Bringing Stories to Life

Around the world, Grand Mercure revisits the singularity of each culture with a modern premium flair, surprising and inspiring guests to rediscover the uniqueness of a culture.

Tailored by the locals for the locals, each hotel captures the essence of the country’s culture to recreate experiences tailored to the local way of life, whilst guaranteeing premium international standards.

SINCERE    POURD    LOCALLY TAILORED
CONTEMPORARILY REINTERPRETED
Grand Mercure Top 3 USPs

A BRAND TAILORED TO THE LOCAL MARKET
• Brand tailored in each market, by the locals for the locals
• A design & atmosphere that resonates with the locals, with great cultural sensitivity
• A service offering adapted to the local market
• Relevance for both domestic market as well as the international visitors seeking authentic local experiences

INTERNATIONAL BRAND POWER
• Guarantee of Consistent Premium International service standards, answering needs & reassuring locals and international travellers alike
• International brand power with associated distribution eco-system, awareness and prestige perception
• Modern service & perception relevant to today’s traveller seeking simple yet innovative and premium experiences

FLEXIBILITY & AFFORDABLE COMPETITIVENESS
• Flexible space brand programming and local providers usually enabling lower development costs
• Great for conversion of existing building/hotels
• Great for development from Tier 1-3 cities
Network & Pipeline

**Asia Pacific**
- **Network**: 43 Hotels, 9,530 Rooms
- **Pipeline**: 19 Hotels, 4,678 Rooms

**Africa – Middle East**
- **Network**: 2 Hotels, 552 Rooms
- **Pipeline**: 7 Hotels, 1,675 Rooms

**Americas**
- **Network**: 8 Hotels, 2,069 Rooms
- **Pipeline**: 5 Hotels, 1,000 Rooms

**Geographical split**
- **Official figures as of end 2018**
- **Managed**: 80%
- **Franchised**: 20%

**Operating Model**

**HOTELS**
- **53**
- **12,151**
- **13**
- **26**
- **6,353**

**New Hotels by 2023**

**New Rooms by 2023**

**WHY INVEST IN GRAND MERCURE | NETWORK & PIPELINE | 4**

Official figures as of end 2018
Flagships

Mysore
India
146 Rooms
Flagships

Zhengzhou West China
180 Rooms
Jakarta Kemayoran
Indonesia
483 Rooms
Flagships

Phuket Patong
Thailand
314 Rooms
Flagships

Sao Paulo
Vila Olimpia, Brazil
213 Rooms
Yangon Golden Empire, Myanmar
175 Rooms
June 2018
Latest Opening

Foshan Jinsha
China
219 Rooms
October 2018
Key upcoming openings

AFRICA – MIDDLE EAST

GRAND MERCURE ABUJA, NIGERIA 105 ROOMS, JULY 2020
GRAND MERCURE MAJLIS MUSCAT GHALA, OMAN 150 ROOMS, JANUARY 2021
GRAND MERCURE MAJLIS DOHA C-RING ROAD, QATAR 283 ROOMS, JANUARY 2020
GRAND MERCURE MAJLIS JEDDAH, SAUDI ARABIA 250 ROOMS, JANUARY 2021
GRAND MERCURE DUBAI SHEIKH ZAYED ROAD, UNITED ARAB EMIRATES 364 ROOMS, JANUARY 2020
GRAND MERCURE AL GARHOUD, UNITED ARAB EMIRATES 357 ROOMS, JUNE 2020
GRAND MERCURE DUBAI JUMEIRAH TRIANGLE, UNITED ARAB EMIRATES 166 ROOMS, JUNE 2020

ASIA – PACIFIC

GRAND MERCURE KHAO LAK BANGSAK, THAILAND 198 ROOMS, FEBRUARY 2020
GRAND MERCURE GUANGZHOU NEW TOWN, CHINA 225 ROOMS, APRIL 2019
GRAND MERCURE PANJIN, CHINA 250 ROOMS, OCTOBER 2019
GRAND MERCURE ANHUI TAIHE, CHINA 300 ROOMS, DECEMBER 2020
GRAND MERCURE NANCHANG AN’YI, CHINA 280 ROOMS, DECEMBER 2020
GRAND MERCURE WUHAN AIRPORT, CHINA 240 ROOMS, DECEMBER 2020
GRAND MERCURE WUHAN OPTICS VALLEY, CHINA 110 ROOMS, DECEMBER 2020
GRAND MERCURE XI’AN XIXIAN, CHINA 416 ROOMS, DECEMBER 2020
GRAND MERCURE SANYA GUANGWU, CHINA 350 ROOMS, DECEMBER 2021
GRAND MERCURE ANSHAN, CHINA 242 ROOMS, DECEMBER 2022
GRAND MERCURE SHIYAN, CHINA 200 ROOMS, DECEMBER 2022
GRAND MERCURE MAHA CPITA PALEMBANG, INDONESIA 220 ROOMS, JANUARY 2024
GRAND MERCURE MAHA CPITA MIRAMA MALANG, INDONESIA 240 ROOMS, SEPTEMBER 2021
GRAND MERCURE MAHA CPITA BALI LEGIAN RESORT, INDONESIA 268 ROOMS, MAY 2021
GRAND MERCURE MAHA CPITA SURABYA MARGOREJO, INDONESIA 241 ROOMS, DECEMBER 2019
GRAND MERCURE BENGALURU AT GOPALAN MALL, INDIA 206 ROOMS, JANUARY 2020

Secured Pipeline by end of 2018

WHY INVEST IN GRAND MERCURE | NETWORK & PIPELINE | 12
Upcoming Opening

Abuja
Nigeria
105 Rooms
July 2020
Grand Mercure Passions

Shared around the world, tailored locally with integrity, revisited with a modern premium brand flair

Passion F&B
TASTE OF PLACE

Passion Design
SENSORIAL IMMERSION

Passion Entertainment
REVIVED RITUALS

Passion Wellbeing
LOCAL WAY OF BEING WELL
PASSION FOR RECREATING

A Taste of Place

All dimensions of the local food culture are showcased: exciting Signature dishes or brews, reinvented street food, and traditional welcome delights...a revisited and inspiring local taste, endorsed by the locals.
Grand Mercure Passions

A PASSION FOR RECREATING

Sensorial Immersion

Grand Mercure harmoniously combines and reinterprets local attitudes, atmospheres and settings to awaken all senses.
Each hotel embraces & revives selected fundamentals shaping a culture: important celebrations, a sense of etiquette & daily rituals to (re)discover, moments of conviviality & quality family time associated to cultural values...integrated into curated brand experiences.
A PASSION FOR RECREATING

A local way of being well

Every country of the world has its own conception of well-being. In its hotels, Grand Mercure embraces each of them accordingly to nurture its guests beyond the doors of the gym and the spa.
Grand Mercure Concept

Memories of Home Cooking*

Every culture holds collective memories and behaviors around home-cooked food & rituals. Grand Mercure revives these memories through flavors, scents and textures, re-introducing them in an engaging way to a contemporary audience.

Spanning the entire guest journey, from restaurants to brews, snacks, minibars, and breakfasts, Grand Mercure shapes experiences inspiring guests to reconnect with their cultural roots in a refreshing new way.

* Concept currently under definition
Social Media

A regional activation for enhanced relevance & reach (examples)

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**Youtube**

Example South America: 95k on-line subscribers

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**Facebook Accounts**

Example Brazil: 25k followers

Hotel campaign: reach 150k

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**Regional E-news**

Example South America: 95k on-line subscribers

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**Influencer Campaigns**
PR, Events & Partnerships

Local Partnerships & Activation to increase Brand Awareness & Nourish Brand Passions (examples)

- **Opening of the Grand Mercure Vila Olimpia Sao Paulo**
  - More than 500 people attendance

- **‘Traces of Brasilidade’ Talk Show**
  - Nearly 1 million people impacted

- **Brand Partnerships in Brazil**
  - L’Occitane au Brésil & Orfeu Coffee
Brand Awareness

Awareness among affluent travelers around 40% in 5 key markets

- Australia 72%
- Brazil 59%
- Singapore 58%
- UAE/S. Arabia 42%

Our objective is to raise awareness in Key markets for the brand (China, Indonesia, Brazil) and maintain it throughout the network.

Source: BEAM by end of 2018

Brand Perception

Grand Mercure has a local positioning in each property

- 49% customers think the brand embodies the essence of each local culture
- 47% feel Grand Mercure is a locally rooted elegant hotel

Our objective is to further drive perception of the brand both as a Premium and Locally rooted.

Source: BEAM by end of 2017

Brand Margin

€45,3

Our objective is to raise brand margin in key markets: China, Indonesia and Brazil.

Source: BEAM by end of 2018

Reputation Performance Score

86,7%

Our objective is to reach 89 by 2021.

Source: TrustYou by end of 2018
Brand Awareness (%)

Source: BEAM - Brand Equity & Awareness Monitoring December 2018

Base: Affluent & Luxury hotel users = users having spent at least 1 stay in a luxury hotel over the last 12 months, 6 nights + in any type of paid-for accommodation, top 30% income within country
Brand Margin® measures the financial premium which the brand name adds to the intrinsic value of the same hotel stay with an unbranded alternative. A Brand Margin® of 10€ means that « Consumers think it is worth paying on average 10€ more per night to stay with brand X compared to an unbranded equivalent ». Base: people having stayed in paid-for accommodation in the last 12 months and somewhat/very familiar with the brand.

Brand Margin® in €. Traveller representative

Figures as of end 2018
Reputation Performance Score

High Reputation Score in Constant Progression Across the Network

South America 85%

Asia Pacific 87%

Africa – Middle East 84%

GRAND MERCURE AVERAGE RPS 86.74%

Source: TrustYou by end of 2018
Revpar as of end 2018

Source: STR Performance by end of 2018

BANGKOK & PHICKET
2 GRAND MERCURE HOTELS
REVPAR INDEX: 123 TO 127

BEIJING & SHANGHAI
2 GRAND MERCURE HOTELS
REVPAR INDEX: 108 TO 114
Accor Distribution Solution

Accor offers > 110 global distribution channels at best market conditions

The central Reservation System (CRS) generates on average 66% of a hotel’s room revenue.

Source: CRS by end of 2018
Official figures as of end 2018

FOR LUXURY & PREMIUM BRANDS

CALL CENTERS, INTRA HOTEL & CLUSTER SERVICES

32% DIRECT SALES

ACCORHOTELS.COM, BRANDS.COM, MOBILES SITES & APP

59% OF HOTELS’ ROOM REVENUE COMES THROUGH ACCOR CENTRAL RESERVATION SYSTEM

WEB PARTNERS (OTAS)

41% HOTEL PMS

GDS / IDS

26% INDIRECT SALES

WHY INVEST IN GRAND MERCURE | PERFORMANCE | 28

FOCUS ON WEB

49k Grand Mercure room revenue
Accor Loyalty Program

Accor owns the most international and fast growing loyalty program

Loyalty members worldwide

- Le Club AccorHotels
- FRS loyalty program
- Huazhu loyalty program

>53 MILLION MEMBERS WORLDWIDE

+27,700 MEMBERS EVERY DAY

LE CLUB ACCORHOTELS REPRESENTS 34.6% OF ALL ROOMNIGHTS

Guest origin

A worldwide program

- 20 brands
- 3,500 hotels in 100 countries
- Free enrollment
- 100% web based program
- Partnerships with major airline loyalty programmes: Skyteam, One World, Star Alliance...

Source: LCAH by end of 2018
## Development Criteria

<table>
<thead>
<tr>
<th>Hotell</th>
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<tbody>
<tr>
<td>Recomended Number of Rooms</td>
<td>150 keys and +</td>
<td>150 keys and +</td>
</tr>
<tr>
<td>Room Average Size</td>
<td>24 – 32 sqm</td>
<td>28 – 36 sqm</td>
</tr>
<tr>
<td>TGFA / Room</td>
<td>60 – 70 sqm</td>
<td>80 – 90 sqm</td>
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<table>
<thead>
<tr>
<th>Resort</th>
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</thead>
<tbody>
<tr>
<td>Recomended Number of Rooms</td>
<td>120 keys and +</td>
<td>150 keys and +</td>
</tr>
<tr>
<td>Room Average Size</td>
<td>28 – 36 sqm + balcony</td>
<td>30 – 40 sqm + balcony</td>
</tr>
<tr>
<td>TGFA / Room</td>
<td>80 – 90 sqm</td>
<td>80 – 110 sqm</td>
</tr>
</tbody>
</table>

### Food & Beverage
1. All day dining
2. Specialty restaurant
3. Lobby bar
4. Bespoke Spa market driven

### Well-Being
1. Fitness centre
2. Swimming pool
3. Meeting rooms
4. Ballroom
5. Business centre available

### Meetings & Others
1. Executive Club
2. Kids Club

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### Prime Locations
- International Capitals
- Key Cities & Resorts

### Secondary Locations
- Major Domestic Destinations

### Airports Suburbs
- Other Cities & Attractive Touristic Destinations

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(1) Based on market demand
THANK YOU