DALATA HOTEL GROUP PLC

2023 HALF YEAR RESULTS

DELIVERING GROWTH

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HIGHLIGHTS

H1 2023 HIGHLIGHTS

DALATA HOTEL GROUP PLC

+29%
Hotel revenue[1] growth vs H1 2022

Impressive performance continues through proven business model

41%
Hotel EBITDAR[1] margin

Effective margin management in inflationary environment

+24%
Adjusted EBITDA[1] growth vs H1 2022

Strong contribution from 2022 additions[2] and 'like for like'[1] hotels

+€112m
Capital deployed into two London hotels YTD 2023

Successfully delivering our ambitious growth strategy

Current pipeline: 1,141 rooms

Board declared interim dividend of 4.0 cent per share

Commitment to our people

Excellent employee engagement score
Achieved Silver 'Investors in Diversity' award

Focus on innovative solutions

Adapting work practices and hotel design to maximise efficiencies

Progressing sustainably

24% reduction in Scope 1 and Scope 2 carbon emissions per room sold in H1 2023 vs H1 2019

[1] *See glossary on slide 37*
[2] *See slide 36*

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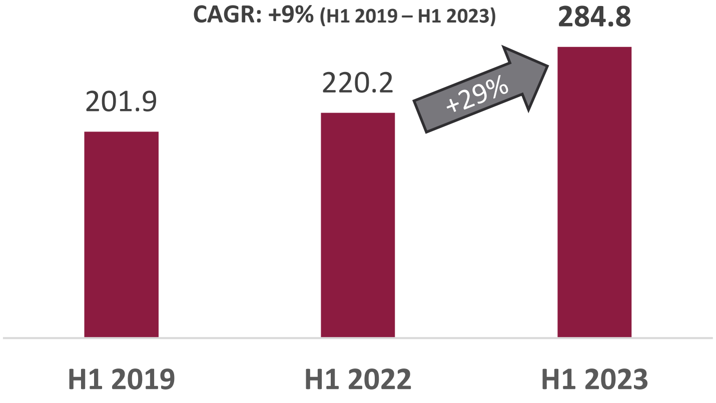
EXCELLENT MOMENTUM

Operating and development teams delivering record performance

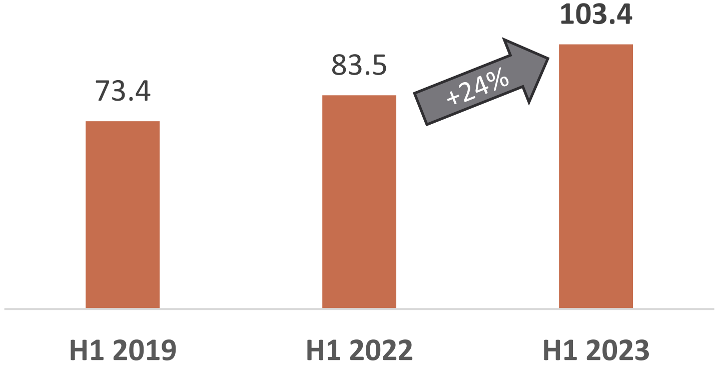
Hotel revenue[1] (€m)

CAGR: +9% (H1 2019 – H1 2023)



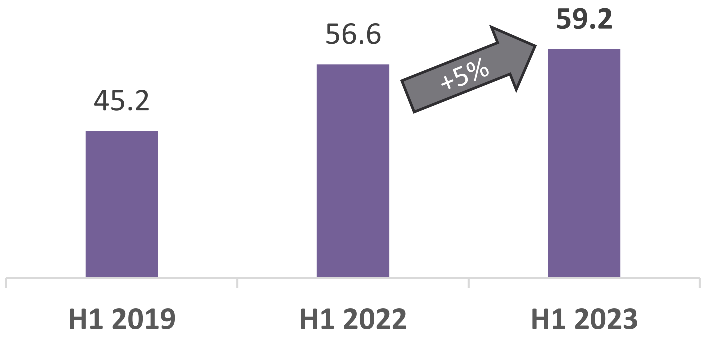
Adjusted EBITDA[1] (€m)

CAGR: +9% (H1 2019 – H1 2023)



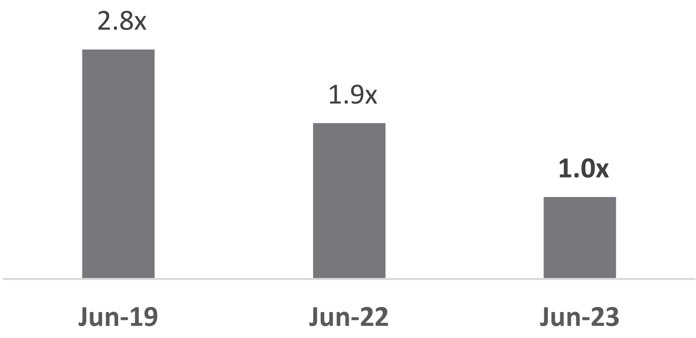
Free Cashflow[1] (€m)

CAGR: +7% (H1 2019 – H1 2023)

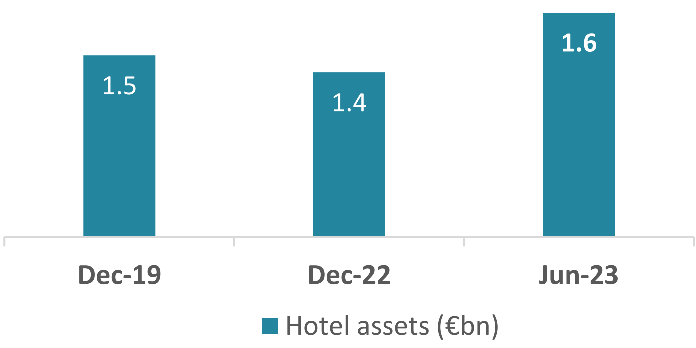


Strong asset-backed balance sheet and low gearing provide growth opportunity through acquisitions and leasing

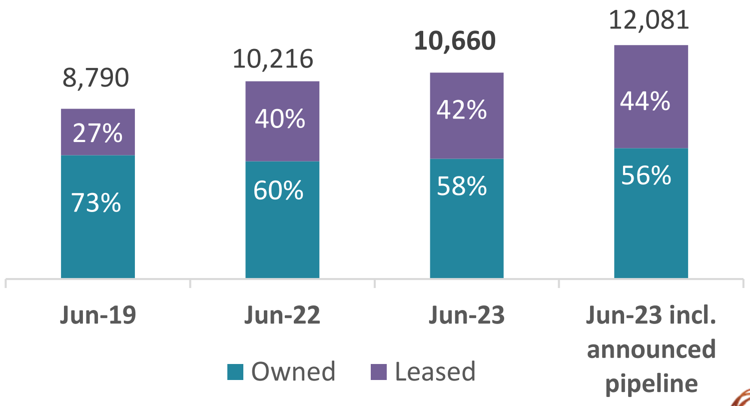
Net debt to EBITDA after rent[1]



Hotel assets[1] (€bn)



Portfolio growth[2] (#rooms)



[1] *See glossary on slide 37*

[2] *Excludes three managed hotels (299 rooms at 29 August 2023)*

DELIVERING GROWTH

Highlights:

Delivered €0.5bn property value growth since IPO

Leased portfolio delivered EBITDA (after rent)[1] of €17.5m in H1 2023 through high-quality, long-term leases with **1.7x rent cover[1]** - weighted average lease life remaining of 29.5 years

Strong cashflows for investment and shareholder returns as illustrated by H1 2023 Free Cashflow[1] of €59.2m

Pipeline at 30 June 2023 expected to deliver approx. €25m EBITDA (after rent)[1]

Considerable firepower potential from ongoing cashflows, comfort at average leverage of 2.0 - 2.5x Net Debt to EBITDA after rent[1] (1.0x at June 2023) with temporary spikes to 3.0x for acquisitions

Our ongoing capital allocation priorities:

- **Maintain and enhance our hotels**
  - Protect profits and asset values
- **Continue to invest in new hotel opportunities**
  - Invested €112m off market, in high quality London assets in year-to-date 2023 and actively seeking further opportunities
  - Ambition to add 5,000 rooms in Regional UK with mix of leased and owned over time, beyond currently announced pipeline
  - Early success of Clayton Hotel Düsseldorf provides confidence for next strategic steps in continental Europe
- **Pay and grow dividend through a progressive policy**
  - 2023 declared interim dividend of 4.0 cent per share , representing a payment of €8.9m to shareholders
- **Maintain strong balance sheet to drive growth**
  - Access to lower cost debt and lease funding
  - Strategic optionality for asset acquisition

Overall, medium-term potential to add approx. €750m (+50%) of property assets, beyond currently announced pipeline

[1] *Refer to glossary on slide 37 for definition*

A DIFFERENT WAY, A BETTER WAY

DALATA HOTEL GROUP PLC

Decentralised model

Skilled operators at local level, backed by central office expertise

Enhanced customer relationships

Dynamic pricing to maximise returns

People focus

Engaged, experienced and ambitious teams

Promoting from within

Dalata Academy

Attractive working conditions

Skilled acquisitions and development team

Ability to grow at each stage of economic cycle

Experienced in acquisitions, leasehold interests and development projects

Strong relationships

Supported by owned Clayton and Maldron brands

Modern well-invested portfolio

Average age of hotels: 17 years

31 owned and 18 leased hotels

Prime locations

€8.8m refurbishment spend in H1 2023

€1.6bn asset-backed balance sheet

Provides strategic optionality and financial strength

Additional liquidity for further growth

Access to covenant-backed leasehold opportunities

Focus on delivering sustainable, responsible growth

Innovative redesign of development projects

Adapting and improving work practices

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Clayton Hotel Bristol City

FINANCIAL REVIEW

H1 2023 RESULTS

Key Financials €million	H1 2023	H1 2022
Hotel revenue[1]	284.8	220.2
Hotel EBITDAR[1]	**115.6**	**90.3**
Hotel variable lease costs	(1.8)	(1.3)
Other income (excluding gain on disposal)	0.6	0.6
Central costs	(7.4)	(4.9)
Share-based payments expense	(3.6)	(1.2)
Adjusted EBITDA[1]	**103.4**	**83.5**
Adjusting items[2]	1.4	17.9
Group EBITDA	**104.8**	**101.4**
Depreciation of PPE and amortisation	(15.4)	(14.2)
Depreciation of RoU assets	(14.9)	(13.0)
Interest on lease liabilities	(20.9)	(17.9)
Other interest and finance costs	(3.2)	(4.3)
Profit before tax	**50.4**	**52.0**
Tax charge	(8.4)	(5.3)
Profit for the period	**42.0**	**46.7**
Basic earnings per share ('Basic EPS') - cents	*18.8*	*21.0*
Adjusted basic earnings per share[1] - cents	*18.4*	*13.1*

[1] *See glossary on slide 37 for definition*
[2] *H1 2023 adjusting items include the net property revaluation gain of €2.0 million following the valuation of property assets less pre-opening costs of €0.7 million. H1 2022 adjusting items primarily relate to net property revaluation movements of €17.9 million, with other adjusting items netting to zero*
[3] *See slide 36*

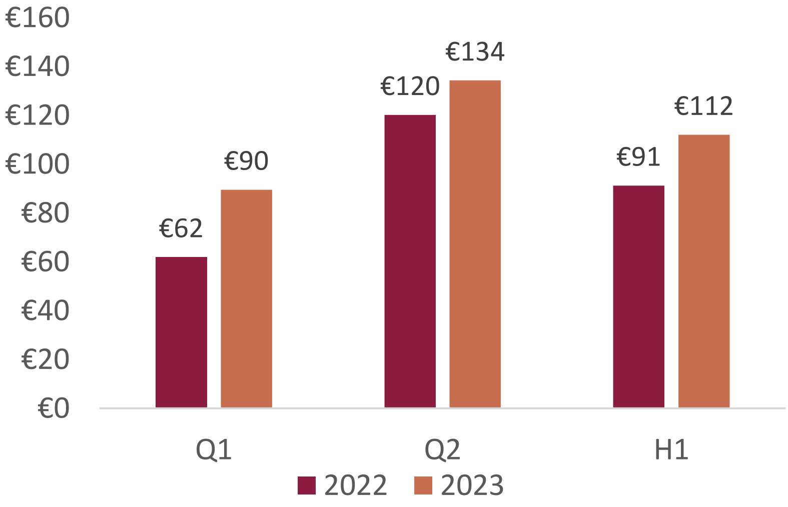
- **€64.6m uplift in Hotel revenue[1]** versus H1 2022 **(+29%)**. €24.6m of the uplift is attributable to the seven hotels added to the portfolio during 2022[3]
- **€19.9m uplift in Adjusted EBITDA[1]** versus H1 2022 **(+24%)**. €12.0m of the uplift is attributable to the seven hotels added to the portfolio during 2022[3]
- Decentralised teams successfully managing inflationary environment and **protecting margin**
  - No Covid related government support received during H1 2023 (H1 2022: €15m)
  - H1 2023 Hotel EBITDAR[1] **margin 1% ahead of H1 2019** on a 'like for like'[1] basis

Group KPIs ('Like for like')[1]	H1 2023	H1 2022
RevPAR (€)	€112.09	€91.28
Occupancy %	79.7%	71.3%
Average room rate (€)	€140.66	€127.98

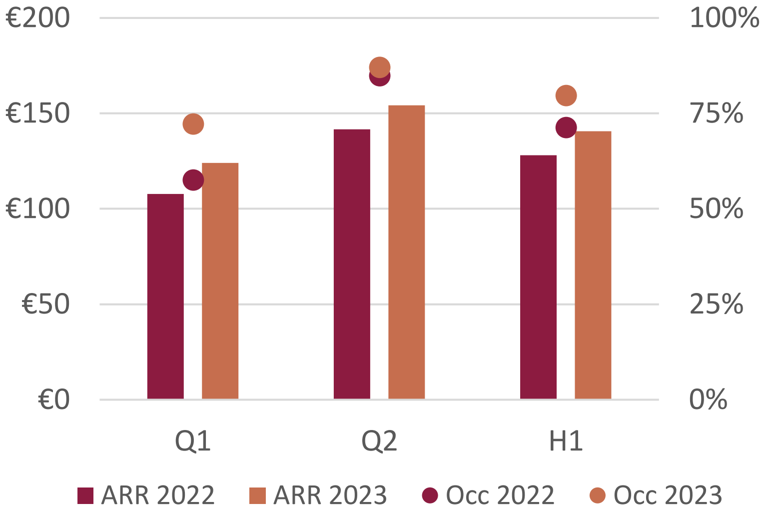
- **Successful hedging** maintaining **low interest charges.** Savings versus H1 2022 driven by lower average borrowings and lower margin, partially offset by a reduction in capitalised interest
- Basic EPS movement skewed by large reversal of valuation losses recorded in H1 2022 following pandemic recovery. Adjusted basic EPS has **increased by 5.3 cents** period on period (+40.5%)

H1 2023 REVENUE PERFORMANCE

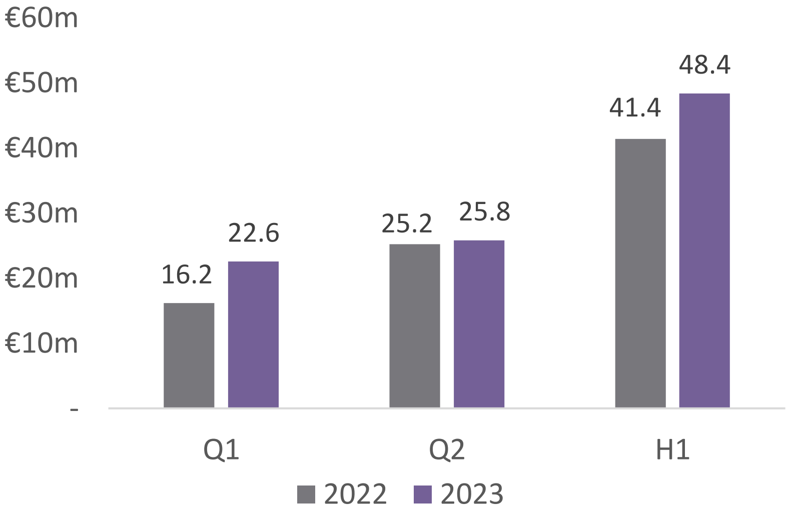
H1 2023 'LFL'[1] RevPAR 23% ahead of 2022 levels



H1 2023 'LFL'[1] Occupancy 12% ahead of 2022 levels, ARR 10% ahead



H1 2023 'LFL'[1] F&B revenue 17% ahead of 2022 levels



- **RevPAR outperformance** through H1 2023 - continued occupancy recovery along with successful yield management and dynamic pricing strategies
- Sustained demand across **domestic customer** segments
- Strong return of **international travellers**
  - H1 2023 Dublin Airport passenger numbers on par with 2019 levels[2]
  - Continued terminal passenger recovery in UK airports - Manchester and London passenger levels recovered to over 90% of 2019 levels[3]
- Continued **supply constraints** in Irish market
- Group 'like for like'[1] **occupancy exceeded 2019 levels** in both Q1 and Q2 2023
- **Strong Food and Beverage** (F&B) revenue performance despite cost-of-living backdrop

[1] See glossary on slide 37 for definition
[2] Per Dublin Airport website
[3] Per UK Civil Aviation Authority

EFFICIENT MARGIN MANAGEMENT

DALATA HOTEL GROUP PLC

Dublin

47%

'Like for like'[1] H1 2023 Hotel EBITDAR margin

Broadly in line with 2019 levels

€61m

'Like for like' H1 2023 Hotel EBITDAR[1]

€10m ahead of 2019 levels

Regional Ireland

30%

'Like for like'[1] H1 2023 Hotel EBITDAR margin

▲6 percentage points versus 2019 levels

€16m

'Like for like' H1 2023 Hotel EBITDAR[1]

€6m ahead of 2019 levels

United Kingdom

39%

'Like for like'[1] H1 2023 Hotel EBITDAR margin

▲2 percentage points versus 2019 levels

£18m

'Like for like' H1 2023 Hotel EBITDAR[1]

£4m ahead of 2019 levels

Underpinned by:

Experienced hotel operators and asset managers
*
Decentralised model
*
Pricing strategies
*
Focus on innovation
*
Investment in technology

Maintaining strong 'like for like'[1] F&B departmental profit margin of 28% in H1 2023 (H1 2019: 29%)

H1 2023 gas and electricity costs of €15m[2] (H1 2022: €13m)

H2 to benefit from improved pricing and continued energy consumption savings per room sold (16% consumption saving in H1 2023 vs H1 2022)

[1] See glossary on slide 37 for definition. Note: The six hotels added to the UK portfolio since June 2019, which are excluded from the 'like for like analysis' above, contributed £9m of Hotel EBITDAR in H1 2023
[2] Net of energy supports received from ROI and UK governments

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RESPONDING TO INFLATION | OPERATIONAL EXPERTISE & INNOVATION

DALATA HOTEL GROUP PLC

Accommodation efficiency project

- Increases productivity
- Reduces labour cost
- Increased monitoring and evaluation
- Enhances employee experience
- Maintains high quality guest experience

Redesigning hotel lobby

- Adapting layout to reduce labour requirement
- Investment in technology e.g. self-check-in pods
- Increases productivity
- Allows greater flexibility for staff

Decentralised model

- Local teams in place
- Staff empowerment
- Timely, tailored decision making
- Dynamic pricing
- Drives RevPAR[1] and cost efficiencies
- Backed by central office expertise

Dalata signature food range

- Enhanced consistency
- Increased flexibility for customers and staff
- Achieves cost efficiencies
- Reduces labour requirement
- Reduces food waste

Achieving financial benefits while upholding customer and employee satisfaction

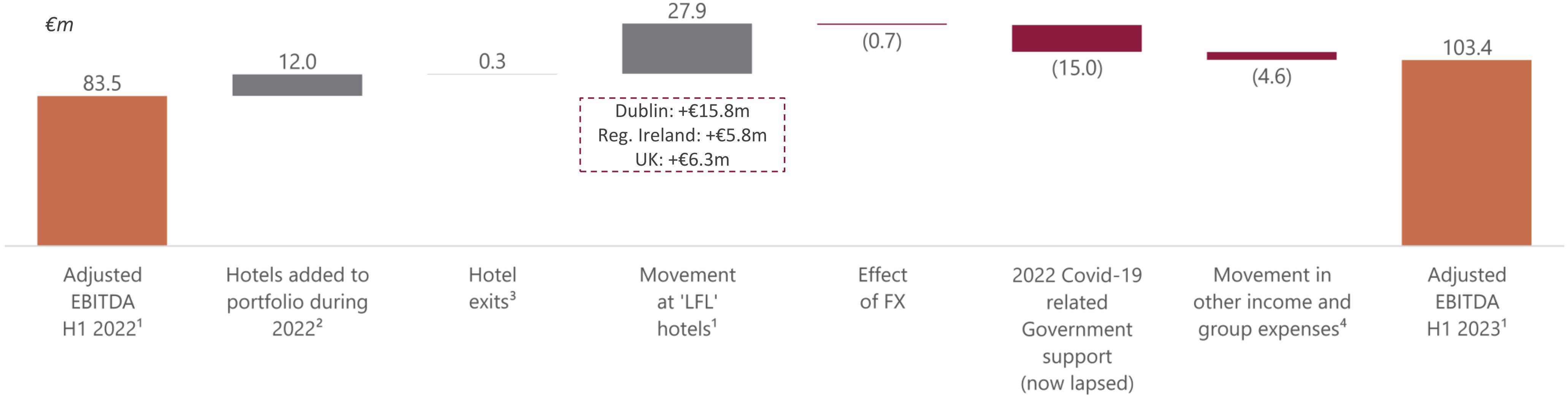
[1] *See glossary on slide 37 for definition*

maldron HOTELS & PARTNERS

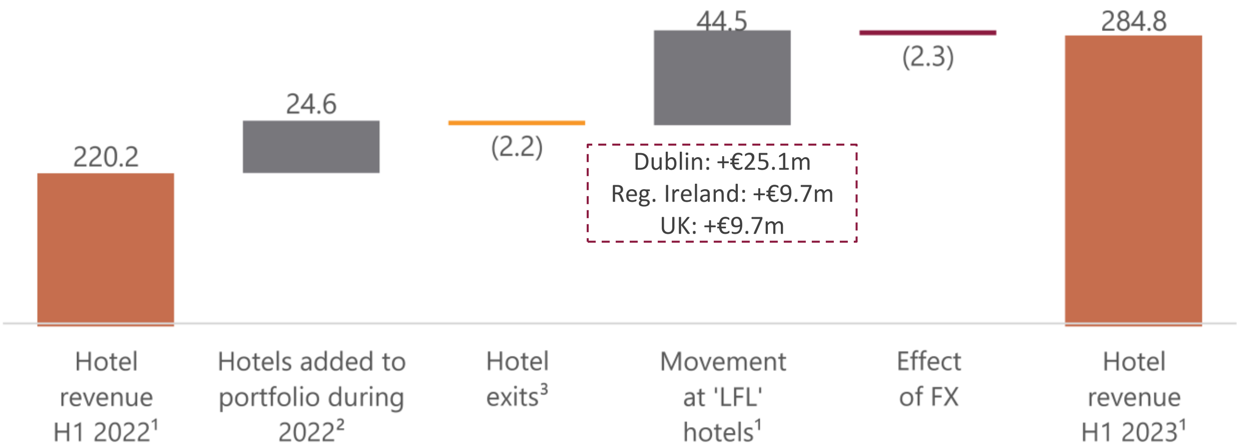
CLAYTON HOTELS

BRIDGING H1 2022 PERFORMANCE TO H1 2023

24% Adjusted EBITDA[1] growth from H1 2022 to H1 2023



29% Hotel revenue[1] growth from H1 2022 to H1 2023



Growth driven by

1. Excellent ramp up performance of the seven hotels added during 2022[2]

coupled with

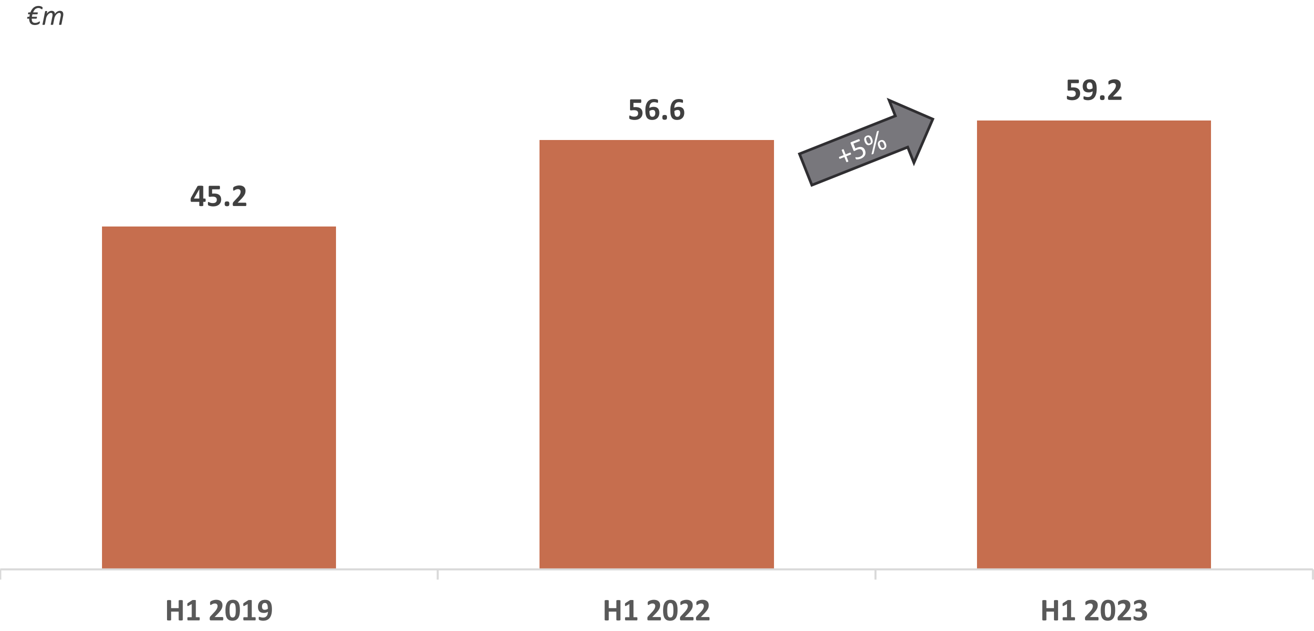
2. Excellent operational recovery delivered by decentralised teams at 'like for like'[1] hotels

[1] See glossary on slide 37 for definition
[2] See slide 36
[3] Includes Clayton Crown Hotel, London (sold June 2022)
[4] Group expenses comprise central costs and share-based payments expense

STRONG CASHFLOW FOR CONTINUED INVESTMENT

DALATA HOTEL GROUP PLC

Free Cashflow[1] of €59.2m in H1 2023 (H1 2022: €56.6m)



	30 June 2023	30 June 2022	Uplift
Cash and cash equivalents (€m)	114.4*	76.1	▲38.3
Cash and undrawn facilities (€m)	413.9	365.2	▲48.7
Debt and Lease Service Cover[1] (for the 12 months ending 30 June)	3.1x	2.9x	▲0.2x

Prior to a €62m payment on 3 Jul 2023 relating to the acquisition of the newly rebranded Clayton Hotel London Wall

Strong cashflow generation funding investment and growth

Financed **two acquisitions** from existing facilities in YTD 2023 – total consideration €112.3m (£97.7m)

€8.8m refurbishment capital expenditure paid (H1 2022: €4.4m)

Over 75% of rent roll[1] fixed until 2026

Fixed rent payments of €26.1m in H1 2023 (H1 2022: €23.0m)

Over 90% of leases have rent review caps in place which limit CPI/RPI related increases to 3.5%-4% p.a.

Reduced interest payments in H1 2023

(H1 2023: €3.4m, H1 2022: €7.4m)

Hedging strategy successfully mitigating interest charges - fixed rates on term debt (£176.5m) of c. 1.3% until Oct 2023, then 1% until Oct 2024

Strong covenant resulting in **lowest margin ratchet**

[1] *See glossary on slide 37 for definition*

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GROUP BALANCE SHEET

DALATA HOTEL GROUP PLC

All figures €million	30 June 2023	31 Dec 2022
Non-current assets		
Property, plant and equipment	1,581.8	1,427.4
IFRS 16 right-of-use assets (RoU)	653.3	658.1
Intangible assets & goodwill	31.1	31.1
Other non-current assets[1]	38.5	33.5
Current assets		
Trade and other receivables and inventories	41.8	32.6
Other current assets[2]	2.7	4.9
Cash and cash equivalents	114.4	91.3
Total assets	**2,463.6**	**2,278.9**
Equity	1,347.0	1,222.8
Loans and borrowings (amortised cost)	265.2	193.5
IFRS 16 Lease liabilities	656.7	651.8
Trade and other payables	91.5	118.8
Other liabilities[3]	103.2	92.0
Total equity and liabilities	**2,463.6**	**2,278.9**

At 30 June 2023:

€1.6bn
Hotel assets[4] in prime locations

€0.6bn
Debt facilities[5]

13.3%
Normalised Return on Invested Capital[4]

11.0%
Net Debt to Value[4]

1.0x
Net Debt to EBITDA after rent[4]

2.8x
Lease Modified Net Debt to Adjusted EBITDA[4]

Covid deferred VAT and PAYE tax liabilities totalling €34.8m at Dec 2022 have been **paid in full**, reducing trade and other payables

[1] Other non-current assets comprise investment property, non-current derivative assets, deferred tax assets and other receivables
[2] Other current assets comprise current derivative assets
[3] Other liabilities comprise deferred tax liabilities, provision for liabilities, current tax liabilities and accruals
[4] Refer to glossary on slide 37 for definition
[5] Consisting a €200m term loan facility (matures Oct 2025) and €364.4m revolving credit facilities, of which €59.5m matures Sep 2023 and €304.9m matures Oct 2025

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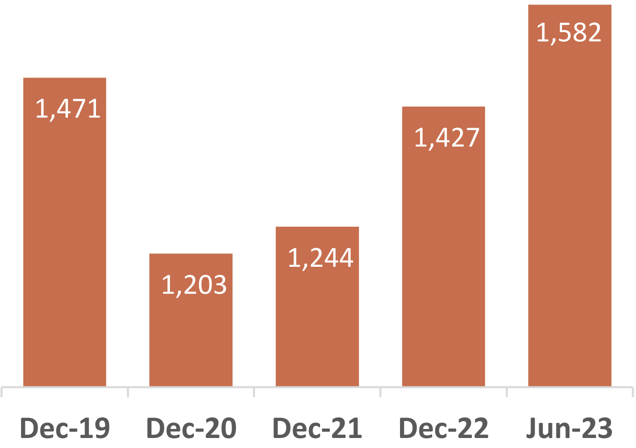
PORTFOLIO VALUATION UPLIFTS

DALATA HOTEL GROUP PLC

‘Like for like’[1] portfolio valuation growth of **6%** from December 2022 to June 2023

Hotel assets[1] (€m)

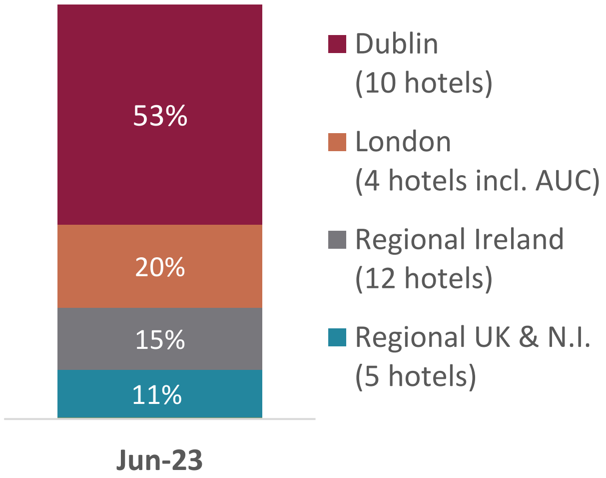


‘LFL’ [1] valuation uplift by region (December 2022 – June 2023):

Dublin:	+5%
London:	+5%
Regional Ireland:	+7%
Regional UK & N.I.:	+6%
Group:	**+6%**

Hotel asset[1] mix at 30 June 2023
73% asset value weighting in Dublin and London cities

Hotel assets[1] – regional split



Clayton Hotel London Wall acquisition (€62m) completed in July and is not included in Hotel Assets at 30 June 2023

- **Strong valuation uplifts recorded in H1 2023,** driven by operational performance and profit growth, tempered by yield increases
- Delivered **€0.5bn property value growth since IPO**
- Property assets subject to revaluation by **independent external valuers** at each reporting date

Weighted average terminal capitalisation rate	June 2023	December 2019	Movement
Dublin	**7.55%**	6.87%	↑ 0.68%
Regional Ireland	**9.10%**	7.31%	↑ 1.79%
UK	**7.12%**	6.42%	↑ 0. 70%
Group	**7.70%**	6.82%	↑ 0. 88%

[1] *See slide 37 for definition*

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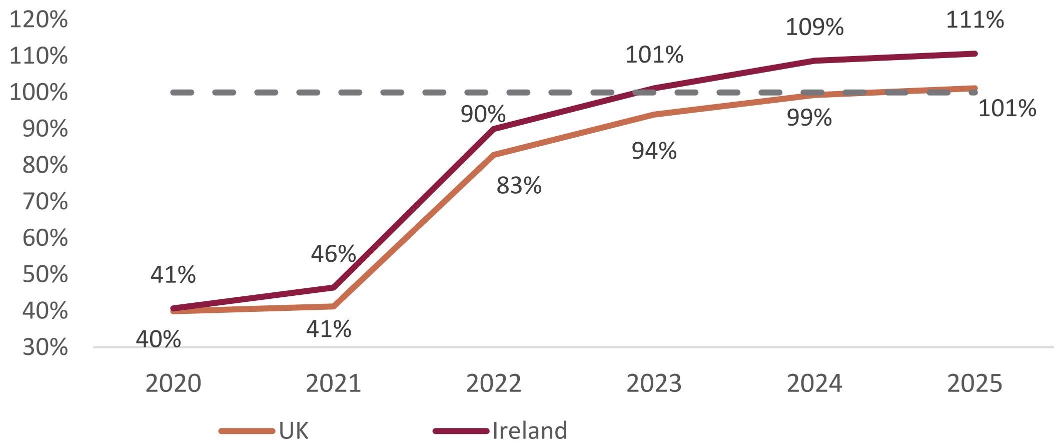
POSITIVE MARKET FUNDAMENTALS

DALATA HOTEL GROUP PLC

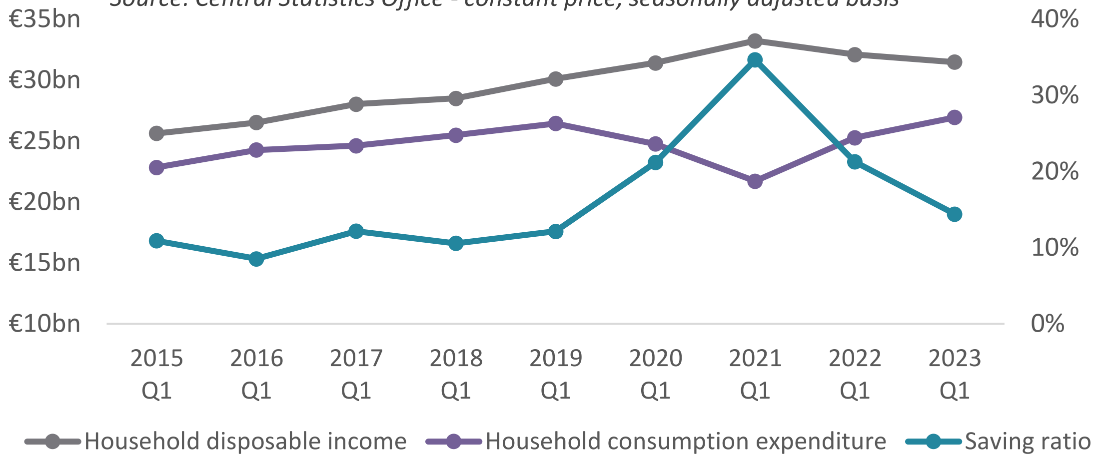
Eurocontrol forecasting further UK flight traffic recovery into 2024, with full recovery to Irish 2019 levels in 2023

Source: Eurocontrol (Mar 2023 Base scenario)



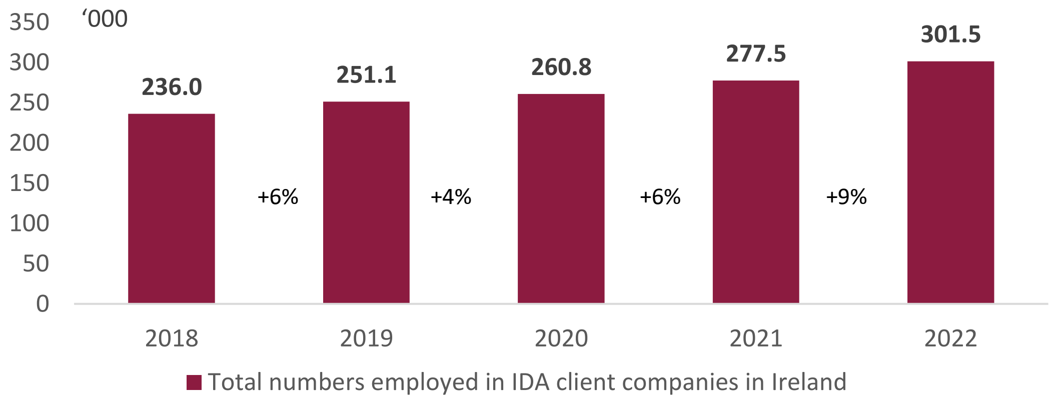
Irish household disposable income ahead of 2019 levels, savings ratio remains strong

Source: Central Statistics Office - constant price, seasonally adjusted basis



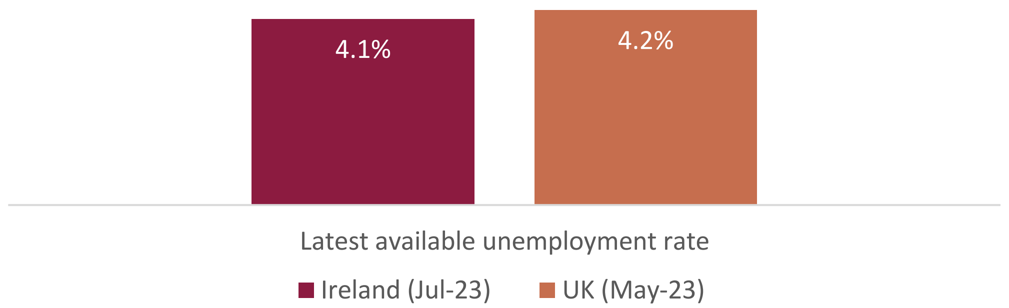
2022 saw highest ever increase in FDI[1] employment in Ireland

Source: IDA Ireland



UK and Irish economies close to "full employment"

Source: Central Statistics Office, Office for National Statistics



[1] *Foreign Direct Investment. IDA (Industrial Development Authority) Ireland's main objective is to encourage investment into Ireland by foreign-owned companies*

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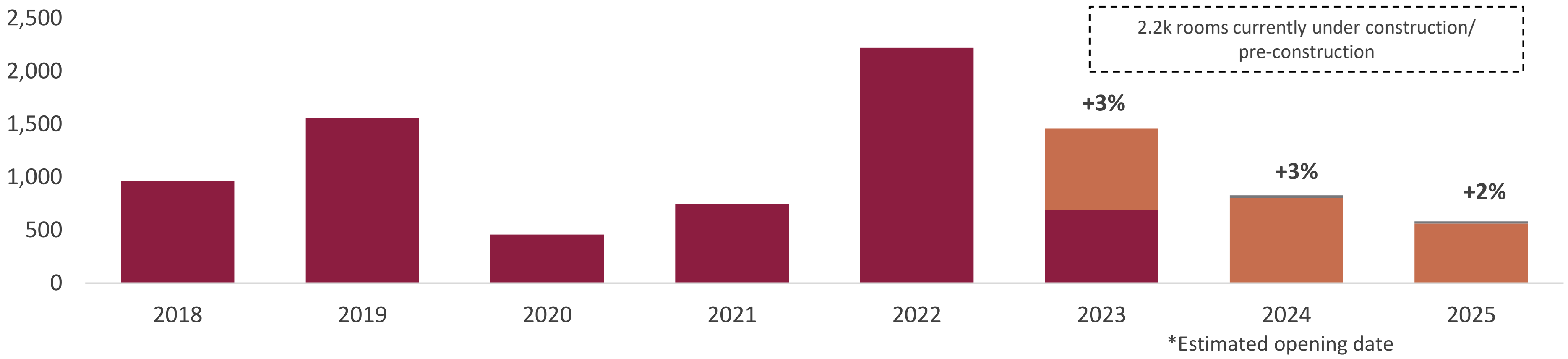
FAVOURABLE DUBLIN SUPPLY DYNAMICS

DALATA HOTEL GROUP PLC

Forecast slowdown in new supply per annum[1]

Current market size of c. 28k rooms (Jul 2023[2])



Open | Under construction* | Pre-construction*

Savills estimate a stabilised 2%-4% increase per annum in Dublin hotel rooms supply in future years

Dublin market had 17 compression nights (occupancy greater than 95%) in Q2 2023 (Dalata: 32) showing high demand for the city

We estimate approx. 10% of Dublin supply is currently out of the market for Government use (down from 13% at Nov 2022)

Rising construction costs and interest rates hindering hotel developments

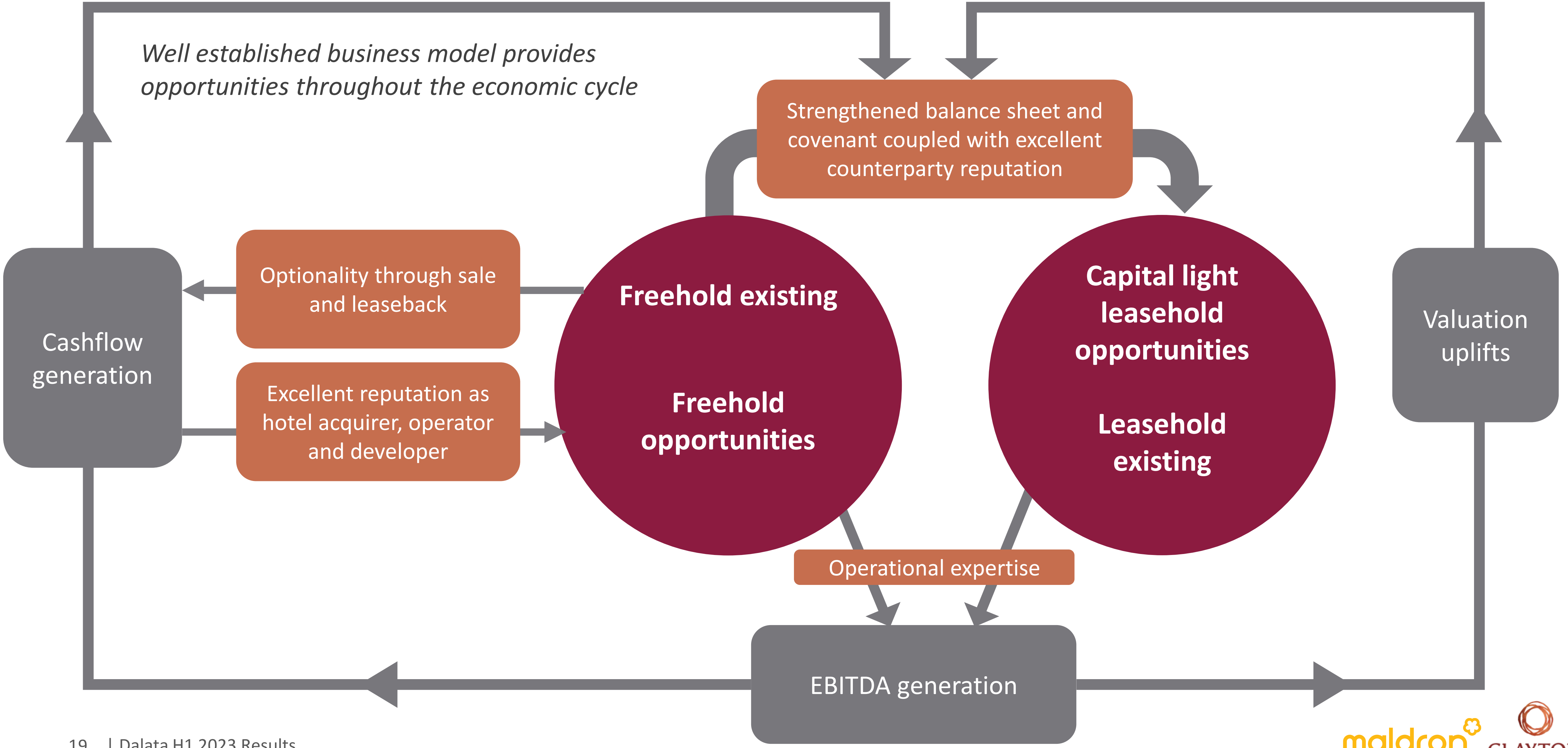
More stringent planning permission requirements in place for new hotel developments in city centre

Airbnb impacted by planned short-term letting restrictions in Ireland

[1] *Source: Savills*

[2] *Source: AM:PM; Includes hotels temporarily out of the market for government use, excludes hostels*

PRIMED FOR GROWTH



DEVELOPMENT & GROWTH STRATEGY

Clayton Hotel Glasgow City

AMBITIOUS GROWTH STRATEGY

DALATA HOTEL GROUP PLC

UK

Strategic focus

Ireland

Maintaining leading market share

Continental Europe

Establishing presence for next strategic priority

Proven track record of creating shareholder value

Balance sheet strength and sensible gearing

Excellent counter party reputation

Develop

Maldron Shoreditch, London currently under construction

Maximising EBITDA, cash generation and asset value uplifts for shareholder returns

Lease

Enables room growth at scale

4 leases in current pipeline

In house design capability

Construction and project management experience

Acquire

Two London acquisitions in YTD 2023 with imminent P&L contribution

In house development team

Leasing and acquisitions experience

maldron HOTELS & PARTNERS

CLAYTON HOTELS

EXECUTING OUR STRATEGY

DALATA HOTEL GROUP PLC

The Dalata Difference

Strong balance sheet and counter-party reputation provides access to off-market transactions

Demonstrated ability to re-invest funds generated from existing hotels

Experienced development and acquisitions team

Central operations team skilled at opening and onboarding hotels

The London example

A more challenging city to secure hotels, however, the opportunity is considerable

Commercially attractive city

Ability to achieve value accretion on freehold properties

Leading business centre globally

Strong RevPARs[1]

Two exciting London hotel additions

Clayton Hotel London Wall

Dalata operated from July 2023

Acquired long leasehold, 89 bedrooms

4-star, city centre location

Total consideration: £53.4m (€62.2m)

Maldron Hotel Finsbury Park

Opened July 2023

Freehold, 191 bedrooms

4-star, excellent location

Total consideration: £44.3m (€50.1m)

Over £2.5m invested post-acquisition

Both financed using existing facilities

[1] *See slide 37 for definition*

maldron HOTELS & PARTNERS

CLAYTON HOTELS

COMPELLING UK EXPANSION

DALATA HOTEL GROUP PLC

Strong UK room growth and trajectory[1]:

2016		2018		2020		2022		2024
1,768	+26%	2,233	+18%	2,644	+50%	3,962	+28%	5,090 (Incl. announced pipeline)

Region:	Regional UK	London
Growth strategy:	A four-star market leader in the large cities which have a strong RevPAR and mix of corporate and leisure demand	Continue to source opportunities in a very commercially attractive city

Regional UK – 4,200 rooms (incl. current pipeline)

- Five existing owned hotels
- Nine existing leased hotels
- Three pipeline hotels (2024, leased)

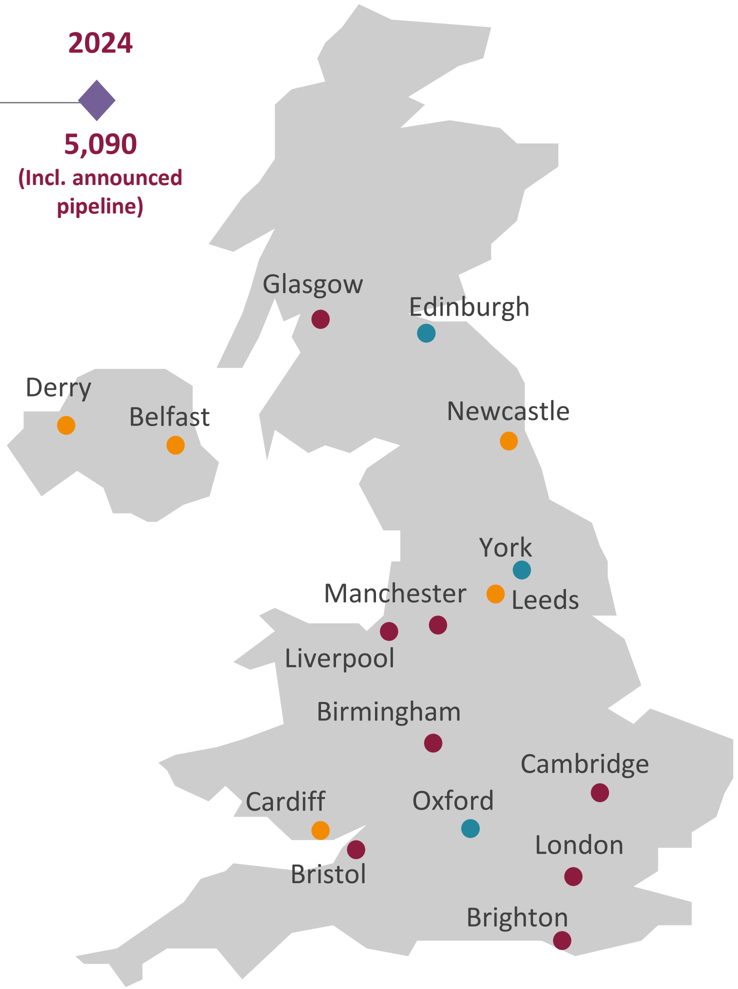
London – 890 rooms (incl. current pipeline)

- Two existing owned hotels
- Maldron Hotel Finsbury Park (2023, owned)
- Clayton Hotel London Wall (2023, owned)
- Maldron Hotel Shoreditch (2024, owned)

Two London acquisitions completed in 2023 now open, adding 280 rooms

834 rooms expected to open across London, Brighton, Liverpool and Manchester in 2024

Ambition to add a further 5,000 rooms to Regional UK over time, beyond currently announced pipeline



- Target city with existing hotels/announced pipeline
- Target city
- Existing, non-target city

[1] *Room numbers exclude managed hotels*

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SUSTAINABILITY|SCIENCE BASED TARGETS INITIATIVE (SBTi)

DALATA HOTEL GROUP PLC

Aspire to commit to SBTi Building Sector targets, subject to receipt and form of final guidance

SCIENCE BASED TARGETS

Dalata SBTi sector classification: Building Sector

Status of SBTi sector guidance: Under review

Due date for final SBTi sector guidance: Q4 2023

Completed detailed assessment on how we may commit to SBTi under current draft guidance

- Appointed external consultants in March 2023
- Completed detailed models, projecting to 2033, which encompass:
  - Operational, Embodied & Scope 3 Carbon
  - Current carbon footprint
  - Currently announced pipeline
  - Expected future pipeline
  - Large scale electrification of the current portfolio
- **Identified a pathway to deliver on SBTi near term targets (2029-2033)**
- Actively engaged in the SBTi draft guidance consultation process

Final guidance requirements to enable Dalata commitment:

- The **direct purchase of new green energy would need to be recognised** as an applicable target reduction, as accepted within other sector guidance
- Final guidance **will need to be reviewed** for any items that may affect our ability to commit

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SUSTAINABILITY|COMMITED TO DECARBONISATION

**If not possible to commit within the SBTi Building Sector guidance,
Dalata are committed to broadly following the SBTi target requirements with ambition, targeting:**

I. In-use operational emissions

- CRREM[1] compliance for each asset in the portfolio
- New build specifications with zero onsite operational carbon
- Process commenced to identify a method of directly procuring credible green energy

II. Embodied carbon emissions

Confident we will deliver new build hotels which are:

- Within the SBTi Building Sector guidance for embodied carbon
- Conforming within LETI targets[2]

III. Scope 3 emissions

- Work ongoing with our suppliers, however, targeting to broadly follow SBTi Buildings Sector guidance requirements

[1] *Carbon Risk Real Estate Monitor*

[2] *London Energy Transformation Initiative - LETI was established to support the transition of the UK's built environment to Net Zero Carbon*

SUSTAINABILITY|ACTIVE PROGRESS ACROSS PORTFOLIO

DALATA HOTEL GROUP PLC

CDP DISCLOSURE INSIGHT ACTION

2022: 'B' rating

MSCI ESG RATINGS AA

CCC | B | BB | BBB | A | **AA** | AAA

RATING ACTION DATE: August 18, 2023
LAST REPORT UPDATE: August 21, 2023

SUSTAINALYTICS a Morningstar company

	Rank[1]	Percentile[1]
Aug-23	**12/127**	**10th**
Jul-22	44/118	37th

Continued advancements to existing portfolio

24% reduction in Scope 1 and Scope 2 **carbon emissions** per room sold in H1 2023 versus H1 2019

Have completed design for the transition of our first existing hotel from Carbon Plant to **Air Source Heat Pumps**

Examining opportunities for **onsite electricity generation** across the portfolio

Assessing plan for **decarbonisation** of our bus fleet

Strong ambition for sustainability of new hotel developments

Exploring opportunities to **reduce further the embodied carbon** of new build hotels

Expectation for next generation of new build hotels to operate with **zero onsite carbon**[2]

Maldron Hotel Shoreditch, London - scheduled to open in 2024 to a BREEAM[3] excellent standard. Included within the specification is:

- ✓ *Air Source Heat Pumps*
- ✓ *Photovoltaic panels*
- ✓ *Electric kitchen*
- ✓ *HVRF air conditioning*
- ✓ *Brown / Green rooftop garden*

BREEAM®

[1] *Within the Travel, Lodging and Amusement subindustry*
[2] *Fundamentally the hotels are fully operated by electricity, replacing carbon fuel supply*
[3] *Building Research Establishment Environmental Assessment Methodology - evaluates a building's environmental performance across a range of categories, including energy efficiency, water management, and waste reduction*

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OUTLOOK

Maldron Hotel Finsbury Park, London

OUTLOOK

DALATA HOTEL GROUP PLC

Strong current trading

- Strong **July and August** Group 'Like for like' RevPAR[1] performance, **5% ahead of 2022 levels**
- Hotels added during 2022 **continue to perform well**
- Two London **additions performing well** since commencing trading under Dalata in July

Positive demand indicators across UK and Ireland

- Strong mix of **corporate and leisure** business
- Continuing return of **international travellers**, particularly from US market
- Limited visibility on when **supply** situation in Ireland will normalise

Effective cost management in inflationary environment

- Teams continue to focus on **innovative solutions** to enhance efficiencies
- Gas and electricity costs[2] expected to total €29m in 2023 (2022: €32m). **Over 80% of energy consumption is price fixed** until December 2024
- Largely **hedged on interest payments** until October 2024 and **fixed rent payments** until 2026

Delivering shareholder value

- The Board has declared an **interim dividend** of 4.0 cent per share, representing a payment of €8.9m
- Disciplined execution of ambitious **growth strategy** - delivering currently announced pipeline of 1,141 rooms while actively seeking further opportunities

[1] *See slide 37 for definition*
[2] *Net of energy supports received from ROI and UK governments*

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MODEL DELIVERS ATTRACTIVE FUNDAMENTALS

DALATA HOTEL GROUP PLC

€1.6bn asset-backed balance sheet with low gearing (Net Debt to Value[2] of 11.0%)

Primely located owned portfolio

€6.26 Balance Sheet NAV per share[1]

(€6.84 excluding valuers' deduction for purchaser costs)

Weighted average terminal capitalisation rate of 7.7%

€145m trailing 12-month Hotel EBITDAR[2] contribution to 30 June 2023

High quality, long-term leased portfolio

Leased portfolio delivered EBITDA (after rent)[2] of €17.5m in H1 2023 with a rent cover[2] of **1.7x**

Includes six hotels newly leased from 2022[3] which contributed EBITDA (after rent)[2] of €5.0m in their second year of ramp up, with excellent rent cover[2] of **1.5x**

Weighted average lease life of 29.5 years

Pipeline at 30 June 2023

Three owned London hotels[4] expected to deliver Hotel EBITDA[2] **over €16m** when fully operational

Pipeline of four leased hotels[5] expected to deliver EBITDA (after rent)[2] **over €8m**

[1] Defined as net assets per the financial statements amended to remove accounting lease liabilities and right-of-use assets, derivative balances and deferred tax balances, divided by number of shares outstanding at end of the period
[2] Refer to glossary on slide 37 for definition
[3] Includes Clayton Hotel Manchester City Centre (Jan 2022), Maldron Hotel Manchester City Centre (Feb 2022), Clayton Hotel Düsseldorf (Feb 2022), Clayton Hotel Bristol City (Mar 2022), The Samuel Hotel, Dublin (Apr 2022) and Clayton Hotel Glasgow City (Oct 2022). Expected to deliver EBITDA (after rent)[2] of approx. €15m when fully operational at a rent cover[2] of 1.8x.
[4] Includes Clayton Hotel London Wall (acquired Jul 2023), Maldron Hotel Finsbury Park (opened Jul 2023) and Maldron Hotel Shoreditch, London (due to open Q2 2024)
[5] Includes Maldron Hotel Brighton, Maldron Hotel Liverpool City, Maldron Hotel Cathedral Quarter, Manchester and Maldron Hotel Croke Park, Dublin due to open between 2024 and 2026

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The Samuel Hotel, Dublin

THANK YOU

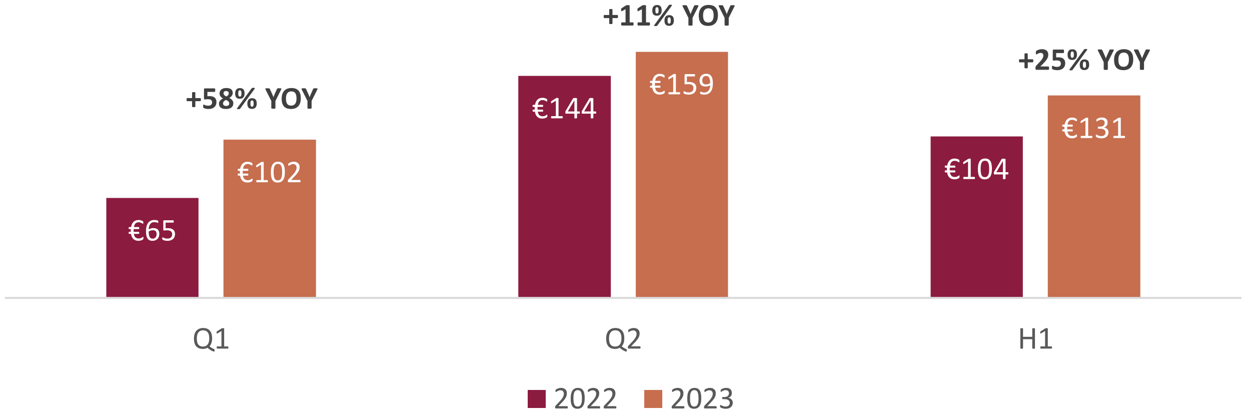
APPENDICES

DUBLIN (including Clayton Hotel Düsseldorf)

€million	H1 2023	H1 2022
Hotel revenue[1]	149.4	110.7
Hotel EBITDAR[1]	68.9	54.3
Hotel EBITDAR margin %	46.1%	49.1%
Number of hotels[2]	18	17
Number of rooms[2]	4,831	4,690

'Like for like' KPIs[3]	H1 2023	H1 2022
RevPAR (€)	€131.04	€104.49
Occupancy %	83.2%	75.0%
Average room rate (€)	€157.47	€139.32

Dublin 'Like for like' RevPAR[1]



€38.8m hotel revenue uplift (+35%)
'Like for like' hotels[1] (+€25.1m)
2022 additions (+€13.7m)

Clayton Hotel Düsseldorf continues to trade well
H1 2023 rent cover[1]: 1.4x

No Covid related government support received during H1 2023 (H1 2022: €9.0m)

'Like for like' Hotel EBITDAR [1] margin of 47% broadly in line with 2019 levels

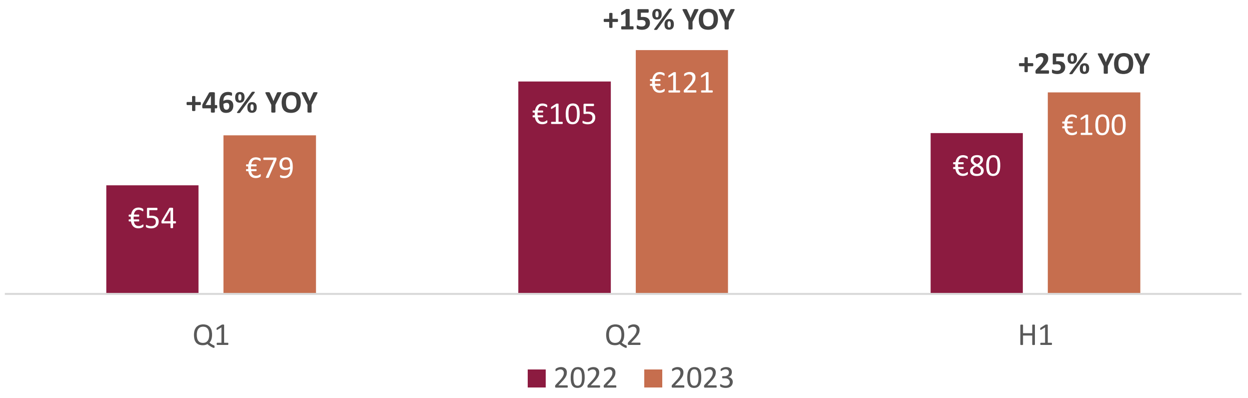
[1] Refer to glossary on slide 37 for definition
[2] Ten owned hotels and eight leased hotels at 30 June 2023, including Clayton Hotel Düsseldorf, which, given its scale and immateriality in the context of the other regions, has been included within the Dublin region
[3] KPIs comparing to H1 2022 excludes the performance of all hotels added during 2022 being, Clayton Hotel Düsseldorf (leased from Feb 2022), The Samuel Hotel (opened Apr 2022) and Maldron Hotel Merrion Road (opened Aug 2022)

REGIONAL IRELAND

€million	H1 2023	H1 2022
Hotel revenue[1]	52.6	42.9
Hotel EBITDAR[1]	15.9	14.8
Hotel EBITDAR margin %	30.2%	34.5%
Number of hotels[2]	13	13
Number of rooms[2]	1,867	1,867

'Like for like' KPIs[3]	H1 2023	H1 2022
RevPAR (€)	€99.74	€79.57
Occupancy %	77.6%	68.0%
Average room rate (€)	€128.59	€117.09

Regional Ireland 'Like for like' RevPAR[1]



€9.7m hotel revenue uplift (+23%)

Region benefitting from return of international travel, ongoing domestic demand and supply constraints

No Covid related government support received during H1 2023 (H1 2022: €4.7m)

'Like for like'[1] Hotel EBITDAR margin of 30.2% is 5.7% ahead of 2019 levels

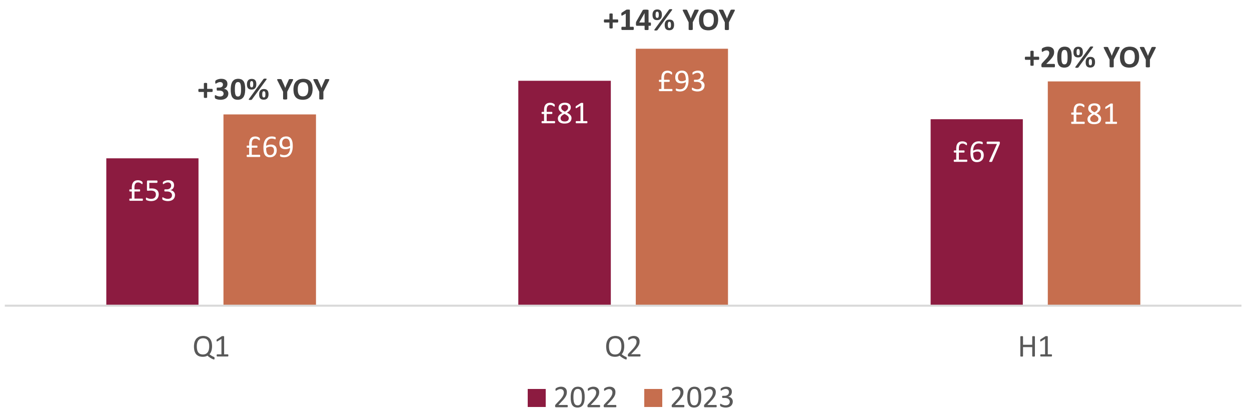
[1] *Refer to glossary on slide 37 for definition*
[2] *Includes 12 owned hotels and one leased hotel at 30 June 2023*
[3] *KPIs include a half year performance of all hotels*

UK

£million	H1 2023	H1 2022
Hotel revenue[1]	72.5	56.3
Hotel EBITDAR[1]	26.9	18.0
Hotel EBITDAR margin %	37.1%	32.0%
Number of hotels[2]	16	15
Number of rooms[2]	3,962	3,659

'Like for like' KPIs[3]	H1 2023	H1 2022
RevPAR (£)	£81.02	£67.33
Occupancy %	75.9%	68.2%
Average room rate (£)	£106.68	£98.72

UK 'Like for like' RevPAR[1]



£16.2m hotel revenue uplift (+29%)
'Like for like' hotels[1] (+£8.5m)
2022 additions (+£9.6m)
Offset by closure of Clayton Crown Hotel

RevPAR[1] growth driven by return of corporate and international travel, particularly in London

Improved Hotel EBITDAR[1] margin driven by operational excellence and continued ramp up of new hotels

'Like for like'[1] Hotel EBITDAR margin of 39.0% is 1.7% ahead of 2019 levels

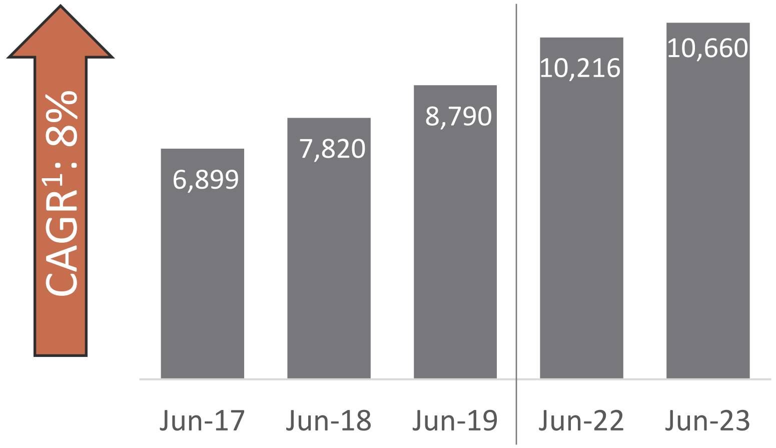
[1] Refer to glossary on slide 37 for definition
[2] Includes seven owned hotels and nine leased hotels at 30 June 2023
[3] KPIs comparing to H1 2022 excludes the performance of all hotels added during 2022 being, Clayton Hotel Manchester City Centre (opened Jan 2022), Maldron Hotel Manchester City Centre (opened Feb 2022), Clayton Hotel Bristol City (opened Apr 2022) and Clayton Hotel Glasgow City (opened Oct 2022). Clayton Crown Hotel, London is also excluded as it was sold in June 2022

TRACK RECORD OF DELIVERING GROWTH

DALATA HOTEL GROUP PLC

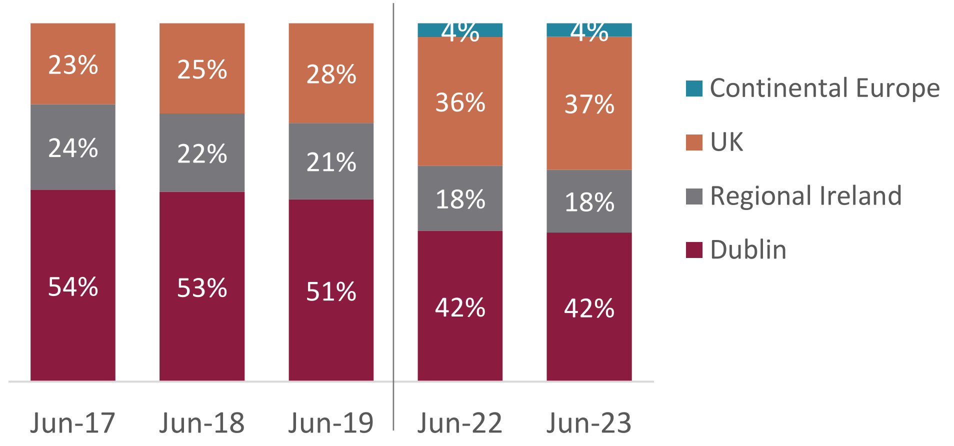
Exciting portfolio development

No. owned and leased rooms in operation

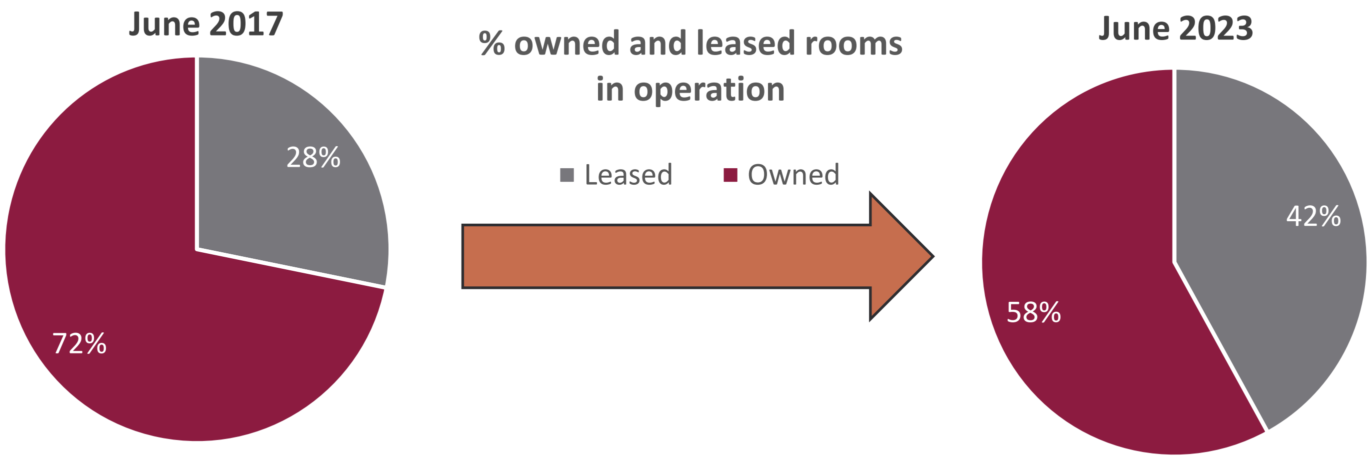


Diversifying geographical mix

% owned and leased rooms in operation



Supported by leasing strategy, backed by owned portfolio



[1] *Includes H1 2020, H1 2021 which were affected by the Covid-19 pandemic*

maldron HOTELS & PARTNERS CLAYTON HOTELS

CURRENT PIPELINE OF OVER 1,100 ROOMS

DALATA HOTEL GROUP PLC

UK	4 new hotels (3 leased, 1 owned)	1 extension to existing hotel	848 rooms
Dublin	1 new leased hotel	1 extension to existing hotel	293 rooms

	Property	New	Extension	Owned or leased	Rooms	Planning Granted	Construction Started	Estimated Completion
Regional UK	Maldron Hotel Brighton[1]	x		Leased	221	x	x	Q2 2024
	Maldron Hotel Cathedral Quarter Manchester[1]	x		Leased	188	x	x	Q2 2024
	Maldron Hotel Liverpool City[1]	x		Leased	268	x	x	Q2 2024
London	Maldron Hotel Shoreditch, London	x		Owned	157	x	x	Q2 2024
	Clayton Hotel City of London		x	Owned	14	x		TBC[2]
Dublin	Maldron Hotel Croke Park, Dublin[1]	x		Leased	200	x		H1 2026
	Clayton Hotel Cardiff Lane, Dublin		x	Owned	93	x		TBC[2]
	Total				**1,141**			

Hotels added to portfolio during 2022			
Region	**Property**	**Rooms**	**Opening date**
Regional UK	Clayton Hotel Manchester City Centre	329	Jan 2022
	Maldron Hotel Manchester City Centre	278	Feb 2022
	Clayton Hotel Bristol City	255	Mar 2022
	Clayton Hotel Glasgow City	303	Oct 2022
Dublin	The Samuel Hotel	204	Apr 2022
	Maldron Hotel Merrion Road	140	Aug 2022
Continental Europe	Clayton Hotel Düsseldorf	393	Feb 2022
Total		**1,902**	

[1] 35 year operating lease
[2] Completion dates to be confirmed

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GLOSSARY

Hotel revenue	Represents operating revenue (room revenue, food and beverage revenue and other hotel revenue) for the following Group segments: Dublin, Regional Ireland and the UK and excludes revenue from development contract fulfilment, if any. Also referred to as 'Revenue from hotel operations' or 'Segmental revenue'.
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 (calculated as rooms revenue divided by the number of rooms sold) achieved. This is a commonly used industry metric which facilitates comparison between companies.
'Like for like' or 'LFL' hotels	'Like for like' analysis excludes hotels that newly opened or ceased trading under Dalata during the comparative half year periods. For newly acquired, previously operating hotels, where pre-acquisition RevPAR data is available, these hotels are included on a 'like for like' basis for RevPAR analysis.
Adjusted EBITDA	EBITDA (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 to show the underlying operating performance of the Group and excludes items which are not reflective of normal trading activities or distort comparability either 'period on period' or with other similar businesses.
'Segments' or 'Hotel' EBITDA	Segments EBITDA represents 'Adjusted EBITDA' before central costs, share-based payments expense and other income for each of the reportable segments: Dublin, Regional Ireland and the UK. It is presented to show the net operational contribution of leased and owned hotels in each geographical location. Also referred to as Hotel EBITDA.
'Segments' or 'Hotel' EBITDAR	Segments EBITDAR represents Segments EBITDA before variable lease costs for each of the reportable segments: Dublin, Regional Ireland and the UK. 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.
EBITDA (after rent)	'Segments EBITDAR' 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.
Adjusted basic earnings per share	Earnings/(loss) per share excluding the tax adjusted effects of the adjusting items.
Hotel assets	Hotel assets represent the value of property, plant and equipment per the consolidated statement of financial position at 30 June 2023.
Net Debt	External loans and borrowings drawn and owed to the banking club as at period end (rather than the amortised cost of the loans and borrowings), less cash and cash equivalents.
Net Debt to Value	Net Debt divided by the valuation of property assets as provided by external valuers at 30 June 2023.
Net Debt to EBITDA after rent	Net Debt divided by 'EBITDA after rent' (being Adjusted EBITDA less fixed lease costs - the calculation also includes the impact of pre-opening expenses and excludes share-based payment expense in line with banking covenants).
Normalised Return on Invested Capital	Adjusted EBIT after rent divided by the Group's average normalised invested capital. See Supplementary Financial Information attached to the condensed consolidated interim financial statements which contains a complete definition and reconciliation (APM (xvi))
Lease Modified Net Debt to Adjusted EBITDA	Lease Modified Net Debt divided by the Adjusted EBITDA for the period. Lease Modified Net Debt is defined as Net Debt plus Modified Lease Debt at 30 June 2023 with Modified Lease Debt equal to eight times the Group's lease cashflow commitment under existing lease contracts for a 12 month period. The Group's non-cancellable undiscounted lease cashflows payable under existing lease contracts for the next financial year is used as a proxy for this number.
Free Cashflow	Net cash from operating activities less amounts paid for interest, finance costs, refurbishment capital expenditure, fixed lease payments and after adding back 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.
Debt and Lease Service Cover (DLSC)	Free Cashflow before payment of lease costs, interest and finance costs paid divided by the total amount paid for lease costs, interest and finance costs.
Rent roll	Group's total annual commitment for fixed lease costs for all existing leases at 30 June 2023.
Rent cover	'Segments EBITDAR' 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 relating to effectively, or majority owned hotels.

HOTEL PORTFOLIO: 29 AUGUST 2023

DALATA HOTEL GROUP PLC

31 owned hotels	18 leased hotels	Current pipeline	3 managed hotels	Total (incl. pipeline)
6,500 rooms	4,440 rooms	1,141 rooms	299 rooms	12,380 rooms

Dublin Hotel portfolio Owned Hotels / Freehold Equivalent	
Hotel	**Rooms**
Clayton Hotel Dublin Airport	608
Clayton Hotel Leopardstown	357
Clayton Hotel Liffey Valley (1)	350
Clayton Hotel Ballsbridge	334
Clayton Hotel Cardiff Lane (2)	304
Maldron Hotel Newlands Cross	297
Maldron Hotel Parnell Square	182
Maldron Hotel Merrion Road	140
Maldron Hotel Kevin Street	137
Maldron Hotel Pearse Street	119
Leased hotels	
Clayton Hotel Burlington Road	502
The Gibson Hotel	252
Maldron Hotel Dublin Airport	251
The Samuel Hotel	204
Clayton Hotel Charlemont	190
Maldron Hotel Tallaght	119
Maldron Hotel Smithfield	92
Dublin portfolio	**4,438**

Dublin pipeline Owned hotels	
Clayton Hotel Cardiff Lane, Dublin – extension	93
Leased hotels	
Maldron Hotel Croke Park, Dublin	200
Dublin pipeline rooms	**293**

Regional Ireland Hotel portfolio Owned Hotels / Freehold Equivalent	
Hotel	**Rooms**
Clayton Hotel Cork City (3)	201
Clayton Hotel Galway	195
Maldron Hotel Sandy Road, Galway	165
Maldron Hotel South Mall, Cork	163
Clayton Hotel Sligo	162
Clayton Whites Hotel, Wexford	160
Clayton Hotel Limerick	158
Maldron Hotel Limerick (4)	142
Clayton Hotel Silver Springs, Cork	109
Maldron Hotel Wexford	108
Maldron Hotel Shandon Cork City	101
Maldron Hotel Portlaoise	90
Leased hotels	
Maldron Hotel Galway (Oranmore)	113
Regional Ireland portfolio	**1,867**

Continental Europe Leased hotel	
Clayton Hotel Düsseldorf	393
Continental Europe Portfolio	**393**

Managed hotels	
Maldron Hotel Belfast International Airport	107
The Belvedere Hotel, Dublin	109
Hotel No. 7/Barry's Hotel	83
Managed hotels	**299**

(1) Remaining 11 rooms owned by third parties
(2) Dalata own 256 rooms and lease 48 rooms
(3) Dalata own 194 rooms and lease 7 apartments
(4) Effective ownership of hotel as the Group holds a secured loan over the property which is not expected to be repaid
(5) Effective ownership of hotel on 99-year lease

UK Hotel Portfolio Owned Hotels / Freehold Equivalent	
Hotel	**Rooms**
Clayton Hotel Manchester Airport (5)	365
Clayton Hotel Leeds	334
Maldron Hotel Belfast City	237
Clayton Hotel Chiswick, London	227
Clayton Hotel City of London	212
Maldron Hotel Finsbury Park, London	191
Clayton Hotel Belfast	170
Maldron Hotel Derry	93
Clayton Hotel London Wall	89
Leased hotels	
Clayton Hotel Manchester City Centre	329
Clayton Hotel Glasgow City	303
Maldron Hotel Glasgow City	300
Maldron Hotel Manchester City Centre	278
Maldron Hotel Newcastle	265
Clayton Hotel Bristol City	255
Clayton Hotel Birmingham	218
Clayton Hotel Cardiff, Wales	216
Clayton Hotel Cambridge	160
UK portfolio	**4,242**

UK Pipeline Owned hotels	
Maldron Hotel Shoreditch London	157
Clayton Hotel City of London - extension	14
Leased hotels	
Maldron Hotel Liverpool City	268
Maldron Hotel Brighton	221
Maldron Hotel Cathedral Quarter Manchester	188
UK pipeline rooms	**848**

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