



Press Release

Palm Hills Developments and Sarwa Capital announce closing of EGP261 million Securitized Bonds

Cairo/London, May 3 2018: Palm Hills Developments ("PHD" or "the Company") and Sarwa Capital has successfully closed its latest issuance of Securitized Bonds in relation to EGP346 million receivables portfolio of 232 delivered units in the following projects: Palm Hills Katameya Extension, Palm Parks and Hacienda White 2.

Palm Hills will receive net proceeds of EGP261 million, after applying a discount rate of 14.83%, which is calculated based on the average return of the Bond's three tranches, and after deducting various transaction related fees and commissions. Palm Hills intends to utilize the proceeds in pre-paying the Company's existing debt.

Tarek Rahman, PHD's CEO commented: "This milestone comes in line with the Company's plans to deleverage its Balance Sheet via monetization of receivables program of up to c. EGP2.5 billion over 2-3 years, which already started since the beginning of 2017".

Ayman El Sawy, Sarwa Promoting & Underwriting's Managing Director commented: "We are pleased to close the second Securitization Bonds for Palm Hills Developments. The Bonds maintain the same high credit rating on the back of the strength and quality of the issue structure. We look forward to working closely with the Company as we return to market with follow-on tranches".

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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. For more information please visit www.sarwa.capital

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 2017, PHD delivered more than 8,132 units within its developments, including more than 4,616 units in 13 completed projects. Today, PHD has 10 projects under development, 5 projects in West Cairo, 3 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 exceeding EGP11.8 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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