

De-risked Entry, Unpriced Upside

Eco Regions International Pte. Ltd.

30 March 2026

Eco Regions International Pte. Ltd. ("ERI" or "the Company") is a Singapore-registered company focused on large-scale ecotourism in Indonesia, controlling up to 1,100 hectares of beachfront land and uninhabited islands across two sites in Lombok and Sumbawa. After a decade of securing land rights, with backing from local, provincial, and national government, ERI's primary site at Tanjung Ringgit in Southeast Lombok spans 339 hectares, is fully permitted, and construction is underway. The business model combines Property Development and Hospitality with Wholesale and Associated Businesses, targeting 14,000 tourist beds and 0.6 million annual guests at completion. Our DCF values just Tanjung Ringgit at USD 56–98m, excluding The Eight Islands and secondary businesses. Analyst Group views the current round as offering a compelling risk/reward profile, with early-stage entry ahead of key milestones and a first exit opportunity anticipated within 2–3 years.

ERI in Brief

ERI's origins date back to 2011, when the Company was invited by the East Lombok Regency to develop Tanjung Ringgit into a world-class destination. ERI currently holds a land position of 1,100 hectares across two sites in the West Nusa Tenggara province, 500 of which are intended for development by partners. Tanjung Ringgit in Southeast Lombok spans 345 hectares, of which 339 hold a forestry utilisation permit. The Eight Islands off Northwest Sumbawa adds 755 hectares where permitting is underway. After a decade spent securing land rights with backing from local, provincial, and national government, ERI broke ground at Tanjung Ringgit in November 2023 and is currently constructing roads for the first enclave of 100 eco-villas. The business model is centred on Property Development and Hospitality, spanning ecotourism, health and wellness, marine, and farm-to-table tourism, with a stated capacity of up to 14,000 tourist beds given both regions are fully developed. Five major Swedish shareholders together hold 80% of the Company, led by Executive Directors John Higson and Marie Eriksson.

Key Takeaways

- **Scarce Land Position:** Up to 1,100 of hectares with partners of beachfront land and uninhabited islands in a fast-growing tourism corridor.
- **Structural Tailwinds:** Global ecotourism is expected to grow at a CAGR of 15.5% until 2033.
- **De-risked Asset Base:** A decade of legal groundwork has secured 339 hectares of permitted land with construction now underway.
- **Early-stage Entry Point:** Current round is priced before key construction and revenue milestones, ahead of an expected early exit at much higher valuations.

Business and Revenue Model

The revenue model spans four segments. The first two are capital-intensive and asset-driven; the latter two are lighter and scale with guest volume and the number of commercial operations within the regions.

- **Property Development:** Builds, owns and manages the physical assets. Revenue from room rentals, operator revenue shares, JV fees, off-plan villa sales, utility- and service fees.
- **Hospitality:** Operates resorts, villas and restaurants. Revenue from room rates, food & beverage, tourism services, guest transportation and attractions
- **Wholesale & Retail:** Buys goods in bulk and resells to operators within the EcoRegions at a margin. Scales with the number of active businesses and guests.
- **Associated Businesses:** Revenue shares and dividends from JV holdings in agriculture, agroforestry, fisheries, eco-marina operations, local manufacturing, etc.



De-risked Foundation

After a decade of clearing illegal land certificates and occupation with government backing, ERI holds a 339-hectare forestry permit valid until 2048 (renewable) and a marina permit at Tanjung Ringgit. This process built the Company's legal moat: strong local ties, an experienced board and management team with deep industry and regulatory expertise and backing from key ministries.



Lombok Momentum

With Bali reaching saturation, interest has shifted to Lombok, now one of Southeast Asia's fastest-growing destinations with hotel guests increasing 21.5% year-over-year in 2024. Tanjung Ringgit is perfectly timed to capture this surge, offering exclusivity as the largest and most secluded south coast development that village-adjacent competitors cannot replicate.



Entry at a Value-creating Phase

The current round is priced before villa construction or revenue milestones. Our DCF valuation, covering Tanjung Ringgit's Property Development and Hospitality only, and excluding The Eight Islands and other business lines, yields a range of USD 56–98m. Investors enter ahead of the hospitality launch and secondary business activation, with a first exit opportunity anticipated within 2–3 years.

Property Development and Hospitality

Property Development is the primary engine of the business. ERI manages the full lifecycle of eco-resorts, eco-villas, and commercial facilities, retaining control of assets, infrastructure, and long-term value. High-end flagship resorts are to be operated by internationally recognised brands while villa rentals and boutique resorts are to be managed by ERI directly to maximise margins. The hospitality model integrates ecotourism with health, wellness, marine, and farm-to-table tourism to create year-round demand and higher occupancy rates. At full development, the two regions have a combined capacity of up to 14,000 tourist beds and an estimated 0.6 million guests annually.



“The associated businesses are designed to extract additional revenue from the guest flow generated by the primary businesses, without proportional capital investment. That strengthens the overall economics as the regions scale”, says the covering analyst at Analyst Group

Wholesale, Retail, and Associated Businesses

ERI controls the Wholesale supply of all goods within the Company’s destinations. Over time, only sustainable products are intended to be permitted for use and sale, creating what the Company describes as a green monopoly. With 0.6 million projected annual guests, the wholesale segment is expected to match the Property business in scale. Beyond Wholesale, ERI develops Associated Businesses through partnerships in agriculture, agroforestry, fisheries, community joint ventures, eco-marinas, and sustainable manufacturing. These are designed to accelerate delivery, reduce risk, and generate revenue shares without significant capital strain from ERI, but are not included in the valuation.

Two EcoRegions in Unique Locations

Tanjung Ringgit is a secluded 345-hectare peninsula in Southeast Lombok featuring nine bays and beaches, including one of the world's few pink beaches, high limestone cliffs, and pristine coral reefs with Mount Rinjani as a backdrop. 339 hectares of forestry land are fully permitted, a marina location permit has been granted, and road construction for the first enclave of 100 eco-villas is underway.

Across the Alas Strait, 45 minutes by motorboat, lies The Eight Islands, an archipelago of eight uninhabited tropical islands off Northwest Sumbawa. The islands total 755 hectares, of which 259 hectares are intended for development by ERI and the remaining area by partners. The islands sit on forests of coral surrounded by crystal-clear water. A new airport in West Sumbawa is planned to open for domestic flights in 2026, placing the islands just 15 minutes by boat from the airport.



Key Data as of 2026-03-30

ERI Land Holdings (Hectares)	Up to 1,100
Permitted Land under con. (Hectares)	339
Tourist Bed Capacity	14,000
Estimated Enterprise Value (USDm)	58–100
Executive Directors	J. Higson & M. Eriksson

Map of Bali and the Nusa Tenggara Barat Provinces



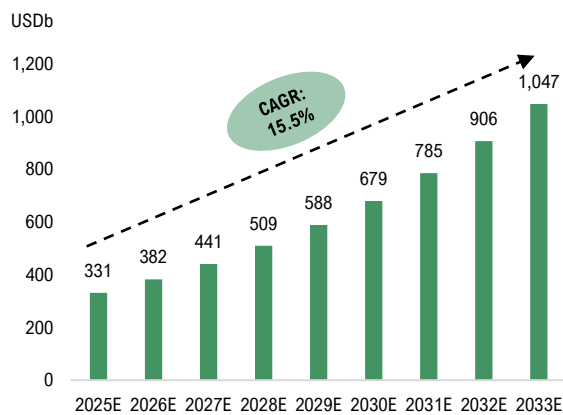
Market Analysis

Structural Trends Expected to Drive Demand

Demand for tourism on Lombok is supported by macro-economic and regional growth indicators. International tourism to Indonesia is expected to grow by approximately 5.6% per year during the period 2025–2029 according to Fitch Solutions, reaching approximately 18.1 million international arrivals, while the World Travel & Tourism Council estimates that international tourism expenditure in Indonesia is assessed to amount to approximately USD 22b during 2025, representing a record level.

Lombok further benefits from improved accessibility. The international airport, already a hub for eastern Indonesia, has been expanded to a capacity of approximately 7 million passengers per year and is currently complemented by direct routes to Singapore and Kuala Lumpur, with planned new important international connections to Australia, South Korea, China, Thailand, Istanbul and Jeddah. These regional growth drivers coincide with global structural trends within the segments addressed by the Company, where ecotourism according to SkyQuest is estimated to grow at a CAGR of 15.5% between 2025 and 2033, reaching a value of approximately USD 1,050b by the end of the forecast period. Growth is assessed to be driven by increased awareness of the negative environmental impact of mass tourism, combined with rising demand for sustainable, experience-based, and authentic travel formats, as well as increased focus on health and well-being.

The Global Ecotourism Market



The Global Rise of Regenerative Hospitality

The global hospitality industry is undergoing a fundamental transformation. Modern investors and travellers are moving beyond traditional luxury towards regenerative travel, where the visitor’s presence actively improves the destination. ERI is perfectly positioned at the intersection of this shift, meeting the surging demand for unique, personalised high-value experiences that prioritise environmental restoration and deep, authentic participation in local communities.

Beyond ecotourism, ERI is capitalising on the rapid growth of health and wellness tourism, as the industry moves beyond spas to include recovery, sleep, longevity programmes and performance-led fitness. Central to this lifestyle is the demand for transparency and health in the food chain. ERI will meet this by integrating locally produced, day-fresh organic food, medicinal plants and day-fresh marine delicacies directly into the Company’s EcoRegions. By aligning the Company’s development with these powerful trends, from health and wellness to the farm-to-table movement, ERI is not just building a destination, but a future-proof ecosystem designed for the conscious consumer of tomorrow.

Lombok & Sumbawa: Two Growing Hotspots

Indonesia’s tourism is shifting east, beyond Bali. Emerging destinations such as Labuan Bajo and Sumba are on the rise. Strategically situated between these new hubs and Bali lie Lombok and Sumbawa, which form the West Nusa Tenggara (“NTB”) Province.

Lombok is one of the fastest-growing destinations in Southeast Asia, located near Bali and is designated as a priority tourism zone by the government. Hotel guests in NTB rose by approximately 21.5% from 2023 to 2024, reaching over 2.1 million.

Lombok is easily accessible via international and domestic flights, and the airport is designated to become a hub for eastern Indonesia. The new airport in West Sumbawa is set to open for domestic flights in 2026. By October 2025, tourism arrivals in West Nusa Tenggara had reached approximately 2.1 million, placing NTB Province within reach of the Company’s annual target of 2.3 million.

Competitive Landscape: Developments South Lombok

Project	Tanjung Ringgit EcoRegion	Samara Lombok	Selong Selo	Tampah Hills
Location	345-ha peninsula, Southeast Coast	60-ha divided parcels, South Coast	16-ha hillside, South Coast	85-ha (exp. to 120-ha), South Coast
Main Features	9 bays & beaches incl. Pink Beach, cliff-side	Hill views & seafront beach access	Hill views	Hill views & beachfront
Distance to Lombok Airport	1 hour (car & boat)	45 Minutes	45 Minutes	35 Minutes
Development Plans	Eco-resorts, villas, marina ≤5,700 beds	60 villas + 249-room Hyatt	50 villas	120–150 villas
Development Status	Road construction underway	Infrastructure built, villas under construction	39 completed villas	19 completed villas
Beachfront price / Are	Not selling private land	IDR 190m (USD 11,585)	No beachfront land	IDR 240m (USD 14,635)

Business Case

De-risked Foundation Entering the Payoff Phase

Securing land rights is the main barrier to large-scale development in Indonesia. ERI has spent more than a decade building the legal and institutional foundation at Tanjung Ringgit, a secluded 345-hectare peninsula in Southeast Lombok, working closely with national and provincial agencies. Invited by the East Lombok Regency in 2010, ERI by 2013 had completed Indonesia's first integrated sustainable master plan, presented as a gift from the delegation of the Swedish Prime Minister to the Indonesian President. This process built the Company's legal moat: strong local ties, former senior local and provincial officials as consultants, and backing from key ministries. The result is a 339-hectare forestry utilisation permit valid until August 2048, a 35-year renewal option, and a marina permit. For investors, these secured permits and government relationships represent a foundation that would take a new entrant years to replicate, paving the way for operations and value growth.

Entry-stage Pricing Before Key Milestones

Investment at the start of construction offers an attractive balance between lower risk, with the main Tanjung Ringgit permit secured, and high upside through an early-stage valuation. Analyst Group values Tanjung Ringgit's Property Development, Hospitality, and in-resort retail operations at USD 56–98m. The Eight Islands EcoRegion, the Wholesale supply business, Associated Businesses, and private land and marina development are all excluded, representing additional upside as milestones are reached.

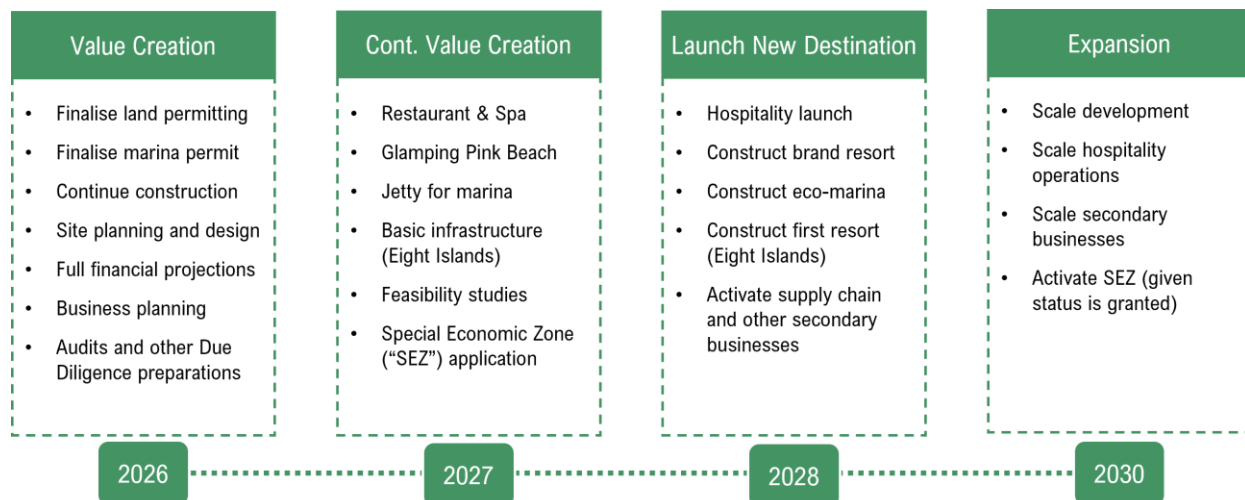
Investors in this first round enter early on the value creation curve, ahead of the anticipated hospitality launch, glamping and marina openings, and the activation of secondary businesses. As more land areas and businesses are incorporated into the valuation over time, this is expected to support a future strategic investor process and provide this round's investors with a first exit opportunity within an estimated time of 2–3 years.

The Lombok Momentum

As Bali becomes increasingly saturated, international interest has shifted towards Lombok. Designated a priority tourism zone by the Indonesian government and voted the second-best island in Asia in Condé Nast Traveller's 2025 Readers' Choice Awards, Lombok is among Southeast Asia's fastest-growing tourism destinations. As travel demand moves eastward towards emerging hubs such as Labuan Bajo and Sumba, Lombok and Sumbawa are well positioned to capture rising visitor flows.

Hotel guests in West Nusa Tenggara, which includes Lombok and Sumbawa, increased by approximately 21.5% from 2023 to 2024 to more than 2.1 million. By October 2025, arrivals had already reached 2.1 million, putting the province within reach of the Company's 2.3 million full-year target. Lombok is accessible through international and domestic flights, with the island's airport set to become a hub for eastern Indonesia, while a new airport in West Sumbawa is scheduled to open for domestic flights in 2026.

At 345 hectares on a secluded peninsula, Tanjung Ringgit is the largest major south Lombok development, compared with approximately 60 hectares at Samara Lombok, 16 hectares at Selong Selo, and approximately 85 hectares at Tampah Hills. Located 7 kilometres from the nearest village, versus less than 100 metres for all three competitors, it offers a level of environmental integrity, privacy and exclusivity that village-adjacent developments are unlikely to match.



Forecast & Valuation

Methodology and Assumptions

To reflect the uncertainty inherent in the Company's early stage of development, two distinct DCF-based approaches have been employed to derive the valuation of ERI, both utilising a 17-year explicit forecast period (2026–2042). The valuation is based exclusively on the Tanjung Ringgit EcoRegion, as the Eight Islands has not yet obtained the necessary permits to support a reliable forecast. A WACC of 20% is applied across both models, reflecting a material premium above the 9–14% discount rates observed for stabilised Indonesian real estate assets, as disclosed by independent valuers including Knight Frank, CBRE, and Cushman & Wakefield in First REIT's Annual Valuation documentation, to account for the development, execution, and financing risks associated with ERI's current stage.

Valuation Model 1: Joint Venture

Under the Joint Venture model, it is assumed that ERI develops all components of the Tanjung Ringgit EcoRegion in partnership with external operators and investors, limiting the Company's own capital requirements. Revenue is generated through two primary streams: upfront fees paid by JV partners for the right to build and operate within the EcoRegion, and ongoing revenue sharing consisting of a 20% share of villa revenues after tax and booking fees, a 20% dividend on free cash flow from resorts, and a 25% rent on accumulated retail construction costs.

Upfront fees are anchored to the eight transactions completed in Friends Village during 2025–2026 at an average of approximately USD 289,000 per hectare, executed under conditions of limited infrastructure and no established marketing. Benchmarking against comparable Lombok projects, including Tampah Hills, Samara Hills, Selong Selo, and Marina Bay City, trading at USD 110–500 per m², supports the expectation of rapid fee appreciation as the region develops. Near-term upfront fee growth is projected to be strong, decelerating towards a long-term stable rate of 3% growth annually. SG&A is estimated at approximately USD 10m annually at maturity, and terminal value is calculated using a perpetuity growth approach at 2%. This model yields an enterprise value of USD 58.4m.

Valuation Model 2: Development of Own Operations

Under the Own Development model, it is assumed that ERI independently funds and operates all assets, including four- and five-star villas and resorts (both own- and brand-operated) and retail facilities, across a total buildable area of approximately 410,000 m². Construction costs, validated with ERI's contractor PT Bruder Consulting Indonesia, range from USD 1,189 per m² for four-star villas to USD 2,678 per m² for five-star brand-operated resorts. ADR assumptions range from USD 350 for four-star villas at the start of the forecast to over USD 2,000 for five-star brand-operated resorts by 2042, benchmarked against Tampah Hills, Six Senses Uluwatu, and Bvlgari Bali.

Occupancy is assumed to begin at approximately 35%, rising to 65–67% by period end, supported by a diversified tourism offering across eco-, health, wellness, marine, and farm-to-table segments. EBITDA margins are projected to reach approximately 40% at maturity, with comparable peer PT Bukit Uluwatu Villa Tbk reporting 35% in 2024 providing support. A 10% revenue tax and 15% OTA booking fee are deducted throughout, and brand-operated resorts carry a 5% management fee. Terminal value applies an exit yield of 9.5%, consistent with the 8.5–10.5% range reported by independent valuers for Indonesian real estate. This model yields an enterprise value of USD 100.4m.

Valuation Summary

Adjusted for net debt of approximately USD 2.0m, the resulting equity value range is USD 56.4m – USD 98.4m, which Analyst Group considers a reasonable and fair valuation.

Additional Value Drivers Not Captured in the Valuation

Several material upside factors are excluded from the derived range. The Eight Islands EcoRegion in West Sumbawa, an area larger than Tanjung Ringgit, represents standalone future value potential as permitting progresses towards expected commercialisation in H1 2027. The Company has already secured a strong legal position through 90-year forestry permits covering parts of the area, though certain environmental assessments remain outstanding.

Potential Special Economic Zone ("SEZ") designation represents a further upside catalyst. SEZ status would provide tax incentives, customs benefits, and simplified administrative processes, improving operating conditions and facilitating international brand operators. A provincial-level agreement exists to advance the process upon completion of basic infrastructure, and the Indonesian state has expressed interest in establishing a green SEZ consistent with the EcoRegions concept.

Additionally, scope exists to increase the effective revenue-generating development intensity from approximately 7.4% to 8–8.5% through dialogue with authorities, increasing buildable rights without altering the sustainability profile. Conversion of the Tanjung Ringgit forestry permit to a 90-year PBPH format would further extend the legal horizon for operations, with equivalent permits already in place for parts of the Eight Islands. The Indonesian government's decision to establish a military platoon near Tanjung Ringgit is also expected to accelerate infrastructure build-out, reducing costs for ERI and the Company's partners.

Investors should note an existing management option programme entitling senior executives to acquire shares equivalent to up to 20% of the Company. Full exercise would dilute existing shareholders by up to 20%, partially offset by the associated capital injection.

Disclaimer

These analyses, documents and any other information originating from AG Equity Research AB (Henceforth "AG") are created for information purposes only, for general dissipation and are not intended to be advisory. The information in the analysis is based on sources, data and persons which AG believes to be reliable. AG can never guarantee the accuracy of the information. The forward-looking information found in this analysis are based on assumptions about the future, and are therefore uncertain by nature and using information found in the analysis should therefore be done with care. Furthermore, AG can never guarantee that the projections and forward-looking statements will be fulfilled to any extent. This means that any investment decisions based on information from AG, any employee or person related to AG are to be regarded to be made independently by the investor. These analyses, documents and any other information derived from AG is intended to be one of several tools involved in investment decisions regarding all forms of investments regardless of the type of investment involved. Investors are urged to supplement with additional relevant data and information, as well as consulting a financial adviser prior to any investment decision. AG disclaims all liability for any loss or damage of any kind that may be based on the use of analyses, documents and any other information derived from AG.

AG Equity Research AB

Riddargatan 12B
114 35 Stockholm

Phone: 08-410 112 15

E-mail: info@analystgroup.se

Website: www.analystgroup.se

Org.nr: 556999-0939

Analyst Group is a growing equity research firm focused on small and micro-cap companies in Sweden. Since our founding in 2014, we have developed extensive knowledge and experience in providing equity research analysis while helping companies enhance their investor relations for greater understanding and transparency. As a bridge between investors and companies, we support investment decisions, capital allocation, and communication strategies.