

News Release

PEBBLEBROOK HOTEL TRUST COMPLETES SALE OF HOTEL ZOE FISHERMAN'S WHARF

BETHESDA, MD, NOVEMBER 15, 2023 – Pebblebrook Hotel Trust (NYSE: PEB) (the "Company") announced today that on November 14, 2023, it closed on the sale of the 221-room Hotel Zoe Fisherman's Wharf in San Francisco, California for \$68.5 million to a third party.

For the trailing twelve months ended September 30, 2023, the hotel's net loss was (\$1.2) million, its net operating income was \$2.2 million, and its earnings before interest, taxes, depreciation and amortization ("EBITDA") was \$2.7 million. The \$68.5 million sales price reflects a 25.0x EBITDA multiple and a 3.2% net operating income capitalization rate (assuming a capital reserve of 4.0% of total hotel revenues).

Year to date, the Company has completed \$300.8 million of property dispositions comprised of six property sales. The \$300.8 million aggregate sales proceeds reflect a combined 21.8x EBITDA multiple and a 3.8% net operating income capitalization rate (assuming a capital reserve of 4.0% of total hotel revenues) based on the trailing twelve-month performance prior to the completion of each respective sale, or the trailing twelve-month performance ended September 30, 2023 in the case of Hotel Zoe.

Proceeds from the sale of Hotel Zoe Fisherman's Wharf will be used for general corporate purposes, including reducing the Company's outstanding debt and repurchasing the Company's common and preferred shares.

About Pebblebrook Hotel Trust

Pebblebrook Hotel Trust (NYSE: PEB) is a publicly traded real estate investment trust ("REIT") and the largest owner of urban and resort lifestyle hotels in the United States. The Company owns 46 hotels, totaling approximately 12,000 guest rooms across 13 urban and resort markets. For more information, visit www.pebblebrookhotels.com and follow us at [@PebblebrookPEB](https://twitter.com/PebblebrookPEB).

This press release contains certain "forward-looking statements" made pursuant to the safe harbor provisions of the Private Securities Reform Act of 1995. Forward-looking statements are generally identifiable by the use of forward-looking terminology such as "estimated" and "will" or other similar words or expressions. Forward-looking statements are based on certain assumptions and can include future expectations, future plans and strategies, financial and operating projections and forecasts and other forward-looking information and estimates. The intended use of proceeds is a forward-looking statement. These forward-looking statements are subject to various risks and uncertainties, many of which are beyond the Company's control, which could cause actual results to differ materially from such statements. These risks and uncertainties include, but are not limited to, the state of the U.S. economy, the operating performance of our hotels and the supply of hotel properties, and other factors as are described in greater detail in the Company's filings with the Securities and Exchange Commission, including, without limitation, the Company's Annual Report on Form 10-K for the year ended December 31, 2022. Unless legally required, the Company disclaims any obligation to update any forward-looking statements, whether as a result of new information, future events or otherwise.

For further information about the Company's business and financial results, please refer to the "Management's Discussion and Analysis of Financial Condition and Results of Operations" and "Risk Factors" sections of the Company's SEC filings, including, but not limited to, its Annual Report on Form 10-K and Quarterly

Reports on Form 10-Q, copies of which may be obtained at the Investor Relations section of the Company's website at www.pebblebrookhotels.com.

All information in this press release is as of November 15, 2023. The Company undertakes no duty to update the statements in this press release to conform the statements to actual results or changes in the Company's expectations.

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For additional information or to receive press releases via email, please visit our website at
www.pebblebrookhotels.com

Pebblebrook Hotel Trust
Hotel Zoe Fisherman's Wharf
Reconciliation of Hotel Net Income to Hotel EBITDA and Hotel Net Operating Income
September 2023 Trailing Twelve Months
(Unaudited, in millions)

	Twelve Months Ended September 30, 2023
Hotel net income (loss)	(\$1.2)
Adjustment:	
Depreciation and amortization	3.9
Hotel EBITDA	<u>\$2.7</u>
Adjustment:	
Capital reserve	(0.5)
Hotel Net Operating Income	<u>\$2.2</u>

This press release includes certain non-GAAP financial measures as defined under Securities and Exchange Commission (SEC) rules. These measures are not in accordance with, or an alternative to, measures prepared in accordance with U.S. generally accepted accounting principles, or GAAP, and may be different from non-GAAP measures used by other companies. In addition, these non-GAAP measures are not based on any comprehensive set of accounting rules or principles. Non-GAAP measures have limitations in that they do not reflect all of the amounts associated with the hotel's results of operations determined in accordance with GAAP.

The Company has presented estimated trailing twelve-month hotel EBITDA and estimated trailing twelve-month hotel net operating income after capital reserves because it believes these measures provide investors and analysts with an understanding of the hotel-level operating performance. These non-GAAP measures do not represent amounts available for management's discretionary use, because of needed capital replacement or expansion, debt service obligations or other commitments and uncertainties, nor are they indicative of funds available to fund the Company's cash needs, including its ability to make distributions.

The Company's presentation of the hotel's estimated trailing twelve-month EBITDA and estimated trailing twelve-month net operating income after capital reserves should not be considered as an alternative to net income (computed in accordance with GAAP) as an indicator of the hotel's financial performance. The table above is a reconciliation of the hotel's estimated trailing twelve-month EBITDA and net operating income after capital reserves calculations to net income in accordance with GAAP. Any differences are a result of rounding.

Pebblebrook Hotel Trust
Historical Operating Data
(\$ in millions, except ADR and RevPAR)
(Unaudited)

Historical Operating Data:

	First Quarter 2019	Second Quarter 2019	Third Quarter 2019	Fourth Quarter 2019	Full Year 2019
Occupancy	74%	86%	86%	77%	81%
ADR	\$251	\$275	\$272	\$250	\$263
RevPAR	\$186	\$236	\$234	\$192	\$212
Hotel Revenues	\$295.8	\$377.0	\$374.0	\$320.3	\$1,367.1
Hotel EBITDA	\$74.9	\$133.4	\$127.2	\$85.5	\$420.9
Hotel EBITDA Margin	25.3%	35.4%	34.0%	26.7%	30.8%
	First Quarter 2022	Second Quarter 2022	Third Quarter 2022	Fourth Quarter 2022	Full Year 2022
Occupancy	49%	69%	73%	61%	63%
ADR	\$301	\$324	\$326	\$297	\$314
RevPAR	\$146	\$224	\$238	\$180	\$197
Hotel Revenues	\$230.3	\$362.8	\$383.9	\$305.5	\$1,282.6
Hotel EBITDA	\$46.7	\$124.6	\$122.0	\$63.3	\$356.6
Hotel EBITDA Margin	20.3%	34.3%	31.8%	20.7%	27.8%
	First Quarter 2023	Second Quarter 2023	Third Quarter 2023		
Occupancy	59%	73%	75%		
ADR	\$303	\$312	\$312		
RevPAR	\$177	\$229	\$235		
Hotel Revenues	\$291.6	\$373.7	\$384.4		
Hotel EBITDA	\$60.3	\$111.2	\$112.4		
Hotel EBITDA Margin	20.7%	29.8%	29.2%		

These historical hotel operating results include information for all of the hotels the Company owned as of November 14, 2023, (excluding LaPlaya Beach Club & Resort), following the sale of Hotel Zoe Fisherman's Wharf. These historical operating results include periods prior to the Company's ownership of the hotels. The information above does not reflect the Company's corporate general and administrative expense, interest expense, property acquisition costs, depreciation and amortization, taxes and other expenses. Any differences are a result of rounding.

The information above has not been audited and has been presented only for comparison purposes.