

e-finance Investment Group Reports 1Q2024 Results

e-finance started the new year on a high note, with impressive double-digit growth across the Group's top and bottom-line. e-finance's revenue expanded by 49.6% y-o-y to EGP 1.1 billion, while net profit after NCI reached EGP 462.5 million, a 64.0% y-o-y expansion.

1Q2024 Financial Highlights

Revenues	Gross Profit	EBITDA	Net Profit after NCI
EGP 1,149.2 million (▲50% y-o-y)	EGP 637.1 million (▲65% y-o-y)	EGP 546.8 million (▲65% y-o-y)	EGP 462.5 million (▲64% y-o-y)

15 May 2024 – (Cairo) e-finance for Digital and Financial Investments S.A.E. ("e-finance", or the "Group", EFIG.CA on the Egyptian Exchange), a leading technology-focused investment firm in Egypt, announced today its standalone and consolidated results for the quarter ended 31 March 2024. The Group's consolidated revenues grew 49.6% y-o-y to EGP 1,149.2 million, following solid performances across its portfolio of subsidiaries. With regards to profitability, e-finance's EBITDA grew by 64.7% y-o-y to EGP 546.8 million, with an associated EBITDA margin expansion of 4.4 percentage points to 47.6% in 1Q2024. In parallel, the Group recorded a net profit after NCI of EGP 462.5 million, representing a substantial 64.0% y-o-y increase, and yielding a year-on-year net profit margin expansion of 3.5 percentage points to 40.2% during the quarter.

Summary Income Statement

(EGP mn)	1Q2024	1Q2023	Change
Total Consolidated Revenues	1,149.2	768.0	49.6%
e-finance Digital Operations	1,031.4	716.9	43.9%
eCards	103.8	62.0	67.4%
eKhales	35.4	15.9	123.2%
enable	26.2	22.9	14.7%
eAswaaq	73.4	58.5	25.5%
Intercompany Eliminations	(120.9)	(108.1)	11.9%
Cost of Sales	(512.2)	(382.9)	33.8%
Gross Profit	637.1	385.1	65.4%
Gross Profit Margin	55.4%	50.1%	5.3%
SG&A	145.7	85.4	70.7%
SG&A-to-sales (%)	12.7%	11.1%	1.6%
EBITDA	546.8	331.9	64.7%
EBITDA Margin	47.6%	43.2%	4.4%
Net Profit after NCI	462.5	281.9	64.0%
Net Profit Margin	40.2%	36.7%	3.5%

Chairman's Message

As we start a new year with stellar results, we are filled with confidence and motivation for the year ahead. Looking at our results for the first quarter in more detail, I am particularly pleased with the Group's ability to consistently achieve new milestones and deliver on its strategic objectives. As we head further into the new year, I am positive that e-finance will continue to showcase our commitment to excellence as well as leverage its dynamic and resilient business model.

During the quarter, the Group achieved a 49.6% year-on-year revenue increase to EGP 1.1 billion. The Group's solid top-line results were primarily driven by a strong performance at our flagship subsidiary e-finance Digital Operations, which continued to generate increased value from its ever-expanding cloud hosting services segment. The subsidiary's performance was further boosted by the strong expansion witnessed at its transaction-based revenue segment, with variable fee revenue in particular continuing to benefit from the ongoing expansion of digital payments adoption across various important sectors within the Egyptian economy.

On the profitability front, the Group achieved an EBITDA of EGP 546.8 million, representing a 64.7% year-on-year expansion, delivering an associated EBITDA margin expansion of 4.4 percentage points year-on-year to 47.6% during the quarter. Similarly, the Group's net profit after NCI increased by 64.0% year-on-year to EGP 462.5 million and yielded an associated 3.5 percentage point year-on-year rise in net profit margin to 40.2%. The impressive operational and bottom-line results achieved during 1Q2024 underscore our adeptness to capitalize on the Group's high margin revenue streams, alongside management's diligent and successful execution of sound investment decisions and diversification efforts.

Operationally, we continue to make great strides in positioning ourselves as the leading digital transformation enabler for financial services in Egypt's digital transformation journey. This progress is evident in our investments across various sizable and underserved sectors in Egypt, with particular emphasis on tourism, and agriculture. We take great pride in our accomplishments within the tourism sector, which have proven advantageous for both the Group and the country. Egypt is currently experiencing robust growth in the tourism sector, with increased tourist arrivals and elevated ticket prices due to inflation contributing to this momentum. Capitalizing on this growth trajectory in the tourism sector remains a key aspect of our Group's strategy. Egypt's sustained efforts in tourism development have yielded a remarkable 27% year-on-year increase in visitor numbers during 1Q2024, with projections pointing to further growth in the year ahead, which will in turn benefit e-finance and expand the use of the Group's infrastructure.

Meanwhile, e-Tax continues its impressive performance, consistently exceeding both revenue and profit targets. Building on its past achievements, the company is exploring the prospect of distributing dividends in the foreseeable future, marking a significant milestone. In recent years, our investment in e-Tax has been instrumental in driving growth in cloud revenue and is anticipated to play an even larger role in e-finance's overall revenue expansion moving forward.

Our commitment to the agriculture sector remains steadfast, with ongoing efforts aimed at its development. On that front, the fertilizer distribution contract has reached full operational capacity as of 1Q2024, with the activation of the farmer card as the exclusive method for accessing subsidized fertilizers. This transition is anticipated to drive substantial growth in our card management revenue in the coming year. Our strategic focus on the agriculture sector aligns closely with the Ministry of Agriculture's overarching objective of digitizing and regulating subsidized fertilizer distribution, ultimately aiming to eradicate corrupt practices such as hoarding and price manipulation.

Similarly, our diverse portfolio of investments continues to yield promising results, growing increasingly lucrative with each passing year. Looking ahead, we anticipate robust returns from MTS, e-Serve, and several other investments during the second quarter, bolstering the Group's overall profitability through heightened investment income. Concurrently, our investment strategy remains focused on expanding our presence in the payments sector. Toward this objective, we are in the final stages of two strategic investments in strategic companies. Upon completion, these investments are poised to

offer additional avenues for delivering value-added services to our clients, solidifying our leading position in Egypt's digital payments landscape.

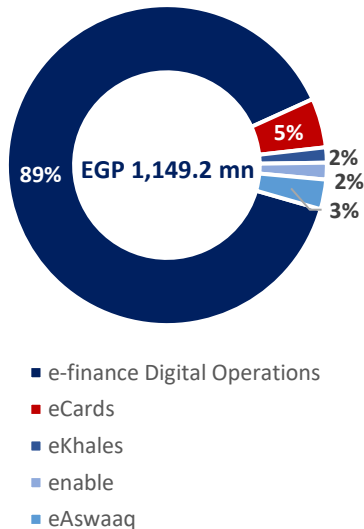
The customs sector is an area that has been deeply suppressed in recent years due to the import restrictions imposed by the Central Bank of Egypt. However, with the gradual easing of these restrictions over the past year, the customs sector has begun to show signs of revitalization. By the end of 1Q2024, we observed promising indications of a strong recovery. Factors contributing to this resurgence include the adoption of a more flexible exchange rate regime, increased availability of foreign currency, and government initiatives aimed at clearing the existing import backlog. As a result, these factors are driving an increase in throughput volumes being processed and will play an integral role in the Group's growth in 2024. Consequently, the customs sector presents a compelling opportunity for untapped growth potential in the foreseeable future.

The first quarter results serve as a testament to the Group's solid track record, resilient business model, and the exceptional talent within our organization. Through our broad network of partnerships, innovative solutions, and strong business model, we are strategically positioned to seize opportunities and propel growth. Looking ahead, we are enthusiastic about the prospects awaiting us, and I remain optimistic about our future trajectory.

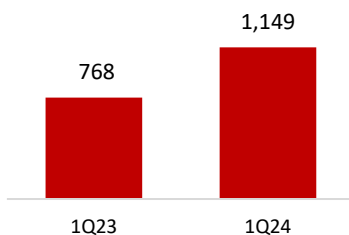
Ibrahim Sarhan

Chairman of the Board

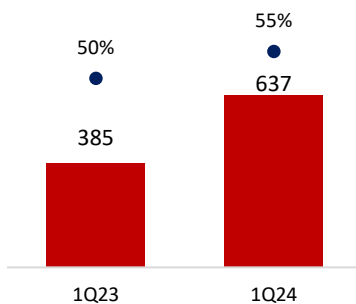
Group Revenue Breakdown (1Q2024)



Consolidated Revenue (EGP mn)



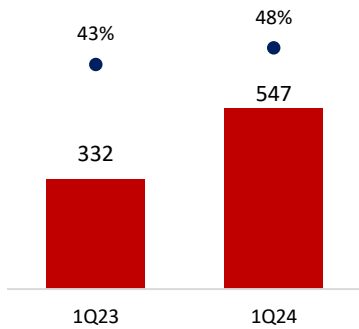
Gross Profit and Margin (EGP mn | %)



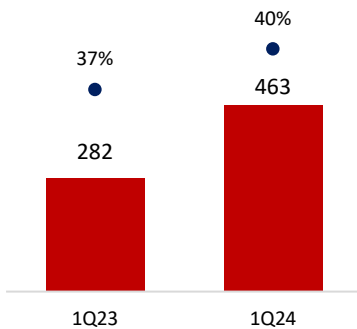
Consolidated Financial Performance

- e-finance reported a 49.6% y-o-y increase in its consolidated revenues during 1Q2024 to EGP 1,149.2 million. Top-line growth for the quarter was driven by broad-based growth across the Group’s subsidiaries. On that front, e-finance Digital Operations was the primary revenue growth driver, with solid increases in transaction revenue and cloud hosting revenue in 1Q2024. Revenue growth was further supported by strong contributions from eCards, eAswaaq, eKhales, and enable.
- e-finance Digital Operations** accounted for the lion’s share of the Group’s revenues in 1Q2024 with a contribution of 89% at the close of the quarter. The subsidiary delivered a revenue increase of 43.8% y-o-y to EGP 1,027.9 million after inter-company eliminations in 1Q2024 following solid results across its cloud hosting services, its transaction revenue, and its build & operate services. Cloud hosting revenue increased by 77.9% y-o-y to EGP 369.3 million in 1Q2024. In parallel, transaction revenue rose by 32.3% y-o-y to EGP 432.3 million on the back of a 40.2% y-o-y increase in variable fee revenues to EGP 274.1 million, as well as a 20.7% y-o-y expansion in fixed fee revenues to EGP 158.2 million in 1Q2024. Similarly, the subsidiary’s build & operate segment recorded a 3.9% y-o-y increase in revenue to EGP 180.9 million during the quarter.
- Revenue after inter-company eliminations at **eCards** increased by 116.8% y-o-y to EGP 53.6 million in 1Q2024. Top-line growth was driven by a significant 59.0% y-o-y increase in card management revenue to EGP 40.0 million.
- eKhales** reported a 70.9% y-o-y rise in its post-elimination revenue to EGP 18.5 million in 1Q2024, on the back of higher transaction volumes and an increase in the ticket sizes of the processed transactions.
- At **enable**, post-elimination revenue grew by 65.3% y-o-y in 1Q2024 to EGP 19.1 million, driven by broad-based revenue growth across all outsourcing services.
- eAswaaq’s** revenue expanded by 382.4% y-o-y after inter-company eliminations and stood at EGP 30.1 million in 1Q2024. This was driven by the growing revenue generated from its digital platforms and applications across tourism, ecommerce, and digital lending platform.
- Consolidated **gross profit** rose by 65.4% y-o-y to EGP 637.1 million in 1Q2024, delivering an associated year-on-year GPM expansion of 5.3 percentage points to 55.4% at the close of the quarter. Enhanced profitability for the three-month period was driven by the Group’s higher margin lines of business.
- Selling, general and administrative (SG&A) expenses** increased by 70.7% y-o-y in 1Q2024, reaching EGP 145.7 million at the close of the

EBITDA and Margin
(EGP mn | %)



Net Profit and Margin
(EGP mn | %)



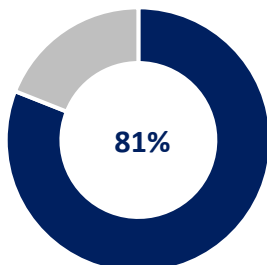
quarter. This rise came mostly on the back of a 73.6% y-o-y increase in G&A costs primarily as a result of adjustments in labor and maintenance costs to accommodate inflationary pressures. Meanwhile, selling and marketing expenses rose by 71.1% to EGP 13.1 million in 1Q2024, further augmenting the year-on-year increase in SG&A costs. Following the year-on-year increase in SG&A expenses during 1Q2024, SG&A expenses came in at 12.7% of consolidated revenues during the quarter compared to 11.1% in 1Q2023.

- **EBITDA** expanded by 64.7% y-o-y to EGP 546.8 million in 1Q2024, yielding an associated year-on-year EBITDA margin expansion of 4.4 percentage points to 47.6% during the quarter.
- e-finance’s **net profit after NCI** witnessed a 64.0% y-o-y increase to EGP 462.5 million in 1Q2024, delivering a year-on-year NPM expansion of 3.5 percentage points to 40.2% at the close of the quarter. The Group’s stellar bottom-line results during the year were primarily driven by increased value generated from higher margin revenue streams and was further boosted by a 5.5x rise in investment income, which booked EGP 102 million in 1Q2024. Nonetheless, interest income came in at EGP 103 million, down 24.7% y-o-y, due to the reallocation of cash into alternative investments with higher returns. This reflects an effective annualized interest yield of 19.1% while the alternative investments returned 21.1% in a single quarter.

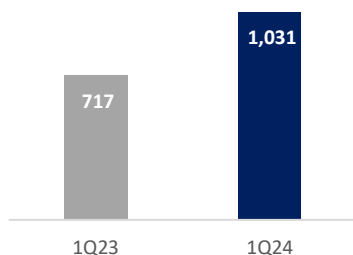
Balance Sheet Highlights

- e-finance's **total assets** stood at EGP 8,257 million as at 31 March 2024, versus the EGP 7,635 million booked at year-end 2023. The Group deployed CAPEX of EGP 54.7 million (+4.4% y-o-y) as of 31 March 2024.
- The Group's **net cash position** stood at EGP 1,909 million as at 31 March 2024, down from EGP 2,125 million as at year-end 2023. The Group's strong liquidity position allows it to phase its investment plan in line with prevailing market conditions.
- Total controlling shareholder's **equity** stood at EGP 5,542 million as at 31 March 2024, up from the EGP 5,482 million reported at the close of FY2023.
- e-finance's **cash conversion cycle** stood at 110 days in 1Q2024, up from the 84 days reported in FY2023, and primarily driven by slightly higher receivables days (+2 days), and lower payables days (-29 days), as the Group expedited prepayments to hedge the anticipated EGP devaluation during 1Q2024.
- During 1Q2024, e-finance revalued its investments as fair value through OCI to EGP 1,341 million, up from EGP 1,074 million in the comparable period, reflecting the repricing to these investments amid the current macroeconomic backdrop.

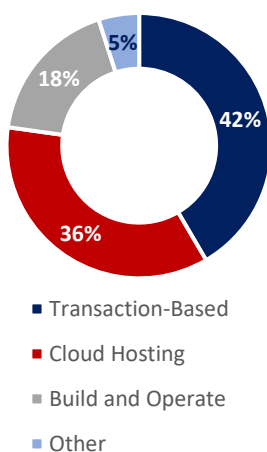
e-finance Digital Operations Contribution to Group Revenues - Pre-Elimination - 1Q2024



e-finance Digital Operations Revenue - Pre-Elimination (EGP mn)



e-finance Digital Operations Revenue Breakdown - Pre-Elimination 1Q2024



Portfolio Performance¹

e-finance Digital Operations

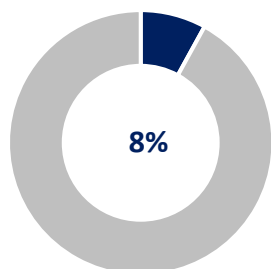
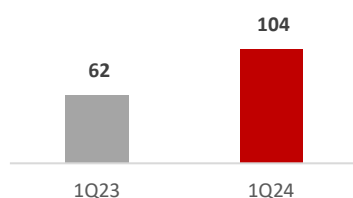
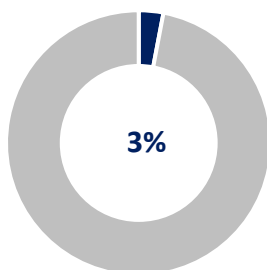
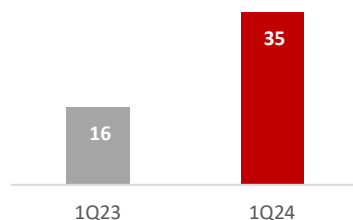
EGP million (unless otherwise stated)	1Q2024	1Q2023	Change %
Total Revenues	1,031.4	716.9	43.9%
Transaction	432.3	326.7	32.3%
Fixed Fee TRX	158.2	131.1	20.7%
Variable Fee TRX	274.1	195.6	40.2%
Build and Operate	180.9	174.1	3.9%
Cloud Hosting	369.3	207.6	77.9%
Other	48.9	8.5	478.1%
Operational KPIs			
Fixed-Fee Transactions Processed (millions)	60.9	72.7	-16.2%
Variable-Fee Transactions, Total Value Processed (EGP billion)	301.8	255.0	18.4%

e-finance Digital Operations is e-finance Investment Group's flagship subsidiary. The subsidiary utilizes a fully integrated system of end-to-end payment infrastructure to develop and operate financial networks and to provide government, businesses, and consumers with a broad and innovative suite of digital products.

e-finance Digital Operations booked 43.9% y-o-y revenue increase to EGP 1,031.4 million in 1Q2024. Revenue expansion was driven by broad-based growth across all of the subsidiary's business lines. Cloud hosting revenue was up 77.9% y-o-y reaching EGP 369.3 million in 1Q2024. During the quarter, cloud hosting revenue contributed 36% of the subsidiary's revenue, up from 29.0% in 1Q2023.

The subsidiary's transaction revenue increased by 32.3% y-o-y in 1Q2024 and stood at EGP 432.3 million at the close of the quarter. Top-line expansion was driven by a 40.2% y-o-y increase in revenue from variable-fee transactions, as well as a 20.7% y-o-y rise in revenue from fixed-fee transactions. Revenue growth from variable-fee transactions came on the back of an increase in the volume of transactions processed, most notably from tourism ticketing transactions, on the back of the overall increase in tourist traffic across Egypt to over 3.7 million visitors during the first quarter of 2024, in addition to the rise in the number of touristic sites served by the subsidiary's digital ticketing services, which reached 76 sites in 1Q2024. Additionally, growth was further boosted by customs processing revenue, which started its recovery towards the end of the first quarter and is expected to continue this trend as the country's import backlog gets cleared over the coming period. It is worth noting that the overall throughput of variable fee transactions rose by 18.4% y-o-y to EGP 301.8 billion in 1Q2024. Meanwhile, the rise in fixed-fee revenue, which came despite the decline in the volume of fixed-fee transactions processed, was driven by a

¹ Unless otherwise stated, figures discussed in this section are presented before intercompany eliminations. The revenue figures presented in this section are revenues calculated prior to intercompany eliminations.

eCards Contribution to Group Revenues - Pre-Elimination - 1Q2024

eCards Revenue - Pre-Elimination (EGP mn)

eKhales Contribution to Group Revenues - Pre-Elimination - 1Q2024

eKhales Revenue - Pre-Elimination (EGP mn)


combination of price increases for some of the subsidiary's government fixed-fee contracts, higher tax declaration revenues during the quarter, and revenue associated with the newly set-up fertilizer distribution contract. In parallel, the subsidiary's build & operate revenue expanded by 3.9% y-o-y to EGP 180.9 million in 1Q2024 on the back of newly acquired projects.

eCards

EGP million (unless otherwise stated)	1Q2024	1Q2023	Change %
Total Revenues	103.8	62.0	67.4%
Card Production	56.1	36.8	52.4%
Card Management Service	40.0	25.1	59.0%
Other	7.7	-	-
Operational KPIs			
Card Production (mn)	1.3	0.9	38.3%
Cards Managed (mn)	6.7	6.3	7.2%

eCards is the Group's subsidiary dedicated towards primary offerings of card production services, chip embedding and personalization, card management and processing, third-party provider services (TPP) for various financial institutions, as well as enabling the development of smart solutions.

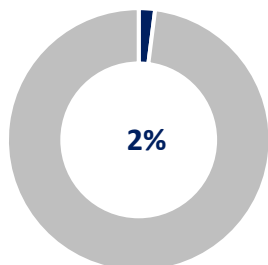
eCards' revenue was up 67.4% y-o-y to EGP 103.8 million in 1Q2024 on the back of the 52.4% and 59.0% y-o-y revenue increases witnessed at the subsidiary's card production and card management services, respectively. The increase in revenue from card production was mostly driven by a 38.3% y-o-y increase in the number of cards produced during the three-month period. Similarly, card management revenue rose following the 7.2% y-o-y increase in the number of cards managed, the uptick in the use of farmer cards as a result of the fertilizer distribution mandate, and the effect price increases for some services which took place in 2023.

eKhales

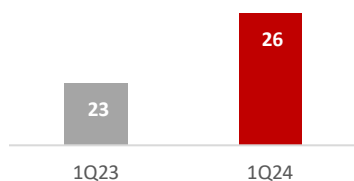
EGP million (unless otherwise stated)	1Q2024	1Q2023	Change %
Total Revenues	35.4	15.9	123.2%
Operational KPIs			
POS Terminal Network (000's)	523.6	488.5	7.2%
Transactions Aggregated (millions)	21.7	17.2	26.2%

eKhales provides a central bill processing hub for retail partners through a nationwide network of POS machines. eKhales offers a digital payment solution that eases the payment and collection process for consumers, while providing merchants with a suite of value-added digital services.

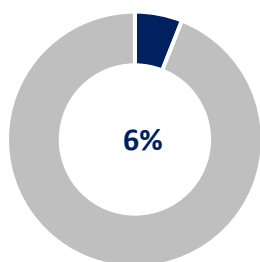
enable Contribution to Group Revenues - Pre-Elimination - 1Q2024



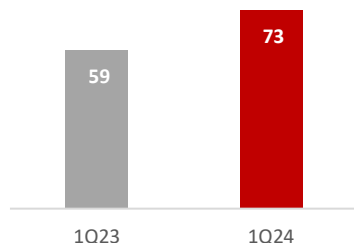
enable Revenue - Pre-Elimination (EGP mn)



eAswaaq Contribution to Group Revenues - Pre-Elimination - 1Q2024



eAswaaq Revenue - Pre-Elimination (EGP mn)



eKhales booked EGP 35.4 million in revenue, up 123.2% y-o-y in 1Q2024 as the subsidiary's POS terminal network grew 7.2% y-o-y to 523.6 million, up from 488.5 million in 1Q2023. Top-line expansion was further boosted by the 26.2% y-o-y increase in the number of transactions aggregated from 17.2 million transactions in 1Q2023 to 21.7 million transactions in 1Q2024.

enable

EGP million (unless otherwise stated)	1Q2024	1Q2023	Change %
Total Revenues	26.2	22.9	14.7%
Operational KPIs			
Customers Served (#)	57	53	7.5%
Number of Seats (#)	1,017	1,000	1.7%

enable is a business process outsourcing (BPO) service provider. The subsidiary focuses on supporting e-finance's wide customer base. enable is the preferred service provider for a broad range of Egyptian and international entities, offering solutions which range from HR and IT process outsourcing to full contact center services.

enable's top-line expanded by 14.7% y-o-y to EGP 26.2 million in 1Q2024 following greater value generation across its growing, IT, HR, and full outsourcing businesses.

eAswaaq

EGP million (unless otherwise stated)	1Q2024	1Q2023	Change %
Total Revenues	73.4	58.5	25.5%

eAswaaq is a multi-platform e-commerce operator. The subsidiary establishes, manages, and operates platforms that digitize traditional business processes through a wide array of end-to-end solutions connecting buyers and sellers, while providing value-added services including access to financial and logistical services.

eAswaaq reported a 25.5% y-o-y revenue increase to EGP 73.4 million in 1Q2024. This was driven by the growing revenue generated from its digital platforms and applications across tourism and ecommerce, as well as its digital lending platform.

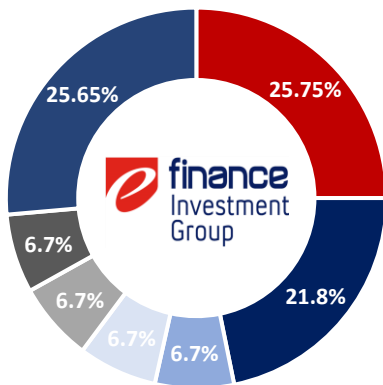
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About e-finance for Digital and Financial Investments

e-finance Investment Group is a homegrown developer of digital payments infrastructures that was established in 2005 to develop the Government of Egypt’s financial network. Over the course of nearly two decades, the Group has penetrated all corners of Egypt’s digital market and transformed itself into a leading technology-focused investment firm. With a dynamic business model and a flexible organizational structure, e-finance is able to focus on multiple target markets through its subsidiaries and maximize its ability to unlock value in the digital payments space. The Group boasts a portfolio of subsidiaries that has enabled e-finance’s growth across multiple markets, unlocked synergies across its business lines, and enabled digital transformation for various strategic sectors throughout the nation to support the development of Egypt’s digital economy and drive towards financial inclusion. Learn more at efinanceinvestment.com.

Shareholder Structure

As of 31 March 2024



- Saudi Egyptian Investment Company
- National Investment Bank
- Banque Misr
- National Bank of Egypt
- Egyptian Banks Company
- Egyptian Co. for Investment Projects
- Other

SHARE INFORMATION

EFIH.CA on the EGX

Number of Shares	1,848,888,889
Par Value / Share (EGP)	0.5
Paid-in Capital	EGP 924,444,444

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