

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION.

If you are in any doubt as to the action you should take, you should consult your stockbroker, bank manager, solicitor, accountant or other financial adviser (being, (i) if you are resident in the United Kingdom, a financial adviser who is authorised under the Financial Services and Markets Act 2000, (ii) if you are resident in Ireland, an organisation or firm authorised or exempt under the Investment Intermediaries Act 1995 (as amended) of Ireland or an authorised investment firm within the meaning of the European Union (Markets in Financial Instruments) Regulations 2017 (as amended)) or (iii) if you are taking advice in a territory outside the United Kingdom or Ireland, another appropriately authorised independent professional adviser.

If you sell, transfer, have sold or otherwise have transferred all of your Shares, please send this document at once to the purchaser or transferee, or to the stockbroker, bank or other agent through whom the sale or transfer was effected for transmission to the purchaser or transferee. However, this document should not be forwarded, distributed or transmitted, in whole or in part, in or into any jurisdiction in which such act would constitute a violation of the relevant laws in such jurisdiction. If you sell, transfer, have sold or otherwise have transferred part only of your holding of Shares, please retain this document and contact immediately the bank, stockbroker or other agent through whom the sale or transfer was effected.

The release, publication or distribution of this document and any accompanying documents (in whole or in part) in, into or from jurisdictions other than the United Kingdom and Ireland, and the allotment and issue of the Bonus Issue Shares in jurisdictions other than the United Kingdom and Ireland, may be restricted by the laws of those jurisdictions and therefore persons outside the United Kingdom and Ireland into whose possession this document and/or any accompanying document comes should inform themselves about, and observe, any such restrictions. Any failure to comply with these restrictions may constitute a violation of the securities laws of any such jurisdiction.



HOSTELWORLD GROUP PLC

(a public limited company incorporated in England and Wales with registered number 09818705)

Proposed Bonus Issue of Shares

on the basis of one Bonus Issue Share for every 70.09 Shares held at the Bonus Issue Record Time

Circular to Shareholders

and

Notice of General Meeting

This document should be read as a whole and in conjunction with the Form of Proxy. Neither this document nor any of the accompanying documents constitute or are intended to constitute or form part of any offer, invitation or solicitation to purchase, otherwise acquire, subscribe for, sell, otherwise dispose of or issue any securities, or the solicitation of any vote or approval in connection with the Bonus Issue or otherwise, in any jurisdiction in which such offer, invitation or solicitation is unlawful. This document is not a prospectus.

Your attention is drawn to the letter from the Chairman of Hostelworld Group PLC in Part I – “*Letter from the Chairman*” which contains the unanimous recommendation of the Board that you vote in favour of the Resolution to be proposed at the General Meeting referred to below. Please read the whole of this document.

Notice of a General Meeting of Hostelworld Group PLC to be held at Floor 2, One Central Park, Leopardstown, Dublin 18, Ireland at 12 noon on 17 September 2020 (or any adjournment thereof) is set out at the end of this document.

In view of the restrictions introduced by the Irish Health Service Executive in response to COVID-19, in particular current Irish Health Service Executive advice on public gatherings and guidance on social distancing, it is intended that the General Meeting will be held with the minimum number of attendees to satisfy the requirements for a quorate meeting. The health and wellbeing of our Shareholders is of the utmost importance to Hostelworld. Shareholders are asked not to attend the General Meeting in person and, in the interests of safety, any attempted entry to the meeting will be refused. Shareholders are strongly encouraged instead to appoint the Chairman of the meeting as their proxy and provide voting instructions to the proxy in advance of the General Meeting. Further information is provided in paragraph 6 of Part I – “*Letter from the Chairman*” of this document.

The Irish Health Service Executive may change current restrictions and/or implement further measures relating to the holding of general meetings during the affected period. Hostelworld continues to closely monitor the situation and any necessary changes to the arrangements for the General Meeting will be communicated to Shareholders before the General Meeting through the Company’s website at www.hostelworldgroup.com and, where appropriate, by RIS announcement.

You are asked to complete, sign and return the Form of Proxy that accompanies this document (or appoint a proxy electronically, as referred to in this document) in accordance with the instructions printed thereon as soon as possible, but in any event so as to be received by the Registrar not later than 12 noon on 15 September 2020 (or, if the General Meeting is adjourned, not later than 48 hours before the time appointed for the adjourned meeting). If you hold Shares in CREST, you may appoint a proxy through the CREST electronic proxy appointment service. Details of the CREST electronic appointment method are found in Notes 9 to 12 of the Notice of General Meeting set out at the end of this document.

A copy of this document is and will be available for inspection on the Company’s website at www.hostelworldgroup.com from the time this document is published. For the avoidance of doubt, the content of any website referred to in this document is not incorporated into and does not form part of this document.

If you (i) have any questions about this document or the General Meeting, (ii) have received this document in electronic form and wish to request a hard copy of this document, or (iii) are in any doubt how to complete the Form of Proxy, please call Computershare between 8.30 a.m. and 5.30 p.m. (London time) Monday to Friday (except public holidays in England and Wales) on (00) 353 1 447 5566 Please note that calls may be monitored or recorded, and Computershare cannot provide legal, tax or financial advice or advice on the merits of the Bonus Issue.

Applications will be made by the Company to (i) the FCA for the Bonus Issue Shares to be admitted to the premium listing segment of the UK Official List and to the London Stock Exchange for the Bonus Issue Shares to be admitted to trading on its UK Main Market for listed securities and (ii) Euronext Dublin, for the Bonus Issue Shares to be admitted to the secondary listing segment of the Irish Official List and for the Bonus Issue Shares to be admitted to trading on the Irish Main Market. Following Admission, the Bonus Issue Shares will be issued as fully paid and will rank *pari passu* in all respects with the Shares in issue at the time the Bonus Issue Shares are issued, including the right to receive and retain in full all dividends or other distributions made, paid or declared in respect of the Shares by reference to a record date falling after the date of issue of the Bonus Issue Shares. No application has been made or is currently intended to be made by the Company for the Bonus Issue Shares to be admitted to listing or trading on any other exchange.

The contents of this document are not to be construed as legal, business or tax advice. Recipients of this document should consult their own lawyer, financial adviser or tax adviser for legal, financial or tax advice, as appropriate.

Certain terms used in this document are defined in Part II – “*Definitions*” of this document.

ADDITIONAL INFORMATION FOR US SHAREHOLDERS

The Bonus Issue Shares have not been and will not be registered under the US Securities Act or under the securities laws of any state or other jurisdiction of the United States and may not be offered or sold within the United States, except pursuant to an applicable exemption from, or in a transaction not subject to, the registration requirements of the US Securities Act and in compliance with any applicable securities laws of any state or other jurisdiction of the United States.

The Bonus Issue Shares have not been approved or disapproved by the US Securities and Exchange Commission, any state securities commission in the United States or any other US regulatory authority, nor have any of the foregoing authorities passed upon or endorsed the merits of the offering of the Bonus Issue Shares or the accuracy or adequacy of this document. Any representation to the contrary is a criminal offence in the United States.

OVERSEAS SHAREHOLDERS

The Bonus Issue Shares have not been, and will not be, registered under the applicable securities laws of any jurisdiction outside the United Kingdom and Ireland. Accordingly, the Bonus Issue Shares may not be offered, sold, delivered or otherwise transferred, directly or indirectly, in, into or from any such jurisdiction, or to, or for, the account or benefit of citizens or residents of any such jurisdiction, except pursuant to an applicable exemption from, or in a transaction not subject to, applicable securities laws of those jurisdictions or as otherwise permitted under the applicable securities laws of those jurisdictions. Shareholders outside the United Kingdom and Ireland are required by the Company to inform themselves about and observe any restrictions on the offer, sale or transfer of the Bonus Issue Shares.

No action has been taken by the Company to obtain any approval, authorisation or exemption to permit the allotment or issue of the Bonus Issue Shares or the possession or distribution of this document (or any other publicity material relating to the Bonus Issue Shares) in any jurisdiction other than the United Kingdom and Ireland.

Unless otherwise determined by the Company or required by and permitted by applicable law and regulation, the Bonus Issue will not be implemented and documentation relating to the Bonus Issue shall not be made available, directly or indirectly, in, into or from an excluded territory where to do so would violate the laws of that jurisdiction (an “**Excluded Territory**”) and no person may vote their Shares with respect to the Bonus Issue at the General Meeting, or execute and deliver the Form of Proxy appointing another to vote at the General Meeting on their behalf, by any use, means, instrumentality or form within an Excluded Territory or any other jurisdiction if to do so would constitute a violation of the laws of that jurisdiction. Accordingly, copies of this document are not being, and must not be, directly or indirectly, mailed or otherwise forwarded, distributed or sent in, into or from any Excluded Territory and persons with access to this document and any other documents relating to the Bonus Issue (including custodians, nominees and trustees) must not mail or otherwise forward, distribute or send them in, into or from any Excluded Territory. Persons who are not resident in the United Kingdom or Ireland or who are subject to the laws and/or regulations of another jurisdiction should inform themselves of, and should observe, any applicable requirements.

It is the responsibility of each person into whose possession this document comes to satisfy themselves as to the full observance of the laws and regulations of the relevant jurisdiction in connection with the distribution of this document and the issuance of the Bonus Issue Shares and to obtain any governmental, exchange control or other consents which may be required, to comply with other formalities which are required to be observed and to pay any issue, transfer or other taxes due in such jurisdiction. To the fullest extent permitted by applicable law, the Company, the Board and all other persons involved in the Bonus Issue disclaim any responsibility or liability for the failure to satisfy any such laws, regulations or requirements by any person.

This document has not been examined or approved by the FCA or Euronext Dublin. This document is dated 28 August 2020.

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EXPECTED TIMETABLE OF PRINCIPAL EVENTS

The dates and times given in the table below in connection with the Bonus Issue are indicative only and are based on the Company's current expectations and are subject to change. If any dates and/or times in this expected timetable change, the revised dates and/or times will be notified to Shareholders by announcement through a Regulatory Information Service. All times shown are London times unless otherwise stated.

EVENT	TIME AND/OR DATE
Publication of this Circular (including the Notice of General Meeting) and the Form of Proxy	28 August 2020
Latest time and date for receipt of the Form of Proxy (or appointing a proxy electronically or submitting a proxy via CREST) for the General Meeting	12.00 noon on 15 September 2020
Voting Record Time ⁽¹⁾	6.00 p.m. on 15 September 2020
General Meeting	12.00 noon on 17 September 2020
Bonus Issue Record Time	6.00 p.m. on 17 September 2020
Bonus Issue Ex-date	8.00 a.m. on 18 September 2020
Admission and commencement of dealings in the Bonus Issue Shares on the premium segment of the UK Official List and the UK Main Market and on the secondary listing segment of the Irish Official List and the Irish Main Market	8.00 a.m. on 18 September 2020
CREST accounts of Shareholders holding in uncertificated form credited with the Bonus Issue Shares	on or soon after 8.00 a.m. on 18 September 2020
Despatch of share certificates for the Bonus Issue Shares to Shareholders holding in certificated form	within 5 Business Days of Admission

Notes:

- (1) Entitlement to vote at the General Meeting by appointing a proxy, and the number of votes which may be cast at the General Meeting, will be determined by reference to the Company's register of members at 6.00 p.m. on 15 September 2020 or, if the meeting is adjourned, not later than 48 hours before the time appointed for the adjourned meeting (as the case may be). In each case, changes to the register of members after the relevant deadline shall be disregarded.
- (2) All events in the above timetable following the holding of the General Meeting are conditional on the passing of the Resolution at the General Meeting.

INDICATIVE STATISTICS

Number of Shares in issue at the Latest Practicable Date ⁽¹⁾	114,684,933
Number of Bonus Issue Shares to be issued ⁽²⁾	1,636,252
Number of Shares in issue immediately following the Bonus Issue ⁽³⁾	116,321,185

Notes:

- (1) Number of Shares in issue as at 27 August 2020, being the latest practicable date prior to the publication of this document (the “**Latest Practicable Date**”). Hostelworld does not hold any Shares in treasury as at the date of this document.
- (2) Number of Bonus Issue Shares to be issued to Shareholders, based on one new Bonus Issue Share for every 70.09 Shares held as at the Bonus Issue Record Time.
- (3) Maximum number of Shares assuming the maximum number of Bonus Issue Shares is issued and assuming that no new Shares are issued as a result of the exercise of any options between the Latest Practicable Date and Admission.

PART I

LETTER FROM THE CHAIRMAN



(incorporated in England and Wales with registered number 09818705)

Directors:

Michael Cawley (*Non-Executive Chairman*)
Gary Morrison (*Chief Executive Officer*)
TJ Kelly (*Chief Financial Officer*)
Éimear Moloney (*Non-Executive Director*)
Carl G. Shepherd (*Non-Executive Director*)
Evan Cohen (*Non-Executive Director*)

Registered office:

Floor 2 52 Bedford Row,
London, United Kingdom,
WC1R 4LR

28 August 2020

Dear Shareholder,

Proposed Bonus Issue of Shares by Hostelworld Group PLC

Notice of General Meeting

1. Introduction

I am writing to you to: (i) explain the background to and reasons for the Bonus Issue; (ii) explain why the Board unanimously considers the Bonus Issue to be in the best interests of the Shareholders as a whole; and (iii) recommend that you vote in favour of the Resolution to be proposed at the General Meeting.

Details of the actions Shareholders should take, and the recommendation of the Board, are set out in paragraphs 7 and 8, respectively, of this letter.

2. Background to and reasons for the proposed Bonus Issue

On 26 March 2020 the Company announced that it was not proceeding with a final 2019 dividend as part of its measures to protect balance sheet strength and liquidity during the COVID-19 pandemic. On 24 June 2020 the Company announced that the Board did not expect to pay a cash dividend under its current policy in respect of the 2020 financial year. The Board made this decision after assessing current trading, the continued requirement for cash conservation and the on-going uncertainty of the full impact of COVID-19. Future cash dividend payments will be subject to the Company generating adjusted profit after tax, the Company's cash position, the Company's capital allocation policy, any restrictions in Hostelworld's banking facilities and subject to compliance with Companies Act 2006 (the "Act") requirements regarding ensuring sufficiency of distributable reserves at the time of paying the dividend.

Consequently and as announced in the interim results for the six months ended 30 June 2020, the Board is proposing to issue new ordinary shares by way of a bonus issue to Shareholders, in lieu of a cash dividend, equating to 1.0 € cent per share and subject to shareholder approval at the General Meeting. The number of Shares that each Shareholder will need to hold to qualify for one Bonus Issue Share has been calculated by dividing the volume weighted average price (in € cent) for a Share over the five day period ended on 26 August 2020 by 1.0 € cent.

The Company is expected to capitalise a sum of €16,362.52 standing to the credit of its share premium account to pay up in full 1,636,252 Shares. Each Shareholder on the Company's register of members as at

6.00 p.m. on 17 September 2020, being the last date on which transfers will be accepted for registration to participate in the Bonus Issue (the “**Bonus Issue Record Time**”), is expected to receive:

one Bonus Issue Share for every 70.09 Shares held at the Bonus Issue Record Time

Applications will be made to the FCA, Euronext Dublin and to the London Stock Exchange for Admission of the Bonus Issue Shares. It is currently expected that Admission of the Bonus Issue Shares will become effective at 8.00 a.m. on 18 September 2020.

Following Admission, the Bonus Issue Shares will be issued as fully paid and will rank *pari passu* in all respects with the Shares in issue at the time the Bonus Issue Shares are issued, including the right to receive and retain in full all dividends or other distributions made, paid or declared in respect of the Shares by reference to a record date falling after the date of issue of the Bonus Issue Shares. The Bonus Issue Shares will be issued in registerable form and will be capable of being held in certificated and uncertificated form.

Subject to approval of the Resolution at the General Meeting, the Board currently intends to exercise the authority conferred on it pursuant to the Resolution to issue and allot shares pursuant to section 551 of the Act, in order to issue and allot the Bonus Issue Shares on the basis summarised above.

3. Fractional entitlements

The fractional entitlements of Shareholders at Admission to the Bonus Issue Shares shall be aggregated and Hostelworld shall procure that the maximum whole number of Bonus Issue Shares resulting therefrom shall be allotted and issued to a person appointed by Hostelworld to hold such Bonus Issue Shares on behalf of the relevant Shareholders. Hostelworld shall procure that such Bonus Issue Shares are sold in the market as soon as practicable after Admission and the net proceeds of sale (after the deduction of all commissions and expenses incurred in connection with such sale, including any value added tax payable on the proceeds of sale) shall be donated by Hostelworld to charity.

4. Hostelworld Share Schemes

Participants in the Hostelworld Share Schemes are not eligible to participate in the Bonus Issue in respect of any unexercised options that they hold. Following the Bonus Issue, and in accordance with the rules of each scheme, an adjustment may be required to be made to the exercise price and/or the number of Shares over which participants in the Hostelworld Share Schemes hold unexercised options. This is to ensure that the participants’ entitlements remain comparable before and after the Bonus Issue. The remuneration committee of the Board (following consultation with the Company’s auditors) must confirm that any proposed adjustment is, in their opinion, fair and reasonable. To the extent that an adjustment is made, participants in the Hostelworld Share Schemes holding unexercised options will be notified at the appropriate time.

5. General Meeting

The Bonus Issue is conditional upon, amongst other things, Shareholders’ approval being obtained at the General Meeting. The Resolution to be proposed at the General Meeting authorises:

- the Directors to capitalise a sum not exceeding €16,362.52 standing to the credit of the Company’s share premium account; and
- the Directors to allot the Bonus Issue Shares up to an aggregate nominal amount of €16,362.52 (representing 1.43 per cent. of the issued ordinary share capital of the Company as at 27 August 2020, being the latest practicable date before publication of this document (the “**Latest Practicable Date**”)) on the basis of one new Bonus Issue Share for every 70.09 Shares held at the Bonus Issue Record Time.

Accordingly, you will find set out at the end of this document at pages 14 to 16 a notice convening a General Meeting to be held at Floor 2, One Central Park, Leopardstown, Dublin 18, Ireland at 12.00 noon on 17 September 2020 (or any adjournment thereof) and the full text of the Resolution and other matters. The purpose of the General Meeting is to seek Shareholders’ approval for the Resolution.

6. COVID-19 and impact on the General Meeting

In light of the COVID-19 pandemic and in response to the Irish Health Service Executive's current guidance regarding social distancing and the prohibition of public gatherings, the General Meeting will take place as a closed meeting and Shareholders will not be able to attend in person. Shareholders and guests who travel to the meeting will be refused entry.

The Company will make arrangements such that the legal requirements to hold the General Meeting can be satisfied through the attendance of a minimum number of people and the format of the meeting will be simply to propose and vote on the Resolution.

The Company will continue to closely monitor the rapidly developing impact of COVID-19, including the latest Irish Health Service Executive guidance and restrictions, and how this may affect the arrangements for the General Meeting. If it becomes necessary or appropriate to revise the current arrangements for the General Meeting, further information will be made available on our website at www.hostelworldgroup.com, by RIS announcement and by any other means legally required at that time.

Despite these exceptional circumstances, the Board is keen to maintain engagement with Shareholders. In order to facilitate this, if you are a Shareholder and would like to ask the Board a question on the formal business of the General Meeting, please email your question to corporate@hostelworld.com by 12 noon on 11 September 2020. Responses will be made via return of email or published on our website at www.hostelworldgroup.com as deemed appropriate by the Board.

Whilst you will be unable to attend, you have the right to appoint a proxy to vote at the General Meeting on your behalf. To ensure that your vote can be exercised, we would encourage you to appoint the Chairman as your proxy. If you appoint another person, they will not be permitted to access the General Meeting and your vote will not be able to be exercised.

7. Action to be taken

The Shareholders on the Company's register of members as at the Bonus Issue Record Time will not need to make any payment for the Bonus Issue Shares allocated to them and, subject to approval of the Resolution, will not need to take any further action in order to be issued and allotted Bonus Issue Shares. Hostelworld is seeking approval of the Bonus Issue and the Resolution at the General Meeting. Your support is important to us. Please vote on the Resolution. As mentioned above, please read the notes to the Notice of General Meeting attached at pages 15 to 16 of this document for an explanation of how to appoint a proxy to attend and vote on your behalf.

You will find enclosed a Form of Proxy for the General Meeting. You are requested to complete the Form of Proxy in accordance with the instructions printed on it and return it as soon as possible and in any case so as to be received by the Company's Registrar, Computershare Investor Services (Ireland) Limited, 3100 Lake Drive, Citywest Business Campus, Dublin 24, D24 AK82, Ireland, no later than 12.00 noon on 15 September 2020 (or, if the General Meeting is adjourned, not later than 48 hours before the time appointed for the adjourned meeting).

Alternatively, you may wish to register your proxy vote online; to do so, visit www.eproxyappointment.com. The Control Number, Shareholder Reference Number and PIN shown on the Form of Proxy will be required to complete the procedure. Details of the process for registering online are also set out in the Form of Proxy. The deadline for receipt of electronic proxies is 12.00 noon on 15 September 2020.

If you hold your Shares in CREST, you may appoint a proxy by completing and transmitting a CREST Proxy Instruction form so that it is received by Computershare (under CREST participant ID 3RA50) by no later than 12.00 noon on 15 September 2020. The time of receipt will be taken to be the time from which Computershare is able to retrieve the message by enquiry to CREST in the manner prescribed by CREST. If a Shareholder believes they have a market claim they will need to contact their counterparty and settle bilaterally.

If you have any questions about this document or the General Meeting, or are in any doubt as to how to complete the Form of Proxy, please call Computershare between 8.30 a.m. and 5.30 p.m. (London time)

Monday to Friday (except public holidays in England and Wales) on (00) 353 1 447 5566. Please note that calls may be monitored or recorded, and Computershare cannot provide legal, tax or financial advice or advice on the merits of the Bonus Issue.

8. Recommendation

The Board believes the Bonus Issue is in the best interests of the Company and the Shareholders as a whole and recommends unanimously that Shareholders vote in favour of the Resolution at the General Meeting, as the Directors intend to do in respect of their own beneficial holdings of 263,715 Shares, representing approximately 0.23 per cent. of the Company's existing ordinary share capital at the Latest Practicable Date.

Yours faithfully

Michael Cawley

Chairman

PART II

DEFINITIONS

The following definitions apply throughout this document, unless stated otherwise:

“Admission”	the admission of the Bonus Issue Shares to (i) listing on the premium listing segment of the UK Official List in accordance with the UK Listing Rules and to trading on the UK Main Market in accordance with the UK Admission and Disclosure Standards and (ii) listing on the secondary listing segment of the Irish Official List and to trading on the Irish Main Market in accordance with the Irish Listing Rules;
“Bonus Issue”	the expected capitalisation of up to €16,362.52 standing to the credit of the share premium account of the Company by way of the issue and allotment at Admission of Bonus Issue Shares to Shareholders on the Company’s register of members as at the Bonus Issue Record Time, on the basis of one Bonus Issue Share for every 70.09 Shares held;
“Bonus Issue Record Time”	6.00 p.m. on 17 September 2020, being the last date on which transfers will be accepted for registration to participate in the Bonus Issue;
“Bonus Issue Shares”	1,636,252 Shares of €0.01 in the capital of the Company;
“Business Day”	a day, other than a Saturday or a Sunday or public holiday or bank holiday, on which banks are generally open for business in the City of London and Dublin;
“CREST”	the relevant system (as defined in the CREST Regulations) in respect of which Euroclear UK & Ireland Limited is the Operator (as defined in such regulations) in accordance with which securities may be held and transferred in uncertificated form;
“CREST Manual”	the rules governing the operation of CREST as published by Euroclear;
“CREST member”	a person who has been admitted by Euroclear as a system member (as defined in the CREST Regulations);
“CREST Proxy Instruction”	an authenticated CREST message to appoint or instruct a proxy in accordance with Euroclear’s specifications and the CREST Manual;
“CREST Regulations”	the Uncertificated Securities Regulations 2001 (SI 2001/3755), as amended;
“Directors” or “Board”	the board comprising the executive directors and non-executive directors of the Company as at the date of this document;
“Euroclear”	Euroclear UK and Ireland Limited, incorporated in England and Wales with registered number 02878738;
“Euronext Dublin”	the Irish Stock Exchange plc trading as Euronext Dublin;
“FCA”	the UK Financial Conduct Authority acting in its capacity as the competent authority for the purposes of Part VI of the FSMA;

“Form of Proxy”	the form of proxy accompanying this document for use by Shareholders in relation to the General Meeting;
“FSMA”	the Financial Services and Markets Act 2000, as amended;
“General Meeting”	the general meeting of the Company to be held at Floor 2, One Central Park, Leopardstown, Dublin 18, Ireland on 17 September 2020 at 12.00 noon (or any adjournment thereof), notice of which is set out at the end of this document;
“Hostelworld” or “Company”	Hostelworld Group PLC, a public limited company incorporated in England and Wales with registered number 09818705, whose registered office is Floor 2 52 Bedford Row, London, United Kingdom, WC1R 4LR;
“Hostelworld Share Schemes”	the Company’s Save-As-You-Earn Plan and Long Term Incentive Plan;
“Irish Main Market”	Euronext Dublin’s main securities market;
“Irish Listing Rules”	the Listing Rules of Euronext Dublin;
“Irish Official List”	the Official List of Euronext Dublin;
“Latest Practicable Date”	27 August 2020, being the latest practicable date before publication of this document;
“Listing Rules”	the listing rules and regulations made by the FCA under Part VI of the FSMA, as amended;
“Notice of General Meeting”	the notice set out at the end of this Circular giving Shareholders notice of the General Meeting;
“Registrar” or “Computershare”	Computershare Investor Services (Ireland) Limited, registrars to the Company;
“Regulatory Information Service” or “RIS”	any of the services authorised by the FCA from time to time for the purpose of disseminating regulatory announcements;
“Resolution”	the proposed ordinary resolution of Hostelworld necessary to approve, effect and implement the Bonus Issue, including, without limitation, to: (i) authorise the Directors to capitalise a sum of up to €16,362.52 and apply such sums by way of a Bonus Issue to the Shareholders on the Company’s register of members as at the Bonus Issue Record Time; and (ii) grant authority to the Directors to allot the Bonus Issue Shares (and any amendment(s) thereof);
“Shareholders”	the holders of the Shares in the capital of the Company;
“Shares”	the ordinary shares of €0.01 each in the capital of the Company;
“United Kingdom” or “UK”	the United Kingdom of Great Britain and Northern Ireland;
“United States” or “US”	the United States of America, its territories and possessions, any state of the United States and the District of Columbia;
“UK Main Market”	the main market of the London Stock Exchange;
“UK Official List”	the official list of the FCA;
“US Securities Act”	the US Securities Act of 1933, and the rules and regulations promulgated thereunder, as amended; and

“Voting Record Time”

15 September 2020 at 6.00 p.m., or, if the General Meeting is adjourned, not later than 48 hours before the time appointed for the adjourned meeting.

All times referred to are London times.

All references to legislation in this document are to the legislation of England and Wales unless otherwise stated. Any reference to any provision of any legislation shall include any amendment, modification, re-enactment or extension thereof.

Words importing the singular shall include the plural and vice versa, and words importing the masculine gender shall include the feminine or neutral gender.

HOSTELWORLD GROUP PLC

NOTICE OF GENERAL MEETING

NOTICE IS HEREBY GIVEN that a **GENERAL MEETING** of Hostelworld Group PLC (the “**Company**”) will be held at Floor 2, One Central Park, Leopardstown, Dublin 18, Ireland on 17 September 2020 at 12.00 noon (or any adjournment thereof) for the purposes of considering and, if thought fit, passing the following ordinary resolution of the Company (the “**Resolution**”).

Ordinary resolution

1. **THAT** the directors of the Company (“**Directors**”) be and are hereby generally and unconditionally authorised:
 - (a) to capitalise a sum of up to €16,362.52 standing to the credit of the Company’s share premium account and apply any such sums in paying up in full up to 1,636,252 ordinary shares of €0.01 each in the capital of the Company, to be allotted to existing Shareholders recorded on the register of members of the Company at 6.00 p.m. on 17 September 2020 (the “**Record Time**”), on the basis of one new ordinary share for every 70.09 ordinary shares held and recorded on the Company’s register of members at the Record Time (the “**Bonus Issue**” and the “**Bonus Issue Shares**”) provided that this power shall be limited to the allotment of Shares to ordinary shareholders who would have been entitled to it if it were distributed by way of dividend and in the same proportions and so that the Directors may impose any limits or restrictions and make any arrangements which they consider necessary or appropriate to deal with fractional entitlements, record dates, legal, regulatory or practical problems in, or under the laws of, any territory or any other matter and such powers to expire (unless previously renewed, varied or revoked by the Company in a general meeting) at the conclusion of the next annual general meeting of the Company to be held in 2021; and
 - (b) pursuant to and in accordance with section 551 of the Companies Act 2006, and without prejudice to any existing authority to allot and issue shares, to exercise all the powers of the Company to allot and issue shares in the Company for the purposes of issuing the Bonus Issue Shares pursuant to the Bonus Issue up to an aggregate nominal amount of €16,362.52 credited as fully paid, such authority to expire (unless previously renewed, varied or revoked by the Company in a general meeting) at the conclusion of the next annual general meeting of the Company to be held in 2021.

By order of the Board

John Duggan

Company Secretary

28 August 2020

Registered office

Floor 2
52 Bedford Row
London
United Kingdom
WC1R 4LR

Registered in England and Wales No. 09818705

Notes

Impact of COVID-19 on the General Meeting

1. In view of the restrictions introduced by the Irish Health Service Executive in response to COVID-19, in particular the current Irish Health Service Executive prohibitions on public gatherings and guidance on social distancing, it is intended that the General Meeting will be held with the minimum number of attendees to satisfy the requirements for a quorate meeting. Shareholders are asked not to attend the General Meeting in person and, in the interests of safety, any attempted entry to the meeting will be refused.
2. Shareholders are strongly encouraged to vote by proxy. The Irish Health Service Executive may change current restrictions and/or implement further measures relating to the holding of general meetings during the affected period. The Company continues to closely monitor the situation and any necessary changes to the arrangements for the General Meeting will be communicated to shareholders before the General Meeting through the Company's website at www.hostelworldgroup.com and, where appropriate, by RIS announcement.

Proxy appointment

3. A member is entitled to appoint another person as his or her proxy to exercise all or any of his or her rights to attend and to speak and vote at the General Meeting. A proxy need not be a shareholder of the Company. As explained in the Chairman's letter on pages 7 to 10 of this document, **in view of the Irish Health Service Executive's latest guidance, you should not attempt to attend the General Meeting and shareholders are strongly encouraged to appoint the Chairman of the meeting as their proxy and provide voting instructions to the proxy in advance of the General Meeting.** Appointment of any person other than Chairman of the meeting would result in a member's votes not being cast, as third party proxies will not be permitted entry to the General Meeting unless the Irish Health Service Executive's guidance and legislation in respect of COVID-19 change prior to the date of the General Meeting.
4. To appoint a proxy, the enclosed Form of Proxy and any power of attorney or other authority under which it is executed (or a duly certified copy of any such power or authority) must be either (a) sent to the Company's Registrar Computershare Investor Services (Ireland) Limited, 3100 Lake Drive, Citywest Business Campus, Dublin 24, D24 AK82, Ireland, (b) the proxy appointment must be lodged using the CREST Proxy Voting Service in accordance with Notes 9 – 12 below or (c) the proxy appointment must be registered electronically on the website at www.eproxyappointment.com, in each case so as to be received no later than 12.00 noon on 15 September 2020, or in the case that the meeting is adjourned, not less than 48 hours before the time appointed for the adjourned meeting.

Nominated persons

5. The right to appoint a proxy does not apply to persons whose shares are held on their behalf by another person and who have been nominated to receive communications from the Company in accordance with section 146 of the Companies Act 2006 ("Nominated Persons"). Nominated Persons may have a right under an agreement with the member who holds the shares on their behalf to be appointed (or to have someone else appointed) as a proxy. Alternatively, if Nominated Persons do not have such a right, or do not wish to exercise it, they may have a right under such an agreement to give instructions to the person holding the shares as to the exercise of voting rights.

Information about shares and voting

6. The total number of issued ordinary shares in the Company as at the Latest Practicable Date is 114,684,933, carrying one vote each on a poll. Therefore, the total number of votes exercisable as at 27 August 2020 is 114,684,933.
7. As soon as practicable following the General Meeting, the results of the voting will be announced via a RIS announcement and also placed on the Company's website.

Right to vote

8. Entitlement to vote at the General Meeting by appointing a proxy, and the number of votes which may be cast at the General Meeting, will be determined by reference to the Company's register of members at 6.00 p.m. on 15 September 2020 or, if the meeting is adjourned, not later than 48 hours before the time appointed for the adjourned meeting (as the case may be). In each case, changes to the register of members after such time will be disregarded.

CREST members

9. CREST members who wish to appoint a proxy or proxies through the CREST electronic proxy appointment service may do so for the meeting (and any adjournment of the meeting) by following the procedures described in the CREST Manual. CREST personal members or other CREST sponsored members (and those CREST members who have appointed a voting service provider) should refer to their CREST sponsor or voting service provider, who will be able to take the appropriate action on their behalf.
10. In order for a proxy appointment or instruction made by means of CREST to be valid, the appropriate CREST message (a "**CREST Proxy Instruction**") must be properly authenticated in accordance with Euroclear's specifications and must contain the information required for such instructions, as described in the CREST Manual (available at www.euroclear.com/CREST). The message (regardless of whether it constitutes the appointment of a proxy, the revocation of a proxy appointment or an amendment to the instruction given to a previously appointed proxy) must, in order to be valid, be transmitted so as to be received by Computershare (under CREST participant ID 3RA50) by the latest times for receipt of proxy appointments specified in Note 4 above. For this purpose, the time of receipt will be taken to be the time (as determined by the timestamp applied to the message

by the CREST applications host) from which the issuer's agent is able to retrieve the message by enquiry to CREST in the manner prescribed by CREST. After this time, any change of instructions to a proxy appointed through CREST should be communicated to him by other means.

11. CREST members (and, where applicable, their CREST sponsors or voting service providers) should note that Euroclear does not make available special procedures in CREST for any particular messages. Normal system timings and limitations will therefore apply in relation to the input of any CREST Proxy Instruction. It is the responsibility of the CREST member concerned to take (or, if the CREST member is a CREST personal member or sponsored member or has appointed a voting service provider, to procure that his CREST sponsor or voting service provider takes) such action as shall be necessary to ensure that a message is transmitted by means of the CREST system by any particular time. In this connection, CREST members (and, where applicable, their CREST sponsors or voting service providers) are referred, in particular, to those sections of the CREST Manual concerning practical limitations of the CREST system and timings.
12. The Company may treat as invalid a CREST Proxy Instruction in the circumstances set out in Regulation 35(5)(a) of the Uncertificated Securities Regulations 2001.

Corporate representatives

13. Any corporation which is a member can appoint one or more corporate representatives who may exercise on its behalf all of its powers as a member provided that they do not do so in relation to the same shares.

Questions

14. Your views are important to us and to ensure that engagement can continue, shareholders are invited to submit any questions to the Board by email to corporate@hostelworld.com or by post to the Company Secretary at Hostelworld.com Limited, One Central Park, Leopardstown, Dublin 18, Ireland by 12.00 noon on 11 September 2020. We will consider all questions received and provide a written response. Questions may not be answered where (i) to do so would interfere unduly with the preparation for the meeting or involve the disclosure of confidential information, (ii) the answer has already been given on our website in the form of an answer to a question, or (iii) it is undesirable in the interests of the Company that the question be answered.

Website information

15. A copy of this notice and other information required by section 311A of the Companies Act 2006 can be found at: www.hostelworldgroup.com.

Use of electronic address

16. Members may not use any electronic address provided in either this notice of meeting or any related documents (including the enclosed Form of Proxy) to communicate with the Company for any purposes other than those expressly stated. Shareholders who have general queries about the General Meeting should use the following methods of communication:
 - (a) by writing to the Company Secretary at the registered office address; or
 - (b) by writing to the Company's Registrar, Computershare Investor Services (Ireland) Limited, 3100 Lake Drive, Citywest Business Campus, Dublin 24, D24 AK82, Ireland,to communicate with the Company for any purposes other than those expressly stated.

Treasury shares

17. As at the date of this document, the Company had no shares held in treasury.

Data protection statement

18. Your personal data includes all data provided by you, or on your behalf, which relates to you as a Shareholder, including your name and contact details, the votes you cast and your "Reference Number" (attributed to you by the Company). The Company determines the purposes for which and the manner in which your personal data is to be processed. The Company and any third party to which it discloses the data (including the Company's Registrar) may process your personal data for the purposes of compiling and updating the Company's records, fulfilling its legal obligations and processing the shareholder rights you exercise.

