



## COMPANY ANNOUNCEMENT

### IHI market update - COVID19

International Hotel Investments p.l.c. ('the Company') wishes to update its shareholders and bondholders of its current trading situation, payment of bond interest and above all reassure all stakeholders of the continued strength and stability of the Company.

The global pandemic has had a significant impact on the hospitality industry. On the other hand, immediate measures have been adopted across the Company to reduce all operating costs to the absolute minimum required to secure and maintain our properties, which are at best in partial operation with significantly reduced business.

The Company's focus at this stage is to preserve its financial resources.

The largest, single operating cost remaining in the business is payroll. The Company has taken immediate action to curtail its payroll. Moreover, in all countries in which we operate, including Malta and the United Kingdom, the Company will benefit from varying schemes adopted by the respective Governments which include outright salary subsidies, as well as the waiver or deferral of payroll taxes and social security contributions and waiver of property taxes for 2020. These schemes are of significant benefit to the Company.

The Company has also been in touch with its funding banks in Malta and internationally. To varying degrees, all banks have agreed or are in advanced discussions with the Company to defer payment of capital and, in some cases also interest. The Company has also organized separate lines of credit with related parties in case of any cashflow shortfalls.

On the basis of the measures taken thus far, and projecting a scenario of little to no income for the next six months up to and including September, the Company has sufficient resources and funds to maintain all its payment obligations, not least salaries, but also bond interest payments as they arise through the course of the year.

Notwithstanding the severe restrictions on travel, management is nonetheless working on the design of the Company's new Corinthia hotels under development in Rome, Doha, Bucharest, Moscow and Brussels, the latter two being developments in which the Company is also a shareholder.

INTERNATIONAL HOTEL INVESTMENTS P.L.C.

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The board of directors and senior management remain vigilant on developments and will be taking further measures as and when necessary to ensure the continued viability of the Company.



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Company Secretary

28 March 2020

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