



DALATA
HOTEL GROUP

Annual General Meeting 2025
Clayton Hotel Ballsbridge

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Clayton Hotel Ballsbridge



Paul White
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Partner, KPMG Dublin



DALATA
HOTEL GROUP

2025 AGM CEO Presentation

CLAYTON maldron^o

Financial performance

- **Revenue growth of 7%** to €652.2 million
- **Adjusted EBITDA up 5%** to €234.5 million
- Reduced impact of inflation to achieve 'LFL' Hotel EBITDAR margin of 40.9% (2023: 42.3%)
- **Free Cashflow of €123.7 million**
- Sold two Wexford assets for €29.6 million (+17% on June 2024 book value, + 57% on acquisition cost)

Strategic highlights

- **Launched 2030 Vision** with ambition to grow footprint to 21,000 bedrooms by 2030
- **Opened four hotels in 2024**, announced further growth pipeline of 910 rooms in London, Dublin & Edinburgh
- **Refinanced existing debt facilities** (+20% in facilities with diversified funding sources)
- **Innovation and efficiency projects** continue to deliver results
- Increased employee engagement and customer satisfaction
- Transforming our marketing efforts and repositioned our brands

Capital allocation decisions consider disciplined growth, shareholder returns and financial flexibility

Position of Financial Strength

Maintain and enhance
€1.7bn Hotel Asset portfolio
€25.5m refurbishment capital
expenditure paid in 2024

Net Debt to EBITDA (after
rent) of 1.3x at Dec 2024

Cash and undrawn loan
facilities of €365m



Investing in growth that meets our returns criteria

€83m acquisition of
Radisson Blu Dublin Airport,
subject to CCPC approval

Additional pipeline capex of
€125m+

Three owned development projects in
Edinburgh, Manchester and Dublin

Actively seeking further
opportunities



Dividends

€27m returned to shareholders
through dividends in 2024

8.4 cent final dividend per share
proposed (c. €18m)
(2023: 8.0c final dividend per share, +5%)



Share buy back

€55m returned to
shareholders following the
completion of the second
share buy back in Jan 2025

12.9m shares repurchased
(6%) at average price of €4.25



People and culture

Decentralised model drives motivation, with Dalata widely recognised as attracting the best talent and delivering quality service for customers



People
'A different way, a better way'

- ✓ Dalata's people strategy delivers value every day
- ✓ Employer of choice that attracts and retains talented, ambitious people
- ✓ A culture of inclusion and diversity where everyone is given the opportunity to grow and develop
- ✓ An employer that is renowned for caring about the wellbeing of its people
- ✓ Decentralised decision making empowers and motivates people

Dalata Academy

675

People on development courses¹

>580

Internal promotions¹

41

People on the graduate training programmes

Culture

9.0/10

Employee engagement score

10 yrs

Avg length of Dalata service across GMs

96%

Of hotel GMs have been internally developed

>50%

Core mgmt. teams were internally developed²

Notes:

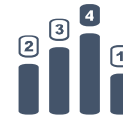
1. During FY24A
2. In new hotels opened from 2022-2024

Innovation to mitigate impact of cost inflation

Impact of cost inflation would have led to a deterioration in 'LFL' Hotel EBITDAR margin of 280 bps, however this impact was *halved* due to *innovation and efficiency projects* (75 bps "saving") and lower year on year energy costs (65 bps "saving")



2024 hotel cost base up 3.3% primarily driven by increases to statutory minimum pay rates; up 12.4% in Ireland and 9.8% in the UK impacting approximately 50% of hours paid.



Labour costs represent c. 40% of hotel costs and with limited RevPAR growth in H1 2024, this resulted in Hotel EBITDAR margin declining to 40.9%, though limited the impact of this with innovation and efficiency initiatives and lower energy costs.

Looking Ahead



We will continue our focus on innovation and efficiency. We are rolling out new systems in revenue management, CRM for our sales function and a customer experience platform. We also launched a full review of our commission costs.

Compelling, refreshed brands



Dalata's service is *The Heart of Hospitality*. It's core philosophy is that hospitality is all about people. Dalata's people, through their individuality and charm, deliver the difference that sets it apart from its competitors.

Clayton Hotels tagline *'It's Personal'* highlights the personal touch and human connection that really matters to customers.

Maldron Hotels tagline *'It Starts Here'* emphasises that due to their excellent locations, Maldron Hotels are an epic basecamp for customers as they begin unforgettable experiences.

Transition Plan in Development



Preparation and collection of data

Baseline year selected as 2023 and Scope 1, 2 & 3 data collection is complete and analysed



Focus area

The Group remains focused on reducing both the embodied carbon and operational carbon emissions across the portfolio



Strategy implementation

The Group continues to implement initiatives that will influence the transition plan.

Some of these include:

- Onsite and offsite renewable electricity generation*
- Fleet decarbonisation*
- Existing and new asset decarbonisation*

These will ensure the transition plan is already progressing once adopted



Mandatory compliance to EU's Corporate Sustainability Reporting Directive



Diversified and growing portfolio

Portfolio imagery



Clayton Hotel Dublin Airport



Maldron Hotel Merrion Road



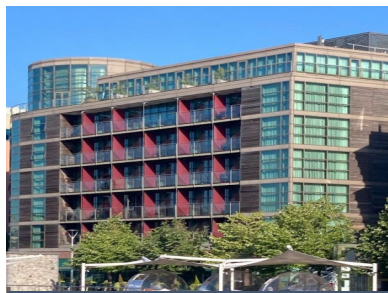
Clayton Hotel Cardiff Lane



Maldron Hotel Kevin Street



Maldron Hotel Parnell Square



Clayton Hotel Cork City



Maldron Hotel Shoreditch London



Clayton Hotel City of London



Clayton Hotel London Wall



Maldron Hotel Manc. City Centre



Maldron Hotel Brighton



Maldron Hotel Liverpool



Clayton Hotel Glasgow



Clayton Hotel Amsterdam American



Clayton Hotel Dusseldorf

Valuable balanced portfolio, pipeline and growth ambitions

Freehold portfolio

6,397 bedrooms (48%)

- **€1.7 billion in freehold assets** (including AUC) - 74% in capital cities of London and Dublin
- €153 million Hotel EBITDA after rent excluding Wexford hotels (+€6 million when 2024 hotel matured)

Leasehold portfolio

5,294 bedrooms (40%)

- **High-quality, long term leases** - average remaining lease life of 29 years
- €40 million Hotel EBITDA after rent from leasehold portfolio (+€8 million when 2024 hotels matured)
- 'LFL' rent cover of 1.8x for Irish and UK leases

Pipeline and growth ambition

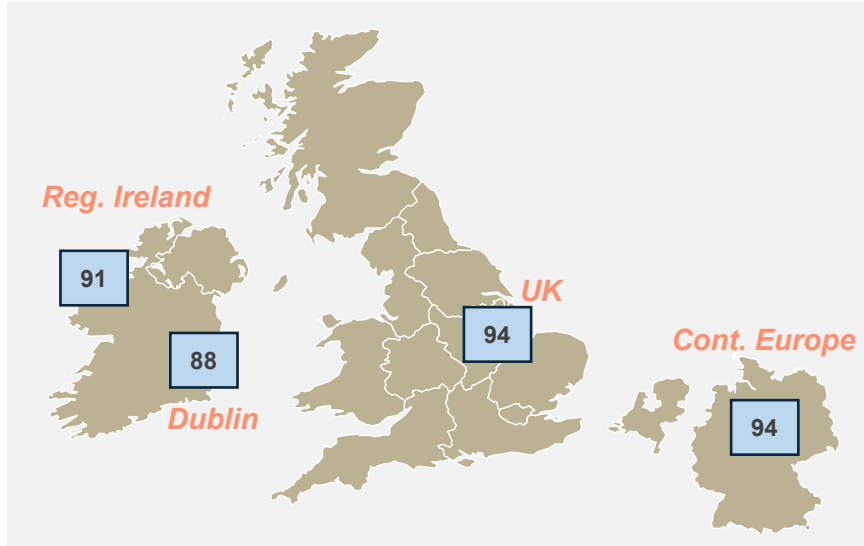
1,867 bedrooms (12%)

- Secured pipeline ideally located in Dublin (815), Edinburgh (428), London (165), Manchester (216) and as of this morning Madrid (243)
- **Acquired 229-bedroom Radisson Blu Dublin Airport**, subject to CCPC approval, with significant development potential
- In exclusive negotiations for further opportunities, including Berlin and London

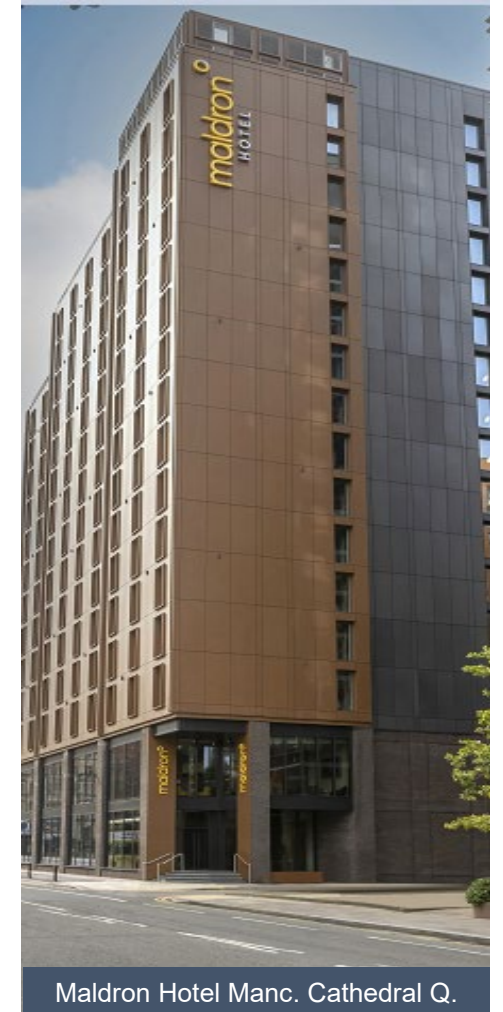
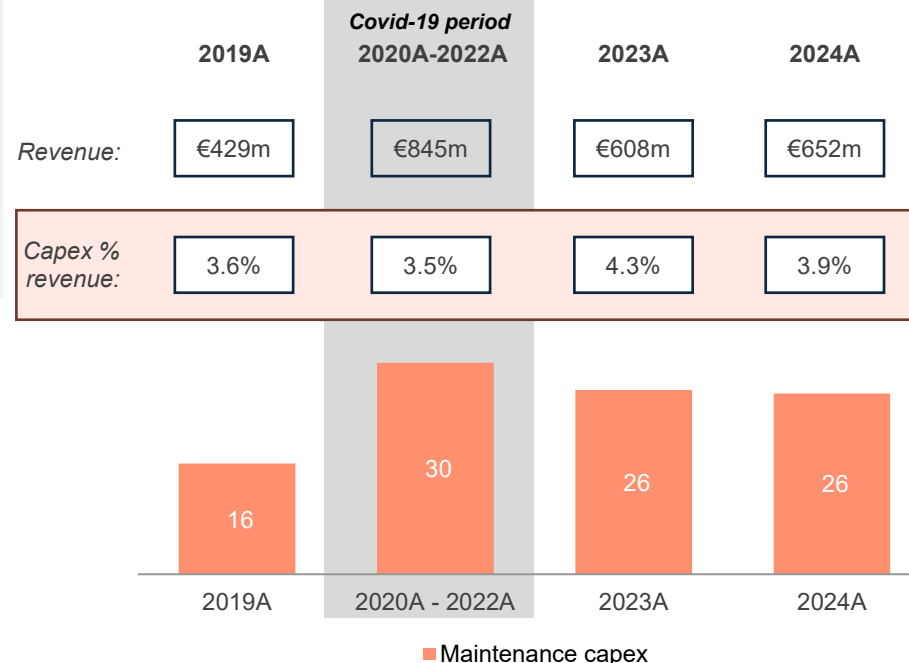
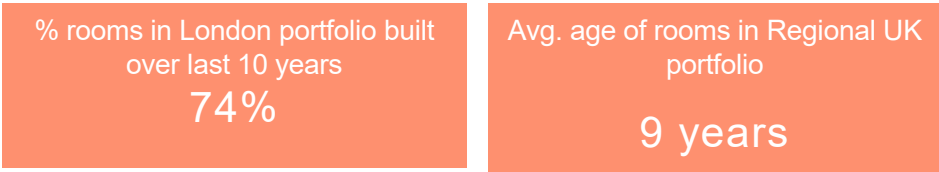
Well-invested, centrally located portfolio

Well-invested, recently refurbished or newly built portfolio

Average Booking.com location scores by region

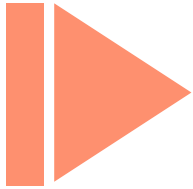


Portfolio highlights

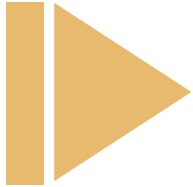


Ambitious growth strategy: Dalata's 2030 vision

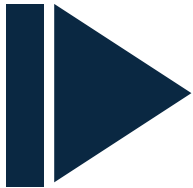
Dalata's 2030 vision is to maintain or grow market share in existing locations and develop the portfolio in commercially attractive cities



Targeting to have 21,000 rooms by 2030 either open or in development (+80% on current portfolio of 11,690 rooms¹. With an immediate announced pipeline of 1,624² rooms)



To remain / become the leading operator in the four-star segment of all target cities in Ireland and Regional UK



Growing the Dalata presence in London and Continental Europe – a future pathway for accelerated growth

Freehold acquisitions

In-house developments and extensions

Leasehold acquisitions

Agreement for leases

New Maldron hotels added in 2024



UK portfolio exceeds 5,000 rooms with four Maldron openings



Continue to secure exciting growth opportunities



**Radisson Blu Hotel Dublin
Airport**

- *229-bedroom existing property* located within 600m of Terminal 2 Dublin Airport, with purchase price of €83 million
- *High-end product* with extensive meeting and events centre, intend to rebrand as a Clayton property
- *Exciting development potential*
- Progressing deal subject to CCPC approval



**Clayton Hotel Old Broad Street,
London**

- *154-bedroom hotel development* located at the Tower 42 estate within the City of London
- *25-year operating lease*, which will be subject to five-year rent reviews linked to the Consumer Price Index
- *Excellent location* benefits from international corporate offices and key leisure attractions
- All electric building with most up to date heat pump technology



**Clayton Hotel Morrison Street,
Edinburgh**

- *256-bedroom office-to-hotel conversion*, ideally located next to the Edinburgh International Conference Centre
- *35-year operating lease*, which will be subject to five-year rent reviews linked to the Consumer Price Index
- All electric building with most up to date heat pump technology
- Expected embodied carbon efficiencies as a building conversion

In exclusive negotiations for further opportunities, including Madrid, Berlin and London



Thank you
