

EFG HERMES REPORTS FULL YEAR 2022

GROUP EARNINGS OF EGP1.8 BILLION; ON OPERATING REVENUE OF EGP11.0 BILLION

Cairo, March 22nd, 2023 EFG Hermes reports a strong set of results for the full year of 2022, with Group earnings of EGP1.8 billion on operating revenues of EGP11.0 billion. The Group's total assets stood at EGP105.5 billion at the end of December 2022.

Key Highlights

FY22

- ≡ As we continue to reap the fruit of our strategy which included diversified products/services and geographical presence, EFG Hermes Group reported a 77% Y-o-Y increase in revenues to reach EGP11 billion in FY22, with the consolidation of the aiBank and improvement in core operations and Holding & Treasury revenues all being the drivers;
- ≡ Group employee expenses and other G&A rose 73% Y-o-Y to EGP6.5 billion, on the consolidation of aiBank's full year's operating expenses (versus two months in FY21), higher salaries and variable portion of the employee expenses at the Investment Bank to account for non-EGP denominated pay at regional offices and inflation, and higher other G&A expenses particularly at valU which saw significant improvement in its operations and portfolio;
- ≡ Provisions & ECL reached EGP767 million, largely on the back of aiBank provision charges. Furthermore, the Investment Bank, booked provisions for its Brokerage margin book, and Private Equity legacy funds;
- ≡ Group net operating profit and Group net profit before tax, each rose 63% Y-o-Y to EGP3.7 billion and EGP3.3 billion, respectively. However, the Group net profit after tax and minority interest rose 18% Y-o-Y to EGP1.8 billion, pressured by higher tax charges particularly at the aiBank and deferred tax of EGP399 million on unrealized gains on investments/seed capital and fx-gains on the Investment Bank side;
- ≡ A resilient year for the Investment Bank with its revenues rising 58% Y-o-Y to EGP6.2 billion, driven primarily by Holding & Treasury Activities, in addition to higher revenues posted by all business lines Y-o-Y, particularly the Sell-side. Total operating expenses rose 75% Y-o-Y to EGP4.2 billion, driven largely by higher employee expense, followed by higher other G&A and ECL booked during the period;
- ≡ The Investment Bank net operating profit and net profit before tax increased 31% Y-o-Y and 28% Y-o-Y to EGP1.9 billion and EGP1.7 billion, respectively. Meanwhile, net profit after tax and minority interest inched down 4% Y-o-Y to EGP1.1 billion, mainly on higher deferred tax booked by the Holding;
- ≡ The NBFIs platform revenues rose 28% Y-o-Y to EGP2.5 billion, lifted by growth in revenues reported by all its lines of business, primarily valU. Operating expenses rose 31% Y-o-Y to EGP1.8 billion, on higher other G&A expenses, as employee expenses inched down 3% Y-o-Y and Provisions & ECL added 5% Y-o-Y. The net operating profit rose 22% to EGP785 million, while the net profit after tax and minority interest increased 30% Y-o-Y to EGP447 million;
- ≡ aiBank reported revenues of EGP2.2 billion in FY22, with net interest income accounting for 80% of the revenues. Provisions and ECL came at EGP482 million on loan book growth, provisions required by the CBE for specific client, and allocation to investments that require ECL. The Bank reported a net profit after tax of EGP515 million (of which EFG Hermes' share is EGP263 million) in FY22. Credit growth came strong, with gross loans increasing 84% Y-o-Y to EGP20.9 billion; thus Loans/Deposits ratio reached 43% at the end of the year;

For full report and financial statements, please click on the links on top of the page.

For further information:

Investor Relations Contacts

Email: investor-relations@efg-hermes.com

Group Head of IR, Budgeting and Reporting

Hanzada Nessim

Email: hnessim@efg-hermes.com

Tel: +20 (0)2 35356502

www.efg-hermes.com

Summary of Resolutions for the Board of Directors Meeting Held on 21/03/2023

Cairo, March 22nd, 2023: EFG Hermes S.A.E. Board of Directors convened on Tuesday 21/03/2023 at 9:30 a.m. (CLT) and:

1. Approved FY2022 consolidated and standalone financial statements, along with the board report and the audit report;
2. Proposed distribution of 1 bonus share for every 4 shares held to the shareholders for the year ending 31 December 2022;
3. Approved 4Q2022 Audit and Risk Committees' Reports;
4. Approved the Annual Corporate Governance Report for FY2022 issued by the Corporate Governance Committee and the Auditor's report thereon.
5. Approved the Internal Audit department's standard operational and procedures manual 2023, the department's organizational chart and the IA annual plan for the year 2023;
6. Approved the Annual AML/ CFT Report for the year 2022;
7. Delegated Mr. Karim Aly Awad Salama the Group CEO, and Mr. Mohamed Khaled Mohamed Abdel Khabir the Group CFO the authority to approve/ sign jointly or individually all corporate credit cards' related procedures of EFG Hermes Holding and its subsidiaries. Mr. Karim Aly Awad Salama and Mr. Mohamed Khaled Mohamed Abdel Khabir are entitled to delegate the aforementioned authorities in whole or in part to other officers;

8. Authorized the Chairperson to set the date as well as the agenda and invite the annual ordinary general assembly and an extra-ordinary general meeting.

For further information:

Investor Relations Department

Email: investor-relations@efg-hermes.com

Tel: +20 (0)2 35356710

Fax: +20 (0)2 3535 7017

Head of Investor Relations - Hanzada Nessim

Email: hnessim@efg-hermes.com

Tel: +20 (0)2 35356502

Fax: +20(0)2 3535 7017

www.efg-hermes.com