



BEACHCOMBER
RESORTS & HOTELS

CAUTIONARY ANNOUNCEMENT

Further to its Cautionary Announcement dated 17 June 2016, the Board of Directors of New Mauritius Hotels Limited (NMH) is pleased to announce to its shareholders and the public in general that NMH has received the required clearances for the transfer of the hotel properties known as Mauricia Beachcomber, Victoria Beachcomber and Canonnier Beachcomber (the Assets) and the land at Les Salines, Black River, to Beachcomber Hospitality Investments Ltd (BHI).

It is now intended that the Assets be transferred to BHI and leased back to NMH. In this context, the Board has entered into negotiations with Mara Delta Property Holdings Ltd (Mara Delta) for the issue to Mara Delta of equity representing some 45% of BHI's shareholding, the remaining 55% being retained by NMH. BHI will not be listed on the Stock Exchange of Mauritius and will have NMH and Mara Delta as its sole shareholders. Additionally, the Board of BHI is in discussion with a number of banks to secure long term debt to part finance the acquisition of the Assets from NMH.

The cash consideration of EUR100m to be received by NMH will enable the group to improve its cash flows through the reduction of its indebtedness and optimisation of its financing structure.

The above transaction is subject to the approval of the authorities.

Shareholders and the investing public are advised to exercise caution when dealing in the shares of NMH.

By order of the Board
ENL Limited
Company Secretary
24 October 2016

This cautionary announcement is issued pursuant section 11.3 of the Listing Rules, Rule 5 of the Securities (Disclosure Obligations of Reporting Issuers) Rules 2007 and section 87 of the Securities Act 2005.

The Board of Directors of New Mauritius Hotels Limited accepts full responsibility for the accuracy of the information contained in this cautionary announcement.