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AMS Ref: 2024-07A
December 2024

FLANDRIEN HOTEL

Introduction

It was a rainy-day in mid-March 2021 and Jamie Anderson was on the phone with his friend and mentor Bernard Moerman. Only three days before, he accidently stumbled upon a 14-room hotel that was for sale in Parike, a small town in the heart of Flanders, Belgium. When he saw the property it felt like so many threads of his life were coming together.

He had only met Bernard in the summer of 2018 while buying a race bike for his growing collection, and the two immediately found common ground. When he saw the listing for the hotel, Jamie immediately called his friend and the two started to toss some ideas around on how to buy the hotel and turn it into a true cyclist's paradise.

A week later Jamie and Bernard decided to make on offer and the sellers accepted. When they told their friends and colleagues that they had just acquired a hotel, many thought they were crazy.

Who would enter the hospitality business in the midst of a global pandemic?

Flandrien Hotel founders, Bernard Moerman (left) and Jamie Anderson (right)

The Founders - Jamie Anderson (49)

Jamie Anderson grew up in a small town in Australia, and as a kid dreamed to become a professional cyclist. He raced at the state and national level, but at the age of seventeen his father suffered a complete breakdown after a struggling for many years with alcoholism and bipolar disorder. His father's illness and subsequent suicide resulted in severe financial hardship for the family and put an end to Jamie's cycling dreams.

Despite his family's struggles, Jamie's drive and hard work ethic enabled him to complete High School. He secured a scholarship and went on to study at the University of Melbourne. After completing his undergraduate degree Jamie secured another grant that enabled him to complete his graduate studies.

Over the next twenty years Jamie's ambition led him into an academic career, and he became a Professor of Strategy and Innovation Management. He held permanent and visiting positions at some of the world's top business schools, including London Business School, INSEAD and Oxford. He published extensively and was recognised as an academic expert on strategy in the telecoms and technology sectors. He also founded his own consultancy firm.

But as he entered his late-thirties Jamie started to become unhappy with his lifestyle and career trajectory. In his own words:

> *"I was this big success in my career, but to be honest I hated 80% of my job. I didn't really enjoy academic research and the stuff that I really enjoyed, like teaching and mentoring wasn't really recognised. And by this time I was married and had three young children, but I was not being a good husband or Dad. And of course, I almost never had the time to ride my bike."*

In mid-2009 Jamie and his wife Anne-Mie discussed what "success" really meant for them as a couple, and for their family. A few months later Jamie resigned his job, with the initial intention to take a two-year sabbatical. He and his family relocated to Belgium, his wife's homeland, and settled in Antwerp.

Jamie decided to return to cycling competition after a 20-year hiatus. He realised that his real curiosity was in leadership and people, so he started to grow his knowledge and re-positioned himself as an expert in what he called "Creative Leadership" which was all about supporting people to deal with complexity. Between 2010 and 2013 he wrote a book, gave a TED Talk and worked hard to establish himself as a keynote speaker. Over this period his income dropped by around seventy percent - but his wife Anne-Mie had returned to work which helped the family's finances. Jamie raced extensively in Belgium and internationally and in 2013 won a bronze medal in the road race at the World Masters Games in Torino, Italy. In subsequent years he went on to win world-level gold medals in several cycling disciplines.

Jamie started to work with Speaker Ideas, one of the world's top Speaker's agencies, and returned to teaching at a number of international business schools – but only as an Associate Faculty member, and in the field of executive education. This enabled him the chance to teach – something he loved - but without all of the "baggage" attached to a permanent position. According to Jamie:

> *"For the first year I really was afraid about the new direction. But Anne-Mie and I were very clear about what we wanted for our family, and looking back now it was a magical period. I was working about five or six months of the year, and in the other time I was doing international cycling competitions, spending time with my kids and taking two-month summer camping holidays – which also involved racing. I forged a beautiful bond with my children Ries, Hannah and Charlie."*

In 2018 Jamie met Bernard Moerman by "accident" when he visited his home to buy an ex-team bicycle. Says Jamie:

> *"When I met Bernard, I felt an immediate connection with this big, kind-hearted and incredibly wise man. It's hard to explain, but sometimes in life we meet people with whom we immediately feel a deeper bond and we immediately felt this special trust. I was inspired by his life story and just loved being in a room with him. Bernard has more drive than most of the 30-year-old entrepreneurs that you meet.."*

The two started working together to create leadership courses and delivered programs at Antwerp Management School and the Indian School of Business. Bernard encouraged Jamie to think about purpose and impact, something which he not really reflected upon up until this point in his life and career.

In 2020 the Covid pandemic hit, and all of Jamie's teaching, speaking and cycling competitions came to a halt. Shortly after Jamie stumbled upon a small hotel that was for sale in the Flemish Ardennes - a week later the property was theirs.

The Founders – Bernard Moerman (64)

Bernard Moerman hails from West Flanders in Belgium, a region known for non-nonsense people with a strong work ethic. As a kid he was crazy about football, and although not the most naturally talented player he made up for any gaps in talent by a hunger to succeed and a dogged determination. He was talent spotted by professional team Cercle Brugge at the age of fourteen and became a professional player at eighteen. But a knee injury cut his football career short, and he moved on to pursue a career as an entrepreneur.

His first businesses was in printing, and he became a pioneer in the emerging business of the Internet in the early 1990s. Via a North American business contact Bernard and his wife were asked to host a young American cyclist during one of his stays in Belgium. They were inspired by this young man who had travelled half-way around the world to race his bike and sensed an opportunity. As a childless couple they found this was a way to support youth in chasing their dreams.

Bernard and his wife Ann created the Cycling Center, a hostel for international riders who wanted to come to train and race in Belgium. Over the next twenty-five years they hosted almost 1000 young athletes from more than thirty-five countries, some of whom went on to secure professional contracts. In the words of Bernard:

> *"Our philosophy at the Cycling Center was always that we would do everything possible to support these young people to become "professionals" but not just as cyclists. Cycling is a very tough sport, and the reality is that most aspiring athletes will*

never secure a pro contract. Ann and I focused on growing self-confidence, a growth mindset and a healthy work-ethic, skills that we knew would have life-long value."

In 2013, after many years of pushing and encouragement from sponsors and supporters, Bernard founded and became General Manager of Team3M, a Professional Cycling Team. With dozens of riders and staff, equipment warehouse, buses and a fleet of vehicles, Bernard soon found himself leading a significant logistics operation, attending races across Europe. In his own words:

"Team3M was incredible learning curve for me, I never learned more about myself than in that period. But after a few years I realised that the demands of management had taken me away from my real passion, which was nurturing talent. My calling was not in managing the day-to day operations of a team - it was mentoring others to thrive."

Bernard and Ann decided to move-on to a new phase in life, and completely stepped away from the world of cycling. In a career pivot, Bernard decided that he would channel his energy into the mentoring of leaders and entrepreneurs. He became a certified leadership coach.

In September 2018 Jamie Anderson visited Bernard's home to buy an ex-team bicycle. The two started chatting and Bernard explained his dream to move into leadership coaching, teaching and keynote speaking. After telling Jamie that one of his dreams was to give a TED Talk, he then said to the Australian: "And what do you do?" Says Bernard:

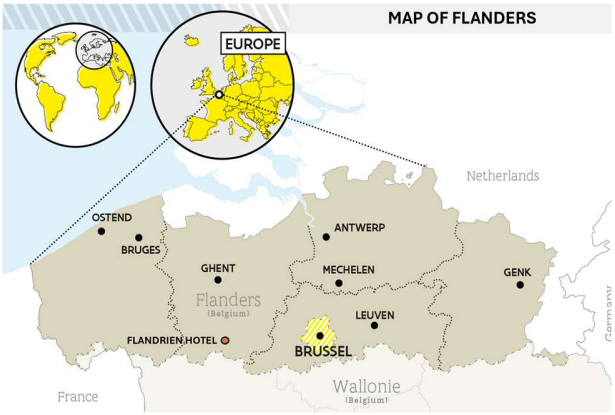
"This first conversation turned out to be a very important turning point in our lives. Ann and I immediately senses that Jamie was a very trustworthy person. He is one of the very few people I know who has drive and discipline on a personal level, while at the same time being a truly sincere and generous giver. His curiosity and creativity energize him to laser-focus and to get things done, but he's also fun to be around with an infectious sense of humour."

Although separated by almost fifteen years in age, the two forged a strong and immediate bond. Bernard became Jamie's mentor, and Jamie supported Bernard towards giving his first TED Talk and securing teaching positions at several international business schools.

A Cycling Hotel in Flanders?

The Dutch-speaking Flanders region of Belgium has been called a "Mecca" for cycling due to the area's rich history and heritage of cycle sport. Some say that cycling in Flanders is more like a religion than a sport, and major races such as the Tour of Flanders are watched from the roadside by millions of people – not to mention the hundreds of days of broadcast cycle racing on television. The three most "famous" cities for cycling races are Ghent, Oudenaarde and Geraardsbergen.

A one-day cycle "classic" covering over 200 kilometres, the Tour of Flanders is recognised as one of the "monuments" of road cycling. With a heritage of over a century, the race traverses narrow roads, steep climbs and cobble-stone sections, often in cold, windy and bleak conditions. Each of the major climbs and cobble-stone roads of the race are named, with some such as *De Muur, Oude Kwaremonet, Paterberg* and *Bosberg* part of international cycling folklore.



Although Jamie and Bernard did not have hard data at their fingertips, they understood that the region of the Tour of Flanders was one of the "bucket list" countries for any serious cyclist and that tens of thousands of people visited for cycling holidays each year. But their initial research revealed there were only a handful of cycling-themed hotels in the entire country and not a single-full concept cycling hotel in the province of Oost Vlaanderen (East Flanders) which was the epicentre of the Tour of Flanders itself.

As people who had been involved with cycling for decades, Jamie and Bernard had been astounded by the woeful experience of staying at "regular" hotels as a cycling tourist or cycling team - and they had a hunch that the situation in Belgium would be the same.

Most leisure-oriented hotels around the world are geared towards travellers whose desires are much more inclined towards sitting by the pool or sightseeing than riding their bikes five or six hours every day. When arriving at a "typical" hotel cyclists are typically met by a surprised receptionist suddenly confronted with a row of huge bike boxes blocking the foyer. If they are lucky, the hotel might have a backroom someplace to store boxes and bikes. If not, a large chunk of their hotel room is taken up by bags and equipment. And what about assembling a bike? Well, when Jamie was travelling for competitions, he would normally do it in his room or try to find a quiet corner in the lobby – often at the annoyance of the hotel manager and staff.

Jamie and Bernard discussed the fact that most hotel rooms were over-equipped for cycling-minded travellers who only used their room for sleeping, showering and maybe catching up on some emails or social media. So why would rooms need a mini-bar, coffee making facilities, telephone, desk, four poster bed with seven pillows, and an iron and ironing board? You don't iron lycra.

And of course, the things that cyclists did need like a washing machine and dryer were either unavailable or offered at an extortionist price at most hotels. Just two-kilograms of cycling clothing washed through the laundry service at a three-star to five-star hotel in Belgium could cost upwards of fifty euros. So many cyclists resorted to washing their clothes in the sink and drying on the little string that some hotels provide over the shower or bathtub - which might be okay for a pair of socks, but not a full cycling kit. And they could forget cleaning their bike on site – that needed to be done at the nearest coin-operated car wash.

Then there was the stress and headache of getting from an airport to a hotel with a bicycle box, especially if travelling in a group. Both Jamie and Bernard had been through the pain of international travel and trying to find a local taxi company with a van big enough to transfer cycling equipment. Independent travellers had to work things out for themselves.

Checkout times were also a pain point. Jamie and Bernard discovered that most hotels and B&Bs in the area of East Flanders required a 10:00 am checkout, with guest cars also needing to be moved out of reserved hotel parking. This was a real annoyance for international visitors who wanted to ride on the final day of their stay and shower afterwards.

But the most important factor for both Jamie and Bernard was atmosphere. As a cycling "Mecca" they believed that guests would be inspired by a lodging that lived and breathed cycling. None of the hotels and B&Bs that they visited in the area inspired them.

Flandrien Hotel – developing a strategy

The Hotel acquired by Jamie and Bernard had been on the market for almost two years before they discovered it. The Covid pandemic was not a good time to sell a hotel property - but a good time for buyers who were willing to accept some unpredictability and risk. Jamie committed 100% of the investment capital and would be company CEO and responsible for strategy, marketing and sales. He planned to by physically present at the hotel between 8 and 10 days per month, but would not draw a salary.

Bernard joined as co-founder, taking an equity stake in exchange for a five-year commitment to the initiative, ensuring a long-term alignment of interests. His role would be General Manager of day-to-day operations, as well as head of guest relations, and he and his wife Ann would reside in the on-site Manager's residence. Bernard would be paid a small monthly living allowance for the first 24-months, with a more substantial salary to be paid as forecast cash-flows increased from year three of the business plan.

Located in the small rural village of Parike in East Flanders, the hotel was in the centre of the route of the tour of Flanders, between the towns of Oudenaarde and Geraardsbergen. The village was very rural – there were no shops or restaurants within the immediate vicinity. Previously called "Het Leerhof" (The Learning House) the property started its life as a typical Flemish Farmstead. Its original conversion in the 1990s was as a Yoga and Spiritual Retreat, before becoming a Leadership Training Centre.

Spread over three buildings surrounding a cobbled inner courtyard, the Hotel had fourteen guest rooms with an attached two-bedroom Manager's residence. There was a restaurant with professional kitchen, library, mezzanine social space, two-car garage and two lockable storage sheds. At the time of being acquired, the buildings were structurally sound, and the property required no major works. There were horse stables and paddock, a very large garden, and adjacent fruit tree orchard of 20 mature apple and pear trees.

At the time of discovering the property Jamie & Bernard met to discuss the potential of developing it as a business. They had a strong belief that there was an opportunity to create a 100% cycling themed hotel based on their previous work, sporting and travel experience – a belief that was only strengthened when they visited some of the other hotels and B&Bs in the area.

A few weeks after buying the hotel Jamie and Bernard spent several days strategizing, after which they decided to focus on three core customer segments:

1. **International cycling tourists** with an initial focus upon English-speaking markets and Scandinavia. The founders believed that these regions offered very strong growth potential given booming interest in cycling and cycle tourism, as well as historical links to cycle sport in Flanders. The ideal guest profile would be a cyclist aged between 35-55 years old, who cycled more than 5000kms per year, and who were in the middle and upper incomes segment as business leaders, senior managers or entrepreneurs.
2. **Cycling Teams** from Australia, New Zealand and adjacent countries (United Kingdom France, Germany, Scandinavia) seeking a Belgium base for training and racing in Flanders. Both Bernard and Jamie were passionate about diversity, inclusion and developing talent, so the initial focus would be upon women's and youth development teams.
3. **Corporate clients** in the Benelux who were seeking a management team retreat, combining multi-day leadership training and/or strategy workshop with cycling and other health and wellbeing activities.

In additional to these customer segments, Jamie had a desire to develop a Scholarship program for young female and male athletes from his home country Australia. As a young man had not had the chance to pursue his own cycling dreams, and he had a strong desire to help others to live, train and race in Europe.

The founders would actively monitor incoming reservations, especially via non-direct channels such as Booking.com. Customers who did not fit with the Hotel's segmentation would have their reservations cancelled and be recommended to alternative lodgings in the area.

It was agreed that there would be a minimum two-night stay from Friday-Sunday throughout the opening season. The Management Team understood that Belgians were crazy about cycling, so would be very attracted to the Hotel's concept. But in such a small country where people rarely stayed away from home for more than one night, single-night bookings at weekends would block international guests who the founders believed were likely to stay longer.

The name of the Hotel emerged during a brainstorming session. The word "Flandrien" was first used to describe the gutsy riders from Flanders who dominated the one-day *Spring Classics* of Belgium and Northern France from the 1930s onwards. From the mid-1960s the first "International Flandrien" from countries such as Australia, Ireland, Denmark, the United Kingdom and the USA came to live, train and race in Flanders.

One of them was Jamie's Australian cycling hero Allan Peiper who competed with the Peugeot-Michelin Cycling Team, and the team's colours become the inspiration for the Hotel's black and white check logo. In contemporary terms, the word Flandrien is not so much about a nationality but a mentality of grit, determination and perseverance.

Once the strategy was agreed, the founders got to work on an operating plan for the Hotel. They first focused on the different segments, and Bernard developed customer journey maps starting three months before arrival, integrating requirements during a stay, and follow-up requirements after departure. This mapping exercise led to the development of value propositions for each segment with desired outcomes, benefits and tangible attributes to be implemented in the hotel's operations (see Exhibits 1, 2 & 3).

In terms of addressing risk, Jamie had a solid capital base and an independent valuation conducted when arranging financing had provided an asset value of almost fifty-percent higher than the negotiated price. He was confident that he could fund financing and operating costs in case the Covid pandemic lockdown persisted longer than expected, and that even if the hotel business did not provide viable in the longer-term, the buildings and land would still have value given the location, condition, size, and potential income generating capability of the property. In the words of Jamie:

> *"My youngest son Charlie asked what would happen if the business didn't work out, or if Covid came back, or if there wasn't really a big enough market for a 100% cycling hotel. And I said, "Well Charlie, I might go bankrupt. But I'm only 49 years old so I've still got another twenty years to make money. And your Mum and I also have three intelligent kids that can support us in our old age if need be." But to be honest, the thought that we could not make the business a success hardly crossed my mind."*

Jamie and Bernard committed to an initial five-year growth plan, with a decision to either continue or sell the business after this period. As part of securing financing, they had received an independent asset valuation of just over 1.7 million euro. Signifying the degree to which hotel prices had been supressed during the Covid pandemic, Jamie paid an acquisition price of just 1.15 million euro. He had a firm belief that he would be able to sell the business at a healthy multiple if the strategy was implemented effectively.

Breaking the Rules of Hospitality

After benchmarking a number of innovative hotel concepts such as Citizen M and Châteauform, and drawing on their own industry and travel experience, the founders decided on aspects of their approach that they believed could be key differentiators:

- The Flandrien would be a 100% Cycling themed hotel, and there would be no targeting of guests who were not active cyclists or cycling enthusiasts. Non-cycling leisure guests and business travellers would be turned away.
- Jamie and Bernard to be actively engaged with welcoming and hosting guests and sharing stories about the history and heritage of cycling in Belgium. Bernard and his wife Ann would be resident on site.
- Transformation of the Hotel's restaurant into a cycling themed "Clubhouse" to act as the social hub of the property, decorated with communal tables, cycling art and memorabilia, and a large screen TV for watching cycling events.
- The creation of an Art Gallery in the Hotels' former library and cycling themed artworks throughout the rooms, hallways and other public spaces. Display of approximately 40 of Jamie's classic bicycles.
- Acquisition of a 1979 Peugeot 504 car decked out in Peugeot-Michelin Team colours to shuttle guests, journalists and content creators around the area.

- Tablet-based self-service point of sale (POS) terminal with a wide selection of Belgian beers, as well as cycling nutrition products, sports apparel, leisure wear and bicycle consumables such as inner tubes and water bottles.
- Room attributes: No double beds – twin rooms (8), triple rooms (2) quad rooms (2) and a two-room loft apartment with 8 beds for a total capacity of 40 guests.
- High quality mattresses, power shower, high-speed internet, smart TV. Removal of minibar, coffee/tea making facilities, telephone system, desks, ironing facilities
- No daily room cleaning service – instead, guests would receive benefits such as use of free washing machine and dryers and access to the Hotel's gym, bicycle storage and workshop.
- Outsourcing of housekeeping and cleaning to local service providers.
- Creation of a fully equipped bicycle workshop in the Hotel's garage, with adjacent bike wash station and secure storage sheds. A gym with equipment specifically selected for the needs of competitive cyclists.
- A fleet of "loaner" bicycles in case guests experienced technical difficulties with their own bikes. Roadside bicycle replacement service in case of mechanical mishaps.
- Dinners only provided on Friday evenings with catering outsourced - decision based on the belief that international guests preferred to experience the surrounding towns and cities rather than stay in the hotel in the evenings.
- The hotel would be closed between November and February, the cold winter months in Belgium. During this period Bernard and Jamie would focus on teaching and speaking activities and take vacation time.

Some were sceptical about concepts such as self-service and no daily housekeeping. As explained by Jamie:

> *"Many people said we were crazy to try a self-service bar concept, but a quick review of the numbers made me realise that it made complete sense. Labour costs are very high in Belgium, so hiring a staff member for a six-hour bar shift would typically mean a labour cost of almost one hundred euros. You have to get a lot of beer stolen for the self-service concept to lose money. The same goes for housekeeping – do you really need to tidy a hotel room every single day?"*

The intention was to deliver high perceived value while at the same time reducing operating costs and staffing levels. The founders were also aware that it might be challenging to hire staff after many people had moved away from the hospitality industry during the Covid pandemic.

Marketing, Communications and Channel Management

Marketing and communication efforts would be focused on content creation, both towards the founders' existing social media followership and in partnership with cycling magazines, podcasters, bloggers and cycling influencers in targeted regions. Jamie and Bernard believed that the Flandrien Hotel's location and value proposition would have strong appeal to editors, writers and content creators, and they would offer subsidised stays at the hotel for these groups. They believed that an effective outreach approach would negate the need for "traditional" paid media advertising, search engine optimization, and paid promotions on platforms such as Facebook. In the words of Jamie:

> *"At the Flandrien Hotel we have a belief that advertising is the tax you pay if you don't have stories to tell. We believed that we were creating a truly unique offering, and guests who would come to the hotel would experience so much about the history and heritage of cycling in Flanders. We also had a hunch that our unique bicycle collection would be a big draw."*

The founders saw Visit Flanders (the Flemish government tourist promotion body) as a natural partner as the organization already included cycling tourism as one of its strategic pillars. Visit Flanders had a dedicated department responsible for cycle tourism that orchestrated all cycling related activities and ran the www.cyclinginflanders.cc website that provided information on ride routes, hotels, bicycle rental providers and other cycle-related content. The Cycling in Flanders website consistently appeared at the top of Google search results for search terms related to cycle tourism in Belgium. Initial contacts with Dries Verclyte (Head of Cycle Tourism at Visit Flanders) had been very encouraging and Jamie and Bernard were impressed by the vision and professionalism of Verclyte and his team.

The intention of these partnerships and alliances would be to drive visibility of the Flandrien Hotel brand, which would in turn boost direct bookings via the Hotel's website. Jamie had researched and taught extensively about platform business models, and understood that one of the only ways to counterbalance the power of distribution channels such as booking.com was through the building of awareness amongst targeted consumer groups. Although the hotel would initially list on some third-party distribution platforms, the strategy was to focus on attracting direct bookings and thereby minimising commission payments.

The Art Gallery & Bicycle Collection

Jamie had always loved art and the history, heritage and iconography of cycling. Alongside development of the Hotel strategy and operating model, he engaged with a business associate who had previously worked as General Manager of an Arts Centre. Jamie wanted a hip cycling ambiance at the hotel and had the idea to convert the Hotel's ground floor library into a commercial art gallery, thinking that there might be an opportunity to sell cycling artworks to hotel guests as well as online by leveraging the Hotel's other brand activation activities.

The two agreed a partnership to launch and commercialise the Flandrien Gallery concept, with Jamie providing the 10m x 10m Gallery Space and his partner acting as Gallery Manager, responsible for installation, sales, marketing and events. They reached out to world-renowned Cycling Photographer Kristof Ramon and to John Mettepenningen, a Pop Artist known as the "Andy Warhol" of cycling. Both artists agreed to partner with the Flandrien Gallery and would fund the production of artworks for the physical space. Sales would be on site to guests and through gallery events, as well as via a newly created Flandriengallery.com website. The plan was for the Gallery space to be refurbished, and the artworks installed ready for the opening of the Hotel.

Jamie had been collecting classic bicycles for more than ten years and had around 150 unique and rare models. The collection was built around three themes: Art, Innovation and Team. The "Art" bikes represented examples of beautiful craftmanship, artistry and colour. The "Innovation" examples represented significant development in bicycle design and innovation. The "Team" bicycles were genuine ex-pro team bicycles, including many from "famous" riders. There would be 100 bicycles displayed throughout the hotel at any one time, curated to show the timeline of innovation in cycling since the late 1980s to the present day, and with the collection rotated on a regular basis.

Financial Forecasts

As part of arranging financing, the founders developed financial forecasts based upon room rates, expected occupancy levels, and estimated sales of food, beverages and merchandise. Jamie benchmarked hotel rates and occupancy levels in the East Flanders region and also looked at international "reference" hotels in countries such as France and Italy. It was estimated that the hotel could be cash-flow positive with around 25% occupancy levels at an average room rate of 165 euro per night bed & breakfast over an eight-month operating season.

ANNUAL FINANCIAL FORECAST*

	OCCUPANCY LEVEL							
	10%	**20%**	**30%**	**40%**	**50%**	**60%**	**70%**	**80%**
ROOM REVENUES	47500	95000	142500	190000	237500	285000	332500	380000
FOOD/BEVERAGES	3500	7500	10000	15000	20000	25000	30000	35000
MERCHANDISING	1000	2000	5000	7000	9000	11000	13000	15000
FINANCING COSTS	57480	57480	57480	57480	57480	57480	57480	57480
OPERATING COSTS	51000	54000	60000	66000	70000	74000	76000	80000
FREE CASH FLOW	-56480	-6980	40020	88520	139020	189520	242020	292520

***BASED ON 12 ROOMS (2 ROOMS RESERVED FOR SCHOLARSHIP PROGRAM)**

AVERAGE ROOM RATE 165.00 EURO / EXCLUDES CAPITAL EXPENDITURE

Although Covid lockdown restrictions were easing in Belgium by March 2021 travel from some countries and regions (such as Australia) was still not possible and there were still uncertainties around how quickly the global travel industry might rebound. Visit Flanders, the Flemish Government tourist authority, expected that the tourism sector was likely to remain suppressed well into 2021, with pre-pandemic levels of tourism not expected until Spring 2023.

Let the race begin

The Management Team received the keys to the Flandrien Hotel on 15th May 2021 and set a target of opening for business on 1st of July – just ten weeks later. They were embarking on their new venture with a palpable sense of excitement, with a vision to make the Flandrien Hotel the world's foremost lodging for people passionate about cycle sport. But did Jamie and Bernard have what it would take to make the business a success? Could a 100% cycling themed hotel in Flanders attract sufficient numbers of international guests to be financially viable? And what if the Covid lockdown continued longer than expected?

EXHIBIT 1 – INDIVIDUAL GUESTS – PROPOSITION

EXHIBIT 2 – CORPORATE GUESTS – PROPOSITION

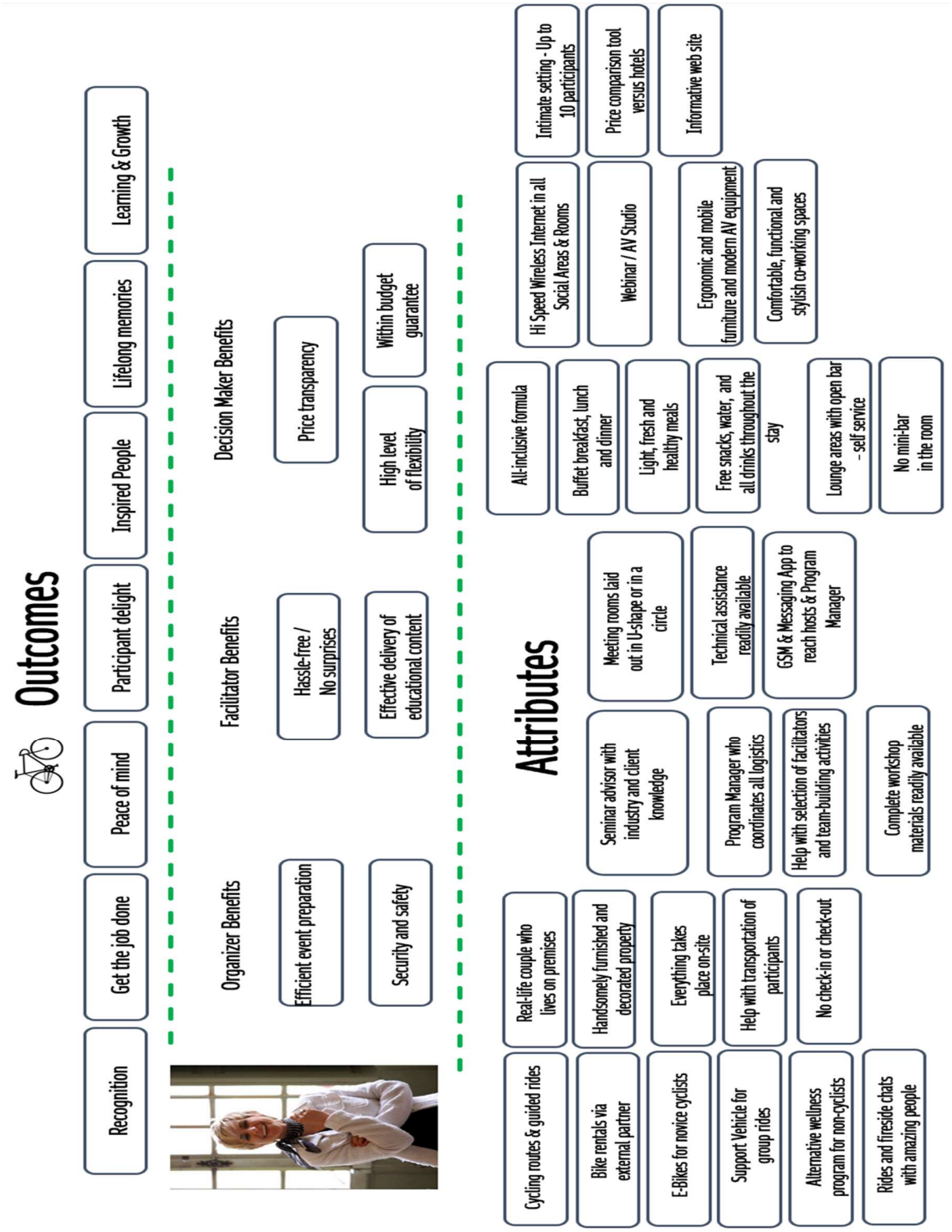


EXHIBIT 3 – TEAM PROPOSITION