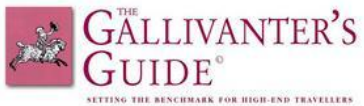


Sveti Stefan

Investment opportunity



Hotel of the year 2010



Top Hideaway 2010

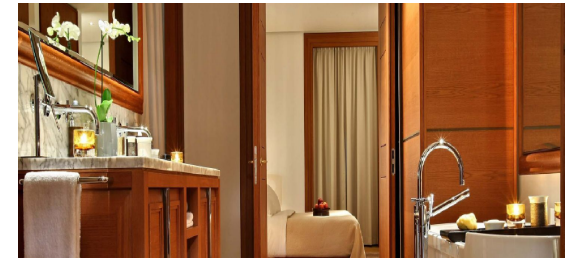
July 2011



Current status of the project

Phase I:

- 5-star resort "Villa Milocer"
 - 8 exclusive rooms and restaurant managed and operated by Aman Resorts
 - operational since March 2009 (2)
- 5-star resort "Sveti Island"
 - developed as secluded hotel with 51 suites
 - managed and operated by Aman Resorts
 - first paying guests in June 2011 (1)
- Total budget of €48m of which EBRD has funded €10m



Phase II:

- Luxury Spa: 24 treatment rooms and gym, construction to start by October 2011 and finish by April 2012 (3)
- 5-star resort "Queens Beach Hotel" with 60 rooms and 60 condominiums (4)
 - managed and operated by General Hotel Management (under the Chedi brand)
 - freehold status of condominiums currently negotiated – revised status by year end 2011 at which time the construction will start. Operations expected to start by spring 2014.
- Total budget of €44m of which EBRD to fund €27m



Phase III:

An additional 38,000m² is available for the development of single luxury villas

Snapshot of financials

Key financials

Project costs €92m:

- Phase I: €48m (of which €10m EBRD)
- Phase II €44m (of which €27m EBRD)
- Current owner has funded €38m equity for Phase 1

Villa Milocer operational since 2009, Sveti Island had first paying guests in 2011.

Revenue projections according to feasibility study made by Cushman & Wakefield, see below

Significant economic upside from the development of 60 condominiums in Phase 2 as well as additional 38,000sqm available for construction of villas

€1.2m lease per annum for the entire property, plus a limited profit participation

Expected annual occupancy rate 50-55% going up to 60%

Revenue projections (Cushman & Wakefield)

EUR	2013E	2014E	2015E	2016E
Villa Milocer	2'653	2'816	2'887	2'959
Sveti Island	11'198	12'235	12'540	12'854
Queens Beach Hotel		3'768	7'339	8'697
Condominiums		2'715	16'677	15'787
Total	13'851	21'533	39'443	40'296
Total (ex condominiums)	13'851	18'819	22'766	24'509

KPIs

	2010E	2011E
Occupancy rate	32.9%	52.0%
Average Room Rate (EUR)	540	855
Revenue Breakdown	1'564'318	7'945'017
<i>Rooms</i>	39.3%	52.3%
<i>Food & Beverage</i>	51.8%	35.2%
<i>Minor Operated Depts.</i>	8.8%	12.4%

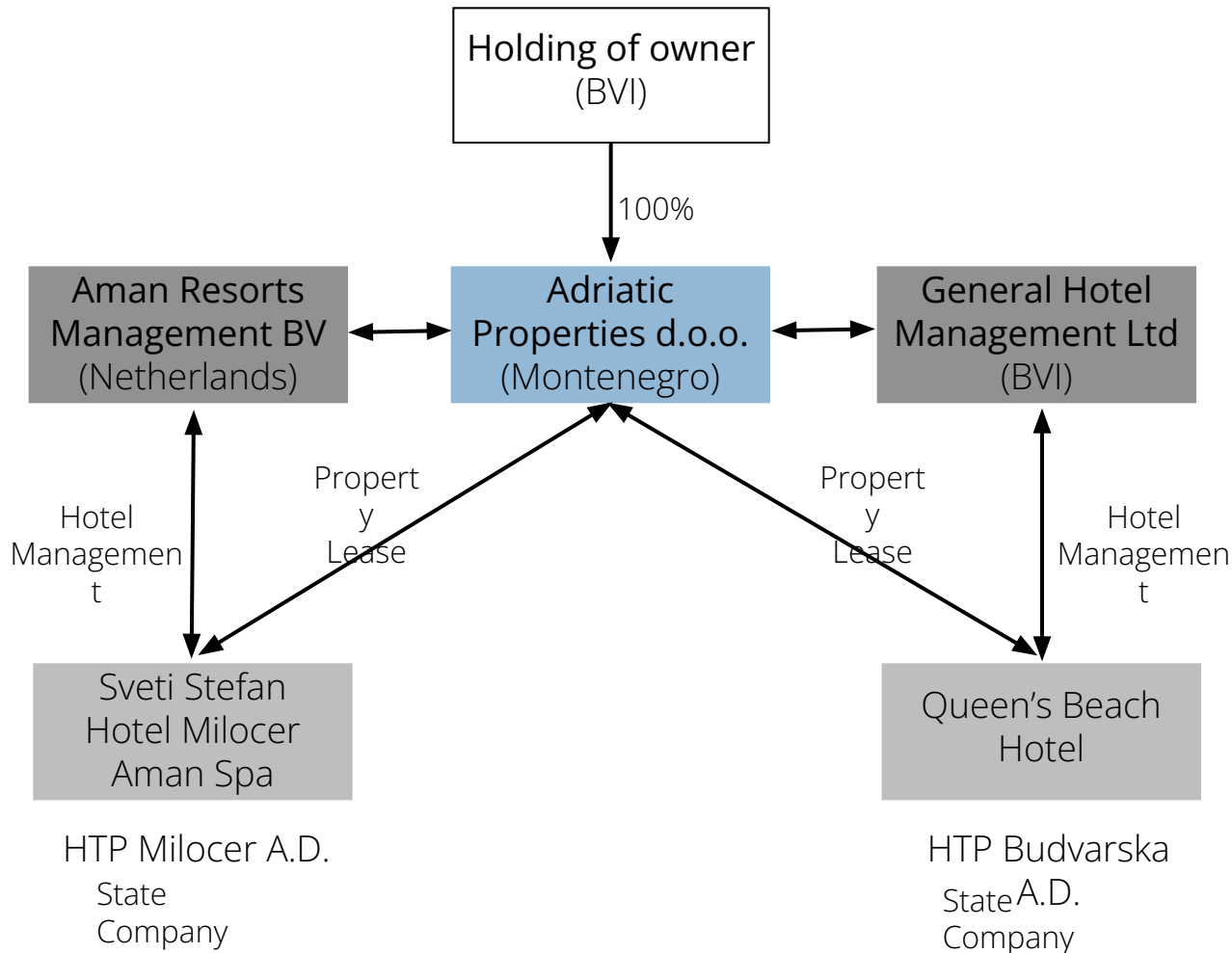
P&L statement

EUR	2010E	2011E
Revenue	1'564'318	7'945'017
Gross Operating Income	111'691	3'290'304
Gross Operating Profit	(1'670'460)	115'440
Non Operating Income	41'371	-
Non Operating Expenses	(4'405'864)	(2'356'690)
Net Profit / (Loss)	(6'034'953)	(2'241'250)

EBITDA projections (Cushman & Wakefield)

EUR	2013E	2014E	2015E	2016E
Villa Milocer	428	503	535	535
Sveti Island	1'808	2'365	2'425	2'522
Queens Beach Hotel		1'075	1'662	1'932
Condominiums		14'106	13'766	13'004
Total	2'236	18'049	18'388	17'993
Total (ex condominiums)	2'236	3'943	4'622	4'989

Legal structure

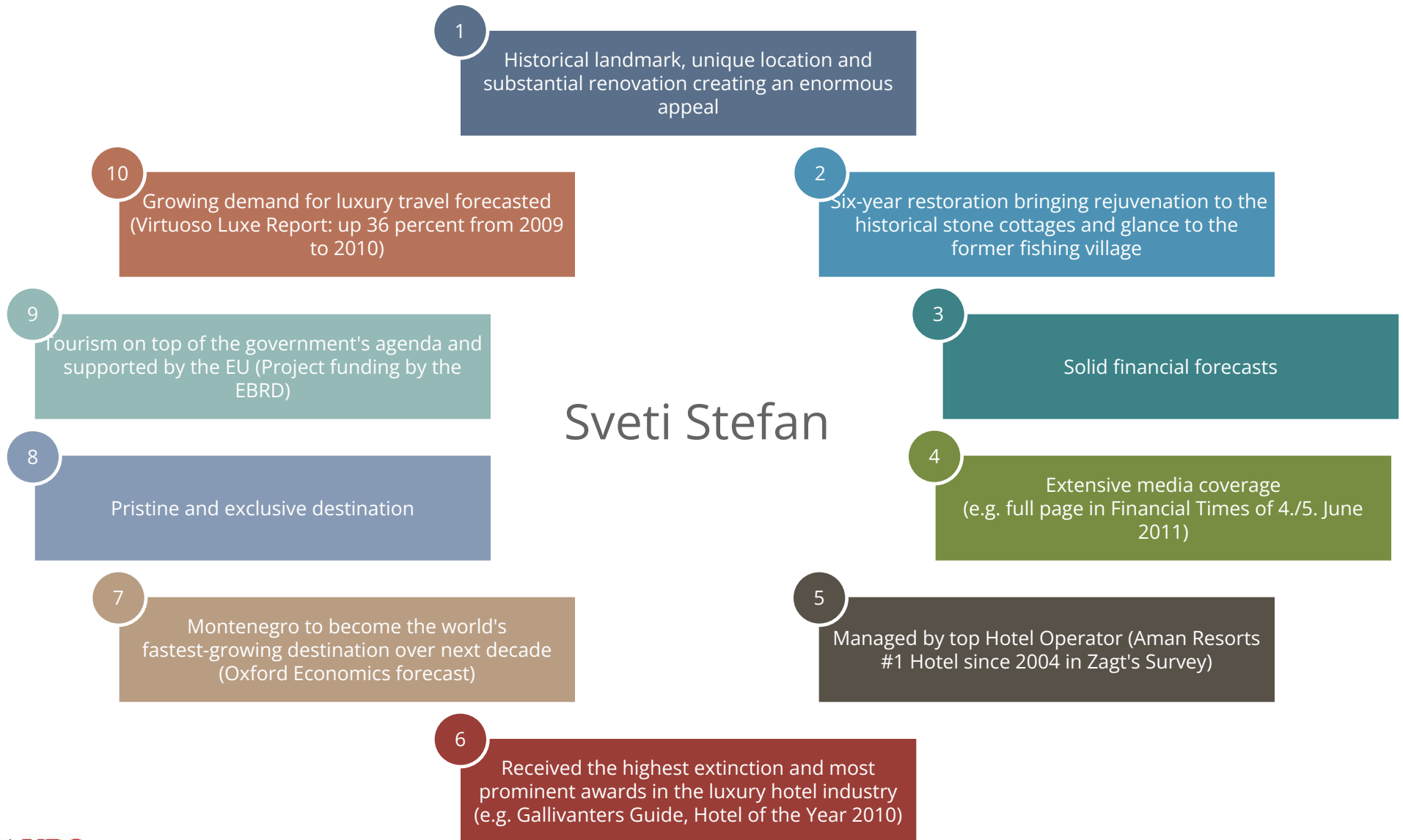


Roles and Responsibilities

Adriatic Properties	Local company coordinating and overseeing the development of Sveti Stefan
Aman Resorts	Management of 5-star hotels ensuring that operations are to Aman brand standards
GHM	Management of 5-star hotels ensuring that operations are to Chedi brand standards
HTP Milocer	Landlord of Sveti Island, beach properties and Villa Milocer
HTP Budvarska	Landlord of Queens beach hotel

Key investment considerations

Sveti Stefan represents a unique opportunity to invest in a landmark resort



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