



EFG Holding Delivers Resilient Operational Performance, reflected in the First Quarter Results of 2025, Driving Consistent Growth Across All Business Lines

Cairo, 21 May 2025

EFG Holding, a financial institution with a universal bank in Egypt and the leading investment bank in the Middle East and North Africa (MENA), announced today its results for the first quarter of 2025. EFG Holding reported revenues of EGP 5.6 billion in 1Q25, marking a 34% Y-o-Y decline. However, this decrease was entirely attributable to the exceptionally high base in 1Q24, which included the effect of the large devaluation of the EGP against the US Dollar translating into a substantial foreign exchange (FX) gain. Barring this FX impact, EFG Holding demonstrated exceptional operational performance, with all business lines showing resilience and strength. Excluding the impact of any FX gains over both periods, the Group's revenues would be up 31% Y-o-Y, underscoring the Group's robust execution and momentum across its core activities, mainly the Investment Bank, EFG Hermes, and the Non-Bank Financial Institutions (NBFI) Platform, EFG Finance, followed by the Commercial Bank, Bank NXT.

The Group's total operating expenses (including provisions & ECL) decreased 29% Y-o-Y to EGP 3.5 billion, on lower employee expenses, lower provisions & ECL, and despite higher other G&A. Accordingly, the Group's employee expenses/revenues came in at 37% in 1Q25 compared to 41% in 1Q24. EFG Holding's net operating profit and net profit before taxes both lost 41% Y-o-Y. Consequently, net profit after tax and minority interest slipped 34% Y-o-Y to reach EGP 1.2 billion.

Karim Awad, Group CEO of EFG Holding, commented, "Our first quarter results reflect the strength and resilience of EFG Holding's diversified platform and geographic footprint, even as we cycle a uniquely high base from last year. The year-on-year decline in revenues and net profit is predominantly attributable to the exceptional FX gains and unrealized investment revaluations recorded in 1Q24 following the large EGP devaluation that saw the EGP lose more than half of its value against the US Dollar in March 2024. When adjusted for these extraordinary items, our performance this quarter demonstrates solid operational growth across all lines of business and a clear trajectory of growth. Our Asset Management platform continues to grow, with AUMs on the rise, while our Investment Banking division executed landmark transactions during the quarter, including our leading role in the IPO of Nice One in KSA and the ADNOC Gas secondary offering in the UAE—further cementing our position as the advisory house of choice in the region."

EFG Hermes, the Group's Investment Bank, experienced a buoyant start to the year across its Sell-side and Buy-side divisions, with revenues posting solid Y-o-Y growth. However, this increase was pressured by Holding & Treasury Activities recording lower revenues Y-o-Y, as the comparable period included the impact of the EGP devaluation. This resulted in EFG Hermes' revenues declining 54% Y-o-Y to EGP 2.9 billion. Excluding the impact of any FX gains across both periods, EFG Hermes revenues would be up 30% Y-o-Y. Holding & Treasury Activities revenues decreased 91% Y-o-Y to EGP 418 million. Sell-side revenues added 46% Y-o-Y to reach EGP 2 billion, and buy-side revenues rose 50% Y-o-Y to EGP 449 million, with both Egypt and regional AUMs also posting increases. EFG Hermes operating expenses declined 45% Y-o-Y to EGP2 billion, on lower employee expenses, lower provisions & ECL, and despite higher other



G&A expenses. EFG Hermes reported net profit after tax and minority interest of EGP 652 million, down 54% Y-o-Y, on the decline of Holding & Treasury Activities.

EFG Finance, the Group's Non-Bank Financial Institutions (NBFI) platform, started the year strong with its revenues rising 23% Y-o-Y to reach EGP 1.3 billion, supported by higher revenues generated by Tanmeyah, followed by Valu, and despite FX gains recorded in the comparable period mainly by Leasing and Factoring through EFG Corp-Solutions. Tanmeyah's portfolio grew a healthy 36% Y-o-Y, representing an absolute increase of EGP 1.9 billion in 1Q25 versus 1Q24. Valu issued EGP 4.2 billion worth of new loans in 1Q25, up 61% Y-o-Y. EFG Finance's operating expenses rose 12% Y-o-Y to EGP 900 million, on higher employee expenses and other G&A, overshadowing lower provisions and ECL. Net profit after tax and minority interest more than doubled, up 108% Y-o-Y to EGP 297 million, boosted by higher profitability reported by all lines of business.

Bank NXT, the Group's Commercial Bank, delivered a steady performance, honing in on strong portfolio growth. Its revenues increased 11% Y-o-Y to EGP 1.4 billion in 1Q25, largely driven by higher net interest income, due to interest rate hikes of 800 bps during 2024, in addition to growth in interest-earning assets. Operating expenses, including provisions & ECL, rose 19% Y-o-Y to EGP 624 million in 1Q25, primarily due to higher salaries, as well as higher other G&A expenses. The Bank's net profit after tax added 5% Y-o-Y to reach EGP 498 million (of which the Group's share is EGP 255 million) in 1Q25, as revenue growth outpaced the growth in expenses.

"During the quarter, our Brokerage business continued to thrive, especially in markets such as Kuwait and the UAE, where our geographic diversification strategy bears fruit. Bank NXT is expanding its portfolio and building a strong pipeline of deals that will support growth and have impactful long-term results. In Private Equity, we're proud to report our first quarter of management fees from the Saudi Education Fund—a key milestone in our regional expansion story. Meanwhile, our Non-Bank Financial Institutions (NBFI) platform remains steadfast in delivering comprehensive financial solutions to clients across the spectrum, from individual retail customers to businesses of all sizes. Valu's progress towards listing represents a significant milestone for the fintech leader, underscoring its remarkable growth trajectory in Egypt and solidifying its position as a trusted provider of innovative financial services. Tanmeyah remains a strong performer in its segment. Looking ahead, we remain focused on executing our strategic priorities, cementing our regional footprint, and creating sustainable value for our shareholders.," concluded **Awad**.

EFG Holding's 1Q25 financial results and management's commentary are available.

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About EFG Holding

EFG Holding (EGX: HRHO.CA – LSE: EFGD) is a financial institution that boasts a remarkable 40-year legacy of success in seven countries spanning two continents. Operating within three distinct verticals — the Investment Bank (**EFG Hermes**), Non-Bank Financial Institutions (NBFI) (**EFG Finance**), and Commercial Bank (**Bank NXT**) — the company provides a comprehensive range of groundbreaking



financial products and services tailored to meet the needs of a diverse clientele, including individual clients and businesses of all sizes.

EFG Hermes, the leading investment bank in the Middle East and North Africa (MENA), offers extensive financial services, encompassing advisory, asset management, securities brokerage, research, and private equity. In its domestic market, EFG Holding serves as a universal bank, with **EFG Finance** emerging as the fastest-growing NBFI platform, comprising **Tanmeyah**, a provider of innovative and integrated financial solutions for small business owners and entrepreneurs, **EFG Corp-Solutions**, which provides leasing and factoring services, **Valu**, a universal financial technology powerhouse, **Bedaya** for mortgage finance, **Kaf** for insurance, and **EFG Finance SMEs**, which provides financial services for small and medium enterprises. Furthermore, the company delivers commercial banking solutions through **Bank NXT**, an integrated retail and corporate banking product provider in Egypt.

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Learn more about us at www.efghldg.com

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In this press release, EFG 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 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.