



Press release
NOVEMBER 30, 2020

Accor launches an issuance of bonds convertible into new shares and/or exchangeable for existing shares (OCEANEs) due December 7, 2027 for a nominal amount of approximately €500 million

Accor (the "**Company**") announces today the launch of an issuance of bonds convertible into new shares and/or exchangeable for existing shares (OCEANEs) due December 7, 2027 (the "**Bonds**") by way of a placement to qualified investors only within the meaning of Regulation (EU) 2017/1129 (the "**Prospectus Regulation**") in accordance with Article L. 411-2-1° of the French *Code monétaire et financier* for a nominal amount of approximately €500 million (the "**Issuance**").

The net proceeds of the Issuance will be used by the Company for general corporate purposes including but not limited to the refinancing of the senior bond maturing in February 2021, of which €550 million remain outstanding.

The Bonds will be issued at par and will bear interest at a rate ranging from 0.70% to 1.20% from the Issue date (as such term is defined below), payable annually in arrears on December 7 of each year (or on the following business day if any of such dates is not a business day), and for the first time on December 7, 2021.

The nominal unit value of the Bonds will be set at a premium between 60% and 65% above the reference price of Accor's ordinary shares¹ (the "**Shares**") on the regulated market of Euronext in Paris ("**Euronext Paris**").

The final terms and conditions of the Bonds are expected to be determined following the completion of the bookbuilding process later today and settlement-delivery is expected to take place on December 7, 2020 (the "**Issue Date**").

Unless previously converted or exchanged, redeemed or repurchased and cancelled, the Bonds will be redeemed at par on December 7, 2027 (or on the following business day if this date is not a business day) (the "**Maturity Date**").

The Bonds may be redeemed prior to maturity at the option of the Company and at the option of bondholders under certain conditions.

¹ The reference Share price is equal to the volume-weighted average price of the Shares recorded on the regulated market of Euronext Paris between the opening of trading today until the determination of the final terms and conditions of the Bonds.



In particular, the Bonds may be fully redeemed earlier at par plus accrued interest, at the Company's option at any time from December 28, 2025 until the Maturity Date, subject to a minimum of 30 (but not more than 60) calendar days prior notice, if the arithmetic average, calculated over a period of 20 consecutive trading days chosen by the Company from among the 40 consecutive trading days preceding the publication of the early redemption notice, of the products of the volume weighted average price of the Company's Shares on Euronext Paris on each trading day of the considered period and the applicable conversion/exchange ratio on each such trading day exceeds 140% of the nominal value of the Bonds.

Upon a Change of Control of the Company or a Delisting of the Shares of the Company (as these terms are defined in the terms and conditions of the Bonds), all bondholders will have an option to request the early redemption before the Maturity Date of the Bonds at their nominal amount plus accrued but unpaid interests.

An application will be made for the admission of the Bonds to trading on the non-regulated open market of Euronext in Paris (Euronext Access™). Such admission to trading is expected to occur no later than one month after the Issue Date.

This Issuance is managed by BNP Paribas, Crédit Agricole Corporate and Investment Bank, Natixis and Société Générale acting as Joint Global Coordinators and Joint Bookrunners (the "**Joint Global Coordinators**") and Barclays Bank Ireland PLC, BofA Securities Europe S.A. and Crédit Industriel et Commercial S.A., as Joint Bookrunners (together with the Joint Global Coordinators, the "**Joint Bookrunners**").

Conversion Right

Bondholders will be granted the right to convert or exchange the Bonds into new and/or existing Shares of the Company (the "**Conversion Right**") which they may exercise at any time from the day (inclusive) following the 40th day after the Issue Date and until the 7th business day (inclusive) preceding the Maturity Date or the relevant early redemption date.

The initial conversion ratio is set at one Share per Bond subject to standard subsequent adjustments (as set out in the terms and conditions of the Bonds).

Upon exercise of their Conversion/Exchange Right, bondholders will receive at the option of the Company new and/or existing shares of the Company. The new and/or existing Shares then delivered shall carry current dividend rights.

Dilution

For illustrative purposes, considering a €500 million principal amount and a par value of €49.14 per Bond (corresponding to the median point of the conversion/exchange premium range and on the basis of a closing price of the Shares of €30.24 on November 27, 2020), and based on the initial conversion/exchange ratio, the potential dilution would represent approximately 3.89% of the Company's outstanding share capital, if the Conversion Right was exercised for all the Bonds and the Company decided to only deliver new shares upon exercise of the Conversion Right.

Lock-up undertaking from the Company

In the context of the Issuance, the Company will agree to a lock-up undertaking with



respect to its shares and securities giving access to the share capital for a period starting from the announcement of the final terms of the Bonds and ending 90 calendar days after the Issue Date, subject to certain customary exceptions or waiver by the Joint Global Coordinators.

Legal Framework of the Issue and Placement

The Bonds will be offered to qualified investors only within the meaning of Article 2(e) of the Prospectus Regulation and as per the 24th resolution approved by the Company's extraordinary general meeting held on April 30, 2019, in France, in the European Economic Area (EEA) and outside the EEA (excluding in particular the United States of America, Canada, Australia or Japan and any other jurisdiction where a registration process or an approval would be required by applicable laws and regulations).

Available information

The Issuance and the admission to trading on Euronext AccessTM are not subject to a prospectus approved by the French Financial Market Authority (*Autorité des marchés financiers*) (the "**AMF**"). No key information document the PRIIPs Regulation has been and will be prepared.

Detailed information on the Company, including its business, results, prospects and related risk factors are described in the Company's universal registration document for the financial year ended 31 December 2019 filed with the AMF on April 9, 2020 under number D. 20-0281 and in the half-year financial report as at June 30, 2020, which are available, together with all the press releases (including the press release relating to the third quarter 2020 revenue and the related analysts' presentation) and other regulated information about the Company, on the Company's website (<https://group.accor.com>)



DISCLAIMER

Important Information

This press release may not be published, distributed or released directly or indirectly in the United States of America, Australia, Canada or Japan or in any jurisdiction to whom or in which such offer is unlawful, and does not constitute an offer to investors other than qualified investors within the meaning of the Prospectus Regulation and is not an offer to retail investors as such term is defined below. The distribution of this press release may be restricted by law in certain jurisdictions and persons into whose possession any document or other information referred to herein comes, should inform themselves about and observe any such restriction. Any failure to comply with these restrictions may constitute a violation of the securities laws of any such jurisdiction.

No communication or information relating to the offering of the Bonds may be transmitted to the public in a country where there is a registration obligation or where an approval is required. No action has been or will be taken in any country in which such registration or approval would be required. The issuance or the subscription of the Bonds may be subject to legal and regulatory restrictions in certain jurisdictions; none of Accor and the Joint Bookrunners assumes any liability in connection with the breach by any person of such restrictions.

This press release is an advertisement and not a prospectus within the meaning of Regulation (EU) 2017/1129 of the European Parliament and of the Council of 14 June 2017 (the "**Prospectus Regulation**").

The Bonds will only be offered to qualified investors within the meaning of Article 2(e) of the Prospectus Regulation in France, within the EEA and outside the EEA (excluding in particular the United States of America, Australia, Canada and Japan and any other jurisdiction where a registration process or an approval would be required by applicable laws and regulations). This press release does not constitute a recommendation concerning the issue of the Bonds. The value of the Bonds and the Shares can decrease as well as increase. Potential investors should consult a professional adviser as to the suitability of the Bonds for the person concerned.

Prohibition of sales to European Economic Area and United Kingdom retail investors

No action has been undertaken or will be undertaken to make available any Bonds to any retail investor in the European Economic Area and in the United Kingdom. For the purposes of this provision:

- (a) the expression "**retail investor**" means a person who is one (or more) of the following:
 - (i) a retail client as defined in point (11) of Article 4(1) of Directive 2014/65/EU (as amended, "**MiFID II**"); or
 - (ii) a customer within the meaning of Directive (EU) 2016/97 on insurance distribution (recast) as amended, where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II; or
 - (iii) not a qualified investor as defined in the Prospectus Regulation.
- (b) the expression "**offer**" includes the communication in any form and by any means of sufficient information on the terms of the offer and the Bonds to be



offered so as to enable an investor to decide to purchase or subscribe the Bonds.

Consequently, no key information document required by Regulation (EU) N° 1286/2014 (as amended, the "**PRIIPs Regulation**") for offering or selling the Bonds or otherwise making them available to retail investors in the EEA or in the United Kingdom has been prepared and therefore offering or selling the Bonds or otherwise making them available to any retail investor in the EEA or in the United Kingdom may be unlawful under the PRIIPs Regulation.

France

This press release is intended only for qualified investors within the meaning of Article 2(e) of the Prospectus Regulation. The Bonds have not been and will not be offered or sold or cause to be offered or sold, directly or indirectly, to the public in France other than to qualified investors. Any distribution of any offering material relating to the Bonds have been and will be made in France only to qualified investors within the meaning of Article 2(e) of the Prospectus Regulation.

United Kingdom

This press release is addressed and directed only (i) to persons located outside the United Kingdom, (ii) to investment professionals as defined in Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 (the "**Order**"), (iii) high net worth entities falling within Article 49(2) (a) to (d) of the Order or (iv) to any other person to whom this press release could be addressed pursuant to applicable law (the persons mentioned in paragraphs (i), (ii), (iii) and (iv) all deemed relevant persons ("**Relevant Persons**"). The Bonds and the new Shares or the existing Shares of the Company to be delivered upon exercise of the Conversion Right are intended only for Relevant Persons and any invitation, offer of contract related to the subscription, tender, or acquisition of the Bonds may be addressed and/or concluded only with Relevant Persons. All persons other than Relevant Persons must abstain from using or relying on this document and all information contained therein.

This press release is not a prospectus which has been approved by the Financial Conduct Authority or any other United Kingdom regulatory authority for the purposes of Section 85 of the Financial Services and Markets Act 2000.

United States of America

This press release may not be published, distributed or transmitted in the United States of America (including its territories and dependencies, any State of the United States of America and the District of Columbia). This press release does not constitute or form a part of any offer or solicitation to purchase for securities in the United States of America or to, or for the account or benefit of, U.S. Persons (as defined in Regulation S under the Securities Act). The securities mentioned herein have not been, and will not be, registered under the Securities Act, the law of any state of the United States of America and may not be offered or sold in the United States of America except pursuant to an exemption from, or a transaction not subject to, the registration requirements of the Securities Act or the law of the above states. The Bonds and the Shares of the Company to be issued or granted upon conversion of the Bonds will be offered or sold only in offshore transactions outside of the United States of America, in accordance with Regulation S of the Securities Act. Accor does not intend to register any portion of the proposed offering in the United States of America and no public offering will be made in



the United States of America.

Australia, Canada and Japan

The Bonds and the new Shares or the existing Shares of the Company to be delivered upon exercise of the Conversion Right may not and will not be offered, sold or purchased in Australia, Canada or Japan. The information contained in this press release does not constitute an offer of securities for sale in Australia, Canada or Japan.

The distribution of this press release in certain countries may constitute a breach of applicable law.

The Joint Bookrunners are acting exclusively for the Company and no-one else in connection with the Issuance. They will not regard any other person as their respective clients in relation to the Issuance and will not be responsible to anyone other than the Company for providing the protections afforded to their respective clients, nor for providing advice in relation to the Issuance, the contents of this press release or any transaction, arrangement or other matter referred to herein.

None of the Joint Bookrunners or any of their respective directors, officers, employees, advisers or agents accepts any responsibility or liability whatsoever for or makes any representation or warranty, express or implied, as to the truth, accuracy or completeness of the information in this press release (or whether any information has been omitted from the announcement) or any other information relating to the Company, its subsidiaries or associated companies, whether written, oral or in a visual or electronic form, and howsoever transmitted or made available or for any loss howsoever arising from any use of this press release or its contents or otherwise arising in connection therewith.

MIFID II PRODUCT GOVERNANCE / RETAIL INVESTORS IN FRANCE, PROFESSIONAL INVESTORS AND ELIGIBLE COUNTERPARTIES ONLY_TARGET MARKET – Solely for the purposes of each manufacturer’s product approval process in respect of the Bonds, the target market assessment in respect of the Bonds, taking into account the five (5) categories referred to in item 18 of the Guidelines published by the European Securities and Market Authority (ESMA) on 5 February 2018, the target market assessment in respect of the Bonds has led to the conclusion that: (i) the target market for the Bonds is retail investors in France, eligible counterparties and professional clients, each as defined in MiFID II; and (ii) all channels for distribution of the Bonds to retail investors in France, eligible counterparties and professional clients are appropriate. Any person subsequently offering, selling or recommending the Bonds (a “distributor”) should take into consideration the manufacturers’ target market assessment. However, a distributor subject to MiFID II is responsible for undertaking its own target market assessment in respect of the Bonds (by either adopting or refining the manufacturers’ target market assessment) and determining appropriate distribution channels. For the avoidance of doubt, even if the target market includes retail investors in France, the manufacturers have decided that the Bonds will be offered, as part of the initial offering, only to eligible counterparties and professional clients.



ABOUT ACCOR

Accor is a world-leading augmented hospitality group offering unique experiences in 5,000 hotels and residences across 110 destinations. The Group has been acquiring hospitality expertise for more than 50 years, resulting in an unrivaled portfolio of brands, from luxury to economy, supported by one of the most attractive loyalty programs in the world.

Beyond accommodation, Accor enables new ways to live, work, and play, by blending food and beverage with nightlife, wellbeing, and co-working. It also offers digital solutions that maximize distribution, optimize hotel operations and enhance the customer experience.

Accor is deeply committed to sustainable value creation and plays an active role in giving back to planet and community via its Planet 21 – Acting Here program and the Accor Solidarity endowment fund, which gives disadvantaged groups access to employment through professional training.

Accor SA is publicly listed on the Euronext Paris Stock Exchange (ISIN code: FR0000120404) and on the OTC Market (Ticker: ACRYF) in the United States. For more information visit accor.com, or become a fan and follow us on [Twitter](#) and [Facebook](#).

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