

SODIC successfully closes its first securitization bond issuance for a gross receivables portfolio of some EGP 384 million;

Cairo, Egypt, 27th July 2021; Sixth of October Development & Investment Company "SODIC" announced that SODIC for Securitization S.A.E., SODIC's wholly-owned subsidiary, has successfully concluded its first securitization transaction by issuing an EGP 343 million securitization bond backed by a receivables portfolio of some EGP 384 million representing future instalments for 753 delivered units in SODIC's East Cairo project Eastown Residences and North Coast project Caesar.

The securitization bond was met with solid interest from investors and was heavily oversubscribed, a testament to the market's trust in SODIC and its strong financial and operational performance.

The bond comprises two tranches with tenors of 13 and 36 months which were assigned investment-grade credit ratings of AA+ and A respectively from Middle East Ratings and Investor Services (MERIS).

The details and coupon rates of the tranches are as follows:

- Tranche A with an amount of EGP 235 million, a tenor of 13 months, a credit rating of AA+, and a fixed coupon rate of 9.55%;
- Tranche B with an amount of EGP 108 million, a tenor of 36 months, a credit rating of A, and a fixed coupon rate of 9.9%.

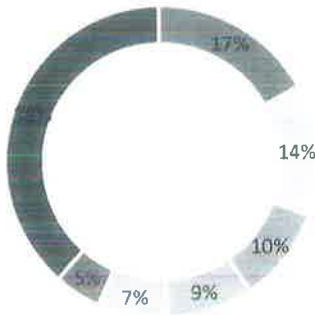
EFG Hermes acted as the financial advisor, arranger, manager, promoter, and co-underwriter for the transaction along with National Bank of Egypt (NBE), Commercial International Bank (CIB), Arab African International Bank (AAIB), and Suez Canal Bank. In addition, White and Case acted as the legal advisor, and KPMG acted as the financial auditor for the issuance, with CIB acting as the custodian.

Commenting on the transaction Omar Elhamawy, SODIC's Chief Financial Officer, said: "We are very proud of the success of this transaction. The issuance of SODIC's first securitization bond highlights our efforts to diversify our funding sources and benefit from the decline in interest rates. We are constantly exploring different funding options to enable growth and support ongoing operations while maintaining the strength and liquidity of our balance sheet and financial position."

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Shareholding Structure as at 30/06/2021



- ACT Financial Consortium
- Olayan Saudi Investment Company
- Abanumay Family
- Ripplewood Advisors L.L.C.
- RIMCO
- Ekuity Holding
- Others

About SODIC

Building on a history of more than twenty five years of successful operations in Egypt, SODIC is one of the country's leading real estate development companies, bringing to the market award-winning large scale developments to meet Egypt's ever-growing need for high quality housing, commercial and retail spaces.

Headquartered in Cairo and listed on the Egyptian stock exchange (EGX) under OCDI.CA, SODIC is one of the few non-family owned companies traded on the EGX, with a strong corporate governance framework.

Forward Looking Statements

Statements contained in this document that are not historical facts are based on current expectations, estimates, projections, opinions and beliefs of SODIC. Such statements involve known and unknown risks, uncertainties and other factors; undue reliance should not be placed thereon. Certain information contained herein constitutes "targets" or "forward-looking statements," which can be identified by the use of forward-looking terminology such as "may," "will," "seek," "should," "expect," "anticipate," "project," "estimate," "intend," "continue" or "believe" or the negatives thereof or other variations thereon or comparable terminology. Actual events or results or the actual performance of SODIC may differ materially from those reflected or contemplated in such targets or forward-looking statements. The performance of SODIC is subject to risks and uncertainties. Various factors could cause actual results to differ materially from those expressed or implied by the forward-looking statements in this document including worldwide economic trends, the economic and political climate of Egypt, the Middle East and changes in business strategy and various other factors.



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