

EFG Hermes Successfully Concludes Advisory to the First Issuance for EFG Hermes Corp-Solutions in an EGP 790 Million Securitization Bond Offering

Cairo, 30 December 2021

EFG Hermes' investment banking division, the leading investment banking franchise in Frontier Emerging Markets (FEM), and EFG Hermes Holding's wholly-owned subsidiary, EFG Hermes Corp-Solutions, announced today the successful conclusion of the latter's issuance of a securitization bond worth EGP 790 million. This transaction marks the first issuance in the program worth EGP 3 billion. The bond is backed by a receivables portfolio of c. EGP 815.1 million, representing 47 lease contracts.

The securitization bond comprises of three tranches, where tranche A is valued at EGP 181.7 million, with a tenor of 13 months, a credit rating of AA+ from Middle East Ratings and Investor Services (MERIS), and an annual variable return rate of 9.40%. Tranche B is valued at EGP 343.7 million, with a tenor of 36 months, a credit rating of AA from MERIS, and an annual variable return rate of 9.55%. The final tranche, tranche C, is valued at EGP 264.6 million, with a tenor of 72 months, and a credit rating of A- from MERIS.

Commenting on the issuance, **Mostafa Gad, Co-Head of Investment Banking at EFG Hermes** said: "We are extremely pleased with the success of this transaction. EFG Hermes continues to expand its service offerings in the ever-growing DCM space, unlocking new opportunities for a multitude of clients, and providing them with cut-to-fit solutions that best serve their needs. We continuously aim to explore diversified financing options to introduce to the market, and to capitalize on those that unveil the best growth prospects for the Firm".

"This landmark securitization transaction is a powerful tool aimed to expedite our operational growth, and strengthen our position in the Egyptian market," said **CEO of EFG Hermes Corp-Solutions, Talal El Ayat**, "We continually look into funding sources that enable us to not only expand our operational footprint through raising capital, but also expand our rapid-growing client base through offering clients a variety of innovative financial solutions."

This deal follows the Firm's successful conclusion of Six of October Development and Investment Co. (SODIC's) first securitized bond offering in July 2021, which saw the leading real estate developer issue a securitized bond worth EGP 343 million, as well as the fifth EGP 211 million securitization issuance for Premium international for Credit Services in the same month of the year. The Firm also concluded advisory on valU, the leading Buy Now Pay Later (BNPL) Fintech Platform's first securitized bond offering worth EGP 322.55 million in September 2021.



EFG Hermes acted as the sole financial advisor, sole transaction manager and book-runner, underwriter, and sole arranger on the issuance.

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About EFG Hermes Holding

With a current footprint spanning thirteen countries across four continents, EFG Hermes Holding (EGX: HRHO.CA – LSE: EFGD) started in Egypt and has grown over 37 years of success to become the universal bank in Egypt with a leading investment banking platform with access to emerging and frontier markets. Drawing on our proven track-record and a diverse team of talented employees, we provide a wide spectrum of financial services that include advisory, asset management, securities brokerage, research and private equity to the entire MENA region.

In 2015, EFG Hermes launched its Non-Bank Financial Institutions (NBFI) Platform, which overlooks activities in the non-banking finance field covering microfinance, leasing, factoring, Buy-Now Pay-Later (BNPL), mortgage and insurance. This falls in line with the Firm's strategy to focus on two main pillars: product diversification and geographic expansion into non-MENA markets, which has seen the Firm establish a physical presence in Pakistan, Bangladesh, Vietnam, Kenya, Nigeria, the United Kingdom and the United States. In 2021, the firm acquired a controlling stake in aiBANK allowing the Firm to transform into a universal bank in Egypt.

Learn more about us at www.efghermes.com & stay connected with us:    

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Note on Forward-Looking Statements

In this press release, EFG Hermes may make forward looking statements, including, for example, statements about management's expectations, strategic objectives, growth opportunities and business prospects. These forward-looking statements are not historical facts but instead represent only EFG Hermes' belief regarding future events, many of which, by their nature are inherently uncertain and are beyond management's control and include among others, financial market volatility; actions and initiatives taken by current and potential competitors; general economic conditions and the effect of current, pending and future legislation, regulations and regulatory actions. Accordingly, the readers are cautioned not to place undue reliance on forward-looking statements, which speak only as of the date on which they are made.

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