

Press Release

Orascom Development Egypt (ODE) signs the final contract to co-develop a 1,000 feddan (4.2 million sqm) integrated community project in 6th of October City, West Cairo.

Cairo, 12 December 2018 – Orascom Development Egypt (ODE) is pleased to announce that it has signed the final agreement with the New Urban Communities Authority ("NUCA") to co-develop a 1,000 feddan (4.2 million sqm) integrated community project in 6th of October City, West Cairo based on a revenue sharing model, whereby NUCA is entitled to 26% of total residential sales collection for the first 8 years.

Through this agreement, ODE will be responsible for all construction, development, internal infrastructure, marketing and sales activities. While, NUCA will be contributing with the land alongside all associated external infrastructure to the boundaries of the project.

The land is located in 6th of October City, West Cairo area and is only 10 minutes away from Sheikh Zayed area, the central hub of October City and two minutes away from Mall of Egypt. The project is expected to comprise over 19,000 units with a residential built-up area (BUA) of approximately 3.2 million sqm and generating an estimated total residential sales value of approximately EGP 77.0 billion over a period of eight years. The integrated community is a complete residential complex offering dwelling apartment buildings and standalone units complemented with all necessary functions for a full-scale town such as commercial, educational district, sports club, medical and leisure facilities.

NUCA is entitled to a total cash payment of EGP 11.4 billion over 8 years and a primary in-kind residential BUA of 130,000 sqm delivered in year 8 which imply a land cost per sqm of EGP 1,580 on a net present value basis. In addition to that, NUCA will be entitled to another in-kind residential BUA of 150,000 sqm divided equally in year 9 and 10.

Commenting on the signature, Khaled Bichara, CEO of Orascom Development said: "This is a milestone for the Group to witness its first foray in the first home market in Egypt. We are very happy that we were able to successfully execute on our strategy that we have communicated in 2016. I am pleased to say that the level of customer interest and demand has been very positive exceeding our expectations."

About Orascom Development Egypt (ODE):

Orascom Development Egypt (ODE) is the largest subsidiary of Orascom Development Holding AG (ODH). ODE is an integrated developer of resort towns in Egypt, with a vertically-integrated business model involving the development of residential units, hotels, and recreational facilities such as golf courses, town centers, and marinas, in addition to supporting infrastructure, such as hospitals, schools, and utilities. ODE currently owns a land bank of 49.9 million square meter and 24 hotels with a total of 4,918 rooms within four operating destinations. El Gouna, on the Egyptian Red Sea Coast in Hurghada, Taba Heights, on the Sinai Peninsula, Makadi in Hurghada and Byoum in Fayoum.

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