

**Al Ahly Pharos Investment Banking and Hassan Allam Construction SAE successfully concludes their first Musharaka Sukuk issuance, with a value of EGP 2.8 billion, for Bab Masr Development SAE**

Al-Ahly Pharos Investment Banking, the investment banking arm of the National Bank of Egypt, proudly announced that it acted as a financial advisor, lead manager, book-runner, and underwriter for the successful closure of Al Ahly Sukuk's first issuance in the form of Musharaka Sukuk with a value of EGP 2.8 billion. The issuance will finance Bab Masr project, developed by Bab Masr Development S.A.E., a company fully owned by Hassan Allam Construction S.A.E. The offering was met with strong investor demand, achieving an oversubscription before closing the issuance.

This landmark transaction marks the first-ever Musharaka Sukuk for the issuer and represents a significant milestone in the evolution of Egypt's debt capital market, particularly given its purpose to finance a greenfield mixed-use real estate project. It sets a precedent for similar ventures to access the debt capital market, broadening the landscape of financing opportunities and innovative debt instruments. The transaction also signifies a historic first for Hassan Allam Holding, one of Egypt's most distinguished and longstanding institutions, widely recognized as a national leader in engineering, construction, and infrastructure development. The Group's selection of Al-Ahly Pharos as the advisor for its debut into the debt capital market highlights the deep confidence placed in the firm's capabilities. Being mandated to lead a transaction of this scale and complexity is a testament to Al-Ahly Pharos' robust advisory expertise and its ability to deliver tailor-made, innovative financing solutions.

The successful execution of this sukuk demonstrates how capital market instruments serve as powerful enablers of sustainable growth and diversification in corporate financing. It paves the way for other corporate institutions to explore alternative funding mechanisms, ultimately contributing to a more dynamic, resilient, and attractive investment market.

Bab Misr is a Mixed-Use Complex Project located in Mohandiseen. The project, developed by Hassan Allam Holding, spans 100,000 m<sup>2</sup> and includes 17 buildings dedicated to commercial, administrative, residential, medical, and garage spaces. It forms a key part of the development surrounding the Upper Egypt railway station, Egypt's largest railway station. The station reduces congestion for southbound commuters and connects to Cairo Metro's third line, monorail, and BRT system.

**Ahmed Heider CEO & Managing Director of Al Ahly Pharos Investment Banking Group quoted**

“This transaction is a strong testament to the depth and strength of Al Ahly Pharos’ advisory platform, and it reinforces our strategic vision to drive innovation and broaden accessibility within Egypt’s capital markets in all DCM, ECM and M&A. As more corporates actively pursue alternative financing tools, we remain steadfast in our commitment to leading the evolution of capital market instruments aligned with the broader vision of NBE Group to deliver a fully integrated financial service platform”

Heidar also added “I would like to sincerely thank our exceptional team for their tireless efforts, and our client, Hassan Allam Holding, for their trust and continuing partnership. This transaction reflects the strength of our relationship and our shared commitment to growth. I am equally grateful to all parties involved in successfully closing this deal, your collaboration and dedication are truly valued and integral to this success”.

Heidar concluded “Lastly, we extend our sincere appreciation to the Sharia committee for their innovative solutions and deep understanding as well as the Financial Regulatory Authority for their continuous support and forward-looking approach. Their efforts are vital in expanding the horizons of Egypt’s capital markets.”

**Mohy-Eldin Abdin, Group CFO of Hassan Allam Holding, stated,** “This Sukuk issuance marks a significant milestone in Hassan Allam Holding’s financing strategy. The strong participation of leading financial institutions, including National Bank of Egypt, and Suez Canal Bank as underwriters, with additional participation from ADCB, IDB, and SAIB, reflects strong investor confidence in both our vision and the broader potential of more diversified debt instruments. We are proud to have partnered with Al

Ahly Pharos along with a strong syndicate of advisors and institutions who played key roles in the successful execution of this transaction.”

**In the same regard, Amir Sherif, Managing Director and Head of the DCM, at Al Ahly Pharos added** that “This transaction marks a significant milestone not just as our first Musharaka sukuk issuance, but as a clear step forward in realizing our broader vision for Egypt’s debt capital markets. At Al Ahly Pharos, we are committed to offering tailor-made financial solutions, both conventional and non-conventional, that respond to our clients’ diverse and evolving needs. Sukuk is only one piece of the puzzle, this is just a scratch on the surface of our hopes and aspirations for the expansion and deepening of the market. Our ambition is to lead in structuring innovative, flexible and trail-blazing instruments that fuel corporate growth and market development.”

Continuing Amir expressed “I am incredibly proud of the tremendous efforts exerted by our Debt Capital Markets team. In just three years, this team has successfully concluded nearly EGP 100 billion in structured and diversified transactions, leaving their strong and lasting print on the Egyptian market, all being the fruit of their sleepless nights and magnificent efforts exerted to always meet our clients’ needs”.

Concluding, he added, “I also want to thank all the transaction parties for their vital roles and close collaboration throughout this journey, the efforts dedicated have paid off. Most importantly, we’re grateful to our client, Hassan Allam Holding, for their strategic partnership and effort exerted to ensure the success of the transaction. Lastly, we extend sincere appreciation to the FRA for their ongoing support, they’re instrumental in enabling such progress and advancing Egypt’s capital markets”.

Zulficar and Partners acted as the legal advisor, Baker Tilly as the transaction Auditor, MERIS "Middle East for Credit Rating and Investors Service", acted as the credit rating agency for the issue, ECG as the transaction independent engineer and RSM as the independent financial advisor.

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### **About Hassan Allam Holding**

Hassan Allam Holding is one of the largest companies in Egypt and the MENA region, with 90 years of experience in the engineering, construction, and infrastructure sectors. The group operates in diverse sectors, including infrastructure, energy, water, industry, logistics, petrochemicals, and complex large-scale projects in Egypt and the MENA region. The founders of Hassan Allam Holding commenced operations in 1936, making it the oldest construction franchise in the MENA region, with a solid reputation, superior technical capabilities, and a diversified portfolio. With a legacy of identifying and investing in attractive infrastructure projects, the globally expanded group has a current backlog exceeding USD 6 billion. The group is listed among the Engineering News-Record (ENR) top 250 global contractors.

### **About Al-Ahly Pharos Investment Banking S.A.E.**

Al-Ahly Pharos Investment banking, which is part of the National Bank of Egypt Group, is one of the leading investment banks in the Egyptian Capital Market operating in both Debt Capital Markets, Equity Capital Markets, as well as mergers and acquisitions sector in Egypt, providing integrated financial services. It relies on the strength of the National Bank of Egypt Group and holds a leadership position in the investment banking market, securities trading, research, asset management, and debt roles such as securitization and sukuk.