



Press Release
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Accor doubles down on lifestyle and enters into exclusive negotiations with Ennismore

THE NEWLY ESTABLISHED LIFESTYLE ENTITY IS SET TO BECOME THE LARGEST & FASTEST GROWING GLOBAL PLAYER WITH 12 WORLD-CLASS BRANDS

Accor & Ennismore today announced they are entering into exclusive negotiations to form the world's leading lifestyle operator in the hospitality sector, focusing on one of the fastest growing segments of the industry.

Through this all-share merger, a new autonomous and fully asset light entity will bring together an unrivalled portfolio of world class brands, including The Hoxton, Gleneagles, Delano, SLS, Mondrian, SO/, Hyde, Mama Shelter, 25h, 21c Museum Hotels, TRIBE, JO&JOE and Working From_. The new entity will be headquartered in London and will take the name Ennismore.

Sharan Pasricha, Founder and CEO of Ennismore and Gaurav Bhushan, CEO of the Accor Lifestyle division will become Co-CEOs of the combined entity, alongside an experienced, highly skilled and international management team coming from the various brands and industries across the globe. Accor will be the majority shareholder of the new entity, with Sharan Pasricha holding a substantial minority position.

At its inception, the combined entity will comprise 12 brands with 73 hotels in operation with a committed pipeline of more than 110 hotels and another c. 70 hotels under active discussion, and over 150 destination restaurant and bars. Based on the current network and pipeline the lifestyle platform should achieve an EBITDA of over c. €100m by midterm, the project resulting in significant cost synergies of approximately €15m per year.

In order to form this joint venture, Accor intends to buy out its partners in sbe (see dedicated release by Accor), Mama Shelter and 25h. The planned combination also envisages the formation of a new company which will hold all the leased assets under the combined entity's brands. The deconsolidation of the existing leases will have a €52m positive effect on Accor's consolidated net debt in 2020.

Under the leadership of Sharan Pasricha and Gaurav Bhushan, each brand will retain their unique culture and purpose, supported by dedicated teams and with the full support of their founders, including the Trigano family, founders of Mama Shelter; Christoph Hoffman, founder of 25h; Sam Nazarian, founder of sbe; Laura Lee Brown and Steve Wilson for 21C, and Melissa and Mark Peters for TRIBE.

This new, unified and powerful venture will benefit from an in-house global creative studio, designing award-winning interiors and brand communication; an expert digital and technology



team innovating the guest experience; and a team of restaurant and bar specialists crafting unique concepts rooted in their neighbourhoods.

Accor's Lifestyle operations today represent c.5% of Accor's fees and over 25% of the pipeline fees. Growth will be accelerated, building on a strong footprint in Europe and the U.S., and a rapidly expanding presence in Asia Pacific, the Middle East and South America supported by Accor's development teams.

Closing is expected to occur in the first semester of 2021 and is subject to the employee consultation process and customary regulatory authorizations for projects of this type.

Sharan Pasricha, Founder & CEO of Ennismore said: "Over the last nine years, our mission with Ennismore has always been creating hospitality brands that inspire discovery. I'm passionate about how brands make you feel, from the personalised digital experience to the design, and with an incredible team of operators and creatives around me, we have expanded The Hoxton across the globe; reimaged Gleneagles; and crafted unique restaurant and bar concepts. This exciting autonomous entity with Accor - one with culture and brand purpose at its heart - allows us to come together to build on our combined portfolio of unique lifestyle brands, accelerate our growth and explore new markets. I look forward to working with Gaurav and Sébastien on this exciting next chapter as we become an unrivalled player in the hospitality industry."

Gaurav Bhushan, CEO of Accor's Lifestyle operations said: "Joining forces with Sharan and Ennismore's talented teams will be a major step in Accor's development strategy. With this combination, we are putting together an unrivalled portfolio of unique brands that appeals to owners, partners and guests, supported by the greatest set of talents in the industry, state of the art distribution and tools and a common ambition to continue to grow and innovate. I very much look forward to our journey together."

Sébastien Bazin, Chairman & CEO of Accor said "Lifestyle, entertainment, places with a soul have been at the heart of our development and growth strategy over the last years. Partnering with Ennismore's founder Sharan and his great teams will take our Lifestyle ambition to a new and exciting level. With this combination, we are leading the hospitality industry by creating the largest and fastest growing ecosystem of world class brands. Lifestyle is a sector fueled by passionate and daring entrepreneurs, constantly pushing the boundaries of a reinvented vision of travelling the world. I am proud Accor has been able to join forces with many of the most creative and talented ones. This new powerful combination is set to become the engine of our exciting future growth. "



ABOUT ENNISMORE

Founded in London in 2011 by entrepreneur Sharan Pasricha, Ennismore develops, operates and curates unique hospitality properties and experiences in some of the most exciting cities and neighbourhoods around the world. It has assembled a unique team of the brightest doers, smartest thinkers and most talented makers from inside and outside the hospitality industry to create brands that inspire discovery. Ennismore is a creatively minded multi-faceted company, one that's rooted in culture and community and hones in on how brands and experiences make you feel.

The Ennismore family comprises The Hoxton, a global series of open-house hotels; Gleneagles, the iconic glorious playground in the Scottish countryside with an upcoming townhouse in Edinburgh; Working From_, a new shared workspace brand; Sibling, a new hotel proposition for value and convenience; Eynsham Hall, a 50-acre country-house estate in Oxfordshire that will soon be reimaged along with a new private members' club in London, in addition to its growing portfolio of in-hotel restaurants and bars.

Ennismore has been included in Fast Company's World's Most Innovative Companies 2020 list; ranked #29 in FT1000: Europe's Fastest Growing Companies; and is part of FT Future 100 - the UK's fastest growing businesses that are shaping the future of their sector.

ABOUT ACCOR

Accor is a world leading hospitality group consisting of more than 5,000 properties and 10,000 food and beverage venues throughout 110 countries. The group has one of the industry's most diverse and fully-integrated hospitality ecosystems encompassing luxury and premium brands, midscale and economy offerings, unique lifestyle concepts, entertainment and nightlife venues, restaurants and bars, branded private residences, shared accommodation properties, concierge services, co-working spaces and more. Accor also boasts an unrivalled portfolio of distinctive brands and approximately 300,000 team members worldwide. Over 65 million members benefit from the company's comprehensive loyalty program **ALL - Accor Live Limitless** - a daily lifestyle companion that provides access to a wide variety of rewards, services and experiences. Through its Planet 21 - Acting Here, Accor Solidarity, RiiSE and ALL Heartist Fund initiatives, the group is focused on driving positive action through business ethics, responsible tourism, environmental sustainability, community engagement, diversity and inclusivity. Founded in 1967, Accor SA is headquartered in France and publicly listed on the Euronext Paris Stock Exchange (ISIN code: FR0000120404) and on the OTC Market (Ticker: ACRY) in the United States. For more information visit group.accor.com or follow Accor on Twitter, Facebook, LinkedIn and Instagram



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