

**Fawry for Banking Technology and Electronic Payments  
(S.A.E.)  
Condensed Separate Interim Financial Statements  
Together with limited Review Report  
For the Three months ended  
March 31, 2025**



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Grant Thornton

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*Translation of Review*  
*Report Originally Issued in Arabic*

**Limited Review Report on the condensed separate interim financial statements**

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

**Introduction**

We have reviewed the accompanying condensed separate interim financial statements of Fawry for Banking Technology and Electronic Payments S.A.E. which comprise the condensed separate interim statement of financial position as of March 31, 2025, and the related condensed separate interim statements of profit or loss, comprehensive income, changes in equity and cash flows for the three months' period then ended, and other explanatory notes. Management is responsible for the preparation and fair presentation of the condensed separate interim financial statements in accordance with Egyptian Accounting Standard No. (30) "Interim financial statements". Our responsibility is to express a conclusion on these condensed separate interim financial statements based on our review.

**Scope of Review**

We conducted our review in accordance with Egyptian Standard on Review Engagements (2410) "Review of Interim Financial Statement Performed by the Independent Auditor of the Entity". Review of condensed interim financial statements consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Egyptian Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

### Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying condensed separate interim financial statements do not present fairly in all material respects the separate financial position of the entity as of March 31, 2025, and of its separate financial performance and its separate cash flows for the three months' period then ended in accordance with Egyptian Accounting Standard No. (30)" Interim financial statements".

Cairo – May 14, 2025.



Kamel Magdy Saleh FCA,  
FESAA (R.A.A. 8510)  
FRA Register No. "69"

*Translation of financial statements*

*Originally Issued in Arabic*

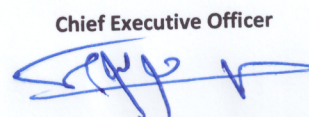
**Fawry for Banking and Payment Technology Services S.A.E.**  
**Condensed Separate Interim statement of financial position**  
**as of March 31, 2025**

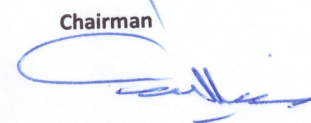
<b>EGP</b>	<b>Note No.</b>	<b>March 31, 2025</b>	<b>December 31, 2024</b>
<b>Assets</b>			
<b><u>Non-current assets</u></b>			
Fixed assets	(4)	1 473 339 049	1 322 031 585
Intangible assets	(5)	1 061 136 017	914 357 747
Projects under construction	(6)	163 520 337	136 823 092
Investments in subsidiaries	(7)	815 775 082	814 002 682
Investments in associates and joint ventures	(8)	22 491 429	17 491 429
Investments at fair value through OCI		29 388 425	29 388 425
Deferred tax asset		58 007 461	55 609 544
Loans to related parties	(9)	905 717 138	661 203 374
Investments at fair value through P&L		30 075 000	30 075 000
<b>Total non-current assets</b>		<b>4 559 449 938</b>	<b>3 980 982 878</b>
<b><u>Current assets</u></b>			
Inventory		45 133 653	9 469 378
Accounts and notes receivable		29 148 574	20 111 477
Debtors and other debit balances	(10)	422 848 863	264 699 398
Advances to billers		930 162 734	485 233 968
Due from related parties	(11)	324 228 078	100 503 764
Treasury bills	(12)	2 673 506 247	1 960 712 462
Cash and cash at banks	(13)	8 542 896 167	4 044 719 090
<b>Total current assets</b>		<b>12 967 924 316</b>	<b>6 885 449 537</b>
<b>Total assets</b>		<b>17 527 374 254</b>	<b>10 866 432 415</b>
<b><u>Equity &amp; liabilities</u></b>			
<b><u>Equity</u></b>			
Issued and paid-up capital		1 703 261 622	1 703 261 622
Legal reserve		162 845 631	92 581 238
Reserve for employee stock ownership plan (ESOP)	(27)	165 243 987	150 837 104
Shares for employee stock ownership plan		(31 429 708)	(31 429 708)
Revaluation reserve for Investments at fair value through OCI		(22 911 676)	(22 911 676)
Retained Earnings		2 902 208 722	2 655 160 105
<b>Total equity</b>		<b>4 879 218 578</b>	<b>4 547 498 685</b>
<b><u>Non-Current liabilities</u></b>			
Deferred tax liabilities		47 998 086	43 198 385
Lease Liabilities		120 341 673	114 593 810
<b>Total non current liabilities</b>		<b>168 339 759</b>	<b>157 792 195</b>
<b><u>Current liabilities</u></b>			
Bank credit facilities	(14)	186 251 978	140 477 017
Provisions	(15)	121 255 188	114 151 592
Accounts and notes payable	(16)	238 000 295	166 608 978
Accounts and notes payable - Billers	(17)	6 207 571 418	2 282 157 396
Merchant advances		4 258 981 337	2 602 659 644
Retailers' POS security deposits		122 601 586	108 901 634
Creditors and other credit balances	(18)	776 107 120	313 447 689
Due to related parties	(19)	120 096 798	110 302 822
Current income tax		427 276 420	302 731 674
Lease Liabilities		21 673 777	19 703 089
<b>Total current liabilities</b>		<b>12 479 815 917</b>	<b>6 161 141 535</b>
<b>Total liabilities</b>		<b>12 648 155 676</b>	<b>6 318 933 730</b>
<b>Total equity and liabilities</b>		<b>17 527 374 254</b>	<b>10 866 432 415</b>

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

Auditor's report attached

 Chief Financial Officer

 Chief Executive Officer

 Chairman

**Fawry for Banking and Payment Technology Services S.A.E.**  
**Condensed Separate interim Statement of Profit or Loss**  
**for the three months ended March 31, 2025**

EGP	Note No.	Three months ended	
		March 31, 2025	March 31, 2024
Operating revenues	(22)	1 077 662 447	729 977 297
Operating costs	(23)	(295 483 482)	(204 350 820)
<b>Gross margin</b>		<b>782 178 965</b>	<b>525 626 477</b>
<b>Add (Less):</b>			
General and administrative expenses	(24)	(243 822 189)	(166 982 244)
Selling and marketing expenses	(25)	(176 621 718)	(135 912 013)
Employee Stock Ownership Plan expenses	(27)	(10 657 410)	(21 925 134)
Board Compensation expenses		(2 828 000)	(1 706 400)
Medical contribution for Health and insurance		(3 487 663)	(2 204 947)
Expected credit loss		9 445 200	(3 326 387)
Formed provisions	(15)	(7 103 597)	(5 900 000)
Finance costs		(14 813 860)	(8 080 120)
Gain on revaluation of financial investments through P&L		--	7 650 477
Credit interest	(21)	298 704 651	142 605 120
Gain on disposal of fixed assets		13 909 782	8 297 601
Other revenues		12 442 411	1 780 052
Foreign currency exchange differences		(1 601 061)	14 585 140
<b>Operating profit</b>		<b>655 745 511</b>	<b>354 507 622</b>
Dividends from investments in subsidiaries		44 815 799	37 756 514
<b>Profit for the period before tax</b>		<b>700 561 310</b>	<b>392 264 136</b>
Current income and deferred tax		(158 402 241)	(87 069 298)
<b>Net profit for the period after tax</b>		<b>542 159 069</b>	<b>305 194 838</b>
<b>Earnings per share for the period - basic</b>	(28)	<b>0.16</b>	<b>0.09</b>
<b>Earnings per share for the period - diluted</b>	(28)	<b>0.16</b>	<b>0.09</b>

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

**Fawry for Banking and Payment Technology Services S.A.E.**  
**Condensed Separate interim statement of comprehensive income**  
**for the three months ended March 31, 2025**

<u>EGP</u>	<u>Three months ended</u>	
	<u>March 31, 2025</u>	<u>March 31, 2024</u>
Net profit for the period	542 159 069	305 194 838
Other comprehensive income	--	--
Total other comprehensive income	--	--
Total comprehensive income	542 159 069	305 194 838

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

Fawry for Banking and Payment Technology Services S.A.E.  
Condensed Separate interim statement of change in equity  
for the three months ended March 31, 2025

	Issued and paid up capital	Legal reserve	Reserve for employee stock ownership plan (ESOP)	Share for employee stock ownership plan	Revaluation reserve for investments at fair value through OCI statement	Retained Earnings	Total
							EGP
Balance as of January 1, 2024	1 703 261 622	62 039 050	198 552 525	(43 170 059)	(12 252 854)	1 204 234 049	3 112 664 333
Items of comprehensive income							
Net profit for the period	--	--	--	--	--	305 194 838	305 194 838
Total comprehensive income	--	--	--	--	--	305 194 838	305 194 838
Transactions with company's owners							
Transferred to legal reserve	--	30 542 188	--	--	--	(30 542 188)	-
Formed for employee stock ownership plan shares during the period	--	--	28 873 149	--	--	--	28 873 149
Total transactions with the company's owners	--	30 542 188	28 873 149	--	--	(30 542 188)	28 873 149
Balance as of March 31, 2024	1 703 261 622	92 581 238	227 425 674	(43 170 059)	(12 252 854)	1 478 886 699	3 446 732 320
Balance as of January 1, 2025	1 703 261 622	92 581 238	150 837 104	(31 429 708 )	(22 911 676 )	2 655 160 105	4 547 498 685
Net profit for the period	--	--	--	--	--	542 159 069	542 159 069
Total comprehensive income	--	--	--	--	--	542 159 069	542 159 069
Transactions with company's owners							
Transferred to legal reserve	--	70 264 393	--	--	--	(70 264 393)	--
Formed for employee stock ownership plan shares	--	--	14 406 883	--	--	--	14 406 883
Dividends distributions	--	--	--	--	--	(224 846 059)	(224 846 059)
Total transactions with the company's owners	--	70 264 393	14 406 883	--	--	(295 110 452)	(210 439 176)
Balance as of March 31, 2025	1 703 261 622	162 845 631	165 243 987	(31 429 708 )	(22 911 676 )	2 902 208 722	4 879 218 578

**Fawry for Banking and Payment Technology Services S.A.E.****Condensed Separate interim statement of cash flows****for the three months ended March 31, 2025**

EGP	Note	Three months ended	
		March 31, 2025	March 31, 2024
<b>Cash flows from operating activities:</b>			
Net profit for the period before tax		700 561 310	392 264 136
<b>Adjusted by:</b>			
Depreciation and amortization during the period	(4)	137 482 785	80 662 908
Formed provisions	(15)	7 103 597	5 900 000
Unrealized foreign currency exchange loss.		1 601 061	(14 585 140)
Expected credit loss		(9 445 200)	3 083 873
(Gain) on sale of fixed assets		(13 909 782)	(8 297 601)
Dividends from investments in subsidiaries		(44 815 799)	(37 756 514)
Employee Stock Ownership Plan expenses		10 657 410	21 925 134
Revaluation Gain of Investments at fair value through P&L		--	(7 650 477)
Credit interest	(21)	(298 704 651)	(142 605 120)
Finance costs		14 813 860	8 080 120
<b>Operating gain before change in working capital</b>		<b>505 344 591</b>	<b>301 021 319</b>
<b>Changes in working capital</b>			
(Increase) in inventory		(35 664 275)	(3 616 006)
(Increase) in advances to billers		(444 928 766)	(1 763 004)
(Increase) in debtors and other debit balances		(157 413 146)	(151 877 107)
(Increase) in accounts and notes receivable		(9 037 097)	(9 062 468)
(Increase) in due from related parties		(219 974 841)	(316 704 997)
Increase / (Decrease) in accounts and notes payable		71 391 317	(39 145 235)
Increase / (Decrease) in accounts payable– billers		3 925 414 022	(399 344 904)
Increase / (Decrease) in due to related parties		9 793 976	(26 217 580)
Increase / (Decrease) in merchants prepaid balances		1 656 321 693	(202 827 709)
Increase in retailer’s POS security deposits		13 699 952	11 336 173
Increase in creditors and other credit balances		462 659 431	93 614 277
(Increase) / Decrease in loans to related parties		(235 068 564)	37 656 130
Income tax paid		(26 249 809)	(36 344 631)
Proceeds from credit interest		268 993 541	210 583 397
<b>Net cash provided from (used in) operating activities</b>		<b>5 785 282 025</b>	<b>(532 692 345 )</b>
<b>Cash flows from investing activities</b>			
(Payments) to acquire fixed assets		(249 719 315)	(59 575 489)
(Payments) to acquire intangible assets		(176 821 004)	(93 207 417)
(Payments) for projects under construction		(26 697 245)	(5 503 068)
Proceeds from the sale of fixed assets		17 355 516	10 884 850
Proceeds to acquire financial investments at fair value through P&L		--	5 000 000
Proceeds from dividends from investments in subsidiaries		44 815 799	37 756 514
(Payments) to acquire investment in subsidiary and associates		(6 772 400)	--
(payment) Dividends distributions		(224 846 059)	--
Net movement of treasury bills - more than three months		(836 393 035)	407 051 584
<b>Net cash (used in) provided from investing activities</b>		<b>(1 459 077 743)</b>	<b>302 406 974</b>
<b>Cash flows from financing activities</b>			
Proceeds during the period from employees (ESOP)		45 774 961	11 608 571
(Payments) for lease liabilities		(11 172 477)	(3 519 619)
Finance Expenses Paid		(8 396 765)	(4 268 125)
<b>Net cash provided from financing activities</b>		<b>26 205 719</b>	<b>3 820 827</b>
Net change in cash and cash equivalents during the period		4 352 410 001	(226 464 544 )
Cash and cash equivalents at beginning of the year		4 424 100 168	3 354 077 130
Changing currency difference for cash and cash equivalents		(1 601 061)	14 585 140
<b>Cash and cash equivalents at end of the period</b>	(13)	<b>8 774 909 108</b>	<b>3 142 197 726</b>

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

**Fawry for Banking Technology and Electronic payments S.A.E.**  
**Notes to the condensed Separate interim Financial Statements**  
**For the Three months ended March 31, 2025**

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**1. General information**

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

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

The condensed separate interim financial statements of the company were approved in the board of directors meeting dated May 14, 2025.

**2. Statement of compliance**

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

**3. Basis of preparation of the separate financial statements**

The condensed separate interim financial statements have been prepared using the same accounting policies which have been applied in the prior year. These condensed separate interim financial statements should be read in conjunction with the annual separate financial statements for the year ended December 31, 2024.

Fawry for Banking and Payment Technology Services S.A.E.  
Notes to the condensed separate interim financial statements  
For the three months ended March 31, 2025

4- Fixed assets

EGP	Land	Buildings	Networks and servers	Points of sales machines	Computers	Furniture and equipments	Leasethold improvements	Vehicles	Right of use asset	Total
<u>Cost</u>										
As of January 1, 2024	52 490 500	134 050 355	201 439 479	733 016 502	85 266 190	23 811 507	91 075 636	149 300	125 705 940	1 447 005 409
Additions during the year	--	--	78 185 011	591 952 782	21 923 692	1 758 592	65 306 570	--	46 803 367	805 930 014
Disposals	--	--	--	( 83 429 943)	--	--	--	--	--	( 83 429 943)
As of December 31, 2024	52 490 500	134 050 355	279 624 490	1 241 539 341	107 189 882	25 570 099	156 382 206	149 300	172 509 307	2 169 505 480
As of January 1, 2025	52 490 500	134 050 355	279 624 490	1 241 539 341	107 189 882	25 570 099	156 382 206	149 300	172 509 307	2 169 505 480
Additions during the period	--	--	4 388	235 391 818	2 848 314	7 157 660	4 317 135	--	12 473 934	262 193 249
Disposals	--	--	--	( 14 109 971)	--	--	--	--	--	( 14 109 971)
As of March 31, 2025	52 490 500	134 050 355	279 628 878	1 462 821 188	110 038 196	32 727 759	160 699 341	149 300	184 983 241	2 417 588 758
<u>Accumulated depreciation</u>										
As of January 1, 2024	--	12 081 728	131 189 562	326 135 921	51 348 630	14 122 188	34 504 079	149 298	35 975 608	605 507 014
Depreciation for the year	--	3 351 258	41 220 411	210 056 811	11 638 347	3 682 788	20 586 684	--	26 012 443	316 548 742
Depreciation of disposals	--	--	--	( 74 581 861)	--	--	--	--	--	( 74 581 861)
As of December 31, 2024	--	15 432 986	172 409 973	461 610 871	62 986 977	17 804 976	55 090 763	149 298	61 988 051	847 473 895
As of January 1, 2025	--	15 432 986	172 409 973	461 610 871	62 986 977	17 804 976	55 090 763	149 298	61 988 051	847 473 895
Depreciation for the period	--	837 815	13 196 135	73 261 543	4 304 767	1 003 098	7 176 540	--	7 660 153	107 440 051
Depreciation of disposals	--	--	--	( 10 664 237)	--	--	--	--	--	( 10 664 237)
As of March 31, 2025	--	16 270 801	185 606 108	524 208 177	67 291 744	18 808 074	62 267 303	149 298	69 648 204	944 249 709
<u>Net book value</u>										
As of December 31, 2024	52 490 500	118 617 369	107 214 517	779 928 470	44 202 905	7 765 123	101 291 443	2	110 521 256	1 322 031 585
As of March 31, 2025	52 490 500	117 779 554	94 022 770	938 613 011	42 746 452	13 919 685	98 432 038	2	115 335 037	1 473 339 049

Fawry for Banking Technology and Electronic payments S.A.E.  
Notes to the condensed Separate interim Financial Statements  
For the Three months ended March 31, 2025

**5. Intangible assets**

<u>EGP</u>	<u>Programs' license</u>	<u>Programs</u>	<u>Total</u>
<b><u>Cost</u></b>			
As of January 1, 2024	118 264 847	696 566 159	814 831 006
Additions during the year	24 588 704	381 492 382	406 081 086
As of December 31, 2024	142 853 551	1 078 058 541	1 220 912 092
Additions during the period	5 232 004	171 589 000	176 821 004
As of March 31, 2025	148 085 555	1 249 647 541	1 397 733 096
<b><u>Accumulated amortization</u></b>			
As of January 1, 2024	32 335 068	180 947 743	213 282 811
Amortization for the year	10 716 987	82 554 547	93 271 534
As of December 31, 2024	43 052 055	263 502 290	306 554 345
Amortization for the period	3 155 710	26 887 024	30 042 734
As of March 31, 2025	46 207 765	290 389 314	336 597 079
<b><u>Net book value</u></b>			
As of March 31, 2025	101 877 790	959 258 227	1 061 136 017
As of December 31, 2024	99 801 496	814 556 251	914 357 747

**6. Projects under construction**

The increase in projects under construction is mainly due to additions with EGP 29,8 Million during the period and the main addition in building by amount EGP 18,6 Million taking into consideration transfers to fixed and intangible assets by amount of EGP 3,1 Million.

**7. Investments in subsidiaries**

The increase in investments in subsidiaries is mainly due to increase investment in Dirac for information system by amount of EGP 1.7 Million.

**8. Investments in associates and joint ventures**

The increase in investments in associates and joint ventures is mainly due to increase investment in VCFO Consulting by amount of EGP 5 Million.

**9. Loans to related parties**

The increase in Loans to related parties is mainly increase due for Fawry for Medium, Small and Micro finance by amount of EGP 36.2 million and increase due for Fawry consumer finance by amount of 196.8 million and increase due for Dirac for information system by amount of EGP 2 Million.

**10. Debtors and other debit balances**

The increase is mainly due to the increase in accrued Revenue by amount of EGP 86 Million and increase in the prepaid expenses by amount of EGP 55.6 Million.

Fawry for Banking Technology and Electronic payments S.A.E.  
Notes to the condensed Separate interim Financial Statements  
For the Three months ended March 31, 2025

**11. Due from related parties**

<u>EGP</u>	<u>Nature</u>	<u>March 31, 2025</u>	<u>December 31, 2024</u>
Fawry Fast Moving Consumer goods Co.	Current account	26 958 174	14 491 673
Fawry insurance Brokerage Co.	Current account	1 617 844	1 075 908
Tazcara Information Technology	Current account	1 500 240	1 500 240
Fawry Gulf Co.	Current account	4 331 964	4 353 951
Fawry Integrated System	Current account	195 286 603	2 547 159
Fawry Plus for Banking Services	Current account	--	1 568 367
Fawry for commercial technologies	Current account	96 033 493	76 466 706
Less: Expected credit losses		(1 500 240)	(1 500 240)
		<b>324 228 078</b>	<b>100 503 764</b>

**12. Treasury bills**

The increase in investing of treasury bills during the first quarter led to increase in the balance of treasury bills by amount of EGP 712.8 Million.

**13. Cash and cash at banks**

<u>EGP</u>	<u>March 31, 2025</u>	<u>December 31, 2024</u>
Cash *	412 461 456	--
Banks current accounts – local currency	2 535 763 808	2 354 096 270
E-Acceptance transactions under settlement	3 733 818 523	991 381 441
Cash at collecting agencies	1 150 148 960	487 408 107
Banks current accounts – foreign currencies	14 947 530	17 699 625
Time deposit – local currencies	511 678 456	10 000 000
Time deposit – foreign currencies	188 881 419	188 937 632
Less: Expected credit losses	(4 803 985)	(4 803 985)
	<b>8 542 896 167</b>	<b>4 044 719 090</b>

\*Cash balance is represented in cash with cash collection representatives “the company’s employees” on March 31, 2025.

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

<u>EGP</u>	<u>March 31, 2025</u>	<u>March 31, 2024</u>
Cash and bank balances	8 542 896 167	2 162 423 772
Treasury bills – less than 3 months	232 012 941	979 773 954
	<b>8 774 909 108</b>	<b>3 142 197 726</b>

**14. Bank credit facilities**

The increase in the account by EGP 45.7 Million is due to the increase in the amount used of the credit facilities during the first quarter.

**15. Provisions**

The increase in the account due to provision formed by amount of EGP 7.1 Million and the purpose for provision formed for future contingent liabilities.

**16. Accounts and notes payable**

The increase in the account is related to the company dues and notes payable during the first quarter which lead to increase in the account by amount of EGP 71.3 million.

**17. Accounts and notes payable – Billers.**

The increase in the account is related to increase the company dues for billers and notes payable during the first quarter which lead to increase the account by amount of EGP 3.9 Billion.

**18. Creditors and other credit balances**

The increase in the account is mainly due to the increase in the accrued expenses by amount of EGP 27 million and the accrued commission by amount of EGP 8.6 Million and increase the balance for Tax authority by amount of EGP 30.9 Million and increase in transactions under settlements by amount EGP 407.4 Million.

**19. Due to related parties**

<u>EGP</u>	<u>Nature of relationship</u>	<u>Account type</u>	<u>March 31, 2025</u>	<u>December 31, 2024</u>
Fawry Dahab Technology	Subsidiary	Current account	111 140 248	110 302 822
Fawry Plus for Banking Services	Subsidiary	Current account	8 956 550	--
			<u>120 096 798</u>	<u>110 302 822</u>

**20. Contingent liabilities**

The balance of contingent liabilities amounted by EGP 2.1 Billion on March 31, 2025, compared to EGP 1.8 Billion on December 31, 2024.

**21. Credit interest**

The increase in the account is mainly due to credit interest on treasury bills by amount of EGP 41.4 Million and loans to related parties interest by amount of EGP 45.7 Million and increase in credit interest on current accounts and time deposit by amount of EGP 68.8 Million.

**22. Operating revenues**

The reason for the increase in revenues is due to the increase in the company's business volume during the first quarter by amount of EGP 347.6 Million.

**23. Operating costs**

The main reason for the increase in the operating cost is due to the increase in cash collection cost by EGP 20 Million and the increase in other expenses by EGP 31 Million and the increase in depreciation and amortization by EGP 34.3 Million and taking into account decrease in merchants' commissions by EGP 23.1 Million.

**24. General and administrative expenses**

The main reason for the increase in the account is due to the increase in salaries and equivalents by an amount of EGP 29.5 Million, and an increase in depreciation and amortization by an amount of EGP 12,1 Million, in addition to the increase in subscription expenses, technical support, communications and services centers by an amount of EGP 15 Million during the period and an increase in premises and insurance expenses by EGP 7.6 Million.

**25. Selling and marketing expenses**

The main reason for the increase in the account is due to the increase in salaries by EGP 28 Million and the increase in sales and marketing commissions by EGP 14.2 Million.

**26. Significant related parties' transactions**

The following are significant related parties' transactions:

<u>EGP</u>	<u>Nature of the Transaction</u>	<u>Transactions during the period</u>
Fawry Dahab for Electronics Services	Cost related to cash collection on behalf of related party	188 432 178
	Electronic Payment services revenues	102 781 188
	Dividends revenue	44 815 799
Fawry for Integrated Systems	Program acquisition from related party	91 823 090
	POS machine acquisition	235 051 492
	Technical support service revenues	3 392 483
Fawry for medium, small and MicroFinance	Loans to related parties	266 533 862
	Credit Interest revenue	17 088 491
Fawry Plus for Banking Services	Cost payment on behalf of related party	34 009 804
	Revenue from electronic payment services	2 801 509
	Branches managing fees for related party	7 566 258
Fawry for FMCG	Electronic Payment services revenue	35 021 116
	Operations revenue on Fawry's Services	501 839
Fawry for consumer finance	Loans to related parties	638 999 891
	Credit Interest revenue	37 101 126
Dirac for information system	Loans to related parties	7 000 000
Fawry for commercial technologies	Services revenue	5 920 257

**27. Share based payments**

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

During the period the company charged total cost for the year shares granted is amounting to EGP Million 14 and total reserve for employee stock ownership plan at the reporting date is EGP 165 Million.

## 28. Earnings per share

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

<u>EGP</u>	<u>March 31, 2025</u>		<u>March 31, 2024</u>	
	<u>Basic</u>	<u>Diluted</u>	<u>Basic</u>	<u>Diluted</u>
Net profit of the period	542 159 069	542 159 069	305 194 838	305 194 838
Weighted average number of shares	3 406 523 244	3 406 523 244	3 406 523 244	3 406 523 244
	<u>0.16</u>	<u>0.16</u>	<u>0.09</u>	<u>0.09</u>

## 29. Tax position

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

### Corporate tax

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

#### The years from establishment until 2017

- The Company was inspected and tax differences were settled.

#### The years from 2018 until 2022

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

#### The years from 2023 until Now

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

### Salaries and wages tax

#### The years from establishment until 2022

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

#### The years 2023 until now

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

### Stamp duty tax

#### The years from establishment until 2020

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

#### The years 2021 until now

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

### Sales tax / VAT tax

#### The years from establishment until November 30, 2020

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

#### The years from December 31, 2020 until now

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

**Withholding tax**

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

**30. Legal Position**

During the third quarter of 2019, a company filed a lawsuit against Fawry for Banking technology and electronic Payments and one of its subsidiaries "the Company" claiming an amount of EGP 82 million under a contract with the company in addition to the legal accrued interest on the said amount. No transactions took place under the aforementioned contract, the legal case is presented for Appeal court.

**31. Subsequent events**

On April 17<sup>th</sup>, 2025, The Monetary Policy Committee of the Central Bank of Egypt decided in its meeting, to decrease the overnight deposit and lending rates and the rate of the main operation of the Central Bank by 225 basis points to 25%, 26% and 25.50%, respectively. The discount rate was also decreased by 225 basis points to 25.50%.