

 **HOSTELWORLD PLC**

ANNUAL REPORT & FINANCIAL STATEMENTS 2025



Join Events 



Luis joined the chat

Hi I'm Luis, from Spain!



Heyyy Luis, welcome!

Anyone up for the beach?



Sure! 🙏 what time?



2pm good? See u later! ❤️





Hang out

Get a badge to let others know you want to meet



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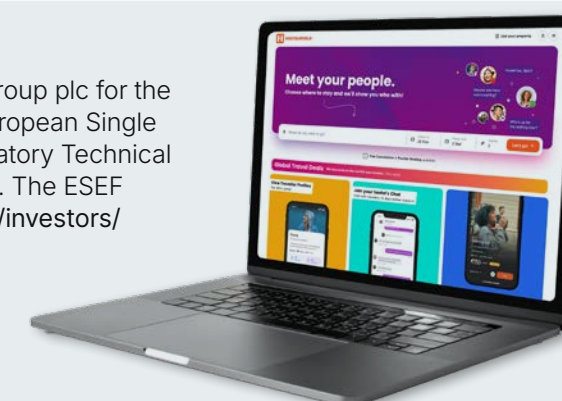
226 Definition of Hostelworld Terms

Find us online

This copy of the statutory annual report of Hostelworld Group plc for the year ended 31 December 2025 is not presented in the European Single Electronic Format (ESEF) format as specified in the Regulatory Technical Standards on ESEF (Delegated Regulation (EU) 2019/815). The ESEF annual report is available at: www.hostelworldgroup.com/investors/reports-and-presentations/2026

Website: www.hostelworld.com

LinkedIn: www.linkedin.com/company/hostelworld-com



About Hostelworld Group

Hostelworld Group plc is a ground-breaking social network-powered Online Travel Agent ("OTA") with a clear mission to help travellers find people to hang out with. Our mission is founded on the insight that most travellers go hostelling to meet other people. Our platform connects travellers through a range of social features, including city and hostel chat rooms, AI-powered recommendations, and event discovery, facilitating real-world interactions before, during and after their trips.

Hostelworld's vision is to be the world's leading social travel platform. Since launching its social network in 2022, the Group has welcomed over 3.4 million social members, with engagement growing faster than stays booked. Messaging volumes grew 81% year-on-year in 2025, and social members book approximately twice as frequently as non-members, demonstrating the platform's utility and its contribution to customer lifetime value.

Our proprietary dataset, spanning over 3.4 million social members, 16 million chat messages and 17 million bookings since launch, strengthens our ability to understand traveller behaviour, personalise experiences, and build network effects that differentiate Hostelworld from generalist OTAs. This data asset, which is exclusively ours and compounds in value as our community grows, underpins our AI-powered matching and recommendation capabilities.

Founded in 1999 and headquartered in Ireland, Hostelworld is a recognised brand with around 270 employees, hostel and accommodation partners across more than 180 countries, and a growing suite of products including budget accommodation and Social Passes that extend the platform well beyond the traditional hostelling category.

Hostelworld has a long-standing commitment to improving the sustainability of the hostelling industry. The Group has introduced a hostel-specific *Staircase to Sustainability* framework, accredited by the Global Sustainable Tourism Council, which helps partners adopt more sustainable practices while giving travellers clearer information for decision-making. Customers can choose to offset trip emissions, and for the fifth consecutive year the Group has retained the "Taking Climate Action" label from South Pole.

OUR MISSION

To help travellers find people to hang out with



OUR PURPOSE

Empowering a global community of travellers to connect, explore, and create unforgettable experiences together



OUR VISION

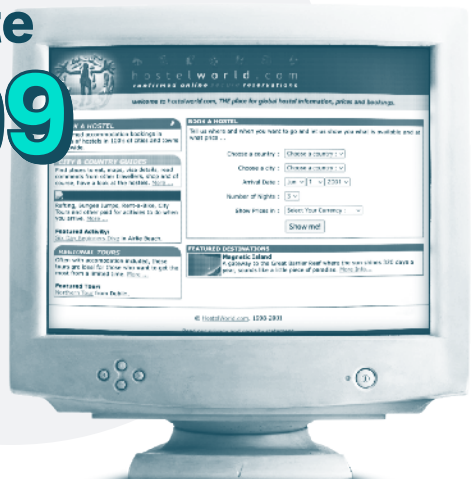
The world's leading social travel platform



Our Journey

For more than 25 years, Hostelworld has helped shape the future of travel, **connecting millions of explorers** and inspiring unforgettable journeys across the globe. What began in Dublin, Ireland has grown into a vibrant, **socially powered platform** that encourages travellers to discover the world their own way. This timeline highlights the **milestones, innovations, and community-driven initiatives** that have defined our evolution and led us to becoming the **world's first social travel network**.

Launched our
**Hostelworld
website**
1999



Hosted our first
**hostel
conference**
in Dublin

Bringing hostel
partners from
around the world
together to learn
and grow

2004

Opened our
Shanghai
office

2006



Hosted our first
HOSCARS
to celebrate
outstanding
hostels

2002



2014

Released a
new suite of
**iOS and
Android apps**



2015

- Listed on the London and Dublin Stock Exchanges
- Rebranded Hostelworld to **Meet the World**





2017

Opened a technology development centre in Portugal

2021

- Migrated to the Cloud
- Launched Roamies – a partnership with G Adventures



2023

- Launched hostel-hosted Linkups
- Published *Understanding the carbon impact of hostels vs hotels*, validating hostels as more sustainable than hotels



- Launched 'Staircase to Sustainability' hostel framework
- Celebrated 25 years of Hostelworld
- Launched our 'Culture Code' to define what makes us 'us'

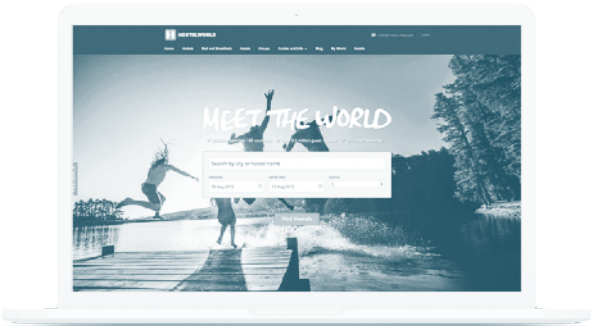


2024



2020

- Launched PWA, a website that feels just like our app



- Voted 'Best Tech Business of the Year 2022' at the PLC awards
- Launched social features on iOS and Android

2022

2025



- Accredited with Investors in Diversity Gold Accreditation
- Launched Social Pass, enabling purchase of social features access without a booking
- Launch of third-party budget accommodation
- Acquired occasiongenius a US-based B2B event discovery platform





Strategic Report

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2025 Highlights

“In 2025, we strengthened the foundations of our social travel platform and delivered every strategic milestone we committed to at our Capital Markets Day – the acquisition of OccasionGenius Inc., the launch of Social Passes, and the initial rollout of third-party inventory to expand accommodation choice in destinations where we have limited or no hostel supply.

The growing scale and intelligence of our social network is increasingly visible in our metrics. Member messaging grew 81% year-on-year, driven in part by AI-powered recommendations that improve how our members connect, discover and book, reflecting the deepening engagement at the heart of our long-term growth strategy.

The Group delivered adjusted EBITDA of €19.9 million in 2025, in line with market consensus. The Board’s proposed dividend of 2.4 € cent per share reflects our confidence in the financial resilience and long-term growth prospects of the business.”

Gary Morrison
Chief Executive Officer

Net Bookings

7.0m



Growth in social network member messaging⁽¹⁾

81%



Profit After Tax

€7.0m



Total Dividend per Share⁽¹⁾

2.4 cent



Net Average Booking Value (“ABV”)⁽¹⁾

€13.43



Marketing as a % of Generated Revenue⁽¹⁾

48%



Adjusted Profit After Tax⁽¹⁾

€15.0m



Cash

€12.2m



Net Revenue

€93.8m



Adjusted EBITDA⁽¹⁾

€19.9m



Adjusted EPS⁽¹⁾

11.91 cent



Net (Debt)/Cash⁽¹⁾

€(1.6)m



⁽¹⁾ The Group uses Alternative Performance Measures (APMs) which are non-IFRS measures to monitor the performance of its operations and of the Group as a whole. APM definitions and rationale are provided in Appendix 1 of the Annual Report.

At a Glance

Connecting youth travellers with people, places to stay, and events through the world's leading social travel platform

OUR MISSION

Help travellers find people to hang out with

► OUR UNIQUE PROPOSITION

- First mover advantage in social travel – no other platform combines accommodation, social networking, and event discovery for the youth travel market.
- By understanding that youth travellers stay in hostels and budget accommodation to meet others, we connect travellers with overlapping stays across destinations via our iOS and Android apps.
- Our social proposition naturally attracts youth travellers with higher purchase frequencies, who use the app to make more of their bookings, and then become passionate brand advocates.
- Collectively, our strategy drives new customer growth, increased customer retention, and a reduction in marketing costs as a percentage of generated revenue.
- The broader youth travel segment represents a significant and growing addressable market with similar social travel needs, now accessible through our expanded suite of products including budget accommodation and Social Passes.
- Three revenue areas now live and scaling: commissions on directly contracted accommodation, budget accommodation via a third-party inventory supplier, and Social Passes.
- Our social network grows in value as it scales, creating a compounding proprietary data asset that fuels AI-driven innovation.

► OUR TRAVELLERS

- c. 80% are 18-35 years old, a demographic renowned for prioritising experiences over possessions.
- 65% travel solo, 28% in pairs, perfect for social connection and adventure.
- Multi-destination explorers: c. 67% book within seven days of their stay, embracing spontaneity.
- Many are loyal, making multiple trips per year over a decade, building lifetime value.
- Travellers love our app, with Trustpilot scores consistently well ahead of our peer group.

► OUR REVENUE MODEL

- We operate a growing social travel platform, powered by our proprietary social network and AI-driven recommendations.
- Accommodation partners list their inventory directly on our platform.
- We earn commission on each booking made through our platform, with payment terms varying by inventory type.
- Budget accommodation, available across 18,000 destinations via a third-party inventory supplier, extends our offering well beyond hostels. Following a soft launch in 2025, we are scaling across additional platforms and languages throughout 2026.
- Social Passes provide travellers with time-bound paid access to our social network, creating a subscription revenue stream independent of accommodation bookings.
- The acquisition of OccasionGenius Inc. adds a proprietary global events dataset that enriches the social platform and strengthens the Social Pass proposition.

► FOCUS ON SUSTAINABILITY

- Hostels are more sustainable than hotels, producing c. 18% of hotels' Scope 1 and Scope 2 tCO₂e emissions on a per bed basis².
- Our 'Sustainability Stories' highlight hostels making a positive global impact.
- Recognised with the South Pole "Taking Climate Action" label for the fifth consecutive year.
- Naturally low Scope 1 & 2 emissions; Scope 3 reduction targets set.
- Our Staircase to Sustainability ("S2S") framework, accredited by the Global Sustainable Tourism Council, assists hostel partners on their sustainability journey with 20% of hostels now carrying an S2S badge.

► OUR HOSTELS

- 80%+ are independent owner operated businesses and 66% have 50 or fewer beds, creating intimate, social environments.
- Dorms and private rooms with large communal areas encourage connections.
- Hostel events and excursions foster meetups, enhanced by hostel 'Linkups' on our social platform.

► OUR PEOPLE & CULTURE

- c. 270 team members across 34 nationalities, averaging 5+ years of service.
- A global, remote first organisation following an agile way of working.
- Progressive global people policies such as wellbeing, flexible working, and meaningful life-stage benefits.
- Investors in Diversity Gold Accreditation, the first travel company in Ireland to achieve this standard, reflects our commitment to inclusion.
- Culture Code embeds shared values, guiding how we work, grow, and innovate together.

¹ Source: Wyse Travel Confederation; New Horizons 5 Survey (October 2024)

² Hostelworld: Understanding The Carbon Impact of Hostels vs. Hotels 2nd Edition

Chair’s Statement: Carl G. Shepherd



AI played an increasingly important role in 2025, enhancing personalisation across our platform and helping travellers connect more meaningfully. From AI-driven recommendations to smarter social interactions, these innovations strengthened our community and improved the travel experience, while positioning Hostelworld to harness the transformative potential of AI responsibly in the years ahead.

It has been my privilege to serve as Interim Chair following Ulrik Bengtsson's departure in September 2025, and to support the Company through a period of Chair transition and strategic acceleration. On behalf of the Board, I would like to extend our sincere thanks to Ulrik for his service and leadership as Chair and as a Non-Executive Director.

Having served on the Board as a Non-Executive Director since 2017, I have seen Hostelworld navigate multiple phases of reinvention: from the Group's early days as a public company, through the strategic reset led by Gary Morrison and the management team, to the resilience demonstrated through the COVID-19 pandemic, when the entire travel industry's priority shifted from progress to survival. These experiences have left the organisation with a resilient, start up mindset that remains one of its greatest strengths. This mindset continues to drive our strategic execution, enabling us to build a global community of adventurous travellers who value unique experiences and the enduring human connections that define our brand.

Operating Environment and Strategic Context

Travel markets remained dynamic in 2025, with shifting customer expectations, rapid digital evolution, and heightened demand for personalised and community-led experiences. Against this backdrop, Hostelworld continued to execute its strategy with purpose and clarity.

As the Group emerged from COVID-19 and the industry experienced a rapid return to normal trading, Hostelworld created an entirely new travel category: social travel. This proposition is centred on helping travellers find people to hang out with and finding unique experiences in their chosen destination, creating a differentiated and defensible position in a market where connection, experiences and community increasingly shape decision making. Throughout 2025, this strategy continued to prove its relevance and long-term growth potential.

At our Capital Markets Day market, management set out a clear roadmap to scale our social strategy and accelerate growth by strengthening our platform, expanding our addressable market, and broadening how travellers can connect before and during their trips. Hostelworld's position at the convergence of travel and shared experiences gives the Company a distinct role, particularly for younger and solo travellers seeking connection and community while travelling. During the year, the Company made strong progress against the milestones set out in April, with performance in 2025 reinforcing the Board's confidence in the strategic direction of the business.

Strategic Progress

Strengthening Our Platform

During the year, we continued to strengthen the product experience, prioritising earlier and more meaningful engagement with customers. Our ongoing investment in the higher-margin Hostelworld app is underpinned by new features that allow travellers to connect before, during and after their trips by using and sharing the Group's Travel Plans product, which launched in March 2025, and delivering personalised, AI-driven recommendations to customers on people to meet and communities to join.

AI will clearly play a significant role in reshaping travel discovery and planning, and the Board believes Hostelworld is well-positioned to benefit from this evolution. Given the age profile of our core customers (18-34 years), who are at the forefront of AI adoption in everyday life, we will continue to invest in responsible AI capabilities that enhance personalisation while reinforcing the fundamental value of human connection.

Expanding Our Market Reach

Product Launches

Two major product launches broadened our market access:

- **Social Passes**, launched in November 2025, provides time-bound paid access to our community and social features to travellers who may not have booked accommodation through Hostelworld.
- **Third Party Inventory (3PI)**, launched initially across 50 destinations in December 2025, provides customers with access to a wider accommodation offering, enabling us to serve customers wherever they choose to travel, most importantly in those destinations where there are few, if any, operating hostels.

Integrating OccasionGenius Inc.

The acquisition of OccasionGenius Inc., a US based event discovery platform, will significantly enhance our social travel ecosystem by integrating real time event discovery into the Hostelworld experience. This product will enrich the social experience by enabling travellers to discover activities and travel-worthy events that deepen engagement and foster connection beyond accommodation. This initiative complements our social strategy and strengthens our differentiated position in the travel market.

These initiatives and continued product innovation represent important building blocks for the Company's next phase of growth. Our strategy is firmly focused on enabling a global community of travellers to connect, supporting sustainable growth and long-term value creation for shareholders, as we continue to pursue our ambition of becoming the world's leading social travel platform.

Our People

Our people are at the heart of everything we do, and attracting and retaining highly talented staff is essential to achieving the Company's goals. In 2025, we achieved our highest ever employee engagement scores, reflecting a motivated and committed team.

We were also proud to be awarded the *'Investors in Diversity Gold'* accreditation, placing the Company among just 34 organisations in Ireland and making it the first within the travel sector to achieve this recognition. This external recognition confirms that our people strategy is aligned with best practice and reflects strong performance across governance, inclusive leadership, workforce representation and employee engagement.

Capital Structure and Shareholder Returns

We remain focused on delivering growth and long-term sustainable value for shareholders, underpinned by a strong balance sheet and disciplined capital allocation. In 2025, we maintained a careful approach to capital allocation, balancing reinvestment in the business with returns to shareholders.

During the year, we introduced a dividend and commenced a £5 million share buyback programme, reflecting confidence in our strategy, operational performance and growth outlook. These returns were balanced with continued reinvestment in technology, product development, and strategic initiatives such as the OccasionGenius Inc. acquisition.

OccasionGenius Inc. was acquired for an agreed purchase price of \$12.0 million, fully funded by a new €10.3 million, 3-year term loan facility with Allied Irish Banks, plc, at an interest rate of 2.0% over EURIBOR.

Chair’s Statement continued

At the end of 2025, the Group had a closing cash position of €12.2 million (2024: €8.2 million) and a net debt position of €1.6 million (2024: net cash €2.0 million). We continue to hold an interest-free warehoused debt facility with the Irish Revenue Commissioners. This liability will be paid in full by April 2027, in accordance with the terms of the agreed payment plan.

Building on the Board’s decision to reinstate a progressive dividend policy, we declared an interim dividend of 0.82 € cent per share for the first half of 2025. This interim dividend was paid to shareholders on the register as of the applicable record date, 19 September 2025. Subject to shareholder approval at the 2026 AGM, the Board intends to pay a final dividend of 1.58 € cent per share, which will be paid on 12 May 2026, shareholders on the register as of the applicable record date, 17 April 2026.

In June 2025, the Company announced the commencement of a £5 million share buyback programme, authorised under the general share repurchase authority granted by shareholders at the 2025 AGM on 7 May 2025. The programme is designed to reduce the Company’s share capital, with all repurchased shares cancelled. As at year end 2025, the Company had repurchased and cancelled 3.1 million shares at a total cost of £3.9 million, with buyback activity continuing in early 2026 in line with the programme parameters.

The Board is confident that our approach to capital allocation positions Hostelworld for sustainable growth while maintaining flexibility to pursue opportunities that strengthen our competitive advantage.

Sustainability

We recognise our responsibility to minimise environmental impact and promote responsible travel, and the Board remains committed to ensuring key ESG principles are fully reflected in how the business is run.

Our *Staircase to Sustainability* (“S2S”) framework helps hostels demonstrate and communicate their sustainability credentials to customers with clarity and transparency. A fifth of our hostels now carry an S2S badge, which is accredited by the Global Sustainable Tourism Council (“GSTC”). We continue to champion responsible travel and remain the only OTA represented on the GSTC’s advisory group for Small and Medium Enterprises.

We also take responsibility for emissions arising from our own operations. In line with Science Based Targets initiative criteria, the Company has established reduction targets, referenced to the baseline years in which they were first set. Scope 1 and Scope 2 emissions have reduced by 95% since the establishment of a 2019 baseline. Scope 3 emissions, excluding hostel emissions, have reduced by 37% since the establishment of a 2023 baseline.

For the fifth consecutive year we retained the South Pole ‘Taking Climate Action’ label. This independent recognition reflects our continued commitment to the robust measurement, management, and reduction of our carbon footprint. Further details on our sustainability strategy, performance, and targets are set out in the Sustainability Report on pages 40 to 65.

Board Changes

In September 2025, Ulrik Bengtsson stepped down as Non-Executive Chair, having previously announced his intention to do so in March 2025. I assumed the role of Interim Chair while the Board continued its comprehensive process to appoint a permanent successor, resulting in the appointment, on 30 January 2026, of Marieke Bax as a Non-Executive Director and member of both the Remuneration and Nomination Committees. Marieke will assume the roles of Chair and Chair of the Nomination Committee with effect from 31 March 2026. We extend a warm welcome to Marieke and look forward to benefiting from her experience, insight and leadership, as we continue to execute our strategy and build on the company’s positive momentum. Full details of the Board changes that occurred during the reporting period and in the period prior to the date of signing of this annual report are set out in the Nomination Committee Report on pages 113 to 120.

Conclusion

2025 saw Hostelworld strengthen its platform and scale its social travel proposition, focusing on deeper customer engagement, broader product relevance, and long-term differentiation within the travel market. The progress made this year reinforces the Board’s confidence in the company’s long term direction and growth prospects.

As we look toward 2026, we will continue to invest with discipline to enhance the business for the benefit of all stakeholders. While the full financial contribution of our new features will build over time, they represent meaningful platform enhancements and provide a strong foundation for future growth. Our focus remains on building the world’s leading social travel platform and empowering a global community of travellers to connect, explore, and create unforgettable memories together.

On behalf of the Board, I would like to extend my sincere thanks to Gary Morrison and the management team for their leadership, and to all our colleagues for their dedication and contribution during the year. I also extend our appreciation to our partners, customers and shareholders for their continued confidence and support.

Carl G. Shepherd

Carl G. Shepherd
Interim Chair
25 March 2026



Summer House, Cairns, Australia

Chief Executive Officer’s Review: Gary Morrison



In 2025, we delivered every commitment we made at our Capital Markets Day, strengthening our social platform, launching new revenue streams, and embedding AI across our business, laying the foundations for the next phase of Hostelworld’s growth.

2025 was a year of two distinct halves – a softer start followed by meaningful acceleration, with H2 delivering 7% revenue growth and a significant improvement in marketing efficiency. More importantly, it was the year in which we laid the strategic foundations for our next phase of growth. We delivered every milestone we committed to at our Capital Markets Day: the rollout of *Elevate*, driving higher commission rates; the acquisition of OccasionGenius Inc.; the launch of Social Passes; and the initial rollout of budget accommodation.

Underpinning all of this is a social platform that is growing in both scale and intelligence, with member messaging up 81% year-on-year, and AI-powered recommendations increasingly driving how our 3.4 million members connect, discover and book. Together, these advances are moving Hostelworld from a transactional booking engine to a data-led social travel platform, and they provide a strong foundation for the growth we are targeting in 2026 and beyond.

Trading and Financial Performance

Overall, 2025 was a year of strategic execution and significant operational progress, with a notably stronger performance in the second half of the year. For the full year, we delivered net revenue of €93.8 million (2024: €92.0 million), representing a 2% year-over-year increase (2024: 1% decline). This growth was underpinned by 7.0 million net bookings (2024: 6.9 million) and a 2% rise in Average Booking Value (ABV) to €13.43 (2024: €13.21). Our full-year adjusted EBITDA reached €19.9 million (2024: €21.8 million), in line with market consensus and reflecting an EBITDA margin of approximately 21% (2024: 24%).

Financial momentum accelerated in the second half of 2025, during which generated revenue rose by 7% year-over-year. This strength was driven by improved marketing efficiency, with direct marketing costs as a percentage of generated revenue falling to 45% in the second half (down from 48% in H2 2024), and the successful rollout of our marketplace monetisation tool, *'Elevate'*. This tool enhanced our effective commission rate, which increased to 16.7% in the second half compared to 15.4% in the prior year period.

We closed the year with a resilient balance sheet, including a closing cash position of €12.2 million (2024: €8.2 million) and net debt of €1.6 million (2024: net cash €2.0 million). This financial stability allowed us to continue our £5.0 million share buy-back programme and reinstate the progressive dividend, with an interim payment made in September 2025.

Executing our Growth Strategy

Throughout 2025, we continued to implement our distinctive social network growth strategy in line with our mission to help travellers find people to hang out with. Our social platform uses booking data to create hostel and city-based chat rooms and enables private messaging in our iOS and Android apps. Travellers with overlapping stay dates can connect seven days before check-in and for one day after check-out, with city chats organised around themes such as walking tours and food.

Chief Executive Officer’s Review continued

Building on this, we began extending social discovery into the pre-booking phase, allowing travellers to connect earlier in their journey. Engagement across the network accelerated meaningfully, driven in part by the first wave of AI-powered recommendations that improve the relevance of the people, conversations and content surfaced to each member. The more our members interact, the richer the data we generate, and the better our recommendations become, creating a self-reinforcing cycle that is increasingly visible in our growth metrics.

- **Social Membership:** By December, the social community reached 3.4 million members.
- **Engagement:** Unique Chat Users grew 18% year-over-year, Messages between members grew 81% year-over-year and the number of messages sent per unique chat user grew 53% year-over-year⁽¹⁾.
- **Customer Value:** These customers remain highly valuable, booking approximately twice as often and being three times more likely to use the app in the first 91 days than non-members.
- **App Role⁽²⁾:** 63% of total net bednights were sold via our app (2024: 60%).

Key social features shipped in 2025 included Travel Plans, launched in May, which lets travellers share future trips and meet others before booking. Early results show Travel Plans driving a measurable uplift in engagement and bookings for cohorts who interacted with the feature. We also shipped the first wave of AI-powered recommendations across social, improving how we suggest people to meet and conversations to join.

In October 2025, we acquired OccasionGenius Inc. (OG), a US-based B2B events discovery platform, for an agreed purchase price of \$12.0 million. OG accelerates our strategy by bringing a structured, global dataset of events that we are integrating across the Hostelworld platform, leveraging AI-driven curation to surface the most relevant experiences to each traveller, to inspire travel and improve conversion. In November 2025, we introduced Social Passes, providing time-bound paid access to our social network for non-booking travellers, broadening our addressable market.

In December 2025, we launched the integration of Third-Party Inventory (3PI) within our platform, initially focused on English language iOS app users across a

limited number of destinations. This extends our offer beyond hostels so customers can stay with us even when hostel options are limited. Customers who book this inventory are automatically connected to our social network in their destination, accessing city chats and core social features. Early indications are positive, with engagement and conversion strongest on searches with fewer direct Hostelworld results.

Taken together, these developments mark a significant evolution in what Hostelworld is. We enter 2026 not simply as a hostel OTA, but as a social travel platform with three areas of revenues, a materially larger addressable market, and a proprietary dataset spanning 3.4 million members, 16 million chat messages and 17 million bookings, that no competitor can replicate. This data is the foundation of our AI strategy: as the network grows, it generates richer signal, which powers better matching, which attracts more members, compounding our advantage over time. It also positions us well for the broader shift we are seeing in how travellers discover and plan trips – increasingly through AI-powered tools that favour platforms with deep, structured, social data over those that offer price comparison alone.

Expanding our Inventory Coverage

In 2025, we continued to grow our directly contracted hostel inventory. Ongoing enhancements to our onboarding experience, combined with an expanded activation team, drove a 28% year-over-year increase in activation rates, enabling our directly contracted inventory to reach its highest level since the pre-COVID period. Complementing this, the December launch of Third-Party Inventory extends our reach beyond directly contracted hostels, giving customers access to a broader range of accommodation options in destinations where our hostel coverage is limited.

The Linkups platform continues to give hostels a dedicated way to promote in-house events. In 2025, we focused on quality and scale, streamlining creation and management on our platform. Engagement proved resilient, with around 70,000 live Linkups per month in the second half of the year and strong customer interest in hostel-hosted events. We sharpened the proposition by concentrating on these hostel-hosted events, giving our partners a more visible way to bring guests together.

Investing in our Platform

In the first half of 2025, we completed our core services modernisation programme as planned. We now have a flexible microservices-based architecture with application-level on-demand scaling and integrated off-the-shelf services from our cloud provider. Overall, this multi-year effort has delivered significant benefits, including improved monitoring, faster service speeds, and reduced error rates.

Leveraging our cloud-native architecture enabled us to hit our 2025 goal of transitioning our infrastructure to production infrastructure as code. This has helped eliminate single points of failure and improved scalability while reducing hosting costs. Our cloud-native technology stack also provides the foundation for our AI capabilities, enabling the recommendation engine that powers social matching, the curation layer that will surface OccasionGenius Inc. events to members, and the operational intelligence tools we are embedding across the business in 2026.

Progressing our ESG Agenda

During 2025 we continued to build on the foundations established through collaboration with Bureau Veritas and the Global Sustainable Tourism Council (“GSTC”). With the *Staircase to Sustainability* (“S2S”) framework fully operational, our focus was promoting self-assessment to our hostel partners.

- **Adoption:** These efforts delivered a 24% year-over-year increase in badge adoption, with 20% of all hostels now carrying an S2S badge.
- **Commercial Performance:** Badged hostels now over-index on conversion and regularly over-index on price per night.
- **Sector Leadership:** Hostelworld remains the only OTA represented on the GSTC advisory group for Small and Medium Enterprises.

We continue to focus on reducing our own environmental impact, working towards reduction targets set in line with the Corporate Net Zero Standard. I am pleased to report that for the fifth consecutive year we retained the South Pole ‘Taking Climate Action’ label.

Employees, Partners, and Communities

2025 marked a significant step in our journey to become a truly Remote First organisation. We invested in impactful events like Connections Week, reinforcing our sense of belonging. These efforts resonated with our people, as reflected in our highest-ever engagement scores, placing us ahead of our peer group.

For our hostel partners, we prioritised face-to-face engagement, hosting major conferences in Tokyo (May) and Seville (September). In total, the Global Markets team visited 50 locations during 2025 to gather direct feedback to inform future product and platform development.

Our commitment to inclusion was recognised with *Investors in Diversity Gold* accreditation, making Hostelworld the first travel company in Ireland to achieve this standard. We also deepened our partnership with Teen-Turn, providing mentorship for young women in STEM and reinforcing our commitment to building a more diverse pipeline of future talent.

Summary

2025 demonstrated both the resilience of our business model and the focused execution of our team. While the year began against a softer backdrop, the second half delivered 7% revenue growth, significantly improved marketing efficiency, and full-year adjusted EBITDA of €19.9 million in line with market consensus.

Equally important was what we delivered. Every strategic milestone we committed to at our Capital Markets Day was delivered: *Elevate*, OccasionGenius Inc., Social Passes and budget accommodation; and together they have transformed the platform. We now have three areas of revenue where there was one, a materially larger addressable market, and a proprietary social dataset that grows more valuable as our community expands. AI-powered recommendations are already strengthening engagement and will increasingly underpin how we match travellers, surface events and drive bookings.

We enter 2026 with an expanded set of capabilities, a resilient balance sheet, and a clear roadmap. I thank our employees for their commitment and our shareholders for their continued support.



Gary Morrison
Chief Executive Officer
25 March 2026

⁽¹⁾ Year-over-year growth rates calculated using the average of the 12 individual monthly growth rates through 2025
⁽²⁾ An App bednight is defined by a user opening the App themselves (either organically or via a push notification) and completing the booking and bednight(s) on the App

Our Growth Strategy

We have built the world’s leading social travel network, with over 3.4 million social members across 3,000+ city networks globally. These members are powerful brand advocates, organically sharing their experiences and amplifying our reach.

Our pioneering social strategy attracts and retains high-value customers, transforming Hostelworld from a transactional booking platform into a data-led social travel ecosystem. This builds upon our existing strengths to deliver value through three key pillars:



The world’s leading Social Travel Platform

We empower a global community of travellers to connect, explore, and create unforgettable experiences together.



Accelerate Growth and Monetisation

As the network scales, value compounds, driving higher engagement, repeat usage, and growing revenue across three live streams: directly contracted accommodation, budget accommodation, and Social Passes.

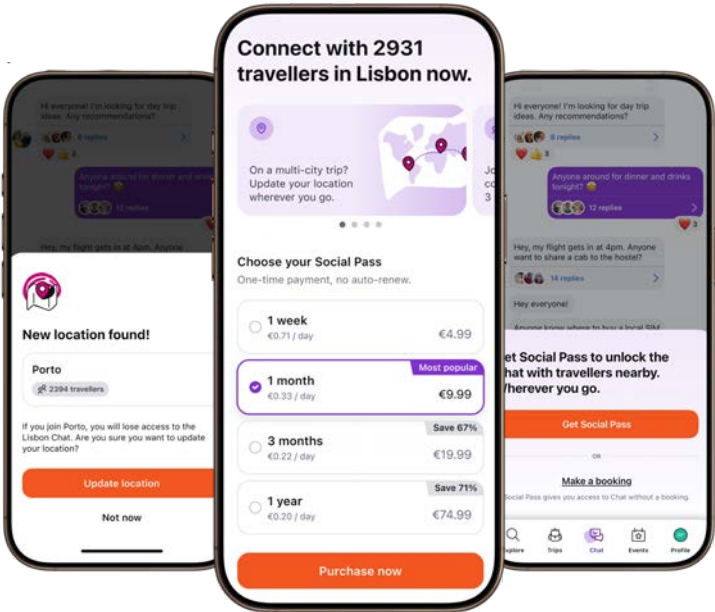


A Unique Proprietary Data Asset

Authentic traveller conversations generate real-time insights of traveller intent, creating AI-ready data for personalised experiences and monetisation.

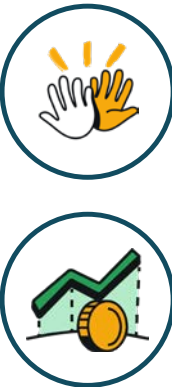
OccasionGenius Inc.

The acquisition of OccasionGenius Inc. significantly accelerates Hostelworld’s progress towards becoming the world’s leading social travel platform. By adding a proprietary global dataset of events across 750+ cities updated daily, we give travellers more reasons to connect and explore together. The planned integration in Q2 2026 will enable travellers to discover not only a place to stay and people to meet, but also unforgettable things to do, capturing them at the very beginning of their planning journey and driving growth in social members and bookings. Combined with our existing social and bookings data, this creates a powerful and unique proprietary data asset that deepens our competitive advantage over time.



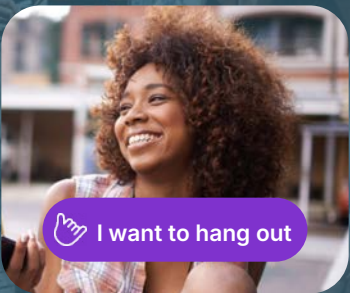
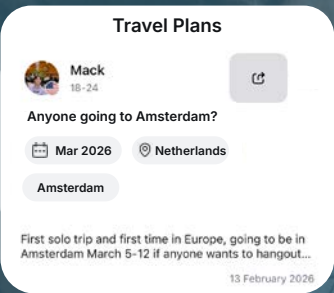
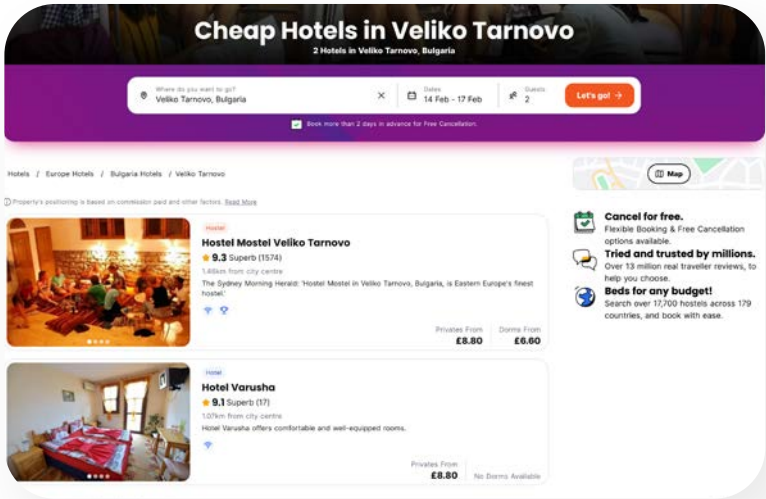
Social Monetisation

Launched in November 2025, Social Passes represent an important new revenue stream for Hostelworld, providing travellers with time-bound paid access to our social network, independent of an accommodation booking. This broadens our addressable market by opening the platform to the many youth travellers who may not require accommodation but want to connect with a community in their destination. With 39% of Social Pass customers new to Hostelworld, early results demonstrate strong acquisition potential. The mix is already shifting towards weekly and monthly passes, and we will continue to scale distribution and optimise pricing throughout 2026.



Third-Party Inventory

Launched in Q4 2025, our budget accommodation offering supplements our directly contracted hostel inventory with third-party accommodation options sourced via a global inventory supplier, on a non-exclusive basis. This enables us to serve customers across 18,000 destinations, including those where hostel inventory is limited, significantly expanding our addressable market. Customers booking via this channel receive the full Hostelworld experience, including access to our social network and city communities, reinforcing the platform's value and driving social membership growth.



Social Network

With over 3.4 million members, our social network enables travellers to connect with each other prior to their stay through a booking or Social Pass. They can create their own profiles and let other travellers know they want to hang out. They have access to hostel social events via Linkups and can share Travel Plans, allowing travellers to share future trips and meet others before booking. Social members book approximately twice as frequently as non-members and are three times more likely to use the app, and as the network grows, the data it generates becomes richer, powering better matching and deeper engagement across the platform.



Elevate

Elevate is our AI-powered marketplace monetisation tool, built upon a machine learning-enabled hostel ranking system. The tool leverages traveller conversion patterns, incentivises desired marketplace behaviours and increases commission rates for specific demand types. Through supporting demand capture at key moments, Elevate allows hostel partners to respond quickly and strategically to shifts in seasonality and market dynamics. The effective commission rate increased from 15.4% in H2 2024 to 16.7% in H2 2025, demonstrating Elevate's growing and proven contribution to revenue growth.



AI-powered User Experience

Our priority is deploying AI-powered recommendations across our social features. Personalisation across the entire travel journey can enhance the customer experience through recommendations, traveller-to-traveller matching, increased engagement and predictive hostel recommendations aligned to each traveller's evolving social profile and booking behaviour.



Social Media Flywheel

As our social network grows, so does a powerful and authentic form of brand advocacy. Social members who meet people through our platform, in hostels, city chats, and at events, increasingly share those experiences with their own followers. Unlike a generalist OTA, which facilitates a transaction, Hostelworld facilitates a human connection; and it is that deeper, more emotive experience that our members share. This organic social amplification raises awareness of the platform in a way that is both authentic and uniquely ours, reflecting a proposition that no competitor can replicate, because no competitor creates the same experience in the first place.



Financial Highlights

Net Bookings 7.0m 2024: 6.9m	Generated Revenue⁽¹⁾ €93.8m 2024: €91.5m	Net Revenue €93.8m 2024: €92.0m
Net Average Booking Value ("ABV")⁽¹⁾ €13.43 2024: €13.21	Direct Marketing as a % of Generated Revenue⁽¹⁾ 48% 2024: 46%	Administration Expenses €75.9m 2024: €71.8m
Profit for the Year €7.0m 2024: €9.1m	Basic EPS 5.63 cent 2024: 7.28 cent	Dividend per Share⁽¹⁾ 2.40 cent 2024: Nil
Adjusted EBITDA⁽¹⁾ €19.9m 2024: €21.8m	Adjusted EBITDA Margin⁽¹⁾ 21% 2024: 24%	
Adjusted Profit after Tax⁽¹⁾ €15.0m 2024: €17.4m	Adjusted EPS⁽¹⁾ 11.91 cent 2024: 13.97 cent	
Cash €12.2m 2024: €8.2m	Net (Debt)/Cash⁽¹⁾ €(1.6)m 2024: €2.0m	Cash Conversion⁽¹⁾ 51% 2024: 66%

⁽¹⁾ The Group uses Alternative Performance Measures ("APMs") which are non-IFRS measures to monitor the performance of its operations and of the Group as a whole. APM definitions and rationale are provided in Appendix 1 of the Annual Report.

Chief Financial Officer's Review: Caroline Sherry

2025 marked a year of execution against our strategy, combining revenue growth, targeted investment and a renewed focus on shareholder returns.



2025 was a year of resilient financial performance, characterised by strong ABV expansion, disciplined cost control, and a strengthened balance sheet, despite heightened marketing inflation and investment in strategic acquisitions. Generated revenue increased by 3% to €93.8 million (2024: €91.5 million), supported by a 2% increase in ABV and continued momentum in marketplace monetisation through our *Elevate* and Featured Listings tools.

Adjusted EBITDA of €19.9 million (2024: €21.8 million) reflects the impact of inflationary pressures in performance marketing and higher strategic investment in Product & Technology capability, though second half financial performance demonstrated meaningful recovery. The Group remains well-capitalised, with €12.2 million of cash (2024: €8.2 million), supporting both our ongoing investment agenda and progressive capital returns policy.

The acquisition of OccasionGenius Inc. introduces strategically accretive capabilities across content, event discovery and social product integration. A strong post year-end trading start, with ABV up double-digit and direct margin trending ahead of prior year, provides confidence in delivering our FY26 growth objectives.

Revenue

Generated revenue, defined as gross revenue net of cancellations, increased by 3% year-on-year to €93.8 million (2024: €91.5 million). This growth reflects a 2% improvement in ABV to €13.43 (2024: €13.21) and a modest 1% increase in net bookings to 7.0 million (2024: 6.9 million).

The uplift in ABV was driven primarily by the continued rollout and optimisation of *"Elevate"*, our marketplace monetisation tool, which lifted the effective commission rate from 15.3% in 2024 to 16.2% in 2025.

Net revenue increased by 2% to €93.8 million (2024: €92.0 million), reflecting deferred revenue movements and ancillary income streams. Net revenue includes €0.2 million recognised from OccasionGenius Inc., following its acquisition in October 2025.

Operating Profit

Administrative expenses increased to €75.9 million (2024: €71.8 million), representing a year-on-year increase of €4.1 million, with the movement driven by higher direct marketing costs, investment in strategic growth initiatives and acquisition-related exceptional costs.

Direct marketing costs increased by €2.8 million to €45.3 million (2024: €42.5 million), reflecting ongoing cost inflation across performance marketing channels. Direct marketing expenditure represented 48% of generated revenue (2024: 46%).

The Group incurred exceptional costs of €1.3 million (2024: €nil), relating primarily to professional fees incurred in connection with the October 2025 acquisition of OccasionGenius Inc.

Wages and salaries increased marginally to €19.1 million (2024: €19.0 million), with higher average headcount (260 employees in 2025 compared with 228 in 2024), largely offset by lower discretionary compensation.

Chief Financial Officer’s Review continued

Cost discipline and robust procurement controls ensured that other operating costs were maintained at 27% of net revenue, consistent with the prior year.

Group operating profit for the year was €8.4 million (2024: €11.3 million), a decrease of €2.9 million year-on-year.

Adjusted EBITDA totalled €19.9 million (2024: €21.8 million), with an adjusted EBITDA margin of 21% (2024: 24%), broadly reflecting the cost dynamics noted above.

Exceptional Items

Exceptional items are disclosed separately where their size or nature is considered to be material and relevant to an understanding of the Group's underlying performance.

In the current period, the Group recognised €1.3 million of acquisition and integration costs relating to the acquisition of OccasionGenius Inc. in October 2025. These costs relate primarily to professional fees incurred as part of the transaction.

No exceptional items were recognised in the prior period.

Share-Based Payment

The Group recognised a share-based payment expense of €1.5 million during the year (2024: €1.8 million), relating to awards granted under the Group's Restricted Share Unit ("RSU") and Long-Term Incentive Plan ("LTIP") arrangements.

On 24 March 2025, the Group granted 2,093,088 LTIP awards to executives and selected key employees. All LTIP and RSU awards are granted as nil-cost options.

During the year, 2,287,540 shares were issued on 1 May 2025 following vesting of the RSU 2022 grant. Further detail is set out in the Remuneration Committee Report on pages 133 to 154.

Earnings per Share

Basic earnings per share for the Group amounted to 5.63 € cent (2024: 7.28 € cent), and adjusted earnings per share amounted to 11.91 € cent per share (2024: 13.97 € cent per share).

Adjusted EPS is an APM of the Group, a key metric guided to the market and a key element of Executive Director and senior management remuneration.

Current and Deferred Tax

The Group's current corporation tax charge was €0.3 million (2024: €0.3 million), relating to profits earned in international markets, where tax losses arising in Ireland cannot be utilised.

The deferred tax charge for the year was €1.1 million (2024: €1.7 million), reflecting utilisation of a deferred tax asset (2025: €13.7 million, 2024: €13.8 million) arising from prior year trading tax losses and interest relief. This deferred tax asset is being released to the income statement in line with the utilisation of the underlying tax losses and interest relief, has no expiry date and may be carried forward indefinitely.

In connection with the acquisition of OccasionGenius Inc., the Group has recognised a deferred tax liability of €1.2 million and a deferred tax asset of €1.0 million on acquisition. Deferred tax assets are recognised only to the extent that it is probable that future taxable profits will be available against which the losses and credits can be utilised.

Acquisition of OccasionGenius Inc.

In October 2025, the Group acquired OccasionGenius Inc., a US-based event discovery platform for an agreed purchase price of \$12.0 million (€10.3 million). The acquisition introduces strategic synergies across social engagement and product discoverability. An intangible asset of €9.4 million has been recognised relating to technology assets of €6.2 million, customer contracts €0.5 million, and trade name €0.6 million, and a goodwill balance of €2.1 million.

Net Debt and Financing

At the balance sheet date, the Group reported a net debt position of €1.6 million (2024: net cash of €2.0 million). Net debt comprised cash of €12.2 million (2024: €8.2 million), a new €10.3 million AIB term loan drawn to fund the OG acquisition and €3.5 million of warehoused tax liabilities (2024: €6.2 million).

The Group retains access to an undrawn €2.5 million overdraft facility with AIB.

In the prior year, the Group fully repaid its existing AIB facilities, which at that time, included a €10.0 million term loan and a €7.5 million revolving credit facility.

Cash conversion for the year reduced to 51% (2024: 66%), reflecting an increase in working capital requirements.

Debt Warehoused

The Group availed of the Irish Revenue Commissioners' tax warehousing scheme, under which €9.4 million of Irish employer taxes were deferred for the period from February 2020 to March 2022. As at 31 December 2025, the balance remaining under the scheme was €3.5 million (31 December 2024: €6.2 million).

A structured repayment arrangement with the Irish Revenue Commissioners commenced in May 2024, comprising an initial payment of 15%, followed by monthly instalments over a three-year period to April 2027. The Group continues to comply with, and closely monitor, all applicable Revenue guidelines governing the scheme.

Deferred Revenue

Deferred revenue at year end amounted to €3.2 million (2024: €3.5 million). Of this balance, €3.1 million (2024: €3.2 million) relates to bookings made under the Group's free cancellation policy, where customers retain the right to cancel and receive a refund. The remaining balance relates to deferred revenue associated with the Featured Listing and *Roamies* products. The deferred revenue balance is expected to unwind during 2026.

Development Labour

Hostelworld continues to prioritise innovation and invest in its platform and capabilities. Capitalised development labour increased to €7.6 million (2024: €5.5 million), supporting delivery of strategic initiatives, including the launch of the Travel Plans pre-booking feature, the introduction of social passes as an initial step in monetising the social platform, the completion of a multi-year modernisation programme for our core technology infrastructure and the integration of third-party inventory.

Development labour capitalised during the year comprised €5.5 million (2024: €3.7 million) of internal staff costs and €2.1 million (2024: €1.8 million) relating to external contractors engaged for specialist technical expertise.

Impact of New Accounting Standards

New accounting standards and amendments adopted during 2025 did not have a material impact on the Group's financial position or performance.

The Group is currently assessing the impact of IFRS 18 Presentation and Disclosure in Financial Statements, which is effective for annual periods beginning on or after 1 January 2027 and will be applied retrospectively. IFRS 18 will introduce changes to the presentation and disaggregation of income and expenses and will require non-IFRS KPIs (alternative performance measures) to be included within the audited financial statements. The Group welcomes the introduction of IFRS 18, which is expected to enhance the clarity, consistency and transparency of financial reporting for investors, and will continue to monitor its impact as implementation approaches.

Investor Relations

The Group maintains a proactive and transparent investor relations programme, designed to ensure regular, open dialogue with shareholders and the wider investment community. Annual and interim results, together with quarterly trading updates, are supported by detailed presentations, webcasts and conference calls, providing stakeholders with timely insight into the Group's performance and outlook.

In April 2025, Hostelworld hosted a Capital Markets Day to provide investors and analysts with a detailed update on the Group's growth strategy, financial priorities, and medium-term outlook. The event included presentations from the executive team on strategic initiatives, product development, sustainability targets, and operational performance. It also offered an opportunity for direct engagement and Q&A with investors, reinforcing transparency, the Group's long-term value proposition, and its commitment to sustainable growth.

In May 2025, the Company held its Annual General Meeting ("AGM"), with facilities in place for shareholders to submit questions to the Board in advance. Full details of the AGM and voting outcomes were published on the Company's website.

Chief Financial Officer’s Review continued

Throughout the year, members of the management team engaged in a series of investor roadshows and conferences, meeting with existing and prospective investors and analysts. These engagements provided valuable opportunities for focused discussion and direct feedback, which the Group considers carefully to ensure its investor communications remain relevant, clear and aligned with market expectations.

Share Buyback

On 19 June 2025, the Group announced a £5 million share buyback programme and by year-end had repurchased and subsequently cancelled 3,061,809 ordinary shares for a total cost of £3.9 million. The programme is expected to be completed on or before the 2026 Annual General Meeting.

Dividend

The Board reinstated a progressive dividend policy targeting a payout ratio of 20%–40% of adjusted profit after tax, in line with the capital allocation framework outlined at the Capital Markets Day on 29 April 2025.

The Board is recommending a final dividend of 1.58 € cent per share, bringing the total dividend for the year to 2.40 € cent per share.

Subject to approval by shareholders at the Annual General Meeting on 6 May 2026, the final dividend will be paid on 12 May 2026 to shareholders on the register at the close of business on 17 April 2026. The shares will be marked ex-dividend on 16 April 2026.

Caroline Sherry

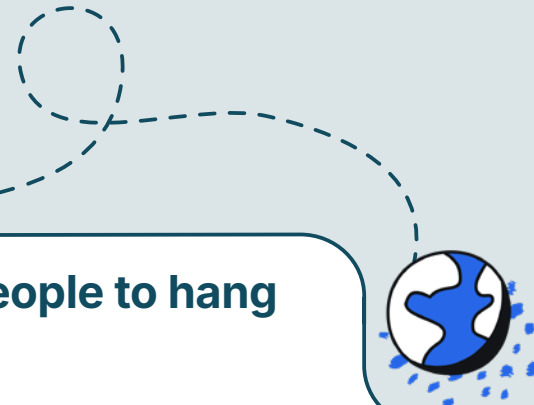
Caroline Sherry
Chief Financial Officer
25 March 2026



Hacienda Venecia, Manizales, Colombia

Our Hostelworld Culture Code

Our culture code defines who we are.



Our mission is to help travellers find people to hang out with

We understand the power of travel; the joy to be found in broadening our horizons through experiencing new places and meeting new people. We understand that for many travellers the journey and the people met along the way are often more important than the destination.

It's the same for our team. We deliver innovation while also enjoying how we deliver interesting things – our journey together matters!

When at work, we want our people to gain as much experience as possible, to learn and grow, to feel like they are part of something, and to make meaningful connections with others they meet along their way.

What makes us 'us'

We have a shared love of travel

Hostelworld was founded on a deep understanding of the opportunities that travel offers, and a passion to modernise the hostel category. That dedication is still with us to this day. 25 years in, we feel we're at the early days of what's possible in connecting travellers and inspiring adventurous minds through travel.

Central to this, at the heart of Hostelworld, are our people. Those who succeed here contribute to building and supporting an open, friendly, and fun culture.

We combine a startup spirit with experience

We've learned through experience how to combine the best aspects of a startup culture, scrappiness and agility, with the discipline of maturity.

We are scrappy

We thrive on a blend of startup energy and seasoned wisdom. Our agility allows us to embrace change, even when it feels a bit chaotic, and to respond quickly to the evolving needs of our travellers. We're always listening and ready to pivot.



We love data

Data guides everything we do. While intuition might spark an idea, it's our dedication to data that drives our decisions and ensures our success. We believe in grounding every discussion and action in facts.

We are resourceful

Resourcefulness is in our DNA. We are proud to be a relatively small company with big ambitions. We believe having smaller teams helps us to focus on what matters most, to build camaraderie, enable action and to keep us connected to our mission.

We are intentional about where we invest

We invest strategically. Frugality isn't just a policy; it's a core value that allows us to focus our resources on what matters. We empower highly skilled, agile teams to deliver high-impact projects.

We keep it simple

We like the simplicity that our size makes possible; we value knowing everyone's name; we don't want to feel like a small cog in a big machine.

We do the right thing

Above all else we approach everything with decency.

We do the right thing by our people, customers, partners and planet

We care – we care about our people, our customers, our partners, and our planet. This shows through our approach to our people strategy, our sustainability commitments, and the way we work with our hostel partners and for our customers.

We set the bar high and trust through transparency

We share A LOT. The level of transparency here might feel rare to some. We gain trust by being open about our plans and our progress. We celebrate when things are on track, and we don't hide from the numbers when we need to course-correct.

Being agile doesn't mean we compromise on quality. Doing the right thing means being dogged in our pursuit of excellence. We set the bar high and are very delivery focused; which means we expect a lot from each other so we can deliver on our commitments.

Lastly...the journey is never boring!

Our work is fast-paced and wide-ranging, offering both challenges and rewards. We thrive on adapting to change, and we recognise that the constant learning opportunities in this anything-but-routine environment are key to our engagement at work and our personal and professional growth.



“Whatever happens, I am always learning”

Our People and Culture



2025 was a year where we continued to shape what it means to be a truly remote first organisation. Across every team and location, our people embraced new ways of learning, collaborating, and supporting one another, all grounded in our shared behaviour of growing others. Their energy and care for our mission – helping travellers find people to hang out with – remained constant, and as we look ahead, we remain focused on nurturing a culture where everyone can develop, connect, and do their best work.

Total Group Employees in 2025⁽¹⁾

269



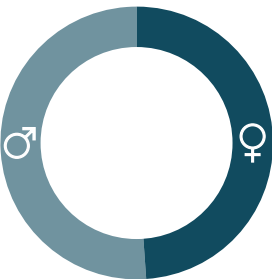
Ireland
131



Portugal
88



Others
50



Gender Representation

49% Female

51% Male

No. of Nationalities

34

Average Age

38

Average Length of Service

5 years

Volunteering Hours

344

Culture and Engagement – Remote First, AI Native

2025 was a year of continued progress for Hostelworld as we evolved how we support, connect, and grow our people across an increasingly global and distributed organisation. As our footprint expands and our ways of working mature, our focus remains on nurturing a culture where everyone feels a deep sense of belonging, purpose, and possibility. Our people once again demonstrated remarkable adaptability, curiosity, and commitment, and their collective energy has shaped another year of meaningful cultural development.

Last year, we introduced our Culture Code, a clear expression of who we are and what we value. The response across the company was overwhelmingly positive, with colleagues recognising themselves in the language, priorities, and spirit of the Code. In 2025, our focus moved from launching the Code to embedding it. We brought it to life in the subtle, everyday ways culture becomes real: through onboarding rituals, team practices, shared decision making, and the choices people make about how they show up for one another. The Culture Code continues to act as a compass for how we collaborate, support each other, and build a workplace grounded in openness and respect.

This year also marked another step forward in the evolution of how we work as a Remote First, increasingly AI native organisation. This shift is more than a workplace strategy; it reflects our intention to combine the flexibility of distributed work with the connection and

creativity that define our culture. AI-enabled tools and ways of working have begun to support our teams in practical ways, simplifying processes, enhancing learning, and freeing people to focus on high value work. This approach is grounded in the principles developed by the People Team to ensure that AI is used thoughtfully, safely, and in ways that support human judgment rather than replace it.

Becoming Remote First continued to shape how we build connection across time zones and cultures. We invested in onboarding and learning experiences that help every new colleague feel welcomed, supported, and equipped to succeed from day one, regardless of where they are based. These blended approaches have become an important expression of our culture: practical, inclusive, and focused on giving people the tools and confidence to thrive.

Our Behaviours

We want to create a workplace where everyone can make a meaningful impact on the business while continuing to grow, both personally and professionally. We foster behaviours that empower every team member to do their best work, thrive in their roles and contribute to our shared success. These behaviours are embedded throughout the employee lifecycle – from recruitment and performance development to recognition and reward. To support continuous growth, we actively encourage peer feedback, with each employee assessed against our five core behaviours as part of regular performance development discussions.



Grow Others

We fundamentally believe that investing in growing others benefits everyone, whether it's helping them develop hard or soft skills. We want learning and growing to be part of our DNA to help make us a better team, together.



Master It

We are obsessed with our area of expertise and enjoy developing our skills. We rarely take things at face value; we investigate, interrogate and always look for 'the why,' and wherever possible, we use data to find the best solution.



Collaborate

We are in it together, for the tough stuff and the celebrations too. To achieve the best results, we need expertise from all areas of the organisation, and we wholeheartedly welcome diverse thinking.



Adapt

We work fluidly, adapting to new information and the evolving environment while staying committed to our goals. Innovation and experimentation fuel our projects and we're never afraid to pivot.



Deliver

Our focus is always on the end result; we value outcomes over activity. We collaborate to deliver work at speed without dropping any of our other behaviours.

⁽¹⁾ FTE count on 31 December 2025.



Our People and Culture continued

Grow Others

Our approach recognises that development is not confined to formal programmes; it happens in the flow of work, through shared problem solving, and in the informal interactions that help people build confidence and capability.

This year, we invested in high impact in person onboarding and learning events that provided moments of energy and connection for colleagues joining from across our global locations. These were complemented by expanded remote-first development opportunities that help ensure learning is accessible to everyone, wherever they work. Connections Week in October was a standout moment – a dedicated space for colleagues to come together for education, conversation, and shared experiences. The engagement across teams demonstrated the appetite for ongoing growth and connection that continues to shape our culture.

Our partnership with *Grow Remote* added further depth to how we support colleagues in a distributed environment, helping us to offer social and learning experiences tailored to the needs of remote workers. These efforts play an important role in strengthening the community experience within our organisation.

While Remote First is now our default, we continue to value the unique power of in person interaction. Our new Dublin office has quickly become a place of energy and collaboration – a physical anchor for workshops, cross functional planning, problem solving, and moments of celebration. It complements our distributed model by offering a shared environment for the kind of deep connection that benefits from being together.

Across the year, we saw our learning culture strengthen further. Employees continued to seek out opportunities to build capability, and we supported this through structured programmes, peer learning, and manager development. Leadership capability remained a priority, grounded in the understanding that effective leadership is essential in a distributed environment. Our mentoring ecosystem also flourished, providing colleagues with meaningful opportunities to learn through reflection, shared experiences, and cross-team connections.

Our Values

Our five core values shape how we work together and how we connect with the world around us. They sit at the heart of our culture, guiding our decisions through both successes and challenges – and they've helped carry us through more than 25 years of building and growing the business.

Think Customer: We put the customer first and we are on their side in everything we do. We always aim to delight and surprise, aim to anticipate and fulfil their needs, and deepen our engagement at every opportunity.

Building a Better World: We use our collective energy every day to promote understanding in our world by enabling individual journeys of discovery, adventure and meaning. We have made sustainability a central pillar in our strategy. We value and promote equality, respect and diversity to help inspire a better world.

Community Spirit: We are the social network and the social app. We bring people together from all over the globe, inspiring energy, passion and curiosity. Our unique community spirit empowers us to help build collaboration, openness and honesty.

Be Bold, Be Brave, Be Adventurous: We allow our passion to drive our ambition. We encourage our people and our group strategic thinking to be fearless. We embrace change as a path to success.

Keeping it Simple: We use simplicity and smart thinking to be agile and improve everything we do.

Engagement

These collective efforts were reflected in our employee engagement results, where we achieved our highest scores to date. Participation remained consistently strong, and our overall engagement score exceeded the benchmark for similar companies. While we view these results as encouragement rather than an endpoint, they demonstrate that our people feel connected to our mission, supported in their work, and aligned with the values we have worked hard to articulate and embed.

The depth of insight we gain from engagement is an important input into our People strategy. These results help us understand where our culture is strongest and where we need to continue investing to ensure Hostelworld remains a place where people can do meaningful work, build lasting connections, and grow their careers.

Our People and Culture continued



In 2025, Hostelworld was awarded the *Investors in Diversity Gold* accreditation by the Irish Centre for Diversity, an independent recognition of our commitment to embedding inclusion, engagement and diversity into every aspect of our business.

This accreditation followed a rigorous, evidence-based assessment of how inclusion is led from the top and lived across the organisation. It examined our leadership commitment and the way our inclusion, engagement and diversity policies are integrated into the business, including recruitment, progression and retention planning. It examined how we use data to inform decision-making and how we positively influence those around us from how we lead our teams to how we connect with travellers and partners worldwide. We are particularly proud that

the assessment recognised our willingness to engage in challenging but necessary conversations, including spotlighting Africa's first LGBTQ+ inclusive hostel, reflecting our belief that inclusion should be visible, authentic and global.

For us, this accreditation is more than a badge. It is validation that we show up for one another every day and that we are building a culture where every team member feels respected, supported and valued for who they are.

Inclusion, Engagement and Diversity

Our commitment to inclusion and belonging continues to be one of the foundations of our culture. In 2025, we were proud to receive *Investors in Diversity Gold* accreditation, making Hostelworld the first travel company in Ireland to achieve this recognition. The accreditation reflects the work taking place across our organisation to embed equitable practices, ensure people feel respected and valued, and foster a culture of belonging for all.

As part of our commitment to transparency and progress, we published our 2025 Irish Gender Pay Gap Report, which outlines the structural factors influencing our pay gap and reflects the actions we continue to take to broaden representation across our business. We are proud of the work underway in Ireland and in all the locations where we operate to support diverse career pathways, strengthen our talent pipelines, and ensure equitable access to opportunities. While closing the gap requires sustained effort, we remain committed to creating an environment where all colleagues can grow, develop, and thrive.

Our People Dashboard

	Male	Female	Total	Male	Female
Executive Directors and Executive Leadership Team ("ELT")	6	2	8	75%	25%
Senior Leadership Team (Direct Reports of ELT)	13	18	31	42%	58%
Other Employees	118	112	230	51%	49%
Total employees, excluding NEDs⁽¹⁾	137	132	269	51%	49%

⁽¹⁾ The above table is populated with reference to FTEs as at 31 December 2025.

We continued to partner with organisations that align with our values. Our collaboration with Teen Turn remained a highlight, offering young women from underserved communities meaningful exposure to STEM careers. Through the Teen Turnship programme, students gained

hands-on experience across our People, Global Markets, Finance, and Technology teams. Their curiosity and enthusiasm brought renewed energy to our teams, and we remain committed to supporting the next generation of women in technology.

This year also saw us deepen our connection to the social impact work being carried out by our hostel partners. Through internal storytelling, spotlight sessions, and knowledge-sharing events, we highlighted initiatives that align closely with our values – from LGBTQ+ inclusive hostels creating safe and welcoming spaces, to operators championing environmental sustainability, to hostels providing education and community development programmes. These stories remind us that hostelling has a unique role to play in building a better world, and that our platform has an important role in elevating impact across the global hostel community.

Employee Wellbeing

Supporting our people remains central to how we build a sustainable and engaging workplace. Throughout 2025, we continued to evolve our suite of progressive policies designed to support employees at different life stages and during important personal moments. These policies reflect our commitment to wellbeing, inclusion, and flexibility, and remain key differentiators for Hostelworld within the Irish PLC landscape.

Our wellbeing, agile working, family leave, menopause, domestic violence, compassionate leave, working from abroad, and career break policies continued to provide meaningful support to colleagues across our global workforce. As we grow into new countries and adapt to evolving ways of working, we remain focused on ensuring these policies continue to reflect the needs of our people, offering practical and equitable support across all the countries in which we operate.

Conclusion

As we look back on 2025, what stands out most is the collective effort to build a workplace where people can learn, connect, and belong – no matter where they are in the world. Our culture continued to strengthen, our people continued to grow, and our commitment to inclusion and responsibility deepened. This progress reflects the dedication of people managers across the organisation and the thoughtful work of our People Team, whose partnership has been instrumental in bringing our culture to life. With these foundations in place, we look ahead to 2026 with optimism, confident that our people and our values will continue to guide our growth and the positive impact we can make together.

Barry McCabe

Barry McCabe

Chief People Officer

25 March 2026

Supporting Our People

We have provided an overview of some of our key policies to support the needs of our people.

Wellbeing Leave Policy encourages employees to take up to three days leave to focus on their mental and physical health, in addition to our Annual Leave policies.

Volunteering Leave Policy allows employees 5 days volunteering leave per year to engage with and contribute to their communities to share their time and talents with recognised charities.

Agile Working Policy supports flexible work arrangements and enables employees to work in ways that suit their roles and personal circumstances while maintaining productivity.

Individual policies for Fertility, Parental, Maternity, Paternity/Adoptive and Surrogacy Leave offer competitive leave to those growing their families.

Menopause at Work Policy offers support and accommodations for employees directly or indirectly experiencing menopause, aiming to foster an understanding and inclusive workplace.

Domestic Violence Leave Policy offers up to 10 days leave to employees affected by domestic violence or supporting a dependent, for their safety and well-being.

Compassionate Leave Policy allows employees to take leave during difficult personal times, such as the loss of a loved one, as well as up to 15 days leave for those affected by pregnancy loss.

Working from Abroad Policy allows employees to work from other locations for up to 30 working days per year, giving them an opportunity to combine travel and work, under certain conditions.

Career Break Policy allows employees to take up to one year extended unpaid leave for personal development, travel, or other significant pursuits, with a path to return to their role.

In addition to the above we also have policies to support learning, working from home, wellbeing, wedding leave, equal opportunities, inclusion and diversity, dignity and respect. We also ensure supports when things aren't going well, such as sick leave, grievances and disciplinary issues.

Sustainability at Hostelworld



A longstanding guiding principle at Hostelworld is ‘Building a Better World.’ We want to do the right thing because we care about our people, our customers, our partners, and our planet. This year, our ESG programme has delivered measurable progress while strengthening our culture, operations, and supply chain.

Our sustainability strategy is built on two clear priorities.

First, we are committed to doing business the right way by carefully selecting our partners and actively managing our own environmental footprint. Through agile ways of working, smaller and more environmentally conscious co-working spaces, and a fully cloud-hosted technology platform, we have reduced our Scope 1 and 2 emissions to nominal levels and are committed to maintaining a low-impact operating model.

Second, we celebrate the inherent sustainability of the hostelling industry and work closely with our supply chain to drive practical improvements through our ‘Staircase to Sustainability’ framework. By supporting partners to optimise and communicate their sustainability efforts, we enable travellers to make more informed choices and to discover the most sustainable travel options available on our platform.

Operating Responsibly

We continue to manage our environmental impact rigorously. In 2025, Scope 1 and 2 emissions were kept below 30 tCO₂e and we have reduced Scope 3 emissions by 37% compared to the 2023 base year, driven by our strict supplier alignment. This reduction has us on track to meet our 2035 goal.

Scope 3 emissions currently exclude the impact of emissions associated with hostel stays. As a digital marketplace, Hostelworld does not own, operate, or manage the hostels booked through the platform, nor does it directly affect how these services are used. Given this lack of operational control and the current methodological uncertainty in the greenhouse gas

(“GHG”) Protocol regarding such emissions, we have prudently excluded them from our calculations while awaiting further global regulatory clarification.

Over 85% of purchased consumables now come from suppliers with Net Zero or SBTi-aligned targets, with a target to reach 90% by 2026. Our agile ways of working, cloud-hosted technology, and low-carbon workspaces continue to reduce operational emissions.

In 2025, Hostelworld maintained its Silver “Taking Climate Action” label from South Pole for the fifth consecutive year. This label is approved by CO₂Logic and validated by Vinçotte (Member of Group Kiwa), an independent third-party auditor, with whom Hostelworld does not have any engagement.

We have enhanced our carbon offset offerings, enabling customers to take responsibility for emissions associated with their hostel stay through our partnership with our designated offset provider. All of our Hostelworld events were climate-neutral, including our hostel conferences in Tokyo and Seville.

ESG governance is embedded across the business. Monthly ESG Steering Committee meetings and updates at every Board meeting ensure progress is monitored. Furthermore, the ESG Steering Committee maintains a regular slot at company townhalls, encouraging participation and transparency across the organisation.

Supporting Sustainable Hostels

Hostels are naturally low-carbon, producing over 80% less Scope 1 and 2 carbon than hotels⁽¹⁾.

Our Products

As a result of the ‘Staircase to Sustainability’ framework, customers can identify the most sustainable hostels. While hostelling is a sustainable travel choice, there are certain emissions that are hard to avoid. We allow our customers the option to take responsibility for the emissions associated with their hostel stay, in partnership with CarbonClick.

Sustainability-focused hostel activities can be booked by our customers via the Linkups product on our platform. These events, curated by the hostels, allow customers the opportunity to become involved in the local environment and community.

We share educational content on our website and our social media platforms, on important topics such as accessibility, inclusivity and diversity.

People and Culture

Our people remain at the centre of our ESG strategy. In 2025, Hostelworld achieved Gold accreditation from the Irish Centre for Diversity, making us one of only 34 companies in Ireland to hold this distinction. We were also proud finalists for the National Diversity Awards and Business & Finance DEI award.

We continue to invest in skills and opportunity. We partnered with Teen-Turn to host a third-level internship and five secondary-level placements.

Our employees contributed 344 hours of volunteering, supporting initiatives tied to World Tourism Day and responsible travel.

We continue to enhance policies supporting wellbeing, inclusivity, and equity, covering domestic abuse, fertility, surrogacy, and menopause, and also delivered educational content on accessibility, diversity, and inclusivity.

Further detail on Our people is set out within ‘Our People and Culture’ on pages 34 to 39.

Caroline Sherry

Caroline Sherry
Chief Financial Officer and
ESG Steering Committee Chair
25 March 2026

SUSTAINABILITY STORY

Empowering the local community: Hostal del Cielo, Colombia



Located in Medellín’s Comuna 13, Hostal del Cielo uses tourism to drive economic opportunity and community engagement in a historically overlooked neighbourhood.

The hostel was born from a single moment of trust when founder Thomas Quintreau-Musci, a French backpacker, accepted an invitation to stay with a local family in Comuna 13. This experience challenged social stigmas and inspired a mission to turn budget accommodation into a vehicle of social equity.

Their ‘Call me Mami’ initiative is particularly impactful, empowering single mothers to convert their homes into guesthouses for long-term financial independence. This focus on entrepreneurship has seen tangible success, such as guests helping a local family launch an art studio selling drawings by young local artists. The hostel serves as a community hub, distributing solidarity baskets, hosting Sancocho soup events where travellers and volunteers cook for the local residents, as well as hosting holiday celebrations for neighbourhood children.

⁽¹⁾ Hostelworld and Bureau Veritas: Understanding The Carbon Impact of Hostels vs. Hotels 2nd Edition

Some ESG Highlights:

Inclusion, Engagement & Diversity

- ▶ Achieved Gold accreditation from the Irish Centre for Diversity, becoming one of only 34 companies in Ireland to reach this milestone.
- ▶ Shortlisted for Company of the Year and Advancing Allyship and By-Stander at the National Diversity Awards Ireland.
- ▶ Finalist in the Diversity, Equity & Inclusion award at the Business & Finance Awards.
- ▶ Hosted an International Women’s Day workshop in Dublin and virtually for other locations, focusing on building personal brand and career development.
- ▶ Ran a Men’s Health awareness initiative during November, including a webinar and mini-series, supporting Movember fundraising.
- ▶ Continued our quarterly fireside discussions with team members and hostels leading the way in ESG, highlighting inclusion and best practices.
- ▶ Embedded diversity initiatives into recruitment, development, and recognition processes, with ongoing monitoring of gender, nationality, and role diversity across the Group.

Community Engagement & Education

- ▶ Employees contributed 344 volunteer hours to support community initiatives.
- ▶ Partnered with Teen-Turn to provide internship opportunities: one eight-week placement for third-level students and five two-week placements for secondary school students.
- ▶ Re-ran the annual World Tourism Day Competition, sending one employee to South Africa to co-host an Eco-Pride event at Africa’s first LGBTQ+ inclusive hostel.

Climate Action & Environmental Sustainability

- ▶ Awarded the Silver ‘Taking Climate Action’ label for 2025 by South Pole, marking five consecutive years of recognition.
- ▶ Conducted sustainability assessments with our top three suppliers to enhance supply chain ESG performance.
- ▶ Maintained Scope 1 and Scope 2 emissions below 30 tCO₂e, achieving our annual target.
- ▶ Reduced Scope 3⁽¹⁾ emissions by 37% compared to the 2023 base year, well progressed towards our 2035 target of a 37.5% reduction.
- ▶ Badged over 2,500 hostels through our ‘Staircase to Sustainability’ framework, promoting environmental and operational best practices.
- ▶ Enhanced the customer carbon offset experience for hostel stays, allowing guests to easily offset emissions in partnership with CarbonClick.
- ▶ Invested in carbon offset projects to neutralise emissions from employee and hostel delegate travel to international conferences in Tokyo and Seville.
- ▶ Launched a new series of Sustainability Stories to highlight the incredible work of our hostels, and to educate employees and customers on responsible travel and environmental best practices.
- ▶ Promoted responsible travel at the annual HOSCAR awards, including three ESG-focused award categories.

⁽¹⁾ Scope 3 emissions excludes the impact of emissions associated with hostel stays. Further detail is set out on page 65.

Staircase to Sustainability

Making sustainable travel easy – for hostels and travellers

What is it?

Hostels have long been leaders in low-impact, community-driven travel. The ‘Staircase to Sustainability’ framework builds on this by helping hostel partners review, strengthen and showcase the positive impact they make on the planet, local culture and communities.

Designed specifically for hostels, the framework turns everyday good practice into visible, trusted progress — making it easier for travellers to choose sustainable stays.

How it works

Built in line with Global Sustainable Tourism Council (GSTC) criteria, the framework is structured around four pillars:



Sustainability Management

Tracking, measuring and reporting sustainability efforts



Socio-Economic Impact

Supporting people, fair opportunities and local communities



Cultural Impact

Protecting cultural heritage and promoting respectful engagement



Environmental Impact

Reducing environmental impact through conservation and sustainable practices

Hostels progress through four levels – from Getting Started to Industry Leaders – with Level 3+ hostels achieving GSTC certification.

Results so far

- 2,500+ hostels badged since launch in Q1 2024
- Hostels actively improving practices and moving up the Staircase.
- Strong traveller demand for badged hostels – sustainability matters to our community

Empowering hostels. Informing travellers. Driving meaningful change

Sustainability continued

SUSTAINABILITY STORY

Designing radical belonging:
Soul Fam Hostel, South Africa

Opened in Cape Town in 2025, Soul Fam Hostel is Africa’s first LGBTQ+ inclusive hostel, proving that hostels can be vital safe havens that empower travellers to be their most courageous and authentic selves.

Founder Chase King, created the space after 20 years of solo travel, during which he rarely found environments that truly embraced his identity. Built on the principles of radical inclusion, Soul Fam Hostel is a place where everyone can be their whole self and form genuine connections with other travellers and the local community.

The hostel features all-gender bathrooms, inclusive signage, pronoun pins as well as staff training rooted in intersectionality. They prioritise partnerships with local, queer-led businesses for walking tours, workshops and volunteer opportunities. To foster connection, they host weekly events like storytelling nights, yoga and *braai*, which help guests form genuine bonds that go beyond small talk.



TCFD Report

We have identified and assessed our climate-related risks and opportunities and continue to monitor and embed the identified impacts within our governance, operations, strategic model and risk management framework.

Listing Rule 9.8.6R Compliance Statement

Hostelworld Group plc has complied with the ‘comply or explain’ requirements of LR 9.8.6R by including climate-related financial disclosures in this section (and in the information available at the locations referenced therein) consistent with the TCFD recommendations, relating to the parts of the business over which Hostelworld Group plc has operational control.

Overview of compliance with recommendations

The below table summarises where we have addressed the four areas of TCFD focus, with the 11 associated recommended disclosures. Further detail is included within this Sustainability Report.

Governance	
Disclose the organisation’s governance around climate-related risks and opportunities	
Recommended Disclosure	Disclosure Overview
Board’s oversight of climate-related risk and opportunities.	• The Board has overall responsibility for the oversight of climate-related risks and opportunities and their integration into the Group’s strategy, risk management and financial planning. The Group’s sustainability governance structure, including the information considered at each level of governance, is set out on pages 48 to 50. • Climate-related matters are a standing agenda item within the CFO’s report and are discussed at every scheduled Board meeting. These updates enable the Board to monitor progress against climate commitments, assess emerging risks and opportunities, and provide strategic direction as required. • The Board, together with the Audit Committee, undertakes a biannual review of climate-related risks and opportunities as part of the Group’s principal risk assessment and risk register review process. This includes consideration of climate-related impacts on the Group’s business model, performance and long-term viability. • The Audit Committee reviews the Group’s TCFD disclosures in the Annual Report and recommends their approval to the Board. Further detail on climate-related governance and oversight is also included within the Chair’s Statement, the Principal Risks and Uncertainties section and the Corporate Governance Report, with particular focus within the Audit Committee Report.
Management’s role in assessing and managing climate-related risks and opportunities.	• Responsibility for the day-to-day management of climate-related risks and opportunities is delegated to management through the ESG Steering Committee, which is chaired by the CFO and meets monthly. • The ESG Steering Committee is responsible for implementing the Group’s sustainability strategy, monitoring performance against climate targets, identifying emerging climate-related risks and opportunities, and ensuring appropriate mitigation actions are developed and executed. Regular updates from the ESG Steering Committee are provided to the Board to support effective oversight and decision-making. • Additional information on management’s role in climate-related matters is set out within the Chief Executive’s Review and the Principal Risks and Uncertainties section of the Annual Report.

Sustainability continued

Strategy	
Disclose the actual and potential impacts of climate-related risks and opportunities on the organisation's businesses, strategy and financial planning where material	
Recommended Disclosure	Disclosure Overview
Risks and opportunities over the short, medium, and long-term	A summary of the Risk and Opportunity Register is set out within this Sustainability Report from pages 50 to 59.
Impact on business, strategy and financial planning	- The outputs of the climate-related Risk and Opportunity Register have been integrated into the Group's strategy and business model. The Group's strategic focus includes promoting hostels as a more sustainable accommodation option and supporting both customers and hostel partners on their sustainability journeys. - Climate-related risks and opportunities are considered an integral part of the Group's governance framework, strategy development and ongoing management of the business. Sustainability is a core element of the Group's strategic narrative, as reflected in the Chair's Statement and the Chief Executive's Review. Identified climate-related risks and opportunities have been embedded into the Group's strategy through initiatives including the promotion of hostels as a sustainable travel option, the development of the <i>Staircase to Sustainability</i> framework, and the management of the Group's own emissions and emissions reduction targets. - Further detail on how sustainability and climate considerations are integrated into the Group's strategy is set out within the Strategic Report on pages 10 to 89. - The financial implications of the Group's sustainability strategy are considered within the annual budgeting and forecasting process. This includes operating costs associated with sustainability initiatives, climate-related investments and compliance with evolving sustainability reporting requirements. Further detail is provided on page 178.
Resilience of strategy considering different climate-related scenarios	- The resilience of the Group's strategy has been assessed under a range of climate-related scenarios, as set out within this Sustainability Report on pages 62 and 63. Based on this assessment, the Directors consider that the Group's strategy and product offering are resilient across the scenarios evaluated. - In addition, a climate-related scenario has been incorporated into the Group's viability assessment, with further detail disclosed on page 77. This assessment supports the conclusion that the Group has sufficient resilience and flexibility to respond to climate-related risks over the assessment period.

Risk Management	
Disclose how the organisation identifies, assesses and manages climate-related risks and opportunities	
Recommended Disclosure	Disclosure Overview
Climate-related risks and opportunities identification and assessment	The Group has identified and assessed climate-related risks and opportunities across the short, medium and long term. This assessment considered both physical and transition risks, as well as climate-related opportunities relevant to the Group's business model. Further detail on the identified risks and opportunities, including time horizons and potential impacts, is set out on pages 50 to 59.
Climate-related risks and opportunities management	- Climate-related risks and opportunities are managed in line with the Group's established risk management framework. Each identified risk and opportunity is assigned an executive owner with responsibility for monitoring, managing and mitigating the potential impact on the Group. - Climate-related opportunities identified through this process are escalated to the Board and, where appropriate, embedded into the Group's sustainability strategy and business planning. This includes initiatives focused on the management of the Group's own emissions and supporting hostel partners in their sustainability journeys.
Integration of processes into overall risk management	- Climate-related risks and opportunities are reviewed, monitored and reported through the same processes as the Group's principal risks and are incorporated into the Group's main Risk Register. This ensures consistency in risk identification, assessment, escalation and oversight. - The Group continues to enhance its internal processes to align with the recommendations of TCFD and to ensure climate-related considerations are appropriately embedded within the overall enterprise risk management framework.

SUSTAINABILITY STORY

Changing lives through education:
Wonderland Jungle Hostel, Thailand

Founded by two humanitarians and a Buddhist during the pandemic, Wonderland Jungle is a hostel, education hub and a charitable organisation that has equipped over 300 students with essential skills.



The communal space doubles as a classroom where volunteers hold free English, computer and art classes for local children supported by a network of 30 volunteers both on-site and remotely. A standout initiative is their dedicated dormitory for Indigenous students, providing formal education to girls from rural areas. Their dedication to build a space for education, cultural exchange and community empowerment earned them the 2025 HOSCARS Community Superhero Award.

Located on the remote island of Koh Tao, Wonderland Jungle Hostel takes their environmental impact seriously: they use solar-powered lighting outside, collect rainwater and run an organic garden. There's no single use plastic, and guests can trade in plastic bottle caps collected from the island's beaches for a free drink.

Sustainability continued

Metrics and Targets	
Disclose the metrics and targets used to assess and manage relevant climate-related risks and opportunities	
Recommended Disclosure	Disclosure Overview
Metrics used to assess risks and opportunities in line with strategy and risk management processes	The Group uses a range of metrics to assess and manage climate-related risks and opportunities in line with its strategy and risk management processes. The primary metrics monitored and reported annually are greenhouse gas (“GHG”) emissions and carbon intensity measures, which are considered the most relevant indicators of the Group’s climate-related performance. These metrics are disclosed on pages 51 to 65.
Scope 1, Scope 2, and, if appropriate, Scope 3 GHG emissions and the related risks	- The Group measures and reports its Scope 1, Scope 2 and relevant Scope 3 GHG emissions. South Pole has been engaged as an external specialist to support the calculation and reporting of the Group’s emissions in accordance with recognised GHG accounting methodologies. Further detail on the Group’s emissions boundaries, assumptions and methodologies is set out on pages 63 and 64. - GHG emissions are a key metric used to assess exposure to climate-related risks, including transition risks associated with regulation, carbon pricing and stakeholder expectations. In response, the Group has established Scope 1, Scope 2 and Scope 3 emissions reduction targets, supported by defined roadmaps for their delivery. Further detail is provided on pages 60 to 65.
Targets to manage risks, opportunities, and performance against targets	- The Group has set climate-related targets to manage climate-related risks and opportunities and to measure progress against its sustainability objectives. These targets include emissions reduction targets and other supporting commitments aligned with the Group’s strategy. - Details of the Group’s climate-related targets, together with performance against those targets where applicable, are disclosed within this Sustainability Report on pages 51 to 65.

Risk Governance

Board of Directors

The Board of Directors has overall responsibility for the oversight of climate-related risks and opportunities. In line with the Group’s principal risk management framework, the Board determines the nature and extent of climate-related risks and opportunities that the Group is willing to accept, ensures that these risks are appropriately identified and managed, and approves the Group’s sustainability strategy to support long-term value creation and the delivery of strategic and business priorities.

Climate-related matters form part of the regular Board agenda and are included within each Board update delivered by the CFO. The CFO, together with the ESG Steering Committee, provides reporting on sustainability performance, emerging risks and progress against climate-related objectives. The Board is supported in its oversight by its committees, which report regularly to the Board. Twice a year, the Board update will include an overview of the TCFD risks and opportunities, as reviewed by the Audit Committee. On an annual basis, the Board receive an update on the progress made by the Group towards its goals and targets, as set out on page 51 to 65.

The Board’s collective expertise in climate-related and ESG matters continues to be enhanced through regular interaction with management and through the experience of individual Directors gained from service on other boards with established ESG governance frameworks.

Board Committees

Audit Committee

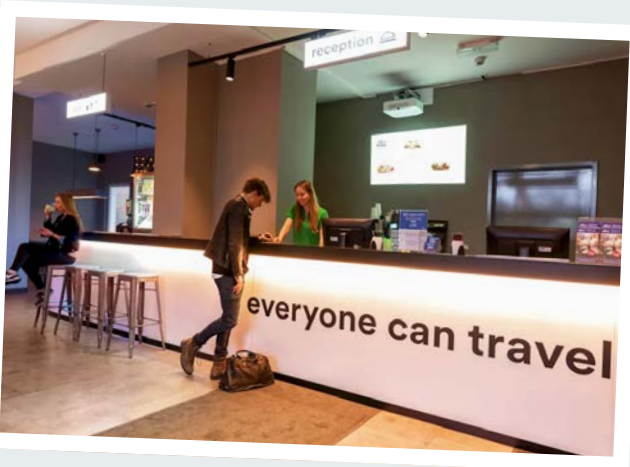
The Audit Committee oversees climate-related risks and opportunities as part of its responsibilities for risk management, internal control and financial reporting. It reviews and challenges climate-related disclosures, including metrics and targets, and recommends approval of TCFD-aligned disclosures to the Board. The Audit Committee also reviews the Group’s Climate-related Risks and Opportunities Register twice annually and monitors the development of climate-related metrics, targets and performance against those targets. Further detail is provided in the Audit Committee Report on pages 123 to 132.

SUSTAINABILITY STORY

Leading hostel industry decarbonisation: a&o hostels, Europe

For over a decade, a&o hostels has proven that large-scale budget accommodation can lead the way in reducing environmental impact in the industry. Operating over 40 hostels in nearly 30 cities, they have slashed their carbon footprint from 15kg to just 3kg per overnight stay.

Rather than relying on offsetting, they focus on cutting emissions at the source. Through rigorous tracking of energy, waste and water, they’ve replaced inefficiencies with long-term solutions ranging from optimised heating, green energy, water-efficient shower heads to removing high-emission foods like tropical fruit and seafood from their menus. The initiative is powered by staff engagement,



with 200 emission-cutting ideas coming directly from the staff. Each hostel also has a sustainability advocate who ensures that sustainability actions meet the local needs.

a&o hostels are part of the small group who have reached Level 3 in the ‘Staircase to Sustainability’ framework.

Remuneration Committee

The Remuneration Committee considers annually whether climate-related or sustainability metrics should be incorporated into executive remuneration structures. At present, the Group does not include ESG or climate-related metrics within its remuneration policies.

Nomination Committee

The Nomination Committee considers sustainability and ESG experience as part of Board composition and succession planning, ensuring that the Board maintains the appropriate balance of skills, experience and knowledge to effectively oversee climate-related matters.

Management Responsibilities

Group Management is responsible for the day-to-day management of climate-related risks and opportunities and for delivering the sustainability strategy and associated roadmaps approved by the Board. This includes embedding climate-related considerations into business planning, operations and decision-making in line with Board-approved policies and objectives.

The ESG and TCFD Steering Committee, chaired by the CFO, supports management in fulfilling these responsibilities. The Steering Committee comprises senior representatives from group finance and legal, global markets (“GMT”, who manage the day-to-day relationship with hostels), people, product and marketing functions. It oversees the implementation of the sustainability strategy, monitors progress against climate-related commitments and TCFD recommendations and coordinates the preparation and publication of annual sustainability and climate-related disclosures.

Members of the Steering Committee receive targeted sustainability and regulatory training and maintain ongoing access to external advisors and briefings to remain informed of evolving ESG and TCFD requirements.

Sustainability continued

Operational Ownership and Execution

Operational responsibility for managing climate-related risks and delivering sustainability initiatives is embedded across the business:

- Global Markets are responsible for engagement with hostel partners, including supporting the delivery of the 'Staircase to Sustainability' framework and promoting sustainable practices across the marketplace.
- Finance & Legal provide governance and technical support, including oversight and verification of climate-related data and emissions calculations, assessment of financial impacts, and preparation of sustainability and TCFD-aligned disclosures.
- PR & Marketing are responsible for reviewing and communicating sustainability-related information to internal and external stakeholders, ensuring accuracy, consistency and alignment with the Group's strategy.
- Product & Growth Teams manage the development and delivery of product initiatives and platform functionality linked to sustainability, including customer-facing features and the *Staircase to Sustainability* framework.
- Employees receive regular sustainability updates through townhalls and internal communications and are encouraged to act responsibly in their day-to-day activities, including the management of travel-related emissions where relevant.

Identifying and Managing Climate-Related Risks and Opportunities:

The Group undertakes a robust assessment of climate-related risks and opportunities twice a year. These are monitored and reported through a bottom-up process, combining internal expertise and, where required, guidance from external specialists such as South Pole and other climate and emissions experts to ensure alignment with evolving regulations and best practice.

Each risk or opportunity is assigned an owner from the ESG and TCFD Steering Committee, ensuring expert oversight and accountability. Identified risks and opportunities are assessed based on:

- Likelihood of occurrence
- Time horizon of potential impact
- Effectiveness of existing mitigations to evaluate residual risk
- Potential financial and operational implications for the Group

The assessment process engages relevant subject-matter experts across the business, including Group Finance, Group Legal, and the Chief Supply Officer, who oversees hostel relationships and assesses potential impacts on the Group's supply chain.

The resulting Risk and Opportunity Register is reviewed by the ESG and TCFD Steering Committee and presented biannually to the Audit Committee, alongside the Group's main Risk Register. The Audit Committee, in turn, submits the register to the Board for final approval.

The material climate-related risks and opportunities identified through this process are summarised in the table below, with commentary on how the Group manages them to minimise potential financial, operational, and reputational impacts.

Principal Risks and Opportunities Register:

Time Horizon:

- **Short:** Up to three years. Aligned with our Group Viability Statement and the Board approved budget and two-year outlook.
- **Medium:** From three to ten years. Nearer term to capture transition risks and opportunities, embedded with our sustainability strategy and also aligns to the longest contracts in place at Hostelworld.
- **Long:** Beyond ten years. Greatest level of uncertainty associated with these climate-related risks and opportunities, primarily linked to the physical risks identified, and aligns with the visions and commitments of the Climate Pledge and the governments we serve.

Impact categorisation:

- **Low:** Limited damage or upside to the Group if the risk or opportunity materialised, taking account of mitigation in place. Low is defined at Nil to €0.5 million financial impact.
- **Medium:** Some damage or upside to the Group if the risk or opportunity materialised, taking account of mitigation in place. Medium is defined at €0.5 million to €2 million financial impact.
- **High:** Significant financial impact to the Group through damage or upside if the risk or opportunity materialised, taking account of mitigation in place. Significant is defined at > €2 million financial impact.

Transition Risk – Policy, Legal, Market & Reputational

Regulatory, Public Scrutiny and Reputational Risk	
Risk Description	As a global online travel platform, the Group is exposed to increasing regulatory requirements, public scrutiny and reputational risk arising from climate change and sustainability expectations. Shifting societal expectations, heightened shareholder scrutiny and evolving consumer preferences towards lower-carbon travel options could adversely impact brand value, customer loyalty and demand for the Group's services if the Group is perceived as lagging on climate action. Regulators are introducing more stringent climate-related regulations, disclosure obligations and consumer protection rules, including requirements relating to GHG emissions reporting, sustainability claims, carbon offsetting, and supply-chain transparency, and increasing scrutiny of "greenwashing". At the same time, consumers, investors and employees increasingly expect travel platforms to demonstrate credible action on climate change, support sustainable travel options and provide transparent, accurate sustainability information. Failure to meet these expectations could result in loss of trust, brand damage, reduced customer loyalty and potential adverse impacts on revenue. As an intermediary platform, the Group also faces heightened reputational risk linked to sustainability practices of accommodation partners and travel providers listed on the platform, particularly where environmental claims made by partners are inaccurate, inconsistent or unsubstantiated.
Potential impacts	Regulatory compliance costs associated with implementing new climate-related disclosure, reporting and assurance requirements across multiple jurisdictions. Legal and enforcement risk, including fines, sanctions or corrective actions related to misleading sustainability claims or non-compliance with disclosure obligations. Reputational damage arising from adverse media coverage or social media criticism related to climate impact, perceived inaction, or greenwashing. Loss of consumer confidence if sustainability information is unclear, inconsistent or lacks credibility, potentially impacting booking volumes and customer retention.
Impact Categorisation	Medium
Time Horizon	Short to medium term (1-3 years): Increased disclosure requirements, regulatory enforcement, and public scrutiny. Medium to long term (3-10 years): Heightened expectations for demonstrable emissions reductions and verified data measurement and sustainability performance across the value chain.

Sustainability continued

Transition Risk – Policy, Legal, Market & Reputational continued

Regulatory, Public Scrutiny and Reputational Risk	
Risk Management and Mitigation	The Group manages this risk through a combination of governance oversight, policy development, operational controls and transparent reporting: Governance and oversight: Climate-related risks and opportunities are overseen by senior management and the Board, with regular reporting on regulatory developments, stakeholder expectations and reputational considerations. Regulatory monitoring: Ongoing monitoring of climate-related regulation and disclosure requirements across key jurisdictions to ensure timely compliance and alignment with evolving standards, including TCFD-aligned reporting. Robust sustainability governance: Clear internal policies governing sustainability claims, carbon offsetting, and partner communications to reduce the risk of greenwashing. Partner engagement and controls: Processes to engage with accommodation and travel partners on sustainability practices, including <i>Staircase to Sustainability</i> framework which is bedded in GSTC guidance. Hostelworld engages with credible third parties to ensure sustainability claims are credible and founded in third party evidence and guidance. Transparency and reporting: Public disclosure of climate-related metrics, targets and progress in line with recognised frameworks, such as risk and opportunity reporting under TCFD and GHG emission reduction targets set in line with SBTi criteria which help by enhancing credibility with investors and other stakeholders. Stakeholder engagement: Active engagement with customers, investors, suppliers and employees to understand expectations and maintain trust. Stakeholder engagement is supported through regular disclosures in the Group's Sustainability Report, website communications, investor market updates and participation in investor roadshows. These activities help manage reputational risk and support investor confidence.
Metrics	- Any datapoints received through stakeholder engagement. - Any negative press announcements or regulator comments concerning sustainability, which may impact how we view the materiality of this risk if legal or regulatory action is taken against corporates.
Targets	Zero negative press news stories regarding Hostelworld or negative regulator comments on our disclosures.

Transition Risk – Market & Reputational

Market Change/Customer Sentiment Risk	
Risk Description	The Group is exposed to risks arising from shifts in customer preferences and market dynamics in response to climate change. As awareness of climate impacts grows, customers are increasingly factoring sustainability considerations into travel decisions, including destination choice, accommodation type, travel frequency and perceived environmental credentials of travel platforms. These changes may affect both demand for travel and hostel services and the cost of supply, with potential implications for revenue and platform performance. Rising supply costs: Carbon pricing, aviation taxes, or other regulatory measures designed to reduce greenhouse gas emissions may increase the cost of flights and other travel services. Higher prices may reduce customers' willingness to book travel, particularly for younger, price-sensitive demographics. Changing customer behaviour: Growing environmental awareness and preference for sustainable travel may lead to shifts in consumer demand. Customers may increasingly select accommodation, transportation, or experiences with lower environmental impact, potentially reducing demand for long-haul travel or products that are not aligned with these preferences. Market competitiveness and brand perception: Failure to offer sustainable travel options or to communicate environmental initiatives effectively may affect the Group's brand and competitiveness, as customers increasingly consider environmental performance in their booking decisions. Pace of change: For an OTA, there is a risk that shifts in customer sentiment towards more sustainable travel options may outpace the Group's ability to adapt its product offering, technology, data transparency or hostel partner ecosystem. Failure to provide credible, accessible sustainability information or sustainable travel options could lead customers to migrate to competitors perceived as better aligned with evolving values and expectations.
Potential Impacts	Reduced customer demand if customers opt not to travel. Loss of market share to competitors offering clearer sustainability credentials, lower-carbon travel options or more effective sustainability filters and disclosures. Revenue volatility arising from changing destination demand linked to climate impacts or consumer behaviour shifts. Increased investment requirements to enhance technology, data capabilities and hostel engagement in response to market expectations. Quantifying the financial impact is challenging due to uncertainty around the timing, severity, and geographic distribution of customer behaviour changes. However, the Group's target demographic (18–34-year-olds) tends to view travel as a “rite of passage,” and historical booking patterns suggest relatively low sensitivity to small cost increases, which helps mitigate potential revenue losses from higher supply costs or modest pricing adjustments.
Impact Categorisation	High
Time Horizon	Short to medium term (1-3 years): Shifting consumer preferences, increased sustainability awareness and competitive differentiation. Medium to long term (3-10 years): Structural changes in travel behaviour, destination viability and long-term demand patterns.

Sustainability continued

Transition Risk – Policy, Legal, Market & Reputational continued

Market Change/Customer Sentiment Risk	
Risk Management	The Group seeks to mitigate market and customer sentiment risk through continuous adaptation of its strategy, product offering and focusing on the inherent sustainable nature of hostelling. Hostelworld offers a product that addresses the need of customers who want to travel but are looking for more sustainable travel options. Customer insight and monitoring: Regular monitoring of customer behaviour, booking patterns and sentiment to identify emerging trends related to sustainability and climate awareness. Product and platform development: Ongoing investment in technology and user experience to support sustainable travel choices, including filtering for <i>Staircase to Sustainability</i> badged hostels, facilitating carbon offsets for customers who wish to cover the carbon impact of their hostel stay, and educational content. Partner engagement: Working with hostel providers through the <i>Staircase to Sustainability</i> initiative to improve sustainability practices and data quality, enabling clearer and more credible information for customers. Geographical spread: The Groups revenue is diversified across diverse destinations, which reduces exposure to climate-impacted markets and evolving demand patterns. Transparent communication: Clear, consistent communication with customers regarding sustainability initiatives, limitations of available data to measure emissions associated with hostel stays, and progress against climate commitments to build trust and credibility.
Metrics	• Volume of badged hostels. • Customer usage of sustainability filters or features including the ability to offset their hostel stay. • Booking growth rates for sustainability-badged accommodation. • Bookings and conversion by customers, monitored in each destination may flag any changes in demand driven by changing customer sentiment.
Targets	• A specific product and experiment launched by our Product and Growth team focused on sustainability, which operates as a mitigation to shifting customer sentiment to more sustainable options.



Physical Risk – Chronic

Longer-Term Shifts in Climate Patterns	
Risk Description	The Group is exposed to long-term changes in climate and weather patterns, which may manifest as sustained temperature increases, rising sea levels, prolonged droughts, or altered precipitation patterns. For an online travel platform, these chronic climate impacts may gradually alter the attractiveness, accessibility and viability of destinations offered on the platform, impact travel behaviour and hostel operations. Urban heat stress can impact demand for city breaks in summer.
Potential Impacts	Destination and demand shifts: Changes in climate conditions may alter the attractiveness of certain destinations, reducing bookings in affected regions. Increased seasonality volatility, as traditional peak travel seasons shift or shorten due to changing climate conditions. Partner and supply-chain effects: Hostels and other accommodation partners may face higher operational costs due to cooling or heating requirements, water scarcity, or the need for infrastructure adaptations to withstand chronic climate impacts. In extreme cases, some properties may be forced to close permanently or relocate. Revenue and operational implications: Regional declines in bookings and increased costs for partners could indirectly affect the Group's revenue, supply reliability, and platform offerings. While the Group's asset-light, digital platform model limits direct exposure to physical damage, it is dependent on the ongoing availability and resilience of partner hostels. The Group continues to monitor long-term climate trends, engage with hostel partners through the <i>Staircase to Sustainability</i> framework, and integrate climate considerations into strategic planning. It is difficult to currently quantify financial impact as a broad range of outcomes are possible based on potential countries impacted, but the overall risk would be considered low driven by the disaggregation of our revenue and the high volume of bookings/customers. Several locations would need to be impacted at the same time with 100% hostel closure for the financial impact to be considered as medium or high. The Group's diverse geographic presence and large, flexible customer base – particularly the 18-34-year-old demographic – mitigates the risk. Historical booking behaviour, for example during the 2010 Icelandic volcanic ash cloud, shows that customers often redirect travel to alternative destinations when access to specific locations is restricted. Additionally, the Group's partner hostels typically have low physical setup and regulatory costs, which allows them to adapt or relocate more readily than other types of accommodation, further reducing potential disruption to supply.
Impact Categorisation	Low
Time Horizon	Medium to long term (3-10 years): Gradual but persistent impacts on destination viability, supply chains and travel patterns.
Risk Management and Mitigation	Destination and inventory diversification: Maintaining a broad and geographically diverse portfolio of destinations and accommodation types to reduce reliance on any single region exposed to chronic climate stress. Climate-informed planning: Incorporating climate trend analysis and external climate data into long-term strategic and commercial planning, including scenario analysis where appropriate. Hostel engagement: Engaging with hostels through the '<i>Staircase to Sustainability</i>' initiative to understand climate-related operational challenges and support adaptation measures, including water efficiency, energy resilience and sustainable operations.
Metrics	• Bookings and conversion by customers, monitored in each destination may flag any changes in demand as a result of physical chronic risk. • Booking volumes and revenue by geography and climate-exposed regions. • Changes in seasonality and length of peak travel periods. • Supply availability and partner churn in climate-vulnerable destinations.
Targets	• None

Sustainability continued

Physical Risk – Acute

Extreme Weather Events (Hurricanes, Flooding) Impacted Travel in the Impacted Areas	
Risk Description	Acute physical risks arising from climate change include an increased frequency and severity of extreme weather events such as hurricanes, storms, flooding, wildfires and heatwaves. These events can disrupt travel infrastructure, accommodation availability and traveller mobility in affected regions. For an online travel platform, extreme weather events may result in short-term travel disruption, including booking cancellations and temporary closures of hostel partners. Repeated or severe events can undermine traveller confidence in impacted destinations, negatively affecting demand and booking volumes during and immediately following such events. Extreme weather events may also place pressure on the platform's operational processes, including customer support capacity, refund workflows, partner communications and reputational management.
Potential Impacts	Revenue volatility due to increased cancellations and reduced bookings in affected regions. Operational disruption, impacting the customer service and hostel support GMT teams. Reputational risk if travellers perceive inadequate support or communication during disruption events. Hostel supply disruption, as accommodation providers experience temporary closures or damage to assets and infrastructure. Increased insurance and adaptation costs for hostel partners, may potentially impact pricing and availability. The frequency and severity of acute weather events are expected to increase under higher warming scenarios, particularly in regions prone to hurricanes, flooding or wildfires. While the Group's digital platform and asset-light model limit direct exposure to physical damage, the resilience of the business is dependent on the continuity and availability of hostel properties. While individual events may reduce bookings in specific regions, the overall financial impact on the Group is generally limited and short-term due to the geographic diversity of the Group's partner network and its asset-light operating model, multiple simultaneous extreme events affecting a significant proportion of the supply chain would be required before revenue impacts reach a medium or high level.
Impact Categorisation	Low
Time Horizon	Short to medium term: Immediate impacts during and following extreme weather events.
Risk Management and Mitigation	Geographic diversification: Maintaining a globally diversified destination portfolio to reduce financial exposure to single-event or regional disruptions. Real-time monitoring and response: Monitoring extreme weather events, hostel and customer communications and support. Customer support readiness: In place customer service crisis management processes to manage surges in enquiries, cancellations and rebookings during disruption events. Flexible booking and refund policies: Free Cancellation booking product to support flexible cancellation and rebooking options during extreme weather events. Hostel engagement: Engaging with hostels through <i>Staircase to Sustainability</i> initiative to understand climate-related operational challenges and support adaptation measures, including water efficiency, energy resilience and sustainable operations.
Metrics	- Bookings and conversion by customers, monitored in each destination may flag any changes in demand as a result of physical acute risks. - Customer service volumes and response times during disruption periods. - Frequency and severity of extreme weather events impacting key destinations.
Targets	None

Transition Opportunity – Products and Services

Opportunity to support hostels and customers through delivery of sustainable products	
Opportunity Description	Opportunity to support hostels on their sustainability initiatives regardless of what stage they are at on their journey through our '<i>Staircase to Sustainability</i>' framework. By investing in hostels, their sustainability initiatives and education we can increase the reliability of supply chain and their resilience, leading to competitive advantage, as well as alignment with stakeholder and regulator expectations, and work towards a net zero target by 2040. Growing customer awareness of climate change and demand for more responsible travel options presents an opportunity for the Group to scale sustainable products and services. By supporting hostel partners to measure, improve and communicate their sustainability practices, and by enabling customers to identify and choose more sustainable travel options, the Group can strengthen its value proposition, enhance customer trust and drive long-term growth.
Potential Impact on the Business	Increased customer engagement and conversion as sustainability becomes a stronger driver of travel decision-making. Improved brand differentiation and competitiveness in the OTA market through sustainability initiatives such as the <i>Staircase to Sustainability</i> framework and Sustainability stories. Enhanced partner relationships through value-added sustainability tools and insights. Increased supply quality and resilience as accommodation partners adopt more sustainable operating practices. Potential revenue growth from new or enhanced product features aligned with sustainable travel demand. The direct costs associated with this opportunity primarily relate to the allocation of existing internal resources, including wages and salaries within the Group's technology, product development and global market teams, to design, test and scale sustainability-related features and partner support tools. As these activities are delivered through existing product squads and roadmaps, the incremental financial impact is assessed as low and not material to the Group's cost base. From a product success point of view, we believe this opportunity to have a high impact. For example, Hostelworld is uniquely positioned to assist hostels with the measurement of their emissions and help them on their journeys to be audit ready so they can apply for a formal certification through our '<i>Staircase to Sustainability</i>' framework. From a strategic and commercial perspective, the potential impact of this opportunity is assessed as high. As a leading digital platform for hostels, the Group is uniquely positioned to support partners in measuring and managing their emissions, improving data quality, and progressing towards audit readiness and formal sustainability certification through the '<i>Staircase to Sustainability</i>' framework. This capability has the potential to strengthen partner relationships, improve the resilience and quality of the Group's accommodation supply, and differentiate the platform in an increasingly sustainability-conscious travel market.
Impact Categorisation	Low (financial)
Time Horizon	Short to medium term.
Opportunity Management and Delivery	Continued focus on <i>Staircase to Sustainability</i> platform features that allow accommodation partners to assess, improve and showcase sustainability practices. Focus on customer-facing tools to surface more sustainable accommodation options and inform booking decisions and ongoing monitoring of customer uptake and engagement. Continued collaboration with third-party sustainability experts and certification bodies to ensure credibility and consistency.
Metrics	Volume of product offerings and experiments to further enhance the sustainable nature of hostelling.
Targets	- One sustainable focused product to be delivered annually. - Overall ambition to work towards net zero by 2040.

Sustainability continued

Opportunity – Resource Efficiency & Climate Mitigation

Reduce and manage Hostelworld’s emissions	
Opportunity Description	There is an opportunity to continue to reduce the Group's greenhouse gas emissions and operating costs through the continued efficient use of resources and optimisation of ways of working. Actions already implemented to reduce the Group's environmental impact include operating a largely paperless office environment, promoting recycling across all locations, and implementing energy and natural resource conservation measures such as water flow controls, controlled lighting and efficient air-conditioning systems. In addition, the Group's people policies support flexible and hybrid working arrangements, enabling employees to work remotely where appropriate and reducing emissions associated with daily commuting and business travel. By managing our own emissions tightly, Hostelworld can demonstrate credible and measurable climate action measures which strengthen trust with customers, employees, investors and partners. Looking ahead, the Group will continue to identify and implement further opportunities to improve operational efficiency and reduce internal emissions as part of its wider sustainability roadmap.
Potential Impact on the Business	For emissions that the Group directly controls, the potential impact of this opportunity on the Group's operations is assessed as low. Hostelworld operates an asset-light, low-emissions operating model, with limited Scope 1 emissions and relatively low Scope 2 emissions. The Group utilises shared and serviced office locations across their main locations, which significantly limits direct energy consumption and reduces exposure to energy price volatility and carbon-related costs. As a result, actions to further optimise internal emissions are not expected to have a material impact on the Group's direct operations or financial performance. While the quantitative impact of internal emissions reductions is limited, these actions remain strategically important. They support regulatory compliance, help manage future transition risks, and demonstrate leadership and credibility in the Group's wider climate commitments, particularly in the context of increasing scrutiny of corporate environmental claims. The Group's most material emissions sit within Scope 3, which are largely outside its direct operational control and represent the largest proportion of its reported footprint. Although internal operational measures alone will not materially change the Group's overall emissions profile, they form an important foundation for the delivery of the Group's longer-term Scope 3 reduction targets for 2035 and 2040. In particular, strong internal emissions management supports engagement with suppliers and partners, enhances data quality, and underpins the Group's ability to influence emissions reductions across its value chain. Overall, this opportunity is assessed as a low financial impact in isolation, but moderate strategic importance when considered in the context of the Group's broader transition strategy, stakeholder expectations and long-term climate commitments.
Impact Categorisation	Low to medium
Time Horizon	Short to long term to align with the Scope 3 emission targets we have recently set.
Opportunity Management and Delivery	Low-carbon operating model: Maintaining agile working practices, smaller environmentally conscious co-working spaces and a fully cloud-hosted technology infrastructure to keep Scope 1 and 2 emissions at nominal levels. Supply chain engagement: Working with suppliers who have set Science Based Targets or Net Zero commitments, and prioritising partners with credible emissions reduction plans. Emissions targets: Maintaining Scope 1 and 2 emissions below 30 tCO₂e annually and progressing toward Scope 3 reduction targets (37.5% by 2035 and 90% by 2040, relative to the 2023 baseline). Data and governance: Ongoing improvement in emissions data quality, supplier assessments and internal governance through ESG Steering Committee oversight and regular Board updates. Climate action investment: Using high-quality climate projects to compensate for residual emissions while prioritising emissions reductions within the Group's direct control.
Metrics	• Scope 1, Scope 2 and Scope 3 emissions. • Volume of investments in climate action projects.

Reduce and manage Hostelworld’s emissions	
Targets	• To maintain Scope 1 and Scope 2 emissions below 30 tCO₂e. • Reduce Scope 3 emissions by 37.5% by 2035, when compared to 2023 baseline, excluding emissions associated with hostel stays (further detail on exclusion set out on page 65). • Reduce Scope 3 emissions by 90% in 2040, when compared to 2023 baseline, excluding emissions associated with hostel stays (further detail on exclusion set out on page 65). • Overall ambition to work towards net zero by 2040. • Obtain a ‘Taking Climate Action’ label, or similar, from a reputable third party annually and set a future target of a Gold ‘Taking Climate Action’ label with South Pole, or equivalent with another party. • By 2026 ensure over 90% of our purchased consumables will be with suppliers who are either climate neutral or who have established their own SBTi targets to be climate neutral by 2030.



• 2026 WINNER •

The Culture Champion Winner:

Black Llama Hostel Cusco

Cusco, Peru



Black Llama Hostel in the heart of Cusco brings Andean culture to life. Guests enjoy garden hangouts, local meals and immersive experiences such as coca leaf readings, bean-to-bar chocolate workshops,

Pisco Sour classes, and heritage walking tours – all connecting travellers with Cusco's history, culture and community.

Sustainability continued



• 2026 WINNER •

The Community Superhero Winner:

Sunset Destination Hostel

Lisbon, Portugal



In central Lisbon, Sunset Destination Hostel is a hub for connection between travellers and locals – over the past year more than 200 guests have joined community events from rooftop sunsets and Fado nights to Community Nights, volunteer clean-ups, and collaborations with local artists and non-profit organisations such as Refood and Serve the City supporting underserved communities.

Sustainability Targets and Commitments

We continue to monitor performance against previously established sustainability targets and have introduced additional commitments to strengthen our climate strategy.

The Group has set the following commitments, and has delivered against each in 2025:

Third-party assurance and transparency

Maintain an annual sustainability label, or equivalent certification, from a reputable third party. This will verify that the Group has appropriately quantified its emissions, established an emissions reduction roadmap with defined targets, and made climate investments to address emissions that cannot be eliminated.

Scope 1 and Scope 2 emissions

- Hostelworld established near-term science-based targets in 2021, using 2021 as the base year. These targets included absolute reduction targets for Scope 1 and Scope 2 emissions, with a commitment to achieve a 42% reduction by 2030. Hostelworld achieved this reduction ahead of schedule in 2022, compared with the 2021 base year
- Maintain total Scope 1 and Scope 2 emissions below 30 tCO₂e per annum.

Scope 3 emissions reduction (excluding emissions associated with hostel stays, further detail on exclusion set out on page 65)

- Reduce Scope 3 emissions by 37.5% by 2035, compared to a 2023 baseline.
- Reduce Scope 3 emissions by 90% by 2040, compared to a 2023 baseline.

Sustainable procurement

Ensure that over 90% of purchased goods and services are sourced from suppliers that have established Science Based Targets initiative (“SBTi”) targets, or equivalent commitments, aligned to achieving net zero by 2040.

Climate action and residual emissions

Take responsibility for residual operational emissions that cannot be eliminated through investment in high-quality climate action projects, with all investments made through reputable third-party providers and reviewed annually.

Employee engagement

Deliver at least one dedicated sustainability-focused employee engagement initiative each year.

Product and growth integration

Ensure that the product and growth teams maintain an annual roadmap of initiatives and experiments specifically focused on sustainability outcomes.

Targets and Metrics Under Review

The Group is actively assessing the following areas, where further commitments are dependent on data quality, methodology and external collaboration:

Hostel Scope 3 emissions measurement

The Group is evaluating the feasibility of accurately and comprehensively measuring Scope 3 emissions associated with hostels, with the intention of setting a reduction target aligned with SBTi criteria. At present, no timeline has been committed to due to the complexity and data dependencies involved. Hostelworld is also awaiting further clarification and updates to the GHG Protocol, specifically in relation to the potentially upcoming “Category 16 (facilitated emissions)”. Further detail is set out on page 65.

Net zero ambition

The Group’s ambition to achieve net zero by 2040 is largely dependent on progress in measuring and reducing hostel-related Scope 3 emissions.

Enhanced third-party sustainability accreditation

Subject to continued partnership with South Pole, improved measurement of hostel Scope 3 emissions may enable the Group to work towards achieving the Gold “Taking Climate Action” label. Further detail is included on page 65.

The Impact of Climate Change on our Financial Statements

In preparing the Group’s Consolidated Financial Statements for the year ended 31 December 2025, the Directors considered the potential impacts of climate-related risks and opportunities on the Group’s financial position, performance and prospects. This assessment was informed by the Group’s climate risk assessment on page 74 and scenario analysis included in the Viability Statement on page 77.

Given the Group’s asset-light business model and the nature of its operations, the Directors concluded that climate-related risks did not have a material impact on the key judgements, estimates or assumptions used in the preparation of the financial statements. Accordingly, no material impacts were identified on the carrying values of the Group’s assets and liabilities, including goodwill, intangible assets, property, plant and equipment and financial instruments, as at 31 December 2025.

Management performed a detailed assessment during 2025 and did not identify any indicators that would require the recognition of additional provisions, contingent liabilities, onerous contracts or asset impairments arising from climate-related matters. No changes were required to the Group’s accounting policies or critical accounting estimates as a result of climate considerations.

The Group’s 2025 operating results, 2026 budget, two-year outlook for 2027 and 2028 and management forecasts for 2029 and 2030, incorporate the expected costs associated with delivering the Group’s sustainability roadmap. These include personnel costs to support existing climate commitments and targets, together with anticipated expenditure on emissions reduction initiatives and investments in climate action projects. Further information is provided in the relevant note to the financial statements on page 178.

The Directors continue to monitor the resilience of the Group to climate-related risks and opportunities. Based on the Group’s current strategy, climate scenario assessment and mitigation actions, the Directors consider that climate-related risks do not give rise to a material uncertainty that would impact the Group’s ability to continue to operate or the recoverability of its assets. This conclusion reflects the Group’s global operating footprint, the nature of its partner relationships, and its ongoing programme of emissions reduction and sustainability initiatives, including the ‘Staircase to Sustainability’ framework and target setting aligned with SBTi criteria.

Sustainability continued

HOSCAR Awards

• 2026 WINNER •

The Eco Warrior Winner:
Longboard Paradise
Surf Club
Rio de Janeiro, Brazil



Longboard Paradise Surf Club is a fully solar-powered surf sanctuary in Rio that saves 800,000 litres of drinking water a year through rainwater reuse. It is packed with recycling points and coastal restoration plantings to protect the local ecosystem. The Eco Warrior winner of 2026 is where travellers ride waves and protect the ocean.

Climate risks are considered as part of the Group’s long-term strategic planning and capital allocation processes. Insights from climate risk assessments inform decisions related to destination focus, platform development, hostel partner strategy and resilience planning, supporting the Group’s ability to adapt to evolving climate conditions while continuing to meet customer demand.

Scenario Analysis

The Group has assessed the resilience of its strategy under a range of climate-related scenarios, in line with the recommendations of TCFD. The analysis considered how different climate pathways could affect the Group’s operations, cost base, customers and supply chain over the short, medium and longer term.

Two climate scenarios were assessed:

Low transition risk/low physical risk (1.5°C scenario)

This scenario assumes coordinated global action to reduce greenhouse gas emissions, limiting the increase in global average temperatures to no more than 1.5°C above pre-industrial levels by 2100, consistent with the objectives of the Paris Agreement. Under this pathway, the Group assumed an accelerated transition driven by increasing climate-related regulation, policy intervention and higher costs associated with decarbonisation across the economy. The principal potential impacts identified for the Group relate to higher operational and compliance costs, increased expectations from customers and partners, and the need for continued investment in emissions management and reporting capabilities.

High transition risk/high physical risk (4°C scenario)

This scenario assumes limited global action to curb emissions, resulting in global warming of up to 4°C by 2100. In this pathway, emissions remain high and the pace of transition is slower in the near term; however, the physical impacts of climate change become increasingly pronounced, particularly by 2030 and beyond. The most significant risks identified for the Group under this scenario relate to the increasing frequency and severity of extreme weather events, which could disrupt hostel operations, affect destination availability, and impact customer travel patterns.

The scenario analysis is subject to inherent limitations, including uncertainty regarding the timing, magnitude and geographic distribution of climate-related risks and opportunities, as well as the evolving nature of policy, technology and market responses. Given these uncertainties, the analysis was qualitative in nature.

The outcomes of the scenario analysis did not result in changes to the Group’s overall strategy. Both scenarios reaffirmed the importance of the Group’s existing strategic focus on managing its own emissions, maintaining operational resilience, and supporting hostels in progressing their sustainability journeys.

Further consideration of climate-related risks is included within the Group’s Viability Statement on page 77 and Going Concern assessment on page 158 and within note 1 to the Financial Statements.

GHG Accounting and Target Setting
1. Monitoring our Emissions

South Pole are a third party specialist who have calculated the GHG emissions for Hostelworld’s operations.

	2025	2024	2023	2022	2021	2020	2019
Scope 1 – Direct emissions from sources owned/controlled by Hostelworld (tCO ₂ e)	–	–	–	–	1	–	–
Scope 2 – Indirect emissions from energy usage (tCO ₂ e)	7	7	7	15	72	127	134
Scope 3 ⁽¹⁾ – Indirect emissions from activities of the Company, but not under company control (tCO ₂ e)	1,514	1,520	2,412	1,576	542	62	782
Total emissions (tCO ₂ e)	1,521	1,527	2,419	1,591	615	189	916
Net Revenue (€m)	93.8	92.0	93.3	69.7	16.9	15.4	80.7
Intensity Ratio (tCO ₂ e/€m)	16.2	16.6	25.9	22.8	36.4	12.3	11.4
FTE, number of people employed 31 December (including Executive Directors)	269	227	223	241	215	244	325
Intensity Ratio (tCO ₂ e/FTE)	5.7	6.7	10.9	6.6	2.9	0.8	2.8
Investments in climate action projects made – tCO ₂ e	1,521	1,527	2,419	1,591	615	n/a	n/a

⁽¹⁾ Scope 3 emissions exclude emissions associated with hostel stays, with the exclusion explained on page 65.

There have been no changes to the methodology to calculate emissions since 2021. Hostelworld have evolved their measurement basis over time as data collection improved and guidance was updated. In each year, Scope 3 emissions excludes any emissions associated with our hostels and accommodation providers. Further detail is set out on page 65. Prior to 2021, Scope 3 emissions excluded paid marketing costs incurred.

Scope 1 emissions, primarily arising from refrigerants, and Scope 2 emissions from purchased electricity and heating, together account for less than 1% of Hostelworld’s total greenhouse gas emissions. The majority of Hostelworld’s emissions are Scope 3 emissions, meaning these occur within the supply chain, reflecting the nature of our asset-light business model and the emissions associated with our supply

chain. The most material Scope 3 categories are purchased goods and services which comprise of direct marketing costs (mainly Google) and legal and accounting costs, business travel, and employee commuting/teleworking.

Greenhouse gas emissions have been measured in accordance with the Companies (Directors’ Report) and Limited Liability Partnerships (Energy and Carbon Report) Regulations 2018. The Group has applied the GHG Protocol Corporate Accounting and Reporting Standard (revised edition), using data collected to meet the requirements of the former CRC Energy Efficiency Scheme and emissions factors published by Defra and the UK Government conversion factors for Company Reporting (2018), where supplier-specific disclosures were not available.

Sustainability continued

The below table demonstrates the overall energy consumed in Kilowatt-hours (kWh) by the business and shows the portion of this consumption that the UK corporate office has consumed on the overall total. This table is based on the energy consumed in the purchase of electricity and gas for the corporate offices and does not include the consumption of energy used for employee travel.

	2025	2024	2023	2022	2021	2020	2019
Energy usage – UK	900	2,171	1,700	6,423	36,296	192,434	177,365
Energy usage – Other Locations	49,757	42,783	66,200	110,324	189,412	247,721	323,587
Total Energy Usage	50,657	44,954	67,900	116,747	225,708	440,155	500,952
Proportion Consumed in UK	1.8%	5%	0.03%	5%	16%	44%	35%

2. Emission Reduction Targets

Hostelworld’s approach to measuring, managing and reducing GHG emissions is aligned with internationally recognised frameworks and best practice. In partnership with South Pole, Hostelworld applies the GHG Protocol as the global standard for corporate greenhouse gas accounting and reporting. Our emissions reduction targets are informed by the Science Based Targets initiative (“SBTi”) criteria for setting credible, science-based targets, and our broader climate contribution approach aligns with the SBTi’s guidance on Beyond Value Chain Mitigation (“BVCM”), supporting global climate action alongside internal reductions.

The SBTi is a partnership between CDP (formerly Carbon Disclosure Project), the United Nations Global Compact, the World Resources Institute (WRI) and the Worldwide Fund for Nature (WWF) and provides widely adopted guidance for companies seeking to align emissions reductions with climate science.

Hostelworld established near-term science-based targets in 2021, using 2021 as the base year. These targets included absolute reduction targets for Scope 1 and Scope 2 emissions, with a commitment to achieve a 42% reduction by 2030. Hostelworld achieved this reduction ahead of schedule in 2022, compared with the 2021 base year. In addition, in 2022 Hostelworld set an annual operational target to maintain Scope 1 and Scope 2 emissions below 30 tCO₂e, reflecting continued efficiency measures and disciplined emissions management.

Recognising the growing importance of value chain emissions, in 2024 the Group established a Scope 3 emissions reduction target, excluding emissions associated with hostel stays. Further detail on this omission is set out on the next page. Using 2023 as the base year, Hostelworld committed to reducing these Scope 3 emissions by 90% by 2040.

The targets set consider projected business growth and are designed to decouple emissions from organisational expansion.

Alongside emissions reductions, Hostelworld works with South Pole to take responsibility for 100% of its reported Scope 1, Scope 2 and Scope 3 emissions through investments in high-quality climate action projects. This includes emissions associated with employee and hostel delegate attendance at the Group’s flagship conference events. All investments are supported by verified carbon units, and Hostelworld receives auditable certificates confirming the volume and quality of emissions reductions achieved through these projects.

This combined approach, prioritising science-based emissions reductions while supporting credible climate action beyond our value chain, reflects Hostelworld’s commitment to transparent, responsible and internationally aligned climate action.

3. Taking Climate Action Label

Hostelworld has a long-standing commitment to climate action and transparency. Over the last five years, Hostelworld applies for and has been awarded South Pole’s Climate Action label, which has evolved over time in line with best practice, regulatory developments, and increasing expectations around corporate climate disclosures.

In 2023, Hostelworld was first awarded South Pole’s “Taking Climate Action” label, which remains the applicable certification for 2025. The Taking Climate Action label recognises organisations that take a structured and credible approach to climate action by measuring, reducing and compensating their carbon footprint on an annual basis, in accordance with internationally recognised standards.

The Taking Climate Action label is developed by South Pole and approved by CO2Logic, and it is independently validated by Vinçotte (a member of the Kiwa Group), an accredited third-party assurance provider. Hostelworld has no direct engagement with the validating body, ensuring independence and objectivity. Validation is completed in the first year of certification and at least every three years thereafter, providing an additional layer of credibility. This independent verification is particularly important in the context of increasingly stringent European legislation and guidance on environmental and green claims.

The certification is awarded following completion of a structured five-step process, which includes:

- Measuring greenhouse gas emissions,
- Setting reduction targets,
- Implementing reduction actions,
- Compensating residual emissions through high-quality climate projects, and
- Ensuring transparency and third-party verification.

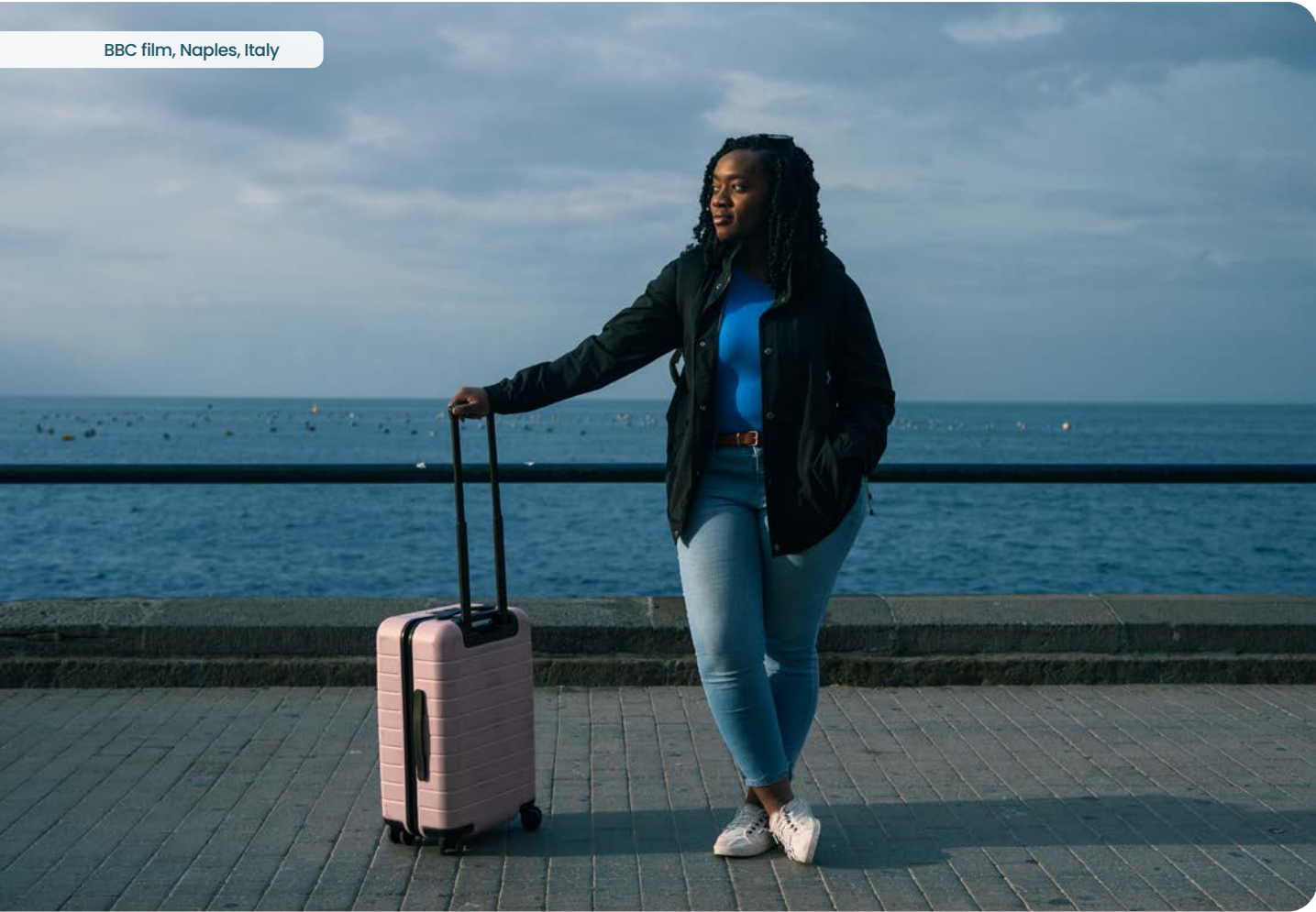
The Taking Climate Action label is awarded at different levels, ranging from Bronze to Gold, depending on the Scope of emissions calculated and the ambition of the reduction targets set. For 2025, Hostelworld has achieved a Silver entity-level accreditation. This means that Hostelworld has measured and set targets for:

- All direct emissions (Scope 1),
- All indirect emissions from purchased energy (Scope 2), and
- Selected indirect emissions (Scope 3), including fuel- and energy-related activities, waste generated in operations, business travel, and employee commuting.

Scope 3 – Emissions associated with Hostel Stays

Hostelworld has been awarded a silver accreditation for ‘Taking Climate Action.’ Hostelworld has set a clear ambition to progress to Gold accreditation in future years. Achieving Gold status will require a broader and more comprehensive Scope 3 assessment. Under SBTi criteria, Scope 3 emissions from the use of sold products include the Scope 1 and Scope 2 emissions of end users, encompassing both consumers and business customers. Hostelworld has excluded GHG emissions associated with the use of sold products from its inventory on the basis that it has very limited influence or control over these emissions. As a digital marketplace, Hostelworld does not own, operate, or manage the hostels or accommodation services booked through its platform, nor does it directly affect how these services are used by end customers. Given this lack of operational control and the significant methodological uncertainty surrounding the appropriate treatment of such emissions, Hostelworld is prudently awaiting further clarification and updates to the GHG Protocol, specifically in relation to the potentially upcoming “Category 16 (facilitated emissions)”. Work to improve data quality, measurement methodologies, and engagement with partners to establish a robust and accurate inventory of emissions associated with hotel stays will be key enablers in working towards a Gold accreditation.

Principal Risks and Uncertainties



Risk Identification

Our business model and results are subject to risks and uncertainties which could adversely affect our business, financial stability, and cash flows. Risk is an inherent factor. While demand for hostelling has remained strong, changing travel patterns (including increased travel to lower cost regions), inflation, the ongoing cost of living crisis and other economic pressures, and geopolitical tensions, including tensions in the Middle East, remain as risk factors which can impact demand. The Hostelworld Group strategy can contribute additional risk such as the potential impacts of social features, while external factors such as the continuing growth of artificial intelligence also contribute to our risk environment. Additionally, climate change poses a number of physical and transition-related risks for our business. The Group has a detailed climate related risk and opportunities register which is included on pages 50 to 59.

The Group's risk register process is based upon a standardised approach applied to identify, assess and mitigate against risks in the business. Within these processes, there is input across all levels of the business to ensure that risk identification processes capture all evolving risk areas and mitigating strategies.

From the bottom-up, risk is identified and mitigated at a business unit level by the executive leadership team, senior management and their respective teams, and subject matter experts including the Data Protection Officer and Head of IT Security.

The Board

The Board holds overall responsibility for risk and sets the Group risk appetite including determining the extent of risk that is tolerable in pursuit of its strategic objectives. The Board, together with the Audit Committee conduct a detailed formal half-year and full-year review of the risk register, including emerging risks and the mitigating actions that are in place. The Board is satisfied that its risk identification and management systems are effective, its mitigations and internal control processes are effective, and that the risks described within this report accurately reflect the Group's principal risks at present.

The Board also considered its obligations in relation to providing both the annual viability and going concern statements, and its conclusions can be found on pages 77 and 158 and note 1 to the Consolidated Financial Statements respectively.

The Audit Committee

The Audit Committee supports the Board in carrying out its risk oversight and management responsibilities.

The Audit Committee has delegated responsibility for risk identification and assessment, in addition to reviewing the effectiveness of the Group's risk management and internal control systems and making recommendations to the Board thereon.

The Executive Leadership Team ("ELT")

The ELT are responsible for ensuring appropriate risk management is incorporated into the business. They support the Board and Audit Committee through oversight of risk management processes, monitoring the risk environment and effectiveness of controls in place. The ELT complete a detailed review of the Group Risk Register prior to reporting to the Audit Committee and the Board.

Senior management team members (primarily functional team leads, who report directly to ELT) are assigned responsibility for the daily management of risks, reviewing and reporting on the effectiveness of controls in place, consolidating the principal risks, and changes year on year for each update made to the Principal Risk Register. Each risk is assigned an owner on the senior management team, with additional contributors dependent on the risk.

Subject matter experts including the Head of Tax, Data Protection Officer ("DPO") and Head of IT Security offer input on risks relevant to their areas of expertise. We have also engaged third parties to supplement knowledge base where applicable including climate consultants South Pole and third-party cyber security specialists.

The ESG Steerco support the ELT in identifying climate-related risks and opportunities under the TCFD framework and supports the Group's ongoing commitment to ESG matters including monitoring current and emerging ESG trends, changes in sustainability regulations, and the impacts on the Group. The ESG Steerco feed directly into the Group Risk Register, and the Climate Related Risks and Opportunity Register, which are reviewed concurrently.

Principal Risks and Uncertainties continued

Overview Principal Risk Register

The most material risks and uncertainties impacting the business are listed on pages 68 to 76, together with comments on how they are managed to minimise their potential impact. The table is not prioritised in a particular order, nor is it an exhaustive list of all risks that may impact the Group. Individually or collectively, these risks could affect our ability to operate as planned and could have a significant impact on revenue and shareholder returns. Additional risks and uncertainties, including those that have not been identified to date or are currently deemed immaterial may also, individually or together, have a negative impact on our revenue, returns, or financial condition. Each risk identified is subject to an assessment incorporating the likelihood of occurrence and potential impact on the Group. This assessment considers that risks do not exist in isolation, and the relationships between risks can increase the likelihood of occurrence of a risk and influences the level of control and mitigations needed to be put in place.

The Group's Risk Register also includes any emerging risks. Emerging risks are identified from areas of uncertainty, which may not have a significant impact on the business currently but may have the potential to adversely affect the Group in the future. No emerging risks warranting disclosure have been identified. However, the risk of artificial intelligence, identified as an emerging risk in 2024, remains and is considered to be at an increased level of risk. This reflects the wide-ranging impacts that it has across cyber and data security, competition, third party management, and

platform evolution and innovation, amongst others. The pace of change in respect to artificial intelligence requires careful observation, consideration, and management, with a particular focus recently on the impact of generative AI tools such as search assistants, OS-level copilots and super-apps which can impact how customers plan their trips.

The direction of the risk of the impact of uncontrollable events on the Group has also increased reflecting heightened geopolitical tensions, including recent Middle East developments impacting travel routes and demand, alongside broader macroeconomic and climate-related volatility affecting global travel patterns. Macroeconomic conditions are also considered an increased risk this year reflecting the rapidly evolving and difficult to predict macroeconomic environment. External demand factors and travel patterns can have substantial impacts on the Group and require diligent efforts to manage.

Consideration was given to whether our recent debt facility obtained to finance the acquisition of OccasionGenius Inc. warranted the inclusion of financial risk within our primary risks. However, upon consideration of the quantum of borrowings obtained, the Group's repayment ability, and the non-complex nature of the arrangement, this was not deemed to be warranted.

Following an assessment of the residual risk attached after internal management and mitigation, each principal risk outlined below has been assigned a direction of change based on 2025 factors and forward expectations.

Risk Trend	Strategic & External Risk	Technological, Cyber & Data Risk	Financial Risk	Operational & Regulatory Risk
	Any external risks outside of the Group's control impacting our business.	The systems we use to power our business, and the data we hold.	Integrity of reporting and viability of the Group.	The processes and people we use to power the Hostelworld model.
▲	• Macroeconomic Conditions • Impact of Uncontrollable Events	• Artificial Intelligence		
▶	• Competition • Execution of Strategy	• Data Security • Cyber Security • Platform Evolution and Innovation • Marketing Optimisation	• Taxation	• People • Brand and Reputation • Third-party Reliance • Climate Change and Sustainability • Regulation • Business Continuity

RISK TREND

◆ New 🚧 Emerging ▲ Increasing ▶ Stable ▼ Decreasing

1 Macroeconomic Conditions		Direction of Change ▲
Description and Impact	The Group's financial performance is closely linked to global travel demand, which is influenced by macroeconomic factors including economic activity, employment, inflation, interest rates, currency movements, and consumer access to credit. Travel services are enabled by the freedom of movement of people nationally and internationally without prohibitive restrictions. Moreover, it is supported by affordable air, ferry and train fares at significant scale, and similarly good access to affordable accommodation. Shifts in travel preferences, such as toward lower-cost destinations, may reduce average booking values and constrain revenue growth. Increasing macroeconomic volatility heightens uncertainty and the risk of adverse impacts on financial performance.	
Management and Mitigation	The Board and management monitor key economic, market, and trading indicators to assess risks and implement mitigating actions where needed. The Group's globally diversified customer base and destination footprint help offset regional downturns, with 50–60% of bookings in Europe and the remainder spread worldwide. Consumer prioritisation of travel and leisure spending may partially mitigate macroeconomic headwinds, while operational flexibility allows the Group to adjust costs and conserve cash if global demand declines materially.	
Direction of Change	The difficulty in predicting an increasingly volatile macroeconomic environment increases the risk of impacts to the Group.	

2 Data Security		Direction of Change ▶
Description and Impact	As a technology-driven e-commerce business, the Group relies on advanced software and infrastructure, exposing it to data security risks. Protecting customer information, proprietary data, and platform integrity is critical. The Group's hybrid workforce, global contractors, and evolving social strategy increase complexity, while rapid technological change and gaps in regulation can complicate compliance with laws such as GDPR. The Group's hybrid workforce, global contractors, and evolving social strategy increase complexity, while rapid technological change and gaps in regulation can complicate compliance with laws such as GDPR.	
Management and Mitigation	Data protection is a core priority, supported by a comprehensive privacy, security, and compliance programme. Supplier onboarding requires rigorous review of data protection and IT security controls. The Group adheres to leading industry standards, maintains PCI compliance, and implements a GDPR-aligned data protection framework overseen by a Data Protection Officer and employee champions. Hybrid work risks are managed through access controls, single sign-on, and multi-factor authentication. Expert cloud and security providers support operations, and new social and product developments are implemented using privacy-by-design principles and a risk-based approach. Regular employee training and proactive threat monitoring ensure compliance while supporting business growth and innovation.	

Direction of change relates to the movement of the risk, in the absence of mitigating actions and controls, since the prior period.

▲ Risk increased ▶ Risk unchanged ▼ Risk decreased

Principal Risks and Uncertainties continued

3 Cyber Security		Direction of Change ►
Description and Impact	The Group faces ongoing cyber threats that could compromise system integrity, data security, and customer trust. Increasingly sophisticated attacks, coupled with cloud migration and third-party vendor reliance, elevate the risk of data breaches, operational disruption, or reputational damage. Insurer coverage may be constrained in the event of incidents.	
Management and Mitigation	The Group invests significant resources to strengthen cyber resilience, with a comprehensive programme addressing internal and third-party risks. Procurement processes ensure new vendors meet security standards, while monitoring tools provide real-time threat detection and response. Policies, procedures, and training are continually updated to reflect evolving threats and regulatory requirements. Mandatory employee cybersecurity awareness and cloud-specific skills development courses underpin operational security. Multi-factor authentication and access controls enhance system protection and attack resilience.	
4 Artificial Intelligence ('AI')		Direction of Change ▲
Description and Impact	AI technology is evolving rapidly, presenting both opportunities and risks across the Group's operations. Generative AI tools such as search assistants, OS-level copilots and super-apps can impact how customers plan their trips. "Zero-click" journeys may bypass OTAs entirely, impacting the Groups revenue and profitability. Cybersecurity threats include AI-enabled attacks, such as social engineering or algorithmic exploitation. The adoption of AI-enabled tools by third-party vendors introduces risks of compromised integrity, security vulnerabilities, or non-compliance with data privacy regulations. Compliance risks include failure to meet obligations under the AI Act or GDPR, exposing the Group to regulatory penalties or reputational harm. AI adoption may also create operational risks from biases, misuse, or over-reliance on AI-driven decisions, potentially affecting product safety, customer trust, or competitive positioning. Proprietary data used in AI models introduces confidentiality, integrity, and availability risks. Regulatory obligations, including under the EU AI Act and GDPR, create exposure to potential penalties or reputational harm.	
Management and Mitigation	The Group have an AI governance framework in place. While the Group is monitoring developments of generative AI closely, Hostelworld's strategy is focused on social human connection and experiences which cannot be replicated easily. Hostelworld prioritises cyber and data security in mitigating AI risks. AI tools are confined to secure environments to ensure its integrity, as well as encryption and monitoring controls. Tailored employee training on ethical and regulatory considerations of AI has been rolled out, and the procurement process ensures supplier features meet prerequisite confidentiality, integrity, and availability standards. Management and the Board closely monitor developments in AI product offerings. Potential AI impacts are considered in deriving and implementing the Group's strategy. AI features are deployed using a phased rollout approach, controlled "safe to fail" experiments, and manual oversight to ensure responsible use. Human intervention remains central.	
Direction of Change	The pace of change in AI is fast, and it has a wide range of areas in which it can impact the Group. Careful management focus is required to ensure appropriate monitoring and mitigation is in place.	

5 Competition		Direction of Change ►
Description and Impact	The Group operates in a highly competitive global travel market, where competitors, including large incumbents and disruptive new entrants, can influence pricing, inventory access, and customer acquisition. Competitors willing to operate at a loss or invest heavily in technology may challenge the Group's market share and growth. Competition may also impact supplier relationships, including exclusive supply agreements, and evolving regulations such as the Digital Markets Act may alter market dynamics. Changes in technology, including AI, and shifts in customer preferences – such as increased demand for private rooms or experiential travel – can influence acquisition costs, demand, and the relevance of the Group's offering.	
Management and Mitigation	The Group continuously monitors market share, hostel coverage, and competitor activity to guide acquisition, retention, and pricing strategies. The Group's strategy focuses on leveraging its unique market position of having a social offering through targeted customer acquisition and optimising the profitability of existing customer cohorts, emphasising customer lifetime value/customer acquisition cost. There is a continued focus on improving platform flexibility, enhancing customer experience, and global expansion. Delivering advanced technology solutions can help the Group to diversify from exclusive OTA reliance to a broader experiential travel offering. Strategic partnerships and commercial agreements secure inventory and competitive rates, while leveraging the Group's proprietary tools–such as the "Solo System" and social cues–to maintain supplier loyalty. The Group explores AI and new distribution channels for customer acquisition and remains adaptable to market changes.	
6 Execution of Strategy		Direction of Change ►
Description and Impact	The Group continues to pursue an ambitious growth strategy to deliver attractive sustainable returns for shareholders. Delivering this strategy requires strong leadership, employee engagement, investment and governance. The Group operates in an intensely competitive global environment and there is a risk of loss in market share to competitors or markets generally not performing in line with expected growth. In 2025, the Group acquired OccasionGenius Inc. and is integrating its event discovery platform into the existing social and accommodation offering. This creates opportunities to strengthen engagement and diversify revenue streams. Effective integration is critical to realise the intended strategic and financial benefits.	
Management and Mitigation	The Executive Leadership Team maintains clear accountability for delivering strategic objectives, with regular monitoring of operational and financial performance against targets. Competitor activity and market trends are closely tracked, allowing timely responses to changes in the external environment. Investment in the Group's social platform and ongoing partnership development with hostels supports differentiation and market positioning. Dedicated resources, including management oversight and cross-functional teams, are focused on the seamless integration of OccasionGenius Inc. and the execution of the broader strategic plan, ensuring alignment with the growth ambitions presented at the last Capital Markets Day.	

Direction of change relates to the movement of the risk, in the absence of mitigating actions and controls, since the prior period.

▲ Risk increased ► Risk unchanged ▼ Risk decreased

Principal Risks and Uncertainties continued

7 Marketing Optimisation		Direction of Change ►
Description and Impact	A significant proportion of the Group's website traffic originates from search engines, through both paid and organic channels. Visibility and customer acquisition are therefore highly dependent on search engine optimisation (SEO) and search engine marketing (SEM). Search engine algorithms, like Google's, constantly change, affecting our placement and costs. AI-powered platforms are further influencing search results, making algorithm management and optimisation crucial for our marketing strategy and efficiency. In addition, the Group is dependent on a small number of traffic sources, subject to margin pressure from escalating bidding competition with other, larger OTAs, and there is a new risk of zero-click AI search reducing traffic volumes.	
Management and Mitigation	The Group invests in skilled personnel for paid and non-paid searches. In-house expertise and technology adapt to algorithm changes. The search marketing team collaborates with Google, gaining search traffic efficiency insights. Participation in alpha and beta tests give the Group first mover advantage with new functionality that can help drive efficiency. Skill enhancement through third-party vendors complements in-house capabilities for search engine optimisation.	

8 Platform Evolution and Innovation		Direction of Change ►
Description and Impact	Rapid technological change is transforming how customers research, book, and experience travel, driven by innovations such as AI, mobile applications, meta-search platforms, social communities, and digital advertising. Failure to keep pace with these developments risks the Group becoming less relevant to modern travellers. Technology obsolescence and the introduction of new products or features also increase exposure to operational and cybersecurity risks if controls do not evolve alongside the platform. Continuous innovation is therefore critical to maintain competitiveness, user engagement, and secure service delivery.	
Management and Mitigation	The Group monitors emerging technology trends and customer behaviours to guide platform development and product strategy. Significant investment is directed to research, product innovation, and collaboration with peer companies and partners across the travel sector. Partnerships are leveraged to ensure delivery of advanced, best-in-class technology solutions for customers and hostel partners. Following completion of the core platform modernisation, the Group now focuses on continuous enhancement and optimisation to maintain functionality, security, and operational efficiency.	

9 People		Direction of Change ►
Description and Impact	The Group relies on attracting and retaining skilled, committed, and motivated employees for strategic success. The Group is dependent on key roles throughout all functions of the business to drive innovation, ensure efficiency and deliver on the Group's strategy. These tend to be specialist roles where competition for talent is high. Failure to recruit or retain appropriately skilled employees, or to maintain competitive reward and development offerings, may lead to increased attrition, loss of institutional knowledge, and reduced capacity to deliver the Group's objectives.	
Management and Mitigation	The Group undertakes regular external salary benchmarking to ensure its reward offering remains competitive and aligned with market standards. People policies and practices are reviewed and updated on an ongoing basis to reflect employee needs and evolving ways of working. The Group operates from three global offices and maintains flexibility in workforce location to access broader talent pools. Workforce engagement is supported through the oversight of a designated Non-Executive Director, in line with the 2024 UK Corporate Governance Code.	

10 Brand and Reputation		Direction of Change ►
Description and Impact	The strength of the Group's brand is critical to customer trust, acquisition, and long-term growth. As a result of our social network strategy, we are subject to eexplicit risk of harmful user-generated content, community moderation failure and a reputational contagion from viral incidents. Reputational risk may arise from cybersecurity incidents, poor customer experiences involving the Group's platform or hostel partners, or ineffective responses to sensitive issues such as geopolitical events or improper user behaviour. The Group could be subject to payment fraud, fake property listings, and review manipulation. False or unsubstantiated claims relating to inclusion, engagement and diversity or sustainability may undermine credibility and stakeholder confidence. How Hostelworld is perceived as responding to geopolitical developments and improper user actions could also affect brand integrity and the business. The increasing use of artificial intelligence presents opportunities to enhance customer experience and operational efficiency but also introduces emerging risks relating to transparency, bias, content moderation, and misuse, which may adversely affect brand perception if not appropriately governed.	
Management and Mitigation	The Group focuses paid marketing activity on app promotion and product innovation, supported by brand marketing investment in owned channels and social media engagement through content creators. Customer relationship management initiatives integrate social features across the customer journey, while proactive communication addresses emotive issues like the Ukraine war. Third-party services are engaged to monitor chat channels and there is a strict code of conduct in place to ensure appropriate content. Reputational incidents are managed through established crisis communications and incident response plans, developed and periodically reviewed with external public relations advisors. Cybersecurity controls and crisis response arrangements are in place to mitigate the impact of potential cyber incidents. Customer experience is supported through dedicated customer service functions and crisis management policies. In-app social features are governed by clear terms of use, codes of conduct, and automated moderation processes to address inappropriate behaviour. An ESG Steerco oversees sustainability, mitigating risks through third parties. Our IT and procurement policies as well as our legal frameworks are reviewed and updated regularly.	

Direction of change relates to the movement of the risk, in the absence of mitigating actions and controls, since the prior period.

▲ Risk increased ► Risk unchanged ▼ Risk decreased

Principal Risks and Uncertainties continued

11 Third-party Reliance		Direction of Change ►
Description and Impact	The Group relies on hostel accommodation providers to supply inventory and support growth. Any constraints upon the supply of hostel inventory may stem growth ambitions. Financial pressure on partners may lead to business closures or reclassification of accommodation, reducing supply. The Group's revenue also depends on the availability and performance of third-party systems, channels, and integrations. System outages, delayed updates, or reduced functionality at third-party providers may disrupt bookings, payments, or customer service, resulting in lost revenue and reputational damage. In addition, reliance on payment processors exposes the Group to risks relating to pricing changes, service disruption, or unfavourable contractual terms, which could impact transaction volumes and margins.	
Management and Mitigation	Nurturing hostel and vendor relationships is a priority. This close cooperation enables us to monitor market development enabling early identification of market or partner-specific risks. There is a dedicated global markets team who are a support function for our hostels. We rely on close collaboration through frequent contact, including in person market visits, and a dedicated sales function who target new signups. Third-party providers are subject to rigorous assessment, due diligence, and ongoing monitoring, with all contracts processed through the Group's purchasing and contract review framework. Service providers are contractually required to meet defined service levels and incident resolution timelines. System monitoring and alerting are in place to detect outages promptly, with contingency measures to replicate critical functionality where feasible. Annual business reviews, contractual safeguards, and financial health monitoring support preparedness for partner or service provider failure and help to mitigate operational and revenue risk.	

12 Climate Change and Sustainability		Direction of Change ►
Description and Impact	Stakeholders increasingly expect the Group to demonstrate accountability and transparency in relation to climate change and sustainability. Failure to meet these expectations through ineffective strategy, target setting, delivery, or disclosure may result in reputational damage and reduced stakeholder confidence. Achieving climate-related commitments may also give rise to additional costs, including investment in sustainability initiatives that could impact pricing and margins. The Group is subject to expanding sustainability-related reporting and disclosure requirements, creating a risk of perceived non-compliance or insufficient transparency. In addition, evolving customer attitudes towards travel, regulatory measures such as carbon pricing, and physical climate risks including extreme weather events may influence travel behaviour, disrupt operations, and adversely affect revenue and profitability.	
Management and Mitigation	The Group's climate and sustainability strategy is overseen by ESG Steering Committees ("ESG Steerco") which govern climate-related actions and compliance. ESG Steerco members receive specialist training from external providers and engage third-party experts where required to support regulatory compliance, target setting, and reporting. Stakeholder engagement informs the Group's sustainability priorities, and progress against targets is reviewed and published annually. The Group supports accommodation partners and customers in their sustainability efforts through dedicated internal resources and initiatives. While climate-related factors may affect travel patterns, the Group's globally diversified customer base and destination portfolio help to mitigate the impact of regional or destination-specific disruption.	

Direction of change relates to the movement of the risk, in the absence of mitigating actions and controls, since the prior period.

▲ Risk increased ► Risk unchanged ▼ Risk decreased

13 Impact of Uncontrollable Events		Direction of Change ▲
Description and Impact	The Group is exposed to external events that are unpredictable and outside its control, which may adversely affect demand, operations, and financial performance. Economic and political instability, changes in travel, trade, or visa regulations, and broader macroeconomic conditions may reduce demand for travel and negatively impact profitability. Security incidents such as terrorist attacks, geopolitical conflicts and regional instability – including the ongoing conflicts in Ukraine and Gaza and heightened tensions in the Middle East, including developments involving Iran – may reduce traveller confidence, disrupt air travel routes, increase transport costs or restrict access to certain destinations, leading to declines in booking volumes and revenue. Disruption within the Group's hostel supply chain ecosystem, including financial distress, operational restructuring, or reduced capacity of key partners may constrain growth or service delivery.	
Management and Mitigation	Our target 18–34-year-old traveller demographic tends to be flexible in terms of destination and is generally less risk-averse. Travel among this cohort is often viewed as a “rite of passage”, meaning trips are more likely to be adjusted or redirected to alternative destinations rather than cancelled in response to geopolitical or external disruptions. We maintain a close working relationship with our hostel partners to monitor market conditions and respond swiftly to emerging risks. Supply chain risks are managed through risk assessment and due diligence processes conducted by the procurement function in conjunction with relevant business owners.	
Direction of change	The direction of risk is considered increasing, reflecting the growing frequency of geopolitical tensions, regional conflicts, climate-related events and broader macroeconomic volatility, all of which may contribute to greater uncertainty in global travel demand.	

14 Regulation		Direction of Change ►
Description and Impact	The Group operates across multiple jurisdictions and is subject to an increasingly complex and evolving regulatory landscape. Regulatory and legal risks arise in areas including competition, licensing of accommodation and experiences, consumer protection, online trading, payments, tax, intellectual property, data protection, information security, and commercial disputes. The Group is required to comply with a range of sector-specific and digital regulations, including payment card association rules, the EU Package Travel Directive, cookie and consent requirements under GDPR and the ePrivacy framework, and the Digital Services Act, which imposes content moderation and transparency obligations. Failure to comply may result in fines, operational restrictions, reputational damage, or legal action. Heightened scrutiny of international data transfer mechanisms, including standard contractual clauses following the invalidation of the EU-US Privacy Shield, together with evolving global privacy regimes such as the California Privacy Rights Act, creates ongoing compliance and operational uncertainty. New and evolving sign-up, reporting, and platform regulations, including the EU DAC7 directive, may increase administrative complexity, slow onboarding, affect property categorisation, or result in the removal of listings due to changes in local laws. Ongoing regulatory developments may increase compliance costs and constrain business flexibility. Sustainability-related legislation increasingly requires transparent disclosure and monitoring of compliance with climate and environmental obligations.	
Management and Mitigation	The Group's legal team monitors evolving regulatory requirements, supported by external advisers where needed, and oversees compliance with consumer protection, listing rules, governance codes, and market abuse requirements. Data protection, online safety, and digital regulation compliance are reviewed on an ongoing basis, with processes updated to reflect developments and evolving privacy legislation. The Group maintains appropriate insurance coverage and continues to enhance operational processes to support compliance and customer experience. A formal TCFD governance framework, supported by third-party monitoring, underpins climate-related disclosure requirements.	

Principal Risks and Uncertainties continued

15 Business Continuity		Direction of Change ►
Description and Impact	The Group is dependent on the availability and performance of its IT systems and third-party services to support bookings, payments, and operational activities. System failures, including outages at key suppliers, could disrupt services, impact revenue, and damage customer trust. Weaknesses in business continuity planning ("BCP"), reliance on a single cloud provider region, or failure to modernise technology may increase the risk of prolonged disruption, security vulnerabilities, and reduced system reliability.	
Management and Mitigation	The Group maintains a BCP framework focused on critical e-commerce operations, supported by disaster recovery plans developed with external advisors. Ongoing technology modernisation and cloud initiatives enhance resilience and recovery capability. Supplier contracts include business continuity and force majeure provisions. BCP arrangements and backup systems are tested and reviewed periodically to ensure continued effectiveness.	
16 Taxation		Direction of Change ►
Description and Impact	Indirect taxation remains a complex and evolving area due to the variety of regimes and compliance requirements across the jurisdictions in which the Group operates. Governments and regulators continue to introduce measures targeting multinational and digital businesses, including digital services taxes, enhanced VAT rules, and platform reporting obligations requiring digital platform operators to collect and report information on third-party sellers. Non-compliance may result in penalties, increased administrative burden, and potential disruption to revenue streams. There is a risk that the Group does not stay ahead of compliance in all jurisdictions in which it operates. In addition, changes in tax legislation and regulatory interpretations such as the European Commission's proposals on VAT in the Digital Age and OECD recommendations may give rise to additional tax liabilities and increased compliance costs. Given the Group's global workforce footprint, tax authorities may assert that a permanent establishment exists in certain jurisdictions based on the nature or location of activities performed. Furthermore, where key functions, assets, or risks are undertaken or managed outside Ireland, there is a risk of tax leakage or challenge to the Group's current tax positions. If tax authorities adopt a different interpretation of the Group's taxable presence or profit attribution, the Group may be required to account for taxes not currently recognised, potentially increasing the effective tax rate, cash tax outflows, and ongoing compliance costs.	
Management and Mitigation	The Group manages tax risk through a dedicated and experienced in-house tax function, supported by reputable external tax advisors. Tax risks and developments are monitored on an ongoing basis, with regular impact assessments, updates provided to senior management and the Board, and biannual reviews with external advisors to address legislative and regulatory changes. The Group actively monitors its global operating and workforce footprint, supported by the implementation of appropriate tax structures and the enforcement of a controlled work-from-abroad policy. Locations of key functions are formally approved, and transfer pricing policies are designed to reflect the Group's operating model and value creation, supporting compliance and mitigating exposure to tax risk across jurisdictions.	

Direction of change relates to the movement of the risk, in the absence of mitigating actions and controls, since the prior period.

▲ Risk increased ► Risk unchanged ▼ Risk decreased

Viability Statement

In accordance with the provisions of the Code, the Directors have assessed the viability of the Group and its ability to continue in operation and meet its liabilities as they fall due over the assessment period.

The assessment is based on the Group's current financial position, the Group's strategy and business model, and the potential impact that principal risks and uncertainties outlined on pages 66 to 76 may have. The financial position of the Group, its cash flows, liquidity position and debt facilities are outlined in the CFO report on pages 26 to 30. The Group's strategy and business model are set out throughout the Strategic Report.

Assessment of Viability Period:

We have based our assessment on a three-year period to 31 December 2028. The Directors concluded that three years was an appropriate period, balancing the ability to assess future prospects with the uncertainties inherent in making longer-term predictions. Three years also aligns with the Board approved budgeting and forecasting horizon.

Approach to Assessment – Scenario Modelling:

In our assessment of viability we have based a number of scenarios upon the Group's principal risks and uncertainties, and we applied these to the Board approved 2026 budget and two-year outlook.

Those risks, that represent severe but plausible scenarios, have been modelled as follows:

Risk Area	Scenario
Macroeconomic Conditions Impact of Uncontrollable Events	An extended travel disruption from events outside of the Group's control including geopolitical conflicts, natural disasters, macroeconomic impacts, or other adverse events.
Data Security Cyber Security Artificial Intelligence Brand and Reputation Regulation	The impact of the most severe repercussion from any of these risk areas – a significant data security breach resulting in a substantial GDPR fine and the resultant reputational damage.
Climate Change and Sustainability	The impact that climate change may have on bookings and revenue modelled as the widespread closure of European hostels through peak summer trading, an extreme and unrealistic scenario in reality.

The scenarios are designed to allow the Group to review the maximum potential impact that a risk may have, and how the Group's viability may be impacted by assessing the resilience of the Group's business model under stress. There are controls and monitoring processes in place to allow us to observe the likelihood of these scenarios occurring and take action to mitigate their impact as required. Mitigating measures include availing of debt facilities, reducing investment in R&D and development expenditure and implementing further cost management initiatives. The Group also maintain full flexibility over our largest cost base, marketing costs, to match these to demand.

The Directors also considered the Group's demonstrated ability to respond decisively to significant trading disruption, including actions taken during the COVID-19 pandemic.

Conclusion

Having considered these stressed scenarios the Directors assessed the prospects and viability of the Group in accordance with the UK Corporate Governance Code requirements.

The Directors confirm that they have a reasonable expectation that the Group will be able to continue in operation and meet its liabilities as they fall due over the three-year period to 31 December 2028. Taking into account available financial resources, the flexibility of the Group's cost base, and the mitigating actions within management's control, the Directors conclude that the Group remains resilient and viable over the assessment period.



Central House, Marrakech, Morocco

Section 172 – Statement of Compliance – s172 (1) of the Companies Act 2006

Maintaining Trusted Relationships with Stakeholders

In this section, we identify our key stakeholders, explain why and how we engage with them, set out the key metrics used to measure engagement, and summarise some of the outcomes of our engagement.

The Directors are required to act in accordance with a set of general duties, including a duty under Section 172(1) of the UK Companies Act 2006 to promote the success of the Company. In so doing, the Directors are required to have regard to certain stakeholders and to:

- The likely consequences of any decisions in the long term.
- The interests of the Group's employees.
- The need to foster the Group's business relationships with suppliers, customers, and others.
- The impact of the Group's operations on the community and environment.
- The desirability of the Group maintaining a reputation for high standards of business conduct.
- The need to act fairly between shareholders.

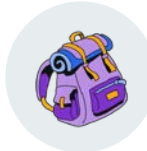
This statement explains how the Board has met this requirement in its decision-making process during 2025.

Clear, Open Communication

The Company aims to have open, two-way relationships with the following six key stakeholder groups.



Our People



Customers



Hostel Partners



Shareholders



Lender



Communities and Society

By taking stakeholders' perspectives into account as outlined below, the Company aims to make business decisions that are fair, well-rounded, and well-informed.



Los Patios, Medellin, Colombia

Section 172 – Statement of Compliance –
s172 (1) of the Companies Act 2006 continued



Why we engage
Having an engaged workforce is essential to delivering against our immediate and longer-term strategic goals. Meaningful engagement with our people ensures their voices are heard, increases motivation and reinforces our culture in a distributed, remote-first working environment. Risks to delivering on our financial and strategic objectives only increase if we do not listen to our people, or if we cannot attract and retain talented people who are motivated to deliver on our strategy.
How the Company engages
• Workforce engagement surveys and exit interviews with employees who decide to leave the business • Bi-weekly virtual townhalls for all our people where the CEO updates on trading, the Chief People Officer updates on workforce welfare initiatives, and the Executive Leadership Team facilitate an open forum Q&A • Training provided on professional development, personal health and wellbeing • Workforce engagement forums hosted by Evan Cohen in his capacity as the Non-Executive Director with responsibility for workforce engagement • In-person onboarding events for new joiners to support integration into a remote-first business
How the Board considers our people’s interests
• Evan Cohen, the Non-Executive Director with responsibility for workforce engagement, continued his programme of meeting with colleagues from across the business and regularly shares and discusses at Board meetings the feedback and themes of these discussions • Specific oversight on the progress of employee well-being initiatives and Company culture-related programmes • A ‘People and Organisation/Culture’ pulse check/update provided by the Chief Executive Officer at the majority of scheduled Board meetings • Attendance by the CEO and CFO at a hostel conference in Seville (September 2025), and by the CEO at a hostel conference in Tokyo (May 2025) included meetings and time spent with global market team colleagues in attendance, with the key findings shared with the Board • Attendance by the CEO and CFO at in-person onboarding events for new joiners to ensure the Board understands the challenges faced by new colleagues joining a remote-first business, and that new colleagues feel truly welcomed • Meetings between a member of the Remuneration Committee and the Group’s employee forum to discuss the Company’s approach to executive pay • Informal meetings between Non-Executive Directors and colleagues
What our people told us was important to them
• Investment in learning and development, particularly building AI capability • Fair compensation • Ensuring the challenges of new joiners in a distributed, remote-first working environment were properly addressed • Delivery of strategy and Company performance • Maintaining the Group’s commitment to IE&D • A positive culture that works for people in a remote-first environment • Open communication

Measurement
• Employee survey results (including onboarding event survey results) and response rates • New hire surveys, employee turnover data and exit interviews • Employee training participation rates • Feedback from the Non-Executive Director responsible for workforce engagement • Complaints made by our people under the Group’s Disciplinary and Grievance Policy • Issues reported through the Group’s anonymous whistleblowing hotline service
Outcome of engagement
• The Board supported an average salary increase for 2025 of 6.3% for people below Executive Director and Executive Leadership Team level • Board support for investment proposals to enhance AI-focused learning and development programmes • In-person onboarding events for new joiners were attended by the Executive Directors • Ongoing Board oversight of the Group’s culture (and how it is embedded in the Group) at Board meetings throughout 2025 • Increased focus on supporting colleagues in a distributed working environment • Employee celebrations for Pride Month, International Men’s Day, International Women’s Day and participation in annual IE&D training • Received ‘<i>Investors in Diversity Gold</i>’ accreditation



Section 172 – Statement of Compliance –
s172 (1) of the Companies Act 2006 continued



Why we engage
Without customers, our business would not exist, and understanding what drives their behaviour is crucial in determining strategy and prioritising investment. It is essential that we stay connected and continuously engage with our customers to ensure we provide relevant and competitively priced travel products and services in a way that fosters ongoing loyalty to the Hostelworld brand.
How the Company engages
• Emails and surveys are sent to customers at the main stages of their booking journey to gather feedback and understand any problems they may be experiencing • Use of social media platforms (principally TikTok and Instagram) for engagement with our online communities • A dedicated customer support team (all significant customer support tickets and feedback submissions are reviewed by senior managers to ensure issues are actioned effectively) • Monitoring of brand metrics and sentiment on social media • Research studies are conducted for feedback on newly developed features and enhancements made to the Group's suite of travel products and services • Availability of Hostelworld credits for staff who can use these credits to book trips in hostels and provide feedback on the customer experience and the relative performance of the group's travel products and services
How the Board considers customer interests
• Updates on progress of customer-focused strategic projects provided by the CEO at each scheduled Board meeting • Bi-weekly email updates provided by the CFO on booking performance, which allows the Board to react to customer behaviours and informs future initiatives • Significant focus on the Group's brand strategy to ensure it was aligned to evolving customer trends, with an external brand expert presenting a brand strategy report to the Board in July 2025 • Updates provided by the CFO (as Chair of the ESG Steering Committee) at each scheduled Board meeting ensure customer insights on sustainability are properly understood • Audit Committee review of reports from the Group's DPO on the Group's customer privacy compliance programmes and activities (particular focus on ensuring compliant management of customer 'right to be forgotten' requests under GDPR)
What our customers told us was important to them
• Social features and easy ways to connect with other travellers • Being able to make sustainable booking choices when they travel • Advice and tips on activities for their trips • Respect for their data privacy rights and reactive and responsive customer support when it's needed • Customer service that is easy to access
Measurement
• Customer questionnaires and post booking surveys • Quantitative and qualitative research into market share, customer booking trends and behaviours in different markets • Customer service response rates • Social media engagement rates • Completion of customers' personal data deletion requests in accordance with GDPR obligations • Resolution of customer complaints within defined service levels
Outcome of engagement
• Customer insight into booking purchase patterns enabled data-driven enhancements to the type and quality of accommodation inventory available • Product and Technology quarterly planning for feature enhancements that were responsive to customer preferences and insights • Launch of Travel Plans (May 2025) allows customers to share future trips and meet other travellers before booking • Launch of Social Passes (November 2025) to allow access to our social network for travellers who had not booked through the Group • Ongoing enhancements of platform security to protect privacy rights • 100% of personal data deletion requests from customers implemented in accordance with GDPR obligations • Increased Trust Pilot scores for the Group's Customer Services Team in 2025 through investment in support capability • New partnership with CarbonClick, enabling customers to offset accommodation-based emissions



Why we engage
Hostel partners are the cornerstone of the Group's revenue model and broader business. Developing strong, trusted relationships with our hostel partners is essential to maintaining high-quality accommodation inventory, enhancing our product offering and delivering sustainable growth. Only through working in partnership with our hostel partners can we provide access to accommodation inventory and related travel products and services and deliver on our mission and purpose.
How the Company engages
• Regular review meetings with key hostel partner executives, complemented by close collaboration between regional Global Market Managers and hostel partners • Attendance by the CEO, the Chief Supply Officer and other key senior executives at hostel conferences in Tokyo (May 2025) and Seville (September 2025) • Surveys sent to hostel conference attendees before and following each conference event to ensure hostel partner perspectives and insights are shared and understood • Engagement with hostel partners to evaluate their requirements as part of improving the hostel onboarding process • Regional hostel partner events, in-market visits and attendance at third-party events globally in over 50 locations for in-person interactions with over 1500 hostels in 2025. 30 webinars for hostel partners hosted with interactive Q&A sessions and follow-up surveys in addition to communications and surveys distributed to hostels throughout the year
How the Board considers hostel partners' interests
• The CEO provides the Board with a detailed update on hostel inventory supply matters and projects related to hostel partners as a standing agenda item at each scheduled Board meeting • The CFO provides the Board with regular updates on financial performance related to hostel inventory matters • The Board received updates from the CEO on insights gained at the 2025 hostel conferences in Seville and Tokyo • The CEO met with senior executives from key hostel partner chains on a number of occasions (with the CEO's observations reported back to the Board) • The Board continue to provide oversight of the Group's ESG roadmap, focused principally on the implementation of the 'Staircase to Sustainability' framework designed to support hostel partners • The Audit Committee reviews procedures in place to protect the Group and hostel partners from fraud risks
What our hostel partners told us was important to them
• Growth opportunities and product strategy alignment • Promotion of hostelling as a sustainable solution for the environmentally conscious customer • Investment in the Group's platform to allow hostel partners to promote events and activities • More direct meetings in local markets with the Group's senior account managers to ensure issues are addressed effectively • Continuous improvement of the onboarding process for hostel partners
Measurement
• Hostel partner inventory growth, activation and churn rates, and regional performance • Net competitiveness score, questionnaires, and surveys • Hostelworld support satisfaction scores and customer support Net Promoter Score • Legal disputes with hostel partners
Outcome of engagement
• Strong and trusted relationships established with key hostel partner chains • Continuous refinement of the hostel onboarding process (reducing activation time and completion steps for hostel partners) • Expansion of the Group's Linkups platform, enabling hostels to promote in-house social events and activities • Three 'Responsible Travel Award' categories within our HOSCAR programme, and continued promotion of hostel 'sustainability stories' on the Group's social media channels • Increased budget allocation for in-market visits to hostel partners by the Group's senior account managers • No legal disputes with hostel partners during the reporting period • Investment in climate-neutral events at our Tokyo and Seville hostel conferences

Section 172 – Statement of Compliance –
s172 (1) of the Companies Act 2006 continued



Shareholders

Why we engage

Our shareholders own the business. Having a clear understanding of our shareholders’ priorities allows the Company and the Board to make decisions that properly take account of shareholders’ views. The Board recognises that clear communication and responsiveness to shareholder feedback are critical to maintaining investor confidence and access to capital markets.

How the Company engages

- Regular engagement between key investors and the Group's Investor Relations function, the CEO and CFO, through investor relations events and roadshows
- Holding of a Capital Markets Day event in April 2025, attended by the majority of the Group's major shareholders
- Annual and interim results presentations, including live Q&A sessions
- Regular trading updates announced on the London Stock Exchange and Euronext Dublin Regulatory News Service (RNS)

How the Board considers shareholders’ interests

- The Board's main contact with shareholders is through the CEO and CFO, who maintain regular contact with shareholders with the support of the Group's Head of Investor Relations (the Chair and other members of the Board are available to meet with shareholders on request)
- The Board is provided with investor relations reports by the CFO at each scheduled Board meeting, summarising engagement activity, investor sentiment and key themes
- In-depth investor feedback is collated after each roadshow and trading update and provided to the Board
- Attendance at the AGM in May 2025, including responding to questions from shareholders and considering voting outcomes
- Views and perspectives of the Company's major shareholders on capital allocation were assessed by Deutsche Numis and Goodbody and presented to the Board by the CFO

What shareholders told us was important

- Execution of the Group's strategy and delivery against financial targets
- Clarity and transparency on the Group's capital allocation policy
- Assessment of returning value to shareholders
- Robust ESG and sustainability reporting
- Talent management and succession planning
- Clear and transparent reporting

Measurement

- Financial performance
- Share price performance
- AGM voting outcomes
- Capital Markets Day survey feedback
- Qualitative feedback following results and other key announcements

Outcome of engagement

- Strong shareholder support and approval of 2025 AGM resolutions (no shareholder votes with less than 80% support)
- 97.5% votes in favour of the Directors' Remuneration Report (advisory vote)
- Payment of an interim dividend in September 2025 and commencing a £5m share buyback programme
- Engagement with shareholders throughout 2025 on performance against the Group's financial and strategic KPIs
- Continued development of the Group's sustainability and ESG strategy as set out on pages 40 to 65



Lender (AIB Group plc)

Why we engage

In October 2025, the Board approved a €10.3 million, 3-year term loan facility with AIB Group plc ("AIB"), to fund the acquisition of OccasionGenius Inc. Engagement with AIB builds trust and promotes an effective long-term partnership between AIB and the Group.

How the Company engages

- Regular financial reporting and covenant compliance reporting
- Regular contact and quarterly meetings regarding the ongoing performance of the Group

How the Board considers AIB’s interests

- Covenant compliance ratios and AIB debt balances are reported to the Board through updates from the CFO
- Monitoring forecast covenant compliance as part of the Group's budgeting and reforecasting processes
- Considering the impact of strategic decisions, capital allocation and potential acquisitions on leverage and liquidity
- The CFO maintains an executive relationship with the senior AIB account manager and oversees financial reporting and covenant compliance reporting

What AIB told us was important

- Sustainable financial performance and prudent financial management
- Transparent, accurate and timely compliance reporting
- Early and open communication regarding material developments in the Group
- Trust and confidence between AIB and the Group to ensure a mutually beneficial long-term relationship

Measurement

- Compliance with financial covenants and facility terms
- Delivery of financial performance against budget and forecast
- Quality and timeliness of financial reporting

Outcome of engagement

- Effective and transparent processes to demonstrate the Group's covenant compliance
- AIB understands the Group's financial performance
- Lender confidence, and an understanding on the part of AIB of the Group's strategy and potential future capital requirements

Section 172 – Statement of Compliance –
s172 (1) of the Companies Act 2006 continued

 Communities and Society

Why we engage

We engage with communities where we maintain operations and with society in general to ensure the Group has a positive and responsible impact. As a digital platform operating globally, we recognise that our responsibilities extend beyond financial performance to building a more inclusive society by supporting IE&D in our business, implementing our sustainability objectives, and operating our business in a conscientious and compliant manner.

How the Company engages

- Our IE&D strategy captures the Company's commitment to inclusivity
- We commit our time, skills and resources through paid volunteering days to allow our people support their local communities and charity initiatives
- We commission reports and research to better understand the economic and climate impacts of our operations
- We provide work experience opportunities with a focus on STEM (Science, Technology, Engineering and Maths) students
- Sponsorship and charitable donations supporting community initiatives

How the Board considers these interests

- Board oversight of the Group's ongoing implementation of its IE&D strategy and how it supports our culture
- The Audit Committee assesses climate and ESG risks as part of assessing the Group's risk management framework
- The CFO is Chair of the ESG Steering Committee and updates the Board at each scheduled Board meeting on progress against ESG KPIs and sustainability initiatives
- The Remuneration Committee reviews benchmarking of employee salaries to ensure fair compensation and also assesses executive compensation and how it aligns with pay practices for other staff

What community stakeholders told us was important

- Commitment to IE&D
- Continuing to play our part in promoting fairness in society by providing employment opportunities in areas where we have our operations, and paying people fairly
- Clear action to manage and reduce the environmental impact of our business

Measurement

- Carbon emissions and progress against sustainability targets
- Achievement against IE&D strategy goals
- Charitable contributions and the number of volunteering days used by colleagues
- Alignment of executive compensation and pay practices for all other staff

Outcome of engagement

- 344 volunteering hours availed of in 2025, with a focus on charitable initiatives
- Partnered with Irish STEM charity Teen-turn on their 'Learn to Earn' programme, with one eight-week internship for third-level students and five two-week internships for secondary school students
- Provided employment and work experience opportunities
- Continued implementation of our 'Staircase to Sustainability' framework with over 2,500 properties accredited
- Awarded the Silver 'Taking Climate Action' label for 2025 by South Pole, carbon emission specialists
- Commitment to reach net-zero carbon by 2040 (became a signatory to the Climate Pledge in 2023)
- Achieved 'Investors in Diversity Gold' accreditation



Los Patios, Medellín, Colombia

Section 172 – Statement of Compliance – s172 (1) of the Companies Act 2006 continued

Board Decision Making in Practice from a Section 172(1) Perspective

The Board considers principal decisions to be those decisions which involve significant long-term implications and consequences for the Company and/or its stakeholders. Below are some examples of principal Board decisions taken during 2025 and how the Directors took stakeholder views into account in accordance with their duties under Section 172(1) of the Companies Act 2006.

Section 172 principles

- (a) The likely consequences of any decisions in the long term.
- (b) The interests of the Group’s employees.
- (c) The need to foster the Group’s business relationships with suppliers, customers, and others.
- (d) The impact of the Group’s operations on the community and environment.
- (e) The desirability of the Group maintaining a reputation for high standards of business conduct.
- (f) The need to act fairly between shareholders.

Acquisition of OccasionGenius Inc.

s. 172 principles: (a) (b) (c) (d) (e)

The Board approved the acquisition of OccasionGenius Inc. in October 2025. The Board considered the likely long-term consequences of completing the acquisition and agreed that diversifying future earnings was appropriate. As part of its considerations, the Board agreed that the acquisition represented the natural progression of the Group’s strategy outlined at its Capital Markets Day event in April 2025 and would demonstrate to all stakeholders that the Group was successfully executing on its strategic objectives. When considering the acquisition, the Board noted that it was expected to drive growth in social members and bookings, and the new layer of global event data would provide unique insights into traveller behaviour, benefiting colleagues, shareholders and other stakeholders. In relation to customers, the Board determined that offering a broad range of local events would encourage travellers to engage more deeply and explore the world together.

Review of the Group’s Growth Strategy

s. 172 principles: (a) (b) (c) (e)

During the early part of the year the Board worked extensively with the Chief Executive Officer on reviewing proposals to achieve the next phase of Company growth, resulting in the announcement by the Company, in April 2025, of a long-term strategy to generate shareholder value with a focus on strengthening the Group’s core business, expanding its addressable market, and exploring complementary acquisitions aligned with the Group’s strategic objectives (see further details set out within the Chief Executive Officer’s Review on pages 19 to 21).

The details of the strategy were assessed by the Board as positively benefiting a number of stakeholders; our hostel partners and traveller customers will benefit from increased inventory and enhanced AI powered travel products and services, our people will benefit from enhanced professional development opportunities and compensation rewards in a growth business, and our shareholders are anticipated to benefit from an increased return on their investments.

Share Buyback and Interim Dividend Payment/ Capital Allocation Policy

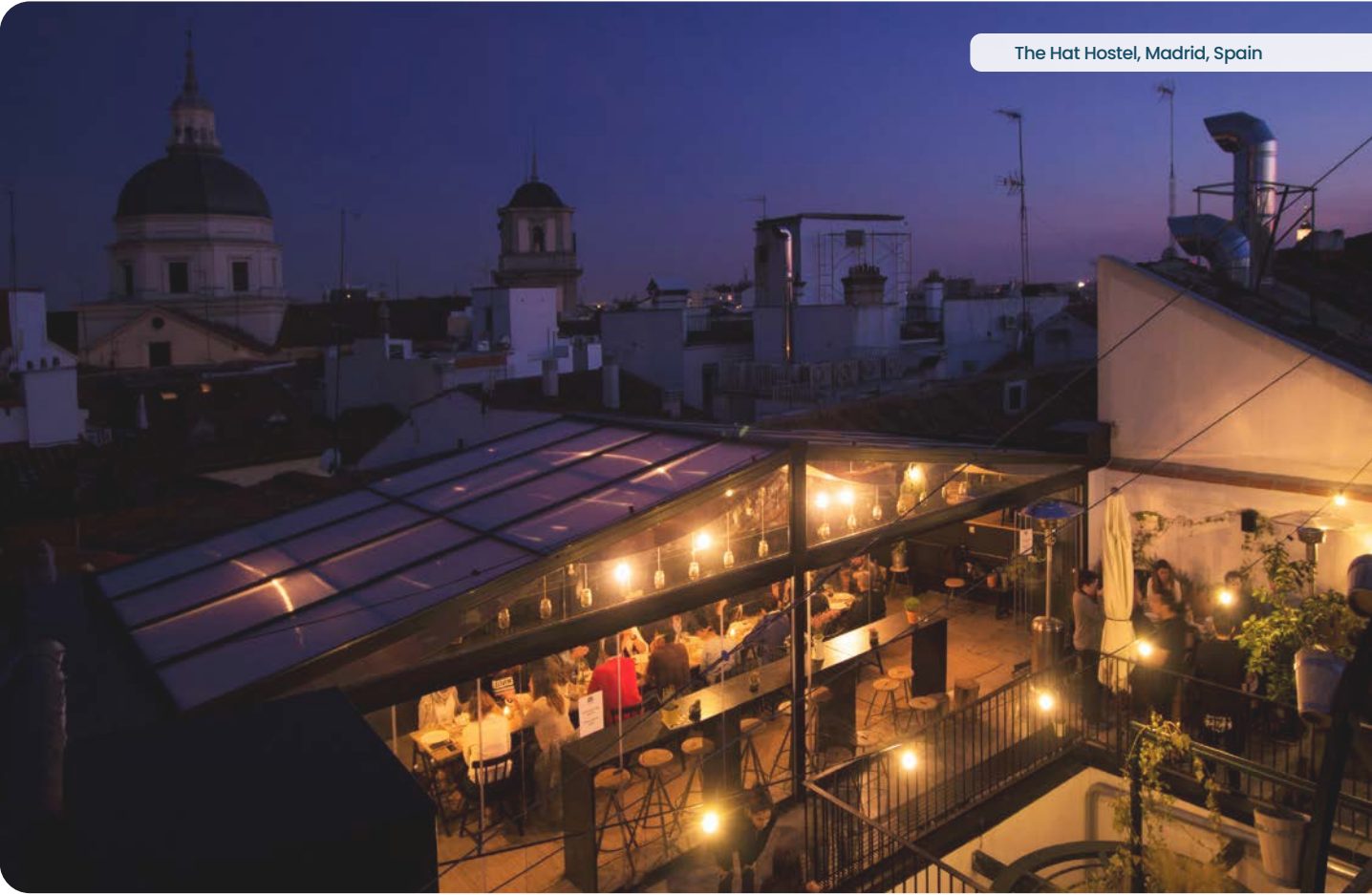
s. 172 principles: (a) and (f)

The Board is aware of the importance of returning value to shareholders and of clearly communicating its capital allocation plans. The issue of returning value to shareholders and assessing the appropriate time to institute a share buyback programme and/or make dividend payments was a key consideration for the Board during 2025. Previous feedback indicated differing shareholder views on the timing and appropriateness of the Company returning value to shareholders through share buybacks and dividends. The Board is accordingly aware that there are various competing factors to consider in capital allocation decisions. Following its assessment of this issue, the Board, acting fairly between members who had expressed different views, confirmed that the reinstatement of a progressive dividend payment and the commencement of a £5m share buyback programme would be in the best interests of the business, as evidencing its positive financial outlook and its ability to meet shareholder and other stakeholders’ expectations.

Appointment of Interim Chair

s. 172 principles: (a) (b) (c) (d) (e) (f)

In 2025, the Board approved the Nomination Committee’s recommendation to appoint Carl G. Shepherd as Interim Chair of the Board. Given Carl’s extensive tenure on the Hostelworld Board and his deep understanding of online travel market dynamics, the appointment enabled the Group to continue executing strategic goals during a period of change at Board level. In addition, Hostelworld colleagues will benefit from the assurance that a highly experienced Non-Executive Director will lead the Board until Marieke Bax assumes the role of Chair on 31 March 2026.



The Hat Hostel, Madrid, Spain

Governance

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Directors’ Biographies



Carl G. Shepherd A⁽¹⁾ N^{C(2)} R
Non-Executive Interim Chair⁽³⁾

INDEPENDENT	Yes	APPOINTED	01 October 2017	BOARD TENURE	8 years 5 months
SKILLS & EXPERTISE	Extensive executive and non-executive experience in online travel.				
EXPERIENCE	Co-founder, founding Chief Operating Officer and Chief Strategic and Development Officer of HomeAway Inc, previous Chief Operating Officer and Chief Development Officer of Hoover’s Online, former board member of Turnkey Vacation Rentals, Inc., and Edge Retreats.				
KEY EXTERNAL APPOINTMENTS	None				



Marieke Bax N^{C(4)} R
Non-Executive Director⁽⁵⁾

INDEPENDENT	Yes	APPOINTED	30 January 2026	BOARD TENURE	1 month
SKILLS & EXPERTISE	Executive and non-executive leadership, strategic governance, and M&A.				
EXPERIENCE	Led European corporate development and emerging market expansions at Sara Lee Corporation, former Chief Financial Officer for e-commerce start-up Hot-Orange, senior advisory roles at Deloitte & KPMG, former board member and committee chair for Xior Student Housing, Vion Food Group, Euroclear/EESA, and Climate Transition Capital.				
KEY EXTERNAL APPOINTMENTS	Non-Executive Director and Chair of Audit & Risk Committee at Superbet; Non-Executive Director and Chair of Audit Committee at Mediq; and Non-Executive Director, member of the ESG Committee and Chair of Audit Committee of InPost S.A.				

Key

- A member of the Audit Committee
- D member of the Disclosure Committee
- N member of the Nomination Committee
- R member of the Remuneration Committee

C indicates Chair of Committee

⁽¹⁾ Member of the Audit Committee until appointed Interim Chair on 13 September 2025 and will resume membership of the Audit Committee and role as Senior Independent Non-Executive Director when Marieke Bax assumes the role of Board Chair on 31 March 2026.
⁽²⁾ Appointed Chair of the Nomination Committee on 13 September 2025 until Marieke Bax assumes the role of Nomination Committee Chair on 31 March 2026.
⁽³⁾ Appointed Interim Chair on 13 September 2025. Marieke Bax will assume the role of Board Chair on 31 March 2026.
⁽⁴⁾ Will assume the role of Chair of the Nomination Committee on 31 March 2026.
⁽⁵⁾ Appointed Non-Executive Director on 30 January 2026 and will assume Chair role on 31 March 2026.



Éimear Moloney A^C N R
Senior Independent Non-Executive Director⁽⁶⁾

INDEPENDENT	Yes	APPOINTED	27 November 2017	BOARD TENURE	8 years 3 months
SKILLS & EXPERTISE	Experience in capital markets and asset management, extensive financial and board governance experience.				
EXPERIENCE	Former senior investment manager roles in Zurich Life Assurance (Irl) plc, senior positions with Bankers Trust Funds Management Ltd in Australia and with Crowe Horwath Chartered Accountants. Former Non-Executive Director at Yew Grove Reit plc.				
KEY EXTERNAL APPOINTMENTS	Non-Executive Director, Remuneration Committee Chair and Audit Committee member of Kingspan Group plc; Non-Executive Director, Audit Committee Chair, Remuneration Committee member, and Nomination Committee member of Irish Continental Group plc; and Non-Executive Director of the Mater Misericordiae And The Children’s University Hospitals CLG.				



Evan Cohen A N R
Non-Executive Director

INDEPENDENT	Yes	APPOINTED	14 August 2019	BOARD TENURE	6 years 7 months
SKILLS & EXPERTISE	Extensive experience in technology and online platform companies.				
EXPERIENCE	Former Regional Director for Lyft’s US East Coast business, Chief Operating Officer at Foursquare and senior strategic consulting and operational roles at Bebo, Jupiter and MTM.				
KEY EXTERNAL APPOINTMENTS	None.				



Paul Duffy A N R^C
Non-Executive Director

INDEPENDENT	Yes	APPOINTED	02 May 2024	BOARD TENURE	1 year 10 months
SKILLS & EXPERTISE	Experienced Chair and Chief Executive Officer with extensive knowledge of the consumer and leisure industry.				
EXPERIENCE	Former Chair and CEO of Pernod Ricard North America and Director of Corby Spirit and Wine Limited (listed on the Toronto Stock Exchange).				
KEY EXTERNAL APPOINTMENTS	Chair of the Board and Non-Executive Director, Remuneration Committee member, Development Committee member and Nomination and Governance Committee Chair at Glanbia plc; Non-Executive Director of W.A. Baxter & Sons; and Chair of the Irish Children’s Museum CLG ⁽⁷⁾ .				

⁽⁶⁾ Appointed Senior Independent Non-Executive Director when Carl G. Shepherd appointed Interim Chair on 13 September 2025.
⁽⁷⁾ Resigned as Chair and Non-Executive Director on 16 December 2025.

Directors’ Biographies continued



Gary Morrison ^D^C
Chief Executive Officer

INDEPENDENT	No	APPOINTED	11 June 2018	BOARD TENURE	7 years 9 months
SKILLS & EXPERTISE	Extensive knowledge of the online travel industry and significant technology experience.				
EXPERIENCE	Former Senior Vice President and Head of Retail for Expedia. Former Director of Despegar (NYSE DESP), AirAsiaExpedia and Voyages SNCF. Former Head of Global Sales Operations for Google’s Online Sales Channel and Motorola as VP and Head of Product Management for Motorola’s Smartphone. Consulting and engineering roles at General Electric, Booz Allen, and Hamilton and Schlumberger (France).				
KEY EXTERNAL APPOINTMENTS	None				



Caroline Sherry ^D
Chief Financial Officer

INDEPENDENT	No	APPOINTED	01 December 2020	BOARD TENURE	5 years 3 months
SKILLS & EXPERTISE	Extensive finance, strategic and corporate development experience alongside a strong focus on Investor Relations and the sustainability agenda.				
EXPERIENCE	Former Financial Controller at Hostelworld Group plc, Director of Financial Planning and Analysis for Glanbia plc’s Performance Nutrition division and held numerous strategic and commercial finance roles at Ulster Bank Group DAC. Chair of ESG Steerco at Hostelworld.				
KEY EXTERNAL APPOINTMENTS	Non-Executive Director of Neurodiversity Sandymount CLG ⁽⁸⁾				

Key

- ^A member of the Audit Committee
- ^D member of the Disclosure Committee
- ^N member of the Nomination Committee
- ^R member of the Remuneration Committee
- ^C indicates Chair of committee

⁽⁸⁾ Appointed 26 March 2025.

Board Composition
as of 25 March 2026

Independence Overview

The Board comprises seven Directors. Independent Non-Executive Directors represent 71% of the Board and are considered by the Board to be independent in character and judgement, in accordance with the provisions of the UK Corporate Governance Code.



Gender Balance

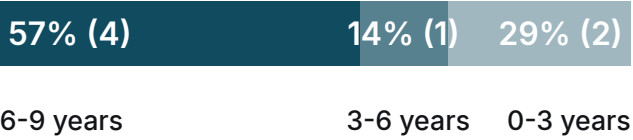
The Board recognises the importance of diversity, including gender diversity, in promoting effective decision-making and good governance and maintains a balanced gender composition.



Board Tenure

The average tenure of Directors as at 25 March 2026 was 5 years and 5 months.

Tenure Distribution – Full Board:



Tenure Range	Directors
0-3 years	Marieke Bax Paul Duffy
3-6 years	Caroline Sherry
6-9 years	Carl G. Shepherd Éimear Moloney Evan Cohen Gary Morrison

Independent Directors

Carl G. Shepherd
Marieke Bax
Éimear Moloney
Evan Cohen
Paul Duffy

Non-Independent Directors

Gary Morrison
Caroline Sherry

Male Directors

Carl G. Shepherd
Evan Cohen
Paul Duffy
Gary Morrison

Female Directors

Marieke Bax
Éimear Moloney
Caroline Sherry

Tenure Distribution – Non-Executive Directors



Tenure Range	Directors
0-3 years	Marieke Bax Paul Duffy
3-6 years	–
6-9 years	Carl G. Shepherd Éimear Moloney Evan Cohen

Corporate Governance Report

Chair’s Introduction

On behalf of the Board, I am pleased to introduce our Corporate Governance Report for the year ended 31 December 2025. I would like to give thanks to Ulrik Bengtsson, as Chair of the Board until 12 September 2025, for his thoughtful leadership before I became Interim Chair in September 2025 and to welcome Marieke Bax, who was appointed as a Non-Executive Director in January 2026 and who will assume the role of Board Chair on 31 March 2026, as our newest Board member.

As well as meeting our important regulatory obligations, our governance report is an opportunity to provide shareholders and other stakeholders with a clear window into how the Board operates, and explains the structures, processes, and procedures used by the Board and its key Committees to ensure that Hostelworld’s high standards of corporate governance are maintained. Details on how our governance arrangements supported our strategy execution in 2025 are set out on page 99. The Board remains firmly committed, on an enduring basis, to promoting high standards of corporate governance in Hostelworld Group plc (the “Company”) and its subsidiaries (together the “Group”).

The Company reports in accordance with the provisions of the UK Corporate Governance Code, as published in January 2024, with the exception of Provision 29, which has applied with effect from the start of the 2026 financial year and against which the Company will report next year (the “Code”).

Details of our governance practices are available in this Corporate Governance Report and in the Committee Reports that follow. Below is a brief guide to where the most relevant explanations are given for how the Company applies each of the Code principles:

	Principles	Pages
Board leadership and Company purpose	A, B, C, D and E	Pages 100 to 105
Division of responsibilities	F, G, H and I	Pages 106 to 111
Composition, succession and evaluation	J, K and L	Pages 113 to 120
Audit, risk and internal control	M, N and O	Pages 123 to 132
Remuneration	P, Q and R	Pages 133 to 154

Compliance with the UK Corporate Governance Code

The Company has applied the principles and, other than the two exceptions described below, has complied with the provisions of the Code throughout the reporting period.

- The Remuneration Committee has not developed a formal policy on post-employment shareholding requirements in accordance with Provision 36 of the Code. This matter was consulted on with major shareholders and the main proxy advisers in connection with the Remuneration Policy put before shareholders at the Company’s AGM in May 2024, and the conclusion reached was that the Remuneration Policy and the framework for LTIP awards already provide sufficient alignment between management and the long-term interests of shareholders. There is a shareholding requirement to be met during employment, and an additional requirement that LTIP awards be held for a two-year post-vesting holding period. The Remuneration Committee does not believe that further post-employment requirements are necessary to ensure that the Executive Directors are at all times operating in the best long-term interests of shareholders.
- The 10% of salary pension contribution rate for the CEO is above the 6% rate applicable to the wider workforce and represents non-compliance with Provision 39 of the Code. This issue was also consulted on with major shareholders and the main proxy advisers as part of the process for considering the Remuneration Policy put before shareholders at the 2024 AGM. In circumstances where no major shareholder responded to the Remuneration Policy proposals expressing any concerns or opposition to the explicit proposal to maintain the CEO’s pension contribution rate at 10% of salary, the Remuneration Committee determined that the CEO’s rate of pension contribution, as contractually agreed at the time of his recruitment in 2018, was not excessive, and agreed to present this proposed approach to shareholders at the 2024 AGM. In the context of the related AGM vote, the Remuneration Policy proposals (which included proposals to maintain the CEO’s pension contribution rate at 10% of salary) were supported by 97.71% of shareholders who cast their vote.

The Board and the Remuneration Committee fully appreciate that some shareholders take different views on these remuneration matters. The Remuneration Committee will consult with major shareholders and the leading proxy advisers on these issues as part of proposals for the new Remuneration Policy, which is expected to be put before the Company’s shareholders at the AGM in 2027. The Remuneration Committee anticipates this consultation exercise to commence in the latter part of 2026.

Accordingly, it is not currently possible to provide a definite timeline for compliance with the related Code provisions.

Board Appointments and Board Effectiveness

Implementation of succession plans for the Board Chair role was a key focus for the Nomination Committee and the Board during the reporting period. The leadership of the Board evolved with Ulrik Bengtsson stepping down as Chairman in September 2025 and my own appointment, also in September 2025, as Interim Chair and Interim Chair of the Nomination Committee. A thorough search process overseen by the Nomination Committee culminated in January 2026, with our announcement of the immediate appointment of Marieke Bax as a Non-Executive Director and Chair of the Board, effective 31 March 2026. Full biographies of all Board members are available on pages 92 to 94. Details of the Board changes that occurred during the year and in the period prior to publication of the Annual Report are set out in the Nomination Committee Report on page 115.

The Board comprises seven directors, of whom three are female. Five members are based in Europe, and two reside in the United States. Five Board members have executive experience in the travel or online sectors, while the remaining members bring expertise from a range of other industry backgrounds.

We continue to have a diverse Board and an excellent mix of skills and perspectives, which ensures debate at the Boardroom level is challenging and well-informed.

In the latter part of 2025 I reviewed the performance of each Director and I am satisfied that each brings the necessary commitment and expertise to their role and dedicates sufficient time to contribute effectively to Board performance.

Under my direction as Interim Chair, the Company



Snap stay, Hoi an, Vietnam

Corporate Governance Report continued

Secretary facilitated a comprehensive internal review of the Board’s effectiveness during the latter part of 2025. The review concluded that the Board and its Committees continue to operate efficiently and effectively. Further details regarding the performance review process and its outcomes are provided on pages 119 and 120.

Engaging with our Stakeholders

The Board remains focused on how it engages with its six principal stakeholder groups: our employees, shareholders, customers, hostel partners, AIB Group plc (our principal lender), and the wider society and communities in which we operate. In considering key strategic matters, the Board is mindful of these stakeholders’ interests and seeks to ensure that its decisions are informed by a balanced and fair assessment of, at times, differing or competing expectations.

A detailed account of how the Board and the business have considered and engaged with stakeholders during the year, the outcomes of that engagement, its influence on Board deliberations, and the metrics used to assess stakeholder engagement is provided in the Section 172 Statement on pages 79 to 89.

Culture

Culture has been principally shaped by our people, hostel partners, and traveller customers since the Company was founded over twenty-five years ago, and the focus of the Board over the reporting period in this vital area was ensuring that the Company’s culture is embedded across the business, and aligned with the Company’s purpose, values and strategy. Please see pages 101 to 103 for further details on how the Board monitored the Group’s culture over the reporting period.

Annual General Meeting

The forthcoming Annual General Meeting represents a key opportunity for shareholders to receive an update on the business’s overall progress and to engage with the Board. The 2026 AGM will take place on 6 May 2026 and will be held at the Company’s offices at 8 Harcourt Street, Dublin 2. Marieke and I will be in attendance to address any shareholder questions. Full details are provided in the Notice of Annual General Meeting, which will accompany this Annual Report and will be issued to shareholders at least 20 working days in advance of the meeting. The Notice is also available on the Company’s website at www.hostelworldgroup.com. If you have any questions on governance arrangements at Hostelworld, please don’t hesitate to contact the Company Secretary in the first instance (email: corporate@hostelworld.com).

Carl G. Shepherd
Interim Chair
25 March 2026

How Governance Supported our Strategy during 2025

Strategic Objective	Board's Governance Role	Link to Principal Risk	2025 Board Activity
Strategy Execution	Review and assessment of commercial, financial and strategic rationale for acquiring OccasionGenius Inc.	Competition risk (page 71) and Execution of strategy risk (page 71)	During the year, the Board approved the acquisition of OccasionGenius Inc. to accelerate the Group's strategy to inspire travel and improve booking conversion.
	Review and assessment of investment proposals for strategic growth.	Competition risk (page 71) and Execution of strategy risk (page 71)	During the early part of the year, the Board worked extensively with the Chief Executive Officer resulting in the announcement by the Company, in April 2025, of a long-term strategy to generate shareholder value with a focus on strengthening the Group's core business, expanding its addressable market, and exploring complementary acquisitions aligned with the Group's strategic objectives (see further details set out within the Chief Executive Officer's Review on pages 19 to 21.
	Review and assessment of AI Usage Policy for adoption by the Group.	Competition risk (page 71), Execution of strategy risk (page 71), Data security risk (page 69) and Cyber security risk (page 70)	As part of ensuring the Group was well-positioned to harness the opportunities of AI while appropriately managing related privacy and IT security risks, the Audit Committee reviewed and approved proposals from the Group's CTO, Head of IT Security, and DPO regarding the use of AI across the business.
Investing in our People	Oversight of remuneration planning and implementation to ensure our people were paid fairly and retention risks were appropriately managed.	People risk (page 73)	To ensure broader retention risks were managed and that our people were rewarded fairly and competitively, the Remuneration Committee agreed that (1) salary proposals for the 2025 salary review provided for average salary increases for colleagues in excess of salary increases for the Executive Directors; and (2) a Restricted Share Award be granted to a number of employees, subject to a staggered vesting regime over three years (15% of the award vesting at the end of the first year, 35% of the award vesting at the end of the second year, and 50% of the award vesting at the end of the third year).
Maintaining an Effective Board	Governance to ensure the implementation of Board succession plans in a way that maintains an effective and entrepreneurial Board.	People risk (page 73)	Board assessment of the skills, experience and abilities of candidates required to lead the Board and ensure delivery of the Group's strategic objectives, approval of Nomination Committee recommendations in respect of the appointments of Carl G. Shepherd as Interim Chair and Éimear Moloney as Interim Senior Independent Director, and review of succession plans for the Board.
Capital Allocation	Assessment of the benefits and financial stability risks of reinstating a progressive dividend policy and commencing a share buyback programme.	Macro-economic conditions risk (page 69) and Execution of strategy risk (page 71)	Assessed and confirmed that both the payment of an interim dividend and commencement of a £5m share buyback programme would be in the best interests of the business.

The following section outlines how the Company has applied the principles and complied with the provisions of the Code during the reporting period. Where appropriate, we have included cross-references to relevant sections of the Annual Report that provide greater detail on our application of the Code's principles and compliance with its provisions. Our objective is to minimise duplication, enhance clarity, and demonstrate a coherent and integrated approach to governance under the Code. The Code is publicly available at www.frc.org.uk/library/standards-codes-policy/corporate-governance/uk-corporate-governance-code/

1. Board Leadership and Company Purpose: Principles A-E/Provisions 1-8 of the Code

Approach to Governance

The Board's main responsibility is to lead the Company in delivering long-term, sustainable value for shareholders and other stakeholders, and to contribute positively to wider society. We set out on page 99 how governance has supported the delivery of our strategy during 2025 and how this is linked to our principal risks. How the Company generates value for shareholders is covered in the Strategic Report on pages 10 to 89.

Long-term Sustainable Success

In line with the Code, the Board is accountable for driving the Group's long-term success. It remains focused on long-term strategic priorities and evaluates progress against these goals at each scheduled Board meeting. The Board follows a comprehensive agenda to ensure regular consideration of financial performance, strategy, risk, stakeholder engagement, culture, and governance.

As part of its responsibility to foster the Company's long-term sustainable growth – creating value for shareholders and contributing positively to society – the Board's focus over 2025 was in the areas highlighted in the CEO's Review (see pages 19 to 21) and the Chair's Statement (see pages 14 to 17).

The Board also assesses the sustainability of the business model over the longer term through:

- Assessing AI and the competitive risks and opportunities AI represents for the Group.
- Assessing the Group's addressable customer market, hostel partner relationships, and the suitability of its marketing programmes and product features for specific categories of customers and hostel partners.
- Assessing industry trends and anticipated developments and attending industry conferences.
- Considering the long-term customer appeal and relevance of the core Company brand assets and trademarks.
- Regularly assessing the status of the Group's capital requirements and capital allocation policy.
- Assessing feedback from our key stakeholders.
- Overseeing the risk management and controls in place to address risk (including IT and cyber security risks).

- Maintaining oversight over the Group's internal control framework.
- Considering key factors likely to affect future performance for the purposes of the Viability Statement set out on page 77.

Effective and Entrepreneurial Board

The Board reviews strategy and execution against applicable KPIs at each scheduled Board meeting and receives frequent updates from the CFO on execution against shorter-term trading KPIs. Key strategic issues discussed by the Board over the reporting period included:

- AI and its competitive risks and opportunities.
- The ongoing development of our social travel strategy, social travel products and services, and the most effective means to achieve customer, booking and revenue growth in this area.
- The need for revenue diversification and how to address this through organic growth and M&A activity.
- How to effectively expand our inventory coverage in a way that ensures we have the right type of competitively priced accommodation inventory to meet our traveller customers' requirements.
- Implementation of our sustainability strategy and growing our sustainability improvement framework for the hostelling industry.
- The relevance of the core Company brand assets and trademarks, and how to maintain their value.
- The Group's platform modernisation strategy and its alignment with the Group's overall growth strategy and the requirements of our hostel partners and traveller customers.
- Assessing changes to corporate reporting requirements and legal and regulatory developments that impact the Group.
- Our culture and our purpose, and whether our culture, purpose, values and strategy are aligned and how our culture is embedded across the business, including with respect to our policies, practices and behaviour throughout the business.
- Review of the 2026 budget and two-year outlook and the potential impact of external risk factors.

On pages 119 and 120, we explain how our annual Board performance review helps ensure that the Board's strengths are recognised and leveraged, while areas for development are identified and addressed. Further information on how we ensure the Board has the appropriate mix of skills and experience is set out in the Nomination Committee Report (pages 113 to 120).

(a) Directors' Induction and Ongoing Training

When appointed to the Board, each Director undertakes a thorough induction programme. This is complemented by continuous training throughout the year to ensure Directors remain up to date on legal, regulatory, and industry developments. The structure and delivery of the induction process for new Board members are outlined in the Nomination Committee Report on page 115. Additional information on the training completed by Directors is included in the same report on page 116.

(b) Conflicts of Interest

Our Board has a Conflicts of Interest Policy and has established procedures for the disclosure and review of any potential or actual conflicts. Prior to the Board appointment of Marieke Bax (after the end of the reporting period) in January 2026, a rigorous review was undertaken by the Company Secretary to ensure no conflicts of interest arose with respect to Marieke's appointment. During 2025, no conflicts of interest arose in respect of Board matters.

(c) Chair and Non-Executive Directors

The Board considers Paul Duffy, Carl G. Shepherd, Éimear Moloney and Evan Cohen to be independent. Accordingly, the Company meets the Code requirement that at least half of the Board (excluding the Chair) comprises independent Non-Executive Directors. Details of succession planning as it relates to Non-Executive Directors is set out in the Nomination Committee report on pages 115 and 116.

The Chair and the Non-Executive Directors play an active role in challenging assumptions, shaping strategic proposals, and contributing independent judgement, expertise, and insight to the Board's discussions. Under the terms of their appointment letters, the Non-Executive Directors are expected to devote around 15 to 20 days each year to the Group's business.

Copies of the Non-Executive Directors' appointment terms are available for review at the Company's registered office and will also be available at the AGM.

Company Values and Purpose – Embedding our new Culture Code

The Hostelworld culture is developed from our values and is a key strength of the organisation. A new Culture Code was introduced in 2024 and was well received by colleagues. In 2025, the Board focused on providing oversight to ensure the Culture Code was brought to life effectively and embedded across the Group. The Board firmly recognises that embedding a positive work culture is essential to achieving behavioural outcomes and shaping how things are done across the Group. During the year, the Board reviewed and affirmed the Group's purpose, considered the Group's values and behaviours, and provided oversight in how the Culture Code was being embedded to appropriately reflect the shared beliefs and values of all Hostelworld colleagues. Details of the Group's mission, purpose and vision are set out on page 2, details on the Group's behaviours and values are set out on pages 35 to 37 of the Strategic Report, and details of the Group's Culture Code are summarised on pages 32 and 33. Our values, behaviours, and Culture Code demonstrate how we behave, individually and collectively, as a Board and how we expect colleagues to conduct themselves on an ongoing basis. Our purpose, values, and behaviours are firmly embedded across the organisation through the establishment and application of clear policies on individual and business conduct. Any breach that could affect our culture or values is reported to the Board or the relevant Committee. During the reporting year, including at the Board meeting in December 2025, the Board discussed and reflected on Hostelworld's purpose, values and behaviours. These foundations continue to support a culture that champions inclusion, dignity and respect in the workplace and ensures that we conduct our business in a commercially responsible and ethically grounded manner.

The Board remains strongly of the view that our purpose, values, and behaviours must be communicated effectively and in plain language, reinforced, and continuously embedded in our policies and procedures so that the right values and behaviours drive what we do and how we do it.

The Executive Directors have been delegated responsibility for ensuring that established values and behaviours set at Board level are effectively communicated and implemented across the business. If the Board is concerned with any behaviours or actions, it will seek assurance that corrective action is being taken. No such action was required during 2025.

Corporate Governance Report continued

Assessing and Monitoring Culture (and how Culture is embedded)

Our culture is grounded in our values, behaviours, and Culture Code, and sustained by robust policies and codes of conduct that ensure consistency and accountability across the organisation.

Workforce Engagement Sessions: Evan Cohen, in his capacity as the designated Non-Executive Director responsible for workforce engagement, hosted engagement forums with colleagues. The purpose of these sessions was not only to provide the Board with a clear understanding of colleagues’ views on Hostelworld’s strategy, performance, culture and working environment, and of colleagues’ and project teams’ priorities and concerns, but was also an effective way for Evan (and the Board) to assess whether there were any signs of a culture problem in the business and whether the Executive Directors were appropriately embedding our organisational culture.

Employee Surveys: updates from survey results provided to the Board by the CEO help the Board monitor culture by understanding colleagues’ concerns and challenges, and by identifying initiatives that are working well or could be improved. Of particular focus during the reporting year were updates on survey results on completion rates for conduct and ethics-oriented training programmes, and whether colleagues felt empowered to share ideas and innovate.

Remuneration Engagement: a member of the Remuneration Committee meets with the Group’s employee forum to discuss the Company’s approach to executive pay to enhance colleagues’ understanding of how executive compensation decisions are made and receive feedback in the context of the broader pay and reward policy in the Group. The engagement exercise also helped the Board assess whether colleagues believed the Group’s culture, values, and promoted behaviours were reflected in the Group’s reward and performance management programmes.

Town Halls: the CEO, CFO, and Executive Leadership Team host twice-monthly virtual town halls (including a Q&A session) for all colleagues, using these forums to promote our culture and understand staff views and concerns. This engagement channel is used by the Executive Directors to communicate the Group’s culture, purpose, and values and is considered by the Board to be a particularly important means of communicating with colleagues.

Leadership Behaviours: the Group’s leadership development programmes specify the key attributes and behaviours for our leaders, with details of the design and implementation of the programmes updated to the Board by the Chief People Officer (or the CEO on his behalf).

Board Performance Review: the annual Board performance review allows the Board to reflect on Board performance and assess the extent to which it has effectively promoted the Hostelworld culture and set the ‘tone from the top’.

Informal Engagement: Non-Executive Board members are encouraged to meet informally with employees and, through these engagements, observe if the appropriate cultural traits and behaviours are being displayed by colleagues.

Management utilises a suite of Board-approved cultural metrics to provide the Board with a comprehensive view of how our culture is embedded in the business and operating in practice. These indicators draw on a broad range of sources, including insights from employee engagement and exit surveys, data from HR policies on disciplinary matters, compensation and promotion practices, and measures related to inclusion, equity, and diversity. Additional inputs include compliance training completion rates, participation in learning and development programmes, whistleblowing activity, and the effectiveness of the Group’s well-being initiatives. Externally focused measures, such as hostel partner satisfaction scores, customer service resolution rates, compliance with agreed payment terms with vendors, and the occurrence of any contractual disputes with hostel partners, also form part of the assessment. Independent assurance over selected areas is provided by PwC through our outsourced internal audit function, alongside input from other advisers where appropriate.

Metrics used to monitor culture and the extent to which it is embedded include:

- Allowing our people to raise any concerns they have anonymously via our Whistleblowing Hotline service is essential to ensure staff have the means to highlight suspected wrongdoing, and monitoring the volume of incidents reported provides an important insight into the health of our culture – no issues were reported to the service during 2025 (no change from 2024).

- Complying with our customers’ privacy rights is essential to maintaining their trust, and the participation rate in data protection compliance training allows us to establish how embedded this vital compliance issue is in the business – 100% of invited participants completed the training in 2025 (increase from 99% in 2024).
- Resolving any issues our customers may have in a timely manner is important to make sure Hostelworld’s reputation as a trusted hostel booking provider is maintained, and assessing improvements in the time it takes to resolve any customer issues allows us to verify that doing the right thing for our customers is central to how we operate as a business – the customer support resolution rate slightly disimproved over 2025 with 83% of tickets resolved within 36 hours (2024: 87% of tickets resolved within 36 hours).
- Paying our suppliers on time in accordance with agreed contract terms is important to maintain a partnership-based relationship and avoid expensive disputes, and how we score against this metric provides a transparent measure of the health of our culture – 100% of our suppliers were paid in accordance with agreed payment terms during 2025 (no change from 2024).
- Complying with contractual terms agreed with our hostel partners (and avoiding legal disputes) demonstrates the business is being run with appropriate regard for our contract obligations and commitments, and how we score against this metric provides a clear sense as to whether the business is being run in an ethical and responsible manner – no legal disputes arose with a hostel partner during 2025 (no change from 2024).
- Retaining our employees is a key element of our strategy, and retention rates are a strong indicator of an engaged workforce. The 2025 employee attrition rate of 10.6% is broadly in line with the 2024 rate (10.4%).

How our Culture Supports Strategy:

Our key strategic objectives are to implement our distinctive social network strategy, expand our inventory coverage, continuously improve our technology platform, progress our ESG agenda, and deliver on our commitments to our shareholders, people, hostel partners and communities. Further details of our strategy objectives are set out on pages 19 to 21. We are empowered to deliver on our strategic objectives by a vibrant and positive working culture underpinned by our values:

Think Customer: we attract and retain customers by focusing on their needs and providing the travel products and services they want at competitive prices.

Building a Better World: we engage our people by being an inclusive, welcoming employer with a firm focus on inclusion, equity, and diversity (“IE&D”).

Community Spirit: we bring people together from all over the world through our product offering and in our office locations across the globe. Our community spirit among our customers, hostel partners, and people enhances these relationships and drives performance and strategy execution.

Be Bold, be Brave, be Adventurous: we embrace change and encourage and incentivise our people to learn continuously so we can respond quickly to our stakeholders’ evolving perspectives.

Keep it Simple: the simpler things are for our people, customers, and hostel partners, the faster we can execute our strategy.

For more information on our culture and how we invest and reward our people, see our ‘People and Culture’ section set out on pages 34 to 39.

Risk Management

The Group allocates appropriate resources to the management and oversight of IT security, data protection and regulatory compliance, supported by its internal auditors and senior leaders across all departments. The Board and its Committees receive regular reporting on risk matters and periodically review both key and emerging risks facing the business. The Board remains committed to safeguarding the privacy rights of our customers and partners, receiving updates from the Audit Committee on findings from privacy audits conducted by the Group’s Data Protection Officer, as well as ongoing cybersecurity assessments of our booking platform and IT systems carried out by the Group’s Head of Information Technology Security. Independent assurance over IT controls and security risks is provided by PwC, our outsourced internal audit partner. The Board is also committed to upholding the Company’s market abuse compliance obligations and receives updates from the Disclosure Committee on its meetings and on the effective operation of the compliance processes and procedures set out in the Company’s Market Abuse Regulation compliance manual.

Corporate Governance Report continued

Whistleblowing and Anti-Bribery

The Board promotes a culture where employees can confidently report concerns through internal and external channels. The Group's Anti-Bribery and Whistleblowing Policies, supported by a confidential reporting helpline, remain well communicated. Although no reports were received in 2025, feedback to the Board confirmed that employees are aware of the service and would not feel restricted from using it if needed.

Remuneration and Culture

We set out on page 138 how we have addressed the issue of ensuring remuneration is aligned with culture. We explain on pages 136 and 137 the Group's approach to investing in and rewarding our workforce and on page 138 how remuneration is aligned to the Company's purpose and values.

Using Stakeholder Views to Shape Board Decision Making

Details of how engagement with stakeholders was conducted during 2025, what metrics and performance indicators were used in connection with stakeholder engagement, how the outcomes of the engagement with stakeholders was reflected in Board decisions, and how the Directors consider they have promoted the success of the Group in accordance with the requirements of section 172(1) of the Companies Act 2006 are set out in the Section 172 Statement (pages 79 to 89).

Workforce Engagement Statement

As part of the 2025 employee engagement programme, Evan Cohen hosted engagement forums with colleagues across the business. The selection of attendees at these forums was designed to ensure participation from people who had recently joined the business, so that their views, in particular, could be shared and understood fully. Evan provided updates on Board activities and sought the views of forum participants on several topics. Marieke Bax, who joined the Board in January 2026 and who will assume the role of Board Chair on 31 March 2026, will participate in a Q&A session with colleagues from across the business during 2026.

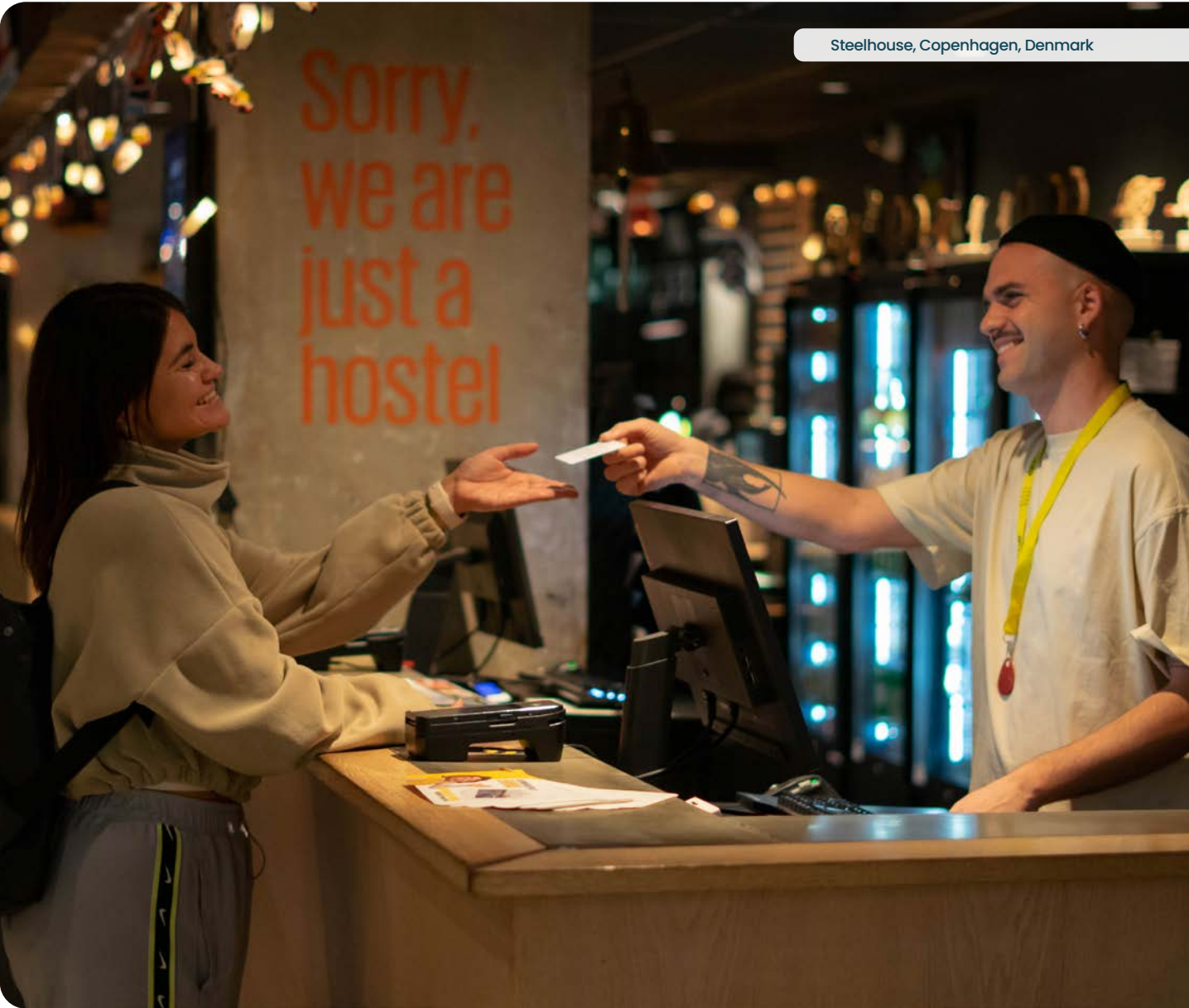
Key themes emerging from engagements with the workforce during 2025:

- Recognition of the changing accommodation search landscape online, with colleagues noting both challenges and opportunities arising from AI, and emphasising the strategic need to diversify into social, influencer and alternative channels of user acquisition.
- Positive reflections on the Group's strategic direction, including the focus on youth travel services, monetisation, and iteration of core products.
- Strong preference for remote and hybrid working, valued for flexibility, wellbeing, and global recruitment. At the same time, colleagues acknowledged that onboarding and team cohesion can be more challenging remotely and would welcome more intentional in-person interaction.
- Some colleagues sought further clarity on the Group's brand evolution work, and welcomed confirmation that planning continues and will accelerate with the arrival of new marketing leadership. The strength and recognition of the existing "H" icon were noted as a significant asset.
- Employees expressed pride in Hostelworld's culture, highlighting adaptability, collaboration and openness to experimentation, particularly around AI. They also emphasised the need to maintain cultural clarity and alignment as the organisation grows.
- Colleagues expressed strong appreciation for the Group's commitment to employee engagement, supportive people policies and continued investment in learning and development. There was clear alignment between employees and the Board on the importance of maintaining a highly engaged workforce and prioritising people-focused initiatives across the organisation.
- Employees welcomed the high level of access to the Executive Directors and the openness of internal communications, noting the transparency provided through the twice-monthly Town Hall meetings, which include open Q&A sessions with the Chief Executive Officer, and access to the Executive Directors at the in-person onboarding sessions held during the reporting period.

Feedback from the various engagement channels was shared and discussed by the Board, and employee perspectives informed more informed Board and management decisions and helped identify areas to improve the employee experience, in particular, the continuation of the in-person onboarding experience for new colleagues and improved employee engagement with the Board. How the Board engaged with the workforce and how the views of our people have been used to shape Board decisions during the year are set out in the Section 172 Statement (pages 80 and 81).

Directors' Concerns

During the year, no Director had concerns about the operation of the Board or the management of the Group that could not be resolved.



Steelhouse, Copenhagen, Denmark

Corporate Governance Report continued

2. Division of Responsibilities: Principles F–I/Provisions 9–16 of the Code

The Chair Responsibility

Ulrik Bengtsson resigned as Chair on 12 September 2025, Carl G. Shepherd was appointed as Interim Chair on 13 September 2025, and Marieke Bax will assume the role of Chair on 31 March 2026. The Chair oversees the Board’s overall effectiveness, promotes an atmosphere of openness and transparency during its meetings, and ensures that all Directors participate meaningfully in discussions and offer constructive scrutiny of the key matters under consideration. The Chair, together with the Committee Chairs and the Company Secretary, meets regularly to review upcoming agenda items and the materials for Board and Committee meetings. Following its annual performance review, the Board confirms that the Interim Chair encourages a culture of candid and constructive debate in the boardroom. A detailed description of the Chair’s duties is provided in the table on page 108.

A Balanced Board

As required by the Code, at least half the Board (excluding the Chair) are independent Non-Executive Directors. The Nomination Committee regularly reviews Board composition, including the balance of skills and experience on the Board, the tenure of each Non-Executive Director, and conducts succession planning for Non-Executive Directors and Executive Directors.

Director and Board Performance

Following a performance review conducted towards the end of 2025 under the direction of the Interim Chair, each Director’s performance was considered as continuing to be effective, and each Director was considered to demonstrate commitment to the role. The internal Board performance review concluded that the skills and experience of the Executive Directors and independent Non-Executive Directors were appropriate, and that the Board was working effectively together. Details of the results and recommendations of the Board performance review exercise are set out on pages 119 and 120.

Non-Executive Directors and Independence

In accordance with the Code, our Non-Executive Directors are responsible for constructively challenging the strategies proposed by the Executive Directors and for holding management to account for achieving Company goals and objectives. The Non-Executive Directors also play a primary role in the effective functioning of the Board’s Committees (excluding the Disclosure Committee, which comprises the CEO and CFO).

The Board has identified, on pages 92 to 95, which Directors it considers independent. The Board confirms that it assessed the independence of the Non-Executive Directors as part of the annual Board performance review process and has determined that each of the Non-Executive Directors continued to demonstrate independent judgement during the reporting period and remained free from any business or other relationships which could have materially affected the exercise of their judgement.

The Non-Executive Directors play a vital role in safeguarding balanced decision-making by ensuring that no single Director, or group of Directors, exerts undue influence over the Board’s deliberations. Maintaining their independence is therefore essential. To support this, Non-Executive Directors may serve a maximum of three three-year terms, except in exceptional circumstances where an extension is considered appropriate.

Other External Appointments

The Board considers a Director’s other significant external commitments (including, where applicable, their commitments as committee members of other listed companies where they serve as directors) when considering them for appointment to satisfy itself that the individual can allocate sufficient time to their Board duties and assess any potential conflicts of interest. Each Director must notify the Chair of any changes to significant external commitments that arise during the year, including the time commitment associated with each.

Directors may take on additional external appointments only with the Board’s prior approval. If required to assess additional directorships, the Board will consider the number of directorships the individual already holds and their expected time commitment for those roles. The Board considers the most recent guidance from institutional investors and proxy advisers on the maximum number of appointments that can be managed efficiently. As part of the Board performance review exercise, each Non-Executive Director has confirmed (as they are required to do on an annual basis) that they have been able to allocate sufficient time to discharge their responsibilities effectively (see table on page 111 for Board meeting attendance).

For the table below, we have applied the methodology set out in the ISS UK and Ireland Proxy Voting Guidelines for ‘overboarding’ to calculate the mandates of our Non-Executive Directors for their appointments to publicly listed companies. The Board confirms that none of our Directors is overcommitted and all Directors have adequate time to discharge their duties as Directors of the Company. At the date of publication of this Annual Report, no external appointments are held by the CEO. Details of an external appointment held by the CFO in a non-listed entity are provided on page 94.

	Independent	Non-Executive Director		Board Chair		Executive Director		Total Mandates ⁽¹⁾
		Appointments	Mandates	Appointments	Mandates	Appointments	Mandates	
Carl G. Shepherd	Yes	–	–	Hostelworld Group plc	2	–	–	2
Eimear Moloney	Yes	Hostelworld Group plc	3	–	–	–	–	3
		Kingspan Group plc						
		Irish Continental Group plc.						
Evan Cohen	Yes	Hostelworld Group plc	1	–	–	–	–	1
Paul Duffy ⁽²⁾	Yes	Hostelworld Group plc	1	Glanbia plc	2	–	–	3
Marieke Bax ⁽³⁾	Yes	In Post S.A. (Euronext Amsterdam)	1	Hostelworld Group plc	2	–	–	3
Ulrik Bengtsson ⁽⁴⁾	Yes	–	–	Hostelworld Group plc	4	–	–	4
				Raketech Group Holding plc				

⁽¹⁾ Inclusive of their appointment at Hostelworld Group plc. For the purposes of calculating the total number of mandates, a non-executive membership counts as one mandate, a non-executive role as chair counts as two mandates and a position as executive director (or a comparable role) counts as three mandates.

⁽²⁾ Appointed as Chair of Glanbia plc from 1 January 2026.

⁽³⁾ Assumes the role of Chair of Hostelworld Group plc on 31 March 2026.

⁽⁴⁾ Resigned as Non-Executive Director and Chair of Hostelworld Group plc effective on 12 September 2025.

Corporate Governance Report continued

Division of Responsibilities

There is a clear division between executive and non-executive responsibilities, ensuring effective oversight and accountability. The roles of the Board, Board Committees, Chair and CEO are documented, as are those matters reserved to the Board. An overview of the division of responsibilities between the Board and the Group's executive leadership is provided in the table below.

Company Secretary

The Company Secretary supports the effectiveness of the Board and its Committees by ensuring that they are provided with adequate time, information and resources to discharge their responsibilities. This includes advising the Board and its Committees on governance matters and on relevant legal and regulatory obligations. The appointment and removal of the Company Secretary are matters reserved to the Board. In accordance with the Code, the Remuneration Committee is responsible for determining the Company Secretary's remuneration.

Division of Responsibilities		
Chairman Ulrik Bengtsson (1 January 2025 to 12 September 2025) Carl G. Shepherd (13 September 2025 onwards) Marieke Bax (with effect from 31 March 2026)	- Leadership of the Board - Responsible for overall effectiveness in directing the Group - Constructive relationships between the Executive and Non-Executive Directors - Effective contribution of all Non-Executive Directors	- Directors receive accurate and timely information - Meetings with Non-Executive Directors, without Executive Directors present - Ensures Board is aware of the views of major shareholders
Board (key matters)	- Group's purpose and values - Group's strategic aims and business plans - Annual and interim results - Annual Report and Financial Statements - Capital Allocation and dividend policy - Internal control and risk management - Major changes to the Group's corporate structure (including but not limited to major acquisitions/disposals)	- Capital purchases > €250k outside budget - Communication with shareholders - Changes in structure, size and composition of the Board - Material litigation - Remuneration Policy for Directors and senior executives - Governance structure - Oversees culture (including IE&D programmes) and climate-related risks and controls
Senior Independent Director Carl G. Shepherd (1 January 2025 to 12 September 2025) Éimear Moloney (13 September 2025 onwards)	- Sounding board for the Chair - Intermediary for the other Directors and shareholders	Annual review of Chair's performance
Non-Executive Directors	Constructive challenge, strategic guidance and specialist advice	Scrutinise and hold to account the performance of management and individual Executive Directors against performance and strategy objectives

Division of Responsibilities		
Chief Executive Officer Gary Morrison	- Execute the Group's strategy and commercial objectives together with implementing the decisions of the Board and its Committees - To keep the Chair and Board appraised of important issues and competitive challenges facing the Group - To ensure that the Group's business is conducted with the highest standards of integrity, in keeping with our culture	- Manage the Group's risk profile and ensure actions are compliant with the Board's risk appetite - Investor relations activities, including effective and ongoing communication with shareholders
Chief Financial Officer Caroline Sherry	- Support the CEO in developing and implementing strategy - Provide financial leadership to the Group and align the Group's business and financial strategy - Responsible for financial planning and control, treasury and tax functions	- Responsible for presenting and reporting accurate and timely historical financial information - Manage the capital structure of the Group - Investor relations activities, including communications with investors, alongside the CEO - Chairs Steering Committee on ESG and oversees sustainability and other reporting compliance
Designated Non-Executive Director for Workforce Engagement Evan Cohen	- Attendance at employee engagement forums - Provide regular updates to the Board on issues discussed at employee engagement forum meetings	- Review any messages received through the whistleblowing system from the Group's employees - Review the effectiveness of engagement programmes established for employees
Company Secretary John Duggan	Compliance with all corporate governance matters, monitors the Group's disclosure requirements under the Code and LSE (UK) and Euronext (Ireland) Listing Rules	- Ensure Board procedures are followed - Compliance by the Company with its legal and regulatory responsibilities

The Board of Directors

The schedule of matters reserved for the Board's decision is available on the Group's website, www.hostelworldgroup.com. The schedule of matters reserved for the Board and the Terms of Reference for each of its Committees are subject to annual review. The Board also has a Delegation of Authority Policy that sets out the primary responsibilities, controls and authorisation limits on matters affecting the Group's business. This policy was reviewed and updated by the Board twice in 2025.

Board Meetings

There were 11 Board meetings held during the year, with additional Board conference calls held between Board meetings as and when circumstances required. As applicable, certain Board decisions are addressed through written resolutions signed by each Board member. Key issues assessed, and material decisions taken by the Board and its Committees during the year included the following:

Strategy

- Approval of the acquisition of OccasionGenius Inc.
- Reviewing the Group's long-term strategic objectives with a particular focus on the growth and iteration of the Group's social network product features, technology strategy, hostel inventory strategy, and paid marketing strategy
- Approval of a long-term strategy (announced in April 2025) focusing on strengthening the Group's core business, expanding its addressable market, and exploring complementary acquisitions aligned with the Group's strategic objectives
- Reviewing the Group's key brand assets and brand strategy with a focus on the evolution of the Group's brand strategy
- Approval of the Board changes in respect of the appointment of Carl G. Shepherd as Interim Chair and Éimear Moloney as Interim Senior Independent Director

Corporate Governance Report continued

- Reviewing and approving the Group's 2026 budget and two-year outlook
- Assessing and confirming that the payment of an interim dividend would be in the best interests of the business
- Assessing and agreeing on the implementation of a £5m share buyback programme as an appropriate use of the Group's capital
- Assessing and considering culture and how it is embedded in the Group, and reviewing and considering stakeholder perspectives and the engagement model adopted by the Company with its key stakeholders

Commercial

- On-going updates and presentations from the Executive Directors on trading and financial performance (twice monthly trading emails sent to the Non-Executive Directors by the CFO)
- Reviewing and approving a budget for 2026
- Approving the full year results, half year results and 2024 Annual Report

Risk Management and Internal Controls

- Reviewing the Group's principal and emerging risks
- Reviewing and confirming the Group's viability statement and going concern status
- Receiving an update on cyber risk and IT security
- Receiving an update on data protection compliance
- Progressing preparations for reporting against Provision 29 of the Code
- Receiving an update on financial reporting compliance
- Receiving an update on key changes to legal and regulatory matters with a focus on consumer law, IT security and cyber risk, privacy and capital markets compliance
- Receiving an update on compliance training completion rates
- Reviewing the effectiveness of the Group's system of internal controls and risk management

People and Culture

- Approving proposals for a new approach to employee participation in equity plans (annual vesting over a three-year period)
- Approving initiatives in the areas of employee well-being and employee assistance
- Receiving updates from Evan Cohen in his capacity as Non-Executive Director responsible for employee engagement
- Receiving updates on key people and culture issues and initiatives at the majority of scheduled Board meetings
- Considering and implementing succession plans for the Chair and non-executive Board positions
- Considering succession plans for the Board, Executive Directors, and Executive Leadership Team
- Reviewing employee engagement results
- Reviewing the Board Diversity Policy

Standing Agenda Items

In addition to the above, at each scheduled Board meeting, there are standing items, which include:

- Review and approval of the previous meeting minutes
- Committee updates to the Board
- Status update on any matters outstanding from previous meetings
- Report from the CEO (including an update on strategy development, growth initiatives and execution)
- Report from the CFO (including an update on trading, financial performance outlook, investor relations and progress on ESG strategy initiatives)

The attendance of Directors at Board meetings held during the year is set out in the table below. Attendance at Committee meetings is detailed in the respective Committee Reports. Directors receive comprehensive Board and Committee papers approximately one week in advance of each meeting. For scheduled Board meetings, these papers typically include a trading update, financial and strategic performance reports, a people and culture update, and a summary of progress against the Group's ESG strategy. Minutes of all Board and Committee meetings are circulated to members as a matter of routine.

Non-Executive Directors are encouraged to communicate directly with senior management between Board meetings and are provided with a twice-monthly trading update by the CFO. At the Chair's request, members of the Executive Leadership Team attend scheduled Board meetings to present updates on the performance of their respective areas of responsibility.

Should any Director judge it necessary to seek independent legal advice in respect of Company matters, they are entitled to do so at the Company's expense.

Meetings of the Non-Executive Directors, held without the Executive Directors present, are incorporated into the Board's annual schedule. In 2025, these sessions were held at the conclusion of each scheduled Board meeting, providing the Non-Executive Directors with an opportunity to discuss matters raised by the Executive Directors, as well as broader business issues, in a private forum. These meetings support the continued independence of the Non-Executive Directors by allowing them to consider Executive Director performance and Company matters confidentially and without management present.

Board Meeting Attendance

Membership	No. of scheduled meetings/total no. of scheduled meetings held when the Director was a member ⁽¹⁾ , ⁽²⁾		Attendance %
Carl G. Shepherd (Chair from 13 September 2025)	9/11		82%
Paul Duffy	11/11		100%
Éimear Moloney	11/11		100%
Evan Cohen	11/11		100%
Gary Morrison	11/11		100%
Caroline Sherry	11/11		100%
Ulrik Bengtsson ⁽³⁾ (Chair until 12 September 2025)	6/7		86%

⁽¹⁾ Certain Board matters relating to the operation of an Employee Benefit Trust for the purposes of facilitating the holding of shares in the capital of the Company for the benefit of the Group's employees and certain former employees were conducted by a specifically constituted Board sub-committee comprised of the CEO and CFO. Certain Board matters relating to agreeing and executing final legal agreements with the shareholders of OccasionGenius Inc. and with AIB Group plc in connection with financing arrangements in respect of the acquisition of OccasionGenius Inc. were conducted by a specifically constituted Board sub-committee comprised of the CEO and CFO. Board approval of the appointment of Paul Duffy as Chair of Glanbia, plc, and the external appointments of Éimear Moloney and Caroline Sherry, respectively, to non-listed entities was conducted separately via written resolution. Board approval of the renewal of Evan Cohen's appointment as Non-Executive Director, and member of the Remuneration Committee, Audit Committee and Nomination Committee was also conducted separately via written resolution.

⁽²⁾ Carl G. Shepherd and Ulrik Bengtsson recused themselves from a meeting of the Board dealing with the appointment of Carl G. Shepherd as Interim Chair.

⁽³⁾ Ulrik Bengtsson resigned from the Board and all Committee roles on 12 September 2025.

Disclosure Committee

The Board has established a Disclosure Committee responsible for overseeing the Company's compliance with the Market Abuse Regulation and for determining, with advice from the Group's equity capital markets advisers (Deutsche Numis, Goodbody Stockbrokers and Travers Smith LLP), when information must be released to the market. The Disclosure Committee comprises the CEO and CFO, with the Company Secretary acting as secretary to the Committee.



Fostering an inclusive, equitable and diverse culture

3. Composition, Succession and Evaluation: Principles J-L/Provisions 17-23 of the Code
Nomination Committee Report



Carl G. Shepherd
Nomination Committee Chair (Interim)

Committee members and meeting attendance:

Membership	No. of scheduled meetings/ total no. of scheduled meetings held when the Director was a member ⁽¹⁾	Attendance %
Carl G. Shepherd⁽²⁾ (Interim Chair from 13 September 2025)	6/7	86%
Paul Duffy	7/7	100%
Éimear Moloney	7/7	100%
Evan Cohen	7/7	100%
Ulrik Bengtsson⁽³⁾ (Chair until 12 September 2025)	3/5	60%
Marieke Bax⁽⁴⁾	N/A	N/A

⁽¹⁾ Carl G. Shepherd recused himself from a meeting of the Committee dealing with his appointment as Interim Chair, and Ulrik Bengtsson recused himself from two Committee meetings dealing with the appointment of his successor as Chair.
⁽²⁾ Carl G. Shepherd was appointed Interim Chair of the Nomination Committee on 13 September 2025.
⁽³⁾ Ulrik Bengtsson resigned from the Board and the Nomination Committee on 12 September 2025.
⁽⁴⁾ Marieke Bax was appointed as a member of the Nomination Committee on 30 January 2026 and will assume the role of Nomination Committee Chair on 31 March 2026.

See pages 92 to 95 for further information on current Nomination Committee members.

Committee Composition

Appointments to the Committee are for a period of up to three years, which may be extended for two further periods of up to three years, provided the majority of the Nomination Committee members remain independent. The Nomination Committee's composition complies with the requirements of the Code. The Company Secretary acts as secretary to the Committee. The Chief People Officer regularly attends meetings and is responsible for supporting on succession planning, talent management, and IE&D.

Terms of Reference
The Terms of Reference of the Nomination Committee, which were reviewed during 2025, are available on the Company's website at www.hostelworldgroup.com.

Key Responsibilities
Assessing the composition, structure and size (including skills, knowledge, experience and diversity) of the Board and its Committees and making recommendations on appointments and reappointments to the Board.

Planning for the succession of new Directors to the Board and of senior management, considering the tenure of Non-Executive Directors in the context of the strategic challenges and opportunities facing the Group.

Keeping under review the leadership needs of the Group, both executive and non-executive, with a view to ensuring the continued ability of the Group to compete effectively and execute its strategy.

Reviewing the talent capability across the Group and the progress of talent development programmes.

Keeping the extent of Directors' other interests and external appointments under review to ensure that the effectiveness of the Board is not compromised.

Overseeing the performance review of the Board, its Committees and individual Directors.

Reviewing the results of the Board performance review.

Following each meeting, the Nomination Committee communicates its main discussion points and findings to the Board. A review of the performance of the Nomination Committee is conducted each year.

Nomination Committee Report continued

Chair’s Review of 2025

Dear Shareholder,

On behalf of the Board and the Nomination Committee (the “Committee”), it is my pleasure to present the Nomination Committee Report for the year ended 31 December 2025.

The principal activities of the Committee during 2025 were as follows:

Chair Succession, Interim Senior Independent Director Appointment: Ulrik Bengtsson resigned as a Non-Executive Director and Chair of the Company on 12 September 2025. The Committee considered and recommended to the Board my appointment as Interim Chair, effective 13 September 2025, and the appointment, as my replacement, of Éimear Moloney as Interim Senior Independent Director on the same date. Neither Éimear nor I took part in Committee activities where matters related to our respective appointments were agreed. The Committee met on several occasions to consider the recruitment of a permanent Chair. Following a rigorous recruitment process which concluded in January 2026, the Committee recommended to the Board that Marieke Bax be offered the role of Non-Executive Director and Chair of the Company.

Committee Changes: Ulrik Bengtsson stepped down as Chair of the Nomination Committee and as a member of the Remuneration Committee on 12 September 2025. On appointment as Interim Board Chair on 13 September 2025, I was also appointed as Interim Chair of the Nomination Committee and, in accordance with Provision 24 of the Code, stepped down as a member of the Audit Committee on the same date. There were no other changes to the composition of the Board Committees during 2025.

IE&D: Supported by the Chief People Officer, the Committee considered the Group’s policies and objectives in respect of IE&D, its linkage to strategy, how it was implemented and progress to-date on achieving its objectives.

Succession Planning: Noting my own tenure and the tenure of Éimear Moloney as Non-Executive Directors, which will reach nine years in October 2026 and November 2026, respectively, reviewed succession planning for the Board and the Executive Leadership Team.

Board Tenure: Non-Executive Directors are not permitted to serve more than three terms of three years’ duration from their appointment date, unless exceptional circumstances apply. In this context, the Committee continuously reviews the tenure of Non-Executive Directors and potential departure dates. Details of the tenure of each Non-Executive Director are set out in the Directors’ Biographies section on pages 92 to 95.

Terms of Reference and Board Policy: Reviewed its Terms of Reference and the Company’s Board Diversity Policy.

Corporate Reporting: Consideration and approval of the report of the Committee in the Company’s Annual Report and Financial Statements for the year ended 31 December 2024 in March 2025.

I look forward to engaging with shareholders at the 2026 AGM, where I will be available to address any questions regarding this report or the Committee’s work. Shareholders who wish to raise queries in advance may do so by contacting me through the Company Secretary at corporate@hostelworld.com.



Carl G. Shepherd
Interim Chair, Nomination Committee
25 March 2026

Succession Planning – Chair Appointment

Following the March 2025 announcement that Ulrik Bengtsson had accepted a CEO role at an international company and would step down from the Board in October 2025, the Chair recruitment process commenced. The search process was the focus of the Committee’s activities over the remainder of 2025 and culminated in January 2026 with our announcement of the immediate appointment of Marieke Bax as a Non-Executive Director and as Chair of the Board from 31 March 2026. Based on a list compiled by Korn Ferry, selected by the Committee to support the recruitment process following a competitive tendering process, several candidates were interviewed during this period, and their skills and suitability were discussed in various Committee meetings and calls between Committee members.

The Committee conducted an in-depth process in connection with recommending the appointment of Marieke Bax as Non-Executive Director and Chair, and member of the Remuneration Committee and Chair and member of the Nomination Committee. The process culminated in the Committee recommending (and the Board approving) the appointment, which took effect on 30 January 2026. The process for Marieke’s appointment involved an assessment by the Committee (with input from the Executive Directors) of Marieke’s skills, experience, cultural fit, other time commitments and potential conflicts of interest. Extensive consideration was also given to the provisions of the Code of the attributes required of a Board chair and a non-executive director, and to the FRC’s Corporate Governance Code Guidance as it relates to the required skills of a Board chair and a non-executive director. The Committee meeting which resulted in the recommendation of Marieke for appointment as Non-Executive Director and Chair, was chaired by Éimear Moloney, Interim Senior Independent Director.

The Committee considers that by applying the principles of the Board Diversity Policy (with its requirement for the Committee to have specific regard to Parker and FTSE Women Leaders Reviews and the Listing Rules’ Board diversity targets and the Board’s intention to meet these targets), it ensures that a diverse pipeline of board candidates will be available to the Company. See pages 116 to 118 for further details on the Board Diversity Policy and how it was applied in connection with the Board Chair recruitment process in 2025.

Appointment Process

- Committee discussion of candidate specification and required skill set
- Consider recommendations through Board contacts and advisers and/or search agency
- Review a shortlist of potential candidates for initial interviews with Committee members and Executive Directors
- Final proposal circulated
- Committee recommends a candidate to the Board
- Induction programme to be organised by the Company Secretary
- Proposed election by shareholders at the first AGM following appointment

Board Induction Programme

Upon joining the business, all newly appointed Board members receive a tailored induction programme organised by the Company Secretary and approved by the Chair. The induction programme is intentionally managed over several months and is designed to bring a new Director up to speed on the Company’s business, strategy, governance structures, and culture. Programmes are tailored to the individual’s requirements and aligned with the activities of the Committees to which the new Board member has been appointed. New Board members are asked to present their observations from the induction and onboarding process to the Board after an initial settling-in period. New Board members also have access to the support and service of the Company Secretary, who arranges access to the digital platform used by the Board for Board papers, materials and regulatory updates.

Succession Planning – Executive Directors and Executive Leadership Team

During the year, the Committee reviewed succession plans for the Executive Leadership Team (including the CEO and CFO) to ensure that changes to the Executive Director positions are proactively planned and coordinated. As part of this process, detailed assessments were completed for each position to ensure that the required capabilities of potential candidates aligned with the role requirements and Hostelworld’s strategy and culture.

Nomination Committee Report continued

Key High Performers

The Committee receives periodic updates on talent management programmes for senior executives and key high performers to ensure a diverse pipeline of senior executives and potential future Board members with the necessary skills and experience to deliver the Group’s strategy.

Training

It is essential to the effective functioning of the Company’s Board and Committees that the Company’s Executive and Non-Executive Directors are aware of recent and upcoming developments. All Directors are required to keep their knowledge and skills up to date, and as required, professional advisers are invited to provide in-depth updates. Updates and training are not limited to legal and regulatory developments; they also cover a range of issues, including online travel, market trends, cyber risk and security, and AI. The Group’s Company Secretary provides regular updates to the Board and its Committees on legal and regulatory matters.

- Each Director receives training on their duties under section 172(1) of the Companies Act 2006 and their obligations as Directors of a Company listed on the London Stock Exchange and Euronext Dublin as part of their induction process.
- The Audit Committee received a detailed update on the programme of activities implemented to ensure the Company complied with changes to financial reporting requirements.
- The Audit Committee received an update on legal developments in the areas of online regulation, cyber-risk and security, employment law, and capital markets compliance and the programme of activities implemented by the Group to ensure related compliance.
- All Directors attended regular external briefing sessions on topics relevant to their role as Directors.

Board and Committee Performance Review and Re-Election of Directors

The results of the Board performance review and the individual Director appraisal process are detailed on pages 119 and 120. Having assessed the composition of the Board, including the breadth of skills, knowledge, experience and independence of each Director, the Committee recommended that all Directors be proposed for election or re-election, as appropriate, at the forthcoming AGM.

The Nomination Committee keeps succession planning under review and, as Carl G. Shepherd and Éimear Moloney will complete nine years on the Board later this year, will consider, in due course, whether they should remain Directors of the Company until the next Annual General Meeting. As part of ongoing succession planning, the Nomination Committee will assess future Board composition and refreshment needs as Directors approach the maximum tenure outlined by the Code.

The Committee’s own effectiveness was also considered as part of the wider Board performance review. Following this review, the Nomination Committee and the Board concluded that the Committee continues to operate effectively.

The Board’s Policy on Diversity
UK Listing Rule (UKLR) 6.6.6R(9)

The Board’s objective to drive the benefits of a diverse executive leadership team and wider workforce is underpinned by the Board’s Diversity Policy. Diversity in the context of Board composition is considered in a broad sense and includes age, gender, cultural background, geographical diversity and business background in line with the Company’s Board Diversity Policy. The Board is particularly conscious of the recommendations of both the Parker and FTSE Women Leaders Reviews and the revised targets and ‘comply or explain’ reporting requirements set out in the UK Listing Rules, and it is the Board’s intention to strive to meet these targets on an ongoing basis. UKLR 6.6.6R(9) requires that listed companies state in their annual reports whether they have met the targets set out in that rule and, where they have not met one or more of those targets, they should identify them and explain their reasons for not doing so. The Company did not meet the stipulated 40% target for female representation on the Board at the end of the reporting period. However, at the 25 March 2026 date of signature of this report, three of the seven Company Board members were female (43%). The Board did not meet the stipulated target of having at least one Board member from an ethnic minority background. However, the Committee is pleased that our Board was compliant at year-end with the target for one of the ‘key Board roles’ to be occupied by a female Board member, with Caroline Sherry as CFO and Éimear Moloney as Interim Senior Independent Director, and that from the date Marieke Bax assumes the role of Board Chair on 31 March 2026, the Company will significantly exceed this target.

Explanation Against UKLR 6.6.6R(9)

The principal reason we have not met all targets is that, in accordance with our Board Diversity Policy, the overriding priority across all Board appointments remains the appointment of the most suitable and skilled candidates for the role on merit against objective criteria, with specific regard to the benefits of diversity. While a number of candidates from an ethnic minority

were considered (and particular and careful regard was had to the benefits of diversity) in connection with the process resulting in the Chair appointment in January 2026 described earlier in this report, ultimately the appointment was recommended by the Committee and endorsed by the Board on the basis that the successful candidate was the most suitable and skilled candidate for the Board Chair role based on objective criteria.

Details of our performance against these targets as at 31 December 2025 is as follows:

	Number of Board Members	Percentage of the Board	Number of senior positions on the Board (CEO, CFO, SID and Chair)	Number in Executive Management ⁽¹⁾	Percentage of Executive Management ⁽¹⁾
Men	4	67%	2	6	86%
Women	2	33%	2	1	14%
Other categories	–	–	–	–	–
Not specified/prefer not to say	–	–	–	–	–

	Number of Board Members	Percentage of the Board	Number of senior positions on the Board (CEO, CFO, SID and Chair)	Number in Executive Management ⁽¹⁾	Percentage of Executive Management ⁽¹⁾
White British or other White (including minority-white groups)	6	100%	4	7	100%
Mixed/Multiple Ethnic Groups	–	–	–	–	–
Asian/Asian British	–	–	–	–	–
Black/African/Caribbean/Black British	–	–	–	–	–
Other ethnic group, including Arab	–	–	–	–	–
Not specified/ prefer not to say	–	–	–	–	–

⁽¹⁾ Executive management comprises the members of the Executive Leadership Team (including Company Secretary).

The Company Secretary collects data on gender identity and ethnicity directly from our Board using an IE&D Form, while gender identity and ethnicity data are self-reported by members of Executive Management on the Group’s online HR platform. All data is held securely in compliance with data protection requirements.

The Board Diversity Policy sets out the Board’s approach to diversity, with the aim of having a balanced Board with the appropriate skills, knowledge, experience, and diversity to meet the needs of the business. Diversity is considered in its broadest sense and includes age, gender, education, ethnicity, sexual orientation, disability and socio-economic background. The explicit objectives of the Board Diversity Policy are to (1) provide the basis for improving the quality of decision-making on the Board by reducing the risk of groupthink; and (2) ensure that the possibilities for maximising the Company’s

success and achieving its strategic goals are optimised by having the right skillsets and a breadth of perspectives on the Board.

As part of the annual review of the effectiveness of the Board, Committees, and individual Directors, the Diversity Policy requires the Nomination Committee to assess the adequacy of diversity representation on the Board. This assessment, made by the Committee during the reporting period, confirmed that the Board was sufficiently diverse in its balance of skills and experience.

The policy statement included in the Diversity Policy provides that Board appointments are made on merit in the context of the skills, experience, independence and knowledge which the Board (as a whole) requires to be effective, with the Board also recognising the benefits of Board diversity and inclusion and being

Nomination Committee Report continued

required to have particular regard to the Parker and FTSE Women Leaders Reviews and the UK Listing Rules’ targets on diversity and inclusion. In this regard, it is the Board’s intention, as reflected in the Board Diversity Policy, to endeavour to meet the Listing Rule targets in respect of composition of both the Board and its Committees. The Committee confirms that this policy was followed during the year in recommending the appointment of Marieke Bax as Non-Executive Chair.

The Committee is fully supportive of a diverse Board and will continue to give particular and careful regard to the benefits of diversity in succession planning, Board refreshment, and renewal . In this regard, the Committee will ensure that the recommended targets for gender and ethnic diversity on the Board are central to its deliberations. The Committee also confirms that it will ensure future Board recruitment processes encourage candidate diversity by requiring any external search consultancy it uses to have published policies or adhere to codes of practice that promote diversity, inclusion, and equal opportunity in the selection and sourcing of potential Board candidates. The Committee confirms that Korn Ferry, which was selected by the Committee to support the Chair recruitment process following a competitive tendering process, are accredited by the FTSE Women Leaders Review in the UK for its work improving the diversity of company boards and is a signatory of the FTSE Women Leaders Review ‘Enhanced Code of Conduct for Search Firms’ (ftsewomenleaders.com/wp-content/uploads/2024/02/enhanced-code-of-conduct-february-2024.pdf).

All Committee members are drawn from the Board. Accordingly, the above policy considerations are automatically taken into account when evaluating Committee membership.

Diversity in the Group

At a broader level, the Group maintains an Inclusion, Equity and Diversity policy (the “IE&D Policy”), which is overseen by the Committee and applies to all staff. The IE&D Policy includes the following key objectives:

- Ensure that Hostelworld is representative of the diverse society we live in and that our culture is inclusive and provides equal opportunities for all.
- Create a culture of learning about differences and understanding the issues that minority groups face in society and the workplace.

- Ensure Hostelworld is a workplace where our differences are celebrated, and our people feel comfortable sharing their unique perspectives.
- Where possible, ensure our externally focused activities reflect the diverse society we live in.

The Committee views the Group’s IE&D policies and practices as being an essential means to ensure the correct values and behaviours are implemented and embedded in the business. The Committee conducted an extensive review of the progress made by the Group over 2025 on its IE&D strategy and was pleased to see the Group’s efforts in this vital area recognised with the awarding, in October 2025, of ‘*Investors in Diversity Gold*’ accreditation. Details on how the Group’s IE&D objectives, as overseen by the Committee, were progressed during the reporting period are set out on pages 34 to 39 of the Strategic Report. Details on the gender diversity of our wider leadership team (and their direct reports) and other employees are set out on page 38.

The Group continues to advance its IE&D commitments, recognising that fostering a culture of dignity, equality and belonging is an ongoing journey. The incorporation of clear IE&D principles into the Group’s recruitment practices and their integration into leadership development programmes help to set consistent behavioural expectations for new employees and future leaders.

The Nomination Committee considers the continued use of diverse employee engagement channels essential for understanding colleagues’ perspectives on IE&D. Insights drawn from multiple sources ensure that the Group’s diversity and inclusion initiatives are informed by robust data and remain aligned with best practice. Further details on these engagement channels are provided on page 102 and within the Workforce Engagement Statement on pages 104 and 105.

How our Policies on IE&D Link to Strategy

By embracing and promoting IE&D and ensuring we have a diverse workforce, we enhance the ability to execute on our strategic objectives by achieving the following:

- Promote ongoing innovation by fostering a culture that challenges uniform thinking.
- Enhance organisational performance by attracting and retaining high-quality talent.
- Improve the Group’s service to global hostel partners and traveller customers by ensuring our workforce reflects the diversity of the stakeholders we support.



Board, Committee and Director Effectiveness

The continued effectiveness of the Board and its Committees is fundamental to the Group’s governance structure. Each year, the Company undertakes a structured review process, using questionnaire-based assessments to review the performance of the Board,

its Committees and individual Directors. The Company Secretary, in consultation with the Chair of the Board and the respective Committee Chairs, analyses the results and presents the findings for full Board and Committee discussion. The review identifies strengths and opportunities for improvement, informing ongoing training, development priorities, and succession planning.

Nomination Committee Report continued

Progress Against 2024 Board Performance Review Actions

Set out below is the progress made in 2025 against actions identified as part of the 2024 Board effectiveness review:

Action	Progress
Further Board time to be spent on potential longer-term strategy dynamics and trends impacting the company and resulting opportunities that may arise (AI, social media shaping travel demand, new business opportunities, and emerging consumer travel patterns).	Board discussion on AI and the evolution of the Group's strategy to complement search with social media marketing campaigns used to inform Board assessments of related strategic proposals.
Succession planning for the Board and more generally in the business over 2025 to be a key focus area (with due regard to the benefits of diversity).	Implementation of succession plans for non-executive Board roles culminating in the appointment of Carl G. Shepherd as Interim Chair, and Éimear Moloney as Interim Senior Independent Director in 2025, and the appointment to the Board of Marieke Bax in January 2026.
Ensure the internal Board relationships are working effectively following the appointment of a new Chair, Remuneration Committee Chair and Non-Executive Director in 2024.	Additional informal meetings were held to foster strong working relationships, support knowledge sharing and ensure new Directors integrated quickly into the Board's dynamics and ways of working.
Consider opportunities for more engagement between Board members and the workforce.	The Executive Directors attended in-person onboarding events for new colleagues.

Board Performance Review 2025

Key Board strengths

- Cohesive and unified Board that has worked well in dealing with the unexpected departure of Ulrik Bengtsson as Chair.
- Board and Committees are effective, and the quality of the reports published by Committees meets an appropriate standard.
- Open discussions and a high quality of debate facilitated by the Chair with the Chair and CEO working well together on strategy development.
- External Board relationships with investors, auditors and advisers are working effectively.
- Sufficient and timely updates are provided on risk management, corporate governance and regulatory matters.

Areas to Focus on in 2026

- Development of relevant KPIs and CEO reporting against them for product initiatives launched in connection with the strategy.
- Strategic focus at Board level on the risks and commercial opportunities presented by AI.
- Further Board time to be spent on potential longer-term strategy dynamics and trends impacting the company and resulting opportunities that may arise (social media shaping travel demand, new business opportunities, and emerging consumer travel patterns).

- Continued focus on succession planning for senior executives and the Executive Directors would be appropriate.
- Presentations from the Executive Leadership Team, on a rotating basis, on strategic initiatives within their remit would be appropriate in 2026.

The Interim Chair undertook an appraisal of each Director's performance, taking into account feedback from the other Board members, and confirmed that all Directors continue to perform effectively and demonstrate strong commitment to their roles. As part of this process, the Interim Chair also assessed the collective skills, experience and knowledge of the Non-Executive Directors and concluded that these remain sufficient to enable the Board and its Committees to discharge their responsibilities effectively.

A review of the Interim Chair's performance, led by the Senior Independent Director and covering the short period following his appointment in September 2025, was also completed. This review confirmed that he is performing effectively in his role.

External Performance Review

Consistent with previous years, the Board considered the merits of engaging an external consultant to conduct the Board performance review. The Board determined that this was not necessary, as the review process designed by the Company Secretary and approved by the Chair was comprehensive.



Jollyboys Backpackers, Livingstone, Zambia

Independent oversight, strengthening accountability

4. Audit, Risk and Internal Control: Principles M-O/Provisions 24-29 of the Code Audit Committee Report



Éimear Moloney
Audit Committee Chair

Committee members and meeting attendance:

Membership	No. of scheduled meetings/ total no. of scheduled meetings held when the Director was a member	Attendance %
Éimear Moloney	4/4	100%
Paul Duffy	4/4	100%
Carl G. Shepherd ⁽¹⁾	2/2	100%
Evan Cohen	4/4	100%

⁽¹⁾ In accordance with provision 24 of the UK Corporate Governance Code, Carl G. Shepherd stepped down as a member of the Hostelworld Audit Committee while he serves as Interim Chair.

See pages 92 to 95 for further information on current Audit Committee members.

Committee Composition

Appointments to the Committee are for a period of up to three years, which may be extended for two further periods of up to three years. The Audit Committee's composition complies with the requirements of the Code. The Company Secretary acts as secretary to the Committee. The CFO attends all meetings, together with other Group representatives as appropriate, including the Group Financial Controller, Head of Tax, Chief Technology Officer, Head of Security and the Data Protection Officer (DPO). External and Internal auditors attend upon request of the Chair.

The Board is satisfied that all Committee members are independent and possess the requisite competence and broad experience relevant to the online travel sector, together with a diverse range of skills, experience and expertise to enable effective and meaningful contributions to the Audit Committee. The Board further confirms that the Committee Chair, Éimear Moloney, B.A. Accounting and Finance, FCA, has appropriate recent and relevant financial experience.

Terms of Reference

The Terms of Reference of the Audit Committee, which were reviewed during 2025, are available on the Company's website at www.hostelworldgroup.com.

Key Responsibilities

Monitor the integrity of the annual and half-yearly financial statements, including key judgements, estimates, going concern disclosures and significant accounting changes.

Assess whether the Annual Report as a whole is fair, balanced and understandable, enabling shareholders to evaluate the Group's position, performance and strategy.

Review the adequacy and effectiveness of the Group's system of internal control, including financial, operational, IT, cyber security, compliance and reporting controls.

Oversee the Group's risk management framework, including principal and emerging risks, and climate-related risks and opportunities, ensuring alignment with strategy and long-term viability.

Oversee whistleblowing arrangements, including investigation of concerns and monitoring of actual or suspected fraud.

Review annual compliance with the UK Corporate Governance Code.

Oversee compliance with applicable laws and regulations, including tax, anti-bribery and corruption, and data protection.

Assess compliance with sustainability reporting frameworks and disclosure requirements.

Monitor the effectiveness, independence and objectivity of the internal audit function, approve its charter and annual audit plan, and review significant findings and management responses.

Monitor and review the effectiveness and independence of the Group's external auditors, approve audit fees and non-audit services, and make recommendations to the Board regarding their appointment, for submission to shareholders.

Review material correspondence with regulators.

Audit Committee Report continued

Dear Shareholder

On behalf of the Audit Committee, I am pleased to present our report for the year ended 31 December 2025. The report details how the Committee met its responsibilities under its Terms of Reference, the UK Companies Act 2006 and under the UK Corporate Governance Code 2024. The Committee's primary role is to provide independent oversight of the integrity of the Group's financial reporting, the effectiveness of risk management and internal control systems, and the work of both the internal and external auditors. During 2025, the Committee maintained a strong focus on areas of heightened judgement, estimation uncertainty, and emerging risks that could materially impact the Group's performance and position.

The Committee has satisfied itself that, and advised the Board, that the 2025 Annual Report and financial statements are fair, balanced and understandable, and provide the information necessary for shareholders to assess the Group's performance, business model and strategy. The key judgements and estimates that the Committee considered in relation to the financial statements are set out in this report, The Committee concluded that the judgements and disclosures were appropriate, consistent with Group policy, and provided sufficient transparency for shareholders.

During the year, the Committee undertook a focused review of technology-enabled risks, including artificial intelligence, cyber security, and climate-related and sustainability matters. The Committee received targeted updates from subject matter experts, including the Data Protection Officer, Chief Technology Officer, Head of Security, and Legal Counsel, to support our assessment of the risk landscape and the adequacy of controls and mitigation measures as part of the continuous improvement in risk management across the Group. The Committee reviewed the Group's AI Governance Framework, with particular attention to accountability, data governance and controls supporting the ethical and compliant use of AI. The Committee also considered enhancements to cyber security controls, including improvements in threat monitoring, incident response and access management.

Under the 2024 UK Corporate Governance Code, the responsibilities of the Audit Committee, as set out on page 123, are evolving and will expand in 2026 to include enhanced responsibilities in respect of internal controls. From 2026, the Committee will be required to undertake an annual review of the effectiveness of the Group's material controls and to support the Board's declaration in the Annual Report regarding their effectiveness, including disclosure of any material weaknesses and the remedial actions taken. Although these requirements formally apply from 2026, the Committee has proactively prepared for their implementation by reviewing the Group's internal control framework and enhancement of related reporting processes to ensure continued alignment with emerging UK internal controls reporting expectations and best practice.

In my role as Audit Committee Chair, I meet regularly with the Chief Financial Officer to discuss business performance, strategy, key risks and the effectiveness of mitigating actions.

I engage regularly with PwC, the Group's internal auditors, and KPMG, the Group's external statutory auditors. Details of these interactions, together with the Committee's assessment of the effectiveness and independence of both the internal and external audit functions, are set out in this report.

Following each Audit Committee meeting, I ensure that the key matters discussed and conclusions reached are reported to the Board.

I look forward to engaging with shareholders at the 2025 Annual General Meeting, where I will be available to answer any questions relating to this report or the activities of the Audit Committee. Alternatively, if you have any questions, please feel free to contact me via the Company Secretary (email: corporate@hostelworld.com)



Éimear Moloney
Chair, Audit Committee
25 March 2026

Principal Activities Completed during 2025:

Audit Committee Activities:	March 2025	August 2025	October 2025	December 2025
Financial Reporting				
Considered significant accounting judgements, estimates and key audit matters.	✓	✓	✓	✓
Reviewed accounting policies and considered the impact of new and emerging accounting standards.	✓	–	–	–
Reviewed correspondence with the Irish Auditing and Accounting Supervisory Authority ("IAASA").	–	✓	–	–
Assessed the Group's liquidity position and approved the appropriateness of the going concern basis of preparation.	✓	✓	–	–
Approved the Group's Viability Statement.	✓	–	–	–
Reviewed and recommend to the Board approval of the Group's preliminary results.	✓	✓	–	–
Reviewed the Annual Report and Interim Statement and confirmed that they are fair, balanced and understandable.	✓	✓	–	–
Recommended the Annual Report and Interim Statement for Board approval and signing by the Executive Directors.	✓	✓	–	–
Risk Management and Internal Control				
Reviewed the Group's principal and emerging risk register, including the effectiveness of related risk management processes.	✓	✓	–	✓
Considered the controls underpinning the accuracy and completeness of the gender pay gap report.	–	–	✓	–
Reviewed the Group's sustainability reporting, including: • TCFD workplans and management assessments; • The Group risk and opportunity register; and • Climate scenario analysis.	✓	–	–	–
Received an update from the Head of IT Security, including security dashboards and monitoring of cyber threats.	–	✓	–	–
Reviewed the Group's AI use policy, governance framework and management of AI-related risks.	–	✓	–	✓
Considered governance and regulatory updates from the Company Secretary and Legal Counsel, including forthcoming legislative developments.	✓	–	–	✓
Reviewed the Group's business continuity arrangements.	–	✓	–	–
Received and reviewed reports from the Data Protection Officer.	–	✓	–	–
Reviewed the effectiveness of the Group's financial, compliance, operational and IT control framework.	✓	–	–	–
Assessed the effectiveness of the Group's anti-bribery and fraud procedures.	–	–	–	✓
Monitored the confidential and independent hotline whistleblowing procedures and reports.	–	–	–	✓
Received a report from the Company Secretary on compliance with the UK Corporate Governance Code.	–	–	–	✓
Reviewed and approved the Audit Committee's Terms of Reference.	–	–	–	✓

Audit Committee Report continued

Audit Committee Activities:	March 2025	August 2025	October 2025	December 2025
Internal Audit				
Reviewed and approved the internal audit plan, considering the Group's Principal Risk Register and related risk management processes (the 2025 plan was approved in March 2025 and the 2026 plan in December 2025).	✓	–	–	✓
Reviewed the findings of internal audits completed during the year and monitored progress against agreed actions.	–	✓	✓	–
Met with internal audit without management present.	–	–	–	✓
Assessed the effectiveness of the internal audit function.	–	–	–	✓
External Audit				
Considered and approved the external audit plan presented by KPMG, including discussion of significant accounting policies and judgements.	–	–	✓	✓
Confirmed the external auditor's independence and objectivity.	–	–	–	✓
Approved audit fees and, where applicable, fees for non-audit services in accordance with the Group's policy.	–	–	–	✓
Received and considered the external auditor's reports on the financial statements and IT audit, including any identified control recommendations.	✓	–	–	–
Reviewed the management representation letter requested from the external auditors and assessed management's response to any recommendations.	✓	–	–	–
Met with the external auditor without management present.	✓	–	–	–
Evaluated the effectiveness of the external audit process, including feedback from management.	–	–	–	✓

Critical Judgements in applying the Group's Accounting Policies, and Key Sources of Estimation Uncertainty	
In respect of the year ended 31 December 2025, the Audit Committee considered the key areas in which significant estimates and judgements were applied in the preparation of the financial statements, including, but not limited to, the matters set out below. At each meeting during the year, the Audit Committee received and reviewed detailed papers from management assessing the significant accounting judgements and key sources of estimation uncertainty affecting the Group.	
Key Area	Assessment
Business Combinations	The accounting for business combinations requires judgement in determining the fair value of identifiable assets and liabilities acquired, including intangible assets, and the resulting goodwill. The Audit Committee reviewed the accounting for the acquisition of OccasionGenius Inc. completed during the year, including the valuation techniques applied, key assumptions used, the resulting goodwill recognised, and the classification of consideration including holdback provisioning. The Committee was satisfied that the acquisition had been accounted for appropriately and that the disclosures provided sufficient transparency around the judgements and estimates applied.
Exceptional Items	Exceptional items require judgement in determining whether costs should be disclosed separately. During the year, exceptional costs related to acquisition and integration activities in connection with the acquisition of OccasionGenius Inc. The Audit Committee reviewed the nature of the exceptional items identified and the effectiveness of the process that requires all exceptional items to be pre-approved. Following a detailed review and consideration of the disclosures, the Audit Committee is satisfied that the treatment is in line with the Group policy, consistently applied across years and appropriately presented in the Financial Statements with sufficient detail to allow users of the Financial Statements to understand the nature and extent of the exceptional items and how they arose. Further details on the exceptional items identified in 2025 are set out on page 189.
Development Labour	In 2025, the Group invested significantly in the development and modernisation of its technology platforms, including new revenue streams, new social product features, and legacy platform upgrades. Determining whether internal development costs meet the capitalisation criteria under IAS 38 requires judgement. The Audit Committee reviewed management's assessment of capitalised development costs, including the nature of projects capitalised, the supporting business cases aligned to the Board-approved budget and forecasts, and the application of the Group's accounting policy. The Committee was satisfied that the criteria for capitalisation had been appropriately applied and that the resulting carrying value and related disclosures were reasonable.
Carrying Value of Goodwill and Intangible Assets	The estimated recoverable value of the Group's goodwill and intangible assets is subjective due to inherent uncertainty involved in forecasting and discounting future cash flows. The Audit Committee reviewed valuations prepared on the Group's goodwill and intangible assets carrying value. The Audit Committee reviewed the methodology applied, including ensuring that the discount rates used were appropriate, that cash-generating units were identified appropriately and reviewed the sensitivity analysis performed on key assumptions, including the Group's growth and discount rates. The Audit Committee are satisfied with the headroom included in the valuation models and disclosures set out in the Annual Report.



Steel House, Copenhagen, Denmark

Audit Committee Report continued

Key Area	Assessment
Deferred Tax Recoverability	The recognition of deferred tax assets involves judgement regarding the availability of future taxable profits. The Audit Committee reviewed management's assessment of recoverability of the deferred tax assets recognised, including the headroom incorporated within the modelling and sensitivity analysis. The Committee also considered the location of the deferred tax assets and the fact that the relief available does not expire. As a result of their review, the Audit Committee are satisfied with the carrying value at 31 December 2025 and the disclosures made in the Annual Report.
Going Concern	The Audit Committee reviewed the Going Concern and Viability Statement prior to recommending them for approval by the Board. The Group's assessment of viability is set out on page 77 and the Directors' assessment of going concern is set out within note 1 to the Consolidated Financial Statements. This review included assessing the effectiveness of the process undertaken by the Directors to evaluate going concern, including any scenario analysis performed on budgeting assumptions and considered the impact of climate change and geopolitical unrest. The Audit Committee also considered, in their assessment, the principal risks and uncertainties facing the Group and the impact on the Group's financials should they materialise. The Audit Committee and the Board consider it appropriate to adopt the going concern basis of accounting with no material uncertainties as to the Group's ability to continue to do so.

Assessment of Annual Report and Financial Statements: Fair Balanced and Understandable

The Audit Committee reviewed drafts of the Annual Report and provided feedback to management during the drafting process. The timetable for preparation of the Annual Report was designed to ensure that the Audit Committee and the Board are given sufficient time to review the content in detail, including their assessment of whether the Annual Report, taken as a whole, is fair, balanced and understandable, in accordance with the UK Corporate Governance Code.

In undertaking this assessment, the Audit Committee considered whether the Annual Report provided the information necessary for shareholders to assess the Group's performance, business model, strategy, and prospects. Focus was given to whether the narrative appropriately reflected the year-on-year reduction in profit, as well as the Group's strategic priorities and outlook, as presented at the Group's Capital Markets Day in May 2025, including the introduction of new revenue streams and the acquisition of OccasionGenius Inc.

Consistent with areas of heightened scrutiny across audit committees in 2025, the Audit Committee also reviewed how principal risks and opportunities were presented across the Annual Report. This included consideration of disclosures relating to technology-enabled change and risk, including artificial intelligence and cyber security; capital allocation and financial discipline, including the resumption of dividend payments and the

implementation of a share repurchase programme; and the clarity and transparency of disclosures relating to the OccasionGenius Inc. acquisition.

The Audit Committee further considered whether climate-related and sustainability disclosures, including those prepared in line with the TCFD framework, were accurate, complete and appropriately integrated with the Group's strategy, risk management and financial reporting, and whether these disclosures were consistent with assumptions used in impairment testing, going concern and viability assessments.

The Audit Committee's review was informed by regular reporting from management, including bi-weekly updates on trading performance and key performance indicators, detailed papers from the Chief Financial Officer on significant accounting judgements and areas of estimation uncertainty, reports from the Company Secretary on compliance with key regulatory requirements, and discussions with the Group's external auditor, KPMG, including their audit findings and summary reports.

Based on this work, the Audit Committee concluded that the Annual Report, taken as a whole, is fair, balanced and understandable and provides a clear, accurate and balanced explanation of the Group's performance, position and strategy. The Committee is also satisfied that the narrative within the Strategic Report and Governance sections is consistent with, and supported by, the financial statements.



Frendz Hostel, El Nido, Philippines

Audit Committee Report continued

External Auditors

KPMG has acted as the Group's external auditor since 2023. Brian MacSweeney is the audit partner responsible for the Group audit.

During the year, the Audit Committee maintained oversight of the external audit process and the relationship between the Group and KPMG, with a particular focus on audit quality, independence and objectivity. This included approving the scope and terms of engagement, agreeing audit fees, and reviewing the auditor's proposed audit approach and assessment of significant audit risks.

The Audit Committee reviewed and approved the external audit plan, including the planned scope of work, areas of audit focus, materiality levels and the approach to the audit of significant accounting judgements and estimates. The Committee also considered how KPMG planned to exercise professional scepticism, the use of specialists where appropriate, and the allocation of resources and experience across the audit team.

Upon completion of the audit, the Audit Committee considered the audit completion and summary papers presented by KPMG in March 2026, in advance of recommending the Annual Report and Financial Statements for approval by the Board. These papers included KPMG's key findings, confirmation that no unadjusted audit differences or significant control deficiencies were identified, and the results of their work on areas of significant judgement and estimation uncertainty. The Audit Committee also reviewed and approved the Letter of Representation.

In assessing the effectiveness of the external audit, the Audit Committee continues to monitor the quality and timeliness of the external auditor's communications, the robustness of challenge provided to management, the quality and clarity of audit reporting, and feedback from management on the conduct of the audit, as well as their independence and objectivity. This is taken into consideration when the Committee makes its recommendations to the Board on the remuneration, the terms of engagement and the re-appointment, or otherwise, of the external auditors.

The Audit Committee met privately with the external auditor during the year, without management present, to provide the opportunity for open and constructive dialogue. No matters of concern were raised during these sessions.

Having completed its assessment, the Audit Committee concluded that the external audit remained effective and of high quality and that KPMG continued to demonstrate the necessary independence, objectivity, professional scepticism and technical expertise. This assessment informed the Committee's recommendation to the Board regarding the remuneration, terms of engagement and re-appointment of the external auditor.

Non-Audit Fees

The Audit Committee is responsible for safeguarding the independence and objectivity of the external auditor. To support this, the Group and the Company operate a formal policy governing the provision of non-audit services by the external auditor.

Under this policy, non-audit services are prohibited where they could give rise to a conflict of interest or involve the auditor assuming a management role. In addition, except in exceptional circumstances, fees for non-audit services provided by the audit firm must not exceed 70% of the statutory audit fee for the relevant financial year. Any proposed non-audit engagement with an estimated fee in excess of €30,000 is subject to competitive tender and requires prior approval by the Audit Committee.

During the year, KPMG provided one permitted non-audit engagement to the Group with fees of €15k. No non-audit services were provided by KPMG in the prior year.

Internal Audit

The internal audit function provides independent and objective assurance, advice, and insight on the Group's governance, risk management, and internal control frameworks to the Board, Audit Committee, and senior management. The Group's internal audit function is outsourced to PwC, whose independence, experience, and expertise the Audit Committee continues to regard as robust and effective.

During 2025, the Audit Committee received two internal audit reports from PwC. The first report reviewed cyber security controls for mobile devices used in routine business operations, including laptops, MacBooks, iPhones, and Android devices. The second report assessed the effectiveness of IT third-party risk management processes. Both audits received satisfactory ratings, and the Committee was satisfied that management had implemented appropriate corrective actions where recommendations were made.

The Audit Committee closely monitors the results of internal audits and evaluates the adequacy and timeliness of management's responses to issues raised. There were no open findings outstanding at the end of the year from prior internal audit reviews.

In December 2025, the Audit Committee reviewed and approved the internal audit plan for 2026, following consultation between PwC and senior management. The Committee considers the plan to be appropriate in scope and coverage for the Group's operations, providing assurance over key risk areas and supporting the Committee's oversight of the Group's control environment.

Risk Management

The Board has overall responsibility for the Group's risk management framework, setting the tone for the Group's risk culture and oversight of principal and emerging risks. The Audit Committee supports the Board by taking delegated responsibility for the identification, assessment and monitoring of key risks, and by reviewing the effectiveness of the Group's risk management and internal control systems. Effective risk management underpins the Group's operational, financial and governance activities, providing reasonable, but not absolute, assurance against material misstatement, loss, or failure to achieve business objectives.

During 2025, the Audit Committee performed a detailed assessment of the principal and emerging risks documented in the Group Risk Register. Presentations were received from the CFO and functional leads across technology and cyber security, legal and data protection, financial reporting and taxation, and ESG. The Committee paid particular attention to risks whose probability or impact may be elevated by artificial intelligence, geopolitical developments, climate change, macroeconomic volatility, and evolving regulatory obligations.

The risk assessment process considered each risk's potential impact on the Group's business model, strategic objectives, financial position, reputation, and operational performance. For each principal and emerging risk, the Committee reviewed the controls in place to manage and mitigate the risk, as well as the direction of the risk profile over the year. Further detail on the risk identification process and the Group's principal and emerging risks is provided on pages 66 to 76.

During 2025, the Audit Committee also received updates from the Group's ESG Steering Committee, led by the CFO, on climate-related and sustainability risks, including compliance with TCFD reporting requirements. These updates enabled the Committee to assess principal climate-related risks and opportunities, review the frameworks supporting ESG reporting, and validate the sustainability-related disclosures included in the Annual Report. Further detail is provided on pages 40 to 65.

In addition, the Committee reviewed reports from the Group's Internal Audit function, PwC, and from the external auditor, KPMG, summarising the results of testing over key risk areas and significant financial reporting cycles. These reports included the outcome of control assessments and highlighted any areas requiring attention.

Based on its reviews and oversight activities, the Audit Committee is satisfied that the Group's risk management framework remains appropriate and effective, providing reasonable assurance that key risks are being identified and managed with any improvements overseen by the Chief Financial Officer. The Committee reported this conclusion to the Board.

Internal Control

The Group maintains a system of internal control designed to identify, assess, manage, and monitor the principal and emerging risks facing the business, and to support the achievement of the Group's strategic objectives. The system also facilitates the timely reporting of risks and control matters to the Board. While no system of internal control can eliminate all risk, the framework is designed to manage risk to an acceptable level.

The Group's internal control framework comprises a combination of governance structures, policies, procedures, and assurance activities. Key elements include:

- **Governance and accountability:** A clearly defined organisational structure with established lines of responsibility, delegated authorities across Group management, and a formal schedule of matters reserved for the Board, supporting effective decision-making and accountability.
- **Strategic and financial planning:** A comprehensive annual strategy, budgeting and forecasting process, reviewed and approved by the Board, including identification and assessment of key risks and opportunities aligned to the Group's strategy.

Audit Committee Report continued

- **Performance monitoring:** Regular reporting to the Board on performance against approved budgets and forecasts, supported by variance analysis and key performance indicators, enabling timely challenge and corrective action where required.
- **Financial controls:** Internal control systems and procedures to support the effective operation of delegated authorities, including controls over capital expenditure, procurement, and payments in accordance with approved budgets and authorisation limits.
- **Financial reporting processes:** Robust processes supporting the preparation of the Group's financial statements, including controls over significant judgements, estimates, and disclosures, and monitoring of changes arising from transactions.
- **Control culture and capability:** A focus on embedding a strong control environment and risk-aware culture across the organisation. During 2025, this included targeted training and awareness initiatives covering business continuity planning, fraud prevention and fraudulent payments, anti-money laundering, cyber security and phishing simulations.
- **People and expertise:** An experienced and appropriately qualified finance function with a strong understanding of the Group's operations and financial reporting requirements.
- **Ethics and compliance:** A Code of Conduct setting out expected standards of behaviour, supported by anti-bribery and corruption policies and a confidential independently operated whistleblowing hotline, all of which are communicated clearly across the Group.
- **Independent assurance:** An Internal Audit function that provides independent assurance over the design and operating effectiveness of key controls and business processes, reporting findings and recommendations to management and the Audit Committee.
- **Audit Committee oversight:** An Audit Committee that approves internal and external audit plans, monitors delivery against those plans, and reviews significant control matters arising from audit activity, management reviews and other assurance sources.

In March 2026, the Audit Committee undertook a detailed review of the operation and effectiveness of the key controls relevant to the Group's financial statements and disclosures, drawing on reports from management, Internal Audit, and the external auditor. Following this review, the Audit Committee concluded that the Group's internal control environment remained appropriate and effective and reported its conclusions to the Board. The Board and Audit Committee will continue to develop the framework and reporting processes to ensure ongoing alignment with emerging UK internal controls reporting expectations.

Code of Conduct and Whistleblowing

The Audit Committee oversees the Group's framework for promoting ethical conduct and ensuring effective arrangements are in place for the reporting and investigation of concerns. The Committee has responsibility for reviewing the effectiveness of the Whistleblowing Policy, which provides a confidential and, where appropriate, anonymous channel for raising concerns relating to financial reporting, fraud, bribery, regulatory breaches or other misconduct. The Committee receives periodic reports on whistleblowing activity, including the nature of matters raised, investigation outcomes and remedial actions taken, and is satisfied that appropriate procedures are in place to ensure concerns are investigated independently and that individuals raising concerns in good faith are protected from retaliation.

Annual Evaluation of Performance

The performance of the Audit Committee was evaluated as part of the wider Board effectiveness review, including an assessment of its Terms of Reference, composition, processes, contribution and overall effectiveness. The outcome of the evaluation confirmed that the Audit Committee continues to operate effectively in accordance with its Terms of Reference, and that its role and responsibilities remain appropriate in the context of the Group's strategy, operating environment and prevailing economic and risk landscape and any recommendations raised in relation to the Audit Committee are acted on in a formal and structured manner.

Aligning strategic objectives with remuneration policy

5. Remuneration: Principles P-R/Provisions 32-41 of the Code
Remuneration Committee Report



Paul Duffy
Remuneration Committee Chair

Committee members and meeting attendance:

Membership	No. of scheduled meetings/ total no. of scheduled meetings held when the Director was a member	Attendance %
Paul Duffy	7/7	100%
Carl G. Shepherd	6/7	86%
Éimear Moloney	7/7	100%
Evan Cohen	7/7	100%
Ulrik Bengtsson ⁽¹⁾	5/5	100%
Marieke Bax ⁽²⁾	N/A	N/A

⁽¹⁾ Ulrik Bengtsson resigned from the Board and the Remuneration Committee on 12 September 2025.
⁽²⁾ Marieke Bax was appointed as a member of the Remuneration Committee on 30 January 2026.

See pages 92 to 95 for further information on current Remuneration Committee members.

Committee Composition

The Remuneration Committee is comprised of Paul Duffy (Chair of the Committee), Marieke Bax, Éimear Moloney, Carl G. Shepherd and Evan Cohen (all of whom are independent Non-Executive Directors).

Appointments to the Committee are for a period of up to three years, which may be extended for two further periods of up to three years. The Remuneration Committee's composition complies with the requirements of the Code. The Company Secretary acts as secretary to the Committee. The Remuneration Committee receives assistance from the CEO, CFO, Chief People Officer and Company Secretary, who attend meetings by invitation, except when issues relating to their own remuneration are being discussed.

Terms of Reference

The terms of reference for the Remuneration Committee, which were reviewed during 2025, are available on the Company's website at www.hostelworldgroup.com.

Key Responsibilities

Determine and agree with the Board the framework and policy for remuneration of the Executive Directors and the Executive Leadership Team (including the Company Secretary).

Determine, within the agreed policy, individual total compensation packages for the Executive Directors and the Executive Leadership Team (including the Company Secretary) annually, and, where necessary, consider internal and external benchmarks.

Determine the compensation for the Chair of the Board.

Ensure that remuneration policies and practices support strategy, promote long-term sustainable success, and that executive remuneration is aligned with the Company's purpose and values.

Review the ongoing appropriateness and relevance of the remuneration policy.

Engage with the workforce to explain how executive remuneration aligns with wider company pay policy, and review workforce remuneration and related policies, and the alignment of incentives and rewards with culture.

Determine, within the agreed policy, any employee share-based incentive awards and any performance conditions to be used for such awards.

Approve targets and assess the achievement of performance conditions required for the payment of annual bonuses and benefits under any performance-related pay schemes.

Determine the achievement of performance conditions for the vesting of Long-Term Incentive Plans.

Review the design of all share incentive plans for approval by the Board and shareholders.

Prepare the Directors' Remuneration Report annually.

Remuneration Committee Report continued

Dear Shareholder,

I am pleased to present the Company's Remuneration Report for the year ended 31 December 2025. I would like to thank the other Committee members for their valuable contributions during the year and express my particular gratitude to Ulrik Bengtsson, who served on the Committee before resigning from the Board in September 2025.

Key Activities of the Remuneration Committee in 2025

The Remuneration Committee held seven meetings during 2025 and, among other things, undertook the following activities:

- Finalised the 2024 Directors' Remuneration Report.
- Determined the 2025 salary increases for the CEO and CFO (as reported last year).
- Considered and recommended to the Board the remuneration for the Chair (in the context of the Chair succession process, which was completed on 30 January 2026).
- Confirmed the extent of performance achievement and the payments under the annual cash bonus scheme for 2024.
- Confirmed the 100% vesting outcome for the Restricted Share Award made in 2022 under the Company's Long-Term Incentive Plan ("LTIP").
- Agreed on the performance conditions to apply to the cash bonus scheme to operate in 2025, and those to apply to the LTIP grant made in March 2025.
- Considered the remuneration issues raised in Provisions 32-41 of the UK Corporate Governance Code and assessed the Company's compliance with these Provisions.
- Reviewed overall workforce remuneration and related policies and considered the alignment of Executive Director pay with wider Company practices.
- Engaged with the wider workforce on relevant matters, including those relating to executive remuneration.
- Considered matters relating to the operation of the Directors' Remuneration Policy and the structure of the incentive schemes.
- Prior to the financial year end, considered the 2026 salary increases for the CEO and CFO.

Subsequent to the financial year end, the Remuneration Committee met to agree the 2026 salaries for the CEO, CFO and the remaining members of the Executive Leadership Team, review and determine the final outturn of the 2025 annual bonus scheme, further discuss and agree a proposal to amend the performance conditions attached to the LTIP award granted in 2024, agree the performance conditions to apply to the bonus scheme to operate in 2026, agree the targets for the LTIP award to be granted in 2026, and approve the contents of this Directors' Remuneration Report.

Executive Remuneration in 2025

The cash bonus scheme for 2025 was based on adjusted EBITDA (60% weighting) and net revenue (40% weighting). There were no payments to Executive Directors or senior management under the bonus scheme. The Remuneration Committee did not exercise any discretion to adjust the outcome. Full details of the 2025 bonus scheme, including the specific performance targets which applied for the year, can be found on page 147.

The Remuneration Committee also formally considered the vesting level of the 2022 Restricted Share Award. This award was granted in May 2022 to replace standard LTIP awards for 2022 and 2023. The award vested in May 2025 following the Committee's assessment of individual and Company performance over the three-year vesting period. The Company's overall performance has been positive since the award was granted, with continued evolution of Hostelworld's strategy and share price growth over the vesting period, and both Executive Directors demonstrated strong individual performance. As a result, the Committee determined that the 2022 Restricted Share Award vested in full in May 2025. The vested awards are subject to a two-year post-vesting holding period.

Although the vesting period for the 2022 Restricted Share Award had not ended at the date of signature of the Company's 2024 Annual Report in March 2025, the Committee agreed to recognise the value of the award in the single total figure table of Directors' remuneration for 2024. This approach was consistent with the approach taken for awards of restricted shares by many other UK-listed companies which operate similar models and reflected the completion by December 2024 of a substantial portion of the overall vesting period (with the Committee being satisfied that the performance

underpin had been met at that point). Accordingly, the single total figure for Directors' remuneration for 2025 does not include an amount which reflects the 2022 Restricted Share Award.

There are no long-term incentive awards due to vest during 2026, and no amount for long-term incentives is included in the single total figure of Directors' remuneration for 2025.

Amendment to EPS Performance Targets for the 2024 LTIP Award

During the year, the Remuneration Committee carefully debated the performance targets which had been set for the LTIP award granted in 2024. These targets involve the assessment of Hostelworld's performance over the period to 31 December 2026. After detailed consideration both during and after the end of the reporting period, the Committee agreed to exercise its discretion to amend the Earnings per Share ("EPS") element of the targets in the early part of 2026 for the reasons set out below. For clarity, no amendments have been made to the original TSR targets, which remain unchanged and continue to account for 70% of the 2024 LTIP award.

The LTIP award was granted in May 2024 to the Executive Directors and a number of other key employees. It was determined at the time that 70% of the award would be subject to absolute Total Shareholder Return ("TSR") targets measured over a three-year period commencing 01 January 2024, and the remaining 30% on adjusted EPS measured in the final year of the three-year performance period to 31 December 2026, as follows:

Absolute TSR (70%) – Compound Annual Growth Rate ("CAGR")		Vesting
Less than 10% p.a.		0%
10% p.a.		25%
16% p.a. or above		100%
Between 10% p.a. and 16% p.a.	Straight line vesting between 25% and 100%	
Adjusted EPS (30%)		Vesting
Less than €0.15		0%
€0.15		25%
€0.21 or above		100%
Between €0.15 and €0.21	Straight line vesting between 25% and 100%	

By early 2025, it was clear that the Group's strategy had changed materially since the start of 2024, when the EPS targets for the 2024 award had been set. In particular, the decision of the Board in 2025 to substantially invest in (1) strengthening the core business through increased hostel inventory and enhanced social platform capabilities powered by AI; and (2) expanding the Group's addressable market by supplementing hostel inventory with additional budget accommodation options and building new products for customers, increased the level of operating expense in the Group. The compelling commercial rationale for making these investment-based decisions to enable the Group's next phase of growth was outlined in the Company's Capital Markets Day strategy published on 29 April 2025.

The investment-based decisions rendered the business projections used to set the original EPS targets no longer applicable. Under revised projections, it was clear that the altered investment-led focus was such that the growth targets for the business established by the Board in early 2024 (and which framed the original 2024 EPS targets) would only be achieved at the expense of attaining longer-term growth, delivering shareholder returns and addressing competitive risks identified in early 2025 as part of strategy planning for the Group. Following the Capital Markets Day, the Group undertook a material, investment-led strategic pivot that fundamentally altered its business model, transitioning from a single-stream hostel OTA to a multi-revenue-stream social travel platform. The launch of Social Passes and the expansion of directly contracted inventory were investment-led and completed in 2025, and the related investment and margin profiles were not known or contemplated when the original EPS targets were set. This new model, endorsed by several shareholders at meetings throughout 2025 and reflected in the 2025 trading results, altered the Group's earnings trajectory.

The Committee therefore agreed amendments to the EPS targets to provide for a fairer measure of performance in the context of these material changes. The new EPS targets are considered not materially less challenging to satisfy than the original EPS targets, taking into account the current business environment and the business's strategic growth plans. The amendments align with shareholders' interests, as they are considered fully consistent with the current strategy and growth expectations for the period covered by the 2024 LTIP. They have been set taking into account analyst consensus on expected performance for 2026, to ensure they remain stretching, fair, and aligned with the Company's forward-looking financial trajectory, while maintaining the overall integrity of the LTIP.

Remuneration Committee Report continued

Full details of the specific EPS amendments are set as follows:

Adjusted EPS measured in the final year of the three-year performance period to 31 December 2026

Adjusted EPS (30% of the total award)	Vesting
Less than €0.116 (11.6 cent)	0%
€0.116 (11.6 cent)	25%
€0.176 (17.6 cent)	100%
Between €0.116 (11.6 cent) and €0.176 (17.6 cent)	Straight line vesting between 25% and 100%

After the performance period ends, the Remuneration Committee will review performance against the amended EPS targets and the original TSR targets and will seek to ensure that the total vesting level is appropriate, taking into account overall business performance over the period and the experience of Hostelworld shareholders and other stakeholders. Full details of our conclusions will be provided in next year's Directors' Remuneration Report.

Implementation of the Remuneration Policy in 2026

The Directors' Remuneration Policy, as approved in 2024, will continue to operate for 2026. The Remuneration Committee has agreed basic salary increases of 3% for the CEO and 8.5% for the CFO, effective 1 January 2026. The salary increase for the CFO reflects her significant contribution to the business over 2025, her ongoing development after reaching her fifth anniversary in the CFO role and the Committee's desire to address potential retention risks in the context of her previous salary (and her total compensation) being well below the level for CFOs of comparable companies listed on the London Stock Exchange.

The CEO and the CFO will be eligible for an annual bonus of up to a maximum value of 125% of basic salary and 100% of basic salary, respectively, the same levels as applied in 2025. Payment will depend on achieving challenging targets linked to net revenue and adjusted EBITDA, which remain key financial indicators for the Group, as well as a carefully selected, forward-looking active customer metric. The targets have been set considering the budget for 2026 and expected performance levels over the year and are considered appropriately stretching. The specific targets are currently

considered commercially confidential but will be disclosed in full in next year's report. The Committee's current intention is that any bonus payment for 2026 will be settled in shares, providing further alignment between management reward and shareholder interests. This is permitted by the Directors' Remuneration Policy, and to provide the flexibility to the Company to issue new shares to satisfy these awards, we will be seeking shareholder approval at the AGM in May for the rules of a new Hostelworld Bonus Plan. Full details of this plan will be included in the explanatory notes to the AGM notice.

Following its annual review of executive remuneration and taking into account the Company's strategy, scale and market positioning, the Committee determined that it was appropriate to increase the maximum LTIP award opportunity for 2026 for the CEO from 125% of salary in 2025 to 150% of salary, and for the CFO from 100% of salary in 2025 to 125% of salary. In reaching this decision, the Committee considered the increased complexity of the executives' roles in the context of the Group's strategic roadmap, the importance of retaining and motivating key leadership talent through the critical next phase of the Company's growth strategy, and market practice for companies of a similar size and profile. The Committee was mindful of the need to exercise restraint and noted that, notwithstanding the increase, overall award levels remain within the normal range for comparable companies and are heavily weighted towards long term, performance based remuneration. Vesting remains subject to achieving demanding performance targets and is further subject to appropriate malus and clawback provisions under the LTIP rules. We are adopting new performance measures for the 2026 award based on net revenue and relative TSR, and the specific targets are set out on page 153. The awards will include a two-year post-vesting holding period, and the Directors will remain subject to the shareholding guidelines set out in the Remuneration Policy.

The Committee has again considered whether the bonus scheme and/or the LTIP should include an element linked to the achievement of non-financial performance measures. The financial measures chosen – net revenue and adjusted EBITDA for the annual bonus scheme, and net revenue and relative TSR for the LTIP – are key indicators of financial performance closely monitored by the Board, management, shareholders, and other market participants. The use of net revenue for both the

LTIP award and the annual bonus scheme is deliberate and reflects the current focus on the commercial opportunities identified in connection with the launch of new products and associated revenue streams in the latter part of 2025, and the Committee's firm view that achieving revenue targets on both an annual and sustained long-term basis is a central feature of shareholders' expectations and the Group's multi-year strategy. In using a relative TSR condition, which measures Hostelworld's performance against the FTSE SmallCap Index, we are ensuring that a significant portion of the LTIP award will vest only in the event of outperformance of the wider market. The Committee has decided to supplement the above-mentioned measures with a new non-financial metric for the annual bonus scheme. The non-financial measure chosen – active customers who make a purchase of certain products during a specific time period – is an important indicator of the successful short-term delivery of the Group's strategy announced at its Capital Markets Day event in April 2025. The Committee believes that by including this new measure in the incentive plans, management will be appropriately focused on a broader range of metrics, which provides for a more rounded assessment of Hostelworld's overall performance.

Remuneration for the wider Hostelworld Group

The Remuneration Committee regularly reviews remuneration practices across the wider Group and considers the alignment between the pay policy for the Executive Directors and that for others in the organisation. The payment of a partial bonus in early 2025 for 2024 was a testament to the organisation's relative success in driving satisfactory performance across the business and was well received by colleagues. Senior colleagues also received Restricted Share Awards under the LTIP in 2025, with vesting subject to the same conditions as previously applied to Restricted Share Awards made to the Executive Directors.

Further details of wider workforce remuneration during the year are set out on page 151.

New Directors' Remuneration Policy (2027) – Consultation

The Committee will consult with major shareholders and the leading proxy advisers on proposals for the new Remuneration Policy, which is expected to be put before the Company's shareholders at the AGM in 2027. The Committee anticipates this consultation exercise to commence in the latter part of 2026.



Remuneration Committee Report continued

UK Corporate Governance Code

The Company reports against the provisions of the UK Corporate Governance Code, as published in January 2024 (the “Code”).

The Committee is of the view that the Directors’ Remuneration Policy and its implementation are fully consistent with the Remuneration Principles in the Code, with the growth strategy of the business encouraged by the use of incentive schemes which are focused on financial outperformance and the achievement of additional non-financial goals. The business’s purpose is based on inspiring people through travel. Hostelworld is a key player in the growing travel market, and executive remuneration rewards our ability to expand the hostelling category, drive value creation from additional services and capture further growth for the benefit of shareholders and other stakeholders. The Company’s culture is underpinned by a number of core values, central to which are a focus on putting the customer first (critical to enhancing our reputation and growing the business), prioritising simplicity over complexity, and working well together as a team. These values are reflected in executive remuneration by, among other things, the growth which will result from focusing on the customer, a simple approach to pay design and the performance focus across the entire company.

Hostelworld continues to comply with the Code’s remuneration provisions, with two exceptions. Details of these Code exceptions and explanations for non-compliance are set out on page 97. It is also recognised that the 2024 Code includes new provisions relating to malus and clawback. Details of our approach are set out in the summary of the Directors’ Remuneration Policy on page 143. The malus and clawback provisions were not used during 2025.

The Remuneration Committee engaged with the wider workforce during the financial year through Evan Cohen, the designated Non-Executive Director responsible for employee engagement. This engagement covered a wide number of issues relating to pay practices across the Company and also included a discussion of how executive remuneration aligns with wider Group policies.

Following each meeting, the Remuneration Committee communicates its main discussion points and findings to the Board.

Structure of this Report

This report has been prepared in accordance with the relevant UK reporting regulations, the Listing Rules and the UK Corporate Governance Code. The report is divided into three parts:

- This Annual Statement
- A summary of the Directors’ Remuneration Policy, which was approved by shareholders at the AGM in May 2024
- The Annual Report on Remuneration, which sets out payments made to the Directors and details the link between Company performance and remuneration for the 2025 financial year. The Annual Report on Remuneration, together with this Annual Statement, is subject to the standard advisory shareholder vote at the forthcoming AGM.

In addition, as explained above, at the AGM we will seek approval for the rules of a new Hostelworld Bonus Plan. I look forward to receiving your support at our 2026 AGM, where I will be available to answer any questions that shareholders may have on this report or in relation to any of the Remuneration Committee’s activities. Alternatively, if you have any questions about this report or, more generally, remuneration at Hostelworld, please feel free to contact me via the Company Secretary (email: corporate@hostelworld.com).



Paul Duffy
Chair of the Remuneration Committee
25 March 2026

Directors’ Remuneration Policy (Summary)

Introduction

The Directors’ Remuneration Policy was approved by shareholders at the Annual General Meeting held on 02 May 2024 and will apply for the period of three years from the date of approval.

Any payments to the Directors and any payments for loss of office can only be made if they are consistent with the terms of the approved Policy. If the Committee wishes to make a payment to Directors which is not consistent with the Policy, it will be required to seek shareholder approval for this payment at a General Meeting. No changes are proposed to the Policy at the AGM in 2026.

The Policy was prepared in line with the relevant UK regulations. Decisions around operating the Policy will be made by the Committee each year and explained in the relevant Directors’ Remuneration Report.

A summary of the key features of the Policy is included below. The full Policy is included in the 2023 Annual Report, available on the Hostelworld Group website at www.hostelworldgroup.com. In the event of any discrepancy between the summary and the full Policy, the full Policy will prevail.

Policy Table

The following table sets out each element of remuneration and how it supports the Company’s short and long-term strategic objectives.

Base Salary	
Link to strategic objectives:	Provides a base level of remuneration to support recruitment and retention of Executive Directors with the necessary experience and expertise to deliver the Company’s strategy.
Operation	Salaries are reviewed annually, and any changes are normally effective from 1 January in the financial year. When determining an appropriate level of salary, the Remuneration Committee considers: • remuneration practices within the Company; • the performance of the individual Executive Director; • the individual Executive Director’s experience and responsibilities; • the general performance of the Company; • salaries within the ranges paid by companies in the comparator group used for remuneration benchmarking; and • the economic environment.
Opportunity	Base salaries will be set at an appropriate level within a comparator group of comparably sized listed companies and will normally increase in line with increases made to the wider employee workforce. Individuals who are recruited or promoted to the Board may, on occasion, have their salaries set below the targeted policy level until they become established in their role. In such cases subsequent increases in salary may be higher than the average until the target positioning is achieved.
Performance metrics, weighting and assessment	None

Remuneration Committee Report continued

Benefits	
Link to strategic objectives:	Provides a market competitive level of benefits to support recruitment and retention of Executive Directors with the necessary experience and expertise to deliver the Company's strategy.
Operation	The Executive Directors receive benefits which include, but are not limited to, private medical insurance (family cover), income protection and life assurance cover (including tax, if any). The Remuneration Committee recognises the need to maintain suitable flexibility in the determination of benefits that ensure it is able to support the objective of attracting and retaining personnel. Accordingly, the Remuneration Committee would expect to be able to adopt other benefits including (but not limited to) relocation expenses, tax equalisation and support in meeting specific costs incurred by Directors.
Opportunity	The maximum will be set at the cost of providing the benefits described.
Performance metrics, weighting and assessment	None

Pensions	
Link to strategic objectives:	Provide retirement benefits to support recruitment and retention of Executive Directors with the necessary experience and expertise to deliver the Company's strategy.
Operation	The Remuneration Committee maintains the ability to provide pension funding in the form of a salary supplement, which would not form part of the salary for the purposes of determining the extent of participation in the Company's incentive arrangements.
Opportunity	For the current CEO, the maximum pension contribution as a percentage of basic salary is 10%. For the current CFO and for any new Executive Director, the maximum pension contribution will be in line with the contribution level provided to the majority of the workforce.
Performance metrics, weighting and assessment	None

All-Employee Share Plan	
Link to strategic objectives:	To encourage share ownership among Hostelworld employees and increase the alignment with shareholders.
Operation	The Company does not currently have an operational all-employee share plan but may seek to offer one again in the future. Executive Directors would be entitled to participate on the same terms as other employees.
Opportunity	The maximum participation limit will be as set out in the relevant legislation.
Performance metrics, weighting and assessment	None (as is the norm for approved all-employee plans).

Annual Bonus Plan	
Link to strategic objectives:	The Annual Bonus Plan provides an incentive to the Executive Directors linked to achievement in delivering goals that are closely aligned with the Company's strategy and the creation of value for shareholders. In particular, the Plan supports the Company's objectives allowing the setting of annual targets based on the business' strategic objectives at that time, meaning that a wide range of performance metrics can be used.
Operation	The Remuneration Committee will determine the bonus payable after the year-end based on performance against targets. Annual bonuses are normally paid in cash after the end of the financial year to which they relate although the Remuneration Committee will have the flexibility to settle any bonus in shares. On a change of control, the Remuneration Committee may pay bonuses on a pro rata basis measured on performance up to the date of change of control. Malus will apply up to the date of the bonus determination and clawback will apply for two years from the date of bonus determination.
Opportunity	The maximum bonus opportunity as a % of base salary is 125% for the CEO role and 100% for the CFO role and any new Executive Director role appointed during the Policy period.
Performance metrics, weighting and assessment	Bonus payouts are determined on the satisfaction of a range of key financial and/or non-financial objectives set by the Remuneration Committee. In addition, the payment of any bonus will require the Remuneration Committee to determine that the Company has delivered an acceptable level of performance during the year. The Remuneration Committee retains discretion in exceptional circumstances to change performance measures and targets, and the weightings attached to performance measures part-way through a performance year if there is a significant and material event which causes the Remuneration Committee to believe the original measures, weightings and targets are no longer appropriate. Discretion may also be exercised in cases where the Remuneration Committee believes that the bonus outcome is not a fair and accurate reflection of business performance.



Remuneration Committee Report continued

Long Term Incentive Plan ("LTIP")	
Link to strategic objectives:	Awards are designed to incentivise the Executive Directors to maximise returns to shareholders by successfully delivering the Company's objectives over the long term.
Operation	Awards are granted annually to Executive Directors under the LTIP. The vesting period is normally three years, with vesting normally subject to: - the Executive Director's continued employment at the date of vesting; and - satisfaction of the performance conditions. The Remuneration Committee may award dividend equivalents on awards to the extent that they vest. Awards which vest after the end of the vesting period will be subject to an additional two-year holding period. During this period the shares cannot be sold (other than as required for tax purposes). The LTIP rules contain standard provisions to satisfy awards/dividend equivalents in shares. Malus will apply for the period from grant to vesting with clawback applying for the two-year period post vesting.
Opportunity	Awards may be made up to 150% of base salary. If exceptional circumstances arise, including (but not limited to) the recruitment of an individual, the Remuneration Committee may grant awards outside this limit up to a maximum of 200% of a participant's annual basic salary. No more than 25% of the award will vest for threshold performance. 100% of the award will vest for maximum performance.
Performance metrics, weighting and assessment	LTIP awards will vest subject to the achievement of challenging performance conditions set by the Remuneration Committee prior to each grant. These will be determined by the Committee each year taking into account the specific strategic priorities of the business at the time. The Committee may change the balance of the measures or use different measures for subsequent awards during the Policy period, as appropriate. The Remuneration Committee retains discretion in exceptional circumstances to change performance measures and targets, and the weightings attached to performance measures part way through a performance period if an event occurs which causes the Remuneration Committee to believe the original measures, weightings and targets are no longer appropriate. Discretion may also be exercised in cases where the Remuneration Committee believes that the vesting outcome is not a fair and accurate reflection of business performance.
Shareholding Requirement	
Link to strategic objectives:	To support long term commitment to the Company and the alignment of Executive Director interests with those of shareholders.
Operation	The Remuneration Committee has adopted formal shareholding guidelines that will encourage the Executive Directors to build up and then subsequently hold a shareholding equivalent of 200% of their base salary. Adherence to these guidelines is a condition of continued participation in the equity incentive arrangements.
Opportunity	200% of salary
Performance metrics, weighting and assessment	None.

Non-Executive Director Fees	
Link to strategic objectives:	The Company provides a level of fees to support recruitment and retention of Non-Executive Directors with the necessary experience to advise and assist with establishing and monitoring the Company's strategic objectives.
Operation	The Board as a whole is responsible for setting the remuneration of the Non-Executive Directors, other than the Board Chair whose remuneration is considered by the Remuneration Committee and recommended to the Board. Non-Executive Directors are paid a base fee and additional fees for acting as Senior Independent Director and as Chair of Board committees (or to reflect other additional responsibilities and/or additional/unforeseen time commitments). Non-Executive Directors do not participate in any of the Company's incentive arrangements.
Opportunity	The base fees for Non-Executive Directors are set at an appropriate rate. In general, the level of fee increase for the Non-Executive Directors will be set taking account of any change in responsibility and will consider the general rise in salaries across the workforce. The Company will pay reasonable vouched expenses incurred by the Chair and Non-Executive Directors, together with other benefits where considered necessary (and any related tax that may be payable).
Performance metrics, weighting and assessment	None.

Malus and Clawback

Malus and clawback provisions within the annual bonus scheme and the LTIP apply in the following circumstances:

- Material misstatement of results
- Gross misconduct
- Error in calculating the number of shares subject to an award or the amount of cash paid
- Corporate failure or
- Serious reputational damage.

As stated in the Policy table above for the annual bonus plan, malus applies up to the date of bonus determination and clawback applies for a period of two years from the date of bonus determination. For the LTIP, malus will apply for the three-year period from grant to vesting, with clawback applying for the two-year period post vesting. Taking into account the size and complexity of the business, these periods are considered to provide a suitable timeframe for identifying potential issues which would warrant the malus or clawback provisions being invoked.

Discretion

The Remuneration Committee has discretion in several areas of policy as set out in this report. The Remuneration Committee may also exercise operational and administrative discretions under relevant plan rules approved by shareholders as set out in those rules. These include (but are not limited to) the choice of participants, the size of awards in any year (subject to the limits set out in the Policy table above), the determination of good and bad leavers and the treatment of outstanding awards in the event of a change of control.

In addition, the Remuneration Committee has the discretion to amend the Policy with regard to minor or administrative matters where it would be, in the opinion of the Remuneration Committee, disproportionate to seek or await shareholder approval.

Remuneration Committee Report continued

Service Agreements and Letters of Appointment

Executive Directors

Each of the Executive Directors has entered into a service contract with the Group. Each Executive Director is subject to re-election at the AGM.

Name	Position	Date of service agreement	Notice period by Company (months)	Notice period by Director (months)
Gary Morrison	CEO	11 June 2018	12	12
Caroline Sherry	CFO	01 December 2020	6	6

Non-Executive Directors

The Non-Executive Directors have each entered into letters of appointment with the Company. Each independent Non-Executive Director's term of office runs for an initial period of three years unless terminated earlier upon written notice or upon their resignation. Non-Executive Directors are also subject to re-election at each AGM.

The date of appointment of each Non-Executive Director is set out below:

Name	Effective date of appointment	Notice period by Company (months)	Notice period by Director (months)
Carl G. Shepherd	01 October 2017	1	1
Éimear Moloney	27 November 2017	1	1
Evan Cohen	14 August 2019	1	1
Paul Duffy	02 May 2024	1	1
Marieke Bax	30 January 2026	1	1

Payment for Loss of Office

Remuneration element	Treatment on exit
Salary, Benefits and Pension	Salary, benefits and pension will be paid over the notice period. The Company has discretion to make a lump sum payment on termination equal to the salary, value of benefits and value of company pension contributions payable during the notice period. In all cases the Company will seek to mitigate any payments due.
Annual Bonus Plan	Good leaver reason – pro-rated to time and performance for year of cessation. Other reason – no bonus payable for year of cessation.
LTIP	Good leaver reason – Pro-rated to time and performance (where applicable) in respect of each subsisting LTIP award. Other reason – Lapse of any unvested LTIP award. The Remuneration Committee has the following elements of discretion: - to determine that an executive is a good leaver (see below). - to measure performance (where applicable) over the original performance period or at the date of cessation. The Committee will make this determination depending on the type of good leaver reason resulting in the cessation. - the Remuneration Committee's policy is generally to pro-rate to time from the date of grant to the date of cessation. It is the Remuneration Committee's intention to only use its discretion to adopt a different approach to pro-rating in circumstances where there is an appropriate business case which will be explained in full to shareholders. - to determine the extent to which the post-vesting holding period will apply for a good leaver. The Committee has agreed that the holding period will not apply in the event of death.

A good leaver reason may include cessation in the following circumstances:

- Death
- Ill-health
- Injury or disability
- Redundancy
- Retirement with agreement of employer
- Employing company ceasing to be a Group company
- Employing company transferred to a person who is not a Group Member or
- At the discretion of the Remuneration Committee (as described above).

Cessation of employment in circumstances other than those set out above is cessation for other reasons.

Change of Control

The Remuneration Committee's policy on the vesting of incentives on a change of control is summarised below:

Name of Incentive Plan	Change of control	Discretion
Annual Bonus Plan	Pro-rated for time and performance to the date of the change of control.	The Remuneration Committee has discretion to continue the operation of the Plan to the end of the bonus year.
LTIP	The number of shares subject to subsisting LTIP awards vesting on a change of control will be pro-rated for time and performance (where applicable). Options to the extent vested may be exercised at any time during the period of six months following the change of control and if not so vested will lapse at the end of such period unless the Remuneration Committee determines that a longer period shall apply.	The Remuneration Committee retains absolute discretion regarding the proportion vesting, taking into account time and performance (where applicable). There is a presumption that the Remuneration Committee will pro-rate to time. The Remuneration Committee may take a different approach where it views the change of control as an event which has provided a material enhanced value to shareholders which will be fully explained to shareholders. In all cases the performance conditions (where applicable) must be satisfied, subject to the Committee's discretion (as noted above).

Consideration of Shareholder Views

The Remuneration Committee takes the views of shareholders seriously, and these views are considered in shaping the Remuneration Policy and its operation. During 2023 and early 2024, the Committee conducted a consultation exercise with major shareholders and the main proxy advisors on the details of the Remuneration Policy. The general response from major shareholders was positive, and accordingly, the Committee proceeded with recommending that shareholders formally approve the Policy at the AGM in May 2024. The Committee will continue to consider shareholder views carefully when implementing the Policy.

Remuneration Committee Report continued

Annual Report on Remuneration

Single Total Figure of Remuneration (Audited)

Executive Directors

The table below sets out the single total figure of remuneration and breakdown for each Executive Director in respect of the 2025 financial year. Comparative figures for the 2024 financial year have also been provided. All figures provided in the table have been calculated in accordance with the relevant UK reporting regulations.

		Fixed pay			Variable pay		Total Fixed: salary, benefits and pension	Total Variable bonus and LTIP only	
Director (€'000)		Salary	Taxable Benefits ⁽¹⁾	Pension ⁽²⁾	Bonus ⁽³⁾	Long-Term Incentive Plans			
Gary Morrison	2025	509.0	14.8	50.9	–	– ⁽⁴⁾	574.7	574.7	–
	2024	494.2	13.1	49.4	209.0	943.6 ⁽⁵⁾	1,709.3	556.7	1,152.6
Caroline Sherry	2025	338.6	5.9	20.3	–	– ⁽⁴⁾	364.9	364.9	–
	2024	328.8	5.4	19.7	124.1	513.2 ⁽⁵⁾	991.2	353.9	637.3

⁽¹⁾ Taxable benefits represent payments for health insurance and life assurance policies.
⁽²⁾ Pension contributions were made at a level of 10% of basic salary for Gary Morrison and 6% of basic salary for Caroline Sherry.
⁽³⁾ No bonus was payable in respect of 2025 performance. In 2024, the bonus for Gary Morrison and Caroline Sherry was paid as a contribution to their pension, at no extra cost to the Company.
⁽⁴⁾ The 2022 Restricted Share Award (explained on the next page) was designed to replace LTIP grants in both 2022 and 2023. As a result, no award was made to the Executive Directors in 2023, and therefore, there is no amount to disclose in this column for 2025.
⁽⁵⁾ These amounts relate to the 2022 Restricted Share Award granted in May 2022, which was subject to continued employment and satisfaction of a performance underpin over the vesting period. The amount disclosed has been restated from that included in last year's report to reflect the share price at vesting in May 2025 of 110.5p. This has been converted to € using the Central Bank FX rate that applied on the date of vesting. Of the amount stated, €244k for Gary Morrison and €133k for Caroline Sherry was attributable to share price appreciation since the date of grant. The Remuneration Committee did not exercise any discretion in relation to this matter.

Non-Executive Directors

The table below sets out the single total figure of remuneration and breakdown for each Non-Executive Director. During 2025 the Board agreed to increase the fees payable to the Senior Independent Director by €500 p.a., and to also increase the fees payable to the Remuneration Committee Chair and Audit Committee Chair, respectively, by €2,500 p.a., with effect from 29 July 2025.

Director	Fees (€'000)		Taxable Benefits (€'000)		Other (€'000)		Total (€'000)		Total Fixed (€'000)		Total Variable (€'000)	
	2025	2024	2025	2024	2025	2024	2025	2024	2025	2024	2025	2024
Ulrik Bengtsson ⁽¹⁾	102.2	59.7	–	–	–	–	102.2	59.7	102.2	59.7	–	–
Carl G. Shepherd ⁽²⁾	90.3 ⁽⁶⁾	69.3	–	–	–	–	90.3	69.3	90.3	69.3	–	–
Éimear Moloney ⁽³⁾	68.1	67.0	–	–	–	–	68.1	67.0	68.1	67.0	–	–
Evan Cohen ⁽⁴⁾	60.0	60.0	–	–	–	–	60.0	60.0	60.0	60.0	–	–
Paul Duffy ⁽⁵⁾	68.1	44.7	–	–	–	–	68.1	44.7	68.1	44.7	–	–

⁽¹⁾ Stepped down as Chair of the Board and Chair of the Nominations Committee on 12 September 2025.
⁽²⁾ Appointed Interim Chair of the Board and Interim Chair of the Nomination Committee on 13 September 2025. Stepped down as Senior Independent Director on the same date.
⁽³⁾ Chair of the Audit Committee. Appointed as Interim Senior Independent Director on 13 September 2025.
⁽⁴⁾ Designated Workforce Engagement Director.
⁽⁵⁾ Chair of the Remuneration Committee.
⁽⁶⁾ Chair fee paid from 13 September 2025.

Additional Information regarding Single Total Figure Table (Audited)

Basic Salary

As explained in last year's Directors' Remuneration Report, the basic salary for both the CEO and CFO was increased by 3% with effect from 1 January 2025.

Annual Bonus

The Executive Directors were entitled to consideration for an annual cash bonus for 2025 of up to a maximum of 125% of basic salary for the CEO and 100% of basic salary for the CFO, subject to the satisfaction of performance targets based on adjusted EBITDA (for 60% of the award) and net revenue (for 40% of the award). The targets were set at the start of 2025, taking into account the business environment at the time and internal expectations of Hostelworld's performance over the year. No bonus was payable in the event that the threshold adjusted EBITDA target was not met.

The table below sets out the details of the performance targets that were used to determine the annual bonus outcome:

Performance metric	Weighting	Threshold			Target			Maximum					
		Required performance level	Required achievement outcome (as a % of max payout)	Bonus opportunity (as a % of salary)	Required performance level	Required achievement outcome (as a % of max payout)	Bonus opportunity (as a % of salary)	Required performance level	Required achievement outcome (as a % of max payout)	Bonus opportunity (as a % of salary)	Actual performance	Achievement outcome (as a % of max payout)	Resulting performance (as a % of max payout)
Adjusted EBITDA	70%	€22.2m	25%	31.25% (CEO) 25% (CFO)	€24.0m	50%	62.5% (CEO) 56% (CFO)	€26.4m	100%	125% (CEO) 100% (CFO)	€19.9m	0%	0%
Net revenue	30%	€94.7m	25%	31.25% (CEO) 25% (CFO)	€102.4m	50%	62.5% (CEO) 56% (CFO)	€112.6m	100%	125% (CEO) 100% (CFO)	€93.8m	0%	0%
Outcome													0%

Based on the 0% outcome (as stated in the table above), no bonuses were paid to the Executive Directors in respect of 2025. The Committee has not exercised any discretion in respect of the outcome.

Long Term Incentives

No long-term incentive award was made in 2023 and, accordingly, there are no disclosures in respect of long-term incentives where performance was measured up to the end of December 2025.

2022 Restricted Share Award

As previously disclosed, a grant of restricted shares was made to the Executive Directors in May 2022 under the terms of the 2022 Restricted Share Award. The value of these shares was reflected in the 2024 single figure of remuneration as the vesting period was substantially complete by the end of December 2024. As explained in last year's report, the Remuneration Committee determined that the underpin for the awards (requiring satisfactory individual and Company performance over the vesting period) had been met as at 31 December 2024.

The shares vested in May 2025 following confirmation from the Committee that it was satisfied with individual and Company performance over the full vesting period. The 2022 Restricted Share Award is subject to a two-year post-vesting holding period.

Full details of the 2022 Restricted Share Award are included in previous Remuneration Reports.

Remuneration Committee Report continued

Scheme Interests Awarded During the Financial Year (Audited)

The table below sets out the details of the LTIP awards granted to the Executive Directors in the 2025 financial year. All awards were granted as nil cost options.

Director	Date of grant	Value of award	Face value of award (€'000)	Number of shares awarded ⁽¹⁾	Exercise price (€)	Percentage of award vesting at threshold performance	Performance period end date	Weighting ⁽²⁾
Gary Morrison	25 March 2025	125% of salary	€636.3k	410,008	Nil ⁽³⁾	25%	31 December 2027	Absolute TSR (70%) Adjusted EPS (30%)
Caroline Sherry	25 March 2025	100% of salary	€338.6k	218,201	Nil ⁽³⁾	25%	31 December 2027	Absolute TSR (70%) Adjusted EPS (30%)

⁽¹⁾ The number of shares awarded was calculated using the average closing share price over a three-day trading period from 20 March 2025 to 24 March 2025, which was £1.30.
⁽²⁾ Information on the specific performance targets for these awards is set out below.
⁽³⁾ These awards are nil cost options and therefore have a nil exercise price. The share value used to determine the face value of the awards is explained in the footnotes above.

The vesting of the LTIP awards granted in 2025 is subject to performance conditions based 70% on absolute TSR measured over a three-year period commencing 01 January 2025 and 30% on adjusted EPS measured in the final year of the three-year performance period to 31 December 2027. Full details are set out below.

Absolute TSR (70%) - CAGR	Vesting
Less than 8% p.a.	0%
8% p.a.	25%
15% p.a. or above	100%
Between 8% p.a. and 15% p.a.	Straight line vesting between 25% and 100%

Adjusted EPS (30%)	Vesting
Less than 5%	0%
5%	25%
20% or above	100%
Between 5% and 20%	Straight line vesting between 25% and 100%

Any awards which vest will be subject to a two-year post-vesting holding period.

Payments for Loss of Office/Payments to Past Directors (Audited)

There were no payments for loss of office or payments to past Directors made during the 2025 financial year.

Statement of Directors’ Shareholdings and Share Interests (Audited)

The number of shares of the Company in which the Executive Directors had a beneficial interest and details of long-term incentive interests as at 31 December 2025 are set out in the table below. Under the Directors’ Remuneration Policy, the Remuneration Committee has adopted formal shareholding guidelines that encourage the Executive Directors to build up and hold a shareholding equivalent to 200% of basic salary.

Director	Beneficially owned shares	Shareholding requirement (% of salary)	Shareholding (% of salary)	Shareholding requirement met?	Unvested LTIP interests subject to performance conditions
Gary Morrison	1,026,003	200%	289%	Yes	738,210
Caroline Sherry	448,066	200%	190%	No	392,866

Details of the interests held in shares by Non-Executive Directors as at 31 December 2025 are set out below. Non-Executive Directors are not subject to a shareholding requirement.

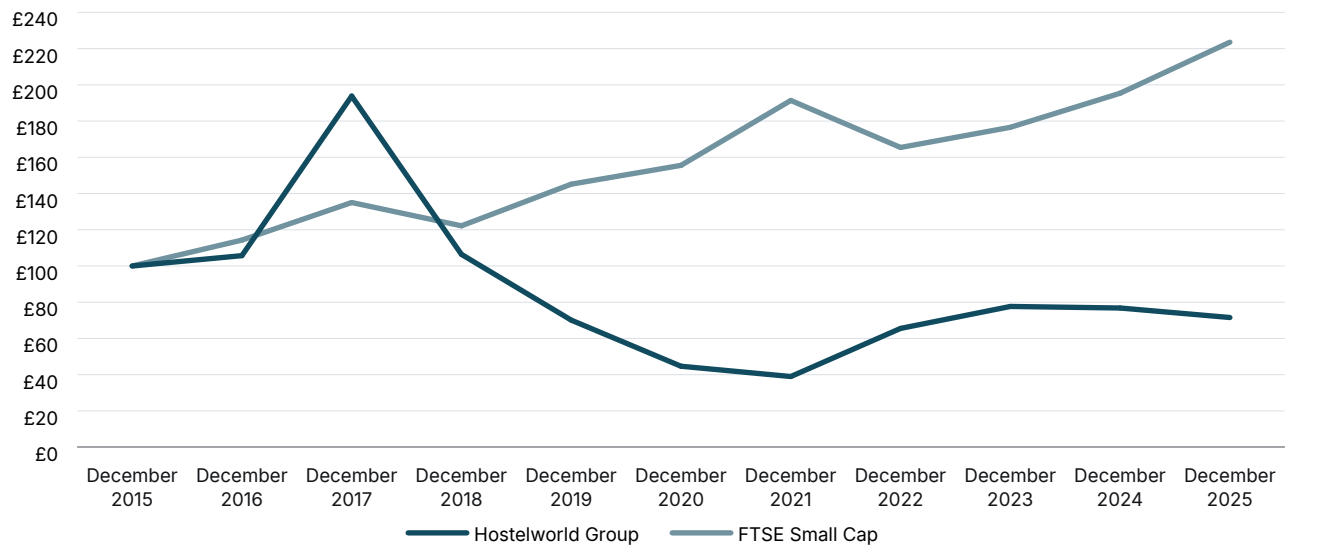
Director	Beneficially owned shares
Ulrik Bengtsson ⁽¹⁾	50,000
Carl G. Shepherd	35,285
Éimear Moloney	122,376
Evan Cohen	15,214
Paul Duffy	30,000

⁽¹⁾ Shareholding as at 12 September 2025, the date Ulrik Bengtsson stepped down from the Board.

Comparison of Overall Performance and Pay (TSR graph)

The graph below shows the Total Shareholder Return (TSR) generated by both the movement in share value and the reinvestment of dividend income over the period from 1 January 2016 to 31 December 2025. The Remuneration Committee considers that the FTSE SmallCap index is an appropriate index for comparison as Hostelworld is a member of this index and it includes other companies with a similar market capitalisation and scope of operations. The graph has been calculated in accordance with the Regulations.

Total shareholder return (£)



Source: LSEG Workspace

Remuneration Committee Report continued

CEO Historical Remuneration

The table below sets out the total remuneration delivered to the CEO over the last ten years, valued using the methodology applied to the single total figure of remuneration, as required by the UK regulations:

	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	
CEO	Feargal Mooney	Feargal Mooney	Feargal Mooney	Gary Morrison	Gary Morrison	Gary Morrison	Gary Morrison	Gary Morrison	Gary Morrison	Gary Morrison	
Total single figure (€'000)	1,298.7	768.8	209.5	307.2	485.8	498.4	995.7	522.0	2,820.5	1,709.3	574.7
Annual bonus payment level achieved (% of maximum opportunity)	0%	73.4%	0%	19.3%	0%	n/a	n/a	n/a	96%	34%	0%
LTIP vesting level achieved (% of maximum opportunity)	n/a	n/a	0%	n/a	n/a	0%	0%	75% ⁽¹⁾	100%	100%	n/a

⁽¹⁾ Represents the total vesting level for the 2020 LTIP award. The adjusted EPS portion of this award (which accounted for 25% of the overall award) vested at nil. The absolute TSR portion (which accounted for 75% of the overall award) vested at 100%. The value for the TSR portion of this award is included in the 2023 single total figure.

Change in Directors’ Remuneration Compared with Employees

The following table sets out the change in the remuneration paid to each of the Directors since 2020, compared with the average percentage change for employees, as required by the reporting regulations. For the Directors, the percentage change in remuneration reflects the disclosures in the Single Total Figure table of remuneration.

2025 vs 2024				2024 vs 2023			2023 vs 2022			2022 vs 2021			2021 vs 2020		
	Salary/ Fees %	Taxable benefits %	Bonus %	Salary/ Fees %	Taxable benefits %	Bonus %	Salary/ Fees %	Taxable benefits %	Bonus %	Salary/ Fees %	Taxable benefits %	Bonus %	Salary/ Fees %	Taxable benefits %	Bonus %
Executive Directors															
Gary Morrison	3	13	(100)	3	7	(54)	3	28	100	5	(12)	–	–	4.8	–
Caroline Sherry ⁽¹⁾	3	10	(100)	5	15	(59)	3	2	100	12	14	–	–	–	–
Non-Executive Directors															
Ulrik Bengtsson ⁽²⁾	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Carl G. Shepherd ⁽³⁾	30	–	–	(6)	–	–	–	–	–	–	–	–	–	–	–
Éimear Moloney	2	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Evan Cohen	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Paul Duffy ⁽⁴⁾	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Employee pay															
Average per employee – parent company ⁽⁵⁾	–	–	–	–	–	–	(33)	(26)	100	–	–	–	–	–	–
Average per employee – group	4	9	(100)	7	6	(41)	6	5	100	15	19	–	3.3	(2.3)	–

⁽¹⁾ Appointed to the Board on 01 December 2020. Comparatives prior to 2022 vs 2021 not shown given part-year service.
⁽²⁾ Appointed to the Board on 02 May 2024 and resigned from the Board on 12 September 2025. Comparatives to prior year not shown given part-year service.
⁽³⁾ Appointed Interim Chair of the Board and Interim Chair of the Nomination Committee on 13 September 2025. Stepped down as Senior Independent Director on the same date.
⁽⁴⁾ Appointed to the Board on 02 May 2024. Comparatives to prior year not shown given part-year service.
⁽⁵⁾ From 01 April 2024 and prior to 2022, the only employees of the parent company were the Directors of the Company. During H2 2022, four additional employees were employed until 31 March 2024, which explains the large variance between 2023 and 2022. No comparatives are provided between 2025 and 2024, and between 2024 and 2023, given that the 2024 service period was only 3 months, and no comparatives vs 2021 are shown, given no prior year service for these employees.

Remuneration Practices across the Company

Hostelworld does not have more than 250 UK employees (at 31 December 2025, the number of UK employees was 9), and as a result, is not required to publish the ratio of the CEO’s remuneration to the pay of UK employees. Nevertheless, in line with the expectations set out in the UK Corporate Governance Code, the Remuneration Committee reviews workforce remuneration and related policies each year. This includes a detailed assessment of pay levels and structures throughout the organisation, including fixed pay elements, and the extent to which participation in incentive schemes (including equity incentives) extends below Board level. The remuneration of the Executive Directors is considered in this context.

Each year, the basic salary levels of all employees undergo a review in comparison to relevant external benchmarks, taking into consideration the broader employment landscape, levels of inflation and the requirements of the business. As disclosed last year, for 2025, the CEO and CFO each received a salary increase of 3%, and the Executive Leadership Team received an average salary increase of 4.3%, all of which were below the average workforce increase of 6.3%. For 2026, the Remuneration Committee has approved increases of 3% for the CEO and 8.5% for the CFO, as explained on page 136. Other members of the Executive Leadership Team received an average salary increase of 6.7%. Including market adjustments and promotions, the total average salary increases for 2026 across the workforce (excluding those in the organisation not receiving any salary increase on grounds of inadequate individual performance) is 5.7%.

The Group makes pension contributions on behalf of eligible employees. For the majority of the workforce, the Group contribution rate is 6% of salary. This is the same rate which applies to the CFO and which will apply to any new Executive Director appointed in the future. The CEO’s contribution rate of 10% was determined at the time of his appointment in 2018. Other benefits are broadly aligned across the Company, though there is some variation by country of operation.

The annual bonus structure for the Executive Leadership Team for 2025 was the same as for Executive Directors, being based on a mix of targets linked to adjusted EBITDA and net revenue. For others, bonuses were based 50% on adjusted EBITDA performance and 50% on personal performance. Separate incentive arrangements apply to key roles within the organisation (e.g., sales and customer support staff). For 2026, the annual bonus structure for the Executive Leadership Team will remain the same as for Executive Directors, being based on a

mix of targets linked to net revenue, adjusted EBITDA and active customers. For others, bonuses will be based on net revenue (50%) and personal performance (50%), with separate incentive arrangements continuing to apply for key sales and customer support roles within the organisation.

The granting of long-term equity awards has historically been extended to a number of employees beyond the Executive Directors and other members of the Executive Leadership Team. A significant number of employees participated in the 2022 Restricted Share Award granted in 2022 (which vested in 2025 as explained in the relevant section above), in addition to the Executive Directors, demonstrating our desire to ensure that appropriate retention mechanisms were put in place for the wider team during a period of considerable uncertainty for the business. The vesting of the 2022 Restricted Share Award was subject to the same conditions as for the Directors, namely, continued employment and individual and Company performance being considered satisfactory over the vesting period. A two-year post-vesting holding period was applied to the Executive Directors only, in line with common practice.

A grant of a performance-based LTIP award was made in 2025 with participation limited to members of the Executive Leadership Team. The same performance conditions applied to all participants in the LTIP. A Restricted Share Award was also granted to a number of employees in 2025, subject to a staggered vesting regime over three years (15% of the award vesting at the end of the first year, 35% of the award vesting at the end of the second year, and 50% of the award vesting at the end of the third year). The vesting of the 2025 Restricted Share Award is subject to continued employment and individual and Company performance being satisfactory over the vesting period. Neither the Executive Directors nor members of the Executive Leadership Team participated in the 2025 Restricted Share Award. The most appropriate approach to equity compensation for employees across the organisation is regularly reviewed.

In line with Hostelworld’s culture of transparency, the Remuneration Committee engaged with the wider workforce during the financial year. This was undertaken by Evan Cohen, a member of the Committee and, since December 2023, the designated Non-Executive Director responsible for employee engagement. This engagement covered a wide number of issues relating to pay practices across the Company and also included a discussion of how executive remuneration aligns with wider Group policies.

Remuneration Committee Report continued

Relative Importance of the Spend on Pay

The table below sets out the relative importance of spend on pay in the 2025 and 2024 financial years compared with other distributions to shareholders. All figures provided are taken from the relevant Company Accounts and exclude share option charges.

Director	2025 financial year (€m)	2024 financial year (€m)	% change
Distributions by way of dividends/share buybacks	3.0	-	100%
Overall spend on pay including Executive Directors	23.1	20.9	11%

Shareholder Voting

The table below sets out the results of voting on the resolutions to (1) approve the Directors’ Remuneration Report at the AGM held on 07 May 2025 and (2) approve the Directors’ Remuneration Policy at the AGM held on 02 May 2024.

Resolution	For	Against	Withheld
Approve the Directors’ Remuneration Report for the Year Ended 31 December 2024 (2025 AGM)	87,901,705 (97.52%)	2,239,879 (2.48%)	5,232
Approve the Directors’ Remuneration Policy (2024 AGM)	97,628,882 (97.71%)	2,290,093 (2.29%)	2,427,025

Implementation of Remuneration Policy in Financial Year 2026

Basic Salary

The Committee has reviewed the salaries of the Executive Directors and agreed to award a salary increase of 3% to the CEO and 8.5% to the CFO with effect from 01 January 2026, as explained on page 151. These increases compare with the average salary increase of 5.7% awarded to the rest of the organisation, which includes market adjustments and promotions.

The salary levels for 2026 are as follows:

Director	Salary		Percentage change
	2026 (€)	2025 (€)	
Gary Morrison (CEO)	524,290	509,020	3%
Caroline Sherry (CFO)	367,400	338,618	8.5%

Pension

Pension contributions for the Executive Directors will continue at the rate of 10% of basic salary for the CEO and 6% of basic salary for the CFO.

Annual Bonus

The Executive Directors will be eligible for a bonus subject to the achievement of targets linked to net revenue, adjusted EBITDA, and active customers. A 50% (net revenue) / 40% (adjusted EBITDA)/ 10% (active customers) split will apply. The precise targets are currently considered commercially sensitive but will be disclosed retrospectively in next year’s Directors’ Remuneration Report, along with an assessment of performance and the resulting payout.

In line with the Remuneration Policy, the maximum annual bonus opportunity for the CEO will be 125% of salary and the maximum for the CFO will be 100% of salary. For 2026, subject to shareholder approval of the Hostelworld Bonus Plan at the AGM, the Committee’s current intention is that any bonus payment will be settled in shares, further aligning management remuneration with shareholder interests.

Long-Term Incentives

The CEO will receive an award of 150% of salary and the CFO will receive an award of 125% of salary. For the reasons explained on page 136, this reflects an increase for 2026 compared with 2025, from 125% of salary for the CEO and 100% of salary for the CFO.

The performance conditions will be based 60% on net revenue measured over a three-year period commencing 01 January 2026 and 40% on relative TSR measured over a three-year period commencing on 01 April 2026, as follows:

Net Revenue (60% – CAGR	Vesting
Less than 5% p.a.	0%
5% p.a.	25%
Between 5% p.a. and 6.5% p.a.	Straight line vesting between 25% and 75%
6.5% p.a.	75%
10% p.a. or above	100%
Between 6.5% p.a. and 10% p.a.	Straight line vesting between 25% and 100%

Relative TSR (40%) CAGR	Vesting
Below FTSE Small Cap index TSR	0%
Equivalent to FTSE Small Cap index TSR	25%
5% or more higher than FTSE Small Cap Index TSR (CAGR)	100%
Between index TSR and 5% (CAGR)	Straight line vesting between 25% and 100%

The starting TSR price for the 2026 LTIP has been calculated using a three month average share price ending on 31 March 2026. The Committee considered that using a share price averaging period ending on 31 December 2025 would have resulted in a starting point that rendered the performance condition unduly demotivating. The Committee believes that the approach adopted provides a more appropriate and balanced starting point for long term performance measurement, while maintaining a demanding level of performance stretch and alignment with the shareholder experience over the full performance period.

As explained on pages 136 and 137, net revenue has been introduced as a performance measure for the LTIP given that sustainable revenue growth is a critical part of the Group’s multi-year strategy. As noted in the table above, we have also introduced an intermediate vesting point at which 75% of the revenue element would vest. Given the fast-moving nature of the markets in which the Group operates and the inherent challenges in predicting the precise shape of future growth, this is considered a fair way of ensuring that a meaningful proportion of the award would vest for a strong level of performance. Full vesting of this element will only occur in the event of exceptional outperformance.

As set out in the table above, the relative TSR measure will involve a comparison between the Company’s TSR and the TSR of the FTSE Small Cap Total Return index, with vesting determined by the annualised outperformance of the Company’s TSR relative to the index TSR over the three-year performance period. For any part of this award to vest, the Company’s TSR must be at least equivalent to the return of the index over the period. Maximum vesting will require significant outperformance of the index. The FTSE SmallCap index has been selected as an indicator of broader market performance, given the Company’s membership and the inclusion of other companies of similar size and scale.

The Committee has carefully considered the targets for the 2026 LTIP to ensure they are challenging yet realistic in the context of the Company’s strategic plans for the next three years.

Remuneration Committee Report continued

Non-Executive Directors’ Fees

Taking into account the absence of any increase to Directors’ fees over an extended period of time, during 2025 the Board agreed to increase the fees payable to the Senior Independent Director by €500 p.a., and to also increase the fees payable to the Remuneration Committee Chair and Audit Committee Chair, respectively, by €2,500 p.a., with effect from 29 July 2025. There are no further changes to Directors’ fees for 2026. Directors’ fees will be paid as set out below:

Role	Fees (€)
Chair	145,000
Non-Executive Director (base fee)	60,000
Senior Independent Director	7,500
Chair of Audit Committee	9,500
Chair of Remuneration Committee	9,500

Advisors to the Remuneration Committee

The Remuneration Committee’s independent advisors are Korn Ferry, who were appointed by the Committee in 2017. Korn Ferry has advised the Remuneration Committee on the Directors’ Remuneration Policy and its implementation in respect of the Executive Directors and other members of the Executive team. The Remuneration Committee exercises appropriate judgement and challenge when considering the work of its external advisers and is satisfied that the advice received during the year under review was objective and independent. Korn Ferry is a member of the Remuneration Consultants Group, and the body’s voluntary code of conduct is designed to ensure that objective and independent advice is provided to remuneration committees. Korn Ferry received fees of €59,358 for their advice during the year (2024: €41,859). Fees were charged on a cost-incurred basis. During the year, a separate practice within Korn Ferry provided support to Hostelworld on the recruitment of the new Board Chair. The Committee is satisfied that this did not impact the independence of the advice provided by Korn Ferry on remuneration matters.



Absolut Hostel, Queenstown, New Zealand

Directors’ Report

The Directors have pleasure in submitting their Annual Report and the audited Financial Statements of Hostelworld Group plc and its subsidiaries for the financial year to 31 December 2025.

Statutory Information

This section of the Annual Report includes additional information required to be disclosed under the Companies Act 2006 (the “Companies Act”), the UK Corporate Governance Code, the Disclosure Guidance and Transparency Rules (“DTRs”), the UK Listing Rules (“Listing Rules”) of the Financial Conduct Authority and the Transparency Directive.

Certain information required to be included in the Directors’ Report can be found elsewhere in this Annual Report, as highlighted throughout this report including:

- The Strategic Report, which can be found on pages 10 to 89, which sets out the development and performance of the Group’s business during the financial year, the position of the Group at the end of the year, a description of the principal risks and uncertainties (including the financial risk management position) and a summary of the Group’s ESG strategy and TCFD.
- The Corporate Governance Statement on pages 92 to 154, which sets out the Company’s statement with regard to its adoption of the UK Corporate Governance Code.
- The Audit Committee Report on pages 123 to 132.
- The Directors’ Remuneration Report on pages 133 to 154.
- This Directors’ Report, on pages 155 to 161, together with the Strategic Report on pages 10 to 89, form the Management Report for the purposes of DTR 4.1.5R.

The information required to be included in the Directors’ Report and which is located elsewhere in this Annual Report forms part of the Directors Report and is incorporated by reference.

Disclosures under UKLR 6.6.1R

The table below is included to comply with the disclosure requirements under UKLR 6.6.1R. The information required by the Listing Rules can be found in the Annual Report at the location stated below:

Section Topic	Location in Annual Report
1. Interest capitalised	Not applicable
2. Publication of unaudited financial information	Not applicable
3. Details of long-term incentive schemes where the only participant is a Director	Not applicable
4. Waiver of future emoluments by a Director	Not applicable
5. Non-pre-emptive issues of equity for cash	Not applicable
6. Pre-emption rights and disapplication of pre-emption rights	Not applicable
7. Item (5) in relation to major subsidiary undertakings	Not applicable
8. Parent participation in a placing by a listed subsidiary	Not applicable
9. Contracts of significance	Not applicable
10. Provision of services by a controlling shareholder	Not applicable
11. Shareholder waivers of dividends	Not applicable
12. Shareholder waivers of future dividends	Not applicable
13. Compliance with the requirement to carry on the business independently from a controlling shareholder at all times	Not applicable

Directors’ Report continued

Board of Directors

The appointment and replacement of Directors of the Company is governed by the Articles of Association, the Companies Act 2006 and related legislation.

The Directors who served on the Board throughout the year, up to and including the date of this report, are as follows:

- Gary Morrison (Chief Executive Officer)
- Caroline Sherry (Chief Financial Officer)
- Carl G. Shepherd (Non-Executive Interim Chair and Director)⁽¹⁾
- Ulrik Bengtsson (Non-Executive Chairman)⁽²⁾
- Éimear Moloney (Non-Executive Director)
- Evan Cohen (Non-Executive Director)
- Paul Duffy (Non-Executive Director)
- Marieke Bax (Non-Executive Director)⁽³⁾.

Biographical details of the current Directors together with details of the membership of the various Committees are set out on pages 92 to 95.

Subject to the Articles of Association, the Companies Act 2006 and related legislation, any directions given by special resolution and any relevant statutes and regulations, the business of the Company will be managed by the Board who may exercise all the powers of the Company.

Amendment of Articles of Association

The Company's Articles of Association may only be amended by way of shareholder approval at a general meeting of the shareholders.

Incorporation, Share Capital and Structure

The Company was incorporated and registered in England and Wales as a public limited company with registration number 9818705. The Company's issued share capital comprises ordinary shares of €0.01 each which are traded on the London Stock Exchange's main market for listed securities and on Euronext Dublin's main securities market.

The liability of the members of the Company is limited.

The Company is tax resident in Ireland and its principal place of business is at 8 Harcourt Street, Dublin 2, D02 AF58, Ireland. The Company's registered office is at One Chamberlain Square, Birmingham, B3 3AX, United Kingdom.

As at 31 December 2025, the Company's issued share capital comprised 124,215,514 ordinary shares of €0.01. The ISIN of the shares is GB00BYYN4225. Further information on the Company's share capital is provided in note 18 to the Group's Financial Statements contained on page 199. All the information detailed in note 18 forms part of this Directors' Report and is incorporated into it by reference.

At the Annual General Meeting of the Company to be held on 06 May 2026, the Directors will seek authority from shareholders to allot shares in the capital of the Company (i) up to a maximum nominal amount of €413,311.81 (41,331,181 shares of €0.01 each) being one-third of the Company's issued share capital as at 13 March 2026, the latest practicable date prior to the publication of the notice of the Annual General Meeting, and (ii) up to a further €413,311.81 (41,331,181 shares of €0.01 each) where the allotment is in connection with a rights issue, being one-third of the Company's issued share capital. The power will expire at the earlier of 06 August 2027 or the conclusion of the Annual General Meeting of the Company held in 2027.

The Directors are also seeking authority from shareholders to allot ordinary shares for cash without first offering them to existing shareholders in proportion to their existing shareholdings. These resolutions are aligned with the Pre-Emption Group guidelines published on 04 November 2022 and seek authority to disapply pre-emption rights on up to 10% of the Company's issued ordinary share capital for a general authority and up to a further 10% of the Company's issued share capital for acquisitions and specified capital investments. In each case, further authority to disapply pre-emption rights is also being sought on up to 2% of the Company's issued ordinary share capital to be used for the purposes of a follow-on offer to retail investors or existing investors not allocated shares in the offer. The power will expire at the earlier of 06 August 2027 or the conclusion of the Annual General Meeting of the Company held in 2027.

Authority to Purchase Own Shares

At the Annual General Meeting held on 07 May 2025, the Company's shareholders authorised it to purchase, in the market, up to 12,498,978 ordinary shares of €0.01 each. The Company purchased 3,061,809 shares under this authority up to the year ended 31 December 2025. The Directors will again seek authority from shareholders at the forthcoming Annual General Meeting for the Company to purchase, in the market, up to a maximum of 10% of its own ordinary shares either to be cancelled or retained as treasury shares. The Directors will only use this power after careful consideration, taking into account the financial resources of the Company, the Company's share price and future funding opportunities. The Directors will also take into account the effects on earnings per share and the interests of shareholders generally.

Rights Attaching to Shares

All shares have the same rights (including voting and dividend rights and rights on a return of capital) and restrictions as set out in the Articles, described below. Except in relation to dividends which have been declared and rights on a liquidation of the Company, the shareholders have no rights to share in the profits of the Company.

The Company's shares are not redeemable. However, following any grant of authority from shareholders, the Company may purchase or contract to purchase any of the shares on or off market, subject to the Companies Act and the requirements of the Listing Rules.

No shareholder holds shares in the Company which carry special rights with regard to control of the Company.

Voting Rights

Each ordinary share entitles the holder to vote at general meetings of the Company. A resolution put to the vote of the meeting shall be decided on a show of hands unless a poll is demanded. On a show of hands, every member who is present in person or by proxy at a general meeting of the Company shall have one vote. On a poll, every member who is present in person or by proxy shall have one vote for every share of which they are a holder. The Articles provide a deadline for submission of proxy forms of not less than 48 hours before the time appointed for the holding of the meeting

or adjourned meeting. No member shall be entitled to vote at any general meeting either in person or by proxy, in respect of any share held, unless all amounts presently payable in respect of that share have been paid. Save as noted, there are no restrictions on voting rights nor any agreement that may result in such restrictions.

Restrictions on Transfer of Securities

The Articles do not contain any restrictions on the transfer of ordinary shares in the Company other than the usual restrictions applicable where any amount is unpaid on a share. Certain restrictions are also imposed by laws and regulations (such as insider trading and market requirements relating to close periods) and requirements of the Market Abuse Regulation and the Company's Securities Dealing Code whereby Directors and all employees of the Company require advance clearance to deal in the Company's securities.

Change of Control

Save in respect of a provision of the Company's share schemes which may cause options and awards granted to employees under such schemes to vest on takeover, there are no agreements between the Company and its Directors or employees providing for compensation for loss of office or employment (whether through resignation, purported redundancy or otherwise) because of a takeover bid.

2026 Annual General Meeting

The Annual General Meeting ("AGM") will be held at 12 noon on 06 May 2026 at Hostelworld Group plc, 8 Harcourt Street, Dublin 2, Ireland.

The Notice of Meeting which sets out the resolutions to be proposed at the forthcoming AGM specifies deadlines for exercising voting rights and appointing a proxy or proxies to vote in relation to resolutions to be passed at the AGM. All proxy votes will be counted and the numbers for, against or withheld in relation to each resolution will be announced at the AGM and published on the Company's website.

Directors Interests

Details of Directors' interests in the shares of the Company are set out in the Directors' Remuneration Report on pages 133 to 154, which forms part of this report.

⁽¹⁾ Carl G. Shepherd assumed the role of Interim Chair on 13 September 2025 following the resignation of Ulrik Bengtsson on 12 September 2025. Marieke Bax assumes the role as Chair on 31 March 2026.

⁽²⁾ Ulrik Bengtsson resigned as Independent Non-Executive Director and Chairman on 12 September 2025.

⁽³⁾ Marieke Bax was appointed Non-Executive Director on 30 January 2026 and will assume the role as Chair on 31 March 2026.

Directors’ Report continued

Substantial Shareholders

At 31 December 2025, the Company had been notified, in accordance with chapter 5 of the Financial Conduct Authority’s Disclosure Guidance and Transparency Rules (“DTR5 Notification”), of the following significant interests:

Shareholder	Number of ordinary shares/ voting rights notified	Percentage ⁽¹⁾ of voting rights over ordinary shares of €0.01 each and nature of holding
Charles Jobson	17,255,148	13.89% (direct)
Aberforth Partners LP	13,744,177	11.06% (indirect)
Jupiter Fund Management	6,928,835	5.58% (indirect)
Lombard Odier Investment Managers	6,658,992	5.36% (direct 1.79%; indirect 3.57%)
Hamblin Watsa Investment Counsel Limited	6,489,178	5.22% (direct)
Gresham House Asset Management Limited	6,460,382	5.20% (indirect)
BGF Investment Management Limited	6,319,111	5.09% (indirect)
Martin Currie Investment Management Ltd	6,180,000	4.98% (indirect)
Premier Miton Group plc	5,402,069	4.35% (indirect)
Burgundy Asset Management Limited	4,430,860	3.57% (indirect)
Allianz Global Investors GmbH	4,046,400	3.26% (direct 0.02%; indirect 3.24%)
Langfristige Investoren TGV	3,731,346	3.00% (direct)

⁽¹⁾ Expressed as a percentage of issued share capital as at 31 December 2025.

As at the date of this report no further DTR5 Notifications had been received.

Transactions with Related Parties

There were no related party transactions during the year. Please refer to note 25 to the Consolidated Financial Statements.

Events Post Year End

Details of subsequent events are set out in note 30 to the consolidated financial statements.

Research and Future Developments

The Group will continue to pursue initiatives that enhance shareholder value through a balanced approach combining organic growth, product innovation and targeted investment opportunities. Innovation across our websites and mobile applications – for both travellers and hostel partners – remains central to our strategy and a key driver of the Group’s long-term success.

Current development priorities include monetising our social network through initiatives such as Social Passes, expanding accommodation supply through third-party inventory integration, and enhancing our commission structure through *Elevate*. Further details of these initiatives are set out in the Strategic Report on pages 10 to 89.

In evaluating future development opportunities, the Group also considers the potential impact on climate and alignment with its broader sustainability objectives.

Going Concern

Hostelworld’s business activities, together with the principal factors likely to affect its future development and performance, are described in the Strategic Report on pages 10 to 89. After due consideration and review, the Directors have a reasonable expectation that the Group has adequate resources to continue in operational existence for a period of at least 12 months from the date of approval of the Financial Statements. Accordingly, the Directors continue to adopt the going concern basis in preparing the Group and Company Financial Statements. Further details of the Group’s and Company’s going concern assessment are included in note 1 to the consolidated financial statements on page 177 and the Group’s viability statement is set out on page 77.

Indemnities and Insurance

The Company maintains appropriate insurance to cover Directors’ and Officers’ liability for itself and its subsidiaries. The Company also indemnifies the Directors under a qualifying indemnity for the purposes of section 236 of the Companies Act 2006 and the Articles of Association against any liabilities they may incur in the execution of their duties as directors of the

Company or its subsidiaries, and such indemnities were in force during the year. Such indemnities contain provisions that are permitted by the director liability provisions of the Companies Act and the Company’s Articles of Association.

Financial Instruments

Details of the Group’s financial risk management objectives and policies, including its exposure to credit, interest rate and liquidity risks, are set out in note 27 to the Consolidated Financial Statements and are incorporated into this report by reference.

Disabilities

The Group maintains an Equal Opportunities policy which ensures that employees and job applicants are not discriminated against on the grounds of disability in respect of recruitment, promotion, training and general career development and that full and fair consideration is given to applications for employment made by disabled persons. The Group also maintains a grievance procedure and a whistleblowing service that enables complaints to be made in a confidential manner should any individual dealing with the Company have concerns that any employee or job applicant has been discriminated against on the grounds of disability.

Stakeholder Engagement

During the reporting period the Directors considered and agreed that the Company’s shareholders, employees, hostel partners, customers, Allied Irish Banks, plc and society were the Group’s main stakeholders. How the Company engaged with these stakeholders during 2025 is outlined on pages 79 to 86 and how their interests were considered in Board decisions are set out on pages 88 and 89, which are both incorporated into this report by reference.

Sustainability

TCFD disclosures and the information required by section 414C(7)(b) of the Companies Act 2006 in respect of energy use and greenhouse gas emissions is included in the Sustainability Report on pages 40 to 65 and is incorporated into this report by reference.

Political Contributions

Neither the Company nor any of its subsidiaries made any political donations or incurred any political expenditure during the year.

Subsidiaries

Information on the Group’s subsidiaries is set out in note 26 to the consolidated financial statements, and are incorporated into this report by reference.

External Branches

The Group has the following external branches:

- Hostelworld Group plc is registered as a branch in Ireland with branch registration number 908295.
- Hostelworld Services Limited, a U.K. subsidiary of the Company, is registered as a branch in Australia, local registration number 613076556.
- Hostelworld.com Limited, an Irish subsidiary of the Company, is registered as a branch in Italy, local registration number MI-2679147.
- Hostelworld Management Services Limited, an Irish subsidiary of the Company, is registered as a branch in Thailand, local registration number 1756800716.

Results and Dividends

The Group’s and Company’s audited Financial Statements for the year are set out on pages 173 to 215.

The Board approved the reinstatement of a dividend policy of 20% to 40% of adjusted profit after tax in 2025. An interim dividend of 0.82 € cent per share was paid in September 2025. The Board is recommending a final dividend of 1.58 € cent per share which brings the total dividend for the year to 2.40 € cent per share.

Consistent with our capital allocation framework, all future dividend payments remain subject to the Group’s continued generation of adjusted profit after tax, the maintenance of a robust cash position, and ongoing compliance with banking facility covenants and the requirements of the Companies Act 2006 regarding distributable reserves.

Statutory Auditor

KPMG were formally appointed as the Company’s external Auditors on 09 May 2023 following a tender process that was completed during 2022. KPMG is willing to continue in office and a resolution for their re-appointment as auditor of the Company will be submitted to the AGM.

Directors’ Report continued

Disclosure of Information to Auditor

Each of the Directors has confirmed that:

- So far as the Director is aware, there is no relevant audit information of which the Company’s Auditor is unaware.
- The Director has taken all the steps that he/she ought to have taken as a Director to make him/her aware of any relevant audit information and to establish that the Company’s Auditor is aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of Section 418 of the Companies Act 2006.

Directors’ Responsibilities Statement

The Directors are responsible for preparing the Annual Report and the Group and Company Financial Statements, in accordance with applicable law and regulations.

Company law requires the Directors to prepare Financial Statements for each financial year. The Directors are required to prepare the Group Financial Statements in accordance with UK-adopted international accounting standards and applicable law. The Directors have also elected to prepare the Group Financial Statements in accordance with International Financial Reporting Standards adopted pursuant to Regulation (EC) No 1606/2002 as it applies in the European Union and to prepare the parent Company Financial Statements in accordance with FRS 101 Reduced Disclosure Framework and applicable law. Under company law the Directors must not approve the Financial Statements unless they are satisfied that they give a true and fair view of the assets, liabilities and financial position of the Group and Company and of the profit or loss of the Group for that period.

In preparing the Group and Parent Company Financial Statements, the Directors are required to:

- Select suitable accounting policies and then apply them consistently.
- Make judgments and accounting estimates that are reasonable and prudent.
- Present information, including accounting policies, in a manner that provides relevant, reliable and comparable information.

- Provide additional disclosures when compliance with the specific requirements in IFRSs are insufficient to enable users to understand the impact of particular transactions, other events and conditions on the Company and Group’s financial position and financial performance.
- Prepare the Financial Statements on the going concern basis unless it is inappropriate to presume that the Company and Group will continue in business.
- For the Company Financial Statements state whether Financial Reporting Standard 101 Reduced Disclosures Framework has been followed, subject to any material departures disclosed and explained in the Financial Statements.

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company’s transactions and disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the Financial Statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Directors are responsible for the maintenance and integrity of the corporate and financial information included on the Company’s website. Legislation in the United Kingdom governing the preparation and dissemination of Financial Statements may differ from legislation in other jurisdictions.

Responsibility Statement

We confirm that to the best of our knowledge:

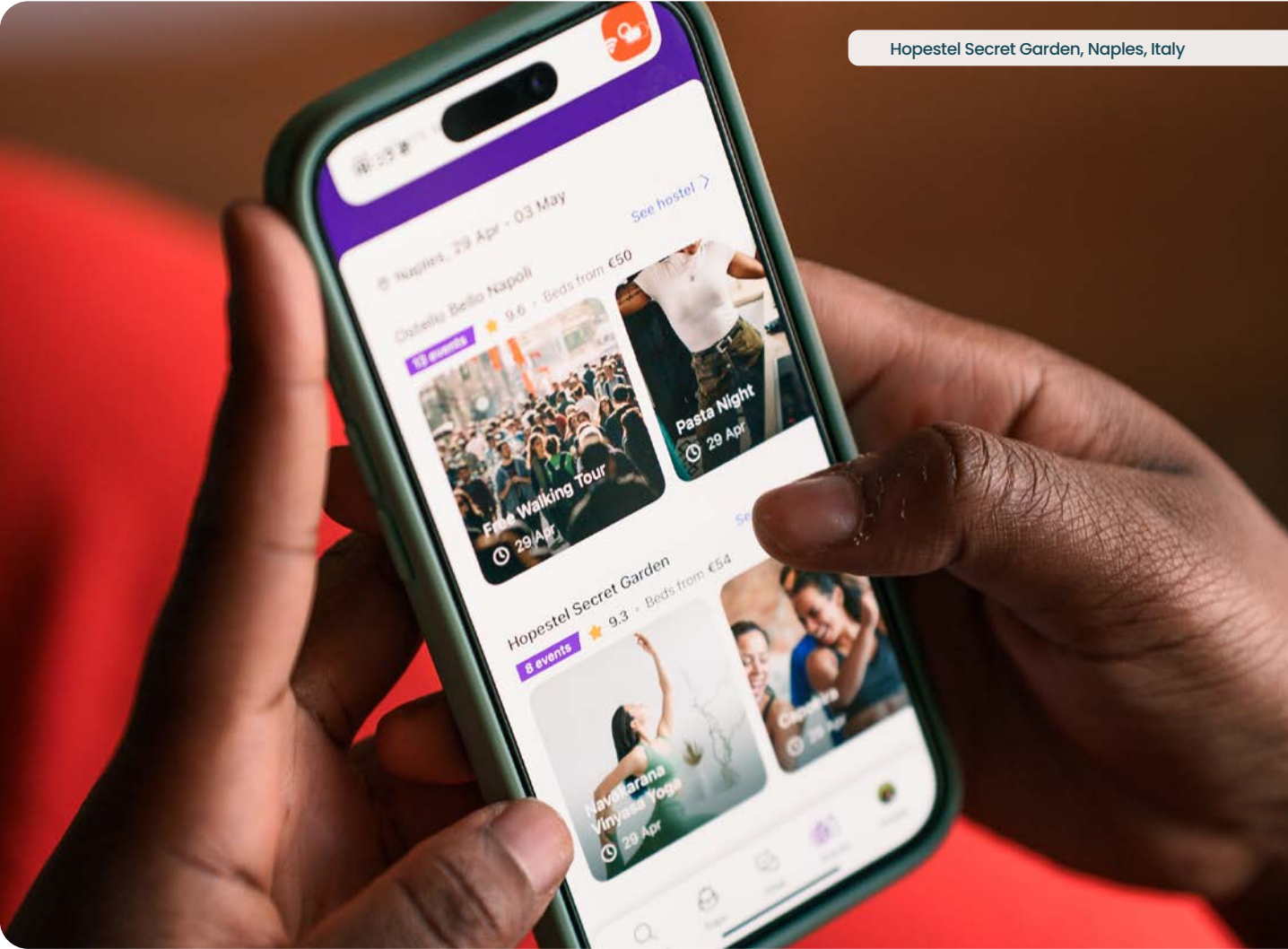
- The Group Financial Statements, prepared in accordance with IFRS as adopted by the European Union and the Company Financial Statements prepared in accordance with FRS 101 Reduced Disclosure Framework, give a true and fair view of the assets, liabilities, and financial position of the Group and Company as at 31 December 2025 and of the profit or loss of the Group for the year then ended. The Strategic Report includes a fair review of the development and performance of the business and the position of the Company, and the undertakings included in the consolidation taken as a whole, together with a description of the principal risks and uncertainties that they face.

- The Annual Report and Financial Statements, taken as a whole, provides the information necessary to assess the Group’s performance, business model and strategy and is fair, balanced and understandable. It also provides the information necessary for shareholders to assess the Group’s position and performance, business model and strategy.

This responsibility statement was approved by the Board of Directors on 25 March 2026 and is signed on its behalf by:

John Duggan

John Duggan
Company Secretary
25 March 2026



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Independent Auditor’s Report to the Members of Hostelworld Group PLC

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Hostelworld Group Plc ('the Company') and its consolidated undertakings ('the Group') for the year ended 31 December 2025 set out on pages 173 to 215, which comprise the:

- The Consolidated Income Statement;
- The Consolidated Statement of Comprehensive Income;
- The Consolidated Statement of Financial Position;
- The Consolidated Statement of Changes in Equity; and
- The Consolidated Statement of Cash Flows;
- The Company Statement of Financial Position;
- The Company Statement of Changes in Equity; and
- related notes 1 to 37, including the summary of material accounting policies set out in note 1 and note 31.

The financial reporting framework that has been applied in their preparation is UK Law, UK adopted international accounting standards and, as regards the Company financial statements, UK Law and UK accounting standards, including FRS 101 Reduced Disclosure Framework.

In our opinion:

- the financial statements give a true and fair view of the state of the Group's and of the Company's affairs as at 31 December 2025 and of the Group's profit for the year then ended;
- the Group financial statements have been properly prepared in accordance with UK adopted international accounting standards;
- the Company financial statements have been properly prepared in accordance with FRS 101 Reduced Disclosure Framework issued by the UK's Financial Reporting Council; and
- the financial statements have been prepared in accordance with the requirements of the Companies Act 2006 and, as regards the Group financial statements, Article 4 of the IAS Regulation.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is a sufficient and appropriate basis for our opinion. Our audit opinion is consistent with our report to the Audit Committee.

We were appointed as auditor by the shareholders on 9 May 2023. The period of total uninterrupted engagement is for the three financial years ended 31 December 2025. We have fulfilled our ethical responsibilities under, and we remain independent of the Group in accordance with UK ethical requirements, including the Financial Reporting Council (FRC)'s Ethical Standard as applied to listed public interest entities. No non-audit services prohibited by that standard were provided.

Conclusions relating to going concern

The directors have prepared the financial statements on the going concern basis as they do not intend to liquidate the Group or the Company or to cease their operations, and as they have concluded that the Group and the Company's financial position means that this is realistic. They have also concluded that there are no material uncertainties that could have cast significant doubt over their ability to continue as a going concern for at least a year from the date of approval of the financial statements ("the going concern period").

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate. Our evaluation of the directors' assessment of the entity's ability to continue to adopt the going concern basis of accounting included considering the strategic risks relevant to the Group's business model and analysing how those risks might affect the Group's financial resources or ability to continue operations for the going concern period.

The risk we considered most likely to adversely affect the Group's available financial resources over the going concern period was the potential economic impact of a prolonged economic downturn impacting the Group's ability to generate revenue.

We considered downside scenarios which were more pessimistic than those indicated by the Group's own forecasts. There were no risks identified that we considered were likely to have a material adverse effect on the Group's available financial resources over this period.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Group or the Company's ability to continue as a going concern for a period of at least twelve months from the date when the financial statements are authorised for issue.

In relation to the Group and the Company's reporting on how they have applied the UK Corporate Governance Code, we have nothing material to add or draw attention to in relation to the directors' statement in the financial statements about whether the directors considered it appropriate to adopt the going concern basis of accounting.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

However, as we cannot predict all future events or conditions and as subsequent events may result in outcomes that are inconsistent with judgements that were reasonable at the time they were made, the absence of reference to a material uncertainty in this auditor's report is not a guarantee that the Group or the Company will continue in operation.

Detecting irregularities including fraud

We identified the areas of laws and regulations that could reasonably be expected to have a material effect on the financial statements and risks of material misstatement due to fraud, using our understanding of the entity's industry, regulatory environment and other external factors and inquiry with the directors. In addition, our risk assessment procedures included:

- Inquiring with the directors and management as to the Group and Company's policies and procedures regarding compliance with laws and regulations, identifying, evaluating and accounting for litigation and claims, as well as whether they have knowledge of non-compliance or instances of litigation or claims.
- Inquiring of directors, management, the Audit Committee, internal audit and inspection of policy documentation as to the Group and Company's

policies and procedures to prevent and detect fraud, as well as whether they have knowledge of any actual, suspected or alleged fraud.

- Inquiring of directors, management, the Audit Committee and internal audit regarding their assessment of the risk that the financial statements may be materially misstated due to irregularities, including fraud.
- Inspecting the Group's regulatory and legal correspondence.
- Reading Board and sub-committee meeting minutes.
- Considering remuneration incentive schemes and performance targets.
- Performing planning analytical procedures to identify any unusual or unexpected relationships.

We discussed identified laws and regulations, fraud risk factors and the need to remain alert among the audit team.

Firstly, the Group and Company are subject to laws and regulations that directly affect the financial statements including companies and financial reporting legislation, taxation legislation and distributable profits legislation. We assessed the extent of compliance with these laws and regulations as part of our procedures on the related financial statement items, including assessing the financial statement disclosures and agreeing them to supporting documentation when necessary.

Secondly, the Group and Company are subject to many other laws and regulations where the consequences of non-compliance could have a material effect on amounts or disclosures in the financial statements, for instance through the imposition of fines or litigation or the loss of the Group and Company's licence to operate. We identified the following areas as those most likely to have such an effect: health and safety, anti-bribery, employment law, environmental law, regulatory capital and liquidity and certain aspects of company legislation recognising the financial and regulated nature of the Group and the Company's activities.

Auditing standards limit the required audit procedures to identify non-compliance with these non-direct laws and regulations to inquiry of the directors and other management and inspection of regulatory and legal correspondence, if any. These limited procedures did not identify actual or suspected non-compliance.

We assessed events or conditions that could indicate an incentive or pressure to commit fraud or provide an opportunity to commit fraud. As required by auditing standards, we performed procedures to address the risk of management override of controls.

Independent Auditor’s Report to the Members of Hostelworld Group PLC continued

On this audit we do not believe there is a fraud risk related to revenue recognition, other than that associated with management override of controls. Further, we did not identify any other additional fraud risks.

In response to the fraud risk, we also performed procedures including:

- Identifying journal entries and other adjustments to test based on risk criteria and comparing the identified entries to supporting documentation.
- Evaluating the business purpose of significant unusual transactions.
- Assessing significant accounting estimates for bias.
- Assessing the disclosures in the financial statements.

As the Group and Company are regulated, our assessment of risks involved obtaining an understanding of the legal and regulatory framework that the Group and Company operates and gaining an understanding of the control environment including the entity's procedures for complying with regulatory requirements.

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations (irregularities) is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it.

In addition, as with any audit, there remains a higher risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

Key audit matters: our assessment of risks of material misstatement

Key audit matters are those matters that, in our professional judgement, were of most significance in the audit of the financial statements and include the most significant assessed risks of material misstatement (whether or not due to fraud) identified by us, including those which had the greatest effect on: the overall audit strategy; the allocation of resources in the audit; and directing the efforts of the engagement team. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

We continue to perform procedures over the recoverability of deferred tax which was formerly considered a key audit matter in the prior year. However, following the continued profitability of the Group and the utilisation of deferred taxation assets, we have not assessed this as a key audit matter in our current year audit and, therefore, it is not separately identified in our report this year. Following the Group's acquisition of Occasion Genius Inc., the evaluation of the fair value of intangibles acquired through business combinations has been identified as a key audit matter due to the subjective auditor judgement required to assess the appropriateness of the valuation assumptions. Revenue recognition continues to be a key audit matter in the current year.

In arriving at our audit opinion above, the key audit matters, in decreasing order of audit significance, are set out below.

Group key audit matters

Evaluation of fair value of intangibles acquired through business combination.

Refer to pages 178 and 179 (accounting policy) and pages 196 and 197 (financial disclosures)

The key audit matter	How the matter was addressed in our audit
The Group completed the acquisition of OccasionGenius Inc. on 20 October 2025, which was accounted for as a business combination under IFRS 3. The Group estimated the fair value of the acquired intangible assets to be €7.3 million comprising Technology of €6.2 million, Customer lists of €0.5 million and Trade names of €0.6 million. The measurement of the acquired technology intangible asset involves a significant degree of judgement and estimation. It required subjective auditor judgement, including the involvement of valuation specialists with specialised skills and knowledge, to assess the appropriateness of the methodology applied and the significant assumptions used in the valuation model, specifically the cash flow assumptions, and the discount rate. Minor changes in these assumptions could have a significant impact on the fair value of the acquired intangibles. For the reasons outlined above the engagement team determined this matter to be a key audit matter.	Our audit procedures in this area included, but were not limited to: • We obtained and documented our understanding of the purchase price allocation accounting process and evaluated the design and implementation of the relevant control therein; • We inspected the accounting treatment to ensure compliance with IFRS 3; • We read the underlying legal agreements and other transaction-related documents using our judgement to identify key terms; • With the assistance of our valuation specialists, we considered the appropriateness of the valuation methods used by comparing the methods used to the methods commonly used in valuing similar assets; • With the assistance of our valuation specialists, we compared key valuation assumptions, and particularly the discount rate and the technology obsolescence rates used in the valuation of the intangible assets to independent sources when available and challenged management on these assumptions; • We challenged the significant judgements made in determining the cash flows to ensure they are reasonable. This included the assistance of our valuation specialist to compare the valuation internal rate of return and the terminal value to commonly observed equivalents in valuing similar assets; • We inspected the associated disclosures in the financial statements and assessed the appropriateness of such disclosures. Based on the audit procedures performed, we found the Group's judgements relating to the key assumptions in the valuation of technology intangible assets to be appropriate.

Independent Auditor’s Report to the Members of Hostelworld Group PLC continued

Revenue recognition €93.8 million (2024: €92.0 million).

Refer to pages 179 and 180 (accounting policy) and pages 187 and 188 (financial disclosures)

The key audit matter	How the matter was addressed in our audit
Revenue totalled €93.8 million (2024: €92.0 million) and comprises technology and data processing fees ("booking revenue") of €92.2 million (2024: €90.0 million), provision of event data services of €0.2 million (2024: €nil) and advertising and ancillary services of €1.4 million (2024: €2.0 million). We identified a risk of error associated with the completeness and existence of revenue from free cancellation and non-refundable booking revenue. Given the amount of booking revenue relative to materiality, as well as the time and senior personnel resource required to perform the audit of it, we have adjudged that this is a key audit matter. For the reasons outlined above the engagement team determined this matter to be a key audit matter.	Our audit procedures in this area included, but were not limited to: • We obtained and documented our understanding of the revenue recognition process by performing a walkthrough of each type of booking revenue. • We adopted a data and analytics approach to booking revenue where we developed an expectation of booking revenue from cash receipts, factoring in movements in trade receivables and deferred revenue and other accrual accounting based adjustments. We compared our expectation to actual booking revenue recorded in the financial statements. • We tested the completeness and existence of the deferred revenue through sample testing and also through testing the deferred revenue report which involved the use of our IT specialists testing the underlying integrity of the report. • We performed sample testing (using a statistical sampling tool) of booking revenue transactions around the year end period to ensure the accuracy of timing of revenue recognition. In concluding on the completeness and existence of booking revenue the audit team exercised judgement in relation to the audit approach and the use of the predictive analytical procedure to test the completeness of revenue. Based on the audit procedures performed, we did not identify any material misstatements associated with revenue recognition.

Company key audit matter

Carrying value of Investment in subsidiaries (including loan receivables) €160.4 million (2024: €165.4 million), representing Investment in subsidiaries of €53.1 million (2024: €51.6 million) and loan receivable €107.3 million (2024: €113.8 million).

Refer to page 212 (accounting policy) and pages 214 and 215 (financial disclosures)

The key audit matter	How the matter was addressed in our audit
The investment in subsidiaries undertakings is carried in the Statement of Financial Position of the Company at cost less impairment. The investment is primarily comprised of the Company's investment in Hostelworld.com €49.8 million and a loan due to the Company from its subsidiary Hostelworld.com Limited of €107.3 million. There is a risk in respect of the carrying value of this investment if future cash flows and performance of this subsidiary is not sufficient to support the Company's investment. We focus on this area due to the significance of the balance to the Company's balance sheet and the judgement involved in forecasting and discounting future cash flows, in particular on the key assumptions applied by management, including revenue growth rates and overall profitability expectations. For the reasons outlined above, the engagement team determined this matter to be a key audit matter.	Our audit procedures included but were not limited to: • We obtained and documented our understanding of the process around the Company's assessment of the recoverability of the carrying value of investments in subsidiary companies. • We vouched a sample of the movements in the carrying value of investments in subsidiaries during the year to supporting evidence. • We used our judgement in assessing the recoverability of the investment and intercompany receivable balances with reference to the market capitalisation of the Group at the year end date. • We considered the Company's assessment of impairment indicators by comparing the carrying value of investment in subsidiaries and loan receivable in the Company's balance sheet to the market capitalisation of the Group. Additionally, the terms and conditions governing the repayment of the loan receivable were considered in our assessment. • We challenged the Company's profitability forecasts included in the impairment testing model and in particular the revenue growth rates by comparing to external industry data and performing sensitivity analysis. • We assessed the adequacy of disclosures in the Company's financial statements. In concluding on the carrying value of Investment in subsidiaries, the audit team exercised judgement in relation to the audit of management's impairment assessment. Based on evidence obtained, we found that management's judgements were appropriate in assessing the carrying value of investment in subsidiaries and were supported by the market capitalisation at year end.

Independent Auditor’s Report to the Members of Hostelworld Group PLC continued

Our application of materiality and an overview of the scope of our audit

Materiality for the Group financial statements and Company financial statements as a whole was determined as follows:

	Group Financial Statements	Company Financial Statements
Overall materiality	€0.954 million (2024: €0.729 million)	€0.191 million (2024: €0.146 million)
Benchmark applied and %	Group revenue of which materiality represents 1.0% (2024: 0.8%)	Total assets of which materiality represents 0.5% (2024: 0.5%) capped at 20% (2024: 20%) of Group materiality
Rationale for the benchmark and judgement involved	We consider revenue to be the most appropriate benchmark for the Group as profit before tax was an unsuitable benchmark in both the current year and prior year as the amount recorded in both years was low. We have determined, in our professional judgement, that revenue is currently the principal benchmark within the financial statements in assessing financial performance. In applying our judgement in determining the percentage to be applied to the benchmark we considered that the Group has a high public profile, operates in a regulated environment and also considered that it repaid its external debt fully in the current year.	We consider total assets to be the most appropriate benchmark for the Company on a stand-alone single entity basis, as the entity is an investment holding company which does not trade. It holds the investment in the Group's main trading subsidiary entity.

Performance materiality for the Group financial statements and Company financial statements as a whole was set at €0.716 million (2024: €0.547 million) and €0.143 million (2024: €0.109 million) respectively, determined with reference to benchmarks of revenue for the Group and total assets for the Company (of which it represents 75% (2024: 75%) and 75% (2024: 75%) respectively).

We reported to the Audit Committee any corrected or uncorrected identified misstatements exceeding €0.048 million (2024: €0.036 million) for Group financial statements and €0.009 million (2024: €0.008 million) for Company financial statements, in addition to other identified misstatements that warranted reporting on qualitative grounds.

In applying our judgement in determining the percentage to be applied to the benchmarks (to establish materiality) and the percentage to be applied to materiality (to establish performance materiality), we considered that this is our year three audit, no identified misstatements in the prior year audit, the entity's control environment and the consistency of key management and financial reporting personnel.

The structure of the Group's finance function is such that the central group team in Dublin provides support to group components for the accounting for the majority of transactions and balances. Components of the Group were audited centrally by KPMG in Ireland covering 100% of Group revenue. Materiality of each of the components, which ranged from €0.09 million to €0.9 million, was determined having regard to the mix of size and risk profile of the components.

Our audit was undertaken to the materiality and performance materiality level specified above and was all performed by a single engagement team in Ireland.

We have nothing to report on the other information in the annual report

The directors are responsible for the other information presented in the annual report together with the financial statements. The other information comprises the information included in the strategic report, the governance section (including the directors' report and corporate governance report) and the additional information included after the notes to the Group and Company financial statements. The financial statements and our auditor's report thereon do not comprise part of the other information. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except as explicitly stated below, any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether, based on our financial statements audit work, the information therein is materially misstated or inconsistent with the financial statements or our audit knowledge. Based solely on that work we have not identified material misstatements in the other information.

Opinions on other matters prescribed by the Companies Act 2006

Strategic report and directors' report

Based solely on our work on the other information undertaken during the course of the audit:

- we have not identified material misstatements in the directors' report or the strategic report;
- in our opinion, the information given in the strategic report and the directors' report is consistent with the financial statements;
- in our opinion, the strategic report and the directors' report have been prepared in accordance with the Companies Act 2006.

Directors' remuneration report

In our opinion the part of the Directors' Remuneration Report to be audited has been properly prepared in accordance with the Companies Act 2006.

Corporate governance statement

We have reviewed the directors' statement in relation to going concern, longer-term viability and that part of the Corporate Governance Statement relating to the Company's compliance with the provisions of the UK Corporate Governance Code specified for our review by the Listing Rules of Euronext Dublin and the UK Listing Authority.

Based on the work undertaken as part of our audit, we have concluded that each of the following elements of the Corporate Governance Statement is materially consistent with the financial statements and our knowledge obtained during the audit:

- Directors' statement with regards the appropriateness of adopting the going concern basis of accounting and any material uncertainties identified set out on page 158 and within note 1 to the financial statements;
- Directors' explanation as to their assessment of the Group's prospects, the period this assessment covers and why the period is appropriate set out on page 158 and within note 1 to the financial statements;

- Directors' statement on whether it has a reasonable expectation that the Group will be able to continue in operation and meets its liabilities set out on page 158 and within note 1 to the financial statements;
- Directors' statement on fair, balanced and understandable and the information necessary for shareholders to assess the Group's position and performance, business model and strategy set out on pages 160 and 161;
- Board's confirmation that it has carried out a robust assessment of the emerging and principal risks and the disclosures in the annual report that describe the principal risks and the procedures in place to identify emerging risks and explain how they are being managed or mitigated set out within the Responsibility Statement on pages 160 and 161 and within the Principal Risks and Uncertainties on pages 66 to 76;
- Section of the annual report that describes the review of the effectiveness of risk management and internal control systems set out on page 103 and within the Audit Committee report set out on pages 123 to 132; and
- Section describing the work of the Audit Committee set out on pages 123 to 132.

Based solely on our work on the other information described above:

- with respect to the Corporate Governance Statement disclosures about internal control and risk management systems in relation to financial reporting processes and about share capital structures;
- we have not identified material misstatements therein; and
- the information therein is consistent with the financial statements and has been prepared in accordance with the applicable legal requirements; and
- in our opinion, the Corporate Governance Statement has been prepared in accordance with relevant rules of the Disclosure Guidance and Transparency Rules of the Financial Conduct Authority.

We are also required to report to you if a corporate governance statement has not been prepared by the Company. We have nothing to report in these respects.

Independent Auditor’s Report to the Members of Hostelworld Group PLC continued

We have nothing to report on the other matters on which we are required to report by exception

Under the Companies Act 2006, we are required to report to you if, in our opinion:

- adequate accounting records have not been kept by the Company, or returns adequate for our audit have not been received from branches not visited by us; or
- the Company financial statements and the part of the Directors’ Remuneration Report to be audited are not in agreement with the accounting records and returns; or
- certain disclosures of directors’ remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

We have nothing to report in these respects.

Respective responsibilities and restrictions on use

Responsibilities of directors for the financial statements

As explained more fully in the directors’ responsibilities statement set out on pages 160 and 161, the directors are responsible for: the preparation of the financial statements including being satisfied that they give a true and fair view; such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error; assessing the Group and Company’s ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and using the going concern basis of accounting unless they either intend to liquidate the Group or the Company or to cease operations, or have no realistic alternative but to do so.

Auditor’s responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud, other irregularities or error, and to issue an opinion in an auditor’s report. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud, other irregularities or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A fuller description of our responsibilities is provided on the FRC’s website at www.frc.org.uk/auditorsresponsibilities.

The Company is required to include these financial statements in an annual financial report prepared under Disclosure Guidance and Transparency Rule 4.1.17R and 4.1.18R. This auditor’s report provides no assurance over whether the annual financial report has been prepared in accordance with those requirements.

The purpose of our audit work and to whom we owe our responsibilities

Our report is made solely to the Company’s members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Company’s members those matters we are required to state to them in an auditor’s report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company’s members, as a body, for our audit work, for this report, or for the opinions we have formed.

Brian MacSweeney
(Senior Statutory Auditor) **25 March 2026**
for and on behalf of
KPMG, Statutory Auditor
1 Stokes Place
St. Stephen’s Green
Dublin 2
Ireland
D02 DE03

Group Financial Statements

Consolidated Income Statement

for the Year Ended 31 December 2025

	Notes	2025 Pre-exceptional €m	Exceptional (Note 5) €m	2025 Total €m	2024 Total €m
Revenue	3	93.8	–	93.8	92.0
Operating expenses	4	(84.1)	(1.3)	(85.4)	(80.9)
Other income	7	–	–	–	1.3
Impairment of investment in associate		–	–	–	(1.2)
Share of results of associate		–	–	–	0.1
Operating profit		9.7	(1.3)	8.4	11.3
Finance income		0.1	–	0.1	0.1
Finance costs	8	(0.1)	–	(0.1)	(0.3)
Profit before tax		9.7	(1.3)	8.4	11.1
Tax charge	9	(1.4)	–	(1.4)	(2.0)
Profit for the year attributable to the equity owners of the parent Company		8.3	(1.3)	7.0	9.1
Basic earnings per share (euro cent)	10			5.63	7.28
Diluted earnings per share (euro cent)	10			5.44	7.01

Consolidated Statement of Comprehensive Income

for the Year Ended 31 December 2025

	2025 €m	2024 €m
Profit for the year	7.0	9.1
Items that may be reclassified subsequently to profit or loss:		
Nil	–	–
Total comprehensive income for the year attributable to equity owners of the parent Company	7.0	9.1

Group Financial Statements continued

Consolidated Statement of Financial Position

as at 31 December 2025

	Notes	2025 €m	2024 €m
Non-current assets			
Intangible assets	11	71.5	63.5
Property, plant and equipment	12	1.2	0.5
Deferred tax assets	13	13.7	13.8
		86.4	77.8
Current assets			
Trade and other receivables	16	4.2	4.5
Corporation tax		0.1	–
Cash and cash equivalents	17	12.2	8.2
		16.5	12.7
Total assets		102.9	90.5
Issued capital and reserves attributable to equity owners of the parent			
Share capital	18	1.2	1.3
Share premium	18	14.4	14.4
Other reserves	19	2.4	3.0
Retained earnings		55.1	51.4
Total equity attributable to equity holders of the parent Company		73.1	70.1
Non-current liabilities			
Non-current debt			
Debt warehoused	20	0.8	3.5
Borrowings	22	9.2	–
Lease liabilities	15	0.5	–
Deferred tax liability	13	1.2	–
		11.7	3.5
Current liabilities			
Current debt			
Debt warehoused	20	2.7	2.7
Borrowings	22	1.1	–
Trade and other payables			
Trade payables	21	3.7	4.1
Deferred revenue	21	3.2	3.5
Accruals and other payables	21	6.7	6.0
Lease liabilities	15	0.4	0.3
Corporation tax	9	0.3	0.3
		18.1	16.9
Total liabilities		29.8	20.4
Total equity and liabilities		102.9	90.5

The financial statements were approved by the Board of Directors and authorised for issue on 25 March 2026 and signed on its behalf by:

Gary Morrison

Chief Executive Officer

Caroline Sherry

Chief Financial Officer

Hostelworld Group plc registration number 9818705 (England and Wales)

Consolidated Statement of Changes in Equity

for the Year Ended 31 December 2025

	Notes	Share Capital €m	Share Premium €m	Treasury Shares €m	Retained Earnings €m	Other Reserves €m	Total €m
Balance at 01 January 2024		1.3	14.4	–	40.6	2.9	59.2
Issue of shares		–	–	–	–	–	–
Total comprehensive income for the year		–	–	–	9.1	–	9.1
Credit to equity for equity settled share-based payments		–	–	–	–	1.8	1.8
Transfer of exercised and expired share-based awards		–	–	–	1.7	(1.7)	–
Balance at 31 December 2024		1.3	14.4	–	51.4	3.0	70.1
Total comprehensive income for the year		–	–	–	7.0	–	7.0
Credit to equity for equity settled share- based payments	19	–	–	–	–	1.5	1.5
Transfer of exercised and expired share-based awards		–	–	–	2.2	(2.2)	–
Purchase of own shares – share buyback		–	–	(4.5)	–	–	(4.5)
Cancellation of own shares – share buyback		(0.1)	–	4.5	(4.5)	0.1	–
Dividend paid		–	–	–	(1.0)	–	(1.0)
Balance at 31 December 2025		1.2	14.4	–	55.1	2.4	73.1

Group Financial Statements continued

Consolidated Statement of Cash Flows

for the Year Ended 31 December 2025

	Notes	2025 €m	2024 €m
Cash flows from operating activities			
Profit for the year		7.0	9.1
Tax charge		1.4	2.0
Profit before tax		8.4	11.1
Amortisation and depreciation	4	9.5	9.1
Share of results of associate	14	–	(0.1)
Impairment of investment in associate		–	1.2
Non-cash movements in provisions		–	(1.3)
Financial income		(0.1)	(0.1)
Finance expense	8	0.1	0.3
Employee equity settled share-based payment expense	24	1.5	1.8
Changes in working capital items:			
Decrease in trade and other payables		(0.9)	(0.2)
Decrease/(increase) in trade and other receivables	16	0.3	(1.2)
Cash generated from operations		18.8	20.6
Interest paid (including lease interest)		–	(0.3)
Interest received		0.1	0.1
Income tax paid		(0.3)	(0.1)
Net cash generated from operating activities		18.6	20.3
Cash flows from investing activities			
Acquisition/development of intangible assets	11	(7.6)	(5.5)
Payment for acquisition of subsidiary, net of cash acquired		(8.3)	–
Purchases of property, plant and equipment	12	(0.2)	(0.1)
Net cash used in investing activities		(16.1)	(5.6)
Net cash from/(used in) financing activities			
Drawdown of borrowings	22	10.3	–
Transaction costs relating to borrowings	22	(0.1)	–
Repayment of borrowings	22	–	(10.3)
Repayment of warehoused debt	20	(2.7)	(3.2)
Purchase of own shares – share buyback	18	(4.5)	–
Dividend paid	28	(1.0)	–
Repayments of obligations under lease liabilities	15	(0.5)	(0.5)
Net cash from/(used in) financing activities		1.5	(14.0)
Net increase in cash and cash equivalents		4.0	0.7
Cash and cash equivalents at the beginning of the year		8.2	7.5
Cash and cash equivalents at the end of the year	17	12.2	8.2

Notes to the Group Financial Statements

for the Year Ended 31 December 2025

1. Material Accounting Policies

General Information

Hostelworld Group plc (the “Company”) is a public limited company domiciled in Ireland. The Company was incorporated in the United Kingdom on 9 October 2015 under the Companies Act 2006 and is registered in England and Wales. The Company’s registered office is One Chamberlain Square, Birmingham B3 3AX, United Kingdom.

The Company and its subsidiaries (together, the “Group”) operate an online travel platform, providing technology, marketing and data processing services that facilitate hostel and other accommodation bookings globally.

The Company’s ordinary shares are listed on Euronext Dublin and the London Stock Exchange.

The consolidated financial statements of the Company were approved and authorised for issue by the Board of Directors on 25 March 2026.

Basis of Preparation

The financial statements have been prepared in conformity with the requirements of the Companies Act 2006 and UK adopted International Financial Reporting Standards (“IFRS”) and IFRS adopted pursuant to Regulation (“EC”) No 1606/2002 as it applies in the European Union.

The consolidated financial statements also comply with Article 4 of the EU IAS Regulation. References to IFRS throughout these financial statements refer to UK adopted IFRS and IFRS adopted by the EU.

The consolidated financial statements have been prepared under the historical cost basis. The investment in associate is accounted for using the equity method.

In the preparation of these consolidated financial statements the accounting policies set out below have been applied consistently by all Group companies. The consolidated financial statements are presented in euro which is the currency of the primary economic environment in which the Group operates.

The consolidated financial statements are presented in millions of euro (€m), except where otherwise stated; certain disclosures have been presented in thousands of euro (€’000) where this provides more appropriate and meaningful information.

Going Concern

The Directors have assessed the Group’s ability to continue as a going concern, taking account of the Board-approved 2026 budget and two-year outlook, together with management projections for a further two years. The assessment considered the Group’s strategy, risk register, historical trading performance, current and forecast booking volumes, and potential downside scenarios, including sensitivity to reductions in revenue, increases in operating costs, and other external factors.

Forecast cash flows for at least 12 months from the date of approval of these financial statements demonstrate that the Group has sufficient resources to meet its obligations as they fall due. Key considerations included ensuring that the Group had the ability to repay its three year bank debt facility and remained in compliance with the banking covenants attached to the facility as described in note 22, the agreed repayment plan with the Irish Revenue Commissioners for the remaining warehoused facility (monthly instalments through April 2027) with further detail in note 20, current and projected cash balances and mitigating actions available to the Group should trading volumes not materialise including the flexibility of the Group to fully control its largest cost base direct marketing.

The Directors considered downside scenarios, including a material reduction in booking volumes; geopolitical uncertainties, including ongoing conflicts in Ukraine and the Middle East, and climate-related risks that may affect revenue or operating costs. For each scenario, mitigating actions – such as adjusting marketing spend, deferring non-essential investments, and optimising operational efficiency were assessed. These measures provide additional headroom in the Group’s cash flow projections. The Group is particularly mindful of the potential impact of the ongoing conflict in the Middle East on traveller confidence and booking patterns. The impact to date has not been of a magnitude that would cause any effects greater than the rigorous scenarios applied in our going concern assessment. Management will continue to closely monitor the situation and apply any mitigating actions as required.

After making appropriate enquiries and considering the factors above, the Directors have a reasonable expectation that the Group and Company have adequate resources to continue operating for the foreseeable future, being at least 12 months from the date of approval of the financial statements. Accordingly, the financial statements have been prepared on a going concern basis.

Notes to the Group Financial Statements continued

1. Material Accounting Policies continued

Climate-related Matters

The Group has considered climate-related matters in the preparation of these financial statements. Operating costs in 2025, and in the Board approved 2026 budget and two-year outlook, and subsequent management projections, reflect costs associated with the Group's sustainability roadmap, including personnel supporting ESG commitments, as well as investments in emissions reductions, emission offsets and climate action initiatives. Following a management review in 2025, no climate-related liabilities, provisions, or impairments of assets have been identified, and no such adjustments are included in future projections.

Climate-related risks could affect revenue and trading, for example where travel restrictions, hostel closures, or accessibility issues arise. These risks are partially mitigated by the Group's core 18–34-year-old customer base, which typically views travel as a 'rite of passage' and prefers hostels as a more sustainable accommodation choice. Historical booking patterns indicate that demand tends to shift to alternative locations if primary destinations are affected. The Group's asset-light business model further provides flexibility to respond to changes in demand. More detail is set out in the Sustainability Report on pages 40 to 65. The Group has not made any climate-related adjustments to revenue in its budgets but continues to monitor potential impacts on booking patterns closely.

The Group has also considered climate-related matters in key accounting estimates and judgments, including:

- **Impairment of assets:** Expected future cash flows could be affected by reduced revenue or higher operating costs. The Group maintains significant headroom in its goodwill and intangible asset impairment assessments, as set out in the sensitivity analysis on pages 194 and 195.
- **Deferred tax assets:** Recoverability depends on future taxable profits, which may be affected by climate-related changes in consumer demand or operating costs. The Group's deferred tax assessments include adequate headroom, supported by historic tax losses and timing differences that do not expire (see page 186).

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- **Going concern:** Projected cash flows could be impacted by changes in revenue or profitability arising from climate-related factors. Downside scenarios have been incorporated into the Directors' going concern assessment (page 158 and page 177) and the Viability Statement in the Strategic Report (page 77).

Basis of Consolidation

The consolidated financial statements incorporate the financial statements of the Company and its subsidiaries. Subsidiaries are entities over which the Group has control, all of which prepare financial statements up to 31 December. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. Subsidiaries are consolidated from the date on which control is transferred to the Group and are no longer consolidated from the date that control ceases.

All intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between the members of the Group are eliminated on consolidation.

Business Combinations

Acquisitions of subsidiaries are accounted for using the acquisition method in accordance with IFRS 3 Business Combinations. The cost of an acquisition is measured as the aggregate of the consideration, measured at fair value at the acquisition date. Acquisition-related costs are expensed as incurred.

Identifiable assets acquired, liabilities assumed, and any non-controlling interest are recognised at their fair values at the acquisition date. Any contingent consideration is recognised at fair value at the acquisition date, with subsequent changes recognised in profit or loss unless they are classified as equity.

Goodwill arising on acquisition represents the excess of the consideration transferred, the amount of any non-controlling interest, and the fair value of any previously held equity interest over the fair value of the identifiable net assets acquired. Goodwill and fair value adjustments arising on the acquisition of a foreign entity are denominated in the functional currency of the acquired entity, recorded at the exchange rate at the date of the transaction, and subsequently retranslated at the reporting period closing rate.

Subsequent to acquisition, goodwill is tested annually for impairment and carried at cost less accumulated impairment losses.

New Standards, Amendments and Interpretations Adopted in 2025

The following new standards, amendments and interpretations became effective for the Group for the year ended 31 December 2025. Their adoption did not have a material impact on the Group's consolidated financial statements:

- Amendments to IAS 21 The Effects of Changes in Foreign Exchange Rates – Lack of Exchangeability
- IFRS 19 Subsidiaries without Public Accountability: Disclosures
- Amendments to IFRS 10 and IAS 28 – Sale or Contribution of Assets between an Investor and its Associate or Joint Venture
- Annual Improvements to IFRS Accounting Standards – Volume 11
- Amendments to IFRS 9 and IFRS 7
 - Classification and Measurement of Financial Instruments
 - Contracts Referencing Nature-dependent Electricity
- IFRS 18 Presentation and Disclosure in Financial Statements (replacing IAS 1)

Of the standards not yet effective, IFRS 18 is expected to have a significant impact on the Group when it becomes effective for accounting periods beginning on or after 1 January 2027. The Group is still in the process of assessing the full impact of IFRS 18, in particular changes to the structure and presentation of the Statement of Profit or Loss; updates to the Statement of Cash Flows; enhanced disclosure requirements for management-defined performance measures; and changes to how information is grouped and disaggregated in the financial statements, including items currently presented as "other". The Group has commenced an IFRS 18 implementation assessment, including a review of systems, processes and performance reporting, to ensure readiness for adoption ahead of the effective date.

No other new or amended standards are expected to have a material impact on the Group's consolidated financial statements.

Revenue Recognition

The Group generates revenue primarily from IT and Data processing fees charged to accommodation providers for bookings facilitated through its platform, as well as from advertising services and other ancillary offerings. Revenue is recognised when the Group satisfies its performance obligations under contracts with customers, in line with IFRS 15.

Revenue is measured at the fair value of consideration received or receivable and is stated net of rebates, sales taxes, and value added taxes.

Rebates relate to volume incentives offered to hostel partners and are recognised based on the performance of previous quarters, with settlement in the following quarter.

Accommodation Booking Revenue

Non-Refundable Booking and Reservation Fees

Revenue from standard bookings is recognised at the time a reservation is made. At this point, the Group has delivered its core service – providing technology and data processing to facilitate the booking – and control of that service has transferred to the hostel. Refunds, cancellations, and other adjustments are accounted for in the period in which they occur.

Free Cancellation Bookings

For bookings that allow free cancellation, revenue is deferred until the last date on which a traveller can cancel without penalty. This ensures revenue is only recognised once the Group has fully satisfied its performance obligation. Deferred revenue is expected to be recognised within twelve months of initial recognition.

Flexible Bookings and Credits

Where the Group provides a flexible booking option or issues credits for future use, revenue is deferred until either the booking check-in date or the expiry of the credit (typically six months). A provision is recorded to reflect the expected utilisation of such credits, based on historical patterns.

Notes to the Group Financial Statements continued

1. Material Accounting Policies continued

Third Party Inventory

The Group acts as an agent in facilitating bookings with certain third-party accommodation providers, where the accommodation provider retains primary responsibility for the inventory. Revenue from these bookings is recognised on a net basis, representing the commission or fee earned by the Group, rather than the gross amount paid by the customer. The Group does not recognise the gross booking value as revenue because it does not control the underlying service provided by the third-party accommodation. Revenue is recognised at the point at which the Group has fulfilled its performance obligation to the customer - typically when the reservation is confirmed and the Group has provided the technology and data processing services required to facilitate the booking.

Other Revenue

Advertising

Revenue from advertising services is recognised over the period the service is provided, reflecting the continuous transfer of benefits to the customer.

Roamies

Revenue from the Group's *Roamies* platform, including royalties and commissions from bookings, is recognised on the start date of the trip, when the Group has fulfilled its obligation to facilitate the experience.

Social Passes

Social passes, which grant access to Hostelworld's social network independently of any booking, are recognised over the period that access is provided. This revenue is treated separately from booking-related revenue because it represents an ongoing service rather than a one-off booking transaction.

OccasionGenius Inc. Provision of Event Information

Revenue from the provision of event information, provided through OccasionGenius Inc., primarily arises from licensing arrangements that provide customers with access to curated event inventory and related platform functionality for a defined contractual period. Revenue is recognised over time as the Group delivers its performance obligations to access the inventory.

Leases

The Group leases properties in various locations. Lease contracts are typically entered into for fixed periods and may include extension or termination options. Lease terms and conditions are negotiated on an individual basis.

At contract inception, the Group assesses whether a contract is, or contains, a lease. For contracts where the Group is the lessee, a right-of-use asset and a corresponding lease liability are recognised at the commencement date.

The lease term comprises the non-cancellable period of the lease together with periods covered by an option to extend the lease where the Group is reasonably certain to exercise that option, or periods covered by an option to terminate the lease where the Group is reasonably certain not to exercise that option. For short-term leases (lease term of 12 months or less) and leases of low-value assets (underlying asset value of €10,000 or less), lease payments are recognised as an expense on a straight-line basis over the lease term.

Right-of-use assets are initially measured at cost and subsequently measured at cost less accumulated depreciation and accumulated impairment losses. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the useful life of the underlying asset, commencing on the lease commencement date. Right-of-use assets are adjusted for any remeasurement of the related lease liability arising from lease modifications or reassessments. Right-of-use assets are reviewed for impairment at each reporting date. The Group applies IAS 36 Impairment of Assets to determine whether a right-of-use asset is impaired and recognises any resulting impairment loss. Where the Group has an obligation to restore the underlying asset to a specified condition at the end of the lease term, a provision is recognised in accordance with IAS 37 Provisions, Contingent Liabilities and Contingent Assets. To the extent that such costs relate to a right-of-use asset, they are included in the carrying amount of the related asset.

Lease liabilities are initially measured at the present value of the future lease payments, discounted using the interest rate implicit in the lease, or, where this cannot be readily determined, the Group's incremental borrowing rate. The incremental borrowing rate reflects the lease term, currency and commencement date and is determined using the risk-free rate, together with appropriate country-specific and credit risk adjustments. Lease payments included in the measurement of the lease liability comprise fixed payments (less any lease incentives receivable), variable payments that depend on an index or rate (measured using the index or rate at the commencement date), amounts expected to be payable under residual value guarantees, the exercise

price of purchase options where the Group is reasonably certain to exercise the option, and penalties for terminating the lease where the lease term reflects the exercise of a termination option. Subsequent to initial recognition, lease liabilities are increased by interest accrued using the effective interest method and reduced by lease payments made. Lease liabilities are remeasured, with a corresponding adjustment to the related right-of-use asset, when there is a change in the lease term, a change in the assessment of a purchase option, changes in lease payments resulting from changes in an index or rate, changes in expected payments under residual value guarantees, or when a lease modification occurs that is not accounted for as a separate lease. Lease liabilities are presented separately in the Consolidated Statement of Financial Position.

In the Consolidated Statement of Cash Flows, interest paid on lease liabilities is classified within operating activities and repayments of the principal portion of lease liabilities are classified within financing activities. Payments for short-term leases and leases of low-value assets are classified within operating activities.

Exceptional Items

Exceptional items by their nature and size can make interpretation of the underlying trends in the business more difficult. Such items may include restructuring, material merger and acquisition costs, profit or loss on disposal or termination of operations, litigation settlements, legislative changes, material acquisition integration costs and profit or loss on disposal of investments. Judgement is used by the Group in assessing the particular items which by virtue of their scale and nature should be disclosed as exceptional items. Where an item that has been classified as exceptional spans more than one reporting period such as a multi-year restructuring programme, it will also be presented as exceptional in the following period for consistency of presentation.

Taxation

The Group is tax resident in Ireland. The tax expense represents the sum of the tax currently payable and deferred tax.

Current Tax

Current tax comprises the amount of income taxes payable or recoverable in respect of the taxable profit or loss for the period, as determined in accordance with applicable tax legislation. Taxable profit differs from accounting profit as it is calculated in accordance with

tax rules and therefore excludes items of income or expense that are not assessable or deductible for tax purposes. The Group's current tax liability is calculated using tax rates and laws that have been enacted or substantively enacted at the reporting date and includes adjustments in respect of tax payable or recoverable for prior periods.

The Group recognises liabilities for uncertain tax positions where it is probable that additional tax will be due to a taxation authority. Such amounts are measured at the best estimate of the expenditure expected to be required to settle the obligation, reflecting management's judgement, past experience and, where appropriate, advice from external tax specialists.

Deferred Tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the consolidated financial statements and their corresponding tax bases. Deferred tax is accounted for using the liability method.

Deferred tax liabilities are recognised for all taxable temporary differences. Deferred tax assets are recognised for deductible temporary differences, unused tax losses and unused tax credits to the extent that it is probable that future taxable profits will be available against which they can be utilised.

Deferred tax liabilities are recognised for taxable temporary differences arising on investments in subsidiaries and associates, except where the Group is able to control the timing of the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred tax assets arising from deductible temporary differences relating to such investments are recognised only to the extent that it is probable that sufficient taxable profits will be available and the temporary differences will reverse in the foreseeable future.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow recovery. Reductions are reversed when the probability of future recovery improves.

Deferred tax is measured using tax rates and laws that have been enacted or substantively enacted at the reporting date and that are expected to apply when the asset is realised or the liability is settled.

Notes to the Group Financial Statements continued

1. Material Accounting Policies continued

Deferred tax is recognised in profit or loss, except where it relates to items recognised outside profit or loss, in which case it is recognised in the same component of equity or other comprehensive income as the underlying transaction.

Deferred tax assets and liabilities are offset only where there is a legally enforceable right to offset tax assets and liabilities and they relate to income taxes levied by the same taxation authority on the same taxable entity, or on different taxable entities that intend to settle on a net basis.

Foreign Currencies

Each Group entity's financial statements are prepared in the currency of the primary economic environment in which it operates (its functional currency). The consolidated financial statements are presented in euro, which is the functional currency of the parent Company and the Group's presentation currency.

Transactions in foreign currencies are initially recorded at the exchange rates prevailing at the date of the transaction. At each reporting date, monetary assets and liabilities denominated in foreign currencies are retranslated at the closing exchange rates.

Non-monetary items measured at historical cost in a foreign currency are not retranslated. Non-monetary items measured at fair value are translated at the exchange rate at the date the fair value was determined.

Exchange differences arising on settlement and on retranslation of monetary items are recognised in the Consolidated Income Statement.

For consolidation purposes, the assets and liabilities of foreign operations are translated at exchange rates prevailing at the reporting date, and income and expenses are translated at average exchange rates for the period, unless these are not a reasonable approximation, in which case transaction-date rates are used. Resulting exchange differences are recognised in other comprehensive income and accumulated in the foreign currency translation reserve.

Goodwill and fair value adjustments arising on the acquisition of foreign operations are treated as assets and liabilities of those operations and are translated at the closing rate, with resulting exchange differences recognised in other comprehensive income.

Retirement Benefits Costs

The Group operates a defined contribution pension scheme. Contributions payable to privately administered pension plans are recognised as an employee benefit expense in the period in which the employees render the related service. The Group has no further obligations once the contributions have been paid.

Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in future contributions is available.

Intangible Assets

Goodwill

Goodwill arising on the acquisition of a business is initially measured as the excess of the consideration transferred over the Group's interest in the net fair value of the identifiable assets acquired and liabilities assumed at the acquisition date. Identifiable intangible assets that meet either the contractual-legal or separability criterion are recognised separately from goodwill.

Goodwill arising on the acquisition of subsidiaries is recognised within intangible assets. Subsequent to initial recognition, goodwill is measured at cost less any accumulated impairment losses. Goodwill is tested for impairment annually, or more frequently when there are indicators that the carrying amount may be impaired. For the purpose of impairment testing, goodwill is allocated to the cash-generating units ("CGUs") that are expected to benefit from the synergies of the business combination. If the recoverable amount of a CGU is less than its carrying amount, the resulting impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the CGU and then to the other assets of the CGU on a pro-rata basis, based on the carrying amount of each asset. Impairment losses relating to goodwill are recognised in the Consolidated Income Statement and are not reversed in subsequent periods.

Other Intangible Assets

The Group's other intangible assets comprise domain and trade names, technology assets, affiliate and customer contracts, and capitalised development costs. Other intangible assets are initially recognised at cost and subsequently measured at cost less accumulated amortisation and accumulated impairment losses. Amortisation is charged to operating expenses in the Consolidated Income Statement on a straight-line basis over the estimated useful lives of the assets, as follows:

Asset Class	Useful Life
Domain and Trade Names	5 - 15 years
Technology	4 – 8 years
Affiliate and Customer Contracts	5 years
Capitalised Development Costs	2-5 years

The residual value of all intangible assets is assessed as nil.

a) Domain and Trade Names

Domain and trade names comprise certain domain names, trade names and trademarks, carried at cost less accumulated amortisation and impairment. This category also includes technology-related assets that form part of the integrated Hostelworld platform, including the website, application interfaces and application programming interfaces ("APIs"). Trade names include the acquired trade name of OccasionGenius Inc.

b) Technology

Technology assets comprise computer software applications, stated at cost less accumulated amortisation and impairment. Costs incurred on the acquisition of computer software are capitalised, as are costs directly attributable to the development of software for internal use, where the recognition criteria of IAS 38 Intangible Assets are met. Technology assets also include the OccasionGenius Inc. platform and API acquired during 2025.

c) Affiliate and Customer Contracts

Affiliate contracts represent contractual arrangements with affiliate partners that promote the Group's website and app and provide real-time access to property, pricing and availability functionality through affiliate APIs. These contracts have been identified as separately identifiable intangible assets in accordance with IAS 38. Customer contracts represent the contractual agreements in place at the acquisition of OccasionGenius Inc. in 2025.

d) Development Expenditure

Expenditure on research activities is recognised as an expense in the period in which it is incurred. Development expenditure relating to internally generated intangible assets is capitalised when the Group can demonstrate: technical feasibility; intention to complete and use or sell the asset; ability to use or sell the asset; the manner in which the asset will generate probable future economic benefits; the availability of adequate technical, financial

and other resources to complete the development; and the ability to reliably measure the expenditure attributable to the asset during its development.

Development activities involve the design or production of new, or substantially improved, products or processes. Directly attributable costs, including employee costs, are capitalised as part of the relevant software, website or system. Development costs that do not meet the capitalisation criteria, as well as ongoing maintenance costs, are recognised as an expense as incurred.

Capitalised development costs are amortised on a straight-line basis over their estimated useful lives. Amortisation commences when the asset is available for use, or, where development is part of a multi-phase project, when the relevant phase is available for use. An intangible asset is derecognised on disposal or when no future economic benefits are expected to arise from its continued use or disposal. Any resulting gain or loss is recognised in the Consolidated Income Statement.

Impairment of Tangible and Intangible Assets (Excluding Goodwill)

At each reporting date, the Directors assess whether there is any indication that the Group's tangible and intangible assets may be impaired. Where such an indication exists, the recoverable amount of the individual asset is estimated. If it is not possible to estimate the recoverable amount of an individual asset, the recoverable amount of the relevant CGU is determined.

Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment at least annually, and whenever there is an indication that the asset may be impaired.

The recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or CGU.

If the recoverable amount of an asset or CGU is less than its carrying amount, the carrying amount is reduced to its recoverable amount and an impairment loss is recognised immediately in profit or loss, unless the asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Notes to the Group Financial Statements continued

1. Material Accounting Policies continued

Where an impairment loss is subsequently reversed, the carrying amount of the asset or CGU is increased to the revised recoverable amount, subject to the restriction that the carrying amount does not exceed the amount that would have been determined had no impairment loss been recognised in prior periods. Impairment losses are only reversed in respect of non-goodwill assets. Any reversal of an impairment loss is recognised immediately in profit or loss, unless the asset is carried at a revalued amount, in which case the reversal is treated as a revaluation increase.

Financial Instruments

Financial assets and financial liabilities are recognised in the Consolidated Statement of Financial Position when the Group becomes a party to the contractual provisions of the instrument. Financial assets and financial liabilities are initially measured at fair value, plus transaction costs that are directly attributable to the acquisition or issue of the financial instrument, except for financial instruments classified at fair value through profit or loss, which are initially measured at fair value. Financial assets and liabilities denominated in foreign currencies are translated at the spot exchange rate at the reporting date.

(a) Financial Assets

Trade and Other Receivables

Trade and other receivables are initially recognised at their transaction price and subsequently measured at amortised cost, less an allowance for expected credit losses ("ECLs"). The Group applies the simplified approach under IFRS 9 and recognises lifetime ECLs for all trade receivables.

Lifetime ECLs for trade receivables are measured using a provision matrix based on the Group's historical credit loss experience, adjusted for debtor-specific factors, current economic conditions and forward-looking information at the reporting date, including the time value of money where appropriate.

Lifetime ECLs represent the expected credit losses resulting from all possible default events over the expected life of a financial instrument. Expected credit losses are recognised in the Consolidated Income Statement. A default event is considered to have occurred when a counterparty fails to meet its contractual obligations and recovery is no longer considered probable.

(b) Financial Liabilities

Trade and other payables

Trade and other payables are initially recognised at fair value, which is generally the invoiced amount, and subsequently measured at amortised cost. Financial liabilities are derecognised when the obligation is discharged, cancelled or expires.

Loans and borrowings

Loans and borrowings are initially recognised at fair value net of directly attributable transaction costs. Transaction costs include fees and commissions paid to agents, advisers, brokers and dealers. Subsequent to initial recognition, loans and borrowings are measured at amortised cost using the effective interest method. Borrowings are derecognised when the contractual obligations are discharged, cancelled or expire. Borrowings are classified as current or non-current based on the Group's rights at the reporting date and are classified as current liabilities unless the Group has an unconditional right to defer settlement for at least twelve months after the reporting date.

Other financial liabilities

Other financial liabilities are initially recognised at fair value and subsequently measured at amortised cost using the effective interest method. Financial liabilities are classified as current unless the Group has the right to defer settlement for at least twelve months after the reporting date. The classification of financial liabilities is determined at initial recognition.

(c) Cash and Cash Equivalents

Cash and cash equivalents comprise cash on hand, deposits held at call with banks and other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and subject to insignificant risk of changes in value. Restricted cash and cash equivalents include balances that meet the definition of cash and cash equivalents but are not available for use by the Group due to contractual or other restrictions.

Dividends

Final dividends are recorded in the Group's financial statements in the period in which they are approved by the Company's shareholders. Interim dividends are recorded in the period in which they are paid.

Share Buybacks

Where the Company purchases its own equity instruments, the consideration paid, including directly attributable costs, is recognised as a deduction from equity and presented as treasury shares. No gain or loss is recognised in profit or loss on the purchase, sale, issue or cancellation of the Company's own equity instruments.

Shares repurchased by the Company are held as treasury shares until they are cancelled. When treasury shares are subsequently cancelled, the nominal value of the shares is transferred from share capital to capital redemption reserve. Any excess of the purchase price over the nominal value of the shares cancelled is charged to retained earnings.

No treasury shares have been reissued.

Share-Based Payments

Equity-settled share-based payments to employees are measured at the fair value of the equity instruments at the grant date. The fair value excludes the impact of non-market-based vesting conditions. Further details on the determination of fair value are provided in note 24. The cost of equity-settled awards is recognised on a straight-line basis over the vesting period, based on the Group's estimate of the number of equity instruments that are expected to vest. At each reporting date, the Group revises its estimate of the expected vesting outcome to reflect the effect of non-market-based vesting conditions. Any revision is recognised in the Consolidated Income Statement so that cumulative expense reflects the updated estimate, with a corresponding adjustment to the share-based payment reserve.

For cash-settled share-based payments, a liability is recognised for the services received, initially measured at the fair value of the obligation. This liability is remeasured at each reporting date and at settlement, with changes in fair value recognised in the Consolidated Income Statement.

If the terms of a share-based payment award are modified, the Group assesses whether the change increases the fair value, extends the vesting period, or otherwise enhances the award. Any incremental fair value arising from the modification is recognised as an additional expense over the remaining vesting period.

Earnings Per Share

The Group presents basic and diluted earnings per share ("EPS") data for its ordinary shares.

Basic EPS is calculated by dividing the profit attributable to ordinary shareholders by the weighted average number of ordinary shares outstanding during the period.

Diluted earnings per share is computed by adjusting the weighted average number of ordinary shares in issue to assume conversion of all potential dilutive ordinary shares.

2. Critical Accounting Judgements and Key Sources of Estimation Uncertainty

In the application of the Group's accounting policies, the Directors are required to make judgements (other than those involving estimations) that have a significant impact on the amounts recognised and to make estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors considered relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the year in which the estimate is revised if the revision affects only that year, or in the year of the revision and future years if the revision affects both current and future years.

(a) Critical Judgements in Applying the Group's Accounting Policies:

The following are the critical judgements, apart from those involving estimations (which are presented separately below), that the Directors have made in the process of applying the Group's accounting policies and that have the most significant effect on the amounts recognised in financial statements.

Capitalisation of Development Costs

Development costs are capitalised when the criteria set out in paragraph 57 of IAS 38 Intangible assets have been demonstrated as disclosed in our accounting policy disclosed on page 183. Total additions amounted to €7.6 million (2024: €5.5 million) and carrying value of the capitalised development asset at the balance sheet date totalled €12.4 million (2024: €9.7 million).

Notes to the Group Financial Statements continued

2. Critical Accounting Judgements and Key Sources of Estimation Uncertainty continued

Determining the amount to be capitalised requires management to make judgements about each asset to ensure that they meet the requirements of the standard. Business cases have been prepared in line with our Board approved 2026 budget and two-year outlook, and further two years of management projections. The primary projects capitalised in the current year relate to new features within our social product and modernising our legacy platforms which both form a key part of the Group's growth strategy.

Should trading deteriorate significantly it is reasonably possible within the next financial year that development costs may require a material adjustment to their carrying amount.

Accounting for Exceptional Items

Exceptional items are those that, due to their size, nature or incidence, could obscure an understanding of the Group's underlying financial performance. Management applies judgement in determining which items are disclosed as exceptional, taking into account both quantitative and qualitative factors. The circumstances that may give rise to exceptional items are set out in the Group's accounting policy on page 181.

Exceptional costs recognised in the current year amounted to €1.3 million (2024: €nil).

(b) Key Sources of Estimation Uncertainty:

The key assumptions concerning the future, and other key sources of estimation uncertainty at the reporting period that may have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

Recoverability of Deferred Tax Assets

At 31 December 2025, the carrying values of the Group's deferred tax assets was €13.7 million (2024: €13.8 million). The recoverability of these assets depends on the Group generating sufficient future taxable profits.

Recoverability has been assessed using the Board-approved 2026 budget, and two-year outlook and a further two years of management projections, with appropriate tax adjustments to reflect the profits against which tax losses can be utilised. A long-term

growth rate of 2% has been applied thereafter, consistent with assumptions used in the Group's impairment, going concern and viability assessments.

While the Group does not have fixed-term contracts guaranteeing future profitability, it has generated profits in every year from IPO in 2015 until the impact of COVID-19 and returned to a profit before tax in 2024. Forecasts for 2026 to 2030 reflect sustained profitability, driven by booking and revenue growth, inorganic expansion and a declining marketing cost as a percentage of generated revenue through continued cost discipline and the Group's social strategy. Further details of these drivers are set out in the Strategic Report on pages 10 to 89. Under these profitability projections the deferred tax asset is set to be utilised in full by 2031, over a 6-year period.

In assessing recoverability, the Group also considered:

- The location of taxable profits, noting that tax losses, interest relief and intangible assets relating to Hostelworld.com Limited, the Group's principal trading entity, may be utilised against future taxable profits generated by the Hostelworld brand in Ireland (see note 26). In contrast, tax losses relating to OccasionGenius Inc. are restricted for use against future taxable profits of OccasionGenius Inc. in the United States and are not available to offset profits arising in other jurisdictions.
- there is no risk of expiry on the assets should profits decline;
- the cashflows utilised are those used for impairment, going concern and viability assessments; and
- the timing of utilisation of tax losses which involves judgement and is subject to estimation uncertainty. Based on this assessment, the Directors concluded that sufficient taxable profits are expected to be generated and that there is no significant risk of a material adjustment to the carrying value of the deferred tax assets.

As part of our recoverability analysis, the Group has performed a sensitivity analysis on taxable profits. A reduction in profits of 10% had no impact on the recoverability of the deferred tax asset. The Group's forecasted taxable profits would have to decline by over 19% over the next six years before there is a risk that the deferred tax asset is not fully recovered in that period.

Impairment of Goodwill and Intangible Assets

The Directors review goodwill and intangible assets for impairment at least annually, in line with the Group's accounting policies. Intangible assets are tested for impairment when indicators suggest their carrying amounts may not be recoverable.

The recoverable amount of each CGU is determined as the higher of fair value less costs of disposal or value in use, based on discounted future cash flows. At 31 December 2025, goodwill amounted to €19.9 million (2024: €17.8 million), domain names amounted to €32.7 million (2024: €36.0 million), technology amounted to €6.0 million (2024: €nil) and customer names and affiliates amounted to €0.5 million (2024: €nil). Following the 2025 review, no impairment was considered necessary, given the headrooms identified in the models.

Significant management judgement is applied in estimating the growth rates for revenue each year driving the future cash flows, adjusted EBITDA margins, discount rates and long-term growth assumptions for the terminal values. The key area of estimation risk relates to the uncertainty of achieving the forecasted growth rates.

Sensitivity analyses and further details on assumptions are provided in note 11.

Business Combinations

The Group applies judgement and makes estimates when accounting for business combinations, particularly in determining the fair value of identifiable assets and liabilities acquired, including intangible assets such as technology, customer relationships, and brand names, as well as contingent liabilities.

The fair value of acquired assets and liabilities is generally determined using a combination of income-based, market-based, and cost-based valuation techniques, which require assumptions about future cash flows, discount rates, growth rates, customer retention, and the useful lives of acquired assets. At the acquisition date, any excess of the purchase consideration over the fair value of net assets acquired is recognised as goodwill, which is subsequently tested for impairment at least annually.

The key areas of estimation risk include revenue and margin forecasts, including synergy revenue, used in discounted cash flow models for intangible assets and the discount rates applied to future cash flows, reflecting the risk profile of the acquired business.

Changes in these estimates can materially affect the value attributed to goodwill, intangible assets, and any deferred tax arising on acquisition. Further details on recent business combinations and the assumptions applied are disclosed in note 14.

3. Revenue and Segmental Analysis

The Group is managed as a single business unit providing software and data processing services that facilitate hostel, hotel, and other accommodation bookings worldwide.

Operating segments are determined and presented based on the information provided to the Chief Executive Officer, who is the Company's Chief Operating Decision Maker ("CODM"). In making resource allocation decisions, the CODM evaluates booking numbers and average booking values ("ABVs"). Net ABV is defined in Appendix 1 – Alternative Performance Measures. The objective of these decisions is to maximise consolidated financial results. The CODM assesses business performance based on consolidated adjusted profit after tax, which excludes certain income and expense items that are unusual due to their size or incidence, such as impairment of investments in associates or other one-off costs, in the context of the Group's ongoing operations.

The acquisition of OccasionGenius Inc. did not result in a new reportable segment in the current year, as its revenue, profit, and assets are not material relative to the Group as a whole.

All revenue is generated from external customers and is spread across many customers, with no single customer being individually significant. The Group's primary revenue-generating assets are its software and data processing services, which are directly attributable to the reportable segment. As the Group is managed as a single business unit, all other assets and liabilities are also allocated to this single segment. There have been no changes in the basis of segmentation or in the measurement of segment profit or loss during the year.

Revenue by country is determined by the location of the hostel or property. Revenue arising within Ireland, the country of domicile, amounted to €1.9 million (2024: €1.8 million). No individual country accounts for 10% or more of total revenue in any year; accordingly, revenue by country is not disclosed. The Group's top five countries accounted for 34% of total revenue in 2025 (2024: 34%), including Australia, Thailand, the USA, and key European destinations. Revenue by continent is presented as follows:

Notes to the Group Financial Statements continued

3. Revenue and Segmental Analysis continued

	2025 €m	2024 €m
Europe	49.9	51.6
Americas	16.9	17.0
Asia, Africa and Oceania	27.0	23.4
Total	93.8	92.0

Disaggregation of revenue is presented as follows:

	2025 €m	2024 €m
Technology and data processing fees	92.2	90.0
Provision of event data services (OG)	0.2	–
Advertising revenue and ancillary services	1.4	2.0
Total	93.8	92.0

In the year ended 31 December 2025, the Group generated 98% (2024: 98%) of its revenues from the technology and data processing fees that it charged to accommodation providers. As at 31 December 2025, €3.5 million of revenue relating to free cancellation bookings has been deferred (2024: €3.2 million).

The Group's non-current assets are disaggregated below. The Group has a small amount of non-current assets in other locations including United Kingdom, Thailand and China which are deemed immaterial to disclose individually.

	2025 €m	2024 €m
Total non-current assets	86.4	77.8
Analysed as:		
Ireland	75.9	77.7
USA	10.4	–
Portugal	0.1	0.1

4. Operating Expenses Excluding Impairment

Profit for the year has been arrived at after charging the following operating costs:

	Notes	2025 €m	2024 €m
Marketing expenses – direct		45.3	42.5
Marketing expenses – brand		1.0	0.8
Staff costs		19.1	19.0
Credit card and other processing fees		2.8	2.9
Platform operating costs		3.5	3.2
External contractor costs		2.3	1.7
Exceptional items	5	1.3	–
FX loss		–	0.1
Other administrative costs		0.6	1.6
Total administrative expenses		75.9	71.8
Depreciation of tangible fixed assets	12	0.5	0.6
Amortisation of intangible fixed assets	11	9.0	8.5
Total		85.4	80.9

Reversal of impairment of trade receivables in the current and prior year is not considered material to individually disclose.

Other administrative costs are net of external contractor costs capitalised of €1.7 million (2024: €1.2 million) and include rent and rates, legal and professional and training and recruitment.

Included within operating expenses is a total credit of €0.8 million (2024: €0.2 million) of which €0.5 million (2024: €0.2 million) is in relation to a research and development (“R&D”) tax credit claimed in respect of projects completed in 2024, 2023 and 2022. R&D tax credit applications are completed with our tax advisors and the Irish Revenue Commissioners and are recognised by Group only on formal approval of an R&D tax credit application made. The remaining €0.3 million (2024: €nil) relates to an Enterprise Ireland grant received in 2025 for the Group's platform modernisation project. This has been recognised in line with the Group's accounting policy where grants receivable are recognised in the period in which there is reasonable assurance that Group have complied with the conditions attaching to the grant.

Auditor’s Remuneration

KPMG were appointed as statutory auditors on 09 May 2023. Current year and prior year services and fees are set out below for services obtained from the Group's auditor KPMG.

	2025 €'000	2024 €'000
Fees payable for the statutory audit of the Company and consolidated financial statements	62	62
Fees payable for other services:		
– statutory audit of subsidiary undertakings	256	181
– tax advisory services	–	–
– audit related assurance services	–	–
– corporate finance services	–	–
– other assurance services	15	–
Total	333	243

In the current year statutory audit services includes one off audit fees relating to the acquisition of OccasionGenius Inc. Other assurance services comprise non-audit work performed by KPMG in connection with a review of an Enterprise Ireland grant claim, as approved by the Audit Committee.

5. Exceptional Items

	2025 €m	2024 €m
Acquisition and integration costs	1.3	–
Total	1.3	–

Exceptional items in the current year relate to acquisition and integration costs incurred following the acquisition of OccasionGenius Inc., a US-based B2B event discovery platform in October 2025 (see note 14). These costs primarily comprise of acquisition costs relating to professional and advisory fees of €1.2 million and integration costs of €0.1 million incurred to date.

Notes to the Group Financial Statements continued

6. Staff Costs

The average monthly number of people employed (including Executive Directors) was as follows:

	2025	2024
Average number of persons employed:		
Sales and enabling	103	94
Technical	157	134
Total	260	228

The aggregate remuneration costs of these employees is analysed as follows:

	Notes	2025 €m	2024 €m
Staff costs comprise:			
Wages and salaries		19.1	17.7
Social security costs		2.7	2.2
Pensions costs		0.6	0.5
Other benefits		0.7	0.5
Share option charge	24	1.5	1.8
		24.6	22.7
Capitalised development labour	11	(5.5)	(3.7)
Total		19.1	19.0

Capitalised development labour includes €5.5 million (2024: €3.7 million) of employee costs capitalised. Increase year on year is driven by an increased number of personnel, wage inflation and the nature of 2025 projects completed.

7. Other Income

	2025 €m	2024 €m
Provision release	–	1.3
Total	–	1.3

Amount in the prior year relates to a revision in the probability of payment and subsequent release of a balance sheet provision for amounts owed to customers from bookings cancelled due to COVID-19 related travel restrictions. The Group have determined that the possibility of an outflow of economic benefit is remote despite attempts to settle payment.

8. Finance Costs

	Notes	2025 €m	2024 €m
Finance costs – bank debt	22	0.1	0.4
Finance costs – warehoused debt		–	(0.2)
Finance costs – other		–	0.1
Total		0.1	0.3

In the prior year, a credit of €0.2 million was recognised relating to interest previously accrued on the balance of warehoused payroll tax liabilities, which had not been paid. The Irish Revenue Commissioners had announced that the applicable interest rate on these liabilities would be reduced to 0%, resulting in the write-off of any previously accrued interest.

9. Tax

	Notes	2025 €m	2024 €m
Corporation tax:			
Current year charge		0.3	0.3
Origination and reversal of temporary differences	13	1.1	1.7
Total		1.4	2.0

Corporation tax is calculated at 12.5% (2024: 12.5%) of the taxable profit for the year. The Irish 12.5% corporation tax rate has been used as this is the rate at which most of the Group's profits are taxed. Tax for other jurisdictions is calculated at the rates prevailing in the respective jurisdictions. The corporation tax charge that arises relates primarily to international operations where tax losses from our Irish operations cannot be utilised.

The charge for the year can be reconciled to the Consolidated Income Statement as follows:

	2025 €m	2024 €m
Profit before tax on continuing operations	8.4	11.1
Tax at the Irish corporation tax rate of 12.5% (2024: 12.5%)	1.0	1.4
Effects of:		
Tax effect of expenses that are not deductible in determining taxable profit	–	0.5
Tax effect of losses utilised	(0.3)	(0.4)
Tax effect of losses and excess management expenses carried forward	0.1	–
Tax effect of income taxed at different rates	0.1	–
Depreciation and amortisation (less) than capital allowances	(0.8)	(1.3)
Effect of different tax rates of subsidiaries operating in other jurisdictions	0.2	0.1
Net Movement of deferred tax asset (note 13)	1.1	1.7
Total	1.4	2.0

Tax effect of expenses that are not deductible in determining taxable profit was €45k in the current year (2024: €0.5 million). In the current year, such expenses comprised of exceptional items and share based payment expenses, which were largely offset by increased development labour capitalised. In the prior year tax, non-deductible expenses primarily related to share-based payment expenses and the impairment of an investment in an associate.

Depreciation and amortisation (less) than capital allowances decreased to €0.8 million (2024: €1.3 million), reflecting reduced utilisation of capital allowances on intangible assets carried forward, consistent with the timing of taxable profits in the year.

10. Earnings Per Share

Basic earnings per share is computed by dividing the profit for the year after tax available to ordinary shareholders by the weighted average number of ordinary shares outstanding during the year.

	2025	2024
Profit for the year (€m)	7.0	9.1
Weighted average number of shares in issue (m)	125.4	124.5
Basic earnings per share (euro cent)	5.63	7.28

Diluted earnings per share is computed by adjusting the weighted average number of ordinary shares in issue to assume conversion of all potential dilutive ordinary shares. Share options and share awards (note 24) are the Company's only potential dilutive ordinary shares.

Notes to the Group Financial Statements continued

10. Earnings Per Share continued

	2025	2024
Weighted average number of ordinary shares in issue (m)	125.4	124.5
Effect of dilutive potential ordinary shares:		
Share options (m)	4.3	4.9
Weighted average number of ordinary shares for the purpose of diluted earnings per share (m)	129.7	129.4
	2025	2024
Profit for the year (€m)	7.0	9.1
Weighted average number of ordinary shares for the purpose of diluted earnings per share (m)	129.7	129.4
Diluted earnings per share (euro cent)	5.44	7.01

11. Intangible Assets

The table below shows the movements in intangible assets for the year:

	Goodwill €m	Domain and Trade Names €m	Technology €m	Affiliate and Customer Contracts €m	Capitalised Development Costs €m	Total €m
Cost						
Balance at 01 January 2024	47.2	214.8	14.1	5.5	30.9	312.5
Additions	–	–	–	–	5.5	5.5
Balance at 31 December 2024	47.2	214.8	14.1	5.5	36.4	318.0
Acquisition of subsidiary	2.1	0.6	6.2	0.5	–	9.4
Additions	–	–	–	–	7.6	7.6
Balance at 31 December 2025	49.3	215.4	20.3	6.0	44.0	335.0
Accumulated amortisation and impairment loss						
Balance at 01 January 2024	(29.4)	(173.9)	(14.1)	(5.5)	(23.1)	(246.0)
Charge for year	–	(4.9)	–	–	(3.6)	(8.5)
Balance at 31 December 2024	(29.4)	(178.8)	(14.1)	(5.5)	(26.7)	(254.5)
Charge for year	–	(3.9)	(0.2)	–	(4.9)	(9.0)
Balance at 31 December 2025	(29.4)	(182.7)	(14.3)	(5.5)	(31.6)	(263.5)
Carrying amount						
At 31 December 2024	17.8	36.0	–	–	9.7	63.5
At 31 December 2025	19.9	32.7	6.0	0.5	12.4	71.5

Capitalised Development Costs

Additions to capitalised development costs during the year comprised internal staff costs of €5.5 million (2024: €3.7 million) and other internally generated additions of €2.1 million (2024: €1.8 million). Development costs have been capitalised in accordance with IAS 38 Intangible Assets and, for dividend purposes, are not treated as a realised loss.

The carrying value of capitalised development costs at 31 December 2025 was €12.4 million (2024: €9.7 million). The useful life of development costs varies by project, ranging from 2–5 years. An annual impairment review is performed to ensure that the expected economic benefits of each project are being realised. Steps involved within the impairment review include consideration of whether the project remains aligned to the Group's strategic objectives and roadmaps,

assessment of actual performance of the related product or functionality compared to original forecasts, review of key performance indicators (e.g. booking volumes, conversion rates, customer engagement metrics or cost efficiencies achieved, as applicable), consideration of technological obsolescence, platform changes or replacement initiatives and assessment of any changes in the competitive, regulatory or economic environment that may adversely affect expected future benefits. Where indicators of impairment are identified, the recoverable amount is determined as the higher of value in use and fair value less costs of disposal. No impairment indicators were identified in the current or the prior year, and no impairment losses were recognised.

Goodwill

The carrying value of goodwill at 31 December 2025 was €19.9 million (2024: €17.8 million), relating primarily to the Group's investment in Hostelworld in 2009. Goodwill has an indefinite useful life and is subject to annual impairment testing or more frequent testing if indicators of impairment arise. Following impairment testing on the Group's investment in Hostelworld, based on the assumptions described below, no impairment was recognised in 2025 or 2024. Additions of €2.1m relate to the acquisition of OccasionGenius Inc., with further detail is set out below.

Other Intangible Assets

The carrying value of the Group's domain and trade names, technology assets, and affiliate and customer contracts at 31 December 2025 was €39.2 million (2024: €36.0 million). Additions of €7.3 million relate to the acquisition of OccasionGenius Inc.

Cash Generating Units ("CGUs"):

Goodwill and other intangible assets are allocated to two CGUs:

Hostelworld CGU – comprising goodwill, intellectual property, trademarks, domains, apps, and the back-end property management system and technology used by hostels. This CGU reflects the Group's primary trading brand, where investment and marketing are concentrated.

OccasionGenius Inc. CGU – comprising goodwill and intangible assets relating to technology, customer contracts, and the trade name acquired in 2025.

Goodwill arising on the acquisition of OccasionGenius Inc. of €2.1 million has been allocated between the Hostelworld CGU (€1.4 million) and the OG CGU (€0.7 million). This allocation reflects the CGUs expected to benefit from the synergies of the acquisition, including enhanced booking volumes, revenue growth opportunities, workforce and technology integration. The allocation was performed based on the relative forecast cash flows of the benefiting CGUs and is consistent with the level at which management monitors goodwill for internal management purposes.

Value in Use – Hostelworld CGU:

The recoverable amount of the goodwill and intellectual property allocated to the Hostelworld CGU are determined based on a value in use basis. The key assumptions for calculating value in use of the CGU are discount rates, growth rates and cash flows as described below. All three assumptions are based on the Group's budgeting and forecasting process which we describe in detail.

Current Year Discount Rate Applied:

	2025	2024
Pre-tax discount rate	15.99%	16.68%
Post-tax discount rate	12.1%	12.90%

Discount rates are based on the Group's weighted average cost of capital ("WACC"), calculated using the Capital Asset Pricing Model adjusted for the Group's beta and size premium. Post-tax cash flows are discounted using post-tax rates, applying the Irish corporation tax rate of 12.5%. The year-on-year decrease reflects a reduction in the equity risk premium.

Notes to the Group Financial Statements continued

11. Intangible Assets continued

Cash Flows:

The cash flow projections are based on our Board approved 2026 budget and two-year outlook, and further two years of management projections described previously and is consistent with the forecasts used for the Group's review of deferred tax recoverability, going concern and viability assessments.

Cash flow projections reflect historical performance, core strategic initiatives, and future trends, including platform modernisation and improving OTA competitiveness. Capital expenditure requirements and working capital movements are included. Climate-related risks are considered in line with the Group's accounting policies.

Growth Rates:

Growth rates applied to the Board approved 2026 budget and two-year outlook, and further two years of management projections range from 3% to 7% (2024: 7% to 14%). A terminal growth rate of 2% (2024: 2%) has been applied, in line with the long-term industry average.

Sensitivity Analysis:

Sensitivity testing was performed on key assumptions, including: a 5% increase in the discount rate, a 10% decline in revenue in each year, and nil terminal growth. No impairment arose under these scenarios. Sensitivities were tested in isolation and in combination; significant headroom exists. Post-tax discount rates would need to increase by 22.3% to trigger an impairment, a scenario considered highly unlikely.

Fair Value Less Costs of Disposal – OccasionGenius Inc. CGU:

The recoverable amount of the goodwill and intangible assets comprising the OccasionGenius Inc. CGU has been determined based on fair value less costs of disposal. The valuation incorporates significant unobservable inputs, including forecast revenues, adjusted EBITDA margins and discount rates, and is therefore categorised as Level 3 within the IFRS 13 fair value hierarchy. The forecast period used in the discounted cash flow model is nine years, reflecting the expected period over which the business will be integrated and mature.

Key assumptions:

The key assumptions considered in calculating this fair value are revenue growth rates, adjusted EBITDA margins, and the discount rate. Revenue projections and adjusted EBITDA margins are forecasted with reference to historical performance, strategic initiatives, and future trends. Revenue growth rates applied range from over 200% in year 1, reflecting the integration of OccasionGenius Inc. into Hostelworld, gradually normalising to 2% over the forecast period. Adjusted EBITDA margins range from 6% in the early years, reflecting significant investment in resources and marketing, increasing to 50% as the business matures.

The discount rate is based on the Company's weighted average cost of capital (WACC), calculated using the Capital Asset Pricing Model adjusted for the Company's beta and size premium. Post-tax cash flows are discounted using post-tax discount rates, applying a blended tax rate of 17% reflecting reflecting the expected geographic mix of future taxable profits.

Discount rate applied:

	2025	2024
Pre-tax discount rate	22.1%	n/a
Post-tax discount rate	18.1%	n/a

Costs of disposal have been considered in the calculation of fair value less costs of disposal but are not material to the recoverable amount.

Sensitivity Analysis:

Sensitivity testing was performed on key assumptions, including: a 5% increase in the discount rate, a 10% decline in revenue in each year, and a 5% decline in adjusted EBITDA margins. No impairment arose under these scenarios.

12. Property, Plant and Equipment

The table below shows the movements in property, plant and equipment for the year:

	Right-of-use Assets (Leasehold Property) €m	Computer Equipment €m	Total €m
Cost			
Balance at 01 January 2024	1.4	0.4	1.8
Additions	0.5	0.1	0.6
Disposals	(1.2)	(0.1)	(1.3)
Balance at 31 December 2024	0.7	0.4	1.1
Additions	1.0	0.2	1.2
Disposals	(0.7)	–	(0.7)
Balance at 31 December 2025	1.0	0.6	1.6
Accumulated depreciation			
Balance at 01 January 2024	(0.8)	(0.2)	(1.0)
Charge for year	(0.5)	(0.1)	(0.6)
Disposals	0.9	0.1	1.0
Balance at 31 December 2024	(0.4)	(0.2)	(0.6)
Charge for year	(0.4)	(0.1)	(0.5)
Disposals	0.7	–	0.7
Balance at 31 December 2025	(0.1)	(0.3)	(0.4)
Carrying amount			
At 31 December 2024	0.3	0.2	0.5
At 31 December 2025	0.9	0.3	1.2

Right-of-use assets relate to the Group's lease commitments for office space in Ireland, Portugal, Australia, Thailand and China. Further detail is included in note 15. The average remaining lease term of leases entered at 31 December 2025 is 1.5 years (2024: less than one year).

Disposals in the current year relating to an exit of a lease agreement for the Dublin office as the Group moved location. Additions in the current year relate to new lease agreements entered in Dublin, Portugal, China, Thailand and Australia. The maturity analysis of lease liabilities is presented in note 15.

Notes to the Group Financial Statements continued

13. Deferred Tax

The following are the major deferred tax assets and liabilities recognised by the Group and movements thereon during the current and prior reporting year.

	Intangible Assets €m	Losses and Interest Relief €m	Total Deferred Tax Asset €m	Intangible assets acquired in a business combination €m	Total Deferred Tax Liability €m
At 01 January 2024	10.0	5.5	15.5	–	–
Charge to income statement	(1.3)	(0.4)	(1.7)	–	–
At 01 January 2024	8.7	5.1	13.8	–	–
Initial recognition on business combination	–	1.0	1.0	(1.2)	(1.2)
Charge to income statement	(0.8)	(0.3)	(1.1)	–	–
At 31 December 2025	7.9	5.8	13.7	(1.2)	(1.2)

Deferred tax assets primarily relate to the carry forward of unused tax losses and capital allowances. The recoverability of the deferred tax assets is considered a key area of estimation uncertainty with further detail set out in note 2.

In connection with the acquisition of OccasionGenius Inc., the Group recognised a deferred tax asset of €1.0 million (2024: €nil) in respect of historic US trading losses. These losses have no expiry date. The deferred tax asset has been recognised on the basis that it is probable that sufficient future taxable profits will be available in the relevant US tax jurisdiction against which the losses can be utilised. This assessment is consistent with the cash flow forecasts prepared as part of the purchase price allocation. The deferred tax asset has been measured using the applicable US corporate income tax rate of 25%.

In the current year, the Group also recognised a deferred tax liability of €1.2 million arising on the acquisition of OccasionGenius Inc. The liability relates to temporary differences recognised on the identifiable intangible assets recorded as part of the purchase price allocation.

The Groups deferred tax liability on lease commitments is not material to disclose.

The total tax charge in future periods will be affected by any changes to the applicable tax rates in force in jurisdictions in which the Group operates and other relevant changes in tax legislation.

14. Business Combinations

On 20 October 2025, the Group acquired 100% of the issued share capital of OccasionGenius Inc., a US-based B2B event discovery platform. The acquisition was completed for total cash consideration of \$12.0 million (€10.3 million), subsequently reduced to \$11.7 million (€10.1 million) following customary post-closing adjustments.

Included in the share purchase agreement is a holdback of €0.8 million in respect of potential claims or post-closing liabilities. This amount is payable in two equal instalments on the first and second anniversaries of the acquisition date, subject to the absence of unresolved claims. The holdback is fixed in nature and contains no contingent or performance-related features. The amount has been classified as purchase consideration. The notional value at which it has been recognised materially approximates its fair value.

In addition, the share purchase agreement includes an employment retention arrangement with the Chief Executive Officer amounting to €0.7 million. This amount is payable in two equal instalments on the first and second anniversaries of the acquisition date, subject to the CEO's continued employment and intended to support ongoing business stability. This amount has not been classified as purchase consideration and is recognised as an expense in the Consolidated Income Statement over the two-year service period, in accordance with IFRS.

	€m
Agreed purchase price	10.3
Employer retention arrangement	(0.7)
Closing Adjustments	(0.3)
Total purchase consideration	9.3

The acquisition supports the Group's growth strategy as outlined at the Capital Markets Day in April 2025. It enhances the Group's social strategy by accelerating the development of its events capability through immediate access to structured global event data, enabling expansion from accommodation into events, strengthening community engagement, and supporting the Group's broader social monetisation strategy.

Goodwill arising on acquisition reflects the value of the assembled workforce and the expected synergies from increased growth in social members, bookings and social network revenues, together with the anticipated expansion of OccasionGenius Inc.'s existing revenues beyond its current customer base. The goodwill recognised is not expected to be deductible for tax purposes.

	€m
Cash paid	8.5
Add: provision for holdback of proceeds	0.8
Total purchase consideration	9.3
Less: fair value of net assets acquired	(7.2)
Goodwill	2.1

The table below presents the provisional fair values of the identifiable assets acquired and liabilities assumed at the acquisition date.

	Notes	€m
Intangible assets – Technology	11	6.2
Intangible assets – Customer contracts	11	0.5
Intangible assets – Trade name	11	0.6
Cash and cash equivalents	17	0.2
Trade and other receivables	16	0.1
Deferred tax asset	13	1.0
Accruals and other payables	21	(0.2)
Deferred tax liability	13	(1.2)
Fair value of net assets acquired		7.2

The deferred tax liability recognised on acquisition arises from taxable temporary differences associated with the identifiable intangible assets recognised as part of the purchase price allocation. A blended tax rate of 17% has been applied, reflecting the expected geographic mix of future taxable profits, which are anticipated to be subject to corporate income tax at 25% in the United States and 12.5% in Ireland.

The deferred tax asset recognised relates to tax losses held by OccasionGenius Inc., which are available to offset against future taxable profits in the United States. The deferred tax asset has been measured using the applicable US corporate income tax rate of 25%.

The acquired technology intangible asset was valued using the multi-period excess earnings method and is being amortised over a useful life of eight years. Customer contracts were valued using an adjusted discounted cash flow approach and are being amortised over a useful life of five years. The acquired trade name was valued using a relief-from-royalty method and is being amortised over a useful life of five years.

From the acquisition date to the reporting date, OccasionGenius Inc. contributed revenue of €0.2 million and a loss of €0.1m. Had the acquisition occurred on 01 January 2025, Group revenue and Group profit for the year ended 31 December 2025 would have been €94.8 million and €7.3 million, respectively.

Notes to the Group Financial Statements continued

15. Lease Liabilities

Lease liabilities relate to the Group's lease commitments for office space in Ireland, Portugal, Australia, Thailand and China.

The movement in the Group's right-of-use assets relating to additions and disposals during the period is set out in note 12. The movement in the Group's lease liabilities during the period is as follows:

	2025 €m	2024 €m
Opening lease liability	0.3	0.6
Additions	1.1	0.5
Disposals	–	(0.3)
Payments	(0.5)	(0.5)
Closing lease liability	0.9	0.3

Total cash outflows for lease payments, including related foreign exchange differences, amounted to €0.5 million (2024: €0.5 million). Lease liabilities are settled according to defined payment schedules, and based on cash flow forecasts, the Group does not anticipate any significant liquidity risk. Lease interest expense is immaterial to separately disclosed.

The Group has used the following practical expedients permitted by the standard on transition and at each reporting date – the use of a single discount rate to a portfolio of leases with reasonably similar characteristics, the accounting for operating leases with a remaining lease term of less than 12 months as short-term leases and the use of hindsight in determining the lease term where the contract contains options to extend or terminate the lease.

At 31 December 2025, the Group is not committed to any short-term leases (2024: €nil).

The maturity analysis of these lease liabilities is as follows:

	2025 €m	2024 €m
Maturity analysis		
Within one year	0.4	0.3
Between one and five years	0.5	–
Total	0.9	0.3

Amounts recognised in Consolidated Income Statement:

	2025 €m	2024 €m
Depreciation expense on right-of-use assets	0.4	0.5
Total	0.4	0.5

These liabilities are classified in the Consolidated Statement of Financial Position as:

	2025 €m	2024 €m
Non-current lease liabilities	0.5	–
Current lease liabilities	0.4	0.3
Total	0.9	0.3

16. Trade and Other Receivables

	2025 €m	2024 €m
Amounts falling due within one year		
Trade receivables	0.5	1.2
Prepayments and other receivables	2.1	1.8
Value added tax	1.6	1.5
Total	4.2	4.5

The carrying value of trade and other receivables is considered to approximate their fair value due to their short-term nature. Trade receivables are non-interest bearing, with an average collection period of 4 days (2024: 4 days), and primarily relate to amounts due from the Group's payment processing agents, payable within 5 days.

The Group recognises lifetime expected credit losses ("ECLs") for aged trade receivables using a provision matrix based on historical experience, adjusted for debtor-specific factors, macroeconomic conditions, outstanding debt volumes, and, where relevant, the time value of money. ECLs for the current and prior year were immaterial (<€0.1 million) and are not separately disclosed.

Value added tax is an amount recoverable from the Irish Revenue Commissioners, relating to vat recoverable on services paid to vendors.

17. Cash and Cash Equivalents

	2025 €m	2024 €m
Current assets		
Cash and cash equivalents	12.2	8.2
Total	12.2	8.2

Balance of cash and cash equivalents comprise of cash and short-term bank deposits only.

18. Share Capital

	No of shares of €0.01 each (thousands)	Ordinary shares €m	Share premium €m	Total €m
At 31 December 2024	124,990	1.3	14.4	15.7
Share issue – RSU	2,288	–	–	–
Cancellation of own shares – share buyback	(3,062)	(0.1)	–	(0.1)
At 31 December 2025	124,216	1.2	14.4	15.6

The Group has one class of ordinary shares, which carry no right to fixed income. All shares are allotted, called up, fully paid, and listed on the London Stock Exchange and Euronext Dublin. Share capital is represented by the share capital of the parent company, Hostelworld Group plc.

During the year, 2,287,540 shares were issued on 1 May 2025 to satisfy RSU 2022 awards at €0.01 per share, with a total value of €23k.

On 19 June 2025, the Group announced a share buyback programme in line with its capital allocation framework. By 31 December 2025, 3,061,809 shares had been repurchased at a cost of €4.5 million and cancelled in accordance with the programme. The total nominal value of ordinary shares repurchased and subsequently cancelled is €31k.

Shares repurchased by the Company are recognised as treasury shares, until they are cancelled. At 31 December 2025 no treasury shares were held and all shares purchased during the period had been cancelled. Treasury shares do not carry voting rights and are not entitled to dividends. The share repurchase programme was executed on the Company's behalf by an independent third-party broker under an irrevocable, non-discretionary agreement. Shares were acquired on the open market and settled in cash.

Notes to the Group Financial Statements continued

19. Other Reserves

The analysis of movement in reserves is shown in the Statement of Changes in Equity.

Reconciliation and movement of amounts included in other reserves are set out below:

	Foreign Currency Translation Reserve €m	Capital Redemption Reserve €m	Share-based Payment Reserve €m	Total Other Reserves €m
Balance at 01 January 2024	–	–	2.9	2.9
Transfer of exercised and expired share-based awards	–	–	(1.7)	(1.7)
Credit to equity for equity settled share-based payments	–	–	1.8	1.8
Balance at 31 December 2024	–	–	3.0	3.0
Transfer of exercised and expired share-based awards	–	–	(2.2)	(2.2)
Credit to equity for equity settled share-based payments	–	–	1.5	1.5
Cancellation of own shares – share buyback	–	0.1	–	0.1
Balance at 31 December 2025	–	0.1	2.3	2.4

Foreign Currency Translation Reserve

The foreign currency reserve reflects the foreign exchange gains and losses arising from the translation of the Group's net investment in foreign operations. Exchange differences on translation of foreign operations amounted to a loss of €29k for the current year (2024: gain of €12k) which is not considered material for disclosure above.

Share-based Payment Reserve

The share-based payment reserve reflects the equity settled share-based payment plans in operation by the Group (note 24).

Capital Redemption Reserve

Other reserves include a Capital Redemption Reserve of €31k (2024: €nil), created in accordance with the Companies Act 2006 following the redemption of shares during 2025. The reserve represents an amount equal to the nominal value of the shares redeemed out of distributable profits and is non-distributable.

20. Warehoused Payroll Taxes

	2025 €m	2024 €m
Opening balance	6.2	9.6
Repayments made	(2.7)	(3.2)
Finance costs (unwind)	–	(0.2)
Closing balance	3.5	6.2

The Group participated in the Irish Revenue tax warehousing scheme, deferring employer taxes arising from February 2021 to March 2022. The total warehoused liability at 31 December 2025 was €3.5 million (2024: €6.2 million). An initial 15% payment was made in May 2024, with subsequent monthly payments of €0.2 million over a three-year period to April 2027. The liability is classified between current and non-current in line with the repayment schedule. In the prior year, accrued finance costs were released following confirmation from the Irish Revenue Commissioners that no interest would be charged on the facility.

	2025 €m	2024 €m
Non-current liability	0.8	3.5
Current liability	2.7	2.7
Total	3.5	6.2

21. Trade and Other Payables

	Notes	2025 €m	2024 €m
Current liabilities			
Trade payables		3.7	4.1
Accruals and other payables		5.0	5.2
Customer provisions		0.1	0.1
Holdback provision	14	0.9	–
Deferred revenue		3.2	3.5
Payroll taxes (non-warehoused)		0.7	0.7
Total		13.6	13.6

The Group's average credit period for trade payables is 18 days (2024: 21 days). The Directors consider the carrying amount of trade and other payables to approximate their fair value.

Customer provisions of €0.1 million (2024: €0.1 million) relate to vouchers and incentives for future bookings, reflecting the expected value of redemption. The provision is based on the probability of customer usage and has not been discounted, as it is not material.

At 31 December 2025, deferred revenue comprised €3.1 million for free cancellation bookings (2024: €3.2 million), €0.1 million for featured listings (2024: €0.2 million), and €nil for *Roamies* (2024: €0.1 million).

Unpaid pension contributions are included within accruals and other payables and are not material to disclose separately.

Movement in deferred revenue relating to free cancellation bookings:

	2025 €m	2024 €m
Opening balance	3.2	3.4
Revenue deferred during year	54.8	56.9
Revenue recognised during year	(41.9)	(43.7)
Amount reversed during year relating to cancellations	(13.0)	(13.4)
Closing balance	3.1	3.2

22. Borrowings

	2025 €m	2024 €m
Opening balance	–	10.2
Drawdown	10.3	–
Repayments	–	(10.3)
Transaction costs	(0.1)	–
Finance costs	0.1	0.4
Finance interest paid	–	(0.3)
Total	10.3	–

On 20 October 2025, the Group entered into a three-year facility with Allied Irish Banks, plc ("AIB"), comprising a €10.3 million term loan drawn to fund the acquisition of OccasionGenius Inc. The term loan bears interest at a fixed margin of 2.2% over EURIBOR. Transaction costs of €0.1 million incurred in connection with the debt facility have been capitalised and are being amortised over the term of the facility.

Notes to the Group Financial Statements continued

22. Borrowings continued

The new debt facility has two covenants included.

1. Cashflow Cover – defined as the ratio of Cashflow to Debt Service for the relevant period. This ratio must not be less than 1.2:1.
2. Adjusted Leverage – defined as the ratio of Net Debt as at the last day of the relevant period to Adjusted EBITDA for that period. This ratio must not exceed 3.0:1.

The initial covenant testing period is the twelve months ending 30 June 2026. Thereafter, the covenants are tested on a rolling twelve-month basis, with each testing date falling on or around the last day of each financial half-year. The Group monitors compliance with these covenants on an ongoing basis through its forecasting and budgeting processes. At the reporting date, the Directors are satisfied that the Group is expected to remain in compliance with its covenant requirements for the foreseeable future.

During the prior year, the Group repaid in full its existing three-year term loan with AIB (€1.7 million in 2023 and €8.3 million in 2024) and a €7.5 million revolving credit facility (€5.5 million in 2023 and €2.0 million in 2024). At the date of repayment, all associated security and covenant requirements were released and no early repayment fees were incurred.

The Group continues to maintain an undrawn €2.5 million overdraft facility with AIB, which is retained for liquidity and operational flexibility.

Borrowings are classified in the Consolidated Statement of Financial Position as:

	2025 €m	2024 €m
Non-current borrowings	9.2	–
Current borrowings	1.1	–
Total	10.3	–

Change in liabilities arising from financing activities:

	Lease liabilities (note 15) €m	Borrowings €m	Total debt €m
At 01 January 2024	(0.6)	(10.2)	(10.8)
Financing cash flows	0.5	10.3	10.8
Interest paid (operating activities)	–	0.3	0.3
Other non-cash movements	(0.2)	(0.4)	(0.6)
Balance at 31 December 2024	(0.3)	–	(0.3)
Financing cash flows	0.5	(10.3)	(9.8)
Interest paid (operating activities)	–	–	–
Other non-cash movements	(1.1)	–	(1.1)
Balance at 31 December 2025	(0.9)	(10.3)	(11.2)

Other non-cash movements for lease liabilities in 2025 and 2024 relate to additions, disposals, lease interest, a modification and a lease term remeasurement. Other non-cash movements for borrowings in 2025 and 2024 relate to finance costs capitalised on the AIB term loan facility.

23. Contingencies

In the ordinary course of business, the Group may be subject to indirect taxes on its services in certain overseas jurisdictions. These matters are kept under ongoing review by the Directors and management. While the ultimate outcome remains uncertain, no provision has been recognised as the Directors consider it not probable that a material liability will arise.

24. Share-based Payments

During the year, the Group recognised a total expense of €1.5 million (2024: €1.8 million) in respect of equity-settled share-based payment arrangements, in the Consolidated Income Statement. Of this amount, €0.8 million (2024: €0.7 million) related to the Long-Term Incentive Plan (“LTIP”) and €0.7 million (2024: €1.1 million) related to the Group’s Restricted Share Unit (“RSU”) scheme. All share-based payment arrangements are accounted for as equity-settled under IFRS 2 Share-based Payment.

LTIP

The Group operates an LTIP for Executive Directors and selected members of senior management.

On 24 March 2025, the Group granted 1,564,735 nil-cost share options under LTIP 2025. These awards will vest on 23 March 2028, subject to the achievement of performance conditions based on adjusted earnings per share (“EPS”) and absolute total shareholder return (“TSR”) over a three-year performance period. In the prior year, on 03 May 2024, 1,909,075 nil cost options were granted as part of LTIP 2024. These options will vest on 02 May 2027 subject to meeting performance conditions of EPS performance and absolute total shareholder return TSR of the Group over a three-year period.

No LTIP grant vested in 2025, and the next vesting is expected in May 2027. In the prior year, LTIP 2021 vested at 100% in April 2024 with a total of 1,345,870 share awards. Vesting was contingent on the achievement of three performance conditions, all of which were met in full, relating to adjusted EBITDA over the three-year period from 2020 to 2023, Counter App sign-ups, and customer value to customer acquisition cost ratios.

If the conditions are met under the LTIP plans in place, the remaining awards will vest on the later of the third anniversary of the grant and the determination of the performance condition and will then remain exercisable until the seventh anniversary of the date of grant, provided the individual remains an employee or officer of the Group or is subject to good leaver provisions. Further detail of the above schemes are set out within the Remuneration Committee report on pages 133 to 154.

Details of the share options outstanding during the year are as follows:

	2025 No. of Share options	2024 No. of Share options
Outstanding at beginning of year	1,909,075	1,345,870
Granted during the year	1,564,735	1,909,075
Forfeited or expired during the year	(264,610)	–
Exercised during the year	–	(1,345,870)
Outstanding at the end of the year	3,209,200	1,909,075
Exercisable at the end of the year	–	–

All LTIP awards lapse if a participant ceases to be an employee or officer of the Group prior to vesting, unless good-leaver provisions apply. The exercise price of all LTIP awards is £nil.

Notes to the Group Financial Statements continued

24. Share-based Payments continued

The fair value of TSR-based awards is measured at the grant date using a Monte Carlo simulation model. Expected volatility is determined based on the market performance of the Company over the 36-month period prior to grant. Market-based performance conditions are reflected in the fair value at grant date, while non-market performance conditions are excluded from the valuation and are instead reflected through adjustments to the number of awards expected to vest.

LTIP valuation assumptions at grant date:

Year of Grant	2025	2024	2021
Year of potential vesting	2028	2027	2024
Number of share options granted	1,564,735	1,909,075	2,336,885
Share price at grant date	£1.28	£1.62	£1.00
Exercise price per share option	£nil	£nil	£nil
Expected life	3 years	3 years	3 years
Expected dividend yield	0%	0%	0%
Expected volatility of Company share price (TSR)	35.8%	40.2%	n/a
Risk free interest rate (TSR)	4.19%	3.84%	n/a
Weighted average fair value at grant date (TSR)	£0.60	£1.05	£1.00
Remaining weighted average life of options (years)	2.2	1.3	–

RSU

RSU awards are granted to senior employees, and vesting is conditional upon the participant remaining in the Group's employment at the vesting date and achieving satisfactory personal performance.

On 24 March 2025, the Group granted 528,353 RSU awards. Subject to the vesting conditions being met, 15% of each award vests on the first anniversary of the grant date, 30% on the second anniversary, and the remaining 50% on the third anniversary.

RSU awards granted in 2022 vested on 1 May 2025, resulting in the issue of 2,287,540 shares. A total of 2,342,720 awards were included in the prior year disclosure, with 55,180 awards forfeited due to employees leaving the Group between the reporting date and the vesting date.

RSU awards granted in 2023 vested on 1 February 2026, resulting in the issue of 565,794 shares. After the reporting date, 41,371 awards were forfeited as the relevant employees did not achieve satisfactory performance ratings.

	2025 No. of Share Options	2024 No. of Share Options
Outstanding at the beginning of the period	2,994,493	3,014,850
Granted during the year	528,353	–
Exercised during the year	(2,287,540)	–
Forfeited	(152,481)	(20,357)
Outstanding at the end of the period	1,082,825	2,994,493
Exercisable at the end of the period	607,165	2,342,720

At the grant date, the value per conditional award and the assumptions used in the calculations are as follows:

Year of Grant	2025	2023
Year of potential vesting	2028	2026
Number of share options granted	528,353	740,560
Share price at grant date	£1.28	£1.30
Exercise price per share option	£nil	£nil
Weighted average fair value of awards granted	£1.28	£1.30
Expected life	3 years	3 years
Remaining weighted average life of options (years)	2.2	0.1

25. Related Party Transactions

Balances and transactions between the Company and its subsidiaries, which are related parties, have been eliminated on consolidation and are not disclosed in this note.

Directors' Remuneration

	2025 €m	2024 €m
Salaries, fees, bonuses and benefits in kind	1.2	1.6
Amounts receivable under long-term incentive schemes	0.3	0.2
Other remuneration	0.1	0.4
Pension contributions	0.1	0.1
Total	1.7	2.3

Retirement benefit charges arise from pension payments relating to two Executive Directors (2024: 2). Other remuneration of €0.1 million (2024: €0.4 million) relates to share-based payment expense in respect of the RSU scheme operated in 2022.

Key Management Personnel

The Group's key management comprise the Board of Directors and senior management having authority and responsibility for planning, directing and controlling the activities of the Group.

	2025 €m	2024 €m
Short term benefits	3.1	3.5
Share-based payments charge	0.8	1.0
Post-employment benefits	0.2	0.1
Total	4.1	4.6

Notes to the Group Financial Statements continued

26. Subsidiaries and Associates

Subsidiaries

The following is a list of the Company's current investments in subsidiaries. There was one new subsidiary added during 2025 as Hostelworld.com Limited acquired OccasionGenius Inc. on 20 October 2025. All subsidiaries have the same reporting date as the Company being 31 December.

Company	Ownership Interest/Holding	Nature of Business	Registered Office
Hostelworld.com Limited	100%	Technology trading company	8 Harcourt Street Dublin D02 AF58 Ireland
Hostelworld Management Services Limited	100%	Management services company	8 Harcourt Street Dublin D02 AF58 Ireland
Hostelworld Services Portugal LDA	100%	Marketing and research and development services company	Rua Ant3nio Nicolau D'Almeid 45, 5 Floor 4100-320 Oporto Portugal
Hostelworld Business Consulting (Shanghai) Co., Limited	100%	Business information consulting and marketing planning	Unit 311, Block 1, Hostelworld Group Asia Office No.425 Yanping Road Jing'an District Shanghai China
Hostelworld Services Limited	100%	Marketing services and technology trading company	One Chamberlain Square Birmingham B3 3AX United Kingdom
OccasionGenius Inc.	100%	Technology trading company	601 N 23rd Street, Richmond, Virginia 23223 United States

Associates

At 31 December 2025, the carrying amount of the Group's investment in associates was €nil (2024: €nil). The investment is not considered individually material to the Group. The Group's share of their loss recognised in the Consolidated Income Statement for the year was €nil (2024: €0.1 million profit). The Group sold its investment in Goki Pty Limited on 24 February 2026 for nominal consideration.

Company	Ownership Interest/Holding	Nature of Business	Registered Office
Goki Pty Limited	31.5%	Technology company	17 Terrace Road, Dulwich Hill, Sydney, NSW 2203, Australia

The Group accounts for its investment in Goki Pty Limited using the equity method.

In the prior year, the Group recognised an impairment charge of €1.2 million, reducing the carrying value of the investment to nil. The impairment was driven by a significant deterioration in Goki's sales pipeline following COVID-19 and increased competitive pressures within its market. At 31 December 2025, the Group assessed whether there were indicators that the impairment should be reversed. Based on Goki's 2025 trading performance where Goki was loss making and updated financial projections for 2026, management concluded that the recoverable amount of the investment does not exceed its carrying amount. Accordingly, no impairment reversal has been recognised in the current year.

27. Financial Risk Management

The Group's activities expose it to a variety of financial risks, including liquidity risk, credit risk, foreign exchange risk and interest rate risk. The Directors manage the Group's capital to ensure the Group can continue as a going concern while maximising returns to shareholders. Financial risks are monitored centrally and reviewed regularly by the Board.

Liquidity Risk

Liquidity risk is the risk that the Group will be unable to meet its financial obligations as they fall due. The Group manages liquidity risk through the preparation and review of rolling cash flow forecasts to ensure that sufficient liquidity is maintained to meet operational requirements and comply with covenant obligations. Forecasts take account of anticipated cash flows, committed capital expenditure and the Group's debt financing arrangements.

On 20 October 2025, the Group entered a three-year term loan facility with AIB for €10.3 million to fund the acquisition of OccasionGenius Inc. In the prior year, the Group repaid its legacy COVID-19 external bank debt facility, as refinanced in 2023 with AIB, in full.

The Group's policy is to maintain sufficient long-term funding to meet its obligations as they fall due and to ensure compliance with all covenants. Liquidity risk is managed centrally and is reviewed regularly by the Board. The Directors consider the Group's liquidity risk to be low.

The table below summarises the contractual undiscounted cash flows of the Group's financial liabilities by remaining maturity at the reporting date. The Group had no material derivative financial liabilities in the current or prior year.

	2025 €m	2024 €m
Up to 1 year		
Borrowings	1.1	-
Trade and other payables	13.3	12.9
Lease liabilities	0.4	0.3
Total up to 1 year	14.8	13.2
Between 2 and 4 years		
Borrowings	10.4	-
Lease liabilities	0.5	-
Total between 2 and 4 years	10.9	-
Total	25.7	13.2

Interest Rate Risk

Interest rate risk is the risk that movements in market interest rates will adversely affect the Group's cash flows. The Group's exposure to interest rate risk arises from borrowings under its AIB facilities.

Under the current AIB term loan, the Group has fixed the EURIBOR rate at 2.219%, thereby mitigating exposure to increases in market interest rates.

Sensitivity analysis has been performed to assess the impact on profit before tax of a 1% increase or decrease in interest rates, with all other variables held constant. The impact in both the current and prior year was assessed to be less than €0.1 million and is not considered material.

Notes to the Group Financial Statements continued

27. Financial Risk Management continued

Credit Risk and Foreign Exchange Risk

Credit risk is the risk of financial loss to the Group arising from a counterparty's failure to meet its contractual obligations. The Group's exposure to credit risk primarily relates to trade receivables, other receivables, and cash and cash equivalents.

Trade receivables mainly comprise VAT receivable balances from Irish hostels and amounts due from the Group's payment processing agents, which typically settle within three to five days. Accordingly, the Directors consider the associated credit risk to be low. Receivables are denominated primarily in euro, US dollars and sterling and are settled within a short timeframe, limiting foreign exchange exposure.

The ageing analysis of trade and other receivables at 31 December 2025 and 31 December 2024 is set out below:

	Not Past Due €m	Past Due €m	Total €m
Trade Receivables			
31 December 2025	0.5	–	0.5
31 December 2024	1.1	0.1	1.2
Other Receivables (exclude prepayments)			
31 December 2025	0.5	–	0.5
31 December 2024	0.4	–	0.4
Value Added Tax			
31 December 2025	1.6	–	1.6
31 December 2024	1.5	–	1.5

Past due is defined as amounts that have not been received by the agreed-upon date per the terms of agreement.

In accordance with IFRS 9, the Group applies the simplified approach to the impairment of trade and other receivables and recognises lifetime ECLs at each reporting date. ECLs are measured using a provision matrix based on historical loss experience, adjusted for forward-looking factors, including macroeconomic conditions such as inflation and cost-of-living pressures. The balances above are presented net of impairment allowances.

Other receivables include amounts due from the Irish Revenue Commissioners in respect of an R&D tax credit, payable in line with an agreed timetable and not subject to further performance conditions.

At 31 December 2025 and 31 December 2024, all material cash balances were held with financial institutions with a minimum credit rating of BBB-. Accordingly, the credit risk associated with cash and cash equivalents is considered low. The carrying values of trade receivables, trade payables and cash and cash equivalents approximate their fair values. The Group does not enter into derivative or other financial instruments for speculative purposes.

Capital Management

For the purposes of capital management, the Group defines capital as long-term borrowings (note 22) and equity (note 18). The Directors' objectives are to safeguard the Group's ability to continue as a going concern, provide sustainable returns to shareholders and maintain an optimal capital structure that minimises the cost of capital.

To manage its capital structure, the Group may adjust dividend payments, return capital to shareholders, issue new shares or dispose of assets. The Group aims to retain sufficient reserves to meet day-to-day operating and capital expenditure requirements while ensuring appropriate distributions to shareholders.

28. Dividends

Amounts recognised as distributions to equity holders in the financial year:

	2025 €m	2024 €m
Interim 2025 dividend of 0.82 € cent per share (paid 19 September 2025)	1.0	–
Total	1.0	–

In accordance with the Group's dividend policy, on 25 March 2026, the Directors approved a final dividend of 1.58 € cent per ordinary share. This brings the total dividend for the year ended 31 December 2025 (2024: nil) to 2.4 € cent per ordinary share.

The proposed final dividend amounts to approximately €3.0 million and is subject to shareholder approval at the Company's Annual General Meeting. If approved, the final dividend will be paid on 12 May 2026 to shareholders on the register at the close of business on 17 April 2026. The shares will be marked ex-dividend on 16 April 2026.

All future cash dividend payments will be subject to the Group continuing to generate a profit after tax, the Group's cash position, any restrictions in the Group's banking facilities and compliance with Companies Act 2006 requirements regarding ensuring sufficiency of distributable reserves at the time of paying the dividend.

29. Parent Company Exemption

The Company has taken advantage of the exemption provided under section 408 of the Companies Act 2006 not to publish its individual income statement and related notes.

30. Events After the Balance Sheet Date

On 25 March 2026, the Directors approved a final dividend of 1.58 € cent per ordinary share. This brings the total dividend for the year ended 31 December 2025 (2024: nil) to 2.40 € cent per ordinary share. The proposed final dividend amounts to approximately €3.0 million and is subject to shareholder approval at the Company's Annual General Meeting.

In accordance with IAS 10 Events after the Reporting Period, the proposed final dividend has not been recognised as a liability in the consolidated financial statements at 31 December 2025.

There have been no other significant events, outside the ordinary course of business, affecting the Company since 31 December 2025.

Company Financial Statements

Company Statement of Financial Position

as at 31 December 2025

	Notes	2025 €m	2024 €m
Non-current assets			
Investments	34	53.1	51.6
Trade and other receivables	35	107.3	113.8
		160.4	165.4
Current assets			
Trade and other receivables	35	0.3	0.3
Cash and cash equivalents		0.2	0.2
		0.5	0.5
Total assets		160.9	165.9
Equity			
Share capital	18	1.2	1.3
Share premium account	18	14.4	14.4
Other reserves		2.4	3.0
Retained earnings		142.3	146.0
Total equity attributable to equity holders of the parent		160.3	164.7
Current liabilities			
Trade and other payables	36	0.6	1.2
Total liabilities		0.6	1.2
Total equity and liabilities		160.9	165.9

The Company reported a loss for the financial year ended 31 December 2025 of €0.4 million (2024: loss of €0.7 million).

The financial statements of Hostelworld Group plc were approved by the Board of Directors and authorised for issue on 25 March 2026 and signed on its behalf by:

Gary Morrison

Chief Executive Officer

Caroline Sherry

Chief Financial Officer

Hostelworld Group plc registration number 9818705 (England and Wales)

Company Statement of Changes In Equity

for the year ended 31 December 2025

	Share capital €m	Share premium account €m	Treasury shares €m	Retained earnings €m	Other reserves €m	Total €m
As at 01 January 2024	1.3	14.4	–	145.0	2.9	163.6
Total comprehensive loss for the year	–	–	–	(0.7)	–	(0.7)
Issue of shares	–	–	–	–	–	–
Transfer of exercised and expired share option awards	–	–	–	1.7	(1.7)	–
Credit to equity for equity settled share-based payments	–	–	–	–	1.8	1.8
As at 31 December 2024	1.3	14.4	–	146.0	3.0	164.7
Total comprehensive loss for the year	–	–	–	(0.4)	–	(0.4)
Purchase of own shares – share buyback	–	–	(4.5)	–	–	(4.5)
Cancellation of own shares – share buyback	(0.1)	–	4.5	(4.5)	0.1	–
Dividend paid	–	–	–	(1.0)	–	(1.0)
Transfer of exercised and expired share option awards	–	–	–	2.2	(2.2)	–
Credit to equity for equity settled share-based payments	–	–	–	–	1.5	1.5
As at 31 December 2025	1.2	14.4	–	142.3	2.4	160.3

Notes to the Company Financial Statements

for the Year Ended 31 December 2025

31. Material Accounting Policies

The material accounting policies adopted by the Company are as follows:

Basis of Preparation

The separate financial statements of Hostelworld Group plc (the “Company”) are presented as required by the Companies Act 2006. The Company meets the definition of a qualifying entity under FRS 100 Application of Financial Reporting Requirements issued by the Financial Reporting Council (“FRC”). Accordingly, these financial statements have been prepared in accordance with FRS 101 Reduced Disclosure Framework as issued by the FRC.

As permitted by FRS 101, the Company has taken advantage of the disclosure exemptions available under that standard. In particular, the Company has not presented:

- a statement of cash flows;
- certain disclosures in respect of financial instruments;
- disclosures relating to fair value measurement;
- disclosures in respect of capital management;
- comparative information in respect of certain assets;
- disclosures in respect of standards not yet effective; and
- certain disclosures in respect of related party transactions.

Where required, equivalent disclosures are included in the consolidated financial statements of Hostelworld Group plc.

The financial statements have been prepared on the historical cost basis. The accounting policies set out below have been applied consistently to all periods presented. Significant accounting policies specifically applicable to the Company's individual financial statements, and which are not reflected in the accounting policies of the consolidated financial statements, are detailed below.

Going Concern

The Company is in a net asset position of €160.3 million at 31 December 2025 (2024: €164.7 million). The Company's principal assets comprise investments in, and amounts receivable from, subsidiary undertakings. The Directors have assessed the recoverability and carrying values of these assets and are satisfied that they are appropriately stated. Further information is set out in notes 34 and 35.

In assessing going concern, the Directors also considered the market capitalisation of Hostelworld Group plc, which is subject to fluctuations in share price. At 31 December 2025, the Company's market capitalisation was €177.9 million, exceeding net assets by €17.6 million (2024: €203.5 million, exceeding net assets by €38.8 million).

After making appropriate enquiries, the Directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future, being a period of at least 12 months from the date of approval of the financial statements. Accordingly, the Company's financial statements have been prepared on a going concern basis.

Investments in Subsidiaries

Investments in subsidiary undertakings are stated at cost less any allowance for impairment.

Financial Instruments

Financial assets and financial liabilities are recognised in the Company's Statement of Financial Position when the Company becomes a party to the contractual provisions of the instrument.

Financial assets and liabilities are initially measured at fair value plus transaction costs, except for those classified as fair value through profit or loss, which are initially measured at fair value. The fair value of financial assets and liabilities denominated in a foreign currency is determined in that foreign currency and translated at the spot rate at the end of the reporting period.

Financial Assets

Amounts due from subsidiary undertakings are stated initially at their fair value and subsequently at amortised cost, less any ECL. The Company recognises ECLs for amounts due from subsidiary undertakings estimated using a provision matrix based on the Company's historical credit loss experience, adjusted for factors that are specific to the debtors, general economic conditions, and an assessment of both the current as well as the forecast direction of conditions at the reporting date, including time value of money where appropriate.

If the credit risk on the financial instrument has not increased significantly since initial recognition, the Company measures the loss allowance for that financial instrument at an amount equal to 12-month ECL. 12-month ECL represents the portion of lifetime ECL that is expected to result from default events on a financial instrument that are possible within 12 months after the reporting date.

Dividends

Final dividends are recorded in the Group's financial statements in the period in which they are approved by the Company's shareholders. Interim dividends are recorded in the period in which they are paid.

Details of interim and final dividends are disclosed in note 28 to the consolidated financial statements.

Critical Accounting Judgements and Key Sources of Estimation Uncertainty

The preparation of financial statements in accordance with FRS 101 requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, income and expenses. Actual results may differ from these estimates. Estimates and assumptions are reviewed on an ongoing basis, with revisions recognised in the period in which they arise.

There were no critical accounting judgements applied in the preparation of the Company financial statements other than those involving estimation uncertainty. The key source of estimation uncertainty that could result in a material adjustment to the carrying amounts of assets and liabilities within the next financial year is set out below.

Recoverability of Amounts Due from Subsidiary Undertakings

Each year, the Directors assess the credit risk associated with amounts due from subsidiary undertakings and determine the level of ECL to be recognised. This assessment requires judgement, particularly in estimating future cash flows and economic conditions.

In the current year, the Directors considered the subsidiary's historical credit loss experience, adjusted for entity-specific factors and prevailing macroeconomic conditions. The assessment also incorporated both current and forward-looking information at the reporting date, including the time value of money where relevant.

At 31 December 2025, the carrying amount of amounts due from subsidiary undertakings was €107.3 million (2024: €113.8 million). Repayments of the loan are expected to be aligned with funding to support share repurchases on the market and dividend distributions by the parent company with a repayment plan in place through to 31 December 2035. The repayment profile is supported by cash flow projections derived from the Board-approved 2026 budget and two year outlook for 2027 and 2028, and management projections for 2029 and 2030. For the period from 2031 to 2035, cash flows are assumed to remain flat at the 2030 level.

Based on this assessment, the Directors concluded that the resulting ECL is not material, and no impairment has been recognised. Sensitivity analysis was performed to assess the impact of a 10% reduction in projected cash flows, which did not result in any impairment. Cash flows would need to decline by more than 15% in each projected year before the amounts due from subsidiary undertakings would not be fully recoverable. This analysis does not reflect any mitigating actions that management could take in response to a sustained decline in cash flows.

32. Loss for the Year

As permitted by s408 of the Companies Act 2006, the Company has elected not to present its own income statement or statement of comprehensive income for the year. The loss attributable to the Company is disclosed in the footnote to the Company's Statement of Financial Position.

The auditor's remuneration for the audit and other services is disclosed in note 4 to the consolidated financial statements.

Notes to the Company Financial Statements continued

33. Staff Costs

The average monthly number of full-time people employed by the Company (including Executive Directors) during the year was as follows:

	2025	2024
Average number of persons employed:		
Sales and enabling	–	1
Technical	–	1
Total	–	2

The aggregate remuneration costs of these employees is analysed as follows:

	2025 €m	2024 €m
Staff costs comprise:		
Wages and salaries	–	0.2
Social security costs	–	0.1
Pensions costs	–	–
Share option charge	–	0.3
Development labour	–	(0.1)
Total	–	0.5

Nil staff costs in the current year reflecting the transfer of all employees to another Group entity with effect from 1 April 2024. As a result, the Company no longer incurs employee-related costs.

34. Investments

The carrying value of the Company's subsidiaries at 31 December 2025 is as follows:

	2025 €m	2024 €m
At 01 January	51.6	49.6
Additions	1.5	2.0
At 31 December	53.1	51.6

The Company's subsidiaries are disclosed in note 26.

Additions during the year relate to capital contributions arising from the recognition of share-based payment expenses in respect of employees of Group entities of €1.5 million (2024: €2.0 million).

In 2025, management performed an impairment review of investments in subsidiaries and concluded that no impairment was required (2024: €nil). The recoverable amount of each investment was assessed using value-in-use calculations based on cash flow projections derived from the Board approved 2026 budget, two-year outlook and further two years of management prepared projections.

35. Trade and Other Receivables

	2025 €m	2024 €m
Non-current assets		
Amount due from subsidiary undertakings	107.3	113.8
Total	107.3	113.8

The amount due from subsidiary undertakings arises primarily from a term loan advanced to Hostelworld.com Limited as part of the Group reorganisation in March 2019 and is measured at amortised cost. The Directors have assessed the credit risk associated with this balance and concluded that the ECL is immaterial. A repayment plan is in place to 31 December 2035, comprising staggered repayments subject to the subsidiary's cash generation, profitability and the funding requirements of Hostelworld Group plc, including dividend distributions and funding requirements associated with the Group's share buyback programme.

In assessing ECL, the Directors considered the subsidiary's historical credit loss experience, current and forward-looking economic conditions, and the time value of money, where relevant.

	2025 €m	2024 €m
Current assets		
Prepayments	0.2	0.2
Value added tax	0.1	0.1
Total	0.3	0.3

36. Trade and Other Payables

	2025 €m	2024 €m
Current liabilities		
Trade payables	0.1	0.1
Amounts due to subsidiary undertakings	0.1	0.7
Accruals	0.4	0.4
Total	0.6	1.2

Amount owed to related parties are repayable on demand. Amounts are interest free and unsecured.

37. Events After the Balance Sheet Date

On 25 March 2026, the Directors approved a final dividend of 1.58 € cent per ordinary share. This brings the total dividend for the year ended 31 December 2025 (2024: nil) to 2.40 € cent per ordinary share. The proposed final dividend amounts to approximately €3.0 million and is subject to shareholder approval at the Company's Annual General Meeting.

In accordance with IAS 10 Events after the Reporting Period, the proposed final dividend has not been recognised as a liability in the consolidated financial statements at 31 December 2025.

There have been no other significant events, outside the ordinary course of business, affecting the Company since 31 December 2025.



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Glossary of Alternative Performance Measures

In addition to IFRS measures, the Group uses certain alternative performance measures (“APMs”) to provide additional insight into underlying operational performance and cash generation. APMs are not a substitute for, or superior to, IFRS measures, but they help management and investors monitor the Group’s performance over time.

APM	Closest IFRS Measure	Definition/Purpose	Reconciliation/ Calculation
Adjusted EBITDA	Operating Profit	Earnings before interest, tax, depreciation, amortisation, share-based payment expenses, other income, impairment of associate, results of associates, and items classified by management as exceptional. Adjusted EBITDA excludes non-trading items to provide a clearer view of baseline operating profitability.	See note (a)
Adjusted EBITDA Margin	No direct equivalent	Adjusted EBITDA as a percentage of net revenue, providing insight into the Group’s ability to convert revenue into operating profit by removing items which do not impact underlying trading performance.	See note (a)
Adjusted Profit after Tax (“PAT”)	Profit After Tax	Profit excluding exceptional items, amortisation of acquired intangibles, share-based payment expenses, deferred tax, impairment of associate, and other income, as these items can have a large impact on the reported result in the year and can make underlying trends difficult to interpret. Used by management for performance assessment and to determine dividend capacity.	See note (b)
Adjusted Earnings per Share (“EPS”)	Basic Earnings Per Share	Adjusted PAT divided by the weighted average number of shares. Reflects underlying profitability per above explanation. Adjusted EPS is a metric included in the Executive Director and Senior Management remuneration for the current and prior year LTIP plan being struck.	See note (b)
Dividend per Share	No direct equivalent	Total dividends declared in respect of the financial year divided by the weighted average number of ordinary shares in issue during the year (excluding shares held in treasury, where applicable). The Board uses Dividend per Share to communicate returns to shareholders.	See note (c)
Adjusted Free Cashflow (“FCF”)	Net Cash from Operating Activities	Cash generated from operations adjusted for capital expenditure, intangible investments, lease payments, exceptional cash items, and other items impacting cash flow which do not relate to core trading activity. Measure used by group management and external readers, including investors, to assess the amount of cash the Group is generating from its trade and assess cash available for debt repayment, dividends, share repurchases, and acquisitions.	See note (d)
Adjusted FCF Conversion	No direct equivalent	Adjusted free cash flow divided by Adjusted EBITDA. As above, adjusted free cash flow conversion is a measure which group management and external readers including investors can use to measure the Group’s ability to convert Adjusted EBITDA into free cash flow.	See note (d)
Net Cash/Debt	Total Borrowings and Cash and Cash Equivalents	Total debt (including warehoused and external borrowings) less cash and cash equivalents. Used to monitor leverage and liquidity which assists in management’s assessment of financial stability and strategic decision making.	See note (e)
Market Capitalisation	No direct equivalent	Number of shares in issue multiplied by share price. Market capitalisation is the markets assessment of the value of a Company. Market capitalisation is used by the Group’s management as a factor in considering if there is any impairment to the Group or Company Balance Sheet.	See note (f)

APM	Closest IFRS Measure	Definition/Purpose	Reconciliation/ Calculation
Net Gross Merchandise Value (“GMV”) and Generated Revenue	Net Revenue	Net GMV represents total booking value/total transaction value less cancellations. Net GMV is utilised by the Group’s management to demonstrate the total value of transactions executed through our platform i.e. 100% of the booking value. Generated revenue represents bookings net of cancellations, excluding refunds, chargebacks, vouchers, deferred revenue, and ancillary income. Generated revenue is used by Group and external readers including investors to identify total revenue earned, excluding any accounting adjustments.	See note (g)
Net Average Booking Value (“ABV”)	No direct equivalent	Net ABV represents the average value paid by a customer for a net booking calculated as generated revenue divided by total net bookings.	See note (g)
Direct Marketing Costs as a % of Generated Revenue	No direct equivalent	Direct marketing costs as a percentage of generated revenue is an APM which looks at the efficiency of marketing spend relative to revenue from booking. This APM is used by the Group’s management to identify how efficient the Groups marketing channels are.	See note (h)
Net Margin	Operating Profit	Net margin is an APM which is calculated by deducting direct costs from generated revenue. Direct costs are comprised of direct marketing costs and credit card and other processing fees. Provides insight into trading profitability before overheads and other operating expenses.	See note (i)

Note on rounding: Figures are rounded to the nearest €m, and small differences may occur in calculations; sufficient detail is provided for transparency.

Glossary of Alternative Performance Measures continued

Note (a) Adjusted EBITDA and Adjusted EBITDA Margin

	2025 €m	2024 €m
Operating profit	8.4	11.3
Depreciation	0.5	0.6
Amortisation of development costs	4.9	3.6
Amortisation of acquired intangible assets	4.1	4.9
Tax credit	(0.8)	(0.2)
Other income	–	(1.3)
Impairment of investment in associate	–	1.2
Share of result of associate	–	(0.1)
Exceptional items	1.3	–
Share based payment expense	1.5	1.8
Adjusted EBITDA	19.9	21.8

Tax credits included in note 4 total €0.8 million (2024: €0.2 million) relates to amortisation of development costs.

Calculation of Adjusted EBITDA margin:

	2025 €m	2024 €m
Adjusted EBITDA	19.9	21.8
Net revenue	93.8	92.0
Adjusted EBITDA Margin %	21%	24%

Note (b) Adjusted Profit After Tax (Adjusted PAT) and Adjusted EPS

Reconciliation between Profit for the year and Adjusted PAT:

	2025 €m	2024 €m
Profit for the year	7.0	9.1
Exceptional items	1.3	–
Amortisation of acquired intangible assets	4.1	4.9
Share based payment expense	1.5	1.8
Deferred tax	1.1	1.7
Other income	–	(1.3)
Impairment of investment in associate	–	1.2
Adjusted PAT	15.0	17.4

	2025	2024
Adjusted profit after tax (€m)	15.0	17.4
Weighted average shares in issue ('m) (note 10 to financial statements)	125.4	124.5
Adjusted EPS (cent)	11.91	13.97

Note (c) Dividend per Share

	2025 €m	2024 €m
Interim Dividend (€m)	1.0	–
Final Dividend (€m)	2.0	–
Total dividend (€m)	3.0	–
Weighted average shares in issue ('m) (note 10 to financial statements)	125.4	–
Dividend per share (cent)	2.40	–

Note (d) Adjusted FCF and Adjusted FCF Conversion

	2025 €m	2024 €m
Opening Cash	8.2	7.5
Closing Cash	12.2	8.2
Net increase in cash and cash equivalents	4.0	0.7
Add back		
Repayment of debt warehoused	2.7	3.2
Repayment of borrowings	–	10.3
Proceeds from borrowings	(10.3)	–
Transaction costs capitalised	0.1	–
Repurchase of own shares – share buyback	4.5	
Payment for acquisition of subsidiary	8.3	–
Exceptional items	0.8	0.2
Adjusted FCF	10.1	14.4

Current year exceptional items relate to current year costs which have been paid in 2025. Prior year exceptional items relate to 2023 exceptional costs paid in 2024, accounted for as a creditor liability at 31 December 2023.

	2025 €m	2024 €m
Adjusted FCF	10.1	14.4
Adjusted EBITDA	19.9	21.8
Adjusted FCF conversion %	51%	66%

Reconciliation Between Adjusted FCF and Net Cash from Operating Activities for the Year:

	2025 €m	2024 €m
Adjusted FCF	10.1	14.4
Exceptional items	(0.8)	(0.2)
Lease liability payments	0.5	0.5
Acquisition/capitalisation of intangible assets	7.6	5.5
Purchases of property, plant and equipment	0.2	0.1
Dividend paid	1.0	–
Net cash from operating activities	18.6	20.3

Current year exceptional items relate to current year costs which have been paid in 2025. Prior year exceptional items relate to 2023 exceptional costs paid in 2024, accounted for as a creditor liability at 31 December 2023.

Glossary of Alternative Performance Measures continued

Note (e) Net Cash/(Debt)

	2025 €m	2024 €m
Cash and cash equivalents	12.2	8.2
Borrowings	(10.3)	–
Debt warehoused	(3.5)	(6.2)
Net (debt)/cash	(1.6)	2.0

Note (f) Market Capitalisation

	2025 €m	2024 €m
Share price (€ cent per share)	1.43	1.63
Ordinary shares in issue (m)	124.2	125.0
Market capitalisation (€m)	177.9	203.5

Note (g) Net Gross Merchandise Value (“GMV”), Net Average Booking Value (“ABV”) and Generated Revenue

Reconciliation between Net GMV and Generated Revenue to Net Revenue for the Year:

	2025 €m	2024 €m
Total deposit (100%):		
GMV	660.3	687.4
Cancellations	(80.7)	(88.3)
Net GMV	579.6	599.1
Hostelworld commission share:		
Gross revenue	106.8	105.0
Cancellations	(13.0)	(13.5)
Generated revenue	93.8	91.5
Deferred revenue movement	(0.3)	0.2
Refunds, chargebacks and cost of discounts and vouchers	(1.3)	(1.5)
Other revenue	0.2	0.3
Advertising income (featured listings)	1.4	2.0
Volume incentive rebates	–	(0.5)
Net revenue	93.8	92.0
	2025	2024
Generated revenue (€m)	93.8	91.5
Net bookings (#m)	7.0	6.9
Net ABV generated (€)	13.43	13.21

Note (h) Direct Marketing Costs as a % of Generated Revenue

Calculation of Direct Marketing Costs as a % of Generated Revenue:

	2025 €m	2024 €m
Direct marketing costs	45.3	42.5
Generated revenue	93.8	91.5
Direct marketing costs as a % of generated revenue	48%	46%

Note (i) Net margin

	2025 €m	2024 €m
Net revenue	93.8	92.0
Direct marketing costs	(45.3)	(42.5)
Credit card and other processing fees	(2.8)	(2.9)
Net margin	45.7	46.6

Reconciliation Between Net Margin and Operating Profit:

	2025 €m	2024 €m
Net margin	45.7	46.6
Other operating costs	(37.3)	(35.5)
Other income	–	1.3
Share of result of associate	–	0.1
Impairment in investment of associate	–	(1.2)
Operating profit	8.4	11.3

Other operating costs are total operating expenses excluding impairment as set out within note 4 to the financial statements. less items included in net margin calculation set out above relating to direct marketing costs and credit card and other processing fees.

Contact and Shareholder Information

Financial Calendar

Annual General Meeting ("AGM")	06 May 2026
Announcement of 2026 Interim Results	29 July 2026

Share Price

During the year ended 31 December 2025, the range of the market prices of the Company's ordinary shares on the London Stock Exchange was:

Price	£
Closing price at 31 December 2025	1.25
Highest closing price during the year	1.47
Lowest closing price during the year	1.07

Daily share price information and historical data can be obtained on the Company's website: www.hostelworldgroup.com/investors.

ISIN: GB00BYYN4225

LSE Ticker: HSW

Euronext Dublin Ticker: HSW

Dividends

For 2025, the Board approved the reinstatement of a dividend policy of 20%–40% of adjusted profit after tax.

Dividend	Amount (€ cent per share)	Payment Date
Interim	0.82	19 September 2025
Final (proposed) ⁽¹⁾	1.58	12 May 2026
Total	2.40	

⁽¹⁾ Subject to shareholder approval at the Annual General Meeting. If approved, the final dividend will be paid on 12 May 2026 to shareholders on the register at the close of business on 17 April 2026. The shares will be marked ex-dividend on 16 April 2026.

Shareholder’s Enquiries

All administrative enquiries relating to shareholdings (for example, notification of change of address, loss of share certificates, dividend payments) should be addressed to the Company’s registrars:

UK Registrar

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The Pavilions
Bridgewater Road
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BS99 6ZZ
United Kingdom
Tel: +44 370 707 1070

Email: web.queries@computershare.co.uk

Irish Registrar

Computershare Investor Services (Ireland) Ltd
3100 Lake Drive
Citywest Business Campus
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Company Secretary and Registered Office

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Email: corporate@hostelworld.com

Company Registration Number

9818705

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Definition of Hostelworld Terms

We use some Hostelworld lingo in our annual report and lots of acronyms. We created this appendix of terms to summarise what these mean.

Term	Brief Description
Net ABV	Net average booking value – the price a customer pays. Calculated as generated revenue/net bookings.
Adjusted FCF	Adjusted Free Cash Flow. Calculated as the movement in cash year on year adjusted for non-trading items such as capital expenditure, repayment of borrowings (not considered Business As Usual), capitalised development spend, acquisition and disposal of undertakings.
Administration Expenses	Relates to operating expenses of company excluding depreciation, amortisation and any impairment charges. Primarily driven by marketing expenses, staff costs, credit card processing fees, exceptional items, foreign exchange movements and other operating costs.
AGM	Annual General Meeting.
AI	Artificial Intelligence.
AIB plc	House bankers for Hostelworld Group. New debt facility agreed with AIB in October 2025 to fund the acquisition of OccasionGenius Inc.
Android	Operating system for mobile phones and tablets.
API	Application Program Interface. Describes an interface between two software systems such as hostels property management system and our inventory system.
APM	Alternative performance measures. Non-IFRS measures to monitor the performance of operations and of the Group as a whole.
BCP	Business Continuity Plan.
Bednights	Number of booked nights per stay.
Bureau Veritas	Certification body engaged by Hostelworld firstly in 2022, and again in 2023, to perform research on the carbon emissions of the hostelling sector.
CAC	Customer Acquisition Costs. Calculated as the direct marketing costs to acquire new customers expressed as a % of new customers acquired in the reporting period.
CAGR	Compound Annual Growth Rate, used in association with share option plans. TSR CAGR represents the compound annual growth rate of Total Shareholder Return over the measurement period, reflecting the average annual rate at which shareholder value (including share price appreciation and dividends reinvested) has grown. EPS CAGR represents the compound annual growth rate of Earnings per Share over the measurement period, reflecting the average annual rate of growth in earnings attributable to shareholders on a per share basis.
CDP	Carbon Disclosure Project. A not-for-profit charity that runs the global disclosure system for investors, companies, cities, states and regions to manage their environmental impacts.
CEO	Chief Executive Officer – Gary Morrison.
CFO	Chief Financial Officer – Caroline Sherry.
Chat	Social features initiative. Chat rooms that allow users to connect on our social network in advance or during their hostel stay.
CGUs	Cash Generating Units. Discussed in relation to valuation views of company assets.
Chair	Chair of the Board. Interim Chair – Carl G.Shepherd
CM	Channel Manager. A tool designed to help hostel owners effectively manage customer data, online inventory and price rates. It also allows them to simultaneously update their information across multiple platforms.
CPCs	Cost Per Clicks. Calculated as cost to an advertiser divided by number of clicks on a Hostelworld ad.
CRM	Customer Relationship Management.
Commission	This describes the % charged by Hostelworld on every booking that is processed. Standard commission rates are 15%.
Conference	Hostelworld holds hostel conferences allowing our hostels to come together to network and learn from each other.

Term	Brief Description
Conversion	Percentage of searches vs bookings.
Cookies	Cookies are small text files that are stored on a user’s computer or mobile device that are used to store or gather information (such as remembering log-on details so a user does not have to re-enter them when revisiting a website or opening an app) and market to customers.
CTR	Click Through Rate.
Culture Code	The Hostelworld Culture Code captures the essence of what makes us ‘us’. Our Culture Code will help us stay true to what makes us special as a Group while scaling our impact.
Customers	From a revenue perspective, our customers are the hostels and accommodation providers hosted on our website and applications. Revenue is derived from technology, data processing and service fees we charge these properties. We can also reference customers as those who engage with our product – they are the travellers who make hostel bookings and use our social applications.
Deferred Revenue	Relates to revenue which cannot be recognised until a future date. Under the terms of our free cancellation product, a customer can cancel at no penalty until a particular date (usually 1 day out from arrival) and receive a full refund. In this circumstance, Hostelworld has collected the cash but does not recognise the revenue until the last cancellation date has passed. Other products which have a small balance of deferred revenue relate to featured listings and Roamies.
Demand	Search per unique customer.
Direct Margin	Calculated as net generated revenue (bookings less cancellations) less direct marketing costs.
Direct Marketing Costs	Paid direct marketing costs, primarily driven by online search. Excludes operating marketing costs such as brand marketing and CRM support which isn’t directly revenue generating.
Domestic Bookings	Bookings where the IP address of customer making the booking matches destination country of hostel.
DPO	Data Protection Officer.
DTR	Within our Governance section to the annual report, we disclose statutory information in accordance with the Disclosure Guidance and Transparency Rules sourcebook (“DTRs”).
EAP	Employee Assistance Programme offered to our employees. See people section of the Annual Report.
EBITDA	Earnings Before Interest, Tax, Depreciation and Amortisation and excluding exceptional and non-cash items.
ECL	Expected Credit Loss. Provision matrix based on the Group’s historical credit loss experience, adjusted for factors that are specific to debtor recoverability.
Elevate	Elevate programme provided hostels an opportunity to increase their prominence in search lists dynamically in exchange for a higher commission rate of up to 10% above the relevant base commission rate.
ELT	Executive Leadership Team.
Employees	Headcount employed by the Group including Executive Directors. Employees excluded from our employee count Non-Executive Directors, any contractors or those employed by an employer of record.
EPS	Earnings per share.
ESG	Environmental Social and Governance – our ESG team lead our sustainability agenda.
Exceptional Items	Exceptional items by their nature and size can make interpretation of the underlying trends in the business more difficult.
Existing Customers	Count of customers who have made their 2nd or subsequent bookings with Hostelworld in a specific period.
Experiential Travel	A form of tourism in which people focus on experiencing a country, city or particular place by actively and meaningfully engaging with its history, people, culture, food and environment.
Featured Listing	Paid advertising from hostels - paid positions at the top of a search page.
FCF	Free Cash Flow.
FRC	Financial Reporting Council – UK Regulatory body.
Free channels	Booking channels which have very minimal or no cost associated with them e.g navigating directly to our website, app bookings, SEO, CRM email bookings.
FTSE SmallCap Index	The Financial Times Stock Exchange SmallCap Index.

Definition of Hostelworld Terms continued

We use some Hostelworld lingo in our annual report and lots of acronyms. We created this appendix of terms to summarise what these mean.

Term	Brief Description
GBR	Gross Booking Revenue. Our commission amount collected from hostels – excludes any cancellations.
Gen Z	Generation Z. A person born between the 1997 and 2012.
Generated Revenue	Gross booking revenue minus impact of cancellations.
GDPR	General Data Protection Regulation.
GHG	Greenhouse Gas (used in context of emissions produced by Hostelworld).
GITCs	General Information Technology Controls – in place to underpin and secure our technology environment.
GMT	Global Markets Team – team that deal day to day with supply (hostels) in Hostelworld.
GMV	Gross Merchandise Value. Gross total transaction value of bookings on our platform on which commission is charged.
Goki	Goki PTY Limited. Associate investment made by Hostelworld.
Gross/Net	Gross implies that the impact of cancelled bookings is not included. Net bookings are gross bookings minus the impact of cancelled bookings.
Gross Bookings	Count of bookings made in a specific period before cancellations.
GSTC	Global Sustainable Tourism Council establishes and manages global standards for sustainable travel and tourism. The GSTC criteria form the Foundation Accreditation for Certification Bodies that certify accommodations as having sustainable policies and practices in place.
Hangouts	Social features initiative. Hangout status introduced in 2024 on social app, which allows users to explicitly signal their openness to meet fellow travellers.
HOSCARS	Annual hostel awards operated by Hostelworld. A celebration for the hostels that have done incredible things, in extraordinary circumstances voted for by travellers.
IFRS	International Financial Reporting Standard.
IE&D	Inclusion, Engagement & Diversity (IE&D).
Investors in Diversity	Framework to govern diversity practices and culture, an Irish based equality accreditation group.
iOS	Operating system used for mobile devices manufactured by Apple Inc.
kWh	kilowatt-hours.
LGBTQ+	Lesbian, Gay, Bisexual, Transgender, Queer/Questioning and a plus to signify all of the gender identities and sexual orientations that are not specifically covered by the other initials (such as pansexual).
Linkups	Social features initiative. Allows hostels to set up their own group events for others to join. Linkups are not a service provided by the Group to hostels in connections with accommodation inventory, and accordingly, are not included in our contract with hostels for IT and data processing services.
Listing Rules	The Transparency Directive and Listing Rules.
LTIP	Long Term Incentive Plan. Type of share option grant which has been used in Hostelworld, where employees receive shares instead of cash on successful vesting.
LTV/CLV	Lifetime Value or Customer Lifetime Value. The total net generated revenue we can expect to earn from a customer during their booking lifetime with Hostelworld based on statistical modelling.
Long Haul Bookings	Bookings where the IP address of the customer making the booking at continent level does not match destination continent or country of hostel.
Market Share	This represents the portion or share of the properties business based on either bednights or revenue generated in a given period. It is calculated taking the properties total revenue and dividing it by the “total” revenue or bednights.
Marketing as % of revenue	Calculated as direct marketing costs expressed as a % of generated revenue (Gross revenue less cancellations).
Millennial	A person born between 1981 and 1996.
Net Bookings	Gross bookings minus cancelled bookings in a reporting period.
Net Revenue	Calculated as gross revenue less cancellations, deferred revenue, rebates and accounting adjustments

Term	Brief Description
NED	Non-Executive Director relating to independent Directors appointed to Board.
Net Cash/Debt	Calculated as debt (bank debt and warehoused payroll taxes) less cash and equivalents.
Net GMV	Net Gross Merchant Value. Gross transaction value of bookings on our platform less cancellations (relates to Hostelworld commission and hostel share).
Net Margin	Equates to net revenue less marketing costs and credit card fees.
New Customers	Count of customers who have made their first booking with Hostelworld in a specific period.
New Customer Revenue	Net generated revenue associated with new customers in the reporting period.
NCS	Net Competitive Score. This is a % score given to a property based on how much exclusivity we have in terms of inventory and rate when compared to other key OTAs. A positive NCS shows that the property is giving us better rates or inventory. A negative NCS shows that a property is giving other OTAs better rates or inventory.
NPS	Net Promoter Score is a metric that measures customer loyalty and the likelihood of guests recommending their platform, typically using post-stay surveys.
OccasionGenius Inc.	New acquisition in October 2025 of a US-based B2B event discovery platform for \$12 million. This partnership allows customers to discover, book, and experience events alongside accommodation, enhancing trip inspiration and engagement.
Occupancy	This describes the % of available beds in a hostel that have been sold.
OECD	Organisation for Economic Co-operation and Development.
OTA	Online Travel Agent.
Over Tourism	The impact of tourism on a destination, or parts thereof, that excessively influences perceived quality of life of citizens and/or quality of visitor’s experiences in a negative way.
Opex/Operating Expenses	Operational Expenditure – relates to total administration expenses plus depreciation, amortisation and impairments.
Paid Marketing and Paid channels.	Paid marketing channels through which a customer makes a booking on our platform e.g. Google ad channels and affiliate partnerships.
PAX	Total number of travellers.
Platform Modernisation	Significant project undertaken in Hostelworld in recent years to update legacy technology platforms and infrastructure in place, completed in 2025.
PMS	Property Management System. A Property Management System is a software used to control, organise and execute a hostel/hotel's daily operations such as online check-in/check-out, managing reservations and guest communication.
Public Profile	Social features initiative. User profiles allow users to display their name, age, country they are from, pronouns and some information about themselves on their profile.
PWA	Progressive Web Application – a website that feels just like our apps.
R&D Tax Credit	The Research and Development tax credit in Ireland incentivises companies to invest in research and development by offering a tax credit or cash for a portion of the R&D expenditure incurred, subject to certain conditions being met.
Return Customer Revenue	Net generated revenue associated with returning customers in the reporting period.
RNS	Regulatory News Services made on the London Stock Exchange.
‘Roamies’	A hostel focused adventure tour product run in partnership with G Adventures.
RSU	Restricted Share Option. Type of share option grant which has been used in Hostelworld, where employees receive shares instead of cash on successful vesting.
SARs	Stock Appreciation Rights.
SEO	Search Engine Optimisation.
Short Haul Bookings	Bookings where the IP address used by the customer making the booking at continent level matches the destination continent for hostel.
Social Members	Eligible customers who opt-in to be members of the Hostelworld social network.

Definition of Hostelworld Terms continued

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Term	Brief Description
Social Network	A type of online social media platform which people use to build social networks or social relationships with other people who share similar personal or career content, interests, activities, backgrounds or real-life connections. The Hostelworld Social Network allows customers to connect with other travellers.
Social Passes	Hostelworld's Social Pass is a premium, app-based subscription that allows travellers to connect with the Hostelworld app community and access chat groups, events, and traveller profiles without requiring a hostel booking. Available for 1 week to 1 year, it enables users to find friends, join activities, and see who is nearby. New revenue stream launched Q4 2025.
Sort Order	This describes the city pages on Hostelworld and the position of a hostel on that page.
South Pole	Partner engaged to assess and validate carbon emissions and make quality climate contributions on behalf of Hostelworld. South Pole awarded Hostelworld with their sustainability label over the last four years. South Pole, recognised by the World Economic Forum's Schwab Foundation, is a leading climate solutions provider and carbon project expert. Website: www.southpole.com
'Staircase to Sustainability' Programme	Developed specifically for hostels, the Staircase to Sustainability is a bespoke framework to help hostels review, compare and communicate their sustainability efforts to customers and other stakeholders across four different levels. As hostels progress on their sustainability journeys, they have the opportunity to progress or move up the staircase. Built in line with the Global Sustainability Tourism Council (GSTC)'s criteria, the framework allows hostels to be assessed against four pillars Sustainability management, Socio- Economic, Cultural Impact and Environmental Impact.
Taking Climate Action	South Poles sustainability label. To receive this an organisation needs to measure their material Scope 1, Scope 2 and Scope 3 emissions associated with their operations in line with GHG protocol, set a reduction target aligned with near-term science-based target requirements, finance climate action equivalent for any residual emissions through certified climate action credits, and disclosure of all details transparently.
TCFD	Taskforce for Climate-related Financial Disclosures. Sustainability disclosures are prepared in accordance with the TCFD framework.
tCO ₂ e	Tonnes (t) of carbon dioxide (CO ₂) equivalent (e).
Total Bednights	Equates to the sum of total passengers (see below) x average number of nights per passenger.
Total Passengers	Total number of guests associated with net bookings on our platform in a specific period.
Total Stayed Bednights	Total bednights, adjusted for no-shows.
Third Party Inventory	3PI – New revenue stream launched with test bookings in December 2025, partnering with a third-party provider Booking.com. Not material to date and will impact 2026 annual report.
Trading Margin	Net generated revenue, less paid marketing costs.
TSR	Total Shareholder Return.
TTV	Total Transaction Value. Total revenue made by the property including the commission charged and balance due to the hostel.
Unique Customers	Count of unique customers who have made a booking in a specific period.
ViDA	VAT in the Digital Age. Set of regulations introduced by the EU Commission to update the current VAT system to adapt it for the digital age.
Warehoused Payroll Taxes	Warehousing of tax debt by Irish Revenue Commissioners aimed at assisting businesses who experienced cash-flow and trading difficulties during the COVID-19 pandemic.
30% Club Ireland	The 30% Club is a campaign group of business chairpersons and CEOs taking action to increase gender diversity on boards and senior management teams, supported by Hostelworld. It was established in the United Kingdom in 2010 by Helena Morrissey with the aim of achieving a minimum of 30% female representation on the boards of FTSE 100 companies.



Wild Rover, Cusco, Peru

