

COVIVIO

HOTELS

PRESS RELEASE

Paris, 27 April 2021

Covivio Hotels intends to launch a share capital increase of approximately €250 million

Covivio Hotels, a subsidiary held at 43,5% by Covivio dedicated to hotel investments, intends to launch a capital increase with shareholders' preferential subscription rights¹ of approximately €250 million in the upcoming weeks, subject to market conditions.

All the main shareholders of Covivio Hotels, members of the Supervisory Board and representing approximately 97% of the company's share capital, have already undertaken to subscribe on an irreducible basis (*à titre irréductible*) for shares in the capital increase in proportion to their respective shareholding at a maximum price per share of €16 (the final price will be decided by the General Manager of Covivio Hotels according to market conditions). Covivio has also undertaken to subscribe for shares on a reducible basis (*à titre réductible*) to cover the residual share capital (3%).

The acceleration of vaccination campaigns in Europe and the first announcements of post-lockdown plans, especially in the United Kingdom, suggest a recovery of the activity. In this context, the significant rebound in hotel occupancy rates in China and in the United States shows the capacity for a quick recovery in the hotel industry, once the health crisis has passed.

Convinced of the strong foundations of the European hotel market, Covivio Hotels is preparing the resumption of the activity with this capital increase. While strengthening and optimizing its balance sheet, Covivio Hotels is giving itself the means to seize any investment opportunities that may arise.

*"The hotel industry has consistently shown its tremendous ability to rebound and adapt. The will and need to travel will emerge stronger from this challenging period. With €6 billion in assets spread over a dozen countries in Europe, we are today the European leader in hotel property. Alongside our partners, and with this transaction, we are preparing for the recovery, in order to consolidate our presence in this market", says **Dominique Ozanne**, Chief Executive Officer of Covivio Hotels².*

*"This capital increase supported by all shareholders demonstrates the confidence in the company's ability to benefit from the recovery and continue its development. It also demonstrates our culture of partnership which aims to build sustainable links with our various stakeholders, in particular our financial partners who support us over the long term", said **Christophe Kullmann**, Chairman of the Supervisory Board of Covivio Hotels and Chief Executive Officer of Covivio.*

¹ Subject to the AMF's approval of the Prospectus

² As of 1 July, Tugdual Millet will replace Dominique Ozanne as Chief Executive Officer of Covivio Hotels: [PR-Appointments](#)

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 **ABOUT COVIVIO HOTELS**

Covivio Hotels specialises in ownership of lease properties in the hotel industry. A listed property investment company (SIIC) and the real estate partner of large players in the hotel industry, Covivio Hotels holds a portfolio valued at €6,5 billion (in total share at the end of 2020).

Covivio Hotels is rated BBB+ / with Stable outlook by Standard and Poor's.

 **ABOUT COVIVO**

Thanks to its partnering history, its real estate expertise and its European culture, Covivio is inventing today's user experience and designing tomorrow's city.

A preferred real estate player at the European level, Covivio is close to its end users, capturing their aspirations, combining work, travel, living, and co-inventing vibrant spaces.

A leading European operator with a portfolio valued at €26 billion, Covivio supports companies, hotel brands and regions to deal with the challenges of attractiveness, transformation and responsible performance.

Creating well-being and sustainable links is the corporate purpose of Covivio, which delivers its role as a responsible real estate operator with all stakeholders: clients, shareholders and financial partners, internal teams, local authorities and future generations. Also, its dynamic approach to real estate provides teams with the prospect of exciting projects and careers.

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