

# Management and Operation of the Chamba House

## Investment pitchbook

August 2025



# Disclaimer

This pitchbook has been prepared for informational purposes only and should not be considered as an offer, solicitation, or recommendation to invest in any securities, projects, or financial instruments. The information contained herein is based on sources believed to be reliable; however, the party providing the information (nor its officers, directors, employees, affiliates, advisors or consultants) make any representations or warranties, express or implied, as to the accuracy, completeness, or reliability of the information provided.

This document is not intended to constitute investment, financial, legal, or tax advice. Any prospective investor should conduct their own due diligence and seek independent professional advice before making any investment decisions. Neither the party providing the information nor its officers, directors, employees, affiliates, consultants or advisors, accept any liability for any direct, indirect, or consequential loss arising from the use of this information.

This pitchbook may contain forward-looking statements, including projections, estimates, and expectations about future performance. These statements are based on current assumptions and are subject to risks, uncertainties, and changes that could cause actual results to differ materially. Neither the party providing the information, nor its officers, directors, employees, affiliates, consultants, or advisors, assume any obligation to update or revise these statements in light of future events.

Neither the party providing the information, nor any of their respective officers, directors, employees, affiliates, consultants or advisors shall be held liable for any reliance by any third party on the information provided. The recipient assumes full responsibility for any investment or business decisions made based on this pitchbook

# 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** (7<sup>th</sup> 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 m<sup>2</sup> of main hotel space** (72 rooms) and **26,000 m<sup>2</sup> 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						
<b>Reformed Economy</b>  	<b>USD 3.3Tn<sup>1</sup></b> Expected GDP in 2050 (from USD >410Bn <sup>2</sup> today)	<b>B-</b> Improved Credit Rating <sup>3</sup> from CCC-	<b>Top 10</b> In Business Entry Regulations ranking <sup>5</sup>	<b>Stabilized Inflation</b> At lowest levels since 1968 <sup>6</sup>	<b>Stabilized Currency</b> Achieved since 2023 in coordination with IMF	<b>Special Economic Zones (SZE)s</b> Robust fiscal and trade incentive packages <sup>7</sup>
<b>Vibrant Demographics and Talent</b>  	<b>255 million</b> Large and growing population <sup>8</sup>	<b>64%</b> Population younger than 30 <sup>8</sup>	<b>7<sup>th</sup> largest</b> Global workforce <sup>9</sup>	<b>2 million</b> University students enrolled every year <sup>10</sup>		
<b>Emerging Tourism Ecosystem</b>  	<b>6.1% (+0.3pp yoy)</b> Tourism contribution to GDP <sup>11</sup>	<b>USD &gt;1.5 Bn (USD 2Bn expected by 2033)</b> International visitors spending <sup>11</sup>	<b>USD &gt;13 Bn (USD 24 Bn expected by 2023)</b> Domestic visitors spending <sup>11</sup>	<b>12</b> International airports <sup>7</sup>	<b>Strategic Positioning</b> Crossroads between South Asia, East Asia, and Middle East	<b>6</b> UNESCO Heritage Sites <sup>12</sup>

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	 <b>Prime property use rights</b> to be provided by the Ministry of Housing & Works	
	 GOR <sup>1</sup> 1, 5 Club Road, Lahore	 ~32,000 m2 Plot Size	 72 Rooms
	B	 <b>As the cultural capital of Pakistan</b> , Lahore is known for its rich history, vibrant arts, and dynamic culinary and literary scenes	
C	Supply-Demand Gap	 Strategic entry into an <b>under-served luxury hotel market</b> with limited high-end supply	
	Investment Model	 <b>Diversified revenue streams</b> through the provision of accommodation services (rooms), as well as hosting of events leveraging the property's space	
	Return Profile <sup>2</sup>	IRR 20-21%	
D	Run-Rate Revenues <sup>3</sup>	USD 6-7Mn	
	Estimated Project Cost (Renovation)	USD 7-9Mn (100% equity)	
		 Complete private sector <b>autonomy on hotel management</b>	

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 m<sup>2</sup> main hotel space
- ~26,000 m<sup>2</sup> outside area



### Targeted End-Users

- International / domestic tourists and business travelers (corporate, diplomatic, multilateral agencies)
- Senior Pakistani government officials on tours
- MICE<sup>1</sup> 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



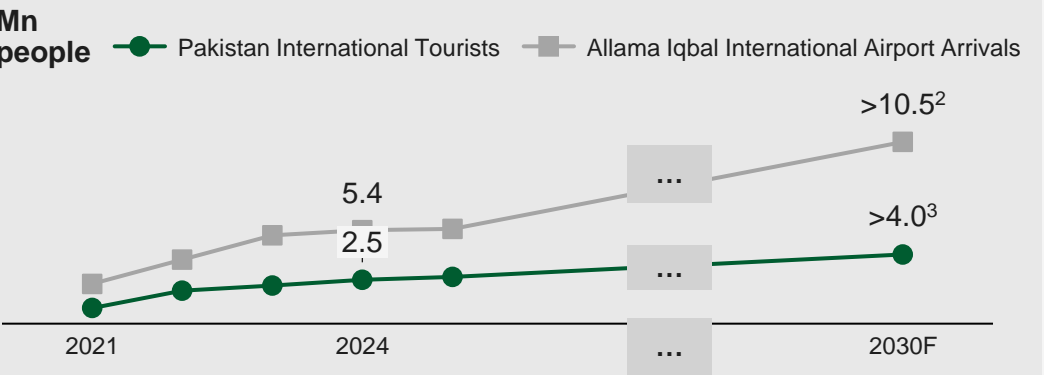
# B. The opportunity aims to leverage the growing demand for luxury events and accommodation in Lahore

## Luxury accommodation demand tailwinds

Three hotels in Lahore offer luxury accommodation<sup>1</sup>, 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	<ul style="list-style-type: none"><li>Strong <b>tourism enablement policies</b>, such as easing visa restrictions</li><li>Expected Allama Iqbal Intl. Airport <b>passenger increase</b> from 5.4 to <b>&gt;10.5<sup>2</sup> Mn by 2030</b></li><li><b>Selected as the ECO (Economic Cooperation Organization) Tourism Capital for 2027</b>, positioning Lahore for increased international visibility, inbound tourism, and cultural diplomacy</li></ul>
Flagship Sports Destination	<ul style="list-style-type: none"><li>Lahore is widely regarded as the sports capital of Pakistan, hosting top-tier events including the <b>Pakistan Super League (PSL)</b>, <b>international cricket matches</b>, and <b>major tournaments</b></li></ul>
Cultural Heritage Boom	<ul style="list-style-type: none"><li><b>Lahore Authority for Heritage Revival (LAHR)</b> launched in March 2025 with c.a. USD 200Mn budget to rejuvenate 48 historic sites</li><li>Pearl-Continental and WCLA (Walled City Lahore Authority) partnered to spotlight Lahore’s heritage gems, with <b>targeted restoration and marketing efforts</b></li></ul>
Increasing Business Travel	<ul style="list-style-type: none"><li>Lahore’s modern infrastructure and a high Human Development Index have made it an attractive base for corporates, <b>triggering a rise in commercial travel and business stays</b></li></ul>

## 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



### 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		Role delineation between public and private sector	
Revenue-sharing model with Ministry of Housing & Works providing the property		Investors 	Government (Ministry of Housing & Works) 
Overview	Role		
<ul style="list-style-type: none"><li>– Ministry provides the property through a concession to the private sector to <b>rehabilitate, operate, and manage the Chamba House</b> for the concession duration</li><li>– Private sector <b>invests in and fully manages the hotel</b></li><li>– Ministry <b>earns revenue</b> through an agreed <b>annual revenue share (20%)</b></li><li>– <b>Property ownership remains</b> with the <b>Ministry</b></li></ul>	Hotel Ownership 	N/A	Provide property use rights
	Hotel Development 	Rehabilitate, operate, and manage the hotel	Facilitate approvals and enable development
	Hotel Operations 	Fully operate hotel, hire staff, manage services	N/A
	Revenue Sharing 	Share agreed % of gross revenues with Ministry	Receive agreed % share of revenues
	Financing 	Raise equity for project	N/A
	Demand Generation 	Manage marketing and pricing to attract guests	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% <sup>1</sup>	– 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 <sup>2</sup>	
Operations	Revenues <sup>3</sup>	USD 6-7Mn (PKR 1.7-2Bn)	<ul style="list-style-type: none"> <li>– 72 rooms (64 single rooms, and 8 suites / family rooms)</li> <li>– Expected ADR: <ul style="list-style-type: none"> <li>– Single rooms – USD 160</li> <li>– Suites / Family rooms – USD 400</li> </ul> </li> <li>– Average occupancy 75%</li> <li>– Additional revenue streams from F&amp;B and events</li> </ul>
	EBITDA Margin <sup>3</sup>	36%	– Costs (SG&A, management / incentive fees of potential brand, utilities, insurance and other) computed bottom-up and triangulated with public comparables
	NOPAT <sup>3,4</sup>	USD 1.5-1.6Mn (PKR 420-430Mn)	
Development	Renovation Cost <sup>5</sup>	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 
<b>Demand/ revenue</b> 	Risk of not achieving projected revenues or sales targets	<b>Low</b> – 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)
<b>Macroeconomic conditions</b> 	Risk of inflation or currency depreciation affecting profitability	<b>Medium</b> – Recent track record of currency and inflation and currency (at lowest levels since 1968 <sup>1</sup> ) pointing to stabilization	Increase local sourcing: transfer CAPEX risk to developer; local OPEX (e.g., payroll, supplies)	Facilitate access to local currency loans
<b>Infrastructure</b> 	Delays in utilities or access roads affecting timely operations	<b>Low</b> – 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
<b>Regulatory / Legal</b> 	Risk of sudden policy changes impacting contract or taxes	<b>Low</b> – 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

Connect with SIFC to learn more

Contact Information

Name

XX

Phone Number

XX

Email

XX

Additional input from SIFC

RISE

PARITY

FOR ALL

RISE

PARITY

FOR ALL

RISE

PARITY

FOR ALL



# APPENDIX



**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<sup>®</sup>  
HOTELS & RESORTS

Non-Exhaustive

KARACHI

  
ACCOR

LAHORE

  
FAISALTOWN

**Swiss** International  
HOTELS & RESORTS

  
HYATT  
REGENCY<sup>™</sup>  
RESORT

Source: Press releases

## 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 <sup>1</sup>	Year 5 <sup>1</sup>	Year 10 <sup>1</sup>
<b>Occupancy rate</b>	30%	75%	75%
<b>Total Revenue</b>	<b>627,797,142</b>	<b>1,826,557,649</b>	<b>2,451,713,408</b>
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
<b>Total Cost of Service Delivery</b>	<b>166,280,214</b>	<b>432,533,353</b>	<b>560,967,601</b>
<b>Gross Profit</b>	<b>461,516,928</b>	<b>1,394,024,296</b>	<b>1,890,745,807</b>
<i>Gross Margin</i>	74%	76%	77%
<b>Total OPEX</b>	<b>268,993,814</b>	<b>737,340,906</b>	<b>993,520,037</b>
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
<b>EBITDA</b>	<b>192,523,113</b>	<b>656,683,389</b>	<b>897,225,770</b>
<i>EBITDA Margin</i>	31%	36%	37%
<b>NOPAT</b>	<b>90,915,226</b>	<b>425,719,879</b>	<b>602,229,819</b>

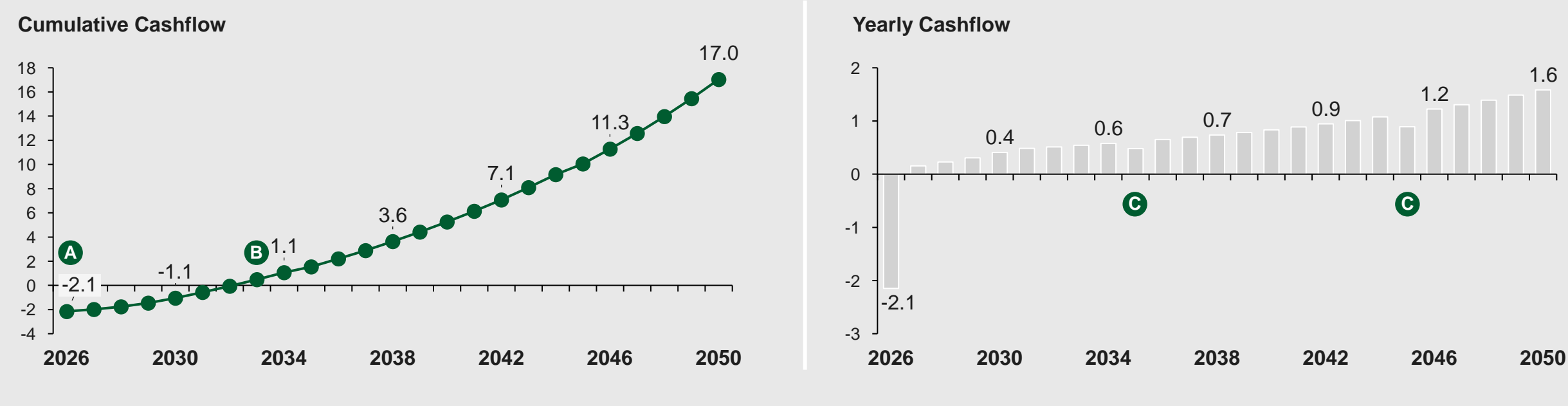
- Ministry of Housing & Works internal data
- Expert input

- 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
Rooms	Single	Number of single rooms	64	#
		Average daily rate <sup>1</sup>	46,000	PKR
	Family	Number of family rooms	8	#
		Average daily rate <sup>1</sup>	114,000	PKR
		Starting occupancy rate	30%	%
		Stabilized occupancy rate	75%	%

Revenue		Assumption	Value	Unit
Food & Beverage		Number of restaurants	1	#
		Average seating capacity per restaurant	110	#
		Average number of meals per day	1	#
		Table turnover ratio per restaurant	2	#
		Average cost per customer	4,200	PKR
		Starting occupancy rate	30%	%
		Stabilized occupancy rate	75%	%
MICE <sup>2</sup>		Area	1	#
		Capacity	1,000	#
		Number of times this is being utilized	24	#
		Utilization	50%	%
		Charge per person	7,500	PKR
MOD <sup>3</sup>		MOD <sup>1</sup>	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

