

## Welcome to PPHE Hotel Group

Our primary activities are owning, leasing, developing, operating and franchising full service upscale and lifestyle hotels in major gateway cities and regional centres predominantly in Europe.

The majority of our hotels operate under two distinct brands, Park Plaza® Hotels & Resorts and art'otel®.

PPHE Hotel Group has an exclusive licence from Carlson<sup>SM</sup>, a global privately owned hospitality and travel company, to develop and operate Park Plaza® Hotels & Resorts in Europe, the Middle East and Africa. The art'otel® brand is fully owned by PPHE Hotel Group.

We have a minority ownership interest in the Arenaturist group, one of Croatia's leading hospitality companies.

Our portfolio of owned, managed, leased and franchised hotels comprises 38 hotels, offering a total of over 8,300 guest rooms, with an additional four new hotel projects under development, one hotel extension and reconfiguration and two rebranding projects. Our key markets are the United Kingdom, Germany, The Netherlands and Croatia.

[pphe.com](http://pphe.com)

## Key strengths

- **Integrated and entrepreneurial approach**  
hotel development, design, construction, ownership and operation
- **Profitable niche**  
expanding 'affordable luxury' with upscale hotels in major gateway cities and regional centres
- **Global partnership**  
powerful distribution network through the Carlson partnership
- **Pipeline**  
significant portfolio and brand growth potential through organic and external expansion
- **Financial track record**  
driving top line growth and delivering industry leading profit margins
- **Management team**  
highly experienced, streamlined and closely involved senior management team
- **Flexible partnership solutions**  
aligned with stakeholders to tailor the right arrangement for each hotel or hotel project



Individual design, city centre locations and excellent meeting facilities are key features of the upscale Park Plaza® Hotels & Resorts brand, making it ideal for both corporate and leisure guests. The hotels' modern function spaces are flexible for conferences, exhibitions and private event use. Park Plaza® Hotels & Resorts' event facilities are perfectly complemented by stylish guest rooms, award-winning restaurants and bars and a reliable service that is flawlessly delivered.

[parkplaza.com](http://parkplaza.com)

Exclusive licence agreement in Europe, Middle East and Africa



art'otel® is a contemporary collection of hotels located in cosmopolitan centres across Europe that fuse exceptional architectural style with art-inspired interiors. At the brand's heart lies the art itself. Every hotel displays a collection of original works designed or acquired specifically for that particular property, rendering each a unique art gallery in its own right. With a powerful combination of world-class art and best-in-class service, art'otels offer a hotel experience like no other.

[artotels.com](http://artotels.com)

Wholly owned brand

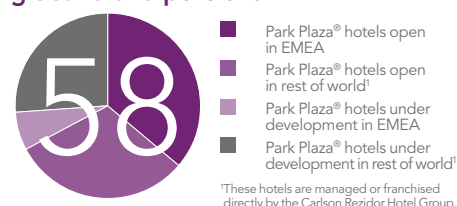


Arenaturist is one of Croatia's best known hospitality groups consisting of seven hotels, six holiday apartment complexes, eight campsites and 52 food and beverage outlets, all of which are located in Istria. Arenaturist caters primarily for tourists; all properties are situated in prime locations by the sea and are only a short distance from either the 3,000 year old city of Pula or the touristic town of Medulin.

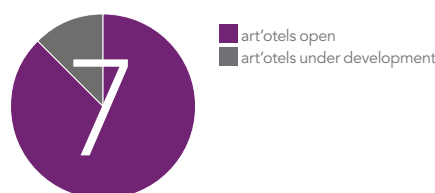
[arenaturist.com](http://arenaturist.com)

Significant minority interest

## Park Plaza® Hotels & Resorts global brand portfolio



## art'otel® portfolio



## Hotel portfolio: contract mix



## Financial information

	FY 2013 €'000	FY 2012 €'000	FY 2011 €'000
<b>Consolidated statement of operations</b>			
Revenues	245,008	242,092	202,380
EBITDAR	93,412	96,796	75,029
EBITDA	82,929	85,600	65,050
Profit before tax	25,828	67,590	10,634
Normalised profit before tax	21,895	24,045	13,607
<b>Consolidated balance sheet</b>			
Total assets	1,124,267	1,109,559	954,589
<b>Consolidated statement of cash flows</b>			
Net cash provided by operating activities	50,044	43,458	17,584

## Selected company milestones

2013	Record revenue. Completed €350.0 million refinancing of key hotels. Opened flagship, 5-star, art'otel amsterdam.
2012	Company name changed to PPHE Hotel Group, reflecting its multi-brand approach for operating hotels.
2011	Migrated from AIM to the LSE's Main Market.
2010	Opened the Company's largest hotel, Park Plaza Westminster Bridge London, offering 1,019 rooms.
2008	Entered resort segment with ownership stake in, and management of, the Arenaturist group in Croatia.
2007	Established Park Plaza Hotels Limited and completed successful floatation on AIM. Acquired art'otel® brand rights worldwide.
2002	Formed strategic marketing and distribution alliance with Carlson who acquired the Park Plaza® brand in this same year.
2000	Territorial licence agreement extended to a further 51 countries. Entered agreement to operate art'otels and Park Plaza® hotels in Germany and Hungary.
1999	Opening of first Park Plaza® hotel in central London.
1994	Obtained the rights to use the Park Plaza® Hotels and Resorts brand in Belgium, The Netherlands, Luxembourg, the United Kingdom and Israel.
1993	Acquired and rebranded iconic hotel in Amsterdam, Park Plaza Victoria.
1989	Park Plaza Hotels Europe was established and its first hotel was Park Plaza Eindhoven, The Netherlands.

## Board of Directors



**Eli Papouchado**  
Non-Executive Chairman



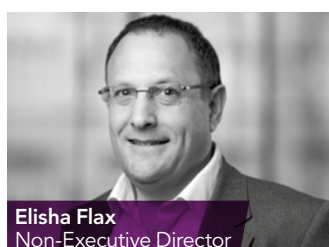
**Boris Ivesha**  
President and Chief Executive Officer



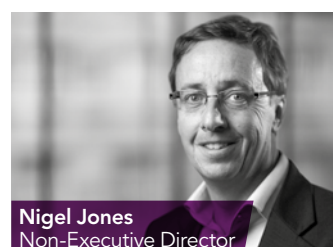
**Chen Moravsky**  
Chief Financial Officer



**Kevin McAuliffe**  
Non-Executive Director,  
Senior Independent Director



**Elisha Flax**  
Non-Executive Director



**Nigel Jones**  
Non-Executive Director

## Strategic objectives

1

Improving our EBITDA margin

Grow our EBITDA margin by improving operational performance, tight cost controls and further developing our financial structure and asset management initiatives

2

Enhancing our service quality through improving our operational performance

Continue to grow employee and guest satisfaction and loyalty by consistent delivery of exceptional customer service, underpinned by investment in our people development

3

Driving growth by expanding our hotel portfolio through a variety of business models

Focus on driving growth through construction projects, extending our development pipeline and progressing targeted renovation projects within existing hotel portfolio

4

Improving our overall performance through innovative revenue generation and marketing initiatives

Actively look for opportunities to improve our overall performance through innovative revenue generation, marketing initiatives and customer engagement through multi-channels

5

Leveraging our partnership with Carlson to further grow revenues

Embrace all marketing, sales and distribution programmes and increase customer loyalty and engagement

6

Managing and mitigating our impact on the environment and positively contributing to the local communities in which we operate

Robust, proactive and measurable approach to Corporate Social Responsibility, further embedding CSR in our brands' activity  
Ongoing target to reduce 2011 CO<sub>2</sub> emissions by 20% before the end of 2017

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The information contained in this fact sheet was extracted from the Company's 2013 Annual Report. The information is therefore accurate as at 28 April 2014 and should be read in conjunction with the 2013 Annual Report. This fact sheet may contain certain "forward-looking statements" which reflect the Company's and/or the Directors' views. All forward-looking statements address matters that involve risks and uncertainties. Accordingly, there are or will be important factors that could cause the Group's actual results to differ materially from those indicated in this fact sheet. Any forward-

looking statements in this fact sheet reflect the Group's views with respect to future events and are subject to risks, uncertainties and assumptions relating to the Group's operations, results of operations and growth strategy. These forward-looking statements speak only as of 28 April 2014. Subject to any legal or regulatory obligations, the Company undertakes no obligation publicly to update or review any forward-looking statement, whether as a result of new information, future developments or otherwise.