



MANDARIN ORIENTAL

GRAND CAYMAN

MARCH 2024

CONFIDENTIAL & PROPRIETARY

Ownership, Confidentiality and Disclaimers

This presentation is the property of Melkonian Capital Management LLC (MCM). The contents of this book are the intellectual property of MCM and are strictly confidential. MCM requires of the recipient, and by accepting this presentation book the recipient agrees, to keep the contents strictly confidential and not to use the contents for any purpose other than to consider an investment or other business relationship with MCM relating to the contents hereof. The Recipient shall not disclose the contents hereof to any employee, consultant or advisor except on a need-to-know basis and then only after advising such person or entity of the confidential nature hereof and obtaining an agreement from such person or entity to keep the contents hereof confidential on the terms set out herein.

Notwithstanding the foregoing paragraph, the recipient may disclose the contents hereof if required by law or administrative order to which recipient is subject. The Recipient agrees not to make any photographic photocopies or copy or make any abstracts hereof without the prior written consent of MCM immediately upon request thereof. The Recipient agrees, by acceptance of this book, that monetary damages will not adequately compensate MCM if the Recipient breaches a provision of this statement or other misuses any of the intellectual property of MCM and the Recipient agrees that MCM may seek injunctive relief to protect its rights and property hereunder.

Any investment in or purchase of any securities of the Company is speculative and involves a high degree of risk and uncertainty. This presentation includes forward-looking statements that represent the Company's opinions, expectations, beliefs, intentions, estimates or strategies regarding the future, which may not be realized. All statements other than statements of present or historical fact are forward-looking statements. Such forward-looking statements involve known and unknown risks, uncertainties and other important factors beyond the Company's control that could cause the Company's actual results, performance or achievements to be materially different from the expected results, performance or achievements expressed or implied by such forward-looking statements. Such forward-looking statements are based on numerous assumptions regarding the Company's present and future business strategies and the environment in which it will operate in the future. There is no representation, warranty or assurance of any kind, express or implied, that the future projections, management estimates, prospects or returns will be realized. The actual results could vary from the projections contained herein, and such variations that may arise could be material. In addition, percentages and certain amounts included in the Presentation have been rounded to the nearest whole number or single decimal place for ease of presentation. Accordingly, figures shown as totals in certain tables may not be the precise sum of the figures that precede them. This presentation is being distributed solely for informational purposes to sophisticated institutions with sufficient knowledge and experience in investment, financial, and business matters and the capability to conduct their own respective due diligence investigations and evaluations in connection with any investment. Information contained herein will be superseded by, and is qualified in its entirety by reference to, any other information that is made available to you in connection with your investigation of the Company. Each recipient of this presentation is invited to meet with a representative of the Company and to discuss with, ask questions of, and receive answers from, such representative concerning the Company and the terms and conditions of any transaction.

Any securities of the Company to be offered in any transaction contemplated hereby have not been and will not be registered under the U.S. Securities Act of 1933, as amended (the "Securities Act"), or any applicable state or foreign securities laws. Any securities to be offered in any transaction contemplated hereby have not been approved or disapproved by the U.S. Securities and Exchange Commission, any State securities commission or other United States or foreign regulatory authority, and will be offered and sold solely in reliance on the exemption from the registration requirements provided by Section 4(a)(2) of the Securities Act and rules and regulations promulgated thereunder or Regulation S under the Securities Act. This presentation does not constitute an offer to sell or the solicitation of an offer to buy securities in any State or other jurisdiction, to any person to whom it is unlawful to make such offer or solicitation in such State or jurisdiction.

Final development may vary from artistic renderings contained within this presentation.

For more information contact:

Ryan Melkonian

Sponsor

Ryan@MelkonianCapital.com O:

+1 212 300 6006

M: +1 516 695 9429

Coleman Group Partners

LP Partner

[roger@colemangrouppartners.c](mailto:roger@colemangrouppartners.com)

om



Table of Contents

- Project Overview
- Sponsor and Partners
- Proposed Joint Venture Opportunity
- Appendix
 - a) Land Assembly and Entitlement History
 - b) Hotel Market Overview and Positioning

Project Overview



Our Vision

Project will set new standards in luxury and wellness in the Caribbean



Exquisite luxury destination created around one of the world's natural treasures



Invigorating the Cayman Islands luxury tourism landscape with best-in-class Mandarin Oriental hotel and residential offerings



Responsible standards in sustainable development and operations

Strategic Location

Project is strategically located at the crossroads of North America, South America and Europe



Location Attributes

Total Area	~28 ha / ~70 ac
Proximity to Miami	725 km / 450 miles
Proximity to Airport	15 km / ~15 min
Coastline Length	~2,700 ft

-  260 million people within **4 hours**
-  8 hours flight from **13%** of the global population
-  Located on the south side of Grand Cayman island—site offers **both sunrise and sunset views**
-  One of the highest site elevations (35 ft above sea level), well above the 100-year flood plain, providing **ample storm surge protection**
-  **First mover advantage** in island development pathway
-  **Expanded international airport** ensures connectivity to major hubs and global source markets—Grand Cayman newly expanded International Airport (GCM) now services **~80 flights per week** (25 direct destinations) including the newly announced twice weekly direct flight from LAX



Market Positioning – Strategic Focus on the Luxury Sector

The luxury segment is the most strategic in tourism given its growth potential, high expenditure per trip and frequency of travel



In 2022, the luxury travel industry had a global market value of USD \$1.3 trillion



Over the next 10 years, the growth rate in outbound luxury trips is projected at 6.2% CAGR, almost a third greater than overall travel growth (4.8%)



Luxury travellers take more trips and spend more per trip than the market average





Global middle class has expanded from 20% of the global population to 40% since 1990

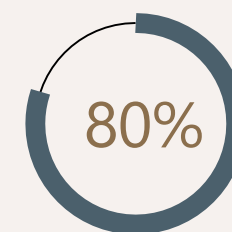
Market Positioning – Strategic Focus on the Wellness Sector

Wellness travel is outpacing overall travel growth as society is placing greater emphasis on healthy lifestyle

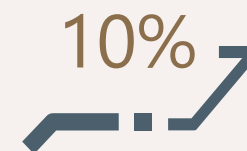
Global Health Issues

	Aging Population	By 2050, 1 in 6 people in the world will be over age 65 (16%), up from 1 in 11 in 2019 (9%)
	Insufficient Sleep	The health effects of insufficient sleep are multifold and can lead to more serious ailments
	Insufficient Physical Activity	Globally, around 23% of adults aged 18 and over were not active enough in 2010
	Stress	Around 3 in 10 employees suffer from severe stress, anxiety or depression
	Bad Nutrition	The health consequences of overweight and obesity contribute to an estimated 4 million deaths (7.1% of all deaths)
	Stroke	Globally, 70% of strokes and 87% of both stroke-related deaths and disability-adjusted life years occur in low- and middle-income countries
	Heart Disease	An estimated 17.9 million people died from CVDs in 2016, representing 31% of all global deaths
	Respiratory	About 65 million people suffer from COPD making it the third leading cause of death worldwide

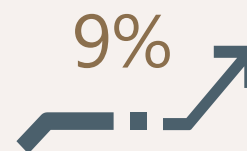
Key Industry Trends



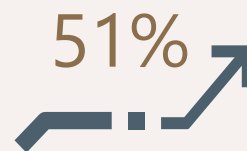
80% of UHNWIs are dedicating more time and money to wellbeing



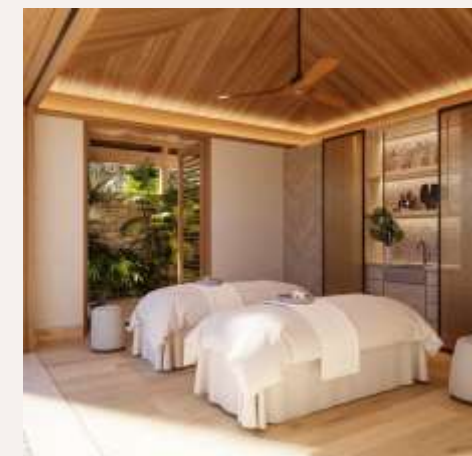
10% Growth in demand for resort spas per year



9% CAGR growth in demand for resort spas with a medical focus between 2016 & 2030



51% Growth in healthcare expenditures between 2013 and 2020

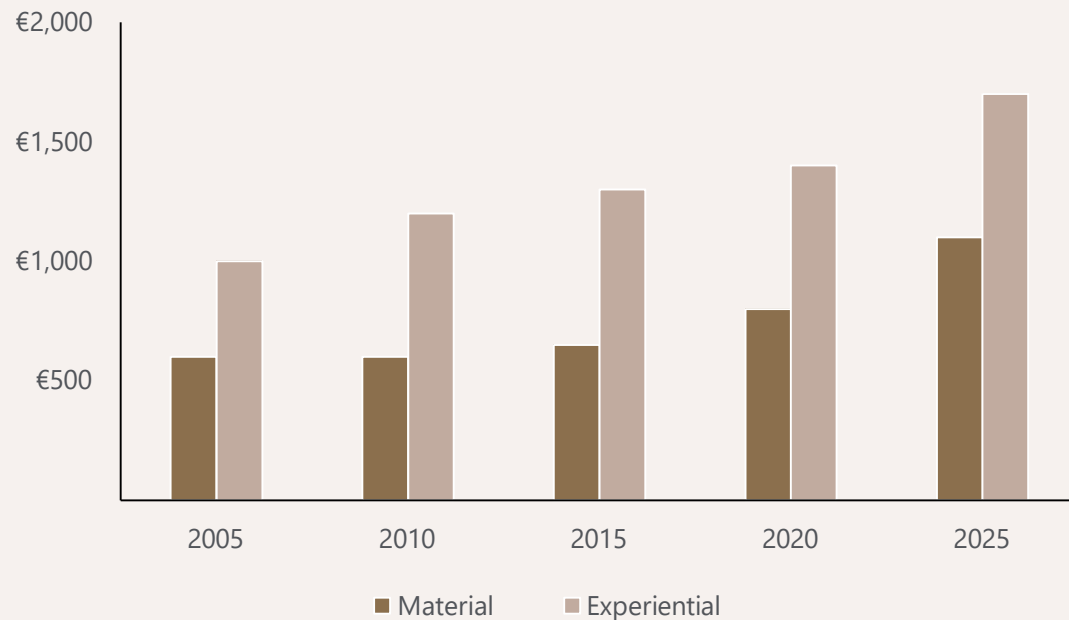


Informed by Established and Emerging Trends

Meaning of luxury tourism is shifting, from a focus on material goods and consumption to meaningful and responsible travel experiences

Total Annual Expenditure on Experiences vs. Material Goods and Consumption

(in billions of euros, at current prices)



Luxury Travelers' Expectations...


- ... service is no longer a unique differentiator, but a basic expectation

Today's Luxury Travelers Seek...


- ... meaningful and responsible travel experiences
- ... to explore not exploit
- ... authenticity, sustainability, preservation, emotional connection
- ... to reduce their environmental footprint


Diverse Experiences


Sophisticated offering with diverse experiences to cater to the modern luxury traveller

 **Wellness Center** opens onto a fitness veranda overlooking the pool. Multi-studio facility includes Yoga and Spin Studio, Pilates Studio and Training Studio accessorized with state-of-the-art cardio and conditioning equipment. Luxurious locker rooms feature steam rooms and saunas

 **World Spa Awards 2023** Mandarin has been awarded World's Best Hotel Spa Brand at the World Spa Awards for a second consecutive year in addition to the recognition of 10 of Mandarin's outstanding Spas around the world. Offering personalized holistic treatments and carefully curated fitness and wellness programs which delight and rejuvenate.


 **Outdoor Recreation** activities in abundance with tennis, padel, pickleball and local experiences with diving, snorkeling, scuba, hiking, outdoors, etc.


 **Pools** – Five ocean-facing swimming pools for kids, families and adults

 **Event Center** – State of the art ballroom and event facilities

 **Kid's Club** featuring interactive playroom with Activities Park



 **Oversized Rooms** – every room offers breathtaking views of the Caribbean Sea with sunrise and sunset views and with the latest technology and comforts










 **Private Residential** offering exclusivity in highly desired and treasured luxury brand

 **Coveted Epicuren and Libation Experiences** including:

- **The Restaurant** – Signature culinary offering features a chef's dining counter, an exhibition kitchen, a wood-fire pizza oven and an oceanfront dining terrace
- **The Ocean Grill** – Day to night brasserie, featuring bountiful displays of in-season produce, locally-sourced seafood and freshly baked goods, offering breakfast, lunch and dinner
- **The Sunset Bar** – Positioned on the waterfront terrace with lounge seating and a sophisticated mixology program and small plates menu
- **The Library** – Intimate louvered solarium with a barista bar and cocktail pantry offers drinks and light bites
- **The Pool Bar** – Lively and fun outlet serving all day long

Barefoot Luxury Destination with Rich & Diverse Experiences

Standard Bearer Tax Treatment Jurisdiction

	Favorable Local Tax Treatment	Cayman Islands provides a favorable tax structure to its residents and businesses, including no income tax, corporate tax, inheritance tax, capital gains tax, gift tax and property tax.
	Import Duties Reduction	Based on Hotels Aid Law (1995), because the project lies in a 'special economic zone', import duties relating to the hotel construction and operations are reduced from 20.0% to 2.5%.
	Industrialized Nation Infrastructure	Grand Cayman's highly regulated water, sewage and electrical systems provide reliable infrastructure that enhances the overall efficiency of the resort and reduces upfront costs typical in other developments in the region.
	Fee Simple Offering	The Mandarin Oriental Grand Cayman is a rare beachfront fee simple ownership development within a 'special economic zone'
	Buyer Deposits Funding Mechanism	Through favorable English Common Law, the Caymanian Government permits the use of buyer deposits towards construction costs, which creates a self-funding mechanism, thereby driving project yield and mitigating risk.
	Highly Skilled Labor Force	Highly skilled and educated labor force—in addition to the robust Cayman economy—equates to low unemployment rate of 4.4% average over 2017-2021 ¹ . Ability to employ non-residents on island mitigates the risk of a tight labor environment from competing construction projects.
	Regional GDP per Capita	Cayman Islands leads the region in GDP per Capita of \$88,475, even surpassing the United States' GDP per Capita by \$12,000 (~15%). This is a testament to the strength and resilience of the Cayman Island's economy driving the highest productivity in the Caribbean.
	Political & Economics Stability	Cayman Islands' status as a British Overseas Territory and its international cooperation regimes in the areas of tax information exchange, regulation and law enforcement ensure a hospitable financial environment. Cayman Dollar has a fixed exchange rate with the US Dollar.
	Government Incentives	Granted incentives of 12.5% of capital costs which can be applied towards waiving or rebating import duties and stamp duties.


Grand Cayman is a safe haven for int'l travelers and residential investors evidenced by strong second home market activity

1) Cayman Islands Government Economics and Statistics Office "Economy at a Glance 2022", World Bank

Pioneering Sustainability Standards

The Project supports a new partnership between luxury tourism and the natural environment, to achieve a better tomorrow.



Mandarin Oriental Hotel Group is a leader in sustainable and environmentally friendly hotel operations ¹

-  99% free of single-use plastics
-  Several annual ongoing energy audits in all hotels
-  30% carbon intensity reduction against 2012 baseline
-  Reduced Scope 1 emissions from 16% in 2012 to 12%
-  Achieved 100% responsible sourced status ⁵
-  16% water intensity reduction

“ Sustainability is about doing the right thing by ourselves, by our colleagues, by our families, and by the planet.
 - James Riley, Former CEO, MOHG ”

Mandarin Grand Cayman will create socio-economic benefits and employment opportunities ²



-  Total Jobs Created ³ **1,200+ (~2% of GC Pop.)**
-  GDP Contribution ³ (During Construction) **~USD 377 M**
-  GDP Contribution ³ (During Operations) **~USD 1,014 M**
-  Government Revenue ⁴ **~USD 177 M**



Sponsor supports all 17 SDGs to address global challenges

1) Mandarin Oriental Hotel Group Sustainability Report 2022.
 2) KPMG Economic Impact Study for Proposed Development at St James Point - Aug 2022.
 3) Direct and indirect impact over construction and 10 year operations. Grand Cayman population of ~68,000.
 4) Through import duties, work permits, residence stamp duty, tourist departure tax, accommodation tax. Government revenue calculated after development concessions.
 5) MOHG key priority categories of endangered seafood, coffee, tea, cocoa, vanilla and paper achieved 100% responsible sourced status, verified by Lloyd's Register Quality Assurance, our independent third-party assurance.

Destination-Wide Smart Infrastructure and Services



Project-wide smart backbone underpins our commitment to sustainability, allows us to enhance and redefine the luxury guest experience and provides an attractive opportunity for operators and investors.



Distinction through pioneering **smart technologies**, in an integrated offering unmatched by any other travel destination in the world





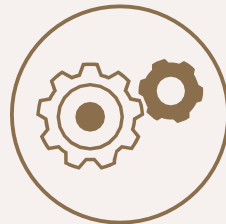
Environmental Stewardship

-  Oversight through smart sensors, real-time monitoring, and destination-wide environmental management data analytics tools
-  Preservation and enhancement using intelligent intervention systems and custom-designed individualized environmental impact dashboards





New Standards for Travel Experiences

-  Seamless end-to-end customer journey through smart, connected systems
-  Ultra-personalized luxury experiences through cutting-edge, responsive technologies



Enhanced Operations

-  State-of-the-art technologies for asset management, including properties, utilities, transportation and public infrastructure
-  Customer analytics and other value-added services to optimize offerings

Development, Investment and Operating Strategy

On completion, this integrated resort will offer comprehensive array of hospitality, leisure and lifestyle options supported by state-of-the-art infrastructure.

Program Highlights



Hospitality

- Newest Island Luxury Product



Residential

- Mandarin Oriental-branded
- Condo/Rental Program



Wellness

- Spa
- Fitness
- Recreation



Entertainment

- Food & Beverage
- Leisure
- Culture
- Adventure



Infrastructure

- Airport
- Mobility & Road Network
- Utilities
- Civil Infrastructure

Development Strategy



Cayman Islands Government



Investment Strategy



Wholly-owned by MCM
or in Joint Venture Partnerships

Operating Strategy



MANDARIN ORIENTAL
THE HOTEL GROUP

Operating Partner – Mandarin Oriental Hotel Group

Recognized as one of the world's premier luxury hotel companies operating 36 hotels and 9 residences (~8,000 rooms) in 24 countries and territories



Forbes TRAVEL GUIDE

★ ★ ★ ★
26 Hotels

★ ★ ★ ★
4 Hotels

81% of all Mandarin system keys are rated 4-star or above

With **29 Michelin stars**, more Forbes 'Five Star Spa' awards than any other hotel group in the world, Mandarin Oriental Hotel Group provides guests and residents with world-class luxury services and amenities.




Mandarin Partnership lends reach and credibility to support our activities

- ✓ Global distribution and brand awareness
- ✓ Existing customer database and affinity programs
- ✓ Central reservation system and international sales force
- ✓ Global marketing program
- ✓ World-class training and development programs

Strategic Location on Island

Grand Cayman is promoting eastward development growth due to lack of land and deteriorating beach conditions on Seven Mile Beach



Seven-mile beach experiencing erosion and is overdeveloped

- Southern end of the world-famous Seven Mile Beach was once a pristine stretch on Cayman's biggest tourism attraction, but now much of the beach in that section has disappeared
- Beach erosion has impacted select hotels including the Marriott and covers over a mile of the southern end of Seven Mile Beach
- Beach erosion is the result of rising sea levels, changing weather patterns and excessive development too close to the sea



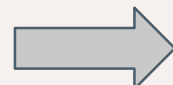
1) <https://caymannewsservice.com/2022/09/7mb-erosion-worsens-after-ian-batters-structures/>
 2) <https://www.caymancompass.com/2023/09/08/erosion-stripping-seven-mile-beach/>

Market Analysis – Cayman Islands

Mandarin Oriental Grand Cayman is the only shovel ready luxury resort development in market creating long tailwind of success

Cayman Islands have significant barriers to entry...

- ✗ Permitting/regulation/govt approval difficult to obtain and time-consuming
- ✗ Scarcity of available land sites and swimmable beaches to develop
- ✗ Seven Mile Beach has experienced beach erosion
- ✗ Lengthy design and development processes



...but Mandarin Oriental Grand Cayman has cleared all material hurdles

- ✓ Received all permitting/regulatory/govt approval after ~10 years of property acquisitions, processing, zoning, relationship building, etc.
- ✓ Only ~70 acre contiguous land holding with ~2,700 feet of beachfront and coastal access and with 35ft of site elevation
- ✓ Located near Bodden Town (southern tip of island with coral reef); this area not experiencing beach erosion challenges
- ✓ Completed lengthy design, development and value engineering processes



Phase 1 Master Plan



Aerial Site Plan

- A East & West Hotel Towers
91 Guest Suites and 20 Residences
- B Resort Amenity Core
Event Center, Spa & Wellness, Fitness Center and Pool, Restaurants and Bars
- C Standalone Residential Tower
22 Residences
- D For Sale Villa Lots
6 lots of - 1.5 acres per lot
- E Future Phase 2 Development



Aerial of Hotel Towers, Resort Core & Residential Tower



Beach Bar and East Tower



Arrival Reception



Sunset Bar



4 Bedroom Condo Living Room



3 Bedroom Condo Bathroom



Sponsor and Partners



Sponsorship and Development Team



MELKONIAN
CAPITAL MANAGEMENT

Sponsor

Melkonian Capital Management (MCM) based in New York, is an experienced real estate and investment group established in 2001. MCM focuses on investment opportunities in private equity, real estate, and public markets. Each of the principals provide over 30 years of investment experience and the firm has a long and successful track record of employing an opportunistic investment model. MCM's strategy is to partner with outstanding management teams and organizations to build value for its investors through a combination of operational improvements, internal growth initiatives and strategic acquisitions. MCM's objective is to generate superior risk-adjusted returns for its investors over the long term while maintaining its reputation as a good corporate citizen.

Development Partner

RAL Development Services (RAL), a premier real estate developer of luxury residential and resort communities worldwide, offers more than 40 years of development and third-party consultant experience providing creative solutions to complex projects. RAL has been strategically hired by Sponsorship to serve as Owner's Representative to provide a full scope of services that includes but is not limited to pre-development coordination, project planning, development oversight, project coordination and construction oversight. RAL's Owner's Rep practice is global in reach and covers a wide range of product types, from large luxury resorts to urban mixed-use projects. RAL brings its wealth of multidisciplinary experience to each individual situation and real estate product to achieve the best results for the principal owner, applying the same commitment to contemporary design, superior quality, and on-time performance as it does to its own sponsored projects.



ral
Designer. Developer. Partner.

Four Seasons Resort at Cayo Largo – Puerto Rico



Located on the paradisiac eastern shore of Puerto Rico the multifaceted resort features 150 rooms as well as 75 branded villas and 225 unbranded residences. RAL was selected by the site's owner as Owner's Representative for the hyper luxury project, coordinating the complex requirements of a modern resort and residences. The project also includes a fully renovated 18-hole golf course along with extensive lifestyle amenities that include a fine dining restaurant, a ballroom, meeting rooms, bar, spa, children's activity centers, outdoor pools, and various aquatic facilities. Due to its expansive size and diverse product types, the development team makes use of RAL's diverse expertise in directing and coordinating all aspects of project development. RAL's mandate calls for oversight of diverse development disciplines, ranging from design to execution, utilities, and infrastructure

Four Seasons Hotel – Vail, Colorado



Brought into a then stalled project, under RAL, the construction team accelerated the schedule, conformed to budgets, and provided the high level of construction quality The Four Seasons brand demands. RAL's professional experience in architecture, an alpine environment, and engineering facilitated an easy flow of documentation and information between the project's design team and construction staff, while their experience in hotel procurements and installations aided communications between ownership and the operators.

Carillon – Miami Beach, Florida



Brought into a stalled sales program, the RAL team established new strategies to deal with all aspects of the project including revising the unit sales approach, refocusing hotel/resort management and operations on bottom line effects, implementing owner outreach programs and restructuring the condo-hotel's rental program. The result was dramatically increased sales velocity and reduced vacancy rates for the rental program.

Four Seasons Hotel – Houston, Texas



RAL was tasked by Ownership and Four Seasons to oversee the design and renovation of a multiphase project to ensure the congruency of their product and world class service. Phase I consisted of an all-new Spa and Fitness center which quickly became one of the city's top wellness destinations. Phase II was nothing short of extraordinary as the team embarked on a complete demolition and structural renovation of the interior lobby, creating a newly spacious area for guests to take in the expansive view of the Grand Staircase all the way to the Hotel's 3rd floor. To complement the newly gorgeous lobby, the team oversaw the adjacent design and construction of the brand-new American bar and restaurant, Bayou & Bottle, as well as a complete refresh to the Porte Cochere and exterior entranceway. RAL achieved the completion of this project on schedule and within budget, helping debut a new and modern gathering place for the sophisticated traveler looking to immerse themselves in the urban landscape.

World Class Architects and Design Team

Select projects shown



Architect

Ritz Carlton Reserve at Pearl Island – Panama



Four Seasons Residences – Scottsdale



The Island House – Bahamas



Architect

Banyan Tree Alula Resort – Saudi Arabia



Six Senses Crans-Montana – Switzerland



Six Senses Con Dao – Vietnam



development studio

Architect

Secret Bay – Dominica



Park Hyatt – St. Kitts & Nevis



Vincy House – Saint Vincent and the Grenadines



World Class Architects and Design Team



Interior Designer

Four Seasons Arion – Greece



Rosewood Little Dix Bay – British Virgin Isles



Four Seasons Papagayo – Costa Rica



Landscape

Royal Atlantis Palm Jumeirah Dubai – UAE



Southern Dunes Resort Red Sea – Saudi Arabia

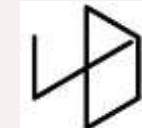


One & Only Palmilla Los Cabos – Mexico



MANDARIN ORIENTAL
GRAND CAYMAN

Select projects shown



Landscape

Four Seasons The Ocean Club – Bahamas



Hilton Luxor Resort New Karnak - Egypt



One & Only Palm Jumeirah Dubai - UAE



Project Timeline



Key milestones expected to be achieved in 2024



- Civil & Early Works Package**
- Mobilization
 - Cut & Fill
 - Coastal & Inland Roads
 - Logistics



- West & East Tower Construction**
- Foundation
 - Under slab
 - Slab on Grade
 - Columns
 - First Floor Elevation
 - MEP Rough-in



- Mobilization**
- Worksite offices
 - Storage facilities



- Capital Structure**
- Term Loan
 - JV Partner

Key Achievements to Date 2008-2023



- Land Acquisitions**
- ✓ Acquired 67 acres through various parcels



- Local Government Approvals, Entitlements & Incentive Packages**
- ✓ Zoning Upgrades, various planning consents granted, and various building permits granted
 - ✓ Executed Development Agreement with Cayman Islands Government
 - ✓ "Shovel Ready" with 100% CDs



- New York State Approvals**
- ✓ Received NY Attorney General approval for hotel tower & residential tower residences



- Hotel Management Agreement**
- ✓ Executed HMA with Mandarin Oriental Hotel Group



- Residential Pre-Sales**
- ✓ 14 units pre-sold / Cayman Island brokers selected



- Various Pre-Early Works**
- ✓ Completion of new road through site
 - ✓ Started hotel towers site cut & fill
 - ✓ Completion of beach & jetty restoration

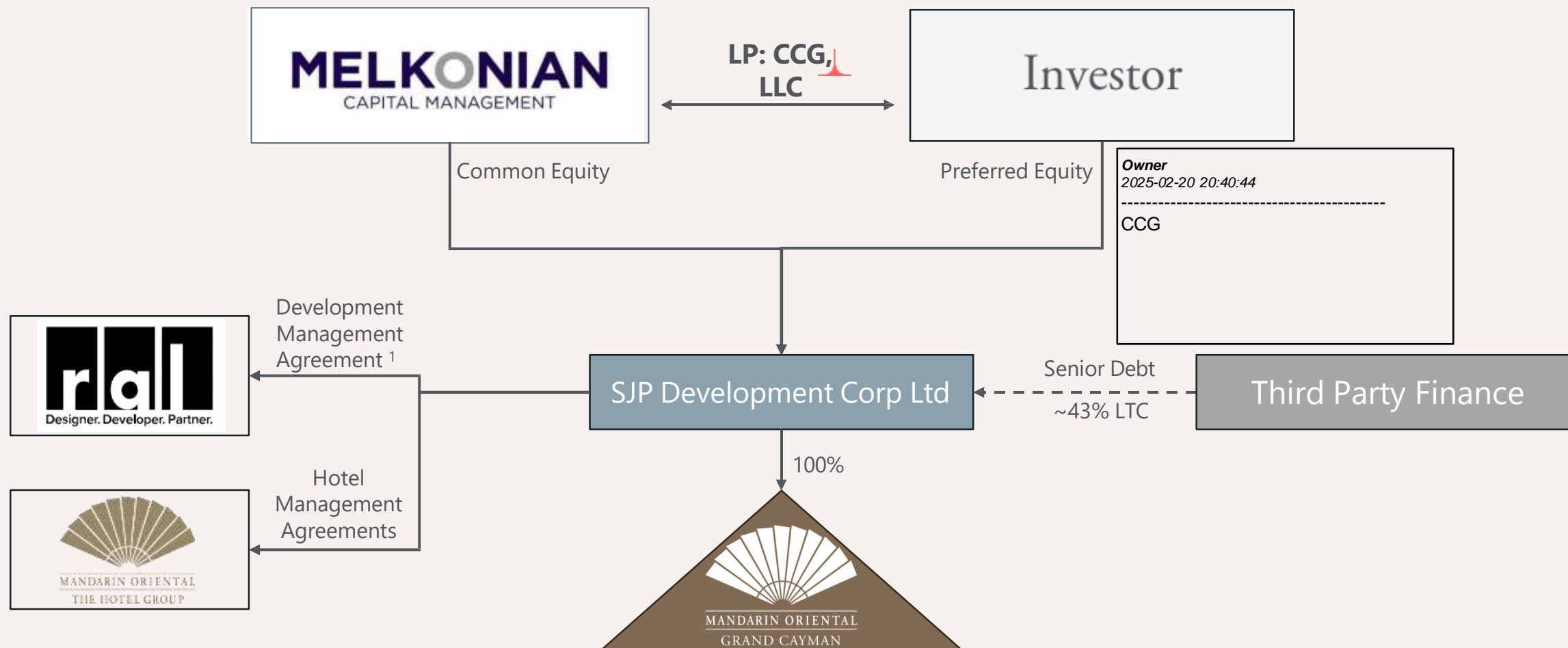
Proposed Joint Venture Opportunity





Proposed Structure – Preferred Equity

Investor invests \$50mm of Preferred Equity



- 1) SJP Development Corp Ltd will take a novation of the existing development management agreement with RAL and appoint RAL as the development manager for the Project
- 2) Melkonian Capital Management and its affiliated funds own and control 100% of SJP Development Corp Ltd