



FLOURISH AMARGO

Sixth Avenue - Palm Beach

INDEPENDENT ACCOUNTANTS REPORT

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Sixth Avenue - Palm Beach

Independent Accountants Report

INDICATIVE OWNER RETURN ANALYSIS | SHORT TERM LETTING POOL

Notes	TYPICAL 1 BEDROOM	TYPICAL 2 BEDROOM	TYPICAL 3 BEDROOM
(1)	OCCUPANCY 71.70%	OCCUPANCY 71.70%	OCCUPANCY 71.70%
(2)	AVERAGE DAILY RATE \$361.20	AVERAGE DAILY RATE \$451.50	AVERAGE DAILY RATE \$632.10
(3)	GROSS ANNUAL RETURN \$55,015	GROSS ANNUAL RETURN \$68,769	GROSS ANNUAL RETURN \$96,277
	GROSS WEEKLY RETURN \$1,058	GROSS WEEKLY RETURN \$1,322	GROSS WEEKLY RETURN \$1,851

- (1) Occupancy has been derived from historical STR Data for Luxury and Upper Upscale holiday letting properties on the Gold Coast. STR is considered to be the most reliable indicator of historical performance for apartment hotels. The indicative occupancy rate assumes Flourish Amargo is marketed both domestically and internationally by a professional marketing agency with appropriate yield management systems in place.
- (2) Average daily rate has been determined based on historical STR Data for Luxury and Upper Upscale holiday Letting properties on the Gold Coast. STR is considered to be the most reliable indicator of historical performance for apartment hotels. The average daily rate has also been compared to the advertised rates of similar properties to confirm rates remain appropriate. Average daily rates have been appraised based on the apartments being fully furnished to a luxury standard.
- (3) Gross annual return is the estimated return to apartment owners after all charges attributable to management of the property have been applied including cleaning, linen and commissions but before holding costs and utilities such as council rates, body corporate levies, insurance and electricity.
- (4) This report is largely based on historical performance and past performance does not necessarily provide a guarantee of future results. You should not rely solely on this Report as the basis of making an investment decision and you should seek your own independent professional advice.

FLOURISH AMARGO

LUXURY APARTMENTS

Sixth Avenue - Palm Beach

Independent Accountants Report

INDICATIVE OWNER RETURN ANALYSIS | LONG TERM LETTING POOL

Notes	TYPICAL 1 BEDROOM	TYPICAL 2 BEDROOM	TYPICAL 3 BEDROOM
(1)	VACANCY RATE 1.90%	VACANCY RATE 1.90%	VACANCY RATE 1.90%
(2)	AVERAGE WEEKLY RENTAL \$843.75	AVERAGE WEEKLY RENTAL \$1,220.00	AVERAGE WEEKLY RENTAL \$1,643.75
(3)	GROSS ANNUAL RETURN \$40,449	GROSS ANNUAL RETURN \$58,406	GROSS ANNUAL RETURN \$78,565
	GROSS WEEKLY RETURN \$778	GROSS WEEKLY RETURN \$1,123	GROSS WEEKLY RETURN \$1,511

- (1) The Vacancy rate has been determined based on long term average vacancy rates achieved in the area for this type of development. Current vacancy rates are below the long term average due to a current supply shortage. Typically the market will correct over time in line with long term average vacancy rates.
- (2) Average weekly rentals have been determined based on historical average weekly rents achieved and current advertised rents for comparable properties. Weekly rents will vary over time depending on the supply and demand for accommodation. The Average weekly rentals are based on an unfurnished apartment. Higher weekly rental rates will be achieved from furnished apartments and apartments with designated car parking and/or a multi-purpose room.
- (3) Gross annual return is the estimated return to apartments owners after all charges attributable to management of the property including administration fees, Commissions and Letting Fees but before holding costs and utilities such as council rates, body corporate levies, insurance and maintenance.
- (4) This report is largely based on historical performance and past performance does not necessarily provide a guarantee of future results. You should not rely solely on this Report as the basis of making an investment decision and you should seek your own independent professional advice.

FLOURISH AMARGO

LUXURY APARTMENTS

Sixth Avenue - Palm Beach

Independent Accountants Report

About the Author of this report

Holmans is a Chartered Accounting Firm with over 25 years experience specialising in providing Accounting, Taxation and Consulting services to the Accommodation Industry.

Holmans Accommodation Team currently provides professional services to in excess of 300 Hotels, Serviced Apartments and Resorts throughout Australia.

Holmans knowledge and expertise in the Accommodation Sector is highly regarded by financial institutions, legal advisors, sales brokers, valuers and associated industry specialists.

Important Disclaimer

At the time of completing this Report the accommodation industry was being materially impacted by a shortage in the supply of Long Term accommodation which has lead to a rapidly increasing average weekly rentals. Apartment Hotels have been trading reasonably in line with long term average outcomes after an extended period of recovery post Covid 19 Pandemic. The data relied upon to prepare this report is considered to be in line with current market expectations however the future is unpredictable and historical performance is not necessarily an accurate reflection of future outcomes.

Important References

- * Dransfield Hotel Futures Report 2025
- * STR Trend report Gold Coast February 2026
- * Queensland Hotels Association Report February 2026
- * Actual Property Trading Data

COMPILATION REPORT TO

Sherpa Group ("Our Client")

Scope

On the basis of information provided per our client, we have compiled the accompanying Special Purpose Financial Report of Flourish Amargo, which comprises an Indicative Owners Report Analysis. This report has been prepared in accordance with the detailed notes and assumptions attaching to the report.

The Responsibility of the Directors

Our Client is solely responsible for the information contained in the Special Purpose Financial Report and have determined that the assumptions used are appropriate to meet their needs and for the purpose that the Financial Report was prepared.

Our Responsibility

On the basis of information provided by the Directors and their Officers, we have compiled the accompanying special purpose financial statements in accordance with the Notice 1-16, and APES 315 Compilation of Financial Information.

Our procedures use accounting expertise to collect, classify and summarise the financial information, which the Directors and their Officers provided, in compiling the financial statements. Our procedures do not include verification or validation procedures. No Audit or review has been performed and accordingly no assurance is expressed.

The Special Purpose Financial Report was compiled exclusively for the benefit of the Directors. We do not accept responsibility to any other person for the contents of the Special Purpose Financial Report.

A handwritten signature in black ink, appearing to read 'Tony Rossiter'.

Tony Rossiter CA

11 May 2026

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