

IN THE SUPREME COURT OF SEYCHELLES

In the matter between:

INTENDANCE RETREAT LIMITED

Plaintiff

-and-

ATTORNEY GENERAL

Defendant

CS No. 56/2023

AFFIDAVIT OF KARL AMMANN

I, **KARL AMMANN**, c/o Mt Kenya Game Ranch, P.O. Box 437,10-400 Nanyuki, Kenya MAKE OATH AND STATE as follows:

1. INTRODUCTION

1.1. I am a director of Intendance Retreat Limited ("**IRL**"), the Plaintiff in this claim. I make this affidavit on behalf of IRL and in support of its claim against the Government of Seychelles (represented by the Attorney General). The particulars of the claim are set out in the Plaint dated 15 May 2023.

1.2. The facts and matters in this affidavit are within my knowledge unless otherwise stated, and I believe them to be true. Where I refer to information supplied by others, the source of the information is identified; facts and matters derived from other sources are true to the best of my knowledge and belief.

1.3. There is now produced and shown to me a bundle of copy documents. Page references in this affidavit are to pages of that bundle.

2. SUMMARY

2.1. IRL has brought this claim against the Government of Seychelles because the Government has failed to enforce the applicable national laws and policies regarding the privately owned villas in resort residential estates. There is strong evidence which leads me to conclude and believe that

this is the direct result of the power and influence wielded by certain foreign investors, including members of the ruling family of the United Arab Emirates.

2.2. As I explain in further detail below, IRL is the owner of Residence on the Rocks, a large villa which is situated at Intendance Bay (the "**Residence**"). The relevant legal sanction for IRL to acquire the Residence was granted by the Government on the basis and subject to the understanding that the Residence would always form part and parcel of the development of what was the nearby Banyan Tree Resort (the "**Resort**"). As such, the Residence was included in the Resort's sanction (as granted to the foreign owners of the Resort, giving them legal permission to acquire the Resort) and was provided with various services by the Resort.

2.3. In short, matters began to deteriorate after the Resort was purchased by the Murban Group ("**Murban**"), an investment group based in Abu Dhabi, UAE. Murban has since been acquired by Alpha Dhabi Group (which is owned by Abu Dhabi's International Holdings Company, and which is ultimately owned by Sheikh Mansour bin Zayed Al Nahyan, the Deputy Prime Minister of the United Arab Emirates and a member of the Emirati Royal family (he is the brother of the current president of the UAE, Sheikh Mohamed bin Zayed Al Nahyan, and is married to Sheikha Manal bint Mohammed Al Maktoum, daughter of Sheikh Mohammed bin Rashid Al Maktoum, the ruler of Dubai). I understand from widely reported press reports and publicly available information that Sheikh Mansour also holds stakes in a variety of football clubs through City Football Group, including current English Premier League winners Manchester City F.C.). Murban bought the Resort (and Hill View Resorts Seychelles Limited, which I will refer to as "HVRSL", the company that owned it) to demolish and redevelop the Resort. The intention was for the Resort to be re-branded as a "Cheval Blanc" hotel, which is a brand which is well known to be owned by the massive French-based conglomerate LVMH Group, and which relates to the celebrated wine estate and Chateau with the same name. The new owners, from the start, made it clear that they had no intention of honouring the existing legal relationship which ensured the provision of various services, by the nearby Resort, to the Residence. Since at least 2020, I, the Residence and Intendance Retreat Limited have been caught in a sort of limbo, with no Resort operating adjacent to the Residence, and works to the Resort being done in a way which ignores the obligations of HVRSL under both the sanction for their ownership, and national and international environmental laws and standards.

2.4. Clearly, Murban's acquisition and its plans to redevelop the Resort represented a significant investment in Seychelles. I believe, based on the evidence that I set out in this statement, that the Seychelles Government was subject to significant pressure by the UAE investors to comply with Murban's demands and wishes. It is also my view, from what I have observed over recent years, that Murban has entirely disregarded national law and policies, and in turn, the Government has

done the same in allowing Murban to do so. I consider that corruption at the highest level of the Seychelles Government has allowed Murban to ride roughshod over other investors, including me and Intendance Retreat Limited.

3. MY BACKGROUND

- 3.1. I am a photographer, author, conservation activist, filmmaker and wildlife crime investigator. I am a Swiss national and I completed the International Baccalaureate, after which I attended the Swiss Hotel School in Lucerne. I studied at the St. Gall School of Economics, and then transferred to Cornell University in Ithaca, NYC, graduating in 1974 with a degree in Hotel Management. I then worked for InterContinental Hotels on project development and marketing, first in Kinshasa and then for the Africa and Middle East Division. For many years, I have practised wildlife photography and campaigned against the bushmeat trade, poaching, illegal exportation and other forms of exploitation of wildlife.
- 3.2. I have received numerous awards and accolades throughout my career, including the BBC Wildlife Photographer of the Year “World In our Hands” category award, five years in a row, and TIME Magazine’s Heroes of the Environment award. I am a leader of the campaign that gained worldwide recognition of the bushmeat crisis in Africa, and I am an advisory director to several prominent conservationist organisations.
- 3.3. I have documented and reported on the environmental impact of the development of the new version of the Resort on the local habitat and environment, including its devastating impact on the wetland and beachfront ecosystem.
- 3.4. Although I live in Kenya, my family have been frequent visitors to Seychelles for some 45 years. Before IRL acquired the land on which the Residence is built, we owned a villa in Les Cannelles, which I inherited: it was high up on a ridge overlooking the sea and beaches.

4. THE RETURN OF THE LAND AT INTENDANCE BAY

- 4.1. To provide the proper background to the current dispute, I set out below how I, and IRL, came to acquire the land at Intendance Bay.
- 4.2. Between 1977 and 1993, several plots of land in Seychelles were confiscated by the Government to be used for development projects. This was after the coup in 1977, which shortly followed independence.

- 4.3. In 1982, I took British motorsports racing driver Sir Jackie Stewart on safari in Kenya. Sir Jackie and his wife stayed at my camp in the Masai Mara. Sir Jackie later introduced me to Denis O'Brien, who was the business manager of George Harrison (of The Beatles) and co-founder of the film studio HandMade Films. Mr O'Brien and his family subsequently came to Kenya for a two-week safari, and I talked with Mr O'Brien about my family's villa at Les Canelles. Mr O'Brien told me that there had been a joint venture between George Harrison and the actor Peter Sellers, who had acquired about 110 hectares of land at Intendance Bay and a plot in the North of Mahé in the early 1970s through an investment company called Immobilière Sorento S.A. ("**ISSA**"). The intention was to develop a resort on the land, and then later George Harrison decided to turn it into a botanical garden. The project did not proceed in the end because they could not reach an agreement on some aspects with the then-President René.
- 4.4. It was in the mid-1990s that I first became aware that the Seychelles Government had asked for loans from the International Monetary Fund. One of the conditions for the loans was that the Seychelles Government had to return land which had been confiscated from its original owners, or at least pay compensation to them. When I became aware of this, I got in touch with Mr O'Brien to let him know of the potential opportunity to get some of the land at Intendance Bay returned. Mr O'Brien told me that the value of the land had been written down to \$1 in their books and that they did not have the relevant files anymore, but he did authorise me to visit their Seychelles lawyer to see if we could locate them. I went to see Mr Sellers' and Mr Harrison's former lawyer, Mr Ramniklal Valabhji, and we managed to locate the title deeds to the land.
- 4.5. Separately, while in Kenya, I met an investment professional, Mr Derek Breed, who had presented an investor seminar where I live, in Laikipia. Mr Breed was based in Jersey and was involved in managing financial services and investments. I invited Mr Breed to my home and told him about the land at Intendance Bay and the potential for getting it returned. Mr Breed seemed extremely interested and wanted to come on board as an investor. I introduced Mr Breed to Mr O'Brien. Mr Breed and I subsequently attended a dinner in London with the representatives of the estates of George Harrison and Peter Sellers: I explained the position regarding the title deeds and we discussed options for the land.
- 4.6. I then approached the Government, on behalf of the potential investors, to request either the return of the land or compensation. The Government confirmed that the land could be returned, on the condition that it was developed.
- 4.7. In recognition of my services to ISSA in facilitating the return of the land, I (as well as four other directors) was granted a parcel of land at Intendance Bay. On 4 September 1998, I entered into an agreement with ISSA and Lindere Investments Limited, which recorded my entitlement to receive a

plot of the land which was allocated to five directors of ISSA within the Intendance Site (see page 21-28).

5. THE DEVELOPMENT

- 5.1. I recall that we flew out to Mahé so that I could show Mr Breed the land at Intendance Bay. Mr Breed then took over the negotiations with the authorities in Seychelles, once they had agreed to return the land. The authorities were pushing for the development of a five-star resort on Mahé. I remember that the Government offered the inclusion of Alphonse, an additional island, but I told Mr Breed that it would be necessary to separately operate charter flights to Alphonse, so a resort there would not make financial sense. Peter Sellers and George Harrison had also owned some land in the North of Mahé, which had been added to the Intendance plot. As that piece of land had since been developed for local housing, it could not be returned to ISSA, so the Government added an adjacent piece of land to the Intendance site instead.
- 5.2. I arranged for the accounting company PKF International Limited (where I had worked as a senior consultant in the past) to carry out a feasibility study in relation to the development of a resort at Intendance. I also assisted in planning and designing the development, as Mr Breed started bringing in various investors from Jersey and later, from Singapore.
- 5.3. The initial plan was to develop an integrated resort with three different hotels, based on an integrated resort project that Banyan Tree Singapore had pioneered in Phuket. This was however a huge piece of land, and the potential for generating a profit with only two smaller hotels was fairly limited. The plan therefore was that residential villas would be developed in parallel with the initial resort development, benefiting from their proximity to the resort, and the availability of the resort's infrastructure and facilities, and the return on investment would hopefully also come from the sale of these private residences. In broad terms, the first phase of the development was to comprise the construction of a luxury, five-star hotel resort, which would include restaurants, a health and fitness spa, and a beach club offering fishing, diving and other water sports. The second phase (which would run concurrently with the first phase) involved the building of residential villas for some of the directors and shareholders of ISSA, which would also represent show-villas for the marketing of further planned residences. The projected third phase was to involve the construction of a second and even third five-star resort. The integrated resort approach by Banyan Tree foresaw a five- and then a four- and three-star resort.
- 5.4. Work on the project started in earnest in 1996. I had earned a 3.75% shareholding in Lindere Investments Limited (which was a substantial shareholder of ISSA) for initiating return of the land. I agreed to acquire a further 3.55% share for which I contributed US\$50,000.

- 5.5. Several investors agreed to provide funding, and then financiers got involved which generated more funding. One of the individuals introduced by Mr Breed was Hillary Prior. Ms Prior had a contact at the international hotel brand Banyan Tree, and suggested that they should be considered as a potential managing partner for the resort. Mr Breed started negotiating with Banyan Tree, who were ultimately given a shareholding of 30% of the landowning company, on the condition that they would secure the financing required for the planned integrated resort of 3 hotels in different categories with up to 700 rooms. In the end, Banyan Tree did not actually raise the required funds, and the planned resort was scaled back to an initial development of approximately 30 rooms.
- 5.6. Mr Ho Kwon Ping, the founder and executive chairperson of Banyan Tree, then introduced a company called Wah-Chang, which was a Singaporean conglomerate and a shareholder of Banyan Tree Resort Holdings. Wah-Chang brought in their own contractor, from Indonesia, to build the resort. Banyan Tree was to be the operator of the resort at Intendance Bay, which ultimately became the Resort.
- 5.7. Some of the directors were to receive a plot of land at Intendance on which they could build residential show villas, which would be operated under a service agreement with the Resort. The other directors decided not to build residential villas, as they felt that they had invested enough in the project and because there was no indication that the integrated three-unit hotel concept would come to fruition. I decided to resign as a director and was repaid my initial investment, but I retained my right to own and develop a plot at Intendance, as compensation for the time I had spent, and the effort I had gone to, in facilitating the return of the land.
- 5.8. The project did, however, require further equity. To assist with equity financing, Mr Breed financed, under the Seychelles company named Lindere Investments Limited, the construction of a two-bedroom show-home presidential villa (the "**Presidential Villa**"), which I believe had a construction cost of around US\$1.5 million. Banyan Tree provided services to the Presidential Villa and rented it out on Mr Breed's behalf. The Presidential Villa generated significant revenue; by way of example, I refer to the consolidated income statement of Lindere Investments Limited (which owned the Presidential Villa) for the year ended 31 December 2009, which shows income generated of US\$233,439 in that year alone (page 81).

6. SERVICES TO BE PROVIDED

- 6.1. In this section of my statement, I explain how the Residence was to be operated with the benefit of services from the Resort. It is important to understand how this was to work, because it explains why the Residence, without the benefit of services from the Resort, is worth dramatically less in commercial terms and as an amenity. It also explains why the effect of the action of the

Government, in failing to abide by their own legal requirements for the Resort, has been to cost IRL substantial sums of money.

6.2. It was always intended that the Resort would provide all essential utilities and infrastructure services to residences at the Resort, in addition to the hotel services which guests would expect at a luxury resort. This was the plan from the very beginning and was consistent with the Wah-Chang model. It was also an essential aspect of the intended nature and use of the residences. These were to be high-end luxury holiday villas which would be occupied by their owners, or guests, who would expect to be taken care of and to have access to high-level services from the adjacent resort. The type of villas envisaged would therefore not work as standalone villas without access to resort facilities and services, and they would be designed to take into consideration the third-party services provided. There were to be two categories of residential villa to be developed: one category would be the more standardised, resort hotel type of branded villa, and the second category would be for interested parties who wanted to develop a residence based on their own style (and employing their own interior decorators) as integrated villas. The service packages for both categories of residential villa would be similar in that both would allow the occupants access to the facilities of the resort.

6.3. In September 1996, when we were in the process of obtaining Government approval for the development, the Minister of Tourism and Community Development had (on Wah-Chang's invitation) visited the Banyan Tree Laguna Phuket resort in Thailand. This was recorded in one of the early reports to shareholders of ISSA (page 4-10), which also explained the intention for the Resort to provide services to residences:

The complex at Laguna, Phuket obtained better efficiency, cost effectiveness and operating profit by centralising the management of certain services in a non-profit making service company, which is managed and controlled by Wah-Chang. This approach will be followed at Intendance and some of these services are:-

Water, electricity and sewage treatment

Landscaping, garden and pool maintenance

Security

Engineering and transport

Laundry

Beach cleaning

Certain shared reservations functions

6.4. The central overarching concept of the resort was that it would comprise hotel and private estate elements, and all of the services and facilities made available by the construction of the hotel resort would be provided to the residential component. This was reflected in the promotional material produced as a guide to potential operation partners and potential investors. The Preliminary Information document (at page 836) includes a section entitled Management and Project Services which specifies that the development was to include various services to homeowners, including:

A Maintenance Contract: covering such possibilities as:-

- *Room service and laundry*
- *Staffing with house servants and administration of personal staff*
- *Maintenance, e.g. gardening, swimming pools, cars*
- *Handling local accounting*

6.5. The Preliminary Information also stated that the "availability of the Resort's facilities will be a feature in selling the private Estates". As I have explained, it was known and accepted that the resort itself was unlikely to generate very significant profits for the owners; it would be the sales of the planned residential villas which would be most profitable, if they were properly supported by the Resort. It was therefore essential that those residential villas would benefit from all of the services and facilities provided by the Resort. This model was emulated by new operators which later moved into the Seychelles, such as The Four Seasons and Raffles.

6.6. In or around December 2001 I raised various questions with Richard Pirouet, who was a shareholder and director of Lindere Investments Limited and one of the Jersey based investors heading up the project with Mr Breed (see page 32). Mr Pirouet was integral to the project: he regularly travelled to Mahé and agreed all of the capital expenditure. Mr Pirouet also became a director of Hill View Resorts (Seychelles) Limited when that company was later incorporated. I had some concerns around the construction of the Presidential Villa (also known as the Lindere Villa), which I was concerned might receive preferential treatment, and I also had concerns about security issues. I told Mr Pirouet that I would only proceed with the construction of a residential villa on my plot if I could be assured that the management criteria for the Presidential Villa would be the same as for any other of the directors' villas (since the Presidential Villa enjoyed a superior location). Mr Pirouet said that the "*servicing [of the Presidential Villas and my villa] should be fairly similar*". I pointed out (as I had previously) that a single villa would not be viable (at the location of my plot) in terms of security, given its rather remote location. Mr Pirouet provided me with reassurance in terms of security. When we discussed matters, Mr Pirouet also reassured me that I would receive the hotel services from the Resort, including room service, housekeeping, pool maintenance and gardening. The extension of the existing service road to be used by the golf carts

was put in specifically to allow for the servicing of my new villa and any other residences which would come on stream later on. In correspondence when responding to the points I had raised, Mr Pirouet said that the site (which I had indicated I would accept) "is very close to the Banyan Tree ... and is adjacent to the new (service) road (which would link the villa directly to golf cart road). Hotel services, which can include security, will be easier to provide".

7. OBTAINING GOVERNMENT APPROVAL

- 7.1.** If the planned development was to proceed, it was essential that the relevant permissions be obtained from the Seychelles Government and that the necessary licence be obtained. This is because the Government imposed strict controls on the ownership, development and operation of foreign-owned resorts and hotels. If they could obtain the relevant permissions, foreign investors would benefit from the provisions of the Tourism Investment Promotion Act, which was passed into law in 1996. This legislation was intended to attract capital and was geared especially to foreign investors in tourism: it offered a series of concessions including exemption from import taxes and reduced business tax rates. It was also specifically designed to address the terms on which the Government would permit the development of the Resort and the benefits which would be conferred on the investors.
- 7.2.** Under Seychelles policy, private residences may not be used for holiday accommodation or offered for rental unless they form part of a resort. The Policy on Ownership of Holiday Homes/Villa by Non-Seychellois in addition states that "a privately owned villa cannot be removed from the hotel management scheme or rental pool without the formal approval of the Ministry" (see page 140-145). This element of the Policy (which was adopted later, in 2007) was reflected at the time of the construction of the Resort in the Tourism Investment Promotion Act TDI/SG/086/1999 (the "**Act**") by which the Seychelles Government permitted the development of the Resort, and in the conditions imposed on the approval of the Government for the operation of the Resort. The Act provides in Article 2.8 the "[e]xisting IPA/SGA concessions, plus others granted to the building and the operating phase of the Banyan Tree Seychelles, [are] to apply to the residential component of the Banyan Tree too."
- 7.3.** In granting preliminary permission for the development of the Resort, the Government had stipulated that the Resort must be owned through a Seychelles company which could be up to 99% foreign-owned. Seytropical Resorts Limited ("**STR**L") and Banyan Tree Resorts (Seychelles) Limited were duly incorporated in early 1999. In April 2011 Banyan Tree Resorts (Seychelles) Limited changed its name to Hill View Resorts (Seychelles) Limited ("**HVR**SL").
- 7.4.** In 2001, HVRSL obtained Government approval to operate the Resort through a foreign-owned company on various specified terms. Although I was not a party to these negotiations, I believe that in granting the sanction for the operation of the Resort the Government required my villa to

be treated as part of the Resort for all practical purposes, including being provided at all times with a service agreement which would entitle my villa to receive the services which were understood to be a necessary part of the proposition. I will explain why I believe this.

7.5. On 20 February 2001, Mr Breed on behalf of HVRSL wrote to J.A. Nourrice and Patrick Lablache at the Seychelles Government Ministry of Land Use and Housing, setting out in summary terms some of the proposals for the development of the Resort, which had been discussed at a previous meeting (see page 29). Specifically, the email addressed the proposals for the treatment of the residential villas which would be adjacent to the Resort. The email set out the following proposals:

7.5.1. The owners of the residential villas could take a management contract, under which Banyan Tree would manage their villa and provide services including maintenance and security.

7.5.2. The residential villas would thus form part of the Resort's stock of rooms, and when the residential residences were used by the hotel guests the owners of the villas would be paid a part of the rate for the room, charged to the guest by the hotel.

7.5.3. The residential villa owners would benefit from the same concessions that the hotel enjoyed. HVRSL would use the revenue generated from the residential villa sales to assist with financing the next stage of the development of the Resort.

7.6. On 28 March 2001 Mr Nourrice, on behalf of the Seychelles Government, sent a letter to Mr Breed confirming that the proposals were agreed upon on the basis that the development of the residential villas would form "*part and parcel of the development*" of the Resort (see page 31). This requirement represented a foundational condition for the development of the residential villas and was a condition of the Government's agreement to (and thus grant of sanction for) the development thereof.

7.7. As I explain below, the Land/Services Agreement stipulated that the survey for the land and the securing of sanction for the hotel licensing of my residence was to be done by HVRSL. The licensing arrangements for the residence itself were dealt with by HVRSL and its lawyer. Neither I nor the company nominated by me, had any control over those arrangements because my residence was part of and included within the Resort for licensing purposes.

8. THE LAND/SERVICES AGREEMENT

8.1. By 2002 the Resort had been built. I was eager to progress matters so that I could build my own residence, which would form part of the Resort. I had by this stage sold my family's villa. I had become increasingly frustrated in recent years by the difficulties in servicing infrastructure needs and general maintenance at the family villa which was not linked to a resort. I only decided to proceed with the villa at Intendance Bay because it would be supported by the nearby Resort: this

was an absolute must, and I would not have proceeded with the development without the service component. I would have considered it to be both undesirable as a residence for myself and unattractive (and commercially unviable) as a holiday rental villa without the relevant services.

8.2. The next step was to enter into the Land/Services Agreement with STRL and HVRSL (which was at that time called Banyan Tree Resorts (Seychelles) Limited), which I did on 7 November 2003 (see page 36-51). By way of the Land/Services Agreement it was agreed (amongst other matters) that:

8.2.1. STRL would transfer the title and ownership of a parcel of land at Intendance, Mahé Island, Seychelles, identified by Title Numbers T2666 and T3409 (the "**Plot**") to a company nominated by me.

8.2.2. A residence based on architectural plans approved by STRL and the Seychelles planning authority would be constructed on the Plot and construction had to be substantially completed within 2 years from the transfer of the Plot.

8.2.3. I was not permitted to make any application for sanctions or concessions without STRL's consent: rather the Plot would be included in STRL's applications in relation to the same, on the basis that the Plot was "included as part of STRL's development".

8.2.4. On completion of the residence:

8.2.4.1. The residence could be used as a show unit; and

8.2.4.2. I, or to be more accurate, my company, would enter into a Service Agreement in accordance with the terms set out in Appendix 2 to the Land/Services Agreement.

8.3. The Land/Services Agreement also stated that the residence could be rented out but would not form part of the room rental inventory (but part of the hotel stock as far as the corresponding hotel license but marketed by me and not directly by the resort). This meant that the residence would not form part of the room inventory in the sense that it would not initially be offered to visiting guests of the Hotel, or made available to book through the normal public channels. Instead, the Residence would be available to book directly through IRL. In practice, once the Residence was built, although the residence was not formally part of the room inventory whenever resort guests made complaints (and if very dissatisfied guests might even threaten to check out), the hotel management would contact me and ask if they could offer my residence to the guests to placate them. My residence was also sometimes offered to guests as an upgrade or as overflow accommodation. The residence of course formed part of the Resort and of the rental pool (even if it was not formally part of the room rental inventory). This complied with the granted sanction, as I explain further below.

- 8.4. It was always my understanding that my residence would, both technically and practically, form part of the Resort. I did not want my residence to be a branded villa, as then it would have to contain specific Banyan Tree furnishings and other specifications would have to follow the Banyan Tree style. I wanted to retain control over the design and furnishings, not least because this was to be my villa which I would use as a holiday home and perhaps as a retirement property. I saw it instead as an integrated villa which was part of the options discussed in writing with Mr Pirouet in the 2001 exchange (which I have explained above). I was however happy to comply with the requirement for the residence to form part of the Resort, and in any event, this was a requirement of the Seychelles Government. I was also happy to oblige with the condition that it was a show home to assist with the marketing of the residential component of the Resort.
- 8.5. The Land/Services Agreement stated that I would obtain, with the assistance of STRL from the resort, the key infrastructural services, that is electricity, water, and sewage as well as TV bouquet, internet, and direct phone lines to the resort switchboard (the "**Infrastructural Services**"), and that I would be responsible for meeting the costs of connecting these. The appended Service Agreement (which under the terms of the Land/Services Agreement I agreed to cause the company to which the land would be transferred to enter into) set out the other services that would be provided, including laundry, cleaning and maintenance, and room services (the "**Other Services**"). The Service Agreement also provided that, as long as I was the owner, I agreed to irrevocably appoint HVRSL "*as the sole and exclusive manager to provide the services listed*". I was happy with this because, as I have mentioned, I knew from previous experience the difficulties which could be faced by an absentee landlord in organising services and I was glad of the support I would receive from the Resort (and indeed would not have pursued the opportunity without such support). I understood from this provision that the services would be provided to me on an irrevocable basis. In any event, and as explained above, the Seychelles Government required that my villa, which I would use as a holiday home and rent out to guests, must form part of, and be serviced by the Resort. I, therefore, understood this reference to an "irrevocable" appointment as indicating that this arrangement would always be maintained.
- 8.6. The Land/Services Agreement was strict and restrictive regarding the responsibility for and the freedom to deal with the title registration of the land, the transfer to a company nominated by me, the sanctions for the use of my residence and the Investment Incentive Act concessions. It was all to be done by HVRSL. In the end, it was all done by their lawyer, Mr Francis Chang-Sam, but I had to pay for his time. This was to give effect to paragraph 6.1 of the Land/Services Agreement which states:

Mr Ammann shall not make any application for sanctions or concessions in respect of the Plot without the written consent of STRL. STRL shall, wherever possible and provided the Plot is included as a part of STRL's development, include the Plot in such sanctions and concessions in the existing Special Growth Area incentives, specially duty free import privileges that may have been granted to it by the Government of Seychelles or such authorities acting with the mandate of the Government of Seychelles.

8.7. It was therefore clear and agreed that I was not permitted to organise the licence for my use of my residence and that it had to be part of the Resort's licence for which I would have to pay my share. This was because my residence was fundamentally integrated into the Resort because of the receipt of services through the Resort, and its inclusion in the Resort's licence which allowed it to be used for the purpose for which the land was allocated to me, and for which my residence was built. I was required by HVRSL to contribute to the licence fee for the Resort, in line with the fact that the Residence was part and parcel of the Resort. The Residence was included in the Accommodation, Catering, Entertainment (Hotel) licence number 89761, a copy of which is at page 150. The Profit & Loss Statements for IRL for the years 2011, 2012 and 2013 show that IRL paid charges levied against IRL by HVRSL for IRL's contribution to the licence fees (see page 148-160, page 230-240, and a copy of the receipt from the Licensing Authority can be seen at page 103).

9. RESIDENCE ON THE ROCKS

9.1. For me to take possession of the Plot, I had to set up a company in Seychelles. On 5 February 2004, IRL was incorporated (see page 52). During this time, I had my architect in Kenya working on the technical drawings for the villa. On 12 April 2005, the Plot was transferred to IRL (see page 53).

9.2. Construction of my villa began in 2006 and completed in 2008. The actual construction, aside from all furnishings, fittings, and fixtures, cost in the region of US\$1,000,000. I paid for the connection of the Infrastructural Services, from the Resort to the Residence, at a cost of approximately US\$30,000. This included paying for all necessary equipment, including a water pump and armoured power cable for the electricity supply.

9.3. Aside from it always having been agreed and understood that the Resort would provide the Infrastructural Services to the Residence, there was quite simply no other method for utilities to be supplied to the Residence, due to its remote location and the fact that the PUC did not provide services to that area of Intendance. The map and photographs at (see page 823 and 877) show the location of the Residence. I marketed the Residence myself (see page 811-822 and page 849-876).

9.4. As can be seen from the brochure and webpage, the Residence was built to an extremely high specification and offered guests the quality of accommodation which could be expected at similar

residential developments at the Four Seasons, the Raffles or the Six Senses resorts. The privacy offered by the Residence was extremely attractive to clients, who particularly appreciated the secluded area, which allowed them to enjoy whatever activities they chose when they were in the villa without any risk of being overlooked, and with minimal risk of any unwanted photographs noise pollution from the resort, etc.

9.5. The clientele of the Residence included a former Prime Minister of Ukraine, a Manchester United goalkeeper, a former Miss Universe, and various television personalities and ultra-high-net-worth individuals. Middle Eastern clients especially enjoyed the privacy of the villa location. Sheikh Saif bin Zayed Al Nahyan, United Arab Emirates Minister of Interior since October 2004 and Deputy Prime Minister since May 2009, stayed on several occasions. During his first visit, during the cooler part of the year, the Sheikh found the pool water too cool and sent his private jet back to Abu Dhabi to collect gas heaters to be installed the next day by special technicians who were flown in. We also had regular stays by the security team of Sheikh Mohamed bin Zayed bin Sultan Al Nahyan, Crown Prince of the Emirate of Abu Dhabi, Deputy Supreme Commander of the United Arab Emirates Armed Forces and the de facto ruler of Abu Dhabi. They arrived with their special weaponry and asked us to store their prayer carpets and specialised cooking utensils at the Residence, to be available during future visits. These guests were always booked on a full board basis with all their meals consumed at the Resort.

9.6. It was essential that the water supply was sufficient to provide a good level of water pressure, to ensure a luxury level of bathroom facilities, and the large volumes of water when required, for the swimming pool. Concerning the electricity supply, this had to be uninterrupted and capable of supporting luxury facilities, such as air conditioning and the swimming pool (which could not possibly be provided using solar power generation on site). The service agreements provided for water and electricity to be supplied on a cost-plus basis which in practice was charged to me at 10% above the PUC prices. This was to cover additional infrastructure which was part of the Resort including two large backup generators and a desalination water plant, which in turn allowed the residents (as well as the Resort guests) to be independent of the PUC supplies if there were any problems from that source, which was essential in accommodating VIP guests. Under the Act, HVRSL had access to duty-free fuel supplies for the generators and the desalination plant which should have resulted in considerable savings.

10. 2007 SERVICE AGREEMENT

10.1. On 27 February 2007, I caused IRL to enter into a service agreement (entitled 'management agreement') with HVRSL which was very similar to the proposed Service Agreement which was appended to the Land/Services Agreement (the "**2007 Service Agreement**") (see page 69-80). The

Land/Services Agreement had been entered into before the construction of the Residence, and before the incorporation of IRL and the transfer of title to the Plot to IRL, so the 2007 Service Agreement was necessary to confirm the terms with IRL on which services would continue to be provided to the Residence. In clause 1 it was stipulated (as it had been in the draft appended to the Land/Services Agreement) that IRL "*agrees to irrevocably appoint the BTRS (which later changed its name to HVRSL) as the sole and exclusive manager to provide the services listed in Scheduled 2, 3 and 4 herein in accordance with the terms set out in this agreement*". In consideration of HVRSL providing the services, IRL agreed to pay fees.

10.2. Schedule 2 to the 2007 Service Agreement set out the services which HVRSL had to provide, which were:

10.2.1. For a fixed fee of \$300.00USD per month:

- 10.2.1.1. General cleaning/landscaping of public areas;
- 10.2.1.2. Provision of security guards;
- 10.2.1.3. Day-to-day minor repairs and maintenance;

10.2.2. For a variable fee:

- 10.2.2.1. Electricity;
- 10.2.2.2. Water;
- 10.2.2.3. Waste removal;
- 10.2.2.4. Cable television and satellite dish connection;
- 10.2.2.5. Housekeeping, gardening, pool cleaning;
- 10.2.2.6. Spare parts of repairs;
- 10.2.2.7. Laundering of linen and towels; and
- 10.2.2.8. Empty house maintenance.

10.3. HVRSL would in addition provide services including internet access, various guest amenities, use of the hotel fitness facilities and swimming pool, and a butler service (the butler service to be provided at a special daily rate). Guests of the Residence would be entitled to use the facilities at the hotel, including the restaurants and spas. The Residence was designed to incorporate only fairly limited kitchen facilities, as it was always intended that guests would use the Resort's room service and restaurants, as part of their stay. The kitchen of the Residence was very small and simple, designed to allow simple food and drinks preparation. It was completely inadequate to cook professional standard meals for all the guests, as would be required in any accommodation of this standard. It was never intended or expected that guests would cook their own meals at the Residence, and generally, they would not eat at the Residence except for receiving room service

orders and the caretaking staff assisting with casual meals. All the guest bookings that the Residence accepted included the entitlement for the guests to have breakfast at the Resort since there was no provision at the Residence for guests to be offered a high-standard and varied choice of breakfast, or to make that for themselves. We did not build a commercial laundry within the Residence because the availability of laundry from the Resort was part of the service arrangements for the Residence.

10.4. As I have already mentioned, I consider the availability of the services to guests at the Residence to be necessary for a holiday villa of this standard and considering the prevailing room rates for use, which would always be on an exclusive basis with an average rate of about 3,000EUR a day.

10.5. As part of the 2007 Service Agreement, it was also agreed that HVRSL would be entitled to retain 10% of all fees payable by guests to stay at the Residence, as a service charge. This was possible because all guest payments were paid to HVRSL through the Resort, as was required by the Resort's licence, so the 10% was simply deducted by HVRSL from the revenue before they were accounted to IRL. As described below, this fee was renegotiated later.

11. THE SERVICES

Infrastructural Services

11.1. As mentioned above, I met the cost of the connection of the Infrastructural Services. The water connection was straightforward as the water tank (supplied with water by the Resort) which had been installed as part of the construction of the Resort was right next door to the Residence, and there was therefore water available right from the outset, which was required for the construction of the Residence. I recall I just needed to supply the piping, booster pump and a water meter to provide a proper reliable water supply to the Plot from that tank. PUC supplied the water through the Resort, supplemented by the Resort desalination plant and the consumption was charged at PUC rates plus a 10% uplift, as explained above. The desalinated water was extremely corrosive, and it damaged the copper piping within the Residence, which then had to be removed and replaced.

11.2. I had the option to arrange the electricity connection via the Resort, but I remember that their contractors were busy, so I went to my electrician who was working on the development of the Residence at the time anyway. The electricity connection was more involved to install because the specification was that this had to be done underground: although an overhead line would be cheaper this would not have been attractive and would have been inconsistent with the high-level standard of the Residence. I then had to import a special three-phased armoured electrical cable

which was quite expensive. I followed the specifications of the technical team at the Resort. The connection to the Resort's grid was done into the back of the house junction which was set up by the Resort's engineering department.

11.3. While originally the generators and desalination plants were required when there were supply interruptions or shortages in the PUC supply, in later years PUC services supplying power to the Resort from the grid became more reliable. The Resort used generators less frequently and neglected to service these, with the result that during the last few years of the Banyan Tree management, some power cuts were not bridged by the generators, which required replacement.

11.4. In terms of the telecoms, I paid for all the installation of the Cable & Wireless telephone, internet and TV to the Residence, which was completed in 2008. The telephone was connected straight to the Resort. I recall at one point the Resort upgraded all of its systems and I had to meet to cost of the rewiring and the new routers. As the Resort was providing the Residence with Infrastructural Services, the arrangement was that I had to pay for the installation and the ongoing costs were incorporated into the monthly statement which I then paid. I had to have an account with the Resort, which was always in credit, from which the Resort would automatically make deductions for the Infrastructural Services and Other Services. I would receive itemised breakdowns from the Resort, setting out the services received. On pages 157-160 can be seen an email from the Resort's Finance Department, attaching a statement and explaining the deductions to my account. On pages 241-246 and 255-260 can be seen examples of IRL accounts, with the Resort/HVRSL's breakdown of charges for March, April and May 2018.

Other Services

11.5. I paid monthly for the special television bouquet which included Arabic, Russian, French and local channels, as well as the BBC and CNN, films, and sports channels. There was a monthly fixed fee payable for the Resort's team to maintain clean road access to the Residence and security visits from the Resort's security personnel.

11.6. The Other Services provided by the Resort included the usual hospitality services that guests would expect, including a butler service, laundry service and room service. In all my bookings I included breakfast at the Resort so that by the time my guests returned to the Residence from breakfast the bedrooms would have been made up and the pool deck would be ready. In addition, the Resort staff regularly came and prepared barbecues for the guests at the Residence, and sometimes beach parties. I know that in providing food and drink to my guests the Resort made a profit: there were some guests whose costs for food and beverages were higher than for the actual accommodation. All these services were charged and paid separately to and from the guests'

accounts, except for breakfast which was included in the room rate, as well as housekeeping and gardening, for which the guests were not charged any additional fees.

11.7. Guests at the Residence could enjoy all of the services that a hotel guest would expect, for example, a beach buggy could come to collect guests to take them to the Resort for breakfast. The spa was also popular; guests would visit the spa at the Resort and the staff from the spa would also attend at the Residence to administer treatments.

11.8. The Resort provided security services; initially, there were security problems and incidences of break-ins. For a while, I housed the Resort's security guards and dogs in my garage during rainy periods, and I also installed a fingerprint attendance system which recorded the four daily visits of security guards and was provided for my review at the end of each month.

12. RETROSPECTIVE SANCTION

12.1. On 9 July 2010, at HVRSL's instigation, the Government granted a retrospective sanction effective from 19 April 2005 for the purchase of the Plot by IRL for nil consideration (see page 82). The retrospective sanction was necessary, in part because the original request submitted for the plot (by HVRSL) needed to be expanded by an additional piece of land to accommodate the proposed design which required more survey work and planning approval so that it could be combined with the first allocated plot. The retrospective sanction was granted on several conditions, including that:

12.1.1. A sanction processing fee of 1.5% of the open market of the property would be paid to the Ministry of Land Use and Housing;

12.1.2. Stamp duty at 5% of the open market of the property would be paid to the Registrar General; and

12.1.3. The development of residential villas (on my Plot) would be "*part and parcel of the development of the Banyan Tree Resort and as such the villa constructed on [my Plot] must form part and parcel of the Banyan Tree Resort's villa rental pool and must not be rented out on its own*".

12.2. This was entirely consistent with and reflected the wording of the letter sent by Mr Nourrice on behalf of the Seychelles Government on 28 March 2001, and further confirmed my understanding (and that of HVRSL) that the Residence had to be part of the Resort and part of the Resort's rental pool. This requirement was also consistent with the Government's Policy on Ownership of Holiday Homes/Villa by Non-Seychellois.

12.3. As the sanction had been granted retrospectively, I considered that it was important to obtain written confirmation from the Government that how the Residence was operating was compliant with the sanction. On 1 September 2010 Mr Chang-Sam (who was acting on behalf of IRL) wrote to Patrick Lablache at the Ministry of National Development to seek confirmation that the arrangements for the use of the Residence were compliant (see page 84). As I explain above, Mr Chang-Sam was HVRSL's lawyer, who (on HVRSL's insistence) dealt with the sanctions for the use of the Residence and the Investment Incentive Act concessions. HVRSL had asked me to instruct Mr Chang-Sam to make the sanction application on behalf of IRL, and I agreed, as the Residence was part of the Resort, and I was not allowed a licence in my own right. Any correspondence to Mr Chang Sam in this regard would have been known to HVRSL, as he was acting for both HVRSL and IRL at that time. In Mr Chang-Sam's letter (of 1 September 2020) to Mr Lablache, it was stated that:

12.3.1. All guests were "*routed through and looked after by Banyan Tree and all payment by the guests [were] made to Banyan Tree all under Banyan Tree's Tourism Establishment licence*";

12.3.2. Banyan Tree was "*responsible for the payment of all taxes on revenue collected from the use of the villa by the guests*".

12.4. I understood that part of the reason that the Seychelles Government required guests of private residences to be routed through a resort was to allow payment of tax to be monitored and recorded formally and consistently. In addition, guests having to register and check in and out in this manner allowed the Government to monitor guests' movements against their records. On 11 November 2010, Mr Lablache confirmed that the proposed manner in which the Residence would be marketed and operated was compliant with the retrospective sanction (see page 86).

13. OCEAN ESTATE

13.1. The last part of the intended development of the Resort was the surveying and setting up of the Ocean Estate. This was to be a residential component, comprising 30 or 40 private villas which would form part of the Resort. As with the Residence, the villas at Ocean Estate would be provided with Infrastructural Services and Other Services. This was all detailed in the promotional material that was produced at the time. At page 224 can be seen the Letting Pool Arrangements for Ocean Estate, which lists the services that the Resort was to provide to purchasers of residential units as follows:

*For a fixed fee the services included are –
Provision of security guards;
Housekeeping service;*

Gardening service;
Swimming pool maintenance;
Cable television connection;
Pest control of the villa every month;
International direct dial telephone connection;
Wire and wireless internet access;
The provision of 2 electric power vehicles together with repairs and maintenance thereto;
Common area expenses (buggy path lights, desalination plant and generator maintenance, waste removal, landscaping, sewerage treatment, closed circuit television maintenance, salary of appropriate person in charge)

13.2.HVRSL prepared a draft service agreement for purchasers, a copy of which can be seen at page 115 (although it is to be noted that the document incorrectly bears a much later date which I believe is simply a computer issue). The Ocean Estate service agreement was a formalised version of the arrangement between me and HVRSL (it was simply that at the relevant time, a detailed formal agreement of this nature was not drawn up for me).

13.3.The Ocean Estate service agreement provided, amongst other matters, that the Resort would provide various utility and hotel services to the residential villas, on a fixed and variable fee basis. These services would be provided effectively in perpetuity as the agreement would only terminate if the parties entered into an alternative agreement, namely a revenue-sharing management where the parties would share the revenue received in return for the provision of management and services. Otherwise, the provision of the services was not time-limited (and nor would it be, since a purchaser of an expensive villa will want to ensure that they, and future owners, have it with the benefit of the services of the resort where it is situated).

13.4.I was aware that HVRSL had prepared the service agreement for purchasers, and I told Richard Pirouet that I would like the option to enter into one such agreement (to regularise the position and so that I would be receiving the same services as the other villa owners). On 4 May 2011, Richard Pirouet wrote to me (page 87) (in his capacity as director of HVRSL) stating that HVRSL would continue with the existing agreement (concerning the provision of Infrastructural Services and Other Services to the Residence) "*until such time as new owners [of the planned villas at Ocean Estate] [were] ready to sign new agreements*". My right to enter into such an agreement was reflected in the later 2014 Addendum to the 2007 Service Agreement. Mr Pirouet's letter also stated:

We are both aware that, under the investment incentive act under which the residences were approved they must be part of the rental pool of the hotel and that is why all revenue from the residence must pass through the hotel's books. While you are entitled

to do your own marketing the day to day management operations should be under the control of the Banyan Tree (at the rates agreed in the past).

13.5. In receiving this letter from the director of HVRSL, I understood that this confirmed the agreement with me that there would be an ongoing extension of the agreed terms between IRL and HVRSL as set out in the 2007 Service Agreement. Mr Pirouet clearly held the same understanding as I did in this regard: the prospect of services no longer being provided to the Residence was simply not a possibility. In the event, and despite significant outlay, none of the plots were sold and Ocean Estate did not proceed. The approval for foreigners to buy these plots under the respective Government policies is still in place and the new owners in their project proposal stated that they planned to reactivate it. Clearly, at this time, HVRSL accepted that the residential villas had to be part of the hotel rental pool.

14. THE LATER SERVICE AGREEMENTS

14.1. On 20 October 2011 I was informed by the Resort that they did not have the capacity or the know-how to service the Residence as per the agreement in place, most recently recorded in the 2007 Service Agreement. A copy of the email received from Mr Ho Kwon Ping can be seen at page 97. I had been dissatisfied with the level of service provided by the Resort and I therefore agreed with HVRSL that the scope of the services would be reduced for the time being. I took over services such as housekeeping, gardening, pool, and general maintenance myself.

14.2. In 2012, IRL entered into a further service agreement with HVRSL (the "**2012 Service Agreement** ") (see page 104). Schedule 2 to the 2012 Service Agreement set out the Infrastructural Services and Other Services that HVRSL was obliged to provide to IRL and to the Residence.

14.3. Under the terms of the 2012 Service Agreement, the fixed fee for the provision of the Other Services was increased to US\$500.00 per month. I still had to pay a service charge: paragraph 4 of Schedule 4 to the 2012 Service Agreement provided that "*[t]he room charge will be divided automatically in the system into net Room Revenue, 10% Service Charge, and 7% Goods and Services Tax*".

14.4. As I was now responsible for various of the Other Services, I did not see why I should still be paying a service charge of 10% to the Resort. On 3 January 2013, my lawyer wrote to HVRSL (see page 146), stating (amongst other matters) that:

14.4.1. As CEO Eddy See had confirmed, the Resort could not provide the services unless there was an increase in price, which in a spirit of co-operation I agreed although I had taken over for the time being responsibility for the housekeeping, gardening, swimming pool and all other maintenance (except for emergencies).

14.4.2. Given the reduction of services, there could not be any justification for the hotel retaining 10% of all the accommodation income collected from the Residence, and that this should be reduced to 2%.

14.5. This led to the negotiation of an addendum to the agreement. Although this was called "Addendum to Management Agreement dated 27 February 2007", there had of course been a further Service Agreement made in the interim, which was the 2012 Service Agreement. An early draft of the addendum recorded in its recitals that HVRSL was obliged to continue to provide services as previously agreed; a copy of the draft can be seen at (see page 66-68) and the relevant draft recital states:

AND WHEREAS Hill View Resorts (Seychelles) Limited is obliged to continue to provide services to the Owner [IRL] under the Management Agreement [herein defined as the 2007 Service Agreement] and the Agreement dated 7th November 2003 [herein defined as the Land/Services Agreement] concerning acquisition and development of the plots

14.6. The final version of the agreed addendum can be seen at page 88 (the "**2014 Addendum**").

14.7. As I explain above, my entitlement to enter into an agreement in the same terms as the Ocean Estate residents and Mr Pirouet's confirmation of that entitlement was reflected in the 2014 Addendum at clause 3 which expressly provides:

In line with the RP letter [defined as the letter which Mr Richard Pirouet wrote to Mr Karl Ammann on 4th May 2011] if new servicing and management agreements are entered into for the provision of services by BTRS or its related entities (the "New Services") to a residential unit which:

- a) is part of a new residential development adjacent to or in the vicinity of Banyan Tree Seychelles Resort (the "Resort"); and*
- b) has a similar arrangement to the Unit [my Plot] of receiving services from the Resort without being part of the Resort's pool of rental inventory,*

BTRS may provide the Owner a notice in writing containing the New Services and the terms and condition for the provision of the New Services.

14.8. Although I had agreed to take on responsibility for a number of the services myself, this was at my election. I was never in any doubt whatsoever that the Resort had an obligation to provide both the Infrastructural Services and the Other Services: this was enshrined in the provision of the original sanction and was necessary for compliance with Seychelles law and policy. It was for this reason that the parties included in clause 2 an irrevocable option that I could reinstate the 2007 Services Agreement.

14.9. On 30 May 2014, and following the entering into of the 2014 Addendum, HVRSL wrote to the General Manager of the Resort (see page 247-248) to inform him that:

14.9.1. HVRSL had agreed to provide the services to the Resort as set out in the 2014 Addendum;

14.9.2. It was therefore HVRSL's instructions that the Resort provide services consistent with those as set out in the 2014 Addendum including general cleaning, garbage collection, security guards and minor repairs.

15. TERMINATION OF SERVICES

15.1. In or around July 2018, Banyan Tree Holdings Limited agreed to sell the Resort, for US\$70 million, to the Murban Group ("**Murban**"), an investment group based in Abu Dhabi, UAE. As I explained above, Murban is owned by the highest levels of the royal family of the UAE.

15.2. In October 2018, I emailed Eddy See (see page 261) to enquire as to the timetable for the sale. Mr See responded to my email and told me that:

15.2.1. Banyan Tree was still going to be the hotel manager; and

15.2.2. Importantly, the intention was "*not to stop or close the property during the renovation*".

15.3. I did not, at that stage, have any particular concerns, as the Resort would not be closing at any time and so there would be no interruption to the provision of services to the Residence (which HVRSL were in any event obliged to continue to provide).

15.4. On 19 March 2020 I sent a long email to two of the new directors of HVRSL, Cyril Latroche and Amine Abid (see page 271). I provided a summary of my historical involvement and the status of the Residence within the Resort and enquired as to how the services to the Residence would be maintained during the transition period. I then telephoned Mr Cyril Latroche of Murban on a telephone number that the Banyan Tree head office had provided. Mr Latroche's response was, bluntly, that they did not know who I was or anything about the Residence, and in the future, I should take up any issues with their attorneys.

15.5. On 24 March 2020, with no other warning, I received an email from Fabrice Collot (see page 262), the General Manager of the Resort, informing me that they would be "*closing down the operations of the resort on the 28th of March*". Mr Collot's email went on to say that:

...we will be preparing during this period the full close down of the resort, hence gradually scaling down and terminate all the agreements that we have with all our suppliers, outside contractors and partners.

Unfortunately I have to inform you that we have also been asked to terminate the contract that you hold with Hillview. This includes road maintenance, Electricity, Water, laundry, Telephone and Cable TV. We will of course do our best to assist you by any available mean during this transition.

15.6. Naturally, I was extremely surprised to receive this email, in circumstances where HVRSL were obliged to provide the various services to the Residence, as this was the basis on which the sanction had been granted in the first place, under the Policy on Ownership of Holiday Homes/Villa by Non-Seychellois and the provisions of the Act. I was also disappointed and surprised that there was no attempt to discuss with me the implications of this decision or to acknowledge and consider its implications for the Residence, which was being supported by the Resort, and was receiving the essential Infrastructural Services through the Resort.

15.7. I later became aware that Murban intended to demolish the Resort for redevelopment and re-branding as a Cheval Blanc resort.

15.8. I had seen a map of the intended development and was alarmed to note that the Residence did not even appear on the map (see page 824). This map did however show the Presidential Villa: while this had, I understood, been demolished, the pool remained intact, which indicated that the Presidential Villa would be rebuilt and, I assume, serviced by the HVRSL service agreement with Lindere Villas (which is still registered as a company in Seychelles and owns the plot on which the Presidential Villa stands). As such, the Presidential Villa must have been covered by a service agreement before the Resort closed and must again be covered by such an agreement when it reopens. However, indications were that Murban had in the meantime found ways to incorporate the Presidential Villa into HVRSL.

15.9. The Government authorities, the Seychelles investment board and the Ministry of Tourism appeared to have approved the key counts for the new resort and the new villas, but there was no 4-bedroom villa in the listing. It is clear therefore that the Residence was not part of the request for approval and was not included in the application. As such the Residence was no longer covered by any hotel licence, in contravention of all of the earlier Government stipulations and national policies.

15.10. As time went on, I continued to make attempts to engage with the new owners. In May 2019, I spoke to Mr Abid on the telephone. I sent a follow up email to Mr Abid on 19 May 2020 (see page 270), explaining amongst other matters that the government conditions stipulated that the Residence formed part of the rental pool of the Resort. I even offered to travel to Abu Dhabi to discuss matters further. Regrettably, HVRSL refused to engage.

15.11. Eventually, on 25 November 2020, my lawyer received a letter from Chang-Leng Wong, HVRSL's lawyers, confirming HVRSL's intention to "*terminate the agreement relating to the services previously being provided by the Resort to IRL as from the 1 January 2021*" (see page 370). I was of course very disappointed to receive this correspondence. HVRSL was not unilaterally entitled to simply terminate the provision of services, and indeed to do so would be in breach of the terms of the licence which had been granted by the Government. Based on the above outlined common intent which had existed on the servicing of the Residence for over a decade.

15.12. It was only later that it became clear to me that Murban never intended to include the Residence in the Resort, and indeed had informed the Seychelles authorities of this. In June 2021 I had a telephone conversation with Mr Abid, in which he told me that Murban had already informed the Seychelles government that they would not open the hotel if they had to service the Residence, and therefore would just waste money and time in legally challenging HVRSL. I found this extremely disturbing. On 28 June 2021, I emailed Mr Abid (see page 766), again seeking to discuss matters further and potentially negotiate a mutually agreeable resolution.

16. CORRESPONDENCE WITH AND ENQUIRIES OF THE RELEVANT OFFICIALS

16.1. The renovation project was approved in July 2020 (see page 352), based on HVRSL/Murban's proposal to the Seychelles Investment Board ("**SIB**"). The SIB's role is essentially to promote and facilitate local and foreign investment in Seychelles. The proposal to the SIB included the Residence, which was clearly marked in the technical description of the site (see page 286). Further, the proposal to the SIB clearly stated that the residential component would be included, stating (under Implementation and Future Plans) that "*[a] residential component has always been an integral part of the Intendance project (an initial approval by SIB was given in 2010)*" (see page 344).

Cindy Vidot, Chief Executive of the SIB

16.2. I initially approached Ms Vidot, who was at that time Chief Executive of the SIB, on August 19 2020. I went to see Ms Vidot to ascertain on what basis the new investment had been authorised and what my options were, as a foreign investor myself.

16.3. At our meeting, Ms Vidot said that "Cyril" (referring to Mr Latroche) had told her that there would be no issue with the two independently owned villas on the property, that is the Residence and the Presidential Villa and that she would further consult with "Cyril". As such, the redevelopment was approved on 20 July 2020 (see page 353) and that included the Residence, clearly marked in the proposal, and with the new owners stating that they would reactivate the residential component at

a later stage based on the original approval given in 2010. In the meantime, the Abu Dhabi investors had bought the Presidential Villa.

16.4. I remember that I was surprised that Mrs Vidot referred to Mr Latroche by his first name, Cyrille, throughout this meeting. She clearly knew him well and personally.

16.5. After our meeting I emailed Ms Vidot, reiterating my concerns (see page 360). Ms Vidot said again that she would look into the matter further.

16.6. I was disquieted by Ms Vidot's apparent familiarity with Mr Latroche (and her reference to him throughout our meeting as "Cyril"). I therefore went to see Mr Lablache (at the Seychelles Government Ministry of Land Use and Housing). I also felt that I had not been able to elicit any satisfactory answers to my inquiries as to the status of the Residence and its inclusion in the new resort.

16.7. Mr Lablache then accompanied me to Ms Vidot's offices for a meeting. Ms Vidot said that she had been assured by the new owners that all would be in order and while the new owners knew about the existence of the Residence, they had no further obligations.. I insisted on telephoning Mr Latroche while in that meeting, to seek clarification. Mr Latroche informed me once again that they were not interested in any kind of negotiations, and they would hand this all to the lawyers.

16.8. Mr Lablache asked me for the telephone number and called Mr Latroche himself, in the meeting with Mrs Vidot. I understood that Mr Lablache received the same answer from Mr Latroche as, after the telephone call, he told me that he (Mr Lablache) now realised who he had spoken to as he had recognised Mr Latroche's voice. Mr Lablache said that the same Mr Latroche had earlier arrived in his office and told him they were buying the shares in Banyan Tree but would only pay 1% stamp duty on the U\$ 70 million purchase price (when in fact stamp duty was set by law at 5%). I am aware that this matter had been debated in parliament in August 2018, and the minister for finance, Maurice Loustau-Lalanne, was asked to explain why Murban had paid only 1% stamp duty on the acquisition. Mr Loustau-Lalanne stated that stamp duty at 1% had not been agreed and that Murban would have to pay the 5% rate.

16.9. I queried the application of the SIB charter and the possibility of filing an appeal under the SIB Special Appeals Committee. I subsequently prepared an initial appeal but was then told that the Appeals Committee had not been appointed yet. Later, in April 2021, on making further inquiries I was told the Appeals Committee had been set up (see page 637). I understand however that, as this matter is now being heard by the courts, the decision of the court would override any decision by the Appeals Committee.

16.10. Ms Vidot was later removed from office: this was reported in the local press in April 2021 (see page 634). This happened amid allegations of conflicts of interest/corruption.

Patrick Lablache

16.11. Initially, it appeared that the Government acknowledged that HVRSL could not lawfully be permitted to cut the Residence off from the Resort. On 28 May 2020 Patrick Lablache on behalf of the Government of Seychelles wrote to HVRSL's representatives to draw their attention to the fact that the Residence "*is deemed to form part and parcel of the Banyan Tree Resort as per the conditions and concessions granted by Government in respect of the development and operation of privately owned villas on the Banyan Tree Property*" (see page 266). That letter went on to acknowledge that while it may be necessary for the hotel to be closed temporarily for redevelopment and refurbishment, it was required that HVRSL ensure that the Infrastructural Services be provided to the Residence. Given the terms of the licence under which the Resort operated, and under which the new resort would be required to operate, the Other Services would then be reinstated once the redevelopment of the resort was completed. Also on 28 May 2020, my lawyer Daniel Belle wrote to HVRSL making clear my position that the redevelopment of the Resort was causing "considerable and irreparable" damage to my investment (see page 264).

16.12. On 14 September 2020 my lawyer, Mr Belle, wrote to Ms Vidot, Ms Lafortune and Mr Lablache (page 365), referring to my concerns about the status of the Residence. That letter stated:

The purpose of this letter is to remind you to meet and take a decision that will not affect my client during the said redevelopment of HVRSL as IRL was position within the Hotel Resorts/Villa equation as sanctioned by laws, regulations and policies.

16.13. On 25 November 2020 I received an email from Mr Lablache (page 366), in relation to the tax to be paid by foreign real estate owners. In his email, Mr Lablache said that he was still "*trying to convince*" the Ministry of Tourism to allow me to continue my tourism activities in the Residence, and expressed the view that the redevelopment and impact on me was most unfair. The full text of Mr Lablache's email is as follows:

I am sending this mail only to you as I have noted that you have commissioned a Valuer to submit a valuation to me as Chief Valuation Officer for property tax purposes. My personal advice to you is to register the property as a commercial one and not as Residential as you are attempting to do. In this way you will not be liable to tax. I am still trying to convince the Ministry of Tourism to allow you to continue your tourism activities with the Villa. It is not your fault that the hotel to which your villa was attached closed down for redevelopment—most unfair.

16.14. On 28 December 2020, Mr Lablache wrote again to HVRSL's representatives (see page 371), requesting that water and electricity supplies be reinstated to the Residence. I am not aware Mr

Lablache ever received a response. Mr Lablache's letter was copied to several ministries and stated:

Government is concerned about the present statement of affairs which is contrary to the agreed conditions under which the privately owned villas of the Banyan tree Resort were allowed to be developed as part and parcel of the Resort and managed under a Service Agreement.

16.15. It was a few months later that I again went to see Mr Lablache, who informed me that he had received no response from HVRSL to his letters. I asked Mr Lablache whether there was anything further he could do, and Mr Lablache's response to me was (and I quote his words), "*No, this has all moved from legal to political*". Mr Lablache's comment made clear to me that the national laws and policies would and could be disapplied as a result of pressure from the Abu Dhabi investors. I suspected that Mr Lablache had been instructed by more senior government officials to stop writing to the UAE investors.

16.16. On 19 July 2022, (page 796) IRL's lawyer, Alexandra Madeleine, wrote to Mr Lablache, in circumstances where the arbitration proceedings (which I instigated against HVRSL) were ongoing in London. Ms Madeleine requested copies of various documents for use in those proceedings, namely the letters of sanction.

Tourism department

16.17. I did not understand how HVRSL could lawfully discontinue the provision of services when it is not only contractually obliged to do so but also in circumstances where the Government has on several occasions made it clear to HVRSL that this is a requirement of the Seychelles legal and licensing regime.

16.18. In May 2020 I made enquiries with the Tourism Department, and on 1 June 2020 Ms Sinha Levkovic, director of product development at the Tourism Department, sent me an email (page 274) stating:

We have consulted with our policy section with regards to the continued operation of your villa during the closure of the Banyan Tree Hotel. We have been advised that your Villa cannot operation (sic) independently of the Banyan Tree Hotel licence as the accommodation licence of less than 16 rooms is restricted to 100% Seychellois ownership.

Francis Sherin, Principal Secretary for Tourism

16.19. On 15 September 2021, Ms Sherin wrote to Andre Pool (CEO of the Seychelles Licensing Authority) (see page 768) to explain my position. She said that provision was not made for the Residence to remain under the new management due to what he described as an "oversight". It is not clear what she meant as to who had committed the 'oversight'

16.20. In any event, it is abundantly clear to me that there was no such oversight, rather the Residence was allowed, by the Seychelles Government, to be excluded for improper purposes. I consider this to be the only reasonable conclusion from the facts, including:

16.20.1. The previous letters from Mr Lablache to HVRSL (in May and November 2020) made clear that the Government knew there was a serious problem if the Resort's licence did not extend to the Residence.

16.20.2. The letter my lawyer received from Sylvestre Radegonde, Minister for Foreign Affairs and Tourism, dated 24 June 2021 (which I explain further below): a committee of three ministries, led by Mr Radegonde, was created to find a solution to the issue (which they could not).

16.20.3. Mr Lablache's comments to me that the matter had moved from "legal to political".

16.20.4. This also ties in with the comments made to me by Mr Amine Abid, one of the new directors of Murban. As I have explained, Mr Abid had telephoned me, saying amongst other matters that I would not succeed in a legal challenge because Murban had already informed the Seychelles Government that they would not open the hotel if they had to service the Residence. In this late evening call he also made an offer for HVRSL/Murban to buy the Residence for U\$ 1 million

16.21. In Ms Sherin's letter, she writes:

Unfortunately, due to an oversight at the time of the sale of the Banyan Tree hotel, provision was not made for the villa to remain under the new management. While Mr Ammann seeks legal recourse in this matter, he would like to continue operating the villa.

For this purpose, he will require a licence. Unfortunately, as a foreigner with less than 15 rooms he cannot apply for a change of use and go through the formal process to acquire his licence. The Ministry of Tourism and Foreign Affairs has considered his case as an unprecedented one, and given that the property was already operating as a tourism business, we have decided to exceptionally grant permission for a licence to be issued to Mr Ammann for a self-catering unit, without having to go through the process of a change of use.

16.22. I was very surprised by these comments made as this proposed solution they suggests an infraction of the sanctions. I responded by outlining that this did not comply with the IRL sanctions

or the sanctions of HVRSL. Without waiving any legal privilege, I was advised that non-compliance with the sanction amounts to a criminal act (as set out above) and could result in the government confiscating the Residence, which I could not risk. But very surprised to find that a government department would advise me to commit a criminal act.

16.23. In any event, this would have been temporary and would have been of very limited use to me as it would not solve the central problem of using and marketing the Residence to paying guests without support from the Resort. This is because my acquisition of the Residence as a foreign owner was on strict conditions that it remains part of the Resort's rental pool and hotel license, and I am not entitled to ignore those conditions.

16.24. In practical terms, the Residence is designed to be suitable to be located adjacent to a resort and for guests to have access to the resort. It cannot operate as a luxury rental villa without that access, and without it would have no attraction to paying guests. The suggestion that a licence might be granted was not followed up and it appears that there are problems in Government with granting such an exceptional licence, against their usual established policy. I do not believe it was ever an option. In my response to the Principle Licensing Officer, I suggested a temporary compromise solution but never received an answer.

16.25. Further, if there had been an oversight (which I do not accept), there were various opportunities for the Seychelles Government to rectify it, if they had been inclined to do so. They did not do so. For example:

16.25.1. When I wrote to the Principal Licensing Officer, Andre Pool, on 25 October 2021, setting out the position (see page 775). This letter was also copied to a range of other ministries and officials, including the Minister of Tourism and Foreign Affairs, the Minister of Investment, Entrepreneurship and Industry, the CEO of the SIB and the CEO of the Planning Authority. No answer was received.

16.25.2. As I explain further below, when in July 2020 HVRSL was granted approval for a further eight rooms again, a point when the oversight could have been corrected and the Residence added to the approved number of rooms.

16.25.3. In October 2022 when the Seychelles Licensing Authority issued HVRSL with a new trading licence, and other licenses needed to employ staff, there was an opportunity to add in the hotel licence for the Residence (see page 799).

Anne Lafortune, Principal Secretary for Tourism

16.26. On 3 June 2020, Ms Lafortune wrote to my lawyer Mr Belle (see page 347), stating:

The Tourism Department would like to bring to your attention that in view that Mr Ammann's villa has been pulled into Hill View Resorts (Seychelles) formerly known as Banyan Tree, it may not operate independently.

Kindly note that Hill View Resorts (Seychelles) being a foreign-owned hotel cannot operate with less than 24 rooms in accordance with the Economic Activities Regulations and Accommodation Policy.

16.27. It was always known and clear to me that the Residence could not operate independently. The Residence was covered by the Resort's licence, and I was not permitted (even if it were technically possible) to operate the Residence without the support of the Resort and HVRSL.

16.28. However, the Resort's licence could have been expanded at any time to include the Residence (which had always fallen under the Resort's licence), with a requirement that the Resort treat the Residence as part of the Resort. This is clear from the fact that the licence was subsequently expanded to accommodate a further eight rooms on HVRSL's application. I have seen the letter from Ms Lafortune to Mr Latroche dated 13 July 2020 (see page 352) approving an additional eight rooms. The letter to Mr Latroche reads:

The Department of Tourism is pleased to inform you that due consideration has been given to your request for an additional 8 rooms. As such you may proceed with the development of the project consisting of 71 rooms in total subject to receiving approval from other relevant authorities.

Devika Vidot, Minister for Investment, Entrepreneurship and Industry

16.29. I had several meetings with Ms Vidot between May and July 2022. I recall at the end of our last meeting, Minister Vidot asked me, "*Why don't you sit down with the new owners and negotiate*". I explained that I had tried for four years to negotiate, but the new owners did not want to talk to me. The reaction from the Minister was simply, "*They do not talk to us either*". I found this extraordinary because they clearly communicated with parties in government.

16.30. On 3 August 2022, Minister Vidot wrote to me stating, "*we do not consider that government or Seychelles Investment Board (SIB) is able to assist you further in this matter*" (see page 797). The letter proposed two options available to me, that is (i) seeking the sale of the Residence or (ii) negotiating an agreement with the new owners "*to be able to operate under their licence going forward*". As I had already made very clear to Ms Vidot, I had tried to negotiate with the new owners to no avail.

Sylvestre Radegonde, Minister for Foreign Affairs and Tourism

16.31. On 30 March 2021, I met with Mr Radegonde at his offices, accompanied by Ms Madeleine and Mr Belle, to see if we could find a solution. I recall that we left the meeting with an understanding that the minister would try to arrange a meeting with some decision-makers, explain local laws and policies and may be adjudicate the dispute.

16.32. Unfortunately, this did not happen. On 10 June 2021, Mr Belle wrote to Mr Radegonde, referring to our meeting and requesting an update (see page 744). In that letter, Mr Belle explained that the situation had left me in a proverbial "no man's land" (as I was not permitted to operate the Residence without a licence). On 24 June 2021, Mr Radegonde sent Mr Belle a short letter (page 764), saying:

In consultation with other colleagues, we have tried to explore ways and means of finding a satisfactory solution to a difficult issue. This has, unfortunately, not been possible.

16.33. Subsequently, my lawyer Mr Basil Hoareau arranged another meeting with Mr Radegonde some two years later. In that meeting, I told Mr Radegonde that, since the last meeting, I had tried repeatedly to make progress on negotiations but to no avail, which is why I had decided to initiate arbitration proceedings in London. I told Mr Radegonde that I had obtained an arbitral award such that HVRSL must reinstate and provide the Infrastructure Services to the Residence.

16.34. I recall that, when I met with Mr Radegonde, I asked him if he had any way of contacting the Sheikhs directly, to request a meeting as discussed with him on a previous occasion. Mr Radegonde responded that he was not in a position to contact any Sheikh directly. I concluded that this level of contact is restricted to only one person at the highest level of the Seychelles government. However, some time later whilst in Seychelles, I photographed an Abu Dhabi RoyalJet executive Boeing 737, which picked up Minister Radegonde. I later learnt that Mr Radegonde thought he had a stroke and flew for diagnosis to Abu Dhabi. I am aware that, for Mr Radegonde to receive this level of attention, somebody from the State House at Seychelles would have, most likely intervened with the Sheikhs in Abu Dhabi.

Mr Terence Mondon, Member of Parliament

16.35. Mr Mondon visited the Residence on several occasions, and I explained all the relevant issues to him and provided evidence. Mr Mondon asked me to write a short letter, addressing the key issues, which he would personally present to the President. In later e-mail exchanges, and during a later meeting, I asked Mr Mondon what the response had been: he said that there had been no response, and he then suggested I write directly to the president.

16.36. On 10 March 2023, my co-director Karl St Ange wrote directly to the President of Seychelles) and asked for assistance. The letter explained:

A Government representative aptly used the term "oversight" to describe their failure in imposing or enforcing a condition of our sanction, namely that we operate solely under the

Resort's license, upon the new owners Banyan Tree Resort, at the time of granting them the requisite sanction. This is particularly so in light of the fact that we are still bound by the conditions of our original grant of Sanction.

It is our position that the Government has acted arbitrarily and unfairly in failing to apply the same Villa Policy terms and conditions to the new owner of the Resort and other Villa owners similarly placed to ourselves.

16.37.No response was received.

The Anti-Corruption Commission

16.38.On 11 October 2021 I wrote directly to the Anti-Corruption Commission Seychelles (ACCS) to set out the position and make my concerns known. A copy of my email can be seen at page 769. Despite the ACCS acknowledging my email, and several follow up meetings with ACCS representatives, no substantive response has been received up to date (March 2025).

The Takamaka Communications Tower

16.39.Around this time (2021-2024) a communications antenna tower near the Residence (plot T3370) was erected and noticed in February 2021. We knew nothing about this beforehand and the antenna had been added without following proper procedures as prescribed by the 2018 Communications Tower and Antennae Policy. I asked my architect and friend Paris Searles to see if he could find out any information. He sent an email and had conversations with various representatives of Ministry of Lands who eventually stated that they sent agents to investigate and that he would be contacted by the Planning Department. There was no follow-up.

16.40.After repeated requests for information by Karl St Ange (who is a director of IRL), a response was received from the PS Office of the Department of Information Communications Technology on 31 January 2023, stating that they had no information about the Communications Tower and were not part of the process.

16.41.On 23 April 2024, The National Newspaper article states that "Government clarifies presence of communication antenna in Takamaka" and that the installation on private property was legal and all protocols were followed. Yet, protocols were not followed.

My conclusions

16.42.In all of the interactions with Government officials and representatives, it became clear to me that the stipulations in existing agreements, including within the Tourism Investment Promotion Act, the relevant sanctions, the occupancy permit, the hotel licence, and the Villa Policy, no longer had any impact on the decision-making process by Government representatives.

16.43. The Government was, in my opinion, acting contrary to its laws and policies as it did with the communication antenna tower. I believe that the relevant Ministries had been informed, by the State House, to resolve the issue without burdening the UAE investors, and if necessary, ignoring any national laws and policies that presented an obstacle. My belief is reinforced by information I received, including when it was made clear to me, by two separate ministers (Mr Lablache and Ms Vidot) that there was no way for them to intervene directly with the beneficial owners of the resort. Those relationships are supposedly dealt with on another level.

17. OTHER LITIGATION

Seychelles Injunctions Proceedings

17.1. On 24 December 2020, IRL made an application to the Supreme Court of Seychelles for an interim injunction requiring HVRSL to reinstate basic services to the Residence during redevelopment of the Resort (see page 372). On 31 December 2020, the application was granted (see page 377), and an interlocutory injunction was imposed. The injunction had a dual effect: firstly, HVRSL was prohibited from failing to honour the key tenets of the service agreement and from cutting off electricity to the Residence, and secondly, HVRSL was ordered to reconnect and restore any other utilities and services which it was contractually bound to provide. The judgment stated:

I grant an interlocutory injunction preventing the Respondent from not honouring the service agreement. The Respondent is therefore prevented from cutting off electricity to the Residence on the Rock and to reconnect or [restore] any other utilities and services included in the Service Agreement. This injunction will endure until the final determination of Supreme Court case No. 132 of 2020 or until such time that there is application to vary or remove it altogether."

The ruling on the corresponding Supreme Court case is still outstanding.

17.2. Unfortunately, HVRSL did not comply with the injunction and on 26 January 2021 IRL made an application to the Court because HVRSL was in contempt, which was duly granted. It was only after the Court found that HVRSL was in contempt (and imposed a deadline for the reinstatement of the water that the water flow resumed, on the last day of the deadline.

17.3. While I had been informed that the water and electricity supply would be disconnected on 1 January 2021, it later became apparent that the water supply had ceased sometime in November 2020, and that since that time my underground tank had been supplying water to the onsite staff, until the tank ran dry on or before 7 December 2020. Since HVRSL did not inform me that the water supply had been stopped in November, I had not realised that the reserve water in the tank

was declining fast. I therefore had to order mobile water tanks ("bowzers") to be brought to the Residence, to supply the necessary volumes of water. The bowser supply lorry driver informed me that he could only bring a half-load of bowzers to the Residence as the road was steep and covered with wet leaves, rendering it slippery and dangerous. All road cleaning done on the access road for the last 36 -months was done by my onsite staff.

LCIA Arbitration proceedings

17.4. In February 2021 I instigated LCIA arbitration proceedings to enforce my rights under the Land/ Services Agreement (which as I explained above, was between STRL and HVRSL on the one hand, and me in a personal capacity on the other) and to compel HVRSL to provide basic services to the Residence, including water, power and sewerage (that is, the Infrastructural Services). The Tribunal confirmed that, under the Land/Services Agreement, I was entitled personally to enforce the supply by HVRSL of Infrastructural Services. Whilst I did not have the personal right to require HVRSL to provide other services to the Residence under the Land/Services Agreement, such rights may rest with IRL (which dispute is subject to other court proceedings in Seychelles, which are ongoing).

17.5. Ultimately the Tribunal found in my favour and the final arbitral Award included:

17.5.1. A declaration that HVRSL breached their obligations to continue to provide the Infrastructural Services to the Residence under the Land/Services Agreement; and

17.5.2. An Order that HVRSL immediately restore and maintain on an uninterrupted and ongoing basis the Infrastructural Services to the Residence, with the associated costs of restoration to be met by HVRSL.

18. DISRUPTION AND DAMAGE CAUSED

Damage to the local habitat

18.1. The redevelopment of the Resort has been conducted in a manner that shows a complete disregard for environmental, social and regulatory considerations. The construction works have had, and are having, a seriously detrimental impact on the environment, which I consider to be unlawful as well as irresponsible. On pages 825-835 are photographs of the redevelopment works and the damage caused to the local environment.

18.2. An Environmental Impact Assessment Report was prepared by DJ Environmental Consultants for HVRSL in November 2020 ("EIA") (see page 381 onwards). There have however been various

breaches of the EIA through the redevelopment of the Resort thus far. By way of example only, these include:

18.2.1. Contrary to the stated objective in the EIA of reducing the number of beach villas and maintaining the overall footprint. The existing foundations for the beach/hill villas and the public areas have been doubled in size.

18.2.2. Despite the EIA recommending various methods of mitigating the impact on coastal vegetation and fauna, the redevelopment works have resulted in a reduction in the vegetation buffer.

18.2.3. The EIA provides that "*[n]o development works should take place in the wetland.*" The new road running through the wetland, which has created a stagnant pool, is a development in the wetland, contrary to what is said in the EIA.

18.2.4. I commissioned an independent expert, Dr Ameer Ebrahim, to assess the stated objectives of the EIA against the actual position on the ground. Dr Ebrahim's report found various significant breaches of the EIA.

18.3. Further, the redevelopment is also in breach of the original conditions of transfer. We enclose a copy of the original transfer of land from the Seychelles Government to Sorrento Estates Limited dated 21 August 1997 (see page 11). The transfer was subject to several conditions, including that the owner of the land:

18.3.1. "*shall provide at all times a free motorable access from the public road to the parking facility [...] and free pedestrian access from that parking facility to the Intendance beach...*"; and

18.3.2. "*shall at all times allow the public free use of [the land] which runs parallel to the beach to an extent of up to 30 metres in width from the high water mark and further at all times allow the public free access thereto*".

18.4. In breach of the conditions, some of the new developments include structures approximately 10 metres from the high-water mark. At the initial construction stages, rocks were piled up in front of the main public area building and the main swimming pool area, preventing public use of pedestrian access in high water conditions. Concrete structures [have been built] in front of some further impacting the setback stipulations

18.5. It appears however that the Government has turned a "blind eye" to the breaches of the EIA and the original conditions of transfer.

Use of the Residence

18.6. The disruption and disturbance caused by redevelopment of the Resort has been significant. In order to access the Residence, it has been necessary to drive through the construction site, which itself creates significant dust, smoke and dirt. The construction was very noisy. The construction works also caused smoke and dust which affected the Residence.

Electricity supply was regularly interrupted for hours and days at the time (see below a sample).

I had to buy two small portable generators to provide the staff quarters with power during long cuts and also run one swimming pool filter to prevent the pool from going green.

26/5/2024	Power cut	10.00am	2hr15min
5/6/2024	Power cut	10.45am	15min
11/6/2024	Power cut	8.30am	30min
26/6/2024	Power cut	8.45am	1hr10min
29/6/2024	Power cut	8.40am	25min
29/6/2024	Power cut	11.20am	30min
11/7/2024	Power cut	9.10am	20min
11/7/2024	Power cut	10.11am	30min
11/7/2024	Power cut	12.15pm	1hr15min
12/7/2024	Power cut	9.00am	25min
12/7/2024	Power cut	10.45am	1day 6hr
17/7/2024	Power cut	6.16pm	20min
27/7/2024	Power cut	11.30am	40min
27/7/2024	Power cut	1.50pm	4hr25min
28/7/2024	Power cut	6.30am	2hr15min
30/7/2024	Power cut	6.20pm	10min
30/7/2024	Power cut	7.00pm	8min
30/7/2024	Power cut	7.35pm	12min
31/7/2024	Power cut	8.55am	1hr
1/8/2024	Power cut	7.50pm	20min

	SEPTEMBER	2024	
18/11/2024	Power cut	7.00 PM	15 min
19/11/2024	Power cut	7.15 PM	30 min
29/12/2024	Power cut	6.45 PM	20 MIN
31/12/2024	Power cut	7.45 PM	30 min
.04/03/2025	Power cut	6.15 PM	10 min

18.7. The water was also regularly insufficient to supply the Residence with the water it needed to accommodate me, my family and guests: the needs of the construction site were prioritised in this respect and the Residence received only a small fraction of the water. I have an underground tank, but I had to regularly purchase water via bowsers to fill it up. It was not clear to me as to why the Residence could not, in practical terms, be provided with a sufficient water supply: I became aware for example that the water tanks that served the Resort previously had been reactivated and the corresponding connections installed by IRL had been disconnected and removed including one booster pump and water meter. PUC now supplies the site, rather than the desalination plant. Further, the linkage and the pumps for the top tank next to the Residence remained in place. On two occasions in the last five years, I had to fly in to notify project management that there was, yet again, no water for a week or longer.

18.8. I managed to arrange and pay for Cable & Wireless to install telecom services to the Residence after the demolition of the Resort. A fibre optic cable was laid to provide telephone, WIFI and television service. I also had to purchase a commercial washing machine and dryer, as the Residence did not have these facilities because the Resort laundered all linen and towels as per the service contract.

18.9. The main access road was, in the later stages of the construction, regularly blocked as trenches were cut into the road to lay new water pipes and power cables. There was never any advance warning. On several occasions, while in Residence, we ended up having to delay departure or return when a temporary crossing over these trenches had been installed.

18.10. Given the above, the quality of our personal stays at the Residence was drastically affected and there was no point in inviting family or friends to join us for our stays. Offering repeat guests pleading to be able to book to stay on a discounted basis was not an option either in the absence of a hotel license, laundry and accessible food and beverage facilities.

18.11. Further, on two occasions during the COVID period, I was not able to stay at the Residence since it did not have a health certificate. To obtain one, the Residence would have to be under a valid hotel licence. Without this in place, the health authorities would not approve my entry into Seychelles

which had to be applied for in advance of travel, such application to include a hotel booking confirmation. It was only towards the end of 2021 that the authorities accepted that owners could again stay in their own villas but had to present the evidence that they owned the property in question.

18.12. It has certainly not been possible for the Residence to be offered to paying guests. This was because of the limited provision of services to the Residence, the disruption caused by the ongoing redevelopment works and of course, the lack of a hotel license. The daily noise and dust pollution were also factors that made some of our stays rather unpleasant. Plus, on Sundays, work often went on until lunchtime despite corresponding stipulations in the EIA stating there would be no construction work on Sundays.

My efforts to engage with Murban

18.13. On numerous occasions, I attempted to engage with the new policymakers at HVRSL and with the representatives of Murban, to try to mitigate some of these issues. I sent several emails, as I have described above, and I even offered to travel to Mahé or Abu Dhabi to engage in discussions with the principals. In the end, I concluded that there was no interest in negotiating any kind of give-and-take arrangement and the main objective was to make things as unpleasant as possible, clearly in the hope that I would throw in the towel and accept any takeover offer presented.

18.14. After the second hearing had taken place in the injunction proceedings, one of the directors of Murban telephoned me directly and told me that the patron of Murban had decided to offer me US\$1 million in return for my abandoning the Residence and giving it up to the new owners of the Resort. I declined that offer because that sum was nowhere near adequate compensation for the overall value of the Residence product, the associated service agreements and the revenue loss during the extended construction period.

18.15. In the takeover project proposal presented to SIB by Murban Energy in 2018, the proposed redevelopment was meant to be completed by July 2022. In the end, the project went to the soft opening stage in November 2024. The construction staff I spoke to indicated that this had to do with the owners constantly changing plans and specifications for many aspects of the project.

19. LOSS SUFFERED

19.1. After the termination of services, and the many disagreeable circumstances identified above, it was also impossible for me to offer the Residence to paying guests. This has caused IRL (and me) significant financial loss. I was frequently receiving inquiries from potential guests which I had to decline. Many were potential repeat visitors, and I had to cancel all contracts with hotel booking

engines which, in the past, had provided more than half of the demand. I kept the web page active and informed each party requesting a booking of the status quo and informed them that they would be notified once the Residence was again available for third-party bookings.

19.2. There has also been additional and significant outlay caused by HVRSL's withdrawal of services and the Residence losing its hotel license. For example, this includes my expenses for several trips to the Residence, that were necessitated by the cessation of services by HVRSL and costs to me in terms of legal fees. I had to regularly travel to Mahé to sign affidavits, consult with government officials (as explained above) and lawyers, as well as members of the travel trade to explain and clarify the status of the Residence. On some of my visits, I spent every single day travelling to Victoria and back. With the present early morning traffic congestion this can take two hours one way.

Lost rental income

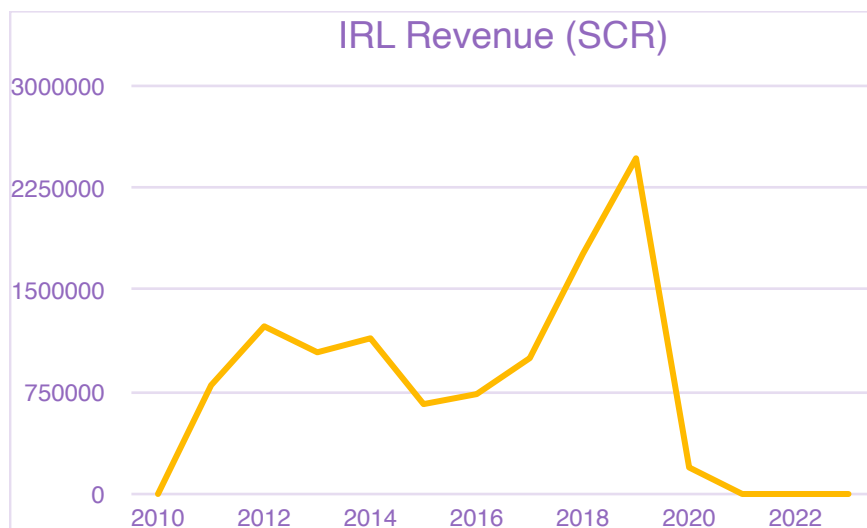
19.3. Until the acquisition of the Resort by Murban and the subsequent disregarded sanction pertaining to the Residence, IRL was generating significant revenue through rental income. Then rental income ceased and IRL began suffering a total loss of revenue. In 2015, I had to start some major renovation and maintenance work, replacing the copper water piping having been affected by the corrosive desalinated water supply then next came the replacement of all AC units. This meant accepting more booking requests than we had in the first years of operation. We added another guest house in 2010 which meant not being able to accept any paying guest bookings.

19.4. My accountant has prepared a summary, based on the audited financial statements/tax returns, of the revenue generated by IRL over the years. This can be seen on page 878 of the bundle, as summarised below:

Year	Revenue (SCR)
2008	1,093,080
2009	992,015
2010	0
2011	799,294
2012	1,232,453
2013	1,041,473
2014	1,144,574
2015	660,794
2016	734,370
2017	998,752
2018	1,765,317

2019	2,467,678
2020	194,975
2021	0
2022	0
2023	0

19.5. IRL's revenue is summarised in the below graphic, which clearly shows that revenue increased from 2010, with a slight dip in 2015-2017, and then increased significantly to 2019 reaching an income level of some U\$ 189 000 for the year. 2020 was impacted by COVID travel restrictions and since then there has been no income. All indications are that this will now be the story until at least the end of 2025. That will then be six years of total revenue loss.



19.6. At page 800-804 is a schedule of lost potential bookings. These show the enquiries I have received from potential guests, that I had to turn down. I estimate that by the end of 2025 (assuming there will be no final resolution on the service agreement if the courts should rule to uphold the terms of the existing service agreement) the chance would still be very high that HVRSL would challenge such a decision and appeal the ruling, adding another 1-2 years to a final resolution. As such, the overall losses from 2020 to the end of 2025 would be at an average of U\$ 100 000 a year or a total of half a million dollars USD.

19.7. This is a very conservative estimate and depending on the marketing input and effort annual results could easily be doubled. The attached valuation report by the Valuator Services (explained in due course) estimated a potential rental income with 1) No hotel services to the owner, as nominal at most/presently not permitted; and 2) With services provided by the owner: U\$ 230 000 a year and U\$ 310 000 per annum with all hotel services provided to the Residence as per service agreement.

19.8.The corresponding estimates to potential buyers of the proposed Ocean Estate four-bedroom villas were projected from the corresponding package (from the Banyan Tree standard management agreement, see page 115):

“at 50% occupancy, an owner will make Euro 216 000 per annum”

“at 70% occupancy, an owner will make Euro 302 000 per annum”

19.9.Although the Tribunal in the arbitration proceedings ordered HVRSL to resume and maintain on an ongoing and uninterrupted basis the Infrastructural Services, the Other Services have never resumed. As I have explained, the Residence is not equipped and indeed was not designed to be a self-functioning unit, as it was always intended and understood that it would form part and parcel of the resort. Further, as long as the Residence is not covered by the Resort sanction and hotel license, it simply cannot accept paying guests. There is therefore a future loss of rental income to IRL.

Loss of value of the Residence

19.10.In March 2021, Mr Ockert Brits, a valuation expert from THE VALUATOR GROUP in South Africa who has considerable real estate experience in Seychelles produced a valuation report for the Residence, based on varying sets of assumptions (see page 668-743). Mr Brits determined that the market value of the Residence, with all services provided, was USD 6,200,000 (page 671). I believe that Mr Brits will provide updated evidence to this Court to explain the current value of the Residence (see further below).

19.11.Mr Ockert at the time had to conduct a desktop valuation since there were no longer any flights from South Africa to Seychelles due to the COVID restrictions as outlined earlier. This valuation was organized by Howard Kennedy dealing with the arbitration on my behalf and I never met Mr Ockert. He testified remotely during the arbitration hearing and underwent a lengthy cross-examination by the lawyers of HVRSL.

19.12.In light of the upcoming hearing, my Seychelles legal representatives asked that we present Mr Ockert as a witness having had a chance to visit the Residence in person prior to this testimony. Mr Ockert also agreed to update his original valuation, which is now 4 years old and have it available upon his departure from Mahé to be presented as the 2025 version.

19.13.If the Residence is not licenced and there is not compliance with the sanction for foreign ownership of the Residence, then the Residence will be worthless. The loss to IRL will therefore be the full value of the Residence. Even if the Residence has some residual value, it would be a fraction of its value with a licence to operate as part of the Resort. Mr Brits may also be able to provide evidence to support the extent of this loss.

19.14.

19.15. At page 805 is an e-mail exchange with another real estate agent, Oliver Pugh, based in the UK, who regularly has upmarket Seychelles properties in his offerings and knows the local market well. Mr Pugh originally contacted me after the Four Seasons stopped selling more of their villas and he had several interested clients. This latest feedback from Mr Pugh was in December 2024; in his email Mr Pugh states: "*I feel that [the Residence] is worth \$8.5m*" and "*I would probably suggest an asking price of \$7.5m to achieve \$7m*".

19.16. In the meantime, the HVRSL directors have come back with another offer, four times as much as the original one. However, the offer is just about 30% below the Ockert value and considerably more below the estimate by Mr. Pugh.

19.17. As such, it reflects the status quo of an offer for the existing Residence package that does not include a service agreement, but still below the corresponding 2021 estimate by Mr. Ockert of USD 4,600,000 with only Infrastructural Services to the owners. Since the proposed new owners are the same owners as those of the Cheval Blanc resort, they could agree to provide a wide range of services via their resort management company which then would uplift the market value accordingly.

19.18. As such the value of the Residence assessed by Mr. Ockert some 4 years ago was USD 6,200,000 with the full service package. Mr Pugh suggested an asking price in 2025 of between USD 7,000,000 – USD 7,500,000. This reflects the established industry norm of villas being branded or integrated with full service agreements having a 30-40% higher value than would a free standing villa with no access to branded resort facilities and services see document on Integrated v Branded Residences at pages 806-810).

19.19. The latest offer from HVRSL came with a comment that the principals had agreed on the latest offer, and they would not take kindly to once again being turned down. I translated this statement to mean that there would be more harassment, more legal cases and constantly being in and out court. I have labelled it the 'harassment negotiating tactic'.

20. CONCLUDING REMARKS

1. It is very clear to me that the Government has effectively allowed HVRSL and Murban to exclude the Residence from the Hotel pool/redeveloped Resort, and in so doing the Government ignored

its own policies and laws, in order to placate Murban and ensure the investment was received and the UAE investors were kept happy.

2. I am aware from Banyan Tree executives that the due diligence carried out, in advance of the acquisition, was very poor. I suspect that the ultimate beneficiary, Sheikh Mansour bin Zayed Al Nahyan, knew nothing of what had been going on behind the scenes. It may well be that information as to the due diligence process was not passed on to the principle (the Banyan Tree sale to Murban Energy also went to arbitration, which was however called off when both parties agreed to a settlement, which no longer included a management agreement for the Banyan Tree Resorts Singapore Ltd. It allowed Murban Energy to sign up with Cheval Blanc as their management services, as was already the case for the Maldives resort, which would then have the same owners and operators.
3. It is apparent that the UAE investors set the agenda from day one and the Seychelles Government blindly complied, even when this has meant ignoring local laws and ignoring local policies and acts. Indeed, the overarching sanction system requires the Residence to be part and parcel of the hotel, but the UAE investors confirmed that they were adamant that the Residence be excluded. As I have explained, this left IRL in a virtual 'no man's land' requiring legal action and court hearings for the last four years.
4. Government officials, including Mr Lablache, indicated in person and in writing that they thought what was happening was very unfair. Mr Lablache's comment to me that this situation had moved from a legal to a political level was also very revealing.
5. Although it did not impact IRL, I was also struck by the information (from a government official) that when Mr Latroche first arrived on Mahé, he stated to the relevant parties that Murban would pay stamp duty at a rate of 1% only. As I have explained above, this was discussed in parliament and I understand that in the end, Murban paid the tax at the required rate. This does, however, indicate that Murban felt it could dictate its own terms.
6. Further, I consider Mr Abid's comments to reveal Murban's approach to "negotiation" as key indicator on what happened behind the scenes. As I have explained, when I spoke to Mr Abid on the telephone, he concluded the conversation by stating that Murban had already informed the Government that they would not open the resort if they had to service the Residence. On this occasion, Murban, as they appear they have done on many occasions in Seychelles, effectively informed the Government that they would not accept the Villa Policy, their original sanction or a range of other national legal obligations. The Government's apparent acceptance of this diktat has led IRL to suffer the loss and damage that it has.

7. I do not believe that there was ever any “oversight” in relation to the Residence being omitted from the hotel license and service agreements. This was done deliberately and in compliance with the demands of Murban, to protect their investment in the country. It is my strong view that matters have developed the way that they have because of corrupt practices at the highest levels of Government.

8. I have never in my professional life experienced such an approach to dealing with what is essentially a minor commercial dispute. All of my attempts to negotiate with Murban have been rebuffed. They relied on the Government to sort out these issues for them. It is clear to me that the way matters have developed, there was serious incentivizing of this decision-making process leading to the status quo, with IRL, again, sitting in court to establish if some real justice is possible. Now, via the judicial branch of government, as the executive branch has constantly ignored the corresponding facts and legal obligations.

STATEMENT OF TRUTH

I, Karl Ammann, believe that the facts stated in this affidavit are true.

SWORN at

Karl Ammann

This day of March 2025

Before me

