

PHD and Sarwa Capital concludes securitization of EGP760 million receivables portfolio

Cairo/London, March 6, 2019: Palm Hills Developments ("PHD" or "the Company") and Sarwa Capital ("Sarwa") announce the closing of the latest issue of securitization bond for PHD, backed by receivables portfolio related to 670 delivered units in the following projects: Golf View, Golf Extensions, Palm Hills Katameya Extension (1&2), Hacienda Bay and Hacienda White 2.

The receivables portfolio's net present value stood at EGP609 million, after applying a discount rate of 16.04% on the gross receivables portfolio of EGP760 million, calculated based on the average coupon of the Bond's three tranches issued by Sarwa Capital. The three tranches received ratings of AA+, AA and A by Middle East Ratings and Investors Service (MERIS).

Sarwa Promotion & Underwriting acted as the Financial Advisor, Lead Manager and Arranger of the transaction. The issue was fully underwritten and co-arranged by Banque Misr and Arab African International Bank.

Yasseen Mansour, Chairman & Group CEO of PHD commented: "This latest and important issue comes in line with our plans to deleverage the Balance Sheet via monetization of receivables program of up to c.EGP5 billion, which started during 2017".

Commenting on the bond issue, Ayman El Sawy, Managing Director of Sarwa Promotion & Underwriting, said "We are pleased to successfully close the third securitization bond for Palm Hills Developments issued as part of the agreed securitization program. In total to date, we have issued bonds for gross receivables of EGP1.6 billion out of the c.EGP5 billion program. We look forward to continuing the program with subsequent issues."

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About Sarwa Capital

Sarwa Capital is a leading provider of consumer and structured finance in Egypt. Operating since 2001, Sarwa adopts innovative approaches in extending its services, offering a quality services with simple procedures and reaching a wide client base through its various subsidiaries, affiliates and partners. Sarwa offers market leading services including new and used car financing through Contact Auto Credit, home finishing finance through Contact Mortgages, consumer goods financing through GetGo Credit Services, SME asset finance through Plus Leasing in addition to an array of corporate financing services including securitization, structured debt and debt investment management. Sarwa Capital Holding for Financial Investments SAE is authorized and regulated by the Financial Regulatory Authority (FRA). For more information please visit www.sarwa.capital

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About Palm Hills Developments

Palm Hills Developments, a leading real estate developer in Egypt, is a joint stock company established in 1997. Palm Hills builds integrated communities and has one of the most diversified land bank portfolios, spreading over 40.6 million square meters ("sqm") in Egypt, including 5 million sqm in Saudi Arabia. The Company's product offerings include primary homes on both West Cairo and East Cairo, as well as secondary homes by the Mediterranean Sea, North Coast.

As at end of 2018, PHD delivered more than 9,643 units within its developments, including more than 4,968 units in 12 completed projects. Today, PHD has 11 projects under development, 5 projects in West Cairo, 4 projects in East Cairo and 2 projects in the North Coast, in addition to 5 new projects including 4 co-developments, translating into a sales backlog of EGP14.8 billion (Residential segment by EGP13.8 billion and commercial segment by EGP1 billion). PHD is one of the most liquid and actively traded stocks on the Egyptian Stock Exchange, and is traded under the symbol "PHDC.CA". The Company has a GDR listing on the London Stock Exchange, and is traded under the symbol "PHDC.LI". For more information, please visit: www.palmhillsdevelopments.com/

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