



Marriott International to Acquire Elegant Hotels Group Fueling Growth of All-Inclusive Platform

October 18, 2019

BETHESDA, Md., Oct. 18, 2019 /PRNewswire/ -- Marriott International (NASDAQ: MAR) announced today the company has reached an agreement with the board of Elegant Hotels Group plc (LON: EHG; "Elegant") on the terms of a recommended all cash offer for Elegant. Under the terms of the offer, each Elegant shareholder would be entitled to receive 110 pence per Elegant share. The offer values the entire issued and to be issued ordinary share capital of Elegant at approximately £100.8 million (\$130.1 million based on £1:\$1.29).



The offer price implies an enterprise value for Elegant of approximately \$199.0 million based on Elegant's total net debt of \$68.9 million as at 31 March 2019 as set out in Elegant's most recent half year report for the six months ended 31 March 2019.

Elegant owns and operates seven hotels with 588 rooms and a beachfront restaurant on the island of Barbados. Six of the seven properties are situated along the prestigious west coast of Barbados commonly known as the "Platinum Coast." The majority of Elegant properties are operated as all-inclusive resorts.

"There is a strong and growing consumer demand for premium and luxury properties in the all-inclusive category," said Arne Sorenson, President and Chief Executive Officer, Marriott International. "The addition of the Elegant portfolio will help us further jumpstart our expansion in the all-inclusive space, while providing more choices on the breathtaking island of Barbados for our 133 million Marriott Bonvoy members."

Commenting on the acquisition, Simon Sherwood, Non-Executive Chairman of Elegant said, "The Board of Elegant Hotels is confident in the Group's long-term prospects but believes that this offer represents compelling value for our shareholders and a great opportunity for our employees to be part of one of the world's leading hotel companies. The fact that Elegant Hotels has attracted the interest of a company of Marriott's caliber is a resounding endorsement of the outstanding quality of our properties, operations and people, and indeed of Barbados as a highly desirable destination. We are therefore unanimously recommending the offer to shareholders."

Following the acquisition, Marriott intends to carry out renovations to the hotels in the Elegant portfolio. Upon completion of the planned property renovations, Marriott intends to operate all the Elegant hotels as all-inclusive resorts under one or more of Marriott's collection brands. In keeping with Marriott's asset-light strategy, over time, Marriott also intends to market the Elegant hotels for sale subject to long-term management agreements under which Marriott would continue to manage the hotels.

In August, Marriott launched an all-inclusive platform with the goal of growing a worldwide portfolio of resorts in popular vacation segments by leveraging the company's operational and development expertise, its Marriott Bonvoy travel program with roughly 133 million members, and its iconic hotel brands.

Completion of the transaction is subject to satisfaction or waiver of the offer conditions set out in the offer announcement, including approval by Elegant shareholders.

This announcement should be read in conjunction with the full text of the announcement of the offer for Elegant which will be available shortly on the Marriott website at www.marriott.com/investor.

Note on Forward-Looking Statements

This news release contains "forward-looking statements" within the meaning of federal securities laws, including the company's plans for closing the transaction, the company's plans for property renovations, the company's plans to market the hotels for sale in the future, the number of lodging properties the company may add in the future, the potential for growth of the company's all-inclusive platform and similar statements concerning possible future events or expectations that are not historical facts. We caution you that these statements are not guarantees of future performance and are subject to a number of risks and uncertainties, including the receipt of necessary consents and approvals; changes in market conditions; changes in global and regional economies; supply and demand changes for hotel rooms; competitive conditions in the lodging industry; relationships with clients and property owners; the availability of capital to finance property growth and refurbishment; and other risk factors that the company identifies in its most recent annual report on Form 10-K or quarterly report on Form 10-Q; any of which could cause actual results to differ materially from the expectations we express or imply here. We make these statements as of the date of this press release, and we assume no obligation to publicly update or revise any forward-looking statement, whether as a result of new information, future events or otherwise.

About Marriott International

Marriott International, Inc. (NASDAQ: MAR) is based in Bethesda, Maryland, USA, and encompasses a portfolio of more than 7,000 properties under 30 leading brands spanning 132 countries and territories. Marriott operates and franchises hotels and licenses vacation ownership resorts all around the world. The company now offers one travel program, Marriott Bonvoy™, replacing Marriott Rewards®, The Ritz-Carlton Rewards®, and Starwood Preferred Guest®(SPG). For more information, please visit our website at www.marriott.com, and for the latest company news,

visit www.marriottnewscenter.com. In addition, connect with us on [Facebook](#) and @MarriottIntl on [Twitter](#) and [Instagram](#).

About Elegant

Elegant owns and operates seven luxury freehold hotels and a beachfront restaurant, Daphne's, on the island of Barbados. Elegant's portfolio currently comprises 588 rooms, making it twice as large (by room number) as the closest competitor in the Barbados luxury hotel room market. Six of the seven properties are situated along the prestigious west coast of Barbados commonly known as the "Platinum Coast". The properties are all freehold, with a total aggregate plot size of approximately 23 acres and an aggregate beachfront of approximately 2,600 feet.

In the year ended 30 September 2018, the Group reported revenue of \$62.9 million and EBITDA before non-recurring items of \$19.7 million.

Together, the Group's seven existing hotels - Colony Club, Tamarind, The House, Crystal Cove, Turtle Beach, Waves Hotel & Spa and Treasure Beach - offer styles encompassing classic and contemporary, family-friendly and adults-only.

IRPR#1

 View original content to download multimedia:<http://www.prnewswire.com/news-releases/marriott-international-to-acquire-elegant-hotels-group-fueling-growth-of-all-inclusive-platform-300941091.html>

SOURCE Marriott International, Inc.

Connie Kim, Connie.kim@marriott.com