belgrade hotel market^*

In Belgrade, RevPAR* increased by 10.2% to €86.91 and occupancy increased by 14.2% to 65.9%. Average room rate* decreased 3.4% to €131.90.

^Source STR European Hotel Review, June 2026

Given the unique profile and location of the Group's property in Austria, no relevant STR market data is available to report.

Management and Central Services

	Reported in GBP Six months ended 30 June 2026				
	Listed Company	Development Projects	Management Platform	Arena Hospitality Group	Total
Management Revenue	-	£0.2 million	£18.6 million	-	£18.8 million
Central Services Revenue	-	-	-	£7.0 million	£7.0 million
Revenues within the consolidated Group	-	-	£(14.0) million	£(6.5) million	£(20.5) million
External and reported revenue	**-**	**£0.2 million**	**£4.6 million**	**£0.5 million**	**£5.3 million**
EBITDA*	**£(2.6) million**	**£(0.6) million**	**£6.3 million**	**£(1.6) million**	**£1.5 million**

	Reported in GBP Six months ended 30 June 2025				
	Listed Company	Development Projects	Management Platform	Arena Hospitality Group	Total
Management Revenue	-	-	£17.3 million	-	£17.3 million
Central Services Revenue	-	-	-	£6.7 million	£6.7 million
Revenues within the consolidated Group	-	-	£(13.4) million	£(6.3) million	£(19.7) million
External and reported revenue	**-**	**-**	**£3.9 million**	**£0.4 million**	**£4.3 million**
EBITDA*	**£(2.4) million**	**£(0.1) million**	**£3.3 million**	**£(1.4) million**	**£(0.6) million**

Our performance

Revenues in this segment are primarily management, sales, marketing and franchise fees, and other charges for central services.

These are predominantly charged within the Group and therefore eliminated upon consolidation. For the six months ended 30 June 2026, the segment showed a significant improvement in EBITDA* to £1.5 million, compared with a loss of £0.6 million in H1 2025. This result reflected cost saving initiatives in the period.

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

PRINCIPAL RISKS AND UNCERTAINTIES

While the Board continues to actively monitor the evolving geopolitical environment and wider macroeconomic uncertainties, the Directors consider that the Group's residual exposure arising from its principal risks and uncertainties for the remaining six months of the financial year remains unchanged from that set out in the 2025 Annual Report.

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors confirm that, to the best of their knowledge, these interim condensed consolidated financial statements have been prepared in accordance with IAS 34 "Interim Financial Reporting". The interim management report includes a fair review of the information required by DTR 4.2.7 R and DTR 4.2.8 R, namely:

- An indication of important events which have occurred during the first six months and their impact on the condensed set of consolidated financial statements (see note 3 to the condensed consolidated financial statements), plus a description of the principal risks and uncertainties for the remaining six months of the financial year (see heading Principal Risks and Uncertainties) and

- Material related-party transactions in the first six months ended 30 June 2026 and any material changes in the related party transactions described in the last annual report for the year ended 31 December 2025 (see note 6f of the condensed consolidated financial statements)

- An indication of important events that have occurred since the end of the reporting Period (30 June 2026) (see note 6g to the consolidated financial statements); and

- The directors of the Company[1] are listed in the last annual report for the year ended 31 December 2025. A current list of directors is maintained on the website of the Company[1] (www.pphe.com).

GOING CONCERN

The Board believes it is taking all appropriate steps to support the sustainability and growth of the Group's activities. Detailed budgets and cash flow projections have been prepared for 2026, 2027 and 2028 which show that the Group's hotel operations will be cash generative during the Period.

The Directors have assessed the viability of the Group over a period to 31 December 2028, as set out further on page 92 of the last Annual Report for the year ended 31 December 2025. The Directors have determined that the Company is likely to continue in business for at least 12 months from the date of this announcement. This, taken together with their conclusions on the matters referred to herein and in note 1 to the condensed consolidated financial statements, has led the Directors to conclude that it is appropriate to prepare the half year condensed consolidated financial statements on a going concern basis.

This statement is made on behalf of the Board by:

Boris Ivesha, President and CEO
Daniel Kos, Chief Financial Officer & Executive Director

INDEPENDENT REVIEW REPORT TO PPHE HOTEL GROUP LIMITED

To: The Board of Directors of PPHE Hotel Group Limited

Introduction

We have reviewed the accompanying interim condensed consolidated statement of financial position of PPHE Hotel Group Limited and its subsidiaries (hereafter The Group) as of 30 June 2026 and the related interim condensed consolidated income statement, interim condensed consolidated statement of comprehensive income, interim condensed consolidated changes in equity and interim condensed consolidated cash flows for the six-month period then ended and other explanatory notes. Management is responsible for the preparation and fair presentation of this interim financial information in accordance with IAS Standard 34 Interim Financial Reporting (IAS 34) and the Disclosure Guidance and Transparency Rules of the United Kingdom Financial Conduct Authority. Our responsibility is to express a conclusion on this interim financial information based on our review.

Scope of Review

We conducted our review in accordance with International Standard on Review Engagements 2410, *Review of Interim Financial Information Performed by the Independent Auditor of the Entity*. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying interim financial information does not present fairly, in all material respects, the financial position of the entity as at 30 June 2026, and of its financial performance and its cash flows for the six-month period then ended in accordance with IAS 34 and the Disclosure Guidance and Transparency Rules of the United Kingdom Financial Conduct Authority.

Brightman Almagor Zohar & co.

Brightman Almagor Zohar & Co.
Certified Public Accountants
A Firm in the Deloitte Global Network

Tel Aviv, Israel
26 August 2026

INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION (UNAUDITED)

	30 June 2026 £'000	31 December 2025 £'000
ASSETS		
NON-CURRENT ASSETS:		
Intangible assets	**5,246**	6,622
Property, plant and equipment	**1,627,290**	1,460,744
Right-of-use assets	**103,347**	222,916
Investment in joint ventures	**8,082**	8,073
Other non-current assets	**43,481**	41,506
Restricted deposits and cash	**4,830**	6,421
Deferred income tax asset	**11,906**	12,284
	1,804,182	1,758,566
CURRENT ASSETS:		
Restricted deposits and cash	**3,657**	8,062
Inventories	**2,965**	2,711
Trade receivables	**21,614**	13,887
Other receivables and prepayments	**15,163**	15,157
Cash and cash equivalents	**91,610**	123,466
	135,009	163,283
Assets held for sale (note 3c)	**23,895**	-
	158,904	163,283
Total assets	**1,963,086**	1,921,849

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

INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION (UNAUDITED)

	30 June 2026 £'000	31 December 2025 £'000
EQUITY AND LIABILITIES		
EQUITY:		
Issued capital	–	–
Share premium	**135,267**	135,228
Treasury shares	**(14,125)**	(14,138)
Foreign currency translation reserve	**11,848**	14,446
Hedging reserve	**7,130**	6,772
Accumulated earnings	**309,509**	179,127
Attributable to equity holders of the parent	**449,629**	321,435
Non-controlling interests	**182,264**	191,159
Total equity	**631,893**	512,594
NON-CURRENT LIABILITIES:		
Borrowings	**983,537**	843,433
Provision for concession fee on land	**5,178**	5,255
Financial liability in respect of Income Units sold to private investors	**106,358**	107,943
Other financial liabilities	**71,584**	284,151
Deferred income taxes	**5,749**	5,732
	1,172,406	1,246,514
CURRENT LIABILITIES:		
Trade payables	**14,539**	10,381
Other payables and accruals	**95,878**	82,322
Borrowings	**48,370**	70,038
	158,787	162,741
Total liabilities	**1,331,193**	1,409,255
Total equity and liabilities	**1,963,086**	1,921,849

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

INTERIM CONDENSED CONSOLIDATED INCOME STATEMENT (UNAUDITED)

	Six months ended	
	30 June 2026	30 June 2025
	£'000	£'000
Revenues (note 6b)	**209,261**	199,880
Operating expenses	**(159,669)**	(153,144)
EBITDAR	**49,592**	46,736
Rental expenses	**(1,217)**	(1,244)
EBITDA	**48,375**	45,492
Depreciation and amortisation	**(26,289)**	(23,793)
EBIT	**22,086**	21,699
Financial expenses	**(26,476)**	(22,635)
Financial income	**2,765**	2,189
Other income (note 6c)	**145,621**	45
Other expenses (note 6d)	**(3,652)**	(6,609)
Net expense for financial liability in respect of Income Units sold to private investors	**(4,952)**	(4,763)
Share in results of joint ventures	**(321)**	(153)
Profit (loss) before tax	**135,071**	(10,227)
Tax (expense) income	**(1,060)**	1,473
Profit (loss) for the period	**134,011**	(8,754)
Profit (loss) attributable to:		
Equity holders of the parent	**139,467**	(2,913)
Non-controlling interests	**(5,456)**	(5,841)
	134,011	(8,754)
Basic earnings per share (in Pound Sterling) (note 6e)	**3.33**	(0.07)
Diluted earnings per share (in Pound Sterling) (note 6e)	**3.30**	(0.07)

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

INTERIM CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME (UNAUDITED)

	Six months ended	
	30 June 2026	30 June 2025
	£'000	£'000
Profit (loss) for the period	**134,011**	(8,754)
Other comprehensive income (loss) to be recycled through profit and loss in subsequent periods:		
Profit (loss) from cash flow hedges[1]	**696**	(4,512)
Foreign currency translation adjustments of foreign operations[2]	**(3,998)**	7,314
Other comprehensive (loss) income, net	**(3,302)**	2,802
Total comprehensive income (loss)	**130,709**	(5,952)
Total comprehensive income (loss) attributable to:		
Equity holders of the parent	**137,192**	(740)
Non-controlling interest	**(6,483)**	(5,212)
	130,709	(5,952)

[1] Included in hedging reserve.
[2] Included in foreign currency translation reserve.

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

INTERIM CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (UNAUDITED)

	Issued capital[1] £'000	Share premium £'000	Treasury shares £'000	Foreign currency translation reserve £'000	Hedging reserve £'000	Accumulated earnings £'000	Attributable to equity holders of the parent £'000	Non-controlling interests £'000	Total equity £'000
Balance as at 1 January 2026	**-**	**135,228**	**(14,138)**	**14,446**	**6,772**	**179,127**	**321,435**	**191,159**	**512,594**
Profit (loss) for the period	**-**	**-**	**-**	**-**	**-**	**139,467**	**139,467**	**(5,456)**	**134,011**
Other comprehensive income (loss) for the period	**-**	**-**	**-**	**(2,633)**	**358**	**-**	**(2,275)**	**(1,027)**	**(3,302)**
Total comprehensive income (loss)	**-**	**-**	**-**	**(2,633)**	**358**	**139,467**	**137,192**	**(6,483)**	**130,709**
Share based payments	**-**	**377**	**-**	**-**	**-**	**378**	**755**	**191**	**946**
Exercise of options	**-**	**(338)**	**13**	**-**	**-**	**-**	**(325)**	**-**	**(325)**
Dividend distribution[2]	**-**	**-**	**-**	**-**	**-**	**(9,210)**	**(9,210)**	**-**	**(9,210)**
Dividend distribution by a subsidiary to non-controlling interests	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**(1,810)**	**(1,810)**
Transactions with non-controlling interests (note 3a & 3b)	**-**	**-**	**-**	**35**	**-**	**(253)**	**(218)**	**(793)**	**(1,011)**
Balance as at 30 June 2026	**-**	**135,267**	**(14,125)**	**11,848**	**7,130**	**309,509**	**449,629**	**182,264**	**631,893**
Balance as at 1 January 2025	-	134,472	(14,519)	4,862	9,995	177,874	312,684	213,374	526,058
Profit (loss) for the period	-	-	-	-	-	(2,913)	(2,913)	(5,841)	(8,754)
Other comprehensive income (loss) for the period	-	-	-	4,477	(2,304)	-	2,173	629	2,802
Total comprehensive income (loss)	-	-	-	4,477	(2,304)	(2,913)	(740)	(5,212)	(5,952)
Share based payments	-	1,147	-	-	-	241	1,388	191	1,579
Exercise of options	-	(649)	323	-	-	-	(326)	-	(326)
Dividend distribution[2]	-	-	-	-	-	(8,790)	(8,790)	-	(8,790)
Dividend distribution by a subsidiary to non-controlling interests	-	-	-	-	-	-	-	(1,585)	(1,585)
Transactions with non-controlling interests	-	-	-	745	(10)	3,633	4,368	(18,746)	(14,378)
Balance as at 30 June 2025	-	134,970	(14,196)	10,084	7,681	170,045	308,584	188,022	496,606

[1] No par value.
[2] The dividend distribution comprises a final dividend for the year ended 31 December 2025 of 22 pence per share (final dividend for the year ended 31 December 2024 of 21 pence per share).

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

INTERIM CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS UNAUDITED

	Six months ended	
	30 June 2026	30 June 2025
	£'000	£'000
Cash flows from operating activities:		
Profit (loss) for the period	**134,011**	(8,754)
Adjustments to reconcile loss to cash provided by operating activities:		
Financial expenses including expenses for financial liability in respect of Income Units sold to private investors	**31,427**	27,398
Financial income	**(2,765)**	(2,189)
Income tax expense (income)	**1,060**	(1,473)
Net loss on disposal of assets	**-**	45
Loss on buyback of Income Units sold to private investors	**629**	611
Share based payments	**946**	1,579
Profit from Waterloo lease termination and asset acquisition (see note 3a)	**(145,621)**	-
Revaluation of lease liability	**2,130**	2,048
Share in results of joint ventures	**321**	153
Share appreciation rights revaluation	**276**	2,038
Fair value movement derivatives through profit and loss	**247**	655
Depreciation and amortisation	**26,289**	23,793
	(85,061)	54,658
Changes in operating assets and liabilities:		
Increase in inventories	**(284)**	(466)
Increase in trade and other receivables	**(6,374)**	(9,152)
Increase in trade and other payables	**14,288**	18,817
	7,630	9,199
Cash paid and received during the period for:		
Interest paid	**(28,464)**	(26,944)
Interest received	**1,115**	1,983
Taxes paid	**(841)**	(1,386)
Taxes received	**1,069**	1,992
	(27,121)	(24,355)
Net cash flows provided by operating activities	**29,459**	30,748

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

INTERIM CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS (UNAUDITED) (CONTINUED)

	Six months ended	
	30 June 2026	30 June 2025
	£'000	£'000
Cash flows from investing activities:		
Waterloo freehold acquisition (see note 3a)	**(155,637)**	-
Investments in property, plant and equipment	**(14,994)**	(32,599)
Investment in intangible assets	**(319)**	(469)
Loan to third party	**(485)**	-
Loan to Joint Venture	**(195)**	276
Increase in deposits	-	(875)
Decrease in restricted cash	**6,246**	5,457
Net cash flows used in investing activities	**(165,384)**	(28,210)
Cash flows from financing activities:		
Proceeds from long-term loans	**158,185**	8,988
Repayment of long-term loans	**(35,753)**	(16,963)
Repayment of leases	**(1,071)**	(1,906)
Purchase of derivatives	**(2,563)**	-
Proceeds from transactions with non-controlling interests	-	2,074
Payments in relation to transactions with non-controlling interests	**(1,011)**	(16,452)
Exercise of options settled in cash	**(325)**	(326)
Dividend payment	**(9,210)**	(8,790)
Dividend payment by a subsidiary to non-controlling interests	**(1,810)**	(1,585)
Buyback of Income Units previously sold to private investors	**(2,078)**	(2,060)
Net cash flows provided by (used in) financing activities	**104,364**	(37,020)
Decrease in cash and cash equivalents	**(31,561)**	(34,482)
Net foreign exchange differences	**(295)**	898
Cash and cash equivalents at beginning of period	**123,466**	113,225
Cash and cash equivalents at end of period	**91,610**	79,641
Non-cash items:		
Lease additions and lease remeasurement	**1,056**	9,984
Outstanding payables on investments in property, plant and equipment	**300**	7,521

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

NOTES:

Note 1: General

a. PPHE Hotel Group (the 'Company'), together with its subsidiaries (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®[1] brand.

b. These financial statements have been prepared in a condensed format as of 30 June 2026 and for the six months then ended ('interim condensed consolidated financial statements'). These financial statements should be read in conjunction with the Company''s annual consolidated financial statements as of 31 December 2025 and for the year then ended and the accompanying notes ('annual consolidated financial statements').

c. The Company was incorporated in Guernsey on 14 June 2007 and is listed on the Equity Shares – Commercial Companies (ESCC)" category of the Official List of the Financial Conduct Authority (FCA) and the shares are traded on the Main Market for listed securities of the London Stock Exchange.

d. **Going concern and liquidity**

As part of their ongoing oversight responsibilities, the Directors have conducted a comprehensive review of the Group's cash flow forecasts and assessed potential liquidity risks. Detailed budgets and cash flow projections have been prepared for the years ending 31 December 2026, 2027 and 2028, incorporating the current trading conditions and broader industry cost pressures. These projections indicate that the Group's hotel operations are expected to remain cash generative throughout the forecast period.

Based on their review of the cash flow forecasts and associated assumptions, the Directors are satisfied that the Company has adequate resources to continue in operational existence for at least twelve months from the date of approval of the interim condensed consolidated financial statements. Accordingly, the financial statements have been prepared on a going concern basis.

Note 2: Basis of preparation and changes in accounting policies and significant accounting estimates and judgements

a. Basis of preparation and changes in accounting policies

The interim condensed consolidated financial statements have been prepared in accordance with IAS 34 'Interim Financial Reporting'. The accounting policies adopted in the preparation of the interim condensed consolidated financial statements are consistent with those followed in the preparation of the Group's annual consolidated financial statements, except for the mentioned below and the adoption of new standards effective as of 1 January 2026. The Group has not early adopted any other standard, interpretation or amendment that has been issued but is not yet effective.

Purchase of leased underlying assets during the lease term

The acquisition of an underlying leased asset without a contractual purchase option is not specifically addressed under IFRS Accounting Standards. Hence management of the Group applied judgement in developing and applying an accounting policy in accordance with paragraphs 10 and 11 of IAS 8, Accounting Policies, Changes in Accounting Estimates and Errors. Management believes that the accounting policy adopted faithfully represents the economic substance of the underlying transaction.

In transactions where the Company acquires an underlying asset that it leased, and the original lease contract did not contain a purchase option or termination option, the transaction is accounted for as the termination of the lease arrangement and a separate acquisition of the underlying asset. At the date of acquisition of the asset, the Company derecognises the related right-of-use asset and lease liability and recognises the acquired asset as property, plant and equipment in accordance with the relevant IFRS requirements.

In determining the accounting for such transaction, management attributes consideration to the termination of the lease and to the purchase of the underlying asset using reasonable estimates, independent valuations, and consideration of the economic substance of the arrangement.

In the acquisition of the Park Plaza Waterloo property, management determined that it should attribute a positive implied consideration for the termination of the lease arrangement and attributed the consideration for the separate acquisition of the asset based on the fair value of the asset without the lease arrangement, as determined by an independent third-party valuation. The amount attributed to the termination of the lease arrangement is determined based on the difference between the fair value of the asset without the lease agreement and the actual cash consideration paid. The difference between the amount attributed to the termination of the lease arrangement, plus the carrying amount of the lease liability, and the carrying amount of the right-of-use asset is recognised in profit or loss.

The adoption of the following new standards and amendments effective as of 1 January 2026 had no impact on the interim condensed consolidated financial statements:

- Lack of exchangeability - Amendments to IAS 21
- Amendments to IFRS 9 and IFRS 7 — Classification and Measurement of Financial Instruments
- Annual Improvements to IFRS Accounting Standards — Volume 11

b. Significant accounting estimates and judgements

In the process of applying the Group’s accounting policy with respect to the acquisition of Park Plaza London Waterloo freehold (see Note 3a), management applied the following professional judgement in determining the accounting treatment for the transaction, which has the most significant effect on the amounts recognised in the interim condensed consolidated financial statements.

The transaction was accounted for as the termination of the lease arrangement and a separate acquisition of the underlying asset. At the date of acquisition of the asset, the Company derecognised the related right-of-use asset and lease liability and recognised the acquired asset as property, plant and equipment in accordance with the relevant IFRS requirements.

Management determined that it should attribute a positive implied consideration for the termination of the lease arrangement and attributed the consideration for the separate acquisition of the asset based on the fair value of the asset without the lease arrangement, as determined by an independent third-party valuation. The amount attributed to the termination of the lease arrangement is determined based on the difference between the fair value of the asset without the lease agreement and the cash consideration paid. The difference between the amount attributed to the termination of the lease arrangement, plus the carrying amount of the lease liability, and the carrying amount of the right-of-use asset is recognised in profit or loss.

The significant estimates included in the Group’s interim condensed consolidated financial statements include the fair value of the Park Plaza London Waterloo freehold asset on the date of the acquisition which was determined by an independent external valuation utilising a discounted cash flow methodology. The primary unobservable inputs utilised in the valuation model included a capitalisation rate (cap rate) of 5.0% and a discount rate of 7.5%.

Alternative Performance Measures

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.

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.

EBIT
Earnings before interest (Financial income and expenses), tax, share in results of joint ventures and exceptional items presented as other income and expense.

Note 3: Significant events during the reported Period

a. Acquisition of freehold of Park Plaza London Waterloo and termination of lease arrangement.

Background and Historical Transaction

In July 2017, the Group completed a sale and leaseback transaction for the 494-room Park Plaza London Waterloo (the "Property") for a total consideration of £161.5 million. The Group entered into a 199-year leaseback agreement with an initial annual rent of £5.6 million, subject to annual inflation adjustments (capped at 4% with a 2% floor). Under the prevailing accounting standards at the time, the transaction was accounted for as a finance lease, resulting in no disposal gain or loss recognition, with the asset and corresponding lease liability retained on the statement of financial position. On transition to IFRS 16 the arrangement was accounted for in the same way as any other finance lease on transition, and subsequently the arrangement has been accounted for in accordance with IFRS 16.

Repurchase of the Freehold of the Property

On 27 February 2026, the Group entered into an agreement to repurchase the freehold interest in the Property for £147.9 million. The transaction was funded through a £136.5 million secured loan facility, with the remaining balance settled via the Group's existing cash. The loan facility was formally executed on 23 March 2026 with Bank Hapoalim. It carries an initial two-year term with three consecutive one-year extension options, bearing interest at SONIA plus a 2.5% margin.

On 9 April 2026, the Group entered into an off-market interest rate swap to fix the floating interest rate at 3.353% on approximately 90% of the nominal loan balance. The upfront cash consideration of £2.6 million paid for this instrument was recognised within Other non-current assets on the consolidated statement of financial position. The Group has elected not to apply hedge accounting to this derivative under IFRS 9. Consequently, any subsequent fair value gains or losses are recognised directly within other expenses in the consolidated income statement.

Accounting Treatment

As disclosed in Note 2, the Company accounted for the transaction as follows:

Derecognition of the lease related balances:
The right-of-use (ROU) asset of £119.2 million, associated property, plant, and equipment (PP&E) components of £4.3 million, and the carrying value of the lease liability of £214.9 million were fully derecognised.

Property acquisition at fair value:
The property was recorded on the balance sheet based on the implied consideration paid to acquire the freehold, reflecting its acquisition-date fair value of £209.9 million without consideration to the lease arrangement. This fair value was determined by an independent external valuation utilising a discounted cash flow methodology. The primary unobservable inputs utilised in the valuation model included a capitalisation rate (cap rate) of 5.0% and a discount rate of 7.5%.

Income Statement Impact:
The effect of the amount attributed to the termination of the lease arrangement was determined based on the difference between the fair value of the property without consideration to the lease agreement of £209.9 million and the cash consideration paid inclusive of capitalised acquisition costs of £155.6 million. The difference between the amount attributed to the termination of the lease arrangement of £54.3 million, plus the carrying amount of the lease liability of £214. 9 million, and the carrying amount of the right-of-use asset and related PP&E of £123.5 million was recognised as other income within profit and loss of £145.6 million. The figures are summarised in the table below.

	£'000
Implied consideration allocated to lease termination:	
Fair value of assets recognised	209,900
Cash consideration (inclusive of capitalised acquisition costs)	(155,637)
Total	**54,263**
Plus:	
Carrying amount of lease liability	214,872
Less:	
Carrying amount of ROU asset	(119,202)
Carrying amount of PP&E	(4,312)
Net gain recognised under 'Other Income'	**145,621**

b. Refinancing of the art'otel Rome Via Veneto Loan

In Q1 2026, the Group entered into a new agreement to refinance its existing loan relating to art'otel Rome Via Veneto in Italy. The refinancing comprises a €27.6m senior secured facility with a five-year term and bears a fixed interest of 4.8%, arranged with Aareal Bank, replacing the previous financing structure and providing longer-term funding for the asset.

c. Sale of New York development site

On 18 February 2026, the Group entered into an agreement for the sale of its development site located in Manhattan, New York.

This New York City site was acquired in 2019 with a view to developing the Group's first hotel in the US. However, subsequent to the acquisition, the regulatory landscape for ground-up hotel developments in New York significantly altered, which led the Group to conclude that a hotel development is not viable for this site. The Group has optimised the site to maximise its exit value through demolition works and the acquisition of air rights.

The transaction has been structured as a sale of the freehold of the site to a US real estate developer for a purchase price of $33.5 million. After the balance sheet date, the transaction was completed and the sale proceeds were used to repay the associated debt of $6.875 million, with the balance of funds to be deployed in accordance with the Group's capital allocation strategy.

Note 4: Segment data

For management purposes, the Group's activities are divided into Owned Hotel Operations and Management and Central Services. 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, as defined in the Group's APMs.

	Six months ended 30 June 2026 (unaudited)							
	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	**30,499**	**8,714**	**126,875**	**28,124**	**9,745**	**5,304**	**-**	**209,261**
Inter–segment	**-**	**-**	**80**	**21**	**-**	**20,455**	**(20,556)**	**-**
Total revenue	**30,499**	**8,714**	**126,955**	**28,145**	**9,745**	**25,759**	**(20,556)**	**209,261**
OPERATING EXPENSES								
Third party	**(19,079)**	**(5,497)**	**(81,250)**	**(21,278)**	**(8,286)**	**(24,279)**	**-**	**(159,669)**
Inter–segment	**(2,918)**	**(1,302)**	**(10,233)**	**(5,259)**	**(602)**	**(22)**	**20,336**	**-**
Total operating expenses	**(21,997)**	**(6,799)**	**(91,483)**	**(26,537)**	**(8,888)**	**(24,301)**	**20,336**	**(159,669)**
Segment EBITDA	**8,484**	**1,914**	**35,031**	**618**	**821**	**1,507**	**-**	**48,375**
Depreciation and amortisation								**(26,289)**
Financial expenses								**(26,476)**
Financial income								**2,765**
Net expenses for financial liability in respect of Income Units sold to private investors								**(4,952)**
Other income (expenses), net								**141,969**
Share in results of joint ventures								**(321)**
Profit before tax								**135,071**

[1] Includes Park Plaza Budapest in Hungary, 88 Rooms Hotel in Belgrade, Serbia (Radisson RED Belgrade), art'otel Rome Via Veneto in Rome Italy, FRANZ Ferdinand Mountain Resort in Nassfeld, Austria.
[2] Consists of inter-company eliminations.

	Six months ended 30 June 2025 (unaudited)							
	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	31,253	10,829	118,846	26,999	7,622	4,331	-	199,880
Inter–segment	-	-	200	35	-	19,714	(19,949)	-
Total revenue	31,253	10,829	119,046	27,034	7,622	24,045	(19,949)	199,880
OPERATING EXPENSES								
Third party	(18,398)	(6,905)	(76,717)	(20,097)	(6,406)	(24,621)	-	(153,144)
Inter–segment	(3,090)	(1,530)	(9,623)	(4,959)	(494)	(35)	19,731	-
Total operating expenses	(21,488)	(8,435)	(86,340)	(25,056)	(6,900)	(24,656)	19,731	(153,144)
Segment EBITDA	9,766	2,391	32,295	890	703	(553)	-	45,492
Depreciation and amortisation								(23,793)
Financial expenses								(22,635)
Financial income								2,189
Net expenses for financial liability in respect of Income Units sold to private investors								(4,763)
Other income (expenses), net								(6,564)
Share in results of joint ventures								(153)
Loss before tax								(10,227)

[1] Includes Park Plaza Budapest in Hungary, 88 Rooms Hotel in Belgrade, Serbia (Radisson RED Belgrade), art'otel Rome Via Veneto in Rome, Italy, FRANZ Ferdinand Mountain Resort in Nassfeld, Austria.
[2] Consists of inter-company eliminations.

Note 5: Financial instruments

Fair value of financial instruments:

The Company has entered into interest rate swap contracts with unrelated financial institutions in order to reduce the effect of interest rate fluctuations or risk of certain real estate investment's interest expense on its variable rate debt. The Company is exposed to credit risk in the event of non-performance by the counterparty to these financial instruments. Management believes the risk of loss due to non-performance to be minimal and therefore decided not to hedge this.

The accounting treatment for the interest rate swaps and whether they qualify as accounting hedges under IFRS 9 is determined separately for each contract. If the contract qualifies as accounting hedge, then the unrealised gain or loss on the contract is recorded in the consolidated statement of comprehensive income. If the contract does not qualify as accounting hedge, then the gain or loss on the contract is recorded in the consolidated income statement. The fair value of the interest rate swaps is determined by taking into account the present interest rates compared to the contracted fixed rate over the life of the contract. The valuation models incorporate various market inputs such as interest rate curves and the fair value measurement is classified to Level 2 of the fair value hierarchy.

For the six months ended June 30, 2026, the Company recorded a loss of £0.2 million in other expenses (note 6d) in the interim condensed consolidated income statement and an unrealised profit of £0.7 million in the interim condensed consolidated statement of comprehensive income representing the change in the fair value of these interest rate swaps during the Period. The aggregate fair value of the interest rate swap contracts was £23.7 million as of June 30, 2026 and is included in Other non-current assets in the interim condensed consolidated statement of financial position.

During the Period ended 30 June 2026, there were no transfers between Level 1 and Level 2 fair value measurements, and no transfers into and out of Level 3 fair value measurements.

There were no material changes during the period ended 30 June 2026 in interest rates that significantly affected the fair value of the Group's financial assets and liabilities. There were also no material changes during the period ended 30 June 2026 in the key inputs that were used for the fair value measurement of the Group's financial assets and liabilities that are presented at fair value.

Note 6: Other disclosures

a. Seasonality

The Group is in an industry with seasonal variations. Sales and profits vary by quarter and the second half of the year is generally the stronger trading period.

b. Revenues

	Six months ended 30 June 2026 (Unaudited) £'000	Six months ended 30 June 2025 (Unaudited) £'000
Room revenue from owned hotels[1]	**145,052**	140,031
Room revenue from leased hotels[2]	**2,149**	3,980
Campsites and lodging hire	**6,070**	5,589
Food and beverage	**45,010**	40,614
Minor operating (including room cancellation)	**4,213**	3,876
Management fee	**1,570**	1,517
Franchise and reservation fee	**2,804**	2,094
Marketing fee	**534**	516
Rent revenue	**1,859**	1,663
Total	**209,261**	199,880

[1] Room revenue from owned hotels also includes revenue from hotels that are under a <100-year long-term lease.
[2] Room revenue from leased hotels includes the revenue from Park Plaza Budapest and Park Plaza Wallstreet Berlin Mitte which are under 20-year lease contracts.

c. Other income

	Six months ended 30 June 2026 (Unaudited) £'000	Six months ended 30 June 2025 (Unaudited) £'000
Profit from Waterloo lease termination and asset acquisition (see note 3a)	**145,621**	-
Net gain on disposal of property, plant and equipment	**-**	45
Total	**145,621**	45

d. Other expenses

	Six months ended 30 June 2026 (Unaudited) £'000	Six months ended 30 June 2025 (Unaudited) £'000
Revaluation of finance lease[1]	**(2,130)**	(2,048)
Capital loss on buyback of income units previously sold to private investors	**(629)**	(611)
Revaluation of share appreciation rights	**(276)**	(2,038)
Revaluation of interest rate swap	**(247)**	(655)
Other non-recurring expenses (including pre-opening expenses)	**(370)**	(1,257)
Total	**(3,652)**	(6,609)

[1] Non-cash revaluation of finance lease liability relating to minimum future CPI/RPI increases.

e. Earnings per share

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

	As at 30 June	
	2026 £'000	2025 £'000
Profit (loss) attributable to equity holders of the parent basic and diluted	**139,467**	(2,913)
Weighted average number of ordinary shares outstanding for basic earnings per share (in thousands)	**41,857**	41,826
Basic earnings per share	**3.33**	(0.07)
Effect of dilution from:		
Share option	**409**	-
Weighted average number of ordinary shares adjusted for the effect of dilution	**42,266**	41,826
Diluted earnings per share	**3.30**	(0.07)

In 2026, all share options were included in the weighted average number of ordinary shares adjusted for the effect of dilution. In 2025, potentially dilutive instruments are not considered since their effect is antidilutive (increase of loss per share).

f. Related parties

In the first six months of 2026, the Group entered into an agreement with Gear Construction UK Limited for the provision of project management services in respect of the fit out of the office floors at art'otel London Hoxton. The agreement will end on practical completion of the project. Under the terms of the agreement, no management fee is payable. Instead, the Group has agreed to reimburse payroll costs of personnel providing the services in the amount of £42,613 per month for a period of 9 months.

Other than those mentioned above, there were no significant changes in the nature of the transactions with related parties. For more information on the substance of the related parties' transactions, please refer to the Group's 2025 annual consolidated financial statements.

Balances with related parties

	30 June 2026 £'000 (Unaudited)	31 December 2025 £'000
Loans to joint ventures	9,896	9,423
Short-term receivables	224	139
Payable to GC Project Management Limited	(1)	-
Payable to Gear Construction UK Limited[1]	(2,687)	(2,773)

[1] Relates to the construction of art'otel London Hoxton

Transactions with related parties

	Six months ended 30 June 2026 (Unaudited) £'000	Six months ended 30 June 2025 (Unaudited) £'000
Cost of transactions with GC Project Management Limited	(1)	(75)
Cost of transaction with Gear Construction UK Limited[1]	(443)	(6,243)
Rent income from sub lease of office space	28	50
Management fee revenue from joint ventures	531	540
Interest income from joint ventures	226	232

[1] Relates to the construction of art'otel London Hoxton

g. Subsequent events

- The Board has approved the payment of an interim dividend of 17 pence per ordinary share, for the period ended 30 June 2026, to all shareholders who are on the register at 18 September 2026. The interim dividend is to be paid on 16 October 2026.
- Completed the sale of New York development site (see note 3c).

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 2025.
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	Ken Bradley (Non-Executive Chairman), 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), 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.
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.
Earnings per share	Earnings per share amounts are calculated by dividing the net profit (loss) for the year by the weighted average number of ordinary shares outstanding during the year. Diluted earnings

	(loss) per share amounts are calculated by dividing the net profit (loss) for the year by the weighted average number of ordinary shares outstanding during the year plus the weighted average number of ordinary shares that would be issued on the conversion of all the dilutive potential ordinary shares into ordinary shares.
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.
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. Gold Points® is the name of the currency earned through the Radisson Rewards™ programme. radissonrewards.com
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 outstanding during the year	The weighted average number of outstanding shares taking into account changes in the number of shares 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 (APM) which are commonly used in the real estate and 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 in the EPRA performance indicators section.
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.
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 in the table in the EPRA earnings section.
EPRA earnings per share	EPRA earnings divided by the weighted average number of ordinary shares outstanding during the year.
EPRA LTV (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 in the table in the Net debt leverage/EPRA LTV reconciliation section.

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 (Net Disposal Value) can be found in the EPRA performance indicators section.
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 in the EPRA performance indicators section.
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 in the EPRA performance indicators section.
EPRA NTA per share	EPRA NTA divided by the fully diluted number of shares at the end of the period.
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 (LTV)	Interest-bearing liabilities after deducting cash and cash equivalents as a percentage of the properties' market value at the end of the period.
LTM	Last twelve months.

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 in the table in the Reconciliation of reported profit before tax to normalised profit before tax section. .
RevPAR	Revenue per available room. Total room revenue divided by the number of available rooms.