

HY 2024 Trading Update

ISE: DHG LSE: DAL

Dublin and London | 27 June 2024: Dalata Hotel Group plc ('Dalata' or the 'Group'), the largest hotel operator in Ireland, with a growing presence in the United Kingdom and Continental Europe, provides a trading update for the first six months of 2024.

As outlined at our AGM in April, the trading environment was quieter in the early months of the year, with Group RevPARⁱ 4% behind 2023 levels, driven by supply dynamics in key markets and a lower number of events. However, the trading environment has improved as we have entered what is typically a busier period for hoteliers. For May and June, all four regions are expected to outperform 2023 with Group RevPARⁱ 3% ahead of 2023 levels. Corporate demand remains strong and ahead of last year. For the six months ending 30th June 2024, Adjusted EBITDAⁱⁱ is expected to be in excess of €105 million, surpassing 2023 levels, with RevPARⁱ for the Group marginally below 2023 levels (-1%).

While it remains an on-going challenge, the Group continues to proactively respond to inflationary pressures, particularly increasing rates of pay. The focus on creating a culture of innovation is delivering initiatives that are improving productivity whilst enhancing both our employee and customer experience.

Dermot Crowley, CEO, Dalata said:

"The Group's RevPARⁱ outperformed 2023 levels for May/June, which is reflected across each of our four regions. This is pleasing following what had been a more challenging start to 2024 RevPAR performance for the markets in which we operate, compared to 2023. In Dublin specifically, demand remains strong, however, the combination of increased supply and the increase in the VAT rate has impacted RevPAR in the first six months of the year. I am pleased with our performance to date which reflects the hard work and professionalism of our teams in our hotels and at our central office. Our focus on innovation over the last three years has mitigated the impact of rising costs on our margins.

As we look ahead, we are positive in our outlook for the summer period supported by future demand indicators across our markets, including growing air traffic forecasts and active event calendars. Within the Irish market, we are not yet seeing any material impact of industrial action at Aer Lingus, though any prolonged dispute presents risk to the wider industry in Ireland. The refresh of our consumer brands, Maldron and Clayton, has been well received and we have launched a new customer experience training programme across our hotels to bring our signature brand of customer experience, the Heart of Hospitality, to all guests.

We continue to execute on our UK growth strategy and will increase our UK footprint by 20% in 2024 equating to 838 new rooms. We opened the new Maldron Hotel Manchester Cathedral Quarter in May, and we will welcome our first guests to our Maldron Hotels in Liverpool and Brighton followed by the opening of Maldron Hotel Shoreditch, London over the next two months. We remain focused on delivering strategic growth supported by our strong balance sheet, cash generative business and skilled teams. I am excited by the quantity and quality of opportunities we are assessing, as we continue to build on our ambitious growth strategy".

-ENDS-

About Dalata

Dalata Hotel Group plc is a leading hotel operator backed by €1.7bn in freehold and long leasehold assets in Ireland and the UK. Established in 2007, Dalata has become Ireland's largest hotel operator with an ambitious growth strategy to expand its portfolio further in excellent locations in select, large cities in the UK and Continental Europe. The Group's portfolio comprises 54 primarily four-star hotels operating through its two main brands, Clayton and Maldron Hotels, with 11,601 rooms and a pipeline of 1,364 rooms. For the year ended 31 December 2023, Dalata reported revenue of €607.7 million, basic earnings per share of 40.4 cent and Free Cashflow per Share of 59.7 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

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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.

ⁱ Group RevPAR is stated on a 'like for like' basis and excludes the performance of hotels that newly opened or ceased trading under the Group during the comparative years.

ⁱⁱ Refer to the Supplementary Financial Information within the Group's results announcement for the year ended 31 December 2023.