



# Q1 2022 Earnings Call

June 23, 2022



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# Agenda

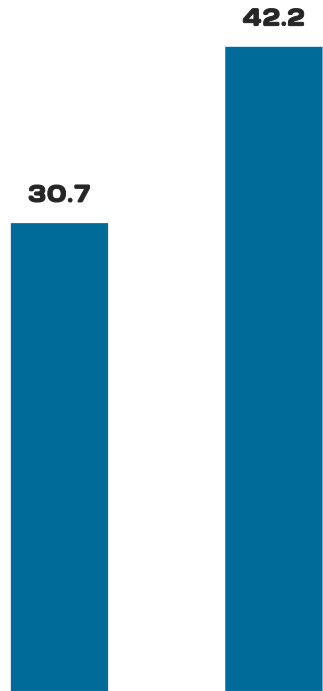
- **1Q22 Operating & financial results**
- **Digital growth**
- **Business Updates**
- **Q&A**

# 1Q22

**Operating & Financial  
Results  
Highlights**

# Growth across all operational KPIs...

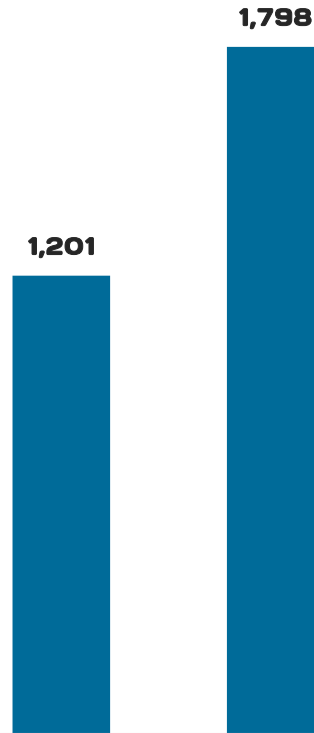
Active customers + 37%  
(Mn)



Total POS + 25%  
(EGP '000)



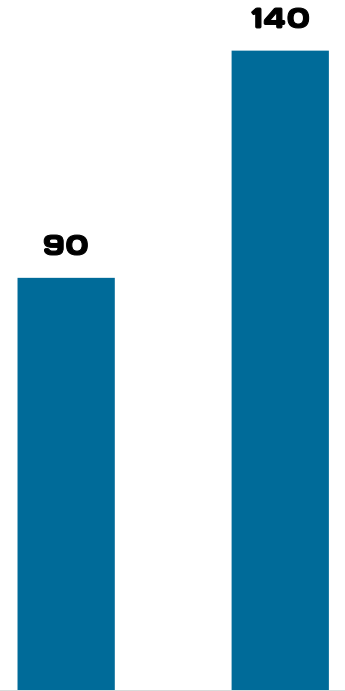
Number of Services + 50%



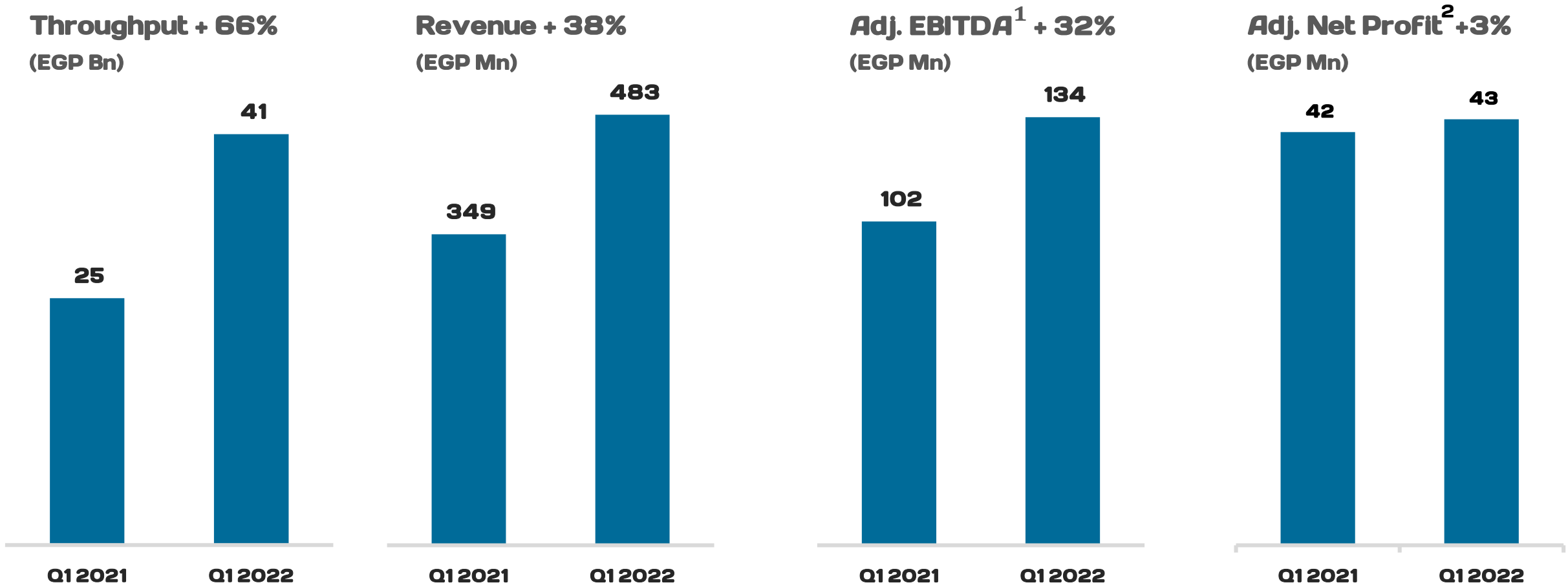
Total transactions up 7% (Mn)



Avg transaction Value + 55% (EGP)



# ...drove growth in key metrics despite challenging market conditions



Total revenue excluding airtime would have grown by 54% y-o-y, as airtime grew by 5% y-o-y

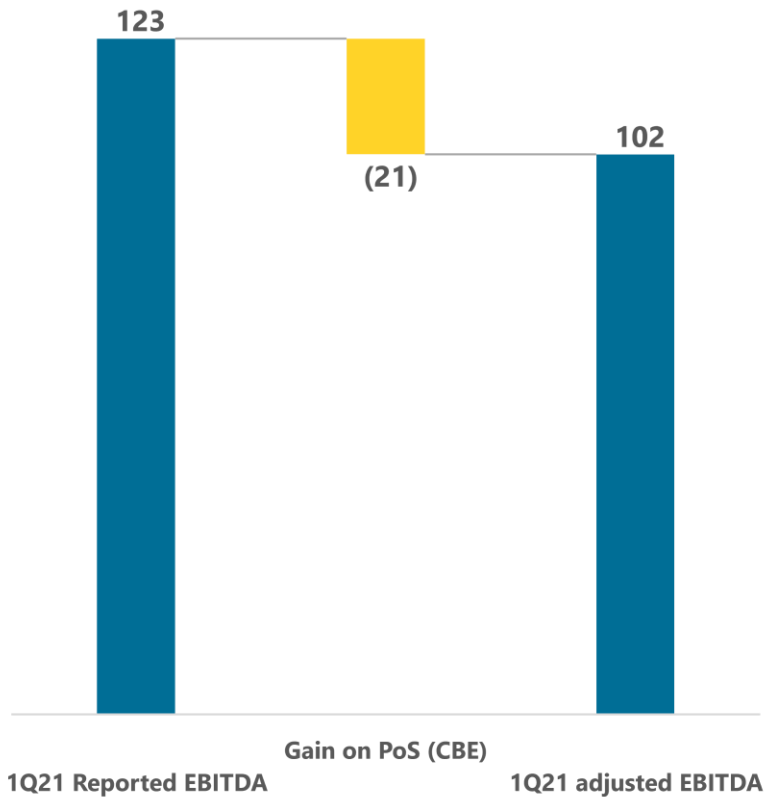


<sup>1</sup> Adjusted EBITDA excludes nonrecurring items such as a gain from devices related to a CBE initiative of EGP 21.7 million in 1Q21.

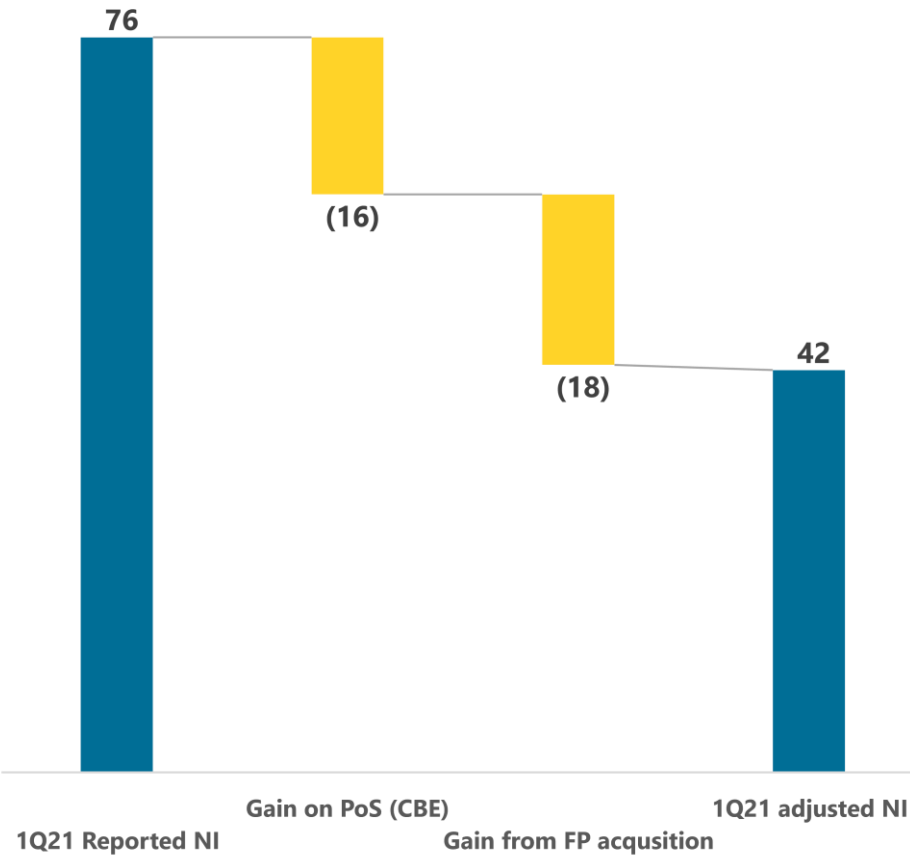
<sup>2</sup> Adjusted Net Profit reflects EAS Net Profit excluding after tax impact of nonrecurring items such as change from investment in associate to investment in subsidiaries gain of 22.8mn in 1Q21 and a noncash ESOP expense of EGP 19.1 million included in EAS net profit of 1Q22.

# Adjusted EBITDA and net income calculation

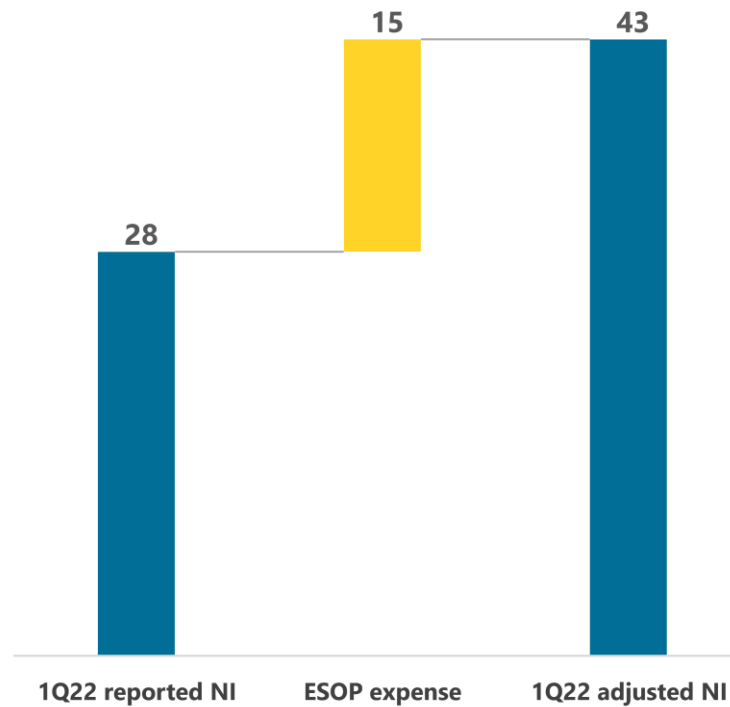
1Q21 adjusted EBITDA



1Q21 adjusted Net income (after tax impact)

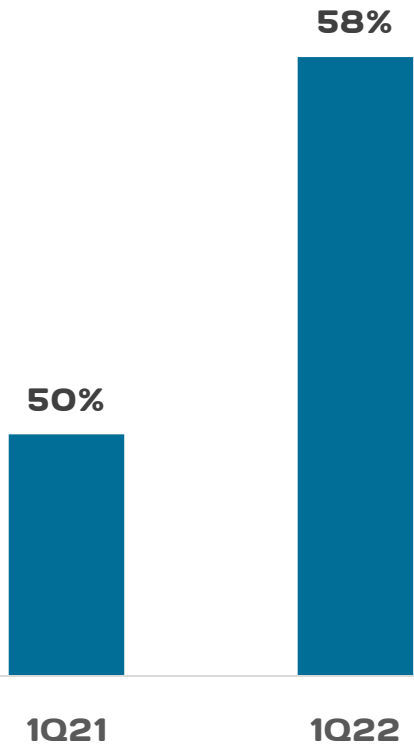


1Q22 adjusted net income (after tax impact)

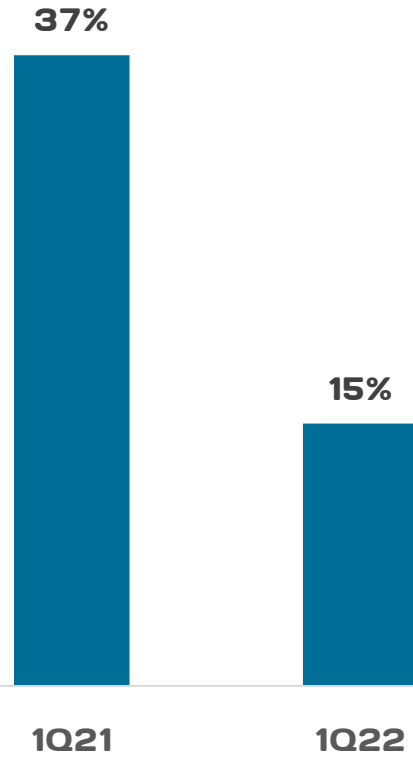


# Normalization of Q1 vs. Q4 growth

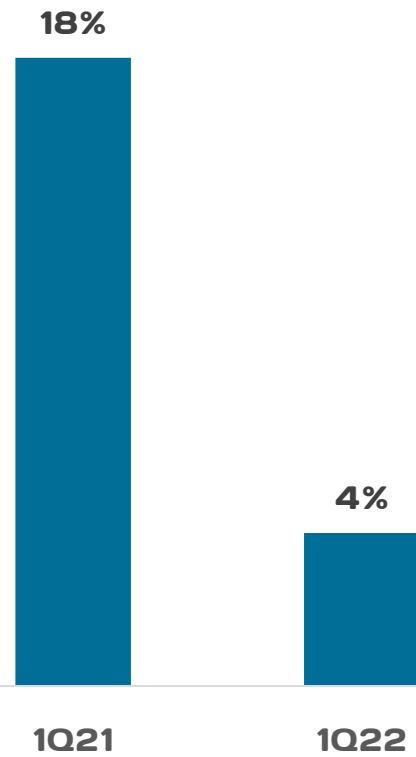
Marketing expenses q-o-q growth



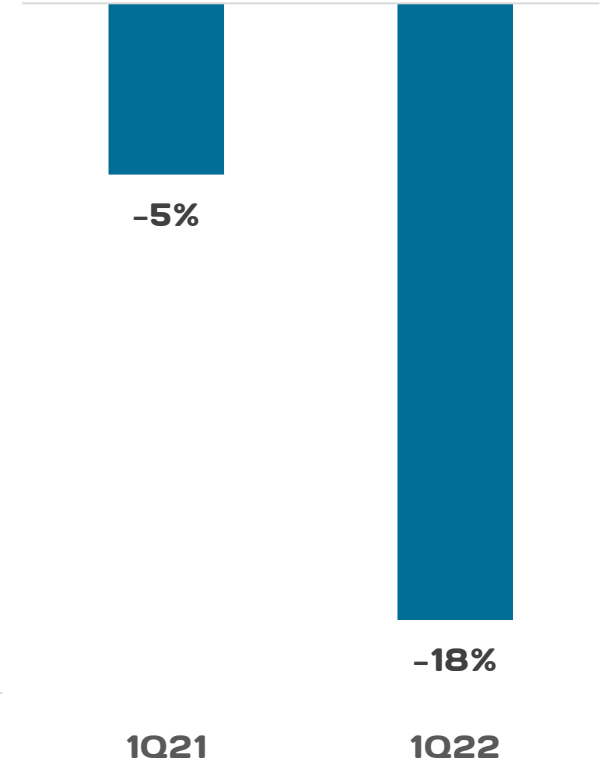
HR expenses q-o-q growth



Selling expenses q-o-q growth



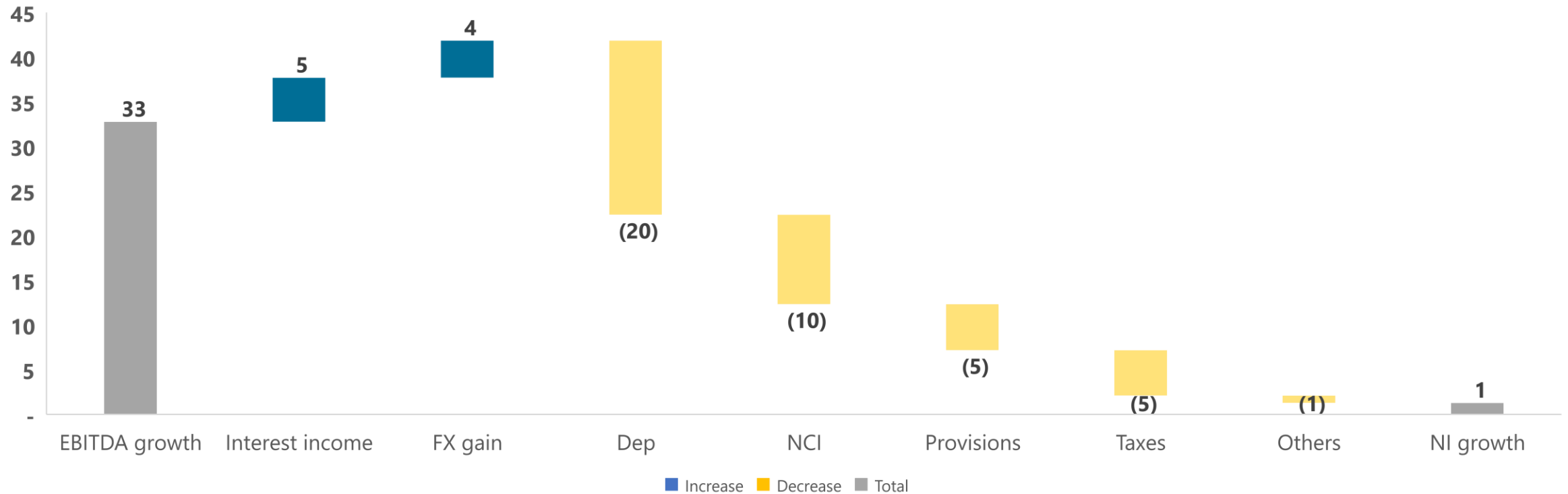
OPEX & G&A expenses q-o-q growth





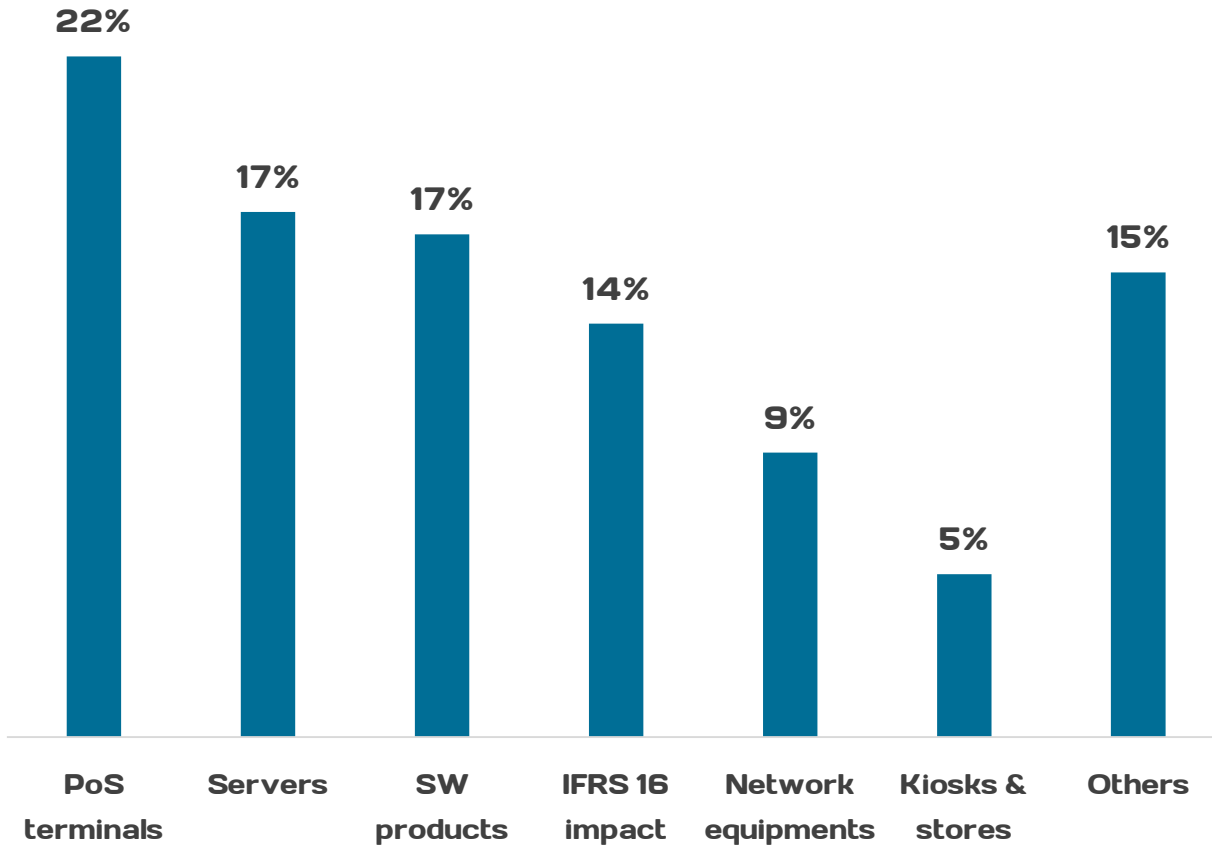
# EBITDA y-o-y growth depleted by increase in depreciation, amortization and NCI

y-o-y change in EBITDA and below EBITDA items (EGP mn)

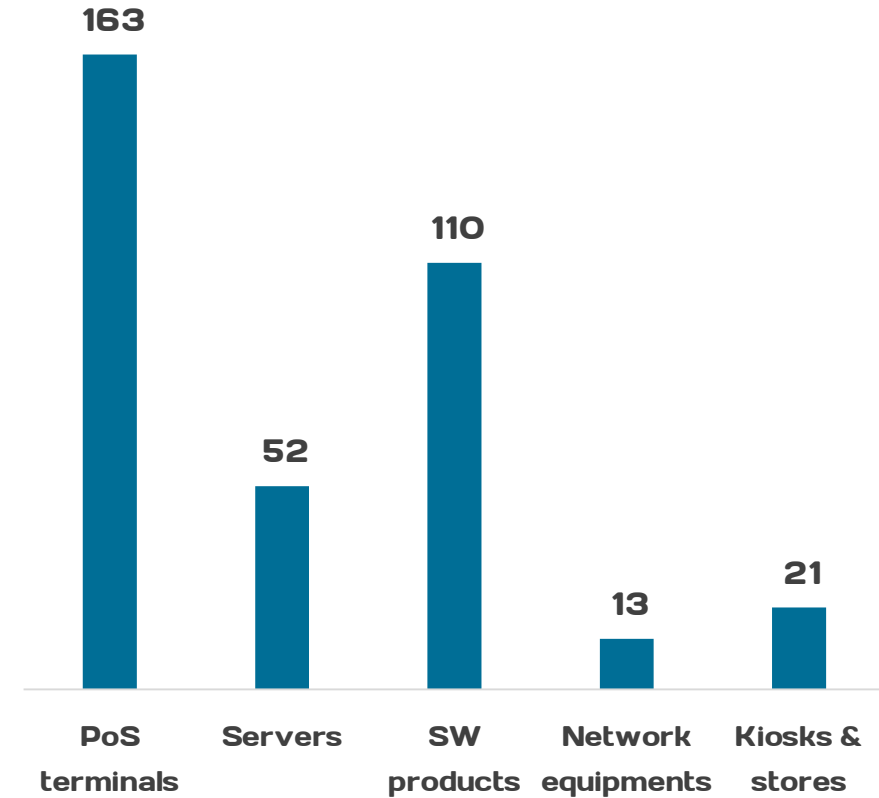


# Depreciation growth on investments in PoS, servers & SW products

Contribution of y-o-y growth in dep & amor

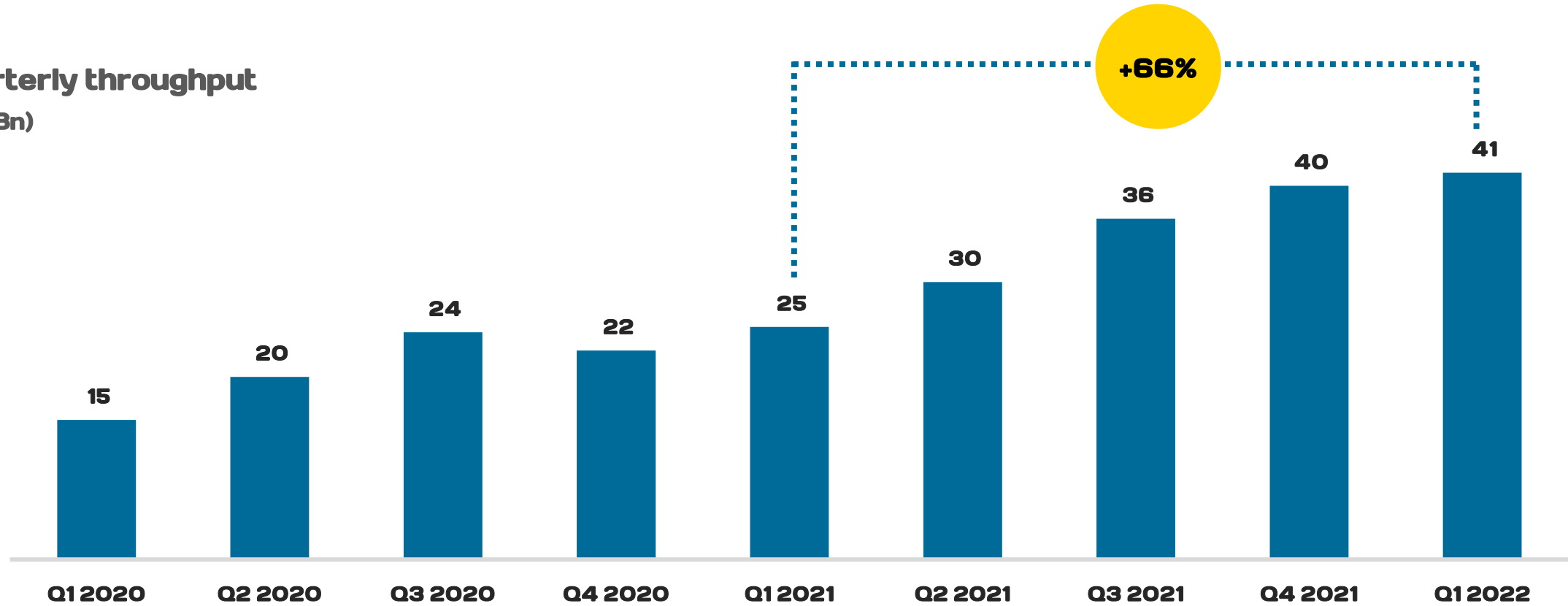


Capex spent in EGP mn since April 2021



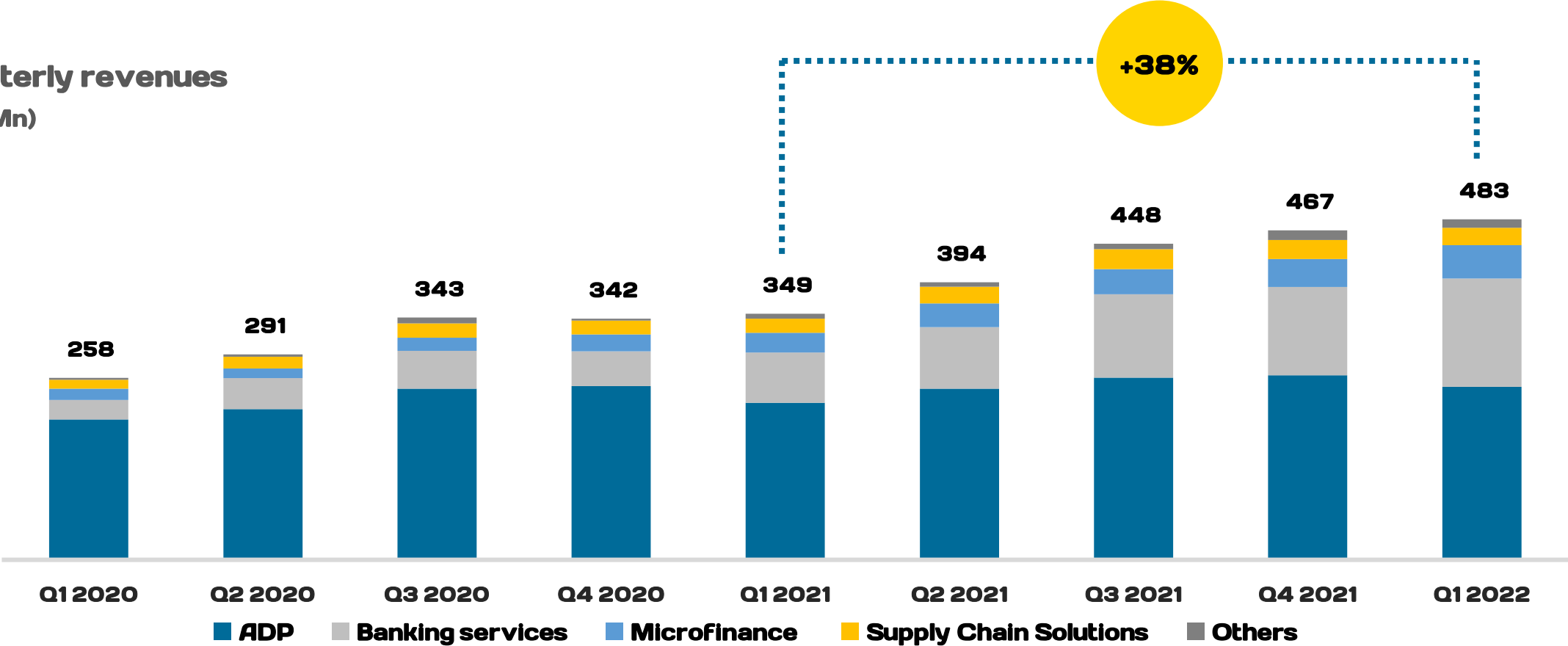
# Sustained growth in throughput

Quarterly throughput  
(EGP Bn)



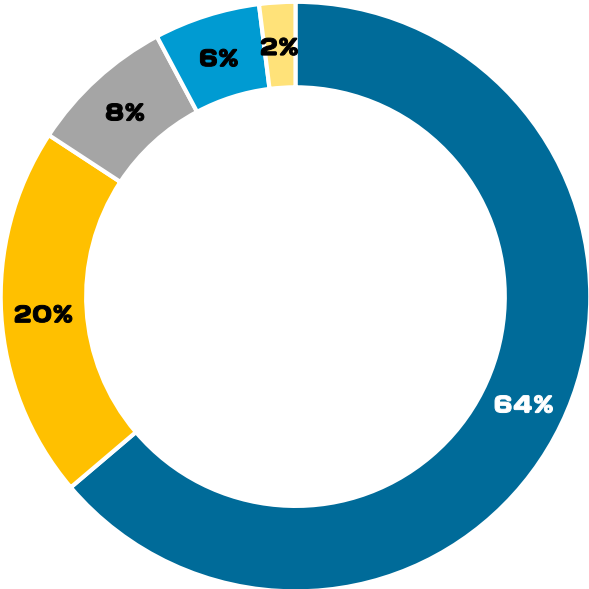
# ...along with top-line growth

Quarterly revenues  
(EGP Mn)

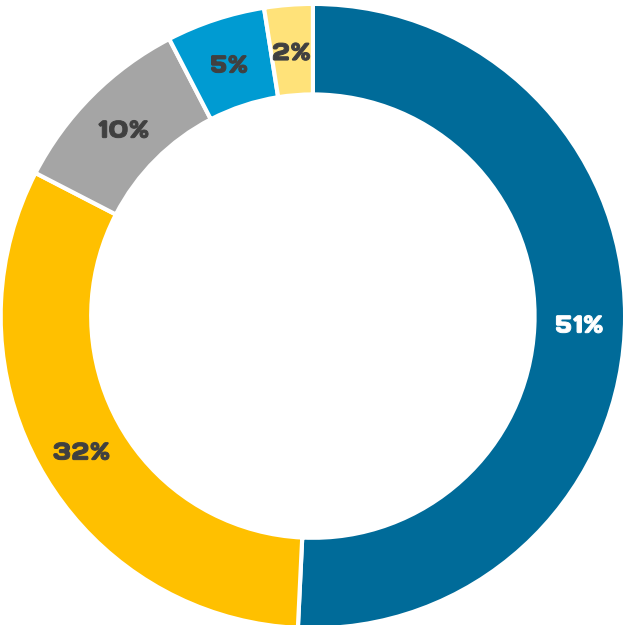


# ...and a diversifying revenue base

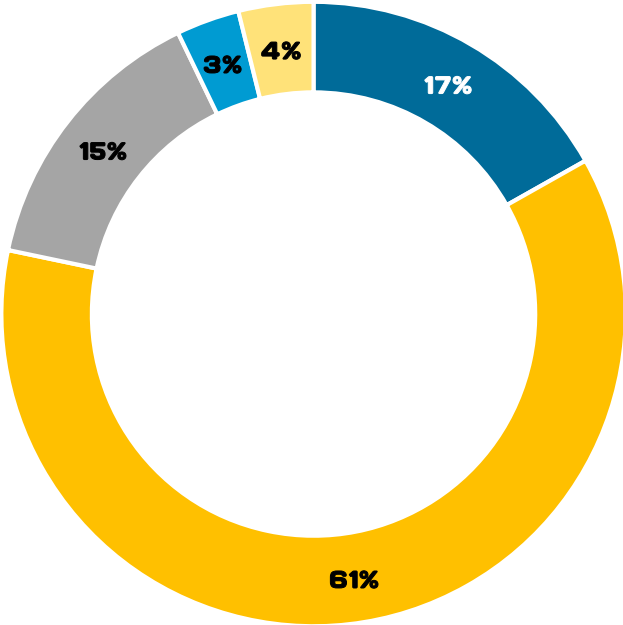
1Q21 Revenues Mix



1Q22 Revenues Mix



% contribution to growth



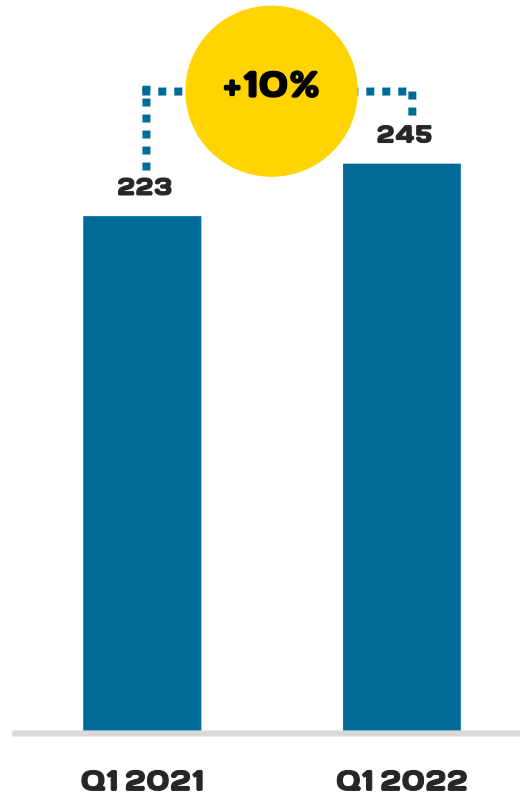
■ ADP ■ Banking services ■ Microfinance ■ Supply Chain Solutions ■ Others

# ADP sustaining healthy double-digit growth

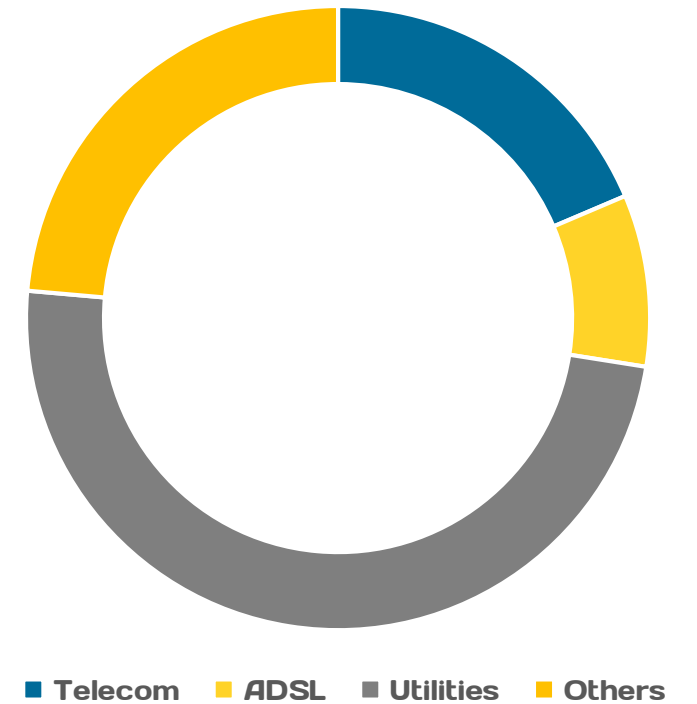
ADP throughput  
(Value)



ADP revenue  
(EGP Mn)

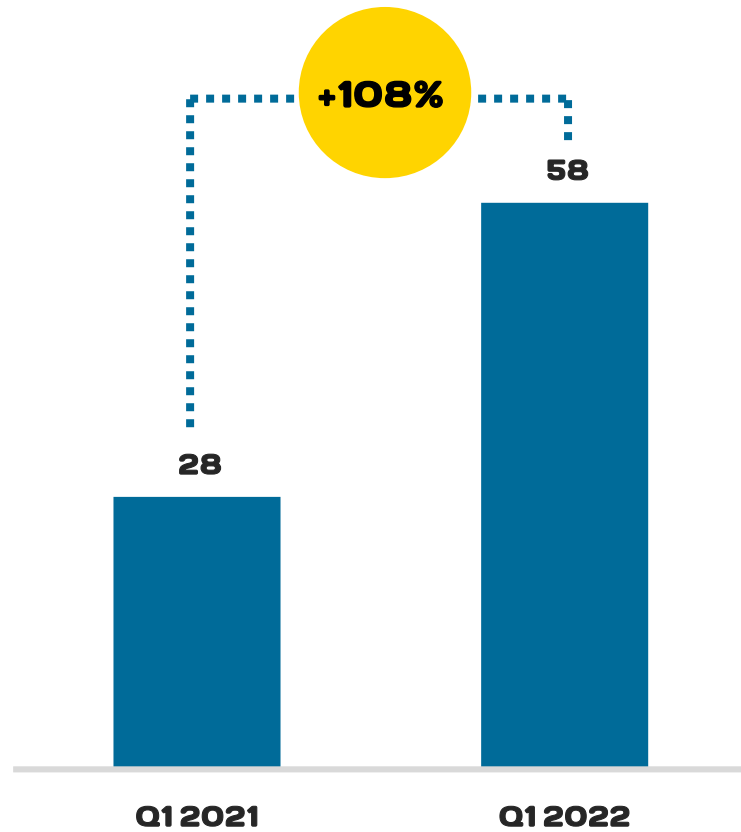


Contribution to ADP  
throughput growth by bill type

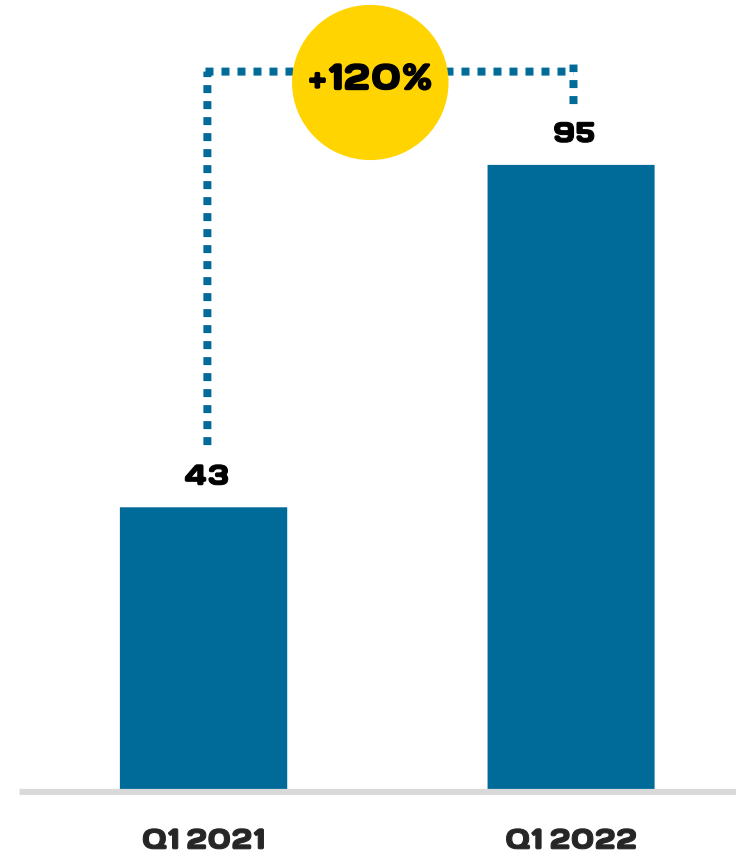


# Banking Services growth driven by Agent Banking and Acceptance

**Acceptance revenue**  
(EGP Mn)

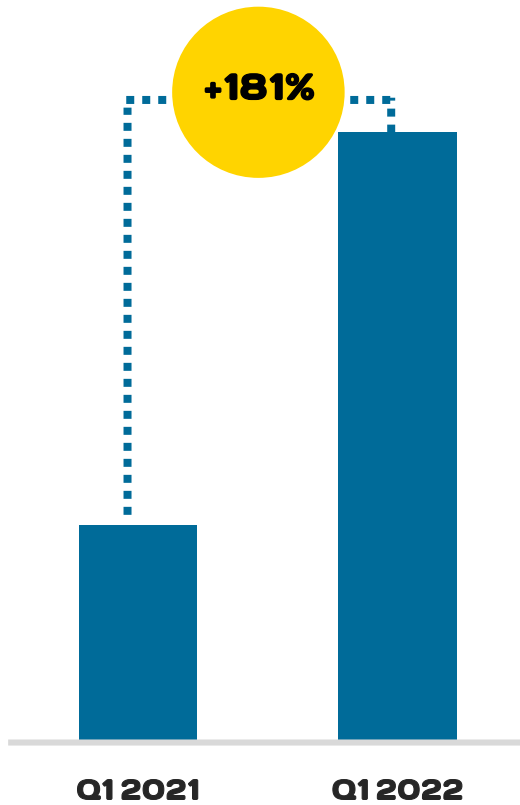


**Agent Banking revenue**  
(EGP Mn)

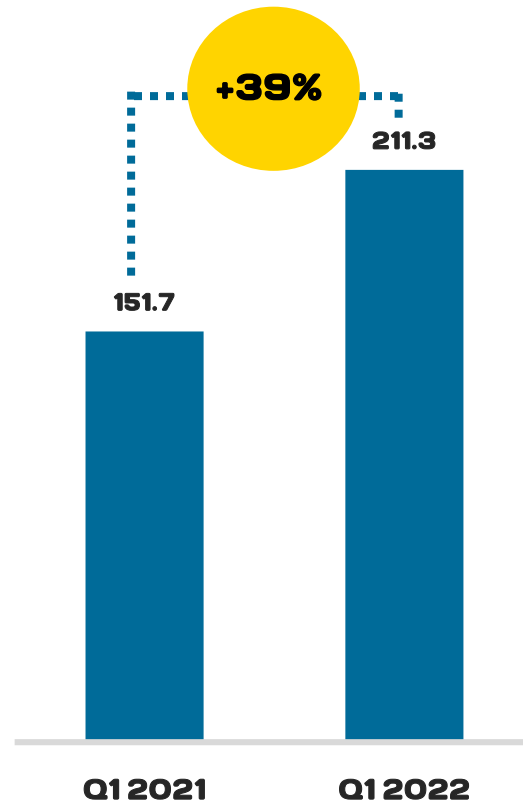


# Continued adoption across the Acceptance business

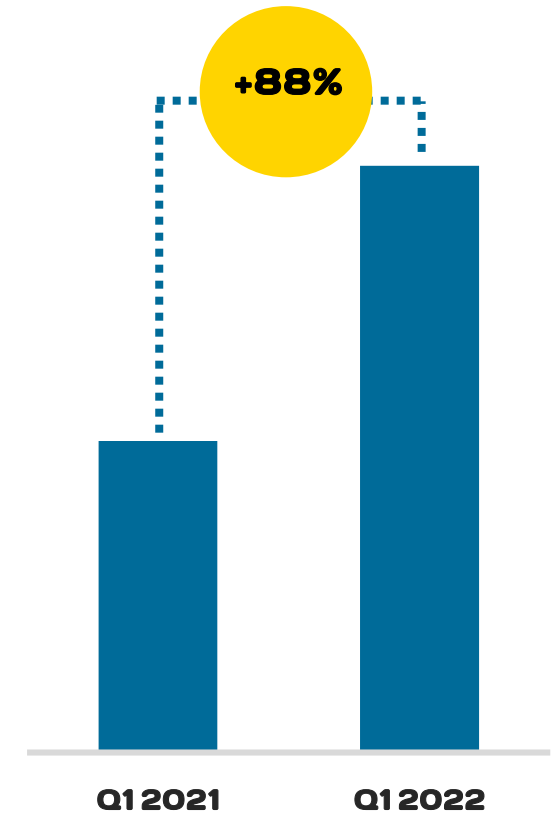
Revenue from instore  
Acceptance



Acceptance enabled POS  
(‘000)



Revenue from online  
acceptance



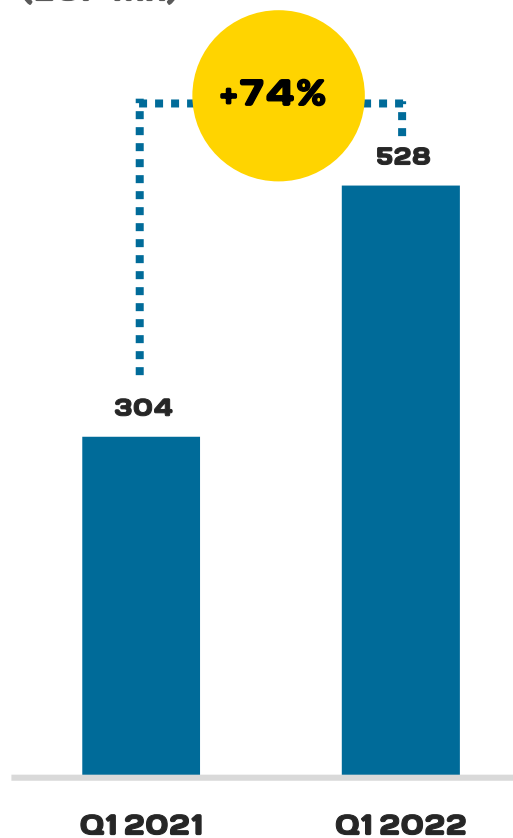


# Microfinance: Business Developments & Earnings

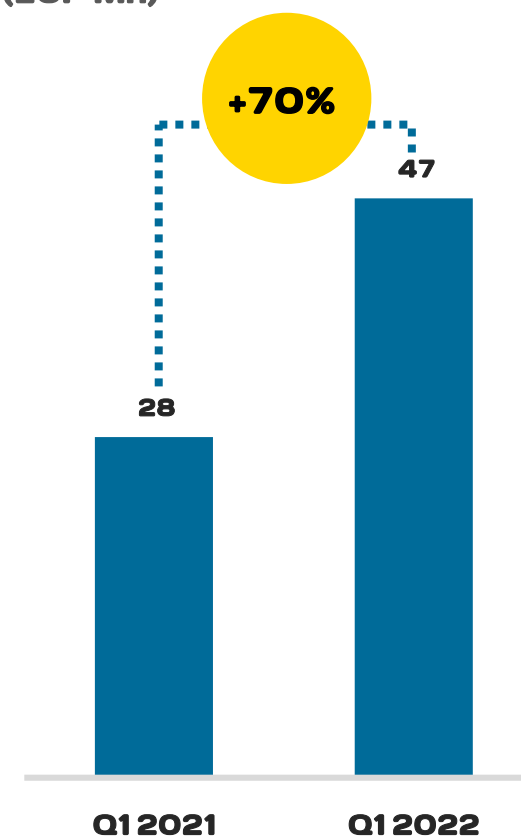
## Highlights:

- 22.6k clients (▲ 53% y-o-y)
- Credit limits still at EGP 200k
- EGP 206 Mn disbursed over 5.9 k loans in 1Q22
  - Amount (▲ 89% y-o-y)
  - Loans (▲ 42% y-o-y)
- Average Number of online applications processed monthly 2,850 (1Q22) vs. 1,610 (1Q21)

Loan portfolio  
(EGP Mn)



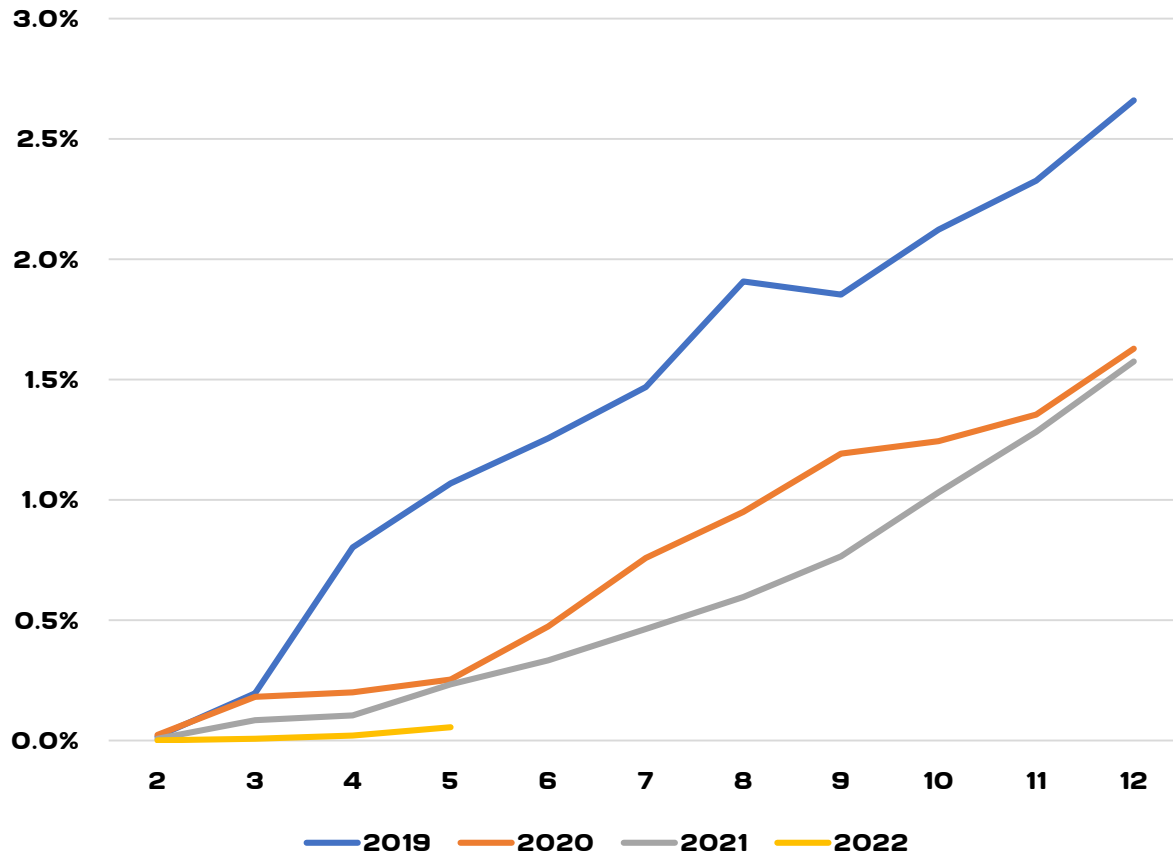
Microfinance revenue  
(EGP Mn)



# Microfinance: Portfolio quality & Earnings

## Number of months after disbursement

PAR30, % (avg by years)



## Partnership module for in-house developed Loan Origination platform

- Enable B2B, B2C Partners to send loan applications for their clients and to track loan applications status online
- Feature will facilitate the cooperation with Partners by providing a digital tool to onboard the client and track decision-making status without any need for manual reporting from FMF side.

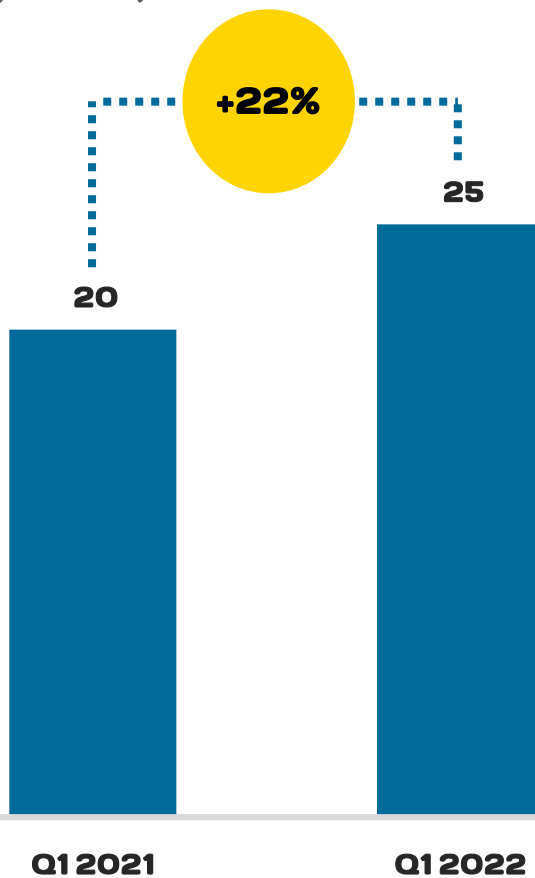
Last 2 years average PAR30 after 12 months of loan disbursements didn't exceed 1.6%

# Supply Chain performance

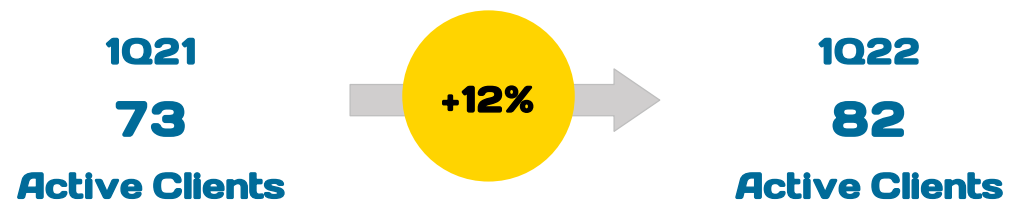
## Supply chain throughput



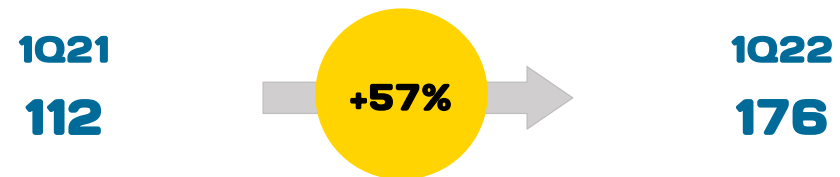
## Supply chain revenue (EGP Mn)



## Cash Management



## Fawry Plus Branches



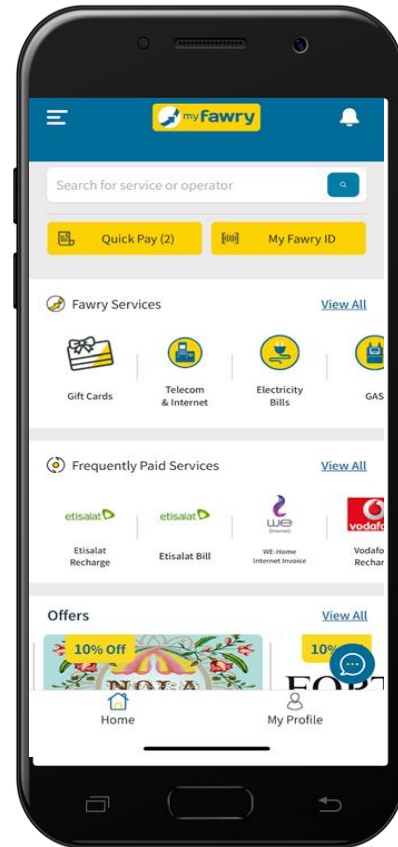
# Digital growth

# Continuing myFawry growth

## 1Q22 developments

Triggered push notifications and one click payments for all bills added to customers' quick pay list

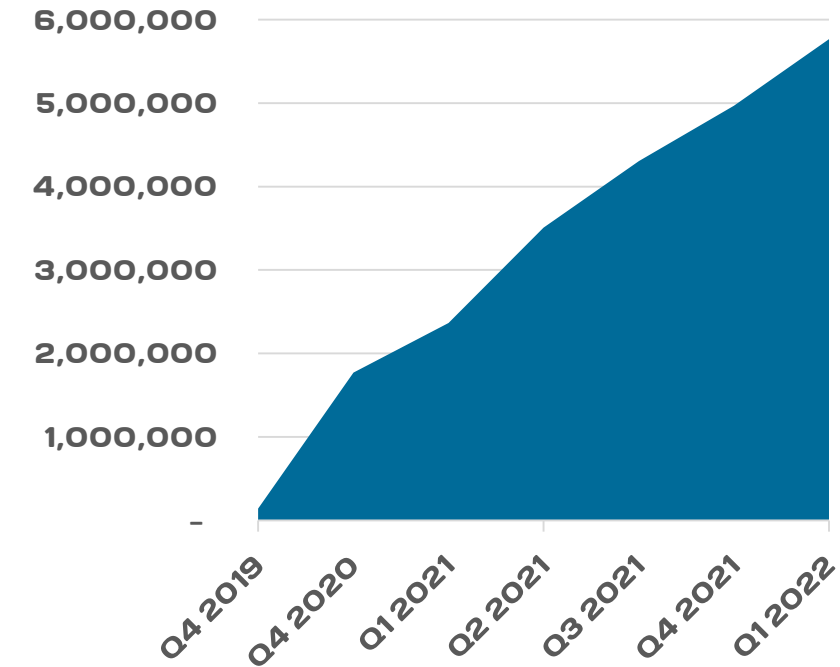
Notify users with telecom bill payments once registered on myFawry



**2.4** EGP Bn  
Annualized Mar.22  
throughput  
Up c. 80% y-o-y

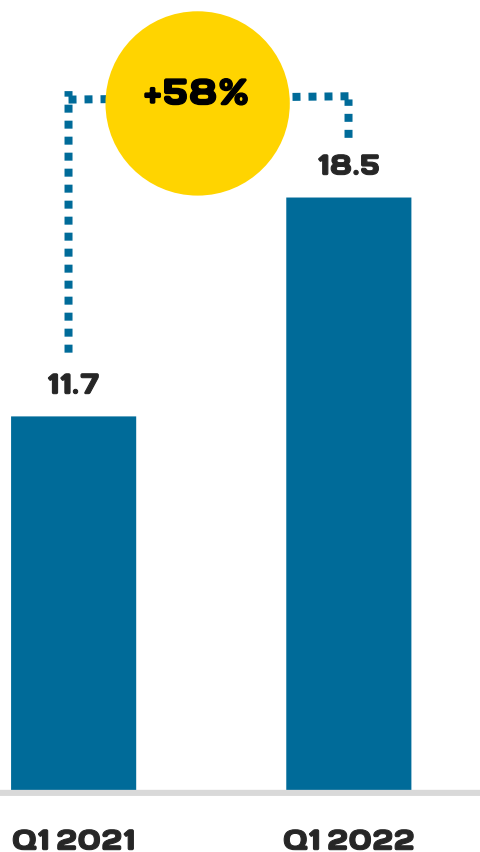
c. **5.8** Mn  
Downloads since  
June 2019  
Up 144% y-o-y

myFawry cumulative downloads

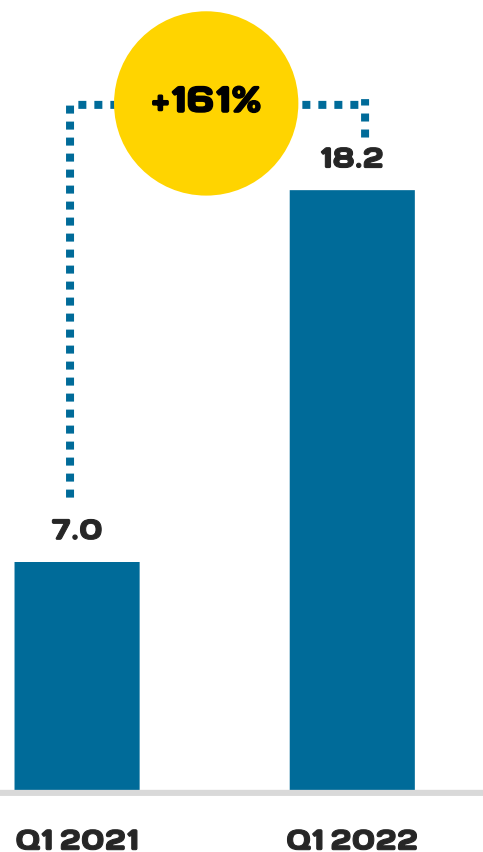


# Growing digital transactions activity

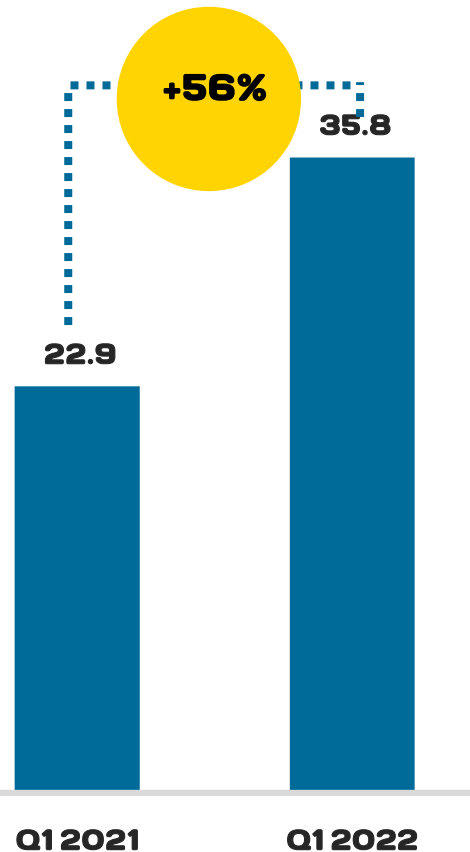
Mobile Wallet<sup>1</sup> Transactions (Mn)



Mobile Wallet<sup>1</sup> Processed Value (EGP Bn)



Total digital<sup>2</sup> Transactions (Mn)



Total Transactions (Mn)



# Business Updates

# New offerings

## Fawry accept, F&B solution

- White Label Solution For the F&B sector
- Customizing a user-friendly mobile app
- Digital Innovation For F&B Industry enabling seamless

- Reservation
- Ordering
- Pick-up
- Dine-in
- Payments



## Fawry ATM

- New Cash in/cash out service for all bank cards
- Penetrating an annual +1 trillion EGP market
- Available across all 290 k merchants
- Quick and easy way for our customers to access funds





# New Partnerships

## Tanmeyah



 **Accepting payment and installment collections from Tanmeyah Clients**

 **Clients can pay through:**

- Merchant Network
- Fawry Plus
- myFawry

## B-Tech



 **Payment solutions to B.TECH customers:**

- installment collection through Fawry's network
- Various payment options through FawryPay

 **Fawry customers get access to services:**

- instalment payment solutions
- Mini Cash
- cash vouchers

# Inaugurated Fawry Academy

- 📍 A 6 Floors building located in Maadi Area
- 📍 Can accommodate up to 500 trainees per day
- 📍 Part of our capacity development strategy for:
  - Enhancing sales and customer satisfaction and managing a smooth selling process
  - Provide knowledge on adapting to new technologies
- 📍 Utilize the Facility to show case our solutions to our partners and merchants.



# Fawry Quantum - new building

- 📍 Located in Smart Village
- 📍 In Fawry Quantum building, we plan to evolve and transform Fawry into the future, achieving true financial inclusion for both businesses and consumers alike. Making life easier to businesses, merchants and consumers
- 📍 It will serve as Fawry Digital Factory by providing employees with a platform to support full transformation to agile delivery



# New investments

## Mylerz

- 📌 Fawry participated in a funding round of USD 9.6 million in Mylerz, an Egyptian last-mile delivery and fulfillment technology startup.
- 📌 Investment will allow Mylerz to rapidly scale its operations across Egypt and enter the Algerian, Tunisian, and Moroccan markets
- 📌 Fawry's participation comes in line with expanding strategic partnerships with high-potential tech companies,
- 📌 Generating synergies with Fawry's growing platform and helping develop Egypt's rapidly evolving digital ecosystem.
- 📌 Fawry will provide Mylerz and its agents with a comprehensive suite of electronic payment and cash collection solutions.



# Q&A