

Acquisition to expand Hyatt's unique lifestyle hotel offerings with a quickly growing brand portfolio focused on vibrant dining and nightlife experiences

CHICAGO (November 29, 2022) – [Hyatt Hotel Corporation](#) (NYSE: H) and Dream Hotel Group announced an agreement for a Hyatt affiliate to acquire Dream Hotel Group's lifestyle hotel brand and management platform including the [Dream Hotels](#), [The Chatwal Hotels](#) and [Unscripted Hotels](#) brands, with properties in some of the world's most prominent hotel markets across the Americas, Europe and Asia.

This asset-light acquisition will include a portfolio of 12 managed or franchised lifestyle hotels, with another 24 signed long-term management agreements for hotels expected to open in the future. Upon closing, this expansion will add over 1,700 rooms to Hyatt's lifestyle portfolio and increase Hyatt's room count in New York City by more than 30%. This acquisition continues Hyatt's asset-light growth strategy following its transactions to acquire Two Roads Hospitality in 2018 and Apple Leisure Group in 2021 – and, most recently, Hyatt's collaboration agreement with German Lindner Hotels AG, to further grow Hyatt's brand footprint in Europe.

Upon closing, Hyatt will pay a base purchase price of \$125 million, with up to an additional \$175 million over the next six years as properties come into the pipeline and open. Stabilized management fees associated with the base purchase price of \$125 million are anticipated to be approximately \$12 million and, to the extent the contingent purchase price of \$175 million is paid, additional stabilized management fees are anticipated to be up to approximately \$27 million. The total base purchase price plus the contingent purchase price represents an attractive acquisition multiple in the high-single digits on projected stabilized earnings.

Dream Hotel Group properties are known for their vibrant dining and nightlife experiences including hotspot restaurants, lavish entertainment venues and exclusive night clubs built on strategic collaborations with innovative and award-winning industry leaders. The acquisition will extend Hyatt's brand footprint in key markets, including Nashville, Hollywood, South Beach, Durham, several locations in New York City and one in the Catskills. Signed contracts represent additional strategic destinations including Las Vegas, Saint Lucia and Doha.

"We have tremendous respect for what Dream Hotel Group founder Sant Singh Chatwal and Chief Executive Officer Jay Stein and their team have created and are grateful for the trust being placed in us by Dream Hotel Group to care for their brands and carry their success forward into the future," said Mark Hoplamazian, president and chief executive officer, Hyatt. "We look forward to continuing our growth journey with more than 600 new Hyatt family members who will further elevate our lifestyle expertise and expand the success of our dedicated lifestyle division. We are excited to offer even more inspiring experiences and celebratory programming to our guests and loyalty members and bring the value of the Hyatt network to a growing number of discerning hotel owners and developers around the world."

"Hyatt has a proven track record of preserving what makes lifestyle hotels special and is the ideal new home for our growing Dream Hotel Group brands," said Sant Singh Chatwal, chairman and founder, Dream Hotel Group. "As an owner of Dream Hotel Group properties, I look forward to the next part of our journey and am confident there is a bright future ahead for our hotels, owners, guests and team members as part of the Hyatt family."

The transaction is anticipated to close in the coming months, subject to customary closing conditions. Following completion of the transaction, Hyatt will work to welcome the new properties into the World of Hyatt loyalty program, bringing more stay occasions and destinations to its member base. World of Hyatt members are some of the most valuable travelers in the industry who spend more and stay more, generating high-quality revenue for the owners of Dream Hotel Group properties.

Dream Hotel Group founder Sant Singh Chatwal will continue his commitment as an owner of four open and two future hotels that are expected to join the Hyatt portfolio. Dream Hotel Group CEO Jay Stein will join Hyatt as Head of Dream Hotels to guide the integration of the Dream Hotel Group brands into the Hyatt portfolio, ensuring the unique DNA of each brand is preserved while leveraging Hyatt's capabilities to optimize property performance. Additionally, Dream Hotel Group's Chief Development Officer David Kuperberg will join Hyatt as Head of Development – Dream Hotels; Chief Operating Officer Michael Lindenbaum will join Hyatt as Global Head of Operations – Dream Hotels.

In connection with the transaction, Moelis & Company LLC served as financial advisor to Hyatt and Latham & Watkins LLP acted as its legal advisor.

The term "Hyatt" is used in this release for convenience to refer to Hyatt Hotels Corporation and/or one or more of its affiliates.

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About Hyatt Hotels Corporation

Hyatt Hotels Corporation, headquartered in Chicago, is a leading global hospitality company guided by its purpose – to care for people so they can be their best. As of September 30, 2022, the Company's portfolio included more than 1,200 hotels and all-inclusive properties in 72 countries across six continents. The Company's offering includes brands in the *Timeless Collection*, including **Park Hyatt®**, **Grand Hyatt®**, **Hyatt Regency®**, **Hyatt®**, **Hyatt Residence Club®**, **Hyatt Place®**, **Hyatt House®**, and **UrCove®**; the Boundless Collection, including **Miraval®**, **Alila®**, **Andaz®**, **Thompson Hotels®**, **Hyatt Centric®**, and **Caption by Hyatt®**; the *Independent Collection*, including **The Unbound Collection by Hyatt®**, **Destination by Hyatt™**, and **JdV by Hyatt™**; and the *Inclusive Collection*, including **Hyatt Ziva®**, **Hyatt Zilara®**, **Zoëtry® Wellness & Spa Resorts**, **Secrets® Resorts & Spas**, **Breathless Resorts & Spas®**, **Dreams® Resorts & Spas**, **Vivid Hotels & Resorts®**, **Alua Hotels & Resorts®**, and **Sunscape® Resorts & Spas**. Subsidiaries of the Company operate the World of Hyatt® loyalty program, ALG Vacations®, Unlimited Vacation Club®, Amstar DMC destination management services, and Trisept Solutions® technology services. For more information, please visit www.hyatt.com.


About Dream Hotel Group

Dream Hotel Group is a hotel brand and management company with a rich, 35-year history of managing properties in some of the world's most highly competitive hotel environments, including New York, Los Angeles, Miami, Bangkok and most recently Nashville. Home to its Dream Hotels, Unscripted Hotels, The Chatwal and new By Dream Hotel Group brands, Dream Hotel Group encompasses three business lines: Proprietary Brands, Hotel Management, and Dining & Nightlife. The company is committed to the philosophy that forward-thinking design, service and guest experiences should be available across all market segments. Dream Hotel Group is dedicated to offering travelers an authentic connection to their chosen destination through a truly original approach. For more information on Dream Hotel Group and its brands, visit www.DreamHotelGroup.com and follow @dreamhotelgroup on Twitter and LinkedIn.

Forward-Looking Statements

Forward-Looking Statements in this press release, which are not historical facts, are forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. These statements include statements about the Company's proposed acquisition of the lifestyle hotel brand and management platform of Dream Hotel Group, including expected financial and operational benefits resulting from the acquisition, guest and owner advantages arising from the acquisition, the number of properties expected to open in the future as part of the acquisition, the expected incorporation of hotels acquired as part of the acquisition into the World of Hyatt loyalty program, the expected timeline for completing the acquisition, prospects or future events and involve known and unknown risks that are difficult to predict. As a result, our actual results, performance or achievements may differ materially from those expressed or implied by these forward-looking statements. In some cases, you can identify forward-looking statements by the use of words such as "may," "could," "expect," "intend," "plan," "seek," "anticipate," "believe," "estimate," "predict," "potential," "continue," "likely," "will," "would" and variations of these terms and similar expressions, or the negative of these terms or similar expressions. Such forward-looking statements are necessarily based upon estimates and assumptions that, while considered reasonable by us and our management, are inherently uncertain. Factors that may cause actual results to differ materially from current expectations include, but are not limited to: risks associated with the acquisition of Apple Leisure Group, including successful integration of the Apple Leisure Group business; the duration and severity of the COVID-19 pandemic or any additional resurgence and the pace of recovery following the pandemic or any additional resurgence; the short and long-term effects of the COVID-19 pandemic, including on the demand for travel, transient and group business, and levels of consumer confidence; the impact of actions taken by governments, businesses, or individuals in response to the COVID-19 pandemic or any additional resurgence on global and regional economies, travel limitations or bans, and economic activity; the ability of third-party owners, franchisees, or hospitality venture partners to successfully navigate the impacts of the COVID-19 pandemic or any additional resurgence; general economic uncertainty in key global markets and a worsening of global economic conditions or low levels of economic growth; the rate and the pace of economic recovery following economic downturns; global supply chain constraints and interruptions, rising costs of construction-related labor and materials, and increases in costs due to inflation or other factors that may not be fully offset by increases in revenues in our business; risks affecting the luxury, resort, and all-inclusive lodging segments; levels of spending in business, leisure, and group segments as well as consumer confidence; declines in occupancy and average daily

rate; limited visibility with respect to future bookings; loss of key personnel; domestic and international political and geo-political conditions, including political or civil unrest or changes in trade policy; hostilities, or fear of hostilities, including future terrorist attacks, that affect travel; travel-related accidents; natural or man-made disasters such as earthquakes, tsunamis, tornadoes, hurricanes, floods, wildfires, oil spills, nuclear incidents, and global outbreaks of pandemics or contagious diseases, or fear of such outbreaks; our ability to successfully achieve certain levels of operating profits at hotels that have performance tests or guarantees in favor of our third-party owners; the impact of hotel renovations and redevelopments; risks associated with our capital allocation plans, share repurchase program, and dividend payments, including a reduction in, or elimination or suspension of, repurchase activity or dividend payments; the seasonal and cyclical nature of the real estate and hospitality businesses; changes in distribution arrangements, such as through internet travel intermediaries; changes in the tastes and preferences of our customers; relationships with colleagues and labor unions and changes in labor laws; the financial condition of, and our relationships with, third-party property owners, franchisees, and hospitality venture partners; the possible inability of third-party owners, franchisees, or development partners to access capital necessary to fund current operations or implement our plans for growth; risks associated with potential acquisitions and dispositions and the introduction of new brand concepts; the timing of acquisitions and dispositions and our ability to successfully integrate completed acquisitions with existing operations; failure to successfully complete proposed transactions (including the failure to satisfy closing conditions or obtain required approvals); our ability to successfully execute on our strategy to expand our management and franchising business while at the same time reducing our real estate asset base within targeted timeframes and at expected values; declines in the value of our real estate assets; unforeseen terminations of our management or franchise agreements; changes in federal, state, local, or foreign tax law; increases in interest rates, wages, and other operating costs; foreign exchange rate fluctuations or currency restructurings; lack of acceptance of new brands or innovation; general volatility of the capital markets and our ability to access such markets; changes in the competitive environment in our industry, including as a result of the COVID-19 pandemic, industry consolidation, and the markets where we operate; our ability to successfully grow the World of Hyatt loyalty program and Unlimited Vacation Club paid membership program; cyber incidents and information technology failures; outcomes of legal or administrative proceedings; violations of regulations or laws related to our franchising business; and other risks discussed in the Company's filings with the SEC, including our annual report on Form 10-K, which filings are available from the SEC. All forward-looking statements attributable to us or persons acting on our behalf are expressly qualified in their entirety by the cautionary statements set forth above. We caution you not to place undue reliance on any forward-looking statements, which are made only as of the date of this press release. We do not undertake or assume any obligation to update publicly any of these forward-looking statements to reflect actual results, new information or future events, changes in assumptions or changes in other factors affecting forward-looking statements, except to the extent required by applicable law. If we update one or more forward-looking statements, no inference should be drawn that we will make additional updates with respect to those or other forward-looking statements.

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