

EFG Hermes Completes Listing of Saudi-Based Riyadh Cables Group Company's SAR 1.4 Billion (USD 378 Million) Initial Public Offering on the Saudi Exchange

The landmark listing bookends a series of successful IPOs the Firm has advised on in the kingdom, underlining its strategy to grow its market share in a nation positioning itself as a global equity investment hub

Riyadh, 19 December 2022

EFG Hermes, the leading investment bank franchise in Frontier and Emerging Markets (FEM), announced today that it has concluded advisory on the SAR 1.4 billion (USD 378 million) IPO of Saudi power cables manufacturer Riyadh Cables Group Company (RCGC) on the Saudi Exchange — yet another landmark deal in the kingdom that marks the 10th IPO the Firm has advised on during 2022. EFG Hermes acted as joint bookrunner on the transaction.

The listing saw RCGC offer 33,000,000 ordinary shares, representing 22% of its share capital, at a price of SAR 43.00/share, implying a total market capitalization of SAR 6.45 billion. The transaction garnered significant traction from regional and global investors, having been 72x oversubscribed on the institutional tranche. Trading on the company's shares commenced today, with RCGC listed under the ticker 4142.

Saud Altassan, CEO of EFG Hermes KSA, commented on the transaction: “As the Saudi equity market continues to ramp up, we’ve made it a priority to focus on bringing to market unique transactions that provide unmatched returns, a testament to our standing as a gateway through which regional and global investors can access quality issuances. 2022 has been a year of remarkable achievements for EFG Hermes, having capitalized on our unrivalled capabilities, deep-rooted industry know-how, and the rock-solid foundation of trust we’ve built with clients to advise on the region’s most notable transactions. We look forward to building on these milestones to grow our Saudi business in the year ahead.”

RCGC’s track record of over four decades, paired with its ironclad operational model and expansive geographical presence, have enabled the company to become an integral part of the energy and communications landscape. Established in 1984, RCGC is the leading power cable manufacturer in Saudi Arabia and MENA, and one of the largest in the world, with a total production capacity of some 264,000 tons. Boasting 15 production facilities across Saudi Arabia, UAE, and Iraq, and anchored by a team of renowned engineers and technicians, the company manufactures a wide range of premium cable and wire offerings, with a focus on the generation, transmission and distribution, oil and gas, transportation, industrial, and telecommunications sectors. Alongside its manufacturing capacities, the company exports its products to over 37 global markets spanning five continents.

Mohamed Abou Samra, Managing Director at the Investment Banking division, EFG Hermes, also commented on the deal: “We are thrilled to have worked on this landmark IPO and to be supporting a national industrial pioneer such as RCGC. The deal ideally positions the company to carry out its expansion and scaling plans, which are becoming important now more



than ever as the company gears up to support Saudi Arabia’s 2030 Vision directives in energy transition and developmental projects. As the kingdom continues to enjoy strong macroeconomic tailwinds that have attracted foreign capital and allowed the market to buck the global downturn in ECM activity, RCGC’s IPO was met with strong investor interest from both retail and institutional investors looking to capitalize on the company’s consistent profitability and growth prospects.”

RCGC’s listing comes on the heels of several landmark IPOs the Investment Banking division led on the Saudi Exchange since 2020, having most recently advised on Americana’s landmark USD 1.8 billion dual listing on the ADX and the Saudi Exchange — the first IPO to take place between both exchanges simultaneously. It served as joint bookrunner on the USD 144 million IPO of Saudi Arabia’s water desalination company Alkhorayef Water and Power Technologies, the USD 138 million IPO of the Saudi-based car rental company Theeb Rent a Car, ACWA Power’s USD 1.2 billion listing, and the USD 700 million offering of Dr. Sulaiman Al Habib Medical Group.

With this transaction, the Firm has advised on 10 IPOs in nine different industries across six exchanges worth USD 12.8 billion — an unprecedented feat for any investment bank in the region. Earlier this month, the division advised on the USD 204 million IPO of Dubai-based education platform Taaleem — the first private sector IPO on the DFM since 2014. Earlier in the year, it completed the USD 1.0 billion listing of Dubai’s exclusive toll-gate operator Salik on the DFM, the USD 2.0 billion listing of polyolefin manufacturer Borouge on the ADX, the USD 323 million IPO of Ali Alghanim and Sons Automotive Company on Boursa Kuwait, in addition to serving as advisor and joint bookrunner on the USD 6.1 billion listing of Dubai-based utility player DEWA.

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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 39 years of success to transform from a pure-play investment bank in MENA into an impact-driven universal bank in Egypt with the leading investment bank franchise in Frontier and 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 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.



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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.