

EXECUTIVE SUMMARY



The Properties

Address: Portfolio of Vacant Development Land, El Gouna Masterplan, Egypt (the “Properties”).

Main Use: Land for mixed-use development

Tenure

Assumed Freehold.

We have not been provided with any reports on title relating to the Properties or the El Gouna Masterplan. We understand from Orascom Development Holding AG (the “Client”) that the remaining development land within the portfolio is held on a freehold basis.

Our valuation assumes that the Client is able to sell the development land, which is the subject of this valuation, on a freehold basis, without any restrictions or costs. If this is not the case, this will have an impact on the numbers reported herein, and we reserve the right to revisit the value reported.

Key Valuation Factors

Strengths

- El Gouna is a popular tourist resort and established master-planned community with approximately 12,000 residents. There is a high standard of infrastructure and local amenities to support the existing community including schools, a university, a hospital, numerous hotels and restaurants as well as leisure and entertainment areas;
- El Gouna is approximately 30km north of Hurghada, along the Red Sea coast and benefits from 9.5 km of beachfront. The masterplan is designed to benefit from existing and future lagoons running through El Gouna, which increase the water fronting areas;

- There are currently 17 hotels operating within El Gouna. The hotels offer between three to five-star accommodation in various locations within the masterplan and therefore appeal to a wide pool of holiday makers, both local and international;
- El Gouna is also popular with Egyptian nationals as a holiday home destination;
- A large portion of the masterplan remains undeveloped and so provides significant future development opportunities as El Gouna grows as both a tourist destination, a residential community and a commercial centre.

Risks and Mitigating Factors

- The undeveloped area within the El Gouna masterplan comprises an extremely large span of land, approximately 22,879,885 sq m. Therefore, further development will require a significant period of time and investment.
- The majority of the beach fronting areas are developed with good levels of infrastructure in place however the land away from the waterfront has little to no infrastructure in place and no lagoons at this time.

Aggregate Market Value

USD 1,816,000,000 (One Billion, Eight Hundred Sixteen Million United States Dollars), excluding VAT

Please refer to Appendix B for a breakdown of the individual plot values.

We have valued the Properties individually and no account has been taken of any discount or premium that may be negotiated in the market if all or part of the portfolio was to be marketed simultaneously, either in lots or as a whole.

EXECUTIVE SUMMARY

| Sr. No | Property | Keys | Valuation Assumptions | Valuation Methodology | Tenure | Cap Rate | Discount Rate | Net Initial Yield | Market Value per Key (EGP) | Market Value Per key (USD) | Market Value (EGP) | Market Value (USD) |
|--------|----------------------------------|------|-----------------------|-----------------------|------------------|----------|---------------|-------------------|----------------------------|----------------------------|--------------------|--------------------|
| 1 | Ali Pasha | 67 | VP | Discounted Cash Flow | Assumed freehold | 11.25% | 18.25% | - 2.12% | 1,631,343 | 91,355.22 | 109,300,000 | 6,120,800 |
| 2 | Ancient Sands | 56 | VP | Discounted Cash Flow | Assumed freehold | 11.50% | 18.50% | 7.79% | 2,498,214 | 139,900.00 | 139,900,000 | 7,834,400 |
| 3 | Arena Inn | 177 | VP | Discounted Cash Flow | Assumed freehold | 11.50% | 18.25% | - 1.78% | 1,236,723 | 69,256.50 | 218,900,000 | 12,258,400 |
| 4 | Bellevue Beach Hotel | 96 | VP | Discounted Cash Flow | Assumed freehold | 11.50% | 18.50% | - 1.26% | 1,142,708 | 63,991.67 | 109,700,000 | 6,143,200 |
| 5 | Capitain's Inn | 50 | VP | Discounted Cash Flow | Assumed freehold | 11.00% | 18.00% | 2.20% | 2,682,000 | 150,192.00 | 134,100,000 | 7,509,600 |
| 6 | Club Paradisio | 239 | VP & FA | Discounted Cash Flow | Assumed freehold | 11.00% | 18.00% | 7.97% | 2,115,063 | 118,443.51 | 505,500,000 | 28,308,000 |
| 7 | Dawar El Omda | 66 | VP | Discounted Cash Flow | Assumed freehold | 11.00% | 18.00% | 6.28% | 1,281,818 | 71,781.82 | 84,600,000 | 4,737,600 |
| 8 | Fanadir | 20 | VP | Discounted Cash Flow | Assumed freehold | 11.25% | 18.25% | 5.84% | 1,080,000 | 60,480.00 | 21,600,000 | 1,209,600 |
| 9 | La Maison Bleue | 12 | VP | Discounted Cash Flow | Assumed freehold | 9.00% | 18.00% | 6.63% | 6,016,667 | 336,933.33 | 72,200,000 | 4,043,200 |
| 10 | Mosaique | 26 | VP | Discounted Cash Flow | Assumed freehold | 11.25% | 18.25% | 6.61% | 1,473,077 | 82,492.31 | 38,300,000 | 2,144,800 |
| 11 | Movenpick Hotel | 420 | HMA | Discounted Cash Flow | Assumed freehold | 11.00% | 18.00% | 6.33% | 3,101,429 | 173,680.00 | 1,302,600,000 | 72,945,600 |
| 12 | TTC Rihanna Resort & Rehanna Inn | 434 | HMA | Discounted Cash Flow | Assumed freehold | 11.50% | 18.50% | 8.38% | 1,449,770 | 81,187.10 | 629,200,000 | 35,235,200 |
| 13 | Sheraton Miramar | 339 | VP & FA | Discounted Cash Flow | Assumed freehold | 11.00% | 18.00% | 9.15% | 2,935,693 | 164,398.82 | 995,200,000 | 55,731,200 |

EXECUTIVE SUMMARY

| | | | | | | | | | | | | |
|--------------|---------------------|--------------|---------|----------------------|------------------|--------|--------|-------|-----------|------------|----------------------|--------------------|
| 14 | Steigenberger Hotel | 268 | VP & FA | Discounted Cash Flow | Assumed freehold | 11.00% | 18.00% | 7.88% | 1,928,358 | 107,988.06 | 516,800,000 | 28,940,800 |
| 15 | Sultan Bey | 115 | VP | Discounted Cash Flow | Assumed freehold | 11.00% | 18.00% | 7.77% | 1,452,174 | 81,321.74 | 167,000,000 | 9,352,000 |
| 16 | TTC Ocean View | 157 | HMA | Discounted Cash Flow | Assumed freehold | 11.25% | 18.25% | 8.15% | 2,088,535 | 116,957.96 | 327,900,000 | 18,362,400 |
| 17 | Turtles Inn | 28 | VP | Discounted Cash Flow | Assumed freehold | 11.25% | 18.25% | 5.30% | 1,728,571 | 96,800.00 | 48,400,000 | 2,710,400 |
| Total | | 2,570 | | | | | | | | | 5,421,200,000 | 303,587,200 |

'You are viewing this Report on a non-reliance basis and for informational purposes only. You may not rely on the Report for any purpose whatsoever and CBRE shall not be liable for any loss or damage you may suffer (whether direct, indirect or consequential) as a result of unauthorised use of or reliance on this Report. CBRE gives no undertaking to provide any additional information or correct any inaccuracies in the Report.'

None of the information in this Report constitutes advice as to the merits of entering into any form of transaction.

If you do not understand this legal notice then it is recommended that you seek independent legal advice.'