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The company is well versed in working with partners and one Middle Eastern majority property owner (Paris, Qatar) already<sup>44</sup>. Is it beyond the realms of possibility for an investor from that part of the world to spot the opportunity and work up a transaction on a friendly basis, to take a significant stake at a discount to overall value but a premium to prevailing prices whilst leaving the Kadoorie's to do their stuff? Or that one of the properties is realised, providing greater flexibility and some of the funds applied to a share buy back?

We can see a myriad of opportunity, a huge margin of safety, and despite the ostentatious nature of the assets, have some level of confidence that some of the cash generated will find its way back to shareholders through a significant upswing in earnings over the next 2-3 years. If China moves back into favour, such an upturn may be especially sharp.

**For further information:**

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<sup>44</sup> The 80% owners of the Beverly Hills property, the Zarnigen family, have some commonality with the Kadoories, their parents being Jewish emigrés from the Middle East, in their case Iran, rather than Iraq.

