



Date: 28th May 2008

Press Release

UK leisure company enters first strategic partnership with Cuban Government to create first golf resort helping boost tourism

- Esencia Hotel & Resorts agrees to form joint venture with Palmares SA, part of Cuba's Ministry of Tourism to develop world class golf resort

UK leisure company Esencia Hotel & Resorts (Esencia) part of the Havana Holdings Group, today announces the formation of a strategic partnership with Cuba's Ministry of Tourism to develop the first 6* country club resort with world class golf facilities in Cuba. The development investment for this new integrated resort – the Carbonera Country Club Resort - will be in the region of Euro 350 million.

This partnership, the first significant direct investment into Cuba Tourism by a British company, comes as a result of the Cuban Government's desire to improve and diversify the country's tourism offering. The decision to progress with this landmark development symbolises the first of many opportunities that Cuba represents for international investors, as the Government seeks to boost the country's economy.

This strategic agreement also reinforces the Ministry of Tourism's continued commitment to improving Cuba's tourism product. This undertaking to improve the quality and diversity of the country's tourism product is in response to meeting the needs and discerning tastes of today's traveller. Cuba welcomed over 2 million visitors in 2007 who generated Euro 1.3 billion in revenue.

The Ministry of Tourism appreciates the importance of golf, as it forms an integral part of the modern tourism product, and therefore has been working on a development strategy for golf for a number of years. Golf tourism is also a tremendous revenue generator. Unlike many of its Caribbean neighbours Cuba currently has just one golf course.



.../2

For many tourists, access to high quality golf facilities is a key determinant when choosing a holiday destination. Golf tourism is also an excellent generator of repeat business, as many players return to their favourite course year after year.

Andrew Macdonald, chief executive of Esencia Hotel & Resorts and Havana Holdings commented: “Through our sister company Havana Holdings, which manages the Floridita brand across Europe, we have had a mutually successful commercial relationship with Cuba for over five years. Today’s announcement is the culmination of years of constructive dialogue. Cuba for those who don’t know is the ‘true’ Caribbean because of its rich and vibrant culture, its diverse and stunning scenery, and its well-established infrastructure and services. The Carbonera Country Club Resort will be the first truly integrated golf resort in Cuba, and we believe that there is potential to develop many more 6* resorts across the island. Cuba is similar in size to Britain, which has over 2,000 golf courses, so there is plenty of scope to develop first class golf facilities...there is only one golf course today! “

Esencia has brought together a world class team to deliver the luxuriously appointed Carbonera Resort, located on 150 hectares of beach fronted virgin land overlooking the Florida Straits. These experts include Galeon, the Spanish property management company; PGA Design Consulting who act on all matters relating to design and development on behalf of the Professional Golf Association; Savills Real Estate; Rafael de la Hoz, a leading Spanish architectural firm and Onework, a leading Italian architectural practice. The real estate model for this development is currently being finalised and will either be in the form of long leasehold or freehold agreement. Construction of the Carbonera Country Club Resort will commence in 2009.

The Carbonera Country Club Resort will include:

- A luxury country club offering a range of amenities including conference, entertainment, restaurants, shops, sports and spa facilities
- A boutique hotel with 150 rooms



.../3

- A maritime centre with a pier and pontoons in the conservation area directly in front of the resort
- A world class PGA 18-hole golf course with its own club house
- Approximately 800 luxury apartments of around an average 120 sqm
- Approximately 100 beautiful villas

Rogelio Curbelo, Director, Cuba Tourist Board commented on today's announcement: "Thanks to the hard work of Andrew and other members of the team we are delighted to form this partnership, and believe it will be of significant benefit to both parties. This joint venture with Esencia is the first large scale investment from the UK. The market is becoming increasingly important to Cuba as visitor numbers increased by more than 15 per cent in the past year, and a significant proportion of which came from the UK."

Esencia Hotel & Resorts' Chairman, **Michael Phair** said: "This is an exciting time for Cuba and for investment in Cuba. We are well aware of the tremendous potential that Cuba has to offer international investors. The Ministry of Tourism has expressed the desire to enhance its tourism product by embracing the concept of working with international partners such as Esencia to deliver high end cutting edge integrated resorts, like the Carbonera. This type of strategic vision and commitment to tourism will help truly differentiate Cuba from its Caribbean neighbours."

Robert (Bob) Hunt, Managing Director of PGA Design Consulting added: "The PGA has worked with the Ministry of Tourism for a number of years helping define the potential of Cuban golf. We are delighted to be associated with this landmark development as Cuba has tremendous potential to become the next 'hotspot' for golf. The Cuba proposition ticks all the boxes for golf playing visitors – a fascinating and beautiful island with a high quality tourism product offering the latest world class golf



.../4

facility in the Caribbean. As the popularity of golf continues to go from strength to strength, and Cuba continues to develop its golf offer, there is tremendous potential to increase tourism revenue considerably in the next 10 years.”

For further information on the Carbonera Country Club Resort please contact Andrew Macdonald at Esencia Hotel & Resorts on andrew@esenciahotelsandresorts.com

- Ends -

For further press information please contact:

Claire Barry/Andrew Hayes - Hudson Sandler

Cbarry@hudsonsandler.com / ahayes@hudsonsandler.com

Tel. 020 7 7796 4133

Notes to Editor:

Havana Holdings Group – Esencia Hotels and Resorts

Havana Holdings was founded in 2001 with the central objective of building the Floridita brand into a leading bar restaurant within Europe combining the promotion of La Casa del Habano cigar retail and other cultural activities. Main industry specific shareholders include D&D London (formerly Conran with its 26 restaurants spread over three continents), Kluva SA (with their Natur House brand have approximately 1500 locations in eighteen countries) and Boisdale plc (a restaurant group famed for its jazz and cigars).

Esencia Hotels and Resorts was incorporated to embrace the Cuban in-country business opportunities, contracts have already been signed for a chain of boutique hotels throughout Cuba with the leading hotel group Gran Caribe. The first hotel in Havana, Hotel Victoria should be open early 2009 and then following with a Hotel and Spa in Vinales, a UNESCO world heritage site.

Galeon

Galeón is a leading property asset management boutique focusing mainly on the Spanish and Latin markets. The company currently manage €100 million plus of property portfolios working for some of the established UK based funds.

PGA Design Consulting

The PGA is a members' organisation for golf professionals and is dedicated to training and serving golf professionals whose principal aim is to offer a highly professional service to amateur golfers at a club, driving range or other golf establishment.

Now based at Centenary House at the famous Belfry, scene of four Ryder Cups, the Association is flourishing with more than 7,000 members. Most are club professionals specialising in the core subjects of coaching and retailing, but increasing numbers are occupying managerial roles within golf clubs and resorts, both at home and overseas.

One Works

One Works is a leading architecture, infrastructure and urban engineering practice, serving both private and public markets. Based in Milan, Venice and Rome, partners share a long-standing experience in planning, urbanism and architecture.

Rafael de la Hoz

The Madrid-based Rafael de la Hoz studio currently employs more than 65 architects, designers and technicians. Since its inception eighty years ago the Rafael de la Hoz projects have embraced a wide spectrum of architectural typologies, from development and construction planning, to urban design and restoration.

Savills

Savills is a leading global real estate service provider listed on the London Stock Exchange. Established in 1855, it has a rich heritage with unrivalled growth. It is a company that leads rather than follows and now has over 200 offices and associates throughout the Americas, Europe, Asia Pacific, Africa and the Middle East.

Savills is synonymous with a high quality service offering and a premium brand, takes a long term view to real estate and invests in strategic relationships.