e-finance Investment Group Reports 1H2024 Results

e-finance continued to deliver record top- and bottom-line results during the first half of 2024 on the back of impressive performances across the Group's subsidiaries, with revenue reaching EGP 2.3 billion and adjusted[1] net profit standing at EGP 832.3 million during the six-month period.

1H2024 Financial Highlights

Revenues	Gross Profit	EBITDA	Adjusted[1] Net Profit
EGP 2,283.3 million (▲32% y-o-y)	EGP 1,170.7 million (▲25% y-o-y)	EGP 1,007.2 million (▲22% y-o-y)	EGP 832.3 million (▲16% y-o-y)

2Q2024 Financial Highlights

Revenues	Gross Profit	EBITDA	Adjusted[1] Net Profit
EGP 1,134.1 million (▲17% y-o-y)	EGP 533.6 million (▼3% y-o-y)	EGP 460.5 million (▼6% y-o-y)	EGP 363.1 million (▼17% y-o-y)

15 August 2024 – (Cairo) e-finance for Digital and Financial Investments S.A.E. ("e-finance", or the "Group", EFIH.CA on the Egyptian Exchange), a leading technology-focused investment firm in Egypt, announced today its standalone and consolidated results for the six-month period ended 30 June 2024. The Group's consolidated revenues rose by 31.6% y-o-y to EGP 2,283.3 million, following broad-based growth across most of the Group's subsidiaries. On the profitability front, Group EBITDA expanded by 22.4% y-o-y to EGP 1,007.2 million, however EBITDA margin dropped by 3.3 percentage points year-on-year to 44.1% during 1H2024. At the bottom-line, e-finance's net profit after NCI grew by 6.2% y-o-y to EGP 762.7 million, while net profit margin contracted by 8.0 percentage points year-on-year to 33.4% during the six-month period. Adjusted[1] net profit, which adds back non-cash ECL expense and provision, reached EGP 832.3 million in 1H2024.

Summary Income Statement

(EGP mn)	2Q2024	2Q2023	Change	1H2024	1H2023	Change
Total Consolidated Revenues	**1,134.1**	**967.5**	***17.2%***	**2,283.3**	**1,735.4**	***31.6%***
e-finance Digital Operations	1,047.4	857.7	*22.1%*	2,078.8	1,574.6	*32.0%*
eCards	76.7	83.6	*-8.3%*	180.5	145.6	*23.9%*
eKhales	29.7	20.4	*45.5%*	65.1	36.2	*79.7%*
enable	27.5	31.6	*-13.0%*	53.7	54.5	*-1.5%*
eAswaaq	86.4	49.4	*74.9%*	159.8	107.9	*48.1%*
Intercompany Eliminations	(133.5)	(75.2)	*77.5%*	(254.5)	(183.4)	*38.8%*
Cost of Sales	**(600.5)**	**(416.3)**	***44.2%***	**(1,112.6)**	**(799.1)**	***39.2%***
Gross Profit	**533.6**	**551.2**	***-3.2%***	**1,170.7**	**936.3**	***25.0%***
Gross Profit Margin	*47.1%*	*57.0%*	*-9.9%*	*51.3%*	*54.0%*	*-2.7%*
SG&A	**(134.2)**	**(92.2)**	***45.5%***	**(279.9)**	**(177.6)**	***57.6%***
SG&A-to-sales (%)	*11.8%*	*9.5%*	*2.3%*	*12.3%*	*10.2%*	*2.1%*
EBITDA	**460.5**	**491.0**	***-6.2%***	**1,007.2**	**823.0**	***22.4%***
EBITDA Margin	*40.6%*	*50.8%*	*-10.1%*	*44.1%*	*47.4%*	*-3.3%*
Net Profit after NCI	**300.2**	**436.4**	***-31.2%***	**762.7**	**718.4**	***6.2%***
Net Profit Margin	*26.5%*	*45.1%*	*-18.6%*	*33.4%*	*41.4%*	*-8.0%*
Adjusted[1] Net Profit	**363.1**	**437.0**	***-16.9%***	**832.3**	**718.4**	***15.8%***
Adjusted[1] Net Profit Margin	*32.0%*	*45.2%*	*-13.2%*	*36.5%*	*41.4%*	*-4.9%*

[1] *Adjusted net profit adds back non-cash ECL expense & provision taken in accordance with audit standards*

Chairman's Message

Our performance over the past six months is a continued demonstration of the Group's ability to consistently deliver on its operational, financial, and strategic objectives. In addition to achieving impressive top- and bottom-line results, we have continued to expand e-finance's presence in the digital payments landscape in key sectors across the nation, further maximizing the value generated from our comprehensive technology infrastructure.

During 1H2024, the Group delivered a 31.6% year-on-year increase in revenue to EGP 2.3 billion, with top-line growth driven mainly by the strong performance of our flagship subsidiary, e-finance Digital Operations. On that front, the subsidiary continued to generate increased value from its lucrative and fast-growing cloud hosting services segment. Additionally, the subsidiary's results were further augmented by the performance of its transaction-based revenue streams, with the 32.5% year-on-year increase in variable-fee revenue, on the back of the ongoing expansion of digital payment solutions adoption across vital sectors, driving the segment's growth.

With regards to profitability, the Group achieved an EBITDA of EGP 1.0 billion in 1H2024, representing a 22.4% year-on-year increase, with an associated EBITDA margin of 44.1%. Similarly, our net profit at the close of the six-month period stood at EGP 762.7 million, a solid 6.2% year-on-year increase, and generated an associated net profit margin of 33.4%. Our consistent efforts to improve the Group's operational efficiency and maximize revenue is demonstrated in our track record of strong and consistent growth over the years.

On the investment front, we continue to allocate significant resources towards various sizeable and underserved sectors throughout Egypt, as evidenced by the recently completed acquisition of ownership stakes in both "Al Ahly Momken" and "easyCash for Digital Payments". The two transactions were conducted with the aim of facilitating digital payments for individuals and businesses by offering digital payment services, in addition to expanding our reach across the retail sector as active investors in both companies, in line with our business strategy.

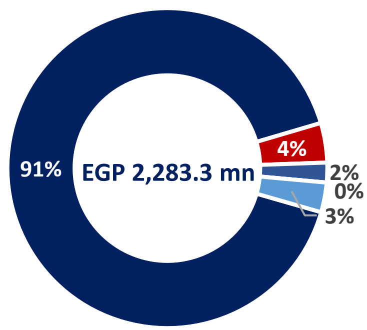
On the tourism front, our ventures within the sector continued to deliver impressive returns, and our solutions, which include e-ticketing gates and payment systems at gift shops, are currently present across 84 touristic sites within Egypt. Additionally, the current expansionary trend witnessed by the Egyptian tourism sector, which is underscored by increased tourist arrivals and elevated ticket prices due to inflation, continues to strongly support our performance within the sector. With Egypt's recent efforts in tourism development leading to a record-breaking 7.1 million tourists visiting the country during the first half of the year, capitalizing on this growth trajectory remains a central aspect of the Group's strategy.

In parallel, e-tax, our associate tax processing company, has recently signed a contract with the Real Estate Tax Authority (RTA) for the implementation of the authority's digitalization framework. The agreement, which comes as part of the comprehensive strategy to develop and automate the real estate tax process, will see e-tax assume the responsibility of delivering a selection of services on behalf of the RTA. Additionally, e-tax is actively working on preparing future strategies to further enhance the authority's digital transformation journey with the end goal of simplifying the provision of the authority's services to citizens, as well as supporting the Ministry of Finance in collecting its dues in an easy, convenient, and accurate manner.

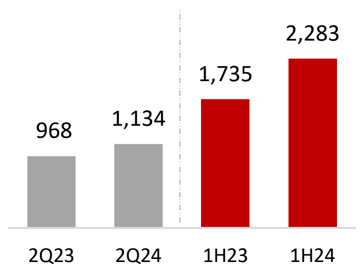
As the first half of the year concludes, I remain confident in our ability to continue delivering exceptional financial and operational performances over the coming period. Our extensive network of partnerships, innovative solutions, and strong business model, complemented by our demonstrable ability to take smart strategic decisions, leave us well positioned to build on our strong growth trajectory and generate increased value for our shareholders over the coming period.

Ibrahim Sarhan
Chairman of the Board

Group Revenue Breakdown
(1H2024)

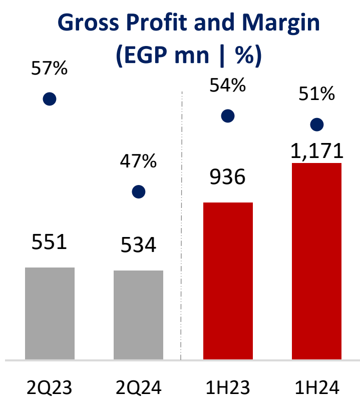


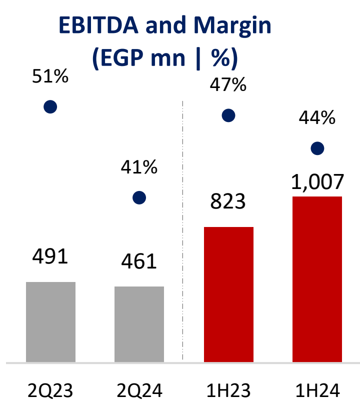
Consolidated Revenue
(EGP mn)

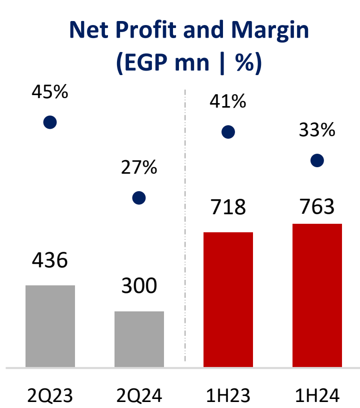


Consolidated Financial Performance

- e-finance's consolidated revenues witnessed a 31.6% y-o-y increase in 1H2024, closing the six-month period at EGP 2,283.3 million. Top-line growth came on the back of broad-based expansion across most of the Group's subsidiaries. e-finance Digital Operations was the main revenue growth driver, with the Group's flagship subsidiary reporting broad-based growth across all of its revenue streams in 1H2024. Revenue growth was further supported by strong contributions from eAswaaq and eKhales. On a quarterly basis, the Group's consolidated revenue rose by 17.2% y-o-y to stand at EGP 1,134.1 million in 2Q2024.
- **e-finance Digital Operations** constituted the lion's share of the Group's revenues in 1H2024 with a contribution of 91%. The subsidiary recorded a revenue increase of 32.1% y-o-y to EGP 2,074.5 million after inter-company eliminations in 1H2024 following strong results across its transaction revenue and cloud hosting. Transaction revenue expanded by 27.2% y-o-y, closing the six-month period at EGP 810.2 million. Transaction revenue growth was mainly driven by a 32.5% y-o-y increase in variable-fee revenues to EGP 517.7 million in 1H2024, and was further boosted by an 18.9% y-o-y rise in fixed-fee revenues to EGP 292.5 million. Meanwhile, cloud hosting revenue increased by 18.5% y-o-y to EGP 708.0 million in 1H2024. In parallel, the subsidiary's build & operate segment expanded by a substantial 51.3% y-o-y to EGP 480.5 million.
- Post-elimination revenue at **eCards** shrank by 15.6% y-o-y to EGP 82.4 million in 1H2024.
- **eKhales** reported a 56.5% y-o-y increase in its post-elimination revenue to EGP 41.9 million in 1H2024. Top-line growth came on the back of solid expansions in the subsidiary's POS terminal network, as well as the number of transactions aggregated.
- **enable's** post-elimination revenue dropped by 76.2% y-o-y to EGP 7.0 million in 1H2024 following a revenue reversal of EGP 18.0 million associated with the subsidiary's call center services. Worth noting that this reversal is expected to recoverable during subsequent periods.
- **eAswaaq's** revenue after inter-company eliminations surged 596.8% y-o-y to EGP 77.5 million in 1H2024, as higher tourism ticket sales and a larger number of active touristic sites, coupled with an increase in loan origination revenue significantly supported the subsidiary's performance.
- Consolidated **gross profit** was up 25.0% y-o-y in 1H2024, and stood at EGP 1,170.7 million. However, 1H2024 GPM shrank by 2.7 percentage points year-on-year to 51.3% as the Group's sales costs increased at a higher rate than its revenues due to the Group taking on a larger number of lower-margin supply contracts during the period, which were







essential supply contract serving other higher margin business lines under the Group. Moreover, the occurrence of a one-off cost overrun, which saw the cost of goods supplied during the half-year incur a 3.6x y-o-y hike to around EGP 152 million in 1H2024, negatively affected margins, further driving the decline in GPM. It is worth noting that this cost overrun is expected to normalize starting 3Q2024. On a quarterly basis, 2Q2024 gross profit dropped by 3.2% y-o-y to EGP 533.6 million, with GPM contracting by a substantial 9.9 percentage points year-on-year to 47.1%. The decline in gross profitability witnessed in 2Q2024 was a result of a decline in higher-margin business taken on during the quarter and the subsequent increase in lower margin business contribution, as well as a rise in costs following the EGP devaluation which took place in March 2024. In parallel, depreciation expense increased by around 44% y-o-y compared to the 17.2% y-o-y top-line increase witnessed during the quarter. Furthermore, the retroactive recording of EGP 12.9 million in revenue in 2Q2023, which lead to a magnified base-year effect, coupled with a revenue reversal of an EGP 18.0 million contract related to call center services, adversely impacted 2Q2024 gross profitability. On top of that, a lump sum collection for services provided by the Group's cloud hosting services, which occurred in 2Q2023 for services provided during prior quarters, further exacerbated the aforementioned high base effect.

- **Selling, general and administrative (SG&A) expenses** were up 57.6% y-o-y, reaching EGP 279.9 million in 1H2024. The increase came primarily on the back of a 60.4% y-o-y rise in G&A costs due to adjustments in period cost ESG considerations. In parallel, selling and marketing expenses reached c.EGP 26 million in 1H2024, increasing by around 33% y-o-y, further driving the year-on-year increase in G&A costs. Similarly, SG&A expenses came in at 12.3% of consolidated revenues in 1H2024, compared to 10.2% in 1H2023.
- **EBITDA** increased by 22.4% y-o-y to EGP 1,007.7 million in 1H2024, while EBITDA margin shrank by 3.3 percentage points year-on-year to 44.1% at the close of the six-month period. As for 2Q2024, EBITDA declined by 6.1% y-o-y to EGP 461.0 million, which led to an associated EBITDA margin contraction of 10.1 percentage points year-on-year to 40.6%. The EBITDA shrinkage reported during the quarter came on the back of the aforementioned drivers that impacted gross profitability, and was exacerbated by the rise in SG&A expenses as a percentage of sales (up 2.3 percentage points year-on-year) witnessed in 2Q2024.
- e-finance's **net profit after NCI** increased by 6.2% y-o-y to EGP 762.7 million in 1H2024. However, NPM normalized by 8.0 percentage points year-on-year from the elevated levels reached on both a year-on-year and a quarter-on-quarter basis as a result retroactive collections, higher interest income contribution, and lower costs, and stood at 33.4% in

1H2024. Moreover, the Group's adjusted[1] net profit, which adds back non-cash ECL expense and provision, booked a stronger 15.8% y-o-y increase to EGP 832.3 million in 1H2024, while its associated NPM contracted by 4.9 percentage points year-on-year to 36.5% during the period. The Group's bottom-line growth during the six-month period was primarily driven by the solid, broad-based revenue growth witnessed by most of the Group's subsidiaries and was further supported by a rise in investment income, which booked EGP 130.2 million in 1H2024, reflecting an increase of 71.3% compared to 1H2023. Meanwhile, although interest income declined by 17.9% y-o-y to EGP 211 million, the Group recorded an effective interest yield of 23.0% compared to 16.4% in 1H2023, in line with the CBE's higher prevailing policy rates.

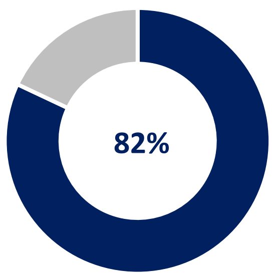
- On a quarterly basis, **net profit after NCI** fell by 31.2% y-o-y to EGP 300.2 million, yielding an associated 18.6 year-on-year percentage point drop in NPM, which closed the quarter at 26.5%. However, adjusted[1] net profit reported a 16.9% y-o-y decline to EGP 363.1 million in 2Q2024, generating an associated 13.2 percentage point contraction in adjusted[1] NPM to 32.0%. The year-on-year decline reported in the Group's 2Q2024 net profit came as a result of several factors. Investment income was down 84.6% y-o-y as a result of a delay in dividends from the Group's 10% ownership stake in Misr Technology Services (MTS) to 3Q2024. Furthermore, during the quarter the Group faced a higher effective tax rate, which was up 5.1 percentage points year-on-year, due to a sizable non-tax deductible ECL expense of EGP 63.1 million recorded during the quarter. Additionally, the lower pace of collection from the Group's government contract, which was adversely impacted by the macroeconomic fiscal tightening undertaken by the Egyptian government, further weighed on the quarter's profitability.

[1] *Adjusted net profit adds back non-cash ECL expense & provision taken in accordance with audit standards*

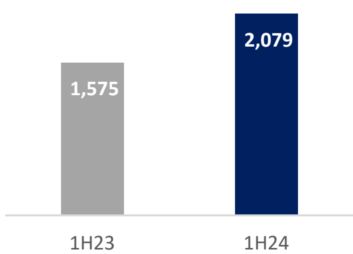
Balance Sheet Highlights

- e-finance's **total assets** stood at EGP 8,567 million as of 30 June 2024, versus the EGP 7,635 million booked at year-end 2023. As of 30 June 2024, the Group deployed CAPEX of EGP 227 million, up from the EGP 104 million outlay booked for FY2023, primarily allocated for the expansion of its cloud infrastructure.
- The Group's **net cash position** stood at EGP 1,393 million as at 30 June 2024, down from EGP 2,125 million as at year-end 2023, and yielded a net cash to EBITDA ratio of 0.8x in 1H2024 compared to 1.2x for FY2023. The aforementioned cash position includes an amount of EGP 233.5 million available in the form of proceeds from the sale of treasury shares. It is worthy to note that e-finance's investments in the equity market stood at EGP 601 million as at 30 June 2024, compared to EGP 464 million in FY2023.
- Total controlling shareholder's **equity** stood at EGP 6,069 million as at 30 June 2024, up from the EGP 5,482 million reported at the close of FY2023.
- e-finance's **cash conversion cycle** stood at 111 days in 1H2024, up from the 84 days reported in FY2023, and primarily driven by a mix of higher receivables days (+13 days) and lower payables days (-13 days). This increase was in large part a result of the aforementioned delay in the collections associated with some of the Group's government contracts during 2Q2024, government receivables are of good credit quality and are expected to be collected.
- During the period, e-finance deployed financial investments (Al-Ahly Momken & easyCash for Digital Payments) of EGP 286 million, leading investments in associates to 472 million, up from EGP 147 million in FY2023.

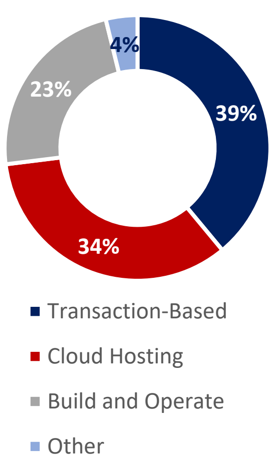
e-finance Digital Operations Contribution to Group Revenues - Pre-Elimination - 1H2024



e-finance Digital Operations Revenue - Pre-Elimination
(EGP mn)



e-finance Digital Operations Revenue Breakdown - Pre-Elimination 1H2024



Portfolio Performance[1]

e-finance Digital Operations

EGP million (unless otherwise stated)	1H2024	1H2023	Change %
Total Revenues	**2,078.8**	**1,574.6**	***32.0%***
Transaction	810.2	636.8	*27.2%*
Fixed-fee TRX	292.5	246.0	*18.9%*
Variable-fee TRX	517.7	390.8	*32.5%*
Build and Operate	**480.5**	**317.5**	***51.3%***
Cloud Hosting	**708.0**	**597.3**	***18.5%***
Other	**80.1**	**22.9**	***249.6%***
Operational KPIs			
Fixed-Fee Transactions Processed (millions)	128.5	126.3	*1.7%*
Variable-Fee Transactions, Total Value Processed (EGP billion)	770.1	559.4	*37.7%*

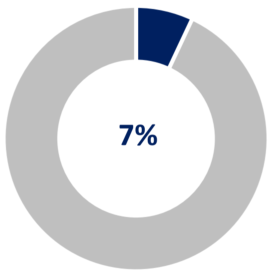
e-finance Digital Operations is e-finance Investment Group's flagship subsidiary. The subsidiary utilizes a fully integrated system of end-to-end payment infrastructure to develop and operate financial networks and to provide government, businesses, and consumers with a broad and innovative suite of digital products.

In 1H2024, e-finance Digital Operations reported a top-line expansion of 32.0% y-o-y to EGP 2,078.8 million. Revenue growth came on the back of broad-based expansion across all of the subsidiary's business lines. Transaction revenue increased by 27.2% y-o-y to EGP 810.2 million in 1H2024, driven largely by a 32.5% y-o-y increase in variable-fee transaction revenue, as well as an 18.9% y-o-y rise in fixed-fee transaction revenue. The increase in revenue from variable-fee transactions came on the back of a similar 37.5% y-o-y growth in the total throughput of variable-fee transactions. This was mainly generated by tourism ticketing transactions on the back of the overall increase in tourist traffic across Egypt, coupled with the growth in variable-fee transaction throughput associated with the Group's services in the taxes and customs sectors. Additionally, social platform transactions further boosted the segment's growth during the half-year. Meanwhile, the rise in fixed-fee transactions was driven by higher tax declaration revenues during the year, and revenue associated with the newly set-up fertilizer distribution contract.

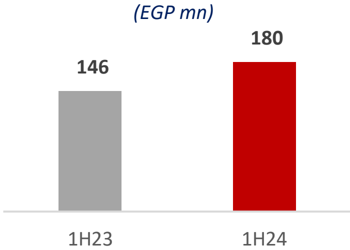
In parallel, cloud hosting revenue was up 18.5% y-o-y in 1H2024, reaching EGP 708.0 million on the back of the continued acquisition of new contracts and the generation of increased value from existing clients. The segment's revenue expansion was further supported by the implementation of strategic price increases across several contracts during the period. In 1H2024, cloud hosting revenue contributed 34.1% of the subsidiary's revenue, up from 37.9% in

[1] *Unless otherwise stated, figures discussed in this section are presented before intercompany eliminations.*

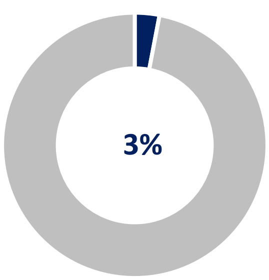
eCards Contribution to Group Revenues - Pre-Elimination - 1H2024



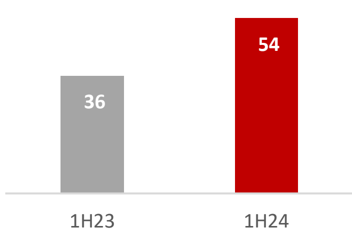
eCards Revenue - Pre-Elimination
(EGP mn)



eKhales Contribution to Group Revenues - Pre-Elimination - 1H2024



eKhales Revenue - Pre-Elimination
(EGP mn)



1H2023. Meanwhile, the subsidiary's build & operate revenue reported a strong 51.3% y-o-y to EGP 480.5 million during the six-month period.

eCards

EGP million (unless otherwise stated)	1H2024	1H2023	Change %
Total Revenues	**187.9**	**145.7**	***29.0%***
Card Production	94.2	66.8	*41.0%*
Card Management Service	81.7	78.8	*3.7%*
Other	12.0	0.1	*120x*
Operational KPIs			
Card Production (mn)	1.0	1.5	*-34.4%*
Cards Managed (mn)	7.2	6.1	*19.0%*

eCards is the Group's subsidiary dedicated towards primary offerings of card production services, chip embedding and personalization, card management and processing, third-party provider services (TPP) for various financial institutions, as well as enabling the development of smart solutions.

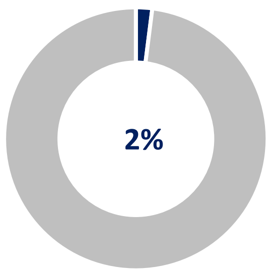
In 1H2024, eCards achieved a revenue increase of 29.0% y-o-y to EGP 187.9 million, with top-line growth coming on the back of broad-based expansion across card production revenue and card management revenue, as well as other revenues. Revenue from card production was up 41.0% y-o-y and stood at EGP 94.2 million in 1H2024. The increase in card production revenue came on the back of a large order for farmer cards at a higher price point in 1H2024, which more than offset the 34.4% y-o-y drop in the number of cards produced during the six-month period. Similarly, card management revenue rose 3.7% y-o-y to EGP 81.7 million in 1H2024 following the 19.0% y-o-y increase in the number of cards managed.

eKhales

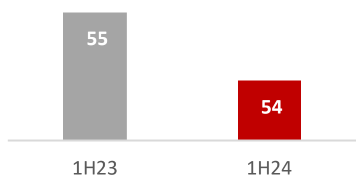
EGP million (unless otherwise stated)	1H2024	1H2023	Change %
Total Revenues	**54.2**	**36.2**	***49.7%***
Operational KPIs			
POS Terminal Network (000's)	576	531	*8.5%*
Transactions Aggregated (millions)	45	39	*14.0%*

eKhales provides a central bill processing hub for retail partners through a nationwide network of POS machines. eKhales offers a digital payment solution that eases the payment and collection process for consumers, while providing merchants with a suite of value-added digital services.

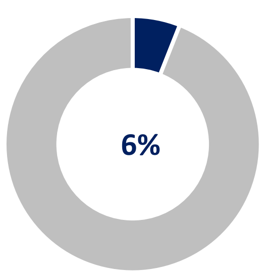
eKhales' 1H2024 revenue increased by 49.7% y-o-y to EGP 54.2 million, driven by an 8.5% y-o-y rise in the subsidiary's POS terminal network, as well as a 14.0% y-o-y increase in the number of transactions aggregated. On that front, the subsidiary aggregated 45 million in 1H2024 transactions compared to 39 million enable Contribution to Group Revenues - Pre-Elimination - 1H2024



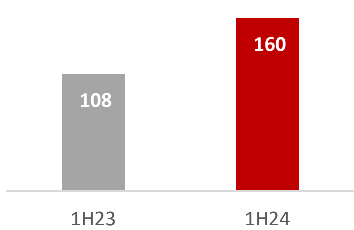
enable Revenue - Pre-Elimination
(EGP mn)



eAswaaq Contribution to Group Revenues - Pre-Elimination - 1H2024



eAswaaq Revenue - Pre-Elimination
(EGP mn)



transactions during the same period last year, while its nationwide POS network stood at 576 thousand terminals as at 30 June 2024, up from 531 thousand in 1H2023.

Enable

EGP million (unless otherwise stated)	1H2024	1H2023	Change %
Total Revenues	**53.7**	**54.5**	**-1.5%**
Operational KPIs			
Customers Served (#)	56	53	*5.7%*
Number of Seats (#)	1,017	1,000	*1.7%*

enable is a business process outsourcing (BPO) service provider. The subsidiary focuses on supporting e-finance's wide customer base. enable is the preferred service provider for a broad range of Egyptian and international entities, offerings solutions which range from HR and IT process outsourcing to full contact center services.

Revenue at enable dropped by 1.5% y-o-y to EGP 53.7 million in 1H2024 as a result of a sales rebate for one of the subsidiary's active contracts.

eAswaaq

EGP million (unless otherwise stated)	1H2024	1H2023	Change %
Total Revenues	**159.8**	**107.9**	***48.1%***

eAswaaq is a multi-platform e-commerce operator. The subsidiary establishes, manages, and operates platforms that digitize traditional business processes through a wide array of end-to-end solutions connecting buyers and sellers, while providing value-added services including access to financial and logistical services.

eAswaaq's top-line rose by 48.1% y-o-y to EGP 159.8 million in 1H2024 as the subsidiary witnessed robust revenue growth across its tourism and ecommerce digital platforms and applications, as well as its digital lending platform.

-- Ends --

About e-finance for Digital and Financial Investments

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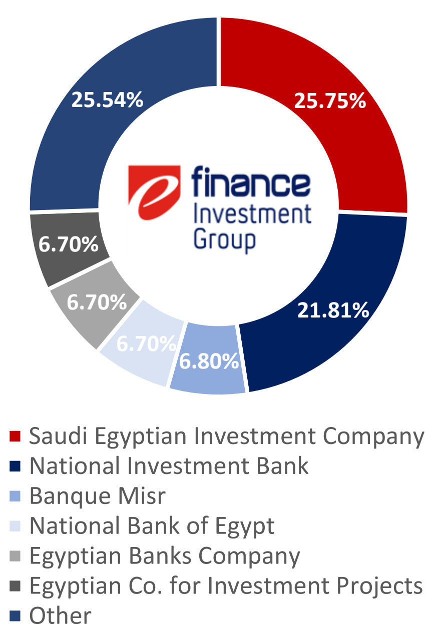
Shareholder Structure

As of 30 June 2024



SHARE INFORMATION

EFIH.CA on the EGX	
Number of Shares	2,311,111,111
Par Value / Share (EGP)	0.5
Paid-in Capital	EGP 1,155,555,555.5

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e-finance Investment Group Reports 1H2024 Results

e-finance continued to deliver record top- and bottom-line results during the first half of 2024 on the back of impressive performances across the Group's subsidiaries, with revenue reaching EGP 2.3 billion and adjusted[1] net profit standing at EGP 832.3 million during the six-month period.

15 August 2024 – (Cairo) e-finance for Digital and Financial Investments S.A.E. ("e-finance", or the "Group", EFIH.CA on the Egyptian Exchange), a leading technology-focused investment firm in Egypt, announced today its standalone and consolidated results for the six-month period ended 30 June 2024. The Group's consolidated revenues rose by 31.6% y-o-y to EGP 2,283.3 million, following broad-based growth across most of the Group's subsidiaries. On the profitability front, Group EBITDA expanded by 22.4% y-o-y to EGP 1,007.2 million, however EBITDA margin dropped by 3.3 percentage points year-on-year to 44.1% during 1H2024. At the bottom-line, e-finance's net profit after NCI grew by 6.2% y-o-y to EGP 762.7 million, while net profit margin contracted by 8.0 percentage points year-on-year to 33.4% during the six-month period. Adjusted[1] net profit, which adds back non-cash ECL expense and provision, reached EGP 832.3 million in 1H2024.

Summary Income Statement

(EGP mn)	2Q2024	2Q2023	Change	1H2024	1H2023	Change
Total Consolidated Revenues	**1,134.1**	**967.5**	***17.2%***	**2,283.3**	**1,735.4**	***31.6%***
e-finance Digital Operations	1,047.4	857.7	*22.1%*	2,078.8	1,574.6	*32.0%*
eCards	76.7	83.6	*-8.3%*	180.5	145.6	*23.9%*
eKhales	29.7	20.4	*45.5%*	65.1	36.2	*79.7%*
enable	27.5	31.6	*-13.0%*	53.7	54.5	*-1.5%*
eAswaaq	86.4	49.4	*74.9%*	159.8	107.9	*48.1%*
Intercompany Eliminations	(133.5)	(75.2)	*77.5%*	(254.5)	(183.4)	*38.8%*
Cost of Sales	**(600.5)**	**(416.3)**	***44.2%***	**(1,112.6)**	**(799.1)**	***39.2%***
Gross Profit	**533.6**	**551.2**	***-3.2%***	**1,170.7**	**936.3**	***25.0%***
Gross Profit Margin	*47.1%*	*57.0%*	*-9.9%*	*51.3%*	*54.0%*	*-2.7%*
SG&A	**(134.2)**	**(92.2)**	***45.5%***	**(279.9)**	**(177.6)**	***57.6%***
SG&A-to-sales (%)	*11.8%*	*9.5%*	*2.3%*	*12.3%*	*10.2%*	*2.1%*
EBITDA	**460.5**	**491.0**	***-6.2%***	**1,007.2**	**823.0**	***22.4%***
EBITDA Margin	*40.6%*	*50.8%*	*-10.1%*	*44.1%*	*47.4%*	*-3.3%*
Net Profit after NCI	**300.2**	**436.4**	***-31.2%***	**762.7**	**718.4**	***6.2%***
Net Profit Margin	*26.5%*	*45.1%*	*-18.6%*	*33.4%*	*41.4%*	*-8.0%*
Adjusted[1] Net Profit	**363.1**	**437.0**	***-16.9%***	**832.3**	**718.4**	***15.8%***
Adjusted[1] Net Profit Margin	*32.0%*	*45.2%*	*-13.2%*	*36.5%*	*41.4%*	*-4.9%*

e-finance's **consolidated revenues** witnessed a 31.6% y-o-y increase in 1H2024, closing the six-month period at EGP 2,283.3 million. Top-line growth came on the back of broad-based expansion across most of the Group's subsidiaries. e-finance Digital Operations was the main revenue growth driver, with the Group's flagship subsidiary reporting broad-based growth across all of its revenue streams in 1H2024. Revenue growth was further supported by strong contributions from eAswaaq and eKhales. On a quarterly basis, the Group's consolidated revenue rose by 17.2% y-o-y to stand at EGP 1,134.1 million in 2Q2024.

e-finance Digital Operations constituted the lion's share of the Group's revenues in 1H2024 with a contribution of 91%. The subsidiary recorded a revenue increase of 32.1% y-o-y to EGP 2,074.5 million after inter-company eliminations in 1H2024 following strong results across its transaction revenue and cloud hosting. Transaction revenue expanded by 27.2% y-o-y, closing the six-month period at EGP 810.2 million. Transaction revenue growth was mainly driven by a 32.5% y-o-y increase in variable-fee revenues to EGP 517.7 million in 1H2024, and was further boosted by an 18.9% y-o-y rise in fixed-fee revenues to EGP 292.5 million. Meanwhile, cloud hosting

[1] *Adjusted net profit adds back non-cash ECL expense & provision taken in accordance with audit standards*

revenue increased by 18.5% y-o-y to EGP 708.0 million in 1H2024. In parallel, the subsidiary's build & operate segment expanded by a substantial 51.3% y-o-y to EGP 480.5 million.

Post-elimination revenue at **eCards** shrank by 15.6% y-o-y to EGP 82.4 million in 1H2024. **eKhales** reported a 56.5% y-o-y increase in its post-elimination revenue to EGP 41.9 million in 1H2024. Top-line growth came on the back of solid expansions in the subsidiary's POS terminal network, as well as the number of transactions aggregated. **enable's** post-elimination revenue dropped by 76.2% y-o-y to EGP 7.0 million in 1H2024 following a revenue reversal of EGP 18.0 million associated with the subsidiary's call center services. Worth noting that this reversal is expected to recoverable during subsequent periods. **eAswaaq's** revenue after inter-company eliminations surged 596.8% y-o-y to EGP 77.5 million in 1H2024, as higher tourism ticket sales and a larger number of active touristic sites, coupled with an increase in loan origination revenue significantly supported the subsidiary's performance.

Consolidated **gross profit** was up 25.0% y-o-y in 1H2024, and stood at EGP 1,170.7 million. However, 1H2024 GPM shrank by 2.7 percentage points year-on-year to 51.3% as the Group's sales costs increased at a higher rate than its revenues due to the Group taking on a larger number of lower-margin supply contracts during the period, which were essential supply contract serving other higher margin business lines under the Group. Moreover, the occurrence of a one-off cost overrun, which saw the cost of goods supplied during the half-year incur a 3.6x y-o-y hike to around EGP 152 million in 1H2024, negatively affected margins, further driving the decline in GPM. It is worth noting that this cost overrun is expected to normalize starting 3Q2024. On a quarterly basis, 2Q2024 gross profit dropped by 3.2% y-o-y to EGP 533.6 million, with GPM contracting by a substantial 9.9 percentage points year-on-year to 47.1%. The decline in gross profitability witnessed in 2Q2024 was a result of a decline in higher-margin business taken on during the quarter and the subsequent increase in lower margin business contribution, as well as a rise in costs following the EGP devaluation which took place in March 2024. In parallel, depreciation expense increased by around 44% y-o-y compared to the 17.2% y-o-y top-line increase witnessed during the quarter. Furthermore, the retroactive recording of EGP 12.9 million in revenue, which lead to a magnified base-year effect, coupled with a revenue reversal of an EGP 18.0 million contract related to call center services, adversely impacted 2Q2024 gross profitability. On top of that, a lump sum collection for services provided by the Group's cloud hosting services, which occurred in 2Q2023 for services provided during prior quarters, further exacerbated the aforementioned high base effect.

e-finance's **net profit after NCI** increased by 6.2% y-o-y to EGP 762.7 million in 1H2024. However, NPM normalized by 8.0 percentage points year-on-year from the elevated levels reached on both a year-on-year and a quarter-on-quarter basis as a result retroactive collections, higher interest income contribution, and lower costs, and stood at 33.4% in 1H2024. Moreover, the Group's adjusted[1] net profit, which adds back non-cash ECL expense and provision, booked a stronger 15.8% y-o-y increase to EGP 832.3 million in 1H2024, while its associated NPM contracted by 4.9 percentage points year-on-year to 36.5% during the period. The Group's bottom-line growth during the six-month period was primarily driven by the solid, broad-based revenue growth witnessed by most of the Group's subsidiaries, and was further supported by a rise in investment income, which booked EGP 130.2 million in 1H2024, reflecting an increase of 71.3% compared to 1H2023. Meanwhile, although interest income declined by 17.9% y-o-y to EGP 211 million, the Group recorded an effective interest yield of 23.0% compared to 16.4% in 1H2023, in line with the CBE's higher prevailing policy rates.

On a quarterly basis, **net profit after NCI** fell by 31.2% y-o-y to EGP 300.2 million, yielding an associated 18.6 year-on-year percentage point drop in NPM, which closed the quarter at 26.5%. However, adjusted[1] net profit reported a 16.9% y-o-y decline to EGP 363.1 million in 2Q2024, generating an associated 13.2 percentage point contraction in adjusted[1] NPM to 32.0%. The year-on-year decline reported in the Group's 2Q2024 net profit came as a result of several factors. Investment income was down 84.6% y-o-y as a result of a delay in dividends from the Group's 10% ownership stake in Misr Technology Services (MTS) to 3Q2024. Furthermore, during the quarter the Group faced a higher effective tax rate, which was up 5.1 percentage points year-on-year, due to a sizable non-tax deductible ECL expense of EGP 63.1 million recorded during the quarter. Additionally, the lower pace of collection from the Group's government contract, which was adversely impacted by the macroeconomic fiscal tightening undertaken by the Egyptian government, further weighed on the quarter's profitability.

Commenting on the Group's performance, e-finance Chairman Ibrahim Sarhan said: "Our performance over the past six months is a continued demonstration of the Group's ability to consistently deliver on its operational, financial, and strategic objectives. In addition to achieving impressive top- and bottom-line results, we have continued to expand e-finance's presence in the digital payments landscape in key sectors across the nation, further maximizing the value generated from our comprehensive technology infrastructure.

[1] Adjusted net profit adds back non-cash ECL expense & provision taken in accordance with audit standards

During 1H2024, the Group delivered a 31.6% year-on-year increase in revenue to EGP 2.3 billion, with top-line growth driven mainly by the strong performance of our flagship subsidiary, e-finance Digital Operations. On that front, the subsidiary continued to generate increased value from its lucrative and fast-growing cloud hosting services segment. Additionally, the subsidiary's results were further augmented by the performance of its transaction-based revenue streams, with the 32.5% year-on-year increase in variable-fee revenue, on the back of the ongoing expansion of digital payment solutions adoption across vital sectors, driving the segment's growth.

With regards to profitability, the Group achieved an EBITDA of EGP 1.0 billion in 1H2024, representing a 22.4% year-on-year increase, with an associated EBITDA margin of 44.1%. Similarly, our net profit at the close of the six-month period stood at EGP 762.7 million, a solid 6.2% year-on-year increase, and generated an associated net profit margin of 33.4%. Our consistent efforts to improve the Group's operational efficiency and maximize revenue is demonstrated in our track record of strong and consistent growth over the years.

On the investment front, we continue to allocate significant resources towards various sizeable and underserved sectors throughout Egypt, as evidenced by the recently completed acquisition of ownership stakes in both "Al Ahly Momken" and "easyCash for Digital Payments". The two transactions were conducted with the aim of facilitating digital payments for individuals and businesses by offering digital payment services, in addition to expanding our reach across the retail sector as active investors in both companies, in line with our business strategy.

On the tourism front, our ventures within the sector continued to deliver impressive returns, and our solutions, which include e-ticketing gates and payment systems at gift shops, are currently present across 84 touristic sites within Egypt. Additionally, the current expansionary trend witnessed by the Egyptian tourism sector, which is underscored by increased tourist arrivals and elevated ticket prices due to inflation, continues to strongly support our performance within the sector. With Egypt's recent efforts in tourism development leading to a record-breaking 7.1 million tourists visiting the country during the first half of the year, capitalizing on this growth trajectory remains a central aspect of the Group's strategy.

In parallel, e-tax, our associate tax processing company, has recently signed a contract with the Real Estate Tax Authority (RTA) for the implementation of the authority's digitalization framework. The agreement, which comes as part of the comprehensive strategy to develop and automate the real estate tax process, will see e-tax assume the responsibility of delivering a selection of services on behalf of the RTA. Additionally, e-tax is actively working on preparing future strategies to further enhance the authority's digital transformation journey with the end goal of simplifying the provision of the authority's services to citizens, as well as supporting the Ministry of Finance in collecting its dues in an easy, convenient, and accurate manner.

As the first half of the year concludes, I remain confident in our ability to continue delivering exceptional financial and operational performances over the coming period. Our extensive network of partnerships, innovative solutions, and strong business model, complemented by our demonstrable ability to take smart strategic decisions, leave us well positioned to build on our strong growth trajectory and generate increased value for our shareholders over the coming period," **Sarhan concluded**.

e-finance Investment Group's full 1H2024 earnings release along with the Group's consolidated and standalone financial statements are available at investors.efinanceinvestment.com.

–Ends–

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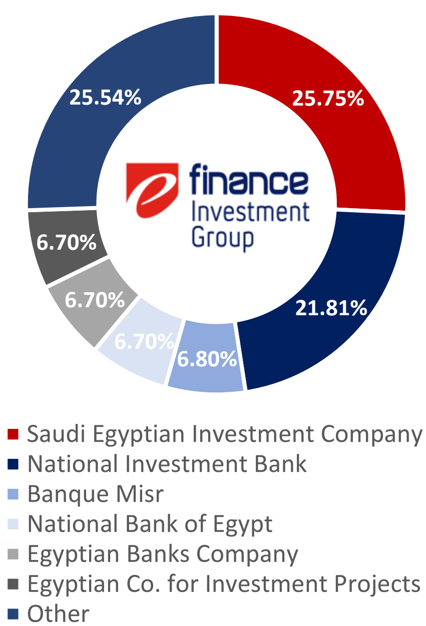
Shareholder Structure
As of 30 June 2024



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