

Press Release**Warburg Pincus Partners with VinaCapital and Its Founder Don Lam
to Create a Leading Hospitality Platform in Southeast Asia**

November 17, 2016 – Warburg Pincus, a leading global private equity firm focused on growth investing, and VinaCapital, one of the largest private equity firms in Vietnam, today jointly announced that affiliates of Warburg Pincus, VinaCapital and its founder Don Lam have closed a partnership to create a fully integrated hospitality platform (the “JV”) spanning development, acquisitions and operations across Southeast Asia. The JV is founded on a common vision to become the pre-eminent hotel platform in Vietnam with a target to expand into other leading hospitality markets in Southeast Asia. The long-term goal is to capture the outsized growth in tourist arrivals, especially from China, to the region over the next five to 10 years.

The JV will be seeded initially with up to approximately US\$300 million of capital commitments from Warburg Pincus and VinaCapital and best-in-class hospitality assets including a 100% stake of Serenity Holding (“Serenity”) as well as select resort and city hotels in Vietnam. Serenity, previously co-owned by Don Lam and Marco van Aggele, is a leading domestic hotel management company focusing on developing and operating specialized boutique resorts and upscale city hotels in Vietnam under its Fusion brands.

The JV seeks to aggressively grow its asset base through acquiring, repositioning and enhancing well-located city hotels in key tier-1 cities and developing luxury resorts in leading resort destinations across Southeast Asia. The hotel market in the region is highly fragmented and the JV also plans to acquire and partner with other prominent hotel management companies and platforms to further enhance its management capability and expand its brand and asset coverage.

Don Lam, Founder of VinaCapital, commented, “We are excited to work with Warburg Pincus, a best-in-class private equity firm with deep experience in Asia, to build the leading hotel platform in Southeast Asia. The platform is off to a strong start and we look forward to contributing our strong acquisition capabilities and local resources to build a hospitality platform of the highest quality and scale in the region.”

VinaCapital is one of Vietnam’s most experienced and successful investors in the hospitality sector. It has made 16 hospitality investments over the last 10 years involving more than US\$220m of equity investment into Vietnam through a range of financing structures. This experience extends to city center trophy properties and business hotels, coastal resorts and residential communities, golf courses and serviced apartments. Its seasoned hospitality team has been involved in developing, owning and/or operating six of the top ten hotels in Vietnam.

Jeffrey Perlman, Managing Director and Head of Southeast Asia of Warburg Pincus, commented, “With tourist arrivals to the region expected to more than triple over the next 10 years, hospitality and tourism will be at the forefront of driving the region’s outsized growth. Mr. Lam, Mr. van Aggele and VinaCapital have strong local market knowledge and a proven track record of investing in all aspects of the hospitality sector. We look forward to working closely with them to expand the footprint of the JV across the region with the goal of an eventual IPO.”

Warburg Pincus has a strong track record investing in real estate across Asia, including in hospitality companies in both China and India. It has invested more than US\$2.5 billion into 20 companies and projects in the region including developers, operators, asset managers, and joint ventures in all major real estate asset classes. The firm's notable investments in the property sector include Guangzhou R&F, e-Shang Redwood Group, Red Star Macalline, D&J China and Mofang Apartments in China, Vincom Retail (Vietnam) and Nirvana Wastu Pritama (Indonesia) in Southeast Asia and a joint venture with Embassy Group in India. Additionally, Warburg Pincus has invested in three leading hotel companies in the region including 7 Days Inn, China Jinmao and Lemon Tree Hotels.

Marco van Aggele, Founder and CEO of Serenity, commented, "We are privileged to partner with Warburg Pincus and VinaCapital to expand our highly differentiated wellness hospitality concepts. The partnership will open up new doors for us to expand our concept in Vietnam and across the region."

Benefiting from the country's rich tourism resources, the hospitality market in Vietnam and others across the region have been going through an important transition period driven by strong international tourist arrivals, a rapidly growing domestic middle class, pro-growth policies and accelerating infrastructure build-up. The connectivity in the key urban and resort destinations have also been greatly enhanced, coupled with the explosion of low-cost carriers which has fundamentally changed how people travel in the region. It is estimated that China's outbound tourists will grow by over 100mm over the next 10 years to over 220mm, with ASEAN countries being the biggest beneficiary with estimated arrivals from China expected to quadruple from approximately 10 million to 40 million during this period.

About Warburg Pincus

Warburg Pincus LLC is a leading global private equity firm focused on growth investing. The firm has more than US\$40 billion in private equity assets under management. The firm's active portfolio of more than 120 companies is highly diversified by stage, sector and geography. Warburg Pincus is an experienced partner to management teams seeking to build durable companies with sustainable value. Founded in 1966, Warburg Pincus has raised 15 private equity funds, which have invested more than \$58 billion in over 760 companies in more than 40 countries.

The firm is headquartered in New York with offices in Amsterdam, Beijing, Hong Kong, London, Luxembourg, Mumbai, Mauritius, San Francisco, São Paulo, Shanghai, and Singapore. For more information please visit www.warburgpincus.com.

About VinaCapital

VinaCapital is a leading investment management and real estate development firm in Vietnam, with a diversified portfolio of US\$1.4 billion in assets under management. VinaCapital was founded in 2003 and boasts a team of managing directors who bring extensive international finance and investment experience to the firm. Its mission is to produce superior returns for investors by using its experience and knowledge to identify the key trends and opportunities that emerge as Vietnam continues to develop its economy. To achieve this, VinaCapital has industry-leading asset class teams covering capital markets, private equity, fixed income, venture capital, real estate and infrastructure. For more information please visit www.vinacapital.com.

About Serenity

Founded in 2006, Serenity Holding or “Fusion” is a management company that conceptualizes, designs, builds and manages beachside resorts and city hotels with its branded hospitality concepts. As the only fully vertically-integrated hospitality company in the region, Fusion is uniquely positioned to scale its concepts and brands throughout Vietnam and Southeast Asia. Following the success of its flagship resorts, Fusion Maia Da Nang and Fusion Resort Nha Trang, Fusion has continued to contribute to Vietnam’s tourism industry with its new projects in Da Nang, Ho Chi Minh City, Long Hai, Nha Trang, and Phu Quoc.

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