SODIC signs partnership agreement for the 500 acre plot in West Cairo paving the way for the project's launch in 4Q19

Cairo, Egypt, March 21st, 2019, Sixth of October Development & Investment Company SODIC (“the Company”), has signed the partnership agreement for the 500 acre plot with the New Urban Communities Authority (“NUCA”).

The plot is located in the Sheikh Zayed Extension area and is only 10 minutes away from SODIC West, our flagship mixed use community in West Cairo. The project is expected to comprise over 5,000 units generating an estimated total sales of circa EGP 43 billion. NUCA is entitled to a maximum total payment of EGP 15.3 billion over 11 years of which EGP 8.8 billion are fixed payments including a down payment of EGP 300 million, in addition to 15% of the annual collections. The projected payments imply a land cost per sqm capped at EGP 2,470 on a net present value basis discounted at 16%.

The addition of this plot brings SODIC’s total undeveloped land¹ to circa seven million square meters from which SODIC is looking to generate over EGP 150 billion of potential future sales over the coming 10 years. This puts strong visibility into our development pipeline across all our key markets.

The project is slated for launch in the fourth quarter of 2019 and is set to be SODIC’s second largest development in West Cairo reinforcing our strong position in this market and contributing to our ambitious growth plans. SODIC is targeting EGP 7.2 billion of sales from all our projects during 2019 capitalizing on the diversity of its projects portfolio and the strength of its brand and execution capacity.

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About SODIC

Building on a history of almost two decades of successful operations in Egypt, SODIC is one of the country’s leading real estate development companies, bringing to the market award-winning large scale developments to meet Egypt’s ever-growing need for high quality housing, commercial and retail spaces.

Headquartered in Cairo and listed on the Egyptian stock exchange (EGX) under OCDI.CA, SODIC is one of the few non-family owned companies traded on the EGX, with a strong corporate governance framework.

Forward Looking Statements

Statements contained in this document that are not historical facts are based on current expectations, estimates, projections, opinions and beliefs of SODIC. Such statements involve known and unknown risks, uncertainties and other factors; undue reliance should not be placed thereon. Certain information contained herein constitutes “targets” or “forward-looking statements,” which can be identified by the use of forward-looking terminology such as “may,” “will,” “seek,” “should,” “expect,” “anticipate,” “project,” “estimate,” “intend,” “continue” or “believe” or the negatives thereof or other variations thereon or comparable terminology. Actual events or results or the actual performance of SODIC may differ materially from those reflected or contemplated in such targets or forward-looking statements. The performance of SODIC is subject to risks and uncertainties. Various factors could cause actual results to differ materially from those expressed or implied by the forward-looking statements in this document including worldwide economic trends, the economic and political climate of Egypt, the Middle East and changes in business strategy and various other factors.