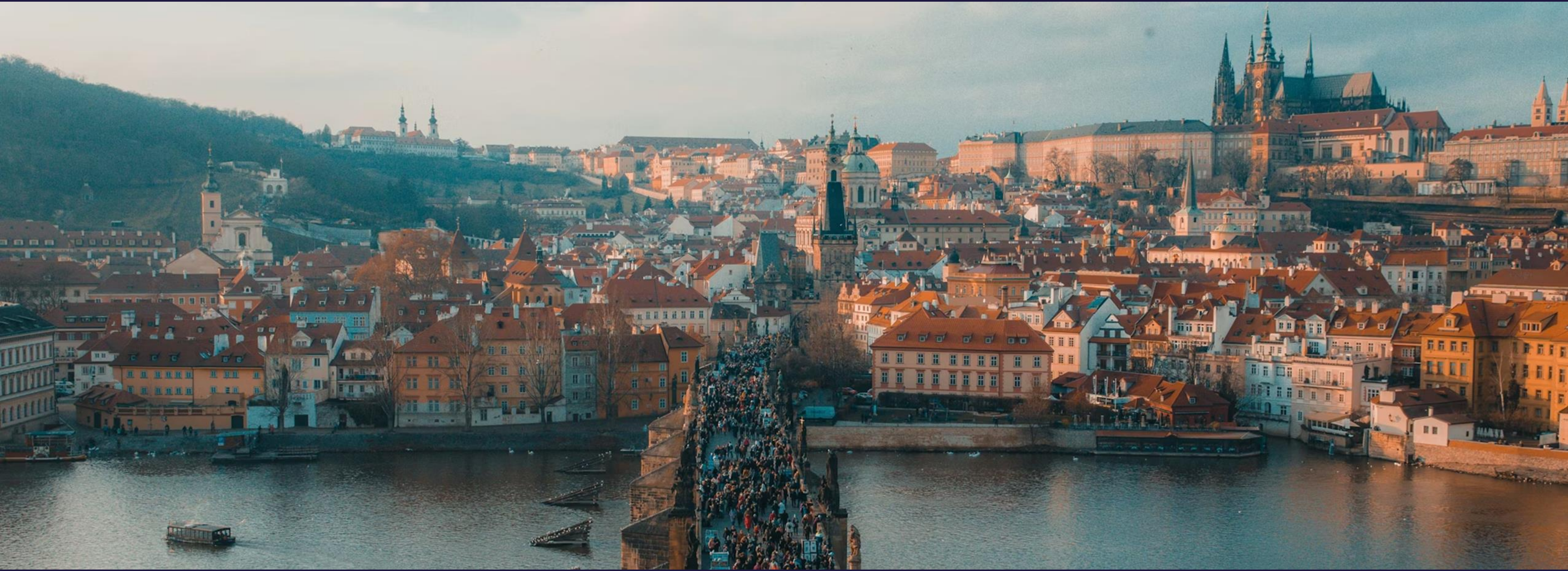


MARKETBEAT

CEE-6

HOSPITALITY H1 2025

Better never settles

CEE-6: Bulgaria, Czech Republic, Hungary, Poland, Romania, Slovakia

MARKET FUNDAMENTALS

H1 2025	YoY Chg	Outlook
€682M Investment Volume	▲	▲
6.5-8.5% Prime Yields (HMA)*	—	▼
+9.3% YoY RevPAR Growth	▲	▲
1.7% YoY Supply Growth*	▲	▲

INVESTMENT HIGHLIGHTS

22 / 3,455
Hotels / Rooms Transacted

€197,431
Average Price per Room

64%
Of volume was invested in Upper Upscale & Luxury Hotels

ECONOMIC INDICATORS

	YoY Chg	Outlook
2.1% YoY Real GDP Growth	▲	▲
4.1% YoY Inflation Growth	▲	▲

INVESTMENT ACTIVITY

CEE hotel investment volumes reached €682M in H1 2025, marking a 364% year-on-year increase and the highest volumes since 2019. This rise was primarily driven by heightened activity in the Czech Republic, which led the region in hotel investment, followed by Poland and Hungary. Most transactions within the region involved Upper Upscale properties, followed by Luxury assets. The positive momentum is expected to continue throughout the second half of 2025 and into 2026, with numerous deals advancing through various stages of the sales process, and additional opportunities anticipated to enter the market soon.

PRIME YIELDS

During H1 2025, prime yields in the CEE hotel market remained relatively stable, although prime assets in key locations experienced some yield compression. As transaction activity continues to rise and market liquidity improves, driven by the entry of private investors with more flexible investment criteria, further yield tightening is expected in H2 2025.

SUPPLY

In H1 2025, ca. 20 hotels and serviced apartments with ca. 1,600 rooms opened across the CEE-6 capitals. These included landmark branded properties such as the Fairmont Golden Prague and the Corinthia Grand Hotel in Bucharest. The various openings reflected a strong focus on the Luxury and Upscale segments, which experienced the most significant supply growth. Overall, room supply in the region increased by 1.7% YoY, primarily driven by developments in Warsaw (+3.8%), Prague (+1.8%), and Bucharest (+1.7%). Looking ahead, room supply in the region's capital cities is expected to further grow over the next 6 months, with Budapest leading the way.

PERFORMANCE

The region experienced an 9.3% increase in RevPAR compared to H1 2024, primarily driven by a 6.9% rise in ADR. Occupancy also improved by 3.4 pp., reaching 65%, though it remains 6.5 pp. below 2019 levels. The RevPAR index in all CEE capitals has surpassed 2019 levels, with Warsaw (138.9%), Sofia (128.4%) and Prague (125.5%) leading the way. Warsaw and Sofia are the only cities to have surpassed 2019 occupancy levels, reaching 104.6% and 100.2%.

RECENT TRANSACTION TRENDS

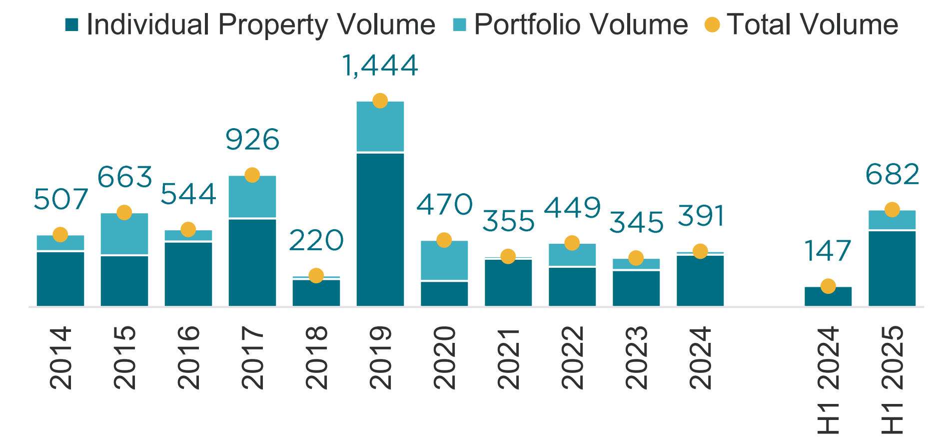
(EUR, MILLIONS)

	Hotels	Rooms	Volume	% Change*
Current Period (H1 2025)				
CEE	**22**	**3,455**	**682**	**364%**
Capital Cities	**13**	**2,258**	**550**	**698%**
Czech Republic	7	1,640	502	936%
Poland	6	1025	81	216%
Hungary	4	436	46	59%
Romania	3	289	49	40%
Last Year (2024)				
CEE	**31**	**3,460**	**391**	**13%**
Capital Cities	**12**	**1,386**	**154**	**-40%**
Czech Republic	8	857	150	25%
Poland	8	1,196	128	62%
Hungary	5	759	54	-45%
Romania	7	568	50	86%

*Refers to the % change in transaction volume from the previous period

ANNUAL TRANSACTION VOLUMES

(EUR, MILLIONS)



Sources: Cushman & Wakefield / Oxford Economics / RCA / STR
*Capital Cities

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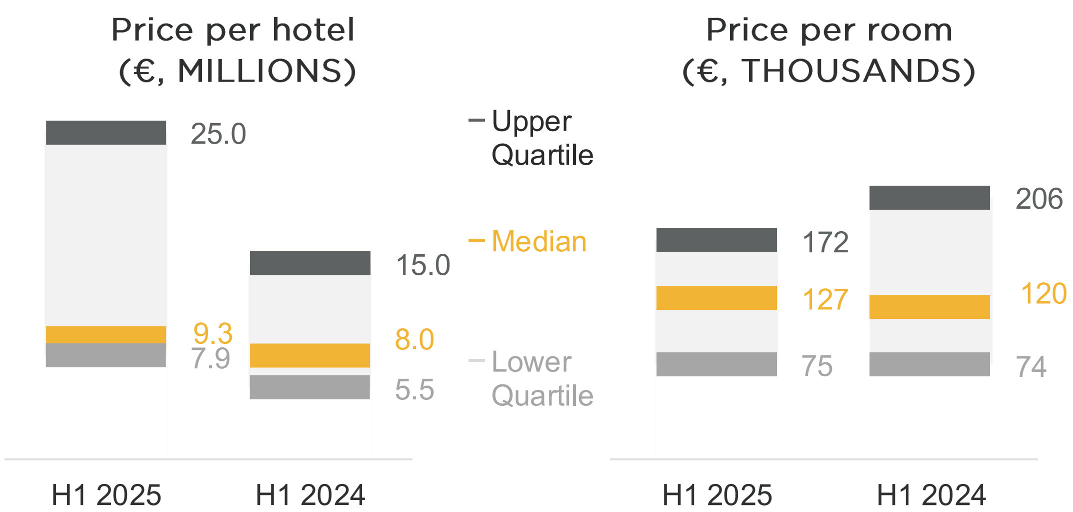
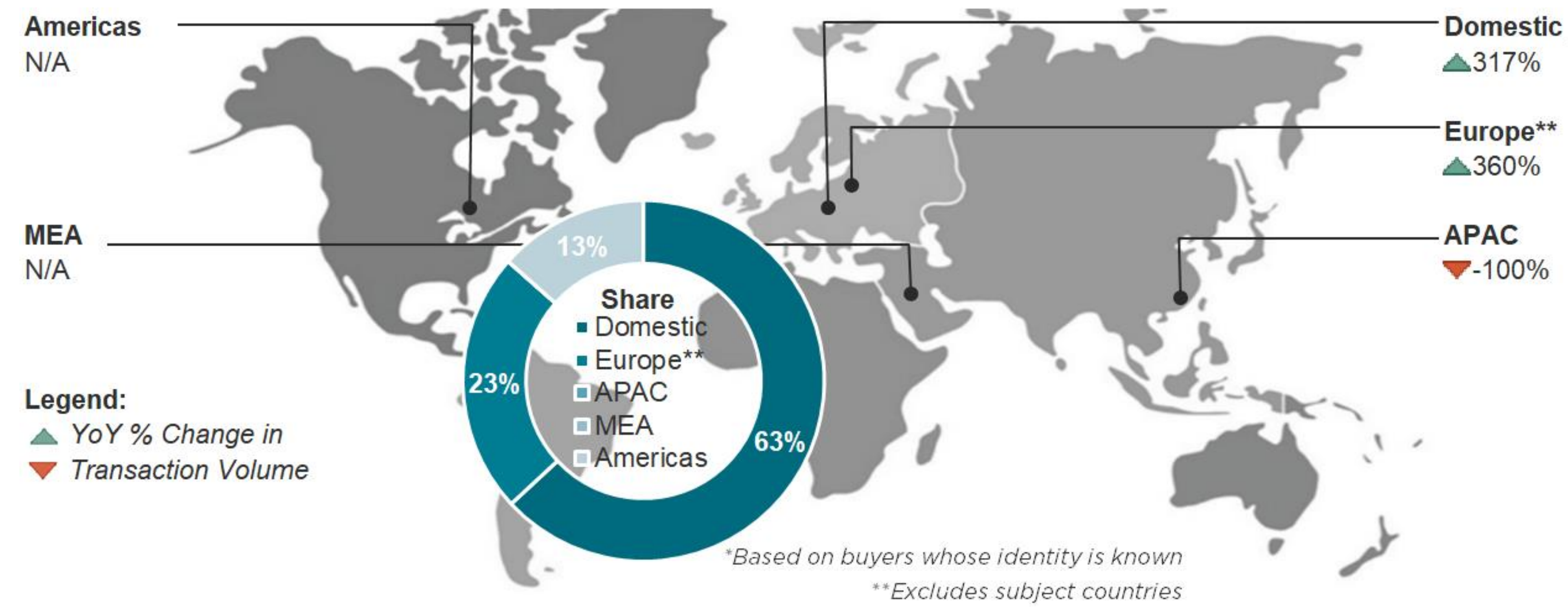
TRANSACTION PRICE PER HOTEL & ROOM (H1 2025)



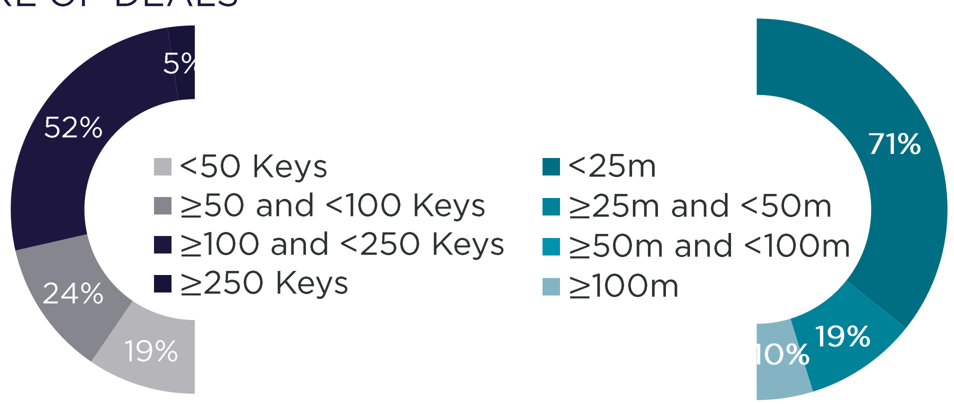
TRANSACTION VOLUME BY SOURCE OF CAPITAL (H1 2025 VS H1 2024)



*Based on buyers whose identity is known
**Excludes subject countries

BREAKDOWN BY NO. OF ROOMS & DEAL SIZE (H1 2025)

% SHARE OF DEALS

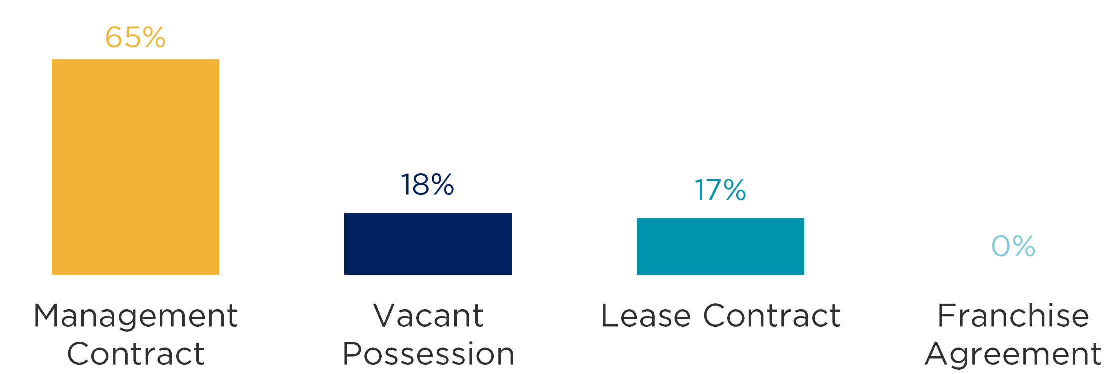


TRANSACTED VOLUME BY TYPE OF INVESTOR (H1 2025 VS H1 2024)

	BUYERS (% Share of Total Volume) 2025 H1	% Change	SELLERS (% Share of Total Volume) 2025 H1	% Change
Institutional	22%	>500% ▲	82%	>500% ▲
Private	78%	493% ▲	14%	>500% ▲
Public	0%	-100% ▼	4%	-93% ▼
User/Other	0%	0%	0%	0%

TRANSACTION VOLUME BY OPERATING STRUCTURE (H1 2025)

% SHARE OF DEALS (BY INVESTMENT VOLUME)



TRANSACTION VOLUME PER HOTEL CLASS (H1 2025 VS H1 2024)

HOTEL CLASS	*% OF TOTAL VOLUME*	*% CHANGE*	*% OF TOTAL ROOMS*	*% CHANGE*	*AVG. PRICE/ROOM (EUR, '000)*
Luxury	18%	▲ >500%	6%	▲ >500%	669
Upper Upscale	46%	▲ >500%	30%	▲ >500%	341
Upscale	11%	▲ 356%	15%	▲ 284%	170
Upper Midscale	16%	▲ 59%	22%	▲ 31%	161
Midscale	4%	▲ 14%	7%	▼ -5%	122
Economy	6%	▲ 14%	21%	▲ 75%	61

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SELECTED MAJOR HOTEL TRANSACTIONS (H1 2025)

Property	Market	Rooms	Buyer	Origin	Seller	Origin
Hilton Prague	CZ, Prague	791	PPF Real Estate	CZE	IBRC	IRL
Four Seasons Hotel Prague	CZ, Prague	157	PPF Real Estate; Noble Hospitality	CZE	Northwood Investors	USA
Noli Studios Portfolio	PL, Gdańsk	423	NREP	SWE	Nowa Przystań; City camp	POL
Hilton Garden Inn Bucharest Airport	RO, Otopeni	218	Yellow Tree Holdings	GBR	Apex Alliance Hotel Management	LTU
Penta Hotel Prague	CZ, Prague	227	Jan Hotels	CZE	Aroundtown	DEU
Mama Shelter Prague (Part of a Portfoliio)	CZ, Prague	238	Ares Management	GBR	Fidera Vecta Ltd	GBR
B&B Portfolio	PL, Various	553	Remake Asset Management	FRA	Covivio	FRA
Eurostars Portfolio Budapest	HU, Budapest	145	Eurostars Hotel Company	ESP	Echo Partners	CHE
Vaci 81	HU, Budapest	220	Forestay Properties	HUN	Generali Real Estate	ITA
Hotel Praha	CZ, Spindleruv Mlyn	29	Penta Investments	CZE	Rohlik Group	CZE

Note: Selection of largest transactions in H1 2025, ordered by deal size

Source: Cushman & Wakefield

HOTEL TRANSACTIONS HEAT MAP (H1 2025)

1 Prague

Transaction Volume (M)	€ 488
Rooms Sold	1588
Properties Sold	5
Avg Price / Room (K)	€ 307

2 Budapest

Transaction Volume (M)	€ 46
Rooms Sold	436
Properties Sold	4
Avg Price / Room (K)	€ 105

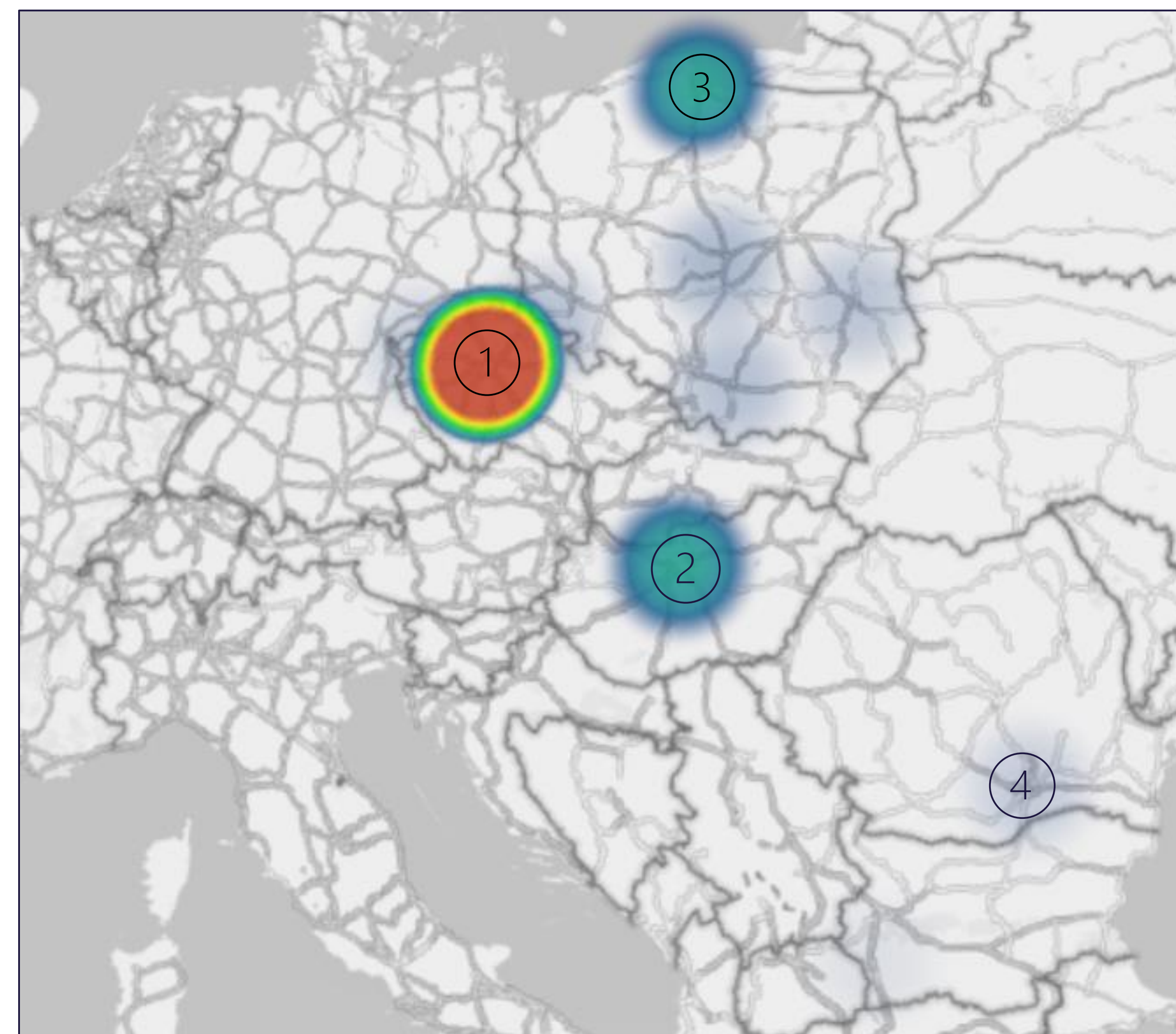
3 Gdansk

Transaction Volume (M)	€ 46
Rooms Sold	444
Properties Sold	2
Avg Price / Room (K)	€ 104

4 Bucharest

Transaction Volume (M)	€ 7
Rooms Sold	72
Properties Sold	2
Avg Price / Room (K)	€ 91

<€1 million — <€488 millions



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METHODOLOGY

Cushman & Wakefield's quarterly estimates are derived from a variety of data sources, including its own proprietary database, and historical data from third party data sources. The figures provided for the current period are preliminary, and all information contained in the report is subject to correction of errors and revisions based on additional data received.
A contingency of 5% is assumed for total transaction volumes, rooms and properties sold in the last 12 months, as some deals are revealed with notable delay.

EXPLANATION OF TERMS

Prime Yields (HMA): The prevailing initial yields (current income divided by sales price) for quality stabilized assets in prime locations, managed under Hotel Management Agreement by professional operator (the HMA is not terminable on sale or in near-term after the sale). The yields are based on actual transactions where available as well as the sentiment indicated by investors.

Average Price per Room: Transaction KPI calculated by dividing the total transaction volume by the number of rooms transacted. In case of majority deals, the number of rooms is adjusted to reflect the proportion of the volume sold. Minority deals are excluded from the calculation. Median, Upper-quartile (75%) and Lower-quartile (25%) are based on the price-per-room data over the period (not weighted by total deal size). The average price per room by hotel class is influenced by the location of hotels transacted within that class. As a result, there may be instances where a lower hotel class shows a higher average price per room if those hotels were sold in more premium locations during the period.

Operating Performance Indicators

Occupancy: Percentage of available rooms sold during the period (Rooms Sold / Rooms Available).
ADR: Average Daily Rate paid for rooms sold (Rooms Revenue / Rooms Sold).
RevPAR: Revenue Per Available Room during the period (Rooms Revenue / Rooms Available).
GOPPAR: Gross Operating Profit Per Available Room (Hotel gross operating profit / Rooms Available).

Operating/Deal Structures

Franchise Agreement Structure: A hotel operating model where the owner directly operates the property but uses a specific brand, paying fees for the brand name, standards, and marketing support, while keeping full control of day-to-day operations.

Management Contract Structure: A hotel operating model where the property is managed by a third-party hotel operator on behalf of the owner. If a hotel is managed by non-branded operator and uses brand name via franchise agreement, it is recorded as "Management Contract" structure.

Leased Contract Structure: A hotel operating model where the property is leased to a third party with fixed, variable, or hybrid (fixe and variable) rent.

Vacant Possession: A hotel that is free from any contractual encumbrances, allowing the new owner immediate and unrestricted control upon transfer. Even if a hotel has franchise agreement or management contract or lease contact in place, but it expires on sale or it is terminable on sale, the deal is considered as "Vacant Possession" sale.

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