



31 October 2024

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

Q3 Trading Update

A robust performance driven by growing occupancy

PPHE Hotel Group, the international hospitality real estate group which develops, owns and operates hotels and resorts, is pleased to announce a trading update for the three months ended 30 September 2024 ("Q3" or the "Period").

Q3 Financial highlights

- Like-for-like¹ total revenue growth of 1.8% on Q3 2023 to £143.5 million (Q3 2023: £141.0 million) with growth reported in all of the Group's regions despite the weakening of the Euro (c.50% of revenues).
- Reported revenue increased by 5.1% to £148.2 million notably benefiting from the recent hotel openings of art'otel Zagreb and art'otel London Hoxton.
- Like-for-like¹ average room rate was £171.6, down by 2.7% on Q3 2023. On a reported basis, the average room rate was £171.8 (Q3 2023: £176.4), impacted by the phased openings of new properties.
- Like-for-like¹ occupancy continued to improve to 81.5% (Q3 2023: 77.5%). On a reported basis, occupancy was 79.5%, reflecting the previously announced later than planned opening of new hotels.
- As a result, like-for-like¹ RevPAR was £139.8, an increase of 2.3% on Q3 2023 (Q3 2023: £136.7). On a reported basis RevPAR was £136.6.
- In the UK and the Netherlands, the Group's hotels delivered a stable performance characterised by continued occupancy increases, partially offset by minor rate decreases. In Germany the growth was more notable, benefiting from strong occupancy growth while maintaining rates. In Croatia, which reported its peak season, the Group's hotels, apartments and campsites performed well during the peak trading months of July and August, with a minor decline in September due to poor weather conditions impacting last-minute bookings.

Operational and strategic highlights

- Good strategic progress against our £300m+ pipeline:
 - Completion of Radisson RED Berlin Kudamm in mid-September 2024. The hotel is now fully operational following its soft opening in June 2024 and is achieving excellent guest feedback.
 - art'otel London Hoxton is nearing completion, with approximately 90% of rooms, the gym on the 26th floor, and meetings & events spaces on the 24th floor now in operation. The hotel's meetings & events offering has been well received, reflecting the quality of the product and expertise and efforts of our teams. The hotel is expected to be completed and fully open during Q4 2024.
 - The art'otel Rome Piazza Sallustio repositioning project is progressing well, with the soft opening now expected in early 2025.

Post-period and outlook

- Post the period end, on 16 October 2024, the Group concluded its £4.0 million share buyback programme which was announced on 11 July 2024. This programme followed a previous share buyback programme in March 2024 that amounted to £3.8 million. In total the Group acquired 616,966 shares in 2024 at a weighted average price of £12.74 per share, a more than 50% discount to the 30 June 2024 EPRA NIRV of £26.24.
- Trading remains in line with current market expectations² and the Board remains confident in the Group's FY24 outlook, underpinned by our high-quality assets and continued strategic momentum.

¹ Like-for-like performance metrics exclude the results from the newly opened art'otel Zagreb and art'otel London Hoxton.

² As at 24 October 2024, PPHE compiled analyst consensus forecast range for FY 2024 showed a revenue range of £429.1 million to £446.0 million, with a consensus mean of £438.5m, and an EBITDA range of £137.0 million to £139.6 million, with a consensus mean of £138.1m.

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

"We are pleased to have delivered a quarter of RevPAR and occupancy growth, aided by the continued return in demand across corporate, business, and meetings & events segments.

During the Period, the Group made good progress against our £300m+ pipeline, including the completion of Radisson RED Berlin Kudamm and the opening of more guest rooms, a gym and meetings & events spaces at art'otel London Hoxton. We are delighted by the excellent feedback from guests following the openings, and I would like to thank our team members for their continued hard work. Our commitment to delivering high quality assets and services is paramount and these latest openings are testament to our thoughtful approach to creating hospitality offerings destinations with lasting appeal.

The Group has a strong platform for continued growth, with newly opened hotels ramping up in performance, and we look forward to building on this momentum over the remainder of the financial year."

Reported key financial statistics

For the three months ended 30 September 2024 (unaudited)

	Reported			Like-for-like ¹		
	Three months ended 30 September 2024	Three months ended 30 September 2023	% change	Three months ended 30 September 2024	Three months ended 30 September 2023	% change
Total revenue	£148.2 million	£141.0 million	5.1%	£143.5 million	£141.0 million	1.8%
Total room revenue	£104.0 million	£98.6 million	5.5%	£100.4 million	£98.6 million	1.8%
Occupancy	79.5%	77.5%	200 bps	81.5%	77.5%	400 bps
Average room rate	£171.8	£176.4	(2.6)%	£171.6	£176.4	(2.7)%
RevPAR	£136.6	£136.7	(0.1)%	£139.8	£136.7	2.3%

¹ The like-for-like figures exclude the results of art'otel London Hoxton and art'otel Zagreb for the Period.

For the nine months ended 30 September 2024 (unaudited)

	Reported			Like-for-like ¹		
	Nine months ended 30 September 2024	Nine months ended 30 September 2023	% change	Nine months ended 30 September 2024	Nine months ended 30 September 2023	% change
Total revenue	£339.2 million	£321.0 million	5.7%	£331.2 million	£321.0 million	3.2%
Total room revenue	£242.5 million	£232.2 million	4.4%	£236.7 million	£232.2 million	2.0%
Occupancy	73.9%	72.2%	170 bps	75.5%	72.2%	330 bps
Average room rate	£160.4	£166.3	(3.6)%	£160.1	£166.3	(3.7)%
RevPAR	£118.5	£120.2	(1.4)%	£120.9	£120.2	0.6%

¹ The like-for-like figures exclude the results of art'otel London Hoxton and art'otel Zagreb for the Period.

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Notes to Editors

PPHE Hotel Group is an international hospitality real estate company, with a £2.2 billion portfolio, valued as at December 2023 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 franchises¹ 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 Group¹, one of the world's largest hotel groups, to develop and operate Park Plaza®¹ 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 subsidiary¹ owns, and operates under, the Arena Hotels & Apartments®¹ and Arena Campsites®¹ brands.

PPHE Hotel Group is a Guernsey¹ registered company with shares listed on the London Stock Exchange. PPHE Hotel Group also holds a controlling ownership interest in Arena Hospitality Group¹ ('AHG'), whose shares are listed on the Prime market of the Zagreb Stock Exchange.

Company¹ websites: www.pphe.com | www.arenahospitalitygroup.com

For reservations:
www.parkplaza.com | www.artotel.com | www.radissonhotels.com | www.arenahotels.com | www.arenacampsites.com

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