



Another Upbeat Quarter for EFG Holding, lifting Both Top-Line and Bottom-Line Growth in 1H23, with Each Almost Doubling, Up 89% Y-o-Y

Group revenues booked a solid increase of 51% Y-o-Y to EGP 3.1 billion, coupled with 37% Y-o-Y growth in net profit before tax to EGP 842 million in 2Q23.

Cairo, August 10, 2023

EFG 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 second quarter of 2023. The Group booked a robust revenue increase of 51% Y-o-Y to EGP 3.1 billion on the back of broad-based growth across the Investment Bank (EFG Hermes), the commercial bank (aiBANK), and the Non-Bank Financial Institutions (NBFIs) platform (EFG Finance) in 2Q23. Moreover, despite a 53% Y-o-Y rise in Group operating expenses, EFG Holding's operating profit booked an increase of 46% Y-o-Y to EGP 988 million, and net profit before tax grew by 37% Y-o-Y to EGP 842 million in 2Q23. At its bottom line, the Group recorded growth of 20% Y-o-Y to EGP 405 million in net profit after tax and minority interest in 2Q23.

EFG Holding's Group CEO, Karim Awad, commented on the results: "I am delighted to report that the Group has closed out the first half of the year on a strong note and witnessed outstanding results across the board. Our performance for the period continues to reflect our commitment to operational excellence across the markets we operate in, which saw our divisions continue to deliver on our strategies on both the buy- and sell-side at EFG Hermes. Moreover, I am also thrilled with the performance of EFG Finance and aiBANK as they continue to reap the rewards of increased demand for their diverse suite of financial solutions and banking services. On this front, valU has continued to diversify its product offering and led our NBFIs platform with predominately higher revenues, and in parallel, aiBANK has seen remarkable double-digit revenue growth as it continues implementing the roll-out of its transformation strategy. This performance stands testament to the value creation possibilities from the Group's comprehensive and diverse business model.

The Investment Bank '**EFG Hermes**' continued to build on its success at the start of the year and successfully concluded two equity transactions and three debt transactions worth an aggregated value of USD 1.1 billion, further cementing its position as the advisory house of choice. EFG Hermes acted as joint book-runner on the IPO of ADNOC L&S on the Abu Dhabi Securities Exchange, and in parallel, acted as Joint Global Coordinator on the IPO of Al Ansari Financial Services on the Dubai Financial Market.

Regarding revenue performance, EFG Hermes recorded a significant 61% Y-o-Y increase to EGP 1.6 billion in 2Q23 compared to EGP 989 million in the same period last year. Revenue growth in 2Q23 was supported by a 13% Y-o-Y increase in sell-side revenue to EGP 797 million on the back of a 57% Y-o-Y rise in brokerage revenue to EGP 645 million during the period. Additionally, impressive revenue increases of 145% Y-o-Y and 61% Y-o-Y at the private equity and asset management divisions, respectively, drove a 77% Y-o-Y increase in buy-side revenue to EGP 262 million in 2Q23. Moreover, EFG Hermes' revenue was further buoyed by a 286% Y-o-Y increase in Holding and Treasury Activities to EGP 530 million in 2Q23.



At 'EFG Finance', the NBFi platform continued to focus on introducing new and innovative financial service offerings, as well as partnering with various players in 2Q23. EFG Finance's revenues booked growth of 23% Y-o-Y to EGP 620 million in 2Q23, mainly on the back of a stellar 193% Y-o-Y increase in revenue at valU, reaching EGP 207 million driven by securitization gains coupled with higher loans issued in 2Q23. Additionally, EFG Corp-Solutions' factoring revenues booked a revenue increase of 90% Y-o-Y to EGP 27 million, and parallel to this, leasing revenues recorded an 11% Y-o-Y increase to EGP 66 million in 2Q23. Meanwhile, Tanmeyah's revenues declined 17% Y-o-Y to EGP 297 million on lower sales.

Meanwhile, the commercial bank's 'aiBANK' revenues climbed 58% Y-o-Y to EGP 888 million on the back of a 43% Y-o-Y increase in net interest income mainly driven by a rise in interest earnings assets. Additionally, aiBANK's performance was further supported by a significant 181% Y-o-Y increase in net fees and commission income to EGP 187 million in 2Q23, as trade finance activities continue to pick up.

Awad concluded: "We have built a strong momentum in the first half of 2023, which highlights the strength of our extensive brand universe, and allows us to capitalize on the inherent synergies and attractive opportunities across our verticals. Moreover, our recent rebranding to EFG Holding reflects our evolution into a universal financial powerhouse and further underscores the breadth and depth of our portfolio of value-accretive financial solutions, leaving us better-positioned to serve our clients and expand our reach in today's ever-evolving and dynamic world. As always, the commitment and expertise of our people remain the driving force behind EFG Holding's success, and I would like to thank our shareholders for their ongoing trust in the Group's ability to create sustainable value."

—Ends—

EFG Holding's 2Q2023 financial results and management's commentary are available [here](#)

About EFG Holding

With a current footprint spanning 12 countries across four continents, EFG Holding (EGX: HRHO – LSE: EFGD) has grown for four decades of success to transform from a pure-play investment bank in MENA into an impact-driven financial institution with a universal bank in Egypt and 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 are a financial enabler providing a broad 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, leading financial technology solutions in Egypt, digital payment solutions, mortgage finance, and insurance.

And with its latest acquisition of a majority stake in aiBANK, the Firm now provides commercial banking products and services.

Through its three verticals, the Investment Bank, Non-Bank Financial Institutions (NBFi), and Commercial Bank, the group is well 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.



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Learn more about us at www.efghermes.com

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