



***Contact***

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**Results  
Presentation**

**9M 2021**

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# Introduction

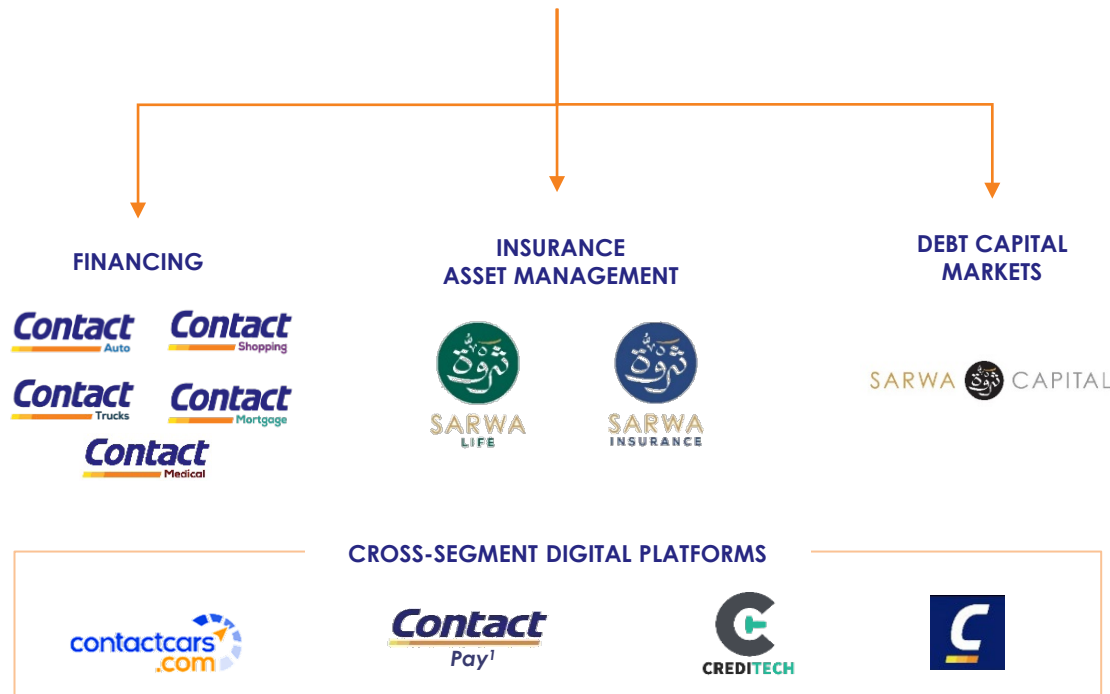
# At a Glance

## Egypt's leading non-bank financial services provider

### Group Structure

**Contact**

Financial Holding



1<sup>st</sup>

Consumer Finance License in Egypt  
with +20yrs of offering innovative  
financial services

**EGX**

Listed since 2018 under the ticker  
CNFN.CA

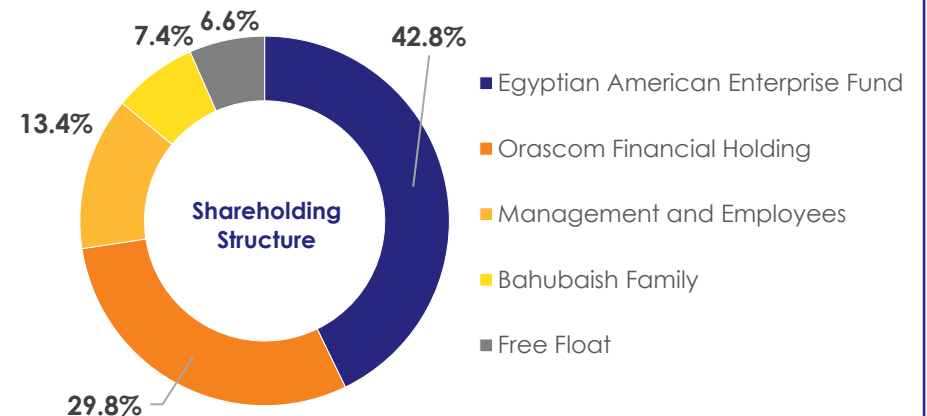
**EGP 31.7 bn**

Total Financing  
(to date)

**EGP 1,330 mn**

Gross Written & Generated  
Premiums  
(to date)

### Group Structure



(1) Notes: Contact Pay is launching soon

# Results Snapshot

Contact continued to build on the strong momentum from the start of the year to report remarkable operational and financial results in 9M-2021, with a record nine-month net profit

## Consolidated Performance – 9M 2021

**EGP 1,059 mn**

Consolidated Total Operating Income  
(▲ 44% y-o-y)

**EGP 330 mn**

Consolidated Net Income  
(▲ 71% y-o-y)

**20.9%**

Annualized Return on Average  
Equity  
(vs 13.3% in 9M-2020)



## Financing Division Highlights – 9M 2021

**EGP 9.64 bn**

Financing Portfolio  
(▲ 32% y-o-y)

**EGP 1,366 mn**

Financing Revenue  
(▲ 7% y-o-y)

**EGP 5.1 bn**

New Lending  
(▲ 59% y-o-y)

**33.8%**

Cost-to-Income  
(vs. 32.0% in 9M-20)

**EGP 857 mn**

Financing Operating  
Income  
(▲ 38% y-o-y)

**EGP 343 mn**

Financing Net  
Income  
(▲ 60% y-o-y)

**5.2%**

Annualized Return  
on Average Assets  
(vs 4.2% in 9M-2020)

**23.6%**

Annualized Return  
on Average Equity  
(vs 15.8% in 9M-2020)



## Insurance Division Highlights – 9M 2021

**EGP 376 mn**

Gross Written Premiums  
(▲ 85% y-o-y)

**EGP 458 mn**

Insurance Revenue  
(▲ 77% y-o-y)

**EGP 202 mn**

Insurance Operating Income  
(▲ 81% y-o-y)

**EGP 1.3 mn\***

Insurance Net Loss  
(vs. Net Loss of EGP 12.9 mn in 9M-2020)

\*After applying Group cost allocations



Our Edge



# Our Edge

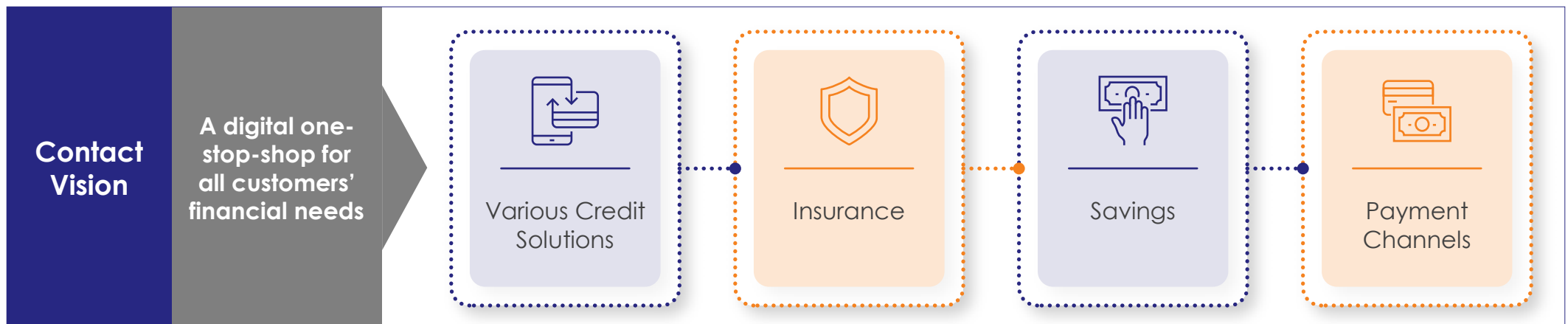
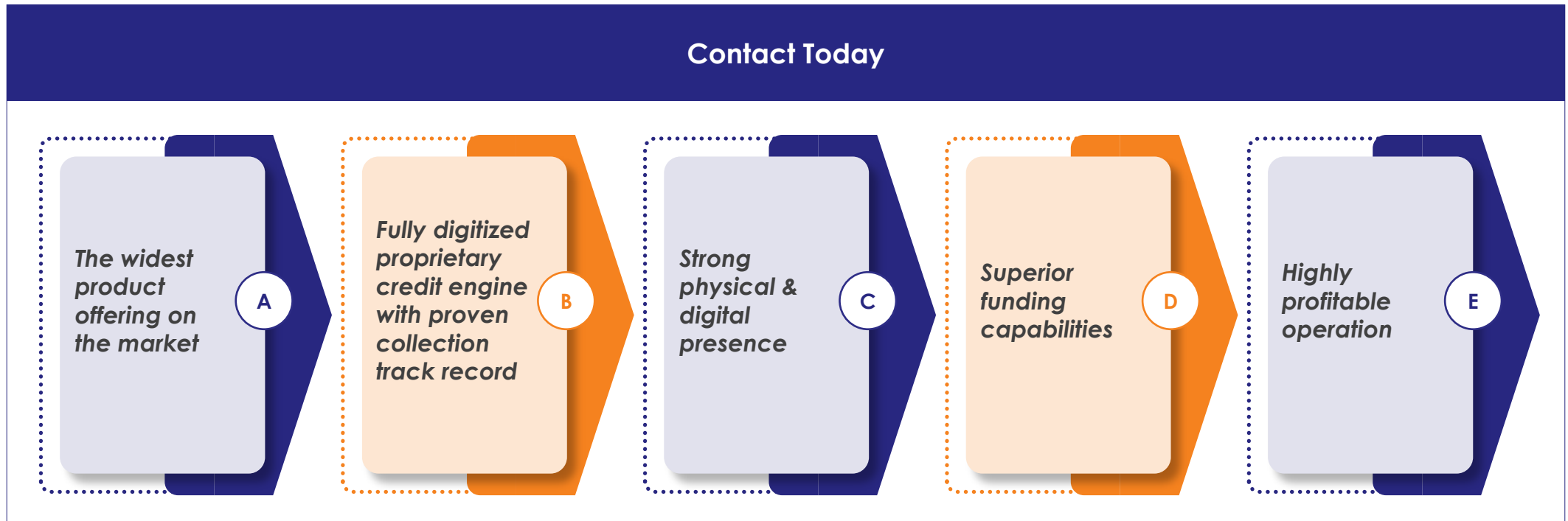
Contact deploys a well-defined growth strategy covering four primary pillars





# Well-Defined Growth Strategy

Contact has a clear vision for the business with a well-defined growth strategy to achieve it

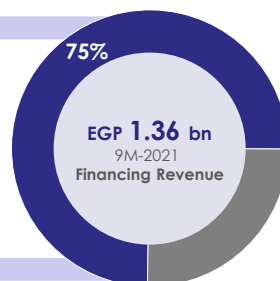


# Comprehensive Product Offering Covering Full Customer Financial Lifecycle

Through its highly-synergistic business segments and product range, Contact serves the financial needs of a wide range of Egyptians, leveraging technology to reshape access to credit and protection

## Financing

Financing products targeting Egypt's banked and unbanked population in both the retail and commercial spaces



### Product Offering

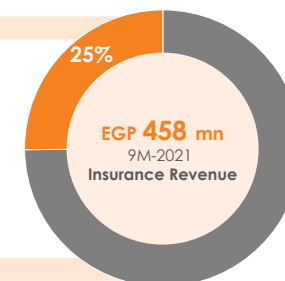


EGP 9.6 bn  
Loan Portfolio  
(9M-2021)

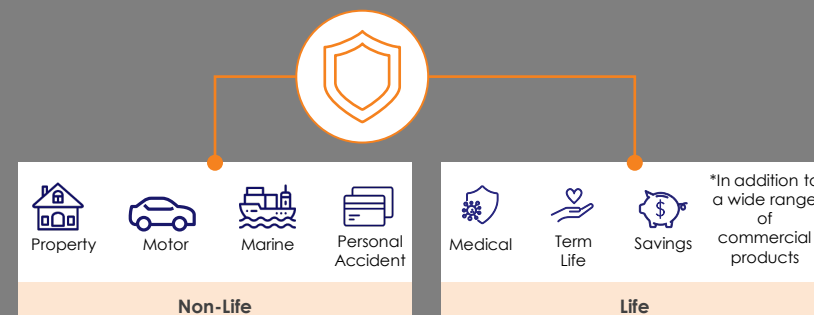
+228K  
Transactions  
Financed

## Insurance

Leveraging 15 years of insurance brokerage and claims management experience to bring clients life and non-life insurance solutions



### Product Offering



## Product Pipeline



E-payment platform for payment of various goods and services. The solution will be integrated into the Contact app & Contact shopping wallet

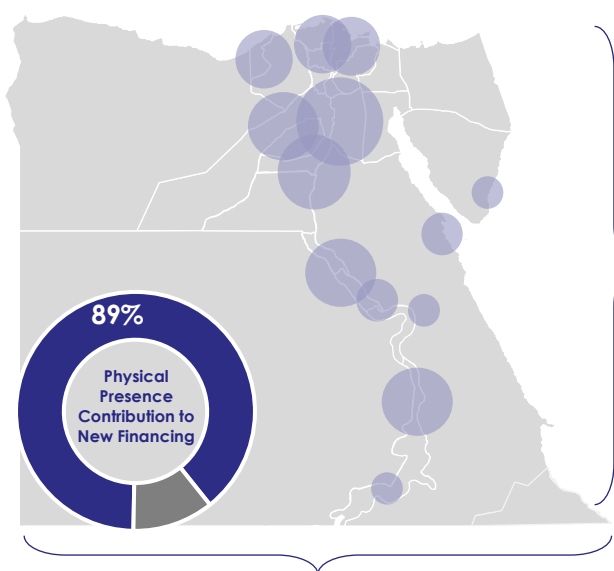


Savings Products including Sarwa Life's Money Market Fund with several others in the pipeline

# Market-wide Coverage Including Banked and Unbanked Population

Contact leverages its large and diversified distribution network of both physical and digital channels to reach a larger target audience underserved by traditional financial institutions

## Expanding the branch network in high-potential areas outside the main cities



**+1,200**  
Auto Dealers



**4,690+** PoS machines, including 1,780 Contact Shopping POS



**35** Contact Branches across Egypt in Q3-2021 (YTD +11), including 21 outside Greater Cairo & Alexandria



**+10** new mini contact branches opened year-to-date, with a target of 25 by year end in high-density areas in large governorates

## Digital capabilities enhancing client reach and user interaction



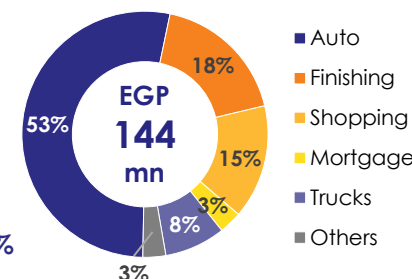
Launched in February of this year as a loyalty and records platform, the Contact App is becoming the primary tool for enhanced customer onboarding, cross selling and engagement

**53k**  
Total Downloads

**43k**  
Registrations, including 29.4k New Registrations

**23k**  
Total Transactions

Financing Extended via Contact App



**EGP 554 mn**  
Total Digital Contribution to New Financing

**EGP 144 mn**  
Fully Digital Contribution

Digital Distribution Channels



Capitalizing on +1.2mn unique monthly users to offer auto financing & insurance



Strengthening online access to mortgage loans



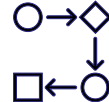
# Unmatched Risk Management and Collection Frameworks

**Contact boasts a thorough and unique credit assessment approach and a highly effective collections function**

**Distinctive credit assessment methodology refined over +20 years of financing experience**



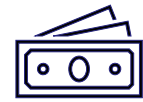
Ability to target and process a wide range of customer profiles, including clients with no credit history, multiple incomes or limited documentation



Unique and customized credit assessment process



Over 20-years results of proven credit quality



Effective collection operation minimizing credit loss

**Enabled by Contact's strong team, data bank and digital capabilities**



- o Team of qualified individuals provided with extensive fraud detection / asset valuation training
- o Investigation and collection team sourced from target areas to ensure understanding of community dynamics & relationships with clients



- o Created and deployed an advanced AI engine utilizing a valuable data bank acquired over +20
- o Embedding AI and machine learning further into the Contact App and all process



# Diversified, Highly Liquid Funding Base

Contact operates a superior funding capability underpinned by diversified sources with efficient cost of funding to cater for business growth

## Funding Strategy Overview

Diversified funding base enabling consistent liquidity with efficient pricing

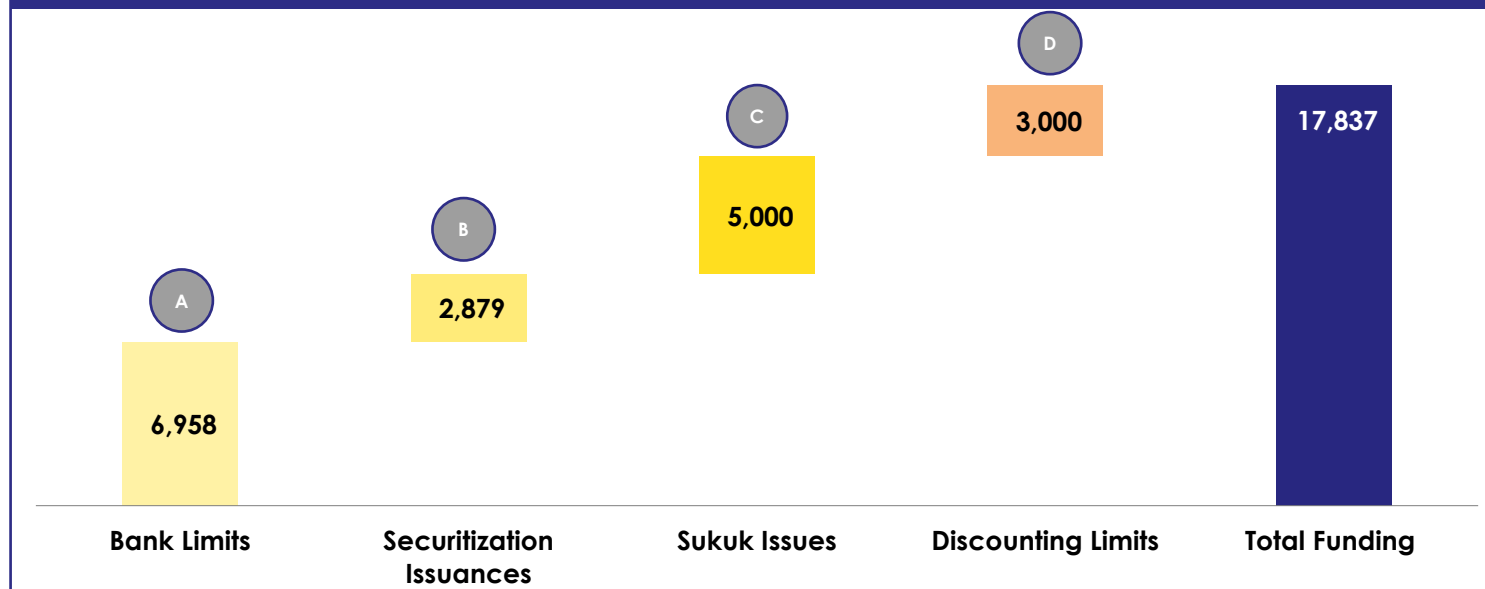
Fixed rate financing removing any volatility, with no tenor mismatch between funding and lending

Structure results in recurring revenue from portfolio transfer, one of the Group's core revenue streams

Utilizing in-house DCM capabilities to ensure best financing terms and structures

Working with regulator and market players to create a secondary market for fixed income products

## Overview of 9M-2021 Funding Base



### A. Banks Limits

Robust relationship with Egypt's leading banks who offer Contact syndicated facilities in expedited timelines and with longer tenors

### B. Securitization

Contact capitalizes on its securitization experience to access diverse pockets of funding, allow for portfolio transfer and free balance sheet capacity

### C. Sukuk

Introducing new sukuk structures to provide flexibility, minimize overall funding costs, and target a wider investor base

### D. Discounting

Discounting limits provide the Group with offloading flexibility. Limits were increased by EGP 1 billion in 9M-2021 to cater for the growth in consumer finance activities

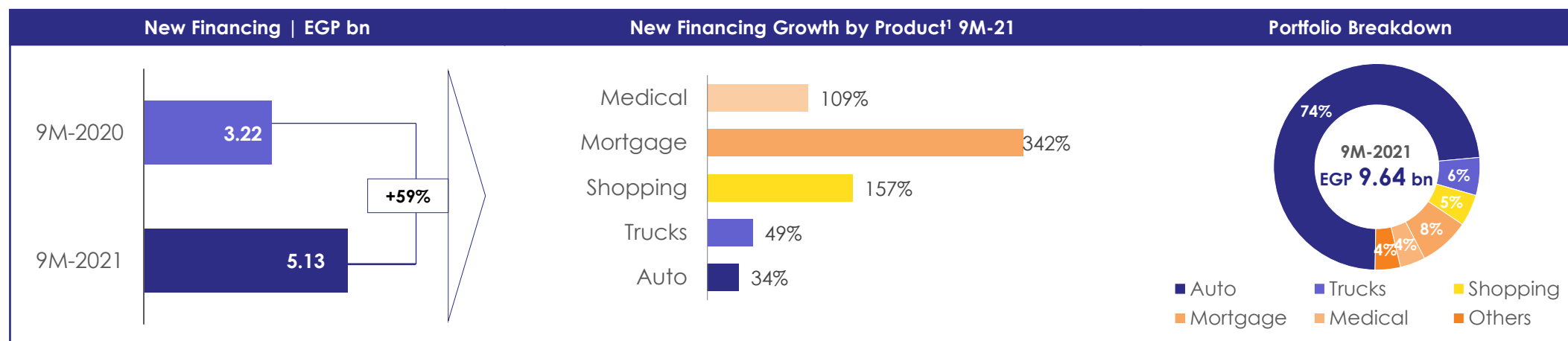
# 9M 2021 Performance Review





# Financing Division – Strong Growth Across All Financing Segments

**Total new financing extended for the nine-month period ending 30 September 2021 recorded EGP 5.1 billion, up 59% from the same period last year**



Growth driven by a rebounding car market as well as higher penetration levels coming from direct marketing, new branches and cross selling.

Supply chain dislocations expected to increasingly reflect on new car market in 2022, with used cars to remain resilient provided disruptions ameliorate.



Growth supported by the gradual normalization in the commercial vehicles market and easing restrictions on cross border trade activities.

Contact expanded the product to include financing of used light commercial vehicles to help capture demand.



9M-2021 saw an impressive six-fold surge in Contact's merchant network in addition to the launch of several new products including Shattab, club membership financing (Matrix & Al Zohour sports) and credit for insurance purchase, positioning for continued significant growth going forward.



Fast growth during the period reflects enhanced activity on low-income mortgage following a temporary suspension last year, as well as higher home equity loans. Contact rolled out a long-term mortgage product offering 10-year mortgages via physical and digital channels starting with Sakneen, the online portal that Contact invested in.



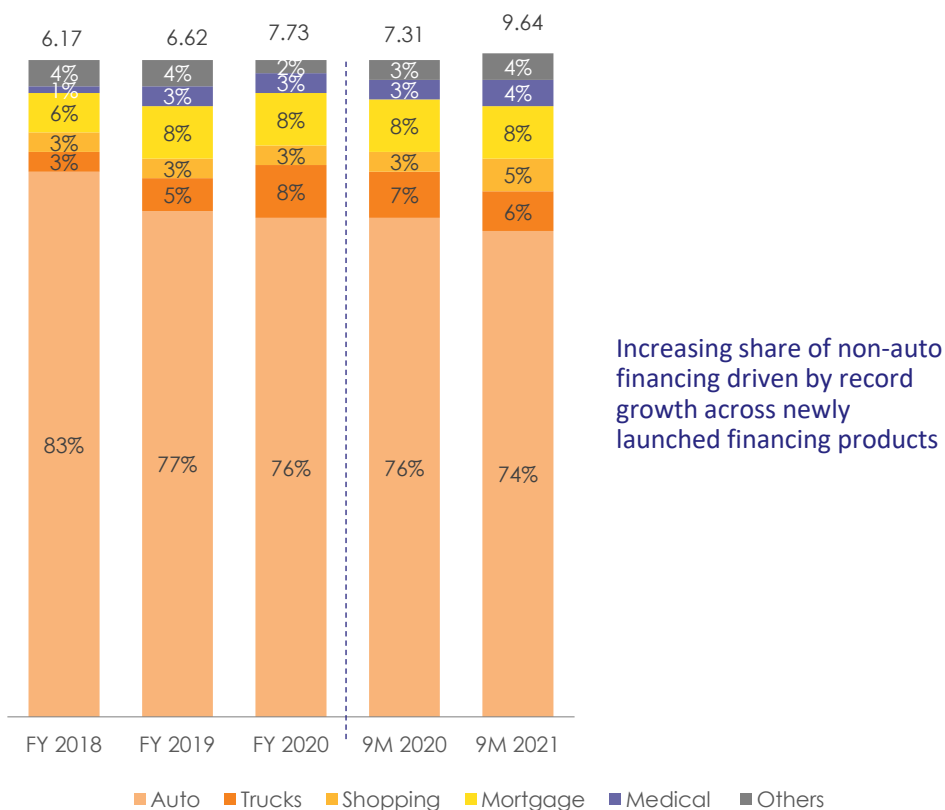
Substantial recovery during the period supported by expanded market reach targeting new segments of small clinics and medical centres outside Cairo such as Upper Egypt.

(1) Excludes new financing classified under Others which recorded a 1,007% y-o-y growth in 9M-2021

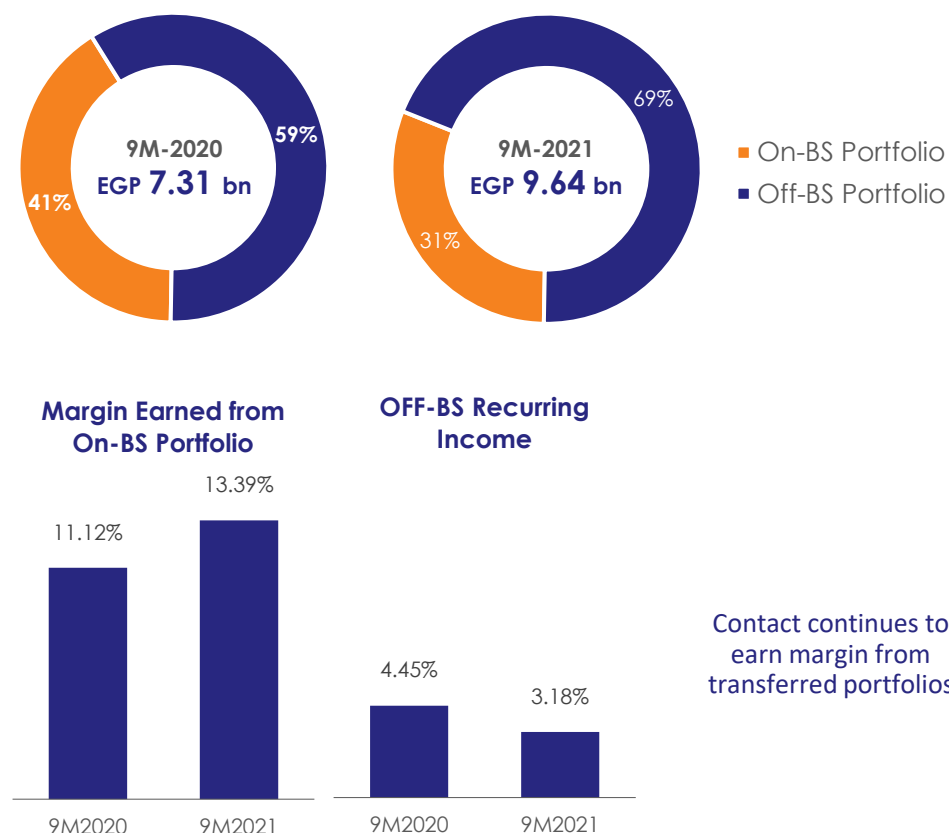
# Financing Division – Increasingly Diversified Portfolio with Favorable Margins

The Financing portfolio grew by 32% year-on-year to EGP 9.64 billion as at 30 September 2021, with increased diversification into higher-spread products

## Financing Portfolio by Asset Class

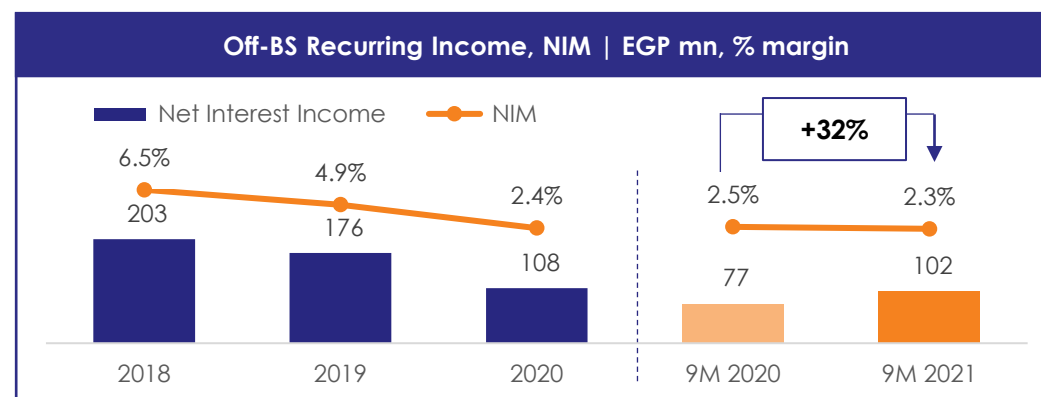
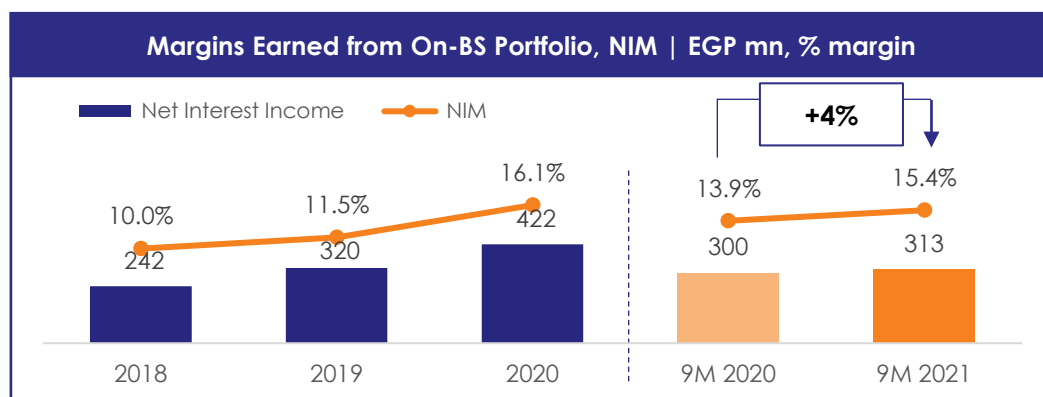
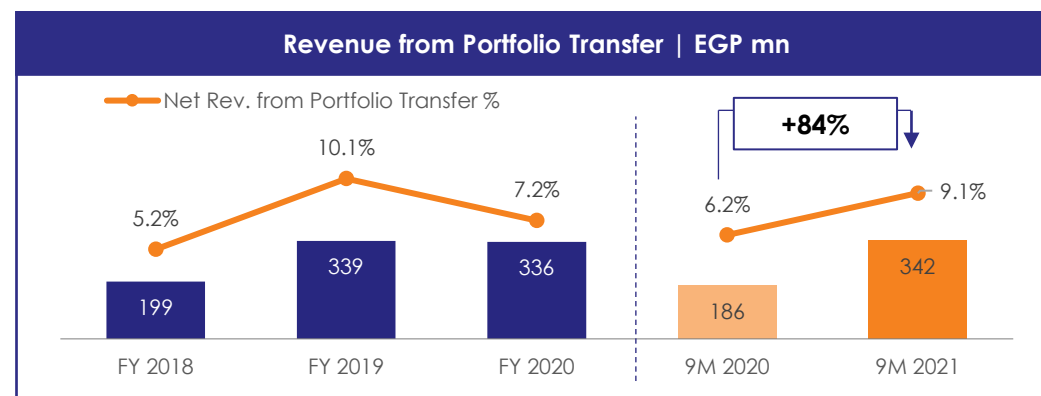
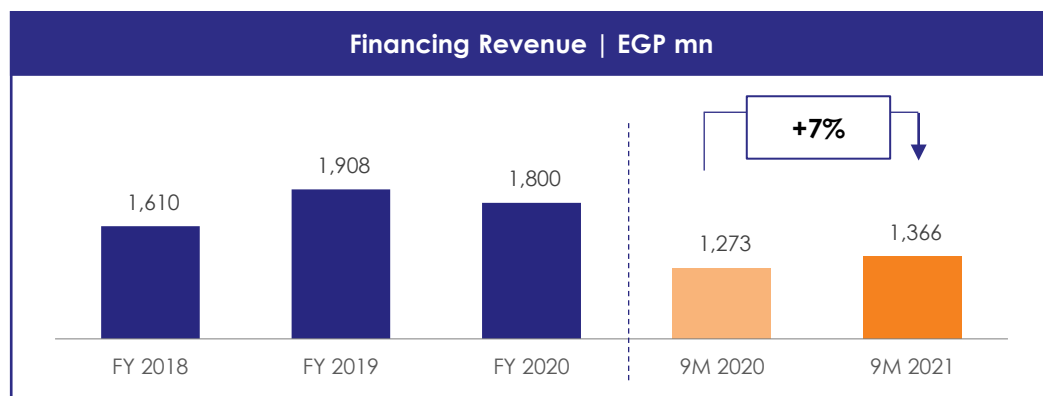


## Financing Portfolio Breakdown



# Financing Division – Sustained Growth Across all Financing Revenue Components

A recovering market coupled with an expanded reach and product offering saw Contact return to financing revenue and net interest income growth for the nine-month period



Total financing revenue growth driven by increases across all revenue components, with revenue from portfolio transfer delivering the fastest y-o-y increase

Growth in revenue from portfolio transfer reflects a shift in funding strategy reliant on the routine offloading of balance sheet portfolio

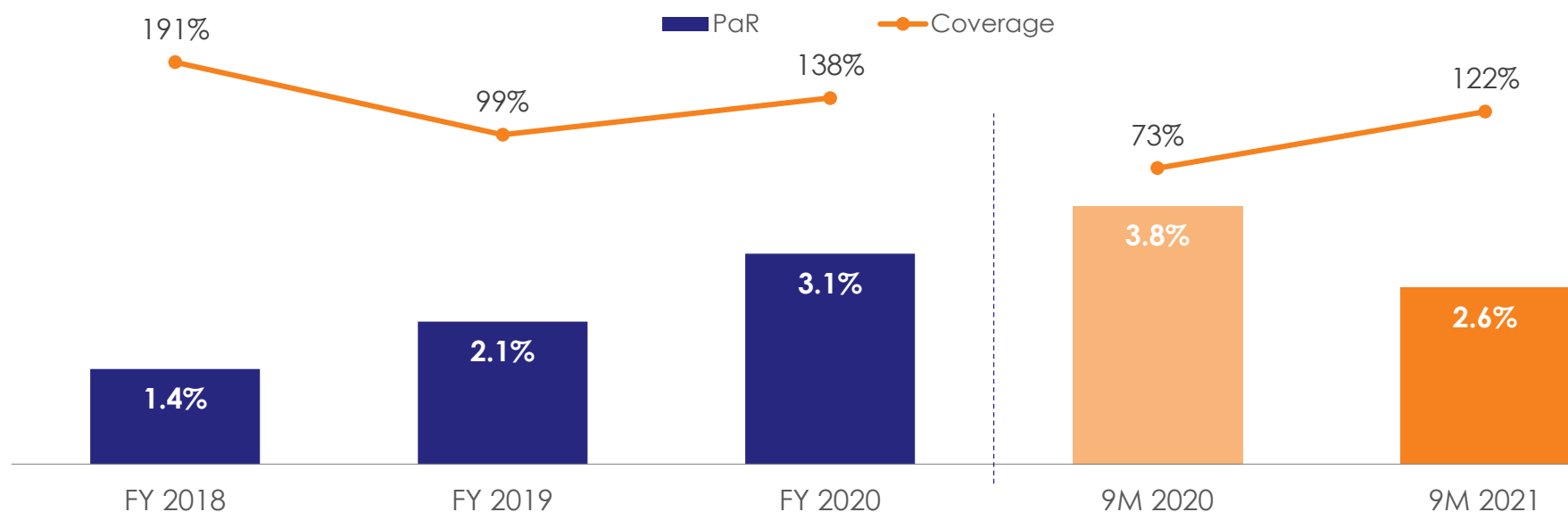
Increasing share of off-balance sheet financing and shorter holding periods on balance sheet reflected on average NIMs, however, contribution of higher-spread financing products may increase going forward



# Financing Division – High-Quality Portfolio as Evident in Low Delinquencies with Sufficient Coverage<sup>1</sup>

Contact's 9M-2021 PaR 150+ delinquencies (Portfolio at Risk) ratio stood at only 2.6%

150+ Days Portfolio at Risk and Coverage Ratio Percentage



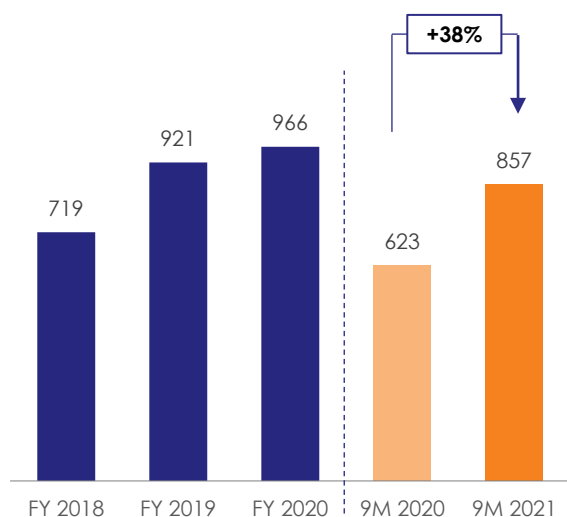
The Group enjoys a **high-quality portfolio with only 2.6% delinquency ratio** in 9M-2021 versus 3.8% in the same period last year. **The group's provision reflects a 122% coverage ratio for expected credit losses in 9M-2021**, up from 73% in the same period last year during which regulators extended repayment terms due to COVID-19.

(1) Coverage ratio is defined as provisions / expected credit losses

# Financing Division – Strong Profitability Supported by Controlled Costs and Low Risk Profile

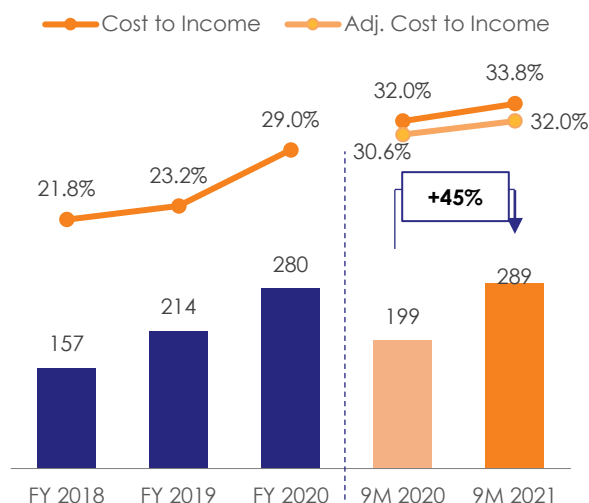
Strong operating income growth filtered down to the division's bottom-line with net income expanding a solid 60% year-on-year for the nine-month period

Financing Operating Income | EGP mn



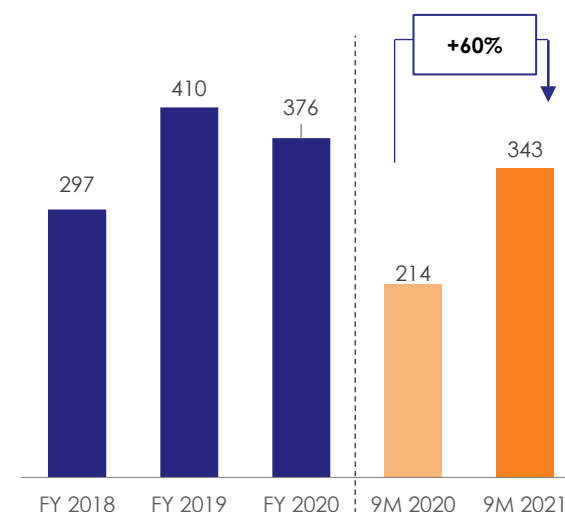
**Financing operating income** includes interest income, net revenue from portfolio transfer and fee income.

Operating Costs and Cost to Income | EGP mn, %



**Higher cost to income** is owing to ramp-up costs of new branches and digital channels, with the new expansions set to impact the group's top-line by 2023. **Adjusted cost to income** which excludes ramp-up costs of new subsidiaries remained stable y-o-y.

Financing Net Income | EGP mn



Financing net income after internal cost allocation and excluding non-financing related costs recorded EGP 343 million, a 60% year-on-year increase.

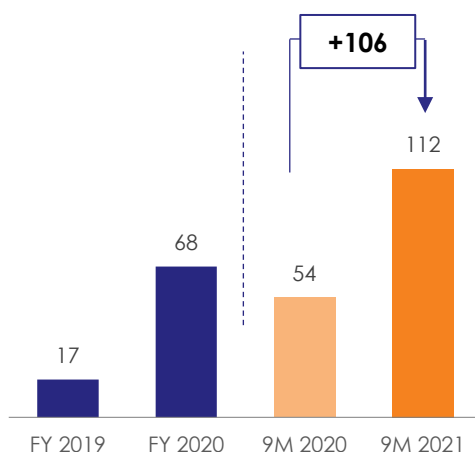
# Insurance Division – Operational and Business Developments – 9M-2021

New product launches and increased cross-selling saw gross written premiums post strong year-on-year increases across both insurance companies, with total policies reaching c.75 thousand

Insurance – 85% year-on-year rise in total GWP to EGP 376 million

Sarwa Life – 106% year-on-year rise in GWP

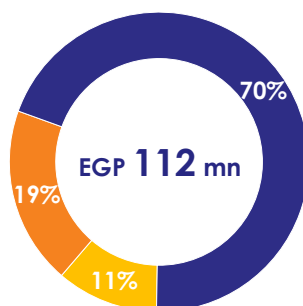
GWP Sarwa Life | EGP mn



**Growth** driven by medical insurance, in addition to a starting contribution from the recently launched SME life and health products.

Sarwa Life's first open-ended money market fund was launched in the first quarter of the year and reached EGP 510 million as of 9M-2021, up from EGP 317 million in 1H-2021.

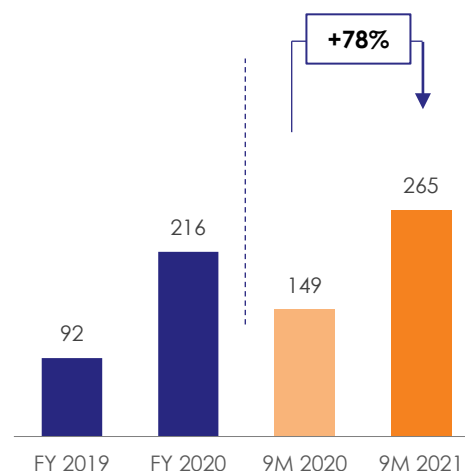
GWP Sarwa Life Breakdown – 9M 2021



- Term
- Credit Life
- Medical

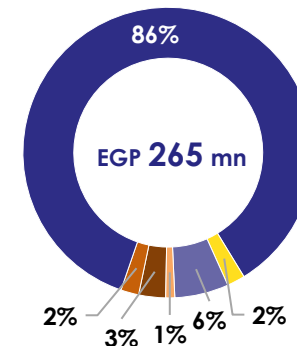
Sarwa Insurance – 78% year-on-year rise in GWP

GWP Sarwa Insurance | EGP mn



At EGP 265 million, Sarwa Insurance was the larger contributor to total GWP. **The company recorded a 78% year-on-year increase**, driven by motor insurance.

GWP Sarwa Insurance Breakdown – 9M 2021

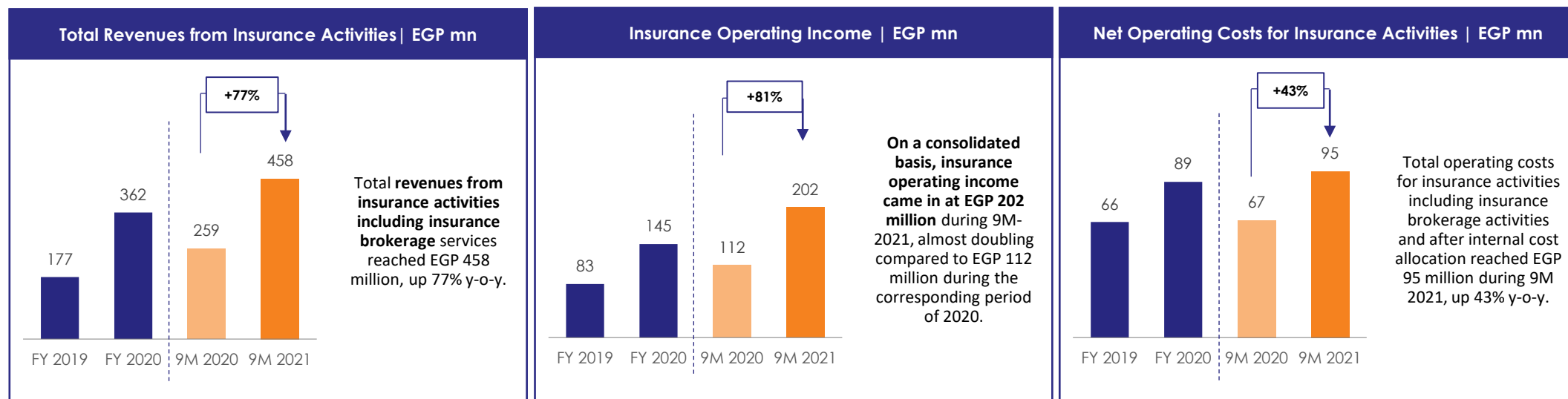


- Property
- Marine
- Motor
- Construction & Eng.
- Casualty
- Property Cap.

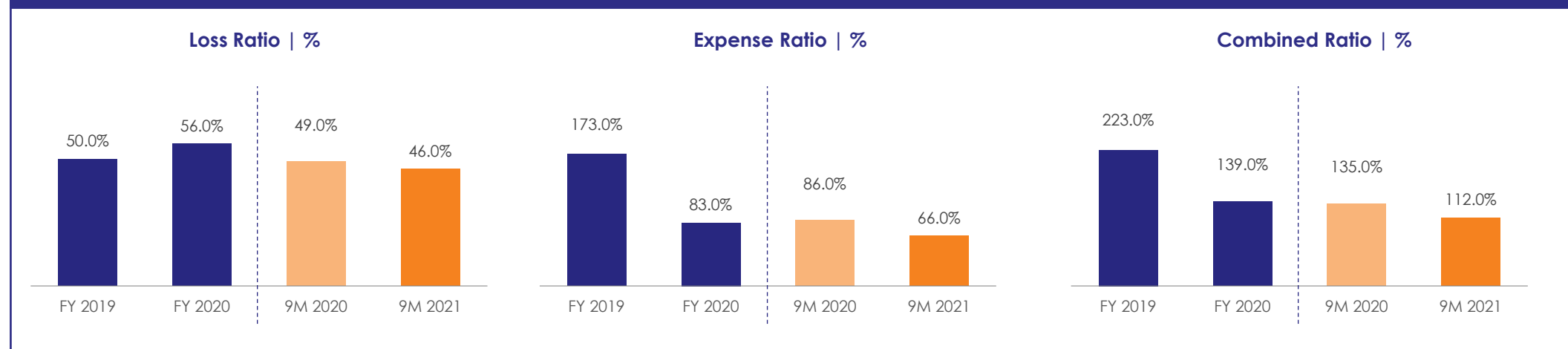


# Insurance Division – Performance Review

The Insurance division continues to ramp up operations with rapidly narrowing bottom-line losses and declining cost ratios



Key cost ratios<sup>1</sup> expected to decline with the scaling of operations and launch of digital platforms



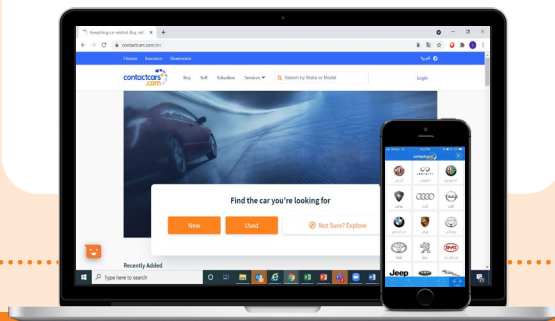
(1) Ratios reflect only underwriting activities and exclude insurance brokerage

# Digital Platforms – Operational Highlights and Key Results

The Company continues to expand its digital capabilities, launching and investing in the development of new platforms and creating new revenue streams

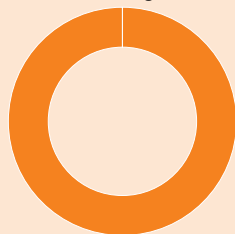
## Contactcars Reimagined

contactcars.com



### Transformation Strategy

Advertising 100%

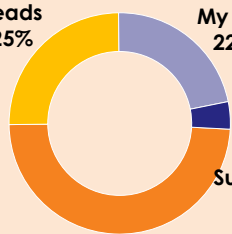


Leads 25%

My Car 22%

Classifieds 4%

Subscription 49%



Shifting away from the Single Source Revenue Model to Diversified Revenue Streams

1.2 mn

Unique monthly users

46%

Returning users

5 min

Avg. time per visit

The web portal and smartphone apps were relaunched at the end of the first quarter of 2021 as a standalone commercial entity to monetize the platform's extensive reach

Pricing AI tool is reaching 40,000 valuations per month. Since the purchase of Sa3ar.com, we are working on integrating new updates to the pricing model which will be released in 2022

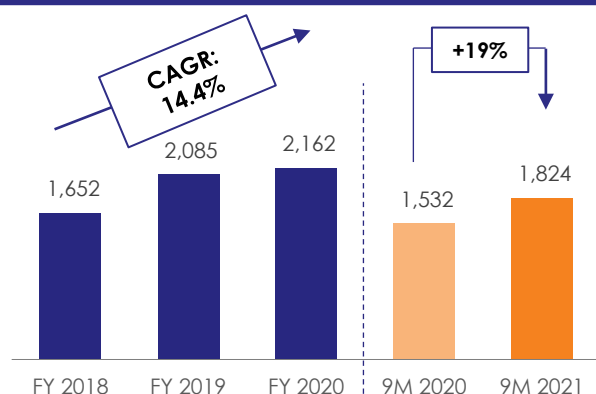
Q3-2021 saw the launch of contactcars.com's dealer services which provides subscription packages tailored to the size and specific requirement of all dealer segments in the market

2022 will see the launch of car ownership services allowing us to continuously engage with end users from purchase, through to time of sale and repurchase

# Consolidated Performance – Income Statement

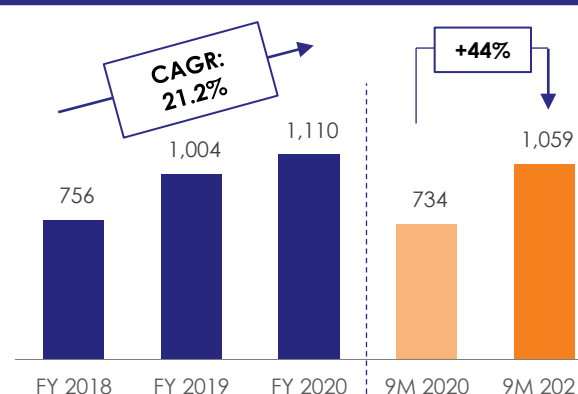
Consolidated performance reflects broad-based growth across segments

Group Consolidated Revenue | EGP mn



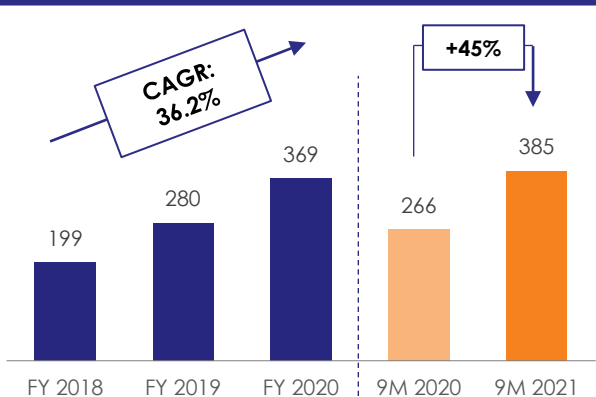
Total group revenue was up 19% y-o-y in 9M-2021 with a growing contribution for the newly launched insurance division.

Total Operating Income | EGP mn



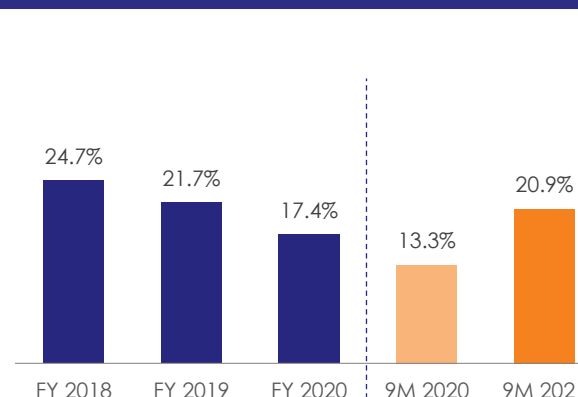
Total operating income expanded 44% year-on-year supported by solid growth recorded by both the Financing and Insurance divisions.

Consolidated Operating Expenses | EGP mn



Total operating expenses increased 45% year-on year with the rapid expansion in both geographic and digital presence.

Consolidated Return on Equity | EGP mn

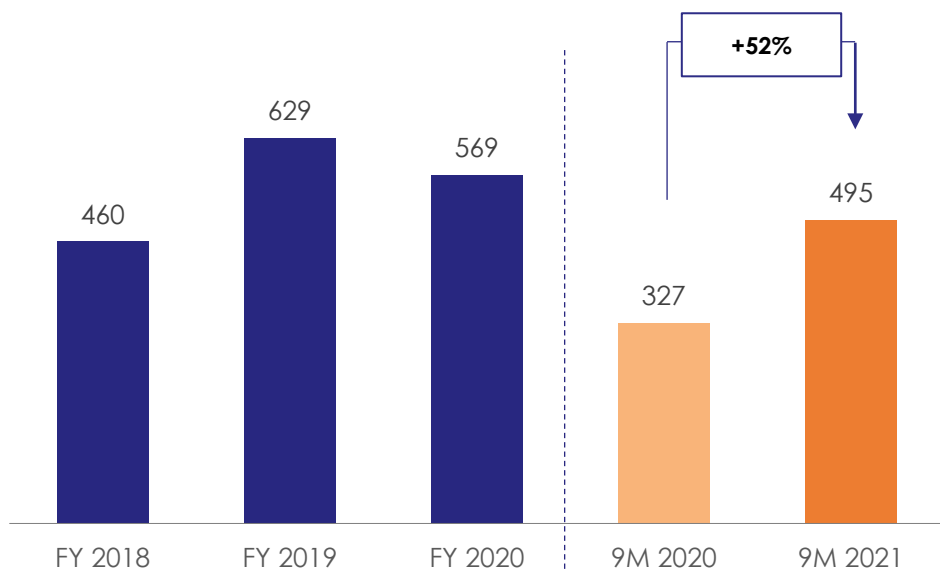


Normalizing ROE post capital deployment.

# Consolidated Performance – Income Statement

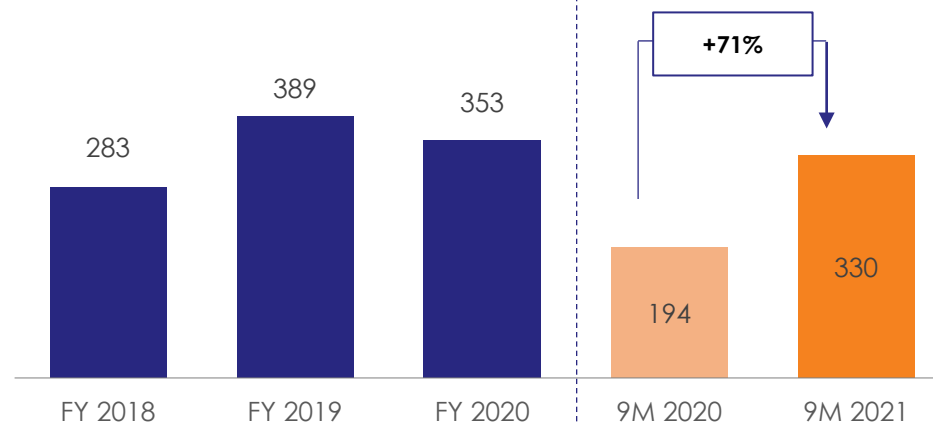
Consolidated net income after minorities expanded 71% in 9M 2021 to a record EGP 330 million

## EBT | EGP mn



Earnings before tax and minorities grew 52% year-on-year to record EGP 495 million in 9M 2021.

## Net Income after Minorities | EGP mn



Total net income after minorities expanded 71% a year-on-year to record the highest nine-month profitability.

# Appendix





# Consolidated Management Reclassified Accounts

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## Important Note Regarding Group Financial Performance & Accounts

To simplify both the group consolidated financials and the divisional reporting, and to clarify the transition from the audited financials to the management reclassified accounts, the board of directors approved in May a new-look detailed income statement. The new income statement forms a clearer basis for the management reclassified accounts, in two steps as follows:

- The income statement is adjusted to reflect entities which are not consolidated. This includes (Table 1):
  - Companies where Contact has full control of yet are not consolidated (but detailed in the notes to the financial statements).
  - Recurring revenue (and associated expenses) from off-balance sheet portfolios due to their materiality.
- The line items are then reclassified to better reflect the business activities of the group in the Management Reclassified Accounts (Table 2).

The full audited consolidated accounts, segment reports, KPIs and reclassified management accounts are available on the company website [investorrelations.contact.e.g](http://investorrelations.contact.e.g).

# Table 1: Mapping Audited Income Statement with Consolidated Management Accounts 9M-2021

KPMG (Audited financials ) 9M-2021	EGP "000"	Breakdown of Sec. Net Revenue (Note 15)	JV's Consolidation (Note 19)	EGP "000"	Consolidated Adjusted Accounts
		After Adjustments	KPMG Standalone		
Sales Revenue - goods and services	159,617		337,482	497,100	Sales Revenue - goods and services
Income from financing activities	331,343	418,855.0	17,336	767,534	Income from financing activities
Discounting gain	116,870		16,206	133,077	Discounting gain
Sukuk gain	205,779		14,324	220,103	Sukuk gain
Interest Income (Cash Surplus Financing)	67,172	30,671.7		97,843	Interest Income (Cash Surplus Financing)
Interest Income (Cash Surplus Insurance )	12,565			12,565	Interest Income (Cash Surplus Insurance )
Portfolio Management Fees (Securitization Issuance)	62,033	(60,658.4)		1,374	Portfolio Management Fees (Securitization Issuance)
Portfolio Management Fees (Sukuk Issuance)	19,062			19,062	Portfolio Management Fees (Sukuk Issuance)
Portfolio Management Fees (discounting Issuance)	25,845			25,845	Portfolio Management Fees (discounting Issuance)
Securitization Profit / (Loss)	(5,257)	5,257		-	Securitization Profit / (Loss)
Fee Income	72,319		6,141	78,460	Fee Income
Profit share from associates	18,640		(18,640)	-	Profit share from associates
Net Revenue from portfolio transferred	2,165			2,165	Net Revenue from portfolio transferred
Portfolio Management fees from Associates	3,958		(3,958)	1	Portfolio Management fees from Associates
Other Operating Revenue	6,038		4,079	10,117	Other Operating Revenue
Income from mutual fund (life insurance)	1,430			1,430	Income from mutual fund (life insurance)
Other revenue	10,719		-	10,719	Other revenue
Portfolio Management Fees	189		-	189	Portfolio Management Fees
<b>Total Revenues</b>	<b>1,110,486</b>	<b>394,125.7</b>	<b>372,970</b>	<b>1,877,582</b>	<b>Total Revenues</b>
Cost of sales - good and services	(123,706)		(330,865)	(454,571)	Cost of sales - good and services
General and administrative expense	(313,632)		(9,025)	(322,657)	General and administrative expense
Interest Expense	(112,410)	(394,126.0)	(2,681)	(509,217)	Interest Expense
Interest Expense (Lease liability)	(17,566)			(17,566)	Interest Expense (Lease liability)
Operating expense	(9,682)		(417)	(10,099)	Operating expense
Sukuk Early payment expense	(11,427)			(11,427)	Sukuk Early payment expense
Contingent provision	5,298		(621)	4,677	Contingent provision
Insurance services cost	(3,826)			(3,826)	Insurance services cost
Sales and distribution expense	(50,358)		(5,057)	(55,415)	Sales and distribution expense
Surplus from insurance activities	25,206			25,206	Surplus from insurance activities
Impairment of financial assets	(10,201)		830	(9,370)	Impairment of financial assets
ESOP expenses	(17,887)			(17,887)	ESOP expenses
Foreign currency differences	125		-	125	Foreign currency differences
Board of directors' allowances	(689)			(689)	Board of directors' allowances
<b>Total Expense</b>	<b>(640,754)</b>	<b>(394,126.0)</b>	<b>(347,835)</b>	<b>(1,382,715)</b>	<b>Total Expense</b>
<b>Net Profit for the year before tax</b>	<b>469,732</b>	<b>(0)</b>	<b>25,135</b>	<b>494,867</b>	<b>Net Profit for the year before tax</b>
Income tax	(127,808)		(9,272)	(137,080)	Income tax
<b>Net Profit for the year after tax</b>	<b>341,924</b>	<b>(0)</b>	<b>15,864</b>	<b>357,787</b>	<b>Net Profit for the year after tax</b>
Non controlling interest	(11,586)		(15,863)	(27,449)	Non controlling interest
<b>Net Income</b>	<b>330,338</b>	<b>(0)</b>	<b>0</b>	<b>330,338</b>	<b>Net Income</b>

# Table 2: Consolidated Reclassified Management Accounts

Financing Business	9M-2021	9M-2020	Change	Q3-2021	Q3-2020	Change
Income from financing activities	767,534	889,622	-14%	239,027	291,777	-18%
Portfolio management fees (securitization issuances)	1,374	2,102	-35%	723	615	17%
Portfolio management fees (sukuk issuances)	19,062	-		10,579	-	
Portfolio management fees from associates	1	0		0	(0)	
Gain from portfolio transferred	2,165	8,066	-73%	354	2,779	-87%
Portfolio management fees	189	150	26%	64	45	42%
Interest income (cash surplus)	97,843	112,704	-13%	34,033	34,901	-2%
Discounting Gain	25,845	4,671	453%	8,736	4,671	87%
Other operating revenue	10,117	9,606	5%	4,441	2,173	104%
<b>Total Interest Income</b>	<b>924,129</b>	<b>1,026,921</b>	<b>-10%</b>	<b>297,956</b>	<b>336,960</b>	<b>-12%</b>
Interest expense	(509,217)	(650,484)	-22%	(157,376)	(198,369)	-21%
<b>Total Interest Expenses</b>	<b>(509,217)</b>	<b>(650,484)</b>	<b>-22%</b>	<b>(157,376)</b>	<b>(198,369)</b>	<b>-21%</b>
<b>Net Interest Income</b>	<b>414,912</b>	<b>376,437</b>	<b>10%</b>	<b>140,580</b>	<b>138,591</b>	<b>1%</b>
Securitization Gain	-	101,778		-	(1,505)	
Discounting Gain	133,077	83,895	59%	73,450	38,529	91%
Sukuk Gain	220,103	-		75,213	-	
<b>Total Revenue from portfolio transfer</b>	<b>353,179</b>	<b>185,672</b>	<b>90%</b>	<b>148,663</b>	<b>37,024</b>	<b>302%</b>
Fee income	77,173	53,062	45%	28,052	24,355	15%
Other revenue	10,719	1,324	710%	2,482	131	1789%
Sukuk early payment expense	(11,427)	-		(6,557)	-	
<b>Total Fee Income</b>	<b>76,465</b>	<b>54,386</b>	<b>41%</b>	<b>23,977</b>	<b>24,486</b>	<b>-2%</b>
Insurance services revenue	-	-		-	-	
Insurance services Cost	(3,826)	(3,741)	2%	(1,637)	(1,657)	-1%
Sales revenue - goods and services	468,673	2,634,636	-82%	80,711	508,400	-84%
Cost of sales - goods and services	(452,675)	(2,624,829)	-83%	(74,402)	(505,762)	-85%
<b>Total Other Services Income</b>	<b>12,172</b>	<b>6,065</b>	<b>101%</b>	<b>4,672</b>	<b>981</b>	<b>376%</b>
<b>Net Financing operating Income</b>	<b>856,728</b>	<b>622,561</b>	<b>38%</b>	<b>317,892</b>	<b>201,082</b>	<b>58%</b>
Insurance Business	9M-2021	9M-2020	Change	Q3-2021	Q3-2020	Change
GWP	376,197	202,917	85%	121,914	71,595	70%
Reinsurance & Reserves	(148,272)	(89,080)	66%	(36,998)	(27,617)	34%
Claims & Provisions	(104,845)	(55,356)	89%	(50,984)	(29,830)	71%
Provisions for retrograde fluctuations at end of the period	(952)	(1,201)	-21%	(405)	(353)	15%
Investment Income	17,601	10,849	62%	7,048	3,885	81%
Outward reinsurance commissions income	15,607	7,038	122%	4,185	2,892	45%
Fee income	5,192	3,205	62%	2,007	1,226	64%
<b>Net Insurance Operating Income</b>	<b>160,527</b>	<b>78,372</b>	<b>105%</b>	<b>46,767</b>	<b>21,798</b>	<b>115%</b>
Total Other Insurance Income	43,709	35,423	23%	17,582	15,761	12%
Total Other Insurance Costs	(1,896)	(2,290)	-17%	(1,036)	(810)	28%
<b>Insurance Operating Income</b>	<b>41,813</b>	<b>33,133</b>	<b>26%</b>	<b>16,547</b>	<b>14,950</b>	<b>11%</b>
<b>Total Operating Income</b>	<b>1,059,068</b>	<b>734,065</b>	<b>44.3%</b>	<b>381,206</b>	<b>237,830</b>	<b>60%</b>
General and administrative expenses	(384,746)	(265,841)	45%	(136,845)	(92,726)	48%
Sales and distribution expense	(148,516)	(83,238)	78%	(56,042)	(37,226)	51%
Operating expense - Insurance Companies	(10,099)	(7,646)	32%	(3,830)	(3,536)	8%
Contingent provision	5,076	(5,921)	-186%	4,594	(1,224)	-475%
Impairment of financial assets	(7,340)	(32,333)	-77%	(9,927)	16,441	-160%
ESOP expenses	(17,887)	(12,133)	47%	(5,825)	(4,048)	44%
IPO Fees & Others	(689)	(439)	57%	(158)	(187)	-16%
<b>EBT</b>	<b>494,868</b>	<b>326,514</b>	<b>52%</b>	<b>173,173</b>	<b>115,325</b>	<b>50%</b>
Income Tax	(137,080)	(107,255)	28%	(52,987)	(41,587)	27%
<b>Net Income before Minorities</b>	<b>357,788</b>	<b>219,258</b>	<b>63%</b>	<b>120,186</b>	<b>73,738</b>	<b>63%</b>
Minorities	(27,449)	(25,598)	7%	(8,205)	(6,985)	17%
<b>Net Income</b>	<b>330,339</b>	<b>193,661</b>	<b>71%</b>	<b>111,981</b>	<b>66,753</b>	<b>68%</b>

# Financing Business Income Statement

	9M-2021	9M-2020	Change	Q3-2021	Q3-2020	Change
Income from financing activities	767,534	889,622	-14%	239,027	291,777	-18%
Portfolio Management fees (securitization issuances)	1,374	2,102	-35%	723	615	17%
Portfolio Management Fees (Sukuk Issuance)	19,062	-		10,579	-	
Portfolio Management fees from associates	1	0		0	(0)	
Net Revenue from portfolio transferred	2,165	8,066	-73%	354	2,779	-87%
Portfolio management fees	189	150	26%	64	45	42%
Discounting Gain	25,845	4,671	453%	8,736	4,671	87%
Interest income (cash surplus)	97,843	112,704	-13%	34,033	34,901	-2%
Other operating revenue	10,117	9,606	5%	4,441	2,173	104%
<b>Total Interest Income</b>	<b>924,129</b>	<b>1,026,921</b>	<b>-10%</b>	<b>297,956</b>	<b>336,960</b>	<b>-12%</b>
Interest expense	(509,217)	(650,484)	-22%	(157,376)	(198,369)	-21%
<b>Total Interest Expense</b>	<b>(509,217)</b>	<b>(650,484)</b>	<b>-22%</b>	<b>(157,376)</b>	<b>(198,369)</b>	<b>-21%</b>
<b>Net Interest Income</b>	<b>414,912</b>	<b>376,437</b>	<b>10%</b>	<b>140,580</b>	<b>138,591</b>	<b>1%</b>
Securitization Gain	-	101,778		-	(1,505)	
Discounting Gain	133,077	83,895	59%	73,450	38,529	91%
Sukuk early payment expense	(11,427)	-		(6,557)	-	
Sukuk Gain	220,103	-		75,213	-	
<b>Total Revenue from portfolio transfer</b>	<b>341,752</b>	<b>185,672</b>	<b>84%</b>	<b>142,106</b>	<b>37,024</b>	<b>284%</b>
Fee income	77,173	53,062	45%	28,052	24,355	15%
Other revenue	10,719	1,324	710%	2,482	131	1789%
contactcars.com revenue	-	-		-	-	
<b>Total Fee Income</b>	<b>87,892</b>	<b>54,386</b>	<b>62%</b>	<b>30,534</b>	<b>24,486</b>	<b>25%</b>
Insurance services revenue	-	-		-	-	
Insurance services Cost	(3,826)	(3,741)	2%	(1,637)	(1,657)	-1%
Sales revenue - goods and services	468,673	2,634,636	-82%	80,711	508,400	-84%
Cost of sales - goods and services	(452,675)	(2,624,829)	-83%	(74,402)	(505,762)	-85%
<b>Total Other Services Income</b>	<b>12,172</b>	<b>6,065</b>	<b>101%</b>	<b>4,672</b>	<b>981</b>	<b>376%</b>
<b>Operating Financing Income</b>	<b>856,728</b>	<b>622,561</b>	<b>37.6%</b>	<b>317,892</b>	<b>201,082</b>	<b>58%</b>
General and administrative expenses	(307,265)	(225,918)	36%	(108,214)	(80,080)	35%
Interest Expense (lease liability)	(16,677)	-		(9,920)	-	
G&A Cost Allocation	34,526	26,798	29%	14,362	10,098	42%
<b>Net Operating Expenses</b>	<b>(289,416)</b>	<b>(199,120)</b>	<b>45%</b>	<b>(103,772)</b>	<b>(69,982)</b>	<b>48%</b>
Sales and distribution expense	(55,414)	(35,271)	57%	(25,095)	(18,045)	39%
Operating expense	(10,099)	(7,646)	32%	(3,830)	(3,536)	8%
Contingent provision	5,470	(5,133)	-207%	2,809	(1,298)	-316%
Impairment of financial assets	(7,340)	(32,333)	-77%	(9,927)	16,441	-160%
ESOP expenses	(17,887)	(12,133)	47%	(5,825)	(4,048)	44%
Foreign currency differences	-	(36)		6	(39)	-116%
Board of directors' allowances	(689)	(403)	71%	(164)	(148)	11%
<b>EBT</b>	<b>481,353</b>	<b>330,485</b>	<b>46%</b>	<b>172,093</b>	<b>120,427</b>	<b>43%</b>
Income Tax	(129,487)	(101,448)	28%	(49,241)	(38,220)	29%
<b>Consolidated Financing net income before minorities</b>	<b>351,867</b>	<b>229,037</b>	<b>54%</b>	<b>122,853</b>	<b>82,206</b>	<b>49%</b>
Non-controlling interest	(20,234)	(22,500)	-10%	(6,123)	(6,521)	-6%
Contact Cars Net Loss	(10,947)	(7,532)		(10,947)	(2,911)	
<b>Adjusted Net profit</b>	<b>342,579</b>	<b>214,069</b>	<b>60%</b>	<b>127,676</b>	<b>78,597</b>	<b>62%</b>

# Insurance Business Income Statement

	9M-2021	9M-2020	Change	Q3-2021	Q3-2020	Change
Direct premiums	376,197	202,917	85%	121,914	71,595	70%
Outward reinsurance premiums	(110,214)	(52,937)	108%	(34,374)	(16,112)	113%
Provision of unearned premiums at end of the period	(38,059)	(36,143)	5%	(2,624)	(11,505)	-77%
Other operating income	5,192	3,205	62%	2,007	1,226	64%
Incurred claims	(104,845)	(55,356)	89%	(50,984)	(29,830)	71%
Provisions for retrograde fluctuations at end of the period	(952)	(1,201)	-21%	(405)	(353)	15%
Net income from designated investments	14,932	8,145	83%	6,046	3,100	95%
Investment income	2,669	2,704	-1%	1,002	785	28%
Outward reinsurance commissions income	15,607	7,038	122%	4,185	2,892	45%
<b>Net Underwriting Insurance Income</b>	<b>160,527</b>	<b>78,372</b>	<b>105%</b>	<b>46,767</b>	<b>21,798</b>	<b>115%</b>
Sales revenue - goods and services	28,426	21,913	30%	12,478	10,435	20%
Interest income (cash surplus insurance)	12,565	13,187	-5%	4,078	5,202	-22%
Money Market fee Income	1,430	-		381	-	
Fee income	1,287	315	309%	645	124	421%
Other revenue	-	8		-	-	
<b>Total Other Insurance Income</b>	<b>43,709</b>	<b>35,423</b>	<b>23%</b>	<b>17,582</b>	<b>15,761</b>	<b>12%</b>
Cost of sales - goods and services	(1,896)	(2,290)	-17%	(1,036)	(810)	28%
<b>Total Other Insurance Costs</b>	<b>(1,896)</b>	<b>(2,290)</b>	<b>-17%</b>	<b>(1,036)</b>	<b>(810)</b>	<b>28%</b>
<b>Net Other Insurance Operating Income</b>	<b>41,813</b>	<b>33,133</b>	<b>26%</b>	<b>16,547</b>	<b>14,950</b>	<b>11%</b>
<b>Total Insurance Operating Income</b>	<b>202,340</b>	<b>111,504</b>	<b>81%</b>	<b>63,314</b>	<b>36,749</b>	<b>72%</b>
General and administrative expenses - Insurance Companies	(41,825)	(31,910)	31%	(13,195)	(9,844)	34%
General and administrative expenses - Brokerage	(15,392)	(7,257)	112%	(4,490)	(2,478)	81%
G&A Cost Allocation	(34,526)	(26,798)	29%	(14,362)	(10,098)	42%
Operating expense - Insurance Companies	-	(204)		-	(67)	
Contingent provision	(2,823)	(431)	555%	(631)	(173)	264%
Foreign currency differences - Brokerage	125	(120)		20	(84)	
Interest Expense (Right of use) - Insurance Companies	(888)	-		(415)	-	
<b>Net Operating Expenses</b>	<b>(95,330)</b>	<b>(66,721)</b>	<b>43%</b>	<b>(33,073)</b>	<b>(22,744)</b>	<b>45%</b>
Direct commissions	(45,872)	(28,461)	61%	(15,525)	(11,094)	40%
Production costs	(47,230)	(19,506)	142%	(15,421)	(8,087)	91%
Impairment loss on receivable - Insurance Companies	(393)	(788)	-50%	1,785	74	2301%
<b>EBT</b>	<b>13,515</b>	<b>(3,972)</b>	<b>-440%</b>	<b>1,080</b>	<b>(5,102)</b>	<b>-121%</b>
Income Tax	(7,593)	(5,807)	31%	(3,747)	(3,366)	11%
<b>Consolidated Net income</b>	<b>5,921</b>	<b>(9,779)</b>	<b>-161%</b>	<b>(2,667)</b>	<b>(8,468)</b>	<b>-69%</b>
Minorities	(7,216)	(3,098)	133%	(2,082)	(464)	348%
<b>Net income</b>	<b>(1,294)</b>	<b>(12,876)</b>	<b>-90%</b>	<b>(4,749)</b>	<b>(8,933)</b>	<b>-47%</b>



# Key Definitions

## Key Financing Terms

NIM	Net Interest Income / Average Portfolio
Cost to Income	Net Operating Expenses / Operating Financing Income
ROE (Monthly Average)	Net Income / Monthly Average Equity
ROA (Monthly Average)	Net Income / Monthly Average Portfolio
Implied Tax Rate	Income Tax / EBT "Earnings Before Tax"
Net Revenue from Portfolio Transfer	Contact's funding strategy entails the routine offloading of its balance sheet portfolio using sukuk issuances, securitization, and discounting limits. The resulting revenue from portfolio transfer is partially booked as soon as the portfolio is offloaded with the remaining portion amortized over the lifecycle of the bond thus yielding a more even income curve.

## Key Insurance Terms

<u>Insurance Companies (Excluding Insurance brokerage)</u>	
Net Earned Premium	(Direct premiums+Outward reinsurance premiums+Provisions of unearned premiums at end of the year)
Loss %	Incurred claims/ NEP%
Expense %	{Provisions for retrograde fluctuations at end of the year + General and administrative expenses + Insurance Companies-G&A Cost Allocation +Impairment loss on receivable - Insurance Companies + Other operating income + Outward reinsurance commissions income+Direct commissions+Production costs} / NEP%
Combined %	Loss % + Expense %
<u>Insurance Companies (Including Insurance Brokerage)</u>	
Cost to Income (G&A)	Net Operating Expenses / Total Insurance Operating Income
Insurance Revenue	Total Insurance Operating Income (-) Total Other Insurance Costs (-) Incurred claims (-) Provisions for retrograde fluctuations at end of the year (-) Outward reinsurance premiums (-) Provisions of unearned premiums at end of the year