



HOUSE OF HOTELS | בית של מלונות

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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

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



# Fattal Group Overview

1998

Established

21



Countries

303

Hotels<sup>1</sup>

53,150

Rooms<sup>1</sup>



About **80%** of activities in Europe

EBITDA<sup>2</sup>– 2024E: 1,600 – 1,700 Million NIS



Rating: A2.il Stable

<sup>1</sup> Including future hotels.

<sup>2</sup> Includes 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

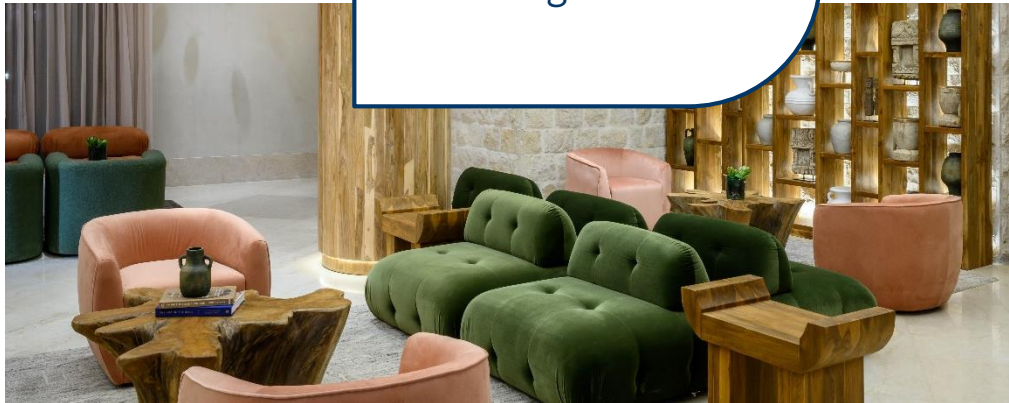
Taking advantage of opportunities in Israel in the past year

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

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** Revenues<sup>1</sup>

**2,882**

NIS million **Record**  
EBITDAR<sup>1</sup>

**1,588**

NIS million **Record**  
EBITDA<sup>1,2</sup>

**834**

NIS million **Record**  
Total Comprehensive  
Income



**925**

NIS million  
**Record** FFO



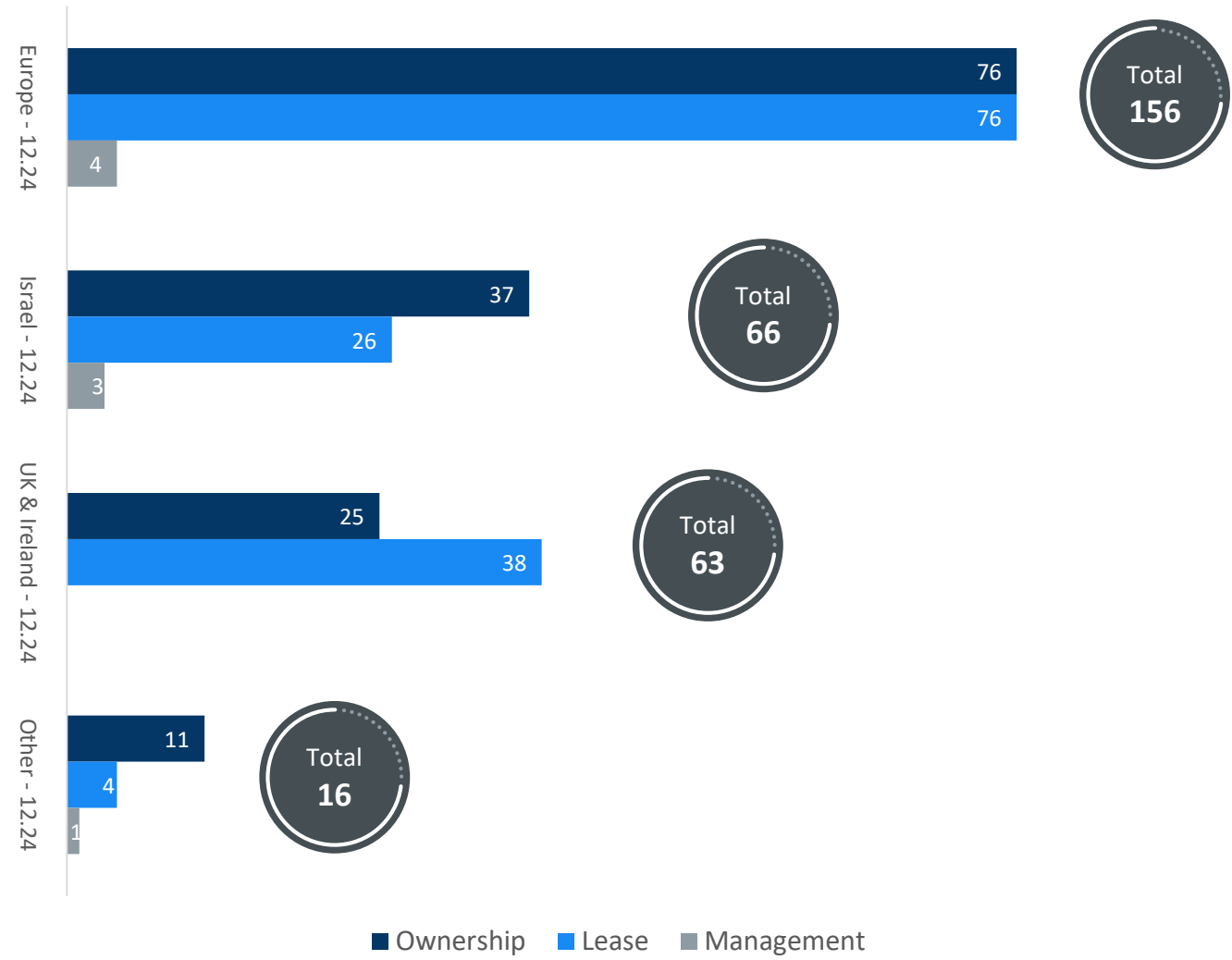
**278**

NIS million  
**Record** Net Profit

<sup>1</sup> Includes the Company's share in affiliated companies.

<sup>2</sup> Prior to the Impact of Standard IFRS 16.

# Number of Hotels<sup>1</sup> – Diverse Mix



Hotels split by type

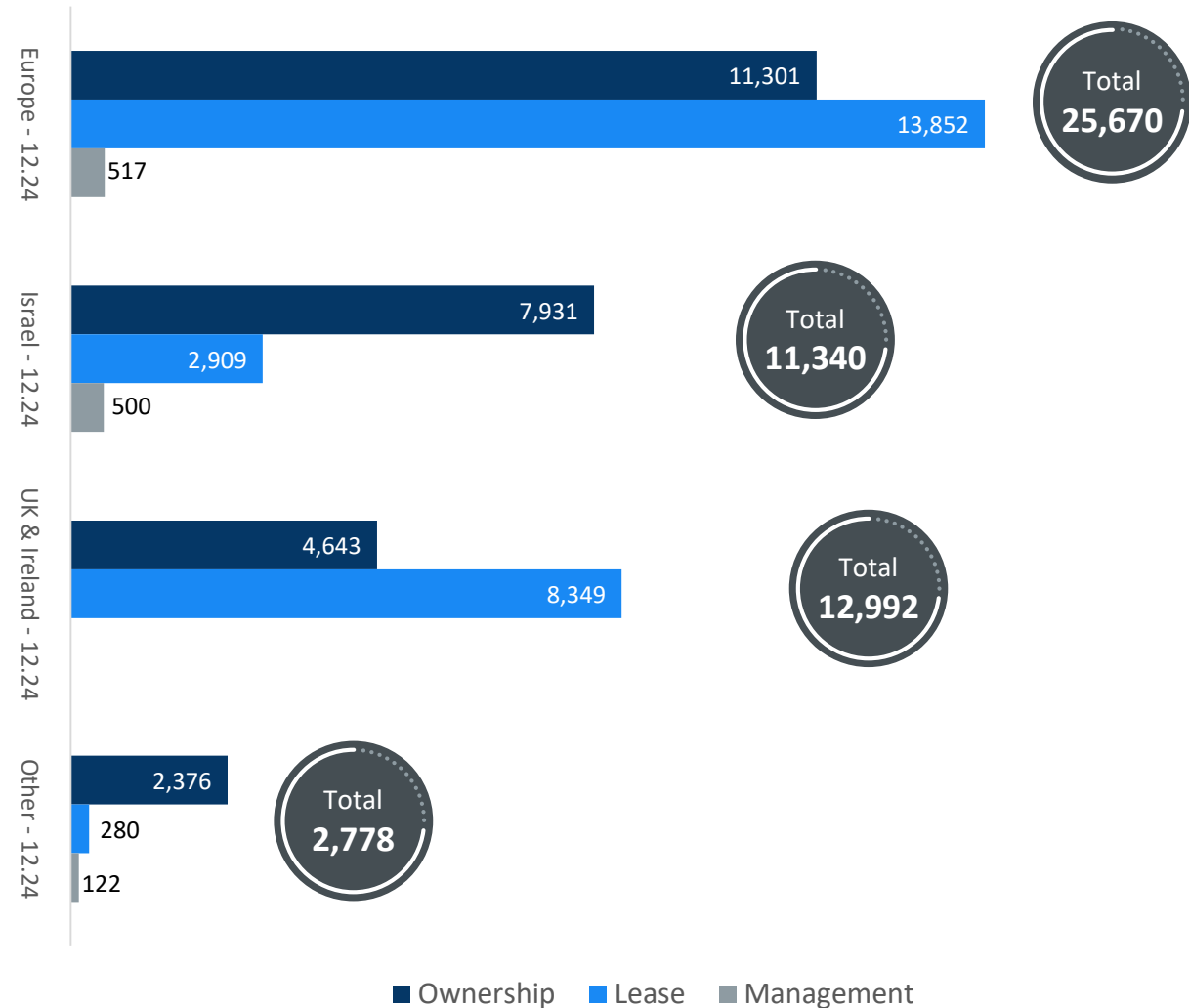


  
12/2024

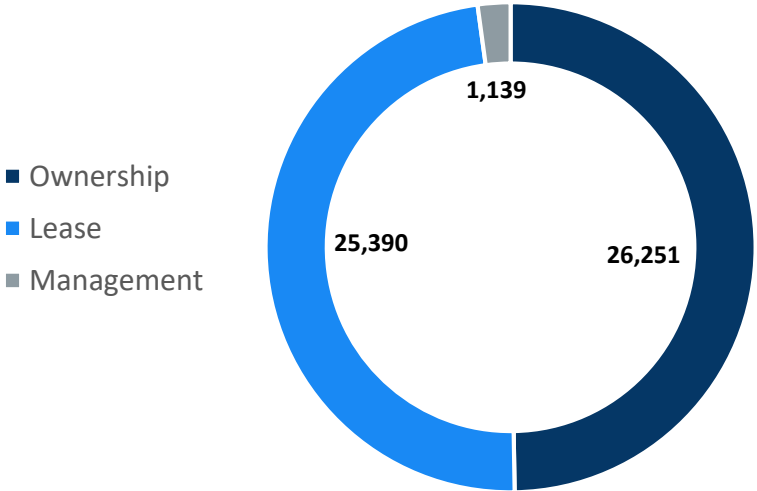
**257**  
Active hotels

<sup>1</sup> 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<sup>1, 2</sup> - Diverse Mix



Rooms split by type



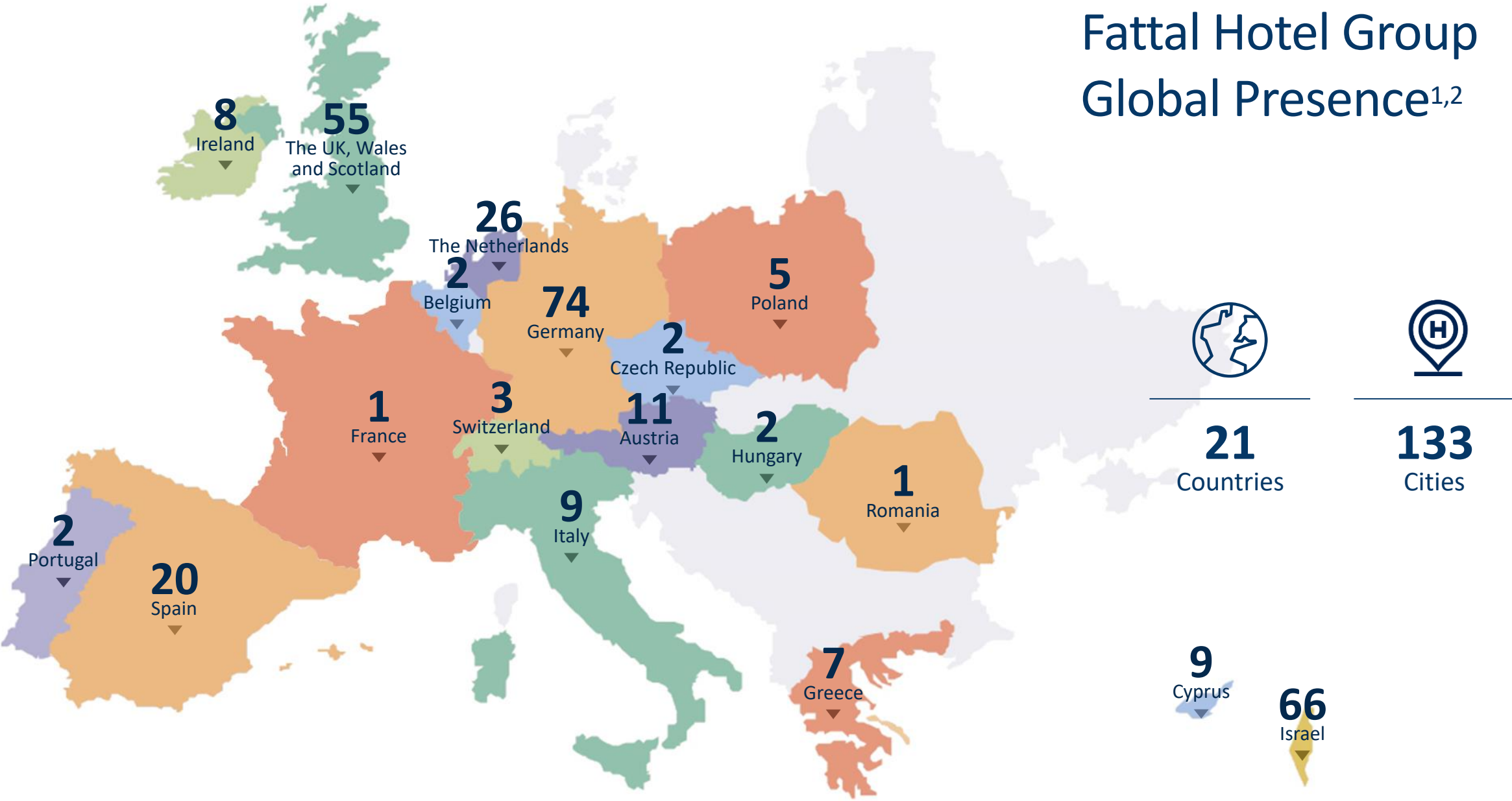
  
12/2024

**45,770**  
Active rooms

<sup>1</sup> 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).  
<sup>2</sup> 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).



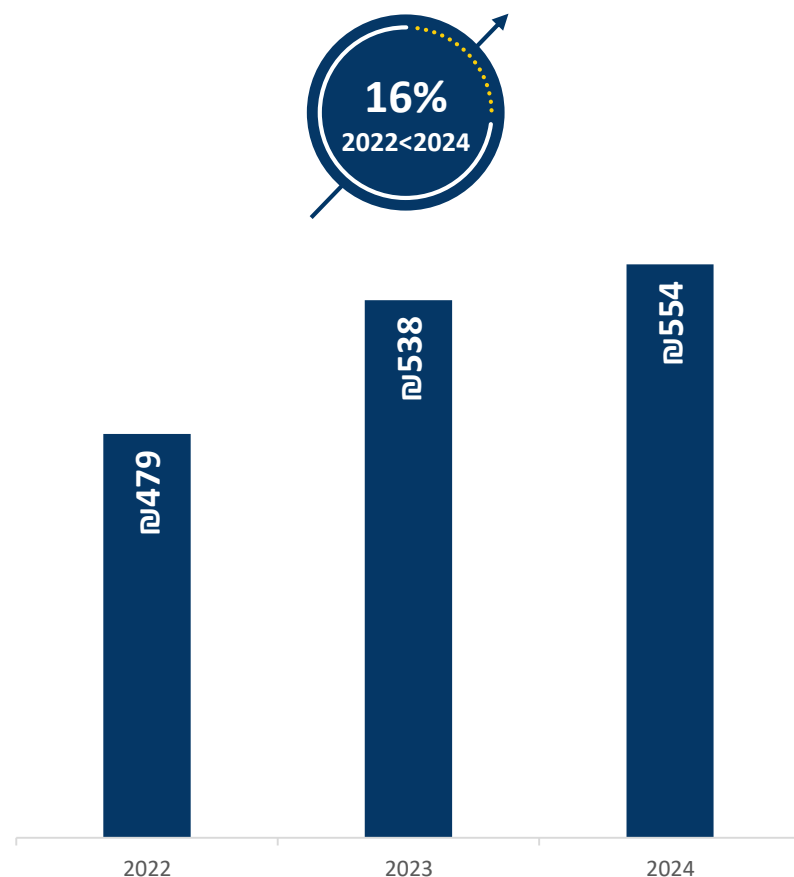
# Fattal Hotel Group Global Presence<sup>1,2</sup>



<sup>1</sup> Including future hotels.  
<sup>2</sup> As of March 2025.

# Group Average Daily Revenue per Room ADR<sup>1</sup> (NIS)

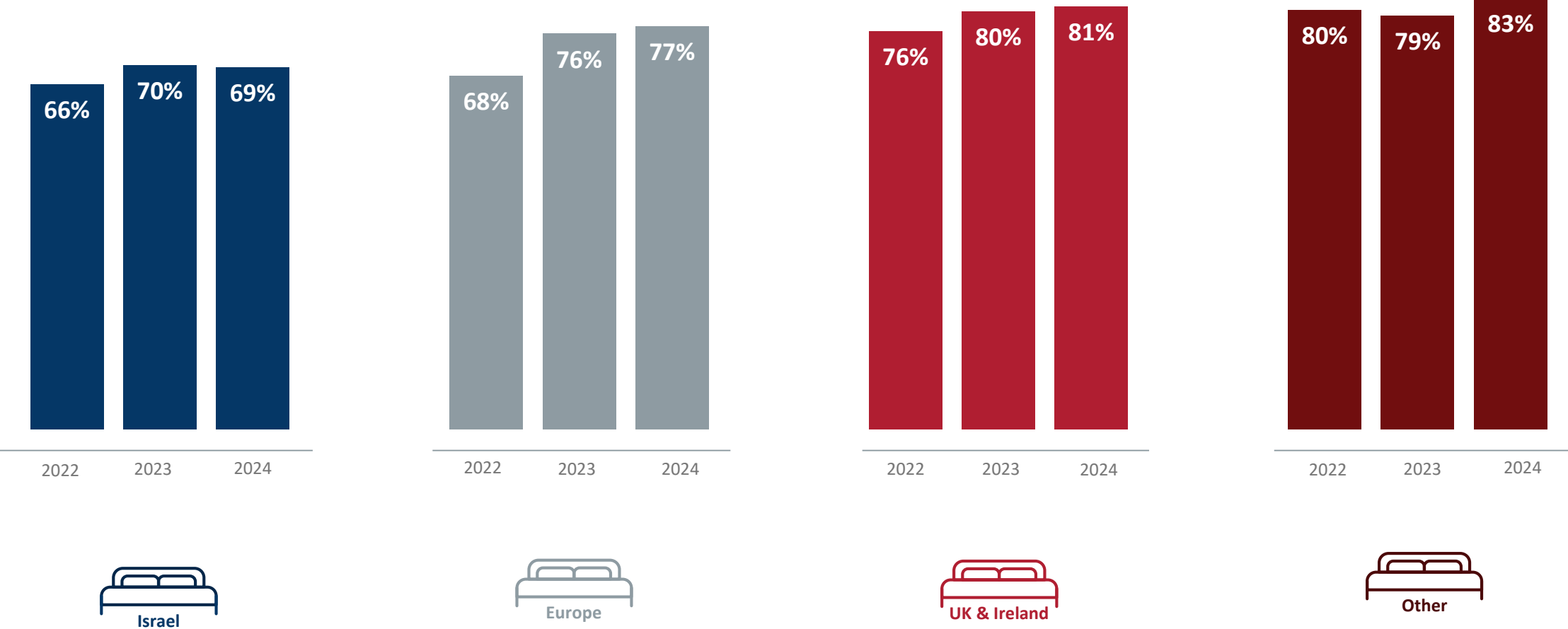
Dealing With the Effects of Inflation and Rising Expenses  
The data includes the currency effect



<sup>1</sup>The ratio between room revenues only and occupied rooms in the hotel. This figure does not include managed hotels.



# Group Average Occupancy Rate<sup>1</sup>



<sup>1</sup> Include 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.

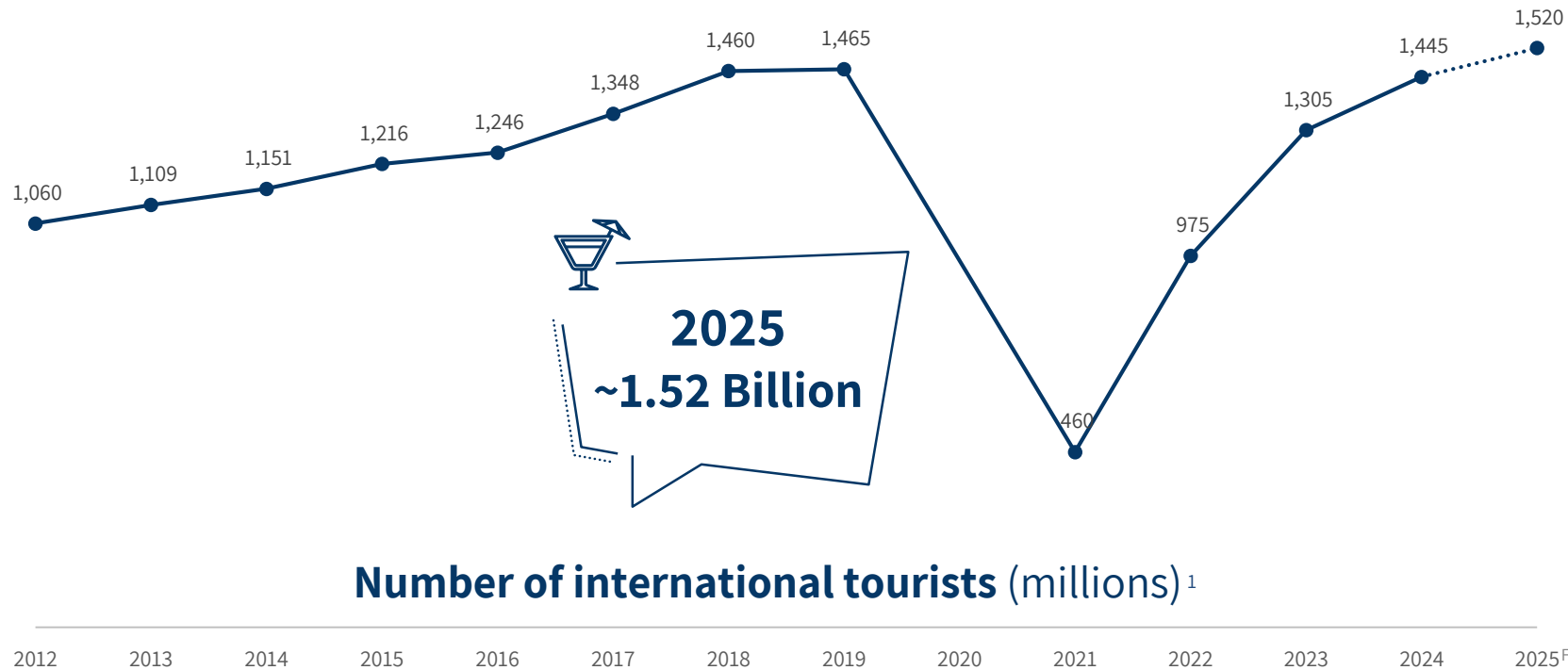






# Trends in the Hospitality Industry

# 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

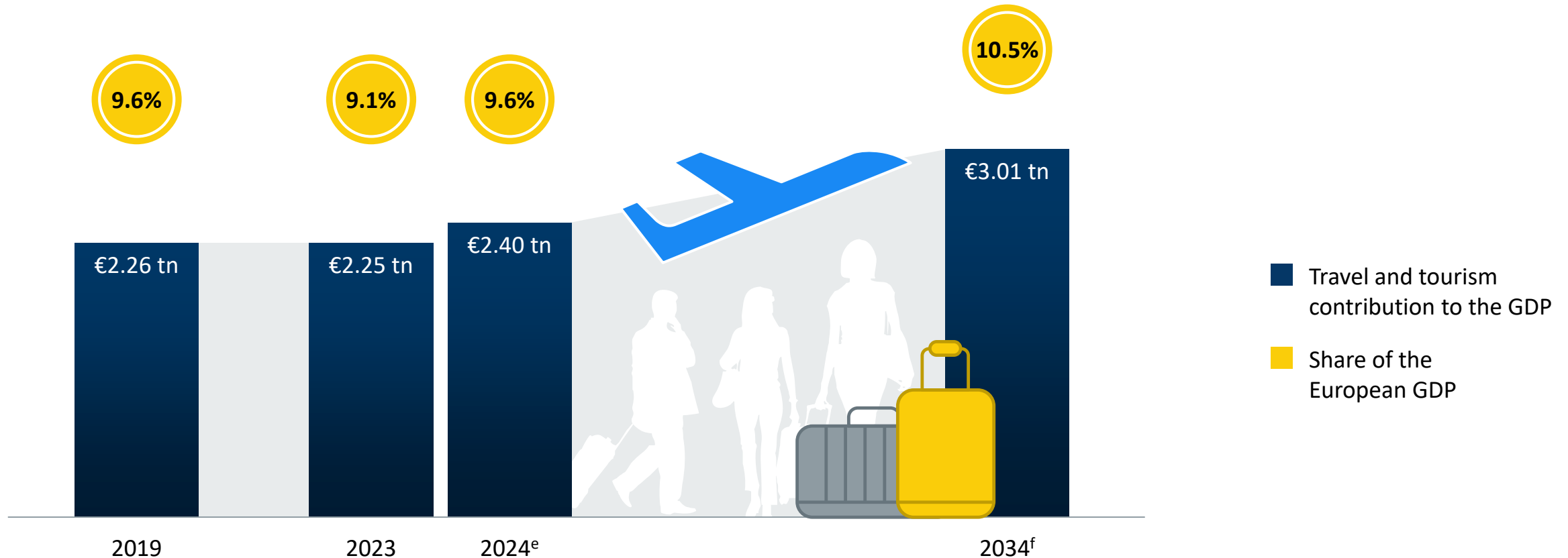


<sup>1</sup> Data from the UN World Tourism Organization (UNWTO)



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

The contribution of the tourism industry to GDP

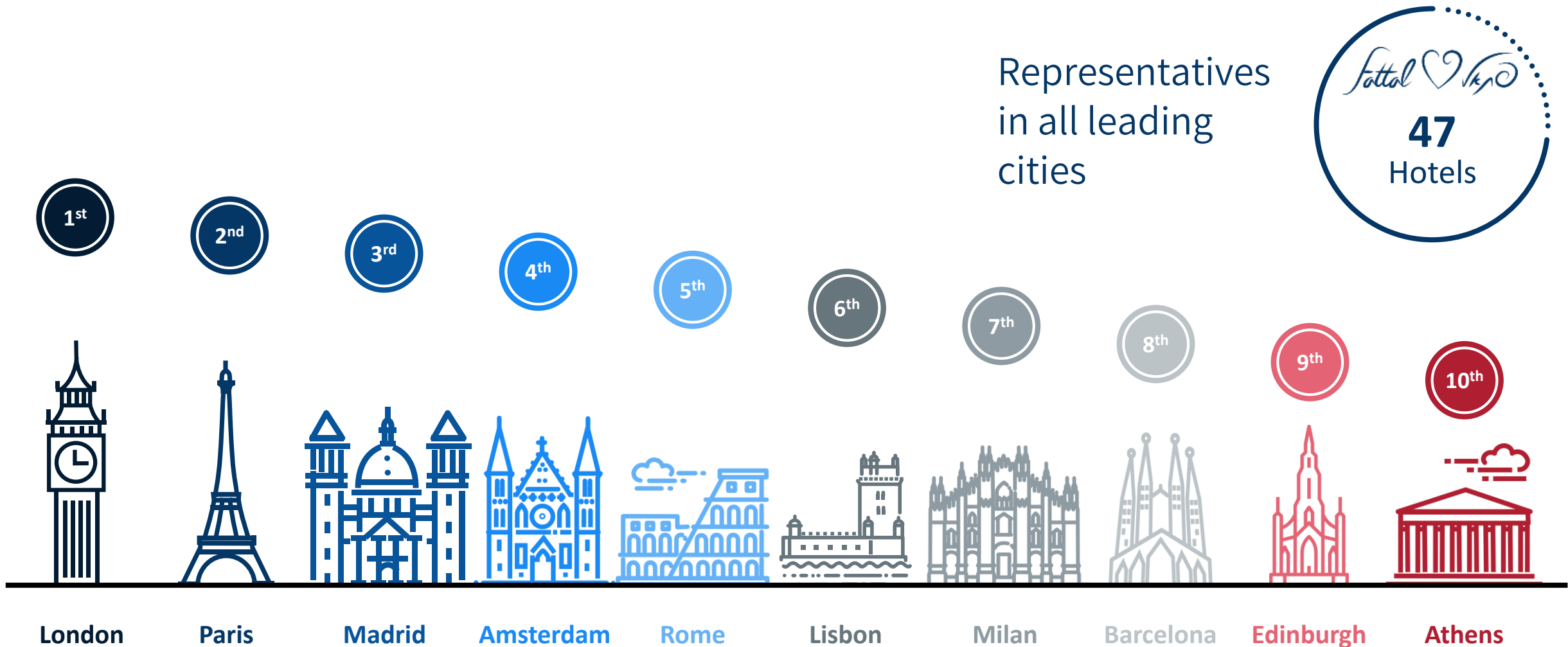


Note: (e) estimate, (f) forecast; direct, indirect, and induced contribution of travel and tourism to the European GDP

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





# The Company has acquired 43 hotels in Europe over the past 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% injected as of 12.24

Approx. € 651 million  
Total cost of acquisitions at 12.24

Approx. € 921 million  
Value of hotels acquired for 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% injected as of 12.24

Approx. € 716 million  
Total cost of acquisitions at 12.24

Approx. € 1,200 million  
Value of hotels acquired for 12.24



### RESULTS FOR 2024

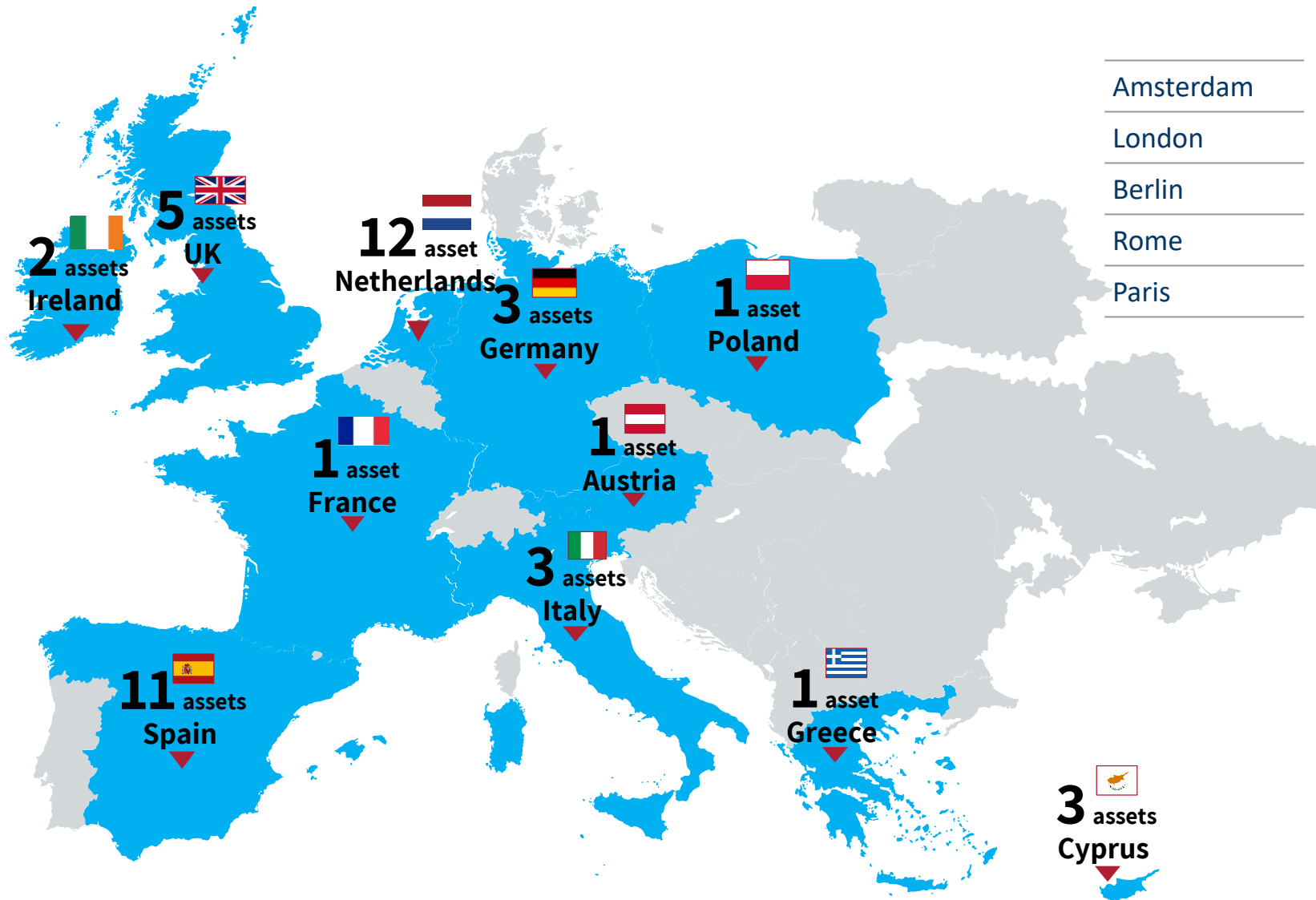
€ 25.5 million  
Fattal Group's share of  
the partnerships' EBITDA

€ 36.1 million  
Fattal Group's share in the  
increase in the value of  
Partnership assets

Approx. € 46 million  
Forecast Company share of EBITDA  
of partnerships 2025



# 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	<b>Fattal Hotel Group</b>	<b>KSL Capital Partners</b>	<b>12 hotels in the Netherlands (Zien Portfolio)</b>	<b>€370m</b>	<b>€243k</b>
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



July  
2024



8  
Cities

12

Hotels

10 Owned  
2 Leased



1,522

Number  
of rooms



€ 370m

Purchase  
cost



€ 41m

Expected  
investment



€ 260m

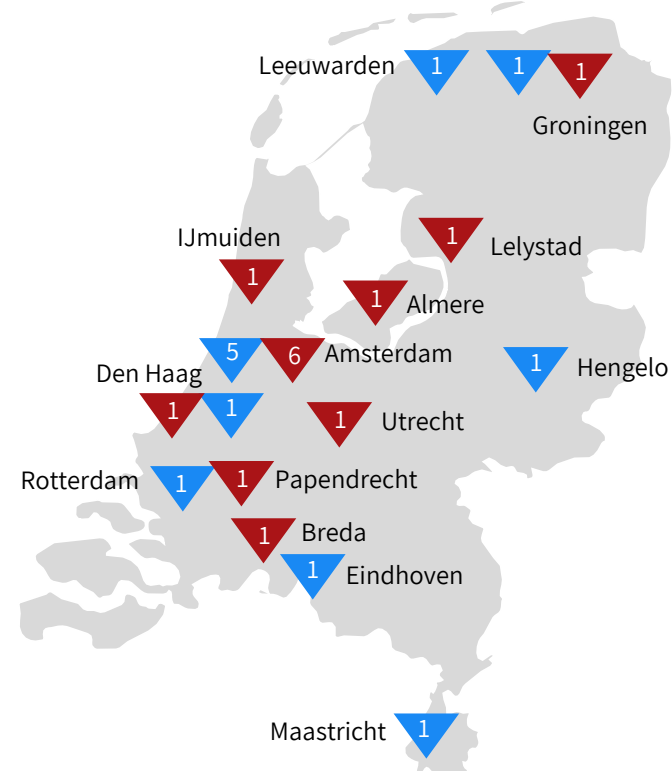
Bank  
Financing



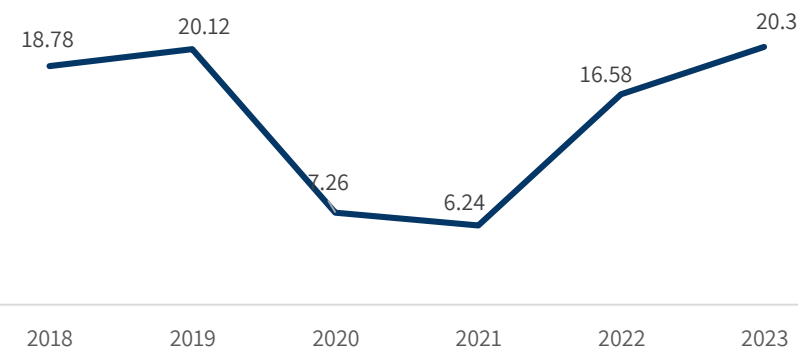
**Total Fattal Group  
Share-33.15%**  
(incl. Fattal Group direct  
co-invest - 9.97%)

# Netherlands

## 12 Hotels Transaction



**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 19<sup>th</sup> 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. mtrs.  
Unsold residential space



**119**  
Rooms



April  
2025



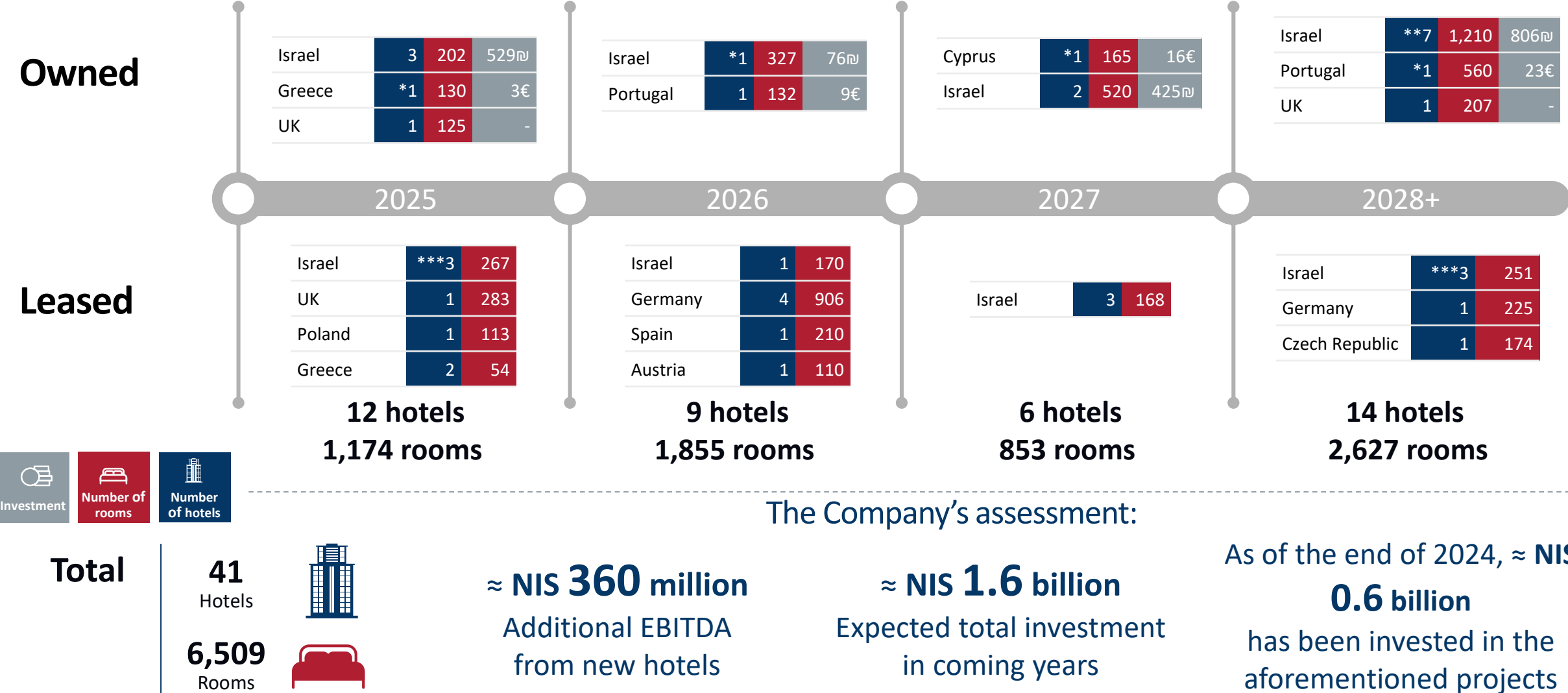
Spectacular  
location, great  
restaurants and  
unique décor



Luxurious and  
exhilarating spa

# Looking Ahead - Opening Hotels in the Coming Years<sup>1</sup>

(excl. hotels under Hotel Partnerships in Europe)



<sup>1</sup> 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



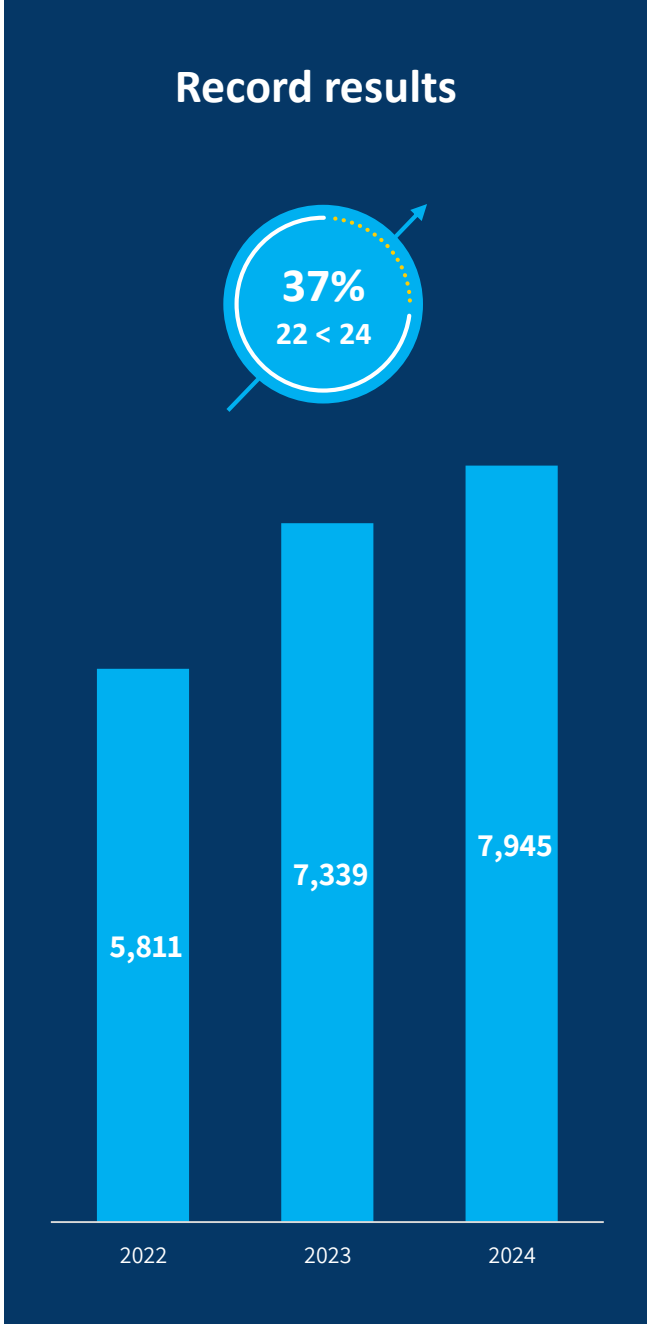
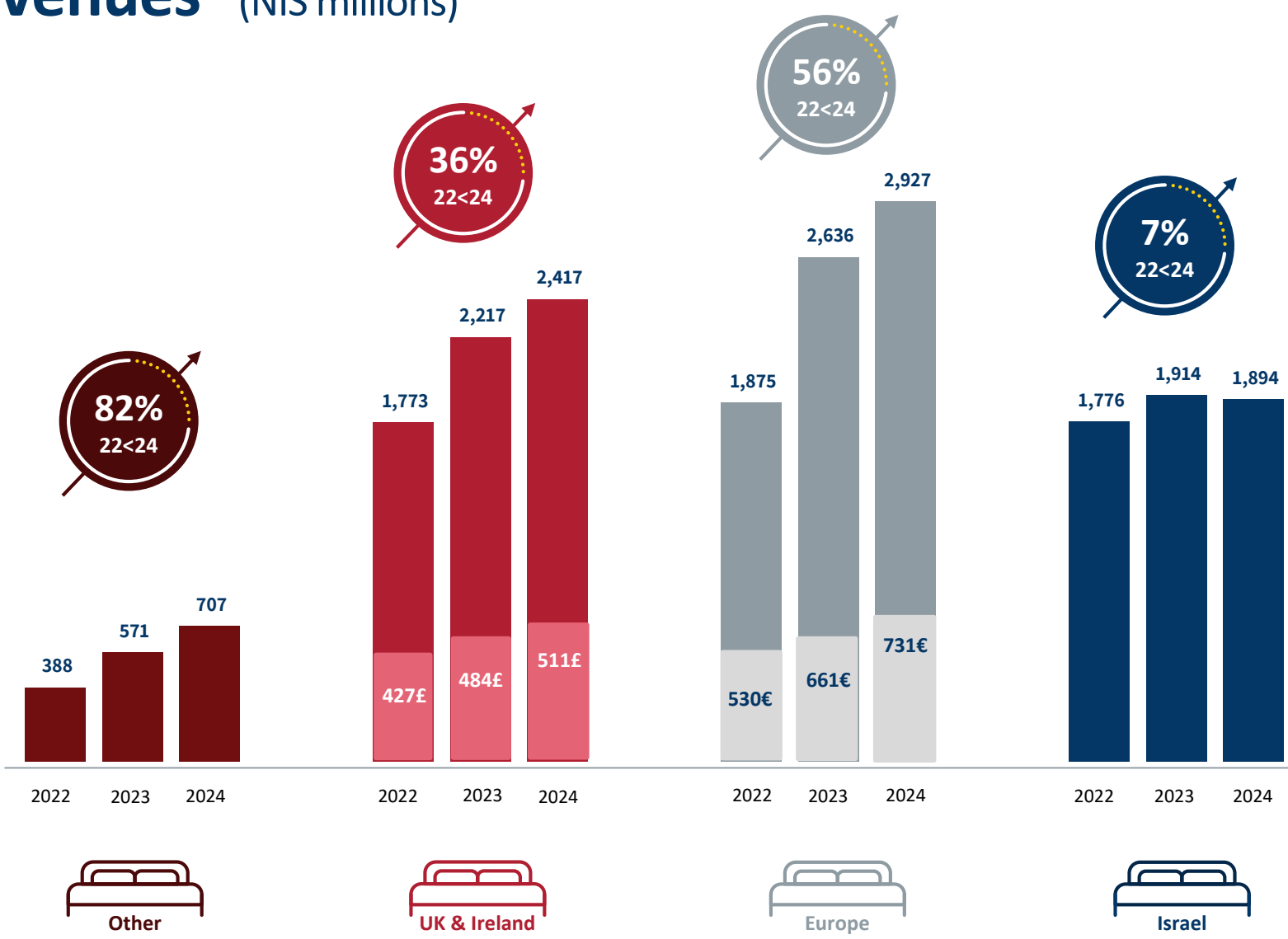
# Financial Results 31.12.24





# Main Financial Data – 2024

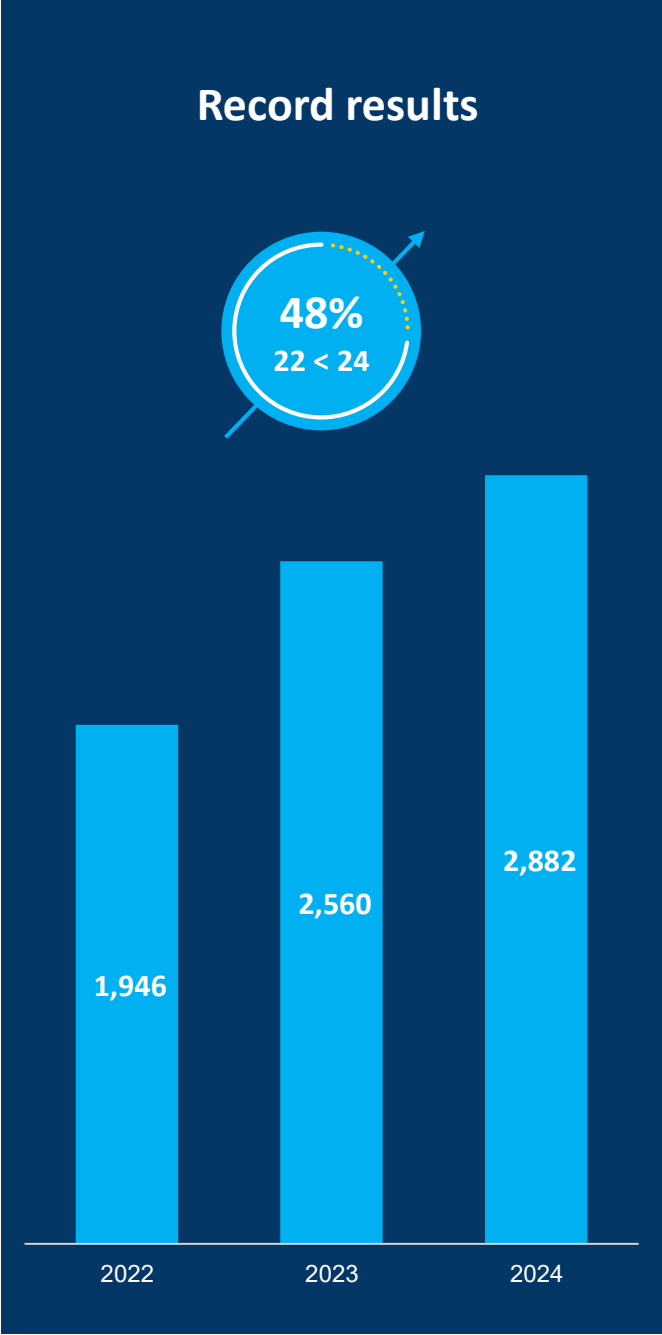
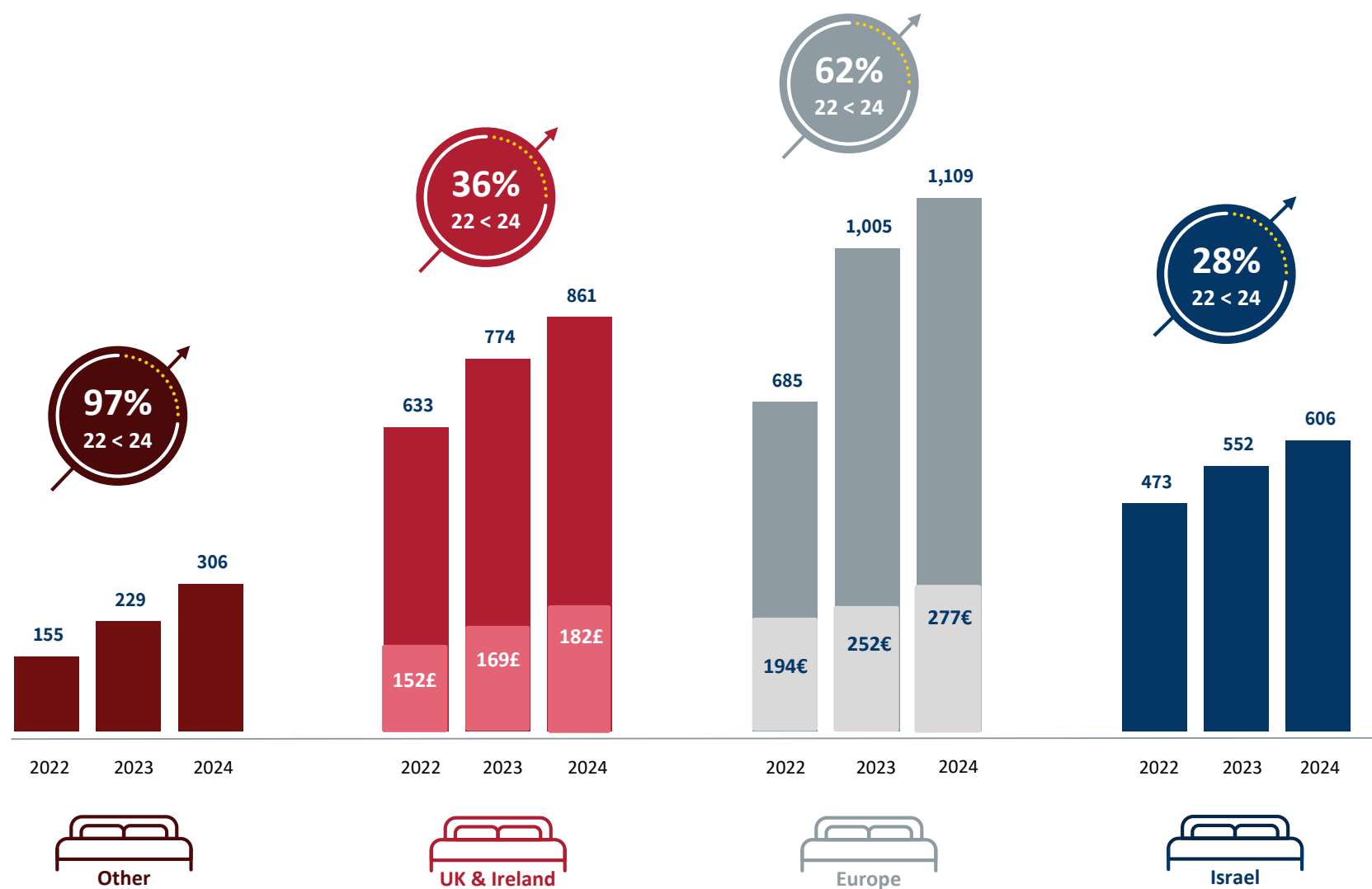
## Revenues<sup>1</sup> (NIS millions)



<sup>1</sup> Includes the Company's share in affiliated companies

# Main Financial Data – 2024

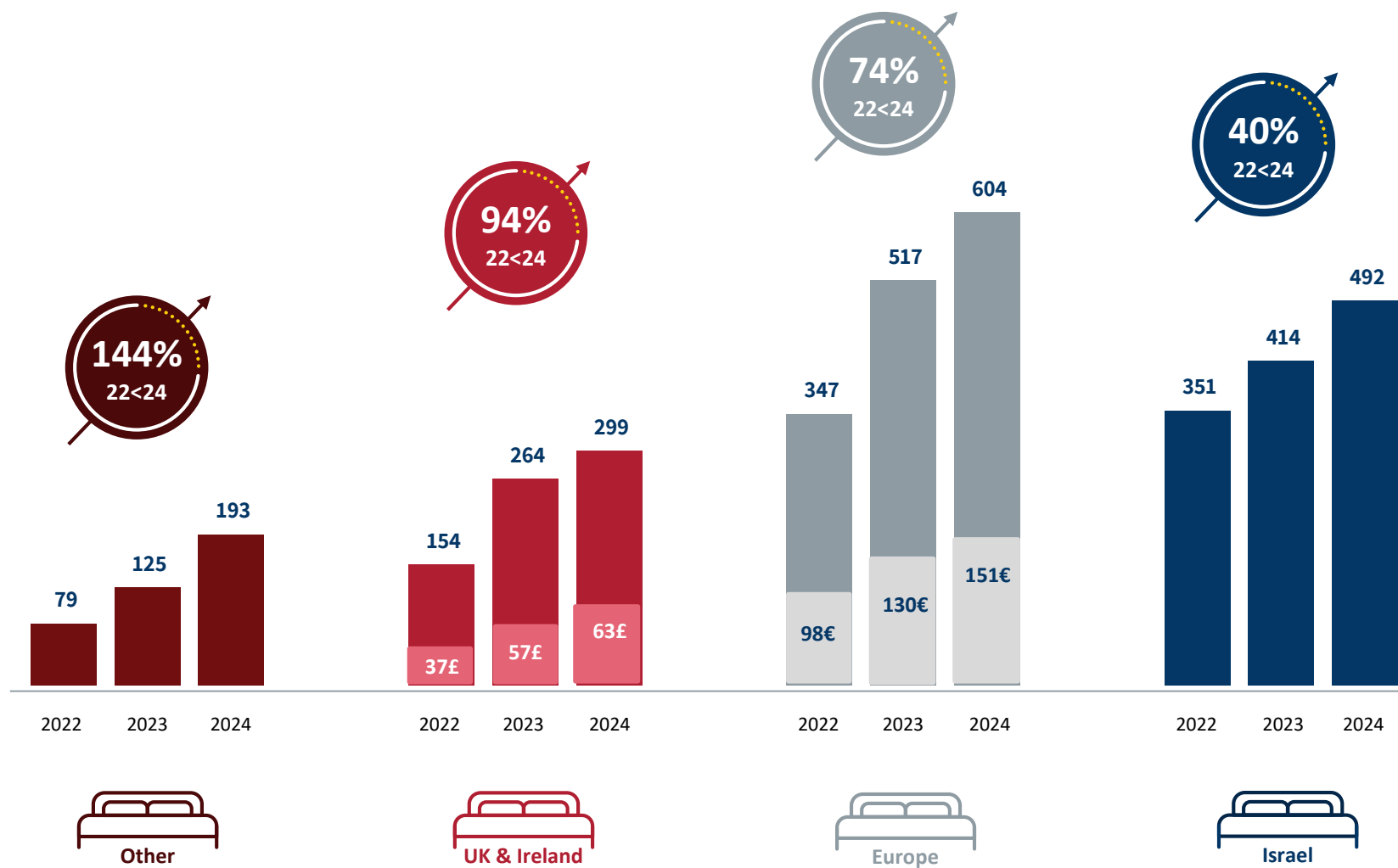
**EBITDAR<sup>1</sup>** (NIS millions)



<sup>1</sup> Includes the Company's share in affiliated companies

# Main Financial Data – 2024- EBITDA<sup>1</sup>

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

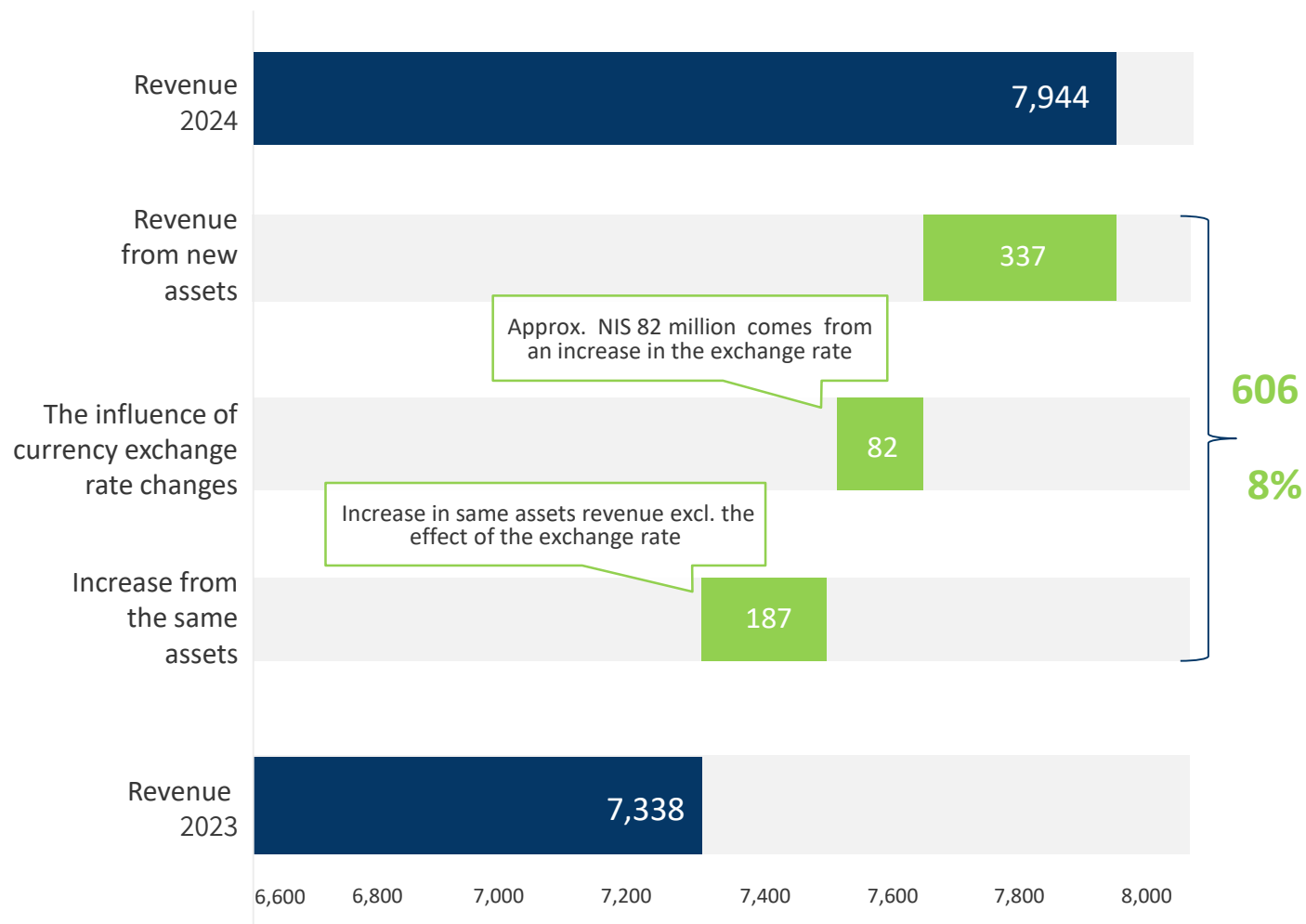


<sup>1</sup> Includes the Company's share in affiliated companies



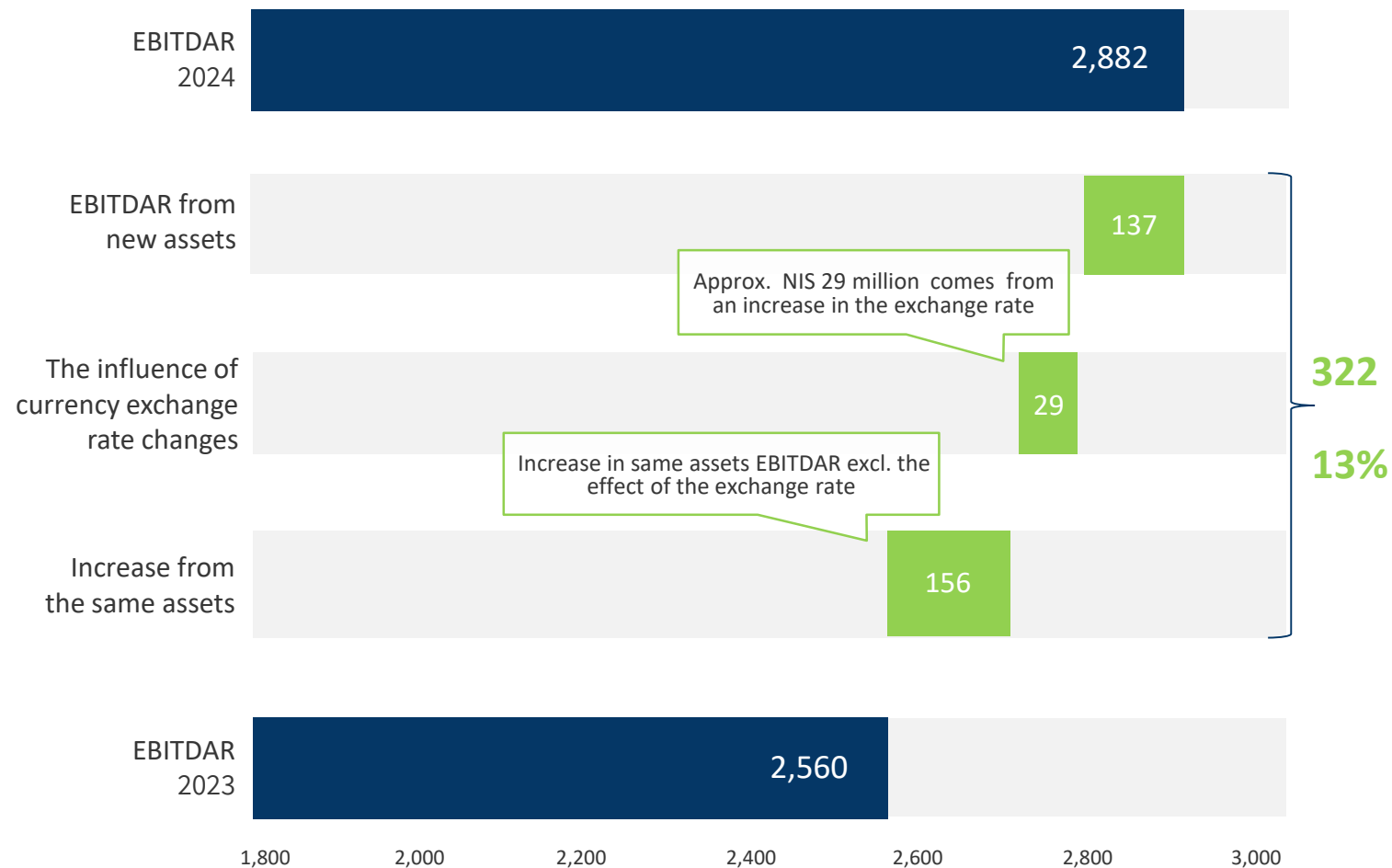


# Segmentation of revenue from same assets (NIS Millions)





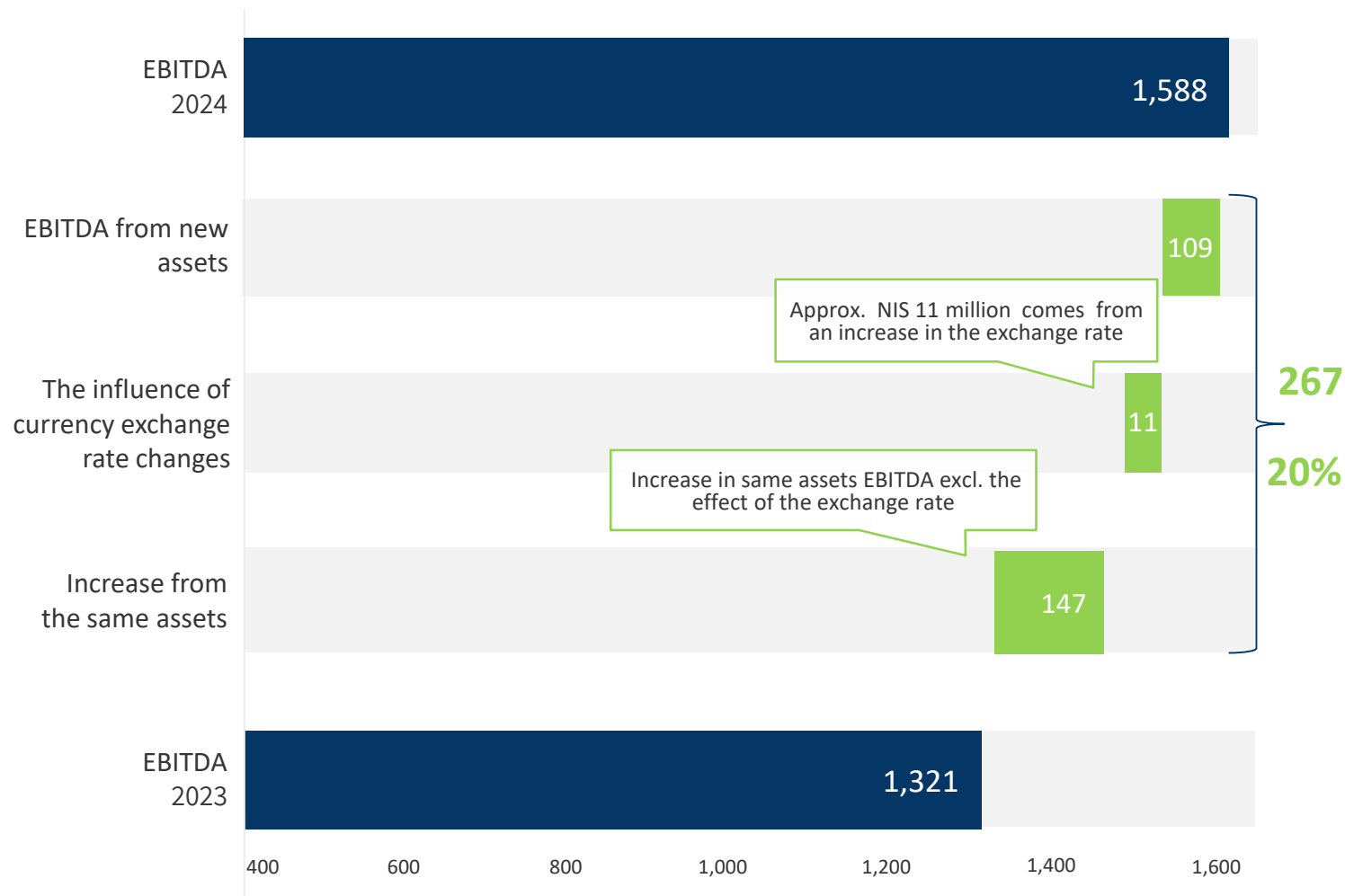
# Segmentation of EBITDAR from same assets (NIS Millions)





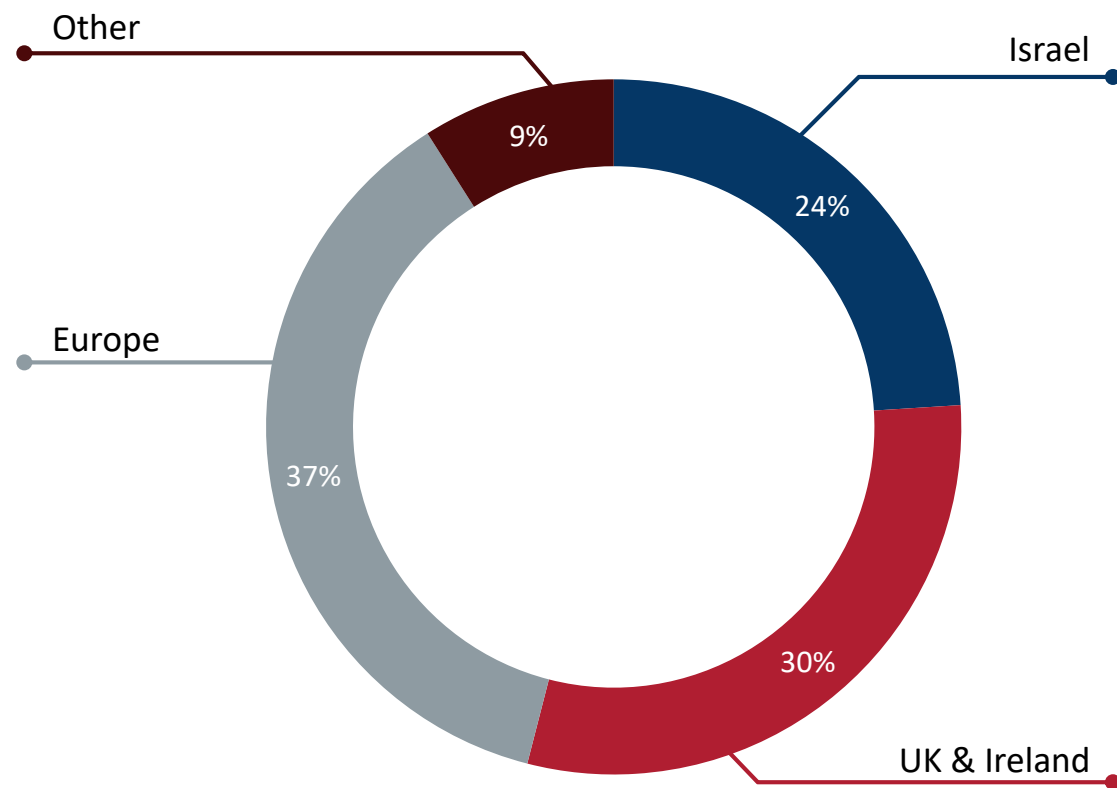


# Segmentation of EBITDA from the same assets (NIS Millions)

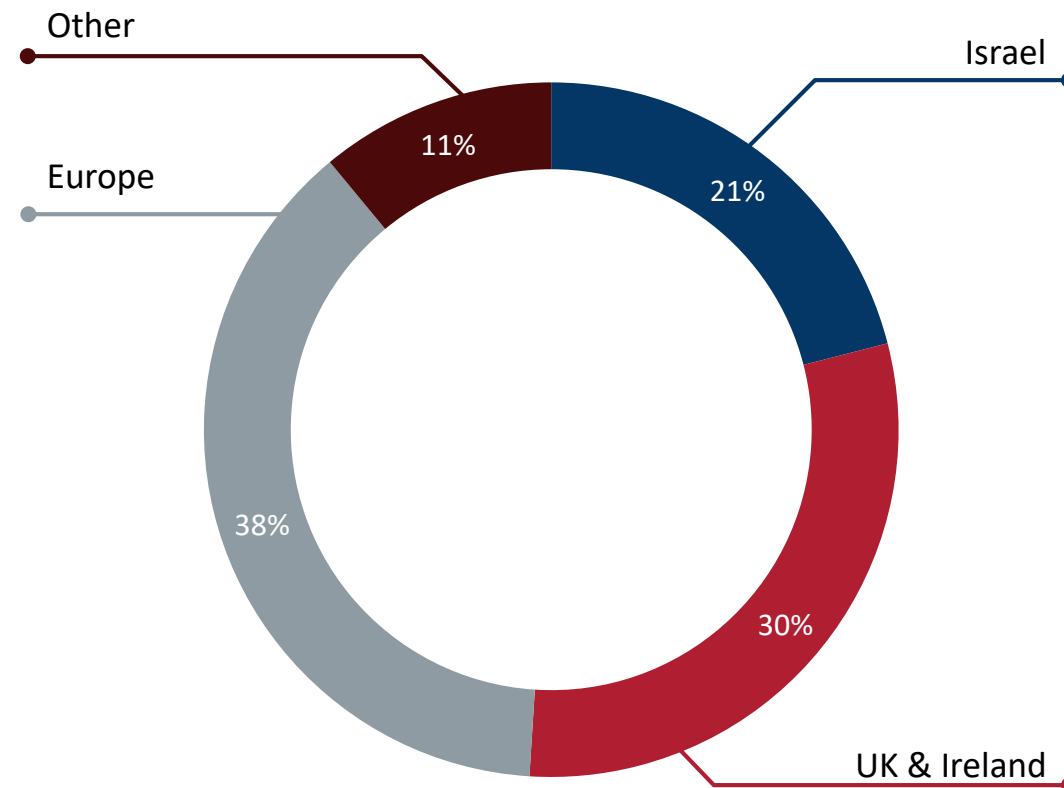




## Revenue Split – 2024



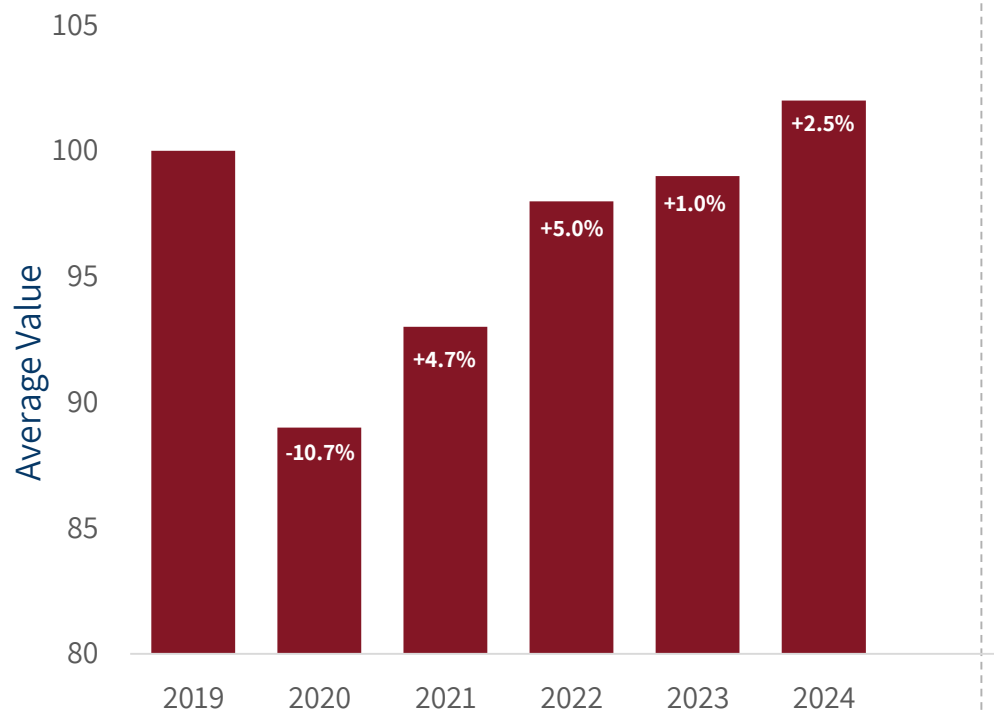
## EBITDAR Split – 2024



# The Company's Real Estate Portfolio

## HVS European Hotel Values Increase in 2024<sup>1</sup>

Percentage Change in European Hotel Values

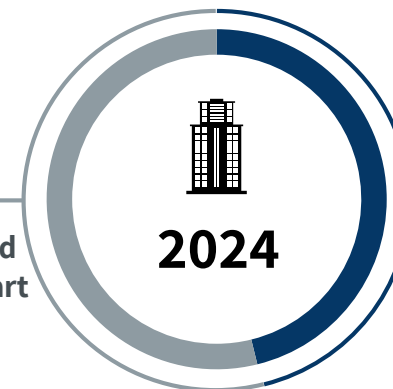


<sup>1</sup> HVS 2025 European Hotel Valuation Index

<sup>2</sup> Increase in asset value net of tax

Approx. NIS  
**15,799**  
million

Total value of fixed  
assets including part  
of affiliated  
companies



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 assets<sup>2</sup>  
Including share of affiliated  
companies

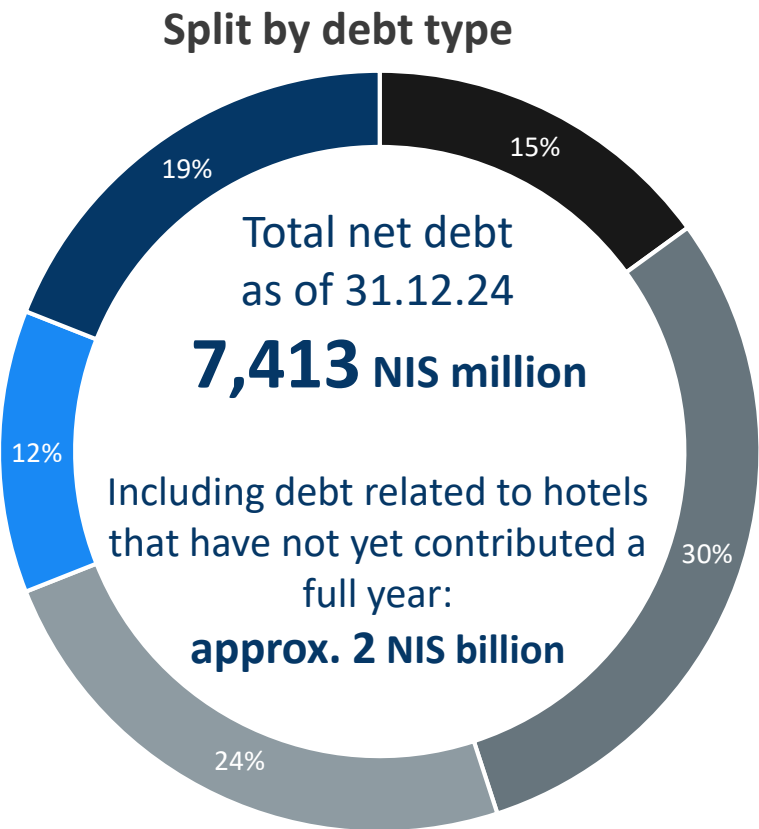
Capitalization rate  
**2024**

8.5%-7.25%  
Israel

6.28%  
Europe

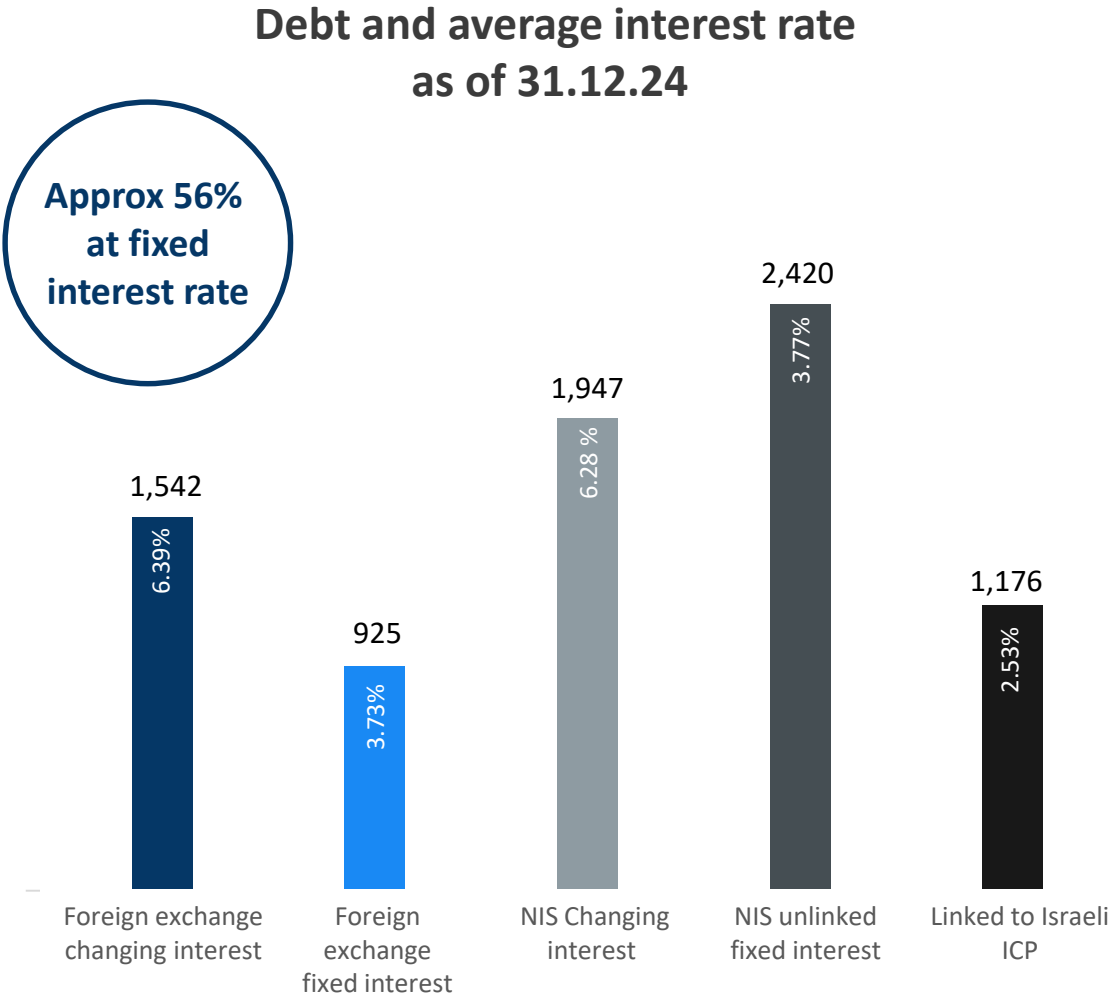


# Key Debt Metrics (NIS millions)



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

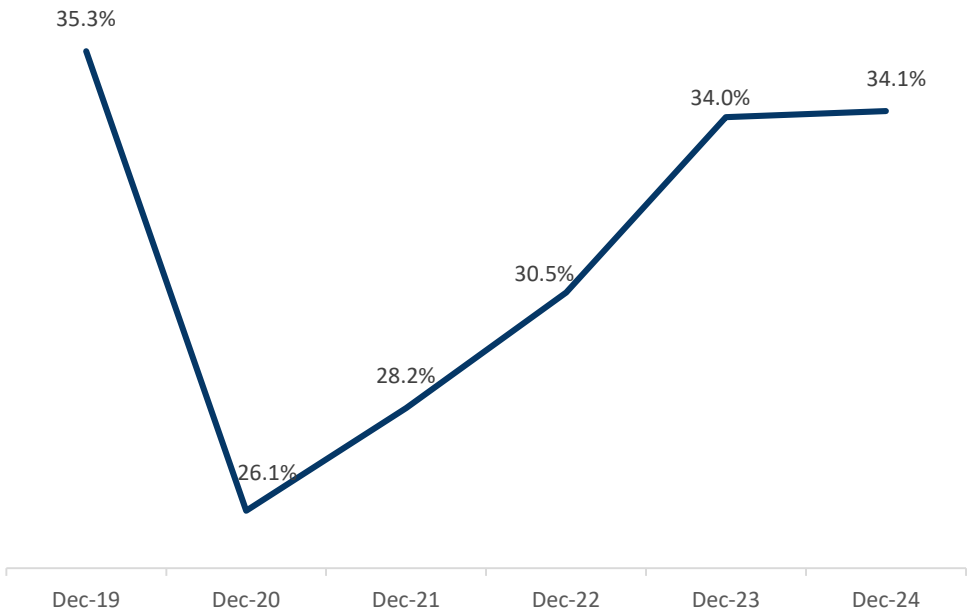
The total debt of the Company includes its share in affiliated companies as of December 31, 2024, approx. NIS 10,071 million



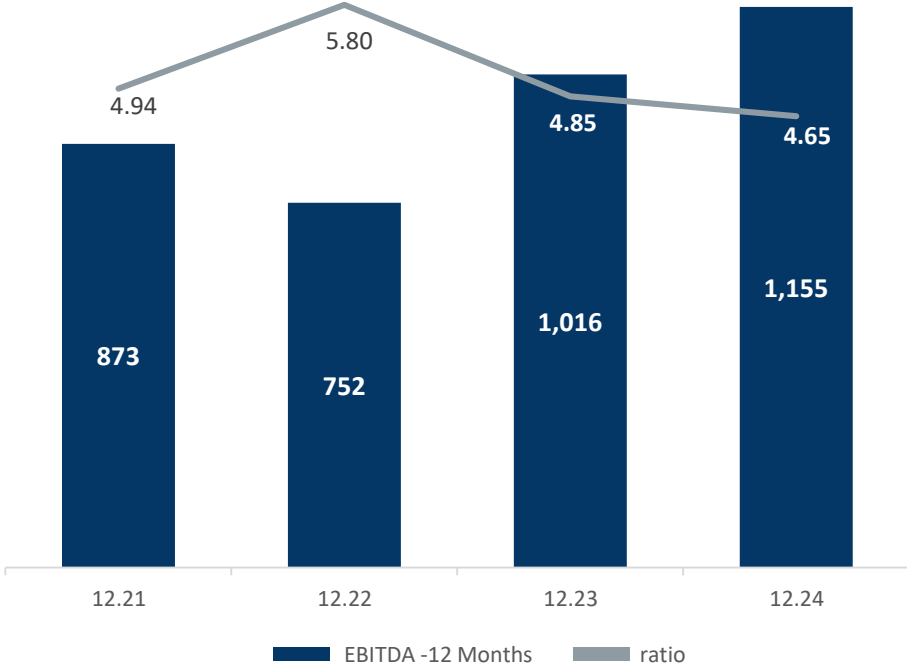
The weighted interest rate on variable interest loans in the Company decreased by approximately 0.9% during the reporting period.

# Financial Ratios<sup>1</sup> (NIS Millions)

Gradual growth in the equity-to-total assets ratio



Declining debt/EBITDA ratio



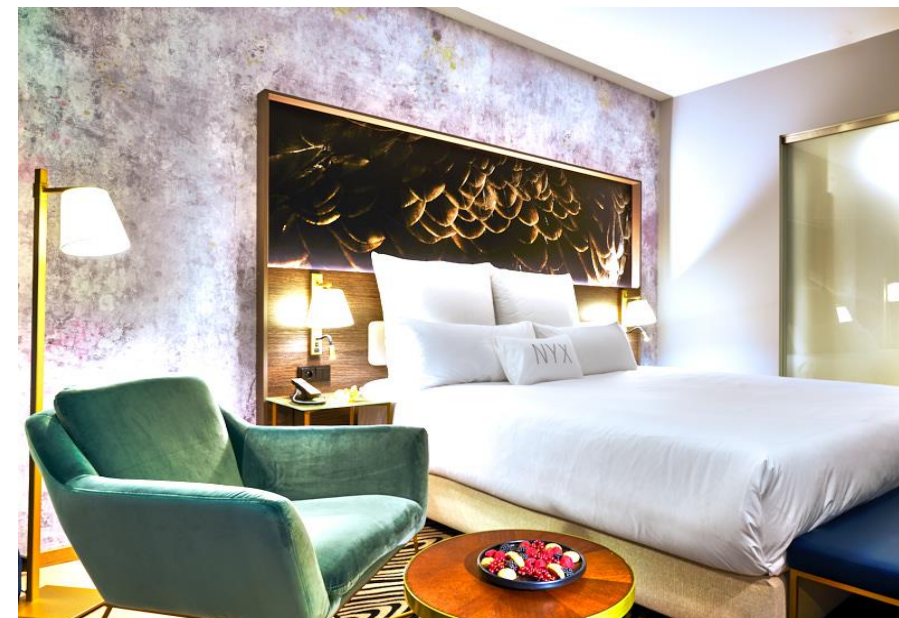
The Company meets all its covenants

<sup>1</sup> 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
<b>Total Assets</b>	<b>16,042</b>	<b>12,457</b>	<b>28,499</b>	<b>26,613</b>
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
<b>Total Liabilities</b>	<b>10,568</b>	<b>13,781</b>	<b>24,349</b>	<b>23,258</b>
Shareholders' Equity	5,474	(1,324)	4,150	3,355
<b>Total Liabilities and Equity</b>	<b>16,042</b>	<b>12,457</b>	<b>28,499</b>	<b>26,613</b>





# 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)
<b>Net Income (loss)</b>	<b>369</b>	<b>(91)</b>	<b>278</b>	<b>45</b>
<b>Total Comprehensive Income</b>	<b>925</b>	<b>(91)</b>	<b>834</b>	<b>726</b>
<b>Real FFO</b>	<b>925</b>		<b>925</b>	<b>746</b>



# Forecast 2025

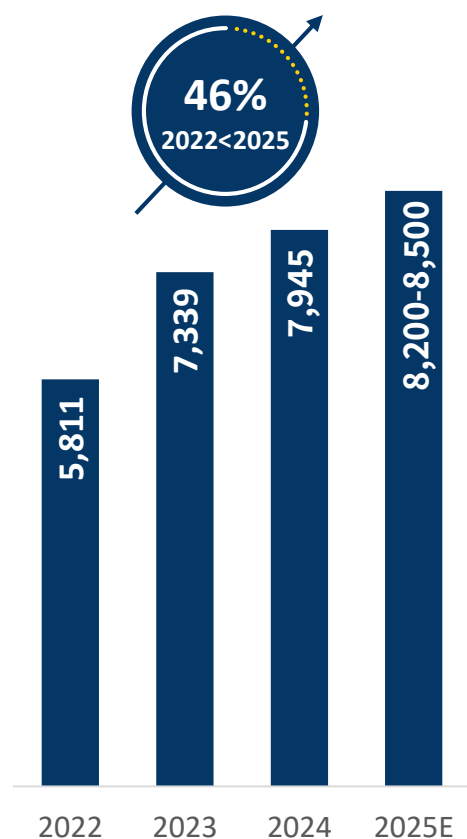


# Looking Ahead<sup>3</sup>

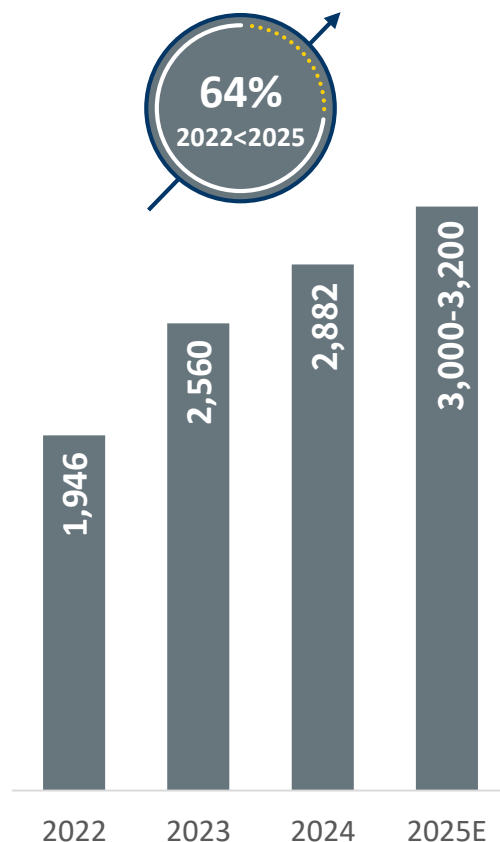
## Factors for continued growth in 2025:

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

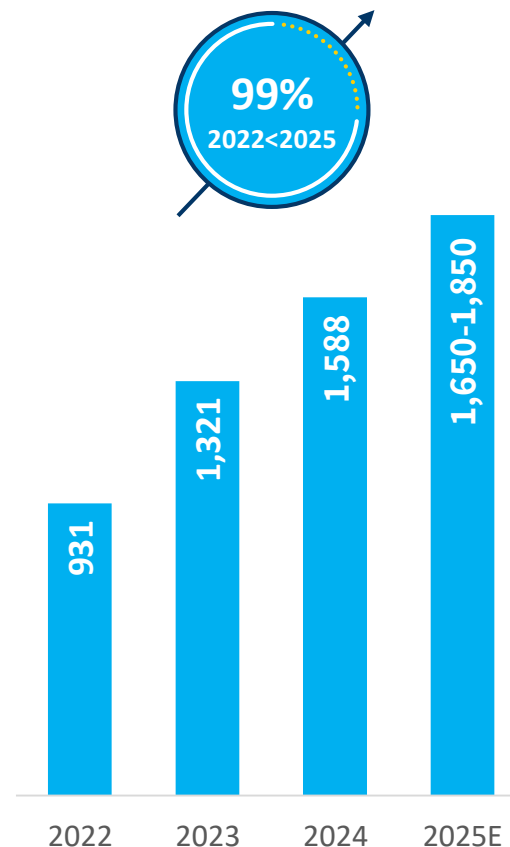
**Revenues<sup>1</sup>** (NIS millions)



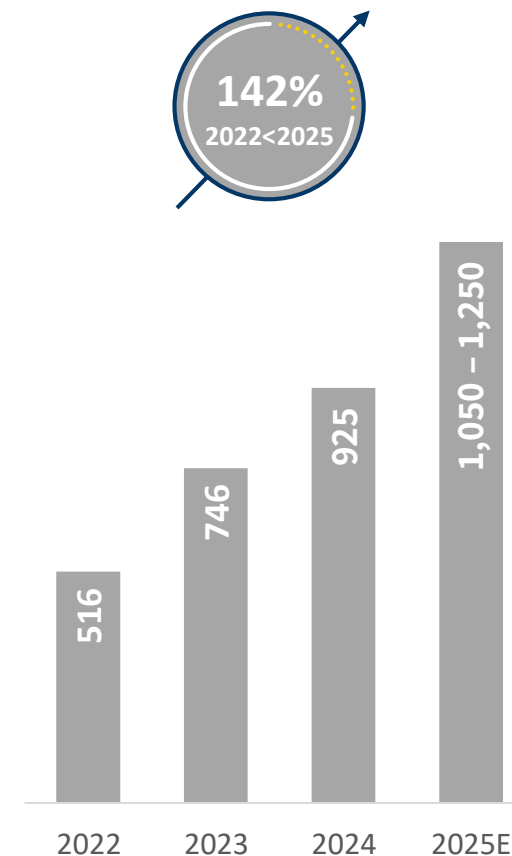
**EBITDAR<sup>1</sup>** (NIS millions)



**EBITDA<sup>1,2</sup>** (NIS millions)



**FFO** (NIS millions)



<sup>1</sup> Includes the Company's share in affiliated companies.

<sup>2</sup> Prior to the Impact of Standard IFRS 16.

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



# Workspace's

## ROOMS & SwitchUP

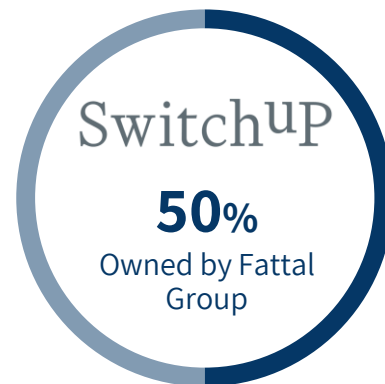




# Workspace's Activity - Fattal Group

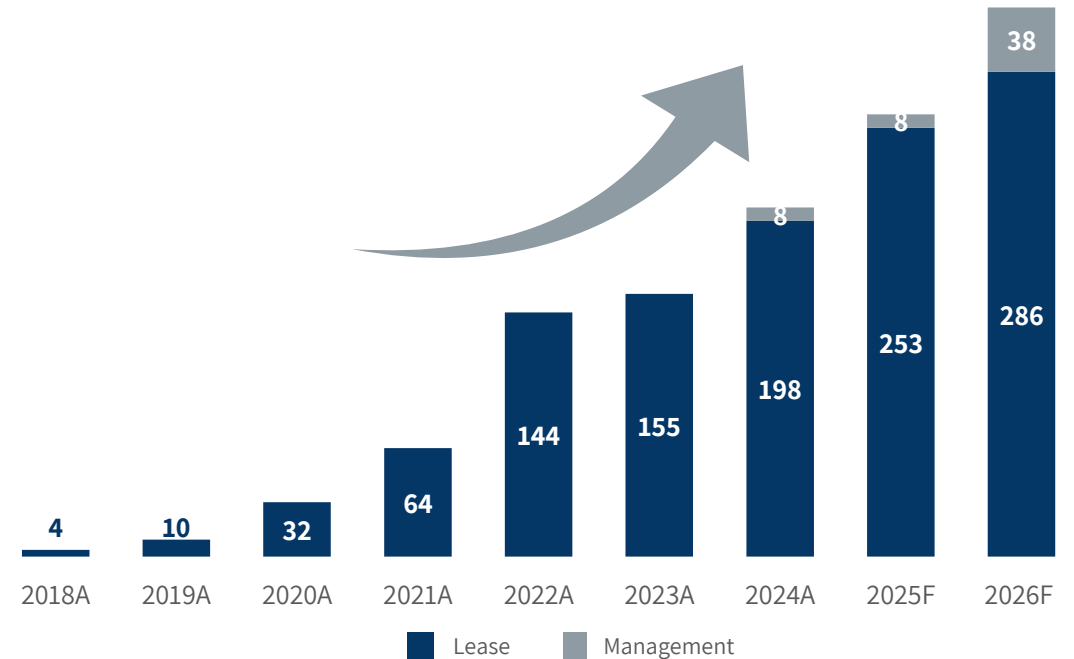


8 cities | 16 complexes  
10,876 workstations | 2,000 customers



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. mtrs.)







## 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: a rectangular tin of cream, two small round jars, and a bottle of perfume with a red cap. A glass of wine sits to the right. In the background, a vase with yellow flowers is visible. The scene is lit with warm, soft light.

*Fattal* ♥ *פאטל*

HOUSE OF HOTELS | בית של מלונות

Thank you for your attention!