Press release

ITIDA concludes successful participation in GITEX 2016 with USD 2.1 million worth of deals

- **Strategic partnership between Nilecode & Al Quiyadia to establish SAR 50 million regional company**

- **Egyptian IT market to reach USD 10.9 billion by 2019 with signing of new deals**

- **Bilateral meetings with international & regional firms to explore opportunities in Egypt's new Technology Parks & Innovation Clusters**

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The Information Technology Industry Development Agency (ITIDA), the executive IT arm of Egypt's Ministry of Communications and Information Technology (MCIT), concluded its successful participation in the 36th edition of GITEX Technology Week, the largest technology exchange and marketplace for Middle East and Africa held recently in Dubai. Its presence in the annual ICT event enabled Egyptian technology firms participating under its umbrella to seal investment and expect business deals worth USD 2.1 million. The new contracts and anticipated sales will boost Egypt's ICT market, which is expected to record a sales volume worth USD 10 billion by the end of this year, according to the latest statistics from International Data Corporation (IDC).

The first announcement made at ITIDA's GITEX 2016 pavilion was by technology solutions company OGTech about its expansions in the GCC market and opening of a new branch in Dubai to offer services to clients in the UAE from both public and private sectors, following the success of its first regional branch in Qatar.

Egyptian start-ups, on the other hand, attracted large numbers of visitors, drawing the interest of 130 elite investors as well as regional and international businesspersons to discuss strategic partnerships and contract opportunities. The outcome was the signing of a number of acquisition agreements and capital raising leads with the eight Egyptian companies participating under the umbrella of ITIDA.

A series of contracts and expected partnership deals forged at ITIDA's pavilion is expected to boost the sales volume of Egyptian companies specialized in ICT services and products. Nilecode, an Egyptian software design and development firm, has entered a strategic partnership with the Al Quiyadia Saudi Group of companies with branches in Egypt, Dubai and Saudi Arabia, to establish 'Integrated Development Company' with a business volume estimated to be around SAR 50 million. The GCC's rapid expansion complements Egypt's ICT sector which is preparing to record a growth rate of USD 10.9 billion by 2019, coming largely from IT services and software packages that will see a compound annual growth rate (CAGR) of about 9 per cent by 2019.

Asmaa Hosni, CEO, ITIDA, said: "We commend the efforts of our people in signing a new strategic partnership agreement with the Al Quiyadia Saudi Group of companies. It is a step towards strengthening the presence of one of the leading Egyptian companies within the GCC market to provide better services to its clients through a qualified team of professionals and per the highest international standards and professional training programs. The move is in line with ITIDA's commitment to implement a blend of specialized programs and initiatives geared to meet the industry's needs for a high-skilled workforce."

"The strategic partnership and other accomplishments are part of ITIDA's objectives and strategy to create opportunities for collaboration, increase the export of Egyptian IT products and services, promote investment, and open up new markets. This will be achieved by working with local companies to sponsor their participation in international exhibitions and conferences so that they can gain maximum benefit from IT-related events. We look forward with confidence and optimism to the deals signed during GITEX Technology Week, reaffirming our ongoing commitment to support Egyptian companies in building a strong presence within the promising regional markets," added Hosni.

Mohammed bin Hamad Al Ajami, CEO, Al Quiyadia Saudi Group of companies, said: "We have signed the agreement with the Egyptian party because of our trust in their technical capability and qualified professionals. We aim to optimally benefit from their very promising technology solutions. We strongly believe that our partnership will support the industries and the economies of both countries and further integrate the IT sectors of Egypt and Arab countries. We, at Al Quiyadia are very keen to invest in training labs, innovative ideas, and start-ups in Egypt's new technology parks and take advantage of the creative products and solutions offered by companies there to achieve our goals."

ITIDA's agenda for GITEX Technology Week 2016 included meetings with Egyptian companies participating under its umbrella on one hand, and a number of leading multinational companies on the other. The Agency's representatives and officials met a high-level delegation from the Irish company Davra Networks to shed light on the competitive advantages of Egypt in the field of ICT as well as highlight incentives provided to encourage foreign investments into the local market. Investment and business opportunities offered by the Egyptian IT sector as well as cooperative, partnership and investment prospects in the projects of the new technology parks were discussed as well Davra Networks' delegates expressed their desire to initiate fruitful joint ventures with ITIDA that meet the aspirations of both sides.

ITIDA officials also met representatives from EMC, a leading provider of IT storage hardware solutions, who reiterated their intention for cooperation in providing cutting-edge technological platforms for free to encourage Egyptian entrepreneurs to participate in Egypt's Innovation Clusters' initiative. In another meeting with the tech giant IBM, it's agreed that the company will eye new opportunities in the local market by expanding its centre of excellence in Cairo to one of the new tech parks, in addition to availing its Bluemix platform for free to the Egyptian entrepreneurs and tech start-ups. In addition, Emaratech, a leading Dubai-based technology and consulting company, expressed its interest in establishing a call centre in Egypt in coordination with ITIDA to serve its customers from international banks.

Lastly, the meeting with officials from Oracle Corporation has resulted in the establishment of a regional centre for cloud computing in one of Egypt's new Tech Parks to explore further expansion opportunities. In addition, there was an agreement with Belgium-based Oddo, a suite of open source business apps, to train Egyptians in providing technical support services as well as to give them priority while recruiting for its partner companies in Egypt.

ITIDA has been sponsoring the participation of Egyptian companies in GITEX Technology Week for 11 consecutive years. For the latest edition, it extended its support to 29 organizations. It has adopted a number of criteria for selecting companies to participate under its umbrella, including the firm's expertise in the local market, compatibility of its business with the event's theme, its export capacities, availability of quality certificates, and its official representation in the event. ITIDA also reviews each prospective company's compatibility with its strategy as well its extent of participation in industry and its export development programs.

ITIDA continues to drive Egypt's ICT sector, the country's second largest economic contributor, in terms of growth. It also extends support to the government's efforts to further spread technology especially within the government and other vital sectors in order to strengthen both economic and social development. The Egyptian Government's ICT

sector strategy aims to increase the industry's contribution to the national GDP from EGP 52 billion in 2014 to EGP 70.2 billion by 2020 and create up to 300,000 direct and indirect job opportunities within the next few years.

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About ITIDA:

The Information Technology Industry Development Agency (ITIDA) is a governmental entity affiliated to Egypt's Ministry of Communications and Information Technology. It is responsible for growing and developing Egypt's position as a leading global outsourcing location by attracting foreign direct investment to the industry and maximizing the exports of IT services and applications.

Located in the heart of the modern business environment at Smart Village, the six hundred acre business park on the outskirts of Cairo, ITIDA is a self-sustainable entity that drives the IT industry in Egypt and raises awareness among the Egyptian people of the benefits and use of ICT to advance socio-economic welfare of the whole community.