

EFG HERMES REPORTS FIRST QUARTER 2021

GROUP EARNINGS OF EGP292 MILLION; ON OPERATING REVENUE OF EGP1.3 BILLION

Cairo, May 19th, 2021 – EFG Hermes reports first quarter 2021, with Group earnings of EGP292 million on operating revenues of EGP1.3 billion. The Group's total assets stood at EGP41.3 billion at the end of 1Q21.

Key Highlights

1Q21

- ≡ EFG Hermes kicked off the first quarter of 2021 on strong footings; with the Group posting revenues of EGP1.3 billion, up 30% Y-o-Y; underpinned by strong revenue contribution from almost all lines of business. The NBFIs platform continued to post Q-o-Q and Y-o-Y revenues growth, while the Investment Bank revenue bounce back from 1Q20 level, which saw the initial outbreak of the Coronavirus;
- ≡ Another buoyant quarter for the NBFIs, with its revenues representing 35% of the Group's top line, and its net profits reaching 38% of the Group's profitability; its highest contribution in a single quarter. The NBFIs platform revenue grew 22% Y-o-Y to EGP441 million in 1Q21, on higher revenues generated by all its business lines. Tanmeyah reported revenues of EGP321 million, up 9% Y-o-Y, on stronger sales. valU continued to outperform, with its revenues almost tripling Y-o-Y to reach EGP56 million, on Y-o-Y portfolio expansion. Leasing and Factoring revenues rose 30% Y-o-Y and 110% Y-o-Y to EGP56 million and EGP8 million, respectively; mainly on higher arrangement fees and interest income;
- ≡ Sell-side revenues rose 29% Y-o-Y to EGP296 million in 1Q21, on the back of higher Investment Banking and Brokerage revenues. Investment Banking revenues more than doubled Y-o-Y, rising 152% to reach EGP42 million, on stronger advisory fees. Additionally, Brokerage revenues gained 20% Y-o-Y to EGP255 million, mainly on stronger revenues booked by Egypt operations and lower losses incurred by the Fixed Income desk;
- ≡ Buy-side revenues gained 22% Y-o-Y to EGP129 million in 1Q21, supported by strong Asset Management revenues. Asset Management revenue rose 62% Y-o-Y to EGP99 million in 1Q21; largely due to higher management and incentive fees reported by FIM. On the other hand, Private Equity revenues lost 34% Y-o-Y to EGP29 million over the same period; mainly as the comparable quarter included incentive fees related to Vezeeta exit;
- ≡ Capital markets & treasury revenues rose 45% Y-o-Y to EGP389 million in 1Q21, as the quarter included unrealized gains on investments and lower fx-losses which overshadowed lower interest income from Structured Products;
- ≡ Group operating expenses was broadly flat in 1Q21, down 3% Y-o-Y to EGP802 million, as the increase in employee expenses was off-set by lower loan loss provisions booked by the NBFIs platform. However, employee expenses/revenues came at 46% in 1Q21, consistent with 1Q20;
- ≡ Group net operating profit reached EGP453 million, up 234% Y-o-Y in 1Q21; while the Group net profit before tax came at EGP406 million, higher a buoyant 314% Y-o-Y; as revenues increased while expenses were largely unchanged;
- ≡ Albeit higher taxes, as the Group recorded deferred taxes in 1Q21 as opposed to deferred tax gains in the comparable quarter last year; the Group managed to post a net profit after tax and minority interest of EGP292 million, up a decent 223% Y-o-Y.

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