



## **AZORA AND PALLADIUM HOTEL GROUP CREATE A JOINT VENTURE TO INVEST €500M IN THE MEDITERRANEAN**

- **The joint venture starts with the acquisition of three hotels and an initial investment of €225 million**
- **The joint venture where Azora holds a 75% and Palladium Hotel Group the remaining 25%, has a target investment of €500 million**
- **The JV will favour the 5\* and 5\* Grand Luxe brands of Palladium Hotel Group (BLESS Collection Hotels, TRS Hotels, Grand Palladium Hotels & Resorts) in the Mediterranean**

**Madrid, 3<sup>rd</sup> September 2019** – Azora and Palladium Hotel Group have created a new company to invest together in the European resort hotel. The new joint venture, of which Azora owns 75% and Palladium Hotel Group the remaining 25%, has started its activity with the acquisition of three hotel complexes owned by the hotel group for a total amount of €115 million and an additional investment in capex of €110 million, reaching a total initial investment of €225 million. The transaction includes the BLESS Hotel Ibiza with 151 keys and a category of 5\* Deluxe and Fiesta Hotel Tanit with 440 keys and 3\* category, both located in Ibiza as well as the Fiesta Sicilia Resort with a total of 529 keys and a 4\* category located in Cefalú, Sicily.

BLESS Hotel Ibiza previously known as Fiesta Hotel Cala Nova, has been newly refurbished from a 3\* category with 305 keys to a 5\* Deluxe category with 151 keys. BLESS Hotel Ibiza opened its doors last June with the objective of positioning itself as one of the best hotels in the Island based on a hedonistic luxury concept, and it is part of the prestigious association Leading Hotels of the World. The hotel's most exclusive F&B offer is the restaurant Etxeko Ibiza, by the internationally known chef Martín Berasategui.



The joint venture's strategy includes the refurbishment of the Fiesta Hotel Tanit and Fiesta Sicilia Resort, as well as favouring 5\* and 5\* Deluxe brands of the Palladium Hotel Group. Fiesta Hotel Tanit will be subject to a full repositioning under the Deluxe brand TRS and an all-inclusive only-adults offer, with an entertainment program of the brand which is already known in other destinations of the Caribbean and Mexico.

Lastly, the hotel in Cefalú, Sicily, will be refurbished under the Grand Palladium Hotels & Resorts 5\* brand under an all-inclusive offer, once the current season finishes, under a clear bet on a growing destination with strong potential in the Mediterranean such as Sicily.

The agreement reached between Azora and Palladium Hotel Group contemplates an investment commitment of up to €500 million to favour the Deluxe brands of the hotel group in other touristic destinations of Europe and the Mediterranean.

With this transaction Azora remains truthful to its investment strategy in the resort hotel segment with a view to generate added value through repositioning and an active asset management. This transaction falls within the scope of the new investment fund currently being raised by Azora to invest in resort hotels in the Mediterranean and hotels and hostels within the main European touristic cities.

*"The creation of this alliance falls within our firm decision of investing in the resort hotel segment, with a strategy to transform assets with unique locations with the help of a leader in cutting edge innovations within the hotel segment such as Palladium Hotel Group", says Concha Osácar, founding partner of Azora.*

*"For Palladium Hotel Group this joint Venture confirms its bet on a sustainable growth of its 5\* brand exposure worldwide as well as boosting the company as hotel operator under management contracts. We cherish this joint venture with Azora who has trusted our capacity to reposition hotels with highly differentiating proposals " says Abel Matutes Prats CEO of Palladium Hotel Group.*



**PALLADIUM**  
HOTEL GROUP

Alantra has been the financial advisor for Palladium Hotel Group in this transaction.

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**About Azora**

Azora Group (hereinafter "Azora") is an independent asset manager and leader in Spain, who started its business in 2003 and as of year-end 2018 had more than €5.3 Bn of AuM. Its platform, one of the most important in Spain, has more than 200 professionals with great expertise through the whole real estate cycle, including deal sourcing, structuring and investment, new developments and repositioning, asset management and rental and sale of individual assets or portfolios.

Azora specialises in four asset classes: residential, hotels, offices and renewable energy, and is developing new investment themes in logistics, senior homes and alternative real estate debt. Azora currently manages one of the largest portfolios of residential units for rent, with more than 14,000 homes, and created the largest hotel portfolio in Spain under variable rent agreements with hotel operators with more than 13,000 keys, recently acquired by Blackstone through the take-over-bid of Hispania (July 2018).

**About Palladium Hotel Group**

Palladium Hotel Group is a Spanish hotel operator with more than 40 years of experience. The Group has a total of 50 hotels with more than 14.000 keys in six countries: Spain, Mexico, Dominican Republic, Jamaica, Sicily (Italy) and Brazil, and operates through ten different brands: TRS Hotels, Grand Palladium Hotels & Resorts, Palladium Hotels, Palladium Boutique Hotels, Fiesta Hotels & Resorts, Ushuaia Unexpected Hotels, BLESS Collection Hotels, Ayre Hoteles y Only YOU Hotels, and 2 licensed Hard Rock Hotels in Ibiza and Tenerife. The hotels of the Palladium Hotel Group are characterised by its philosophy of offering the client high-quality standards both in its products and its services. Palladium Hotel Group is owned by Grupo Empresas Matutes (GEM). [www.palladiumhotelgroup.com](http://www.palladiumhotelgroup.com)



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