



**Sarwa Capital And Banque Misr Successfully Closed a Securitization Bond for Egypt's New Urban Communities Authority (NUCA) of EGP 4 Billion with Substantial Investment from The European Bank for Reconstruction and Development (EBRD)**

**Cairo, November 23, 2019** | Sarwa Capital Holding for Financial Investments SAE (SRWA.CA), and Banque Misr announced today the conclusion of a securitization bond issue for Egypt's New Urban Communities Authority (NUCA). The issue size is EGP 4 billion and received a rating of AA- by Middle East Ratings and Investors Service (MERIS).

The success of this landmark transaction comes on the back of extensive engagements and consultations by the strategic alliance between Sarwa and Banque Misr with a number of international and local banks and institutions including the European Bank for Reconstruction and Development (EBRD), which is also a major participant in this bond issuance.

Sarwa Promotion & Underwriting, and Banque Misr acted as lead managers, arrangers, and co-underwriters on the transaction. The Arab Legal Consultants (ALC) acted as Legal Advisor for the transaction. It is worth mentioning that Sarwa is the leading private issuer of bonds in the market, the first and largest issuer of securitization bonds and the first to issue bonds backed by real estate receivables. Together, Sarwa and Banque Misr have issued more than 35 bond issuances totaling over EGP22 billion in light of the fruitful cooperation between the two entities over the years.

Dr. Mazen Hassan, Vice President of the New Urban Communities Authority (NUCA): "We successfully closed this issuance of NUCA's securitization bond in which the net proceeds will be used to finance the development of new sustainable cities and other national projects to be delivered in a timely manner. And we would like to thank Banque Misr, Sarwa Capital, and The Arab Legal Consultants (ALC) for supporting the development efforts of the government and for concluding this issuance professionally building on their long-established record in securitization."

Mohamed Eletreby, Chairman of Banque Misr, commented: "The role of capital markets in bridging the financing needs for investments opportunities is currently growing in the Egyptian market, as it complements bank financing, and therefore supports the growth of the Egyptian economy. We're delighted with such development, and in particular with the active participation of Banque Misr in fostering the debt capital market in Egypt, through the promotion and underwriting of the various issuances."

Dr. Suzan Hamdy, Head of Capital Markets Group at Banque Misr, commented: "Tapping into the debt capital market as an alternative source of funding in the Egyptian market by NUCA represents a key milestone for the fixed income market, as it can be a strong spur to introducing new instruments in the market for both domestic and foreign institutions. Additionally, this is becoming a significant market to the authority to finance the development of the Egyptian real estate market in a way that will support the growth of the national economy. We are thrilled to be part of this success by promoting and co-underwriting this issuance, and also by acting as a custodian."

Ayman Elsayy, Chairman of Sarwa Promotion & Underwriting, commented: "It is indeed a pleasure to participate in structuring and promoting this issuance of NUCA's securitization bond, and be part of their success tapping into debt capital markets as an alternative way of financing urban infrastructure of its sustainable cities. We see this issuance as a positive start towards diversifying their funding base and attracting foreign investments to the country."



Moreover, it reflects the rising investor confidence in the Egyptian government and its plans towards sustainable economic growth, in addition to the development of the fixed income market in Egypt.”

Sir Suma Chakrabarti, EBRD President said: “We are glad to support the deepening of the local-currency debt capital markets in Egypt and believe that this participation will have a strong demonstration effect on other international and local investors.

We are also pleased that this issuance will help NUCA allocate resources for its investments in developing new sustainable towns on desert land, this will help stimulate the economy and create new job opportunities”.

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*About Banque Misr*

Banque Misr was established in 1920 by the pioneer economist and financial expert Mohamed Talaat Harb Pasha, who spearheaded the concept of investing in national savings and directing them towards economic and social development. Thus, Banque Misr was established as the first wholly Egyptian - owned bank.

Banque Misr has funded many businesses spanning across multiple domestic sectors, such as: textiles, insurance, transportation, aviation, entertainment and filmmaking. Currently, BM owns shares in 158 companies across different fields ranging from finance, tourism, housing, agriculture and food, and communication and information technology.

Banque Misr has also established major investment funds in Egypt, as part of a diversified portfolio, and was granted an award by the Global Finance Treasury and Cash Management Awards as the ‘Best Provider of Money Market Funds in Africa and the Middle East’ for the years 2009 and 2010 and the ‘Best Provider of Money Market Funds in the Middle East’ for the years 2008, 2012, 2013, 2014 and 2015. The bank was also awarded as the ‘Best Provider of Money Market Funds and Short-Term Investments in the Middle East’ in 2015, 2016, 2017, 2018 and in Africa and the Middle East in 2019.

BM was also recognized as best Mandated Lead Arranger in the Egyptian banking market in Bloomberg’s Global Syndicated Loans League Tables for the third quarter of 2018, and was ranked second top Book runner. It was also ranked the fourth top Mandated Lead Arranger across Africa. Moreover, on the scale of the Middle East and North Africa region, Banque Misr ranked at seventh place among Book runners and 13th among Mandated Lead Arrangers in the MENA region for the third quarter of 2018.

A true pioneer in the region, Banque Misr became the first bank in Egypt and North Africa to become compliant with PCI data security standards, upon obtaining the latest version of the global Payment Card Industry Data Security Standard (PCI DSS 3.2.1) certification. Utilizing the latest technology in the banking sector, Banque Misr is constantly looking to expand customer access to banking services. Today, Banque Misr is proud to offer one of Egypt’s largest ATM networks, located across all areas of Egypt. Banque Misr’s role is visible in all economic fields due to its geographic outreach. The bank has about 18,000 employees, serving a large base of more than 10 million clients in Egypt, with a total paid-up capital amounting to EGP 15 billion.



The bank has more than 690 electronically integrated local branches located nationwide to provide the best and most accessible services to customers. Banque Misr also values its regional and international presence, which includes its five branches in the United Arab Emirates and one in France. In addition, the bank's international presence includes subsidiaries in Lebanon and Germany, as well as representative offices in China, Russia and South Korea and a global network of correspondents.

#### *About the European Bank for Reconstruction and Development (EBRD)*

The EBRD is a multilateral bank that promotes the development of the private sector and entrepreneurial initiative in 38 economies across three continents. The Bank is owned by 67 countries as well as the EU and the EIB. EBRD investments are aimed at making the economies in its regions [competitive](#), [inclusive](#), [well-governed](#), [green](#), and [integrated](#). Follow us on the [web](#), [Facebook](#), [LinkedIn](#), [Instagram](#), [Twitter](#) and [YouTube](#).

#### *About Sarwa Capital*

Sarwa Capital Holding for Financial Investments SAE (SRWA.CA) is a pioneer in consumer, structured financial services in Egypt. Operating since 2001, Sarwa adopts innovative approaches in extending its services, offering quality services with simple procedures and reaching a wide client base through its various subsidiaries, affiliates and partners.

Sarwa offers market leading services including new and used car financing through Contact Auto Credit, home finishing finance through Contact Mortgages, consumer goods financing through getGo Credit Services, SME asset finance through Plus Leasing, insurance products through Sarwa Insurance and Sarwa Life Insurance in addition to an array of corporate financing services including securitization, structured debt and debt investment management.

Sarwa Capital Holding for Financial Investments SAE is authorized and regulated by the Financial Regulatory Authority (FRA).