

IHG[®]



SIX SENSES

HOTELS RESORTS SPAS



Maldives, Six Senses Laamu

ACQUISITION OF SIX SENSES HOTELS RESORTS SPAS

FEBRUARY 2019

ABOUT SIX SENSES

Background

- Six Senses is one of the world's leading operators of top-tier luxury hotels, resorts and spas, with a globally renowned reputation for wellness and sustainability
- Properties in some of the world's most desirable locations – from the Maldives and the Seychelles, to Yao Noi in Thailand, Oman's Zighy Bay and Portugal's Douro Valley
- Six Senses manages 16 hotels and resorts, with 18 management contracts signed into its pipeline, and more than 50 further deals under active discussion
- Asset-light business
- Headquartered in Bangkok, Thailand
- Established in 1995



China, Six Senses Qing Cheng Mountain

Awards



Top Hotel Brand

Travel + Leisure, US
World's Best Award two
years in row (2017, 2018)



Editors' Favourite Hotels in the World (Douro Valley)

Conde Nast Traveller,
US – 2018 Gold List

The Telegraph

Best Hotel Group

The Telegraph, UK
Travel Awards

Enhancing IHG's luxury offer

- Six Senses' high-quality estate and development pipeline provides instant entry to some of the world's most sought-after destinations. Six Senses will sit at the top of IHG's luxury portfolio, extending our reach to a community of affluent travellers and new owners
- By combining IHG's scale, systems and operational excellence with Six Senses' luxury and spa expertise, IHG expects to grow the brand to more than 60 properties globally over the next 10 years. This includes bringing Six Senses to important urban markets, with a property already under construction in West Chelsea, Manhattan, New York City
- Highly complementary to IHG's existing luxury portfolio: Regent Hotels & Resorts (majority stake acquired in 2018), InterContinental Hotels & Resorts (the world's largest luxury hotel brand) and Kimpton Hotels & Restaurants (acquired in 2015)
- Six Senses' management team bring to IHG significant experience in luxury resort and spa operations



Singapore, Six Senses Duxton

Transaction details

- IHG has agreed to acquire Six Senses Hotels Resorts Spas and its management business for \$300 million in cash from Pegasus Capital Advisors.
- Six Senses is an asset-light business. It manages 16 hotels and resorts (1,347 rooms), and there are a further 18 management contracts signed into its development pipeline.
- The open hotels include two properties for the upscale resort brand, Evason. With a further 50 deals under active discussion, IHG expects to accelerate Six Senses' growth globally to more than 60 hotels over the next 10 years.
- The acquisition includes the entirety of Six Senses' brands and operating companies and does not include any real estate assets. It includes Six Senses' spa operations, which are core to the brand's luxury and wellness positioning.
- Six Senses operates 37 spas in total under the Six Senses and LivNordic brand names, and also provides spa consultancy services.
- The Six Senses management will remain in place.
- Six Senses currently generates fee revenues of more than \$13 million. The acquisition is expected to be EBITDA break even in year two and to generate a return approximately equal to its cost of capital by year four.
- For tax purposes, the transaction constitutes an asset sale for the purchaser, and as such IHG will be entitled to amortise the assets acquired. It is anticipated that the relief associated with this amortisation will reduce IHG's future cash taxes by approximately \$75 million.

SIX SENSES HOTELS RESORTS SPAS



Oman, Six Senses Zighy Bay



Portugal, Six Senses Douro Valley



Maldives, Six Senses Laamu



Thailand, Six Senses Yao Noi

WELLNESS & SUSTAINABILITY

Fiji, Six Senses Fiji



Portugal, Six Senses Douro Valley



Seychelles, Six Senses Zil Pasyon



Fiji, Six Senses Fiji

FOOD & BEVERAGE



Thailand, Six Senses Yao Noi



Portugal, Organic Garden at Six Senses Douro Valley



Seychelles, Six Senses Zil Pasyon



Vietnam, Wine Cave at Six Senses Ninh Van Bay

SYSTEM SIZE

<i>Property name</i>	<i>Country</i>	<i>Number of rooms</i>
Six Senses Samui	Thailand	66
Six Senses Ninh Van Bay	Vietnam	59
Six Senses Yao Noi	Thailand	56
Six Senses Zighy Bay	Oman	82
Six Senses Con Dao	Vietnam	50
Six Senses Laamu	Maldives	97
Six Senses Qing Cheng Mountain	China	122
Six Senses Douro Valley	Portugal	57
Six Senses Zil Pasyon	Seychelles	30
Six Senses Residences Courchevel	France	21
Six Senses Kaplankaya	Turkey	141
Six Senses Fiji	Fiji	24
Six Senses Uluwatu	Indonesia	103
Six Senses Singapore	Singapore	169
Evason Ana Mandara	Vietnam	74
Evason Hua Hin	Thailand	196
<i>Total</i>		1,347

PIPELINE

18 management contracts signed into development pipeline (1,382 rooms)

IHG'S GROWING LUXURY FOOTPRINT

400*
open &
pipeline hotels

108,000*
open &
pipeline rooms

\$60bn
global segment

\$35bn
growth potential
to 2025

*as at 31 December 2018



Seychelles, Six Senses Zil Pasyon



Thailand, Six Senses Samui



Six Senses Bhutan, Gangtey



Maldives, Six Senses Laamu



Regent Chongqing



InterContinental Shanghai Wonderland



Kimpton Fitzroy London

