



FY 2021 Earnings Call

May 17, 2022



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Agenda

- **FY21 Operating & financial results**
- **Digital growth**
- **Agile Transformation**
- **Money Market Fund**
- **2022 Guidance**
- **Update on US Listing**
- **Q&A**

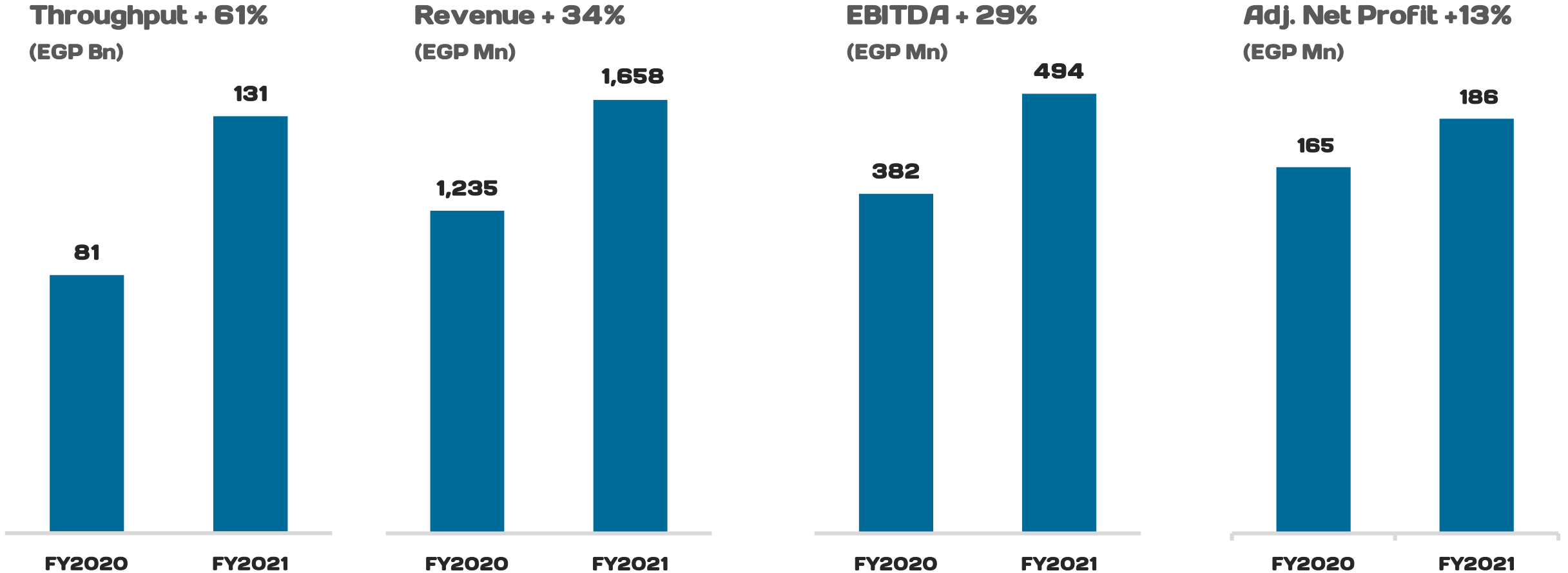
FY21

Operating & Financial

Results

Highlights

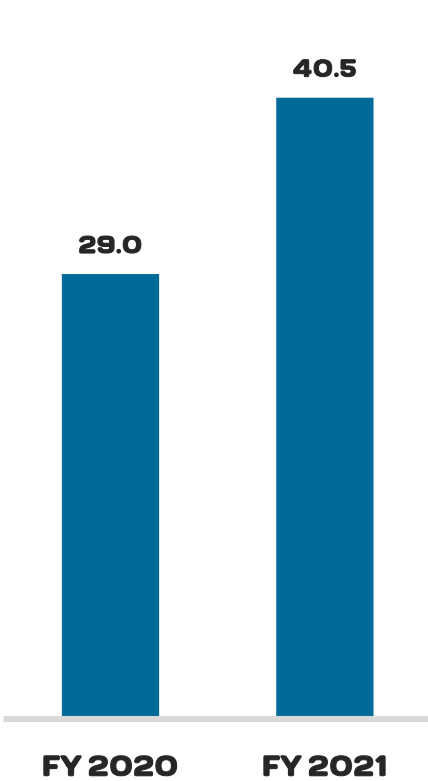
Ending the year with growth across all financial metrics



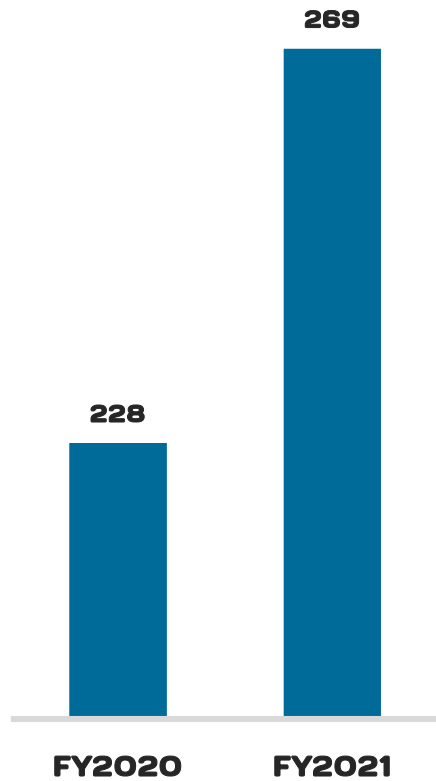
Total revenue excluding airtime would have grown by 50% y-o-y, as airtime grew by 6% y-o-y

Growth on all operational KPIs

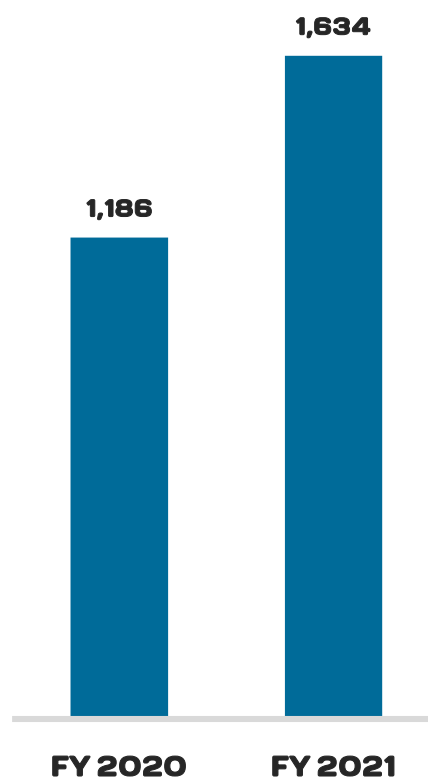
Active customers + 40%
(Mn)



Total POS + 18%
(EGP '000)



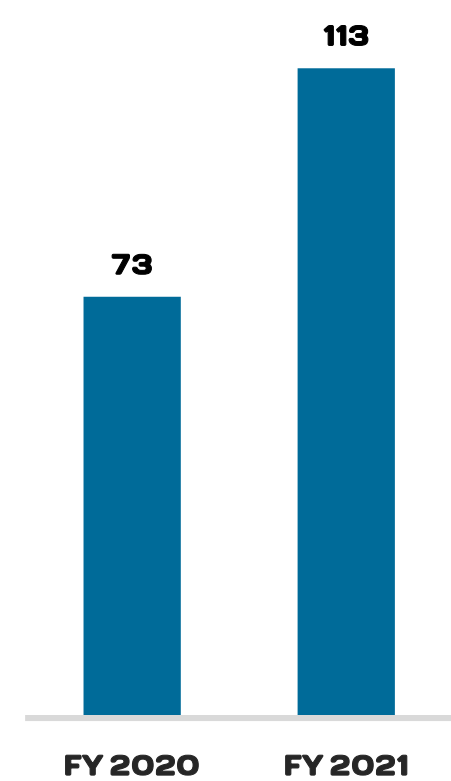
Number of Services + 38%



Total transactions up 5% (Mn)

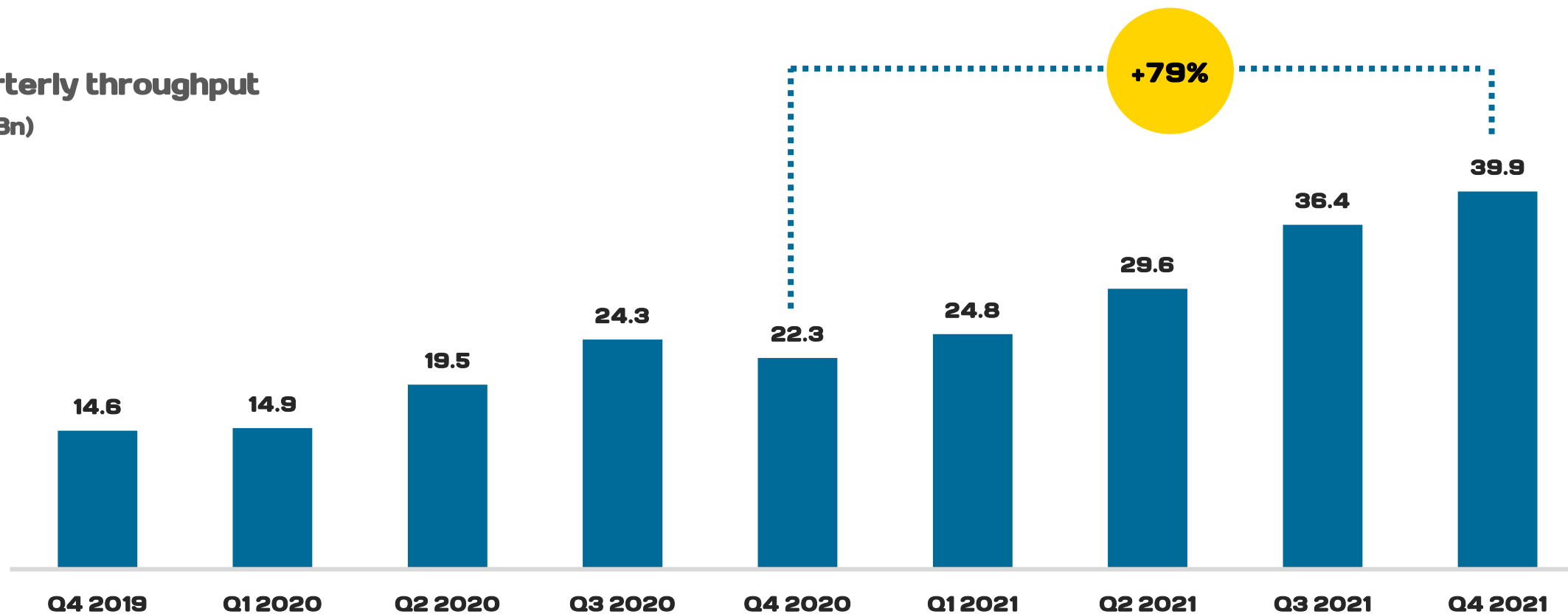


Avg transaction Value + 54% (EGP)



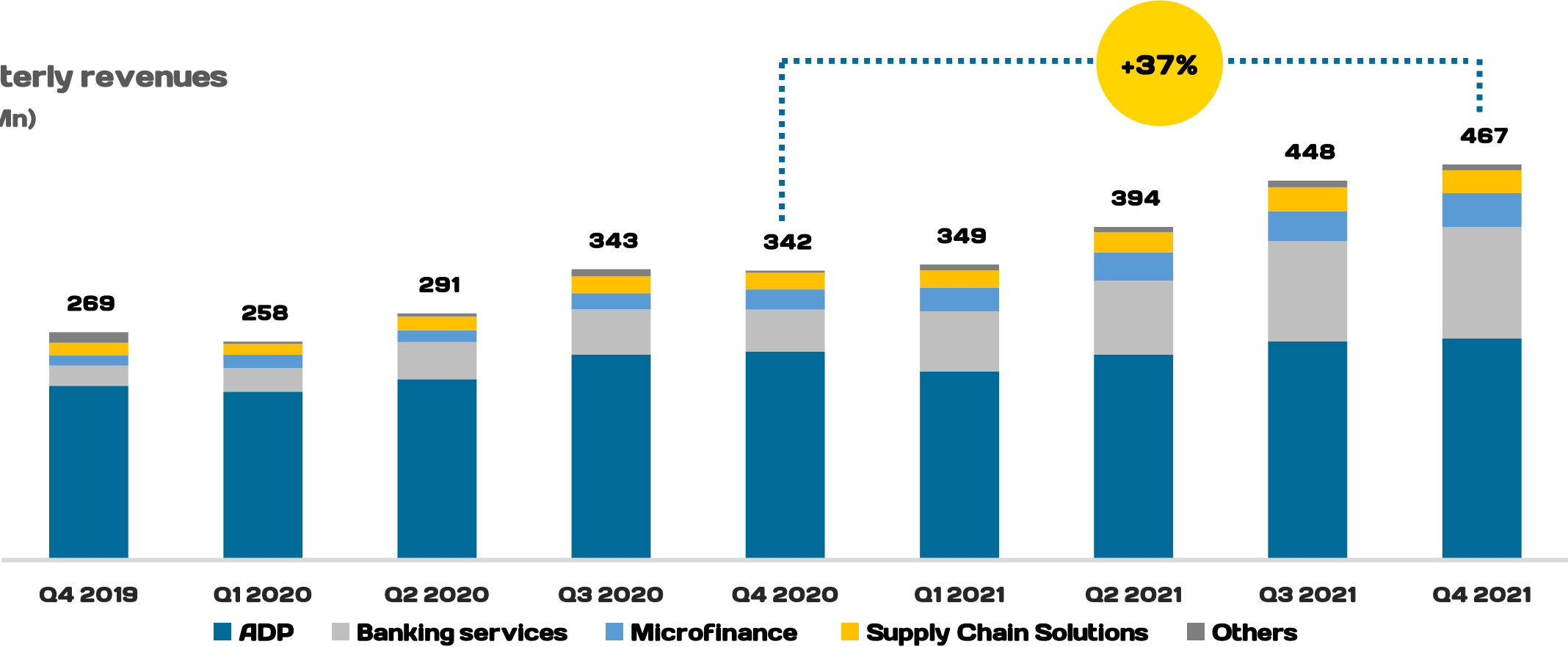
Continued growth momentum in throughput

Quarterly throughput
(EGP Bn)



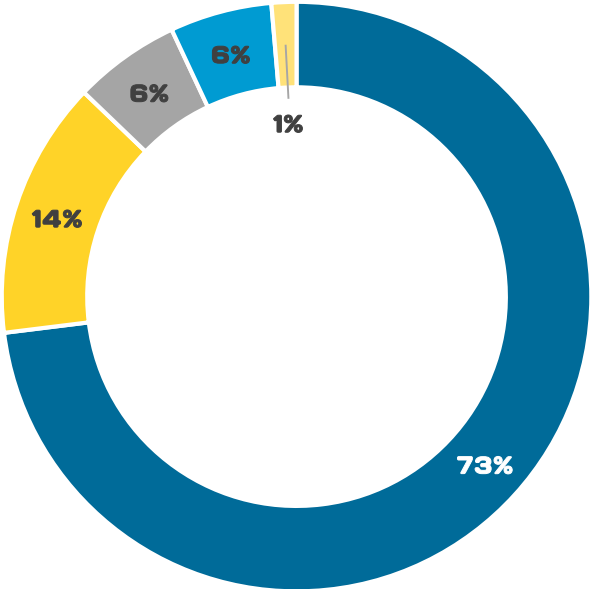
...translating to growth in Revenues

Quarterly revenues
(EGP Mn)

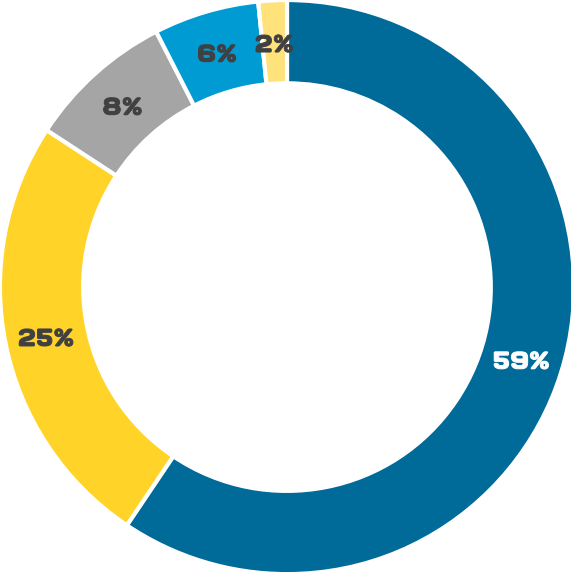


...while further diversifying our revenue base

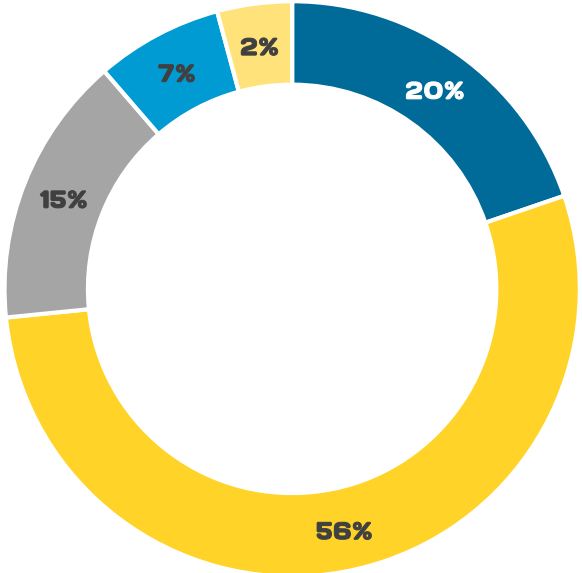
FY20 Revenues Mix



FY21 Revenues Mix



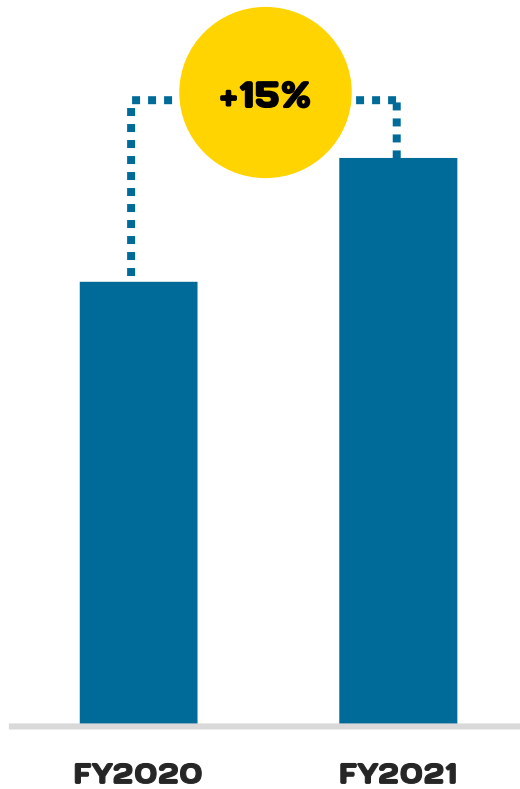
% contribution to growth



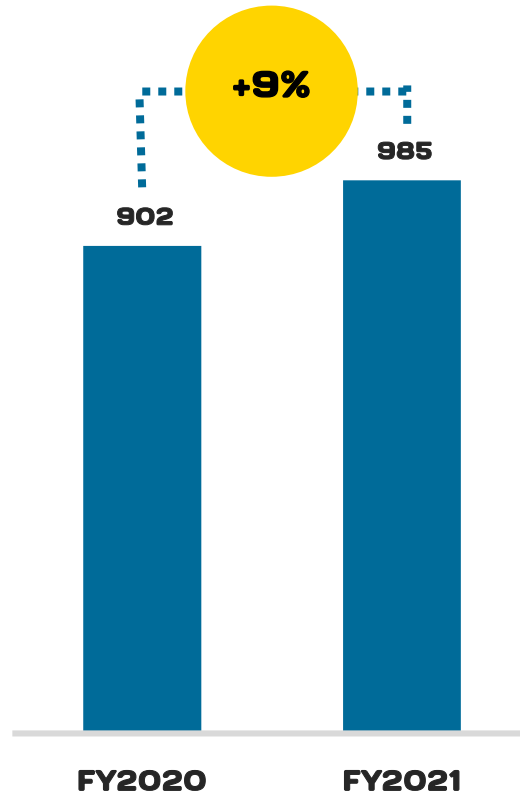
■ ADP ■ Banking services ■ Microfinance ■ Supply Chain Solutions ■ Others

ADP growth increasingly driven by newer services

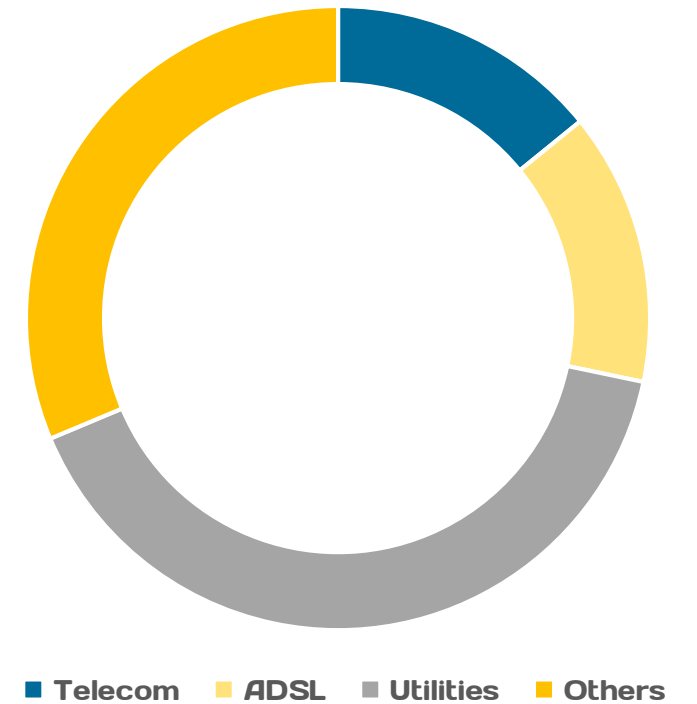
ADP throughput
(Value)



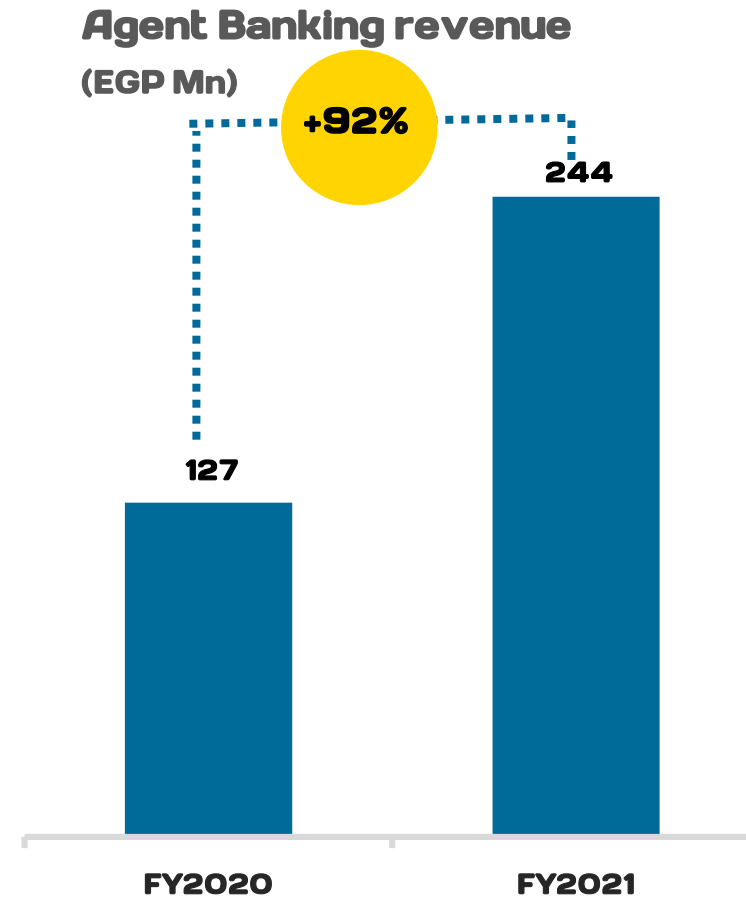
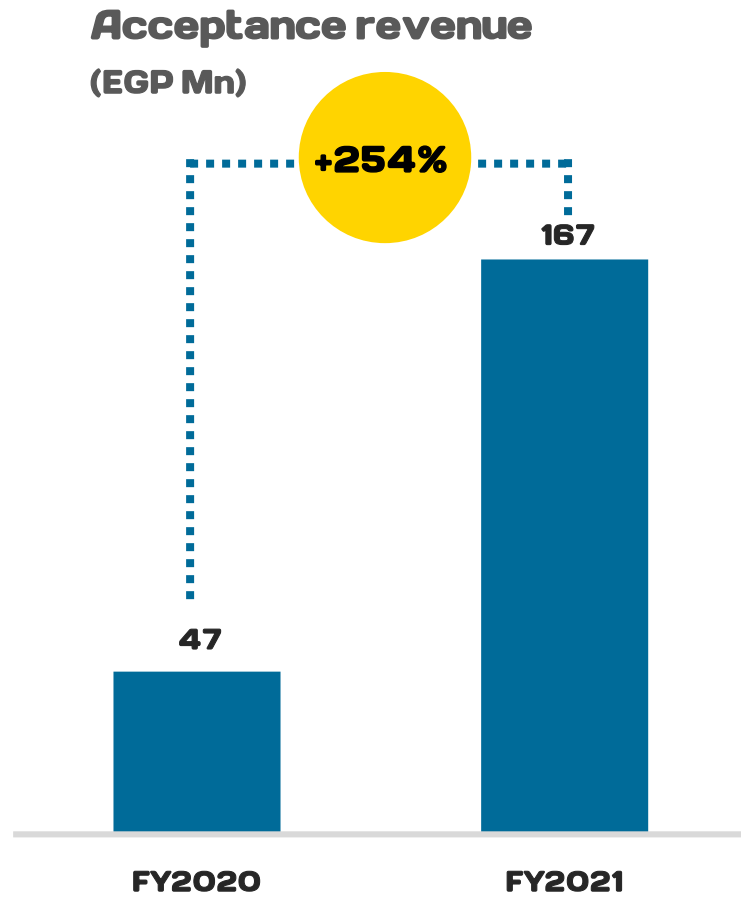
ADP revenue
(EGP Mn)



Contribution to ADP
throughput growth by bill type



Banking Services growing substantially through both Agent Banking and Acceptance



Microfinance: Business Developments & Earnings

Highlights:

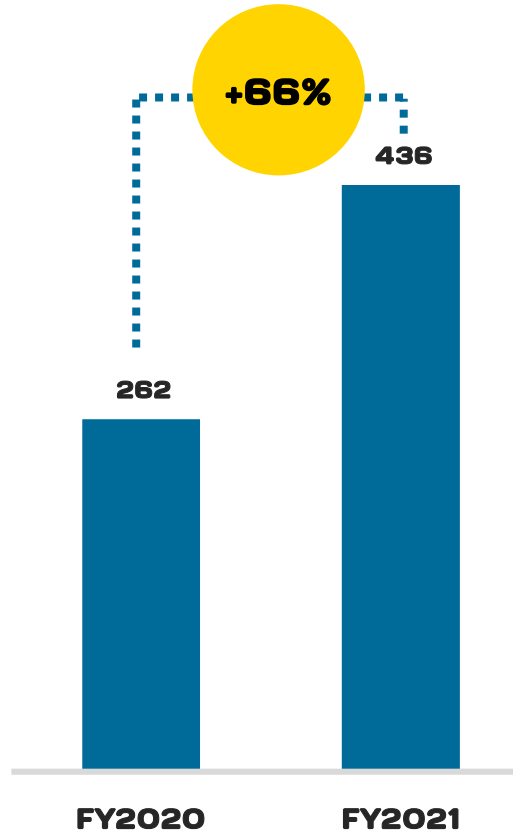
- 20.7k clients (65% Fawry Clients)
- Extending credit limits up to EGP 200k
- EGP 512 Mn disbursed in FY21 with EGP 1 Bn disbursed since inception

2021 Digital transformation:

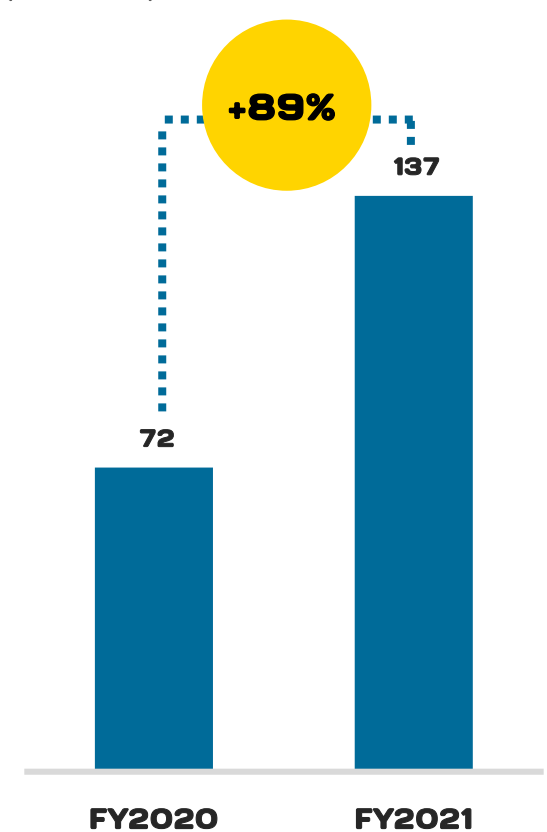
- Launched Digital Finance Unit to enable rapid loan processing
- 3K application processed / Monthly
- CRM with automated redistribution of incoming leads
- Integrated Call Centre solution

Pipeline: Loan tracking system & Mobile application

Loan portfolio (EGP Mn)

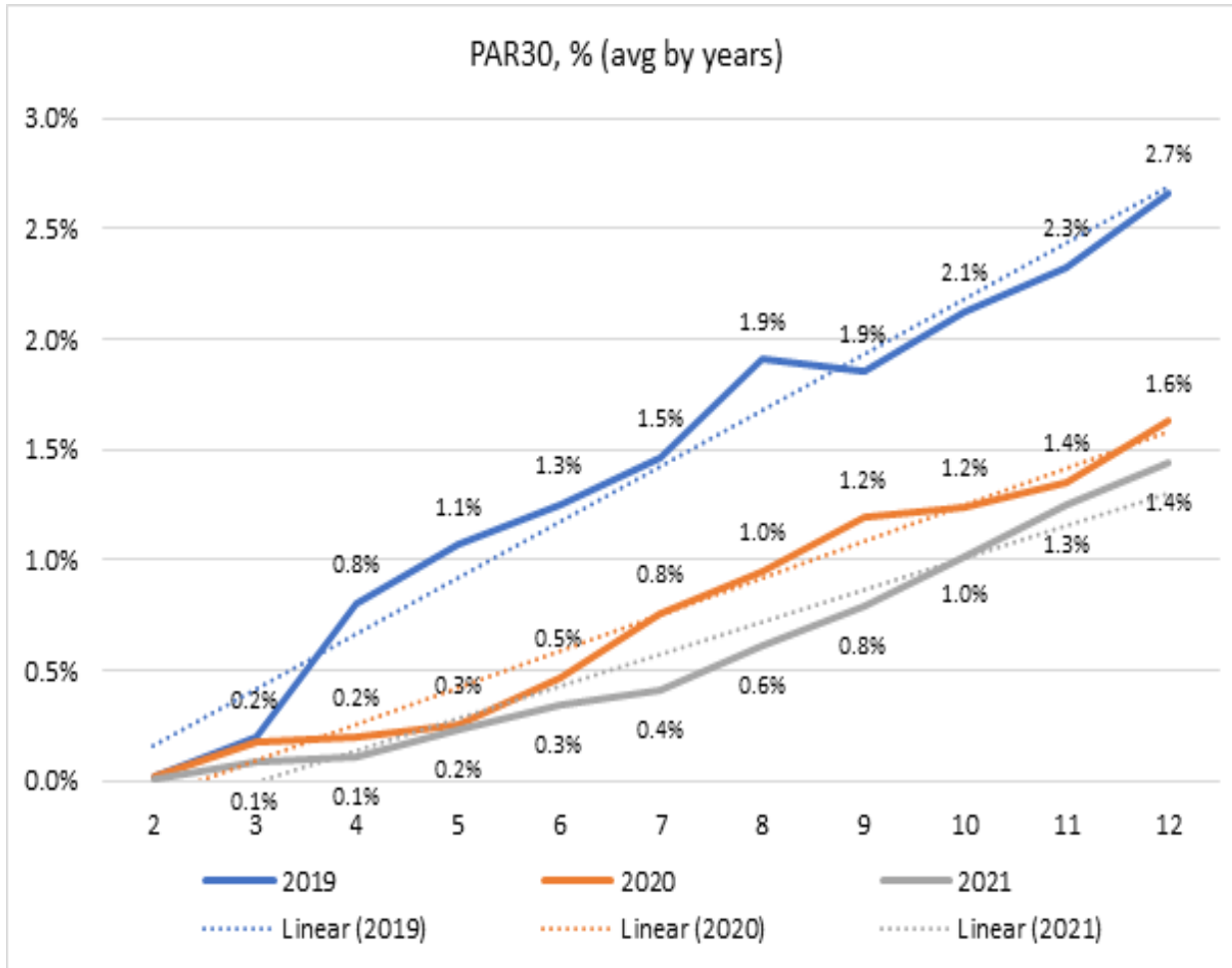


Microfinance revenue (EGP Mn)



Microfinance: Portfolio quality & Earnings

Number of months after disbursement



Efficient Risk Model :

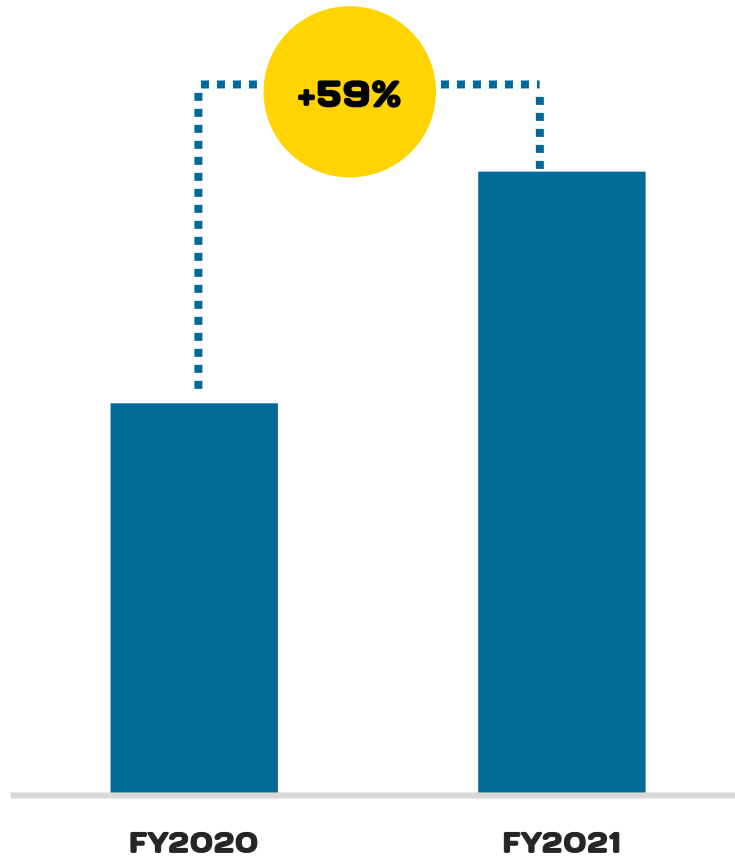
- Proper Clients Profiling
- Centralized Decision-Making
- Ongoing Staff Training
- PAR30 clients not exceeding 1.6% after 12 months of loan repayments (FY20 & FY21)

Clients concentration in different business and risk areas:

- Area coverage: (in all governorates, with exception of red zones)
- Products: (MTLs / ST Overdraft solutions / Partnership products)
- Business type: (FMCG / Services & Production)
- Source of acquisition (Loan Officers / Digital Finance / Marketing unit / Partnership Unit)

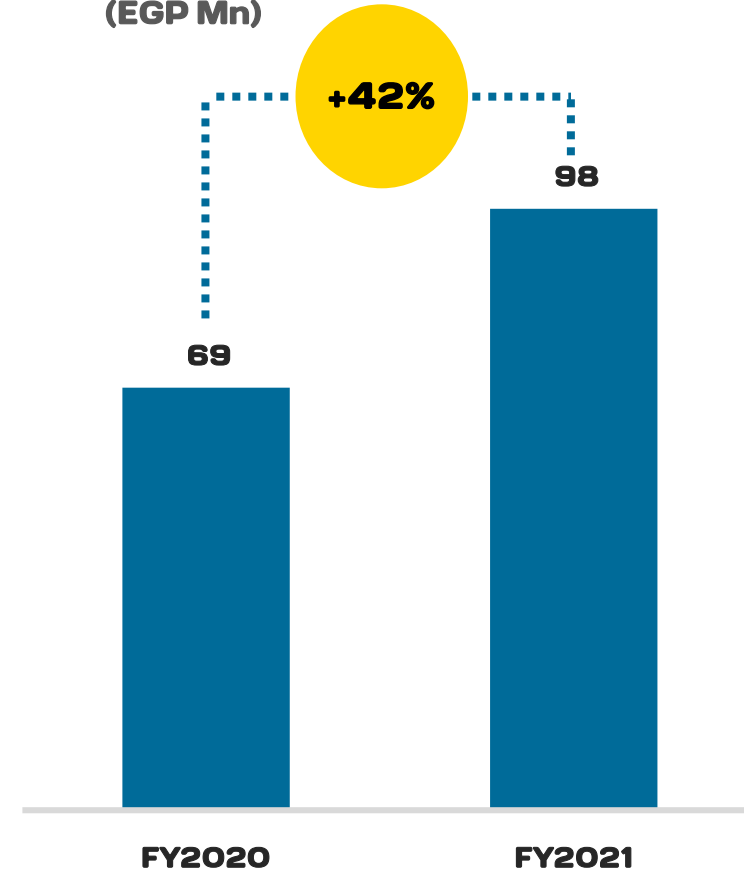
Continued growth in Supply Chain revenues

Supply chain throughput



Supply chain revenue

(EGP Mn)



Expanding Supply Chain services

E-payment & Cash
Management



Service Offering

WC Finance



Proactive Ordering



Cash Management

4Q20

61

Active Clients



4Q21

76

Active Clients

WC/Supply chain Finance

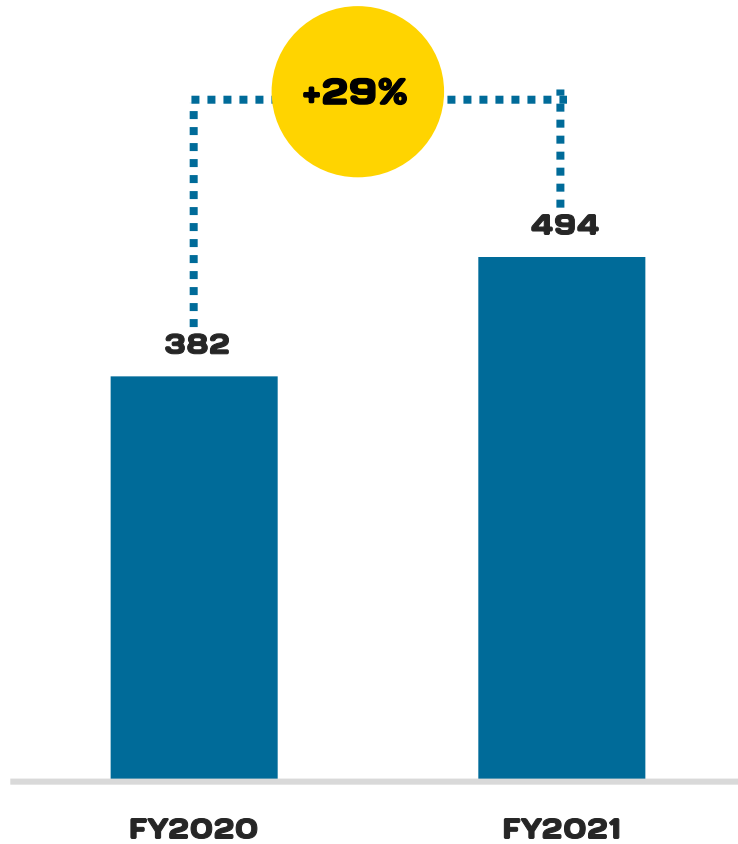
- FRA & CBE approval obtained
- Pilot with Bel Egypt in 4Q22

B2B marketplace/ Proactive ordering

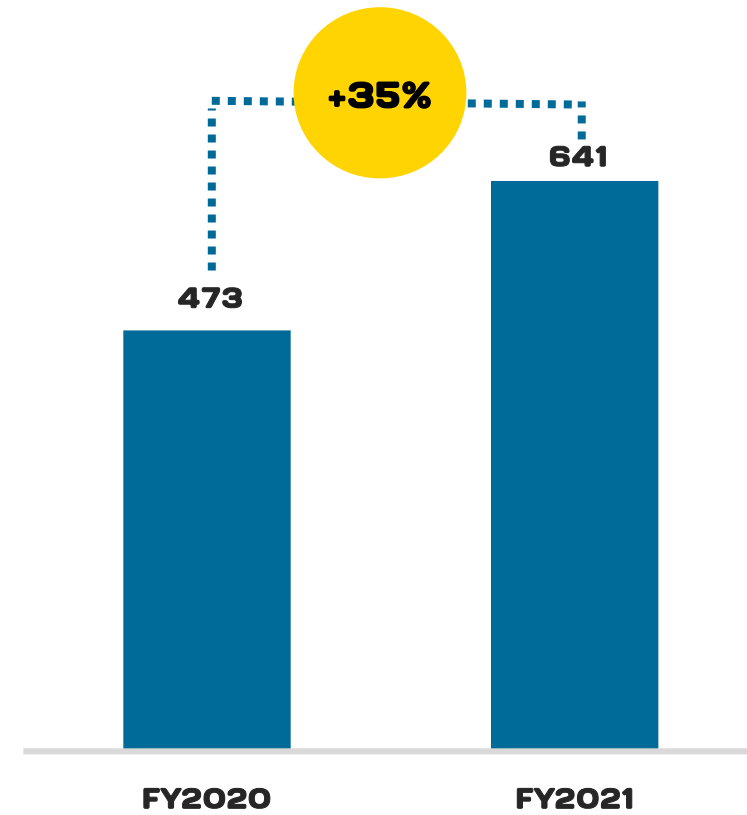
- Pilot with Henkel
- Launch 3Q22

Healthy growth in EBITDA along with strong Operational Cash Flows

EBITDA
(EGP Mn)



Net CF from operating activity (EGP Mn)



Enhance the platform's diversification through investments

Positioning to customers

EGP **70** mn

+48%

Marketing spend to drive growth
on direct to consumer strategy

Technology

111 EGP Mn

Technology spend &
investments in our
network

2x

Doubled our sales force
headcount expanding our
merchant reach

Strengthening & diversifying management

+80%

HR expenses as we
attract talent to scale
up our organization

ESOP

Introduced to align all
management tiers to
shareholders interest

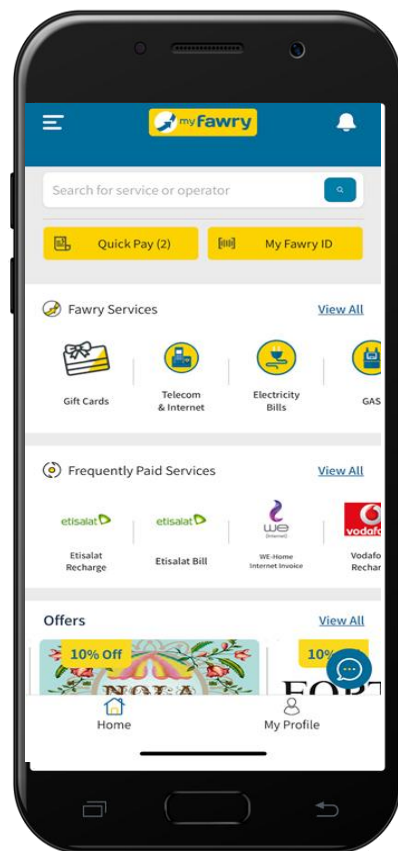
Digital growth

Rapid growth across myFawry app

2H21 developments

Launched
Market place for
offers & rewards

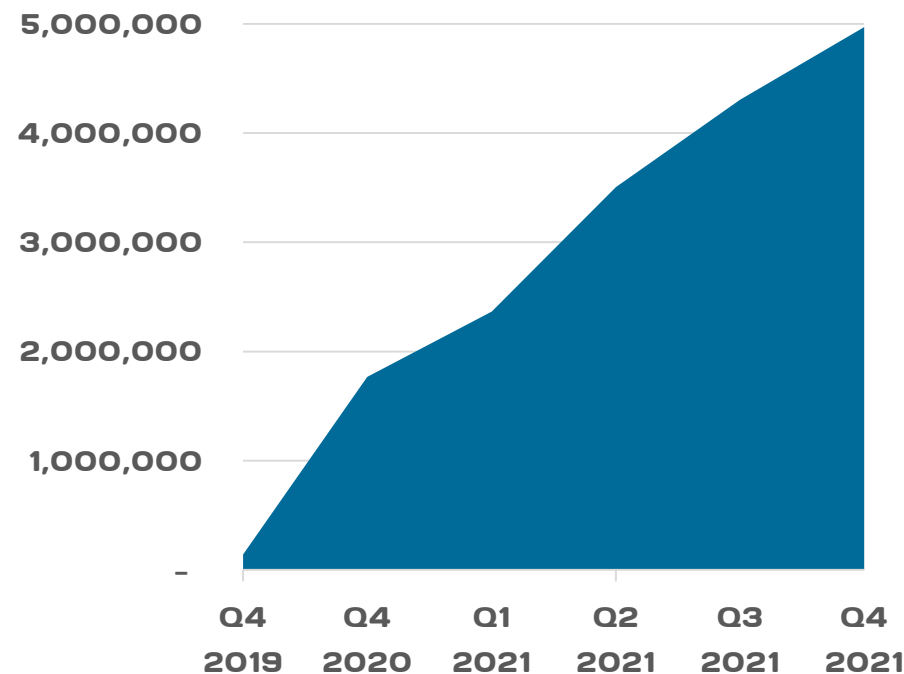
CBE approves
myFawry card



2.2 EGP Bn
Annualized Dec.21
throughput
Up 92% y-o-y

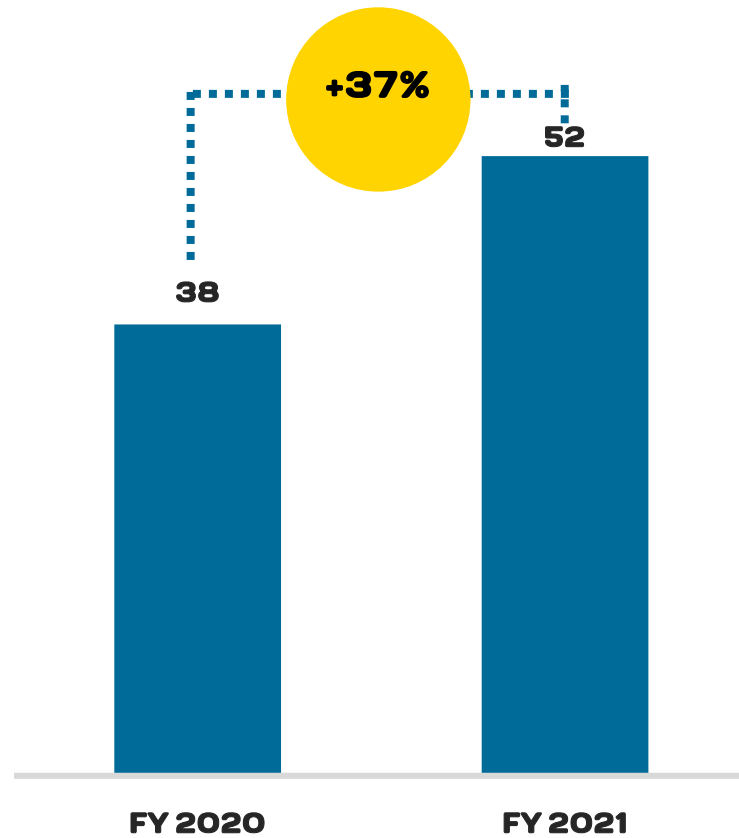
c. **5** Mn
Downloads since
June 2019
Up 181% y-o-y

myFawry cumulative downloads ('000)

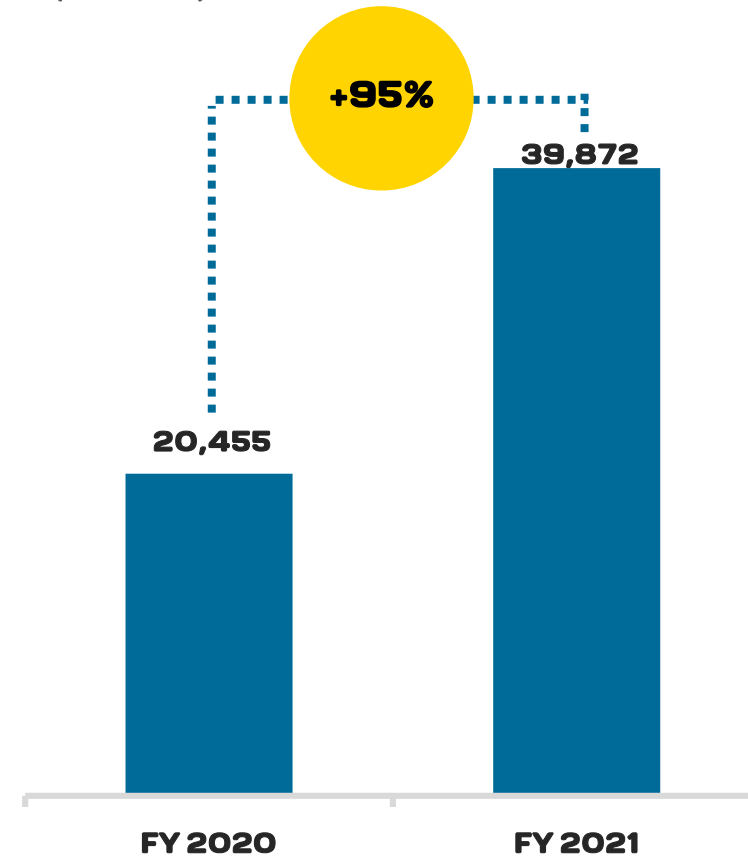


Continued growth in Mobile Wallets activity¹

Mobile Wallet Transactions
(Volume Mn)



Mobile Wallet Processed Value
(EGP Mn)

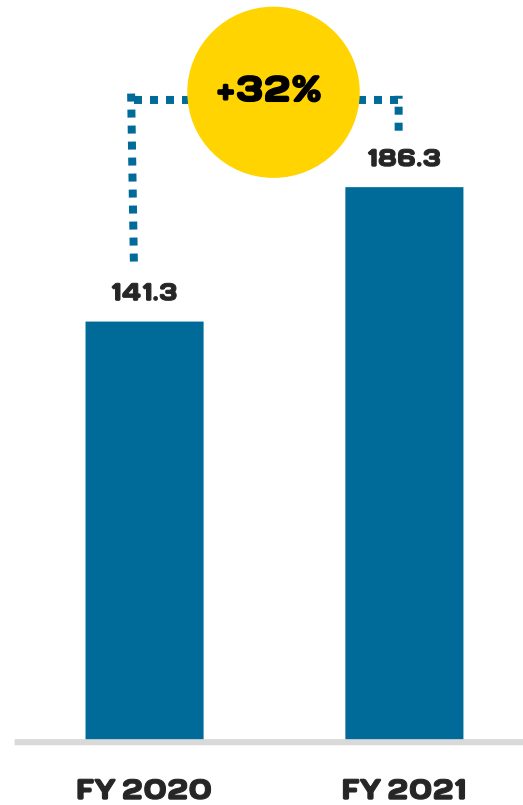


Continued adoption across the Acceptance business

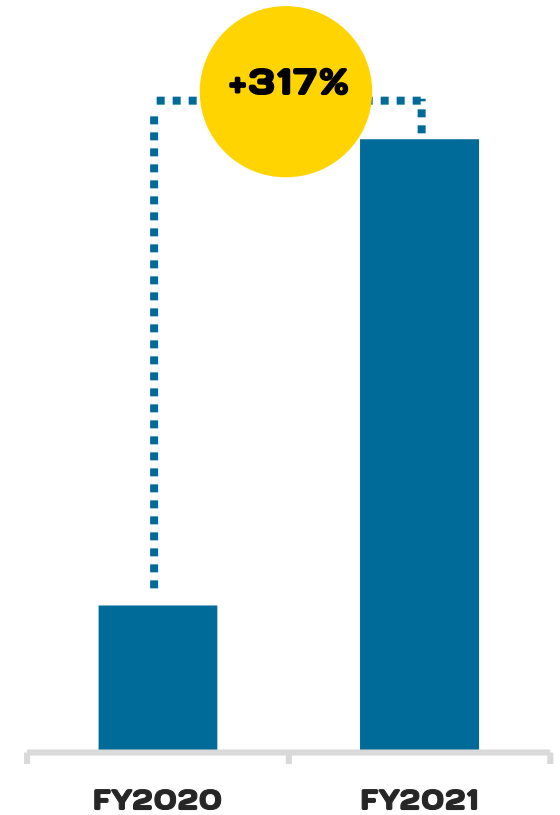
Revenue from instore
Acceptance



Acceptance enabled POS
(‘000)



Revenue from online
acceptance



Agile Transformation

Why Agile Transformation

Transitioning from Start-up to Enterprise Organization



Dynamic Practices

Enabling

- Speed
- Responsiveness
- Adaptation



Stable Practices

Enabling

- Efficiency
- Reliability
- Scalability

Agile organizations need to be high on both

Top Down Hierarchies

- Bureaucratic
- Separate Business Units
- Require detailed instruction

Issue: as organizations grow, project development and delivery can be severely delayed

Scaled Agile Transformation

Leadership

provides direction

Teams

Built around end-to-end accountability

Action

Focused

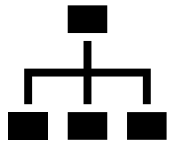
Rapid Changes

Flexible resources

Result: Faster sprint cycles / more projects accomplished

Fawry's Agile Transformation Strategy

Structure



- Line of Business
- Cross Functional Teams
- Working Place
- Roles and Responsibilities
- Governance

Technology



- Supporting Tools
- Architecture Evolution
- Delivery Pipeline
- IT Infrastructure



- Leadership
- Talent Management
- Culture
- Communication

People



- Team Processes
- Linkage- mechanisms
- Sprints
- Performance mgmt

Processes



Money Market

Fund

Launched in 1Q22

What is the Fawry Youmy Fund

- Fawry's saving product targeting the masses
- Co-launched with Misr Capital
- Initial fund size of EGP 30 Mn
- Subscribe through :

- Merchant Network







- Fawry Plus Branches



- MyFawry (soon)



Democratizing Saving & Investment

- Open for all ages 16+ 
- Subscription for EGP 500 only 
- Minimal documentation requirements 
- Cumulative daily return based on current market value 
- Quick access to the funds in-store / online



2022 Guidance

Fawry in FY 2022

Consolidated revenue to grow $\pm 44\%$ y-o-y

- ADP to grow $\pm 16\%$ y-o-y
- Banking services to grow $\pm 101\%$ y-o-y
- Microfinance to grow $\pm 65\%$ y-o-y
- Supply Chain to grow $\pm 26\%$ y-o-y

New services to be launched:

- myFawry Card
- myFawry Financial Services (Saving, Insurance, Lending)
- B2B Market Place
- Supply Chain Finance

EBITDA Margin to come in at $\pm 27\%$

US Listing

US Listing Updates

- **US listing will be on hold**
- **Continue to monitor global market conditions**

Q&A