

Zilla Capital successfully completes its advisory services for the initial public offering (IPO) of "Act Financial" on the Egyptian Stock Exchange, which raised EGP 1.04 billion. This marks the first IPO in the Egyptian stock market since 2022, with Zilla Capital acting as the Lead Arranger.

Cairo – Wednesday 24 July 2024 – This transaction marks the first IPO of a company specializing in activism investment in the Egyptian stock market. The IPO garnered an overwhelming demand from a multitude of local and regional investors, including high net wealth individuals, financial institutions and strategic investors, with the private placement being oversubscribed 20.19 times – the highest oversubscription for private offerings on the Egyptian Stock Exchange throughout the last 15 years. The public placement, driven by immense demand, was oversubscribed 54.76 times through 26,497 subscribers which is one of the highest in the last few years.

The offering comprised a primary offering of 360,000,000 new shares, representing 47% of Act Financial’s share capital, pre capital increase of 765,685,992 shares, and 32% of its share capital, post capital increase of 1,125,685,992 shares, at a price of EGP 2.9 per share. 83% of the total offering shares were allotted to qualified investors and institutions (private placement), while the remaining 17% were allotted to individual investors (public offering).

Founded in 2015, Act Financial is one of the fastest-growing investment firms in Egypt. It specializes in activist investment in companies listed on the Egyptian Stock Exchange, acting as a catalyst for generating profitable returns and creating value across its investment portfolio. Act Financial has achieved significant successes across various sectors due to its ability to select the best opportunities, determine the most suitable exit strategies, and time these exits optimally through a systematic methodology and comprehensive governance policy.

In this context, Moustafa El Shenety, Managing Partner of Zilla Capital and Head of Investment Banking, expressed profound pride for the remarkable success of Act Financial IPO, which witnessed the largest private placement demand on the Egyptian stock market in the last 15 years. This overwhelming demand is a strong testament to the confidence that local and regional investors have in both the Egyptian market and Act Financial.

El Shenety expressed immense pride in Zilla Capital's pivotal role in Act Financial's journey and looked forward to the future opportunities this listing brings for the company, extending his best wishes for their continued success and growth. He also extended his gratitude to Matouk Bassiouny & Hennawy Law Firm for their exemplary role as legal advisor of the transaction, and to Mubasher Trade for their vital role as the placement agent, in addition to appreciating all the market brokerage firms that were key pillars of this IPO success.

Subscription Results for Act Financial's IPO:

- Private Placement Tranche:
 - Number of Subscribers: 493
 - Number of Brokerage Firms Submitted Subscription Orders through the O.P.R: 39
 - Total Orders Placed: 6,055,591,553 shares
 - Total Value of Orders Placed: EGP 17,561,215,504
 - Oversubscription: 20.19x
- Public Placement Tranche:
 - Number of Subscribers: 26,497
 - Number of Brokerage Firms Submitted Subscription Orders through the O.P.R: 102
 - Total Orders Placed (initial orders): 3,285,615,680 Shares
 - Total Value of Orders Placed: EGP 9,528,285,472
 - Oversubscription: 54.76x

Zilla Capital team advising Act Financial was led by Moustafa El-Shenety and Khaled Gamal (Managing Partners & Co-Heads of Investment Banking), alongside Zilla's investment banking team that included Omar Zakaria (Director), Abdelfatah Abomousa (Vice President) and Christina Wahba (Senior Associate).

About Zilla Capital

Zilla Capital is a leading Investment Bank in MENA and the top M&A advisor in Egypt. We leverage our Executive Partners' extensive experience and network in the region to help our clients achieve their strategic goals through offering comprehensive and integrated financial solutions that cater to their specialized needs. Zilla Capital is a one-stop-shop offering an array of services including financial advisory, asset management, private equity, and non-banking financing solutions.

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