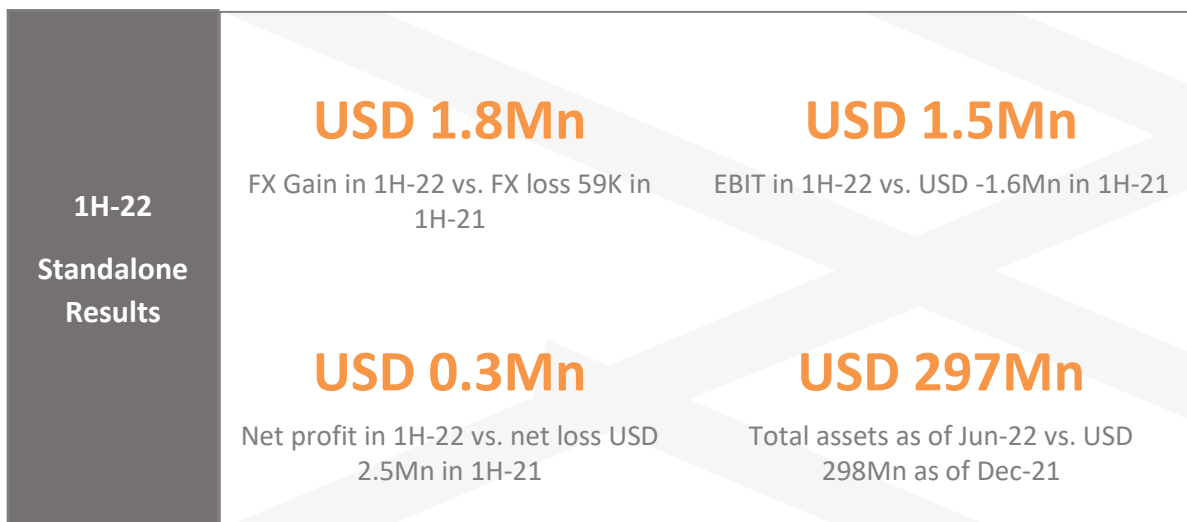
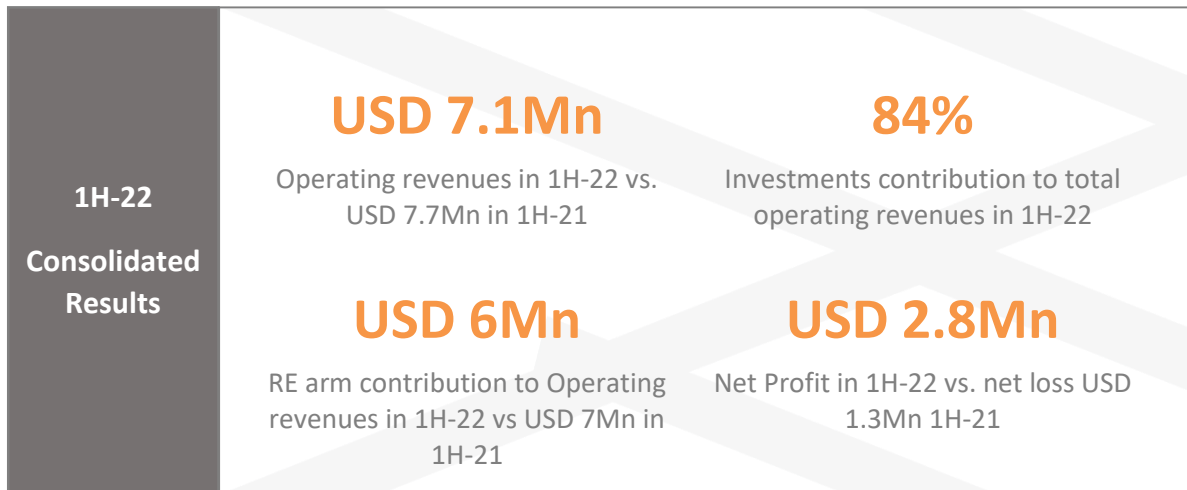




NAEEM Holding for Investments “NAEEM” reports 1H-22 consolidated and standalone results

Cairo, August 10th 2022, NAEEM reported its 1H-22 results with total net consolidated operating revenues of USD 7.1Mn and net profit of USD 2.8Mn. Standalone financials reported net profit of USD 0.3Mn during the same period.





I. KEY FINANCIAL HIGHLIGHTS

Operating Revenues Breakdown (000 USD)	Q2-22	Q1-22	Q2-21	Q-o-Q %	Y-o-Y %	1H-22	1H-21	Y-o-Y %
Securities Brokerage	471	639	510	-26%	-8%	1,111	1,273	-13%
Asset Management	5	12	229	-59%	-98%	17	296	-94%
Others			18	N/M	N/M		18	N/M
Total Business Line Contribution	476	651	758	-27%	-37%	1,127	1,587	-29%

	Q2-22	Q1-22	Q2-21	Q-o-Q %	Y-o-Y %	1H-22	1H-21	Y-o-Y %
NAEEM's Operations & Investments	261	78	(192)	236%	N/M	338	(821)	N/M
REACAP Financial Investments	5,745	181	6,451	3069%	-11%	5,926	6,952	-15%
Other Income (losses)	(156)	(185)	(42)	N/M	N/M	(341)	(2)	N/M
Total Investments Contribution	5,849	74	6,217	7792%	-6%	5,923	6,129	-3%
Grand Total Operating Revenues	6,325	725	6,975	772%	-9%	7,051	7,715	-9

During 1H-22, NAEEM reported consolidated net operating revenues of USD 7.1Mn down 9% Y-o-Y; revenues from investments contributed 84% to net operating revenues, led by REACAP -NAEEM's Real Estate arm- where the latter contributed USD 5.9Mn to net operating revenues during the same period. NAEEM's business lines, contributed the remaining 16% of the net operating revenues mainly on the back of Securities' brokerage; reporting USD 1.1Mn, 13% down Y-o-Y, followed by Asset Management reporting the remaining USD 17K. The latter witnessed a 94% Y-o-Y drop amid the current turmoil in global equity markets, taking its toll on overall performance fees.

REACAP reported consolidated results in 1H-22 with total operating revenues witnessing whopping growth 131.3% Y-o-Y to EGP 236.3Mn in 1H-22 versus EGP 102.2Mn in 1H-21; predominantly driven by deliveries in project ARC. Revenues from sale of projects by REACAP's subsidiary - SVREICO for real-estate investment "SVREICO" – contributed 95.9% to operating revenues while rental income, maintenance revenues and coupon revenues accounted for 2.3%, 1.5% and 0.3%, respectively. REACAP's net profit jumped 191.1% to EGP 66.3Mn in 1H-22, compared to EGP 22.8Mn in 1H-21.

During Q2-22, NAEEM reported total operating revenues of USD 6.3Mn driven by REACAP's revenues of USD 5.7Mn, followed by total commission and management fees amounting to USD 0.5Mn. NAEEM also reported a USD 0.3Mn FX gain amid the recent EGP devaluation versus the USD. G&A expenses retreated 8% and 15%, Q-o-Q & Y-o-Y; respectively to USD 1.6Mn during the same quarter. whereas interest and leasing expenses were up 41% & 31% Q-o-Q & Y-o-Y; respectively to USD 0.9Mn. As a result, NAEEM reported net profit after taxes of USD 3.1Mn I Q2-22 versus net loss USD 0.3Mn in Q1-22 and a net profit of USD 233K in Q2-21.

On a standalone basis, NAEEM reported USD 338K operating revenues during 1H-22, driven by coupons' income as well as custody & margin trading income, contributing 61% & 39% respectively to total operating revenues. NAEEM was positively affected by the recent EGP devaluation against the USD, the company reported an FX gain of USD 1.8Mn during 1H-22; which translated to an EBIT of USD 1.5Mn versus a negative EBIT of USD 1.6Mn in 1H-21. NAEEM reported net profits of USD 0.3Mn in 1H-22 versus a net loss of USD 2.5Mn in 1H-21.





On the operational level, during Q2-22, revenues from investments contributed 92% to net operating revenues, led by REACAP, in which the latter generated USD 5.7Mn. NAEEM's business lines, contributed the remaining 8% of the net operating revenues, mainly on the back of Securities' brokerage; reporting USD 0.5Mn during the same quarter.

Regarding NAEEM's prop account, REACAP's subsidiary - SVREICO for real-estate investment "SVREICO" continued to drive REACAP's profitability. Project ARC deliveries in Q2-22 lead the changes in assets' base in terms of the following: collection of receivables which resulted in a drop in balance by 23% to EGP 194.7Mn versus EGP251.2Mn as of Dec-21; while projects under construction (PUC) retreated 25% to EGP 330.3Mn compared to EGP 440.6 as of Dec-21 on the back of the delivery units. Total assets recorded EGP 1.2Bn in Jun-22 versus EGP 1.3Bn in Dec-21.



KEY OPERATIONAL HIGHLIGHTS

1. Brokerage

The Egyptian market index, EGX30, resumed the downtrend amid current global economic slowdown; dropping to 9,225 points as of June 30th 2022, down 17.9% & 12.7% Q-o-Q and Y-o-Y respectively, to reach levels not witnessed since November 2016. Total market capitalization in 1H-22 fell 18.2% Y-o-Y, standing at EGP 337.4Bn. Headwinds including global inflation, rising US interest rates and geopolitical uncertainties amid the Russian-Ukrainian war has taken its toll on overall international equity markets.

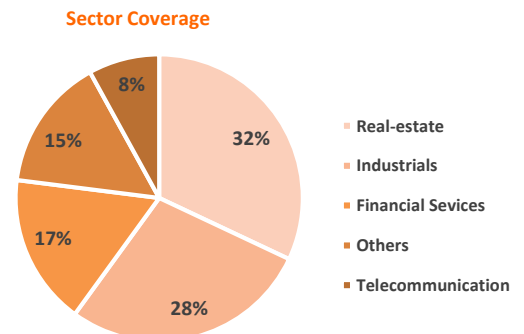
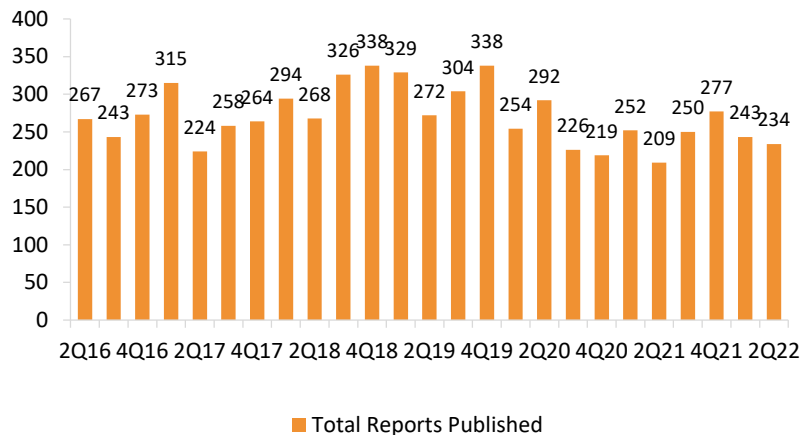
		Q2-22	Q1-22	Q2-21	Q-o-Q	Y-o-Y	1H-22	1H-21	Y-o-Y
Egypt	EGX Turnover (000 EGP)	177,096,116	160,288,880	195,459,266	10%	-9%	337,384,996	412,421,623	-18%
	Company Turnover (000 EGP)	3,683,416	4,522,416	3,025,656	-19%	22%	8,205,832	7,847,884	5%
	Market Share	2.1%	2.8%	1.5%			2.4%	1.9%	

Regarding NAEEM Brokerage Egypt's (NBE) performance, Q2-22 turnover was down 19% Q-o-Q yet up 22% Y-o-Y. NBE turnover translated into a market share of 2.1% pushing revenues to USD 0.47Mn in Q2-22, retreating 26% and 8% Q-o-Q & Y-o-Y versus USD 0.6Mn & USD 0.51Mn in Q1-22 and Q2-21; 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 Q2-22, NAEEM Research issued 234 reports in both Arabic and English.



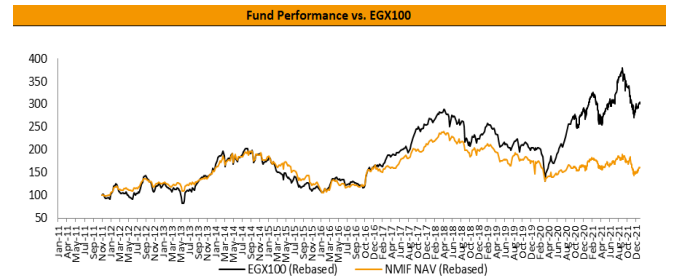
The Research department covers all major sectors in the MENA region including Real estate, Petrochemicals, Oil & Gas, Building materials, Telecommunications, Financial services, and other sectors. The department also offers a wide range of products covering both fundamental as well as technical research.

3. Asset Management

NAEEM's total Assets under Management (AUMs) retreated to USD 322Mn as of Jun-22, down 2.6% versus USD 330.7Mn in Mar-22. On a dollar basis, NAEEM's listed equities retreated 6.5% and 22.9% Q-o-Q and Y-o-Y; respectively, amid the recent EGP devaluation versus the USD.

A. Listed Equities

The Central Bank of Egypt (CBE) raised the overnight deposit rate & the overnight lending rate by 200 basis points to 11.25% and 12.25%, respectively in May-22; this is the second increase this year after +100bp earlier in Mar-22. The CBE followed suit after the Feds raised interest rates amid escalating inflation levels. This decision was driven by the hike in annual core inflation rates, in which the latter recorded 14.6% in Jun-22 up from 13.3% in May-22 and 10.1% in Mar-22. Annual Core inflation has been on the rise since the beginning of the year after reporting 6.3% in Jan-22.



During Q2-22, total AUMs retreated 3.9% & 4.4%, Q-o-Q and Y-o-Y; respectively; while Egypt based AUMs retreated 3.6% and 7.5% Q-o-Q and Y-o-Y; respectively. During Q2-22, fees from asset management continued its decline as recent market conditions had a negative effect on overall performance fees. Asset management fees dropped 94% Y-o-Y in 1H-22. Performance fees were rather marginal, generating 10% while management fees constituted 90% of the total asset management fees during the same period. As of Q2-22, Asset Management clients' base was 91% individuals and 9% institutional clients.

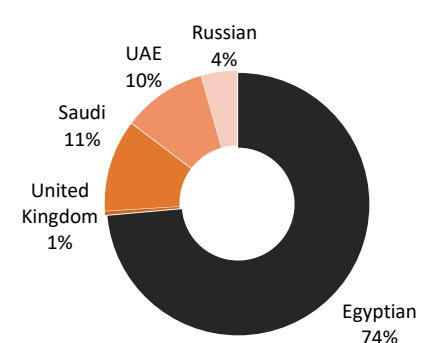
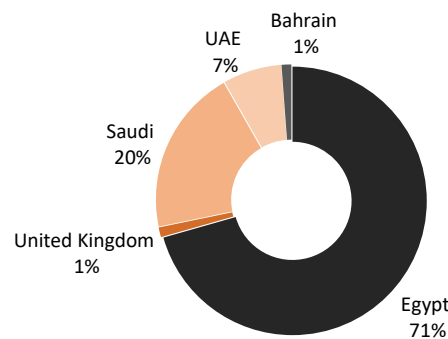
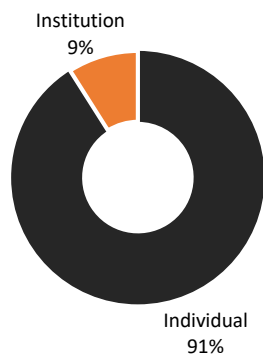
Al Baraka Bank Fund

Al Baraka Fund ended the quarter with a NAV of EGP 85.31 as of June 30th 2022; retreating 8.5% & 14.6% Q-o-Q and Y-o-Y; respectively. Al Baraka was ranked first among open ended Islamic Balanced funds during Q2-22.

NAEEM Misr Islamic Fund (NMIF)

NAEEM Misr Islamic Fund ended the quarter with a NAV equivalent to EGP 116.54 as of June 30th 2022; retreating by 14.5% & 32.7%, Q-o-Q and Y-o-Y; respectively.

Q2-22 Portfolio Allocation by Client Type Q2-22 Portfolio & Funds Number Breakdown by Nationality Q2-22 AUM Value Breakdown by Nationality



B. Egyptian Gulf Bank (EGBank)

Income Statement (000 EGP)	Q2-22	Q1-22	Q2-21	Q-o-Q%	Y-o-Y%	1H-22	1H-21	Y-o-Y%
Net interest income	685,460	678,470	666,891	1.0%	2.8%	1,363,930	1,329,151	2.6%
Fees and commissions income	99,705	112,933	81,576	-11.7%	22.2%	212,638	191,294	11.2%
Other income	28,453	37,544	22,626	-24.2%	25.8%	65,997	60,799	8.5%
Provisions	(24,753)	(38,340)	(22,915)	-35.4%	8%	(63,093)	(282,460)	-77.7%
Net operating income	379,910	386,668	378,984	-1.7%	0.2%	766,578	703,652	8.9%
Net profit after taxes	212,059	197,408	174,377	7.4%	21.6%	409,467	333,953	22.6%

Balance Sheet (000 EGP)	Q2-22	Q1-22	Q2-21	Q-o-Q%	Y-o-Y%	6M-22	6M-21	Y-o-Y%
Cash and marketable securities	8,079,280	7,961,054	3,947,218	1.5%	104.7%	8,079,280	3,947,218	104.7%
Total loans	25,133,196	25,928,544	23,038,390	-3.1%	9.1%	25,133,196	23,038,390	9.1%
Total Assets	81,874,980	82,523,699	79,675,351	-0.8%	2.8%	81,874,980	79,675,351	2.8%
Total deposits	70,789,256	69,895,855	68,650,903	1.3%	3.1%	70,789,256	68,650,903	3.1%
Shareholders' Equity	5,123,810	5,445,350	5,527,675	-5.9%	-7.3%	5,123,810	5,527,675	-7.3%

Key ratios	Q2-22	Q1-22	Q2-21	Q-o-Q%	Y-o-Y%	6M-22	6M-21	Y-o-Y%
NIM (%)	1%	1%	0.9%	0.0	(0.0)	0.9%	1.2%	(0.0)
Loan to deposits (%)	35.5%	37.1%	33.6%	(1.6)	1.9	35.5%	33.6%	1.9
Growth in deposits	1.3%	8.5%	2.2%	(7.2)	(0.9)	3.1%	18.1%	(0.9)
Growth in loans	-3.1%	11.5%	-2.0%	(14.6)	(1.1)	9.1%	9.0%	(1.1)
NPL / gross loans	4.5%	5.5%	5.8%	(1.0)	(1.3)	4.5%	5.8%	(1.3)

EGBank reported net interest income of EGP 1.4Bn in 1H-22, slightly up 2.6% Y-o-Y. Fees and commissions income¹ climbed 11.2% Y-o-Y, while other income was up 8.5% Y-o-Y. As a result, net operating income grew 8.9% Y-o-Y, supported by the sharp decline in provisions which offset the increase in G&A expenses; where total provisions booked by the bank during 1H-22 amounted to EGP 63.1Mn, decreasing 77.7% Y-o-Y. Overall, EGBank reported net profit after tax of EGP 409.5Mn in 1H-22, up 22.6% Y-o-Y, also partially driven by lower effective tax rates in 1H-22.

As for Q2-22, net interest income grew marginally by 1% Q-o-Q yet was up 2.8% Y-o-Y to EGP 685.5Mn. on the other hand, Fees and commissions income retreated 11.7% Q-o-Q yet grew 22.2% Y-o-Y, whereas other income followed suit, retreating 24.2% Q-o-Q and increasing 25.8% Y-o-Y. Total provisions booked by the bank during Q2-22 amounted to EGP 24.8Mn, down 35.4% Q-o-Q yet up 8% Y-o-Y. As a result, net operating income stood at EGP 379.9Mn, down 1.7% Q-o-Q and relatively flat Y-o-Y as it inched 0.2% higher; resulting into net profit after tax of EGP 212.1Mn in Q2-22, up 7.4% & 21.6% Q-o-Q & Y-o-Y, respectively.

Customer deposits amounted to EGP 70.8Bn in Jun-22, up 1.3% and 3.1% Q-o-Q & Y-o-Y, respectively; while total loans recorded EGP 25.1Bn during the same period, down 3.1% Q-o-Q yet up 9.1% Y-o-Y. This translated into a loan to deposits ratio of 35.5% in Jun-22 versus 37.1% & 33.6% in Q1-22 and Q2-21; respectively. NPL to Gross Loans ratio retreated to 4.5% in Q2-22 versus 5.5% & 5.8% in Q1-22 and Q2-21; respectively, indicating an improvement in asset quality.

¹ Generated from credit commissions and fees as well as other banking operations fees

C.REACAP Financial Investments (REACAP)

REACAP reported consolidated results in 1H-22; total operating revenues witnessed whopping growth 131.3% Y-o-Y to EGP 236.3Mn in 1H22, versus EGP 102.2Mn in 1H-21; predominantly driven by deliveries in project ARC. Revenues from sale of projects by REACAP's subsidiary - SVREICO for real-estate investment "SVREICO" – contributed 95.9% to operating revenues while rental income, maintenance revenues and coupon revenues accounted for 2.3%, 1.5% and 0.3%, respectively. As for non-operational revenues, REACAP reported revenues from penalties on delayed payments amounting to EGP 4.6Mn as well as revenues from treasury bills yields and interest income amounting to EGP 2.7Mn in 1H-22. The company was negatively affected by the recent EGP devaluation, incurring EGP 6.4Mn FX loss. Nevertheless, the company's net profit jumped 191.1% to EGP 66.3Mn in 1H-22, compared to EGP 22.8Mn in 1H-21.

As for Q2-22 consolidated results, SVREICO delivered 52% of project ARC business park hence recognized the previously rolled over project's sales during the first quarter of 2022 as well as the project's sales in 2021. Operating revenues plummeted to EGP 233.3Mn versus EGP 3Mn and EGP 94.5Mn in Q1-22 and Q2-21; respectively. During the quarter, REACAP reported revenues from penalties on delayed payments amounting to EGP 2.4Mn, revenues from treasury bills yields and interest income EGP 1.8Mn and EGP 1.1Mn FX loss, translating into net profit EGP 75.8Mn up 228.4% Y-o-Y versus EGP 23.1Mn in Q2-21, and compared to a loss of EGP -9.5Mn in Q1-22.

Project ARC deliveries in Q2-22 lead the changes in assets' base in terms of the following: collection of receivables which resulted in a drop in balance by 23% to EGP 194.7Mn versus EGP 251.2Mn as of Dec-21; while projects under construction (PUC) retreated 25% to EGP 330.3Mn compared to EGP 440.6 as of Dec-21 on the back of the delivery units. Total assets recorded EGP 1.2Bn in Jun-22 versus EGP 1.3Bn in Dec-21.

Operational Highlights:

Following project LINX's and ARC business parks success, SVREICO launched its third business park "Northside" in Smart Village, the project spans across a land area of 1,500 sqm and BUA of 6,000 sqm, the project offers office spaces ranging between 58-150 sqm, with an estimated investment cost of EGP 140Mn.

4. Investment Banking

Leveraging on NAEEM Group's MENA presence, the Investment Banking division has generated a diversified pipeline for FY22. NAEEM IB continued to pitch new clients across several sectors including:

1. Education
2. Healthcare
3. Industrial
4. Real Estate
5. Financial services

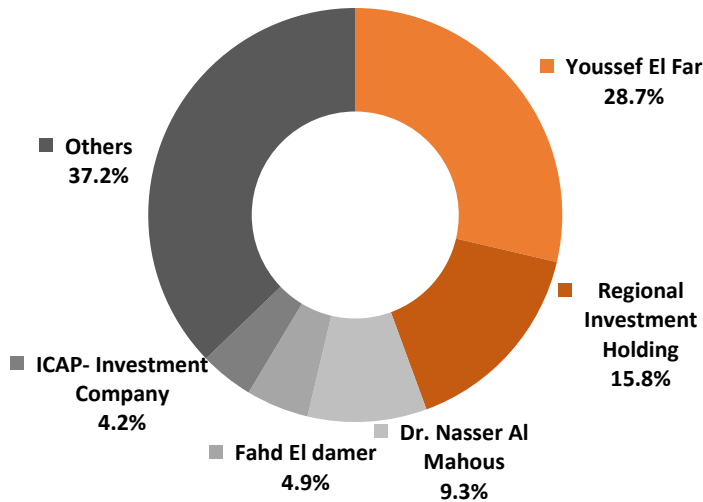
Pipeline transactions are separated into External Clients Advisory Services and NAEEM Group Proprietary investments advisory.



II. NAEEM HOLDING STANDALONE

NAEEM in Figures

Shareholding Structure as of June 2022



USD 0.3Mn

Net profit in 1H-22 vs. net loss of USD 2.5Mn in 1H-21

4,000

Number of Institutional & Retail Shareholders as of June-22

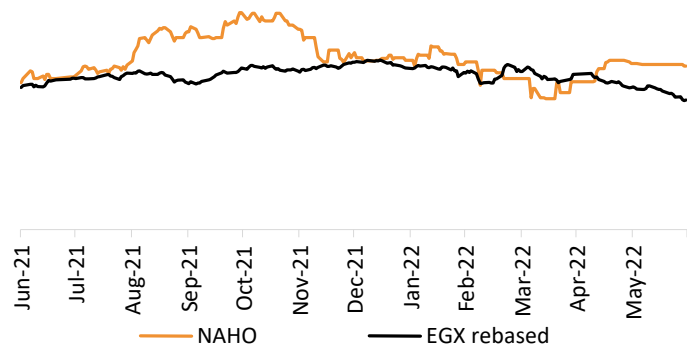
USD 297Mn

Total Assets as of Jun-22

Note: NAHO free float shares amount to 55.85%

On a standalone basis, NAEEM reported USD 338K operating revenues during 1H-22, driven by coupons' income as well as custody & margin trading income, contributing 61% & 39% respectively to total operating revenues. NAEEM was positively affected by the recent EGP devaluation against the USD, the company reported an FX gain of USD 1.8Mn during 1H-22; which translated to an EBIT of USD 1.5Mn versus a negative EBIT of USD 1.6Mn in 1H-21. NAEEM reported net profits of USD 0.3Mn in 1H-22 versus a net loss of USD 2.5Mn in 1H-21.

Price (EGP)



Company Snapshot

Ticker:	NAHO EY NAHO - DU
Mkt Cap (USD Mn)*:	70.08
Shares Outstanding (Mn)*	350.414
Share Price (USD)*:	0.20

*As of June 30th 2022





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

