

EFG Hermes One on One 2018

Remakes by Karim Awad, Group Chief Executive Officer, EFG Hermes Holding

Your Excellency's, Distinguished Guests, Ladies & Gentlemen,

Good morning and welcome to the 14th Annual EFG Hermes One-on-One Conference held under the patronage of HH Sheikh Maktoum bin Mohammed bin Rashid Al Maktoum, the Deputy Ruler of Dubai.

I would like to start this short welcome note with our heartfelt appreciation to all of the 1000 plus registered participants for accepting our invitation to join this year's event. It is because of your strong support that the One-on-One has grown from its very humble beginnings in Sharm El Sheikh in 2002 to where it is today. Back then we must have had like 6 Egyptian companies and around a dozen investors at best.

Today, we are proud to be hosting our largest conference ever and the largest frontier and MENA dedicated conference globally with 173 companies from 26 countries as well as 255 institutional investors from the GCC, Europe, Asia and the US managing an aggregate AUM base of over USD 8 trillion. While the numbers and the venue have changed, the one thing that has stayed constant has been the conference's goal of creating an environment that fosters transparency aiding in the exchange of investment ideas and healthier capital markets and investor flows across the region.

As the One-on-One Conference has grown over the past sixteen years, so has EFG Hermes. Today, we look at our firm not as an investment bank but as a provider of financial services to retail, HNW, institutional and corporate clients in the MENA and frontier region. To see this vision through, we have expanded our presence to Pakistan, Kenya, Bangladesh, the US and the UK providing our clients a wider reach than ever before. As a result, EFG Hermes' brokerage platform and its best in class research coverage have morphed into a one-stop shop whether our clients want to trade in Vietnam or read about the latest developments in Nigeria or talk about their strategy in KSA and Egypt. Our corporate advisory franchise finished the year with 16 executed transactions and the number one ranking in the regional Thomson Reuters ECM league tables and more importantly a healthy pipeline of transactions that will include our first frontier markets IPO in 2018.

Our positioning as the region's largest buy side house has been regained through an investment in our public equities affiliate FIM as well as finalizing our third European renewable energy investment bringing our total public and private AUMs to around USD 5 billion. Our plans for growing this platform are ambitious and include a number of innovative products the first among which will be announced in the coming few weeks.

Increasing the suite of products and services that we provide our clients has been a major theme for EFG Hermes during the past period. The aim is to enhance our offering through more comprehensive solutions for our clients across existing and new regions thereby increasing cross

selling potential and improving the ever so important return on equity metric. Since 2015, we have added leasing, microfinance, consumer finance, structured products, DCM activities, yielding infrastructure as well as our liquid balance sheet support to help our clients meet their goals and objectives. All of these steps to transform EFG Hermes into the region's leading provider of financial solutions would not have been possible without our most precious asset: our People who have worked very hard during 2017 to continue to push the boundaries of what we do and to reshape the organization into one that can provide sustainable long-term returns for our shareholders and for that I am sincerely thankful.

While acknowledging that delivering good returns for our shareholders is our primary goal as management, we try to balance this with a high level of commitment to our Public responsibility towards the communities we operate in. I am therefore proud to announce that we are the first Egyptian financial institution to become signatories of the United Nations Principles for Responsible Investment. This is an important milestone to mark our commitment to a sustainable future. I am also proud of the effort exerted over the past year by our teams to adopt the EFG Hermes Environmental, Social and Governance Policy and embed sustainability in our investments and operations. We are only just embarking on our journey towards a sustainable investment future with many challenges that we welcome and are planning to win.

Like sustainability, our journey towards the digital transformation of our company and the services that it provides is well under way whether through the launch of our brokerage retail app in partnership with Saxobank early last year or our consumer finance app Valu last month. We realize that, like other industries globally, disruption is coming our way and we are taking the necessary steps to prepare. While most of our audience members are well aware of the disruption trends that are taking place globally, few realize that our region on that front is not far behind with some young and innovative minds driving change across every field. With that idea in mind, our final panel today will focus on disruption in the MENA region and will include some very insightful minds that are shaping the world of e-learning, retail and transportation.

But first, we will start with an interview entitled "Promoting Investments and Managing Public Enterprises" that will focus on our research house's top pick for 2018: Egypt. For this, we will be talking to HE Khaled Badawi the Minister of Public Enterprise who is an investment banker by training and will positively surprise our audience with a tone that is different from any we have heard from this post in a while.

Following the Egypt panel, our second panel will be entitled the Structural Developments in MENA markets and will focus on the reforms that the region's most important capital markets are seeing and their plans to attract companies to list, increase volumes and enhance disclosure levels to attract a wider and more sophisticated investor base. We are quite honored that this panel will include very senior representatives of the regulatory bodies of the most important markets in the region including the UAE, Saudi Arabia, Egypt and Kuwait. Sincere gratitude to all of our panelists for

taking time out of their very busy schedules to join us this morning and I hope that our audience will find the discussions interesting and informative.

Before I go, once again welcome to the 14th edition of the EFG Hermes One-on-One Conference, thank you for joining us and good luck to all our participants on what should be a very intense three day schedule. I will now leave the floor to my colleague Simon Kitchen for his interview with HE Khaled Badawi.