

EXECUTIVE SUMMARY

PHARMACEUTICAL MANUFACTURING AS YOUR INVESTMENT OPPORTUNITY

- Egypt's pharmaceutical market has been outpacing its regional peers, reaching \$6.2bn in 2021, with a forecasted CAGR of 16% towards 2026
- Generic and biosimilar drug sales are expected to grow at 17% CAGR through 2026, making local manufacturing a highly attractive investment
- Almost 75% of the region's pharma market is met by imports (\$22bn) with significantly high demand for biologics and biosimilars.
- 55% of Egypt's pharma exports are towards the MENA region (\$179.9mn) and 21% are towards Africa (\$68.7mn)

EGYPT AS YOUR LONG-TERM BUSINESS PARTNER

- Strong GDP growth outpacing global markets with an average growth forecast of 5.5% (2022-2025)
- EGP2.3tn invested into infrastructural developments over the past 7 years
- A trade and investment hub that is supported by the country's large domestic market, strategic geographic location, and large and educated talent pool
- The country boasts some of the most competitive labor & electricity prices amongst its peers, alongside various free trade agreements that facilitate profitable production & exports

SCZONE AS YOUR UNIQUE INVESTMENT DESTINATION

- Well-connected to the modern road network of Egypt and enjoys direct connection to the new Suez-canal tunnels
- Offers direct financial incentives such as a 0% customs tax, a 0% VAT tax, and an export support program among other indirect incentives
- Enjoys special customs regime and trade regulations on top of being a one-stop shop for registrations, permits, licenses, and bureaucratic processes in general



With the Largest Pharmaceutical Market in the MENA Region, Egypt offers Significant Investment Opportunities for Drug Manufacturing



SC°ZONE'

■ UNIQUE LOCATION

■ HIGHEST QUALITY STANDARDS

■ RESILIENT ECONOMIC GROWTH

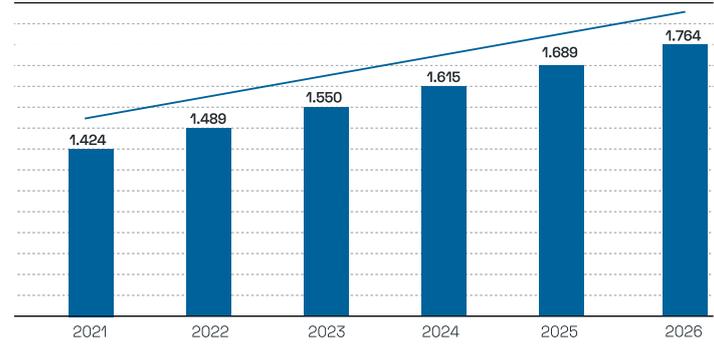
THE GLOBAL PHARMACEUTICALS MARKET IS GROWING AT A 4.4% CAGR

- The global pharmaceuticals market is estimated at \$1.4tn in 2021 and is expected to grow at 4.4% CAGR through 2026 to approx. \$1.8tn
- Oncology and neurology lead growth, forecasted to grow 9–12% and 6–9% CAGR respectively through 2026
- Global trade value of pharmaceutical goods has increased by nearly 12% from \$1.4tn in 2020 to \$1.5tn in 2021
- The consumption of pharmaceuticals worldwide continues to increase due to changes in clinical practices and the growing demand for drugs for treating aging-related and chronic diseases

- Four groups of pharmaceuticals are the most relevant: cholesterol-lowering, antidepressant, antihypertensive and antidiabetic drugs
- Strong growth in emerging markets and new brands in developed markets will lift global spending through 2026

GLOBAL PHARMA MARKET SIZE (\$BN)

↑ CAGR+4.4%



PHARMACEUTICAL MANUFACTURING IS OF HIGH STRATEGIC IMPORTANCE AND A KEY PILLAR IN EGYPT'S FUTURE VISION

- The Pharmaceutical industry is one of the oldest strategic industries in Egypt
- Egypt has given great priority towards achieving self-sufficiency in medicine, adopting policies focusing on developing medicines at the various stages of the industry
- Pharmaceutical manufacturers to expand and increase production in order to target more lucrative markets where drug prices are rising.



+150

DRUG FACTORIES IN
EGYPT IN 2022

EGP80_{bn}

TOTAL INVESTMENTS
IN DRUG PRODUCTION
IN 2019

16%

Y-O-Y GROWTH OF
PHARMACEUTICAL
MARKET
(2021 - 2026)

RECENT INITIATIVES SHOW THE STRONG GOVERNMENT SUPPORT TO STRENGTHEN THE PHARMACEUTICAL ECOSYSTEM IN EGYPT

001

LAUNCH OF EGYPTIAN DRUG AUTHORITY (EDA)

- With the approval of the executive articles related to a new Egyptian Drug Authority (EDA) in April 2020, the agency has officially assumed responsibility for pharmaceutical-related matters, including drug registration and pricing, marketing authorization renewals, and price reviews
- This initiative aims to increase transparency and efficiency of drug registration procedures

002

IMPLEMENTATION OF A COMPREHENSIVE MEDICAL INSURANCE SYSTEM

- Egypt is progressing in its plans to roll out a comprehensive health insurance system, and provide health coverage to all Egyptians
- This ambitious project is expected to have a positive impact on driving pharmaceutical volume growth in the market despite a potential negative impact on price growth

003

**PUBLIC PROCUREMENT
 VIA UNIFIED
 PROCUREMENT AGENCY
 (UPA)**

- A shift to consolidated procurement on a much larger scale was signaled in 2019, when the government approved a law outlining the responsibilities of a new agency that will handle all medical-related procurement, including pharmaceuticals, in the public sector. UPA aims to ensure an equitable access of medicinal and health technology products
- UPA could have positive impact on new entrants as it will facilitate the Market Access for the innovative product portfolio in tender channel for companies such as Takeda. On the other hand, procurement regulations could be biased towards local manufacturers

004

**MEDICINE CITY GYPTO
 PHARMA**

- In April 2021, Egypt inaugurated Gypto Pharma, the Largest Pharma City in the Middle East and Africa with a production capacity of almost 150 million packs of medicine annually.
- The pharma city “Gypto pharma” is constructed on a big space of 180,000 sq m, divided into two very large factories, which include 20 production lines in which all pharmaceutical forms are manufactured through the highest technology in pharmaceutical manufacturing worldwide. volume growth in the market despite a potential negative impact on price growth

005

VAT EXEMPTION ON
PHARMACEUTICALS

- On January 31st, 2022, the Egyptian Ministry of Finance announced the VAT exemptions due to the coronavirus pandemic.
- The announcement includes VAT exemptions on medicine, the active substances used in the production of medicine, serums, vaccines, blood and its derivatives, blood collection bags and family planning methods
- This is expected to lower local manufacturing costs and consequently increase production volumes

006

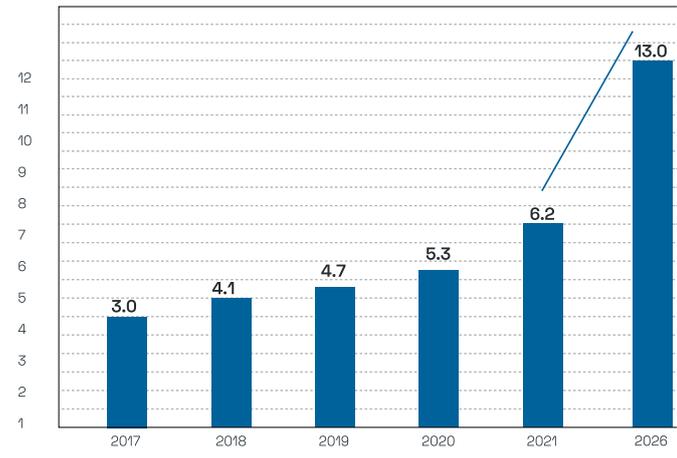
AFRICA HEALTH EXCON

- Egypt held the 1st “Africa Health ExCon”, the biggest medical exhibition and conference on the continent at Al Manara International Conference Center in New Cairo in June 2022 with the participation of 400 members of healthcare chamber members alongside a number of international and national companies operating in the medical sector, topped by AUPP and the Arab Hospitals Federation
- The 1st “Africa Health Excon”, which is held under the theme: «Your Gate to Innovation and Trade» constitutes a pivotal hub for trade and investment in Africa, in addition to being the biggest sustainable platform in the health sphere, enabling participants exchange views, expertise and work out solutions for health problems facing the health sector across Africa.

EGYPT HAS A FAST-GROWING PHARMACEUTICAL MARKET WITH SALES EXPECTED TO REACH \$13BN BY 2026

- Egypt's pharma sales are mainly driven by out-of-pocket expenditure as consumers find self-medication to be the cheapest form of treatment.
- Spending on pharmaceuticals is relatively high, contributing to around 25-30% of Total Health Expenditure (THE)
- One of the key drivers behind the industry's growth is the rapidly growing chronic disease burden that has accompanied the ageing and fast-growing population, particularly driving the growth of higher value prescription medicines in Egypt

PHARMACEUTICAL SALES, \$ BILLION

+16%


* using average currency exchange rate 2021-2016



SC°Z■NE'

SUPPORTS A FLEXIBLE
PRODUCTION AT SCALE

Aging populations and increases in chronic diseases such as cancer, cardiovascular diseases and diabetes, accelerate the demand for prescription drugs in the region



SC°Z■NE'

■ UNIQUE LOCATION

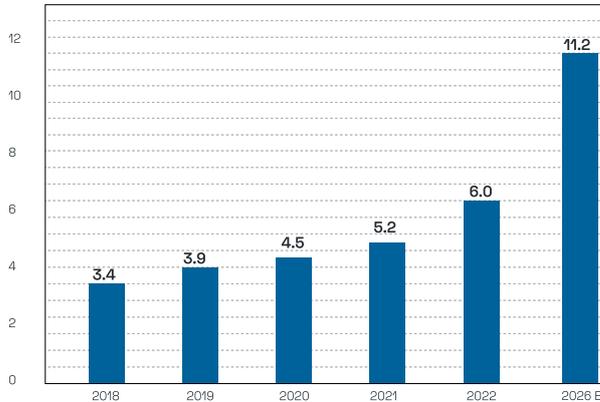
■ HIGHEST QUALITY STANDARDS

■ RESILIENT ECONOMIC GROWTH

THE STRUCTURE OF EGYPT'S PHARMACEUTICAL MARKET MAINTAINS AN ATTRACTIVE LOCAL MANUFACTURING ENVIRONMENT

PRESCRIPTION MEDICINE DOMINATES

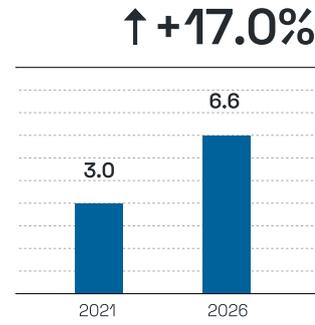
PRESCRIPTION DRUG SALES, \$BN



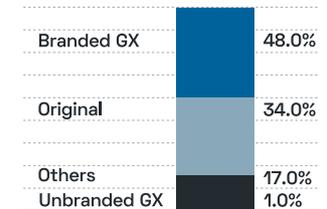
- With \$11.2BN in Sales Forecasted by 2026, more than 85% of Egypt's pharma sales are prescription drugs, leading to a sustainable growth in demand of pharmaceuticals.
- Rapidly growing chronic diseases, accompanied by the ageing and fast-growing population and the emergence of respiratory, heart, and cardiovascular diseases are driving the growth of higher-value prescription medicines in Egypt.

GENERIC DRUGS HAVE A SIGNIFICANT SHARE

GENERIC DRUG SALES, \$BN



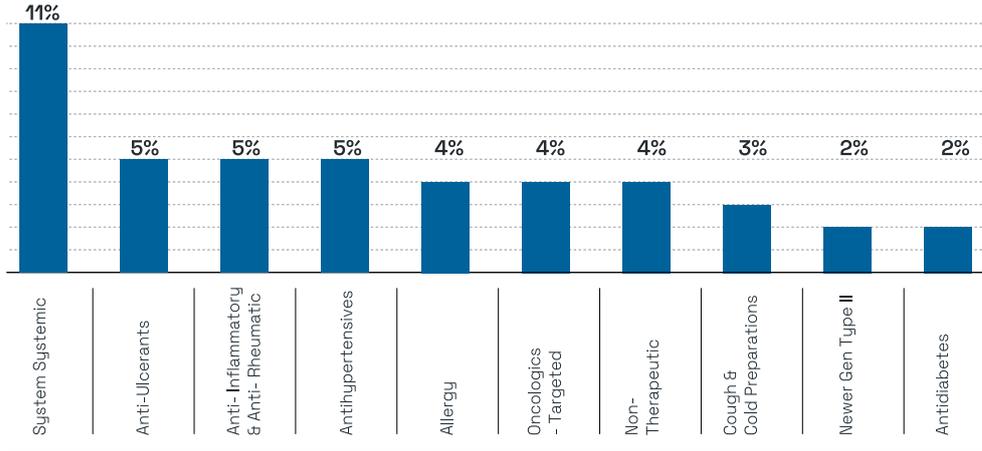
DRUG SALES DISTRIBUTION BY TYPE (%)



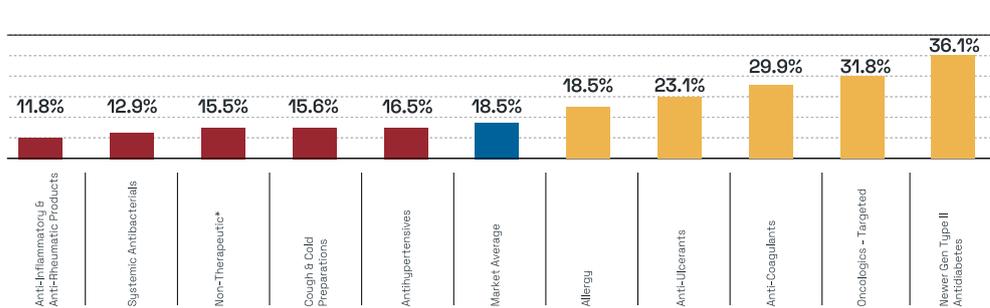
- Generic and biosimilar drug sales are expected to grow at 17% CAGR through 2026, with biosimilars growing at more than 20% CAGR driven by the prevalence of oncology and autoimmune diseases, making local manufacturing a highly attractive investment

TOP THERAPY AREAS IN EGYPT

PERCENTAGE SHARE OF TOTAL SALES PER THERAPY AREA IN EGYPT 2021



RESPECTIVE SALES CAGRS FOR TOP THERAPY AREAS IN EGYPT 2017-2021



- The top 100 best selling drugs in Egypt, include 19 antibiotics and 9 analgesics and anti-inflammatories
- Augmentin is at the forefront in terms of value with 1% of the market size Hybiotic in terms of the number of units
- Analgesics are one of the most selling drug group in Egypt, the most famous of which is Brufen
- The Top 10 therapy areas together constitute approx. 43% of value sales.
- Systemic Antibacterials is the top therapy area in Egypt.
- Newer Gen Type II Antidiabetes and Oncologics - Targeted have witnessed the fastest sales growth during the period 2017-2021 with 36.1% and 31.8% respectively

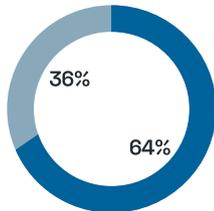
Sources: IQVIA

EGYPT'S LOCAL DRUG MANUFACTURING IS DRIVEN BY PRIVATE INVESTMENTS BY LARGE MULTINATIONALS

001

LOCAL MANUFACTURING ON THE RISE

PHARMACEUTICAL MARKET BREAKDOWN (SALES VOLUME)



■ LOCAL PRODUCTION ■ IMPORTS

- Egypt has the second-largest share of locally manufactured drugs in the MENA region (in terms of sales volume), second only to Algeria with 77.5%
- Local drug sales value amounted to \$2.9BN in 2021

002

THE PRIVATE SECTOR DRIVES LOCAL DRUG MANUFACTURING

TOTAL INVESTMENTS IN DRUG PRODUCTION



■ PRIVATE SECTOR ■ PUBLIC SECTOR

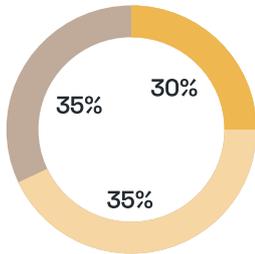
- 30.8% increase in pharmaceutical factories in Egypt (2015-2022)
- 40% increase in the drug production lines (2015-2022)



- Foreigners' FDI contribution amounted to 27% of the total issued capital inflow, while Arabs contributed to 3.7%, throughout the period from 1970 to the end of 2021

003

 MULTINATIONALS DOMINATE THE
 MANUFACTURING MARKET

 MARKET SHARE OF THE
 DRUG MARKET IN EGYPT


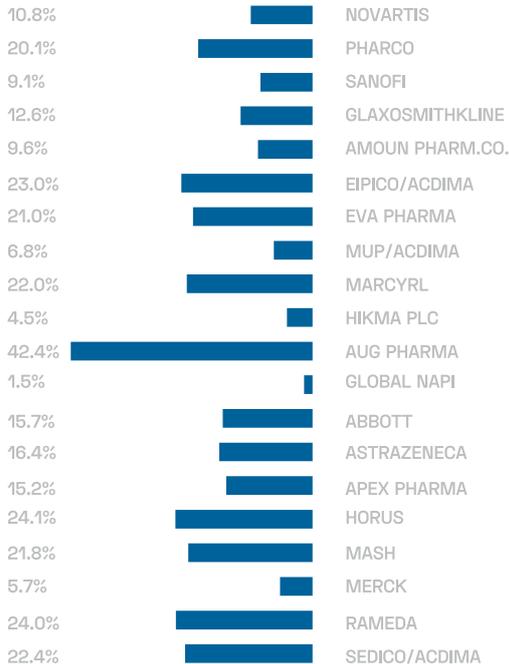
- MULTINATIONALS: LOCAL MANUFACTURING
- MULTINATIONALS: THROUGH CMOs
- LOCAL MANUFACTURERS (GENERIC MEDICINES)



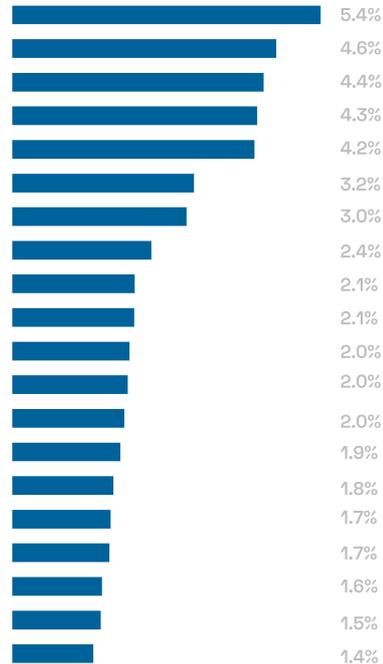
- Egypt currently has 152 drug factories, with more than 20 foreign pharmaceutical companies operating in the market whether through local manufacturing or representative offices
- About 1,200 pharmaceutical companies outsource their drug manufacturing to local manufacturers (toll/contract manufacturing).

THE LARGEST MULTINATIONAL PHARMA CORPORATES ARE PRESENT IN EGYPT

GROWTH RATE PER
COMPANY MAT AUG 2022



MARKET SHARE PER
COMPANY AUG 2022



12 EGYPTIAN

8 FOREIGN

- NOVARTIS & PHARCO lead the market with 5.4% and 4.6% shares respectively
- The top 20 pharma companies in Egypt control more than half (53%) of the total pharma market value
- Domestic players have been witnessing the fastest growth, with AUG PHARMA and HORUS achieving 42% and 24% annual growth rates (MAT AUG 2022)
- The top 20 foreign multinationals control more than 37% of total pharma market sales

- 53% share of imported medicines of total sales value

- 55% of Egypt's pharma exports are towards the MENA region, and 21% towards Africa.

- Egypt aims to support pharmaceutical manufacturers to expand and increase production to target more lucrative markets where drug prices are rising

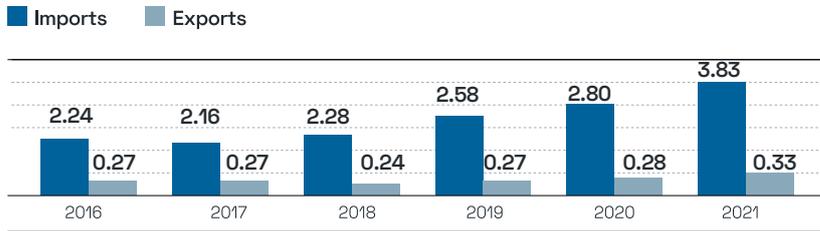
- This reduces import dependence and costs for manufacturers, increases production capacity, and achieves economies of scale while gradually lowering drug prices to consumers

- Most exports will continue to target other markets in the MENA region, with a focus on Saudi Arabia, the United Arab Emirates, Iraq, Sudan, Jordan, and Romania

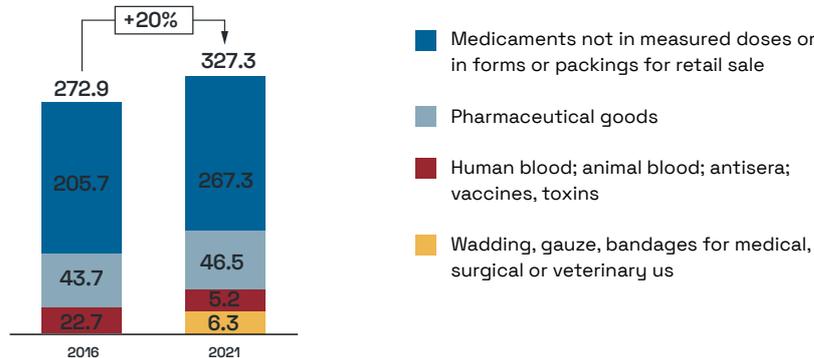


ANTIBIOTICS AND VITAMINS ARE THE FASTEST-GROWING MEDICAMENT CATEGORIES AMONG EGYPT'S PHARMA EXPORTS

EGYPT'S MEDICAMENTS AND PHARMACEUTICALS GOODS TRADE, \$ BILLION



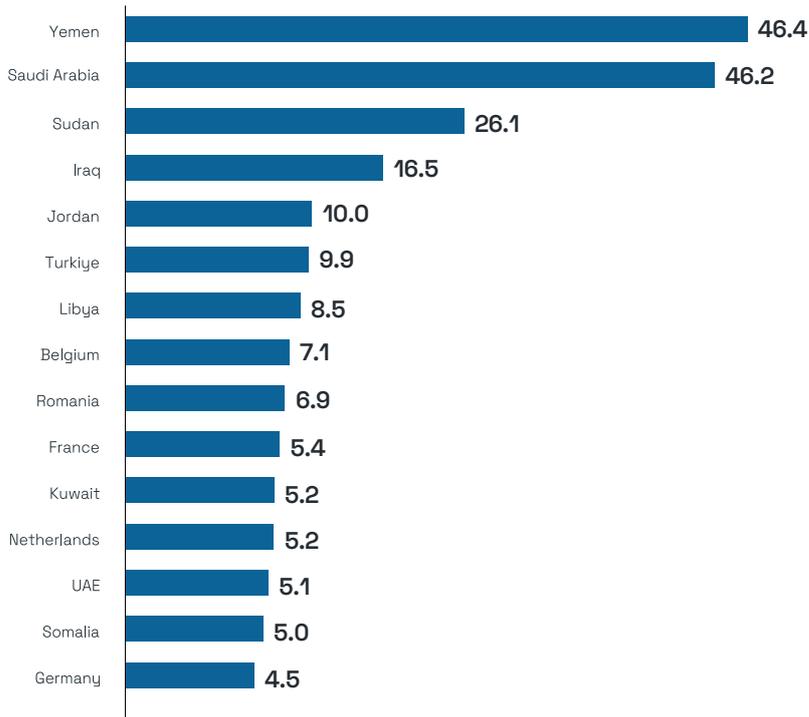
EGYPT'S PHARMA EXPORTS



- 53% of Egypt's total medicine sales are of imported medicines
- Egypt's pharma exports have grown by 20% since 2016, reaching \$327MN in 2021
- Antibiotics and Vitamins achieved the highest growth rates among exported medicaments, with 45.5% and 25.7% CAGRs respectively 2017-2021
- Exports of Human/animal blood, vaccines, ..etc have increased by 141% y-o-y, reaching \$6MN in 2021

55% OF EGYPT'S PHARMA EXPORTS ARE TOWARDS THE MENA REGION

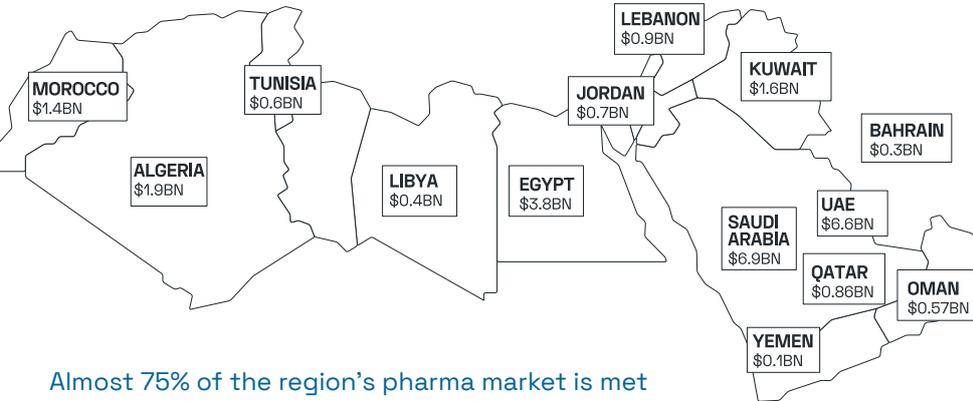
Egypt's Top Pharmaceutical Export Destinations, \$Mn



- 55% of Egypt's pharma exports are towards the MENA region, and 21% towards Africa.
- Egypt aims to support pharmaceutical manufacturers to expand and increase production to target more lucrative markets where drug prices are rising
- This reduces import dependence and costs for manufacturers, increases production capacity, and achieves economies of scale while gradually lowering drug prices to consumers
- Most exports will continue to target other markets in the MENA region, with a focus on Saudi Arabia, the United Arab Emirates, Iraq, Sudan, Jordan, and Romania

THE MENA REGION OFFERS THE STRONGEST EXPORT POTENTIAL FOR EGYPTIAN DRUG MANUFACTURING, VALUED AT NEARLY \$30BN

MENA PHARMA IMPORTS EXCEEDS \$22BN 2021



Almost 75% of the region's pharma market is met by imports with significantly high demand for biologics and biosimilars

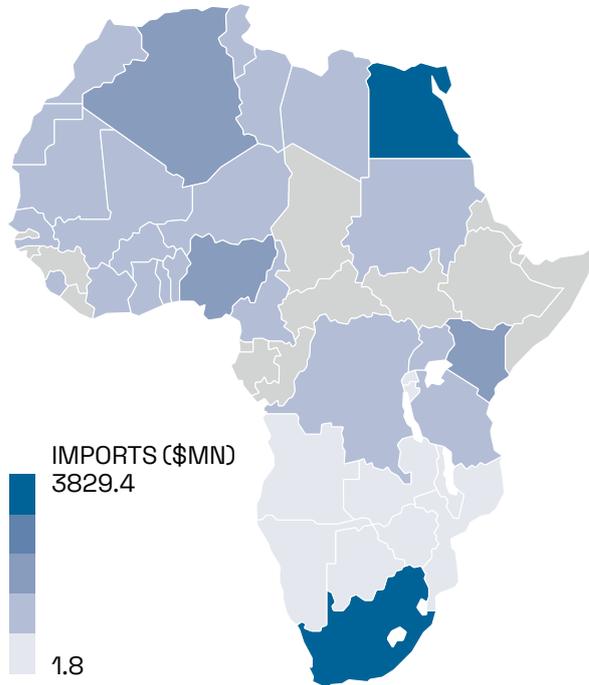
- KSA and Egypt are the two biggest pharma markets in MENA in terms of total market value of pharmaceutical sales with \$8.5 Bn and \$6.2 Bn respectively

- MENA accounts for nearly 3% of the global pharma imports value, with KSA and UAE being the largest 2 importers of pharmaceuticals, at \$6.9 BNn and \$6.6 BN in 2021
- MENA market represents a strong export opportunity for Egypt, with a high prevalence of oncology and autoimmune diseases, developed regulation framework, as well as longer life expectancy (74 years in MENA vs 61 in Sub-Saharan Africa)

- A high spending power and a cultural preference for expensive foreign brands in the GCC has resulted in more than 85% of pharmaceuticals in the market being imported – which can be partially met by Egypt through the GAFTA Trade Agreement

IN ADDITION TO THE LOCAL MARKET DEMAND, FAST-GROWING PHARMACEUTICAL MARKET IN AFRICA ENHANCE INVESTMENT OPPORTUNITIES

AFRICA'S PHARMA IMPORTS EXCEED \$20BN 2021



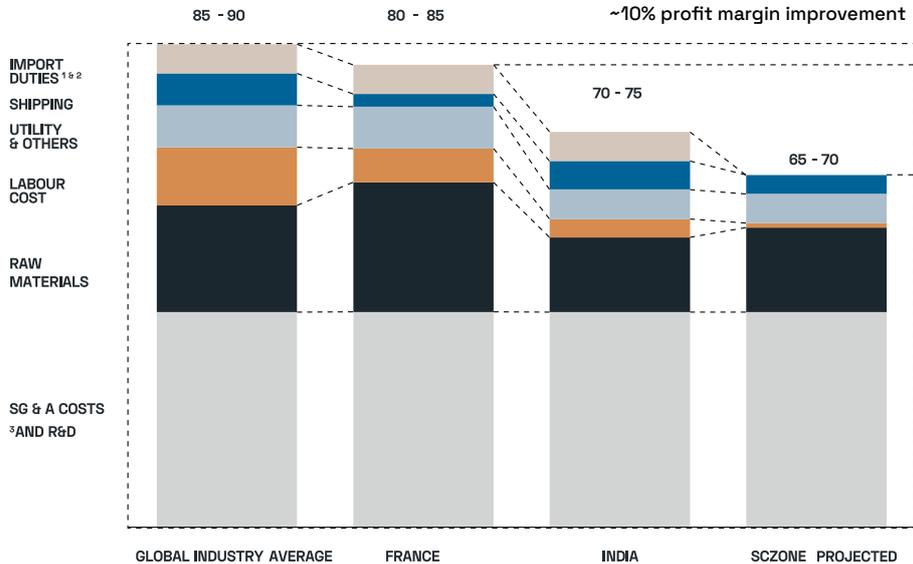
- The pharmaceutical market in Africa is set to grow even faster than the expected domestic growth in Egypt with more than 20% CAGR towards 2026

- The SCZONE in Egypt provides the most attractive investment destination for global manufacturers to serve domestic markets in Africa
 - Highest quality standards to ensure a GMP readiness for local drug manufacturers
 - Proximity to African markets and ease of logistic access via road and sea

- Egypt is the largest importer of pharmaceuticals in Africa with \$3.8 BN in 2021 followed by South Africa (\$3 BN), Algeria (\$1.9 BN), and Morocco (\$1.4 BN), which can partially be met by Egypt through the AfCFTA Trade Agreement

IN THE SCZONE CAN ACHIEVE IMPROVED PROFIT MARGINS DUE TO TAX EXEMPTIONS FROM THE SCZONE AND LOW LABOUR AND ENERGY COSTS IN EGYPT

PHARMACEUTICAL MANUFACTURING COST AS % OF REVENUE (GLOBAL AVERAGE VS SCZONE)



1 Assumed import tariffs of 5% for global and India companies when selling to African countries

2 Assumed no import duties for raw materials purchased by SCZone players and when selling to other African countries due FTA

3 Includes all the selling, general and administrative expense and R&D spending

INVESTORS WOULD BENEFIT FROM EGYPT AND SCZONE'S UNIQUE OFFERINGS

EGYPT ACHIEVES AN EDGE OVER INDIA ON IMPORT DUTIES BASED ON THE 2 MAIN TRADE AGREEMENTS IN AFRICA:

- Greater Arab Free Trade Agreement (GAFTA), covering key markets such as Algeria, Morocco, Tunisia and others.
- Common Market for Eastern and Southern Africa (COMESA), covering key markets such as South Africa & Kenya



Advantageous financial incentives from the SCZONE, due to:

- No import duties on raw materials purchased
- No tariff charges on selling to other African countries (free trade agreements)



YOUR FACTORY WILL BE LOCATED IN A SPECIALIZED INDUSTRIAL CLUSTER WITH ACCESS TO ALL REQUIRED FACILITIES



SCZONE OFFERING AN AREA OF 230 KM² IN
EAST PORTSAID INDUSTRIAL ZONE

UTILITIES:

- Sea Water Desalination Plant (New EPS City) 150,000 M³/day.
- A Wastewater Treatment plant (capacity of 100,000 M³/day).
- Sewage Lifting Stations / 4 X 500 Ltr/S.
- Electricity Substation (125*2 MVA)
- Electricity Substation under construction
- (175*2 MVA) + 3 Electricity networking Projects
- Fiber Optics Cables



SCZONE OFFERING AN AREA OF 300 KM² IN
SOKHNA INDUSTRIAL ZONE

UTILITIES:

- Sea Water desalination plant with a capacity of more than 100,000 M³/day
- Waste-water treatment plant with a capacity of 35,000 M³/day
- Portable Facility with a capacity of 2,000 M³/day Wastewater Treatment

PHARMACEUTICAL MANUFACTURING IN THE SCZONE GUARANTEES A SEAMLESS VALUE CHAIN

READILY AVAILABLE APIs



- %90 of APIs required for drug production are imported
- The SCZONE is targeting to establish API manufacturing facilities, with a strategic goal of becoming a regional API production hub

COST EFFICIENT MANUFACTURING



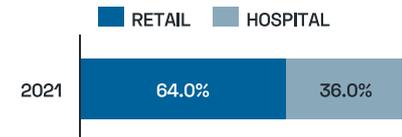
- 355K+ experts and workers in the field of drug production
- Egypt promotes cost efficiency in the form of low labor costs with an average of 53 working hours per week and an estimated average monthly wage of EGP 5000 (\$210)
- Egypt has more than 350 drug factories, and more than 700 active production lines, operating in compliance with the highest quality and security standards

COST EFFICIENT MANUFACTURING



- Egypt has 1,383 drug stores and about 75,000 pharmacies, of which 671 are private
- 63% of Egypt 's hospitals are privately owned
- The retail sector constitutes the largest share with 64% of market sales

Pharma Sales per Distribution Channel 2021





INVESTMENT PROFITABILITY PROFILE, NET CASH FLOW OVER 10 YEARS (\$MM)

PRELIMINARY BUSINESS PLAN

KEY FINANCIAL PERFORMANCE METRICS

REVENUE IN \$MM

~8-9 YEARS

Estimated time
to recover full
investment

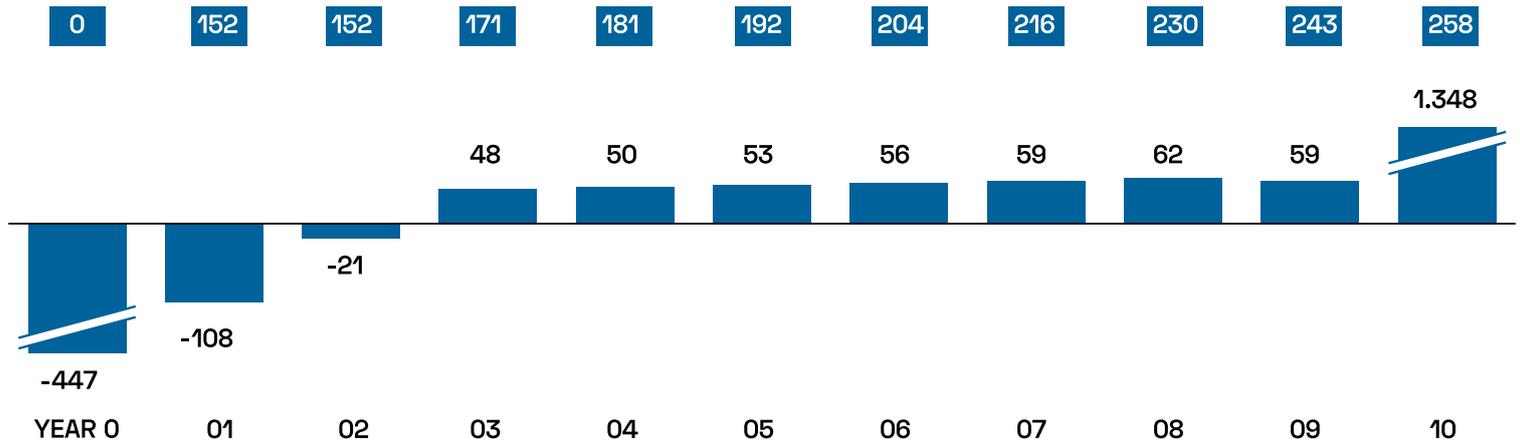
~\$200-250 M

NPV4

~12-14%

IRR calculated over
10 years

CASHFLOW PROFILE (IN \$MN)



1. Based on a Capex requirement at a range of \$3500 and \$4500 per square meter and Capex spending split 70%, 20% and 10% in the first three years respectively

2. Anchored on an average revenue generation of 1600 USD per s.q.m based on similar metric of regional players

3. Aligned with financial incentives offered by the SCZone

4. Terminal value growth assumed at a conservative level of 4% below market growth

5. Calculated based on the average beta for the global pharmaceutical industry and adjusted for Egypt specifics risk/premium

POTENTIAL FINANCIAL RETURNS: ILLUSTRATIVE BUSINESS CASE FOR AN INDIVIDUAL COMPANY INDICATES NPV OF ~\$230 MN WITH CAPEX OF ~\$600 MN OVER A 10 YEAR INVESTMENT SCHEDULE

FOR A MID-SIZED PHARMACEUTICAL PLAYER, OPERATING A 150,000 SQM FACILITY

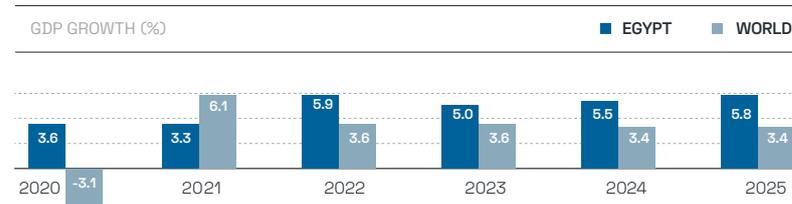


BUSINESS CASE INPUTS

Total Capex ¹ (\$m)	~700-600
Tax exemption based on Capex (%)	50%
Egypt market capture % (end state)	~1.5%
Africa market capture (end state)	1%
End state revenue ² (\$m per year)	~260
Net profit margin ³	25-30%
WACC ⁵	~9%
Interest on debt	3%

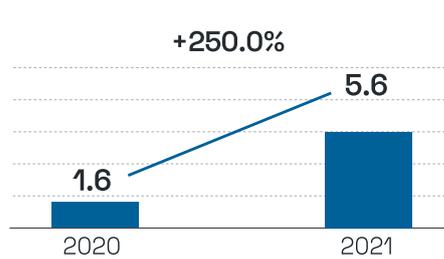
EGYPT IS ONE OF THE LEADING ECONOMIES AND GROWING INVESTMENT HUBS IN AFRICA AND THE MIDDLE EAST

GROWTH RATE EXCEEDING GLOBAL AVERAGES

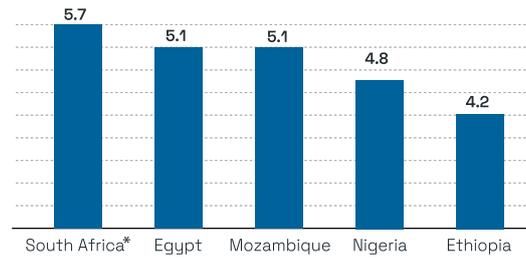


- Strong GDP growth outpacing global markets with an average growth forecast of 5.5% until 2025

GREENFIELD INVESTMENTS (\$BN)



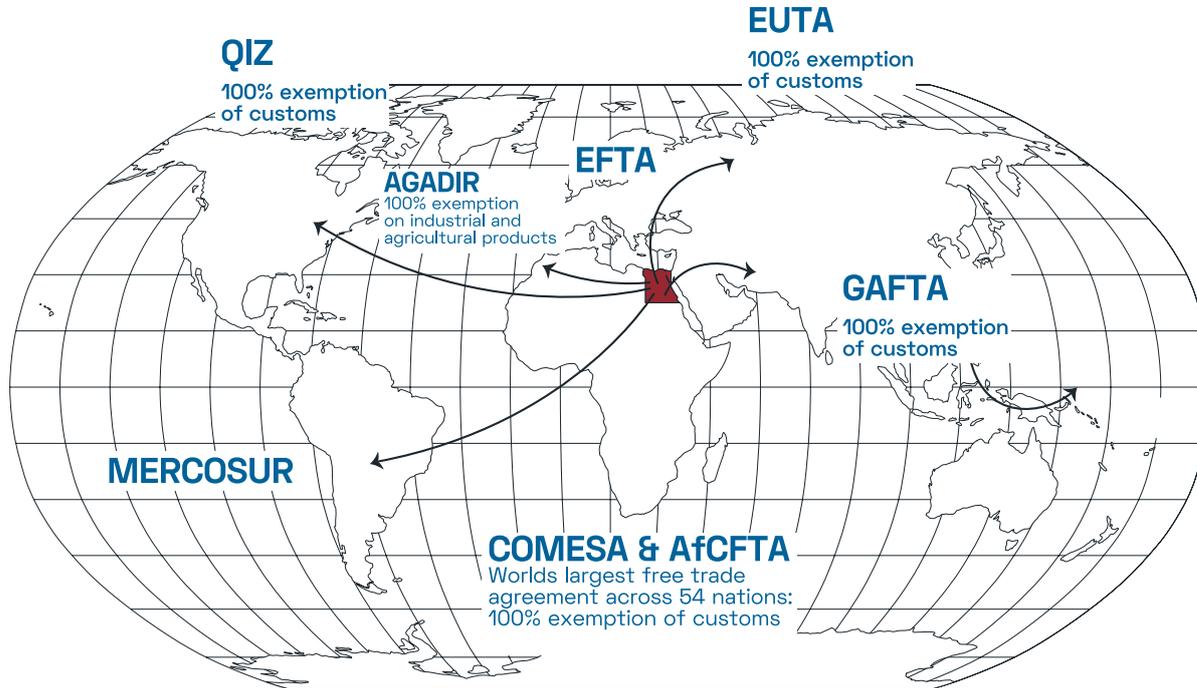
FOREIGN DIRECT INVESTMENT (\$BN)



*South Africa FDI excludes Naspers & Prosus \$35 BN deal

- A trade and investment hub that is supported by the country's large domestic market, strategic geographic location, and large and educated talent pool

WITH 12% OF GLOBAL TRADE PASSING THROUGH THE SUEZ CANAL, EGYPT IS STRATEGICALLY LOCATED AND SUPPORTED BY REGIONAL FREE TRADE AGREEMENTS



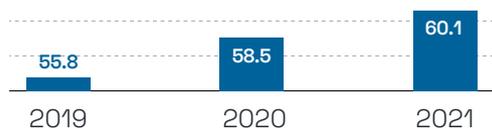
EGYPT IS THE
2nd
LARGEST FDI RECIPIENT IN AFRICA

THE GOVERNMENT'S RECENT ECONOMIC AND STRUCTURAL REFORMS ARE BEARING FRUIT

LEGISLATIVE AND INSTITUTIONAL REFORMS

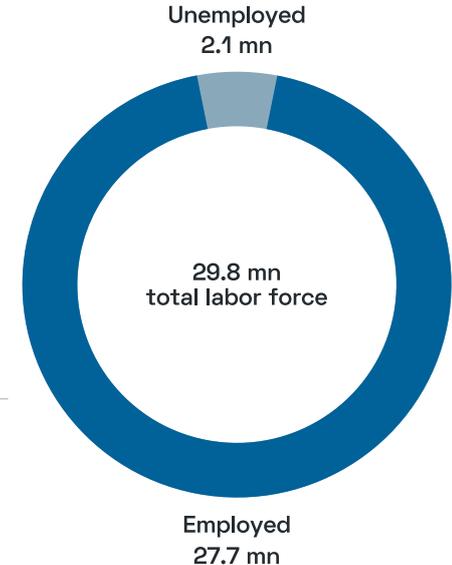
- Facilitating trade by automated customs system "Nafeza" [2021]
- Online system for filing and paying taxes [2020]
- Strengthening minority investors protection [2020]
- One-stop investor shops to obtain necessary approvals and licenses

EASE OF DOING BUSINESS SCORE



LABOR MARKET AND TALENT DEVELOPMENT

- Large and skilled labor force of 29.8 million people
- 85.8K graduates from higher technical institutes
- >150,000 teachers registered in TVET system
- >2 million students enroll in the Technical Education & Vocational Training (TVET) program annually



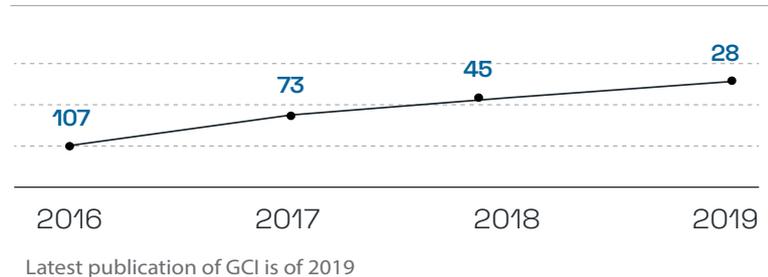
EGYPT HAS ACHIEVED HISTORICAL AND UNPRECEDENTED ACHIEVEMENTS IN THE FIELD OF INFRASTRUCTURE PROJECTS

INFRASTRUCTURE AND CONNECTIVITY

- EGP2.3tn invested into infrastructural developments over the past 7 years
- EGP1.1tn designated for road network development between 2014-2024, resulting in the construction of 7000km of newly developed roads and maintenance of 5000km of existing roads
- EGP387bn invested into the energy sector between 2014-2021, which saw Egypt achieving an electricity production surplus of >25% in 2022
- EGP50bn invested in upgrading existing airports, alongside the construction of 5 new airports in key areas across Egypt
- \$12.4bn allocated to the "National Ports Development Plan" launched in 2017 to increase total cargo tonnage handled per year from 120mn tons to 370mn tons by 2030
- 28% of total government investments allocated to the transportation sector in FY 2022/2023, of which EGP176bn are earmarked for the National Authority for Tunnels
- National high speed electric train spanning 1000 km, connecting sea- and land ports to cities and industrial areas, set to have its first phase completed in early 2023 at an investment cost of about \$8.7bn



QUALITY OF ROADS INFRASTRUCTURE, RANK



THE SCZONE PROVIDES AN INVESTOR-FRIENDLY BUSINESS ENVIRONMENT THAT IS A CORNERSTONE FOR EGYPT'S NATIONAL DEVELOPMENT PLANS

455

MILLION SQM2
TOTAL LAND AREA

6

SEA PORTS

4

INDUSTRIAL ZONES

3

MAIN OPERATORS IN
THE PORT

14

INDUSTRIAL
DEVELOPERS

>95

OPERATIONAL
COMPANIES IN THE
PORTS

>300

OPERATIONAL
ESTABLISHMENTS

100K+

DIRECT JOBS
CREATED

01

WEST ←
PORTSAID PORT
ميناء غرب
بورسعيد ←

02

EAST →
PORTSAID PORT
ميناء شرق
بورسعيد →

03

ALARISH
PORT
ميناء
العرش

04

ADABYIA
PORT
ميناء
الأديبة

05

SOKHNA
PORT
ميناء
السخنة

01 A

EAST → PORTSAID
INDUSTRIAL ZONE
المنطقة الصناعية
شرق بورسعيد

02 B

WEST ← QANTARA
INDUSTRIAL ZONE
المنطقة الصناعية
غرب قنطرة

03 C

EAST → ISMAILIA
INDUSTRIAL ZONE
المنطقة الصناعية
شرق الإسماعيلية

04 D

SOKHNA
INDUSTRIAL ZONE
المنطقة الصناعية
السخنة

06

ALTOR
PORT
ميناء
الطور



SCZONE IS A PROMISING INVESTMENT ZONE LOCATED AROUND THE GLOBAL TRADE ROUTE [SUEZ CANAL] WITH

REGIONAL CONTEXT

1.3^{BN}

GROSS CARGO
TRAFFIC/YEAR

12%

INTERNATIONAL
TRADE/YEAR

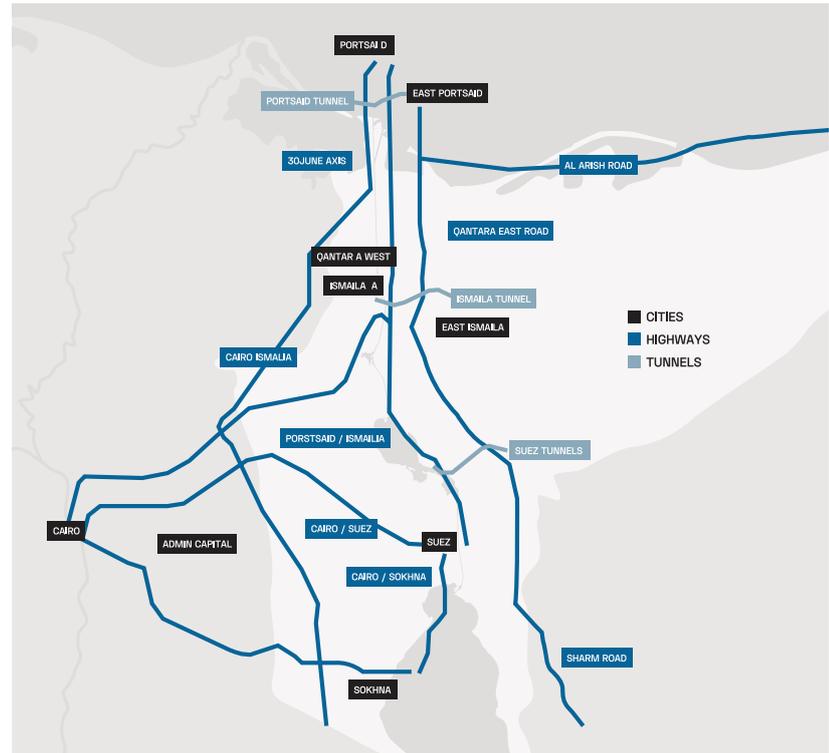
>20K

SHIPS/YEAR



THE SCZONE IS WELL CONNECTED TO EGYPT'S MODERN ROADS, RAIL AND AIRPORT NETWORK

SCZONE is well connected to the modern roads network of Egypt and enjoys direct connection to the new Suez Canal tunnels, facilitating transportation between its two banks.



THE SCZONE'S SERVICES FACILITATE KEY PROCEDURES FOR INVESTORS



SPECIAL CUSTOMS REGIME AND TRADE REGULATIONS

- Create an integrated industrial community
- Establish a logistic platform to serve international trade
- Reduce costs and time of shipments release
- Simplify and ease import/export regulations

ONE-STOP SHOP

Providing convenient integrated services under one ceiling

- New Establishments & Companies registrations
- Issuing all Licenses (construction & operation... etc)
- Extracting the work permits
- Issuing residency permits for the foreign investors

ATTRACTIVE INCENTIVES AND BENEFITS FOR GLOBAL INVESTORS BUILD A CONDUCIVE BUSINESS ENVIRONMENT IN THE SCZONE [1/2]

DIRECT FINANCIAL INCENTIVES

0% CUSTOM TAX



- 0% customs on all projects' components imported from abroad under the condition of exporting the final products
- Custom tax applied on imported components only when exporting to the local market

0% VALUE ADD TAX



- 0% VAT applied on all local and foreign imports required for manufacturing, production and operation
- 14% VAT is only applied when exporting final products from SCZONE to the domestic market

CORPORATE TAX REFUND (INCENTIVES FOR 7 YEARS)



- Discount on Tax (net profit) equivalent to 50% of the project investment costs such that the incentive does not exceed 80% of the paid-in capital

EXPORT SUPPORT PROGRAM



- Industrial manufacturers for export purposes at SCZONE will benefit from the program
- Enhancing the price competitiveness at foreign markets

ATTRACTIVE INCENTIVES AND BENEFITS FOR GLOBAL INVESTORS BUILD A CONDUCIVE BUSINESS ENVIRONMENT IN THE SCZONE [2/2]

INDIRECT INCENTIVES

“THE LEGAL FRAMEWORK”



- SCZONE established and empowered by the special economic zones Law No. 83/2002 which gave a legal framework that reinforces; Flexible, Autonomous and Decision in a single place

“ONE-STOP-SHOP SERVICES”



- New Establishments & Companies registrations
- Issuing all Licenses (construction & operation.. etc)
- Extracting work permits
- Issuing residency permits for foreign investors

EXPORT & IMPORT REGULATION



- Special rules governing imports and exports from the SCZONE
- Reduced cost & time of regulatory examination of shipments
- Treating end industrial products as local products

NEW CUSTOMS GUIDE 2020 & DIGITAL TRANSFORMATION



- Creating an integrated industrial community
- Establishing a logistic platform to serve international trade
- Reducing release time of shipments

5-YEAR RESIDENCY PERMIT FOR THE FOREIGN INVESTORS



- Foreign investors have the right to obtain residency for a period of 5 continuous years, renewable for similar periods throughout the duration of the project

CONTACT US TO LEARN MORE ABOUT INVESTMENT OPPORTUNITIES

WE WILL SUPPORT YOU EVERY STEP IN THE WAY, FROM CONCEPTUALIZATION TO IMPLEMENTATION

001 CONSIDER

002 EXPLORE

003 PLAN

CONTACT US
INVEST@SCZONE.EG

INTEGRATED ROUTE

ONE DESTINATION

INTEGRATED ROUTE

ONE DESTINATION

INTEGRATED ROUTE

ONE DESTINATION

INTEG