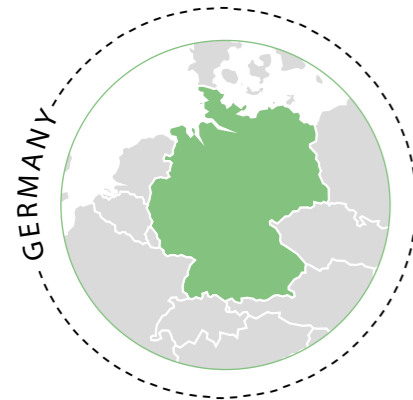


Germany



Total value of the German property portfolio¹

£92m

(2022: £100m)

Property portfolio

The Group's portfolio includes four properties in Berlin and one hotel each in Cologne, Nuremberg and Trier. Hotels with an ownership interest include Park Plaza Berlin Kudamm³ (relaunching in Q2 2024 as Radisson RED Berlin Kudamm), Park Plaza Nuremberg, art'otel Berlin Mitte³, Park Plaza Berlin and art'otel Cologne. Park Plaza Wallstreet Berlin Mitte operates under an operating lease and Park Plaza Trier³ operates under a franchise agreement.

Portfolio performance

Germany is the Group's smallest region and as previously reported, operations had a slower start to the year than other regions, with both rate and occupancy growth impacted by market dynamics in the region. However, trading improved as the year progressed.

Market conditions in Germany saw a continued rebuilding in guest numbers. While this took longer than anticipated, revenue grew significantly year-on-year as a result of an increase in occupancy and average rate. This was supported by the various fairs and events which were hosted in Cologne, Nuremberg and Berlin throughout the period.

Despite the improved revenue performance, the bottom line was impacted by inflation related to rising costs in utilities, food, and service contracts, as well as the ending of government grants for payroll and operating costs.

Total revenue (in local currency) was up 26.0% at €26.2 million (2022: €20.8 million). Occupancy continued to recover to 62.3% (2022: 53.0%) and average room rate grew by 7.1% to €138.4 (2022: €129.3). As a result, RevPAR increased by 25.9% to €86.2 (2022: €68.5).

However, EBITDA was €6.3 million (2022: €7.5 million), impacted by inflationary increases in the cost of goods and services and higher labour costs. In 2022, EBITDA benefited from non-recurring government grants of €2.9 million.

Asset management projects

In Berlin, Park Plaza Berlin Kudamm was closed in November 2023 for a six-month refurbishment programme, which includes a complete refurbishment of all public areas and guest rooms. The hotel is expected to reopen as Radisson RED Berlin Kudamm in Q2 2024.

The German hotel market*

The German market experienced a 18.5% increase in RevPAR to €74.2, resulting from a 11.5% improvement in occupancy to 64.8% and a 6.2% increase in average room rate to €114.5.

In Berlin, RevPAR increased by 16.4% to €85.8 and occupancy increased by 8.3% to 71.3%. Average room rate increased 7.5% to €120.3.

* Source STR European Hotel Review, December 2023.

Financial performance

	Reported in Pound Sterling ² (£)					Reported in local currency Euro (€)				
	Year ended 31 Dec 2023	Year ended 31 Dec 2022	% change	Year ended 31 Dec 2019	% change	Year ended 31 Dec 2023	Year ended 31 Dec 2022	% change	Year ended 31 Dec 2019	% change
Germany										
Total revenue	£22.8m	£17.7m	28.4%	£24.2m	(6.1)%	€26.2m	€20.8m	26.0%	€27.7m	(5.4)%
EBITDAR	£5.5m	£6.4m	(14.2)%	£7.0m	(21.6)%	€6.3m	€7.5m	(15.7)%	€8.0m	(21.0)%
EBITDA	£5.5m	£6.4m	(14.2)%	£7.0m	(21.6)%	€6.3m	€7.5m	(15.7)%	€8.0m	(21.0)%
Occupancy	62.3%	53.0%	930 bps	79.4%	(1,715) bps	62.3%	53.0%	930 bps	79.4%	(1,715) bps
Average room rate	£120.3	£110.3	9.0%	£96.7	24.3%	€138.4	€129.3	7.1%	€110.5	25.2%
RevPAR	£74.9	£58.4	28.2%	£76.8	(2.5)%	€86.2	€68.5	25.9%	€87.8	(1.8)%
Room revenue	£19.5m	£15.2m	28.2%	£20.0m	(2.5)%	€22.5m	€17.8m	25.9%	€22.9m	(1.8)%
EBITDA margin	24.0%	35.9%	(1,190) bps	28.8%	(480) bps	24.0%	35.9%	(1,190) bps	28.8%	(480) bps

1 Independent valuation by Savills in December 2023.

2 Average exchange rate from Euro to Pound Sterling for the period ended 31 December 2023 was 1.151 and for the period ended 31 December 2022 was 1.172, representing a 1.8% decrease.

3 Revenues derived from these hotels are accounted for in Management and Central Services performance and their values and results are excluded from the data provided in this section.



◀ art'otel Berlin Mitte



▽ Radisson RED Berlin Kudamm



△ Park Plaza Nuremberg



△ art'otel Berlin Mitte



◀ Park Plaza Wallstreet Berlin Mitte