

CEO Review

“Throughout our largest ever investment programme, we have been focused on enhancing our hospitality offer and maximising returns for our shareholders over the longer term.”

Boris Ivesha

President & Chief Executive Officer



art'otel Rome Piazza Sallustio

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Greg Hegarty

Co-Chief Executive Officer

2025 in review

2025 marked the completion of the Group's multi-year development programme, which saw us invest more than £300 million in upgrading and repositioning our existing hospitality real estate portfolio and expanding our footprint in existing and new markets, with the launch of new hotels in London, Zagreb and Rome. Throughout this investment programme, we have been focused on enhancing our hospitality offer and maximising returns for our shareholders over the longer term.

We are pleased to have delivered a robust performance with reported revenue growth of 5.3% and RevPAR* growth of 2.6%, achieved in a year characterised by cost inflation and a volatile macro-economic and geo-political environment. While cost inflation and stabilised room rates put pressure on

margins, we have been focused on driving efficiencies across our markets to help mitigate operational cost pressures, such as government-led wage and social security cost increases. In line with our expectations, reported EBITDA* was up by 1.3% at £138.2 million. Our newly opened hotels had a positive impact on EBITDA*, as they are stabilising, with EBITDA* negatively impacted by the cost pressures outlined earlier. On a like-for-like basis*, revenue was up 3.7%, RevPAR* was up 2.4% and EBITDA* was 2.1% higher.

Across most of our properties, we saw increased occupancy achieved alongside a stabilisation of room rates, which was proactively managed given the trading environment. The UK delivered a solid performance against strong prior-year comparatives, with increased occupancy

and a slight increase in average room rates*. In the Netherlands and Germany, trading was more subdued, with in the Netherlands a strong comparative period, and in both regions due to pressure on occupancy and average room rates*. Our operations in Croatia, which are primarily leisure based, performed well during the peak trading months, delivering growth in average room rates*, which more than offset a slight reduction in occupancy.

Our newly opened hotels performed well, with demand growing month-on-month. All new hotels have received excellent guest feedback.

With a focus on longer-term growth, we continue to look for opportunities to expand into existing and new markets, capitalising on the strength of our unique 'Buy, Build,

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Operate' model. In September, we acquired, through our European Hospitality Fund, a development site near the City of London with plans to open our first select service hotel in London. We also acquired the freehold of our leasehold property, Park Royal in London, and the adjacent development site.

Our recent hotel openings and development plans solidify the successful evolution of PPHE as a pan-European, multi-brand hospitality real estate group, with broad customer appeal (and offerings in different market segments, located in attractive destinations) and the opportunity for attractive long-term growth.

We increased the Group's holding in Arena Hospitality Group d.d. ('AHG') to 66.1% of the share capital, acquiring shares from minority shareholders, reflecting a yield of approximately 10% on 2024 AHG EBITDA*.

➔ **Full details of the Group's financial performance are set out in the Financial Review and Business Review on pages 32 to 53.**

Completion of £300+ million development pipeline

We opened our first hotel in Italy, the much-anticipated art'otel Rome Piazza Sallustio, in March 2025, following a major repositioning project. This five-star property is located in the centre of Rome, and features a YEZI Restaurant & Bar, which is inspired by the traditional Asian teahouse style of informal eating, drinking and socialising. The hotel and restaurant have been well received by guests and are steadily building momentum as they continue to establish their market position.

Our art'otel London Hoxton development is now complete, following the soft opening in April 2024. In September, our 25th floor restaurant and bar, Solaya, opened in collaboration with Michelin chef Kenny Atkinson. The 24th floor meetings and events space launched in May, followed by the signature suites on the 23rd floor in Q4. The 5,000m² office space is currently being marketed to prospective tenants through expert agents. Since opening, we have been focused on maximising the long-term financial potential of this property, rather than focusing on short-term performance.

In addition, in Croatia, we upgraded the Arena Stupice Campsite and the Arena Indije Campsite to four-star properties, with both campsites reopening in time for the summer season.

The completion of the investment projects above, alongside other recently opened properties, including the development of art'otel Zagreb and the repositioning programmes of the Radisson RED Berlin Kudamm, Radisson RED Belgrade and Grand Hotel Brioni Pula – a Radisson Collection Hotel, marked the completion of the final phase of our multi-year investment programme.

As we extend our footprint, we will continue to implement our market segment and geographic differentiation strategy, which allows us to flex our offer and brand properties appropriately by location and target markets. This brand diversification approach includes our core upper upscale Park Plaza branded properties, our upper upscale and premium lifestyle art'otel branded properties, and more recently our Radisson Collection branded hotel and select service lifestyle Radisson RED properties in Berlin and Belgrade, and our first Radisson RED development project in London. In addition, in Croatia, our properties utilise the midscale to upscale Arena Hotels & Resorts and Arena Campsites brands (campsites, premium lodges and glamping).

Investing in people

People and culture are at the heart of our business. Our approach is focused on colleague wellbeing, engagement, learning and development, and retention, all of which support the execution of the Group's growth strategy and help our team members create memorable experiences for our guests.

We actively engage with our teams and, during 2025, we conducted two team member engagement surveys at PPHE and one at AHG. We are pleased to report that average engagement scores increased to 86.5% (2024: 84.5%) and 77% (2024: 75%) respectively, with engagement scores in the UK and the Netherlands outperforming the sector by 5%. Wellbeing scores improved by 4.5% compared with 2024, supported by initiatives such as our Employee Assistance Programme in the UK.

We continue to invest in a range of innovative learning and development programmes to support growth and development throughout colleagues' careers, including programmes to build a pipeline of future leaders, such as our 2023 Graduate Managers Cohort, who completed their programme in March 2025, our NextGen programme for team leaders, and a new format for people development workshops to enhance knowledge sharing and collaboration. In the UK, our degree apprenticeship programme continues with eight team members currently taking part, three of whom will graduate by the end of 2026.

During the year, we actively expanded our internal and external initiatives to positively impact the communities in which we operate, for example, by helping young people and those facing barriers to employment embark on a career in hospitality. In the UK, we partnered with the charity, Only A Pavement Away, which works with people facing homelessness, and prison leavers and veterans who are struggling to get into work, overcome hurdles by finding jobs within the hospitality industry. In the Netherlands, our partnership with JINC helps more than 80,000 young people each year enter the job market through education and career guidance projects. Across the Netherlands and Italy, we launched a quarterly career development campaign to showcase career development opportunities both at PPHE and externally. In Rome, we collaborated with the local government to recruit approximately 19% of the overall team members for art'otel Rome Piazza Sallustio, helping the long-term unemployed re-enter the workforce.

➔ **Read more on page 23.**



Expanded our community initiatives

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➔ **Further details can be found in the stakeholder engagement section on pages 64 to 67.**

Industry recognition

We are delighted that our properties, brands and concepts continue to be recognised through industry awards and accreditations. Notably, in London, art'otel London Battersea Power Station was awarded 'Hotel of the Year' at The Cateys 2025 and 'Best Luxury Rooftop View Hotel' at the Luxury Lifestyle Awards 2025. Our TOZI restaurant in Victoria, London, received an 'Authentic Italian Restaurant' award from the Italian Chamber of Commerce and 'Best International Cuisine' at the British Restaurant Awards 2025. In Croatia, Arena Grand Kazela Campsite, Arena One 99 Glamping and Arena Stoja Campsite have all been awarded 'Croatia's Best Campsite' by the Croatian Camping Union. art'otel Rome Piazza Sallustio was ranked among the 'Top 50 Best Hotels in Italy' by Travel + Leisure.

Technology transformation

We are continuing to adopt technologies that simplify back-office functions, support our operations, and drive guest experience and topline growth. Notably, we are well advanced in transitioning to a new cloud-based core infrastructure for our properties, with our migration to a new Oracle's cloud-based Property Management System. Our hotels in the Netherlands, Italy and most of the hotels in the UK have been migrated to this new platform in recent months, which is envisioned to bring efficiency benefits, unlock third party software integrations, and leverage data to improve the guest experience and drive efficiencies and growth.



Technology to enhance guests' overall experience

While technology is an important enabler to enhance guests' overall experience and improve efficiencies, we remain highly focused on ensuring our guests are warmly welcomed to our hotels and technology helps our teams continue to deliver high levels of service.

➔ Further details can be found on pages 28 and 29.

As part of this transformation, we have developed a new suite of Digital Experience solutions, some of which we have started to roll out already. This includes the development of a new self-service kiosk option for the UK and the Netherlands, which provides guests with a choice of how they wish to check in and out, by either using their mobile phone or these new kiosks, or going to the reception desk. By offering our guests a choice, we can better meet expectations and deliver a faster and more personalised service. New functionalities in our online check in experience will include Google Wallet and Apple Wallet mobile keys for guests to use. Our newly developed guest experience platform includes an improved room service ordering system, which is anticipated to improve conversion, and real-time guest messaging options, for which the back-end lends itself for integrations with our operations ticketing system and will unlock

further opportunities to leverage Artificial Intelligence (AI) and Robotic Process Automation (RPA).

Across the operation, in back of house, in support functions and in our customer service centre, we have identified significant opportunities to leverage AI and RPA to drive efficiency, simplify processes and positively impact the guest experience. A dedicated team drives this transformation of our operation, working closely with the business units to ensure optimum results are delivered. Successes in the year include the introduction of AI and RPA in the customer service centre, where over 50% of emails are now managed through AI and with the vast majority of guest surveys and guest feedback responded to by AI. This has enabled our team to provide greater focus on more complex matters and value generating initiatives.

In 2026, we will be implementing Dayforce, which is an AI-powered platform, bringing together our HR, payroll, compensation and benefits, workforce management and talent management functions into a single application to streamline people operations. By introducing this new platform, we anticipate benefiting from tasks automation, and data, analytics, and self-service tools for our team members.

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Guest experience

Our expert teams are dedicated to delivering unparalleled hospitality experiences, seamlessly blending exceptional service with premium products and thoughtfully designed offerings. Our unwavering commitment to excellence ensures that every guest enjoys unforgettable moments tailored to their needs and expectations, fostering lasting impressions and inspiring loyalty. In 2025, our teams achieved a robust and consistent guest experience across our portfolio. Despite ongoing cost pressures and increasing guest expectations, overall guest satisfaction rose from 87.8% to 88.1% (on a scale of 1–100%). This improvement can be attributed to the excellent feedback received by our newly opened properties and the rigorous service focus maintained by our established locations. Service quality and cleanliness remain the most significant drivers of positive guest sentiment. Additionally, we have increased the number of guest responses and implemented a more consistent approach to service recovery, supported by refreshed brand standards and comprehensive training programmes.

Longer-term development pipeline

We are always identifying and assessing new opportunities where we can leverage our unique business model and drive value for our stakeholders through the hospitality real estate value chain. This includes reviewing opportunities to enhance existing assets in existing markets, as well as exploring opportunities to expand our portfolio in existing and new markets.

Our longer-term development pipeline in London currently comprises four development sites, of which three sites have planning.

In September 2025, through a subsidiary of our European Hospitality Real Estate Fund, we acquired a prime mixed-use development site near the City of London for £17.5 million. The project, which is expected to be completed in 2029, will feature a select service Radisson RED lifestyle hotel. The hotel will have a minimum of 182 rooms, a restaurant, bar and gym, as well as approximately 4,000m² of office space. The total investment in the project is expected to be approximately £90 million, including the site acquisition price, with an expected running unlevered annual yield of high single digits at stabilisation. The development will focus on sustainability, targeting a BREEAM 'Excellent' environmental accreditation.

In the South Bank area of London, close to our Park Plaza London Waterloo and Park Plaza London Westminster Bridge properties, we have planning permission for a hotel-led, mixed-use development at 79–87 Westminster Bridge Road, purchased for £12.9 million in 2019. The hotel will be a midscale, design-led concept comprising up to 186 rooms over 15 floors, and it will include two floors of office and light industrial space (approximately 800m²), activated by a flexible-use ground floor public space featuring an all-day dining bar and café. The building's design will focus heavily on sustainability, transforming a former brownfield site, and will also target a BREEAM 'Excellent' environmental accreditation.

In central London, at our Park Plaza London Victoria property, we are advancing our design scheme to create an additional 79 subterranean rooms. By amending our originally consented scheme of 179 subterranean rooms, we are fully optimising value through retaining the meetings and events spaces, which have seen good demand since the pandemic.

In west London, for the landsite adjacent to our Park Plaza London Park Royal property, our original design scheme for the development of a 465-room hotel (for which planning was granted) has been amended to develop a 616-room co-living aparthotel. This new scheme has been granted planning consent and we are currently exploring further value generating options for this development project.

In New York, where we own a landsite near Hudson Yards, we demolished the existing structures in 2024 and acquired the air rights in 2025, creating further value for the development site. The site has been sold post balance sheet to a Real Estate developer for \$33.5 million.

Focus on sustainability

We made further progress against our sustainability commitments. As planned, we submitted the Group's emission reduction targets to the Science Based Targets initiative (SBTi). This includes both 2035 near-term targets and 2050 long-term and net zero targets, covering Scopes 1, 2 and 3. The submission was backed by an extensive decarbonisation plan developed in collaboration with the Engineering and Procurement teams, with support from external specialists, which provides a clear roadmap to achieve the targets. Another area of progress in 2025 is waste management, with an increase in recycling rates across many of our hotels. This was achieved by introducing food waste bins in more properties and running training sessions on waste segregation with our team members. We also made further progress towards BREEAM In-Use building certifications, with three of our properties expected to be certified in early 2026 and more to follow later in the year.

We have expanded our engagement with local communities through more structured partnerships with charities, such as The Children's Society in the UK and JINC in the Netherlands, and we have seen an increased uptake of the volunteering day by team members. We have also stepped up communication of sustainability efforts, both internally and externally, through more regular use of social media and our internal communications platform Youiverse.

Looking ahead

Notwithstanding wider macro-economic volatility and fiscal headwinds, the Board expects to build on the Group's 2025 performance and further grow revenue and EBITDA in 2026, driven by the growing contribution from recent investments and our newly opened hotels.

As at the end of February 2026, forward booking momentum across all regions is encouraging following a strong start to the year, and the Board remains confident in delivering results for the financial year ending 31 December 2026 in line with market expectations*.

We extend our heartfelt gratitude to all our team members for their dedication and exceptional service, which has resulted in high levels of guest satisfaction. Furthermore, we want to thank our shareholders for their support.

Boris Ivesha

President & Chief Executive Officer

Greg Hegarty

Co-Chief Executive Officer

* At 26 February 2026, the Company compiled analyst consensus forecast range for the financial year ending 31 December 2026 showed a revenue range of £473 million to £489 million and an EBITDA range of £147 million to £148 million.