U Consumer Finance
"ValU Consumer Finance Company, previously"
(Egyptian Joint Stock Company)
Consolidated financial statements
For the year ended December 31, 2024
With Auditor's report

bakertilly
MOHAMED HILAL & WAHID ABDEL GHAFFAR

C61, Plot# 11, 10th Sector,
Zahraa El Maadi, Cairo.

87 Ramsis Street, Cairo.
Egypt

T: +2 2310 10 31,32,33,34,35
T: +2 2574 40 10
T: +2 2577 07 85

info@bakertillyeg.com
www.bakertillyeg.com

Translation of Audit report originally issued in Arabic

AUDITOR'S REPORT

To the The SHAREHOLDERS of U Consumer Finance "ValU Consumer Finance Company, previously" (S.A.E)

Report on the consolidated Financial Statements

We have audited the accompanying consolidated financial statements of **U Consumer Finance "ValU Consumer Finance Company, previously" (S.A.E),** represented in the consolidated balance sheet as of 31 December 2024, and the related consolidated statements of income, comprehensive income, changes in equity and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory notes.

Management's Responsibility for the Financial Statements

These financial statements are the responsibility of the Company's Management, as Management is responsible for the preparation and fair presentation of the financial statements in accordance with Egyptian Accounting Standards and applicable Egyptian laws. Management responsibility includes: designing, implementing and maintaining internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error. This responsibility also includes selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Egyptian Standards on Auditing and applicable Egyptian laws. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance that the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's professional judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on these financial statements.

Opinion

In our opinion, the consolidated financial statements referred to above, give a true and fair view, in all material respects, of the financial position **of U Consumer Finance "ValU Consumer Finance Company, previously" (S.A.E),** as of 31 December 2024, and of its financial performance and its cash flows for the year then ended in accordance with Egyptian Accounting Standards and the related applicable Egyptian laws and regulations.

Cairo: 17 March 2025

Amr Wahid

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 December 31, 2024
(All amount in Egyptian pound)

Translation of financial statements
Originally Issued in Arabic

	Note	31/12/2024	31/12/2023
Assets			
Non - current assets			
Account receivables for consumer finance (Net)	(9)	3 841 102 654	1 493 583 446
Investments at fair value through OCI	(10)	3 050 100	3 050 100
Investments in associates	(12)	117 764 950	117 764 950
Fixed assets	(3)	292 934 845	167 501 770
Right of use assets	(5)	57 131 504	60 030 128
Intangible assets	(4)	169 320 427	28 398 118
Goodwill	(31)	308 228 470	463 188 470
Total of non-current assets		**4 789 532 950**	**2 333 516 982**
Current assets			
Cash and cash equivalents	(6)	751 780 186	424 571 600
Account receivables for consumer finance (Net)	(9)	4 711 651 177	2 698 522 559
Financial investments at fair value through profit or loss	(11)	3 746 775	2 805 270
Debitors and Other debit balances	(8)	304 362 867	314 768 753
Securitization surplus	(24)	292 353 725	231 889 350
Total current assets		**6 063 894 730**	**3 672 557 532**
Total assets		**10 853 427 680**	**6 006 074 514**
Equity			
Issued & paid - in capital	(15)	199 590 140	199 590 140
Legal reserve		99 795 071	99 795 071
Share premium		710 898 836	710 898 836
Impairment reserve for consumer finance		95 596 990	46 676 424
Retained Earnings		530 808 046	156 988 714
Total equity Before Non-controlling interests		**1 636 689 083**	**1 213 949 185**
Non-controlling interests		654	(4 310)
Total equity and Non-controlling interests		**1 636 689 737**	**1 213 944 875**
Liabilities			
Current liabilities			
Overdraft banks	(7)	1 763 930 398	1 594 088 127
Due to related parties	(14)	24 273 652	15 665 972
Creditors and other credit balances	(13)	1 338 559 602	535 783 232
Provisions	(18)	4 000 000	5 000 000
Current income tax liabilities	(20)	88 411 198	71 192 918
Loans and facilities	(17)	548 529 403	2 230 854 148
Subordinated loans	(16)	110 000 000	--
Current portion of finance lease liabilities	(5)	18 015 466	13 432 367
Total current liabilities		**3 895 719 719**	**4 466 016 764**
Non - current liabilities			
Loans and Facilities	(17)	4 808 438 194	269 121 474
Subordinated loans	(16)	440 000 000	--
Deferred tax liabilities	(21)	17 624 800	892 802
Finance lease Liabilities	(5)	54 955 230	56 098 599
Total non - current liabilities		**5 321 018 224**	**326 112 875**
Total liabilities		**9 216 737 943**	**4 792 129 639**
Total equity and liabilities		**10 853 427 680**	**6 006 074 514**

The accompanying notes and accounting policies from page (6) to page (51) are an integral part of these Consolidated financial statements and are to be read therewith.

Audiror's Report " Attached "

Non Executive Chairman	Managing Director	CFO
Fatma Ibrahim Lotfi	Walid Mahmoud Hassouna	Shoukry Sobhy

U Consumer Finance " ValU Consumer Finance Company, previously"

(Egyptian Joint Stock Company)

Consolidated Income statement for the year ended December 31, 2024

Translation of financial statements
Originally Issued in Arabic

(All amount in Egyptian pound)

	Note	For the year ended 31/12/2024	31/12/2023
Interest from consumer finance		1 316 119 822	1 021 965 465
Other Revenues	(19)	905 828 409	358 064 300
Securitization gain	(24)	834 712 112	485 594 770
Finance cost		(1 527 653 787)	(758 154 622)
Net operating revenue		**1 529 006 556**	**1 107 469 913**
Add/(Deduct):			
Interest Income		229 695 457	43 617 464
Net change in fair value through profit or loss		941 505	369 582
Commissions and collection fees		(17 058 374)	(8 003 965)
Fixed assets depreciation	(3)	(49 782 394)	(24 370 286)
Intangible assets amortization	(4)	(27 824 360)	(4 500 814)
Right of use assets amortization	(5)	(11 595 084)	(9 704 409)
Expected Credit Loss	(23)	(172 803 647)	(91 843 539)
Provisions formed during the year	(18)	(3 000 000)	(3 438 060)
No Longer needed Provisions		4 000 000	--
Foreign currency exchange differences		96 066 543	(20 217 122)
Capital Losses		(3 125 244)	484 445
General and administrative expenses	(25)	(1 046 637 863)	(680 575 360)
Net profit of the year before tax		**527 883 095**	**309 287 849**
(Deduct):			
Income tax	(20)	(88 411 198)	(71 192 918)
Deferred tax	(21)	(16 731 999)	(1 313 594)
Net profit for the year		**422 739 898**	**236 781 337**
Profit attributable to:			
Non-controlling interests		4 964	(1 031)
Owners of Company		422 734 934	236 782 368
		422 739 898	**236 781 337**

The accompanying notes and accounting policies from page (6) to page (51) 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	Shoukry Sobhy

U Consumer Finance " ValU Consumer Finance Company, previously"

(Egyptian Joint Stock Company)

Translation of financial statements
Originally Issued in Arabic

Consolidated Statement Of Comprehensive Income for the year ended December 31, 2024

(All amount in Egyptian pound)

	For the year ended	
	31/12/2024	31/12/2023
Net profit for the year	422 739 898	236 781 337
Other Comprehensive Income	--	--
Total comprehensive income for the year	422 739 898	236 781 337
Total comprehensive income for the year Attributable to:		
Non-controlling interests	4 964	(1 031)
Owners of Company	422 734 934	236 782 368
	422 739 898	236 781 337

The accompanying notes and accounting policies from page (6) to page (51) 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	Shoukry Sobhy

U Consumer Finance " ValU Consumer Finance Company, previously"
(Egyptian Joint Stock Company)
Consolidated Statement of changes in equity For the year ended December 31, 2024
(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 2023	182 777 775	91 388 888	58 410 950	42 823 741	(75 939 940)	299 461 414	(3 279)	299 458 135
Total comprehensive income								
Profit for the year	--	--	--	--	236 781 337	236 781 337	(1 031)	236 780 306
Total comprehensive income	182 777 775	91 388 888	58 410 950	42 823 741	160 841 397	536 242 751	(4 310)	536 238 441
Contributions and distributions								
Paid in capital increase	16 812 365	8 406 183	652 487 886	--	--	677 706 434	--	677 706 434
Impairment reserve for consumer finance	--	--	--	3 852 683	(3 852 683)	--	--	--
Balance as at 31 December 2023	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
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 year	--	--	--	--	422 739 898	422 739 898	4 964	422 744 862
Total comprehensive income	199 590 140	99 795 071	710 898 836	46 676 424	579 728 612	1 636 689 083	654	1 636 689 737
Impairment reserve for consumer finance	--	--	--	48 920 566	(48 920 566)	--	--	--
Balance as at 31 December 2024	199 590 140	99 795 071	710 898 836	95 596 990	530 808 046	1 636 689 083	654	1 636 689 737

The accompanying notes and accounting policies from page (6) to page (51) 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	Shoukry Sobhy

U Consumer Finance "ValU Consumer Finance Company, previously"
(Egyptian Joint Stock Company)
Consolidated Statement of cash flows for the year ended December 31, 2024
(All amount in Egyptian pound)

Translation of financial statements
Originally Issued in Arabic

	Note	For the year ended 31/12/2024	31/12/2023
Cash flows from operating activities			
Profit before income tax		**527 883 095**	**309 287 849**
Adjustments for :			
Fixed assets depreciation	(3)	49 782 394	24 370 286
Intangible assets amortization	(4)	27 824 360	4 378 300
Right of use assets amortization	(5)	11 595 084	9 704 409
Capital Losses		3 125 244	(484 445)
Interest income		(228 415 995)	(43 431 246)
Net change in fair value through profit or loss		(941 505)	--
Finance lease liability interest	(5)	11 548 430	11 431 755
Expected Credit Loss	(23)	172 803 647	85 132 730
Securitization gain		(834 712 112)	(485 594 770)
Provisions Used During the year		--	(441 925)
Foreign currency exchange differences		--	20 217 122
Provisions formed during the year	(24)	3 000 000	3 438 060
No Longer Availabe Provisions		(4 000 000)	--
		(260 507 358)	**(61 991 875)**
Change in:			
Debitors & Other debit balances	(8)	10 411 808	(203 601 512)
Account receivables for consumer finance (Net)	(9)	(8 669 552 911)	(4 740 322 077)
Securitization surplus		(60 464 375)	(126 402 553)
Creditors and other credit balances		837 838 956	202 209 575
Income tax paid		(71 192 918)	(4 565 817)
Due to related parties	(14)	8 607 680	(698 326 827)
Net cash (used in) operating activities		**(8 204 859 118)**	**(5 633 001 086)**
Cash flows from investing activities			
Payments to purchase fixed assets	(3)	(178 385 059)	(138 432 716)
Proceeds from the sale of fixed assets		44 350	15 955 463
Payments to purchase intangible assets	(4)	(13 786 670)	(9 727 813)
payments in financial investments at fair value through profit or loss		--	(2 805 270)
Proceeds Financial investments at amortized cost		--	99 296 000
Interest Income received		228 415 995	43 431 246
Net cash Provided From investing activities		**36 288 616**	**7 716 910**
Cash flows from financing activities			
Proceeds from loans	(17)	2 856 991 975	643 671 111
Proceeds from Subordinated loans	(16)	550 000 000	--
Paid in capital increase		--	56 098 599
Repayments of financial lease obligations		(16 805 160)	(32 607 392)
Proceeds from Securitization		4935 750 000	4 597 000 954
Net cash provided from financing activities		**8 325 936 815**	**5 264 163 272**
Net change in cash and cash equivalents during the year		**157 366 313**	**(361 120 904)**
Cash and cash equivalents at the beginning of the year		**(1 169 516 525)**	**(808 395 621)**
Cash and cash equivalents at the end of the year	(26)	**(1 012 150 212)**	**(1 169 516 525)**

The accompanying notes and accounting policies from page (6) to page (51) 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	Shoukry Sobhy

1- Description of business

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 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.

1-5 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 December 31, 2025
PAY-Nas BV	Holand	Direct	100 %

- **Elimination of Intercompany Transactions**

Inter-group 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.

- Estimates and assumptions about them are re-viewed on regular basis.
- 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.

(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 as of 1/1/2023	**47 770 801**	**23 918 172**	**17 176 782**	**495 000**	**89 360 755**
Additions during the year	37 553 502	19 348 514	67 043 048	14 487 652	**138 432 716**
Disposals during the year	(29 292 832)	--	--	--	**(29 292 832)**
Total cost as of 31/12/2023	**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**
Accumulated depreciation					
Accumulated depreciation at 1/1/2023	**13 402 229**	**5 097 019**	**1 703 648**	**247 500**	**20 450 396**
Depreciation during the year	10 518 925	6 025 026	7 702 585	123 750	**24 370 286**
Depreciation of disposals	(13 821 813)	--	--	--	**(13 821 813)**
Accumulated depreciation as of 31/12/2023	**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**
Net book value as of 31/12/2024	**55 527 152**	**77 063 102**	**102 033 468**	**58 311 123**	**292 934 845**
Net book value as of 31/12/2023	**45 932 130**	**32 144 641**	**74 813 597**	**14 611 402**	**167 501 770**

4- Intangible assets

	31/12/2024	31/12/2023
Cost at the beginning of the year	**48 873 377**	**36 109 171**
Additions during the year	149 954 484	12 764 206
Cost at the end of the year	**198 827 861**	**48 873 377**
Accumulated amortization at the beginning of the year	**20 475 259**	**12 778 277**
Amortization during the year	9 032 175	7 696 982
Accumulated amortization at the end of the year	**29 507 434**	**20 475 259**
Net book value at the end of the year	**169 320 427**	**28 398 118**

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

5- Right of use assets & lease liabilities

5-1 Right of use assets

	31/12/2024	31/12/2023
Balance at the beginning of the year	**60 030 128**	**24 325 995**
Additions during the year	8 696 460	45 408 542
Amortization during the year	(11 595 084)	(9 704 409)
Balance at the end of the year	**57 131 504**	**60 030 128**

5-2 Finance Lease Liabilities

	31/12/2024	31/12/2023
Balance at the beginning of the year	**69 530 966**	**45 298 061**
Additions during the Year	8 696 460	45 408 542
Interest during the Year	11 548 430	11 431 755
Paid during the year	(16 805 160)	(32 607 392)
Balance at the end of the year	**72 970 696**	**69 530 966**

	31/12/2024	31/12/2023
Non-current Finance lease liability	54 955 230	56 098 599
Current Finance lease liability	18 015 466	13 432 367
Balance	**72 970 696**	**69 530 966**

6- Cash and cash equivalents

	31/12/2024	31/12/2023
Cash on hand	2 385 082	2 886 142
Banks - current accounts	468 873 500	358 010 078
Deposits at banks	280 521 604	63 675 380
Balance	**751 780 186**	**424 571 600**

7- Banks overdraft

	Limit amount	31/12/2024	31/12/2023
Export Development bank of Egypt*	250 million	253 776 532	249 620 538
Egyptian Arab land bank*	300 million	306 860 716	305 393 950
Suez Canal bank*	650 million	641 430 281	458 719 431
Misr Iran Bank (Mid Bank) *	250 million	255 981 546	254 725 723
Banque Misr*	100 million	101 957 194	203 980 490
ABC Bank*	200 million	203 924 129	121 647 995
Balance		**1 763 930 398**	**1 594 088 127**

* The credit facility is granted for one year and renewed

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

8- Debtors and Other debit balances

	31/12/2024	31/12/2023
Prepaid expenses	121 643 625	35 986 697
Down payments to suppliers	29 079 677	94 160 725
Deposits with others	6 492 841	9 135 214
Employees advances	3 802 069	1 162 252
Electronic payments channels	38 322 798	47 514 027
Accrued revenues	7 776 327	1 799 628
Deposits with others - Securitization LG	62 421 037	125 398 282
Other debtors	35 805 816	7 394 492
	305 344 190	**322 245 053**
Deduct:		
Expected credit loss	(981 323)	(7 476 300)
	304 362 867	**314 768 753**

*** Expected credit loss**

Balance at the beginning of the year	(7 476 300)	--
Reversed during the year	6 494 977	(7 476 300)
Balance at the end of the year	**(981 323)**	**(7 476 300)**

9- Account receivables for consumer finance (Net)

	31/12/2024		
	During the year	**More than one year**	**Total**
A/R durable goods**	6 039 380 292	5 094 916 802	**11 134 297 094**
Deduct:			
Unearned Interest	(1 721 354 376)	(1 685 086 200)	**(3 406 440 576)**
Cashback - Co-funded	532 496 648	537 436 291	**1 069 932 939**
Expected credit loss of A/R *	(138 871 387)	(106 164 239)	**(245 035 626)**
Balance	**4 711 651 177**	**3 841 102 654**	**8 552 753 831**

	31/12/2023		
	During one year	**More than one year**	**Total**
A/R durable goods**	3 687 440 382	2 140 421 457	**5 827 861 839**
Deduct:			
Unearned Interest	(953 219 525)	(628 503 542)	**(1 581 723 067)**
Cashback - Co-funded	56 009 202	36 929 565	**92 938 767**
Expected credit loss of A/R *	(91 707 500)	(55 264 034)	**(146 971 534)**
Balance	**2 698 522 559**	**1 493 583 446**	**4 192 106 005**

- Expected credit loss of A/R

	31/12/2024	31/12/2023
Beginning Balance	**(146 971 534)**	**(62 604 295)**
Formed during the year	(171 822 324)	(84 367 239)
Write off	73 758 232	--
Ending Balance	**(245 035 626)**	**(146 971 534)**

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

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

	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%**

	31/12/2023	
Description	**Balance**	**Percentage to portfolio**
Electronic devices and mobile phones	1 228 466 944	21%
Furniture	136 701 216	2%
Home appliances	1 152 034 422	20%
Clothing	1 151 087 754	20%
Vehicles	623 441 115	11%
Others	1 536 130 388	26%
Balance	**5 827 861 839**	**100%**

10- Investments at fair value through OCI

	31/12/2024	**31/12/2023**
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.

11- Financial Investments at fair value through profit or loss

	Share Price	**Shares Numbers**	**31/12/2024**	**31/12/2023**
Azimut fund	1.33562	2 805 270	3 746 775	2 805 270
			3 746 775	**2 805 270**

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

12- Investments in associate's company

The investee company	Nationality	percentage	31/12/2024	31/12/2023
Paytech 3100 BV	Holland	24.192%	117 764 950	117 764 950
		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.

13- Creditors and other credit balances

	31/12/2024	31/12/2023
Accrued expenses	690 543 985	141 374 612
Suppliers	448 380 458	336 544 764
Tax Authority	47 931 009	14 200 796
National Authority for Social Insurance	771 841	409 867
Notes payables	6 310 287	1 961 788
Balances due to the custodian	11 114 281	--
Other credit balances	133 507 740	41 291 405
Balance	**1 338 559 602**	**535 783 232**

14- Due to related parties

	Nature of the transaction	31/12/2024	31/12/2023
EFG Finance Holding company	Expenses	24 248 878	15 641 198
Etkan for Credit inquiry	Credit inquiry	24 774	24 774
Balance		**24 273 652**	**15 665 972**

15- 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.

  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.

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

- 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 capital appears distributed among shareholders on December 31, 2024 as follows:

Shareholders	Nationality	Number of shares	Nominal value	Percentages %
Finance Holding Group	Egyptian	35 596 827	177 984 135	89.17
EFG Hermes for managing financial portfolios and investment funds	Egyptian	175 000	875 000	0.44
Hermes Securities Brokerage Company	Egyptian	175 000	875 000	0.44
EFG.V	Mauritius	1 555 555	7 777 775	3.90
EFG Pay Tech 3100 B.V	Holland	2 415 646	12 078 230	6.05
		39 918 028	**199 590 140**	**100**

16- Subordinated loans

- On September 18, 2024, the company signed a subordinated loan agreement with EFG Hermes Holding for a subordinated loan amounting to EGP 250,000,000 to finance the necessary operating expenses, including marketing expenses and supplier bills, at an interest rate of 1.25% above the lending corridor announced by the Central Bank annually. The loan matures on September 17, 2029, with an annual amortization rate of 20%.
- On October 16, 2024, the company signed a subordinated loan agreement with EFG Hermes Holding for a subordinated loan amounting to EGP 100,000,000 to finance the necessary operating expenses, including the payment of marketing expenses and supplier invoices, at an interest rate of 1.25% above the lending corridor announced by the Central Bank annually. The loan matures on October 15, 2029, with an annual amortization rate of 20%.
- On October 27, 2024, the company signed a supporting loan contract with the IFG Holding Group for a supporting loan in the amount of 150,000,000 Egyptian pounds, 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. The loan is due on October 26, 2029, amortizing 20% annually.
- On November 12, 2024, the company signed a supporting loan contract with the IFG Holding Group for a supporting loan in the amount of 50,000,000 Egyptian pounds, for the purpose of financing the necessary operating expenses, represented by paying marketing expenses and paying suppliers' invoices at an interest rate of 1.5% above the loan corridor announced by the Central Bank annually. The loan is due on November 11, 2029, amortizing 20% annually.

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

17- Loans and Facilities

	31/12/2024	31/12/2023
Banque Misr The company signed credit facilities with a total amount of 325 million Egyptian pounds for the purpose of financing working capital expenses related to operational activity.	324 263 790	221 624 606
Al Baraka Bank The company signed credit facilities with a total amount of 600 million Egyptian pounds for the purpose of financing the necessary operating expenses, which include paying marketing expenses only, and not more than 30% of the financing used.	598 438 085	349 646 664
EG Bank The company signed credit facilities with a total amount of 600 million Egyptian pounds for the purpose of financing the necessary operating expenses, which include paying marketing expenses only, and not more than 15% of the financing used.	599 999 998	261 513 922
ABK Bank The company signed credit facilities with a total amount of 200 million Egyptian pounds for the purpose of financing working capital expenses in relation to operational activity.	187 322 521	98 388 288
Arab African international Bank the company signed credit facilities totaling 340 million Egyptian pounds for the purpose of financing working capital expenses related to operational activity	338 529 658	340 308 442
Bank FAB MISR The company signed credit facilities with a total amount of 400 million Egyptian pounds for the purpose of financing working capital expenses in relation to operational activity	392 361 385	342 314 145
NBE Bank The company signed credit facilities with a total amount of 950 million Egyptian pounds for the purpose of financing working capital expenses related to operational activity.	950 871 343	600 635 620
Al-Tameer Financial Leasing and Factoring Company (Al-Oula) The company concluded a factoring agreement for purchases with a credit limit of 300 million Egyptian pounds, with the aim of giving the company the ability not to abide by the obligation to make immediate payment and giving the company the ability to purchase from its suppliers and enjoy credit terms while those payments are made immediately through the factoring company.	253 875 905	135 817 055

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

Global Corp Finance Company The company concluded a factoring agreement for purchases with a credit limit of 300 million Egyptian pounds with the aim of giving the company the ability not to abide by the obligation to make immediate payment and giving the company the ability to purchase from its suppliers and enjoy credit terms while those payments are made immediately through the factoring company	298 629 716	128 065 732
Al Tawfeeq Company for Financial Leasing and Factoring The company concluded a factoring agreement for purchases with a credit limit of 50 million Egyptian pounds with the aim of giving the company the ability not to abide by the obligation to make immediate payment and giving the company the ability to purchase from its suppliers and enjoy credit terms while those payments are made immediately through the factoring company.	49 394 458	21 661 148
EFG Hermes Company The company concluded a factoring agreement for purchases with a credit limit of 275 million Egyptian pounds with the aim of giving the company the ability not to abide by the obligation to make immediate payment and giving the company the ability to purchase from its suppliers and enjoy credit terms while those payments are made immediately through the factoring company	279 513 091	--
ABI Factoring Company The company concluded a factoring agreement for purchases with a credit limit of 100 million Egyptian pounds with the aim of giving the company the ability not to abide by the obligation to make immediate payment and giving the company the ability to purchase from its suppliers and enjoy credit terms while those payments are made immediately through the factoring company.	110 000 000	--
Industrial Development Bank The company signed credit facilities with a total amount of 500 million Egyptian pounds for the purpose of financing working capital expenses related to operational activity.	499 967 187	--
Corp for factoring The company concluded a factoring agreement for purchases with a credit limit of 500 million Egyptian pounds with the aim of giving the company the ability not to abide by the obligation to make immediate payment and giving the company the ability to purchase from its suppliers and enjoy credit terms while those payments are made immediately through the factoring company	473 800 460	--
Total Loans and Facilities	**5 356 967 597**	**2 499 975 622**
Current loans and Facilities	548 529 403	2 230 854 148
Non – Current loans and Facilities	**4 808 438 194**	**269 121 474**

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

18- Provisions

	31/12/2024	31/12/2023
Balance at the beginning of the year	**5 000 000**	**2 003 865**
Formed of provisions during the year	3 000 000	3 438 060
Used during the year	--	(441 925)
Provisions no longer needed during year	(4 000 000)	--
Balance	**4 000 000**	**5 000 000**

19- Other Revenues

	For The Year Ended	
	31/12/2024	31/12/2023
Earned Discounts	634 060 437	222 771 423
Delay Penalties	177 949 878	72 403 895
Prepaid Cards	19 200 285	--
Early Settlement	74 617 809	62 888 982
Balance	**905 828 409**	**358 064 300**

20- Reconciliation of effective tax rate

	31/12/2024	31/12/2023
Net profit before income tax	**527 883 095**	**309 287 849**
Applicable tax rate	**%22,5**	**%22,5**
Expected income tax on accounting profit using applicable tax rate	**118 773 696**	**69 589 766**
Effect of depreciation	(9 011 369)	(5 277 007)
Non-deductible expenses	37 364 995	29 922 163
Unrecognized income	(58 716 124)	(23 042 004)
Tax accordance to income statement	**88 411 198**	**71 192 918**
Effective tax rate	**16.78%**	**23.02%**

21- Deferred tax (liabilities)

	31/12/2024	31/12/2023
	(Liability) / Asset	(Liability) / Asset
Fixed assets' depreciation	(17 624 800)	(892 802)
Deferred tax liabilities	**(17 624 800)**	**(892 802)**

22- Tax status

22 – Tax Status

22.1 – U Consumer Finance Company

A) Corporate Income Tax

- August 2017 to December 2020. Tax returns were submitted within the statutory deadlines. The tax authority completed the audit and all disputes have been resolved.
- January 2021 to December 2022: Tax returns were also submitted on time; however, the audit process is still pending.

B) Payroll Tax

- August 2017 to December 2021: The tax authority completed the examination, and any resulting disputes have been resolved.
- January 2020 to March 2023: The company regularly settles its monthly payroll tax obligations with the Tax Authority. However, this period has not yet been audited.

C) Stamp Duty Tax

- **August 2017 to 2020:** The tax audit was finalized, and all matters have been resolved.
- **2021 to 2022:** No audit has been carried out during this period.

D) Value added Tax

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 examination has not been done.

22-2 Tax position of Valu Payments and Technology Solutions Company (formerly Paynas Payments and Digital Solutions)

A) Corporate Income Tax

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

E) Payroll Tax

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

F) Value added Tax

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

D) Withholding Tax

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

G) Stamp Duty Tax

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

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

23- Expected credit loss

	For The Year Ended	
	31/12/2024	**31/12/2023**
Receivables	(171 822 324)	(84 367 239)
Debitors and Other debit balances	(981 323)	(7 476 300)
Balance at the End of the year	**(172 803 647)**	**(91 843 539)**

24- 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.

<u>4th Issuance (4th Issuance\ 2ndProgram)</u>

- 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.

<u>5th Issuance (1st Issuance\ 5th Program)</u>

- 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)

- On December 7, 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 1 151 654 449 Egyptian pounds and their current value. 1 070 941 351 Egyptian pounds.
- 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.

<u>9th Issuance (8th Issuance\ 2nd Program)</u>

- 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.

<u>10th Issuance (9th Issuance\ 2nd Program)</u>

- 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.

<u>13th Issuance (3rd Issuance\ 6th Program)</u>

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.

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

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.

It includes discounting commercial papers, discounting financial receivables, and transferring rights, numbering 19 219 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.

	5th Issuance	8th Issuance	9th Issuance	10th Issuance	11th Issuance	12th Issuance	13th Issuance	Total
Financial Rights Portfolio	309 419 443	82 730 709	234 982 115	494 305 528	662 808 210	586 709 618	623 980 987	2 977 663 022
Balances with the Custodian	57 143 604	17 154 881	6 198 297	11 902 628	25 930 333	210 836 825	260 941	443 809 736
Total Assets	**366 563 047**	**99 885 590**	**241 180 412**	**506 208 156**	**688 738 543**	**797 546 443**	**624 241 928**	**3 421 472 758**
Securitization Bonds	**239 085 000**	**23 240 000**	**182 488 000**	**326 680 000**	**542 132 000**	**667 300 000**	**519 200 000**	**2 757 697 000**
Accrued Interest	**2 135 826**	--	--	--	--	**22 929 208**	**2 973 387**	**37 796 761**
Total Liabilities	**241 220 826**	**23 240 000**	**182 488 000**	**326 680 000**	**542 132 000**	**690 229 208**	**522 173 387**	**2 795 493 761**
Excess of Portfolio Assets over Liabilities	**125 342 221**	**76 645 590**	**58 692 412**	**179 528 156**	**146 606 543**	**107 307 235**	**102 068 541**	**625 978 997**
Securitization surplus	**24 524 374**	**39 162 546**	**24 612 245**	**87 721 986**	**48 724 970**	**39 839 065**	**27 768 539**	**284 784 698**

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

25- General and administrative expenses

	For the Year Ended 31/12/2024	31/12/2023
Salaries, wages, and equivalents	278 867 130	185 531 671
Marketing and Advertising	222 557 837	169 839 466
Consultancy	290 038 942	199 958 376
Rent and utilities expenses	3 976 255	5 920 094
Travel, accommodation, and transportation	8 681 965	4 408 277
Leased line and communication	144 114 899	67 407 638
Prepaid Cards	16 519 915	--
Governmental stamp	8 462 336	7 263 497
Other expenses	73 416 563	40 246 341
Total	**1 046 637 863**	**680 575 360**

26- Cash and cash equivalents

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

	For the Year Ended 31/12/2024	31/12/2023
Cash and cash equivalents as presented in the statement of financial position (Note No- 6)	751 780 186	424 571 600
Banks overdraft (Note No- 7)	(1 763 933 398)	(1 594 088 125)
Cash and cash equivalents (adjusted)	**(1 012 150 212)**	**(1 169 516 525)**

27- Related party transactions

- statement for the Year ended December 31, 2024

Description	Relationship type	Nature of dealing	31/12/2024 Debit	31/12/2024 Credit	31/12/2023 Debit	31/12/2023 Credit	Financial Statements
Arab investment bank	Sister Co.	Current Accounts	339 785 493	--	1 008 420	--	B/S
EFG-Hermes Holding company	holding company	loans	--	550 000 000	--	--	B/S
		Finance Cost	39 895 138	--	6 823 308	--	P&L
EFG- Hermes Corp-solutions	Sister Co.	G&A Expenses	--	--	650 700	--	B/S
		Finance Cost	37 328 332	--	3 555 971	--	P&L
Etqan for inquiry and collection	Sister Co.	G&A Expenses	--	--	424	--	P&L
Hermes Securities Brokerage Company	Shareholders	G&A Expenses	--	--	43 200	--	P&L
Pay Tabs Egypt for Technology Solutions	Under cooperation	Collection expenses		--	7 952 197	--	P&L
		Other debit balances	2 070 776	--	4 171 538	--	B/S

28- Contingent liabilities

Letter of guarantee

Letter of guarantee represent for some suppliers with an amount of EGP 62 421 037 for buy purchasing.

29- 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.

29/1 Market risk

A. Foreign currencies risk

The foreign currencies exchange risk represents the risk of fluctuation in exchange rates, which in turn affects the Company's cash inflows and outflows as well as the value of its assets and liabilities in foreign currencies

B. Interest rate risk

The cash flows of the Company affected by the changes in market rates of interest. To mitigate interest rate risk the Company maintains banks deposits for short-term periods renewed monthly and are negotiated in the re-pricing date comparing to interest rates announced by the central bank or LIBOR.

C. Price risk

The Company is exposed to market price risk for equity instruments, according to the company's investment policy, the following procedures are undertaken to reduce the effect of this risk.

- Performing the necessary studies before investment decision in order to verify that investment is made in potential securities.
- Diversification of investments in different sectors and industries.
- Performing continuous studies required to follow up the Company's investments and their development.

29/2 Credit risk

Financial institutions that the Company deals with are only those enjoying high credit quality. The Company has policies that limit the amount of credit exposure to any one financial institution.

29/3 Liquidity risk

Liquidity risk is represented in the factors, which may affect the Company's ability to pay part of or full amount of its liabilities. According to the Company's policy, sufficient cash balances are retained to meet the Company's current liabilities which minimize the liquidity risk.

29/4 Capital risk

The goal of the Company's management of capital management is to maintain the Company's ability to continue to achieve returns for shareholders and benefits for other parties that use financial statements. The management company also aims to provide and maintain the best capital structure which would lead to lower capital costs.

29/5 Financial instruments' fair value

The financial instruments' fair value does not substantially deviate from its book value at the financial position date.

30- Significant accounting policies applied

The basis of accounting policies presented as follows.

30-1 Translation of the 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. Leased assets are depreciated over the shorter of the lease term and their useful lives unless it is reasonably certain that the Company will obtain ownership by the end of the lease term. 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

The gross carrying amount of a financial asset is written off when the Company has no reasonable expectations of recovering a financial asset in its entirety or a portion thereof. For individual customers, the Company has a policy of writing off the gross carrying amount when the financial asset is 180 days past due based on historical experience of recoveries of similar assets. For corporate customers, the Company individually makes an assessment with respect to the timing and amount of write off based on whether there is a reasonable expectation of recovery. The Company expects no significant recovery from the amount written off. However, financial assets that are written off could still be subject to enforcement activities in order to comply with the Company's procedures for recovery of amounts due.

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 Interest income

Interest income is recognized on time proportion basis to take into account effective yield on the asset.

30-10 -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 10 2 Amortized Cost and Carrying Amount

Amortized Cost

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.

Carrying Amount

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

30-10 – 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.

30-11 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.

30-12 Expenses

30-12-1 Borrowing costs

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

30-12-2 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.

30-12-3 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.

30-13 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.

30-14 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.

30-15 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.

30-15-1 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.

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

30-15-2 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'.

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**

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

32- Important Events

- On 6 March 2024, the Central Bank of Egypt issued a decision to raise the rates of deposit and loan return for one night by 600 basis points to 27.25 per cent, 28.25 per cent, respectively. The credit and discount rate has also been raised by 600 points to 27.75%, allowing the use of a flexible exchange rate to be determined in accordance with market mechanisms. This led to an increase in the average official exchange rate of the United States dollar during the first week of the Central Bank decision, to 47.55 EGP/USD on 31 March 2024.
- **New Editions and Amendments to Egyptian Accounting Standards:**

  On March 6, 2023, the Prime Minister's Decree No. (883) of 2023 was issued amending some provisions of the Egyptian Accounting Standards, the following is a summary of the most significant amendments:

New or reissued standards	Summary of the most significant amendments	Impact on the financial statements	Effective date
Egyptian Accounting Standard No. (50) "Insurance Contracts".	1-This standard determines the principles of recognition of insurance contracts falling within the scope of this standard, and determines their measurement, presentation, and disclosure. The objective of the standard is to ensure that the Company provides appropriate information that truthfully reflects those contracts. This information provides users of financial statements with the basis for assessing the impact of insurance contracts on the Company's financial position, financial performance, and cash flows. 2-Egyptian Accounting Standard No. (50) replaces and cancels Egyptian Accounting Standard No. 37 "Insurance Contracts". Any reference to Egyptian Accounting Standard No. (37) in other Egyptian Accounting Standards to be replaced by Egyptian Accounting Standard No. (50). 3-The following Egyptian Accounting Standards have been amended to comply with the requirements of the application of Egyptian Accounting Standard No. (50) "Insurance Contracts", as follows: - Egyptian Accounting Standard No. (10) "Fixed Assets ". - Egyptian Accounting Standard No. (23) "Intangible Assets". - Egyptian Accounting Standard No. (34) " Investment property ".	The management of the company will study the impact of the application of the standard over the next year from the start of the company's financial period of 1 January of each year.	Egyptian Accounting Standard No. (50) is effective for annual financial periods starting **on or after July 1, 2024**, and if the Egyptian Accounting Standard No. (50) shall be applied for an earlier period, the Company should disclose that fact.

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

New or reissued standards	Summary of the most significant amendments	Impact on the financial statements	Effective date
Egyptian Accounting Standard No. (34) amended 2023 "Investment property ".	1- This standard was reissued in 2023, allowing the use fair value model when subsequent measurement of investment property. 2- This resulted in amendment of some paragraphs related to the use of the fair value model option in some of the applicable Egyptian Accounting Standards, which are as follows: - Egyptian Accounting Standard No. (1) "Presentation of Financial Statements" - Egyptian Accounting Standard No. (5) "Accounting Policies, Changes in Accounting Estimates and Errors". - Egyptian Accounting Standard No. (13) "The Effects of Changes in Foreign Exchange Rates" - Egyptian Accounting Standard No. (24) "Income Taxes" - Egyptian Accounting Standard No. (30) "Interim Financial Reporting " - Egyptian Accounting Standard No. (31) "Impairment of Assets" - Egyptian Accounting Standard No. (32) "Non-Current Assets Held for Sale and Discontinued Operations" Egyptian Accounting Standard No. (49) "Leasing Contracts".	The Company doesn't have this type of asset. Accordingly, this change doesn't have an impact on the financial statement of the Company.	The amendments of adding the option to use the fair value model are effective for financial periods starting **on or after January 1, 2023, retrospectively,** cumulative impact of the preliminary applying of the fair value model shall be **added to the balance of retained earnings or losses at the beginning of the financial period in which the Company applies this model for the first time.**
Egyptian Accounting Standard No. (13) amended 2024 "Effects of changes in foreign exchange rates"	This standard was reissued in 2024, to add how to determine the spot exchange rate when exchange between two currencies is difficult and what are the conditions that must be met for determining the spot exchange rate at the measurement date. An appendix to the application guidelines has been added, which includes guidelines for assessing whether a currency is exchangeable for another currency, and guidelines for applying the required treatments in case of non-exchangeability.	The company reflects the impact of the standard.	Amendments regarding the determination of spot exchange rate when it is difficult to exchange between two currencies is applicable to financial periods commencing on or after **January 1, 2024,** with early adaption allowed. If the entity made an early

New or reissued standards	Summary of the most significant amendments	Impact on the financial statements	Effective date
			application, this has to be disclosed. Entity shall not be modifying comparative information and instead should: • When the entity reports foreign currency transactions to its functional currency, any effect of the initial application is recognized as an adjustment to the opening balance retained earnings/losses on the date of initial application. • When an entity uses presentation currency different than its functional currency or translates the results and balances of foreign operation, the resulting differences and financial position of a foreign transaction, any effect of the initial application is recognized as an adjustment to the

New or reissued standards	Summary of the most significant amendments	Impact on the financial statements	Effective date
			cumulative translation adjustment reserve - accumulated in equity section on the date of initial application.
Accounting Interpretation No. (2) "Carbon Reduction Certificates"	Carbon Credits Certificates: Are financial instruments subject to trading that represent units for reducing greenhouse gas emissions. Each unit represents one ton of equivalent carbon dioxide emissions and are issued in favor of the reduction project developer (owner/non-owner), after approval and verification in accordance with internationally recognized standards and methodologies for reducing carbon emissions, carried out by verification and certification bodies, whether local or international, registered in the list prepared by the Financial Regulatory Authority "FRA" for this purpose. Companies can use Carbon Credits Certificates to meet voluntary emissions reduction targets to achieve carbon trading or other targets, which are traded on the Voluntary Carbon Market "VCM".	The Company doesn't have this type of asset. Accordingly, this change doesn't have an impact on the financial statement of the Company	**The application starts on or after the first of January 2025, early adaptation is allowed.**

On October 23, 2024, the Egyptian Council of Ministers issued a decision to add Egyptian Accounting Standard No. (51) "Financial Statements in the Economics of Hyperinflation", provided that this standard is applied to the independent and consolidated financial statements of any company or group whose currency of entry is in hyperinflationary economies, and this standard also applies to any group that has a foreign operation (including a branch, subsidiary, sister company, joint venture or other) in hyperinflation economics and requires This criterion is mainly the adjustment of financial statements prepared in the currency of an economy with hyperinflation.

Non-Executive Chairman	Managing Director	CFO
Fatma Ibrahim Lotfi	Walid Mahmoud Hassouna	Shoukry sobhy