

CAI 30°02'32"N 31°13'57"E | SUZ 29°42'49"N 32°18'17"E | PSD 31°15'33"N 32°18'10"E

المِنْطَقَـــةُ الاقْتِصَـادِيَّةُ
لقَنَـــــــــاةِ السُّوَيْـسِ
SUEZ CANAL ECONOMIC ZONE

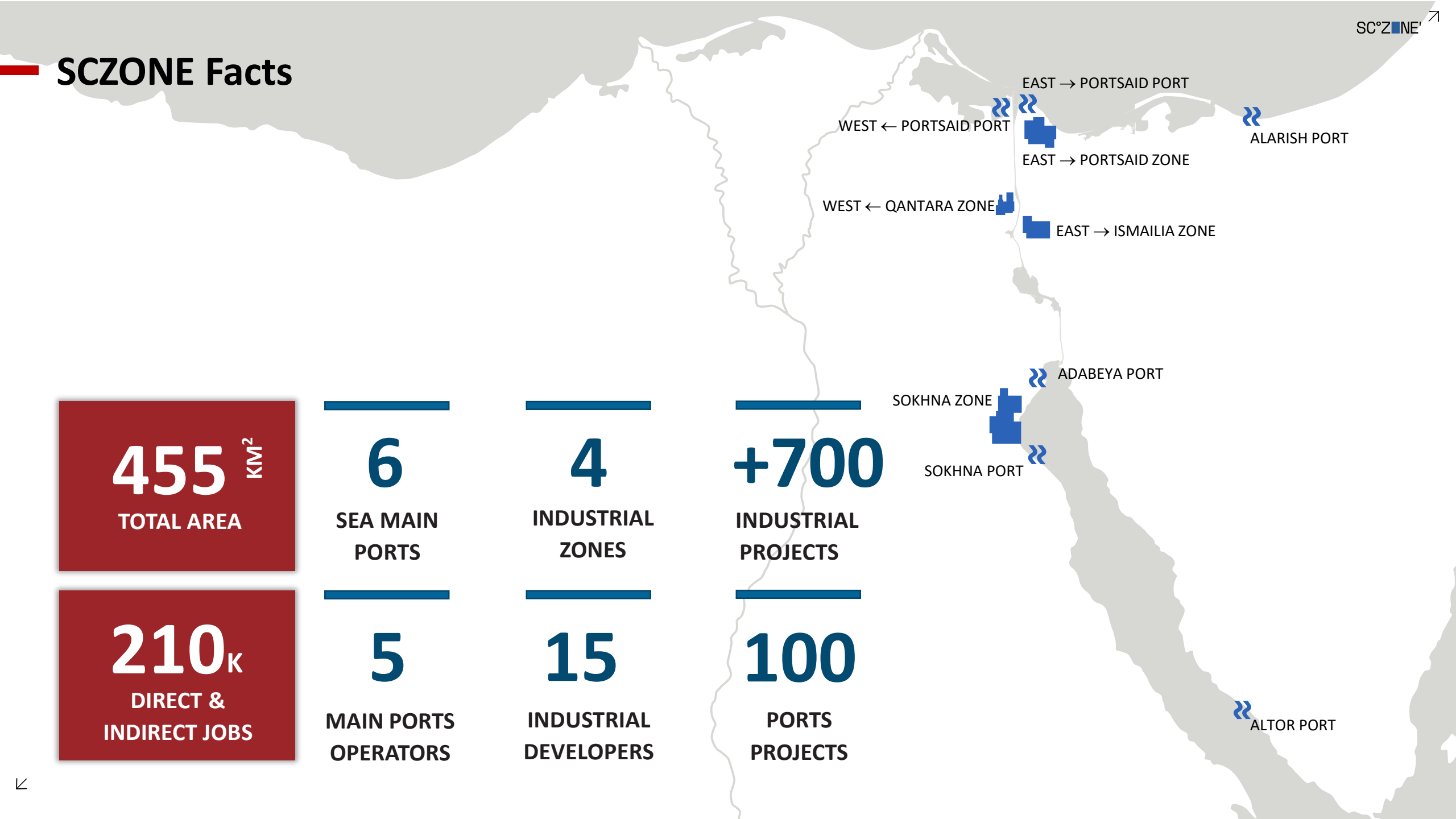


01 —

STRATEGIC FACTS

About SCZONE

SCZONE Facts



455 KM^2
TOTAL AREA

6
SEA MAIN PORTS

4
INDUSTRIAL ZONES

+700
INDUSTRIAL PROJECTS

210K
DIRECT & INDIRECT JOBS

5
MAIN PORTS OPERATORS

15
INDUSTRIAL DEVELOPERS

100
PORTS PROJECTS

Strategic Location

A promising investment destination comprising 4 industrial zones & 6 sea ports, around the main global maritime trade route (Suez Canal), passing through it:

12%

INTERNATIONAL TRADE

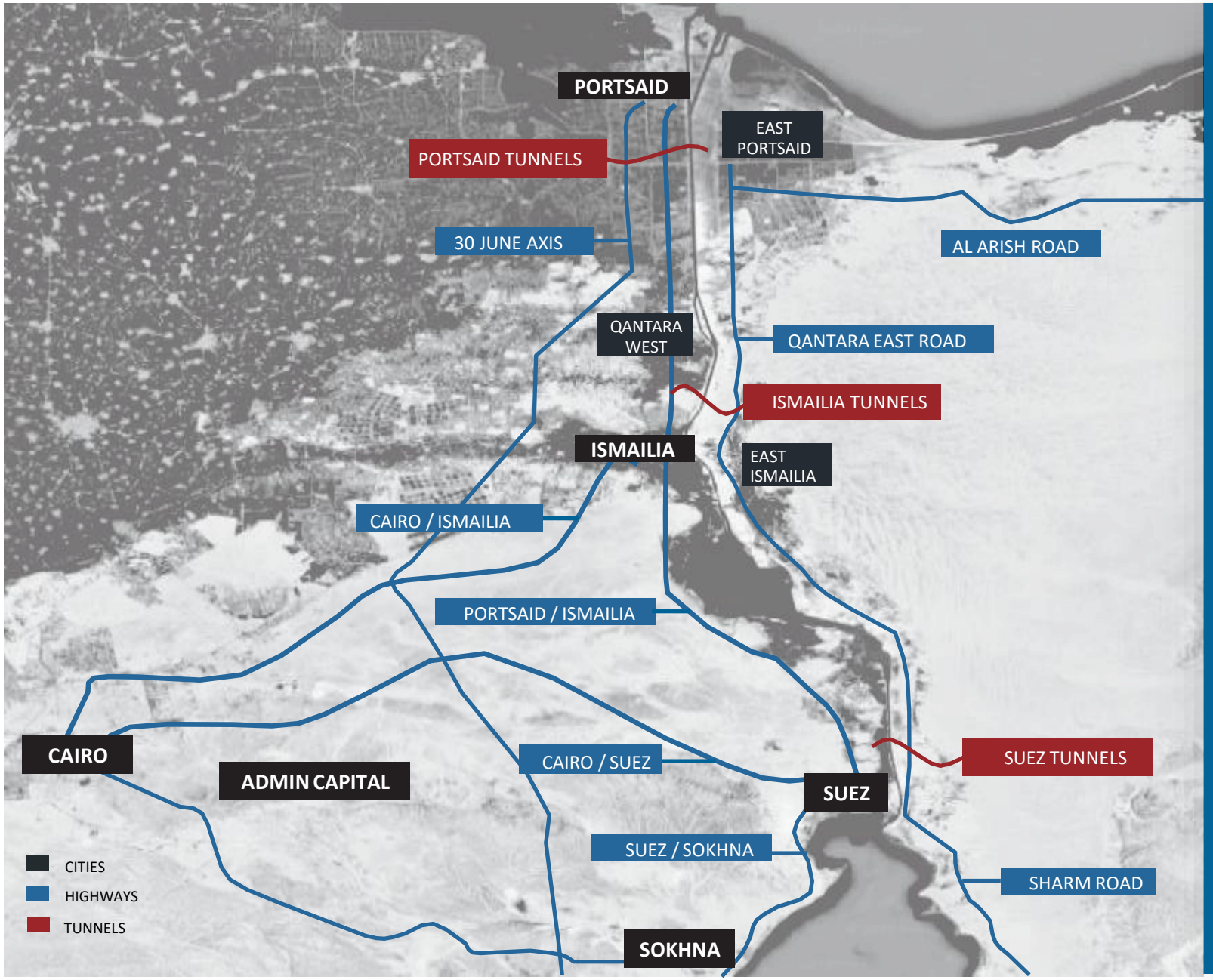
10%

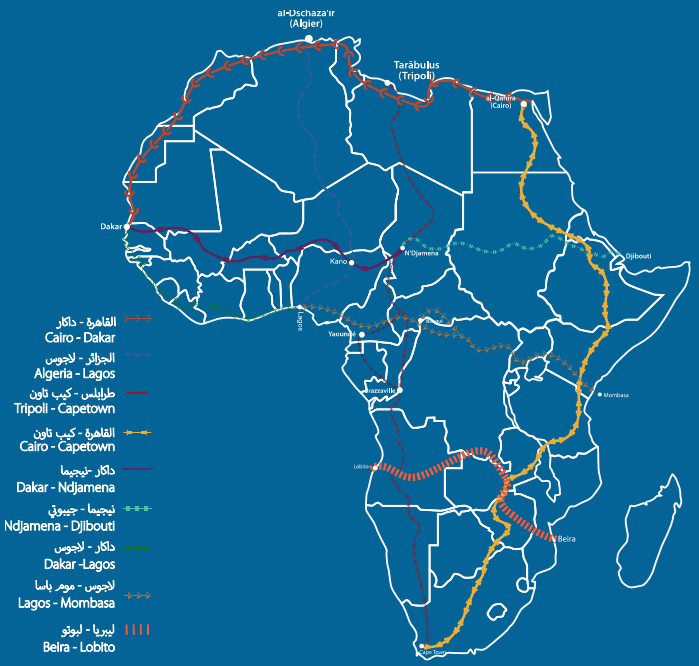
SEABORNE TRADE

26K

SHIPS PER YEAR



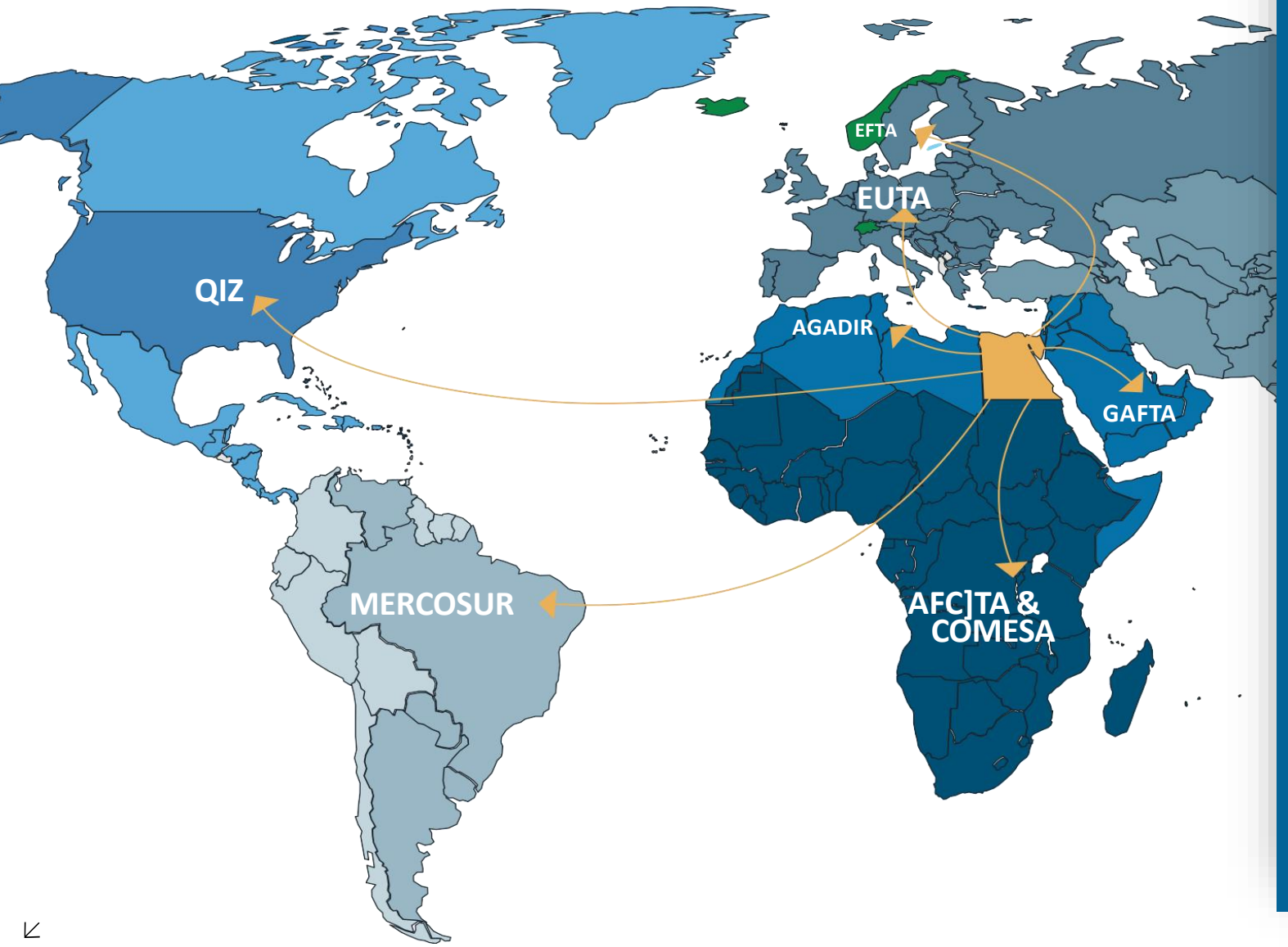




Regional Context

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

Markets Accessibility



100%

CUSTOMS EXEMPTION

With Free Trade Agreements

105Mn

CONSUMERS

Accessing a promising domestic market in Egypt

2Bn

CONSUMERS ACCESSIBILITY

In the international market benefiting from multiple free trade agreements

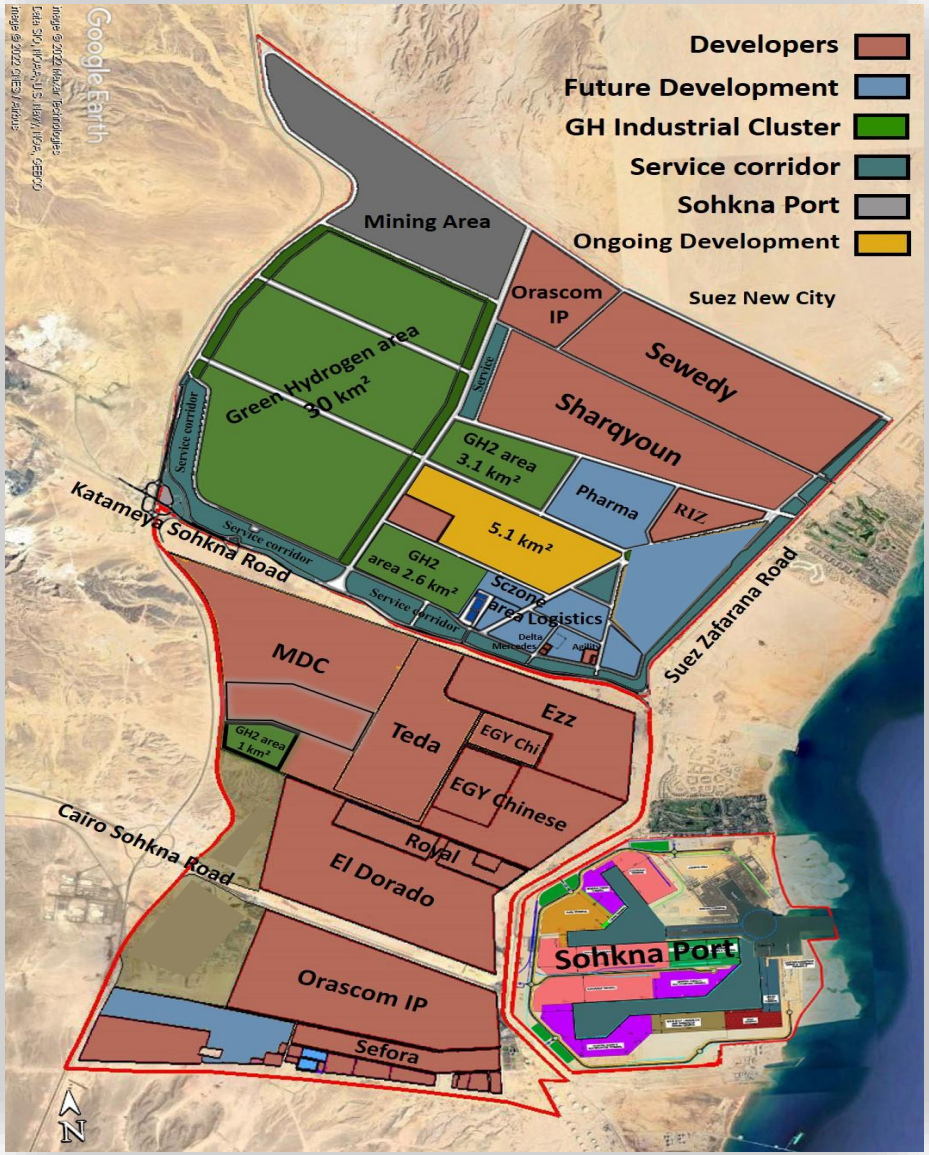
02 —

FOUR ZONES

Industrial Zones



SOKHNA Industrial Zone



One of the World's largest industrial complexes directly connected to Sokhna Port.







186 km²

Total Area

13

Industrial Developer

+645

Industrial Projects

80 km²

Developers Area

EAST PORTSAID Industrial Zone

A promising investment area at the northern entrance of the Suez Canal comprising of logistics and industrial zones, integrated with east PortSaid port.







64 km²

Total Area

2

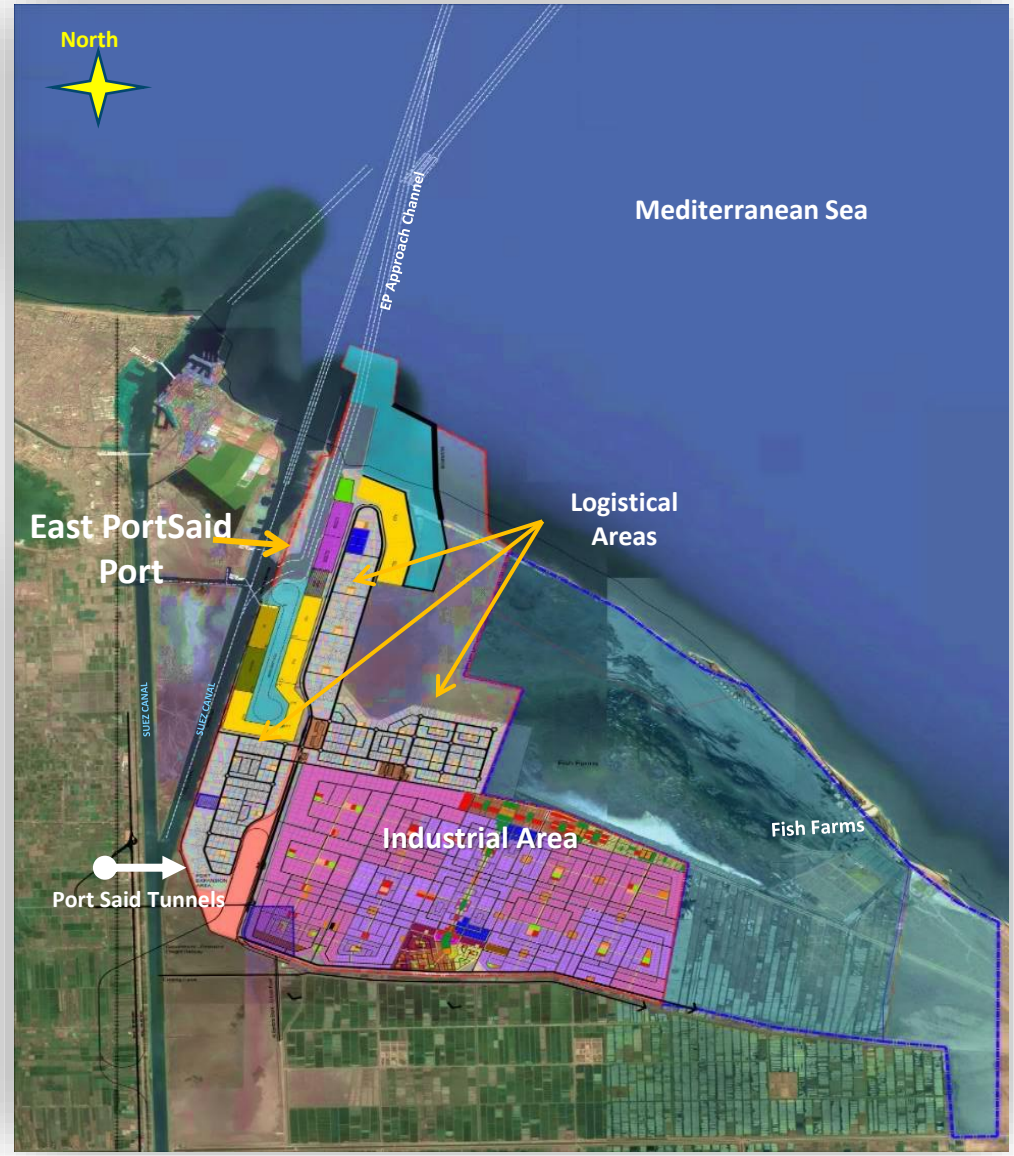
Industrial Developer

+12

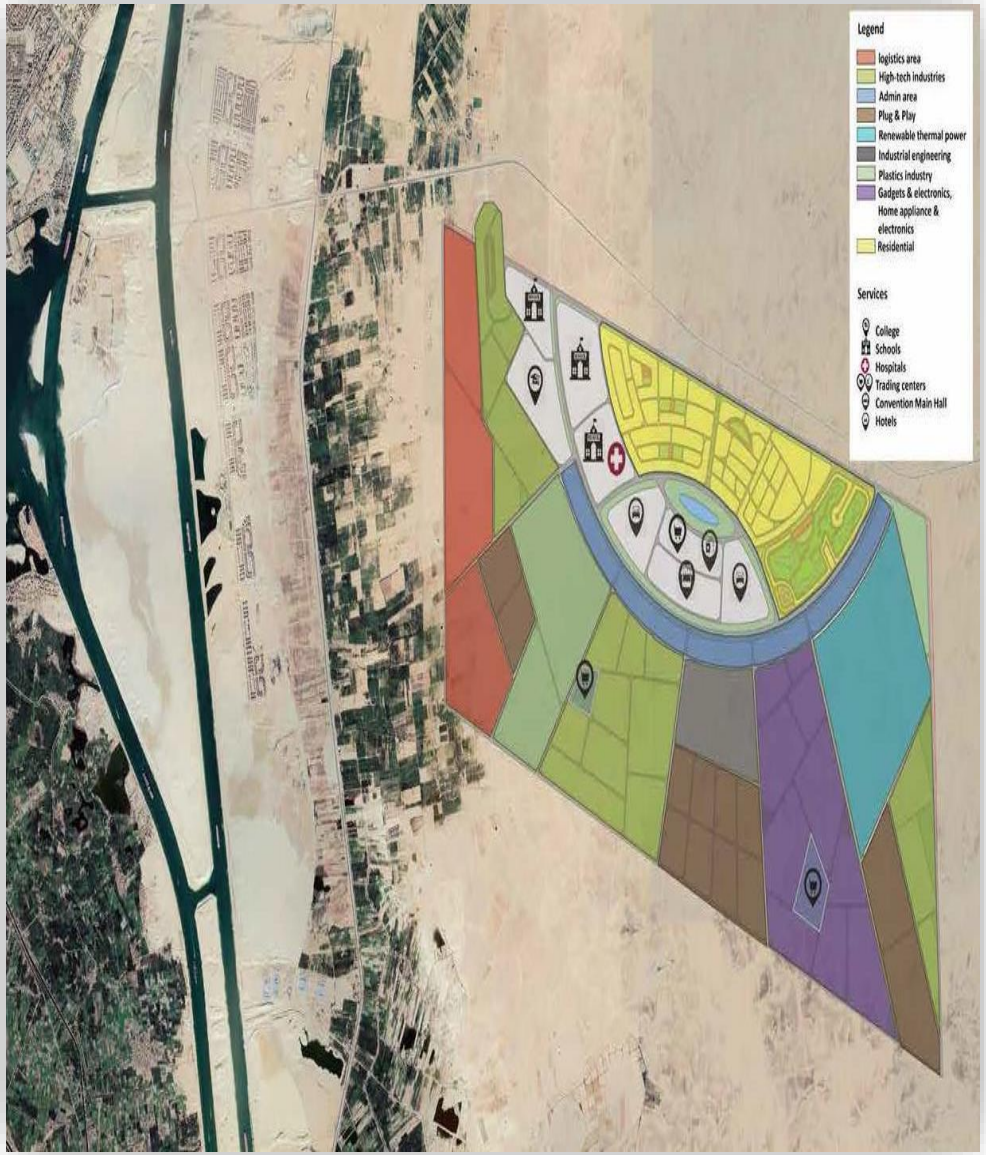
Industrial Projects

36 km²

Developers Area



EAST ISMAILIA Industrial Zone (Technology Valley)



A strategic location centered on the east bank of the Suez Canal, with characteristics qualifying it for high-tech and renewable energy integrated industries.





71 km^2

Total Area

5 km^2

Phase One

4

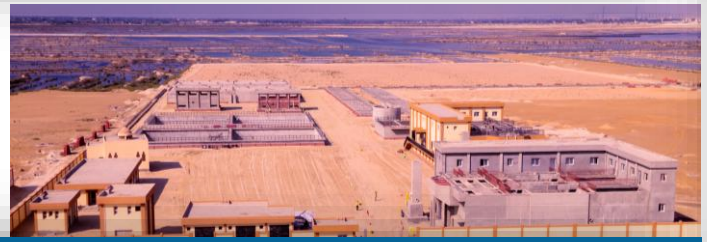
Industrial Projects

SCZONE aims at creating a new urban society, depending on economic activity resulting from the interaction of investment, education and scientific research leveraging on high-tech industries

QANTARA WEST Industrial Zone (Abo-Khalifa)

Distinguished investment zone with proximity to Cairo and Delta governorates. Ideal for labor-intensive industries and suitable for various logistics projects including warehousing.





19 km^2

Total Area

4 km^2

Phase One

54

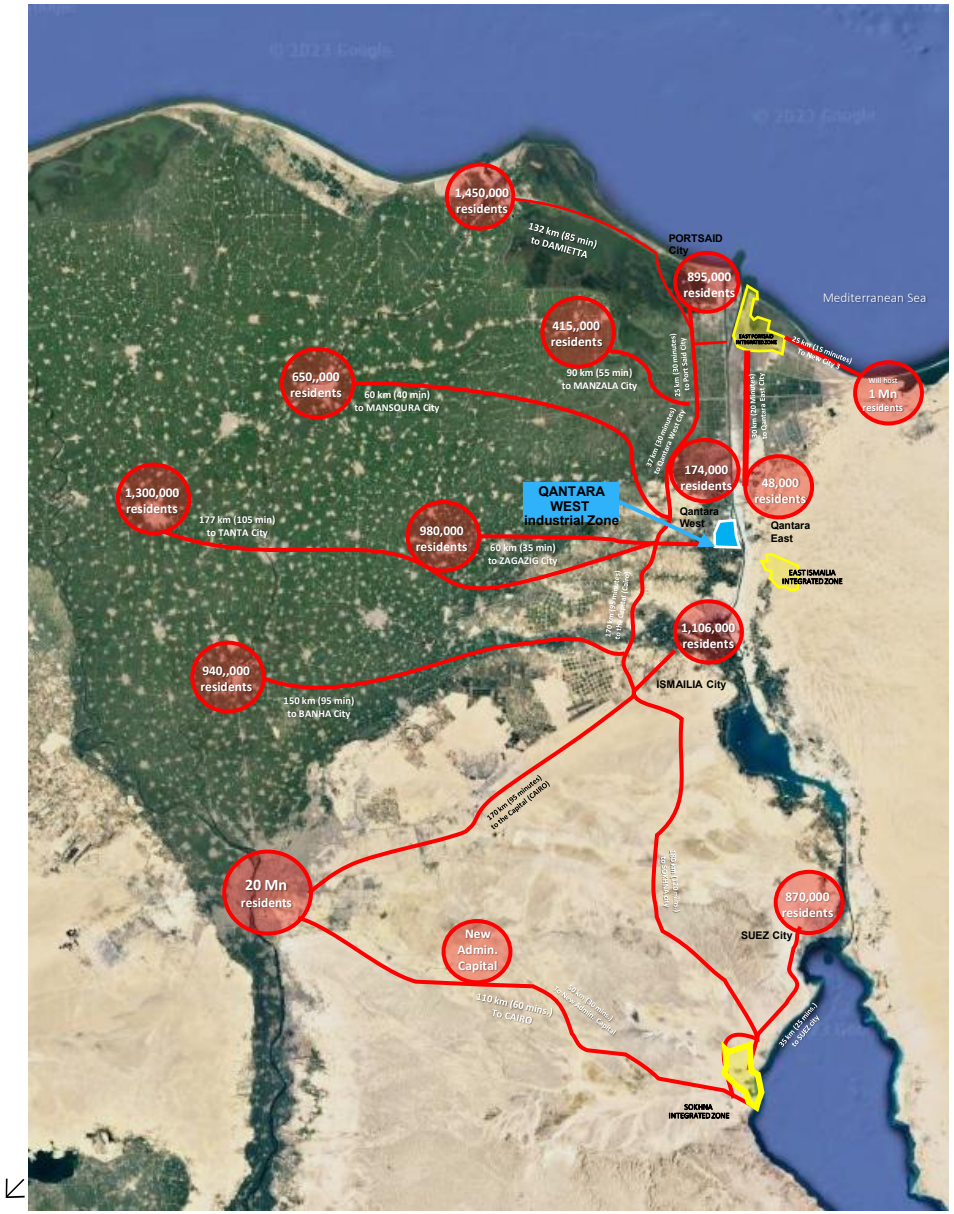
Industrial Projects

The zone is designated to attract:

- Textiles & Ready-made Garments
- Agri-Business & Food Processing
- Feeding & Medium Industries
- Logistic Activities
- SME Projects



QANTARA WEST Industrial Zone (Abo-Khalifa)







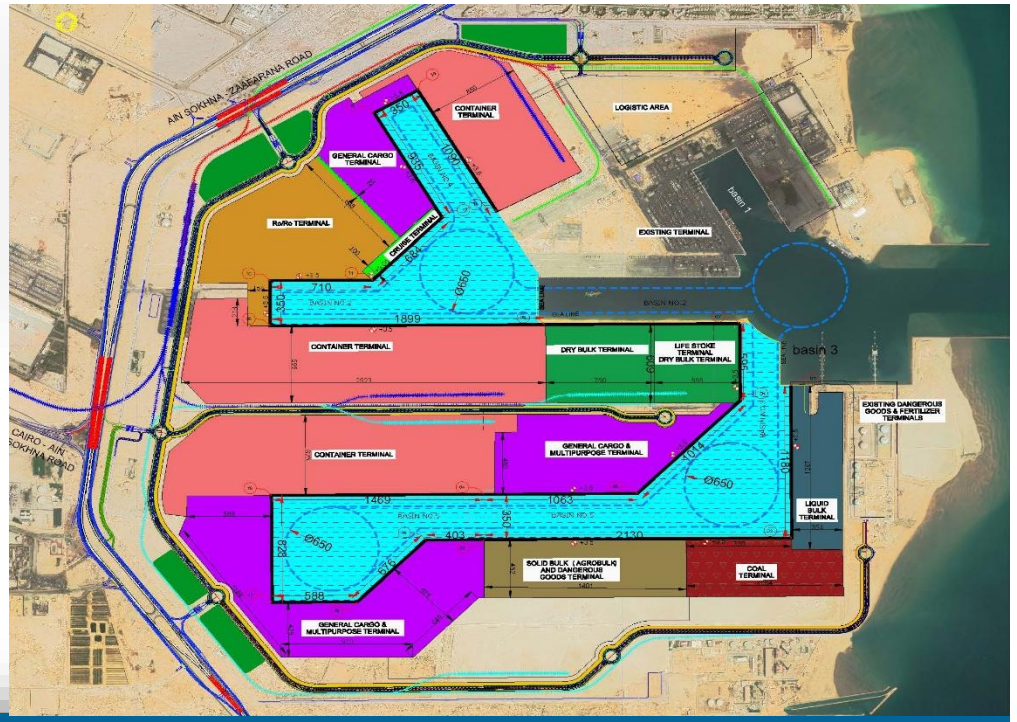
03 — SIX SEAPORTS
Ports

SOKHNA Port

Egypt's main gateway on the Red Sea, at the southern entrance to the Suez Canal, on the west coast of the Gulf of Suez.







25 km²
Total Area

18 km
New Quay

18 m
Port Depth

5.3 km²
New Logistics Area

10 km
Railways ····▶ to be connected to (Sokhna/New Alamain Electric Train) under construction

ADABEYA Port

Located at the northern end of the Gulf of Suez, 17 km away from Suez City





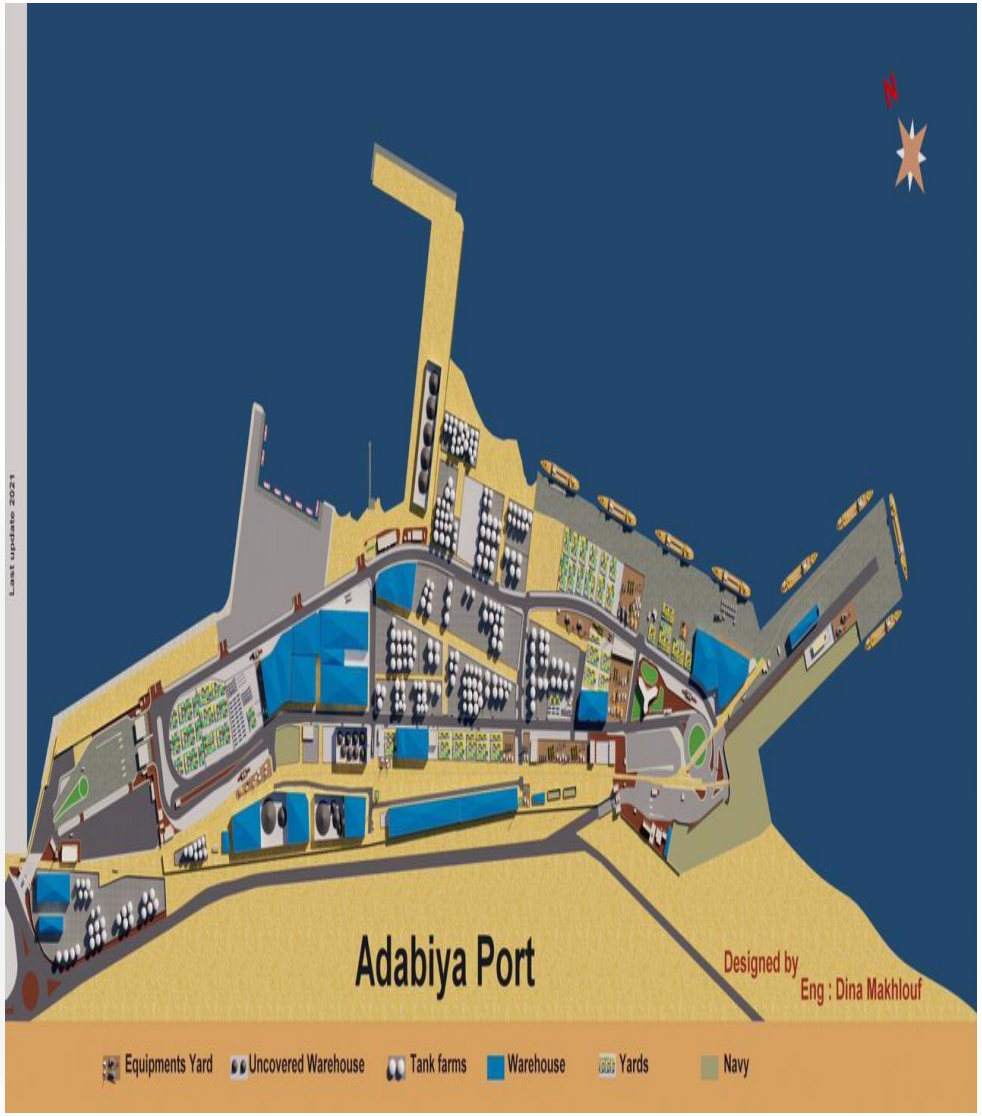


1.67 km²
Total Area

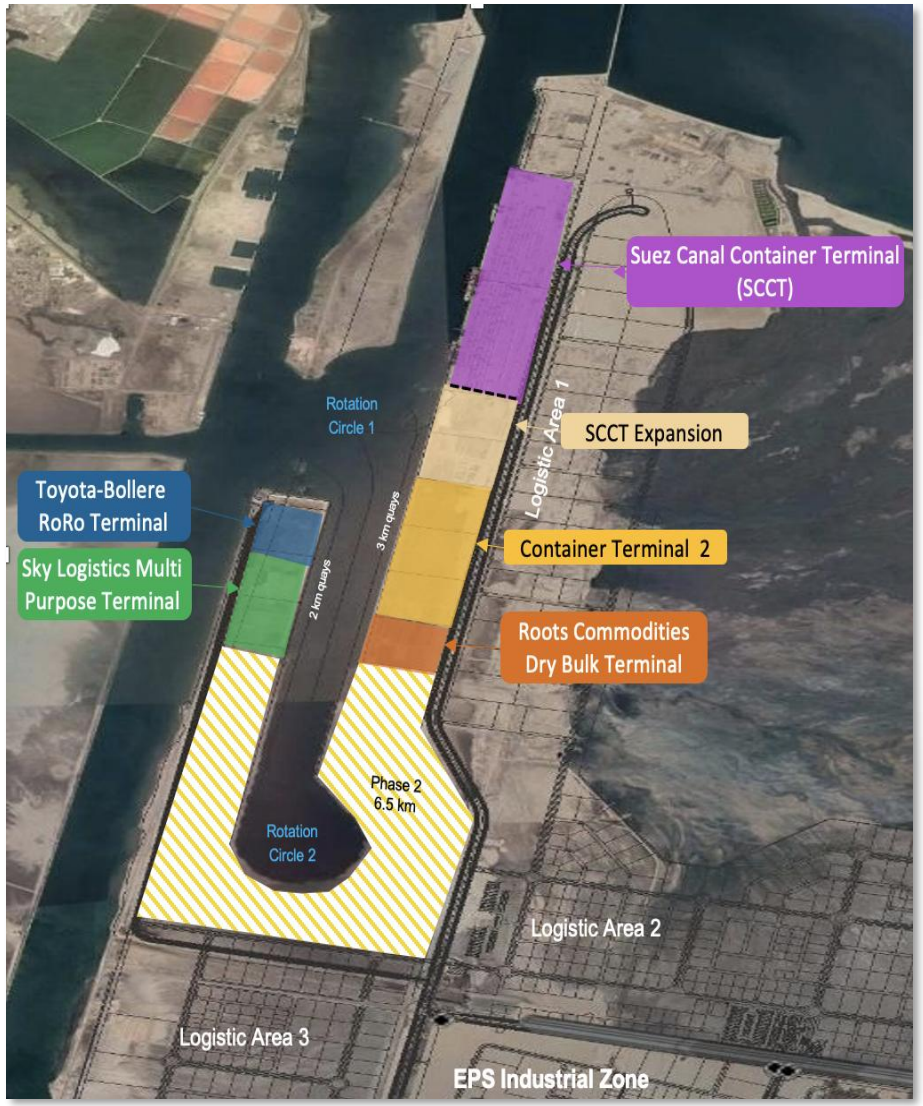
1.4 km
Quay Length

650m
Turning Circle

9-14m
Port Depth



EAST PORTSAID Port



Located alongside the Suez Canal, with sheltered deep water facilities capable of accommodating very large vessels





9.5 km^2	5 km	18m	27 km^2
Total Area	New Quay	Port Depth	Logistics Area

WEST PORTSAID Port

The Port is situated at the Northern entrance of the Suez Canal at the crossroad of the main world sea trade route between the East and West via the Suez Canal







1 km²
Total Area

3.2 km
Total Quay Length

670 m
New Quay Length

8-15 m
Port Depth

AL-ARISH Port



The only port in North Sinai, suitable for handling Dry bulk activities up to 6,000 tons.





1.55 km^2

Total Area

1.5 km

Total Quay Length

915m

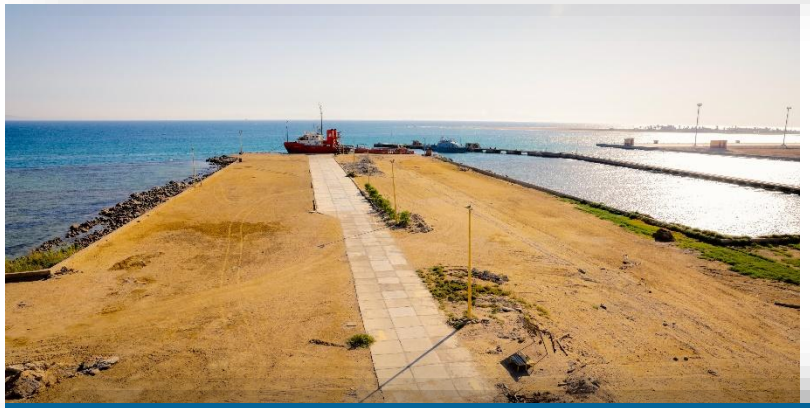
New Quay Length

7-15m

Port Depth

AL-TOR Port

Currently used as a small marine services berth to serve the petroleum services activities for the Gulf of Suez region.





0.5 km²
Total Area

75 m
Quay Length

5 m
Port Depth





04 —

2020 - 2025

SCZONE Strategy

Strategic Plan

SCZONE was established in 2015
with a three-phases Strategic Plan

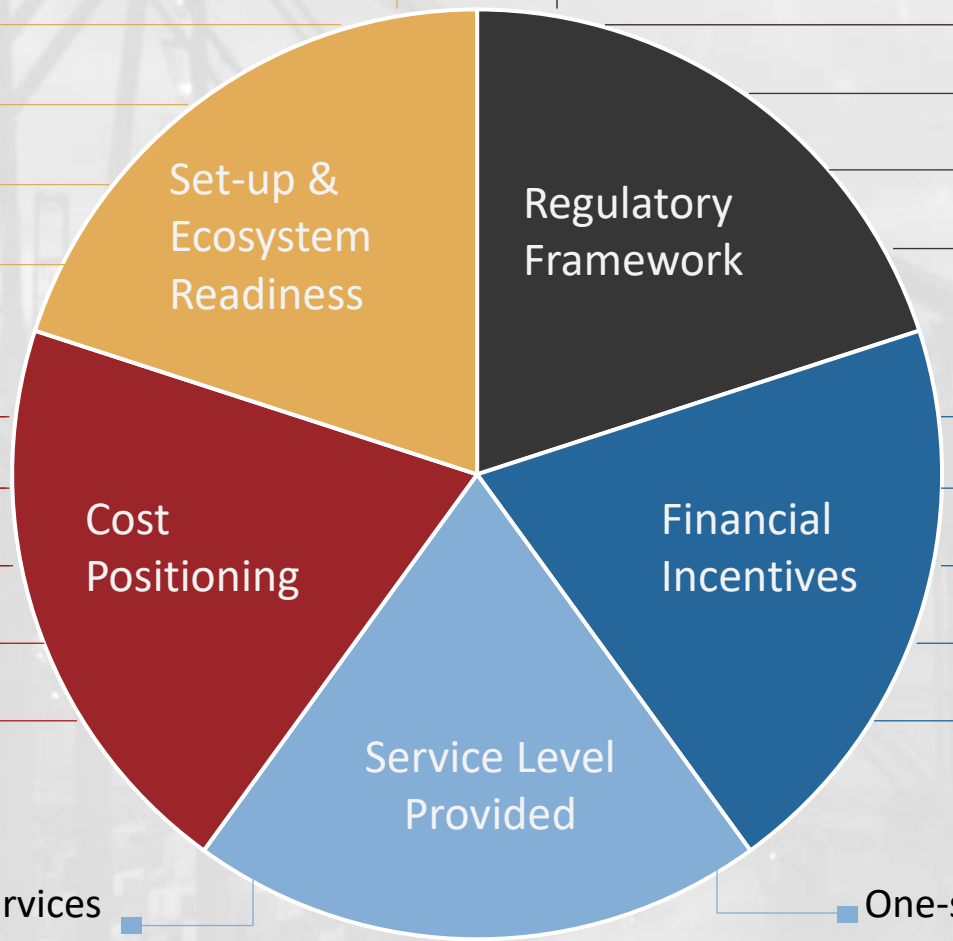


2015 2020 2025

PREPARE ENABLE LOCALIZE

2020 2025 2030

Strategic Pillars



- Labor
- Access to social services
- Developing main infrastructure
- Access to local & international markets
- Establishing industrial network

- Foreign ownership
- Land ownership
- Labor Flexibility
- Conflict resolution
- Capital reimbursement

- Labor cost
- Shipping cost
- Utilities cost
- Construction cost
- Land lease rate

- Income tax
- Corporate tax
- Financial support
- Company loan rate
- Customs regime

- Investors Services
- One-stop-shop



Strategy & Objectives

2020

ENABLE

2025

Dynamically contribute to Egypt's growth rate, while fostering SCZONE's position as an international Investment hub and an export platform with a distinctive access to Africa.

- Capitalize on SCZONE's role as a global logistics hub a mid international supply chains
- Introduce an effective mechanism for maritime services and bunkering facilities
- Localize targeted industries to substitute imports
- Target investments and attract international shipping lines to the ports
- Adopt industrial clusters policy for Ports and Industrial Zones
- Develop platforms for small and medium enterprises
- Apply a world-class infrastructure
- Establish financial, commercial and services centers



05

WATER, POWER & ROADS

Utilities & Infrastructure

Utilities and Infrastructure

+$3Bn

NATURAL GAS

1 PRESSURE REDUCTION UNIT & PIPELINE NETWORK

COMMUNICATION

3 COMM. CENTRAL & FIBER OPTICS CABLES

POWER SUPPLY

7 POWER SUB-STATION

13 POWER DISTRIBUTOR

SEWAGE TREATMENT

2 TREATMENT PLANT & PIPELINES

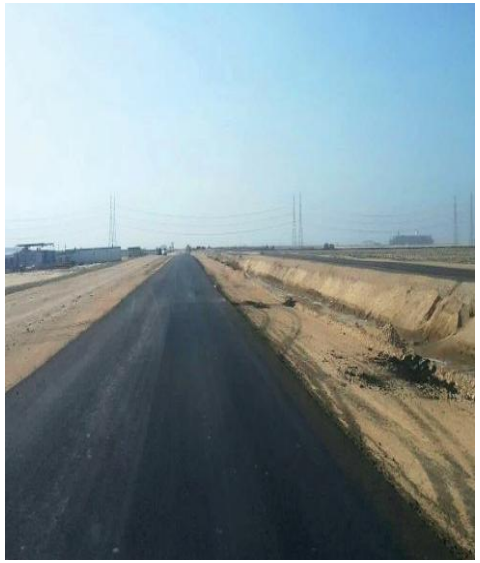
6 SEWAGE TREAT. COMPACT UNITS

WATER SUPPLY

2 SEA WATER DESALINATION PLANT

3 WATER LIFT PLANT & STORAGE

Utilities and Infrastructure








06 REGULATIONS

Incentives



Incentives

0% CUSTOM TAX

- 0% Customs on all project's components imported from abroad under the condition of exporting the final products
- In the case of exporting to the local market: custom tax will be applied on the imported components only

0% VALUE ADD TAX

- 0% VAT applied whether importing from local or foreign markets to SCZONE, on all procurements required for manufacturing, production, operation (raw materials, components, spare parts, etc.)
- 14% VAT is applied on exporting products from SCZONE to the local market

50% CORPORATE TAX REFUND (Valid for 7 Years)

- Discount on Corporate Tax (net profit) equivalent to 50% of project investment costs
- Discount shall be attributed maximum to 80% from the paid-up capital



Incentives

100% FOREIGN OWNERSHIP ALLOWED

- Foreign companies or foreign branches are allowed to import production inputs or final products from the mother company.

5-YEAR RESIDENCY PERMIT TO 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



Incentives

EXPORT & IMPORT REGULATION

- Special rules governing the import and export from the SCZONE
- Reducing cost & time of regulatory examination of shipments
- Treating the end product of SCZONE industrial establishments as local products

NEW CUSTOMS GUIDE & MANUAL

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

EXPORT SUPPORT PROGRAM

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



Incentives

ONE
STOP
SHOP

SCZONE's One-Stop-Shop is a unique business model, creating an ideal business environment through:

- Facilitation of all services required for projects startup effectively & efficiently
- Simplification of procedures and documents
- Elimination of bureaucracy through more streamlined procedures
- Minimization of administrative and financial burdens
- Digitalization of E-Services will be "LIVE" during the 1st half of 2025





07 —
Targeted Sectors & Industrial Clusters

Targeted Sectors & Industries

Logistics

Vocational & Maintenance Centers

Data Centers

Bunkering Conventional/Green

4 SERVICES

INDUSTRIES **17**

Green Fuel

Electrolyzers

Wind Turbines

Solar PV

Petrochemicals

Water Desal. Membranes

Automotive

Rolling Stock

Electric Batteries

Car Tires

Casting & Foundry

Building Materials

Pharmaceutical

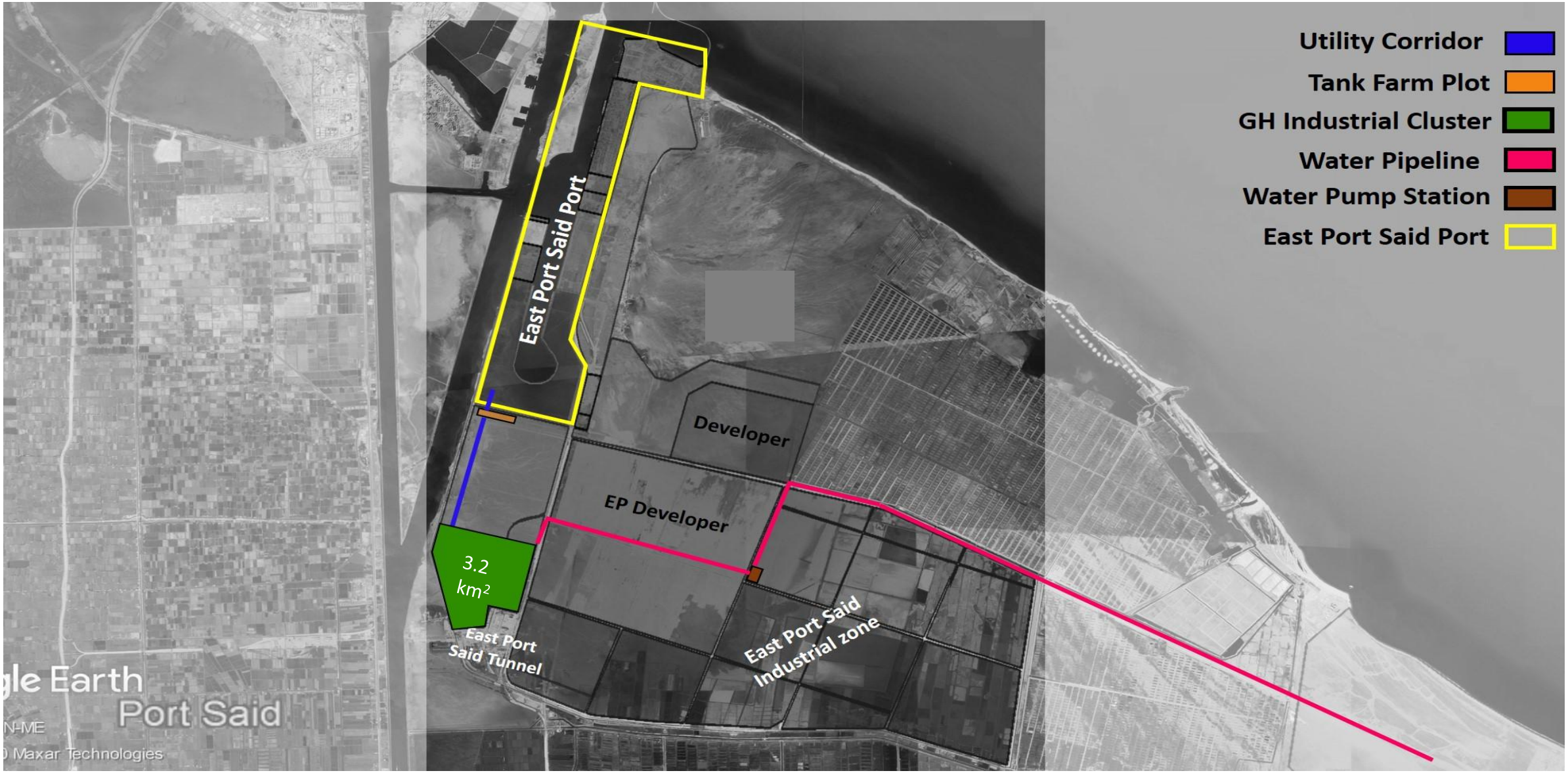
Active Pharma Ingredients

Medical Equipment

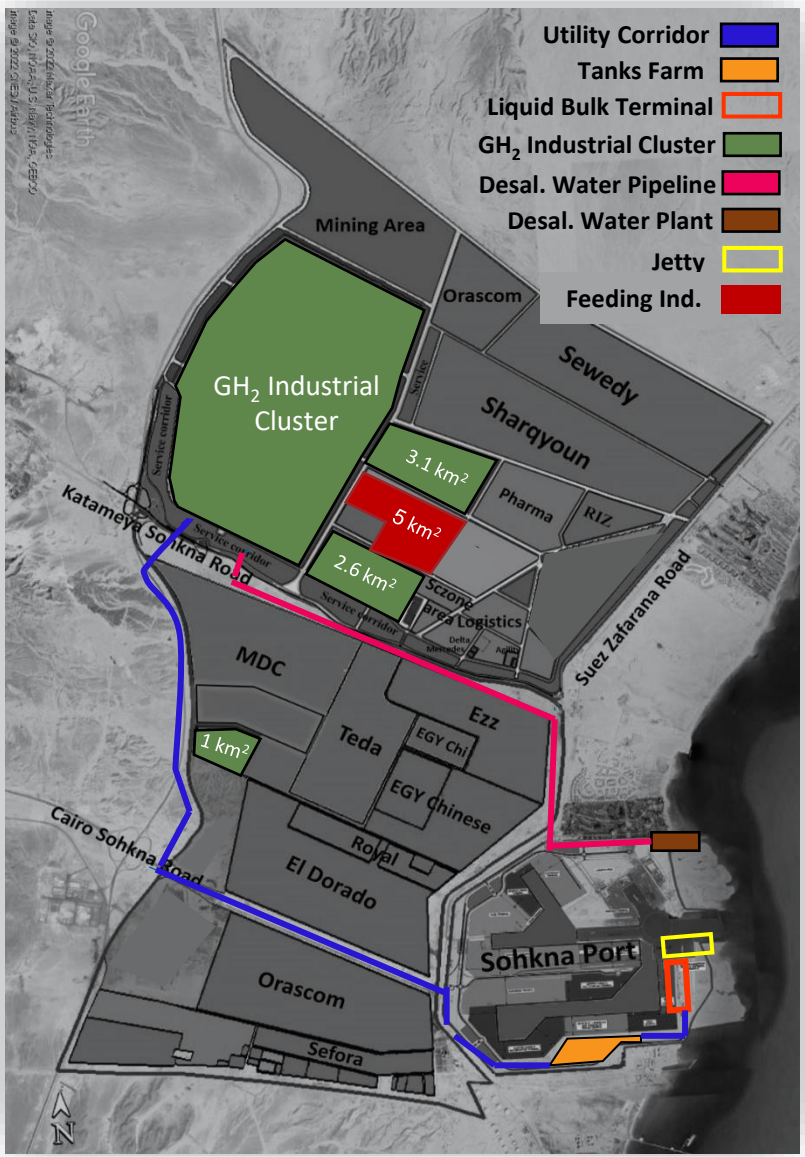
Textiles

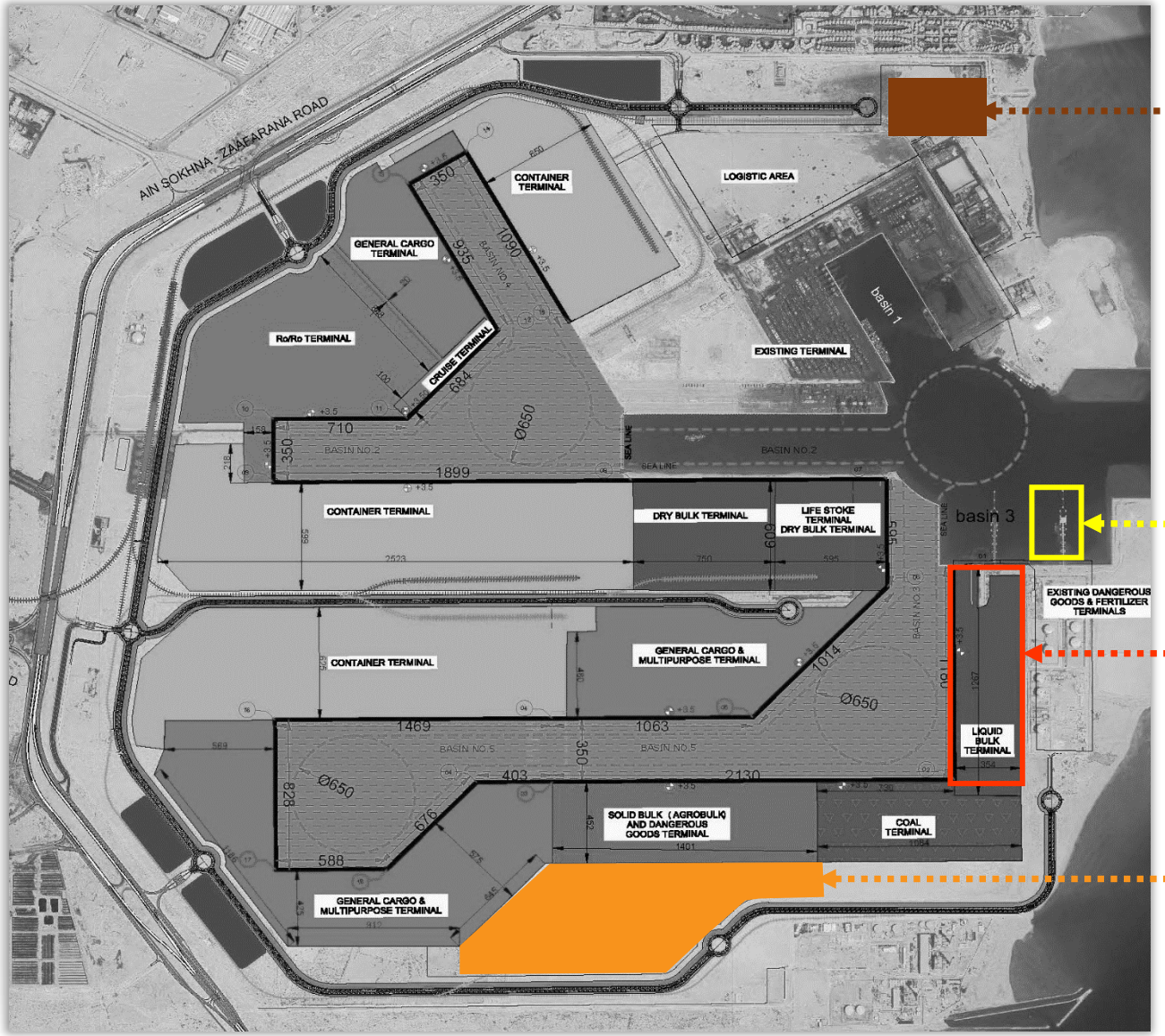
Agribusiness

EAST PORTSAID Green H_2 Cluster



SOKHNA Green H_2 Cluster





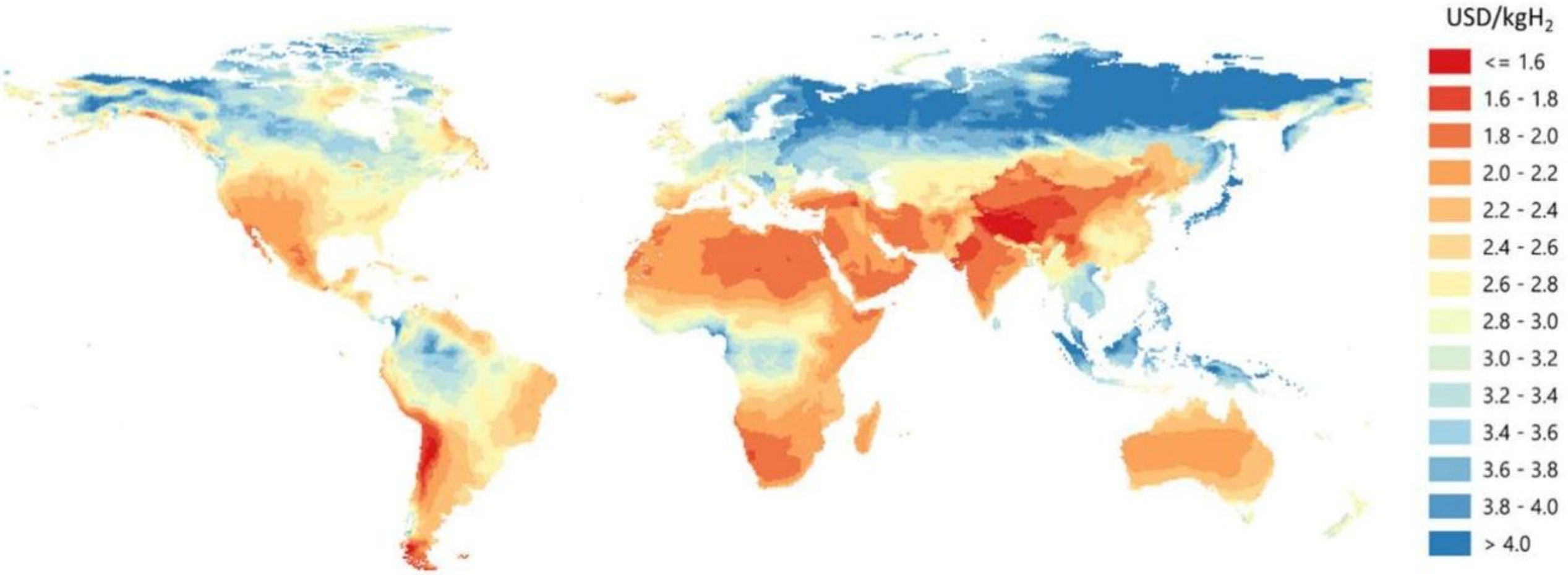
DESAL. WATER PLANT

JETTY

LIQUID BULK TERMINAL

TANKS FARM

Hydrogen Costs from Hybrid Solar PV & Onshore Wind Systems in the Long Term



Source: International Energy Agency

Investment opportunities in green fuel projects at SCZONE

- Green Hydrogen Production
- E-Methanol Production
- Green Ammonia Production

Mainstream

Infrastructure

- Power Sub-stations
- Utility Corridor
- Water Desalination Plant
- Liquid Bulk Terminal Operation

- Electrolyzers
- Solar PV
- Wind Turbines & Blades
- Water Desalination Membranes
- Maintenance & Vocational Training Centers

Feeding Industries

Green Bunkering

- Sokhna Port
- East PortSaid Port

Incentives: Law no. 2 of 2024 at a Glance

- **The entire GH2 Value Chain** (*including upstream, midstream, downstream facilities*), **as well as the manufacturing and distribution components, will benefit from the issued Incentives**
- The Eligibility Period is **five years** from the issuance date of the Incentives Law and will **last through the validity of project agreements.** Future expansions of the project will benefit from same incentives scheme subject to entry into an annexure **within seven years** from the initial Commercial Operation Date



33% to 55% Income Tax Rebate



VAT Exemption on Equipment and Raw Materials



VAT Exemption on Exports



Exemption from Property/ Real Estate Tax, Stamp Tax, Registration Fees, & Customs



- ***25% Reduction on Industrial Land Usufruct Fees***
- ***20% Reduction on Port Land Usufruct Fees for storage***
- ***30% Reduction on Marine Services Fees***

The Eligibility Criteria:

- ✓ Commercial operation achieved within 5 years from signature of project agreements
- ✓ 70% foreign capital funding
- ✓ 20% local component
- ✓ Transfer of know-how and technology to Egypt and implementation of training programs
- ✓ Development of local communities in line with Article 15 of the Investment Law

Rolling Stock Industrial Cluster

In partnership with the Sovereign Fund of Egypt and a number of private sector companies, the SCZONE established the National Egyptian Railways Industries Company (NERIC) at East PortSaid Industrial Area for the production of electric rolling stock

3 Bn

EGP

Investments

300K

SQM

Industrial Area

Production Capacities

320

Unit/Year

Maintenance Factory

189

Unit/Year

Subway Units Factory

500

Unit/Year

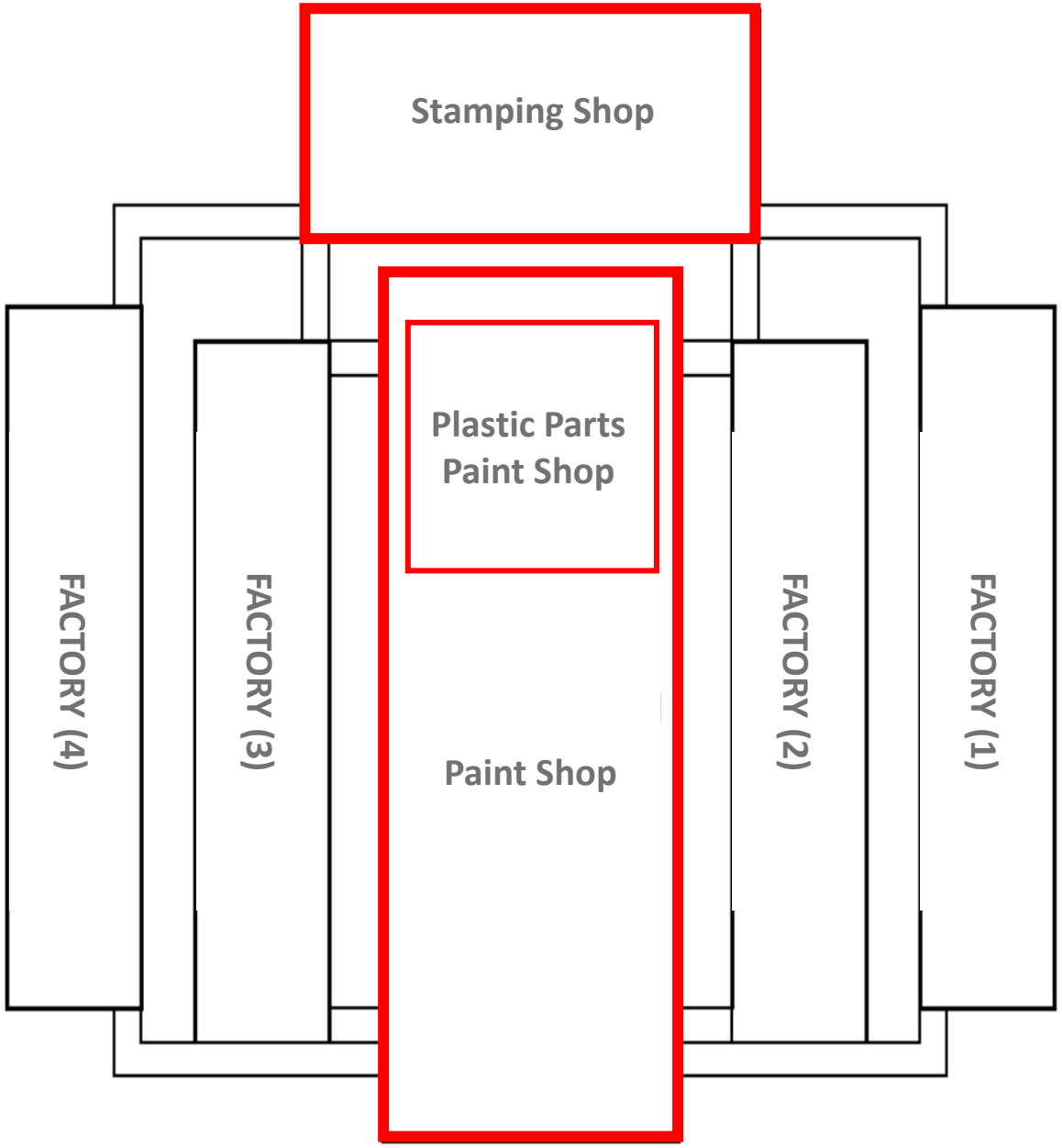
passenger Units Factory



Automotive Industrial Cluster

Capitalizing on the successful model of the rolling stock cluster, the SCZONE plans to allocate 1.2 million m^2 at East PortSaid Industrial Area for the automotive industry, for the production of 75,000 cars/year (phase 1) with a shared operational model for the Stamping Shop, the Plastic Parts Paint Shop and the Paint Shop

The industrial cluster is expected to attract the feeding industries, and should serve the local and regional markets leveraging on the presence of a RORO terminal at East PortSaid Port




SC°ZONE'
INTEGRATED ROUTE » ONE DESTINATION
THANK YOU
CAI 30°02'32"N 31°13'57"E
SUZ 29°42'49"N 32°18'17"E
PSD 31°15'33"N 32°18'10"E
المِنْطَقَـــةُ الاقْتِصَـادِيَّةُ
لقَنَـــــــــاةِ السُّوَيْـسِ
SUEZ CANAL ECONOMIC ZONE