



TRADING STATEMENT

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Hostelworld Group PLC
14 January 2025

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Hostelworld Group plc ("Hostelworld" or the "Group")

Full Year Trading Update for Year ended 31 December 2024

Adjusted EBITDA delivery in line with consensus and return to net cash

Hostelworld is pleased to provide an update on trading for the period 01 Jan 2024 to 31 Dec 2024.

Key highlights:

- Net bookings totalled 6.9m (+6% year on year), driven by record booking performances in Asia and Central America
- Net average booking value of €13.21, (-8% year on year), as a result of a shift in consumer demand towards lower cost destinations
- Net revenue¹ totalled €92.0m (-1% year on year)
- Direct marketing as a percentage of revenue² totalled 46% (down 4% from 50% in FY 2023), resulting in a net margin growth of +7% YoY
- FY 2024 adjusted EBITDA of c. €21.8m (+19% year on year) and an adjusted EBITDA margin of 24% (20% in FY 2023)
- Closing cash position of €8.2m and a net cash position of €2.0m, with all bank debt repaid in full

¹ Net Revenue is gross revenue less cancellations, deferred revenue, rebates and accounting adjustments

² Gross revenue less cancellations

Gary Morrison, Group Chief Executive Officer, commented:

"We achieved a net bookings growth rate of 6% driven primarily by growth in bookings from UK and European travellers to lower cost destinations in Asia, especially in the first half of the year at +43% YoY and +31% on a full year basis. This growth was partially offset by weaker demand for higher cost destinations in Europe throughout the year.

These trends resulted in an 8% decrease in net average booking values year-on-year which reduced revenue growth for the year, as previously communicated to the market in our trading update on 15 October 2024. As we exited the year, booking values returned to growth driven primarily by bed price inflation in Asia.

Our app-based social strategy has continued to drive growth in the proportion of bookings made by Social Members (80% in FY 2024 vs 67% in FY 2023) and we saw good growth in App bookings (+16% YoY), contributing to a 7% YoY growth in net margin. Our continued focus on tight cost control has resulted in increased operating leverage, with a 19% increase in adjusted EBITDA year-on-year.

We retired our three-year debt facility two years ahead of schedule and returned to a net cash position in the third quarter of 2024, providing a solid foundation for our next phase of growth.

We will provide a detailed growth strategy and capital allocation update in the second quarter."

The Group will report its full year results for the year ended 31 December 2024 on 20 March 2025.

For further information please contact:

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About Hostelworld Group

Hostelworld Group PLC is a ground-breaking social network powered Online Travel Agent ("OTA") focused on the hostelling category, with a clear mission to help travellers find people to hang out with. Our mission statement is founded on the insight that most travellers go hostelling to meet other people, which we facilitate through a series of social features on our platform that connect our travellers in hostels and cities based on their booking data. The strategy has been extraordinarily successful, generating significant word of mouth recommendations from our customers and strong endorsements from our hostel partners.

Founded in 1999 and headquartered in Ireland, Hostelworld is a well-known trusted brand with almost 230 employees, hostel partners in over 180 countries, and a long-standing commitment to building a better world. To that end, our focus over the last few years has been on improving the sustainability of the hostelling industry. In particular, over the last two years we have commissioned independent research to validate the category's sustainability credentials and recently introduced a hostel specific sustainability framework which encourages our hostel partners to move to even more sustainable operations and also provides the data points for our customers to make more informed decisions about where they stay. In addition, our customers are now able to offset their trip's carbon emissions should they wish to do so, and we have maintained our 'Funding Climate Action' label awarded by South Pole.

Disclaimer

This announcement contains forward-looking statements. These statements relate to the future prospects, developments and business strategies of Hostelworld. Forward-looking statements are identified by the use of such terms as "believe", "could", "envision", "estimate", "potential", "intend", "may", "plan", "will" or variations or similar expressions, or the negative thereof. Any forward-looking statements contained in this announcement are based on current expectations and are subject to risks and uncertainties that could cause actual results to differ materially from those expressed or implied by those statements. If one or more of these risks or uncertainties materialize, or if underlying assumptions prove incorrect, Hostelworld's actual results may vary materially from those expected, estimated or projected. Any forward-looking statements speak only as at the date of this announcement. Except as required by law, Hostelworld undertakes no obligation to publicly release any update or revisions to any forward-looking statements contained in this announcement to reflect any change in events, conditions or circumstances on which any such statements are based after the time they are made.

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