

**Fawry for Banking Technology and Electronic
Payments (S.A.E.)**

**Condensed Separate Interim Financial Statements
For the three months ended March 31, 2024
Together with Limited Review Report**



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*Translation of Review
Report Originally Issued in Arabic*

Limited Review Report on the condensed separate interim financial statements

**To: The Board of Directors of Fawry for Banking Technology and Electronic Payments
"S.A.E."**

Introduction

We have reviewed the accompanying condensed separate interim financial statements of Fawry for Banking Technology and Electronic Payments S.A.E. which comprise the condensed separate interim statement of financial position as of March 31, 2024, and the related condensed separate interim statements of profit or loss, comprehensive income, changes in equity and cash flows for the three months' period then ended, and other explanatory notes. Management is responsible for the preparation and fair presentation of the condensed separate interim financial statements in accordance with Egyptian Accounting Standard No. (30) "Interim financial statements". Our responsibility is to express a conclusion on these condensed separate interim financial statements based on our review.

Scope of Review

We conducted our review in accordance with Egyptian Standard on Review Engagements (2410) "Review of Interim Financial Statement Performed by the Independent Auditor of the Entity". Review of condensed interim financial statements 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 and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.



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Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying condensed separate interim financial statements do not present fairly in all material respects the separate financial position of the entity as of March 31, 2024, and of its separate financial performance and its separate cash flows for the three months' period then ended in accordance with Egyptian Accounting Standard No. (30) "Interim financial statements".

Cairo – May 13, 2024.


Kamel Magdy Saleh FCA,
FESAA (R.A.A. 8510)
FRA Register No. 169
Saleh, Barsoum & Abdel Aziz – Grant Thornton



Fawry for Banking and Payment Technology Services S.A.E.
Condensed Separate interim statement of financial position
as of March 31, 2024

<u>EGP</u>	<u>Note No.</u>	<u>March 31, 2024</u>	<u>December 31, 2023</u>
Assets			
<u>Non-current assets</u>			
Fixed assets	(4)	847 029 107	841 498 395
Intangible assets	(5)	676 293 870	601 548 195
Projects under construction	(6)	8 579 345	5 025 865
Investments in subsidiaries		364 012 432	364 012 432
Investments in associates and joint venture		8 991 429	8 991 429
Investments at fair value through OCI		40 047 247	40 047 247
Deferred tax asset		41 771 841	36 838 686
Loans to related parties	(7)	96 435 819	133 364 207
Investments at fair value through P&L		29 850 000	29 850 000
Total non-current assets		2 113 011 090	2 061 176 456
<u>Current assets</u>			
Inventory		11 629 985	8 013 979
Accounts and notes receivable		20 540 871	12 327 271
Debtors and other debit balances	(8)	322 317 203	169 918 512
Advances to billers		542 610 931	540 600 371
Due from related parties	(9)	518 332 479	198 411 353
Investments at fair value through P&L		19 382 727	16 732 250
Treasury bills	(10)	1 846 272 193	2 117 435 308
Cash and cash at banks	(11)	2 162 423 772	2 571 092 637
Total current assets		5 443 510 161	5 634 531 681
Total assets		7 556 521 251	7 695 708 137
Equity & liabilities			
<u>Equity</u>			
Issued and paid-up capital		1 703 261 622	1 703 261 622
Legal reserve		92 581 238	62 039 050
Reserve for employee stock ownership plan (ESOP)	(25)	227 425 674	198 552 525
Shares for employee stock ownership plan		(43 170 059)	(43 170 059)
Revaluation reserve for Investments at fair value through OCI		(12 252 854)	(12 252 854)
Retained Earnings		1 478 886 699	1 204 234 049
Total equity		3 446 732 320	3 112 664 333
<u>Non-Current liabilities</u>			
Deferred tax liabilities		26 262 512	26 262 512
Lease Liabilities		92 863 812	88 880 933
Total non current liabilities		119 126 324	115 143 445
<u>Current liabilities</u>			
Bank credit facilities	(12)	86 585 638	74 977 067
Provisions	(13)	58 828 805	52 928 805
Accounts and notes payable	(14)	42 851 219	81 996 454
Accounts and notes payable - Billers	(15)	1 921 229 890	2 320 574 794
Merchant advances		1 242 857 846	1 445 685 555
Retailers' POS security deposits		112 146 275	100 810 102
Creditors and other credit balances	(16)	280 948 420	189 633 119
Due to related parties	(17)	45 456 092	71 673 672
Current income tax		183 177 385	114 331 306
Lease Liabilities		16 581 037	15 289 485
Total current liabilities		3 990 662 607	4 467 900 359
Total equity and liabilities		7 556 521 251	7 695 708 137

The accompanying notes form an integral part of these condensed separate interim financial statements and to be read therewith.



Chief Financial Officer



Limited review report attached

Chief Executive Officer



Chairman



Fawry for Banking and Payment Technology Services S.A.E.

Condensed Separate interim Statement of Profit or Loss

for the three months ended March 31, 2024

EGP	Note No.	Three months ended	
		March 31, 2024	March 31, 2023
Operating revenues	(20)	729 977 297	459 751 367
Operating costs	(21)	(204 350 820)	(163 564 498)
Gross margin		525 626 477	296 186 869
Add (Less):			
General and administrative expenses	(22)	(166 982 244)	(120 485 901)
Selling and marketing expenses	(23)	(135 912 013)	(105 793 415)
Employee stock ownership plan expenses	(25)	(21 925 134)	(21 418 507)
Board compensation expenses		(1 706 400)	(1 510 000)
Medical contribution for health and insurance		(2 204 947)	(1 444 734)
Expected credit loss		(3 326 387)	(500 958)
Formed provisions	(13)	(5 900 000)	(1 700 000)
Finance costs		(8 080 120)	(6 921 201)
Gain on revaluation of financial investments through P&L		7 650 477	387 375
Credit interest	(19)	142 605 120	88 033 728
Gain on disposal of fixed assets		8 297 601	2 225 539
Other revenues		1 780 052	1 701 258
Foreign currency exchange gain		14 585 140	11 111 238
Operating profit		354 507 622	139 871 291
Dividends from investments in subsidiaries	(24)	37 756 514	36 646 749
Profit for the period before tax		392 264 136	176 518 040
Tax burden		(87 069 298)	(36 424 533)
Net profit for the period after tax		305 194 838	140 093 507
Earnings per share for the period - basic	(26)	0.09	0.04
Earnings per share for the period - diluted	(26)	0.09	0.04

The accompanying notes form an integral part of these condensed separate interim financial statements and to be read therewith.

*Translation of financial statements
Originally Issued in Arabic*

Fawry for Banking and Payment Technology Services S.A.E.
Condensed Separate interim statement of comprehensive income
for the three months ended March 31, 2024

<u>EGP</u>	<u>Three months ended</u>	
	<u>March 31, 2024</u>	<u>March 31, 2023</u>
Net profit for the period	305 194 838	140 093 507
Other comprehensive income	--	--
Total other comprehensive income	--	--
Total comprehensive income	305 194 838	140 093 507

The accompanying notes form an integral part of these condensed separate interim financial statements and to be read therewith.

Translation of financial statements
Originally issued in Arabic.

Fawry for Banking and Payment Technology Services S.A.E.
Condensed Separate Interim statement of change in equity
for the three months ended March 31, 2024.

	<u>Issued and paid up capital</u>	<u>Legal reserve</u>	<u>Reserve for employee stock ownership plan (ESOP)</u>	<u>Share for employee stock ownership plan</u>	<u>Shares issuance expenses</u>	<u>Revaluation reserve for investments at fair value through OCI statement</u>	<u>Retained Earnings</u>	<u>Total</u>
EGP								
Balance as of January 1, 2023	1 653 652 060	53 150 023	151 513 185	--	(5 818 102)	(13 795 000)	537 325 900	2 376 028 066
Items of comprehensive income	--	--	--	--	--	--	140 093 507	140 093 507
Net profit for the period	--	--	--	--	--	--	140 093 507	140 093 507
Total comprehensive income	--	--	--	--	--	--	140 093 507	140 093 507
Transactions with company's owners								
Transferred to retained earnings and legal reserve	--	8 889 027	--	--	--	--	(8 889 027)	--
Transferred to retained earnings from share issuance expense	--	--	--	--	5 818 102	--	(5 818 102)	--
Formed for employee stock ownership plan shares	--	--	30 368 604	--	--	--	--	30 368 604
Total transactions with the company's owners	--	8 889 027	30 368 604	--	5 818 102	--	(14 707 129)	30 368 604
Balance as of March 31, 2023	1 653 652 060	62 039 050	181 881 789	--	--	(13 795 000)	662 712 278	2 546 490 177
Balance as of January 1, 2024	1 703 261 622	62 039 050	198 552 525	(43 170 059)	--	(12 252 854)	1 204 234 049	3 112 664 333
Net profit for the period	--	--	--	--	--	--	305 194 838	305 194 838
Total comprehensive income	--	--	--	--	--	--	305 194 838	305 194 838
Transactions with company's owners								
Transferred to legal reserve	--	30 542 188	--	--	--	--	(30 542 188)	--
Formed for employee stock ownership plan shares	--	--	28 873 149	--	--	--	--	28 873 149
Total transactions with the company's owners	--	30 542 188	28 873 149	--	--	--	(30 542 188)	28 873 149
Balance as of March 31, 2024	1 703 261 622	92 581 238	227 425 674	(43 170 059)	--	(12 252 854)	1 478 886 699	3 446 732 320

The accompanying notes form an integral part of these condensed separate interim financial statements and to be read therewith.

Fawry for Banking and Payment Technology Services S.A.E.
Condensed Separate interim statement of cash flows
for the three months ended March 31, 2024

<u>EGP</u>	<u>Note</u>	<u>Three months ended</u>	
		<u>March 31, 2024</u>	<u>March 31, 2023</u>
<u>Cash flows from operating activities:</u>			
Net profit for the period before tax		392 264 136	176 518 040
<u>Adjusted by:</u>			
Depreciation and amortization of the period		80 662 908	56 308 524
Formed provisions		5 900 000	1 700 000
Unrealized foreign currency exchange		(14 585 140)	(11 111 238)
Expected credit loss		3 083 873	500 958
(Gain) on sale of fixed assets		(8 297 601)	(2 225 539)
Dividends from investments in subsidiaries		(37 756 514)	(36 646 749)
Employee stock ownership plan expenses		21 925 134	21 418 507
Revaluation gain of investments at fair value through P&L		(7 650 477)	(387 375)
Credit interest		(142 605 120)	(88 033 728)
Finance costs		8 080 120	6 921 201
Operating gain before changes in working capital		301 021 319	124 962 601
<u>Changes in working capital</u>			
(Increase) in inventory		(3 616 006)	--
(Increase) in advances to billers		(1 763 004)	(27 369 618)
(Increase) in debtors and other debit balances		(151 877 107)	(12 397 438)
(Increase) in accounts and notes receivable		(9 062 468)	(14 405 205)
(Increase) in due from related parties		(316 704 997)	(158 520 201)
(Decrease) in accounts and notes payable		(39 145 235)	(27 332 390)
(Decrease) / Increase in accounts payable- billers		(399 344 904)	149 160 425
(Decrease) in due to related parties		(26 217 580)	(51 465 795)
(Decrease) / Increase in merchants prepaid balances		(202 827 709)	17 926 974
Increase in retailer's POS security deposits		11 336 173	10 358 299
Increase in creditors and other credit balances		93 614 277	11 775 001
Increase in loans to related parties		37 656 130	91 670 301
Provision used		--	(18 854 510)
Income tax paid		(36 344 631)	(14 647 027)
Proceeds from credit interest		210 583 397	31 222 997
Net cash (used in) provided from operating activities		(532 692 345)	112 084 414
<u>Cash flows from investing activities</u>			
(Payments) to acquire fixed assets		(59 575 489)	(53 464 539)
(Payments) to acquire intangible assets		(93 207 417)	(53 810 092)
(Payments) for projects under construction		(5 503 068)	(10 383 890)
Proceeds from the sale of fixed assets		10 884 850	4 891 796
Proceeds to acquire financial investments at fair value through P&L		5 000 000	--
Proceeds from dividends from investments in subsidiaries		37 756 514	33 102 073
(Payments) to acquire investment in subsidiary and associates		--	(67 497 750)
Net movement of treasury bills - more than three months		407 051 584	(350 821 500)
Net cash provided from (used in) investing activities		302 406 974	(497 983 902)
<u>Cash flows from financing activities</u>			
Proceeds / (Payments) from bank facilities		11 608 571	(16 113 653)
(Payments) for lease liabilities		(3 519 619)	(4 183 506)
Finance expenses paid		(4 268 125)	(4 196 244)
Net cash provided from (used in) financing activities		3 820 827	(24 493 403)
Net change in cash and cash equivalents during the period		(226 464 544)	(410 392 891)
Cash and cash equivalents at beginning of the year		3 354 077 130	2 686 868 874
Changing currency difference for cash and cash equivalents		14 585 140	11 111 238
Cash and cash equivalents at end of the period	(11)	3 142 197 726	2 287 587 221

The accompanying notes form an integral part of these condensed separate interim financial statements and to be read therewith.

Fawry for Banking Technology and Electronic payments S.A.E.
Notes to the condensed Separate interim Financial Statements
For the three months ended March 31, 2024

1. General information

Fawry for Banking and Payment Technology Services S.A.E. was established in accordance with the provisions of Law No. 159 of 1981 and its executive regulation, and was registered at the Commercial Register under No. 33258 on June 26, 2008, the commercial register has changed to 50840 in June 2011. The company reregistered at the commercial register investment 6th of October under the No. 1333 on July 19, 2018.

The purpose of the company is to provide operations services specialized in systems and communications, management, operating and maintenance of equipment and computers networks services and internal systems of banks, networks, and centralized systems, establish operating systems for banking services through the internet, phone and e-payment services and circulation of secured documents electronically, taking into account the provisions of laws, regulations and decisions and provided that all the licenses necessary for pursuing these activities are issued. The duration of the company is twenty-five years from the Commercial Register date.

The condensed separate interim financial statements of the company were approved in the board of directors meeting dated May 13, 2024.

2. Statement of compliance

The Condensed separate interim financial statements have been prepared in accordance with Egyptian Accounting Standard No. (30).

3. Basis of preparation of the separate financial statements

The condensed separate interim financial statements have been prepared using the same accounting policies which have been applied in the prior year. These condensed separate interim financial statements should be read in conjunction with the annual separate financial statements for the year ended December 31, 2023.

Fawry for Banking and Payment Technology Services S.A.E.
Notes to the condensed separate interim financial statements
For the three months ended March 31, 2024

4- Fixed assets

EGP	Land	Buildings	Networks and servers	Points of sales machines	Computers	Furniture and other office equipment	Leasehold improvements	Vehicles	Tools and equipment super-fawry	Right of use assets	Total
Cost											
As of January 1, 2023	52 490 500	134 050 355	146 263 268	526 196 278	71 915 378	22 548 744	68 456 843	149 300	641 766	91 005 526	1 113 717 958
Additions during the year	—	—	55 176 211	253 309 995	13 350 812	620 997	22 618 793	—	—	37 006 408	382 083 216
Disposals	—	—	—	(46 489 771)	—	—	—	—	—	(2 305 994)	(48 795 765)
As of December 31, 2023	52 490 500	134 050 355	201 439 479	733 016 502	85 266 190	23 169 741	91 075 636	149 300	641 766	125 705 940	1 447 005 409
As of January 1, 2024	52 490 500	134 050 355	201 439 479	733 016 502	85 266 190	23 169 741	91 075 636	149 300	641 766	125 705 940	1 447 005 409
Additions during the period	—	—	15 719 790	31 295 475	68 885	330 687	12 887 484	—	—	8 794 049	69 096 370
Disposals	—	—	—	(13 389 981)	—	—	—	—	—	—	(13 389 981)
As of March 31, 2024	52 490 500	134 050 355	217 159 269	750 921 996	85 335 075	23 500 428	103 963 120	149 300	641 766	134 499 989	1 502 711 798
Accumulated depreciation											
As of January 1, 2023	—	8 730 469	97 840 281	244 386 867	40 548 512	9 828 061	21 866 864	149 298	641 739	18 098 996	442 091 087
Depreciation for the year	—	3 351 259	33 349 281	117 898 151	10 800 118	3 652 388	12 637 215	—	—	19 183 776	200 874 188
Depreciation of disposals	—	—	—	(36 149 097)	—	—	—	—	—	(1 309 164)	(37 458 261)
As of December 31, 2023	—	12 081 728	131 189 562	326 135 921	51 348 630	13 480 449	34 504 079	149 298	641 739	35 975 608	605 507 014
As of January 1, 2024	—	12 081 728	131 189 562	326 135 921	51 348 630	13 480 449	34 504 079	149 298	641 739	35 975 608	605 507 014
Depreciation for the period	—	837 815	9 605 043	37 247 280	2 656 180	907 994	4 046 695	—	—	5 677 402	60 978 409
Depreciation of disposals	—	—	—	(10 802 732)	—	—	—	—	—	—	(10 802 732)
As of March 31, 2024	—	12 919 543	140 794 605	352 580 469	54 004 810	14 388 443	38 550 774	149 298	641 739	41 653 010	655 682 691
Net book value											
As of December 31, 2023	52 490 500	121 968 627	70 249 917	406 880 581	33 917 560	9 689 292	56 571 557	2	27	89 730 332	841 498 395
As of March 31, 2024	52 490 500	121 130 812	76 364 664	398 341 527	31 330 265	9 111 985	65 412 346	2	27	92 846 979	847 029 107

5. Intangible assets

<u>EGP</u>	<u>Programs' license</u>	<u>Programs</u>	<u>Total</u>
<u>Cost</u>			
As of January 1, 2023	83 485 901	439 737 861	523 223 762
Additions during the year	34 778 946	256 828 298	291 607 244
As of December 31, 2023	118 264 847	696 566 159	814 831 006
Additions during the period	1 907 443	92 522 731	94 430 174
As of March 31, 2024	120 172 290	789 088 890	909 261 180
<u>Accumulated amortization</u>			
As of January 1, 2023	23 751 286	127 310 347	151 061 633
Amortization for the year	8 583 782	53 637 396	62 221 178
As of December 31, 2023	32 335 068	180 947 743	213 282 811
Amortization for the period	2 500 540	17 183 959	19 684 499
As of March 31, 2024	34 835 608	198 131 702	232 967 310
<u>Net book value</u>			
As of March 31, 2024	85 336 682	590 957 188	676 293 870
As of December 31, 2023	85 929 779	515 618 416	601 548 195

6. Projects under construction

The increase in projects under construction is mainly due to additions with EGP 64.5 Million during the period taking into consideration transfers to fixed and intangible assets by amount of EGP 61 Million.

7. Loans to related parties

The decrease in Loans to related parties is mainly due to Fawry for Medium, Small and Micro finance is paid by amount of EGP 37.6 Million during the first Quarter.

8. Debtors and other debit balances

The increase in mainly due to the increase in accrued Revenue by amount of EGP 32.8 Million and increase in the prepaid expenses by amount of EGP 15 Million and increase in dividends paid in advance by EGP 94.4 Million which held by board of directors at 4 March 2024 and approved by general assembly meetings at 7 April 2024.

Fawry for Banking Technology and Electronic payments S.A.E.
Notes to the condensed Separate Interim Financial Statements
For the three months ended March 31, 2024

9. Due from related parties

<u>EGP</u>	<u>Nature</u>	<u>March 31, 2024</u>	<u>December 31, 2023</u>
Fawry Fast Moving Consumer goods Co.	Current account	12 250 026	7 810 424
Fawry insurance Brokerage Co.	Current account	3 722 982	2 524 658
Tazcara Information Technology	Current account	1 500 240	1 500 240
Fawry consumer finance Co.	Current account	140 780 804	91 592 043
Fawry Gulf Co.	Current account	1 809 267	1 809 267
Fawry Integrated System	Current account	357 359 258	85 685 185
Fawry Plus for Banking Services	Current account	765 689	2 568 306
Fawry for commercial technologies	Current account	8 825 403	8 870 534
Less: Expected credit losses		(8 681 190)	(3 949 304)
		518 332 479	198 411 353

10. Treasury bills

The decrease in treasury bills mainly due to accrued of treasury bills during the first quarter of the year which led to a decrease in the balance of treasury bills by amount of EGP 271 Million.

11. Cash and cash at banks

<u>EGP</u>	<u>March 31, 2024</u>	<u>December 31, 2023</u>
Cash *	222 974 779	--
Banks current accounts – local currency	631 651 796	1 172 313 246
E-Acceptance transactions under settlement	440 898 956	379 358 060
Cash at collecting agencies	684 035 639	476 238 682
Banks current accounts – foreign currencies	87 921 626	30 067 253
Time deposit – local currencies	10 072 942	460 257 330
Time deposit – foreign currencies	93 294 655	61 042 173
Less: Expected credit losses	(8 426 621)	(8 184 107)
Cash and cash at banks	2 162 423 772	2 571 092 637

*Cash balance is represented in cash with cash collection representatives “the company’s employees” on March 31, 2024.

For the purpose of preparing cash flow statement, the cash and cash equivalents are comprised of the following:

<u>EGP</u>	<u>March 31, 2024</u>	<u>March 31, 2023</u>
Cash and bank balances	2 162 423 772	1 754 506 869
Treasury bills – less than 3 months	979 773 954	533 080 352
	3 142 197 726	2 287 587 221

12. Bank Credit Facilities

The increase in the account by EGP 11.6 Million is due to the increase in the amount used of the credit facilities during the first quarter from the current period.

13. Provisions

The increase in the account due to provision formed by amount of EGP 5.9 Million during the first quarter from the current period.

14. Accounts and notes payable

The decrease in the account is related to the company paid the dues and notes payable during the first quarter which lead to decrease in the account by amount of EGP 39 Million.

15. Accounts and notes payable – Billers.

The decrease in the account is related to the company paid the dues for Billers and notes payable during the first quarter it's effected to decrease the account by amount of EGP 399.2 Million

16. Creditors and other credit balances

The increase in the account is mainly due to the increase in the accrued expenses by amount of EGP 41.3 Million and the accrued commission by amount of EGP 11.4 Million and the balance for Tax authority by amount of EGP 15.3 Million Taking into account the decrease in transactions under settlement by amount of EGP 8.8 Million as a result of settling those transactions during the first quarter.

17. Due to related parties

<u>EGP</u>	<u>Nature of relationship</u>	<u>Account type</u>	<u>March 31, 2024</u>	<u>December 31, 2023</u>
Fawry Dahab Technology	Subsidiary	Current account	45 456 092	71 673 672
			<u>45 456 092</u>	<u>71 673 672</u>

18. Contingent liabilities

The balance of contingent liabilities amounts by EGP 1.7 Billion on March 31, 2024, compared to 1.4 Billion on December 31, 2023.

19. Credit Interest

The increase in the account is mainly due to an increase in credit interest on current accounts by amount of EGP 13 Million and credit interest on treasury bills by amount of EGP 41.5 Million

20. Operating revenues

The reason for the increase in revenues is due to the increase in the company's business volume during the first quarter compared to the first quarter of the previous year by amount of EGP 270.2 Million

21. Operating costs

The main reason for the increase in the operating cost is due to the increase in merchants' commissions by EGP 1.9 Million, the increase in depreciation by EGP 18.7 Million and the increase in cash collection cost by EGP 15.4 Million and the increase in other expenses by EGP 3.5 Million.

22. General and administrative expenses

The main reason for the increase in the account is due to the increase in salaries and the like by an amount of EGP 26.9 Million, and an increase in depreciation and amortization by an amount of EGP 4.4 Million, in addition to the increase in subscription expenses, technical support, communications and services centers by an amount of EGP 14.4 Million during the period and an increase in premises and insurance expenses by EGP 1.1 Million.

23. Selling and Marketing expenses

The main reason for the increase in the account is due to the increase in salaries by EGP 22.3 Million and the increase in sales and marketing commissions by EGP 7.8 Million.

24. Significant related parties' transactions

The following are significant related parties' transactions:

<u>EGP</u>	<u>Nature of the Transaction</u>	<u>Transactions during the period</u>
Fawry Dahab for Electronics Services	Cost related to cash collection on behalf of related party	132 509 122
	Electronic Payment services revenues	72 277 703
	Dividends revenue	37 756 514
Fawry for Integrated Systems	Program acquisition from related party	57 360 963
	POS machine acquisition	31 295 456
Fawry for medium, small and MicroFinance	Loans to related parties	98 336 263
	Credit Interest revenue	4 881 942
Fawry Plus for Banking Services	Cost payment on behalf of related party	30 796 212
	Revenue from electronic payment services	13 543 246
	Branches managing fees for related party	5 547 000
Fawry for FMCG	Electronic Payment services revenue	25 659 339
	Operations revenue on Fawry's Services	338 568
Fawry for consumer finance	Credit Interest revenue	5 628 633

25. Share based payments

The company introduced an Employees Share Ownership Plan (ESOP) program in accordance with the shareholders' approval at the extraordinary general assembly meeting held on February 22, 2021, The company granted free shares and allocated shares to some of its employees in accordance with the ESOP program which includes giving the right to some employees completing a term of 3 years in service at The Company to have the right in ordinary shares by granting free shares or allocating shares by 50% of the fair value on the vesting date after completion of a term of 2 years in service at The Company and which will be issued on the date of the grants. The equity instruments for share-based payment are recognized at fair value on the grant date and are recorded in the income statement on a straight line basis during a three-years period for the grant of free shares and two years for the allocated shares at 50% of the shares' fair values on the vesting date, with a corresponding increase in equity based on the Company's estimate, at each reporting date, for the number of shares that will vest. The fair value of granted shares was determined based on the share price announced on the Egyptian Stock Exchange at the grant date.

During the period the group and its subsidiaries charged total cost for the year shares granted is amounting to EGP 22 Million and total reserve for employee stock ownership plan at the reporting date is EGP 227.4 Million.

26. Earnings per share

Earnings per share is calculated by dividing the net profit by the weighted average of the shares outstanding during the year.

<u>EGP</u>	<u>March 31, 2024</u>		<u>March 31, 2023</u>	
	<u>Basic</u>	<u>Diluted</u>	<u>Basic</u>	<u>Diluted</u>
Net profit of the period	305 194 838	305 194 838	140 093 507	140 093 507
Weighted average number of shares	3 406 523 244	3 406 523 244	3 308 917 453	3 321 117 590
	<u>0.09</u>	<u>0.09</u>	<u>0.04</u>	<u>0.04</u>

27. Tax position

The company's profits are subject to tax on the profits of legal persons in accordance with the provisions of the Income Tax Law No. 91 of 2005, its executive regulations, and its amendments

Corporate tax

The company submits the tax return prepared in accordance with the provisions of Law 91 of 2005 on legal dates.

The years from establishment until 2017

- The Company was inspected and tax differences were settled.

The years from 2018 until 2019

The company received an announcement to inspect its books for the mentioned dates and they are currently preparing for the office inspection.

The years from 2020 until Now

Tax returns were submitted and paid all tax due on the legal dates.

Salaries and wages tax

The years from establishment until 2020

- The Company was inspected for mentioned years, and tax differences were settled.

The years 2021 until now

- Tax returns were submitted and paid all tax due within the legal deadlines.

Stamp duty tax

The years from establishment until 2020

- The company's records have been tax inspected for the mentioned years, and tax differences were settled.

The years 2021 until now

- Tax returns were submitted and paid all tax due within the legal deadlines.

Sales tax / VAT tax

The years from establishment until December 31, 2019

Company's records were inspected for the mentioned years, and differences were settled.

The years from 2020 until now

Tax returns were submitted and paid all tax due on its dates.

Withholding tax

- The company has not been notified of any inspection forms.

28. Legal Position

During the third quarter of 2019, a company filed a lawsuit against Fawry for Banking Technology and Electronic Payments "the Company" claiming an amount of EGP 50 Million under a contract covering the period from year 2015 to 30 June 2019 in addition to the legal accrued interest on the said amount. No transactions took place under the aforementioned contract, the company and the company's external legal advisor opinion regarding the outcome of this case that it will be in favor of the Company without any financial liabilities on the company in relation to this case.

29. Significant events during the current period

On February 1st, 2024, The Monetary Policy Committee of the Central Bank of Egypt decided in its meeting, to raise the overnight deposit and lending rates and the rate of the main operation of the Central Bank by 200 basis points to 21.25%, 22.25% and 21.75%, respectively. The discount rate was also raised by 200 basis points to 21.75%.

On March 6th, 2024, The Monetary Policy Committee of the Central Bank of Egypt decided in its extra ordinary meeting, to raise the overnight deposit and lending rates and the rate of the main operation of the Central Bank by 600 basis points to 27.25%, 28.25% and 27.75%, respectively. The discount rate was also raised by 600 basis points to 27.75%.