Suites Mercier

RETHINKING HOSPITALITY

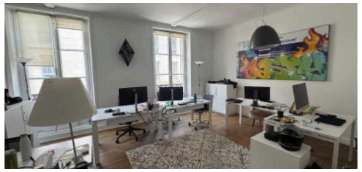
INVESTOR PRESENTATION — AUGUST 2026

8-10 rue Bertin Poirée

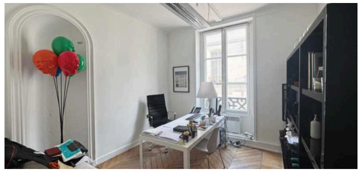
Paris 1^{st} — Saint-Germain-l'Auxerrois · Châtelet · Pont Neuf

Two 4-suite micro-hotels · 223 m² on the 2^{nd} floor of an early-19^{th}-century building · **Target net yield: 10% — Paris 1^{st} arrondissement** · Two structures: 6% guaranteed rent or management mandate

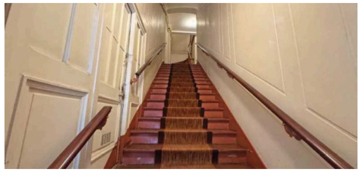
8-10 rue Bertin Poirée — two entrances, two staircases: two genuinely autonomous hotels, sellable separately.



EXISTING FLOOR — DUAL ASPECT



EXISTING — HERRINGBONE PARQUET



STAIRCASE — COMMON PARTS

THE OPPORTUNITY

Target net yield of 10% — Paris 1^{st}

Conversion of offices into two 4-suite boutique hotels in the heart of the 1^{st} arrondissement, 350 m from Châtelet. Tickets of €1.4M and €1.6M excluding acquisition costs, sellable together or separately.

10%

TARGET NET YIELD (EBITDA / ALL-IN COST) — MANAGEMENT MANDATE

6%

GUARANTEED RENT UNDER SUITES MERCIER LEASE — SECURED OPTION

2 × 4 suites

TWO AUTONOMOUS HOTELS — 8 KEYS · SLEEPS 16

€340 excl. VAT

AVERAGE ADR — BELOW THE LOCAL BOOKING PANEL (€343)

6 months

OF WORKS — OPENING IN MONTH 7

40%+

TARGET 5-YEAR IRR, CENTRAL CASE — MANAGEMENT MANDATE

TWO STRUCTURES TO CHOOSE FROM

Management mandate — the investor receives the hotel's EBITDA, Suites Mercier operates. Dynamic profile.

Guaranteed rent — Suites Mercier lease, 6% net of all operating costs. Wealth-preservation profile.

Paris hospitality — a market without equal

World's leading tourist destination · demand structurally ahead of supply

PARIS HOTEL STOCK	OCCUPANCY RATE	AVERAGE PARIS ADR	RATE GROWTH
97,500 units	*80%*	*€280*	*+40%*
HOTELS + APARTHOTELS + HOSTELS	STRUCTURAL PLATEAU · UPPER BOUND	3-4★ MIX · COACH OMNIUM 2025	CUMULATIVE SINCE 2019 · +12% IN 2024

DEMAND · ATOUT FRANCE

+2.5% a year

48M visitors to Paris in 2024 · 52M paid bednights. The 2024 Olympics and Notre-Dame consolidated Paris as the world's leading destination.

STOCK POLARISATION · 2009-2024

Recomposition towards the top

–515 1-2★ hotels (–75%) · **+441 4-5★ hotels and palaces (+337%)**. The budget segment has fallen to 13% of the stock.

PRICING · INSEE / COACH OMNIUM

Decoupled premium

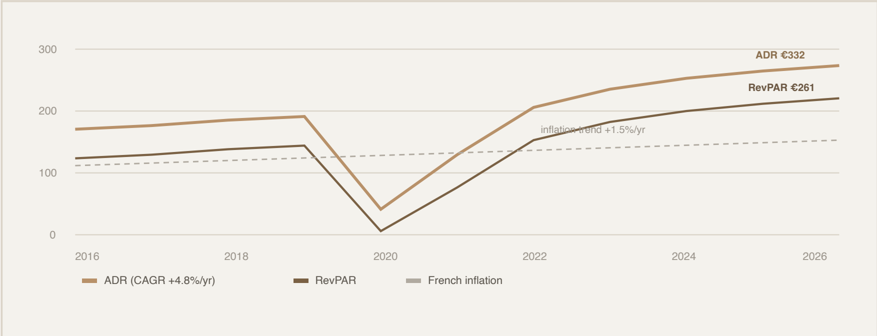
Paris hotels are **45 to 65% more expensive** than in the provinces · **+12% in 2024**. A market indexed to global demand, not to the domestic cycle.

PROJECTED 15-YEAR SHORTFALL

Up to €66.5bn required

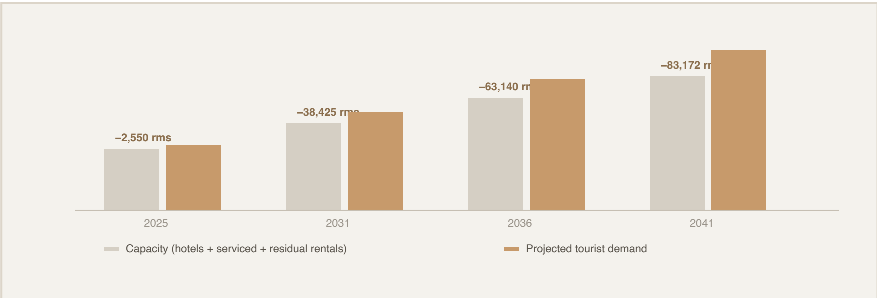
–2,550 rooms as early as 2025 (saturation), –38,425 in 2031, **–83,172 in 2041** — driven by the exit of the 33,700 illegal furnished rentals (Le Meur Act).

ADR & REVPAR PARIS — 2016-2026



*After the Covid trough, Paris ADR has grown 3× faster than inflation: **+59% between 2019 and 2026**, without giving up occupancy.*

CAPACITY VS DEMAND — 2025-2041



CONCLUSION

An exceptional window of market timing

Four converging dynamics compound over 5-15 years: rate growth **2 to 3.5× above inflation**, polarisation of the stock towards the upper end, the scheduled exit of the **33,700 illegal furnished rentals**, tourism growth of +2.5% a year.

The capital required to close the shortfall (**up to €66.5bn**) far exceeds the pace of conventional hotel development (~2,500 rooms a year).

Suites Mercier is positioned on this pool of uncovered demand through the conversion of obsolete offices and retail units into upscale boutique micro-hotels.

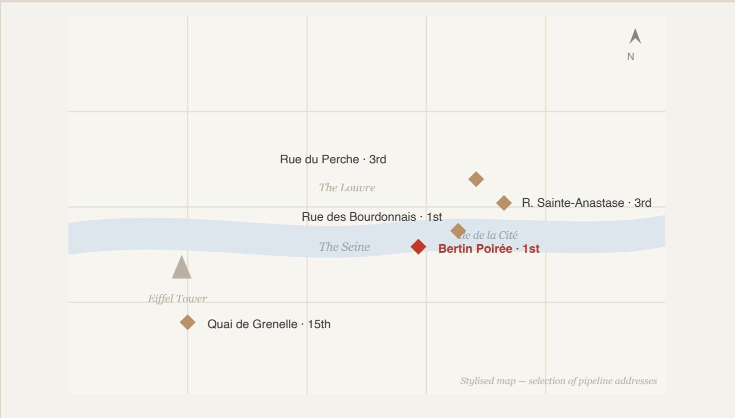
The service of a hotel, the intimacy of a home

Intimate boutique hotels of 5 to 7 suites, in characterful Parisian buildings

FULL HOTEL SERVICES

Personal welcome team on site during the day	**Independent entrance** secure 24/7 access
Breakfast served in each hotel	**Daily housekeeping** cleaning & hotel linen
Luggage assistance porterage on arrival and departure	**Laundry & concierge** services on request

THE PIPELINE — INNER PARIS



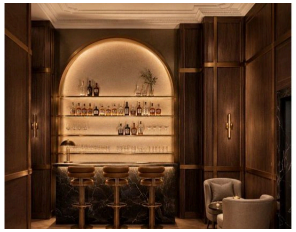
WORK IN PROGRESS — THE SUITES MERCIER UNIVERSE

SUITE — 1970 SIGNATURE

SUITE — NEOCLASSICAL SIGNATURE

BATHROOM

BAR — ART DECO



HOTEL BAR

CLUB LOUNGE

Execution renderings of projects currently in transformation — Suites Mercier art direction, non-contractual images.

8 assets PIPELINE IN PROGRESS — INNER PARIS EXCLUSIVELY	*2 signatures* 1970 & NEOCLASSICAL ART DIRECTIONS	*Integrated* SOURCING · DESIGN · TRANSFORMATION · OPERATION

8-10 rue Bertin Poirée — two 4-suite hotels

223 m² on the 2nd floor · early-19th-century building · two entrances, two staircases including one in stone

THE LOCATION & THE BUILDING

Saint-Germain-l'Auxerrois district, between rue de Rivoli and the quays — **Châtelet 350 m away (M1·4·7·11·14, RER A·B·D), Pont Neuf 300 m, the Louvre 800 m**. Early-19th-century building held in co-ownership (5 upper floors, common parts renovated — vote secured), herringbone parquet, generous ceiling height. **Two entrances, at nos. 8 and 10, and two staircases**: the two hotels are genuinely autonomous, separately operable and sellable.

Hotel A — family suites	Cat.	m²	ADR € excl. VAT
A-1	Large family	25.9	411.75
A-2	Large family	26.3	411.75
A-3	Deluxe	18.8	326.35
A-4	Superior	17.6	305.00
Reception 26 m² + corridor		**128.2**	**370.99**

Hotel B — smaller suites	Cat.	m²	ADR € excl. VAT
B-1	Superior	16.8	305.00
B-2	Family	22.7	381.25
B-3	Superior	17.0	305.00
B-4	Standard	14.6	277.55
Breakfast room 23.5 m²		**94.8**	**323.54**

*Base ADR €311.10 excl. VAT — **below the local Booking panel (€343 excl. VAT, all dates)**; grid of coefficients by floor area and category; 84% occupancy, average stay 3 nights. Averages weighted by the coefficients.*

PROJECTED LAYOUT — 2ND FLOOR (UPDATED AUGUST 2026)

Hotel A (dark parquet): 2 large family suites · 1 Deluxe · 1 Superior — 26 m² reception/breakfast room, staircase A · **Hotel B (light parquet):** 1 family suite · 2 Superior · 1 Standard — 23.5 m² breakfast room, staircase B · All suites with private shower room.

Floor-plan labels shown in French as per the architect's drawing of 04/08/2026.

223 m²

2ND FLOOR — AREAS EXCLUDING COMMON PARTS

8 suites

INCLUDING 3 FAMILY SUITES OF 22.7 TO 26.3 M² · SLEEPS 16

20 m²

AVERAGE AREA PER SUITE — LARGE BY PARIS STANDARDS

350 m

FROM CHÂTELET — 5 METRO LINES · 3 RER

Two twin investments, calibrated at 10%

Prices allocated pro rata to earnings capacity · notary 2% (property-dealer regime) · capex €2,900/m²

HOTEL A — FAMILY SUITES · 4 KEYS

Acquisition price	€1,622,000 €12,652/m²
Notary (2%) · brokerage (3%) · sourcing (3%)	€129,760
Price including acquisition costs	**€1,751,760**
Capex — works, architect, project management	€371,780 €2,900/m²
Carry (6 months' interest + mortgage + fees)	€73,687
All-in cost	**€2,197,227** €549,307/key
Revenue excl. VAT	€454,978 ADR €370.99 · occ. 84%
Operating costs & fees	–€245,913
EBITDA	**€209,065** 46.0% of revenue

9.5% NET YIELD (EBITDA / ALL-IN COST)

HOTEL B — SMALLER SUITES · 4 KEYS

Acquisition price	€1,378,000 €14,536/m²
Notary (2%) · brokerage (3%) · sourcing (3%)	€110,240
Price including acquisition costs	**€1,488,240**
Capex — works, architect, project management	€274,920 €2,900/m²
Carry (6 months' interest + mortgage + fees)	€61,182
All-in cost	**€1,824,342** €456,086/key
Revenue excl. VAT	€396,794 ADR €323.54 · occ. 84%
Operating costs & fees	–€213,988
EBITDA	**€182,806** 46.1% of revenue

10.0% NET YIELD (EBITDA / ALL-IN COST)

STRUCTURE OF THE P&L

1. **Variable costs:** distribution 15.5% of revenue · concierge 12.5% · FF&E 3%.
2. **Fixed costs:** housekeeping & hotel linen (including turndown), service charges, property tax, energy (€200/m²).
3. **Transparent Suites Mercier fees:** 2% of (price including costs + capex) a year — no hidden percentage on revenue.
4. **Indicative financing:** 65% debt at 5%, mortgage 1.3% — **cash-on-cash of 17 to 19%** on equity.
5. **Conservative ADR:** €340 excl. VAT on average, set below the local Booking panel (€343 excl. VAT) — every extra point of ADR drops through to EBITDA.

Two profiles identical by construction — the price of each hotel has been allocated to deliver the same target yield, the gap in price per m² (€12,652 vs €14,536) reflecting the revenue density of the smaller suites.

€3,921,569
CONSOLIDATED ALL-IN COST — €490,196/KEY

€851,773
CONSOLIDATED FULL-YEAR REVENUE

€391,870
CONSOLIDATED EBITDA — 46% OF REVENUE

10%
TARGET NET YIELD — PARIS 1ST

The management mandate — receive your hotel's EBITDA

The investor owns the asset and receives the operating result · Suites Mercier operates under mandate

THE MECHANISM

1. **The investor acquires the hotel** (walls + newly created business) and entrusts the operation to Suites Mercier under a hotel management mandate.
2. **They receive 100% of EBITDA** — the P&L accrues entirely to their benefit, with monthly reporting (revenue, ADR, occupancy, GOP).
3. **Suites Mercier is remunerated transparently:** 2% of (price including costs + capex) a year and the concierge service (12.5% of revenue) — full alignment with the asset's performance.
4. **Optional leverage:** 65% debt at 5% — cash-on-cash on equity reaches 17 to 19%.

THE UPSIDE

ADR set **below the local panel** and a prudent 84% occupancy: every point of ADR or occupancy above the business plan drops straight into the investor's EBITDA. **+5% ADR ≈ +11% EBITDA.**

THE INVESTOR'S INCOME (FULL YEAR)

	Hotel A — family	Hotel B — smaller	Both hotels
All-in cost	€2,197,227	€1,824,342	€4,021,569
Revenue excl. VAT	€454,978	€396,794	€851,773
EBITDA received by the investor	**€209,065**	**€182,806**	**€391,870**
Net yield (EBITDA / all-in cost)	9.5%	10.0%	9.7%
With 65% debt — cash-on-cash	17.1%	18.5%	17.8%
5-year IRR — central case, 8.5% exit	**36.5%**	**40.1%**	**38.2%**
Equity multiple — central case	1.78x	2.00x	1.88x

Year 1: 6 months of works then opening in month 7 — 6 months of trading. IRR and multiples calculated with a year-5 exit on EBITDA before management fees, capitalised at 8.5% including acquisition costs (detail on the Exit page).

≈ 10%
NET CURRENT YIELD, BEFORE LEVERAGE

17-19%
CASH-ON-CASH WITH 65% DEBT

36-40%
5-YEAR IRR, CENTRAL CASE — WITH DISPOSAL

Who this option is for — *investors seeking a high current yield with exposure to hotel performance, comfortable with variable income (seasonality, ramp-up) in exchange for a materially higher expected return. Operation is entirely delegated: no management burden for the investor.*

Guaranteed rent — 6% net of all costs

Suites Mercier commercial lease · 6% of price including costs + capex · void limited to the 6 months of works

THE MECHANISM

1. **Commercial lease with Suites Mercier:** the investor receives a fixed rent of **6% of their total investment** (price including costs + capex), net of all operating charges.
2. **Void limited to the works:** 6 months — rent starts on opening, in month 7. Year 1: 6 months of rent received.
3. **Zero operating risk:** occupancy, seasonality, charges — all borne by Suites Mercier. The rent is due whatever the hotel's performance.
4. **Indexation:** rent indexed annually (ILC commercial rent index).

WHY THIS RENT IS SUSTAINABLE

After paying the rent, Suites Mercier's operating margin remains at **≈ 40% of revenue** (€342,874 across the two hotels). The rent breaks even at an occupancy rate of **about 51%** — against 84% in the business plan and ~80% structural average for Paris.

THE RENT RECEIVED BY THE INVESTOR

	Hotel A — family	Hotel B — smaller	Both hotels
Base (price including costs + capex)	€2,123,540	€1,763,160	€3,886,700
Annual guaranteed rent (6%)	**€127,412**	**€105,790**	**€233,202**
Year-1 rent (6-month void)	€63,706	€52,895	€116,601
SM margin after rent (sustainability)	€180,995	€161,879	€342,874

THE YIELD EXIT — MECHANICAL CAPITAL GAIN

Walls let to a hotel operator under a firm lease trade in Paris at between 4.5% and 5.5% yields. Acquired on a 6% basis, the asset carries a mechanical re-compression gain:

Resale at a yield of	Hotel A	Hotel B	Both	vs investment
5.5%	€2,316,582	€1,923,455	€4,240,036	+9%
5.0%	€2,548,240	€2,115,800	€4,664,040	+20%
4.5%	**€2,831,378**	**€2,350,889**	**€5,182,267**	**+33%**

Excluding rent indexation — ILC indexation increases the exit price accordingly. A sale can take place from opening onwards, the asset then being a pure yield product, let and operated.

Who this option is for — *wealth-preservation investors seeking fixed, secured, management-free income backed by a real-estate asset in the heart of the 1st arrondissement — with a re-compression gain on resale as let walls.*

Two structures, two investor profiles

The same asset, two risk/return pairings — chosen hotel by hotel

OPTION 1 — MANAGEMENT MANDATE

≈ 10% variable
+ upside & 36-40% IRR

The investor receives EBITDA — dynamic profile

OPTION 2 — GUARANTEED RENT

6% fixed guaranteed
+ re-compression gain

Suites Mercier lease — wealth-preservation profile

	Management mandate	Guaranteed rent
Annual income (2 hotels)	**€391,870** — EBITDA, varies with performance	**€233,202** — fixed rent, ILC-indexed
Yield on investment	9.5 – 10.0% (EBITDA / all-in cost)	6.0% (rent / price including costs + capex)
Operating risk	Borne by the investor (delegated to SM)	Borne by Suites Mercier — rent due in all circumstances
Year 1 (6 months of works)	6 months of trading — pro-rata EBITDA	6-month void then full rent
Management effort	None — monthly reporting: revenue · ADR · occ. · GOP	None — landlord/tenant relationship
Bank leverage	65% debt — cash-on-cash 17-19%	Financeable — fixed flows favoured by banks
Exit	Sale of the hotel as a going concern — IRR 36-40% central case	Resale as let walls at 4.5-5.5% — gain of +9 to +33%
Investor profile	**Dynamic — seeking performance**	**Wealth preservation — seeking security and simplicity**

Both structures are available ***hotel by hotel****: one investor could, for example, hold Hotel A on guaranteed rent and Hotel B under a management mandate — or two separate investors could split the two assets, each in their own structure.*

€1.8 / €2.2M
ALL-IN COST PER HOTEL — ACCESSIBLE TICKETS

2 structures
MIX AND MATCH HOTEL BY HOTEL

6 months
OF WORKS BEFORE OPENING — SHORT LEAD TIME

Lease or mandate
CONTRACTING WITH SUITES MERCIER SAS

Value creation on exit

Management mandate: year-5 sale on inflated EBITDA (+3%/yr), capitalisation including costs, prices net to seller · 8% buyer's costs

DISPOSAL SCENARIOS — BOTH HOTELS COMBINED (YEAR 5)

Cap rate	Price net to seller	€ / key	Investor IRR	Profit	Multiple
7.0%	€6,787,691	848,461	47.3%	€4,009,872	2.68x
7.5%	€6,335,178	791,897	44.0%	€3,557,360	2.38x
8.0%	€5,939,230	742,404	41.0%	€3,161,411	2.11x
8.5% — central case	**€5,589,863**	**698,733**	**38.2%**	**€2,812,045**	**1.88x**
9.0%	€5,279,315	659,914	35.5%	€2,501,497	1.67x

	Central-case price	€/key	Range 9% → 7%	Central IRR
Hotel A — family suites	€2,994,115	748,529	€2.83 – 3.64M	36.5%
Hotel B — smaller suites	€2,595,748	648,937	€2.45 – 3.15M	40.1%

Capitalisation on exit EBITDA before management fees (€500,557 consolidated, year 5), prices net to seller after 8% buyer's costs. Walls/business split at market terms: theoretical operator rent 12% of revenue, walls at 30× the rent — the implicit business value comes out at 2.5× to 4.2× revenue depending on the scenario, within or below the Paris market range (3.5-5.5×).

LIQUIDITY

Lots of €2.4M to €3.6M each in the heart of the 1st arrondissement: **the deepest and most contested band of the Paris market** (family offices, operators, small-cap institutions). The two entrances allow a separate or combined disposal.

THE TIMETABLE

Preliminary sale agreement	Q4 2026
Completion & start of works	Q1 2027
Duration of works	6 months
Opening of both hotels	**Q3 2027**
First full year of trading	2028
Indicative disposal horizon	2030-2032

NEXT STEPS

1. **Letter of interest** — choice of hotel and of structure (mandate or lease).
2. **Data room** — detailed business plan per hotel, plans, Booking panel, draft lease / mandate.
3. **Structuring** — direct acquisition or through a dedicated company, bank financing supported.

CONTACT

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