

e-finance Investment Group Reports 9M2023 Results

Record-high quarterly results with revenues crossing the EGP 1 billion mark for the first time in 3Q23 for a three-month period, and parallel to this, e-finance surpassed EGP 1 billion in net profit in 9M23, a first since its inception.

9M2023 Financial Highlights

Revenues	Gross Profit	EBITDA	Net Profit After NCI
EGP 2,764.8 million (▲43% y-o-y)	EGP 1,490.5 million (▲38% y-o-y)	EGP 1,313.8 million (▲44% y-o-y)	EGP 1,147.4 million (▲68% y-o-y)

3Q2023 Financial Highlights

Revenues	Gross Profit	EBITDA	Net Profit After NCI
EGP 1,029.3 million (▲52% y-o-y)	EGP 554.2 million (▲41% y-o-y)	EGP 490.8 million (▲40% y-o-y)	EGP 429.0 million (▲112% y-o-y)

15 November 2023 – (Cairo) e-finance for Digital and Financial Investments S.A.E. (“e-finance”, or the “Group”, EFIH.CA on the Egyptian Exchange), a leading technology-focused investment firm in Egypt, announced today its standalone and consolidated results for the nine-month period ended 30 September 2023. The Group’s consolidated revenues rose by 42.7% y-o-y to EGP 2,764.8 million as the Group reaped the rewards of strong performances from its portfolio of subsidiaries. Strong top-line results trickled down to the Group’s EBITDA, which expanded by 44.1% y-o-y to EGP 1,313.8 million. At the bottom-line, e-finance’s net profit after non-controlling interest (NCI) surged by 68.1% y-o-y to EGP 1,147.4 million, yielding a y-o-y net profit margin increase of 6.3 percentage points to 41.5% during the nine-month period.

Summary Income Statement

(EGP mn)	3Q2023	3Q2022	Change	9M2023	9M2022	Change
Total Consolidated Revenues	1,029.3	675.8	52.3%	2,764.8	1,937.8	42.7%
e-finance Digital Operations	905.4	620.4	45.9%	2,496.8	1,726.8	44.6%
eCards	68.0	129.9	-47.6%	213.7	216.1	-1.1%
eKhales	24.4	17.0	43.3%	60.6	39.6	53.0%
enable	32.2	24.2	33.0%	86.7	64.8	33.8%
eAswaaq	53.1	17.3	206.6%	161.0	93.9	71.4%
Intercompany Eliminations	(53.8)	(133.0)	-59.6%	(253.9)	(203.4)	24.9%
Cost of Sales	(475.2)	(282.6)	68.1%	(1,274.3)	(856.6)	48.8%
Gross Profit	554.2	393.2	40.9%	1,490.5	1,081.2	37.9%
Gross Profit Margin	53.8%	58.2%	-4.3%	53.9%	55.8%	-1.9%
SG&A	(104.4)	(67.9)	53.7%	(282.0)	(238.7)	18.1%
SG&A-to-sales (%)	10.1%	10.0%	0.1%	10.2%	12.3%	-2.1%
EBITDA	490.8	350.0	40.2%	1,313.8	911.5	44.1%
EBITDA Margin	47.7%	51.8%	-4.1%	47.5%	47.0%	0.5%
Net Profit after NCI	429.0	202.8	111.5%	1,147.4	682.5	68.1%
Net Profit Margin	41.7%	30.0%	11.7%	41.5%	35.2%	6.3%

Chairman's Message

The Group has kicked-off the second half of the year on an impressive note and has booked record results across the board, with our performance across all metrics continuing to reflect our innovative approach to doing business, the operational strength of our portfolio companies, the rewards generated from our growing investments across key sectors, as well as the rising demand for digital solutions from the sectors, businesses, and people we serve.

In 9M2023, the Group achieved a top-line expansion of 42.8% year-on-year, with revenues reaching EGP 2.8 billion. Revenue growth was mostly driven by our flagship subsidiary e-finance Digital Operations, which delivered solid results across its business segments on the back of the continued investment in our cloud services offering, as well as the strong growth witnessed in transaction revenue. During the nine-month period, the subsidiary saw its variable-fee transaction revenue increase by 76.8% year-on-year as it continued to generate positive returns from the increased adoption of digital payment solutions across a number of key sectors. Parallel to this, revenue growth was further boosted by solid contributions from eCards, eKhales, and enable. At the Group's bottom-line, we booked a milestone achievement, with e-finance's net income surpassing the EGP 1 billion mark for the very first time, reflecting an increase of 68.5% y-o-y in 9M23 and yielding an associated margin expansion of 6.3 percentage points to 41.6%. This milestone continues to reflect our ability to generate strong returns from our higher margin revenue streams, the overarching strength of e-finance's business model, and our team of exceptional professionals who form the bedrock of our success.

On the investments front, I am pleased to announce that our investments in the tourism sector are delivering exceptional returns, and we are aiming to increase our presence within the sector by doubling the number of touristic sites served by our digital ticketing solution. Further on this front, we are also looking to introduce new digital products with significant value-added potential to the sector. While we are aware that the current geopolitical tensions will potentially affect the number of tourists visiting Egypt in the near future, however, in the long-term, we are positive that the sector will continue to be an important pillar of Egypt's economic growth strategy. Accordingly, the Group will continue working on capitalizing on the significant upside of the tourism sector to fuel our growth through the expansion of our footprint, as well as the introduction of new digital services and solutions.

In parallel, our associate company e-Tax continues to exceed our expectations and is on track to record a three-fold increase in its bottom-line by the end of the current year. Through its e-receipt, payroll, and core tax systems, e-Tax continues to generate exceptional returns. Accordingly, the company has become a prominent example of a highly successful investment that has completely paid back its invested capital and is now generating solid and consistent returns. Similarly, our recent investments in the agriculture sector have also started to bear fruit, and this quarter we have started recording revenues from our fertilizer distribution contract, which was signed and announced earlier this year and will significantly contribute to the Group's performance going forward given the size and comprehensive scope of the contract.

I would also like to highlight a recent announcement made by the Group regarding the development of the new National Program for Development of Automotive Manufacturing and Assembly in Egypt, which we believe holds enormous growth potential for the Group, and for the country. The program entails the creation of a platform for automating the entire automotive industry, connecting factories and assembly plants with car dealers and car parts suppliers in order to facilitate a smoother and more efficient process across the entire automotive value chain, from manufacturing and assembly, to sales and distribution. This comprehensive program will not only allow the Group to further drive growth and generate increased value from our cloud and e-invoicing subscription services, but also further cement e-finance's position as the partner of choice for digital transformation in Egypt.

Moreover, regarding our efforts to further provide essential tools to ease the lives of the communities we serve, and to further our alignment with the Central Bank of Egypt's (CBE) and the Egyptian Government's financial inclusion strategy, I am pleased to announce that the Group will start rolling the "Disabled Card" program. The first phase of the rollout will take place over three years and will include three million individuals from a total of nine million disabled individuals. Our role will primarily revolve around the production and management of the cards, which is in line with our strategy to identify and tap opportunities that generate increased value for the Group's stakeholders.

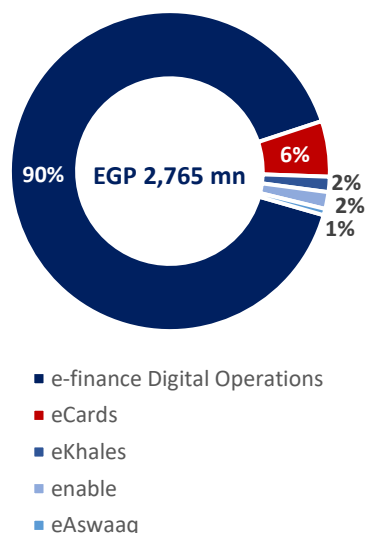
With regards to our geographical expansion strategy in the MENA, I am happy to report that we have acquired the license to begin operating in Saudi Arabia and are in the process of setting up our branch and operations, which will further elevate our partnership with Saudi Arabia's Private Investment Fund (PIF) as we seek to secure a growing number of contracts in the Kingdom and provide targeted digital solutions in key strategic sectors. We look forward to the establishment of our first branch within the Kingdom, as it will represent our first step in accomplishing the Group's ambitious regional expansion strategy, and I am optimistic about the opportunities our presence in the Kingdom will present us.

Overall, I am proud of the Group's exceptional performance this past period, and I am confident that we will close out the year on a strong note as we continue to leverage the expertise of our people to deliver innovative digital solutions to the businesses and people we serve and as we capitalize on Egypt's untapped potential.

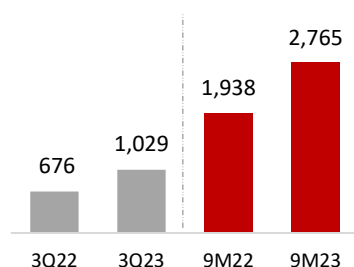
Ibrahim Sarhan

Chairman of the Board

**Group Revenue Breakdown
(9M2023)**

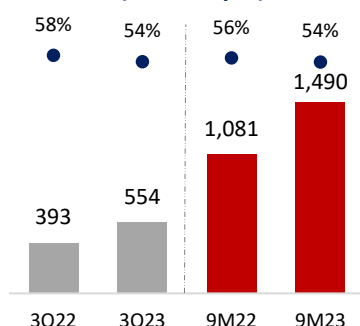
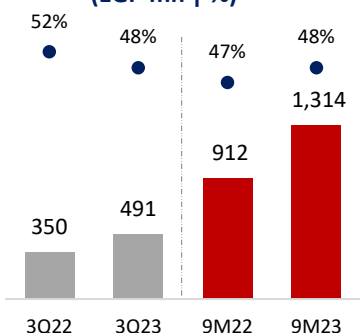
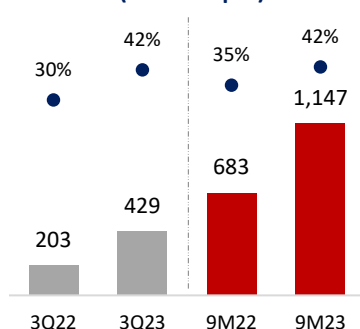


**Consolidated Revenue
(EGP mn)**



Consolidated Financial Performance

- e-finance's consolidated revenues increased by 42.7% y-o-y to EGP 2,768.4 million in 9M2023 following strong broad-based growth across the Group's subsidiaries. e-finance Digital Operations was the primary revenue growth driver as the subsidiary reported solid results across all its business segments, followed by solid results from eCards, eKhales, and enable. On a quarterly basis, the Group saw its top-line expand by 52.3% y-o-y to stand at EGP 1,029.3 million at the close of 3Q2023.
- e-finance Digital Operations** accounted for the lion's share of the Group's revenues in 9M2023, with a contribution of 90%. The subsidiary achieved a 47.6% y-o-y revenue expansion to EGP 2,490.8 million after inter-company eliminations in 9M2023. The subsidiary's performance came on the back of solid results in its transaction revenue, its cloud hosting services, as well as its build & operate services. Transaction revenue was up 59.1% y-o-y, reaching EGP 960.0 million and driven by a 76.8% y-o-y increase in variable fee revenues to EGP 576.1 million, as well as a 38.3% y-o-y rise in fixed fee revenues to EGP 383.9 million in 9M2023. In parallel, cloud hosting revenue was up 59.8% y-o-y and stood at EGP 883.6 million in 9M2023, while the subsidiary's build & operate segment achieved a 16.0% y-o-y increase in revenue to EGP 623.6 million during the nine-month period.
- Revenue at **eCards** witnessed a 39.2% y-o-y increase to EGP 162.6 million after inter-company eliminations in 9M2023 on the back of a 125.7% y-o-y surge in card management revenue to EGP 117.1 million.
- eKhales** reported a 34.9% y-o-y increase in post-elimination revenue to EGP 45.5 million in 9M2023 driven by an increase in the POS terminal network coupled with higher transaction volumes.
- enable's** revenue after inter-company eliminations expanded by 23.1% y-o-y to EGP 51.1 million in 9M2023. Revenue growth was driven by higher full outsourcing revenue, as well as expansions in both IT outsourcing revenues and HR outsourcing revenues.
- eAswaaq's** post-elimination revenue declined by 73.9% y-o-y to EGP 14.7 million in 9M2023, compared to the EGP 56.4 million achieved in 9M2022. The revenue drop was a result of the high-base effect of a one-off supply revenue contract reported during the same period last year.
- Consolidated **gross profit** rose 37.9% y-o-y in 9M2023, reaching EGP 1,490.5 million. However, GPM dropped by 1.9 percentage points y-o-y, closing the nine-month period at 53.9% on the back of an increase in cost of sales as a percentage of consolidated revenue. On a quarterly basis, the Group's gross profit was up 40.9% y-o-y to EGP 554.2 million in

**Gross Profit and Margin
(EGP mn | %)**

**EBITDA and Margin
(EGP mn | %)**

**Net Profit and Margin
(EGP mn | %)**


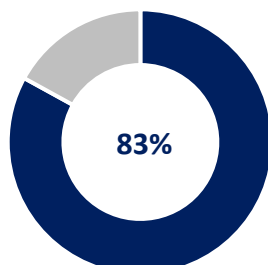
3Q2023, while GPM contracted by 4.3 percentage points y-o-y to 53.8%. GPM contraction was largely attributed to a retroactive collection of cloud services – which took place in the third quarter of the year for services that were rendered during the previous two quarters – resulting in a high-base effect on margins.

- **Sales, general and administrative (SG&A) expenses** grew by 18.1% y-o-y to EGP 282.0 million in 9M2023 primarily on the back of a 32.7% y-o-y rise in G&A costs on the back of higher inflationary pressures. The increase in G&A costs was partially offset by a 32.1% y-o-y drop in selling and marketing expenses during the nine-month period due to the high base effect of a wide-scale marketing campaign launched during the comparable period of the previous year. Moreover, it is worth noting that SG&A expenses came in at 10.2% of consolidated revenues in 9M2023, as opposed to 12.3% during the same period last year.
- **EBITDA** achieved a 44.1% y-o-y expansion to EGP 1,313.8 million in 9M2023, with an associated EBITDA margin expansion of 0.5 percentage points y-o-y to 47.5% during the nine-month period. On a quarterly basis, EBITDA was up 40.2% y-o-y, and stood at EGP 490.8 million in 3Q2023. However, EBITDA margin during the quarter contracted by 4.1 percentage points y-o-y to 47.7% in 3Q2023, primarily due to a higher margin revenue mix in the comparable period.
- e-finance's **net profit after NCI** surged by 68.1% y-o-y to EGP 1,147.4 million, yielding an NPM margin expansion of 6.3 percentage points y-o-y to 41.5% in 9M2023 on the back of higher operating profitability during the period. Additionally, a 60.4% y-o-y increase in interest income to EGP 389.0 million further supported e-finance's bottom-line growth during the period. This represents an effective interest yield of 16.6% as opposed to 11.4% in 9M2022, reflecting the CBE's higher prevailing policy rates. Furthermore, investment income, which stood at EGP 96.5 million, up 89% y-o-y, provided an additional boost to the Group's bottom-line performance. On a quarterly basis, net profit after NCI grew by 111.5% y-o-y to EGP 429.0 million and booked an NPM expansion of 11.7 percentage points to 41.7% in 3Q2023.

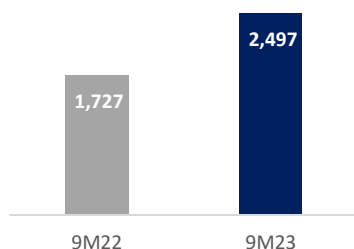
Balance Sheet Highlights

- e-finance's **total assets** stood at EGP 6,574 million as at 30 September 2023, versus the EGP 5,935 million booked at year-end 2022. In 9M2023, the Group deployed CAPEX of EGP 164.3 million, down from the EGP 205.4 million outlay booked during 9M2022.
- The Group's **net cash position** as at 30 September 2023 was EGP 2,988 million, down from EGP 3,127 million as at year-end 2022, and with an associated net cash to EBITDA ratio of 1.5x in 9M2023 compared to 2.8x for FY2022, reflecting the 44.1% y-o-y increase in EBITDA. The Group's strong liquidity position allows it to phase its investment plan in line with prevailing market conditions.
- Total controlling shareholder's **equity** stood at EGP 5,019 million at the close of the nine-month period, rising from the EGP 4,574 million reported at the close of FY2022.
- e-finance's **cash conversion cycle** stood at 82 days in 9M2023, up from the 62 days reported in 9M2022, and primarily driven by a 21-day decline in payables days.

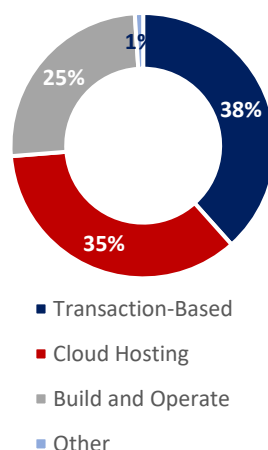
e-finance Digital Operations
Contribution to Group
Revenues - Pre-Elimination -
9M2023



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



e-finance Digital Operations
Revenue Breakdown - Pre-
Elimination
9M2023



Portfolio Performance¹

e-finance Digital Operations

EGP million (unless otherwise stated)	9M2023	9M2022	Change %
Total Revenues	2,496.8	1,726.8	44.6%
Transaction	960.0	603.3	59.1%
Fixed Fee TRX	383.9	277.5	38.3%
Variable Fee TRX	576.1	325.8	76.8%
Build and Operate	623.6	537.4	16.0%
Cloud Hosting	883.6	553.1	59.8%
Other	29.6	33.0	-10.2%
Operational KPIs			
Fixed-Fee Transactions Processed (millions)	185.6	197.9	-6.2%
Variable-Fee Transactions, Total Value Processed (EGP billion)	827.9	672.7	23.1%

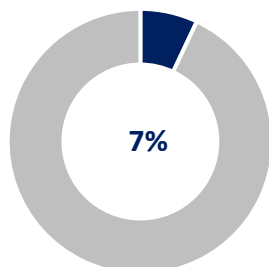
e-finance Digital Operations is e-finance Investment Group's flagship subsidiary. The subsidiary utilizes a fully integrated system of end-to-end payment infrastructure to develop and operate financial networks and to provide government, businesses, and consumers with a broad and innovative suite of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

e-finance Digital Operations reported 44.6% y-o-y growth in revenue to EGP 2,496.8 million in 9M2023. Top-line growth came largely on the back of a 59.1% y-o-y increase in transaction revenue to EGP 960.0 million during 9M2023. Transaction revenue growth was driven by a 76.8% y-o-y increase in revenue from variable-fee transactions, as well as a 38.3% y-o-y rise in revenue from fixed-fee transactions. Revenue growth from variable-fee transactions was achieved on the back of an increase in the volume of transactions processed, most notably from tourism ticketing transactions, which was driven by a rise in the number of touristic sites, in addition to the overall increase in tourist traffic across Egypt to over 15 million visitors in the fiscal year 2022-23. Growth was also further boosted by social platform transactions. It is worth noting that the overall throughput of variable fee transactions increased by 23.1% y-o-y to EGP 827.9 billion in 9M2023. In parallel, the rise in fixed-fee revenue was driven by a combination of price increases for some of the subsidiary's government fixed-fee contracts, higher tax declaration revenues during the nine-month period, and revenue coming in from the newly set-up fertilizer distribution contract, which has just started recording revenues.

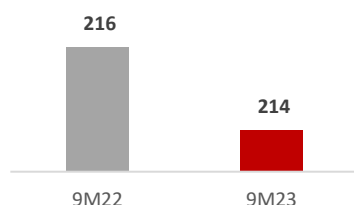
The subsidiary's cloud hosting revenue rose by 59.8% y-o-y to EGP 883.6 million in 9M2023 as it continued acquiring new contracts and generating increased value from existing clients, as well as implementing strategic price increases across several contracts during the period. In 9M2023, cloud hosting revenue

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

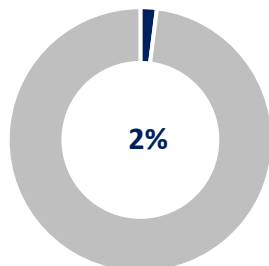
eCards Contribution to Group Revenues - Pre-Elimination - 9M2023



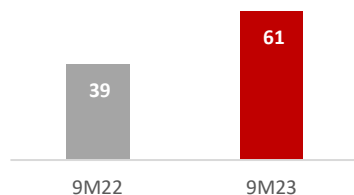
eCards Revenue - Pre-Elimination (EGP mn)



Group Revenues - Pre-Elimination - 9M2023



eKhaless Revenue - Pre-Elimination (EGP mn)



contributed 35.4% of the subsidiary's revenue, up from 32.0% in 9M2022. In parallel, the subsidiary's build & operate revenue rose 16.0% y-o-y to EGP 623.6 million in 9M2023 on the back of an increase in technical support and maintenance during 3Q2023.

eCards

EGP million (unless otherwise stated)	9M2023	9M2022	Change %
Total Revenues	213.7	216.1	-1.1%
Card Production	96.2	137.9	-30.3%
Card Management Service	117.1	51.9	125.7%
Operational KPIs			
Card Production (mn)	3.3	10.2	-68.1%
Cards Managed (mn)	6.1	4.5	35.2%

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

eCards' revenue dropped slightly by 1.1% y-o-y to EGP 213.7 million in 9M2023 following a decline in revenue from card production. It is worthy to note that a stellar 125.7% y-o-y increase in revenue from card management services allowed eCards to sustain its revenue performance despite the drop in card production.

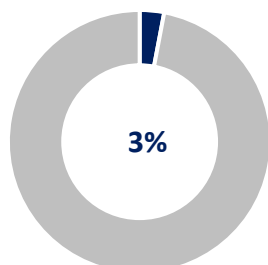
eKhaless

EGP million (unless otherwise stated)	9M2023	9M2022	Change %
Total Revenues	60.6	39.4	53.8%
Operational KPIs			
POS Terminal Network (000's)	547	380	43.9%
Transactions Aggregated (millions)	64.9	50.0	29.9%

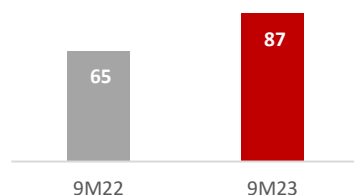
eKhaless provides a central bill processing hub for retail partners through a nationwide network of POS machines. eKhaless offers a digital payment solution that eases the payment and collection process for consumers, while providing merchants with a suite of value-added digital services.

eKhaless' revenue rose by 53.8% y-o-y to EGP 60.6 million in 9M2023. Revenue growth was achieved on the back of a 31.6% y-o-y increase in the subsidiary's POS terminal network, coupled with a 29.9% y-o-y increase in the number of transactions aggregated. During the nine-month period, the subsidiary aggregated 64.9 million transactions compared to 50.0 million transactions in

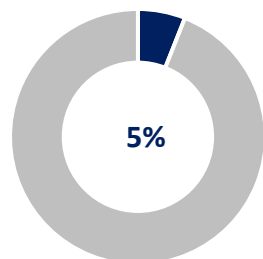
enable Contribution to Group Revenues - Pre-Elimination - 9M2023



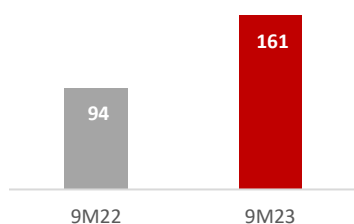
enable Revenue - Pre-Elimination (EGP mn)



eAswaaq Contribution to Group Revenues - Pre-Elimination - 9M2023



eAswaaq Revenue - Pre-Elimination (EGP mn)



9M2022, and its nationwide POS network grew to 547 thousand terminals in 9M2023, up from 380 thousand during the same period last year.

enable

EGP million (unless otherwise stated)	9M2023	9M2022	Change %
Total Revenues	86.7	64.8	33.8%
Operational KPIs			
Customers Served (#)	55	59	-6.8%
Number of Seats (#)	1,000	1,000	-

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

enable reported a revenue increase of 33.8% y-o-y to EGP 86.7 million in 9M2023 driven by increased value generation across its growing IT, HR, and full outsourcing businesses.

eAswaaq

EGP million (unless otherwise stated)	9M2023	9M2022	Change %
Total Revenues	161.0	93.9	71.4%

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

eAswaaq saw its revenue increase by 71.4% y-o-y to EGP 161.0 million in 9M2023 compared to EGP 93.9 million during the same period last year. This performance came on the back of robust revenue growth from the subsidiary's digital platforms and applications across tourism and ecommerce, as well as its digital Agri-lending platform.

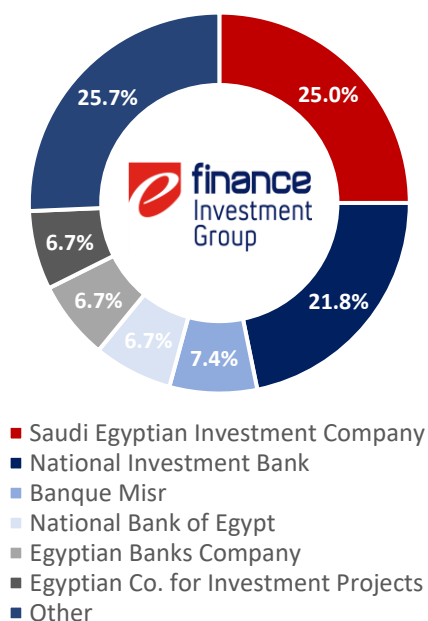
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About e-finance for Digital and Financial Investments

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

Shareholder Structure

As of 30 September 2023



SHARE INFORMATION

EFIH.CA on the EGX

Number of Shares 1,848,888,889

Par Value / Share (EGP) 0.5

Paid-in Capital EGP 924,444,444

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