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**Hostelworld Group plc ("Hostelworld" or the "Group")**

**2023 AGM Statement**

**FY 2023 financial performance to exceed market expectations<sup>1</sup>**

**Hostelworld announces refinancing of legacy debt facility**

09 May 2023: Hostelworld, a leading global social network powered OTA focused on the hostelling category, is holding its AGM today at 12 noon at the offices of the Company, Charlemont Exchange, Charlemont Street, Dublin 2.

At the AGM, **Michael Cawley, Chairman of Hostelworld**, will make the following statement:

*"I am pleased to report that the strong start to 2023 which we outlined in our Preliminary Results announcement in March has continued. Bookings in many key destinations are above 2019 levels with the Asian market, in particular, recovering strongly as Covid related restrictions were lifted. Bed prices are ahead of 2019 levels reflecting, in part, a lower level of inventory supply but primarily driven by strong demand. The combination of higher bed prices and booking volumes has resulted in a record level of revenue<sup>2</sup> in Q1. Hostelworld's new unique social network which was only introduced to customers in mid-2022 is also proving to be hugely popular and has helped deliver market share gains in key markets.*

*As a result of this strong performance and in the absence of any deterioration in the macro-economic environment, the reintroduction of Covid restrictions or air travel disruptions, we expect bookings and revenue to grow by 30% over 2022 and our adjusted EBITDA to be in the range of €16.5 million to €17 million for the full year<sup>1</sup>.*

*As you are aware, the Group recently made a voluntary early repayment of €10 million of its €30 million term loan facility with HPS<sup>3</sup>. Today I am pleased to announce that the Group has now fully refinanced this legacy facility following the agreement of a new 3-year facility with Allied Irish Banks plc ('AIB'). This facility is comprised of a €10 million term loan, a €7.5 million revolving credit facility ('RCF') and an undrawn €2.5 million overdraft. The term loan and RCF each have an initial interest rate payable of 3.75% over EURIBOR, reducing to 3.25% where the ratio of Net Debt to adjusted EBITDA is less than 2 times and, 2.65% where the ratio is less than 1 times. The new facility includes a customary security package and financial covenants as would be standard for a financing transaction of this nature.*

*This new facility, with materially lower interest costs, significantly strengthens our balance sheet, represents a strong endorsement of our post-pandemic performance, and consolidates the firm foundations upon which we will drive profitable growth and create shareholder value."*

**AGM details:**

The results of the resolutions relating to the AGM will be published later today. Further information relating to the AGM is published on the Company's website:

<https://www.hostelworldgroup.com/investors/aggm-information/2023>

**MAR information**

This announcement contains inside information for the purposes of Article 7 of the UK version of the Market Abuse Regulation (EU 596/2014) ("MAR") which is part of UK law by virtue of the European Union (Withdrawal) Act 2018. For the purposes of MAR and Article 2 of Commission Implementing Regulation (EU) 2016/1055, this announcement is being made on behalf of the Company by Caroline Sherry, Chief Financial Officer.

For further information please contact:

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**About Hostelworld Group**

Hostelworld Group Plc is a ground-breaking social network powered OTA focused on the hostelling category, with a clear mission to help travellers find people to hang out with. Our mission statement is founded on the insight that the vast majority of travellers go hostelling as a means to meet other people; which we facilitate through a series of Social features on our platform that connect our travellers in hostels and cities based on their booking data. To date the strategy has been extraordinarily successful, generating significant word of mouth recommendations from our customers and strong endorsements from our Hostel partners.

Founded in 1999, Hostelworld is a well-known trusted brand with 250 employees across 11 countries; hostel partners in 170 countries; and a strong commitment to building a better world in all that we do. In particular, our focus in the last few years has been on improving the sustainability of hostelling industry, through our membership of the Global Sustainable Tourism Council (GSTC); our active involvement in the Global Tourism Plastics Initiative (GTPi); our partnerships with Bureau Veritas to establish emissions benchmarks for the hostelling industry; and our recent partnership with the South Pole to be a climate neutral company in 2021 and 2022.

**Disclaimer**

*This announcement contains forward-looking statements. These statements relate to the future prospects, developments and business strategies of Hostelworld. Forward-looking statements are identified by the use of such terms as "believe", "could", "envisage", "estimate", "potential", "intend", "may", "plan", "will" or variations or similar expressions, or the negative thereof. Any forward-looking statements contained in this announcement are based on current expectations and are subject to risks and*

*Any forward-looking statements contained in this announcement are based on current expectations and are subject to risks and uncertainties that could cause actual results to differ materially from those expressed or implied by those statements. If one or more of these risks or uncertainties materialize, or if underlying assumptions prove incorrect, Hostelworld's actual results may vary materially from those expected, estimated or projected. Any forward-looking statements speak only as at the date of this announcement. Except as required by law, Hostelworld undertakes no obligation to publicly release any update or revisions to any forward-looking statements contained in this announcement to reflect any change in events, conditions or circumstances on which any such statements are based after the time they are made.*

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<sup>1</sup> FY 2023 current market Adjusted EBITDA expectations, as per company compiled consensus, is €14.6m

<sup>2</sup> Revenue is gross revenue less cancellations

<sup>3</sup> HPS means, together, certain funds (or affiliates or subsidiaries of such funds) and/or accounts managed, advised or controlled by HPS Investment Partners, LLC or its subsidiaries or affiliates

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