

As a part of an EGP 5 Billion Securitization Program

B.TECH and CIB Conclude The Second Securitized Bond Issuance Worth Around EGP 1 Billion

Cairo, December 17, 2023 _ B.TECH, Egypt's leading integrated omnichannel retailer and consumer finance platform, and the Commercial International Bank (CIB), announced the completion of the second securitization bond issuance worth close to EGP 1 billion. The issuance was split into two different tranches with varying tenors, payment priorities, credit ratings, and interest rates. This comes as part of a short-term EGP 5 billion securitization issuance program over the span of two years, which received the approval of the Financial Regulatory Authority (FRA).

The issued bonds received a credit rating of P1/P1 (Prime one) due to the high quality of the transferred portfolio being the highest quality installment portfolio in Egypt, supported by other credit guarantees and enhancements available to the bondholders. This bond issuance is a testament to the strategic partnership between B.TECH and CIB, following the successful completion of the first issuance worth EGP 1.038 billion on three different tranches earlier this year.

Dr. Mahmoud Khattab, CEO and Chairman of B.TECH said: "We are pleased to move forward with the successful partnership with CIB as we conclude the second securitization bond issuance as part of our EGP 5 billion securitization program. This marks a milestone in B.TECH's journey toward achieving sustainable growth. This issuance demonstrates the strong financial status of the company and the trust of financial institutions and investors in B.TECH's financial and operational capabilities and supports our plans to further grow our business and expand the scope of products and services offered to our customers. Additionally, the bond issuance will provide the needed cash liquidity to reinforce B.TECH's positioning as a market leader, cater to customers' needs, and capitalize on available investment opportunities."

Mr. Amr El-Ganainy, Deputy CEO and Managing Director at Commercial International Bank - Egypt (CIB), stated: "The success of the second securitization bond issuance for B.TECH aligns with our strategy to drive growth in the Egyptian market. It reflects the investors' appetite for debt instruments with solid credit ratings, the market's ability to accommodate more bond issuances, and providing alternatives for traditional financing schemes for private and public entities alike. I'd like to extend my gratitude to all parties involved in this issuance, this is CIB's 9th issuance, totaling EGP 42.9 billion since the beginning of 2023."

On her part, **Mennan Awadallah, Head of Debt Capital Markets at CIB**, said: "We are thrilled to continue our successful partnership with B.TECH as we conclude the second securitization bond issuance as part of a short-term EGP 5 billion program. This partnership reiterates our commitment to supporting companies across various fields to revive non-banking financial services and bond markets while offering flexible solutions to attract more investors."

It is noteworthy to mention that the Commercial International Bank (CIB) acted as the sole financial adviser, issuance manager, and lead arranger in the issuance. The Ahli United Bank and Al Baraka Capital acted as the underwriters. SAIB, Al Ahli Bank of Kuwait, aiBANK, and CI Capital participated in the subscription, while EG Bank acted as the custodian. Al-Derini and Co. acted as the legal advisor of the offering while Muhammad Hilal and Wahid Abdel Ghaffar office for Accounting and Auditing (Baker Tilly) acted as the auditor of the transaction.

Founded in 1997, B.TECH has grown into one of Egypt's most prominent and fastest-growing omnichannel consumer electronics and home appliance retailers with a network of more than 170 stores across Egypt and more than 6,000 employees. B.TECH offers several consumer finance solutions, including Minicash, solidifying its leading position in the local market and popularity among consumers.

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