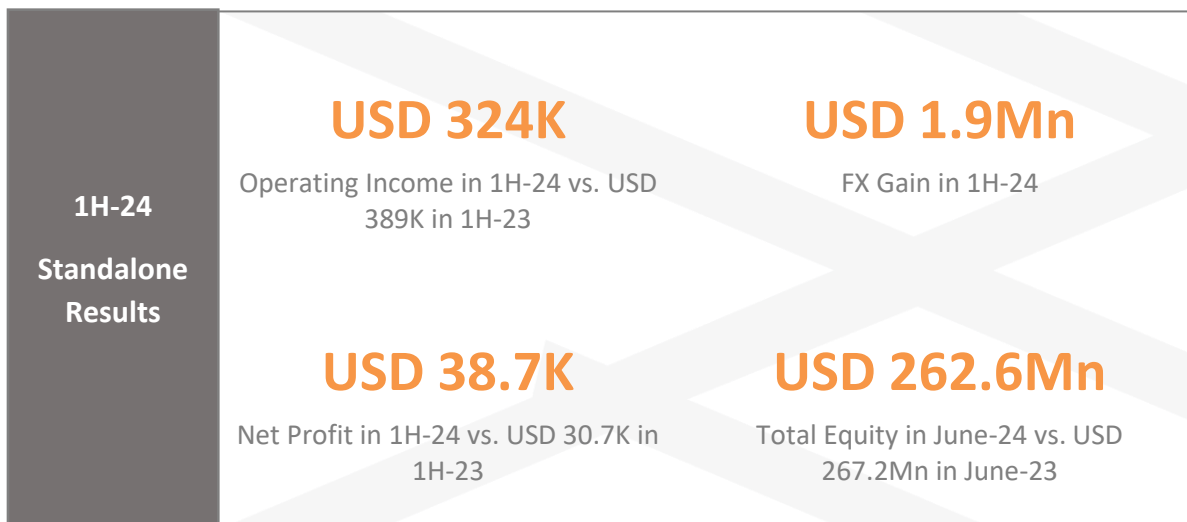
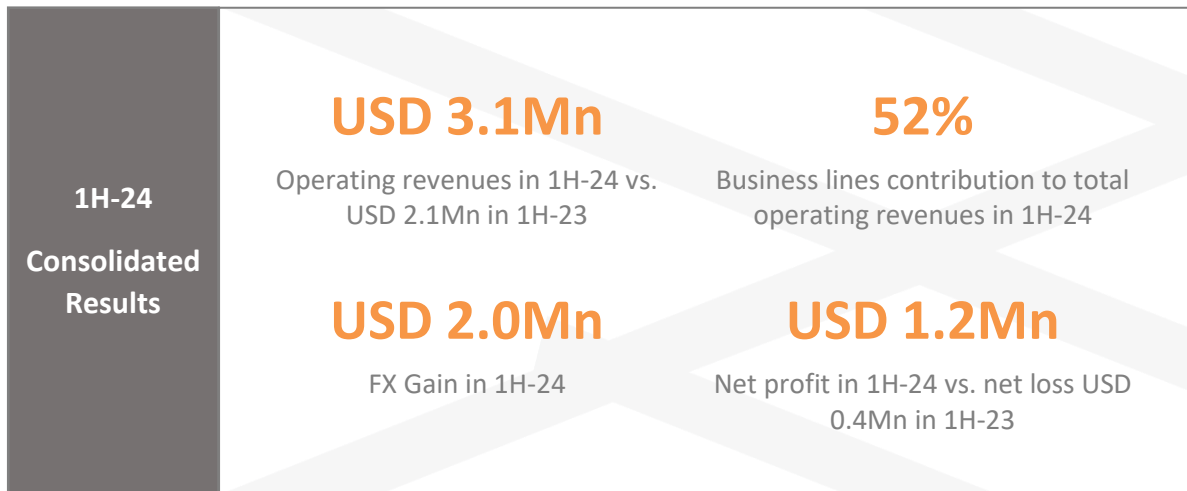


## NAEEM Holding for Investments “NAEEM” reports 1H-24 consolidated and standalone results

Cairo, June 2024, NAEEM reported its 1H-24 results with total net consolidated operating revenues of USD 3Mn and a net profit of USD 1.2Mn.



## I. KEY FINANCIAL HIGHLIGHTS

<b>Operating Revenues Breakdown (000 USD)</b>	<b>Q2-24</b>	<b>Q1-24</b>	<b>Q2-23</b>	<b>Q-o-Q %</b>	<b>Y-o-Y %</b>	<b>1H-24</b>	<b>1H-23</b>	<b>Y-o-Y %</b>
Securities' Brokerage	441	980	638	-55%	-31%	1,420	1,264	12%
Asset Management	20	101	4	-81%	375%	121	19	527%
Advisory	8	21		-63%	N/M	29		N/M
<b>Total Business Line Contribution</b>	<b>468</b>	<b>1,102</b>	<b>642</b>	<b>-58%</b>	<b>-27%</b>	<b>1,570</b>	<b>1,283</b>	<b>22%</b>

	<b>Q2-24</b>	<b>Q1-24</b>	<b>Q2-23</b>	<b>Q-o-Q %</b>	<b>Y-o-Y %</b>	<b>1H-24</b>	<b>1H-23</b>	<b>Y-o-Y %</b>
NAEEM's Operations & Investments	196	128	295	53%	-33%	324	389	-17%
RECAP Financial Investments	213	1,276	427	-83%	-50%	1,488	478	211%
Other Income (losses)	31	(269)	(23)	N/M	N/M	(237)	(71)	N/M
<b>Total Investments Contribution</b>	<b>440</b>	<b>1,135</b>	<b>698</b>	<b>-61%</b>	<b>-37%</b>	<b>1,575</b>	<b>797</b>	<b>98%</b>
<b>Grand Total Operating Revenues</b>	<b>908</b>	<b>2,237</b>	<b>1,340</b>	<b>-59%</b>	<b>-32%</b>	<b>3,145</b>	<b>2,080</b>	<b>51%</b>

On a consolidated level, NAEEM reported net operating revenues of USD 3.1Mn in 1H-24 driven by revenues reported from RECAP – NAEEM's Real Estate Arm – totaling USD 1.5Mn followed by brokerage revenues amounting to USD 1.4Mn. Revenues from NAEEM's operations and investments constituted 50.1% of total operating revenues while revenues from business lines contributed 49.9%.

RECAP continued to report strong results as it continues to deliver its units. In Q2-24, RECAP's total operating revenues amounted to EGP 26.7Mn bringing total operating revenues in 1H-24 to EGP 91.2Mn versus EGP 44.5Mn in 1H-23. Unit sales contributed 80.5% to operating revenues during 1H-24, while rental income, coupon revenues and maintenance revenues contributed the remaining 10.4%, 7.7% and 1.4%, respectively. On the profitability level, RECAP reported net income of EGP 51.5Mn in 1H-24 compared to profits of EGP 6.2Mn in 1H-23.

During Q2-24, NAEEM reported total operating revenues of USD 908K driven by fees and commissions income amounting to USD 518K, followed by stock coupon revenues totaling USD 345K. G&A expenses decreased 38% over the quarter and 39% Y-o-Y to USD 744K. Interest and lease expense stood at USD 539k during the same period yet were offset by the USD 1.2Mn FX gain booked during Q2-24. As a result, NAEEM reported net profit of USD 679K in Q2-24 versus a profit of USD 493K and USD 453K in Q1-24 and Q2-23, respectively.

On a standalone basis, NAEEM reported operating revenues of USD 324k during 1H-24, down 17% Y-o-Y, with custody & margin trading income contributing 48% to total operating revenues. NAEEM was positively affected by the recent EGP devaluation witnessed as the company reported an FX gain of USD 1.9Mn during 1H-24, resulting in the company reporting net income of USD 39K versus USD 31K in 1H-23.

On the operational level, during Q2-24, revenues from business lines were led by Securities Brokerage generating USD 0.4Mn in revenues constituting 94.1% of business line revenues. The remaining 5.9% were generated from the asset management and advisory services.



Regarding NAEEM's prop account, REACAP's subsidiary - SVREICO for real-estate investment "SVREICO" continued to drive REACAP's profitability. During Q4-24, Project ARC deliveries and sales as well as unit sales in project Northside and newly launched project V5 lead the changes in assets' base in terms of the following: accounts receivables increased to EGP 167Mn as of June-24 versus EGP 88.5Mn as of Dec-23; while projects under construction (PUC) increased 19.5% to EGP 429Mn compared to EGP 359Mn during the same period. Total assets recorded EGP 1.64Bn in June-24 versus EGP 1.27Bn in Dec-23.



## KEY OPERATIONAL HIGHLIGHTS

### 1. Brokerage

The Egyptian market index, EGX30, continued its bull run during the first half of 2024 despite slipping from its all time high witnessed in March 2024. Total market turnover during the first six months of 2024 doubled compared to the same period last year, jumping 102% to EGP 1.1Tn versus EGP 554 Bn. In Q2-24, EGX turnover was down 46% Q-o-Q, yet up 44% Y-o-Y. During 1H-24, the Central Bank of Egypt hiked rates by 800 bps, 200 bps in February and an additional 600 bps in March; in an attempt to contain inflationary pressures, anchor inflation expectations and unify the country's exchange rate as Egypt grappled with foreign exchange shortages and a weakened currency. CBE hiked overnight lending and deposit rates to 28.25% and 27.25%, respectively. Total market capitalization in Q2-24 grew 3.57% EGP 1,876.3Bn versus EGP 1,811.6Bn as of Mar-23.

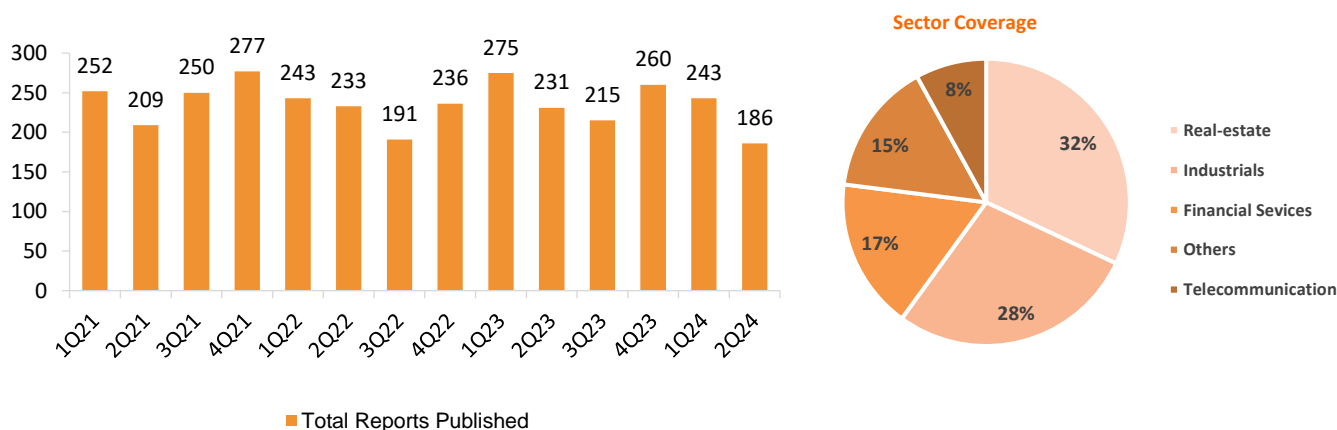
	Q2-24	Q1-24	Q2-23	Q-o-Q	Y-o-Y	1H-24	1H-23	Y-o-Y
EGX Turnover (000 EGP)	392,980,200	724,469,485	272,438,463	-46%	44%	1,117,449,685	553,765,776	102%
Company Turnover (000 EGP)	6,144,570	13,963,446	5,985,326	-56%	3%	20,108,016	12,322,927	63%
Market Share	1.6%	1.9%	2.2%			1.8%	2.2%	

Regarding NAEEM Brokerage Egypt's (NBE) performance, company turnover during 1H-24 jumped 63% to EGP 20.1Bn versus EGP 12.3Bn in 1H-23. Over the quarter, turnover was down 56%, following total market turnover, yet was up 3% Y-o-Y when compared to Q2-23.

### 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 Q2-24, NAEEM Research issued 186 reports in both Arabic and English.



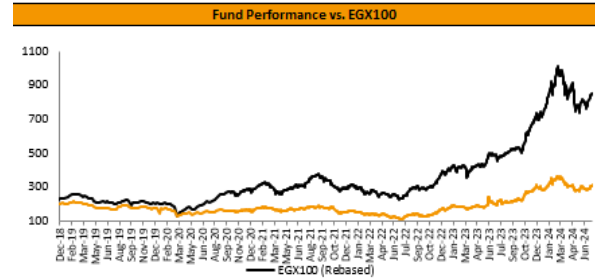
The Research department covers all major sectors in the MENA region including Real estate, Petrochemicals, Oil & Gas, Building materials, Telecommunications, Financial services, and other sectors. The department also offers a wide range of products covering both fundamental as well as technical research.

## 2. Asset Management

NAEEM's total Assets under Management (AUMs) stood at c. USD 500Mn as of Jun-24. On a dollar basis, NAEEM's listed equities slipped 12.4% Q-o-Q yet increased 0.8% Y-o-Y.

### A. Listed Equities

The Central Bank of Egypt (CBE) hiked rates a total of 800 bps during 1H-24, with the lending and deposit rate reaching 28.25% and 27.25%, respectively; to combat inflation. Annual core inflation rates stood at 26.6% in June-24 slightly down from 27.1% in May-24 and from 34.2% in Dec-23.



EGX30 resumed the uptrend that started in H2-22, climbing to 27,766 as of June 28<sup>th</sup> 2024, increasing 3.28% and 11.5%, Q-o-Q and YTD; respectively.

Total fees in 1H-24 jumped a whopping 755% Y-o-Y; driven by performance fees, in which the latter generated 80% of total fees, while management fees constituted the remaining 20%. Total AUMs decreased by 12.4% over the quarter affected by the recent devaluation, however increased 0.8% Y-o-Y; while Egypt based AUMs grew 1.8% & 36.7%, Q-o-Q and Y-o-Y; respectively. As of June-24, Asset Management clients' base was 91% individuals and 9% institutional clients.

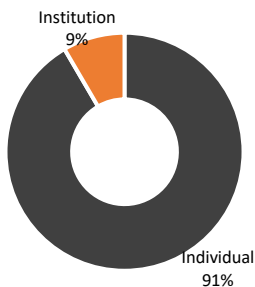
#### Al Baraka Bank Fund

Al Baraka Fund ended the quarter with a NAV of EGP 191.95 as of June 28<sup>th</sup> 2024; up 3.2% & 49.9%, Q-o-Q and Y-o-Y; respectively. Al Baraka was ranked first among open ended Islamic Balanced funds in 2023.

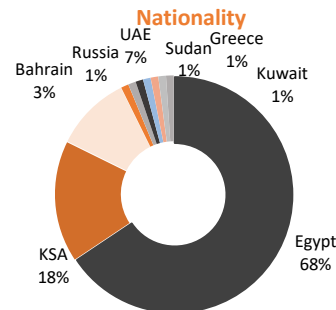
#### NAEEM Misr Islamic Fund (NMIF)

NAEEM Misr Islamic Fund ended the quarter with a NAV equivalent to EGP 304.31 as of June 28<sup>th</sup> 2024; 1.9% & 50.9%, Q-o-Q and Y-o-Y; respectively. NMIF was ranked first among open ended Islamic funds in 2023.

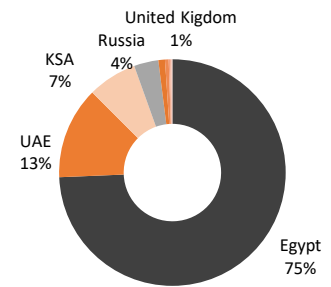
**Q2-24 Portfolio Allocation by Client Type**



**Q2-24 Portfolio & Funds Number Breakdown by Nationality**



**Q2-24 AUM Value Breakdown by Nationality**



**B. Egyptian Gulf Bank (EGBank)**

<b>Income Statement (000 EGP)</b>	<b>Q2-24</b>	<b>Q1-24</b>	<b>Q2-23</b>	<b>Q-o-Q%</b>	<b>Y-o-Y%</b>	<b>1H-24</b>	<b>1H-23</b>	<b>Y-o-Y%</b>
Net interest income	1,392,404	1,188,976	841,936	17.1%	65.4%	2,581,380	1,765,434	46.2%
Fees and commissions income	413,467	422,130	179,838	-2.1%	129.9%	835,597	347,970	140.1%
Other income	116,945	224,513	119,149	-47.9%	-1.8%	341,458	321,990	6.0%
Provisions	(95,605)	(91,361)	(5,388)	N/M	N/M	(186,966)	(127,295)	N/M
<b>Net operating income</b>	<b>1,074,071</b>	<b>835,723</b>	<b>543,506</b>	<b>28.5%</b>	<b>97.6%</b>	<b>1,909,793</b>	<b>1,084,899</b>	<b>76.0%</b>
<b>Net profit after taxes</b>	<b>696,492</b>	<b>537,492</b>	<b>340,643</b>	<b>29.6%</b>	<b>104.5%</b>	<b>1,233,983</b>	<b>656,949</b>	<b>87.8%</b>

<b>Balance Sheet (000 EGP)</b>	<b>Q2-24</b>	<b>Q1-24</b>	<b>Q2-23</b>	<b>Q-o-Q%</b>	<b>Y-o-Y%</b>	<b>6M-24</b>	<b>6M-23</b>	<b>Y-o-Y%</b>
Cash and marketable securities	9,997,486	11,472,202	8,677,094	-12.9%	15.2%	9,997,486	8,677,094	15.2%
Total loans	39,173,404	38,748,942	30,395,264	1.1%	28.9%	39,173,404	30,395,264	28.9%
<b>Total Assets</b>	<b>138,479,527</b>	<b>119,925,381</b>	<b>104,105,761</b>	<b>15%</b>	<b>33%</b>	<b>138,479,527</b>	<b>104,105,761</b>	<b>33%</b>
Total deposits	116,035,417	98,138,426	78,573,193	18.2%	47.7%	116,035,417	78,573,193	47.7%
<b>Shareholders' Equity</b>	<b>8,561,972</b>	<b>7,824,304</b>	<b>5,729,358</b>	<b>9.4%</b>	<b>49.4%</b>	<b>8,561,972</b>	<b>5,729,358</b>	<b>49.4%</b>

<b>Key ratios</b>	<b>Q2-24</b>	<b>Q1-24</b>	<b>Q2-23</b>	<b>Q-o-Q%</b>	<b>Y-o-Y%</b>	<b>6M-24</b>	<b>6M-23</b>	<b>Y-o-Y%</b>
NIM (%)	1.1%	1.2%	0.9%	(0.0)	0.3	2.1%	2.0%	0.3
Loan to deposits (%)	33.8%	39.5%	38.7%	(5.7)	(4.9)	33.8%	38.7%	(4.9)
Growth in deposits	18.2%	20.9%	-1.4%	(2.7)	19.6	47.7%	11.0%	19.6
Growth in loans	1.1%	21.5%	3.7%	(20.4)	(2.6)	28.9%	20.9%	(2.6)
NPL / gross loans	4.8%	4.7%	4.6%	0.1	0.2	4.8%	4.6%	0.2

EGBank reported net interest income of EGP 2.6Bn in 1H-24, up 46.2% versus EGP 1.8Bn in 1H-23, supported by the hikes in interest rates and growth in loan portfolio. Fees and commissions income also witnessed a whopping increase by 140% to stand at EGP 835.6Mn compared to EGP 348Mn. This drove the bank's net operating income higher by 76% to EGP 1.9Bn in 1H-24 versus EGP 1.1Bn in 1H-23, despite booking higher provisions of EGP 187Mn. Overall, EGBank's net income almost doubled reading EGP 1.2Bn versus EGP 657Mn during the same period last year.

As for Q2-24, net interest income stood at EGP 1.4Bn increasing 17.1% and 65.4% Q-o-Q and Y-o-Y, respectively; whereas, fees and commissions income declined slightly over the quarter to EGP 413.5Mn from EGP 422.1 yet increased from EGP 180Mn in Q2-23. Although provisions booked during Q2-24 were higher at EGP 95.6Mn compared to EGP 91.4Mn in Q1-24 and EGP 5.4Mn in Q2-23, EGBank's net operating income grew by 28.5% and 97.6% Q-o-Q and Y-o-Y, respectively, reaching EGP 1.1Bn. EGBank's bottom line remained healthy with net profit after taxes standing at EGP 696.5Mn in Q2-24, versus EGP 340.7.3Mn in Q2-23 and EGP 537.5Mn in Q1-24.

Customer deposits stood at EGP 116Bn as of June-24, increasing 18.2% and 47.7% Q-o-Q and Y-o-Y, respectively; while total loans grew a marginal 1.1% Q-o-Q to EGP 39.2Bn yet increased 28.9% over the year. As a result of deposits growing at a faster pace, loans to deposits ratio fell to 33.8% in June-24 compared to 39.5% in Mar-24. NPL to Gross Loans remained relatively stable at 4.8% in June-24.

### C. REACAP Financial Investments (REACAP)

REACAP continued to report strong results as it continues to deliver its units. In Q2-24, REACAP's total operating revenues amounted to EGP 26.7Mn bringing total operating revenues in 1H-24 to EGP 91.2Mn versus EGP 44.5Mn in 1H-23. Unit sales contributed 80.5% to operating revenues during 1H-24, while rental income, coupon revenues and maintenance revenues contributed the remaining 10.4%, 7.7% and 1.4%, respectively. On the profitability level, REACAP reported net income of EGP 51.5Mn in 1H-24 compared to profits of EGP 6.2Mn in 1H-23.

Regarding NAEEM's prop account, REACAP's subsidiary - SVREICO for real-estate investment "SVREICO" continued to drive REACAP's profitability. During Q4-24, Project ARC deliveries and sales as well as unit sales in project Northside and newly launched project V5 lead the changes in assets' base in terms of the following: accounts receivables increased to EGP 167Mn as of June-24 versus EGP 88.5Mn as of Dec-23; while projects under construction (PUC) increased 19.5% to EGP 429Mn compared to EGP 359Mn during the same period. Total assets recorded EGP 1.64Bn in June-24 versus EGP 1.27Bn in Dec-23.

#### **Operational Highlights:**

Following project LINX's and ARC business parks success, SVREICO launched and completed 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 185Mn.

In Q2-24, SVREICO launched project V5, the biggest business community in Smart Village, with 5 connected commercial buildings spanning over 10,000 sqm and a built-up area of 60,000 sqm.

### **3. Investment Banking**

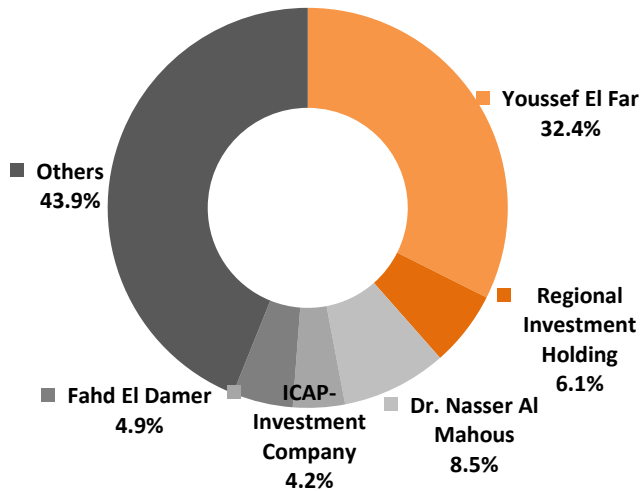
Leveraging on NAEEM Group's MENA presence, the Investment Banking division has generated a diversified pipeline for FY23. NAEEM IB continued to pitch new clients across several sectors including:

1. Education
2. Healthcare
3. Industrial
4. Real Estate
5. Financial services
6. Fintech
7. Food & Beverage
8. Hospitality
9. Textile

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

## II. NAEEM HOLDING STANDALONE

### Shareholding Structure as of June 2024



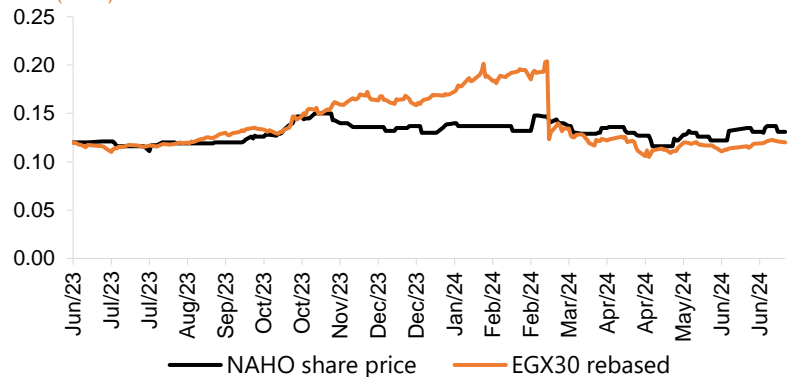
Note: NAHO free float shares amount to 60.85%

On a standalone basis, NAEEM reported operating revenues of USD 324k during 1H-24, down 17% Y-o-Y, with custody & margin trading income contributing 48% to total operating revenues. NAEEM was positively affected by the recent EGP devaluation witnessed as the company reported an FX gain of USD 1.9Mn during 1H-24, resulting in the company reporting net income of USD 39K versus USD 31K in 1H-23.

#### Company Snapshot

Ticker:	NAHO EY NAHO - DU
Mkt Cap (USD Mn)*:	45.55
Shares Outstanding (Mn)*	350.414
Share Price (USD)*:	0.13
*As of June 27 <sup>th</sup> 2024	

#### Price (USD)



#### NAEEM in Figures

**USD 324K**

Operating Income in 1H-24 vs. USD  
389K in 1H-23

**4,000**

Number of Institutional & Retail  
Shareholders as of June-24

**USD 268.7Mn**

Total Assets as of June-24





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.

This document does not constitute and shall not be construed as being an offer or solicitation to buy any securities or investment opportunities described within this earning release. This document is provided for informational purposes only.



NAEEM HOLDING  
FOR INVESTMENT

Asset Management | Investment Banking  
Brokerage | Investments

**Investor Relations Department**

Smart Village – Building B16- Phase 1, Km 28 Cairo  
Alexandria Desert Road 6th of October City – Giza  
(P.O. 12577, Egypt) Box:61  
Tel: +2 0235316100 Ext: 6113  
Direct: +2 0235316113  
Fax: +2 0235316101

**Listing Symbols- The Egyptian Exchange (EGX)**

Reuters Code: NAHO.CA  
Bloomberg Code: NAHO EY

**Listing Symbol- Dubai Financial Market (DFM)**

NAHO-DU

