

RAYA HOLDING ANNOUNCES SIGNING A EURO 5 MILLION LOAN AGREEMENT FOR A SUBSIDIARY WITH EBRD

LOAN AGREEMENT IS PART OF RAYA'S CONTINUED EFFORTS TO EXPAND ITS
LINES' OF BUSINESS AND DIVERSIFYING ITS SOURCES OF FINANCING.



European Bank
for Reconstruction and Development

Cairo, Egypt | August 1st, 2019 - Raya Holding for Financial Investments (RAYA.CA on EGX), an auspicious investment conglomerate managing a diversified investment portfolio, announced today that its frozen vegetable & fruit manufacturing subsidiary, Raya Foods, has signed a loan worth EUR 5 Mn with the European Bank for Reconstruction and Development (EBRD). EBRD is a leading Multilateral Development Bank owned by 69 countries and 2 European Institutions, wherein Egypt is one of the founding members of EBRD. Since the start of its operations in Egypt in 2012, the Bank has invested over EUR 5 Bn in 95 projects in the country. 2018 was a record year for the Bank in Egypt, where it was the bank's largest country of operations in terms of new commitments. This is the first Developmental Financial Institution (DFI) to lend Raya since inception, a true testimony in the soundness and strong-potential for the group and its prospects.

The EBRD is investing EUR 5 Mn in Raya Foods, a fast-growing frozen fruits and vegetables production company based in Egypt, to support the business' rapid future expansions. The financing will boost the company's ability to invest in new equipment and storage facilities to match the growing demand on its various product offering. The market for frozen vegetables & fruit in Egypt has been growing rapidly over the last five years, with an increase of nearly one quarter in retail value last year alone. Building a new warehouse will assist Raya Foods in increasing its capacity during the harvest season and to adequately store for off-peak seasons, which will create the potential to significantly boost exports to existing and new clients abroad. The investment will also improve food security and strengthen the distribution channels in Egypt. Nearly 100 percent of Raya Foods' raw materials are locally sourced and roughly 80-90 percent of its products are exported to Europe and the Middle East. For this transaction, Zaki Hashem & Partners acted as legal counsel to Raya Holding, Al Tamimi & Co. as local legal counsel for the transaction, and Bird & Bird as UK based legal counsel.

On this occasion, Ms. Janet Heckman, Managing director for the Southern Mediterranean (SEMED) region, said that this cooperation is in-line with EBRD's strategic objectives in terms of enhancing the agribusiness value chain, and to improve food security, strengthen the distribution channels and developing a sector that accounts for a significant share of employment. With respect to EBRD, the project represents an opportunity to initiate a collaborative relationship with a high-profile conglomerate such as Raya Holding for Financial Investments, which is dedicated to growing its industrial businesses in Egypt. On its part, Raya Holding brings to the table relevant experience building successful businesses, strong management and sound corporate governance practices.

Mr. Medhat Khalil, Chairman and CEO of Raya Holding, commented in a statement, "We are excited to have reached this agreement for one of our most promising subsidiaries with a global Multilateral Development Bank such as the EBRD. In pursuing this deal, we were able to successfully leverage on the exporting capabilities of our Foods line of business as well as the developmental impact the project has on the surrounding community." Mr. Khalil added that, "The food and beverage sector in Egypt has witnessed some significant investments over the past few years. Therefore, we decided to enter this market in 2016 with an aim of securing a place among the top suppliers of frozen fruits and vegetables in Egypt and beyond. Our efforts in this deal are evident to our continued commitment towards attaining that goal."

The announcement comes at the backdrop of the signing ceremony attended by Mr. Samer Al Waziri, Executive Chairman of Raya Foods, Mr. Hossam Hussein, Raya Holding's CFO, and representatives from EBRD. The loan agreement is part of a EUR 7.5 Mn expansion project undertaken by Raya Foods to increase its production lines and warehousing capacity at its factory in Sadat City. Under the project financing plan, Raya is expected to contribute EUR 2.5 Mn in equity while the remaining 5 Mn will be covered by the loan from EBRD. The loan is expected to be disbursed across two tranches with EUR 3.4 Mn disbursed in the first tranche and EUR 1.6 Mn disbursed in the second.

Raya Foods Executive Chairman, Mr. Samer Al Waziri, noted that, "At Raya Foods, we aim to provide top quality product offerings for our local and export markets while providing our employees and suppliers with the best in class working conditions. Furthermore, our "Lazah" and "Everest" brands continue to gain brand recognition across their respective markets which in turn is resulting in an increased demand for the products. Our investment efforts will allow us to meet our growing operational requirements while maintaining the levels of quality our company has become known for."

Hossam Hussein, the Group's Chief Financial Officer, also commented that, "Working with international Development Banks such as the EBRD fits well within Raya's overall approach that aims to reduce its average borrowing costs while benefitting from the group's extensive export capabilities. With the rapid improvement in the FX rates and reserves in Egypt, we believe that such agreements are a great opportunity for our group to further enhance its balance sheet position while diversifying its financing resources."

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RAYA FOODS FACTORY FOR FROZEN VEGETABLE & FRUITS



About Raya Holding for Financial Investments SAE

Raya Holding is an auspicious investment conglomerate Headquartered in Cairo, Egypt, managing a diversified investment portfolio. As the parent company of three mature lines of business, and nine up-and coming lines of business, Raya Holding operates in the fields of information technology (IT), consumer electronics & home appliances trading, contact center outsourcing services (CCO), data center outsourcing services (DCO), smart buildings, food and beverage manufacturing and trading, land transport, logistical solutions, PET re-manufacturing, light-mobility vehicles, E-payments and Non-banking financial services. Raya Holding empowers more than 12,000 proficient employees, accommodating a wide international customer base from on-ground operations spanning Egypt, Saudi Arabia, UAE, Qatar, Poland, Tanzania and Nigeria. **As at end of FY2018**, Raya Holding delivered a group consolidated turnover of EGP7.9 billion, a gross profit of EGP1.5 billion, and EBITDA “Earnings Before Interest, Taxes, Depreciation and Amortization” of EGP0.7 billion.

Raya Holding for Financial Investments is one of the leading investment holding companies in Egypt boasting the largest market share in its mature lines of business (IT, Trading, CC) and aspires to be the market leader in its remaining up-and coming lines of business. Raya Holding is listed on the Egyptian Stock Exchange, and is currently trading under the symbol “RAYA.CA”.

For further information, Please contact:

Investments, Investor Relations & Corporate Finance | Raya Holding for Financial Investments

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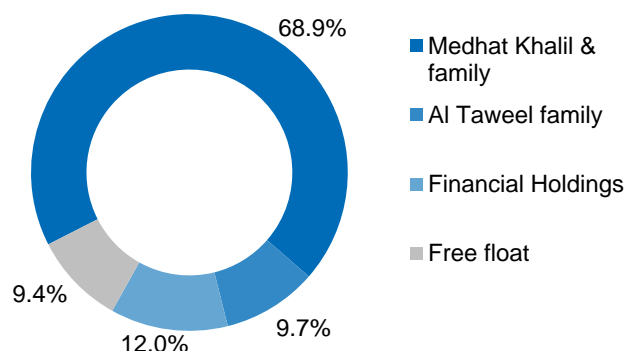
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RAYA.CA on the EGX

Number of Shares	214,399,519
Share Price (June 30, '19)	EGP 4.80
Market Cap (June 30, '19)	EGP 1,029,117,691

Shareholding Structure (as at June 30, 2019)



Shareholders by Geography (as at June 30, 2019)

