



CIRA Issues Financial Sukuk Worth EGP 600 Million

Cairo, Egypt 29 December 2020

Dear Investors,

We would like to share CIRA's recent news regarding issuing Ijara Financial Sukuk compatible with the provisions of Islamic Shariaa, with total value of 600 million Egyptian Pounds. The Shariaa-compliant Sukuk will be tradeable on the EGX, subject to early redemption at the option of the borrower, and non-convertible to shares with a tenor of 7 years. Both CIRA and the Sukuk received an A rating and a stable outlook by the Middle East Ratings and Investor Services (MERIS).

CIRA's notable Sukuk issuance is considered the first Sukuk issuance in the Egyptian education sector. Having been covered 2.3 times, it has generated substantial interest that allowed the subscription period to open and close on the same day.

CIRA's CEO Mr. Mohamed El Kalla expressed that "CIRA is very proud to continue its partnership with EFG Hermes and witness the success of the first Sukuk issuance only two years after the successful conclusion of our initial public offering on the EGX in October 2018. The Sukuk will be financing the company's current and future K-12 and Higher-Ed projects. I believe the issuance timeframe, subscription level and rate stood as a strong testament to CIRA's reputation as a growth focused company that continues to meet its targets and growth plans with a clear focus on real impact"

EFG Hermes has acted as sole financial advisor, sole global coordinator, sole lead arranger, and sole bookrunner; while EFG Hermes Sukuk S.A.E. acted as the originator/issuer. Four banks were appointed as underwriters, namely Ahli United Bank (AUB), Banque du Caire (BdC), National Bank of Egypt (NBE), and Suez Canal Bank. AUB was the recipient bank and payment agent bank. Zulficar were assigned by CIRA to act as the legal advisor for the issuance.

It is worth mentioning that Cairo for Investment and Real Estate Development listed on EGX 30 (CIRA.CA) is the largest investor in the Egyptian private education field and serves more than 40,000 students in K-12 and higher education with premises all over the Egypt.

Forward-Looking Statements

This communication contains certain forward-looking statements. A forward-looking statement is any statement that does not relate to historical facts and events, and can be identified by the use of such words and phrases as “according to estimates”, “anticipates”, “assumes”, “believes”, “could”, “estimates”, “expects”, “intends”, “is of the opinion”, “may”, “plans”, “potential”, “predicts”, “projects”, “should”, “to the knowledge of”, “will”, “would” or, in each case their negatives or other similar expressions, which are intended to identify a statement as forward-looking. This applies, in particular, to statements containing information on future financial results, plans, or expectations regarding our business and management, our future growth or profitability and general economic and regulatory conditions and other matters affecting us. Forward-looking statements reflect our management’s (“Management”) current views of future events, are based on Management’s assumptions and involve known and unknown risks, uncertainties and other factors that may cause our actual results, performance or achievements to be materially different from any future results, performance or achievements expressed or implied by these forward-looking statements. The occurrence or non-occurrence of an assumption could cause our actual financial condition and results of operations to differ materially from, or fail to meet expectations expressed or implied by, such forward-looking statements. Our business is subject to a number of risks and uncertainties that could also cause a forward-looking statement, estimate or prediction to become inaccurate. These risks include fluctuations in prices, costs, ability to retain the services of certain key employees, ability to compete successfully, changes in political, social, legal or economic conditions in Egypt, worldwide economic trends, the impact of war and terrorist activity, inflation, interest rate and exchange rate fluctuations and Management’s ability to timely and accurately identify future risks to our business and manage the risks mentioned above.