



## RUBY HOTELS SET TO OPEN IN SHANGHAI BY THE END OF THE YEAR

A joint venture with renowned Chinese partners paves the way for an expansion into Asia

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The Ruby Group's international expansion has taken a further step with the announcement of the first Ruby hotel in Asia, which is set to open at the end of the year in Shanghai, China's booming mega metropolis.

The Munich-based hotel group has established a joint venture with prominent Chinese partner The Betterwood Group, allowing it to bring Ruby's philosophy of Lean Luxury to the Asian continent for the first time.

The new 150-room hotel will be located in the Hongqiao neighborhood, near Shanghai's city center airport, where numerous renowned five-star hotels such as Sofitel and Le Meridien have recently opened. The style of each Ruby hotel is individual, and is inspired by local influences. Accordingly, the interior design of the Hongqiao hotel celebrates the style of Shanghai in the 1920s, and its booming silent film scene. ... The project came to fruition as the result of the conversion and expansion of a former office building. Its opening is planned for the end of this year.

Michael Struck, founder and CEO of Ruby Hotels, said: "After announcing our first hotel development in London earlier this year, the establishment of Ruby Asia and the development of a hotel in Shanghai marks the next milestone for the international expansion of the Ruby brand."

### Joint Venture Ruby Asia

Ruby Asia is a joint venture between Ruby Hotels & Resorts GmbH, based in Munich, Germany, and the Betterwood Group, with its headquarters in Hong Kong. The Betterwood Group is primarily owned by Wisdom Sail (HK) Ltd. (Hong Kong), a USD 310 million investment holding company that is managed by Ocean Link (Shanghai). Some of China's most distinguished hospitality companies and individuals in the hospitality industry are affiliated with Ocean Link, including Alex Zheng, the founder and chairman of Plateno Hotel, one of the biggest hotel groups in China. Other investors in this fund include Ctrip, the biggest OTA (Online Travel Agency) in Asia; General Atlantic, a global private equity investor that is behind companies such as Uber and AirBnB; and Temasek, the investment arm of the government of Singapore.

Alex Zheng "discovered" Ruby with the help of the German consultancy Hotour, which was commissioned with the task of finding promising European brands. In the summer of 2016, it was jointly decided to launch the Ruby brand in Asia with Alex Zheng and his partners. The goal is to establish Ruby as one of the first brands in Asia in the affordable luxury segment, as well as to appeal with individual hotels to the high-growth postmodern milieus, particularly the high-growth Chinese millennials. With the goal of establishing a close partnership in every way, the model of mutual equity shareholding was chosen: Ocean Link – specifically its investment holding company Wisdom Sail – with a 20% share of Ruby, and Ruby with a 20% share of the Asian license holder.

The joint venture will be led by an experienced six-person management team, including Huasheng Li, the president of the Betterwood Hotel Group Co., Ltd. and Angela Wong, CEO of Ruby Asia (see the box below for further information).

## THE RUBY ASIA MANAGEMENT TEAM

... will be led by **Huasheng Li**, president of the Betterwood Hotel Group Co.

- Li has worked as General Manager of the Dongshen Investment Holding Company; Chairman of the GDH Hotels Group; Vice President of the Tiens Group; and Executive President of the Vienna Hotels Group, which leads the mid-range hotel segment in China with over 1,200 hotels.
- Chairperson of the Alliance of Chinese Hotel Owners
- "Man of the Year" of the Chinese hotel industry
- He has earned a Bachelor's degree in Art, a Master's degree in Economics, and is a guest professor at various universities in China.

**Angela Wong**, CEO of Ruby Asia

- Former CEO of the Mora Coffee Company, the coffee shop spinoff of the Plateno Group
- Long-standing member of the management team of 7Days Inn (Plateno)
- She has earned her Bachelor's degree in Electrical Engineering and Computer Technology.

## Lean Luxury Philosophy

The new Ruby Hotel in Shanghai follows Ruby's Lean Luxury philosophy: Top location, high-quality room fittings, genuine design. All this at an affordable price by rigorously cutting out the superfluous and focusing on the essential.

Michael Struck, founder and CEO of Ruby Hotels, explains the group's approach. "This works because we accommodate luxury in a relatively condensed space, similar to luxury yachts. We forego unnecessary services. Thanks to proprietary technical innovations, we plan, build and organize ourselves differently from conventional hotels. To be precise, we plan and build in a very modular way and centralize as well as automatize processes behind the scenes wherever possible. This helps us create a luxurious and unique hotel experience at an affordable price."

## Pipeline

Ruby Sofie	Vienna, Marxergasse	Opened	IFA
Ruby Marie	Vienna, Mariahilferstrasse	Opened	CBRE Investors / BVK
Ruby Lilly	Munich, Stiglmaierplatz	Opened	Art-Invest
Ruby Lissi	Vienna, Fleischmarkt	Opened	IFA
Ruby Coco	Dusseldorf, Königsallee	Opened	Allianz Real Estate
Ruby Lotti	Hamburg, Stadthausbrücke	Q3 2018	Patrizia
(confidential)	Shanghai, Hongqiao	Q4 2018	(confidential)
Ruby Leni	Dusseldorf, Jahnstrasse	Q2 2019	OFB
Ruby Lola	(confidential)	Q1 2020	(confidential)
Ruby Lucy	London, Lower Marsh	Q4 2019	N/A
(confidential)	Cologne, Hohenzollernring	Q1 2020	Proximus Real Estate AG
Ruby Louise	Frankfurt am Main, Junghof Plaza	Q1 2020	PGIM / FGI
(confidential)	(confidential; French-speaking area)	Q3 2020	(confidential)
(confidential)	Zurich, Waisenhausstraße	Q1 2021	PSP Swiss Property

The Munich-based Ruby group, led by founder and CEO Michael Struck, is breaking new ground with their Lean Luxury philosophy. By having a lean organizational structure and concentrating on the essential, Ruby can create a contemporary, affordable form of luxury for the modern, cost and style-conscious customers. Founded in 2013, the group operates five Ruby Hotels, with nine more under construction or in planning. Also, in central locations of major cities, Ruby now offers Ruby Works: flexible, perfectly equipped workspaces and a creative ambiance with access to an inspiring office community. Financially strong partners support Ruby's expansion. The Austrian Soravia Group, a German family office, the investor Michael Hehn, a private equity fund, and Michael Struck jointly hold the company shares.