

## Press Release

**To finance its industrial facility for the production of smartphones, and other electronic devices:**

**Pharos Investment Banking succeeds in securing debt financing for the Egyptian Silicon Industries Company (SICO) from Banque Misr**

**Cairo, Egypt - May 29<sup>th</sup>, 2018** – Pharos Investment Banking successfully acted as the exclusive financial advisor to the Egyptian Silicon Industries Company, owner of the trademark SICO, on the new debt facilities with Banque Misr to finance its 4,500 sqm factory for the production of smartphones, tablets and other electronic devices in New Assiut Technological Park; a special economic zone for telecommunication and IT industries.

“We are pleased to advise SICO, the producer of the first locally-manufactured smartphone, on this transaction, that enabled the company to secure the required financing for its production lines and raw materials. We will continue to advise SICO over the coming period to execute its future expansion plans through the most optimal financing options” said Ms. Noha El-Ghazaly, Managing Director and Head of Investment Banking of Pharos Holding.

El Ghazaly added that securing access to finance SICO, promotes future prospects for new innovative industries in Egypt, which comes in line with the Egyptian Government’s strategy to promote local manufacturing, especially in the ICT sectors.

Engineer Mohamed Salem, Chairman and CEO of SICO, has expressed his gratitude to Pharos, Banque Misr and all SICO staff for their relentless efforts throughout the past period to secure finance for SICO’s factory, after months of tough and prolonged negotiations.

Salem commented on the transaction “Our company’s future endeavors aim at developing a local manufacturing and distribution hub for high quality and strongly competitive smartphones and electronic devices in Egypt, the MENA region and Africa

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Salem, also, pointed out that the company's operations in Assuit shall contribute to creating 500+ job opportunities across seven countries where SICO operates, through more than 5,000 retail outlets and more than 50 service centres across the region.

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### About Pharos Holding

Founded in 2005, Pharos Holding, since its establishment, has evolved and expanded rapidly to become a full-fledged investment bank, providing a wide range of financial services to institutions and individuals in Egypt and the MENA region. Pharos Holding services include: Investment Banking; Securities Brokerage; Asset Management; Research; Online Trading and Bookkeeping.

The Group is headquartered in Cairo, Egypt, and recently incorporated the UAE DIFC subsidiary, Pharos Gulf Limited, which is licensed and regulated by the Dubai Financial Services Authority (DFSA) to provide Financial Advisory and Capital & Debt Raising services.

Pharos Holding was named "Best Investment Bank in Egypt for 2018" by Global Finance Magazine.

Pharos Securities Brokerage is consistently ranked amongst the top five Brokerage firms operating on the EGX. Pharos' professional practices include as well a highly sought-after advisory practice, with particular expertise in M&A, equity and debt transactions. Pharos Investment Banking division has closed a number of landmark transactions across different sectors ranging from chemicals and fertilizers to consumer finance, education and telecommunications. Pharos' Asset Management practice controlled AUM in excess of nearly EGP 4.4 Billion at end of Q1-2018, comprehensively covering equity, fixed-income and capital-guaranteed portfolios.

### About SICO:

The Egyptian Silicon Industries Company (SICO) is a member of Mr. Salem Group (founded in 1948) and is one of five companies operating in a variety of industries.

SICO was established in 2003 and had two subsidiaries for trading and assembling electronics. The company has achieved a significant development and became a leading company with offices in Egypt, Nairobi and Dubai. In December, SICO announced the launch of its first flagship smartphone, the Nile X, during the Cairo ICT 2017 exhibition, which was attended by of President Abdel Fattah El Sisi.

SICO serves 500,000 satisfied clients through more than 4,000 retail outlets and over 50 service centers across the region.

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### About Banque Misr:

Banque Misr (BM) was established in 1920 by Mohamed Talaat Harb Pasha, a pioneer Egyptian economist, as the first 100% Egyptian-owned bank.

Since 1920, Banque Misr has established multiple companies in various economic fields, including spinning & weaving, insurance, transport, aviation and cinema. Currently, the bank holds equities in 162 of the most significant projects in various economic, industrial, touristic, real estate, agricultural, or food segments, different public services, and IT sectors.

Banque Misr plays an evident role in financing mega national projects that hugely contributes to the economic development of the state, especially in sectors such as oil, energy, electricity, gas, communications, aviation, tourism, and construction. BM is honored to continuously maintain its considerable position among banks based in Egypt and the Middle East, which was established as a result of a long term experience in leading important financing operations across different sectors, in a very tight timeframe. BM proved its ability to grant and cover such operations, in addition to leading, arranging, and completing underwritings in the largest part of the biggest transactions conducted in the Egyptian market over the past ten years.

BM is considered one of the biggest leading national banks in financing all projects in various segments. Taking into account the efforts made in the previous period, BM came first more than once during the past four years, as one of the best banks of Africa in the marketing sphere and the arrangement of syndicated loans, and project financing, according to Bloomberg's bank valuation.

From 01/01/2017 to 31/12/2017, BM managed to arrange, finance, take part in multiple lending operations that worth a total of EGP 70.4 billion, in different sectors (Electricity, Renewable energy, Real-estate investment, Petroleum and Gas, and project development). The bank covered such operations with an amount up to EGP 20.6 billion roughly. Such a level is attained thanks to the clear and tangible accomplishments done in arranging huge financing operations in multiple projects across all major sectors and fields, as well as the effective contribution in many national projects.

In line with the intensive marketing plans of the bank to attract new clients as well as financing operations, and with BM commitment to achieve the developmental and strategic goals to support the national economy in various sectors, BM currently seeks finalizing a number of major targeted and under-study financing operations in sectors such as: specialized constructions, shipping industry, electricity, energy, fertilizers and other sectors. Such operations are worth EGP 40 billion, and the expected coverage of the bank amounts to EGP 13 billion roughly. Such performance emphasizes BM role as one of the leading national banks in the Egyptian banking market.