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VISION

Become a regional master developer of international standard mega-communities by designing and implementing a world-class, master-designed, developed, and controlled community model in our flagship development on the Red Sea, Sahl Hasheesh. We aim to redefine every aspect of Egyptian urban planning using benchmarks and standards employed by the world's leading international communities and developments.

MISSION

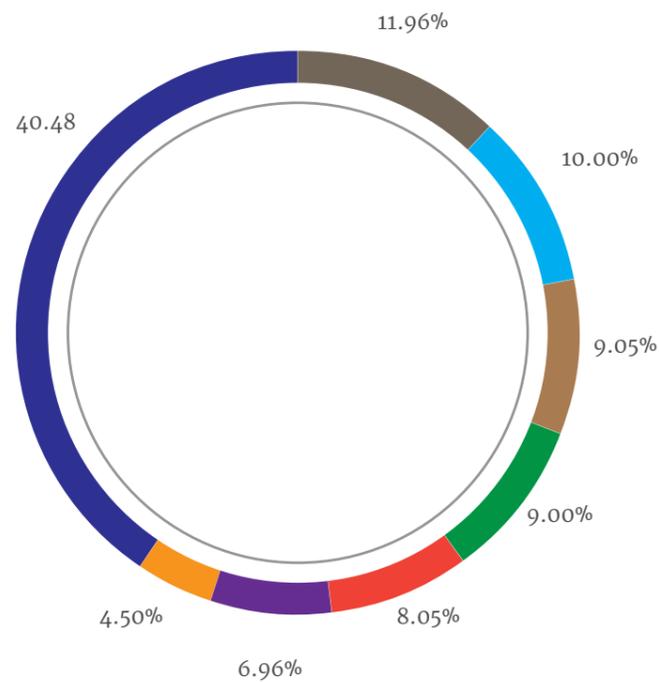
Make our shareholders proud of the company's standards, reputation, operational performance, and financial performance by creating memorable destinations and being a reliable partner to our sub-developers and investors.

AT A GLANCE

ERC offers its sub-developers a unique value proposition – the only professionally master developed and managed fully-integrated resort community on the Egyptian Red Sea coast – while promoting the creation and delivery of a world-class experience for end-users of its developments.

ERC derives revenues from three clear streams: (1) the sale of land plots to sub-developers; (2) the development of strategic real estate projects; and (3) the sale of utilities and community management services.

ERC Shareholder Structure



| | |
|-------------------------------|--------|
| ● KATO Investment | 11.96% |
| ● First Arabian Company | 10.00% |
| ● Rowad Tourism Company | 9.05% |
| ● Al Ahly Capital Holding | 9.00% |
| ● Misr Insurance | 8.05% |
| ● Misr for Life Insurance | 6.96% |
| ● Orascom Development Holding | 4.5% |
| ● Free Float | 40.48% |

As of end of fiscal year 2015



Sahl Hasheesh:

A Seaside Resort Community on the Red Sea

Location:

- 18 km south of Hurghada International Airport
- 22 km south of Hurghada City Centre
- 475 km from Cairo
- 250 km from Luxor and the Valley of the Kings

Unique Characteristics:

- 32 million m² / 3,200 hectares in size
- An all sea-view resort - land elevations rise gently from sea level to 120 meters at the western edge of the resort
- 12.5 km shoreline / 9 km swimmable beach engulfed in a protected bay
- Year-round destination with moderate-to-hot weather, low humidity, and calm waters

The Sahl Hasheesh Master Development:

Economic Value Upon Completion*

- USD 110 mn land acquisition value
- USD 1 bn estimated annual revenue inflows to Egypt from the projects
- EGP 200 bn total direct investments
- EGP 285 bn future tax returns
- A comprehensive international resort community that can accommodate 250,000 inhabitants
- 100,000 direct employment opportunities
- 25,000 hotel rooms
- 25,000 residential units
- 850,000 m² commercial and entertainment space



*As of end of fiscal year 2015



MANAGEMENT REVIEW

LETTER FROM THE CHAIRMAN



Mr. Adel Hammad
Chairman of the Board

Dear Shareholders,

It gives me great pleasure to address you in the opening pages of this year's Annual Report. The last 12 months were interesting, to say the least. As wrought with challenges as they were, they also afforded us many opportunities to demonstrate the buoyancy of a strategy that has and continues to carry us through the most difficult of circumstances.

While the year began on a high-note with the successful Egyptian Economic Development Conference (EEDC) in March laying down the prospects for long-term economic growth, immediate challenges remained ever-present. Egypt's tourism sector, just as it was beginning to show signs of real recovery, was hit hard in the fourth quarter when a Russian airliner crashed after taking off from Sharm El Sheikh, raising security flags around the world and prompting many key inbound markets to ban travel to Egypt. That, coupled with a sharp shortage in foreign currency, had major implications on business activity and hampered growth across many industries.

It was amid these trials, however, that much was also accomplished. Over the course of the year, 19 MoUs signed during the EEDC materialized into actual contracts, collectively worth some USD 58 billion and mostly focused on much-needed investment in infrastructure in key sectors like healthcare, education, and public services. This promising success from the first conference also gave rise to talks of others in 2016 and beyond, as confidence is high that Egypt's economic challenges are easing. In fact, it is during such trying times that both confidence and a drive for investment must remain strong to position ourselves to capture the gains of the inevitable rebound.

These are not just words on paper, but actions on the ground. The year just ended saw ERC begin to reap the fruits of a patient and careful strategy of building a real community in Sahl Hasheesh. It was during this transformative year that we continued to capitalize on the pool of human and capital resources to achieve development milestones, create successful campaigning, and capture market opportunities. These steps allowed us to build a full-fledged residential community and top-tier hospitality destination, positioning Sahl Hasheesh as the new "place to be" on the Red Sea as we expanded our focus to a wider client base and continued to invest in our business.



Over the course of the year, we had continued our pursuit of long-term value for our shareholders by investing heavily in the development of infrastructure and fostering value-adding partnerships that are helping us realize our primary goal of turning Sahl Hasheesh, ERC's flagship development, into a full-fledged year-round residential community that caters to first- and second-home owners as well as domestic and international tourists.

This year, ERC executed unprecedented land sale contracts to sub-developers who will bring key amenities and attractions meant to solidify Sahl Hasheesh's positioning as an attractive destination for holidaymakers and year-round residents alike. Our plans for the future include a school and a university, a theme and aqua park, a hostel, and other residential developments. Additionally, the year also saw us receive the green light from the TDA to start developing the much-anticipated Sawari Marina project and also begin to market our up-and-coming Tawayaya project with Palm Hills Developments.

With the current absence of the international tourist, our marketing efforts had targeted se-

lect domestic visitors through numerous events and activities – from music festivals to sporting events – that have seen the community steadily gain in popularity amongst our target local audience. Today, and despite lower-than-average numbers, still the Red Sea coast continues to boast the highest occupancy rates in Egypt, standing at a 64% average in 2015 and boding well for the area once tourism makes it slow but sure recovery.

I would like to extend my gratitude and thanks to our dedicated team of board members and leaders for their expert guidance; our shareholders for their confidence; and our sub-developers for their unyielding resilience and optimism. Without that support, ERC's successes would have not been possible. I remain optimistic about what lies ahead and I truly believe that Egypt's future holds promising things for all those who have remained patient and hard-working during the difficult times.

Mr. Adel Hammad
Chairman of the Board

NOTE FROM THE CEO



This year's annual report is bittersweet on a personal level as I look back not just on our company's achievements in the year, but at the progress we have made since I became Chief Executive Officer in January 2010. By the time you read these words, I will have stepped down as CEO and joined the Board of Directors as Vice-Chairman, handing my duties to former board member Wael El-Hatow as I return to KATO Investment, my family's business and an ERC shareholder, as Vice-Chairman and CEO.

Taken on the whole, 2015 was a rewarding year for ERC, one in which our team built on the success of our own-brand developments and capitalized on the return of sub-developer appetite for land to deliver a decisive return to profitability. We are thus fortunate to have begun 2016 from a position of strength after the tragedy of Metrojet Flight 9268, which crashed in the Sinai on 31 October 2015, leading our industry once again face stiff headwinds. The disaster saw key inbound nations impose a ban on direct flights to Egypt, helping send total international tourist arrivals to Egypt down 6% year-on-year to 9.3 million visitors for the year.

If there's one lesson we have learned since 2011, it is how to manage the growth, development and mar-

keting of Egypt's premier Red Sea community amid adversity that is entirely unrelated to our city. We will call upon these lessons once again as we wait for macro conditions to improve and tourists to return: We will continue to develop our own assets within Sahl Hasheesh, we will invest in infrastructure and assets that add value to our community, and we will continue to position Sahl Hasheesh as the most desirable vacation and second-home destination for a captive market of millions of Egyptians who are seeking domestic alternatives to international travel.

Key achievements of 2015

Among the most important developments of 2015 was our receipt of regulatory approval from the Tourism Development Authority (TDA) to redefine the boundaries of Sahl Hasheesh's Phase 2 to include the full 1.1 million square-meter initial phase of our proprietary Sawari Marina project. Sawari is set to become the premier marina on the Red Sea and the crown jewel of Sahl Hasheesh; it will also put ERC on track to book significant revenues once deliveries start. We also began last year sales of the Tawaya apartments in Old Town, in partnership with Palm Hills Developments, with 20% of available units selling out in the initial sales phase.

On the land sales front, we recorded USD 71.9 million in 2015, most of which have been recognized as sales in 2015.

In parallel, we continued to invest considerable resources into developing Sahl Hasheesh's reputation as the hottest destination on the Red Sea coast for domestic holidaymakers. This included an expanded program of sporting events, a full calendar of our traditional summer Boardwalk beach parties and the launch of one of the largest music festivals to ever take place on the Red Sea, "Blurrfest."

Here, our second annual triathlon — organized by Cairo's Trifactory Club — saw 400 athletes from 11

countries compete in swimming, cycling, and running over the course of two days. For the first time ever, in December, ERC hosted and helped organize its first national equestrian event, a three-day showjumping competition that saw over 250 riders compete in front of some 800 guests.

Together, these activities have ensured Sahl Hasheesh continued to enjoy average occupancy and room rates among the highest in the Red Sea region (which in turn largely outpaced the whole of Egypt). We are widening this advantage in 2016 with an elegant, 360-degree national marketing campaign developed in partnership by DDB to market the Sahl Hasheesh lifestyle. The campaign includes print, billboards, social media, television and radio under the banner of "Change" and has received a very warm reception from our target audience. And we will continue to widen our lead as the top destination on the Red Sea in May 2016 when we welcome the American Ninja Warrior crew to Sahl Hasheesh — a first for our city and for the country at large.

Further afield, we continued in 2015 to invest in the recovery of our industry, participating once again in the World Travel Market expo in London with a new booth and novel material to present to global travel industry leaders. Moreover, we sponsored the African Hotel Investment Forum (AHIF), which took place this year in the Ethiopian capital of Addis Ababa. The AHIF is a prominent conference and considered the largest annual tourism and hotel investment conference in Africa, bringing together hundreds of local, regional, and international investors and operators to discuss ways to push touristic development in the region.

On continuity and new beginnings

As I prepare to hand over to Wael, I am and always will be, eternally grateful for the opportunity I was given to play a part in the development of this truly unique vision-turned-reality: The creation of a fully-integrated model city on the shores of the Egyptian Red Sea. It is an endeavor I am confident Wael will guide to new heights as he continues where I leave off and looks to innovate in our business model going forward.

In the past five years, we have sailed — with grace, high spirits, and operational and financial integrity — through the toughest years in the history of

the Egyptian tourism industry. Despite remarkable challenges, we achieved a great deal. Among many things, I would like to highlight:

- Sahl Hasheesh finalizing a new master plan for its 32 million square-meter destination (two-thirds the size of Manhattan), having worked with eight world-class consultants to do so;
- Sahl Hasheesh growing from a resort with c. 1,000 operating hotel rooms and 600 delivered residential units to an integrated community with more than 3,000 operating hotel rooms and over 1,600 delivered residential units;
- Sahl Hasheesh becoming the Red Sea's destination of choice for tour operators, developers, and holiday goers alike;
- Sahl Hasheesh launching Old Town — today the destination of choice for a day on the beach;
- ERC maintaining its debt-free policy and delivering on all infrastructure obligations; and
- ERC delivering its strongest financial performance ever in 2015, with record sales, gross profits and collections.

We have designed and implemented a full restructuring of the company, building in the process a strong, proactive, continuously-improving executive team with a clearly communicated strategy, plan, and set of priorities. The company is continuously pushing the envelope to operate based on systems and processes that support the delivery of results independent of any single person in the company.

ERC and Sahl Hasheesh could not be more ready to capitalize on the industry's inevitable recovery.

I look forward to serving ERC in a non-executive capacity and I am grateful to maintain my bond with the company. I am humbled to have been asked by our board to serve as Vice Chairman, and I pray I will continue to live-up to their expectations.

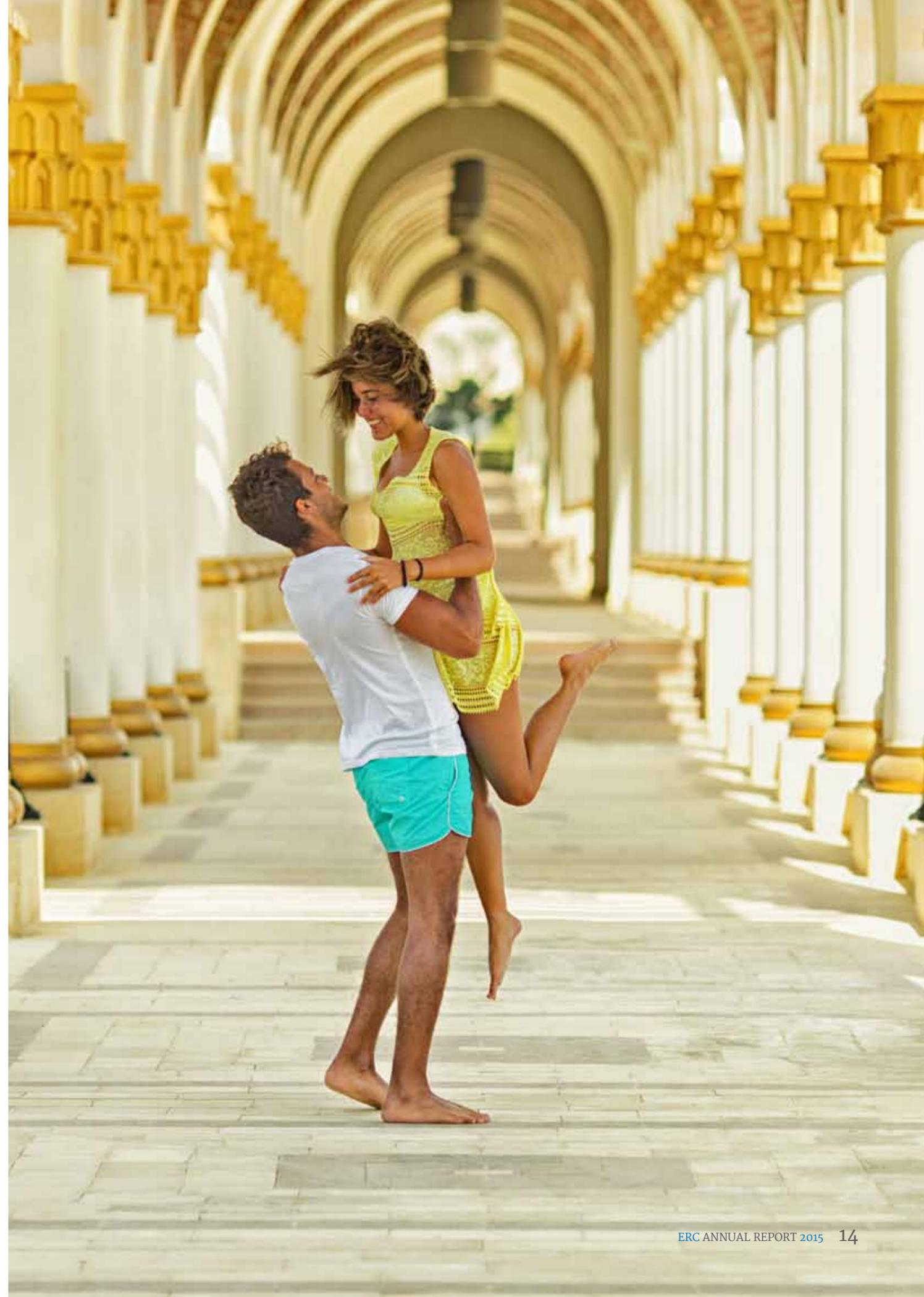
Mohamed Kamel
Chief Executive Officer (January 2010–May 2015) and Vice-Chairman

OUR BUSINESS MODEL & STRATEGY

The company pursues an integrated, full-cycle development strategy. It acquires broad acre land holdings suitable for premium mega development at nominal value, creates a master plan with some of the world's leading architectural and urban planning firms, builds state-of-the-art infrastructure, implements design guidelines and community management rules and regulations, and then on-sells individual pre-designated plots to sub-developers and investors whose main businesses range from hotel ownership, operation, and management, to luxury residential real estate development.

Land Sales

Unlike most developers, ERC focuses on the macro development of infrastructure and the subsequent sale of project-defined land parcels to qualified developers who will bring key amenities and attractions to Sahl Hasheesh. The timing of land sales — which tend to be large, strategic plots — to value-adding developers is based on a strategic assessment that balances current supply and future demand for real estate and hospitality products. ERC targets a healthy pace of land release so as to preserve the value of its residual land bank as well as the returns on the investments of sub-developers.





Strategic Real Estate Development

ERC builds and manages, directly or through subsidiaries, a number of strategic one-off assets within the community to ensure the presence of a base supply of property units and critical amenities and provide a quality-control framework for other sub-development projects. ERC is developing what will become the premiere marina in Sahl Hasheesh, Sawari, and also continuously develops the commercial downtown core for each master-planned phase of the development.

Recurring Revenue: Utilities

ERC is the exclusive utilities provider through extensive investment in state-of-the-art infrastructure, including: water desalination plants, a sewage treatment plant and its supporting lift-pump stations, electricity substations and distributors, and the latest generation fiber optic networks. ERC has also embarked on its plans to bring renewable energy into the mix, signing an agreement with the Egypt-based KarmSolar to build a USD 2.5 million cutting-edge solar energy installation with a minimum generation capacity of 2 MW, as part of the company's commitment to environmental sustainability in Sahl Hasheesh. Utilities represent a steady growth stream of revenue for ERC that matches the community's pace of development.



Recurring Revenue:

Community Management Services

Complementing the utilities business, ERC's strategic model also includes community management services as a revenue stream based on a cost-recovery model. ERC provides the full array of community services to its residents including security, waste management, public area and beach maintenance, cleaning, community brand and reputation management, and quality and design control.

Future Expansion

Although ERC's present operational focus is on the development of Sahl Hasheesh, the company continues to target a position as the region's leading master-developer. The institutional skill sets and best practices developed on the Red Sea coast are equally portable to other large-scale mixed-use, industry-based or agriculture-based communities, both locally and internationally.

Adapting to a Fluid Outlook

At Sahl Hasheesh, developers continue to deliver on their projects. This has led to an increase in revenue to ERC from the sale of utilities.

Additionally, management has decided to focus its efforts on the following strategic opportunities:

1. Growing strategic real estate projects: Sawari Marina, Tawaya, Old Town commercial center, and Jamaran villas are key projects that drive ERC's second revenue stream, increase Sahl Hasheesh's attractiveness and encourage widespread development.
2. Soft Destination Marketing: Adopting a pull-marketing approach has helped position Sahl Hasheesh as the destination of choice for visitors as well as encouraged developers to resume investment as second home purchases and tourism activity regain momentum.
3. Expanding land sales to key developers: Attracting investments through products tailored to developers' needs remains the main revenue driver for ERC.
4. Contingency Planning: In the unlikely event that the TDA does not reverse its withdrawal of the Phase 3 land area, ERC has been actively building the capacity to shift the business model from a pure master developer to a B2C developer with approximately 2.7 million m² available for development over the next 9-12 years. Tawaya and Jamaran are the first two products of ERC's B2C expansion.



OUR CURRENT MARKET



Comprehensive mega-resort developments are long-term projects that have to keep in step with tourism and real estate market needs in order to remain financially viable.

Growth rates for the number of hotel rooms at the most prosperous international resorts (Majorca, Malaga, Tenerife, Gran Canaria) generally range from 900-1,800 rooms a year, which indicates that the natural development period for Sahl Hasheesh should range between 30 to 50 years to safeguard the area's success and ensure that supply is in step with market demand and its underlying growth drivers.

Egypt was faced with a number of difficult circumstances in 2015, beginning with a severe shortage in foreign currency that affected many businesses across the board and ending with a major setback to the tourism industry following the crash of a Russian airliner after its takeoff from Sharm El Sheikh International Airport in November. The incident gave rise to much global concern about Egypt's safety levels, spurring reactions from the international community that saw severe measures, such as travel bans and the temporary suspension of flights to the country, imposed on Egypt in the final quarter of the year.

As such, tourism figures – following a substantial period of gradual recovery – witnessed a decline,

with arrivals down 6% y-o-y in 2015 to 9.3 million tourists and revenues reflecting an even higher drop of 19% to USD 6.1 billion. The average number of nights spent dropped as well to about nine nights per tourist.

As has been the norm in recent years, the Red Sea – which represents 31% of Egypt's total hotel capacity – enjoyed substantially higher occupancy rates than the rest of the country, standing at 64% at the end of the year. The Red Sea coast's tranquil atmosphere and year-round warm weather have always been the area's major selling points, attracting both foreign and domestic tourists and visitors. ERC's marketing efforts in recent years have concentrated on attracting both types of tour-

ists, but specific focus was placed on encouraging a select group of Egyptians to explore the vacation possibilities offered by their own country.

Our destination marketing plans and full calendar of events and activities have driven increased tourist traffic to Sahl Hasheesh, but more importantly this year was the return of sub-developer appetite for value-adding land acquisitions and capital-intensive developments, as a sign of confidence in an inevitable sector recovery.

Adverse conditions have and will always pose challenges for economies worldwide, but they also serve as fertile ground for long-term investments. This year, and despite the setbacks, a number of

indicators foreshadowed the gradual and eventual return of stability to the Egyptian market, including increased investor interest – a prerequisite for the return of tourism. For instance, 19 MoUs signed during the Economic Development Conference last March have already materialized into actual contracts, mostly centered around infrastructural development in key sectors such as transportation, education, and public healthcare.

We believe that a full market-wide rebound is imminent and that ERC is well positioned to successfully capitalize on the sector's recovery.

EVENTS

In 2015, ERC had a full calendar of events and activities, including a few “firsts,” which ranged from conferences, to sporting events and beach parties – all as part of the company’s ongoing efforts to attract visitors looking for a safe and fun place to relax on the Red Sea coast.



The World Travel Market (WTM) Expo

in London in November 2015 saw ERC make a consecutive return, with a new booth and new materials to present to travel industry leaders from around the world, as part of company efforts to market Egypt and the Red Sea coast to international tourists and holiday-makers.

The African Hotel Investment Forum (AHIF)

took place in the Ethiopian Capital of Addis Ababa in 3Q 2015. The AHIF is the largest annual tourism and hotel investment conference in Africa, where hundreds of local, regional, and international investors and operators gather to discuss ways to drive touristic development in the region.

The Sahl Hasheesh Triathlon

was held in December 2015 for the second consecutive year and saw 400 athletes from 11 countries led by Cairo’s Trifactory Club compete in swimming, cycling, and running over two days.

A National Equestrian Championship

was hosted in Sahl Hasheesh in December 2015 with great success; the three-day showjumping competition had over 250 riders competing in front of some 800 guests in attendance for the competition’s finals.



The Annual Boardwalk Beach Parties

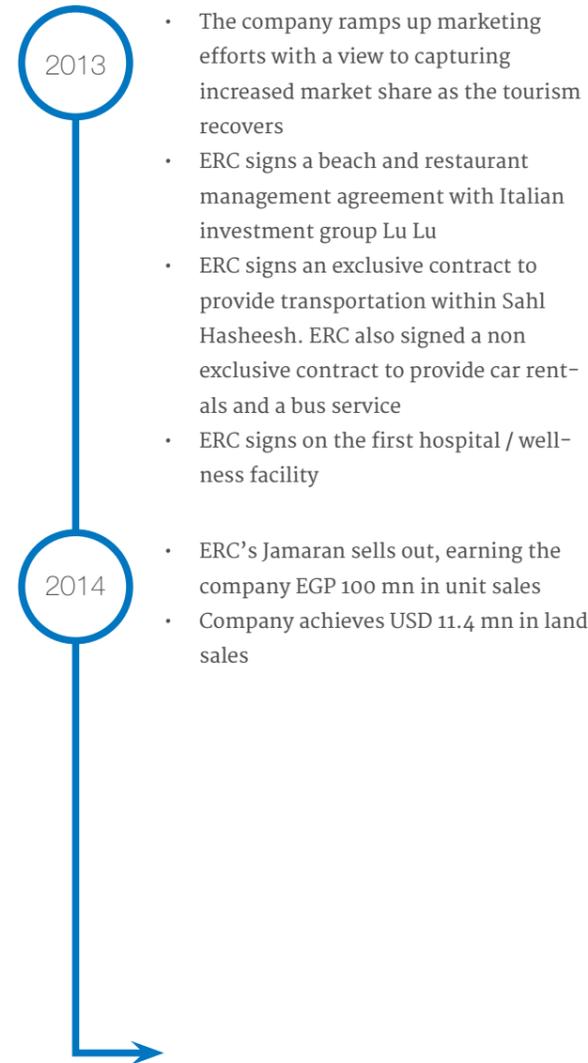
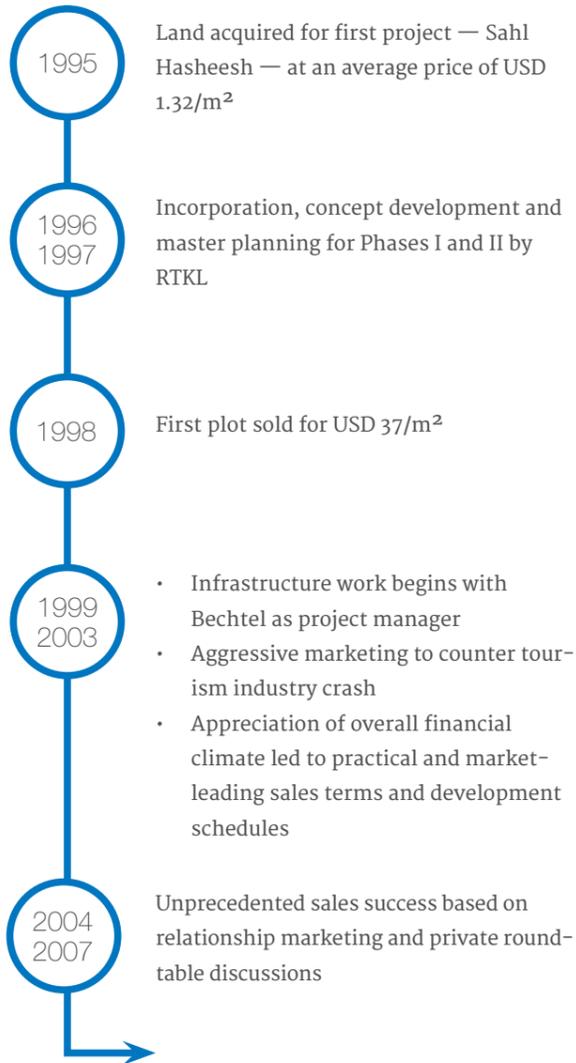
resumed in July 2015 and ran until October, with a weekly event held on Sahl Hasheeh’s gorgeous beaches each Friday. This year’s series featured renowned international DJ Axel Fowley.

Blurrfest

was hosted in the Sahl Hasheesh landmark Arrivals Piazza in September 2015 and was one of the largest music festivals to ever take place on the Red Sea coast. The festival featured a number of local and international DJs and took place over the course of two days.



THE HISTORY OF ERC'S SAHL HASHEESH COMMUNITY





ERC Master Development:

SAHL HASHEESH

SAHL HASHEESH

Covering an area approximately two-thirds the size of Manhattan with a beach front that runs over 12.5 kilometers long, Sahl Hasheesh has been meticulously planned as a largely self-sufficient year-round resort community furnished with well-rounded touristic and residential conveniences and complemented by an integrated and comprehensive service community.

The Sahl Hasheesh Vision

The Sahl Hasheesh concept revolves around establishing a self-sustaining, year-round resort community on the Red Sea coast, equipped with full facilities and infrastructure, with minimal dependency on government resources. Sahl Hasheesh is to provide a full spectrum of amenities and attractions, including: hotels and residences, golf courses, sports clubs, along with comprehensive community services including city administration, hospitals, schools, universities, and research centers, all powered by a diverse workforce that forms an integral part of the Sahl Hasheesh community and is supported by a substrate of SME activities.

To accomplish this vision, ERC has contracted leading global consultants to analyze and adopt the best development practices and ideas from successful international resort communities, setting a new benchmark for the planning of Egyptian resort cities.

In developing Sahl Hasheesh, ERC is responsible for:

- Urban Planning
- Design Guidelines and Conditions
- Development and Enforcement
- Infrastructure Investment
- Strategic Asset Development and Management
- Maintenance and Community Management



ERC acquired the Sahl Hasheesh land bank in 1995, and has, over the years, developed strategic partnerships with leading global consultants to develop and manage the community according to the highest international standards. ERC planned and directed the development of Sahl Hasheesh in such a way that saw the weighted average price (WAP) of its land bank reach a high of USD 143 per square meter.

With stunning and modern four- and five-star hotels, luxurious and affordable apartments, a beautiful downtown waterfront, unforgettable dive sites, golf courses, and a world-class marina, Sahl Hasheesh is on-track to become one of the most exclusive spots on the Red Sea.

Nestled in the spectacular surroundings of Sahl Hasheesh, hotels and apartments with direct beach access are continuously being developed and made available for short-term stay, purchase or lease. The resort's hotels, including the Old Palace, Pyramisa Sahl Hasheesh, Premier Le Reve, Premier Romance Tropitel, and Baron Palace are consistently ranked within Trip Advisor's list of the top 10 Red Sea hotels and offer vacationers the best value-for-money on the Egyptian Red Sea coast. The highest quality flats at the Old Town, Azzurra, Veranda, Palm Beach Piazza, Paradise Gardens, El Andalous and Ocean Breeze offer second-home buyers and investors a first-rate price/performance ratio. Short flight times from all European capitals, a warm climate throughout the year, and the government's commitment to expanding the tourism industry promise dynamic growth in tourist arrivals and Red Sea real estate prices in the coming years.

The Development of Sahl Hasheesh

Phases 1 and 2 of Sahl Hasheesh are presently home to 1,554 residential units and 3,192 hotel rooms and suites managed by brands that include Premier Le Reve, Premier Romance, Pyramisa Sahl Hasheesh, and Tropitel. In addition to the completed hotels and residential neighborhoods, 39,738 square meters of commercial, retail and entertainment property are developed for lease.

The quality of the developments completed thus far and the promise of an excellent long-term return on



investment continue to form the basis of negotiations with industry-leading brands, such as Palm Hills Developments, with whom ERC is developing and marketing the Tawaya beachfront apartments project.

Recent Developments

In 2015, ERC signed a number of notable partnership agreements and continued its pull-marketing campaign and infrastructure development at Sahl Hasheesh.

Highlights include:

- Signed land sale contracts in 2015 that included a number of capital intensive pieces of community infrastructure – such as a school, a university, and a hostel – as well as major attractions like a world-class theme and aqua park.
- Signed a long-term land lease contract with renewable energy front-runner KarmSolar to build a USD 2.5 million solar energy

installation with a minimum generation capacity of 2 MW on a 50,000 m² land plot, located far from existing residential developments. KarmSolar has right to use the land for a period of 27 years, during which time ERC will be entitled to a 2% share of revenues, as mandated by the government's feed-in tariff (FIT) program.

- Continued our proactive pull-marketing efforts designed to appeal to select Egyptian tourists, drawing in an increasing number of domestic visitors.

In May 2016, Sahl Hasheesh was proud to host the international television series Ninja Warrior to film the latest edition of the franchise, Ninja Warrior Arabic. The two-day event featured a press conference, live course demonstration and a gala dinner attended by celebrities and including a performance by Nancy Ajram.

On the Horizon

ERC is in the process of commencing the development of Phase 1 of the Sawari Marina. 2015 saw the company update master plans and feasibility studies for the 1.1 million square meter development, in addition to renewing licenses and government approvals necessary to open sales to the market in 2016 or early 2017. The project is set to be developed over the course of seven to nine years and is poised to become the premier marina on the Red Sea coast and the crown jewel of Sahl Hasheesh. The first phase will center around a world-class yacht club and marina with room for more than 330 boats and yachts of up to 60 meters in length. This phase will also include more than 1,000 villas and apartments along the marina basin and lagoon, as well as an extensive pedestrian promenade featuring more than two kilometers of boutique shopping, fine dining and cafés as well as nightlife and entertainment venues.

ERC’s subsidiary Sahl Hasheesh Company (SHC) is also co-marketing seafront residential apartments

with industry leader Palm Hills Developments.

Infrastructure: Phases 1 & 2

Creating comprehensive networks of state-of-the-art infrastructure lies at the core of ERC’s development framework and business model as showcased at its flagship resort community of Sahl Hasheesh. By controlling the provision of essential utilities at its communities, ERC ensures the highest standards of service delivery, while securing an important revenue stream and providing sub-developers with attractive plug-and-play services.

Infrastructure works for Phases 1 and 2 of Sahl Hasheesh have been completely self-funded by ERC and include an extensive road network with complete roadside and public service area lighting systems, thorough water supply, irrigation and water treatment facilities, reliable electric power distribution networks, and cutting-edge communication systems.

Roadways and Lighting System

- Connected the development to public roads; north with the Hurghada-Safaga highway and south with Makadi Bay highway
- 42 km of internal roadways
- 12.5 km seaside promenade
- Complete lighting network for roadways and public service areas

Water Supply

- 14,000 m³ / day desalination plant
- 31,283 m long water supply network
- 12,000 m³ of water storage capacity

Sewage Treatment & Irrigation

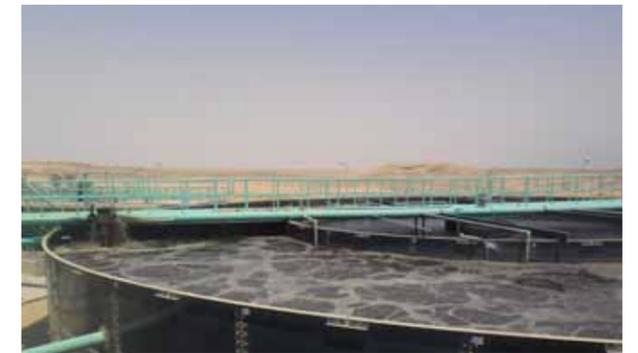
- 7,500 m³ / day sewage treatment plant
- 8 lift pump stations
- 14,085 m long main sewage network
- 26,068 m of gravity pipeline
- 16,994 m long irrigation system
- 113,317 m long surface irrigation network
- 6,000 m³ of irrigation water storage capacity and a 6,000 m³/day pump stations

Electricity

- 20 MVA through El Canal Company for Electricity Distribution
- 128,478 m long power network in 5 radial loops to serve Phases I and II
- 57,207 m of cables to light up the resort’s road network
- Received a permit to establish a 220/66 kV substation with a production capacity of 125 MVA to cover future power requirements
- Licensed power distributor within Sahl Hasheesh since 2012

Communication and Information Technology

- 13,000 m long main optical fiber backbone network
- 4,500 m long sub network
- 13 cellular towers supporting three mobile operators
- Leading IPTV, Video on Demand (VOD) service provider, iBAHN, serving all elected projects
- TEVOTECH offering triple-play broadband services to sub-developers
- TEVOTECH, Link dot Net and Noor offering high-speed internet services to sub-developers



| | Current | Upon Project Completion (Phases I, II, and III) |
|---|--|---|
| Hotel Rooms | Delivered : 3,192 Under Construction: 6,300 | Projected: 25,000 |
| Residential Units (villas / apartments) | Delivered: 1,554 Under Construction: 670 | Projected: 25,000 |
| Entertainment and Retail Space | Retail: 39,738 sqm | Projected: 850,000 sqm |
| Sahl Hasheesh Population | 4,500 (est) | Projected: 200,000-270,000 |
| Total Number of Projects under construction (hotel & residential) | 16 | Projected: 181 |

STRATEGIC PROJECTS

The Sawari Marina

- This landmark project was planned by renowned resort planners WATG
- The first phase of the project will accommodate up to 330 yachts of up to 60 meters in length, two five-star hotels, and one four-star property around the marina basin
- Phase 1 will also feature more than 1,000 villas and apartments along the marina basin and the lagoon, in addition to a two-kilometer long pedestrian promenade featuring a number of boutiques, restaurants, cafés, and nightlife entertainment venues

Tawaya

- Announced in early 2015, Tawaya will consist of residential and commercial space in Old Town, to be developed together with Palm Hills Developments
- The project will include 147 beach-front apartments with a total built-up area of 14,262 square meters
- The project is now fully constructed and finishing will be completed over the coming 12-18 months

The Arrivals Piazza

- The 10,000 sqm Arrivals Piazza lies at the heart of the resort directly overlooking the sea, creating a daytime and nighttime attraction
- The facility can accommodate 15,000 visitors or a 2,500-person dinner gathering, and currently hosts mega weddings and events

Old Town: Phase 1 Mixed-use Center

- The first phase covers 14,689 sqm with a built-up area of c. 44,000 sqm across eight buildings
- In addition to being home to the Tawaya project, which contains 147 residential units, Old Town also houses 119 retail outlets, which include 117 shops, a spa and a pub, 23 food and beverage outlets and three cinemas

The Pier

- This iconic structure extends seawards for 489 m and approvals have been obtained to dock visiting boats there, with a capacity of 9 medium-sized yachts

Phases 1&2: TOURISTIC AND RESIDENTIAL PROJECTS

Baron Palace Resort Sahl Hasheesh



Old Palace Resort Sahl Hasheesh



Azzura



Land plot sales to value-adding sub-developers is the primary source of revenue for ERC. Land plot usage is determined by ERC in accordance with the overall master plan and sales are planned in the best interest of the community and ERC's strategic market outlook. To date, approximately 77% of the total land available for sale in Phases 1 and 2 has been sold. The projects to be set up on these plots include 23 hotels, 22 residential projects, two golf courses, three commercial projects, the marina, a school and a university.

Premier Le Reve



Tropitel Sahl Hasheesh



Premier Romance



Phases 3: OUTLOOK

The development of the Phase 3 master plan has entailed revisiting some aspects of the first two phases to enhance continuity between all phases and achieve the ultimate project goal of developing a truly comprehensive international resort community that can accommodate 250,000 inhabitants.

Phase 3 covers an area of 20 million square meters and lies behind the first two phases, starting approximately 1.5 kilometers away from the shoreline with development reaching as far back as 5 kilometers from the sea. As satellite imagery clearly reveals, this depth of desert development from the seafront is unprecedented on the Hurghada coastline.

To date, ERC has spent approximately EGP 50 million in fulfilling Phase 3 leasing fees to the TDA and on land allocation and contractual installments for the acquisition of the Phase 3 land. In addition, approximately EGP 50 million have been expended on planning and development studies for this phase. The company remains keen on attaining unparalleled heights for community planning and development in Egypt through the creation of a comprehensive resort town for future generations while maintaining overall harmony, homogeneity and continuity across all project phases. In order to accomplish this overarching vision ERC has contracted top-tier international consultants, within their respective specializations, to plan Phase 3 and maintain the exceptional standards that the company has adopted since inception:

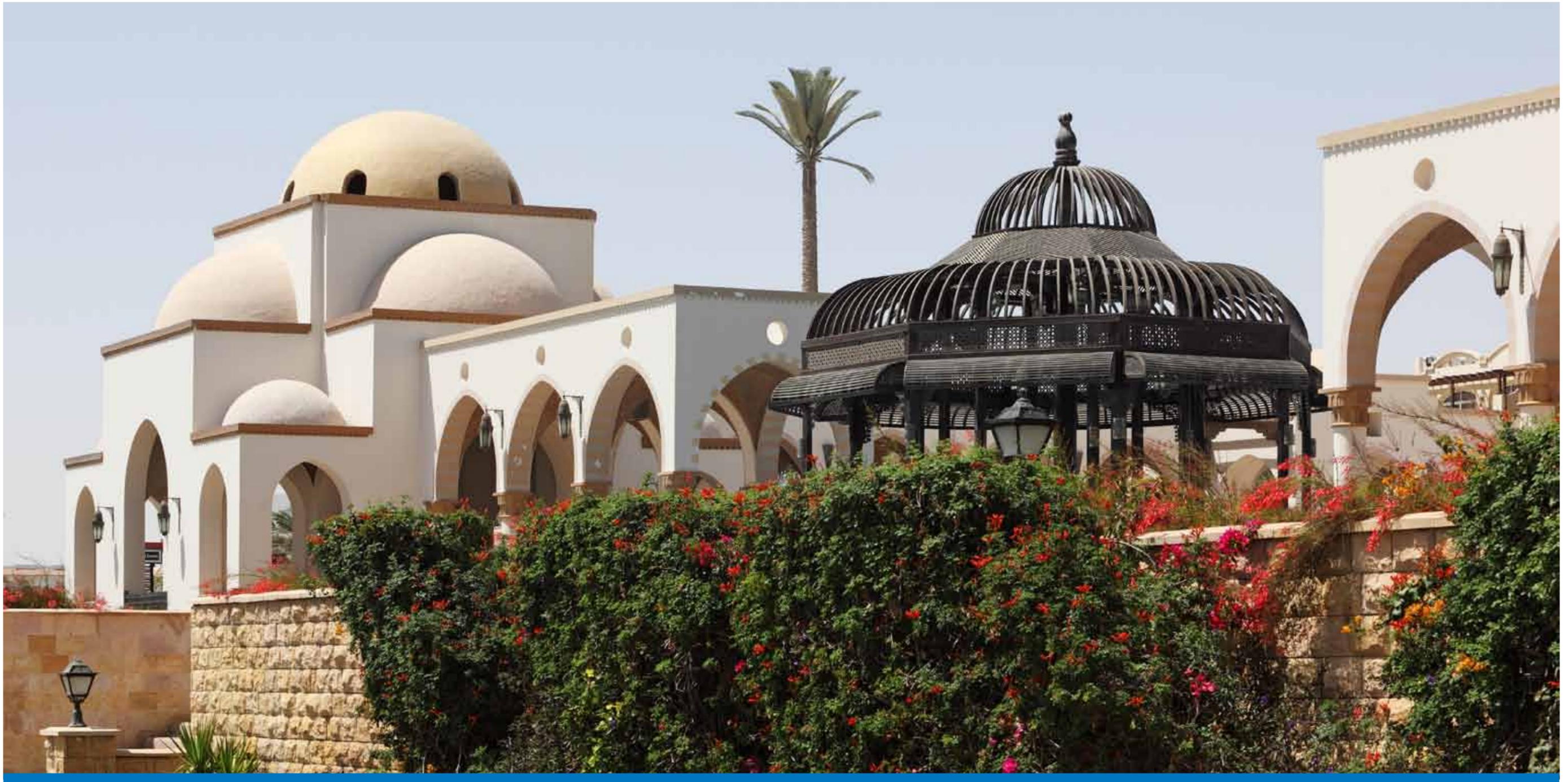
Sahl Hasheesh Development Partners

| | | |
|--|--------------------------|-------------------------------|
| Master Planning Consultant | WATG Inc. | Irvine, California, USA |
| Market and Feasibility Consultant | AECOM | London, UK |
| Traffic, Transport, and Mobility Consultant | Mobility in Chain (MIC) | Milan, Italy |
| Infrastructure and Local Planning Consultant | AAW Consulting Engineers | Cairo, Egypt |
| Lakes and Waterways Consultant | Buro Happold | Bath, UK |
| Sustainability Consultant | XCO2 Energy | London, UK |
| Environmental Consultant | Environics | Cairo, Egypt |
| Cost Consultant | Davis Langdon | London, UK And Cairo, Egypt |
| Landscape and Open Space Consultant | EDSA | Fort Lauderdale, Florida, USA |



Sahl Hasheesh DEVELOPMENT PARTNERS

| | | | | | | | | |
|--|--|---|---|--|--|--|--|--|
| | | | | | | | | |
| <p>Phase I and II Master Planners</p> | <p>Phase III Lead Master Planners</p> | <p>Phase I Infrastructure Supervisor</p> | | | | | | |
| | | | | | | | | |
| <p>Feasibility Consultant (Phase I and II)</p> | <p>Specialist Infrastructure Engineer and Local Master Planner</p> | <p>Communication Networks</p> | | | | | | |
| | | | | | | | | |
| <p>Sustainability Consultant</p> | <p>Waterways and Lakes Engineering Consultants</p> | <p>Communication Networks</p> | | | | | | |
| | | <p>Fiber Optic Network Contractor</p> | | | | | | |
| <p>Traffic Management Solutions</p> | <p>Landscaping Consultant</p> | <p>Desalination Plant Contractor and Operator</p> | <p>Desalination Plant Contractor and Operator</p> | | | | | |
| | | | <p>Video-On-Demand Provider</p> | | | | | |
| <p>Strategic Assets Development Consultant</p> | <p>Feasibility and Market Analysis Consultant</p> | <p>Communication Networks</p> | | | | | | |
| | | <p>Sewage Treatment Plant Operator</p> | | | | | | |
| <p>Environmental Consultant</p> | <p>Electrical Networks Design Consultant</p> | | | | | | | |



ERC PROJECTS

SAWARI: THE MARINA AT SAHL HASHEESH

| | Description | Main Responsibilities |
|--|--|--|
| The Owner: ERC | <ul style="list-style-type: none"> • Master developer of international standard resort communities on a fully-integrated management basis • Incorporated in Egypt and headquartered in Cairo • Acquires broad-acre land holdings suitable for premium mega resort development at nominal value, creates master plans in partnership with global urban planning firms, invests in infrastructure and manages the community | <ul style="list-style-type: none"> • Project Support and Approvals • Project Oversight & Controls • Direct Contractual Relationships • Cash Flow |
| The Designer: WATG | <ul style="list-style-type: none"> • World's leading design consultant for the hospitality, leisure, and entertainment industries • Delivered award-winning designs in 160 countries and territories across six continents • Turned projects into international landmarks, renowned not only for their design and sense of place, but also for their bottom-line success | <ul style="list-style-type: none"> • Concept Master Plan • Concept Architecture (Phase 1) • Design Supervision |
| The Development Manager: Orascom Development and Management | <ul style="list-style-type: none"> • Wholly-owned subsidiary of ORASCOM Development Holding AG (ODH) • ODH is a developer of fully-integrated towns, offering hotels, private villas, apartments, leisure facilities, and supportive infrastructure • Expert developer of marina-centric communities • The Group has an attractive pipeline of projects under development in seven countries | <p>Development Management, including:</p> <ul style="list-style-type: none"> • Project Initiation and Planning • Project Design and Tendering • Project Execution and Construction • Contract Administration • Support and Advisory Services • Sales and Marketing |

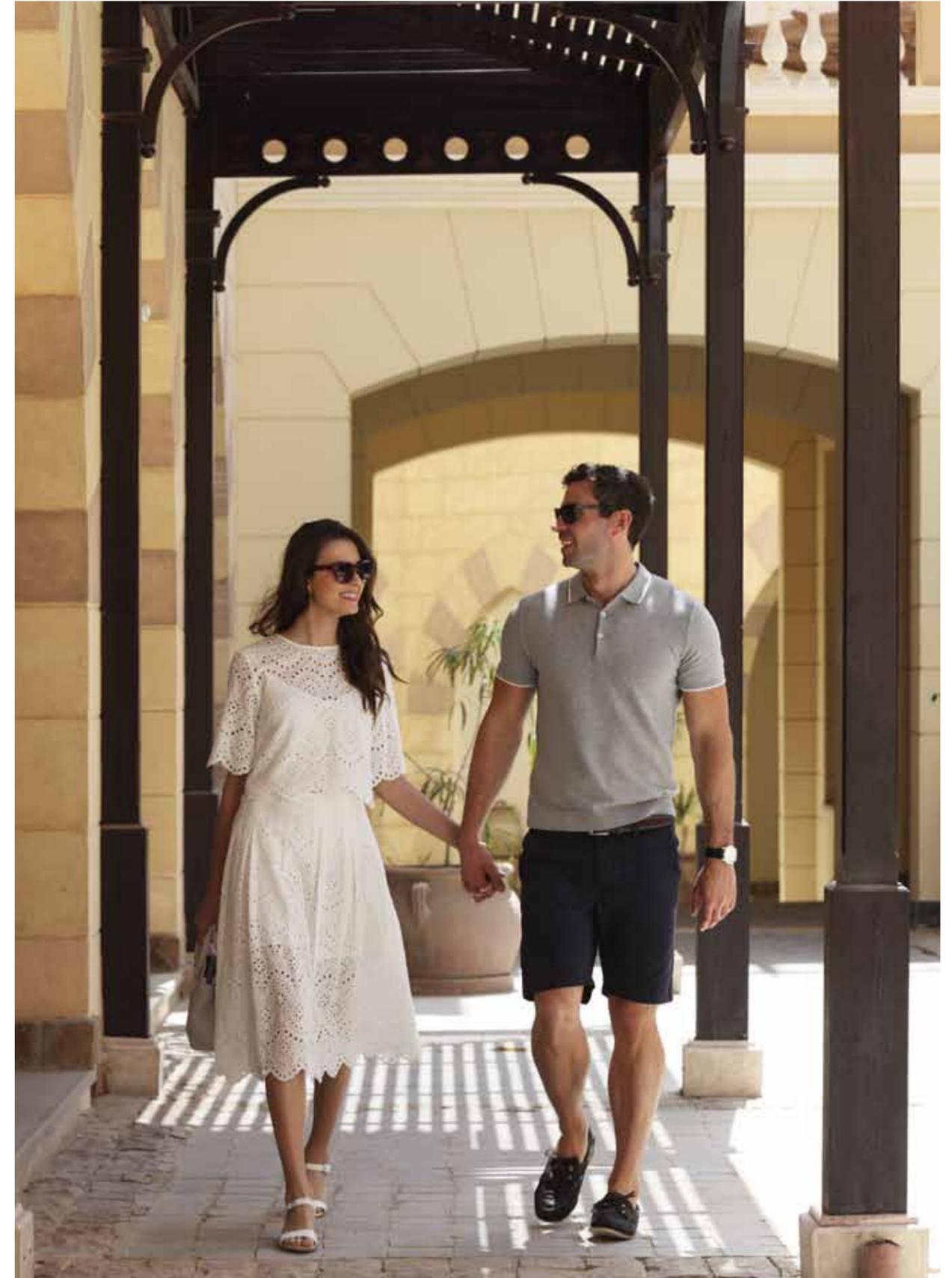


| | |
|-------------------------------|--------------------------|
| Total Area (Phase 1) | 1,114,052 m ² |
| Water Surface | 117,000 m ² |
| Number of Hotels – Phase 1 | 3 |
| Villas / Apartments – Phase 1 | 1,095 units |
| Pedestrian Promenade | 2 km |

TAWAYA: SEAFRONT APARTMENTS IN OLD TOWN

In early 2015, ERC and Palm Hills Developments jointly announced the co-development of a beach-front apartment project in Old Town, to be called Tawaya. Sales launched during 1H15 and the fully-constructed project is set for completion within the next 12-18 months.

The project's total built-up area totals 14,262 square meters, which will include 147 beach-front apartments and 13 standalone rooftops with sizes ranging from 60 to 294 square meters per unit.



JAMARAN: SEAFRONT VILLAS

Sold-out Beachfront Project

Located in the northeastern corner of Sahl Hasheesh, Jamaran’s beachfront location affords unlimited views of the Red Sea’s shimmering waters. Spanning a total area of 320,000 square meters, Jamaran will be home to 181 villas when work on the site is complete. Homeowners have the choice between four different villa designs, each of which possesses its own unique architecture style while embodying the elegance, simplicity and charm associated with the Jamaran name.

Each home design includes several bedrooms, state-of-the-art wash-rooms, spacious kitchens and living rooms, private backyard pools and rooftop terraces with breathtaking views of the sea. In addition to all that, each villa has a large private garden of an average size of 800 square meters, and the option of adding a swimming pool and barbecue area. In accordance with ERC design guidelines — which are designed to maintain a high level of aesthetics for the community as a whole — all villas are built to two stories, with total floor areas of around 318 square meters. As with all of Sahl Hasheesh properties, the Jamaran villas will be built according to the highest standards of modern construction.

Entertainment and Amenities

The development’s proximity to the Old Town retail and entertainment hub is a major attraction, particularly once the boardwalk connecting Jamaran to the Old Town area is completed. A range of amenities are planned for the neighborhood, including a network of parks spread out amongst the villas, a private club house to service homeowners, and a dining area and gym, acting as a gathering point for activities and a center for the community to grow. A mini golf course will also be available for residents looking to have fun without making the trip to one of the town’s professional golf courses.

| | |
|-------------------------------|----------------------------|
| Total Area | 320,000 m ² |
| Number of Villas | 51 of 181 |
| Villas BUA | 318 - 330 m ² |
| Private Garden for Each Villa | 850 - 1,000 m ² |



OLD TOWN: THE RETAIL AND ENTERTAINMENT HUB AT SAHL HASHEESH

Located at the heart of Sahl Hasheesh, ERC’s flagship Red Sea resort community, and overlooking the seaside promenade, Old Town is the development’s bustling downtown area primarily serving Phase 1 of the project. Old Town covers nearly 15,000 square meters of seafront land with a built up area of nearly 44,000 square meters, across eight buildings, offering a multitude of retail and entertainment facilities along with a number of residential apartments.

As a commercial center, Old Town has been designed with accessibility and high traffic in mind as it sits nestled between a run of boutique hotels and is centrally approachable from the resort at large.



| Component | Quantity | Total BUA (m ²) |
|-------------------|----------|-----------------------------|
| Retail Shops | 117* | 9,201 |
| Spa & Health Club | 1 | 783 |
| Pubs | 1 | 195 |
| Cinemas | 3 | 1,500 |
| Apartments | 147** | 14,262 |
| Services | - | 18,190 |

* including F&B outlets

** excluding 13 standalone rooftops



MANAGEMENT & GOVERNANCE

MANAGEMENT TEAM



Mohamed Kamel
Chief Executive Officer

Mr. Kamel assumes the role of Chief Executive Officer after having previously served on the ERC Board, Audit and Investment Committees. Prior to joining ERC, he spent eight years with KATO Investment, one of Egypt's largest and most diversified industrial and services conglomerates with over twenty subsidiaries in eight divisions operating in manufacturing, aerospace, tourism, real estate, construction, logistics, several roles in different divisions of KATO, including sales and marketing, operations and project management, business development, and finally group Vice President of Strategy. While at KATO, he was instrumental in creating the first modern privately-held, bonded warehouse at Cairo International Airport, and managed the debt-raising process from European banks for the aerospace division.

Mr. Kamel also worked as a consultant with Bain & Company in their London offices following his MBA. Mr. Kamel holds a Bachelors degree in Economics with high honors from the American University in Cairo and an MBA with distinction from Harvard Business School.



Hassan Azab
General Manager, Sahl Hasheesh

Mr. Azab has 30 years of experience developing some of the largest and most comprehensive resorts in Egypt. He has designed and commissioned hotels in Hurghada, Sharm El-Sheikh, Cairo, Luxor and Aswan, in addition to five Nile-floating hotels. A veteran Lieutenant Colonel in the Egyptian Air Force.

Mr. Azab holds Bachelors degrees in Aeronautical Engineering and Military Science.



Nasser Aboulela
Vice President – Planning and Development

Mr. Aboulela joined ERC with over 25 years of experience in hands-on management of master planning and real estate development in the United States, Japan, Russia and the United Arab Emirates. He held executive positions with major corporations including Universal Studios, Dubai World, and Skolkovo Foundation. Mr. Aboulela's involvement in high profile projects includes Universal Studios Florida Islands of Adventure, Universal Studios Japan, Honolulu International Airport in Hawaii and Zagorodny Kvartal, Russia.

Mr. Aboulela holds a Bachelor's Degree in Architecture from Alexandria University and a Masters' degree from the University of California, Los Angeles.



Mohamed Saad
General Manager – Site Operations

Mr. Saad joins ERC from Misr American Carpet Company (MAC), where he was the regional business manager (Middle East and Africa). Previously, as a general manager with El Sewedy Electrical Group, he was responsible for business development and sales of major electrical infrastructure projects, including power stations, substations, and transmission and distribution networks. He also has extensive experience in the beverage sector, having worked at Coca Cola Bottling Company of Saudi Arabia, Fayrouz International, and Pepsi-Cola's North Africa division.

Mr. Saad holds a Bachelors degree in Electrical Power and Machines Engineering from Cairo University.



Abu Bakr Makhoul
Director – Commercial

Mr. Makhoul has over 15 years of experience in strategy and commercial management. He established the commercial division at ERC in 2013 and has led the development and execution of the company's marketing and sales strategy. Prior to that Mr. Makhoul developed and led ERC's Investor Relations department since 2008. Before joining ERC, Mr. Makhoul served as the Commercial Strategy Manager at CEMEX, a world leading cement and Ready Mix producer. During his tenure with CEMEX, Mr. Makhoul was a member of a turnaround team for the operation in Egypt after acquiring a local producer and has led strategic projects in several areas of the business.

Mr. Makhoul holds an MBA from IESE Business School in Barcelona, Spain.



Hazem Kassem
Director of Approvals

Prior to joining ERC in 2008, Mr. Kassem launched an architecture and interior design firm in Cairo that has, over a seven year span, successfully delivered more than 45 commercial and residential projects in Egypt and London.

Mr. Kassem holds a Bachelor's degree in Architectural Engineering and Environmental Design from the Arab Academy for Science and Technology.



Osama Shendy
Director – Human Resources

Mr. Shendy joined ERC with 19 years' experience, bringing his extensive expertise in strategic planning, restructuring, organizational development, human resources management, and quality management systems. He has an outstanding experience in dealing with different cultures due to managing restructuring & transformation projects in multinational, private & public, as well as governmental organizations. Prior to joining ERC, Mr. Shendy has acted as lead consultant for numerous organizations such as Arabian Cement Company, Kobusch Packaging Egypt, Universal Group, Misr Al-Amria for Textile, Al Rajhi Investments, and Contact Group to name a few in addition to being Director of HR and Organizational Development at El Sewedy, Mobica and Mac Carpet. Mr. Shendy was also a National Business Planning Consultant for FAO (UN) in addition to having been a member of Board of Advisors for National Award for Excellence for both Government & Business Sector.

Mr. Shendy holds an MBA in Corporate Strategy and Economic Policy from the Maastricht School of Management, and is a certified assessor for business excellence as well as a Certified Management Consultant from Institute of Management Consultancy - UK.



Sherif Omar
Director – Planning and Design

Sherif Omar joined ERC in 2003 as Chief Mechanical Engineer, supervising a number of projects including the construction of a sewage treatment plant and a water pump station. He became Head of Infrastructure, Planning and Design in 2010. Prior to joining ERC, Mr. Omar was a Technical Office Project Engineer, and later a Project Manager, at the Arab Engineering Company.

Mr. Omar holds a BSc in Mechanical Engineering from Cairo University.



Ahmed Fahmy
Head of Information and Communication Technology

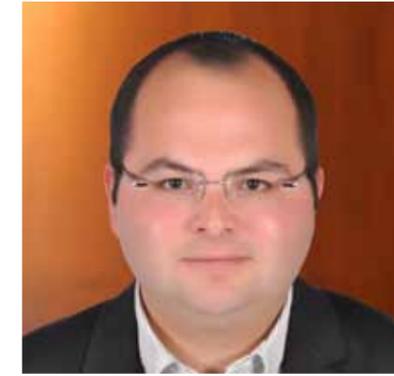
Mr. Fahmy has more than 9 years of experience in the Information and Communication Technology "ICT" field. He is responsible for preparing ICT related strategic and operational plans, including designing and managing the ICT infrastructure, networks and several ICT solutions, supervising the implementation of the ICT security strategy. Prior to joining ERC, Mr. Fahmy held several IT positions in real estate and IT-solutions companies.

Mr. Fahmy holds a Bachelor's degree in telecommunication and electronics engineering.



Laila Karim
Head of Marketing

Ms. Karim joined ERC as Marketing Manager with her core job responsibilities including analyzing market trends, leading all areas of content generation and production across all media platforms, and creating and leading a marketing team that will develop and execute new marketing concepts, business models, communication channels, and establish new partnerships to help position business as an innovator and market leader. Prior to joining ERC, Ms. Karim held a number of key positions in companies such as AAPIC and BioGeometry Canada. Ms. Karim holds a Bachelor's degree in Communications Studies with a specialization in Public Relations from California State University, as well as an Interior Design Diploma from American River College in Sacramento, and a M.A. degree in Interior Design from Florence Design Academy.



Mounir Sedki
Head of Strategy and Business Development

Prior to joining ERC in 2011, Mr. Sedki spent four years of his career with Booz & Company, one of the world's most renowned strategy and management consulting firms. While at Booz, Mr. Sedki worked on a vast array of projects in sectors ranging from real estate to public and transportation in the MENA region, whereby he conducted extensive industry research and business assessment as well as several transformation strategies.

Mr. Sedki holds a Bachelor's degree with honors in mechanical engineering from the Arab Academy for Science and Technology.



Nazih Seoudy
Head of Developer Services

Nazih Seoudy joined ERC with over 20 years' experience at Xerox Egypt, where he served in a number of positions including Director of Customer Services and National Service Manager. Prior to joining ERC, Mr. Seoudy was Director of the Customer Care Department at EMAAR Misr, before joining MAC Carpets as Director of Customer Relations Management.

Mr. Seoudy holds a BSc in electrical engineering and communications from Ain Shams University and is also a certified Lean Six Sigma Green Belt.



Sameh Hashad

Head of Community Engineering

Mr. Hashad has over 20 years of experience in the field of construction engineering and large-scale project development. He joined ERC in 1998 as an Assistant Construction Manager and has since worked on various projects, most notably Arrival Piazza as well as eight commercial shopping centers around Sahl Hasheesh on Egypt's Red Sea coast. Prior to joining ERC, Mr. Hashad worked for a number of reputable Egyptian and Saudi developers and was involved in the planning and execution of major projects, including renovation and construction work on King Abdulaziz University. Mr. Hashad holds a Bachelor's degree in Civil Engineering as well as a diploma in Soil Mechanics and Foundations from Cairo University.



Sayed Amer

Head of Accounting

Mr. Amer has more than 18 years of experience in the field of accounting and auditing. Prior to joining ERC, Mr. Amer spent 14 years of his career as a senior audit manager at KPMG Hazem Hassan, Egypt. He was responsible for the diligent review of audit documents and ensuring compliance with the firm's methodology and applicable auditing standards. Mr. Amer is a member of the Egyptian Society for Accountants and Auditors (ESAA). He holds a Bachelor's degree in Commerce from Cairo University with a major in Accounting.





CORPORATE GOVERNANCE

ERC assigns central importance to the implementation of rigorous corporate governance practices, believing that a robust, proactive approach to corporate governance is vital to the interests of both the individual company, boosting investor confidence by protecting the value of their shares, and the business community by providing a regulatory framework for healthy competition. ERC is committed to implementing best practices in corporate governance and attaining top ranking amongst Egyptian listed companies.

Board Committees

The majority of ERC's Board members serve on Board Committees, according to their respective expertise.

The Executive Committee

The Executive Committee is responsible for studying and analyzing high-level strategic and operational issues and any other topics assigned to it by the Board of Directors and/or the Chairman of the Board. The Chairman and CEO sit on this committee, ensuring that decisions that exit the Committee have been deliberated and reached by the consensus of the Company's senior leadership, expediting their strategic implementation.

Members:

- **Mr. Adel Hammad (Chairperson)**

- **Mr. Mohamed Kamel (Member)**
- **Mr. Ahmed Abou Hendia (Member)**
- **Dr. Gamal El-Saeed (Member)**
- **Eng. Abdel Moneim Attia (Member)**
- **Dr. Eskander Tooma (Member)**

The Audit and Investment Committee

The Audit Committee oversees the Corporate Accountability of the Company, assisting the Board by monitoring the integrity of ERC's financial reporting process, systems of internal audits and controls as well as financial statements and reports. The Audit Committee also monitors ERC's compliance with legal and regulatory requirements and is responsible for recommending and overseeing ERC's independent auditors. The Committee maintains frequent, open communication with the independent auditor, the internal auditor and Management. This communication includes periodic private executive sessions with each of these parties.

Members:

- **Dr. Eskander Tooma (Chairperson)**
- **Mr. Abdelmoneim Abdelwahab (Member)**
- **Mr. Atef Tawfik (Member)**
- **Mr. Ahmed Abdel Azim Mahmoud (Member)**
- **Ms. Nahed Zohair Saied (Member)**

The Remuneration and Nomination Committee

The Remuneration and Nomination Committee meets regularly to review the Company's HR practices, policies and procedures, and organizational structure and develop strategies to improve the Company's ability to attract, select, hire and retain the most suitable talent. The Committee recommends additional policies that ensure that salaries, benefits, bonuses, pensions, development and training are competitive and optimal to ERC's business model. This not only safeguards shareholder interests, but also ensures the long-term sustainability of the Company.

Members:

- **Mr. Ahmed Abu Hendia (Chairperson)**
- **Mr. Adel Hammad (Member)**
- **Mr. Mohamed Kamel (Member)**
- **Mr. Wael El Hatow (Member)**

Board Structure

The majority of the board of directors is composed of non-executive members, elected from different groups of shareholders. Once elected, board members are considered representatives for all shareholders and commit to work in the best interests of the company, not just for their respective shareholder group. The board is responsible for vision and strategy development, review and oversight of risk management systems, inter-

nal compliance and control, codes of ethics and conduct, legal and regulatory compliance and the development of suitable key indicators of financial and operational performance. The skills and experience profile of the board is reviewed regularly, both internally and by external consultants, to ensure an optimal board composition.

The board is currently composed of 13 members. Board meetings are scheduled at the commencement of each calendar year. At the minimum, meetings are held once per quarter. The ERC board of directors convened 7 times in 2015.

External Auditor

Based on the recommendation of the Audit and Investment Committee, the board nominates a qualified external auditor. The external auditor is selected and awarded annual remuneration by the General Assembly, operating independently from the company and the board. The external auditor fully abides by Egyptian Accounting Standards (EAS). To guard against potential conflict-of-interest and ensure independence, the external auditor cannot be contracted for additional services without the prior approval of the Audit and Investment Committee.

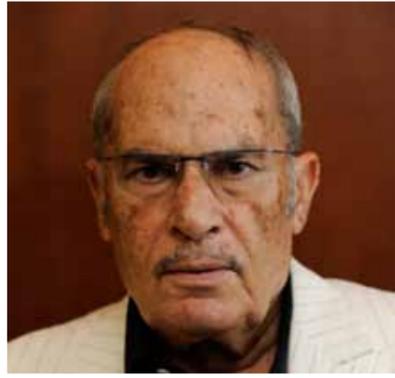
ERC's external auditor is KPMG Hazem Hassan.

BOARD OF DIRECTORS



Mr. Adel Hammad
Chairman, Representing Misr Insurance

With over 33 years of experience in the insurance and finance industries, Mr. Adel Hamad is a noted expert in reinsurance and has served since May 2013 as the Non-Executive Chairman of ERC. Prior to assuming his duties as Chairman, Mr. Hammad held a number of high-profile positions at leading financial companies and insurance providers, including a long career at Misr Insurance, the leading insurance provider in Egypt, where he was most recently Chairman and Managing Director. Mr. Hammad has also served on the boards of directors of financial institutions including Société Arabe Internationale de Banque (SAIB) and the Housing and Development Bank. He holds a Bachelor of Commerce and a Master of Science in Insurance Management. He chairs the Executive Committee and is a member of the Nomination and Remuneration Committee.



Eng. Abdel Monem Attia
Representing KATO Investment

Eng. Attia is Chairman of KATO Real Estate Development. Previously, he was Chairman of Saudi Egyptian Belgium Construction. With more than 50 years experience in real estate and tourism investment, he sits on the board of First Arabian Real Estate & Tourism Investment, Ghazala Hotels, and International Airports Co.

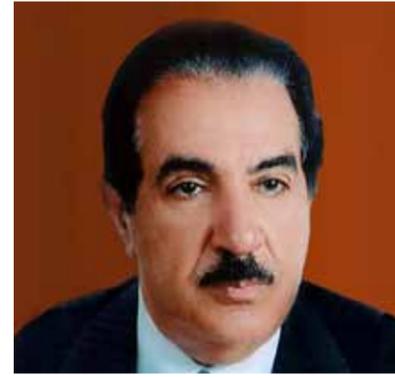
Eng. Attia holds a Bachelor's degree in architecture from Cairo University and is a member of the Executive Committee.



Mr. Atef Tawfik
Representing KATO Investment

Mr. Tawfik is currently the Corporate Vice President of Food Manufacturing for KATO Investment and Chairman and CEO of National Food Company. Mr. Tawfik is also a distinguished entrepreneur, having started a leading IT solutions provider and a print management company.

Mr. Tawfik holds an MBA from Maastricht University and a Bachelor's degree in Banking Management from Sadat Academy for Management Science. He is a member of the Audit and Investment Committee.



Dr. Hamza Al Kholi
Representing First Arabian Development & Investment

Dr. Al Kholi is Chairman and CEO of First Arabian Development & Investment Company. He is also owner and CEO of the Al Kholi Group in Saudi Arabia, founding and leading four Class A companies. These companies hold subsidiaries in the Middle East, Europe and the US in many industries, including hotels and resorts, real estate development, construction, maintenance and operations, and information services and technology.

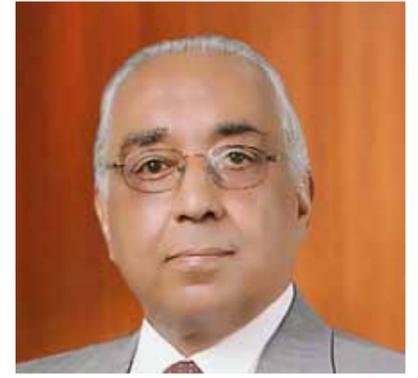
Mr. Al Kholi holds a Bachelor's degree in Pharmacy from King Saud University.



Mr. Ahmed Abu Hendia
Representing First Arabian Development and Investment

Mr. Abu Hendia is a board member and the legal counsel of First Arabian Development and Investment. He also serves on the Board of Information and Technology Services Co. and Delta Hotels and Tourism.

Mr. Abu Hendia holds a Bachelor's degree in Law from Ain Shams University. He chairs the Nomination and Remuneration Committee and is a member of the Executive Committee.



Mr. Ahmed Abdelazim Ali
Representing Rowad Tourism

As a leading auditor and financial planner with over 36 years of experience, Mr. Ali serves as the president of Central and West Delta Operations for Misr Insurance, a position he has held since November 2013. His extensive career with Misr Insurance, which began in 1979, has seen him hold numerous and diverse top-tier administrative positions including financial auditor, accountant and financial planner.

Mr. Ali also sits on the boards of Master Line Fabrics, El Rawad (for real estate development), Central and West Delta Crushers and Misr Insurance. Dr. Azzam holds a Ph.D. in Econometrics and Quantative Macroeconomics from the University of California-Irvine.



Ms. Nahed Zohair
Representing Rowad Tourism

Ms. Zohair is the Director of Public Relations at Al-Rowad Tourism Company. Prior to that she had worked at the company's General Administration for Clients and Complaints and the General Administration of Public Relations. She also occupied several positions within the Chief Executive Officer's office.

Ms. Zohair holds a B.A in Commerce, which she earned from Cairo University in 1983.



Mr. Wael El Hatow
Representing Al Ahly Capital Holding

Mr. El Hatow currently serves as Executive Director at Al Ahly Capital. He has many years of experience in the Egyptian investment banking and private equity sectors and has been involved in most of the landmark M & A transactions that have taken place in Egypt over the past decade. In addition to ERC, Mr. El Hatow currently serves on the board of a number of companies, namely Alexandria Mineral Oils Company (AMOC), Al Ahly Medical Services Company and Al Ahly Asset Management Company.

Mr. El Hatow holds a Bachelor's degree in Political Science from the American University in Cairo and a Masters of Business Administration from Pennsylvania State University. He is a member of the Nomination and Remuneration Committee.



Mr. Abdelwahab Abdelmoneim
Representing Misr Insurance

Mr. Abdelmoneim is a leading figure in Egypt's business community, with a career spanning 35 years in the insurance sector. Mr. Abdelmoneim has held a number of high-ranking positions at several prominent Egyptian companies, including Misr Insurance and Misr Insurance Holding Company. He currently serves as Vice Chairman of Financial and Personnel Affairs at Misr Real Estate Assets.

Mr. Abdelmoneim holds a Bachelor's degree in commerce from Cairo University in 1980.



Dr. Islam Azzam
Representing Misr Life Insurance

With a career spanning 20 years, Dr. Islam Abdel Azim Azzam is considered one of the country's foremost experts on capital markets. His extensive experience has allowed him to achieve leadership positions in the private sector, where he serves as CEO of Private Equity Company Small and Medium Companies, an affiliate of the General Authority for Investment (GAFI). He is also a partner and manager of consultation at Thekat for Financial Consultation, a Cairo-based consultancy. Dr. Azzam is also considered a leading academic in finance, and is currently a professor of finance at the American University in Cairo. His accomplishments have made him an invaluable advisor sitting on the boards of Construction Company for National Banks and Misr Insurance.

Dr. Azzam holds a Ph.D. in Econometrics and Quantative Macroeconomics from the University of California-Irvine.



Dr. Gamal Elsaheed
Independent Member

Dr. Elsaheed is a professor of civil engineering at Banha University. In the private sector, Dr. Elsaheed manages an engineering firm involved in major infrastructure projects in MENA countries.

Dr. Elsaheed holds a Bachelor's degree from Ain Shams University, a Masters from Texas A&M and a PhD from Harvard University, all in Civil Engineering and Business Administration. He is a member of the Executive Committee.



Dr. Eskander Tooma
Independent Member

Dr. Tooma is the co-owner and a board member of Premium International for Credit Services and a board member of the Orascom Investment Fund. He has served as a senior advisor to the Egyptian Capital Market Authority and advised leading companies such as Citadel Capital and Orascom Development Holding. Dr. Tooma is also a tenured professor of finance and management at the American University in Cairo.

Dr. Tooma holds a Bachelor's degree in Business Administration from AUC and Adelphi University, and Master's degrees in Finance and International Economics from Adelphi and Brandeis University. He also holds a PhD in Finance from Brandeis. He chairs the Audit and Investment Committee and is a member of the Executive Committee.



Mr. Mohamed Kamel
Chief Executive Officer

Mr. Kamel assumes the role of Chief Executive Officer after having previously served on the ERC Board and the Audit and Investment Committees. Prior to joining ERC, he spent eight years with KATO Investment. Mr. Kamel assumed several roles in different divisions of KATO, including sales and marketing, operations manager, project manager and finally, business development manager at KATO Investment's headquarters. While at KATO, he was instrumental in creating the first modern, privately-held bonded warehouse at Cairo International Airport, and managed the debt-raising process from European banks for the aerospace division. Mr. Kamel also worked as a consultant with Bain & Company in their London offices following his MBA.

Mr. Kamel holds a Bachelor's degree in Economics with high honors from the American University in Cairo and an MBA with distinction from Harvard Business School. He is a member of the Executive, the Nomination and Remuneration, and the Compensation Committees.



CORPORATE SOCIAL RESPONSIBILITY

ERC believes that the success of its flagship development is contingent on the overall success and development of Egypt. Stemming from that view, we have always adopted policies and practices that take into account the long-term health of our environment and fellow citizens. As we grew our development, we have always dedicated energy and resources to leaving a positive imprint on our communities and surrounding areas, mindful always of our role to not only give back, but to participate in the development and betterment of our society.

The Youth Educational Support Initiative is an exciting program that had corporate volunteers visit public and private schools in Cairo to share their professional experience, transfer practical skills, and advise the coming generation on how to succeed in the labor market. Throughout this year and previous years, our volunteers instructed hundreds of students in several classes.

As part of its Job Shadowing Program, ERC also hosted a number of fresh graduates and provided them with on the job training and hands-on advice relating to starting and running their own businesses.

Further endeavors to aid the community included regular ERC Annual Orphan's Day at Sahl Hasheesh. ERC had the privilege of hosting events for tens of orphans at Sahl Hasheesh. The children were engaged in several entertainment, educational and challenging activities at the resort.





FINANCIAL STATEMENTS

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AUDITOR’S REPORT

To the Shareholders of Egyptian Resorts Company

Report on the Financial Statements

We have audited the accompanying consolidated financial statements of Egyptian Resorts Company (S.A.E), which comprise the consolidated balance sheet as at December 31, 2015, and the consolidated income statement, statement of changes in equity and statement of cash flows for the financial year then ended, and a summary of significant accounting policies and other explanatory notes.

Management’s Responsibility for the Financial Statements

These financial statements are the responsibility of Company’s management. Management is responsible for the preparation and fair presentation of these financial statements in accordance with the Egyptian Accounting Standards and in the light of the prevailing Egyptian laws, management responsibility includes, designing, implementing and maintaining internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error; management responsibility also includes selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditor’s Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Egyptian Standards on Auditing and in the light of the prevailing Egyptian laws. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor’s judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity’s preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity’s internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

Opinion

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the consolidated financial position of Egyptian Resorts Company (SAE) as of December 31, 2015, and of its financial performance and its consolidated cash flows for the year then ended in accordance with the Egyptian Accounting Standards and the Egyptian laws and regulations relating to the preparation of these financial statements.

Emphasis of matter

Without considering the following as qualifications:

- 1- As disclosed in detail in note no. (29-2) of the notes to the financial statements, there is a lawsuit before court which is raised by one of the lawyers against the General Authority for Touristic Development in order to annul the allocation contract of all lands for Egyptian Resorts Company at Sahl Hasheesh. On February 28, 2011 the company’s management decided to become a part of this lawsuit in order to undertake the legal procedures and submit the documents supports the company’s position. The lawsuit is now pending before the state attorneys’ authority in its preliminary. On June 12, 2014, the case was booked to report, which ended to stop the lawsuit and postpone it to November 24, 2015 to respond and comment by the Legal advisory of the Holding Company and it has been administratively postponed to session January 12, 2016. At that meeting, the court decided to reserve the case for the rule of session March 22, 2016 and the Court issued its ruling on that day to accept the entrance of Egyptian Resorts Company (the holding company) and not to accept the original lawsuit filed by one of the lawyers to be removed from the irrelevant. The company’s management is of the opinion that according to its legal advisory report, the submissions made by them support the legal position of the Holding company and it is difficult for the time being to predict the results of the lawsuit, upon which the extent of the negative effects that may result on the company’s economics and financial position is not verified.
- 2- As disclosed in detail in note no. (29-4) of the notes to the financial statements, the General Authority of Touristic Development has informed ERC that it has decided to withdraw its previous consent for the company on development of phase 3 lands at Sahl Hasheesh (zone c) in which its area is 20 million square meter in its resolution dated March 31, 2011. Knowing that Work in process in connection with this phase amounted to approximately EGP 74 million on December 31, 2015. The company raised a lawsuit to cancel the administrative decision issued by the General Authority Of Touristic Development referred to above & submitted to administrative court on September 21, 2011. The court decided to refer the case to the College of Commissioners to prepare a report by the legal opinion. On May 18, 2015 the case was booked to report with a statement to submit memos within two weeks from the parties’ sides to the lawsuit. The certificate submitted from the legal advisory of the holding company mentioned that it was not determined any session before the court until the date of certificate issuance. And the Holding Company did not receive any notification from the court to deposit the report. The company’s management is of the opinion that according to its legal advisory report, the submissions made by them to support the legal position of the Holding company in the light of the provision of the contract between the Authority and the Holding Company on October 24, 1995 and that it would be impossible for the time being to predict the results of the lawsuit time being to predict the results of the lawsuit in this early stage of dispute along with the ruling ruled by the court. Though the extent of the negative effects, that may result, on the company’s economics and financial position that may result because of this lawsuit is not verified.

Hesham Gamal El-Afandy
Auditors’ register

At the Egyptian Financial Supervisory Authority No. (100)
KPMG Hazem Hassan

Cairo, March 22, 2016

The Consolidated Balance Sheet of the Company and its Subsidiaries
As at December 31, 2015

| | Note No. | 12/31/2015 EGP | Restated 12/31/2014 EGP |
|---|--------------|---------------------|-------------------------------|
| Non current Assets | | | |
| Fixed assets (Net) | (3-2, 4) | 138 929 257 | 157 155 760 |
| Real estate investments | (3-3, 5) | 154 344 497 | 200 177 237 |
| Projects in progress | (3-4, 6) | 1 154 683 | 350 704 |
| Time Deposits - Long term | (12) | 39 150 500 | - |
| Accounts & notes receivable - long term (Net) | (3-9, 9) | 283 359 189 | 65 113 252 |
| Deferred Tax assets (Net) | (24-2, 3-20) | 355 691 | - |
| Total non current Assets | | 617 293 817 | 422 796 953 |
| Current Assets | | | |
| Work in process | (3-7, 7) | 524 832 413 | 491 962 153 |
| Inventory | (3-6, 8) | 2 371 460 | 2 637 130 |
| Accounts & notes receivable - short term (Net) | (3-9, 9) | 336 112 836 | 276 850 802 |
| Sundry debtors and other debit balances | (10) | 7 868 340 | 11 644 795 |
| Cash on hand & at banks | (3-11, 11) | 135 603 136 | 98 143 235 |
| Total Current Assets | | 1006 788 185 | 881 238 115 |
| Current Liabilities | | | |
| Claims Provision | (3-13, 13) | 12 136 762 | 13 757 323 |
| Receivables - advance payments | (14) | 70 287 696 | 14 133 675 |
| Sundry creditors and other credit balances | (3-14, 15) | 147 709 183 | 140 133 931 |
| Due to Authority of Touristic Development | (16) | 73 066 760 | 62 110 587 |
| Estimated cost for development of sold land | (3-8) | 156 008 989 | 149 782 099 |
| Banks-Credit Facilities | | 12 648 | 5 430 |
| Income tax | | 4 032 160 | - |
| Total Current Liabilities | | 463 254 198 | 379 923 045 |
| Working capital | | 543 533 987 | 501 315 070 |
| Total Investments | | 1160 827 804 | 924 112 023 |
| Financed as follows: | | | |
| Owners' Equity | | | |
| Issued and fully paid in capital | (17) | 1050 000 000 | 1050 000 000 |
| Legal reserve | (28) | 131 664 379 | 131 664 379 |
| Carried forward losses | | (556 921 574) | (513 737 973) |
| Net Profit (loss) for the year | | 217 857 117 | (43 183 601) |
| Holding Company's Shareholders' Equity | | 842 599 922 | 624 742 805 |
| Minority Interest | (25) | 44 762 345 | 45 156 547 |
| Total Shareholders' Equity | | 887 362 267 | 669 899 352 |
| Long-term Liabilities | | | |
| Purchase of land creditors | (3-7) | 273 465 537 | 249 713 106 |
| Deferred tax liabilities (net) | (3-20, 24-2) | - | 4 499 565 |
| Total Long-term Liabilities | | 273 465 537 | 254 212 671 |
| Total shareholders' equity & Long-term Liabilities | | 1160 827 804 | 924 112 023 |

* Accompanying notes form an integral part of these Financial Statements, are to be read therewith and can be downloaded at: <http://ir.erc-egypt.com>

Head of Accounting
Mr. Sayed Amer

Managing Director
Mr. Mohamed Ibrahim Kamel

Chairman
Mr. Adel Hammad

The Consolidated Income Statement of the Company and its Subsidiaries
For the financial year ended December 31, 2015

| | Note No. | 2015 EGP | Restated 2014 EGP |
|--|-------------------|--------------------|-------------------------|
| Operating Revenue | (3-16, 18-1) | 372 696 703 | 71 886 539 |
| Sales return | (3-16, 18-2) | (18 805 236) | (62 315 767) |
| Revenue from rendered services | (3-16, 18-3) | 46 506 372 | 41 746 930 |
| Total revenues | | 400 397 839 | 51 317 702 |
| Less: | | | |
| Cost of sales | (3-17, 19-1) | (76 755 441) | (41 429 530) |
| Cost of returned sold land | (3-17, 19-2) | 3 216 265 | 7 825 684 |
| Operating cost of rendered services | (3-17, 19-4) | (85 004 316) | (66 416 266) |
| Gross Operating (loss) | | 241 854 347 | (48 702 410) |
| Other operating revenue | (20) | 5 682 438 | 2 975 066 |
| | | 247 536 785 | (45 727 344) |
| Add/(Less): | | | |
| Net Interest recalled from deferred income | | 9 295 776 | 1 433 857 |
| Fines for installments in arrears | | - | 11 015 148 |
| Loss from reversed property investment previously sold | | - | (885 541) |
| Loss from reversed land previously sold | (3 - 17, 3 - 19) | (13 364 121) | (11 344 319) |
| Selling & marketing expenses | (3 - 17, 21) | (19 679 764) | (10 514 299) |
| General and administrative expenses | (3 - 17, 22) | (30 084 105) | (28 390 359) |
| Impairment in receivables | (3 - 12, 9) | (31 055) | (11 484 386) |
| Reverse of impairment in the balances of receivables (net) | (3 - 12, 9) | 15 503 590 | 47 299 391 |
| Impairment in debtors & other debit balances | (3 - 12, 10) | (932 815) | - |
| Claims Provision | (3 - 13, 13) | (2 056 670) | (1 251 029) |
| Income (Loss) resulted from operating activity | | 206 187 621 | (49 848 881) |
| Change in evaluation of investment funds | (3-5, 11) | 1 756 689 | 2 178 895 |
| Financing revenue (costs) (net) | (3-18, 23) | 8 695 509 | 1 484 270 |
| Net (loss) before tax | | 216 639 819 | (46 185 716) |
| Income tax | (3-20, 24-1) | (4 032 160) | - |
| Deferred tax (expense) | (3-20, 24-2) | 4 855 256 | (969 356) |
| Net profit after income tax | | 217 462 915 | (47 155 072) |
| The Holding Company's share in the year's loss | | 217 857 117 | (43 183 601) |
| The Minority Interest's share in the year's loss | (25) | (394 202) | (3 971 471) |
| | | 217 462 915 | (47 155 072) |

* Accompanying notes form an integral part of these Financial Statements, are to be read therewith and can be downloaded at: <http://ir.erc-egypt.com>

Consolidated Statement of Changes in Shareholders' Equity for the company & its subsidiaries
For the financial year ended December 31, 2015

| | Paid in Capital EGP | Legal Reserve EGP | Carried Forward (losses) EGP | The Holding Company's share in year's net (loss) profit EGP | Minority Interest EGP | Total EGP |
|--|---------------------------|-------------------------|---------------------------------------|--|-----------------------------|---------------|
| Balance as at December 31, 2013 | 1050 000 000 | 131 664 379 | (369 336 624) | (41 429 956) | 49 128 018 | 820 025 817 |
| adjustments to Carried forward losses | (30) | - | (102 971 393) | - | - | (102 971 393) |
| Net (loss) for the year | - | - | - | - | - | - |
| Restated balance as at De- cember 31, 2013 | 1050 000 000 | 131 664 379 | (472 308 017) | (41 429 956) | 49 128 018 | 717 054 424 |
| Transferred to Carried for- ward losses | - | - | (41 429 956) | 41 429 956 | - | - |
| Net (loss) for the year | - | - | - | (37 474 611) | (3 971 471) | (41 446 082) |
| Adjustments to losses for financial year ended Decem- ber 31, 2015 | (30) | - | - | (5 708 990) | - | (5 708 990) |
| Restated balance as at De- cember 31, 2014 | 1050 000 000 | 131 664 379 | (513 737 973) | (43 183 601) | 45 156 547 | 669 899 352 |
| Transferred to Carried for- ward losses | - | - | (43 183 601) | 43 183 601 | - | - |
| Net Income for the year | - | - | - | 217 857 117 | (394 202) | 217 462 915 |
| Balance as at December 31, 2015 | 1050 000 000 | 131 664 379 | (556 921 574) | 217 857 117 | 44 762 345 | 887 362 267 |

* Accompanying notes form an integral part of these Financial Statements, are to be read therewith and can be downloaded at: <http://ir.erc-egypt.com>The Consolidated Cash Flows Statement for the Company and its Subsidiaries
For the financial year ended December 31, 2015

| | Note No. | 2015 EGP | Restated 2014, EGP |
|---|-------------|---------------------|--------------------------|
| Cash Flows from Operating Activities | | | |
| Net (loss) before income tax | (30) | 216 639 819 | (46 185 716) |
| Adjustments to Reconcile Net Income (Loss) with Net Cash Flows from Operating activities | | | |
| Fixed assets and Real Estate Investments depreciation | (4,5) | 26 127 378 | 25 683 332 |
| Impairment in receivables | (9) | 31 054 | 11 484 386 |
| Reverse of impairment in receivables | (9) | (15 503 590) | (35 955 072) |
| Impairment in debtors | (10) | 932 815 | - |
| Formed claim provision | (13) | 2 056 671 | 1 251 029 |
| Financing Charges - Bank Facilities | | - | 1 182 508 |
| Capital gain | (20) | (1 333 888) | - |
| Time deposit interests | | (5 449 125) | (1 493 803) |
| Net Interest recalled from deferred income | | (9 295 776) | (4 27 775) |
| Differences in evaluation of foreign monetary balances | | (1 604 872) | 1 699 150 |
| | | <u>212 600 486</u> | <u>(42 761 961)</u> |
| Change in working capital | | | |
| Change in receivables (net) | | (260 167 358) | 19 497 779 |
| Change in inventory | | 265 670 | (328 014) |
| Change in debtors and other debit balances | | 74 840 | 677 511 |
| Change in work in process | | (3 335 434) | (17 956 462) |
| Change in receivables advance payments | | 102 190 681 | (370 136) |
| Change in creditors and other credit balances | | 3 620 892 | 50 372 463 |
| Change in estimated cost for development of sold land | | 6 226 890 | (12 798 738) |
| Change in dues to Authority of Touristic Development | | 8 312 756 | 5 865 421 |
| Used from claim provision | (13) | (25 000) | (20 000) |
| Net cash flows provided by operating activities | | <u>69 764 423</u> | <u>2 177 863</u> |
| Cash Flows from Investing Activities | | | |
| Payments for purchase of fixed assets, projects in progress and real estate investments | (4,5) | (5 730 147) | (4 163 012) |
| Proceeds from time deposits | | 4 565 693 | 1 179 596 |
| Proceeds from sale of fixed assets & real estate investments | | 7 925 429 | - |
| Changes in value of time deposits (more than three months) | (11) | 12 902 855 | 6 545 500 |
| Time deposits (due after a year) | | (39 150 500) | - |
| Net cash (used in) available from investing activities | | <u>(19 486 670)</u> | <u>3 562 084</u> |
| Cash Flows from Financing Activities | | | |
| Payments of financing charges - Bank facilities | | - | (1 182 508) |
| Banks facilities | | 7 218 | (8 787 771) |
| Cash flows available from (used in) financing activities | | <u>7 218</u> | <u>(9 970 279)</u> |
| Net cash & cash equivalent available (used) during the year | | <u>50 284 971</u> | <u>(4 230 332)</u> |
| Cash & cash equivalent as at the beginning of the year | | <u>83 843 235</u> | <u>88 073 567</u> |
| Cash & cash equivalent balance at the end of the year | (11) | <u>134 128 206</u> | <u>83 843 235</u> |

- In the light of what detailed in the note no. 30 (previous year adjustments), the effect of these adjustments have been excluded on the comparative figures (financial year ended December 2014) and before as non-cash adjustments.

* Accompanying notes form an integral part of these Financial Statements, are to be read therewith and can be downloaded at: <http://ir.erc-egypt.com>

COMMON STOCK INFORMATION

Legal Structure: Egyptian Public Joint Stock Company

Listing: Egyptian Exchange (EGX)

Paid-in Capital: EGP 1.05 billion

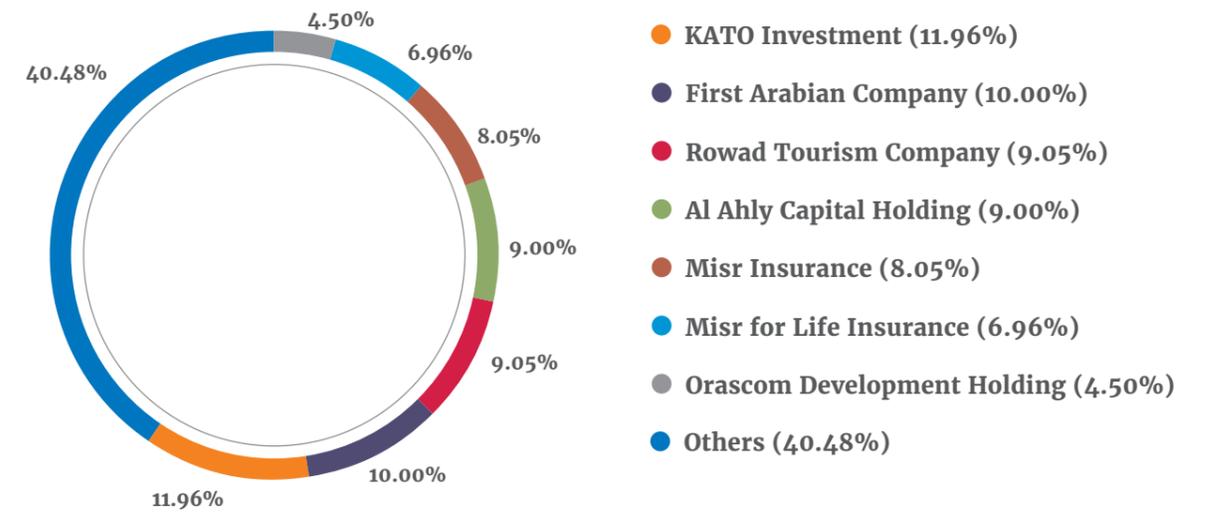
Par Value Per Share: EGP 1.00

Fiscal Year: Ends December 31

Subsidiaries: Sahl Hasheesh Co. (SHC) – 78.4% owned by ERC

SHC Tax Structure: 10-year tax exemption ending 2017

ERC SHAREHOLDER STRUCTURE*



* As of end of fiscal year 2015



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