



**Prime Holding** [EGX: PRMH]

Earnings Release – H1 2024 ended 30 June 2024

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

# Prime Holding in Numbers



Source: Management presentation.

Revenues		H1 FY2024			H1 FY2023
		EGPmn	y/y	q/q	EGPmn
PRIME Securities	Brokerage	41.12	+4%	-34%	39.65
PRIME Investments	Asset Management	8.03	+10%	-10%	7.31
PRIME Capital	Financial Advisory	4.30	+9%	+6%	3.96
PRIME Holding	Custody	9.96	+54%	-72%	6.45
PRIME Wathaeq	Management Services	0.42	+51%	-2%	0.28
<b>Total IB Fees &amp; Commissions</b>		<b>63.85</b>	<b>+11%</b>	<b>-37%</b>	<b>57.67</b>
PRIME FinTech	<b>Non-Banking Financial Services</b>	<b>8.40</b>	<b>-9%</b>	<b>+1%</b>	<b>9.25</b>
	<b>Capital Markets &amp; Treasury</b>	<b>24.28</b>	<b>-1%</b>	<b>-15%</b>	<b>24.54</b>
<b>Operating Revenues</b>		<b>96.55</b>	<b>+6%</b>	<b>-29%</b>	<b>91.47</b>
Non-Operating Revenues		16.20	+219%	+373%	5.07
PRIME Holding	<b>Total Revenues</b>	<b>112.75</b>	<b>+17%</b>	<b>-9%</b>	<b>96.55</b>
PRIME Holding	<b>Net Income</b>	<b>13.59</b>	<b>-11%</b>	<b>-121%</b>	<b>15.24</b>

# Key Financial Highlights



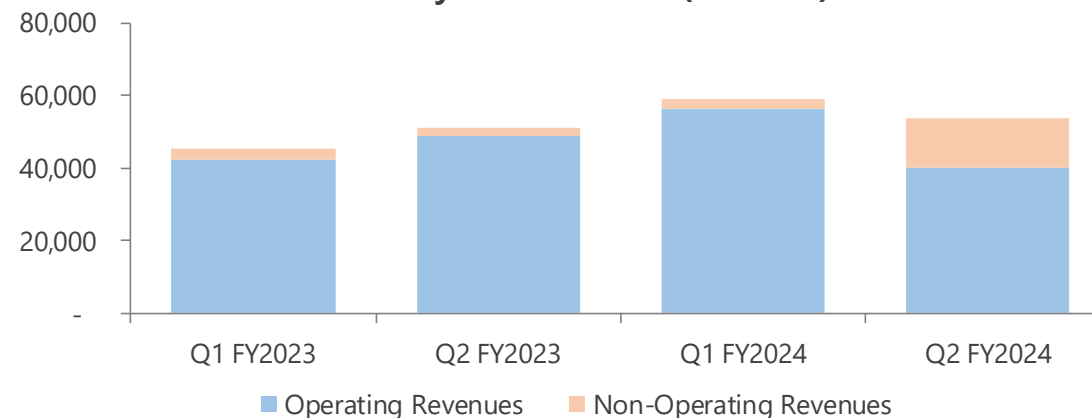
## Prime Holding Announces H12024 Results

Prime Holding maintained solid profitability in H12024, posting a net profit of EGP 13.59mn vs EGP 15.11mn in H12023 receding by 12% YoY, despite the hefty provisions of EGP 26.5mn in H12024.

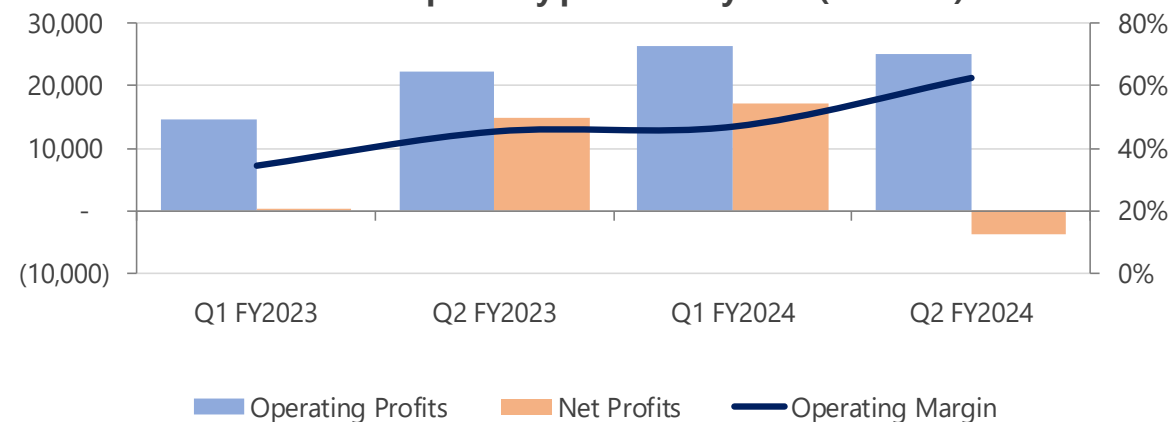
Operating Revenues marked EGP 96.55mn (+6% YoY) in H1FY2024, driven by growth across key segments, namely:

- **IB Fees & Commissions** ramped up in H12024, recording EGP 63.85mn (+11% YoY), driven mainly in terms of contribution to growth by Brokerage (64%) and Custody (16%).
- **Non Operating Revenues** sprang by a triple digit growth rate of 219%, YoY anchoring EGP 16.20mn in H1FY2024.
- **Total Revenues** (including non-operating revenues) expanded to an outstanding EGP 112.75mn (+17% YoY, -9% QoQ) in H1FY2024.
- **Operating Profits** soared by 41% YoY to EGP 51.58mn in H1FY2024, a climb compared to the operating profits of EGP 36.70mn in the same half of the previous year.
- **Net Profits** stood at EGP 13.59mn in H1FY2024, solidifying the success of the strategic turnaround plan imitated in Q1FY2023.

Quarterly total revenues (EGP'000)



Consolidated quarterly profitability KPIs (EGP'000)



Source: Management presentation.



## Revenues

### Operating Revenues shine brightly with continued success in H1FY2024

In H12024, operating revenues elevated by 6% YoY growth rate. The Investment Bank achieved impressive results in the first half, propelled by its Brokerage, Custody, and Financial Advisory services.

### IB Fees & Commissions spearheaded the growth

IB Fees & Commissions boosted by 11% YoY to EGP 63.85mn in H1FY2024 vs. EGP 57.67mn in H1FY2023. This advancement follows closely on the heels of the strong performance of Brokerage, Asset management, and Custody services.

### Brokerage upheld its growth

Brokerage revenues improved by 4% YoY in H1FY2024, reaching total fees & commissions of EGP 41.12mn.

### Asset management revenues propelled

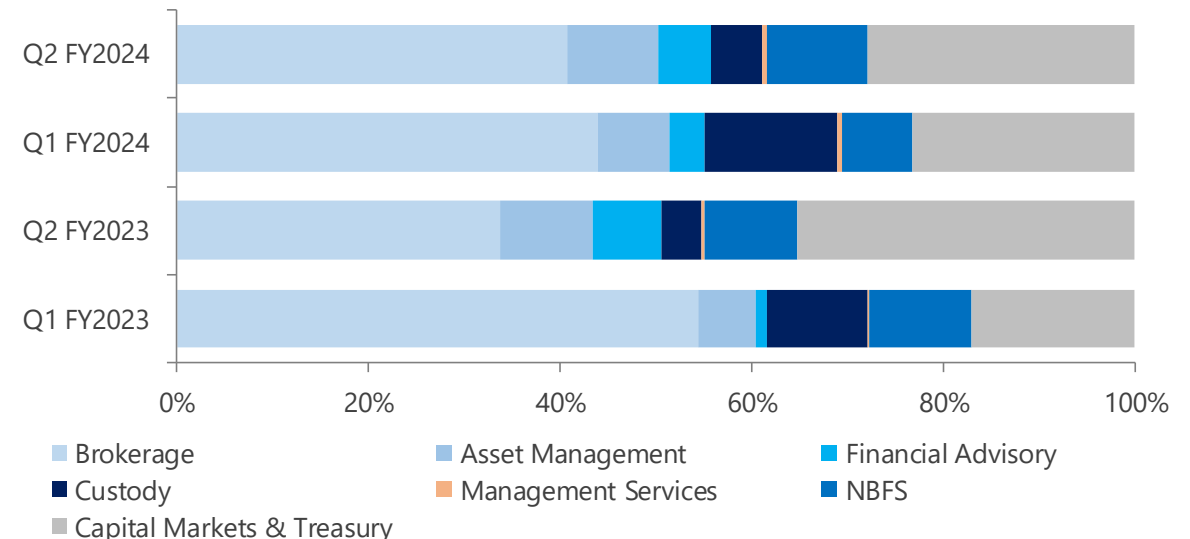
Asset management total revenues hit EGP 8.03mn in H1FY2024 vs. EGP 7.31mn in H1FY2023, strengthening by 10% YoY uptick.

### Financial Advisory delivered outstanding results

In H1FY2024, Financial Advisory revenues progressed by 9%, capturing fees & commissions of EGP 4.30mn, heightening from EGP 3.96mn in H1FY2023.

All figures are in EGP'000 unless otherwise stated	H1 FY2024	H1 FY2023	y/y	Q2 FY2024	q/q
Brokerage	41,122	39,655	4%	16,390	(34%)
Asset Management	8,031	7,316	10%	3,804	(10%)
Financial Advisory	4,309	3,964	9%	2,219	6%
Custody	9,967	6,454	54%	2,153	(72%)
Management Services	429	284	51%	212	(2%)
<b>IB Fees &amp; Commissions</b>	<b>63,858</b>	<b>57,672</b>	<b>11%</b>	<b>24,778</b>	<b>(37%)</b>
<b>NBFS</b>	<b>8,405</b>	<b>9,256</b>	<b>(9%)</b>	<b>4,229</b>	<b>1%</b>
<b>Capital Markets &amp; Treasury</b>	<b>24,287</b>	<b>24,548</b>	<b>(1%)</b>	<b>11,194</b>	<b>(15%)</b>
<b>Operating Revenues</b>	<b>96,551</b>	<b>91,476</b>	<b>6%</b>	<b>40,201</b>	<b>(29%)</b>
Non-Operating Revenues	16,208	5,078	219%	13,381	373%
<b>Total Revenues</b>	<b>112,759</b>	<b>96,554</b>	<b>17%</b>	<b>53,582</b>	<b>(9%)</b>

Operating revenues breakdown by segment



Source: Management presentation.



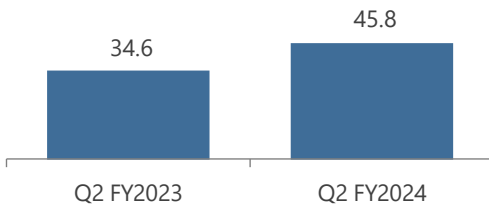
## Revenues

(continued)

### Custody maintained its upward momentum in H1FY2024

Custody fees & commission commanded EGP 9.96mn in H1FY2024 vs EGP 6.45mn in H1FY2023, arise of 54% YoY, with assets under custody logging EGP 45.8bn by end of June 2024.

#### Assets under custody (EGPbn)



Source: Management presentation.

### NBFS revenue dip

In H1FY2024, NBFS viewed a wane of 9% marking EGP 8.40mn vs. EGP 9.25mn in H1FY2023.

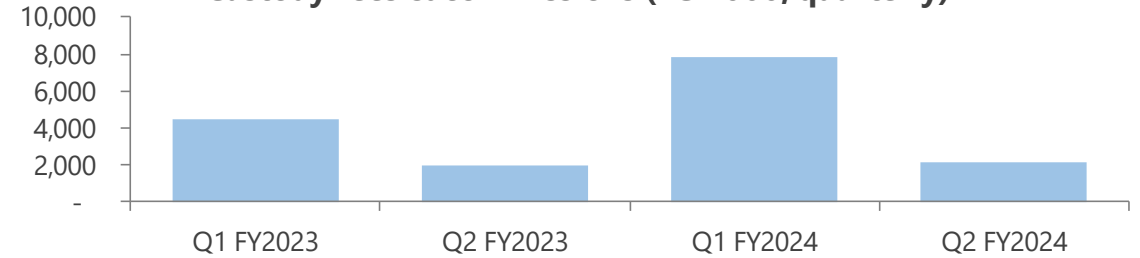
### Capital Markets & Treasury revenues witnessed a minimal decline

Capital Markets & Treasury revenues lessen to EGP 24.28mn in H1FY2024, dipping by 1% YoY vs. EGP 24.54mn in H1FY2023.

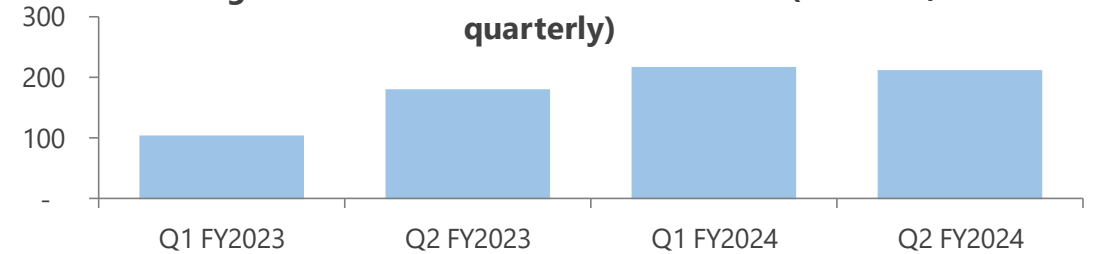
### Operating revenues augmented by 6% YoY growth

Operating Revenues posted EGP 96.55mn in H1FY2024 vs. EGP 91.47mn in H1FY2023, highlighting targeted efforts to enhance performance

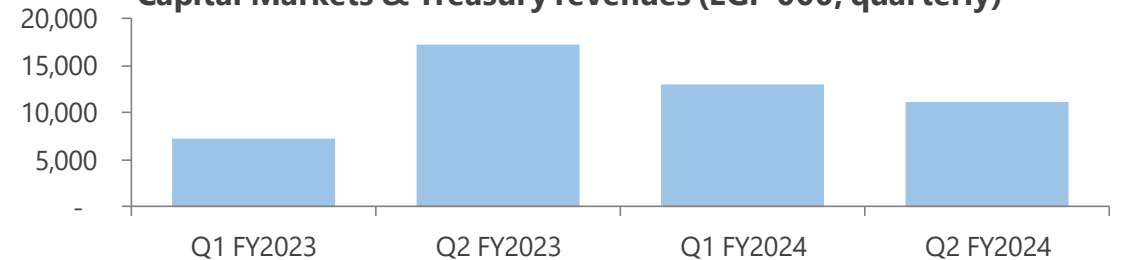
### Custody fees & commissions (EGP'000, quarterly)



### Management Services fees & commissions (EGP'000, quarterly)



### Capital Markets & Treasury revenues (EGP'000, quarterly)



Source: Management presentation.



## Expenses

Prime Holding efforts remains at the forefront, driven by strategic cost management and a corporate revamp

### Fueling growth via optimized operating expenses

H1 FY2024 Operating Expenses/Operating Revenues ratio declined to 63%, down from 73% in Q1 FY2023 and a notable drop from 152% in Q1 FY2022, with H1FY2024 total Operating Expenses amounting to EGP 61.17mn.

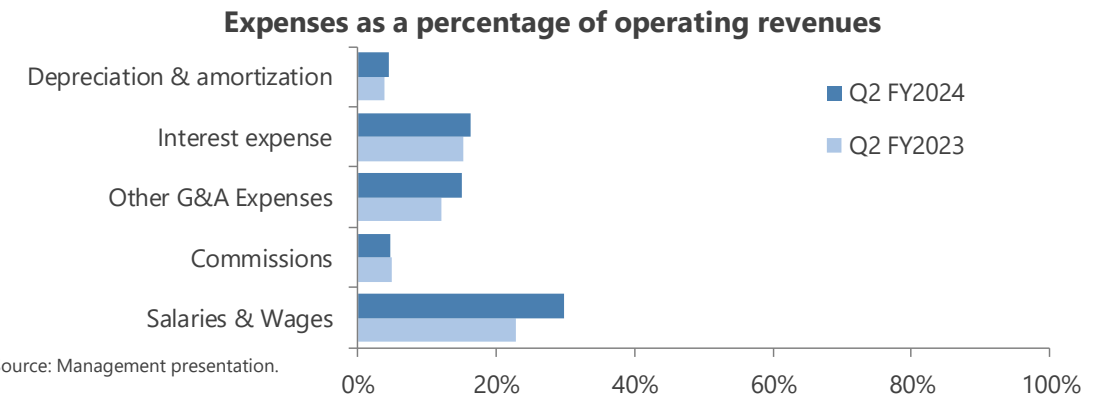
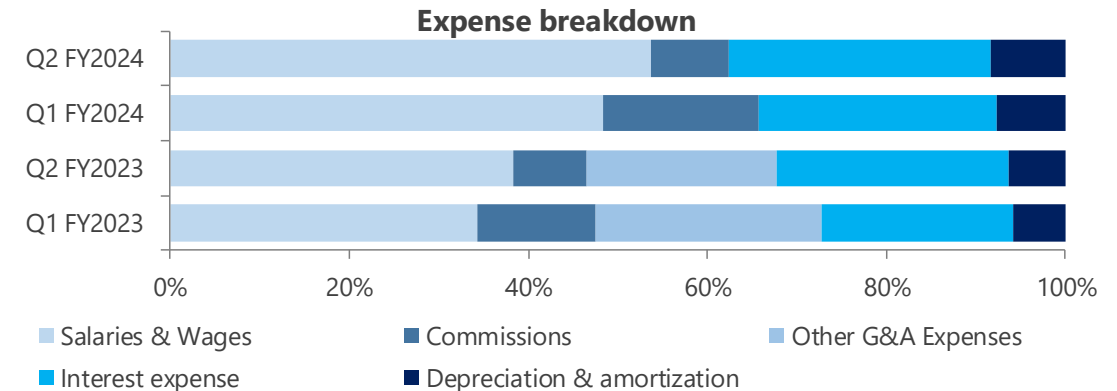
### In H1FY2024, Staff Expenses efficient management efforts is prominently visible

The dedication to optimizing staff costs remains unwavering, with Staff Expenses totaling EGP 29.81mn in H1FY2024. This resulted in a Staff Expenses/Operating Revenues ratio of 31% for H1FY2024, compared to 32% in H1FY2023. This improvement is attributed to an 8% YoY reduction in commissions, which fell to EGP 6.14mn in H1FY2024 from EGP 6.64mn in H1FY2023.

### Growth of essential operational expenses in H1FY2024

An ascend of 15% in other G&A expenses reaching EGP 14.67mn in H1FY2024 vs. EGP 12.76mn in H1FY2023. It is crucial to note that the increase in G&A expenses trails behind current inflation rates, reinforcing the company's efforts to reduce costs and invest strategically in key operational areas.

All figures are in EGP'000 unless otherwise stated	H1 FY2024	H1 FY2023	y/y	Q2 FY2024	q/q
Salaries & Wages	(22,245)	(23,669)	(6%)	(11,986)	(3%)
Commissions	(6,649)	(6,148)	8%	(1,932)	54%
Other G&A Expenses	(12,760)	(14,675)	(15%)	(6,087)	29%
Interest Expense	(14,439)	(12,986)	10%	(6,545)	(2%)
Depreciation & Amortization	(3,753)	(3,698)	1%	(1,852)	(0%)
<b>Operating Expenses</b>	<b>(59,847)</b>	<b>(61,177)</b>	<b>(2%)</b>	<b>(28,402)</b>	<b>13%</b>
<b>Operating Profits</b>	<b>36,707</b>	<b>51,582</b>	<b>41%</b>	<b>25,180</b>	<b>(5%)</b>



Source: Management presentation.

## Brokerage

### Climbing fees & commissions in H1FY2024

Prime Securities total fees & commissions realized EGP 41.12mn in H1FY2024, a 4% YoY jump vs the EGP 39.65mn reported in the previous half.

### Significant block trades of impressive scale

In H1FY2024, Prime Securities executed notable block trades, cumulating to EGP 475.32mn.

### Turnover in Numbers

The executed turnover hit EGP 4.3bn in Q2FY2024 down from EGP 4.9bn a year earlier in Q2FY2023 with a drop of 14% amid the Egyptian stock market turbulences.

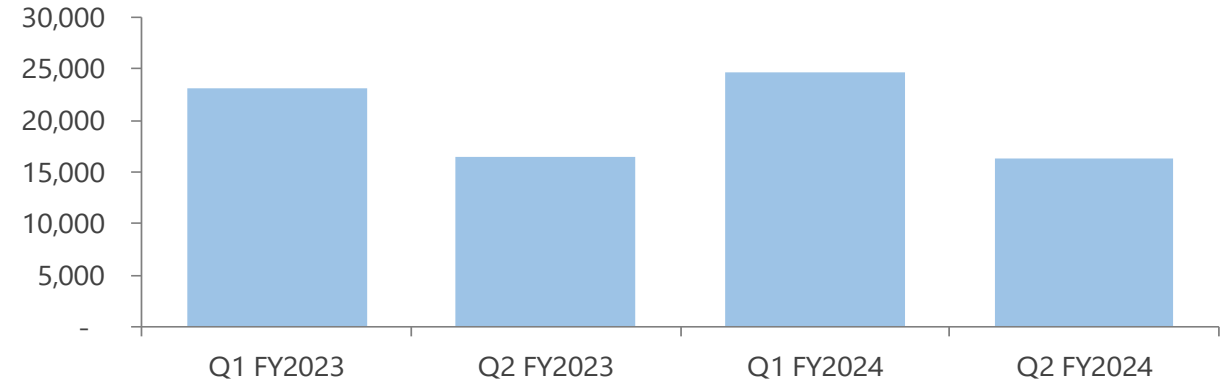
### Market share in a glimpse

Prime Securities market share is 1.1% in Q2FY2024 vs 1.8% in Q2FY2023.

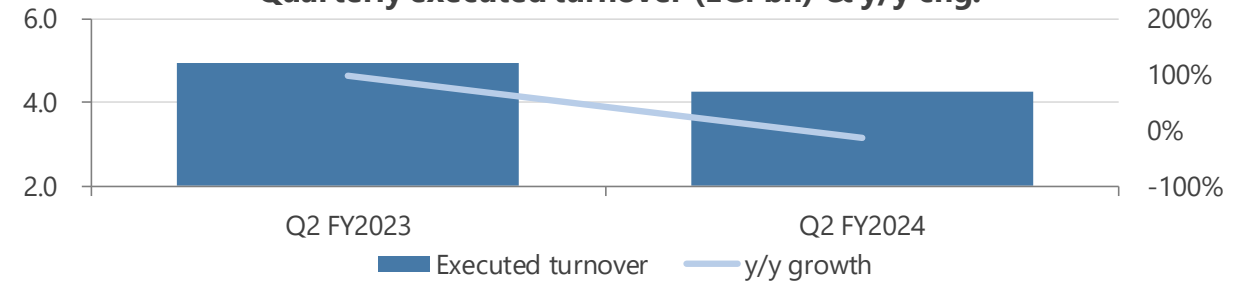
### Prime Securities: Climbing the Ranks to #22 in Q2FY2024

Prime Securities climbed to the #22 position in Q2FY2024, up from the 23<sup>rd</sup> spot in Q4FY2023.

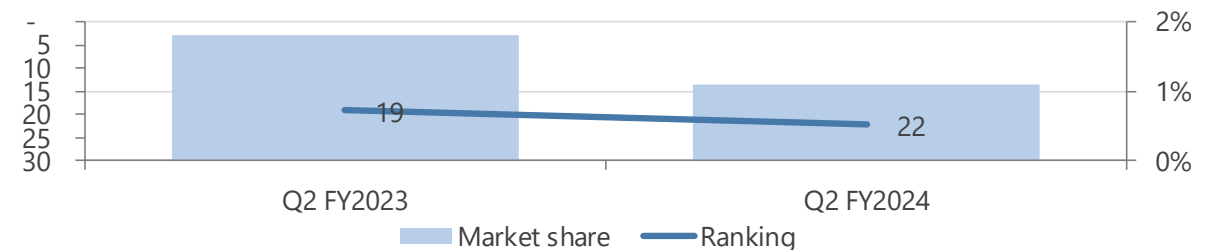
Brokerage fees & commissions (EGP'000, quarterly)



Quarterly executed turnover (EGPbn) & y/y chg.



Quarterly market share and ranking



Source: Management presentation.

## Brokerage

(continued)

15 new fundamental and technical research coverage launched

PRIMEResearch published 15 notes in Q2 FY2024, including 11 **TECHView** notes, two core coverage update, IPO report, and a sector update on Egypt Fertilizers:

1. Arabian Cement [[ARCC](#)]
2. Elsewedy Electric [[SWDY](#)]
3. ACT Financial [[ACTF](#)]
4. PRIMEResearch also published an update on the [Fertilizer sector in Egypt](#) in Q2 FY2024

The use of technical analysis leads to more successful recommendations

During Q2 2024, the Technical Analysis department issued 11 **TECHView** reports, the most important of them are:

1. [مادة \(فنية\) فعالة](#)
2. [عكس التيار](#)
3. [نملة استطلاع](#)
4. [الراية حمراء](#)
5. [استنفار النملية](#)
6. [ACT Now](#)

PRIMEResearch continues to publish **PRIME**Morning, a daily podcast series covering both fundamental and technical analysis before the start of each trading day, and the show can be accessed through [Spotify](#), [Apple](#), and [Google](#).



MYPRIMERESARCH.COM

**Act Financial: The Unique One**

ACTF: IPO Price EGP2.9/share; Fair Value EGP4.8/share (before discount) & EGP3.9/share (after discount); Not Rated



MYPRIMERESARCH.COM

**Arabian Cement: Crossing Borders**

ARCC: 12MPT raised to EGP16.9/share; Overweight/High Risk maintained



MYPRIMERESARCH.COM

**EGYPT Fertilizers: The Valuation Disconnect**

ABUK raised to OW. MFPC cut to UW. EFIC and EGCH initiated at UW.



MYPRIMERESARCH.COM

**Elsewedy Electric: Potential Delisting Ahead**

SWDY: 12MPT raised to EGP52.6/share; Underweight / Medium Risk





## Asset Management

**Assets Under Management (AUMs) flourished with a 50% YoY growth in Q2FY2024 VS Q2FY2023.**

Total assets under management (AUMs) bolstered to EGP 13.59bn in Q2FY2024 transcending the EGP 7.36bn by the end of Q2FY2023, fortified by both equity (+10% YoY) and money market (+228% YoY).

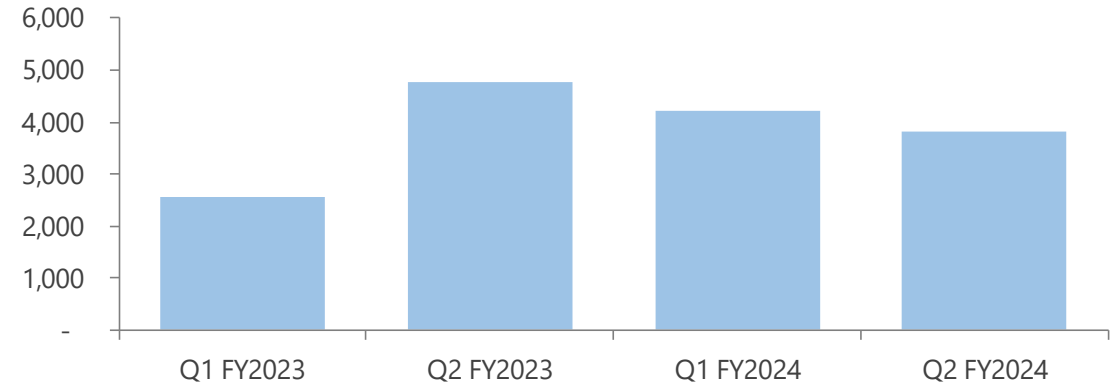
- Equity (AUMs) commanded the lion's share, contributing by 60% of total AUMs, accordingly equity AUMs tallied to EGP 8.10bn in Q2FY24 vs EGP 7.36bn in Q2FY23.
- Money market (AUMs) skyrocketed to EGP 5.49bn as of Q2FY2024, exhibiting a astounding lunge of 228% from EGP 1.67bn in Q2FY23.

**Prime Asset Management steady performance reflects its consistent growth, displaying EGP 8.03mn in H1FY2024, a 10% YoY rise**

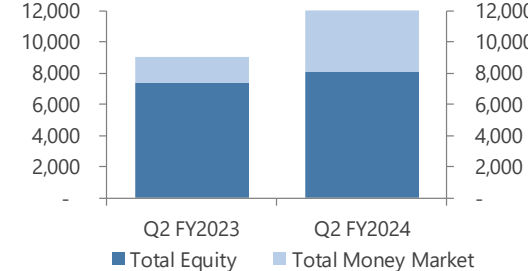
Total asset management revenues (including other income ) featured EGP 9.83mn in H1FY2024 vs. EGP 8.20mn in H1FY2023 with a YoY vault of 20% based on the hereinafter factors:

- Management fees attained a solid 35% YoY increase, parading to EGP 7.55mn in H1FY2024 vs 5.60mn in H1FY2023.
- Other Income realized EGP 1.79mn in H1FY2024, yielding a robust increase of 102% YOY.
- Performance fees dipped by -72% YoY, amounting to EGP 0.48mn in H1FY2024 vs EGP 1.7mn in H1FY2023.

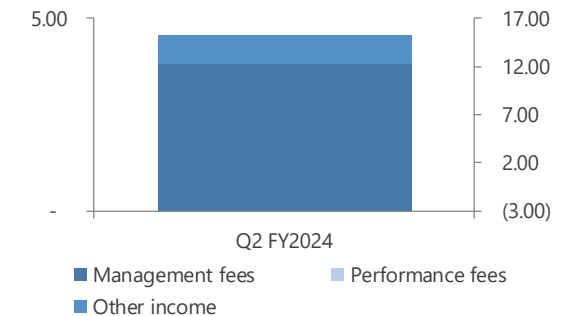
**Asset Management fees & commissions (EGP'000, quarterly)**



**Mandated AUMs (EGPmn, y/y)**



**Revenue mix (EGPmn, q/q)**



Source: Management presentation.



## Financial Advisory

Prime Capital continues its trajectory, boasting a 9% increase in investment banking fees and commissions, reaching EGP 4.3mn in H1 FY2024 vs EGP 3.9mn in H1 FY2023. This success highlights the unwavering commitment in expanding the independent financial advisory services and enhancing customer retention, with a strategic focus on a sustained momentum in a dynamic market environment.

### Bright Horizon

Prime Capital is seizing a wealth of exciting opportunities across various sectors, with potential deals exceeding EGP 5bn. This aligns seamlessly with the goals of broadening market presence.

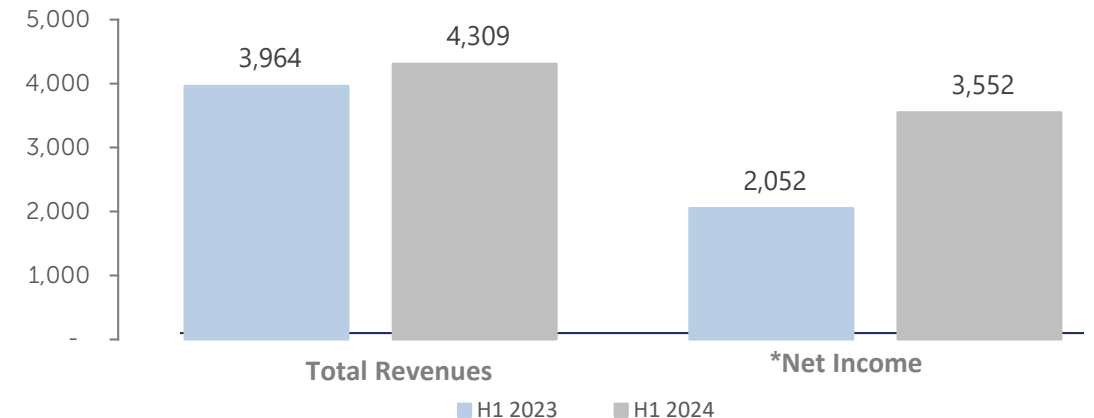
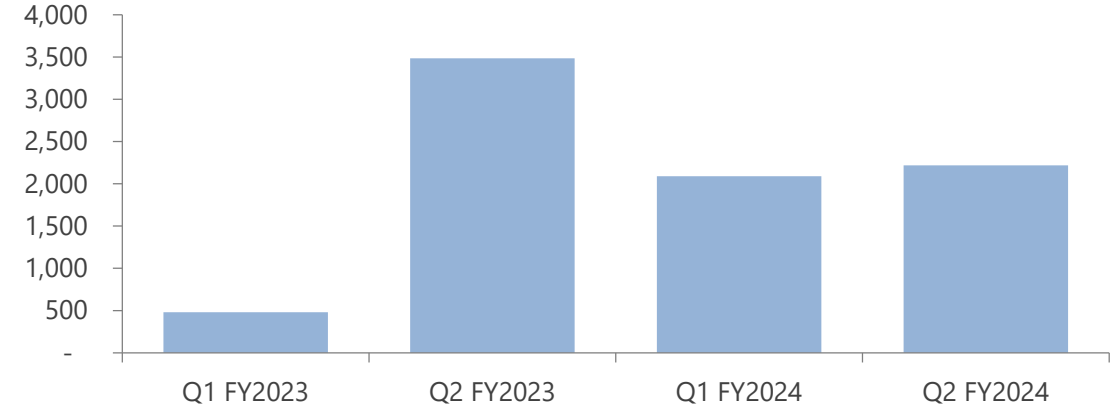
Leveraging the seasoned expertise, Prime Capital is guiding a leading agriculture player on an IPO journey slated for Q4 2024.

### Broad Spectrum

Prime Capital showcased its exceptional expertise through a diverse portfolio of Independent Financial Advisor (IFA) reports, encompassing:

1. Textiles
2. Construction
3. Real Estate
4. Healthcare
5. NBFS
6. Fintech
7. F&B
8. Energy

Financial Advisory fees & commissions (EGP'000, quarterly)



\* Net Income for H1 FY2024 has been adjusted to pre-tax figures to ensure a fair comparison with H1 2023, during which no taxes were paid.

Source: Management presentation.



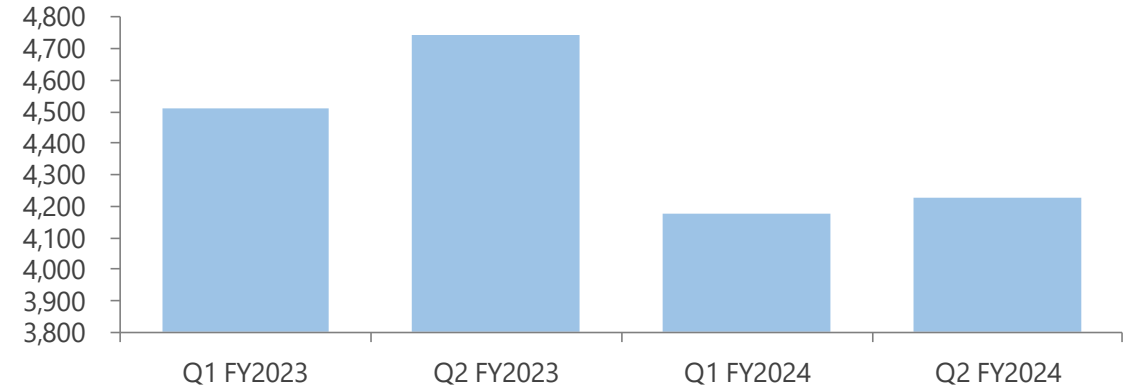
## Non-Banking Financial Services

The leasing portfolio features a wide range of sectors, offering flexibility and variety

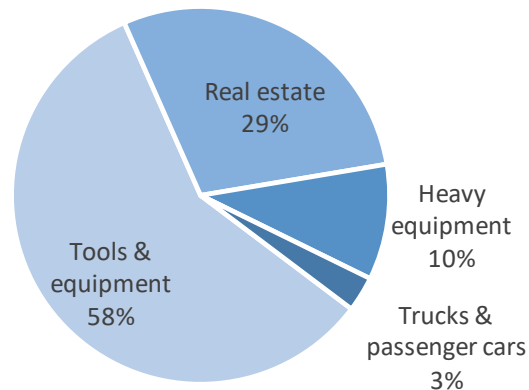
As of June 2024, tools and equipment dominated with 58%, followed closely by real estate at 29%.

Regarding sector distribution, the food and beverages industry leads the pack with 29%, trailed by the trade sector at 13%. Textiles and real estate each hold a respectable 10%.

NBFS fees & commissions (EGP'000, quarterly)

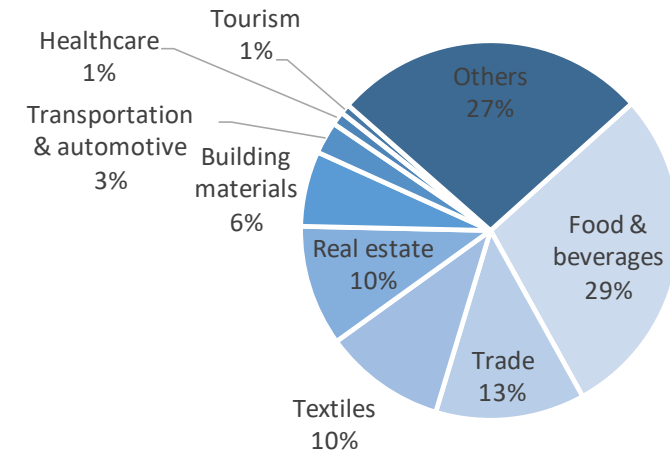


Leasing Portfolio by type of asset



Source: Management presentation.

Leasing Portfolio by sector



Source: Management presentation.

# Consolidated Financial Statements



Income Statement (EGP'000)	H1 FY2024	H1 FY2023	YoY	Q2 FY2024	YoY	QoQ	Q1 FY2024
Brokerage	41,122	39,655	4%	16,390	(1%)	(34%)	24,732
Asset Management	8,031	7,316	10%	3,804	(20%)	(10%)	4,227
Financial Advisory	4,309	3,964	9%	2,219	(36%)	6%	2,090
Custody	9,967	6,454	54%	2,153	7%	(72%)	7,814
Management Services	429	284	51%	212	18%	(2%)	217
<b>Total Investment Bank Fees &amp; Commissions</b>	<b>63,858</b>	<b>57,672</b>	<b>11%</b>	<b>24,778</b>	<b>(8%)</b>	<b>(37%)</b>	<b>39,080</b>
<b>NBFS</b>	<b>8,405</b>	<b>9,256</b>	<b>(9%)</b>	<b>4,229</b>	<b>(11%)</b>	<b>1%</b>	<b>4,177</b>
<b>Capital Markets &amp; Treasury</b>	<b>24,287</b>	<b>24,548</b>	<b>(1%)</b>	<b>11,194</b>	<b>(35%)</b>	<b>(15%)</b>	<b>13,093</b>
<b>Operating Revenues</b>	<b>96,551</b>	<b>91,476</b>	<b>6%</b>	<b>40,201</b>	<b>(18%)</b>	<b>(29%)</b>	<b>56,350</b>
Non-Operating Revenues	16,208	5,078	219%	13,381	543%	373%	2,827
<b>Total Revenues</b>	<b>112,759</b>	<b>96,554</b>	<b>17%</b>	<b>53,582</b>	<b>5%</b>	<b>(9%)</b>	<b>59,177</b>
Salaries & Wages	(23,669)	(22,245)	(6%)	(11,986)	(7%)	(3%)	(11,683)
Commissions	(6,148)	(6,649)	8%	(1,932)	19%	54%	(4,216)
Other G&A Expenses	(14,675)	(12,760)	(15%)	(6,087)	(2%)	29%	(8,589)
Interest Expense	(12,986)	(14,439)	10%	(6,545)	13%	(2%)	(6,441)
Depreciation & Amortization	(3,698)	(3,753)	1%	(1,852)	0%	(0%)	(1,846)
<b>Operating Expenses</b>	<b>(61,177)</b>	<b>(59,847)</b>	<b>(2%)</b>	<b>(28,402)</b>	<b>2%</b>	<b>13%</b>	<b>(32,774)</b>
<b>Operating Profits</b>	<b>51,582</b>	<b>36,707</b>	<b>41%</b>	<b>25,180</b>	<b>13%</b>	<b>(5%)</b>	<b>26,403</b>
Provisions	(26,571)	(13,071)	(103%)	(24,021)	(1103%)	(842%)	(2,550)
Goodwill Impairment	-	-	NM	-	NM	NM	-
Other Income (Expenses)	-	-	NM	-	NM	NM	-
<b>Net Profits before Tax</b>	<b>25,011</b>	<b>23,637</b>	<b>6%</b>	<b>1,159</b>	<b>(94%)</b>	<b>(95%)</b>	<b>23,853</b>
Taxes	(11,421)	(8,394)	(36%)	(4,838)	6%	27%	(6,584)
<b>Net Profits after Tax</b>	<b>13,590</b>	<b>15,243</b>	<b>(11%)</b>	<b>(3,679)</b>	<b>(124%)</b>	<b>(121%)</b>	<b>17,269</b>
Minority Interest	(232)	(132)	(76%)	(107)	(31%)	14%	(125)
<b>Net Profits after Unusual Items &amp; Minority Interest</b>	<b>13,358</b>	<b>15,111</b>	<b>(12%)</b>	<b>(3,786)</b>	<b>(125%)</b>	<b>(122%)</b>	<b>17,144</b>

Source: Management presentation.

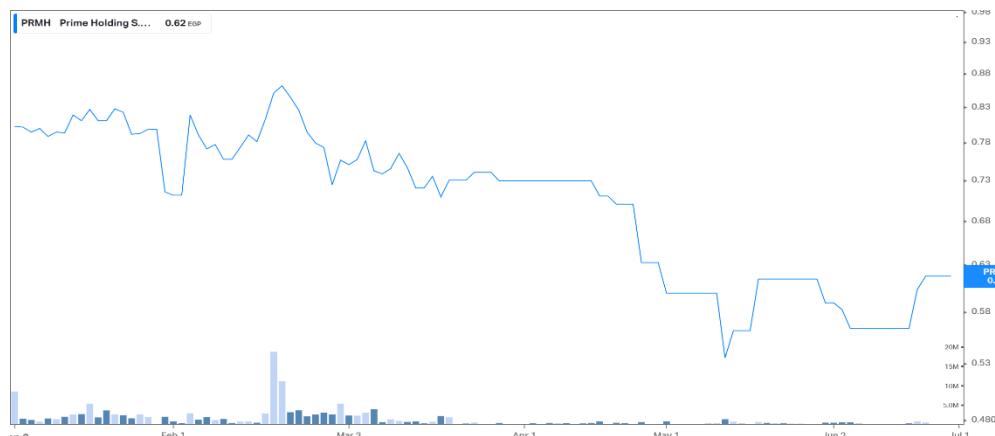
# Consolidated Financial Statements (continued)



Balance Sheet (EGP'000)	30-Jun-24	YTD	31-Dec-23
Cash & Cash Equivalents	237,523	(46%)	441,380
Receivables	130,832	7%	122,555
ST Loans Receivables	34,841	(10%)	38,646
Sundry Current Assets	13,073	(45%)	23,812
<b>Total Current Assets</b>	<b>416,268</b>	<b>(34%)</b>	<b>626,393</b>
LT Loans Receivables	23,636	(40%)	39,223
Net Fixed Assets	17,809	(66%)	52,948
Goodwill	207,256	0%	207,256
Contribution to Settlement Guarantee Fund	3,966	22%	3,240
Investments	21,346	1000%	1,940
<b>Total Non-Current Assets</b>	<b>274,013</b>	<b>(10%)</b>	<b>304,607</b>
<b>Total Assets</b>	<b>690,281</b>	<b>(26%)</b>	<b>931,000</b>
Short-Term Loans	69,640	24%	55,945
Customers Credit Accounts	173,231	(58%)	412,733
Long-Term Loans	37,398	(24%)	49,144
Lease Obligation	19,263	(19%)	23,639
Provisions	13,389	(36%)	20,830
Sundry Liabilities	75,129	(5%)	78,985
<b>Total Liabilities</b>	<b>388,050</b>	<b>(39%)</b>	<b>641,276</b>
Equity for Owners of the Holding Company	300,168	4%	287,529
Minority Interest	2,063	(6%)	2,194
<b>Total Shareholders' Equity</b>	<b>302,231</b>	<b>4%</b>	<b>289,724</b>
<b>Total Liabilities &amp; Shareholders' Equity</b>	<b>690,281</b>	<b>(26%)</b>	<b>931,000</b>

Source: Management presentation.

## Prime Holding's Stock Performance (H1 FY2024)



### Share Data

Number of issued shares	350mn
Issued & paid-in capital	EGP350mn
Fiscal year end	December
Reuters / Bloomberg tickers	PRMH.CA / PRMH EY Equity

### Trading Information (H1 FY2024)

Closing price (30 June. 2024)	EGP0.61
YTD high / low	EGP0.87 / EGP0.52
YTD performance	-23%
Average daily volume	1.38mn shares
Average daily turnover	EGP1.07mn

## Investor Relations

### Mohamed Sayed Mostafa

Direct: +2 02 3300 5663 / Mobile: +2 0122 922 4441  
[MSayed@egy.primegroup.org](mailto:MSayed@egy.primegroup.org)

### Investor Relations Department

[IR@primegroup.org](mailto:IR@primegroup.org)

## Disclaimer

Certain information contained in this document consists of forward-looking statements reflecting the current view of the Company with respect to future events, and is therefore subject to certain risks, uncertainties, and assumptions. Many factors could cause the actual results, performance, or achievements of the Company to be materially different from any future results, performance, or achievements that may be expressed or implied by such forward-looking statements, including worldwide economic trends, the economic and political climate of Egypt and the Middle East, and changes in business strategy as well as various other factors. Should one or more of these risks or uncertainties materialize, or should underlying assumptions prove incorrect, actual results may vary materially from those described in such forward-looking statements. Recipients of this document are cautioned not to place any reliance on these forward-looking statements. The Company undertakes no obligation to republish revised forward-looking statements to reflect changed events or circumstances.