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FY 2024 Trading Update

Adjusted EBITDA in excess of €232m

2024 Revenue and Adjusted EBITDA ahead of 2023

Focus on innovation continues to enhance productivity

ISE: DHG LSE: DAL

Dublin and London | 18 December 2024: Dalata Hotel Group plc ('Dalata' or the 'Group'), the largest hotel operator in Ireland, with a growing presence in the United Kingdom and Continental Europe, provides a trading update for the second half of 2024.

Trading has remained robust and, coupled with the positive impact of recent hotel additions in 2023 and 2024, the Group now expects to deliver Adjusted EBITDA¹ in excess of €232 million for the year, c. 4% growth year-on-year. Group RevPAR² is expected to be c. 3.5% ahead of last year for November / December with strong performances in Dublin and the UK. For the full year, Group RevPAR² is expected to be 1% ahead of 2023.

The Group estimates that the recently announced changes in UK National Insurance, the increased minimum wage rates in Ireland and the increased living wage rates in the UK will increase hotel payroll by c. 5% in 2025 on a 'like for like basis'. The Group continues to respond proactively to cost pressures and is confident it will cover these additional costs with the benefit of a €2 million reduction in contracted energy pricing, the ongoing roll out of further efficiency and innovation initiatives and through RevPAR growth in our markets. In 2025, the Group will also benefit from the full year impact of hotels opened in 2024 and the addition of Radisson Blu Hotel Dublin Airport (subject to Competition and Consumer Protection Commission "CCPC" approval).

Dermot Crowley, CEO, Dalata said:

"We are on track to deliver another strong financial performance, headlined by another year of growth in both our revenue and Adjusted EBITDA¹ performance. Our focus on innovation over the last three years continues to deliver enhanced productivity and mitigate the impact of cost inflation on our margins. It is always challenging when external input costs are rising; however, I am delighted with how everyone at Dalata has responded to the challenge.

We executed a number of strategic objectives during the year. We opened four new hotels in the UK this summer; we added to our growth pipeline with the acquisition of the Radisson Blu Hotel Dublin Airport and we exchanged an agreement for lease for a Clayton hotel to be developed in the heart of the City of London. Our growth is supported by our investment in our brands, which has enhanced our guests' experience and driven a stronger market position. We also completed the refinancing of our debt facilities, securing a €600 million debt package including our inaugural private placement. This positions us strongly to capitalise on any opportunities that will deliver accretive value to the business and further strengthen our financial performance. We will continue to balance disciplined growth, capital efficiency and financial strength with returns to shareholders reflected by our dividend payments and two share buy-back programmes.

The ability of Dublin Airport to continue to increase passenger numbers is crucial to support further growth across the Irish economy, particularly in the hospitality and tourism sectors which are key sources of employment for the island of Ireland. Looking forward, I am pleased that the cap will not apply in the summer of 2025, and we are hopeful that it will be removed fully in time. It is expected that passenger numbers at Dublin Airport will grow by 4% in 2025, with increased access from North America, which will be very positive for hotels across the whole of Ireland.

I look forward to 2025 with optimism. I am very happy with the early trading performance of the four hotels we opened in 2024 and I look forward to Dalata benefiting from their full year impact next year. The addition of the Radisson Blu Hotel at Dublin Airport (subject to CCPC approval) is very exciting and will positively impact on 2025 performance. Our focus is on delivering our exciting 2030 Vision growth strategy to increase our footprint to 21,000 bedrooms".

-ENDS-

About Dalata

Dalata Hotel Group plc is a leading hotel operator backed by €1.7bn in hotel assets primarily in Ireland and the UK. Established in 2007, Dalata has become Ireland's largest hotel operator with an ambitious growth strategy to expand its portfolio further in excellent locations in select, large cities in the UK and Continental Europe. The Group's portfolio comprises a mix of owned and leased hotels with 56 primarily four-star hotels operating through its two main brands, Clayton and Maldron Hotels, with 12,150 rooms and a pipeline of over 870 rooms. For the six-month period ended 30 June 2024, Dalata reported revenue of €302 million, basic earnings per share of 16.0 cent and Free Cashflow per Share of 21.5 cent. Dalata is listed on the Main Market of Euronext Dublin (DHG) and the London Stock Exchange (DAL). For further information visit: www.dalatahotelgroup.com

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¹ Refer to the Supplementary Financial Information within the Group's interim results announcement for the six-month period ended 30 June 2024.

² Group RevPAR is stated on a 'like for like' basis and excludes the performance of hotels that newly opened or ceased trading under the Group during the comparative periods.

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