

**BAI CO. (MTIUS) LTD AND RELATED ENTITIES
(SPECIAL ADMINISTRATORS APPOINTED)**

C/o PwC
18, Cyber City
Ebene
Mauritius

T: +(230) 404 5000
F: +(230) 404 5088/89

25 May 2015

Dear Sir/ Madam

Iframac Retail (trading as "Courts")

Thank you for signing and returning the Confidentiality Agreement in relation to your interest in the assets of the abovementioned business ("the Business").

The objective of this letter is to provide guidance on the basis on which your offer (the "Offer") should be made, to explain the nature and timing of the process which the Vendors are running, and to highlight any other pertinent details.

Background

The activities Iframac Retail (trading as 'Courts') encompass trading of household furniture, furnishings, electrical appliances, information technology products (computers and laptops), mobile phones, bicycles and mopeds. It operates as a division of Iframac Limited (Special Administrators Appointed) which is a private company incorporated in Mauritius and a subsidiary of BAI Co. (Mtius) Ltd (Special Administrators Appointed).

It is envisaged that the disposal of Iframac Retail will take form of a sale of the assets of the Business comprising land, buildings, motor vehicles, fixtures and furniture and inventory.

Confidentiality

The Vendors consider that it is of paramount importance that the sale process remains confidential and have instructed that all enquiries and communications in respect of your interest in the Business be in writing and addressed for the attention of Mushtaq N. Oosman and Yogesh R. Basgeet, the authorised representatives of the Vendors at PricewaterhouseCoopers Ltd (PwC) (the "Recipients") on the address provided.

You are reminded that both the sale process and the information being provided to you are confidential and you are therefore bound under the terms of the Confidentiality Agreement that you have signed. Any breach of confidentiality by you, your directors, employees or advisers may result in the Vendors excluding you from the sale process, and in such legal actions as the Vendors may be advised are appropriate.

The Disposal Process

Following receipt of your signed Confidentiality Agreement, the Vendors hereby allow you the opportunity to access financial and other information relating to the Business through an electronic dataroom.

All bidders will be allowed an opportunity to inspect the assets and will be expected to complete their due diligence in a period not exceeding three (3) weeks. If you would like an opportunity to physically inspect the assets, please write to Moostakem Ghoola on moostakem.ghoola@mu.pwc.com for an appointment.

The sale process will consist of the following:

1. The Vendors require that you submit full and complete information on the bidding entity including a brief description of your business and experience in the retail industry. Such information must include but not limited to your company's certificate of incorporation, business profile, organisational structure as well as details of shareholders and directors.
2. Bidders are expected to submit their financial bids according to the instructions below no later than 16.00 hours Mauritius time on Friday, 19 June 2015:
 - a) **Price:** The cash price payable on completion in MUR being offered. A non-cash element shall not be acceptable. Consideration payable should be a single figure for real estate assets (i.e. freehold land and buildings), plant and equipment, fixtures and furniture. Regarding the valuation of stock, please refer to 2c (ii) below;
 - b) **Security Deposit:** An amount in Mauritian Rupees equivalent to 20% of the bid for the immovable assets. The security deposit is to be delivered by banker's cheque to the attention of

Iframac Ltd (Special Administrators Appointed)
c/o PricewaterhouseCoopers Ltd
18 Cybercity, Ebene
Mauritius

The security deposit will not be banked until the preferred bidder has been selected. Upon notification of the preferred bidder, the deposit shall be banked and held on account of final settlement.

- c) **Bid considerations:** The Vendors would like to bring to your attention the following:
 - i. **Land and buildings:** In Mauritius, any sale and transfer of immovable assets is subject to registration duty. However, under GN No. 50 of 2015, Regulations made by the Minister Section 49 (35) of the Registration Duty Act and GN No. 49 of 2015, Regulations made by the Minister Section 47 Eight Schedule (zb) of Land (Duties and Taxes) Act, the sale and transfer of immovable assets of Iframac Ltd may be exempted from Land Transfer Tax and Registration Duty. This is subject to an application for exemption to the Ministry of Finance. The Vendors have initiated an application to the Minister of Finance for waiver of the Land Transfer Tax and Registration Duty on behalf of the Vendors and the bidders respectively. Once, and if, obtained, the letter of approval will be made available in the dataroom.
 - ii. **Stock:** The Vendors require that all bidders specify any provision or impairments that they will apply to the Business' inventory by age.
- d) **Financing:** An explanation of how you propose to finance the acquisition and, to the extent that it will be financed by third parties, a copy of a letter from your financiers confirming that such facilities are available; and
- e) **Conditions and approvals:** Confirmation that your offer has received the necessary Board or Investment Committee approvals together with details of any other conditions precedent.

All documentation including the financial bids should be in English, dated and signed by an authorised individual, whose capacity should also be stated.

The dataroom will remain accessible to all bidders until Friday, 19 June 2015.

Employees

No employees shall be transferred with the assets of the Business. The successful bidder will however be strongly encouraged to approach ex-Iframac's personnel for employment in the new company ("NewCo").

Completion

The Vendors intend that sale of assets and completion will be simultaneous. Subject to the foregoing and successful negotiations, the parties will work towards completion which includes signing of the sale agreement, transfer of title of ownership and related documents.

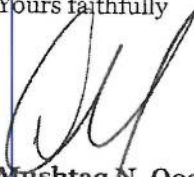
Reservations

The Vendors reserve the right to vary the disposal process, to withdraw this request for offers, to terminate discussions at any stage, to negotiate with any party in any manner, to vary the timetable, and will not be bound to accept the highest offer or any offer. The Vendors shall not bear any costs or liabilities incurred by yourselves or your advisers.

Any acceptance of a final offer will be made on a strictly subject to contract basis and the Vendors will not be obliged to sell assets of the Business until a formal sale agreement is concluded.

In no circumstances should any approach be made to any of the shareholders, directors or employees of the Business without the express written consent of the Vendors.

Yours faithfully



Mushtaq N. Oosman FCA and Yogesh R. Basgeet ACA
The Appointed Special Administrators of Iframac Limited

