

EFG Hermes Concludes Advisory on valU's Fourth Issuance in a Securitized Bond Offering Worth EGP 856.5 million

valU's fourth issuance, which comes as part of a wider approved and recently extended EGP 4.0 billion program, is a fundamental element to the fintech player's strategy to expand its operational footprint and bring to market a holistic suite of consumer finance and fintech offerings

Cairo, March 21, 2023

EFG Hermes, the leading investment bank franchise in Frontier and Emerging Markets (FEM), announced today that its investment banking division successfully closed valU's — MENA's leading lifestyle enabling fintech platform — fourth securitized bond issuance. The transaction, worth EGP 856.5 million, comes as part of a wider approved and recently extended EGP 4.0 billion program.

The bond is backed by a receivables portfolio, assigned to EFG Hermes for Securitization, the issuance's Special Purpose Vehicle (SPV). It is comprised of a single tranche, with a Prime 1 (sf¹) rating and a 12-month tenor.

Commenting on the issuance, **Maie Hamdy, Managing Director - Debt Capital Markets at EFG Hermes** said, "We are delighted to be seeing our very own valU make headlines in the market as it concludes its fourth securitization issuance, and to be playing such a vital role in helping valU's management bring the company one step closer to achieving its expansion goals and growing its presence and offering in the consumer finance and fintech spaces. Our mission remains the same — to support our clients looking to raise capital with versatile funding streams, while unlocking value-accretive investment prospects for local and global investors that enable them to diversify their portfolios and generate superior returns."

Shokry Bidair, CFO of valU also commented on the issuance saying, "We are pleased to be closing our fourth securitized bond issuance today. This issuance, and the three issuances prior, are testament to the confidence investors have in valU and its business model, as well as the tremendous growth valU has achieved across its operational footprint since its inception in 2017. Working with EFG Hermes perfectly positions us to continue growing our partner network and breaking ground in more key sectors in Egypt, and to maintain our position as the leading provider of comprehensive and inclusive financial solutions in Egypt and the MENA region at large."

valU's fourth securitization issuance comes as part of a series of several back-to-back securitizations the Firm has successfully closed in the debt capital market space. The investment banking division recently concluded advisory on Bedaya Mortgage Finance's second, EGP 958 million securitization issuance, the EGP 638 million securitization issuance for Palm Hills Development (PHD), the second, 805.5 million issuance for Madinet Nasr for Housing and Development (MNHD), and Al Taamir Mortgage Finance – Al Oula's first securitization issuance worth EGP 998.5 million. The division also concluded advisory on the second, EGP 986 million

¹ sf: structured finance

issuance for Misr Italia Properties, and the first future flow securitized bond offering worth EGP 800 million for CIRA Education.

EFG Hermes acted as sole financial advisor, sole transaction manager and book-runner, underwriter, and arranger on the issuance. Arab African International Bank (AAIB) acted as an underwriter, in addition, Arab Banking Cooperation (ABC) and aiBANK were subscribers. AAIB also acted as custodian bank on the issuance. KPMG was the auditor and Arab Legal Consultants was the legal advisor.

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About valu

A subsidiary of EFG Hermes Holding established in 2017, valu is the leading lifestyle-enabling fintech platform offering convenient and customizable financing plans for up to 60 months. With more than 5,000 points of sale and over 550 websites, valu provides access to a vast network of retail and e-commerce providers across a diverse array of categories, including home appliances, electronics, home finishing, furniture, residential solar solutions, healthcare, education, travel, and fashion, among others. As the first platform of its kind in the MENA region, valu customers can receive instant credit decisions through their devices and gain access to the ever-growing platform's partners.

Learn more about us at <https://www.valu.com.eg/home>.

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 broad spectrum of financial services, including 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.

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

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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.