

The Sovereign Fund of Egypt partners with A Developments to transform Ministry of Interior's former headquarter into Cairo's first innovation district

Cairo, 28 March 2023

The Sovereign Fund of Egypt ("TSFE") through its Real-estate Subfund ("TSFE Tourism, Real Estate & Antiquities Subfund") and A Developments are pleased to announce the signing of the development agreement for the development and repurposing of Ministry of Interior's ("Mol") former headquarter in Lazoghli to transform the complex into a prime-mixed used destination that revives Downtown Cairo.

The envisioned development plan is geared to transform the complex into a state-of-the-art innovation district including retail, technology hubs and incubators, office spaces, a branch campus for IPAG Business School of Paris, an International Business Process Outsourcing (BPO) hub as well as hotel and hospitality components. This transformational vision was the result of technical studies and surveying conducted by TSFE prior to the launch of the bidding process.

IPAG Business School partnered with TSFE to be the anchor tenant for the educational component, launching its first branch in Egypt. The integrated offerings of the project are designed to serve the school's students, entrepreneurs and founders through creating a state of the art hub for youth in downtown Cairo. The project complements the state's efforts in reviving old Cairo by introducing a well-served facility that welcomes youth and travelers from all over the world allowing them to experience the glamour of the old city. The envisaged 3-star hotel and serviced apartments will be operated by an international hotel operator that will provide accommodation at affordable prices, complemented with retail and support services required.

A Developments has been awarded the development of this project following a competitive bidding process launched in April 2022 by TSFE. A Developments' focus on boutique developments as well as urban regeneration through adaptive reuse was key in selecting it as the master developer for this project. In signing the development agreement, TSFE was represented by Mr. Amr Elhamy, CEO of TSFE Tourism, Real Estate & Antiquities Subfund, and A Developments was represented by Mr. Magdi Kassabgui, A Development's Chairman.

H.E. Dr. Hala El Said, Minister of Planning and Economic Development and TSFE's Chairperson, said "Revival of old downtown Cairo is one of the state's top priorities which TSFE is persistent in pursuing by transforming the assets transferred to it by the state. This project will redefine the face of downtown Cairo into a unique new destination for entrepreneurs and startups as well as young travelers which will further promote the development of Egypt's flourishing startup scene as well as the tourism and real-estate sector, reflecting Egypt's multifaceted economy. The key to continuously realize such transformations is TSFE's ability to attract and partner with renowned industry players."

Mr. Magdi Kassabgui, A Developments' Chairman praised TSFE's role in reusing state owned assets and emphasized the economic return of such a project in one of the most important areas of Khedival Cairo

which will contribute in regaining the city's glamour especially after the movement of several ministries to the New Administrative Capital.

Mr. Ayman Soliman, CEO of The Sovereign Fund of Egypt, said “We are committed to reviving downtown Cairo and transforming it into an innovation and technological hub for our youth. This project is another manifestation, after Tahrir repurposing project, of TSFE’s investment strategy to preserving the city’s history while generating sustainable financial returns in partnership with leading private sector champions. We are proud to partner with a reputable Business School such as IPAG and are confident of A Developments’ expertise to turn our joint vision into a reality.”

Eng. Ahmed Osman, CEO of A Developments, said “We have carefully studied the project’s components and hired the UKs BDP as master planner and architect for the project who are one of the most renowned firms in the world in the field of adaptive reuse of historical buildings. The project will follow international sustainability and energy efficiency standards. The Project Manager of this Development will be CHROME and the Engineering Consultancy Services will be provided by Wassif Design Office.”

In this partnership, TSFE in its capacity as the property’s landlord leases the complex to A Developments for 25 years, earning a fixed rental return and revenue share. A total of EGP 800 million of investment is estimated to be injected by A Developments to transform the complex and offer it to potential tenants. Tenants will be carefully selected following TSFE’s vision to develop an integrated mixed-use development focusing on innovation as its core value with LEED certified buildings and a green central courtyard to breathe new life into the historical downtown area of Khedivial Cairo. The project is divided into several phases with the first phase expected to be completed by end of 2023.

The former Ministry of Interior Complex (“Mol”) is located in the heart of Downtown Cairo and consists of a 7-building complex with a built-up area of 39,895 sqm.

About The Sovereign Fund of Egypt (TSFE):

The Sovereign Fund of Egypt (TSFE) was established in 2018 to attract private investments to Egypt and promote and co-invest in state-owned assets to maximize their value and efficiency for future generations in partnership with the domestic and international private sector. It operates through unique legislation that allows it to operate with a private-sector mindset and according to private-sector laws and regulations. Its goals include investing in transactions that create jobs and increase the private sector's contribution in the Egyptian economy. TSFE operates in accordance with global best practices in investment and ESG. The fund is overseen by an independent board of directors and general assembly. TSFE is a member of the International Forum of Sovereign wealth Funds (IFSWF), One Planet Sovereign Wealth Funds (OPSWF), The European, Middle East and North Africa Sovereign Wealth Funds Foundation (EMENA SWF) and finally, Africa Sovereign Investors Forum (ASIF).

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About A Developments:

A Developments is a real estate development company focusing on boutique developments as well as urban regeneration through adaptive reuse. Our vision is in changing places to create a better future.

Website: www.weareadevelopments.com