U Consumer Finance
"ValU Consumer Finance Company, previously"
(Egyptian Joint Stock Company)
Consolidated financial statements
For the period ended June 30, 2025
Together with Limited review report

U Consumer Finance "ValU Consumer Finance Company, previously"
(Egyptian Joint Stock Company)
Financial statements for the period ended June 30, 2025

Contents

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REPORT ON REVIEW OF INTERIM CONSOLIDATED FINANCIAL STATEMENTS

To the members of the board of directors of U Consumer Finance "ValU Consumer Finance Company, previously" (S.A.E)

Introduction

We have reviewed the accompanying consolidated financial position of **U Consumer Finance "ValU Consumer Finance Company, previously" (S.A.E)** as of 30 June 2025 and the related consolidated statements of profit or loss, consolidated comprehensive income, consolidated changes in equity and consolidated cash flows for the Six months ended on that date, and summary of the main accounting policies and other explanatory notes, Management is responsible for the preparation and presentation of these consolidated financial statements in accordance with the Egyptian accounting standards, our responsibility is to express a conclusion on these consolidated financial statements based on our review.

Scope of review

We conducted our review in accordance with the Egyptian Standard on review engagement no, (2410) "Review of interim financial information performed by the independent Auditor of the entity", A review of financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures, A review is substantially less in scope than an audit conducted in accordance with Egyptian standards on auditing, Consequently, it does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit, Consequently; we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that accompanying interim consolidated financial statements are not prepared, in all material respects for the financial position of the company as of 30 June 2025, and its consolidated financial performance and cash flows for the Six months ended in that date in accordance with Egyptian accounting standards.

Cairo: 12 August 2025

Auditor
Amr Wahid Abdel Ghaffar

Baker Tilly Mohamed Hilal & Wahid Abdel Ghaffar.
Accountants and Consultants

U Consumer Finance " ValU Consumer Finance Company, previously"
(Egyptian Joint Stock Company)
Consolidated Statement of financial position as of June 30, 2025

Translation of financial statements
Originally Issued in Arabic

(All amount in Egyptian pound)

	Note	30/6/2025	31/12/2024
Assets			
Non - current assets			
Account receivables for consumer finance	(8)	5 238 501 130	3 841 102 654
Investments at fair value through OCI	(9)	3 050 100	3 050 100
Investments in associates	(11)	-	117 764 950
Fixed assets	(3)	270 509 434	292 934 845
Right of use assets	(5)	50 108 595	57 131 504
Intangible assets	(4)	155 040 521	169 320 427
Goodwill	(31)	308 228 470	308 228 470
Total of non-current assets		**6 025 438 250**	**4 789 532 950**
Current assets			
Cash and cash equivalents	(6)	1 568 598 306	751 780 186
Account receivables for consumer finance	(8)	4 647 718 472	4 711 651 177
Financial investments at fair value through profit or loss	(10)	4 115 247	3 746 775
Debitors and Other debit balances	(7)	516 584 502	304 362 867
Securitization surplus	(26)	283 695 834	292 353 725
Total current assets		**7 020 712 361**	**6 063 894 730**
Total assets		**13 046 150 611**	**10 853 427 680**
Equity			
Issued & paid - in capital	(13)	210 635 652	199 590 140
Legal reserve		99 795 071	99 795 071
Share premium		710 898 836	710 898 836
Impairment reserve for consumer finance	(29)	136 217 429	95 596 990
Retained Earnings		674 782 019	530 808 046
Total equity Before Non-controlling interests		**1 832 329 007**	**1 636 689 083**
Non-controlling interests		5 363	654
Total equity and Non-controlling interests		**1 832 334 370**	**1 636 689 737**
Liabilities			
Non - current liabilities			
Loans and Facilities	(14)	5 248 143 752	4 808 438 194
Subordinated loans	(16)	1 040 000 000	440 000 000
Deferred tax liabilities	(23)	15 587 719	17 624 800
Operating lease Liabilities	(5)	50 624 036	54 955 230
Total non - current liabilities		**6 354 355 507**	**5 321 018 224**
Current liabilities			
Overdraft banks	(15)	1 821 515 339	1 763 930 398
Due to related parties	(12)	98 635 870	24 273 652
Merchants		907 041 516	448 380 458
Creditors and other credit balances	(17)	480 341 105	890 179 144
Provisions	(18)	9 000 000	4 000 000
Current income tax liabilities		89 188 980	88 411 198
Loans and facilities	(14)	1 175 838 902	548 529 403
Subordinated loans	(16)	260 000 000	110 000 000
Current portion of operating lease liabilities	(5)	17 899 022	18 015 466
Total current liabilities		**4 859 460 734**	**3 895 719 719**
Total liabilities		**11 213 816 241**	**9 216 737 943**
Total equity and liabilities		**13 046 150 611**	**10 853 427 680**

The accompanying notes and accounting policies from page (6) to page (57) are an integral part of these Consolidated financial statements and are to be read therewith.
Limted review's Report " Attached "

Non Executive Chairman	Managing Director	CFO
Fatma Ibrahim Lotfi	Walid Mahmoud Hassouna	Karem Riyad

U Consumer Finance " ValU Consumer Finance Company, previously"

(Egyptian Joint Stock Company)

Consolidated Income statement for the Period ended June 30, 2025

Translation of financial statements
Originally Issued in Arabic

(All amount in Egyptian pound)

	Note	For Six Months Ended 30/6/2025	For Six Months Ended 30/6/2024	For the three months ended 30/6/2025	For the three months ended 30/6/2024
Revenues from activity	(19)	1 565 620 877	968 341 822	834 637 312	501 256 091
Securitization gain	(26)	909 365 316	357 037 762	623 608 006	269 543 173
Finance cost	(20)	(1 320 845 901)	(604 653 817)	(737 424 269)	(336 362 276)
Net operating revenue		**1 154 140 292**	**720 725 767**	**720 821 049**	**434 436 988**
Add/(Deduct):					
Interest Income		128 327 834	20 210 063	60 140 901	2 973 635
Net change in fair value through profit or loss		368 472	391 666	180 183	(52 492)
Commissions and collection fees		(27 909 494)	(4 738 162)	(10 611 289)	(2 747 149)
Fixed assets depreciation	(3)	(34 897 805)	(21 321 964)	(17 592 684)	(11 796 779)
Intangible assets amortization	(4)	(14 279 906)	(9 909 313)	(7 141 043)	(4 951 643)
Right of use assets amortization	(5)	(6 284 174)	(5 277 714)	(3 126 701)	(2 844 947)
Expected Credit Loss	(22)	(79 242 980)	(100 003 468)	(74 520 418)	(65 136 799)
Component of provisions	(18)	(5 000 000)	(2 000 000)	--	--
Provision No Longer Required		--	2 000 000	--	2 000 000
Foreign currency exchange differences		(8 808 909)	81 865 888	(7 046 775)	3 813 384
Capital losses		(585 000)	--	(585 000)	--
General and administrative expenses	(21)	(661 661 584)	(404 787 842)	(374 822 218)	(210 861 388)
Net profit of the period before tax		**444 166 746**	**277 154 921**	**285 696 005**	**144 832 810**
(Deduct)/ Add:					
Income tax		(105 694 369)	(60 535 980)	(72 972 529)	(38 153 845)
Deferred tax	(23)	2 037 081	(8 891 294)	3 864 922	(8 459 692)
Net profit for the Period		**340 509 458**	**207 727 647**	**216 588 398**	**98 219 273**
Profit attributable to:					
Non-controlling interests		4 709	361	1 692	783
Owners of Company		340 504 749	207 727 286	216 586 706	98 218 490
		340 509 458	**207 727 647**	**216 588 398**	**98 219 273**
Earning Per Share (EGP/Share)	(24)	**0.17**	**0.10**	**0.11**	**0.05**

The accompanying notes and accounting policies from page (6) to page (57) are an integral part of these Consolidated financial statements and are to be read therewith.

Non Executive Chairman	Managing Director	CFO
Fatma Ibrahim Lotfi	Walid Mahmoud Hassouna	Karem Riyad

U Consumer Finance " ValU Consumer Finance Company, previously"
(Egyptian Joint Stock Company)
Consolidated Statement Of Comprehensive Income for the Period ended June 30, 2025

Translation of financial statements
Originally Issued in Arabic

(All amount in Egyptian pound)

	For Six Months Ended		For the three months ended	
	30/6/2025	30/6/2024	30/6/2025	30/6/2024
Net profit for the Period	**340 509 458**	**207 727 647**	**216 588 398**	**98 219 273**
Other Comprehensive Income	--	--	--	--
Total comprehensive income for the Period	**340 509 458**	**207 727 647**	**216 588 398**	**98 219 273**
Total comprehensive income for the Period Attributable to:				
Non-controlling interests	4 709	361	1 692	783
Owners of Company	340 504 749	207 727 286	216 586 706	98 218 490
	340 509 458	**207 727 647**	**216 588 398**	**98 219 273**

The accompanying notes and accounting policies from page (6) to page (57) are an integral part of these Consolidated financial statements and are to be read therewith.

Non Executive Chairman	Managing Director	CFO
Fatma Ibrahim Lotfi	Walid Mahmoud Has	Karem Riyad

Translation of financial statements
Originally Issued in Arabic

U Consumer Finance " ValU Consumer Finance Company, previously"
(Egyptian Joint Stock Company)
Consolidated Statement of changes in equity For the period ended June 30, 2025
(All amount in Egyptian pound)

	Issued & paid- in capital	Reserves	Share premium	Impairment reserve for consumer finance	Retained Earnings	Equity attributable to owners of the Company	Non-controlling interests	Total Equity & non- Controlling Intrests
Balance as at 1 January 2024	199 590 140	99 795 071	710 898 836	46 676 424	156 988 714	1 213 949 185	(4 310)	1 213 944 875
comprehensive income								
Profit for the period	--	--	--	--	207 727 647	207 727 647	361	207 728 008
Total comprehensive income	199 590 140	99 795 071	710 898 836	46 676 424	364 716 361	1 421 676 832	(3 949)	1 421 672 883
Tranasctions with the owners of the company								
Impairment reserve for consumer finance	--	--	--	(15 864 094)	15 864 094	--	--	--
Balance as at 30 June 2024	199 590 140	99 795 071	710 898 836	30 812 330	380 580 455	1 421 676 832	(3 949)	1 421 672 883
Balance as at 1 January 2025	199 590 140	99 795 071	710 898 836	95 596 990	530 808 046	1 636 689 083	654	1 636 689 737
comprehensive income								
Profit for the period	--	--	--	--	340 509 458	340 509 458	4 709	340 514 167
Total comprehensive income	199 590 140	99 795 071	710 898 836	95 596 990	871 317 504	1 977 198 541	5 363	1 977 203 904
Tranasctions with the owners of the company								
Paid in capital increase	11 045 512	--	--	--	--	11 045 512	--	11 045 512
Effect of restructuring - Note (11)	--	--	--	--	(117 764 950)	(117 764 950)	--	(117 764 950)
Impairment reserve for consumer finance	--	--	--	40 620 439	(40 620 439)	--	--	--
Dividends distributions for Employees	--	--	--	--	(38 150 096)	(38 150 096)	--	(38 150 096)
Balance as at 30 June 2025	210 635 652	99 795 071	710 898 836	136 217 429	674 782 019	1 832 329 007	5 363	1 832 334 370

The accompanying notes and accounting policies from page (6) to page (57) are an integral part of these Consolidated financial statements and are to be read therewith.

Non Executive Chairman	Managing Director	CFO
Fatma Ibrahim Lotfi	Walid Mahmoud Hassouna	Karem Riyad

U Consumer Finance "ValU Consumer Finance Company, previously"
(Egyptian Joint Stock Company)
Consolidated Statement of cash flows for the period ended June 30, 2025

Translation of financial statements
Originally Issued in Arabic

(All amount in Egyptian pound)

	Note	For the Period ended 30/6/2025	30/6/2024
Cash flows from operating activities			
Profit before income tax		**444 166 746**	**277 154 921**
Adjustments for :			
Fixed assets depreciation	(3)	34 897 805	21 321 964
Intangible assets amortization	(4)	14 279 906	9 909 313
Right of use assets amortization	(5)	6 284 174	5 277 714
Effect of disposal of right of use asset		738 735	--
Capital losses		585 000	--
Interest income		(128 327 834)	(20 210 063)
Net change in fair value through profit or loss		(368 472)	(391 666)
Operating lease liability interest	(5)	5 797 217	5 442 153
Expected Credit Loss	(22)	79 242 980	100 003 468
Securitization gain		(909 365 316)	(357 037 762)
Provisions formed during the period	(18)	5 000 000	--
		(447 069 059)	**41 470 042**
Change in:			
Debitors & Other debit balances		(216 032 760)	(440 831 522)
Account receivables for consumer finance (Net)		(2 857 314 308)	(2 318 389 075)
Securitization surplus		8 239 889	(89 177 806)
Creditors and other credit balances		(409 838 039)	122 716 294
Merchants		458 661 058	219 225 178
Due to related parties		74 362 218	7 241 472
Income tax paid		(104 916 587)	(71 192 918)
Dividends distributions for Employees		(38 150 096)	--
Net cash (used in) operating activities		**(3 532 057 684)**	**(2 528 938 336)**
Cash flows from investing activities			
Payments to purchase fixed assets	(3)	(14 682 394)	(60 173 547)
Proceeds from the sale of fixed assets		1 625 000	--
Payments to purchase intangible assets		--	(1 326 900)
(payments) in financial investments at fair value through profit or loss		--	(2 302 375)
Interest Income received		128 327 834	20 210 063
Net cash Provided From / (used in) investing activities		**115 270 440**	**(43 592 759)**
Cash flows from financing activities			
Proceeds from loans	(17)	1 067 015 057	636 279 200
Proceeds from Subordinated loans	(16)	750 000 000	--
Non-Controlling Interest		4 709	361
Paid in capital increase		11 045 512	--
Payments for operating lease		(10 244 855)	(5 749 378)
Proceeds from Securitization		2 358 200 000	2 657 350 000
Net cash provided from financing activities		**4 176 020 423**	**3 287 880 183**
Net change in cash and cash equivalents during the period		**759 233 179**	**715 349 088**
Cash and cash equivalents at the beginning of the period		**(1 012 150 212)**	**(1 169 516 527)**
Cash and cash equivalents at the end of the period	(26)	**(252 917 033)**	**(454 167 439)**

Non-cash transactions:

The amount 117 764 950 has been disposed from investment in subsidiary companies as the Effect of restructuring - Note (11)

The accompanying notes and accounting policies from page (6) to page (57) are an integral part of these Consolidated financial statements and are to be read therewith.

Non Executive Chairman	Managing Director	CFO
Fatma Ibrahim Lotfi	Walid Mahmoud Hassouna	Karem Riyad

1- Company's background

1-1 Legal status

ValU Consumer Finance Company (ValU for Instalment Services Company, previously) "Egyptian joint stock" has been established in accordance with the provisions of the Law of Joint Stock Companies, Partnerships Limited by Shares, and Limited Liability Companies, promulgated by Law No. 159 of 1981, and it's implementing regulations with ratification records report No. 1268 of 2017. The company was registered in the commercial registry in Cairo office with No. 108873 dated August 20, 2017.

On October 25, 2020, the company's situation was reconciled by leaving the scope of provision of law No. 159 of 1981 and comply under law No. 18 of 2020 so that the name of the company changes into ValU Consumer Finance to engage in the activity of consumer finance provision law No. 18 of 2020 and the decisions of the boards of financial regulatory authority issued instead of ValU for Instalment Services.

According to the Extraordinary General Assembly Meeting held on 19 March 2023, the name of the company was changed to (U Consumer Finance) "Egyptian Joint Stock" and was noted in the Commercial Register on 30 May 2023.

1-2 Purpose of the company

The purpose of the company is to practice consumer finance business in accordance with the provisions of Law No. 18 of 2020 and the decisions in effect, provided that the necessary licenses are issued to practice this activity.

The company may have an interest or participate in any way with companies and others that carry out business like its business, or that may help it achieve its objectives in the previous bodies, or buy it or attach it to them, in accordance with the provisions of the law and its executive regulations.

1-3 Company duration

Duration of company is 25 years from the date of registration in the commercial register.

1-4 The company is listed on the official list of the Egyptian Exchange.

1-5 Company location

The company's registered office is located in Smart Village building No. B129, phase 3, KM 28 Cairo Alexandria Desert Road, 6 October, Egypt.

In accordance with the decision of the Extraordinary General Assembly held on May 21, 2023, the company's headquarters was modified to become Unit No. (406&407&408&409- (VW), first floor above ground, located in the commercial center (Arkan 2) at the entrance to Zayed 2 - Sheikh Zayed City - Giza Government.

1-6 Basis of Consolidation

- **Control**

An investor controls an investee when, and only when, the investor has:

1. Power over the investee.
2. Exposure, or rights, to variable returns from its involvement with the investee; and.
3. The ability to use its power over the investee to affect the amount of the investor's returns.

- **Ongoing Assessment**

The investor shall reassess whether it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control.

- **Loss of Control**

When the parent loses control of a subsidiary, it shall:

1. Derecognize the assets (including goodwill) and liabilities of the subsidiary at their carrying amounts at the date when control is lost.
2. Derecognize the carrying amount of any non-controlling interests in the former subsidiary (including any components of other comprehensive income attributable to them).
3. Derecognize any cumulative translation differences recognized in equity.
4. Recognize the fair value of the consideration received, if any, from the transaction, event, or circumstance that resulted in the loss of control.
5. Recognize any retained investment in the former subsidiary at its fair value at the date control is lost;
6. Reclassify to profit or loss, or transfer directly to retained earnings, the amounts recognized in other comprehensive income that relate to the subsidiary.
7. Recognize any resulting difference as a gain or loss attributable to the parent.

When the parent loses control of a subsidiary, it must account for all amounts previously recognized in other comprehensive income relating to that subsidiary on the same basis as would be required if the parent had directly disposed of the related assets or liabilities. Thus, when reclassifying the previously recognized gain or loss from other comprehensive income to profit or loss, the parent shall reclassify the gain or loss from equity to profit or loss (as a reclassification adjustment) at the date it loses control. If a previously recognized revaluation surplus had been transferred directly to retained earnings upon disposal of the asset, the parent shall transfer the revaluation surplus directly to retained earnings upon loss of control.

- **Non-Controlling Interests**

The parent shall attribute profit or loss and each component of other comprehensive income to the owners of the parent and to the non-controlling interests, even if this results in a deficit balance in the non-controlling interests.

- **Uniform Accounting Policies**

If a member of the Group uses accounting policies other than those adopted in the consolidated financial statements for like transactions and events in similar circumstances, appropriate adjustments shall be made to that member's financial statements in preparing the consolidated financial statements to ensure conformity with the Group's accounting policies.

- **Subsidiaries**

Those Companies controlled by the holding company. Control is achieved when the holding company has the ability to control, directly or indirectly, the financial and operating policies of the subsidiaries to obtain benefits from their activities. The consolidated financial statements include the financial statements of the subsidiaries from the date of control until the date that control ceases. The subsidiaries are represented by the following:

Name Of the Company	Nationality	Nature Of the Control	Contribution rate as of June 30, 2025
PAY-Nas BV	Holand	Direct	99.99 %

- **Elimination of Intercompany Transactions**

Inter-grop balances, transactions, income, expenses, and dividends arising from intragroup activities are fully eliminated during consolidation. Any gains or losses resulting from intragroup transactions that are recognized in the carrying amount of assets (such as fixed assets or inventory) are also eliminated in full. Additionally, unrealized profits and losses from transactions between entities within the Group are eliminated to avoid double counting and to ensure accurate presentation of consolidated results.

- **Consolidated Income Statement**

The consolidated income statement reflects the aggregate results of operations of the parent company and its subsidiaries, after eliminating all intragroup income and expense transactions. This includes the full elimination of unrealized profits embedded in inventory balances arising from intragroup transactions as of the reporting date, to ensure that only external revenues and costs are reported in the consolidated figures.

- **Business Combinations**

The acquisition method i applied in business combinations, which involves:

1. Identification of the acquirer.
2. Determination of the acquisition date.
3. Recognition and measurement of the identifiable assets acquired, liabilities assumed, and any contingent liabilities, as well as any non-controlling interest (NCI) in the acquiree.
4. Recognition and measurement of goodwill – or a bargain purchase gain.

All identifiable assets and liabilities acquired are measured at their fair value as of the acquisition date. For each business combination, the acquirer shall measure any existing NCI either at:

A-Fair value

B- The proportionate share of the acquiree's identifiable net assets.

Goodwill
Goodwill is recognized as of the acquisition date and is measured as:

(A) Total of:

(1) In accordance with Egyptian Accounting Standard (EAS) No. 29 – Business Combinations, the acquirer recognizes goodwill on the acquisition date.
(2) The amount of any non-controlling interest in the acquired entity measured accordance with EAS 29– Business Combinations.
(3) The fair value of any previously held equity interest in the acquiree, if the business combination is achieved in stages.

(B) The net fair value of the identifiable assets acquired and liabilities (including contingent liabilities) assumed at the acquisition date, also in accordance with EAS 29.

- **Consolidation Procedures**

The consolidated financial statements of U Consumer Finance (formerly ValU Consumer Finance, an Egyptian joint stock company) are prepared by combining its the financial statements with that of its subsidiaries (Note 1), aggregating like items of assets, liabilities, equity, income, and expenses to present consolidated financial statements treating the Group as a single economic entity. The consolidation process involves the following steps:

- Eliminate the carrying amount of the parent company's investment in each subsidiary against its share of equity in those subsidiaries. Any excess of the investment cost over the Group's share of net assets is recorded as goodwill in the consolidated statement of financial position. Goodwill is subject to annual impairment testing or more frequently if indicators of impairment exist. Any impairment loss is recognized in the consolidated income statement.
- Non-controlling interests (NCI) in the net assets of subsidiaries are disclosed separately from the equity attributable to the shareholders of the parent. NCI includes:
  1. The initial amount recognized at the acquisition date.
  2. The NCI's share of subsequent changes in the subsidiary's equity since acquisition.
- All intra-group balances and transactions—including intercompany sales, expenses, and dividends—are eliminated in full during consolidation. Unrealized gains or losses arising from intra-group transactions that affect asset values (e.g., inventory or fixed assets) are also eliminated.
- Consolidated financial statements are prepared using uniform accounting policies for similar transactions and events.
- The results (revenues and expenses) of subsidiaries are included in the consolidated income statement from the acquisition date until the date control ceases.
- The financial position of subsidiaries whose functional currency is neither the functional currency of the holding company nor the currency of an inflationary economy are translated into the presentation currency of the holding company's financial statements for inclusion in the holding company's consolidated statements using the following procedures:
- (a) Translating assets and liabilities for each balance sheet presented (including comparative figures) at the closing rate as of the balance sheet date.
- (b) Translating revenue and expense items for each income statement presented (including comparative figures) at the exchange rates as of the dates of the transactions.
- (c) Recognizing all exchange differences as a separate component of consolidated equity up to the date of disposal of the net investment.
- Accumulated exchange differences arising from translation that relate to minority/non-controlling interests are recognized as part of minority/non-controlling interests in the consolidated balance sheet up to the date of disposal of the net investment. When the holding company disposes of its investment in subsidiaries, the accumulated amount of exchange rate translation differences that were deferred as a separate component of consolidated equity and related to translating the financial statements of subsidiaries from their currency to the currency of the parent company for inclusion in the holding company's consolidated financial statements is recognized as a gain or loss simultaneously with the recognition of the gain or loss resulting from the disposal of the investment.

2- Basis of preparation of Financial Statements

2-1 Statement of compliance

- These financial statements have been prepared in accordance with the Egyptian Accounting Standards and relevant Egyptian laws and regulations.

2-2 Functional and presentation currency

These financial statements are presented in Egyptian Pounds (EGP), which is the Company's functional currency and all the financial data presented are in Egyptian Pounds (EGP).

2-3 Use of estimates and judgments

In preparing these financial statements, management has made judgements, estimates and assumptions that affect the application of the Company's accounting policies and the reported amounts of assets, liabilities, income, and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to estimates are recognized prospectively.

The change in accounting estimates is recognized in the period where the estimate is changed whether the change affects only that period, or in the period of change and the future periods if the change affects them both.

2-3-1 Fair value measurement

- The fair value of financial instruments is determined based on the market value of the financial instrument or similar financial instruments at the date of the financial statements without deducting any estimated future selling costs.
- In the absence of an active market to determine the fair value of financial instruments, the fair value is estimated using various valuation techniques, taking into consideration the prices of the transactions occurred recently, and guided by the current fair value of other similar tools substantially - discounted cash flow method - or any other evaluation method to get resulting values that can rely on.
- When using the discounted cash flow method to evaluate, the future cash flows are estimated based on the best estimates of management. And the discount rate used is determined in the light of the prevailing market price at the date of the financial statements that are similar in nature and conditions.

U Consumer Finance "ValU Consumer Finance Company, previously"

(Egyptian Joint Stock Company)
Notes to Consolidated financial statements for the Period ended June 30, 2025
(In the notes all amounts are shown in EGP unless otherwise stated)

3- Fixed assets

	Electrical Appliances	Computer Equipment	Office furniture & Fixtures	Vehicles	Total
Cost					
Cost as of 1/1/2024	**56 031 471**	**43 266 686**	**84 219 830**	**14 982 652**	**198 500 639**
Additions during the year	22 578 260	56 038 673	44 074 662	55 693 464	**178 385 059**
Disposals during the year	(63 220)	--	--	(3 880 701)	**(3 943 921)**
Total cost as of 31/12/2024	**78 546 511**	**99 305 359**	**128 294 492**	**66 795 415**	**372 941 777**
Additions during the Period	294 736	789 247	7 518 411	6 080 000	**14 682 394**
Disposals during the Period	--	--	--	(2 600 000)	**(2 600 000)**
Total cost as of 30/6/2025	**78 841 247**	**100 094 606**	**135 812 903**	**70 275 415**	**385 024 171**
Accumulated depreciation					
Accumulated depreciation at 1/1/2024	**10 099 341**	**11 122 045**	**9 406 233**	**371 250**	**30 998 869**
Depreciation during the year	12 966 713	11 120 212	16 854 791	8 840 678	**49 782 394**
Depreciation of disposals	(46 695)	--	--	(727 636)	**(774 331)**
Accumulated depreciation as of 31/12/2024	**23 019 359**	**22 242 257**	**26 261 024**	**8 484 292**	**80 006 932**
Depreciation during the Period	7 679 608	8 186 959	11 816 856	7 214 382	**34 897 805**
Depreciation of disposals	--	--	--	(390 000)	**(390 000)**
Accumulated depreciation as of 30/6/2025	**30 698 967**	**30 429 216**	**38 077 880**	**15 308 674**	**114 514 737**
Net book value as of 30/6/2025	**48 142 280**	**69 665 390**	**97 735 023**	**54 966 741**	**270 509 434**
Net book value as of 31/12/2024	**55 527 152**	**77 063 102**	**102 033 468**	**58 311 123**	**292 934 845**

4- Intangible assets

	30/6/2025	31/12/2024
Cost at the beginning of the period \ year	**198 827 861**	**48 873 377**
Additions during the period \ year	--	149 954 484
Cost at the end of the period \ year	**198 827 861**	**198 827 861**
Accumulated amortization at the beginning of the period\ year	**29 507 434**	**20 475 259**
Amortization during the period \ year	14 279 906	9 032 175
Accumulated amortization at the end of the period \ year	**43 787 340**	**29 507 434**
Net book value at the end of the period \ year	**155 040 521**	**169 320 427**

(In the notes all amounts are shown in EGP unless otherwise stated)

5- Right of use assets & lease liabilities

It is represented by operational lease contracts for administrative headquarters and company branches, the matter that resulted in the recognition of the right of use assets and lease liabilities, represented as follows:

5-1 Right of use assets

	30/6/2025	31/12/2024
Balance at the beginning of the period \ year	**57 131 504**	**60 030 128**
Additions during the period \ year	--	8 696 460
Disposals during the period / year	(1 107 752)	--
Total cost	**56 023 752**	**68 726 588**
Amortization during the period \ year	(6 284 174)	(11 595 084)
Disposals during the Period	369 017	--
Balance at the end of the period \ year	**50 108 595**	**57 131 504**

5-2 Operating Lease Liabilities

	30/6/2025	31/12/2024
Balance at the beginning of the Period \ year	**72 970 696**	**69 530 966**
Additions during the Period \Year	--	8 696 460
Interest during the Period \ Year	5 797 217	11 548 430
Paid during the Period \ year	(10 244 855)	(16 805 160)
Balance at the end of the Period \ year	**68 523 058**	**72 970 696**

	30/6/2025	31/12/2024
Non-current operating lease liability	50 624 036	54 955 230
Current operating lease liability	17 899 022	18 015 466
Balance	**68 523 058**	**72 970 696**

6- Cash and cash equivalents

	30/6/2025	31/12/2024
Cash on hand	2 948 943	2 385 082
Banks - current accounts	1 224 859 499	468 873 500
Deposits at banks	341 207 866	280 521 604
	1 569 016 308	**751 780 186**
Deduct:		
Expected credit loss	(418 002)	--
Balance	**1 568 598 306**	**751 780 186**

For the purpose of preparing the statement of cash flows, cash and cash equivalents are represented in the following:

	For the period ended	
	30/6/2025	**31/12/2024**
Cash and cash equivalents	1 568 598 306	1 075 295 369
Banks overdraft (Note No- 15)	(1 821 515 339)	(1 529 462 807)
	(252 917 033)	**(454 167 438)**

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7- Debitors and Other debit balances

	30/6/2025	31/12/2024
Prepaid expenses	178 239 485	121 643 625
Down payments to suppliers	34 411 352	29 079 677
Deposits with others	6 555 841	6 492 841
Employees advances	3 937 787	3 802 069
Electronic payments channels	150 983 676	38 322 798
Accrued revenues	7 112 474	7 776 327
Accrued Balances to Custodian - Letter of guarantee	50 348 019	62 421 037
Accrued Balances to Custodian	4 051 130	--
Other debtors	85 737 186	35 805 816
	521 376 950	**305 344 190**
Deduct:		
Expected credit loss	(4 792 448)	(981 323)
	516 584 502	**304 362 867**

*** Expected credit loss**

	30/6/2025	31/12/2024
Balance at the beginning of the period \ year	**(981 323)**	**(7 476 300)**
(Formed) / reversed during the period \ year	(3 811 125)	6 494 977
Balance at the end of the period \year	**(4 792 448)**	**(981 323)**

8- Account receivables for consumer finance

	30/6/2025		
	During one year	**More than one year**	**Total**
Receivables	4 034 737 894	4 334 995 833	**8 369 733 727**
Accrued Interest	1 873 781 693	2 541 388 078	**4 415 169 771**
Total A/R Portfolio	**5 908 519 587**	**6 876 383 911**	**12 784 903 498**
Add/Deduct			
Unearned Interest	(1 627 463 551)	(2 171 949 655)	**(3 799 413 206)**
Marginalized Returns	(55 598 970)	(75 934 595)	**(131 533 565)**
Cashback - Co-funded	558 077 992	765 743 455	**1 323 821 447**
Expected credit loss	(135 816 586)	(155 741 986)	**(291 558 572)**
Balance	**4 647 718 472**	**5 238 501 130**	**9 886 219 602**

(In the notes all amounts are shown in EGP unless otherwise stated)

	31/12/2024		
	During one year	More than one year	Total
Receivables	4 294 136 619	3 072 073 625	**7 366 210 244**
Accrued Interest	1 745 243 673	2 022 843 177	**3 768 086 850**
Total A/R Portfolio	**6 039 380 292**	**5 094 916 802**	**11 134 297 094**
Add/Deduct			
Unearned Interest	(1 675 543 815)	(1 638 850 683)	**(3 314 394 498)**
Marginalized Returns	(45 810 561)	(46 235 517)	**(92 046 078)**
Cashback - Co-funded	532 496 648	537 436 291	**1 069 932 939**
Expected credit loss of	(138 871 387)	(106 164 239)	**(245 035 626)**
Balance	**4 711 651 177**	**3 841 102 654**	**8 552 753 831**

The movement of the Expected credit loss of A/R are represented in the following: -

	30/6/2025	31/12/2024
Balance at the Beginning of the period \ year	**(245 035 626)**	**(146 971 534)**
Expected credit loss	(75 013 853)	(171 822 324)
Write off	33 608 673	82 872 902
Reversal Write off	(5 117 766)	(9 114 670)
Balance at the Ending of the period \ year	**(291 558 572)**	**(245 035 626)**

And the movement of Expected credit loss is as follows

	Account receivables for consumer finance	Expected credit loss	Receivables Net	Receivables Net
			30/6/2025	31/12/2024
(Stage 1)	7 838 541 569	(123 932 920)	7 714 608 649	6 842 791 203
(Stage 2)	138 070 575	(21 934 955)	116 135 620	87 412 341
(Stage 3)	393 121 583	(145 690 697)	247 430 886	190 971 074
	8 369 733 727	**(291 558 572)**	**8 078 175 155**	**7 121 174 618**

Hedging Analysis for Account receivables for consumer finance before the effect of Expected credit loss

	30/6/2025	31/12/2024
Regular financing	7 803 827 118	6 587 476 935
Arrears from 31 days to 90 days	143 196 020	128 513 375
Arrears from 91 days to 120 days	39 017 139	30 760 501
Arrears from 121 days to 180 days	66 057 770	47 982 155
Arrears more than 180 days	317 635 680	326 441 652
	8 369 733 727	**7 121 174 618**

- Impairment Balance for the period June 30, 2025 includes 687 097 EGP compared to 701 137 EGP at Year ending December 31, 2024 impairment for vehicle finance operations.
- The ratio of defaulted finance to the portfolio 4.33% at June 30, 2025 compared to 3.77% at December 31, 2024.

(In the notes all amounts are shown in EGP unless otherwise stated)

**** The financed goods and services are as follow:**

	30/6/2025	
Description	**Balance**	**Percentage to portfolio**
Electronic devices and mobile phones	3 325 995 900	%26
Furniture	1 406 053 832	%11
Home appliances	2 045 169 210	%16
Clothing	1 278 230 756	%10
Vehicles	1 917 346 135	%15
Others	2 812 107 665	%22
Balance	**12 784 903 498**	**100%**

	31/12/2024	
Description	**Balance**	**Percentage to portfolio**
Electronic devices and mobile phones	3 229 042 218	29%
Furniture	890 770 267	8%
Home appliances	1 781 540 534	16%
Clothing	779 423 984	7%
Vehicles	1 670 194 251	15%
Others	2 783 325 840	25%
Balance	**11 134 297 094**	**100%**

9- Investments at fair value through OCI

	30/6/2025	**31/12/2024**
EFG EV Fintech Investments	3 000 000	3 000 000
FALAK STARTUPS	50 000	50 000
Paytabs Egypt for Technology solutions	100	100
Balance	**3 050 100**	**3 050 100**

Investment measured at fair value through other comprehensive income are investments that aren't listed in the stock exchange.

10- Financial Investments at fair value through profit or loss

	Share Price	**Shares Numbers**	**30/6/2025**	**31/12/2024**
Azimut fund	1.46697	2 805 270	4 115 247	3 746 775
			4 115 247	**3 746 775**

(In the notes all amounts are shown in EGP unless otherwise stated)

11- Investments in associate's company

The investee company	Nationality	percentage	30/6/2025	31/12/2024
Paytech 3100 BV	Holland	24.192%	--	117 764 950
			--	**117 764 950**

- On September 30, 2023, investments in Paynas BV, a subsidiary, and Paytech 3100 BV, Associate company, were acquired for an amount of 69.6 million Egyptian pounds, and shares were issued in the company's capital.

**pursuant to the resolution of the Extraordinary General Assembly held on May 31, 2025, approval was given to implement a restructuring of the ownership of the company and its investments in associates company, Paytech 3100 BV through decreasing the investment cost, amounting to EGP 117,764,950, from the company's retained earnings, according to the company's approved financial statements as of December 31, 2024.

12- Related parties

12-1 Due to related parties

	30/6/2025	31/12/2024
EFG Finance Holding company	98 611 096	24 248 878
Etkan for Credit inquiry	24 774	24 774
Balance	**98 635 870**	**24 273 652**

- Transactions with related parties

Description	Relationship type	Nature of dealing	30/6/2025		31/12/2024		Financial Statements
			Debit	Credit	Debit	Credit	
Arab investment bank	Sister Co.	Current Accounts	13 303 900	--	339 785 493	--	B/S
EFG-Hermes Holding company	Holding company	loans	--	750 000 000	--	550 000 000	B/S
		Finance Cost	90 399 167	--	39 895 138	--	P&L
EFG- Hermes Corp-solutions	Sister Co.	Finance Cost	32 311 038	--	37 328 332	--	P&L
	Sister Co.	payments channels-Other debit balances	25 477 027	--	2 070 776	--	B/S

13- Capital

- The Company's authorized capital amounts EGP 30 million and issued capital amounts EGP 3 million distributed on 600 000 share of par value EGP 5 each, all shares is paid cash and the shareholders paid all amount of issued capital.
- The Extra-Ordinary General meeting has decided on 12 August 2018 to increase the authorized capital from 30 million to 150 million and the issued capital from 3 million to 40 million by an increase of 37 million distributed on 7 400 000 shares on a par value of EGP 5, the capital increase has been paid in full by the shareholders and the required procedures has been performed and the commercial register has been amended on 4th September 2018.
- On 17 March 2019, the Board has decided to increase the issued capital from 40 million to 70 million distributed on 6 000 000 shares with a par value EGP 5 an increase of EGP 30 million, the capital increase has been paid in full by the shareholders and the required procedures has been performed and the commercial register has been amended on 28th March 2019.
- On 31 March 2019, the board decided to increase issued capital from 70 million to 100 million distributed on 6 000 000shares with a par value EGP 5. The capital increase has been paid in full by the shareholders and the required procedures has been performed and the commercial register has been amended on 11th April 2019.
- On 28 January 2020, the board decided to increase issued capital from 100 million to 140 million distributed on 8 000 000 shares with a par value EGP 5. The capital increase has been paid in full by the shareholders and the required procedures has been performed and the commercial register has been amended on 16th February 2020.
- On 25th February 2020 the Extra -Ordinary General assembly approved to increase the authorized capital from 150 million to 750 million and to increase issued capital from 140 million to EGP 175 million, EGP 35 million in cash with a par EGP 5 distributed on
- 7 Million shares. The capital has been paid in full by the shareholders and the required procedures has been performed and the commercial register has been amended on 29 June 2020.
- On December 5, 2021, the Extraordinary General Assembly unanimously approved the increase in the issued capital, provided that the entire capital increase would be subscribed to from a new shareholder, EFG-VA InvestCO Limited, and that the increase would be at a fair value of 101.30 Egyptian pounds per share, with a total of 157 577 722 Egyptian pounds. The Extraordinary General Assembly also agreed that the increase in the issued capital shall be distributed as follows:
- An amount of 7 777 775 Egyptian pounds equivalent to the nominal value distributed over 1 555 555 nominal shares at a value of 5 Egyptian pounds per share, so that the capital becomes 182 777 775 Egyptian pounds distributed among 36 555 555 shares were taken, and the necessary procedures were taken and notated in the commercial register on February 16, 2022.
- The remaining amount, which represents 149 799 948 Egyptian pounds, represents the difference between the fair value and the nominal value, provided that this difference is set aside in the reserve account and is divided into two parts, a legal reserve of 91 388 888 Egyptian pounds and 58 410 950 Egyptian pounds as reserve premium.
- On August 31, 2023, the Extraordinary General Assembly unanimously approved an increase in the company's issued capital with the subscription of a new shareholder, Pay Tech 3100 BV.
- Financial Group Holding Company, one of the oldest shareholders, subscribed to the increase shares.

(In the notes all amounts are shown in EGP unless otherwise stated)

- The increase will be at fair value, which is 201.55 Egyptian pounds per share, with a total of 677,706,433 EGP, distributed as follows:
  - An amount of 16,812,365 EGP, equivalent to the nominal value, distributed among 3,362,473 shares with a nominal value of 5 EGP per share.
  - The amount of 660,894,068 EGP represents the difference between the fair value and the nominal value, provided that this difference is kept in the reserves account.
  - Subscription to the increase shares will be as follows
  - The new shareholder, Pay Tech 3100 B.V., subscribes at a nominal value of 2,415,646 shares, with a total of 12,078,230 EGP.
  - The amount of 474 795 221 EGP represents the difference between the fair value and the nominal value, which will be set aside in the reserves account.
  - The shareholder, Finance Holding Financial Group, subscribes at the nominal value of 946,827 shares, with a total of 4 734 135 EGP.
  - The amount of 186,098,847 EGP represents the difference between the fair value and the nominal value, which will be set aside in the reserves account.
  - The issued and paid-up capital amounts to 199 590 140 Egyptian pounds, distributed among 39 918 028 shares, each share valued at 5 pounds.
- The Extraordinary General Assembly, held on February 15, 2025, fragment the nominal value of the shares from 5 pounds for 39 918 028 shares to 10 Piasters distributed over 1 995 901 400 shares.
- The Extraordinary General Assembly, held on May 18, 2025, decided to increase the authorized capital from EGP 750 million to EGP 1,050 billion and to increase the issued capital from EGP 199 590 140 to EGP 210 635 652, an increase of EGP 11 045 512 distributed over 110 455 120 shares, and the shares after the increase has become 2 106 356 523 shares, each valued at EGP 0.10 (10 Piasters).
  Shareholders paid the full increase, and the necessary procedures were taken and entered into the commercial register on May 28, 2025.

The capital appears distributed among shareholders on June 30, 2025 as follows:

Shareholders	Nationality	Number of shares	Nominal value	Percentages %
Finance Holding Group	Egyptian	1 411 258 873	141 125 887	67
AMAZON COM NV INVESTMENT HOLDINGS LLC	U.S	83 236 836	8 323 684	3.95
EFG Pay Tech 3100 B. V	Holland	72 669 560	7 266 956	3.45
VA LTIP SPV1 Limited	Mauritius	52 658 913	5 265 891	2.50
VA LTIP SPV2 Limited	Mauritius	54 985 423	5 498 542	2.61
Other Shareholders		431 546 918	43 154 692	20.49
		2 106 356 523	**210 635 652**	**100**

(In the notes all amounts are shown in EGP unless otherwise stated)

14- Loans and Facilities

The company has signed loan contracts and credit facilities for the purpose of financing the company's activities, as follows:

	Credit limit	30/6/2025	31/12/2024
Misr BANK	325 million	284 370 594	324 263 790
Al Baraka Bank	600 million	574 110 695	598 438 085
EG Bank	600 million	409 239 656	599 999 998
ABK Bank	300 million	278 087 399	187 322 521
Arab African international Bank	980 million	979 604 663	338 529 658
Bank FAB MISR	400 million	367 645 074	392 361 385
NBE Bank	950 million	945 788 114	950 871 343
Al-Tameer Financial Leasing (Al-Oula)	350 million	320 330 354	253 875 905
Global Corp Finance Company	500 million	498 719 526	298 629 716
Al Tawfeeq Company for Financial Leasing and Factoring	50 million	40 927 814	49 394 458
EFG Hermes Company	275 million	116 977 470	279 513 091
ABI Factoring Company	120 million	103 776 900	110 000 000
Industrial Development Bank	500 million	495 817 820	499 967 187
Corp for factoring	750 million	321 461 817	473 800 460
GB Leasing Company	300 million	306 249 887	--
Incolease	250 million	212 873 500	--
Arab African Leasing	170 million	168 001 371	--
Total Loans and barrowings		**6 423 982 654**	**5 356 967 597**
Current loans and barrowings		1 175 838 902	548 529 403
Non – Current loans and barrowings		**5 248 143 752**	**4 808 438 194**

15- Banks overdraft

	Limit amount	30/6/2025	31/12/2024
Export Development bank of Egypt*	250 million	252 903 561	253 776 532
Egyptian Arab land bank*	300 million	305 425 400	306 860 716
Suez Canal bank*	650 million	738 573 690	641 430 281
Misr Iran Bank (Mid Bank) *	250 million	247 707 963	255 981 546
Banque Misr*	100 million	98 197 267	101 957 194
ABC Bank*	200 million	178 707 458	203 924 129
Balance		**1 821 515 339**	**1 763 930 398**

* The credit facility is granted for one year and renewed

(In the notes all amounts are shown in EGP unless otherwise stated)

16- Subordinated loans

the company signed a subordinated loans contracts with the EFG Holding Group for the purpose of financing the necessary operating expenses, represented in paying marketing expenses and paying suppliers' invoices, at an interest rate of 1.5% above the loan corridor announced by the Central Bank annually.

	Subordinated Loan Date	Due Date	Loan amount	30/6/2025	31/12/2024
	September 18, 2024	September 17, 2029	250 million	--	250 000 000
	October 16, 2024	October 15, 2029	100 million	--	100 000 000
	October 27, 2024	October 26, 2029	150 million	150 000 000	150 000 000
	November 12, 2024	November 11, 2029	50 million	50 000 000	50 000 000
	March 18, 2025	March 17, 2030	200 million	200 000 000	--
	April 1, 2025	March 31, 2030	600 million	600 000 000	--
	April 1, 2025	March 31, 2030	300 million	300 000 000	--
Total				**1 300 000 000**	**550 000 000**
Less: Current Loans				**260 000 000**	**110 000 000**
Non-Current Loans				**1 040 000 000**	**440 000 000**

17- Creditors and other credit balances

	30/6/2025	31/12/2024
Accrued expenses	168 146 705	690 543 985
Tax Authority	75 814 441	47 931 009
National Authority for Social Insurance	1 919 270	771 841
Notes payables	16 132 660	6 310 287
Balances due to the custodian	--	11 114 281
Other credit balances	218 328 029	133 507 741
Balance	**480 341 105**	**890 179 144**

18- Claims Provisions

	30/6/2025	31/12/2024
Balance at the beginning of the period \ year	**4 000 000**	**5 000 000**
Formed of provisions during the period \ year	5 000 000	3 000 000
Provisions no longer needed during period \ year	--	(4 000 000)
Balance	**9 000 000**	**4 000 000**

19- Revenues from activity

	For Six Months Ended		For The Three Months Ended	
	30/6/2025	30/6/2024	30/6/2025	30/6/2024
Interest from consumer finance	823 961 064	740 662 132	436 169 308	363 325 045
Earned Discount	529 985 218	133 365 266	275 721 907	89 939 906
Delay Penalties	127 397 611	58 642 422	67 924 492	31 018 995
Prepaid Cards	21 558 413	--	11 875 093	--
Early Settlement	62 718 571	35 672 002	42 946 512	16 972 145
Balance	**1 565 620 877**	**968 341 822**	**834 637 312**	**501 256 091**

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20- Finance Cost

	For Six Months Ended		For The Three Months Ended	
	30/6/2025	30/6/2024	30/6/2025	30/6/2024
Finance Cost	1 308 543 158	594 446 387	730 855 401	330 830 477
Finance Cost-Lease liabilities	5 797 217	5 442 153	2 846 275	2 859 655
Others	6 505 526	4 765 277	3 722 593	2 672 144
Balance	**1 320 845 901**	**604 653 817**	**737 424 269**	**336 362 276**

21- General and administrative expenses

	For Six Months Ended		For Three Months Ended	
	30/6/2025	30/6/2024	30/6/2025	30/6/2024
Salaries, wages, and equivalents	149 840 507	96 034 490	80 940 654	46 657 596
Marketing and Advertising	102 491 588	113 688 512	52 655 835	60 216 662
Consultancy	181 639 920	114 431 236	114 582 991	57 022 873
Rent and utilities expenses	4 321 559	4 915 664	3 524 263	3 164 546
Travel, accommodation, and transportation	13 987 848	4 316 508	3 926 912	2 666 028
Leased line and communication	115 782 799	45 567 475	56 505 028	25 704 355
Prepaid Cards	20 216 784	--	11 020 879	--
Governmental stamp	6 298 346	3 684 941	6 164 849	2 266 709
Other expenses	67 082 233	22 149 016	45 500 807	13 162 619
Total	**661 661 584**	**404 787 842**	**374 822 218**	**210 861 388**

22- Expected credit loss

	30/6/2025			
	Account receivables	Debitors and Other debit balances	Cash and cash equivalents	Total
Beginning Balance	**(245 035 626)**	**(981 323)**	--	**(246 016 949)**
Expected Credit Loss	(85 437 951)	(3 811 125)	(418 002)	**(89 667 078)**
Reversal Expected Credit Loss	10 424 098	--	--	**10 424 098**
Write off	33 608 673	--	--	**33 608 673**
Reversal Write off	(5 117 766)			**(5 117 766)**
Balance	**(291 558 572)**	**(4 792 448)**	**(418 002)**	**(296 769 022)**

(In the notes all amounts are shown in EGP unless otherwise stated)

23- Deferred tax (liabilities)

	30/6/2025		31/12/2024	
	Asset	Liability	Asset	Liability
Fixed assets	--	(15 587 719)	--	(17 624 800)
Net tax that initiates deferred asset (liabilities)	--	**(15 587 719)**	--	(17 624 800)
Net tax that initiates deferred asset (liabilities)	--	**(15 587 719)**	--	**(17 624 800)**

24- Earnings Per Share

	For Six Months Ended		For Three Months Ended	
	30/6/2025	30/6/2024	30/6/2025	30/6/2024
Net profit for the Period	**340 509 458**	**207 727 647**	**216 588 398**	**98 219 273**
Weighted average number of shares	2 016 649 876	1 995 901 400	2 016 649 876	1 995 901 400
Earnings Per Share (EGP/Share)	**0.17**	**0.10**	**0.11**	**0.05**

25- Tax status

25.1 – U Consumer Finance Company

A) <u>Corporate Income Tax</u>

The period from August 2017 till December 2020.

The tax return was submitted on the legal dates, and the tax authority has inspected the company's records and the related taxes were settled.

The period from January 2021 till December 2024.
The tax return was submitted on the legal dates and the company has not notified for inspection till now.

B) <u>Payroll Tax</u>

The period from August 2017 till December 2021.

The tax authority has inspected the company's records and the related taxes were settled.

The period from January 2020 till December 2024.
The company pays it's due tax in monthly basis to tax authority and the company has not notified for inspection for this period till now.

C) <u>Stamp Duty Tax</u>

The period from August 2017 to 2020

The tax authority has inspected the company's records and the related taxes were settled.
The period from 2021/ 2024 the company has not notified for inspection till now.

D) <u>Value added Tax</u>

The company was registered with the added value in accordance with the provisions of Law No. 67 of 2016 and its executive regulations issued on September 8, 2016. The company submits the value-added declarations monthly and the company has not notified for inspection till now.

25-2 Tax position of Valu Payments and Technology Solutions Company (formerly Pay-Nas Payments and Digital Solutions)

A) Corporate Income Tax

- The company is committed to filing returns by the legal deadlines, and the company has not notified for inspection from the start of business till now.

B) Payroll Tax

- The company submits the forms by the legal deadlines and remits the due tax to the Tax Authority.
- No inspection has been conducted from the start of the business to date.

C) Value added Tax

- The company files the returns monthly, but no inspection has been conducted from the start of the business to date.

D) D) Withholding Tax

- The company is committed to filing the forms by the legal deadlines, but no inspection has been conducted from the start of the business to date.

E) Stamp Duty Tax

- The company was inspected and paid up to 2020, but has not been inspected since that date.

26- Securitization Surplus

2nd Issuance (2nd issuance \ 2nd Program)

- On 14/8/2022, the company signed a securitization portfolio transfer contract to EFG Hermes for securitization, according to which the financial rights related to some consumer financing contracts were transferred to EFG Hermes for securitization (the transferee) with a total value of EGP 609 104 635 Egyptian and its present value is EGP 586 799 288 Egyptian pounds.
- The transferred securitization portfolio includes 54 277 consumer financing contracts, which generate cash flows represented in the collection of amounts due from debtors during the period starting on 8/8/2022 and ending on 30/7/2023.
- They are short-term nominal bonds in exchange for financial rights and deferred payment receivables (securitization bonds) that are negotiable and non-convertible into shares and are subject to accelerated call-up starting from the sixth month of issuance (the fourth coupon) for a period of 12 months, with a total value of 532 600 000 Egyptian pounds only with a nominal value (one hundred EGP) per bond, and the bonds are consumed in light of the actual proceeds of the portfolio after 3 months, starting from the day following the date of closing the subscription door, then monthly after the first coupon, with a fixed annual return of 12.90% to banks and 13.50% to the funds and the first coupon is paid after 3 months and then monthly starting from the day following the date of closing the subscription door.
- EFG-Hermes Securitization Company has made a private offering of securitization bonds based on the approval of the Financial Supervisory Authority to offer the bonds, and the subscription to the bonds was fully covered through a private offering that closed on 14/8/2022, and the profits achieved from referring the securitization portfolio amounted to an amount of 33 697 378 Egyptian pounds.

3rd Issuance (3rd Issuance \ 2ndProgram)

- On 20/11/2022, the company signed a contract for the transfer of a securitization portfolio to EFG Hermes Securitization company according to which the financial rights related to some consumer financing contracts have been transferred to EFG Hermes Securitization company (the assignee), and its value amounted to 988 989 471 Egyptian pounds, and its current value is 943 981 848 pounds Egypt.
- The transferred securitization portfolio includes 108 177 consumer financing contracts and 273 812 rights-creating purchase data, generating cash flows represented in collecting the amounts owed by debtors during the period starting on 1/12/2022 and ending on 30/11/2023.
- They are short-term nominal bonds in exchange for financial rights and deferred payments (securitization bonds) that are negotiable, non-convertible into shares, and subject to expedited recall starting from the sixth month of issuance (the fourth coupon) for a period of 12 months, with a total value of 854 500 000 Egyptian pounds only, with a nominal value (one hundred pounds) for one bond. The bonds are consumed considering the actual proceeds of the portfolio after 3 months, starting from the day following the closing date of the subscription door, then monthly after the first coupon, with a fixed annual return of 14.85%. The first coupon is paid after 3 months, then monthly, starting from the day following the closing date of the subscription door.
- EFG Hermes Securitization Company made a special placement of securitization bonds based on the approval of the General Authority for Financial Supervision to put the bonds, and the subscription in the bonds was fully covered through a private placement that closed on 12/12/2022, and the profits achieved from transferring the securitization portfolio amounted to an amount 74 992 538 Egyptian pounds.

4th Issuance (4th Issuance\ 2ndProgram)

- On 1/3/2023, the company signed a securitization portfolio transfer contract to EFG Hermes for securitization, according to which the financial rights related to some consumer financing contracts were transferred to EFG Hermes for securitization (the transferee) with a total value of EGP 988 708 222 Egyptian and its present value is EGP 945 360 770 Egyptian pounds.
- The transferred securitization portfolio includes 110 727 consumer financing contracts, which generate cash flows represented in the collection of amounts due from debtors during the period starting on 1/3/2023 and ending on 29/2/2024.
- They are short-term nominal bonds in exchange for financial rights and deferred payments (securitization bonds) that are negotiable, non-convertible into shares, and subject to expedited recall starting from the sixth month of issuance (the fourth coupon) for a period of 12 months, with a total value of 856 500 000 Egyptian pounds only, with a nominal value (one hundred pounds) for one bond. The bonds are consumed considering the actual proceeds of the portfolio after 3 months, starting from the day following the closing date of the subscription door, then monthly after the first coupon, with a fixed annual return of 17.75%. The first coupon is paid after 3 months, then monthly, starting from the day following the closing date of the subscription door.
- EFG Hermes Securitization Company made a special placement of securitization bonds based on the approval of the General Authority for Financial Supervision to put the bonds, and the subscription in the bonds was fully covered through a private placement that closed on 1/3/2023, and the profits achieved from transferring the securitization portfolio amounted to an amount 96 882 414 Egyptian pounds.

5th Issuance (1st Issuance\ 5th Program)

- On 1 June 2023, the Company signed a securitization portfolio transfer contract to IFG Hermes Securitization, whereby the financial rights related to certain consumer finance contracts were transferred to EFG Hermes Securitization Company (the assignee) with a total value of EGP 1 743 443 419 and its current value of EGP 1 506 863 111.
- The assigned securitization portfolio includes 156 776 consumer finance contracts, generating cash flows represented in the collection of amounts due from debtors during the period starting on August 8, 2022 and ending on July 30, 2023.
- They are short-term nominal bonds in exchange for financial rights and post-paid receivables (securitization bonds) negotiable, non-convertible into shares and subject to accelerated call-in starting from the sixth month of issue (fourth coupon) for a period of 36 months with a total value of 1 423 000 000 Egyptian pounds in two tranches.(A) with an amount of 946 295 000 Egyptian pounds and the second tranche (B) with an amount of 476 705 000 Egyptian pounds only with a nominal value of (one hundred pounds) per bond and the bonds are depreciated in light of the actual proceeds of the portfolio after 3 months starting from the day following the closing date of the subscription door and then monthly after the first coupon with a fixed annual return of 19.25% for banks and the first coupon is disbursed after 3 months and then monthly starting from the day following the closing date of the subscription. EFG Hermes Securitization Company has privately offered securitization bonds based on the approval of the Financial Regulatory Authority (FRA) to offer the bonds, and the subscription in the bonds was fully covered through a private placement that closed on June 18, 2023, and the profits realized from the transfer of the securitization portfolio amounted to EGP 74 509 002.

6th Issuance (5th Issuance\ 2nd Program)

- On September 5, 2023, the company signed a contract for transferring a securitization portfolio to EFG Securitization Company, according to which the financial rights related to some consumer financing contracts were transferred to EFG Securitization Company (the assignee). Their total value amounted to 1 087 985 180 Egyptian pounds and their current value. 1 021 294 918 Egyptian pounds.
- The transferred securitization portfolio includes 128 200 consumer financing contracts, generating cash flows represented by the collection of amounts owed by debtors during the period beginning on October 1, 2023 and ending on September 30, 2024.
- These are short-term nominal bonds in exchange for financial rights and deferred receivables (securitization bonds), negotiable, non-convertible into shares, and subject to expedited call-up starting from the sixth month of issuance (fourth coupon) for a period of 12 months with a total value of 922 300 000 Egyptian pounds and nothing more. Nominal (one hundred pounds) for one bond. The bonds are consumed in light of the actual proceeds of the portfolio after 3 months, starting from the day following the closing date of subscription, then monthly after the first coupon, with a fixed annual return of 20.65%. The first coupon is disbursed after 3 months, then monthly, starting from the next day. For the closing date of subscription.
- EFG Securitization Company made a private offering of securitization bonds based on the approval of the Financial Supervisory Authority to offer the bonds. Subscription to the bonds was fully covered through a private offering that closed on September 5, 2023. The profits achieved from transferring the securitization portfolio amounted to 144 960 621. Egyptian Pound.

7th Issuance (6th Issuance\ 2nd Program)

- The assigned securitization portfolio includes 162 590 consumer financing contracts, generating cash flows represented in collecting amounts owed by debtors during the period beginning on January 1, 2024 and ending on December 31, 2024.
- These are short-term nominal bonds in exchange for financial rights and deferred receivables (securitization bonds), negotiable, non-convertible into shares, and subject to accelerated call-up starting from the third month of issuance (fourth coupon) for a period of 12 months with a total value of 953 100 000 Egyptian pounds in four tranches (Tranche (A) in the amount of 419 364 000 Egyptian pounds.
- with a nominal value of 100 Egyptian pounds per bond. Bond amortization begins after three months in light of the actual proceeds of the portfolio, starting from the day following the closing of subscription for the first installment, then (monthly).
- After the first installment and an annual return (21.50%), it is calculated from the day following the date of closing of the subscription period. The first coupon is disbursed after (3) months from the date of closing of the subscription period, then it is disbursed monthly after the first coupon.
- Transcript (B) in the amount of 209 682 000 Egyptian pounds, with a nominal value of 100 Egyptian pounds per bond. Bond amortization begins after three months in light of the actual proceeds of the portfolio, starting from the day following the closing of subscription for the first installment, then (monthly) after the first installment, with an annual return (21.25%) (equivalent to the lending rate announced by the Central Bank of Egypt announced on the date
- November 2, 2023, amounting to (20.25%) in addition to a margin of 1%, which is calculated from the day following the date of closing of the subscription period. The first coupon is disbursed after (3) months from the date of closing of the subscription period, then it is disbursed monthly after the first coupon.
- (Tranche (C) in the amount of 209 682 000 Egyptian pounds with a nominal value of 100 Egyptian pounds per bond. Bond consumption begins after three months in light of the actual proceeds of the portfolio, after the first tranche (A) and the second (B) are fully consumed, starting from the day following the closing of the subscription period for For the first installment, then (monthly) after the first installment, with an annual return (22.50%), calculated from the day following the date of closing of the subscription period. The first coupon is disbursed after (3) months from the date of closing of the subscription period, then it is disbursed monthly after the first coupon.
- Tranche (D) in the amount of 114 372 000 Egyptian pounds with a nominal value of 100 Egyptian pounds per bond. Bond consumption begins after three months in light of the actual proceeds of the portfolio, after the first tranche (A) is fully consumed. The second tranche (B) is calculated starting from the day following the closing of Subscription for the first installment, then (monthly) after the first installment, with a variable annual return that currently amounts to (22%), equivalent to the borrowing price announced by the Central Bank of Egypt announced on November 2, 2023, amounting to (20.25%), in addition to a margin of 1.75%. It is calculated from the day following the closing date of subscription. The first coupon is disbursed after (3) months from the closing date of subscription, then it is disbursed monthly after the first coupon.

- Taking into account that the first coupon due to bondholders was determined based on the lending rate announced by the Central Bank on November 2, 2023, the variable return for two tranches (B, D) is recalculated according to the latest lending rate announced by the Central Bank of Egypt (Corridor) preceding the date of determining the coupon. With a maximum of (24.25% + the margin for each tranche) and a minimum of (19.25% + the margin for each tranche).
- EFG Securitization Company conducted a private offering of securitization bonds based on the approval of the Financial Supervisory Authority to offer the bonds. Subscription to the bonds was fully covered through a private offering that closed on December 7, 2023. The profits achieved from transferring the securitization portfolio amounted to 152 541 861 Egyptian pounds.

8th Issuance (7th Issuance\ 2nd Program)

- On March 12, 2024, the company signed a contract for transferring a securitization portfolio to EFG Securitization Company, according to which the financial rights related to some consumer financing contracts were transferred to EFG Securitization Company (the assignee). Their total value amounted to 1 043 980 709 Egyptian pounds and their current value 965 451 505 Egyptian pounds.
- The assigned securitization portfolio includes 122 436 consumer financing contracts, generating cash flows represented in collecting amounts owed by debtors during the period beginning on April 1, 2024 and ending on March 31, 2025.
- These are short-term nominal bonds in exchange for financial rights and deferred receivables (securitization bonds), negotiable, non-convertible into shares, and subject to accelerated call-up starting from the third month of issuance (fourth coupon) for a period of 12 months with a total value of 888 000 000 Egyptian pounds in four tranches (Tranche (A) in the amount of 87 494 589 Egyptian pounds
- with a nominal value of 100 Egyptian pounds per bond. Bond amortization begins after three months in light of the actual proceeds of the portfolio, starting from the day following the closing of subscription for the first installment, then (monthly).
- After the first installment and an annual return (28.50%), it is calculated from the day following the date of closing of the subscription period. The first coupon is disbursed after (3) months from the date of closing of the subscription period, then it is disbursed monthly after the first coupon.
- Transcript (B) in the amount of 248 640 000 Egyptian pounds, with a nominal value of 100 Egyptian pounds per bond. Bond amortization begins after three months in light of the actual proceeds of the portfolio, starting from the day following the closing of subscription for the first installment, then (monthly) after the first installment, with an annual return (28.65%) (equivalent to the lending rate announced by the Central Bank of Egypt announced on the date
- EFG Securitization Company conducted a private offering of securitization bonds based on the approval of the Financial Supervisory Authority to offer the bonds. Subscription to the bonds was fully covered through a private offering that closed on March 12, 2024. The profits achieved from transferring the securitization portfolio amounted to 67 592 724 Egyptian pounds.

- An account is opened at the custodian to cope with shortages and deficits in cash flows. ("reserve account") to be deposited in the amount of 13 320 000 Egyptian pounds (Only thirteen million three hundred twenty thousand Egyptian pounds) It is financed through a deduction from the first month cash flow proceeds account, which remains at 1.50% of the existing bond balance (the "reserve account balance"). When the existing amounts in the reserve account exceed the amounts representing the reserve account balance (as defined in this heading), the surplus is transferred to the custodian's reckoning account each month in addition to the return-on-investment funds realized from the cumulative balance of the reserve account.
- In case of a deficit in the calculation of the proceeds to pay all expenses and bondholders' dues from interest and payment of amortization of the principal of the bonds, this deficit shall be financed through the reserve account s Fund ", on the understanding that transfers from the reserve account to pay this deficit would be refunded again from the calculation of the proceeds from the receipts deposited in the following month and that the transfers of the deficit amounts from the reserve account to the calculation of the proceeds would be repeated whenever there was a deficit and those amounts would be refunded to the reserve account.
- An account will be opened at the custodian "Faltering Service Account". This account will be financed by deducting only 12 964 800 Egyptian pounds (representing 1.46% of the value of the bonds at the date of issuance) from the proceeds of the bonds at the date of the effective date of the transfer to the bondholders (seventh issue of the second program). The existing amounts in the Stumbling Service Account are used to meet any shortfall in the calculation of the proceeds to pay all expenses and bondholders' receivables of origin and coupons. This deficit is financed through the Stumbling Service Account after the full balance of the Reserve Account has been consumed.

9th Issuance (8th Issuance\ 2nd Program)

- On May 2, 2024, the company signed a contract for transferring a securitization portfolio to EFG Securitization Company, according to which the financial rights related to some consumer financing contracts were transferred to EFG Securitization Company (the assignee). Their total value amounted to 750 982 115 Egyptian pounds and their current value. 680 983 382 Egyptian pounds.
- The assigned securitization portfolio includes 107 153 consumer financing contracts, generating cash flows represented in collecting amounts owed by debtors during the period beginning on June 1, 2024 and ending on May 31, 2025.
- These are short-term nominal bonds in exchange for financial rights and deferred receivables (securitization bonds), negotiable, non-convertible into shares, and subject to accelerated call-up starting from the third month of issuance (fourth coupon) for a period of 12 months with a total value of 616 750 000 Egyptian pounds in four tranches (Tranche (A) in the amount of 370 050 000 Egyptian pounds
- with a nominal value of 100 Egyptian pounds per bond. Bond amortization begins after three months in light of the actual proceeds of the portfolio, starting from the day following the closing of subscription for the first installment, then (monthly).
- After the first installment and an annual return (28.50%), it is calculated from the day following the date of closing of the subscription period. The first coupon is disbursed after (3) months from the date of closing of the subscription period, then it is disbursed monthly after the first coupon.

- Transcript (B) in the amount of 246 700 000 Egyptian pounds, with a nominal value of 100 Egyptian pounds per bond. Bond amortization begins after three months in light of the actual proceeds of the portfolio, starting from the day following the closing of subscription for the first installment, then (monthly) after the first installment, with an annual return (28.65%) (equivalent to the lending rate announced by the Central Bank of Egypt announced on the date.
- EFG Securitization Company conducted a private offering of securitization bonds based on the approval of the Financial Supervisory Authority to offer the bonds. Subscription to the bonds was fully covered through a private offering that closed on June 2, 2024. The profits achieved from transferring the securitization portfolio amounted to 52 835 051 Egyptian pounds.
- An account is opened at the custodian to cope with shortages and deficits in cash flows. ("reserve account") to be deposited in the amount of 15 418 750 Egyptian pounds (Only thirteen million three hundred twenty thousand Egyptian pounds) It is financed through a deduction from the first month cash flow proceeds account, which remains at 2.50% of the existing bond balance (the "reserve account balance"). When the existing amounts in the reserve account exceed the amounts representing the reserve account balance (as defined in this heading), the surplus is transferred to the custodian's reckoning account each month in addition to the return-on-investment funds realized from the cumulative balance of the reserve account.
- In case of a deficit in the calculation of the proceeds to pay all expenses and bondholders' dues from interest and payment of amortization of the principal of the bonds, this deficit shall be financed through the reserve account s Fund ", on the understanding that transfers from the reserve account to pay this deficit would be refunded again from the calculation of the proceeds from the receipts deposited in the following month and that the transfers of the deficit amounts from the reserve account to the calculation of the proceeds would be repeated whenever there was a deficit and those amounts would be refunded to the reserve account.

10th Issuance (9th Issuance\ 2nd Program)

- On June 11, 2024, the company signed a contract for transferring a securitization portfolio to EFG Securitization Company, according to which the financial rights related to some consumer financing contracts were transferred to EFG Securitization Company (the assignee). Their total value amounted to 1 434 962 Egyptian pounds and their current value. 1 311 362 469 Egyptian pounds.
- The assigned securitization portfolio includes 152 762 consumer financing contracts, generating cash flows represented in collecting amounts owed by debtors during the period beginning on July 1, 2024 and ending on June 30, 2025.
- These are short-term nominal bonds in exchange for financial rights and deferred receivables (securitization bonds), negotiable, non-convertible into shares, and subject to accelerated call-up starting from the third month of issuance (fourth coupon) for a period of 12 months with a total value of 1 152 600 000 Egyptian pounds in four tranches (Tranche (A) in the amount of 691 560 000 Egyptian pounds
- with a nominal value of 100 Egyptian pounds per bond. Bond amortization begins after three months in light of the actual proceeds of the portfolio, starting from the day following the closing of subscription for the first installment, then (monthly).

- After the first installment and an annual return (28.50%), it is calculated from the day following the date of closing of the subscription period. The first coupon is disbursed after (3) months from the date of closing of the subscription period, then it is disbursed monthly after the first coupon.
- Transcript (B) in the amount of 246 700 000 Egyptian pounds, with a nominal value of 100 Egyptian pounds per bond. Bond amortization begins after three months in light of the actual proceeds of the portfolio, starting from the day following the closing of subscription for the first installment, then (monthly) after the first installment, with an annual return (26.30%) (equivalent to the lending rate announced by the Central Bank of Egypt announced on the date
- EFG Securitization Company conducted a private offering of securitization bonds based on the approval of the Financial Supervisory Authority to offer the bonds. Subscription to the bonds was fully covered through a private offering that closed on June 11, 2024. The profits achieved from transferring the securitization portfolio amounted to 196 538 701 Egyptian pounds.
- An account is opened at the custodian to cope with shortages and deficits in cash flows. ("reserve account") to be deposited in the amount of 28 815 000 Egyptian pounds (Only thirteen million three hundred twenty thousand Egyptian pounds) It is financed through a deduction from the first month cash flow proceeds account, which remains at 2.50% of the existing bond balance (the "reserve account balance"). When the existing amounts in the reserve account exceed the amounts representing the reserve account balance (as defined in this heading), the surplus is transferred to the custodian's reckoning account each month in addition to the return-on-investment funds realized from the cumulative balance of the reserve account.
- In case of a deficit in the calculation of the proceeds to pay all expenses and bondholders' dues from interest and payment of amortization of the principal of the bonds, this deficit shall be financed through the reserve account s Fund ", on the understanding that transfers from the reserve account to pay this deficit would be refunded again from the calculation of the proceeds from the receipts deposited in the following month and that the transfers of the deficit amounts from the reserve account to the calculation of the proceeds would be repeated whenever there was a deficit and those amounts would be refunded to the reserve account.

<u>11th Issuance (1st Issuance\ 6th Program)</u>

- On August 14, 2024, the company signed a portfolio transfer agreement with EFG Securities, under which financial rights related to certain consumer finance contracts were transferred to EFG Securities (the transferee). The total value of the transferred portfolio was EGP 1 326 308 210, and its current value is EGP 1 208 559 743.
- The transferred securitized portfolio includes 147 658 consumer finance contracts, generating cash flows through the collection of amounts due from debtors during the period starting from September 1, 2024, and ending on August 31, 2025.
- These are short-term, nominal bonds in exchange for financial rights and deferred payments (securitized bonds), which are tradable, non-convertible into shares, and callable at any time starting from the third month of issuance (coupon 4) for a duration of 12 months, with a total value of EGP 1 091 900 000, divided into two tranches.

- **Tranche (A):** Short-term nominal securitized bonds in exchange for financial rights and deferred payments, tradable and non-convertible into shares, and not callable for the first 6 months, starting from the day after the subscription deadline. The total value is EGP 676 978 000 (Six hundred seventy-six million, nine hundred seventy-eight thousand Egyptian Pounds) with a nominal value of EGP 100 per bond. The bonds will start to be redeemed after three months based on actual collections from the portfolio, with the first payment made starting from the day after the subscription deadline, followed by monthly payments thereafter. The fixed annual return is 25.80%, calculated from the day after the subscription deadline. The first coupon is paid three months after the subscription deadline, and subsequent coupons are paid monthly thereafter.

- **Tranche (B):** Short-term nominal securitized bonds in exchange for financial rights and deferred payments, tradable and non-convertible into shares, and callable starting from the 7th month of issuance (coupon 5) for a duration of 12 months, starting from the day after the subscription deadline. The total value is EGP 414 922 000 (Four hundred fourteen million, nine hundred twenty-two thousand Egyptian Pounds) with a nominal value of EGP 100 per bond. The bonds will start to be redeemed after six months based on actual collections from the portfolio, after full redemption of Tranche (A). The fixed annual return is 26.30%, calculated from the day after the subscription deadline. The first coupon is paid three months after the subscription deadline, and subsequent coupons are paid monthly thereafter.

- EFG Securities launched a private placement of the securitized bonds based on approval from the Financial Regulatory Authority. The bond subscription was fully covered through this private placement, which closed on August 14, 2024. The profit generated from the portfolio transfer amounted to EGP 154 683 223

- A reserve account has been opened with the custodian to cover any shortfall in cash flows, referred to as the "reserve account," into which EGP 27 297 500 (Twenty-seven million, two hundred ninety-seven thousand, five hundred Egyptian Pounds) is deposited. This amount will be funded through a deduction from the cash collection account in the first month of issuance, and it will remain at 2.5% of the outstanding bond balance ("Reserve Account Balance"). If the balance in the reserve account exceeds the reserve balance, the surplus will be transferred to the collection account with the custodian every month, along with investment returns earned from the reserve account balance.

- In case there is a shortfall in the collection account to cover all expenses and payments due to bondholders (including interest and principal repayment), this shortfall will be funded through the reserve account. Any amounts transferred from the reserve account to cover the shortfall will be reimbursed to the reserve account from the cash collection in the following month. This process of transferring and reimbursing amounts will continue each time a shortfall occurs.

12th Issuance (2nd Issuance\ 6th Program)

On October 20, 2024, the company signed a securitization portfolio transfer contract to EFG Securitization Company, pursuant to which the financial rights related to some consumer finance contracts were transferred to EFG Securitization Company (the transferee), with a total value of EGP 802 835 310 and a current value of EGP 737 529 783.

- The transferred securitization portfolio includes 60 510 consumer finance contracts, generating cash flows represented by the collection of amounts due from debtors during the period starting on November 1, 2024 and ending on October 31, 2025.
- They are short-term nominal bonds in exchange for financial rights and deferred payment receivables (securitization bonds) that are tradable, non-convertible into shares, and subject to early call starting from the third month of issuance (fourth coupon) for a period of 12 months, with a value of 667 300 000 Egyptian pounds in two tranches.
- First-tier bonds (A) are short-term nominal securitization bonds in exchange for financial rights and deferred receivables, tradable, non-convertible into shares, and non-callable for a period of (6) months starting from the day following the subscription closing date, with a total value of (413 726 000) EGP (only four hundred and thirteen million, seven hundred and twenty-six thousand Egyptian pounds) with a nominal value of 100 EGP (one hundred pounds) per bond, and the amortization of the bonds begins after three months in light of the actual proceeds of the portfolio, starting from the day following the subscription closing date for the first installment, then (monthly) after the (first) installment, with a fixed annual return (25.80%) calculated from the day following the subscription closing date, and the first coupon is paid after (3) months from the subscription closing date, then it is paid (monthly) after the first coupon.
- Second Tranche (B) Bonds: Short-term nominal securitization bonds in exchange for financial rights and deferred receivables, tradable, non-convertible into shares, and subject to early call starting from the (7)th month of issue, Coupon (5) for a period of (12) months starting from the day following the subscription closing date, with a total value of (253 574 000) EGP (only two hundred and fifty-three million, five hundred and seventy-four thousand Egyptian pounds) with a nominal value of 100 EGP (one hundred pounds) per bond. The bonds will be amortized after six months in light of the actual proceeds of the portfolio, after the completion of the amortization of the first Tranche (A). They will be calculated starting from the day following the subscription closing date for the first installment, then (monthly) after the (first) installment, with a fixed annual return of (26.30%) calculated from the day following the subscription closing date. The first coupon will be paid after (3) months from the subscription closing date, then (monthly) after the first coupon.
- EFG Securitization Company has made a private offering of securitization bonds based on the approval of the Financial Regulatory Authority to offer the bonds, and the subscription to the bonds was fully covered through a private offering that closed on October 20, 2024, and the profits achieved from the transfer of the securitization portfolio amounted to 438 092 138 Egyptian pounds.

- An account is opened with the custodian to address the shortage and deficit in cash flows, and this account is referred to as the "Reserve Account" to deposit an amount of (16 682 500) EGP (only sixteen million, six hundred and eighty-two thousand, five hundred Egyptian pounds) and is financed by deducting from the proceeds account from the cash flows generated in the first month of the issuance, provided that it remains representing (2.5)% of the outstanding balance of the bonds ("Reserve Account Balance"). When the amounts in the reserve account exceed the amounts representing the balance of the reserve account (as defined in this clause), the surplus shall be transferred to the proceeds account with the custodian every month in addition to the investment return on the funds achieved from the cumulative balance of the reserve account.

- In the event of a deficit in the proceeds account to pay all expenses and dues of bondholders from interest and payment of amortization of the principal of the bonds, this deficit shall be financed through the reserve account, provided that the amounts transferred from the reserve account to pay this deficit shall be returned to it again from the proceeds account from the proceeds deposited in the following month, and the transfer of the deficit amounts from the reserve account to the proceeds account shall be repeated whenever there is a deficit and these amounts shall be returned to the reserve account.

13th Issuance (3rd Issuance\ 6th Program)

On December 5, 2024, the company signed a securitization portfolio transfer contract to EFG Securitization Company, pursuant to which the financial rights related to some consumer finance contracts were transferred to EFG Securitization Company (the transferee), with a total value of EGP 623 980 987 and a current value of EGP 573 436 631.

- The transferred securitization portfolio includes 51378 consumer finance contracts, generating cash flows represented by the collection of amounts due from debtors during the period starting on January 1, 2025 and ending on December 31, 2025.

- They are short-term nominal bonds in exchange for financial rights and deferred payment receivables (securitization bonds) that are tradable, non-convertible into shares, and subject to accelerated call starting from the third month of issuance (fourth coupon) for a period of 12 months, with a value of 519 200 000 Egyptian pounds in two tranches.

- First-tier bonds (A) are short-term nominal securitization bonds in exchange for financial rights and deferred receivables, tradable, non-convertible into shares, and non-callable for a period of (6) months starting from the day following the subscription closing date, with a total value of (321 904 000) EGP (only three hundred and twenty-one million, nine hundred and four thousand Egyptian pounds) with a nominal value of 100 EGP (one hundred pounds) per bond, and the amortization of the bonds begins after three months in light of the actual proceeds of the portfolio, starting from the day following the subscription closing date for the first installment, then (monthly) after the (first) installment, with a fixed annual return (25.80%) calculated from the day following the subscription closing date, and the first coupon is paid after (3) months from the subscription closing date, then it is paid (monthly) after the first coupon.

- Second-tranche bonds (B) are short-term nominal securitization bonds in exchange for financial rights and deferred receivables, tradable, non-convertible into shares, and subject to early call starting from the (7)th month of issue, coupon (5) for a period of (12) months starting from the day following the subscription closing date, with a total value of (197296000) EGP (one hundred and ninety-seven million, two hundred and ninety-six thousand Egyptian pounds only) with a nominal value of 100 EGP (one hundred pounds) per bond, and the bonds will be amortized after six months in light of the actual proceeds of the portfolio, after the completion of the amortization of the first tranche (A), and will be calculated starting from the day following the subscription closing date for the first installment, then (monthly) after the (first) installment, with a fixed annual return (26.30%) calculated from the day following the subscription closing date, and the first coupon will be paid after (3) months from the subscription closing date, then it will be paid (monthly) after the first coupon.
- EFG Securitization Company has made a private offering of securitization bonds based on the approval of the Financial Regulatory Authority to offer the bonds, and the subscription to the bonds was fully covered through a private offering that closed on December 5, 2024, and the profits achieved from the transfer of the securitization portfolio amounted to 95 181 884 Egyptian pounds. - An account is opened with the custodian to address the shortage and deficit in cash flows, and this account is referred to as the "Reserve Account" to deposit an amount of (12 980 000) EGP (only twelve million nine hundred and eighty thousand Egyptian pounds) and is financed by deducting from the proceeds account from the cash flows generated in the first month of the issuance, provided that it remains representing (2.5)% of the outstanding balance of the bonds ("Reserve Account Balance"). When the amounts in the reserve account exceed the amounts representing the balance of the reserve account (as defined in this clause), the surplus shall be transferred to the proceeds account with the custodian every month in addition to the investment return on the funds achieved from the cumulative balance of the reserve account. - In the event of a deficit in the proceeds account to pay all expenses and dues of bondholders from interest and payment of amortization of the principal of the bonds, this deficit shall be financed through the reserve account, provided that the amounts transferred from the reserve account to pay this deficit shall be returned to it again from the proceeds account from the proceeds deposited in the following month, and the transfer of the deficit amounts from the reserve account to the proceeds account shall be repeated whenever there is a deficit and these amounts shall be returned to the reserve account.

14th Issuance (4rd Issuance\ 6th Program)

On February 5, 2025, the company signed a securitization portfolio transfer contract to EFG Securitization Company, pursuant to which the financial rights related to some consumer finance contracts were transferred to EFG Securitization Company (the transferee), with a total value of EGP 554 588 032 and a current value of EGP 511 942 701.

- The transferred securitization portfolio includes 40 639 consumer finance contracts, generating cash flows represented by the collection of amounts due from debtors during the period starting on January 1, 2025 and ending on January 31, 2026.

- They are short-term nominal bonds in exchange for financial rights and deferred payment receivables (securitization bonds) that are tradable, non-convertible into shares, and subject to accelerated call starting from the third month of issuance (fourth coupon) for a period of 12 months, with a value of 463 300 000 Egyptian pounds in two tranches.
- The tranche bonds are short-term nominal securitization bonds in exchange for financial rights and deferred receivables, tradable and non-convertible into shares, and non-callable early for a period of (6) months starting from the day following the closing date of the subscription, with a total value of EGP 463 300 000 (only four hundred and sixty-three million and three hundred thousand Egyptian pounds), with a nominal value of EGP 100 (one hundred Egyptian pounds) per bond. Bond amortization begins three months after the closing date of the subscription based on the actual collections of the portfolio, starting from the day following the closing date for the first installment, and then monthly after the first installment, with a fixed annual return of (24%) calculated from the day following the closing date of the subscription. The first coupon will be paid after (3) months from the closing date, and then monthly after the first coupon.
- EFG Securitization Company has made a private offering of securitization bonds based on the approval of the Financial Regulatory Authority to offer the bonds, and the subscription to the bonds was fully covered through a private offering that closed on February 5, 2025, and the profits achieved from the transfer of the securitization portfolio amounted to 65 841 098 Egyptian pounds.
- An account is opened with the custodian to address the shortage and deficit in cash flows, and this account is referred to as the "Reserve Account" to deposit an amount of (11 582 500) EGP (eleven million, five hundred eighty-two thousand, five hundreds) and is financed by deducting from the proceeds account from the cash flows generated in the first month of the issuance, provided that it remains representing (2.5)% of the outstanding balance of the bonds ("Reserve Account Balance"). When the amounts in the reserve account exceed the amounts representing the balance of the reserve account (as defined in this clause), the surplus shall be transferred to the proceeds account with the custodian every month in addition to the investment return on the funds achieved from the cumulative balance of the reserve account. - In the event of a deficit in the proceeds account to pay all expenses and dues of bondholders from interest and payment of amortization of the principal of the bonds, this deficit shall be financed through the reserve account, provided that the amounts transferred from the reserve account to pay this deficit shall be returned to it again from the proceeds account from the proceeds deposited in the following month, and the transfer of the deficit amounts from the reserve account to the proceeds account shall be repeated whenever there is a deficit and these amounts shall be returned to the reserve account.

15th Issuance (5rd Issuance\ 6th Program)

On May 4, 2025, the company signed a securitization portfolio transfer contract to EFG Securitization Company, pursuant to which the financial rights related to some consumer finance contracts were transferred to EFG Securitization Company (the transferee), with a total value of EGP 1 232 087 944 and a current value of EGP 1 142 663 356.

- The transferred securitization portfolio includes 139 531 consumer finance contracts, generating cash flows represented by the collection of amounts due from debtors during the period starting on June 1, 2025 and ending on March 31, 2026.
- They are short-term nominal bonds in exchange for financial rights and deferred payment receivables (securitization bonds) that are tradable, non-convertible into shares, and subject to accelerated call starting from the third month of issuance (fourth coupon) for a period of 10 months, with a value of 1 036 000 000 Egyptian pounds in two tranches.
- The tranche bonds are short-term nominal securitization bonds in exchange for financial rights and deferred receivables, tradable and non-convertible into shares, and non-callable early for a period of (6) months starting from the day following the closing date of the subscription, with a total value of EGP 1 036 000 000 (Only one billion and thirty-six million Egyptian pounds), with a nominal value of EGP 100 (one hundred Egyptian pounds) per bond. Bond amortization begins three months after the closing date of the subscription based on the actual collections of the portfolio, starting from the day following the closing date for the first installment, and then monthly after the first installment, with a fixed annual return of (22.50%) calculated from the day following the closing date of the subscription. The first coupon will be paid after (3) months from the closing date, and then monthly after the first coupon.
- EFG Securitization Company has made a private offering of securitization bonds based on the approval of the Financial Regulatory Authority to offer the bonds, and the subscription to the bonds was fully covered through a private offering that closed on May 5, 2025, and the profits achieved from the transfer of the securitization portfolio amounted to 267 956 023 Egyptian pounds.
- An account is opened with the custodian to address the shortage and deficit in cash flows, and this account is referred to as the "Reserve Account" to deposit an amount of (25 900 000) EGP (Only twenty-five million nine hundred thousand Egyptian pounds) and is financed by deducting from the proceeds account from the cash flows generated in the first month of the issuance, provided that it remains representing (2.5)% of the outstanding balance of the bonds ("Reserve Account Balance"). When the amounts in the reserve account exceed the amounts representing the balance of the reserve account (as defined in this clause), the surplus shall be transferred to the proceeds account with the custodian every month in addition to the investment return on the funds achieved from the cumulative balance of the reserve account. - In the event of a deficit in the proceeds account to pay all expenses and dues of bondholders from interest and payment of amortization of the principal of the bonds, this deficit shall be financed through the reserve account, provided that the amounts transferred from the reserve account to pay this deficit shall be returned to it again from the proceeds account from the proceeds deposited in the following month, and the transfer of the deficit amounts from the reserve account to the proceeds account shall be repeated whenever there is a deficit and these amounts shall be returned to the reserve account.

16th Issuance (6rd Issuance\ 6th Program)

On June 10, 2025, the company signed a securitization portfolio transfer contract to EFG Securitization Company, pursuant to which the financial rights related to some consumer finance contracts were transferred to EFG Securitization Company (the transferee), with a total value of EGP 1 047 588 343 and a current value of EGP 948 227 797.

- The transferred securitization portfolio includes 142 378 consumer finance contracts, generating cash flows represented by the collection of amounts due from debtors during the period starting on July 1, 2025 and ending on June 30, 2026.
- They are short-term nominal bonds in exchange for financial rights and deferred payment receivables (securitization bonds) that are tradable, non-convertible into shares, and subject to accelerated call starting from the third month of issuance (fourth coupon) for a period of 12 months, with a value of 858 900 000 Egyptian pounds in two tranches.
- The tranche bonds are short-term nominal securitization bonds in exchange for financial rights and deferred receivables, tradable and non-convertible into shares, and non-callable early for a period of (6) months starting from the day following the closing date of the subscription, with a total value of EGP 858 900 000 (Only one billion and thirty-six million Egyptian pounds), with a nominal value of EGP 100 (one hundred Egyptian pounds) per bond. Bond amortization begins three months after the closing date of the subscription based on the actual collections of the portfolio, starting from the day following the closing date for the first installment, and then monthly after the first installment, with a fixed annual return of (22.50%) calculated from the day following the closing date of the subscription. The first coupon will be paid after (3) months from the closing date, and then monthly after the first coupon.
- EFG Securitization Company has made a private offering of securitization bonds based on the approval of the Financial Regulatory Authority to offer the bonds, and the subscription to the bonds was fully covered through a private offering that closed on June 10, 2025, and the profits achieved from the transfer of the securitization portfolio amounted to 171 265 449 Egyptian pounds.
- An account is opened with the custodian to address the shortage and deficit in cash flows, and this account is referred to as the "Reserve Account" to deposit an amount of (21 472 500) EGP (Only twenty-five million nine hundred thousand Egyptian pounds) and is financed by deducting from the proceeds account from the cash flows generated in the first month of the issuance, provided that it remains representing (2.5)% of the outstanding balance of the bonds ("Reserve Account Balance"). When the amounts in the reserve account exceed the amounts representing the balance of the reserve account (as defined in this clause), the surplus shall be transferred to the proceeds account with the custodian every month in addition to the investment return on the funds achieved from the cumulative balance of the reserve account. - In the event of a deficit in the proceeds account to pay all expenses and dues of bondholders from interest and payment of amortization of the principal of the bonds, this deficit shall be financed through the reserve account, provided that the amounts transferred from the reserve account to pay this deficit shall be returned to it again from the proceeds account from the proceeds deposited in the following month, and the transfer of the deficit amounts from the reserve account to the proceeds account shall be repeated whenever there is a deficit and these amounts shall be returned to the reserve account.

Discounting of commercial papers, discounting of financial receivables and transfer of rights

On November 14, 2024, the company signed a protocol contract for discounting commercial papers, discounting financial dues, and transferring rights with the Arab African International Bank. Discounting financial dues shall be on two levels: the first level: is specific to discounting car sales contracts in installments between the second party and its customers; the second level: is specific to discounting consumer finance contracts and the rights resulting therefrom, and shall be between the second party and its customers. The commercial paper portfolio and/or the rights resulting from car sales contracts in installments and/or the rights resulting from consumer finance contracts for the first and second levels shall be transferred to the Arab African International Bank, not to exceed an amount of EGP 950 000 000 (nine hundred and fifty million Egyptian pounds only), which represents the current value of the portfolio after discounting according to the discount rate stated in this contract, without the right to recourse to the second party, and this has been accepted by the bank. Therefore, after both parties have acknowledged their legal capacity to act and contract.

- **First transfer**, it includes discounting commercial papers, discounting financial receivables, and transferring rights, numbering 19 222 consumer financing contracts, generating cash flows represented by collecting the amounts due from debtors during the period starting on January 1, 2025 and ending on December 31, 2026.
- The total portfolio provided to Arab African Bank is 189 587 485 and its current value is 169 053 984.
- Arab African Bank transferred an amount of 159 427 522 based on the approval of the Financial Regulatory Authority to discount commercial papers, and an amount of 11 375 249 was set aside under the item of setting aside 6% of the nominal value of the portfolio to be deposited and set aside in the intermediate account as a coverage percentage for the returns with a statement of the discount and an authorization from the collection agent to feed the account in the event of any deficit. The profits achieved from discounting commercial papers amounted to 29 528 887 Egyptian pounds.
- **Second transfer**, it includes discounting commercial papers, discounting financial receivables, and transferring rights, numbering 14 513 consumer financing contracts, generating cash flows represented by collecting the amounts due from debtors during the period starting on February 1, 2025 and ending on January 31, 2026.
- The total portfolio provided to Arab African Bank is 146 348 461 and its current value is 134 569 699.

- Arab African Bank transferred an amount of 126 390 273 based on the approval of the Financial Regulatory Authority to discount commercial papers, and an amount of 7 679 556 was set aside under the item of setting aside 6% of the nominal value of the portfolio to be deposited and set aside in the intermediate account as a coverage percentage for the returns with a statement of the discount and an authorization from the collection agent to feed the account in the event of any deficit. The profits achieved from discounting commercial papers amounted to 17 170 819 Egyptian pounds.
- **Third transfer**, it includes discounting commercial papers, discounting financial receivables, and transferring rights, numbering 42 772 consumer financing contracts, generating cash flows represented by collecting the amounts due from debtors during the period starting on March 1, 2025 and ending on February 1, 2026.
- The total portfolio provided to Arab African Bank is 549 669 464 and its current value is 503 687 370.
- Arab African Bank transferred an amount of 468 258 384 based on the approval of the Financial Regulatory Authority to discount commercial papers, and an amount of 33 211 520 was set aside under the item of setting aside 6% of the nominal value of the portfolio to be deposited and set aside in the intermediate account as a coverage percentage for the returns with a statement of the discount and an authorization from the collection agent to feed the account in the event of any deficit. The profits achieved from discounting commercial papers amounted to 97 899 462 Egyptian pounds.
- **Fourth transfer**, it includes discounting commercial papers, discounting financial receivables, and transferring rights, numbering 45 308 consumer financing contracts, generating cash flows represented by collecting the amounts due from debtors during the period starting on May 1, 2025 and ending on April 1, 2026.
- The total portfolio provided to Arab African Bank is 250 773 007 and its current value is 234 472 933.
- Arab African Bank transferred an amount of 216 171 890 based on the approval of the Financial Regulatory Authority to discount commercial papers, and an amount of 15 046 380 was set aside under the item of setting aside 6% of the nominal value of the portfolio to be deposited and set aside in the intermediate account as a coverage percentage for the returns with a statement of the discount and an authorization from the collection agent to feed the account in the event of any deficit. The profits achieved from discounting commercial papers amounted to 37 837 135 Egyptian pounds.
- **Five transfer**, it includes discounting commercial papers, discounting financial receivables, and transferring rights, numbering 16 793 consumer financing contracts, generating cash flows represented by collecting the amounts due from debtors during the period starting on July 1, 2025 and ending on May 1, 2026.

(In the notes all amounts are shown in EGP unless otherwise stated)

- The total portfolio provided to Arab African Bank is 84 214 237 and its current value is 77 805 828.
- Arab African Bank transferred an amount of 71 787 148 based on the approval of the Financial Regulatory Authority to discount commercial papers, and an amount of 5 052 854 was set aside under the item of setting aside 6% of the nominal value of the portfolio to be deposited and set aside in the intermediate account as a coverage percentage for the returns with a statement of the discount and an authorization from the collection agent to feed the account in the event of any deficit. The profits achieved from discounting commercial papers amounted to 17 896 602 Egyptian pounds.

	5th Issuance	11th Issuance	12th Issuance	13th Issuance	14th Issuance	15th Issuance	16th Issuance
Financial Rights Portfolio	110 800 094	115 495 503	97 038 189	136 778 588	151 809 429	704 650 793	149 017 741
Balances with the Custodian	55 834 124	4 423 457	8 715 521	5 692 555	8 031 524	155 458 026	--
Total Assets	**166 634 218**	**119 918 960**	**105 753 710**	**142 471 143**	**159 840 953**	**860 108 819**	**149 017 741**
Securitization Bonds	**106 928 000**	**85 173 000**	**91 269 000**	**151 303 000**	**170 249 000**	**1 036 000 000**	**858 900 000**
Accrued Interest	**895 522**	--	--	--	--	--	--
Total Liabilities	**107 823 522**	**85 173 000**	**91 269 000**	**151 303 000**	**170 249 000**	**1 036 000 000**	**858 900 000**
Excess of Portfolio Assets over Liabilities	**58 810 696**	**34 745 960**	**14 484 710**	**(8 831 857)**	**(10 408 047)**	**(175 891 181)**	**(117 882 851)**
Securitization surplus	**24 524 374**	**48 724 970**	**39 839 065**	**27 768 539**	**31 593 519**	**57 862 769**	**53 382 598**

27- Contingent liabilities

Letter of guarantee

Letter of guarantee represent for some suppliers with an amount of EGP 2 358 200 for buy purchasing.

28- Financial risks:

As a result of its activities, the company is exposed to various financial risks, including market risks (including foreign exchange rate risks, fair value risks for interest rates, and price risks, credit risks, and liquidity risks).

This note presents the information related to the company's exposure to each of the above risks, as well as the company's objectives, policies, and methods for measuring and managing risk, as well as the company's management of capital.

The company's Board of Directors has overall responsibility for establishing and monitoring the company's overall risk management framework. It identifies and analyzes the risks facing the company to determine risk levels and appropriate controls, and monitors those risks and the company's compliance with those responsibilities.

The company's management aims to establish a constructive and disciplined control environment, ensuring that all employees are aware of and understanding their roles and obligations.

(In the notes all amounts are shown in EGP unless otherwise stated)

28/1 Credit risk

The primary credit risks is the risk of non-collection of debts owed to the company from customers. The company mitigates this risk by carefully studying customers before contracting with them, as well as by following up with them after contracting and evaluating them to ensure their ability to repay. The company does not have a significant concentration of credit risk, as debts are primarily due from customers in the local market and are stated at their recoverable value. Cash is deposited with local banks with high credit ratings.

Risk Avoidance Policies

The company has several policies and controls in place to mitigate credit risk. One of these methods is obtaining collateral for funds provided. The company establishes guidelines for specific categories of acceptable collateral.

Non-Delinquent Financing Customers

The credit quality of the consumer finance customer portfolio that is neither delinquent nor impaired is assessed using the company's internal assessment.

28/2 Liquidity risk

The Company's approach to managing liquidity is to ensure, as far as possible, that it always has sufficient liquidity to meet its obligations when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

28/3 Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates or interest rates, affect a company's income or the value of its holdings of financial instruments. The goal of market risk management is to manage and control market risk exposure within acceptable parameters, while optimizing returns.

Interest rate risk on cash flow

Interest rate risk is the risk that the fair value of future cash flows of financial instruments will fluctuate due to changes in market interest rates.

The company is exposed to interest rate risk due to its bank loans and advances at variable interest rates, which may expose the company to the risk that cash flows will be affected by changes in interest rates. Financial liabilities exposed to interest rate risk as of June 30, 2025, amounted to EGP 9.545 billion (compared to EGP 7.670 billion as of December 31, 2024).

Foreign currencies risk

Foreign exchange risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate due to changes in foreign exchange rates.

The table below shows the foreign exchange position shown in foreign currencies

	30/6/2025			31/12/2024
	Assets	**Liabilities**	**Net**	**Net**
Dollar	7 081 929	--	7 081 929	6 909 445
Euro	4 257	--	4 257	330
GBP	3 123	--	3 123	3 134

(In the notes all amounts are shown in EGP unless otherwise stated)

Price risk

The Company does not have investments in registered securities and is therefore it is not exposed to the risk of changes in fair value due to price changes.

28/4 Capital risk

The Board of Directors' policy is to maintain strong capital to maintain investor, creditor, and market confidence, as well as to meet future business developments.

The Board of Directors monitors the return on capital, which the Company defines as net profit for the year divided by total shareholders' equity. The Board also monitors the level of dividend distributions to shareholders.

The Board of Directors seeks to balance the higher returns that can be achieved with higher levels of borrowing and the benefits and security provided by maintaining a sound capital position.

There were no changes to the Company's capital management strategy during the year. The Company is not subject to any externally imposed capital requirements.

29- Impairment reserve for consumer finance

Companies engaged in real estate finance, financial leasing, factoring, consumer finance, and financing of small, medium, and micro enterprises are obligated to establish a risk reserve for the effects of applying Egyptian Accounting Standard No. (47) Financial Instruments, equivalent to 1% of assets, from the net profits for the year after deducting tax for the fiscal year ending December 31, 2020. This reserve shall be included in shareholders' equity and shall not be used except after the Authority's approval.

The Chairman of the Financial Regulatory Authority issued Circular No. (3) of 2021 dated February 1, 2021, regarding the controls for implementing the Authority's Board of Directors' Decision No. 200 of 2020 regarding the formation of a reserve to address the risks of the effects of applying Egyptian Accounting Standard No. (47) Financial Instruments on some companies engaged in non-banking financial activities. The decision stipulates the formation of a risk reserve for the effects of applying Egyptian Accounting Standard No. (47) Financial Instruments, equivalent to 1% of risk-weighted assets, in accordance with the provisions of the decisions issued by the Authority's Board of Directors regarding financial solvency standards, provided that it is deducted. The value of the reserve, consisting of net profits for the year ending December 31, 2020, after withholding tax, shall be included in the shareholders' equity item as a separate item in the statement of financial position, and the effects of application shall be shown in the first quarter of 2021, noting that this reserve shall not be used except after obtaining prior approval from the Financial Regulatory Authority.

	30/6/2025	**31/12/2024**
(1) The balance of provisions for doubtful financing balances in accordance with the basis for calculating provisions stated in Article (6) of the rules and controls for the company's practice of consumer financing activity issued by the Authority's Board of Directors Resolution No. (101) of 2020 and its amendments. (*)	401 966 477	304 398 994
(2) The balance of expected credit losses recorded in the financial statements in accordance with Egyptian Accounting Standards.	265 749 048	208 802 004
Difference Between (1) and (2)		
Impairment reserve for consumer finance balance	**136 217 429**	**95 596 990**

(In the notes all amounts are shown in EGP unless otherwise stated)

(*) The following is a statement of the provisions: a general provision on regular balances amounting to 1% of the total outstanding regular balances and a provision on doubtful balances.

	30/6/2025	31/12/2024
Consumer Finance		
Public Provision	121 185 410	91 816 981
Provision on Doubtful collection	280 781 067	212 582 013
	401 966 477	**304 398 994**

The balance of doubtful financing according to the delay days as the follows:-

		30/6/2025
Regular financing	1%	68 983 652
Arrears from 31 days to 90 days	10%	12 658 128
Arrears from 91 days to 120 days	30%	10 347 018
Arrears from 121 days to 180 days	50%	29 196 612
Arrears more than 180 days	100%	280 781 067
		401 966 477

30- Significant accounting policies applied

The accounting policies set out below have been applied consistently to all periods presented in these financial statements.

30-1 foreign currency transactions

Transactions in foreign currencies are translated into the respective functional currencies of Company companies at the exchange rates at the dates of the transactions.

Monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the exchange rate at the repo rting date. Non-monetary assets and liabilities that are measured at fair value in a foreign currency are translated into the functional currency at the exchange rate when the fair value was determined. Non-monetary items that are measured based on historical cost in a foreign currency are translated at the exchange rate at the date of the transaction.

30-2 Property, plant, and equipment

30-2-1 Recognition and measurement

Items of property, plant and equipment are measured at cost less accumulated depreciation and any accumulated impairment losses. The cost of certain items of property, plant and equipment. If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipment.

Any gain or loss on disposal of an item of property, plant and equipment is recognized in profit or loss.

30-2-2 Subsequent expenditure

Subsequent expenditure is capitalized only if it is probable that the future economic benefits associated with the expenditure will flow to the Company.

30-2-3 Depreciation

Depreciation is calculated to write off the cost of items of property, plant, and equipment less their estimated residual values using the straight-line method over their estimated useful lives and is generally recognized in profit or loss.

Land is not depreciated.

The estimated useful lives of property, plant and equipment for current and comparative periods are as follows:

Assets	Estimated useful life
- electrical appliances	5 years
- Computer equipment	5 years
- Office furniture& Fixtures	5 years
- Vehicles	5 years

Depreciation methods, useful lives and residual values are reviewed at each reporting date and adjusted if appropriate.

30-3 Intangible assets

Intangible assets are recorded at historical cost less accumulated amortization and any impairment losses, intangible assets are amortized using the straight-line method and are recognized in profit or loss over their estimated useful lives.

Assets	Estimated useful life
- computer program	5 years

30-4 Financial instruments

30-4-1 Recognition and initial measurement

Trade receivables and debt securities issued are initially recognized when they are originated. All other financial assets and financial liabilities are initially recognized when the Company becomes a party to the contractual provisions of the instrument.

A financial asset (unless it is a trade receivable without a significant financing component) or financial liability is initially measured at fair value plus, for an item not at FVTPL, transaction costs that are directly attributable to its acquisition or issue. A trade receivable without a significant financing component is initially measured at the transaction price.

30-4-2 Classification and subsequent measurement financial assets

On initial recognition, a financial asset is classified as measured at: amortized cost; FVOCI – debt investment; FVOCI – equity investment; or FVTPL.

Financial assets are not reclassified subsequent to their initial recognition unless the Company changes its business model for managing financial assets, in which case all affected financial assets are reclassified on the first day of the first reporting period following the change in the business model.

A financial asset is measured at amortized cost if it meets both of the following conditions and is not designated as at FVTPL:

-it is held within a business model whose objective is to hold assets to collect contractual cash flows; and

-its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

A debt investment is measured at FVOCI if it meets both of the following conditions and is not designated as at FVTPL:

-it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and

-its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

On initial recognition of an equity investment that is not held for trading, the Company may irrevocably elect to present subsequent changes in the investment's fair value in OCI. This election is made on an instrument-by-instrument basis.

All financial assets not classified as measured at amortized cost or FVOCI as described above are measured at FVTPL. This includes all derivative financial assets. On initial recognition, the Company may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortized cost or at FVOCI as at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise

30-4-3 Financial assets – Business model assessment

The Company makes an assessment of the objective of the business model in which a financial asset is held at a portfolio level because this best reflects the way the business is managed, and information is provided to management. The information considered includes:

- The stated policies and objectives for the portfolio and the operation of those policies in practice. These include whether management's strategy focuses on earning contractual interest income, maintaining a particular interest rate profile, matching the duration of the financial assets to the duration of any related liabilities or expected cash outflows or realizing cash flows through the sale of the assets;
- How the performance of the portfolio is evaluated and reported to the Company's management;
- The risks that affect the performance of the business model (and the financial assets held within that business model) and how those risks are managed;
- How managers of the business are compensated – e.g. whether compensation is based on the fair value of the assets managed or the contractual cash flows collected; and
- The frequency, volume and timing of sales of financial assets in prior periods, the reasons for such sales and expectations about future sales activity.

30-4-4 Financial assets – Assessment whether contractual cash flows are solely payments of principal and interest

For the purposes of this assessment, 'principal' is defined as the fair value of the financial asset on initial recognition. 'Interest' is defined as consideration for the time value of money and for the credit risk associated with the principal amount outstanding during a particular period of time and for other basic lending risks and costs (e.g. liquidity risk and administrative costs), as well as a profit margin.

In assessing whether the contractual cash flows are solely payments of principal and interest, the Company considers the contractual terms of the instrument. This includes assessing whether the financial asset contains a contractual term that could change the timing or amount of contractual cash flows such that it would not meet this condition. In making this assessment, the Company considers:

-Contingent events that would change the amount or timing of cash flows;

-terms that may adjust the contractual coupon rate, including variable-rate features;

- Prepayment and extension features; and

-Terms that limit the Company's claim to cash flows from specified assets (e.g. non-recourse features).

A prepayment feature is consistent with the solely payments of principal and interest criterion if the prepayment amount substantially represents unpaid amounts of principal and interest on the principal amount outstanding, which may include reasonable compensation for early

termination of the contract.

Additionally, for a financial asset acquired at a discount or premium to its contractual par amount, a feature that permits or requires prepayment at an amount that substantially represents the contractual par amount plus accrued (but unpaid) contractual interest (which may also include reasonable compensation for early termination) is treated as consistent with this criterion if the fair value of the prepayment feature is insignificant at initial recognition.

30-4-5 Financial assets – Subsequent measurement and gains and losses

Financial assets at FVTPL	These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognized in profit or loss.
Financial assets at amortized cost	These assets are subsequently measured at amortized cost using the effective interest method. The amortized cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognized in profit or loss. Any gain or loss on derecognition is recognized in profit or loss.
Debt investments at FVOCI	These assets are subsequently measured at fair value. Interest income calculated using the effective interest method, foreign exchange gains and losses and impairment are recognized in profit or loss. Other net gains and losses are recognized in OCI. On derecognition, gains and losses accumulated in OCI are reclassified to profit or loss.
Equity investments at FVOCI	These assets are subsequently measured at fair value. Dividends are recognized as income in profit or loss unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognized in OCI and are never reclassified to profit or loss.

30-4-6 Financial liabilities – Classification, subsequent measurement and gains and losses

Financial liabilities are classified as measured at amortized cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held-for-trading, it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognized in profit or loss. Other financial liabilities are subsequently measured at amortized cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognized in profit or loss. Any gain or loss on derecognition is also recognized in profit or loss.

30-4-7 Derecognition

Financial assets

The Company derecognizes a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Company neither transfers nor retains substantially all of the risks and rewards of ownership and it does not retain control of the financial asset.

The Company enters into transactions whereby it transfers assets recognized in its statement of financial position, but retains either all or substantially all of the risks and rewards of the transferred assets. In these cases, the transferred assets are not derecognized.

Financial liabilities

The Company derecognizes a financial liability when its contractual obligations are discharged or cancelled, or expire.

The Company also derecognizes a financial liability when its terms are modified and the cash flows of the modified liability are substantially different, in which case a new financial liability based on the modified terms is recognized at fair value.

On derecognition of a financial liability, the difference between the carrying amount extinguished and the consideration paid (including any non-cash assets transferred or liabilities assumed) is recognized in profit or loss.

30-4-8 Offsetting

Financial assets and financial liabilities are offset, and the net amount presented in the statement of financial position when, and only when, the Company currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realize the asset and settle the liability simultaneously.

30-5 Impairment

30-5-1 non-derivative financial assets

Financial instruments and contract assets

The Company recognizes loss allowances for Expected Credit Loss (ECLs) on:

-Financial assets measured at amortized cost;

-Debt investments measured at FVOCI;

- contract assets.

The Company also recognizes loss allowances for ECLs on loans receivables.

The Company measures loss allowances at an amount equal to lifetime ECLs, except for the following, which are measured at 12-month ECLs:

-Debt securities that are determined to have low credit risk at the reporting date; and

-Other debt securities and bank balances for which credit risk (i.e., the risk of default occurring over the expected life of the financial instrument) has not increased significantly since initial recognition.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECLs, the Company considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Company's historical experience and informed credit assessment, that includes forward-looking information.

The Company assumes that the credit risk on a financial asset has increased significantly if it is more than 30 days past due. unless it can be rebutted.

The Company considers a financial asset to be in default when:

-The debtor is unlikely to pay its credit obligations to the Company in full, without recourse by the Company to actions such as realizing security (if any is held); or

-The financial asset is more than 90 days past due unless it can be rebutted.

Lifetime ECLs are the ECLs that result from all possible default events over the expected life of a financial instrument.

12-month ECLs are the portion of ECLs that result from default events that are possible within the 12 months after the reporting date (or a shorter period if the expected life of the instrument is less than 12 months).

The maximum period considered when estimating ECLs is the maximum contractual period over which the Company is exposed to credit risk.

30-5-2 Measurement of ECLs

ECLs are a probability-weighted estimate of credit losses. Credit losses are measured as the present value of all cash shortfalls (i.e. the difference between the cash flows due to the entity in accordance with the contract and the cash flows that the Company expects to receive).

ECLs are discounted at the effective interest rate of the financial asset.

30-5-3 Credit-impaired financial assets

At each reporting date, the Company assesses whether financial assets carried at amortized cost and debt securities at FVOCI are credit-impaired. A financial asset is 'credit-impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

Evidence that a financial asset is credit-impaired includes the following observable data:

- Significant financial difficulty of the debtor;
-A breach of contract such as a default or being more than 90 days past due;
-The restructuring of a loan or advance by the Company on terms that the Company would not consider otherwise;
-It is probable that the debtor will enter bankruptcy or other financial reorganization; or
-The disappearance of an active market for a security because of financial difficulties.

30-5-4 Presentation of allowance for ECL in the statement of financial position

Loss allowances for financial assets measured at amortized cost are deducted from the gross carrying amount of the assets.

For debt securities at FVOCI, the loss allowance is charged to profit or loss and is recognized in OCI.

30-5-5 Write-off

Any client's financing is written off when the company is certain that the balance cannot be collected, provided that a provision for the full value of the balance to be written off is made prior to this. The company's board of directors alone has the authority to approve the writing off of any client balance based on a justified presentation from the relevant department. The writing off of a client's balance does not prevent the company from pursuing its legal efforts to recover its dues. This is in accordance with the solvency standards for companies operating in consumer finance (Decision No. 101 of 2020 issued by the Financial Regulatory Authority).

The company may write off debts according to the following conditions:

1) A decision is issued by the company's board of directors to write off the debts.

2) The company submits a report from its auditor stating that the following conditions are met:

- The company must maintain regular accounts.
- The debt must be related to consumer finance activities.
- The corresponding amount must have been previously included in the company's accounts.
- The company must have taken serious measures to recover the debt and have failed to collect it within 18 months of its due date.

30-5-6 non-financial assets

- At each reporting date, the Company reviews the carrying amounts of its non-financial assets (other than, investment property, contract assets and deferred tax assets) to determine whether there is any indication of impairment. If any such indication exists, then the asset’s recoverable amount is estimated. Goodwill is tested annually for impairment.
- For impairment testing, assets are Companied together into the smallest Company of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or CGUs. Goodwill arising from a business combination is allocated to CGUs or Companies of CGUs that are expected to benefit from the synergies of the combination.
- The recoverable amount of an asset or CGU is the greater of its value in use and its fair value less costs to sell. Value in use is based on the estimated future cash flows, discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or CGU.
- An impairment loss is recognized if the carrying amount of an asset or CGU exceeds its recoverable amount.
- Impairment losses are recognized in profit or loss. They are allocated first to reduce the carrying amount of any goodwill allocated to the CGU, and then to reduce the carrying amounts of the other assets in the CGU on a pro rata basis.
- An impairment loss in respect of goodwill is not reversed. For other assets, an impairment loss is reversed only to the extent that the asset’s carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortization, if no impairment loss had been recognized.

30-6 Cash and cash equivalents

For the purpose of preparing the statement of cash flows, cash and cash equivalents includes the balances, whose maturity do not exceed three months from the date of acquisition and the balances included cash on hand, current accounts, time deposits with banks.

30-7 Provisions

Provisions are recognized when the Company has a legal or constructive current obligation as a result of a past event and it’s probable that a flow of economic benefits will be required to settle the obligation. If the effect is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessment of the time value of money and, where appropriate, the risks specific to the liability. Provisions are reviewed at the financial position date and amended (when necessary) to represent the best current estimate.

30-8 Legal reserve

The Company's statutes provides for deduction of a sum equal to 5% of the annual net profit for formation of the legal reserve. Such deduction will be ceased when the total reserve reaches an amount equal to half of the Company's issued capital and when the reserve falls below this limit, it shall be necessary to resume.

30-9 Share capital

30-9-1 Ordinary shares

Incremental costs directly attributable to the issue of ordinary shares are recognized as a deduction from equity. Income tax relating to transaction costs of an equity transaction are accounted for in accordance with EAS 24 income tax.

30-10 Revenues

Step 1: Identify the contract(s) with the customer: A contract is defined as an agreement between two or more parties that creates enforceable rights and obligations that must be fulfilled under each contract.

Step 2: Identify the performance obligations in the contract: A performance obligation is a promise in a contract with a customer to transfer a good or provide a service to the customer.

Step 3: Determine the transaction price: The transaction price is the amount of consideration that the company expects to be entitled to in exchange for transferring the promised goods or providing the services to the customer, excluding amounts collected on behalf of other parties.

Step 4: Allocate the transaction price to the performance obligations in the contract: For a contract with more than one performance obligation, the company will allocate the transaction price to each performance obligation in an amount that identifies the amount of consideration the company expects to be entitled to in exchange for satisfying each performance obligation.

Step 5: Revenue is recognized when (or as) the entity satisfies a performance obligation.

- Revenue is recognized at a point in time or over time.

The Company satisfies an obligation and recognizes revenue over time if one of the following criteria is met:

a) The Company's performance does not create an asset for which the Company has an enforceable right to payment for the performance completed to date.

b) The Company creates or enhances an asset controlled by the customer when the asset is created or enhanced.

c) The customer simultaneously receives and consumes the benefits provided by the Company's performance as soon as the Company performs.

- For performance obligations, if one of the above conditions is met, revenue is recognized over time, representing the time over which the performance obligation is satisfied.

- When the Company satisfies a performance obligation by delivering promised services, a contract asset is created based on the amount of contract consideration received from the performance. When the amount of contract consideration received from the customer exceeds the revenue generated, this results in advance payments from the customer (a contract liability).
- Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue and costs can be measured reliably, where appropriate.
- In applying Egyptian Accounting Standard 48, management uses the following judgments:

Determining Transaction Prices:

- The company must determine the transaction price associated with its agreements with customers. When using this judgment, the company estimates the impact of any variable consideration in the contract due to discounts, penalties, the presence of any significant financing component, or any non-cash consideration in the contract.

Transfer of Control in Customer Contracts:

- If the company determines that performance obligations are satisfied at a point in time, revenue is recognized when control of the assets subject to the contract is transferred to the customer.

Satisfaction of Performance Obligations:

- The company must evaluate each of its contracts with customers to determine whether performance obligations are satisfied over time or at a point in time. In order to determine the appropriate method for recognizing revenue, the company has assessed that, based on the agreement with the customer, the company does not create an asset that has an alternative use for the company, and it generally has an enforceable right to payment for performance completed to date. In these circumstances, the company recognizes revenue over time. If this is not the case, revenue is recognized at a point in time for the sale of goods or the provision of services. Revenue is usually recognized at a point in time.

Other matters to consider:

- Variable consideration: If the promised consideration in a contract includes a variable amount, the company must estimate the amount of consideration to which it is entitled in exchange for transferring the promised goods or services to the customer. The company estimates the transaction price for contracts with variable consideration using the expected value or most likely amount method. The method is applied consistently throughout the contract and for similar types of contracts.

Significant financing component:

- The company adjusts the amount of promised consideration for the time value of money if the contract includes a significant financing component.

30-11 Interests

30-11 -1 Effective Interest Rate

Interest income and expenses are recognized in profit or loss using the effective interest method. The effective interest rate is the exact rate that discounts the expected future cash flows to be paid over the expected life of the financial instrument to determine the present value of a financial asset or liability. When calculating the effective interest rate, the entity must estimate the cash flows, considering all contractual terms of the financial instrument, except for expected credit losses.

The calculation of the effective interest rate includes transaction costs and any fees or points paid or received that are part of the effective interest rate. Transaction costs refer to incremental costs directly attributable to the acquisition or issuance of a financial asset or liability.

30-11 -2 Amortized Cost and Carrying Amount

Amortized cost is the value at which a financial asset or liability is measured at initial recognition, minus the principal repayments, plus or minus the cumulative amortization (using the effective interest rate method) of any differences between the initial value and the value at maturity, and minus expected credit losses.

The carrying amount of a financial asset is its amortized cost before deducting the expected credit losses.

30-11 – 3 Calculation of Interest Income and Expenses

The effective interest rate for a financial asset or liability is determined at the initial recognition of the asset or liability. To calculate interest income and expenses, the effective interest rate is applied to the carrying amount of the asset or the amortized cost of the liability.

30-12 Fees and Commissions

Fees and commissions that form part of the effective interest rate of a financial asset or liability are included in the effective interest rate calculation.

Other fees and commissions are recognized as income when the related service is performed.

Contracts with customers that result in the recognition of financial instruments in the company's financial statements may partially fall under the scope of Egyptian Accounting Standard (EAS) 47: Financial Instruments and partially under EAS 48: Revenue from Contracts with Customers. In such cases, the company first applies EAS 47 to separate and measure the portion of the contract within its scope, then applies EAS 48 to the remainder.

Other Fee and Commission Expenses

These primarily include transaction and service-related fees and commissions, which are recognized as expenses upon receipt of the service.

30-13 Expenses

30-13-1 Borrowing costs

Borrowing costs are recognized as expenses in the income statement when incurred on an effective interest basis.

30-13-2 Employees' pension

The Company contributes to the government social insurance system for the benefit of its personnel in accordance with the social insurance law. Under this law, the employees and the employers contribute into the system on a fixed percentage-of-salaries basis. The Company's liability is confined to the amount of its contribution. Contributions are charged to income statement using the accrual basis of accounting.

30-13-3 Income tax

Income tax on the income statement for the year comprises current and deferred tax. Income tax is recognized in the income statement except to the extent that it relates to items recognized directly in equity, in which case it is recognized in equity.

Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted or substantially enacted at the financial position date, and any adjustment to tax payable in respect of previous years.

Deferred tax is provided using the financial position liability method, providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. The amount of deferred tax provided is based on the expected manner of realization or settlement of the carrying amount of assets and liabilities, using tax rates enacted or substantively enacted at the financial position date.

A deferred tax asset is recognized only to the extent that it is probable that future taxable profits will be available against which the asset can be utilized. Deferred tax assets are reduced to the extent that it is no longer probable that the related tax benefit will be realized.

30-14 Earnings per share

The Company presents basic earnings per share (EPS) data for its ordinary shares. Basic EPS is calculated by dividing the profit or loss attributable to ordinary shareholders of the Company by the weighted average number of ordinary shares outstanding during the period.

30-15 Profit sharing to employees

The Company pays 10% of its cash dividends as profit sharing to its employees provided that it will not exceed total employees' annual salaries. Profit sharing is recognized as a dividend distribution through equity and as a liability when approved by the Company's shareholders.

30-16 Leases

At the beginning of the contract, the company evaluates whether the contract is a rental contract or includes a rental contract. The contract is a lease contract or includes a lease contract if the contract transfers the right to control the use of a specific asset for a period of time in exchange for a consideration. To assess whether a lease conveys the right to control the use of a specific asset, the Group uses the definition of a lease in AASB 49.

This policy applies to contracts concluded on or after January 1, 2020.

30-16-1 As a lessee

At commencement or on modification of a contract that contains a lease component, the company allocates the consideration in the contract to each lease component on the basis of its relative stand-alone prices. However, for the leases of property the Company has elected not to separate non-lease components and account for the lease and non-lease components as a single lease component.

The company recognizes a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the end of the lease term, unless the lease transfers ownership of the underlying asset to the Company by the end of the lease term or the cost of the right-of-use asset reflects that the company will exercise a purchase option. In that case the right-of-use asset will be depreciated over the useful life of the underlying asset, which is determined on the same basis as those of property and equipment. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Company's incremental borrowing rate. Generally, the company uses its incremental borrowing rate as the discount rate.

The company determines its incremental borrowing rate by obtaining interest rates from various external financing sources and makes certain adjustments to reflect the terms of the lease and type of the asset leased.

Lease payments included in the measurement of the lease liability comprise the following:

fixed payments, including in-substance fixed payments;

variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date;

amounts expected to be payable under a residual value guarantee; and the exercise price under a purchase option that the Company is reasonably certain to exercise, lease payments in an optional renewal period if the company is reasonably certain to exercise an extension option, and penalties for early termination of a lease unless the company is reasonably certain not to terminate early.

The lease liability is measured at amortized cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the company's estimate of the amount expected to be payable under a residual value guarantee, if the company changes its assessment of whether it will exercise a purchase, extension or termination option or if there is a revised in-substance fixed lease payment.

When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

The company presents right-of-use assets that do not meet the definition of investment property in 'property, plant and equipment' and lease liabilities in 'loans and borrowings' in the statement of financial position.

Short-term leases and leases of low-value assets

The company has elected not to recognize right-of-use assets and lease liabilities for leases of low – value assets and short-term leases, including IT equipment. The company recognizes the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

30-16-2 As a lessor

At inception or on modification of a contract that contains a lease component, the company allocates the consideration in the contract to each lease component on the basis of their relative stand- alone prices.

When the company acts as a lessor, it determines at lease inception whether each lease is a finance lease or an operating lease.

To classify each lease, the company makes an overall assessment of whether the lease transfers substantially all of the risks and rewards incidental to ownership of the underlying asset. If this is the case, then the lease is a finance lease; if not, then it is an operating lease. As part of this assessment, the company considers certain indicators such as whether the lease is for the major part of the economic life of the asset.

When the company is an intermediate lessor, it accounts for its interests in the head lease and the sub-lease separately. It assesses the lease classification of a sub-lease with reference to the right-of-use asset arising from the head lease, not with reference to the underlying asset. If a head lease is a short-term lease to which the company applies the exemption described above, then it classifies the sub-lease as an operating lease.

If an arrangement contains lease and non-lease components, then the company applies EAS 11 to allocate the consideration in the contract.

The company applies the derecognition and impairment requirements in EAS 47 to the net investment in the lease. The company further regularly reviews estimated unguaranteed residual values used in calculating the gross investment in the lease.

The company recognizes lease payments received under operating leases as income on a straight- line basis over the lease term as part of 'other revenue'.

(In the notes all amounts are shown in EGP unless otherwise stated)

31- Goodwill

- The goodwill recognized in the balance sheet, amounting to 308 million EGP, represents the excess amount paid over the fair value of the net assets of " PAY-Nas BV", in accordance with Egyptian Accounting Standards (EAS). Goodwill is initially measured at cost and is subject to an annual impairment test in accordance with EAS 31. The impairment test is conducted at the company-wide level. ended 31 December 2024, was evaluated using the discounted cash flow (DCF) method, based on growth projections and the cost of capital to the consumer finance sector.
- Goodwill represents the difference of the acquisition cost over the net asset value of the investee.

Acquisition cost	Net asset value	Goodwill
401 564 460	93 335 990	**308 228 470**

32- Significant Events

- On February 1, 2024, the Monetary Policy Committee of the Central Bank of Egypt decided to raise the overnight deposit and lending rates, as well as the main operation rate of the Central Bank, by 200 basis points, reaching 21.25%, 22.25%, and 21.75%, respectively. Additionally, the credit and discount rate was raised by 200 basis points to reach 21.75%.
- On March 6, 2024, the Monetary Policy Committee of the Central Bank of Egypt decided to raise the overnight deposit and lending rates, as well as the main operation rate of the Central Bank, by 600 basis points, reaching 27.25%, 28.25%, and 27.75%, respectively. Additionally, the credit and discount rate was raised by 600 basis points to reach 27.75%.
- On March 6, 2024, the Central Bank of Egypt issued a decision to liberalize the exchange rate of foreign currencies against the Egyptian pound, which resulted in a significant increase in the exchange rate of foreign currencies against the local currency (the Egyptian pound).

On April 17, 2025, the Monetary Policy Committee of the Central Bank of Egypt decided to reduce the overnight deposit and lending rates, and the rate of the central bank's main operation, by 225 basis points to 25%, 26%, and 25.50%, respectively. The credit and discount rates were also reduced by 225 basis points to 25.50%.

- On May 22, 2025, the Monetary Policy Committee of the Central Bank of Egypt (CBE) decided to reduce the overnight deposit and lending rates, and the rate of the central bank's main operation, by 100 basis points, to 24%, 25%, and 24.50%, respectively. The credit and discount rates were also reduced by 100 basis points, to 24.50%.

Non-Executive Chairman	Managing Director	CFO
Fatma Ibrahim Lotfi	Walid Mahmoud Hassouna	Karim Riad