

4 June 2026

Safestay plc
("Safestay", the "Company" or the "Group")

**Early termination of lease at Safestay Berlin Kurfürstendamm
and
proposed liquidation of operating subsidiary**

Safestay plc (AIM: SSTY), one of Europe's largest hostel groups, announces that the landlord of its Berlin Kurfürstendamm Hotel (the "Property") has served notice to terminate the lease ahead of the contractual expiry on 31 December 2026. Following termination of the lease, Safestay will cease operations at the Property.

The Property has faced sustained operational and commercial challenges, including ongoing trading losses, building-related issues and the prospect of material capital expenditure being required in order to continue operating the site to the standard expected by the Group. Following receipt of the termination notice and having considered the alternatives available to the Group, the Board has concluded that an early exit from the Property is the most commercially appropriate outcome for Safestay and in the best interests of shareholders.

The Property is operated through Hotel Auberge GmbH, an indirect wholly owned subsidiary of Safestay plc. Following termination of the lease, the Group intends to place Hotel Auberge GmbH into liquidation. The Company has taken legal advice in relation to this process and, on the basis of that advice, does not expect the liquidation to create material recourse to the wider Group. There are no parent company guarantees in place.

The Board believes that this outcome is expected be beneficial to the Group. The Berlin Kurfürstendamm site has been loss-making, with an EBITDA loss of approximately €220,000 in FY25, and would otherwise have required an estimated €300,000 to €500,000 of further investment to address Property-related issues. Exiting the site now is therefore expected to improve the Group's future cash profile and remove a loss-making operation from the portfolio.

This decision relates to a specific site and does not affect the Group's broader interest in the German market. Safestay will retain its German holding structure and continues to see attractive opportunities in Germany over the medium term.

ENDS

Enquiries

Safestay PLC
Larry Lipman

Tel: +44 (0) 20 8815 1600

Shore Capital (Nomad & Broker)
David Coaten/Harry Davies-Ball

Tel: +44 (0) 20 7408 4090

Hudson Sandler (Financial PR)
Alex Brennan/India Laidlaw

Tel: +44 (0) 20 7796 4133
safestay@hudsonsandler.com

For more information visit our:

Website www.safestay.com

Instagram page www.instagram.com/safestayhostels/

About Safestay PLC

[Safestay](https://www.safestay.com) PLC, one of Europe's largest hostel groups, operates in the exciting and growing hostel segment of the global hospitality market. Worth approximately US 6.53bn in 2026, it is estimated to grow to US 15.25bn by 2034 (The Market Data Forecast, 2025).

Safestay's operational sites of 21 premium hostels and one hotel offer guests both private and shared rooms in destination cities across the UK, Spain, Belgium, Czech Republic, Germany, Greece, Italy, Poland, Portugal, Austria and Slovakia.

Safestay's mission at each of its locations is to provide a safe, inclusive, and enjoyable space that caters to the needs of different travellers. Its properties offer first-class locations and thoughtful designs that cater for the different needs of travellers, from digital nomads to backpackers and from families to group travellers.

Safestay's pan-European locations include:

- [Kitzbühel Alpine, Austria](#) Franchise
- [Kitzbühel Centre, Austria](#) Franchise
- [Brussels Grand Place, Belgium](#)
- [Prague Charles Bridge, Czechia](#)
- [Athens Monastiraki, Greece](#)
- [Naples, Italy](#)
- [Pisa Centrale, Italy](#)

- [Warsaw Old Town, Poland](#)
- [Lisbon Bairro Alto, Portugal](#)
- [Bratislava Presidential Palace, Slovakia](#)
- [Barcelona Gothic, Spain](#)
- [Barcelona Passeig de Gracia, Spain](#)
- [Calpe Seafront, Spain](#) (in development)
- [Córdoba Mezquita Catedral, Spain](#)
- [Madrid Central, Spain](#)
- [Brighton, UK](#)
- [Edinburgh Cowgate, UK](#) Franchise
- [London Elephant & Castle, UK](#)
- [London Kensington Holland Park, UK](#)
- [York Micklegate, UK](#)

This information is provided by RNS, the news service of the London Stock Exchange. RNS is approved by the Financial Conduct Authority to act as a Primary Information Provider in the United Kingdom. Terms and conditions relating to the use and distribution of this information may apply. For further information, please contact ms@seg.com or visit www.ms.com.

RNS may use your IP address to confirm compliance with the terms and conditions, to analyse how you engage with the information contained in this communication, and to share such analysis on an anonymised basis with others as part of our commercial services. For further information about how RNS and the London Stock Exchange use the personal data you provide us, please see our [Privacy Policy](#).

END

MSCMZGGVGFDGVZZ