

**Price**  
**EGP14.08**  
at close of 15 June 2021

**Fair Value**  
**EGP16.4**  
set on 18 May 2021

**12M PT**  
**EGP17.9** (+27%)  
set on 18 May 2021

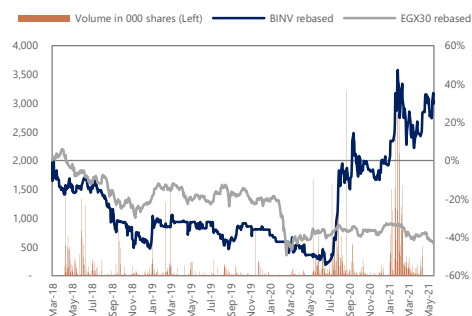
Investment Rating **Overweight** ★ ★ ★  
Risk Rating **Medium** ! ! !

## Strong Financials, Growing Investments

Overweight and 12M PT maintained

### Sherif El Etr

Equity Analyst  
T +202 3300 5720  
[seletr@egy.primegroup.org](mailto:seletr@egy.primegroup.org)



**Strong, debt-free, and growing financials:** B Investments Holding's [BINV] Q1 2021 results showed solid financials with revenues growing 13% y/y to EGP61mn and net profits surging 34% y/y to EGP51mn. Revenue growth was mainly attributed to **Giza Systems** share of profits (representing 54% of BINV's total revenues) which jumped to EGP33.1mn vs. EGP0.35mn a year before. BINV's net profit margin stood at a high of 83% with a return on equity (ROE) of 14%. BINV continues to enjoy a healthy, debt-free balance sheet with a rich cash position. Indeed, cash and cash equivalents amounted to EGP657mn at end of Q1 2021, representing 29% of BINV's market cap.

**Mixed investment portfolio results:** BINV saw some mixed results in its investment portfolio performances. On one hand, **Giza Systems'** revenues grew to EGP1.2bn (+123% y/y) and net profit jumped to EGP74mn (vs. EGP1mn a year before), mainly attributed to booking revenues related to major projects previously awarded. Moreover, Giza Systems continues to benefit off growth in the digitalization space, having been awarded new projects worth EGP1.6bn in Q1 2021. Moreover, **Gourmet Egypt** opened two new stores in El-Gouna and West Cairo, increasing its retail area to 4,623 sqm. Gourmet Egypt—as we had expected—has seen growth in its e-commerce platform, which led to more investments in its delivery hubs to serve the increased demand from the online channel. While this pulled BINV's profitability downward, it was a foundation establishment for Gourmet Egypt's new cycle of growth.

**Getting ready for new divestments:** Ebtikar, BINV's 20.3% e-payments holding, is expected to be floated on the EGX by Q4 2021. The Ebtikar platform witnessed total transactions value in Q1 2021 of EGP5.8bn, which is in line with our assumption published in our [Core Coverage Report](#). We had assumed total transactions value of EGP18.8bn for the full-year 2020, which implies an average of EGP5.2bn for Q3 and Q4 2020 when considering the EGP8.4bn announced for H1 2020. Additionally, Vodafone Egypt [**VODE**] has completed its due diligence of Ebtikar's two e-payments companies **Masary** and **Bee**. VODE expects to finalize its acquisition of 20% stakes in both companies before Ebtikar's IPO takes place, potentially boosting Ebtikar's growth and position.

**Overweight and 12M PT maintained:** BINV currently trades at 2021e P/E of 7.5x and P/BV of 1.0x. In view of Q1 2021 results, which came in line with our expectations, we maintain our Overweight rating and 12M PT at EGP17.9/share (+27%).

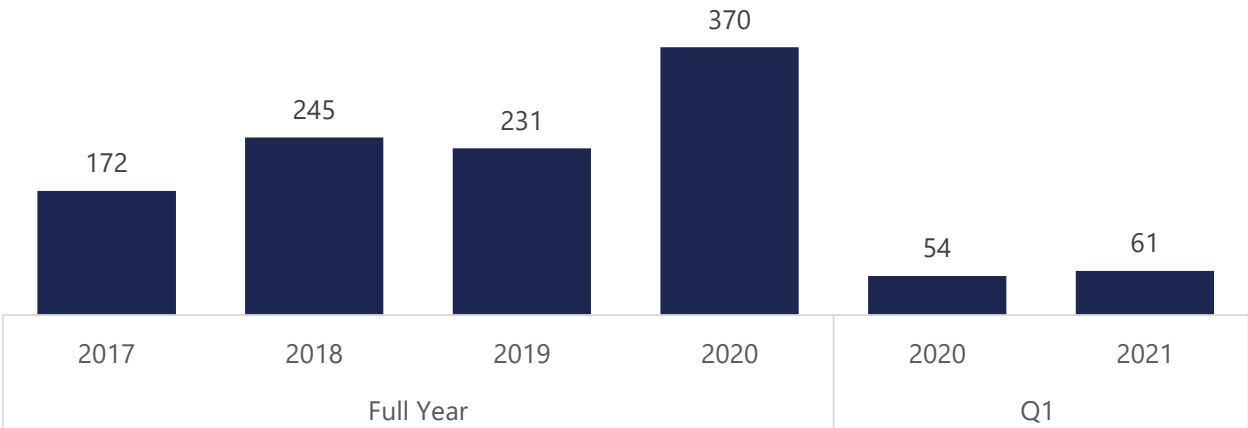
### KEY STOCK STATISTICS

Shares outstanding (mn)	<b>160</b>
Free float	<b>42%</b>
Market Cap (EGPmn)	<b>2,253</b>
Market Cap (USDmn)	<b>144</b>
52w range	<b>EGP5.22-18.68</b>
EGP100 invested 5y ago	<b>EGP131</b>
TTM EPS	<b>EGP1.88</b>
TTM P/E	<b>7.5x</b>
TTM P/B	<b>1.0x</b>
2021e P/E	<b>10.3x</b>
2021e P/B	<b>1.1x</b>
Last fiscal year's DPS	<b>EGP1.25</b>
Dividend yield	<b>16%</b>
3Y beta	<b>0.73</b>
3Y Proj. EPS CAGR	<b>1%</b>

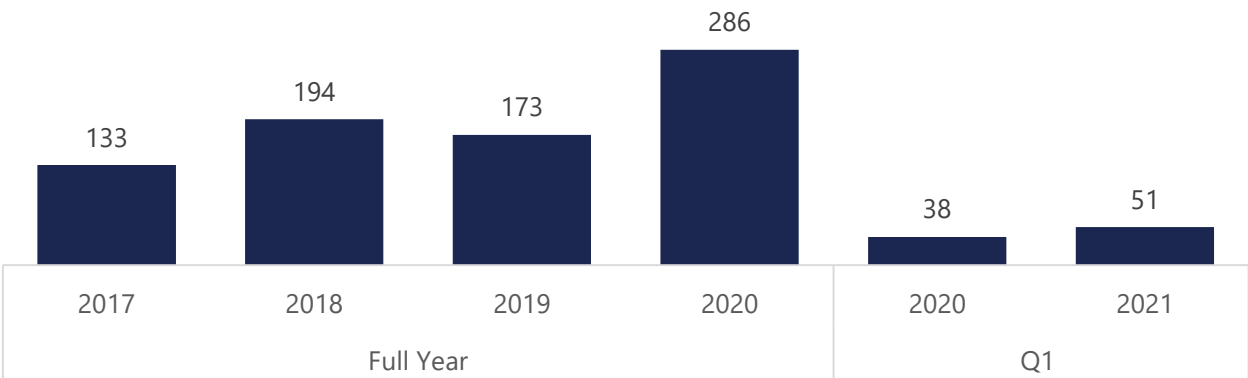


Results in Charts

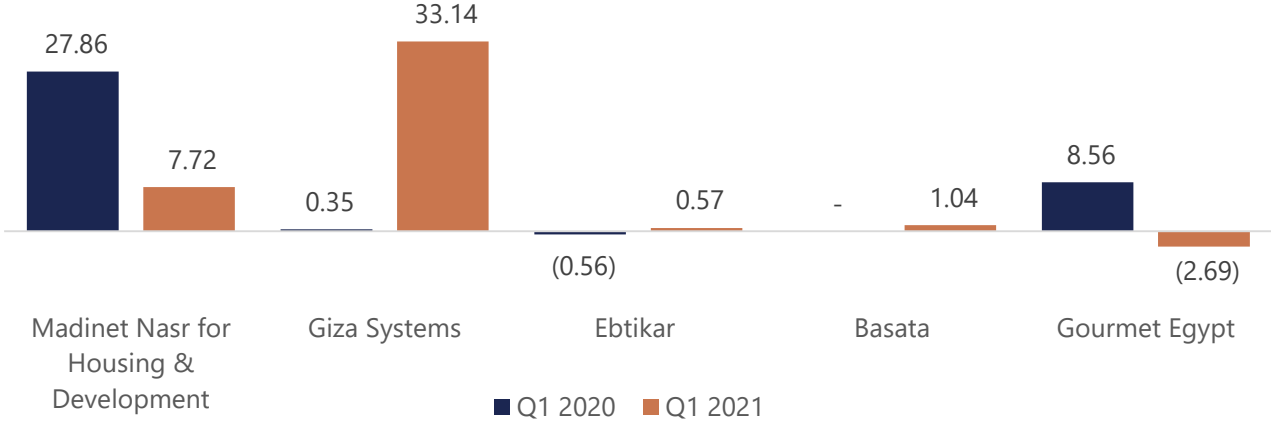
BINV's Revenues  
(EGPmn)



BINV's Net Profits  
(EGPmn)



BINV's Share of Profits from Portfolio  
(EGPmn)



Source: Company reports, Prime Research.

## Prime Securities

### Shawkat El Maraghy

Managing Director

T +202 3300 5622

[SElmaraghy@egy.primegroup.org](mailto:SElmaraghy@egy.primegroup.org)

## Sales

### Mohamed Ezzat

Head of Sales & Branches

T +202 3300 5784

[MEzzat@egy.primegroup.org](mailto:MEzzat@egy.primegroup.org)

### Mohamed Ashmawy

Head of Institutional Sales

T +202 3300 5612

[MAshmawy@egy.primegroup.org](mailto:MAshmawy@egy.primegroup.org)

### Amr Alaa CFTe

Team Head –Institutional Desk

T +202 3300 5609

[AAAlaa@egy.primegroup.org](mailto:AAAlaa@egy.primegroup.org)

### Mohamed El Metwaly

Manager

T +202 3300 5610

[MElmetwaly@egy.primegroup.org](mailto:MElmetwaly@egy.primegroup.org)

### Emad El Safoury

Manager

T +202 3300 5624

[EElsafoury@egy.primegroup.org](mailto:EElsafoury@egy.primegroup.org)

### Shawkat Raslan

Heliopolis Branch Manager

T +202 3300 8130

[SRaslan@egy.primegroup.org](mailto:SRaslan@egy.primegroup.org)

### Nashwa Abuelatta

Alexandria Branch Manager

T +202 3300 5173

[NAbuelatta@egy.primegroup.org](mailto:NAbuelatta@egy.primegroup.org)

## Research

### Amr Hussein Elalfy CFA

Head of Research

T +202 3300 5724

[AElalfy@egy.primegroup.org](mailto:AElalfy@egy.primegroup.org)

## Head Office

Prime Securities S.A.E.

Regulated by FRA License No. 179.  
Member of the Egyptian Exchange.

2 Wadi Elnil St, Liberty Tower, 7<sup>th</sup> Fl.  
Mohandessin, Giza, Egypt

T +202 3300 5700 / 770 / 650 / 649

F +202 3760 7543

## Branches

### Heliopolis

7 Elhegaz Square

Heliopolis, Cairo, Egypt

T +202 2777 0600

F +202 2777 0604

### Alexandria

7 Albert Al Awal St.

Smouha, Alexandria, Egypt

T +202 3300 8170

F +202 3305 4622

## Website

[www.primeholdingco.com](http://www.primeholdingco.com)

## Disclaimer

Information included in this report has no regard to specific investment objectives, financial situation, advices or particular needs of the report users whether they received them directly or through any research pool and other specialized websites. The report is published for information purposes only and is not to be construed as a solicitation or an offer to buy or sell any securities or related financial instruments. Unless specifically stated otherwise, all price information is only considered as indicator. No express or implied representation or guarantee is provided with respect to completeness, accuracy or reliability of information included in this report. Past performance is not necessarily an indication of future results. Fluctuation of foreign currency rates of exchange may adversely affect the value, price, or income of any products mentioned in this report. Information included in this report should not be regarded by report users as a substitute for the exercise of their own due diligence and analysis based on own assessment and judgment criteria. Any opinions given are subject to change without notice and may significantly differ or be contrary to opinions expressed by other Prime business areas as a result of using different assumptions and criteria. Prime Group is under no obligation responsible to update or keep current the information contained herein. Prime Group, its directors, officers, employees or clients may have or have had interests or long or short positions in the securities and/or currencies referred to herein, and may at any time make purchases and/or sales in them as principal or agent. Prime Group, its related entities, directors, employees, and agents accept no liability whatsoever for any loss or damage of any kind arising from the use of all or part of these information included in this report whether it is received directly or through research pools and other specialized websites. Certain laws and regulations impose liabilities which cannot be disclaimed. This disclaimer shall, in no way, constitute a waiver or limitation of any rights a person may have under such laws and/or regulations. Furthermore, Prime Group or any of the group companies may have or have had a relationship with or may provide or have provided other services, within its objectives to the relevant companies.

Copyrights © 2021, Prime Group, ALL RIGHTS RESERVED. You are hereby notified that distribution and copying of this document is strictly prohibited without the prior approval of Prime Group.