

Information Memorandum

Ravi Urban Development Authority
Government of Punjab
Pakistan

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1. Overview of Pakistan

Pakistan's Outlook

Location



Economy



Investment



Pakistan is a country located in **South Asia** and borders 4 countries, Iran, Afghanistan, China and India. **Islamabad** is the capital city of Pakistan. Total land area of Pakistan stands at **796,096 square kilometers**.

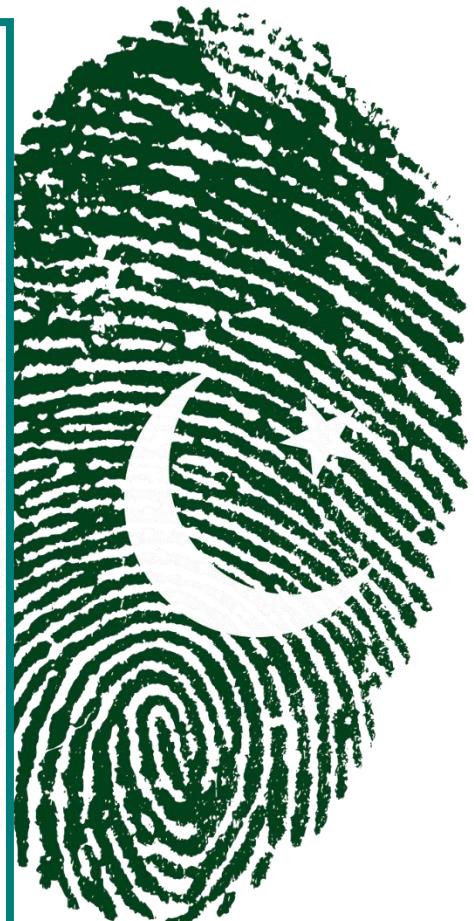
Pakistan has a 990 km coastline along the Arabian sea which provides a sea route for landlocked central Asian states along with connecting to Africa, Europe and Asia. Pakistan has a high potential to become a transit country due to its excellent strategic location as it allows connection with various parts of the world.

Pakistan's **GDP** was **\$280 billion** in FY 2021 and is projected to grow by **4.2%** in FY with average GDP growth rate over the last 10 years hovering at 3.7%. Pakistan has **improved 39 positions** in the last two years in the World Bank **Ease of doing Business Index**.

However, Pakistan remains an emerging country in the world due to economic volatility over 74 years of its history. Despite this, Tourism economy is now booming in Pakistan for the last 5 years. Moreover, Pakistan's foreign exchange reserves are also at all time high at \$27 billion.

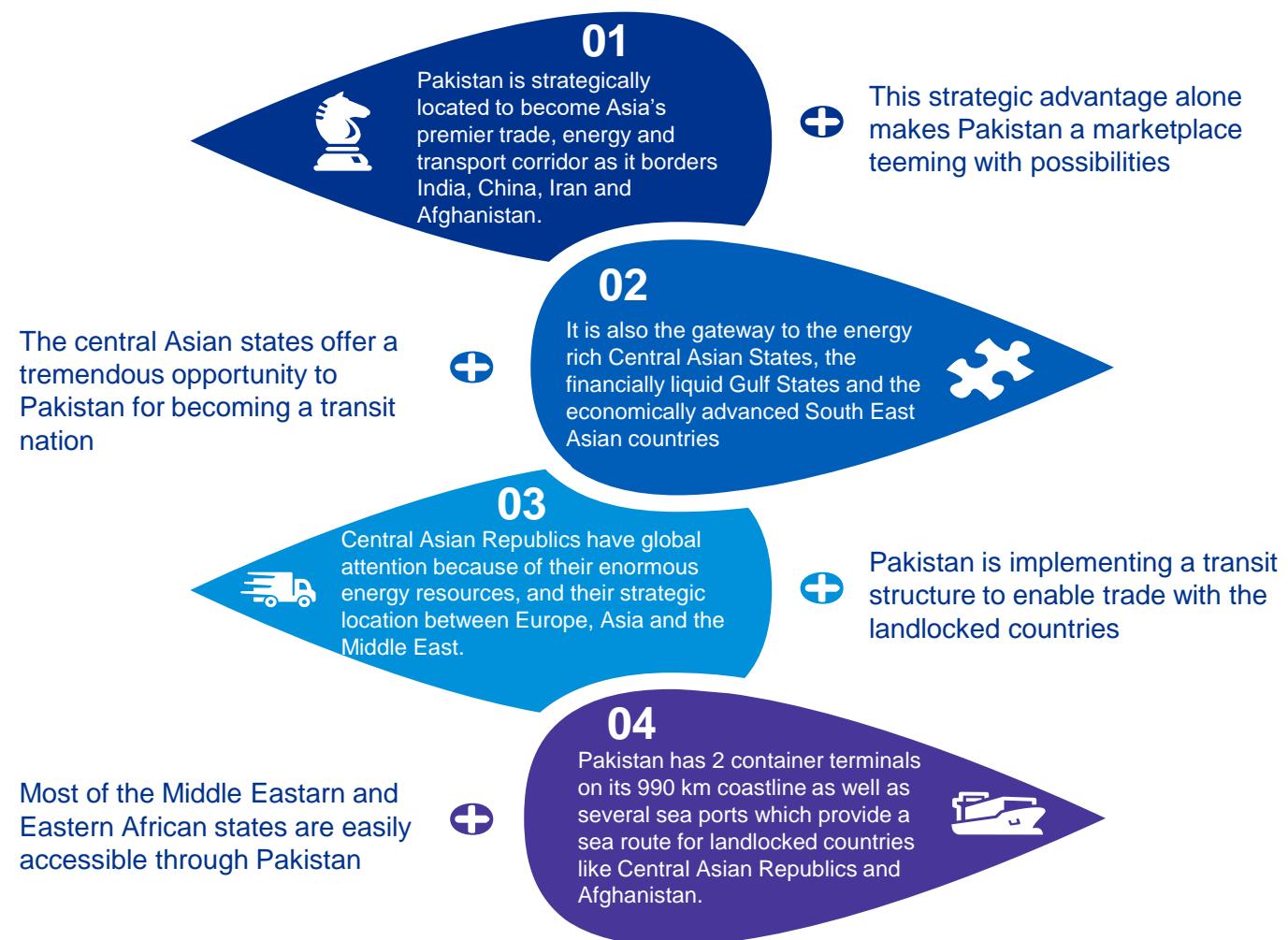
During the past two years, FDI is on the rise as the Government has focused on including the private sector in major developmental projects. FDI recorded a **86% increase** from \$1.4 billion in FY 2019 to **\$2.6 billion** in FY 2020.

Several economic zones have been established including, Special economic zones, Gwadar free zone, and Export processing zones allowing for a boast in economic potential. Tax breaks have been also provided. CPEC, a **\$62 Billion** long term investment plan is also in place since 2015



Source: Pakistan Economic Survey, Economic Intelligence Unit, World Bank, State Bank of Pakistan, CPEC Authority

Geo-Strategic Location - 1



Geo-Strategic Location - 2

CPEC

China Pakistan Economic Corridor is part of the Belt and Road Initiative (BRI) which aims to provide connectivity between Asian and European countries with a vision of a globalized world

CPEC Features

Started in 2015, CPEC has brought in investments amounting to \$62 Billion in the infrastructure, energy, transport, agriculture and other sectors

Gwadar, Baluchistan

Gwadar Seaport and its Free zone are the flagship projects under CPEC allowing trade access through its warm deep-water sea. Other infrastructure projects in Gwadar include airport, hospitals and expressways

Central Asian States

Pakistan has recently started to provide landlock nations of Central Asia to use Pakistan's Gwadar as a transit route for trade purposes

Trade with Central Asia

In a bid to enhance trade diversity, Pakistan now aims to enhance trade with Uzbekistan, Tajikistan, Turkmenistan, Kyrgyzstan & Kazakhstan, the 5 landlocked countries to \$1.5 Billion

Uzbekistan & Pakistan

In July 2021, Pakistan has also signed a joint declaration for transit trade with Uzbekistan which will allow Pakistan to tap the potential \$90 Billion market

Source: Pakistan Economic Survey, Ministry of Foreign Affairs, CPEC Authority

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Economy - Snapshot



Pakistan is an emerging economy with an annual GDP of \$280 Billion in FY 2020-21 with a growth rate of 3.94%. Pakistan's average GDP Growth rate over the last 10 years was 3.7%.



Pakistan's per capita income has risen to \$1,543, a YoY increase of 13% from \$1361. The consumer price index remained at 8.3%. Average CPI of the last 10 years stands at 7%.



Pakistan has improved 39 positions over the last two years on the World Bank Ease of Doing Business Index. This shows Pakistan's commitment to improving the business eco system and the priority to open up the economy for business.



Currently Pakistan has policy interest rate of 7.25% which is lower than the 10 year average of 8.2%. Pakistan has recently shifted to a floating exchange rate. The average USD to PKR exchange rate was PKR160.35 to 1 USD during FY 2021.



The Government is focused on job creation through its youth employment initiatives. Subsidized loans are provided through the entrepreneurial initiatives like Kamyab Jawan program.



Pakistan Stock Exchange powered through initial COVID-19 induced economic downturn and earned the title of being the "Best Asian stock market and fourth best-performing market across the world in 2020."

FY 2020-21

Real GDP Growth %
3.94%

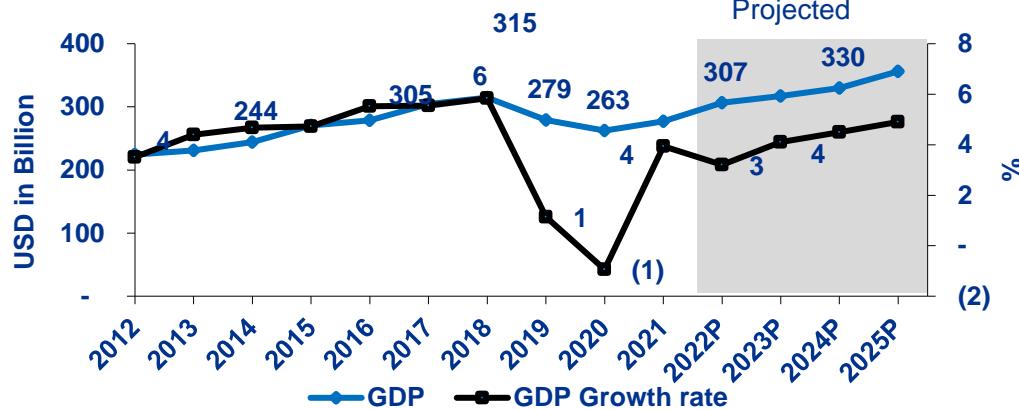
GDP
\$280 Billion

Per Capita Income
USD 1,543

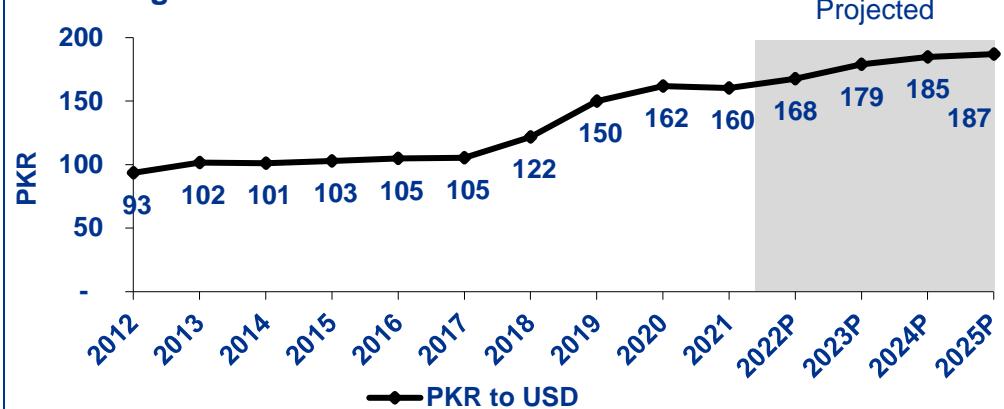
Source: Pakistan Economic Survey, Pakistan Bureau of Statistics, Economic Intelligence Unit, World Bank, State Bank of Pakistan

Economic Overview - 1

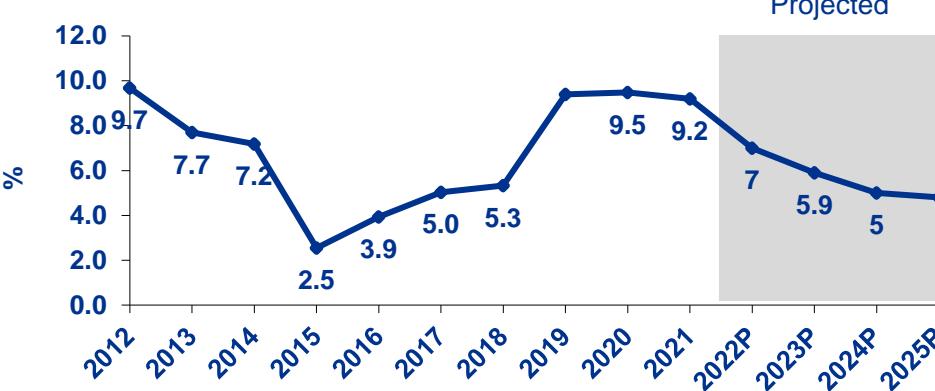
GDP and GDP Growth Rate



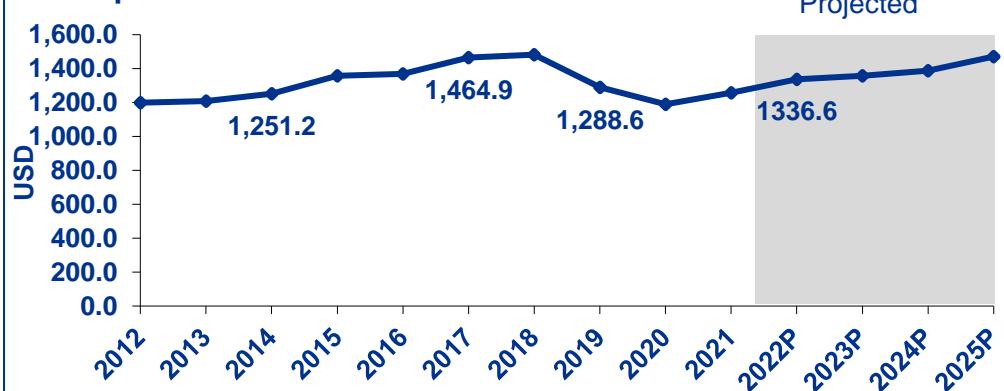
Exchange Rate



Inflation



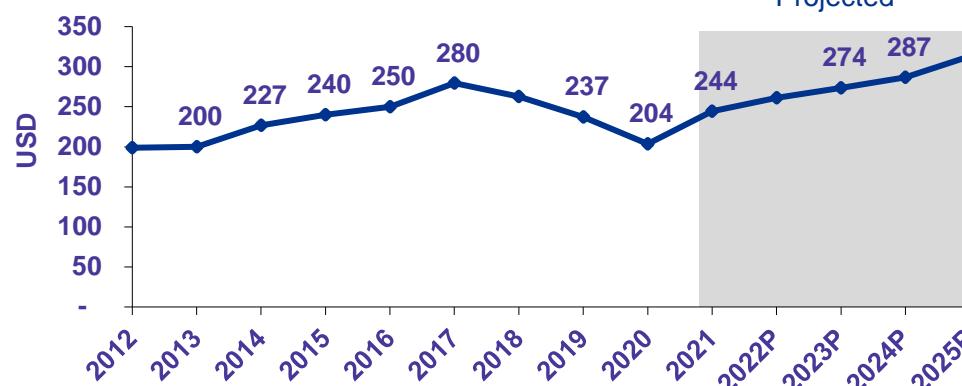
GDP per head



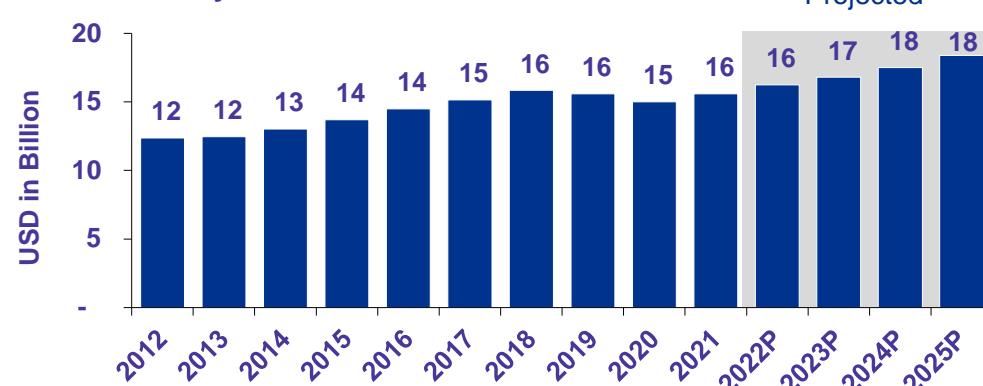
Source: Pakistan Economic Survey, Economic Intelligence Unit, State Bank of Pakistan

Economic Overview - 2

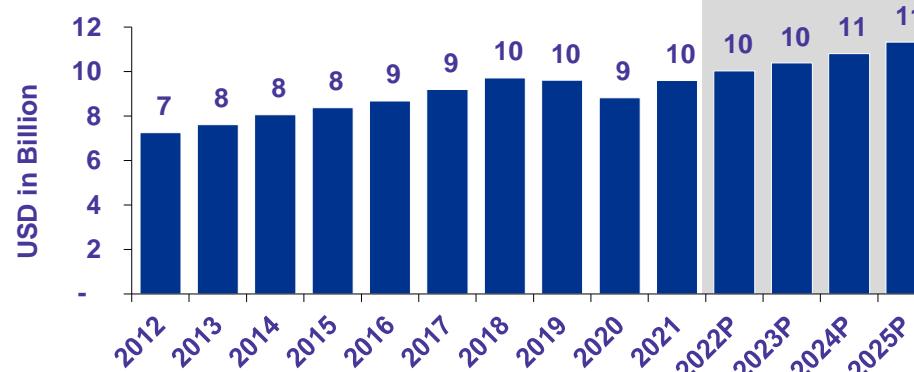
Personal disposable income



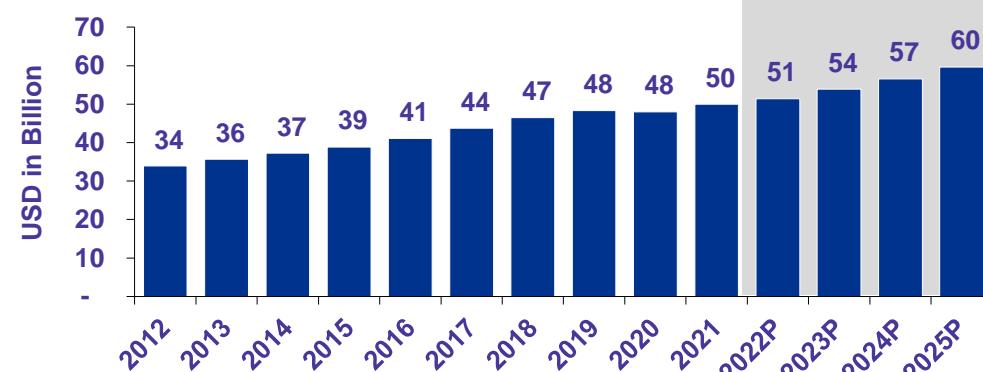
Real industry



Real manufacturing



Real services

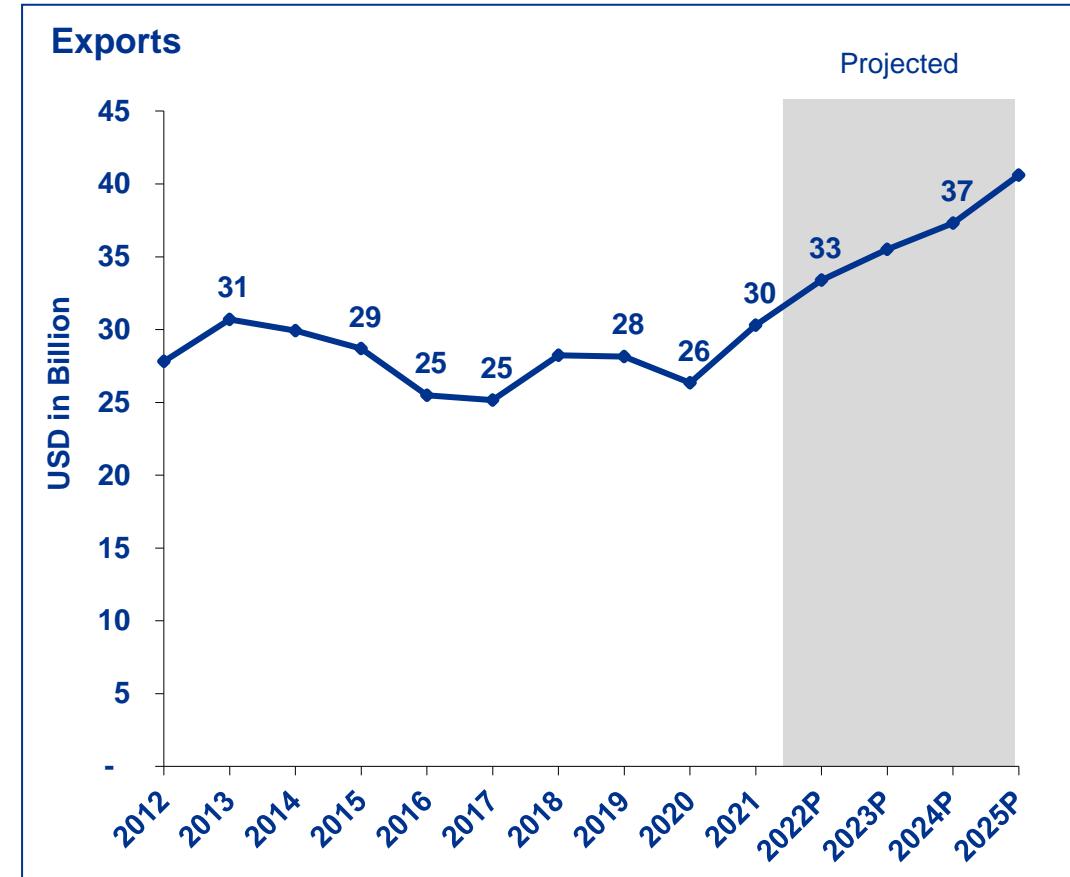
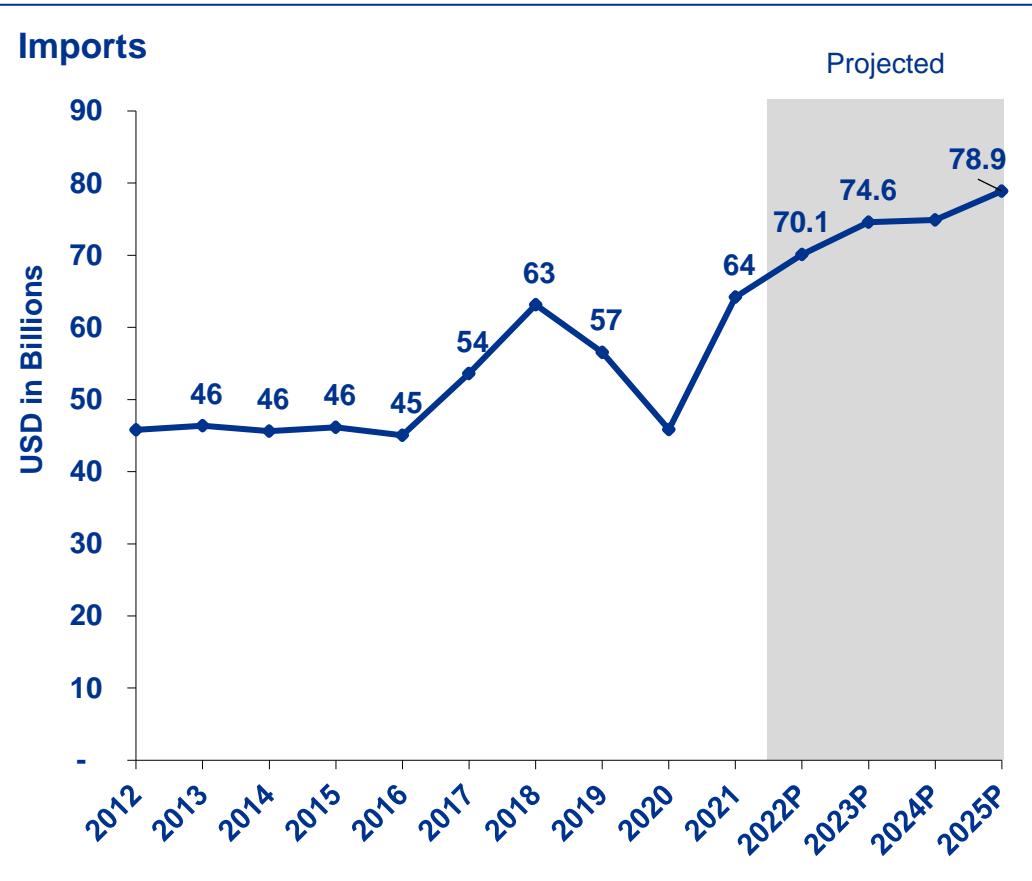


Source: Economic Intelligence Unit



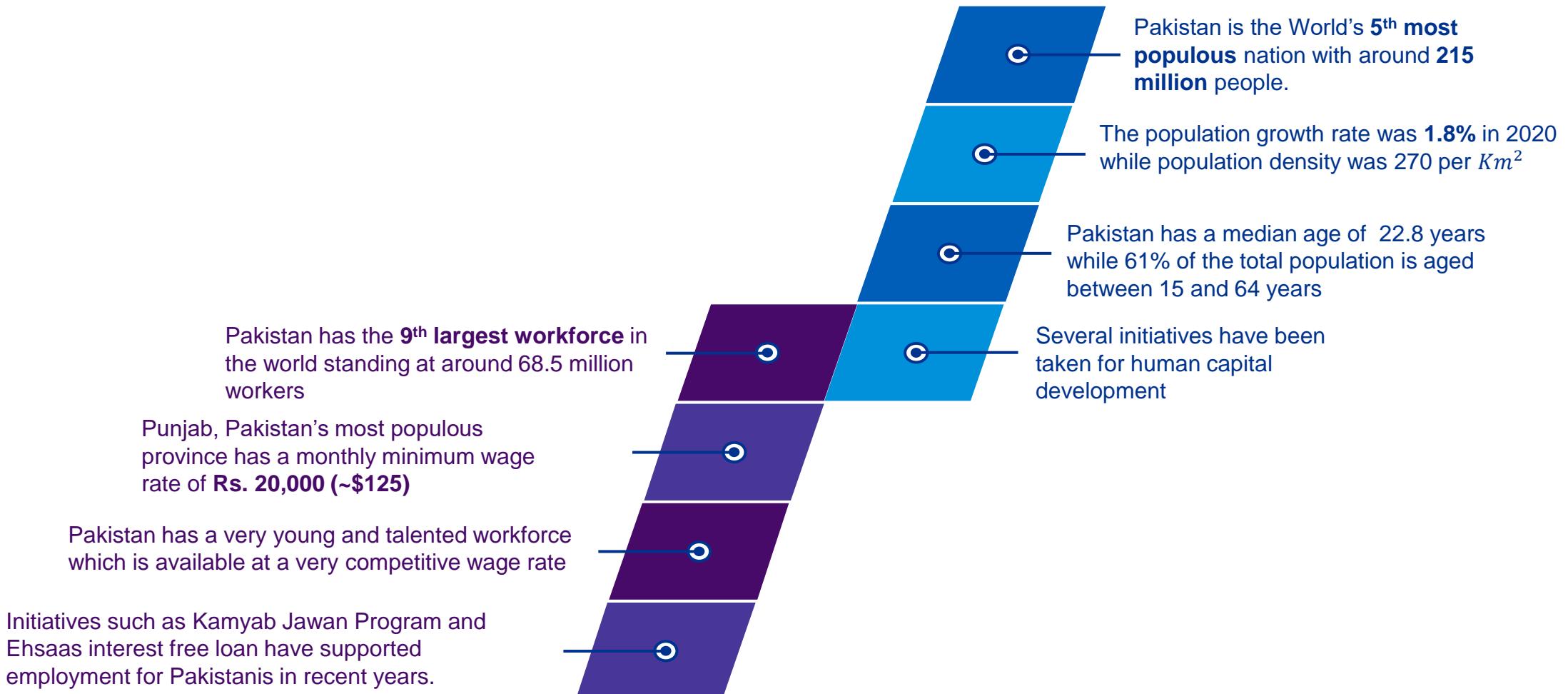
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Economic Overview - 3



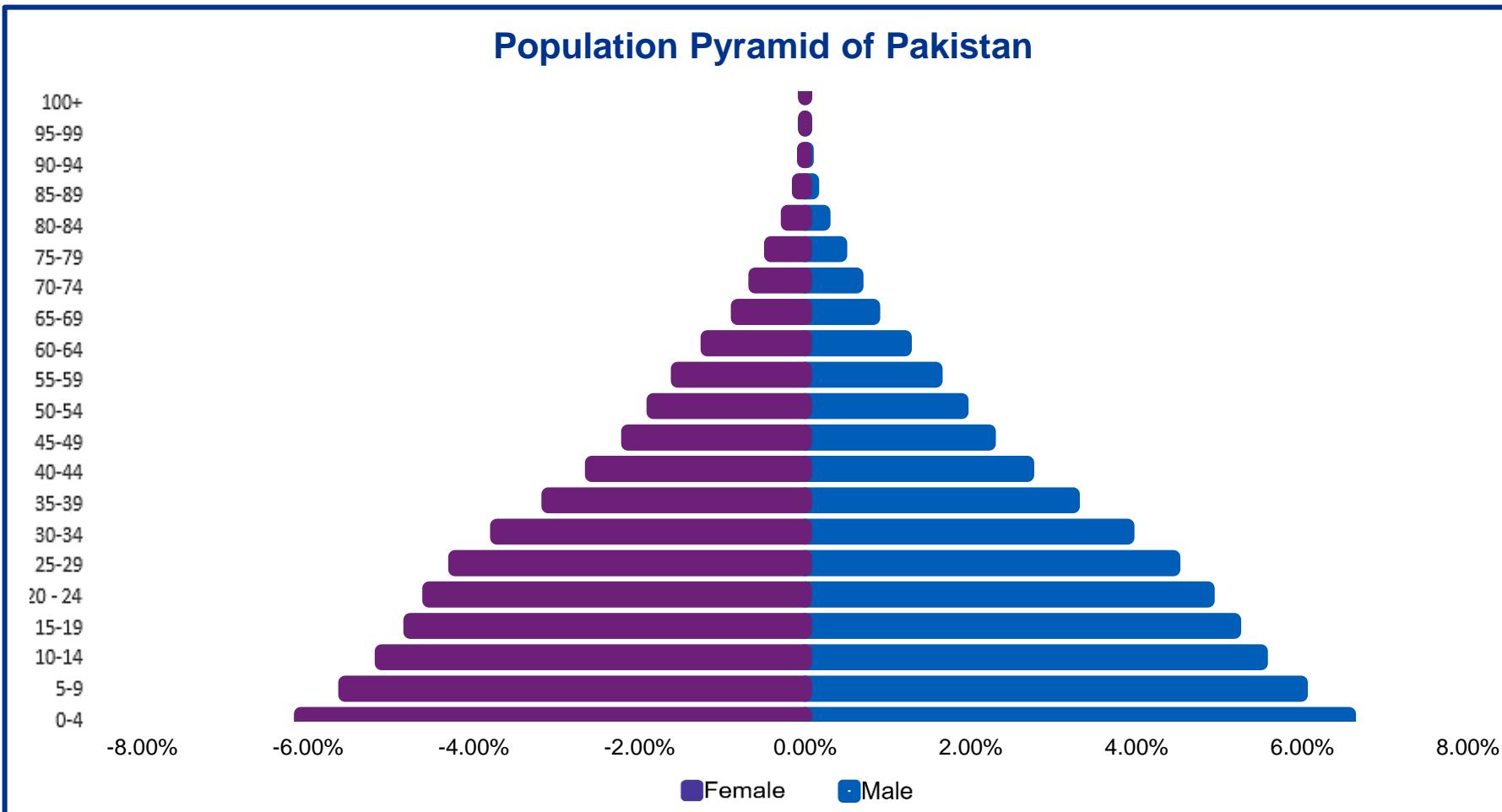
Source: Economic Intelligence Unit

Population & Workforce - 1



Source: Pakistan Economic Survey, Government of Punjab

Population & Workforce - 2



Source: Pakistan Economic Survey

Investments & Fiscal Incentives

Special Economic Zone (SEZ)

Pakistan has **21 SEZs** with over **14,000 acre** area. 15 SEZs were established during past 3 years. More than 7 SEZs are in pipeline. Planned FDI in SEZs as of May 2021 exceeds **\$1.7 Billion**.

SEZ Incentives

Exemption from Income tax for 10 years and from custom duty on import of new plant & machinery and a variety of capital goods.

Export Processing Zone (EPZ)

Currently 7 Export processing zones are operating throughout Pakistan with 2 more in pipeline.

EPZ Incentives

Duty free import of machinery equipment and materials are allowed. Only 1% Income tax is charged. Developed land is available on competitive rates for 30 years.

Special Technology Zone (STZ)

STZs have been established by Special Technology Zones Authority (STZA) with an aim to promote tech investments. 5 major cities of Pakistan to get STZs.

STZ Incentives

Exemption from Income tax and custom duties for 10 years. Exemption on General Sales Tax (GST) on import of plant and machinery. Tax exemption on dividend income and long term capital gains from investment in a venture capital

Gwadar Free Zone (GFZ)

A 2,280 acre free zone has been established at the warm water deep sea port in Gwadar. It's first phase has become operational in 2021

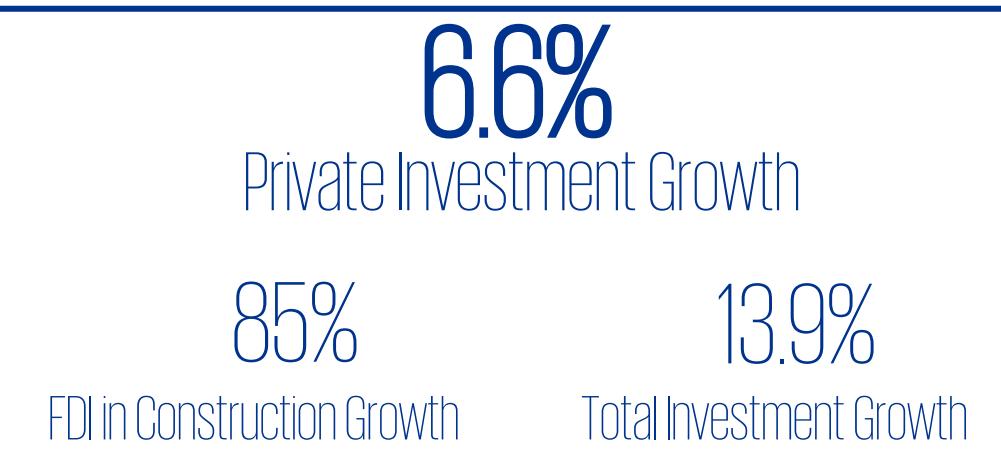
GFZ Incentives

Foreign investors will be allowed 100% ownership in specific sectors. Income Tax Holiday shall be provided for 23 years. Sales tax shall also be exempt for materials and plant and machinery. Land may also be leased for 99 years

\$2.6 Billion
Foreign Direct Investment

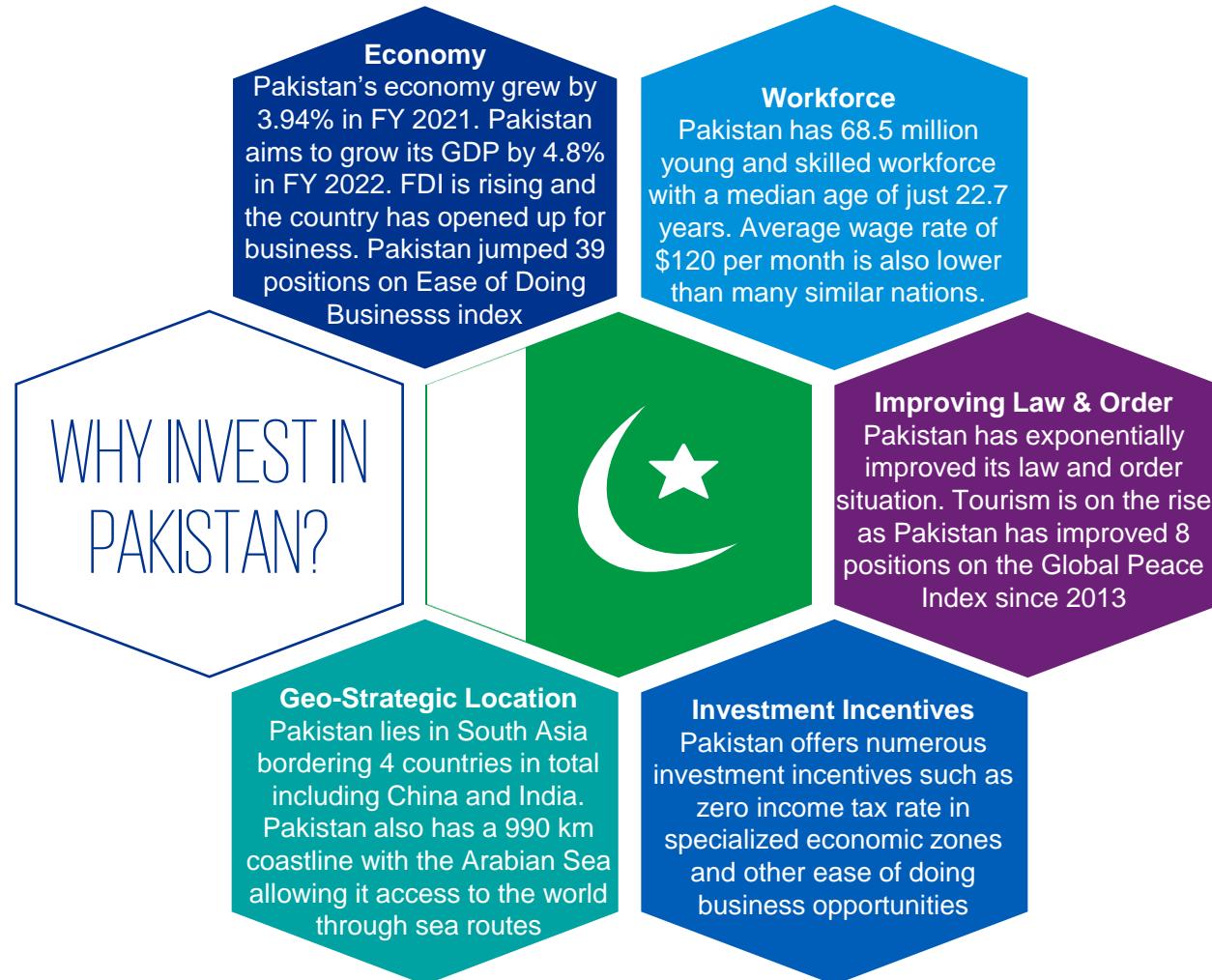
OUTFLOWS
\$0.7 Billion

INFLOWS
\$3.3 Billion



Source: Pakistan Economic Survey, State Bank of Pakistan, CPEC Authority

Why Invest in Pakistan?



Source: Pakistan Economic Survey



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2. Infrastructure & Real Estate in Pakistan

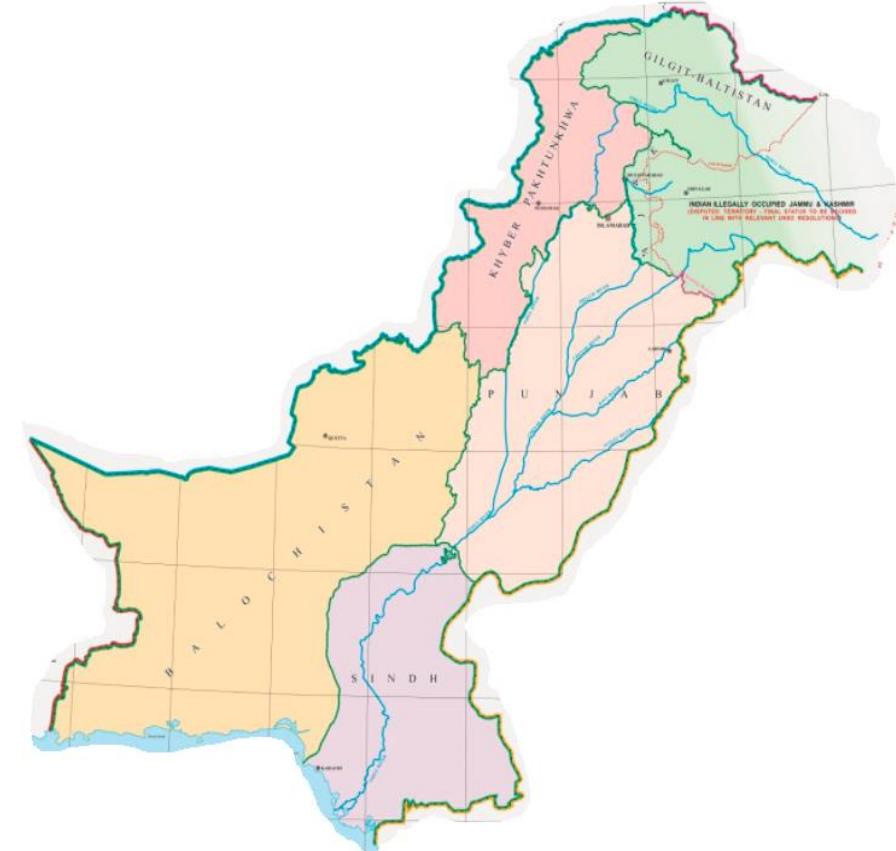
Infrastructure in Pakistan

Pakistan is composed of four provinces and one federal territory. The provinces are Baluchistan, Punjab, Sindh, Khyber Pakhtunkhwa, and the federally-administered Islamabad Capital Territory. Additionally, Pakistan also administers two autonomous territories in the disputed region of Kashmir those are Gilgit-Baltistan and Azad Jammu and Kashmir.

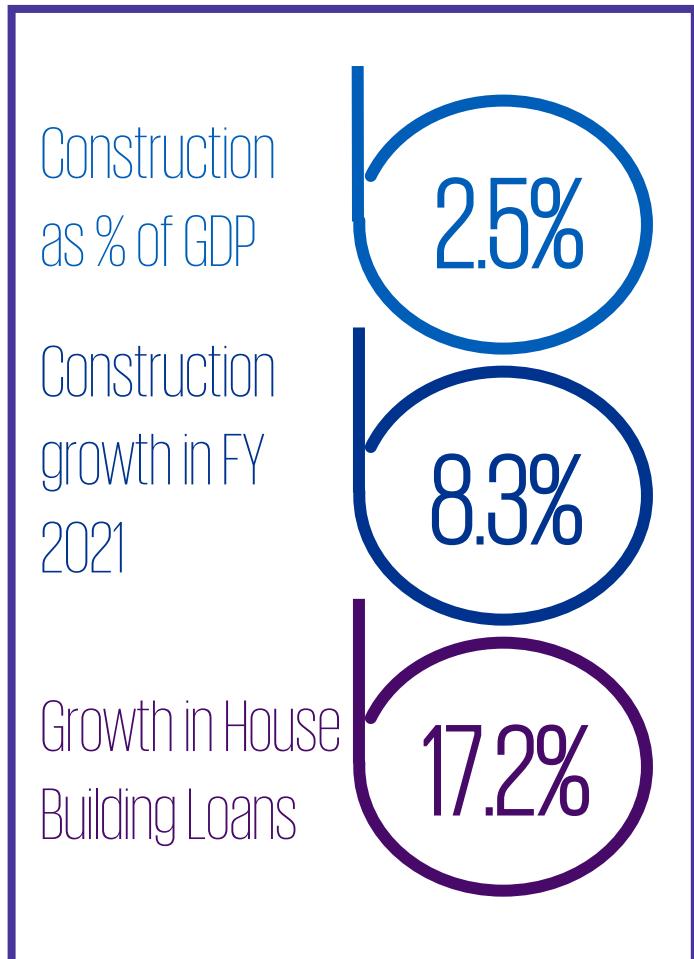
Infrastructure is the fundamental requirement in the functioning of any country. In today's modern era, Country needs electricity to power our homes and industry, roads to transport goods from one place to the other and then ports and airports to export their industrial products to foreign trade partners. Similarly, a modern nation requires effective water and sanitation to improve and sustain the health and cleanliness of its people. In all situations, infrastructure is such a necessity that it affects the lives of every single individual on this planet.

Pakistan has made some progress in Public Infrastructure development over the last five decades. Several mega infrastructure projects are under construction which shows the Government's commitment to infrastructure under CPEC program. Construction sector contributed about PKR **794 Billion** to Gross Domestic Product (GDP) of Pakistan in 2020, about 2.5%, registering a growth of **8% on YoY basis**.

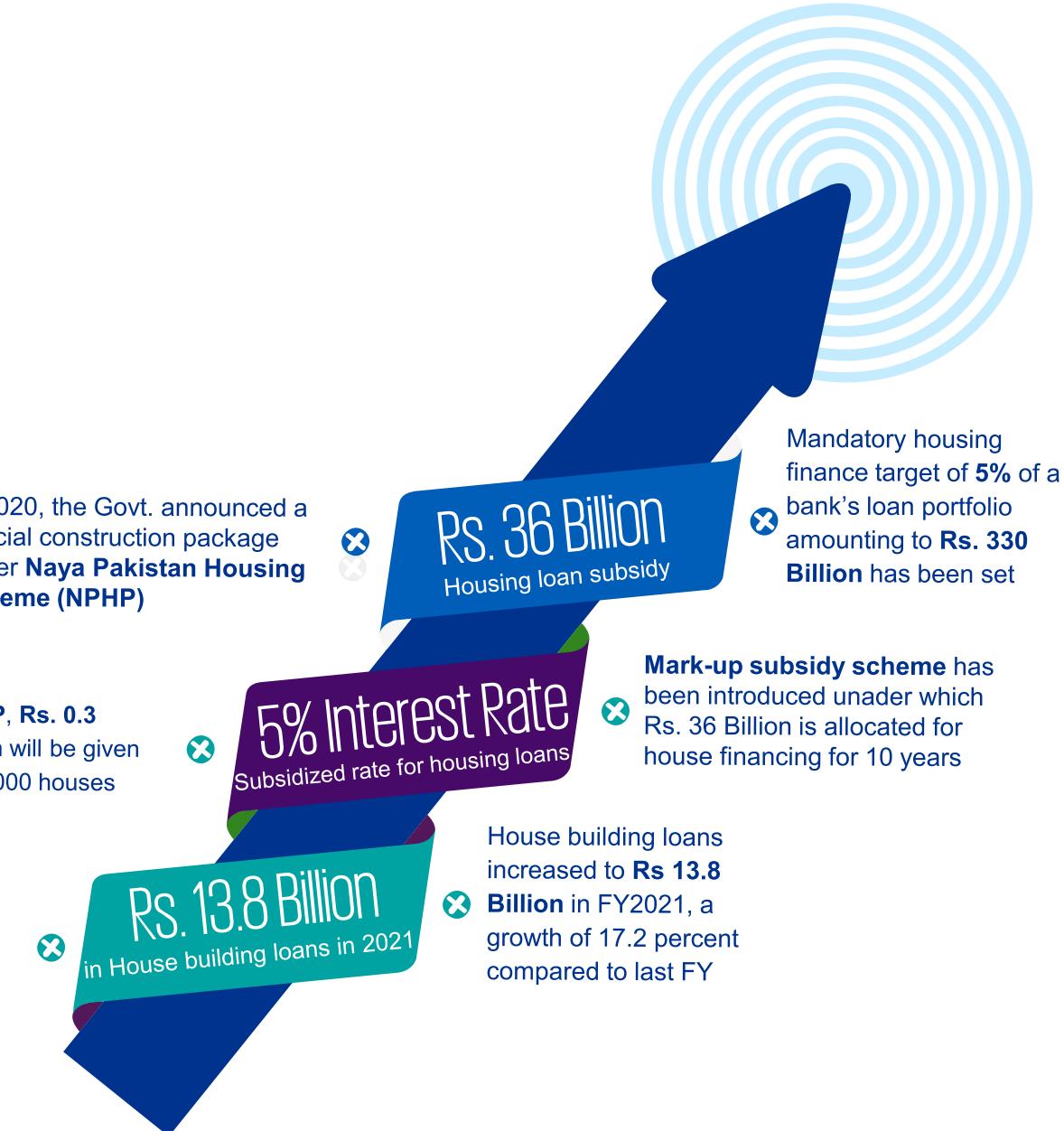
The government estimated that less than half of the infrastructure investment can only be covered by the public funds under the Medium Term Development Framework (MTDF). The rest of the investment can be attracted from the private sector by providing a combination of policy reforms, institutional support, incentives and financing modalities.



Construction & Real Estate



In 2020, the Govt. announced a special construction package under **Naya Pakistan Housing Scheme (NPHP)**

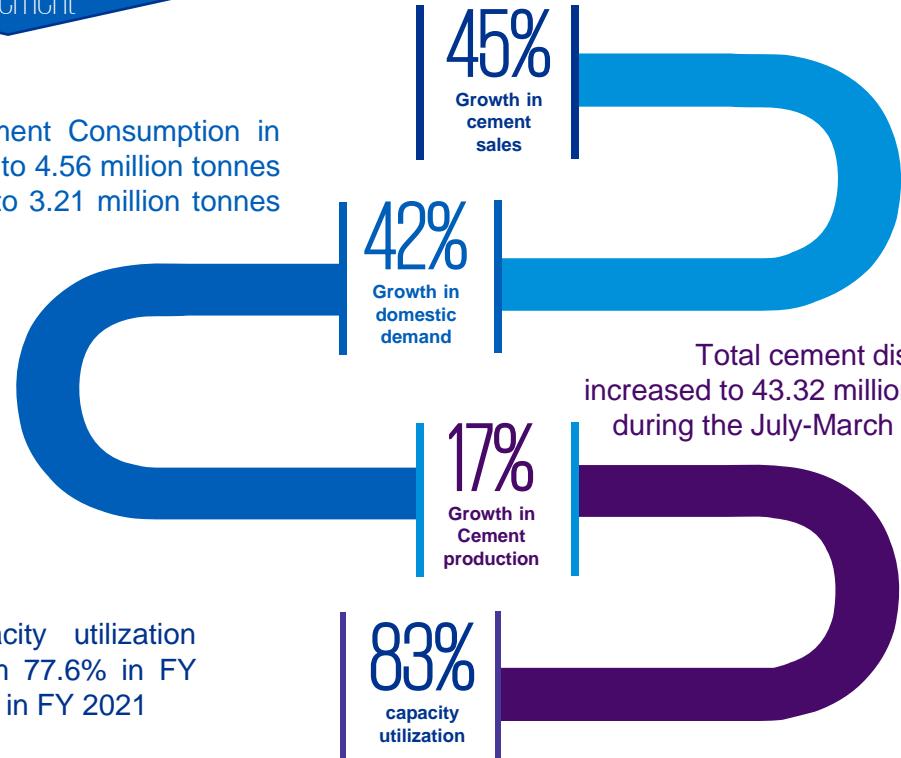


Source: Pakistan Economic Survey

Construction Material - Cement

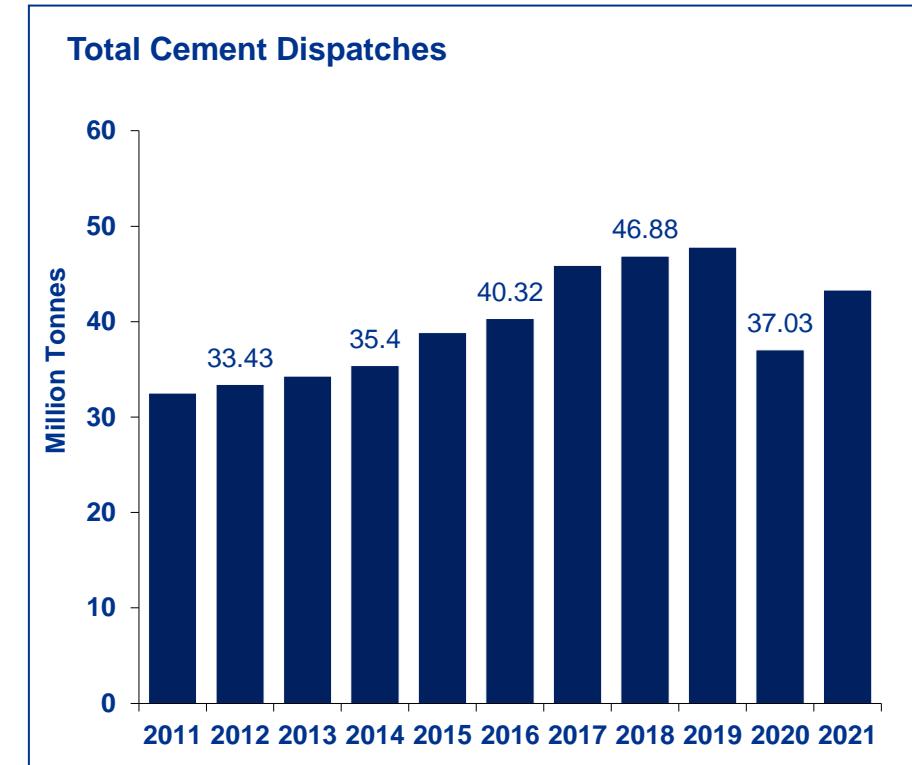
25%
Decrease in Federal Excise Duty
for Cement

Domestic Cement Consumption in FY 2021 grew to 4.56 million tonnes as compared to 3.21 million tonnes in FY 2020



Cement capacity utilization increased from 77.6% in FY 2020 to 83.4% in FY 2021

Cement industry has posted all time high growth in FY 2021 due to massive increase in domestic demand and exports



Source: Pakistan Economic Survey

Construction Material - Steel



Pakistan's annual Steel Consumption hovers around 9 Million Metric Tones. Per capita steel consumption stands at 36 Kg, lower than world average of 229 Kg.



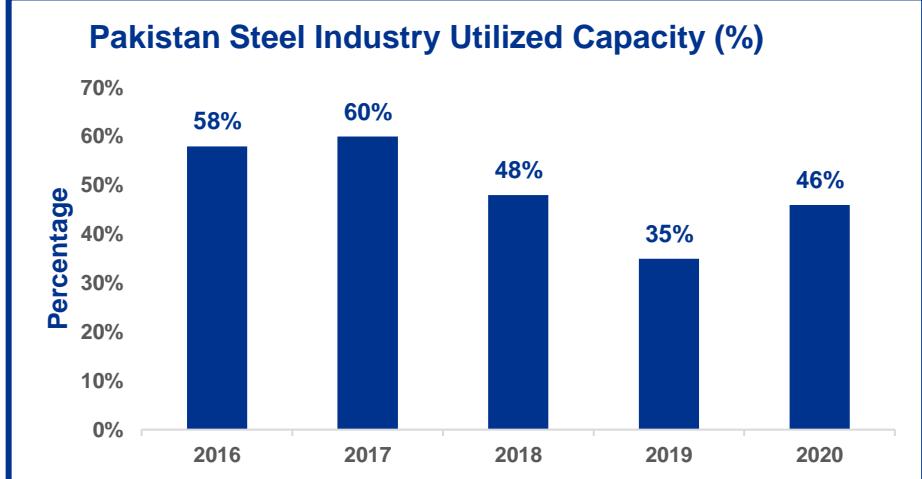
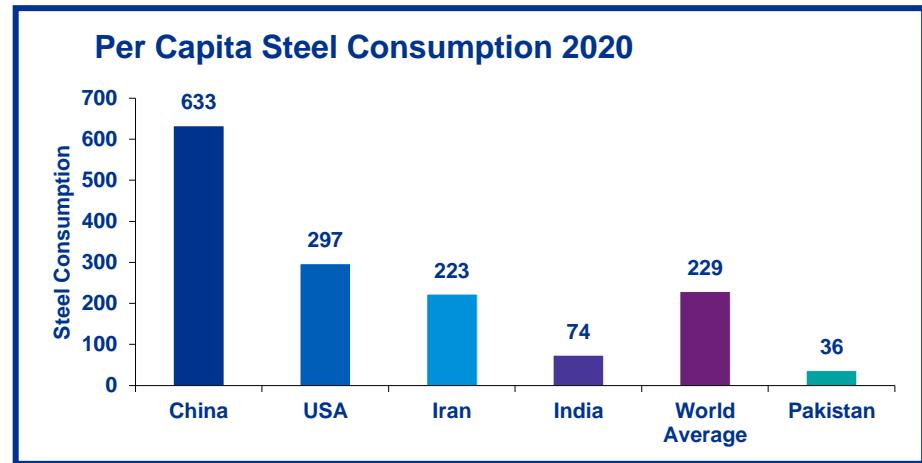
Iron & Steel production inched up by 1.66% during FY2021 as compared to 7.96% decline in the same period last year due to Covid-19 induced downturn.

1.6%
Growth in Iron & Steel Production

37%
Growth in Billets & Ingots

Increase in utilization of Industry capacity to 46% from lowest recorded utilization of 35% in FY 2019.

46%
Capacity utilization



Source: Pakistan Credit Rating Agency (PACRA) | Pakistan Economic Survey



3. Ravi Riverfront Urban Development

Introduction

Overview

Ravi Urban Development Authority (RUDA) has been established under the auspices of the **Prime Minister of Pakistan**, his Excellency **Mr. Imran Khan**, to develop & construct the Ravi City project with an intention to develop urban areas of the Punjab Province into **sustainable, livable and well-managed engines of economic growth**.

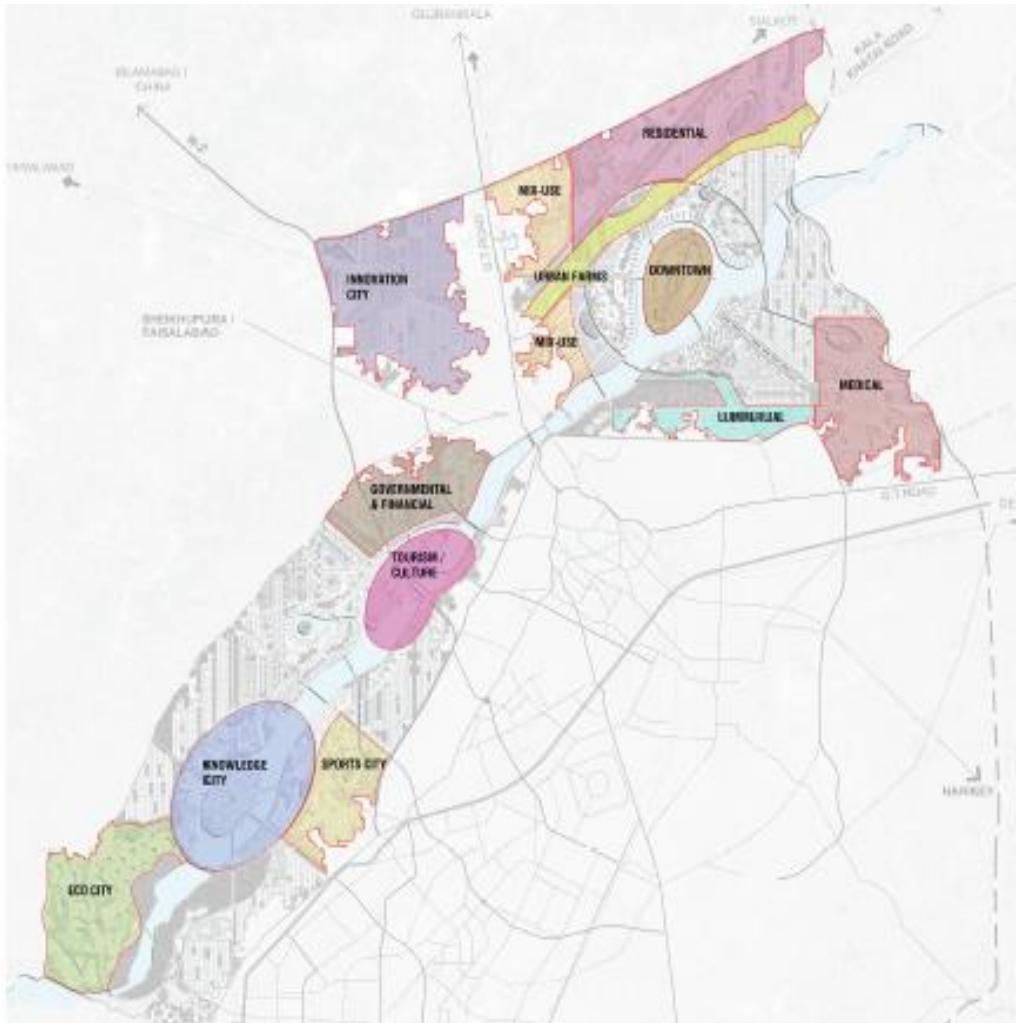
Lahore, the capital of the Punjab Province, is rapidly urbanizing being a regional urban center of key commercial, financial, industrial and socio-cultural significance. The estimated population of Lahore is more than **10 million**. The physical growth of the city has emerged in a very different way as compared to the land uses proposed in master plans and other documents.

The River Ravi is a life source to Lahore and an integral part of its culture and heritage. Its banks speak of history and culture, on its western bank is located the famous tomb of Jahangir, Noor Jahan and the famous Baradari. Lahore fort and Shalimar gardens once fountained the water from Ravi.

Today the Ravi is degraded and polluted, the deterioration of its environmental quality is a serious problem. Ravi Urban Development Project proposes to Train the river and increase its capacity to 500,000 cusecs to deal with 1000 year flood. It will be one of the largest cities of the world over an area of **414 square km** and will be home to **over 8 million people**, its economy will create over **2 million jobs** in, a seamless melting pot of both global and local community.



Introduction



Ravi Riverfront Project

The Project Area, measuring approximately 42,000 hectares (102,294 Acres), runs along the Ravi River starting 5 miles downstream of India-Pakistan border and ending at the confluence of Hudiara Drain and Ravi.

The new city at the bank of Ravi River will resolve major concerns of Lahore city and surrounding areas including:

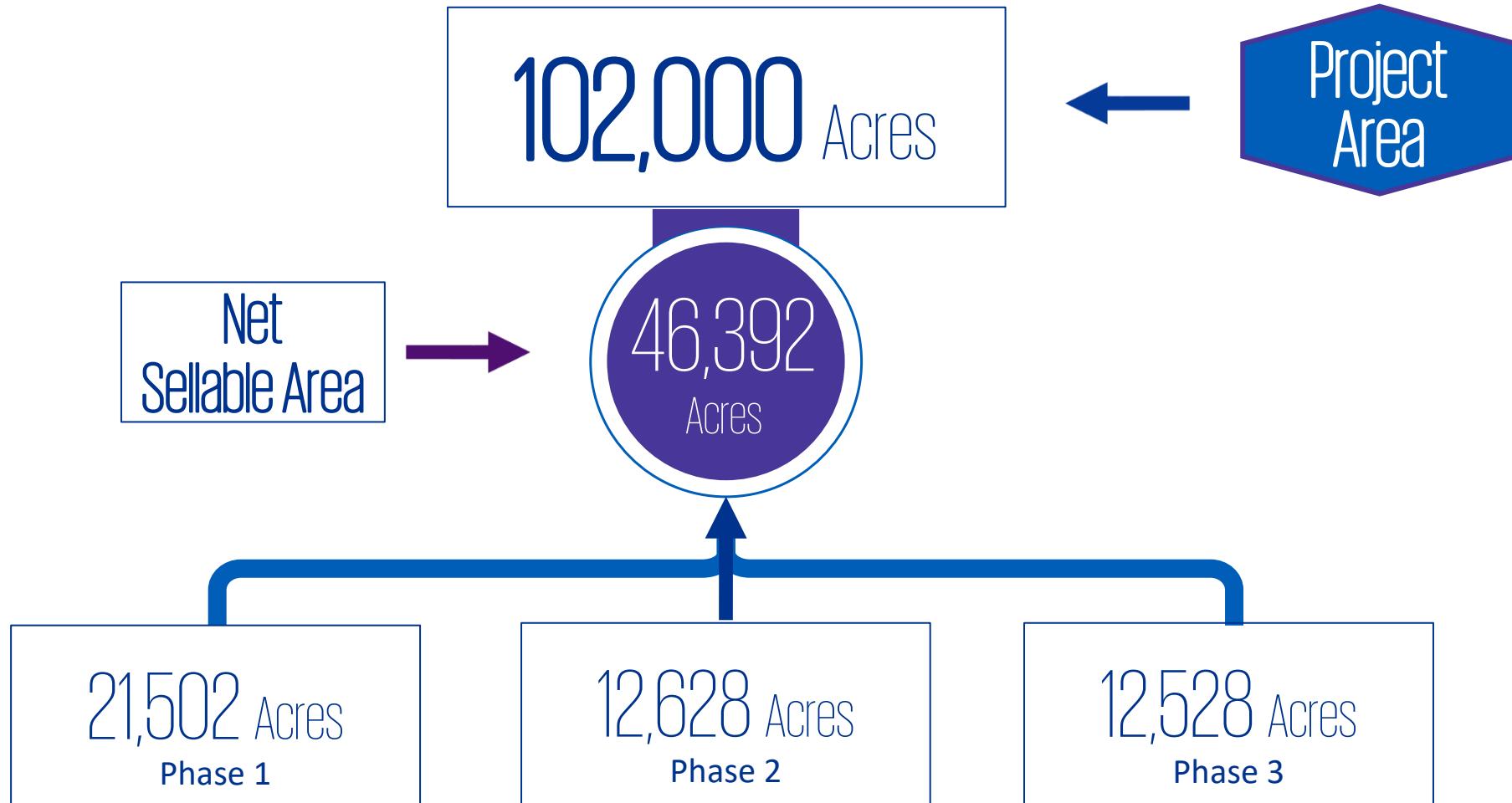
- Overpopulation;
- Traffic congestion;
- Heavy pollution;
- Water scarcity; and
- Flooding through river channelization and forming barrages.

The project is designed to be in tune with its environment, optimizes the natural resources of river and its ecology. The structure of the City will stimulate urban renewal through introducing penetrable green strips along the urban as main spine of the city as an Ecological Corridor.

The Masterplan Includes high density, mid density, townhouses, family villas, luxury villas, marina houses, farm houses and mixed use components. Based around community clusters and neighborhoods, the residential strategy creates spaces which allow neighbors to know one another and reinforce family bonds. By integrating community and commercial activity a vibrant connected private and public life will create high a quality living experience.

The compact nature compels a mix of uses that maximizes the opportunities for living and working in the same area, cutting down on the need to travel which will further reduce the energy consumed by the project.

Project Features



Project Components



Innovation City



Knowledge City



Tourism &
Entertainment City



Medical City



Urban Farms



Eco City



Mixed Use City



Commercial City



Residential City



Industrial City



Downtown



Sports City



Innovation City

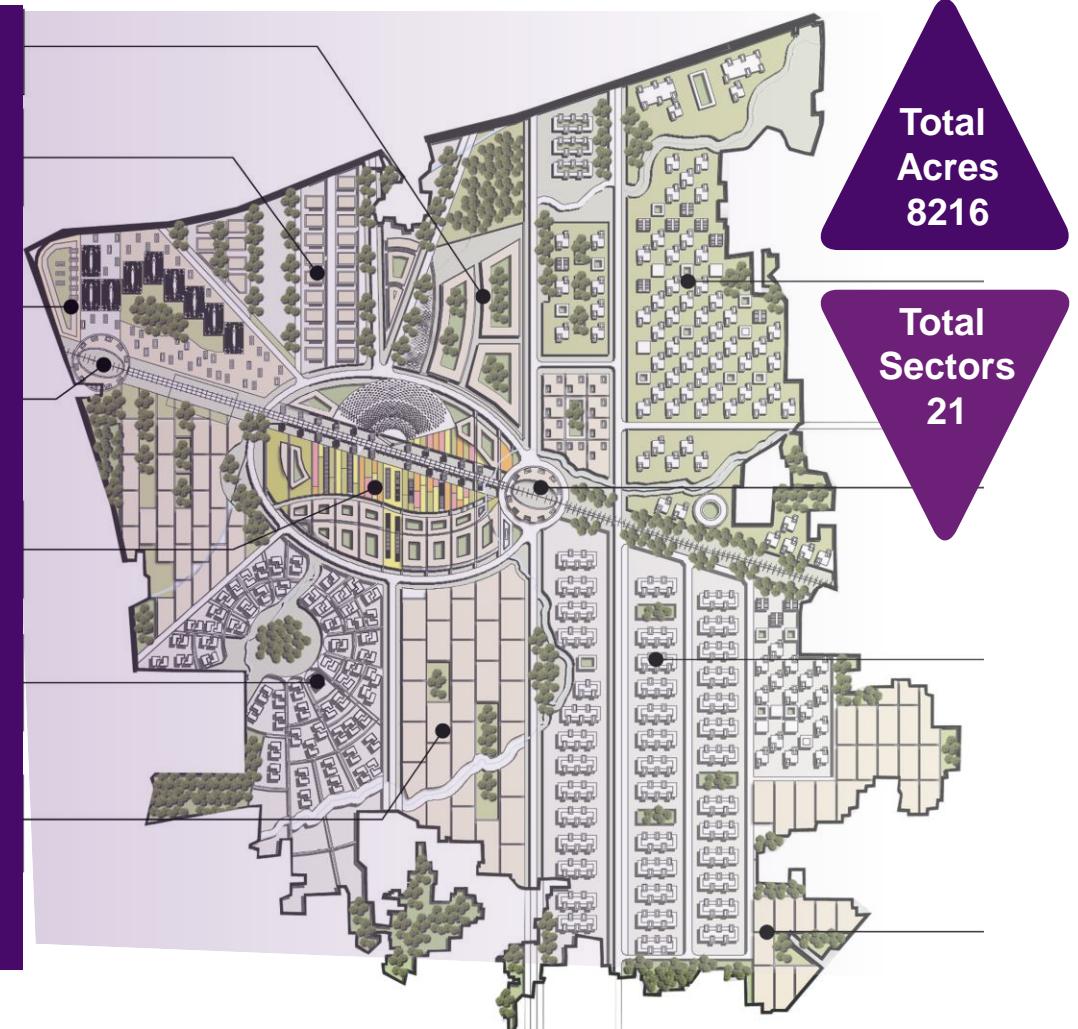
Overview

Main Features

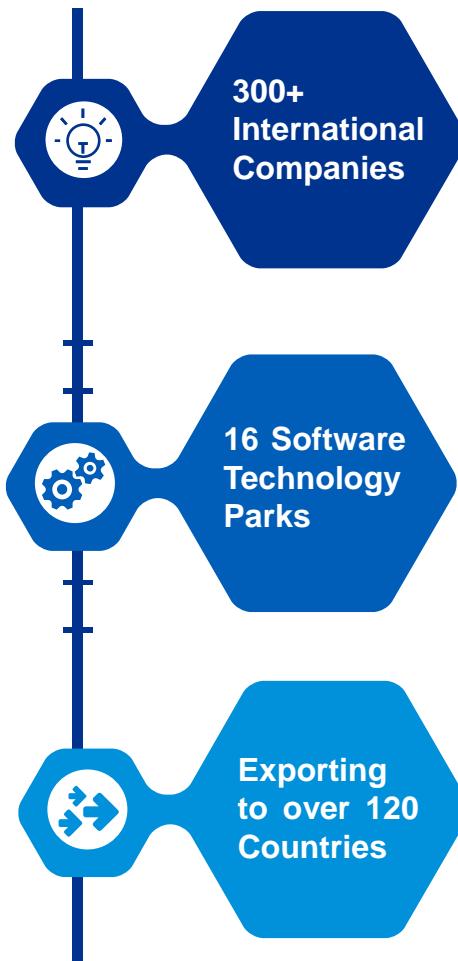
Innovation city spans over 8,216 Acres, and will be a hub seeking to further collaboration between local and International media and IT sectors. The aim is to stimulate technology transfer, attract technology-based industries to the region, and offer job opportunities with world class facilities. The city itself is comprised of 21 sectors divided between mixed use commercial, residential and Light Industry areas.

Innovation city is envisaged as a zero carbon, zero waste city, with educational establishments, research campuses, light industry focusing on clean technologies along with the distribution infrastructure created by the rehabilitation of neglected railway network. Two stations along the Faisalabad line are upgraded to create urban nodes. Key attractions within the sector include:

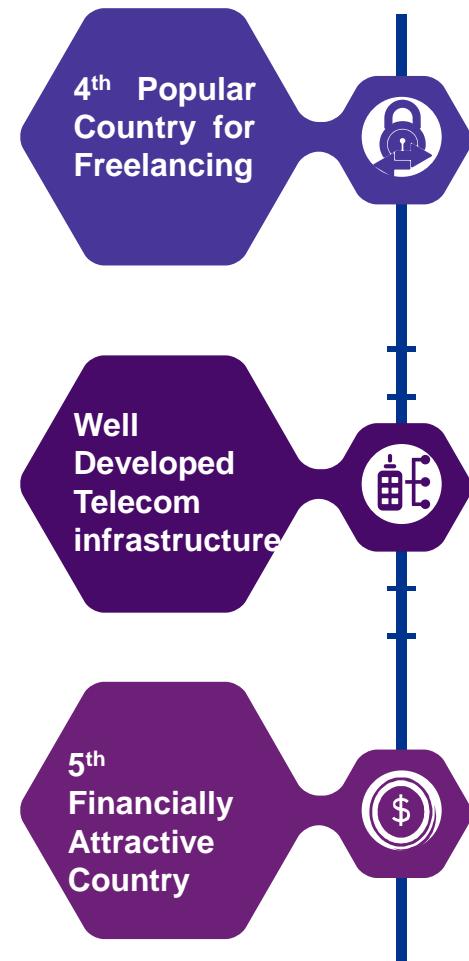
- Light Industry
- Information & Communication Technology (ICT) Industry
- Logistics Industry
- Utility Centers
- Retail and Commercial Centers



An insight into IT Sector in Pakistan



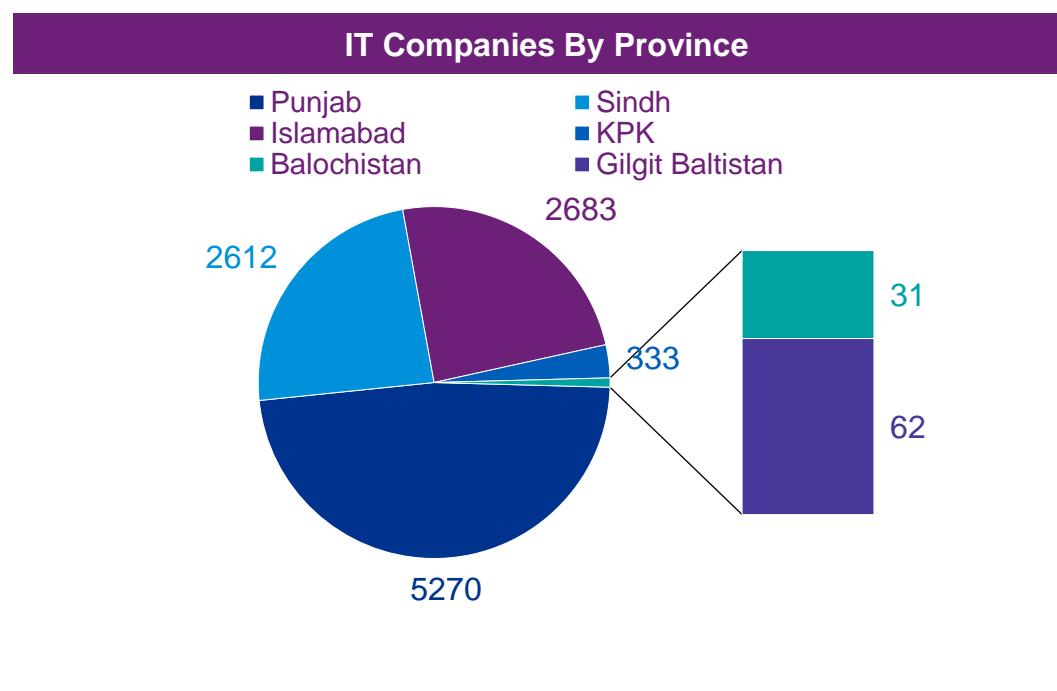
Source: World Economic Forum, Pakistan Ministry of IT & Telecom 2020



Supply & Demand Dynamics of IT Industry

Description	Amount
Pakistan Export of IT Services	US \$ 1.23 B
Bangladesh Export of IT Services	US \$ 3.20 B
India Export of IT Services	US \$136 B

Source: Pakistan Software Export Board 2020



- Incentives for IT Sector In Pakistan**
-  Income tax credit on IT & ITeS exports till June 2025.
 -  Income tax credit for PSEB registered IT start-ups (3 years).
 -  100% foreign ownership of IT & ITeS companies.
 -  Accelerated depreciation of 30% on computer equipment.
 -  Provision of low rent space in Software Technology Parks (STPs), with fiber-optic connectivity.

Supply & Demand Dynamics of Light Industry

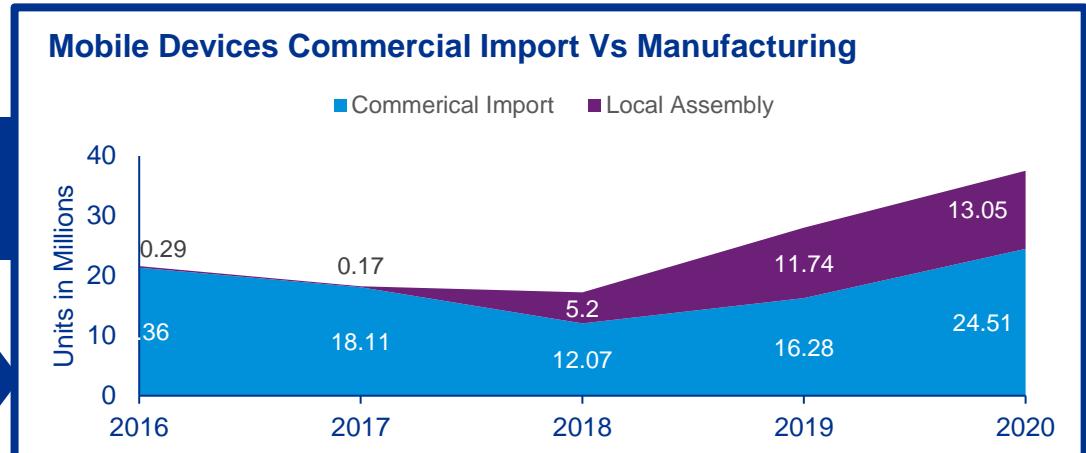
Supply Dynamics

Custom Duty & Taxation has spurned local manufacturing of mobile devices as part of strategy towards self-sufficiency and import substitution like China, Indonesia, Singapore & Bangladesh.

Out of 24 Million mobile devices Imported in 2020, 10 Million related to brands such as: Nokia, Samsung, Oppo, Vivo, Huawei, Q Mobile & Apple

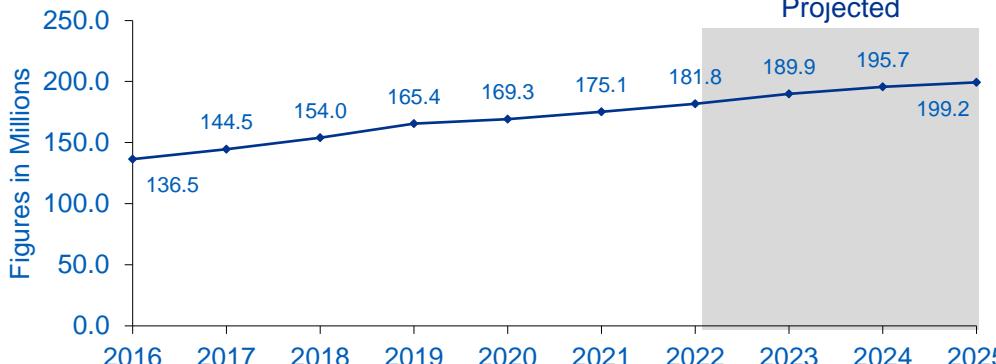
(Engineering Development Board 2020)

10 Million
Mobile Devices



Source: Pakistan Telecommunication Authority 2021

Mobile Subscribers



Source: Economist Intelligence Unit 2021

Demand Dynamics

Projected Growth in Mobile Subscribers over 2016-2025

46%

19%

Projected Growth in Population over 2016-2025

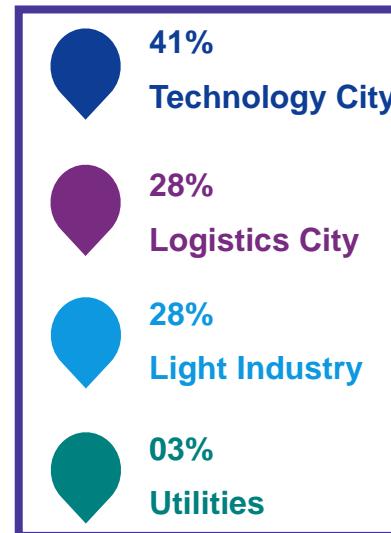
Source: Economist Intelligence Unit 2021

Proposed Facilities in Innovation City

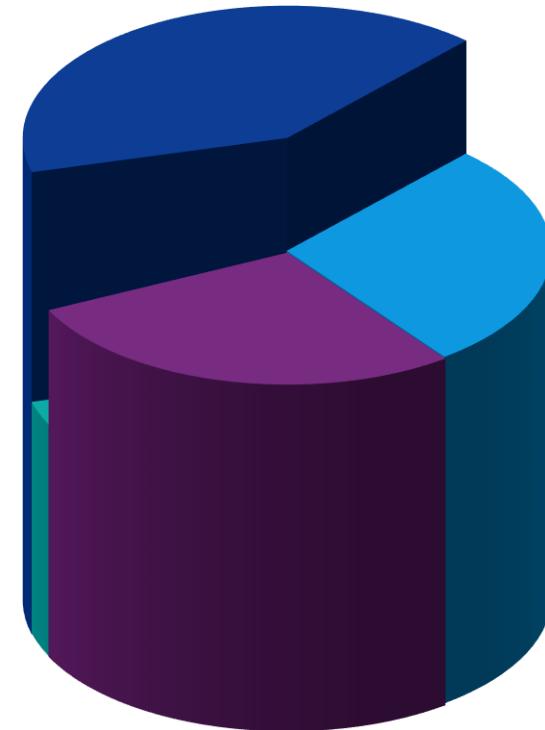
Floor Space of Facilities	Gross Area (Acre)
Mid Rise Residential	2,143
Technology City	2,410
Residential	1,595
Mix use	1,370
Central Commercial Park	698
Total	8,216

Proposed Land Use

Technology City will include light manufacturing and assembly. Particular emphasis will be on mobile phone manufacturing / assembly and alternative energies, solar panels. Apart from this, office, retail, leisure and residential towers will be located in close proximity.



Technology City Area Utilization



Assessment of Innovation City

Investment Evaluation

Following table summarizes key investment indicators for the proposed Innovation City:

Investment Evaluation	JV Option 1: Base Case		JV Option 2: Alternate Option		Base Case – Joint Venture with Private Investor
Without Financing	IRR	NPV@8.62%	IRR	NPV@8.62%	RUDA acquires the land and enter into joint venture with private sector developer(s) for the designing, financing, marketing, development, sale and operations of the proposed Innovation City.
Project	33%	64 Billion	32%	64 Billion	
Private Sector Developer	44%	49 Billion	27%	49 Billion	
RUDA	24%	15 Billion	N/A	14 Billion	Alternate Option – Joint Venture with Private Investor RUDA enters into joint venture with the private sector developer(s) and authorize them to acquire land, at own cost and later on design, finance, market, develop, sale and operate the Innovation city.
With Financing					
Private Sector Developer	N/A	N/A	37%	49 Billion	
RUDA	53%	14 Billion	N/A	N/A	

PROJECT IRR **33%**

PROJECT NPV **PKR 64 Billion**

PRIVATE INVESTOR IRR **44%**

PRIVATE INVESTOR NPV **PKR 49 Billion**



Knowledge City

Overview

Main Features

Knowledge city, located in phase 3, spanning over 5,169 Acres, will be an integrated city that seeks to foster a collaborative environment where international and local colleges, universities, institutes and research companies interact. The aim is to foster a knowledge-based economy with collaboration of national and international universities and institutes. The city itself is comprised of 19 sectors divided between mixed use commercial and residential areas.

This encompasses large residential towers, offices, shops, shopping malls, warehouse stores, cinemas, hotel and service apartments. The close proximity will provide convenient access to amenities set in lush forest settings, making Lahore the destination of choice for higher education. The eventual aim is to transform Lahore into a center of learning and knowledge through this knowledge city.

Key attractions within the sector include:

- Education City Campuses
- Central Park
- Commercial Area
- Mixed Use Area
- Educational Island IT

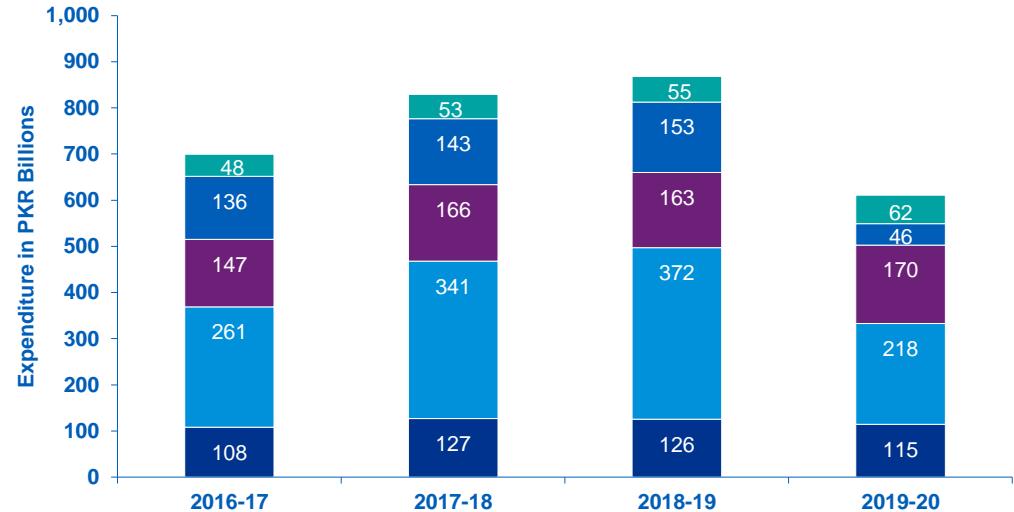


Supply Dynamics of Education Sector in Pakistan



Pakistan Public Education Expenditure PKR Billions

■ Federal ■ Punjab ■ Sindh ■ KPK ■ Baluchistan



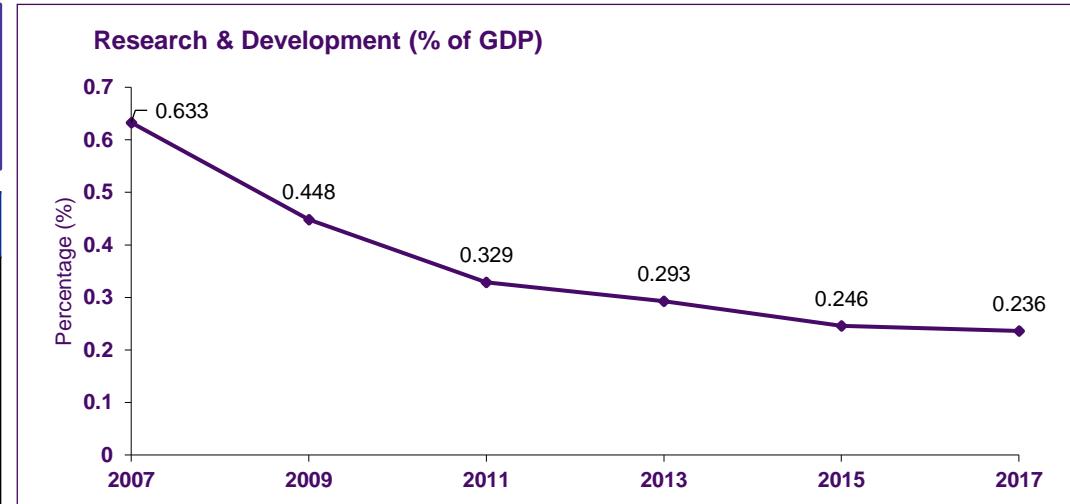
Punjab has the highest education spend among all provinces and has steadily increased budgetary allocation for this sector. The contraction in 2019-20 was due deteriorating external financial position of Pakistan. However, as the economy improves the share of education spend is expected to increase as per historic trends. Knowledge city will capitalize on this trend and alleviate systematic pressures on city of Lahore by providing purpose-built facilities for learning and education research.

Demand Dynamics of Education Sector in Pakistan

Pakistan lags behind regionally in overall literacy rate and in youth literacy rate among its population aged 15-24 years old (Table below)

Source: UNDP Human Development Report 2020; Pakistan Economic Survey 2020-21

Country	Literacy rate adult %age 15 years and older (2008-18)	Youth Literacy rate (%age 15-24 years old)		Human Development Index (HDI) Rank
		Female (2008-18)	Male (2008-18)	
Sri Lanka	91.7	99.0	98.5	72
Bhutan	66.6	92.9	93.3	129
India	74.4	90.2	93.0	131
Bangladesh	73.9	94.9	91.8	133
Nepal	67.9	90.9	94.0	142
Pakistan	60.0	67.5	81.3	154



Source: UNESCO 2020

Declining Research & Development Expenditure (Graph Above) & Stagnant Tertiary Education Sector Enrolment (Table below) underscores the dearth of quality infrastructure facilities within Education Sector of Pakistan.

Description	2013	2014	2015	2016	2017
Gross University Enrolment Rate	9.7	9.7	9.2	9.0	9.3

Source: UN Data 2020

Proposed Facilities in Knowledge City

Land Use

Key developments in Knowledge City include: purpose-built facilities for research & development, IT facilities, incubator space and universities.



Assessment of Knowledge City

Investment Evaluation

Following table summarizes key investment indicators for the proposed Knowledge City:

Investment Evaluation	JV Option 1: Base Case		JV Option 2: Alternate Option		Base Case – Joint Venture with Private Investor
Without Financing	IRR	NPV@8.62%	IRR	NPV@8.62%	RUDA acquires the land and enter into joint venture with private sector developer(s) for the designing, financing, marketing, development, sale and operations of the proposed Knowledge City.
Project	33%	16 Billion	35%	17 Billion	
Private Sector Developer	34%	9 Billion	32%	15 Billion	
RUDA	33%	7 Billion	N/A	2.5 Billion	Alternate Option – Joint Venture with Private Investor RUDA enters into joint venture with the private sector developer(s) and authorize them to acquire land, at own cost and later on design, finance, market, develop, sale and operate the proposed Knowledge city.
With Financing					
Private Sector Developer	N/A	N/A	35%	14 Billion	
RUDA	43%	6 Billion	N/A	N/A	

PROJECT IRR **33%**

PRIVATE INVESTOR IRR **34%**

PROJECT NPV **PKR 16 Billion**

PRIVATE INVESTOR NPV **PKR 9 Billion**



Tourism & Entertainment City

Overview

Total Acres
2,924

Total Sectors
16



Introduction

Spread over 2,924 Acres, Tourism & Entertainment City comprises of Zone 33 & Zone 34. Zone 33 comprises of 11 sectors, while zone 34 consists of 5 sectors.

The city would be a prime world destination, proposed to be the cultural heritage of Lahore with events, exhibitions, conferences, all organized and hosted within the vicinity of the cultural hub, blended with other urban activities. This city is purposed to be a new urban generator for major Eco-Tourism heading towards historic fisherman villages and cultural activities along the river banks.

Key attractions include:

- Tourism
- Entertainment
- Island Entertainment
- Island Mix Use

An insight into Tourism Sector in Pakistan

Contribution of Travel & Tourism to GDP

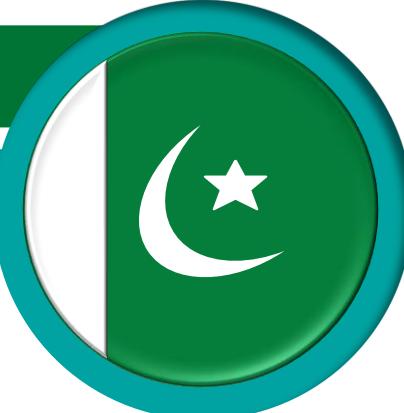


10.4 % | USD \$ 9,170 BN 2019

5.5 % | USD \$ 4,671 BN 2020

2019 5.7 % | USD \$ 15.06 BN

2020 4.4 % | USD \$ 11.56 BN



Contribution of Travel & Tourism to Employment



334 Million | 1 in 10 Jobs 2019

272 Million | 1 in 11 jobs 2020

2019 3.4 Million
5.5% of Total Employment

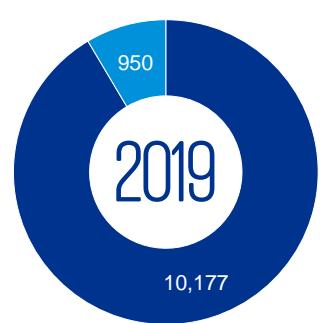
2020 3.1 Million
4.8% of Total Employment



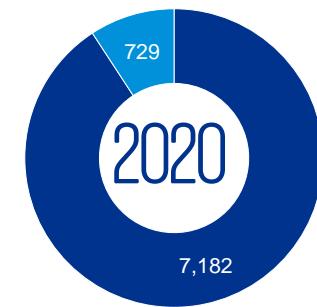
Source: United Nations World Tourism Organisation
2020; World Travel & Tourism Council 2020

Pakistan Tourism Sector Characteristics

■ Domestic Spending ■ International Spending



■ Domestic Spending ■ International Spending



Pakistan Domestic & International Tourism Expenditure

The bulk of Pakistan tourists expenditure is on domestic tourists destinations. This is not particularly surprising given the rich natural, historical and cultural endowments of Pakistan. A portion of the overall spending (09%) is on International destinations but that is primarily driven due to business dealings. This business expenditure accounted for 78% of overall international spending in 2020. Both segments suffered substantial contraction in 2020 primarily due to lockdown and travel restrictions imposed by the government. However, with successful inoculation program and lifting of restrictions, it is expected that tourists number will exponentially rise, along with associated spending in the sector.

Source: United Nations World Tourism Organisation 2020;
World Travel & Tourism Council 2020

Supply Dynamics of Tourism Sector in Pakistan

15
Valleys

09
Waterfalls

15
Lakes

5 Amusement Parks

Lahore

Fun Duyana, Sozo Water Park, Joyland, Playdium & Azad Boring

Major Attractions in Pakistan (2020)

Description	Provinces					Total
	Federal Territory	Punjab	Sindh	Baluchistan	KPK	
Archaeological Museums	4	6	7	1	3	21
Heritage Site	-	6	4	-	2	12
Zoo	1	2	1	-	-	4
Amusement Parks	-	13	12	-	1	26

Source: Pakistan Bureau of Statistics 2020

01 Forbes

Best Holiday Destination 2020

10 Best-Under-The-Radar-Trips 2020

03 Wanderlust

World's Top Travel Destination 2020

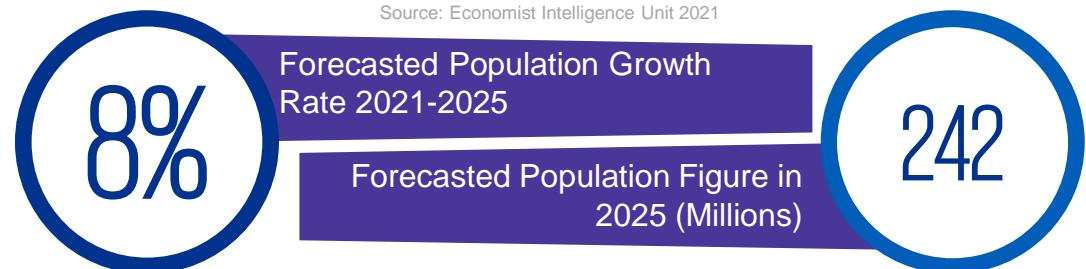
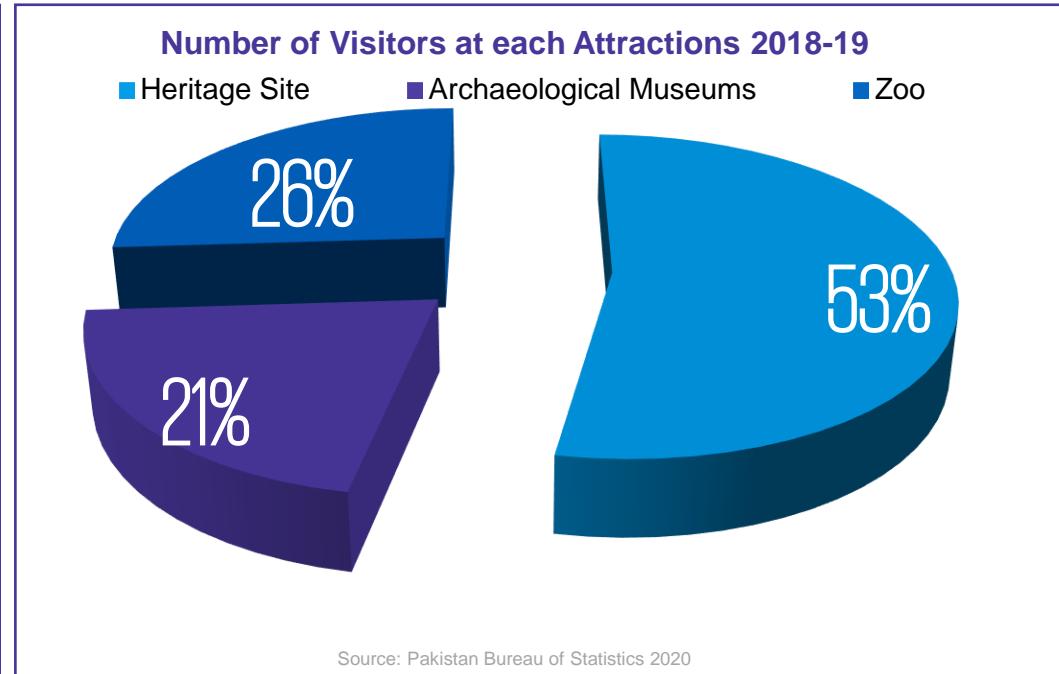
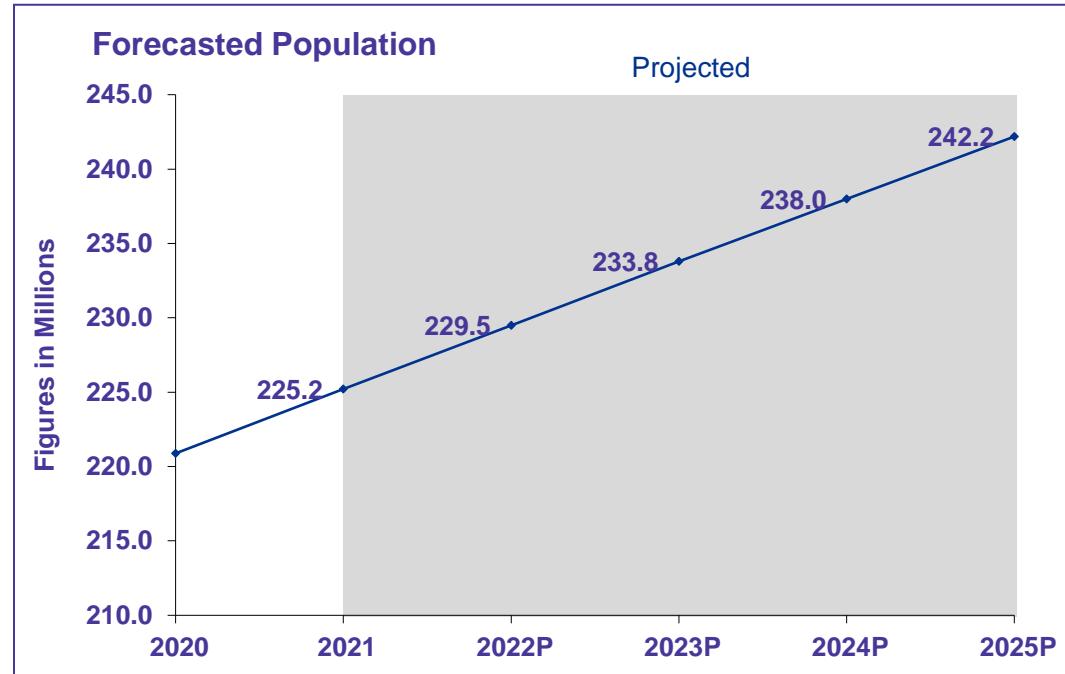
Conde Nast Traveler 02

Top 15 Places People Need to Visit 2020

05 UNESCO

6 Approved Heritage Sites 26 Sites Pending Approval

Demand Dynamics of Tourism Sector in Pakistan



Total Number of Visitors in FY 2018 - 19 was 12.5 Million

With healthy population growth rates and easing of Covid-19 restriction, the number of visitors is expected to rise in both near & long-term.

Proposed Facilities in Tourism & Entertainment City

Zone 33

Dedicated Tourism & Entertainment Space

31%

Gaming Zone

Theme Park

Water Park

Rides

Shopping

Saloon & SPA

Dedicated Tourism & Entertainment Space

71%

Zone 35

Assessment of Tourism & Entertainment City

Investment Evaluation

Following table summarizes key investment indicators for the proposed Tourism & Entertainment City:

Investment Evaluation	JV Option 1: Base Case		JV Option 2: Alternate Option		Base Case – Joint Venture with Private Investor
Without Financing	IRR	NPV@8.62%	IRR	NPV@8.62%	RUDA acquires the land and enter into joint venture with private sector developer(s) for the designing, financing, marketing, development, sale and operations of the proposed Tourism & Entertainment City.
Project	39%	28 Billion	38%	28 Billion	Alternate Option – Joint Venture with Private Investor RUDA enters into joint venture with the private sector developer(s) and authorize them to acquire land, at own cost and later on design, finance, market, develop, sale and operate the Tourism & Entertainment City.
Private Sector Developer	38%	16 Billion	32%	22 Billion	
RUDA	39%	12 Billion	N/A	6 Billion	With Financing RUDA enters into joint venture with the private sector developer(s) and authorize them to acquire land, at own cost and later on design, finance, market, develop, sale and operate the Tourism & Entertainment City.
Private Sector Developer	N/A	N/A	36%	21 Billion	
RUDA	54%	11 Billion	N/A	N/A	

PROJECT IRR **39%**

PROJECT NPV **PKR 28 Billion**

PRIVATE INVESTOR IRR **38%**

PRIVATE INVESTOR NPV **PKR 16 Billion**



Medical City

Overview

Medical City

Medical City has been proposed as a dedicated medical research sector within the jurisdiction of Ravi River Urban Development Project. The city will house most prestigious modern hospitals and their associated facilities related to all medical fields. **A total area of 5,964 Acres** has been allocated for the proposed Medical City.

The city will be made up of several healthcare clinics, government & private hospitals, medical centers, research labs, teaching hospitals, wellness centers and hospitality centers etc. that are equipped with most advanced technology to meet global healthcare standards. This city will be the destination for healthcare research and medical education while creating an economic development and job creation engine for the region. The city will be the attraction for international and national community and will allow patients to enjoy quality medical care.

Mixed use development is a core component of sustainable urban design to combat issues associated with urban sprawl. The placement of living and working within the same zone or even the same block, significantly reduces the need to travel and associated infrastructure

Main facilities of Medical City

The following facilities are proposed for the Medical City



An insight into Healthcare in Pakistan

Health Sector in Pakistan

Major gaps exist in the current health infrastructure in Pakistan. Nearly 70% of the population relies on the private hospitals to receive better healthcare facilities.

Healthcare expenditure has risen over the years but the healthcare facility supplies have struggled to cater to the growing medical needs of people.

The private sector is a backbone for quality medical treatment in Pakistan yet it has failed to provide world-class medical facilities as patients often have to travel abroad for their medical needs.

Existing situation

Currently Pakistan has a 215 million population growing at a 1.8% rate. Only **1,282 hospitals** with 246,000 registered doctors to serve the population. Current hospital bed per 1,000 population ratio stands at a meagre 0.6 as against 3 recommended by WHO.

The current healthcare spending per capita stood at 1.2% of GDP.

Life expectancy for Pakistan stands at 67.3 Years which is behind many regional countries.



Existing situation (Continued)

Pakistan's **Infant Mortality Rate was 55.7** deaths per 1,000 live births in 2019. Onset of Covid-19 has also presented itself as a formidable challenge.

Therefore, the government aims to improve its healthcare workforce from **1.45 to 4.45** per 1,000 persons in line with World Health Organization (WHO).

Sehat Sahulat Programme: Is a new initiative with aim of **Universal Health Coverage (UHC)** in Pakistan.

Doctors per 1,000 population

1.1

Need Analysis

- A 0.6 hospital bed to 1,000 population ratio shows how lacking the current health infrastructure is to cater population needs.
- Lack of state of the art machinery forces patients to go abroad for treatment.
- Per capital health spending has increased to \$34.6 indicating ability to pay for better health facilities
- Life expectancy rate stands at 67.3 which is lower among the region

Beds per 1,000 population

0.6

Key Facts

- Health Expenditure grew by 14% to PKR 482 Billion
- Health Expenditure is 1.2% of GDP
- 1,282 Hospitals
- 5,472 Basic Health Units
- 670 Rural Health Clinics
- 5,743 Dispensaries
- 752 Maternity Centers
- 245,987 Registered Doctors
- 116,659 Registered Nurses

Health Care
Expenditure

\$7.8 Billion

Proposed Medical City

An attempt to fill the growing gaps

A growing demand for better healthcare facilities has led to the proposition of developing a state of the art, dedicated and specialized Medical City under the Ravi Riverfront Project.

The objective of the Medical City will be to reduce foreign medical travel and subsequently aim for **Medical Tourism** by utilizing cheaper available resources in the country while encouraging **transfer of Medical Technology** to Pakistan to aid in the long term objective of providing cutting edge medical treatment at low costs.

Through introduction of **Universal Health Coverage (UHC)**, private hospitals are being incentivized to put quality medical facilities at the top of their agenda.

Estimated
No. of Beds

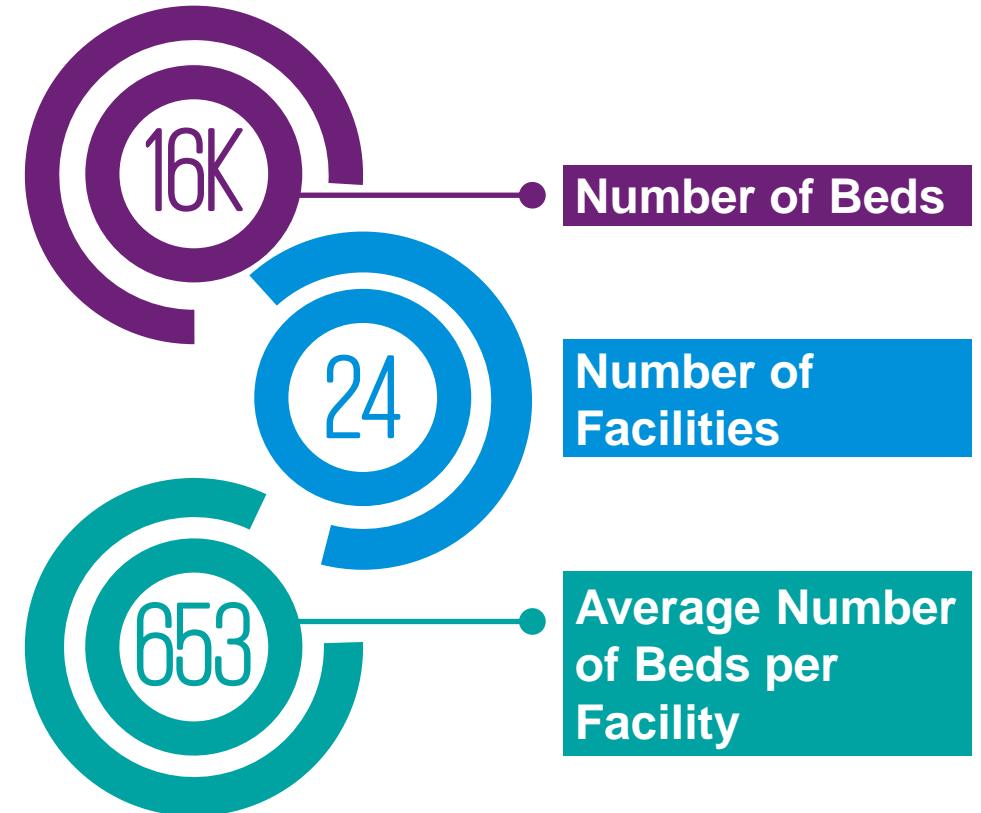
15,675

Estimated Bed
Occupancy Rate

90%

Health Facilities under Medical City

The following facilities are proposed for the Medical City



Assessment of Medical City

Investment Evaluation

Following table summarizes key investment indicators for the proposed Medical City:

Investment Evaluation	JV Option 1: Base Case		JV Option 2: Alternate Option		Base Case – Joint Venture with Private Investor
Without Financing	IRR	NPV@8.62%	IRR	NPV@8.62%	RUDA acquires the land and enter into joint venture with private sector developer(s) for the designing, financing, marketing, development, sale and operations of the proposed proposed Medical City.
Project	30%	69 Billion	29%	69 Billion	
Private Sector Developer	34%	44 Billion	25%	52 Billion	
RUDA	28%	25 Billion	N/A	17 Billion	Alternate Option – Joint Venture with Private Investor RUDA enters into joint venture with the private sector developer(s) and authorize them to acquire land, at own cost and later on design, finance, market, develop, sale and operate the proposed Medical City.
With Financing					
Private Sector Developer	N/A	N/A	31%	50 Billion	
RUDA	55%	24 Billion	N/A	N/A	

PROJECT IRR **30%**

PROJECT NPV **PKR 69 Billion**

PRIVATE INVESTOR IRR **34%**

PRIVATE INVESTOR NPV **PKR 44 Billion**



Urban Farms

Overview

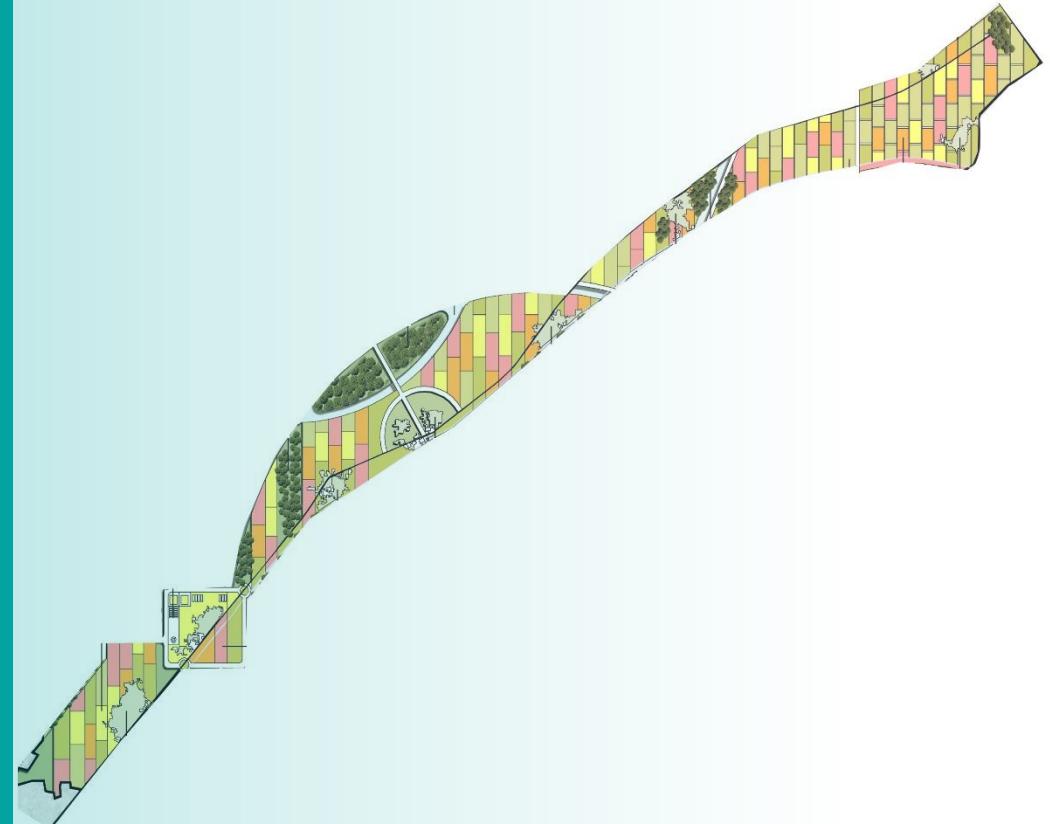
Introduction

The main idea of urban farm is to integrate nature with urban development. The structure of the City will stimulate urban renewal introducing penetrable green strips which will act as Ecological Corridor. Fabrics with eco ponds, wet lands, wildlife sanctuaries, theme parks, botanical gardens, algae ponds and pedestrian commercial green Boulevard along major roads. Ecological corridor will connect the waterfront promenade experience with the green belt experience.

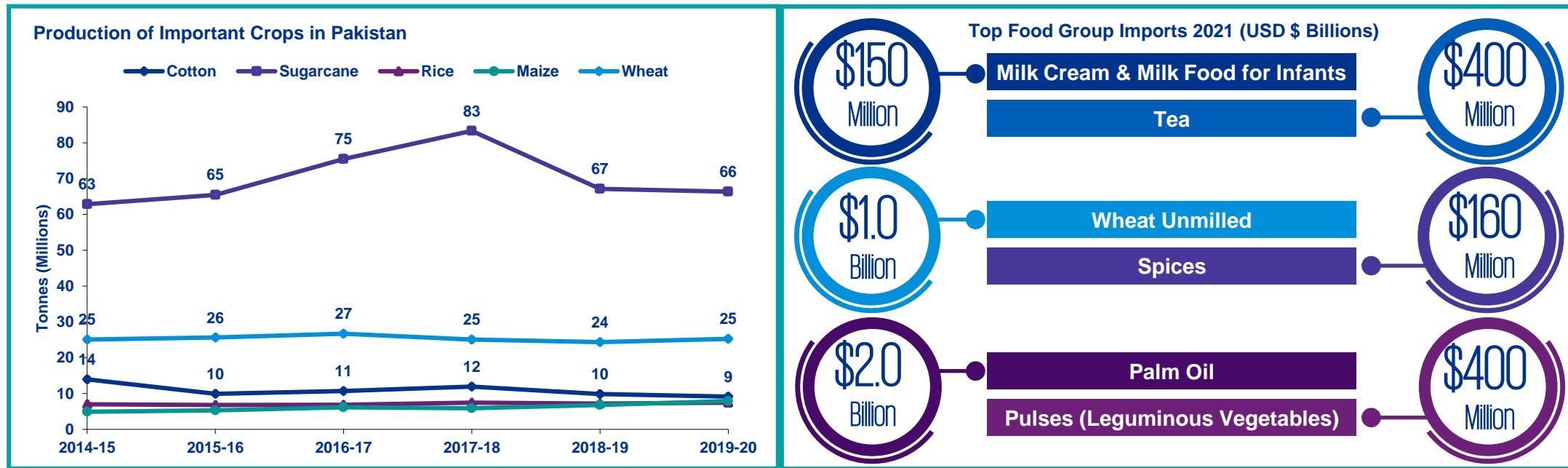
Urban Farms spans over 2,352 Acres is a strategic decision involving the use of green areas for the growing of food as opposed to the provision of manicured lawns. These roofs are planted with trees, shrubs, flowers, herbs that can all be used to increase the agricultural output of the community, the same goes for the rooftops of residential towers.

Urban Farms comprises of Zone 09. Zone 09 comprises of 05 sectors. Key attractions within the sector include:

- Urban Farms
- Central Park



Supply Dynamics of Agriculture Sector in Pakistan



Source: Pakistan Economic Survey 2020-21

Source: Pakistan Economic Survey 2020-21



Demand Dynamics of Agriculture Sector in Pakistan

Food Groups Goods Trade Trend in 2021 (Billions)		
Description	2021 US \$	2020 US \$
Exports	3.3 Billion	3.4 Billion
Imports	(6.1) Billion	(3.9) Billion
Net	(2.8) Billion	(0.5) Billion

Sowing Area in Hectares 2021 (Million)	
Crop	Area
Wheat	8.7
Cotton	2.3
Paddy	2.9
Maize	1.3
Pulses	1.1
Oilseeds	0.8
Vegetables	0.3
Fodders	2.0
Potato	0.2
Net	19.6

Source: Pakistan Economic Survey 2020-21

Net Food Importer in 2021 & 2020

Source: Pakistan Economic Survey 2020-21

Surging Food Imports Year-on-Year Increase of 56%

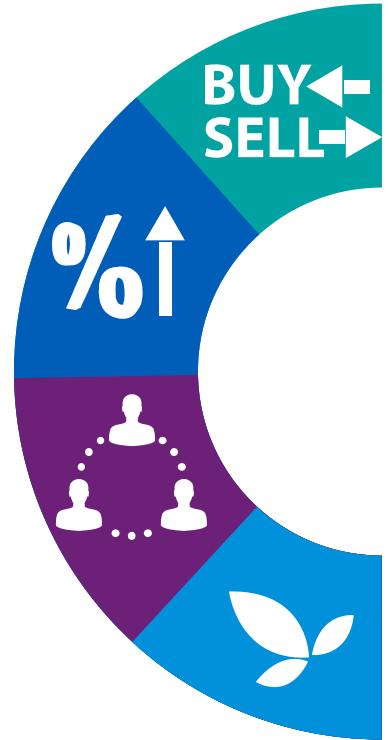
Source: Pakistan Economic Survey 2020-21

High Population Trends 2020-2025: Projected Rate is 9.6%

Source: Economist Intelligence Unit 2021

Stagnant Crop Yields Lack of Innovation within the sector

Source: Pakistan Economic Survey 2020-21



Food Groups Goods Trade Trend in 2021 (Billions)

Description

2021 US \$

2020 US \$

Exports

3.3 Billion

3.4 Billion

Imports

(6.1) Billion

(3.9) Billion

Net

(2.8) Billion

(0.5) Billion

Sowing Area in Hectares 2021 (Million)

Crop

Area

Wheat

8.7

Cotton

2.3

Paddy

2.9

Maize

1.3

Pulses

1.1

Oilseeds

0.8

Vegetables

0.3

Fodders

2.0

Potato

0.2

Net

19.6

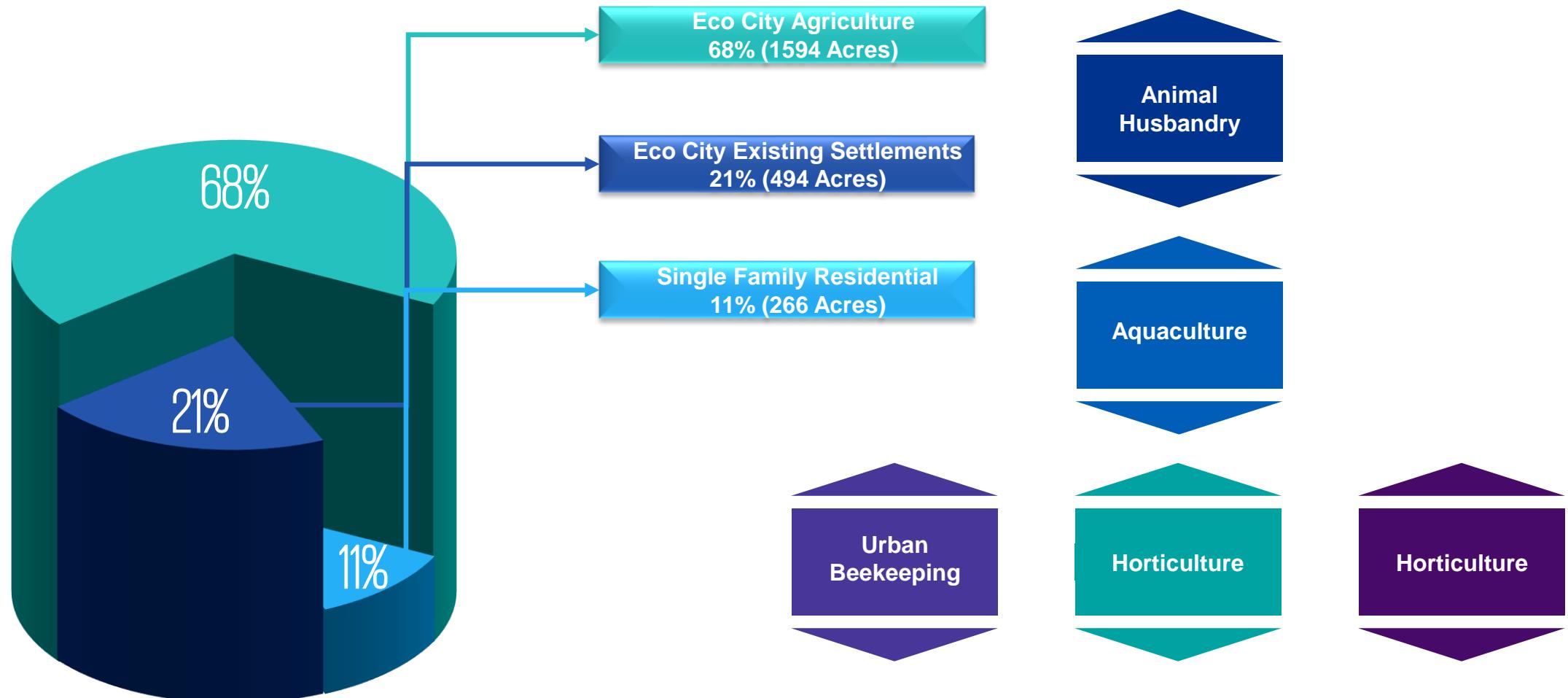
Why 56% surge in Imports?

Higher import of Wheat & Sugar to meet domestic demand and control price hikes.

Rise in global palm oil prices due to US \$5 per ton export levy imposed by Malaysia.

Higher global commodities prices.

Proposed Facilities in Urban Farms



Assessment of Urban Farms

Investment Evaluation

Following table summarizes key investment indicators for the proposed Urban Farms:

Investment Evaluation	JV Option 1: Base Case		JV Option 2: Alternate Option		Base Case – Joint Venture with Private Investor
Without Financing	IRR	NPV@8.62%	IRR	NPV@8.62%	RUDA acquires the land and enter into joint venture with private sector developer(s) for the designing, financing, marketing, development, sale and operations of the proposed Urban Farms.
Project	24%	20 Billion	24%	20 Billion	
Private Sector Developer	26%	13 Billion	21%	17 Billion	
RUDA	23%	07 Billion	N/A	4 Billion	Alternate Option – Joint Venture with Private Investor RUDA enters into joint venture with the private sector developer(s) and authorize them to acquire land, at own cost and later on design, finance, market, develop, sale and operate the Urban Farms.
With Financing					
Private Sector Developer	N/A	N/A	25%	16 Billion	
RUDA	45%	07 Billion	N/A	N/A	

PROJECT IRR **24%**

PROJECT NPV **PKR 20 Billion**

PRIVATE INVESTOR IRR **26%**

PRIVATE INVESTOR NPV **PKR 13 Billion**



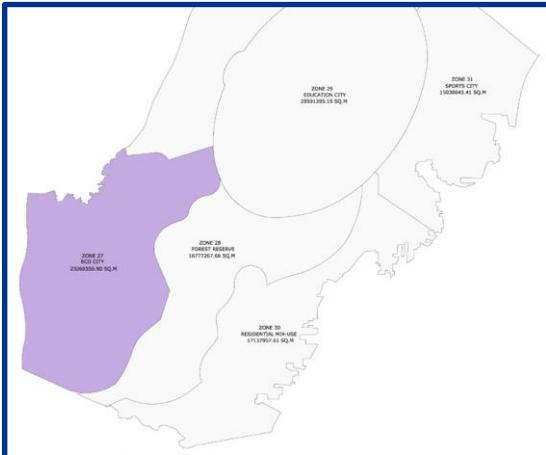
Eco City

Overview

Eco-cities primarily employ green roofs, vertical landscaping, and bridge links as methods of decreasing the environmental impact of land use.



Eco-cities look to employ renewable energy sources, such as wind turbines, solar panels, and biogas, to reduce emissions. Additionally they look to deploy solar thermal energy like BIPV and photovoltaic solar panels.



Eco-cities aim to decrease water consumption by employing technologies that reduce the amount of water that is needed for irrigation and sewage flow while also preventing black-water and grey-water runoff from entering ground water sources.



The Eco City development is in the Shiekhpora area (Phase 3), west of the Knowledge City, surrounded by forests, orchards and agricultural fields, where new development will be low impact.

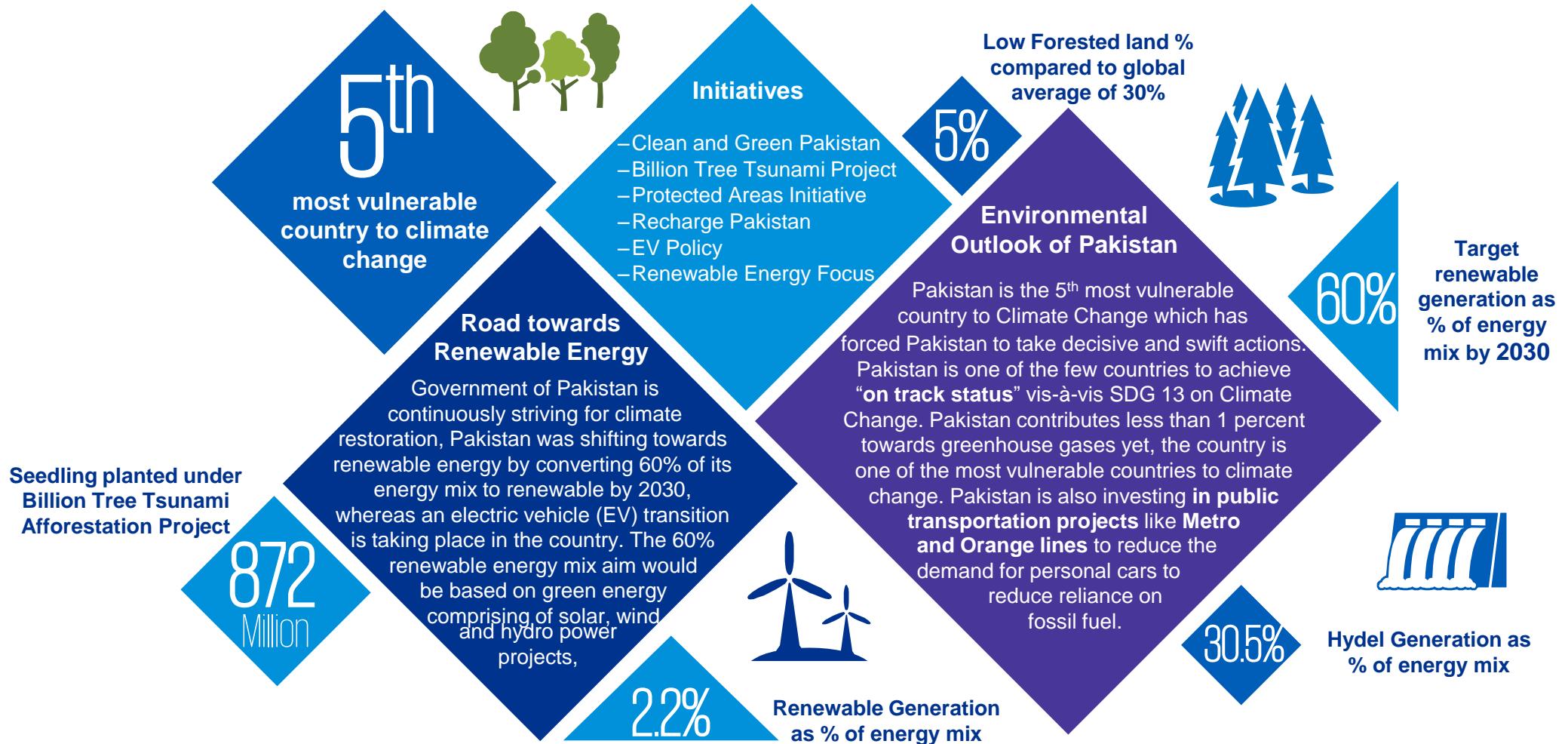


Project Area

5,812
Acres



Environment and Pakistan



Assessment of Eco City

Feeding the demand

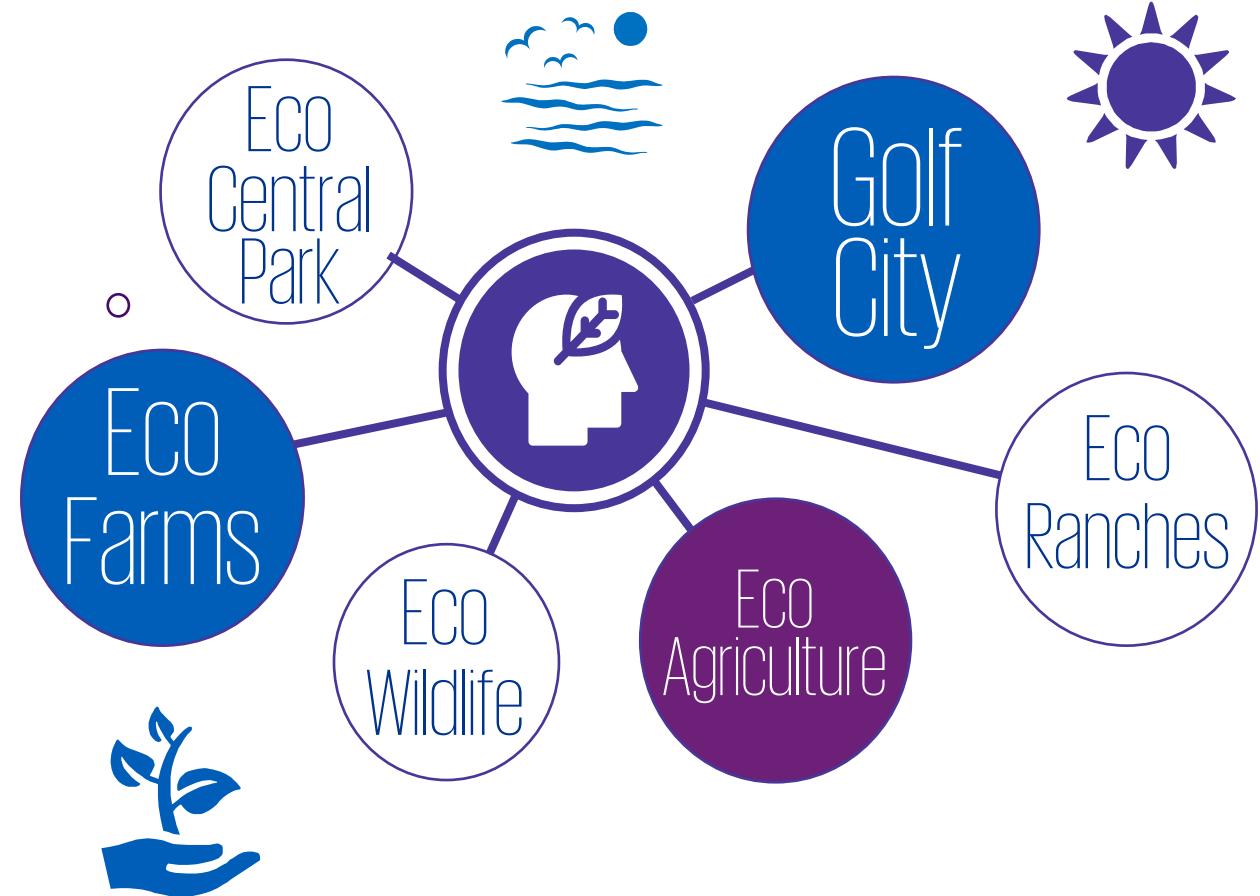
The Eco City will be designed in such a way that it establishes a sustainable ecosystem within the city and allows its components to flourish.

Following notable attractions are proposed:

- Adding 123 Acres to **Korotana Forest**, allowing it to extend away from the river by planting 6500 new trees
- Adding 1186 Acre to **Dhana Bhani Forest** and planting 162,000 new trees
- Adding 2,056 Acre to **Chung Mohlanwal Forest** and planting 260,000 new trees,
- A **Zero Carbon Resort** including eco chalets

These sub projects will make huge contribution to offsetting the CO2 emissions of the Ravi Riverfront Project.

Low intensity developments such as **forest resorts** are planned within the extended zone, formed of timber chalets on stilts within the flood plain create opportunities for ecological tourism, making the forest an economic driver in itself, generating interest in conservation, restoration and the ecology of the forest.



Assessment of Eco City

Investment Evaluation

Following table summarizes key investment indicators for the proposed Eco City:

Investment Evaluation	JV Option 1: Base Case		JV Option 2: Alternate Option		Base Case – Joint Venture with Private Investor
Without Financing	IRR	NPV@8.62%	IRR	NPV@8.62%	RUDA acquires the land and enter into joint venture with private sector developer(s) for the designing, financing, marketing, development, sale and operations of the proposed Eco City.
Project	39%	26 Billion	41%	29 Billion	
Private Sector Developer	40%	16 Billion	36%	23 Billion	
RUDA	38%	10 Billion	N/A	5 Billion	Alternate Option – Joint Venture with Private Investor RUDA enters into joint venture with the private sector developer(s) and authorize them to acquire land, at own cost and later on design, finance, market, develop, sale and operate the Eco City.
With Financing					
Private Sector Developer	N/A	N/A	39%	22 Billion	
RUDA	48%	10 Billion	N/A	N/A	

PROJECT IRR **39%**

PROJECT NPV **PKR 26 Billion**

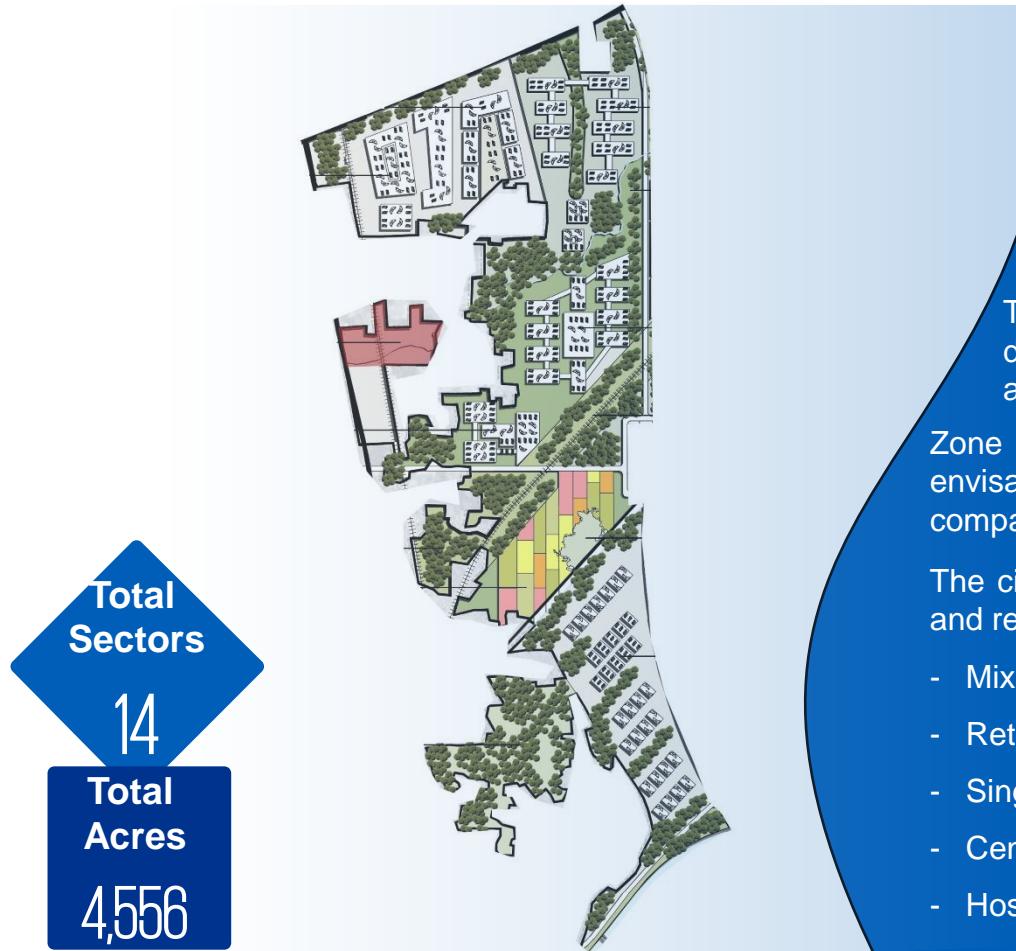
PRIVATE INVESTOR IRR **40%**

PRIVATE INVESTOR NPV **PKR 16 Billion**



Mix-use City

Overview



Main Features

Mixed-Use development refers to real estate development projects that is developed for use by private developer, (quasi) governmental agency or a combination thereof. It will consist of a seamless blend of residential, commercial, cultural, institutional or industrial use buildings, physically and functionally integrated with pedestrian connections.

The purpose is to create a pedestrian-friendly environment, higher density developments, and a variety of uses that enable people to live, work, play and shop in one place.

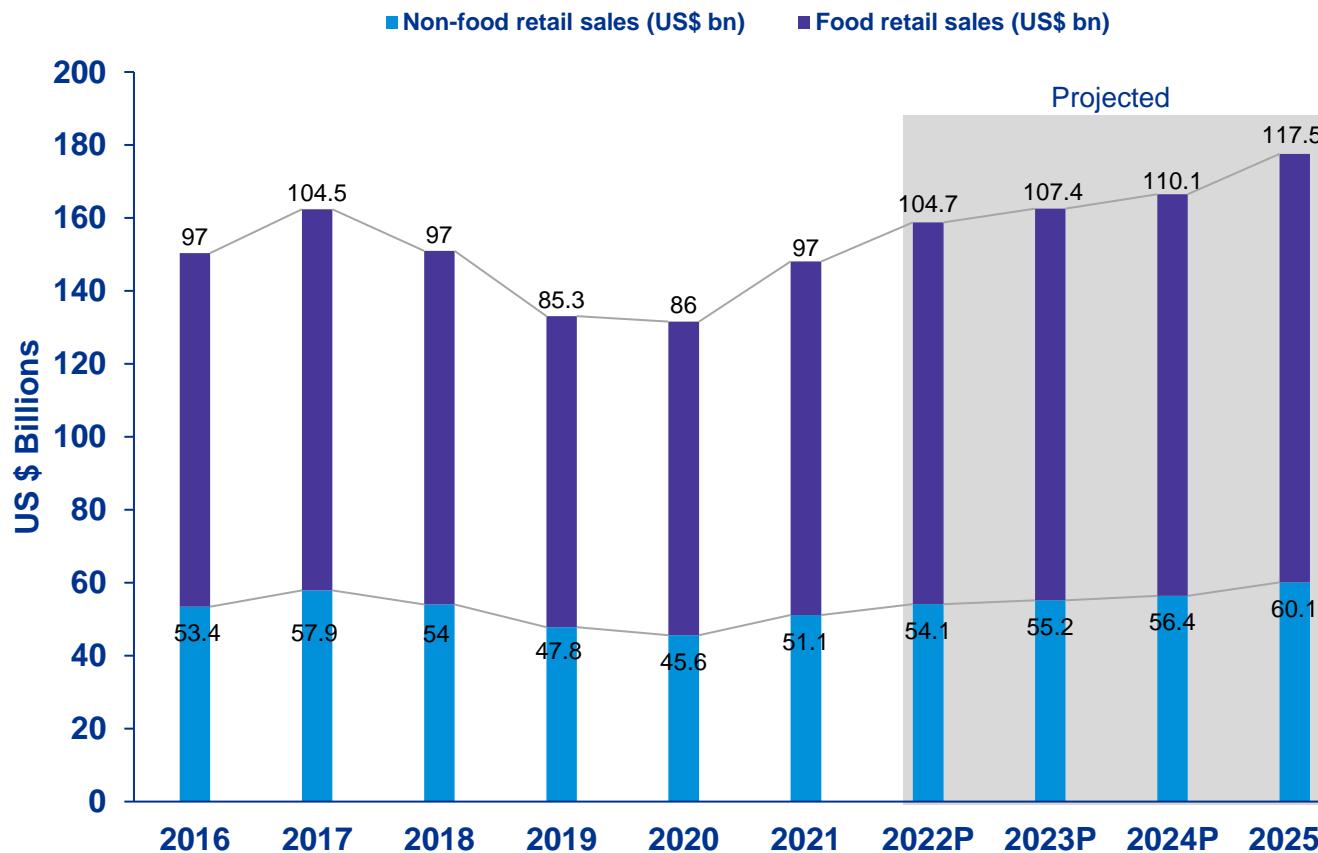
Zone 7 encompasses 2558 Acres, while Zone 8 spans over 2742 Acres. It is envisaged that both zones will sustain a vibrant urban environment that brings compatible land uses, public amenities, and utilities together at various scales..

The city itself is comprised of 14 sectors divided between mixed use commercial and residential areas. These zones comprises of the following attractions:

- Mix Use Commercial
- Retail Mix Use
- Single Family Town Houses
- Central Park
- Hospitality Mix Use

An insight into Retail Sector of Pakistan

Food Vs Non-Food Retail Sales



Source: Economist Intelligence Unit 2021

Contribution of Wholesale & Retail Sector to Pakistan's Service Sector

30%

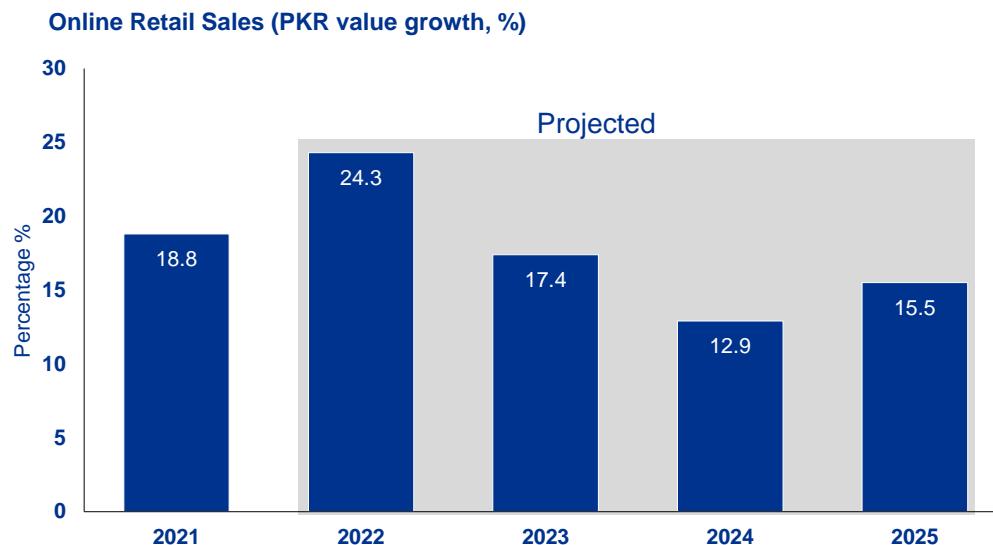
Wholesale & Retail Sector as proportion of Total GDP

19%

- The sector is supported by the informal market, comprising mostly small and medium-sized businesses with scanty cash flow and a local supply-chain.
- Food sales form major part of the overall retail sales.
- Local players include Imtiaz Super Markets, Star Mart, and Al Fatah, foreign investors include Metro (Germany) and Hyperstar (UAE). Hyperstar was rebranded to Carrefour as franchise operation in 2019.

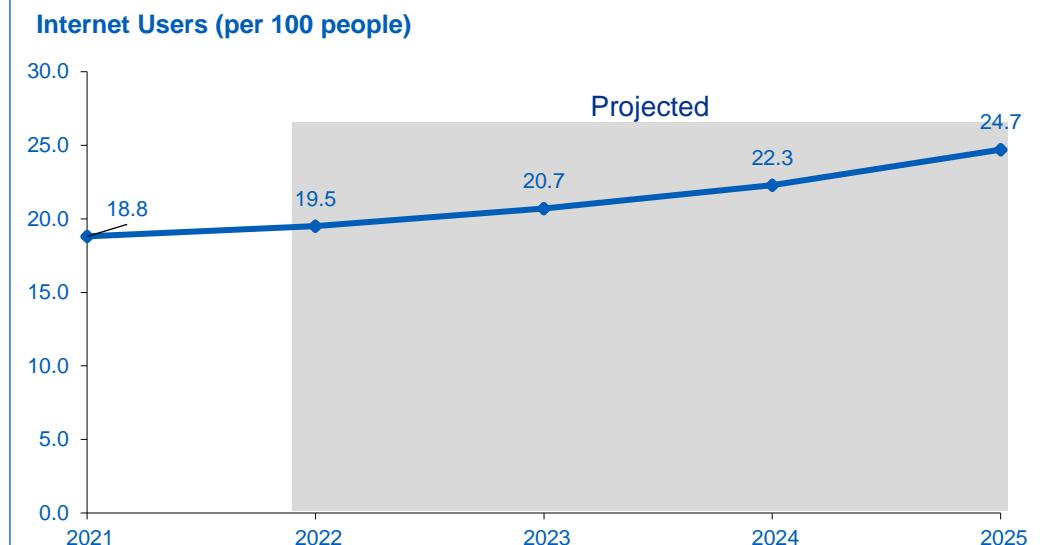
Supply & Demand Dynamics in Retail Sector

Supply Dynamics



- Currently, Online retail is only 1% of overall retails, compared with 15% globally, but post- Covid 19 is experiencing strong growth.
- Daraz.pk is the dominant player in e-commerce market.
- State Bank of Pakistan launched the digital payment system called Raast launched in January 2021, aiming to reduce the size of the unbanked transaction and to formalize financial transactions.

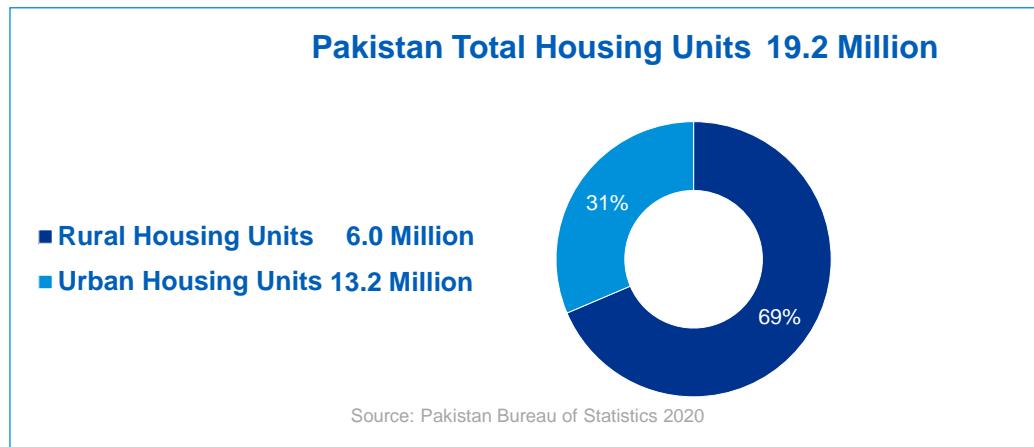
Demand Dynamics



- Pakistan lags behind many Asian markets in attracting foreign investment in digital payments and logistics, but a cohesive ecosystem offered by Ravi Urban Development Plan could change the current state.
- Internet users are expected to grow by 24%, online retail will become an important mix within the overall economy.

Source: Economist Intelligence Unit 2021

An insight into Residential Sector of Pakistan



Description	Provinces					Total
	1 Room	2 Room	3-4 Room	5 & More		
Pakistan (Total)	38%	31%	24%	7%	100%	
Rural	42%	30%	22%	6%	100%	
Urban	30%	32%	29%	9%	100 %	

Source: Pakistan Bureau of Statistics 2020

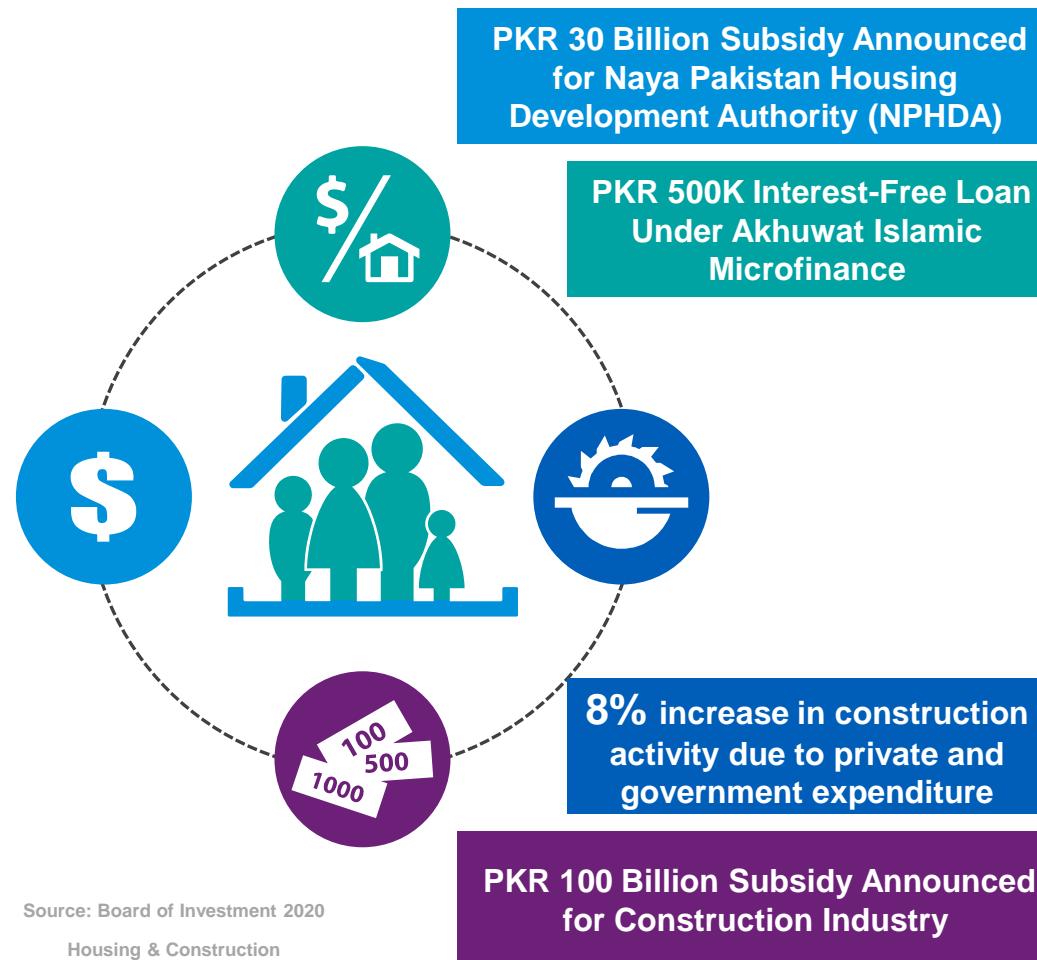


Residential Sector Lahore

- Gulberg has the highest concentration of Apartment Developments in Lahore. Examples of existing supply in Lahore include:

Eden Heights	PHA Apartments	Hussain Complex	Siddique Trade Centre	Andrew Apartments
Orchard Apartments	Central Plaza	Park Lane Tower	Grand Luxury Apartments	Salar Residencies
Rafi Group	Site 78 Apartments	Askari 11 Apartments	Hussain Complex	

Supply Dynamics in Residential Sector

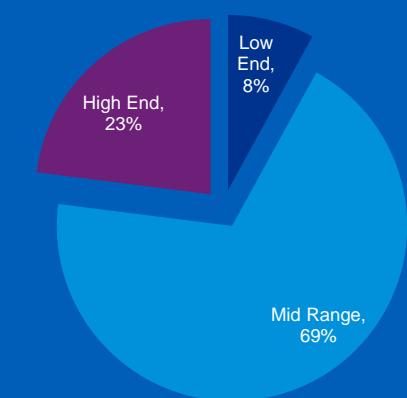


Source: Board of Investment 2020
Housing & Construction

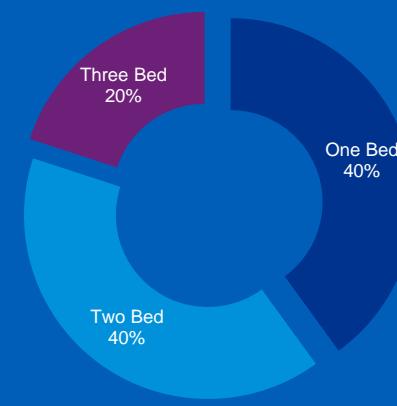
Residential Activity in Lahore

With 29 new developments the apartment mix in Lahore is evolving. The current developments include:

- 05 High End Apartments
- 18 Mid Range Apartments
- 02 Low Range Apartments

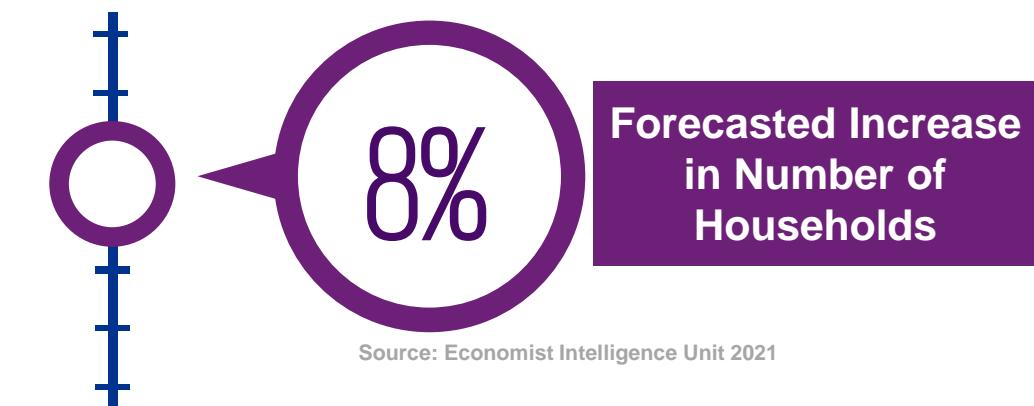
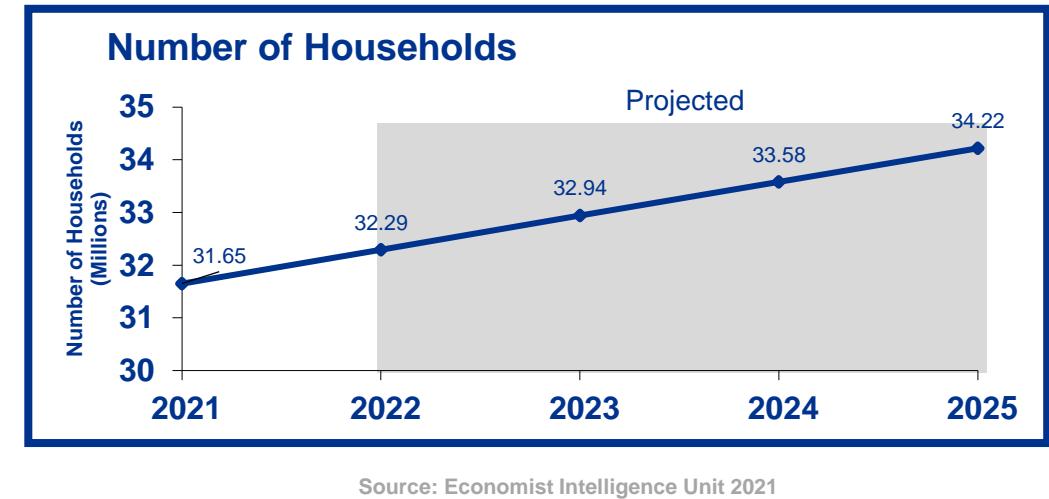
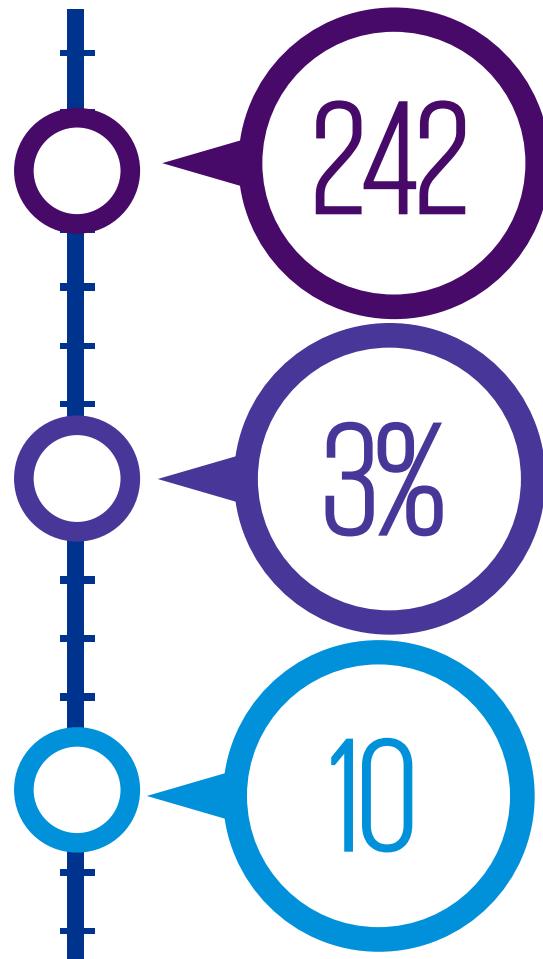


Greater emphasis on Mid & High Range Apartments in new developments



Greater emphasis on One & Two Bed Apartments in new developments

Demand Dynamics in Residential Sector



Proposed Facilities in Mix-use City

Zone	Description	Gross Area (Acre)	Land Usage (%)
Zone 7	Mix Use Commercial – I	906	35%
	Mix Use Commercial – II	545	21%
	Mix Use Retail	474	19%
	Other Facilities	633	25%
	Total	2,558	100%

50%

Project Area reserved for Commercial Activities including:

- Retail - Direct Sales
- Retail - Large Distribution Centers
- Wholesale & Assembly

06%

Project Area reserved for Hospitality sector involving:

- Restaurants
- Food Courts
- Hotels & Lodging

07%

Project Area reserved for entertainment venues including:

- Cinemas
- Bowling Alleys
- Gaming Zones

Zone	Description	Gross Area (Acre)	Land Usage (%)
Zone 8	Mix Use Hospitality	305	11%
	Mix Use Commercial - III	716	26%
	Entertainment	376	14%
	Other Facilities	1345	49%
	Total	2,742	100%

Assessment of Mix-use City

Investment Evaluation

Following table summarizes key investment indicators for the proposed Mix-Use City:

Investment Evaluation	JV Option 1: Base Case		JV Option 2: Alternate Option		Base Case – Joint Venture with Private Investor
Without Financing	IRR	NPV@8.62%	IRR	NPV@8.62%	RUDA acquires the land and enter into joint venture with private sector developer(s) for the designing, financing, marketing, development, sale and operations of the proposed Mix-use City.
Project	39%	50 Billion	38%	50 Billion	
Private Sector Developer	49%	27 Billion	32%	38 Billion	
RUDA	34%	24 Billion	N/A	12 Billion	Alternate Option – Joint Venture with Private Investor RUDA enters into joint venture with the private sector developer(s) and authorize them to acquire land, at own cost and later on design, finance, market, develop, sale and operate the Mix-use City.
With Financing					
Private Sector Developer	N/A	N/A	44%	37 Billion	
RUDA	66%	23 Billion	N/A	N/A	

PROJECT IRR **39%**

PROJECT NPV **50 Billion**

PRIVATE INVESTOR IRR **49%**

PRIVATE INVESTOR NPV **27 Billion**

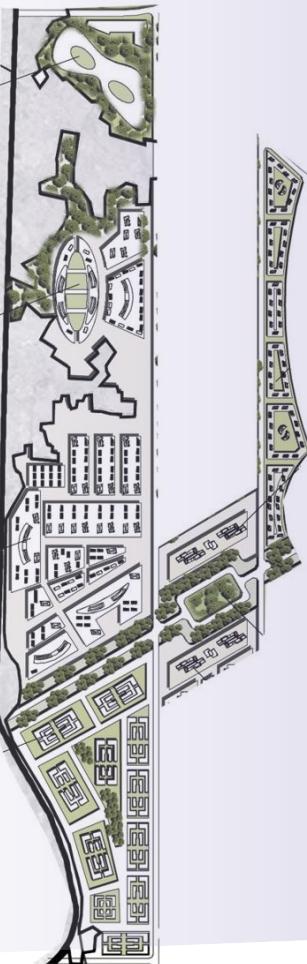


Commercial City

Overview

**Total
Sectors
08**

**Total
Acres
4,556**



Main Features

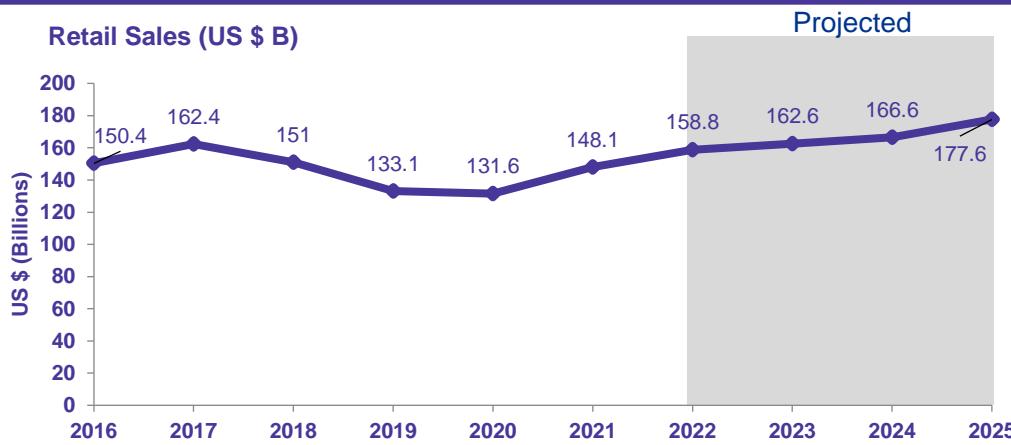
Commercial city spans over 4,556 Acres and aims to become the biggest business hot-spot of the entire project. It seeks to create a cohesive ecosystem for businesses to gain foothold in their respective industry. The underlying objective is to attract local and international investors to the region.

River channelization and formation of islands have provided unique opportunities for creation of varied developments. The city is located in prime space for commercial and leisure developments, along with riverfront uses such as marina developments, houseboats, floating markets building in close proximity to the cultural sites of Lahore. Moreover, the planned Shahi Bagh/Mughal Gateway project is situated just outside of the project area.

The city is close to the arterial routes such as Lahore Ring Road & the planned Eastern Relief Road. Key attractions within the sector include:

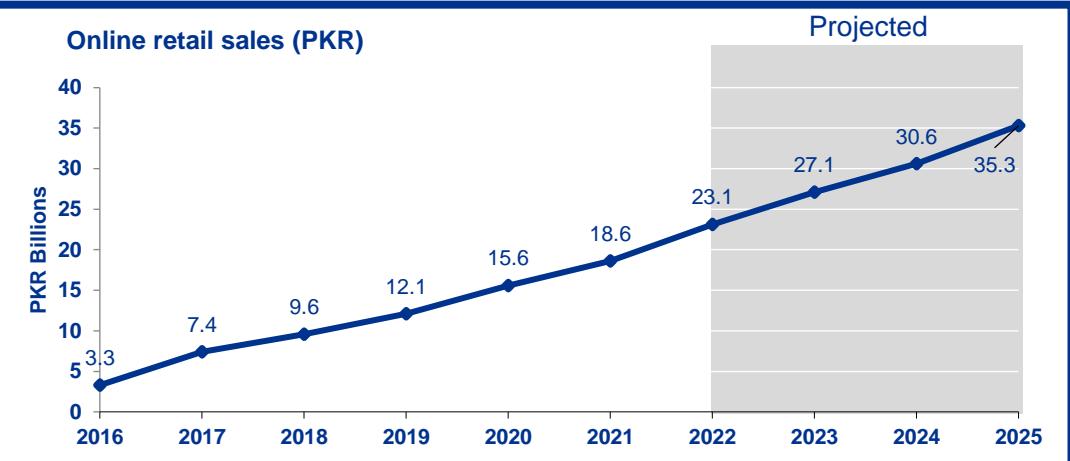
- Hospitality
- Mix Use Commercial
- Retail Mix Use
- Tourism
- Entertainment

An insight into Retail Sector in Pakistan



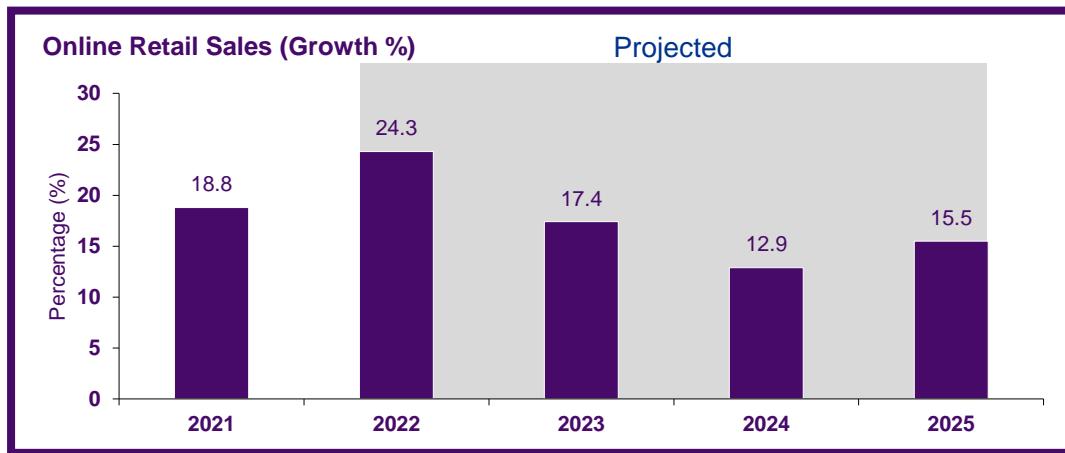
Source: Economist Intelligence Unit 2021

- The vast majority of retailers are small, family-run shops.
- The largest supermarket chain is the state-run Utility Stores Corporation, which operates nearly 5,000 stores. In 2020 the retail chain reported annual turnover of PKR 100bn (US\$630m).
- Smaller local players include Imtiaz Super Markets, Star Mart, and Al Fatah.
- The major foreign investors in the retail sector are Metro (Germany) and Majid al-Futtaim Group (UAE). Majid al-Futtaim operates Hyperstar stores, which it rebranded to Carrefour as a franchise operation in 2019.



Source: Economist Intelligence Unit 2021

Supply Dynamics in Retail Sector



Source: Economist Intelligence Unit 2021



Currently, in Pakistan online retail sales is only 1% of overall retail sales, compared with 15% globally, but post- Covid 19 is projected to experience strong growth.

Only 4 foreign investors in Retail: Metro (Germany), Daraz (Ali Baba, China), FoodPanda (Delivery Hero, Germany) and Hypermart (Majid al-Futtaim Group (UAE)).

04

Top Commercial Hubs in Lahore

Icchra, Anarkali and Mall Road

Main Boulevard Gulberg

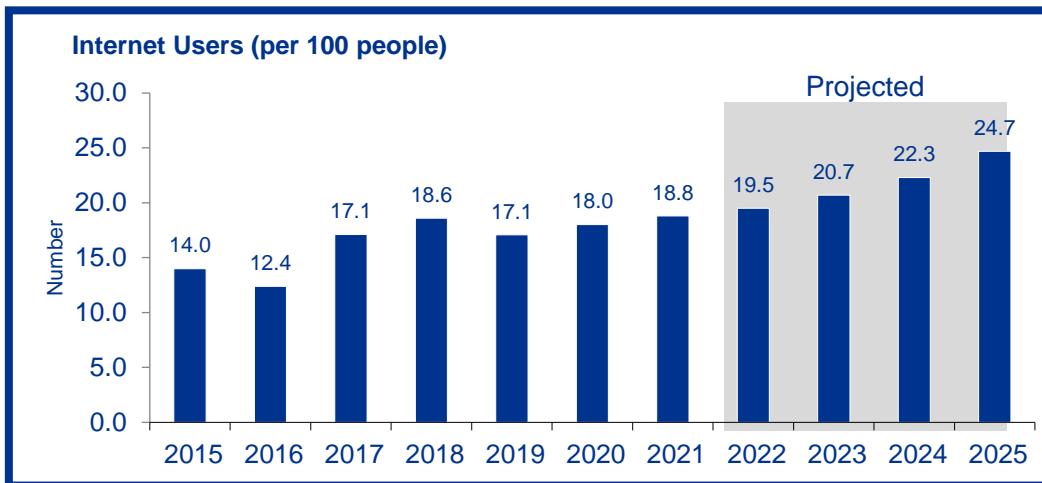
M.M. Alam Road

Food Street

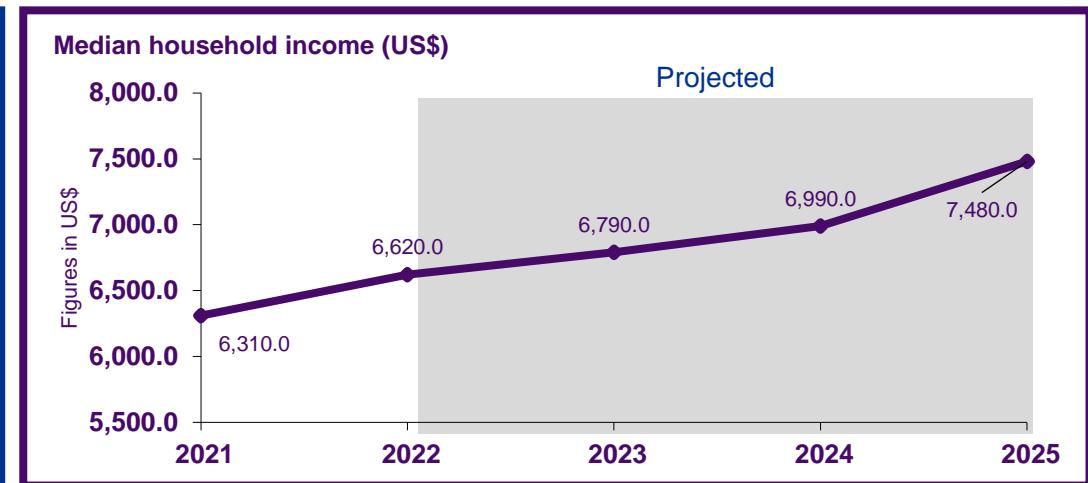
Link Road

Cavalry

Demand Dynamics in Retail Sector



Source: Economist Intelligence Unit 2021



Forecasted Increase in Internet Users (per 100 people) over the years 2021-25

31%

Forecasted Increase in median household income over the decade 2015-25

50%

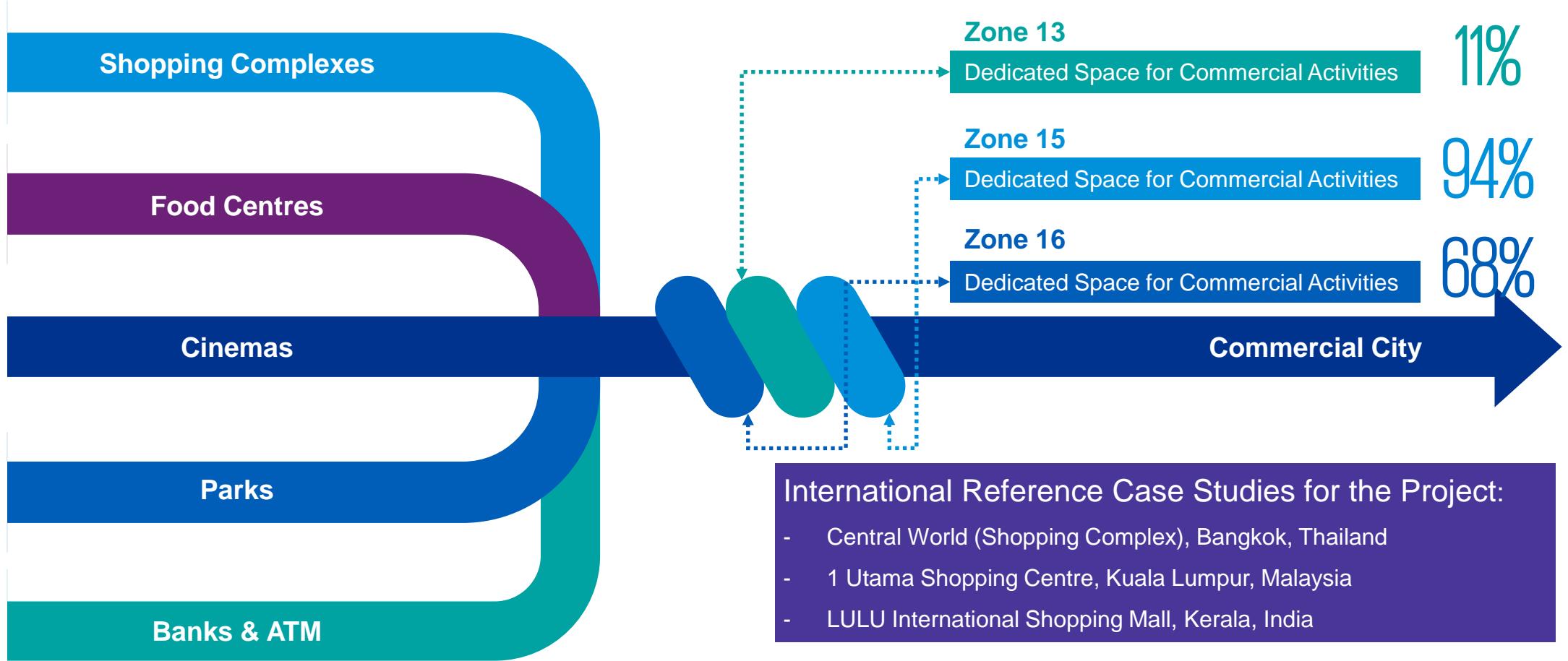
Forecasted Increase number of fixed access internet subscriptions via fixed broadband over the years 2021-25

80%

Forecasted Increase in Number of households over the years 2021-25

On back of increasing population, greater disposable income and internet usage both conventional and online retail sales are expected to rise.

Proposed Facilities in Commercial City



Assessment of Commercial City

Investment Evaluation

Following table summarizes key investment indicators for the proposed Commercial City:

Investment Evaluation	JV Option 1: Base Case		JV Option 2: Alternate Option		Base Case – Joint Venture with Private Investor
Without Financing	IRR	NPV@8.62%	IRR	NPV@8.62%	RUDA acquires the land and enter into joint venture with private sector developer(s) for the designing, financing, marketing, development, sale and operations of the proposed Commercial City.
Project	31%	44 Billion	32%	44 Billion	Alternate Option – Joint Venture with Private Investor RUDA enters into joint venture with the private sector developer(s) and authorize them to acquire land, at own cost and later on design, finance, market, develop, sale and operate the Commercial city.
Private Sector Developer	32%	28 Billion	27%	35 Billion	
RUDA	29%	16 Billion	N/A	9 Billion	
With Financing					
Private Sector Developer	N/A	N/A	34%	34 Billion	
RUDA	59%	16 Billion	N/A	N/A	

PROJECT IRR **31%**

PROJECT NPV **PKR 44 Billion**

PRIVATE INVESTOR IRR **32%**

PRIVATE INVESTOR NPV **PKR 28 Billion**



Residential City

Overview

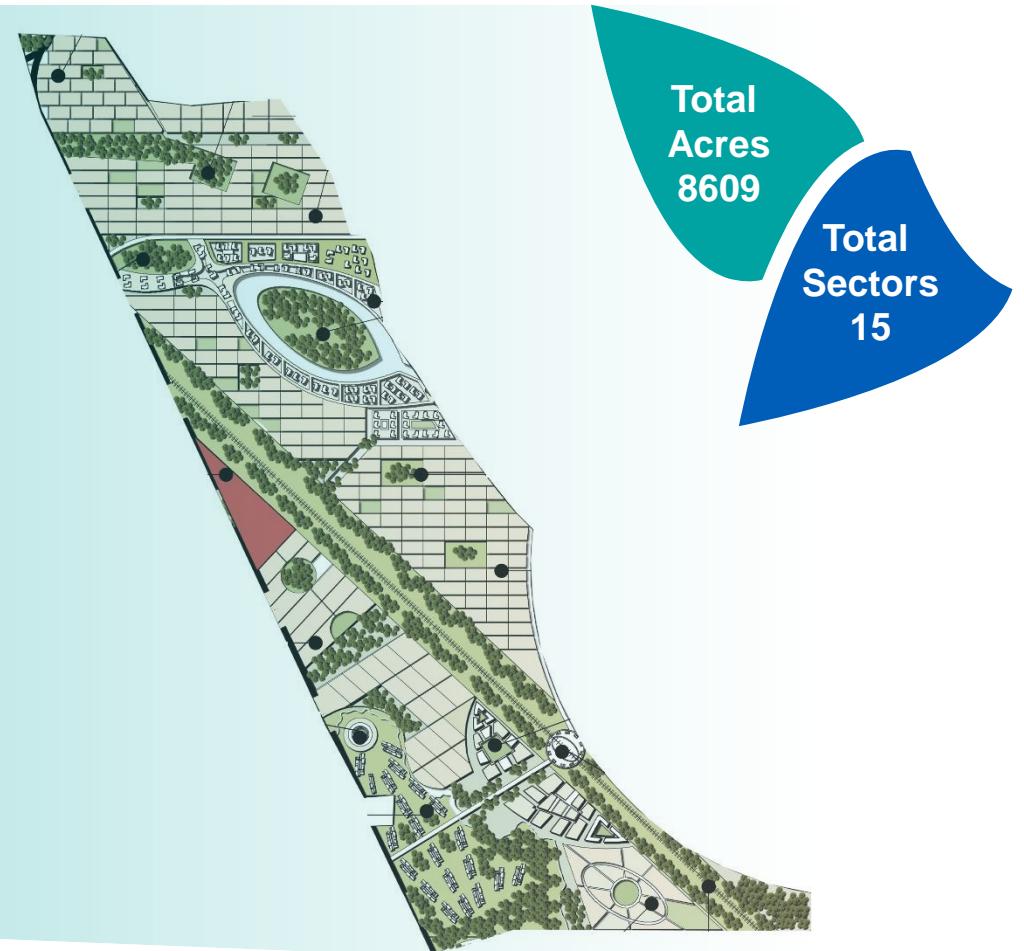
Main Features

Residential city spans over 8,609 Acres and aims to form communities, where close proximity to neighborhood amenities, commercial areas, and parks means that it is possible to walk from the house to the shops and school, interact with the community through a network of pedestrian footpaths and cycle ways. The plan includes high density, mid density, townhouses, family villas, luxury villas, marina houses, farm houses and mixed use components.

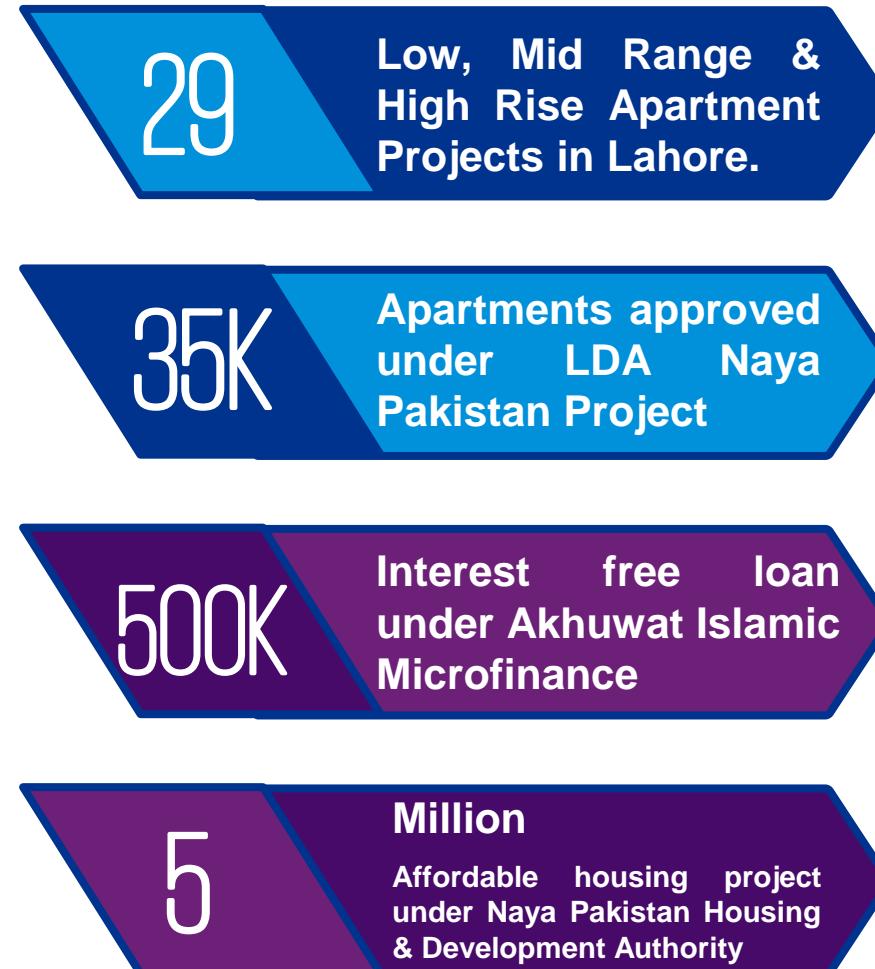
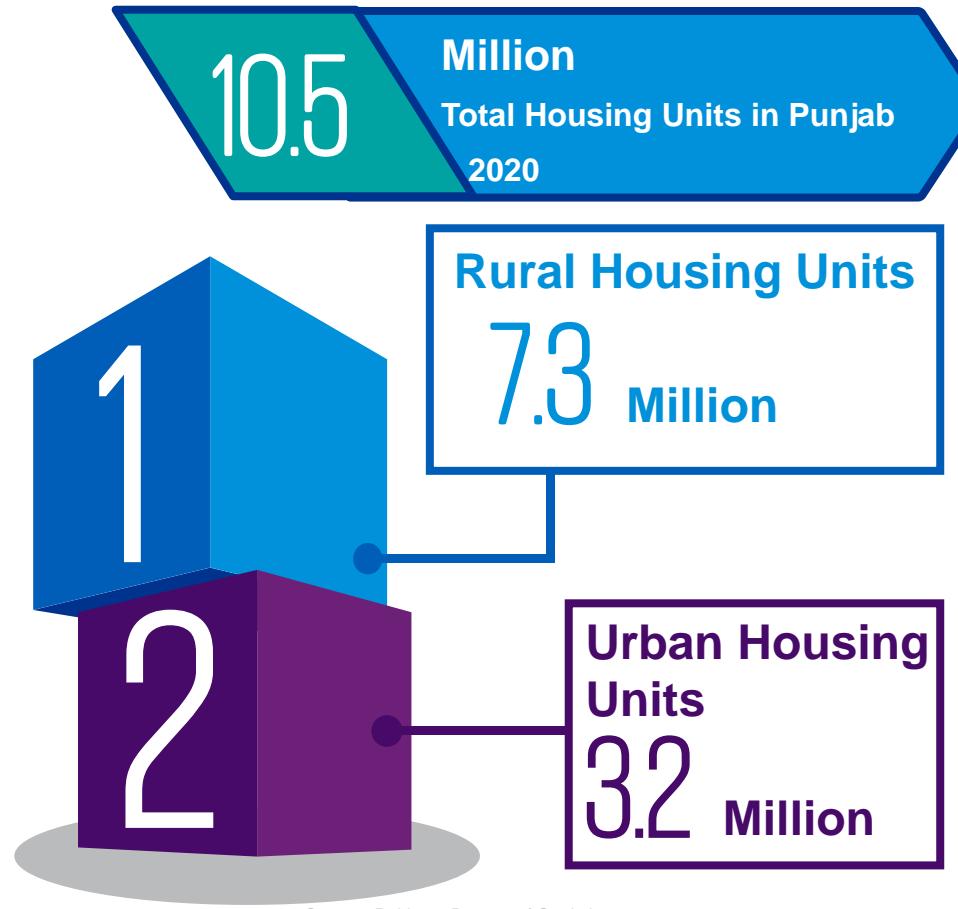
Based around community clusters and neighborhoods, the residential strategy creates spaces which allow neighbors to know one another and reinforce family bonds. The city itself consists of 15 sectors.

Key attractions within the residential city:

- Single Family Townhouse Residential
- Single Family Cricket Residential
- Forest
- Eco Waterfront Residential
- Retail Mix-Use
- Single Family Townhouse Residential
- Single Family Gardens Residential



Supply Dynamics of Residential Sector in Pakistan



Demand Dynamics of Residential Sector in Pakistan

16.9

Million

Forecasted Population of Lahore 2025

Source: World Population Review 2021

3%

3%

Annual Urbanization Rate, Fastest in South Asia. Source: UNDP 2020

05

Rank

Most Populous Country behind China, India, United States & Indonesia

Source: US Census Bureau 2021

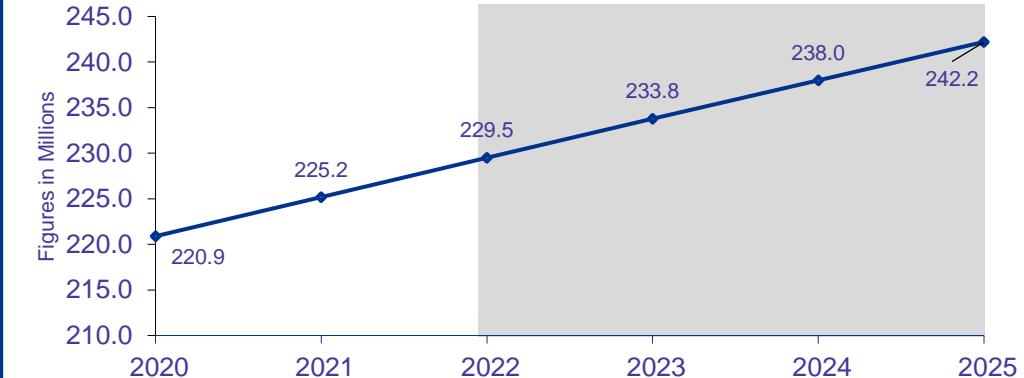
10

Million

Overall Estimated Housing Deficit

Source: State Bank of Pakistan 2019

Forecasted Population



Source: Economist Intelligence Unit 2021

242

Million

Overall Estimated Population of Pakistan 2025

Source: Economist Intelligence Unit 2021

Proposed Facilities in Residential City

Zone	Description	Gross Area (Acre)	Land Usage (%)	Zone	Description	Gross Area (Acre)	Land Usage (%)
Zone 4	Single Family Town Houses Residential	355	09%	Zone 6	High Rise Residential	355	09%
	Single Family Cricket Residential	1,162	28%		High Rise Residential	1,162	28%
	Eco Waterfront Residential	768	18%		Mid Rise Residential	95	02%
	Single Family Town Houses Residential	563	14%		Educational Mix Use Residential	768	18%
	Single Family Gardens Residential	862	21%		Mix Use Residential	170	04%
					Mix Use Residential	563	14%



Assessment of Residential City

Investment Evaluation

Following table summarizes key investment indicators for the proposed Residential City:

Investment Evaluation	JV Option 1: Base Case		JV Option 2: Alternate Option		Base Case – Joint Venture with Private Investor
Without Financing	IRR	NPV@8.62%	IRR	NPV@8.62%	RUDA acquires the land and enter into joint venture with private sector developer(s) for the designing, financing, marketing, development, sale and operations of the proposed Residential City.
Project	25%	66 Billion	24%	66 Billion	
Private Sector Developer	26%	43 Billion	22%	55 Billion	
RUDA	24%	23 Billion	N/A	11 Billion	Alternate Option – Joint Venture with Private Investor RUDA enters into joint venture with the private sector developer(s) and authorize them to acquire land, at own cost and later on design, finance, market, develop, sale and operate the Residential City.
With Financing					
Private Sector Developer	N/A	N/A	26%	52 Billion	
RUDA	54%	22 Billion	N/A	N/A	

PROJECT IRR **25%**

PROJECT NPV **PKR 67 Billion**

PRIVATE INVESTOR IRR **26%**

PRIVATE INVESTOR NPV **PKR 43 Billion**



Industrial City

Overview

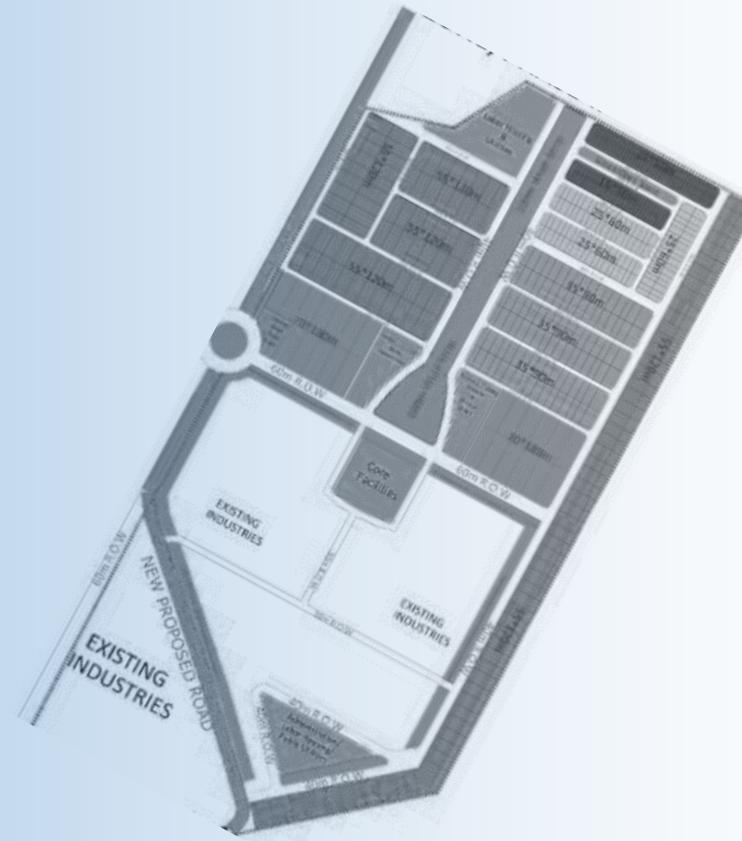
Introduction

Industrial City spans over 6,639 Acres and will be the hub of industrial activities within the entire project. The purpose of its establishment is to control haphazard growth of industries. Industrial city will cater to all the surrounding industries and invites major investors to boost up the overall economy of the district in a planned manner.

The location is strategically chosen with two main access points: Lahore Sialkot Motorway and Lahore Ring Road. Most of the industrial estate has been developed along the major road infrastructure to provide effective trading services and boost up the economy.

Proposed Industrial City is divided into two separate zones; Zone A & Zone B. Apart from Industrial activities center, key attractions within the sector include:

- Parks
 - Firefighting & Rescue Centre
 - Management Offices
 - Truck Stands & Petrol Pumps



Special Economic Zones (SEZ) in Pakistan

Zone	Description	Area (Acres)
FY2014	Bin Qasim Industrial Park (BQIP)	930
	Khairpur Special Economic Zone (KSEZ)	140
	Korangi Creek Industrial Park (KCIP)	220
FY2016	Hattar Special Economic Zone (HSEZ)	440
	M3 Industrial City (M3IC)	4,356
	Value Addition City (VAC)	214
FY2019	Oil Village SEZ (OVSEZ)	105
	Rachna Industrial Park (RIP)	215
	Rahimyar Khan Industrial Estate (RIE)	456
FY2019	Rashakai Special Economic Zone (RSEZ)	1,000
	Vehari Industrial Estate (VIE)	277
	Bhalwal Industrial Estate (BIE)	427
FY2019	Bostan Special Economic Zone (BSEZ)	200
	Hub Special Economic Zone (HUBSEZ)	406
	Naushero Feroz Industrial Park (NFIP)	80

Zone	Description	Area (Acres)
FY2021	Allama Iqbal Industrial City (AIIC)	2,800
	National Science and Technology Park (NSTP)	58
	JW-SEZ China-Pakistan SEZ (JWSEZ)	231
FY2021	Quaid-e-Azam Business Park (QABP)	1,536
	Service Long March Tyres (SESEZ)	50
	Siddiqsons Tinplate SESEZ	71

Source: Pakistan Economic Survey 2020-21

29

Pakistan Special Economic Zones:

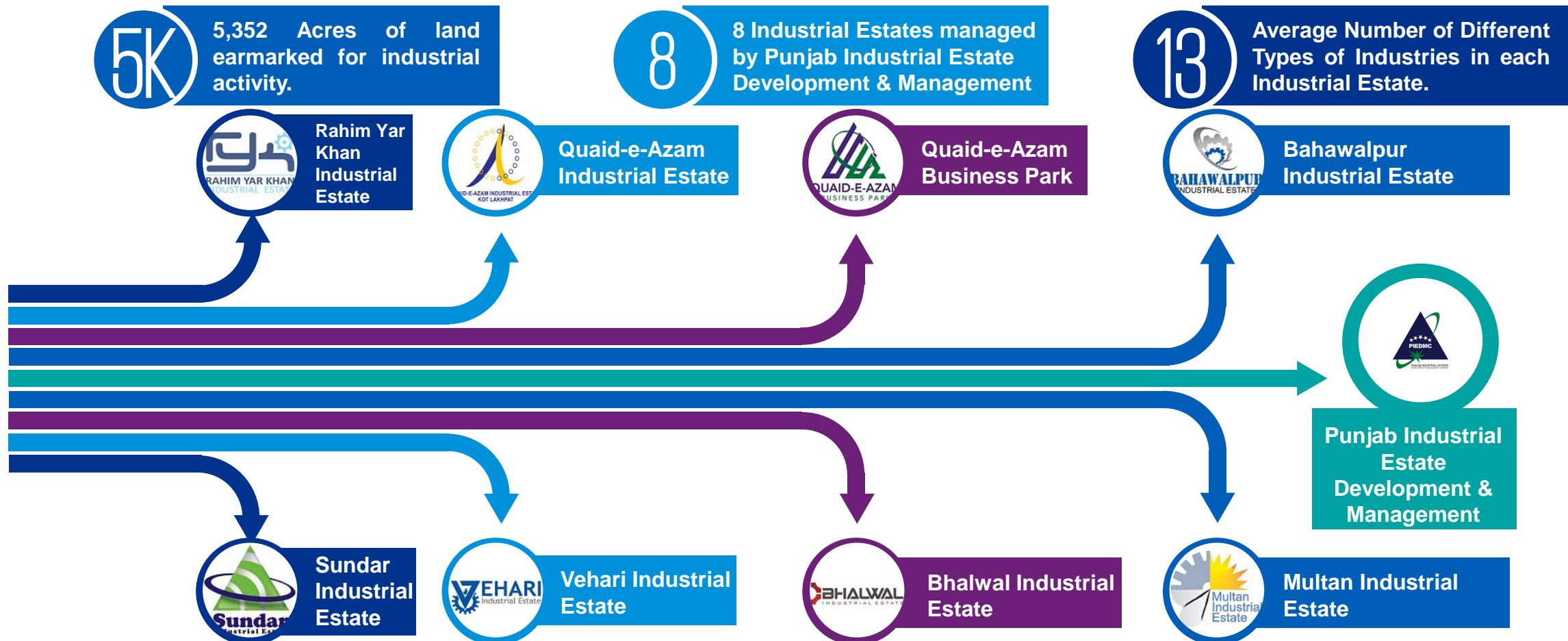
- 7 SEZs existed before FY2018
- 21 SEZs have been approved and notified post FY2015 by Board of Investment

Approved Special Economic Zones located in Punjab, largest ones being M3 Industrial City, Allama Iqbal Industrial City & Quaid-e-Azam Business Park

10

Source: Pakistan Economic Survey 2020-21

Industrial Estates in Punjab



Source: Punjab Industrial Estate Development & Management Company

2021

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Downtown

Overview

Main Features

Downtown is a term primarily used to refer to a city's core or central business district (CBD) often in a geographical, commercial, or communal sense. Therefore, a central business district (CBD) or "downtown" is the commercial and business center of a city. In larger cities, it is often synonymous with the city's "financial and commercial district".

A city's Downtown is usually characterized by a concentration of retail and office buildings. The commercial activities play a crucial role in the urban economy. It is often the geographic heart of a city.

Spread over 2,208 Acres, Downtown comprises of zone 12. Zone 12 comprises of 07 sectors. The new down town will be the new center and meeting point for millions of people in a year. The creation of space will remain varied in scale, yet the focus will be the intimate space through various layers. Its attractions include:

- Mid Rise Residential
- Island Commercial Park
- Governmental
- Retail and Commercial Centers



Supply Dynamics of Commercial Activity

Select Operational Mega Malls in Pakistan



The Centaurus
Islamabad



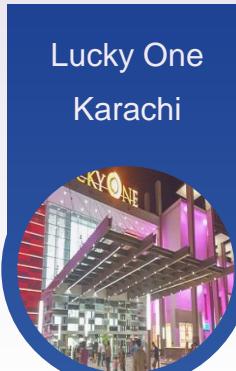
Dolmen Malls
Karachi



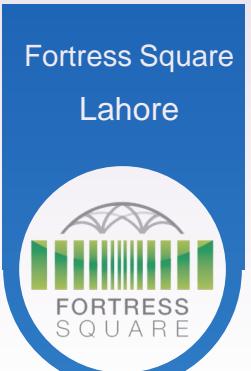
Emporium Mall
Lahore



Mall of Lahore
Lahore



Lucky One
Karachi



Fortress Square
Lahore



Packages Mall
Lahore



Giga Mall
Lahore



Lahore remains 42nd most densely populated city in the world and 2nd most after Karachi in Pakistan.



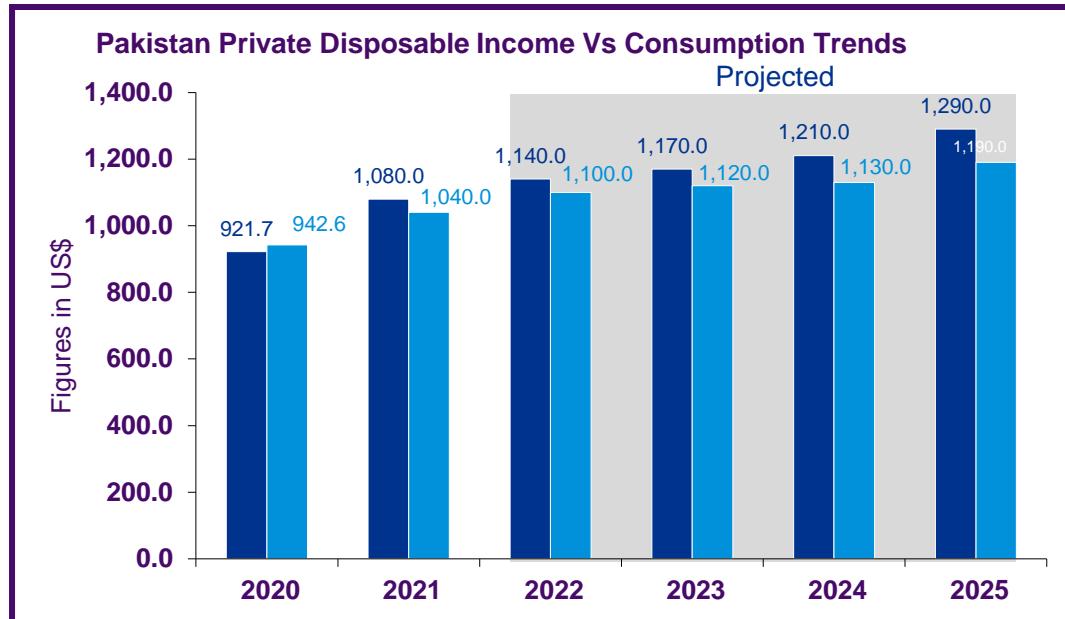
Urban density in Lahore is expected to reach 6300 residents per square kilometer.



Lahore is a young country with over 40% of its inhabitants below the age of 15.

Source: UN World Population Review 2021

Demand Dynamics of Commercial Activity



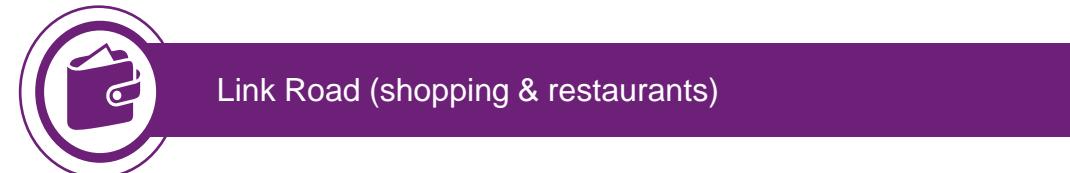
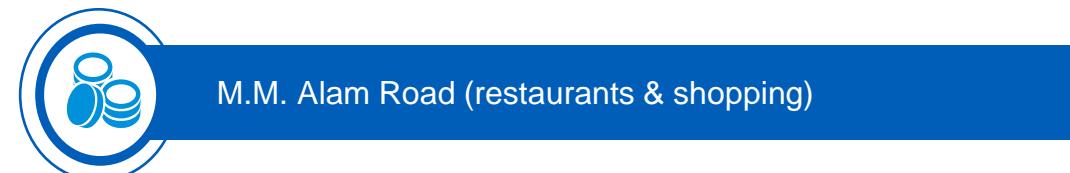
Source: Economist Intelligence Unit 2021

Urban mix in Pakistan is forecasted to be characterized by:

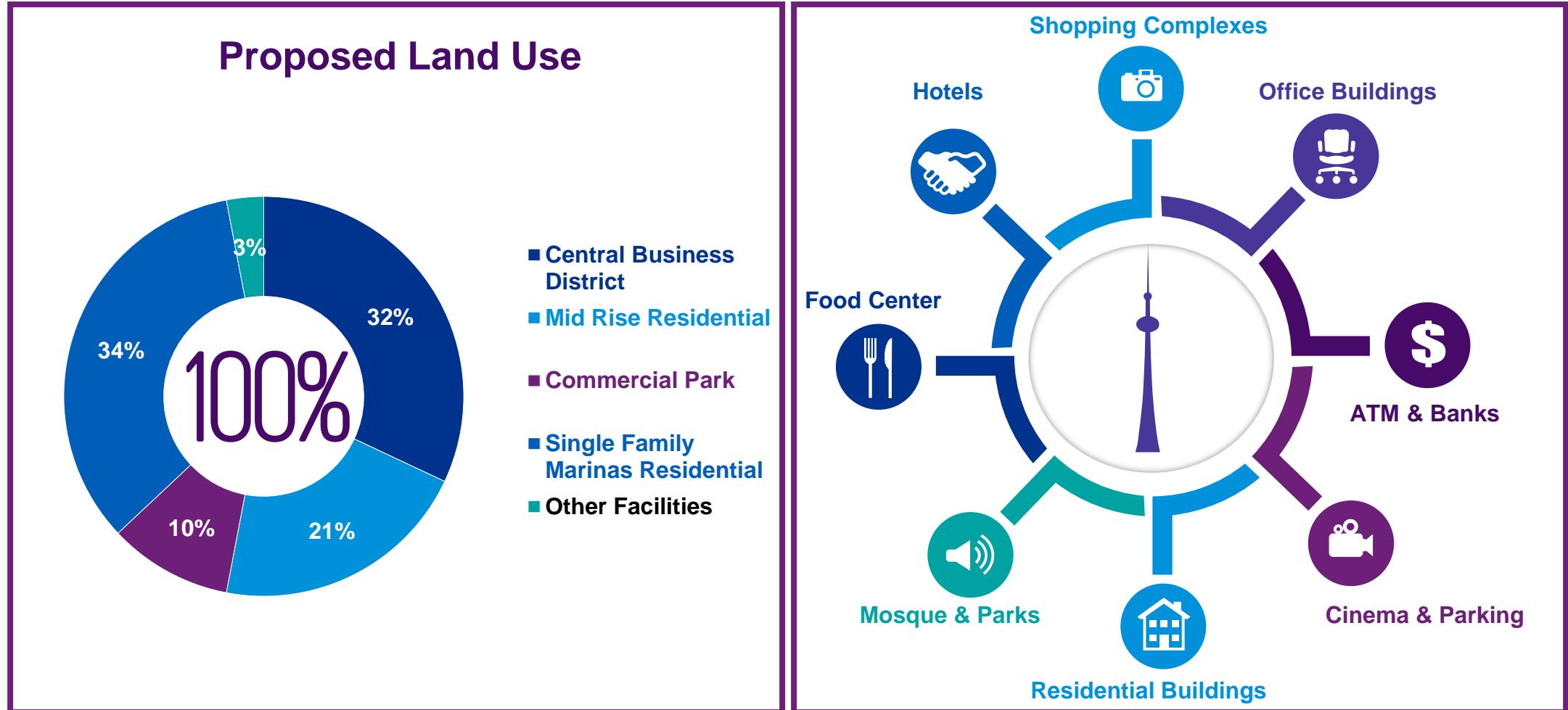
- High Population density and growth rate in Urban Centres
- Comparatively higher consumption and disposable income

Therefore, it is expected that commercial hubs that provide a mix of business, entertainment and residential amenities will emerge popular. Currently in Lahore, 29 apartment developments are underway that integrate the mixed use nature of modern urban living.

Emergence of multiple Mix Urban Commercial Hubs in Lahore



Proposed Facilities in Downtown



Assessment of Downtown

Investment Evaluation

Following table summarizes key investment indicators for the proposed downtown:

Investment Evaluation	JV Option 1: Base Case		JV Option 2: Alternate Option		Base Case – Joint Venture with Private Investor
Without Financing	IRR	NPV@8.62%	IRR	NPV@8.62%	RUDA acquires the land and enter into joint venture with private sector developer(s) for the designing, financing, marketing, development, sale and operations of the proposed Downtown.
Project	41%	38 Billion	43%	38 Billion	
Private Sector Developer	52%	21 Billion	36%	30 Billion	
RUDA	37%	17 Billion	N/A	9 Billion	Alternate Option – Joint Venture with Private Investor RUDA enters into joint venture with the private sector developer(s) and authorize them to acquire land, at own cost and later on design, finance, market, develop, sale and operate the Downtown
With Financing					
Private Sector Developer	N/A	N/A	63%	29 Billion	
RUDA	85%	17 Billion	N/A	N/A	

PROJECT IRR 41%

PROJECT NPV PKR 38 Billion

PRIVATE INVESTOR IRR 52%

PRIVATE INVESTOR NPV PKR 21 Billion



Sports City

Overview

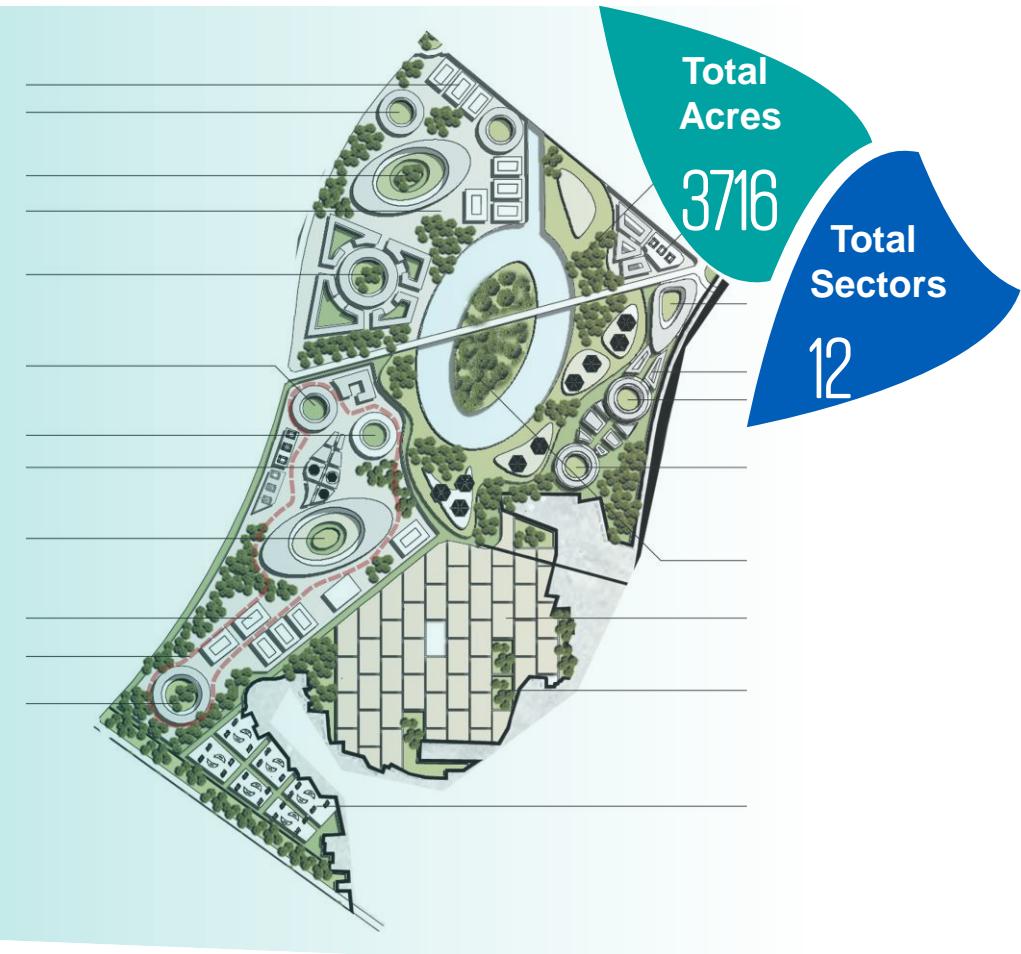
Main Features

Sports city spans over 3,716 Acres is planned as a holistic city with the advantage that the infrastructure is integrated with the development as it progresses. The purpose is to make Lahore a serious sports contender on the world stage.

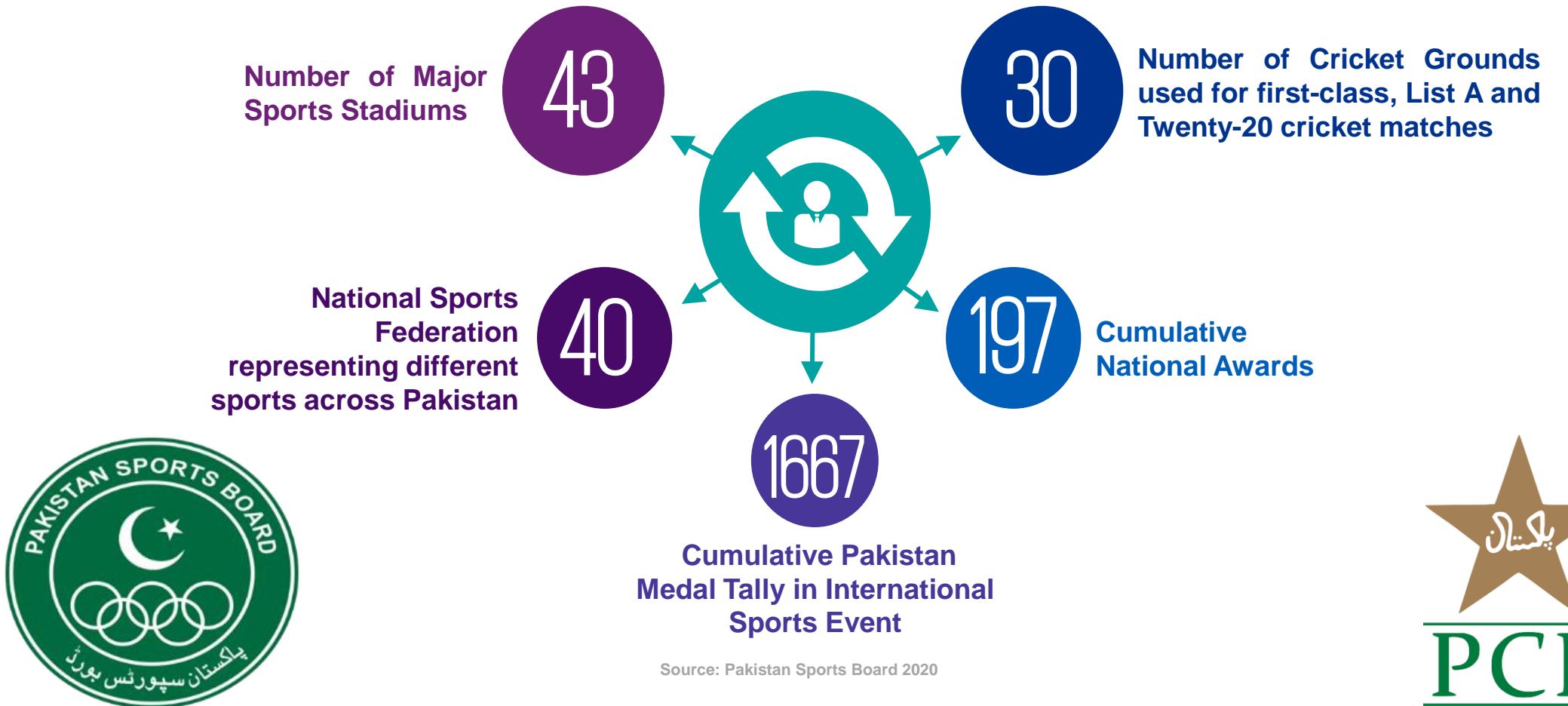
The hosting of international sporting events provides a catalyst for development as an event will impact on not only the venue but on the urban context that the venue is situated, transport, hotels, amenities, housing for the organizers, and delivery team. The vision is to substantially increase investment in sports industry and enhancing the local talent of our athletes.

Sports City comprises of Zone 31 & Zone 35. Zone 31 comprises of 12 sectors, while zone 35 is dedicated to river channelization. Key attractions within the sector include:

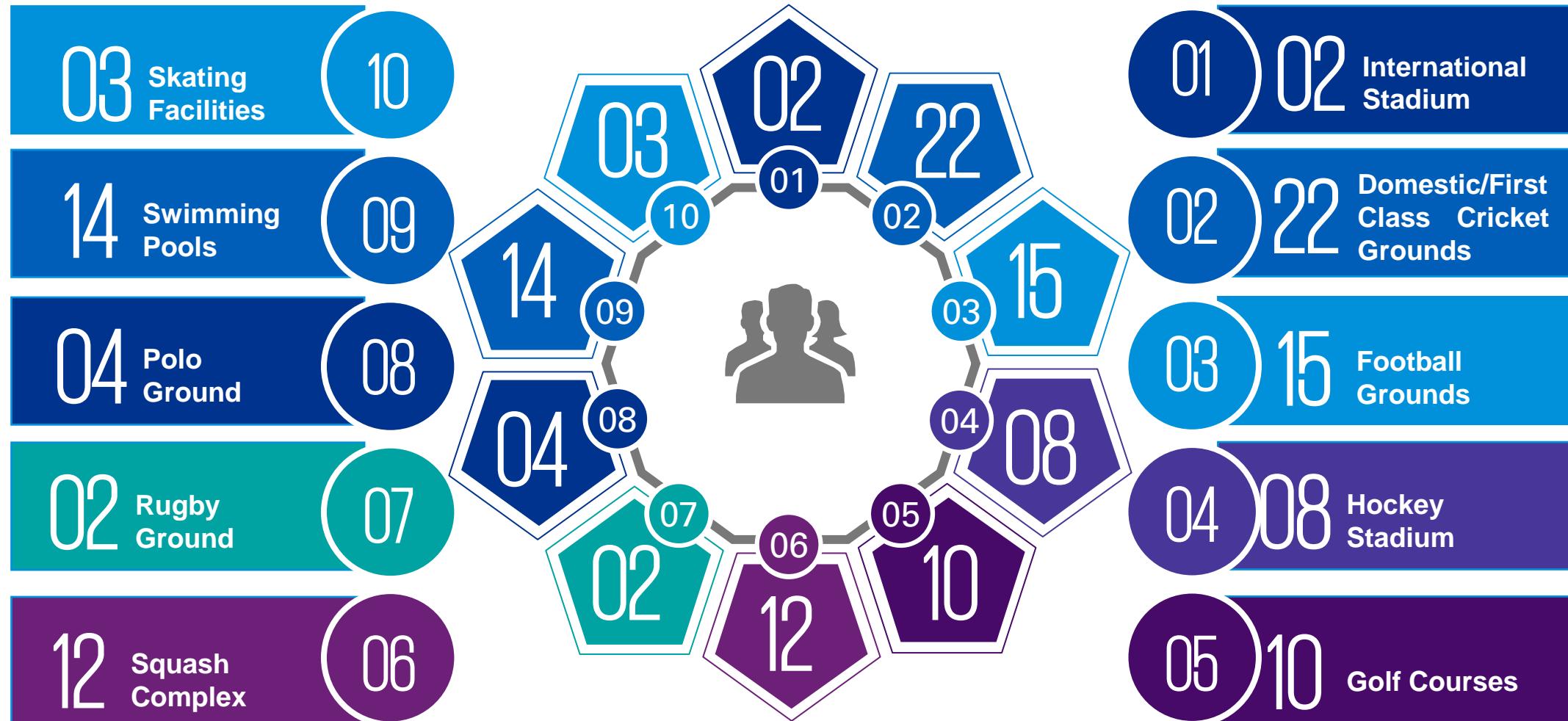
- Sports Retail
- Sports Cricket City
- Sports City Olympics
- Sports City Motor Zone
- Sports City Hockey Zone
- Mix Use Commercial



Insight of Sports Sector in Pakistan



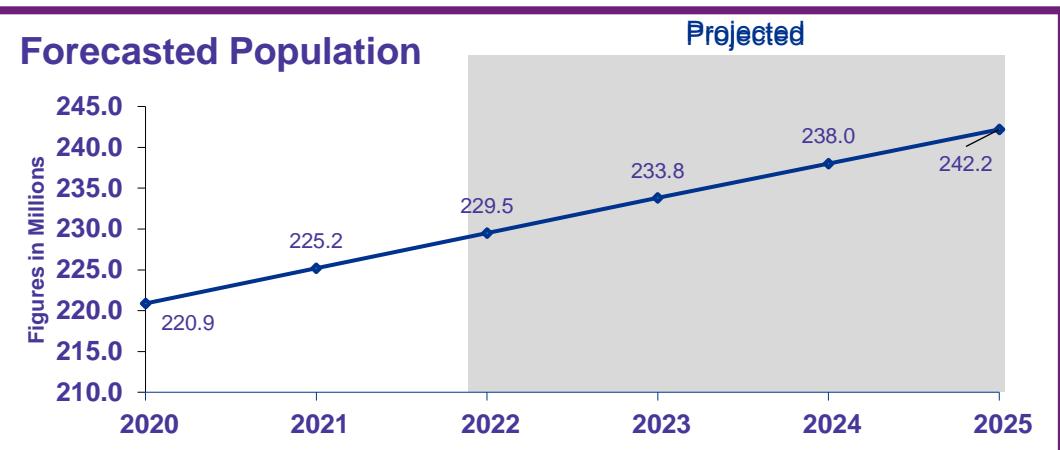
Supply Dynamics of Sports Sector in Lahore



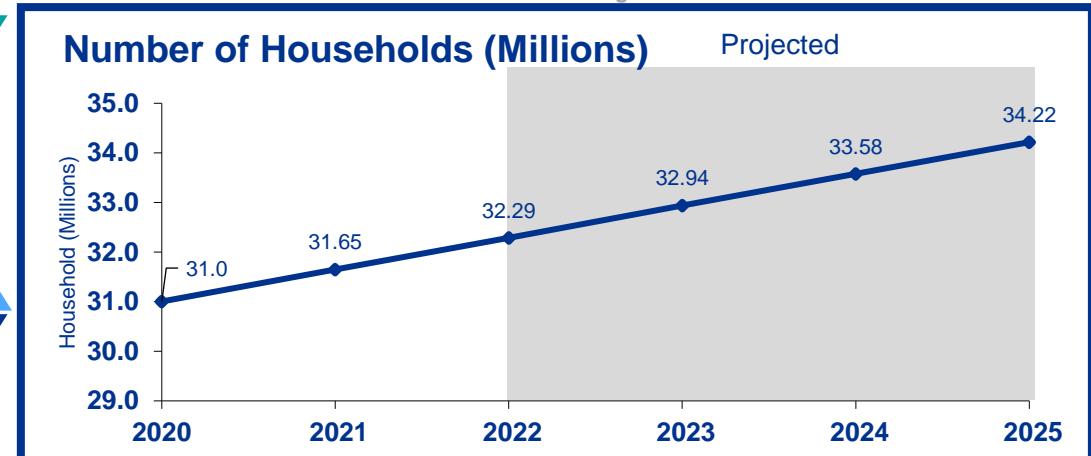
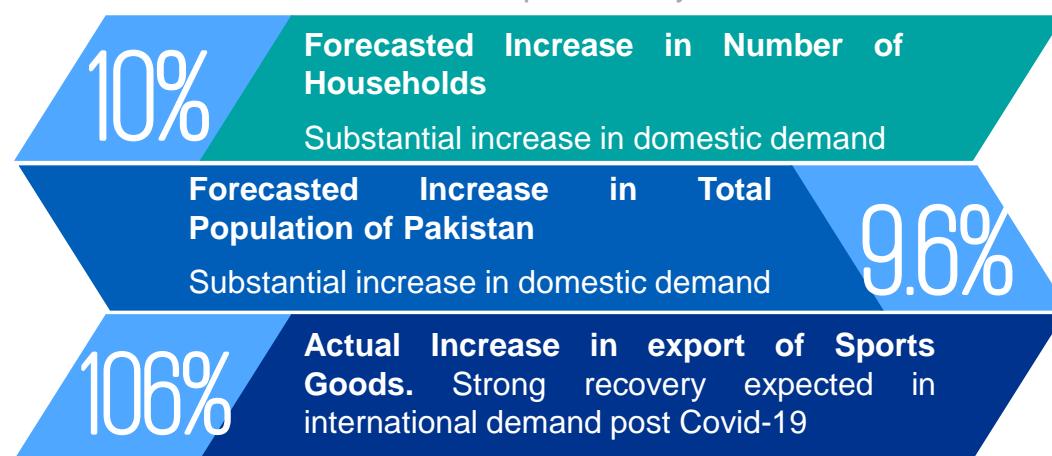
Demand Dynamics of Sports Sector in Pakistan

Export Value of Sports Goods Comparative Statistics			
Quarter	2021 US \$	2020 US \$	% Change
Aug – Sep	67 Million	76 Million	-12%
Oct – Dec	63 Million	75 Million	-16%
Jan – Mar	62 Million	72 Million	-13%
Apr - Jun	82 Million	40 Million	+106%
Total	274 Million	263 Million	+4%

Source: Trade Development Authority of Pakistan 2021



Source: Economist Intelligence Unit 2021



Source: Economist Intelligence Unit 2021

Proposed Facilities in Sports City

Reference International Case Studies:

- Dubai Sports City, Dubai, UAE
- Motor City, Dubai, UAE
- Aspire Zone (Doha Sports City), Doha, Qatar

Zone 12

Zone	Description	Gross Area (Acre)	Land Usage (%)
Zone 12	Sports City Retail	130	04%
	Sports City Cricket City Commercial	169	05%
	Sports City Olympics Mix-use	537	14%
	Sports City Central Park Rowing	184	05%
	Sports City Golf City Mix-use	214	06%
	Sports City F1 Motor Zone Mix-use	501	13%
	Sports City Hockey Residential	272	07%

Proposed Sports Facilities



Sports Academy

Golf Course

Indoor Arena

Racing Track/ Formula One Theme Park

Swimming Pools/ Aquatic Centre

Multi-purpose Outdoor Stadium

Assessment of Sports City

Investment Evaluation

Following table summarizes key investment indicators for the proposed Sports City:

Investment Evaluation	JV Option 1: Base Case		JV Option 2: Alternate Option		Base Case – Joint Venture with Private Investor
Without Financing	IRR	NPV@8.62%	IRR	NPV@8.62%	RUDA acquires the land and enter into joint venture with private sector developer(s) for the designing, financing, marketing, development, sale and operations of the proposed Sports City.
Project	37%	63 Billion	36%	23 Billion	
Private Sector Developer	36%	15 Billion	31%	18 Billion	
RUDA	38%	08 Billion	N/A	05 Billion	Alternate Option – Joint Venture with Private Investor RUDA enters into joint venture with the private sector developer(s) and authorize them to acquire land, at own cost and later on design, finance, market, develop, sale and operate the Sports City.
With Financing					
Private Sector Developer	N/A	N/A	33%	17 Billion	
RUDA	48%	08 Billion	N/A	N/A	

PROJECT IRR **37%**

PROJECT NPV **PKR 63 Billion**

PRIVATE INVESTOR IRR **36%**

PRIVATE INVESTOR NPV **PKR 15 Billion**



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