

Topline growth with newly opened hotels ramping up

“Despite the challenging macro backdrop and operating in a highly inflationary environment, the Group’s strong focus on cost control enabled us to achieve EBITDA* growth.”

Daniel Kos

Chief Financial Officer & Executive Director



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Overview of 2025

The year unfolded as a story of gradually strengthening performance, strategic expansion and improving balance sheet resilience amid a still volatile macro-economic backdrop. The Group reported a 5.3% increase in total revenue through rate and occupancy growth.

The Group experienced a slow start to the first half of the year, with ongoing normalisation of room rates across several markets. Strong occupancy growth, particularly in the second quarter, resulted in overall RevPAR* and total revenue growth in the first six months of the year. The second half of the year saw average room rates* increasing and, with occupancy growth, this resulted in an acceleration of the revenue growth for the year.

Whilst occupancy is an important contributor to RevPAR*, margins remain sensitive to movements in room rates and cost inflation. EBITDA* increased by 1.3%, the EBITDA margin* declined by 120 basis points, particularly due to the dilutive effect that newly opened hotels have with a maturing EBITDA* profile.

Operational efficiency initiatives helped mitigate the impact of cost inflation and government-driven wage and tax increases.

The art’otel London Hoxton continued to ramp up, with the office space actively marketed and the top-floor restaurant and suites opening in the fourth quarter. The art’otel successfully opened in April, receiving strong guest feedback, and the Group further strengthened its future pipeline through the acquisition of a landsite near the City of London.

Liquidity and balance sheet resilience improved through a series of refinancings, extending average maturities and enhancing the Group’s funding position. The Group also acquired the freehold of an existing leasehold hotel and adjacent development site located at Park Royal in London.

Financial results

Key financial statistics for the financial year ended 31 December 2025.

	Reported			Like-for-like ^{1†}		
	Year ended 31 December 2025	Year ended 31 December 2024	% change ²	Year ended 31 December 2025	Year ended 31 December 2024	% change ²
Occupancy ³	75.1%	74.5%	60bps	75.8%	74.5%	130bps
Average room rate* ³	£164.3	£161.5	1.7%	£163.0	£161.9	0.7%
RevPAR* ³	£123.4	£120.3	2.6%	£123.5	£120.6	2.4%
Total revenue	£466.4 million	£442.8 million	5.3%	£456.9 million	£440.8 million	3.7%
Total room revenue ³	£330.4 million	£317.2 million	4.2%	£323.0 million	£315.4 million	2.4%
EBITDA*	£138.2 million	£136.5 million	1.3%	£139.0 million	£136.1 million	2.1%
EBITDA margin*	29.6%	30.8%	(120)bps	30.4%	30.9%	(50)bps
Adjusted EPRA EPS*	125p	125p	(0.7)%	n/a	n/a	n/a
EPRA NRV per share*	£27.35	£27.51	(0.6)%	n/a	n/a	n/a
Reported PBT	£1.5 million	£30.6 million	(95.2)%	n/a	n/a	n/a
Normalised PBT*	£34.2 million	£38.8 million	(11.9)%	n/a	n/a	n/a
Reported EPS	32p	67p	(53.0)%	n/a	n/a	n/a
Reported diluted EPS	31p	66p	(53.0)%	n/a	n/a	n/a

¹ The like-for-like* figures exclude the 2025 results from the newly opened art’otel Rome Piazza Sallustio, the results of the first three months of 2025 from art’otel London Hoxton and the last four months of 2024 of the recently terminated leasehold of Park Plaza Wallstreet Berlin Mitte.

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

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

Revenue

Reported total revenue was up 5.3% to £466.4 million and like-for-like* total revenue rose 3.7% to £456.9 million. Like-for-like* revenue was supported by increased RevPAR* levels and solid meetings and events revenue growth and reported revenues were further positively impacted by the increased contribution of newly opened hotels.

2025 RevPAR* was £123.4, an increase of 2.6%. This reflected good growth in occupancy and an 1.7% increase in average room rates* to £164.3.

EBITDA*, profit and earnings per share

The Group reported EBITDA* of £138.2 million for 2025, compared to £136.5 million in the previous year. The EBITDA margin* showed a marginal year-on-year decline to 29.6%, down from 30.8% in 2024. This decline was largely caused due to the dilutive effect that newly opened hotels have with a maturing EBITDA* profile. As was the case last year, the Group this year focused on enhancing efficiencies within back-office functions through automation and increasing productivity levels.

Reported basic earnings per share for the period was 32 pence, compared to 67 pence in 2024. Depreciation for the year, including impairments of £23.7 million, amounted to £72.3 million (2024: £47.1 million). While depreciation is recorded in accordance with IFRS, internally, we consider the ongoing average capital expenditure (CAPEX) over the lifespan of our hotels as a more pertinent measure for determining profit. In the hospitality industry, this is approximately 4% of total revenue. Our EPRA earnings* are calculated using this 4% rate instead of the reported non-cash depreciation change (refer to the EPRA earnings* table on page 37).

Normalised profit before tax* declined to £34.2 million, compared to £38.8 million in 2024. Reported profit before tax decreased by £29.1 million to £1.5 million (2024: £30.6 million), mainly due to impairments of £23.7 million recorded this year. Further details can be found in the normalisation adjustments table on page 34.

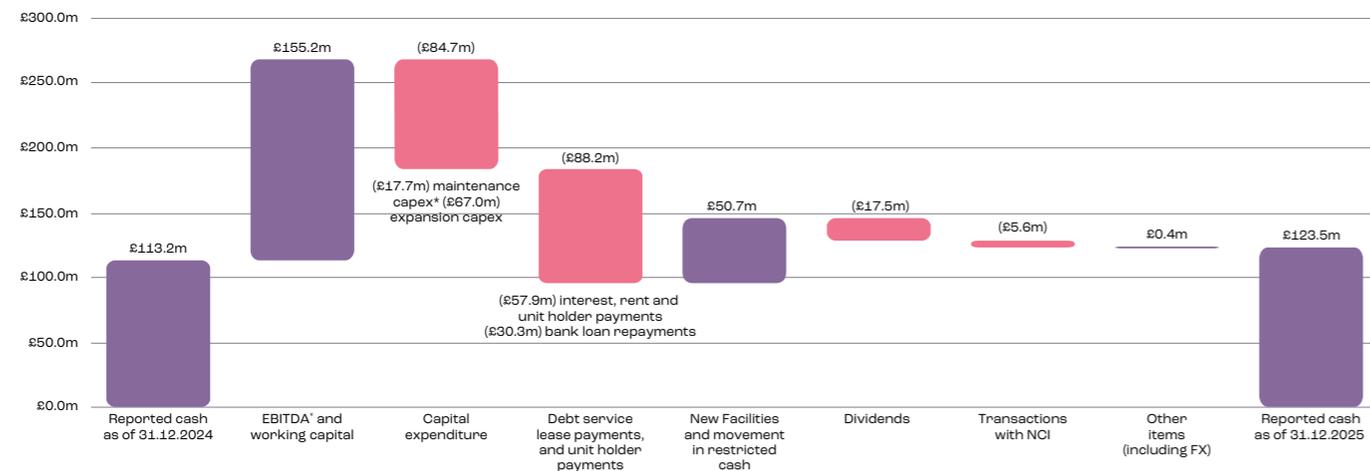
Cash flow and EPRA earnings*

In 2025, the Group had a positive operational cash flow of £155.2 million. Debt service costs decreased to £88.2 million (2024: £95.2 million), mainly due to a decrease of loan amortisation to £30.3 million (2024: £41.2 million) offset by an increase in net interest expenses to £54.0 million (2024: £49.9 million). Main driver for the change compared to last year is the refinancing of the Dutch hotel portfolio last year and the finance costs contribution of newly opened hotels.

Investment cash flows reported an outflow of £84.7 million, with around £67.0 million due to developments and acquisitions and £17.7 million dedicated to maintenance CAPEX* projects. The £300+ million investment pipeline is now largely complete.

The Group reported adjusted EPRA earnings* of £52.9 million (2024: £53.2 million), with adjusted EPRA earnings per share* of 125 pence (2024: 125 pence). Adjusted EPRA earnings* was affected by the increase in the net interest expenses offset by the increased ownership stake of the Group in Arena Hospitality Group.

Free cash flow allocated to expansion and dividend distributions



Normalised profit before tax*

£million	12 months ended 31 December 2025	12 months ended 31 December 2024
Reported profit before tax	1.5	30.6
Loss on buy-back of units in Park Plaza London Westminster Bridge from private investors	1.1	1.5
Non-cash re-measurement of lease liability	4.1	4.0
Refinance expenses	–	2.6
Gain on lease termination	(2.1)	–
Non-cash changes in fair value of Park Plaza County Hall London Income Units	(0.2)	(0.5)
Pre-opening expenses and other non-recurring expenses	1.5	3.9
Capital loss on disposal of fixed assets and inventory, net	0.2	0.2
Non-cash changes in fair value of financial instruments	4.4	(3.5)
Property impairment	23.7	–
Normalised profit before tax*	34.2	38.8

Real estate performance

Valuations

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

In December 2025, the Group's properties (excluding operating leases and managed and franchised properties) were independently valued primarily by Savills for properties in the Netherlands, the UK, Germany and Italy, and by Zagreb Nekretnine Ltd (Zane) for the properties in Croatia.

Based on these valuations, we have calculated the Group's EPRA NRV*, EPRA NTA* and EPRA NDV*. As of 31 December 2025, the EPRA NRV*, as detailed in the EPRA performance measurement section below, amounts to £1,157.4 million (2024: £1,163.3), equating to £27.35 per share (2024: £27.51 per share).

The EPRA NRV* was positively impacted by the £13.2 million profit for the year, as well as a £22.2 million increase resulting from favourable foreign currency translation to the British Pound and the increased ownership stake in Arena Hospitality Group. However, this was offset by a £15.9 million reduction due to dividend distributions and £75m due to negative property revaluations in the UK following increases in business rates.

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

Actualised trading versus assumption in 2024 valuations

	Discount rates		Cap rates	
	2025 Valuations	2024 Valuations	2025 Valuations	2024 Valuations
United Kingdom	7.75%–10.75%	7.75%–10.50%	5.25%–8.25%	5.25%–8.00%
The Netherlands	8.00%–10.25%	8.25%–9.75%	5.50%–7.75%	5.75%–7.25%
Germany	8.25%–9.25%	8.25%–9.25%	5.75%–6.75%	5.75%–6.75%
Croatia	8.00%–11.00%	8.00%–11.00%	6.00%–9.00%	6.00%–9.00%

Financial Review – continued

EPRA performance measurement

EPRA summary

	Summary of EPRA performance indicators			
	Year ended 31 December 2025		Year ended 31 December 2024	
	£ million	Per share	£ million	Per share
EPRA NRV (Net Reinstatement Value)*	1,157.4	£27.35	1,163.3	£27.51
EPRA NTA (Net Tangible Assets)*	1,129.1	£26.69	1,134.1	£26.82
EPRA NDV (Net Disposal Value)*	1,076.8	£25.45	1,101.3	£26.05
EPRA earnings*	66.9	160p	60.7	143p
Adjusted EPRA earnings*	52.9	125p	53.2	125p

EPRA NRV*

£ million	31 December 2025			31 December 2024		
	EPRA NRV*	EPRA NTA* ⁴	EPRA NDV*	EPRA NRV*	EPRA NTA* ⁴	EPRA NDV*
NAV per the financial statements	321.4	321.4	321.4	312.7	312.7	312.7
Effect of exercise of options	0.7	0.7	0.7	0.5	0.5	0.5
Diluted NAV, after the exercise of options ¹	322.1	322.1	322.1	313.2	313.2	313.2
Includes:						
Revaluation of owned properties in operation (net of non-controlling interest) ²	803.2	803.2	803.2	824.5	824.5	824.5
Revaluation of the joint venture interest held in two German properties (net of non-controlling interest) ²	8.1	8.1	8.1	6.3	6.3	6.3
Fair value of fixed interest rate debt	–	–	(11.5)	–	–	(6.8)
Deferred tax on revaluation of properties	–	–	(45.1)	–	–	(35.9)
Real estate transfer tax ³	21.7	–	–	21.6	–	–
Excludes:						
Fair value of financial instruments	14.3	14.3	–	18.3	18.3	–
Deferred tax	(16.6)	(16.6)	–	(16.0)	(16.0)	–
Intangibles as per the IFRS balance sheet	–	6.6	–	–	7.6	–
NAV	1,157.4	1,129.1	1,076.8	1,163.3	1,134.1	1,101.3
Fully diluted number of shares (in thousands) ¹	42,311	42,311	42,311	42,288	42,288	42,288
NAV per share (in £)	27.35	26.69	25.45	27.51	26.82	26.05

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.

3 EPRA NTA* and EPRA NDV* reflect fair value net of transfer costs. Transfer costs are added back when calculating EPRA NRV*.

4 NTA is calculated under the assumption that the Group does not intend to sell any of its properties in the long run.

EPRA earnings*

	12 months ended 31 December 2025 £ million	12 months ended 31 December 2024 £ million
Earnings attributed to equity holders of the parent company	13.2	28.2
Depreciation, amortisation and impairment	72.3	47.1
Revaluation of Park Plaza County Hall London Income Units	(0.2)	(0.5)
Changes in fair value of financial instruments	4.4	(3.5)
Non-controlling interests in respect of the above ³	(22.8)	(10.6)
EPRA earnings*	66.9	60.7
Weighted average number of ordinary shares outstanding (in thousands)	41,840	42,045
EPRA earnings per share* (in pence)	160	143
Company specific adjustments¹:		
Capital loss on buy-back of Income Units in Park Plaza London Westminster Bridge	1.1	1.5
Re-measurement of lease liability ⁴	4.1	4.0
Disposals and other non-recurring expenses (including pre-opening expenses) ⁷	1.7	4.1
Refinance expenses	–	2.6
Adjustment of lease payments ⁵	(2.5)	(2.6)
One-off tax adjustments ⁶	(0.7)	(1.7)
Maintenance CAPEX* ²	(18.7)	(17.7)
Lease termination ⁸	(2.1)	–
Non-controlling interests in respect of maintenance CAPEX* and the adjustments above ³	3.1	2.3
Company specific adjusted EPRA earnings*	52.9	53.2
Company specific adjusted EPRA earnings per share* (in pence)	125	125
Reconciliation Company adjusted EPRA earnings* to normalised PBT*:		
Company adjusted EPRA earnings*	52.9	53.2
Reported depreciation and amortisation	(72.3)	(47.1)
Non-controlling interest in respect of reported depreciation	22.8	10.6
Maintenance CAPEX* ²	18.7	17.7
Non-controlling interest on Maintenance CAPEX* and the Company specific adjustments ³	(3.1)	(2.3)
Adjustment of lease payments ⁵	2.5	2.6
One-off tax adjustments ⁶	0.7	1.7
Profit attributable to non-controlling interest ³	(12.6)	(0.5)
Impairment ⁹	23.7	–
Reported tax	0.9	2.9
Normalised profit before tax*	34.2	38.8

1 The 'Company specific adjustments' represent adjustments of non-recurring or non-trading items.

2 Calculated as 4% of revenues, which represents the expected average maintenance capital expenditure required in the operating properties.

3 Non-controlling interests include the non-controlling shareholders in Arena, third party investors in Income Units of Park Plaza London Westminster Bridge and the non-controlling shareholders in the partnerships with Clal that were entered into in June 2021 and in March 2023.

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

5 Lease cash payments which are not recorded as an expense in the Group's income statement due to the implementation of IFRS 16.

6 Mainly relates to deferred tax asset on carry forward losses recorded in 2024 and 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 annual consolidated financial statements).

Category	Year ended 31 December 2025 £ million	Year ended 31 December 2024 £ million
	Group ¹	Group ¹
Acquisitions	18.4	–
Development	41.6	53.3
Investment properties	17.7	16.0
Incremental lettable space	–	–
No incremental lettable space	17.7	16.0
Tenant incentives	–	–
Other material non-allocated types of expenditure	–	–
Capitalised interest	0.2	1.9
Total CAPEX	77.9	71.2
Conversion from accrual to cash basis	1.9	2.9
Total CAPEX on cash basis	79.8	74.1

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

Other EPRA measurements

Given that the Group’s asset portfolio 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.

Capital structure

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

Our partnerships, including third party unit holders in Park Plaza London Westminster Bridge, shareholders in our listed Croatian subsidiary and individual professional partners across several assets, provide long-term equity, thereby sharing the risks and returns on each asset. In 2025, the Group acquired a further stake in its subsidiary Arena Hospitality Group d.d. (‘AHG’) from minority shareholders and, following this acquisition, the Group holds 66.1% of the share capital of AHG.

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

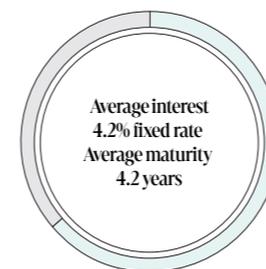
In 2025, the Group bought back the freehold of the existing leasehold hotel and adjacent development site located at Park Royal in London for £10 million, equating to a yield of 4.8%.

Furthermore, our asset-backed mortgages are mainly established with long-standing banking partners, featuring one- to ten-year maturities and either fixed or variable rates with hedging arrangements. These mortgages include covenants relating to asset value (loan-to-value) and trading performance (interest or debt service cover ratios*). The debt raised on trading assets generally represents about up to 50% of their value, with appropriate buffers maintained towards loan covenants. Additionally, some loans are amortised annually with a fixed percentage of the nominal amount over the term. The current net bank debt leverage (EPRA LTV*) percentage stands at 34.8%.

During the year, the Group successfully refinanced three loan facilities totalling approximately £220 million that were due to mature in early 2026. The £88 million facility previously financed by MassMutual was refinanced with ABN AMRO Bank and Santander. Importantly, the interest rate on this facility had been prehedged in 2022—prior to the significant uplift in global interest rates—locking in an all-in rate of 3.9%. The remaining two maturing loans were refinanced with existing lenders at prevailing market rates.

The Group’s average interest is now 4.2% (89.1% fixed or hedged), with an average remaining maturity of 4.2 years.

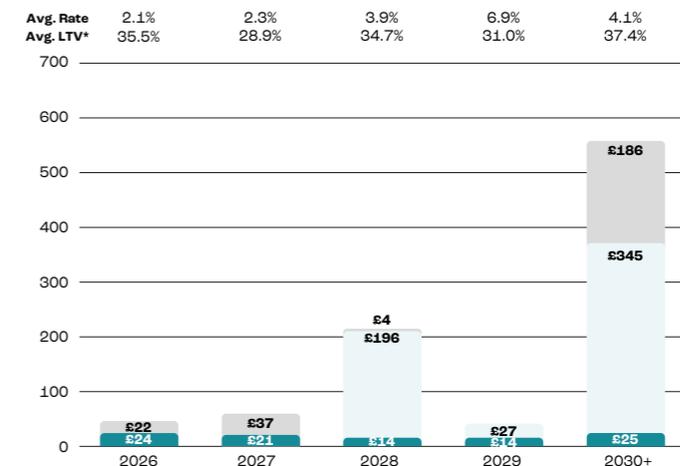
Gross debt composition and metrics



○ £582m GBP denominated
○ £330m EUR denominated

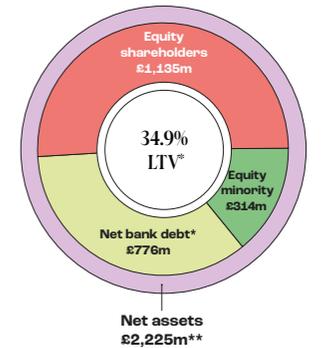
Debt maturity schedule

(£ in millions)



● Regular amortisation
○ EUR facility
○ GBP facility

Net bank debt leverage (LTV)*



** Includes assets at market value, with ground rent liabilities included in the asset valuation. Units at Park Plaza London Westminster Bridge owned by private investors are netted off with the unit holder liability.

Net debt* leverage/EPRA LTV* reconciliation

	Group as reported under IFRS £ million	Adjustments to arrive at EPRA Group LTV* £ million	Group EPRA LTV* before non-controlling interest adjustment £ million	Proportionate consolidation (non-controlling interest) £ million	Combined EPRA LTV* £ million
Include:					
Borrowings (short-/long-term)	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 Westminster Bridge hotels	(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 as not material.



Capital expenditure/development pipeline update

With the tail of our expansion CAPEX of £60.2 million, we have now come to an end of a multi-year £300+ million expansion, with five hotels opening in the last 24 months.

The construction phase of our new hotel in Hoxton, London (art'otel London Hoxton) was largely completed in December 2025, following a phased opening and continues to be carefully managed to maximise the long-term financial potential of the property. The 25th-floor French Mediterranean restaurant, Solaya, opened in September. The 5,000m² of premium office space is currently being marketed to prospective tenants.

In Rome, the full repositioning and construction of art'otel Rome Piazza Sallustio was completed, and the hotel opened in March. The hotel continues to establish its market position and to receive excellent feedback.

We are continuously striving to enhance our existing portfolio and seek out promising opportunities to acquire additional assets to expand the Group's holdings. In 2025, the Group, via the European Hospitality Fund, acquired a development site near the City of London for £17.5 million, earmarked for PPHE's first select service hotel in London. The Group expects an investment of c.£90 million for this project, including the site acquisition price, with an expected running unlevered yield of a high single digit at stabilisation.

The diagram above summarises our investments over the past decade, with the capital expenditures of the last four years attributable to recent openings.

Dividend

The Board proposes increasing the final dividend to 22 pence per share (2024: 21 pence). Combined with the interim dividend of 17 pence, the total for the financial year will be 39 pence per share, a 2.6% increase from 2024.

Pending approval at the 2026 Annual General Meeting in May 2026, the final dividend will be paid on 29 May 2026 to all shareholders who are on the register as of 24 April 2026.

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

Daniel Kos
Chief Financial Officer & Executive Director