MODON

4 October 2024

Modon Holding appointed as master developer for the Ras El Hekma megaproject in Egypt

- *The event marked several significant agreements aimed at driving the development of the new destination*

ADQ, an Abu Dhabi-based investment and holding company, has appointed Modon Holding PSC (ADX: MODON) as the master developer for the Ras El Hekma megaproject.

Modon Holding will be responsible for the developer role for the first phase of the envisaged city consisting of 50 million square meters. The remaining 120 million square meters that forms part of the masterplan presented by Modon Holding will be developed in partnership with prominent developers from Egypt, the UAE and the international community under the oversight of the recently established ADQ subsidiary Ras El Hekma Urban Development Project Company and Modon Holding.

This iconic project represents a major milestone for Modon Holding by significantly increasing its land under development outside the UAE. Ras El Hekma is located around 350 kilometres northwest of Cairo and envisioned as a fully functional, smart, sustainable, and inclusive urban community situated against the scenic coastline.

The project is expected to become a powerful economic engine, with cumulative investment anticipated to reach USD 110 billion by 2045, an annual GDP contribution of around USD 25 billion, and approximately 750,000 jobs to be created, both directly and indirectly.

Featuring 44 kilometres of waterfront, Ras El Hekma is located within a four-hour flight for over 400 million outbound tourists, with tremendous potential for growth. Therefore, the establishment of tourism infrastructure will be a priority during the first phase of the project.

The masterplan also includes residential areas, office spaces, hospitality venues, retail, leisure, and recreation facilities. Ras El Hekma will have an international marina and a special free zone. Additionally, Modon Holding will look to develop infrastructure to support a range of high-growth industries, including business services, financial services, light manufacturing, and technology.

His Excellency Jassem Mohammed Bu Ataba Al Zaabi, Chairman of Modon Holding, said: "Ras El Hekma is destined to become a regional crown jewel in a country already famed for its rich and diverse attractions. Modon Holding is proud to bring this 170 million square meter visionary megaproject to life, leveraging our expertise and innovative approach. With our partners, we are poised to transform Ras El-Hekma into a dynamic economic powerhouse and a global model for urban development."

Bill O'Regan, Group CEO of Modon Holding, said: "The Ras El Hekma destination is one of the Group's most significant investment and development projects outside the UAE. The project provides an incredible development pipeline and Modon looks forward to delivering a destination that will be exceptional experience for visitors and residents alike."

Leveraging strategic partnerships to bring Ras El Hekma to life

During the ceremony, Modon Holding PSC (ADX: MODON) has engaged with major partners to join in the development of the Ras El Hekma megaproject on Egypt's Mediterranean coast. The event marked several significant agreements aimed at driving the development of the new destination:

A framework agreement was signed with Orascom Construction, designating them as one of the primary contractors for the initial Phase One construction of the project.

A memorandum of understanding was established with Elsewedy Electric to explore opportunities for supplying building materials and collaborating on industrial parks, manufacturing, operations, and maintenance.

A memorandum of understanding with Abu Dhabi Airports was signed to investigate potential collaborations in airport strategic planning, design, development, and operational support.

A memorandum of understanding with TAQA to explore potential cooperation opportunities in relation to the development, financing and operation by TAQA of greenfield utilities infrastructure projects, power generation projects, water desalination projects, electricity transmission and distribution projects, and wastewater projects in Ras El Hekma.

A memorandum of understanding with Candy International aims to explore potential real estate development opportunities, leveraging Candy’s extensive international reach.

A memorandum of understanding with Valderrama seeks to investigate the development and operation of golf communities.

A memorandum of understanding with Montage International will explore opportunities for the development and management of luxury hotels in Ras El Hekma.

A memorandum of understanding with Accor and Ennismore focuses on the operation of hotels and resorts in Ras El Hekma.

A memorandum of understanding with e& Egypt will facilitate the design and implementation of smart city infrastructure, including digital connectivity, fiber networks, and 5G; smart building technologies and IoT-enabled solutions for residential and commercial properties; city-wide data collection, monitoring, and analytics systems; smart utilities, encompassing automated energy management, water, and waste systems; smart transportation systems; and any other mutually agreed smart city services.

Finally, a memorandum of understanding with Burjeel Holding aims to develop multi-specialty healthcare facilities, implement innovative healthcare solutions, provide medical training programs, and collaborate on public health initiatives and community wellness programs.

These strategic partnerships underscore Modon's commitment to creating a world-class destination, fostering innovation, and enhancing the quality of life for its future residents.

Commenting on this, His Excellency Jassem Mohamed Bu Ataba Alzaabi, said: “Ras El Hekma represents a visionary and multifaceted endeavor that promises to make a substantial contribution to the Egyptian economy. Crafting a master plan of such scale demands specialized expertise and capabilities across diverse industries, which can only be realized through robust strategic partnerships. We look forward to working with our partners, present and future, in harnessing the full potential of this extraordinary location,”

Bill O’Regan, said: “Ras El Hekma is an extraordinarily ambitious and complex project that will significantly contribute to the Egyptian economy through various stages of planning, design, and construction, ultimately bringing this new destination to life. Developing and delivering a master plan of this magnitude requires sector-specific expertise and capabilities across a wide range of industries, achievable only through strong strategic partnerships.”

-End-

About Modon Holding

Modon develops vibrant communities, unique hospitality and lifestyle experiences, and world-class sports facilities. Based in Abu Dhabi, Modon Holding is a Private Joint Stock company listed on the ADX Growth Market with the shareholding of ADQ and the IHC Group being our majority shareholders. Through a diversified business portfolio in the UAE, we are engaged in strategic investment and innovation on an unrivalled scale, shaping future smart living. Our goal is to deliver long-term, sustainable value, laying the foundations for intelligent, connected living.

Contacts:

Nael Wishah
Investor Relations, Modon
nael.wishah@modon.com

Ahmed Abu Shehab
Public Relations and Communications, Modon
Ahmed.abushehab@modon.com

Rawad Khattar
Weber Shandwick
rkhattar@webershandwick.com