

Management and Operation of the Chamba House

Investment pitchbook

August 2025



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Executive Summary

Attractive Investment Destination

- **Pakistan** is emerging as a **regional powerhouse**, with a **reformed economy** (inflation stabilized at the lowest level in the past 50 years and GDP expected to cross USD 3.3T by 2050) and **vibrant talent** (7th largest global workforce, with 64% of the workforce under 30)
- Investors can count on **strong government support**, including accelerated licensing and tax incentives under hospitality and infrastructure development schemes




Widening Demand Gap for Luxury Hospitality

- Tourism promotion initiatives, combined with robust business and diplomatic engagement and rising medical tourism, have driven international visitor flows to Pakistan **nearly 3x** over the past five years; tourism projected to **double** again by 2030
- In particular, **Lahore stands out as a key destination for business** (selected as the Economic Cooperation Capital of 2027), **sports** (hosting the Pakistan Super League), and **cultural heritage** (with targeted restoration and marketing efforts)
- One of the key **supply gaps is in the luxury segment**, with c.a. 1,000 luxury keys available currently (4x below the luxury rooms per capita in Islamabad)

Landmark Premium Hospitality Project

- Investors have the opportunity to **rehabilitate, manage and operate the Chamba House in Lahore**, leveraging its **historic, cultural and architectural heritage** in a concession agreement with the government
- The property spans **6,000 m² of main hotel space** (72 rooms) and **26,000 m² of outside area**, requiring **USD 7-9M in restoration costs** and can generate an estimated **USD 6-7M in run-rate revenues**
- This project has the potential of achieving a **20+% IRR over 25-year concession period**









Pakistan: Your Tourism Destination

| Pakistan Value Proposition | | | | | | |
|---|---|---|---|---|---|--|
| Reformed Economy  | USD 3.3Tn¹ Expected GDP in 2050 (from USD >410Bn ² today) | B- Improved Credit Rating ³ from CCC- | Top 10 In Business Entry Regulations ranking ⁵ | Stabilized Inflation At lowest levels since 1968 ⁶ | Stabilized Currency Achieved since 2023 in coordination with IMF | Special Economic Zones (SZE) Robust fiscal and trade incentive packages ⁷ |
| Vibrant Demographics and Talent  | 255 million Large and growing population ⁸ | 64% Population younger than 30 ⁸ | | 7th largest Global workforce ⁹ | 2 million University students enrolled every year ¹⁰ | |
| Emerging Tourism Ecosystem  | 6.1% (+0.3pp yoy) Tourism contribution to GDP ¹¹ | USD >1.5 Bn <i>(USD 2Bn expected by 2033)</i> International visitors spending ¹¹ | USD >13 Bn <i>(USD 24 Bn expected by 2023)</i> Domestic visitors spending ¹¹ | 12 International airports ⁷ | Strategic Positioning Crossroads between South Asia, East Asia, and Middle East | 6 UNESCO Heritage Sites ¹² |

1. Goldman Sachs; 2. National Accounts Committee; 3 Fitch Ratings; 4. Bloomberg, 84% in PKR; 5. World Bank's B-READY assessment; 6. US (St Louis) Federal Reserve Bank; 7. Pakistan Government; 8. United Nations, SIFC; 9. CIA World Factbook; 10. Higher Education Commission; 11. Pakistan Tourism Insights, 2024; 12. Include Archaeological Ruins at Moenjodaro, Taxila, and Rohtas Fort

Investors have an opportunity to rehabilitate, manage, and operate the Chamba House in Lahore, a historic palace now serving as a hotel

Opportunity overview and key highlights

| Opportunity Description | | Rehabilitate, manage, and operate the Chamba House in Lahore to transform it into a profitable luxury accommodation | | | |
|-------------------------------------|--|--|--|---|--|
| High-Level Opportunity Facts | | Value Proposition | | | |
| A Project Details | | <div><div></div><div>GOR¹ 1, 5 Club Road, Lahore</div></div> <div><div></div><div>~32,000 m2 Plot Size</div></div> <div><div></div><div>72 Rooms</div></div> | | <div><div></div><div>Prime property use rights to be provided by the Ministry of Housing & Works</div></div> | |
| B Supply-Demand Gap | | <div><div></div><div>As the cultural capital of Pakistan, Lahore is known for its rich history, vibrant arts, and dynamic culinary and literary scenes</div></div> | | | |
| C Investment Model | | <div><div></div><div>Strategic entry into an under-served luxury hotel market with limited high-end supply</div></div> | | | |
| Return Profile ² | | <div><div></div><div>Diversified revenue streams through the provision of accommodation services (rooms), as well as hosting of events leveraging the property's space</div></div> | | | |
| Run-Rate Revenues ³ | | <div><div></div><div>Complete private sector autonomy on hotel management</div></div> | | | |
| Estimated Project Cost (Renovation) | | | | | |

1. Government Officers' Residences
2. In local currency; over 25 years of operations (detailed in Business Case section)
3. Year 6 of contract
Source: Expert input



A. The project involves the rehabilitation and operations of Chamba House into a heritage luxury hotel and event venue, reviving a landmark for premium hospitality

Project details



Offering

- Built in the British colonial era as the Lahore residence for the Raja of Chamba, a princely state in the Himalayas
- Currently, the hotel is operational; however, renovations are needed to upgrade the facilities
- Designed by leading figure of Indo-Saracenic architecture, who also crafted the Lahore Museum and Aitchison College
- Once restored, the property offers heritage-style accommodation and premium event hosting, ideal for high-end weddings, cultural functions, and diplomatic receptions



Technical Specifications

- 72 keys (including suites)
- ~6,000 m² main hotel space
- ~26,000 m² outside area



Targeted End-Users

- International / domestic tourists and business travelers (corporate, diplomatic, multilateral agencies)
- Senior Pakistani government officials on tours
- MICE¹ segment: conferences, government events, and high-profile banquets (e.g., weddings)



Location

- Prime location in the heart of Lahore's Government Officers Residence 1, near key government and diplomatic institutions

1. Meetings, Incentives, Conferences, and Exhibitions

Property Visuals



B. The opportunity aims to leverage the growing demand for luxury events and accommodation in Lahore

Luxury accommodation demand tailwinds

Three hotels in Lahore offer luxury accommodation¹, supplying a total of ~1,000 rooms combined...



...however; this supply is not enough given the expected rise in tourists to the city



– Lahore only counts with three 5-star hotel; demand for 5-star is lost for 4-star hotels given the lack of availability

Key Growth Drivers

Tourism Enablers

- Strong **tourism enablement policies**, such as easing visa restrictions
- Expected Allama Iqbal Intl. Airport **passenger increase** from 5.4 to **>10.5² Mn by 2030**
- **Selected as the ECO (Economic Cooperation Organization) Tourism Capital for 2027**, positioning Lahore for increased international visibility, inbound tourism, and cultural diplomacy

Flagship Sports Destination

- Lahore is widely regarded as the sports capital of Pakistan, hosting top-tier events including the **Pakistan Super League (PSL)**, **international cricket matches**, and **major tournaments**

Cultural Heritage Boom

- **Lahore Authority for Heritage Revival (LAHR)** launched in March 2025 with c.a. USD 200Mn budget to rejuvenate 48 historic sites
- Pearl-Continental and WCLA (Walled City Lahore Authority) partnered to spotlight Lahore’s heritage gems, with **targeted restoration and marketing efforts**

Increasing Business Travel

- Lahore’s modern infrastructure and a high Human Development Index have made it an attractive base for corporates, **triggering a rise in commercial travel and business stays**

C. Investors will be supported by public parties in a robust hospitality ecosystem



Ministry of Housing & Works

- Custodian of federal land and responsible for allocating prime urban sites for redevelopment
- Leads planning and oversight for heritage restoration, public infrastructure, and real estate PPPs
- Provides properties use rights and facilitate government approvals



Pakistan Public-Private Authority (P3A)

- Regulates and promotes public-private partnership projects at the federal level
- Reviews, approves, and structures PPP proposals to ensure commercial viability and value-for-money

PPP
Authority

Project partner
(direct government
counterpart)

Investors

Investor
relations



Special Investment Facilitation Council (SIFC)

- Facilitates and fast-tracks foreign and domestic investments
- Provides a streamlined, one-window operation for investor support and coordination across government entities

D. Investors will benefit from the Government support to create an attractive business and regulatory environment

Key opportunity enablers and incentives

Ease of Doing Business

- Deregulation initiatives (>85,000 laws under review for simplification or deregulation)
- One-stop licensing and digital registration
- Government intermediation with public entities



Demand Attractiveness

- Collaboration with government on diplomatic and event agenda (e.g., becoming official host of government-led events)
- Demand from the government for touring government officials



Tax & Fiscal Incentives

- Eligibility for tax incentives for hotel and resort developers under hospitality and infrastructure development schemes



Prime Property Use Rights

- Provision of use rights for a prime property considered a national heritage and located in a prime location in Lahore



D. The opportunity for private sector partnership with Ministry of Housing & Works is structured through a revenue sharing model

Proposed investment model and role delineation between the public and private sector

Proposed Investment model

Revenue-sharing model with Ministry of Housing & Works providing the property

Overview

- Ministry provides the property through a concession to the private sector to **rehabilitate, operate, and manage the Chamba House** for the concession duration
- Private sector **invests in and fully manages the hotel**
- Ministry **earns revenue** through an agreed **annual revenue share (20%)**
- **Property ownership remains** with the **Ministry**

Role delineation between public and private sector

Role

Hotel Ownership



N/A

Hotel Development



Rehabilitate, operate, and manage the hotel

Hotel Operations



Fully operate hotel, hire staff, manage services

Revenue Sharing



Share agreed % of gross revenues with Ministry

Financing



Raise equity for project

Demand Generation



Manage marketing and pricing to attract guests

Investors



Government (Ministry of Housing & Works)



Provide property use rights

Facilitate approvals and enable development

N/A

Receive agreed % share of revenues

N/A

Support through tourism promotion and enabling policies

D. Consequently, investors can expect 20-21% IRR over the coming 25 years, with USD 7-9Mn in estimated CAPEX

Estimated project financials and investment case

(Figures provided are estimations based on available information)

| Business Case | | | |
|----------------|------------------------------|----------------------------------|--|
| Return profile | Expected IRR | 20-21% ¹ | – Revenue sharing model (80% investor; 20% Ministry of Housing & Works) over the contract period of 25 years (24 operating years and 1 year asset development lead time) with an extension option |
| | Payback Period | c.a. 7 years ² | |
| Operations | Revenues ³ | USD 6-7Mn (PKR 1.7-2Bn) | <ul style="list-style-type: none"> – 72 rooms (64 single rooms, and 8 suites / family rooms) – Expected ADR: <ul style="list-style-type: none"> – Single rooms – USD 160 – Suites / Family rooms – USD 400 – Average occupancy 75% – Additional revenue streams from F&B and events |
| | EBITDA Margin ³ | 36% | – Costs (SG&A, management / incentive fees of potential brand, utilities, insurance and other) computed bottom-up and triangulated with public comparables |
| | NOPAT ^{3,4} | USD 1.5-1.6Mn (PKR 420-430Mn) | |
| Development | Renovation Cost ⁵ | USD 7-9Mn (PKR 2.0-2.5Bn) | – USD ~107k renovation cost per room (renovation CAPEX assumed at 60% of average construction CAPEX for luxury rooms) |

Additional IRR upside can be achieved through local bank debt financing










1. Computed on 24-year operating period; 2. Payback period excludes development lead time

3. Run-rate figures after demand stabilization (year 4 of operations / year 6 of contract); 4. NOPAT computed as EBIT * (1-Tax); Islamabad corporate tax rate of 29% applied



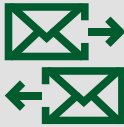
5. Estimated construction cost based on expert input and industry benchmarks

D. Support mechanisms are in place to mitigate potential risks impacting the investment case

Key investment risks and mitigation measures

| Risk type  | Description  | Degree of Risk  | Investor Mitigation Actions  | Public Sector Support  |
|--|---|---|--|--|
| Demand/ revenue  | Risk of not achieving projected revenues or sales targets | Low – Consistent demand and supply imbalance pointing to structural (i.e., sticky) demand | Tailor marketing plans and promotional activities to attract local and expat population | Support demand through overall promotion of tourism (e.g., conferences, city-wide branding initiatives) |
| Macroeconomic conditions  | Risk of inflation or currency depreciation affecting profitability | Medium – Recent track record of currency and inflation and currency (at lowest levels since 1968 ¹) pointing to stabilization | Increase local sourcing: transfer CAPEX risk to developer; local OPEX (e.g., payroll, supplies) | Facilitate access to local currency loans |
| Infrastructure  | Delays in utilities or access roads affecting timely operations | Low – Premium property location (GOR 1) in developed area of Lahore suggesting advanced connectivity | Assess site readiness and secure contingency plans for critical infrastructure | Ensure timely provision of approvals along with supporting infrastructure such as roads, utilities, and off-site infrastructure to site boundary |
| Regulatory / Legal  | Risk of sudden policy changes impacting contract or taxes | Low – Recent reforms and deregulation trend suggesting commitment to private sector partnerships | Include independent jurisdiction (e.g., UK) in contract; include robust stabilization and early termination clauses in concession contract | Offer legal protections and enable international arbitration where applicable |

Key Contacts

| Contact Information | |
|---------------------|---|
| Name XX | <div>Additional input from SIFC</div>  |
| Phone Number XX |  |
| Email XX |  |

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APPENDIX

Shaig Ahmed Bhutto
Minister (Ankara)
Wednesday, 21 January, 2026, 1:51:22 PM

Shaig Ahmed Bhutto
Minister (Ankara)
Wednesday, 21 January, 2026, 1:51:22 PM

A. Pakistan has reemerged as an investment destination thanks to macroeconomic stability

Pakistan's Economic Turnaround in the News

**Pakistan Isn't That Risky Anymore.
Its Economy Is a Mini-Miracle.**

BARRON'S

**Pakistan Economy Grows Faster Than
Expected on IMF Aid Boost**

Bloomberg

**Fitch Upgrades Pakistan to 'B-';
Outlook Stable**

Fitch Ratings

**Azerbaijan to invest \$2 billion in
economic sector of Pakistan**

ARAB NEWS

A. Pakistan has a track record of successful Foreign Direct Investments across sectors

Examples of Foreign Direct Investment (FDI) projects in Pakistan

FDI projects (non-exhaustive)

AD Ports (UAE)
USD 220Mn



- 50 year concession agreement to manage, operate and develop the Karachi Gateway Terminal
- USD 200Mn investment in infrastructure development by AD Ports in first 10 years

Al Mirqab Capital (Qatar)
Power Construction Corp.
(China) USD 2.09Bn



- Construction of coal-powered power plant in Port Qasim, under build-own-operate (BOO) model
- USD 2.09Bn investment, of which c.a. USD 500Mn in equity

DP World (UAE) and National Logistics Corp.
(Pakistan) JV investment not public



- Joint venture (DP World: 60%) focused on road freight logistics approved
- Follows MoU by DP World for the development of 50km freight corridor from Karachi Port to Pripri

ORA Developers (Egypt), Saif Group (Pakistan), Kohistan Builders (Pakistan)
USD 2 Bn



- Development of a USD 2 Bn mixed-use residential and hospitality development in Islamabad ("Eighteen")
- The complex is envisioned to have ~3,000 residential units (apartments and villas) and extensive leisure and commercial components (e.g., golf clubs, cinema, spa)
- Project being developed by ORA Developers (an arm of Orascom Development)

Other Announcements and MoUs (non-exhaustive)

- Reportage Properties (UAE): JV with Empire Holding Pakistan for USD 300Mn real estate development in Islamabad and Lahore
- Emaar Group (UAE): JV with Giga Group Pakistan for USD 2.4Bn Crescent Bay real estate
- Saudi Development Fund (KSA): Potential investment in mining infrastructure (USD 100Mn)
- Manara Minerals (KSA): Exploring stake in Reko Diq copper and gold mine (USD 7Bn)
- China-Pakistan Economic Corridor (China): Umbrella FDI initiative covering roads, railways, ports, energy, among others (USD 65Bn)

**A. In addition,
multiple hotels are
currently being
developed across
Pakistan's main
cities**

Examples of Hotels Under Development and Announced in Pakistan

ISLAMABAD

Rotana


JW MARRIOTT

IHG
HOTELS & RESORTS

KARACHI


ACCOR

LAHORE


FAISALTOWN

Swiss International
HOTELS & RESORTS


HYATT
REGENCY
RESORT

Source: Press releases

Non-Exhaustive

D. Opportunity P&L

Extract from pre-feasibility financial model

Preliminary numbers being validated; figures provided are estimations based on available information

Numbers in PKR

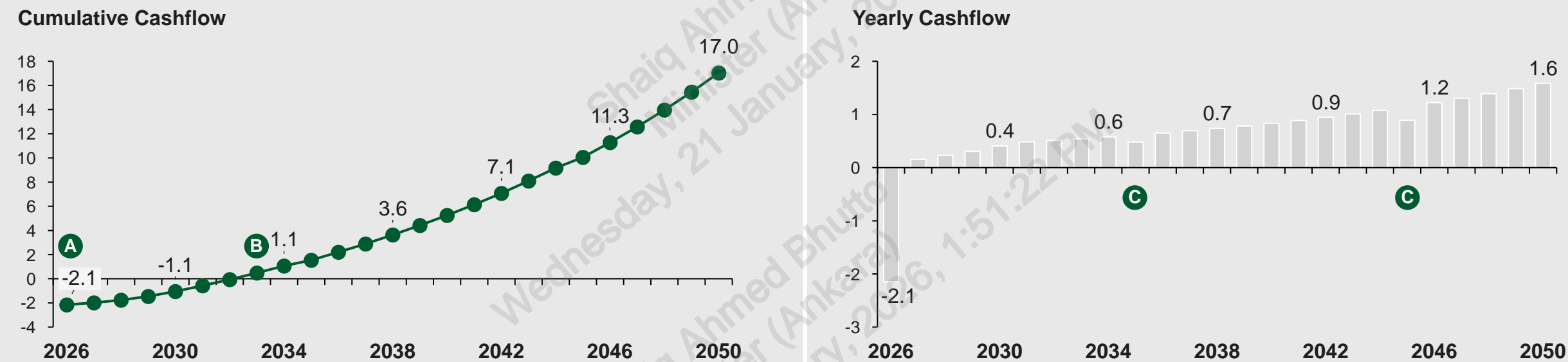
| | Year 1 ¹ | Year 5 ¹ | Year 10 ¹ |
|---------------------------------------|---------------------|----------------------|----------------------|
| Occupancy rate | 30% | 75% | 75% |
| Total Revenue | 627,797,142 | 1,826,557,649 | 2,451,713,408 |
| Rooms | 403,828,700 | 1,426,752,761 | 2,001,094,554 |
| Food & Beverage | 118,211,520 | 253,310,400 | 253,310,400 |
| MICE | 96,300,000 | 126,229,656 | 177,043,622 |
| Other | 9,456,922 | 20,264,832 | 20,264,832 |
| Total Cost of Service Delivery | 166,280,214 | 432,533,353 | 560,967,601 |
| Gross Profit | 461,516,928 | 1,394,024,296 | 1,890,745,807 |
| <i>Gross Margin</i> | 74% | 76% | 77% |
| Total OPEX | 268,993,814 | 737,340,906 | 993,520,037 |
| SG&A | 47,664,951 | 107,642,993 | 146,019,098 |
| Utilities | 13,638,368 | 27,376,511 | 38,396,972 |
| Others expenses | 177,666,591 | 507,701,050 | 680,910,710 |
| Royalties | 30,023,903 | 94,620,353 | 128,193,257 |
| Management base fees | 12,555,943 | 36,531,153 | 49,034,268 |
| Incentive fees | 17,467,961 | 58,089,201 | 79,158,989 |
| EBITDA | 192,523,113 | 656,683,389 | 897,225,770 |
| <i>EBITDA Margin</i> | 31% | 36% | 37% |
| NOPAT | 90,915,226 | 425,719,879 | 602,229,819 |

- Ministry of Housing & Works internal data
- Expert input

- Expert input / industry reports (e.g., JLL)
- Ministry of Housing & Works
- Other desktop research and benchmarking

D. Investor Cash Flows

Investor cash flows, PKR Bn



Investor cash flows:

- Upfront equity investment: PKR 2.1Bn
- Cumulative cash flows over the duration of the investment: PKR 17.0Bn

Additional information:

- A** Development period: 1 years
- B** Payback period: year 7 of operations
- C** Periodical maintenance: 5% of CAPEX every 10 year

D. Revenue Assumptions



Extract from pre-feasibility financial model

Preliminary numbers being validated; figures provided are estimations based on available information

| Revenue | | Assumption | Value | Unit | Revenue | | Assumption | Value | Unit |
|------------------|---------------------------|--|-------------------|-------------------------|---------------------------|---|------------|-------|------|
| Rooms | Single | Number of single rooms | 64 | # | Food & Beverage | Number of restaurants | 1 | # | |
| | | Average daily rate ¹ | 46,000 | PKR | | Average seating capacity per restaurant | 110 | # | |
| | Family | Number of family rooms | 8 | # | | Average number of meals per day | 1 | # | |
| | | Average daily rate ¹ | 114,000 | PKR | | Table turnover ratio per restaurant | 2 | # | |
| | | Starting occupancy rate | 30% | % | | Average cost per customer | 4,200 | PKR | |
| | Stabilized occupancy rate | 75% | % | Starting occupancy rate | | 30% | % | | |
| | MICE ² | Area | 1 | # | Stabilized occupancy rate | 75% | % | | |
| | | Capacity | 1,000 | # | | | | | |
| | | Number of times this is being utilized | 24 | # | | | | | |
| | | Utilization | 50% | % | | | | | |
| MOD ³ | Charge per person | 7,500 | PKR | | | | | | |
| | MOD ¹ | 8% | % of F&B Revenues | | | | | | |

1. An approximate exchange rate of USD 1 = PKR 280 has been estimated; 2. Meetings, Incentives, Conferences, and Exhibitions; 3. Minor operating department, which refers to revenues from secondary or ancillary sources (e.g., gift shops, parking, business centers, technology);

D. Sensitivity Analysis

| Increase in Room Average Daily Rate vs. Stabilized Occupancy | | | | | | |
|--|------|----------------------------------|-------|-------|-------|-------|
| | | Increase in Stabilized Occupancy | | | | |
| | | 65% | 70% | 75% | 80% | 85% |
| Increase in Room Average Daily Rate | -20% | 16.1% | 16.6% | 17.4% | 17.8% | 18.1% |
| | -10% | 17.5% | 18.0% | 18.8% | 19.2% | 19.6% |
| | 0% | 18.8% | 19.3% | 20.2% | 20.6% | 21.0% |
| | 10% | 20.1% | 20.6% | 21.5% | 21.9% | 22.3% |
| | 20% | 21.3% | 21.9% | 22.8% | 23.2% | 23.6% |

| Increase in Room Average Daily Rate vs. CAPEX | | | | | | |
|---|------|---|-------|-------|-------|-------|
| | | Restoration CAPEX as a % of Total CAPEX | | | | |
| | | 50% | 55% | 60% | 65% | 70% |
| Increase in Room Average Daily Rate | -20% | 19.8% | 18.5% | 17.4% | 16.4% | 15.5% |
| | -10% | 21.4% | 20.0% | 18.8% | 17.8% | 16.8% |
| | 0% | 22.9% | 21.5% | 20.2% | 19.1% | 18.1% |
| | 10% | 24.4% | 22.8% | 21.5% | 20.3% | 19.3% |
| | 20% | 25.8% | 24.2% | 22.8% | 21.5% | 20.5% |

IRR is higher than the estimated cost of equity (19%)

Thank You

