

valU Closes Fifth Issuance in a Securitized Bond Offering Worth EGP 1.42 billion

The fifth issuance comes as part of a newly approved EGP 4.0 billion program and is an integral part of the company's growth strategy to solidify its positioning as an end-to-end financial services powerhouse

Cairo, June 19, 2023

valU, MENA's leading lifestyle-enabling fintech platform, announced today that it has closed its fifth securitized bond issuance. The EGP 1.42 billion issuance is part of a newly approved EGP 4.0 billion program.

The bond is backed by a receivables portfolio, assigned to EFG Hermes' Financial Group for Securitization, the issuance's Special Purpose Vehicle (SPV), and is comprised of two tranches, structured as follows:

- Tranche A – Valued at EGP 946.3 million with a 12-month bond tenor and a Prime 1 (sf) rating
- Tranche B – Valued at EGP 476.7 million with a 36-month tenor and A (sf) rating

Shokry Bidair, CFO of valU, commented: “We are pleased to be closing our fifth securitized bond issuance today, which comes as part of a newly approved, longer-term program. This step is a critical move in our strategy to expand valU's operational scope beyond Buy-Now, Pay-Later (BNPL) and reposition the company as a full-fledged lifestyle enabler and end-to-end provider of innovative and convenient fintech solutions that better the lives of our clients and serve their ever-changing financial needs. We are confident in our ability to post our fourth successive year of both growth and profitability while investing in new opportunities to cement our leading market position. This securitization will further enhance our liquidity position and help us meet our ambitious growth targets for 2023. Building on the success of our previous securitizations' performance, this offering includes a three-year tranche which will pave the way for us to further tap the debt capital market in more innovative ways in the future.”

Leveraging a network of over 5,000 points of sale and over 700 e-commerce websites and apps, valU's beginnings since its inception as a BNPL provider in December 2017 saw the company offer convenient and inclusive financing plans to its clients with tenors ranging from 3 to 60 months. Having continuously broken ground in the market through its disruptive but fundamentally integrated solutions and partnerships over the years, valU is today an Egyptian household name and has successfully transformed into a comprehensive fintech powerhouse and a facilitator of financial empowerment and inclusion in the market offering investment products, an instant cash redemption program, and savings solutions through the AZ valU fund, Sha2labaz, and Akeed, respectively.

Maie Hamdy, Managing Director - Debt Capital Markets at EFG Hermes also commented: “After four successful issuances, we are incredibly proud to continue our partnership with valU on



its fifth securitization issuance — its largest transaction in the Egyptian debt capital market to date. This transaction comes as part of several back-to-back transactions we’ve concluded this year, including Bedaya’s first securitization issuance — the first for a real estate mortgage company in Egypt.”

This transaction marks valU’s second issuance this year, and the fifth concluded in partnership with EFG Hermes to date, underscoring valU’s efforts to diversify its funding streams as it continues to scale its operations further and expand its presence in the fintech landscape.

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 underwriter as well as custodian bank on the issuance. Arab Banking Cooperation (ABC) and aiBANK were subscribers to the issuance. KPMG was the auditor and Arab Legal Consultants was the legal advisor.

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About valU

valU is the leading lifestyle-enabling fintech platform offering customers and businesses convenient and comprehensive financial solutions. Under its product universe, valU pioneered Buy-Now, Pay-Later (BNPL) solutions in the MENA region, providing customizable financing plans for up to 60 months across more than 5,000 points of sale and over 700 websites and apps – covering a diverse array of categories, including home appliances, electronics, home finishing, furniture, residential solar solutions, healthcare, education, travel, and fashion, among others. valU also offers investment products, an instant cash redemption program, and savings solutions through the AZ valU fund, Sha2labaz, and Akeed, respectively. In addition, valU offers businesses through Paynas hassle-free HR payroll services and more. As an award-winning fintech player in the MENA region, valU embraces a progressive mindset with an agile workforce committed to architecting innovative financial solutions.

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Note on Forward-Looking Statements

In this press release, valU 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 valU’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.