

An independent hotelier's experience of debt funding

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NHance - Portfolio of owned & managed Hotels / Bars / Café / Investment Property

- ▶ 8 Hotels
 - ▶ 6 Dublin Bars
 - ▶ Bestseller Café
 - ▶ Investment Property with Hospitality Potential
-
- ▶ 2023 Combined Revenue €50m+
 - ▶ Combined EBITDA €19m





**TRADITIONAL
· CHEESE ·
COMPANY**

Since 1985

▶ My entry
into the business
of hospitality

1991 - Created The Castle Pantry with Jane English

- ▶ Shared desire to be self-employed
- ▶ 1st business
- ▶ Leasehold Property
- ▶ Lived on-site



1993 - Opened Wineport Restaurant



- ▶ Restaurant only initially
- ▶ Expanded the restaurant in 1995
- ▶ Added 10 Rooms 2002
- ▶ Additional 10 Rooms 2005 / another 10 in 2006
- ▶ Created Cedarwood Spa in 2020
- ▶ Expansion funded by Bank of Scotland Ireland

2005 - Created Splash Hotels



- ▶ Hotel Management Service Provider
- ▶ Aimed at the investor community looking to take advantage of hotel tax breaks
- ▶ Afforded me the opportunity to aim replicate the success on Wineport Lodge - without having to raise funds to do it



Partnered in the acquisition of a 5 Star Hotel in Malta

- ▶ Initially advised on the transaction and was invited to participate in the ownership
- ▶ 100% Debt Funded by INBS
- ▶ Joint and Several Personal Guarantees
- ▶ Increased EBITDA from €1m to €2m BUT our bank went bust and the property had to be sold to repay the debt

2008 - Global Economic Downturn

Pivot the Management Company as a service provider to the insolvency sector



- ▶ Capital Bars Group
- ▶ Kinnity Castle
- ▶ Towers Pub Ballymun
- ▶ Plaza Hotel Tallaght

- ▶ Expanded my team with experienced professionals in Accounting / Reporting / Procurement / Operations - all of whom are still with me today

2012 Economy Starts to Recover



- ▶ Refinance Wineport Lodge Loan
- ▶ Capital Bars up for sale
- ▶ New demand from investors needing expertise to manage businesses that were available to purchase as a result of lenders continuing to deleverage from the sector
- ▶ Stauntons on the Green
- ▶ Number 31

The Dynamic Duo - Keys to our Success



- ▶ I knew Eoin Doyle through the Restaurants Association of Ireland
- ▶ Eoin shared my view that opportunities were available in the sector
- ▶ We agreed informally to combine our efforts to see what could be achieved
- ▶ NHance was created as the partnership vehicle

Initial Acquisitions - taking advantage of value / maximizing potential



► Derrynane Hotel

► Eccles Hotel

► Kilkenny Inn Hotel

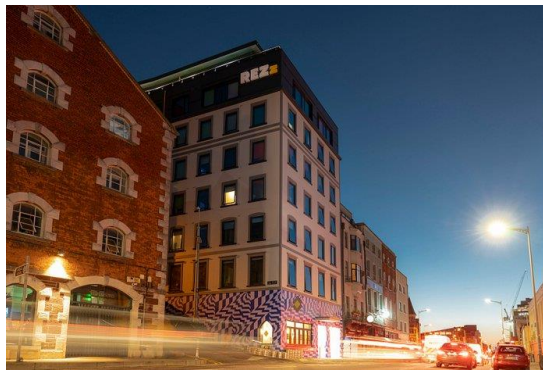


► Hanbury Mews
Apartments

REZz - Creating a highly profitable hotel brand



Click [HERE](#) to play Video



- ▶ REZz Cork
- ▶ Development Funding
- ▶ Refinance

- ▶ REZz Dublin
- ▶ Funding

- ▶ REZz Rathmines
- ▶ Site Acquisition
- ▶ Development Funding
- ▶ Refinance



Expansion into a Pub Group

- ▶ Approached by an international Fund to manage a portfolio of busy bars
- ▶ New company established by NHance takes a lease on the business
- ▶ Six Bars
- ▶ The Queens has a different ownership structure

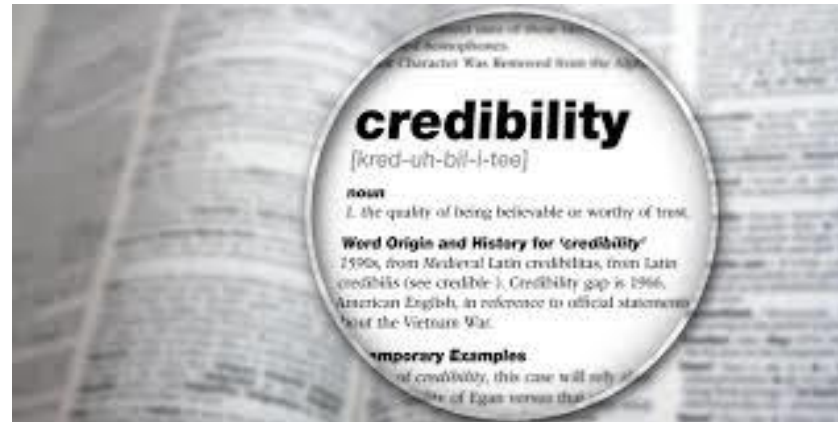
The Club Hotel - taking advantage of the opportunity to create a great property



- ▶ Fully Funded via a Loan Note
- ▶ Executive Chef Derry Clarke
- ▶ Committed & Experienced Management Team
- ▶ Gap in the market as a result of hotels withdrawing from the market

My advice to businesses looking for funding

- ▶ Establish Credibility as a business / person;
- ▶ One that pays back loans
- ▶ Has real experience in the sector
- ▶ Has a profile in the industry - through representative associations / media etc.



Create a Great Team



- ▶ Debt Advisor
- ▶ Accountant
- ▶ Commercial Law
- ▶ Tax
- ▶ Planning
- ▶ Construction



- ▶ Prove ability to raise 'equity' to a senior lender
- ▶ Subordinated Debt can substitute for equity in some cases
- ▶ Sources of equity
- ▶ Matching the ambition of the business to the most appropriate equity partner

- ▶ Maximise the potential of the business
- ▶ Add Rooms
- ▶ Add Additional Rooms
- ▶ Rooms profitability vs other income profitability
- ▶ ‘Borrow’ ideas from successful peers



Keep Kissing Frogs...

- ▶ Stay Positive
- ▶ Have as much fun as you can doing it
- ▶ Good Luck!

