

## EFG Hermes Holding Hits Record Revenues of EGP 4.5 Billion and More Than Doubles Bottom-line Growth in 1Q23

*Group revenue surged 129% Y-o-Y to EGP 4.5 billion and Group net profit after tax and minority soared 157% Y-o-Y to EGP 885 million*

Cairo, May 24, 2023

EFG Hermes Holding, the leading financial institution with a universal bank in Egypt and the leading investment bank franchise in Frontier and Emerging Markets (FEM), announced today its results for the three months ended 31 March 2023. The Group recorded a 129% Y-o-Y increase in revenue to EGP 4.5 billion in 1Q23, primarily driven by growth in treasury operations, as well as solid results generated from the Investment Bank and aiBANK during the period.

Despite growing inflationary pressures across Egypt and the impact of the Egyptian pound's devaluation on regional office expenses when translated to local currency, which saw the Group's operating expenses gain 148% Y-o-Y during the quarter, operating profit rose 99% Y-o-Y to EGP 1.5 billion, and net profit before tax grew 108% Y-o-Y to EGP 1.4 billion. EFG Hermes Holdings' net profit after tax and minority interest climbed 157% Y-o-Y to EGP 885 million in 1Q23.

**EFG Hermes Holding's Group CEO, Karim Awad**, commented on the results: "I am delighted to report that the Group delivered a remarkable performance for the first quarter of 2023, demonstrating the resilience and dynamism of our business model. Despite the challenging global macroeconomic environment, we generated strong results. Our core operational platforms supported our performance for the period, especially on the sell-side of the house. Our Investment Banking division executed a strong pipeline of deals, concluding two equity and seven debt transactions worth an aggregate of USD 2.9 billion. These included the landmark IPOs of Abraaj Energy Services on the Muscat Stock Exchange and ADNOC Gas on the Abu Dhabi Securities Exchange — the largest listings on their respective stock exchange — further cementing our position as the region's investment bank of choice."

The **Investment Bank** delivered over a three-fold increase in revenue to EGP 3.0 billion in 1Q23 versus EGP 901 million in 1Q22. Performance from core operations came strong in 1Q23, particularly from the sell-side, which saw its revenues rising 69% Y-o-Y to EGP 837 million and was driven by a stellar 238% Y-o-Y surge in Investment Banking revenue to EGP 216 million and a 44% Y-o-Y increase in Brokerage revenues to EGP 621 million.

At EFG Hermes Holdings' **NBFI platform**, revenues gained 15% Y-o-Y to EGP 689 million in 1Q23, primarily driven by valU, which booked strong revenue growth of 78% Y-o-Y to EGP 254 million due to securitization gains coupled with increased sales following an expansion in the consumer finance platform's merchant network. The Group's factoring activities, under EFG Hermes Corp-Solutions, increased its revenues by 72% Y-o-Y to EGP 31 million in 1Q23. Leasing revenues were broadly unchanged, edging down 2% Y-o-Y to EGP 44 million, while Tanmeyah's revenues slipped 11% Y-o-Y to record EGP 351 million, pressured by lower sales Y-o-Y during the period.

At **aiBANK**, revenues climbed 65% Y-o-Y to EGP 727 million in 1Q23, driven by a 56% Y-o-Y increase in net interest income mainly due to growth in interest-earning assets and increased allocation of variable-interest-rate assets, in addition to a 352% Y-o-Y surge in net fees and commission income which was driven by an improvement in trade finance volumes. aiBANK reported a net profit after tax of EGP 171 million, up 25% Y-o-Y (of which EFG Hermes Holdings' share is EGP 87 million) in 1Q23.

Awad concluded: “Our strong track record at successfully navigating turbulent operating environments not only leaves me confident in our ability to respond to headwinds with agility and preserve our growth trajectory but cements the importance and power of capital when it comes to driving change for businesses, for people, and indeed for the economy. Our performance reflects our commitment to excellence, innovation, and growth for us as a Group and for the stakeholders who place their confidence in us daily. As we continue to leverage our positioning as a universal bank in Egypt with a market-leading investment banking franchise, I remain confident in our ability to navigate the uncertainties ahead and seize opportunities in our home market of Egypt and the wider FEM space. We are well-positioned to capitalize on our strong brand, end-to-end financial service universe, and talented teams across our geographic and operational footprint to deliver sustainable value to our shareholders, clients, and communities where we live and work.”

—Ends—

EFG Hermes Holding’s 1Q2023 financial results and management’s commentary are available [here](#)

### **About EFG Hermes Holding**

With a current footprint spanning 13 countries across four continents, EFG Hermes Holding (EGX: HRHO.CA – LSE: EFGD) has grown over 39 years of success to transform from a pure-play investment bank in MENA into an impact-driven universal bank in Egypt with the leading investment bank franchise in Frontier and Emerging Markets (FEM). Drawing on our proven track record and a diverse team of talented employees, we provide a wide spectrum of financial services, including advisory, asset management, securities brokerage, research, and private equity, to the entire FEM region. In our home country, we have the fastest-growing non-bank financial institutions (NBFI) platform, with operations covering microfinance, leasing, factoring, Buy-Now Pay-Later (BNPL), digital payment solutions, mortgage finance, and insurance.

And with its latest acquisition of a majority stake in aiBANK, the Firm was able to provide commercial banking products and services.

Through its three verticals, the Investment Bank, Non-Bank Financial Institutions (NBFI), and Commercial Bank, the group is perfectly positioned to consistently bring disruptive financial products and services to the market space, offering a holistic portfolio that best serves its growing base of individual clients and businesses of all sizes.

Proudly present in: Egypt | United Arab Emirates | Saudi Arabia | Kuwait | Jordan | Pakistan | UK | Kenya | USA | Bangladesh | Nigeria | Vietnam | Singapore

Learn more about us at [www.efghermes.com](http://www.efghermes.com) & stay connected with us:

For further information, please contact:

**May El Gammal**

Group Chief Marketing & Communications Officer of EFG Hermes Holding

[melgammal@efg-hermes.com](mailto:melgammal@efg-hermes.com)

**Omar Salama**

Communications Manager of EFG Hermes Holding

[osalama@efg-hermes.com](mailto:osalama@efg-hermes.com)

**The EFG Hermes Holding Public Relations Team**

[PublicRelations@EFG-Hermes.com](mailto:PublicRelations@EFG-Hermes.com)

***Note on Forward-Looking Statements***

*In this press release, EFG Hermes Holding may make forward-looking statements, including, for example, statements about management's expectations, strategic objectives, growth opportunities, and business prospects. These forward-looking statements are not historical facts but instead represent only EFG Hermes Holding's belief regarding future events, many of which, by their nature, are inherently uncertain and are beyond management's control and include, among others, financial market volatility; actions and initiatives taken by current and potential competitors; general economic conditions and the effect of current, pending, and future legislation, regulations and regulatory actions. Accordingly, the readers are cautioned not to place undue reliance on forward-looking statements, which speak only as of the date on which they are made.*