

Press Release

Orascom Development Egypt (ODE) is pleased to announce that the Ordinary and Extraordinary General Assembly Meetings held on March 19th, 2018; has approved all the proposal put forth by the company which include the following:

- **The sale of ODE's stake in Makadi Gardens Hotel, Royal Azur and Club Azur Hotels.**
- **A 5:1 stock split, thus reducing the par value from EGP 5.0 per share to EGP 1.0 per share.**
- **The Proposed Employee Stock Ownership Program (ESOP).**
- **The BoD of Roaya for Toursit and Real Estate Development (a subsidiary of ODE) also approved the sale of a land plot in Makadi in addition to the hotels sale.**

Cairo, March 19th, 2018 – The Ordinary General Assembly Meeting of Orascom Development Egypt (ODE) has approved the company's proposal to sell its stake in Makadi Gardens Hotel, Royal Azur Hotel and Club Azur Hotel. The Board of Directors of Roaya for Toursit and Real Estate Development (a subsidiary of ODE) also approved the sale of a land plot in Makadi destination with the hotels. The total Enterprise Value of the three hotels and the land plot is c. EGP 882.6 million*. ODE will only be selling its stake in each, which will result in total cash proceeds of EGP 492.8 million. The sale will also result in the deconsolidation of EGP 260.1 million* of debt held on Royal for Touristic and Development Company; the owning company of Royal and Club Azur Hotels. The total expected one-off gain from this sale is c. EGP 373.8 million*.

As part of the company's efforts to increase the liquidity and the trading of the stock, the Extraordinary General Assembly has approved the stock split proposal of the company's share at a ratio of 5:1, reducing the par value from EGP 5.0 per share to EGP 1.0 per share. As a result, the total outstanding shares of ODE will reach 1,108,307,375 as opposed to the current outstanding shares of 221,661,475.

The Extraordinary General Assembly has also approved the five years ESOP program presented the by the management which include the issuance shares of up to 2.0% of the company's capital at the time of execution.

***The value presented in EGP is based on the current USD/EGP exchange rate and is subject to change depending on the exchange rate at the time of execution.**

About Orascom Development Egypt (ODE):

Orascom Development Egypt (ODE) is the largest subsidiary of Orascom Development Holding (ODH). ODE is an integrated developer of resort towns in Egypt, with a vertically-integrated business model involving the development of residential units, hotels, and recreational facilities such as golf courses, town centers, and marinas, in addition to supporting infrastructure, such as hospitals, schools, and utilities. ODE currently owns a land bank of 49.1 million square meter and 27 hotels with a total of 6,076 rooms within four operating destinations. El Gouna, on the Egyptian Red Sea Coast in Hurghada, Taba Heights, on the Sinai Peninsula, Makadi in Hurghada and Byoum in Fayoum. ODE also holds an 87% stake in Tamweel, a financial services company providing mortgage, leasing, and insurance, among other services.

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