

## Revenue growth and strong Free Cashflow delivered in H1 2025

### Continued Portfolio Expansion and recommended cash offer of €6.45 per share following rigorous Strategic Review

**ISE: DHG LSE: DAL**

**Dublin and London | 27 August 2025:** Dalata Hotel Group plc ('Dalata' or the 'Group'), the UK and Ireland's largest independent four-star hotel operator, with a growing presence in Continental Europe, announces its results for the six-month period ended 30 June 2025.

€million	H1 2025	H1 2024	Variance*
Revenue	<b>306.5</b>	302.3	+1%
Adjusted EBITDA <sup>1</sup>	<b>102.5</b>	107.6	(5%)
Profit after tax	<b>19.6</b>	35.8	(45%)
Basic earnings per share (cents)	<b>9.3c</b>	16.0c	(42%)
Adjusted basic earnings per share <sup>1</sup> (cents)	<b>12.7c</b>	16.9c	(25%)
Free Cashflow <sup>1</sup>	<b>45.7</b>	48.1	(5%)
Free Cashflow per Share <sup>1</sup> (cents)	<b>21.6c</b>	21.5c	-
<b>Group key performance indicators (as reported)</b>			
RevPAR (€) <sup>1</sup>	<b>108.61</b>	110.77	(2%)
Average room rate (ARR) (€) <sup>1</sup>	<b>140.75</b>	142.67	(1%)
Occupancy %	<b>77.2%</b>	77.6%	(40bps)
<b>Group key performance indicators ('like for like' or 'LFL')</b>			
'Like for like' or 'LFL' RevPAR (€) <sup>1</sup>	<b>109.78</b>	111.69	(2%)

\*Throughout this release, all percentage variance comparisons are made comparing the performance for the six-month period ended 30 June 2025 (H1 2025) to the six-month period ended 30 June 2024 (H1 2024), unless otherwise stated.

#### Dermot Crowley, Dalata Hotel Group CEO, commented:

"The first half of 2025 has certainly been a busy one for everyone in Dalata. After announcing a strategic review on March 6<sup>th</sup>, the Board and executive team worked tirelessly in ensuring that the best result was achieved for shareholders. On July 15<sup>th</sup>, the Board recommended an all-cash offer of €6.45 per share from the Pandox Consortium which represents a 49.7% premium to the twelve-month volume-weighted average share price up to March 6<sup>th</sup>. I believe that this represents a very positive outcome for shareholders which is why the Board is unanimously recommending the offer.

Having met with Pandox and Scandic on a number of occasions, I am confident that the acquisition will also be a very positive outcome for the people working within Dalata. I look forward to working in close partnership with our new owners to enable Dalata and its people to continue to grow and prosper within a larger international hotel company.

Despite the potential for distraction by the strategic review, our team remained focused and delivered a very strong operational performance as well as continuing to grow our development pipeline. Notwithstanding the external commentary of a challenging year for tourism in Ireland, on a 'like for like' basis, our RevPAR in Dublin and Regional Ireland is at the same level as the same period last year. However, continued increases in costs and especially pay rates puts downward pressure on our margins. The UK market has been more challenging, and this has impacted on our RevPAR performance with a 3.5% reduction versus last year. Our focus on innovation and looking for smarter ways to do things has helped to protect our margins across all geographies.

Growing a development pipeline whilst in the midst of a strategic review and 'formal sales process' is challenging and in that respect, I am especially pleased that we secured a second hotel opportunity in Edinburgh and our first hotels in Berlin and Madrid. We also completed the purchase of the Radisson Blu hotel in Dublin Airport which will be rebranded Clayton next year. Construction continues at our new Maldron hotel in Croke Park, our new Clayton hotel in Edinburgh and the extension at our Clayton hotel in Cardiff Lane. For the first time in the history of Dalata, when you include the pipeline rooms, we will have more rooms outside the Republic of Ireland than within it – we truly have become an international hotel company.

*Since I took over as CEO, I have placed our people and our customers amongst my highest priorities. I am delighted to report that both our employee engagement scores, and customer satisfaction scores are at the highest levels in the history of Dalata. Innovation has also been a high priority and this year alone, we have rolled out a new CRM, a customer experience platform, a new revenue management system and a new recruitment tool. Our focus on sustainability continues to be recognised with industry leading scores across a range of third-party measurement platforms.*

*I passionately believe in the potential of our Clayton and Maldron brands. The digital transformation of our marketing activities together with the brands refresh that we carried out last year are contributing to the ongoing growth in direct bookings – up 8% on a ‘like for like’ basis versus the same period last year.*

*If shareholders approve the recommended offer on September 11<sup>th</sup>, and the other regulatory conditions are satisfied, this is likely to be our last financial results announcement as a PLC. While in some ways that is a sad occasion, I am happy that the Board is recommending a strategy that is in the best interests of shareholders. This strategy will also allow the people within Dalata to continue to deliver the ‘heart of hospitality’ to our guests whilst growing the Clayton and Maldron brands within a powerful international hotel company”.*

### **Attractive portfolio delivers resilient operational performance**

- Revenue of €306.5 million, up 1%, supported by new additions to the portfolio.
- Adjusted EBITDA<sup>1</sup> of €102.5 million, down 5% due to lower RevPAR and the impact of cost inflation.
- Free Cashflow<sup>1</sup> generation remains strong; €45.7 million (21.6 cent per share) for the first six months of 2025 after refurbishment capex and finance costs.
- Profit after tax decreased to €19.6 million primarily driven by Strategic Review related costs and an increase in non-cash accounting charges.
- ‘Like for like’ RevPAR<sup>1</sup> of €109.78, down 2% versus H1 2024, with Dalata Dublin hotels outperforming the Dublin market.
- ‘Like for like’ Hotel EBITDAR margin<sup>1</sup> down 210 bps to 37.5% (H1 2024: 39.6%). In a lower RevPAR environment, meaningful progress has been achieved in offsetting general cost rises and payroll inflation through new systems and technologies, operational efficiencies and innovation, further supported by a reduction in energy costs.
- Continued focus on people and service, with strong employee engagement scores (H1 2025: 9.0; H1 2024: 8.9) and consistently high customer satisfaction ratings (H1 2025: 87%; H1 2024: 85%).
- Continued growth in direct bookings (+8% on ‘like for like’ basis versus H1 2024), and brand share of online transient room nights.

### **Portfolio Growth**

- Dalata has delivered strong execution of its expansion strategy, securing four hotels in prime capital city locations during the period, which will add over 1,000 rooms to the portfolio with an additional extension potential of 250+ rooms at Dublin Airport.
  - Clayton Hotel Tiergarten, Berlin: a 274-bedroom hotel centrally located between the Kurfürstendamm and the Brandenburg Gate under a 25-year operating lease with an 18-month refurbishment programme due to open in H2 2026.
  - Clayton Hotel Valdebebas, Madrid: a 243-bedroom hotel near Madrid International Airport under a 15-year operating lease due to open in H1 2029, with two 5-year tenant extension options.
  - Radisson Blu Hotel Dublin Airport: a 229-bedroom existing property located within 600m of Terminal 2 Dublin Airport, acquired for €83 million and completed in June 2025 (extension potential of 250+ rooms). To be rebranded Clayton next year.
  - Clayton Hotel Morrison Street, Edinburgh: a 256-bedroom development ideally located next to the Edinburgh International Conference Centre, expected to open in H1 2028.
  - Excellent progress on the construction development works at Maldron Hotel Croke Park, Dublin (Q2 2026), Clayton Hotel St. Andrew Square, Edinburgh (Q4 2026) and Clayton Hotel Cardiff Lane, Dublin extension (Q2 2027).
  - Capex requirements for projects currently under development estimated to be in excess of €70 million.

## Robust financial position

Dalata continued to apply a disciplined, capital allocation strategy, pursuing acquisitions, developments and lease arrangements that meet its strict financial and operational criteria.

- Hotel assets valued at approximately €1.8 billion as of 30 June 2025, with 74% of the portfolio value located in key urban markets of Dublin and London, positioning the business to drive future performance and growth.
- Portfolio remains well-maintained, supported by €11.4 million in refurbishment investment during H1 2025, including the upgrade of 135 bedrooms.
- Long-term, stable lease profile with a weighted average unexpired lease term 27.3 years, (excluding land leases with a lease term of 100 years and over) and predominantly fixed rent structures until 2026.
- Net Debt to EBITDA after rent<sup>1</sup> of 1.7x.
- Normalised Return on Invested Capital<sup>1</sup> of 11.7% for the 12 months ended 30 June 2025 (year ended 31 December 2024: 12.5%).

## Continue to progress sustainability strategy

- Achieved a 37% reduction in scope 1 and 2 carbon emissions per room sold in H1 2025 versus H1 2019.
- Received the top industry rating from Sustainalytics (Low Risk - 16.4) and maintained our AAA (Leader) rating from MSCI, recognising Dalata as a leading industry performer.
- Attained the 'Gold' standard from Green Tourism for all hotels.
- The Group published its first sustainability report in March in line with CSRD reporting obligations and is working to establish new near-term reduction targets.

## Successful conclusion to rigorous Strategic Review

On 6 March 2025, Dalata announced its intention to explore strategic options aimed at optimising capital opportunities and enhancing shareholder value.

- A comprehensive sales process followed, attracting strong interest from trade buyers, strategic investors, financial institutions and financial sponsors. In parallel, the Board also evaluated additional strategic alternatives, including extending on-market share buy-back programmes, larger capital returns to shareholders, and considering asset disposals or significant sale and leaseback arrangements.
- On 15 July 2025, the Board unanimously recommended a cash offer by Pandox Ireland Tuck Limited (**Bidco**) a newly-incorporated company wholly-owned by Pandox AB ("**Pandox**") and Eiendomsspar AS ("**Eiendomsspar**", and together with Pandox and Bidco, the "**Consortium**") for the entire issued and to be issued share capital of Dalata (other than Dalata Shares in the beneficial ownership of Bidco) (the **Acquisition**), to be implemented by way of a Scheme of Arrangement under Chapter 1 of Part 9 of the Irish Companies Act 2014 (the **Scheme**).
- Under the terms of the Acquisition, Dalata Shareholders will be entitled to receive €6.45 in cash per Dalata Share. The offer represents a 35.5% premium to the closing price of €4.76 per Dalata Share on 5 March 2025 (being the last business day prior to the launch of the Strategic Review and Formal Sale Process) and a 49.7% premium to the volume-weighted average price of €4.31 per Dalata Share for the twelve-month period ended on 5 March 2025 and an equity value of approximately €1.4 billion on a fully diluted basis.
- The consortium of Pandox and Eiendomsspar are established hotel investors, well positioned to support Dalata's long-term growth ambition.
- Framework agreement with Pandox's long-term operating partner, Scandic Hotels Group AB, to be an operating partner for the existing Dalata portfolio.
- The Dalata Board believes that the Acquisition is in the best interests of Dalata Shareholders and represents the most effective route to enhance value for shareholders, relative to Dalata's other strategic options which have been considered as part of the Strategic Review. As publicly announced, the Board posted a scheme document to Dalata Shareholders on 12 August 2025 (the Scheme Document) and has convened Scheme Meetings and an EGM to be held at Clayton Hotel Dublin Airport, Stockhole Lane, Clonslash, Swords, Co. Dublin, K67 X3H5 on 11 September 2025.
- The Acquisition is conditional on, among other things, (i) the approval by Dalata Shareholders of the Scheme Meeting Resolution and the EGM Resolutions (other than the Rule 16 Resolution) (as such terms are defined in the Scheme Document); (ii) the receipt of any necessary regulatory or other approvals, in particular from the European Commission; and (iii) the sanction

of the Scheme by the High Court. If the Scheme is approved and becomes effective it will be binding on all scheme shareholders, irrespective of whether or not they attended or voted in favour or at all at the Scheme Meetings or the EGM. The Scheme is expected to become Effective in November 2025.

- Having regard to the Acquisition and its expected timetable, the Board has resolved not to propose an interim dividend for the first half of 2025. This is consistent with the terms of the recommended offer and means the offer price is not reduced by the amount of any dividend distribution.

## **Outlook**

The Group's 'like for like' RevPAR<sup>1</sup> for July/August is expected to be c. 2.5% behind on 2024 levels. RevPAR for the 'like for like' Dublin and UK portfolios are expected to be 2.5% and 2.3% behind for the same period respectively, while RevPAR for the 'like for like' Regional Ireland portfolio is expected to be 2.4% ahead.

We continue to monitor the economic backdrop and market uncertainty, demand levels are supported by strong levels of flight volumes, and an event schedule that will drive international interest particularly in Dublin. The second half of the year will also benefit from the acquisition of Radisson Blu Hotel Dublin Airport and the full year impact of the four UK openings in mid-2024.

The business benefits from its exceptional portfolio of modern, centrally located hotels, its access to a pool of talented staff supported in their learning and development by the Dalata Academy and the growing customer awareness of the Clayton and Maldron brand in its core markets. Looking ahead to the rest of the year we remain confident in our ability to continue to perform strongly as a business.

**ENDS**

## About Dalata

Dalata Hotel Group plc is the UK and Ireland's largest independent four-star hotel operator, with a growing presence in Continental Europe. Established in 2007, Dalata is backed by €1.8bn in hotel assets with a portfolio of 56 hotels, primarily comprising a mix of owned and leased hotels operating through its two main brands, Clayton and Maldron hotels. For the six-month period ended 30 June 2025, Dalata reported revenue of €306.5 million, basic earnings per share of 9.3 cent and Free Cashflow per Share of 21.6 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](http://www.dalatahotelgroup.com)

## Conference Call

There will be no conference call accompanying this results release. Any questions can be directed to the contacts below.

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## Note on forward-looking information

This Announcement contains forward-looking statements, which are subject to risks and uncertainties because they relate to expectations, beliefs, projections, future plans and strategies, anticipated events or trends, and similar expressions concerning matters that are not historical facts. Such forward-looking statements involve known and unknown risks, uncertainties and other factors, which may cause the actual results, performance or achievements of the Group or the industry in which it operates, to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements. The forward-looking statements referred to in this paragraph speak only as at the date of this Announcement. The Group will not undertake any obligation to release publicly any revision or updates to these forward-looking statements to reflect future events, circumstances, unanticipated events, new information or otherwise except as required by law or by any appropriate regulatory authority.

## Half Year 2025 financial performance

€million	Six months ended 30 June 2025	Six months ended 30 June 2024
Revenue	306.5	302.3
<b>Hotel EBITDAR<sup>1</sup></b>	<b>113.5</b>	117.9
Hotel variable lease costs	(0.9)	(1.5)
<b>Hotel EBITDA<sup>1</sup></b>	<b>112.6</b>	116.4
Other income (excluding gain on disposal of property, plant and equipment)	0.7	0.7
Central costs	(8.0)	(7.9)
Share-based payments expense	(2.8)	(1.6)
<b>Adjusted EBITDA<sup>1</sup></b>	<b>102.5</b>	107.6
Adjusting items <sup>1,2</sup>	(7.6)	(2.8)
<b>Group EBITDA<sup>1</sup></b>	<b>94.9</b>	104.8
Depreciation of property, plant and equipment and amortisation	(20.4)	(19.1)
Depreciation of right-of-use assets	(17.8)	(16.1)
<b>Operating profit</b>	<b>56.7</b>	69.6
Interest on lease liabilities	(26.5)	(23.3)
Other interest and finance costs	(6.9)	(4.4)
<b>Profit before tax</b>	<b>23.3</b>	41.9
Tax charge	(3.7)	(6.1)
<b>Profit for the period</b>	<b>19.6</b>	35.8
Earnings per share (cents) – basic	9.3c	16.0
Adjusted earnings per share <sup>1</sup> (cents) – basic	12.7c	16.9
Hotel EBITDAR margin <sup>1</sup>	37.0%	39.0%
<b>Group KPIs (as reported)</b>		
RevPAR <sup>1</sup> (€)	108.61	110.77
Occupancy	77.2%	77.6%
Average room rate (ARR) (€)	140.75	142.67
<b>'Like for like' Group KPIs<sup>1</sup></b>		
RevPAR (€)	109.78	111.69
Occupancy	77.9%	77.9%
Average room rate (ARR) (€)	140.93	143.38

### Summary of hotel performance

The Group delivered revenue of €306.5 million in the first six months of 2025, representing an increase of 1.4% versus H1 2024. The growth is driven primarily by contributions from new openings and additions, which added €16.4 million to revenue. This was partially offset by the sale of two hotels, Maldron Hotel Wexford (Nov 2024) and Clayton Whites Hotel, Wexford (Jan 2025), which resulted in a €6.9 million revenue reduction period on period. Revenue at 'like for like' hotels decreased by €6.6 million, primarily driven by the Continental Europe and UK portfolios.

Reported Group RevPAR<sup>1</sup> of €108.61 for H1 2025 was 2.0% below H1 2024, primarily due to a UK RevPAR reduction. Group 'LFL' RevPAR<sup>1</sup> of €109.78 was 1.7% behind H1 2024 with an increase of 1.0% for the first three months of the year, offset by a 3.6% decrease in Q2 2025.

Dublin portfolio 'LFL' RevPAR<sup>1</sup> experienced growth of 0.1% in the first six months of the year compared to H1 2024, a positive result given the strong events calendar in 2024. RevPAR<sup>1</sup> at the 'LFL' Regional Ireland hotels increased by 0.2% in comparison to 2024 levels.

UK portfolio 'LFL' RevPAR<sup>1</sup> was 3.5% down in the first six months of the year compared to H1 2024 with a reduction in London hotels and some regional UK locations.

There has been a general softening in demand in the Continental Europe portfolio. In addition, Düsseldorf was a host city of Euro 2024 and there was an absence of large fair events in H1 this year.

The Group's food and beverage ('F&B') revenue declined by 2.7% in H1 2025 to €57.2 million (H1 2024: €58.8 million), driven by disposals in the portfolio of two Wexford hotels and softer demand in Continental Europe. 'Like for like' F&B revenue decreased by 2.1%. However, ongoing initiatives including refreshed menus, enhanced service training and new digital ordering solutions are enhancing customer engagement and upselling to support margin preservation and future growth.

Overall, the Group delivered Hotel EBITDAR<sup>1</sup> of €113.5 million, representing a 3.7% decrease (H1 2024: €117.9 million). On a 'like for like' basis Hotel EBITDAR<sup>1</sup> decreased by €8.0 million (down 6.8%) to €108.6 million. The Group managed payroll costs well on the back of innovation initiatives which limited the overall payroll increase to 2.4%, €1.8 million, despite minimum wage increases of 6.3% in Ireland from January 2025 (12.4% in January 2024), National Living Wage increases of 6.7% in the UK from April 2025 (9.8% in April 2024) and significant increases to National Insurance contributions in the UK from April 2025.

'Like for like'<sup>1</sup> gas and electricity costs decreased by €0.8 million (7%) from H1 2024 to €10.8 million primarily due to improved unit pricing, in addition to further consumption savings.

The Group achieved a 'like-for-like' Hotel EBITDAR margin of 37.5% in H1 2025, 210bps below the 2024 figure of 39.6%, despite cost pressures and a more challenging RevPAR environment. The underlying performance was supported by the Group's decentralised structure, where on-the-ground operations teams respond dynamically to shifting market conditions.

€million	Revenue	Operating costs	Adjusted EBITDA <sup>1</sup>
Six months ended 30 June 2024	302.3	(194.7)	107.6
Movement at 'like for like' hotels <sup>1</sup>	(6.6)	(1.1)	(7.7)
Hotels added to the portfolio during either period <sup>3</sup>	16.4	(11.4)	5.0
Hotel disposals <sup>3</sup>	(6.9)	5.5	(1.4)
Movement in other income and Group expenses	-	(1.4)	(1.4)
Effect of FX	1.3	(0.9)	0.4
<b>Six months ended 30 June 2025</b>	<b>306.5</b>	<b>(204.0)</b>	<b>102.5</b>

## Performance review | Segmental analysis

The following section analyses the results from the Group's portfolio of hotels in Dublin, Regional Ireland, the UK and Continental Europe.

### 1. Dublin Hotel Portfolio

€million	Six months ended 30 June 2025	Six months ended 30 June 2024
<i>As reported</i>		
Room revenue	101.7	102.0
Food and beverage revenue	25.4	25.1
Other revenue	9.2	8.7
<b>Revenue</b>	<b>136.3</b>	<b>135.8</b>
<b>Hotel EBITDAR<sup>1</sup></b>	<b>60.5</b>	<b>62.6</b>
<b>Hotel EBITDAR margin %<sup>1</sup></b>	<b>44.3%</b>	<b>46.0%</b>
<b>Performance statistics ('like for like'<sup>3</sup>)</b>	<b>Six months ended 30 June 2025</b>	<b>Six months ended 30 June 2024</b>
RevPAR <sup>1</sup> (€)	126.19	126.11
Occupancy	82.5%	80.9%
Average room rate (ARR) (€)	153.05	155.87
<b>Dublin owned and leased portfolio</b>	<b>30 June 2025</b>	<b>30 June 2024</b>
Hotels at period end	18	17
Room numbers at period end	4,675	4,446



The Dublin portfolio consists of eight Maldron hotels and seven Clayton hotels, The Gibson Hotel, The Samuel Hotel and Radisson Blu Hotel Dublin Airport. 11 hotels are owned, and seven hotels are operated under leases. The acquisition of the Radisson Dublin Blu Hotel Dublin Airport for €83 million completed in June 2025, adding 229 rooms to the Dublin portfolio.

Like for Like RevPAR<sup>1</sup> for the first six months of 2025 has marginally increased at 0.1% versus the 2024 comparative outperforming the 0.2% decline in the wider Dublin market as reported by STR (Smith Travel Research). The January and February period started strongly, outperforming 2024 comparative RevPAR by 5.7%. Dalata's Dublin portfolio achieved occupancy above 82% for the first six months of the year with 32 compression nights where occupancy exceeded approximately 95%, versus 26 in the wider market, and limited ARR<sup>1</sup> decline to 1.8%. The Dublin market continues to absorb additional room supply, driven by new hotel openings and the return of government-contracted room stock, adding roughly 400 rooms in H1 2025.

Total revenue for H1 2025 was €136.3 million, marginally above H1 2024 levels, driven by 1% growth in F&B revenues to €25.4 million and a €0.5 million increase in other revenue. The Dublin portfolio delivered Hotel EBITDAR<sup>1</sup> of €60.5 million for the six-month period ended 30 June 2025, representing a 3% decline versus H1 2024 impacted by a 6.3% increase in the National Minimum Wage from January 2025. The portfolio achieved Hotel EBITDAR margin<sup>1</sup> of 44.3% for the first six months of 2025 (2024: 46.0%). Ongoing efficiency and innovation projects continue to mitigate the impact of payroll inflation on Hotel EBITDAR margins.

## 2. Regional Ireland Hotel Portfolio

€million	Six months ended 30 June 2025	Six months ended 30 June 2024
<i>As reported</i>		
Room revenue	29.3	33.2
Food and beverage revenue	10.6	13.5
Other revenue	4.2	4.5
Revenue	44.1	51.2
Hotel EBITDAR <sup>1</sup>	12.8	15.0
Hotel EBITDAR margin % <sup>1</sup>	29.0%	29.4%
<b>Performance statistics ('like for like'<sup>3</sup>)</b>	<b>Six months ended 30 June 2025</b>	<b>Six months ended 30 June 2024</b>
RevPAR <sup>1</sup> (€)	100.96	100.76
Occupancy	73.7%	74.6%
Average room rate (ARR) (€)	137.02	135.00
<b>Regional Ireland owned and leased portfolio</b>	<b>30 June 2025</b>	<b>30 June 2024</b>
Hotels at period end	11	13
Room numbers at period end	1,599	1,867

The Regional Ireland hotel portfolio comprises six Maldron hotels and five Clayton hotels located in Cork (x4), Galway (x3), Limerick (x2), Portlaoise and Sligo. 10 hotels are owned, and one is operated under a lease.

LFL RevPAR<sup>1</sup> for the first six months of 2025 increased by 0.2% versus 2024 levels. LFL ARR rose 1.5% to €137.02, occupancy of 73.7% was 90 bps below H1 2024 with January affected by adverse weather which disrupted travel and short-stay activity.

Total revenue for the six months ended 30 June 2025 was €44.1 million, €7.1 million (14%) behind H1 2024 levels, primarily due to the disposal of two Wexford hotels.

The region delivered LFL Hotel EBITDAR<sup>1</sup> of €12.9 million for the six-month period ended 30 June 2025, a 6% reduction on H1 2024 'like for like' levels. The 'like for like' portfolio achieved an EBITDAR margin<sup>1</sup> of 29.4% for the first six months of 2025, 190 bps lower than 2024 due to a lower RevPAR environment and increasing costs, particularly wage increases despite ongoing innovations and efficiencies.



### 3. UK Hotel Portfolio

Local currency - £million	Six months ended 30 June 2025	Six months ended 30 June 2024
<i>As reported</i>		
Room revenue	73.9	64.9
Food and beverage revenue	14.7	13.4
Other revenue	4.4	3.8
Revenue	93.0	82.1
Hotel EBITDAR <sup>1</sup>	30.3	29.4
Hotel EBITDAR margin % <sup>1</sup>	32.6%	35.8%
Performance statistics ('like for like' <sup>3</sup> )	Six months ended 30 June 2025	Six months ended 30 June 2024
RevPAR <sup>1</sup> (£)	80.72	83.63
Occupancy	76.1%	76.9%
Average room rate (ARR) (£)	106.08	108.80
UK owned and leased portfolio	30 June 2025	30 June 2024
Hotels at period end	22	19
Room numbers at period end	5,080	4,430

At 30 June 2025, the UK hotel portfolio comprised 12 Clayton hotels and 10 Maldron hotels. Five hotels are situated in London, four in Manchester following the opening of Maldron Hotel Manchester Cathedral Quarter in May 2024, 10 in other large regional UK cities and three in Northern Ireland. 10 hotels are owned, 10 are operated under long-term leases and two hotels are effectively owned through a 122-year lease and a 200-year lease.

'LFL' RevPAR<sup>1</sup> for the UK portfolio decreased by 3.5% for the first six months of 2025 versus 2024 levels, with decreases across both occupancy (-80 bps) and average room rate (-2.5%). Four hotels added in 2024 continue to ramp up and have increased EBITDAR by £4.1 million during the period.

Overall, total revenue for the six months ended 30 June 2025 was £93.0 million, £10.9 million (13%) ahead of H1 2024 levels, with hotels added to the portfolio during 2024 contributing the £13.6 million of uplift offset by the 'LFL' hotels contributing to a decrease of £2.7 million.

The UK portfolio delivered Hotel EBITDAR<sup>1</sup> of £30.3 million, 3% ahead of H1 2024 levels. Food and beverage revenue of £14.7 million performed 10% ahead of H1 2024 levels (£13.4 million). The uplift is primarily driven by hotels added to the portfolio during 2024.

'Like for like' Hotel EBITDAR margin<sup>1</sup> of 33.1% decreased by 270 bps period on period, reflecting the lower revenues and the increased cost environment, particularly the 6.7% increase in the National Living Wage from April 2025 which followed an April 2024 increase of 9.8%.

### 4. Continental Europe Hotel Portfolio

€million	Six months ended 30 June 2025	Six months ended 30 June 2024
<i>As reported</i>		
Room revenue	11.4	13.7
Food and beverage revenue	3.7	4.5
Other revenue	0.6	0.9
Revenue	15.7	19.1
Hotel EBITDAR <sup>1</sup>	4.4	5.9
Hotel EBITDAR margin % <sup>1</sup>	27.9%	30.9%

<b>Performance statistics (as reported)</b>	<b>Six months ended 30 June 2025</b>	Six months ended 30 June 2024
RevPAR <sup>1</sup> (€)	<b>110.98</b>	132.58
Occupancy	<b>67.6%</b>	71.2%
Average room rate (ARR) (€)	<b>164.10</b>	186.15
<b>Continental Europe leased portfolio</b>	<b>30 June 2025</b>	30 June 2024
Hotels at period end	<b>2</b>	2
Room numbers at period end	<b>566</b>	566

The Continental Europe hotel portfolio includes Clayton Hotel Düsseldorf (393 rooms) which was added to the portfolio in February 2022 and Clayton Hotel Amsterdam American (173 rooms) which was added in October 2023.

The portfolio's current performance is back in H1 2025 when compared to a very strong H1 2024. Düsseldorf was a host city for Euro 2024 benefitting from high occupancy levels which contributed to higher revenue levels in H1 2024. Clayton Hotel Amsterdam American was partially impacted by refurbishment works ongoing until May 2025 (capital expenditure of €1.3 million incurred during the period). A new meeting and events space (M&E) is now open, and the reception area of the hotel has been completely refurbished.

### Central costs and share-based payment expense

Central costs totalled €8.0 million for the six months ended 30 June 2025, broadly in line with the prior period (H1 2024: €7.9 million).

### Adjusting items to EBITDA

<b>€million</b>	<b>Six months ended 30 June 2025</b>	Six months ended 30 June 2024
Reversal of previous impairment charges	-	1.7
Impairment charges	<b>(0.5)</b>	(3.2)
Hotel pre-opening expenses	<b>(0.2)</b>	(1.3)
Disposal-related costs	<b>(0.1)</b>	-
Acquisition-related costs	<b>(0.6)</b>	-
Strategic review transaction costs	<b>(6.2)</b>	-
<b>Adjusting items<sup>1</sup></b>	<b>(7.6)</b>	(2.8)

Strategic review transaction costs of €6.2 million were incurred during the period in connection with the Strategic Review and Formal Sale Process.

In November 2024, it was announced that Dalata had exchanged contracts for the purchase of the entire issued share capital of CG Hotels Dublin Airport Limited, which holds the long leasehold interest in The Radisson Blu Hotel, Dublin Airport, for a consideration of €83.1 million. On 19 June 2025, the Group received approval from the Competition and Consumer Protection Commission and subsequently completed the acquisition on 26 June 2025. Further detail can be found in note 10 to the interim financial statements. €0.6 million of acquisition-related costs were incurred in relation to this transaction during the period ended 30 June 2025.

Disposal-related costs relate to the completion of the sale of the Clayton Whites Hotel Wexford in January 2025.

In line with accounting standards, impairment tests and reversal assessments were carried out on the Group's cash-generating units ('CGUs') at 30 June 2025. Each individual hotel is deemed to be a CGU for the purposes of impairment testing, as the cash flows generated are independent of other hotels in the Group. As at 30 June 2025, the carrying value of each CGU did not exceed its respective recoverable amount, and no impairment provisions were required.

The Group's property assets were revalued at 30 June 2025, resulting in unrealised revaluation gains of €4.0 million which were reflected in full through other comprehensive income and the revaluation reserve; (H1 2024: €11.5 million), there was no impact to the profit or loss. Further detail is provided in the 'Property, plant and equipment' section of the consolidated interim financial statements.

## Depreciation of right-of-use assets

Under IFRS 16, the right-of-use assets are depreciated on a straight-line basis to the end of their estimated useful life, typically the end of the lease term. The depreciation of right-of-use assets increased by €1.7 million to €17.8 million for the six-months ended 30 June 2025, primarily due to the full year impact of three leased hotels which opened in the summer of 2024 and a lease amendment made to Clayton Hotel Manchester Airport in October 2024.

## Depreciation of property, plant and equipment and amortisation

Depreciation of property, plant and equipment and amortisation increased by €1.3 million to €20.4 million for the six-month period ended 30 June 2025. The increase is due to an acceleration of depreciation on fixtures and fittings at Maldron Hotel Dublin Airport that cannot be transferred on expiry of the licensing agreement in January 2026 and also relates to the additional depreciation of the Maldron Hotel Shoreditch from August 2024.

## Finance costs

€million	Six months ended 30 June 2025	Six months ended 30 June 2024
Interest expense on bank loans and borrowings	6.1	10.0
Impact of interest rate swaps	-	(4.5)
Net foreign exchange loss on financing activities	0.8	-
Other finance costs	0.8	0.5
Finance costs before capitalised interest and excluding lease liability interest	7.7	6.0
Capitalised interest	(0.8)	(1.6)
Finance costs excluding lease liability interest	6.9	4.4
Interest on lease liabilities	26.5	23.3
<b>Finance costs</b>	<b>33.4</b>	<b>27.7</b>
Weighted average interest cost, including the impact of hedges		
- Sterling denominated borrowings	6.2%	3.3%
- Euro denominated borrowings	4.0%	5.0%

Finance costs related to the Group's loans and borrowings (before capitalised interest) amounted to €7.7 million in H1 2025, increasing by €1.7 million from H1 2024 (€6.0 million). The increase is due to a €0.8 million net foreign exchange loss on financing activities, higher weighted average interest rates, and higher commitment fee charges that reflect the increased debt package from the October 2024 refinancing.

Interest on loans and borrowings of €0.8 million (H1 2024: €1.6 million) was capitalised to assets under construction, as this cost was directly attributable to the construction of qualifying assets.

Interest on lease liabilities for the six-month period increased by €3.2 million to €26.5 million in H1 2025 primarily due to the full period impact of the lease of three new leased hotels opened in the summer of 2024 as well as the lease remeasurement of Clayton Hotel Manchester Airport in October 2024.

## Tax charge

The tax charge for the six-month period ended 30 June 2025 of €3.7 million mainly relates to current tax in respect of profits earned in Ireland during the period. The Group's effective tax rate of 15.8% in H1 2025 has increased from 14.6% in the comparative H1 2024.

At 30 June 2025, deferred tax assets of €33.1 million (31 December 2024: €33.1 million) have been recognised. The majority of the deferred tax assets relate to corporation tax losses and interest expense carried forward of €25.1 million (31 December 2024: €25.0 million).

## Earnings per share (EPS)

The Group's profit after tax of €19.6 million for H1 2025 (H1 2024: €35.8 million) represents basic earnings per share of 9.3 cents (H1 2024: 16.0 cents). The Group's profit after tax declined by €16.2 million (45%) to €19.6 million due primarily to the impact of adjusting items<sup>2</sup> in the period (€7.6 million) and increases in non-cash accounting charges (depreciation of property, plant and equipment and IFRS 16 charges), in addition to the underlying performance at 'like for like' hotels. Adjusting items<sup>2</sup> in H1 2025

primarily related to the transaction costs for the Strategic Review and Formal Sale Process of €6.2 million. Excluding the impact of adjusting items<sup>1</sup>, adjusted basic earnings per share<sup>1</sup> decreased by 25% to 12.7 cents.

### Strong cashflow generation

The Group continues to generate strong Free Cashflow<sup>1</sup>. Free Cashflow<sup>1</sup> for the first six months of 2025 totalled €45.7 million, a reduction of €2.4 million from H1 2024, driven primarily by lower after-rent earnings from the 'like for like' portfolio and a rise in net interest and finance costs reflecting the impact of higher debt servicing costs. Net cash from operating activities increased by €4.5 million mainly driven by working capital movements. Free Cashflow per Share<sup>1</sup> was 21.6 cent in H1 2025, marginally ahead of 2024 levels.

At 30 June 2025, the Group's Debt and Lease Service Cover<sup>1</sup> remains strong at 2.5x (30 June 2024: 2.7x) with cash and undrawn committed debt facilities of €301.7 million (30 June 2024: cash and undrawn debt facilities of €282.4 million).

Free Cashflow <sup>1</sup>	Six months ended 30 June 2025	Six months ended 30 June 2024
Net cash from operating activities	96.0	91.5
Add back acquisition-related costs paid	0.3	-
Add back refinancing costs paid	1.7	-
Add back strategic review costs paid	0.4	-
Add back pre-opening costs	0.2	1.4
Fixed lease payments	(33.6)	(29.1)
Refurbishment capital expenditure paid <sup>1</sup>	(11.2)	(10.8)
Other interest and finance costs paid	(8.1)	(4.8)
<b>Free Cashflow<sup>1</sup></b>	<b>45.7</b>	<b>48.1</b>
Weighted average shares outstanding - basic (million)	211.4	223.9
<b>Free Cashflow per Share<sup>1</sup> (cent)</b>	<b>21.6c</b>	<b>21.5c</b>

The Group made fixed lease payments of €33.6 million in the first six months of 2025, a €4.5 million increase on H1 2024, driven primarily by the addition of three new leases to the portfolio along with impacts from rent reviews. Lease payments payable under lease contracts as at 30 June 2025 are projected to be €33.5 million for the six months ending 31 December 2025 and €64.6 million for the year ending 31 December 2026. The Group has also committed to non-cancellable lease rentals and other contractual obligations payable under agreements for leases which have not yet commenced at 30 June 2025. Further detail is included in note 12 to the consolidated interim financial statements.

The Group made refurbishment capital expenditure payments totalling €11.2 million during the six months ended 30 June 2025 (€10.8 million in H1 2024). The expenditure is primarily related to enhancements to hotel public areas, upgrades to plant and machinery infrastructure, and improvements to health and safety systems across the portfolio and to the refurbishment of 135 bedrooms across the Irish portfolio.

The Group spent €88.4 million on growth capital expenditure during the first six months of 2025, relating to the acquisition of the Radisson Blu Hotel Dublin Airport, and the ongoing development works at Clayton Hotel St. Andrew Square, Edinburgh and Clayton Hotel Cardiff Lane, Dublin. At 30 June 2025, the Group has future capital expenditure commitments under its contractual agreements totalling €47.3 million, of which €35.5 million relates to the development of Clayton Hotel St. Andrew Square, Edinburgh. It also includes committed capital expenditure at other hotels in the Group.

During the six-month period ended 30 June 2025, a final dividend for 2024 of 8.4 cents per share was paid on 8 May 2025 at a total cost of €17.8 million (year ended 31 December 2024: €18.0 million). The Board is not proposing an interim dividend for the first half of 2025.

During the period, 1.2 million shares were repurchased by the Employee Benefit Trust ('the Trust'), which were used to satisfy the exercise of vested options under the 2017 Long Term Incentive Plan award. At 30 June 2025, 6,654 ordinary shares were held by the Trust. The cost of these shares (€37,844) was recorded directly in equity as Treasury Shares.

## Balance sheet

€million	30 June 2025	31 December 2024
<b>Non-current assets</b>		
Property, plant and equipment	1,781.5	1,711.0
Right-of-use assets	743.9	760.1
Intangible assets and goodwill	56.5	53.6
Other non-current assets <sup>4</sup>	37.6	41.9
<b>Current assets</b>		
Trade and other receivables and inventories	48.5	33.6
Cash and cash equivalents	28.2	39.6
Assets held for sale	-	20.8
<b>Total assets</b>	<b>2,696.2</b>	<b>2,660.6</b>
Equity	1,399.8	1,419.4
Loans and borrowings at amortised cost	313.7	271.4
Lease liabilities	772.9	778.6
Trade and other payables	108.0	88.6
Other liabilities <sup>5</sup>	101.8	102.6
<b>Total equity and liabilities</b>	<b>2,696.2</b>	<b>2,660.6</b>

The Group maintains a robust balance sheet position at 30 June 2025 with property, plant and equipment of €1.8 billion, cash and undrawn debt facilities of €301.7 million, and Net Debt to EBITDA after rent<sup>1</sup> of 1.7x.

## Property, plant and equipment

Property, plant and equipment amounted to €1,781.5 million at 30 June 2025. The increase of €70.5 million since 31 December 2024 is driven by additions of €105.5 million, net unrealised revaluation gains on property assets of €3.5 million, capitalised borrowing and labour costs of €0.9 million, partially offset by a depreciation charge of €20.3 million for the six-month period and a foreign exchange loss on the retranslation of Sterling-denominated assets of €19.1 million.

74% of the Group's property, plant and equipment is located in Dublin and London. The Group revalues its property assets, at owned and effectively owned trading hotels, at each reporting date using independent external valuers. The principal valuation technique utilised is discounted cash flows which utilise asset-specific risk-adjusted discount rates and terminal capitalisation rates. The independent external valuation also has regard to relevant recent data on hotel sales activity metrics.

Weighted average terminal capitalisation rate	30 June 2025	31 December 2024
Dublin	7.34%	7.41%
Regional Ireland	8.57%	8.56%
UK	6.31%	6.31%
<b>Group</b>	<b>7.16%</b>	<b>7.17%</b>

Additions through acquisitions and capital expenditure €million	Six months ended 30 June 2025	Six months ended 30 June 2024
Acquisition of freehold	83.0	-
Construction of new build hotels, hotel extensions and renovations	6.0	12.1
Other development expenditure	5.1	2.2
Total acquisitions and development capital expenditure	94.1	14.3
Total refurbishment capital expenditure <sup>1</sup>	11.4	11.8
<b>Additions to property, plant and equipment</b>	<b>105.5</b>	<b>26.1</b>

During the period, the Group incurred €11.1 million of development capital expenditure with €4.4 million mainly relating to the refurbishment of the ground floor and the ongoing 115-bedroom extension of Clayton Hotel Cardiff Lane, €4.5 million (£3.8 million) relating to the development of the site of Clayton Hotel St. Andrew Square, Edinburgh and €1.1 million relating to Clayton Hotel Amsterdam American for the full refurbishment of its meeting and events spaces.

The Group allocates approximately 4% of revenue to refurbishment capital expenditure. The Group incurred €11.4 million of refurbishment capital expenditure during the first half of the year which included the refurbishment of 135 bedrooms across the Group along with enhancements to food and beverage infrastructure, health and safety upgrades and energy efficient plant upgrades.

### Right-of-use assets and lease liabilities

At 30 June 2025, the Group's lease liabilities amounted to €772.9 million and right-of-use assets amounted to €743.9 million.

€million	Lease liabilities	Right-of-use assets
At 31 December 2024	778.6	760.2
Depreciation charge on right-of-use assets	-	(17.8)
Acquisitions through business combinations	7.7	7.7
Remeasurement of lease liabilities	6.1	6.1
Interest on lease liabilities	26.5	-
Lease payments	(33.6)	-
Translation adjustment	(12.4)	(12.3)
<b>At 30 June 2025</b>	<b>772.9</b>	<b>743.9</b>

Right-of-use assets are recorded at cost less accumulated depreciation and impairment. The initial cost comprises the initial amount of the lease liability adjusted for lease prepayments and accruals at the commencement date, initial direct costs and, where applicable, reclassifications from intangible assets or accounting adjustments related to sale and leasebacks.

Lease liabilities are initially measured at the present value of the outstanding lease payments, discounted using the estimated incremental borrowing rate attributable to the lease. The lease liabilities are subsequently remeasured during the lease term following the completion of rent reviews, a reassessment of the lease term or where a lease contract is modified. The weighted average lease life of future minimum rentals payable under leases is 83.0 years (31 December 2024: 82.8 years). Excluding land leases with a lease term of 100 years and over, the weighted average lease life of future minimum rentals payable under leases would be 27.3 years.

On 26 June 2025, the Group completed the acquisition of the entire issued share capital of CG Hotels Dublin Airport Limited, which holds the long leasehold interest in The Radisson Blu Hotel, Dublin Airport after exchanging contracts in November 2024. The Group became party to a ground lease as part of the acquisition and recognised lease liabilities and right-of-use assets of €7.7 million.

Following agreed rent reviews and rent adjustments, which formed part of the original lease agreements, certain of the Group's leases were reassessed during the period. This resulted in an increase in lease liabilities and related right-of-use assets of €6.1 million.

Further information on the Group's leases including the unwind of right-of-use assets and release of interest charge is set out in note 12 to the consolidated interim financial statements.

### Loans and borrowings

The amortised cost of bank loans and private placement notes at 30 June 2025 was €313.7 million (31 December 2024: €271.4 million). The drawn bank loans and private placement notes, being the amount owed to the lenders, was €314.9 million at 30 June 2025 (31 December 2024: €272.6 million).

At 30 June 2025	Sterling borrowings £million	Euro borrowings €million	Total borrowings €million
Term Loan		100.0	100.0
<i>Revolving credit facility:</i>			
- Drawn in euro	-	91.5	91.5
<i>Private placement notes:</i>			
- Issued in sterling	52.5	61.4	61.4
- Issued in euro	-	62.0	62.0
<b>External loans and borrowings drawn at 30 June 2025</b>	<b>52.5</b>	<b>314.9</b>	<b>314.9</b>
Accounting adjustment to bring to amortised cost			(1.2)
<b>Loans and borrowings at amortised cost at 30 June 2025</b>			<b>313.7</b>

In October 2024, the Group successfully completed a refinancing of its existing banking facilities securing a €475 million multicurrency loan facility consisting of a €100 million green term loan and €375 million revolving credit facility for a five-year term to 9 October 2029, with two options to extend by a year. In October 2024, the Group also completed its inaugural issuance of €124.7 million of green loan notes to institutional investors for terms of five and seven years.

At 30 June 2025, €10.0 million of the revolving credit facility was carved out as an ancillary facility for use by the Group as guarantees for hotels in the Continental Europe portfolio.

The Group's covenants, comprising Net Debt to EBITDA (as defined in the Group's bank facility agreement which is equivalent to Net Debt to EBITDA after rent<sup>1</sup>) and Interest Cover<sup>1</sup>, were tested on 30 June 2025. The Group complied with its covenants as at 30 June 2025, with covenants stipulating that the Net Debt to EBITDA limit is 4.0x (30 June 2025: 1.7x) and the Interest Cover minimum is 4.0x (30 June 2025: 14.3x).

The Group limits its exposure to foreign currency by using Sterling debt to act as a natural hedge against the impact of Sterling rate fluctuations on the Euro value of the Group's UK assets. The Group is also exposed to floating interest rates on its debt obligations and uses hedging instruments to mitigate the risk associated with interest rate fluctuations. This is achieved by entering into interest rate swaps which hedge the variability in cash flows attributable to the interest rate risk. As at 30 June 2025, the interest rate swaps cover 100% of the Group's term euro denominated borrowings of €100.0 million for the period to 9 October 2028. The final year of the term debt, to 9 October 2029, is currently unhedged. The Group's drawn revolving credit facilities of €91.5 million as at 30 June 2025 are unhedged.

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<sup>1</sup> See Supplementary Financial Information which contains definitions and reconciliations of Alternative Performance Measures ('APM') and other definitions.

<sup>2</sup> Adjusting items in H1 2025. The adjusting items comprise transaction-related costs of €6.2 million (H1 2024: nil), acquisition-related costs of €0.6 million (H1 2024: nil), an impairment charge of €0.5 million (H1 2024: nil), hotel pre-opening expenses of €0.2 million (H1 2024: €1.4 million), and disposal-related costs of €0.1 million (H1 2024: nil). Further detail on adjusting items is provided in the section titled 'Adjusting items to EBITDA'.

<sup>3</sup> The reference to 'like for like' hotels in the performance statistics comparing to H1 2024 for the Dublin segment excludes Radisson Blu Hotel Dublin Airport, which was acquired in June 2025. The reference to 'like for like' hotels in the performance statistics comparing to H1 2024 for the Regional Ireland segment excludes Maldron Hotel Wexford, which was sold in November 2024, and Clayton Whites Hotel, Wexford, which was sold in January 2025. The reference to 'like for like' hotels in the performance statistics comparing to H1 2024 for the UK segment excludes Maldron Hotel Manchester Cathedral Quarter (May 2024), Maldron Hotel Brighton (July 2024), Maldron Hotel Liverpool City (July 2024), and Maldron Hotel Shoreditch (August 2024).

<sup>4</sup> Other non-current assets comprise deferred tax assets, investment property and other receivables.

<sup>5</sup> Other liabilities comprise deferred tax liabilities, provision for liabilities, current tax liabilities and derivative liabilities.



## Principal risks and uncertainties

We have considered our risk environment, emerging risks, and risk profiles since we published an assessment of the Group's principal risks and uncertainties with our 2024 annual results announcement (and the 2024 Annual Report). The principal risks and uncertainties currently facing the Group are:

**External, geopolitical and economic factors** – Dalata operates in an open market, where its activities and performance are influenced by uncertainty from broader geopolitical, economic and government policy factors outside the Group's direct control. Nonetheless, these factors can directly or indirectly impact the Group's strategy, our labour and direct cost base, performance, and the economic environments in which the Group operates.

The Board and executive management team continuously focus on the impact of external factors on our business performance. The Group, with its experienced management team and resilient information systems, is well-equipped to navigate the influence of external factors on our strategy and performance.

**Health, safety and security** – The Group now operates 56 hotels in Ireland, the UK and Continental Europe. Health, safety, and hotel security concerns will always be a key priority for the Board and executive management.

We have a well-established and resourced health, safety and security framework in our hotels. There is ongoing investment in hotel life, fire and safety systems and servicing, with identified risks remediated promptly. External health and safety risk assessments and food safety audits are conducted across our hotel portfolio. Our new hotels are built to high health and safety standards, and all refurbishments include health and safety as a primary consideration.

**Innovation** – We recognise the business imperative to innovate in our business, and innovation is a core objective for senior leadership. Several initiatives have already been implemented across our hotels, improving productivity, customer service, and meeting our customers' needs better.

Executive management also continues to focus on trends across the hospitality market. The Group performs detailed customer research and reviews market trends with feedback from customers and teams on initiatives taken. We allocate resources to develop and implement business efficiencies and innovation and embrace enhanced use of business systems, new and emerging technologies, and information to support innovation.

**Developing, recruiting and retaining our people** – Our people are a key asset to our business. Our strategy is to develop our management and operational expertise, where possible, from within our existing teams. This expertise can be deployed throughout our business, particularly at management levels in our new hotels. We also recruit and retain well-trained and motivated people to deliver our desired customer service levels at our hotels.

The Group invests in extensive development programmes, including hotel management and graduate development programmes across various business-related areas. These programmes are continually reviewed to reflect growing business needs and competencies. We also implement a broad range of retention strategies (such as employee benefits, workplace culture, training, employee development programmes, progression opportunities and working conditions).

**Cyber security, data and privacy** – In the current environment, all businesses face heightened information security risks associated with increasingly sophisticated cyber-attacks, ransomware attacks and attacks targeting company data.

The ongoing security of our information technology platforms is crucial to the Board. The Group has invested in a modern, standardised technology platform supported by trusted IT partners. Our Information Security Management System is based on ISO27001 and audited twice annually. An established data privacy and protection structure, including dedicated specialist resources, is operational across our business.

**Expansion and development strategy** – The Group's strategy is to expand its activities in the UK and European markets, adopting a predominantly capital-light and long-term leasing model or directly financing a project, enabled by the Group's financial position.

The Group has extensive acquisitions and development expertise within its central office function to identify opportunities and leverage its relationships, funding flexibility and financial position as a preferred partner. The Board has an agreed development strategy, scrutinises all development projects before commencement and is regularly updated on the progress of the development programme. Agreed financial criteria and due diligence are completed for all projects, including specific site selection criteria, detailed city analysis and market intelligence.

**Our culture and values** – The rollout of our business model depends on the retention and growth of our strong culture. We have defined Group values embedded in how we behave as a Group and as individuals, as set out in the Group's Code of Conduct. These are supported by internal structures that support and oversee expected behaviours. We also use wide-ranging measures to assess and monitor our culture, which are reviewed with the Board and management teams.

**Climate change, ESG and decarbonisation strategy** – The Board is keenly aware of the risks to society associated with climate change and environmental matters. We are also aware that being a socially responsible business supports our strategic objectives and benefits society and the communities in which we operate. We risk not meeting stakeholder expectations in this regard, particularly concerning target setting, environmental performance, compliance reporting and corporate performance.

The ESG Committee actively supports the Board in overseeing the development and implementation of the Group's strategy and targets in this area. A climate change and decarbonisation strategy exists across our businesses, with published environmental targets.

**Transaction execution risk** – There is a risk that the proposed sale of the business may not be completed, including the possibility that the required shareholder, regulatory or court approvals may not be secured. Should the sale not be sanctioned, this could lead to uncertainty for the business.

## *Statement of Directors' responsibilities*

*For the half-year ended 30 June 2025*

The Directors are responsible for preparing the half-yearly financial report in accordance with the Transparency (Directive 2004/109/EC) Regulations 2007 ("Transparency Directive"), and the Transparency Rules of the Central Bank of Ireland.

In preparing the condensed set of consolidated financial statements included within the half-yearly financial report, the Directors are required to:

- prepare and present the condensed set of consolidated financial statements in accordance with IAS 34 *Interim Financial Reporting* as adopted by the EU, the Transparency Directive and the Transparency Rules of the Central Bank of Ireland;
- ensure the condensed set of consolidated financial statements has adequate disclosures;
- select and apply appropriate accounting policies;
- make accounting estimates that are reasonable in the circumstances; and
- assess the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Directors either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

The Directors are responsible for designing, implementing and maintaining such internal controls as they determine are necessary to enable the preparation of the condensed set of consolidated financial statements that are free from material misstatement whether due to fraud or error.

We confirm that to the best of our knowledge:

- (1) the condensed set of consolidated financial statements included within the half-yearly financial report of Dalata Hotel Group plc ("the Company") for the six months ended 30 June 2025 ("the interim financial information") which comprises the condensed consolidated statement of comprehensive income, condensed consolidated statement of financial position, condensed consolidated statement of changes in equity, condensed consolidated statement of cash flows and the related explanatory notes, have been presented and prepared in accordance with IAS 34 *Interim Financial Reporting*, as adopted by the EU, the Transparency Directive and Transparency Rules of the Central Bank of Ireland.
- (2) the interim financial information presented, as required by the Transparency Directive, includes:
  - a. an indication of important events that have occurred during the first six months of the financial year, and their impact on the condensed set of consolidated financial statements;
  - b. a description of the principal risks and uncertainties for the remaining six months of the financial year;
  - c. related parties' transactions that have taken place in the first six months of the current financial year and that have materially affected the financial position or the performance of the enterprise during that period; and
  - d. any changes in the related parties' transactions described in the last annual report that could have a material effect on the financial position or performance of the enterprise in the first six months of the current financial year.

The Directors are responsible for the maintenance and integrity of the corporate and financial information included on the Company's website. Legislation in the Republic of Ireland governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

On behalf of the Board

John Hennessy  
Director

Dermot Crowley  
Director



Unaudited condensed consolidated  
interim financial statements

**for the six months ended 30 June 2025**

# Dalata Hotel Group plc

## Unaudited condensed consolidated statement of comprehensive income for the six months ended 30 June 2025

		6 months ended 30 June 2025 €'000	6 months ended 30 June 2024 €'000
	Note		
Revenue	4	306,463	302,345
Cost of sales		(114,154)	(111,271)
<b>Gross profit</b>		<b>192,309</b>	<b>191,074</b>
Administrative expenses	5	(136,352)	(122,187)
Other income		725	706
<b>Operating profit</b>		<b>56,682</b>	<b>69,593</b>
Net finance costs	7	(33,388)	(27,713)
<b>Profit before tax</b>		<b>23,294</b>	<b>41,880</b>
Tax charge	9	(3,690)	(6,109)
<b>Profit for the period attributable to owners of the Company</b>		<b>19,604</b>	<b>35,771</b>
<b>Other comprehensive income</b>			
<i>Items that will not be reclassified to profit or loss</i>			
Revaluation of property	11	4,029	11,547
Related deferred tax		776	(2,037)
		<b>4,805</b>	<b>9,510</b>
<i>Items that are or may be reclassified subsequently to profit or loss</i>			
Exchange (loss)/gain on translating foreign operations		(17,751)	14,596
Gain/(loss) on net investment hedge		1,958	(5,367)
Fair value (loss)/gain on cash flow hedges		(364)	961
Cash flow hedges – reclassified to profit or loss		-	(4,534)
Related deferred tax		46	893
		<b>(16,111)</b>	<b>6,549</b>
<b>Other comprehensive (loss)/income for the period, net of tax</b>		<b>(11,306)</b>	<b>16,059</b>
<b>Total comprehensive income for the period attributable to owners of the Company</b>		<b>8,298</b>	<b>51,830</b>
<b>Earnings per share</b>			
Basic earnings per share	23	9.3 cents	16.0 cents
Diluted earnings per share	23	9.1 cents	15.9 cents

# Dalata Hotel Group plc

## Unaudited condensed consolidated statement of financial position at 30 June 2025

		30 June 2025	31 December 2024 (Audited)
		€'000	€'000
<b>Assets</b>	<i>Note</i>		
<b>Non-current assets</b>			
Intangible assets and goodwill		56,524	53,649
Property, plant and equipment	11	1,781,502	1,710,974
Right-of-use assets	12	743,901	760,151
Investment property		1,334	1,518
Deferred tax assets	19	33,089	33,100
Other receivables	13	3,102	7,362
		<hr/>	<hr/>
<b>Total non-current assets</b>		<b>2,619,452</b>	<b>2,566,754</b>
		<hr/>	<hr/>
<b>Current assets</b>			
Trade and other receivables	13	46,073	30,842
Inventories		2,451	2,761
Cash and cash equivalents		28,206	39,575
Assets held for sale	14	-	20,717
		<hr/>	<hr/>
<b>Total current assets</b>		<b>76,730</b>	<b>93,895</b>
		<hr/>	<hr/>
<b>Total assets</b>		<b>2,696,182</b>	<b>2,660,649</b>
		<hr/>	<hr/>
<b>Equity</b>			
Share capital	21	2,115	2,129
Share premium	21	507,365	507,365
Treasury shares reserve	21	(37)	(19)
Capital reserve		107,118	107,104
Share-based payment reserve		6,329	7,955
Hedging reserve		(532)	(214)
Revaluation reserve		469,481	468,605
Translation reserve		(9,470)	6,323
Retained earnings		317,454	320,157
		<hr/>	<hr/>
<b>Total equity</b>		<b>1,399,823</b>	<b>1,419,405</b>
		<hr/>	<hr/>
<b>Liabilities</b>			
<b>Non-current liabilities</b>			
Loans and borrowings	18	313,668	271,384
Lease liabilities	12	759,611	764,619
Deferred tax liabilities	19	93,476	92,763
Provision for liabilities	16	4,880	5,708
Other Payables	15	128	19
Derivative liabilities		609	244
		<hr/>	<hr/>
<b>Total non-current liabilities</b>		<b>1,172,372</b>	<b>1,134,737</b>
		<hr/>	<hr/>
<b>Current liabilities</b>			
Lease liabilities	12	13,296	13,939
Trade and other payables	15	107,851	88,652
Current tax liabilities		482	1,576
Provision for liabilities	16	2,358	2,340
		<hr/>	<hr/>
<b>Total current liabilities</b>		<b>123,987</b>	<b>106,507</b>
		<hr/>	<hr/>
<b>Total liabilities</b>		<b>1,296,359</b>	<b>1,241,244</b>
		<hr/>	<hr/>
<b>Total equity and liabilities</b>		<b>2,696,182</b>	<b>2,660,649</b>
		<hr/>	<hr/>

# Dalata Hotel Group plc

## Unaudited condensed consolidated statement of changes in equity

for the six months ended 30 June 2025

	Attributable to owners of the Company									
	Share capital	Share premium	Treasury Shares reserve	Capital reserve	Share-based payment reserve	Hedging reserve	Revaluation reserve	Translation reserve	Retained earnings	Total
	€'000	€'000	€'000	€'000	€'000	€'000	€'000	€'000	€'000	€'000
<b>At 1 January 2025</b>	<b>2,129</b>	<b>507,365</b>	<b>(19)</b>	<b>107,104</b>	<b>7,955</b>	<b>(214)</b>	<b>468,605</b>	<b>6,323</b>	<b>320,157</b>	<b>1,419,405</b>
<b>Comprehensive income:</b>										
Profit for the period	-	-	-	-	-	-	-	-	19,604	19,604
<i>Other comprehensive income</i>										
Exchange difference on translating foreign operations	-	-	-	-	-	-	-	(17,751)	-	(17,751)
Gain on net investment hedge	-	-	-	-	-	-	-	1,958	-	1,958
Revaluation of property	-	-	-	-	-	-	4,029	-	-	4,029
Fair value movement on cash flow hedges	-	-	-	-	-	(364)	-	-	-	(364)
Release of cumulative revaluation gains on disposal of hotel	-	-	-	-	-	-	(3,929)	-	3,929	-
Related deferred tax	-	-	-	-	-	46	776	-	-	822
Total comprehensive income for the period	-	-	-	-	-	(318)	876	(15,793)	23,533	8,298
<b>Transactions with owners of the Company:</b>										
Equity-settled share-based payments	-	-	-	-	2,846	-	-	-	-	2,846
Transfer from share-based payment reserve to retained earnings	-	-	-	-	(4,579)	-	-	-	4,579	-
Dividends paid	-	-	-	-	-	-	-	-	(17,767)	(17,767)
Repurchase of treasury shares	-	-	(6,567)	-	-	-	-	-	-	(6,567)
Issue of treasury shares	-	-	6,549	-	-	-	-	-	(6,535)	14
Purchase and cancellation of treasury shares	(14)	-	-	14	-	-	-	-	(6,513)	(6,513)
Related deferred tax	-	-	-	-	107	-	-	-	-	107
Total transactions with owners of the Company	(14)	-	(18)	14	(1,626)	-	-	-	(26,236)	(27,880)
<b>At 30 June 2025</b>	<b>2,115</b>	<b>507,365</b>	<b>(37)</b>	<b>107,118</b>	<b>6,329</b>	<b>(532)</b>	<b>469,481</b>	<b>(9,470)</b>	<b>317,454</b>	<b>1,399,823</b>

# Dalata Hotel Group plc

## Unaudited condensed consolidated statement of changes in equity

for the six months ended 30 June 2024

	Attributable to owners of the Company										Total €'000
	Share capital €'000	Share premium €'000	Treasury Shares reserve €'000	Capital contribution €'000	Merger reserve €'000	Share-based payment reserve €'000	Hedging reserve €'000	Revaluation reserve €'000	Translation reserve €'000	Retained earnings €'000	
<b>At 1 January 2024</b>	<b>2,235</b>	<b>505,079</b>	<b>-</b>	<b>25,724</b>	<b>81,264</b>	<b>8,417</b>	<b>4,891</b>	<b>461,181</b>	<b>(12,182)</b>	<b>316,328</b>	<b>1,392,937</b>
<b>Comprehensive income:</b>											
Profit for the period	-	-	-	-	-	-	-	-	-	35,771	35,771
<i>Other comprehensive income</i>											
Exchange difference on translating foreign operations	-	-	-	-	-	-	-	-	14,596	-	14,596
Loss on net investment hedge	-	-	-	-	-	-	-	-	(5,367)	-	(5,367)
Revaluation of property	-	-	-	-	-	-	-	11,547	-	-	11,547
Fair value movement on cash flow hedges	-	-	-	-	-	-	961	-	-	-	961
Cash flow hedges – reclassified to profit or loss	-	-	-	-	-	-	(4,534)	-	-	-	(4,534)
Related deferred tax	-	-	-	-	-	-	893	(2,037)	-	-	(1,144)
Total comprehensive income for the period	-	-	-	-	-	-	(2,680)	9,510	9,229	35,771	51,830
<b>Transactions with owners of the Company:</b>											
Equity-settled share-based payments	-	-	-	-	-	1,614	-	-	-	-	1,614
Transfer from share-based payment reserve to retained earnings	-	-	-	-	-	(4,188)	-	-	-	4,188	-
Vesting of share awards and options	9	2,286	-	-	-	-	-	-	-	(113)	2,182
Dividends paid	-	-	-	-	-	-	-	-	-	(17,954)	(17,954)
Repurchase of treasury shares	-	-	(6,269)	-	-	-	-	-	-	-	(6,269)
Issue of treasury shares	-	-	5,570	-	-	-	-	-	-	(5,147)	423
Related deferred tax	-	-	-	-	-	69	-	-	-	-	69
Total transactions with owners of the Company	9	2,286	(699)	-	-	(2,505)	-	-	-	(19,026)	(19,935)
<b>At 30 June 2024</b>	<b>2,244</b>	<b>507,365</b>	<b>(699)</b>	<b>25,724</b>	<b>81,264</b>	<b>5,912</b>	<b>2,211</b>	<b>470,691</b>	<b>(2,953)</b>	<b>333,073</b>	<b>1,424,832</b>



# Dalata Hotel Group plc

## Unaudited condensed consolidated statement of cash flows for the six months ended 30 June 2025

	6 months ended 30 June 2025 €'000	6 months ended 30 June 2024 €'000
<b>Cash flows from operating activities</b>		
Profit for the period	19,604	35,771
<i>Adjustments for:</i>		
Interest on lease liabilities	26,484	23,272
Depreciation of property, plant and equipment	20,344	18,810
Depreciation of right-of-use assets	17,817	16,097
Other interest and finance costs	6,904	4,441
Tax charge	3,690	6,109
Share-based payments expense	2,846	1,614
Impairment charge of property, plant and equipment and investment property	510	45
Amortisation of intangible assets and investment properties	23	275
Impairment charge of right-of-use assets	-	1,440
	<b>98,222</b>	<b>107,874</b>
Increase in trade and other payables and provision for liabilities	16,644	4,630
Increase in current and non-current trade and other receivables	(13,066)	(14,162)
Tax paid	(6,114)	(6,732)
Decrease/(increase) in inventories	345	(56)
<b>Net cash from operating activities</b>	<b>96,031</b>	<b>91,554</b>
<b>Cash flows from investing activities</b>		
Acquisitions of undertakings through business combinations, net of cash acquired	(76,355)	-
Purchase of property, plant and equipment	(23,200)	(25,291)
Proceeds from the disposal of Clayton Whites Hotel, Wexford	20,675	-
Costs paid on entering new leases and agreements for lease	-	(8,748)
<b>Net cash used in investing activities</b>	<b>(78,880)</b>	<b>(34,039)</b>
<b>Cash flows from financing activities</b>		
Receipt of bank loans	160,096	62,597
Repayment of bank loans	(115,571)	(58,855)
Interest paid on lease liabilities	(26,484)	(23,272)
Repayment of lease liabilities	(7,089)	(5,861)
Dividends paid	(17,767)	(17,954)
Other net finance costs paid	(8,106)	(4,843)
Repurchase of treasury shares	(6,553)	(6,269)
Purchase of own shares as part of buyback scheme	(6,513)	-
Proceeds from vesting of share awards and options	-	2,295
Proceeds from sale of treasury shares	-	310
<b>Net cash used in financing activities</b>	<b>(27,987)</b>	<b>(51,852)</b>
<b>Net (decrease)/increase in cash and cash equivalents</b>	<b>(10,836)</b>	<b>5,663</b>
<b>Cash and cash equivalents at beginning of period</b>	<b>39,575</b>	<b>34,173</b>
Effect of movements in exchange rates	(533)	1,044
<b>Cash and cash equivalents at end of period</b>	<b>28,206</b>	<b>40,880</b>

# Dalata Hotel Group plc

## Notes to the unaudited condensed consolidated interim financial statements

### 1 General information and basis of preparation

Dalata Hotel Group plc ('the Company') is a company registered in the Republic of Ireland. The unaudited condensed consolidated financial statements for the six month period ended 30 June 2025 (the 'Interim Financial Statements') include the Company and its subsidiaries (together referred to as the 'Group'). The Interim Financial Statements were authorised for issue by the Directors on 26 August 2025.

These unaudited Interim Financial Statements have been prepared by Dalata Hotel Group plc in accordance with IAS 34 *Interim Financial Reporting* ('IAS 34') as adopted by the European Union ('EU'). They do not include all of the information required for a complete set of financial statements prepared in accordance with International Financial Reporting Standards ('IFRS') as adopted by the EU. However, selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the Group's financial position and performance since 31 December 2024. They should be read in conjunction with the consolidated financial statements of Dalata Hotel Group plc, which were prepared in accordance with IFRS as adopted by the EU, as at and for the year ended 31 December 2024.

These Interim Financial Statements are presented in euro, rounded to the nearest thousand, which is the functional currency of the parent company and the presentation currency for the Group's financial reporting.

The preparation of Interim Financial Statements requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses. Actual results could differ materially from these estimates. In preparing these Interim Financial Statements, the critical judgements made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the consolidated financial statements as at and for the year ended 31 December 2024.

The Interim Financial Statements do not constitute statutory financial statements. The statutory financial statements for the year ended 31 December 2024, together with the independent auditor's report thereon, have been filed with the Companies Registration Office and are available on the Company's website [www.dalatahotelgroup.com](http://www.dalatahotelgroup.com). The auditor's report on those financial statements was not qualified and did not contain an emphasis of matter paragraph.

#### Going concern

The period ended 30 June 2025 saw the Group deliver strong results and continue the execution of its growth strategy. The impact of hotels added in the previous period has led to an increase in Group revenue from hotel operations from €302.3 million to €306.5 million, despite the sale of two hotels. Net cash generated from operating activities in the period was €96.0 million (30 June 2024: €91.6 million).

The Group remains in a very strong financial position with significant financial headroom. The Group has cash and undrawn loan facilities of €301.7 million (31 December 2024: €364.6 million). The Group is in full compliance with its external borrowing covenants at 30 June 2025. Current base projections show compliance with all covenants at all future testing dates and significant levels of headroom.

The Directors have considered the above, with all available information, and the current liquidity and financial position in assessing the going concern of the Group. On this basis, the Directors have prepared these interim financial statements on a going concern basis. Furthermore, they do not believe there is any material uncertainty related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern for a period of at least 12 months after the date of these interim financial statements.

# Dalata Hotel Group plc

## Notes to the unaudited condensed consolidated interim financial statements

### 2 Material accounting policies

The accounting policies applied in these Interim Financial Statements are consistent with those applied in the consolidated financial statements as at and for the year ended 31 December 2024.

The following amendment was effective for the Group for the first time from 1 January 2025: Amendments to IAS 21 - *The Effects of Changes in Foreign Exchange Rates: Lack of Exchangeability*. The amendment had no material impact on the Interim Financial Statements.

### 3 Seasonality

Hotel revenue and operating profit are driven by seasonal factors as the shoulder months of January and February typically experience lower levels of demand when compared to November and December. Additionally, the busiest months of the operating cycle are usually between July and September. The table below analyses revenue, operating profit and profit before tax for the first half of 2025 and second half of the year ended 31 December 2024.

	6 months ended 30 June 2025	6 months ended 31 December 2024	Year ended 31 December 2024
	€'000	€'000	€'000
Revenue	306,463	349,845	652,190
Operating profit	56,682	88,865	158,458
Profit before tax	23,294	49,358	91,238

# Dalata Hotel Group plc

## Notes to the unaudited condensed consolidated interim financial statements

### 4 Operating segments

The Group's segments are reported in accordance with IFRS 8 *Operating Segments*. The segment information is reported in the same way as it is reviewed and analysed internally by the chief operating decision makers, primarily the Executive Directors.

#### Dublin, Regional Ireland, the UK and Continental Europe segments

These segments are concerned with hotels that are either owned or leased by the Group. As at 30 June 2025, the owned portfolio consists of 31 hotels which it operates (31 December 2024: 31 hotels, 30 June 2024: 31 hotels) and includes hotels for which the Group has majority or effective ownership.

The Group also leases 22 hotel buildings from property owners (31 December 2024: 22 hotels, 30 June 2024: 20 hotels) and is entitled to the benefits and carries the risks associated with operating these hotels.

The Group's revenue from leased and owned hotels is primarily derived from room sales and food and beverage sales in restaurants, bars and banqueting. The main costs arising are payroll, cost of goods for resale, commissions paid on room sales, other operating costs, and, in the case of leased hotels, variable lease costs (where linked to turnover or profit) payable to lessors.

#### Revenue

	6 months ended 30 June 2025 €'000	6 months ended 30 June 2024 €'000
Dublin	136,332	135,837
Regional Ireland	44,098	51,170
UK	110,335	96,192
Continental Europe	15,698	19,146
<b>Total revenue</b>	<b>306,463</b>	<b>302,345</b>

Segmental revenue for each of the geographical locations represents the operating revenue (room revenue, food and beverage revenue and other hotel revenue) from leased and owned hotels situated in the Group's four reportable segments. Revenue is recognised at a point in time when rooms are occupied and food and beverages are sold.

In January 2025, the Group disposed of Clayton Whites Hotel, Wexford (note 14) and in November 2024 the Group disposed of Maldron Hotel, Wexford. Both hotels formed part of the Regional Ireland segment.

# Dalata Hotel Group plc

## Notes to the unaudited condensed consolidated interim financial statements

### 4 Operating segments (continued)

	6 months ended 30 June 2025 €'000	6 months ended 30 June 2024 €'000
<b>Segmental results – EBITDAR</b>		
Dublin	60,452	62,550
Regional Ireland	12,794	15,033
UK	35,880	34,396
Continental Europe	4,380	5,912
<b>EBITDAR for reportable segments</b>	<b>113,506</b>	<b>117,891</b>
<b>Segmental results – EBITDA</b>		
Dublin	59,639	61,604
Regional Ireland	12,736	14,966
UK	35,880	34,183
Continental Europe	4,380	5,647
<b>EBITDA for reportable segments</b>	<b>112,635</b>	<b>116,400</b>
<b>Reconciliation to results for the period</b>		
Segments EBITDA	112,635	116,400
Other income	725	706
Central costs	(8,042)	(7,859)
Share-based payments expense	(2,846)	(1,614)
<b>Adjusted EBITDA</b>	<b>102,472</b>	<b>107,633</b>
Impairment charge of right-of-use assets	-	(3,159)
Reversal of previous impairment charges of right-of-use assets	-	1,719
Net impairment charge of fixtures, fittings and equipment	-	(45)
Strategic review transaction costs	(6,162)	-
Acquisition-related costs	(604)	-
Impairment charge	(510)	-
Disposal-related costs	(102)	-
Hotel pre-opening expenses	(228)	(1,373)
<b>Group EBITDA</b>	<b>94,866</b>	<b>104,775</b>
Depreciation of property, plant and equipment	(20,344)	(18,810)
Depreciation of right-of-use assets	(17,817)	(16,097)
Amortisation of intangible assets	(23)	(275)
Interest on lease liabilities	(26,484)	(23,272)
Net interest and finance costs	(6,904)	(4,441)
<b>Profit before tax</b>	<b>23,294</b>	<b>41,880</b>
Tax charge	(3,690)	(6,109)
<b>Profit for the period</b>	<b>19,604</b>	<b>35,771</b>

# Dalata Hotel Group plc

## Notes to the unaudited condensed consolidated interim financial statements

### 4 Operating segments (*continued*)

Group EBITDA represents earnings before interest on lease liabilities, other interest and finance costs, tax, depreciation of property, plant and equipment and right-of-use assets and amortisation of intangible assets.

Adjusted EBITDA is presented as an alternative performance measure to show the underlying operating performance of the Group excluding items which are not reflective of normal trading activities or distort comparability either period on period or with other similar businesses. Consequently, Adjusted EBITDA represents Group EBITDA before:

- Net property revaluation movements through profit or loss (note 5);
- Net impairment charge of right-of-use assets (note 6, 12);
- Strategic review transaction costs (note 5);
- Acquisition-related costs (note 10);
- Impairment charge on property, plant and equipment (note 6, 11) and investment property;
- Disposal costs relating to the sale of Clayton Whites Hotel, Wexford (note 5);
- Net impairment charge of fixtures, fittings, and equipment (note 6, 11);
- Hotel pre-opening expenses, which relate primarily to payroll expenses, sales and marketing costs, rates and training costs of new staff, that are incurred by the Group in advance of new hotel openings (note 5).

The line item 'central costs' primarily includes costs of the Group's central functions including operations support, technology, sales and marketing, human resources, finance, corporate services and business development. Share-based payments expense is presented separately from central costs as this expense relates to employees across the Group.

'Segmental results – EBITDA' for Dublin, Regional Ireland, the UK and Continental Europe represents the 'Adjusted EBITDA' for each region before central costs, share-based payments expense and other income. It is the net operational contribution of leased and owned hotels in each geographical location.

'Segmental results – EBITDAR' for Dublin, Regional Ireland, the UK and Continental Europe represents 'Segmental results – EBITDA' before variable lease costs.

#### **Disaggregated revenue information**

Disaggregated segmental revenue is reported in the same way as it is reviewed and analysed internally by the chief operating decision makers, primarily the Executive Directors. The key components of revenue reviewed by the chief operating decision makers are:

- Room revenue which relates to the rental of rooms in each hotel. Revenue is recognised when the hotel room is occupied, and the service is provided;
- Food and beverage revenue which relates to sales of food and beverages at the hotel property. This revenue is recognised at the point of sale; and
- Other revenue includes revenue from leisure centres, car parks, meeting room hire and other revenue sources at the hotels. Leisure centre revenue is recognised over the life of the membership while the other items are recognised when the service is provided.

# Dalata Hotel Group plc

## Notes to the unaudited condensed consolidated interim financial statements

### 4 Operating segments *(continued)*

#### Disaggregated revenue information *(continued)*

	6 months ended 30 June 2025 €'000	6 months ended 30 June 2024 €'000
<b>Revenue review by segment – Dublin</b>		
Room revenue	101,717	101,957
Food and beverage revenue	25,410	25,064
Other revenue	9,205	8,816
<b>Total revenue</b>	<b>136,332</b>	<b>135,837</b>
<b>Revenue review by segment – Regional Ireland</b>		
Room revenue	29,283	33,201
Food and beverage revenue	10,651	13,467
Other revenue	4,164	4,502
<b>Total revenue</b>	<b>44,098</b>	<b>51,170</b>
<b>Revenue review by segment – UK</b>		
Room revenue	87,714	75,999
Food and beverage revenue	17,451	15,657
Other revenue	5,170	4,536
<b>Total revenue</b>	<b>110,335</b>	<b>96,192</b>
<b>Revenue review by segment – Continental Europe</b>		
Room revenue	11,369	13,657
Food and beverage revenue	3,674	4,569
Other revenue	655	920
<b>Total revenue</b>	<b>15,698</b>	<b>19,146</b>



# Dalata Hotel Group plc

## Notes to the unaudited condensed consolidated interim financial statements

### 4 Operating segments (continued)

#### Other geographical information

Revenue	6 months ended 30 June 2025				6 months ended 30 June 2024			
	Republic of Ireland	UK	Continental Europe	Total	Republic of Ireland	UK	Continental Europe	Total
	€'000	€'000	€'000	€'000	€'000	€'000	€'000	€'000
Owned hotels	122,303	52,067	-	174,370	128,736	49,274	-	178,010
Leased hotels	58,127	58,268	15,698	132,093	58,271	46,918	19,146	124,335
<b>Total revenue</b>	<b>180,430</b>	<b>110,335</b>	<b>15,698</b>	<b>306,463</b>	<b>187,007</b>	<b>96,192</b>	<b>19,146</b>	<b>302,345</b>

Segments EBITDAR	6 months ended 30 June 2025				6 months ended 30 June 2024			
	Republic of Ireland	UK	Continental Europe	Total	Republic of Ireland	UK	Continental Europe	Total
	€'000	€'000	€'000	€'000	€'000	€'000	€'000	€'000
Owned hotels	49,070	18,244	-	67,314	52,490	18,379	-	70,869
Leased hotels	24,176	17,636	4,380	46,192	25,093	16,017	5,912	47,022
<b>Total Segments EBITDAR</b>	<b>73,246</b>	<b>35,880</b>	<b>4,380</b>	<b>113,506</b>	<b>77,583</b>	<b>34,396</b>	<b>5,912</b>	<b>117,891</b>

#### Other geographical information

	6 months ended 30 June 2025				6 months ended 30 June 2024			
	Republic of Ireland	UK	Continental Europe	Total	Republic of Ireland	UK	Continental Europe	Total
	€'000	€'000	€'000	€'000	€'000	€'000	€'000	€'000
Variable lease costs	871	-	-	871	1,013	213	265	1,491
Depreciation of property, plant and equipment	11,407	8,101	836	20,344	10,777	7,160	873	18,810
Depreciation of right-of-use assets	8,087	7,324	2,406	17,817	7,820	5,900	2,377	16,097
Interest on lease liabilities	8,771	14,520	3,193	26,484	8,894	11,139	3,239	23,272

# Dalata Hotel Group plc

## Notes to the unaudited condensed consolidated interim financial statements

### 5 Administrative expenses

	6 months ended 30 June 2025 €'000	6 months ended 30 June 2024 €'000
Other administrative expenses	78,279	70,416
Impairment charge of right-of-use assets (note 6, 12)	-	3,159
Reversal of previous impairment charge of right-of-use assets (note 6, 12)	-	(1,719)
Net impairment charge of fixtures, fittings and equipment (note 6, 11)	-	45
Strategic review transaction costs	6,162	-
Acquisition-related costs (note 10)	604	-
Impairment charge of property, plant and equipment (note 6,11) and investment property	510	-
Disposal-related costs	102	-
Hotel pre-opening expenses (note 4)	228	1,373
Depreciation of property, plant and equipment (note 4, 11)	20,344	18,810
Depreciation of right-of-use assets (note 4, 12)	17,817	16,097
Amortisation of intangible assets	23	252
Variable lease costs (note 4)	871	1,491
Utilities – electricity and gas	11,412	12,263
	<hr/>	<hr/>
	136,352	122,187
	<hr/>	<hr/>

Other administrative expenses include costs related to payroll, marketing and general administration. The increase in other administrative expenses for the period ended 30 June 2025, relative to the same period in the prior year, is primarily due to share based payments, wage rate increases and the impact of three new hotels which opened in the last six months in 2024.

Strategic review transaction costs of €6.2 million have been incurred for the period ended 30 June 2025 and are in relation to the proposed acquisition of the Group by Pandox AB and Eiendomsspar AS (note 23).

In November 2024, it was announced that Dalata had exchanged contracts for the purchase of the entire issued share capital of CG Hotels Dublin Airport Limited, which holds the long leasehold interest in The Radisson Blu Hotel, Dublin Airport, for a consideration of €83.1 million, subject to contractual conditions and regulatory approval. As a result, €0.6m in acquisition costs have been incurred in relation to this transaction during the period ended 30 June 2025 and €1.1 million was incurred during the year ended 31 December 2024.

Disposal-related costs mainly relate to the finalisation of the sale of the Clayton Whites Hotel Wexford in January 2025.

# Dalata Hotel Group plc

## Notes to the unaudited condensed consolidated interim financial statements

### 6 Impairment

At 30 June 2025, the carrying amount of the Group's net assets amounted to €1,399.8 million, which exceeded the Group's market capitalisation on the same date. Market capitalisation is calculated by multiplying the share price by the number of shares in issue.

On 15 July 2025, the Board of Directors announced that it had agreed terms for the proposed acquisition of the Group by Pandox AB and Eiendomsspar AS. The transaction remains subject to shareholder and regulatory approvals. Under the terms of the Transaction Agreement, a proposed price per share of €6.45 was offered on a fully diluted basis, implying an equity value of approximately €1,396 million for the Group.

In evaluating the proposed price per share, the Directors considered a range of valuation inputs and relevant factors, including transaction costs, other potential costs arising from the transaction, and any inherent tax liabilities. These factors were deemed relevant to the proposed offer and were considered in assessing the continued appropriateness of asset carrying values as at the reporting date. Based on this assessment, no indicators of impairment were identified.

Notwithstanding the above, the Group performed impairment testing for each Cash-Generating Unit ("CGU"). As at 30 June 2025, the carrying value of each CGU did not exceed its respective recoverable amount, and no impairment provisions were required.

Land and buildings included in property, plant and equipment, as well as investment properties, are carried at fair value. Unrealised revaluation gains and impairment losses relating to property assets are disclosed in note 11 and are reflected in the net asset value as at 30 June 2025.

# Dalata Hotel Group plc

## Notes to the unaudited condensed consolidated interim financial statements

### 6 Impairment (*continued*)

The VIU estimates were based on the following key assumptions:

- Cash flow projections are based on operating results and forecasts prepared by management covering a ten year period in the case of freehold properties. This period was chosen due to the nature of the hotel assets and is consistent with the valuation basis used by independent external property valuers when performing their hotel valuations (note 11). For impairment testing of right-of-use assets, the lease term was used;
- Revenue and EBITDA projections are based on management's best estimate projections as at 30 June 2025. Forecasted revenue and EBITDA are based on expectations of future outcomes taking into account the macro-environment, current earnings, past experience and adjusted for anticipated revenue and cost growth;
- Cash flow projections assume a long-term compound annual growth rate of 2% in EBITDA for CGUs in the Republic of Ireland, the UK and Continental Europe (31 December 2024: 2%);
- Cash flows include an average annual capital outlay on maintenance for the hotels dependent on the condition of the hotel or typically 4% of revenues but assume no enhancements to any property;
- In the case of CGUs with freehold properties, the VIU calculations also include a terminal value based on terminal (year 10) capitalisation rates consistent with those used by the external property valuers which incorporates a long-term growth rate of 2% (31 December 2024: 2%);
- The cash flows are discounted using a risk adjusted discount rate specific to each property. Risk adjusted discount rates of 8.50% to 11.35% for Dublin assets (31 December 2024: 8.50% to 11.35%), 10.60% to 11.10% for Regional Ireland assets (31 December 2024: 10.60% to 11.10%), 7.60% to 10.20% for UK assets (31 December 2024: 7.60% to 10.20%), 7.50% to 8.00% for Continental Europe assets (31 December 2024: 7.50% to 8.00%) have been used; and
- The values applied to each of these key assumptions are derived from a combination of internal and external factors based on historical experience of the valuers and of management and taking into account the stability of cash flows typically associated with these factors.

# Dalata Hotel Group plc

## Notes to the unaudited condensed consolidated interim financial statements

### 7 Net finance costs

	6 months ended 30 June 2025 €'000	6 months ended 30 June 2024 €'000
Finance income	(26)	(33)
	<hr/>	<hr/>
	(26)	(33)
Interest on lease liabilities (note 12)	26,484	23,272
Interest expense on bank loans and borrowings	6,054	10,002
Cash flow hedges– reclassified from other comprehensive income	-	(4,534)
Net foreign exchange loss on financing activities	822	41
Other finance costs	841	542
Interest capitalised to property, plant and equipment (note 11)	(787)	(1,577)
	<hr/>	<hr/>
Finance costs	33,414	27,746
	<hr/>	<hr/>
Net finance costs	33,388	27,713
	<hr/>	<hr/>

The Group uses interest rate swaps to convert the interest rate on part of its debt from floating rate to fixed rate (note 17). As at 30 June 2025, the Group has recognised a derivative liability, in relation to these interest rate swaps, of €0.6 million (31 December 2024: €0.2 million 30 June 2024: €2.9 million). Interest margins on the Group's borrowings are set with reference to the Net Debt to EBITDA covenant levels and ratchet up or down accordingly.

Other finance costs include commitment fees and other banking and professional fees. Net foreign exchange losses on financing activities relates principally to cash and cash equivalents and loans which did not form part of the net investment hedge (note 17).

Interest on loans and borrowings of €0.8 million (period ended 30 June 2024: €1.6 million) was capitalised to assets under construction, considering that this cost was directly attributable to the construction of qualifying assets (note 11). The capitalisation rates applied by the Group, which reflected the weighted average interest rates on loans in sterling and euro for the period, including the impact of hedges, were 6.2% for sterling and 4.0% for euro.

# Dalata Hotel Group plc

## Notes to the unaudited condensed consolidated interim financial statements

### 8 Share-based payments expense

The total share-based payments expense for the Group's employee share schemes charged to profit or loss during the period was €2.8 million (six months ended 30 June 2024: €1.6 million), analysed as follows:

	<b>6 months ended 30 June 2025 €'000</b>	6 months ended 30 June 2024 €'000
Long Term Incentive Plans	<b>2,410</b>	1,547
Share Save schemes	<b>436</b>	67
	<hr/> <b>2,846</b> <hr/>	<hr/> 1,614 <hr/>

Details of the schemes operated by the Group are set out hereafter:

#### Long Term Incentive Plans

##### Awards granted

During the period ended 30 June 2025, the Board approved the conditional grant of 1,611,259 ordinary shares 'the Award' pursuant to the terms and conditions of the Group's 2017 Long Term Incentive Plan ('the 2017 LTIP'). The Award was granted to senior employees across the Group (131 in total). Vesting of the Award is based on two independently assessed performance targets, 50% based on total shareholder return 'TSR' and 50% based on Free Cashflow Per Share 'FCPS'. The performance period of this Award is 1 January 2025 to 31 December 2027.

Threshold performance for the TSR condition is a performance measure against a bespoke comparator group of 19 listed peer companies in the travel and leisure sector, with threshold 25% vesting if the Group's TSR over the performance period is ranked at the median compared to the TSR of the comparator group. If the Group's TSR performance is at or above the upper quartile compared to the comparator group, the remaining 75% of that portion of the Award will vest, with pro-rotta vesting on a straight-line basis for performance in between these thresholds.

Threshold performance (25% vesting) for the FCPS condition which is a non-market-based performance condition and is based on the achievement of FCPS of €0.569 with 100% vesting, equating to €0.769 or greater. The FCPS based portion of the Award will vest on a straight-line basis for performance between these thresholds. FCPS targets may be amended in restricted circumstances if an event occurs which causes the Remuneration Committee to determine an amended or substituted performance condition would be more appropriate and not materially more or less difficult to satisfy. Participants are also entitled to receive a dividend equivalent amount in respect of their awards.

# Dalata Hotel Group plc

## Notes to the unaudited condensed consolidated interim financial statements

### 8 Share-based payments expense (continued)

#### Long Term Incentive Plans (continued)

Movements in the number of share awards are as follows:

	6 months ended 30 June 2025	Year ended 31 December 2024
	Number of Awards	Number of Awards
Outstanding at the beginning of the period/year	4,504,528	4,089,901
Granted during the period/year	1,611,259	1,634,668
Forfeited during the period/year	(88,658)	(127,780)
Lapsed unvested during the period/year	(242,456)	-
Exercised during the period/year	(1,123,338)	(1,081,517)
Dividend equivalents	(43,662)	(10,744)
	<hr/>	<hr/>
<b>Outstanding at the end of the period/year</b>	<b>4,617,673</b>	<b>4,504,528</b>
	<hr/>	<hr/>
	6 months ended 30 June 2025	Year ended 31 December 2024
Grant date	Number of Awards	Number of Awards
March 2022	-	1,389,631
March 2023	1,460,884	1,498,692
May 2023	-	22,719
April 2024	1,550,085	1,593,486
March 2025	1,606,704	-
	<hr/>	<hr/>
<b>Outstanding at the end of the period/year</b>	<b>4,617,673</b>	<b>4,504,528</b>
	<hr/>	<hr/>

#### Awards vested

During the period ended 30 June 2025, participants of the March 2022 and May 2023 scheme exercised 1,123,338 options on foot of the vesting of awards granted under the terms of the 2017 LTIP. The weighted average share price at the date of exercise for these awards was €5.33.

#### Measurement of fair values

The fair value, at the grant date, of the TSR-based conditional share awards was measured using a Monte Carlo simulation model. Non-market-based performance conditions attached to the awards were not taken into account in measuring fair value at the grant date. The share price for options granted in March 2025 was €5.50 (March 2024: €4.51).



# Dalata Hotel Group plc

## Notes to the unaudited condensed consolidated interim financial statements

### 8 Share-based payments expense *(continued)*

#### Measurement of fair values *(continued)*

Awards granted include FCPS-related performance conditions (non-market-based performance conditions) that do not impact the fair value of the award at the grant date, which equals the share price less exercise price. Instead, an estimate is made by the Group as to the number of shares which are expected to vest based on satisfaction of the FCPS-related performance condition, where applicable, and this, together with the fair value of the award at grant date, determines the accounting charge to be spread over the vesting period. The estimate of the number of shares which are expected to vest over the vesting period of the award is reviewed in each reporting period and the accounting charge is adjusted accordingly.

#### Share Save schemes

During the period ended 30 June 2025, there were no new schemes granted and no exercise of shares. In the period ended 30 June 2024, 1,103,023 options exercised on maturity of the share options granted as part of the Share Save scheme in 2020 with a further 2,000 ordinary shares exercised on maturity of the share options granted as part of the Share Save scheme in 2019.

Movements in the number of share options and the related weighted average exercise price ('WAEP') are as follows:

	6 months ended 30 June 2025		Year ended 31 December 2024	
	Options	WAEP € per share	Options	WAEP € per share
Outstanding at the beginning of the period/year	2,359,273	2.99	1,480,299	2.39
Granted during the period/year	-	-	2,259,760	3.03
Forfeited during the period/year	(171,417)	2.98	(118,199)	2.73
Exercised during the period/year	-	-	(1,262,587)	2.26
<b>Outstanding at the end of the period/year</b>	<b>2,187,856</b>	<b>2.99</b>	<b>2,359,273</b>	<b>2.99</b>

The weighted average remaining contractual life for the share options outstanding at 30 June 2025 is 2.7 years (31 December 2024: 3.1 years).

# Dalata Hotel Group plc

## Notes to the unaudited condensed consolidated interim financial statements

### 9 Tax charge

	6 months ended	6 months ended
	30 June 2025	30 June 2024
	€'000	€'000
<b>Current tax</b>		
Irish corporation tax	3,986	5,767
Foreign corporation tax	-	63
Deferred tax (credit)/ charge	(296)	279
	<hr/>	<hr/>
<b>Tax charge</b>	<b>3,690</b>	<b>6,109</b>
	<hr/>	<hr/>

The tax charge of €3.7 million for the period ended 30 June 2025 (six months ended 30 June 2024: €6.1 million) primarily relates to current tax in respect of profits earned in Ireland during the period.

# Dalata Hotel Group plc

## Notes to the unaudited condensed consolidated interim financial statements

### 10 Business combinations

#### Acquisition of The Radisson Blu Hotel, Dublin Airport

On 26 June 2025, the Group completed the acquisition of the entire issued share capital of CG Hotels Dublin Airport Limited, which holds the long leasehold interest in The Radisson Blu Hotel, Dublin Airport after exchanging contracts in November 2024. The Group became party to a ground lease as part of the acquisition and recognised lease liabilities and right-of-use assets of €7.7 million.

The fair value of the identifiable assets and liabilities acquired were as follows:

	26 June 2025
	€'000
<b>Recognised amounts of identifiable assets acquired and liabilities assumed</b>	
<b>Non-current assets</b>	
Hotel property	80,243
Fixtures, fittings and equipment	2,757
Right-of-use asset	7,741
<b>Current assets</b>	
Trade and other receivables	1,694
Corporation tax receivable	130
Inventory	56
<b>Non-current liabilities</b>	
Lease liability	(7,732)
Deferred tax liability	(3,478)
<b>Current liabilities</b>	
Accruals	(3,593)
Trade and other payables	(836)
Lease liability	(8)
<b>Total identifiable net assets</b>	<hr/> 76,974
 Total cash consideration	 83,142
Less cash acquired as part of acquisition	(2,928)
<b>Net cash consideration</b>	<hr/> 80,214
 <b>Goodwill arising on acquisition</b>	 <hr/> 3,240 <hr/>

# Dalata Hotel Group plc

## Notes to the unaudited condensed consolidated interim financial statements

### 10 Business combinations *(continued)*

The acquisition method of accounting has been used to consolidate the business acquired in the Group's consolidated financial statements. Goodwill of €3.2 million has been recognised in connection with the acquisition of the Radisson Blu Hotel, Dublin Airport, as the consideration exceeded the fair value of the identifiable net assets acquired.

The goodwill arising from this transaction includes certain intangible assets that cannot be separately identified. This encompasses future growth and performance prospects operating under Dalata, including expansion opportunities for the hotel, which is situated in a pivotal location within the Dublin Airport campus.

Since the carrying value of the acquired property for financial reporting purposes exceeds its tax base, a deferred tax liability has been recognised. Deferred tax has been measured using the Irish corporation tax rate for trading profits. As disclosed in note 19, if the Group were to dispose of the property, the disposal could be subject to capital gains tax at a higher rate.

Acquisition-related costs of €0.6 million were charged to administrative expenses in profit or loss in respect of this business combination during the period ended 30 June 2025 and €1.1 million was incurred during the year ended 31 December 2024.

#### Impact of new acquisitions on trading performance

The post-acquisition impact of the acquisition completed during 2025 on the Group's profit for the period ended 30 June 2025 was:

	30 June 2025
	€'000
Revenue	263
Profit before tax and acquisition-related costs	140

In the pre-acquisition period from 1 January 2025 to 25 June 2025, the hotel reported revenues of €7.9 million.

# Dalata Hotel Group plc

## Notes to the unaudited condensed consolidated interim financial statements

### 11 Property, plant and equipment

	Land and buildings €'000	Assets under construction €'000	Fixtures, fittings and equipment €'000	Total €'000
<b>At 30 June 2025</b>				
Valuation	1,622,605	-	-	1,622,605
Cost	-	40,564	231,253	271,817
Accumulated depreciation (and impairment charges)*	-	-	(112,920)	(112,920)
<b>Net carrying amount</b>	<b>1,622,605</b>	<b>40,564</b>	<b>118,333</b>	<b>1,781,502</b>
At 1 January 2025, net carrying amount	1,564,246	30,741	115,987	1,710,974
Additions through business combinations (note 10)	80,243	-	2,757	83,000
Additions	61	8,869	13,554	22,484
Revaluation gains through other comprehensive income	4,029	-	-	4,029
Revaluation loss through profit or loss statement	(460)	-	-	(460)
Capitalised labour costs	-	117	-	117
Capitalised borrowing costs (note 7)	-	787	-	787
Depreciation charge for the period	(7,475)	-	(12,869)	(20,344)
Translation adjustment	(18,039)	50	(1,096)	(19,085)
<b>At 30 June 2025, net carrying amount</b>	<b>1,622,605</b>	<b>40,564</b>	<b>118,333</b>	<b>1,781,502</b>

\*Accumulated depreciation of buildings is stated after the elimination of depreciation on revaluation, disposals and impairments.

The carrying value of land and buildings, revalued at 30 June 2025, is €1,622.6 million (31 December 2024: €1,564.2 million). The value of these assets under the cost model is €1,090.0 million (31 December 2024: €1,037.2 million). During the period ended 30 June 2025, unrealised revaluation gains of €4.0 million (year ended 31 December 2024: net unrealised revaluation gains of €13.1 million) have been reflected through other comprehensive income and in the revaluation reserve in equity. Impairment losses were €0.5 million and were reflected in administrative expenses through profit and loss (2024: €1.3 million).

Included in land and buildings at 30 June 2025 is land at a carrying value of €555.5 million which is not depreciated (31 December 2024: €563.4 million).

Additions to assets under construction during the period ended 30 June 2025 primarily relate to the development expenditure incurred on the construction of Clayton Hotel Edinburgh (€4.5 million) and the development of the Clayton Hotel Cardiff Lane extension (€4.4 million).

# Dalata Hotel Group plc

## Notes to the unaudited condensed consolidated interim financial statements

### 11 Property, plant and equipment *(continued)*

#### Measurement of fair value

The value of the Group's property at 30 June 2025 reflects open market valuations carried out as at 30 June 2025 by independent external valuers having appropriate recognised professional qualifications and recent experience in the location and value of the property being valued. The external valuations performed were in accordance with the Royal Institution of Chartered Surveyors ("RICS") Valuation Standards.

The fair value measurement of the Group's own-use property has been categorised as a Level 3 fair value based on the inputs to the valuation technique used. At 30 June 2025, 31 properties were revalued by independent external valuers engaged by the Group (31 December 2024: 30 properties).

The principal valuation technique used by the independent external valuers engaged by the Group was discounted cash flows. This valuation model considers the present value of net cash flows to be generated from the property over a ten year period (with an assumed terminal value at the end of year 10). Valuers' forecast cash flow included in these calculations represents the expectations of the valuers for EBITDA (driven by revenue per available room ('RevPAR') calculated as total rooms revenue divided by rooms available) for the property and also takes account of the expectations of a prospective purchaser. It also includes their expectation for capital expenditure which the valuers, typically, assume as approximately 4% of revenue per annum. This does not always reflect the profile of actual capital expenditure incurred by the Group for individual assets. On specific assets, refurbishments are, by nature, periodic rather than annual. Valuers' expectations of EBITDA are based on their trading forecasts (benchmarked against competition, market and actual performance). The expected net cash flows are discounted using risk adjusted discount rates. Among other factors, the discount rate estimation considers the quality of the property and its location. The final valuation also includes a deduction of full purchaser's costs based on the valuers' estimates at 9.96% for assets located in the Republic of Ireland (31 December 2024: 9.96%) and 6.8% for assets located in the UK (31 December 2024: 6.8%).

The significant unobservable inputs are:

- Valuers' forecast cash flow.
- Risk adjusted discount rates and terminal (year 10) capitalisation rates which are specific to each property.
- Dublin:
  - Risk adjusted discount rates range between 8.50% and 11.35% (31 December 2024: 8.50% and 11.35%).
  - Weighted average risk adjusted discount rate is 9.34% (31 December 2024: 9.41%).
  - Terminal capitalisation rates range between 6.50% and 9.35% (31 December 2024: 6.50% and 9.35%).
  - Weighted average terminal capitalisation rate is 7.34% (31 December 2024: 7.41%).
- Regional Ireland:
  - Risk adjusted discount rates range between 9.75% and 12.75% (31 December 2024: 9.75% and 12.75%).
  - Weighted average risk adjusted discount rate is 10.57% (31 December 2024: 10.56%).
  - Terminal capitalisation rates range between 7.75% and 10.75% (31 December 2024: 7.75% and 10.75%).
  - Weighted average terminal capitalisation rate is 8.57% (31 December 2024: 8.56%).
- UK:
  - Risk adjusted discount rates range between 7.30% and 11.50% (31 December 2024: 7.30% and 11.50%).
  - Weighted average risk adjusted discount rate is 8.41% (31 December 2024: 8.31%).
  - Terminal capitalisation rates range between 5.30% and 9.50% (31 December 2024: 5.30% and 9.50%).
  - Weighted average terminal capitalisation rate is 6.31% (31 December 2024: 6.31%).

The estimated fair value under this valuation model may increase or decrease if:

- Valuers' forecast cash flow was higher or lower than expected; and/or
- The risk adjusted discount rate and terminal capitalisation rate was higher or lower.

Valuations also had regard to relevant price per key metrics from hotel sales activity.

# Dalata Hotel Group plc

## Notes to the unaudited condensed consolidated interim financial statements

### 11 Property, plant and equipment *(continued)*

The Group has the following capital expenditure commitments under contractual arrangements.

	30 June 2025 €'000	31 December 2024 €'000
Capital expenditure	47,263	55,783

Capital expenditure listed above is contracted and not provided for at the reporting date.

At 30 June 2025, the commitments include an amount of €35.5 million related to the new-build hotel development of Clayton Hotel, Edinburgh. It also includes committed capital expenditure at other hotels in the Group.

### 12 Leases

The Group leases property assets, which includes land and buildings and related fixtures and fittings, and other equipment relating to vehicles, machinery, and IT equipment. Information about leases for which the Group is a lessee is presented below:

Right-of-use assets	Period ended 30 June 2025 €'000	Year ended 31 December 2024 €'000
Net book value at start of period/year	760,151	685,193
Acquisitions through business combinations (note 10)	7,740	-
Additions	-	76,022
Depreciation charge for the period/year	(17,817)	(33,727)
Remeasurement of lease liabilities	6,068	14,743
Reversal of previous impairment charge	-	1,719
Translation adjustment	(12,241)	16,201
Net book value at end of period/year	743,901	760,151

Right-of-use assets comprise of leased assets that do not meet the definition of investment property. Right-of-use assets primarily reflect leased property assets. The carrying value of right-of-use assets related to other equipment at 30 June 2025 reflected in the above total is €0.5 million (31 December 2024: €0.6 million).

# Dalata Hotel Group plc

## Notes to the unaudited condensed consolidated interim financial statements

### 12 Leases (continued)

Lease liabilities	Period ended 30 June 2025 €'000	Year ended 31 December 2024 €'000
Current	13,939	12,040
Non-current	764,619	686,558
	<hr/>	<hr/>
<b>Lease liabilities at start of period/year</b>	<b>778,558</b>	698,598
	<hr/>	<hr/>
Additions	-	61,363
Acquisitions through business combinations (note 10)	7,740	-
Interest on lease liabilities (note 7)	26,484	49,487
Lease payments	(33,573)	(61,254)
Remeasurement of lease liabilities	6,068	13,781
Translation adjustment	(12,370)	16,583
	<hr/>	<hr/>
<b>Lease liabilities at end of period/year</b>	<b>772,907</b>	778,558
	<hr/>	<hr/>
Current	13,296	13,939
Non-current	759,611	764,619
	<hr/>	<hr/>
<b>Lease liabilities at end of period/year</b>	<b>772,907</b>	778,558
	<hr/>	<hr/>

On 26 June 2025, the Group acquired the entire issued share capital of CG Hotels Dublin Airport Limited, which holds the long leasehold interest in The Radisson Blu Hotel, Dublin Airport (note 10). The Group became party to a ground lease as part of the acquisition and recognised lease liabilities and right-of-use assets of €7.7 million.

The weighted average incremental borrowing rate for new leases entered into during the period ended 30 June 2025 is 9.72% (31 December 2024: 10.0%).

Following agreed rent reviews and rent adjustments, which formed part of the original lease agreements, certain of the Group's leases were reassessed during the period. This resulted in an increase in lease liabilities and related right-of-use assets of €6.1 million.



# Dalata Hotel Group plc

## Notes to the unaudited condensed consolidated interim financial statements

### 12 Leases (continued)

Non-cancellable undiscounted lease cash flows payable under lease contracts are set out below:

	At 30 June 2025			
	Republic of Ireland	Continental Europe	UK	Total
	€'000	€'000	£'000	€'000
6 months ending 31 December 2025	13,968	4,484	12,848	33,470
During the year 2026	25,484	8,968	25,783	64,590
During the year 2027	25,526	8,968	26,232	65,157
During the year 2028	25,609	8,968	26,300	65,319
During the year 2029	25,571	8,968	26,474	65,485
During the year 2030	24,987	8,968	26,642	65,097
During the years 2031 – 2040	244,690	89,683	278,455	659,861
During the years 2041 – 2050	134,830	10,471	296,556	491,947
From 2051 onwards	107,282	-	789,924	1,030,630
	<hr/>	<hr/>	<hr/>	<hr/>
	627,947	149,478	1,509,214	2,541,556
	<hr/>	<hr/>	<hr/>	<hr/>
	At 31 December 2024			
	Republic of Ireland	Continental Europe	UK	Total
	€'000	€'000	£'000	€'000
During the year 2025	26,540	8,836	26,266	67,053
During the year 2026	24,457	8,836	25,783	64,388
During the year 2027	24,485	8,836	26,232	64,957
During the year 2028	24,565	8,836	26,300	65,119
During the year 2029	24,527	8,836	26,474	65,291
During the years 2030 – 2039	234,867	88,362	276,287	656,434
During the years 2040 – 2049	135,452	19,143	297,687	513,609
From 2050 onwards	59,594	-	817,603	1,045,632
	<hr/>	<hr/>	<hr/>	<hr/>
	554,487	151,685	1,522,632	2,542,483
	<hr/>	<hr/>	<hr/>	<hr/>

The Group also has further commitments in relation to fixtures, fittings and equipment in some of its leased hotels. Under certain lease agreements, the Group has committed to spending a percentage of revenue on capital expenditure in respect of fixtures, fittings and equipment in the leased hotels over the life of the lease. The Group has estimated the commitment in relation to these leases to be €63.2 million (31 December 2024: €66.9 million) spread over the life of the various leases which primarily range in length from 18 years to 33 years. The revenue figures used in the estimate of the commitment at 30 June 2025 have been based on 2025 forecasted revenues at that date. The actual commitment will be higher or lower dependent on the actual revenue earned in each of the lease years.

# Dalata Hotel Group plc

## Notes to the unaudited condensed consolidated interim financial statements

### 12 Leases (continued)

Sterling amounts have been converted using the closing foreign exchange rate of 0.85550 as at 30 June 2025 (0.82918 as at 31 December 2024).

The weighted average lease life of future minimum rentals payable under leases is 83.0 years (31 December 2024: 82.8 years). Excluding land leases with a lease term of 100 years and over, the weighted average lease life of future minimum rentals payable under leases would be 27.3 years. Lease liabilities are monitored within the Group's treasury function.

The actual cash flows will depend on the composition of the Group's lease portfolio in future years and is subject to change, driven by:

- commencement of new leases;
- modifications of existing leases; and
- reassessments of lease liabilities following periodic rent reviews.

It excludes leases on hotels for which an agreement for lease has been signed, but which has not reached the lease commencement date.

#### *Unwind of right-of-use assets and release of interest charge*

The unwinding of the right-of-use assets and the release of the interest on the lease liabilities through profit or loss over the terms of the leases have been disclosed in the following tables:

	Depreciation of right-of-use assets			Total
	Republic of Ireland	Continental Europe	UK	
	€'000	€'000	£'000	€'000
6 months ending 31 December 2025	8,188	2,412	6,143	17,781
During the year 2026	14,403	4,825	11,942	33,187
During the year 2027	13,928	4,825	11,712	32,443
During the year 2028	13,755	4,825	11,510	32,034
During the year 2029	13,534	4,549	10,850	30,766
During the year 2030	12,963	4,524	10,664	29,952
During the years 2031 – 2040	122,523	45,242	102,846	287,983
During the years 2041 – 2050	59,788	5,283	101,087	183,232
From 2051 onwards	26,313	-	60,065	96,523
	<hr/>	<hr/>	<hr/>	<hr/>
	285,395	76,485	326,819	743,901
	<hr/>	<hr/>	<hr/>	<hr/>

# Dalata Hotel Group plc

## Notes to the unaudited condensed consolidated interim financial statements

### 12 Leases (continued)

#### *Unwind of right-of-use assets and release of interest charge (continued)*

	Interest on lease liabilities			
	Republic of Ireland	Continental Europe	UK	Total
	€'000	€'000	£'000	€'000
6 months ending 31 December 2025	9,014	3,154	12,213	26,444
During the year 2026	17,628	6,158	24,371	52,273
During the year 2027	17,161	5,942	24,276	51,479
During the year 2028	16,666	5,715	24,153	50,614
During the year 2029	16,132	5,467	24,013	49,668
During the year 2030	15,587	5,201	23,846	48,662
During the years 2031 – 2040	120,374	31,858	222,581	412,409
During the years 2041 – 2050	58,480	484	159,561	245,476
From 2051 onwards	57,040	-	662,657	831,624
	<hr/>	<hr/>	<hr/>	<hr/>
	328,082	63,979	1,177,671	1,768,649
	<hr/>	<hr/>	<hr/>	<hr/>

Sterling amounts have been converted using the closing foreign exchange rate of 0.85550 as at 30 June 2025.

The actual depreciation and interest charge through profit or loss will depend on the composition of the Group's lease portfolio in future years and is subject to change, driven by:

- commencement of new leases;
- modifications of existing leases;
- reassessments of lease liabilities following periodic rent reviews; and
- impairments and reversal of previous impairment charges of right-of-use assets.

It excludes leases on hotels for which an agreement for lease has been signed, but have not reached the lease commencement date.

#### *Leases not yet commenced to which the lessee is committed*

The Group has a number of agreements for lease at 30 June 2025 and details of the non-cancellable lease rentals and other contractual obligations payable under these agreements are set out hereafter. These represent the minimum future lease payments (undiscounted) and other contractual payments, in aggregate, that the Group is required to make under the agreements. An agreement for lease is a binding agreement between external third parties and the Group to enter into a lease at a future date. The dates of commencement of these leases may change based on the hotel opening dates. The amounts payable may also change slightly if there are any changes in room numbers delivered through construction.

# Dalata Hotel Group plc

## Notes to the unaudited condensed consolidated interim financial statements

### 12 Leases (continued)

*Leases not yet commenced to which the lessee is committed (continued)*

<b>Agreements for lease</b>	<b>30 June 2025 €'000</b>	<b>31 December 2024 €'000</b>
Less than one year	<b>613</b>	-
One to two years	<b>3,820</b>	613
Two to three years	<b>11,670</b>	2,450
Three to five years	<b>42,369</b>	12,310
Five to fifteen years	<b>196,544</b>	69,307
Fifteen to twenty five years	<b>186,037</b>	75,209
After twenty five years	<b>126,956</b>	49,634
	<hr/>	<hr/>
<b>Total future lease payments</b>	<b>568,009</b>	209,523
	<hr/>	<hr/>

Included in the above table are future lease payments for agreements for lease for Maldron Hotel Croke Park, Dublin, Clayton Hotel Morrison Street, Edinburgh, Clayton Hotel Old Broad Street, London, Clayton Hotel Berlin and Clayton Hotel Madrid. The lease terms vary in length from 15 years to 35 years with certain leases containing extension options.

The expected opening date for Maldron Hotel Croke Park, Dublin is H1 2026, Clayton Hotel Berlin is expected to open in H2 2026, Clayton Hotel Morrison Street, Edinburgh is expected to open in H1 2028, Clayton Hotel Old Broad Street, London is expected to open in H2 2028 and Clayton Hotel Madrid is expected to open in H1 2029.

# Dalata Hotel Group plc

## Notes to the unaudited condensed consolidated interim financial statements

### 13 Trade and other receivables

	30 June 2025 €'000	31 December 2024 €'000
<b>Non-current assets</b>		
Other receivables	1,443	6,495
Prepayments	1,659	867
	<hr/>	<hr/>
	3,102	7,362
	<hr/>	<hr/>
<b>Current assets</b>		
Trade receivables	16,621	10,846
Prepayments	21,029	12,449
Contract assets	4,130	3,448
Accrued income	2,893	3,599
Other receivables	1,400	500
	<hr/>	<hr/>
	46,073	30,842
	<hr/>	<hr/>
<b>Total</b>	49,175	38,204
	<hr/>	<hr/>

#### Non-current assets

The total balance in non-current other receivables at 30 June 2025 is a rent deposit of €1.4 million paid to the landlord on the sale and leaseback of Clayton Hotel Charlemont (31 December 2024: €1.4 million). This deposit is repayable to the Group at the end of the lease term.

During the year ended 31 December 2024, the Group paid a deposit of €4.2 million for the acquisition of The Radisson Blu Hotel, Dublin Airport. This was held in other receivables until the sale was finalised in June 2025 (note 10).

#### Current assets

Trade receivables are subject to the expected credit loss model in IFRS 9 Financial Instruments. The Group applies the IFRS 9 simplified approach to measuring expected credit losses which uses a lifetime expected loss allowance for all trade receivables. To measure the expected credit losses, trade receivables have been grouped based on shared credit risk characteristics and the number of days past due.

# Dalata Hotel Group plc

## Notes to the unaudited condensed consolidated interim financial statements (*continued*)

### 14 Assets held for sale

On 9 January 2025, the Group completed the sale of Clayton Whites Hotel, Wexford for a cash consideration of €21.0 million. The net proceeds from the transaction amount to €20.7 million. The gain after transaction costs amounted to €3.9 million, which has been measured in other comprehensive income and transferred to retained earnings on completion of the disposal.

The assets held for sale at 31 December 2024 that was sold related to:

	30 June 2025 €'000	31 December 2024 €'000
Property, plant and equipment	-	19,742
Goodwill	-	550
Investment property	-	425
	<hr/>	<hr/>
<b>Assets held for sale</b>	<b>-</b>	<b>20,717</b>
	<hr/>	<hr/>

### 15 Trade and other payables

	30 June 2025 €'000	31 December 2024 €'000
<b>Non-current liabilities</b>		
Accruals	128	19
	<hr/>	<hr/>
	128	19
	<hr/>	<hr/>
<b>Current liabilities</b>		
Trade payables	24,633	16,110
Accruals	46,058	45,906
Contract liabilities	18,001	15,244
Value added tax	11,811	7,396
Withholding tax payable	3,804	-
Payroll taxes	2,565	3,788
Tourist taxes	979	208
	<hr/>	<hr/>
	107,851	88,652
	<hr/>	<hr/>
<b>Total</b>	<b>107,979</b>	<b>88,671</b>
	<hr/>	<hr/>

Accruals at 30 June 2025 include €6.2 million of accruals related to amounts which have not yet been invoiced for capital expenditure and for costs incurred on entering new leases and agreements for lease (31 December 2024: €5.4 million).

The withholding tax payable of €3.8 million arose following the acquisition of The Radisson Blu Hotel, Dublin Airport (note 10) and was paid in July 2025.

# Dalata Hotel Group plc

## Notes to the unaudited condensed consolidated interim financial statements

### 16 Provision for liabilities

	30 June 2025 €'000	31 December 2024 €'000
<b>Non-current liabilities</b>		
Insurance provision	4,880	5,708
<b>Current liabilities</b>		
Insurance provision	2,358	2,340
<b>Total provision at end of period/year</b>	<b>7,238</b>	<b>8,048</b>

The reconciliation of the movement in the provision for the period/year is as follows:

	Period ended 30 June 2025 €'000	Year ended 31 December 2024 €'000
At 1 January	8,048	8,611
Provisions made during the period/year – charged to profit or loss	900	1,500
Utilised during the period/year	(628)	(1,219)
Discounting effect charged to profit or loss	118	146
Reversed to profit or loss during the period/year	(1,200)	(990)
<b>At end of period/year</b>	<b>7,238</b>	<b>8,048</b>

This provision relates to actual and potential obligations arising from the Group's insurance arrangements where the Group is self-insured. The Group has third party insurance cover above specific limits for individual claims and has an overall maximum aggregate payable for all claims in any one year. The amount provided is principally based on projected settlements as determined by external loss adjusters. The provision also includes an estimate for claims incurred but not yet reported and incurred but not enough reported.

The utilisation of the provision is dependent on the timing of settlement of the outstanding claims. The Group expects the majority of the insurance provision will be utilised within five years of the period end date however, due to the nature of the provision, there is a level of uncertainty in the timing of settlement as the Group generally cannot precisely determine the extent and duration of the claim process. The provision has been discounted to reflect the time value of money. There has been a reversal of €1.2 million in the period ended 30<sup>th</sup> June 2025 of provisions made in prior year periods (2024: €1.0 million).

### 17 Financial risk management

#### Risk exposures

The Group is exposed to various financial risks arising in the normal course of business. Its financial risk exposures are predominantly related to the creditworthiness of counterparties and risks relating to changes in interest rates and foreign currency exchange rates.

The Group uses financial instruments throughout its business: loans and borrowings and cash and cash equivalents are used to finance the Group's operations; trade and other receivables, trade and other payables and accruals arise directly from operations and derivatives are used to manage interest rate risks and to achieve a desired profile of borrowings. The Group uses a net investment hedge with sterling denominated borrowings to hedge the foreign exchange risk from investments in certain UK operations. The Group does not trade in financial instruments.

# Dalata Hotel Group plc

## Notes to the unaudited condensed consolidated interim financial statements

### 17 Financial risk management *(continued)*

#### Fair values

The following tables show the carrying amount of Group financial assets and liabilities including their values in the fair value hierarchy at 30 June 2025. The tables do not include fair value information for financial assets and financial liabilities not measured at fair value if the carrying amount is a reasonable approximation of fair value. A fair value disclosure for lease liabilities is not required.

	Fair value					
	Financial assets	Financial assets	Total	Level 1	Level 2	Level 3
	measured at	measured at	carrying amount	30 June	30 June	30 June
	fair value	amortised cost	30 June	2025	2025	2025
Financial assets	€'000	€'000	€'000	€'000	€'000	€'000
Trade and other receivables, excluding prepayments and deposit paid on acquisition (note 13)	-	26,487	26,487	-	-	-
Cash at bank and in hand	-	28,206	28,206	-	-	-
	<u>-</u>	<u>54,693</u>	<u>54,693</u>			
Financial liabilities	Financial liabilities	Financial liabilities	Total	Level 1	Level 2	Level 3
	measured at	measured at	carrying amount	30 June	30 June	30 June
	fair value	amortised cost	30 June	2025	2025	2025
Financial liabilities	€'000	€'000	€'000	€'000	€'000	€'000
Derivatives – hedging instruments	(608)	-	(608)	-	(608)	-
Bank loans (note 18)	-	(313,668)	(313,668)	-	(313,668)	-
Trade payables and accruals (note 15)	-	(70,819)	(70,819)	-	(70,819)	-
	<u>(608)</u>	<u>(384,487)</u>	<u>(385,095)</u>			



# Dalata Hotel Group plc

## Notes to the unaudited condensed consolidated interim financial statements

### 17 Financial risk management (continued)

#### Fair values (continued)

The following tables show the carrying amount of Group financial assets and liabilities including their values in the fair value hierarchy at 31 December 2024. The tables do not include fair value information for financial assets and financial liabilities not measured at fair value if the carrying amount is a reasonable approximation of fair value. A fair value disclosure for lease liabilities is not required.

	Financial assets measured at fair value 31 December 2024 €'000	Financial assets measured at amortised cost 31 December 2024 €'000	Total carrying amount 31 December 2024 €'000	Fair value		
				Level 1 31 December 2024 €'000	Level 2 31 December 2024 €'000	Level 3 31 December 2024 €'000
<b>Financial assets</b>						
Trade and other receivables, excluding prepayments (note 13)	-	24,888	24,888	-	-	-
Cash at bank and in hand	-	39,575	39,575	-	-	-
	<hr/>	<hr/>	<hr/>			
	-	64,463	64,463			
	<hr/>	<hr/>	<hr/>			
	Financial liabilities measured at fair value 31 December 2024 €'000	Financial liabilities measured at amortised cost 31 December 2024 €'000	Total carrying amount 31 December 2024 €'000	Fair value		
				Level 1 31 December 2024 €'000	Level 2 31 December 2024 €'000	Level 3 31 December 2024 €'000
<b>Financial liabilities</b>						
Derivatives – hedging instruments	(244)	-	(244)	-	(244)	-
Bank loans (note 18)	-	(147,384)	(147,384)	-	(147,384)	-
Trade payables and accruals (note 15)	-	(62,035)	(62,035)	-	(62,035)	-
Private placement notes	-	(124,000)	(124,000)	-	(124,000)	-
	<hr/>	<hr/>	<hr/>			
	(244)	(333,419)	(333,663)			
	<hr/>	<hr/>	<hr/>			

# Dalata Hotel Group plc

## Notes to the unaudited condensed consolidated interim financial statements

### 17 Financial risk management *(continued)*

#### **Fair value hierarchy**

The Group measures the fair value of financial instruments based on the degree to which inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurements. Financial instruments are categorised by the type of valuation method used. The valuation methods are as follows:

- Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: Inputs other than quoted prices included within Level 1 that are observable for the financial instrument, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3: Inputs for the financial instrument that are not based on observable market data (unobservable inputs).

The Group's policy is to recognise any transfers between levels of the fair value hierarchy as of the end of the reporting period during which the transfer occurred. During the period ended 30 June 2025, there were no reclassifications of financial instruments and no transfers between levels of the fair value hierarchy used in measuring the fair value of financial instruments.

#### **Estimation of fair values**

The principal methods and assumptions used in estimating the fair values of financial assets and liabilities are explained hereafter.

#### **Cash at bank and in hand**

For cash at bank and in hand, the carrying value is deemed to reflect a reasonable approximation of fair value.

#### **Derivatives**

Discounted cash flow analyses have been used to determine the fair value of the interest rate swaps, taking into account current market inputs and rates (Level 2).

#### **Receivables/payables**

For receivables and payables with a remaining term of less than one year on demand balances, the carrying value net of impairment provision, where appropriate, is a reasonable approximation of fair value. The non-current receivables and payables carrying value is a reasonable approximation of fair value.

#### **Bank loans and private placement notes**

For bank loans and private placement notes, the fair value was calculated based on the present value of the expected future principal and interest cash flows discounted at interest rates effective at the reporting date. The carrying value of floating rate interest-bearing bank loans is considered to be a reasonable approximation of fair value. There is no material difference between margins available in the market at year end and the margins that the Group was paying at the year end.

# Dalata Hotel Group plc

## Notes to the unaudited condensed consolidated interim financial statements

### 17 Financial risk management (continued)

#### (a) Credit risk

##### **Exposure to credit risk**

Credit risk is the risk of financial loss to the Group arising from granting credit to customers and from investing cash and cash equivalents with banks and financial institutions.

##### **Trade and other receivables**

The Group's exposure to credit risk is influenced mainly by the individual characteristics of each customer. Management has a credit policy in place and the exposure to credit risk is monitored on an ongoing basis. Outstanding customer balances are regularly monitored and reviewed for indicators of impairment (evidence of financial difficulty of the customer or payment default). The maximum exposure to credit risk is represented by the carrying amount of each financial asset.

Other receivables primarily relate to deposits due from landlords at the end of the lease term and other contractual amounts due from landlords.

Contract assets primarily relate to guest ledgers held with customers and are subject to the expected credit loss model in IFRS 9 *Financial Instruments*. The Group initially measures contract assets at fair value and subsequently assesses the recoverable amount using the IFRS 9 simplified approach to measuring expected credit losses.

Trade receivables are subject to the expected credit loss model in IFRS 9 *Financial Instruments*. The Group applies the IFRS 9 simplified approach to measuring expected credit losses which uses a lifetime expected loss allowance for all trade receivables. To measure the expected credit losses, trade receivables have been grouped based on shared credit risk characteristics and the number of days past due. Management does not expect any significant losses from receivables that have not been provided for as at 30 June 2025.

##### **Cash and cash equivalents**

Cash and cash equivalents comprise cash at bank and in hand and give rise to credit risk on the amounts held with counterparties. The maximum credit risk is represented by the carrying value at the reporting date. The Group's policy for investing cash is to limit the risk of principal loss and to ensure the ultimate recovery of invested funds by limiting credit risk.

The Group reviews regularly the credit rating of each bank and if necessary, takes action to ensure there is appropriate cash and cash equivalents held with each bank based on their credit rating. During the period ended 30 June 2025, cash and cash equivalents were held in line with predetermined limits depending on the credit rating of the relevant bank/financial institution.

The carrying amount of the following financial assets represents the Group's maximum credit exposure. The maximum exposure to credit risk at the end of the period/year was as follows:

	30 June 2025 €'000	31 December 2024 €'000
Trade receivables	16,621	10,846
Other receivables	1,400	6,995
Contract assets	4,130	3,448
Accrued income	2,893	3,599
Cash at bank and in hand	28,206	39,575
	<hr/>	<hr/>
	53,250	64,463
	<hr/>	<hr/>

# Dalata Hotel Group plc

## Notes to the unaudited condensed consolidated interim financial statements

### 17 Financial risk management *(continued)*

#### **(b) Liquidity risk**

Liquidity risk is the risk that the Group will encounter difficulty in meeting the obligations associated with its financial liabilities. In general, the Group's approach to managing liquidity risk is to ensure as far as possible that it will always have sufficient liquidity, through a combination of cash and cash equivalents, cash flows and undrawn credit facilities to:

- Fund its ongoing activities;
- Allow it to invest in hotels that may create value for shareholders; and
- Maintain sufficient financial resources to mitigate against risks and unforeseen events.

Cashflow remains strong with net cash generated from operating activities in the period of €95.5 million (period ended 30 June 2024: €91.6 million). At 30 June 2025, cash and undrawn facilities are €301.7 million (31 December 2024: €364.6 million).

The Group is in full compliance with its covenants at 30 June 2025. The key covenants relate to Net Debt to EBITDA (as defined in the Group's bank facility agreement which is equivalent to Net Debt to EBITDA after rent) and Interest Cover at 30 June 2025. At 30 June 2025, the Net Debt to EBITDA covenant limit is 4.0x and the Interest Cover minimum is 4.0x. The Group's Net Debt to EBITDA after rent for the 12 month period to 30 June 2025 is 1.7x (APM (xv)) and Interest Cover is 14.3x (APM (xvi)).

#### **(c) Market risk**

Market risk is the risk that changes in market prices and indices, such as interest rates and foreign exchange rates, will affect the Group's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

# Dalata Hotel Group plc

## Notes to the unaudited condensed consolidated interim financial statements

### 17 Financial risk management *(continued)*

#### **(c) Market risk *(continued)***

##### ***(i) Interest rate risk***

The Group is exposed to floating interest rates on its debt obligations and uses hedging instruments to mitigate the risk associated with interest rate fluctuations. The Group has entered into interest rate swaps which hedge the variability in cash flows attributable to the interest rate risk. All such transactions are carried out within the guidelines set by the Board. The Group seeks to apply hedge accounting to manage volatility in profit or loss.

The Group determines the existence of an economic relationship between the hedging instrument and the hedged item based on the reference interest rates, maturities and notional amounts. The Group assesses whether the derivative designated in each hedging relationship is expected to be effective in offsetting changes in cash flows of the hedged item using the hypothetical derivative method.

As at 30 June 2025, the interest rate swaps cover 100% of the Group's term euro denominated borrowings of €100.0 million for the period to 9 October 2028. The final year of the term debt, to 9 October 2029, is currently unhedged. The Group's revolving credit facilities were €91.5 million (31 December 2024: €25.0 million) and the sterling revolving credit facility borrowings were £Nil (€Nil) (31 December 2024: £18.5 million (€22.4 million)) at 30 June 2025.

The Group issued €124.7 million in multicurrency green loan notes to institutional investors for terms of five and seven years at a fixed coupon rate. Interest rates cannot vary on the private placement loan notes except where the Group's Net Debt to EBITDA after rent, calculated in line with external borrowing covenants, exceeds certain ratchet levels. Varying premiums are then added to the coupon rate depending on the ratchet level. If the Group's Net Debt to EBITDA after rent exceeds 3 times, a premium of 50 basis points is added to the coupon rate and if the Group's Net Debt to EBITDA after rent exceeds 4 times, a premium of 75 basis points is added to the interest rate at the time.

The weighted average interest cost, including the impact of hedges, in respect of sterling and euro denominated borrowings for the period was 6.2% and 4.0% respectively.

##### ***(ii) Foreign currency risk***

The Group is exposed to risks arising from fluctuations in the euro/sterling exchange rate. The Group is exposed to transactional foreign currency risk on trading activities conducted by subsidiaries in currencies other than their functional currency and to foreign currency translation risk on the retranslation of foreign operations to euro.

The Group's policy is to manage foreign currency exposures commercially and through netting of exposures where possible. The Group's principal transactional exposure to foreign exchange risk relates to interest costs on its sterling bank loans and private placement notes. This risk is mitigated by the earnings from UK subsidiaries which are denominated in sterling. The Group's gain or loss on retranslation of the net assets of foreign currency subsidiaries is taken directly to the translation reserve.

The Group limits its exposure to foreign currency risk by using sterling debt to hedge part of the Group's investment in UK subsidiaries. The Group financed certain operations in the UK by obtaining funding through external borrowings denominated in sterling. The total borrowings and loan notes amounted at 30 June 2025 was £52.5 million (€61.4 million) (31 December 2024: £71.0 million (€85.0 million)) and are designated as net investment hedges. The net investment hedge was fully effective during the period.

This enables gains and losses arising on retranslation of those foreign currency borrowings to be recognised in other comprehensive income, providing a partial offset in reserves against the gains and losses arising on retranslation of the net assets of those UK operations.

# Dalata Hotel Group plc

## Notes to the unaudited condensed consolidated interim financial statements

### 17 Financial risk management *(continued)*

#### (d) Capital management

The Group's policy is to maintain a strong capital base to maintain investor, creditor and market confidence and to sustain future development of the business. Management monitors the return on capital to ordinary shareholders.

The Board of Directors seeks to maintain a balance between the higher returns that might be possible with higher levels of borrowings and the advantages and security afforded by a sound capital position.

Typically, the Group monitors capital using a ratio of Net Debt to EBITDA after rent which excludes the effects of IFRS 16, in line with its external borrowings covenants. This is calculated based on the prior 12-month period. The Net Debt to EBITDA after rent as at 30 June 2025 is 1.7 times (31 December 2024: 1.3 times).

The Board reviews the Group's capital structure on an ongoing basis as part of the normal strategic and financial planning process. It ensures that it is appropriate for the hotel industry given its exposure to demand shocks and the normal economic cycles.

### 18 Loans and Borrowings

	30 June 2025 €'000	31 December 2024 €'000
Bank borrowings	191,500	147,384
Private placement notes	122,168	124,000
	<hr/>	<hr/>
<b>Total bank loans and private placement notes</b>	<b>313,668</b>	<b>271,384</b>
	<hr/>	<hr/>

The amortised cost of bank loans and private placement notes at 30 June 2025 was €313.7 million (31 December 2024: €271.4 million). The drawn bank loans, being the amount owed to the lenders, was €191.5 million at 30 June 2025 (31 December 2024: €147.3 million). This consisted of:

- (i) Euro term borrowings of €100 million (31 December 2024: €100 million) which remained unchanged during the period;
- (ii) Euro revolving credit facility borrowings of €91.5 million (31 December 2024: €25 million);
- (iii) Sterling revolving credit facility borrowings of £Nil (31 December 2024: £18.5 million (€22.3 million)).

The undrawn loan facilities as at 30 June 2025 were €273.5 million (31 December 2024: €325.0 million).

The Group issued €124.7 million in multicurrency green loan notes to institutional investors for terms of five and seven years and has a €375.0 million revolving credit facility available with a maturity date of 9 October 2029, of which €10.0 million was carved out as an ancillary facility for use by the Group as guarantee for new hotels in continental Europe.

# Dalata Hotel Group plc

## Notes to the unaudited condensed consolidated interim financial statements

### 18 Loans and Borrowings (continued)

The Group's financing arrangements include provisions that may require repayment or renegotiation in the event of a change in control of the Group. Under the terms of the relevant agreements, a change in control is deemed to occur when a party, directly or indirectly, beneficially holds more than 50% of the shares in the capital of the parent Company or has the power to direct the management and policies of the Group. In the event of a change in control, lenders may require the accelerated repayment of all or part of the outstanding borrowings or may request renegotiation of the existing terms.

As at the reporting date, no such event has occurred; however, the proposed acquisition of the Group by Pandox AB and Eiendomsspar AS, which remains subject to shareholder and regulatory approvals, is expected to constitute a change in control for the purposes of these financing arrangements. Should approval be forthcoming, the Group may obtain consent from existing lenders to waive the change of control provisions or introduce alternative financing arrangements.

In the event that the Group elects to voluntarily repay the existing facilities prior to their contractual maturity, early termination or prepayment fees that are customary for financing arrangements of this nature may become payable.

### 19 Deferred tax

	30 June 2025 €'000	31 December 2024 €'000
Deferred tax assets	33,089	33,100
Deferred tax liabilities	(93,476)	(92,763)
	<hr/>	<hr/>
<b>Net deferred tax liabilities</b>	<b>(60,387)</b>	<b>(59,663)</b>
	<hr/>	<hr/>

At 30 June 2025, deferred tax assets of €33.1 million (31 December 2024: €33.1 million) have been recognised. The majority of the deferred tax assets relate to corporation tax losses and interest expense carried forward of €25.1 million (31 December 2024: €25.0 million). A deferred tax asset has been recognised in respect of tax losses carried forward where it is probable that there will be sufficient taxable profits in future periods to utilise these tax losses.

The Group has considered all relevant evidence to determine whether it is probable there will be sufficient taxable profits in future periods, in order to recognise the deferred tax assets as at 30 June 2025. The Group has prepared forecasted taxable profits for future periods to schedule the reversal of the deferred tax assets recognised in respect of the corporation tax losses and interest expense carried forward. The forecasts of future taxable profits are subject to uncertainty. The Group has also considered the relevant negative evidence in preparing forecasts to determine whether there will be sufficient future taxable profits to utilise the tax losses carried forward.

Based on the supporting forecasts and evidence, it is probable that the deferred tax assets recognised in respect of corporation tax losses and interest expense carried forward at 30 June 2025 will be fully utilised by the year ending 31 December 2030 with the majority being utilised by the year ending 31 December 2028.

# Dalata Hotel Group plc

## Notes to the unaudited condensed consolidated interim financial statements

### 19 Deferred tax (*continued*)

The deferred tax liabilities have increased from €92.8 million at 31 December 2024 to €93.5 million at 30 June 2025. €89.6 million (31 December 2024: €88.4 million) of the deferred tax liabilities relate to property plant and equipment, the majority resulting from the Group's policy of ongoing revaluation of land and buildings. Where the carrying value of a property in the financial statements is greater than its tax base cost, the Group recognises a deferred tax liability. This is calculated using applicable Irish and UK corporation tax rates. The use of these rates, in line with the applicable accounting standards, reflects the intention of the Group to use these assets for ongoing trading purposes. Where the Group disposes of a property or holds a property for sale, the actual tax liability is calculated with reference to rates for capital gains on commercial property. If all of the Group's properties were held for sale at 30 June 2025 with an expected disposal in 2025, the deferred tax liability related to property, plant and equipment would increase by €37.7 million.

The increase in the deferred tax liabilities relates mainly to the deferred tax liability of €3.5 million recognised in relation to the acquisition of the Radisson Blu Hotel Dublin Airport (note 10), partially offset by the reduction in deferred tax arising from the completion of the disposal of the Clayton Whites Hotel, Wexford and revaluation movements during the period.

### 20 Related party transactions

Under IAS 24 *Related Party Disclosures*, the Group has related party relationships with its shareholders and Directors of the Company.

There were no changes in related party transactions in the six month period ended 30 June 2025 that materially affected the financial position or the performance of the Group during that period.

### 21 Share capital, share premium and treasury shares reserve

#### At 30 June 2025

Authorised share capital	Number	€'000
Ordinary shares of €0.01 each	10,000,000,000	100,000
<b>Allotted, called-up and fully paid shares</b>		
Ordinary shares of €0.01 each	211,483,988	2,115
<b>Share premium</b>		<b>507,365</b>
<b>Treasury shares reserve</b>	<b>6,654</b>	<b>37</b>
	<hr/>	<hr/>



# Dalata Hotel Group plc

## Notes to the unaudited condensed consolidated interim financial statements

### 21 Share capital, share premium and treasury shares reserve *(continued)*

#### At 31 December 2024

Authorised share capital	Number	€'000
Ordinary shares of €0.01 each	10,000,000,000	100,000
<b>Allotted, called-up and fully paid shares</b>		
Ordinary shares of €0.01 each	212,872,966	2,129
<b>Share premium</b>		507,365
<b>Treasury shares reserve</b>	4,153	19

During the six-month period ended 30 June 2025 1.2 million shares were repurchased by the Employee Benefit Trust ('the Trust'), of which, 1.2 million shares were used to satisfy the exercise of vested options under the 2017 Long Term Incentive Plan award (note 8). At 30 June 2025, 6,654 ordinary shares were held by the Trust. The cost of these shares (€37,844) was recorded directly in equity as Treasury Shares.

In September and October 2024, the Group announced two share buyback programmes to purchase the Company's ordinary shares of €0.01 for an aggregate value (excluding associated expenses) of up to €55 million (€30 and €25 million). The programmes concluded on 14 October 2024 and 28 January 2025 respectively. During the six-month period ended 30 June 2025, the Group repurchased 1.4 million (year ended 31 December 2024: 11.6m) ordinary shares under the programmes on Euronext Dublin at an average price of €4.67 (year ended 31 December 2024: €4.20) per share which were subsequently cancelled. The 1.4 million ordinary shares cancelled via the share buyback programmes during the financial year represent 0.7% of the Company's total called up share capital.

#### Dividends

The dividends paid in respect of ordinary share capital were as follow:

	6 months ended 30 June 2025 €'000	Year ended 31 December 2024 €'000
Dividend paid 8.4 cent per Ordinary share (2024: 8.0 cent)	17,767	17,954

During the six-month period ended 30 June 2025, a final dividend for 2024 of 8.4 cents per share was paid on 8 May 2025 at a total cost of €17.8 million (year ended 31 December 2024: €18.0 million).

# Dalata Hotel Group plc

## Notes to the unaudited condensed consolidated interim financial statements

### 22 Earnings per share

Basic earnings per share ('EPS') is computed by dividing the profit for the period attributable to ordinary shareholders by the weighted average number of ordinary shares outstanding during the period. Diluted earnings per share is computed by dividing the profit attributable to ordinary shareholders for the period by the weighted average number of ordinary shares outstanding and, when dilutive, adjusted for the effect of all potentially dilutive shares. The following table sets out the computation for basic and diluted EPS for the periods ended 30 June 2025 and 30 June 2024:

	<b>6 months ended 30 June 2025</b>	<b>6 months ended 30 June 2024</b>
Profit attributable to shareholders of the parent (€'000) – basic and diluted	<b>19,604</b>	35,771
Adjusted profit attributable to shareholders of the parent (€'000) – basic and diluted	<b>26,940</b>	37,915
Earnings per share – Basic	<b>9.3 cents</b>	16.0 cents
Earnings per share – Diluted	<b>9.1 cents</b>	15.9 cents
Adjusted earnings per share – Basic	<b>12.7 cents</b>	16.9 cents
Adjusted earnings per share – Diluted	<b>12.5 cents</b>	16.8 cents
Weighted average shares outstanding – Basic	<b>211,445,084</b>	223,905,740
Weighted average shares outstanding – Diluted	<b>214,960,114</b>	225,654,620

# Dalata Hotel Group plc

## Notes to the unaudited condensed consolidated interim financial statements (*continued*)

### 22 Earnings per share (*continued*)

The difference between the basic and diluted weighted average shares outstanding for the period ended 30 June 2025 is due to the dilutive impact of the conditional share awards granted for the relevant Share Save schemes and LTIP schemes between the periods 2023 and 2025.

Adjusted basic and adjusted diluted earnings per share are presented as alternative performance measures to show the underlying performance of the Group excluding the tax adjusted effects of items considered by management to not reflect normal trading activities or which distort comparability either period on period or with other similar businesses (note 4).

	6 months ended 30 June 2025 €'000	6 months ended 30 June 2024 €'000
<b>Reconciliation to adjusted profit for the period</b>		
Profit before tax	23,294	41,880
<b>Adjusting items (note 4)</b>		
Impairment charge of property, plant and equipment and investment property	510	-
Impairment charge of right-of-use assets	-	3,159
Disposal-related costs	102	-
Acquisition-related costs	604	-
Strategic review transaction costs	6,162	-
Reversal of previous impairment charges of right-of-use assets	-	(1,719)
Net impairment charge of fixtures, fittings and equipment	-	45
Hotel pre-opening expenses	228	1,373
	<hr/>	<hr/>
<b>Adjusted profit before tax for the period</b>	<b>30,900</b>	<b>44,738</b>
Tax charge	(3,690)	(6,109)
Tax adjustment for adjusting items	(270)	(714)
	<hr/>	<hr/>
<b>Adjusted profit for the period</b>	<b>26,940</b>	<b>37,915</b>
	<hr/>	<hr/>

# Dalata Hotel Group plc

## Notes to the unaudited condensed consolidated interim financial statements (*continued*)

### **23 Events after the reporting date**

On 15 July 2025, the Group entered into an agreement regarding a recommended cash offer of €6.45 per share from Padox Ireland Tuck Limited, a newly incorporated entity wholly owned by Padox AB and Eiendomsspar AS. This transaction is subject to regulatory and shareholders' approval and is expected to complete in Q4 2025.

Under the terms of the Transaction Agreement relating to the proposed acquisition of the Group by Padox AB and Eiendomsspar AS, all existing share option schemes, as disclosed in note 8, are expected to vest upon completion of the transaction. Commitments in respect of strategic review related expenditure are contingent on completion and these costs will only become payable if the proposed acquisition successfully completes.

There were no other events after the reporting date which would require an adjustment, or a disclosure thereon, in these condensed consolidated interim financial statements.

### **24 Approval of financial statements**

The Board of Directors approved the Interim Financial Statements for the six months ended 30 June 2025 on 26 August 2025.

# Dalata Hotel Group plc

## Independent Review Report to Dalata Hotel Group plc (“the Entity”)

### Conclusion

We have been engaged by the Entity to review the Entity’s condensed set of consolidated financial statements in the half-yearly financial report for the six months ended 30 June 2025 which comprises the condensed consolidated statement of comprehensive income, condensed consolidated statement of financial position, condensed consolidated statement of changes in equity, condensed consolidated statement of cash flows and the related explanatory notes.

Based on our review, nothing has come to our attention that causes us to believe that the condensed set of consolidated financial statements in the half-yearly financial report for the six months ended 30 June 2025 is not prepared, in all material respects, in accordance with International Accounting Standard 34 *Interim Financial Reporting* (“IAS 34”) as adopted by the EU and the Transparency (Directive 2004/109/EC) Regulations 2007 (“Transparency Directive”), and the Central Bank (Investment Market Conduct) Rules 2019 (“Transparency Rules of the Central Bank of Ireland”).

### Basis for conclusion

We conducted our review in accordance with International Standard on Review Engagements (Ireland) 2410 *Review of Interim Financial Information Performed by the Independent Auditor of the Entity* (“ISRE (Ireland) 2410”) issued for use in Ireland. A review of interim financial information consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures.

A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing (Ireland) and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

We read the other information contained in the half-yearly financial report to identify material inconsistencies with the information in the condensed set of consolidated financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the review. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

### Conclusions relating to going concern

Based on our review procedures, which are less extensive than those performed in an audit as described in the Basis for conclusion section of this report, nothing has come to our attention that causes us to believe that the directors have inappropriately adopted the going concern basis of accounting, or that the directors have identified material uncertainties relating to going concern that have not been appropriately disclosed.

This conclusion is based on the review procedures performed in accordance with ISRE (Ireland) 2410. However, future events or conditions may cause the Entity to cease to continue as a going concern, and the above conclusions are not a guarantee that the Entity will continue in operation.

# Dalata Hotel Group plc

## Independent Review Report to Dalata Hotel Group plc (“the Entity”)

### Directors’ responsibilities

The half-yearly financial report is the responsibility of, and has been approved by, the directors. The directors are responsible for preparing the half-yearly financial report in accordance with the Transparency Directive and the Transparency Rules of the Central Bank of Ireland.

The directors are responsible for preparing the condensed set of consolidated financial statements included in the half-yearly financial report in accordance with IAS 34 as adopted by the EU.

As disclosed in note 1, the annual financial statements of the Entity for the year ended 31 December 2024 are prepared in accordance with International Financial Reporting Standards as adopted by the EU.

In preparing the condensed set of consolidated financial statements, the directors are responsible for assessing the Entity’s ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Entity or to cease operations, or have no realistic alternative but to do so.

### Our responsibility

Our responsibility is to express to the Entity a conclusion on the condensed set of consolidated financial statements in the half-yearly financial report based on our review.

Our conclusion, including our conclusions relating to going concern, are based on procedures that are less extensive than audit procedures, as described in the Basis for conclusion section of this report.

### The purpose of our review work and to whom we owe our responsibilities

This report is made solely to the Entity in accordance with the terms of our engagement to assist the Entity in meeting the requirements of the Transparency Directive and the Transparency Rules of the Central Bank of Ireland. Our review has been undertaken so that we might state to the Entity those matters we are required to state to it in this report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Entity for our review work, for this report, or for the conclusions we have reached

KPMG  
*Chartered Accountants*  
1 Stokes Place  
St. Stephen’s Green  
Dublin 2

26 August 2025

# Supplementary Financial Information

## Alternative Performance Measures ('APMs') and other definitions

The Group reports certain alternative performance measures ('APMs') that are not defined under International Financial Reporting Standards ('IFRS'), which is the framework under which the condensed consolidated interim financial statements are prepared. These are sometimes referred to as 'non-GAAP' measures.

The Group believes that reporting these APMs provides useful supplemental information which, when viewed in conjunction with the IFRS financial information, provides stakeholders with a more comprehensive understanding of the underlying financial and operating performance of the Group and its operating segments.

These APMs are primarily used for the following purposes:

- to evaluate underlying results of the operations; and
- to discuss and explain the Group's performance with the investment analyst community.

The APMs can have limitations as analytical tools and should not be considered in isolation or as a substitute for an analysis of the results in the condensed consolidated interim financial statements which are prepared under IFRS. These performance measures may not be calculated uniformly by all companies and therefore may not be directly comparable with similarly titled measures and disclosures of other companies.

The definitions of and reconciliations for certain APMs are contained within the condensed consolidated interim financial statements. A summary definition of these APMs together with the reference to the relevant note in the condensed consolidated interim financial statements where they are reconciled is included below. Also included below is information pertaining to certain APMs which are not mentioned within the condensed consolidated interim financial statements, but which are referred to in other sections of this report. This information includes a definition of the APM, in addition to a reconciliation of the APM to the most directly reconcilable line item presented in the condensed consolidated interim financial statements. References to the condensed consolidated interim financial statements are included as applicable.

### (i) Adjusting items

Items which are not reflective of normal trading activities or distort comparability either period on period or with other similar businesses. The adjusting items are disclosed in note 4 and note 23 to the condensed consolidated interim financial statements. Adjusting items with a cash impact are set out in APM (xi) below.

### (ii) Adjusted EBITDA

Adjusted EBITDA is an APM representing earnings before interest on lease liabilities, other net finance costs, tax, depreciation of property, plant and equipment and right-of-use assets and amortisation of intangible assets and investment properties, adjusted to show the underlying operating performance of the Group and excludes items which are not reflective of normal trading activities or which comparability either period on period or with other similar businesses.  
*Reconciliation: Note 4*

### (iii) EBITDA and Segmental EBITDA

EBITDA is an APM representing earnings before interest on lease liabilities, other net finance costs, tax, depreciation of property, plant and equipment and right-of-use assets and amortisation of intangible assets and investment properties. Also referred to as Group EBITDA.  
*Reconciliation: Note 4*

Segmental EBITDA represents 'Adjusted EBITDA' before central costs, share-based payments expense and other income for each of the reportable segments: Dublin, Regional Ireland, the UK and Continental Europe. It is presented to show the net operational contribution of leased and owned hotels in each geographical location. Also referred to as Hotel EBITDA.  
*Reconciliation: Note 4*

### (iv) EBITDAR and Segmental EBITDAR

EBITDAR is an APM representing earnings before interest on lease liabilities, other net finance costs, tax, depreciation of property, plant and equipment and right-of-use assets, amortisation of intangible assets and investment properties and variable lease costs.

Segmental EBITDAR represents Segmental EBITDA before variable lease costs for each of the reportable segments: Dublin, Regional Ireland, the UK and Continental Europe. It is presented to show the net operational contribution of leased and owned hotels in each geographical location before lease costs. Also referred to as Hotel EBITDAR.  
*Reconciliation: Note 4*

### (v) Adjusted earnings per share (EPS) (basic and diluted)

Adjusted EPS (basic and diluted) is presented as an APM to show the underlying performance of the Group excluding the tax adjusted effects of items considered by management to not reflect normal trading activities or which distort comparability either period on period or with other similar businesses.  
*Reconciliation: Note 22*

**(vi) Net Debt**

This APM is presented to show Net Debt as calculated in line with external borrowing covenants and includes private placement notes issued and external bank loans drawn and owed to the lenders and note holders at period end (rather than the amortised cost of the bank loans and private placement notes), less cash and cash equivalents.

Reconciliation: Refer below

**(vii) Net Debt and Lease Liabilities**

Net Debt (see definition vi) plus Lease Liabilities at period end.

Reconciliation: Refer below

**(viii) Net Debt and Lease Liabilities to Adjusted EBITDA**

Net Debt and Lease Liabilities (see definition vii) divided by the 'Adjusted EBITDA' (see definition ii) for the period. This APM is presented to show the Group's financial leverage after including the accounting estimate of lease liabilities following the application of IFRS 16 Leases.

Reconciliation: Refer below

**(ix) Net Debt to Value**

Net Debt (see definition vi) divided by the valuation of property assets as provided by external valuers at period end. This APM is presented to show the gearing level of the Group.

Reconciliation: Refer below

Reconciliation of Net Debt APMs - definitions (vi), (vii), (viii), (ix)	Reference in condensed interim financial statements	30 June 2025 €'000	31 Dec 2024 €'000
Loans and borrowings at amortised cost	Statement of financial position	313,668	271,384
Accounting adjustment to bring to amortised cost		1,200	1,243
External loans and borrowings drawn	Note 18	314,868	272,627
Less cash and cash equivalents	Statement of financial position	(28,206)	(39,575)
<b>Net Debt (APM vi)</b>	A	<b>286,662</b>	<b>233,052</b>
Lease Liabilities - current and non-current	Statement of financial position	772,907	778,558
<b>Net Debt and Lease Liabilities (APM vii)</b>	B	<b>1,059,569</b>	<b>1,011,610</b>
Adjusted EBITDA (APM ii) <sup>1</sup>	C	229,292	234,453
<b>Net Debt and Lease Liabilities to Adjusted EBITDA (APM viii)</b>	B/C	<b>4.6x</b>	<b>4.3x</b>
Valuation of property assets as provided by external valuers <sup>2</sup>	D	1,701,440	1,638,334
<b>Net Debt to Value (APM ix)</b>	A/D	<b>16.8%</b>	<b>14.2%</b>

<sup>1</sup>Adjusted EBITDA of €229,292k for the 12 months ended 30 June 2025 is calculated as follows:

- Adjusted EBITDA of €102,472k for the six months ended 30 June 2025 (note 4); and
- Adjusted EBITDA of €234,453k for the 12 months ended 31 December 2024 less Adjusted EBITDA of €107,633k for the six months ended 30 June 2024 (as previously reported).

<sup>2</sup> Property assets valued exclude assets under construction and fixtures, fittings and equipment in leased hotels.

**(x) Lease Modified Net Debt to Adjusted EBITDA**

Lease Modified Net Debt, defined as Net Debt (see definition vi) plus eight times the Group's lease cash flow commitment, divided by 'Adjusted EBITDA' (see definition ii) for the period. The Group's lease cash flow commitment is based on its non-cancellable undiscounted lease cash flows payable under existing lease contracts for the next financial year as presented in note 12. This APM is presented to show the Group's financial leverage including lease cash flows payable under its lease contracts.

Reconciliation: Refer below

Reconciliation of Lease Modified Net Debt to Adjusted EBITDA APM - definition (x)	Reference in condensed interim financial statements	30 June 2025 €'000	31 Dec 2024 €'000
Non-cancellable undiscounted lease cash flows payable under lease contracts in the next financial year	A	64,590	67,053
Modified Lease Debt	B=A*8	516,720	536,424
Net Debt (APM vi)	C	286,662	233,052
Lease Modified Net Debt	D=B+C	803,382	769,476
Adjusted EBITDA (APM ii)	E	229,292	234,453
<b>Lease Modified Net Debt to Adjusted EBITDA (APM x)</b>	D/E	<b>3.5x</b>	<b>3.3x</b>

**(xi) Free Cashflow**

Net cash from operating activities less amounts paid for interest, finance costs, refurbishment capital expenditure, fixed lease payments and after adding back the cash paid in respect of items that are deemed one-off and thus not reflecting normal trading activities or distorting comparability either period on period or with other similar businesses (see definition i). This APM is presented to show the cash generated from operating activities to fund acquisitions, development expenditure, repayment of debt and dividends.

Reconciliation: Refer below



**(xii) Free Cashflow per Share (FCPS)**

Free Cashflow (see definition xi) divided by the weighted average shares outstanding - basic. This APM forms the basis for the performance condition measure in respect of share awards made after 3 March 2021.

FCPS for LTIP performance measurement purposes has been adjusted to exclude the impact of items that are deemed one-off and thus not reflecting normal trading activities or distorting comparability either period on period or with other similar businesses. The Group takes this approach to encourage the vigorous pursuit of opportunities, and by excluding certain one-off items, drive the behaviours being sought from the executives and encourage management to invest for the long-term interests of shareholders.

*Reconciliation: Refer below*

Reconciliation of APMs (xi), (xii)		Reference in condensed interim financial statements	6 months ended 30 June 2025 €'000	6 months ended 30 June 2024 €'000
Net cash from operating activities		Statement of cash flows	96,031	91,554
Other net finance costs paid		Statement of cash flows	(8,106)	(4,843)
Refurbishment capital expenditure paid			(11,227)	(10,824)
<i>Fixed lease payments:</i>				
- Interest paid on lease liabilities		Statement of cash flows	(26,484)	(23,272)
- Repayment of lease liabilities		Statement of cash flows	(7,089)	(5,861)
			43,125	46,754
<i>Exclude adjusting items with a cash effect:</i>				
Hotel pre-opening expenses paid		Note 4	228	1,373
Refinancing costs paid <sup>1</sup>			1,675	-
Strategic review transaction costs paid			359	-
Acquisition-related costs paid			319	-
<b>Free Cashflow (APM xi)</b>	<b>A</b>		<b>45,706</b>	<b>48,127</b>
Weighted average shares outstanding – basic	B	Note 22	211,445,084	223,905,740
<b>Free Cashflow per Share (APM xii) - cents</b>	<b>A/B</b>		<b>21.6c</b>	<b>21.5c</b>

<sup>1</sup> Included in other net finance costs paid of €8.1 million per the condensed consolidated interim statement of cash flows are costs paid totalling €1.7 million relating to the refinancing of the Group's banking facilities, completed during 2024.

**(xiii) Debt and Lease Service Cover**

Free Cashflow (see definition xi) before payment of lease costs, and net finance costs divided by the total amount paid for lease costs, and net finance costs. This APM is presented to show the Group's ability to meet its debt and lease commitments.

*Reconciliation: Refer below*

Reconciliation of Debt and Lease Service Cover APM (xiii)		Reference in condensed interim financial statements	12 months ended 30 June 2025 €'000 D=E+F	6 months ended 30 June 2025 €'000 E	6 months ended 31 Dec 2024 €'000 F=G-H	6 months ended 30 June 2024 €'000 H	12 months ended 31 Dec 2024 €'000 G
Free Cashflow (APM xi)	A		121,276	45,706	75,570	48,127	123,697
<i>Add back:</i>							
Total lease costs paid <sup>1</sup>			68,398	35,618	32,780	31,986	64,766
Other net finance costs paid <sup>2</sup>		Statement of cash flows	11,753	6,431	5,322	4,843	10,165
Total lease and finance costs paid	B		80,151	42,049	38,102	36,829	74,931
Free Cashflow before lease and finance costs paid	C=A+B		201,427	87,755	113,672	84,956	198,628
<b>Debt and Lease Service Cover (APM xiii)</b>	<b>C/B</b>		<b>2.5x</b>				<b>2.7x</b>

<sup>1</sup> Total lease costs paid comprise payments of fixed and variable lease costs during the period.

<sup>2</sup> Other net finance costs paid excludes refinancing costs paid.

**(xiv) Normalised Return on Invested Capital**

Adjusted EBIT after rent plus net capital gain(s) on asset disposal(s) divided by the Group's average normalised invested capital. The Group defines normalised invested capital as total assets less total liabilities at period end and excludes the accumulated revaluation gains/losses included in property, plant and equipment, loans and borrowings, cash and cash equivalents, derivative financial instruments and taxation related balances. The Group also excludes, as applicable, items which are quasi-debt in nature, the investment in the construction of future assets including payments relating to future leased assets and deposits paid which are refundable at the end of the lease term or relate to acquisitions which had not

completed at period end. The Group's net assets are adjusted to reflect the average level of acquisition investment spend and the average level of working capital for the accounting period. In most years, the average normalised invested capital is the average of the opening and closing normalised invested capital for the 12-month period.

Adjusted EBIT after rent represents the Group's operating profit for the period restated to remove the impact of adjusting items (see definition i) and to replace depreciation of right-of-use assets with fixed lease payments.

Net capital gain(s) on asset disposal(s) represents, for each asset disposal, the gross sales proceeds less the original purchase price paid and any applicable tax liabilities arising from the capital gain.

The Group presents this APM to provide stakeholders with a meaningful understanding of the underlying financial and operating performance of the Group.

*Reconciliation: Refer below*

Reconciliation of APM (xiv)	Reference in condensed interim financial statements	12 months ended 30 June 2025 €'000 I=J+K	6 months ended 30 June 2025 €'000 J	6 months ended 31 Dec 2024 €'000 K=L-M	6 months ended 30 June 2024 €'000 M	12 months ended 31 Dec 2024 €'000 L
Operating profit	Statement of comprehensive income	145,547	56,682	88,865	69,593	158,458
Add back/(less):						
Adjusting items as per the financial statements	Note 4	7,448	7,606	(158)	2,858	2,700
Depreciation of right-of-use assets	Note 4	35,447	17,817	17,630	16,097	33,727
Fixed lease payments		(65,694)	(33,573)	(32,121)	(29,133)	(61,254)
<b>Adjusted EBIT after rent</b>	A	<b>122,748</b>	<b>48,532</b>	<b>74,216</b>	<b>59,415</b>	<b>133,631</b>
<b>Net capital gain(s) on asset disposal(s)</b>	B	<b>7,602</b>	<b>4,590</b>	<b>3,012</b>	<b>-</b>	<b>3,012</b>
<b>Adjusted EBIT after rent and net capital gain(s) on asset disposal(s)</b>	C=A+B	<b>130,350</b>	<b>53,122</b>	<b>77,228</b>	<b>59,415</b>	<b>136,643</b>

	Reference in condensed interim financial statements	30 June 2025 €'000	31 Dec 2024 €'000
Net assets at balance sheet date	Statement of financial position	1,399,823	1,419,405
<i>Add back</i>			
Loans and borrowings	Statement of financial position	313,668	271,384
Deferred tax liabilities	Statement of financial position	93,476	92,763
Current tax liabilities	Statement of financial position	482	1,576
Derivative liabilities	Statement of financial position	609	244
<i>Less</i>			
Revaluation uplift in property, plant and equipment <sup>1</sup>	Note 11	(532,617)	(527,005)
Cash and cash equivalents	Statement of financial position	(28,206)	(39,575)
Deferred tax assets	Statement of financial position	(33,089)	(33,100)
<b>Invested capital</b>	D	<b>1,214,146</b>	<b>1,185,692</b>
<b>Average invested capital</b>	E	<b>1,196,198</b>	<b>1,168,258</b>
<b>Return on Invested Capital</b>	C/E	<b>10.9%</b>	<b>11.7%</b>
Non-current other receivables	F	(3,102)	(7,362)
Assets under construction at period end	G	(40,564)	(30,741)
<b>Normalised invested capital</b>	D+F+G	<b>1,170,480</b>	<b>1,147,589</b>
<b>Average normalised invested capital</b>	H	<b>1,113,476</b>	<b>1,095,146</b>
<b>Normalised Return on Invested Capital (APM xiv)</b>	C/H	<b>11.7%</b>	<b>12.5%</b>

<sup>1</sup> Includes the combined net revaluation uplift included in property, plant and equipment since the revaluation policy was adopted in 2014 or in the case of hotel assets acquired after this date, since the date of acquisition. The carrying value of land and buildings, revalued at 30 June 2025, is €1,622.6 million (31 December 2024: €1,564.2 million). The value of these assets under the cost model is €1,090.0 million (31 December 2024: €1,037.2 million). Therefore, the revaluation uplift included in property, plant and equipment is €532.6 million (31 December 2024: €527.0 million). Refer to note 11 to the condensed consolidated interim financial statements.

#### (xv) Net Debt to EBITDA after rent (external borrowing covenant)

Net Debt (see definition vi) divided by EBITDA after rent for the period. EBITDA after rent is defined as Adjusted EBITDA (see definition ii) less fixed lease payments and is calculated in line with external borrowing covenants which specify the inclusion of hotel pre-opening expenses and exclusion of share-based payment expense. EBITDA (see definition iii)

relating to any hotels disposed during the covenant period are excluded, while full period EBITDA relating to hotels acquired during the covenant period are included. Any such changes to the hotel portfolio during the current period may result in adjustments to earlier periods as defined in the Group's external borrowing covenants.

Prior to the refinancing of the Group's existing banking facilities, fixed lease costs were required to be measured under IAS 17 *Leases* by our banking covenants. Under the terms of the refinanced facilities, fixed lease costs are measured as fixed lease payments recognised per the statement of cash flows under IFRS 16 *Leases*.

This APM is presented to show the Group's financial leverage in line with external borrowing covenants.

*Reconciliation: Refer below*

**(xvi) Interest Cover (banking covenant)**

EBITDA after rent (see definition xv) divided by other net finance costs paid or payable during the period. The calculation excludes professional fees paid or payable during the period in line with banking covenants.

*Reconciliation: Refer below*

Reconciliation of banking covenants APMs (xv), (xvi)	Reference in condensed interim financial statements	12 months ended 30 June 2025 €'000 D=E+F	6 months ended 30 June 2025 €'000 E	6 months ended 31 Dec 2024 €'000 F=G-H	6 months ended 30 June 2024 €'000 H	12 months ended 31 Dec 2024 €'000 G
Operating profit	Statement of comprehensive income	145,547	56,682	88,865	69,593	158,458
Add back/(less):						
Adjusting items as per the financial statements	Note 4	7,448	7,606	(158)	2,858	2,700
Depreciation of property, plant, and equipment	Note 4	40,850	20,344	20,506	18,810	39,316
Depreciation of right-of-use assets	Note 4	35,447	17,817	17,630	16,097	33,727
Amortisation of intangible assets and investment properties	Note 4	-	23	(23)	275	252
Share-based payment expense	Note 4	4,847	2,846	2,001	1,614	3,615
Fixed lease payments		(65,694)	(33,573)	(32,121)	(29,133)	(61,254)
Hotel pre-opening expenses	Note 4	(750)	(228)	(522)	(1,373)	(1,895)
EBITDA relating to hotels additions by the Group		7,674	4,606	3,068	2,697	5,765
EBITDA relating to hotels disposals by the Group		(1,967)	139	(2,106)	(1,070)	(3,176)
<b>EBITDA after rent</b>	<b>A</b>	<b>173,402</b>	76,262	97,140	80,368	177,508
<b>Net Debt at period end (APM vi)</b>	<b>B</b>	<b>286,662</b>				233,052
<b>Net Debt to EBITDA after rent (APM xv)</b>	<b>B/A</b>	<b>1.7x</b>				1.3x
Other net finance costs paid	Statement of cash flows	17,858	8,106	9,752	4,843	14,595
Exclude refinancing costs paid		(6,105)	(1,675)	(4,430)	-	(4,430)
Other adjustments required by external borrowing covenants		351	544	(193)	(8)	(201)
Other net finance costs per external borrowing covenants	C	12,104	6,975	5,129	4,835	9,964
<b>Interest Cover (APM xvi)</b>	<b>A/C</b>	<b>14.3x</b>				17.8x

**(xvii) Hotel EBITDA (after rent) from leased portfolio**

'Segmental EBITDAR' (see definition iv) from leased hotels less the sum of variable lease costs and fixed lease costs relating to leased hotels. This excludes variable lease costs and fixed lease costs relating to effectively, or majority owned hotels. This APM is presented to show the net operational contribution from the Group's leased hotel portfolio after lease costs.

*Reconciliation: Refer below*

**(xviii) Rent Cover**

'Segmental EBITDAR' (see definition iv) from leased hotels divided by the sum of variable lease costs and fixed lease costs relating to leased hotels. This excludes variable lease costs and fixed lease costs that do not relate to fully leased hotels. This APM is presented to show the Group's ability to meet its lease commitments through the net operational contribution from its leased hotel portfolio.

*Reconciliation: Refer below*

(xviii) Rent Cover (continued)

Reconciliation of APMs (xvii), (xviii)		Reference in condensed interim financial statements	12 months ended 30 June 2025 €'000 C=D+E	6 months ended 30 June 2025 €'000 D	6 months ended 31 Dec 2024 €'000 E=F-G	6 months ended 30 June 2024 €'000 G	12 months ended 31 Dec 2024 €'000 F
'Segmental EBITDAR' from leased hotels	A	Note 4	100,910	46,192	54,718	47,022	101,740
Variable lease costs		Note 4	2,024	871	1,153	1,491	2,644
Fixed lease payments		Statement of cashflows	65,694	33,573	32,121	29,133	61,254
Total variable and fixed lease costs			67,718	34,444	33,274	30,624	63,898
Exclude variable and fixed lease costs not relating to fully leased hotels			(2,848)	(1,535)	(1,313)	(1,205)	(2,518)
Variable and fixed lease costs from leased hotels	B		64,870	32,909	31,961	29,419	61,380
Hotel EBITDA (after rent) from leased portfolio (APM xvii)	A-B		36,040	13,283	22,757	17,603	40,360
Rent Cover (APM xviii)	A/B		1.6x				1.7x

## Glossary

### ***Revenue per available room (RevPAR)***

Revenue per available room is calculated as total rooms revenue divided by the number of available rooms, which is also equivalent to the occupancy rate multiplied by the average daily room rate achieved. This is a commonly used industry metric which facilitates comparison between companies.

### ***Average Room Rate (ARR) - also Average Daily Rate (ADR)***

ARR is calculated as rooms revenue divided by the number of rooms sold. This is a commonly used industry metric which facilitates comparison between companies.

### ***'Like for like' hotels***

'Like for like' or 'LFL' analysis excludes hotels that newly opened or ceased trading under Dalata during the comparative periods. 'Like for like' metrics are commonly used industry metrics and provide an indication of the underlying performance.

### ***Segmental EBITDAR margin***

Segmental EBITDAR margin represents 'Segmental EBITDAR' as a percentage of revenue for the following Group segments: Dublin, Regional Ireland, the UK and Continental Europe. Also referred to as Hotel EBITDAR margin.

### ***Effective tax rate***

The Group's tax charge for the period divided by the profit before tax presented in the consolidated statement of comprehensive income.

### ***Fixed lease costs***

Fixed costs incurred by the lessee for the right to use an underlying asset during the lease term as calculated under IFRS 16 *Leases*.

### ***Hotel assets***

Hotel assets represent the value of property, plant and equipment per the consolidated statement of financial position at 30 June 2025.

### ***Refurbishment capital expenditure***

The Group typically allocates approximately 4% of revenue to refurbishment capital expenditure to ensure the portfolio remains fresh for its customers and adheres to brand standards.

### ***Balance Sheet Net Asset Value (NAV) per Share***

Balance Sheet NAV per Share represents net assets per the consolidated statement of financial position divided by the number of shares outstanding at period end.