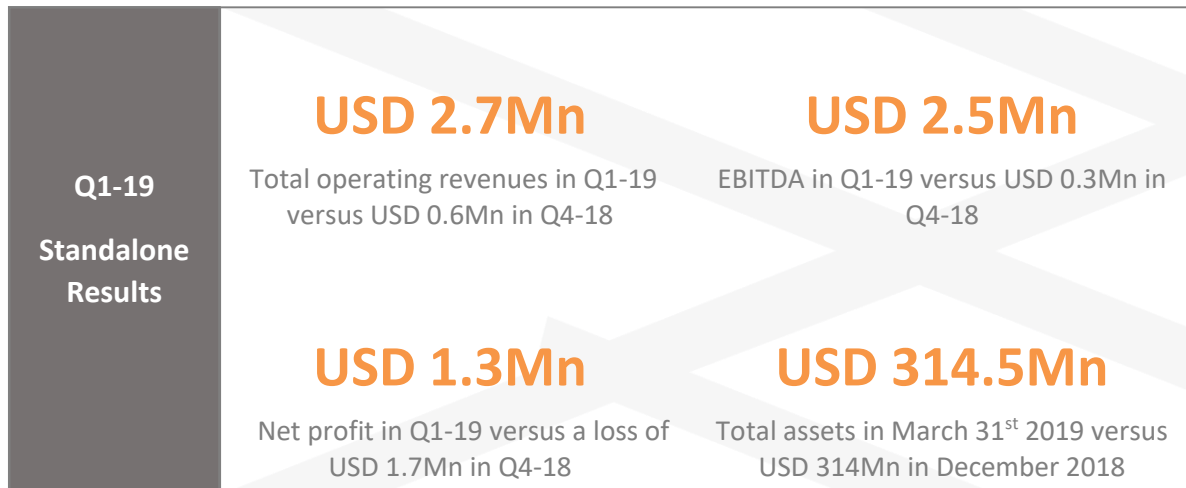
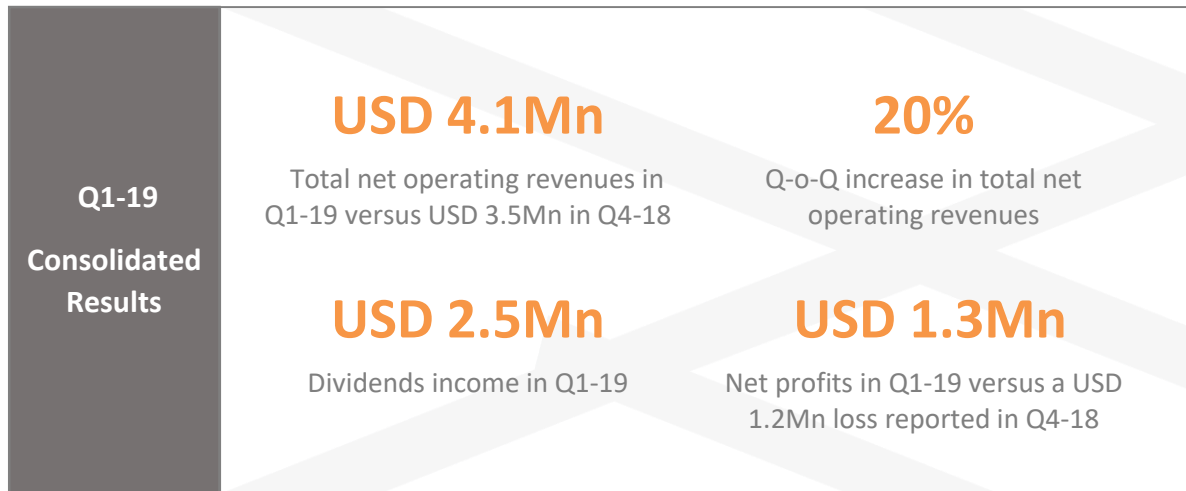


NAEEM Holding for Investments “NAEEM” reports Q1-19 consolidated results

Cairo, May 14th 2019, NAEEM reported its Q1-19 results with total net consolidated operating revenues of USD 4.1Mn, an EBITDA of USD 2.5Mn and net income after minority interest of USD 1.3Mn.



I. KEY FINANCIAL HIGHLIGHTS

Adjusted Net Operating Revenues Breakdown (000 USD)	Q1-19	Q4-18	Q1-18	Q-o-Q %	Y-o-Y %
Securities Brokerage	803	621	1,092	29%	-26%
Asset Management	26	33	63	-20%	-58%
Total Business Line Contribution	830	653	1,156	27%	-28%
	Q1-19	Q4-18	Q1-18	Q-o-Q %	Y-o-Y %
NAEEM's Operations & Investments	2,763	1,507	2,139	83%	29%
REACAP Financial Investments	642	1,473	2,775	-56%	-77%
Other Income (losses)	(94)	(183)	(151)	N/M	N/M
Total Investments Contribution	3,312	2,797	4,763	18%	-30%
Grand Total Adjusted Net Operating Revenues	4,141	3,451	5,919	20%	-30%

On a consolidated level during Q1-19, total net operating revenues grew by 20% Q-o-Q, driven by the 18% growth in NAEEM's operations and investments¹ mainly on the back of dividends income which stood at USD 2.5Mn. Revenues from business lines grew 27% during the same period, fueled by revenues stemming from securities' brokerage, as it increased 29% Q-o-Q.

REACAP reported total consolidated revenues amounting to EGP 11.2Mn during Q1-19 versus EGP 45.8Mn in Q4-18. Revenues from the sale of buildings owned by REACAP's subsidiary, "SVREICO"; had the lion's share of operating revenues contributing 95% to total revenues while rental income contributed the remaining 5%. As a result net profit after taxes amounted to EGP 7.3Mn versus EGP 0.8Mn in Q4-18.

Regarding profitability, the aforementioned quarterly increase in net operating revenues during Q1-19 translated into an EBITDA of USD 2.5Mn versus USD 1Mn in Q4-18, and an EBIT of USD 2.4Mn versus USD 0.9Mn in Q4-18. Interest & capital lease expenses retreated by 5% Q-o-Q, further boosting pretax gains to reach USD 1.5Mn versus a loss of USD 1Mn in Q4-18. As a result, net income after minority interest climbed to USD 1.3Mn in Q1-19 compared to a loss of USD 1.2Mn in Q4-18.

On a standalone basis, NAEEM reported net operating income of USD 2.7Mn in Q1-19, up 445% and 47% Q-o-Q and Y-o-Y, respectively; with dividends income being the main contributor. The increase in revenues allowed EBITDA to soar by 865% and 88% Q-o-Q & Y-o-Y, respectively, to USD 2.5Mn. During the same period, SG&A was up 9% Q-o-Q yet down by 47% Y-o-Y, while interest & lease expenses retreated by 18% and 66% Q-o-Q & Y-o-Y, respectively; further boosting net profits. NAEEM booked profits of USD 1.3Mn in Q1-19 versus a loss of USD 1.7Mn in Q4-18.

During Q1-19, on the consolidated level, NAEEM reported total adjusted net operating revenues of USD 4.1Mn, led by NAEEM's operations & investments contributing with USD 2.8Mn; followed by revenues stemming from NAEEM securities brokerage which recorded USD 0.8Mn.

On the operational level, during Q1-19, NAEEM's business lines revenues contributed 20% to the group's consolidated operating revenues versus 19% and 20% in Q4-18 & Q1-18, respectively. NAEEM's proprietary investments contributed the remaining 80% driven by strong performance of NAEEM's operations and investments' revenues.

¹ Includes custody, margin trading revenues, real estate investments sales and NAEEM's trading portfolio



Securities Brokerage was the main contributor to the group's business lines revenues with a 97% contribution in Q1-19. Asset Management contributed with the remaining 3% to the group's business lines revenues, where management fees constituted 67% of total fees while performance fees generated the remaining 33%.

On the prop investments level, REACAP reported total consolidated revenues amounting to EGP 11.2Mn during Q1-19 versus EGP 45.8Mn in Q4-18. Revenues from the sale of buildings owned by REACAP's subsidiary, "SVREICO"; had the lion's share of operating revenues contributing 95% to total revenues while rental income contributed the remaining 5%. As a result net profit after taxes amounted to EGP 7.3Mn versus EGP 0.8Mn in Q4-18. REACAP resumed sales in project ARC Business Park, the company's second integrated business complex, launched in 1H-18 following project LINX's success. The project offers office space with a total BUA of 12,000 sqm, at an estimated investment cost is EGP 260Mn.

II. KEY OPERATIONAL HIGHLIGHTS

1. Brokerage

The EGX30 kicked off 2019 on a bullish note as it ended Q1-19 at 14,665.8, marking a 13% rally; versus 13,035.77 in Dec-18. The Central Bank of Egypt cut its key interest rates by 100 bps in Feb-19 in a move that restored confidence in the improving economy. This was further supported by Fitch Ratings upgrading Egypt's long-term foreign-currency issuer default rating to 'B+' with a 'stable' outlook on the back of "further progress in implementing economic and fiscal reforms, which are driving improved macroeconomic stability, fiscal consolidation and stronger external finances."

During Q1-19, EGX turnover was up 17% Q-o-Q while company turnover soared 89% Q-o-Q driven by increased transactions in the main market as well as over the counter (OTC). On a yearly basis, company turnover retreated by 17% Y-o-Y versus the EGX30 where the latter retreated by 25.9% Y-o-Y. Revenues from brokerage activities amounted to USD 0.8Mn in Q1-19 up 29% Q-o-Q yet down 26% Y-o-Y.

		Q1-19	Q4-18	Q1-18	Q-o-Q	Y-o-Y
Egypt	EGX Turnover (000 EGP)	134,151,447	115,049,339	180,958,227	17%	-25.9%
	Company Turnover (000 EGP)	4,734,117	2,506,213	5,734,839	89%	-17%
	Market Share	3.5%	2.2%	3.2%		

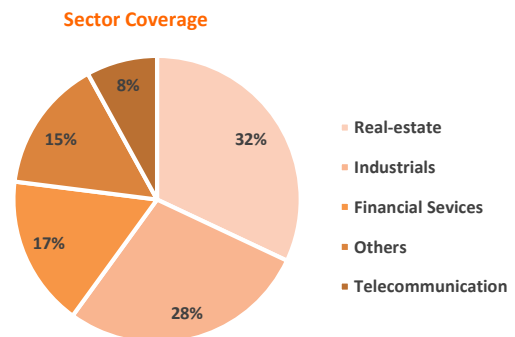
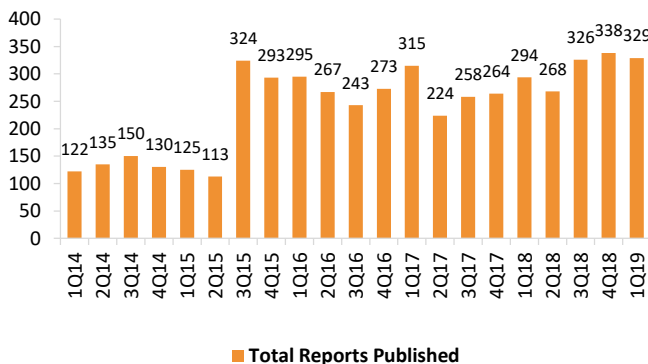
EGX main market turnover reached EGP 134.2Bn during Q1-19. NAEEM Brokerage Egypt (NBE) and Etihad Capital Securities Brokerage (Formerly Al Tawfeek Brokerage "AT Brokerage") combined turnover amounted to EGP 4.7Bn up 89% Q-o-Q nevertheless, down by 17% Y-o-Y. NBE & Etihad Capital Securities Brokerage ended Q1-19 with a combined market share of 3.5%.

Average daily Commission amounted to EGP 233k in Q1-19, up 100.1% and 5.3% Q-o-Q & Y-o-Y, respectively.

2. Research

NAEEM Research, which falls under NAEEM Brokerage Egypt, offers tailored research, regular macro-overview reports, in addition to management interaction and on-the-ground support for clients.

In Q1-19, NAEEM Research issued 329 report in both Arabic and English.



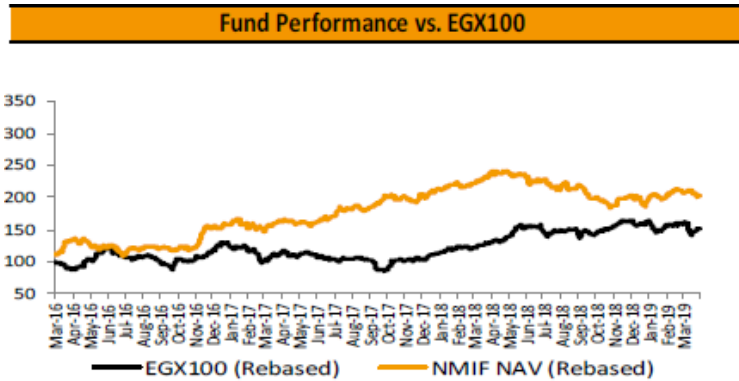
The Research department covers all major sectors in the MENA region including Real estate, Petrochemicals, Oil & Gas, Building materials, Telecommunications, financial services, and other sectors. The department also offers a wide range of products covering both fundamental as well as technical research.

3. Asset Management

NAEEM’s total Assets under Management (AUMs) are booked at USD 365.6Mn as of March 31st 2019.

A. Listed Equities

In Feb-19, the Central Bank of Egypt cut interest rates by 100 basis points, with the overnight deposit and lending rates reaching 15.75% and 16.75%, respectively. This cut marks the first reduction since Mar-18. The CBE held rates steady in Mar-19 despite annual core inflation declining to 8.9% compared to 9.2% in Feb-19 yet was slightly up compared to 8.3% in Dec-18. EGX30 index ended Q1-19 at 14,655.8 up 13% Q-o-Q and down 16% Y-o-Y.



Q1-19 witnessed slight redemptions as the number of client portfolios retreated by 2% Q-o-Q and Y-o-Y. Egypt based AUMs were up 0.2% Q-o-Q yet down by 16.2% Y-o-Y. From a dollar perspective, NAEEM’s AUMs were up 3.5% Q-o-Q yet down 14.9% Y-o-Y.

During Q1-19, management fees constituted 67% of total fees while performance fees generated the remaining 33%. As of Q1-19, the Asset Management clients’ base was 82% individual clients and 18% institutional clients.

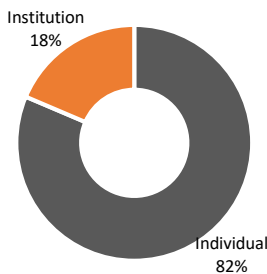
NAEEM Misr Islamic Fund (NMIF)

NMIF certificate price recorded EGP 202.94 on March 31st 2019, slightly up by 2% Q-o-Q yet down 14% Y-o-Y; nevertheless outperforming the EGX100 benchmark index which inched up 0.7% Q-o-Q and retreated by 22% Y-o-Y.

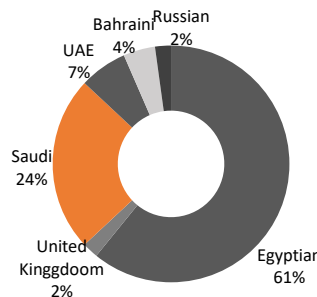
Al Baraka Bank Fund

The fund certificate price reached EGP 102.3 on March 31st 2019, up 4% Q-o-Q yet down 9% Y-o-Y.

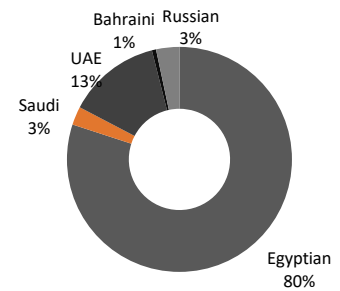
Q1-19 Portfolio Allocation by Client Type



Q1-19 Portfolio & Funds Number Breakdown by Nationality



Q1-19 AUM Value Breakdown by Nationality



B. Egyptian Gulf Bank (EGBank)

Income Statement (000 EGP)	Q1-19	Q4-18	Q1-18	Q-o-Q%	Y-o-Y%
Net interest income	453,856	464,070	436,052	-2.2%	4.1%
Fees and commissions income	93,375	77,955	73,359	19.8%	27.3%
Other income	31,297	21,023	22,799	48.9%	37.3%
Net operating income	243,249	265,817	236,525	-8.5%	2.8%
Provisions	(79,674)	(29,255)	(45,659)	N/M	N/M
Net profit after taxes	145,786	154,292	136,536	-5.5%	6.8%

Balance Sheet (000 EGP)	Q1-19	Q4-18	Q1-18	Q-o-Q%	Y-o-Y%
Cash and marketable securities	23,043,825	16,203,000	11,438,758	42%	101.5%
Total loans	24,668,742	26,081,281	25,033,918	-5%	-1.5%
Total Assets	67,203,548	61,611,704	63,701,361	9%	5.5%
Total deposits	57,934,892	50,539,541	55,827,863	15%	3.8%
Shareholders' Equity	3,853,236	3,612,077	3,530,379	6.7%	9.1%

Key ratios	Q1-19	Q4-18	Q1-18	Q-o-Q%	Y-o-Y%
NIM (%)	0.8%	0.9%	1.5%	(0.1)	(0.7)
Loan to deposits (%)	42.6%	51.6%	44.8%	(9.0)	(2.3)
Growth in deposits	14.6%	-12.5%	20.1%	27.1	(5.5)
Growth in loans	-5.4%	-0.2%	3.7%	(5.3)	(9.1)
NPL / gross loans	1.9%	2.0%	1.0%	(0.1)	0.9

EGBank reported net operating income of EGP 243.2Mn in Q1-19 up 2.8% Y-o-Y on the back of a 4%, 27% and 37% increases in net interest income, fees and commissions income² as well as other income (mainly generated from trading activity); respectively. Despite the increase in Provisions by 74% Y-o-Y, the bank's bottom line remained healthy and grew 6.8% Y-o-Y to EGP 145.8Mn versus EGP 136.5Mn in Q1-18.

On a quarterly basis, net operating income retreated by 8.5% Q-o-Q to EGP 243Mn in Q1-19 as a result of a 2.2% contraction in net interest income. Net profit was also affected by the higher provisions booked during the quarter amounting to EGP 79.7Mn compared to EGP 29.3Mn during Q4-18. Consequently, Net Profit after tax retreated by 5.5% Q-o-Q.

The bank announced strong growth in customer deposits as it grew 15% and 3.8% Q-o-Q & Y-o-Y, respectively; reaching EGP 57.9Bn. Loans portfolio contracted to EGP 24.7Bn, down 5% and 1.5% Q-o-Q & Y-o-Y, respectively; translating into a loan to deposits ratio of 43% as of Mar-19 versus 51.6% in Dec-18 NPL to Gross Loans ratio remained unchanged at 2% in Mar-19.

² Generated from credit commissions and fees as well as other banking operations fees

C. REACAP Financial Investments (REACAP)

REACAP reported total consolidated revenues amounting to EGP 11.2Mn during Q1-19 versus EGP 45.8Mn in Q4-18. Revenues from the sale of buildings owned by REACAP’s subsidiary, “SVREICO”; had the lion’s share of operating revenues contributing 95% to total revenues while rental income contributed the remaining 5%. As a result net profit after taxes amounted to EGP 7.3Mn versus EGP 0.8Mn in Q4-18.

As for Standalone results, REACAP reported net profits EGP 47.8Mn versus a loss of EGP 84K in Q4-18. Profits were generated mainly by SVREICO’s dividends distribution.

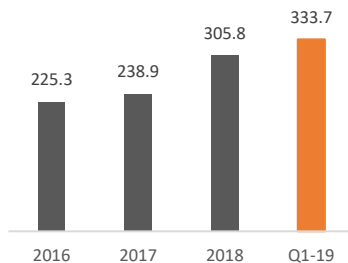
Operational Highlights:

REACAP resumed sales in project ARC Business Park, the company’s second integrated business complex, launched in 1H-18 following project LINX’s success. The project offers office space with a total BUA of 12,000 sqm, at an estimated investment cost is EGP 260Mn.

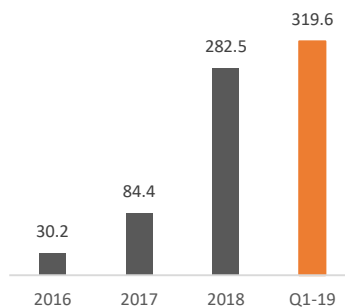
SVREICO continued to drive REACAP’s profitability and boost its assets’ base in terms of receivables reflecting projects’ sales. As of March 31st 2019, Project LINX has successfully sold 77% of its units, while project ARC has sold 27% since its launch in 2018 as highlighted in the table below.

Project	Sold area in sqm	Value in EGP	Description
LINX	8,130	215Mn	Reserved units sales shall be recognized upon delivery
ARC	3,185	95Mn	Reserved units sales shall be recognized upon delivery

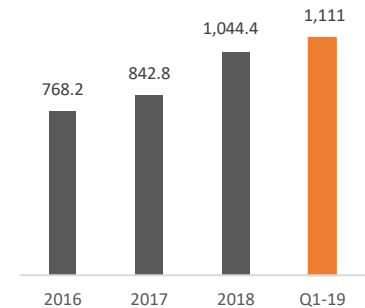
Project under development in EGP Mn



Total Receivables in EGP Mn



Total Assets in EGP Mn



D. Arab Sweeteners Company

Arab Sweeteners Company (ASC) – a fully owned subsidiary of NAEEM - is building a USD 145Mn wet corn milling facility in 10th of Ramadan, with a daily grinding capacity of 1,500 tons of yellow corn yielding 300,000 tons of high fructose corn syrup annually in addition to other products.

During 2H-18 and Q1-19, the company has resumed preliminary civil works at the site (fencing, soil tests and excavation works, etc.) that commenced during the previous quarter. Moreover, the company has awarded the project's civil and electromechanical designs, management and construction supervision to one of the reputable engineering consultancy firms operating in Egypt with a long track record in the management of similar projects.



4. Investment Banking

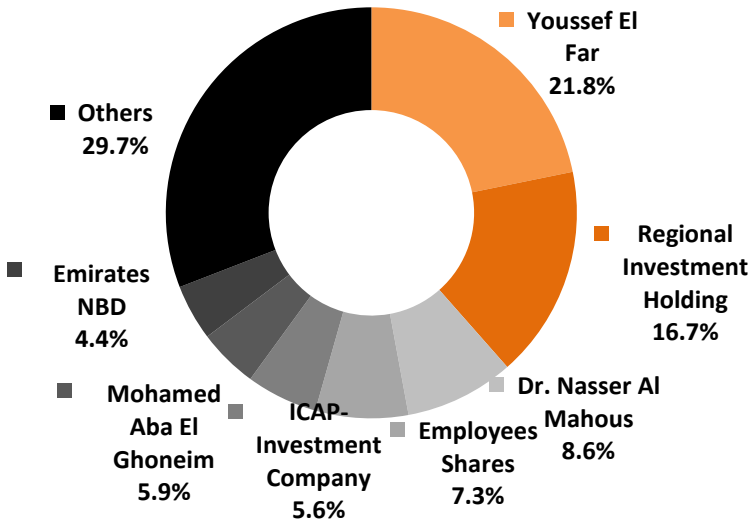
Leveraging on NAEEM Group's MENA presence, the Investment Banking division has generated a diversified pipeline during Q1-19. NAEEM IB continued to pitch new clients across several sectors including:

1. Education
2. Food & Beverage
3. Agriculture
4. Financial services
5. Real Estate

Pipeline transactions are separated into External Clients Advisory Services and NAEEM Group Proprietary investments advisory.

III. NAEEM HOLDING STANDALONE

Shareholding structure as of 28-3-2019



Note: NAHO free float shares amount to 42.32%

NAEEM in Figures

USD 2.7Mn

NAEEM's operating revenues in Q1-19 versus USD 0.6Mn in Q4-18

4,000

Number of Institutional & Retail Shareholders as of March 31st 2019

USD 314.5Mn

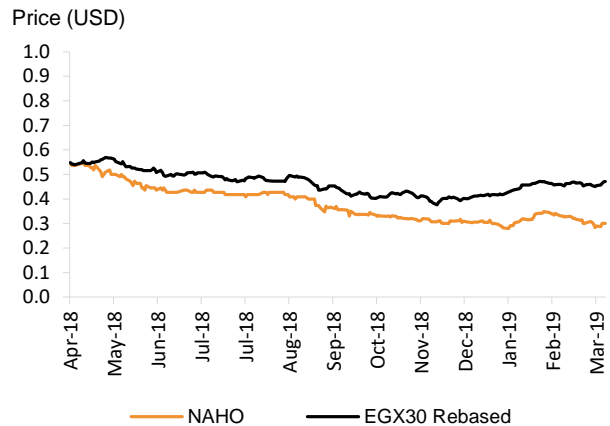
Total Assets as of March 31st 2019

On a standalone basis, NAEEM reported net operating income of USD 2.7Mn in Q1-19, up 445% and 47% Q-o-Q and Y-o-Y, respectively; with dividends income being the main contributor. The increase in revenues allowed EBITDA to soar by 865% and 88% Q-o-Q & Y-o-Y, respectively, to USD 2.5Mn. During the same period, SG&A was up 9% Q-o-Q yet down by 47% Y-o-Y, while interest & lease expenses retreated by 18% and 66% Q-o-Q & Y-o-Y, respectively; further boosting net profits. NAEEM booked profits of USD 1.3Mn in Q1-19 versus a loss of USD 1.7Mn in Q4-18.

Company Snapshot

Ticker:	NAHO EY NAHO - DU
Mkt Cap (USD Mn):	99.08
Shares Outstanding (Mn):	343.50
Share Price (USD):	0.30

*As of March 31th2019





This earning release may contain certain forward looking statements including investment banking pipeline, market shares, investments' exists, future banking performance, economic and financial conditions including in particular the likelihood of a project's success or a business acquisition/expansion. All prospective investors must make their own investigation and evaluation of the investment opportunities stated in this document. Forward-looking statements can be identified by the use of forward-looking terminology such as "believes", "expects", "may", "will", "intends", "anticipates", "should" or comparable terminology. Such statements are subject to uncertainties and should not be taken as representations. NAEEM will not be held accountable to the outcome of any forward looking statement.

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NAEEM HOLDING
FOR INVESTMENT

Asset Management | Investment Banking
Brokerage | Investments

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Listing Symbols- The Egyptian Exchange (EGX)

Reuters Code: NAHO.CA

Bloomberg Code: NAHO EY

Listing Symbol- Dubai Financial Market (DFM)

NAHO-DU