

# Beltone



**9M2024**  
**Earnings Release**

### Beltone Holding Breaks Records with a 405% YoY Growth in Operating Revenue to Reach EGP4.8 bn, while Net Profits Surged 1218% to Exceed EGP1.13 bn, with a Net Profit Margin of 23.4%

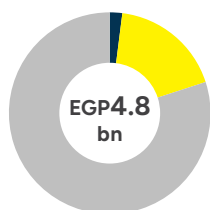
**Cairo, November 18, 2024:** Beltone Holding ("Beltone" or the "Company"), one of the fastest growing non-banking financial institutions, announces its consolidated financial and operational results for the nine months period ended 30 September 2024.

#### 9M2024 Key Highlights

EGP <b>4.8</b> bn	EGP <b>1.13</b> bn	EGP <b>18.7</b> bn	EGP <b>3.5</b> bn
Operating Revenue +405% YoY	Net Profit After Tax & Minority Interest +1218% YoY	NBFIs Portfolio +293% YoY	Investment Bank Portfolio +465% YoY

- Beltone's turnaround and growth strategy continued to yield impressive results. The Company's consolidated operating revenue surged 405% YoY to EGP4.8 billion in 9M2024, driven by the expansion of its Non-Banking Financial Institutions (NBFIs) platform and the exceptional performance of its Investment Bank.
- In terms of profitability, Beltone exceeded a net profit after tax and minority interest of EGP1.13 billion in 9M2024, up significantly from EGP86 million in 9M2023, a 1218% year-on-year growth. The Company's strong financial performance was primarily driven by a substantial increase in revenue, coupled with enhanced operational efficiency at both its Investment Bank and NBFIs platforms.
- Beltone's **NBFIs Platform** achieved remarkable growth, capturing significant market share, and delivering impressive results across the different subsidiaries. Operating revenue grew an impressive 757% year-on-year to book EGP3.9 billion in 9M2024, supported by a significant expansion in its offerings and higher disbursements. As of 30 September 2024, the outstanding portfolio had reached EGP18.7 billion, growing 293% year-on-year compared to 9M2023.
- Key drivers of the segment's portfolio growth were the leasing & factoring and consumer finance business lines, which grew 160% and 283% to EGP9.3 billion and EGP4.0 billion, respectively. Additionally, the expanded offerings within the NBFIs platform played a significant role in this success, with mortgage finance business achieving a portfolio of EGP4.2 billion in its first year of operation.
- Beltone Venture Capital remained active in the venture capital space, making four new equity investments along with two follow-up rounds, all completed in 9M2024. On the debt side, the company successfully closed a venture debt transaction. Accordingly, venture debt outstanding portfolio stood at EGP112 million, while also managing an outstanding portfolio of USD30 million at the end of 3Q2024.
- On the direct investment front, Beltone Capital, the Group's direct investments arm, reported EGP213.4 million in operating revenues. Beltone Capital had acquired a 51% stake in National Seeds Company (NSC), towards the end of FY23.
- **Beltone Investment Bank's** operating revenue soared 282% YoY to EGP852 million in 9M2024. The platform's results were led by a significant expansion in Brokerage operations resulting in higher commissions on the back of a ramp up in its margin lending portfolio. The investment bank platform's non-bank outstanding portfolio reached EGP3.5 billion, 465% YoY increase.
- On the asset management front, Beltone maintained its leadership position as Egypt's largest non-bank affiliated asset management with assets under management reaching EGP24.4 billion in 9M2024 versus EGP23.0 billion in 9M2023. Similarly, the investment banking division's operating revenue grew 220% YoY due to the expanded offerings in equity, debt, and advisory services.

### Operating Revenue Breakdown Percentage



■ NBFIs	80%
■ Investment Bank	18%
■ Other Revenue	2%

### Consolidated Financial Performance

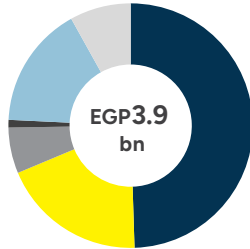
EGP 000s	9M2024	9M2023	Change YoY	3Q2024	3Q2023	Change YoY
<b>Operating Revenue</b>	<b>4,831,623</b>	<b>956,521</b>	<b>405%</b>	<b>1,899,593</b>	<b>636,987</b>	<b>198%</b>
NBFIs	3,887,073	453,657	757%	1,502,938	277,823	441%
Investment Bank	852,062	223,250	282%	381,557	113,087	237%
Other Revenue	92,489	279,614	-67%	15,098	246,076	-94%
<b>Operating Expenses</b>	<b>(1,695,967)</b>	<b>(532,378)</b>	<b>219%</b>	<b>(629,591)</b>	<b>(218,904)</b>	<b>188%</b>
<b>Net Operating Profit</b>	<b>3,135,656</b>	<b>424,144</b>	<b>639%</b>	<b>1,270,003</b>	<b>418,083</b>	<b>204%</b>
Net Operating Profit Margin	65%	44%	+21 pts	67%	66%	+1 pts

Beltone's consolidated operating revenue reached EGP4.8 billion in 9M2024, achieving 405% YoY growth driven by strong performances across both its Investment Bank and NBFIs' platforms. On a quarterly basis, Beltone recorded EGP1.9 billion in 3Q2024, up 20% from the EGP1.6 billion booked in 2Q2024.

The NBFIs platform was a major contributor to this growth, generating EGP3.9 billion, an 8.6x year-on-year increase and accounting for 80% of total consolidated operating revenue in 9M2024. On a quarterly basis, NBFIs generated EGP1.5 billion in operating revenue in 3Q2024, up 12% QoQ from the EGP1.3 billion booked for 2Q2024. Meanwhile, Investment Bank operating revenue rose 282% YoY to EGP852 million, contributing 18% of total consolidated operating revenue in 9M2024. In 3Q2024, the Investment Bank platform booked EGP382 million in operating revenue, up 63% QoQ from EGP234 million in 2Q2024.

Beltone's strong top-line performance and improved operational efficiency significantly improved profitability. Net operating profitability surged 639% YoY to EGP3.1 billion in 9M2024 with an associated net operating profitability margin of 65%. On a quarterly basis, net operating profit increased 23% from EGP1.0 billion in 2Q2024 to EGP1.3 billion in 3Q2024. Similarly, net profit after tax and minority interest surpassed EGP1.1 billion in 9M2024, a significant improvement from EGP86 million in 9M2023. The results underscore the success of Beltone's turnaround and growth strategies.

#### NBFIs Revenue Breakdown Percentage



■ Leasing & Factoring	49%
■ Consumer Finance	19%
■ Microfinance	6%
■ Venture Capital	1%
■ Mortgage	16%
■ Others	8%

#### The NBFIs Platform Financial Performance

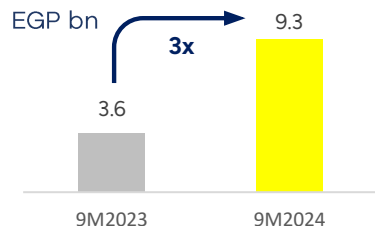
EGP 000s	9M2024	9M2023	Change YoY	3Q2024	3Q2023	Change YoY
<b>Operating Revenue</b>	<b>3,887,073</b>	<b>453,657</b>	<b>757%</b>	<b>1,502,939</b>	<b>277,823</b>	<b>441%</b>
Leasing & Factoring	1,906,267	332,641	473%	746,293	200,537	272%
Consumer Finance "seven"	749,578	101,584	638%	287,323	57,854	397%
Mortgage Finance	635,144	508	NA	284,162	508	NA
Microfinance	247,976	18,924	1210%	105,715	18,924	459%
Venture Capital	50,033	-	-	13,317	-	-
SMEs	45,576	-	-	45,576	-	-
Others	252,499	-	-	20,552	-	-
<b>Operating Expenses</b>	<b>(751,340)</b>	<b>(143,675)</b>	<b>423%</b>	<b>(322,058)</b>	<b>(68,014)</b>	<b>374%</b>
<b>Net Operating Profit</b>	<b>3,135,733</b>	<b>309,982</b>	<b>912%</b>	<b>1,180,880</b>	<b>209,809</b>	<b>463%</b>
<i>Net Operating Profit Margin</i>	81%	68%	+13 pts	79%	76%	+3 pts

Beltone's NBFIs platform achieved substantial growth in 9M2024, with operating revenue increasing 757% YoYs to reach EGP3.9 billion. This significant increase was driven by higher disbursements and the expansion of its product portfolio, including alternative financing solutions like mortgage finance, microfinance, and factoring. On top of this, Beltone successfully obtained the SME license from the FRA to launch Beltone SMEs. The newly launched company, Beltone SMEs, increased its paid-in capital to EGP500 million to support Egypt's dynamic SME sector.

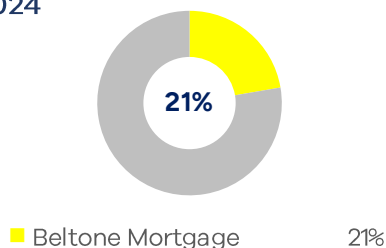
Additionally, a significant ramp-up in existing leasing and consumer finance operations contributed to the platform's success. Beltone Leasing & Factoring was the primary driver, accounting for 49% of the NBFIs Platform's total operating revenue, followed by consumer finance at 19% and mortgage finance at 16%.

In terms of profitability, the significant increase in the platform's top-line offset a 423% YoY increase in operating expenses, with net operating profit increasing 10x year-on-year to reach EGP3.1 billion in 9M2024, yielding an exceptional margin of 81% versus 68% in 9M2023.

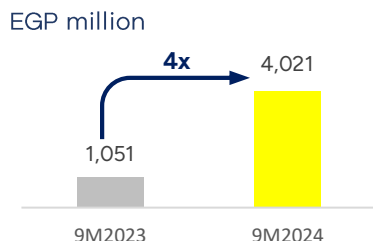
### Leasing & Factoring Outstanding Portfolio



### Market Share acquired as of 30 September 2024



### seven Outstanding Portfolio



## Operational Performance

### i. Leasing & Factoring

Beltone Leasing & Factoring's outstanding portfolio<sup>1</sup> grew 160% YoY to EGP9.3 billion in 9M2024, primarily due to an expansion in leasing activities and a significant increase in factoring operations. New Financed Amounts (NFAs) for both leasing and factoring reached EGP5.8 billion as of 30 September 2024 compared to EGP3 billion as of 30 June 2024. The average tenor of the leasing outstanding portfolio was approximately five years, while the factoring outstanding portfolio had an average tenor of nine months.

### ii. Mortgage Finance

Beltone mortgage maintained its exceptional growth trajectory, as its outstanding portfolio stood at EGP4.2 billion as of 30 September 2024, capturing 21% of the mortgage finance market in the first nine-months of the year. Beltone Mortgage recorded NFAs amounting to EGP3.8 billion in 9M2024, up from EGP2.6 billion in 1H2024. The outstanding portfolio's average tenor stood at 75 months.

### iii. SMEs

Beltone successfully obtained the SME license in August 2024 through its newly launched company Beltone SMEs, which increased its paid-in capital to reach EGP500 million as of September 2024. Beltone SMEs has an outstanding portfolio of EGP359 million as of end of 9M2024 and has generated operating revenues of EGP46 million during 3Q2024, despite initiating its operations in the latter half of the quarter.

### iv. Consumer Finance ("seven")

In 9M2024, seven's portfolio saw impressive growth, with its outstanding portfolio expanding 283% YoY to reach EGP4.0 billion by the end of the period. This strong performance was driven by significant achievements in 3Q2024, during which seven recorded EGP1.0 billion in new bookings. Additionally, seven's client base reached 6,585 by the end of 9M2024 compared to 1,500 clients at the end of 1H2024. The average tenor of the outstanding portfolio is currently at 47 months.

### v. Microfinance ("Cash")

Cash's outstanding portfolio<sup>1</sup> recorded EGP610 million as the company continued to ramp up its operations. This growth was mainly driven by a 250% YoY increase in the number of existing clients to 35,022 clients, as well as an expansion in Cash's brand network as it now operates 98 branches compared to 59 branches at the end of 1H2024. It is worth noting that the current average tenor of Cash's outstanding portfolio stands at 16 months.

<sup>1</sup> Outstanding Portfolio consists of Principal plus Interest.

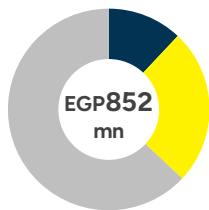


#### **vi. Venture Capital**

In 9M2024, Beltone Venture Capital (“BVC”) executed two follow-up rounds for WayUp Sports and ariika as well as four equity transactions in BirdNest, Sylndr, Trella, and VelyVelo which marks BVC’s first investment outside of Egypt, with operations in Morocco, France, and Spain. On the debt side, BVC concluded a debt transaction with Sylndr. The company’s outstanding portfolio stood at EGP112 million as of 30 September 2024. In April 2024, Beltone Venture Capital signed a partnership agreement with CI Venture Capital, a wholly owned subsidiary of Citadel International Holdings in Abu Dhabi, to manage a USD30 million fund to back fast-growing startups. The Fund finalized transactions with top startups in the region including Bosta and Qlub.

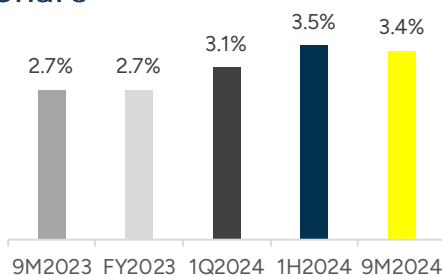
#### Financial Performance

##### IB Revenue Breakdown Percentage



■ Securities Brokerage 63%  
■ Asset Management 25%  
■ Investment Banking 12%

#### Brokerage Market Share



#### The Investment Bank Financial Performance

EGP 000s	9M2024	9M2023	Change YoY	3Q2024	3Q2023	Change YoY
<b>Operating Revenue</b>	<b>852,063</b>	<b>223,250</b>	<b>282%</b>	<b>381,557</b>	<b>113,087</b>	<b>237%</b>
Securities Brokerage	539,757	132,305	308%	206,751	64,617	220%
Asset Management	213,633	60,096	255%	127,147	31,879	299%
Investment Banking	98,673	30,850	220%	47,659	16,591	187%
<b>Operating Expenses</b>	<b>(379,385)</b>	<b>(195,312)</b>	<b>294%</b>	<b>(147,586)</b>	<b>(65,779)</b>	<b>124%</b>
<b>Net Operating Profit</b>	<b>472,677</b>	<b>27,938</b>	<b>1592%</b>	<b>233,970</b>	<b>47,309</b>	<b>395%</b>
<b>Net Operating Profit Margin</b>	<b>55%</b>	<b>13%</b>	<b>+42 pts</b>	<b>61%</b>	<b>42%</b>	<b>+19 pts</b>

The Investment Bank's operating revenue grew by 282% YoY to reach EGP852 million in 9M2024, primarily driven by a substantial expansion in securities brokerage operations, which accounted for 63% of the platform's operating revenue. Meanwhile, asset management and investment banking activities supported the platform's operating revenue growth, contributing 25% and 12%, respectively.

While the Investment Bank's operating expenses increased by 294% YoY to EGP379 million due to operational expansion, restructuring costs, investments in new systems, and strategic hiring, the segment still managed to deliver a robust operating net profit of EGP473 million in 9M2024. This impressive performance along with top-line growth resulted in a strong 55% net operating profit margin in 9M2024.

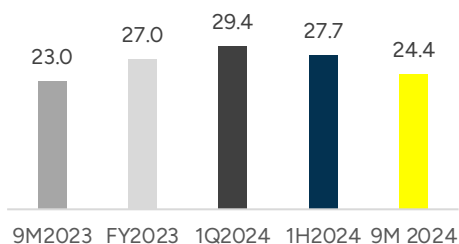
#### Operational Performance

##### i. Beltone Investment Banking

The investment banking division's operating revenue more than tripled year-on-year, reaching EGP99 million, driven by a significant expansion in its service offerings. Currently, Beltone offers a comprehensive suite of equity, debt, and greenfield financial advisory services. Beltone Investment Banking recently introduced a credit fund that aims to furnish a wider range of funding tools, that provides accessibility to its client base to strengthen their capacity to meet their business and growth strategies.

ii. **Beltone Securities Brokerage** experienced significant growth in the first nine months of 2024. Execution volume surged 143% YoY to EGP60.5 billion in 9M2024, which led to a 308% YoY increase in operating revenue to EGP540 million, primarily driven by higher commissions. As of the end of 9M2024, the company had 1,328 active brokerage clients. Furthermore, the margin lending

#### AUMs Evolution EGP billion



portfolio grew substantially, reaching EGP1.5 billion in 9M2024 and achieving a 14.0% market share within the margin lending market, up from 8.7% in 9M2023.

**iii. Beltone Research** continued to expand its coverage universe in Egypt during the first nine months of the year to further enhance its value proposition and support direct monetisation efforts. As part of the group's strategy to build a pan-African franchise, Beltone Research plans to start coverage on key players in other North African countries before the end of the year. During the quarter, we continued to employ an agile research approach, adapting to market dynamics and developing products specifically tailored to the needs of our clients. Beltone Research has also continued with its corporate access efforts, holding several earnings and management calls for its clients.

**iv. Beltone Asset Management** stands as Egypt's largest non-bank affiliated asset management powerhouse, with revenues increasing 255% YoY to reach EGP213.6 million by the end of 9M2024. AUMs amounted to EGP24.4 billion as of 30 September 2024 versus EGP23.0 billion in 9M2023. Beltone Asset Management comprehensive investment solutions span conventional and shariah equity, fixed income, alternative investment portfolios and funds, offering unparalleled expertise across Egypt and the MENA region.

In a groundbreaking move for 2024, Beltone Asset Management proudly introduced the Beltone Evolve Gold Fund "Sabayek" – an innovative investment vehicle that exceeded market expectations by securing twelve times its targeted size. This award-winning fund, launched in partnership with Beltone Securities Holding and Evolve Investment Holding, offers investors a sophisticated gateway to gold investments, providing essential portfolio diversification and a robust hedge against inflation and currency fluctuations.

Demonstrating its commitment to innovation and market leadership, Beltone Asset Management is the only asset manager in Egypt with a full suite of index trackers; having expanded its product suite with two pioneering index trackers in September 2024 namely Beltone Meya-Meya (EGX100 index tracker) and Beltone Wafra (EGX33 Sharia index tracker), in addition to its ETF tracking the EGX30 index.

In 9M2024, Beltone Asset Management received numerous awards in recognition of its exceptional performance in the financial sector amidst challenging operating conditions, including Fastest Growing Asset Manager, Most Innovative Asset Manager, Best Asset Management CEO in Egypt, and Best Fixed Income Fund for its daily fixed income fund "B-Secure".



### About Beltone Holding

Beltone Holding (EGX: BTFH.CA) is a leading financial services provider with a multi-decade track record of success in the MENA region. The Company offers a comprehensive and growing set of financial solutions such as brokerage, investment banking, asset management, equity research, and private equity, in addition to end-to-end non-banking financial institutions (NBFIs) including leasing, factoring, consumer finance, venture capital, mortgage finance and microfinance. The Company is driven by a vision to redefine the financial ecosystem in the region by capitalizing on global expertise, knowledge, and disruptive, value-accretive solutions that unlock limitless opportunities for clients, to drive market value and impactful results.

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### Forward-looking Statements

This document contains certain forward-looking statements that reflect the current views and/or expectations of Beltone Holding and its subsidiaries (the "Group") with respect to its performance, business, and future events. Such statements are subject to several risks, uncertainties and assumptions that may cause actual results to differ materially from those expressed or implied. The Group does not undertake any obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise that are outside management's control. The Group cautions readers not to place undue reliance on any of these forward-looking statements.