

## EFG Hermes Successfully Concludes Advisory to the Second Issuance for EFG Hermes Corp-Solutions in an EGP 2.0 billion Securitization Bond Offering

Cairo, September 29, 2022

EFG Hermes, the leading investment bank 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 second issuance of a securitization bond worth EGP 2.0 billion. The bond is backed by a receivables portfolio of c. EGP 2.9 billion, representing 24 lease contracts.

The securitization bond comprises of three tranches, where tranche A is valued at EGP 260 million, with a tenor of 13 months, and a credit rating of AA+ from Middle East Ratings and Investor Services (MERIS). Tranche B is valued at EGP 890 million, with a tenor of 36 months, and a credit rating of AA from MERIS. The final tranche, tranche C, is valued at EGP 850 million, with a tenor of 72 months, and a credit rating of A- from MERIS.

Commenting on the issuance, **Moustafa Gad, Co-Head of Investment Banking at EFG Hermes** said, "Following the success of the first issuance in Corp-Solutions' securitization program, we're proud to have successfully concluded this second issuance, providing EFG Hermes Corp-Solutions with substantial new funding to expand their operations. The completion of this second transaction among many others reflects the DCM team's commitment to support the growth of businesses during today's challenging financial landscape, fostering job creation and economic development. With our all-embracing product offering in the DCM space and our strong team of top professionals in the field, our objective is to provide world-class corporate financing solutions and alternatives to serve our clients' needs and adapt to the evolving market dynamics."

"This securitization transaction is another milestone met in accelerating our operational growth and solidifying our position in the Egyptian market, and we're proud to have secured such high ratings despite being late comers to the market, a testament of our strong financial position and solid business strategy." said **CEO of EFG Hermes Corp-Solutions, Talal El Ayat**. "Diversifying our funding sources helps us achieve our goals in expanding our operational footprint and growing our client base through providing a wide variety of novel financial solutions, as we continue our commitment to support private sector growth."

EFG Hermes Corp-Solutions enjoys a healthy and diverse client mix of 20% SMEs and 80% mid-cap to large corporations covering a myriad of sectors such as real estate development, logistics and maritime, printing and packaging, education, healthcare, trading and distribution, among others. This year, the company aims to focus on adding on more SMEs to its roster of clients and leveraging synergies across EFG Hermes Holding's verticals and subsidiaries to further expand the business.

By the end of July 2022, EFG Hermes Corp-Solutions' leasing and factoring businesses ranked second YTD in the Egyptian market. The leasing business booked a 12.52% market share with a total value of contracts amounting to EGP 5.8 billion, while the factoring business recorded a market share of 13.99% with a total value of bookings amounting to EGP 2.4 billion – according to the latest FRA report.

The issuance follows the Firm's conclusion of a series of securitization transactions in 2022 including advisory on Pioneers Properties for Urban Development second securitization issuance, Bedaya Mortgage Finance's first securitization issuance, a securitization issuance for MNHD, the sixth issuance for Premium International for Credit Services, and valU's second securitization issuance. This is the second issuance for Corp-Solutions following on the heels of its first successful securitization issuance of EGP 750 million.

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### **About EFG Hermes Holding**

With a current footprint spanning 14 countries across four continents, EFG Hermes Holding (EGX: HRHO.CA – LSE: EFGD) has grown over 38 years of success to transform from a pure-play investment bank in MENA into a universal bank in Egypt with the leading investment bank franchise in Frontier Emerging Markets (FEM). 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 FEM region. In our home country, we have the fastest-growing non-bank financial institutions (NBFI) platform with operations covering microfinance, leasing, factoring, Buy-Now Pay-Later (BNPL), digital payment solutions, mortgage finance and insurance.

And with its latest acquisition of a majority stake in aiBANK, the Firm was able to provide commercial banking products and services.

Through its three verticals, the Investment Bank, Non-Bank Financial Institutions (NBFI) and Commercial Bank, the group is perfectly positioned to consistently bring disruptive financial products and services to the market space, offering a holistic portfolio that best serves its growing base of individual clients and businesses of all sizes.

Egypt | United Arab Emirates | Saudi Arabia | Kuwait | Oman | Jordan | Pakistan | UK | Kenya | USA | Bangladesh | Vietnam | Nigeria | Singapore

Learn more about us at [www.efghermes.com](http://www.efghermes.com) & stay connected with us:

For further information, please contact:

### **The EFG Hermes Holding Public Relations Team**

[PublicRelations@EFG-Hermes.com](mailto:PublicRelations@EFG-Hermes.com)

### **May El Gammal**

Group Chief Marketing & Communications Officer of EFG Hermes Holding

[melgammal@efg-hermes.com](mailto:melgammal@efg-hermes.com)

### ***Note on Forward-Looking Statements***

*In this press release, EFG Hermes Holding 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 Holding's 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.*