

BEACHCOMBER HOSPITALITY INVESTMENTS LTD

DISCLOSABLE TRANSACTION AND RELATED PARTY TRANSACTION CIRCULAR

Dated 16 December 2025

Capitalised terms not otherwise defined in this Circular have the meaning set out in Section 1 (Definitions) below.

This Circular is issued by BHI, a public company limited by shares incorporated on 22 April 2016 in the Republic of Mauritius and bearing business registration number C16138008. Its registered office is situated at Botanical Garden Street, Beachcomber House, Curepipe, Mauritius.

For a full appreciation of this Circular, the document should be read in its entirety. If you are in doubt about the action you should take, you should consult your financial adviser, your investment dealer or any other independent adviser immediately. This Circular is not an invitation to the public to subscribe for shares in BHI.

The Circular serves as a disclosable transaction circular (as defined in the Listing Rules) and is issued in compliance with Chapter 13 of the Listing Rules. Its purpose is to provide information to the shareholders of BHI and the public in general in relation to the acquisition of the Royal Palm by BHI from NMH.

Pursuant to Chapter 13 of the Listing Rules, this Circular has been submitted to the SEM for approval prior to its issue and has been filed with the FSC.

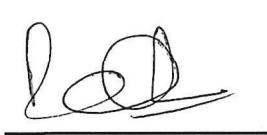
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Directors' Statement

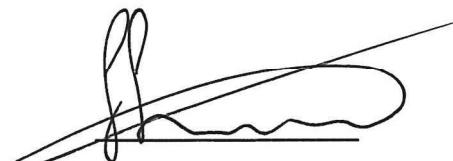
This Circular includes particulars given in compliance with the Listing Rules for the purpose of giving information with regard to the Company. This Circular also contains the information required pursuant to the Securities (Disclosure Obligations of Reporting Issuers) Rules 2007.

The Directors of BHI (the "Directors"), whose names appear on pages 5 and 6, collectively and individually, accept full responsibility for the accuracy and completeness of the information contained in this Circular and confirm, having made all reasonable enquiries, that to the best of their knowledge and belief there are no other facts the omission of which would make any statement herein misleading.

Signed by:



Pauline Seeyave



Sidharth Sharma

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1. Definitions

"Acquisition Price"	means the price for which the Royal Palm will be acquired by BHI;
"Average Rental Yield"	means the total rent of the Group for the twelve (12) preceding months divided by the total assets value of the Group as per the last available audited accounts;
"BHI" or the "Company"	means Beachcomber Hospitality Investments Ltd, a public company limited by shares incorporated under the laws of Mauritius with registration number C16138008 and having its registered office at Botanical Garden Street, Beachcomber House, Curepipe, Mauritius;
"Board"	means the board of Directors;
"Circular"	means this disclosable transaction and related party transaction circular issued by BHI pursuant to the Listing Rules for the purpose of the Transaction;
"Directors"	means the directors of BHI;
"Existing Preference Shares"	means the Class A Preference Shares and Class B Preference Shares issued by BHI and listed on the Official Market of the SEM;
"FSC"	means the Financial Services Commission of Mauritius;
"GRIT"	means Grit Real Estate Income Group, a company registered as a foreign branch holding a Global Business Licence in accordance with the laws of Mauritius with company number C180791, having its head office at Unity Building, the Precinct, M2 Junction, B11 Fond du Sac Road, Grand Baie, 31301, Mauritius;
"Group"	means BHI and its subsidiaries;
"Listing Rules"	means the rules made by the SEM governing securities listed on the Official Market of the SEM;
"NMH"	means New Mauritius Hotels Limited, a public company limited by shares incorporated under the laws of Mauritius with registration number C06001439 and having its registered office situate at Beachcomber House, Botanical Garden Street, Curepipe, Mauritius;
"Royal Palm"	means the Royal Palm Beachcomber Luxury property;
"SEM"	means the Stock Exchange of Mauritius Ltd;
"Transaction"	means the proposed acquisition of the Royal Palm by BHI from NMH;
"Yielding Assets"	means an asset that generates a yield that is not below the Average Rental Yield preceding the date of the acquisition of such asset; and
"Zanzibar Resort"	means the five-star hotel in Zanzibar, which NMH intends to acquire.

2. Summary of the Transaction

2.1 About the Company

BHI was set up as a business venture between NMH and GRIT. Following a scheme of arrangement which was sanctioned by the Supreme Court of Mauritius, GRIT exited the joint venture. The current share structure of BHI comprises of (i) ordinary shares which are wholly-owned by NMH, the largest hotel group in Mauritius, and (ii) the Existing Preference Shares. The stated capital of BHI is made up of (i) 87,919,806 Ordinary Shares of no-par value, aggregating to EUR 87,920,806 and (ii) 1,000 Ordinary Shares of no-par value denominated in MUR, aggregating to MUR 1,000. All issued Ordinary Shares are fully paid.

On 12 May 2023, 364,251 of Class A Preference Shares at MUR 1,000 each, and 32,922 of Class B Preference Shares at EUR 1,000 each were issued and listed on the Official Market of the SEM.

BHI is a property company which owns an array of Yielding Assets in the hospitality industry on the 4-star and 5-star hotel segment in Mauritius and Seychelles, namely (i) Le Victoria, Le Canonnier and Le Mauricia in Mauritius operated by NMH, and (ii) Club Med Sainte Anne in Seychelles operated by Club Med.

2.2 The Transaction

This Circular is issued for the purpose of informing the general public of the proposed acquisition by BHI of the Royal Palm, a flagship five-star hotel, from NMH. On or about the date of the Transaction, BHI will lease the Royal Palm back to NMH for a monthly rental of EUR 316,250 and NMH will operate the Royal Palm. A Cautionary Announcement was published on 19 November 2025 to inform the shareholders of BHI and the public at large of the Transaction. Having considered all aspects of the Transaction, the Board is of the opinion that this acquisition is in the best interest of BHI and its shareholders.

BHI was initially contemplating the potential acquisition of the Zanzibar Resort. However, following the completion of due diligence investigations, it has concluded that the acquisition of the Zanzibar Resort would require BHI to deviate from its core strategy of owning and leasing hospitality assets on a long-term basis.

NMH has consequently decided to pursue the acquisition of the Zanzibar Resort directly. NMH will use the proceeds from the Transaction to partly fund the acquisition of the Zanzibar Resort.

The lease of the Royal Palm by the Company to NMH will provide a solid additional rental income, amounting to EUR 3.795 million per annum, to the Company and will not decrease the current Average Rental Yield of the Company. The rental income will be subject to an annual escalation of up to 3%.

Completion of the Transaction is subject to the fulfilment of certain conditions precedent, including obtaining all necessary approvals.

2.3 Basis of the Acquisition Price

The Acquisition Price has been agreed at EUR 50.6 million and is based on the valuation made by Knight Frank LLP, an independent valuer of international repute. The valuation report is annexed to this Circular as **Annexure 1**.

Payment of part of the Acquisition Price will be made by BHI through the issuance, by way of a preferential offer, namely a private placement, of two new classes of preference shares: (i) Class C Preference Shares of no-par value; and (ii) Class D Preference Shares of no-par value; for a maximum aggregate capital contribution of EUR 35,000,000 and subject to a minimum aggregate capital contribution of EUR 15,000,000. Payment of the outstanding Acquisition Price will be made by BHI through debt instruments.

2.4 Related Party Transaction

The Transaction is also a Related Party Transaction, under Chapter 13 of the Listing Rules as it is between the Company and NMH, its sole ordinary shareholder. However, a waiver has been requested, and obtained, from the SEM to depart from Listing Rule 13.23 (d) as the requirement that a related party does not vote in relation to a Related Party Transaction will not apply, because only the ordinary shareholder has voting rights. The holders of the Existing Preference Shares do not have voting rights on the matter.

3. Additional Considerations

3.1 Directors

The Directors and their respective associates (as known to each Director after having made all reasonable enquiries) having an interest in the equity or debt instrument of BHI as at 30 June 2025, are set out below:

Directors	ORDINARY SHARES		CLASS A PREFERENCE SHARES				CLASS B PREFERENCE SHARES			
	Direct	Indirect	Direct		Indirect		Direct		Indirect	
	%	%	No. of Shares	%	No. of shares	%	No. of shares	%	No. of shares	%
Mr. Marie Edouard Gilbert ESPITALIER-NOËL	-	2.00%	700	0.19%	7,300	2.00%	34	0.10%	660	2.00%
Mr. Stéphane POUPINEL DE VALENCÉ	-	0.08%	-	-	-	-	-	-	-	-
Ms. Pauline Sybille Cheh SEEYAVE	-	0.00%	500	0.14%	-	-	30	0.09%	-	-
Mr. Sidharth SHARMA	-	-	-	-	-	-	-	-	-	-
Mr. Amaury BROUSSE DE LABORDE	-	-	-	-	-	-	-	-	-	-

Mrs. Drishti HURRYBUNG S	-	0.00%	-	-	-	-	4	0.01%	-	-
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3.2 Legal and arbitration proceedings

As far as the Directors are aware, there are no legal or arbitration proceedings including threatened proceedings against the Company which may have or have had for the previous 12 months from the date of this Circular, a significant effect on the Company's financial position.

3.3 Material adverse change

There has been no material adverse change in the financial or trading position of the Company since 30 June 2025.

3.4 Material contracts entered outside the ordinary course of business

There is currently no service contract between the Company (or any of its subsidiaries) and its Directors.

The Directors, the Company or any member of the Group has not entered into any material contracts with the Company, other than contracts entered into in the ordinary course of the Company's business, in the two years immediately preceding the publication of this Circular.

3.5 Ratios

The Company has undertaken the requisite ratios as per the Listing Rules which are summarised in the below table:

Listing Rule	Ratio
13.32(a) <i>Consideration to market capitalisation</i> - the consideration divided by the aggregate market value of all the equity securities of the issuer	39.43%
13.32(b) <i>Dilution</i> - the number of securities issued by an issuer as consideration for an acquisition compared to those in issue prior to the transaction	N/A

4. Corporate Information

Registered office	Botanical Garden Street, Beachcomber House, Curepipe, Mauritius
Company Secretary	ER Secretarial Services Limited Vivéa Business Park Moka, Mauritius
Bankers	(i) The Mauritius Commercial Bank Limited Sir William Newton Street Port Louis, Mauritius (ii) SBM Bank (Mauritius) Ltd SBM Tower, 1 Queen Elizabeth II Avenue, Places D'armes, Port Louis, Mauritius (iii) Absa Bank (Mauritius) Limited Sir William Newton Street Port Louis, Mauritius
Auditors	Ernst & Young Ltd 6 th Floor, Icon Ebene, Rue de l'Institut Ebene, Mauritius
Legal Adviser	Benoit Chambers Level 9, Orange Tower, Cybercity Ebene, Mauritius
Independent Property Valuers	Knight Frank LLP 19 th Floor, Sandton City Office Towers Sandton City Corner Rivonia & 5 th Street Sandton 2416, South Africa
Agent	M.C.B. Registry and Securities Ltd. Sir William Newton Street Port-Louis, Mauritius
Corporate Finance Adviser	MCB Financial Advisers Sir William Newton Street Port-Louis, Mauritius
Sponsoring Broker/ Investment Dealer	MCB Securities Ltd Sir William Newton Street Port-Louis, Mauritius

Annexure 1 – Valuation Report of the Royal Palm



Valuation Report.

Beachcomber Royal Palm Hotel, Grand Baie, Mauritius

Prepared for Beachcomber Hospitality Investments Ltd
Valuation date: 30 September 2025

Important Notice to all readers of this report

Unless you are the Client named within this report, or have been explicitly identified by us as a party to whom we owe a duty of care and who is entitled to rely on this report, Knight Frank LLP does not owe or assume any duty of care to you in respect of the contents of this report and you are not entitled to rely upon it.

Beachcomber Hospitality Investments Ltd
Beachcomber House
Botanical Garden Street
Curepipe 74213
Mauritius

For the attention of Pauline Seeyave
By Email to: pseeyave@beachcomber.com

Your ref: BHI Valuation 30 September 2025
Our ref: 2025-09-BHI
Date of issue: 16 September 2025

Dear Sirs

Valuation Report – Beachcomber Royal Palm Hotel, Mauritius

Further to your instructions, we are pleased to provide our Valuation Report in respect of the above property. If you have any queries regarding this report, please let us know as soon as possible.

Signed for and on behalf of Knight Frank



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Your partners in property

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Directors: Martin Fitchet, Arbee Arbee, Susan Turner

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Executive brief

The executive brief below provides key valuation and market indicators and is to be used in conjunction with the valuation report to which it forms part. It is subject to the assumptions, caveats and bases of valuation stated herein and should not be read in isolation.

Beachcomber Hospitality Investments Ltd ("BHI") have instructed Knight Frank KZN Pty Ltd ("Knight Frank") to complete an assessment of Market Value of Royal Palm hotel property in Mauritius. The table below provides an executive brief in which the principal value, key market and property rates are provided for the property. The hotel valuation is Euro denominated and the valuation has been undertaken in Euros.

Property	Grading	Tenure	Land Area (m ²)	Building Area (m ²)	Keys	Sept 25 Market Value (Euros)	Value Euros/Key	ARY % [1]	RAR Y % [2]	Discount Rate [3]	Hotel Net Market Rental (Euros)	Initial Yield [5]	Forward Yield			
													Yr 2	Yr 3	Yr 4	Yr 5
Royal Palm Hotel	Upper scale Luxury	60 year leasehold with Govt of Mauritius (44 yrs remaining, renewable); hotel is owner operated	60681	24633	69	€ 50,600,000	€ 733,333	7.00%	7.50%	10.50%	€3,402,114	6.72%	7.16%	7.68%	7.90%	8.18%

Note:

- The Market Value reported is for a 100% ownership in the Leasehold Property, there is no account taken of partial ownership

1 All risk yield (ARY) is the rate applied to the current net operating income and accounts for time, risk and growth.

2 Rev. All Risk Yield (RAR Y) is defined as the yield applied in perpetuity to the net operating income at the end of the hold period and accounts for time, risk and growth.

3 Discount Rate is defined as the rate applied to the current and future net operating income and accounts for time and risk. Growth is explicit in the cashflow.

4 Net Market Rental (or Net Operating Income – "NOI") is defined as the current annual Gross Rental Value less all property operating expenses.

5 Initial Yield is defined as the rate derived by dividing the current NOI by the Market Value.

6 Forward Yield is derived by dividing the future, year on year NOI by the present Market Value.

1. Terms of engagement

Engagement of Knight Frank

1.1 This valuation report (the “Valuation”) has been prepared in accordance with our Terms of Engagement letter dated 12th September 2025 and our General Terms of Business for Valuation Services (together the “Agreement”).

Property

1.2 We are to provide a valuation report on the Beachcomber Royal Palm Hotel in Grand Baie, Mauritius

Client

1.3 We have been instructed to prepare the Valuation by Beachcomber Hospitality Investments Ltd (the “Client”).

Valuation standards

1.4 This valuation has been undertaken in accordance with the current editions of RICS Valuation - Global Standards , which incorporate the International Valuation Standards (the “Red Book”). As required by the Red Book, some key matters relating to this instruction are set out below.

Independence and expertise

Disclosure of any conflicts of interest

1.5 We confirm that we do not have any material connection / involvement with the Property which may otherwise give rise to a potential conflict of interest.

1.6 For the purpose of the Red Book we are acting as External Valuer.

1.7 We confirm that we are not aware of any undisclosed matter giving rise to a potential conflict of interest and that we are providing an objective and unbiased valuation.

Valuer and expertise

1.8 The valuer, on behalf of Knight Frank, with the responsibility for this report is Martin Fitchet MRICS, RICS Registered Valuer with review by Susan Turner, MRICS Registered Valuer.

1.9 We confirm that the valuers meet the requirements of the Red Book, having sufficient current knowledge of the particular market and the skills and understanding to undertake the valuation competently.

1.10 For the purposes of the Red Book, we are acting as External Valuer.

1.11 This report has been vetted as part of Knight Frank’s quality assurance procedures.

Use of this Valuation

Purpose of valuation

1.12 This Valuation is provided for secured lending purposes and for the inclusion in a prospectus which is to be published by BHI in connection with the potential issue of new ordinary shares in the capital of the Company pursuant to a placing and an offer for subscription on the Mauritian Stock Exchange (the "Prospectus").

Reliance

1.13 This Valuation has been prepared for the Client only. No other person is entitled to rely on the Valuation for any purpose. We accept no liability to anyone for any improper or unauthorised reliance on this Valuation.

Disclosure & publication

1.14 The Valuation has been prepared for the Client and in accordance with the Agreement which governs its purpose and use. As stated in the Agreement, this Valuation is confidential and must not be disclosed to any person other than the Client without our express written consent.

1.15 In this regard, Knight Frank hereby gives consent to the inclusion of this Valuation Report and to references to Knight Frank in the Prospectus. Knight Frank authorises, and accordingly takes responsibility for, the contents of this Valuation Report for the purposes of the Prospectus Regulation Rules and confirms that, to the best of our knowledge, the information contained in this Valuation Report is in accordance with the facts and this Valuation Report makes no omission likely to affect its import.

1.16 Except as expressly authorised under this heading "Disclosure", Clause 3 of the General Terms shall apply.

Limitations on liability

1.17 Knight Frank's total liability for any direct loss or damage (whether caused by negligence or breach of contract or otherwise) arising out of or in connection with this Valuation is limited in accordance with the Agreement. Knight Frank accepts no liability for any indirect or consequential loss or for loss of profits.

1.18 We confirm that we hold adequate and appropriate PII cover for this instruction.

1.19 No claim arising out of or in connection with this Valuation may be brought against any employee, director, member, partner or consultant of Knight Frank. Those individuals will not have a personal duty of care to any party and any claim for losses must be brought against Knight Frank.

1.20 Nothing in this Valuation shall exclude or limit our liability in respect of fraud or for death or personal injury caused by our negligence or for any other liability to the extent that such liability may not be excluded or limited as a matter of law.

Valuation bases

Market Value

1.21 Market Value is defined within RICS Valuation - Global Standards, together with the International Valuation Standards (IVS), as follows:

"The estimated amount for which an asset or liability should exchange on the valuation date between a willing buyer and a willing seller in an arm's length transaction after proper marketing and where the parties had each acted knowledgeably, prudently and without compulsion."

Valuation (measurement) date

1.22 The valuation date is 30 September 2025.

Scope of work

Nature and source of information relied upon

1.23 Whilst we have attempted to do so, we are not under a duty to have seen every document which may be relevant to the scope of this instruction and accept no liability for any consequences arising from documents not having been considered by us and reflected within the Valuation. Should you consider that a relevant document has not been reviewed by us, we strongly recommend that you bring this matter to our attention and instruct us to consider whether these, or your legal adviser's opinion on them, has any impact upon the contents of the Valuation.

1.24 We have summarized below the key sources of information, investigations we have undertaken and any additional assumptions we have made.

Matter	Scope of work and assumptions
Information provided	<p>We have been provided with the following information by you, your advisers or other third parties and we have relied upon this information as being materially correct in all aspects:</p> <ul style="list-style-type: none"> • Land lease agreement with the Government of Mauritius • Income & Expenditure fy June 2018; 2019; 2023; 2024; 2025 • Income and Expenditure Budgets fy June 2026 to 2029 • Key Performance Indicators fy 2023; 2024; 2025 • Hotel Peer WACC rate ranges (BDO) • Luxury Hotel Competitor Set (STR)

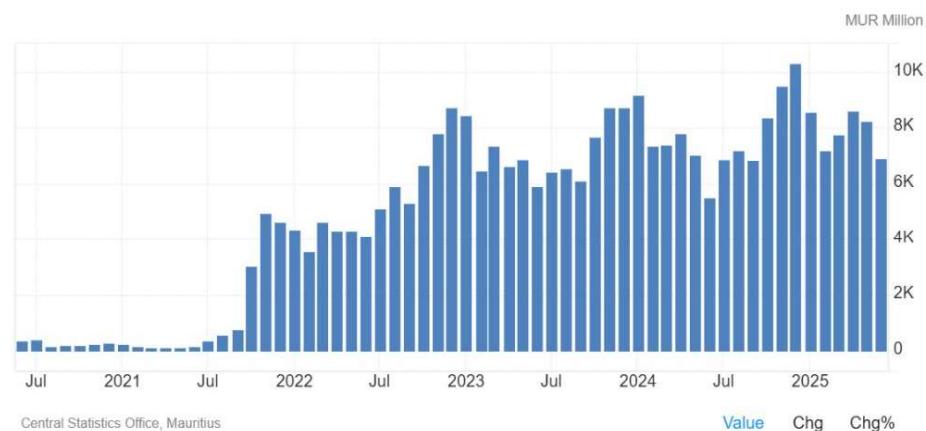
Matter	Scope of work and assumptions
Inspections	<p>We inspected the Property and any significant buildings internally and externally.</p> <p>We have assumed that there are no matters not revealed to us which would impact our opinion of value.</p> <p>Whilst on-site we did not inspect any inaccessible areas. We have not investigated the site boundaries and assume there are no matters affecting value arising from this.</p>
Boundaries	We have made no boundary survey of the property and assume no responsibility in connection with such matters. Unless otherwise stated it is assumed that all improvements will be within the title boundaries.
Measurements	<p>We have not carried out detailed site measurements to verify the correctness of the land area.</p> <p>We have relied upon building areas provided to us and no further verification has been undertaken</p>
Services	No tests have been undertaken on the property services and we have assumed that water electricity, drainage and telecommunications are all available at the property.
Planning	The use rights conferred under the Land Lease provide for the development of an hotel. We have assumed the property as currently developed complies with all relevant planning and building regulations.
Searches	We have not undertaken searches or enquiries in respect of legal title, rights of access, public services provided, capital allowances, VAT status, property tax assessments, ground conditions or planning/highway restrictions and assume there are no matters that would affect our opinion of value.
Extreme weather events	We have not investigated the risk of extreme weather events at the property and have assumed that the risk of damage at the property is low.
Contamination	<p>Investigations into environmental matters would usually be commissioned from suitably qualified environmental specialists. Knight Frank is not qualified to undertake scientific investigations of sites or buildings to establish the existence or otherwise of any environmental contamination, nor do we undertake searches of public archives to seek evidence of past activities which might identify potential for contamination.</p> <p>Subject to the above, while carrying out our valuation inspection, we have not been made aware of any uses conducted at the subject property that would give cause for concern as to possible environmental contamination. Our valuation is provided on the assumption that the property is unaffected.</p>

Matter	Scope of work and assumptions
Tenure	<p>We have not been provided with a copy of the Title Deed; however, we have obtained a copy of the land lease between the Government of Mauritius and the hotel operator which sets out the freehold description, title and boundary data.</p> <p>We recommend that our understanding of all legal title issues is referred to your legal advisers for their confirmation that our understanding is correct. Any matters that come to light must be referred to us, as they may have an important bearing upon the value reported.</p>
Taxes and other	No allowance has been made in our valuation for any charges, mortgages or amounts owing on any of the property interests valued nor for any expenses or taxation which may be incurred in effecting a sale. Unless otherwise stated, it is assumed that the property interests are free of encumbrances, restrictions and outgoings of an onerous nature which could affect their value.
Statutory licences & certificates	We have assumed in our valuation that all regulations, statutory licences & certificates have been complied with.
Fire safety	We have not viewed any documents relating to the fire safety within the property and have assumed for the purposes of our valuation that the relevant legal requirements have been fully complied with.
ESG and Energy performance	<p>The hotel has been Gold Certified by EarthCheck, the world leading group in research evaluation which is accredited by the Global Sustainable Tourism Council (GSTC). Certification guarantees the operator's commitment to sustainable tourism and environmental protection.</p> <p>From a value perspective, sustainability is likely to be a long-term issue and its relative importance will change over time. Our valuation provides our opinion of value at the valuation date based on market related factors at that date.</p>
Capital Expenditure	<p>The overall property and improvements were found to be in excellent condition, with recent refurbishments carried out on the Royal Villa guest suite. Our valuation makes provision for an annual replacement reserve for hotel FF&E.</p> <p>We do foresee the need for any fixed property capital expenditure in the medium term which would impact materially on this valuation.</p>

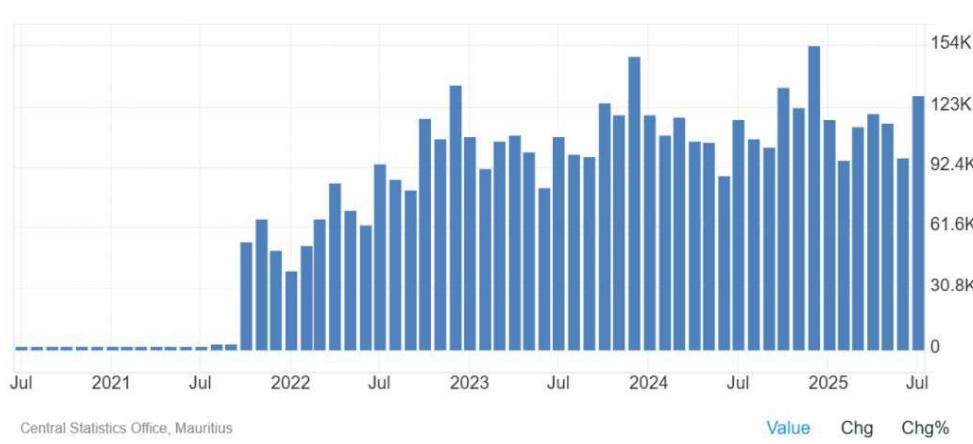
2. Sector Overview

Mauritius Hospitality Sector

- 2.1 Approximately half of all hotels in Mauritius are controlled by six local hotel groups, mostly public listed with close links to large conglomerates, NMH and LUX Island Resorts included amongst these.
- 2.2 A strong demand performance and attractive investment climate pre-Covid spurned liquidity in the Mauritius hotel market. The majority of investment activity has been acquisitions which followed the 2 year moratorium on new hotel developments (2016/17). Owner-operators have also been willing to lease back their properties from incoming investors, thereby opening up the market to more traditional fixed income real estate investors.
- 2.3 The Mauritian Government intervention during the 2020 pandemic was comprehensive, with a key emphasis on support to the hospitality sector. The country's borders re-opened fully in October 2021. Average occupancies shifted toward 55% by mid-2022, rising to 70-75% by year-end with increased ADR's against pre-Covid levels.
- 2.4 Total Tourism Revenues in Mauritius:



- 2.5 The number of tourist arrivals in Mauritius increased from 1,353,885 for the 12 months to 31 July 2024, to 1,407,519 to July 2025, an increase of 3.96%.



Performance Indicators

2.6 Number of hotels and rooms in Mauritius by as at January 2025:.

Star category	Hotels	Rooms	
		Number	Share
5 Star Luxury	10	1,235	8.8%
5 Star	28	4,898	35.0%
4 Star Superior	/	1,489	10.6%
4 Star	25	3,916	28.0%
3 Star Superior	13	1,017	7.3%
3 Star	16	898	6.4%
2 Star	9	381	2.7%
In progress	5	165	1.2%
Total	113	13,999	100.0%

Sources: Statistics Mauritius and Tourism Authority (as of August 2024).

2.7 Mauritius Hotel Room Occupancy rates: 2019 to 2024H1:

Month	All hotels					
	2019	2020 ²	2021 ²	2022 ^p	2023	2024 S1
January	72	73	18	42	75	68
February	76	70	15	44	70	68
March	71	42.2	8	50	73	70
April	69	1	2	63	78	70
May	66	0	3	58	76	73
June	64	1	6	51	65	63
July	69	2	8	63	68	
August	73	5	16	68	72	
September	75	9	12	71	77	
October	75	16	37	78	77	
November	84	17	57	81	80	
December	78	21	40	78	73	
Whole Year	73	24	21	62	74	

2.8 Regional Performance all Hotels

May 2023 to May 2024

Subregions	Occ %		ADR		RevPAR		Percent Change from YTD 2023				
	2024	2023	2024	2023	2024	2023	Occ	ADR	RevPAR	Room Rev	Room Avail
Islands											
Mauritius	65.0	70.2	365.69	322.02	237.78	226.12	-7.4	13.6	5.2	9.5	4.2
Seychelles	66.7	69.9	616.29	559.19	411.36	390.63	-4.4	10.2	5.3	10.8	5.2
Zanzibar+	58.3	51.1	186.11	184.21	108.52	94.17	14.1	1.0	15.2	15.2	0.0

2.9 The Mauritius luxury Hotel class, limited to some 10 hotels, show KPI's on a 50% sampling for 2023 and 2024 as follows:

Mauritius: Luxury Brand	2018	2019	2020	2021	2022	2023	2024
Occupancy	61.0%	57.4%	0%	0%	56.3%	58.5%	56.8%
<i>% Change</i>	<i>-6%</i>					<i>4%</i>	<i>-3%</i>
ADR	589	585	0	0	637	704	739
<i>% Change</i>	<i>-1%</i>					<i>11%</i>	<i>5%</i>
RevPAR	359	336	0	0	359	412	419

Source: STR

Outlook

2.10 With limited new supply on the horizon, hotel performance in Mauritius is expected to remain strong through 2025 and into 2026. According to Statista Market Insights, hotel revenue in Mauritius is projected to show an annual growth rate (CAGR) of 6.42% between 2025 and 2030.

2.11 With regard to future development trends, industry leaders foresee a transformative shift in Mauritius's hospitality sector over the next five years. Sustainable practices are expected to evolve from optional enhancements to mandatory standards for new developments. Eco-certification, digital enablement, and environmental resilience will become prerequisites for new resorts, with guests expecting authentic cultural connections alongside eco-efficiency.

2.12 The long-term forecast for tourism growth in Mauritius is positive, with projections indicating continued expansion driven by the island's established beach holiday appeal and increasing visitor engagement. Short-to-medium term growth drivers include:

- Tourist arrivals in 2024 and ytd 2025 have surpassed the 2018 record, and earnings are significantly higher than in 2019
- Tourists are staying longer, suggesting greater appeal for extended visits
- The Mauritian government continues to invest in tourism-related infrastructure to support growth

New Mauritius Hotels (NMH): Group Overview

2.13 NMH is a public company incorporated on 24 December 1964 and listed on the Official Market of the SEM since 1994. NMH is a leading hotel group in Mauritius with a Market Cap of Rs7.47 billion (up 0.74% for the year to October 2025). Together with its subsidiaries, the group operates through four segments: Hotel Operations (2148 room keys), Tour Operating, Flight & Inland Catering, and Other Services. It owns and operates eight resorts in Mauritius under the Beachcomber brand; owns one resort in Seychelles which is leased to Club Med and also owns one in Morocco managed by Fairmont.

2.14 The current major stockholders are:

- Rogers and Company Ltd: 22.93pc
- ENL Limited: 17.13pc
- Swan Life Ltd: 10.53pc
- Herbert Couacaud: 6.35pc
- Others: 43.06pc

2.15 NMH Group Audited results for the years to 30 June:

- 2025 (abridged profit statement) Rs 16.9 billion in revenues; Rs 4.8 billion EBITDA
- 2024: Rs 15.4 billion in revenues; Rs 4.97 billion EBITDA (Rs 4.78 billion fy June 2023)

2.16 For 2025, revenue from hotel operations in Mauritius rose by 8% to Rs 12.0 billion (FY24: Rs 11.1 billion). Operating costs increased significantly, driven largely by once-off increases on staff expenses (up 16% year-on-year) due to mandatory wage hikes and a 14th month bonus. Victoria Hotel occupancies were reduced during 2024/25 following the refurbishment of 254 rooms with full operations resuming in July 2025. Renovation works at Shandrani Beachcomber, covering all rooms and the main restaurant are on track for October reopening. Despite fewer available rooms over the period, Group occupancies are quoted at 73.48%, up 1.8% on the prior year.

Hotel Property Investment Yields:

2.17 Investment yields on fixed rental hotel leases in Mauritius and Reunion for the 4 to 5-star segment have been found to occur typically in the range 6.8% to 7.5% during the period 2016 to 2020.

2.18 Hotel property transaction activity across the Indian Ocean region was all but suspended between 2020 to 2021. New hotel development and re-branding across the Middle East and Africa have since seen a dramatic rise in activity, in particular the Marriott, Radisson and Hilton brands.

2.19 More recently, GRIT disposed of its 44.42% share in the property holding company of Le Cannonnier, Victoria and Mauricia Hotels in December 2022, all 4-star upscale resorts in the north of Mauritius. The transaction value was reported at €59million, plus €4,1m debtors balance giving a total equity value of €63,1m. Senior debt, terms loans and deferred tax totalled €57,428,882 at transaction date. The implied property value for 100% ownership was thus €199,482,011, equivalent to an average key rate of €244,164. The hotel NOI at sale was €14,542,882, equating to an exit yield of 7.29%.

2.20 We are aware of only one other (pipeline) transaction in Mauritius, that of the 4-star midscale Tamassa family resort in Bel Ombre (214 keys) to be acquired for USD49million. The property is leased on a fixed and variable rental lease. The exit yield on for this pipeline transaction is reported at around 7.3%.

Market Rentals: Hotels

2.21 A strong demand performance and attractive investment climate pre-Covid spurned liquidity in the Mauritius hotel market. The majority of investment activity was transactional, due to the moratorium on new developments.

2.22 Hotel analysts report on a resurgence globally of hotel investment-property transactions from 2024 into 2025 where the asset class now contributes up to 12% of Europe's commercial real estate transaction volumes.

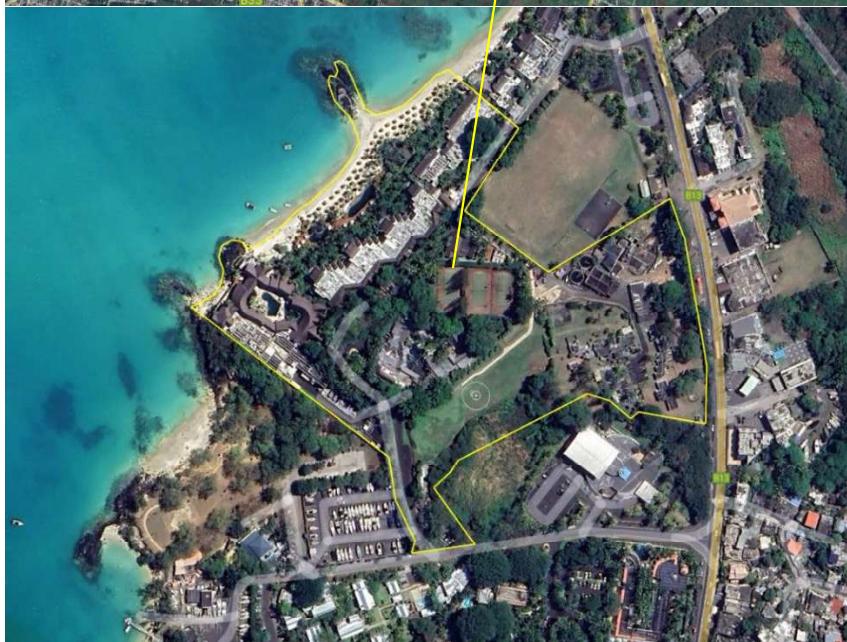
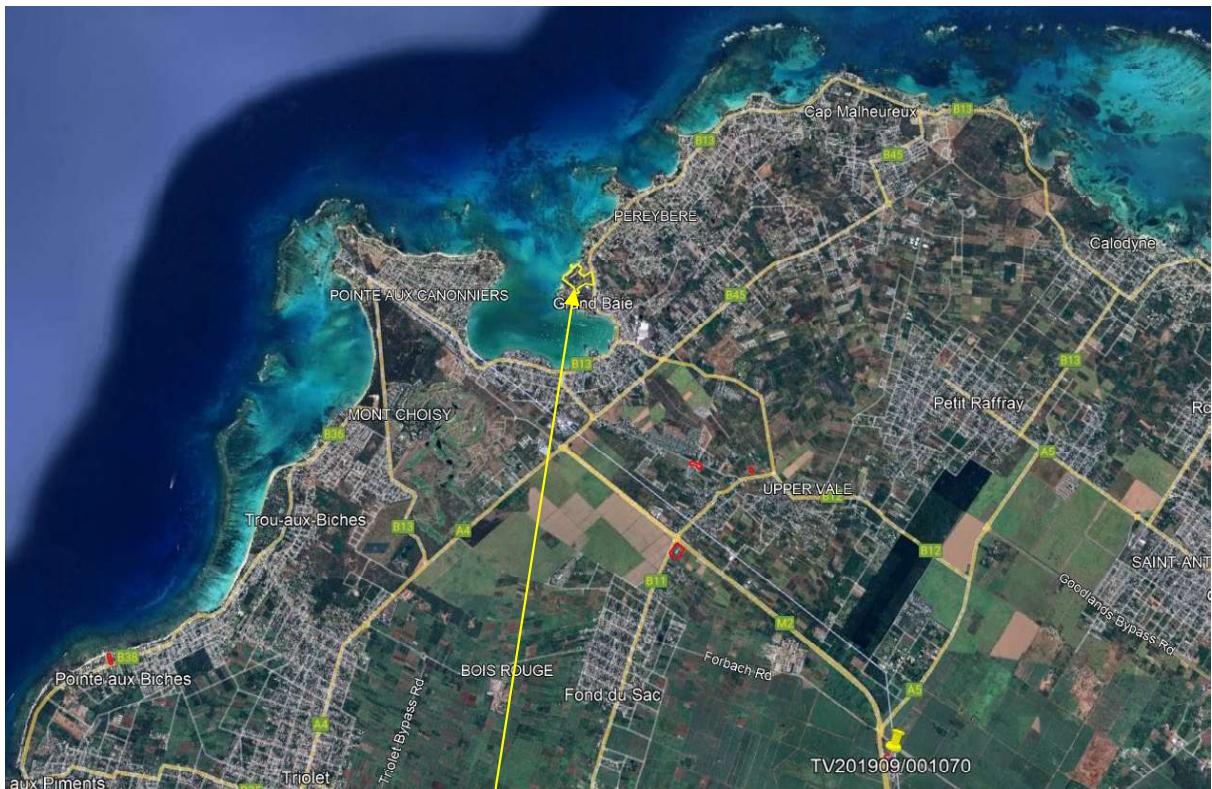
2.23 We are aware of 3 upscale 4-star hotels and one mid-scale hotel in Mauritius, all sold on sale/net rental leaseback terms between 2022 and 2024. We have analysed historic rental-to-EBITDAR (adjusted) ratios for 3 of these properties which show rentals coming through at typically 50% of EBITDAR for the better hotels, rising to above 70% for midscale and lower midscale properties.

2.24 The subject hotel profit margins are around 30% of gross revenue and can be expected to be higher than average margins for lower grade hotels. It would be reasonable to apply an assumed rental to the adjusted FMOP at a level of more than 50% but less than say 70%. We are of the view that 60% would be reasonable and sustainable.

3. Property Report

Location

3.1 The Beachcomber Royal Palm Hotel is a 5-Star luxury class resort occupying prime beachfront land at the east side of the bay of Grand Baie in the far north of Mauritius.



Site Characteristics

3.2 The hotel's west boundary is defined by the high-water mark extending approximately 253 metres in a straight line on a south-west/north-east axis and provides a wide sandy beach with two minor rock outcrops. The hotel footprint is platformed between 2m and 4m (metres) above the beach, extending some 300m eastwards toward the east boundary which runs for approx. 165m alongside the B13 Grand Baie road (Mon Choissy Cap/Malheureux Road). The north boundary extends from the adjacent bay-side resorts, around the public sportsgrounds to the B13. The south boundary adjoins government land and public parking facilities and includes a wide panhandle and hotel entrance road leading off a tarred public side road which connects with the B13.

3.3 The hotel complex, wellness centre and back of house services are concentrated to the south-west of the property; guest accommodation extends north of the hotel, running parallel with the beach and set back between 10 and 20m across a staggered line of terraced suites rising over 3 levels. The beach-side Royal Villa is positioned at the far north end of the terraces with private road access.

3.4 Facilities to the south and far east of the property include a helicopter landing pad, staff accommodation and support services.

3.5 The building areas as provided by you are as follows:

Description	Area m ²
Central hotel complex	4739
Guest accommodation	11828
Entertainment and leisure areas	1079
Fitness, sport and wellness centre facilities	4613
Staff accommodation	1432
Back-of-house service buildings	942
Total	24633

Accommodation

3.6 The Royal Palm hotel operates under the Beachcomber brand and is positioned as one of the foremost private luxury hotels in the Indian Ocean and the first Mauritian hotel to become a member of the Leading Hotels of the World portfolio. The hotel was fully refurbished in 2023 with the emphasis on elegant refinement, embracing Mauritian inspired décor across 6 luxury room formats ranging in size from 63m² to 263m², plus a double storey private villa of 385m².

3.7 The rooms are sea facing and terraced over 3 levels with thatch patios to the top floor suites. The Royal Villa is positioned at the far north end of the property with its own private parking, double volume foyer with spiral staircase and private rim-flow pool overlooking the beach.

3.8 Guest amenities include 3 restaurants; 3 swimming pools; a luxurious Spa & Wellness complex incorporating multiple body treatment rooms, 2 sauna rooms, 2 beauty salons and a central open atrium of terraced garden pools and rest areas. A recently refurbished fitness centre adjoins the Spa. Additional amenities include a kids' club, 3 tennis courts, water sports facilities and a helipad.

3.9 The construction is styled with a blend of extensive treated hardwood joinery, stone slate and thatch roofing; volcanic stone lagging and generously proportioned walkways and relax areas for guests.

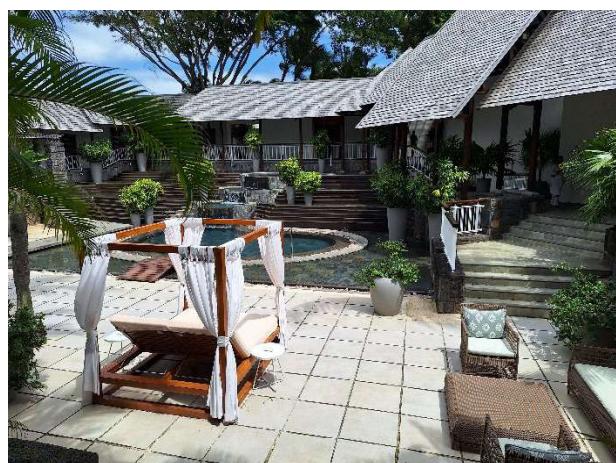
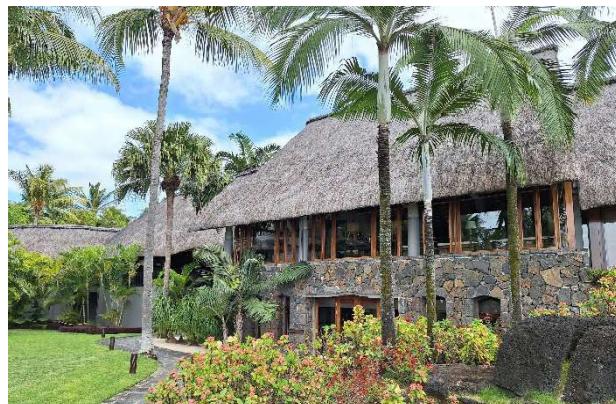
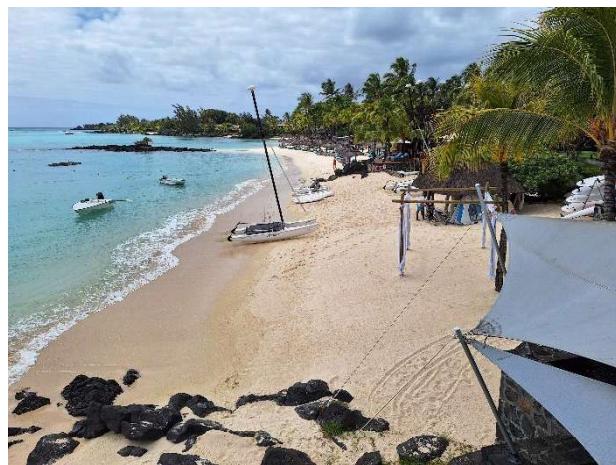
3.10 Detailed room plans and facilities are included at Appendix 2 in this report. Room sizes are as follows:

Junior Suite	63m ²
Tropical Suite	85m ²
Ocean Suite	126m ²
Palm Suite	106m ²
Penthouse	196m ²
Presidential Suite	263m ²
Royal Villa	385m ²

3.11 Back-of-house facilities are various and include modern hotel kitchens, cold and dry goods storage with cordoned receiving yard; HVAC and power plants with auxiliary roof solar cells; water recycling and waste management facilities; modern staff accommodation and staff amenities.

Photographs







Hotel Lease

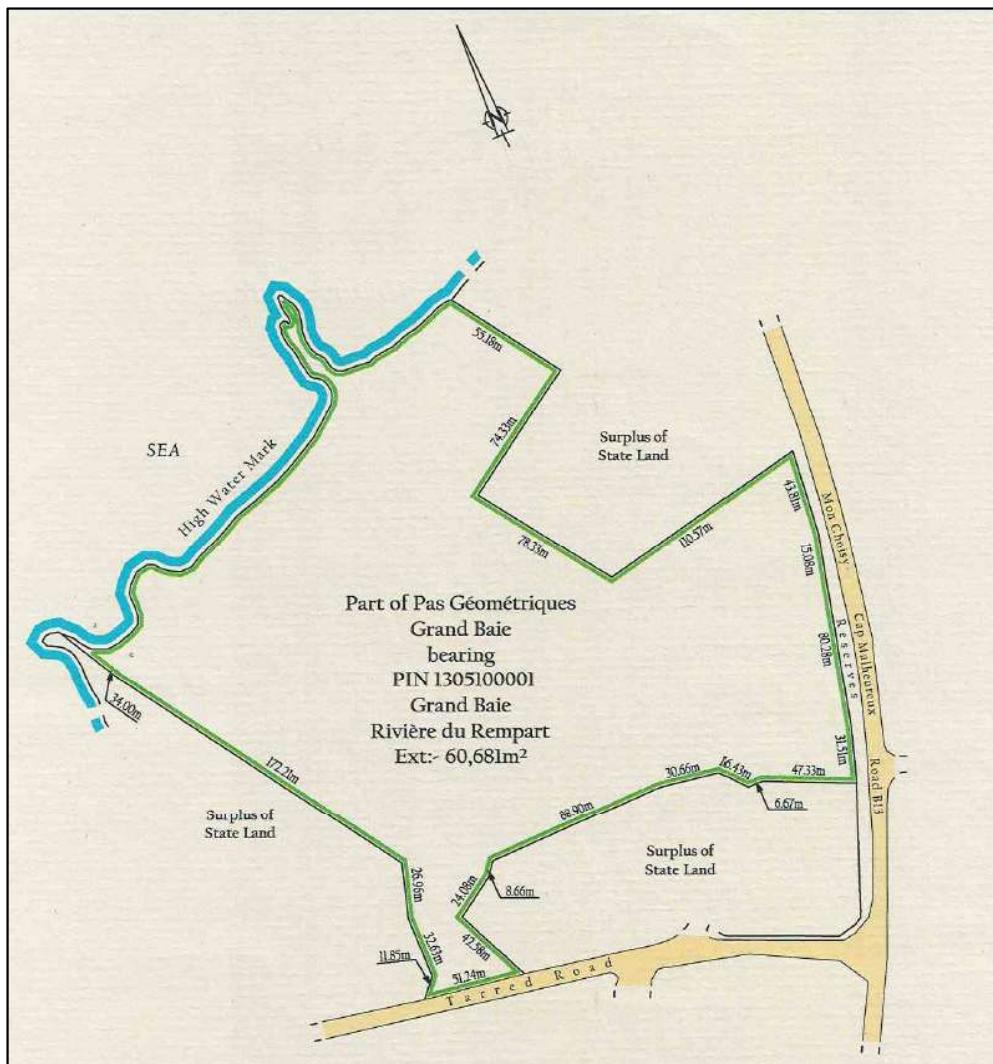
3.12 The hotel is owner operated by New Mauritius Hotels Ltd (“NMH”) under the Beachcomber brand. There is therefore no operating sub-lease applicable.

Land Tenure

3.13 The hotel land is held in freehold tenure by the Government of Mauritius and is leased for 60 years to NMH on the following terms:

Leasehold Land Lease Terms	
Lessor	State of Mauritius
Lessee	New Mauritius Hotels Limited
Demise	Part of Pas Géométriques land situated in Zone A bearing PIN 1305100001 at Grand Baie in the district of Rivière du Rempart
Leasehold Extent	60681m ²
Purpose of Lease	Hotel Development
Start Date (effective date)	01 October 2009
Expiry Date	30 September 2069
Duration	60 years
Sub-letting	Permission to Sub-lease shall be by agreement in writing.
Rental	<p>The annual rental shall be Rs6,779,484, adjusted every 3 years from the effective date as follows:</p> <p>Para 6(a) (i) By reference to the cumulative inflation rate based on the Consumer Price Index during the 3-year period, which shall not exceed 15.7625%. Effectively, the increase shall be the lower of either the value determined by the cumulative inflation rate for the preceding three years or 15.7625% and shall apply until the fiscal cadastre (property tax) is operational.</p> <p>Para 6 (a) (ii) In the event that the fiscal cadastre (property tax) becomes operational, the increase in rent shall be determined by the fiscal cadastre during the 3-year period, and the increase shall be lower of the value (a) determined by the fiscal cadastre and (b) 15.7625% for the first two adjustments. For the third and subsequent adjustments, as from the tenth year, the increase in rent shall be determined by the fiscal cadastre.</p> <p>The annual rental is discounted in the first 4 years of the lease. 100% of the rental is payable from the 5th year onwards in terms of Para 6.</p>
Rental fye June 2025	Rs10,800,000
Lessee Obligations	<p>Environmental Conditions: The Lessee shall comply in all respects to the environmental regulatory framework as set down by Government from time to time</p> <p>The Lessee shall at all times ensure that the buildings are adequately insured at its cost</p>

3.14 Lease Plan:



4. Trading Performance

Hotel Profit & Loss

4.1 You have provided us with annual audited hotel Profit and Loss statements for the years ending 30 June 2018*, 2019*, 2023, 2024 and 2025, together with hotel KPI's for the past 3 years. The data also includes P&L forecasts to 2029.

	€	€	€	€	€	€	€	€	€
Year	Actual 2018	Actual 2019	Actual 2023	Actual 2024	Actual 2025	Forecast 2026	Forecast 2027	Forecast 2028	Forecast 2029
Operations Revenue									
Room Count	69	69	69	69	69	69	69	69	69
Occupancy (%)	53.0%	47.0%	53.7%	51.5%	53.9%	55.9%	56.0%	56.0%	56.0%
Average Daily Rate (Rooms Sold)	615	610	719	874	936	961	990	1,020	1,050
<i>ADR growth (%)</i>	<i>-0.8%</i>	<i>17.8%</i>	<i>21.6%</i>	<i>7.1%</i>	<i>2.7%</i>	<i>3.0%</i>	<i>3.0%</i>		
RevPar (available rooms)	326	286	386	450	505	537	554	570	587
Total RevPar	487	436	586	660	730	768	791	815	839
Total Sales	12,255,534	10,981,027	14,755,691	16,679,015	18,373,531	19,335,698	19,915,574	20,513,230	21,128,627
Total Departmental Expenses			5,059,060	5,181,580	6,494,759	6,601,207	6,799,177	7,003,217	7,213,313
Total Undistributed Expenses			4,244,347	4,861,569	4,802,864	5,106,558	5,259,703	5,417,544	5,580,070
Gross Operating Profit (GOP)	5,169,818	3,779,193	5,452,284	6,635,867	7,075,908	7,627,933	7,856,694	8,092,469	8,335,243
<i>GOP Growth</i>	<i>-26.9%</i>	<i>44.3%</i>	<i>21.7%</i>	<i>6.6%</i>	<i>7.8%</i>	<i>3.0%</i>	<i>3.0%</i>		
Non-operating Income & Expenses									
Insurance			112,991	115,069	97,024	102,958	108,106	113,511	119,186
Other (Environment fees)			125,421	140,285	156,140	164,353	169,282	174,362	179,593
EBITDAR	3,694,193	5,213,871	6,380,513	6,822,744	7,360,622	7,579,306	7,804,596	8,036,464	
<i>EBITDAR Growth</i>			<i>41.1%</i>	<i>22.4%</i>	<i>6.9%</i>	<i>7.9%</i>	<i>3.0%</i>	<i>3.0%</i>	<i>3.0%</i>
<i>Profit Margin</i>			<i>33.6%</i>	<i>35.3%</i>	<i>38.3%</i>	<i>37.1%</i>	<i>38.1%</i>	<i>38.1%</i>	<i>38.0%</i>

*Partial

4.3 The hotel operates mainly on an 'all inclusive' package. As a result, the allocation of departmental revenue and expenses is weighted toward room revenue

4.4 The Covid and recovery years 2020 to 2022 are excluded from analysis. The hotel sector, both locally and abroad, experienced significant rises in ADR post-Covid. This was driven by a number of factors, including a slowdown in new hotel development, high inflation and rising costs and a surge in demand during the recovery years.

4.5 The upward spike in departmental expenses during the 2024/25 year is due mainly to a 'once-off' increase in legislated labour costs and staff expenses.

4.6 Revenues are predominantly EURO and USD denominated with operating costs being mainly Rupee based. The currency differentials between 2023 and 2025 vary by between 8% and 12%.

4.7 The data excludes management fees (owner managed) and replacement reserves.

4.8 The medium-term forecast for inflation from year 2026 for Mauritius is estimated to be around 3.5% per annum; the rate for Europe (HICP) and the US averages around 2.5% (ECB; World Bank). A smoothed rate of 3% is applied to the revenue and expense growth from 2026/27 onwards.

Market Positioning

4.9 We have procured a competitor set (CompSet) from STR for 5 luxury Mauritian hotels, providing KPI's between the years 2018 and 2024. From our analysis, it is apparent that there is parity in occupancies at between 55% and 60% through to the present time.

4.10 The ADR and RevPar indicators show the subject property performing slightly above its competitors up to 2018, after which these rose by between 7% and 18% over 2023/24, surging further upwards by around 46% and 44% respectively above rival hotel averages for 2024/2025. Expressed in Euros, the subject hotel ADR for 2024/25 is €950 against the CompSet average of €739.

4.11 From our discussions with hotel management, the hotel is well positioned to maintain a superior quality product and service offering based on its overall attributes and the benefits following the recent make-over.

Fair Maintainable Operating Profit

4.12 The fair maintainable operating profit (FMOP) of a hotel trading entity is the level of profit, stated prior to depreciation and finance costs relating to the asset itself that the reasonably efficient operator (REO) would expect to derive from the fair maintainable turnover (FMT) based on an assessment of the market's perception of the potential earnings of the property. It should reflect all costs and outgoings of the REO, as well as an appropriate annual allowance for periodic expenditure, such as decoration, refurbishment and renewal of the trade inventory.

4.13 The fair maintainable turnover is the level of trade that an REO would expect to achieve on the assumption that the property is properly equipped, repaired, maintained and decorated.

4.14 The subject hotel is positioned in the upper Luxury class and would, if brought to sale, attract international hotel operators in this asset class which would typically operate through management and performance agreements, for which fees and incentive fees would be raised.

4.15 At this level, it would be reasonable to expect an industry-standard Base Fee of 2% together with a marketing fee of 1.5%, both applied to gross revenue. In addition, a management incentive fee can be expected to apply, calculated typically at 8% of Gross Operating Profit after adjusting for the base and marketing fee.

4.16 An annual replacement reserve for replacement FF&E and hotel capital expenditure would typically apply in determining the FMOP. An industry average of 4% calculated against gross revenue would be considered reasonable in this instance.

4.17 Our assessment of FMOP (adjusted EBITDAR) for the Royal Palm Hotel over a 10 year period is attached at Appendix 1. We have applied the adjustments in #4.15 and #4.16 above.

5. Valuation

Methodology

- 5.1 Our valuation has been undertaken using appropriate valuation methodology and our professional judgement.
- 5.2 Based on our observations and analysis of the property and the trading entity in occupation, we are satisfied that the present use of the property constitutes its Highest and Best Use.

Profits Approach and Investment (Income) method

- 5.3 The property forms part of an owner-operated hotel. Our instructions are to assess the market value of the fixed property, separate from the hotel business. Market value in this instance is derived by capitalizing an assumed market rental for the fixed property, based on what it would cost the hotel operator to lease equivalent space.
- 5.4 In terms of RICS Valuation Standard VPGA4, the Profits method of valuation takes into consideration the following:
 - The trading potential of the business, assuming it to be a fully equipped operational entity.
 - The Fair Maintainable Operating Profit (FMOP) or EBITDAR (Earnings before income tax, depreciation, amortization and rent) of the business entity
 - The business entity's ability to sustain the assumed rent
- 5.5 In this valuation, we have assessed a notional rental going forward for the business premises by reference to appropriate comparable investment transactions and rent-to-EBITDA ratios within the same or similar asset class. We have applied a Discounted Cashflow to our calculation of the property value, incorporating rental growth assumptions and market related, sector-specific capitalisation rates.

Valuation date

Valuation date

- 5.6 The valuation date is 30 September 2025.

Key Assumptions

- 5.7 CompSet ADR growth is forecast at 3.5% per annum.
- 5.8 The subject hotel ADR is forecast to grow at 3.5% per annum from 2028 onwards. Growth for the first 2 years is forecast at 5% leading off from marketing and launching a new (notional) hotel brand.
- 5.9 The property valuation is made on the basis of good and marketable title and that all documentation is satisfactorily drawn.

- 5.10 We have valued the whole of the Property and no account is made for the division of value or shares between parties.
- 5.11 Our valuation assumes that the property rental as determined will extend over a 10 year renewable lease, based on fully net lease terms with the Operator being responsible for all property and business operating expenses, including capital expenditure.

Property Valuation Parameters

- 5.12 Based on our research and findings, we have applied the following value inputs and variables to the valuation:
- 5.13 Notional Capitalization Rate: 7%
- 5.14 Terminal (Exit) Capitalization Rate: 7.5%
- 5.15 Discount Rate: 10.5%
- 5.16 Rental and Expense Growth: 3.5% per annum
- 5.17 Holding Period: 10 years
- Property Value: EUR 50,600,000
- Value/key: EUR 733,333

Calculation

- 5.18 We attach our valuation calculations in **Appendix 1**

Market Value

5.19 We are of the opinion that the Market Value of the **leasehold** interest in the property, at the valuation date is as follows:

€50,600,000 (Fifty Million Six Hundred Thousand Euros)



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Reviewed but not undertaken by:



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For and on behalf of Knight Frank

Appendix 1 Valuation Calculation & Cashflows

DCF Property Valuation - Beachcomber Royal Palm Hotel

Valuation Date	30/09/2025										
Discount Rate (%)	10.50%										
Holding Period (years)	10										
DCF Accounts	Net Cashflow										
Valuation rounded (EUROS)	50,600,000										
Keys	69										
Value/key	€733,333										
Holding Period Cashflow	Sep 2026	Sep 2027	Sep 2028	Sep 2029	Sep 2030	Sep 2031	Sep 2032	Sep 2033	Sep 2034	Sep 2035	Terminal Income
Assumed Market Rent	3,437,300	3,659,716	3,925,992	4,039,291	4,180,666	4,326,990	4,505,166	4,635,179	4,797,411	4,965,320	5,139,106
Income	3,437,300	3,659,716	3,925,992	4,039,291	4,180,666	4,326,990	4,505,166	4,635,179	4,797,411	4,965,320	5,139,106
Management Fees (0.5%)	(17,187)	(18,299)	(19,630)	(20,196)	(20,903)	(21,635)	(22,526)	(23,176)	(23,987)	(24,827)	(25,696)
Accounting, Audit & Secretarial	(18,000)	(18,630)	(19,282)	(19,957)	(20,655)	(21,378)	(22,127)	(22,901)	(23,703)	(24,532)	(25,391)
Operating Expenses	(35,187)	(36,929)	(38,912)	(40,153)	(41,559)	(43,013)	(44,652)	(46,077)	(47,690)	(49,359)	(51,086)
Net Cashflow	3,402,114	3,622,788	3,887,080	3,999,138	4,139,107	4,283,976	4,460,514	4,589,102	4,749,721	4,915,961	5,088,020
Present Value	3,223,541	3,106,454	3,016,361	2,808,432	2,630,522	2,463,883	2,321,644	2,161,604	2,024,670	1,896,410	
NPV of Net Cashflow	25,653,521										Terminal Income 5,088,020
PV of Terminal Value	24,995,669										Term. Cap. Rate (%) 7.50%
Total NPV	50,649,190										Capitalised Value 67,840,265
Valuation	50,649,190										Adjustment: Terminal Value 67,840,265
											PV of Terminal Value 24,995,669
Sensitivity Table											
	Discount Rate %										
	10.25%	10.50%	10.75%								
7.25%	52,369,431	51,511,109	50,671,708								
Terminal Cap Rate %	7.50%	51,487,766	50,649,190	49,829,049							
	7.75%	50,662,983	49,842,878	49,040,754							

Beachcomber Royal Palm Hotel: Adjusted P&L Cashflows from 1 October 2025

Classification	Upper Luxury	1 EUR	2 EUR	3 EUR	4 EUR	5 EUR	6 EUR	/ EUR	8 EUR	9 EUR	10 EUR	11 EUR
Purpose	Market Value											
Valuation Date	30-Sep-25											
Valuation year end	30-Sep											
Owner Operated												
Year		Forecast 2025/2026	Forecast 2026/2027	Forecast 2027/2028	Forecast 2028/2029	Forecast 2029/2030	Forecast 2030/2031	Forecast 2031/2032	Forecast 2032/2033	Forecast 2033/2034	Forecast 2034/2035	Forecast 2035/2036
Operations Revenue												
Room Count												
Occupancy (%)												
Average Daily Rate (Rooms Sold)	950	998	1,048	1,084	1,122	1,162	1,202	1,244	1,288	1,333	1,380	
ARR growth (%)												
RevPar (available rooms)	531	558	587	606	628	650	674	696	720	745	771	
Total RevPar	808	660	730	914	660	730	1,015	1,049	1,085	660	730	
Total Rooms Available												
Total Rooms Sold												
Total Sales	20,353,614	21,266,727	22,282,717	23,015,214	23,820,746	24,654,472	25,569,930	26,410,487	27,334,854	28,291,574	29,281,779	
Rooms Department												
Rooms Revenue	% total sales	13,382,430	14,051,551	14,794,551	15,270,523	15,804,991	16,358,166	16,977,087	17,523,277	18,136,591	18,771,372	19,428,370
Rooms Expenses		1,873,540	1,939,114	2,006,983	2,077,227	2,149,930	2,225,178	2,303,059	2,383,666	2,467,095	2,553,443	2,642,813
Departmental Profit	% profit	11,508,889	12,112,437	12,787,568	13,193,296	13,655,061	14,132,988	14,674,028	15,139,610	15,669,497	16,217,929	16,785,557
		POR	POR	POR	POR	POR	POR	POR	POR	POR	POR	POR
Food & Beverage Department												
F&B Revenue	% total sales	5,140,368	5,320,281	5,521,577	5,714,832	5,914,851	6,121,871	6,336,137	6,557,901	6,787,428	7,024,988	7,270,863
F&B Expenses		4,369,313	4,522,239	4,680,517	4,844,335	5,013,887	5,189,373	5,371,001	5,558,986	5,753,551	5,954,025	6,163,347
Departmental Profit	% profit	771,055	798,042	841,060	870,497	900,964	932,498	965,136	998,915	1,033,877	1,070,063	1,107,515
		POR	POR (USD)	POR (USD)	POR (USD)	POR (USD)	POR (USD)	POR (USD)	POR (USD)	POR (USD)	POR (USD)	POR (USD)
Other Operating Department												
OOD Revenue	% total sales	1,830,816	1,894,895	1,966,589	2,029,858	2,100,903	2,174,435	2,256,706	2,329,309	2,410,835	2,495,214	2,582,547
OOD Expenses		1,098,490	1,136,937	1,176,730	1,217,015	1,260,542	1,304,661	1,350,324	1,397,586	1,446,501	1,497,129	1,549,528
Departmental Profit	% profit	732,326	757,958	789,860	811,943	840,361	869,774	906,382	931,724	964,334	998,086	1,033,019
		POR	POR (USD)	POR (USD)	POR (USD)	POR (USD)	POR (USD)	POR (USD)	POR (USD)	POR (USD)	POR (USD)	POR (USD)
Undistributed Operating Expenses												
Administration & General (incl land rent)		3,213,906	3,326,392	3,442,816	3,563,315	3,688,031	3,817,112	3,950,711	4,088,985	4,232,100	4,380,223	4,533,531
IT		82,343	85,225	88,208	91,295	94,490	97,797	101,220	104,763	108,430	112,225	116,153
Sales & Marketing		434,344	449,546	465,280	481,564	498,419	515,864	533,919	552,606	571,947	591,966	612,684
Property Operation & Maintenance		571,459	591,460	612,161	633,587	655,762	678,714	702,469	727,055	752,502	778,840	806,099
Utilities		601,102	622,141	643,916	666,453	689,779	713,921	738,908	764,770	791,537	819,240	847,914
		194.69	201.50	207.98	215.85	223.41	231.23	238.66	247.69	256.36	265.34	274.62
Total Undistributed Expenses	4,903,153	5,074,763	5,252,380	5,436,213	5,626,480	5,823,407	6,027,227	6,238,179	6,456,516	6,682,494	6,916,381	
Gross Operating Profit (GOP)	8,109,118	8,593,674	9,166,108	9,439,523	9,769,906	10,111,853	10,518,319	10,832,070	11,211,192	11,603,584	12,009,709	
		% of Gross Revenue	40%	40%	41%							
Base Fee	2.0%	407,072	425,335	445,654	460,304	476,415	493,089	511,399	528,210	546,697	565,831	585,636
Marketing Fee	1.5%	305,304	319,001	334,241	345,228	357,311	369,817	383,549	396,157	410,023	424,374	439,227
Incentive Management Fee: 8% of GOP, minus Base & Mgmt Fee		591,739	627,947	670,897	690,719	714,894	739,916	769,870	792,616	820,358	849,070	878,788
Total Management Fees		1,304,116	1,372,283	1,450,792	1,496,252	1,548,621	1,602,822	1,664,817	1,716,983	1,777,078	1,839,275	1,903,650
			% of Gross Revenue	6.4%	6.5%							
Non-operating Income & Expenses												
Insurance		100,419	103,934	107,572	111,337	115,234	119,267	123,441	127,762	132,233	136,861	141,651
Other (Environment fees)		161,605	167,261	173,115	179,174	185,445	191,936	198,654	205,607	212,803	220,251	227,960
Total Non-operating Income & Expenses												
EBITDAR		6,542,978	6,950,196	7,434,628	7,652,760	7,920,607	8,197,828	8,531,407	8,781,718	9,089,079	9,407,196	9,736,448
Replacement Reserve (% of Total Sales)	4.0%	814,145	850,669	891,309	920,609	952,830	986,179	1,022,797	1,056,419	1,093,394	1,131,663	1,171,271
Adjusted EBITDAR		5,728,834	6,099,527	6,543,320	6,732,152	6,967,777	7,211,649	7,508,610	7,725,299	7,995,684	8,275,533	8,565,177
			% of Gross Revenue	28.1%	28.7%	29.4%	29.3%	29.3%	29.4%	29.3%	29.3%	29.3%
Affordable Rent: % of EBITDAR	60%	3,437,300	3,659,716	3,925,992	4,039,291	4,180,666	4,326,990	4,505,166	4,635,179	4,797,411	4,965,320	5,139,106

FX: xe.com
 1 EUR = MUR 53.4200
 1 USD = EUR 0.8530
 ADR Growth 3.50%

Appendix 2 Accommodation

1 Junior Suite: Max Persons - 3 63 m²

- Terrace / balcony
- Air-conditioning
- Complementary wifi-access
- Walk-in wardrobe
- Bathroom with separate bathtub, shower and toilet(s)
- Individual safe
- Telephone with international direct dialling
- Flat screen TV (satellite channels)
- Fax (on request)
- Mini-bar
- Tea & coffee



2 Tropical Suite: Max persons – 3 85 m²

- Terrace / balcony
- Air-conditioning
- Complementary wifi-access
- Private bathroom with bathtub, shower and separate toilets
- Walk-in wardrobe
- Individual safe
- Telephone with international direct dialling
- Fax (on request)
- Flat screen TV (satellite channels)
- Mini-bar
- Tea & coffee



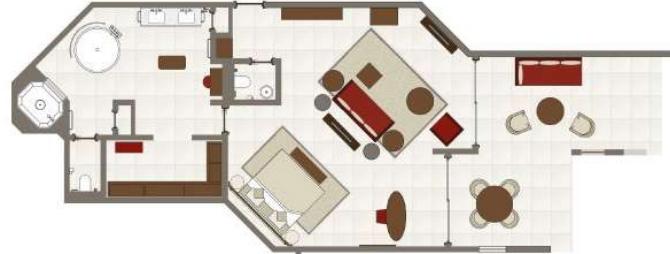
3 Ocean Suite: Max persons - 4 126 m²

- Terrace / balcony
- Air-conditioning
- Complementary wifi-access
- Private bathroom with bathtub, shower and separate toilets
- Walk-in wardrobe
- Individual safe
- Telephone with international direct dialling
- Fax (on request)
- Flat screen TV (satellite channels)
- Mini-bar
- Tea & coffee



4 Palm Suite: Max persons – 3 106 m²

- Terrace / balcony
- Air-conditioning
- Complementary wifi-access
- Bathroom with separate bathtub, shower and toilet(s)
- Walk-in wardrobe
- Individual safe
- Telephone with international direct dialling
- Fax (on request)
- Flat screen TV (satellite channels)
- Mini-bar
- Tea & coffee



5 Penthouse: Max persons – 3 196 m²

- Terrace / balcony
- Air-conditioning
- Complementary wifi-access
- Private bathroom with bathtub, shower and separate toilets
- Walk-in wardrobe
- Individual safe
- Telephone with international direct dialling
- Fax (on request)
- Flat screen TV (satellite channels)
- Mini-bar
- Tea & coffee
- Personal butler service



6 Presidential Suite: Max persons – 4 263 m²

- Terrace / balcony
- Air-conditioning
- Complementary wifi-access
- Dressing
- Individual safe
- Telephone with international direct dialling
- Fax (on request)
- Flat screen TV (satellite channels)
- Mini-bar
- Tea & coffee
- Two separate bedrooms, two bathrooms, personal butler service
- Private bathroom with bathtub, shower and separate toilets



7 Royal Villa: Max persons – 6 385 m²

- Interconnecting Ocean Suite
- Terrace/veranda
- Bathroom with bathtub, shower and separate Japanese toilets
- 2 Walk-in wardrobes
- Kitchenette
- Private pool
- Barbecue
- Pergola
- Ultra-personalized service with a butler service
- A selection of Acqua di Parma amenities
- Home cinema and sound system
- Digital press available on Ipad
- Personalised mini-bar
- Air-conditioning
- Complementary wifi-access
- Individual safe
- Telephone with international direct dialling
- Airport limousine transfer (roundtrip)
- Airport VIP Lounge upon arrival and departure



Appendix 3 General Terms of Business

General Terms of Business for Valuation Services

These General Terms of Business (the “**General Terms**”) and our engagement letter (the “**Engagement Letter**”) together form the agreement between you and us (the “**Agreement**”). References to “**you**”, “**your**” etc. are to persons or entities who are our client and, without prejudice to clauses 3 and 4 below, to any persons purporting to rely on our Valuation.

Unless **the** context otherwise requires, all other terms and expressions used but not defined herein shall have the meaning ascribed to them in the Engagement Letter.

When used herein or in the Engagement Letter, the term “**Valuation**” shall mean any valuation report, supplementary report or subsequent/update report, produced pursuant to our engagement and any other replies or information we produce in respect of any such report and/or any relevant property. Any words following the terms “**including**”, “**in particular**” or any similar expression shall be construed as illustrative and shall not limit the sense of the words preceding those terms.

All of the terms set out in these General Terms shall survive termination of the Agreement. In the event of any inconsistency between these General Terms, the Scope of Work and the Engagement Letter, the order of precedence should be as follows: (1) the Engagement Letter, (2) the Scope of Work and (3) these General Terms.

1. Knight Frank

- 1.1 Knight Frank KZN Proprietary Limited (“**Knight Frank**”, “**our**”, “**us**”, “**we**”) is a limited liability company with registered number 2011/100204/07; this is a corporate body which has *directors and shareholders*.
- 1.2 Our registered office is at Suite 4A, 2 Rydall Vale Crescent, Douglas Saunders Drive, La Lucia Ridge, 4051, South Africa
- 1.3 Our VAT registration number is 402 026 3838.
- 1.4 The details of our professional indemnity insurance will be provided to you on request.
- 1.5 Knight Frank is registered for regulation in the United Kingdom by the Royal Institution of Chartered Surveyors (“**RICS**”). Any Valuation provided by us may be subject to monitoring under RICS Valuer Registration. In accordance with our obligations it may be necessary to disclose valuation files to RICS. By instructing us you give us your permission to do so. Where possible we will give you prior notice before making any such disclosure, although, this may not always be possible. We will use reasonable endeavours to limit the scope of any such disclosure and to ensure any disclosed documents are kept confidential.
- 1.6 Valuations will be carried out in accordance with the relevant edition of the RICS valuation standards, the RICS Red Book (the “**Red Book**”), by valuers who conform to its requirements and with regard to relevant statutes or regulations.
- 1.7 As required by RICS, a copy of our complaints procedure is available on request. Please contact complaints@knightfrank.com if you would like to make a complaint.
- 1.8 This document has been originally prepared in the English language. If this document has been translated and to the extent there is any ambiguity between the English language version of this document and any translation thereof, the English language version as prepared by us shall take precedence.

2. Limitations on liability

- 2.1 Subject to clause 3.5, our maximum total liability in connection with or arising out of this Agreement and/or its subject matter and/or the Valuation is limited to three times our fee for the year in which the valuation is provided, as set out in the Engagement Letter.
- 2.2 Subject to clause 3.5, we will not be liable for any loss of profits, loss of data, loss of chance, loss of goodwill, or any indirect or consequential loss of any kind.
- 2.3 Subject to clause 3.5, any limitation on our liability will apply however such liability is or would otherwise have been incurred, whether in contract, tort (including negligence), for breach of statutory duty, or otherwise.
- 2.4 Except as set out in clause 3.5 below no third party shall have any right to enforce any of the terms of this Agreement.
- 2.5 No claim, action or proceedings arising out of or in connection with the Agreement and/or any Valuation shall be commenced against us after the expiry of the earlier of (a) six years from the Valuation Date (as set-out in the relevant Valuation) or (b) any limitation period prescribed by law.
- 2.6 Whether or not specifically qualified by reference to this clause, nothing in the Agreement shall exclude or limit our liability in respect of fraud, or for death or personal injury caused by our negligence or negligence of those for whom we are responsible, or for any other liability to the extent that such liability may not be so excluded or limited as a matter of applicable law.

3. Purpose, reliance and disclosure

- 3.1 The Valuation is prepared and provided solely for the stated purpose. Unless expressly agreed by us in writing, it cannot be relied upon, and must not be used, for any other purpose and, subject to clause 3.6, we will not be liable for any such use.

- 3.2 Without prejudice to clause 3.1 above, the Valuation may only be relied on by our Client. Unless expressly agreed by us in writing the Valuation may not be relied on by any third party and we will not be liable for any such purported reliance.
- 3.3 Subject to clause 3.4 below, the Valuation is confidential to our Client and must not be disclosed, in whole or in part, to any third party without our express written consent (to be granted or withheld in our absolute discretion). Subject to clause 3.5, no liability is accepted to any third party for the whole or any part of any Valuation disclosed in breach of this clause.
- 3.4 Neither the whole nor any part of the Valuation and/or any reference thereto may be included in any published document, circular or statement nor published in any way whatsoever whether in hard copy or electronically (including on any website) without our prior written consent and approval of the form and context in which it may appear.
- 3.5 You agree to indemnify and keep fully indemnified us, and each relevant Knight Frank Person, from and against all liabilities, claims, costs (including legal and professional costs), expenses, damages and losses arising from or in connection with any breach of this clause 3 and/or from the actions or omissions of any person to whom you have disclosed (or otherwise caused to be made available) our Valuation otherwise than in accordance with this clause 3.
- 3.6 You warrant and represent that all information provided to us shall be accurate, complete and up-to-date and can be relied upon by us for the purposes of the Agreement and you shall be liable to us or any other third party for any such information provided by you that is not accurate, complete or up-to-date.

4. Severance

If any provision of the Agreement is invalid, illegal or unenforceable, the parties shall negotiate in good faith to amend such provision so that, as amended, it is legal, valid and enforceable and, to the greatest extent possible, achieves the intended commercial result of the original provision. If express agreement regarding the modification or meaning or any provision affected by this clause is not reached, the provision shall be deemed modified to the minimum extent necessary to make it valid, legal and enforceable. If such modification is not possible, the relevant provision shall be deemed deleted. Any modification to or deletion of a provision under this clause shall not affect the validity and enforceability of the rest of this Agreement.

5. Entire agreement

- 5.1 The Agreement, together with any Valuation produced pursuant to it (the Agreement and such documents together, the "Contractual Documents") constitute the entire agreement between you and us and supersedes and extinguishes all previous agreements, promises, assurances, warranties, representations and understandings between you and us, whether written or oral, relating to its subject matter.
- 5.2 Subject to clause 3.5 above, you agree that in entering into the Agreement you do not rely on, and shall have no remedies in respect of, any statement, representation, assurance or warranty (whether made innocently or negligently) that is not expressly set out in the Contractual Documents. You further agree that you shall have no claim for innocent or negligent misrepresentation based on any statement set out in the Contractual Documents.
- 5.3 The Engagement Letter, the Scope of Work and these General Terms shall apply to and be incorporated in the contract between us and will prevail over any inconsistent terms or conditions contained or referred to in your communications or publications or which would otherwise be implied. Your standard terms and conditions (if any) shall not govern or be incorporated into the contract between us.
- 5.4 Subject to clause 3.5 and clause 6, no addition to, variation of, exclusion or attempted exclusion of any of the terms of the Contractual Documents will be valid or binding unless recorded in writing and signed by duly authorised representatives on behalf of the parties.

6. Assignment

You shall not assign, transfer, mortgage, charge, subcontract, declare a trust over or deal in any other manner with any of the rights and obligations under the Agreement without our prior written consent (such consent to be granted or withheld in our absolute discretion).

7. Force majeure

Neither party shall be in breach of this Agreement nor liable for delay in performing, or failure to perform, any of its obligations under this Agreement if such delay or failure results from events, circumstances or causes beyond its reasonable control.

8. Anti-bribery, corruption & Modern Slavery

We agree that throughout the term of our appointment we shall:

- 8.1 comply with all applicable laws, statutes, regulations, and codes relating to anti-bribery and anti-corruption;
- 8.2 not engage in any activity, practice or conduct which would constitute an offence;
- 8.3 maintain anti-bribery and anti-corruption policies to comply with the Relevant Requirements and any best practice relating thereto; and
- 8.4 promptly report to you any request or demand for any undue financial or other advantage of any kind in connection with the performance of our services to you.