

# Chairman's Statement



*Ken Bradley*

**Ken Bradley**  
Chairman

## Ken Bradley Chairman



“These openings are notable in what they signify. Firstly, the successful evolution of PPHE into a truly pan-European, multi-brand hospitality real estate group, generating broader customer appeal and the opportunity for heightened long-term growth.”

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Chairman

### Introduction

I was pleased to be appointed Chairman of the Board on 9 January 2025, succeeding Eli Papouchado ('Papo') following his decision to step aside. I am thankful to the Board for its trust in me and look forward to engaging with all stakeholder groups.

### A year of unlocking longer-term growth

Looking back at 2024, I am pleased to report on a year of excellent strategic progress for the Group, marked by a number of key highlights, including new openings and brand diversification, as we continue to unlock longer-term growth. We began the year with strong momentum and delivered year-on-year growth. We also entered the final stages of our £300+ million development, repositioning and refurbishment pipeline, which has included the expansion of our upper upscale premium lifestyle art'otel brand in Zagreb, Croatia, and Hoxton, London, all of which will contribute to the Group's continuing growth.

Alongside this excellent strategic progress, the Group's existing portfolio performed strongly to deliver a solid like-for-like<sup>1</sup> performance, driven by higher occupancy levels in all our operating markets, achieved despite a challenging geo-political and macro-economic environment and strong prior year comparatives.

### Continued focus on Environment, Social and Governance

We strive to minimise our impact on the environment in which we operate and to positively impact all our stakeholders, including employees, guests, partners and those in our local communities. To reflect this, our Environmental, Social and Governance (ESG) strategy and commitments are divided between Sustainable Properties, Forward-looking People, Strong Local Communities and Resilient Supply Chain, with governance at its heart.

<sup>1</sup> The like-for-like<sup>\*</sup> performance excludes the 2024 results of the newly opened art'otel London Hoxton and the results of art'otel Zagreb for the first ten months of 2024.



We recognise the importance of engagement with all our stakeholders to understand their priorities and hear their feedback. The Board and leadership team regularly meet with shareholders and seek to be available on an ongoing basis. The Group actively engages with our team members through twice-a-year engagement surveys and quarterly town hall meetings, and our guests always have the opportunity to tell us about their experience staying with us.

As we start the new financial year, we remain focused on ESG and good corporate governance and will continue to develop and expand our ESG reporting and fundamental KPIs for the business.

➔ Further details can be found in the CEO Review on pages 18 to 25.

The Board

We welcomed Greg Hegarty to the role of Co-Chief Executive Officer in February 2024, alongside the Company’s long-serving President and Chief Executive Officer, Boris Ivesha. This appointment, which followed Greg’s appointment to the Board in May 2023, further strengthens the Group’s strong leadership team and is in keeping with the PPHE’s long-standing emphasis on promoting internal talent and intra-Group mobility. Greg manages the day-to-day running of the business and has a key role in defining and implementing the Group’s long-term strategy. Greg also remains responsible for the Group’s ongoing proactive engagement with shareholders. Meanwhile, Boris Ivesha is focused on pursuing growth and development opportunities for the Group, including concept creation.

In the first quarter, Marcia Bakker assumed the role of Chair of the Group’s ESG Committee. Marcia assumed this responsibility from me, but I still remain a member of the Committee. Nigel Keen also joined the Committee, which reflects our commitment to this important area of our business.



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As mentioned above, I succeeded Papo as Non-Executive Chairman in January from my prior role of Non-Executive Deputy Chairman, having joined the Group as a Non-Executive Director in 2019. Papo, a founder of the Group, has held the role of Chairman since its formation in 1989. Over this period, he has played an instrumental role in both the Group’s growth and development, and the expansion of the Park Plaza and art’otel brands across Europe.

Roni Hirsch was appointed as Non-Executive Director on 9 January 2025. Roni is the CEO of the Red Sea Group, a role he has held since 1993. The Red Sea Group is controlled by Papo, who, together with his family trusts, owns 32.93% of the voting rights in PPHE Hotel Group.

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Dividends

The Board has a progressive dividend policy and remains committed to delivering value to its shareholders.

In light of this, we have declared a proposed final dividend of 21 pence per share, an increase of 5.0%, which, combined with the interim dividend, brings the total dividend for the 2024 financial year to 38 pence per share, an increase of 5.6% compared with 2023.

In addition, we were pleased to complete two Share Buy-Back Programmes, amounting to a total of £7.9 million, which the Board considered the best means to return a portion of capital to shareholders. We will continue to engage with shareholders regarding how we can best deliver enhanced value.

Further details about dividend and the Share Buy-Back Programmes are set out in the Financial Review on pages 40 to 48.

A platform for future growth

The excellent performance achieved by the Group during 2024 provides a strong platform for long-term growth. Our portfolio spans 51 properties in operation across eight key countries in Europe, and we are proud to deliver memorable experiences for our guests through our seven brands every day. This is made possible by our unique business model, our relentless focus on quality and our team’s expertise.

As we near the completion of our £300+ million development pipeline, we are working on longer-term development opportunities to support our future growth.

We look forward to building on our successful and proven strategy in 2025 and beyond, and updating our stakeholders on further progress.

Ken Bradley  
Chairman