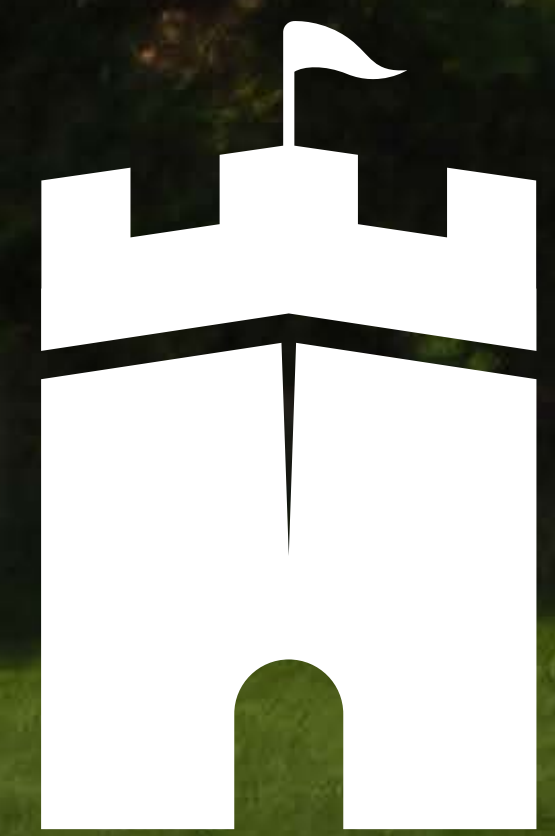


INFORMATION MEMORANDUM

2024



**IMOLOTT
HOTELS**

Important Information

This document is exempt from the general restriction in section 21 of the Financial Services and Markets Act 2000 on the communication of invitations or inducements to engage in investment activity on the ground that it is made to ‘investment professionals’ within the meaning of Article 19 of the Financial Services and Markets Act (Financial Promotion) Order 2005 (FinProm); persons believed on reasonable grounds to be ‘certified high net worth individuals’ within the meaning of Article 48 FinProm; persons who are ‘certified sophisticated investors’ within the meaning of Article 50 FinProm; and persons who are ‘self-certified sophisticated investors’ within the meaning of Article 50A FinProm.

Investing in the Company is speculative and invested capital is at risk of partial or total loss. The attention of prospective Investors is drawn to the “RISK FACTORS” section of this document on pages 18 to 19. If you are in any doubt about the contents of this document, you are strongly recommended to consult a person authorised under the Financial Services and Markets Act 2000 (“FSMA”) to give advice in relation to investment in equity and debt securities issued by unquoted single companies.

An investment in Imolott Limited (“Imolott Hotels”, “Company”, the “Issuer”) will not be suitable for all recipients of this Information Memorandum (“IM”).

The purpose of this IM is to provide information to named individuals who have expressed an interest in the possibility of subscribing for Fixed Rate Loan Notes (“Loan Notes”) issued by the Company and, as such, provides details of a private offer to those individuals.

An application form to subscribe for Loan Notes will only be provided to persons:

(a) whom the directors of the Company believe to be either (i) certified as a ‘high-net-worth investor’, (ii) certified as a ‘sophisticated investor’, (iii) self-certified as a ‘sophisticated investor’, in each case in accordance with the relevant sections of FinProm.

(b) who are pension fund trustees investing pension money where the beneficiary of the pension would otherwise be entitled to invest in accordance with the terms of this invitation, (referred to herein as “Potentially Eligible Investors”).

Any investment to which this document relates is available only to such persons and other classes of person noted above and any other person and other class of person should not rely on this document.

Potentially Eligible Investors should consider carefully whether an investment in Loan Notes is suitable for them in light of their personal circumstances and the risk factors noted on pages 18 to 19. The Loan Notes are secured debt of the Issuer, and they may not be a suitable investment for all recipients of this IM. Loan Notes are not transferable or negotiable on the capital markets and no application is to be made for Loan Notes to be admitted to listing or trading on any market. Investment in an unquoted security of this nature, being an illiquid investment, is speculative, involving a high degree of risk.

It will not be possible to sell or realise Loan Notes before they mature or to obtain reliable information about the risks to which they are exposed. There is no certainty or guarantee that the Issuer will be able to repay the Loan Notes.

This document is confidential and is being supplied solely for the information of the intended recipient and may not be used, disclosed, copied, reproduced, published, or further distributed to any other person in whole or in part, for any purpose. Nothing in this document shall be construed as the giving of investment advice by the Company or any other person. If you are in any doubt as to whether to invest in the Loan Notes described herein, you should consult an independent financial adviser (“IFA”) who is qualified to advise on investments of this nature.

This IM does not constitute an offer for subscription, either public or private, but does describe private offers to subscribe for debt securities that the Issuer will only be extended to those potential investors who meet certain eligibility criteria on a named basis. This IM does not constitute a prospectus made pursuant to the Prospectus Regulation (EU

2017/1129). Therefore, this IM has not been approved by the Financial Conduct Authority or any other regulatory body. You should ensure that you have read and understood all of this IM before taking steps to apply for Loan Notes.

This IM does not purport to be all-inclusive or necessarily contain all the information that a prospective Investor may desire in investigating the Company. The IM may be subject to updating, revision or amendment. Interested parties should carry out their own investigations and analysis of the IM and of the data referred to in the IM and should consult their own advisers before proceeding with any investment in the Company. All statements of opinion and/or belief in this IM and all views expressed regarding the Company’s projections, forecasts and statements relating to expectations of future events are those of the Company and its Directors. No representation or warranty is made, or assurance given that such statements, views, projections or forecasts are correct or that the Company’s objectives will be achieved.

The distribution of this IM in certain jurisdictions may be restricted by law and therefore persons into whose possession this document comes should inform themselves about and observe any such restrictions. Any such distribution could result in a violation of the law of such jurisdictions.

This document is confidential and is being supplied solely for the information of the intended recipient and may not be used, disclosed, copied, reproduced, published, or further distributed to any other person in whole or in part, for any purpose. This IM is dated 16 September 2024.



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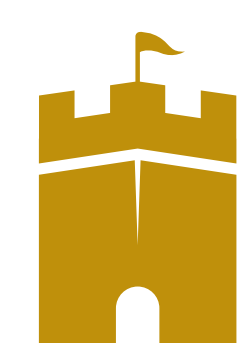
1. Summary

The following is a summary of information appearing elsewhere in this Information Memorandum and should be read as an introduction to this Information Memorandum only. This summary is qualified in its entirety by, and should be read in conjunction with, the more detailed information appearing elsewhere in this Information Memorandum.

- The intention of the company and its use of funds is to seek out hotels that represent excellent value for money in the marketplace.
- We would seek existing hotels mainly in the South or Southwest of England, that have the potential to produce yields on capital employed of 12-15%.
- This could come about – either by finding existing hotels with high sustainable yields as in example 2; or buying underperforming hotels where yields can be increased by better quality management; or alternatively, by buying hotels where yield can be increased by judicious capex spend, ie taking a hotel from 3 to a 4 star standard and thus increasing average room rate (ARR) or room rate per available room (REVPAR).
- Nicholas Crawley has over 35 years operating all manner of hotels in the UK from 3-star hotels to 5 star hotels in the Relais and Chateaux marketing consortium.
- During his working life he has sat on the Boards of various Companies that have altogether operated over 200 hotels in the UK.
- He, along with his experienced team, are ideally placed to spot opportunities in the marketplace which represent value for money or have considerable scope to increase profitability.

Any decision to invest in the Loan Notes should be based on a consideration of the Information Memorandum as a whole (including any and all disclaimers and limitations set out therein). Any Prospective Investor should consider the rights and risks associated with the investment as a whole. An investment in the Company may not be suitable for all recipients of this Information Memorandum. A prospective investor should consider carefully whether an investment is suitable for them in light of their personal circumstances and the financial resources available to them.

| | |
|-------------------------------|---|
| Issuer | Imolott Limited |
| Investment Opportunity | Imolott is a hotel property and operating company focusing on non-branded Hotels in the UK. Our company will purchase, refurbish and operate hotel properties in the UK and then sell these businesses with higher yielding returns |
| Issue Date | 16th September 2024 |
| Closing Date | 31st March 2025 |
| Initial Maturity Date | 31st March 2028 (3-year investment) 31st March 2030 (5-year investment) |
| Interest | 8% per annum paid quarterly years 1-3 9% per annum paid quarterly years 4-5 |
| Currency | GBP, USD, EUR & CHF |
| Minimum Investment | £10,000 |
| Maximum Investment | None |
| Target Raise | £10,000,000 |
| Security Trustee | Cotswolds Capital Limited |
| Registrar | Accumulus Accounting |
| Security | The security trustee will have a legal charge over each property acquired via special purpose vehicle (SPV) purchased by the Company using the funds raised from this investment |
| Ranking | All Loan Notes should rank pari passu, equally and rateably without discrimination or preference alongside secured creditors of the Company. |



2. Example Returns

| Investment Amount | | Over 3 Years @ 8% | Years 4 & 5 @ 9% | Over 5 Years |
|-------------------|----------------------------------|-------------------|------------------|--------------|
| £30,000 | Gross Interest paid each Quarter | £600 | £675 | |
| | Total Interest | £7,200 | £5,400 | £12,600 |
| £50,000 | Gross Interest paid each Quarter | £1,000 | £1,125 | |
| | Total Interest | £12,000 | £9,000 | £21,000 |
| £100,000 | Gross Interest paid each Quarter | £2,000 | £2,250 | |
| | Total Interest | £24,000 | £18,000 | £42,000 |
| £500,000 | Gross Interest paid each Quarter | £10,000 | £11,250 | |
| | Total Interest | £120,000 | £90,000 | £210,000 |
| £1,000,000 | Gross Interest paid each Quarter | £20,000 | £22,500 | |
| | Total Interest | £240,000 | £180,000 | £420,000 |
| £2,500,000 | Gross Interest paid each Quarter | £50,000 | £56,250 | |
| | Total Interest | £600,000 | £450,000 | £1,050,000 |

Experience

The Directors of Imolott Limited have over 50 years extensive experience on the acquisition, management and disposal for profit of hotels in both the UK and overseas.

Details of our Hotel, The Norfolk Arms Hotel operated by Imolott Limited, and the historical track record of the Directors can be found on pages 15 to 16.

Marketing

Professional advisory firms, marketing and wealth management companies will market and advertise the Loan Notes on behalf of Imolott Limited. Commissions for these services are variable and will be paid from the proceeds raised from the issue of the Loan Notes.

Use Of Proceeds

The funds raised from the issue of the Loan notes will be used to fund all costs associated with the purchase and refurbishment of the hotels. Costs include, but are not limited to, the costs of purchasing and refurbishing the hotels as well as conveyancing costs.

Exit Strategy

The Company intends to repay the principal and make interest payments to the Loan Noteholders from:

- the profits from operating the hotels
- selling the hotels purchased for a profit
- refinancing the hotels through bank/institutional debt, raising equity, or convertible loan notes.

Offer Conditional on Minimum Fundraising

The Offer is subject to the minimum subscription of £250,000 being reached on or before the closing date. Imolott Limited Directors will not proceed with the Offer until the above condition has been satisfied, and if this condition has not been satisfied on or before the closing date, investors' monies will be returned.

Unallocated funds prior to their use for hotel acquisitions and or refurbishments will, at the discretion of the Directors, be deposited in temporary interest-bearing investments. In such circumstances the Loan Noteholders will be paid interest quarterly up to two percent per quarter which is equal to eight percent per annum from these investments.

Security

Investor security is the Company's priority. In the event of a default, as defined by the Loan Note Instrument, the Security Trustee will have the benefit of a fixed legal charge over the hotel properties purchased using the proceeds from these loan notes. The Security Trustee Deed Agreement is an important document that you should read as it explains the roles and responsibilities of the Security Trustee. The agreement is available on request by writing to Nicholas Crawley, Imolott Limited, Norfolk Arms Hotel, High Street Arundel, West Sussex, BN18 9AB, or by email to Fundingenquiry@norfolkarmshotel.com.

Important: Where the Company's strategy is to acquire hotel properties or to finance hotel refurbishment, the Company will seek to obtain finance from a Senior Lender. This will result in the senior lender taking first charge over the property. The aim of the refinancing will be to repay the capital deployed into the hotel properties by the Company. Where the Senior Lender will take a first charge over the property in question, the Security Trustee may exercise its authority to approve the subordination of Loan Notes to senior debt.

Bank debt will not be used initially to purchase the hotel asset – it will only be used for development or financing a property refurbishment of a hotel.



3. Focus On Target Sector Hotels

Real Estate values appreciate slowly over time, and private investments are less volatile than public markets. They are illiquid, but the long-term investment view is positive and has proven to be less procyclical.

Private real estate has long been recognised as a valuable component of a balanced investment portfolio. Within this sector, Independent Hotels are a proven long-term niche play with market resilience, strong asset appreciation as well as positive cash-on-cash dividend income.

In recent years, UK hotels have proven to be a strong, inflation-hedging asset class, in comparison to other commercial real estate, such as office or retail. As a result, hotels have one of the best growth stories across the real estate spectrum, offering the flexibility to drive income and profit, whether through changing manager, brand, or operational structure. This has solidified the sector in the eyes of potential investors.

Travel industry trends continue to show a steady rise in demand for authentic affordable luxury, and thus the hospitality landscape is changing, for guests as well as investors. Investors who once deemed flagship brands a lower-risk, higher-return are realising that independent/boutique hotels are appreciating assets, better positioned to deliver the lifestyle-focused quality and experience that today's guest demands.

Whilst franchise hotels have proven operating and marketing systems, which appeal to lenders, these systems are typically a one-size fits all model and coupled with sky-high property-improvement-plan costs, can often hinder the ability to adjust to market demand. Modern streamlined distribution models now help level the playing field, and with large quantities of data, market analysis, and direct-to-consumer digital marketing which is readily available to smaller operators, the infrastructure and scalable systems that once benefited franchise operators are becoming less of an advantage than an obstacle.

Imolott Limited operates in the independent market, where its nimble structure gives it a competitive edge in the current ever-changing consumer market. With large scale data, market analysis, and direct-to-consumer digital marketing readily available, Imolott Hotels operates with cost-effective, cloud-based systems, and personalised marketing that, can streamline its business operations. We are able to upgrade assets based on market demands in a way that branded corporate hotels cannot, because they have a very rigid way of doing things.

Imolott Limited offers a strong hotel value proposition. Rather than being a commoditised 'brand' building with a corporate style, Imolott Hotels will deliver a true lifestyle boutique experience for all and a platform from which guests can enjoy their surroundings, and have their needs anticipated.

INVESTMENT FOCUS

Lifestyle & Independent Hotels

Imolott Hotels believe that the lifestyle and independent hotel sectors offer some of the best investment opportunities in hotel real estate due to a combination of growing consumer demand and opportunities for outsized performance improvement, due to inconsistent execution by inexperienced owners and operators in this niche.

Primary Urban Markets & Select Leisure Destinations

We focus on primary urban markets and selected leisure destinations with diversified and growing demand characteristics and high barriers to entry, primarily in the budget boutique sector. We prefer to selectively pursue opportunities in secondary markets with potential for higher average daily rates where the lifestyle hotel product we create can stand out amongst the competition.



4. Market Outlook

The UK Hospitality Industry is expected to grow from £45.93 billion in 2024 to £52.04 billion by 2029, at a Compound Annual Growth Rate (CAGR) of 2.53% during the forecast period (2024-2029).

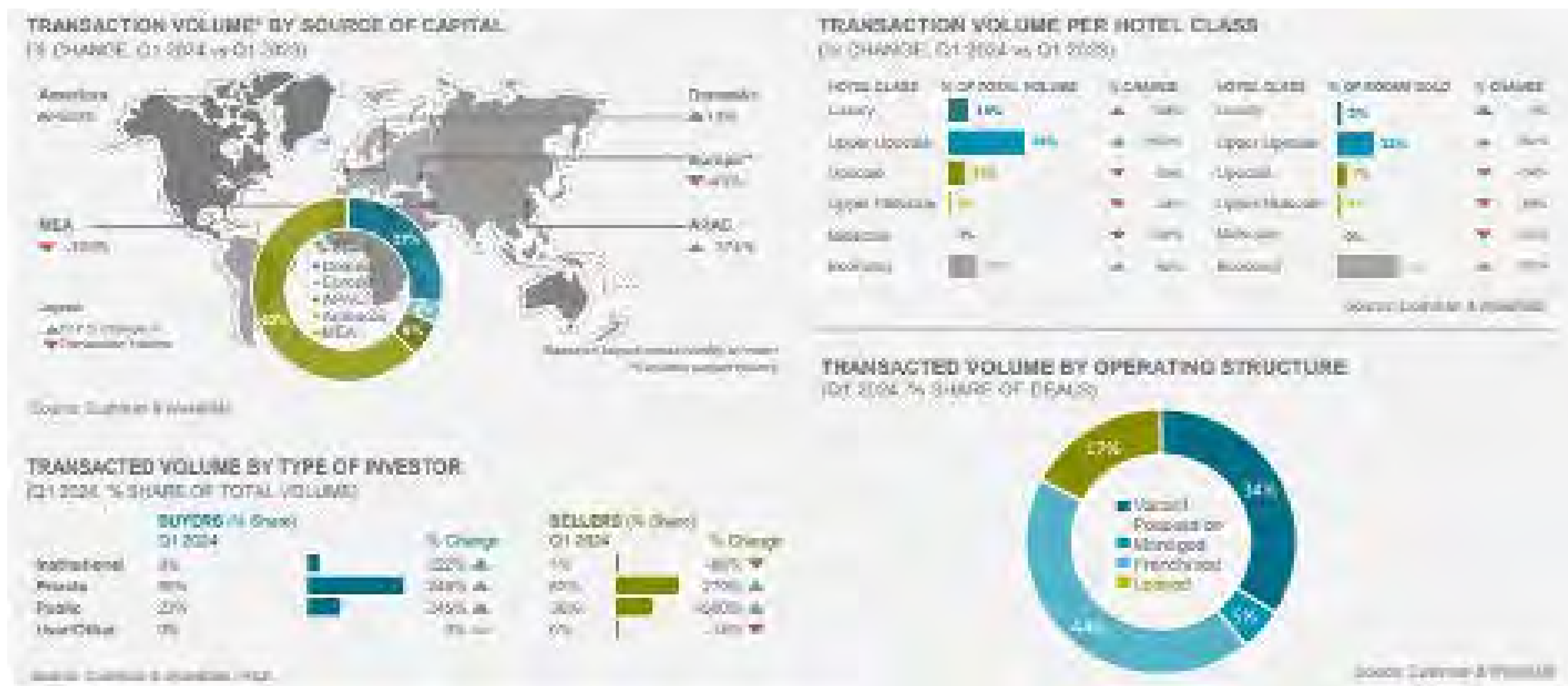
According to Cushman & Wakefield in Q1 2024, UK hotel investors transacted approximately £1.7 billion in real estate, a 138% surge from Q1 2023, with Ninety-three properties across the UK, totalling approximately 7,600 rooms transacted.

CAPITAL DEPLOYMENT

- Private buyers completed 69% of deals.
- 23% were public investors.
- 8% from institutional capital.
- Throughout the quarter, London dominated major deals by volume, constituting 60% of transactions. However, London is not of interest to us as the cost of entry is extremely high and dividend low.
- These transactions highlight the ongoing interest in office-to-hotel conversion projects, which remain a significant portion of deal flow.

STATE OF THE MARKET

- The market anticipates a continued positive sentiment for the sector, supported by increased consumer confidence.
- Additionally, leisure demand for hotel nights in the UK is projected to grow by a further 6% this year.
- While hotel supply growth is expected to continue, it is forecasted to slow down compared to the previous two years following the post covid spike.
- UK-wide room supply has only increased by 0.2% since the beginning of the year, with approximately 24,000 rooms still under construction.



Ed Fitch, head of hospitality UK & Ireland at Cushman & Wakefield, said:

“The last 18 months have seen the UK sustain elevated levels of hotel performance, which now appears to be stabilising as the new standard. The bid to ask spread continues to slowly narrow.”

“There is strong capital interest in the sector, yet deal flow remains constrained by a lack of product on the market whilst buyers are adopting a wait-and-see approach anticipating base rate cuts in H3/4 2024.”

“From a yield perspective, we see that they remain stable against those established at the close of 2023.”

“Toward the back end of the year, a slow and steady sharpening in line with the gradual reduction in base rates can be expected, although reversion to historic lows of the 2010s is unlikely.”



5. Investment Strategy

Having a well-defined investment strategy is indispensable for hotel investors due to several key factors within the hotel investment landscape.

Firstly, the intricacies of hotel investment, being a subset of real estate, demand a strategic approach to navigate through dynamic market conditions. Effective pricing strategies, considering metrics like Average Daily Rate (ADR), Revenue Per Available Room (RevPAR), and occupancy rates, are integral components of a successful investment strategy in the hotel industry.

Furthermore, a comprehensive investment strategy considers various aspects of hotel operations, such as revenue management and asset management. This approach ensures that the cash flow from the hotel business is optimised, contributing positively to the bottom line.

Secondly the type of hotel and its market positioning are crucial considerations. Whether it is a boutique hotel, a full-service establishment, or one associated with a well-known hotel brand, aligning the investment strategy with the specific characteristics of the property enhances the likelihood of success.

We understand the hospitality industry's trends and guest preferences that are vital for creating a guest experience that attracts bookings and, consequently, maximizes returns on investment. Additionally, keeping an eye on market conditions helps identify investment opportunities, whether it involves developing a new hotel or adding value to an existing one.

For hotel investors, collaborating with a reputable and experienced hotel management team is part of a sound investment strategy. This partnership ensures effective day-to-day hotel operations, contributing to sustained profitability.

In the broader context of real estate investment, hotels represent a unique asset class. Therefore, tailoring the investment strategy to the distinctive features of hotel real estate assets, including considerations for business or leisure travelers, types of hotels, and market demand, is crucial for long-term success.

Our investment strategy in the hotel industry considers a spectrum of factors ranging from market conditions and real estate assets to guest experience and revenue management. By addressing these elements, we can position ourselves to make informed decisions and we can capitalise on the diverse opportunities within the dynamic hotel investment landscape.

Asset Acquisitions Focusing on the South and Southwest

We seek acquisitions that generally take the form of whole ownership of primarily freehold assets, but we will consider exceptional hotel properties with leaseholds on favourable terms. Our targeted businesses are typically between £2million - £3million, but we will selectively purchase assets requiring both

smaller and larger commitments primarily in the South and Southwest of England.

Our own analysis supported by Savills and Knight Franks advise that the South and Southwest regional hotel markets are performing exceptionally well, driven by consumer demand for staycations. The Agents believe that after an acceleration in demand post the pandemic, that this will continue as holidaymakers seek out more environmentally friendly and sustainable holidaying, a trend that was emerging pre-Covid. James Greenslade, Director in the Hotel Capital Markets team at Savills comments: "The Southwest has some of the best holiday locations in the UK and investors are drawn to locations such as Cornwall and Devon where long-term demand for leisure-led hotels is expected to be high."

A standardised big-box branded hotel might be a compelling investment, but guests can be quick to switch to the hot new property that opens down the street. We avoid being in this position by future proofing our hotel investments by carefully selecting locations and assets that have a competitive advantage such as historical associations, a memorable location or architectural features, as well as a strong built in micro location demand near to the hotel.

Renovation / Repositioning

Existing hotels in desirable locations that are in need of renovation and/or market repositioning. These hotel properties are well located but are failing to perform to their full potential due to a combination of their physical state and management and/or brand affiliation.

Asset Consolidation & Adaptation

Identify assets and/or subdivision in whole or in part of acquired hotel properties that can be disposed of at a premium to offset refurbishment/redevelopment costs.

Hotel buildings that have underutilised areas that are suitable for conversion or can be repurposed into additional bedrooms and or other profitable income generating spaces, ie conference space.

Operational Enhancement

Imolott Limited will seek existing hotels in generally good physical condition that will benefit from our rigorous approach to asset management and a change in management.

We seek those potential assets that are poorly run hotels that have plenty of opportunity for improvement. Hotels that may have outdated technology, tired

rooms or management that has become stale for instance, with underutilised real estate spaces that offer new opportunities to boost revenue and profits.

Authentic experiences

The rise of Airbnb has tapped into a growing aspiration to live like a local and experience the best that any given destination has to offer. Hotel guests are placing increasing value on experiences over the amenities of their accommodation, and boutique hotels deliver perfectly against this. With their smaller size and passionate owners – boutique hotels offer that personal and authentic experience for guests but with the safety and flexibility of a hotel. This authenticity is a key part of Imolott Limited strategy with a product offering of budget boutique hotels that differentiates us from the hoard of bland mid-market hotel properties that are increasingly being squeezed by the budget and luxury hotel offerings, yet still have an ever-increasing high operating cost base.

Despite being priced more competitively, our budget boutique hotels will share most of the features of their pricier counterparts yet maintain a personal, professional, friendly, and authentic offering yet with a reduced and more efficient cost base and improved profitability.

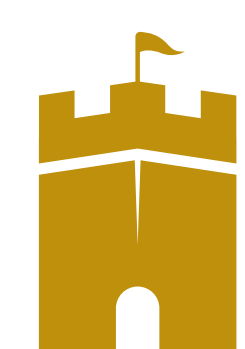
Culture

PERSONALITY: We own and embrace our personality and culture, and we are not being shy to let it shine in all that we do even if it does not appeal to everyone.

PERSONALISATION: We are creative in all that we do. We focus on innovating with low cost, high emotional impact, and an element of surprise.

POSITIONING: Taking a clear position within a market is key to success. A younger generation of guests do not trust large brands – they find them too greedy, selfish, or detached from reality. Imolott Limited is making sure we are clear on what we are (and what we are not) and embracing it in all we do. Targeting guests who are keen to experience something authentic and special at a price they can afford.

MESSAGING: We focus on our guests seeking out hidden gems, A broad market including young professionals, baby boomer retirees, empty nesters looking to spend their newfound free time traveling, or young families seeking great child-friendly rather than child-focused hotels – our hotels will focus essentially on anyone who wants a boutique hotel at a price they can afford, even from corporate customers, many of whom have grown tired of staying in soulless brand/chain hotels when travelling regularly for business.



6. Company Structure

Norfolk Arms Hotel Arundel

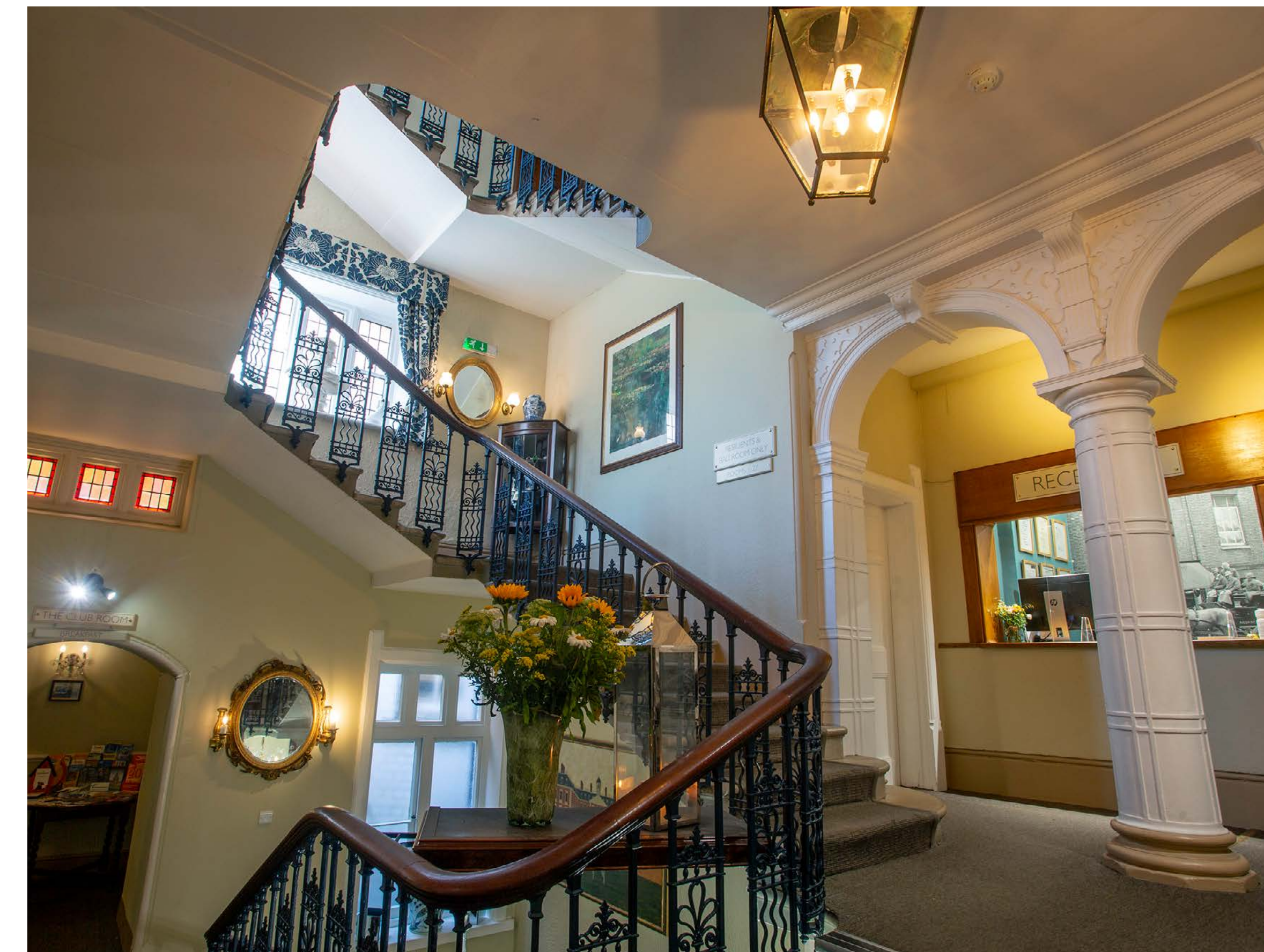
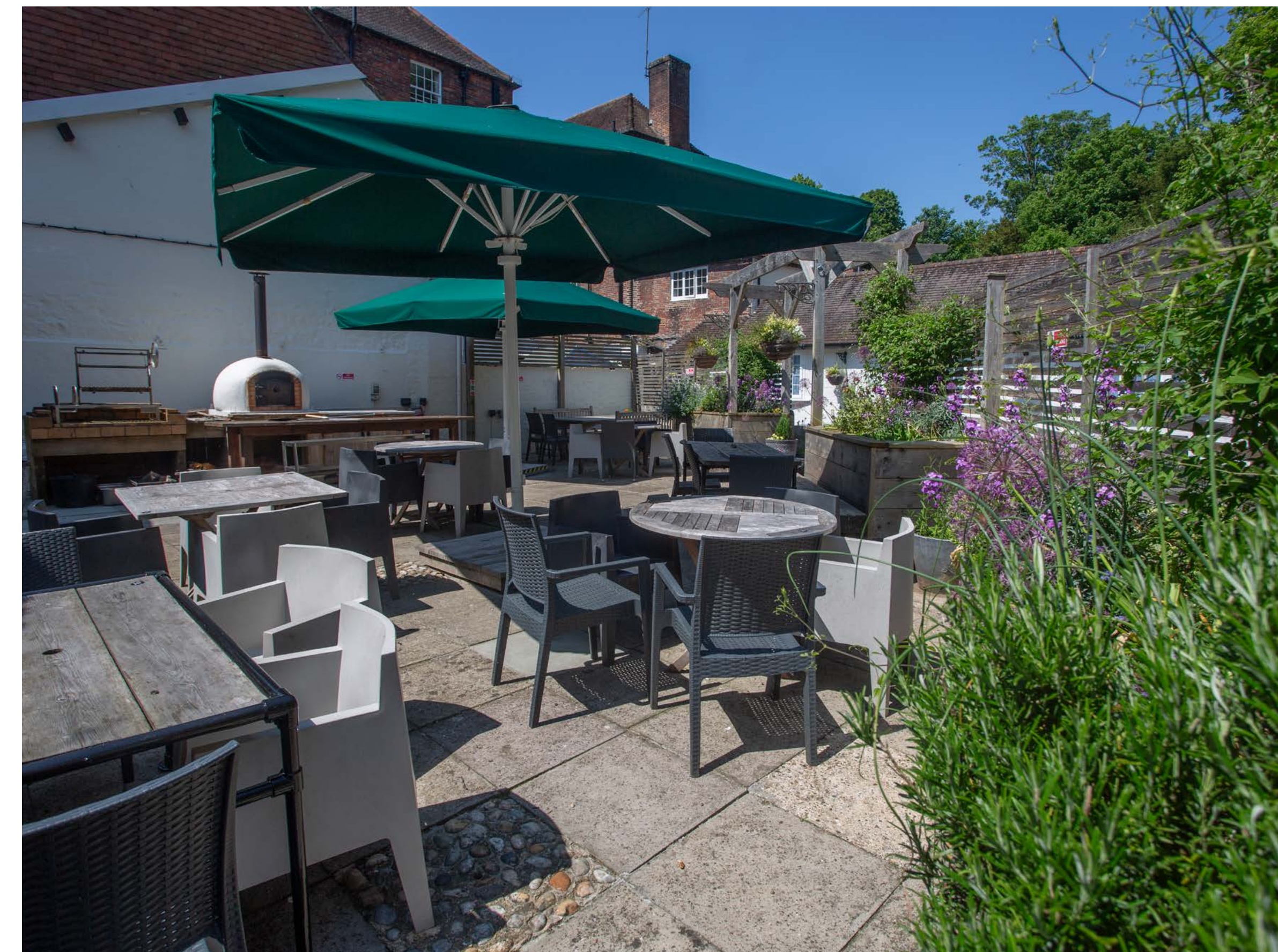
In 2018 Nicholas Crawley’s Pension Fund (SIPP) purchased the Norfolk Arms Hotel, Arundel, West Sussex and granted a sub lease to Imolott Limited which operates the hotel on behalf of the Pension Fund.

The hotel is an 18th Century Coaching Inn adjacent to the castle walls of Arundel Castle. There are 38 bedrooms, some in an annex on the site of the original stables, but the majority are within the main hotel building. The hotel has a four-star rating and has won a Tripadvisor award for good comments left by guests. There is also a large 18th Century Ballroom that seats up to 100 people for events, weddings, and dinners. In addition, there also two private dining rooms and the Castle restaurant. The Tap bar, popular with both hotel guests and passing trade, offers a wide range of Sussex Craft ales, gins and locally roasted coffee. The rear patio, private ‘secret’ garden and archway provide attractive outdoor seating areas and alfresco dining facilities in the summer.

Prior to its acquisition by Imolott Limited the hotel was losing money due to a lack of investment in both the property and personnel. A programme of gradual restoration and renovation including all the bedrooms, bathrooms and public areas has been carried out since 2018 and the hotel now, post covid, has been making a healthy profit, with year-round occupancies at circa 80%.

Imolott ltd will seek to retain £500,000 of the funds raised on which it will pay an 8 per cent yield out of trading profits. This is to invest in further upgrading of the hotel, particularly some of the Food and Beverage areas, and the creation of three new bedrooms, for which planning permission has been granted. This will further enhance the profitability of the hotel. This will be secured by way of a charge over the lease of the hotel.

| | 2021/22 | 2022/23 | Projected 24* | Projected 25 | Projected 26 |
|--|-----------|-----------|---------------|--------------|--------------|
| Turnover | 1,770,363 | 1,772,889 | 1,852,843 | 1,921,163 | 2,035,187 |
| Cost of Sales | 281,614 | 272,929 | 292,490 | 307,386 | 325,630 |
| Total Payroll | 730,639 | 704,352 | 743,366 | 768,465 | 814,075 |
| Total Expenses | 584,883 | 591,037 | 598,322 | 613,280 | 628,612 |
| EBITDA | 173,227 | 204,571 | 218,665 | 232,032 | 266,870 |
| EBITDA %age of Turnover | 9.8% | 11.5% | 11.8% | 12.1% | 13.1% |
| *Estimate 24 ebitda is adjusted to add back £50k costs after competed management restructure | | | | | |
| Total Borrowing | | | 500,000 | 500,000 | 500,000 |
| Interest | | | 8% | 8% | 8% |
| Interest Payments | | | 40,000 | 40,000 | 40,000 |
| DSCF (interest only) | | | 5.47 | 5.80 | 6.67 |

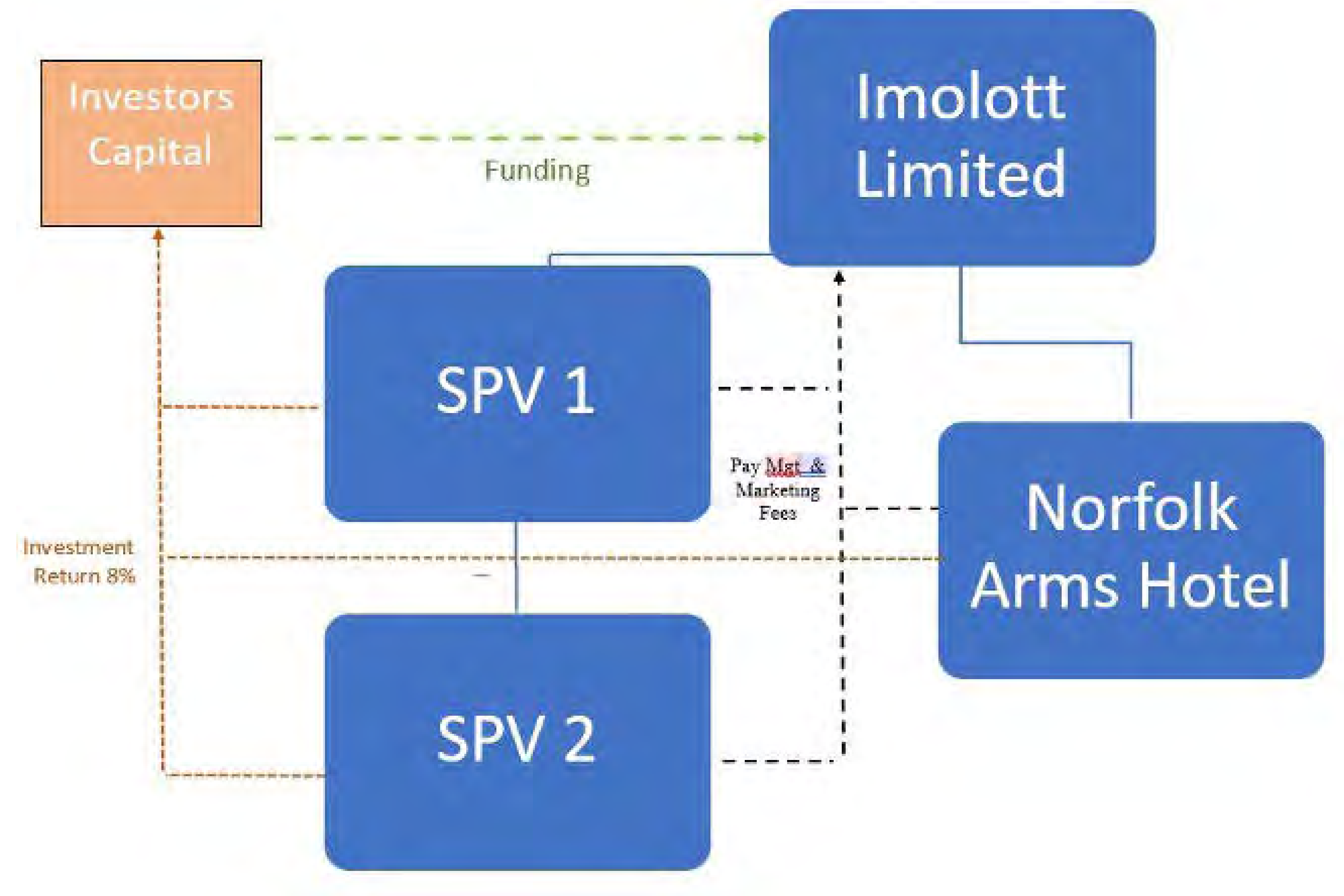


6. Company Structure (cont.)

Imolott Limited Structure

Imolott Limited (trading as the Norfolk Arms Hotel) is an established company, and would invest in a group of hotels, acquired via the Fund.

- Fund Investment is via Imolott Limited which is the holding company from which the Hotels are acquired via individual SPV's.
- Each of the Hotel's trading and staff will be employed directly by the hotel in their respective individual Hotel Company SPV.
- Imolott Limited to provide management services to the respective SPV businesses for a fee of 3% revenue and 8% of EBITDA, but only paid after 8% return has been made to Investors.
- Each SPV will enter into an additional agreement with Imolott Limited to provide revenue management, procurement, centralised sales and marketing support across the business. These services will operate on a cost neutral basis less any central admin costs of the service



7. Case Studies

The following two examples are hotel properties identified by the Directors as hotels that could have been acquired recently. These hotel properties are currently not on the open market and the respective Seller NDA's require that they remain confidential at this time.

These hotel properties are for example purposes only.

Somerset Hotel - £3m Freehold

A unique property and business nestled in the Somerset countryside with a meandering river, lake and grounds. Consisting of three Grade II listed buildings, Tithe Barn and other buildings, the properties have undergone extensive renovation. A multifaceted business of accommodation, restaurant, café, weddings and conferences, attracting a range of leisure and business travellers as well as day visitor attractions. This was a retirement sale.

Key investment highlights:

- Turnover circa £1.95 million
- Established wedding business
- Tithe barn events space
- Multiple additional events and meeting rooms
- Stunning riverside location
- Restaurant & bar
- Large 13-acre site
- Popular destination venue
- 21 en-suite hotel bedrooms
- Significant upside opportunities including with subject to planning potential additional bedrooms (not included in the model)



7. Case Studies (cont.)

Cornish Hotel - £3m Freehold

An extremely successful and profitable business with scope to grow, this hotel offers mesmerising views overlooking one of the most scenic locations in North Cornwall. The property is situated in a raised position with panoramic views of the beach and the Atlantic Ocean. The property has undergone extensive renovation. The business trades as a hotel, restaurant and bar and is popular with tourists, day visitors and local residents. This was a retirement sale.

Key investment highlights:

- Turnover circa £1.2million
- Stunning coastal position
- Walking distance from the beach
- Flexible internal and outside trading spaces with sea views
- Restaurant & bar
- Onsite parking for 65 cars
- Popular destination venue
- 10 en-suite hotel bedrooms
- Potential to develop a further 10 bedrooms

| | 2021/22 | 2022/23 | Estimate Y1 | Estimate Y2 | Estimate Y3 |
|---|-----------|-----------|-------------|-------------|-------------|
| Turnover | 1,245,417 | 1,245,549 | 1,370,104 | 1,657,826 | 1,707,560 |
| Cost of Sales | 298,469 | 323,574 | 356,227 | 431,035 | 443,966 |
| Total Payroll | 268,587 | 270,382 | 346,321 | 455,488 | 469,152 |
| Total Expenses | 159,612 | 154,127 | 180,839 | 203,280 | 209,379 |
| EBITDA | 518,749 | 497,466 | 486,717 | 568,023 | 585,064 |
| EBITDA %age of Turnover | 9.8% | 11.5% | 11.8% | 12.1% | 13.1% |
| Purchase Price | | | 3,000,000 | | |
| Capex Works (10 bedroom extension available from Y2) | | | 1,200,000 | | |
| Total Borrowing | | | 4,200,000 | 4,200,000 | 4,200,000 |
| Interest | | | 8% | 8% | 8% |
| Interest Payments | | | 336,000 | 336,000 | 336,000 |
| DSCF (interest only) | | | 1.45 | 1.69 | 1.74 |

*Actuals are based on current published Accounts



Model assumes in year 2 (Y2) turnover is with 10 additional bedrooms

7. Case Studies (cont.)

Consolidated Projections

Included the Norfolk Arms Hotel and the case study properties

| | 2021/22 | 2022/23 | Projected 24 | Projected 25 | Projected 26 |
|--|-----------|-----------|--------------|--------------|--------------|
| Turnover | 4,977,310 | 4,987,415 | 5,388,822 | 5,907,303 | 6,187,479 |
| Cost of Sales | 1,130,350 | 1,109,996 | 1,211,844 | 1,343,783 | 1,405,226 |
| Total Payroll | 1,749,837 | 1,803,885 | 1,972,434 | 2,160,082 | 2,239,233 |
| Total Expenses | 1,099,596 | 1,049,480 | 1,142,191 | 1,228,287 | 1,305,015 |
| EBITDA | 997,527 | 1,024,054 | 1,062,353 | 1,175,152 | 1,238,005 |
| EBITDA %age of Turnover | 20.0% | 20.5% | 19.7% | 19.9% | 20.0% |
| Purchase Price (including Acquisition Fees) | | | 6,300,000 | | |
| Capex Works (Extra Rooms) | | | 1,700,000 | | |
| Total Borrowing | | | 8,000,000 | 8,000,000 | 8,000,000 |
| Interest | | | 8% | 8% | 8% |
| Interest Payments | | | 640,000 | 640,000 | 640,000 |
| DSCF (interest only) | | | 1.66 | 1.84 | 1.93 |



8. The Senior Team

Nicholas Crawley

Managing Director

- Nicholas has over 40 years of experience of owning and operating hotels throughout the UK and Europe. Until 2019 he had a day to day a role as Managing Director of St James's Hotel Group and was overseeing the profitable operation of the fourteen hotels in the Group.
- Throughout his career he has focused on hotel acquisition, selection, operations, sales and marketing, human resources, property management, brand development and refurbishment.
- Previous roles have included being a Chairman of the Isle de France Hotel St Barths, Director of Akkeron Hotels, Director of The Scotsman Hotel Group Ltd, Managing Director of Regal Hotel Group PLC (a group of 130 hotels), Chairman of Hotel Apartment PLC, Director of Hotels Division of Parkdale Holdings PLC. He co-founded and was Director of Historic House Hotels and started his career in the management of hotels training at The Savoy Hotel Group.

Simon Porter

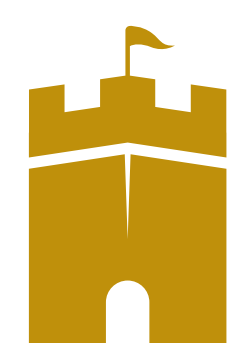
Property Director

- A senior executive with 30 years of extensive experience in the Hotel, Restaurant, Casino and Leisure Industries in a number of operational and corporate roles both in the UK and overseas.
- Simon has had a successful hotel asset and property management consultancy business DestINNation Ltd.
- A senior consultant for St James's Hotel Group, overseeing the estate, corporate affairs IT, and procurement.
- Project team member for the +£50m developments of Hotel Indigos in Bath and Stratford-Upon-Avon completing in 2019.
- Previous roles have included Director of Estates and Corporate Affairs for Akkeron Hotels.
- Corus Hotels in various roles – including corporate affairs and Group Property Asset Manager with responsibility for the £360 million disposal of over 100 hotels over a 4-year period.
- Simon has as well as property a very strong food and beverage background having owned his own restaurant and bar, in addition to senior roles at Sodexo Loisirs, The Restaurant Partnership (including Food & Beverage hotel outsourcing), London Clubs Casino Group. He began his career at Hilton Vista Hotels.

Sam Hurst

Accumulus Accounting

- Sam through his company Accumulus Accounting provides specialised hospitality outsourced account and hotel management finance solutions.
- Payroll and invoice processing
- Preparation and presentation of the budget, monthly management accounts, profit & loss and key performance indicator metrics, as well as producing the Company balance sheet and year end accounts.



9. Track Record



Historic House Hotels

At the age of 24, Nicholas Crawley became a Director of Historic House Hotels Ltd. This Company, which was privately funded opened three hotels in the UK;

1. Bodysgallen Hall North Wales
2. Middlethorpe Hall, York
3. Hartwell House, near Aylesbury

All three hotels are members of Relais Chateaux and won many plaudits in the guidebooks over the years. The Company obtained the Queens Award for Export and a Prince of Wales Award for the restoration of Bodysgallen. Nicholas had responsibility for aspects of operating the hotels and a particular responsibility for converting the listed buildings (two of them Grade I) into hotels.



Regal Hotel Group PLC

Nicholas Crawley was Managing Director of this group of hotels, which at its peak operated 130 hotels and over 20 restaurants in the UK. The group was the seventh largest hotel company in the UK in the late 1990's.

In 1998 the Company turned over £117 million making pre-tax profits of £20 million. During Nicholas Crawley's tenure as Managing Director, the share price quadrupled in value. In 2000 the Company was taken over by Malaysian United Industries and eventually privatised.



Hotel Isle de France, St Barths

Nicholas served eight years as Chairman of this award winning five-star hotel in St Barths. The Hotel consistently won awards in Conde Nast as one of the best hotels in the world.

The Hotel had 40 rooms and suites and achieved an average room rate in 2015 of Euros,1,000 a night. The Hotel was sold in 2015 for what was estimated by CBRE to be a world record price per room.

9. Track Record (cont.)



Scotsman Hotel Group

In 2001 Nicholas Crawley helped convert the Old headquarters of the Scotsman Newspaper Group into a five Star hotel with 55 rooms, whisky bar, two restaurants and health club and spa. There was also a screening room and art gallery.

The Group also owned 42, The Calls in Leeds – a four-star boutique hotel with a Michelin starred restaurant. The Hotel de la Tremoille in Paris was purchased in 2002 and completely refurbished as a five-star 93-bedroom hotel with a small spa. The Hotel in the “Golden Triangle” of Paris remains one of the best hotels in Paris.



Four-Pillars Hotels

Nicholas Crawley was a Director of Four Pillars Hotels which owned and operated six hotels in Oxford, the Cotswolds and the Thames Valley operating in the three and four star sector, including two listed buildings – Tortworth Court and Oxford Thames. The Company obtained planning permission and built the 318-bedroom Cotswold Water Park Hotel.

The hotels were eventually all sold to Starwood Capital.



Forestdale Hotels/St James’s Hotel Group

Nicholas Crawley was Managing Director of St James’s Hotel Group until 2019, along with Simon Porter who was Director of Estates.

The Company, via its parent company Somerston, acquired fourteen unbranded 3 Star Hotels from Forestdale Hotels as well as the Hilton Hotel Portsmouth and the Legacy Falcon Hotel Stratford-Upon-Avon. Nicholas and Simon presided over the redevelopment of these hotel properties and disposal of non-core assets.

2019 saw the completion of a multimillion-pound redevelopment of the hotels in Bath and Stratford. These hotels having been expanded, and significantly upgraded and converted to 4-star IHG Hotel Indigos. The Hotels were complemented with outsourced food and beverage, that is operated by a Michelin star chef.

10. Subscriptions

To Subscribe

To subscribe, Investors should read and complete the Application Form which accompanies this document, and email that, together with the additional information and documents required to Fundingenquiry@norfolkarmshotel.com.



11. Risk Factors

The risks described below are those risks that the Directors of the Company consider at the date of this document to be material to a decision as to whether to make an investment in the Loan Notes. However, they are not the only risks relating to the Company or the Loan Notes.

If any of the following risks, as well as other risks and uncertainties that are not herein identified or that the Company does not consider to be material at the date of this document, were to occur, then these could have a material adverse effect on the Company's ability to fulfil their obligations to pay interest, principal or other amounts in connection with the Loan Notes.

Potential investors are strongly advised to consult their stockbroker, bank, solicitor, accountant or other financial adviser who is authorised under FSMA to advise on investments of this sort if they are in any doubt.

Risk to Capital

Invested capital is at risk and you may not get back what you invest. The Company, like all businesses, is vulnerable to financial difficulties and investing in unlisted corporate loan notes involves significant risk of default and loss of capital.

Investment in Loan Notes of this nature is speculative and involves a higher degree of risk than other types of investment. Investments of this type are not suitable for all investors.

Non-Transferable and Illiquid Investment

The Loan Notes are not transferable or negotiable on the capital markets and no application will be made for the Loan Notes to be admitted for listing or trading on any market. It will not be possible to sell or realise the Loan Notes until they are repaid by the Issuer, so please ensure you are fully aware of the risks involved and that you will not be able to cash in or sell your Loan Notes before their maturity date. Prospective investors should not submit an application form unless they are prepared to hold the Loan Notes for their full term. In the event of the death of a Loan Noteholder or in other exceptional personal circumstances, individual Loan Noteholders may be repaid early. However, any such early repayment is at the Company's discretion and subject to there being sufficient cash available at that time.

Risk Factors Financial Services Compensation Scheme and Regulation

The content of this document has not been approved by an authorised person within the meaning of the Financial Services and Markets Act 2000. Please note that this is an unregulated product.

The compensation entitlements under the Financial Services Compensation Scheme (FSCS) do not apply to this investment. In the event of the Company being unable to pay either the capital or interest payments, the protections afforded by the Financial Services and Markets Act 2000 including recourse to the Financial Ombudsman Service and access to the FSCS will not apply.

Security No Guarantee Of Repayment

Even though the Loan Notes are secured by way of a fixed charge (or second ranking fixed charge where senior finance is obtained) over the hotel properties purchased, meaning Loan Noteholders rank ahead of unsecured creditors in a default situation, the Company assets have not been valued and the presence of this security does not guarantee that investors in the Loan Notes will be repaid at maturity or receive their interest payments in full. The Loan Notes rank below employees and certain administrators (and senior debt providers in some cases) but ahead of unsecured creditors and equity shareholders. The Company also has the right to enter other debt arrangements, issue further Loan Notes and to grant other security over its assets provided it ranks equal to or behind the security in favour of Loan Noteholders. This means that the Company's available assets may be spread around a larger group of secured creditors in a default or insolvency situation resulting in less being available to satisfy the claims of Loan Noteholders.

Loan Note Return Rate, Market Interest Rates and Inflation

The Loan Notes attract a fixed rate of interest and as such will not benefit from any subsequent increases in market interest rates. Accordingly, you should note that a rise in interest rates may adversely affect the relative returns that the Loan Notes offer. Further, inflation may reduce the real value of the returns over time.

No Right To Participate In Management Or Profits Beyond Fixed Return

Loan Notes are a very different kind of investment to equity shares and investors do not own a stake or have any right to participate in management of the Com-

pany. As such, Loan Noteholders will not be in a position to object to particular strategies or decisions of the Company's directors. Security Trustee Whilst the security in favour of Loan Noteholders is held on their behalf by a Security Trustee, the Security Trustee shall not be responsible, nor shall face any liability, for any loss incurred by the Loan Noteholders relating to a failure of the Company to make payments (whether of interest or of the principal amount) to the Loan Noteholders when due. The Security Trustee will not have any ability or responsibility to protect any monies in the accounts of the Company which may have been set aside for payment of interest or the principal amount in respect of the Loan Notes. The Security Trustee cannot guarantee return of any monies in the event of default. The Security Trustee has no role in the day-to-day management of the Company and its personnel are not experts in the Company's business. Accordingly, in the event that the security is enforced, there can be no guarantee that it will be possible to realise the assets for the same value as stated in the IM (or realise them at all in some cases).

Cancellation Rights

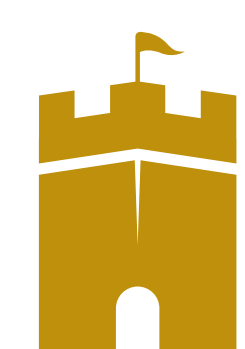
Investors will not be able to cancel an application to subscribe for Loan Notes once they have signed the application form. Investors should review the term and conditions of application carefully and seek professional advice from financial intermediaries authorised under FSMA to advise on investments of this type.

Risks Relating To The Company

Investments in this type of Company carry particular risks over and above the general risk of unquoted debt investment described above. Investors are reminded that there is no guarantee that the Company's strategy or trading activities will be successful and that their investment is consequently at risk.

Performance Risk

The Company may not perform as well as expected and may even fail completely. Investors are reminded that any financial forecasts include in this document are hypothetical projections only. Projected results have many inherent limitations and there are frequently sharp differences between such projections and the actual results subsequently achieved. The Company cannot make any representation or warranty as to what the actual results will be and has provided its projections by way of illustration only.



11. Risk Factors (cont.)

Personnel

The Company's performance is dependent on the continued services and performance of members of its board, management team, operational employees and professional advisers. If the Company does not succeed in retaining skilled personnel, fails to maintain the skills of its personnel or is unable to continue to attract and retain all personnel necessary for the development and operation of its business, it may not be able to grow its business as anticipated or meet its financial objectives including the servicing, and ultimately the redemption, of the Loan Notes.

Regulatory Risk

Changes to existing laws or regulations, or the creation of new laws or regulations may have an adverse effect on the Company's business and could result in the Company failing to generate sufficient returns to service the Loan Notes or redeem them in full (or at all).

Valuation Risk

The Company may rely on the valuations of independent legal professionals. Such valuations will be used for the purposes of calculating the valuation of hotel properties in financial reports and forecasts. There can be no assurance that such valuations will be correct or that such information will be received in a timely manner.

Property Market Risks

Fluctuations in the hotel property market and hotel business trading could affect the value of the properties. Any negative fluctuations in the property market and individual hotel trading profitability (Earnings before interest, depreciation and amortisation (EBITDA)) could affect the performance of the Company and its ability to repay Loan Noteholders.

No Security over Investor Funds

The proceeds raised from the issue of Loan Notes may be held by the Company until properties are purchased. Investor security is the Company's priority. In the event of a default, as defined by the Loan Note Instrument, the Security Trustee will have the benefit of a legal charge over all the properties purchased by the company using the proceeds of these loan notes and upon instruction from the Noteholders may appoint an agent to sell the properties and return the proceeds to the Noteholders.

Other Risks And Considerations

Diversified Portfolio Investors are reminded to maintain a balanced portfolio. Diversification by spreading your money across different types of investments should reduce your overall risk. Investors should only invest a small proportion of their available investment funds via this Offer (and others like it) due to the high risks involved.

Taxation Risks

The statements in this document regarding taxation only represent the Company's understanding of the current law and practice as regards the taxation of the Loan Notes. Nothing in this document should be considered tax or legal advice and prospective investors are recommended to seek their own independent advice before investing. The tax legislation referred to herein may change in the future and such changes may have retrospective effect. Investors are reminded that any future legislation regarding taxation could also have an adverse effect on the Company's profitability.

Individual tax circumstances may differ from investor to investor and persons wanting to invest are advised to seek specific tax advice based on their personal circumstances.

Forward-looking Statements

Certain information contained in this document constitutes "forward-looking statements," which can be identified by the use of forward-looking terminology such as "assumed", "example", "illustrative", "may", "will", "should", "expect", "intend", "anticipate", "project", "estimate", "plan", "seek", "continue", "target", or "believe", or the negatives thereof or other variations thereof or comparable terminology, and include projected or targeted minimum returns to be made by the Company. Such forward-looking statements are inherently subject to material, economic, market and other risks and uncertainties, including the risk factors set out in the "Summary" and "Risk Factors" sections of this document and, accordingly, actual events or results or the actual performance of the Company may differ materially from those reflected or contemplated in such forward looking statements.

In addition, investors should not place undue reliance on "forward-looking statements", which speak only as of the date of this IM.

The Directors believe that the factors described above represent the principal risks inherent in investing in the Loan Notes, but the Company may be unable

to pay interest, principal, or other amounts on or in connection with the Loan Notes, for other reasons and the company does not represent that the statements above regarding the risks of holding the Loan Notes are exhaustive. Prospective investors should also read the detailed information set out elsewhere in this IM (including any documents incorporated by reference herein) and reach their own views prior to making any investment decision.

Tax

Investors are advised to take their own tax advice on the tax consequences of acquiring, holding, and disposing of the Loan Note. Individual tax circumstances may differ from investor to investor, and persons wanting to invest are advised to seek specific tax advice based on their personal circumstances.



12. Q&A

What does a fixed charge over hotel properties purchased mean?

A fixed charge is a form of security, usually granted in favour of a security trustee to hold on behalf of loan noteholders, which generally it attaches to a specific asset of the issuing company. In the event of a default (such as non-payment of interest or capital), the security trustee can enforce the security and take control of the issuer's assets in order to sell them for the benefit of the loan noteholders.

Is this a regulated product?

No. Neither the Company nor the Loan Notes are regulated. Accordingly, this is a higher risk investment than alternative regulated products.

How Is the Investment Secured?

The investment is secured by way of a fixed legal charge (see above) over the hotel properties purchased using the proceeds of these Loan Notes. Loan Noteholders rank in priority to unsecured creditors of the Company. The presence of this security does not mean, however, that capital and returns are guaranteed. Where the Company develops or refinances the properties purchased, the finance provider could take first ranking charge and Loan Noteholders would then be granted second ranking charge over the properties purchased.

Who can invest?

Any individual who is over the age of 18, or a trust, company, the retail sector, or charity that is not prevented by the laws of its governing jurisdiction from applying for or holding the Loan Notes.

Investors must also fall into one of the following sections of The Financial Services and Markets Act 2000 (Financial Promotion) Order 2005:

- (i) certified high net worth investors (section 48);
- (ii) certified sophisticated investors (section 50); or
- (iii) self-certified sophisticated investors (section 50A).

We recommend all investors speak to an adviser who is authorised under the Financial Services and Markets Act 2000 and specialises in investments of this kind.

Can I include this investment as part of my SIPP or SSAS?

You may be able to hold your Loan Notes in a SIPP and SASS wrapper, provided your pension provider is willing to accept non-standard assets such as unlisted securities. Please check with your pension provider before investing and do not assume that the Loan Notes will be SIPP or SSAS-eligible.

When do I get my original investment back?

We expect to return your original 3 year investment in full when the Loan Notes mature on 31st March 2028 and original 5 year investment in full when the Loan Notes mature on 31st March 2030

Can I invest through a company and are joint applications permitted?

Yes, corporate investments and joint applications are accepted.

What date is interest calculated from?

Interest is calculated from the date funds are cleared and made available to the Company (and all KYC and AML documentation has been received).

Can I sell or give my investment to someone else?

No, the Loan Notes are non-transferable. Potential investors should consider carefully whether an investment in the Loan Notes is right for them in light of their personal financial circumstances as they will not be able to sell the Loan Notes and receive their capital back until the end of the relevant term (three or five years).

If I die before the Loan Notes mature, what happens to my investment?

The Directors will endeavour to redeem, within a reasonable period, Loan Notes held by the executors of deceased Loan Noteholders, to assist with probate liquidity. This is subject to available liquidity and where so requested.

What tax is payable on my investment?

This will depend on your personal circumstances. For all information about tax, we recommend all investors speak to an independent specialised tax adviser who is authorised and specialises in investments of this kind.

Should I discuss this investment opportunity with a financial adviser?

We recommend all investors speak to an adviser who is authorised under the FSMA and specialises in investments of this kind.

How do I apply?

Investors can apply through an authorised financial intermediary or direct using the application form provided. We strongly recommend investors consult an appropriately authorised financial adviser before making an application to subscribe for Loan Notes.

What happens if I change my mind?

You cannot cancel your application once it has been received.

I have more questions, who can help me?

Our client relationship team would be very pleased to assist you with any questions. You can contact us on +44 7778969811 or by email at Fundingenquiry@norfolkarmshotel.com Please note that we cannot provide investment, legal or tax advice, only guidance on the practicalities of investing in the hotel sector. We strongly recommend that you speak to an appropriately authorised financial adviser before making any investment decision.



13. General Information

Statutory Information

The Company was incorporated on 6th February 2014 with registered number 08880547. The principal legislation under which the Company operates is the Companies Act 2006. The liability of members of the Company is limited.

| | |
|---------------------|---|
| Company Name: | Imolott Limited |
| Company Number: | 08880547 |
| Incorporation Date: | 6th February 2014 |
| Registered address: | The Dairywell, Shenington, Banbury, England OX15 6NQ |
| Nature of business: | Hotel property company and operator |
| SIC Codes: | 55100 – Hotels and similar accommodation 68100 – Buying and selling of own real estate |

Articles of Association

The current Articles are the standard articles adopted on incorporation, a copy of which can be viewed online at the Companies House website or will be provided on request by the Company.

Directors and Shareholders

| | |
|-----------------------|--------------------------------|
| Directors: | Nicholas Crawley, Frank Lovell |
| Shares in Issue: | 1,000 Ordinary Shares |
| Par Value: | £1 |
| Minimum denomination: | 1 share |
| Shareholders: | Nicholas Crawley (100%) |

Company Advisers

| | |
|--------------------|---------------------------|
| Company Secretary: | Simon Porter |
| Solicitors: | Maddox Legal |
| Accountants: | Accumulus Accounting |
| Security Trustee: | Cotswolds Capital Limited |
| Registrar: | Accumulus Accounting |

