



FUELING SYNERGIES



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As the firm expands its offering, it works to maintain a laser-sharp focus on how the businesses under its umbrella work together. By fueling synergies, the firm is enhancing its cross-selling abilities, growing its revenue streams, and offering clients best-in-class end-to-end financial solutions.

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EFG HERMES HOLDING AT A GLANCE

Boasting a remarkable track record of over 39 years, EFG Hermes Holding continues to be the leading partner of choice for regional and global clientele through its roster of financial offerings and solutions that unlock access to the markets' most compelling prospects. Over the years, the Firm has successfully transformed its business model to become a full-fledged, impact-driven universal bank in Egypt, boasting the leading investment bank arm in Frontier and Emerging Markets [FEM]. With an expansive on-the-ground presence spanning 14 countries across four continents, and three fast-growing verticals, EFG Hermes Holding leverages its deep-rooted understanding of the markets where it operates and the unique synergies inherent in its business model to unlock value-accretive opportunities for clients across its footprint.

Operational Footprint

EFG Hermes Holding leverages its three diverse verticals — the Investment Bank, Non-Bank Financial Institutions [NBFI] Platform, and the Commercial Bank — to bring to market unique financial products and services that support its clients — individuals from all walks of life and businesses of all sizes — in every stage of their growth and development. 2022 saw the Firm deliver a strong performance across all its platforms despite the challenging macroeconomic environment.

The Investment Bank

Securities Brokerage

EFG Hermes Securities Brokerage, the MENA region's premier brokerage house, offers its clients a wide range of innovative and tailored products and services, secure multi-platform trading tools, market intelligence and insights, and unparalleled execution capabilities, ensuring maximum generated returns tailored to different investor preferences and risk profiles. The division boasts an expansive four-continent presence across the MENA region and FEM. It operates in countries including



Egypt, Kuwait, the UAE, Saudi Arabia, Oman, Jordan, Pakistan, Kenya, Nigeria, and Bangladesh, along with US and UK representative offices.

In 2022, and despite the macroeconomic volatility on the back of rising interest rates and inflationary pressures, EFG Hermes' Brokerage division delivered a strong performance across its core markets of operations. As a result, the division witnessed an expansion in traded volumes across most regions during the year and substantial growth in its market share across the board. The Brokerage division managed to successfully sustain its first-place position on the Egyptian Exchange [EGX], the Dubai Financial Market [DFM], and Kenya's Nairobi Securities Exchange [NSE]. It also fortified its second-place ranking in Abu Dhabi and Kuwait, while coming in fifth in Nigeria and Oman and sixth in Saudi Arabia.

Investment Banking

EFG Hermes' Investment Banking division has rapidly grown to become the partner of choice for clients and partners, as it continues to offer unrivaled advisory

capacities in the mergers and acquisitions [M&A], debt [DCM], and equity capital market [ECM] spaces. The division leverages its extensive market know-how and a wide network of MENA clients to bring to market compelling opportunities, carrying out the majority of the largest, most prominent transactions in the region.

Throughout 2022, the division successfully concluded advisory on 32 ECM, DCM, and M&A transactions across its footprint, with an aggregate value of over USD 14.3 billion.

Research

EFG Hermes' award-winning Research division unlocks in-depth insights into the region's most promising and compelling companies, markets, sectors, and economies, allowing clients to make informed financial and investment decisions that match their objectives. The division offers unrivaled equity, macro, strategy, and index research, anchored by industry professionals and an expansive footprint in Egypt, the UAE, Pakistan, Kenya, Nigeria, Saudi Arabia, Oman, and the UK.

Currently, the division provides market intelligence and insights on 338 stocks under coverage in 10 sectors across 25 countries.

Asset Management

EFG Hermes' Asset Management division offers its client base a wide range of mutual funds and discretionary portfolios with both country-specific and regional mandates, including equity, money market, fixed income, indexed, and Sharia- and UCTIS-compliant mandates.

By the end of 2022, the division's assets under management [AUM] in Egypt stood at EGP 25.9 billion, while regional AUM from the Firm's regional arm, Frontier Investment Management [FIM] Partners, grew to record USD 2.7 billion.

Private Equity

EFG Hermes' Private Equity platform drives value-accretive investments in strategic and impactful sectors by providing rapid and flexible investment capital. As a long-term impact investor, the division invests in businesses

operating in key industries, including renewable energy, education, and healthcare, that generate lucrative financial returns and create social and environmental impacts.

The division's investments in the infrastructure landscape are managed through the flagship Vortex Energy platform, which was established in 2014 as part and parcel of the Firm's efforts to ramp up its investments in the global renewables space and work toward a net zero future.

In the education field, EFG Hermes' Egypt Education Platform (EEP) is a USD 150 million investment fund established in 2018 as part of a USD 300 million education platform in collaboration with Dubai-based education provider GEMS Education.

Rx Healthcare Management was established to manage healthcare investments that serve the rapidly-growing sector and the region's high demand for healthcare solutions.

Non-Bank Financial Institutions

Tanmeyah

Tanmeyah for Microenterprise Services, a subsidiary of EFG Hermes Holding, is the leading company in providing a range of microfinance solutions in Egypt. Tanmeyah was established in 2009 and, since its inception, has grown to become one of the leading entities in the field of working capital financing for owners of low-income generating projects. Tanmeyah offers a broad spectrum of financial solutions targeted at governorates where business owners typically lack access to finance from conventional banks, which is part of its goal to promote financial inclusion in Egypt and serve as a growth engine for enterprises to bolster the development of its surrounding communities.

By the end of 2022, Tanmeyah recorded an outstanding portfolio value of EGP 4.3 billion and a total client base of 378,645 active borrowers.

EFG Hermes Corp-Solutions

EFG Hermes Corp-Solutions was launched in 2020 as a consolidated entity representing the Group's factoring and leasing businesses. As a constituent part of the NBFI platform, the entity offers its clients a comprehensive

suite of innovative leasing and factoring tools and advisory services — a one-stop shop financial enabler of business growth and development supporting small, medium, and large corporates.

At the end of 2022, EFG Hermes Corp-Solutions registered an aggregate value of leasing and factoring bookings amounting to EGP 9.6 billion versus the EGP 8 billion booked at year-end 2021.

valU

Launched at the end of 2017 as a Buy-Now, Pay-Later (BNPL) provider, valU today has grown to become the MENA region's leading lifestyle-enabling fintech platform. A fundamental element of EFG Hermes Holding's wider strategy to diversify its product base and provide nationwide financial solutions through digital intermediation, valU has transformed throughout the years to become a key player in the regional fintech ecosystem and promoter of financial inclusion. As a BNPL provider, valU offers convenient and inclusive financing plans from 3 to 60 months through over 3,600 retail partners and service providers, as well as over 1,000 e-commerce platforms covering various categories, including home appliances, electronics, home finishing, furniture, residential solar solutions, healthcare, education, travel, F&B, oil and gas, fashion, used cars, and more. In 2022, valU redesigned its service and product offering universe, setting the foundation for the Firm to market new and innovative solutions beyond BNPL services. With this new strategy in motion, valU will reposition itself in 2023 to become a comprehensive platform offering its clients various intelligent financial services.

In 2022, valU recorded 568,000 app customers and over one million transactions completed through its app.

PayTabs Egypt

Established in Saudi Arabia in 2014, PayTabs is an award-winning payment processing powerhouse with an expansive presence spanning 10 markets. In 2019, EFG Hermes Holding partnered with the fintech player PayTabs to launch PayTabs Egypt — a formidable digital payments platform and an integral part of the Firm's NBFI platform. Over the years, PayTabs Egypt has significantly contributed to the nation's directives for financial inclusion and digital transformation by becoming the leading online payment



gateway for a wide range of consumer segments and businesses across key industries. Today, PayTabs Egypt offers seamless digital payment solutions for corporates, SMEs, startups, and freelancers.

PayTabs concluded 2022, having registered a base of over 2,000 merchants and over 1.5 million transactions completed through its platform.

EFG EV Fintech

Established in 2017 as a joint venture between EFG Hermes Holding's wholly owned subsidiary, EFG Finance, and government-backed venture capital fund, Egypt Ventures, EFG EV Fintech is Egypt's flagship boutique micro-VC arm that supports innovative and strategic fintech companies from start to finish. The company boasts the country's largest fintech portfolio, with prominent companies operating in key sectors, including insurance-tech, regulatory-tech, agri-fintech, digital and open banking, and SME lending.

In 2022, EFG EV Fintech successfully managed to carry out several landmark transactions during the year, including its exit from tech-led business-to-business [B2B] platform Fatuра and HR platform Paynas, by capitalizing on the synergistic prospects between its own entity and other arms within the Firm's NBFI platform.

Bedaya

Established in 2019 as a joint venture between Talaat Mostafa Group [TMG], Ghabbour Capital [GB Capital], and EFG Hermes' NBFI platform, Bedaya Mortgage Finance [Bedaya] is one of Egypt's leading providers of non-bank digitalized mortgage financing solutions, with its offerings spanning residential, commercial, and administrative real estate properties. Its innovative mortgage financing solutions are powered by technology and well-rounded industry acumen, ensuring the fastest turnaround and the best quality of service in the market.

By the end of 2022, Bedaya recorded a substantial hike in portfolio value and number of clients served — a Y-o-Y increase of 206% and 379% versus the end of 2021, respectively.

Kaf

Founded in 2020 following the acquisition of Tokio Marine Egypt Family Takaful by EFG Finance and GB Capital, Kaf has grown into a tech-enabled insurance brand in Egypt, delivering innovative and impactful insurance solutions

that drive value for individuals and businesses in the life and savings arenas. Kaf aims to make insurance products more accessible to the wider Egyptian population, creating social and community value through insurance products backed by a trusted digital platform.

2022 saw Kaf become the first Egyptian company to officially transition from takaful insurance to commercial insurance, to expand its customer base and shift focus to more disruptive solutions that upscale the insurance sector. By the end of the year, the company recorded 2 million lives insured compared to 78,000 in 2020 pre-acquisition.

Commercial Banking

aiBANK

As part of its strategy to promote access to responsible financial solutions across the country, EFG Hermes Holding concluded the acquisition of aiBANK alongside the Sovereign Fund of Egypt [TSFE] in 2021. The acquisition marked EFG Hermes Holding's strategic entry into Egypt's ever-expanding commercial banking sector. It kick-started the Group's transformation into a universal bank in Egypt that offers its clients a holistic suite of financial services.

Since its acquisition, aiBANK has embarked on a transformation journey to become Egypt's only boutique bank with a unique focus on people, entrepreneurs, and businesses driving change across the market. Through a relentless commitment to customer-centricity, the bank aims to offer market-leading retail, corporate and Islamic banking, in addition to treasury and investment services tailored to consumers and businesses of all sizes.

In 2022, aiBANK achieved growth across all its business segments, recording an increase in newly banked customers and organic growth from its existing customer base. By the end of the year, the bank registered total net loans amounting to EGP 19.3 billion.



With an expansive on-the-ground presence spanning 14 countries across four continents, and three fast-growing verticals, EFG Hermes Holding leverages its deep-rooted understanding of the markets where it operates



STRATEGIC DIRECTION

14

countries in our geographic footprint

75

MENA and frontier emerging markets in our coverage



EFG Hermes Holding continues to broaden its bespoke offering across its geographical footprint through its three key verticals.

CHAIRPERSON'S FOREWORD



Despite the global headwinds witnessed in 2022, I reflect on the year with nothing but immense pride. EFG Hermes Holding achieved major milestones on a Group-wide scale, delivering outstanding financial and operational results across its core operations and lines of business and creating meaningful impact across its geographical footprint — a testament to the relentless efforts of our teams and the effectiveness of our adapted strategies.

Following our acquisition of aiBANK in 2021, EFG Hermes Holding transformed into a universal bank in Egypt and a provider of a full spectrum of bespoke financial services. During 2022, we continued to see the Group's verticals — the leading investment bank franchise, the non-bank financial institutions (NBFI) platform, and the commercial bank — demonstrate resilience and stability amid global macroeconomic volatility and come together to offer synergistic, value-add offerings that had the power to transform individual lives, grow businesses, and enact wider economic and market change throughout our footprint. 2022 saw a multitude of cross-selling partnerships between our different products, our lines of business, and our teams, with an eye toward providing our clients with access to end-to-end finance and investment prospects across the markets in which we operate — proof positive of how synergies are and will remain the focal point of EFG Hermes Holding's business model.

The investment bank continues to outperform across its operational footprint. On the sell side of the business, the Investment Banking division continued to advise on the largest, most prominent ECM, DCM, and M&A transactions in 2022, particularly in the GCC as the region witnessed favorable investor sentiment following the surge in oil prices witnessed during the year. The division advised on a multitude of landmark transactions in the GCC, including Americana International Restaurants' dual listing between the Abu Dhabi Securities Exchange

(ADX) and the Saudi Exchange, Taaleem's IPO on the DFM, Riyadh Cables' IPO on the Saudi Exchange, and Borouge plc's IPO on the ADX, among others. I am also happy to say that the division expanded its capacities to Kuwait, advising on Ali Alghanim and Sons Automotive Company's private placement ahead of its IPO on Boursa Kuwait, marking the first IPO on the Kuwaiti exchange since 2020. These transactions perfectly align with our strategy to bring to market quality investment prospects that are strategic and value-accretive for local and global investors alike. Similarly, the Brokerage division continues to drive growth for the Group, sustaining its leading positions across its markets of operations. In 2022, the division successfully ranked first on the Egyptian Exchange (EGX) and the Dubai Financial Market (DFM) and second in Abu Dhabi and in Kuwait. On the buy side of the business, the Private Equity division continues to drive investments in the renewable energy, healthcare, and education sectors, sustaining its position as a long-term impact investor across key industries. Building on its successful acquisition of Spain-based Ignis Energy Holdings

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in 2021, our renewables-focused platform Vortex Energy continued to ramp up its investments in Ignis, helping the integrated renewables player boost its capacities and capture a large share of demand for alternative energy solutions in the European region. As we gear up for 2023, Vortex Energy looks to venture into more fields, including energy storage and electrical vehicle (EV) charging, as it continues to lay the foundation for the transition toward clean energy and a net-zero future.

I am also pleased with the exceptional performance of our flagship NBFI platform, which continues to unlock access to finance through its comprehensive suite of offerings, including consumer financing through valU, microfinance through Tanmeyah, leasing and factoring through EFG Hermes Corp-Solutions, insurance through Kaf, e-payments through PayTabs Egypt, and mortgage finance through Bedaya. 2022 saw the various entities under our NBFI umbrella come together seamlessly to help Egyptians of all income levels build the lives they want to live and alleviate their financial burdens, in

addition to helping businesses of all sizes deliver on their growth and expansion plans.

Our third vertical, the commercial bank, continues to play a pivotal role in providing retail banking services to individual clients and corporate debt services to a wide range of institutional clients. During 2022, aiBANK was successful in providing financing for clients of both valU and used vehicles marketplace Sylindr, in addition to acting as the lender on EFG Hermes Corp-Solutions' debt arrangement for MARAKEZ, as part of the latter's financing package for its flagship Mall of Arabia. Going forward, I am confident that our acquisition of aiBANK will unlock more synergistic prospects across the Group.

While I am very proud of the tremendous success witnessed across the Group's operational footprint this year, I am equally proud of our ability to uphold our commitment and responsibility toward the sustainable development of the community in which we live and work, as we continue to contribute to the improvement of Egypt's underserved



It is our agility that enables us to effectively combat volatility and persevere even during the most testing times.

governorates. In 2022 alone, the EFG Hermes Foundation signed an MoU with the Ministry of Social Solidarity to take part in the Haya Karima initiative, a presidential initiative that aims to alleviate burdens on citizens in rural communities and urban slums, enhancing their quality of life through a set of initiatives that cover services, development, and production activities. Through this MoU, we have collaboratively begun rehabilitating 26 houses in the area of Al-Deir, Esna, in the Luxor governorate. Additionally, the Group came together with aiBANK to sponsor and support the National Initiative for Green Smart Projects in Egypt — a program that fell in line with the principles that were presented at COP27 — in efforts to achieve sustainable development as part of Egypt's Vision 2030. The Foundation also partnered with the Ministry of Education and Technical Education to transition over 100 Schools in Luxor and Aswan to clean solar energy. These accomplishments are a culmination of our efforts to create deep impact across our community, underscoring the importance of responsible financing and how much we value ESG frameworks within our organization.

Going into 2023, and while global market conditions remain difficult, I am confident in our ability to continue withstanding and rising above the challenges that come our way. It is our agility that enables us to effectively combat volatility and persevere even during the most testing times. We will continue capitalizing on our track record and the unparalleled capabilities of our teams to sustain our ironclad position as the leading financial services institution in Frontier and Emerging Markets (FEM), continuously providing the market with the most compelling opportunities that create value across the board.

Mona Zulficar

Non-Executive Chairperson
EFG Hermes Holding



A NOTE FROM OUR GROUP CEO



2022 was a year rife with external challenges for us as a Firm and the world over. The easing of pandemic-related constraints, the Russia-Ukraine war, inflationary pressures, and subsequent monetary tightening were just some of the factors shaping the global macro environment and, in turn, impacting the geographies in which we operate. While GCC jurisdictions benefited from a high oil cycle and a boom in economic activity, our offices in non-oil-producing countries were less immune to the unfavorable global environment. Despite the challenges, we ended the year with a solid set of results and reported successes across numerous metrics backed by prudent balance sheet management and the solid operational performance of many of our divisions.

In saying this, we must consistently look inwardly at the work we still must do on all fronts to meet the expectations of our stakeholders. As we brace for the challenges ahead with the knowhow of the year that just ended under our belts, we're entering 2023 with a more dynamic approach that will allow us to adapt to externalities while remaining committed to a vision and execution strategy guided by our 6Ps: People, Positioning, Presence, Products, Profitability, and Public Responsibility.

Key to this will be supporting expansions that yield long-term results while, at the same time, optimizing our service portfolio to conserve capital and lean out expenses to increase our efficiency metrics. Although we will not be expanding our physical presence in the year ahead, we will continue to focus on growing our positioning and businesses outside Egypt. We remain extremely bullish on growth prospects in the GCC and will focus further on our three key markets of the UAE, Saudi Arabia, and Kuwait as we diversify our revenue base in 2023. In Egypt, cross-selling will become the theme for 2023 as we serve our corporate and retail client base with a growing product suite that includes commercial banking, BNPL services, leasing, advisory, and brokerage, among others. This increased cross-selling should also improve our profitability — the lynchpin of our performance metrics considering the trickle-down impact on our entire stakeholder base.

At the same time, making returns without compromising our commitment to the people and communities we do business in is a core value we have long held. Public responsibility, which encompasses a strong commitment to environmental, social, and governance (ESG) best

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practices, is not a pillar we use to enhance our image to stakeholders but the driving force behind everything we do. As such, 2023 will also see us further integrate ESG performance metrics and mitigation strategies into all our businesses.

Finally, and most importantly, people will continue to be the most important pillar of our success. Inflation and, in some jurisdictions, extenuating circumstances like natural disasters have made this a challenging year for our EFG Hermes Holding family. As such, supporting our best and brightest by ensuring they are rewarded for the value they bring to the company, are given clear growth paths, and learning and development opportunities will remain a top priority as we maintain our position as an undisputed employer of choice for our people.

While the road ahead remains unclear, we are steadfast in our belief that a healthy balance sheet, a diverse business model, and an employee base that continues to include some of the brightest and most dedicated in the business will carry us through. I want to take this opportunity to thank our esteemed Board of Directors for their stalwart guidance throughout the year just ended, our management teams across the region for their measured

and strategic leadership, as well as the people serving and advising our clients, developing innovative products and solutions, and making sure the Firm runs with ease and efficiency. Only by having a shared understanding of what we want to build for the future and a collective commitment to seeing it through can we weather the events of tomorrow — whatever they may be — to ensure we maintain our positioning as the region's largest and most innovative financial services corporation.

Karim Awad

Group Chief Executive Officer
EFG Hermes Holding

MANAGEMENT DISCUSSION AND ANALYSIS

EFG Hermes Holding recorded double-digit growth across its top and bottom lines in 2022, primarily driven by the remarkable performance across its three operational verticals, the Investment Bank, the Non-Bank Financial Institutions (NBFI) platform, and the Commercial Bank.

Overview

Notwithstanding the macroeconomic headwinds witnessed in 2022, EFG Hermes Holding achieved strong growth during the year, recording operating revenues of EGP 11 billion — a substantial increase of 77% Y-o-Y from the EGP 6.2 billion booked in the previous year, which was primarily driven by the solid performance delivered across the Group's three verticals.

EFG Hermes, the leading Investment Bank franchise in Frontier and Emerging Markets (FEM), recorded revenues of EGP 6.2 billion at year-end 2022, reflecting a Y-o-Y increase of 58% and representing 56% of the Group's consolidated top line, mainly on the back of the strong performance of the vertical's sell-side business, which witnessed a 38% growth Y-o-Y to stand at EGP 2.5 billion. The Firm's Investment Banking division continued to leverage its unrivaled placement and execution capacities to advise on the region's most prominent and compelling equity, debt, and M&A transactions. As a result of its immense efforts, and having advised on a total of 32 transactions worth an aggregate of USD 14.3 billion, the division registered revenues of EGP 748 million, reflecting an increase of 51% Y-o-Y. On the buy-side, the business recorded revenues amounting to EGP 723 million, reflecting a Y-o-Y increase of 14%.

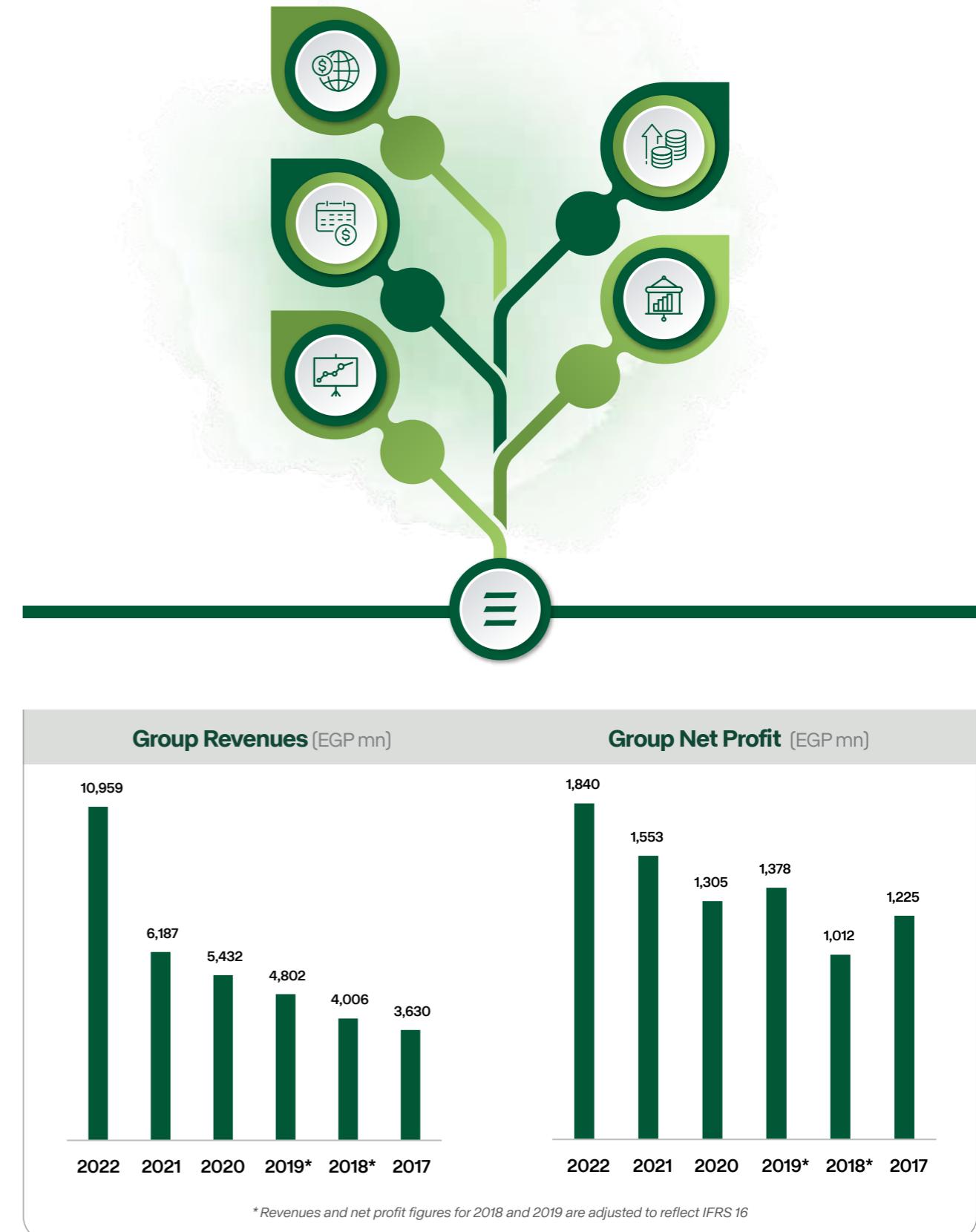
The NBFI platform, which represented 23% of the Group's total top line, reported revenues of EGP 2.5 billion, reflecting a Y-o-Y growth of 28%, on the back of the strong performance

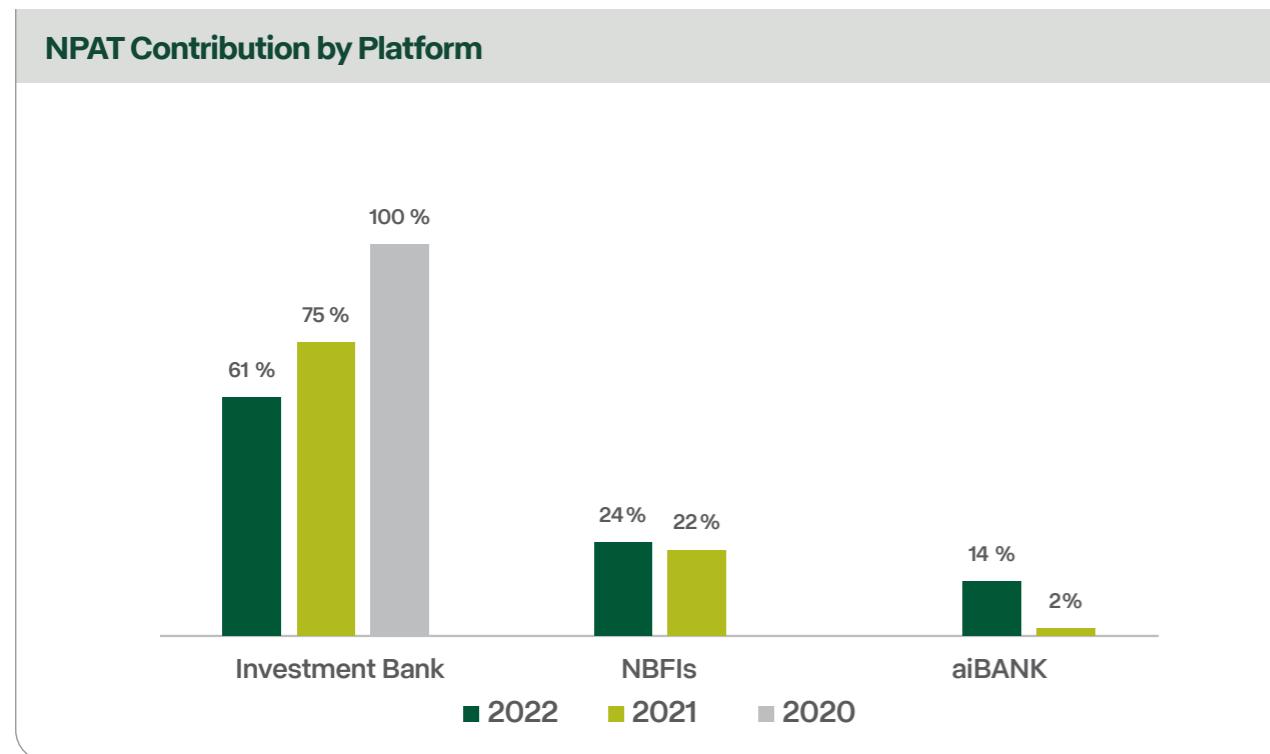
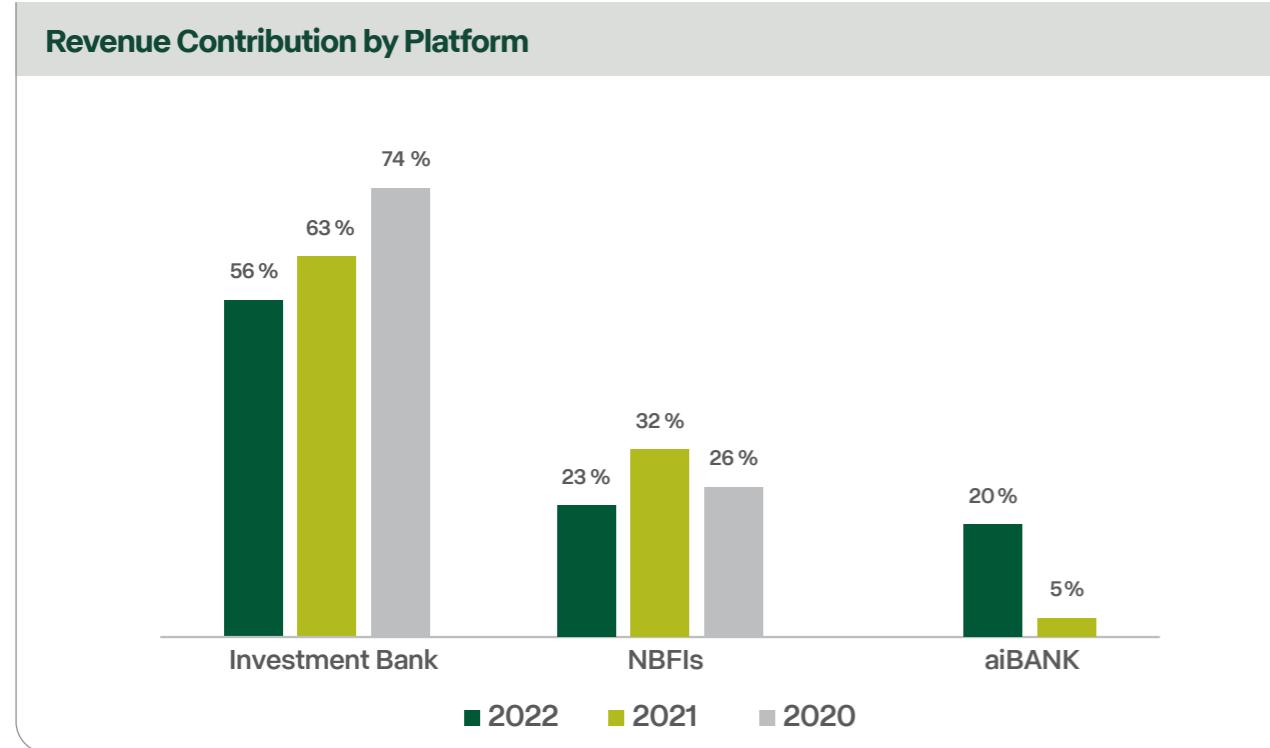
delivered across the platform's subsidiaries, particularly the twofold increase in revenues reported by valU, the MENA region's leading lifestyle-enabling fintech platform.

The Group's commercial bank, aiBANK, which contributed an impressive 20% to the Group's total top line, recorded revenues of EGP 2.2 billion and a net profit after tax (NPAT) of EGP 515 million. This was driven by the substantial increase in net fees and commissions on the back of the bank's growth in trade finance transactions and an accelerated increase in the booking of retail loans.

EFG Hermes Holding's operating expenses increased by 85% Y-o-Y in 2022 to reach EGP 7.3 billion due to rising inflationary pressures, the USD-denominated expenses incurred across the Group's regional offices, higher salaries, and the substantial growth of the Group's business operations and subsidiaries during the year, particularly valU, which saw significant improvement across its operations and portfolio.

EFG Hermes Holding's net profit after tax and minority interest came in at EGP 1.8 billion — an 18% Y-o-Y increase from the previous year, which was relatively subdued by higher taxes, mainly incurred by aiBANK, in addition to the deferred tax of EGP 399 million on unrealized gains on investments and seed capital and foreign exchange gains on the Investment Bank's side.

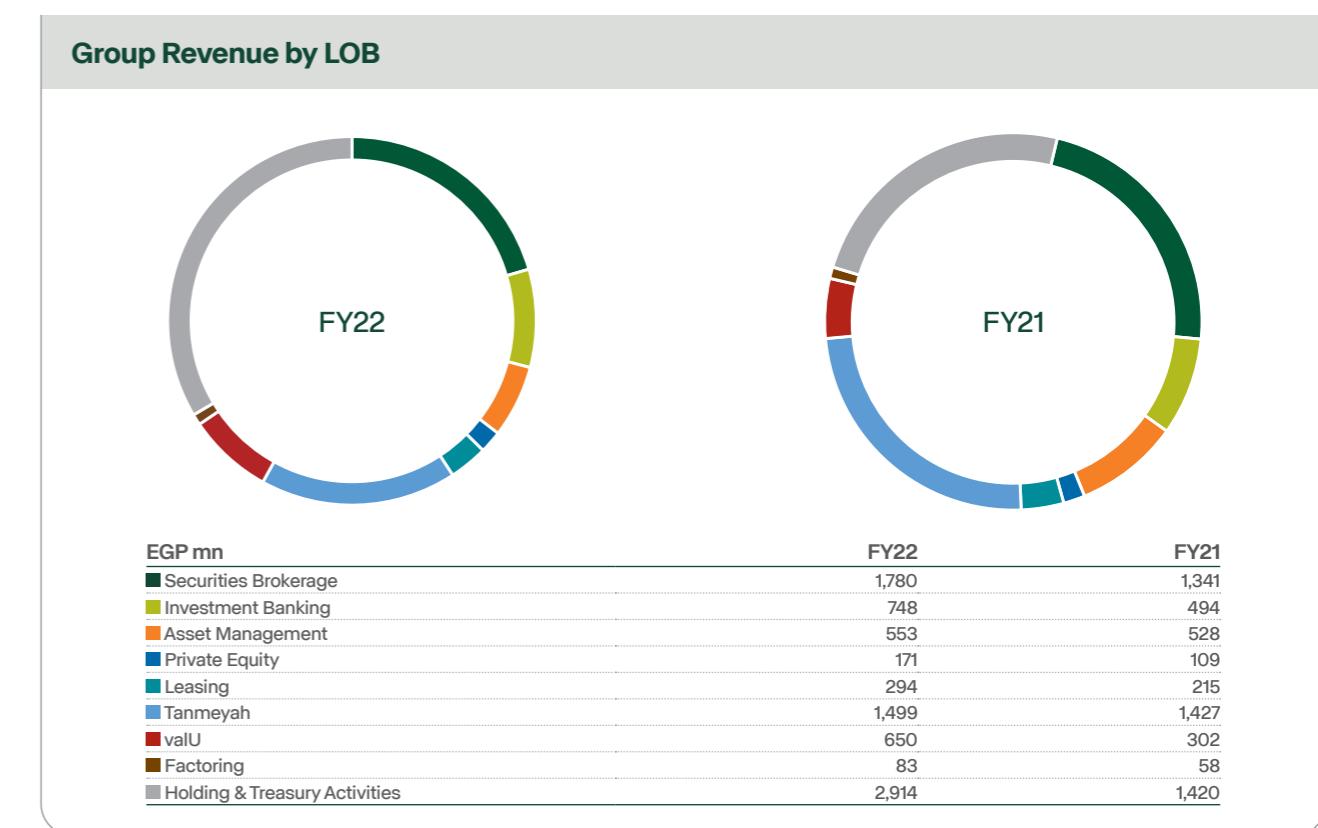




Group Financial Highlights

In EGP mn	FY22	FY21	Change
Group Operating Revenue	10,959	6,187	77%
Investment Bank	6,165	3,892	58%
NBFIs	2,549	1,989	28%
aiBANK	2,245	306	634%
Group Operating Expenses	7,268	3,920	85%
Group Net Operating Profit	3,691	2,266	63%
Group Net Operating Profit Margin	34%	37%	-
Group Net Profit after Tax & Minority Interest	1,840	1,553	18%
Investment Bank	1,130	1,172	-4%
NBFIs	447	344	30%
aiBANK	263	37	610%

Group Revenue by LOB



The Investment Bank

6.2 EGP BN

Investment Bank revenues in 2022,
up 58% Y-o-Y

Securities Brokerage

In 2022, EFG Hermes' Securities Brokerage division concluded executions worth USD 96.3 billion, reflecting an increase of 36% Y-o-Y, driven by the rise in MENA market executions, particularly in Saudi Arabia, Qatar, and the UAE. The division booked revenues amounting to EGP 1.8 billion by the end of 2022, reflecting an increase of 33% Y-o-Y from the revenues registered in the prior year, mainly driven by the stronger revenues generated from the UAE, Saudi Arabia, Kuwait, Egypt, and Qatar.

Regarding contribution to pure brokerage commissions, Egypt and the UAE markets (Dubai and Abu Dhabi) shared the first place with a contribution of 19% each, followed by Saudi Arabia and Kuwait with a 16% contribution each. Qatar followed with a contribution of 13%, and frontier markets, including Nigeria, Kenya, Pakistan, and other frontier executions, came in fourth with a 6.5% contribution.

As a result of its solid performance during the year, EFG Hermes was successful in sustaining its leading position as the broker of choice across its footprint, having maintained its first-place ranking on the EGX, with a market share of 40.2%. Additionally, in its home market of Egypt, the Firm successfully retained 78% of the 25.8% foreign participation for the year. In the UAE, EFG Hermes maintained its first-place ranking on the DFM, with a market share of 41.1% in 2022 and successfully captured 43% of inflows from the 40% foreign participation in the market. In Abu Dhabi, the Firm fortified its second-place ranking on the ADX, with a market share of 14.7%, capturing 32% of the 18% of foreign flows in the market. In Saudi Arabia, EFG Hermes was sixth among pure brokers (non-commercial banks), with a 4.4% market share in 2022. In Kuwait, the Firm ranked second on Borsa Kuwait, with a market share of 32.8% at year-end 2022. In Oman, the Firm ranked fifth, with a market share of

17.3%. In Jordan, the Firm ranked 12th in 2022, with a market share of 6.3%, and captured 24% of the 3% in foreign activity witnessed in the market.

In frontier markets, the Pakistani market index declined by 9.4% Y-o-Y and volumes decreased by 58% Y-o-Y. The foreign activity also continued to drop, at 7% of total market turnover in 2022, of which the Firm successfully captured 12%. By the end of the year, the Firm had recorded a market share of 3.7% in Pakistan. In Kenya, the Firm sustained its first-place ranking for the third consecutive year, recording a market share of 70.0% in 2022, which was primarily driven by the increase in foreign executions during the year. In Nigeria, the Firm placed fifth in 2022, with a market share of 9.9%.

Research

During 2022, EFG Hermes' award-winning Research division continued to leverage its unrivaled in-house capabilities to provide the most comprehensive and impactful FEM research to clients around the world, initiating coverage on 22 new small- to mid-cap and large-cap stocks, with 12 of these initiations being UAE-based companies given the substantial pipeline of prominent IPOs, and the increased traction garnered across UAE markets. By the end of the year, the Research division had recorded a total coverage of 338 stocks in 25 countries across MENA and frontier markets.

In 2023, the division aims to deepen its MENA-based research while adding new countries to its Asian coverage, particularly in the first quarter of the year and driven by the strong growth potential in the region.

Investment Banking

EFG Hermes' Investment Banking division has cemented its leading position as the regional investment bank of



EFG Hermes Holding achieved strong growth during the year, recording operating revenues of EGP 11 billion — a substantial increase of 77% Y-o-Y.

choice for partners and clientele in the MENA region and FEM. Leveraging decades of industry and market acumen, and backed by 43 industry experts, the flagship division continues to advise on the region's largest, most prominent transactions in the M&A, ECM, and DCM spaces.

By the end of 2022, the division had concluded advisory on 32 ECM, DCM, and M&A transactions across its footprint, with an aggregate value of over USD 14.3 billion, and recorded revenues of EGP 748 million, reflecting an increase of 51% Y-o-Y from the EGP 494 million recorded in the previous year.

On the equity front, EFG Hermes' Investment Banking division continued to dominate the region, having advised on the GCC region's most notable IPOs, including leading education provider Taaleem's USD 204 million IPO on the Dubai Financial Market (DFM), marking the first private sector IPO on Dubai's stock exchange since 2014. The division also concluded advisory on state-owned Dubai Electricity and Water Authority's (DEWA) USD 6.1 billion IPO on the DFM — the largest-ever listing in the Middle East since Saudi Aramco's record share sale in 2019 and a first-of-its-kind transaction for a public company in Dubai. In Kuwait, EFG Hermes advised on the USD 323 million private placement for Ali Alghanim and Sons Automotive Company ahead of its IPO on Borsa Kuwait, marking the first IPO in the Kuwaiti stock market since 2020, and the largest in the country. In Saudi Arabia, EFG Hermes advised on the USD 400 million IPO for cable manufacturer Riyadh Cables (RCGC) on the Saudi

Exchange. In Oman, the division concluded advisory on the USD 60.6 million IPO of Pearl REIF — Oman's largest Shariah-compliant real estate investment fund — on the Muscat Stock Exchange (MSX). 2022 also saw the division advise on the USD 1.8 billion IPO of Americana Restaurants International Plc (Americana) on the Saudi Stock Exchange and the ADX, marking the first-of-its-kind concurrent dual listing between the two exchanges.

On the M&A front, the division acted as sell-side advisor on the USD 500 million majority stake sale of Al Meswak Dental Clinics, the largest dental and dermatology service provider in Saudi Arabia. In Egypt, EFG Hermes' Investment Banking division acted as sell-side advisor on the acquisition of a 70% stake in two Egypt-based maritime and terminal operating companies, Transmar International Shipping Company (Transmar) and Transcargo International (TCI), by Abu Dhabi Ports Group (AD Ports). The transaction, valued at USD 140 million, marked AD Ports' first investment in Egypt. The team also acted as buy-side advisor to the Public Investment Fund of Saudi Arabia (PIF) on its indirect acquisition of a significant minority stake valued at USD 126.7 million in B.Tech, Egypt's leading consumer electronics retailer. Other landmark deals for the year included the sell-side advisory on the USD 115.7 million majority acquisition of Auf Group, a leading healthy snacks and coffee manufacturer and retailer in Egypt, by UAE-based Agthia, a leading food and beverage company in the region.

In the DCM space, the team concluded advisory on several securitization deals for the Firm's subsidiaries, including EFG Hermes Corp-Solutions on the second issuance of its securitization program, in a transaction worth USD 102.3 million, marking the team's largest debt transaction in 2022. Another transaction was that of Bedaya Mortgage Finance (Bedaya), which saw the division advise on the mortgage finance player's first securitization issuance worth EGP 651.2 million. Additionally, the team advised real estate player Orascom Development Egypt on the USD 81.0 million financing package for its flagship project, O-West. Parallel to this, the team advised MARAKEZ, a leading Saudi real estate player in Egypt, on its USD 39.2 million debt arrangement alongside EFG Hermes Corp-Solutions and the Firm's commercial bank, aiBANK, who acted as leasing partner and lender, respectively. As part of its strategy to bring a broader range of offerings to market, the Investment Banking division concluded advisory on CIRA Education's EGP 800 million future flow securitization bond offering—Egypt's first-ever future flow securitization issuance.

Asset Management

In 2022, the Group's Asset Management division recorded revenues amounting to EGP 553 million, reflecting an increase of 5% Y-o-Y from the EGP 528 million recorded at year-end 2021. EFG Hermes' Asset Management operations in Egypt registered a 10% Y-o-Y growth in AUM, driven by the favorable performance of equity markets during the year, coupled with rising net inflows in money market funds (MMFs). Regional AUM from the Firm's regional arm, Frontier Investment Management (FIM) Partners, also grew in 2022 to record USD 2.7 billion, up 5.2% Y-o-Y from the USD 2.6 billion booked one year previously, as the division delivered a solid performance across its funds and managed accounts, in addition to the growth in net inflows from equity portfolios. Additionally, FIM was successful in onboarding a new key account during the year as a cornerstone of its strategy to broaden its investor network.

During the year, the Asset Management division established a new office in Muscat, Oman, to expand its regional presence.

Private Equity

EFG Hermes' Private Equity division focuses on driving value-accretive investments in strategic and impactful sectors. As such, the division invests in businesses

operating in key industries — including renewable energy, education, and healthcare — that generate lucrative financial returns and social and environmental impacts. In 2022, the division registered revenues amounting to EGP 171 million, indicating a climb of 57% Y-o-Y.

On the renewables front, the division manages investments through its dedicated Europe-focused platform, Vortex Energy. In 2022, Vortex Energy invested its second tranche into Ignis Energy Holdings, bringing total investments to EUR 300 million and highlighting the strategic importance of its long-standing relationship with the company. The injections came as part of the plan to have Vortex Energy invest EUR 476 million into the Spanish renewables player through its recently launched fund Vortex Energy IV. Through this, Vortex Energy continues to help Ignis boost capacities, transforming into a fully integrated renewable independent power producer (IPP) in Spain and other geographies.

The Firm's education platform, Egypt Education Platform (EEP), continues to cement its position as the region's largest performing education-focused platform, broadening its capacities in Egypt's education sector and diversifying its investment portfolio of leading international schools. Following the addition of Al Hayah International Academy to the platform in 2021, the EEP acquired Hayah West in Sheikh Zayed in 2022. The EEP also concluded new acquisitions during the year, including flagship GEMS International School in Cairo (GISC), Trillium the Montessori house—the latter marking the platform's first break into the burgeoning pre-K segment—and Egypt's leading education content developer, Selah El Telmeez (SET). Currently, the platform owns and manages 19 schools and pre-schools under various stages of development, with a combined capacity of approximately 21,000 students and over 11,000 enrolled students.

In the healthcare space, the Firm's healthcare-focused platform, Rx Healthcare Management (RxHM), delivered strong operational and financial results in 2022 as it continued to bolster its production capacities through United Pharma. United Pharma recorded a significant 85% increase in revenues at the end of the year and is well on track to achieve its 2023 targets. Parallel to the success of United Pharma, the Rx Healthcare platform continues to capitalize on lucrative prospects in the injectables and other generic pharma segments.

Non-Bank Financial Institutions

Tanmeyah

Tanmeyah, the Firm's microfinance arm, achieved sizeable growth across all performance metrics in 2022, particularly in terms of productivity and efficiency. By the end of the year, Tanmeyah recorded a superior portfolio value of EGP 4.3 billion, reflecting a Y-o-Y increase of 18% from EGP 3.7 billion at year-end 2021. The company also hit a total client base of 379,000 active borrowers, mainly due to writing-off clients worth EGP 116 million.

Tanmeyah's total number of loans issued amounted to 371,000 by the end of the year, compared to 367,000 loans booked in 2021, with the company issuing loans worth around EGP 28 million daily, compared to the EGP 18 million allocated last year. While the number of loans issued remained relatively flat during the year, Tanmeyah focused on increasing ticket sizes, with its MEL average ticket size rising by 32% Y-o-Y to record EGP 1.97 thousand.

By year-end 2022, Tanmeyah's revenues stood at EGP 1.5 billion, edging up 5% Y-o-Y despite more robust sales on the back of a higher interest expense. Tanmeyah's revenues included EGP 23 million attributed to Fatura, the company's recently acquired retail marketplace platform.

Tanmeyah also successfully implemented its digital collection plan, which was initiated during the year to cover five of the company's branches. Today, all of Tanmeyah's 306 branches use digital collection platforms, with digital collections representing 35%, equivalent to EGP 599 million, of Tanmeyah's 4Q22 collections, of which 63% came through Fawry, 21% through O-Pay, and 16% through Damen.

valU

valU, MENA's leading fintech, lifestyle-enabling platform, delivered an exceptional performance across all its metrics in 2022. By the end of the year, valU registered 568,000 app customers and over 1 million transactions completed through its app. With an average ticket size of EGP 5,000, valU concluded the year with a total gross merchandise value (GMV) of EGP 5.8 billion — a twofold increase from the EGP 2.4 billion booked in 2021. The fintech player's revenues climbed by 115% Y-o-Y to EGP

25 EGP BN

NBFI Platform revenues in 2022,
up 28% Y-o-Y

650 million, underpinned by a significant Y-o-Y growth in loans issued and the value of its outstanding portfolio.

During the year, valU also acquired Paynas, a full-fledged employee management and benefits company that offers services to MSMEs in collaboration with Banque Misr and Visa. The acquisition perfectly positions valU to capture more opportunities and become a holistic lifestyle-enabling platform that serves the needs of multiple segments with progressive and convenient financial solutions.

Working with EFG Hermes Investment Banking, 2022 saw valU issue its second and third securitized bond offerings, worth EGP 532.6 million and EGP 854.5 million, respectively. Both issuances came as part of a broader EGP 2 billion program to support the company's expansion plans.

EFG Hermes Corp-Solutions – Leasing

EFG Hermes Corp-Solutions' leasing arm recorded a total value of bookings amounting to EGP 4.4 billion — an increase of 12% Y-o-Y from the EGP 3.9 billion recorded in 2021. As a result of its portfolio growth for the year and the gains generated from its second securitized bond offering worth EGP 2.0 billion, EFG Hermes Corp-Solutions' leasing business recorded revenues amounting to EGP 294 million — an increase of 37% Y-o-Y from the EGP 215 million registered in 2021 and representing 12% of total NBFI top line.

During the year, the leasing arm forged a series of significant partnerships, including its signing of a USD 25 million deal with Transmar, a wholly owned subsidiary of IACC Holdings and Egypt's only container shipping line, to finance the purchase of a cargo vessel, Transmar Legacy. The landmark transaction, which saw a collaboration between EFG Hermes Holding's Investment

Banking division and EFG Hermes Corp-Solutions, marked the leasing player's strategic entry into the high-potential maritime sector.

EFG Hermes Corp-Solutions – Factoring

2022 was an exceptional year for EFG Hermes Corp-Solutions' factoring business, which successfully grew its portfolio by 36%, recording a total value of bookings amounting to EGP 5.3 billion versus the EGP 4.2 billion booked one year previously. Factoring revenues for 2022 climbed by 43% Y-o-Y to EGP 83 million due to higher net interest income, fees, and commissions.

2022 saw EFG Hermes Corp-Solutions' factoring arm extend its services to leading MENA logistics and transportation player TruKKer in a debt facility worth EGP 38 million. The partnership is slated to enable TruKKer to expand its operations in the Egypt branch by ramping up shipments and facilitating swifter payments. It also signed an agreement with oil and gas leader PICO Energy in a structured transaction worth USD 15 million, marking its entry into the oil and gas sector.

aiBANK

aiBANK concluded 2022 having achieved growth across all its segments — Retail and Business Banking, SME and Midcap, Corporate Banking, and Islamic Banking — and registering an increase in newly banked customers during the year, coupled with organic growth from its existing customer base. The bank reported total net loans of EGP 19.3 billion in 2022, reflecting a 102% Y-o-Y increase from the EGP 9.6 billion recorded in 2021, and a net interest

income of EGP 1.8 billion, reflecting an increase of 710% Y-o-Y from the EGP 221 million recorded at year-end 2021. The bank's net commission income hiked by a strong 1,280% Y-o-Y to EGP 295 million, up from the EGP 21 million recorded in the previous year, driven by the increase in volumes of trade finance transactions and the accelerated bookings of retail loans. By the end of 2022, the bank recorded a net profit after tax [NPAT] of EGP 515 million.

P&L (IN EGP MILLION)

In EGP mn	FY22	FY21
Net Interest Income	1,791	221
Net Fees & Commissions	295	21
Other Revenues	159	63
Total Net Revenues	2,245	306
Employee Expenses	509	93
Other Operating Expenses*	755	63
Total Operating Expenses	1,264	156
Net Operating Profit (Loss)	981	150
Other Expenses	108	32
Net Profit (Loss)	872	118
Net Profit (Loss) After Tax	515	73

*Includes Other G&A and Provisions & ECL

**FY21 only includes figures from November and December 2021 following the acquisition of aiBANK

Balance Sheet (IN EGP MILLION)

In EGP mn	December 2022	December 2021
Cash & Due from Central Bank	2,096	1,061
Due from Banks	8,094	18,736
Net Loans & Advances	19,333	9,567
Financial Investments	23,103	14,008
Other Assets	2,770	2,084
Total Assets	55,397	45,457
Due to Banks	786	1,056
Customer Deposits	48,202	38,730
Other Liabilities	1,084	801
Total Liabilities	50,072	40,587
Total Shareholders' Equity	5,325	4,870
Balance Sheet Indicators:		
Loans/Deposits	43%	29%
NPLs	8%	16%
Coverage Ratio	90%	85%
Total Capital Adequacy Ratio	20%	34%



INVESTMENT BANK

6.2 EGP
BN

revenues in 2022

58%

revenue growth in 2022



EFG Hermes Holding offers its wide base of individual, institutional, and government-backed clients a comprehensive suite of advisory and capital management services in Frontier and Emerging Markets.

SELL-SIDE OVERVIEW



Despite the challenging global macroeconomic environment, 2022 was an incredibly successful year for EFG Hermes' sell-side business. Despite rising inflationary pressures and interest rates, currency devaluations, and political instability, I am happy to say that each division under the sell-side umbrella came out strong, rising above the hurdles and delivering exceptional operational and financial results.

Our premier Brokerage franchise witnessed a record-breaking year, substantially capitalizing on the volatility in the MENA region's markets to increase traded volumes and market shares, particularly in the GCC region. By year-end 2022, the division successfully sustained its rankings across most of its focus markets, ranking first on the EGX and the DFM and second in Abu Dhabi and Kuwait. Leveraging the region's highly volatile trading environment, we successfully attracted a more extensive client base across our online trading platform, EFG Hermes One, and unlocked a larger number of MENA-focused prospects for our investors. In the frontier markets in which we operate, our Brokerage division delivered a commendable performance despite the region's lingering macroeconomic and political challenges. The division was the highest ranked

in Kenya for the third consecutive year and continued to strengthen its position in Pakistan and Nigeria.

Another landmark milestone we take pride in is the first in-person iteration of our flagship One on One Conference following the onset of the COVID-19 pandemic, which took place in September 2022. The conference facilitated thousands of meetings, bringing together hundreds of regional and global investors seeking the region's most value-accretive investment opportunities. We were incredibly proud of the success of this iteration.

On the investment banking side, our flagship Investment Banking division performed remarkably during 2022, leveraging its unrivaled execution capabilities to advise on the most prominent ECM, DCM, and M&A deals across the region. The highlight for 2022 — and something we are incredibly proud of — was our ability to capitalize on the significant boom in ECM activity in the GCC, which has rapidly grown to become an investment haven for regional and global investors alike. Our Investment Banking division has undoubtedly played a pivotal role in making these offerings happen and bringing a wider range of high-value investment prospects to market. The division facilitated a total of 12 ECM transactions in 2022, 10 of which were IPOs, including the USD 6.1 billion listing of Dubai utility player DEWA, the USD 724 million initial public offering of Empower on the Dubai Financial Market (DFM), and the USD 1.0 billion listing of Dubai's exclusive toll-gate operator Salik on the DFM. Another landmark transaction the division advised on was the USD 1.8 billion dual-listing of restaurant-chain operator Americana on the ADX and the Saudi Exchange — a never-before-seen listing between both exchanges — and the USD 378 million IPO of Riyadh Cables Group (RCGC) — the largest cable manufacturer in the region — during the year. The division also advised on education provider Taaleem's USD 204 million IPO on the DFM, the USD 2.0 billion listing of Borouge on the Abu Dhabi Exchange (ADX), and Ali Alghanim and Sons Automotive Company's USD 323 million private placement ahead of

its IPO on Boursa Kuwait — the first international IPO on the Kuwaiti exchange since 2020. In Oman, the division advised on the USD 60.6 million IPO of Pearl REIF — Oman's largest Shariah-compliant real estate investment fund — on the Muscat Stock Exchange [MSX].

On the M&A front, EFG Hermes Investment Banking acted as sell-side advisor on the acquisition of a 70% stake in two Egypt-based maritime and terminal operating companies, Transmar International Shipping Company (Transmar) and Transcargo International (TCI), by Abu Dhabi Ports Group (AD Ports). The transaction, valued at USD 140 million, marked AD Ports' first investment in Egypt. The team also acted as buy-side advisor to the Public Investment Fund of Saudi Arabia (PIF) on its indirect acquisition of a significant minority stake in B.Tech, Egypt's leading consumer electronics retailer. Other landmark deals for the year included the sell-side advisory on the USD 115.7 million majority acquisition of Auf Group, a leading healthy snacks and coffee manufacturer as well as retailer in Egypt, by UAE-based Agthia, a leading food and beverage company in the region.

Alongside the success of our Brokerage and Investment Banking divisions, our Research division was once again recognized as the chief regional provider of fundamental-based research, facilitating well-rounded products, tools, and insights for our teams and clientele across the board. During the year, the division expanded coverage to 338 stocks, focusing on expanding its presence in Southeast Asia as part and parcel of our strategy to broaden our research coverage regionally. Additionally, the division supported the Firm's Investment Banking division in advising on the region's largest IPOs — all of which were closed with the help of the Research division's unrivaled insights.

Despite the world witnessing consequential incidents, our goals for next year stay the same — to continue building on the tremendous success we have worked so tenaciously to achieve over the last four decades. On the investment banking

front, we will continue to capitalize on the ever-growing demand in the markets where we operate by offering the most compelling ECM, DCM, and M&A propositions. The GCC has proven to be a market to watch, and the significant ramp-up in ECM activity over the last year is something we aim to propel going forward. In our home market of Egypt, we continue to see growing demand for DCM products. We aim to capitalize on this by bringing to market alternative financing solutions that enable our clients to deliver on their expansion plans. Our efforts in Egypt in 2022 also paid off on the M&A front. Having closed several cross-border deals, we plan to continue building on this by connecting global capital to local opportunities that position Egypt as a value-accretive investment destination.

On the brokerage front, and in efforts to ramp up the business from a fintech perspective, we are looking to bring our online, award-winning, and cutting-edge trading platform, EFG Hermes One, to more GCC markets, expanding our online presence and facilitating online trading in the region. On the research front, the division seeks to branch out from its current coverage portfolio and continue focusing on more attractive Southeast Asian markets, such as Indonesia, Thailand, and the Philippines. It also aims to broaden its product offerings to ensure more diversified insights for EFG Hermes Holding and its clients.

As we dive into 2023, we remain confident in our ability to continue building on our track record of remarkable achievements over the years. We are excited to see what the year holds for us in the sell-side business as we remain committed to our clients, partners, and the markets in which we operate. This commitment we so fiercely honor enables us to continue delivering exceptional performance across all metrics, year on year.

Mohamed Ebeid
Co-CEO of the Investment Bank

SECURITIES BROKERAGE

Overview

EFG Hermes' Securities Brokerage division is the MENA region's leading brokerage house offering a wide range of innovative and tailored products and services, secure multi-platform trading tools, market intelligence and insights, and unparalleled execution capabilities, ensuring maximum generated returns tailored to different investor preferences and risk profiles. The division boasts an expansive four-continent presence across the MENA region and FEM and operates in countries that include Egypt, Kuwait, the UAE, Saudi Arabia, Oman, Jordan, Pakistan, Kenya, Nigeria, and Bangladesh, with regional offices in the US and the UK.

Operational Highlights of 2022

The Brokerage division ended the year on a strong note, having delivered a solid performance across its operational footprint by focusing on bolstering its performance across its core markets of operations. As a result, the division witnessed an expansion in traded volumes across most regions during the year and a substantial growth in its market shares across the board.

By the end of the year, the Brokerage division registered an increase of 33% Y-o-Y in revenues to stand at EGP 1.8 billion, primarily driven by the increase in executions in the MENA region, including Saudi Arabia, the UAE, Qatar, and Kuwait. In terms of pure commissions registered in regional markets, Egypt and the UAE markets, including Dubai and Abu Dhabi, came in at first place with a contribution of 19% each, followed by Saudi Arabia and Kuwait, with each registering a contribution of 16%. As a result of its revenue growth, the division's regional market shares climbed during the year.

In its home market of Egypt, the division successfully sustained its first-place ranking on the EGX, closing the year with a market share of 40.2%, up from a market share of 33.8% booked in 2021. This was mainly driven by the

currency devaluation of the Egyptian pound that occurred this year, which sparked a significant increase in traded volumes. Foreign participation came in at 25.8% during the year, with EFG Hermes successfully capturing over 78% of these institutional inflows.

In 2022, Kuwait was one of the GCC countries that witnessed a significant ramp up in traded volumes, primarily driven by the oil price surges witnessed during the year, and the healthy investor sentiment in the Kuwaiti financial market. Additionally, the year saw homegrown Kuwaiti automotive brand, Ali Alghanim and Sons, issue an IPO on Boursa Kuwait, which broke ground as the first IPO on the exchange since 2020, spurring demand for more local businesses to go public in the market. Capitalizing on this pent-up demand, the Brokerage division maintained its second-place ranking in 2022, with a market share of 32.8% — a 3.2% increase Y-o-Y from the 29.6% recorded in 2021 — and over 60% of foreign institutional inflows captured.

In the UAE, the Brokerage division managed to grow its market share on the back of the hike in GCC and local trading on the retail and institutional fronts and the substantial ramp up in IPOs witnessed during the year. In Dubai, EFG Hermes' Securities Brokerage division sustained its first-place ranking on the DFM, with a market share of 41.1% at year-end 2022, up 5.2% from the 35.8% registered in 2021. On the ADX, EFG Hermes' market share stood at a solid 14.7% by the end of the year, maintaining its second-place ranking on the exchange.

In Saudi Arabia, despite the drop in market volumes, the Brokerage division managed to grow its market share in the kingdom, recording a twofold increase from 2% in 2021 to 4.4% in 2022. This was mainly fueled by the increase in foreign institutional activity during the year.

Activity in Oman and Jordan remained relatively flat for the year and saw the division sustain its market share in both markets, standing at 17.3% in Oman and 6.3% in Jordan.

The Firm's Direct Market Access (DMA) trading platform made progress throughout the year, automatically linking foreign institutional investors to the system's database as

part of the Firm's efforts to contribute to promoting digital transformation, and enabling them to directly submit their orders into the market. With this significant development in the digital brokerage space, EFG Hermes continues to introduce innovative financial solutions to its investors and expand its product and service offerings.



	FY22		FY21	
	Market Share	Rank	Market Share	Rank
Egypt	40.2%	1 st	33.8%	▲
UAE – DFM	41.1%	1 st	35.8%	▲
UAE – ADX	14.7%	2 nd	13.6%	▲
UAE – NASDAQ Dubai	30.08%	1 st	34.1%	-
Kuwait	32.8%	2 nd	29.6%	▲
Kenya	70.0%	1 st	60.8%	▲
Nigeria	9.9%	5 th	5.7%	▲
Oman	17.3%	5 th	16.6%	▲
KSA	4.4%	6 ^{th*}	2%	▲
Jordan	6.3%	12 th	6%	▲
Pakistan	3.7%	n/a	3.6%	▲

*Among brokers not linked to commercial banks

Frontier Markets

2022 was a relatively challenging year for frontier markets, primarily driven by the unstable macroeconomic environment witnessed during the year. In Pakistan, the market witnessed another tough year on the back of macroeconomic and political volatility, which resulted in lower volumes and a decline in market activity for the year. As such, investors were bearish on the market, and EFG Hermes' market share stood at 3.66% by the end of the year.

In Kenya, despite the rising pressures on the back of currency devaluations, foreign inflows were the main driver that stabilized the market for another year, and the division managed to cement its first-place position with a 70.01% market share.

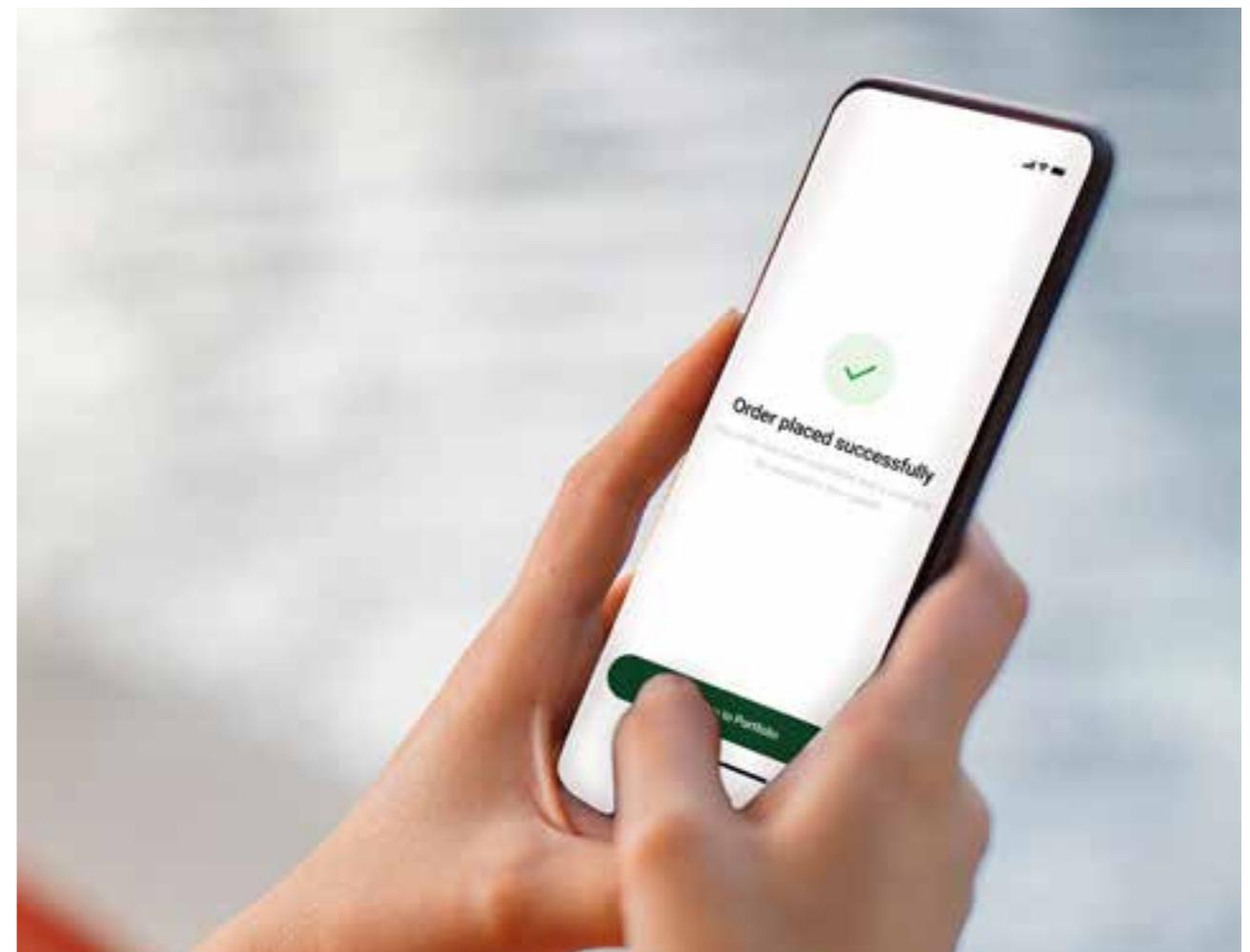
Meanwhile in Nigeria, EFG Hermes leveraged the strides made in the previous years, standing as the fifth leading broker in the country with a 9.91% market share.

Online Trading

In 2022, the Firm's world-class online trading, EFG Hermes One, garnered significant traction, particularly following the revamp of the application in 2021 in efforts to enable investors to tap into a wealth of investment knowledge, execute informed trades, and monitor their portfolios in real-time through a simpler, user-friendly interface and new exclusive features. GCC markets in particular came out strong on the digital platform, driven by the hikes in oil prices during the year. Nonetheless, the strong volatility surrounding the US market, primarily driven by the hikes in interest rates, resulted in a slight drop in revenues generated through the application on global trading.

Structured Products

The Structured Product Desk was launched in 2016 as an integral part of the Firm's strategy to grow its capital market business and deliver a suite of diverse products to the franchise. In 2022, the division's Structured Product Desk's revenues



declined by 25% Y-o-Y to record EGP 60 million versus the EGP 79 million booked at year-end 2021.

Unique Corporate Access

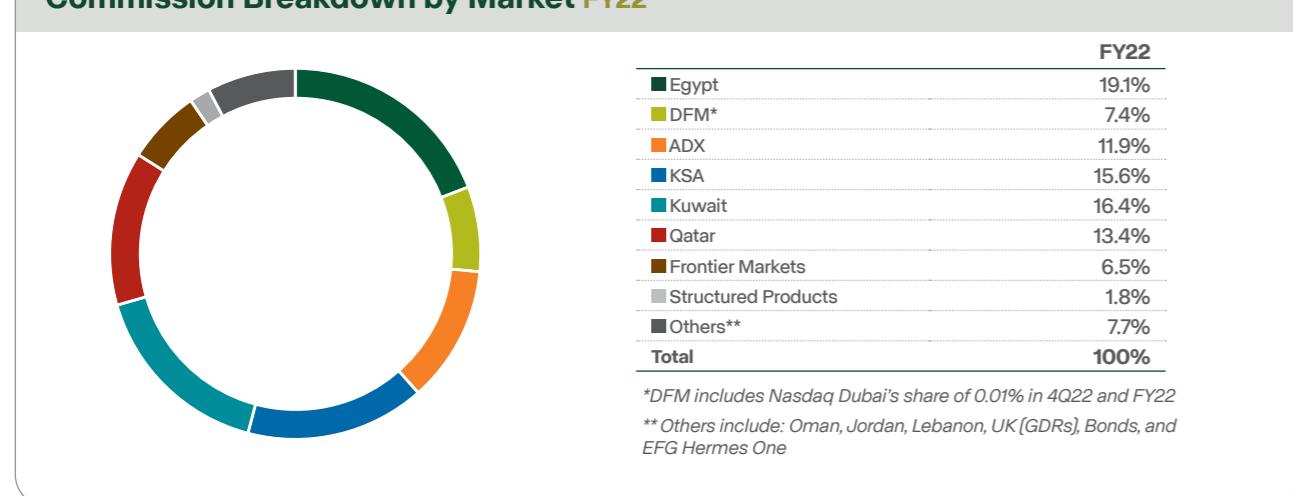
To unlock lucrative investment prospects for global and regional investors across key sectors in the world's most promising markets, EFG Hermes held its 16th One on One Conference in September 2022, marking its first in-person iteration since the onset of COVID-19. The conference witnessed the participation of 205 companies from 33 countries in direct meetings with over 655

institutional investors and fund managers representing 270 international institutions. The 17th iteration of the conference is slated to take place in March 2023 and is anticipated to have an even wider turnout.

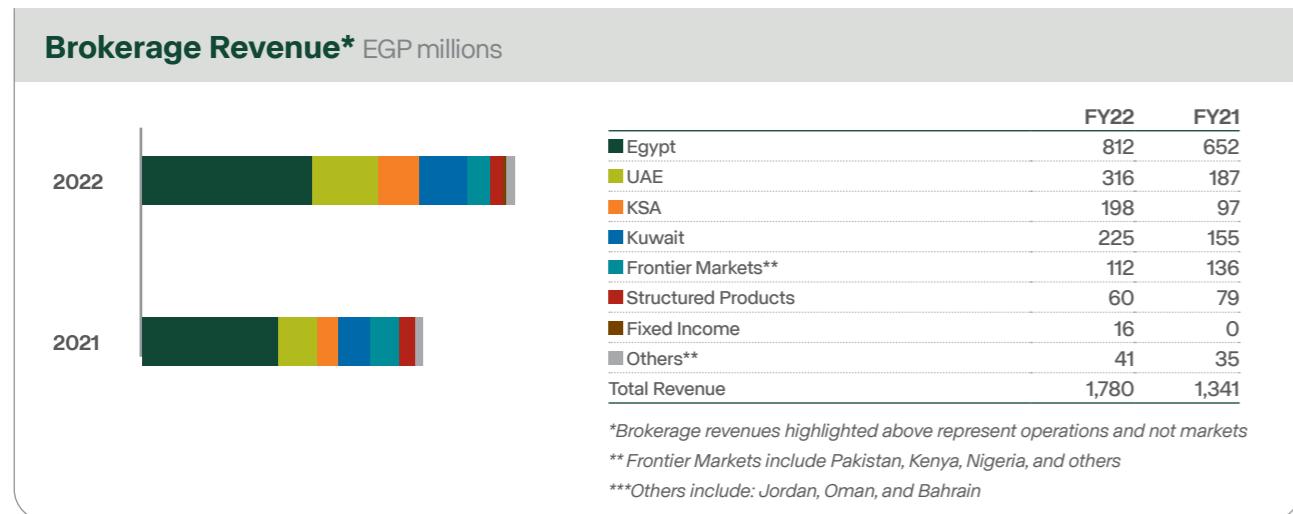
Key Financial Highlights 2022

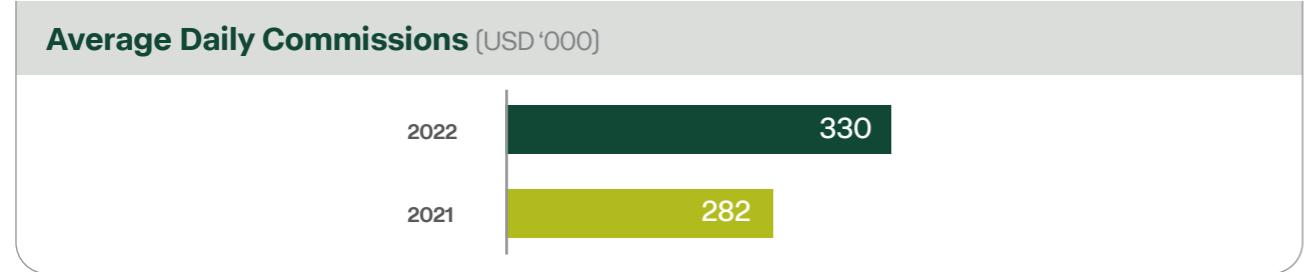
Brokerage division's revenues grew 33% Y-o-Y to EGP 1.8 billion in 2022, on the back of the favorable market conditions resulting in higher volumes across multiple of the Firm's core markets of operation.

Commission Breakdown by Market FY22



Brokerage Revenue* EGP millions





Awards

Best Broker – Egypt	EMEA Finance African Banking Awards 2022
Best Broker – Nigeria	EMEA Finance African Banking Awards 2022
Best Broker – Kenya	EMEA Finance African Banking Awards 2022
Best Broker – MENA	GLOBAL INVESTOR: 2022 MENA Awards
Best Broker – Pan-Africa	EMEA Finance African Banking Awards 2022
Best Broker – Egypt	GLOBAL INVESTOR: 2022 MENA Awards
Best Broker – UAE	GLOBAL INVESTOR: 2022 MENA Awards
Best Broker – Oman	GLOBAL INVESTOR: 2022 MENA Awards
Best Broker – Saudi Arabia	GLOBAL INVESTOR: 2022 MENA Awards
Best Broker – Kuwait	GLOBAL INVESTOR: 2022 MENA Awards
Best International Brokerages – Pakistan	Asiamoney Brokers Poll 2022
Brokerage Services – Africa	AGF Service Providers Awards 2022
Best Trading Platform – EFG Hermes One	Entrepreneur Middle East Leaders in FinTech Award 2022

Forward-Looking Strategy

Going forward, the Brokerage division aims to capitalize on the rapid recovery witnessed across its core markets, and to continue building on the exceptional performance it has delivered in 2022. In its home market, the division aims to continue to leverage its substantial portfolio of institutional investors, with an eye to further increase its market share. In the GCC region, the significant boom in the region's equity markets following the increase in oil prices and prominent IPOs will continue to unlock numerous opportunities for regional and global investors and generate healthy trade volumes across the board. Leveraging its leading market positions on the GCC's exchanges, the division is perfectly positioned to capture

an even larger share of the market and generate higher foreign institutional flows. In global markets, the strong uncertainty surrounding the interest and inflation rate environment continues to pose investment challenges and concerns, which are expected to linger in 2023. On the frontier and emerging side, the Brokerage division continues to focus on strengthening its performance in its core markets; Egypt, United Arab Emirates, Saudi Arabia, Kuwait, Kenya, and Nigeria. To bolster its online platform's presence beyond Egypt and Kenya, the division aims to introduce its flagship EFG Hermes One platform to new markets, including Kuwait, the UAE as well as others.



INVESTMENT BANKING

Overview

EFG Hermes' Investment Banking division has grown over the years to become the region's most trusted advisory house and has successfully cemented its leading position as the regional Investment Banking franchise of choice for partners and clients in the MENA region and FEM. Leveraging decades of industry and market acumen, the division continues to advise on the region's largest, most prominent transactions in the M&A, ECM, and DCM spaces by leveraging the multidisciplinary experience of over 40 professionals. It provides its clients with key economic, industry, market, and company-focused insights, steering the region with its solid on-the-ground presence and expansive track record. By the end of 2022, the division recorded a total of 32 ECM, DCM, and M&A transactions across its footprint, with an aggregate value of over USD 14.3 billion.

Operational Highlights of 2022

In light of the Russia-Ukraine war, rising inflationary pressures, currency devaluations, and a high interest-rate environment, 2022 was a challenging year for global markets. Nonetheless, the GCC region came out strong, driven by a solid crude oil market and government initiatives that bolstered capital markets and investor sentiment. In 2022, ECM activity in the GCC boomed, with the UAE, Saudi Arabia, Kuwait, and Oman collectively seeing a record-high number of mega-hit IPOs.

EFG Hermes' Investment Banking division concluded the year having captured a large share of the most significant transactions in the GCC region. The division closed 13 DCM transactions valued at USD 453 million, 12 ECM transactions valued at USD 12.8 billion, and seven M&A transactions worth USD 1.1 billion. As a result of its strong performance in the equity capital market space, the division placed second on the Refinitiv ECM 2022 League Table.

ECM

In Dubai, the division advised on leading education provider Taaleem's USD 204 million IPO on the DFM, marking the first private-sector IPO on the DFM since 2014. The transaction also saw the Investment Banking division transition from its typical joint bookrunner role to acting as a joint global coordinator on the listing. The division also concluded advisory on state-owned Dubai Electricity and Water Authority's (DEWA) USD 6.1 billion IPO on the DFM — the largest ever listing in the Middle East since Saudi Aramco's IPO in 2019 and the first for a public company in Dubai. The division also advised on the USD 1.0 billion IPO of Dubai toll operator Salik and acted as joint bookrunner on the USD 724 million IPO of Emirates Central Cooling Systems Corporation (Empower). In Abu Dhabi, the division successfully completed advisory on the USD 2.0 billion IPO for leading global petrochemicals manufacturer Borouge plc — a joint venture between Abu Dhabi National Oil Company (ADNOC) and Borealis AG — on the Abu Dhabi Securities Exchange (ADX), marking the largest listing in the history of the exchange.

Breaking ground in Kuwait, EFG Hermes completed advisory on the USD 323 million private placement for Ali Alghanim and Sons Automotive Company ahead of its IPO on Boursa Kuwait, for which the division acted as joint bookrunner. Marking the first IPO in the Kuwaiti stock market since 2020 and the largest in the country, the transaction sparked a substantial surge in future IPO activity in Kuwait.

2022 also saw the division act as joint bookrunner on the landmark USD 1.8 billion IPO of Americana Restaurants International Plc (Americana) on the Saudi Stock Exchange and the ADX, marking the first-of-its-kind concurrent dual listing between the two exchanges. Also on the Saudi Exchange, the division advised on the USD 378 million IPO for Riyadh Cables Group (RCGC) — the largest cable manufacturer in the region — during the year.



In Oman, the division advised on the USD 60.6 million IPO of Pearl REIF — Oman's largest Shariah-compliant real estate investment fund — on the Muscat Stock Exchange (MSX).

In its home market, EFG Hermes acted as sole global coordinator and joint bookrunner on the USD 81.7 million IPO of Macro Group, one of the most prominent cosmeceutical players in the Egyptian market, on the Egyptian Exchange (EGX).

2022 ECM Deals

Macro Group IPO – Joint bookrunner and sole global coordinator on the USD 81.7 million initial public offering on the EGX.

DEWA IPO – Joint bookrunner on the USD 6.1 billion initial public offering on the DFM.

Salik IPO – Joint bookrunner on the USD 1.0 billion initial public offering on the DFM.

Taaleem IPO – Joint global coordinator on the USD 204 million initial public offering on the DFM.

Empower IPO – Joint bookrunner on the USD 724 million initial public offering on the DFM.

Borouge plc IPO – Joint bookrunner on the USD 2.0 billion initial public offering on the ADX.

Riyadh Cables IPO – Joint bookrunner on the USD 378 million initial public offering on the Saudi Exchange.

Americana Dual Listing – Joint bookrunner and underwriter on the USD 1.8 billion dual listing on the ADX and Saudi Exchange.

Ali Alghanim and Sons Automotive Company IPO – Joint bookrunner on the USD 323 million initial public offering on Boursa Kuwait.

Pearl REIF IPO – Joint bookrunner on the USD 60.6 million initial public offering on the MSX.

Fawry Rights Issue – Sole financial advisor on the USD 43.2 million rights issue on the EGX.

M&A

On the M&A front, the Firm's Investment Banking team delivered a solid performance during 2022, bridging the gap between its home market of Egypt and the GCC. The division acted as sell-side advisor on the USD 500 million majority stake sale of Al Meswak Dental Clinics, the largest dental and dermatology service provider in Saudi Arabia.

In Egypt, EFG Hermes' Investment Banking division acted as sell-side advisor on the acquisition of a 70% stake in two Egypt-based maritime and terminal operating companies, Transmar International Shipping Company (Transmar) and Transcargo International (TCI), by Abu Dhabi Ports Group (AD Ports). The transaction, valued at USD 140 million, marked AD Ports' first investment in Egypt.

The team also acted as a buy-side advisor to the Public Investment Fund of Saudi Arabia (PIF) on its indirect acquisition of a significant minority stake in B.Tech, Egypt's leading consumer electronics retailer.

Other landmark deals for the year included the sell-side advisory on the USD 115.7 million majority acquisition of Auf Group, a leading healthy snacks and coffee manufacturer as well as retailer in Egypt, by UAE-based Agthia, a leading food and beverage company in the region.

2022 M&A Deals

Transmar International Shipping Company and Transcargo International (TCI) Sale – Sell-side financial advisor to Transmar and TCI's shareholders on the 70% stake sale of both companies to AD Ports in a transaction worth USD 140 million.

Auf Group Sale – Sell-side financial advisor to Auf Group on the majority stake sale to UAE-based Agthia worth USD 115.7 million.

Credit Agricole S.A. Accelerated Direct Purchase – Buy-side advisor to Credit Agricole S.A. on its direct purchase of a 4.8% stake in Credit Agricole Egypt in a transaction worth USD 21.1 million.

B.Tech Acquisition – Buy-side advisor to the PIF on its indirect acquisition of a significant minority stake in B.Tech.

Al Meswak Dental Clinics Sale – Sell-side advisor on the USD 500.0 million majority stake sale of Al Meswak Dental Clinics to Jadwa.

DCM

In the DCM space, the Firm's Investment Banking division recorded a solid performance during the year. It continued to provide alternative financing solutions to the market while supporting its clients in delivering on their expansion plans. Milestone DCM transactions for the year included the team's advisory on several securitization deals for the Firm's subsidiaries, including EFG Hermes Corp-Solutions' second issuance in its securitization program, in a transaction worth USD 102.3 million, marking the team's largest debt transaction in 2022. Another synergistic transaction was that of Bedaya Mortgage Finance (Bedaya), which saw the division advise on the mortgage finance player's first securitization issuance worth USD 35.2 million.

To further solidify its position as the partner of choice in the ever-growing Egyptian real estate industry, the team advised chief real estate player Orascom Development Egypt on the USD 81.1 million financing package for its flagship O-West project.

Parallel to this, the team advised MARAKEZ, a leading Saudi real estate player in Egypt, on its USD 39.2 million debt arrangement alongside EFG Hermes Corp-Solutions and the Firm's recently acquired aiBANK, who acted as leasing partner and lender, respectively — a testament to the division's unrivaled ability to provide end-to-end financial solutions to its clients by capitalizing on the synergies between the Firm's wide-ranging lines of business.

As part and parcel of its strategy to bring a broader range of offerings to market, the Investment Banking division concluded advisory on CIRA Education's USD 32.7 million future flow securitization bond offering — Egypt's first ever future flow securitization issuance.

2022 DCM Deals

Pioneers Properties Securitization Program – Financial advisor, lead arranger, underwriter, and bookrunner on Pioneers Properties' second and third securitization bond issuance worth USD 23.0 million and USD 11.9 million, respectively.

EFG Hermes Corp-Solutions Securitization Program – Advised EFG Hermes Corp-Solutions on its second securitization issuance in a transaction worth USD 102.3 billion.



By the end of 2022, EFG Hermes' Investment Banking division recorded a total of 32 ECM, DCM, and M&A transactions across its footprint, with an aggregate value of over USD 14.3 billion.



EFG Hermes Corp-Solutions Bond Offering – Advised on the USD 27.0 million bond issuance for EFG Hermes Corp-Solutions.

valU Securitization Program – Advised valU on the second issuance of its securitization program in a transaction worth USD 27.5 million.

MARAKEZ Debt Arrangement – Advised MARAKEZ on its USD 39.2 million debt arrangement.

Orascom Development Financing Package – Advised leading real estate player Orascom Development Egypt on the USD 81.1 million financing package for its flagship O-West project.

Bedaya Securitization Program – Sole financial advisor on the USD 35.2 million securitization issuance for Bedaya Mortgage Finance, the first securitization issuance for a real estate mortgage company in Egypt.

Madinet Nasr for Housing and Development (MNHD) Securitization Program – Sole financial advisor on the USD 19.1 million securitization issuance for MNHD.

Premium International for Credit Services (Premium) Securitization Program – Advised Premium on the sixth and seventh issuances of its short-term securitization program, worth USD 10.8 million and USD 8.1 million, respectively.

valU Securitization Program – Advised valU on the third issuance of its securitization program in a transaction worth USD 34.7 million.

CIRA Future Flow Securitization Program – Advised CIRA on a USD 32.7 million future flow securitization issuance, the first future flow securitization issuance in the Egyptian DCM space.



Awards

Africa: Best Debt Bank	Global Finance – Best Investment Banks Awards 2022
Middle East: Best Investment Bank	Global Finance – Best Investment Banks Awards 2022
Best Equity House – Middle East	EMEA Finance Achievement Awards 2021
Best Equity House – MENA	EMEA Finance Achievement Awards 2021
Best Securitization House in Africa	EMEA Finance Achievement Awards 2021
Best Independent Advisory Firm – North Africa	AGF Service Providers Awards 2022
Leading Investment Banking Brand, Egypt – 2022 – EFG Hermes	Global Brand Awards 2022

Key Financial Highlights of 2022

EFG Hermes' Investment Banking division reported total revenues of EGP 748 million at year-end 2022, reflecting a 51% increase from the EGP 494 million booked in 2021. Investment banking revenues contributed approximately 7% of EFG Hermes Holding's total revenue in 2022.

advise on the region's largest, most notable transactions in efforts to sustain its position as the leading investment banking franchise in the equity landscape. Parallel to launching new products, the division also aims to expand into more rapidly growing sectors across the region.

Forward-Looking Strategy

While 2023 is expected to present challenging conditions for global markets, EFG Hermes' Investment Banking division remains confident in its ability to continue expanding its range of offerings and providing more compelling, value-accretive investment prospects across the markets in which it operates.

In Egypt, currency devaluations, coupled with the state's privatization and reform program, are slated to drive a surge in foreign investment inflows and bolster activity across the country's capital markets, particularly on the M&A side.

The GCC region remains a global investment hub, particularly on the equity front. In alignment with this, EFG Hermes' Investment Banking division aims to continue leveraging its unparalleled execution and research capabilities to lead and

shedding light on debt capital markets, the division aims to continue capitalizing on the high demand present both in Egypt and the broader region by infusing the market with a comprehensive set of both conventional debt products and innovative funding solutions that are not only tailored to changing market dynamics but also unlock the most potent growth prospects for the division and the Firm as a whole.



RESEARCH

Overview

EFG Hermes' Research division is the region's premier provider of in-depth, real-time market insights with macro, strategy, sector, and equity expertise provided by award-winning analysts. With 338 stocks under coverage in 10 sectors across 25 countries, the division sets the industry standard for delivering the most comprehensive and impactful FEM research to clients around the world.

With on-the-ground insights from analysts based across the Firm's footprint, the division's ability to provide differentiated research products that identify opportunities and allow clients to make informed investment decisions is unmatched. This has proved invaluable in 2022 considering the unprecedented geopolitical, as well as macroeconomic, turbulences that have threatened the stability of FEM and, in turn, impacted capital flowing into those markets from institutional and retail clients alike.

The division's growing ability to constantly expand its coverage universe and tailor its product offering to the evolving needs of its clients has cemented its position in recent years as the research house of choice for equity and strategy research in FEM.

Operational Highlights of 2022

2022 was a particularly challenging year the world over, with geopolitical tensions in Europe, tightening monetary policy, and soaring inflation curbing investor sentiment and appetite in many of the markets under the Research division's coverage. As such, the importance of fundamental and equity research insights came into even greater focus, and as a result, EFG Hermes Research continued to expand its coverage universe and hone its product offering.

The division, which currently has an on-ground presence in Egypt, Saudi Arabia, the UAE, the UK, Kenya, Bangladesh, and Pakistan, initiated coverage on 15 new stocks

and was a key driver of the Firm's IPO executions. The GCC bucked the global downturn in ECM activity to see c. USD 21 billion raised in offerings this year alone, with particularly big-ticket share sales seen in the UAE and Saudi Arabia, including Taaleem, Empower, The Pearl REIF, Salik, Ali Alghanim and Sons Automotive, Borouge, DEWA, Americana, and Riyadh Cables — all of which were completed by the Firm with research from the division.

This year saw an increased push into South Asian markets for the division, in line with the Firm's overall strategy for its frontier market platform. The division's Vietnam coverage was deepened, while the groundwork was made for initiations in new South Asian markets. As regulatory bodies continue to codify ESG reporting standards and investors turn to ESG and impact-focused investment solutions, EFG Hermes' Research division started to develop ESG scorecards this year for companies under coverage, which will allow clients to more consistently track and measure ESG metrics across companies in various industries.

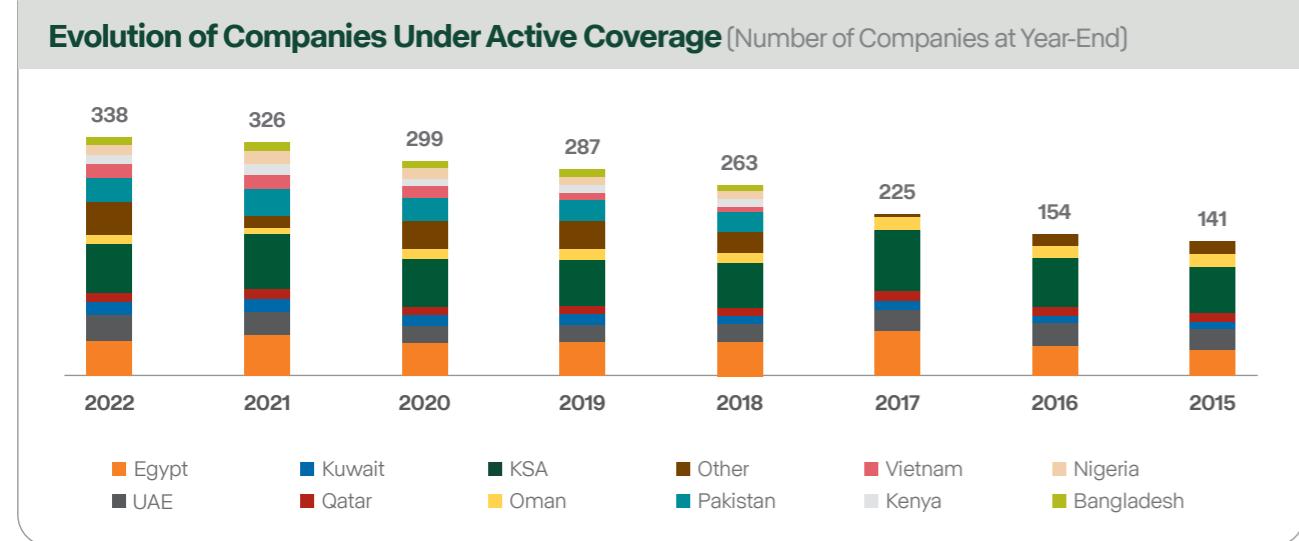
The team is also taking decisive steps to digitalize the research experience for clients to leverage the success of the EFG Hermes Research Portal and employ data analytics and other techniques to provide clients with bespoke, impactful research. This year, the division revamped its research dissemination platform to allow the team to deliver insights to clients based on updates in the industry, market, economy, and more, while also allowing the team to gain unique, data-driven insights into client needs.

With COVID-19 restrictions easing, key investor conferences and access events returned, allowing the division to strengthen relationships with clients and lay the groundwork for value-accretive events in the year ahead to facilitate the sharing of ideas, building powerful networks, and fostering long-standing industry relationships.

The department's ability to adapt to changing market dynamics and react to the developing needs of its increasingly varied client base has earned EFG Hermes' Research division several awards over the years, and

2022 was no different. EFG Hermes Research continued to rank highly in the Institutional Investor 2022 Poll, once again named the Top Frontier Research House and ranked third in the MENA region.





Forward-Looking Strategy

With the difficult circumstances faced last year — including a stronger USD, higher inflation, and tighter financial conditions — weighing on our markets through to the end of the year, valuations for FEM equities are attractive compared to developed markets. With higher profitability, free cash flow, and dividend yields all slated for a pick-up in our markets — particularly in the GCC region — clients, investors, and analysts will continue to look for research houses for incisive, accurate, and timely research to help them navigate headwinds and capitalize on tailwinds. As the Firm's Research franchise continues to expand and strengthen its offering, the division is perfectly positioned to capitalise on this demand going forward.

In the year ahead, the division is planning a push away from low-turnover African markets on the frontier side of the house to more attractive South Asian markets, such as Indonesia, Thailand, the Philippines, and more. It will also work on broadening the variety of its products, providing more diversified insights for the Firm's client base and divisions, including the development of a Research Primer for investors looking to break into the Asian market. On the MENA side of the house, the division is anticipating a wave of initiations as the GCC IPO boom sees no sign of slowing due to strong market fundamentals, abundant liquidity, and the UAE's push to bring more state-owned and private sector companies to the market.



BUY-SIDE OVERVIEW



Despite the year's market conditions on the back of geopolitical tensions that had knock-on effects on energy and commodity prices, the shrinking value of currencies in most emerging markets, and monetary tightening raising the alarm bells of recession, EFG Hermes continued to demonstrate resilience across its core operations. The strategies we set out in previous years shielded us from headwinds in 2022, as we worked to continue bringing to market varied, innovative financial offerings that allowed us to surpass regional benchmarks and peer averages. The buy-side business, in particular, delivered solid results this year, capitalizing on the growing demand for compelling and value-generating investment prospects, all while contributing to the Group's consolidated revenue growth.

On the asset management side of the house, EFG Hermes' Asset Management division recorded revenues of EGP 553 million in 2022, up 5% Y-o-Y from the EGP 528 million recorded at year-end 2021. Local and regional

assets under management [AUM] both registered a solid increase during the year, with Egypt AUM growing 10% to record EGP 25.9 billion and regional AUM increasing 5.2% to stand at USD 2.7 billion. I am also happy to announce that the division was successful in further extending its regional presence this year, having established a new dedicated office in Muscat, Oman.

On the private equity side, the division's flagship energy transition platform, Vortex Energy, continued to build on its strategic and fruitful partnership with Spain-based Ignis Energy Holdings, which facilitated a multitude of opportunities for the platform to continue growing its investment portfolio and broadening its outreach across various European countries. During the year, and through its recently launched fund Vortex Energy IV, Vortex Energy, along with its co-investors, injected the second tranche of its investment in Ignis Energy Holdings, worth c. EUR 228 million. Our partnership with such a globally renowned player not only enables us to cater to the growing demand present in the sustainable and responsible investing space but also to continue playing a fundamental role in contributing to the global transition toward a net-zero emissions future.

Alongside our success in the renewable energy space, 2022 was a solid year for our healthcare platform Rx Healthcare Management [RxHM], which continued to grow its operations in collaboration with leading medical solutions provider, United Pharma. I am delighted to say that we were successful in enhancing our production capacities

The buy-side business delivered solid results this year, capitalizing on the growing demand for compelling and value-generating investment prospects, all while contributing to the Group's consolidated revenue growth.

and expanding our geographical footprint during the year, in line with our strategy to provide a better-rounded roster of innovative healthcare solutions across the region.

In the education sector, the year saw our full-fledged education-focused platform, the Egypt Education Fund (EEF), broaden its capacities in Egypt's ever-growing education space by adding more prominent international schools to its portfolio. Leveraging its acquisition of Al Hayah International Academy back in 2021, the platform acquired Hayah West in Sheikh Zayed. Additionally, the EEF was successful in acquiring GEMS International School in Cairo (GISC) and Trillium the Montessori house, marking our strategic entry into the nascent pre-K segment. Branching out of Egypt's capital, the EEF entered into an agreement with Abu Soma Development to establish a school in Soma Bay, which is set to kick off operations in 2024.

As a result of the solid performance delivered across all three platforms, the division closed the year with revenues of EGP 171 million, reflecting an increase of 57% Y-o-Y from the EGP 109 million booked in 2021.



Although the macroeconomic challenges we faced this year are expected to linger in 2023, I am confident that both our Private Equity and Asset Management arms will continue to uphold their commitment to our stakeholders and will remain dedicated to building on the tremendous success achieved over the years. It is of utmost importance for us to continue sustaining our strong position in the regional markets in which we operate, and we aim to continue charging the market with investment prospects and innovative offerings that not only generate returns for our clients and bolster the Firm's financial position but also create long-term, meaningful value on a regional scale.

Karim Moussa
Co-CEO of the Investment Bank

ASSET MANAGEMENT

Overview

EFG Hermes' Asset Management division, the MENA region's leading asset manager, offers its clients a diverse and comprehensive suite of mutual funds and discretionary portfolios comprising of country-specific and regional mandates, including money market, fixed income, indexed, and Shariah- and UCTIS-compliant mandates. Powered by a team of regional industry experts, EFG Hermes' Asset Management division caters to an ever-growing client base of individual and institutional clients, as well as government-backed entities. The division unlocks value-accretive investment prospects, market insights, and other value-add services that are tailored to different individual preferences, financial objectives, and risk appetites.

Operational Highlights of 2022

Despite the challenges driven by inflationary pressures, higher interest rates, and currency devaluations, the MENA region's capital markets remained resilient during the year. EFG Hermes' Asset Management division ended 2022 on a strong note, winning new mandates, outperforming peer averages, and sustaining its leading position as the asset manager of choice in the region.

By the end of 2022, the division's AUM in Egypt hiked by 10% Y-o-Y to record EGP 25.9 billion, up from the EGP 23.5 billion recorded at year-end 2021. The increase was primarily driven by the favorable performance of equity markets during the year, coupled with rising net inflows in money market funds (MMFs).

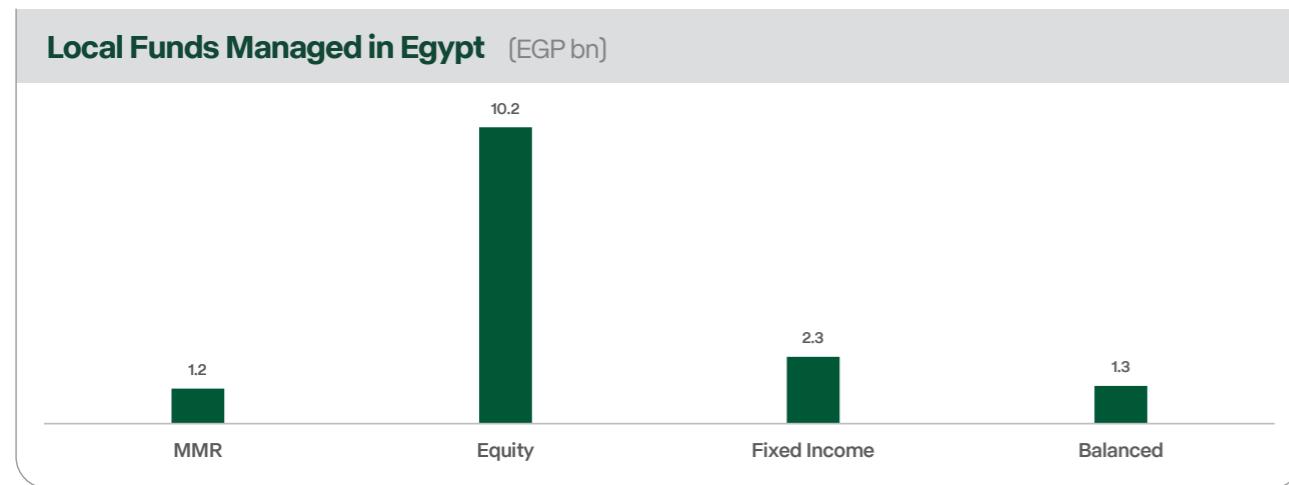
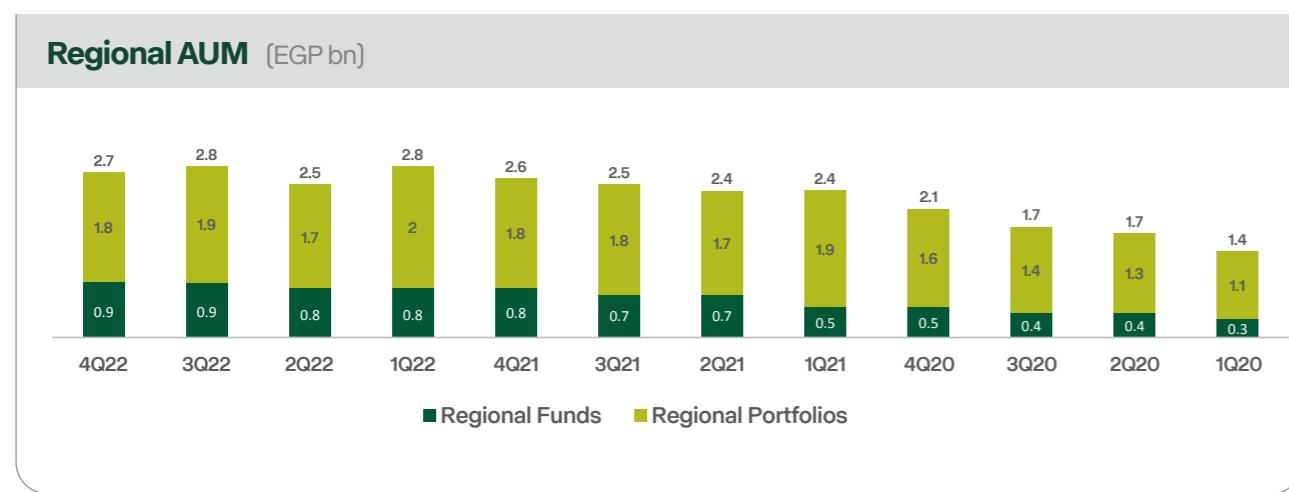
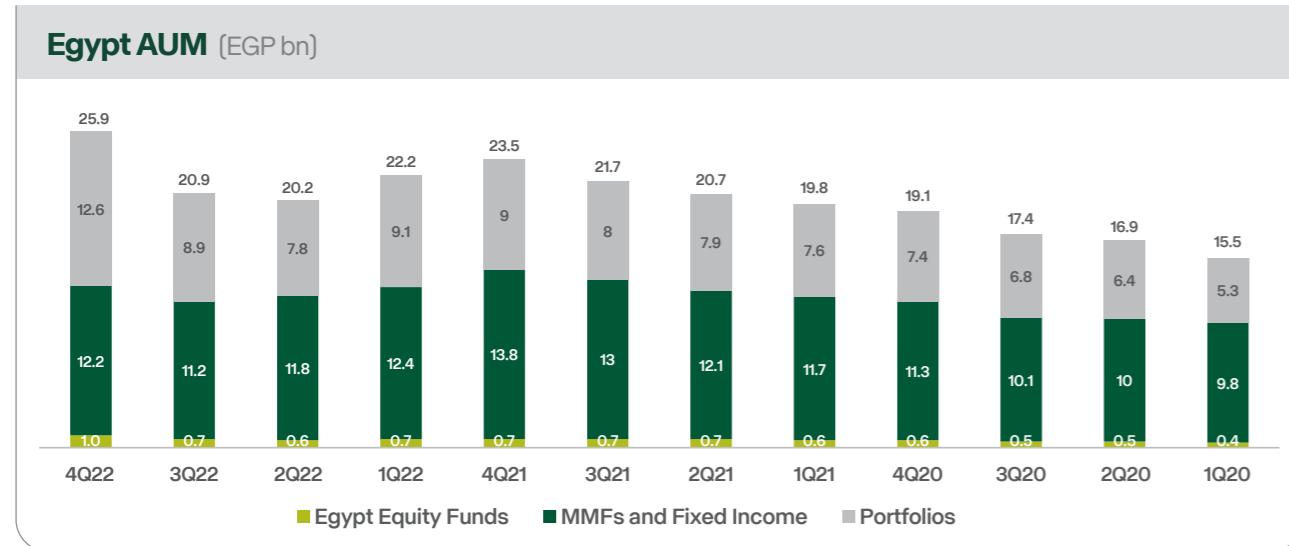


In 2022, the division won new mandates, outperformed peer averages, and sustained its leading position as the asset manager of choice in the region.

Despite the challenging market conditions, regional AUM from the Firm's regional arm, Frontier Investment Management (FIM) Partners, also grew in 2022 to record USD 2.7 billion, up 5.2% from the USD 2.6 billion booked one year previously, as the division delivered a solid performance across its funds and managed accounts, in addition to the growth in net inflows from equity portfolios. Additionally, FIM was successful in onboarding a new key account during the year, as a cornerstone of its strategy to broaden its investor network.

During the year, and in efforts to expand its regional presence, the Asset Management division successfully established a new office in Muscat, Oman.





Key Financial Highlights of 2022

Asset Management revenues rose by 5% Y-o-Y in 2022 to EGP 553 million, compared to the EGP 528 million reported in 2021, on the back of the higher incentive fees booked by the regional asset management arm, FIM.

Awards

In 2022, EFG Hermes Asset Management was named Best Asset Manager in Egypt and Pan-Africa by EMEA Finance African Banking Awards 2022 and was ranked 18th in Forbes Middle East's Top 30 Asset Management Companies.

Forward-Looking Strategy

Going into 2023, the Asset Management division aims to continue delivering long-term value to its investors and other stakeholders and cementing its leading position

across the regional markets in which it operates. The year ahead will see the division bring to market a wider range of innovative emerging market equity and fixed income products in efforts to complement its suite of existing offerings and to grow its roster of offerings in Egypt and region-wide. Capitalizing on the ever-growing importance of sustainable investing for individual and institutional investors alike, the division's regional arm, FIM, continues to operate in accordance with the highest ESG investing standards, and it is in the process of enhancing its ESG policies to better serve changing investor dynamics across different asset classes.





PRIVATE EQUITY

Overview

EFG Hermes' Private Equity platform drives value-accretive investments in sectors that are strategic and impactful by providing rapid and flexible investment capital. The platform's unmatched capacity building and technical assistance, combined with its strategic leadership management, are some of the factors enabling it to grow its businesses swiftly across its footprint. As a long-term impact investor, the division invests in businesses operating in key industries — including renewable energy, education, and healthcare — that generate not only lucrative financial returns but also social and environmental impacts.

On the renewables front, the division manages investments through its dedicated Europe-focused platform, Vortex Energy. The platform, which was launched in 2014, funds projects in the fast-growing energy transition industry to drive higher sustainable development and lay the foundation for the transition toward clean energy. Today, Vortex Energy is a leading energy transition investment manager that seamlessly executes deal sourcing, structuring, financing, asset integration, and divestment on a global scale.

In the ever-growing education sector, EFG Hermes' EEF is a USD 150 million investment fund that was launched in 2018. In line with its strategy to carry out socially impactful investments, EEF continues to grow and develop Egypt's underserved K-12 sector through investments in schools and greenfield developments, in addition to building a vertically integrated platform to manage and enhance operations more effectively.

In the healthcare space, the Firm's healthcare-focused investment platform, RxHM, was established to manage diverse investments across the healthcare sector to meet the rapidly growing demand for premium healthcare offerings across Egypt, the MENA region, and Africa at large. In 2019, the platform successfully completed the acquisition of a majority stake in United Pharma, a leading Egyptian

medical solutions provider, in efforts to expand United Pharma's medical product offerings across the region.

2022 Operational Highlights

Vortex Energy

2022 was a strong year for the Firm's renewables-focused platform, primarily driven by the unprecedented surges in electricity prices on the back of the Russia-Ukraine war, which created higher demand for alternative energy solutions. By the end of 2022, Vortex Energy had invested a total of EUR 300 million into Ignis Energy Holdings, highlighting the strategic importance of its longstanding relationship with the company. Through this, Vortex Energy helped Ignis boost capacities and capture a share of the growing demand in Europe, led by the continents' current energy crises and the need for more renewable energy resources.

RX Healthcare Management

RxHM delivered a strong set of operational and financial results in 2022 as it continued to bolster its production capacities through United Pharma. The platform witnessed substantial growth throughout the year, having successfully sourced a wider range of offerings across its portfolio, and broadened its geographical footprint through higher exports across the region.

Egypt Education Fund

In 2022, the EEF continued to cement its position as the region's largest performing education-focused platform, broadening its capacities in Egypt's education sector and diversifying its investment portfolio of leading international schools. Following the addition of Al Hayah International Academy to the platform in 2021, the year saw the EEF acquire Hayah West in Sheikh Zayed. The EEF also concluded new acquisitions during the year, including

As a long-term impact investor, EFG Hermes' Private Equity division invests in businesses operating in key industries that generate not only lucrative financial returns but also social and environmental impacts.

flagship GISC and Trillium the Montessori house — the latter marking the platform's first break into the burgeoning pre-K segment. Additionally, the platform entered into an agreement with Abu Soma Development Company to establish a new state-of-the-art school in Soma Bay. The school is slated to house around 300 students and is set to commence operations in 2024.

To expand its complementary services offered to students, EEF acquired "Selah El Telmeez", the leading Egyptian learning guide and content creator for K-12 students. Up-and-running since 1960, Selah El Telmeez is a brand trusted by millions of Egyptians, offering a broad range of books and digital learning materials across an array of subjects. By that same token, the acquisition of Option Travel in 2019 continued to bear fruit, with the platform's school bus service performing exceptionally well during the year considering the return to in-person learning.

Awards

During the year, EFG Hermes' Private Equity division was recognized as the Best Private Equity House in Africa by EMEA Finance Awards 2021. Vortex Energy, in particular, won the Best Sustainable Private Equity Investment and the Best Private Equity Fund Raising in Africa by EMEA Finance Achievement Awards 2021. The division was also recognized as one of the leading private equity divisions in the region by IJ Global, having been shortlisted among some of the most prominent investment managers in the region for the Investment Manager of the Year award.

2022 Key Financial Highlights

Revenues for the division in 2022 recorded EGP 171 million, reflecting a 57% increase Y-o-Y from the EGP 109 million registered in 2021.

Forward-Looking Strategy

Looking ahead, the division aims to continue ramping up its portfolio to house a larger number of high-impact investments across its key areas of focus. On the renewables side, Vortex Energy plans to continue building on the success of its partnership with Ignis to grow its operational footprint on an international scale. As such, the flagship renewables platform is looking to venture into more sustainable and environmentally conscious fields, including energy storage and electrical vehicle (EV) charging.

On the education front, EEF continues to focus on strengthening its position as a full-fledged integrated education platform, leveraging educational institutions in the pre-K and K-12 space as well as complementary service offerings, such as transportation and digital education materials. The platform also continues to seek out new value-generating prospects in the Egyptian education space, with an eye for branching out of Cairo and breaking ground in more underserved regions.

Shedding light on the healthcare side of the house, RxHM plans to continue broadening its healthcare portfolio by adding more acquisitions alongside United Pharma with entry into the IV and medical solutions space as it works to upscale the healthcare space and infuse the market with a wider range of comprehensive medical solutions.

NBFI PLATFORM

2.5 EGP BN

revenues in 2022

28%

revenue growth in 2022



The NBFI platform is an end-to-end financial services ecosystem unlocking access to finance for people of all income levels and businesses of all sizes.

NBFI PLATFORM OVERVIEW

EFG Finance, the fastest-growing NBFI platform in Egypt and a growth engine for financial inclusion, the vertical that is led by myself, is home to numerous brands, including leasing and factoring platform EFG Hermes Corp-Solutions, microfinance player Tanmeyah, mortgage finance provider Bedaya, insurance provider Kaf, and e-payment platform PayTabs Egypt. On the other hand, valU, the leading fintech lifestyle-enabling solution in Egypt and a sub-brand of the group, is independently led by CEO Walid Hassouna.

2022 was a solid year for our flagship NBFI platform, as it continues to be a holistic ecosystem of complementary businesses that join forces to provide end-to-end financial solutions at every stage of people's lives and the growth of their businesses. Our relentless efforts and strong performance during the year serve as a testament to how we honor our longstanding mission at the Firm — to provide people from all walks of life and businesses of all sizes with access to the financing and tools they need to live better lives, build bigger companies, and enhance the communities in which they live and work.

The year saw our leasing and factoring arm, EFG Hermes Corp-Solutions, record strong results across its core operations. Total bookings hit a record high of EGP 9.6 billion, compared to the EGP 8 billion booked in 2021, as it continued to offer its clients innovative and comprehensive leasing and factoring offerings, in addition to expanding its operations into new, value-accretive sectors. In the logistics space, the company partnered with a globally renowned logistics company, TruKKer, supporting it in developing the operations of its Egyptian arm by ramping up shipments and facilitating swifter payments. In the maritime sector, EFG Hermes Corp-Solutions forged a partnership with Egypt-based shipping company, Transmar, to finance the purchase of the cargo vessel, Transmar Legacy. The company also partnered with PICO Energy in a structured transaction worth USD 15 million, marking its entry into the oil and gas sector.



EFG Hermes Corp-Solutions also concluded the year having issued an EGP 2 billion securitized bond — its largest to date — in addition to a bond offering worth EGP 500 million as part of a more expansive EGP 3 billion program to monetize its receivables portfolio and, in turn, expand the business.

On the microfinance front, Tanmeyah continued to grow its client base and sales by ramping up resources across its branches and streamlining operations, focusing on boosting efficiency through investment in digital infrastructure. By that same token, the company partnered with prominent players in the e-payment space, including Fawry, O-Pay, Bee, and Masary, to enable customers to make online payments through various points of sale — a key plank in its strategy to promote nationwide financial inclusion through digital intermediation. Tanmeyah continued to build on the success of its partnership with Banque Misr, rolling out co-branded, prepaid "Meeza" cards to its customers, enabling them to make deposits, withdrawals, and transfers swiftly and seamlessly through Banque Misr's ATMs and points of sale. By the end of the year, Tanmeyah had recorded an outstanding portfolio value of EGP 4.3 billion and a total client base of 378,645 active borrowers.



Our mission is to provide people and businesses with the financing they need to live better lives, build bigger companies, and enhance the communities in which they live and work.

Parallel to its digital transformation efforts, the microfinance leader acquired Fatura, a tech-enabled business-to-business (B2B) marketplace with a presence spanning 22 governorates in Egypt. Through this strategic acquisition, Fatura will grant Tanmeyah access to its fast-growing network of merchants, enabling the company to bridge the gap in the ever-growing B2B credit market.

Another milestone for the year was the success of our e-payment solutions platform PayTabs Egypt, which continued to capitalize on the demand and need for digital payments to fuel the drive toward a cashless society. Throughout 2022, the company invested in diversifying its network of partners, forming a multitude of strategic collaborations with leading local and regional brands and expanding its range of innovative and tailored payment solutions through its world-class platform. In alignment with this, in Egypt, PayTabs Egypt successfully launched Paymes — a one-of-a-kind social commerce marketplace and a leading platform in Central Asia. Paymes is slated to serve as PayTabs Egypt's social commerce platform in the MENA region, enabling freelancers, artisans, consultants, home-based business owners, personal trainers, food truck vendors, and members of the gig economy to make payment collections across social media platforms swiftly and seamlessly. At year-end 2022, PayTabs Egypt registered a base of over 2,000 merchants and over 1.5 million transactions completed through the platform.

In the insurance space, our tech-enabled microinsurance brand, Kaf, concluded the year with solid performance across its core operations and breaking ground in the market, having recorded the tremendous achievement of 2 million lives insured. Alongside its operational growth, Kaf focused on forging partnerships with other entities within the Firm's NBFI platform. 2022 saw the company extend its insurance plans to Tanmeyah's customers, mitigating

the default risks of Tanmeyah's borrowers and ensuring stability and progress of people's small and micro businesses as part of its focus to drive financial inclusion across Egypt's governorates.

Bedaya, our mortgage finance venture and Egypt's first non-bank online mortgage provider, ended 2022 having exceeded its operational and financial targets and facing macroeconomic challenges head-on. The company's extensive efforts throughout the year resulted in a substantial hike in portfolio value and the number of clients served — a Y-o-Y increase of 206% and 379% versus the end of 2021, respectively. As a result of this growth, Bedaya ranked second by market share in the Egyptian mortgage space in 2022. The year also saw Bedaya issue its first securitized bond, worth EGP 651.2 million, in collaboration with the Firm's Investment Banking division, marking the first-ever securitization for a mortgage player in Egypt's debt capital market.

Gearing up for 2023, and as the macroeconomic environment continues to pose challenges for regional and global markets, we aim to continue enhancing the operational capacities of the businesses within the platform as they expand their offerings to new markets. Additionally, as the NBFI platform continues to witness rapid growth Y-o-Y, it is of utmost importance for us to continue capitalizing on our most valuable asset, our people, the leaders who steer this ship forward, even during the most testing times. We remain confident in our ability to continue providing compelling and fundamentally necessary products for the people and businesses in our community, and we look forward to another year of remarkable achievements.

Aladdin ElAfifi
Chief Executive Officer
EFG Finance

TANMEYAH



Overview

Tanmeyah for Microenterprise Services, a subsidiary of EFG Hermes Holding, is the leading company in providing a range of microfinance solutions in Egypt. Tanmeyah was established in 2009 and, since inception, has grown to become one of the leading entities in the field of working capital financing for owners of low-income generating projects. The financing programs support owners of microenterprises in developing their businesses and projects, which contributes to the improvement of surrounding communities. Tanmeyah facilitates access to finance in underprivileged areas through its on-ground presence in many governorates across Egypt. It continuously seeks to expand geographically by opening new branches in rural and urban areas in Upper Egypt and Delta governorates.

Tanmeyah's financing programs start from EGP 1,000 and cater to low-income businesses while driving economic growth throughout Egypt and improving standards of living. Tanmeyah has been actively promoting digitalization as part of Egypt's strategy toward achieving increased financial inclusion and has launched several applications offering digital services and online payment solutions to customers, enabling the company to serve a wider customer base. Today, Tanmeyah has issued over 2 million financing facilities of various types and sizes to low-income generating projects across Egypt.

2022 Operational Highlights

2022 was an exceptional year for Tanmeyah, with the company achieving substantial growth across all performance metrics, particularly on the productivity and efficiency fronts. By the end of the year, Tanmeyah had recorded an outstanding portfolio value of EGP 4.3 billion, reflecting a Y-o-Y increase of 18% from EGP 3.7 billion at year-end 2021. The company also recorded a total client base of 378,645 active

borrowers. Additionally, Tanmeyah's total number of loans issued amounted to 371,107 by the end of 2022 compared to the 367,294 loans booked in 2021, with the company issuing loans worth EGP 6.1 billion compared to the EGP 5.2 billion issued the previous year. While the number of loans issued remained relatively flat during the year, Tanmeyah focused on increasing its ticket sizes, with its MEL average ticket size increasing by 23 % Y-o-Y to record EGP 17,928.

During the year, Tanmeyah proceeded with its strategy to aggressively broaden its client base and increase sales by ramping up resources across its branches and restructuring operations to cater to a wider segment of clients. As a result, the company achieved record-high issuances during the year, particularly in March when sales reached EGP 605 million.

As a cornerstone of its wider strategy to promote financial inclusion and digital transformation, and building on its partnership with Damen in 2021, the year saw Tanmeyah partner with electronic payment networks Masary and Bee to broaden its digital collection capacities by enabling customers to make online payments through various points of sale. The company also partnered with Fawry and O-pay during the year, two of the region's most prominent digital payment platforms, unlocking access for customers to make payments through both platforms at any of Tanmeyah's branches, in addition to retail outlets within Tanmeyah's network. Following its partnership with Banque Misr in 2021, Tanmeyah began rolling out co-branded prepaid "Meeza" cards to its customers in collaboration with the bank, enabling customers to make deposits, withdrawals, and transfers through Banque Misr's ATMs and points of sale. By the end of 2022, Tanmeyah had successfully issued 28 Meeza cards.

Capitalizing on the synergies across EFG Hermes Holding's NBFI platform, Tanmeyah forged a strategic, one-of-a-kind

By the end of the year, Tanmeyah had recorded an outstanding portfolio value of EGP 4.3 billion, reflecting a Y-o-Y increase of 18% from EGP 3.7 billion at year-end 2021.





partnership with PayTabs Egypt to digitize its payment collections and disbursements through PayTabs Egypt's secure payment gateway. This partnership offers the microfinance leader direct access to PayTabs Egypt's microbusinesses and freelancers and enables Tanmeyah's businesses and individuals to make payments securely and smoothly. Additionally, the microfinance leader concluded its first acquisition during the year, having acquired Fatura, a tech-enabled B2B marketplace with a presence spanning 22 governorates in Egypt. Prior to the acquisition, Fatura was backed by prominent shareholders in the fintech field, with EFG EV Fintech being one of the primary investors since 2020. The strategic acquisition of Fatura aims to grant Tanmeyah access to Fatura's fast-growing network of merchants, enabling the company to bridge the gap in the key B2B credit market.

In addition to its relentless efforts to digitally transform its infrastructure and broaden its client base, Tanmeyah focused on diversifying its product offerings during the year. In 2022, the microfinance player's previously established Women in Business (WIB) program was rebranded to the Individual Lending Program, catering to a wider stratum of the Egyptian population. By the end of the year, the program had registered over 47,673 loans, an increase of 65% from the 28,902 loans issued across the WIB program in 2021.

At present, Tanmeyah's team comprises of 4,375 employees, of which over 3,585 are field loan officers.

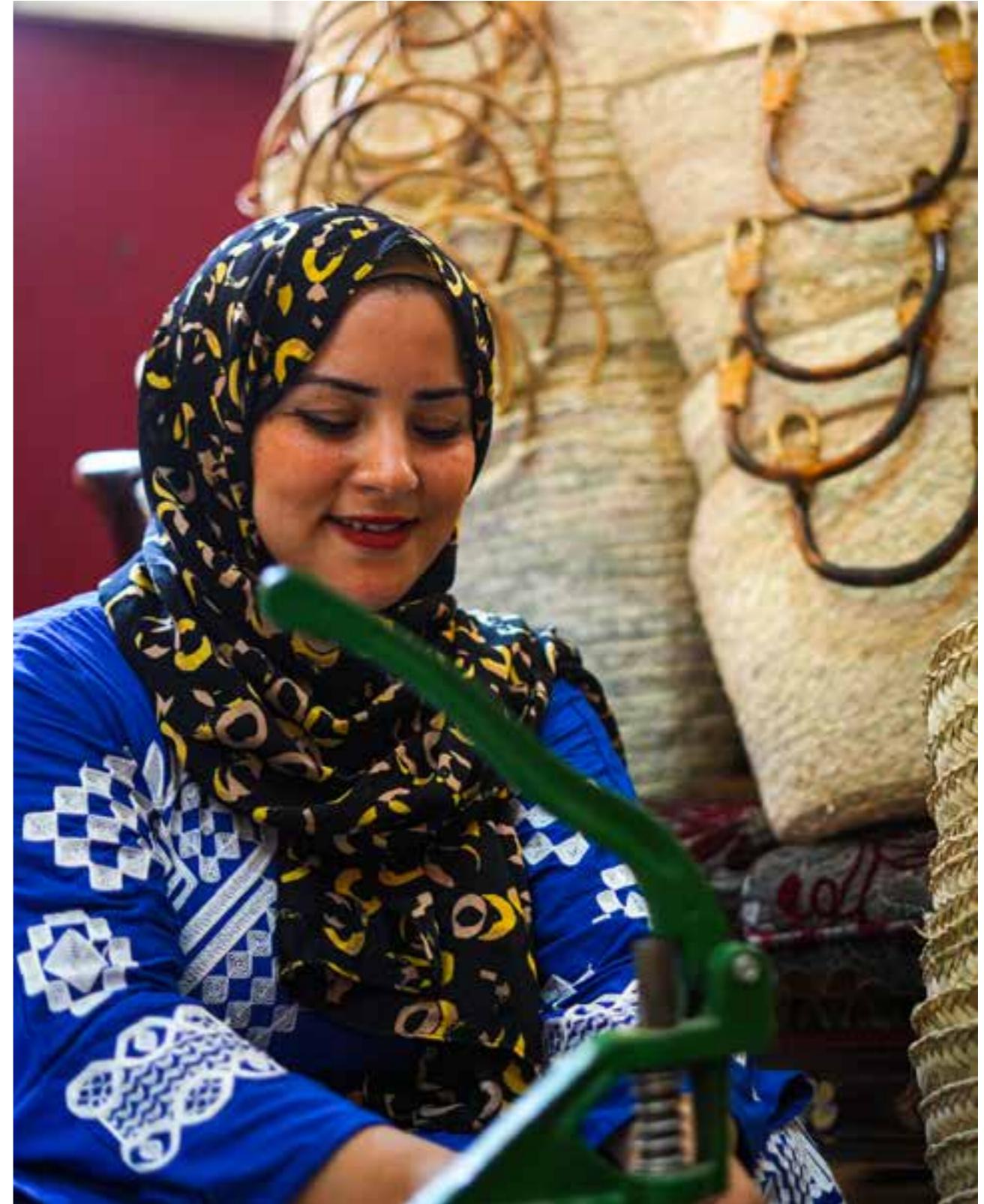
2022 saw the company focus heavily on enhancing its operational efficiency and expanding its caliber outreach across Egypt's governorates. Simultaneously, Tanmeyah concluded the refurbishment of its head office and the establishment of its customer-focused headquarters during the year, with the aim to effectively identify, reach, and capture a wider share of customers in the microfinance space.

Key Financial Highlights

On the back of the substantial increase in sales, enhanced margins, and a record portfolio growth, Tanmeyah recorded a revenue increase of around 7% Y-o-Y to EGP 1.5 billion in 2022, up from EGP 1.4 billion recorded at year-end 2021.

Forward-Looking Strategy

Looking ahead, Tanmeyah aims to continue on its trajectory to ramp up its operations and bolster efficiency across its footprint. To do so, the microfinance leader will continue to digitally transform its operations by investing in technology and data science, in addition to capitalizing on its acquisition of Fatura and the synergies inherent in both companies' business models. Additionally, Tanmeyah plans to continue rolling out campaigns and launching new products with prominent players that drive progression in the microfinance space, ultimately enabling the company to continue growing across all its performance metrics.



valU

Overview

Launched at the end of 2017 as a Buy-Now, Pay-Later (BNPL) provider, valU is the MENA region's leading lifestyle-enabling fintech platform. A fundamental element of EFG Hermes Holding's wider strategy to diversify its product base and provide nationwide financial solutions through digital intermediation, valU has transformed throughout the years to become a pillar in the regional fintech ecosystem and promoter of financial inclusion. Its foundation as a BNPL provider saw valU offer convenient and inclusive 3–60-month financing plans through

over 3,600 retail partners and service providers, as well as over 1,000 e-commerce platforms covering various categories, such as home appliances, electronics, home finishing, furniture, residential solar solutions, healthcare, education, travel, F&B, oil and gas, fashion, used cars, and more. Having continued to launch a continuous stream of disruptive but fundamentally integrated solutions and partnerships to the market, the company has become a full-fledged lifestyle-enabling platform that meets consumers' ever-expanding financial needs.

3,600+

retail partners

1,000+

online partners

568K

valU app customers

1 MN+

transactions

5.8 EGP BN +

gross merchandise value



2022 Operational Highlights

2022 was marked by tremendous accomplishments for valU, as the fintech leader continued to bring to market innovative financing products and venture into more promising sectors. By the end of the year, valU had registered remarkable growth across all metrics, with 568,000 app customers and over 1 million transactions completed through the app. With an average ticket size of EGP 5,000, valU concluded the year with a total gross merchandise value of EGP 5.8 billion — a twofold increase from the EGP 2.4 billion booked in 2021.

Growth and Expansion

The company's incredible success drew the attention of global investors looking to capitalize on its growth prospects in Egypt and the region. In May, Amazon acquired USD 10 million in EFG Hermes GDRs with the option to place that investment into valU in the future, translating into 4.255% of valU's issued share capital based on a post-money valuation of USD 235 million at the time. The acquisition was followed by announcing the Alhokair family's intent to purchase a 4.99% stake in the platform through a USD 12.4 million capital increase.





The agreement with the Alhokair family, a powerhouse in the Saudi retail market, came on the heels of valU's announcement of the intention to purchase a 35% stake in Saudi consumer finance player, Fas Finance, marking its strategic entry into the Saudi market.

valU also closed 2022 having concluded several acquisitions. The fintech player fully acquired Paynas — a full-fledged employee management and benefits company that offers services to MSMEs, including a cloud-based platform to manage attendance and payroll; financial products, such as payroll cards in collaboration with Banque Misr and Visa; affordable health insurance; as well as financial wellness products, such as earned-wage payouts and salary advances. The synergies between Paynas's B2B and valU's B2C offerings perfectly position valU to capture more opportunities and become a holistic lifestyle-enabling platform that serves the needs of multiple segments with progressive and convenient financial solutions. During the year, valU also acquired a minority stake in Kiwe — the first social payment app for youth that facilitates onboarding of the unbanked segment in Egypt — and invested in Hoods, the live e-commerce platform.

Working with EFG Hermes' Investment Banking, valU issued its second and third securitized bond offerings in 2022, worth EGP 532.6 million and EGP 854.5 million, respectively. Both issuances came as part of a broader EGP 2 billion program to support the company's expansion plans.

Strategic Partnerships

On the partnership front, the year saw valU welcome more homegrown and international brands aboard its merchant network. By doing so, valU successfully extended its customizable BNPL plans to new products and sectors, ultimately growing its client base and creating higher brand awareness. By the end of 2022, valU had registered over 4,500 merchants across its network.

As a cornerstone of its efforts to enhance affordability that positively impacts many Egyptians' lives, valU forged

a first-of-its-kind partnership with energy solutions provider, TotalEnergies, to offer convenient payment plans across its petrol stations. On the e-commerce front, valU partnered with the region's leading digital marketplaces, Noon, Jumia, and Amazon Egypt, unlocking customers' access to various products offered on all three platforms. 2022 also saw valU venture into food commerce, collaborating with online platforms, Rabbit and Voo, to allow shoppers to purchase groceries using its BNPL solutions.

Another milestone partnership for the year was with Al-Ahly Sporting Club, which saw valU provide people with more affordable financing plans on new memberships. The collaboration is part of the fintech player's strategic alliances with other sporting clubs, including SODIC's Club S, signed in 2021.

During the year, valU expanded into more significant ticket transactions, joining forces with real estate developers in the market, such as Arab Developers Holding, Makadi Heights, Almaza Bay, and Palm Hills, as well as hospitality player Travco, to offer residents convenient financing solutions for home maintenance and finishing fees. valU also partnered with Rentak, the first platform in Egypt combining fintech and proptech solutions, to facilitate rent transactions between tenants and landlords. It also forged a unique partnership with Egypt's homegrown used-car platform, Sylndr, unlocking more affordable payment options for those looking to buy high-quality used cars conveniently, transparently, and reliably.

2022 also saw valU forge unconventional, three-party partnerships. These collaborations included multinational retail and wholesaling international brand, Carrefour, and home-appliance and electronics manufacturer, Braun, to offer shoppers at Carrefour exclusive promotions on Braun's wide selection of products.

The company additionally signed a partnership agreement with Geidea, a Saudi-based digital payments provider, to integrate the company's seamless and intuitive payment aggregation solutions into the valU ecosystem.

valU was named Fintech Company of the Year at the Gulf Business Tech Awards 2022 for the second consecutive year.

valU continued to broaden the outreach of its existing product offerings during the year to target new audiences. It amplified its efforts to grow the landmark cash redemption program, Sha2labaz, allowing customers to reclaim any amount spent when purchasing from any product or service provider inside or outside valU's vendor network. The amount reclaimed in cash is then paid on flexible tenors from 6 to 60 months through valU. In 2022, valU worked on creating saving and investment products that align with its strategy to promote financial empowerment and inclusion and expand beyond solely being a BNPL player. It also opened new brick-and-mortar branches to serve more customers and expand its on-the-ground presence in the market.

Operational Synergies

Another critical factor to valU's success this year was its ability to capitalize on the synergies inherent in EFG Hermes Holding's business model. The fintech player partnered with several of the Group's lines of business, including PayTabs Egypt, aiBANK, and the Investment Banking division. Partnerships for the year included collaborating with aiBANK and Sylndr to unlock more affordable payment options for those looking to buy and sell used cars seamlessly and reliably. valU joined forces with PayTabs Egypt to partner with The Knowledge Hub (TKH) — a multidisciplinary educational hub of world-class universities — enabling parents to pay for their children's academic fees, books, and other educational materials. Another partnership between both businesses included that with notchnco — a homegrown independent software vendor (ISV) for meta products — to unlock unique shopping experiences through WhatsApp for valU's clients.

Awards

In 2022, valU was named Fintech Company of the Year at the Gulf Business Tech Awards 2022 for the second consecutive year.

Technological Infrastructure

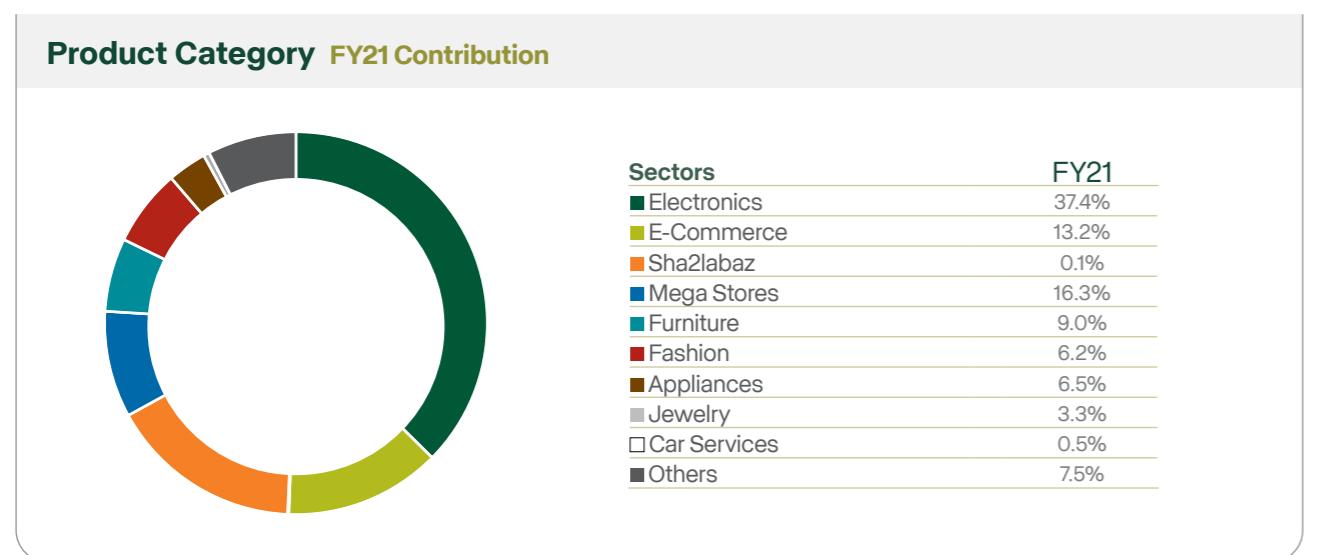
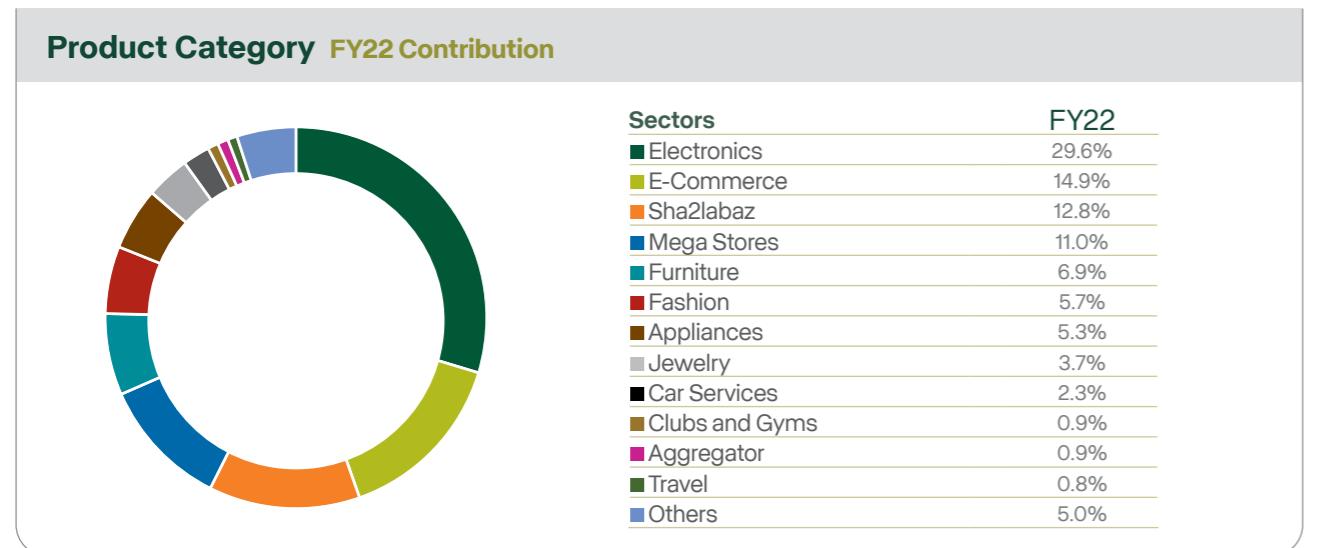
As valU expands its product universe and prioritizes customer satisfaction, it continues to invest in the UX and UI of its app to provide customers with more financial solutions and a remarkable customer experience through seamless navigation.

Forward-Looking Strategy

Looking ahead, valU aims to continue enriching its product base, expanding its operational footprint across new geographies, onboarding new merchants, and empowering people to achieve their desired lifestyle needs. In 2023, valU plans to expand to Saudi Arabia, following the Alhokair family's intent to purchase a 4.99% stake in the platform, with an eye toward potential growth into other regional markets.

Additionally, as part and parcel of its strategy to become an end-to-end fintech platform, valU will leverage its acquisition of Paynas to offer B2B programs and HR services to its merchants. Following the success of its unconventional partnerships in 2022, the year ahead will also see valU continue to forge more value-accretive three-way partnerships to foster innovation within the fintech space.

	FY22	FY21	Growth
Number of Transactions	1,122,065	452,379	147%
Gross Merchandise Value (EGP)	5,839,478,340	2,355,787,559	148%



EFG HERMES CORP-SOLUTIONS

EFG Hermes Corp-Solutions was established in 2020 to consolidate the Group's factoring and leasing arms, EFG Hermes Leasing and EFG Hermes Factoring, into one bundled entity. An integral part of EFG Hermes Holding's NBFI platform, the company provides its clients of various sizes and in numerous industries with leasing and factoring services that give them critical access to capital and liquidity. Leveraging the Group's investment banking and NBFI platforms and the inherent synergies on a Firm-wide level, EFG Hermes Corp-Solutions is able to provide regional market insights and intelligence, as well as tailored advisory and capital access solutions that upscale the non-bank corporate financing landscape in Egypt and promote financial inclusion across the country. Today, the company boasts a diverse client mix of SMEs and mid-cap to large corporations that operate across a myriad of sectors including real estate development, logistics and maritime, oil and gas, printing and packaging, education, healthcare, trading and distribution, among others.

2022 Operational Highlights

2022 was a strong year for EFG Hermes Corp-Solutions. The company was able to expand its service offerings in Egypt, penetrate new sectors, conclude landmark cross-border executions, and deliver exceptional results across its core operations. By the end of the year, EFG Hermes Corp-Solutions recorded aggregate bookings amounting to EGP 9.6 billion, up 19.4% Y-o-Y from the EGP 8 billion recorded at year-end 2021. The company also registered a base of 218 clients utilizing both leasing and factoring services, reflecting a slight decline of 6% from the previous year in light of the securitization of 19 clients, 10 of which have been completely removed from EFG Hermes Corp-Solutions' portfolio.

On the leasing side, 2022 saw the company register new bookings amounting to EGP 4.4 billion — an increase of 12% Y-o-Y from the EGP 3.9 billion recorded in 2021. Operationally, the division signed a USD 25 million deal

with Transmar, a wholly owned subsidiary of IACC Holdings and Egypt's only container shipping line, to finance the purchase of a cargo vessel, Transmar Legacy. The landmark transaction, which saw a collaboration between EFG Hermes Holding's Investment Banking division and EFG Hermes Corp-Solutions, marked the leasing player's strategic entry into the high-potential maritime sector. Following the completion of the transaction, Transmar was 70% acquired by Dubai-based AD Ports later in the year.

Capitalizing on the success of its sale-and-leaseback agreements with real estate powerhouses Madinet Masr and Misr Italia Properties in 2021, EFG Hermes Corp-Solutions collaborated with the Firm's Investment Banking division on the EGP 1.1 billion sale-and-leaseback package for MARAKEZ, one of the largest mixed-use developers in Egypt. EFG Hermes' investment banking division acted as the financial advisor and arranger on the transaction, with EFG Hermes Corp-Solutions acting as the leasing partner, and aIBANK — the commercial bank acquired by the Firm in 2021 — acting as underwriter. The proceeds were used toward spending on Mall of Arabia, MARAKEZ's flagship retail and lifestyle complex located in 6th of October. Additionally, the company signed a sale-and-leaseback agreement worth EGP 600 million for LMD Visionary Real Estate Development (LMD) to finance its all-in-one, state-of-the-art leisure and business complex, 3'Sixty.

On the factoring side, EFG Hermes Corp-Solutions successfully grew the portfolio by 36%, recording a total value of bookings amounting to EGP 5.3 billion versus the EGP 4.2 billion booked one year previously.

Operationally, the division extended its factoring services to leading MENA logistics and transportation player TruKKer in a debt facility worth EGP 38 million. The partnership — which garnered significant traction — is slated to enable TruKKer to expand its operations in the Egypt branch by ramping up shipments and facilitating swifter payments.



Additionally, the factoring player signed an agreement with oil and gas leader PICO Energy in a structured transaction worth USD 15 million, marking its entry into the oil and gas sector. These landmark agreements not only serve as testament to EFG Hermes Corp-Solutions' ability to unlock access to funding that best serves its clients' needs, but also its efforts to broaden its outreach into more value-accretive sectors.

Another key milestone for the year was EFG Hermes Corp-Solutions' partnership with Klickit, a payment management and digital collection platform for tuition fees, to provide education service providers with a holistic set of financial solutions that aim to drive the sector's growth and development. Through this one-of-a-kind partnership, Klickit's network of education providers can now leverage EFG Hermes Corp-Solutions' leasing and factoring services to finance their capital expenditures.

2022 also saw EFG Hermes Corp-Solutions issue its second securitized bond offering, worth EGP 2.0 billion, in collaboration with the Firm's flagship Investment Banking division. The bond was backed by a receivables portfolio of EGP 2.9 million, representing 24 lease contracts, and marked the second issuance in the bond program worth EGP 3 billion.

Key Financial Highlights

In 2022, EFG Hermes Corp-Solutions recorded 1,194 new bookings compared to the 1,285 bookings recorded in 2021. The company registered a value of new bookings amounting to EGP 9.6 billion, up from the EGP 8 billion booked in the previous year, and recorded a net profit of EGP 182 million at year-end 2022, reflecting a Y-o-Y increase of 73% from the EGP 105 million booked one year previously.

Forward-Looking Strategy

Looking ahead, and while the macroeconomic environment remains relatively challenging, EFG Hermes Corp-Solutions continues to work relentlessly to broaden its client base and target unserved sectors across its portfolio. As such, the company aims to continue exploring expansion prospects in new, value-accretive markets, branching out beyond Egyptian borders and breaking ground with new financing offerings and structures. The year will also see EFG Hermes Corp-Solutions capitalize on the solid cross-selling capacities with EFG Hermes Holding's other divisions, leveraging the Firm's expansive track record and unrivalled capabilities to further accelerate its operational growth and cement its leading position both in the leasing and factoring spaces.

PAYTABS EGYPT

Overview

Established in Saudi Arabia in 2014, PayTabs is an award-winning payment processing powerhouse with an expansive presence spanning 10 markets. In 2019, EFG Hermes Holding partnered with the fintech player to launch PayTabs Egypt — a formidable digital payments platform and integral part of the Firm's NBFI platform. Over the years, PayTabs Egypt has significantly contributed to the nation's directives for financial inclusion and digital transformation by becoming the leading online payment gateway for a wide range of consumer segments and businesses across key industries. Today, PayTabs Egypt offers seamless digital payment solutions for corporates, SMEs, startups, and freelancers.

Operational Highlights of 2022

Despite ongoing inflationary pressures that hampered consumer purchasing power, 2022 was a year of exceptional growth for PayTabs Egypt. The company successfully achieved its operational targets prior to the end of the year, primarily driven by the rapidly growing demand for e-payment solutions and market dynamics shifting more rapidly toward digital solutions that offer cashless transactions. PayTabs Egypt capitalized on this demand by providing the market with unique and value-accretive offerings, broadening its client outreach, and tapping into high-potential sectors in Egypt. As a result, the digital payments powerhouse ended the year having registered a base of over 2,000 merchants, a remarkable growth of 65% Y-o-Y, and over 1.5 million transactions completed through the platform.

Throughout the year, PayTabs Egypt heavily invested in diversifying its network of partners, forging a multitude of strategic collaborations with leading local and regional brands, and offering a wider range of innovative and tailored payment solutions through its world-class

payments platform. Partnerships for the year included that with Egypt's chief digital savings platform, Waffarha, which leveraged PayTabs Egypt's cutting-edge technology and seamless payment processes to offer the Egyptian market exclusive coupon deals on a myriad of products and services at affordable price points.

Another major milestone for the year included the introduction of Paymes (a PayTabs company) — a one-of-a-kind social commerce marketplace and a leading platform in Central Asia. Through this landmark deal, Paymes will serve as PayTabs Egypt's social commerce platform in the MENA region, carving the path for a multitude of freelancers, artisans, consultants, home-based business owners, personal trainers, food truck vendors, and members of the gig economy to collect payments across social media platforms for any services they render, swiftly and seamlessly.

2022 also saw PayTabs Egypt hone in on the high-value synergies inherent in EFG Hermes Holding's business model, forging partnerships alongside its sister companies in the NBFI platform. valU, the MENA region's leading fintech, lifestyle-enabling platform, has been a strong contributor to PayTabs Egypt's growth for the year, unlocking access to a wider number of merchants and enabling the company to onboard and activate a larger number of clients. On the hospitality front, PayTabs Egypt partnered with Jaz Hotels Group and Steinberger Hotels, supporting both iconic entities in streamlining bookings and ensuring swift and secure payment processing. Through these partnerships, guests are now able to pay their expenses and booking fees through bank cards via PayTabs Egypt, in addition to valU's convenient payment solutions. PayTabs Egypt also came together with valU to tap into the education sector by partnering with The Knowledge Hub (TKH) — a multidisciplinary educational



hub of world-class universities — enabling parents to pay for their children's tuition and academic fees, books, and other educational materials seamlessly via PayTabs Egypt's payment gateway and valU's customizable payment plans. Additionally, PayTabs Egypt joined forces with valU to partner with the MENA region's first X2C online-offline auctioning and e-commerce marketplace, Mazadat, to unlock access for users to benefit from valU's BNPL services for C2C and B2C e-commerce and process online payments via PayTabs Egypt's digital payment gateway.

As part of PayTabs Egypt's strategy to further build on the cross-selling capabilities across the Group's lines of business, the company partnered with the NBFI platform's leading microfinance arm, Tanmeyah for Microfinance Services, to digitize its payment collection processes for its network of businesses and individuals, ultimately playing a pivotal role in Tanmeyah's digital transformation strategy.

Forward-Looking Strategy

Going forward, PayTabs Egypt plans to continue infusing the market with disruptive digital products and payment methods, which will significantly benefit the company's

onboarded merchants and attract new ones to its network. Shifting its focus from Cairo, 2023 will see PayTabs expand beyond Egypt's capital by venturing into more underserved governorates. To do so, the company will deploy on-the-ground teams of experienced professionals to onboard and activate more merchants as part of its wider strategy to promote financial inclusion and contribute to the move toward a cashless society on a country-wide scale.

Alongside growing its merchant network, PayTabs Egypt aims to focus and invest in bolstering the customer experience on its bespoke platform. As such, the digital payments solution provider is in the process of establishing a local call center, which is slated to receive inbound and outbound customer calls and technical support inquiries. Additionally, PayTabs Egypt plans to onboard a dedicated quality assurance team, which will be responsible for monitoring and evaluating the efficiency and reliability of merchant onboarding processes and effectively addressing any related issues and concerns.

BEDAYA MORTGAGE FINANCE

Overview

Bedaya Mortgage Finance (Bedaya) is one of Egypt's leading providers of non-bank digitalized mortgage financing solutions, with its offerings spanning residential, commercial, and administrative real estate properties. Its innovative mortgage financing solutions are powered by disruptive technologies and a well-rounded industry acumen, ensuring the fastest turnaround and the best quality of service in the market.

Established in 2019 as a joint venture between Talaat Mostafa Group (TMG), Ghabbour Auto's NBFI arm GB Capital, and EFG Hermes' NBFI platform, Bedaya offers its client base a comprehensive range of cut-to-fit mortgage financing plans with 10-year repayment periods and convenient interest rates through its seamless integrated digital platform. The mortgage financing leader leverages its mortgage finance and Ijarah programs to enable clients to purchase and renovate properties.



In 2022, Bedaya was awarded the Best Mortgage Financing Company in Egypt in the 2022 Global Banking & Finance Awards

2022 was a year rife with macroeconomic challenges, primarily driven by rising interest rates and inflationary pressures. Despite these volatilities, Bedaya managed to end the year on a high note, exceeding operational and financial targets and successfully navigating the challenging environment. By the end of the year, the company had registered a twofold increase from the facilities recorded last year.

Bedaya's extensive efforts to expand and bolster its operations throughout the year resulted in a substantial hike in portfolio value and number of clients served — a Y-o-Y increase of 206% and 379% versus the end of 2021, respectively. As a result of this growth, Bedaya ranked second in the Egyptian mortgage market, according to the FRA — a testament to the mortgage finance player's comprehensive service offerings and the strong demand surrounding the company's affordable and inclusive mortgage financing programs.

Above and beyond the exceptional performance delivered across the leading mortgage finance player's core operations, 2022 saw Bedaya capitalize on the synergies inherent in the Firm's business model, coming together with EFG Hermes' Investment Banking division to issue its first securitized bond offering worth EGP 651.2 million — the first ever securitization issuance for a mortgage financing company in the Egyptian debt capital market space. The issuance, which featured a historic tenor of 10 years, was met with substantial interest from investors and played a pivotal role in expanding Bedaya's operational footprint and diversifying its offerings.

2022 also saw Bedaya establish a dedicated sales hub, as part and parcel of its efforts to enhance operational systems and processes. Additionally, the company focused on upscaling its digital mortgage application, which was launched in 2021, deploying efforts to better manage traffic and inquiries. These achievements



allowed Bedaya to effectively manage outbound calls and generate higher leads during the year.

Bedaya also continues to be an employer of choice in Egypt's mortgage landscape, attracting the highest caliber talent in the region.

Forward-Looking Strategy

In 2023, Bedaya aims to continue its upward trajectory by expanding its operations and presence in the ever-growing mortgage market and introducing innovative financing products that provide the best mortgage experiences for Egyptians locally and abroad, as well as non-Egyptians

living and working in Egypt. The company will focus heavily on growing its portfolio, with an equal split between returns from portfolio acquisitions and the retail profile. On the retail side, the interest rate environment remains challenging, significantly impacting the retail portfolio. Nonetheless, Bedaya continues to work toward capturing value-accretive retail prospects and catering to changing dynamics to expand its outreach in the Egyptian mortgage space. On the portfolio acquisition side, Bedaya continues to leverage its expansive network of prominent and highly reputable developers to deliver more real estate units to the market, ultimately capitalizing on the significant demand in the market and cementing its leading position as the provider of choice for mortgage facilities.



KAF

2022 saw Kaf become the first Egyptian company to officially transition from takaful insurance to commercial insurance.

Overview

Founded in 2020 following the acquisition of Tokio Marine Egypt Family Takaful by EFG Finance and GB Capital, Kaf has grown to become a tech-enabled insurance brand in Egypt delivering innovative and impactful insurance solutions that drive value for individuals and businesses in the life and savings arenas. Kaf aims to make insurance products more accessible to the wider Egyptian population, creating social and community value through insurance products backed by a trusted digital platform.

strengthen its technological infrastructure to deliver unrivaled tech-led services to its customers. Additionally, the company partnered up with the digital insurance broker Estafsar. Kaf also partnered with e-health platform Este-shara to enable customers to undergo medical examinations smoothly and seamlessly.

Forward-Looking Strategy

Going into 2023, Kaf aims to venture into the retail space, launch new digital insurance products, and continue building its operational and distribution capabilities. The company also aspires to continue broadening its online presence by investing in advanced technologies. Additionally, following the completion of its conversion process, Kaf plans to continue raising the bar by leveraging the success of its partnerships with key entities from within its shareholding groups, such as EFG Finance and GB Auto, to launch a myriad of new strategic and revolutionary insurance products in the market.

2022 Operational Highlights

The year saw Kaf become the first Egyptian company to officially transition from takaful insurance to commercial insurance — a journey that began in 2020 in an effort to expand its customer base and shift focus to more disruptive solutions that upscale the insurance sector.

During the year, Kaf delivered an exceptional performance across its life and savings insurance offerings, reaching 2 million lives insured by year-end compared to 78,000 lives recorded in 2020 pre-acquisition. The growth was largely attributed to the synergies inherent in the EFG Hermes Holding business model that allowed Kaf to extend insurance plans to customers of the Firm's leading microfinance arm, Tanmeyah, in addition to other NBFIIs. By collaborating with Tanmeyah, Kaf mitigated the default risks of Tanmeyah's borrowers, ensuring stability and progress of people's small and micro businesses as part of both NBFI platform companies' focus to drive financial inclusion across Egypt's governorates.

Alongside the conversion and microinsurance successes, 2022 also saw Kaf focus on enhancing the customer journey experience across its platform by partnering with world-class IT and consulting firm DXC Technology to launch a dedicated IT system, which will enable the company to take its operations to the digital sphere and





EFG EV FINTECH

Overview

Established in 2017 as a joint venture between EFG Hermes Holding's wholly owned subsidiary, EFG Finance, and government-backed venture capital fund, Egypt Ventures, EFG EV Fintech is Egypt's flagship boutique micro-VC arm that seeks out and supports strategic fintech companies backed by innovative concepts and entrepreneurs from start-to-finish. Leveraging over three decades of investment and regional expertise, EFG EV Fintech boasts the country's largest fintech portfolio of the most prominent companies operating in key sectors within the fintech space, including insurance-tech, regulatory-tech, agri-fintech, digital and open banking, and SME lending. The company not only provides the necessary funds to enable business growth but also offers legal advisory, commercial mentorship, and other support services with an eye for fostering progression and agility in Egypt's fintech ecosystem.

2022 Operational Highlights

In 2022, EFG EV Fintech successfully managed to carry out several landmark transactions during the year, capitalizing on the synergistic prospects between its own entity and other arms within the Firm's NBFI platform.

Throughout the year, the company successfully concluded its exit from Fatura Netherlands B.V. (Fatura) — a tech-driven B2B platform with a presence in 22 Egyptian governorates — in which it had been a primary investor since 2020. Fatura brings together retailers, manufacturers, and wholesalers under one roof, offering users a multitude of innovative services that include a marketplace with live product viewing and price transparency, B2B BNPL services, and additional marketing support services. Following EFG EV Fintech's exit, Fatura was acquired by EFG Hermes Holding's leading microfinance arm, Tanmeyah.

Another milestone for EFG EV Fintech during 2022 was its exit from HR platform, Paynas. The platform offers a roster of employee management and payment services to MSMEs, including a cloud-based platform to manage time, attendance, payroll, and financial products, such as payroll cards and affordable health insurance. Paynas also offers financial wellness products, such as earned wage payouts and salary advances. Following EFG EV Fintech's strategic exit from the platform, Paynas was acquired by EFG Hermes Holding's leading lifestyle-enabling fintech platform, valU.

2022 also saw EFG EV Fintech add Fintech Galaxy to its well-rounded portfolio, a global platform that fosters innovation and synergies in the financial services ecosystem. As the first ever Central Bank-regulated open financing platform, Fintech Galaxy focuses on facilitating open banking API integration between financial institutions and fintech-focused companies.

Forward-Looking Strategy

Shedding light on 2023, EFG EV Fintech plans to continue focusing on enhancing the capacities across its portfolio, leveraging its decades of business expertise to support its portfolio companies from the very start of their journey up until the exit stage. EFG EV Fintech's team of industry experts continues to proactively support the innovators in Egypt's fintech landscape, offering day-to-day assistance, advisory, and mentorship services, with an eye for upscaling the market and fueling digital transformation in Egypt. In terms of new investments, EFG EV Fintech continues to focus on fintech companies that not only have high potential for growth but also employ disruptive technologies to create meaningful impact.

EFG EV Fintech successfully managed to carry out several landmark transactions during the year, capitalizing on the synergistic prospects between its own entity and other arms within the Firm's NBFI platform.



COMMERCIAL BANK

1.8 EGP
BN

net interest income in 2022

515 EGP
MN

net profit in 2022, amounting to
14% of Group total



aiBANK plays a vital role in providing retail banking services to individual clients and corporate debt services to a wide range of institutional clients.

COMMERCIAL BANK OVERVIEW



The macroeconomic headwinds underpinned by currency devaluations, geopolitical tensions, interest rate hikes, inflationary pressures, and liquidity shortages significantly dampened market activity in 2022. Nonetheless, we continued to leverage our diversified business model and prudent risk management capacities to hedge against external shocks and effectively adapt to changing market conditions. As a result, the year saw the bank successfully access new foreign currency springs, adjust its pricing strategy, and introduce new products and services to its comprehensive offering. I am pleased that aiBANK witnessed solid growth across its core segments during the year.

Our Retail and Business Banking segment delivered outstanding results in 2022, with its deposit and lending portfolios increasing 23% and 69% Y-o-Y, respectively. During the year, our focus was on enhancing the efficiency of our processes while expanding our offerings to cater

to our customers' needs. Recognizing the importance of SMEs and their significant contribution to the growth and development of Egypt's economy, aiBANK launched a fast-track, parameterized small business loan program in line with the Central Bank of Egypt's mandate to allocate 25% of the bank's total loan portfolio to SMEs, including 10% dedicated to small businesses. It gives me great pleasure to say that in 2022, and as a result of the immense success of our program, aiBANK surpassed the CBE's mandate, recording an allocation of 27.8% of its total loan portfolio to SMEs, including 12.5% being injected into small businesses — a remarkable achievement for us and a testament to our unwavering commitment to supporting the nation's directives to foster innovation in Egypt's nascent entrepreneurial space.

Our Corporate Banking segment recorded strong growth across its loan portfolio during the year, which was primarily driven by the hike in the number of corporate



The year saw the bank successfully access new foreign currency springs, adjust its pricing strategy, and introduce new products and services to its comprehensive offering.

clients operating in various key industries and the organic growth of its existing client base, coupled with an increase in syndication and group debt arrangements. In 2022, we successfully managed to grow our corporate portfolio by an outstanding 98% Y-o-Y. Another remarkable milestone aiBANK hit during the year was its participation in the landmark USD 700 million syndicated facility for Canal Sugar — Egypt's largest agricultural project and a state-of-the-art sugar beet processing plant — winning the bank an award at the African Banker Awards 2022.

On the Islamic Banking side, we began taking the necessary steps to revitalize the segment to better serve our clients through a broader range of top-notch, value-accretive Shariah-focused offerings.

Alongside the tremendous accomplishments across our core operations, it is equally important for us to continue enhancing our digital infrastructure to spur digital transformation across our branches. In alignment with this, I am happy to announce that we successfully reformed and upgraded our core banking system, which will enable us to grow our portfolio of premier online banking solutions across various channels and ensure the seamless integration of our expansive network of branches across the country.

At aiBANK, our commitment to integrating environmental and social frameworks into our policies, procedures, and management approach is unwavering. We are continually seeking solutions that effectively minimize the environmental impact of our operations, with a particular focus on key environmental concerns, such as climate change and greenhouse gas (GHG) emissions. In 2022, aiBANK's head office was ranked one of the banks with the lowest carbon emissions.

In the future, I remain confident in the effectiveness of the strategy we have in place, which will enable us to withstand future macroeconomic challenges and achieve further growth in the year ahead while ensuring we consistently create value for our stakeholders. I look forward to reporting another successful year in 2023.

Tamer Seif

Chief Executive Officer & Managing Director
aiBANK

aiBANK

As part of its strategy to promote financial inclusion and spearhead digital transformation across the country, EFG Hermes Holding, alongside The Sovereign Fund of Egypt (TSFE), concluded the acquisition of aiBANK in 2021. This acquisition marked EFG Hermes Holding's strategic entry into Egypt's ever-growing commercial banking sector and transformed the Group into a universal bank in Egypt, providing its clients with a holistic suite of financial services.

Founded in 1974, aiBANK has embarked on its transformation since its acquisition, setting out a strategy to become Egypt's only boutique bank with a unique focus on people, entrepreneurs, and businesses, driving change across the market. Through a relentless commitment to customer-centricity, the bank aims to offer market-leading retail, institutional, and Islamic banking, as well as treasury and investment services tailored to consumers and businesses of all sizes. At the same time, aiBANK has set out a key objective to deliver the fastest turnaround times in the market, coupled with a commitment to ensuring clients receive solutions that are directly in line with their needs and exemplary service levels at every stage of their customer journey.

Operational Highlights of 2022

Despite the global headwinds witnessed in 2022 driven by foreign currency shortages, currency devaluations, and a series of interest rate hikes, aiBANK displayed resilience by leveraging its agility to hedge against macroeconomic risks, tapping new streams of foreign currency, making tactical changes in pricing, and launching new products. By the end of the year, aiBANK achieved growth across all its segments — Retail and Business Banking, SME and Midcap, Corporate Banking, and Islamic Banking — recording an increase in newly banked customers coupled with organic growth from its existing customer base. The bank registered total net loans of EGP 19.3 billion in 2022, reflecting a 102% Y-o-Y increase from the EGP 9.6 billion recorded in 2021.

On the Retail and Business Banking front, aiBANK achieved record growth across the segment, with the deposit portfolio up 23% Y-o-Y and the lending portfolio up 69% Y-o-Y. The bank continues its persistent efforts to enhance growth by optimizing its processes, services, and product ranges. 2022 saw aiBANK capitalize on the importance of SMEs to the national economy in an effort to further diversify its portfolio, growing its SME portfolio during the year to reach the Central Bank of Egypt's (CBE) mandate of 25% of a bank's total loan portfolio allocated to SMEs, which includes a dedicated 10% to small companies. The bank managed to successfully surpass the mandate in 2022, with 27.8% of its total loan portfolio dedicated to SMEs, which included 12.5% allocated to small companies. Additionally, during the year, the bank introduced a new, fast-track small business loan program, which resulted in higher realized gains across its portfolio amounting to EGP 700 million by year-end 2022.

On the Corporate Banking side, aiBANK witnessed significant growth across its loans and investment portfolio, primarily driven by the increase in the number of newly banked corporate clients, including prominent market players in different industries, coupled with organic growth of the bank's existing portfolio. Additionally, the increase in syndication and group debt arrangements resulted in a 98% Y-o-Y increase in the bank's corporate portfolio in 2022. In cognizance of its efforts, the bank was awarded for participating in the multi-tranche, USD 700 million syndicated facilities for Canal Sugar — Egypt's largest agricultural project and the world's largest sugar beet processing plant — in the African Banker Awards 2022. On the Investment side, the portfolio witnessed an increase of 518% Y-o-Y.

The year also saw aiBANK take steps to revitalize its Islamic Banking segment and expand its roster of Shariah-focused offerings, with an eye for ensuring the best quality of service to its client base of individuals and businesses.



aiBANK's Treasury division focused on diversifying the bank's excess liquidity of short-, medium-, and long-term investment tools, enabling it to capitalize on the interest rates hikes witnessed during the year while maintaining a balanced maturity ladder to offset liquidity shortages.

Digital Transformation

In efforts to enhance its digital infrastructure and as part of its wider strategy to contribute to the nationwide directives of promoting digital transformation, aiBANK has successfully reengineered and upgraded its core banking system in 2022 to broaden its offered services and better serve its customers.

ESG

As aiBANK continues to witness remarkable growth across its core operations, it becomes more committed to integrating environmental and social frameworks into the fabric of its policies and procedures, as well as its management approach. On the environmental front, the bank aims to consistently minimize the adverse environmental impact of its operations by regulating its emissions to tackle key environmental issues, such as climate change and GHG emissions. Additionally, aiBANK measures the carbon footprint of its head office and has been ranked one of the banks with the lowest carbon emissions.

Financial Highlights of 2022*

In 2022, aiBANK recorded a net interest income of EGP 1.8 billion, reflecting an increase of 61% Y-o-Y from the EGP 1.1 billion recorded at year-end 2021. The bank's net commission income grew a remarkable 162% Y-o-Y to EGP 316 million, up from the EGP 120.5 million recorded in the previous year, driven by the increase in volumes of trade finance transactions and the accelerated bookings of retail loans. By the end of 2022, the bank had recorded a net profit after tax (NPAT) of EGP 526 million.

**Figures in this section are based on aiBANK's standalone financials*

Forward-Looking Strategy

Looking ahead, aiBANK aims to continue expanding its offering of banking products and services across its core segments and refurbishing existing segments, with an eye to growing its customer base. The bank continues to focus on growing its retail and business banking capacities and corporate and investment portfolio, while simultaneously reengineering its Islamic Banking segment, strengthening its SME business model, and introducing new digital channels and segmental value propositions to boost its portfolio and profitability metrics.

OUR CONTROLS

11,549

registered shareholders

127

risk and compliance officers



In line with global best practices, EFG Hermes Holding's prudent and cohesive frameworks ensure transparency and ethical running across the Group's lines of business, strategies, and processes.

CORPORATE GOVERNANCE

EFG Hermes Holding upholds the highest levels of corporate governance on the Group and subsidiary levels, with rigorous processes, policies, and procedures in place that ensure transparent and ethical running throughout the organization. The Firm's prudent management and governance frameworks that have been at the heart of its success over the years will continue to play a central role as the Group evolves and further cements itself as a universal bank in Egypt with a leading investment bank franchise across the entire FEM space and a dedicated commercial banking arm.

The Firm's Board of Directors is committed to providing EFG Hermes Holding with the needed guidance and support acquired over decades of cumulative experience. This expertise has helped EFG Hermes Holding grow sustainably while delivering value to all its stakeholders.

The Group's Corporate Governance Framework addresses country-specific policies and works to blend EFG Hermes Holding's Group-wide strategy with the more focused subsidiary development programs. The framework provides the grounds for efficient decision-making across the entire organization and guarantees a high degree of accountability to ensure that all shareholders and clients have their investments handled in a responsible and professional manner. The framework sets out the minimum standards expected Group-wide while complying with local laws and regulations for an even higher level of stringency.

Based on the mandate of this framework, the Board of Directors continues to comply with the Egyptian Financial Regulatory Authority's (FRA) corporate governance regulations released in 2016 and updated in 2020, stipulating the appointment of a majority of non-executive board members, half of whom should be independent, for all regulated Egyptian subsidiaries. EFG Hermes Holding is fully compliant with FRA regulations and Egyptian Exchange (EGX) listing rules.

The Firm complies with FRA regulations requiring all FRA-regulated companies in Egypt and companies listed on the EGX to have 25% female representation on their boards or two female board members as per the FRA Decrees No. 109 and 110 for the year 2021.

Moreover, the holding company and its subsidiaries comply with the FRA Decrees No. 107 and 108 for the year 2021 pertaining to the disclosure rules for ESG practices related to sustainability and the financial impact of climate change for FRA-regulated companies and companies listed on the EGX.

Management and Control Structure

Board of Directors

EFG Hermes Holding's Board of Directors is responsible for providing the Firm with strategic leadership, financial soundness, governance, management supervision, and control. The board is comprised of 12 members, 11 of whom are non-executive.

Without exception, all EFG Hermes Holding's Directors possess a broad spectrum of experience and expertise, directly related to the Group's expansive lines of business and divisions, with a strong emphasis on competence and integrity. Directors are selected based on the contributions they can make to the board and management, in addition to their ability to represent the interests of shareholders.

The Firm's Annual General Meeting (AGM) continued to be held virtually. The Firm was one of the first listed companies to comply with Law No. 13 for the year 2022 that introduced amendments to the Capital Market Law No. 95 for 1992 (CM Law) and its Executive Regulations issued by Decree No. 135 for 1993 (CMLER), requiring all listed entities to provide electronic systems that allow shareholders to attend and vote in general meetings virtually. Most committees and executive committee meetings were held virtually in 2022.



The following principles govern the conduct of the Board of Directors and the Firm:

Compliance with Laws, Rules, and Regulations

Adherence to the law is the fundamental principle on which the Firm's ethical standards are built. All directors must respect and obey all applicable laws, rules, and regulations. The board complies with the international best practices, rules, and regulations of the Firm, in addition to laws and regulations of the markets in which the Firm operates.

Conflicts of Interest

All members of the board declare their outside business interests and board directorships annually. They also abstain from participating in any discussions and decisions that might affect their own personal interests or those of a loosely related person or company. Business relationships between the Firm and any of its board members must be approved by the Firm's AGM.

Safeguarding and Proper Use of Company Assets

All directors endeavor to protect the Firm's assets and ensure their efficient use. All assets must be used for legitimate business purposes only.

Fair Dealing

Each director should deal fairly with the Firm's clients, competitors, providers, and employees. None should take unfair advantage of anyone through manipulation, concealment, abuse of privileged information, misrepresentation of material facts, or any other unfair dealing practice.

Code of Conduct

The Code of Conduct defines core values, principles, and other requirements that all the Firm's directors and employees are required to follow while conducting their regular daily duties.

Standards and Policies

The Firm's standards and policies comply with Egyptian and international corporate governance guidelines.

Data Protection Policy

The data protection policy sets out the obligations and requirements for protecting customers' personal data and provides guidance on how and when the Firm can process their data. In addition, the policy covers regulations introduced in different jurisdictions in which the Firm operates.

Confidentiality

Directors and officers must ensure the confidentiality of information entrusted to them by the Firm or its clients, except when disclosure is authorized or legally mandated. Confidential information includes all non-public information that might be of use to competitors, or harmful to the Firm or its clients if disclosed.

Corporate Opportunities

Directors are prohibited from taking personal advantage of potential opportunities that are revealed through corporate information, property, or position without the consent of the board. Directors are obliged to advance the Firm's legitimate interests when the opportunity presents itself.

Audit

Auditing forms an integral part of corporate governance at EFG Hermes Holding. Both internal and external auditors play a key role in providing an independent assessment of the Firm's operations and internal controls. Furthermore, to ensure independence, Internal Audit has a direct reporting line to the Audit Committee, a subcommittee of the board.

Corporate Governance Committees

Audit Committee

The Audit Committee is comprised of five members, all of whom are non-executive. The committee meets at least once per quarter or as required. In 2022, the meetings were held virtually until 3Q2022. The committee is responsible for the oversight of financial statements and financial reporting, internal control and governance systems, compliance with laws and regulations, whistleblowing and fraud, conflict of interest, the internal audit function, and compliance with the Code of Conduct established by management and the board. The committee ensures free and open communication between the committee members, internal auditors, management, and the external auditor on a quarterly basis.

Risk Committee

The Risk Committee is comprised of five members, all of whom are non-executive. The committee meets at least once per quarter or as required. In 2022, the meetings were held virtually until 3Q2022. The committee oversees risk, legal, and operational issues across the Group, assisting the board in fulfilling its duties with regards to the oversight of the identification and management of risks, adherence to risk management

policies, and compliance with risk-related regulatory requirements, advising the board on risk appetite and tolerance in accordance with its strategic objectives. It is responsible for advising the board on risks associated with strategic acquisitions or disposals and reviewing reports on Group Enterprise Risk Management, including reports on credit, investments, market, liquidity and operational risks, business continuity, and regulatory compliance.

Remuneration and Compensation Committee

The Compensation Committee is comprised of five non-executive board members. The committee meets once a year to study compensation within the Group as a whole (and for senior management in particular) and to assist the board in fulfilling its duties with regards to strategic human resources issues and the remuneration policies of EFG Hermes Holding. This not only safeguards shareholder interests but also ensures that management's interests are fully aligned with those of the Firm. The committee directly manages the allocations within the Management Incentive Scheme for Senior Management as approved by the General Assembly. In 2022, the meeting was held virtually.

Corporate Governance Committee

The Corporate Governance Committee is comprised of three non-executive board members and holds one meeting per year. The committee's responsibilities include periodically evaluating the Firm's corporate governance structure, reviewing and monitoring the implementation of the company's corporate governance framework, documenting and following up on the board's performance evaluation reports, reviewing the regulator's observations related to the implementation of corporate governance, and ensuring they are appropriately handled and addressed. In 2022, the meeting was held virtually.

Nomination Committee

The Nomination Committee is comprised of one executive and three non-executive board members. It assesses and oversees the appointment, at the level of the Holding company, of board members, the Group Chief Executive Officer, and Group Executive Committee members. It is the committee's responsibility to make sure appointments, which must be approved by the Annual General Assembly, align with the Group's strategic directives and ensure the independence of directors in accordance with applicable laws, regulations, and international best practices. The committee also

conducts regular assessments of the structure, size, and composition of key executive positions at the Group level.

The committee helps to ensure a smooth succession of board members and, where appropriate, the Group CEO and Group Executive Committee members. Meetings are scheduled and held on an as-needed basis.

Executive Committee

The Executive Committee is appointed by EFG Hermes Holding's Board of Directors and is comprised of eight members, who are strategically selected to ensure all divisions are represented. The Executive Committee is entrusted with the implementation of the policy decisions of the board and overseeing the Firm's risk management structures and policies.

Its purview includes:

1. Developing the Firm's strategic plans and goals for board approval while managing the material issues to the business that emerge.
2. Approving transactions within its authority limit in relation to investments, acquisitions, and disposals, in addition to considering and approving expansions into new geographies and product lines.
3. Reviewing the Group's annual capital, revenue, and cost budgets while monitoring performance against financial objectives, in addition to approving cost-cutting measures as needed.
4. Overseeing the management of the Group's current and future balance sheet in line with its business strategy and risk appetite.
5. Considering material joint ventures, strategic projects or investments, and new businesses from a capital perspective, while monitoring and managing capital and liquidity positions.
6. Aligning investment spending across the Group's functions with its investment plan and strategic objectives and considering business commitments for board approval.
7. Receiving and considering reports on operational matters material to the Group or have cross-divisional implications.

8. Promoting the Group's culture and values and monitoring overall employee morale and working environment.

9. Identifying ESG matters that affect the operations of EFG Hermes Holding, monitoring ESG integration throughout the Firm, and passing ESG resolutions while suggesting updates to the ESG policy for board approval.

The Executive Committee meets once a month to discuss and follow up on day-to-day operations of the Firm and address any pressing issues that may arise. In 2022, most meetings were held virtually.

Shareholder Information

Shareholders

EFG Hermes Holding's shares are listed on the Egyptian Exchange (EGX) and the London Stock Exchange (LSE) in the form of USD-denominated GDRs.

Significant Shareholders

EFG Hermes Holding is required by law to notify the EGX and the FRA of shareholders whose holdings reach or exceed 5% of voting rights. Further notification is made once a multiple of the 5% is exceeded or reduced by a shareholder.

Shareholder Structure

As of 31 December 2022, a total of 11,609 shareholders were listed in the Firm's share register.

Executive Holdings and Management Transactions

- As of 31 December 2022, the EFG Hermes Holding Board of Directors held a total of 1,262,574 shares, representing 0.11% of the total 1,167,684,806 shares of EFG Hermes Holding.
- As of 31 December 2022, shares allocated to EFG Hermes' Employees Stock Option Program (ESOP) were 60,874,563 shares, representing 5.21% of the total 1,167,684,806 shares of EFG Hermes Holding, pursuant to the Extra Ordinary General Assembly resolution on 30 May 2021.

Share Ownership Information

All information relating to EFG Hermes Holding's Securities held or transacted by members of the Board of Directors and other insiders are promptly disclosed and reported without fail in accordance with relevant local and international regulations.

RISK AND COMPLIANCE



As the world continues to witness unprecedented challenges and rapid changes in regulations and mandates, the ability to implement and maintain sound risk and compliance frameworks is growing in importance. This helps navigate downside risks with agility and drive effective decision-making processes and day-to-day operations with efficacy and transparency. As such, EFG Hermes Holding, with its expansive and fast-growing geographic presence, houses a Risk and Compliance department that manages the Firm's global compliance frameworks and adherence to the same in line with international best practices.

While different, both risk and compliance functions within the department work closely together to monitor trends and changes in regulations in all jurisdictions in which the Firm does business. The functions also develop and put into action firmwide and divisional policies and procedures that manage compliance, regulatory, and reputational risks to ensure proper governance across the Firm, all while safeguarding client and employee information.

At present, the department boasts 58 compliance officers, collectively working to ensure the full adherence of the Firm's lines of business and subsidiaries to the applicable statutory provisions, regulations, and internal policies. Alongside the Compliance team is the Risk Management team, boasting 69 professionals who are responsible for identifying, overseeing, and mitigating the Group's liquidity, market, and credit risks. Together, the teams advise the Firm's businesses, manage audits and inquiries, educate staff on policies and procedures, as well as surveilling and testing the Firm's risk management infrastructure under the supervision of the Group Chief Risk and Compliance Officer.

2022 Operational Highlights

In 2022, EFG Hermes Holding's Risk and Compliance department conducted extensive regulatory reviews and inspections to ensure Group-wide business continuity

and to mitigate related risks. A cornerstone of these efforts included consistently updating compliance manuals and policies, in addition to implementing a proactive approach in reviewing and monitoring EFG Hermes Holding's adherence to country-specific regulations to ensure the continuity of the Firm's expansive operations given the macroeconomic challenges that the world continues to face. To enhance its data safeguarding measures and to cover its obligation of protecting employees and clients, the department drafted a Group-wide Data Protection Policy, which was approved by EFG Hermes Holding's Board of Directors during the year. 2022 also saw the Risk and Compliance division mark the major milestone of being the first Egyptian financial institution to achieve ISO 31000:2018 Enterprise Risk Management Conformity by the British Standards Institution (BSI), providing guidelines for managing any form of risk in a systematic, transparent, and credible manner within different scopes and contexts.

Highlights for the year included:

- Obtaining an investment banking license in the UAE
- Drafting and approving Group-wide Data Protection policies
- Completing an enterprise-wide AML and Sanctions Risk Assessment
- Renewing ISO 22301:2012 certification for the seventh consecutive year
- Obtaining ISO 31000:2018 certification
- Updating business continuity plans
- Conducting business continuity drills across the Group's countries of operations
- Formulating the methodology for the calculation of expected credit losses (ECL) across the Group

Internal Audit

Internal Audit is an independent assurance function, authorized by the Board of Directors and the Audit Committee to provide reasonable assurance about the company control

environment. Boasting a roster of competent and multilingual industry professionals, the team is responsible for monitoring, evaluating, and advising on the adequacy of the Firm's operational, financial, and administrative controls, as well as the efficacy of its information systems. It also evaluates the effectiveness of risk management practices and internal control and corporate governance processes across the Group's subsidiaries, lines of business, and support functions, ensuring the full protection of the Group from both conventional and emerging risks.

Reporting to the Group's Audit Committee, the Internal Audit function conducts intermittent inspections and systemic evaluations in alignment with the committee's pre-approved annual plan. To ensure the reviewing process is at maximum efficiency, the function carries out frequent reviews with the Firm's departments in accordance with each function's risk level and the internal scores awarded in the previous review. Accordingly, high- and medium-risk departments are reviewed on an annual basis, and low-risk departments are reviewed every other year. Additionally, the division conducts follow-ups on previous audit findings to ensure they have been appropriately addressed and corrected. It also provides a wide array of services, including in-depth operational assessments, evaluations of departmental adherence to regulatory requirements, and monitoring of corporate governance, as well as strategic consultation to the business without compromising the function's independence.

At present, the Group's Internal Audit team is made up of nine centralized auditors covering investment banking and NBFI activities and 43 auditors covering microfinance services.

2022 Operational Highlights

During 2022, the Internal Audit function successfully completed its annual audit plan. At the same time, and in coordination with the division, Ernst and Young's (EY) regional office concluded the full audit of EFG Hermes Holding's systems, applications, networks, and infrastructure, with the results of the audit to be reported to the Group Audit Committee.

To be aligned with the Group's ESG policies and strategies, the Internal Audit department has included controls related to ESG-related policies and practices into each business line's audit program to ensure full conformity.

The division continued to use TeamMate — a bespoke digital tool introduced as part of EFG Hermes Holding's wider digital transformation strategy — to solidify EFG Hermes Holding's leading position as a digitally integrated financial services group. It is used across the Firm's various functions to enhance processes and to effectively store, analyze, and process the vast quantity of financial data related to various Group operations across its footprint to allow for a more accurate and efficient auditing process.



By the end of 2022, EFG Hermes Holding conducted five mandatory training courses for 895 employees, disseminating 4,475 hours of trainings during the year.

Employee Awareness

As EFG Hermes Holding continues to achieve significant growth and expansions across its core operations, subsidiaries, and geographical footprint, it is integral to communicate Group-wide strategies, policies, and procedures to employees and to foster transparency and integrity across the board. In alignment with this, the Risk and Compliance department is committed to taking part in Human Resources (HR) onboarding processes and conducting orientation sessions for new recruits on audit-, compliance-, and risk-related issues to ensure consistent alignment with the Group's operational frameworks.

To guarantee that all employees develop a comprehensive level of understanding on key subjects, the Firm conducts mandatory training courses that delve into key issues, such as financial crime, fraud prevention, general data protection regulations (GDPR), cybersecurity, and ESG awareness, under the supervision of the Compliance function. By the end of 2022, EFG Hermes Holding conducted five mandatory training courses for 895 employees, disseminating 4,475 hours of trainings during the year.

Forward-Looking Strategy

Looking ahead, 2023 will see the Risk and Compliance department and the Internal Audit division work on further streamlining operations and bolstering operational efficiencies across the Group. On the Compliance side, the function continues to obtain licenses that enable the department to support the Firm's expansions. As such, and as the Group continues to tap into new markets and new lines of business, the Risk and Compliance department will continue to work together with other divisions to ensure new products, business lines, and subsidiaries — particularly in the Investment Bank and NBFI platform — are seamlessly integrated into EFG Hermes Holding's control frameworks, and that any new laws and regulations regarding these expansions are accurately reflected and addressed.



OUR TEAM

7,000+

employees at year-end 2022



EFG Hermes Holding's decades-long track record of success is attributed to the strength and dedication of its people.

OUR PEOPLE

Out of the Shadows of the Pandemic

With COVID-19 retreating, 2022 started off with a different, more positive energy as normalcy crept back in. While we were glad to put it behind us and more than ready to plan without restrictions, we knew we wanted to continue to build on the learnings of the past couple of years.

Being able to plan our HR calendar without the ghost of pandemic restrictions looming over us was refreshing. Rather than focus on what we couldn't do, we could turn our attention to all the possibilities back on the table. Rather than think of how we needed to maintain a physical distance between employees for their own benefit and wellbeing, we were able to focus on all the synergies we could create by bringing them back together. But naturally, this came with a price — a built-in challenge: we had no excuses and plenty of opportunity.

Tech-enabled HR

Although already glaringly obvious, the pandemic magnified the value of and need for digital HR solutions. But the ability to synergize our processes and programs across the different facets of HR and the different geographies transcends the pandemic, and our digital HR agenda remains a cornerstone of our plans. We're proud of the scope of digital transformation our HR offering saw throughout the past year.

2022 saw the introduction of our succession planning tool on Talent Central. Conceptualized to capture our revamped Succession Planning 2.0 framework, this tool has enabled a seamless, organized collection and analysis of all-important succession data needed to ensure the firm's sustainability, highlighting our strengths

and vulnerabilities, and allowing us to work on them in a pre-emptive manner. And, with the introduction of our brand-new Learning Management System (LMS), we're well-positioned to synergize the outcome of our succession planning with our learning agenda.

Recognizing the importance of data, especially from our employees, informed the prioritization of the first feature of our HR Services platform. We believe capturing feedback from departing employees is key, so we've digitized our exit interviews, allowing for a more organized analysis of our findings and, in turn, any corresponding actions and impact.

We continue to upgrade our promotions and development needs analysis (DNA) tools to further refine the process, the output, and the user experience. We will continue to release enhanced versions that positively impact the process, the output, and the experience of the programs these tools support.

Employee Development

As always for a people business, focusing on growing our people and expanding their horizons remained a non-negotiable priority. As restrictions lifted and we were finally able to bring people together, the behind-the-scenes work we've been doing on The Academy's programs saw the light this year. The refined assessment and selection methodologies came into play and augmented the value of the programs we ran. In addition to running the final modules for Emerging Leaders I, II, and the Leadership Development Programme (LDP), we ran a successful first module for the first intake of our Executive Development Programme (EDP).





The ability to synergize our processes and programs across different facets of HR and different geographies by leveraging our digitalization strategy remains a cornerstone of our plans.



And, as always, current employees were always the first talent pool we searched within when filling open roles, be they short-term or permanent assignments, many of which were cross-border. This remains one of our strongest employee development tools.

Forward-Looking Strategy

Tech-enabled HR is a mainstay on our agenda — we still have ambitious plans. We plan to expand Talent Central to house all our talent management and talent development tools, processes, and databases. We also plan to expand our services platform, focusing on efficiency and effectiveness. Across both platforms, analytics is a focal point; with all the valuable data we are amalgamating, we will make sure we make full use of it. To this end, we're upgrading our data analytics capabilities across multiple areas within HR.

Riding on the back of the stronger openness to and adoption of digital learning as a viable learning medium that the pandemic brought on, we partnered with LinkedIn Learning, providing our employees unlimited access to the most extensive and most renowned library of digital learning content available.

Employee wellbeing is another focal point and, accordingly, a complete benefits audit is a key component of our 2023 plan. It's important that our offering continues to address and satisfy the evolving needs of our employees. We plan to partner with market leaders in employee benefits across our complete footprint to assess and benchmark our benefits portfolio to make improvements and changes accordingly.

EXECUTIVE COMMITTEE



Karim Awad
Group CEO and Chairman of the
Executive Committee, EFG Hermes
Holding

Mr. Karim Awad is Group Chief Executive Officer, Chairman of the Executive Committee, and a member of the Board of Directors of EFG Hermes Holding S.A.E. With over 23 years of experience, Mr. Awad started his career at EFG Hermes in 1998 in the Investment Banking Department, eventually heading the division in 2007 and leading several high-profile local and regional transactions. He assumed managerial roles in the Firm thereafter, first as CEO of the Investment Bank in 2012 and then as Group CEO in 2013.

Since then, Mr. Awad has led a substantial restructuring of the Firm that included streamlining its expenses and divesting its non-core assets, primarily among which was a majority stake in Lebanese bank, Credit Libanais. Working together with the EFG Hermes Holding senior management, Mr. Awad spearheaded a major shift in the Firm's strategy that transformed EFG Hermes from a MENA-based investment bank to a frontier markets financial solutions house. To achieve this vision, the Firm focuses on six pillars: hiring the best people, improving the Firm's positioning in markets it operates in, selectively expanding its geographical presence, enhancing its product offering, increasing profitability metrics, and ensuring that public responsibility remains front and center to all its operations.

During the past nine years, the Firm was able to enhance its market share in its core sell-side operations of investment banking, brokerage, and research in its key markets of the UAE, KSA, and Egypt, while expanding its presence to seven new markets that span sub-Saharan Africa and Asia. The buy-side business was completely revamped through the consolidation of its regional asset management business with UAE-based affiliate, Frontier Investment Management (FIM), in 2017 and the re-emergence of an active Private Equity division that is becoming a key player in renewables, education, and healthcare. The Firm was also able to significantly increase the suite of products it offers to clients by building a full-fledged non-bank financial institutions (NBFI) platform that currently includes leasing, factoring, microfinance, BNPL, mortgages, payments, and insurance, in addition to fixed income and structured product platforms. In November 2021, EFG Hermes Holding finalized an acquisition of a commercial bank in Egypt, thereby completing its transformation into a universal banking platform that will further increase the suite of products that it offers its clients while laying a strong foundation for the Firm's future growth prospects.

The strategic shift helped drive growth in the Firm's revenues, which reached EGP 6.1 billion, and profits, which stood at EGP 1.45 billion in 2021, all while maintaining a strong commitment to the communities in which the Firm operates through a vibrant CSR policy and actively adopting progressive ESG standards.

Mr. Awad holds a degree in business administration (BBA) from The American University in Cairo.



Mohamed Ebeid
Co-CEO of the Investment Bank
(Sell-Side), EFG Hermes

With more than two decades of experience with EFG Hermes, Mr. Mohamed Ebeid is currently the Co-CEO of the Investment Bank, a position he assumed in 2016 with a mandate to grow the business on the sell-side and to expand its product offering in multiple continents.

Since then, he has successfully built the Firm's sell-side business across various business lines. On the investment banking side, Mr. Ebeid led the Firm to work on deals across multiple jurisdictions in the MENA region and frontier markets worth over USD 54 billion. He also built the Frontier business with on-the-ground operations in four different continents, giving clients access to more than 75 markets around the world. Mr. Ebeid has also led the development of the Firm's Structured Products Platform, which has pulled in trades worth c. USD 5 billion since inception in 2017. This is in addition to the creation of the Fixed-Income Desk, which began operations in 2018.

Mr. Ebeid began his career with the Firm in 1999 in the Securities Brokerage division, and he has since held numerous positions within the Firm. Most recently, he acted as Head of Brokerage, where he managed to restructure the business and streamline its activities in just over two years, all while boosting profitability.

He held the post of Head of Institutional Sales beginning 2006 and managed to add GCC institutional clients and sovereign wealth funds to the Firm's client base. Mr. Ebeid was also an integral part of EFG Hermes' Institutional Sales team, heading an endeavor to expand the Firm's western institutional client base and further root the business in its home market of Egypt. During that time, he was part of the team executing the Firm's expansion plan in the MENA region and directing its capabilities in terms of research and corporate access.

He holds a BCom with a specialization in accounting from Ain Shams University.

**Karim Moussa**

Co-CEO of the Investment Bank (Buy-Side) and Head of Asset Management and Private Equity, EFG Hermes. CEO, Vortex Energy

Mr. Karim Moussa joined EFG Hermes in Dubai in 2008, with the primary responsibility of building the Firm's value-add and core infrastructure private equity platforms. Today, he leads EFG Hermes' USD 4.5 billion buy-side business, a role he has held since 2017.

Mr. Moussa led the establishment of Vortex Energy in 2014, raising and deploying close to USD 1 billion in renewable energy assets across Europe. He recently launched the Vortex Energy IV fund, an energy transition fund that has invested in IGNIS, a 20GW leading and fully integrated Spanish renewables company, and EO Charging, UK's leading charging solutions provider for fleet and buses. Within Vortex Energy, he successfully completed the exit of an operating portfolio of c. 460 MW onshore wind assets in France, Spain, Portugal, and Belgium to funds managed by J.P. Morgan. In addition, he has successfully completed the sale of a controlling stake in a 365 MW operating solar portfolio to Tanaga Nasional in the UK, delivering combined (net) c. 13% IRR and 1.4x MOIC paying cash yields in excess of 5% p.a. to investors.

Mr. Moussa also led the launch of the Egypt Education Platform (EEP), a USD 150 million fund, dedicated to investing in Pre K-12 schools and education services in Egypt, aggregating 25 assets with a total student capacity of 25,000. Other flagship PE deals he led include Nasdaq-Dubai's USD 445 million take-private of DAMAS International and later its exit, delivering c. 2x MOIC. Mr. Moussa sits on the Investment Committee of several EFG Hermes' sponsored funds. He is also a Member of the Board of Directors of various portfolio companies.

Prior to joining EFG Hermes, Mr. Moussa was Vice President at Deutsche Bank's Global Banking division, with responsibilities across M&As, ECM, and DCM advisory in the MENA region. In this role, he advised on the USD 4.2 billion Dubai Ports World IPO, the USD 670 million sale of Sokhna Port to Dubai Ports World, and the USD 1.4 billion LBO of the Egyptian Fertilizers Company by Abraaj Capital. He joined Deutsche Bank in 2001 as an Analyst in the M&A execution team in Frankfurt, advising on several mid-cap transactions in Continental Europe. He moved to Dubai in 2005 with the CEO of Deutsche Bank MENA to help establish the bank's regional business. He started his career at Berlin Capital Fund, a venture capital fund managed by Berliner Bank.

Mr. Moussa holds an MA in business administration and mechanical engineering (Diplom Wirtschaftsingenieur) from the Technical University of Berlin.

**Mohamed El Wakeel**

Group Chief Operating Officer, EFG Hermes Holding

Mr. Mohamed El Wakeel is the Group Chief Operating Officer (COO) at EFG Hermes Holding. Following three years at HSBC, Mr. El Wakeel joined the Firm in 2000 as part of the operations team of the Securities Brokerage division. After succeeding in streamlining the division's operations to ensure best-in-class practices and efficiency, he moved on to head brokerage operations for Egypt then took on the title of the Securities Brokerage Group's Head of Operations. As Head of Operations, Mr. El Wakeel played a pivotal role in setting up and integrating the operations of the Firm's newly launched offices in new markets.

His role also included strengthening the IT infrastructure, upgrading the Firm's security framework, and enhancing in-house app development to encompass the requirements of all lines of business. Prior to becoming Group COO, he was Group Head of Market Operations at the Firm, where his hands-on experience was key to the enhancement of EFG Hermes Holding's operations across multiple lines of business.

Mr. Wakeel holds a BBA, Faculty of Commerce, Ain Shams University.

**Abdel Wahab Mohamed Gadayel**

Group Chief Risk and Compliance Officer, EFG Hermes Holding

Mr. Abdel Wahab Mohamed Gadayel is EFG Hermes Holding's Group Chief Risk and Compliance Officer, a post he has held since 2013. Prior to this, he served as Group Head of Compliance for three years, where he played a key role in setting and refining the Group's policies and procedures and enhancing the Group's compliance framework. During his current tenure in Risk Management, Mr. Gadayel revamped the Group's risk management framework and policies, oversaw the issuance of the Group's risk appetite framework, and obtained the ISO 22301:2019 certification for the Firm's Business Continuity Management System and the ISO 31000:2018 certification for the Firm's Enterprise Risk Management.

Mr. Gadayel joined EFG Hermes in 1998 as an Operations Officer, later being promoted to Deputy Head of Operations, a role he held until 2004. He also held the post of Managing Director of Operations at EFG Hermes UAE between 2004 and 2009, where he integrated newly acquired offices in the lower GCC region, helping the Group rapidly expand into new markets during his tenure.

Mr. Gadayel graduated from Cairo University with a major in economics and a minor in political science.



Mohamed AbdelKhabir

Group Chief Financial Officer, EFG Hermes Holding

Mr. Mohamed AbdelKhabir is EFG Hermes Holding's Group Chief Financial Officer (CFO), member of the Executive Committee, and a board member in several of EFG Hermes Holding's subsidiaries. Since assuming his role in 2016, Mr. AbdelKhabir has been actively involved in transforming EFG Hermes from a MENA-based investment bank to a frontier markets financial solutions house. He participated in acquiring and establishing various subsidiaries across the frontier markets, as well as a number of NBFI subsidiaries in the microfinance, insurance, consumer finance, BNPL, leasing, factoring, mortgage, and e-commerce spheres. Most recently, he participated in the acquisition of aiBANK in Egypt. He has also been responsible for funding those expansions and managing the balance sheet of the Group, in addition to investor relations, budgeting, reporting, accounting, and taxation.

Prior to his current post, Mr. AbdelKhabir joined EFG Hermes' Investment Banking division in early 2008. His notable transactions during his investment banking tenure include the IPO of Integrated Diagnostics Holding (IDH) through a secondary offering worth USD 334 million in the LSE. He was also involved in the sale of Cleopatra Hospital in Egypt to the Abraaj Group, the merger of Al Borg and Al Mokhtabar laboratories, ENPC's USD 1.05 billion syndicated loan, and the issuance of ODH EDRs worth USD 1.8 billion.

Previously, he held the position of Financial Planning Manager at Procter and Gamble in the Corporate Finance division with a focus on financial planning, budgeting, corporate restructure, integration, and profit forecasting.

Mr. AbdelKhabir holds a BA in business administration (BBA) from The American University in Cairo with a major in finance and a minor in economics and psychology. He is also a CFA charter-holder.



Inji Abdoun

Group Chief Human Resources Officer, EFG Hermes Holding

Ms. Inji Abdoun joined the Human Resources (HR) department at EFG Hermes in June 2007 as HR Manager for the UAE with a mandate to establish an HR function for the Group's operations, while contributing to the department's Group-wide initiatives with a focus on talent management. Her mandate expanded in 2008, as she played an active role in integrating newly acquired operations in Oman and Kuwait and enhancing the HR function in the Saudi office.

In 2009, Ms. Abdoun became the Group Head of Human Resources, overseeing the full spectrum of the department's functions across the Group while working closely with the Firm's management team, providing HR insights into business issues. As of 2017, Ms. Abdoun became the Group's Chief HR Officer, continuing to oversee the Group's HR activities and working with the executive team as part of the Executive Committee.

Prior to joining EFG Hermes, Ms. Abdoun assumed HR management roles at LINK-dotNET (an OT subsidiary) and Fayrouz International (a Heineken subsidiary), as well as a role in career advising and placement at AUC's Career Advising and Placement office (CAPS), accumulating more than 19 years of experience in the field.

Ms. Abdoun is a certified Myers-Briggs practitioner. She holds an MBA from the MIT Sloan School of Management.



Aladdin ElAfifi

CEO of EFG Finance, EFG Hermes Holding's Non-Bank Financial Institutions (NBFI) Platform

Mr. Aladdin ElAfifi is the CEO of EFG Finance, EFG Hermes Holding's Non-Bank Financial Institutions (NBFI) Platform, and is responsible for leading its entire portfolio, including leasing, factoring, microfinance, insurance, mortgage, and payments, as well as the addition of new services, whether organically or through acquisitions. He is also a non-executive board member representing the majority shareholder for valU, a board member of EFG Hermes Corp-Solutions, and a board member of EFG Finance. Additionally, Mr. ElAfifi is an Endeavor mentor, sharing knowledge and expertise with young entrepreneurs heading small- and medium-sized businesses. With over 23 years of financial advisory and direct investment experience, Mr. ElAfifi most recently co-founded the Cairo-based real estate investment management and advisory business, 46 Group. He was also the Co-CEO of Pharos Holding, where he overlooked securities brokerage, asset management, and investment banking and advisory activities. In addition, he helped co-found Egypt's first nano-lending startup, Kashat, and worked on the funding and sponsoring of startups directly and through work with Startupbootcamp as Co-Manager of the first Egyptian fintech accelerator.

Prior to joining Pharos, Mr. ElAfifi led the team managing Qalaa Holding's investments in mining industries, gold exploration, and the waste management sector through the creation of Tawazon, a local and regional market leader in the field of municipal and agricultural solid waste management. He was also a senior member of the team that established TAQA Arabia, a full-service energy (natural gas and electricity) distribution group, and the initial team that worked on conceptualizing, negotiating, and signing the Framework Agreements for what would later become the Egyptian Refining Company (ERC).

Mr. ElAfifi previously worked in London as an Investment Banker at Goldman Sachs's UK M&A and the Industrials and Natural Resources teams after having begun his career at EFG Hermes Investment Banking. With both Goldman Sachs and EFG Hermes Holding, he worked on several high-profile M&A and capital market transactions across a multitude of sectors.

Mr. ElAfifi is a Chartered Financial Analyst (CFA). He also holds an MBA from the Wharton School of Business with a concentration in finance, strategic, and entrepreneurial management, and he is a recipient of the Joseph Wharton fellowship. He holds a BA in economics with a minor in business administration from The American University in Cairo.

BOARD OF DIRECTORS



Ms. Mona Zulficar has served as Non-Executive, Independent Chairperson of EFG Hermes Holding since April 2008. She is a Founding Partner and Chairperson of Zulficar & Partners Law Firm, a specialized law firm consisting of 13 partners and more than 65 associates. Established in June 2009, Zulficar & Partners has since grown into one of the top ranked law firms in Egypt. Ms. Zulficar was previously Senior Partner at Shalakany Law Firm and Chair of its Executive Committee for many years.

Ms. Zulficar is recognized in local and international legal circles as the precedent setter and one of Egypt's most prominent corporate, banking, and project finance attorneys. As an M&A and capital markets transactions specialist, Ms. Zulficar has led negotiations on some of Egypt's and the Middle East's largest and most complex successful transactions over the past three decades.

Mona Zulficar

Non-Executive Chairperson, EFG Hermes Holding

Ms. Zulficar also played an instrumental role in modernizing and reforming economic and banking laws and regulations, both in her capacity as former board member of the Central Bank of Egypt during the banking reform program from 2003 to 2011 and as a prominent member of national drafting committees. Ms. Zulficar is a leading human rights activist recognized locally and internationally, and she has initiated several successful campaigns for human rights legislation, including women's rights, freedom of opinion, and family courts. Ms. Zulficar served as VP of the Constitutional Committee, played a key role in drafting the 2014 Egyptian Constitution, and was a member of the National Council for Human Rights until September 2021.

Ms. Zulficar was recently elected President of the first Egyptian Microfinance Federation, currently the Egyptian Federation for Financing Medium, Small, and Micro Enterprises, and she chairs several NGOs active in social development and microfinance for underprivileged women. Internationally, Ms. Zulficar served two terms as an elected member of the United Nations Human Rights Council Advisory Committee until 2011.

Ms. Zulficar holds a BSc in economics and political science from Cairo University and an LLM from Mansoura University, as well as an honorary doctorate degree in law from the University of Zurich.



Mr. Karim Awad is Group Chief Executive Officer, Chairman of the Executive Committee, and a member of the Board of Directors of EFG Hermes Holding S.A.E. With over 23 years of experience, Mr. Awad started his career at EFG Hermes in 1998 in the Investment Banking Department, eventually heading the division in 2007 and leading several high-profile local and regional transactions. He assumed managerial roles in the Firm thereafter, first as CEO of the Investment Bank in 2012 and then as Group CEO in 2013.

Since then, Mr. Awad has led a substantial restructuring of the Firm that included streamlining its expenses and divesting its non-core assets, primarily among which was a majority stake in Lebanese bank, Credit Libanais. Working together with the EFG Hermes Holding senior management, Mr. Awad spearheaded a major shift in the Firm's strategy that transformed EFG Hermes from a MENA-based investment bank to a frontier markets financial solutions house. To achieve this vision, the Firm focuses on six pillars: hiring the best people, improving the Firm's positioning in markets it operates in, selectively expanding its geographical presence, enhancing its product offering, increasing profitability metrics, and ensuring that public responsibility remains front and center to all its operations.

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The strategic shift helped drive growth in the Firm's revenues, which reached EGP 6.1 billion, and profits, which stood at EGP 1.45 billion in 2021, all while maintaining a strong commitment to the communities in which the Firm operates through a vibrant CSR policy and actively adopting progressive ESG standards.

Mr. Awad holds a degree in business administration (BBA) from The American University in Cairo.



Mr. Yasser El Mallawany is the Non-Executive Vice Chairman of EFG Hermes Holding's Board of Directors. Since his appointment as Chief Executive Officer of the Firm in 2003, Mr. El Mallawany has played a key role in driving the consolidation of Egypt's investment banking sector and facilitated the emergence of EFG Hermes as the leading Arab investment bank at the time.

Mr. El Mallawany began his career at Commercial International Bank (CIB), formerly Chase National Bank, and his tenure at CIB spanned over 16 years, last serving as the General Manager of the Corporate Banking Division. He joined EFG Hermes at the time of the Firm's merger with CIIC.

Mr. El Mallawany holds a BA in accounting from Cairo University.

Yasser El Mallawany

Non-Executive Vice Chairman of the Board, EFG Hermes Holding



Mr. Takis Arapoglou is a Non-Executive Member of EFG Hermes Holding's Board of Directors. He had an earlier career in international capital markets and corporate and investment banking based in London and later in managing, restructuring, and advising publicly listed Financial Institutions and Corporates, primarily in SE Europe and the Middle East.

His most recent executive roles include: Managing Director and Global Head of the Banks and Securities Industry for Citigroup, Chairman and CEO of the National Bank of Greece, and CEO of Commercial Banking at EFG Hermes Holding across the Middle East and Africa for the period between 2010 and 2013.

Efstratios Georgios (Takis) Arapoglou

Non-Executive Board Member, EFG Hermes Holding

Mr. Arapoglou has broad and extensive experience as a board member, and he currently holds the following non-executive board positions: Chairman of Bank of Cyprus Group, listed in the LSE; Chairman of Tsakos Energy Navigation (TEN) Ltd, listed in the NYSE; and Board Member of EFG Hermes Holding SAE, listed in the EGX and the LSE.

Mr. Arapoglou has degrees in mathematics, engineering, and management from Greek and British universities.



Mr. Marwan Elaraby is a Non-Executive, Independent Member of EFG Hermes Holding's Board of Directors. He is based in Dubai, where he serves as partner in the Capital Markets, Private Equity, and Mergers and Acquisitions practices at Gibson, Dunn & Crutcher LLP. His practice focuses on advising governments and private capital clients on a variety of corporate and capital market transactions across several industries. Mr. Elaraby was previously a partner at Shearman & Sterling LLP and a Managing Director at Citadel Capital (now Qalaa Holdings), one of the leading private equity firms in the Middle East and Africa. Mr. ElAraby also served as Executive Director in EFG Hermes' investment banking group, where he worked as an investment banker advising clients on numerous capital markets and M&A transactions in the Middle East.

Marwan Elaraby

Partner, Gibson, Dunn & Crutcher LLP

Mr. Elaraby is a New York-qualified lawyer. He holds a BA in economics from The American University in Cairo and a Juris Doctor (J.D.) degree from Columbia University School of Law.



Mr. Jean Cheval is a Non-Executive Member of EFG Hermes Holding's Board of Directors. He joined Natixis in June 2009, leading the Debt and Finance department (Structured Finance) until 2012 and the European Area between 2011 and 2012. Mr. Cheval became Head of Finance and Risk, member of Natixis Senior Management Committee, and Second Senior Manager of Natixis in September 2012, holding said positions until October 2017. Since then and until March 2022, he became Senior Advisor to Natixis' CEO. He currently chairs the Risk Management Committee of the Board of Alpha Bank, Greece, and the Natixis Foundation for research and innovation. He is also a member of the Board of Natixis Algeria.

Jean Cheval

Senior Advisor, NATIXIS

Mr. Cheval spent most of his career at Credit Agricole Indosuez (1983–2001), where he was successively Chief Economist, Head of Strategic Planning and Budget, Head of Structured Financing, and Head of the Middle East and Asia, prior to being appointed General Manager. Mr. Cheval also served as Director of Al Bank Al Saudi Al Fransi in KSA, WAFA Bank in Morocco, and Banque Libano-Française in Lebanon.

Mr. Cheval was also Head of Banque Audi France, Chairman of Banque Audi Switzerland (2001–2005), and member of the Board of Audi-Saradar Bank (2002–2006). Mr. Cheval previously worked for the French Ministry of Industry and the French Planning Agency.

He graduated from the École Centrale de Paris' Engineering School and the University of Berkeley.



Mr. Zubyr Soomro is a Non-Executive, Independent Member of EFG Hermes Holding's Board of Directors.

Mr. Soomro has been an international banker for 33 years, with experience at Citibank and in senior-level assignments in the Middle East, Turkey, UK, and Pakistan. In 1997, he was appointed as Chairman and President of United Bank and tasked with restructuring it for privatization, after which he re-joined Citibank's Pakistan franchise as its Managing Director. He was awarded the Quaid-e-Azam Centenary Gold Medal by the State Bank of Pakistan in 2004 for leading reforms in the banking sector in his role as Chairman of the Pakistan Banks Association and his successful restructuring of United Bank. In recognition of this, he was invited to speak by the World Bank in Washington D.C., the IMF in Egypt, and the IFC in Bangladesh on the restructuring of public sector banks. In 2019, he was asked by the government of Pakistan to help restructure the remaining large public sector bank, the National Bank of Pakistan (NBP), as an Independent, Non-Executive Director and Chairman, a position he held until April 2022. In addition, he was appointed as a Non-Executive Director and Chairman of NBP's joint venture bank in the UK, United National Bank Ltd, until October 2022.

Over the last 20 years, Mr. Soomro has also been actively involved in financial inclusion and poverty alleviation, and he was the Chairman of the Pakistan Microfinance Investment Company, the apex entity for the sector and majority owned by UK and German government-related entities. He served on the boards of Pakistan Poverty Alleviation Fund, LUMS, the National Education Management Foundation, LRBT, Aitchison College, Acumen Pakistan, Grameen Foundation in the USA, and the Indus Valley School of Art and Architecture.

He served on the government's Economic Advisory Council twice (1997–1999 and 2013–2018), and he has been a member of the board of the State Bank of Pakistan, the policy board of the Security and Exchange Commission of Pakistan, and the board of the National Investment Trust. He also served as the Chairman of the Board of the Karachi Stock Exchange, President of the Overseas Chamber of Commerce and Industry, and President of the American Business Council.

Mr. Soomro has a BSc Hons from the London School of Economics (LSE) and an MA from the School of Oriental and African Studies, London University. He also attended executive programs at the Harvard Business School and the Harvard Kennedy School. He received extensive formal training in key areas of commercial, investment, and private banking within Pakistan and globally while working at Citibank.

Zubyr Soomro

Chairman, United National Bank
Ltd, UK



Mr. Abdulla Khalil Al Mutawa is a Non-Executive, Independent Member of EFG Hermes Holding's Board of Directors. He is a competent and dedicated investment professional with more than 39 years of experience and a comprehensive background in finance and administration. He is currently the General Manager of the Private Office of H.E. Sheikh Suroor Bin Mohammad Al Nahyan.

Mr. Al Mutawa has also served on the Board of Directors of Bank Alfalah Limited, Pakistan, since 1997, with membership posts on the bank's Board Audit Committee (BAC), Remuneration and Nomination Committee (BHR&NC), Board Risk Management Committee (BRMC), Board Compensation Committee (BCC), and Board Information Technology Committee (BITC), in addition to serving as Chairman of the Board Strategy and Finance Committee (BS&FC).

Mr. Al Mutawa is also Chairman of Makhzen Investment PJSC (Private Joint-Stock Company), Abu Dhabi, and Chairman of the Makhzen Executive Committee.

Mr. Al Mutawa holds a BSc in business administration from the University of North Carolina, USA.



Khalid Mana Saeed Al Otaiba

Office Manager for His Excellency
Dr. Mana Saeed Al Otaiba

Mr. Khalid Mana Saeed Al Otaiba is a Non-Executive, Independent Member of EFG Hermes Holding's Board of Directors. Mr. Al Otaiba has been Office Manager for His Excellency Dr. Mana Saeed Al Otaiba, Personal Advisor to H. H. President of the UAE Sheikh Mohammed bin Zayed Al Nahyan, since 2000. Mr. Al Otaiba also holds the post of Deputy Chairman of Al Otaiba Group of Companies. He leverages his over 22-year career, spanning numerous industries, to serve as Director of Alfalah Insurance Company Limited, Pakistan; Chairman of Liwa International Investment Tourism and Royal Mirage Hotel & Resort Ltd, Morocco; and Chairman of Ghantout International and Bank Alfalah, as well as Director of Royal Mirage Masdar, Abu Dhabi.

Mr. Al Otaiba holds a BA in international economics from Suffolk University, Boston, Massachusetts.



Ramsay Zaki

Founder, Wafra Export

Mr. Ramsay Zaki is a Non-Executive, Independent Member of EFG Hermes Holding's Board of Directors. In 2014, Mr. Zaki founded Wafra Export, a fruit export company that owns a state-of-the-art packing house and grows its produce on a 360-acre plot. Mr. Zaki was part of the EFG Hermes Holding team for 18 years, starting as Head of Operations Brokerage in 1995 and ending his tenure as Chief Operating Officer [COO].

As COO, Mr. Zaki was responsible for managing operational matters, including compliance-related functions. Mr. Zaki's contribution to EFG Hermes Holding includes rapidly growing the Firm's backbone in all countries and lines of business, while maintaining the highest degree of corporate governance and ethics, as well as weathering major economic and political events in the region. He was also member of the Firm's Board of Directors until 2013.

Prior to joining EFG Hermes Holding, Mr. Zaki worked for five years at Commercial International Bank [CIB], where he headed the team responsible for extending credit to the Egyptian pharmaceutical industry. During his time at CIB, Mr. Zaki successfully more than doubled loans to the sector and captured a 70% market share of all private sector pharmaceutical companies operating in Egypt. Mr. Zaki was also heavily involved in the merger negotiations between the two biggest private sector pharmaceutical companies in the country.

Mr. Zaki holds a BCom from Cairo University.



Timothy Collins

CEO and Senior MD of Ripplewood Advisors LLC

Mr. Timothy Collins is a Non-Executive Member of EFG Hermes Holding's Board of Directors. Mr. Collins is the CEO and Senior Managing Director of Ripplewood Advisors, the successor to Ripplewood Holdings, which he founded in 1995. Ripplewood has successfully invested in and built companies globally, including in Asia, Europe, and the Middle East. It has consistently delivered superior returns from investments, totaling more than USD 40 billion in enterprise value.

Ripplewood has played an instrumental role in transforming and strengthening prominent financial institutions, including AS Citadele Banka of Latvia, Commercial International Bank of Egypt, and Shinsei Bank of Japan, and it has invested in a broad range of industries, including automotive, chemicals, consumer electronics, food, real estate, and telecommunications. Ripplewood's investment in Internet provider Gogo began the revolution in in-flight connectivity that is now becoming pervasive.

Many Ripplewood investments remain public companies. Before founding Ripplewood, Mr. Collins worked for Onex, Lazard Frères, Booz Allen Hamilton, and Cummins. He formerly served on several public-company boards, including Advance Auto Parts, Asbury Automotive, Citigroup (after it accepted public funds), Commercial International Bank, Gogo, Rental Services Corporation, and Shinsei Bank. He also served as an independent Director at Weather Holdings, a large private emerging-markets telecom operator that was sold to VimpelCom.

Mr. Collins is the Chairman of AS Citadele banka. He is involved in several not-for-profit and public sector activities, including the Trilateral Commission and the Council on Foreign Relations, NEOM, McKinsey, and Yale Divinity School Advisory Boards. He was formerly the Chairman of the Advisory Board for the Yale School of Management, and he is currently the Co-Chair of the Advisory Council of the NYU Global Institute for Advanced Study and a member of the Investment Advisory Committee to the New York State Common Retirement Fund.

Mr. Collins has a BA in philosophy from DePauw University and an MBA in public and private management from Yale University's School of Management. Mr. Collins received an honorary Doctorate of Humane Letters from DePauw University in 2004, and he has been an Adjunct Professor and Visiting Fellow at New York University. He served as a Visiting Lecturer at the Yale Law School and is Senior Fellow and Director of the Henry P. Becton Fellowship Program at the Yale School of Management.



Elizabeth Critchley

Partner, Ripplewood Advisors Limited

Ms. Elizabeth Critchley is a Non-Executive Member of EFG Hermes Holding's Board of Directors. Ms. Critchley is the Managing Partner of Ripplewood Advisors I LLP, the investment advisor to Ripplewood. Ms. Critchley has been leading Ripplewood's investment efforts, including, most recently, into Eastern Europe and the Middle East.

Ms. Critchley represents Ripplewood and/or its affiliates on the boards of Citadele, Latvia, and EFG Hermes Holding.

Before joining Ripplewood, Ms. Critchley was a Founding Partner of Resolution Operations, which raised GBP 660 million via a listed vehicle at the end of 2008, and went on to make three acquisitions in financial services (Friends Provident plc for USD 2.7 billion, most of Axa's UK life businesses for USD 4 billion, and Bupa for USD 0.3 billion).

Until forming Resolution Operations, Ms. Critchley was a Managing Director at Goldman Sachs International, where she ran the European FIG Financing business.

Ms. Critchley has structured, advised, or invested in transactions with more than 50 global financials and corporates.

Ms. Critchley has a First-Class Honors Degree in Mathematics from University College London.



CORPORATE SOCIAL RESPONSIBILITY



EFG Hermes Holding continues to make strategic and responsible investments across key sectors that create massive impact across the board.

CORPORATE SOCIAL RESPONSIBILITY



EFG Hermes Holding has made significant strides toward embedding sustainability across its operations, with a strong focus on responsible investing, climate action, and social impact.

As a universal bank with a strong presence in FEM, EFG Hermes Holding is committed to leveraging the power of finance to create sustainable progress for present and future generations. This commitment is reflected in our efforts over the years to weave sustainability into the very fabric of our operations. In 2014, we launched our Social Purpose initiative to ensure that our products and services generate value for all stakeholders while addressing global, social, economic, and environmental challenges, and in 2015, we expanded our core principles to include "Public Responsibility" in addition to our original "5Ps", People, Products, Positioning, Presence, and Profitability.

This was followed by the issuance of our ESG policy in 2017, which aims to align our operations with ethical and sustainable business practices. The CSR department spearheads these initiatives and also oversees the work of the EFG Hermes Foundation for Social Development, which collaborates with policymakers and partners on projects that promote sustainable development and economic growth, with a focus on supporting underprivileged members of the community. Hence, we strive to

create positive change and meaningful impact on society and the environment while delivering innovative financial services to our clients.

Moreover, as signatories of the United Nations Principles for Responsible Investment (UN PRI) since 2018, we remain committed to responsible investment in FEM, with a particular emphasis on climate change and the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD). We also prioritize clean energy financing and deployment, and our ground-breaking renewable energy investment platform, Vortex Energy, has been instrumental in financing the transition to clean energy. Beyond clean energy, our investment portfolio is designed to address the fulfillment of other SDGs, including investments in socially critical sectors that include health, education, and pharmaceuticals. To support and enrich these sectors, we are continuously expanding our product and service offerings across our foothold while also updating our reporting and disclosure procedures and policy environment. This year, we expanded our ESG policy to address our growing NBFI platform, submitted our fourth transparency report as part

of our commitment to the UN PRI, and renewed our commitment to the United Nations Global Compact (UNG).

EFG Hermes Holding has made significant strides toward embedding sustainability across its operations, with a strong focus on responsible investing, climate action, and

social impact, and is well-positioned to support its clients in building a solid financial foundation while addressing global challenges, such as climate change and social inequality. Going forward, the Group remains committed to sustainability and will continue to innovate and invest in sustainable solutions to support its clients and communities.

The Pillars Guiding Our Sustainability Strategy



Recognized for Our Efforts in 2022

Awards received by EFG Hermes Holding and its subsidiaries:

- **EFG Hermes** received the Euromoney Award for Excellence and Market Leaders in the category of Best Bank for Corporate Social Responsibility – Egypt
- **EFG Hermes** was recognized by Egypt's FRA as "Sustainability Champions"
- **EFG Hermes Corp-Solutions** was recognized by Egypt's FRA as "Sustainability Champions"

Awards received by executives at EFG Hermes:

- EFG Hermes Holding's Non-Executive Chairperson, **Mona Zulficar**, received a prestigious award from H.E. Egyptian President AbdelFattah Elsisi during the celebration of the Egyptian Women's Day and Mother of the Year 2022 ceremony.
- **Hanaa Helmy**, CEO of the EFG Hermes Foundation and Head of CSR, was recognized among the Diligent Modern Governance 100, a world-leading recognition programme of top audit, governance, compliance, ESG, and risk professionals.

RESPONSIBLE INVESTING

At EFG Hermes Holding, we recognize the importance of not only identifying profitable business opportunities but also investing in impactful ventures that are paving the way for a more sustainable future.

Vortex Energy

Vortex Energy is a renewable investment platform and a core pillar within the Private Equity division of EFG Hermes, and it has been significantly contributing to the goal of sustainable development through its investments in clean energy opportunities. Since its establishment in 2015, Vortex Energy has been committed to sustainable and responsible investing, and its business practices are formulated, evaluated, and executed in accordance with a robust sustainability and ESG strategy that supports the UNGC and upholds the UN PRI.

Vortex Energy has been focused on deploying capital across its four fund vehicles to maximize its social and

environmental impact. Over the years, Vortex I, II, and III acquired operational renewable energy plants across Spain, Portugal, Belgium, France, and the United Kingdom, generating 822MW of net capacity from individual assets. These assets were optimized for maximum clean energy production and operated in line with the latest industry standards, resulting in the delivery of 4.6 terawatt hours (TWh) of clean energy and the avoidance of approximately 4.5 million metric tons of carbon dioxide equivalent (MTCO₂e). These assets are still operational and will continue to save 1.5 million MTCO₂e annually over the coming years.

Vortex I, II, and III continue to support the transition to clean energy and a net-zero future

822

Megawatts generated

4.6

Terawatt hours of reliable and low-cost renewable electricity generated

4.5 MN

MTCO₂e averted and displaced from bulk electric grids

Vortex Energy's latest development was the launch of its fourth investment vehicle and flagship fund, "Vortex IV", in July 2021 to further its efforts at delivering on its strategy to support and play a role in the ongoing global transition to cleaner and more sustainable sources of energy. Shortly after, Vortex IV

successfully completed its first investment in October 2021 with Spain-based Ignis Energy Holdings (Ignis), which will see Vortex IV inject over EUR 475 million to fund Ignis' ambitious plans to build a >20 GW platform and transform it into a fully-fledged IPP across Spain and other regions.

Egypt Education Platform (EEP)

The EEP was established in 2019 by regional and global institutional investors, including EFG Hermes' Private Equity and the Sovereign Fund of Egypt (TSFE), and it has allowed us to play a role in growing and enhancing Egypt's educational space. The platform currently operates 19 assets in Cairo, Alexandria, and the Red Sea, including 11 schools and eight pre-school branches with a combined capacity of approximately 20,000 and 1,000 students, respectively. Moreover, the EEP operates under five different brand names and verticals, including GEMS International Schools, Hayah Schools, Prime International Language Schools, and Trillium Preschools. The platform also boasts a portfolio of investments in complementary services, such as education content development through EEP's majority-owned Selah El Telmeez, and provides premier transportation services to students through Option Travel.

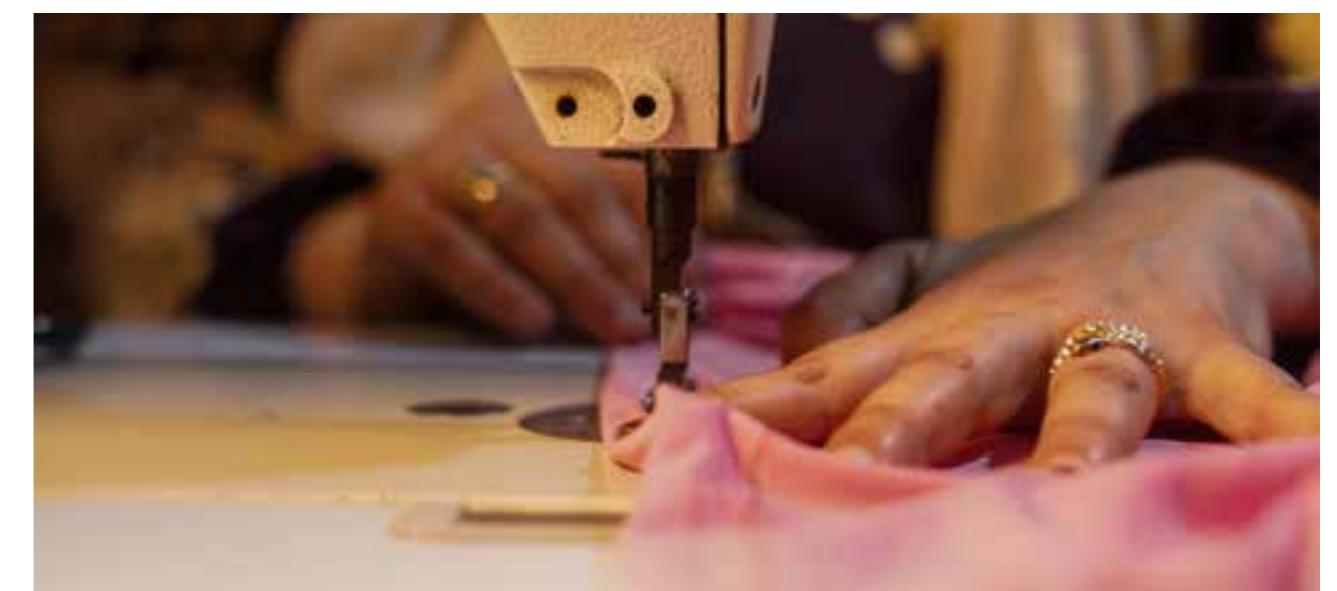
Parallel to this, the EEP is committed to providing high-quality education and has maintained accreditation by

leading global and regional bodies. The platform also supports student athletes by being affiliated with organizations that help them achieve their educational and sporting goals and awards scholarships to students who excel academically. Additionally, the EEP is a member of the Global Schools Program, an initiative of the UN Sustainable Development Solutions Network (SDSN), promoting Education for Sustainable Development (ESD) within schools and classrooms.

Financial Inclusion

Tanmeyah

Established in 2009 and acquired by EFG Hermes Holding in 2016, Tanmeyah is Egypt's leading microfinance service provider. It has played a key role in supporting the drive for financial inclusion in Egypt by providing innovative financial solutions to lower-income business owners who have little to no access to credit facilities from traditional banking



19

Assets

11

Schools

8

Pre-school branches

+21K

Combined schools and pre-schools student capacity

systems. Through its 300+ branch footprint across 25 governorates, Tanmenyah is able to provide the necessary financial support to small-scale business owners across the nation, ultimately supporting them in growing their businesses and enhancing their overall quality of life.

valU

valU, the MENA's leading fintech, lifestyle-enabling platform was established in 2017 as a constituent element of EFG Hermes Holding's wider strategy to promote nationwide financial inclusion and bolster the regional fintech ecosystem through its innovative digital financing solutions. valU aims to alleviate financial burdens and empower the lives of Egyptians by offering convenient and inclusive financing plans with 6-to-60 month tenors and granting customers access to its expansive network of merchants across the retail, service, and e-commerce sectors.

PayTabs Egypt

Established as a joint venture between PayTabs and EFG Hermes, PayTabs Egypt is a leading digital payment solutions provider that offers innovative fintech solutions that cater to various consumer segments in Egypt. Through the company's innovative offering, PayTabs Egypt is able to extend a range of online payment processing solutions to merchants across the nation through its state-of-the-art hybrid digital payment platform, ultimately supporting

Egypt's overarching digital transformation and its drive toward strengthening financial inclusion and contributing to the move toward a cashless society.

EFG Hermes Corp-Solutions

A flagship subsidiary of EFG Hermes Holding's NBFI platform, EFG Hermes Corp-Solutions' primary offering focuses on providing businesses with leasing and factoring services. EFG Hermes Corp-Solutions aims to provide businesses — especially those with clearly outlined social impact mandates — across various sectors that play a key role in supporting long-term economic stability, including healthcare and education, with tailored financing solutions that best address their needs and support their continued growth and development.

aiBANK

aiBANK was acquired by EFG Hermes Holding and TSFE in 2021, and it has successfully positioned the Group as a universal bank operating in FEM. aiBANK provides financing solutions to a variety of customer segments and has a clear focus on providing credit facilities to support SMEs in Egypt. In 2022, aiBANK launched a campaign titled "Financing That Moves You 100 Strides Forward", which aims to deliver on its financial inclusion strategy by providing SMEs with financing facilities of up to EGP 10 million with the aim of supporting job creation and driving economic growth.

ENCOURAGING RESPONSIBLE INVESTING

One of the key components of our sustainable investment strategy is promoting responsible investment practices by providing a platform where ESG-conscious individuals can invest in companies that prioritize sustainable and responsible business operations.

EFG Hermes One is a state-of-the-art trading platform that was rolled out by the Group in 2021 in two of our key markets, Egypt and Kenya. It provides users with seamless access to multiple MENA markets and global exchanges, allowing users to trade multiple asset classes across some of the world's most compelling markets. The app also features real-time market intelligence insights offered by EFG Hermes Research and incorporates a full suite of research

products that leverage the global-award-winning insights of an international team. As part of EFG Hermes Holding's commitment to sustainability, EFG Hermes One promotes several exchange-traded funds (ETFs) with themes that support impact investment. This allows socially mindful investors to be certain that their money is invested in companies that are committed to tackling key ESG issues.

EFG Hermes One Offers Four ESG-Themed ETFs

**Women in Leadership**

The Women in Leadership ETF is comprised of companies from North America, Europe, and Asia Pacific (developed markets) with a market cap larger than USD 5 billion. The companies present in the ETF all have a larger percentage of women in executive leadership positions relative to other companies within their respective regions.

**General ESG**

The General ESG ETF is comprised of 20 companies with market caps larger than USD 10 billion and have low ESG risk ratings.

**Renewable Energy**

Companies included in the Renewable Energy ETF are those that generate the majority of their revenues from operations revolving around the production of renewable energy sources, including solar power, wind, hydropower, biomass, and geothermal energy.

**Green Transformation**

Companies included in the Green Transformation ETF are those that operate in green industries, such as electric vehicles and EV charging, carbon-neutral packaging, recycling, sustainable farming, green food, and carbon capture technologies.

DRIVING POSITIVE SOCIAL IMPACT

We are firm believers that investing in our people and society is key to ensuring the sustainable development of our economy and the environment. Not only do we support the growth of our employees, but we also develop impactful projects that make a tangible difference for the people across the communities where we live and work.

Investing in Our People

Our employees have the ability to shape and contribute to our purpose, strategy, and performance and form the bedrock of EFG Hermes Holding's success. As part of our ongoing efforts to promote the health and professional development of our people, our HR department is constantly developing initiatives and programs aimed at supporting the growth and development of our people.

Development Needs Assessment (DNA)

We are fully committed to the development of our people and ensure that they have clearly outlined paths for growth. Since 2019, our DNA Open House has encouraged employees to take an active role in mapping out their development path and provided managers with a platform to support their people in exploring new opportunities within their respective departments and across the entirety of the Group.

Recruitment, Advancement, and Succession Planning

EFG Hermes Holding has a history of promoting from within, and we are firm believers that everyone across our organization has significant potential for growth and to pursue managerial and executive positions in the Group. On this front, we introduced a new and improved succession planning strategy, which allows us to better identify and prepare internal candidates for senior level positions across the Group.

Employee Wellbeing

We believe that everyone deserves the right to access quality healthcare services to ensure their physical and mental wellbeing. At EFG Hermes Holding, we not only provide

comprehensive healthcare insurance plans but also provide a discretionary healthcare fund that can be accessed by our employees who require critical medical services that are not covered.

Financial Literacy

We designed a program to provide EFG Hermes Holding's non-officer employees with the knowledge that will empower and better position them to manage their personal finances in a manner that allows them to save and avoid incurring debt. Although EFG Hermes Holding employs a loan policy for the people that need it most across the Group, we believe that this program provides a more long-term and sustainable solution with regards to personal finance management.

The EFG Hermes Foundation for Social Development

The EFG Hermes Foundation for Social Development was founded in 2006 and has partnered with various organizations across the private and public sectors to uplift the livelihoods of the people across our communities. Our goal is to bring partners together and leverage an integrated development approach to bring projects to life that benefit society at large, including climate change, environment, gender equality, children's rights, disease prevention, and economic empowerment.

To date, the Foundation has implemented three groundbreaking integrated development projects in deprived rural areas in Upper Egypt, successfully reaching over 500,000 beneficiaries. The Foundation's most recent project was the EGP 70 million Naga' El Fawal and El



Deir Village Integrated Development Project, which was launched in 2017 and aims to build a developed base in order to revitalize the local economy and serve the village's 75,000 residents.

Over the years, the project has had a number of achievements in the development of Naga' El Fawal, including the renovation of a health unit in the village, the establishment of a water treatment plant, and the rebuilding of 94 houses with the long-term aim of eliminating rural co-living. Additionally, the project has also seen the development of a fully equipped community center, including a Montessori preschool, a center catering to children with disabilities, and a training facility, all of which are powered by solar energy.

Developments in 2022

Naga' El Fawal and El Deir Village Integrated Development Project

The Clean Energy for Schools Project – The EFG Hermes Foundation for Social Development signed a partnership agreement with the Ministry of Education and Technical Education, represented by the General Authority for Educational Buildings, to transition over 100 schools in Luxor and Aswan to clean solar energy.



Hayah Karima (Egypt's "Decent Life" Initiative) – The Foundation signed an MoU with the Ministry of Social Solidarity to participate in the Hayah Karima initiative and build on the extensive progress made by the Naga' El Fawal and El Deir Village Integrated Development Project. The MoU will see the Foundation rehabilitate 120 housing units in El Deir village and build a sewer line connecting housing units to the pumping station and wastewater treatment plants previously developed by the Foundation and is anticipated to benefit over 15,000 residents in the area.

Education and Training – In 2022, the Young Scholars Academy saw 14 children graduate, including two graduates with special needs. Additionally, Montessori training, as well as training for special needs, was provided to 26 women from Luxor with the aim of growing their skill sets and empowering them to pursue better employment prospects.

Saving Hearts with the Magdi Yacoub Foundation

In line with our commitment to funding vital healthcare initiatives in Egypt, the EFG Hermes Foundation for Social Development partnered with aiBANK and the Magdi Yacoub Foundation to sponsor heart surgeries at the Aswan Heart Centre.

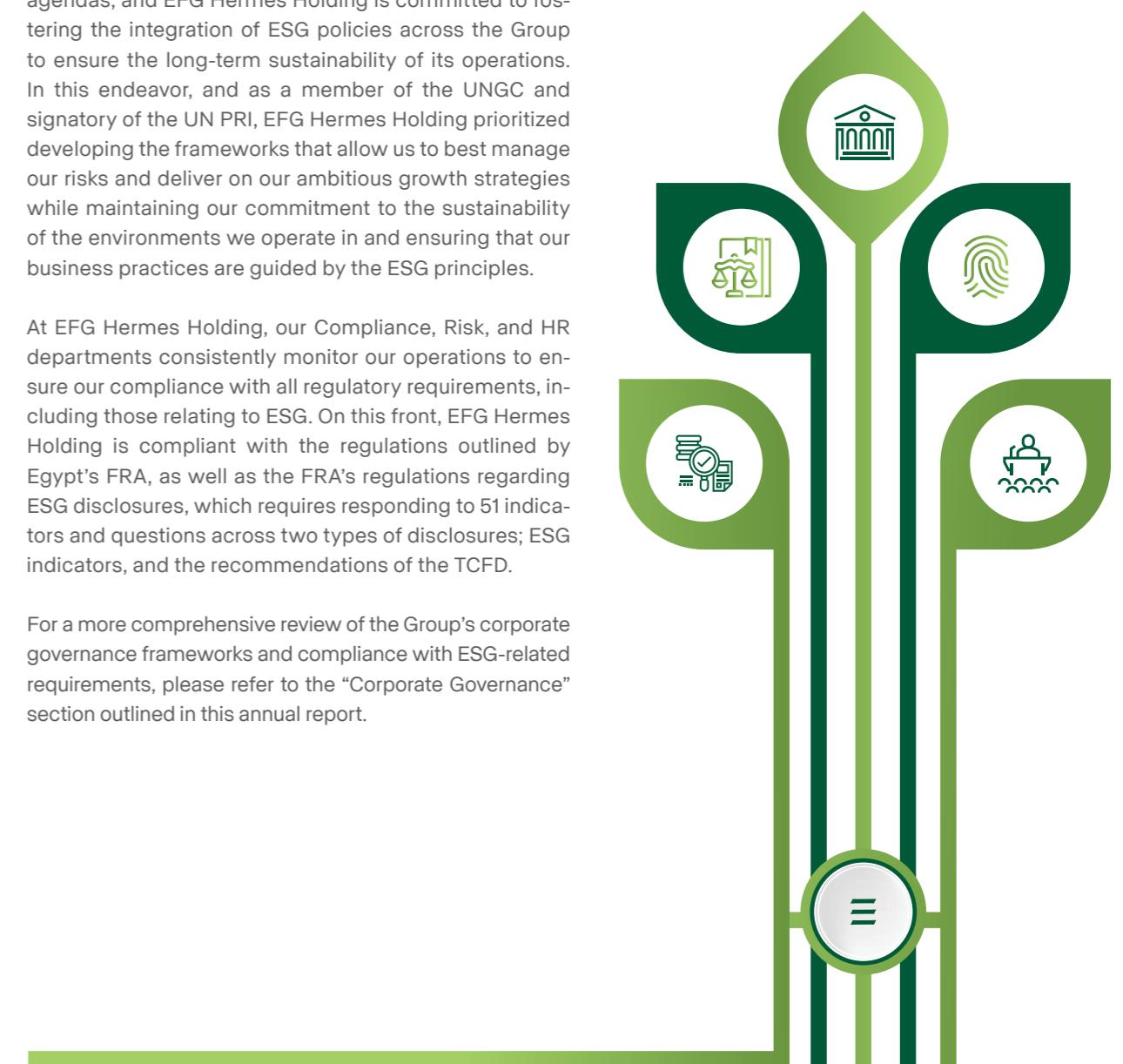
GOVERNANCE

EFG Hermes Holding's robust governance framework plays an essential role in managing key risks and ensures that we remain aligned with our commitment to sustainable business operations.

Effective governance is a critical component of building sustainable business practices that deliver on our ESG agendas, and EFG Hermes Holding is committed to fostering the integration of ESG policies across the Group to ensure the long-term sustainability of its operations. In this endeavor, and as a member of the UNGC and signatory of the UN PRI, EFG Hermes Holding prioritized developing the frameworks that allow us to best manage our risks and deliver on our ambitious growth strategies while maintaining our commitment to the sustainability of the environments we operate in and ensuring that our business practices are guided by the ESG principles.

At EFG Hermes Holding, our Compliance, Risk, and HR departments consistently monitor our operations to ensure our compliance with all regulatory requirements, including those relating to ESG. On this front, EFG Hermes Holding is compliant with the regulations outlined by Egypt's FRA, as well as the FRA's regulations regarding ESG disclosures, which requires responding to 51 indicators and questions across two types of disclosures; ESG indicators, and the recommendations of the TCFD.

For a more comprehensive review of the Group's corporate governance frameworks and compliance with ESG-related requirements, please refer to the "Corporate Governance" section outlined in this annual report.



FINANCIAL STATEMENTS



AUDITOR'S REPORT

To the shareholders of EFG Hermes Holding Company

We have audited the accompanying consolidated financial statements of EFG Hermes Holding Company which comprise the consolidated statement of financial position as at 31 December 2022, and the consolidated statements of income, comprehensive income, changes in equity and cash flows for the financial year then ended, and a summary of significant accounting policies and other explanatory notes.

Management's Responsibility for the Financial Statements

These consolidated financial statements are the responsibility of Company's management. Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with the Egyptian Accounting Standards and in the light of the prevailing Egyptian laws, management responsibility includes, designing, implementing and maintaining internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error; management responsibility also includes selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We conducted our audit in accordance with the Egyptian Standards on Auditing and in the light of the prevailing Egyptian laws. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to

design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

Opinion

In our opinion, the consolidated financial statements referred to in the first paragraph above present fairly, in all material respects, the consolidated financial position of the company as of December 31, 2022 and its consolidated results of its operations and its consolidated cash flows for the year then ended in accordance with Egyptian Accounting Standards and comply with applicable Egyptian laws and regulations relating to the preparation of these financial statements.

KPMG Hazem Hassan
Cairo, March 22, 2023

Consolidated statement of financial position

(in EGP)	Note no.	31/12/2022	*[Restated] 31/12/2021
Assets			
Cash and cash equivalents	[6]	26,214,250,479	30,876,257,819
Loans and facilities to customer	[9]	33,222,142,228	19,999,896,526
Accounts receivables	[8]	5,569,133,136	5,611,375,904
Investments at fair value through profit and loss	[7]	6,772,893,362	8,002,539,778
Investments at fair value through OCI	[10]	14,080,120,999	16,820,480,365
Investments at amortized cost	[12]	11,518,692,377	10,050,278,918
Assets held for sale	[5]	349,701,081	310,745,145
Equity accounted investees	[11]	606,432,818	461,315,552
Investment property	[13]	118,984,442	125,529,472
Property, plant and equipment	[14]	1,636,042,509	1,522,312,110
Goodwill and other intangible assets	[15]	1,954,749,801	993,839,079
Deferred tax assets	[22]	64,486,447	47,607,209
Other assets	[16]	3,401,909,847	2,564,263,111
Total assets		105,509,539,526	97,386,440,988
Liabilities			
Due to banks and financial institutions	[17]	12,371,835,820	17,736,580,111
Customer Deposits	[18]	48,130,171,764	38,564,737,371
Loans and borrowings	[24]	5,408,502,064	5,963,333,876
Creditors and other credit balances	[21]	4,570,191,615	3,069,703,383
Accounts payable - customers credit balance at fair value through profit and loss	[19]	379,039,443	3,890,060,348
Accounts payable - customers credit balance		9,595,446,350	8,537,833,096
Issued bonds	[20]	500,000,000	550,000,000
Provisions	[23]	903,715,808	690,001,941
Current tax liability		473,873,472	363,572,503
Deferred tax liabilities	[22]	800,661,223	416,130,589
Total liabilities		83,133,437,559	79,781,953,218
Equity			
Share capital	[25]	5,838,424,030	4,865,353,355
Legal reserve		867,454,520	840,272,556
Share premium		1,668,623,811	1,668,623,811
Other reserves		3,125,555,888	783,420,592
Retained earnings		7,460,139,693	6,486,918,967
Equity attributable to owners of the Company		18,960,197,942	14,644,589,281
Non - controlling interests	[26]	3,415,904,025	2,959,898,489
Total equity		22,376,101,967	17,604,487,770
Total equity and liabilities		105,509,539,526	97,386,440,988

* See note [35]

The accompanying notes and accounting policies from page [141] to page [184] are an integral part of these financial statements and are to be read therewith.

Mona Zulficar
Chairperson

Karim Awad
Group Chief Executive Officer

Consolidated income statement

(in EGP)	Note no.	For the year ended	
		31/12/2022	31/12/2021
Interest income		(33)	9,295,888,885
Interest Expense			(5,698,004,648)
Net Interest Income			3,597,884,237
Fee and commission income		(33)	4,804,815,709
Fee and commission expense			(508,239,556)
Net Fees and commission Income			4,296,576,153
Securities Loss			(847,026,822)
Changes in Investments at Fair Value through Profit & Loss			(7,302,092)
Dividend Income		(33)	5,660,968
Other Revenues		(28)	381,500,523
Foreign Currencies Exchange Differences			2,495,674,927
Gains on selling Assets held for sale			234,140,414
Share of profit (Loss) from equity accounted investees		(33)	76,562,049
Gain on acquisition			(14 173 369)
Revenue			10,935,349,833
General administrative expenses		(32)	(6,426,256,897)
Financial Guarantee Provision		(23)	(21,174,483)
Impairment loss on assets		(29)	(736,750,108)
Provisions		(23)	(156,889,674)
Depreciation and amortization		(13,14,15)	(296,470,780)
Profit before tax			3,297,807,891
Income tax expense		(30)	(1,103,724,498)
Profit for the year			2,194,083,393
Profit attributable to:		1,670,446,527	
Owners of the Company			1,839,715,656
Non - controlling interests		(26)	354,367,737
			2,194,083,393
			1,670,446,527

* See note [35]

The accompanying notes and accounting policies from page [141] to page [184] are an integral part of these financial statements and are to be read therewith.

Consolidated statement of comprehensive income

	*[Restated]	
	For the year ended	
	31/12/2022	31/12/2021
(in EGP)		
Profit for the year	2,194,083,393	1,670,446,527
Other comprehensive income:		
Items that are or may be reclassified to profit or loss		
Foreign operations - foreign currency translation differences	3,210,783,015	(15,450,147)
Foreign currency translation differences - reclassified to profit or loss	(852,751,863)	(167,306,760)
Investments at fair value through OCI - net change in fair value	(108,438,531)	163,022
Investments at fair value through OCI - net change in fair value - reclassified to profit or loss	(3,015,600)	34,043,158
Investment at Fair Value through OCI - reclassified to Retained Earnings	(547,139)	(15 659)
Share of OCI of Equity accounted investees	206,188	-
Actuarial (loss) gain re-measurement of employees' benefits obligations	(4,505,067)	971,076
Related tax	25,089,047	[930,181]
Other comprehensive income, net of tax	2,266,820,050	(148,525,491)
Total comprehensive income	4,460,903,443	1,521,921,036
Total comprehensive income attributable to:		
Owners of the Company	3,957,615,925	1,395,922,567
Non - controlling interests	503,287,518	125,998,469
Total comprehensive income	4,460,903,443	1,521,921,036

* See note (35)

The accompanying notes and accounting policies from page [141] to page [184] are an integral part of these financial statements and are to be read therewith.

Consolidated statement of changes in equity as at December 31, 2022

	Attributable to owners of the Company	
	Other reserves	Non-controlling interests
(in EGP)		
Balance as at 31 December 2020, as previously reported	158,269,1992,709,994	13,937,943,185
Effect of change in accounting policies		
Adjustment		
Balance as at 31 December 2020	3,843,091,115	13,622,997,512
Total comprehensive income	158,269,1993,867	310,846,608
Profit	155,300,173	1,670,446,527
Other comprehensive income	98,673,75	[148,509,832]
Total comprehensive income	158,269,1993,867	125,998,469
Transactions with owners of the Company		
Contributions and distributions		
Dividends	(895,812,229)	[127,194,004]
Transferred to share capital	253,644,015	[1,479,254]
Transferred to legal reserve	6,338,689	[128,673,258]
Employee stock ownership plan (ESOP)	-	-
Changes in ownership interests	149,646,942	-
Changes in ownership interests without a change in control	-	-
Share of NCI in the increase/(decrease) of subsidiaries paid-in capital	-	-
Balance as at 31 December 2021	4,865,353,355	14,644,589,281
Balance as at 31 December 2021	158,269,1810,570,071	17,604,487,770
Effect of change in accounting policies		
Impact of purchase price allocation on subsidiary	96,523,871	298,197,795
Restated Balance as at 31 December 2021	4,865,353,355	14,644,589,281
Total comprehensive income	6,486,918,967	17,604,487,770
Profit	- 1,839,715,656	354,367,737
Other comprehensive income	- 2,169,291,646	2,194,083,393
Total comprehensive income	- 2,169,291,646	354,367,737
Transactions with owners of the Company		
Contributions and distributions		
Dividends	(1,088,677,761)	[15,607,066]
Transferred to legal reserve	(27,181,964)	[95,556,833]
Employee stock ownership plan (ESOP)	-	-
Operational risk reserve	139,361,770	139,361,770
Changes in ownership interests	80,915,329	[80,915,329]
Changes in ownership interests without a change in control	- 334,238,052	334,238,052
Balance as at 31 December 2022	5,838,424,030	80,915,329
	1,668,623,81	158,269,3979,861,771
	1,224,388,139	289,008,712
	80,915,329	7,460,139,693
	18,960,197,942	18,960,197,942
	3,415,904,025	22,376,101,967

The accompanying notes and accounting policies from page [141] to page [184] are an integral part of these financial statements and are to be read therewith.

* See note (35)

Consolidated statement of cash flow

(in EGP)	Note no.	*[Restated]	
		For the year ended 31/12/2022	31/12/2021
Cash flows from operating activities			
Profit before income tax		3,297,807,891	2,020,642,227
Adjustments for:			
Depreciation and amortization	[13,14,15]	296,470,780	196,292,200
Provisions formed	(23)	178,064,157	102,641,791
Provisions used	(23)	(64,685,603)	(123,453,932)
Provisions reversed	(23)	(53,029,978)	(54,802,383)
Gains on sale of Property, plant and equipment		(4,200,177)	(14,668,983)
Gain from securitization		(242,336,282)	(66,016,939)
Loss on sale of investment at FVTOCI		682,066,606	34,043,538
Gains on sale of Assets held for sale		(5,486,779)	(3,864,407)
Amortization of premium / issue discount		(216,239,805)	(30,974,345)
Changes in the fair value of investments at fair value through profit and loss		(923,031,019)	76,153,571
Share of profit (Loss) of equity-accounted investees		(76,562,049)	14,173,369
Gain on acquisition			(97,562,892)
Impairment loss on assets	(29)	736,750,108	154,029,798
Share-based payment	[32,40-20]	139,361,770	149,646,948
Foreign currency translation differences		3,756,860,513	(17,442,999)
Foreign currencies exchange differences		(2,495,674,927)	(234,140,414)
Operating profit before changes in current assets and liabilities		5,006,135,206	2,104,696,148
Changes in:			
Other assets		(566,071,027)	(504,813,017)
Creditors and other credit balances		1,841,524,257	(32,620,974)
Securitization surplus		(147,522,091)	
Accounts receivables		7,187,677,684	(916,774,492)
Accounts payable		(12,374,159,270)	3,047,194,580
Accounts payable - customers credit balance at fair value through profit and loss		(3,089,257,615)	1,867,078,573
Loans and facilities to customers		(17,537,398,727)	(2,935,999,896)
Due from banks		17,615,468,007	(5,583,297,532)
Due to banks		(270,335,381)	(304,852,380)
Customers deposits		9,565,434,394	(1,242,670,248)
Investments at fair value through profit and loss		5,095,984,810	(2,302,120,418)
Income tax paid		(586,294,906)	(233,489,679)
Net cash provided from operating activities		11,741,185,341	(7,037,669,335)
Cash flows from investing activities			
Payments to purchase Property, plant and equipment and other intangible assets		(364,198,383)	(97,448,606)
Proceeds from sale of Property, plant and equipment		7,377,621	19,391,892
Proceeds from sale of assets held for sale		-	120,045,492
Proceeds from sale of investment FVTOCI		17,958,372,803	24,130,051,252
Payments to purchase investment FVTOCI		(16,578,048,550)	(20,306,019,053)
Payments to purchase investment in subsidiaries		(844,421,791)	(2,965,924,996)
Proceeds from sale investment in subsidiaries		383,228,911	-
Payments to purchase equity accounted investees		(88,618,564)	(17,982,500)
Proceeds from sale equity accounted investees		8,127,400	-
Dividends collected		26,087,565	8,583,669
Net cash provided from provided from investing activities		507,907,012	890,697,150
Cash flows from financing activities			
Dividends paid		(378,139,685)	(43,164,735)
Proceeds from securitization		3,521,589,471	1,112,500,000
Proceeds from issued bonds		500,000,000	550,000,000
Payment for issued bonds		(550,000,000)	(500,000,000)
Payment for / proceeds from financial institutions		(8,707,207,824)	3,619,102,552
Proceeds from loans and borrowings		2,186,366,631	2,178,924,870
Payment for loans and borrowings		(3,247,267,176)	(904,202,493)
Net cash (used in) provided from financing activities		(6,674,658,583)	6,013,160,194
Net change in cash and cash equivalents		5,574,433,770	(133,811,991)
Cash and cash equivalents at 1 January	(31)	7,499,886,385	2,465,698,500
Cash from acquisition from subsidiaries		5,263,671	2,382,473,653
Cash and cash equivalents at 31 December	(31)	13,079,583,826	4,714,360,162

* See note [35]

The accompanying notes and accounting policies from page [141] to page [184] are an integral part of these financial statements and are to be read therewith.

Notes to the consolidated financial statements for the year ended 31 December 2022

(In the notes all amounts are shown in EGP unless otherwise stated)

1. Background

1.1. Incorporation

EFG-Hermes Holding S.A.E “the company” is an Egyptian Joint Stock Company subject to the provisions of the Capital Market Law No.95 of 1992 and its executive regulations. The company’s registered office is located in Smart Village building No. B129, phase 3, KM 28 Cairo / Alexandria Desert Road, 6 October 12577 Egypt.

1.2. Purpose of the company

EFG Hermes is a premiere financial services corporation that offers diverse investment banking services including securities brokerage, investment banking, Asset management and private equity. In addition to its non-bank finance products, which include leasing and micro-finance, installment services, factoring, securitization, collection and Sukuk Issuance. The purpose of the company also includes participation in the establishment of companies which issue securities or in increasing their share capital, custody activities, margin trading and commercial bank activities.

2. Basis of preparation

2.1. Statement of compliance

These consolidated financial statements have been prepared in accordance with Egyptian Accounting Standards and relevant Egyptian laws and regulations.

2.2. Authorization of the financial statements

The financial statements were authorized for issue in accordance with a resolution of the board of directors on March 21, 2023.

3. Functional and presentation currency

These consolidated financial statements are presented in Egyptian pounds (EGP) which is the Company's functional currency.

4. Use of estimates and judgments

In preparing these consolidated financial statements, management has made judgements, estimates and assumptions that affect the application of the Group's accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to estimates are recognized prospectively.

- Estimates and assumptions about them are re-reviewed on regular basis.
- The change in accounting estimates is recognized in the period where the estimate is changed whether the change affects only that period, or in the period of change and the future periods if the change affects them both.

5. Assets held for sale

- Assets held for sale represented in the assets that has been acquired by EFG Hermes Corp-Solutions and Arab Investment Bank (aiBank) amounted to EGP 349,701,081 in exchange of debt account receivables.

Assets held for sale is relating to the acquisition of the following assets:

- Land and buildings.
- -Machines and equipment.

6. Cash and cash equivalents

	31/12/2022	31/12/2021
Cash on hand	209,094,960	173,138,322
Cheques under collection	140,002	140,001
Banks - current accounts	10,943,423,711	10,740,937,558
Obligatory reserve balance with CBE	1,906,215,015	897,426,113
Banks - time deposits	13,158,395,985	19,066,529,533
Balance	26,217,269,673	30,878,171,527
Impairment loss	[3,019,194]	[1,913,708]
Balance	26,214,250,479	30,876,257,819

7. Investments at fair value through profit and loss

	31/12/2022	31/12/2021
Mutual fund certificates	5,231,021,232	3,094,960,043
Equity securities	165,787,522	144,330,891
Debt instruments	660,606,610	670,915,045
Treasury bills	336,438,555	202,273,451
Structured notes	379,039,443	3,890,060,348
Balance	6,772,893,362	8,002,539,778

8. Accounts receivables

	31/12/2022	31/12/2021
Accounts receivables	5,613,135,724	5,684,065,407
Other brokerage companies	271,045,671	39,939,670
Balance	5,884,181,395	5,724,005,077
Impairment loss	[315,048,259]	[112,629,173]
Balance	5,569,133,136	5,611,375,904

9. Loans and facilities to customers

	31/12/2022	31/12/2021
Micro finance	3,081,637,527	2,355,231,395
Finance lease	6,842,561,620	5,953,754,061
Consumer finance	3,900,887,909	1,811,103,100
Factoring	2,553,049,168	1,884,359,760
Commercial bank (Arab Investment Bank)	20,841,231,035	11,282,203,297
Other loans	1,441,312,409	572,771,302
Unearned interest	[3,678,020,032]	[1,889,446,847]
Balance	34,982,659,636	21,969,976,068
Impairment loss	[1,760,517,408]	[1,970,079,542]
Balance	33,222,142,228	19,999,896,526
Current	12,894,738,256	10,097,085,874
Non-current	20,327,403,972	9,902,810,652
Balance	33,222,142,228	19,999,896,526

10. Investments at fair value through OCI

	31/12/2022	31/12/2021
Non-current investments		
Equity securities	159,532,028	105,064,479
Mutual fund certificates	116,119,175	98,972,870
Debt instruments	5,117,913,917	1,820,633,725
	5,393,565,120	2,04,671,074
Current investments		
Debt instruments	8,686,555,879	14,795,809,291
Balance	14,080,120,999	16,820,480,365

11. Equity accounted investees

	December 31, 2022						
	Company's location	Company's asset	Company's liabilities	Company's net gain (losses)	Company's gross profit	Shareholding Percentage %	Shareholding value
Interest in joint venture							
Bedaya Mortgage Finance Co	Egypt	2,363,819,561	2,108,837,922	89,692,357	147,297,258	33.34	84,813,765
EFG-EV Fintech	Egypt	62,328,839	5,441,599	15,459,992	24,594,963	50	18,448,912
Paytabs	Egypt	55,817,071	41,911,548	(10,859,294)	3,517,846	51	41,929,326
RX Capital limited	UAE	18,581,608	3,741,654	(2,180,462)	--	50	10,247,598
Interest in associate							
Kaf Life Insurance takaful	Egypt	340,318,277	196,554,842	(25,517,449)	12,520,574	37.5	62,029,972
Zahraa Elmaadi Company*	Egypt	2,563,499,818	1,032,639,341	216,265,679	307,687,959	20.3	311,285,169
Middle East Land Reclamation Company *	Egypt	47,974,000	192,215,000	(24,763,000)	--	24	--
Prime for investment fund management *	Egypt	2,751,943	199,168	377,145	265,313	20	510,555
Enmaa Financial Leasing company *	Egypt	1,982,674,093	1,737,141,061	22,113,268	52,041,419	31.4	77,167,521
Balance							606,432,818

	December 31, 2021						
	Company's location	Company's asset	Company's liabilities	Company's net gain (losses)	Company's gross profit	Shareholding Percentage %	Shareholding value
Interest in joint venture							
Bedaya Mortgage Finance Co	Egypt	1,099,525,625	910,182,306	19,212,115	45,217,153	33.34	61,253,690
EFG-EV Finech	Egypt	42,810,436	648,333	(2,855,335)	297,245	50	21,081,052
Paytabs	Egypt	7,987,835	24,875,887	(9,857,646)	2,270,958	51	1,459,594
RX Capital limited	UAE	16,512,209	2,811,550	(2,009,341)	--	50	6,850,329
Interest in associate							
Kaf Life Insurance takaful	Egypt	251,117,156	185,998,053	(36,676,288)	10,490,848	37.5	21,599,015
Zahraa Elmaadi Company *	Egypt	2,309,385,000	938,992,000	--	--	20.3	278,655,628
Middle East Land Reclamation Company*	Egypt	47,974,000	192,215,000	--	--	24	--
Prime for investment fund management *	Egypt	2,546,000	176,000	106,550	269,000	20	474,060
Enmaa Financial Leasing company*	Egypt	1,379,917,000	1,157,373,000	1,953,331	17,121,000	31.4	69,942,184
Balance							461,315,552

*Equity accounted investees acquired through the acquisition of Arab Investment Bank (aiBank).

12. Investment at amortised cost

	31/12/2022	31/12/2021
Debt instruments-Listed	10,964,941,637	10,069,806,653
Debt instruments-Non Listed	581,157,127	--
	11,546,098,764	10,069,806,653
Impairment loss	(27,406,387)	(19,527,735)
Balance	11,518,692,377	10,050,278,918

13. Investment property

Particular	Buildings
Cost	
Balance as at 1/1/2021	169,539,818
Total cost as at 31/12/2021	169,539,818
Total cost as at 31/12/2022	169,539,818
Accumulated depreciation	
Accumulated depreciation as at 1/1/2021	37,465,316
Depreciation for the year	6,545,030
Accumulated depreciation as at 31/12/2021	44,010,346
Accumulated depreciation as at 1/1/2022	44,010,346
Depreciation for the year	6,545,030
Accumulated depreciation as at 31/12/2022	50,555,376
Carrying amount	
Net carrying amount as at 31/12/2021	125,529,472
Net carrying amount as at 31/12/2022	118,984,442

Investment property net carrying amounted to EGP 118,984,440 as at 31 December 2022, represents the following:-

- EGP 113,500,669 the book value of the area owned by EFG – Hermes Holding Company in Nile City building, and with a fair value of EGP 000 185,493.
- EGP 2,952,398 the book value of the area owned by Hermes Securities Brokerage, one of the subsidiaries, in Elmanial branch and with a fair value of EGP 11,050,000.
- EGP 2,531,375 the book value of the area owned by Hermes Securities Brokerage, one of the subsidiaries, in Elharam branch and with a fair value of EGP 19,978,950.

14. Property, plant and equipment

Particular	Cost	Leasehold improvements	Land & Buildings	Equipment & electrical appliances	Office furniture, Computer Equipment	Vehicles	Right of use assets	Total
Cost								
Balance as at 1/1/2021	362,407,398	83,402,127	286,142,241	416,056,748	37,707,264	206,667,992	1,392,383,770	
Additions	—	9,658,891	30,283,024	33,485,582	8,627,151	93,511,316	175,565,964	
Disposals	[6,785,000]	—	[10,518,281]	[28,140,454]	(4,121,440)	[3,924,512]	[53,489,687]	
Reclassification to intangible assets	—	—	—	[20,481,910]	—	—	[20,481,910]	
Acquisition of subsidiaries	843,946,633	162,025,074	52,349,297	130,192,193	4,325,984	11,766,119	1,204,605,300	
Foreign currency translation differences	(38,127)	(86,389)	(51,288)	[545,528]	[128,215]	[206,536]	[1,516,063]	
Total cost as at 31/12/2021	1,199,530,904	254,998,703	357,745,013	530,566,631	46,410,744	307,814,379	2,697,067,374	
Balance as at 1/1/2022	1,199,530,904	254,999,703	357,745,013	530,566,631	46,410,744	307,814,379	2,697,067,374	
Additions	21,000,002	26,512,338	88,722,504	136,812,540	7,996,634	112,118,213	393,162,231	
Disposals	(455,238)	(323,933)	(8,725,590)	(49,249,344)	(6,498,568)	(68,578,558)	(33,831,031)	
Adjustments	—	—	—	—	—	20,579,214	20,579,214	
Foreign currency translation differences	7,809	1,053,980	82,852,411	69,979,802	5,442,145	66,099,924	225,506,071	
Acquisition of subsidiaries	—	—	686,415	2,737,735	—	2,909,047	6,333,197	
Total cost as at 31/12/2022	1,220,53,477	282,242,088	521,280,753	690,847,384	53,350,955	440,942,419	3,208,817,056	
Accumulated depreciation								
Accumulated depreciation as at 1/1/2021	71,590,759	50,821,888	222,900,649	303,533,370	23,505,224	68,073,812	740,425,702	
Depreciation	14,516,861	14,421,859	29,008,072	55,891,293	6,089,378	47,407,238	167,334,701	
Disposals' accumulated depreciation	[2,645,713]	—	[10,481,021]	[27,921,225]	[3,793,094]	[2,746,279]	[47,587,332]	
Reclassified to intangible assets	—	—	—	[18,155,301]	—	—	[18,155,301]	
Adjustment	—	—	—	—	—	238,867	238,867	
Acquisition of subsidiaries	80,955,885	139,698,210	27,735,899	77,366,422	4,175,30	3,682,859	333,556,805	
Foreign currency translation differences	[19,299]	(64,559)	[319,944]	[414,660]	[109,347]	[130,369]	[1,058,178]	
Accumulated depreciation as at 31/12/2021	164,398,493	204,877,398	268,843,655	390,299,899	29,809,691	116,526,128	1,174,755,264	
Accumulated depreciation as at 1/1/2022	164,398,493	204,877,398	268,843,655	390,299,899	29,809,691	116,526,128	1,174,755,264	
Depreciation	40,608,806	23,843,463	36,794,626	82,890,133	7,789,103	60,162,957	252,080,088	
Disposals' accumulated depreciation	(455,238)	(323,779)	(8,382,527)	(47,459,333)	(4,891,535)	[11,033,554]	(72,545,966)	
Adjustments	—	—	—	—	—	20,090,570	20,090,570	
Foreign currency translation differences	42,826	926,524	77,372,099	66,049,435	3,506,912	48,761,957	196,659,753	
Acquisition of subsidiaries	—	—	190,660	715,091	—	829,087	1,734,838	
Accumulated depreciation as at 31/12/2022	204,594,887	229,323,606	374,818,513	492,495,225	36,205,171	235,337,145	1,572,774,547	
Carrying amount								
Carrying amount as at 31/12/2021	1,035,132,411	50,122,305	88,901,358	140,266,732	16,601,053	191,288,251	1,522,312,110	
Carrying amount as at 31/12/2022	1,015,558,590	52,918,482	146,462,240	198,352,139	17,145,784	205,605,274	1,636,042,509	

15. Goodwill and other intangible assets

Particular	Goodwill	Customer Relationships	Licenses	Software	Total
Cost					
Balance as at 1 January 2021	896,012,911	70,807,500	10,550,653	62,461,548	1,039,832,612
Additions	—	—	—	13,493,266	13,493,266
Acquisition	—	—	—	78,104,081	78,104,081
Reclassification	—	—	—	20,481,910	20,481,910
Foreign Currency Translation Differences	—	[117,380]	[182,446]	178,521	[121,305]
Total cost as at 31 December 2021	896,012,911	70,690,120	10,368,207	174,719,326	1,151,790,564
Balance as at 1 January 2022	896,012,911	70,690,120	10,368,207	174,719,326	1,151,790,564
Additions	—	16,029,657	9,938,374	70,988,951	96,956,982
Acquisition	881,545,411	—	—	9,475,738	891,021,149
Foreign currency translation differences	—	40,392,373	1,619,795	15,150,168	57,162,336
Total cost as at 31 December 2022	1,777,558,322	127,112,150	21,926,376	270,334,183	2,196,931,031
Accumulated amortisation and impairment					
Balance as at 1 January 2021	5,921,803	24,782,612	—	24,774,283	55,478,698
Amortisation	—	7,064,658	—	15,347,811	22,412,469
Impairment	9,503,738	—	6,530,960	—	16,034,698
Acquisition	—	—	—	47,605,627	47,605,627
Reclassification	—	—	—	18,155,301	18,155,301
Adjustments	—	—	—	(1,657,845)	(1,657,845)
Foreign currency translation difference	—	[39,408]	[2,131]	[35,924]	[77,463]
Total accumulated amortisation and Impairment as at 31 December 2021	15,425,541	31,807,862	6,528,829	104,189,253	157,951,485
Balance as at 1 January 2022	15,425,541	31,807,862	6,528,829	104,189,253	157,951,485
Amortisation	—	10,132,985	853,559	26,859,118	37,845,662
Impairment	10,239,220	—	—	—	10,239,220
Acquisition	—	—	—	2,024,189	2,024,189
Foreign currency translation difference	—	20,623,932	140,278	13,356,463	34,120,673
Total accumulated amortisation and Impairment as at 31 December 2022	25,664,761	62,564,779	7,522,666	146,429,024	242,181,230
Carrying amount as at 31 December 2021	880,587,370	38,882,258	3,839,378	70,530,073	993,839,079
Carrying amount as at 31 December 2022	1,751,893,561	64,547,371	14,403,710	123,905,159	1,954,749,801

15.1. Goodwill is relating to the acquisition of the following subsidiaries:

	31/12/2022	31/12/2021
EFG- Hermes IFA Financial Brokerage Company Kuwait - [KSC]	179,148,550	179,148,550
IDEAVERS - Egypt	--	1,600,000
EFG- Hermes Jordan	--	8,639,218
Tanmeyah Micro Enterprise Services S.A.E	365,398,862	365,398,862
Frontier Investment Management Partners LTD	325,800,740	325,800,740
Fatura Netherlands B.V*	869,543,470	--
Noutah for electronic commerce**	12,001,939	--
Balance	1,751,893,561	880,587,370

*** Acquisition of Fatura Netherlands B.V**

In June 2022 Tanmeyah Micro Enterprise Services S.A.E (one of subsidiaries) acquired 100% of Fatura Netherlands B.V shares with an acquisition cost amounting to EGP 832,193,298.

The Company's share in the acquired net assets and liabilities on the date of acquisition amounted to EGP [37,350,174]. Accordingly the goodwill will represents the difference which amounts to EGP 869,543,472.

**** Acquisition of Noutah for electronic commerce**

In October 2022 Tanmeyah Micro Enterprise Services S.A.E (one of subsidiaries) acquired 100% of Noutah for electronic commerce shares with an acquisition cost amounting to EGP 12,228,493.

The Company's share in the acquired net assets and liabilities on the date of acquisition amounted to EGP 226,554. Accordingly the goodwill will represents the difference which amounts to EGP 12,001,939.

The following represents the assets and liabilities on the acquisition date:

Description	Fatura	Noutah
Cash and cash equivalents	5,874,624	127,533
Accounts receivable	2,458,460	--
Other assets	5,002,464	18,781
Fixed assets	4,518,118	80,240
Intangible assets	7,451,549	--
Creditors and other credit balances	(57,400,317)	--
Current tax liability	(5,154,704)	--
Deferred tax	(100,366)	--
Total	[37,350,172]	226,554
Paid in acquisition	832,193,298	12,228,493
Goodwill	869,543,470	12,001,939

* The acquiree's financial statements have been consolidated based on the book value of the identifiable assets and liabilities, the company has a grace period of 12 months ending May 2023 for preparing Purchase Price Allocation (PPA) study to determine the fair value of the identifiable asset and liabilities according to the Egyptian Accounting Standards.

** The acquiree's financial statements have been consolidated based on the book value of the identifiable assets and liabilities, the company has a grace period of 12 months ending September 2023 for preparing Purchase Price Allocation (PPA) study to determine the fair value of the identifiable asset and liabilities according to the Egyptian Accounting Standards.

16. Other assets

	31/12/2022	31/12/2021
Deposits with others	(16-1)	47,487,740
Down payments to suppliers	1,188,539,804	902,953,364
Prepaid expenses	197,725,051	83,360,970
Employees' advances	117,223,877	61,420,556
Accrued revenues	1,236,758,881	989,851,567
Taxes withheld by others	27,082,585	23,615,895
Payments for investments	(16-2)	19,353,856
Settlement Guarantee Fund	26,790,298	22,898,787
Due from Egypt Gulf Bank- Tanmeyah Clients	10,582,259	17,314,143
Receivables-sale of investments	39,000,311	16,854,902
Securitization surplus	178,567,421	31,045,330
Sundry debtors	331,406,383	393,243,155
Total	3,420,518,466	2,601,066,503
Deduct: Impairment loss	(18,608,619)	(36,803,392)
Balance	3,401,909,847	2,564,263,111

16.1. Deposits with others include an amount of EGP 16,919,378 in the name of the subsidiaries, EFG-Hermes International Securities Brokerage -Financial Brokerage Group Company [Previously] and Hermes Securities Brokerage Company which represents blocked deposits for same day trading operations settlement takes place in the Egyptian Stock Exchange. Both companies are not entitled to use these amounts without prior approval from Misr Clearance Company.

16.2. Payments for investments are represented in the following:

	31/12/2022	31/12/2021
AAW Company for Infrastructure	1,348,856	1,348,856
IDEAVERS	5,000	25,000
Paynas for payment and digital solutions	18,000,000	--
Balance	19,353,856	1,373,856

17. Due to banks and financial institutions

	31/12/2022	31/12/2021
Financial institutions	41,545,598	7,861,707,906
Bank overdraft *	11,544,331,480	8,818,578,082
Deposits**	515,899,890	1,008,686,945
Current account**	270,058,852	47,607,178
Balance	12,371,835,820	17,736,580,111

* Banks overdraft include the credit facilities granted from one of the banks which represents the following:

- A pledged governmental bond contract to secure a credit facility amounted to EGP 1,061,304,159.
- A pledged Treasury bills contract to secure a credit facility amounted to EGP 739,070,182.

** Relate to Arab Investment Bank (aiBank).

18. Customer deposits

	31/12/2022	31/12/2021
Call deposits	15,239,775,939	13,590,506,782
Term deposits	22,111,560,197	14,545,755,376
Saving and deposit certificates	8,651,603,248	7,881,255,045
Saving deposits	1,140,598,796	1,316,791,217
Other deposits	986,633,584	1,230,428,951
Balance	48,130,171,764	38,564,737,371
Corporate deposits	35,927,784,539	14,820,936,371
Individual deposits	12,202,387,225	23,743,801,000
Balance	48,130,171,764	38,564,737,371
Current	23,310,069,539	19,160,002,371
Non-current	24,820,102,225	19,404,735,000
Balance	48,130,171,764	38,564,737,371

19. Accounts payable - customers credit balance at fair value through profit and loss

This amount represents payable to customers against the structured notes issued by one of group companies.

20. Issued bonds

- During December 2021 Hermes Securities Brokerage (a subsidiary - 100%) issued short-term bonds with a value of EGP 550 million (Third issuance) that are tradable and non-convertible to shares and it's for the period of 12 months at a par value of EGP 100 (one hundred Egyptian pounds only) for the bond to be paid at the end of the period with a fixed rate of 11.15 % that will be paid at the end of the issuance period. And it's non-expedited payment, the bonds proceeds will be used to finance different company activities and pay it's financial obligations, The full value of the bonds has been paid during December 2022.
- During June 2022 EFG-Hermes Corp-Solutions (a subsidiary - 100%) issued the first issuance of unsecured long-term bonds with a value of EGP 500 million for two years. The issuance is part of a three years issuance program with total value of EGP 3 billion. The bonds are tradable and non-convertible to shares but it's can be expedited to payment starting from coupon number 5 (seventh month of the issuance). The bonds proceeds will be used to finance different t

21. Creditors and other credit balances

	31/12/2022	31/12/2021
Accrued expenses	2,851,514,433	1,725,048,720
Dividends payable (prior years)	215,380,481	297,364,906
Deferred revenues	147,776,543	50,637,002
Suppliers	382,770,788	347,141,373
Clients' coupons - custody activity	205,947,929	12,489,264
Tax authority	43,747,539	68,525,079
Social Insurance Association	13,507,353	18,217,043
Payables- purchase of investments	5,263,007	--
Medical takaful insurance tax	25,589,536	12,837,396
Deposits due to others -finance lease contracts *	4,040,813	4,136,184
Pre collected Instalments	462,031,947	373,972,381
Sundry creditors	212,621,246	159,334,035
Balance	4,570,191,615	3,069,703,383

* Deposits due to others amounted to EGP 4,040,813 as at 31 December 2022 versus EGP 4,136,184 as at 31 December 2021 represents the deposits collected from the lessees of EFG Hermes Corp- Solutions.

22. Deferred tax assets (liabilities)

	Balance at 1/1/2022 (Restated*)	Acquisition of subsid- iarie	Recog- nized in profit or loss	Recog- nized in equity	Foreign currency differences	Net	Deferred tax assets	Deferred tax liabilities
Fixed assets depreciation	(113,456,183)	(100,366)	3,167,668	–	59,422	(110,329,459)	–	(110,329,459)
Claims provision	(398,302)	–	148,241	–	435,439	185,378	185,378	–
Impairment loss on assets	1,180,104	–	253,272	–	(12,497)	1,420,879	1,420,879	–
Prior year losses carried forward	29,241,747	–	14,155,129	–	8,407,597	51,804,473	51,804,473	–
Investment at fair value	(290,607,350)	–	(203,330,073)	24,443,416	–	(469,494,007)	–	(469,494,007)
Foreign currency translation differences	1,457,373	–	(215,262,894)	–	184,645	(213,620,876)	–	(213,620,876)
Revaluation of investment property	1,867,147	–	–	–	–	1,867,147	1,867,147	–
Investment in Associates	(5,582,969)	–	(1,633,912)	–	–	(7,216,881)	–	(7,216,881)
ESOP deferred	7,775,053	–	1,433,517	–	–	9,208,570	9,208,570	–
Balance	(368,523,380)	(100,366)	(401,069,052)	24,443,416	9,074,606	(736,174,776)	64,486,447	(800,661,223)

23. Provisions

		31/12/2022	31/12/2021
Claims provision	[23-1]	406,954,289	372,814,069
Commercial bank (aiBank) contingent liabilities	[23-1]	55,413,903	56,117,796
Severance pay provision	[23-1]	405,700,617	226,617,198
Financial guarantee for contingent liabilities	[23-1]	35,646,999	34,452,878
Balance		903,715,808	690,001,941

23.1.

	Claims provision	Severance Pay provision*	Financial guarantee for contingent liabilities	Commercial bank contingent liabilities	Total
Balance at the beginning of the year	372,814,069	226,617,198	34,452,878	56,117,796	690,001,941
Formed during the year	96,578,413	60,311,260	21,174,484	--	178,064,157
Foreign currency differences	11,421,949	135,534,991	--	1,903,284	148,860,224
Amounts used during the year	(23,437,341)	(21,267,899)	(19,980,363)	--	(64,685,603)
Actuarial of employees' benefits obligations	--	4,505,067	--	--	4,505,067
No longer needed	(50,422,801)	--	--	(2,607,177)	(53,029,978)
Balance at the end of the year	406,954,289	405,700,617	35,646,999	55,413,903	903,715,808

* Related to group entities outside Egypt.

24. Loans and borrowings

The borrower	Credit Limit	Contract date	Maturity date	31/12/2022	31/12/2021
EFG Hermes Corp-Solutions *	335 million	16/7/2020	16/7/2027	71,975,503	169,630,189
"	150 million	27/2/2020	27/2/2027	27,332,594	43,728,117
"	600 million	12/12/2019	12/12/2026	314,592,847	412,389,761
"	540 million	29/3/2022	31/3/2023	472,734,144	315,766,871
"	2 billion	22/8/2022	22/8/2028	715,725,823	682,796,686
"	508 million	6/3/2022	31/3/2027	374,365,908	177,24,571
"	24 million	14/3/2016	14/3/2023	24,019,715	69,696,583
"	233 million	13/7/2020	13/7/2027	135,448,140	26,822,749
"	200 million	12/6/2017	12/6/2025	--	19,209,706
"	168 thousand	28/3/2022	18/2/2025	168,131	653,831
"	450 million	9/3/2022	30/9/2023	141,154,502	397,029,955
"	150 million	15/5/2022	30/5/2023	75,526,723	114,928,127
"	300 million	20/2/2022	30/9/2027	173,766,259	81,305,409
"	408 thousand	24/4/2017	24/4/2023	408,995	1,226,987
"	50 million	26/10/2022	25/5/2028	36,193,872	99,346,583
"	100 million	4/4/2021	4/4/2028	50,699,700	21,052,491
"	493.7 million	19/10/2017	19/10/2022	493,700,000	7,069,500
"	200 million	1/11/2022	6/5/2028	196,836,578	8,834,128
"	225 million	7/2/2018	7/2/2023	57,590,676	97,590,676
"	101 million	19/5/2020	19/5/2027	101,407,037	164,578,428
"	600 million	15/8/2022	15/8/2028	61,292,881	357,425,443
"	750 million	6/2/2022	30/3/2024	386,920,412	260,283,150
"	100 million	26/11/2020	26/11/2027	62,677,183	66,287,873
Arab Investment bank	10.3 million	13/4/2017	1/8/2023	1,555,798	3,630,198
"	25.4 million	13/4/2017	31/7/2023	5,000,715	10,001,430
EFG – Hermes Pakistan Limited	40.8 million	12/5/2017	11/5/2026	40,833,000	32,990,250
"	48.9 million	29/10/2021	28/10/2024	48,999,600	39,588,300
Tanmeyah Micro Enterprise Services S.A.E	75 million	4/5/2018	3/5/2023	59,481,121	43,633,026
"	81.3 million	4/11/2019	12/2/2022	--	27,104,333
Valu	100 million	12/11/2017	12/1/2023	8,000,000	16,120,232
"	350 million	15/6/2022	31/12/2023	253,948,780	--
"	175 million	5/9/2022	30/11/2023	172,773,583	--
"	375 million	6/7/2022	30/9/2024	430,898,843	--
EFG - Hermes Advisory Inc.	370 million	18/11/2021	18/5/2022	--	370,497,531
EFG Finance Holding	250 million	13/8/2020	13/8/2027	--	250,000,000
"	400 million	21/12/2021	21/12/2028	--	375,175,828
"	250 million	30/8/2021	30/8/2028	--	123,946,345
EFG Hermes Int. Fin Corp	785.5 million	21/5/2021	21/5/2023	--	613,004,200
Lease liabilities**				412,473,001	462,264,389
Balance				5,408,502,064	5,963,333,876
Current				1,589,604,253	2,682,374,853
Non-current				3,818,897,811	3,280,959,023
Balance				5,408,502,064	5,963,333,876

* EFG Hermes Corp Solutions (wholly owned subsidiary), is committed to settle the credit granted by waiving the rental value of the finance lease contracts to the banks within the credit amount.

** Lease liabilities include an amount of EGP 153,253,280 in the name of EFG-Hermes Holding and Tanmeyah Micro Enterprise Services S.A.E that represents sale and lease back agreement.

25. Share capital

- The company's authorized capital amounts EGP 6 billion and issued capital amounts EGP 3,843,091,115 distributed on 768,618,223 shares of par value EGP 5 per share which is fully paid.
- The company's General Assembly approved in its session held on May 20, 2021 to increase the company's issued capital from EGP 3,843,091,115 to EGP 4,611,709,340 distributed on 922,341,868 shares with an increase amounting to EGP 768,618,225 by issuing 153,723,645 shares with par value EGP 5 through the issuance of one free share for every five shares. This increase is transferred from the company retained earnings that presented in December 31, 2020 financial statements. The required procedures had been taken to register the increase in the Commercial Register.
- On 28th September 2021, the Company's General Assembly approved the increase in issued capital from EGP 4,611,709,340 to EGP 4,865,353,355 representing an increase of EGP 253,644,015 and distributed on 50,728,803 shares having a par value of EGP 5 per share, The issuance of the capital increase shares were financed from the share premium reserve for the purpose of the Remuneration & Incentive Program of the Employees, Managers & Executive Board Members of the Company and its subsidiaries. The commercial register was updated and the issued shares were allocated under the Remuneration & Incentive Program of the Employees of the Company, and the Beneficiary of the program will be entitled to attend the Ordinary and Extraordinary General Shareholders of the Company and to vote on its resolutions upon the transfer of ownership of the Granted Shares to the Beneficiary.
- The company's General Assembly approved in its session held on May 19, 2022 to increase the company's issued capital from EGP 4,865,353,355 to EGP 5,838,424,030 distributed on 1,167,684,806 shares with an increase amounting to EGP 973,070,675 by issuing 194,614,135 shares with par value EGP 5 through the issuance of one free share for every five shares. This increase is transferred from the company retained earnings that presented in December 31, 2021 financial statements. The required procedures had been taken to register the increase in the Commercial Register.

26. Non - controlling interests

	31/12/2022	31/12/2021
Share capital	2,629,160,442	2,618,870,616
Additional paid-in capital	120,463,104	120,463,104
Legal reserve	35,867,090	37,775,135
Other reserves	458,125,265	309,205,450
Treasury shares	(1,904,208)	--
Retained (losses)	(180,175,405)	(243,860,630)
Profit for the year	354,367,737	117,444,814
Balance	3,415,904,025	2,959,898,489

27. Contingent liabilities

The holding company guarantees its subsidiary EFG- Hermes UAE LLC against the Letters of Guarantee issued from banks amounting to:

	31/12/2022	31/12/2021
AED	83,670,000	83,670,000
Equivalent to EGP	562,362,804	357,864,957
Group off-financial position items:		
Assets under management	108,911,765,671	71,407,412,524

- Securitization and Sukuk transactions

The group has entered into some securitization and Sukuk transactions, the assets and liabilities related to those transactions do not qualify for the recognition criteria under Egyptian accounting standards, accordingly the group has not recognized those assets or liabilities.

The assets and liabilities related to those transactions are represented in :

Client portfolios related to securitization transactions	11,694,428,998
Balances with custodians	1,644,811,682
Land and Buildings related to Sukuk transactions	2,350,000,000
Total Assets	15,689,240,680
Bonds	8,629,176,743
Sukuk	2,350,000,000
Total liabilities	10,979,176,743

27. Arab Investment Bank Contingent liabilities are as follows:

A- Capital commitments

Financial investments

The value of commitments related to financial investments for which payments was not requested until the date of the financial position as at 31 December 2022:

	Contribution amount	Amount paid	Residual amount
	USD	USD	USD
African Export -Import Bank	1,066,131	586,021	480,110
	Contribution amount	Amount paid	Residual amount
	EGP	EGP	EGP
Long-Term Assets	1,026,118,921	835,920,588	190,198,333

B- Commitments on loans, guarantees and facilities

The bank's commitments on loans and facilities are as follows:

	31 December 2022
	EGP
Letters of guarantees	2,649,790,604
Letters of credit (Export and Import)	330,149,059
Acceptances of supplier facilities	236,791,075
Balance	3,216,730,738

28. Other Revenues

Other revenues includes rental income, and non-recurring income.

29. Impairment loss on assets

	For the year ended	
	31/12/2022	31/12/2021
Accounts receivables	168,004,199	19,016,764
Loans receivables	532,046,433	104,431,821
Cash and cash equivalents	272,687	451,596
Other Debit Accounts	(1,039,140)	15,756,528
Financial investments	27,226,709	(1,661,609)
Good will and intangible assets	10,239,220	16,034,698
Total	736,750,108	154,029,798

30. Income tax expense

	For the year ended	
	31/12/2022	31/12/2021
Current income tax	702,655,446	367,271,918
Deferred tax	401,069,052	(17,076,218)
Total	1,103,724,498	350,195,700

31. Cash and cash equivalents

For the purpose of preparing the statement of cash flows, cash and cash equivalents are represented in the following :

	31/12/2022	31/12/2021
Cash and due from banks	24,311,054,657	11,355,533,830
Bank overdraft	(11,544,331,480)	(8,818,578,082)
Treasury bills less than 90 days	312,860,649	2,177,404,414
Effect of exchange rate	--	2,785,526,223
Cash and cash equivalents	13,079,583,826	7,499,886,385

32. General administrative expenses

	For the year ended	
	31/12/2022	31/12/2021
Wages, salaries and similar items*	4,574,748,051	2,787,653,848
Consultancy	365,708,040	179,435,929
Travel , accommodation and transportation	42,943,614	10,203,324
Leased line and communication	207,381,132	142,505,592
Rent and utilities expenses	93,210,669	58,457,373
Other expenses	1,142,265,391	489,121,942
Total	6,426,256,897	3,667,378,008

*** Share-based payments.**

The Company introduced an Employees Share Ownership plan (ESOP) in accordance with the shareholder's approval at the extraordinary general assembly meeting by issuing Free shares representing 5.5% of the issued capital of the Company shall be granted to employees, managers and executive board members of the Company and its subsidiaries

The duration of this program is five years starting as of 1 January 2021 till 31 December 2025, the vesting period is 3-4 years starting from 1 January 2021 till 31 December 2024. The beneficiary entitled to shares granted to 4 equal installments.

The equity instruments for share-based payment are recognized at fair value on the grant date and are record in the income statement with a corresponding increase in equity. The value of expenses charged to the income statement during the period amounted EGP 139,361,770.

Equity instruments during the year represents the following:

	For the year ended 31/12/2022 No. of Shares	For the year ended 31/12/2021 No. of Shares
Total at the beginning of the year	48,504,101	--
Free shares distributed during the year	9,700,820	--
Granted shares during the year	--	48,504,101
Forfeited shares during the year	(2,000,200)	--
Total at the end of the year	56,204,721	48,504,101

Operating segment

Operating segment

(d) Segment information is presented in respect of the Group's business segments.

The primary format, business segment, is based on the Group's management and internal reporting structure. Inter-segment pricing is determined on an arm's length basis. Segment results, assets and liabilities include items directly attributable to a segment. The revenue & expense and assets & liabilities analyses in the table below are based on the type of business activities and services that are distinguishable component.

For the year ended December 31, 2021													
	Holding & Treasury	Brokerage	Asset Management	Investment Banking	Private Equity	Finance Holding	Leasing	Micro Finance	Consumer Finance	Commercial bank (aBank)	Factorung	Adjustments	Total
Interest income	1430,183,686	452,947,050	328,831	29,419,414	13,314,024	776,584	572,887,261	976,895,160	162,500,384	113,851,162	724,890,739	[51,619,090]	4,416,355,205
Interest Expense	(322,771,524)	(73,834,022)	--	[7630,117]	[1,386,507]	--	(433,438,266)	(264,469,884)	(62,924,119)	(91,810,695)	[503,856,481]	30,807,343	(1,831,14,272)
Net Interest income	1,07,491,162	279,113,028	328,831	21,789,297	11,927,517	776,584	139,428,995	712,425,276	89,576,295	22,040,467	221,034,258	(20,811,747)	2,585,040,933
Fee and commission income	--	1,248,061,289	620,161,808	467,324,457	94,262,892	--	46,880,827	686,324,146	177,759,254	35,846,917	38,789,397	[20,350,240]	3,395,050,747
Fees and commission expense	[7,51,144,6]	(211,150,632)	(94,473,907)	(117,857)	(4,909,016)	(270)	(3,231,483)	(271,043)	(298,618)	(44,006)	(17,446,693)	[4,659,608]	(344,114,579)
Net fees & commission income	[7,51,144,6]	1,036,910,657	525,687,901	467,206,600	89,353,876	(270)	43,649,344	686,053,103	177,460,636	35,802,911	21,342,704	(25,019,848)	3,050,936,168
Securities Loss	--	(2,529,371)	--	--	--	--	--	--	--	--	--	3,200,357	--
Changes in the investments at fair value through profit and loss	[59,767,64]	(16,622,407)	39,058	--	197,392	--	--	--	--	--	--	--	[76,153,571]
Dividend income	17,405,866	13,915,801	--	--	--	--	--	--	--	--	--	--	31,853,072
Other Revenues	45,185,833	30,319,687	1,762,801	4,933,170	8175,964	124,308	31,489,086	28,816,034	35,077,509	--	49,330,778	--	235,215,170
Foreign currencies exchange differences	227,911,778	217,993	--	--	--	--	--	--	--	--	6,010,643	--	234,140,414
Gain on selling Assets held for sale	--	--	--	--	--	--	326,756	--	--	--	3,537,651	--	3,864,407
Share of loss from equity accounted investees	--	--	--	--	[100,167]	(13,803,355)	--	--	--	--	634,657	--	(14,173,369)
Gain on acquisition	97,562,892	--	--	--	--	--	--	--	--	--	--	--	97,562,892
Total revenues	1,420,226,393	1341,325,588	527,818,591	493,929,067	108,656,078	(2,902,733)	214,894,181	1427,294,413	302,114,410	57,843,378	305,622,453	(45,831,595)	6,140,984,024
General administrative expenses	(450,770,991)	(1139,680,307)	(330,533,066)	(318,421,872)	(132,587,745)	(252,532,367)	(81,482,222)	(705,624,162)	(203,777,676)	(22,895,178)	(120,650,209)	91,577,786	(3,667,37,008)
Financial guarantee provision	--	--	--	--	--	--	[5,673,313]	--	--	--	--	--	[5,673,313]
Impairment loss on assets	429,978	(37,776,597)	(1533,356)	--	(7019,77)	184,274	947,437	(4,229,332)	(52,395,049)	(91,114,900)	(35113,575)	1,661,093	(154,029,798)
Provisions	(33,402,635)	(16,992,834)	(33,760)	(9,060,039)	(124,417)	(14,35,415)	--	(889,999)	(4,000,000)	--	(18,348,779)	--	(96,968,478)
Depreciation and amortisation	(31,641,357)	(22,527,156)	(7,904,504)	(331,416)	(235,125)	(13,585,873)	(282,004)	(60,684,065)	(6,209,695)	(1776,261)	(13,707,460)	(47,407,284)	(196,292,200)
Profit before income tax	904,841,388	124,348,494	187,833,905	166,115,440	(31,316,980)	(293,152,114)	134,077,393	660,323,542	35,731,990	14,057,039	117,802,430	--	2,020,642,227
Income tax expense	(34,447,859)	(67,727,249)	9,932,394	(5,380,583)	(672,615)	(750,744)	(331,27,365)	(167,294,401)	(47,43,889)	(3,291,096)	(44,961,993)	--	(350,195,700)
Profit for the year	870,393,529	56,621,245	197,746,299	160,734,257	(31,989,595)	(293,902,858)	100,950,028	493,029,141	33,258,101	10,765,943	72,840,437	--	1,670,446,527
Total assets	17,408,222,861	19,820,933,665	989,632,555	169,244,240	381,97,570	386,33,371	5,246,966,419	3,306,067,834	1,79,628,843	1,95,379,272	45,371,054,358	--	97,386,440,988

(b) Geographical segments

- The Group operates in main geographical areas: Egypt, GCC. In presenting the geographic information, segment revenue has been based on the geographical location of operation and the segment assets were based on the geographical location of the assets. The group's operations are reported under geographical segments, reflecting their respective size of operation.
- The revenue analysis in the tables below is based on the location of the operating company, which is the same as the location of the major customers and the location of the operating companies.

	December 31, 2022			
	Egypt	GCC	Other	Total
Total revenues	8,905,934,254	1,868,327,716	161,087,863	10,935,349,833
Segment assets	83,832,797,440	14,681,496,090	6,995,245,996	105,509,539,526
December 31, 2021				
	Egypt	GCC	Other	Total
Total revenues	4,736,447,682	1,230,795,863	173,740,479	6,140,984,024
Segment assets	81,451,088,917	15,427,005,155	508,346,916	97,386,440,988

34. Tax status (the holding company)

- As to Income Tax, the years till 2019 the competent Tax Inspectorate inspected the parent company's books and all the disputed points have been settled with the Internal Committee. as to years 2020/2021, have not been inspected yet.
- As to Salaries Tax, the parent company's books had been examined till 2020 and all the disputed points have been settled with the Internal committee and as to years 2021/2022 have not been inspected yet.
- As to Stamp Tax, the parent company's books had been examined from year 1998 till 2018 and all the disputed points have been settled with the competent Tax Inspectorate and as to years 2019/2022 have not been inspected yet.
- As to Property Tax, for Smart Village building the company paid tax till December 31, 2022 and for Nile City building the company paid tax till December 31, 2021.

35. Corresponding figures

Certain adjustments have been made to some comparative figures as a result to the Purchase price allocation (PPA) of Arab Investment Bank as following:

	(As reported) for the year ended 31/12/2021	Adjustments	(Restated) for the year ended 31/12/2021
	EGP	EGP	EGP
Statement of financial position			
Property, plant and equipment	999,401,918	522,910,192	1,522,312,110
Other assets	2,561,079,667	3,183,444	2,564,263,111
Assets held for sale	305,541,145	5,204,000	310,745,145
Goodwill and other intangible assets	1,107,396,952	[113,557,873]	993,839,079
Deferred tax Liabilities	296,588,621	119,541,968	416,130,589
Retained earnings	6,390,395,096	96,523,871	6,486,918,967
Non - controlling interests	2,758,224,565	201,673,924	2,959,898,489
Income Statement			
Depreciation and amortisation	(193,664,511)	(2,627,689)	(196,292,200)
Gain on acquisition	--	97,562,892	97,562,892
Income tax expense	(350,786,930)	591,230	(350,195,700)
Profit for the year	1,574,920,094	95,526,433	1,670,446,527
Owners of the Company	1,456,477,842	96,523,871	1,553,001,713
Non - controlling interests	118,442,252	(997,438)	117,444,814
Other Adjustments			
Statement of financial position			
Loans and facilities to customer	19,625,924,145	373,972,381	19,999,896,526
Creditors and other credit balances	2,695,731,002	373,972,381	3,069,703,383

The company did not present a third statement of financial position as at the beginning of the preceding period as retrospective restatement has no effect on the information in the statement of financial position at the beginning of the preceding period.

36. Group's entities

The parent company owns the following subsidiaries:

	Direct owner- ship %	Indirect owner- ship %
EFG Hermes International Securities Brokerage -		
Financial Brokerage Group (Previously)	99.87	0.09
Egyptian Fund Management Group	88.51	11.49
Hermes Portfolio and Fund Management	78.81	21.19
Hermes Securities Brokerage	97.58	2.42
Hermes Corporate Finance	99.42	0.48
EFG - Hermes Advisory Inc.	100	--
EFG- Hermes Financial Management (Egypt) Ltd.	--	100
EFG - Hermes Promoting & Underwriting	99.88	--
Bayonne Enterprises Ltd.	100	--
EFG- Hermes Fixed Income	99	1
EFG- Hermes Management	96.3	3.7
EFG- Hermes Private Equity	--	100
EFG- Hermes UAE LLC.	--	100
Flemming CIIC Holding	100	--
Flemming Mansour Securities	--	99.33
Flemming CIIC Securities	--	96
Flemming CIIC Corporate Finance	--	74.92
EFG- Hermes UAE Ltd.	100	--
EFG- Hermes Holding - Lebanon	99	--
EFG- Hermes KSA	73.3	26.7
EFG- Hermes Lebanon	99	0.97
Mena Opportunities Management Limited	--	95
Mena (BVI) Holding Ltd.	--	95
EFG - Hermes Mena Securities Ltd.	--	100
Middle East North Africa Financial Investments W.L.L	--	100
EFG- Hermes Oman LLC	--	51
EFG- Hermes Regional Investment Ltd.	100	--
Offset Holding KSC **	--	50
EFG- Hermes IFA Financial Brokerage	--	63.084
IDEAVERSERS	--	80
EFG- Hermes CB Holding Limited	--	100
EFG- Hermes Global CB Holding Limited	100	--
EFG - Hermes Syria LLC *	49	20.37
Sindyan Syria LLC *	97	--
Talas & Co. LLP *	--	97
EFG - Hermes Jordan	100	--
Mena Long-Term Value Feeder Holdings Ltd. **	--	50
Mena Long-Term Value Master Holdings Ltd. **	--	45
Mena Long-Term Value Management Ltd.**	--	45
EFG - Hermes CL Holding SAL	--	100
EFG-Hermes IB Limited	100	--
Financial Group for Securitization	100	--
Beaufort Investments Company	--	100
EFG Hermes-Direct Investment Fund	64	--
Tanmeyah Micro Enterprise Services S.A.E	--	93.983
EFG - Hermes Frontier Holdings LLC	100	--
EFG - Hermes USA	100	--
EFG Capital Partners III	--	100

	Direct owner- ship %	Indirect owner- ship %
Health Management Company	--	52.5
EFG - Hermes Kenya Ltd.	--	100
EFG Finance Holding	99.82	0.18
EFG - Hermes Pakistan Limited	--	51
EFG - Hermes UK Limited	--	100
OLT Investment International Company (B.S.C)	99.9	--
Frontier Investment Management Partners LTD **	--	50
EFG-Hermes SP limited	--	100
Valu	--	100
EFG Hermes Corp-Solutions	--	100
Beaufort Asset Managers LTD	--	100
EFG Hermes Bangladesh Limited	--	100
EFG Hermes FI Limited	--	100
EFG Hermes Securitization	--	100
EFG Hermes PE Holding LLC	100	--
Etkan for Inquiry and Collection and Business Processes	--	100
RX Healthcare Management	--	52.5
FIM Partners KSA **	--	50
Egypt Education Fund GP Limited	--	80
EFG Hermes Nigeria Limited	--	100
EFG-Hermes Int. Fin Corp	100	--
FIM Partners UK Ltd	--	50
EFG Hermes Sukuk	90	10
Beaufort Holding LTD.	--	100
Beaufort Management LTD.	--	100
Vortex IV GP LTD.	--	100
Beaufort SLP Holding	--	100
Beaufort Private Investment Holding LTD.	--	100
Frontier Disruption Capital	--	50
Arab Investment Bank	51	--
EFG VA Holdco Limited	--	100
EFG VA Investco Limited	--	100
Lighthouse Energy GP Limited	--	100
Beaufort SLP II Limited	--	100
Lighthouse Energy GP II	--	100
Beaufort Management Spain	--	100
EFG Singapore PTE LTD	--	100
Fatura Netherlands B.V	--	93.983
Fatura L.L.C	--	93.983
ASASY FOR DIGITAL CONTENT	--	93.983
EFG Payment	--	100
FIM Partners Muscat SPC	--	50
Noutah for electronic commerce	--	93.983
EFG National Holding Limited	--	100
EFG RMBV National Investco Limited	--	100
EFG IB Holdco Limited	--	100
EFG IB Investco Limited	--	100

* Due to the political situation in Syria, the Group lost its control on the Syrian entities. In 2016, the Group deconsolidated the Syrian companies and changed them to a fully impaired investments at fair value through OCI.

** The Holding Company has the power to govern the financial and operating policies of the mentioned companies then the investees Companies is classified as investments in subsidiaries.

37. Measurement of fair value

- A number of the Group's accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities.
- When measuring the fair value of an asset or a liability, the Group uses observable market data as far as possible. Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows.
 - Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.
 - Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
 - Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).
- If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.
- Valuation techniques include net present value and discounted cash flow models, comparison with similar instruments for which observable market prices exist and other valuation models. Assumptions and inputs used in valuation techniques include risk-free and benchmark interest rates, credit spreads and other premiums used in estimating discount rates, bond and equity prices, foreign currency exchange rates.
- The following table analyses financial instruments measured at fair value at the reporting date, by the level in the fair value hierarchy into which the fair value measurement is categorised. The amounts are based on the values recognised in the statement of financial position:

31 December 2022					
Financial assets	Note no	Level 1	Level 2	Level 3	Total
Mutual fund certificates	(7,10)	-	-	5,347,140,407	5,347,140,407
Equity securities	(7,10)	77,624,340	-	247,695,210	325,319,550
Structured notes	(7)	-	379,039,443	-	379,039,443
Treasury bills	(7,10)	-	9,022,994,434	-	9,022,994,434
Debt instruments	(7,10)	5,778,520,527	-	-	5,778,520,527
		5,856,144,867	9,402,033,877	5,594,835,617	20,853,014,361
Financial Liabilities					
Accounts payable - customers credit balance at fair value through profit and loss	(19)	-	379,039,443	-	379,039,443
		-	379,039,443	-	379,039,443

31 December 2021					
Financial assets	Note no	Level 1	Level 2	Level 3	Total
Mutual fund certificates	(7,10)	-	-	3,193,932,913	3,193,932,913
Equity securities	(7,10)	95,884,129	-	153,511,241	249,395,370
Treasury bills	(7,10)	-	4,542,374,641	-	4,542,374,641
Structured notes	(7,10)	-	14,345,768,449	-	14,345,768,449
Debt instruments	(7,10)	2,491,548,770	-	-	2,491,548,770
		2,587,432,899	18,888,143,090	3,347,444,154	24,823,020,143
Financial Liabilities					
Accounts payable - customers credit balance at fair value through profit and loss	(19)	-	3,890,060,348	-	3,890,060,348
		-	3,890,060,348	-	3,890,060,348

38. Classification of financial assets and financial liabilities

Financial assets	Note no	Amortised Cost	FVTPL	FVTOCI
Mutual fund certificates	(7,10)	--	5,231,021,232	116,119,175
Equity securities	(7,10)	--	165,787,522	159,532,028
Treasury bills	(7,10,12)	581,157,127	336,438,555	8,686,555,879
Structured notes	(7)	--	379,039,443	--
Debt instruments	(7,10,12)	10,937,535,250	660,606,610	5,117,913,917
Cash and cash equivalents	(6)	26,214,250,479	--	--
Loans and facilities to customer	(9)	33,222,142,228	--	--
Accounts receivables	(8)	5,569,133,136	--	--
Other assets	(16)	3,401,909,847	--	--
		79,926,128,067	6,772,893,362	14,080,120,999
Financial Liabilities				
Due to banks and financial institutions	(17)	12,371,835,820	--	--
Customer Deposits	(18)	48,130,171,764	--	--
Loans and borrowings	(24)	5,408,502,064	--	--
Creditors and other credit balances	(21)	4,570,191,615	--	--
Accounts payable - customers credit balance at fair value through profit and loss	(19)	--	379,039,443	--
Accounts payable - customers credit balance		9,595,446,350	--	--
Issued bonds	(20)	500,000,000	--	--
		80,576,147,613	379,039,443	--

Financial assets	Note no	Amortised Cost	FVTPL	FVTOCI
Mutual fund certificates	(7,10)	--	3,094,960,043	98,972,870
Equity securities	(7,10)	--	144,330,891	105,064,479
Treasury bills	(7,10)	--	202,273,451	4,340,101,190
Structured notes	(7,10)	--	3,890,060,348	10,455,708,101
Debt instruments	(7,10,12)	10,050,278,918	670,915,045	1,820,633,725
Cash and cash equivalents	(6)	30,876,257,819	--	--
Loans and facilities to customer	(9)	19,999,896,526	--	--
Accounts receivables	(8)	5,611,375,904	--	--
Other assets	(16)	2,564,263,111	--	--
		69,102,072,278	8,002,539,778	16,820,480,365
Financial Liabilities				
Due to banks and financial institutions	(17)	17,736,580,111	--	--
Customer Deposits	(18)	38,564,737,371	--	--
Loans and borrowings	(24)	5,963,333,876	--	--
Creditors and other credit balances	(21)	3,069,703,383	--	--
Accounts payable - customers credit balance at fair value through profit and loss	(19)	--	3,890,060,348	--
Accounts payable - customers credit balance		8,537,833,096	--	--
Issued bonds	(20)	550,000,000	--	--
		74,422,187,837	3,890,060,348	--

39. Financial instruments and management of related risks:

The Company's financial instruments are represented in the financial assets and liabilities. Financial assets include cash balances with banks, investments and debtors while financial liabilities include loans and creditors. Notes to financial statements includes significant accounting policies applied regarding basis of recognition and measurement of the important financial instruments and related revenues and expenses by the company to minimize the consequences of such risks.

39.1. Market risk

Market risk is defined as the potential loss in both on and off financial position resulting from movements in market risk factors such as foreign exchange rates, interest rates, and equity prices.

Market risk is represented in the factors which affect values, earnings and profits of all securities negotiated in stock exchange or affect the value, earning and profit of a particular security.

According to the company's investment policy, the following procedures are undertaken to reduce the effect of this risk.

- Performing the necessary studies before investment decision in order to verify that investment is made in potential securities.
- Diversification of investments in different sectors and industries.
- Performing continuous studies required to follow up the company's investments and their development.

39.2. Foreign currencies risk

- The foreign currencies exchange risk represents the risk of fluctuation in exchange rates, which in turn affects the company's cash inflows and outflows as well as the value of its assets and liabilities in foreign currencies.
- The company has reevaluate assets and liabilities at the financial position date as disclosed in foreign currency accounting policy.

39.3. Risk management

In the ordinary course of business, the Group is exposed to a variety of risks, the most important of which are liquidity risk, interest rate risk, currency risk, credit risk and market risk. These risks are identified, measured and monitored through various control mechanisms in order to price facilities and products on a risk adjusted basis and to prevent undue risk concentrations.

The independent risk control process does not include business risks such as changes in the environment, technology and industry. They are monitored through the Group's strategic planning process.

39.4. Credit risk

Credit risk is the risk of a person or an organization defaulting in the repayment of their obligations to the Group in respect of the terms and conditions of the credit facilities granted to them by the Group. The management minimizes this risk by spreading its loan portfolio overall economic sectors and by adopting appropriate procedures and controls to evaluate the quality of the credit facilities granted and the creditworthiness of the borrowers. The credit risk of connected accounts is monitored on a united basis. In addition, the effective credit appraisal procedure for examining applications for credit facilities followed by the Group, adopts as the main criteria the repayment capability and obtaining sufficient collateral. The continuous monitoring of credit accounts and the timely preventive action further minimize, to a large extent, the exposure to credit risk.

39.5. Liquidity risk

Liquidity risk is the risk that the Group will be unable to meet its payment obligations when they fall due under normal and stress circumstances. To limit this risk, management has arranged diversified funding sources in addition to its core deposit base, manages assets with liquidity in mind and monitors future cash flows and liquidity on daily basis. This incorporates an assessment of expected cash flows and the availability of high grade collateral which could be used to secure additional funding if required.

The Group maintains a portfolio of high marketable and diverse assets that can be easily liquidated in the event of an unforeseen interpretation of cash flow. In addition, the Group maintains statutory deposits with the Central Banks. The liquidity position is assessed and managed under a variety of scenarios, giving due consideration to stress factors relating to both the market in general and to the Group in specific. The Group maintains a solid ratio of high liquid net assets in foreign currencies to deposits and commitments in foreign currencies taking markets conditions into consideration.

39.6. Interest rate risk

Interest rate risk stems from the sensitivity of earnings to future movements in interest rates applied on assets and liabilities. The Group's management closely monitors interest rate fluctuations on a continuous basis and ensures that assets and liabilities are matched and re-priced in a timely manner. The Group is exposed to interest rate risk as a result of mismatches or gaps in the amounts of assets and liabilities that mature or are re-priced in a given period. The most important source of interest rate risk derives from the lending, funding and investing activities, where fluctuations in interest rates are reflected in interest margins and earnings.

39.7. Equity price risk

Equity price risk is the risk that the value of a portfolio will fall as a result of change in stock prices. Risk factors underlying this type of market risk are a whole range of various equity (and index) prices corresponding to different markets (and currencies/maturities), in which the Group holds equity-related positions.

The Group sets tight limits on equity exposures and the types of equity instruments that traders are allowed to take positions in. Nevertheless, depending on the complexity of financial instruments, equity risk is measured in first cash terms, such as the market value of a stock/index position, and also in price sensitivities, such as sensitivity of the value of a portfolio to changes in the underlying asset price. These measures are applied to an individual position and/or a portfolio of equity products.

39.8. Operational risk

Operational risk is the risk of direct or indirect loss due to an event or action causing failure of technology, process infrastructure, personnel, and other risks having an operational risk impact. The Group seeks to minimize actual or potential losses from operational risk failure through a framework of policies and procedures that identify, assess, control, manage, and report those risks. Controls include effective segregation of duties, access, authorization and reconciliation procedures, staff education and assessment processes.

39.9. Fair value of financial instruments

The fair value of the financial instruments does not substantially deviated from its book value at the financial position date. According to the valuation basis applied, in accounting policies to the assets and liabilities.

39.10. Derivative financial instruments and hedge accounting

- Derivatives are initially recognized at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at their fair value, according to the valuation basis applied, in accounting policies to derivative financial instruments.
- In accordance with an arrangement between the subsidiary, EFG- Hermes Mena Securities Limited Co. and its customers ("the customers"), the Company from time to time enters into fully paid Shares Swap Transaction Contracts ("the contracts") with the customers. Under the contracts the customers pay to the Company a pre-determined price, which is essentially the market price at the trade date, in respect of certain reference securities. In return for such shares swap transactions the Company pays to the customers the mark to market price of the reference securities at a pre-determined date (normally after one year). However, the contracts can be terminated at any time by either of the parties, which shall be the affected party.

In order to hedge the price risks with respect to the reference securities under the contracts, the Company enters into back-to-back fully paid Share Swap Transaction Contracts with other subsidiaries, MENA Financial Investments W.L.L. ("MENA-F") and EFG-Hermes KSA.

Accordingly, the Share Swap Transactions are measured at fair value based on underlying reference securities under the contracts.

40. Significant accounting policies applied

40.1. Basis of consolidation

40.1.1. Business combination

- The Group accounts for business combinations using the acquisition method when control is transferred to the Group.
- The consideration transferred in the acquisition is generally measured at fair value, as are the identifiable net assets acquired.
- Any goodwill that arises is tested annually for impairment, any gain on a bargain purchase is recognized immediately in profit or loss.
- Transaction costs are expensed as incurred, except if related to the issue of debt or equity securities.
- The consideration transferred doesn't include amounts related to the settlement of pre-existing relationships. Such amounts are generally recognized in profit or loss.
- Any contingent consideration is measured at fair value at the date of acquisition. If an obligation to pay contingent consideration that meets the definition of a financial instrument is classified as equity, then it is not re-measured and settlement is accounted for within equity. Otherwise, other contingent consideration is re-measured at fair value at each reporting date and subsequent changes in the fair value of the contingent consideration are recognized in profit or loss.

40.1.2. Subsidiaries

- Subsidiaries are entities controlled by the Group.
- The Group controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity.
- The financial statements of subsidiaries are included in the consolidated financial statements from the date on which control commences until the date on which control ceases.

40.1.3. Non-controlling interests

NCI are measured at their proportionate share of the acquiree's identifiable net assets at the date of acquisition. Changes in the Group's interest in a subsidiary that do not result in a loss of control are accounted for as equity transactions.

40.1.4. Loss of control

When the Group loses control over a subsidiary, it derecognises the assets and liabilities of the subsidiary, and any related NCI and other components of equity. Any resulting gain or loss is recognised in profit or loss. Any interest retained in the former subsidiary is measured at fair value when control is lost.

40.1.5. Interests in equity-accounted investees

The Group's interests in equity-accounted investees comprise interests in associates and a joint venture. Associates are those entities in which the Group has significant influence, but not control or joint control, over the financial and operating policies. A joint venture is an arrangement in which the Group has joint control, where by the Group has rights to the net assets of the arrangement. Rather than rights to its assets and obligations for its liabilities.

Interests in associates and the joint venture are accounted for using the equity method. They are initially recognized at cost, which includes transaction costs. Subsequent to initial recognition, the consolidated financial statements include the Group's share of the profit or loss and OCI of equity accounted investees, until the date on which significant influence or joint control ceases.

40.1.6. Transactions eliminated on consolidation

Intra-group balances and transactions, and any unrealised income and expenses arising from intra-group transactions, are eliminated. Unrealised gains arising from transactions with equity accounted investees are eliminated against the investment to the extent of the Group's interest in the investee. Unrealised losses are eliminated in the same way as unrealised gains, but only to the extent that there is no evidence of impairment.

40.2. Foreign currency

40.2.1. Foreign currency transactions

Transactions in foreign currencies are translated into the respective functional currencies of Group companies at the exchange rates at the dates of the transactions.

Monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the exchange rate at the reporting date. Non-monetary assets and liabilities that are measured at fair value in a foreign currency are translated into the functional currency at the exchange rate when the fair value was determined. Non-monetary items that are measured based on historical cost in a foreign currency are translated at the exchange rate at the date of the transaction. Foreign currency differences are generally recognised in profit or loss and presented within finance costs.

However, foreign currency differences arising from the translation of the following items are recognised in OCI:

- An investment in equity securities designated as at FVOCI (except on impairment, in which case foreign currency differences that have been recognised in OCI are reclassified to profit or loss);
- A financial liability designated as a hedge of the net investment in a foreign operation to the extent that the hedge is effective and
- Qualifying cash flow hedges to the extent that the hedges are effective.

40.2.2. Foreign operations

The assets and liabilities of foreign operations, including goodwill and fair value adjustments arising on acquisition, are translated at the exchange rates at the reporting date. The income and expenses of foreign operations are translated at the exchange rates at the dates of the transactions.

Foreign currency differences are recognised in OCI and accumulated in the translation reserve, except to the extent that the translation difference is allocated to NCI.

When a foreign operation is disposed of in its entirety or partially such that control, significant influence or joint control is lost, the cumulative amount in the translation reserve related to that foreign operation is reclassified to profit or loss as part of the gain or loss on disposal. If the Group disposes of part of its interest in a subsidiary but retains control, then the relevant proportion of the cumulative amount is reattributed to NCI. When the Group disposes of only part of an associate or joint venture while retaining significant influence or joint control, the relevant proportion of the cumulative amount is reclassified to profit or loss.

40.3. Discontinued operation

A discontinued operation is a component of the Group's business, the operations and cash flows of which can be clearly distinguished from the rest of the Group.

Classification as a discontinued operation occurs at the earlier of disposal or when the operation meets the criteria to be classified as held-for-sale.

When an operation is classified as a discontinued operation, the comparative statement of profit or loss and OCI is re-presented as if the operation had been discontinued from the start of the comparative period.

40.4. Revenue

40.4.1. Gain (loss) on sale of investments

Gain (loss) resulting from sale of investments are recognized on transaction date and measured by the difference between cost and selling price less selling commission and expenses. In case of derecognizing of investments in associates, the difference between the carrying amount and the sum of both the consideration received and cumulative gain or loss that had been recognized in shareholders' equity shall be recognized in income statement.

40.4.2. Dividend income

Dividend income is recognized when declared.

40.4.3. Custody fee

Custody fees are recognized when the service is provided and the invoice is issued.

40.4.4. Interest income and expenses

Interest income and expenses are recognized in the income statement under "Interest income" item or "Interest expenses" by using the effective interest rate method of all instruments bearing interest other than those classified held for trading or which have been classified at inception "fair value through income statement".

40.4.5. Fee and commission income

Fee related to servicing the loan or facility are recognized in income when performing the service while the fees and commissions related to non-performing or impaired loans are not recognized, instead, they are to be recorded in marginal records off the financial position. Then they are recognized within the income pursuant to the cash basis when the interest income is collected. As for fees which represent an integral part of the actual return on the financial assets, they are treated as an amendment to the rate of actual return.

40.4.6. Brokerage commission

Brokerage commission resulting from purchase of and sale of securities operations in favor of clients are recorded when operation is implemented and the invoice is issued.

40.4.7. Management fee

Management fee is calculated as determined by the management contract of each investment fund & portfolio and recorded on accrual basis.

40.4.8. Incentive fee

Incentive fee is calculated based on certain percentages of the annual return realized by the fund and portfolio, however these incentive fee will not be recognized until revenue realization conditions are satisfied and there is adequate assurance of collection.

40.4.9. Investment property rental income

Rental income from investment property is recognized as revenue on a straight-line basis over the term of the lease. Lease incentives granted are recognized as an integral part of the total rental income, over the term of the lease. Rental income from other property is recognized as other income.

40.4.10. Revenue from micro-finance services

- Revenue from micro-finance services is recognized based on time proportion taking into consideration the rate of return on asset. Revenue yield is recognized in the income statement using the effective interest method for all financial instruments that carry a yield, the effective interest method is the method of measuring the amortised cost of a financial asset and distributing the revenue over the life of time the relevant instrument. The effective interest rate is the rate that discounts estimated future cash receipts during the expected life of the financial instrument to reach the book value of the financial asset.
- When classifying loans to customers as irregular, no income is recognized on its return and it is recognized in marginal records outside the financial statements and are recognized as revenue in accordance with the cash basis when it is collected.

- The commission income is represented in the value of the difference between the yield of the financing granted micro-enterprises and the accruals of the company's bank by deducting the services provided directly from the amounts collected from the entrepreneurs.
- The benefits and commissions resulting from the performance of the service are recognized, according to the accrual basis as soon as the service is provided to the client unless those revenues cover more of the financial period are recognized on a time proportion basis.
- An administrative commission of 8% of the loan granted to customers is collected on contracting in exchange for the issuance of the loan service and administrative commission revenue are proven in the income statement upon the issuance of the loan to the client.
- A commission delay in payments of premiums is collected at rates agreed upon within the contracts and are recognized as soon as customers delayed payment on the basis of the extended delay.

40.4.11. Gains from securitization

Gains from securitization is measured as the difference between the fair value of the consideration received or is still due to the company at the end of securitization process and the carrying amount of the securitization portfolios in the company's books on the date of the transfer agreement.

40.5. Income tax

Income tax expense comprises current and deferred tax. It is recognized in profit or loss except to the extent that it relates to a business combination, or items recognized directly in equity or in OCI.

40.5.1. Current tax

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. The amount of current tax payable or receivable is the best estimate of the tax amount expected to be paid or received that reflects uncertainty related to income taxes, if any. It is measured using tax rates enacted or substantively enacted at the reporting date. Current tax also includes any tax arising from dividends.

Current tax assets and liabilities are offset only if certain criteria are met.

40.5.2. Deferred tax

Deferred tax is recognized in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes.

Deferred tax is not recognized for:

- Temporary differences on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss;
- Temporary differences related to investments in subsidiaries, associates and joint arrangements to the extent that the Group is able to control the timing of the reversal of the temporary differences and it is probable that they will not reverse in the foreseeable future.
- Taxable temporary differences arising on the initial recognition of goodwill.

Deferred tax assets are recognized for unused tax losses, unused tax credits and deductible temporary differences to the extent that it is probable that future taxable profits will be available against which they can be used. Future taxable profits are determined based on business plans for individual subsidiaries in the Group. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized; such reductions are reversed when the probability of future taxable profits improves.

Unrecognized deferred tax assets are reassessed at each reporting date and recognized to the extent that it has become probable that future taxable profits will be available against which they can be used.

Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, using tax rates enacted or substantively enacted at the reporting date.

The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the Group expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities. For this purpose, the carrying amount of investment property measured at fair value is presumed to be recovered through sale, and the Group has not rebutted this presumption.

Deferred tax assets and liabilities are offset only if certain criteria are met.

40.6. Property, plant and equipment

40.6.1. Recognition and measurement

Items of property, plant and equipment are measured at cost less accumulated depreciation and any accumulated impairment losses. The cost of certain items of property, plant and equipment. If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipment. Any gain or loss on disposal of an item of property, plant and equipment is recognized in profit or loss.

40.6.2. Subsequent expenditure

Subsequent expenditure is capitalised only if it is probable that the future economic benefits associated with the expenditure will flow to the Group.

40.6.3. Depreciation

Depreciation is calculated to write off the cost of items of property, plant and equipment less their estimated residual values using the straight-line method over their estimated useful lives, and is generally recognized in profit or loss. Leased assets are depreciated over the shorter of the lease term and their useful lives unless it is reasonably certain that the Group will obtain ownership by the end of the lease term. Land is not depreciated. The estimated useful lives of property, plant and equipment for current and comparative periods are as follows:

	Estimated useful life	
Buildings	20-50	years
Office furniture, equipment & electrical appliances	2-16.67	years
Computer equipment	3.33-5	years
Transportation means	3.33-8	years

Depreciation methods, useful lives and residual values are reviewed at each reporting date and adjusted if appropriate.

40.6.4. Reclassification to investment property

When the use of a property changes from owner-occupied to investment property.

40.7. Projects under construction

Projects under construction are recognized initially at cost, the book value is amended by any impairment concerning the value of these projects cost includes all expenditures directly attributable to bringing the asset to a working condition for its intended use. Property and equipment under construction are transferred to property and equipment caption when they are completed and are ready for their intended use.

40.8. Intangible assets and goodwill

- Goodwill

Goodwill arising on the acquisition of subsidiaries is measured at cost less accumulated impairment losses.

- Research and development

Expenditure on research activities is recognized in profit or loss as incurred.

Development expenditure is capitalised only if the expenditure can be measured reliably, the product or process is technically and commercially feasible, future economic benefits are probable and the Group intends to and has sufficient resources to complete development and to use or sell the asset. Otherwise, it is recognized in profit or loss as incurred. Subsequent to initial recognition, development expenditure is measured at cost less accumulated amortisation and any accumulated impairment losses.

- Other intangible assets

Other intangible assets, are measured at cost less accumulated amortisation and any accumulated impairment losses.

40.9. Investment property

Investment property is measured at cost on initial recognition.

Subsequent to initial recognition investment property is measured at cost less accumulated depreciation and impairment loss, if any. Investment property is depreciated on a straight line basis over its useful life. The estimated useful life of investment property is 33 years.

40.10. Assets held for sale

Non-current assets, or disposal groups comprising assets and liabilities, are classified as held-for-sale if it is highly probable that they will be recovered primarily through sale rather than through continuing use.

Such assets, or disposal groups, are generally measured at the lower of their carrying amount and fair value less costs to sell. Any impairment loss on a disposal group is allocated first to goodwill, and then to the remaining assets and liabilities on a pro rata basis, except that no loss is allocated to inventories, financial assets, deferred tax assets, employee benefit assets, investment property or biological assets, which continue to be measured in accordance with the Group's other accounting policies. Impairment losses on initial classification as held-for-sale or held-for distribution and subsequent gains and losses on remeasurement are recognised in profit or loss.

Once classified as held-for-sale, intangible assets and property, plant and equipment are no longer amortised or depreciated, and any equity-accounted investee is no longer equity accounted.

40.11. Financial instruments

40.11.1. Recognition and initial measurement

Trade receivables and debt securities issued are initially recognised when they are originated. All other financial assets and financial liabilities are initially recognised when the Group becomes a party to the contractual provisions of the instrument. A financial asset (unless it is a trade receivable without a significant financing component) or financial liability is initially measured at fair value plus, for an item not at FVTPL, transaction costs that are directly attributable to its acquisition or issue. A trade receivable without a significant financing component is initially measured at the transaction price.

40.11.2. Classification and subsequent measurement

Financial assets

On initial recognition, a financial asset is classified as measured at: amortised cost; FVOCI – debt investment; FVOCI – equity investment; or FVTPL.

Financial assets are not reclassified subsequent to their initial recognition unless the Group changes its business model for managing financial assets, in which case all affected financial assets are reclassified on the first day of the first reporting period following the change in the business model.

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at FVTPL:

- it is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

A debt investment is measured at FVOCI if it meets both of the following conditions and is not designated as at FVTPL:

- it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and
- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

On initial recognition of an equity investment that is not held for trading, the Group may irrevocably elect to present subsequent changes in the investment's fair value in OCI. This election is made on an instrument-by-instrument basis.

All financial assets not classified as measured at amortised cost or FVOCI as described above are measured at FVTPL. This includes all derivative financial assets. On initial recognition, the Group may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost or at FVOCI as at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

40.11.3. Financial assets – Business model assessment

The Group makes an assessment of the objective of the business model in which a financial asset is held at a portfolio level because this best reflects the way the business is managed and information is provided to management. The information considered includes:

- The stated policies and objectives for the portfolio and the operation of those policies in practice. These include whether management's strategy focuses on earning contractual interest income, maintaining a particular interest rate profile, matching the duration of the financial assets to the duration of any related liabilities or expected cash outflows or realizing cash flows through the sale of the assets;
- How the performance of the portfolio is evaluated and reported to the Group's management;
- The risks that affect the performance of the business model (and the financial assets held within that business model) and how those risks are managed;
- How managers of the business are compensated – e.g. whether compensation is based on the fair value of the assets managed or the contractual cash flows collected; and
- The frequency, volume and timing of sales of financial assets in prior periods, the reasons for such sales and expectations about future sales activity.

Transfers of financial assets to third parties in transactions that do not qualify for derecognition are not considered sales for this purpose, consistent with the Group's continuing recognition of the assets.

Financial assets that are held for trading or are managed and whose performance is evaluated on a fair value basis are measured at FVTPL.

40.11.4. Financial assets – Assessment whether contractual cash flows are solely payments of principal and interest

For the purposes of this assessment, 'principal' is defined as the fair value of the financial asset on initial recognition. 'Interest' is defined as consideration for the time value of money and for the credit risk associated with the principal amount outstanding during a particular period of time and for other basic lending risks and costs (e.g. liquidity risk and administrative costs), as well as a profit margin.

In assessing whether the contractual cash flows are solely payments of principal and interest, the Group considers the contractual terms of the instrument. This includes assessing whether the financial asset contains a contractual term that could change the timing or amount of contractual cash flows such that it would not meet this condition. In making this assessment, the Group considers:

- Contingent events that would change the amount or timing of cash flows;
- terms that may adjust the contractual coupon rate, including variable-rate features;
- Prepayment and extension features; and
- Terms that limit the Group's claim to cash flows from specified assets (e.g. non-recourse features).

A prepayment feature is consistent with the solely payments of principal and interest criterion if the prepayment amount substantially represents unpaid amounts of principal and interest on the principal amount outstanding, which may include reasonable compensation for early termination of the contract. Additionally, for a financial asset acquired at a discount or premium to its contractual par amount, a feature that permits or requires prepayment at an amount that substantially represents the contractual par amount plus accrued (but unpaid) contractual interest (which may also include reasonable compensation for early termination) is treated as consistent with this criterion if the fair value of the prepayment feature is insignificant at initial recognition.

40.11.5. Financial assets – Subsequent measurement and gains and losses

Financial assets at FVTPL	These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognised in profit or loss.
Financial assets at amortised cost	These assets are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognised in profit or loss. Any gain or loss on derecognition is recognised in profit or loss.
Debt investments at FVOCI	These assets are subsequently measured at fair value. Interest income calculated using the effective interest method, foreign exchange gains and losses and impairment are recognised in profit or loss. Other net gains and losses are recognised in OCI. On derecognition, gains and losses accumulated in OCI are reclassified to profit or loss.
Equity investments at FVOCI	These assets are subsequently measured at fair value. Dividends are recognised as income in profit or loss unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognised in OCI and are never reclassified to profit or loss.

40.11.6. Financial liabilities – Classification, subsequent measurement and gains and losses

Financial liabilities are classified as measured at amortised cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held-for-trading, it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognised in profit or loss. Other financial liabilities are subsequently measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognised in profit or loss. Any gain or loss on derecognition is also recognised in profit or loss.

40.11.7. Derecognition

Financial assets

The Group derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Group neither transfers nor retains substantially all of the risks and rewards of ownership and it does not retain control of the financial asset.

The Group enters into transactions whereby it transfers assets recognised in its statement of financial position, but retains either all or substantially all of the risks and rewards of the transferred assets. In these cases, the transferred assets are not derecognised.

Financial liabilities

The Group derecognises a financial liability when its contractual obligations are discharged or cancelled, or expire. The Group also derecognises a financial liability when its terms are modified and the cash flows of the modified liability are substantially different, in which case a new financial liability based on the modified terms is recognised at fair value.

On derecognition of a financial liability, the difference between the carrying amount extinguished and the consideration paid [including any non-cash assets transferred or liabilities assumed] is recognised in profit or loss.

40.11.8. Offsetting

Financial assets and financial liabilities are offset and the net amount presented in the statement of financial position when, and only when, the Group currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

40.11.9. Derivative financial instruments and hedge accounting

The Group holds derivative financial instruments to hedge its foreign currency and interest rate risk exposures. Embedded derivatives are separated from the host contract and accounted for separately if the host contract is not a financial asset and certain criteria are met.

Derivatives are initially measured at fair value. Subsequent to initial recognition, derivatives are measured at fair value, and changes therein are generally recognised in profit or loss.

The Group designates certain derivatives as hedging instruments to hedge the variability in cash flows associated with highly probable forecast transactions arising from changes in foreign exchange rates and interest rates and certain derivatives and non-derivative financial liabilities as hedges of foreign exchange risk on a net investment in a foreign operation.

At inception of designated hedging relationships, the Group documents the risk management objective and strategy for undertaking the hedge. The Group also documents the economic relationship between the hedged item and the hedging instrument, including whether the changes in cash flows of the hedged item and hedging instrument are expected to offset each other.

Cash flow hedges

When a derivative is designated as a cash flow hedging instrument, the effective portion of changes in the fair value of the derivative is recognised in OCI and accumulated in the hedging reserve. The effective portion of changes in the fair value of the derivative that is recognised in OCI is limited to the cumulative change in fair value of the hedged item, determined on a present value basis, from inception of the hedge. Any ineffective portion of changes in the fair value of the derivative is recognised immediately in profit or loss.

The Group designates only the change in fair value of the spot element of forward exchange contracts as the hedging instrument in cash flow hedging relationships. The change in fair value of the forward element of forward exchange contracts (forward points) is separately accounted for as a cost of hedging and recognised in a costs of hedging reserve within equity.

When the hedged forecast transaction subsequently results in the recognition of a non-financial item such as inventory, the amount accumulated in the hedging reserve and the cost of hedging reserve is included directly in the initial cost of the non-financial item when it is recognised.

For all other hedged forecast transactions, the amount accumulated in the hedging reserve and the cost of hedging reserve is reclassified to profit or loss in the same period or periods during which the hedged expected future cash flows affect profit or loss.

If the hedge no longer meets the criteria for hedge accounting or the hedging instrument is sold, expires, is terminated or is exercised, then hedge accounting is discontinued prospectively. When hedge accounting for cash flow hedges is discontinued, the amount that has been accumulated in the hedging reserve remains in equity until, for a hedge of a transaction resulting in the recognition of a non-financial item, it is included in the non-financial item's cost on its initial recognition or, For other cash flow hedges, it is reclassified to profit or loss in the same period or periods as the hedged expected future cash flows affect profit or loss.

If the hedged future cash flows are no longer expected to occur, then the amounts that have been accumulated in the hedging reserve and the cost of hedging reserve are immediately reclassified to profit or loss.

Net investment hedges

When a derivative instrument or a non-derivative financial liability is designated as the hedging instrument in a hedge of a net investment in a foreign operation, the effective portion of, for a derivative, changes in the fair value of the hedging instrument or, for a non-derivative, foreign exchange gains and losses is recognised in OCI and presented in the translation reserve within equity. Any ineffective portion of the changes in the fair value of the derivative or foreign exchange gains and losses on the non-derivative is recognised immediately in profit or loss. The amount recognised in OCI is reclassified to profit or loss as a reclassification adjustment on disposal of the foreign operation.

40.12. Share capital**40.12.1. Ordinary shares**

Incremental costs directly attributable to the issue of ordinary shares are recognized as a deduction from equity. Income tax relating to transaction costs of an equity transaction are accounted for in accordance with EAS 24.

40.12.2. Repurchase and reissue of ordinary shares (treasury shares)

When shares recognized as equity are repurchased, the amount of the consideration paid, which includes directly attributable costs is recognized as a deduction from equity. Repurchased shares are classified as treasury shares and are presented in the treasury share reserve. When treasury shares are sold or reissued subsequently, the amount received is recognized as an increase in equity and the resulting surplus or deficit on the transaction is presented within share premium.

40.13. Legal reserve

The Company's statutes provides for deduction of a sum equal to 5% of the annual net profit for formation of the legal reserve. Such deduction will be ceased when the total reserve reaches an amount equal to half of the Company's issued capital and when the reserve falls below this limit, it shall be necessary to resume

40.14. Impairment**40.14.1. Non-derivative financial assets****Financial instruments and contract assets**

The Group recognises loss allowances for Expected Credit Loss (ECLs) on:

- Financial assets measured at amortised cost;
- Debt investments measured at FVOCI;
- contract assets.

The Group also recognises loss allowances for ECLs on loans receivables.

The Group measures loss allowances at an amount equal to lifetime ECLs, except for the following, which are measured at 12-month ECLs:

- Debt securities that are determined to have low credit risk at the reporting date; and
- Other debt securities and bank balances for which credit risk (i.e. the risk of default occurring over the expected life of the financial instrument) has not increased significantly since initial recognition.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECLs, the Group considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Group's historical experience and informed credit assessment, that includes forward-looking information.

The Group assumes that the credit risk on a financial asset has increased significantly if it is more than 30 days past due, unless it can be rebutted.

The Group considers a financial asset to be in default when:

- The debtor is unlikely to pay its credit obligations to the Group in full, without recourse by the Group to actions such as realising security (if any is held); or
- The financial asset is more than 90 days past due unless it can be rebutted.

Lifetime ECLs are the ECLs that result from all possible default events over the expected life of a financial instrument.

12-month ECLs are the portion of ECLs that result from default events that are possible within the 12 months after the reporting date (or a shorter period if the expected life of the instrument is less than 12 months).

The maximum period considered when estimating ECLs is the maximum contractual period over which the Group is exposed to credit risk.

40.14.2. Measurement of ECLs

ECLs are a probability-weighted estimate of credit losses. Credit losses are measured as the present value of all cash shortfalls (i.e. the difference between the cash flows due to the entity in accordance with the contract and the cash flows that the Group expects to receive).

ECLs are discounted at the effective interest rate of the financial asset.

40.14.3. Credit-impaired financial assets

At each reporting date, the Group assesses whether financial assets carried at amortised cost and debt securities at FVOCI are credit-impaired. A financial asset is 'credit-impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

Evidence that a financial asset is credit-impaired includes the following observable data:

- Significant financial difficulty of the debtor;
- A breach of contract such as a default or being more than 90 days past due;
- The restructuring of a loan or advance by the Group on terms that the Group would not consider otherwise;
- It is probable that the debtor will enter bankruptcy or other financial reorganisation; or
- The disappearance of an active market for a security because of financial difficulties.

40.14.4. Presentation of allowance for ECL in the statement of financial position

Loss allowances for financial assets measured at amortised cost are deducted from the gross carrying amount of the assets.

For debt securities at FVOCI, the loss allowance is charged to profit or loss and is recognised in OCI.

40.14.5. Write-off

The gross carrying amount of a financial asset is written off when the Group has no reasonable expectations of recovering a financial asset in its entirety or a portion thereof. For individual customers, the Group has a policy of writing off the gross carrying amount when the financial asset is 180 days past due based on historical experience of recoveries of similar assets. For corporate customers, the Group individually makes an assessment with respect to the timing and amount of write-off based on whether there is a reasonable expectation of recovery. The Group expects no significant recovery from the amount written off. However, financial assets that are written off could still be subject to enforcement activities in order to comply with the Group's procedures for recovery of amounts due.

40.14.6. Non-financial assets

- At each reporting date, the Group reviews the carrying amounts of its non-financial assets (other than, investment property, contract assets and deferred tax assets) to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated. Goodwill is tested annually for impairment.
- For impairment testing, assets are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or CGUs. Goodwill arising from a business combination is allocated to CGUs or groups of CGUs that are expected to benefit from the synergies of the combination.
- The recoverable amount of an asset or CGU is the greater of its value in use and its fair value less costs to sell. Value in use is based on the estimated future cash flows, discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or CGU.
- An impairment loss is recognised if the carrying amount of an asset or CGU exceeds its recoverable amount.
- Impairment losses are recognised in profit or loss. They are allocated first to reduce the carrying amount of any goodwill allocated to the CGU, and then to reduce the carrying amounts of the other assets in the CGU on a pro rata basis.
- An impairment loss in respect of goodwill is not reversed. For other assets, an impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

40.15. Provisions

Provisions are recognized when the Group has a legal or constructive current obligation as a result of a past event and it's probable that a flow of economic benefits will be required to settle the obligation. If the effect is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessment of the time value of money and, where appropriate, the risks specific to the liability. Provisions are reviewed at the financial position date and amended (when necessary) to represent the best current estimate.

40.16. Treasury bills

Treasury bills are recorded at nominal value and the unearned income is recorded under the item of "creditors and other credit balances". Treasury bills are presented on the financial position net of the unearned income.

40-17 Trade, and notes receivables, debtors and other debit balances

- Trade, notes receivables, debtors and other debit balances are stated at nominal value less impairment losses.
- The Company's lessees and the leased assets are regularly classified & evaluated and their obligations are reduced by the rent value paid in each financial period, and with the assurance of the availability of adequate guarantee to collect the client's rent values.

40.18. Cash and cash equivalents

For the purpose of preparing the statement of cash flows, cash and cash equivalents includes the balances, whose maturity do not exceed three months from the date of acquisition, cash on hand, cheques under collection and due from banks and financial institutions.

40.19. Profit sharing to employees

The holding company pays 10% of its cash dividends as profit sharing to its employees provided that it will not exceed total employees' annual salaries. Profit sharing is recognized as a dividend distribution through equity and as a liability when approved by the Company's shareholders.

40.20. Employees benefits

40.20.1. Share based payments

Equity settled transactions

For equity-settled share-based payment transactions, the company measure the services received, and the corresponding increase in equity, indirectly, by reference to the fair value of the equity instruments granted. The fair value of those equity instruments is measured at grant date.

Vesting conditions, other than market conditions, are taken into account by adjusting the number of equity instruments included in the measurement of the transaction amount so that, ultimately, the amount recognized for services received as consideration for the equity instruments granted are based on the number of equity instruments that eventually vest. Hence, on a cumulative basis, no amount is recognized for services received if the equity instruments granted do not vest because of failure to satisfy a vesting condition.

The company recognize an amount for the services received during the vesting period based on the best available estimate of the number of equity instruments expected to vest and revise that estimate, if necessary, if subsequent information indicates that the number of equity instruments expected to vest differs from previous estimates. On vesting date, the entity shall revise the estimate to equal the number of equity instruments that ultimately vested

40.21. Micro-enterprises Receivables

40.21.1. Credit policy

Funding Consideration

- Funding are granted to clients who have previous experience not less than one year in his current activity which is confirmed by the client with adequate documentation and field inquiry.
- Funding are granted to the client which it's installment is suitable according to his predictable income activity and this done throw analyzing client's revenues and expenses and his foreseeable marginal income, and this done by the branches specialists of the company on the prepared form for this purpose(financial study form and credit decision).
- Before grant funding, a client activity field inquiry is done.
- Recording inquiries results about client and guarantor with inquiring forms of the company which reveal client's activity (visit form & Inquiry form).
- The company prohibit grant funding for new client unless the activity is existing with previous one year experience where the granted funds be within a minimum 1 000 EGP and maximum 30 000 EGP with loan duration of 12 months.
- Inquiries for clients are performed by I-Score Company before granting and in case of approval on granting. The credit limit of the client is considered when calculating the client's revenue and expenses.

Client's Life Insurance

The insurance process on the client is performed with the authorized companies from insurance supervisory authority.

Client's Following up

The company keeps specialists in branches from following up all regular clients, and irregular with continuous application of that during finance period with judging on their commitment in paying the remaining installments and this done through recording visits for clients with daily basis and also with data base provided by computer system for all branches all over the republic.

Impairment loss of micro financed loans

The company at the date of the financial statements estimates the impairment loss of micro financed loans, in the light of the basis and rules of granting credit and forming the provisions according to the Board of Directors decision of the Financial Supervisory Authority No. [173] issued on December 21, 2014 to deal with the impairment loss.

40.22. Leases

At inception of a contract, the Group assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Group uses the definition of a lease in EAS 49.

40.22.1. As a lessee

At commencement or on modification of a contract that contains a lease component, the Group allocates the consideration in the contract to each lease component on the basis of its relative stand-alone prices. However, for the leases of property the Group has elected not to separate non-lease components and account for the lease and non-lease components as a single lease component.

The Group recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received. The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the end of the lease term, unless the lease transfers ownership of the underlying asset to the Group by the end of the lease term or the cost of the right-of-use asset reflects that the Group will exercise a purchase option. In that case the right-of-use asset will be depreciated over the useful life of the underlying asset, which is determined on the same basis as those of property and equipment. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Group's incremental borrowing rate. Generally, the Group uses its incremental borrowing rate as the discount rate.

The Group determines its incremental borrowing rate by obtaining interest rates from various external financing sources and makes certain adjustments to reflect the terms of the lease and type of the asset leased.

Lease payments included in the measurement of the lease liability comprise the following:

fixed payments, including in-substance fixed payments;

variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date;

amounts expected to be payable under a residual value guarantee; and the exercise price under a purchase option that the Group is reasonably certain to exercise, lease payments in an optional renewal period if the Group is reasonably certain to exercise an extension option, and penalties for early termination of a lease unless the Group is reasonably certain not to terminate early.

The lease liability is measured at amortised cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the Group's estimate of the amount expected to be payable under a residual value guarantee, if the Group changes its assessment of whether it will exercise a purchase, extension or termination option or if there is a revised in-substance fixed lease payment.

When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero. The Group presents right-of-use assets that do not meet the definition of investment property in 'property, plant and equipment' and lease liabilities in 'loans and borrowings' in the statement of financial position.

Short-term leases and leases of low-value assets

The Group has elected not to recognise right-of-use assets and lease liabilities for leases of low – value assets and short-term leases, including IT equipment. The Group recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

40.22.2. As a lessor

At inception or on modification of a contract that contains a lease component, the Group allocates the consideration in the contract to each lease component on the basis of their relative stand- alone prices.

When the Group acts as a lessor, it determines at lease inception whether each lease is a finance lease or an operating lease.

To classify each lease, the Group makes an overall assessment of whether the lease transfers substantially all of the risks and rewards incidental to ownership of the underlying asset. If this is the case, then the lease is a finance lease; if not, then it is an operating lease. As part of this assessment, the Group considers certain indicators such as whether the lease is for the major part of the economic life of the asset.

When the Group is an intermediate lessor, it accounts for its interests in the head lease and the sub-lease separately. It assesses the lease classification of a sub-lease with reference to the right-of-use asset arising from the head lease, not with reference to the underlying asset. If a head lease is a short-term lease to which the Group applies the exemption described above, then it classifies the sub-lease as an operating lease.

If an arrangement contains lease and non-lease components, then the Group applies EAS 11 to allocate the consideration in the contract.

The Group applies the derecognition and impairment requirements in EAS 47 to the net investment in the lease. The Group further regularly reviews estimated unguaranteed residual values used in calculating the gross investment in the lease.

The Group recognises lease payments received under operating leases as income on a straight- line basis over the lease term as part of 'other revenue'.

40-23 Operating segment

A segment is a distinguishable component of the Group that is engaged either in providing products or services (business segment) or in providing products or services within a particular economic environment (geographical segment), which is subject to risks and rewards that are different from those of other segments. The Group's primary format for segment reporting is based on business segment.

41. New Editions and Amendments to Egyptian Accounting Standards:

On March 6, 2023, the Prime Minister's Decree No. (883) of 2023 was issued amending some provisions of the Egyptian Accounting Standards, the following is a summary of the most significant amendments:

New or reissued standards	Summary of the most significant amendments	Potential impact on the financial statements	Effective date
Egyptian Accounting Standard No. (10) amended 2023 "Fixed Assets" and Egyptian Accounting Standard No. (23) amended 2023 "Intangible Assets".	<p>1- These standards were reissued in 2023, allowing the use of revaluation model when subsequent measurement of fixed assets and intangible assets.</p> <p>2- This resulted in amendment of the paragraphs related to the use of the revaluation model option in some of the applicable Egyptian Accounting Standards, which are as follows:</p> <ul style="list-style-type: none"> - Egyptian Accounting Standard No. (5) "Accounting Policies, Changes in Accounting Estimates and Errors". - Egyptian Accounting Standard No. (24) "Income Taxes" - Egyptian Accounting Standard No. (30) "Interim Financial Reporting" - Egyptian Accounting Standard No. (31) "Impairment of Assets" - Egyptian Accounting Standard No. (49) "Leasing Contracts" 	The amendments of adding the option to use the revaluation model are effective for financial periods starting on or after January 1, 2023, retrospectively, cumulative impact of the preliminary applying of the revaluation model shall be added to the revaluation surplus account in equity, at the beginning of the financial period in which the company applies this model for the first time.	
Egyptian Accounting Standard No. (34) amended 2023 "Investment Egyptian Accounting Standard No. (36) amended 2023	<p>1- This standard was reissued in 2023, allowing the use fair value model when subsequent measurement of investment property.</p> <p>2- This resulted in amendment of some paragraphs related to the use of the fair value model option in some of the applicable Egyptian Accounting Standards, which are as follows:</p> <ul style="list-style-type: none"> - Egyptian Accounting Standard No. (1) "Presentation of Financial Statements" - Egyptian Accounting Standard No. (5) "Accounting Policies, Changes in Accounting Estimates and Errors". - Egyptian Accounting Standard No. (13) "The Effects of Changes in Foreign Exchange Rates" - Egyptian Accounting Standard No. (24) "Income Taxes" - Egyptian Accounting Standard No. (30) "Interim Financial Reporting" - Egyptian Accounting Standard No. (31) "Impairment of Assets" - Egyptian Accounting Standard No. (32) "Non-Current Assets Held for Sale and Discontinued Operations" - Egyptian Accounting Standard No. (49) "Leasing Contracts" 	The amendments of adding the option to use the fair value model are effective for financial periods starting on or after January 1, 2023 retrospectively, cumulative impact of the preliminary applying of the fair value model shall be added to the balance of retained earnings or losses at the beginning of the financial period in which the company applies this model for the first time.	
Egyptian Accounting Standard No. (36) amended 2023 "Exploration for and Evaluation of Mineral Resources"	<p>1- This standard was reissued in 2023, allowing the use of revaluation model when subsequent measurement of exploration and valuation assets.</p> <p>2- The company applies either the cost model or the revaluation model for exploration and valuation assets, the evaluation should carried out by experts specialized in valuation and registered in a register maintained for this purpose at the Ministry of Petroleum, and in the case of applying the revaluation model (whether the model stated in the Egyptian Accounting Standard (10) "Fixed Assets" or the model stated in Egyptian Accounting Standard (23) "Intangible Assets") should consistent with the classification of assets in accordance with paragraph No. (15) of Egyptian Accounting Standard No. (36) amended 2023.</p>	The standard has no impact on the financial statements.	The amendments of adding the option to use the revaluation model are effective for financial periods starting on or after January 1, 2023, retrospectively, cumulative impact of the preliminary applying of the revaluation model shall be added to the revaluation surplus account in equity, at the beginning of the financial period in which the company applies this model for the first time.

New or reissued standards	Summary of the most significant amendments	Potential impact on the financial statements	Effective date
Egyptian Accounting Standard No. (35) amended 2023 "Agriculture"	<p>1- This standard was reissued in 2023, where paragraphs (1-5), (8), (24), and (44) were amended and paragraphs (5a) - (5c) and (63) were added, with respect to the accounting treatment of agricultural produce harvested, [Egyptian Accounting Standard (10) "Fixed assets" was amended accordingly].</p> <p>2- The Company is not required to disclose the quantitative information required under paragraph 28(f) of Egyptian Accounting Standard No. (5) for the current period, which is the period of the financial statements in which the Egyptian Accounting Standard No. (35) amended 2023 and Egyptian Accounting Standard No. (10) amended 2023 are applied for the first time in relation to agricultural produce harvested. However, the quantitative information required under paragraph 28(f) of Egyptian Accounting Standard No. (5) should be disclosed for each comparative period presented.</p>	The standard has no impact on the financial statements.	These amendments are effective for annual financial periods starting on or after January 1, 2023 retrospectively, cumulative impact of the preliminary applying of the accounting treatment for agricultural produce harvested shall be added to the balance of retained earnings or losses at the beginning of the financial period in which the company applies this treatment for the first time.
Egyptian Accounting Standard No. (50) "Insurance Contracts"	<p>1- This standard determines the principles of recognition of insurance contracts falling within the scope of this standard, and determines their measurement, presentation, and disclosure. The objective of the standard is to ensure that the company provides appropriate information that truthfully reflects those contracts.</p> <p>This information provides users of the financial statements with the basis for assessing the impact of insurance contracts on the company's financial position, financial performance, and cash flows.</p> <p>2- Egyptian Accounting Standard No. (50) replaces and cancels Egyptian Accounting Standard No. 37 "Insurance Contracts".</p> <p>3- Any reference to Egyptian Accounting Standard No. (37) in other Egyptian Accounting Standards to be replaced by Egyptian Accounting Standard No. (50).</p> <p>4- The following Egyptian Accounting Standards have been amended to comply with the requirements of the application of Egyptian Accounting Standard No. (50) "Insurance Contracts", as follows:</p> <ul style="list-style-type: none"> - Egyptian Accounting Standard No. (10) "Fixed Assets". - Egyptian Accounting Standard No. (23) "Intangible Assets". - Egyptian Accounting Standard No. (34) "Investment property". 	Management is currently evaluating the potential impact on the financial statements from the application of the standard.	Egyptian Accounting Standard No. (50) is effective for annual financial periods starting on or after July 1, 2024, and if the Egyptian Accounting Standard No. (50) shall be applied for an earlier period, the company should disclose that fact.



FUELING SYNERGIES

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