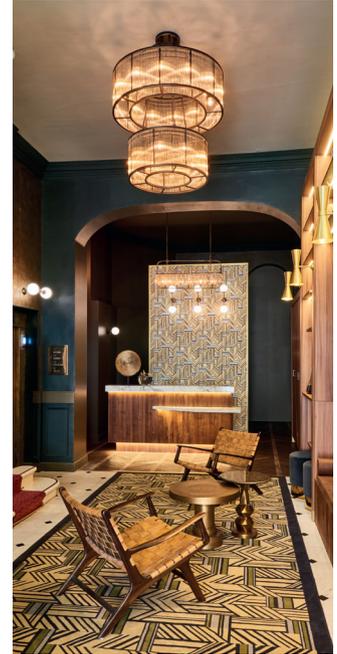




EXTENDAM
CAPITAL PARTNERS IN HOSPITALITY





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EXTENDAM AT A GLANCE

EXTENDAM, a leading private equity firm focused on the European hospitality sector



212
DEALS



304
HOTELS



23 889
ROOMS



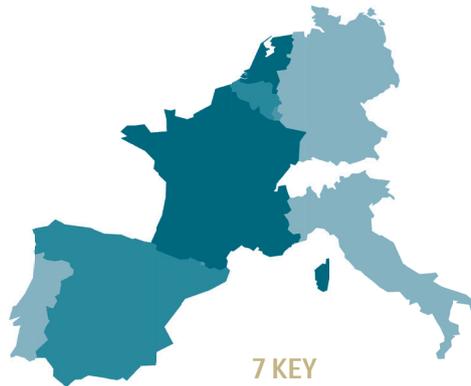
€3.3bn
INITIAL ASSET VALUE

Source: EXTENDAM 31 December 2022

EXTENDAM has been supporting talented hotel-sector entrepreneurs for over 10 years, providing them with the capital they need to grow their project. **EXTENDAM** is backed by a team of recognised European specialists in fields as diverse as hospitality, property management, the environment and finance.



OPERATORS AND PARTNERS
among the 100 leading
independent hotel groups
in Europe



**7 KEY
INVESTMENT REGIONS
IN EUROPE**



PARTNERSHIPS WITH HOTEL BRANDS
Accor, Marriott, IHG, Hilton, Best Western,
Jin Jiang (Louvre Hotels), Wyndham

INVESTMENT STRATEGY



EXTENDAM's investment strategy is based on regional diversification, hotel asset management and operational expertise, which enables investment projects to be methodically and diligently rolled out while adding value.

THE STRATEGY ALSO CONTRIBUTES TO SUSTAINABLE URBAN REGENERATION AND UPGRADING IN DENSELY POPULATED AREAS IN FRANCE AND EUROPE

EXTENDAM's core focus is the acquisition of premises and business assets with significant scope for improved performance through repositioning (hotel category, size and brand), renovations that reduce the building's carbon footprint, revenue enhancement and a modern, efficient, approach to hotel management.

In some cases, new hotel concepts can breathe more life into the surrounding neighbourhood.

2-4-STAR ECONOMY AND MID-RANGE HOTELS

ACQUISITION OF
PREMISES AND
BUSINESS ASSETS

FRANCHISED OR
INDEPENDENT HOTELS
WITH 50-250 ROOMS

VALUE
ADD
STRATEGY

IN PRIME STRATEGIC LOCATIONS

TOWN CENTRES
AND OUTSKIRTS

PAN-EUROPEAN
COVERAGE
France, Germany, Italy,
Spain, Portugal, Belgium
and the Netherlands

IMMEDIATE
PROXIMITY
to the main air, rail and road
transport networks

TO ADD VALUE AND REGENERATE CITIES FROM THE INSIDE OUT

THE INVESTMENT CYCLE

ACQUISITION



Purchase of an existing hotel
Refurbishment
Business model analysis

TRANSFORMATION



Renovation or conversion work
Compliance with environmental
standards

OPERATION



Optimised single or multi-
purpose asset use (hotel,
serviced accommodation,
residence, etc.)



Revenue generation
Asset revaluation
Asset sale

EUROPEAN HOTEL INDUSTRY TRENDS

1

DEMAND FOR ACCOMMODATION IS NOT BEING MET BY SUPPLY

There is a structural shortage of hotel rooms in Europe due to a lack of buildable land

2

EXISTING HOTEL STOCK HAS BECOME OBSOLETE AND MUST EVOLVE

This is a major challenge for the decade ahead, compounded by the need to meet environmental and low-carbon requirements

3

URBAN SPRAWL AND LAND ARTIFICIALISATION WILL BE REGULATED

HISTORICALLY

Buildings were single purpose and are currently being under-used



Urban sprawl and land artificialisation

Single purpose nature of economy hotels



Failure to optimise occupancy rates and use of the available space



The European Commission has laid out a roadmap for eliminating any net increase in artificial land between now and 2050.

NEW CHALLENGES BRING NEW OPPORTUNITIES



OPTIMISING USE OF AVAILABLE SPACE

Hotels are offering new services which enable them to play an active role in the neighbourhood while generating additional revenue.



MAKING HOTELS MORE FLEXIBLE AND VERSATILE

Accommodation is set to become more hybrid and scalable, keeping pace with demand and spreading occupancy rates more evenly over the year.

PAST PERFORMANCE IS NOT INDICATIVE OF FUTURE PERFORMANCE

4

NEED FOR THIRD PLACES AND SUSTAINABLE HOTELS

AT THE REQUEST OF TOWNS AND LOCAL AUTHORITIES TO ENCOURAGE

Urban renewal and regeneration . Social connection . Job creation



5

NEED FOR NEW SHARED SPACES

IN RESPONSE TO EMERGING BEHAVIOURAL TRENDS

Increased mobility . More nomadic lifestyles . Flexible working

The shift from a supply-side to a demand-side economy is driving the search for efficient new concepts that put hotels to greater use and meet the growing need for a sense of community in the face of an increasingly urban and mobile world.

NEW OPPORTUNITIES TO OPTIMISE HOTEL OCCUPANCY AND USE



INCREASING SAME-DAY USE

- Providing workspaces in common areas and/or rooms
- Privatising certain areas (for exhibitions, private sales events, conferences, etc.)
- Hosting classes (cooking, sport, yoga, gardening etc.)



DEVELOPING DIVERSE AND HYBRID USE

- **Other types of accommodation:** serviced accommodation, youth hostels, etc.
- **Other uses :** partnerships with local shops, expanded food and beverage services



VARYING THE TARGET AUDIENCE

Remote workers . Residents . Temporary residents, digital nomads, weekend commuters

PROXIMITY, SHARING, COOPERATION, FRUGALITY, RECYCLING

THE NEW PRINCIPLES UNDERPINNING SUSTAINABLE URBAN AND PROPERTY DEVELOPMENT

PAST PERFORMANCE IS NOT INDICATIVE OF FUTURE PERFORMANCE

SOME RECENT EXAMPLES



ROCKYPOP HOTEL, GRENOBLE

**FROM A HOTEL TO MULTI-PURPOSE
ACCOMMODATION WITH SERVICES**

Analysis of the city and neighbourhood's needs. Former serviced apartments converted into accommodation and living space for young professionals. A new type of offering combining a hotel, co-living space, student residence, restaurants and leisure spaces (karaoke, pétanque, Mölkky, arcade games, etc.)



**HYBRID USE, OPTIMISED SPACE,
ADDITIONAL REVENUE SOURCES**



TRIBE HOTEL, SURESNES

**ENERGY RETROFIT OF A POLLUTED,
DERELICT URBAN SITE**

Purchase of a derelict and polluted site (25,000 m²). Creation of a complete neighbourhood combining shops, housing and hospitality. Hotel operated under Accor Group's lifestyle brand, Tribe. Creation of a rooftop bar and swimming pool open to non-residents.



**DECONTAMINATION AND COMPLETE
REHABILITATION, SUSTAINABLE
DEVELOPMENT, MIXED-USE LIVING SPACE**



BABEL HOTEL, BELLEVILLE

**DEVELOPMENT OF THE FIRST FRENCH
MISSION-LED HOTEL**

Complete transformation and repositioning into the first French mission-led hotel. Short supply chains, employee hiring through social integration programmes, community events, eco-friendly products.



**CREATION OF A SHARED, COMMUNITY
SPACE TO BREATHE LIFE INTO THE
NEIGHBOURHOOD**

OUR VALUES

CREATING A VIRTUOUS CIRCLE



EASYHOTEL, MADRID-ATOCHA

AN EASYHOTEL⁽¹⁾ WITH A STRONG LOCAL FOOTHOLD

Creation of a 230-room economy hotel with 99 parking spaces. Ground floor leased to a third party (500 m²). Located in a vibrant area. Close to Madrid's main train station, Atocha, which connects Madrid with the rest of Spain.



HOTEL CREATION, REBRAND,
ENHANCED OFFERING



EXCELLENCE

EXTENDAM endeavours to provide an irreproachable range of services



INNOVATION

Through an investment model that aligns the interests of investors and hoteliers



PRESENCE

We maintain a close presence with the companies in which we invest and with our clients



TRUST

We are committed to being responsible and trustworthy

⁽¹⁾ easyHotel, hotel subsidiary of the easylet group

OUR COMMITMENTS

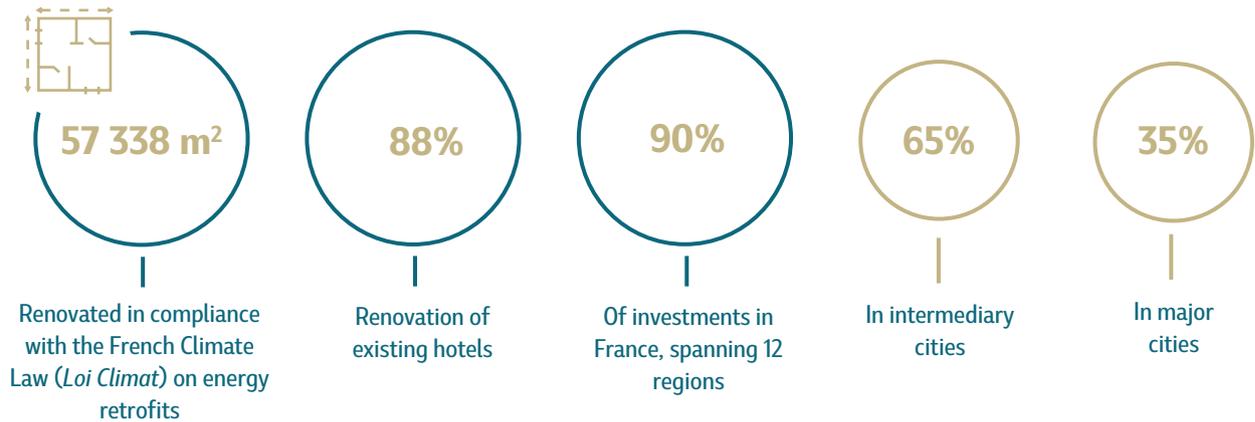
DIVERSITY AND EQUAL OPPORTUNITIES



INCLUSIVE GOVERNANCE



LONG-TERM VALUE CREATION ACROSS REGIONS



COMMITTED TO IMPROVING SOCIAL, ENVIRONMENTAL AND GOVERNANCE (ESG) PERFORMANCE

EXTENDAM rates each hotel in partnership with Betterfly Tourism ⁽¹⁾ meaning that a hotel's carbon footprint can be assessed at any given time and its progress monitored. ESG criteria are systematically integrated into each key stage of the investment in particular through regular audits and follow up.

Ecolabelling is part of the ongoing quest to reduce carbon footprints.

CREATING LONG-TERM VALUE ⁽²⁾

1

INVESTMENT PERIOD

The investment team is committed to long-term investment, allowing for better monitoring of holdings and ESG performance.

2

ACTIVE MANAGEMENT OF A SPECIALIST PORTFOLIO

Hotels are identified and selected by an experienced and multidisciplinary investment team, who closely monitor the investments.

⁽¹⁾ Betterfly Tourism is a French solution provider helping tourism industry professionals manage their environmental and economic performance.

⁽²⁾ Based on a 2019 Oxford University study by Schoenmaker and Schramade describing the six value creation criteria for sustainable finance.

3

ACTIVE COMMITMENT

The environmental rating given to each hotel allows us to pinpoint specific actions and actively manage compliance with predetermined environmental and social commitments.

4

CONTRIBUTION TO THE REAL ECONOMY

Hotel investment contributes to the real economy by creating employment, increasing local production and supporting local companies.

5

FORWARD THINKING

The investment strategy dovetails with the necessary change coming to the hotel industry in the decades ahead.

SHORT INVESTMENT CHAINS

6

The investment team has significant first-hand hotel investment and asset management experience, allowing it to ensure efficient and extensive investment roll-outs across Europe and to remain responsive throughout each project's lifespan.



DISCLAIMER

The purpose of this document is to present, for information purposes only, information about Extendam's investment strategy. The information contained in this document does not constitute investment advice, an invitation to invest or a sale or purchase offer. Our investment vehicles do not offer any capital guarantee and present specific risks related to investing in unlisted, hotel-sector holdings and to the sectoral concentration of investments. For more information, please refer to the regulatory documents concerning our investments. Information, opinions and analyses contained in this document do not have any contractual value. They come from reliable sources but cannot be guaranteed. The assessments reflect our opinion at the date of publication and so may be revised at a later date. The assumptions made may or may not come to fruition and do not constitute a full analysis of all the factors liable to determine the performance or underperformance of our investment vehicles. The past performance of the hotel sector is not indicative of future performance and is not consistent over time.



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