



THE
RESORT
GROUP
PLC

THE
INVESTMENT
PORTFOLIO

World-class hospitality and luxury Resort development capitalising on the thriving tourism market in Cape Verde, with strong commercial partnerships and a proven track record of delivery.

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The Resort Group PLC (“TRG”) is a world-class luxury Resort hospitality company specialising in creating 5-star holiday Resorts and Hotels.

TRG has a proven track record of completing thousands of Hotel rooms in a thriving and stable touristic region.

The Group has strategic partnerships with world-leading Hotel brands including Meliá Hotels International, Steigenberger Hotels and Resorts and Hilton Worldwide.

TRG also hold a guaranteed revenue agreement with one of the world’s largest tour operators, which in turn helps to fund returns to investors.

The Group is backed by strong financial performance over several consecutive years and has been independently assessed as ‘investment grade’ by a top-tier and EU-regulated credit rating agency.

In 2016, TRG’s operating profit before financing costs rose 47% to £29.8 million, with Group hospitality revenue rising by 220%.



SUMMARY INCOME STATEMENT

31 December	2014 audited €m	2015 audited €m	2016 audited €m
Revenue			
Development	96.0	105.4	80.2
Hospitality	16.4	34.0	70.5
Total	112.4	139.4	150.7
Adjusted EBITDA			
Development	32.7	36.6	30.5
<i>Margin</i>	34.1%	34.7%	38.0%
Hospitality	0.6	2.6	8.1
<i>Margin</i>	3.7%	7.6%	11.5%
Share of JV profits	0.1	0.2	0.6
Central costs	(5.0)	(6.5)	(7.1)
Total	28.4	32.8	32.1

Deloitte.

CREDIT / RISK RATING

BBB- Stable Outlook (Investment Grade)

TRG has been independently assessed by ARC Ratings, S.A.

ARC Ratings, S.A. is an international credit rating agency (CRA) based in Europe, registered with the European Securities and Markets Authority (ESMA) and recognised as an External Credit Assessment Institution (ECAI). ARC's network has 20 offices globally, assigning ratings in approximately 30 countries spanning Asia, Africa, Europe and South America.

In October 2016, ARC announced the approval and publication by the European Commission of its mapping tables for Securitisation Positions, Corporate/ Issuer Ratings and Solvency Capital Requirements. Crucially, ARC has been accorded the same mapping as the "big 3" CRAs and, therefore, ARC Ratings are now recognised alongside Fitch, Moody's and S&P from a mapping perspective.

ARC has assessed the realisation of TRG assets in what it considers to be a "growing and competitive market". Having completed 3 months of detailed analysis (including a 3-day site visit) ARC accorded a BBB- "investment grade" rating to TRG, recognising the embedded value of this market.



STRUCTURED PRODUCTS

TRG offers a variety of investment products, largely focussed on attracting professional and institutional investment:

- Direct ownership of property
- Fixed income bonds
- Investment grade debt securities
- Open-ended collective investment scheme (CIS) funds

These products invest in a portfolio of TRG Resort properties, which benefit from guaranteed revenue agreement with some of the world's largest tour operators.

The strategy is an absolute return designed to outperform traditional equity and fixed-income-based investments in terms of annualised market-based risk.

This is achieved by investing in a diverse portfolio of TRG real-estate assets that benefit from long-term contracts with household names in the Hotel and Leisure sectors, underpinning consistent income for investors.

Such investment strategies retain very low volatility and near zero correlation to traditional equity and fixed-income markets.

Key Features

Low volatility and correlation to traditional equity, bond or commodity markets

Accorded investment grade status by EU-regulated CRA

Consistent absolute returns in most market conditions

Fixed-income returns between 6-7%

Variable equity growth targeted returns of 8%+

Readily realisable Standard Assets

Low volatility

FIXED RETURNS

TRG's investment products are underpinned and supported by a guaranteed revenue agreement secured with TUI Travel PLC (a FTSE 100 company).

Whilst this agreement covers revenue in the period 2017-2019, a 2-year extension option is built into the agreement. More importantly, the 3-year term is set for reasons of commercial practicality and the spirit of the agreement foresees that future contracts will be agreed, in order to absorb newly opened Resorts. To evidence this point, the existing revenue guarantee is already the second formal contract agreed with TUI.

Therefore, the intention (of both parties) is that the agreement will be perpetually renegotiated as both TRG and TUI continue to build market share in Cape Verde.

The existing 3-year revenue agreement represents no less than €203m (ranging up to €258m) in hospitality revenues. This ensures a minimum level of occupancy at circa 57% across all completed and operational Resorts.

The TUI commercial agreement alone generates 94% of TRG's assumed hospitality revenues between 2017-2019 and only accounts for 57% of existing hotel inventory, allowing other large tour operators to contribute additional occupancy performance and hospitality revenues to TRG.

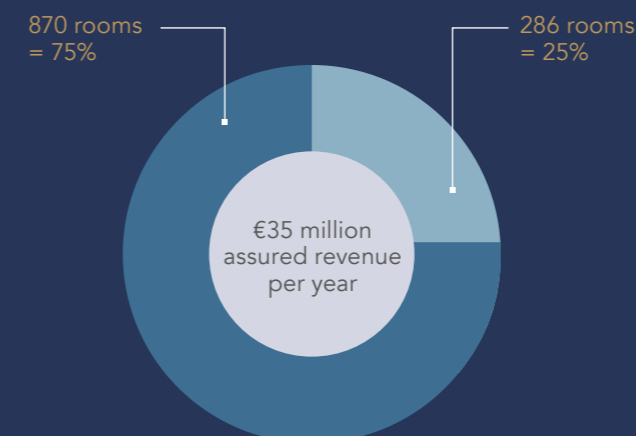
This clearly demonstrates that TRG has the ability to service its contractual obligations to investors.



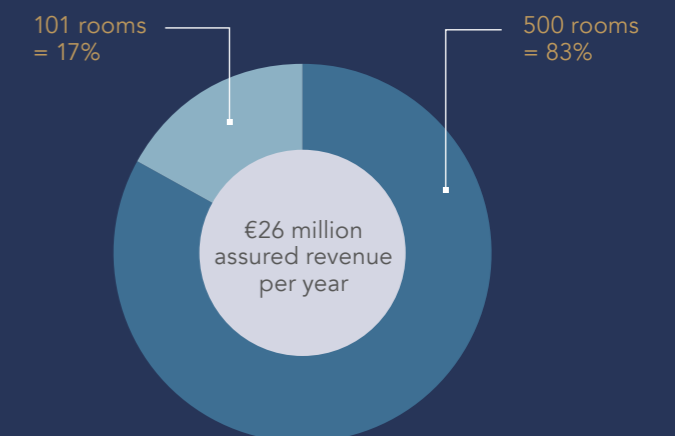
TUI minimum occupancy agreements

Under agreed contracts, TUI are contracted to meet minimum fixed room rates and occupancy, which assures substantial revenues to both Resorts. Additional occupancy agreements are in place with other tour operators.

MELIÁ Dunas



MELIÁ Llana / Sensimar



■ Occupancy covered by TUI agreement

■ Allocated to other tour operators

Source: TRG

RISK MITIGATION

What are the key risks and how are they mitigated?

Political

Cape Verde is politically stable with sound democratic institutions and a strong legal framework based on Portuguese law. The government has consistently encouraged foreign investment and fostered a dynamic business environment.

Land Availability

A significant risk for any developer is the availability of land. TRG is no longer exposed to site acquisition risks because it has already acquired (on a freehold or option basis) the land required for all of its planned projects.

Planning

There is negligible planning risk because TRG has secured outline planning consents for future projects. It provides significantly more detail than required to reduce the work involved in moving from outline to detailed consent.

Operational

TRG manages the risks associated with construction, occupancy and operating costs by negotiating contracts with strategic partners that are subject to performance standards. The Group employs experienced industry professionals to oversee the output of chosen partners.

Pre-Sales Funding

This risk is mitigated by TRG's significant focus on diversified routes to market and in its strong relationships with third party agents and introducers, both in the UK and internationally.

Currency

TRG considers currency risk to be very low. Its activities are based predominantly in euros with some costs in Cape Verdean escudos, which are pegged to the euro.

Competition

Leading tour operators are confident of the country's future. Cape Verde has a number of unique attractions including its climate, political stability, and its growing popularity with tourists.

Concentration

Although TRG's existing property portfolio is located in Cape Verde, it will soon achieve further diversification through a presence on multiple islands, with further aspirations to spread into European holiday destinations.

Regulation

TRG's legal team closely monitors, as much as possible, proposed changes in regulation, to ensure that the Group is involved in key decisions regarding the mitigation of those proposed changes. In Cape Verde, TRG is one of the largest tax generators in the country. The Group benefits from a strong relationship with government authorities, which ensures it is involved in key decisions regarding potential regulatory changes.

Capital Protection

Cape Verde is a growing economy, hugely driven by tourism. Tourism growth is directly correlated to the capital growth of real-asset values, particularly in Hotel or Resort-based real estate. The World Travel & Tourism Council claims that the total contribution of the Travel & Tourism sector to GDP in Cape Verde was 44.5% in 2016. This is forecast to rise by 8.6% in 2017, and by 6.5% pa to 57.3% of GDP by 2027 (see chart below).

Visitor exports are a key component of the direct contribution of the Travel & Tourism sector, which in

turn drives hotel real-estate asset values. In 2017, Cape Verde visitor numbers are expected to grow by 11.1% to 578,000 international tourist arrivals. By 2027, international tourist arrivals are forecast to total 728,000, an increase of 5.8% pa (see chart below).

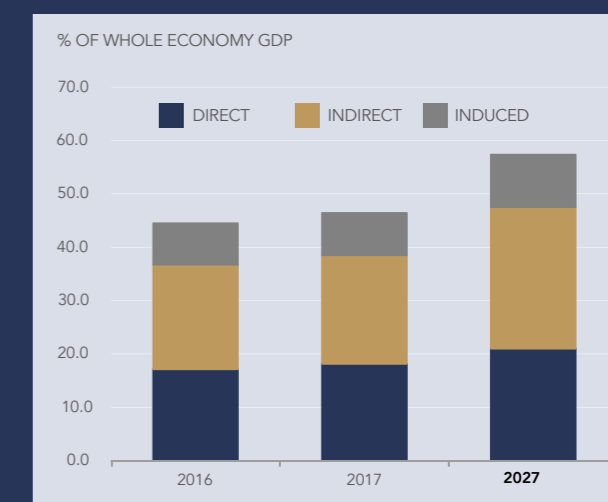
The Resort Group offers a resale option where it agrees to market your property for sale at no less than the nominal value. This offers a further layer of protection if the anticipated market drivers do not positively impact on real-estate growth.

Tourist Arrivals



Source: World Travel & Tourism Council, Economic Impact 2017 Cape Verde.

GDP Contribution



Source: World Travel & Tourism Council, Economic Impact 2017 Cape Verde.

HOW SECURE IS TRG?

TRG has been in business for more than 10 years, with a history of strong financial performance and corporate governance. The Group has generated over €450m in development revenues and over €200m in development profits.

The Group has now delivered 2,228 Hotel rooms, suites, apartments and villas across 5 operational Resorts, with retained assets valued at €140m.

Combined development and hospitality revenues in 2014 reached €112.4m, generating a result of €28.4m. In 2015, total revenues increased to €139.4m, generating a result of €32.8m. In 2016, total revenues increased again to €150.7m, generating a result of €32.1m.

Given the positive tourism trends in Cape Verde, the underlying tour operator guarantees, and a growing Hotel and Resort portfolio, the future outlook for TRG is positive and stable.

COMPLETED

		
MELIÁ Tortuga Beach Resort - Sal Island Opened in May 2011 with 372 units and managed by Meliá Hotels International.	MELIÁ Dunas & Sol Dunas Resorts - Sal Island 1,251 properties across two Resorts managed by Meliá Hotels International.	MELIÁ Llana & Sensimar Cabo Verde - Sal Island 605 Hotel suites across two adult only Resorts managed by Meliá Hotels International.

UNDER CONSTRUCTION

MELIÁ White Sands Hotel & Spa - Boa Vista An 835-room Resort managed by Meliá Hotels International.	Hilton Praia - Santiago Island A 200-room business Hotel managed by Hilton Worldwide.
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FUTURE PIPELINE

400-room Hilton Hotel in planning stages on Boa Vista, along with a further Hilton Business Hotel on Santiago Island (in the capital Praia).	Seven further Resorts are planned on Boa Vista, comprising an additional 2,876 rooms with letters of intent secured from leading hoteliers.
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STRATEGIC PARTNERS



Grupo San José

TRG Principal Contractor

Registered office at C/Ronda de Poniente, 11, 28760 Tres Cantos, Madrid, Spain.

www.grupo-sanjose.com



Meliá Hotels International

TRG Appointed Hotel Operator

Registered office at Gremi Boters, 24 Polígono Industrial Son Castelló, 07009 Palma de Mallorca, Spain.

www.melia.com



Hilton Worldwide

TRG Appointed Hotel Operator

Registered office at 7930 Jones Branch Drive, McLean, Virginia 22102, USA.

www.hiltonworldwide.com



Deutsche Hospitality Group / Steigenberger Hotels & Resorts

TRG Appointed Hotel Operator

Registered office at Lyoner Strasse 25, 60528 Frankfurt am Main.

www.deutskehospitality.com



TUI Travel PLC

TRG Leisure and Hospitality Partner

Registered office at Karl-Wiechert-Allee 4 | D-30625 Hannover.

www.tuigroup.com



Gerald Eve LLP

Asset Valuation Provider

Registered office at 72 Welbeck Street, London, W1G 0AY.

www.geraldeve.com



Deloitte (Gibraltar) Limited

TRG Financial Auditors

Registered office at Merchant House, 22-24 John Mackintosh Square, PO Box 758, Gibraltar.

www2.deloitte.com



GPA Advogados Law Firm

TRG Legal Counsel

Registered office at Palácio Sottomayor, Rua Sousa Martins, n.1-6o Andar 1050-217, Lisbon, Portugal.

www.gpasa.pt/en

TRG EXECUTIVE BOARD



Robert Jarrett, Chief Executive Officer

Founder and sole shareholder of The Resort Group, Rob is an entrepreneur who established the group in 2007 following successful development projects in Spain and Canada. Rob has a financial services background in banking and the Prudential Corporation and his areas of expertise include corporate strategy, sales and distribution, real-estate development and corporate relations.



Charlie King, Chief Operating Officer

With over 30 years experience in manufacturing, financial services and real-estate sales, Charlie joined The Resort Group in 2009 from his role as Head of UK Operations for Middle Eastern Developer, Damac. Formerly a Managing Director of a division of Friends Provident Estate Agents and subsequently Countrywide Group, Charlie has a wealth of experience in real-estate sales, marketing, and operations.



Andrew Scott, Chief Financial Officer

Andrew Scott has over 25 years of financial experience gained in both public and private equity environments across several industry sectors. His experience covers both B2B and B2C as well as regulated and non-regulated entities. Andrew joined The Resort Group in 2014 from Travelex, where he was Finance Director of its global operations across retail, wholesale and outsourcing. Prior to this he was Finance Director of Ladbrokes Worldwide, and has held roles at Grand Metropolitan plc and De La Rue plc. He trained as a Chartered Accountant with Arthur Andersen.



Andrew Lawson,
Managing Director of Resort Development and Construction Services

With over 35 years' experience in the construction and engineering industry, Andrew Lawson joined The Resort Group PLC in 2009 as Group Development and Construction Director. A Chartered Quantity Surveyor with a vast amount of experience in construction and project management. Andrew previously was employed as a Regional Managing Director for a national developer and prior to this as Regional Director for a national construction consultancy specialising in Quantity Surveying, Project & Construction Management, Planning supervision and dispute resolution.



Ignacio Prada, Board Director / Non-Executive Director

With over 20 years' experience in the Hospitality and Leisure industry, Ignacio Prada joined The Resort Group PLC in 2010. Prior to his current position Ignacio served as Hospitality and Leisure Head at the Resort Group where he managed the growth and the operations of our Resorts and subsidiary companies. Previously Ignacio held the role of Managing Director at the Luxury brand Melia Hotels International, and started his executive position career at IHC Group in Madrid. Married with four Children, he resides in Spain.

FIXED INCOME

FIVE-YEAR SECURED BONDS

7% Fixed

Product Overview	7% interest per annum (paid quarterly in arrears) (10-year term with a terminal bonus of 5% at maturity, with an early exit clause at year 5)
Asset Provider	The Resort Group PLC
Structure	Secured Corporate Bonds
Suitability	Qualifying investors only (HNW / Sophisticated / Professional)
Issuer	TRG Bonds Limited
Operating Company	The Resort Group PLC
Minimum Investment	160,000 EUR
Issue Price and Face Value	£0.01
Issue Size	£4,000,000.00 tranches, per issue
Currency	GBP
Exit / Liquidity	5 years
Listed / Listing	No
Transferable	Yes
Rated	No
Security Trustee	Fractional Trustees Limited (No: 05610069)
Trustee Structure	English law in favour of the Trustee
Valuation Agent	Gerald Eve LLP
Legal Advisor	Pinsent Masons LLP
Registrar	Greyfriars Asset Management LLP
Bank	Barclays (UK) PLC
ISIN Codes	Available upon request

EQUITY GROWTH

RESORT DEVELOPMENT FUND

Target 5% p.a. Yield

Product Overview	Open-ended collective investment scheme with variable capital (Malta-regulated SICAV)
Promoter	The Resort Group PLC
Structure	Open-ended fund
Suitability	Qualifying investors only (HNW / Sophisticated / Professional)
Administrator, Registrar, Transfer Agent and Secretary	Heritage Fund Administration Services (Malta) Limited
Auditors	Grant Thornton (Malta)
Legal Advisors	GANADO Advocates (Malta)
Custodian & Banker	Reyl & Cie (Malta) Limited
Minimum Investment	160,000 EUR
Pricing / Trading	Monthly
Currency	GBP / EUR / USD
Target Return	Net yield = 5% p.a.
MSE Sponsor	Curmi & Partners Limited (Malta)
Exit / Liquidity	90 days
Listed / Listing	Malta Stock Exchange (MSE)
Rated	No
Total Expense Ratio	1.85%
Identifiers	Financial Express
ISIN Codes	Available upon request

DIRECT PROPERTY INVESTMENT

COMMERCIAL REAL-ESTATE

Fixed* Rental Return upon Resort Opening. Discounts for early Investors

Product Overview	Resort-based real-estate (Cape Verde Islands, formerly Portugal)
Asset Provider	The Resort Group PLC (TRG)
Structure	Freehold, unencumbered title (with land registry)
Asset Valuer	Gerald Eve LLP (UK)
Principal Contractor	Grupo San José (Spain)
Hotel Operator	Meliá Hotels International (Spain)
Principal Tour Operator	TUI Travel PLC
TRG Financial Auditor	Deloitte (Gibraltar) Limited
TRG Legal Counsel	GPA Advogados Law Firm (Lisbon, Portugal)
TRG Bank	Gibraltar International Bank (Nationalbank, owned by the Government of Gibraltar)
Minimum Investment	160,000 EUR
Pricing / Trading	Daily
Currency	GBP / CHF / EUR / USD
Return (Option rental scheme)	For the first 3 years upon operation on the Resort opening, fixed* returns of: 1st year: 5%, 2nd year: 6%, 3rd year: 7% + Appreciation outlook <i>(Estimation of 6-9% return p.a. based on historical values of completed developments on a neighbouring Island)</i>
Taxes** (Cape Verde Islands)	No local withholding tax, Capital gain tax 1% flat (at realisation) Annual property tax – 0.75% Purchase tax – 1.5%
TRG Rating	BBB- (ARC Ratings, S.A.), stable outlook (Investment Grade)
Exit / Liquidity	Basically any time in the free real estate market

*Property management and operational costs are paid from the gross rental income. The Resort Group reserve the rights to withdraw from this offer at any given time. Please, enquire for details of the current incentives with your (local) agency.

**Tax rules can change. Income & Rental statements available. Property Transfer Tax/-charges can occur and are not included in the purchase price.

IMPORTANT INFORMATION

All information and particulars contained in this brochure are for indicative purposes only. They are provided in good faith and are not intended to form part of any contract. All measurements and specifications are provided to the best knowledge of The Resort Group PLC and may be subject to change. No liability will be taken for any inaccuracies, changes or damages arising out of or in connection with the use of information in this brochure.

All information regarding potential returns, rental income and growth in property value are examples only and are in no way guaranteed. The value of property can rise and fall and past performance is no guarantee of future performance. All sterling examples are quoted using an assumed rate of exchange for information only; this is not guaranteed, as exchange rates fluctuate on a daily basis.

No advice is given as to the suitability of purchasing property or investment products. No pensions advice is given. No tax advice is given and it is recommended that purchasers consult a tax specialist regarding their personal circumstances. The materials and information contained herein do not constitute an offer or a solicitation of an offer for the purchase or sale of any securities in The Resort Group PLC or any of its affiliates.

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To the extent that any information is deemed to be a 'forward-looking statement' as defined in the Private Securities Litigation Reform Act of 1995, such information is intended to fit within the "safe harbour" provided therein. Such forward-looking statements are subject to material risk factors, which may or may not be disclosed herein. Forward-looking statements are not guarantees of performance. You are cautioned not to place undue reliance on forward-looking statements, which speak only as of the date made. This information is not intended to make any investment representations about The Resort Group PLC or its affiliates and should not be viewed as such.

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Any necessary furnishings and fittings will be supplied, maintained and owned by the Hotel Operator/ Management Company as part of their overall operation of the resort as a commercial entity. Investment in The Resort Group PLC's freehold properties is not in any way an offer to participate in a collective investment scheme (CIS) as defined in the Financial Services and Markets Act 2000 (Section 235).



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