

CONTACT FINANCIAL HOLDING ANNOUNCES 1H-2025 RESULTS

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Cairo, 19 August 2025

Contact Financial Holding SAE (CNFN.CA), Egypt's largest non-bank financial services provider, announced today its consolidated financial results for the quarter and six-month period ending 30 June 2025. In 1H-2025, the Group's consolidated total operating income expanded by 24% y-o-y to EGP 1.1 billion, mainly on the back of a strong operating performance at the financing division. Meanwhile, increased costs weighed on the Group's bottom-line results during the six-month period, with consolidated normalized net income¹ shrinking by 17% y-o-y to EGP 163.6 million in 1H-2025.

1H-2025 Key Financial and Operational Highlights

	1H-2024	1H-2025	Change	2Q-2024	2Q-2025	Change
Financing Division						
Total Portfolio (EGP bn)	20.4	20.3	-	20.4	20.3	-
Financing Operating Income (EGP mn)	750	983	31%	425	611	44%
Financing Net Income (EGP mn)	109	89	-18%	88	62	-30%
Insurance Division						
Gross Written Premiums (EGP mn)	1,216	1,882	55%	520	812	56%
Insurance Revenue (EGP mn)	822	1,327	61%	465	708	52%
Insurance Operating Income (EGP mn)	161	158	-2%	129	48	-63%
Insurance Net Income ² (EGP mn)	78	50	-35%	73	8	-89%
Consolidated Results						
Total Operating Income (EGP mn)	909	1,129	24%	544	654	20%
Net Income ² (EGP mn)	168	123	-27%	153	64	-58%
Annualized Return on Average Equity	11.4%	7.1%	-4.3 pts	20.5%	7.3%	-13.2 pts
Normalized Net Income¹ (EGP mn)	197	164	-17%	170	97	-43%

In 1H-2025, the **financing division** delivered a strong operating performance, with an improved operating environment, coupled with the shift towards higher margin products, supporting the division's performance. On that front, financing operating income expanded by 31% y-o-y to EGP 983.0 million. However, elevated costs weighed on the division's bottom-line, which contracted by 18% y-o-y to EGP 88.8 million during the six-month period.

At the **insurance division**, Insurance Revenue grew by 61% y-o-y to EGP 1.3 billion in 1H-2025, as the division continued to deliver solid, broad-based growth in Gross Written Premiums (GWP) across both Sarwa Life and Sarwa Insurance. However, the division's operating income inched downwards by 2% y-o-y to EGP 157.9 million and its net income fell by 35% y-o-y to EGP 50.5 million in 1H-2025, as elevated costs weighed on the divisions profitability during the six-month period.

Commenting on the results, management said: "The Group delivered a strong operating performance in 1H-2025 as we continued to demonstrate the strength of our business model and the appeal of our value proposition.

¹Normalized net income adjusts for the following: Net effect of new rent standard, tech investments, ESOP, tax adjustments and special provision.

²The financial figures for 1H-2025 take into account the implementation of IFRS 17, which pertains to the accounting standards for insurance companies. The comparative figures for 1H-2024 have been re-classified accordingly.

Supported by an improving operating environment, our financing division maintained its momentum and achieved solid growth in new lending extended during the period. The consumer finance segment was the main driver behind new lending growth, with a 46% y-o-y expansion in new lending fueled by increased customer acquisition during the period. Similarly, new financing extended at the trucks, mortgage, working capital segments grew by 2%, 27%, and 10%, respectively, y-o-y on the back of an improved economic environment underpinned by lower interest rates and greater price stability. Meanwhile, new lending at our Auto segment remained largely flat year-on-year as customers continued to delay purchasing decisions in anticipation of further interest rate cuts later in the year.”

“In parallel, our insurance division’s strong top-line performance was driven by solid results across both of our insurance companies during the six-month period, with GWPs at Sarwa life rising by 59% y-o-y to EGP 1,183.9 million and GWPs at Sarwa insurance expanding by 48% y-o-y to EGP 698.6 million. Growth at Sarwa life was driven mainly by substantial growth in Medical, Term, and Saving/Pension Insurance, while Sarwa Insurance’s performance came largely on the back of a wider reach and greater market penetration. It is worth noting that Sarwa life’s new operational issuance system is now online and fully operational. Currently, 100% of the company’s retail operations, as well as its group life insurance, group pension, and credit life services are operating through the system.”
management continued.

On the digital front, **ContactNow**, Egypt’s first comprehensive digital financial platform, continued its rapid growth trajectory, with the total value of transactions processed rising by reaching 834 thousand in 1H-2025, driven by continuous platform enhancements. In 1H-2025, the total value of transactions processed through the app grew by 20% year-over-year. Similarly, user adoption also expanded, with the platform surpassing 1.04 million total registrations since inception— 198 thousand of which came in 1H-2025 alone. This momentum is fueled by key updates designed to enrich the user experience. Additionally, it is worth highlighting that the Group has recently received a fintech license from the Financial Regulatory Authority to offer fully digital consumer finance services through ContactNow, further supporting Contact’s digital aspirations.

Contactcars.com, Egypt’s go-to marketplace for cars and related services, began working on scaling monthly active users (MAU) and deepening engagement through sharper acquisition, SEO, and product-led growth in 1H-2025, converting traffic into high-intent leads. Contact is also working on rebuilding its Finance & Insurance (F&I) end-to-end by benchmark top competitors, integrating seamlessly with Contact’s F&I providers, and delivering a frictionless, mobile-first user experience. Additionally, despite a dynamic market, Contactcars.com successfully scaled shopper engagement to a new high in 1H-2025, reaching 132 million classified car page views. This surge reflects healthier marketplace liquidity and continued gains in discovery speed and lead quality for Contact’s dealer partners. Furthermore, building on its 1Q-2025 achievements, including the step-change in Otlobha conversion (9%→12%) and the launch of the B2B Vehicle Digital Auction with Toyota Egypt, Contact doubled down on product innovation that differentiates Contactcars.com’s end-to-end dealer tools, finance and insurance rails ready for scale, and data-driven matching that lifts conversion while lowering acquisition cost.

Regionally, Almasi, the Group’s Kenyan affiliate, continued its steady ramp up, and has financed a total of 232 contracts worth KES 3.4 billion since inception, with an average loan amount of KES 14.8 million. The continued success of Almasi provides Contact with a platform that enables the Group to take advantage of the favorable dynamics of the Kenyan market, as well as expand further into the region throughout the coming years.

“On a separate note, we would like to welcome our new CEO, John Saad, who is taking over the position from Said Zater as he moves on to his new role as Vice-Chairman of Contact’s Board of Directors. John brings over 20 years of diverse experience in commercial and marketing within the technology sector across various markets, with leadership positions at numerous distinguished companies across Egypt and the GCC. John’s appointment comes as the Group looks to build on the solid foundation set by Said Zater and kick off the next phase of its growth strategy.”

“As we enter the second half of the year, we are optimistic that the positive momentum will continue as economic conditions improve further, and we remain confident in our ability to deliver on the Group’s short and long-term targets. Our strategic goals and priorities remain unchanged, we will continue to leverage our solid business foundations and proven growth strategies to capitalize on the ongoing market recovery, with both our financing and insurance divisions well-positioned to deliver solid, sustainable growth. In parallel, the consistent development and expansion of our digital capabilities continues to be a main priority, and we remain committed to delivering new and enhanced solutions across both ContactNow and Contactcars.com over the coming period. Finally, we remain on the lookout for potential investment opportunities that will allow us to offer new services to our customers, unlock new growth and expansion avenues for the Group, and expand our geographical footprint further throughout the region,” **management concluded.**

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About Contact Financial

Contact Financial Holding SAE (CNFN.CA) is the largest non-bank financial services provider in Egypt changing the way people and business access finance and insurance. Operating since 2001, Contact adopts innovative approaches in extending its services, offering quality services with simple procedures and reaching a wide client base through its various subsidiaries, affiliates and partners. Contact's financing division offers market leading services including consumer financing for new and used passenger and commercial vehicles and an array of consumer durables through Contact Credit and Contact CrediTech, Mortgage finance through Contact Mortgage, as well as commercial finance through Contact Leasing and Contact Factoring. Contact operates in insurance through Sarwa Insurance and Sarwa Life Insurance. Contact also offers an array of corporate financing services including securitization, structured debt and debt investment management. Contact Financial Holding SAE is authorized and regulated by the Financial Regulatory Authority (FRA).

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