

Private and Confidential

TROPICAL PARADISE CO. LTD

REPLY DOCUMENT

Pursuant to Rule 18 of the Securities (Takeover) Rules 2010

*In reply to the Offer Document issued by Indigo Hotels & Resorts Ltd
dated 17 March 2017 to the attention of the shareholders of
Tropical Paradise Co. Ltd*

The Directors of TPCL accept full responsibility for the accuracy of the information contained in this Reply Document. They have been guided by an independent adviser as per the Rules. This Reply Document should not be read or otherwise construed as an investment advice. If you are in any doubt about the Reply Document or its contents or what action you should take, you are recommended to seek financial advice immediately from an independent adviser.

Dear Shareholder,

Reply Document made pursuant to Rule 18 of the Securities (Takeover) Rules 2010

I. EXECUTIVE SUMMARY

The Reply Document is provided by the Board of Directors (the "Board") of Tropical Paradise Co. Ltd ("TPCL" or "the Company") to assist you in reaching an informed decision on the offer (the "Offer") sent by Indigo Hotels & Resorts Ltd ("Indigo" or "the Offeror").

Further to the review of the terms and conditions of the Offer and after due consideration of the independent adviser report, as detailed in Section III, **the Board is of the opinion that you should not accept to sell your shares as per the Offer made to you.**

We wish to highlight, that in the event that you do not wish to sell your shares as per the Offer, then no further action is required.

On the other hand, should you wish to accept the Offer, you should follow the steps detailed in the Offer document.

II. INTRODUCTION

The Board of TPCL was notified of the acquisition by Indigo, on 23 December 2016, of 1,132,000 ordinary shares representing 0.8% of the issued ordinary share capital of TPCL. The said transaction thereby increased the effective control of Indigo, together with Management and Development Company Limited ("Madco") and Avipro Co. Ltd ("Avipro"), in TPCL, to 50.2%.

Further to the acquisition and pursuant to the Securities (Takeover) Rules 2010 ("The Rules"), Indigo has made a mandatory offer to the Shareholders of TPCL to acquire the ordinary shares of TPCL not already held by Indigo at MUR. 6.30 per share. The said Offer is available since 23 March 2017 and shall remain open for acceptance until the close of business on 27 April 2017 at 17h00 (Mauritius time).

Pursuant to Rule 18 of the Rules, this Reply Document is being issued by the Board of TPCL to the shareholders registered on the share register at close of business as at 15 March 2017 and to whom the Offer Document was addressed. The Reply Document is provided for your benefit and that of your advisers in order to allow you to make an informed decision. It may not be disclosed to, or relied on, by any other person.

If you have since sold or otherwise transferred your shares in TPCL, you should send the Reply Document, as soon as possible, to the purchaser or transferee or to the agent through whom the sale or transfer was executed for onward transmission to the purchaser or transferee.

III. VIEWS OF THE BOARD OF TPCL

A. Recommendation on the Offer

Pursuant to Rule 21 of the Rules and in the interest of the shareholders of TPCL, the Board appointed Ernst & Young Ltd ("EY") as independent adviser ("Adviser") to:

- (a) carry out the valuation of TPCL as at 31 December 2016;
- (b) advise the Board as to whether the Offer made by Indigo to acquire the ordinary shares at MUR. 6.30 per share, is fair and reasonable; and
- (c) submit a report to the Board.

The Adviser submitted its report to the Board on 22 March 2017.

Further to the review of the report of the Adviser and the terms of the Offer, the Board is therefore of the opinion that TPCL shareholders should not sell their shares as per the Offer made to them.

The Board reached this conclusion on the basis of the following:

- The Adviser has advised that the Offer was not fair and reasonable;
- The fair value of MUR 7.02 as determined by the Adviser is 11 % higher than the offer price of MUR. 6.30; and
- The offer price is 41 % lower than the Net Asset Value per share as per the audited financial statements as at 30 June 2016.

The Directors of TPCL, whose names appear in Section IV of this document and who hold shares in TPCL directly will not accept the Offer.

In a spirit of good governance and in accordance with the Constitution of the Company, common Directors of TPCL and Indigo and those having related interest in Indigo have not attended the board meeting and have not voted on the recommendation.

B. Summary of Independent Adviser's Report

EY has been requested to complete an independent valuation as at 31 December 2016 to determine whether the Offer was fair and reasonable to the shareholders of TPCL. EY has adopted the Income approach valuation methodology, in particular the discounted cash flow, to value TPCL and its subsidiary (the "Group") and has based its conclusion on the following, but not limited, sources of information:

- Audited financial statements for the Group for the years ended 30 June 2014, 30 June 2015 and 30 June 2016;
- Management accounts for the Group for the half year ended 31 December 2016;
- Financial forecasts for years ended 30 June 2017 to 30 June 2022 based on management assumptions in respect of future performance and expected investments in working capital and capital expenditure;
- Discussions with management of TPCL;
- Lease agreements and management agreements of the Group;
- Latest property valuation reports (for corroboration of value);
- Website of the Bank of Mauritius ("BOM") and the Stock Exchange of Mauritius ("SEM");
- Other publicly available information that was considered to be relevant to the valuation exercise, including information obtained from Capital IQ. Capital IQ is a multinational financial information provider delivering insights on industry segments, country reports and financial information of global public and private companies.

The valuation report of the Adviser is available for consultation at the registered office of TPCL, c/o Eclasia Group Headquarters, Gentilly, Moka, upon request by any shareholder of TPCL or by any person authorised in writing by a shareholder.

C. Opinion of the Independent Adviser

The opinion of the independent Adviser has been extracted from the independent Adviser's report.

EY valued a share in TPCL on a minority marketable basis at MUR. 7.02, which is 11% higher than the offer price of MUR. 6.30. On that basis, EY concluded that the offer price is not fair and reasonable.

D. Qualifications, expertise and independence of the Independent Adviser

EY is a professional services firm registered with the SEM as an independent valuer. Most of EY's professional staff are members of the Association of Chartered Certified Accountants (ACCA) or the Institute of Chartered Accountants in England and Wales (ICAEW). EY is a member firm of Ernst & Young Global Limited.

EY has advised on numerous independent valuation assignments both locally and overseas, in respect of mergers and acquisitions, takeovers and other prominent transactions.

EY has confirmed that it is independent and has no conflict of interest that could affect its ability to provide an unbiased report.

EY has confirmed that, while the entire valuation report of the Independent Adviser should be read for a full understanding of their findings and advice, the above Summary of the independent Adviser's Report and Opinion of the independent Adviser, is fair and not misleading.

IV. DIRECTORS' INTERESTS IN TPCL

The aggregate shareholdings of ordinary shares in TPCL and Indigo as at 31 December 2016 in which the Directors of TPCL have an interest are as follows:

| Directors of TPCL | TCPL | | Indigo | |
|------------------------------|----------------|------------------|----------------|------------------|
| | Direct Holding | Indirect Holding | Direct Holding | Indirect Holding |
| Jean-Paul Chasteau de Balyon | - | - | - | - |
| Michel de Spéville, C.B.E. | - | 16.22% | - | 30.39% |
| Cédric de Spéville | - | 0.21% | - | 0.39% |
| Hector Espitalier-Noël | - | 1.60% | - | - |
| Philippe de Bragard Hardy | - | - | - | - |
| Richard Graham Lander | - | - | - | - |
| René Leclézio | - | - | - | - |
| Pierre-Yves Pougnet | 0.07% | 0.01% | - | - |
| Maxime Rey | - | - | - | - |
| Rolph Schmid | - | - | - | - |

| Alternate Directors of TPCL | TCPL | | Indigo | |
|------------------------------------|----------------|------------------|----------------|------------------|
| | Direct Holding | Indirect Holding | Direct Holding | Indirect Holding |
| Noël Eynaud | - | 0.04% | - | - |
| Eric Espitalier-Noël | - | 1.50% | - | - |

The Directors have not dealt in the shares of TPCL within six months prior to the public announcement of the Offer.

V. SHAREHOLDINGS IN INDIGO

Neither TPCL nor its subsidiary own shares in Indigo.

Neither TPCL nor its subsidiaries have dealt in the shares of Indigo within six months prior to the public announcement of the Offer.

VI. STATED CAPITAL OF TPCL

The stated capital of TPCL as at 30 June 2016 is MUR. 1,153,125,000 consisting of 142,500,000 ordinary shares of no par value and 750,000 preference shares of MUR. 100 each.

Each ordinary share confers to its holder the right to one vote on a poll at a meeting of the Company on any resolution, the right to an equal share of dividends authorised by the Board of Directors of the Company, and an equal share in the distribution of surplus assets of the Company. The ordinary shares and preference shares are listed on the Development and Enterprise Market of the SEM.

No share of TPCL has been issued since the end of the last financial year.

VII. FINANCIAL INFORMATION

- (a) Copies of the audited financial statements of TPCL for the last three years are available on demand and may be requested from the Company Secretary, Eclosia Secretarial Services Ltd, c/o Eclosia Group Headquarters, Gentilly, Moka.
- (b) All interim statements and announcements made by TPCL since the last published audited accounts are included in Annexure B.
- (c) No material change has occurred in the financial or trading position or prospects of TPCL since the last published accounts.
- (d) The significant accounting policies are included in the audited accounts of TPCL referred to in (a) above. There has been no change in the accounting policy of TPCL.

A summary of the financial highlights of TPCL and the evolution of TPCL's share price between 2012 and 2017 are provided in the following tables:

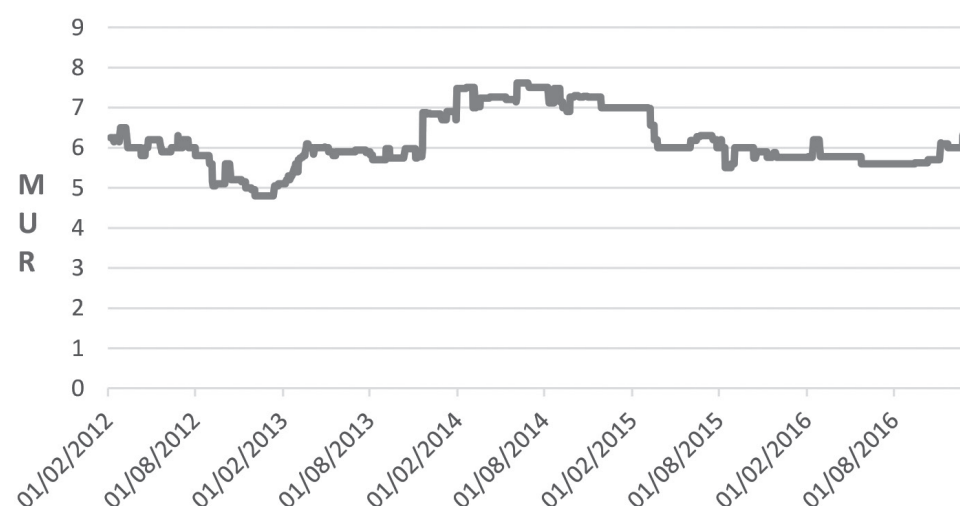
TPCL Financial Results

| | FY 14 Audited | FY 15 Audited | FY 16 Audited |
|---|------------------|------------------|------------------|
| Financial Highlights (MUR.Million) | | | |
| Revenue | 580 | 571 | 648 |
| Operating Profit | 69 | 25 | 52 |
| Profit/ (Loss) for the year | 27 | (6) | 19 |
| Total comprehensive income for the year | 26 | (7) | 19 |
| Total equity | 1,486 | 1,598 | 1,597 |

Performance Measures

| | | | |
|---|-------|--------|-------|
| Earnings/ (Loss) per share (MUR.) | 0.12 | (0.09) | 0.05 |
| Net Asset per share (MUR.) | 11.52 | 10.68 | 10.68 |
| Operating profit % | 11.88 | 4.42 | 7.97 |
| Debt to equity % | 28.00 | 21.00 | 22.00 |
| Stock Price on the Stock Market at year end (MUR.) | 7.50 | 6.30 | 5.60 |

TPCL Share Price Information (ordinary shares)



VIII. MATERIAL CONTRACTS

No material contracts have been entered into by TPCL and its subsidiary more than 2 (two) years before the date of the Offer other than contracts entered into in the ordinary course of business.

IX. ARRANGEMENTS AFFECTING DIRECTORS

TPCL does not anticipate any payment of benefit to directors as compensation for loss of office in connection with the Offer.

There is no agreement between any Director of TPCL and any other person that is conditional on the outcome of the Offer or otherwise is connected with the Offer.

There are no material contracts entered into by Indigo in which a Director of TPCL has any interest.

X. DIRECTORS' SERVICE AGREEMENT

The following directors have service agreements which have more than 12 months to terminate with TPCL:

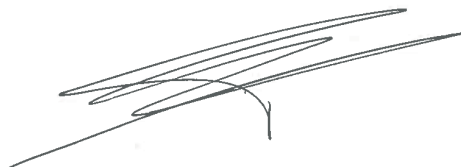
- (a) Mr Richard Lander, a non-executive director, currently holds a service contract for a term of three years (entered into on 18 December 2015);
- (b) Mr Rolph Schmid in his capacity of Managing Director holds a contract of employment of indefinite duration.

XI. THE DIRECTORS STATEMENT

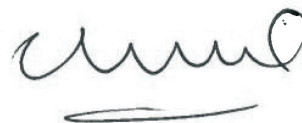
The Board of TPCL accepts full responsibility for the correctness of the information contained in this Reply Document, and having made all reasonable enquiries, states that, to the best of its knowledge and belief, there are no material facts, the omission of which would make any statement herein, whether of fact or opinion, misleading.

Date: 03 April 2017

On behalf of the Board of TPCL



Philippe De Bragard Hardy
Director



Jean-Paul Chasteau de Balyon
Director

ANNEXURE A: Communiqué published by TPCL

TROPICAL PARADISE CO. LTD

BRN. C07013796

Public Announcement

The Board of Directors (the 'Board') of Tropical Paradise Co. Ltd ('TPCL') wishes to inform its shareholders and the public in general that one of its main shareholders, Indigo Hotels & Resorts Ltd ('Indigo') has acquired an additional 0.8% shareholding in TPCL. This Transaction (as hereinafter described) has triggered a Mandatory Offer, under the Securities (Takeover) Rules 2010, to the shareholders of TPCL.

THE TRANSACTION

On December 23, 2016, Indigo has acquired 1,132,000 ordinary shares, representing 0.8% of the issued ordinary share capital of TPCL, at a price of MUR 6.30 per share ("the Transaction").

The Transaction has thereby increased the effective control of Indigo, together with Management and Development Company Limited ("Madco") and Avipro Co. Ltd ("Avipro") in TPCL to 50.2%.

Prior to the Transaction, Indigo, in concert with Avipro and Madco held 49.4% as detailed below:

| Company | Number of Ordinary Shares held in TPCL | % of the ordinary share capital |
|--|--|---------------------------------|
| Indigo Hotels and Resorts Ltd | 63,977,267 | 44.9 |
| Management and Development Company Limited | 2,840,693 | 2 |
| Avipro Co Ltd | 3,584,556 | 2.5 |

Effective control is defined in Rule 2 of the Securities (Takeover) Rules 2010 as the holding of securities by any person, either individually or together with a person acting in concert, which will result in that person, either individually or together with a person acting in concert, having the right to exercise more than 30% of the rights attached to the voting shares of the company.

MANDATORY OFFER

The Transaction has triggered Rule 33(1)(c) of the Securities (Takeover) Rules 2010.

Rule 33(1)(c) states that following a dealing in securities of a company, if a person, either individually or together with another person acting in concert, acquires the

right to exercise, or control the exercise of, more than 50% of the rights attached to the voting shares of the company, that person shall make an offer under Rule 33(2)

OFFER PRICE AND DURATION OF OFFER

The mandatory takeover price ("Offer Price") will be determined according to Rule 14(2) of the Securities (Takeover) Rules 2010 which stipulates that the Offer Price shall be the sum of any premium and of the highest of

- (a) the price paid by the Offeror or a person acting in concert for any acquisition during the 6 months preceding the date of public announcement (i.e. the date of this announcement);
- (b) the price paid by the Offeror under a preferential allotment made to him or to a person acting in concert at any time during the 12 months' period up to the date of closure of the offer; or
- (c) the average of the weekly high and low of the closing prices of the shares of the Offeree as listed on the securities exchange where the shares of the Offeree are most frequently traded during the 6 months preceding the date of the public announcement.

Shareholders and the public are hereby informed that the Board of Indigo will, as stated in its public announcement dated December 27, 2016, make an offer to the Ordinary shareholders of TPCL on or about 2 months from the date of the Transaction, in compliance with Rule 20(1) of the Securities (Takeover) Rules 2010. The Offer Price will be MUR 6.30 per share and is in accordance with Rule 14(2)(a) of the Securities (Takeover) Rules 2010.

The Board of Indigo has further confirmed that it has sufficient financial resources available to satisfy the acceptance of the offer.

The shareholders and the investing public are advised to exercise caution when dealing in the shares of TPCL and will be kept informed of further developments in respect of this matter.

By order of the Board

Eclosia Secretarial Services Ltd
Company Secretary

27 December 2016

This announcement is issued pursuant to DEM Rule 21 made by the Stock Exchange of Mauritius Ltd and Rule 12 of the Securities (Takeover) Rules 2010.

The Board of Directors of Tropical Paradise Co. Ltd accepts full responsibility for the accuracy of the information contained in this announcement.

ANNEXURE B: All interim statements and announcements made by TPCL since the last published audited accounts

TROPICAL PARADISE CO LTD AND ITS SUBSIDIARY COMPANY

UNAUDITED CONDENSED FINANCIAL STATEMENTS FOR THE QUARTER ENDED SEPTEMBER 30, 2016

The Directors are pleased to present the unaudited condensed Financial Statements of the Group for the quarter ended 30th September 2016

1. CONDENSED STATEMENT OF FINANCIAL POSITION

| | THE GROUP | |
|-------------------------------------|---------------------------|---------------------------|
| | As at | |
| | Sept 30, 2016 Rs 000's | Sept 30, 2015 Rs 000's |
| ASSETS | | |
| Non-current assets | 2,077,265 | 2,092,278 |
| Current assets | 132,100 | 124,569 |
| Total Assets | 2,209,365 | 2,216,847 |
| EQUITY AND LIABILITIES | | |
| EQUITY AND RESERVES | | |
| Share capital | 1,153,125 | 1,153,125 |
| Revaluation and other reserves | 454,690 | 445,270 |
| Total Equity | 1,607,815 | 1,598,395 |
| LIABILITIES | | |
| Non-current liabilities | 393,234 | 416,770 |
| Current liabilities | 208,316 | 201,683 |
| Total Liabilities | 601,550 | 618,452 |
| Total Equity and Liabilities | 2,209,365 | 2,216,847 |

3. CONDENSED STATEMENT OF CASH FLOWS

| | THE GROUP | |
|---|---------------------------|---------------------------|
| | As at | |
| | Sept 30, 2016 Rs 000's | Sept 30, 2015 Rs 000's |
| Net cash from operating activities | 19,002 | 963 |
| Net cash used in investing activities | (15,080) | (32,319) |
| Net cash used in financing activities | 22,832 | 22,842 |
| Increase/(Decrease) in cash and cash equivalents | 26,754 | (8,514) |
| <i>Movement in cash and cash equivalents</i> | | |
| At July 1, | (93,680) | (45,402) |
| Increase/(Decrease) | 26,754 | (8,514) |
| At September 30, | (66,926) | (53,916) |

2. CONDENSED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

| | THE GROUP | |
|---|---------------------------|---------------------------|
| | Quarter ended | |
| | Sept 30, 2016 Rs 000's | Sept 30, 2015 Rs 000's |
| Turnover | 165,370 | 146,842 |
| Operating profit | 19,471 | 8,367 |
| Net finance costs | (6,801) | (6,992) |
| Profit before taxation | 12,670 | 1,375 |
| Income tax | (1,901) | (522) |
| Profit for the quarter | 10,770 | 853 |
| Other Comprehensive Income | - | - |
| Total Comprehensive Income | 10,770 | 853 |
| Financial information per share | | |
| Number of ordinary shares in issue ('000) | 142,500 | 142,500 |
| Basic earnings / (loss) per share (Rs.) | 0.07 | (0.00) |
| Net Asset Value per Share (Rs.) | 10.76 | 10.69 |

Basic earnings and Net Asset Value per share are calculated after taking into consideration the cumulative preference dividends (ie. Rs 1.5M as at September 2016 and 2015) and preference share capital respectively.

4. CONDENSED STATEMENT OF CHANGES IN EQUITY

| | THE GROUP | | | | |
|---|------------------------|-------------------------------|-------------------|--------------------------|------------------|
| | Ordinary Share Capital | Fair Value and Other Reserves | Retained Earnings | Preference Share Capital | Total |
| | Rs 000's | Rs 000's | Rs 000's | Rs 000's | Rs 000's |
| At July 1, 2016 | 1,078,125 | 368,736 | 75,184 | 75,000 | 1,597,045 |
| - Total comprehensive income for the quarter | - | - | 10,770 | - | 10,770 |
| - Transfer of excess depreciation on revaluation of property, plant and equipment | - | (643) | 643 | - | - |
| - Dividend Paid | - | - | - | - | - |
| At September 30, 2016 | 1,078,125 | 368,093 | 86,597 | 75,000 | 1,607,815 |
| At July 1, 2015 | 1,078,125 | 371,646 | 72,770 | 75,000 | 1,597,542 |
| - Total comprehensive income for the quarter | - | - | 853 | - | 853 |
| - Transfer of excess depreciation on revaluation of property, plant and equipment | - | (793) | 793 | - | - |
| - Dividend Paid | - | - | - | - | - |
| At September 30, 2015 | 1,078,125 | 370,853 | 74,417 | 75,000 | 1,598,395 |

RESULTS & PROSPECTS (GROUP)

For the quarter under review the Group performance improved significantly compared to the same period last year. Rooms turnover increased by 14%, driven by better occupancies and average room rate for Labourdonnais Waterfront Hotel and Hennessy Park Hotel. Food and beverage turnover grew by 11% despite the closure of Hennessy Park Hotel conference facilities for 3 weeks in September 2016 for refurbishment.

The forecasts for the next quarter are positive and management expects the group to continue on this upward trend.

By order of the Board

Eclosia Secretarial Services Ltd
Secretary

Date: 3 November 2016

NOTES TO THE ABOVE

The above unaudited condensed financial statements for the quarter ended September 30, 2016 have been prepared on the same basis as the accounting policies set out in the statutory financial statement of the Company and are issued pursuant to DEM Rule 17 and the Securities Act 2005.

The Board of Directors accepts full responsibility for the accuracy of the information contained in the above Financial Statements.

Copies of the condensed financial statements are available to the public free of charge, at Eclosia Group Headquarters, Gentilly Moka, Mauritius.

The statement of direct and indirect interests of officers of the Company required under rule 8(2) (m) of the Securities (Disclosure Obligations of Reporting Issuers) Rules 2007 is available upon request from the Secretary, free of charge, at Eclosia Group Headquarters, Gentilly, Moka, Mauritius.

BRN: C07013796

TROPICAL PARADISE CO LTD AND ITS SUBSIDIARY COMPANY
UNAUDITED CONDENSED FINANCIAL STATEMENTS FOR THE QUARTER AND SIX MONTHS ENDED DECEMBER 31, 2016

The Directors are pleased to present the unaudited condensed Financial Statements of the Group for the quarter and six months ended 31st December 2016

1. CONDENSED STATEMENT OF FINANCIAL POSITION

| | THE GROUP | |
|-------------------------------------|-----------------------------|------------------------------|
| | As at | |
| | Dec 31, 2016 Rs 000's | June 30, 2016 Rs 000's |
| ASSETS | | |
| Non-current assets | 2,073,347 | 2,074,707 |
| Current assets | 152,345 | 125,865 |
| Total Assets | 2,225,692 | 2,200,572 |
| EQUITY AND LIABILITIES | | |
| EQUITY AND RESERVES | | |
| Share capital | 1,153,125 | 1,153,125 |
| Revaluation and other reserves | 475,133 | 443,920 |
| Total Equity | 1,628,258 | 1,597,045 |
| LIABILITIES | | |
| Non-current liabilities | 385,460 | 399,560 |
| Current liabilities | 211,975 | 203,967 |
| Total Liabilities | 597,434 | 603,527 |
| Total Equity and Liabilities | 2,225,692 | 2,200,572 |

2. CONDENSED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

| | THE GROUP | | | |
|---|-----------------------------|-----------------------------|-----------------------------|-----------------------------|
| | 3 months ended | | 6 months ended | |
| | Dec 31, 2016 Rs 000's | Dec 31, 2015 Rs 000's | Dec 31, 2016 Rs 000's | Dec 31, 2015 Rs 000's |
| Turnover | 200,869 | 175,612 | 366,239 | 322,454 |
| Operating profit | 31,775 | 24,927 | 51,246 | 33,294 |
| Net finance costs | (7,724) | (7,895) | (14,525) | (14,887) |
| Profit before taxation | 24,051 | 17,032 | 36,721 | 18,407 |
| Income tax | (3,608) | (2,068) | (5,508) | (2,590) |
| Profit for the period | 20,443 | 14,964 | 31,213 | 15,817 |
| Other Comprehensive Income | - | - | - | - |
| Total Comprehensive Income | 20,443 | 14,964 | 31,213 | 15,817 |
| Financial information per share | | | | |
| Number of ordinary shares in issue ('000) | 142,500 | 142,500 | 142,500 | 142,500 |
| Basic earnings per share (Re.) | 0.13 | 0.09 | 0.20 | 0.09 |
| Net Asset Value per Share (Rs.) | - | - | 10.90 | 10.80 |

Basic earnings and Net Asset Value per share are calculated after taking into consideration the cumulative preference dividends (ie. Rs 1.5M for the Quarter and 3.0M for the 6 months) and preference share capital respectively.

3. CONDENSED STATEMENT OF CASH FLOWS

| | THE GROUP | |
|---|-----------------------------|------------------------------|
| | Dec 31, 2016 Rs 000's | Dec. 31, 2015 Rs 000's |
| Net cash from operating activities | 53,664 | 18,935 |
| Net cash used in investing activities | (23,375) | (40,611) |
| Net cash from financing activities | 6,900 | 15,682 |
| Increase/(Decrease) in cash and cash equivalents | 37,189 | (5,995) |
| Movement in cash and cash equivalents | | |
| At July 1, | (93,680) | (45,402) |
| Increase/(Decrease) | 37,189 | (5,995) |
| At December 31, | (56,491) | (51,397) |

4. CONDENSED STATEMENT OF CHANGES IN EQUITY

| | THE GROUP | | | | |
|---|---------------------------|-------------------------------------|----------------------|-----------------------------|------------------|
| | Ordinary Share Capital | Fair Value and Other Reserves | Retained Earnings | Preference Share Capital | Total |
| | Rs 000's | Rs 000's | Rs 000's | Rs 000's | Rs 000's |
| At July 1, 2016 | 1,078,125 | 368,736 | 75,184 | 75,000 | 1,597,045 |
| - Total comprehensive income for the quarter | - | - | 31,213 | - | 31,213 |
| - Transfer of excess depreciation on revaluation of property, plant and equipment | - | (1,286) | 1,286 | - | - |
| - Dividend Paid | - | - | - | - | - |
| At December 31, 2016 | 1,078,125 | 367,450 | 107,683 | 75,000 | 1,628,258 |
| At July 1, 2015 | 1,078,125 | 371,647 | 72,774 | 75,000 | 1,597,547 |
| - Total comprehensive income for the quarter | - | - | 15,817 | - | 15,817 |
| - Transfer of excess depreciation on revaluation of property, plant and equipment | - | (1,587) | 1,587 | - | - |
| - Dividend Paid | - | - | - | - | - |
| At December 31, 2015 | 1,078,125 | 370,060 | 90,178 | 75,000 | 1,613,364 |

RESULTS & PROSPECTS (GROUP)

For the period under review, the Group recorded a 14% increase in turnover compared to the corresponding period last year with all our hotels performing well. As a result, the Group profit before tax improved significantly.

The third and fourth quarters are generally challenging. However, management remains confident that the results for the full year ending 30 June 2017 should improve over the last year.

By order of the Board

Eclosia Secretarial Services Ltd
Secretary

8th February 2017

NOTES TO THE ABOVE

The above unaudited condensed financial statements for the period ended December 31, 2016 have been prepared on the same basis as the accounting policies set out in the statutory financial statement of the Company and are issued pursuant to DEM Rule 17 and the Securities Act 2005.

The Board of Directors accepts full responsibility for the accuracy of the information contained in the above Financial Statements.

Copies of the condensed financial statements are available to the public free of charge, at Eclosia Group Headquarters, Gently Moka, Mauritius.

The statement of direct and indirect interests of officers of the Company required under rule 8(2) (m) of the Securities (Disclosure Obligations of Reporting Issuers) Rules 2007 is available upon request from the Secretary, free of charge, at Eclosia Group Headquarters, Gently Moka, Mauritius.

BRN: C07013796

TROPICAL PARADISE CO. LTD

Registered Office:

Eclosia Group Headquarters,
Gentilly, Moka, Mauritius

Tel: 404 9000 – Fax: 433 4145

BRN: C07013796