



INTERNATIONAL HOTEL INVESTMENTS p.l.c.

FACT SHEET
€60 million 6.00% International Hotel Investments plc
Unsecured Bonds 2033

KEY DETAILS

Issuer:	International Hotel Investments plc	Listing:	Official List, Malta Stock Exchange
Amount Offered:	€60 million	Coupon:	6.00%
Offer Price:	100% (par value of €100)	Interest Payment Date:	Annually on 14 November (with the first interest payment date being 14 November 2024)
Status:	Unsecured	Maturity Date:	14 November 2033
Offer Period:	5 October 2023 to 26 October 2023 at 14.00 (or earlier at the discretion of the Issuer)	Minimum Subscription Amount	€2,000 (nominal) and in multiples of €100 thereafter

ABOUT INTERNATIONAL HOTEL INVESTMENTS PLC

International Hotel Investments plc (“IHI” or “the Group”) is a hotel and real estate developer and operator. IHI currently operates 11 owned hotels (of which Corinthia Hotel London is 50% owned) with the additional opening of Corinthia Hotel Brussels (which will also be 50% owned) anticipated in 2024.

The Group also generates income from two major commercial properties and is undergoing preparatory works concerning for the development of Corinthia Oasis (formerly known as Hal Ferh) in Malta. IHI also manages five other third-party hotels with an additional six expected to open by 2026.

USE OF PROCEEDS

The net proceeds from the bond issue, estimated at €59.2 million after issuance costs, will be used by the Group for the following purposes:

- €10 million for the redemption and cancellation of the 5.8% IHI plc unsecured bonds redeemable on 14 November 2023, by way of maturing bond transfer and redemption of any remaining bonds in issue.
- €35 million for the redemption and cancellation of the 6.0% IHI plc unsecured bonds redeemable on 15 May 2024, by way of maturing bond transfer and redemption of any remaining bonds in issue.
- €14.2 million for general corporate funding purposes of IHI.

RANKING OF THE BONDS

The bonds will constitute the general, direct, unsecured, and unconditional obligations of the Issuer and will, at all times, rank pari passu, without any priority or preference among themselves and with other unsecured debt of the Issuer, present and future, if any.

This means that any secured or privileged debts of the Issuer will rank at all times ahead of the obligations of the Issuer under the bonds, as a result of which bondholders may not be able to recover in full or in part their investment in the bonds in the case of insolvency or an equivalent situation, whether in full or in part.

Furthermore, subject to a negative pledge clause found in the Prospectus dated 26 September 2023, third-party security interests may be registered which will rank in priority to the Bonds against the assets of the Issuer, as the case may be, for so long as such security interests remain in effect, which registration may further impede the ability of bondholders to recover their investment upon enforcement of such security interests, whether in full or in part.



RISK FACTORS

The Issuer is subject to a number of risks pertaining to the nature of its businesses. Prospective investors are urged to read the 'Risk Factors' found in the Prospectus dated 26 September 2023. Prospective investors must also note that since the financial forecasts and the assumptions on which they are based relate to the future, they may be affected by unforeseen events. As such, the variation between forecasts, projections and actual results may be material.

PLAN OF DISTRIBUTION

The bonds will be allocated according to the following order of preference:

1. Maturing Bondholders up to the amount of Maturing Bonds held as at the Cut-off Date and subject to any Cash Top-Ups as and if applicable.
2. Existing IHI Bondholders (including additional amounts from Maturing Bondholders), IHI Shareholders, CPHCL bondholders, MIH bondholders, and Corinthia Group Personnel, for an amount of up to €15 million of the Bond Issue together with the balance of the Bonds not subscribed for by Maturing Bondholders limitedly by means of a Maturing Bond Transfer including any Cash Top-Up.
3. Authorised Financial Intermediaries through an Intermediaries' Offer in respect of any balance of Bonds not subscribed to by Maturing Bondholders, Preferred Applicants, and Corinthia Group Personnel.

APPLICATION PROCEDURE

Bondholders of the maturing 5.8% IHI plc unsecured bonds 2023 are kindly asked to complete the Application Form 'A' being sent to them directly by IHI.

Bondholders of the maturing 6.0% IHI plc unsecured bonds 2024 are kindly asked to complete the Application Form 'B' being sent to them directly by IHI.

Holders of other existing IHI bonds as well as CPHCL and MIH bonds who wish to subscribe for any bonds are kindly asked to complete the Application Form 'C' being sent to them directly by IHI.

Prospective investors wishing to participate at the General Public Offer who are not existing IHI, Corinthia or MIH bondholders are kindly asked to complete our 'Application Form.'

The forms should be returned by Thursday 26 October at 14:00 hours together with our 'Assessment & Confirmation Form'. **Applications must be for a minimum of €2,000 (nominal) and in multiples of €100 (nominal) thereafter. Any maturing bondholders with a holding of less than €2,000 (nominal) is required to pay a cash top up at least to the minimum amount.**

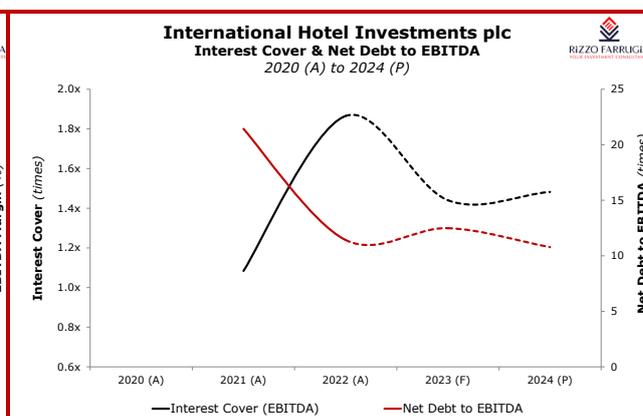
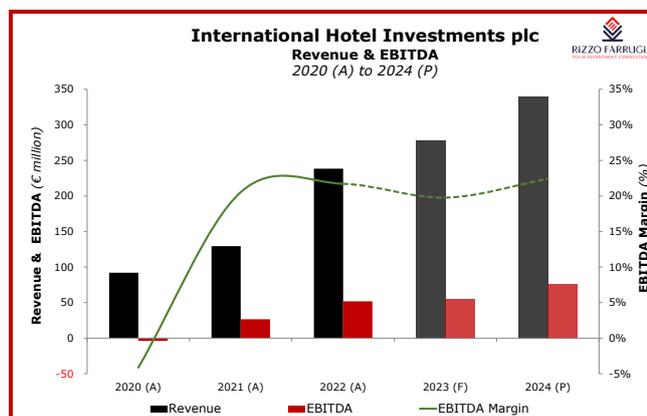
Application forms must be accompanied by the appropriate payment where applicable, either by cheque in EUR payable to 'Rizzo, Farrugia & Co (Stockbrokers) Ltd – Clients a/c' or credited into either one of our EUR denominated Clients' Accounts as detailed below:

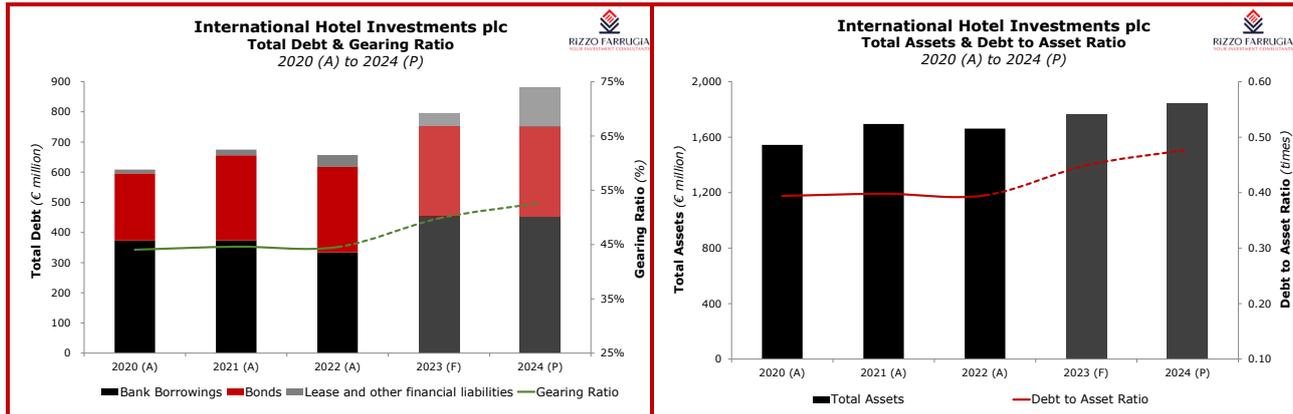
	HSBC Bank Malta plc	Bank of Valletta plc
EUR A/C No	006 050041 004	400 135 62906
IBAN	MT46 MMEB 4406 0000 0000 0605 0041 004	MT18 VALL 2201 3000 0000 400 135 62906
SWIFT CODE	MMEB MTMT	VALL MTMT



KEY FINANCIAL HIGHLIGHTS & METRICS

	2020(A)	2021(A)	2022(A)	2023 (F)	2024(P)
Revenue [€000]	91,909	129,266	238,207	277,763	339,870
Operating Costs [€000]	(95,716)	(102,738)	(186,501)	(222,884)	(263,736)
EBITDA [€000]	(3,807)	26,528	51,706	54,879	76,134
Depreciation & Amortisation [€000]	(35,779)	(30,613)	(29,164)	(28,655)	(31,677)
Changes in Value of Property & Other Assets [€000]	(10,521)	(4,032)	(7,927)	0	0
EBIT [€000]	(50,050)	(15,909)	14,311	26,224	44,457
Share of Profits/(Losses) of Associates [€000]	(2,448)	1,124	(61)	0	0
Net Finance Costs [€000]	(22,852)	(24,478)	(27,720)	(38,105)	(51,370)
Other	(15,012)	(321)	12,376	(1,824)	1,173
Profit/(Loss) before Tax [€000]	(90,362)	(39,584)	(1,094)	(13,705)	(5,740)
Net Profit/(Loss) [€000]	(75,649)	(30,328)	(2,342)	(11,698)	(6,404)
Bank & Other Borrowings [€000]	373,147	373,476	334,280	453,926	452,114
Bonds [€000]	222,999	282,591	283,047	297,845	298,305
Lease Liabilities [€000]	12,478	18,751	39,312	42,258	130,799
Total Debt [€000]	608,624	674,818	656,639	794,029	881,218
Cash & Cash Equivalents [€000]	46,145	102,087	66,231	108,698	60,704
Net Debt [€000]	556,842	572,645	590,331	685,331	820,514
Total Assets [€000]	1,544,099	1,695,229	1,662,032	1,767,682	1,845,826
Total Liabilities [€000]	770,923	857,013	844,140	967,750	1,053,880
Total Equity [€000]	773,176	838,216	817,892	799,932	791,946
Working Capital Ratio [times] (Current Assets / Current Liabilities)	0.92	1.52	0.83	0.68	0.61
EBITDA Margin [%] (EBITDA / Revenue)	-4.08	20.5	21.7	19.8	22.4
Operating Profit Margin [%] (Operating Profit / Revenue)	-54.5	-12.3	6.0	9.4	13.1
Net Profit Margin [%] (Net Profit / Revenue)	-82.31	-23.5	-1.0	-4.2	-1.9
Asset Turnover Ratio [times] (Revenue / Total Assets)	0.06	0.08	0.14	0.16	0.18
Return on Equity [%] (Net Profit / Average Equity)	-9.06	-3.76	-0.28	-1.45	-0.80
Return on Assets [%] (Net Profit / Average Assets)	-4.68	-1.87	-0.14	-0.68	-0.35
Interest Cover [times] (EBITDA / Net Finance Costs)	-0.17	1.08	1.87	1.44	1.48
Net Debt to EBITDA [times] (Net Debt / EBITDA)	146.3	21.6	11.4	12.5	10.8
Net Debt to Equity [times] (Net Debt / Total Equity)	0.72	0.68	0.72	0.86	1.04
Net Debt to Invested Capital [%] (Net Debt / Net Debt + Equity)	41.8	40.6	41.9	46.1	50.9
Gearing Ratio [%] (Total Debt / (Total Debt + Equity))	44.0	44.6	44.5	49.8	52.7
Asset to Debt Ratio [times] (Total Assets / Total Debt)	2.54	2.51	2.53	2.23	2.09
Leverage Ratio [times] (Total Assets / Total Equity)	2.00	2.0	2.0	2.2	2.3





Disclaimer

This Fact Sheet was prepared by Jonathan Falzon, Research Analyst at Rizzo, Farrugia & Co. (Stockbrokers) Ltd ("Rizzo Farrugia") and reviewed by Edward Rizzo, a Director at Rizzo Farrugia which is a member of the Malta Stock Exchange and licensed to conduct Investment Services business by the Malta Financial Services Authority.

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