



HOUSE OF HOTELS | בית של מלונות

Capital Market Presentation - March 2025



Disclaimer

This presentation is not the Company's offer of securities to the public and should not be interpreted as an offer of securities to the public. The presentation constitutes the Company's principal and marketing presentation. The information included in this presentation and any other information that shall be delivered during this presentation (hereinafter: "the Information") does not constitute a recommendation or an opinion of an investment consultant or a tax consultant. The Information is only condensed information. Investment in securities, in general, and in the Company in particular, carries risk. You should take into account that past data does not necessarily indicate future performance. The purchase of the Company's securities requires an in-depth review of the information published by the Company and a legal, accounting, taxation and economic analysis thereof.

Data regarding: (i) concentration of number of rooms by ownership/lease/management by sectoral breakdown as of December 31, 2024 (including number of active rooms weighted by sectoral breakdown); (ii) number of cities in which Fattal Chain hotels are located; (iii) comparative analysis of the Company's performance (occupancy/ADR/RevPAR) in 2024 in Germany, the United Kingdom and Ireland, the Netherlands and Spain compared with competitors according to the STR report; (iv) the expected growth in international tourism in 2025 (according to the World Tourism Organization); (v) the contribution of the tourism industry to GDP in Europe according to data from the World Travel and Tourism Council; (vi) the number of the Group's hotels in the leading European cities for hotel investment; (vii) the value of hotels in Partnerships 2 and 3 as of December 31, 2024, the expected volume of assets in Partnership 3, and the Group's share of the increase in the value of the Partnership assets in 2024; (viii) the distribution of the Partnership's hotels; (ix) data regarding significant transactions in Europe during 2024; (x) investment costs in new hotels expected to open in the coming years and the total investment in those projects as of the end of 2024; (xi) financial data for 2024, including the Company's share in affiliated companies and before the impact of the implementation of IFRS16, by sectoral breakdown ; (xii) EBITDA breakdown from identical assets; (xiii) the distribution of revenues and EBITDAR, including the Company's share in affiliated companies (by sectoral breakdown in 2024); (xiv) HVS index data for hotel value in Europe, increase in the value of the Company's assets (net of tax), including the share of affiliated companies in 2024; (xv) the Company's total net debt, including its share in affiliated companies as of December 31, 2024, as well as debt for hotels that have not yet contributed a full year; and (xvi) the development in the scope of assets managed by Rooms and Switch-Up since 2018, as well as the number of rooms, workstations and customers; - in slides Nos. 8, 9, 12, 14, 15, 16, 17, 19, 20, 21, 24, 26, 27, 28, 31, 33, 34 and 41 are provided in this presentation for the first time as additional information.

The Company's estimates as stated in Slide No. 39 below regarding the forecast of revenues, EBITDAR, EBITDA and FFO in 2025, are forward-looking information, as defined in the Securities Law, 5728-1968 (hereinafter: "the Securities Law"), which is based on estimates of the Company Management and understanding of the factors affecting its business activity, as of the date of signing the report. These estimates may not be realized, in whole or in part, or may be realized differently, including materially, from that expected, inter alia and without detracting from the generality of the foregoing, as a result of suboptimal assumptions and analyses, from developments that cannot be assessed regarding a significant deterioration in economic or financial conditions in Israel and/or worldwide and/or from developments that cannot be fully assessed in connection with the resumption of the war and/or the materialization of all or part of the risk factors detailed in Section 1.22 of Chapter A ("Description of the Corporation's Business") attached to the Company's periodic report for 2024, which was published on March 27, 2025 [Reference No. 2025-01-021117] (This information constitutes a generalization by way of reference).





AGENDA

- 01** Fattal Hotel Group Overview
- 02** Trends in the Hospitality Industry
- 03** Future Growth
- 04** Financial Results 2024
- 05** Workspaces - Fattal Group
- 06** Summary

Fattal Group Overview

1998

Established

21



Countries

303

Hotels¹

53,150

Rooms¹



About **80%** of activities in Europe

EBITDA²– 2025E: 1,650 – 1,850 Million NIS



Rating: A2.il Stable

¹ Including future hotels.

² Including the Company's share in affiliated companies.



Fattal Group

Another record year for the Company

Europe's share in the Company is expected to grow

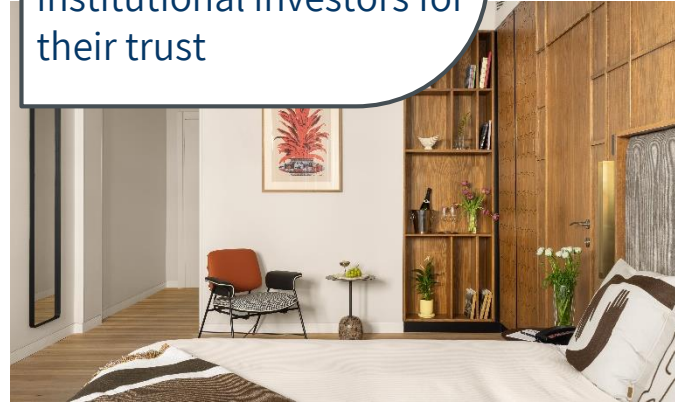
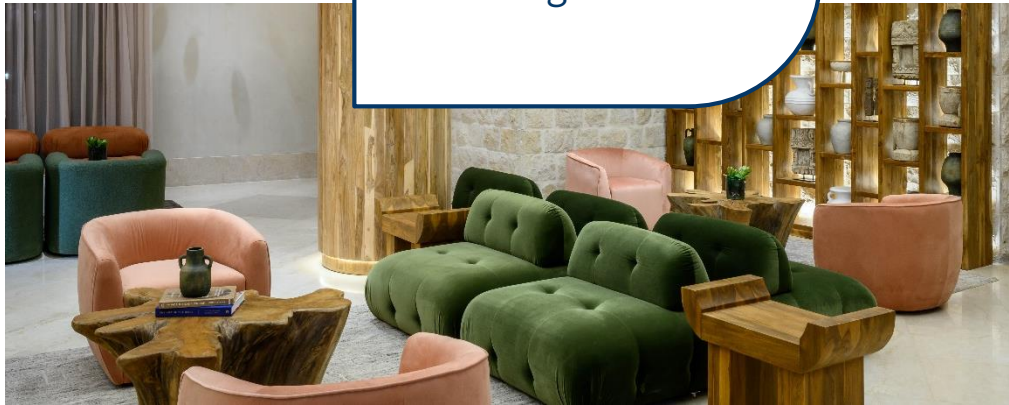
Taking advantage of opportunities in Israel in the past year

The foundation has been laid for the Group's continued significant growth in the coming years

Exceptional leadership in Europe and Israel with local human and systemic infrastructure in each region

The Partnerships - a growth engine for expansion in Europe - We appreciate and thank the institutional investors for their trust

Expanding the Company's luxury hotel segment - LEONARDO LIMITED EDITION



2024

Summary of the
strongest year in the
Company's history across all
parameters



The company continues
to expand its operations
while delivering strong
business results

7.9

NIS billion
Record Revenues¹

2,882

NIS million
Record EBITDAR¹

1,588

NIS million
Record EBITDA^{1,2}

834

NIS million **Record**
Total Comprehensive
Income



925

NIS million
Record FFO



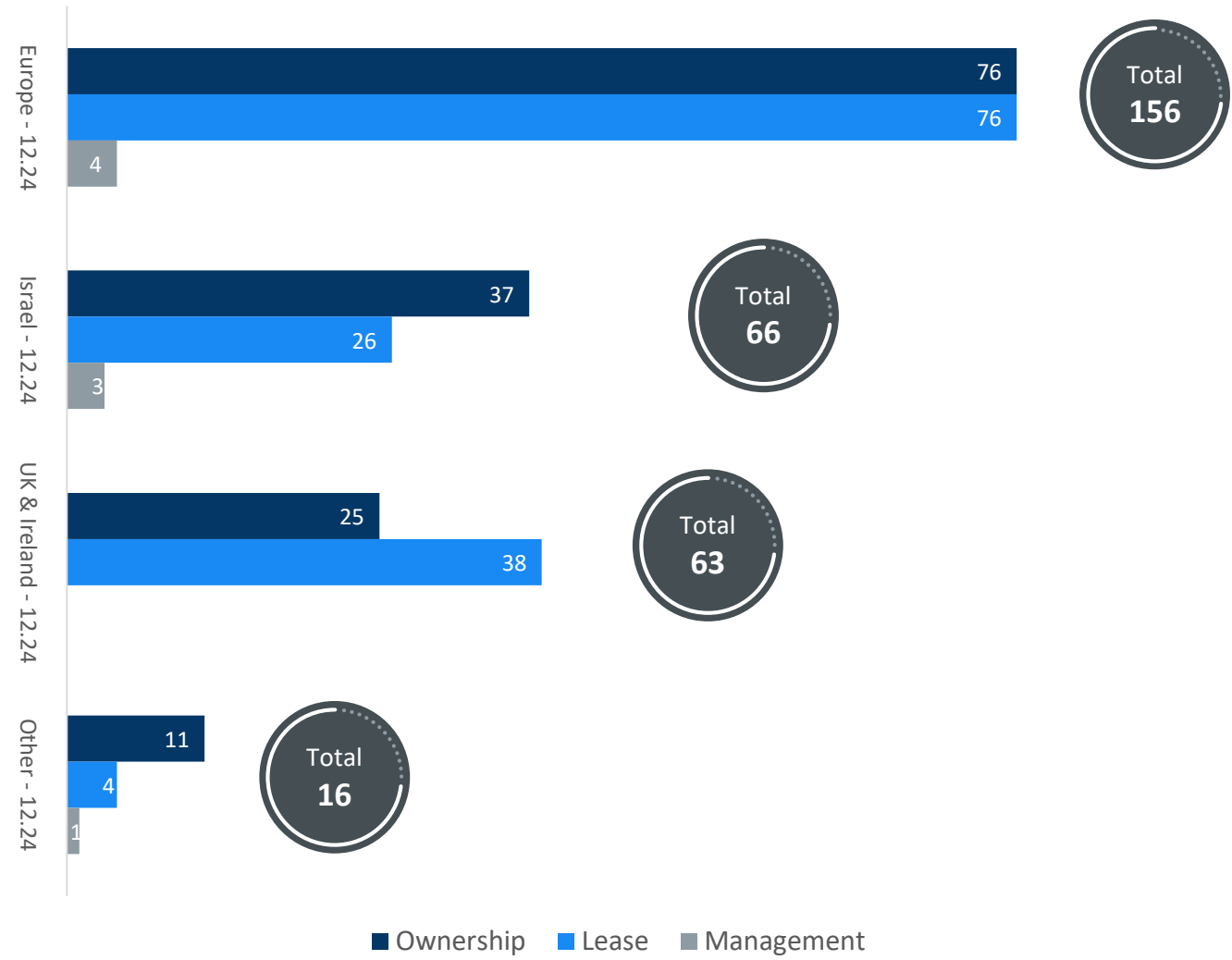
278

NIS million
Record Net Profit

¹ Including the Company's share in affiliated companies.

² Prior to the Impact of Standard IFRS 16.

Number of Hotels¹ - Diverse Mix



Hotels split by type

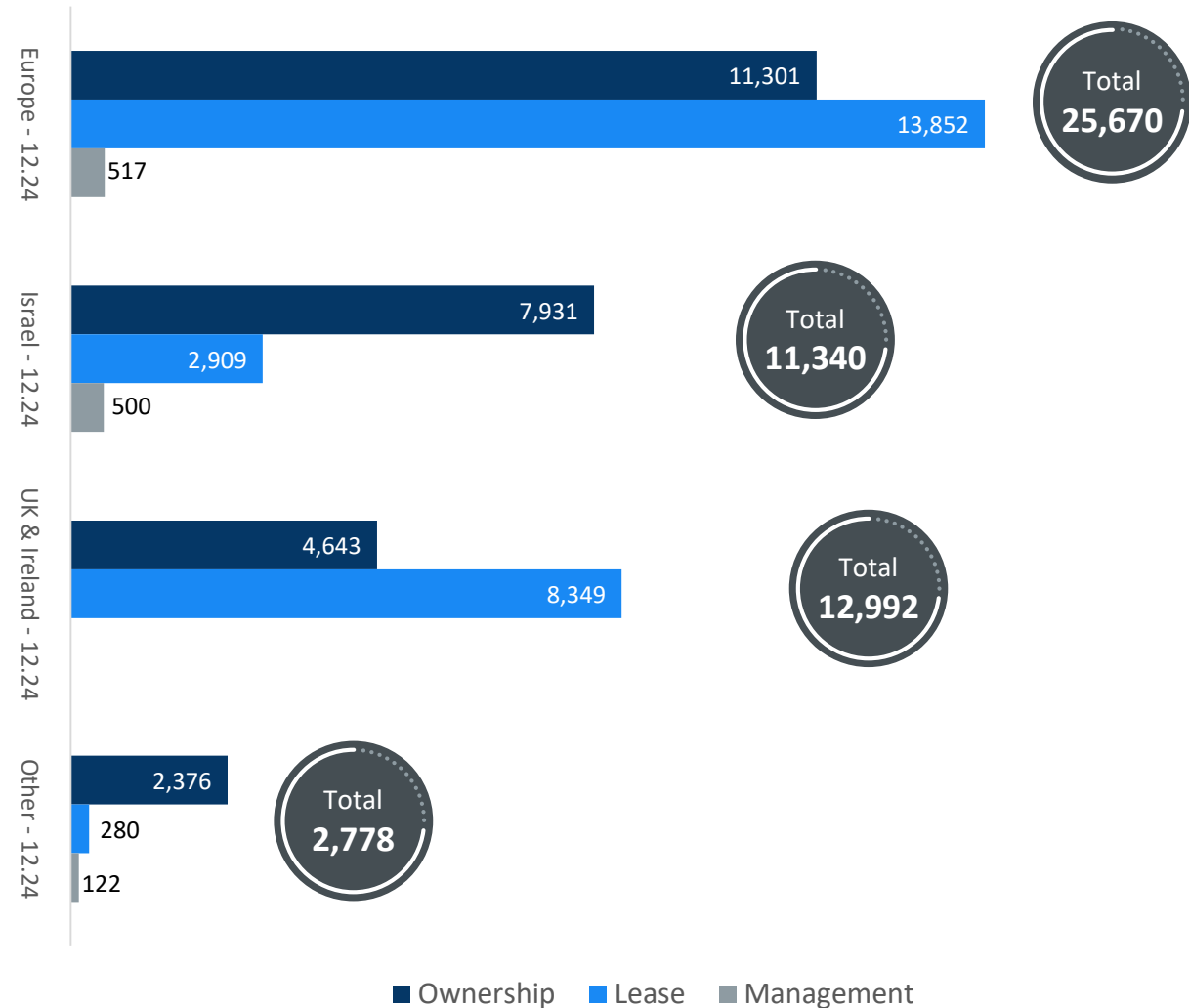


12/2024

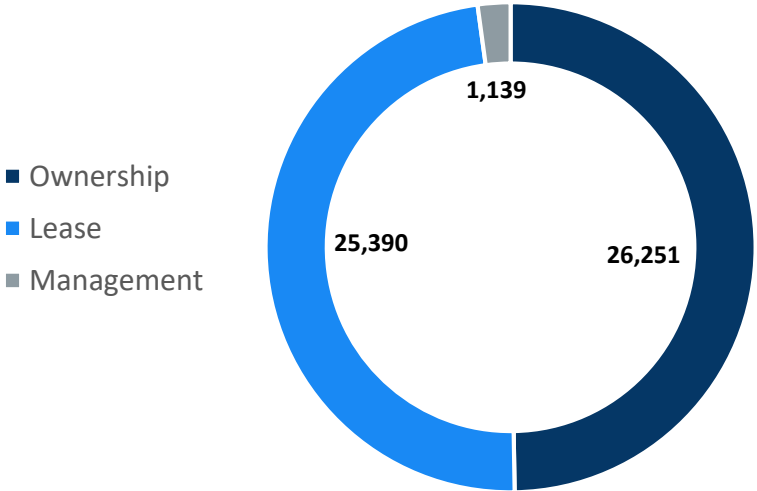
257
Active hotels

¹ As of 31.12.24 including 23 future hotels in Israel (3,115 rooms), 13 future hotels in Europe (2,679 rooms), 3 future hotels in UK (615 rooms) and 5 future hotels in Greece & Cyprus (601 rooms).

Number of Rooms^{1, 2} – Diverse Mix



Rooms split by type

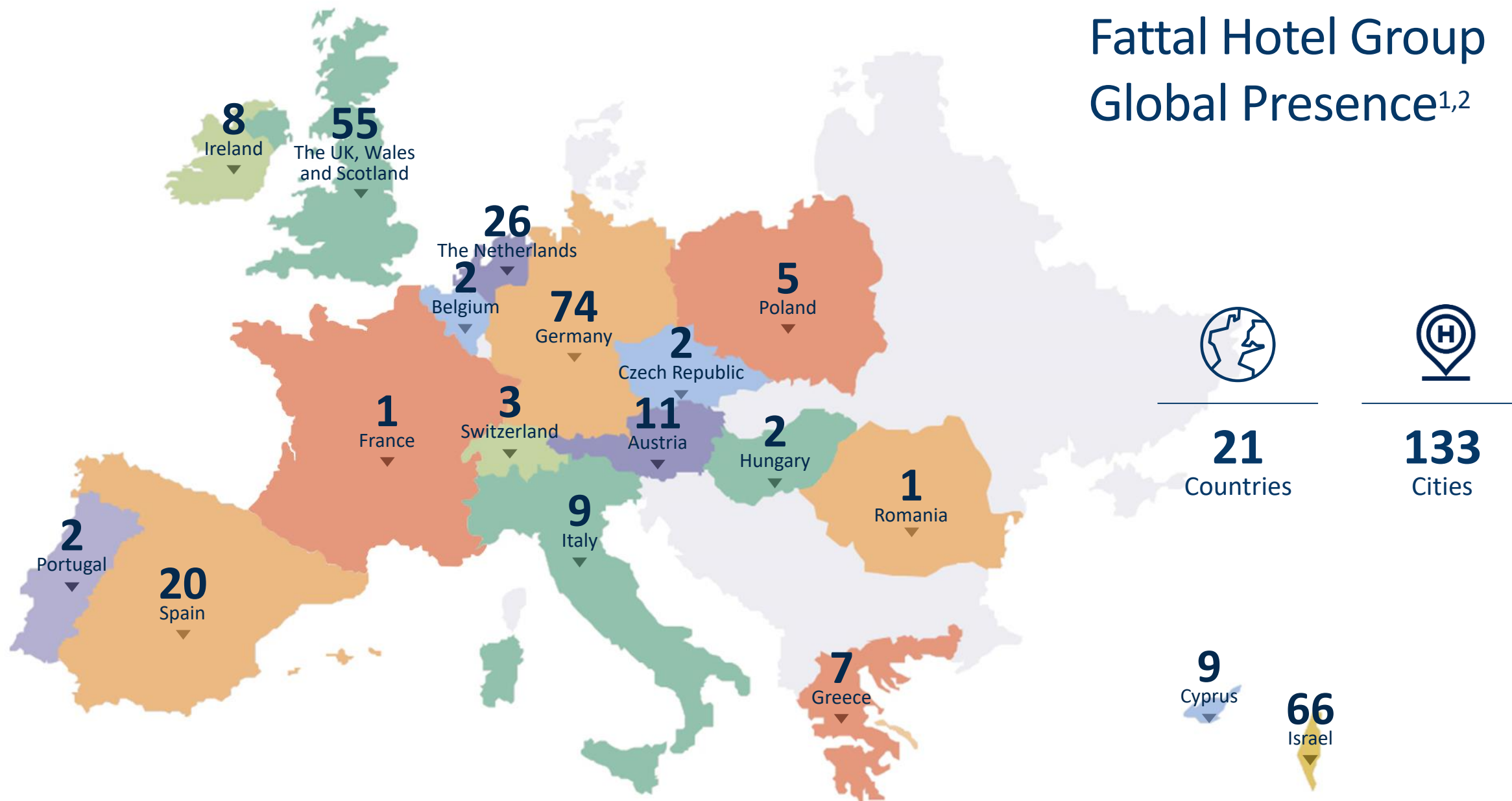



12/2024

45,770
Active rooms

¹ As of 31.12.24 including 23 future hotels in Israel (3,115 rooms), 13 future hotels in Europe (2,679 rooms), 3 future hotels in UK (615 rooms) and 5 future hotels in Greece & Cyprus (601 rooms).
² As of 31.12.24 the weighted number of active rooms in Israel (7,685 rooms), Europe (18,727 rooms), the UK (11,773 rooms) and Greece & Cyprus (1,731 rooms).

Fattal Hotel Group Global Presence^{1,2}

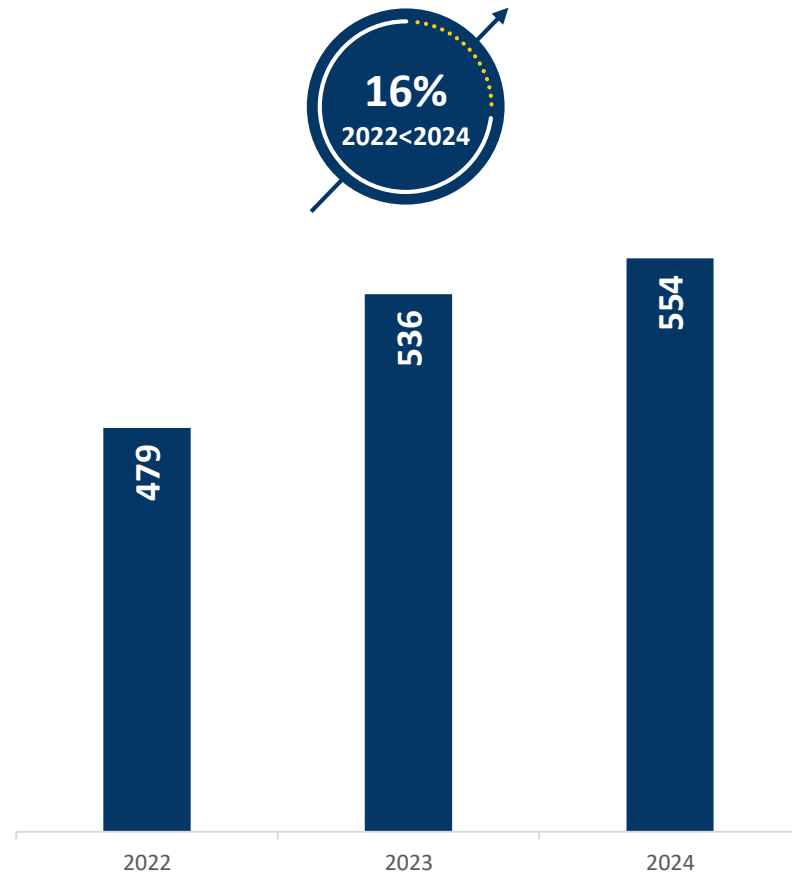


¹ Including future hotels.

² As of March 2025.

Group Average Daily Revenue per Room -ADR¹ (NIS)

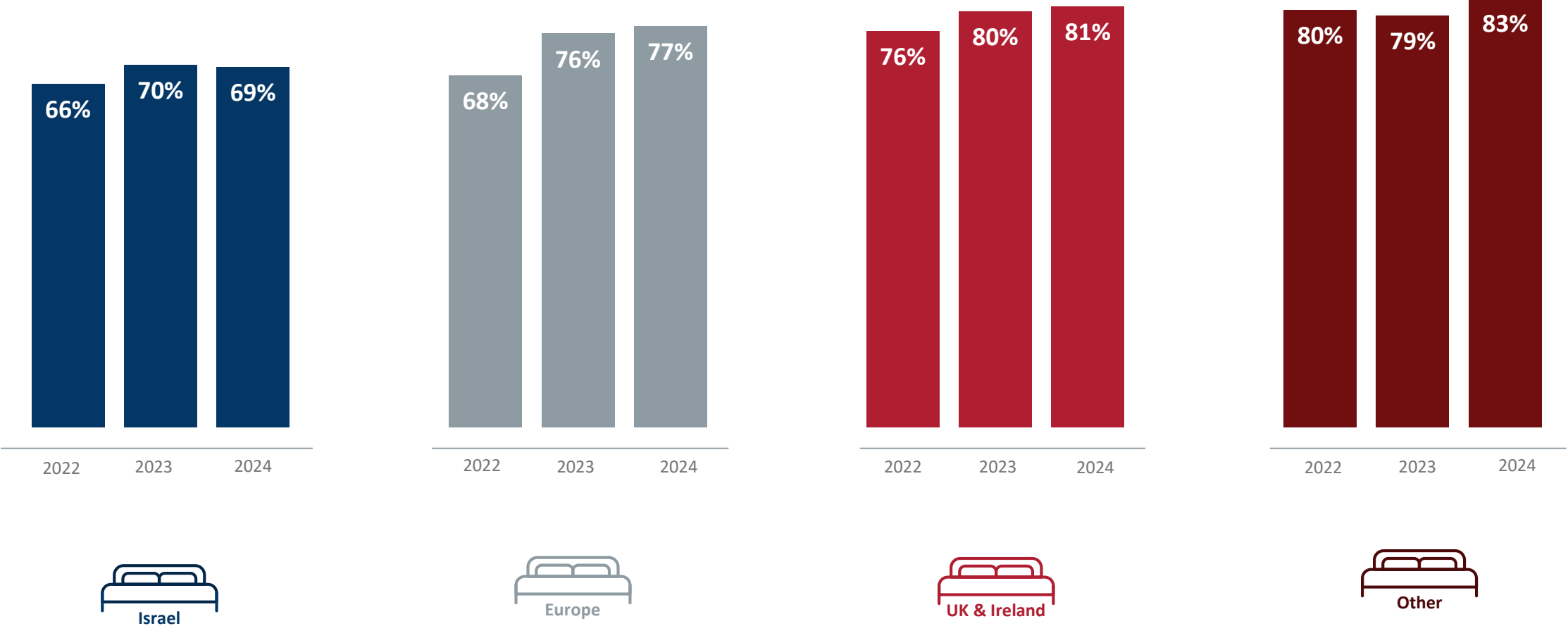
Dealing with the Effects of Inflation and Rising Expenses
The data includes the currency effect



¹The ratio between room revenues only to occupied rooms in the hotel. This figure does not include managed hotels.



Group Average Occupancy Rate by Region¹



¹ Including the Company's share in affiliated companies.

High Level Revenue Management - Outperforming the competition

STR Report

Country	Fattal vs Competitive Market Set		
	Jan-Dec 2024 OCC	Jan-Dec 2024 ADR	Jan-Dec 2024 REVPAR
Germany	1.159	1.065	1.236
UK & Ireland	1.058	1.013	1.073
Netherlands	1.062	1.026	1.096
Spain	1.027	1.040	1.081

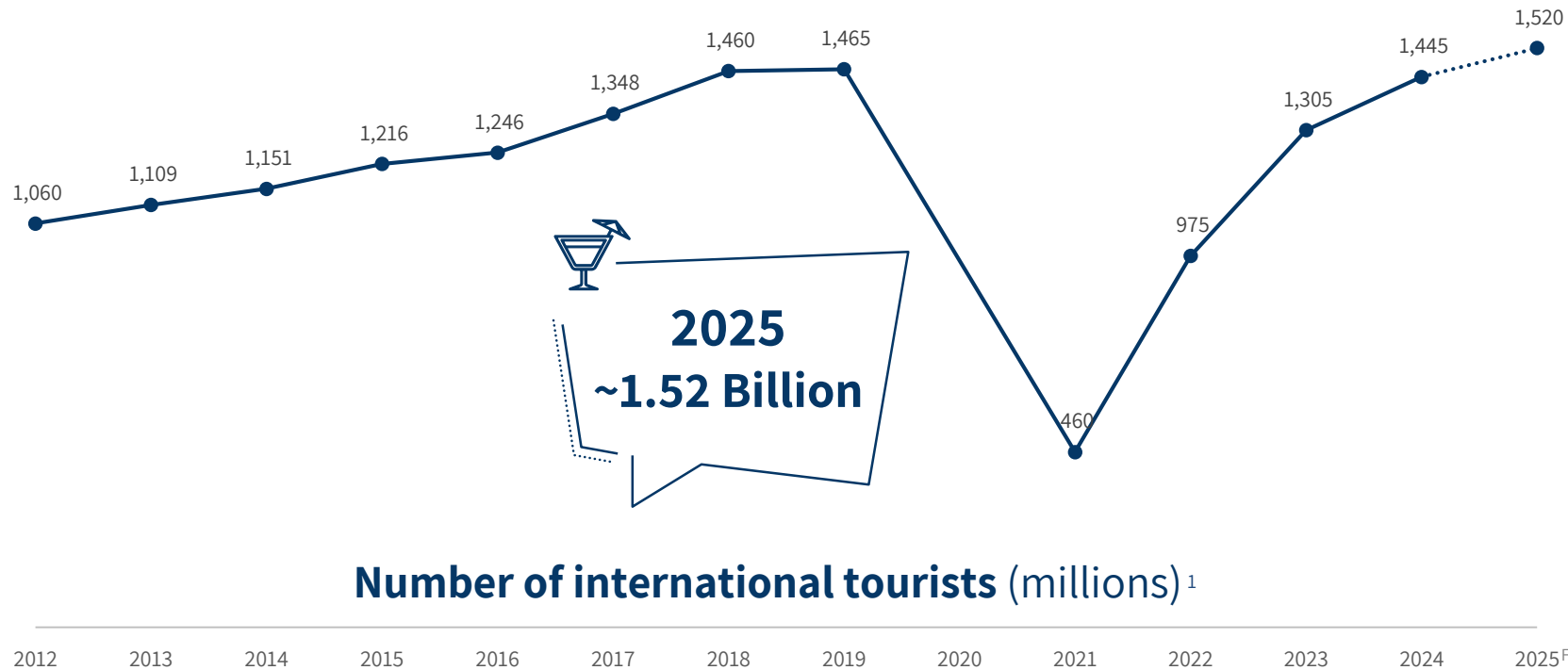
The STR report enables a comparison with relevant competitors. It shows the ratio between the performance of the company's hotels compared to competitors in the measured parameters.





Trends in the Hospitality Industry

International Tourism Growth



International tourism is expected to grow by 3%-5% in 2025



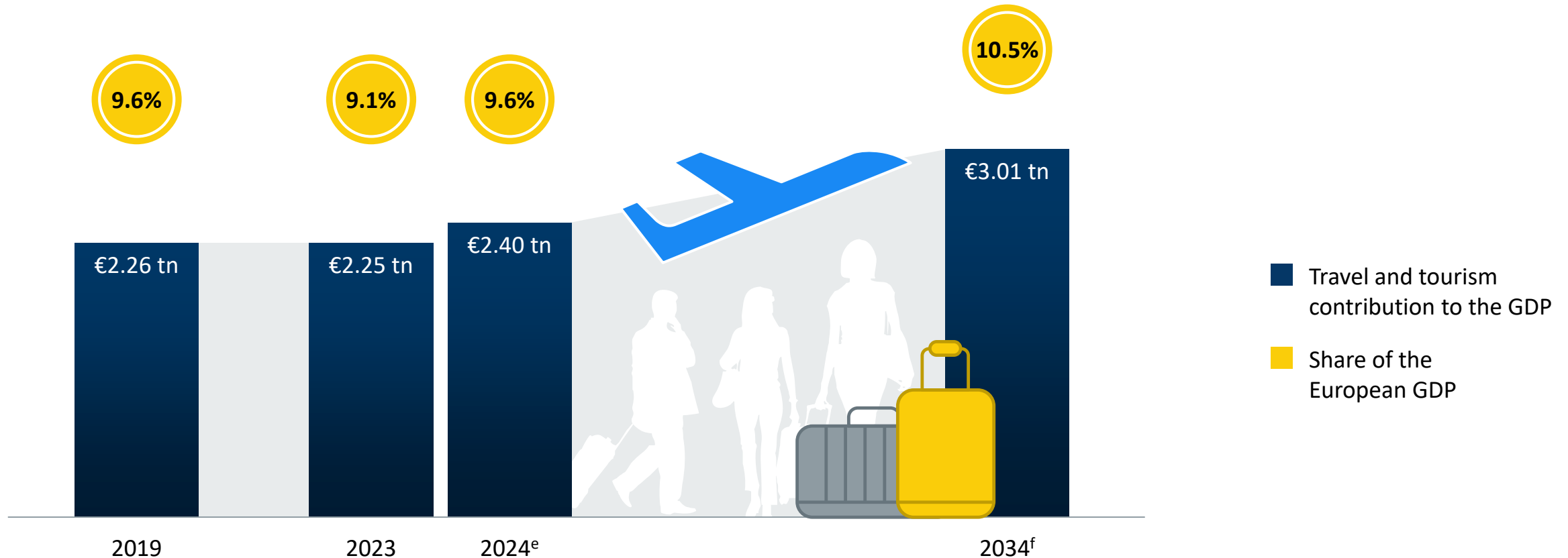
Increased air connectivity and frequency of flights makes travel more accessible and affordable



¹ Source: the UN World Tourism Organization (UNWTO)

The tourism industry accounts for about 10% of the European economy

The contribution of the tourism industry to GDP

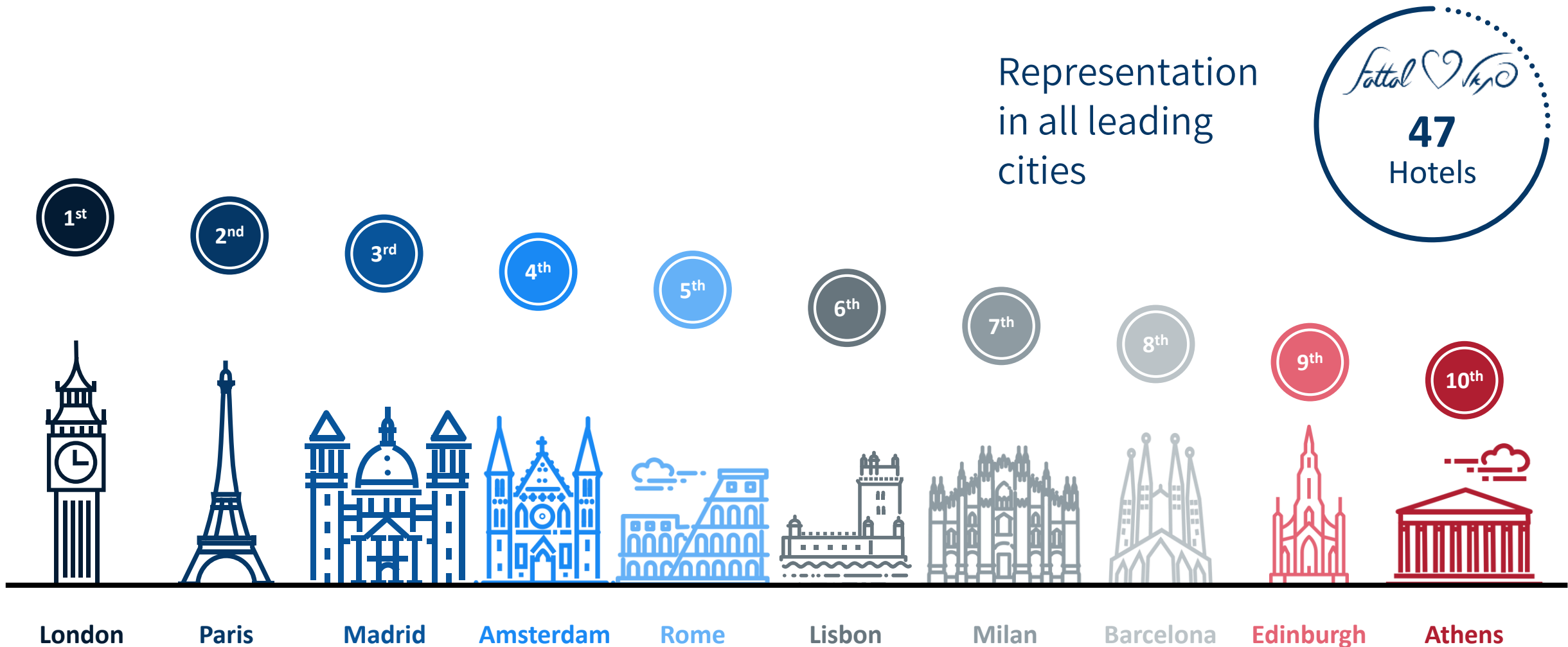


Note: (e) estimate, (f) forecast; direct, indirect, and induced contribution of travel and tourism to the European GDP

Source: World Travel and Tourism Council (WTTC). STATISTA

The leading destinations in Europe for hotel investment

According to research by the international accounting and consulting firm Deloitte - November 2024



One of the leading Global Hotel Chains in Europe



Europe's Best Cities
Report 2024 -
Top 100 by
Resonance



We operate in
Over **70** of the **Top**
100 Cities



9 Cities are in the **Top 10**
(49 Hotels)
17 Cities are in the **Top 20**
(86 Hotels)



(1) London

(2) Paris

(3) Berlin

(4) Rome

(5) Madrid

(6) Prague

(7) Barcelona

(8) Amsterdam

(9) [Istanbul](#)

(10) Milan

(11) Zurich

(12) Vienna

(13) Munich

(14) Dublin

(15) Lisbon

(16) [Stockholm](#)

(17) Hamburg

(18) [Brussels](#)

(19) Warsaw

(20) Budapest

Growth



43 Hotels Acquired in Europe in the Last 32 Months

Hotel partnerships in Europe - a growth engine



Partnership 2

Total

19 Hotels in **8** Countries
3,387 Rooms

04.2022
Established



€ 100 million
Company share of
commitment
97% was called as of 12.24

Approx. € **651** million

Total cost of acquisitions as of 12.24

Approx. € **921** million

Value of hotels acquired as of 12.24



Partnership 3

Total

24 Hotels in **7** Countries
2,739 Rooms

01.2024
Established



€ 158.8 million
Company share of
commitment
37.8% was called as of 12.24

Approx. € **716** million

Total cost of acquisitions as of 12.24

Approx. € **1,200** million

Forecast property portfolio
(assuming leverage)



**2024
RESULTS**

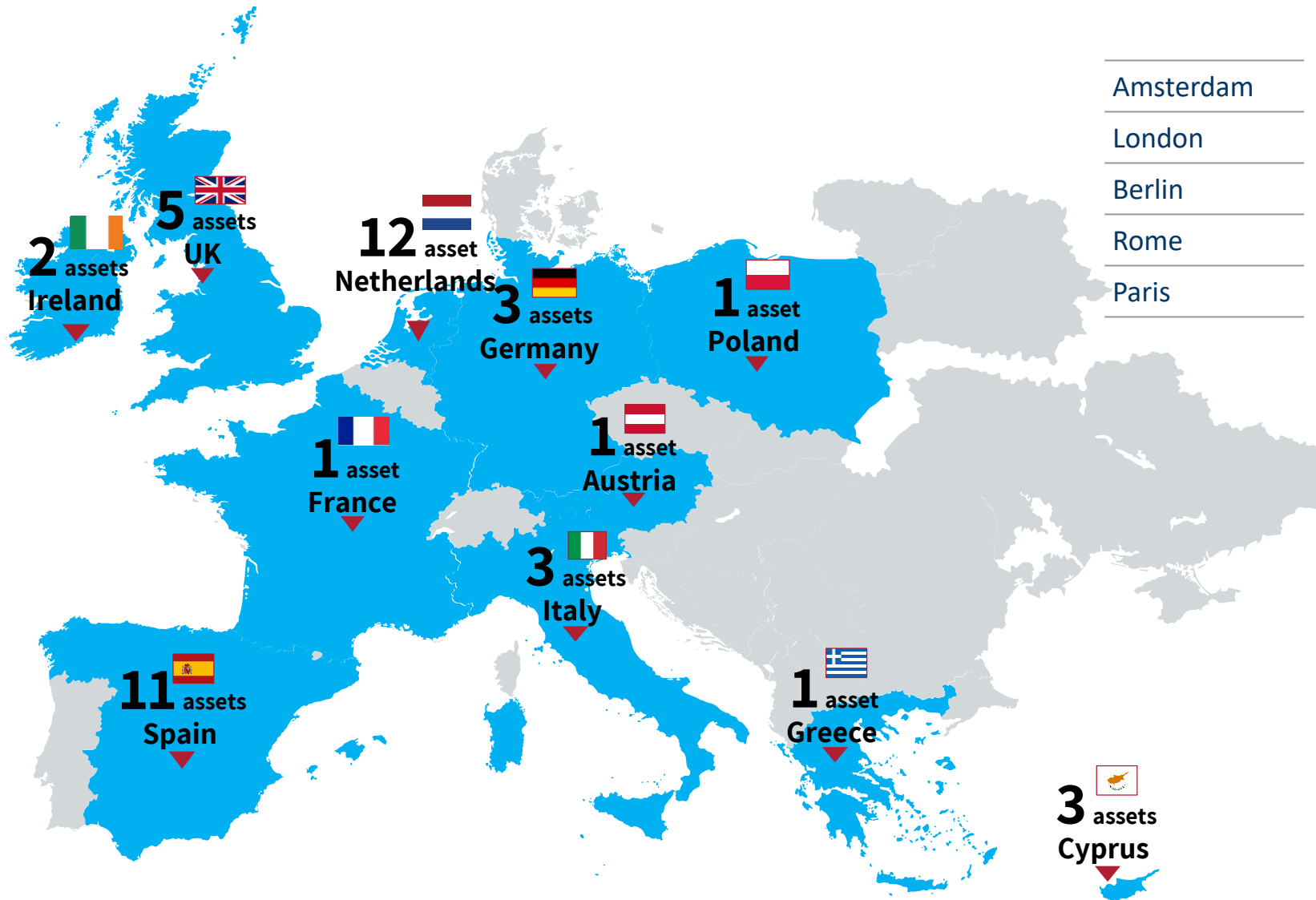
€ 25.5 million
Fattal Group's share of
the partnerships'
EBITDA

€ 36.1 million
Fattal Group's share in the
revaluation of the assets

Approx. € **46** million
Forecast Company's share of
The Partnerships' 2025 EBITDA



The Presence of Partnership Hotels





Major transactions in Europe in 2024

#	Buyer	Seller	Hotel Details	Amount	Amount per key
1	KKR and Baupost	ADIA	33 Marriott International hotels in the UK	£900m	£138k
2	Starwood Capital	Edwardian Hotels	10 hotels in the Radisson Edwardian portfolio	£800m	£390k
3	Ares Real Estate	Landsec	18 UK hotels in Central London, Edinburgh, Manchester, Birmingham	£400m	£132k
4	Fattal Hotel Group	KSL Capital Partners	12 hotels in the Netherlands (Zien Portfolio)	€370m	€243k
5	Mohari and Omnam	King Street Capital	Five-star Bauer in Venice	€300m	€1.5m
6	Banco Santander	Not specified	Three Meliá hotels	€300m	€273k
7	Pandox	Not specified	Three aparthotels in Central London	£230m	£457k
8	Travelodge	LXi REIT	66 Travelodge-branded hotels	£210m	
9	Copthorne Hotel Holdings	Blackstone	268-room Hilton Paris Opéra	€240m	€895k
10	Blackstone	Henderson Park and Hines	Grand Hyatt Athens	€230m	€419k
11	Gruppo Statuto	Mandarin Oriental	135-room hotel in Paris, France	€205m	€1.5m
12	Gruppo Statuto	Beachbox Hotelco	Six Senses Hotel Ibiza	€200m	€1.7m

Source: CoStar 2024 Single Hotel Transactions and Hospitality Investors - Review of 2024

Netherlands

12 Hotels Transaction



July
2024



8
Cities

12

Hotels

10 Owned
2 Leased



1,522
Number
of rooms



€ 370m
Purchase
cost



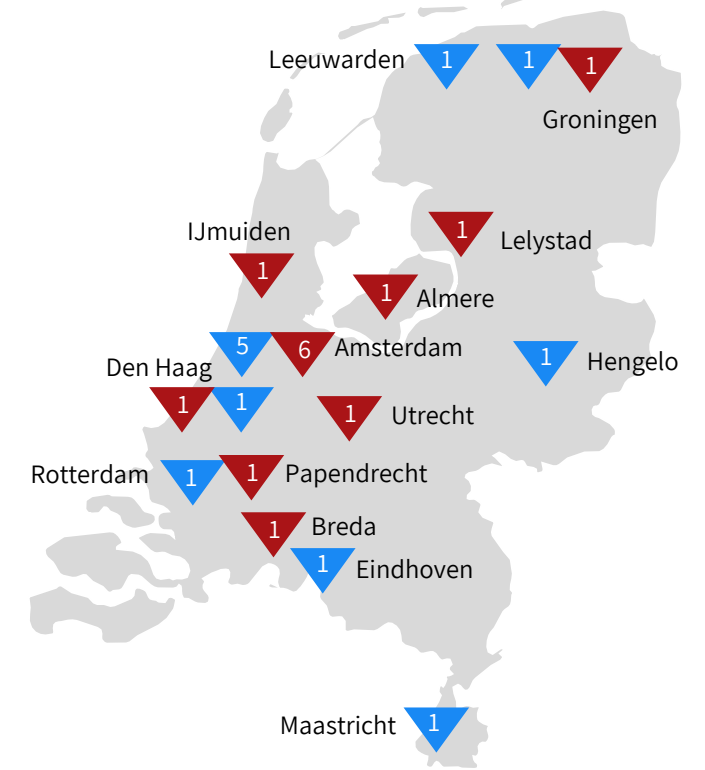
€ 41m
Expected
investment



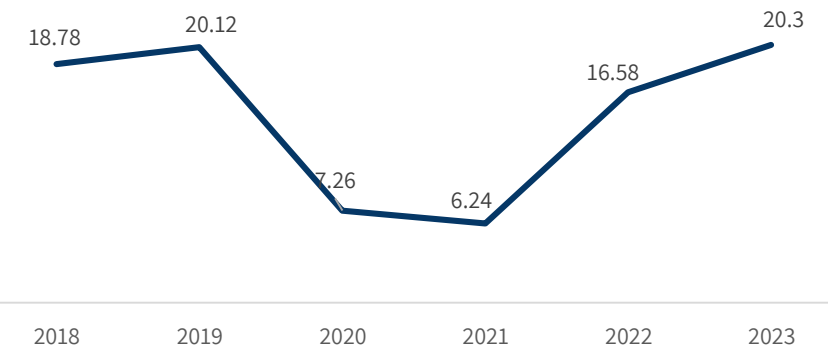
€ 260m
Bank
Financing



**Total Fattal Group
Share-33.15%**
(incl. Fattal Group direct
co-invest - 9.97%)



**Number of international tourist arrivals in
the Netherlands (in millions)***



*Statista.com

Fattal



Taking advantage of a great business opportunity

The Jaffa Hotel

The Jaffa Tel Aviv - A Fattal Limited Edition hotel housed in a magnificent 19th century neo-Renaissance building, in the heart of a desirable neighborhood in Jaffa and within walking distance of the magical sea and the city's main attractions. The hotel is a unique architectural creation, combining history and modernity, and invites you to an elegant experience in the heart of the action.



\$ 119m
Purchase price



2,259 sq. m.
Residential space for sale



119
Rooms



April
2025



Amazing location,
great restaurants
and unique décor



Luxurious and
exhilarating spa

Looking Ahead - Opening Hotels in the Coming Years¹

(excl. Partnerships' hotels in Europe)

Owned

Israel	3	202	529₪
Greece	*1	130	3€
UK	1	125	-

Israel	*1	327	76₪
Portugal	1	132	9€

Cyprus	*1	165	16€
Israel	2	520	425₪

Israel	**7	1,210	806₪
Portugal	*1	560	23€
UK	1	207	-

Leased

Israel	***3	267
UK	1	283
Poland	1	113
Greece	2	54

Israel	1	170
Germany	4	906
Spain	1	210
Austria	1	110

Israel	3	168
--------	---	-----

Israel	***3	251
Germany	1	225
Czech Republic	1	174

12 hotels
1,174 rooms

9 hotels
1,855 rooms

6 hotels
853 rooms

14 hotels
2,627 rooms

		
Investment	Number of rooms	Number of hotels

The Company's assessment:

Total

41
Hotels

6,509
Rooms



≈ **NIS 360 million**
Additional EBITDA
from new hotels

≈ **NIS 1.6 billion**
Expected total investment
in coming years

≈ **NIS 0.6 billion**
has been invested in the above
projects as of 31.12.24

¹ Investment amounts shown are from 31.12.24 onwards. The amounts are in millions

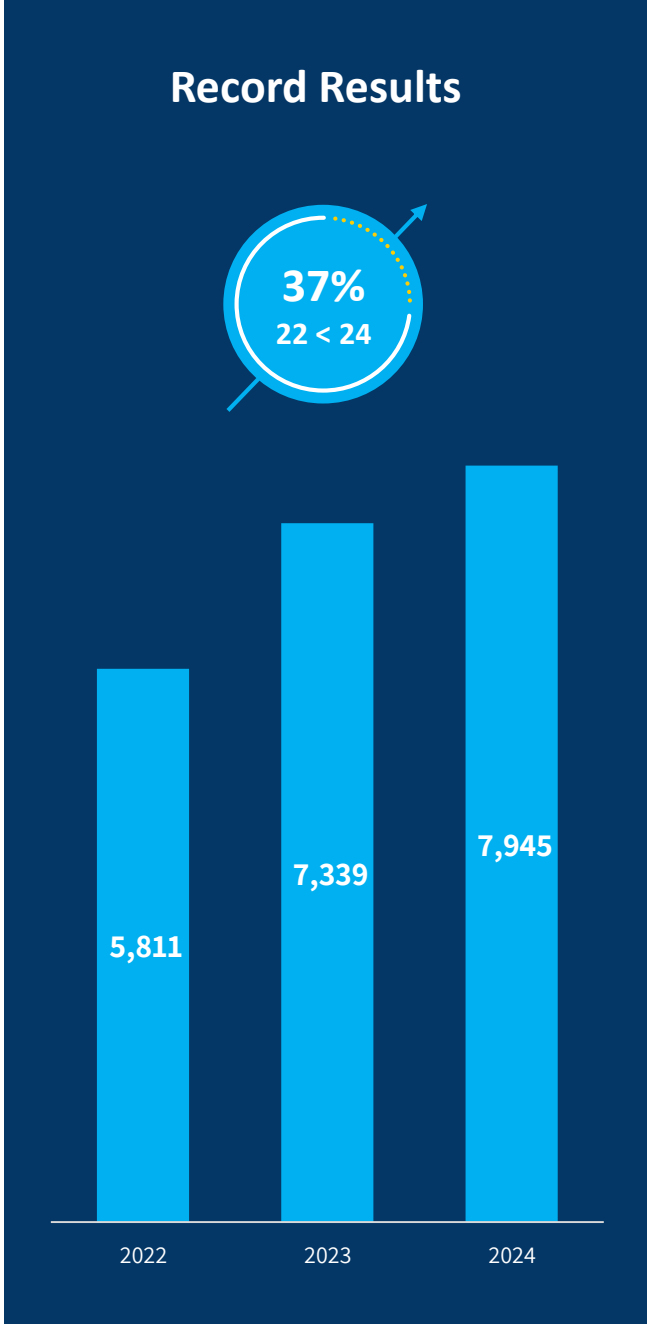
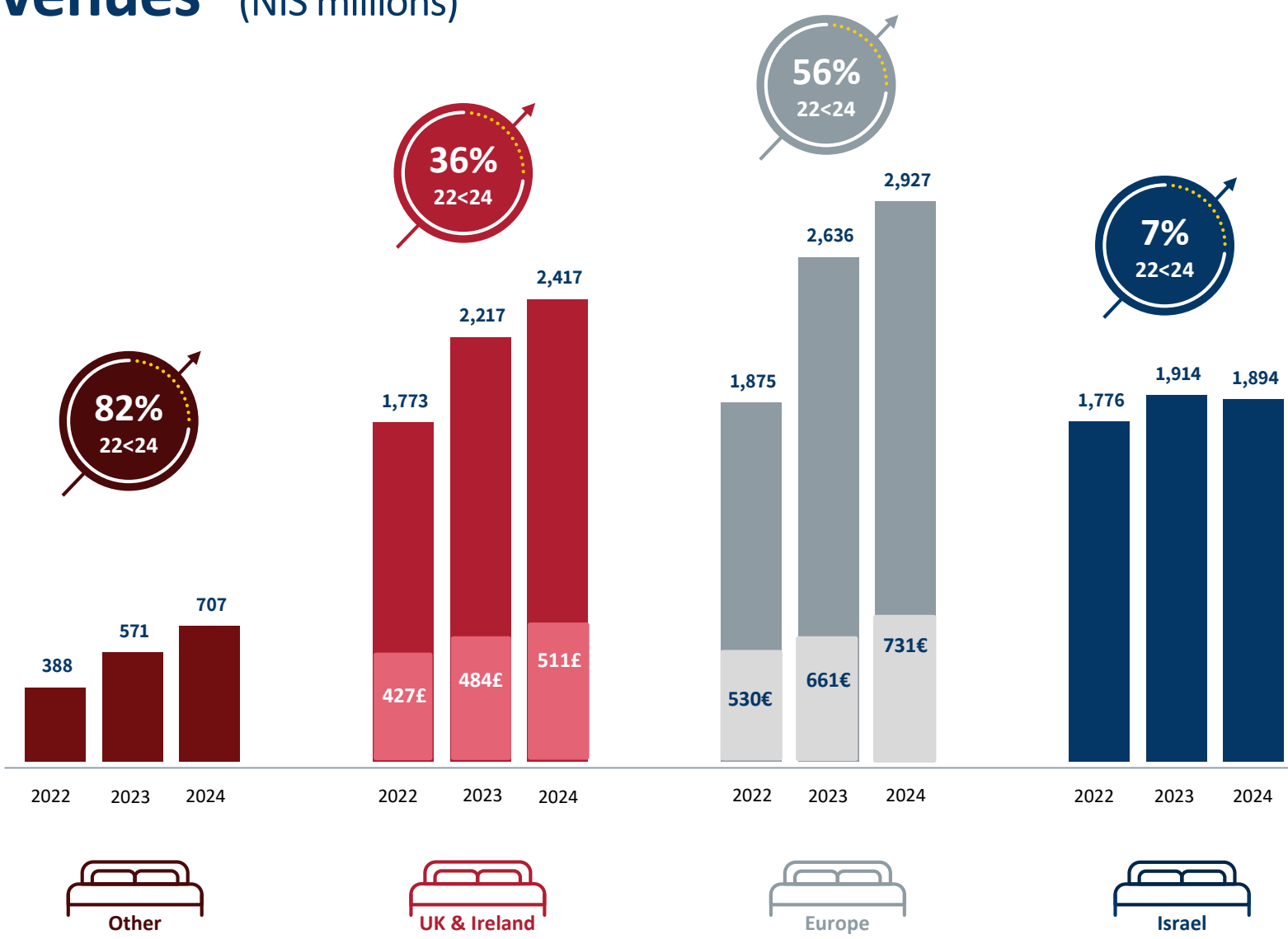
* Partially owned hotels (1,482 rooms) | ** 6 hotels of which are partially owned (1,070 rooms) | *** Including a managed hotel

Financial Results 31.12.24



Main Financial Data – 2024

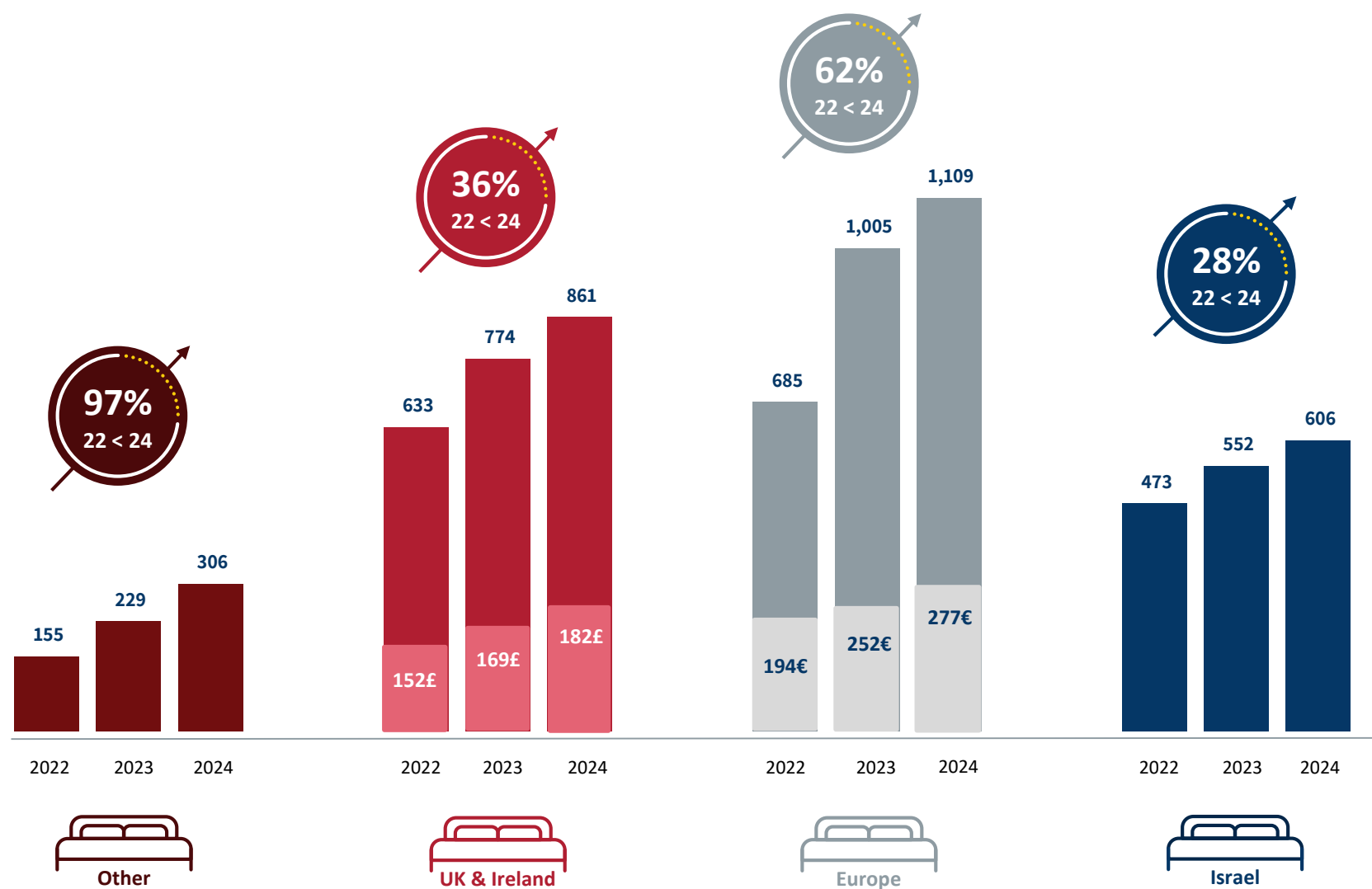
Revenues¹ (NIS millions)



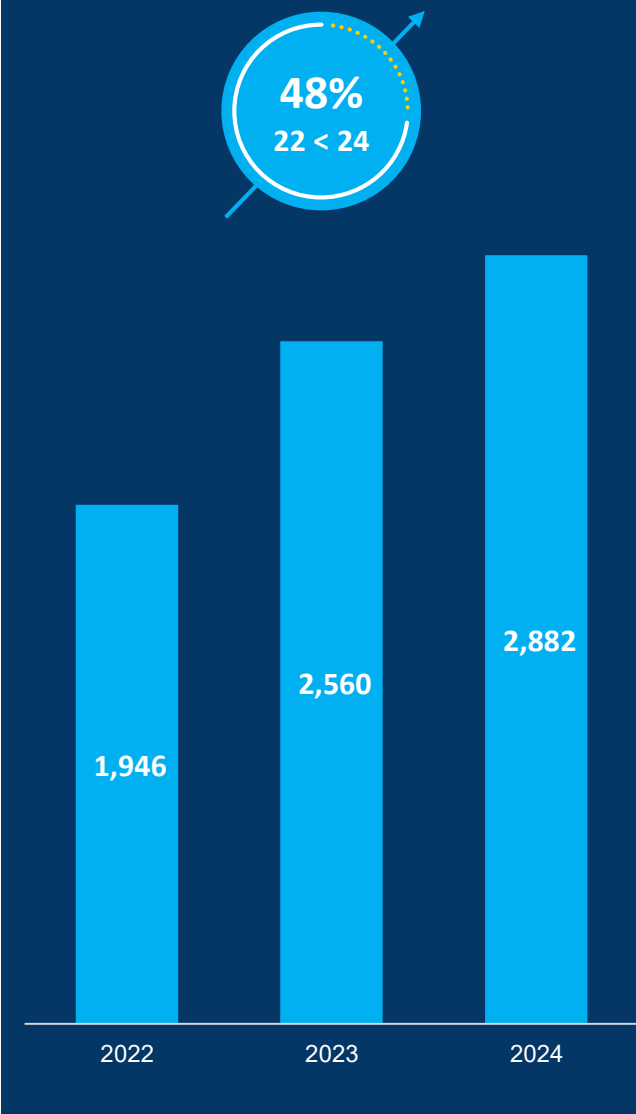
¹ Including the Company's share in affiliated companies

Main Financial Data – 2024

EBITDAR¹ (NIS millions)



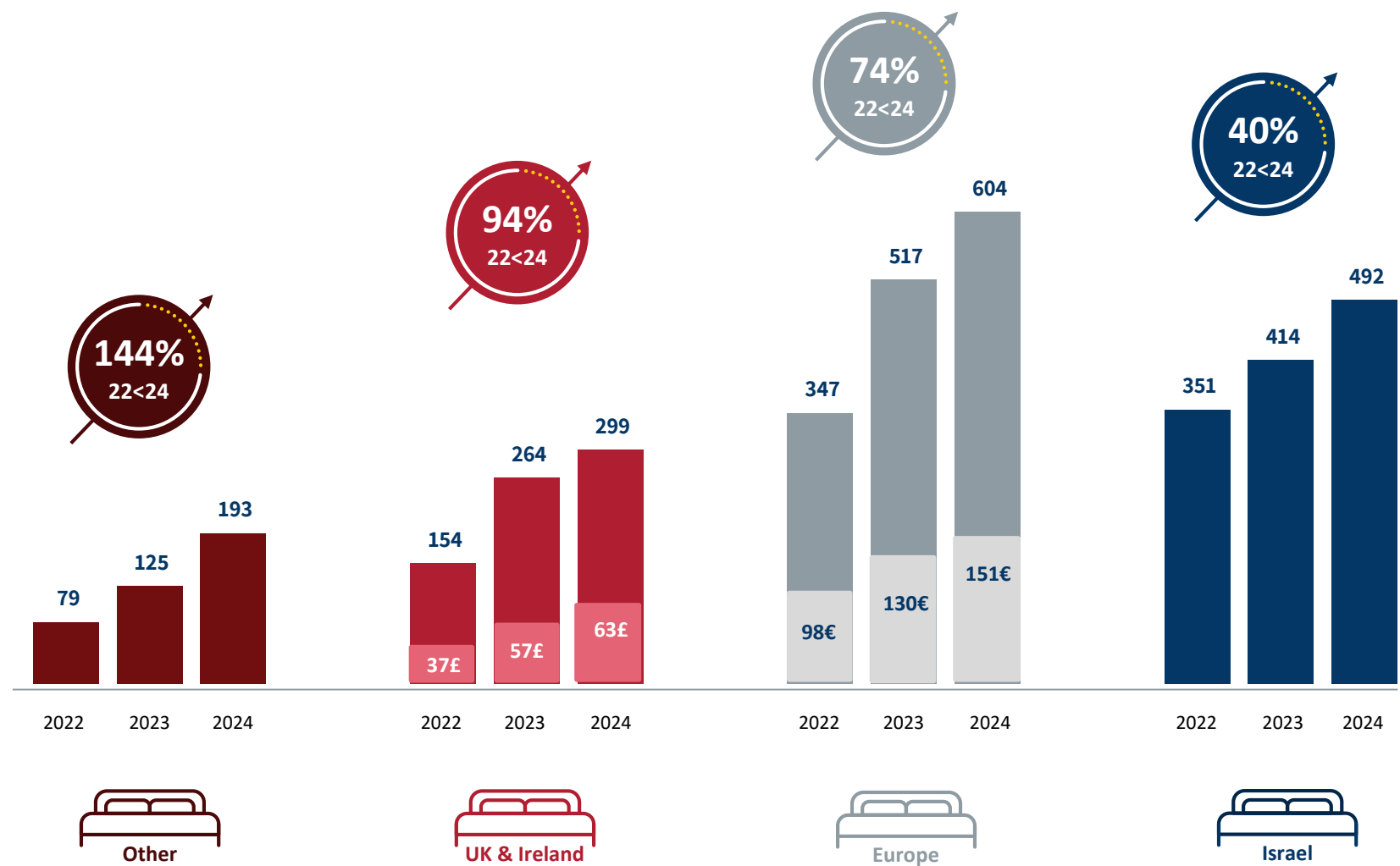
Record Results



¹ Including the Company's share in affiliated companies

Main Financial Data – 2024- EBITDA¹

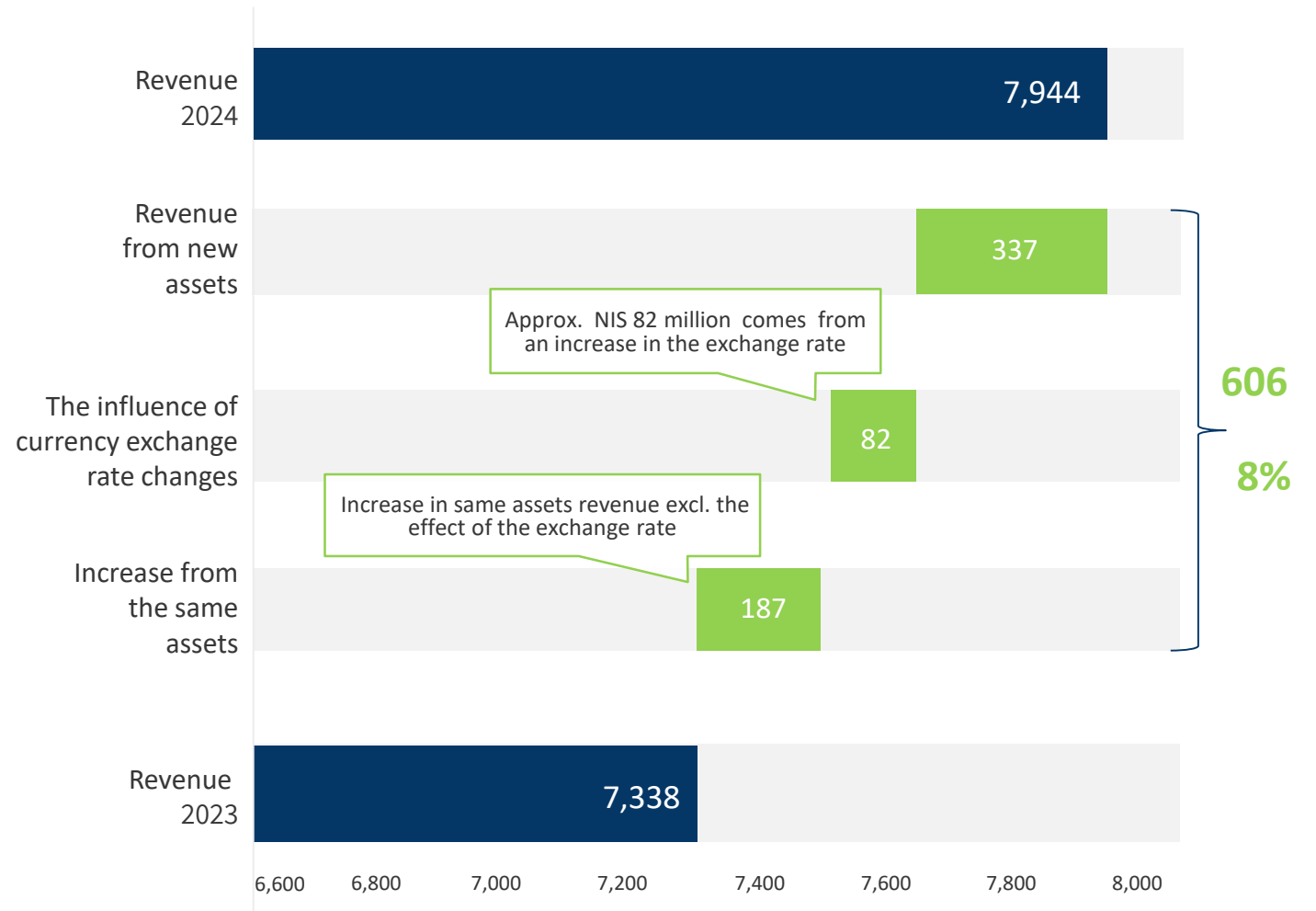
(NIS Millions) Prior to the Impact of Standard IFRS 16



¹ Including the Company's share in affiliated companies

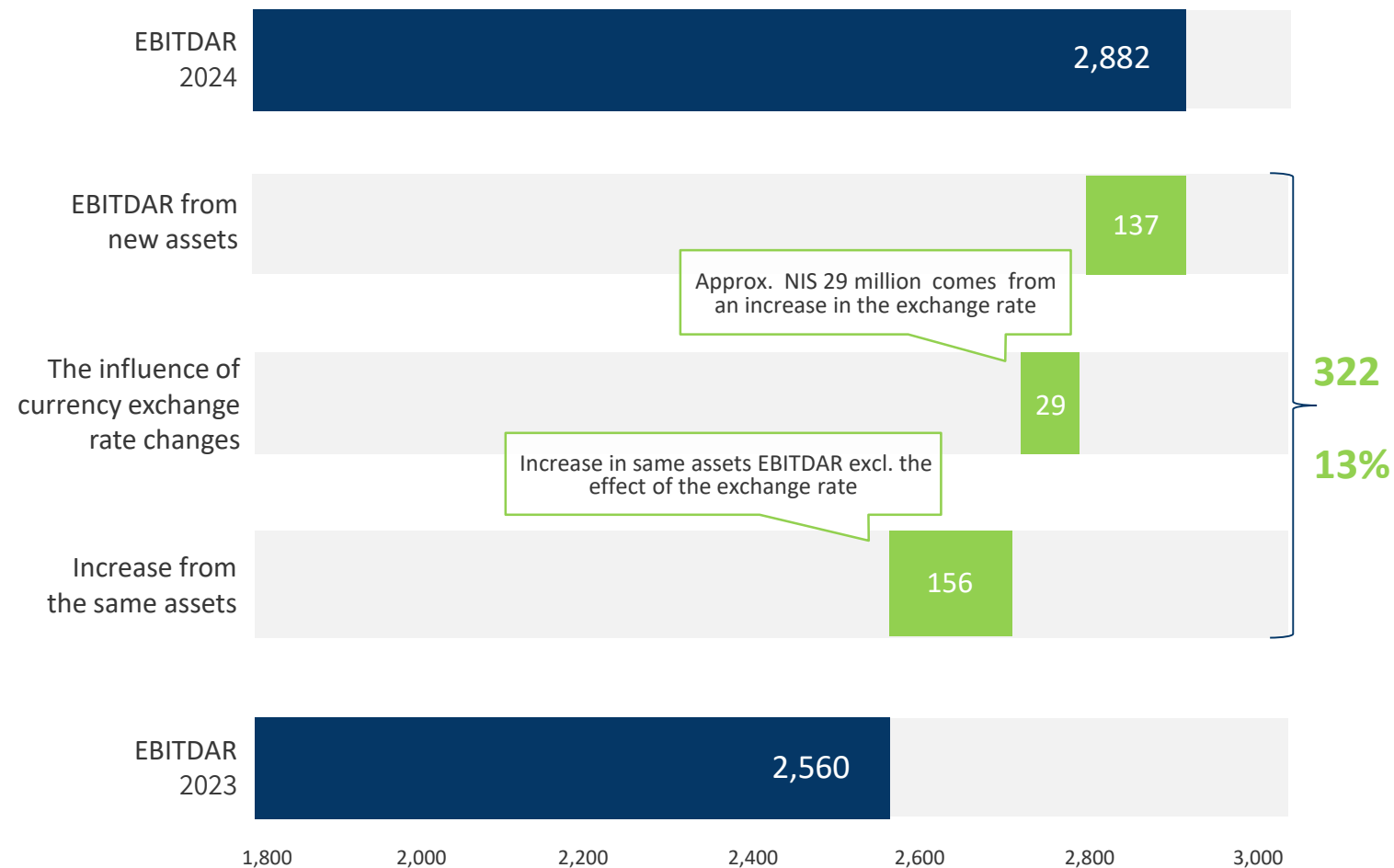


Segmentation of revenue from the same assets (NIS Millions)



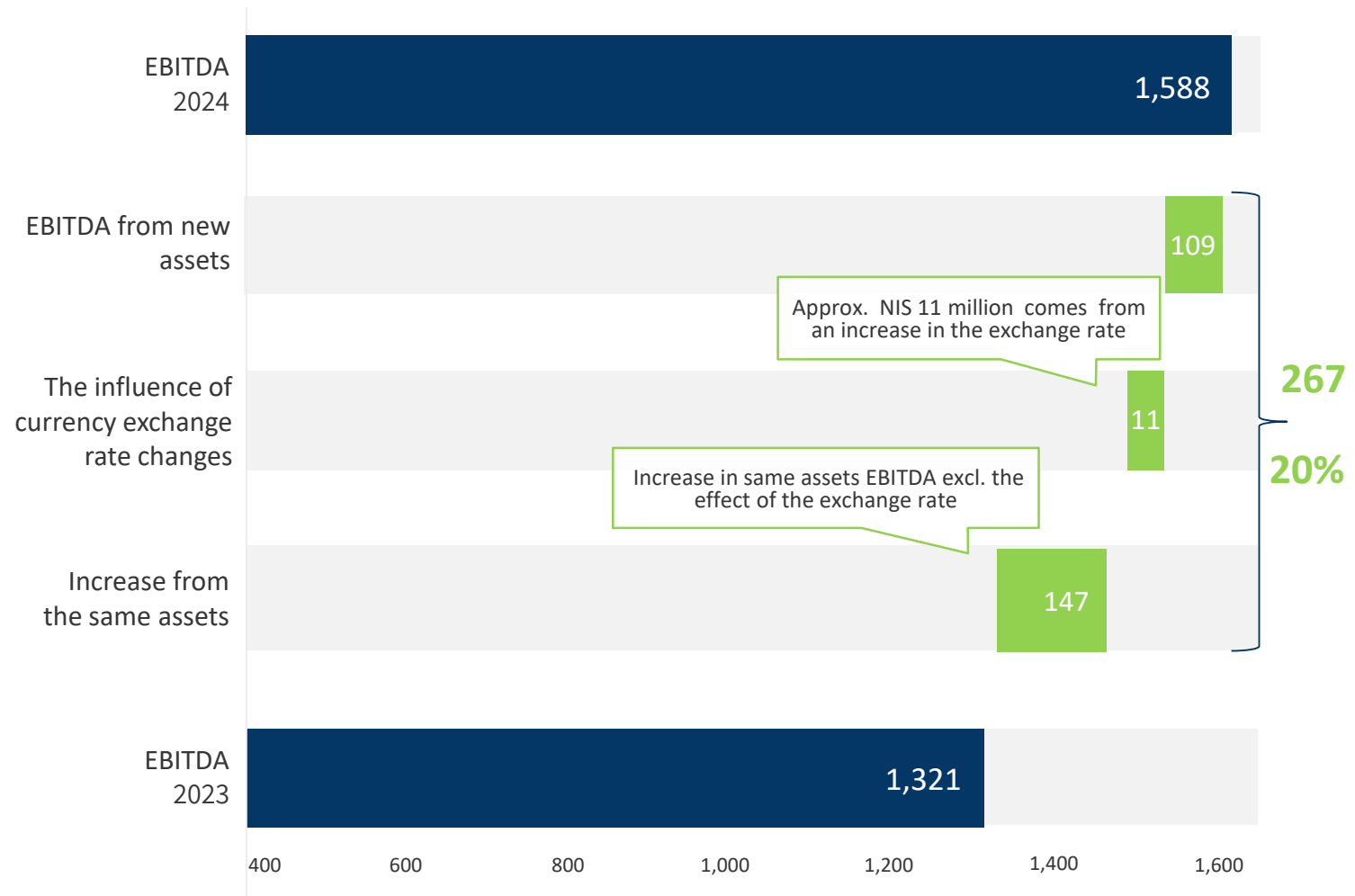


Segmentation of EBITDAR from the same assets (NIS Millions)

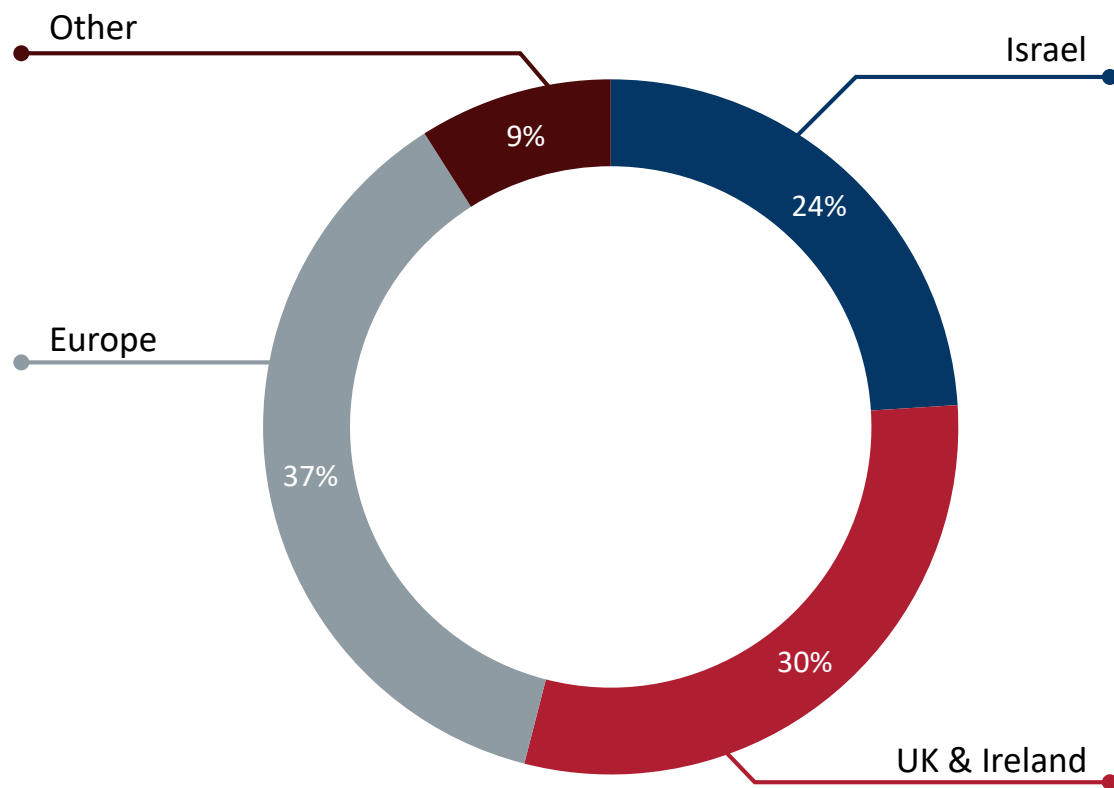




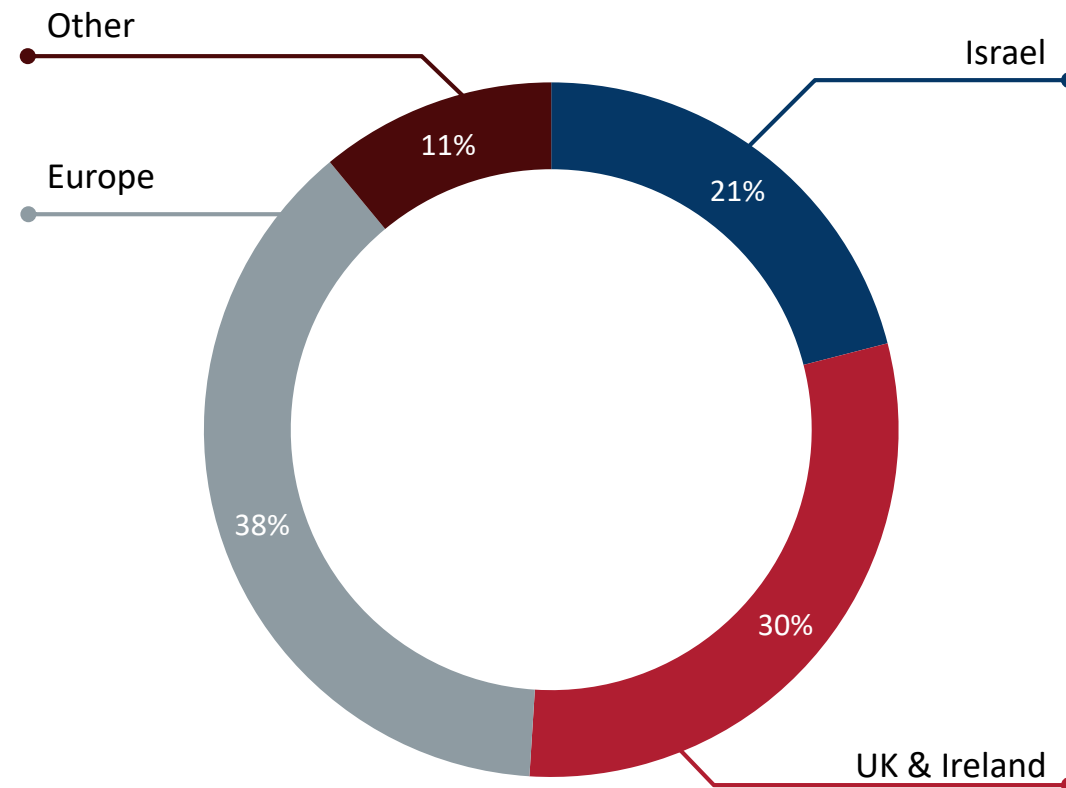
Segmentation of EBITDA from the same assets (NIS Millions)



Revenue Split – 2024



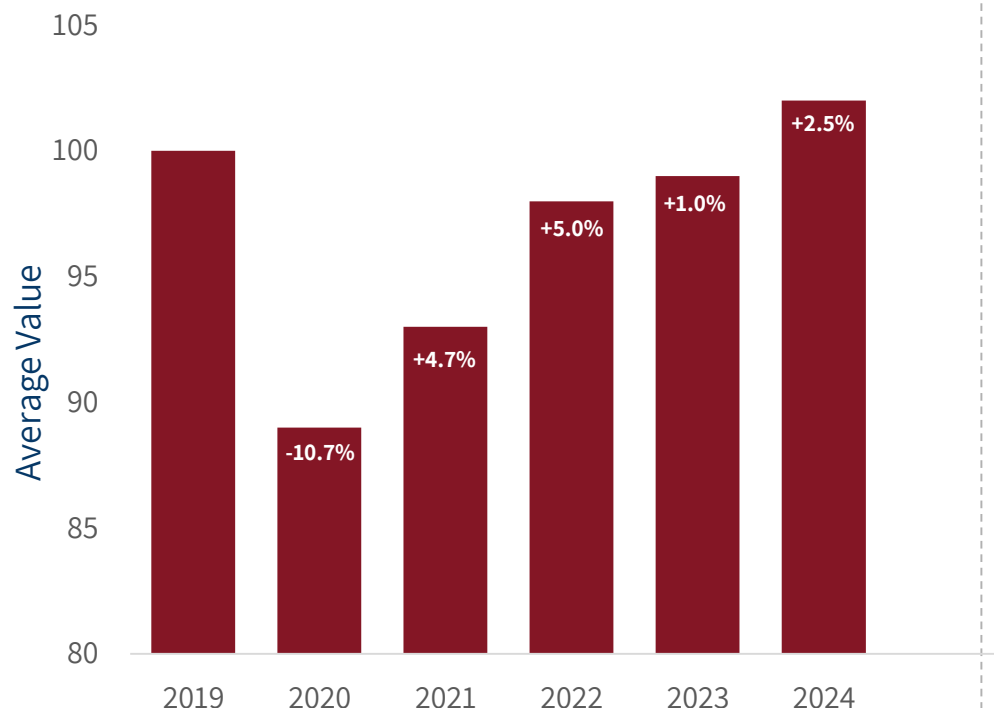
EBITDAR Split – 2024



The Company's Real Estate Portfolio

HVS European Hotel Values Increase in 2024¹

Percentage Change in European Hotel Values

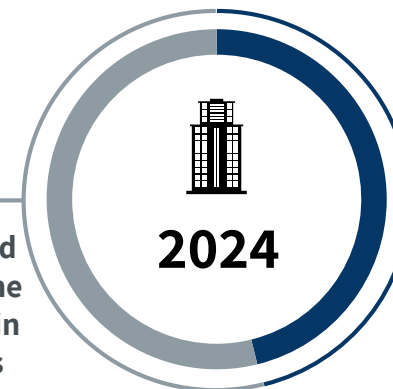


¹ HVS 2025 European Hotel Valuation Index

² Increase in asset value net of tax

Approx. NIS
15,799
million

Total value of fixed
assets including the
Company's share in
affiliated entities



Approx. NIS
10,147
Million

Total value of fixed
assets in the
consolidated financial
statements



NIS **659** million

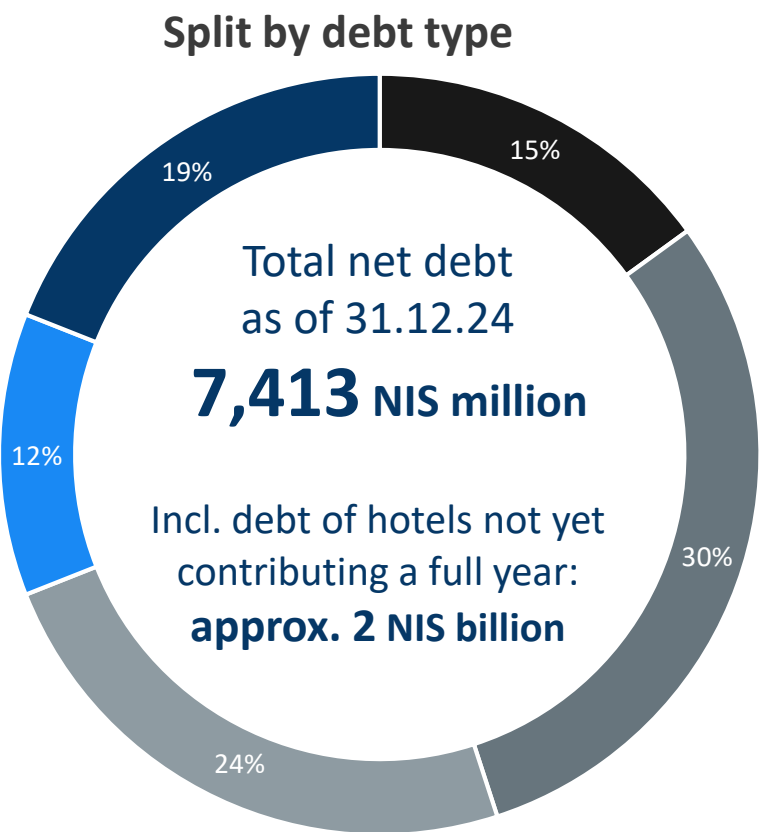
Increase in the value of the
Company's assets²
Including the Company's share in
affiliated entities

2024 CAP rate

8.5%-7.25%
Israel

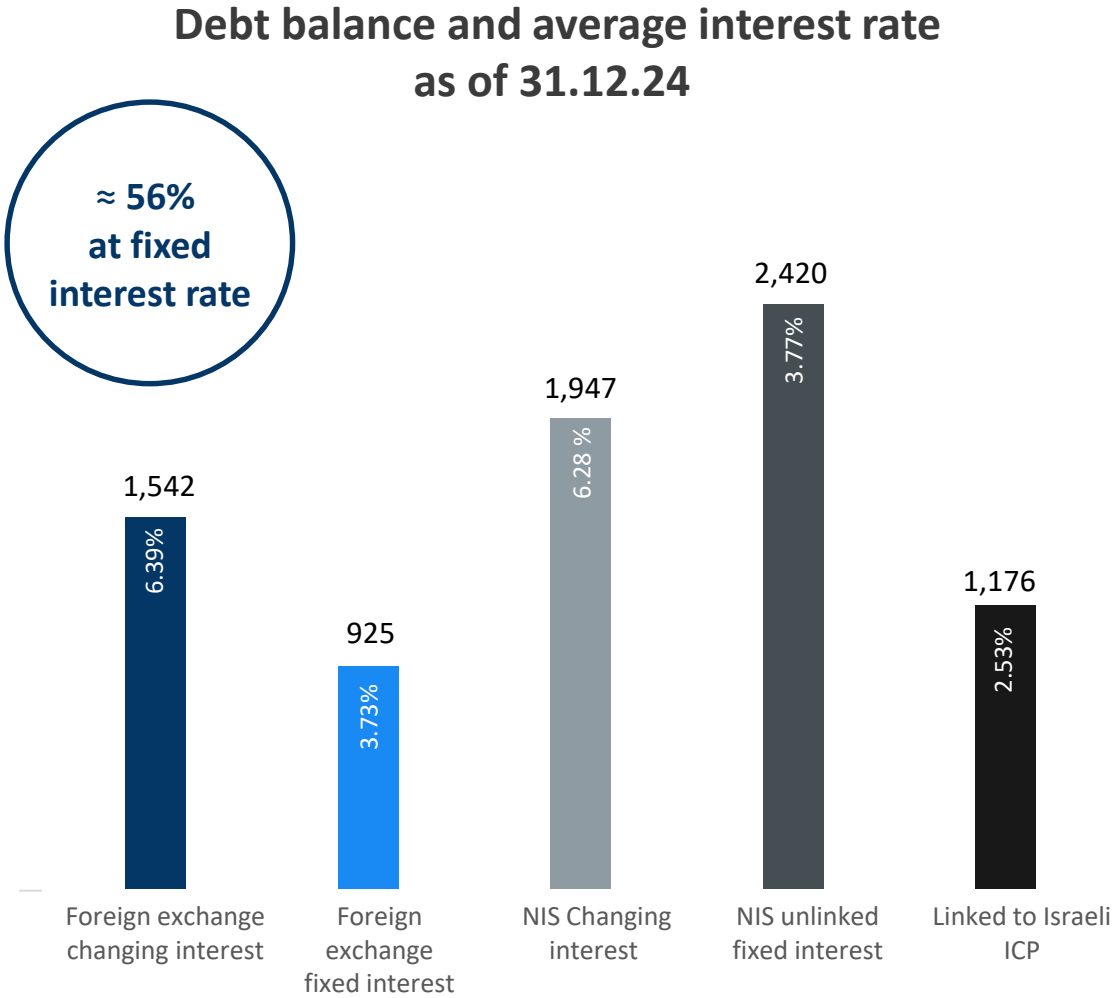
6.28%
Europe

Key Debt Metrics (NIS millions)



■ Linked to Israeli ICP ■ NIS Unlinked fixed interest ■ NIS Changing interest
■ Foreign exchange fixed interest ■ Foreign exchange changing interest

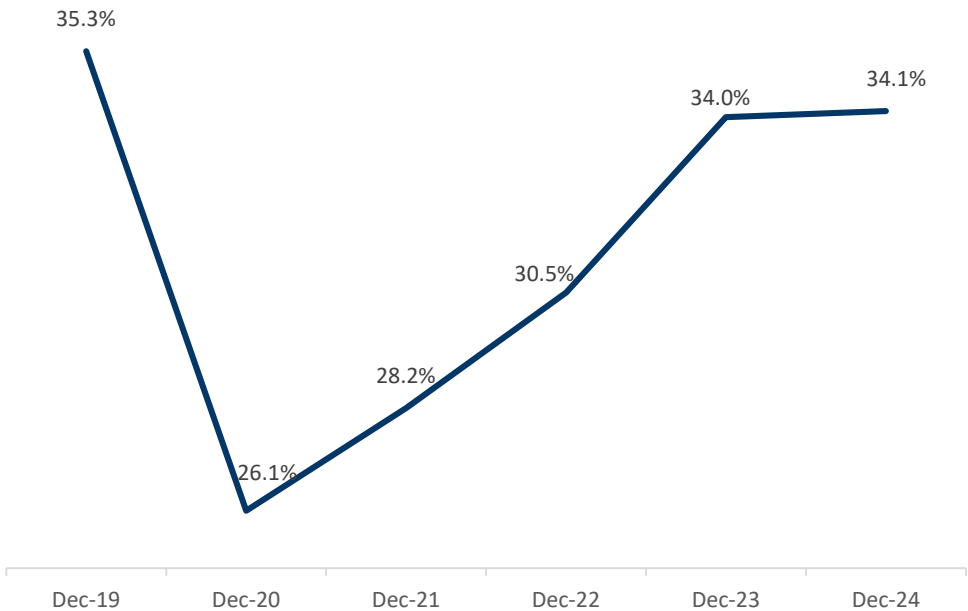
≈ NIS 10,071 million
The total debt of the Company includes its share in affiliated entities as of 31.12.2024



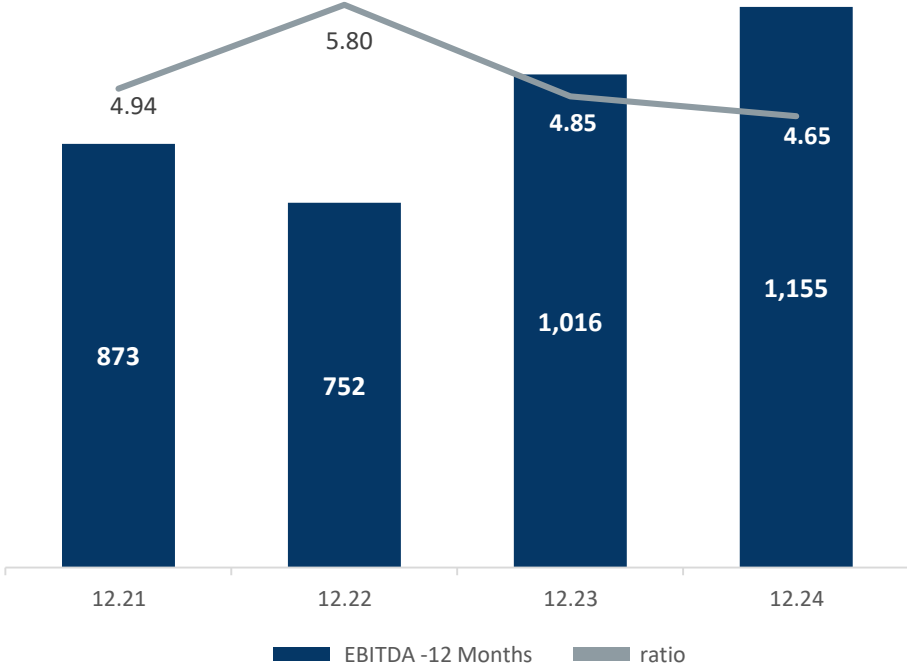
The weighted interest rate on variable interest loans in the Company decreased by ≈ 0.9% in 2024

Financial Ratios¹ (NIS Millions)

Gradual growth in the equity-to-total assets ratio



Declining debt/EBITDA ratio



The Company meets all its covenants

¹ The terms and calculations as defined in the trust deed.



Consolidated Balance Sheet (NIS millions)

	Dec-24		Dec-24	Dec-23
	Data prior to implementation of IFRS16	Impacts of IFRS16	As shown in the Financial Statements	
Current Assets	1,509	(72)	1,437	1,503
Long Term Investments and Other Assets	4,366	12,548	16,914	17,189
Fixed Assets	10,167	(19)	10,148	7,921
Total Assets	16,042	12,457	28,499	26,613
Short Term Credit	1,187	-	1,187	976
Other Current Liabilities	1,248	468	1,716	1,794
Loans and Bonds – Long Term	6,822	-	6,822	5,727
Deferred taxes	843	-	843	513
Others	468	13,313	13,781	14,248
Total Liabilities	10,568	13,781	24,349	23,258
Shareholders' Equity	5,474	(1,324)	4,150	3,355
Total Liabilities and Equity	16,042	12,457	28,499	26,613

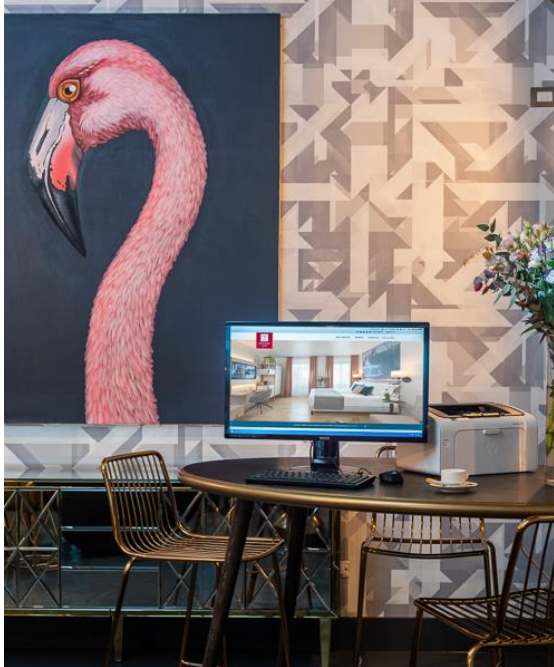


Consolidated Profit and Loss Statement (NIS million)

	1-12/24		1-12/23	
	Data prior to implementation of IFRS16	Impacts of IFRS16	As shown in the Financial Statements	
Revenues from Hospitality Services and Others	7,444	-	7,444	6,928
Total Operating Expenses	4,719	-	4,719	4,476
Operating income before rent, depreciation and reductions (EBITDAR)	2,725	-	2,725	2,452
Total Rent	1,508	(1,370)	138	155
Operating income before depreciation and amortization (EBITDA)	1,217	1,370	2,587	2,297
Depreciation	(438)	(804)	(1,242)	(1,149)
Other Income (expenses), Net	178	53	231	(38)
Profit before Financing	957	619	1,576	1,110
Financing Expenses, Net	(341)	(789)	(1,130)	(1,049)
Group's Share in the Subsidiaries' Earnings (Losses)	(109)	13	(96)	(5)
Tax Benefit (Tax Expenses)	(138)	66	(72)	(11)
Net Income (loss)	369	(91)	278	45
Total Comprehensive Income	925	(91)	834	726
Real FFO	925		925	746



Forecast 2025

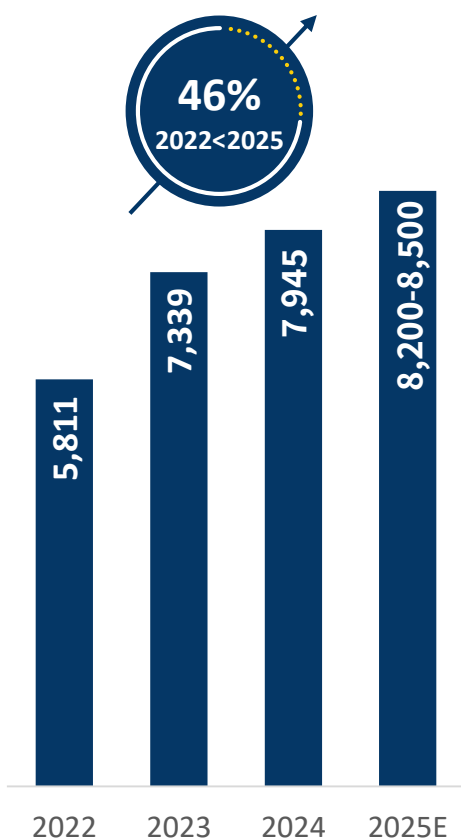


Looking Ahead³

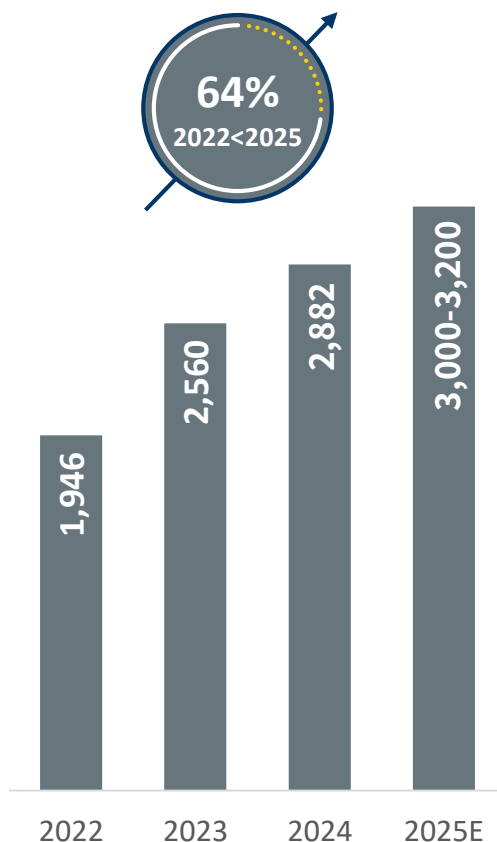
Factors for continued growth in 2025:

New hotels, partnerships activities and revenue growth while maintaining profitability.

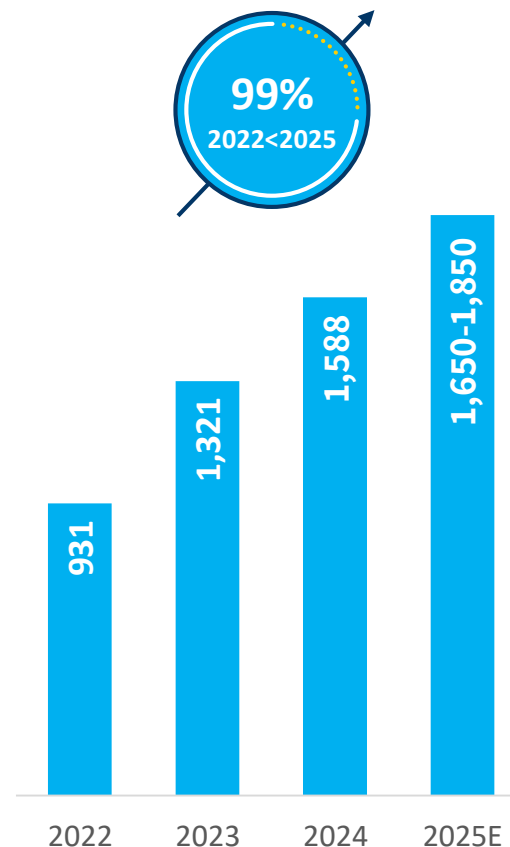
Revenues¹ (NIS millions)



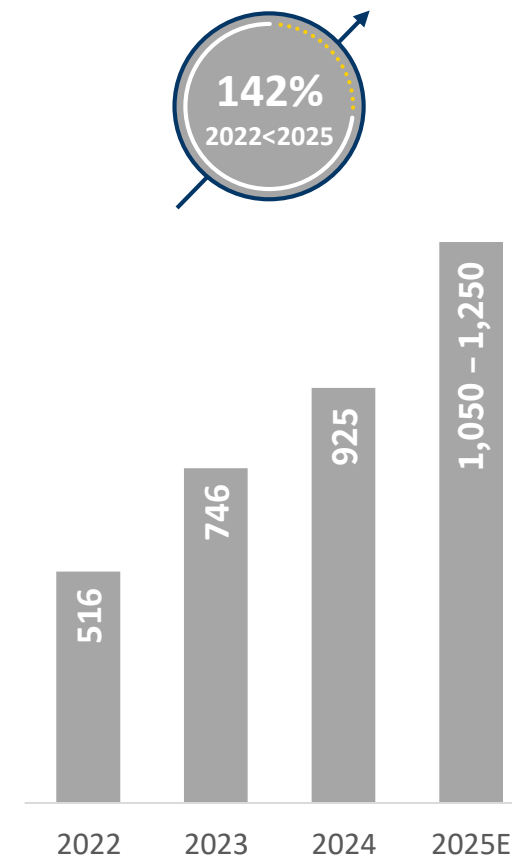
EBITDAR¹ (NIS millions)



EBITDA^{1,2} (NIS millions)



FFO (NIS millions)



¹ Including the Company's share in affiliated companies.

² Prior to the Impact of Standard IFRS 16.

³ For details of the main assumptions for the forecast, see the company's BOD report for 31.12.24

Workspaces

ROOMS & SwitchUP

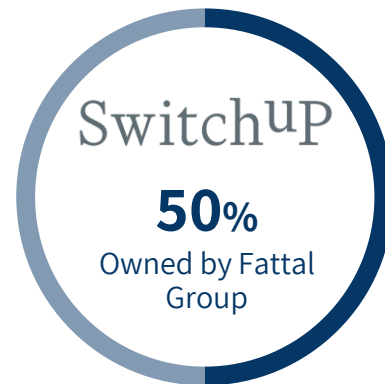




Workspaces Activity - Fattal Group

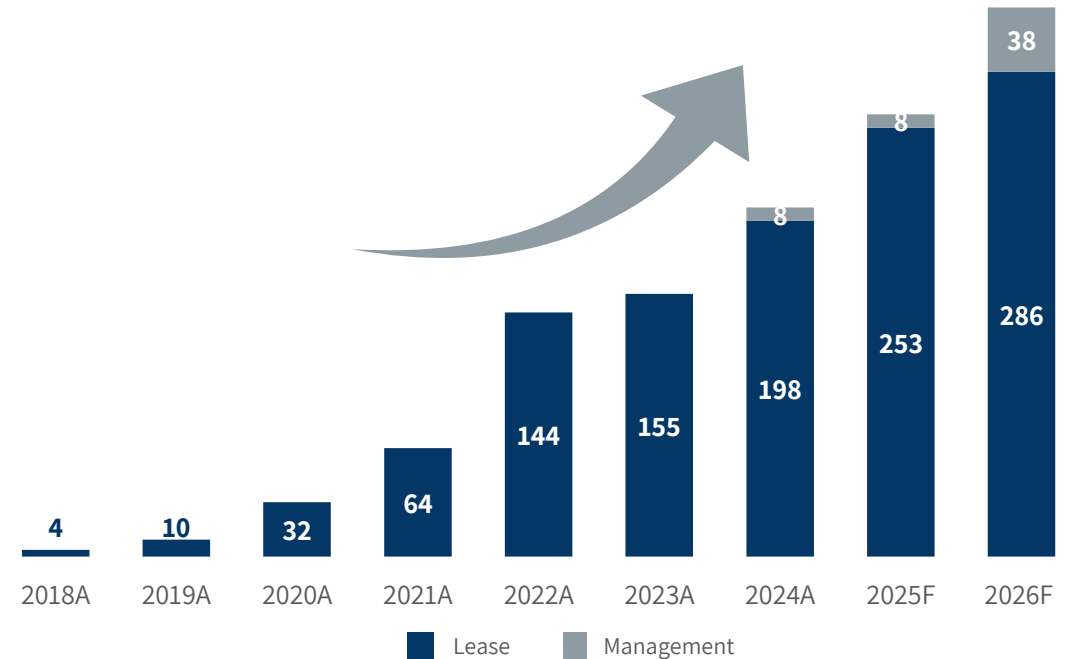


8 cities | 16 complexes
10,876 workstations | 2,000 customers



The largest office provider in Tel Aviv in a long-term sublease model. Provides a 360° commercial real estate solution for its customers.

Increase in the volume of managed assets
(in thousands of sq. m.)





Summary

01

Strategic
Planning
Precision

02

Holistic Support
Infrastructure:
Human,
Technological,
and
Professional

03

Market Leadership
in Key European
Countries: Germany,
Great Britain,
Netherlands, Spain,
Austria

04

Strong Local
and
International
Financial
Partnerships

05

Consistent
Growth
Track
Record

06

Forward-Thinking Expansion:
Enhancing Existing Properties, Adding
New Hotels, Introducing Luxury
Offerings under the LIMITED EDITION
Brand, Successful Institutional
Partnerships and recruiting
international investors

A wooden tray holds a collection of NYX cosmetics, including two jars of cream, a small tin of balm, and a bottle of perfume. A glass of wine is also on the tray. In the background, a vase with yellow flowers is visible. The scene is set against a dark, moody background.

Fattal ♥ *פתאל*

HOUSE OF HOTELS | בית של מלונות

Thank you for your attention!