

11 November 2021

PPHE HOTEL GROUP LIMITED
(“PPHE”, “PPHE Hotel Group” or the “Group”)

Rome hotel acquisition

PPHE Hotel Group, the international hospitality real estate group which develops, owns and operates hotels and resorts, is pleased to announce that the Group, via its wholly owned subsidiary Londra Cargill Parent S.r.l, has completed the acquisition of the 4-star Londra & Cargill Hotel in a prime central location in the city of Rome. The acquisition marks the Group’s entry into the Italian market. Rome is a strategic target for the Group as it is one of southern Europe’s key gateway capital cities that offers robust fundamentals for hotel investment over the medium to long term.

On completion of the transaction, hotel operations will continue whilst the Group finalises its plans to reposition the property to an upper upscale lifestyle hotel. The hotel is expected to be relaunched in early 2023.

The Londra & Cargill Hotel is steeped in history dating back to the early 1900’s and is located in central Rome just minutes from Via Vittorio Veneto, one of Rome’s most elegant and famous streets, a short walk from Piazza di Spagna and the Spanish Steps, Villa Borghese Gardens and Rome’s central station. The hotel currently offers 101 rooms and suites, a restaurant, bar, meeting facilities and private parking.

The transaction has been structured as a share sale of the company which owns the freehold hotel and its operations (the “**Target**”), from certain members of the De Romanis family, for a purchase price of €34.5 million (approximately £29.7 million) (on a cash free and debt free basis), subject to working capital and other customary price adjustments, which resulted in €33.2 million (approximately £28.6 million) payable by the Group on completion. As at 31 December 2020, the gross assets of the Target were €36.0 million (approximately £31.0 million) and the loss for the year ended 31 December 2020 was €0.5 million (approximately £0.4 million).

The acquisition has been funded from the Group’s excess cash position which will be partly refinanced with external bank debt in due course.

The transaction constitutes a Class 2 transaction for the purposes of the UK Financial Conduct Authority’s Listing Rules, and, as such does not require PPHE shareholders’ approval.

Boris Ivesha, President & CEO of PPHE Hotel Group, comments:

“We are thrilled to acquire this hotel in the centre of Rome, which will mark our entry into the Italian market and adds another key capital city to our growing portfolio of hotels. Our plans to reposition the property to an upper upscale lifestyle hotel will further bolster our development pipeline which already features iconic, premium projects across cities including art’otel london battersea power station and art’otel london hoxton.

“This latest acquisition further supports the Group’s long term growth strategy as it continues to build its presence in new markets.”

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Notes to Editors

PPHE Hotel Group is an international hospitality real estate company, with a £1.7 billion portfolio, valued as at December 2020 by Savills and Zagreb nekretnine Ltd (ZANE), of primarily prime freehold and long leasehold assets in Europe.

Through its subsidiaries, jointly controlled entities and associates it owns, co-owns, develops, leases, operates and franchises hospitality real estate. Its primary focus is full-service upscale, upper upscale and lifestyle hotels in major gateway cities and regional centres, as well as hotel, resort and campsite properties in select resort destinations.

PPHE Hotel Group benefits from having an exclusive and perpetual licence from the Radisson Hotel Group, one of the world's largest hotel groups, to develop and operate Park Plaza® branded hotels and resorts in Europe, the Middle East and Africa. In addition, PPHE Hotel Group wholly owns, and operates under, the art'otel® brand and its Croatian subsidiary owns, and operates under, the Arena Hotels & Apartments® and Arena Campsites® brands.

PPHE Hotel Group is a Guernsey registered company with shares listed on the London Stock Exchange. PPHE Hotel Group also holds a controlling ownership interest in Arena Hospitality Group, whose shares are listed on the Prime market of the Zagreb Stock Exchange.

Company websites:

www.pphe.com | www.arenahospitalitygroup.com

For reservations:

www.parkplaza.com | www.artotels.com | www.arenacampsites.com