

A light gray world map is visible in the background, centered on the Atlantic Ocean. The map shows the outlines of the continents in a dotted or pixelated style.

SCZone

Suez Canal Economic Zone

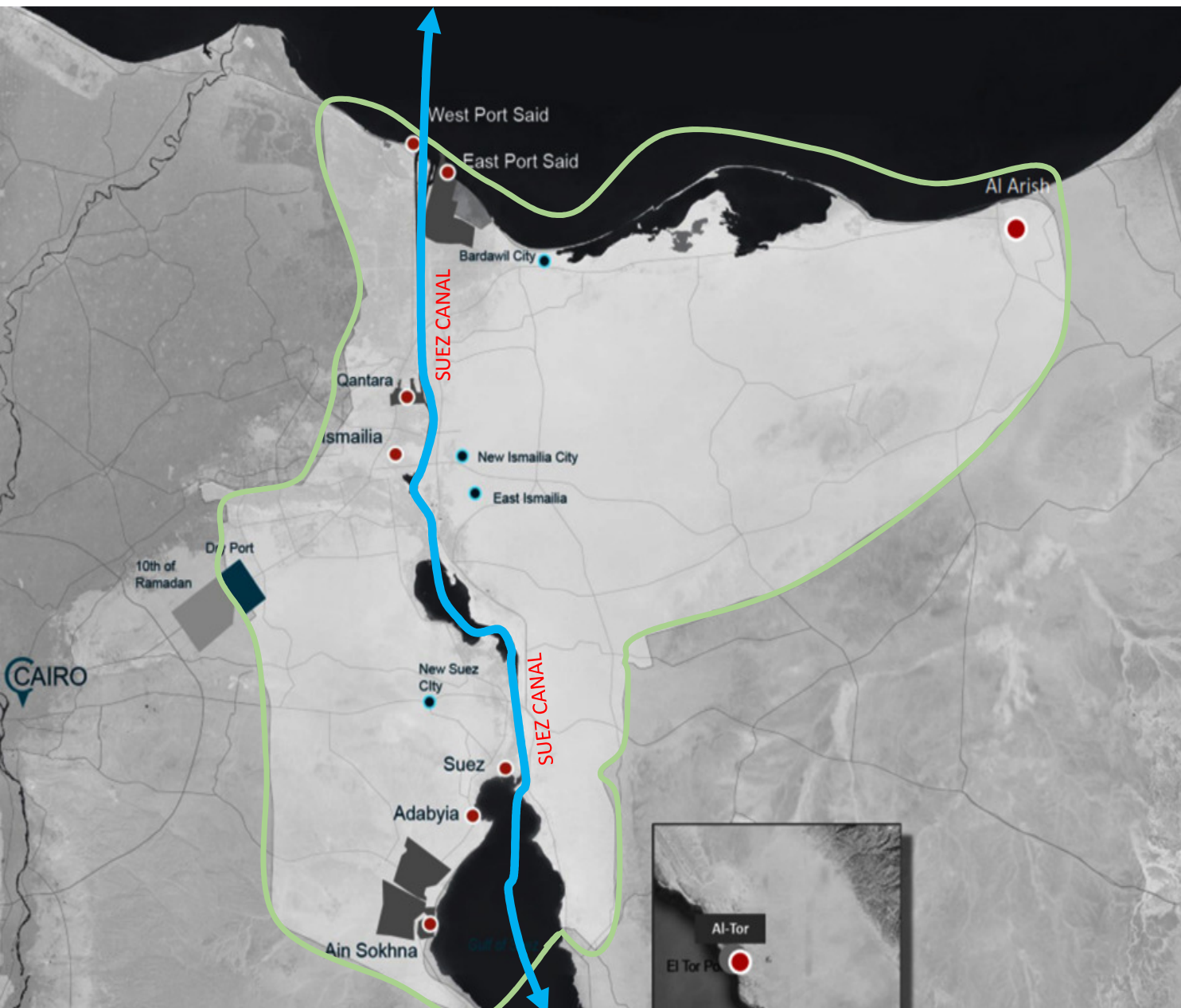
To become

a leading world class economic hub and a preferred destination for investment.



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2. Investment Catalysts in SCZone
3. How To Invest in SCZone



SCZone
Suez Canal Economic Zone

1- About SCZone

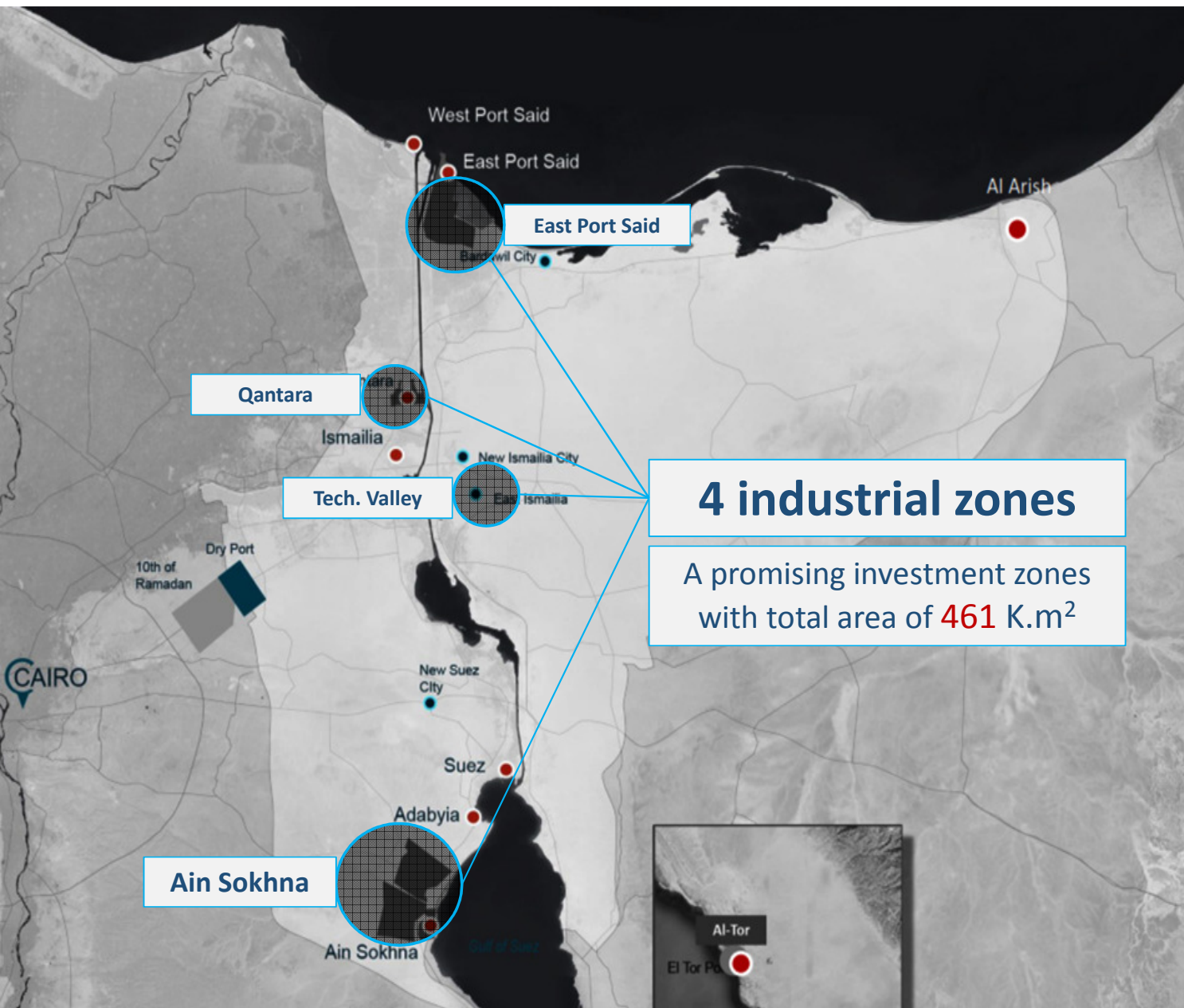
SCZONE located around the main international maritime route where almost 20% of the international trade pass through (over 17,000 ships passing through each year and 9% of seaborne trade).

1- About SCZone

SCZone
Suez Canal Economic Zone

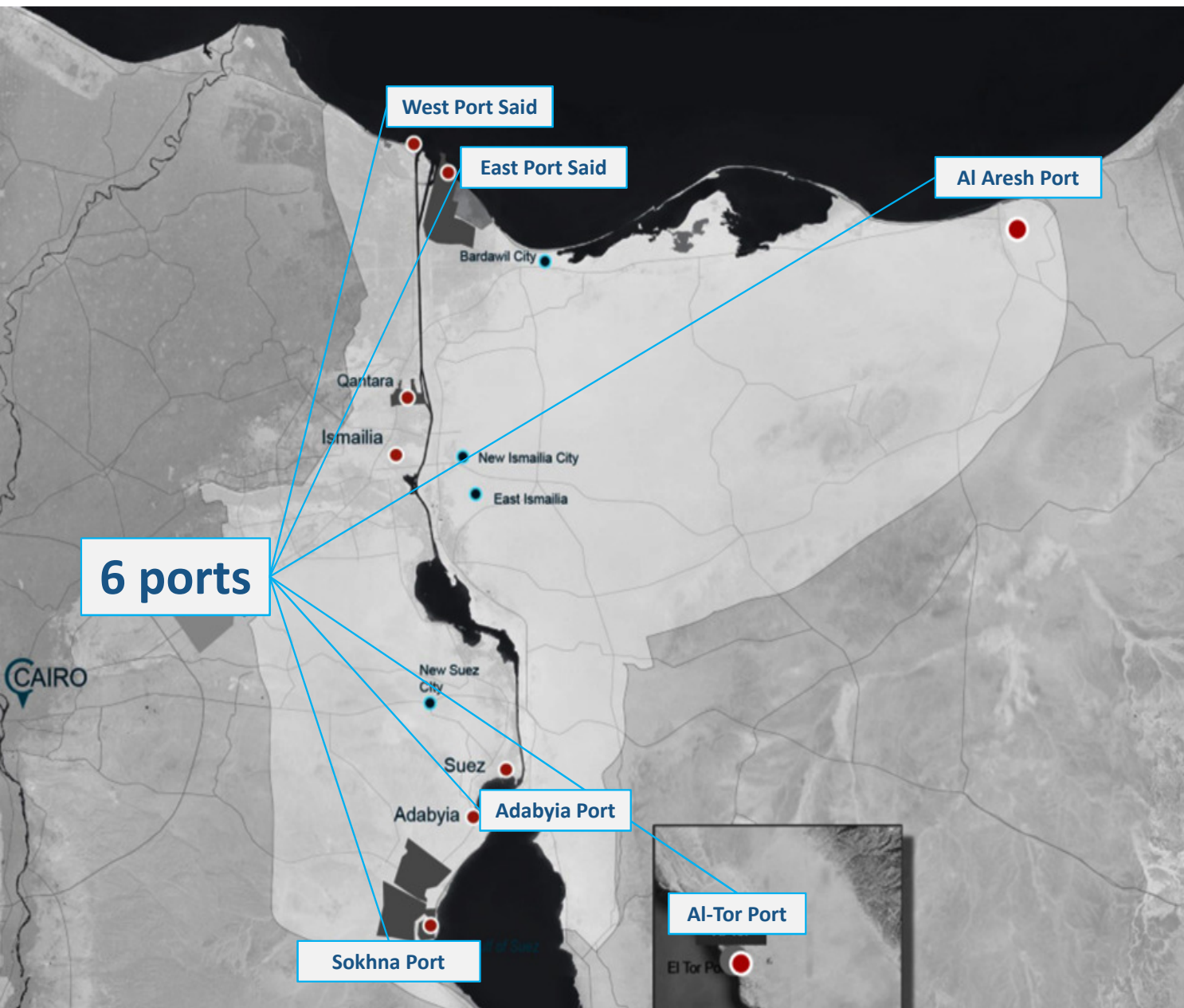
Linked to The main Trunk Route of global Trade





SCZone
Suez Canal Economic Zone

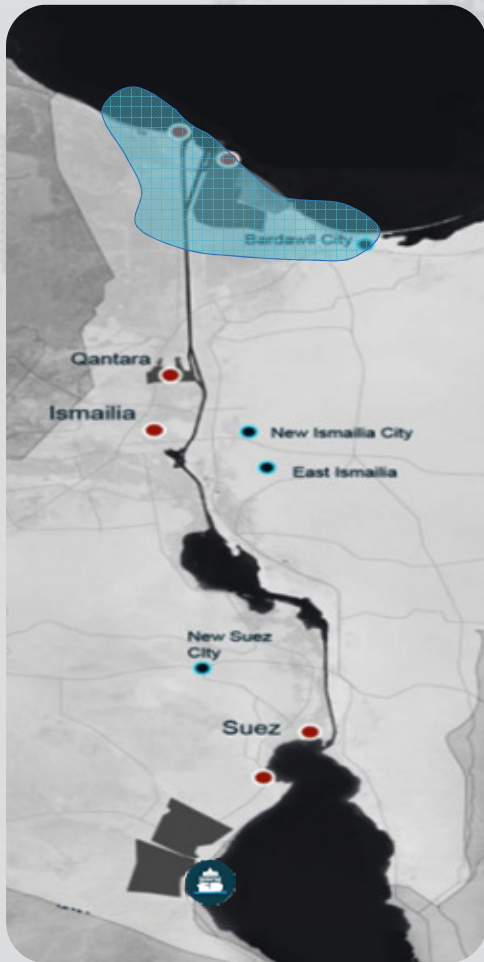
1- About SCZone



SCZone
Suez Canal Economic Zone

1- About SCZone

1- About SCZone



REGIONAL STRATEGY

The regional development strategy centers on three Primary Development Nodes:

1- East Port Said

- Development of East Port Said Port into a **major transshipment hub** and a thriving gateway port with a dedicated multi-modal logistics facility generating over 150,000 jobs.
- 6,400 hectares earmarked for **light and medium manufacturing, commercial and business activities** with the capacity to support over 1,250,000 jobs.
- **New urban areas** at East Port Said and Bardawil City, hosting up to 3,750,000 residents.

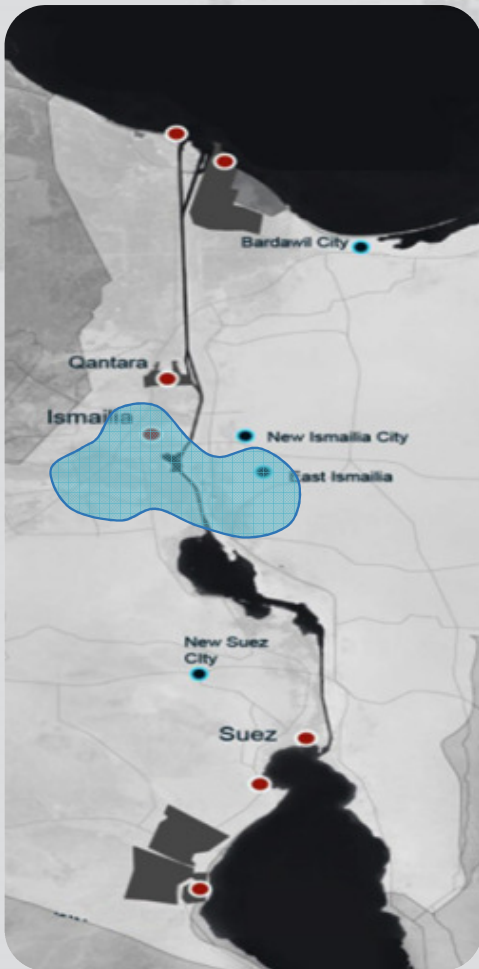
1- About SCZone

REGIONAL STRATEGY

The regional development strategy centers on three Primary Development Nodes:

2- Ismailia

- Specialized clusters for R&D activities in both ICT and renewable energies in Ismailia City and also in East Ismailia.
- Agri-processing and related logistics center, dry port and other light manufacturing activities supported at Qantara.
- Development of urban areas at Qantara and New Ismailia City – capacity to host over 350,000 residents.



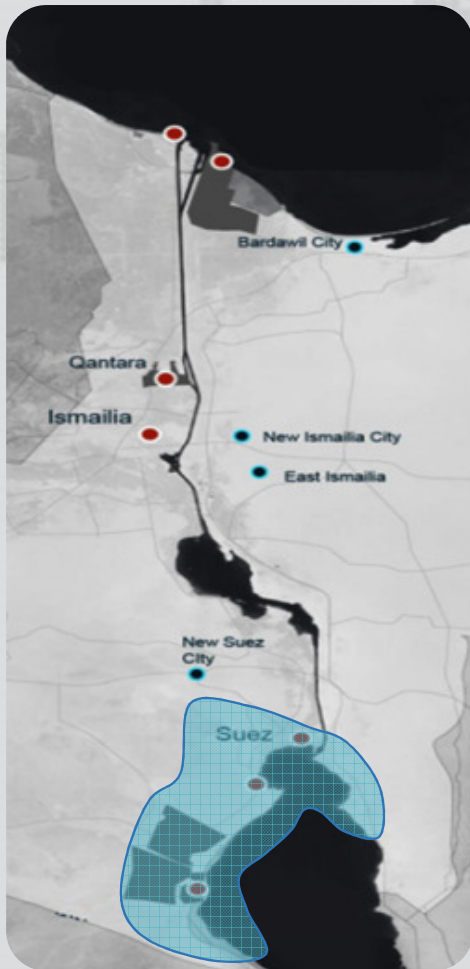
1- About SCZone

REGIONAL STRATEGY

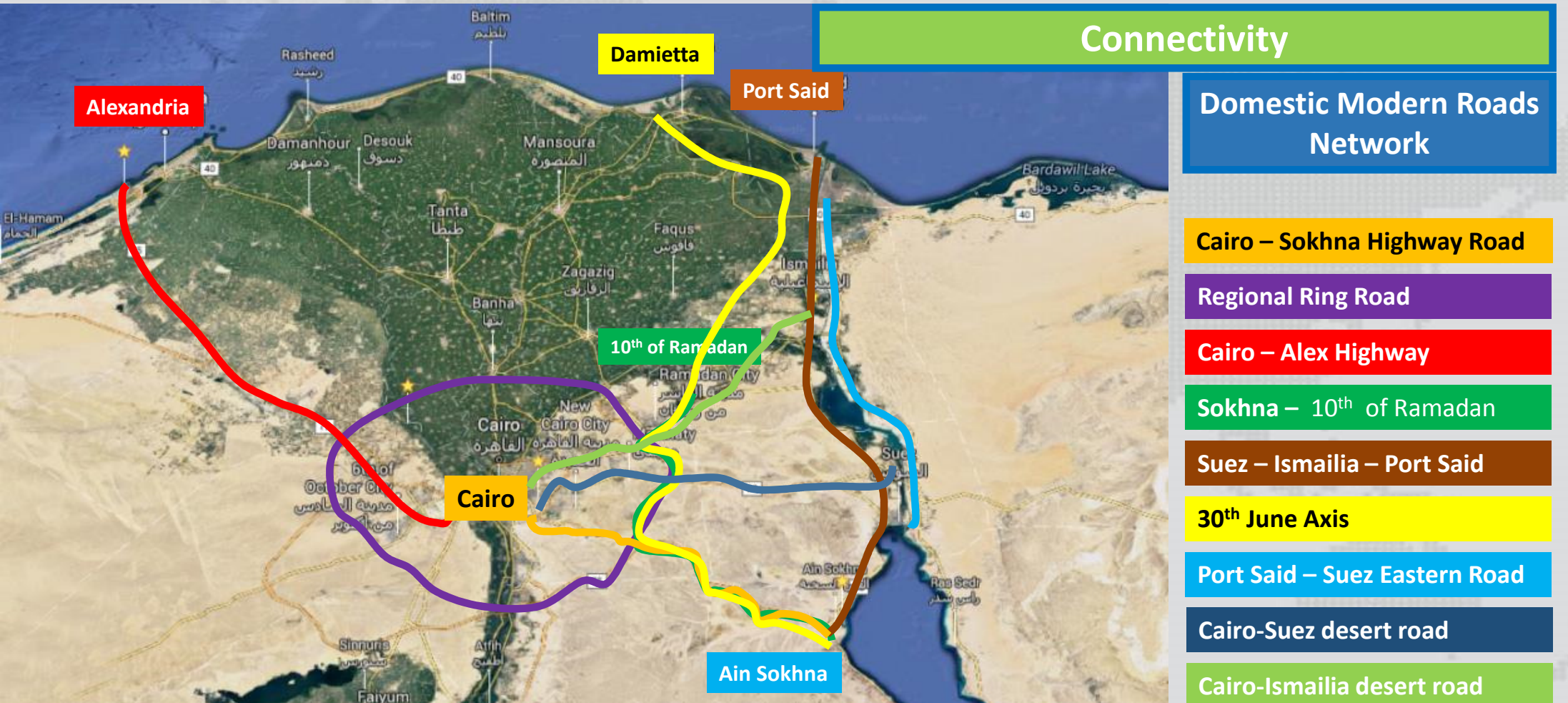
The regional development strategy centers on three Primary Development Nodes:

3- Ain Sokhna

- Creation of one of the largest industrial and port complexes globally.
- Expansion of the ports and logistics facilities at Sokhna and Adabiya, and establishment of **maritime-related** activities including bunkering, ship building and repairs to support over 70,000 jobs.
- Industrial Development of over 16,250 hectares supporting **light, medium and heavy manufacturing activities**, as well as **commercial and business activities**. Capacity to host over 1,850,000 jobs.
- Planned **new integrated communities** at Ain Sokhna and new Suez City for over 260,000 residents.



1- About SCZone



1- About SCZone



1- About SCZone



Connectivity

Linked to International Airports

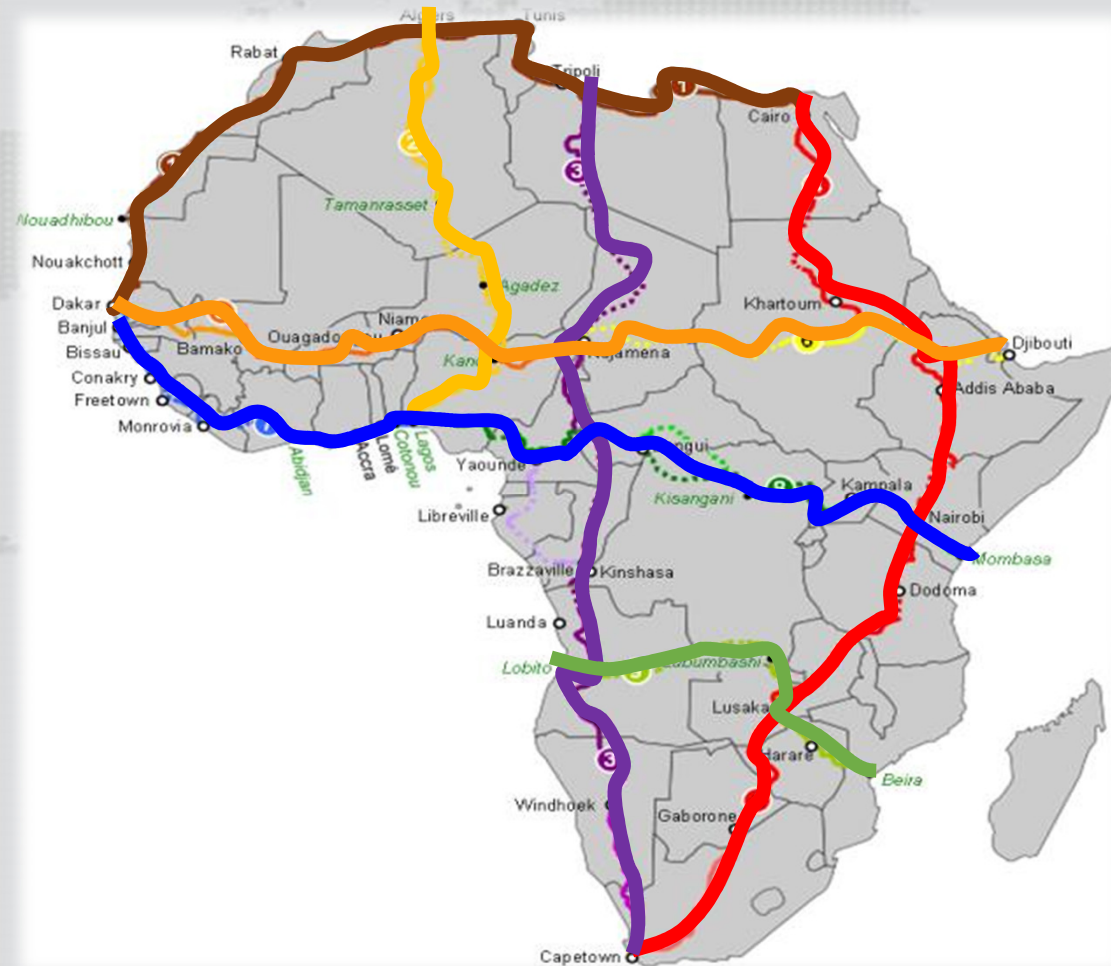
100 KM to Cairo Intl. Airport

170 KM to Cairo West Intl. Airport

60 KM to the Admin. Capital Airport

150 KM to Almallez Airport

1- About SCZone



Connectivity

Linked to The Transport African Highways

1

Cairo - Dakar

2

Algeria - Lagos

3

Tripoli - Cape town

4

Cairo - Cape town

5

6

Dakar - N'djamena- Djibouti

7

8

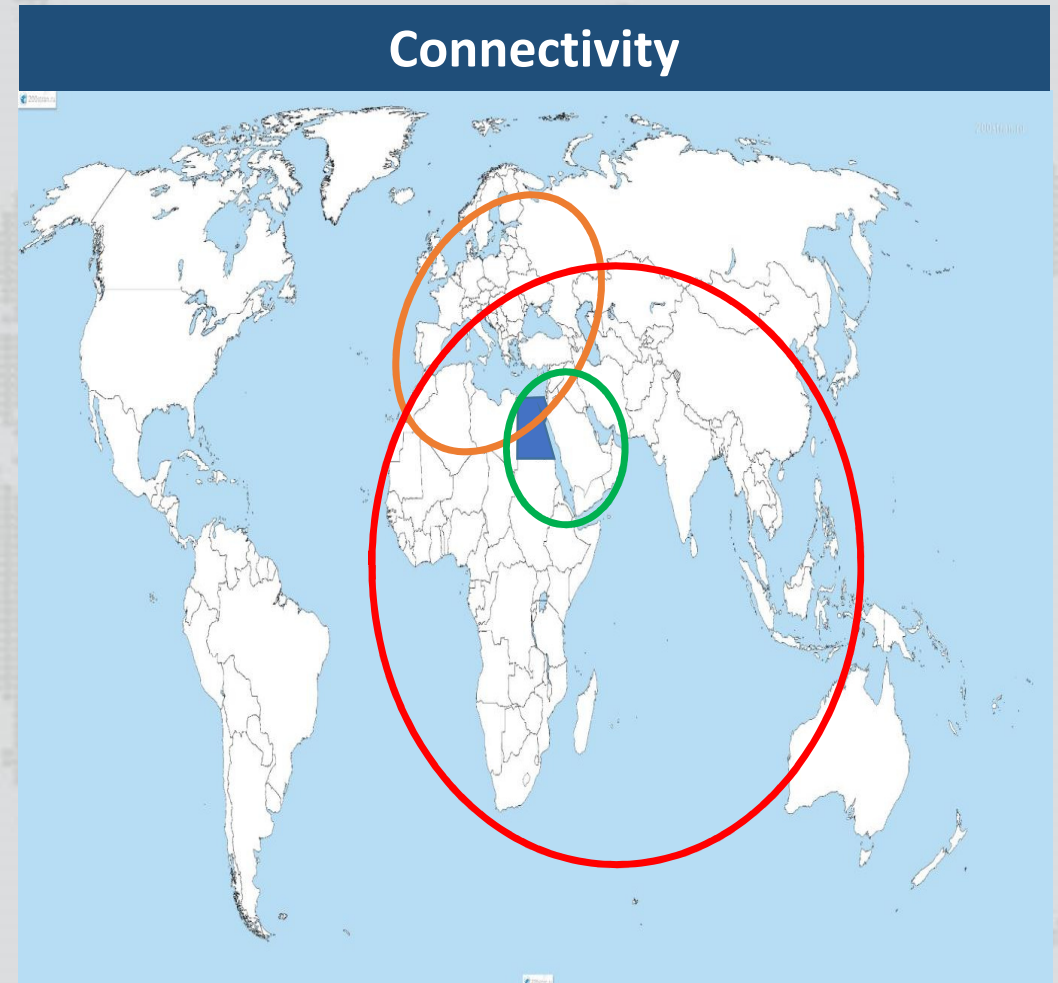
Dakar - Lagos - Mombasa

9

Beira - Lobito

1- About SCZone

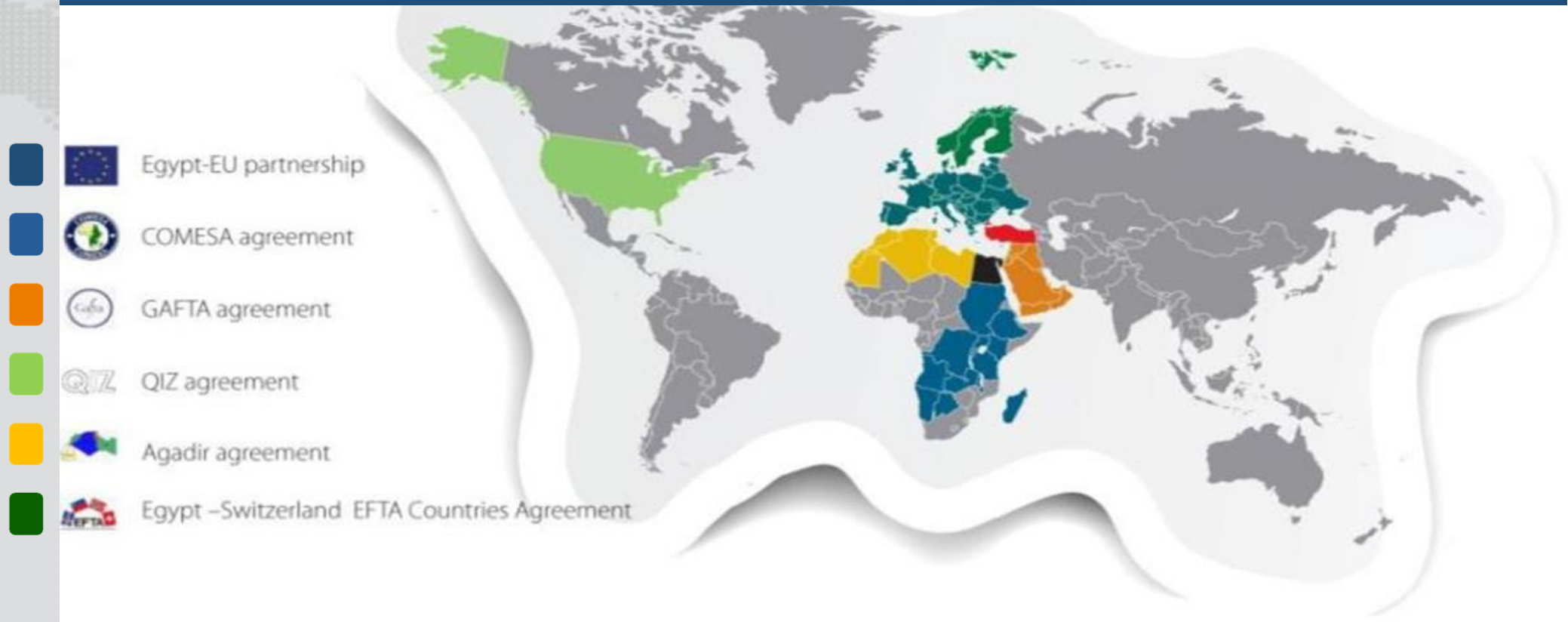
- In 2016, Egypt was selected as one of the best-connected countries in Africa
- Egypt Connectivity Index is 62.2
- Egypt is the main gateway of Africa.
- In the container sector, Egypt has been identified as Africa's busiest corner points for maritime trade.



2- Investment Catalysts in SCZone

Magnificence of the place creates a promising tomorrow

Egypt's Free Trade Agreements ensure rapid delivery of goods to 1.8 billion consumers in Europe, Asia, the Middle East, Gulf and Africa.

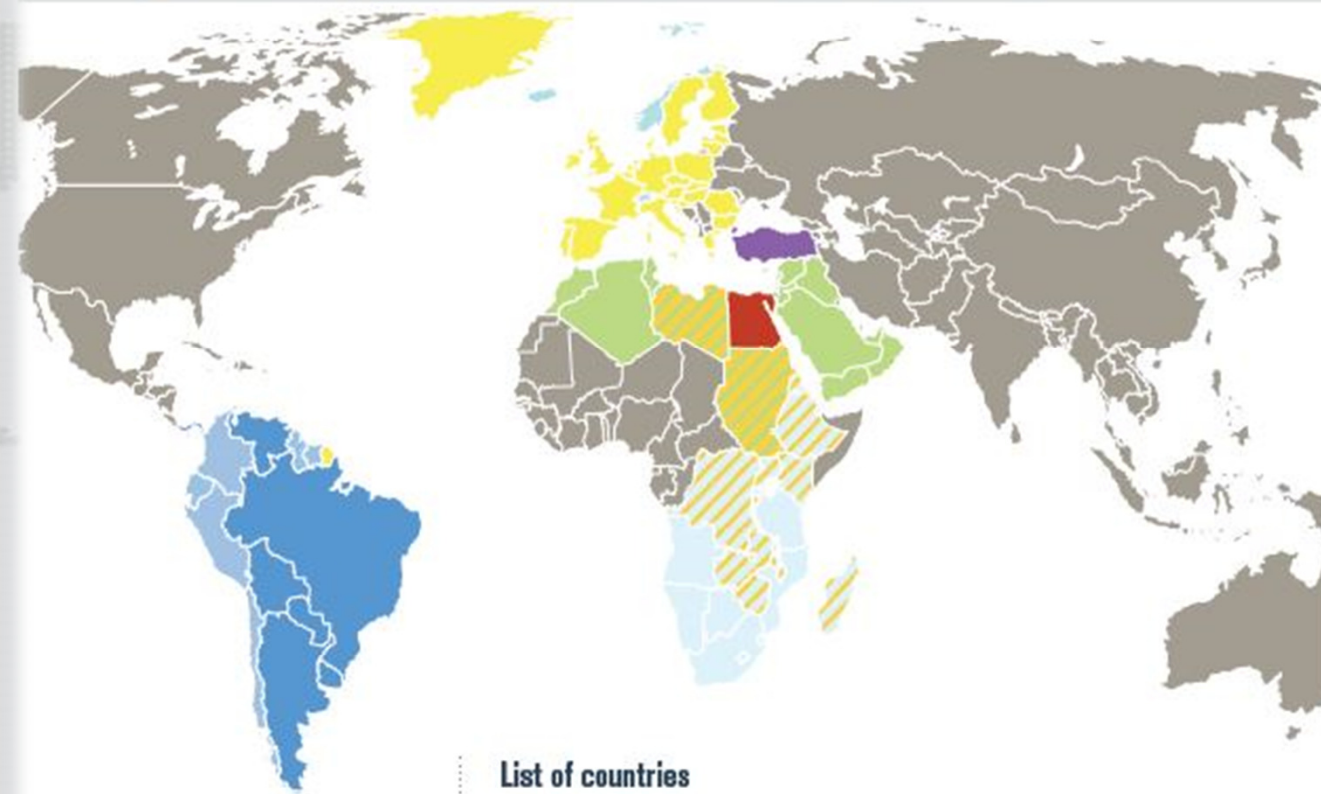


2- Investment Catalysts in SCZone

Magnificence of the place creates a promising tomorrow

SCZone
Suez Canal Economic Zone

EGYPT HAS SIGNED SEVERAL TRADE AGREEMENTS THAT PROVIDE EGYPT BASED MANUFACTURERS WITH FAVORABLE EXPORT REGIMES TO OTHER COUNTRIES



List of countries

Austria, Belgium, Bulgaria, Croatia, Cyprus, Czech Republic, Denmark, Estonia, Finland, France, Germany, Greece, Hungary, Ireland, Italy, Latvia, Lithuania, Luxembourg, Malta, Netherlands, Poland, Portugal, Romania, Slovakia, Slovenia, Spain, Sweden, UK, Norway, Iceland, Switzerland, Turkey, Morocco, Algeria, Libya, Tunisia, Sudan, Iraq, Saudi Arabia, Bahrain, Qatar, Yemen, Oman, UAE, Jordan, Eritrea, Kenya, Uganda, Rwanda, Burundi, Congo, Zambia, Malawi, Zimbabwe, Madagascar, Djibouti, Swaziland and countries of Latin America

Subregional trade and economic alliance, which consists of Argentina, Brazil, Paraguay, Uruguay. Associated members — Bolivia and Chile

* Chile, Columbia, Ecuador, Guyana, Peru, Suriname are the associated member states of MERCOSUR

KEY FACTS

70+

Number of countries that signed the trade agreements

40+ %

World GDP share (%) by the selected countries

Legend:

- Egypt
- European Free Trade Association (EFTA)
- GAFTA
- Common Market for Eastern and Southern Africa (COMESA)
- EU-Egypt Free Trade Agreement (Association Agreement)
- MERCOSUR
- Bilateral Trade Agreements

2- Investment Catalysts in SCZone

Magnificence of the place creates a promising tomorrow

Egypt's Large Local Market & Young Population

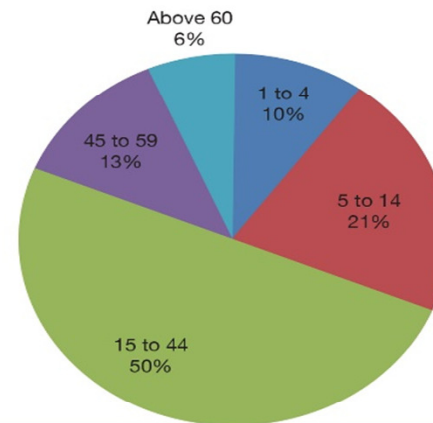
..... The Strategic Approach

TEMPTING CONSUMER MARKET

With the biggest population size in the Middle East, and the second biggest in Africa, the sheer size of Egypt's population makes its consumer market of significant importance on the world stage.

Year on year, this consumer market grows by a staggering 1 million new consumers, making it appealing across different product and service sectors.

Egyptian Population by Age Group



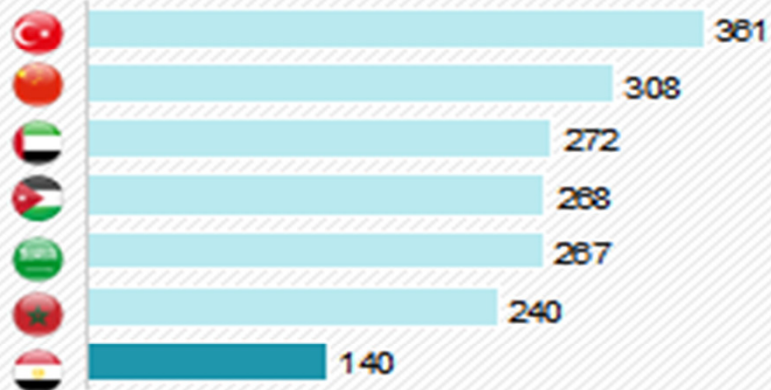
Source: GAFI
Source: Nielsen Global Confidence Report, February 2017
Source: Euromonitor, Egypt Country Profile, March 2017

2- Investment Catalysts in SCZone

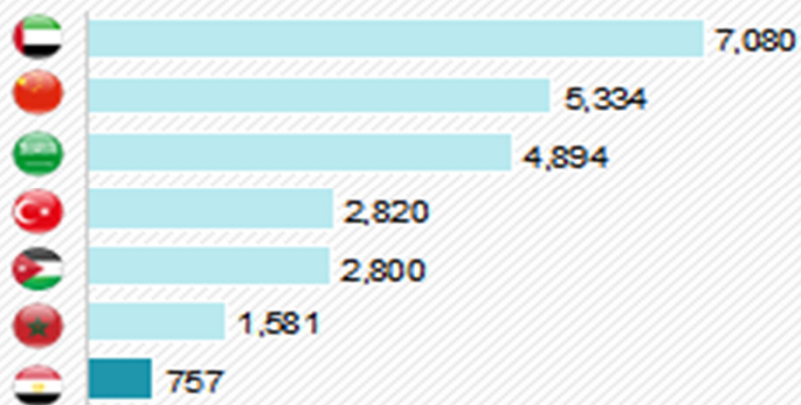
Magnificence of the place creates a promising tomorrow

Labor and utilities indicative prices

Low skilled wages¹, USD

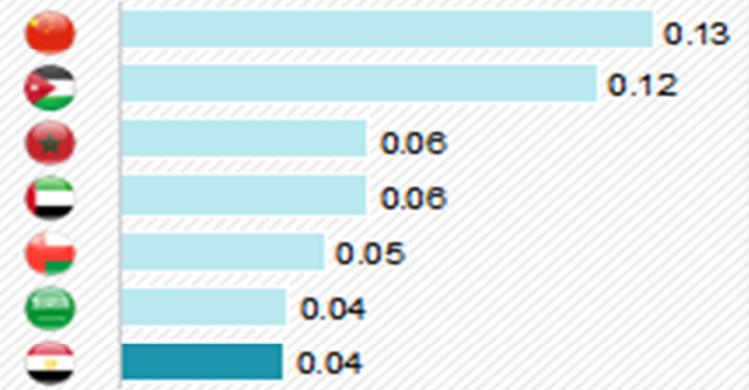


High skilled wages², USD

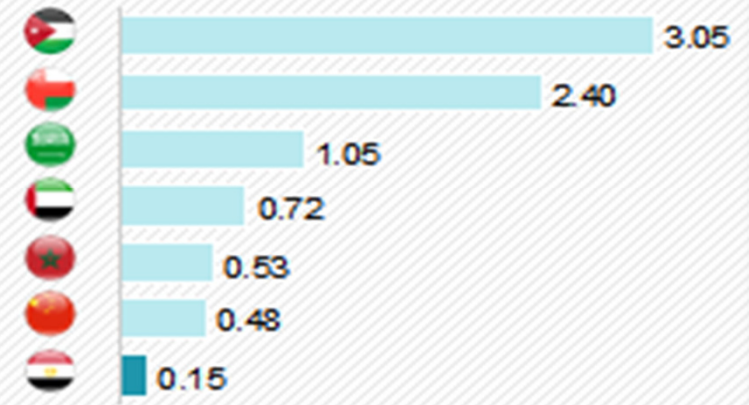


Operating Costs

Cost of electricity, USD per KWh



Cost of water, USD per Qm3



* Based on McKenzie bench market studies (Turkey, Emirates, Jordan, Morocco, KSA and China)

2- Investment Catalysts in SCZone

Magnificence of the place creates a promising tomorrow

..... The Strategic Approach

LOWER OPERATION COSTS

Another direct result of the pound devaluation is lower operational costs for foreign investors.

In addition to lower labor costs, foreign investors will now operate at a lower cost on the dollar. Although prices in EGP have risen for electricity, rent and other over-heads, the comparative price in dollar has dropped.

LOWER LABOR COSTS

A direct consequence of the pound devaluation is the lowering of the cost of labor on the dollar.

Whereas Egypt has always been substantially lower than Eastern Europe and comparable to India, post-devaluation Egypt can boast having one of the lowest costs of talent world-wide.

A PICK UP IN THE ECONOMY & STOCKMARKET

Egyptian stocks soared immediately following the announcement, with the country's main stock index, the EGX30, surging by about 8%. Stocks have since retraced earlier gains, and are up by 3.4% as of 1:05 p.m. ET.

A BLESSING IN DISGUISE?

Source: ITIDA, Global competitiveness, 2017
Source: Business Insider, November 2016

2- Investment Catalysts in SCZone

Magnificence of the place creates a promising tomorrow

LARGE
CONSUMER
MARKET

DIVERSIFIED
ECONOMY

LARGE LABOR
POOL

ROBUST
INFRASTRUCTURE

COMPETITIVE
TAX RATES

STRATEGIC
GEOGRAPHIC
LOCATION

ABUNDANT
ENERGY
RESOURCES

CALIBER OF
AVAILABLE
LABOR

INVESTMENT
LEGISLATION
REFORMS

LOW LABOR
COSTS

LOW
OPERATIONAL
COSTS

GROWING
ECONOMY

2- Investment Catalysts in SCZone

Magnificence of the place creates a promising tomorrow

at the heart of the international trade

..... Where Egypt Stands Today

WE'VE JOINED THE GLOBAL FDI PLAYERS

As per the financial times, in Q1 and Q2 of 2016 the top players in the world continued to be US, India, China, UK, and Indonesia but Egypt jumped from 15th place to 5th place in first half of 2016. However comparing 2015 to 2016 it becomes apparent that Egypt's recent effort to increase FDI inflows have indeed been successful, resulting in massive growth over the reported period.

Jan-July 2015		
Country	Capex, \$m*	
US	37,119	
India	36,334	
China	Jan-July 2016	
Country	Capex, \$m*	
Indones	India	36,195
Mexico	China	30,005
Brazil	Indonesia	28,300
Malaysi	US	23,779
Vietnam	Egypt	20,781
Australi	UK	20,637
	Vietnam	15,163
	Mexico	13,566
	Saudi Arabia	10,592
	Iran	9,074

Source: Daily News, October 2016

2- Investment Catalysts in SCZone

Magnificence of the place creates a promising tomorrow

..... The Strategic Approach

WE DON'T EXCEL IN ANY ONE FACTOR

Although Egypt does not offer a single clear cut differentiator with which it leads all other markets, it does offer a **unique combination of factors** that rarely come together in one place. Together, these combinations make it arguably one of the most attractive markets for both local and foreign investors.

**WE ARE UNMATCHABLE IN OUR
COMBINATION**

3- How To Invest In SCZone



OBJECTIVE

Conducive Environment

Investor Relation Management

Modernized Interpretation of the Law

No Bureaucracy / No paperwork

3- How To Invest In SCZone



LEGAL FRAMEWORK

New Investment low

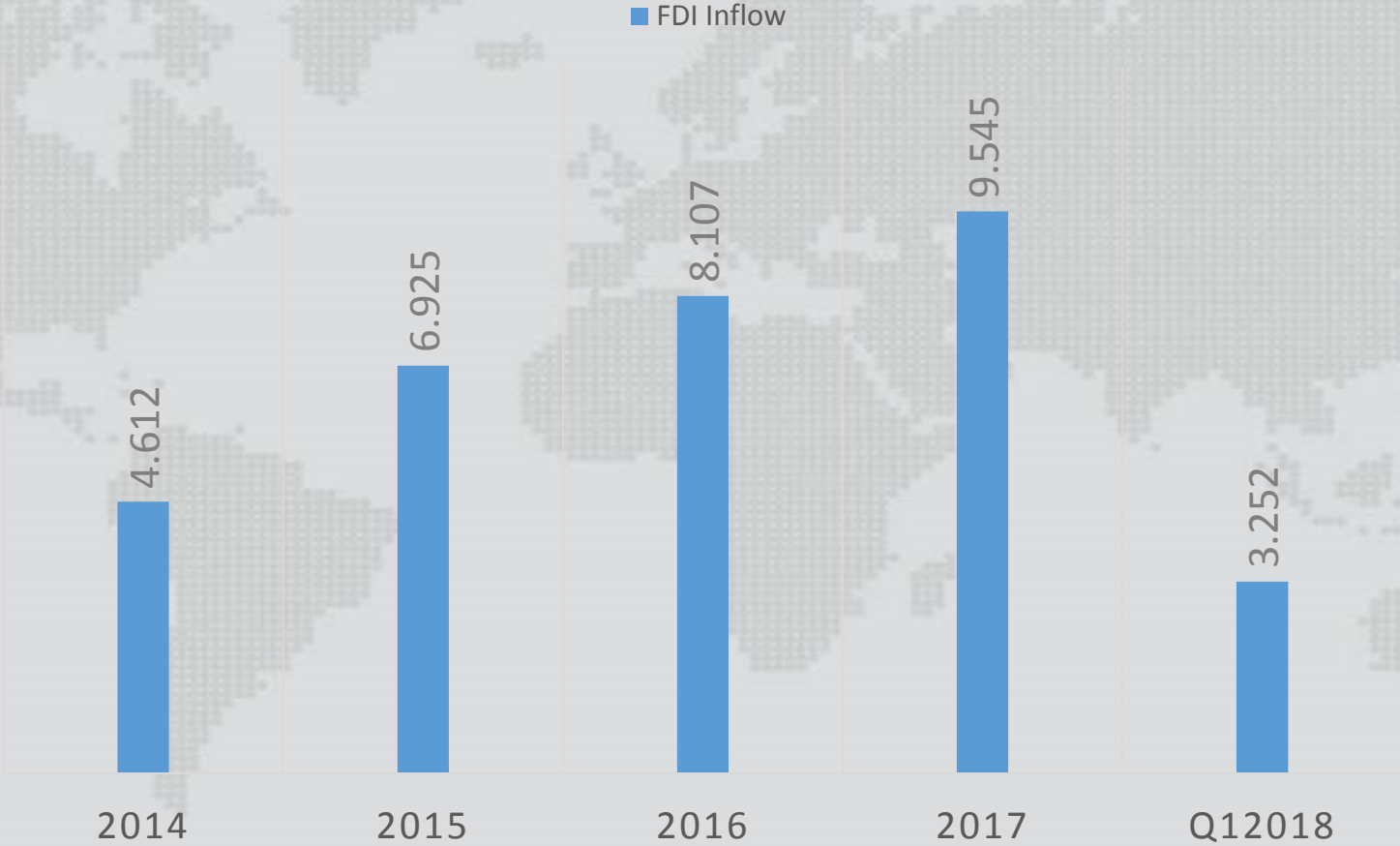
Flexible

Autonomous

Decision in a single place

2- Investment Catalysts in SCZone

EGYPT FDI, USD MILLION



2- Investment Catalysts in SCZone

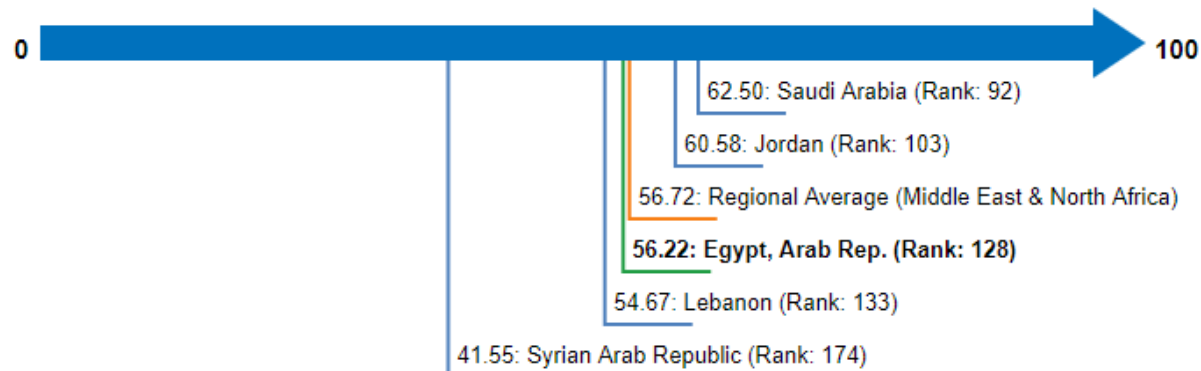
EGYPT INFLATION RATE



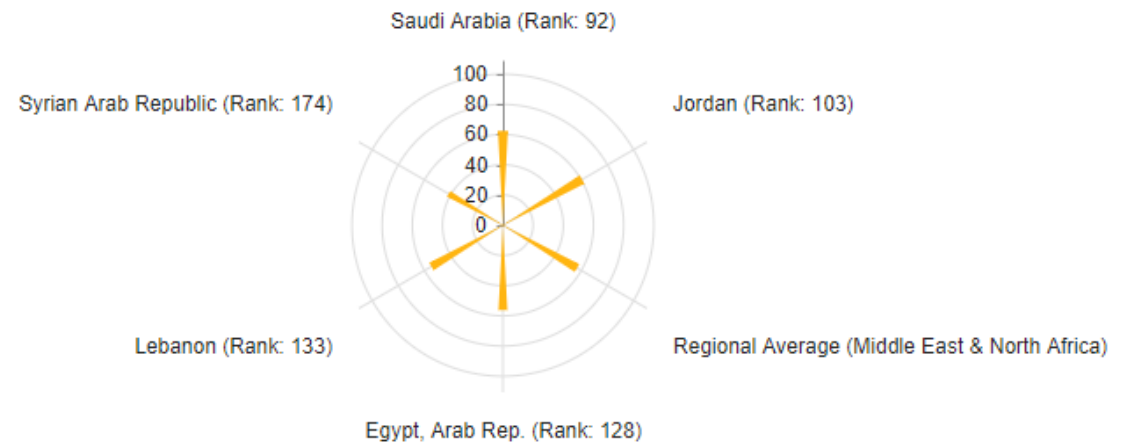
2- Investment Catalysts in SCZone

Egypt Ease of Doing Business I

DB 2018 Distance to Frontier (DTF)



DB 2018 Distance to Frontier (DTF)



2- Investment Catalysts in SCZone

Egypt Ease of Doing Business II

Topics	DB 2018 Rank	DB 2018 DTF	DB 2017 DTF ⓘ	Change in DTF (% points)
Overall	128	56.22	56.12	↑ 0.10
Starting a Business	103	84.53	84.51	↑ 0.02
Dealing with Construction Permits	66	71.43	71.23	↑ 0.20
Getting Electricity	89	71.24	71.48	↓ 0.24
Registering Property X	119	55.50	56.50	↓ 1.00
Getting Credit	90	50.00	50.00	..
Protecting Minority Investors✓	81	55.00	51.67	↑ 3.33
Paying Taxes	167	50.67	51.37	↓ 0.70
Trading across Borders	170	42.23	42.23	..
Enforcing Contracts	160	42.75	42.75	..
Resolving Insolvency	115	38.89	39.51	↓ 0.62

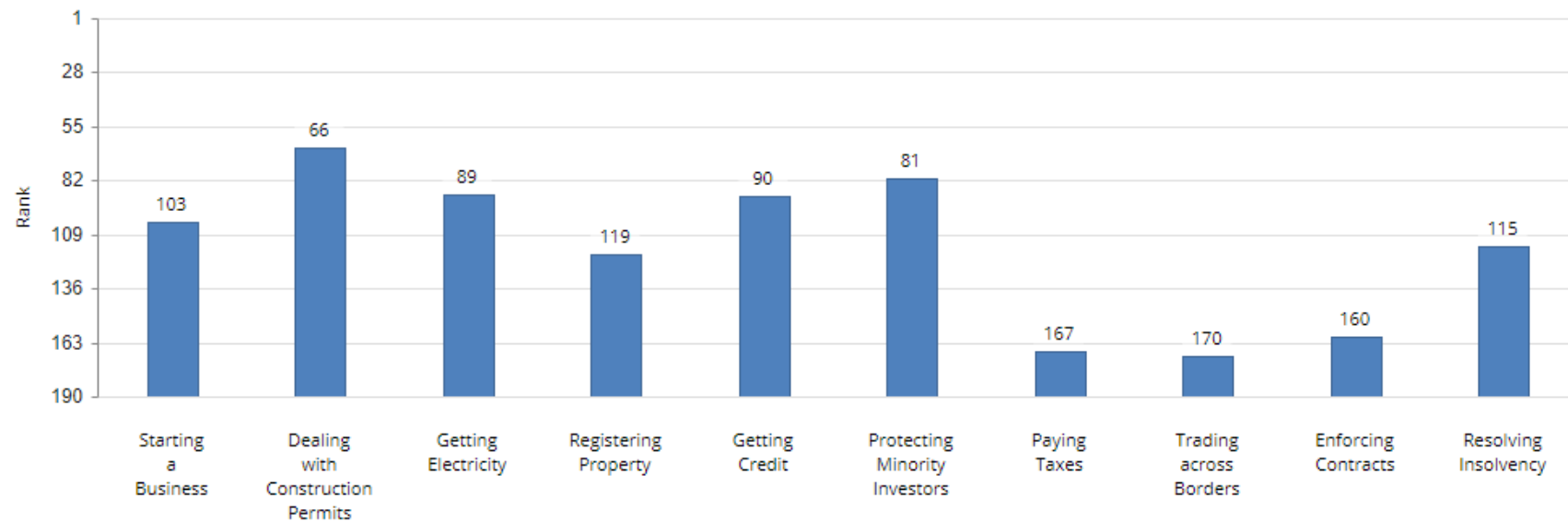
✓= Doing Business reform making it easier to do business. X= Change making it more difficult to do business.

[Click here to see all reforms made by Egypt, Arab Rep..](#)

2- Investment Catalysts in SCZone

Egypt Ease of Doing Business III

Rankings on Doing Business topics - Egypt, Arab Rep.



Investment Incentives

Taxes Incentives

Income Tax

50% reduction on net taxable income is granted provided:

- The discount shall be attributed to the investment costs of the project up to a maximum of 80%.
- incentive for new projects only for seven years from the beginning of the operating.

Value added Tax

(Incentives for financial measures to go beyond the disadvantages of other systems such as the DRAWBACK system) :

- **The DRAWBACK** system is not used in SCZone (as a result of obstacles and difficulty of retrieval and refund from the Sovereign Revenue entities).
- Using the VAT suspended system and will be paid if used in case of export to local market only.

Customs Tax

Exemption of the region from the customs tax for all imports that imported from abroad for projects :

- Non-export to the local market until the full exemption is enjoyed.
- In case of export to the local market (import into the country) the customs tax will be paid to the foreign component only.

A faint, light gray world map is visible in the background of the slide, centered behind the text.

Investment Incentives

Non Taxes Incentives

- The area have own customs and taxes systems.
- The Authority has the right to establish the tax system as well as the customs system for the region. The objective is to facilitate a good and competitive international investment environment, as well as other investment systems in Egypt.
- This allows for flexibility in the intervention of the Authority to change these policies and regulations when measuring their performance indicators and found it disabled the investment or disabling it.

3- How To Invest In SCZone

Dealing with investors within SCZone



3- How To Invest In SCZone

3 days to start your business at SCZone



**Fast Decision
Making**



**Flexible Business
Models / Partnership**



**Free Zone
No Customs**



**No Customs on value add
when exporting to Egypt**



**22.5 % Corporate Tax
No VAT**

**We aspire to the highest level of
Performance and we reaffirm the
vision**

Thank You!