



1H2023

# Earnings Presentation



# Agenda

- I e-finance Overview
- II Our Subsidiaries
- III Appendix

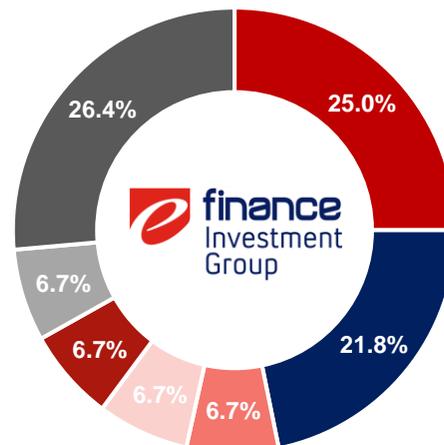
# Overview



## Group Synopsis

e-finance Investment Group is Egypt's leading technology focused investment management firm. From its beginnings as the country's first fintech platform in 2005, e-finance has grown to pioneer Egypt's comprehensive digital transformation efforts across an unmatched range of economic sectors. Today, the Group commands a diversified portfolio of subsidiaries and investments offering a vast array of digital services to partners and customers, driving synergies and anchoring an integrated, platform-based business model.

The Group invests in innovative platforms and solutions that serve everyone from government agencies to ordinary consumers. e-finance provides an integrated suite of services linking government entities to each other (G2G), and to customers (G2C & C2G), businesses with other businesses (B2B), and businesses with their customers (B2C).



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

**EFIH.CA**

Ticker

**EGP 31.5bn\***

Market Cap

**EGP 924mn**

Paid in Capital

## 1H2023 Financial Highlights

### Consolidated Revenues

EGP **1,735.4** million  
▲ 38% y-o-y

### Gross Profit

EGP **936.3** million  
▲ 36% y-o-y

### EBITDA

EGP **823.0** million  
▲ 47% y-o-y

### Net Profit After NCI

EGP **718.4** million  
▲ 50% y-o-y

# A Comprehensive Service Offering Through a Portfolio of Leading Subsidiaries

The Group commands a diversified portfolio of subsidiaries and investments offering a vast array of complementary digital services to partners and customers

### efinance Digital Operations

**99%**  
Ownership

efinance's flagship subsidiary, combining a payment and collections infrastructure forming the backbone of Egypt's government financial network

G2G	G2B & G2C
B2B	B2C

### eCards

**89%**  
Ownership

Egypt's leading producer of smart cards, with an expanding presence in Africa, offering card management and smart solutions.

B2B	B2C
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### eKhaless

**70%**  
Ownership

A leading bill aggregator acting as the primary hub for a variety of payments, including for utilities, education, and more.

B2C	B2B 2C
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### eAswaaq

**61%**  
Ownership

A multiplatform offering a range of B2C and B2B marketplaces and digital saving and lending products.

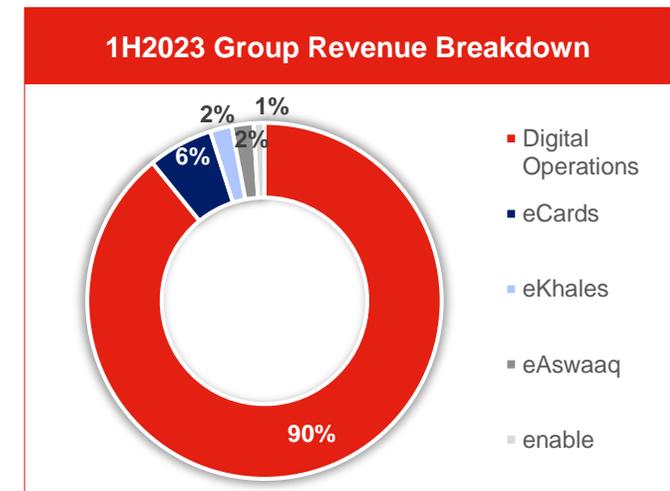
B2C	B2B & B2B2C
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### enable

**99%**  
Ownership

A business process outsourcing (BPO) service provider, with clients across local and international markets.

B2C
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# An Exciting Network of Associate Companies

e-finance deploys a network of six associate companies active in sectors across the Egyptian economy, including in revolutionizing the country's tax system and digitizing national health insurance infrastructures in line with efforts to achieve universal coverage

## eTax



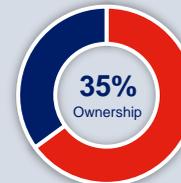
Developing and operating electronic tax systems for Egypt's General and Real Estate Tax Authorities.



## eHealth



Developing and operating a nationwide integrated health insurance platform covering the entire population.



## e-Serve



Mandated to execute delivery of G2G services, including for the Digital Egypt platform.



## Delta Misr Payments

DELTAMISR

Providing electronic payment services for utilities through mobile applications and other channels.



## Alameia for Consulting & Info Sys

ACIS

Government's main system integrator including technology consulting and solutions delivery.



## Misr Technology Services



الشركة المصرية للتكنولوجيا التجارية الإلكترونية  
Misr Technology Services

Offering a one stop shop for trade digitization (Single Window). MTS integrates and coordinates all information across all ports in Egypt.



# Our Revenue Generation Model

## A wide array of revenue generating services

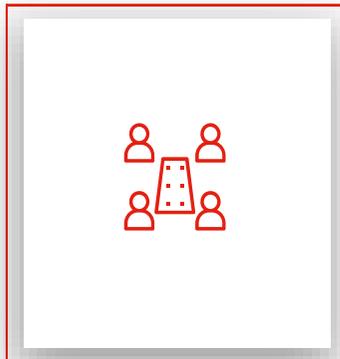
	<b>Contract Based (Build &amp; Operate Revenues)</b>	e-finance provides develops and manages automated solutions for clients under contract
	<b>Transaction Based (Variable &amp; Fixed TRX)*</b>	Payment processing activities split into variable-fee transactions (take rate/throughput) and fixed-fee transactions
	<b>Cloud Services Revenue</b>	Cloud hosting and computing services offered across e-finance's client base
	<b>Card Production Revenue</b>	Revenue from production of smart cards supported by e-Cards' state-of-the-art manufacturing facility
	<b>Ecommerce Revenue</b>	e-finance's newest revenue stream, generated through eAswaaq's multiple B2B and B2C e-commerce marketplaces
	<b>Business Process Outsourcing</b>	The Group offers its clients BPO services including a call center and IT and HR outsourcing

\*Card Management & eKhales retail revenues are under variable-fee transactions

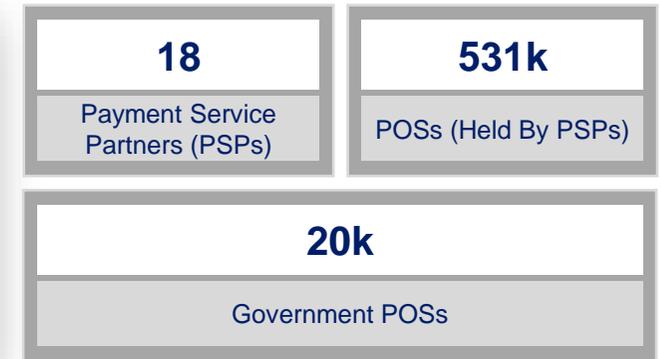
# Leveraging our Expansive Reach and Strategic Partnerships

## Four Transaction Revenue Generating Channels

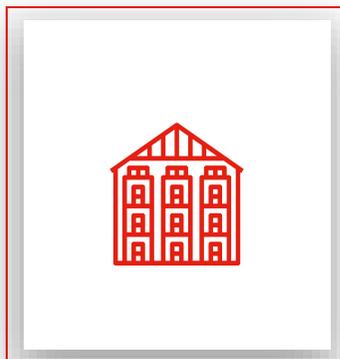
### Financial Institutions Network



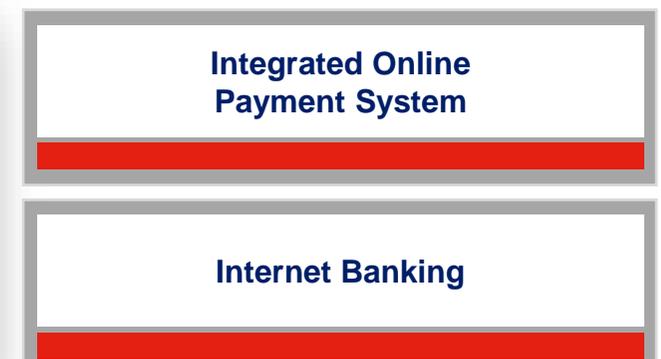
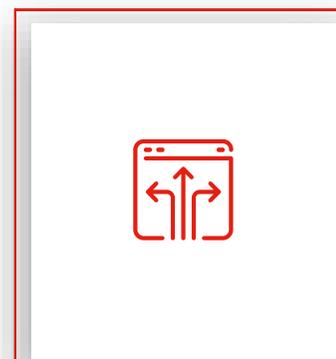
### POS Network



### Corporate Payment Solution (CPS)



### Payment Gateway



Our extensive network enables us to generate and maximize transaction revenue

# Consolidated Financial Performance in 1H2023

## Key Highlights

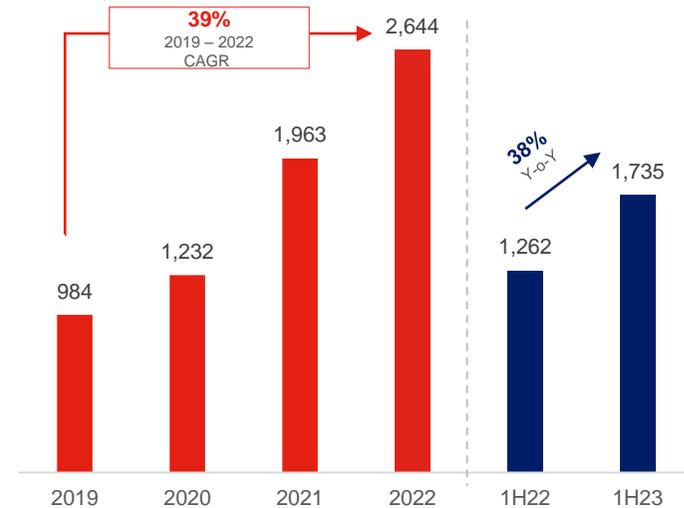
The Group's consolidated revenues grew by 37.5% y-o-y to EGP 1,735.4 million in 1H2023 driven by solid top-line expansion across e-finance for Digital Operations, eCards, and eAswaaq. This broad-based growth enabled the Group to build on the previous quarter's momentum and deliver strong results amid challenging market conditions

Consolidated gross profit was up 36.1% y-o-y, reaching EGP 936.3 million in 1H2023. However, GPM inched down by 56 basis points y-o-y, closing the six-month period at 54.0% due to an increase in cost of sales as a percentage of consolidated revenue. The increase in the contribution of cost of sales to revenue for the period was driven mainly by rising inflationary pressures

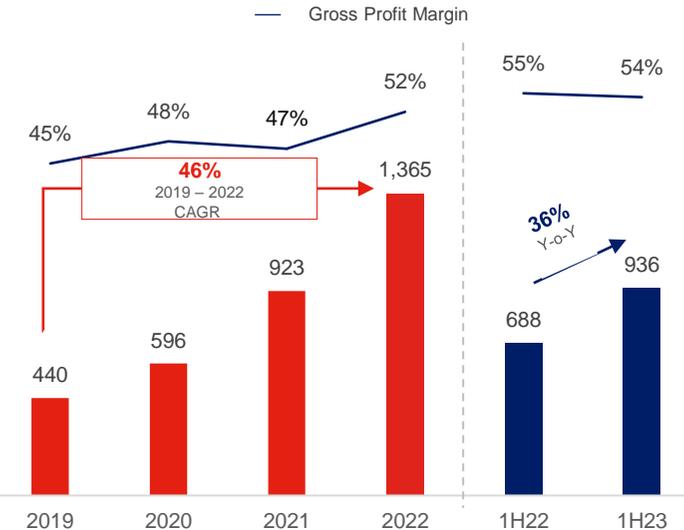
EBITDA grew 46.6% y-o-y to EGP 823.0 million, implying an EBITDA margin expansion of 2.9 percentage points to 47.4% in 1H2023

e-finance's **net profit after NCI** increased 49.8% y-o-y to EGP 718.4 million and booked an NPM margin expansion of 3.4 percentage points to 41.4% in 1H2023 driven by the Group's higher operating margins. The Group's growth in net profit was driven by increased value generated from higher margin revenue streams. Furthermore, a 62.5% y-o-y increase in interest income to EGP 257.2 million provided additional support to the Group's bottom-line growth during the six-month period. This represents an effective interest yield of 16.7% compared to 11.0% in 1H2022, reflecting the CBE's higher prevailing policy rates

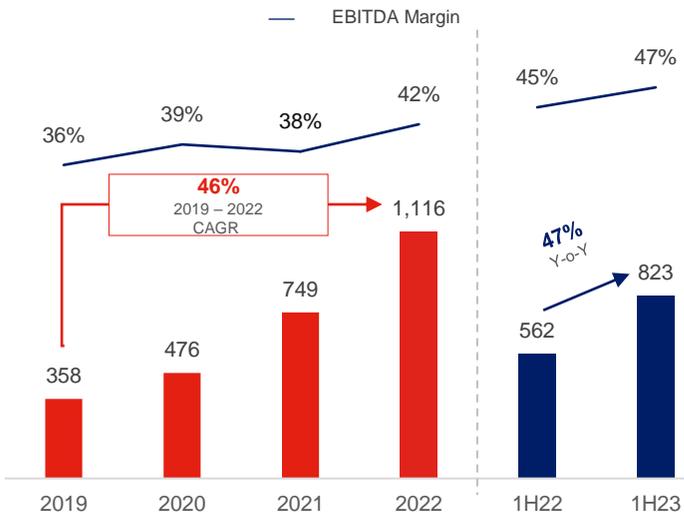
## Revenue (EGP mn)



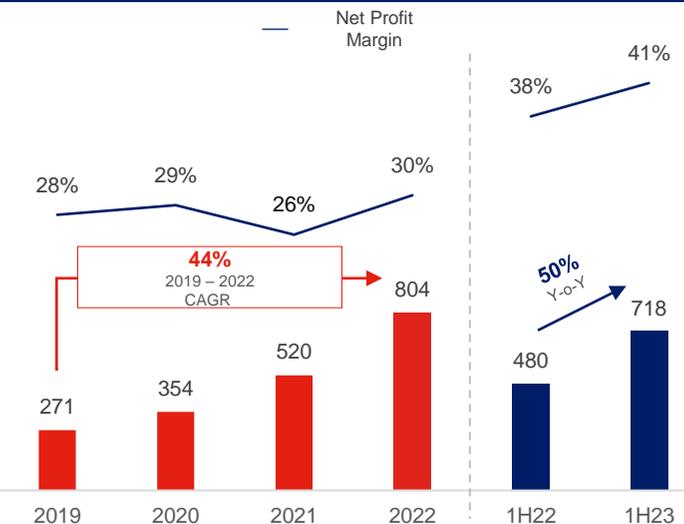
## Gross Profit, Margin (EGP mn, %)



## EBITDA, Margin (EGP mn, %)

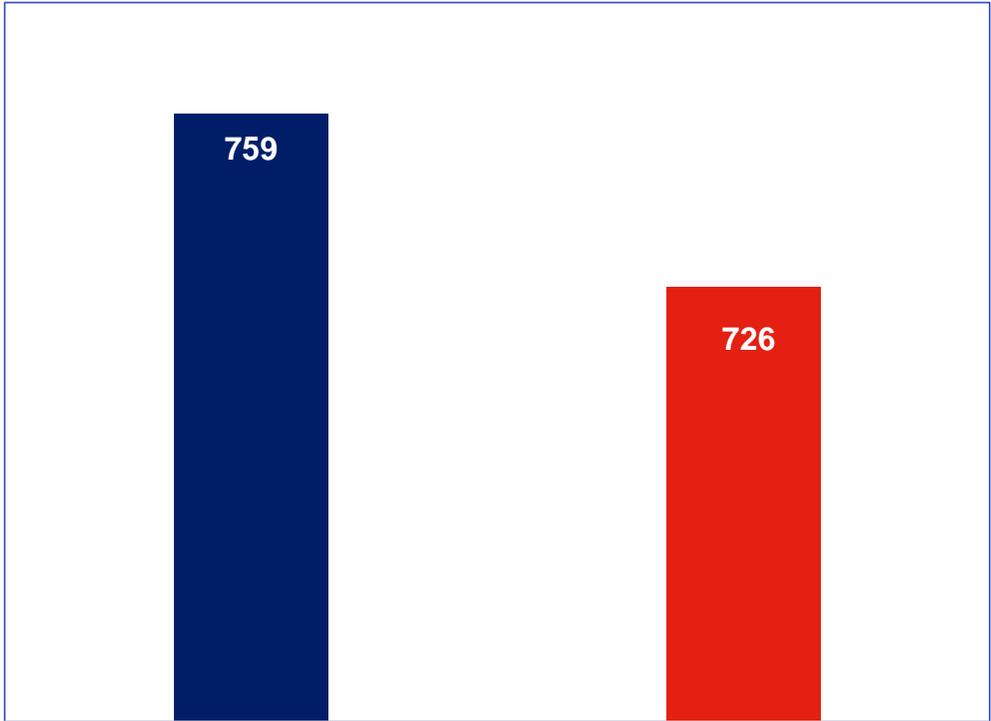
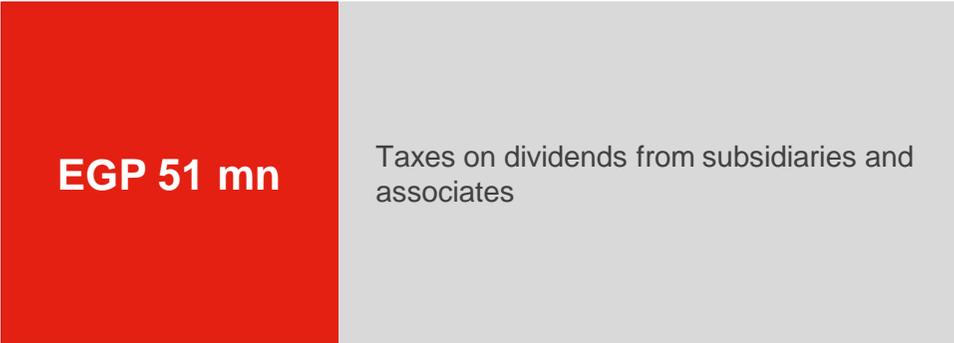


## Net Profit, Margin (EGP mn, %)



# Bottom-Line Strength Despite Elevated Effective Tax

## Net Profit After Tax Progression (EGP mn)



Earnings Before Interest and Tax

Net Profit After Tax (Before NCI)

The period’s solid bottom-line increase came despite the Group’s elevated effective tax rate, which stood at 28.4% by the close of 1H2023. The Group’s relatively high effective tax rate for the period is primarily due to inter-group profit distribution.

Source: Company filings

# Cost Base Analysis

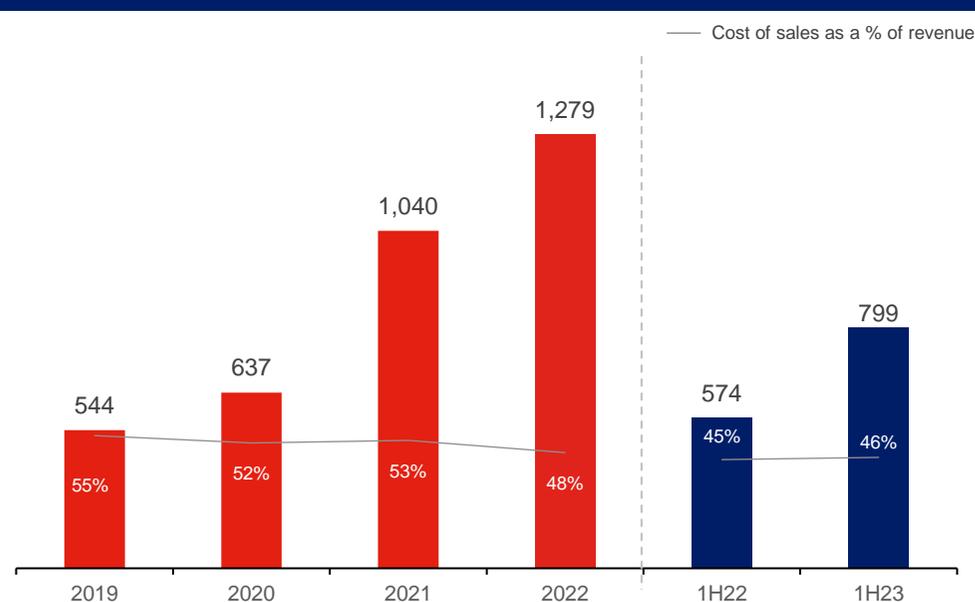
## Key Highlights

Cost of sales increased by 39.2% y-o-y driven by rising inflationary pressures mainly due to the devaluation of Egypt's local currency, as well as an increase in headcount and salaries expense in 1H2023.

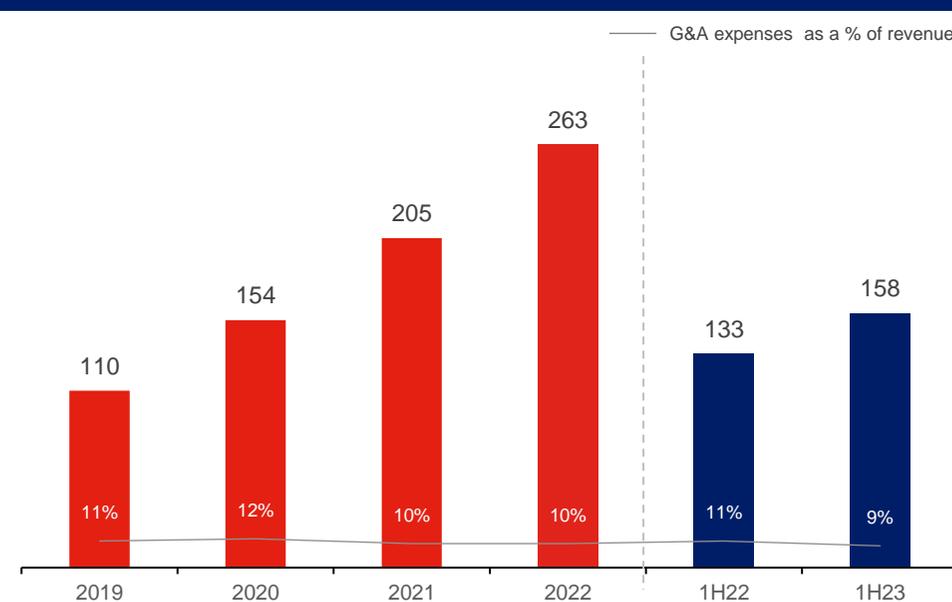
Sales, general and administrative (SG&A) expenses rose by 4.0% y-o-y to EGP 177.6 million in 1H2023. This increase was largely driven by an 18.8% y-o-y increase in G&A costs due to the adjustment of labor costs to accommodate inflationary pressures.

Meanwhile, selling & marketing expenses almost halved y-o-y owing to the high base effect of a largescale marketing campaign launched during 1H2022. It is worthy to note that SG&A expenses stood at 10.2% as a percentage of consolidated revenues in 1H2023, as opposed to 13.5% during the same period last year.

### Cost of Sales <sup>(1)</sup> (EGP mn, %)



### G&A <sup>(1)</sup> (EGP mn, %)



Source: Company filings  
<sup>1</sup> Excluding depreciation and amortization

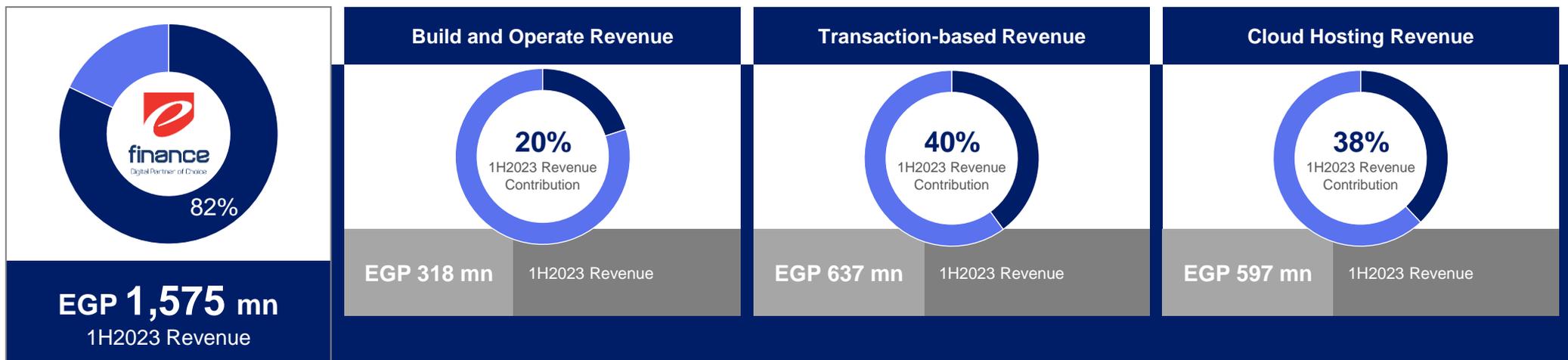
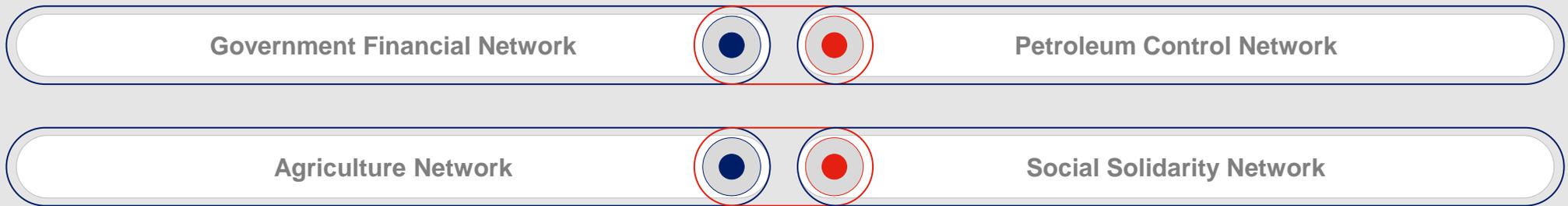
# Our Subsidiaries



# e-finance for Digital Operations

e-finance for Digital Operations (e-finance’s largest subsidiary) provides the Group with a unique position and infrastructure to capitalize on Egypt’s robustly growing digital transformation drive, building and operating Government digitization projects and acting as the sole processor and settler of state budget payments and collections

## Four Main Revenue Networks



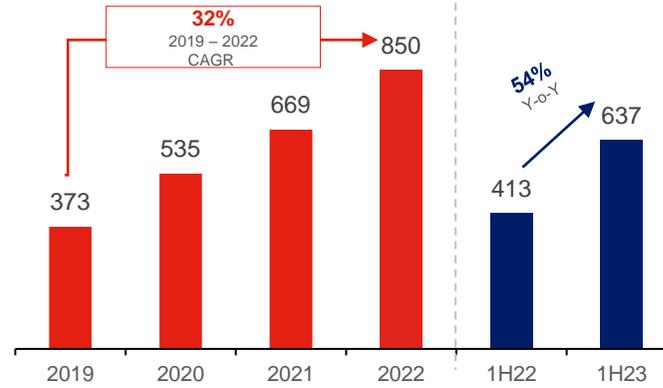
## Key Highlights

e-finance for Digital Operations recorded a 42.3% y-o-y increase in revenue to EGP 1,574.6 million in 1H2023. Growth was driven by a strong 91.9% y-o-y increase in cloud hosting revenue to EGP 597.3 million in 1H2023 as the subsidiary continued to deliver its services to an expanded client base. Additionally, cloud hosting revenue was further elevated by the retroactive revenue recognition for one of its contracts. Cloud hosting revenue contributed 37.9% of the subsidiary's revenue in 1H2023, up from 28.1% in 1H2022.

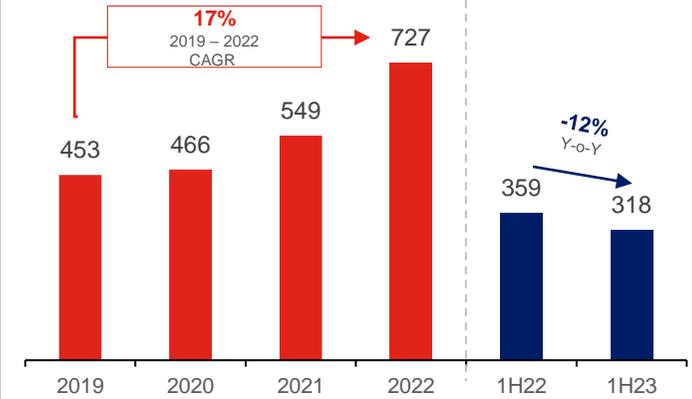
Transaction-based rose by 54.1% y-o-y to EGP 636.8 million in 1H2023, driven by an 85.9% y-o-y increase in revenue from variable-fee transactions, as well as a 21.1% increase in revenue from fixed-fee transactions, and generated 40% of the subsidiary's revenues.

Parallel to this, the B&O segment booked a revenue decrease of 11.6% y-o-y to EGP 317.5 million.

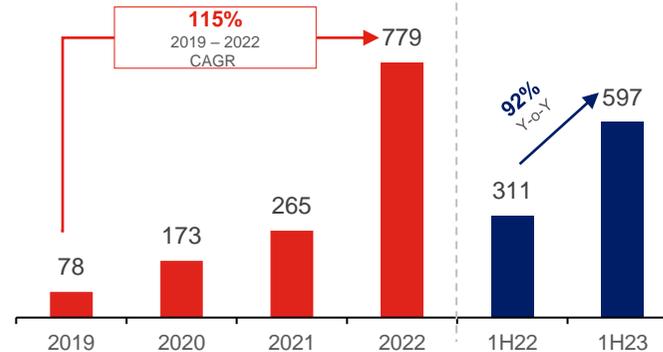
## Transaction Based Revenues (EGP mn)



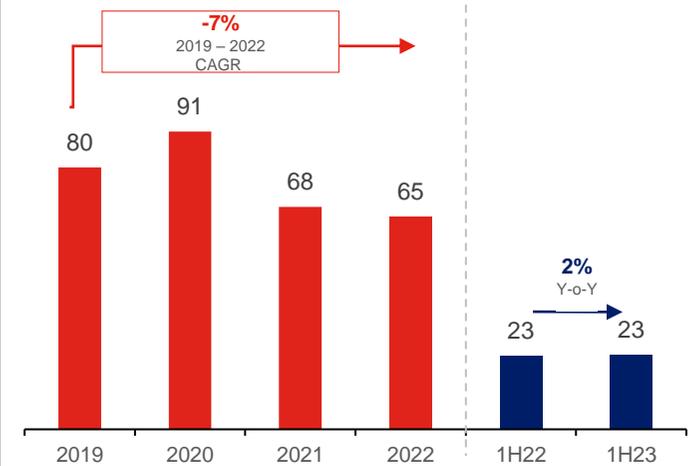
## Build & Operate Revenues (EGP mn)



## Cloud Hosting Revenues (EGP mn)



## Other Revenues (EGP mn)

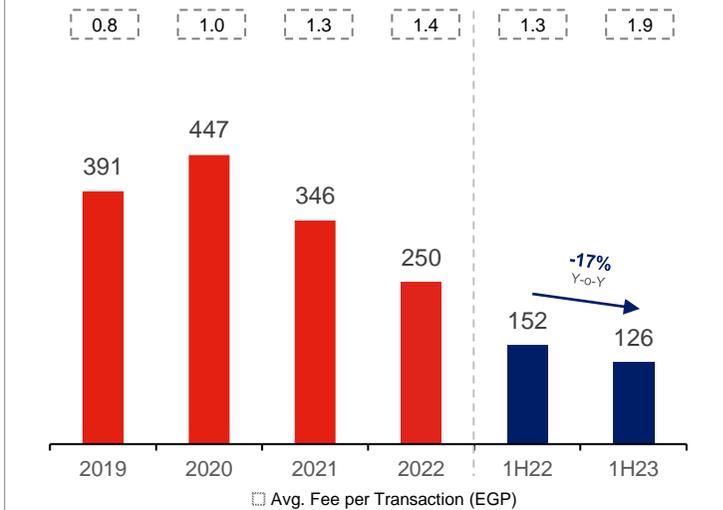


## Key Highlights

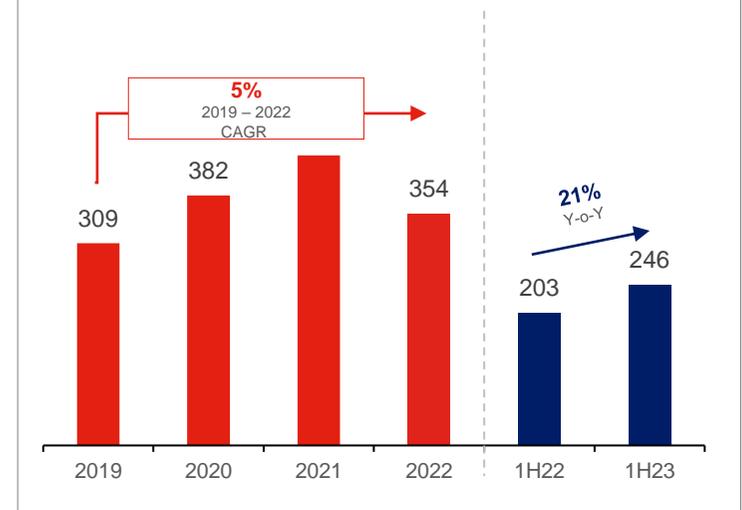
Revenues from fixed-fee transactions increased by 21.1% y-o-y to EGP 246 million. the rise in fixed-fee revenue came on the back of a combination of price increases for some of the subsidiary's government fixed-fee contracts, and higher tax declaration revenues during the six-month period.

Revenue from variable-fee transactions increased by 85.9% y-o-y to EGP 391 million in 1H2023, driven by an increase in the volume of transaction processed, most notably from the taxation and customs collections platforms, and was boosted by a notable increase in the contribution from the tourism ticketing platform, which was driven by an increase in the number of touristic sites.

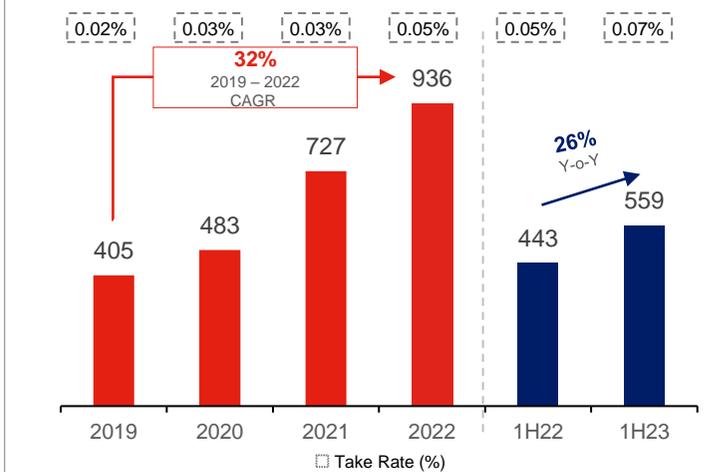
## Fixed Fee Transactions (mn), Avg. Fee per Transaction (EGP)



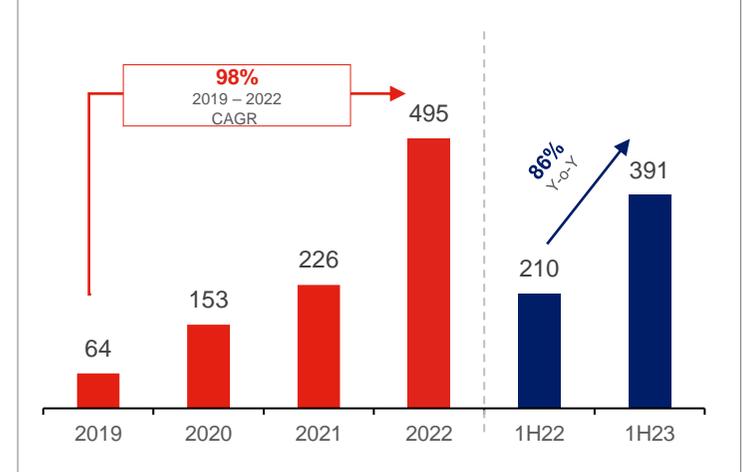
## Fixed Fee Revenues (EGP mn)



## Variable Fee Throughput (bn), Take Rate (%)



## Variable Fee Revenues (EGP mn)



eCards is a pivotal player in Egypt’s growing digital payments sector, leading the digital transformation by building, managing and operating smart card solutions for financial and nonfinancial institutions, as well as enabling the development of smart solutions across sectors

## Product and Service Offering

### Card Production

Largest card producer in Egypt, with a growing presence in Africa

Produces all types of cards

Boasts state-of-the-art production facility

Fully certified facility from Visa, MasterCard, and Mezza schemes and the Payment Card Industry Council

### Processing Services

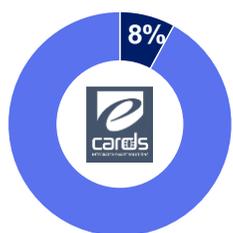
eCards provides third party processing services to a range of banking clients facilitating payment authorizations and acceptance

Managing financial cards for citizens on behalf of financial institutions

### Smart Solutions

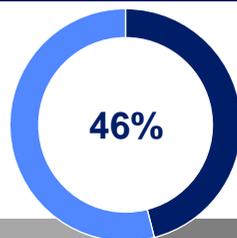
Develops fully integrated smart solutions for urban connectivity, including for facility management, parking, EV-charging, access control, smart meters, and more.

### eCards Contribution



**EGP 146 mn**  
1H2023 Revenue

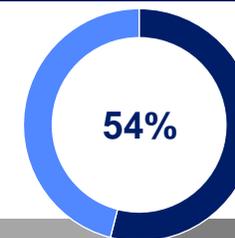
### Card Production Revenue



**EGP 67 mn**

1H2023 Revenue

### Card Management Revenue



**EGP 79 mn**

1H2023 Revenue

# eCards Operational Drivers & Revenues

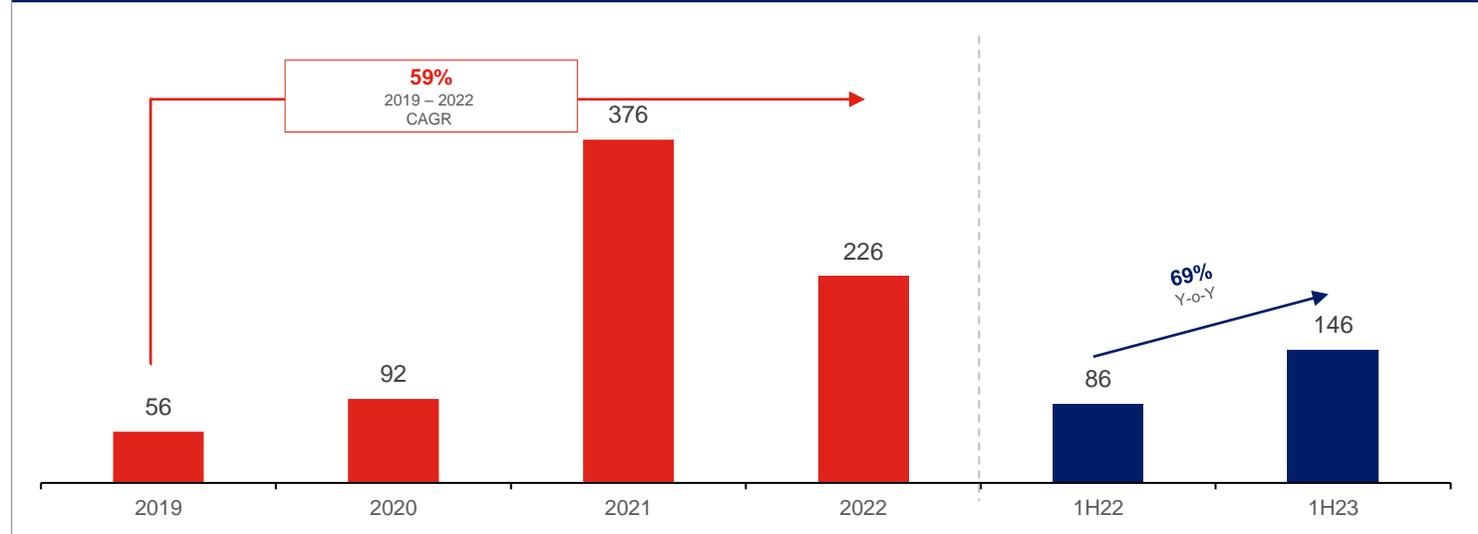
## Key Highlights

Revenue at eCards rose 69.0% y-o-y to EGP 145.6 million in 1H2023 largely due to a significant increase in revenue from card management services and was further supported by higher revenues from card production during the period.

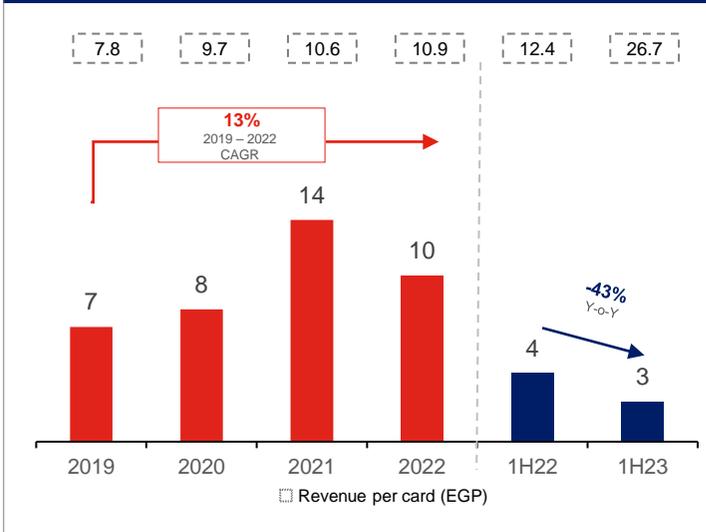
Card production revenues were up 25.6% y-o-y to EGP 66.8 million despite the decline in the number of cards produced following management's successful strategy of producing cards at higher price points to increase the revenue per card produced.

Revenue from card management services increased by 138.9% y-o-y to EGP 78.9 million partially on the back of a 35.2% y-o-y increase in the number of cards managed. Additionally, card management services revenue was further supported during the 2Q2023 through the retroactive revenue recognition for services rendered in 1Q2023.

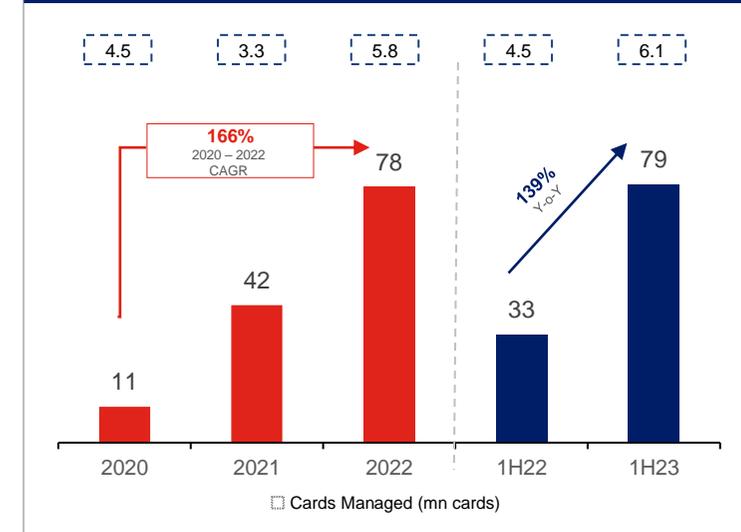
## e-cards Revenues (EGP mn)



## Card Production (mn), Revenue per Card (EGP)

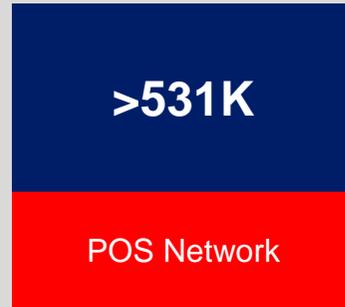


## Card Management Revenue (EGP mn), Cards Managed (mn)

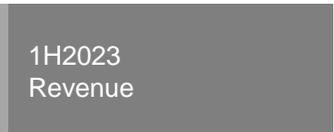
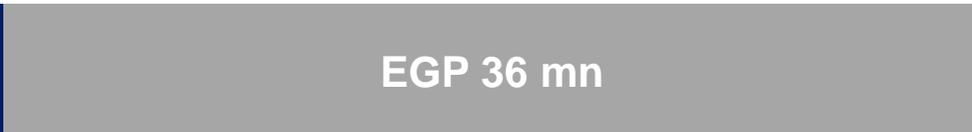
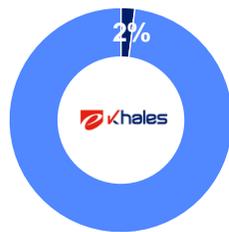


Through eKhailes, the Group has successfully tapped into Egypt's thriving retail space, enabling users to execute all manner of bill payments, and creating value for a wide network of merchant partners

Through its wide network of POS partners, and interoperable digital wallet platforms, eKhailes has successfully established itself as a leading bill aggregator in Egypt and acts as the primary bill hub for a variety of retail payments, including education, utilities, as well as other services.



**eKhailes Contribution** | **Bill Aggregation Revenue**



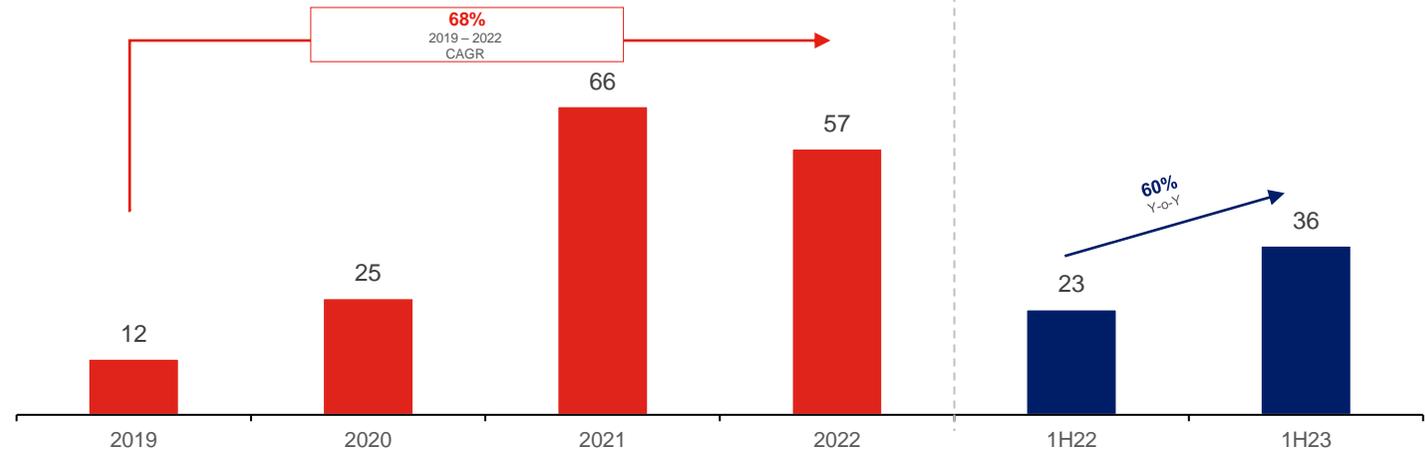
# eKhales Operational Drivers & Revenues

## Key Highlights

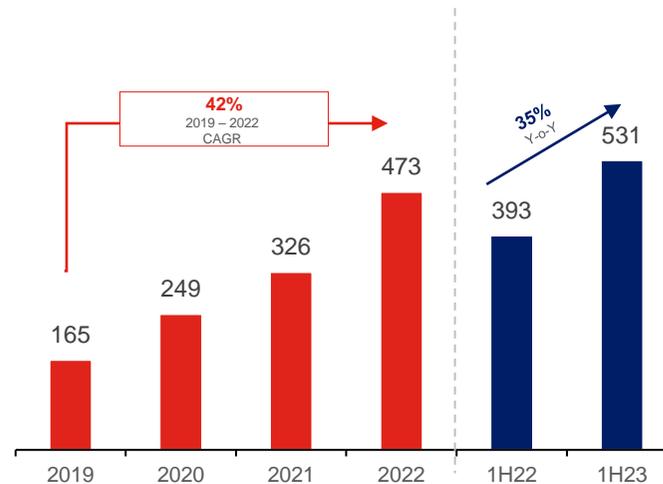
eKhales' revenue expanded by 60.3% y-o-y to EGP 36.2 million in 1H2023. Revenue growth was achieved on the back of higher ticket sizes coupled with a 32.3% y-o-y increase in the number of transactions aggregated during the six-month period, which stood at 39.0 million, coupled with growth in eKhales' POS network.

The subsidiary's nationwide POS network grew to 531 thousand in 1H2023, rising from 393 thousand in 1H2022.

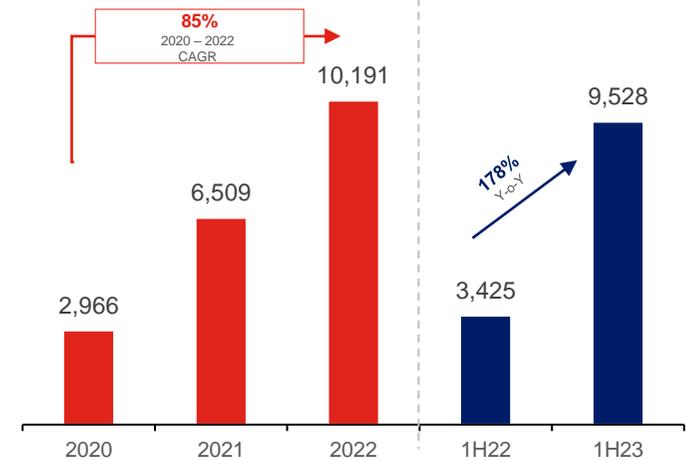
## eKhales Revenues (EGP mn)



## POS Network Evolution (000)



## Throughput (EGP mn)

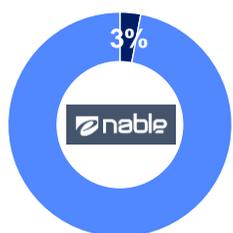


e-nable is a leading Business Processing Outsourcing (BPO) service provider, offering a suite of integrated telecommunications and contact center solutions, from HR and IT outsourcing to a full contact center, across local and international markets

## Service Offering

24/7 Contact Center		HR Outsourcing		IT Outsourcing	
Inbound and outbound		HR Operations		Renting seats	
Non-voice services		Recruitment		Contact Center Tech	
Consultancy chat bot		Training and consultancy		Consultancy	
<b>1,043</b>	Number of Seats	<b>24/7</b>	Service	<b>53</b>	Clients
				<b>+10</b>	Sectors Served

### e-nable Contribution

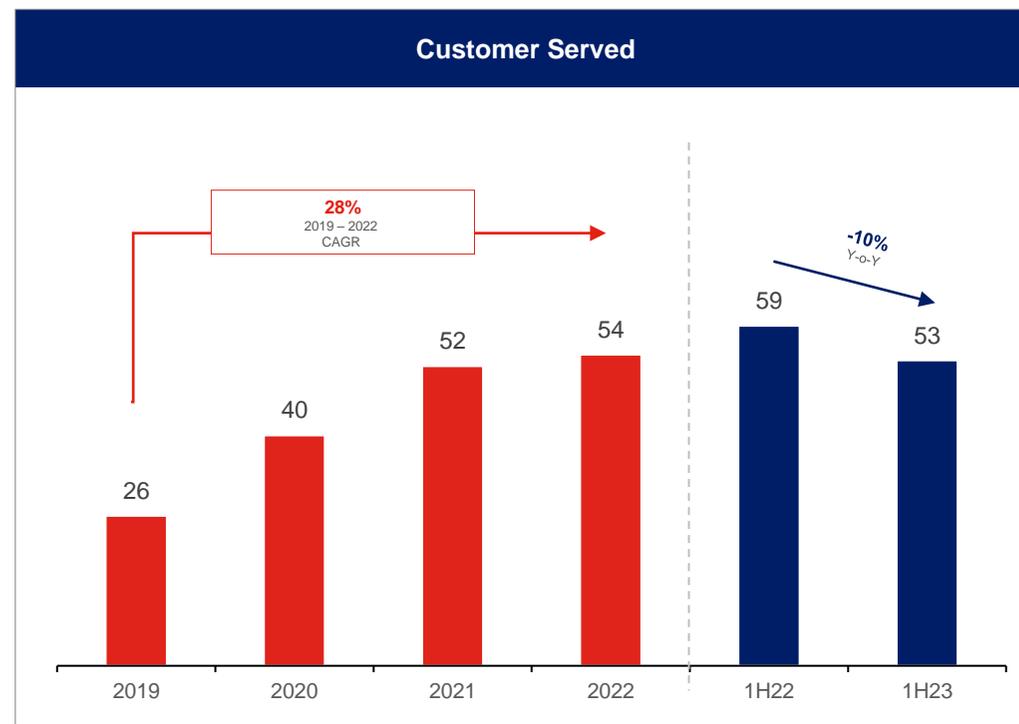
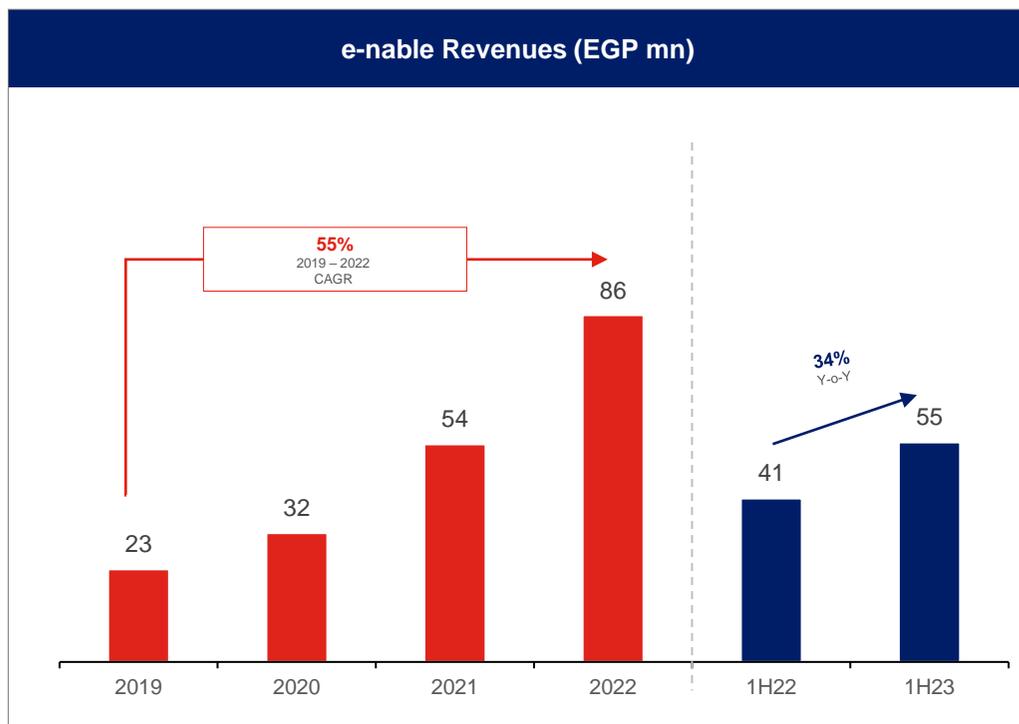


**EGP 55 mn**  
1H2023 Revenue

e-nable is the Group's business process outsourcing (BPO) service provider. The subsidiary focuses on supporting efinance's wide customer base.

e-nable is the preferred service provider for a broad range of Egyptian and international entities, offerings solutions which range from HR and IT process outsourcing to full contact center services.

# e-nable Operational Drivers & Revenues



## Key Highlights

e-nable was established in 2021 to absorb e-finance's spun off call center business.

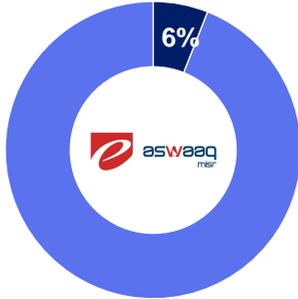
e-nable has continued to expand its presence in the private market space and serves customers in more than ten sectors, including pharmaceuticals, social development, and FMCGs.

enable Pre-elimination revenues at enable increased by 34.2% y-o-y to EGP 55 million in 1H2023.

Growth was driven by the increased value generated from the subsidiary's growing IT and HR outsourcing businesses.

# eAswaaq, the Group's multiplatform e-commerce operator

eAswaaq is a multi-platform e-commerce operator focused on marketplace solutions that automate and transform outdated practices to bring Egyptian markets into the digital age.

 Platforms & Marketplaces	 Financing Solutions & Services	 Value-Added Services
<p><b>1</b> B2B Agri &amp; Food</p>  <ul style="list-style-type: none"> <li>B2B marketplace for farmers to source their inputs, raw materials.</li> </ul>	 <p><b>eLending:</b> Digital sales or loans for five banks, including loan origination, initial automated screening (e.g., ALM, contract finalization, loan management), mostly focusing on agriculture</p>	 <p>Value-added services to <b>enable businesses on eAswaaq platforms</b>, including for <b>logistics</b> (fulfillment and delivery), <b>marketing</b> (online marketing and ads, customer acquisition, branding, product catalog), <b>pricing</b>, ... etc.</p>
<p><b>2</b> B2B Wholesale</p>  <ul style="list-style-type: none"> <li>B2B wholesale across multiple categories.</li> <li>B2B catalogue of certified buyers and sellers.</li> </ul>	 <p><b>eSavings:</b> Conducting KYC processes to facilitate support for financially and economically challenged women in remote areas through savings and loan associations</p>	<p><b>eAswaaq Contribution</b></p>  <p><b>EGP 108 mn</b> 1H2023 Revenue</p>

# Appendix



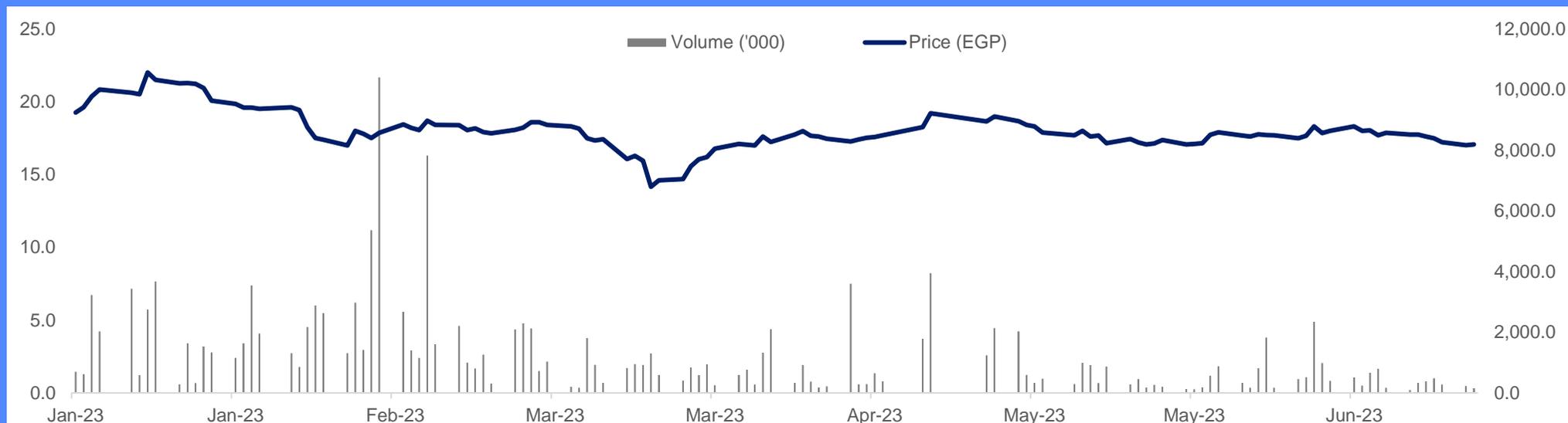
# Summary Income Statement

(EGP mn)	2Q2023	2Q2022	Change	1H2023	1H2022	Change
<b>Total Consolidated Revenues</b>	<b>967.5</b>	<b>702.5</b>	<b>37.7%</b>	<b>1,735.4</b>	<b>1,262.0</b>	<b>37.5%</b>
e-finance Digital Operations	857.5	594.5	44.3%	1,574.6	1,106.4	42.3%
eCards	83.6	23.3	259.8%	145.6	86.2	69.0%
eKhales	20.4	12.5	63.2%	36.2	22.6	60.4%
enable	31.6	22.0	44.0%	54.5	40.6	34.3%
eAswaaq	49.9	65.3	-24.4%	107.9	76.6	40.9%
Intercompany Eliminations	(75.3)	(15.1)	399.4%	(183.4)	(70.4)	160.5%
Cost of Sales	(416.3)	(286.9)	45.1%	(799.1)	(574.0)	39.2%
<b>Gross Profit</b>	<b>551.2</b>	<b>415.6</b>	<b>32.6%</b>	<b>936.3</b>	<b>687.9</b>	<b>36.1%</b>
<i>Gross Profit Margin</i>	<i>57.0%</i>	<i>59.2%</i>	<i>-2.2%</i>	<i>54.0%</i>	<i>54.5%</i>	<i>-0.6%</i>
<b>EBITDA</b>	<b>491.0</b>	<b>342.8</b>	<b>43.2%</b>	<b>823.0</b>	<b>561.5</b>	<b>46.6%</b>
<i>EBITDA Margin</i>	<i>50.8%</i>	<i>48.8%</i>	<i>2.0%</i>	<i>47.4%</i>	<i>44.5%</i>	<i>2.9%</i>
<b>Net Profit after NCI</b>	<b>436.4</b>	<b>279.3</b>	<b>56.2%</b>	<b>718.4</b>	<b>479.7</b>	<b>49.8%</b>
<i>Net Profit Margin</i>	<i>45.1%</i>	<i>39.8%</i>	<i>5.3%</i>	<i>41.4%</i>	<i>38.0%</i>	<i>3.4%</i>

# Historical Summary Balance Sheet

(EGP mn)	FY2020	FY2021	FY2022	1H2023
Total Current Assets	1,472	4,282	4,977	5,083
Total Non-Current Assets	486	762	958	987
<b>Total Assets</b>	<b>1,958</b>	<b>5,044</b>	<b>5,935</b>	<b>6,070</b>
Total Current Liabilities	473	881	1,037	973
Total Non-Current Liabilities	221	219	267	314
<b>Total Liabilities</b>	<b>694</b>	<b>1,100</b>	<b>1,304</b>	<b>1,287</b>
<b>Total Owners Equity</b>	<b>1,264</b>	<b>3,944</b>	<b>4,631</b>	<b>4,784</b>

## Stock Chart



## Share and Contact Information

Ticker	EFIH.CA on the EGX
Date of Listing	20 October 2021
Number of Shares	1,848,888,889
Par Value	EGP 0.5 / share
Paid-in Capital	EGP 924,444,444
Market Capitalization*	EGP 31.5 bn

# Thank You

## INVESTOR RELATIONS CONTACTS

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