

Source: The Times {Main}
Edition:
Country: UK
Date: Tuesday 6, August 2019
Page: 35
Area: 106 sq. cm
Circulation: ABC 399672 Daily
Ad data: page rate £16,645.00, scc rate £75.00
Phone: 020 7782 5000
Keyword: Stelios Haji-ioannou



BUSINESS COMMENTARY *Alistair Osborne*

Stelios's uneasy time

As business empires go, little beats the “easy” emporium of **Sir Stelios Haji-Ioannou**. It's chocka with must-have brands: Easydogwalker, Easytennis, Easypizza. And all providing new opportunities for Sir Stelios's famous yield management skills. Get a cheaper pizza, say, by ordering it months before you want to eat it. Ditto, more or less, with your dog.

Still, despite the astonishing success of these ventures, Sir Stelios is mainly known as the founder of Easyjet. And if not that, for Easyhotel. So you can understand why he's miffed to see someone else try to check out with it for what he insists is a “very low” price: 95p per share cash, valuing the operator of 12 owned and 26 franchised hotels at £139 million (report, page 38).

The someone? A shareholder even bigger than Sir Stelios: real estate fund manager Icamap, already with 38.65 per cent, which has brought along an investor in its funds, Ivanhoé Cambridge, for a bid agreed by the Easyhotel board.

Icamap bought into the hotelier in 2016 at 100p and then lifted its stake from 29.9 per cent via a £50 million placing at 110p in February last year. So Sir Stelios is right it's paid more for shares in the past. But that was a fundraising he snubbed, so allowing his stake to be diluted from 35 per cent to 27 per cent.

At 36.7 times last year's ebitda, Icamap's offer isn't shabby. And it says it would be happy with mere majority control. So while Sir Stelios could block it getting the 75 per cent needed to delist the shares, it only needs 12 per cent more to turn him into a minority investor with no say in the business. Not the easiest outcome for him.

