

Board of Directors Report on 2023 Results

1- Financial Performance Highlights:

in EGP million	4Q23	3Q23	4Q22	Q-o-Q	Y-o-Y	FY23	FY22*	Y-o-Y
Group Net Operating Revenue	4,194	2,974	4,627	41%	-9%	14,720	10,959	34%
Investment Bank	2,089	1,418	3,185	47%	-34%	8,134	6,165	32%
NBFIs	1,003	666	781	50%	28%	2,978	2,549	17%
aiBank	1,103	890	660	24%	67%	3,608	2,245	61%
Group Operating Expenses	2,794	1,974	3,076	42%	-9%	9,841	7,268	35%
Group Net Operating Profit	1,400	1,000	1,550	40%	-10%	4,880	3,691	32%
Group Net Operating Margin	33%	34%	34%			33%	34%	
Group Net Profit (Loss) After Tax & Minority Interest	814	395	806	106%	1%	2,498	1,803	39%
Investment Bank	398	189	712	110%	-44%	1,558	1,296	20%
NBFIs	226	30	14	644%	1477%	349	231	51%
aiBank	190	176	79	8%	139%	591	275	115%

* FY22 net profit were restated as a result of the Purchase Price Allocation (PPA) study (Note 35 of the consolidated financial statements)

- ≡ EFG Holding had a good year, with a 34% Y-o-Y increase in revenues to reach its highest level ever at EGP14.7 billion in FY23; lifted by the increase in revenues of EFG Hermes (The Investment Bank), in addition to the increase in revenues reported by aiBank and Valu.
- ≡ EFG Hermes (The Investment Bank) revenues increased 32% Y-o-Y to EGP8.1 billion in FY23, driven by higher Brokerage commissions particularly from Egypt, Asset Management's higher incentive fees predominately from FIM Partners, Private Equity's higher management fees, and higher unrealized gains on investments.
- ≡ Brokerage revenues increased 73% Y-o-Y to EGP3.1 billion in FY23, meanwhile Investment Banking revenues came at EGP734 million FY23 versus EGP748 million in FY22.
- ≡ Private Equity revenues increased 44% Y-o-Y to EGP246 million in FY23 on higher management fees, moreover Asset Management revenues surpassed the EGP1.0 billion mark in FY23 versus EGP553 million in FY22, driven by higher incentive and management fees booked by FIM and higher incentive fees booked by Egypt Asset Management.
- ≡ Holding & Treasury Activities revenues reached EGP3.1 billion in FY23, versus EGP2.9 billion in FY22, mainly due to the increase in the unrealized gains on investments.
- ≡ EFG Finance (NBFIs) revenues reached EGP3.0 billion in FY23 up 17% Y-o-Y, led by Valu and followed by Leasing and Factoring.
- ≡ Valu revenues increased to EGP1.2 billion in FY23, versus EGP650 million in FY22, and Factoring revenues increased 45% Y-o-Y to EGP120 million, additionally, Leasing revenues came at EGP363 million in FY23 versus EGP294 million; meanwhile Tanmeyah's revenues decreased 14% Y-o-Y to EGP1.3 billion in FY23.



- ≡ aiBank revenues increased 61% Y-o-Y to EGP3.6 billion in FY23, moreover, the bank's net profit increased to EGP1.1 billion in FY23 versus EGP528 in FY22, of which EFG Holding's share is EGP591 million in FY23 versus EGP275 million a year earlier;
- ≡ EFG Holding Group operating expenses increased 35% Y-o-Y to EGP9.8 billion, mainly on higher inflation in Egypt in addition to higher USD-denominated expenses when translated to EGP compared to last year. Employees expenses/operating revenues came at 41% in FY23;
- ≡ Group net operating profit rose 32% Y-o-Y to EGP4.9 billion in FY23, and net profit after tax and minority interest came at EGP2.5 billion in FY23, versus EGP1.8 billion in FY22;

2- Operational Performance Highlights:

- ≡ Brokerage achieved the first place on the Egyptian Stock Exchange (EGX), Dubai Financial Market (DFM) and the second place in Abu Dhabi, Kuwait, and the Kenyan markets in FY23, in addition to advanced positions in several other regional markets. Brokerage executions decreased 15% Y-o-Y to USD81.7 billion in FY23, on lower executions in some of our main markets.
- ≡ In FY23, the Investment Banking division successfully concluded 28 transactions worth an aggregate value of USD7.6 billion. The team successfully concluded 9 IPOs for: ADNOC Gas on the Abu Dhabi Securities Exchange worth USD2.5 billion, , ADES Holding Company, on the Saudi Exchange, worth USD1.2 billion, ADNOC Gas on the Abu Dhabi Securities Exchange worth USD2.5 billion, ADES Holding Company, on the Saudi Exchange, worth USD1.2 billion, ADNOC Logistics & Services on the Abu Dhabi Exchange worth USD769 million, OQ Gas Network in the Omani market, worth USD748 million, Abraj Energy Services in the Oman market worth USD 244 million, TAQA Arabia, "), Lumi Rental Company on the Tadawul exchange worth USD290 million, Al Ansari Financial Services on the Dubai Financial Market worth USD 210.5 million, Dubai Taxi Company on the Dubai Financial Market worth USD315 million. Moreover, the team executed 17 debt capital markets transactions and 2 M&A transaction.
- ≡ Egypt's Asset Management AuMs increased 38.5% Y-o-Y to EGP35.9 billion in FY23, additionally, regional AuMs managed by "Frontier Investment Management Partners (FIM)" increased 23.1% Y-o-Y to USD3.3 billion by the end of FY23.
- ≡ Private Equity AuMs reached USD673 million by the end of FY23 versus USD652 million a year earlier.
- ≡ Tanmeyah's outstanding portfolio reached EGP4.6 billion at the end of FY23, up 8% Y-o-Y. Number of issued loans during FY23 reached c.264 thousands and active borrowers reached more than 336 thousands;
- ≡ valu's outstanding portfolio increased 59% Y-o-Y to EGP6.2 billion by the end of FY23, as the number of transactions increased to 1.9 million, value of loans issued increased to EGP2.9 billion, and merchants network expanded to 6,568 merchant;
- ≡ Leasing's outstanding portfolio increased 24% Y-o-Y to EGP5.5 billion. Net Financed amounts came at EGP4.0 billion during FY23;
- ≡ Factoring's outstanding portfolio decreased 7% Y-o-Y to EGP2.4 billion by the end of December 2023. Net Financed amounts came at EGP5.5 billion during the year;

- ≡ aiBANK's gross loans increased 9% versus end of 2022 to reach EGP22.8 billion by the end of December 2023, and customer deposits increased 6% during the same period to reach EGP50.9 billion, accordingly loans/deposits ratio increased to 45% by the end of December 2023 versus 43% at the end of 2022.



Summary of Resolutions for the Board of Directors Meeting Held on 19/3/2024

Cairo, March 20th, 2024: EFG Holding Board of Directors convened on Tuesday 19/3/2024 at 12:00 p.m. (CLT) and:

1. The Board approved FY2023 consolidated and standalone financial statements, along with the board report and the audit report thereon.
2. The Board approved 4Q2023 Audit and Risk Committees Reports for EFG Holding and its subsidiaries.
3. The Board approved the Annual Corporate Governance Report for FY2023 issued by the Audit Committee and the Auditor's report thereon.
4. The Board approved the updated Corporate Governance Framework for EFG Holding and its subsidiaries.
5. The Board approved the Internal Audit Department's Standard Operational and Procedures Manual 2024, the Department's organizational chart and the IA Annual Plan for the year 2024.
6. The Board approved the Annual AML/ CFT Report for the year 2023.
7. The Board approved the amended Group AML/ CFT Policy and the Group Sanctions Policy.
8. The Board authorized the Chairperson to set the date as well as the agenda and invite the annual ordinary/extra-ordinary general assembly 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.efghldg.com

