

Travel & Hospitality: Maximising deal outcomes

June 2026





Our Focus Today

A Summary

- 1 | Market Overview
- 2 | Buyer Appetite
- 3 | Valuation Approach
- 4 | What Buyers Look For
- 5 | Importance of Deal Structure
- 6 | What Buyers Pay For
- 7 | Preparing for Sale

Travel and hospitality remain attractive, but buyers are more selective

Why appetite remains

- **Demand resilience**
 - ✓ Consumers continue to prioritise travel and experiences
- **Strategic interest**
 - ✓ Buyers are looking for scale, platforms and quality locations
- **Growth potential**
 - ✓ Repositioning, pricing and operational upside remain attractive

Why buyers are selective

- **Margin pressure**
 - ✓ Inflation, wages and energy costs remain key concerns
- **Cash scrutiny**
 - ✓ Buyers are focused on working capital and cash conversion
- **Execution risk**
 - ✓ Capex, leases, regulation and owner dependency matter

Buyer appetite remains, but premium valuations require quality, clarity and confidence

Buyer appetite varies significantly depending on asset class, quality and risk

Asset class	Current buyer appetite	Key considerations
Hotels and resorts	Strong for quality assets	Location, trading performance, capex, brand and repositioning potential
Luxury / lifestyle hospitality	Strong	Pricing power, customer base, brand strength and international appeal
Travel agencies	Selective	Branch performance, customer loyalty, supplier terms and margin sustainability
Tour Operators	Selective to strong	Product differentiation, forward bookings, repeat business, working capital and regulatory position
OTAs / travel technology	Strong if scalable	Platform quality, customer acquisition cost, data, repeat usage, gross margins and AI implementation
B2B travel (DMCs)	Mixed	Contract quality, customer concentration and dependency on specific markets

There is no single travel and hospitality market – buyers are assessing each asset class through different lenses



Valuation usually involved triangulating between earnings, assets and strategic value



1. Income approach

- Based on forecast future cashflows
- Best where growth and cash visibility are clear
- Often used for repositioning or expansion cases



2. EBITDA multiple approach

- Applies a multiple to maintainable EBITDA
- Common for trading businesses
- Requires clean normalised earnings



3. Property / asset based

- Focuses on underlying property asset value
- Particularly relevant for hotels
- Often assessed alongside trading performance

Valuation is usually a mixture between earnings, underlying assets and the strategic value a buyer can unlock

Higher multiples are paid for lower-risk, higher-quality earnings

Supports Valuation

- Sustainable EBTIDA
- Strong cash conversion
- Repeat business
- Low owner dependence
- Clear growth opportunities
- Clean financial information

Structural risks

- Volatile trading
- Weak reporting
- High capex requirements
- High owner dependence
- Customer or supplier concentration
- Regulatory, tax or legal uncertainty

The multiple reflects buyer confidence in the quality and transferability of earnings

Deal structure is used to manage price, risk and timing

Share sale

Full transfer of company ownership

- Best where continuity of trade is important

Asset sale

Buyers acquire selected assets only

- Best for hotels, carve-outs or distressed scenarios

Contract transfer

Transfer of hotel operating rights

- Best where ownership and operation are separated

Deferred consideration

Part of price paid after completion

- Best where timing, funding or transition risk exists

Earn-out

Price linked to future performance

- Best where forecasts need to be proven

Retained equity

Seller keeps a minority stake

- Best where seller involvement or future upside is important

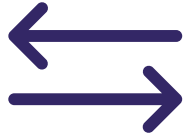
Deal structure can be as important as headline valuation

Buyers pay for clarity, quality and confidence



1. Quality of earnings

- Sustainable margins
- Forward visibility
- Clean financials



2. Transferability

- Management depth
- Scalable systems
- Low diligence risk



3. Growth potential

- Strong brand
- Credible growth story
- Strong opportunities

The best assets make it easy for buyers to understand the business and believe in the future value creation story

The best exits are prepared well in advance of going to market



1

Clean up financial information and normalise EBITDA

2

Build a credible financial forecast

3

Document key contracts and processes

4

Reduce owner dependency

5

Resolve issues early

6

Prepare a clear buyer story

You **must** prepare your business for sale

Thank you for listening!

If you have any questions, please feel free to ask!

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