

3 June 2015

**Safestay plc ("Safestay" or the "Company")**

**Director Appointment**

Further to its announcement on 14 January 2015 that Philip Houghton had been appointed as its Chief Executive, Safestay (AIM: SSTY), the owner and operator of a luxury hostel brand, is pleased to announce that Philip joins the Board with immediate effect.

Prior to joining Safestay, Philip was a founding Director of Starboard Hotels, a private property and hospitality management company, which owns and operates hotels under franchise from both InterContinental Hotels Group (IHG) and Wyndham Hotel Group (WYN), and specialises in hotel and hostel development, ownership and operations. He successfully led the business through its start-up stage to an established and respected organisation within the hospitality sector. Previously, Philip held various roles at Allied Brewers plc, Bass plc and at Whitbread plc where he also consulted before taking on a similar role at Dixons Retail plc. Philip is an Honours graduate of the University of Strathclyde, has an MBA and is Chair of both STAYWYSE and WYSTC (associations charged with raising the profile of the global youth accommodation and youth travel sectors).

**Larry Lipman, Chairman of Safestay, said:** "I am delighted to announce that Philip has joined the Board following his appointment as Chief Executive in January. He has the ideal background and combination of skills necessary to strengthen the Company and I am looking forward to working with him in taking the Safestay brand to the next stage of its development."

- ENDS -

**For further information:**

**Safestay**

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Colin Stone, Finance Director

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Tim Robertson  
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Save for the information set out below, there are no further disclosures to be made in accordance with Rule 17, Schedule Two (g) of the AIM Rules for Companies in respect of the appointment of Philip James Houghton, aged 47. Philip holds options over 132,000 ordinary shares of 1p each in Safestay.

**Current directorships**

Hoax Hostels Limited (In Administration)<sup>1</sup>  
Redwood Hospitality Limited

**Previous directorships within the last 5 years**

Evolution Liverpool LLP  
Starboard Key Homes Management Limited  
Starboard Hotels Developments LLP  
Starboard Hotels Limited  
Starboard Hotels One LLP  
Starboard Hotels Two LLP  
Starboard Hotels Three LLP<sup>2</sup>  
Starboard Hotels Four LLP  
Starboard Hotels Five LLP  
Starboard Hotels Six LLP<sup>2</sup>  
Starboard Hotels Seven LLP<sup>2</sup>

<sup>1</sup>Philip is a director of Hoax Hostels Limited (In Administration) which was the operator of a hostel in Liverpool until November 2014 when the lender to the owner of the property from which the hostel operated called in its loan resulting in the company going into administration. Mr Houghton understands that the business has been sold and that the amount owing to unsecured creditors is approximately £1.0 million.

<sup>2</sup> Each of these companies was dissolved via creditors' voluntary winding-up whilst Philip was a director. In each case, there was no deficit to creditors at dissolution.

**About Safestay:**

- Safestay is a new brand of luxury hostel, designed to appeal to a broad range of guests. Known as a "boutique hostel" within the travel industry, it is aimed at providing safe, stylish accommodation which offers a more attractive alternative to both traditional hostels and budget hotel accommodation.
- Established in April 2011 as a joint venture between the Moorfield Funds and the Safeland Group, the Company then listed on AIM in May 2014, to widen the shareholder base and raise new equity to support the European roll-out of the Safestay brand.
- Today, the Group operates from three sites 2 in London and 1 in York and once refurbishments are complete will have c.1000 beds.
- The Group wishes to expand the business by the acquisition and development of further properties and create a branded hostel group known for providing safe and stylish, but relatively inexpensive accommodation.
- The current hostel market is undergoing substantial change, after years of little or no investment, the concept of staying in clean, safe, stylish rooms for an average of £20 has gained momentum and there is, in the opinion of the Directors, the potential for significant growth and sector consolidation