



People,

art'otel London Hoxton



Places,

Arena Stupice – Croatia



Experiences

art'otel London Hoxton – Solaya London

Chairman's Statement

“The strategic progress and revenue growth delivered during the year reflect the attractiveness and strength of our portfolio”



Ken Bradley
Chairman

Welcome

I am pleased to report that the Group continued to make strategic progress during 2025, a year which saw the completion of our largest-ever investment programme, with the opening of our first hotel in Italy and the full opening of our flagship art'otel London Hoxton, the strengthening of our development pipeline and our unwavering commitment to delivering memorable experiences for our guests.

A key focus for the year has been on optimising our newly and recently opened hotels as they become established in their markets to unlock value, whilst also actively managing costs and driving efficiencies across our operations.

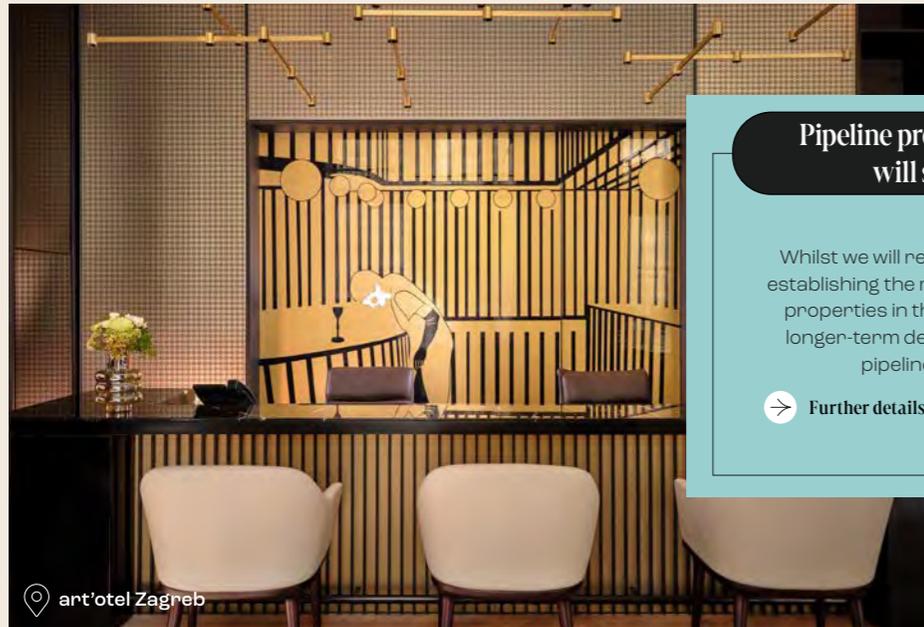
The strategic progress and revenue growth delivered during the year reflect the attractiveness and strength of our portfolio, which utilises attractive brands across appealing destinations serving diversified market segments underpinned by our unique 'Buy, Build, Operate' business model, which in turn provides exposure and returns across the entire hospitality real estate value chain.

Environmental, Social and Governance strategy

The Board is focused on sustainability and good corporate governance, and we recognise the importance of engagement with all our stakeholders to understand their priorities. The Board and the Executive Leadership Team regularly meet with shareholders, and we actively engage with our team members through engagement surveys and town hall meetings.

We have continued to advance our Environmental, Social, and Governance (ESG) strategy, further enhancing the sustainability profile of our operations and social impact. We strive to minimise our impact on the environment across our markets, with a focus on having a positive impact on all our stakeholders, including team members, guests, partners and those in our local communities.

A double materiality assessment was conducted in Q2 2025 to identify a list of material impacts, risks and opportunities (IROs) for our business, and to understand the most important issues for our stakeholders, as well as how societal and environmental factors affect the Group.



art'otel Zagreb

Pipeline projects and asset optimisation will support future growth

Whilst we will remain focused on building profile and establishing the market positions of recently launched properties in the year ahead, the Group also has a longer-term development and asset enhancement pipeline to support future growth.

→ Further details can be found in the CEO report on page 19.



Radisson RED Belgrade

This was marked by a series of four workshops with senior PPHE leaders, including all relevant teams such as ESG, Legal, Finance, Procurement, Engineering, HR and Operations. The material IROs identified included climate change adaptation, water consumption, investment in energy efficiency measures, gender equality and ethical issues in the supply chain. This double materiality assessment succeeded the one completed in 2022. While PPHE is not yet in scope of the Corporate Sustainability Reporting Directive (CSRD), this assessment was conducted based on the same criteria set out by the regulation, so PPHE is aligned with future compliance requirements.

→ Further details can be found in the CEO Review: page 19.

The Board

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

As a Board, we work closely with our highly skilled Executive Leadership Team to drive forward our growth strategy and longer-term development pipeline. Against a challenging backdrop of macro-economic pressures and geo-political uncertainty, I would like to take this opportunity to thank the Board and Executive Leadership Team, as well as our team members, for their contribution and commitment throughout 2025.

Dividends

We are committed to delivering value to our shareholders, which is reflected in our progressive dividend policy.

The Board has declared a proposed final dividend of 22 pence per ordinary share. Together with the interim dividend of 17 pence per ordinary share, the total dividend for the 2025 financial year is 39 pence per ordinary share, an increase of 2.6% compared with 2024.

→ Further details on the dividend are set out in the Financial Review on page 41.

Offer Period

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. As part of the Strategic Review, the Board will consider options, including but not limited to, a range of potential actions to improve shareholder value, introducing growth capital into the Group or its portfolio, or a potential sale of all or part of the issued share capital of the Group.

Well-positioned for future growth

Following the completion of our largest ever investment cycle, which leveraged our unique 'Buy, Build, Operate' business model expertise, the Group has a well-invested portfolio of 50 operational properties in prime locations, which operates under seven brands, across eight countries in Europe. This, combined with our expert teams, makes our properties attractive and allows us to deliver memorable experiences for our guests.

Whilst we will remain focused on building profile and establishing the market positions of recently launched properties in the year ahead, the Group also has a longer-term development and asset enhancement pipeline to support future growth.

→ Read more on our development pipeline on page 19.

Ken Bradley
Chairman

50
properties in operation

8
key countries in Europe