

EFG Hermes Concludes Advisory on Hermes Securities Brokerage Company's (HSB) Fourth, EGP 250 million Senior Unsecured Short-Term Note Issuance

The first issuance in a newly approved, two-year program worth EGP 2 billion, HSB's fourth issuance comes as an integral part of its plans to diversify its funding streams as it looks to expand its operational foothold and investor base

Cairo, April 11, 2023

EFG Hermes, the leading investment bank franchise in Frontier and Emerging Markets (FEM), announced today that its investment banking division has successfully closed the issuance of a senior unsecured short-term note for the Hermes Securities Brokerage Company (HSB) — a wholly owned subsidiary of EFG Hermes Holding — in a transaction worth EGP 250 million. This marks the fourth issuance for HSB and the first in a newly approved two-year program worth EGP 2 billion.

The Middle East Ratings and Investor Services (MERIS) affirmed the national scale long-term senior unsecured entity rating at "BBB+" with a Stable Outlook and the short-term senior unsecured issuer rating of "P2" to HSB. The 12-month bullet note will carry a fixed rate coupon paid at the end of the bond, with proceeds aimed at diversifying HSB's funding sources.

Commenting on the issuance, **Mostafa Gad, Co-Head of Investment Banking at EFG Hermes** said: "We are incredibly proud of the success our very own HSB's previous issuances have garnered and are happy to be supporting the MENA region's leading brokerage house as it closes its fourth issuance in the market and the first in its newly approved program. Our expansive presence in Egypt's DCM space perfectly positions us to continue bringing in-demand, quality asset classes to the market, enabling our clients to capitalize on alternative, value-accretive funding solutions when looking to scale their operations, while unlocking access for local and global investors to the region's most lucrative investment prospects."

HSB's fourth issuance is part of a series of several back-to-back transactions the Firm has successfully concluded in the debt capital market space. The investment banking division recently concluded advisory on valU's fourth securitization issuance worth EGP 856.5 million, Premium International for Credit Services' eighth, EGP 193.65 million securitized bond issuance, and Bedaya Mortgage Finance's second, EGP 958 million securitization issuance. The division also advised on 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.

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

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About EFG Hermes Holding

With a current footprint spanning 13 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.

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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.