

Qaiwan Group Secures US\$105m International Loans for 442MW Power Plant

Press Release

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Landmark Financing Transactions Partly Supported by the French Government's Export Credit Agency Coface

Dubai - UAE, 17 March 2016: Qaiwan Group, the energy, infrastructure investment and development firm based in Kurdistan, Iraq has secured two loans totaling US\$105 million. The loans are landmark international financing transactions for a company active in Kurdistan, and refinance part of the firm's investment in the 442 megawatt Bazian Power Plant.

Deutsche Bank, the mandated lead arranger (MLA), structuring bank and facility agent has arranged an eight-year US\$75 million buyer credit, with

Bankmed - a Dubai International Financial Center based branch of the Lebanese bank Bankmed SAL - as co-MLA and co-lender. The finance is being backed by the French government's Export Credit Agency Coface.

GE has arranged a five-year, US\$30 million commercial loan.

Dubai-based CT&F Consulting DMCC acted as financial advisor to Qaiwan Group on the entire financing.

"These transactions underscore Qaiwan Group's position as a model firm, operating with transparency and accountability, and one with robust operations. It also indicates that our growth strategy is one that engenders confidence from the international community," said Saad Hasan, CEO of Qaiwan Group.

"Completing these landmark agreements on competitive terms despite a challenging macro-economic and social backdrop in the region is emblematic of the fact that the investment community is encouraged by what they see in Qaiwan Group - and in Kurdistan," continued Hasan. "This plant is a marquee infrastructure project that will go a long way in addressing the growing demand for power in a rapidly developing Kurdistan."

Qaiwan entered into a 15-year Power Purchase Agreement with the Ministry of Electricity of the Kurdistan Regional Government on 24 November 2013 to finance, build, own, operate and maintain a power plant in Sulaymaniyah. On that basis, in August 2014, Qaiwan Group signed a contract with EPC contractor Enka for the construction on a turnkey basis of a natural gas-fired 442 MW power plant, located in Bazian - 25 kilometres from Sulaymaniyah.

The Coface-supported loan refinances the purchase of turbines that will support phase one of the project - the simple-cycle phase. In the future, the plant could be expanded to include a combined-cycle phase that would bring the plant's total capacity to 662 MW. Enka has a commercial contract with GE for the supply of four gas turbines. The plant is nearing completion and handover.

About Qaiwan Group

Qaiwan Group was established in 1993 as a privately-owned company in Sulaymaniyah, Iraqi Kurdistan. Today, the company's total workforce stands in excess of 2,000 employees. Qaiwan Group's operations span multiple sectors, including downstream oil, power generation, construction and infrastructure, real estate, education, pharmaceuticals and hospitality. Qaiwan

Group's Bazian refinery is one of the two largest oil refineries in Iraqi Kurdistan, with a capacity of 35,000 barrels per day, and its 442 megawatt Bazian power plant will be a major contributor to domestic power needs. Qaiwan's landmark real estate projects include the Qaiwan Towers, Qaiwan City, the Rotana Hotel, Sulaymaniyah Hills and Qaiwan Heights. The company's investment approach is to make strategic long-term commitments in sectors and projects that deliver sustainable commercial returns and offer social value in Kurdistan and around the world.

For more information on Qaiwan Group, please visit the company's website.

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