

Board of Directors Report on 2023 Results

Financial Performance Highlights:

- ≡ 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;