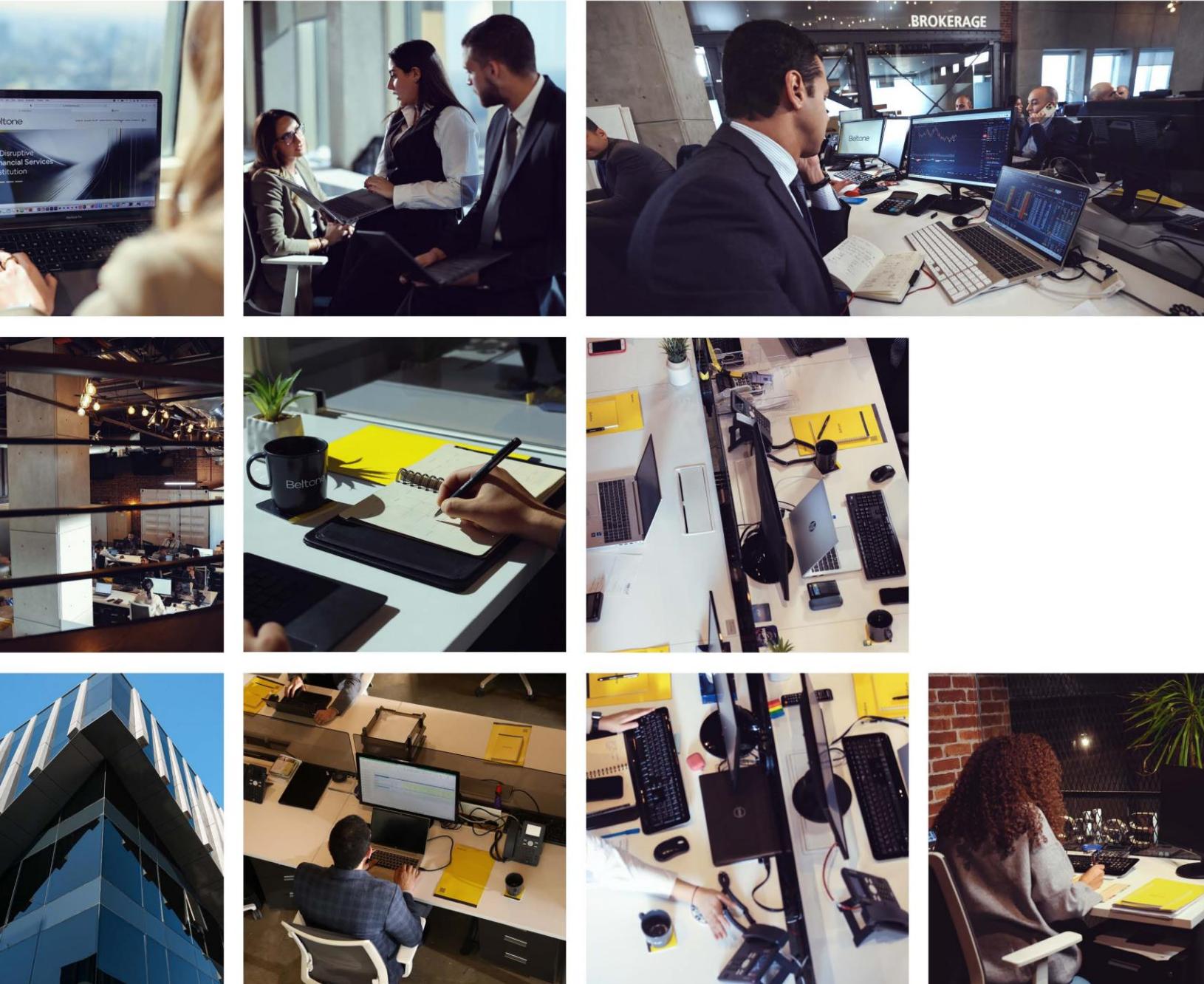


Beltone



1H2024
Earnings Release

Beltone Holding Sustains its Impressive Growth in 1H2024, Operating Revenue Jump to 818% YoY, Net Profit Records EGP 817 Million

Cairo, August 19, 2024: Beltone Holding ("Beltone" or the "Company"), one of the fastest growing financial institutions, announces its consolidated financial and operational results for the six months period ended 30 June 2024.

1H2024 Key Highlights

EGP2.9 bn
Operating Revenue
+818% YoY

EGP817 mn
Net Profit After Tax & Minority Interest

EGP27.7 bn
AUMs
+28.7% YoY

EGP15.2 bn
NBFI Portfolio
+697% YoY

- Beltone's successful execution of its turnaround and growth strategy led to a surge in consolidated top-line performance, with operating revenue recording a significant increase of 818% YoY to reach EGP2.9 billion in 1H2024. Operating revenue growth was driven by strong performances on both the Investment Banking and Non-Banking Financial Institutions (NBFI) fronts.
- In terms of profitability, Beltone's net profit after tax and minority interest recorded EGP817 million in 1H2024 compared to a loss of EGP146 million in 1H2023, mainly driven by a significantly expanded top-line figure, coupled with enhanced efficiency at both the Investment Bank and NBFI platforms.
- **Beltone Investment Bank's** operating revenue increased by 327% YoY to EGP471 million in 1H2024, accounting for 16% of consolidated operating revenue. The segment's exceptional performance was driven by a significant expansion in Brokerage operations resulting in higher commissions on the back of a ramp up in its margin lending portfolio.
- On the asset management front, Beltone maintained its position as Egypt's largest non-bank affiliated asset management with assets under management reaching EGP27.7 billion in 1H2024 versus EGP21.5 billion in 1H2023. Similarly, the investment banking division's operating revenue more than tripled year-on-year on the back of an expanded offering in equity, debt, and advisory services.
- The **NBFI Platform** recorded a 13x year-on-year increase in its operating revenue to reach EGP2.4 billion in 1H2024 as a result of a significant expansion in its offerings, which drove higher disbursements at the different subsidiaries. Similarly, the segment's portfolio grew sevenfold year-on-year, reaching EGP15.2 billion in 1H2024, with 16% growth between 1Q 2024 and 2Q 2024.
- Key drivers of the segment's portfolio growth were the leasing & factoring and consumer finance business lines, which grew sixfold and fivefold year-on-year, respectively. Additionally, the expanded offerings within the NBFI platform played a significant role in this success, with the mortgage finance business line achieving a portfolio of EGP3.3 billion and capturing a market share of 22.3% in 1H2024.
- At Beltone Venture Capital, three new equity investments were made in BirdNest, Sylnder, and Trella, alongside two follow-up rounds for Way-Up Sports and ariika, all completed in 1H2024. On the debt side, the company successfully closed a venture debt transaction with Sylnder. Venture debt outstanding portfolio stood at EGP109 million as at the end of 2Q2024.

Operating Revenue Breakdown Percentage



■ NBFIs	81%
■ Investment Bank	16%
■ Other Revenue	3%

Consolidated Financial Performance

	EGP 000s	1H2024	1H2023	Change YoY	2Q2024	2Q2023	Change YoY
Operating Revenue	2,932,031	319,533	818%	1,600,998	173,631	822%	
Investment Bank	470,506	110,163	327%	234,042	58,147	303%	
NBFIs	2,384,135	175,834	1256%	1,341,172	101,175	1226%	
Other Revenue	77,390	33,536	131%	25,784	14,310	80%	
Operating Expenses	(1,066,376)	(313,473)	240%	(603,354)	(167,566)	260%	
Net Operating Profit	1,865,655	6,060	-	997,644	6,065	-	
Net Operating Profit Margin	64%	2%	+62 pts	62%	4%	+58 pts	

Beltone reported consolidated operating revenue of EGP2.9 billion in 1H2024, marking an 818% YoY growth on the back of strong performances in both the Investment Bank and NBFIs platforms. In 2Q2024, Beltone booked EGP1.6 billion in operating revenue, up 20% from the EGP1.3 recorded in 1Q2024.

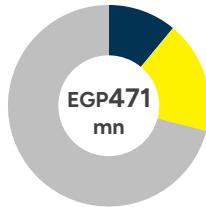
The NBFIs platform's operating revenue surged 13x year-on-year to reach EGP2.4 billion, contributing 81% to total consolidated operating revenue in 1H2024. On a quarterly basis, it generated EGP1.3 billion in 2Q2024, reflecting a 29% QoQ increase from the figure booked for 1Q2024. Meanwhile, the Investment Bank's operating revenue grew by 327% YoY to EGP471 million in 1H2024, representing 16% of total consolidated operating revenue in the first half of the year. For 2Q2024, the platform posted operating revenue of EGP234 million, consistent with its performance in 1Q2024.

The company's net operating profit increased exponentially to EGP1.9 billion in 1H2024 compared to EGP6 million in 1H2023, yielding an expanded net operating profit margin of 64%. On a quarterly basis, net operating profit grew 15% from EGP868 million in 1Q2024 to EGP998 million in 2Q2024. This substantial profitability increase was driven by robust top-line growth as operations scaled up, along with improved operational efficiency. Likewise, net profit after tax and minority interest recorded EGP817 million in 1H2024 compared to a loss of EGP146 million in 1H2023, underscoring the effectiveness of the company's turnaround and growth strategies.

Financial Performance

IB Revenue Breakdown

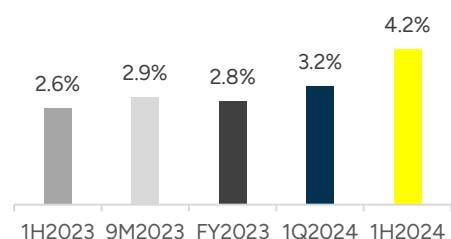
Percentage



■ Securities Brokerage	71%
■ Asset Management	18%
■ Investment Banking	11%

■ Securities Brokerage 71%
 ■ Asset Management 18%
 ■ Investment Banking 11%

Brokerage Market Share



The Investment Bank Financial Performance

EGP 000s	1H2024	1H2023	Change YoY	2Q2024	2Q2023	Change YoY
Operating Revenue	470,506	110,163	327%	234,042	58,147	302%
Securities Brokerage	333,006	67,688	392%	161,963	39,976	305%
Asset Management	86,486	28,216	207%	42,704	14,056	204%
Investment Banking	51,014	14,259	258%	29,376	4,115	614%
Operating Expenses	(231,799)	(129,534)	79%	(118,426)	(60,805)	95%
Net Operating Profit	238,707	(19,371)	-	115,616	(2,658)	-
<i>Net Operating Profit Margin</i>	51%	-18%	-	49%	-5%	-

The Investment Bank's operating revenue increased by 327% YoY to reach EGP471 million in 1H2024, mainly driven by significantly expanded securities brokerage operations, which contributed 71% to the segment's operating revenue. Meanwhile, asset management and investment banking contributed 18% and 11%, respectively, to the platform's operating revenue.

The segment's operating expenses rose 79% YoY to reach EGP232 million in 1H2024, due to the expansion of the division's operations and substantial restructuring costs, including investments in new systems and strategic hires aimed at driving sustainable growth. Despite these higher expenses, the Investment Bank Platform's delivered an operating net profit of EGP239 million in 1H2024, yielding a robust margin of 51%, supported by a significant increase in the segment's top-line performance.

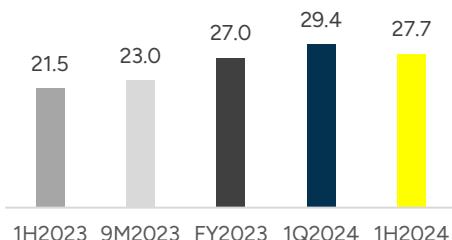
Operational Performance

i. Beltone Investment Banking

The investment banking division's operating revenue more than tripled year-on-year, reaching EGP51 million, driven by a significant expansion in its service offerings. Currently, Beltone offers a comprehensive suite of services, including M&A, equity capital market (ECM), debt capital market (DCM), and financial and Export Credit Agency (ECA) advisory services. In line with its strategy to deliver end-to-end financial solutions, the company recently introduced an opportunistic-based credit fund, further enhancing its service offerings to clients.

ii. Beltone Securities Brokerage achieved a substantial 133% YoY increase in executions, reaching EGP16.8 billion in 1H2024. This surge in execution volume drove operating revenue up by 392% YoY to EGP333 million, fuelled by higher commissions. The company also expanded its brokerage market share to 4.2% in 1H2024, up from 3.2% in 1Q2024 and 2.6% in 1H2023. Additionally, the margin lending portfolio grew 455% YoY, reaching EGP1.3 billion in 1H2024 compared to EGP240 million in 1H2023.

AUMs Evolution EGP billion



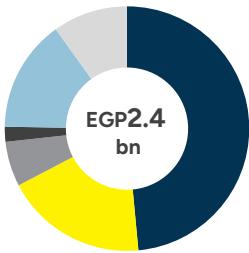
iii. **Beltone Research** bolstered its corporate access initiatives in 1H2024 by hosting additional earnings and management calls, along with weekly investor calls, to keep clients informed of on-the-ground macro developments and help them navigate evolving market conditions. Through these efforts, Beltone Research ensured its clients remained ahead of the curve with a comprehensive suite of research products amidst evolving market conditions.

iv. **Beltone Asset Management** maintained its leading position as Egypt's largest non-bank affiliated asset management house with AUMs of EGP27.7 billion as of 30 June 2024 versus EGP21.5 billion in 1H2023. The segment's AUMs encompass equity, fixed income, and balanced funds and portfolios, covering Egypt and the wider MENA region.

In the first half of the year, Beltone Asset Management launched its first commodity fund, Beltone Evolve Gold Fund "Sabayek". This fund was recognized as the most innovative gold investment fund and best new fund management product exceeding its initial target size by six times. Co-sponsored by Beltone Securities Holding and Evolve Investment Holding, Sabayek provides investors in Egypt with an alternative avenue for gold investments, catering to the growing global demand for gold as a hedge against inflation and currency fluctuations, while also offering portfolio diversification.

In 1H2024, 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 and Best Asset Management CEO in Egypt. BAM was also awarded Best Fixed Income Fund for its daily fixed income fund "B-Secure".

NBFIs Revenue Breakdown
Percentage



Leasing & Factoring	49%
Consumer Finance	19%
Microfinance	6%
Venture Capital	2%
Mortgage	15%
Others	10%

The NBFIs Platform Financial Performance

EGP 000s	1H2024	1H2023	Change YoY	2Q2024	2Q2023	Change YoY
Operating Revenue	2,384,135	175,834	1256%	1,341,173	101,175	1226%
Leasing & Factoring	1,159,974	132,104	778%	646,829	73,075	785%
Consumer Finance "seven"	462,255	43,729	957%	257,783	28,104	817%
Mortgage Finance	350,982	-	-	195,833	-	-
Microfinance	142,261	-	-	93,710	-	-
Venture Capital	36,717	-	-	15,039	-	-
Others	231,947	-	-	131,980	-	-
Operating Expenses	(429,282)	(75,661)	467%	(235,575)	(42,725)	451%
Net Operating Profit	1,954,853	100,173	1851%	1,105,598	58,455	1791%
<i>Net Operating Profit Margin</i>	82%	57%	+25 pts	82%	58%	+24 pts

In 1H2024, the NBFIs platform saw a remarkable 13x year-on-year increase in operating revenue, reaching EGP2.4 billion, driven by high disbursements and the expansion of its product portfolio in alternative financing solutions. The platform's outstanding portfolio grew sevenfold year-on-year to EGP15.2 billion in 1H2024, largely due to the introduction of mortgage finance, microfinance, and factoring, as well as a significant ramp-up in existing leasing and consumer finance operations. Beltone Leasing & Factoring was the largest contributor, accounting for 49% to the NBFIs Platform's total operating revenue in 1H2024, followed by consumer finance at 19% and mortgage finance at 15%.



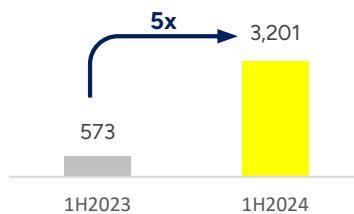
In terms of profitability, the significant increase in the platform's top-line helped offset a 467% YoY increase in operating expenses, with net operating profit increasing 19x year-on-year to reach EGP2.0 billion in 1H2024, yielding an exceptional margin of 82% versus 57% in 1H2023.

Operational Performance

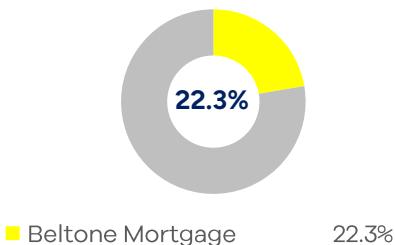
i. Leasing & Factoring

Beltone Leasing & Factoring's outstanding portfolio grew over six-folds year-on-year to EGP8.1 billion in 1H2024, 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 EGP3 billion as at 30 June 2024 compared to EGP1.6 billion as at 31 March 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.

seven Outstanding Portfolio EGP million



Market Share aquired as of 30 June 2024



ii. Consumer Finance ("seven")

In 1H2024, seven's portfolio saw impressive growth, with its outstanding portfolio expanding 458% YoY to reach EGP3.2 billion by the end of the period. This strong performance was driven by significant achievements in 2Q2024, during which seven recorded EGP1.4 billion in new bookings. Additionally, seven's client base increased tenfold, reaching 1,500 clients by the end of 1H2024. The average tenor of the outstanding portfolio is currently at 47 months.

iii. Microfinance ("Cash")

Cash's outstanding portfolio¹ recorded EGP420 million as the company continued to ramp up its operations. This growth was mainly driven by a 158% YoY increase in the number of existing clients to 24,500 clients, as well as an expansion in Cash's brand network as it now operates 60 branches compared to 17 branches at the end of 1H2023. It is worth noting that the current average tenor of Cash's outstanding portfolio stands at 16 months.

iv. Mortgage Finance

Beltone mortgage maintained its exceptional growth trajectory, as its outstanding portfolio stood at EGP3.3 billion as at 30 June 2024, capturing 22.3% of the mortgage finance market in the first six-months of the year. Beltone Mortgage recorded NFAs amounting to EGP2.6 billion in 1H2024, up from EGP1.3 billion in 1Q2024. The outstanding portfolio's average tenor stood at 78 months.

v. Venture Capital

In the first half of the year, Beltone Venture Capital ("BVC") executed three equity transactions in BirdNest, Sylndr, and Trella, as well as two follow-up rounds for Way Up Sports and ariika. On the debt side, BVC concluded a debt transaction with Sylndr. The company's outstanding portfolio stood at EGP109 million as at 30 June 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 Qclub.

¹ Outstanding Portfolio consists of Principal plus Interest.

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.