

## ADQ and ADNEC Group enter into definitive agreements to obtain a 40.5 percent stake in TMG Holding's hospitality business in Egypt

- Obtaining the stake through a capital increase in TMG Holding's hospitality arm, ICON, will help continue the development of the luxury hospitality industry in Egypt.
- The transaction will also involve the acquisition of a stake in seven iconic heritage luxury hotels in Egypt which are currently owned by the Egyptian Government through ICON

**Abu Dhabi, UAE – 12 January 2024:** ADQ, an Abu Dhabi-based investment and holding company, and ADNEC Group ("ADNEC") today announced the signing of definitive agreements to obtain a strategic 40.5% stake in Egypt-based Talaat Moustafa Group Holding's ("TMG Holding") hospitality arm, ICON Group ("ICON") through a capital increase. ADQ and ADNEC will invest through a special purpose vehicle, with 49 percent equity ownership by ADQ and 51 percent equity ownership by ADNEC.

ICON is a leading player in Egypt's luxury and upscale hospitality market, with a track record of building and owning some of the most celebrated luxury hotels in Egypt. The Group owns four operational hotels – Four Seasons Cairo at Nile Plaza, Kempinski Nile Hotel Cairo, Four Seasons Sharm El Sheikh and Four Seasons Alexandria at San Stefano – and has three hotels and luxury residential real estate assets currently under development, such as the Four Seasons in Madinaty and Luxor and Radisson Collection in Marsa Alam, and one hotel under design, the Four Seasons at The Pyramids.

The transaction represents a major FDI investment in Egypt and marks a strong vote of investor confidence in the Egyptian tourism and hospitality sector.

The investment by ADQ and ADNEC in TMG's Hospitality arm will be used partially to deleverage the existing debt of ICON, with the remaining used for the acquisition of a stake through ICON in the portfolio of seven luxury heritage hotels owned by the Egyptian Government, for which definitive agreements have been signed. The seven hospitality assets include Marriott Cairo Omar Khayyam Zamalek, Marriott MENA House Cairo, Sofitel Winter Palace Luxor, Sofitel Legend Old Cataract Aswan, Steigenberger Cecil Hotel Alexandria, Steigenberger Hotel El Tahrir Cairo and Mövenpick Resort Aswan.

Post-transaction, ICON will have a combined portfolio of 15 luxury and upscale hospitality assets with a total of around 5,000 keys in prime locations including Cairo, Luxor, Aswan, Sharm El Sheikh and Alexandria. The acquired hotels in Egypt are managed by best-in-class operators and will continue to benefit from the synergies, resources and in-country expertise of TMG Holding.

With tourism high on the agenda of the Egyptian Government, the sector is anticipated to grow to more than 30 million tourists annually by 2028. Egypt currently has a limited supply of heritage hotels across the luxury and upscale segments to cater to the evolving preferences of a new demographic of travelers.

The transaction reinforces ADQ's interest in investing in assets that can provide continued upside growth and sustainable returns. ADQ is a long-term investor in the Egyptian economy; in the past years, ADQ has made investments in market leaders across different sectors, including the acquisition of Amoun Pharmaceutical Company S.A.E., one of Egypt's leading pharmaceutical manufacturers, distributors, and exporters.

ADNEC Group has evolved into a full-service tourism solutions provider by creating Tourism 365, a leisure tourism arm, which has existing operations in Egypt and hence offers significant synergistic potential with the investment in ICON.



**Humaid Matar Al Dhaheri, Managing Director and Group Chief Executive Officer of ADNEC Group, said:** “The investment in ICON is an important strategic step for ADNEC Group, as we deliver on our global expansion strategy and will provide ADNEC Group and its portfolio companies with access to Egypt’s rapidly growing tourism market and reaffirms our commitment to enhance our hospitality and tourism platform. We will work closely with TMG Holding to enhance and grow ICON and create additional value for our shareholders.”

**Hisham Talaat Moustafa, CEO and Managing Director of TMG Holding, said:** “We are delighted to have ADQ and ADNEC join us as strategic partners and shareholders in this landmark transaction and provide for an exciting outlook going forward. Through this partnership we will pursue substantial growth opportunities in Egypt’s tourism sector and beyond and will unlock further value for our shareholders.”

EFG Hermes is acting as the sole financial advisor to TMG Holding on the transaction.  
The transaction is subject to customary closing conditions.

- Ends -

## About ADQ

Established in 2018, ADQ is an Abu Dhabi-based investment and holding company with a broad portfolio of major enterprises. Its investments span key sectors of the UAE’s diversified economy including energy and utilities, food and agriculture, healthcare and life sciences, and mobility and logistics, amongst others. As a strategic partner of Abu Dhabi’s government, ADQ is committed to accelerating the transformation of the Emirate into a globally competitive and knowledge-based economy.

For more information, visit [adq.ae](http://adq.ae) or write to [media@adq.ae](mailto:media@adq.ae). You can also follow ADQ on [Instagram](#), [LinkedIn](#) and [X](#).

## About ADNEC

ADNEC Group, is a diversified holding company based in the capital of the United Arab Emirates, stands as a key driver of Abu Dhabi’s economic diversification and aspirations through sustainable tourism. The Group boasts a vast portfolio encompassing various clusters such as Venues, Events, Hotels, Food & Beverage (F&B), Services, Tourism, and Media. By leveraging these clusters, ADNEC Group plays a pivotal role in attracting global events to Abu Dhabi, stimulating local businesses and creating opportunities for international investments.

For more information, visit [adnecgroup.ae](http://adnecgroup.ae) or write to [press@adnec.ae](mailto:press@adnec.ae). You can also follow ADNEC on [Instagram](#), [LinkedIn](#) and [X](#).

## About TMG Holding

Talaat Moustafa Group Holding S.A.E. (TMG Holding) is a leading publicly held Egyptian developer of large-scale integrated communities and tourism investment projects. It has a total land of over 74 million square meters spread across Egypt and is developing additional 10 million square meters in Riyadh, Saudi Arabia. Since its inception, it has delivered residential units supporting formation of a community with some 0.8 million people in all of TMG Holding’s projects, accompanied by high-quality amenities and infrastructure. Aside from other renowned projects, TMG Holding is the developer of Madinaty, its flagship community occupying 33.6mn square meters in East Cairo. It owns four operational upscale hotels with a total of 1,041 rooms in Cairo, Sharm El Sheikh and Alexandria, and three under development hotels with a total of 940 additional rooms in addition to one hotel under design. The company is in the process of acquiring a significant stake in 7 historical properties located at high traffic locations across the country, which will increase the room count by c2,500 keys.

