

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

**Condensed Separate Interim Financial Statements
For the six months ended June 30, 2025
Together with Limited Review Report**



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*Translation of Review
Report Originally Issued in Arabic*

Limited Review Report on the condensed separate interim financial statements

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

Introduction

We have reviewed the accompanying condensed separate interim financial statements of Fawry for Banking Technology and Electronic Payments S.A.E. which comprise the condensed separate interim statement of financial position as of June 30, 2025, and the related condensed separate interim statements of profit or loss, comprehensive income, changes in equity and cash flows for the six 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 June 30, 2025, and of its separate financial performance and its separate cash flows for the six months' period then ended in accordance with Egyptian Accounting Standard No. (30)" Interim financial statements".

Cairo – August 13, 2025.



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



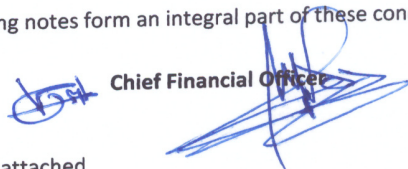
Translation of financial statements

Originally Issued in Arabic

Fawry for Banking and Payment Technology Services S.A.E.
Condensed Separate Interim statement of financial position
as of June 30, 2025

EGP	Note No.	June 30, 2025	December 31, 2024
Assets			
Non-current assets			
Fixed assets	(4)	1 736 578 200	1 322 031 585
Intangible assets	(5)	1 235 282 080	914 357 747
Projects under construction	(6)	153 981 608	136 823 092
Investments in subsidiaries	(7)	817 569 018	814 002 682
Investments in associates and joint ventures	(8)	25 991 429	17 491 429
Investments at fair value through OCI		29 388 425	29 388 425
Deferred tax asset		56 816 701	55 609 544
Loans to related parties	(9)	1 171 245 300	661 203 374
Investments at fair value through P&L		30 075 000	30 075 000
Total non-current assets		5 256 927 761	3 980 982 878
Current assets			
Inventory		32 258 627	9 469 378
Accounts and notes receivable		28 019 677	20 111 477
Debtors and other debit balances	(10)	404 587 276	264 699 398
Advances to billers		491 300 931	485 233 968
Due from related parties	(11)	234 358 500	100 503 764
Treasury bills	(12)	2 485 869 221	1 960 712 462
Cash and cash at banks	(13)	3 922 333 370	4 044 719 090
Total current assets		7 598 727 602	6 885 449 537
Total assets		12 855 655 363	10 866 432 415
Equity & liabilities			
Equity			
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)	167 139 656	150 837 104
Shares for employee stock ownership plan		(29 281 225)	(31 429 708)
Revaluation reserve for Investments at fair value through OCI		(22 911 676)	(22 911 676)
Retained Earnings		3 402 296 297	2 655 160 105
Total equity		5 383 350 305	4 547 498 685
Non-Current liabilities			
Deferred tax liabilities		43 927 701	43 198 385
Lease Liabilities		144 360 636	114 593 810
Total non current liabilities		188 288 337	157 792 195
Current liabilities			
Bank credit facilities	(14)	356 742 724	140 477 017
Provisions	(15)	128 358 785	114 151 592
Accounts and notes payable	(16)	134 823 342	166 608 978
Accounts and notes payable - Billers	(17)	2 819 079 156	2 282 157 396
Merchant advances		2 954 246 389	2 602 659 644
Retailers' POS security deposits		132 856 808	108 901 634
Creditors and other credit balances	(18)	314 732 698	313 447 689
Due to related parties	(19)	155 570 073	110 302 822
Current income tax		262 884 785	302 731 674
Lease Liabilities		24 721 961	19 703 089
Total current liabilities		7 284 016 721	6 161 141 535
Total liabilities		7 472 305 058	6 318 933 730
Total equity and liabilities		12 855 655 363	10 866 432 415

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

 Chief Financial Officer

 Chief Executive Officer

 Chairman

Auditor's report attached

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

Condensed Separate Interim Statement of Profit or Loss

for the Six months ended June 30, 2025

EGP	Note No.	Six months ended		Three months ended	
		June 30, 2025	June 30, 2024	June 30, 2025	June 30, 2024
Operating revenues	(22)	2 223 620 402	1 518 371 513	1 145 957 955	788 394 216
Operating costs	(23)	(623 652 838)	(415 214 217)	(328 169 356)	(210 863 397)
Gross margin		1 599 967 564	1 103 157 296	817 788 599	577 530 819
Add (Less):					
General and administrative expenses	(24)	(505 988 341)	(345 364 548)	(262 166 152)	(178 382 304)
Selling and marketing expenses	(25)	(356 921 677)	(290 399 244)	(180 299 959)	(154 487 231)
Employee Stock Ownership Plan expenses	(27)	(20 579 688)	(38 173 688)	(9 922 278)	(16 248 554)
Board Compensation expenses		(7 080 942)	(3 806 400)	(4 252 942)	(2 100 000)
Medical contribution for Health and insurance		(7 072 301)	(4 647 990)	(3 584 638)	(2 443 043)
Expected credit loss		7 441 722	(5 988 148)	(2 003 478)	(2 661 761)
Formed provisions	(15)	(14 207 193)	(13 003 596)	(7 103 596)	(7 103 597)
Finance costs		(31 877 624)	(19 355 781)	(17 063 764)	(11 275 661)
Gain on revaluation of financial investments through P&L		--	10 062 880	--	2 412 403
Credit interest	(21)	562 170 187	299 190 411	263 465 536	156 585 291
Gain on disposal of fixed assets		23 762 764	9 209 126	9 852 982	911 525
Other revenues		26 431 107	4 145 926	13 988 696	2 365 873
Foreign currency exchange differences		(6 747 568)	17 879 292	(5 146 507)	3 294 152
Operating profit	(26)	1 269 298 010	722 905 536	613 552 499	368 397 912
Dividends from investments in subsidiaries		46 362 172	52 951 321	1 546 373	15 194 807
Profit for the period before tax		1 315 660 182	775 856 857	615 098 872	383 592 719
Current income and deferred tax		(306 380 673)	(183 441 927)	(147 978 432)	(96 372 629)
Net profit for the period after tax		1 009 279 509	592 414 930	467 120 440	287 220 090
Earnings per share for the period - basic	(28)	0.30	0.17		
Earnings per share for the period - diluted	(28)	0.30	0.17		

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 Six months ended June 30, 2025

<u>EGP</u>	<u>Six months ended</u>		<u>Three months ended</u>	
	<u>June 30, 2025</u>	<u>June 30, 2024</u>	<u>June 30, 2025</u>	<u>June 30, 2024</u>
Net profit for the period	1 009 279 509	592 414 930	467 120 440	287 220 090
Other comprehensive income	--	--	--	--
Total other comprehensive income	--	--	--	--
Total comprehensive income	1 009 279 509	592 414 930	467 120 440	287 220 090

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 Six months ended June 30, 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
							<u>EGP</u>
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	--	--	--	--	--	592 414 930	592 414 930
Total comprehensive income						592 414 930	592 414 930
Transactions with company's owners							
Transferred to legal reserve	--	30 542 188	--	--	--	(30 542 188)	--
Exercising of employee stock ownership plan shares	--	--	(133 887 015)	6 144 403	--	127 742 612	--
Formed for employee stock ownership plan shares during the period	--	--	51 018 818	--	--	--	51 018 818
Dividend distribution	--	--	--	--	--	(97 735 003)	(97 735 003)
Total transactions with the company's owners	--	30 542 188	(82 868 197)	6 144 403	--	(534 579)	(46 716 185)
Balance as of June 30, 2024	1 703 261 622	92 581 238	115 684 328	(37 025 656)	(12 252 854)	1 796 114 400	3 658 363 078
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	--	--	--	--	--	1 009 279 509	1 009 279 509
Total comprehensive income						1 009 279 509	1 009 279 509
Transactions with company's owners							
Transferred to legal reserve	--	70 264 393	--	--	--	(70 264 393)	--
Exercising of employee stock ownership plan shares	--	--	(11 522 911)	2 148 483	--	32 967 135	--
Formed for employee stock ownership plan shares	--	--	27 825 463	--	--	--	27 825 463
Dividends distributions	--	--	--	--	--	(224 846 059)	(224 846 059)
Total transactions with the company's owners	--	70 264 393	16 302 552	--	--	(262 143 317)	(173 427 889)
Balance as of June 30, 2025	1 703 261 622	162 845 631	167 139 656	(29 281 225)	(22 911 676)	3 402 296 297	5 383 350 305

Fawry for Banking and Payment Technology Services S.A.E.
Condensed Separate interim statement of cash flows
for the Six months ended June 30, 2025

EGP	Note	Six months ended	
		June 30, 2025	June 30, 2024
Cash flows from operating activities:			
Net profit for the period before tax		1 315 660 182	775 856 857
Adjusted by:			
Depreciation and amortization during the period	(4)	301 349 817	171 111 948
Formed provisions	(15)	14 207 193	13 003 596
Unrealized foreign currency exchange loss.		6 747 568	(17 879 292)
Expected credit loss		(7 441 722)	8 497 507
(Gain) on sale of fixed assets		(23 762 764)	(9 209 126)
Dividends from investments in subsidiaries		(46 362 172)	(52 951 321)
Employee Stock Ownership Plan expenses		20 579 688	38 173 688
Revaluation Gain of Investments at fair value through P&L		--	(10 062 880)
Credit interest	(21)	(562 170 187)	(299 190 411)
Finance costs		31 877 624	19 355 781
Operating gain before change in working capital		1 050 685 227	636 706 347
Changes in working capital			
(Increase) in inventory		(22 789 249)	(863 740)
(Increase) in advances to billers		(6 066 963)	(54 548 793)
(Increase) in debtors and other debit balances		(135 439 047)	(125 963 707)
(Increase) in accounts and notes receivable		(7 908 200)	(18 459 260)
(Increase) in due from related parties		(126 608 961)	(70 252 570)
Increase in accounts and notes payable		(31 785 638)	67 092 767
(Decrease)/Increase in accounts payable– billers		536 921 760	3109 923 331
Increase in due to related parties		45 267 251	24 971 882
Increase in merchants prepaid balances		351 586 745	157 522 653
Increase in retailer’s POS security deposits		23 955 174	20 052 965
Increase in creditors and other credit balances		1 285 014	61 879 693
(Increase) in loans to related parties		(502 600 204)	(316 485 813)
Income tax paid		(317 737 078)	(155 580 520)
Proceeds from credit interest		513 047 921	317 716 948
Net cash provided from operating activities		1 371 813 752	3 653 712 183
Cash flows from investing activities			
(Payments) to acquire fixed assets		(612 468 651)	(362 026 335)
(Payments) to acquire intangible assets		(385 435 659)	(206 469 020)
(Payments) for projects under construction		(17 158 516)	(8 741 798)
Proceeds from the sale of fixed assets		30 485 570	12 419 010
Proceeds to acquire financial investments at fair value through P&L		--	26 795 130
Proceeds from dividends from investments in subsidiaries		46 362 172	52 951 321
(Payments) to acquire investment in subsidiary and associates		(12 066 336)	--
(Payment) Dividends distributions		(224 846 059)	(97 735 003)
Net movement of treasury bills - more than three months		(700 614 623)	(115 541 719)
Net cash (used in) investing activities		(1 875 742 102)	(698 348 414)
Cash flows from financing activities			
(Payment)/Proceeds during the period from overdraft		216 265 707	(23 990 603)
(Payments) for lease liabilities		(25 469 282)	(14 659 345)
Finance Expenses Paid		(17 261 904)	(11 067 484)
Net cash provided from (used in) provided from financing activities		173 534 521	(49 717 432)
Net change in cash and cash equivalents during the period		(330 393 829)	2 905 646 337
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		(6 747 568)	17 879 292
Cash and cash equivalents at end of the period	(13)	4 086 958 771	6 277 602 759

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 Six months ended June 30, 2025

1. General information

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

The purpose of the company is to provide operations services specialized in systems and communications, management, operating and maintenance of equipment and computers networks services and internal systems of banks, networks, and centralized systems, establish operating systems for banking services through the internet, phone and e-payment services and circulation of secured documents electronically 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 August 13, 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.

4- Fixed assets

<u>EGP</u>	<u>Land</u>	<u>Buildings</u>	<u>Networks and servers</u>	<u>Points of sales machines</u>	<u>Computers</u>	<u>Furniture and equipments</u>	<u>Leasehold improvements</u>	<u>Vehicles</u>	<u>Right of use asset</u>	<u>Total</u>
<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	-	-	17 156 223	544 494 032	9 408 380	8 443 680	32 966 336	-	45 639 260	658 107 911
Disposals	-	-	-	(27 522 468)	-	-	-	-	-	(27 522 468)
As of June 30, 2025	52 490 500	134 050 355	296 780 713	1 758 510 905	116 598 262	34 013 779	189 348 542	149 300	218 148 567	2 800 090 923
<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	--	1 675 629	26 306 329	165 797 665	8 667 153	2 206 075	14 757 340	-	17 428 299	236 838 490
Depreciation of disposals	--	--	--	(20 799 662)	--	--	--	--	--	(20 799 662)
As of June 30, 2025	--	17 108 615	198 716 302	606 608 874	71 654 130	20 011 051	69 848 103	149 298	79 416 350	1 063 512 723
<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 June 30, 2025	52 490 500	116 941 740	98 064 411	1 151 902 031	44 944 132	14 002 728	119 500 439	2	138 732 217	1 736 578 200

Fawry for Banking Technology and Electronic payments S.A.E.**Notes to the condensed Separate interim Financial Statements****For the Six months ended June 30, 2025****5. Intangible assets**

EGP	Programs' license	Programs	Total
<u>Cost</u>			
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	7 775 651	377 660 008	385 435 659
As of June 30, 2025	150 629 202	1 455 718 549	1 606 347 751
<u>Accumulated amortization</u>			
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	6 395 040	58 116 287	64 511 327
As of June 30, 2025	49 447 095	321 618 577	371 065 672
<u>Net book value</u>			
As of June 30, 2025	101 182 107	1 134 099 972	1 235 282 080
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 26.8 Million during the period and the main addition in building by amount EGP 16.6 million and furniture by amount EGP 10.1 million taking into consideration transfers to fixed and intangible assets by amount of EGP 9.6 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 2.1 Million and increase investment in Fawry Dahab for Electronics Services by amount of EGP 1.3 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 8.5 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 8,1 million and increase due for Fawry consumer finance by amount of 492,4 million and increase due for Dirac for information system by amount of EGP 2 Million.

Fawry for Banking Technology and Electronic payments S.A.E.
Notes to the condensed Separate interim Financial Statements
For the Six months ended June 30, 2025

10. Debtors and other debit balances

The increase is mainly due to the increase in accrued Revenue by amount of EGP 116.7 Million and increase in the prepaid expenses by amount of EGP 47.9 Million.

11. Due from related parties

<u>EGP</u>	<u>Nature</u>	<u>June 30, 2025</u>	<u>December 31, 2024</u>
Fawry Fast Moving Consumer goods Co.	Current account	18 967 964	14 491 673
Fawry insurance Brokerage Co.	Current account	797 762	1 075 908
Tazcara Information Technology (Associate)	Current account	1 500 240	1 500 240
Fawry Gulf Co.	Current account	4 292 708	4 353 951
Fawry Integrated System	Current account	70 281 047	2 547 159
Fawry Plus for Banking Services	Current account	7 102 475	1 568 367
Fawry for commercial technologies	Current account	132 916 544	76 466 706
Less: Expected credit losses		(1 500 240)	(1 500 240)
		234 358 500	100 503 764

12. Treasury bills

The increase in investing of treasury bills during the Second quarter led to increase in the balance of treasury bills by amount of EGP 525,1 million.

13. Cash and cash at banks

<u>EGP</u>	<u>June 30, 2025</u>	<u>December 31, 2024</u>
Cash *	168 125 790	--
Banks current accounts – local currency	1 185 009 160	2 354 096 270
E-Acceptance transactions under settlement	1 215 038 552	991 381 441
Cash at collecting agencies	1 126 752 929	487 408 107
Banks current accounts – foreign currencies	36 312 471	17 699 625
Time deposit – local currencies	10 110 511	10 000 000
Time deposit – foreign currencies	185 787 942	188 937 632
Less: Expected credit losses	(4 803 985)	(4 803 985)
	3 922 333 370	4 044 719 090

*Cash balance is represented in cash with cash collection representatives “the company’s employees” on June 30, 2025.

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

<u>EGP</u>	<u>June 30, 2025</u>	<u>June 30, 2024</u>
Cash and bank balances	3 922 333 370	6 027 102 346
Treasury bills – less than 3 months	164 625 401	250 500 413
	4 086 958 771	6 277 602 759

14. Bank credit facilities

The increase in the accounts by EGP 216,2 million is due to the increase in the amount used of the credit facilities during the Second quarter.

15. Provisions

The increase in the accounts due to provision formed by amount of EGP 14,2 million and the purpose for provision formed for future contingent liabilities.

Fawry for Banking Technology and Electronic payments S.A.E.
Notes to the condensed Separate Interim Financial Statements
For the Six months ended June 30, 2025

16. Accounts and notes payable

The decrease in the account is related to decrease in Account payable by amount of EGP 36.3 million taking into consideration increase in Notes payable by amount EGP 4.6 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 Second quarter which lead to increase the account by amount of EGP 636.9 Million taking into consideration decrease in notes payable by amount EGP 100 million.

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 68.1 million and the accrued commission by amount of EGP 8.3 million taking into consideration decrease in tax authority balances by amount of EGP 42.5 million during the second quarter.

19. Due to related parties

<u>EGP</u>	<u>Nature of relationship</u>	<u>Account type</u>	<u>June 30, 2025</u>	<u>December 31, 2024</u>
Fawry Dahab Technology	Subsidiary	Current account	155 570 073	110 302 822
			<u>155 570 073</u>	<u>110 302 822</u>

20. Contingent liabilities

The balance of contingent liabilities amounted by EGP 2.1 Billion on June 30, 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 99.8 Million and loans to related parties interest by amount of EGP 88.8 Million and increase in credit interest on current accounts and time deposit by amount of EGP 74.3 Million.

22. Operating revenues

The reason for the increase in revenues is due to the increase in the company's business volume during the second quarter by amount of EGP 705.2 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 42.9 million, increase in banks commission by EGP 46.7 million, increase in depreciation and amortization by EGP 79.1 Million and increase in other expenses by EGP 77.4 Million and taking into account decrease in merchants' commissions by EGP 37.8 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 73.3 Million, and an increase in depreciation and amortization by an amount of EGP 50.4 Million, in addition to the increase in subscription expenses, technical support, communications and services centers by an amount of EGP 25.4 Million and an increase in premises and insurance expenses by EGP 10.5 Million.

Fawry for Banking Technology and Electronic payments S.A.E.**Notes to the condensed Separate interim Financial Statements****For the Six months ended June 30, 2025****25. Selling and marketing expenses**

The main reason for the increase in the account is due to the increase in salaries by EGP 60.9 Million and the increase in sales and marketing commissions by EGP 5.5 Million.

26. Significant related parties' transactions

The following are significant related parties' transactions:

EGP	Nature of the Transaction	Transactions during the period
Fawry Dahab for Electronics Services	Cost related to cash collection on behalf of related party	382 224 472
	Electronic Payment services revenues	208 486 076
	Dividends revenue	46 362 172
Fawry for Integrated Systems	Program acquisition from related party	218 735 599
	POS machine acquisition	544 494 021
	Technical support service revenues	4 251 352
Fawry for medium, small and MicroFinance	Loans to related parties	238 519 438
	Credit Interest revenue	32 580 244
Fawry Plus for Banking Services	Cost payment on behalf of related party	66 111 537
	Revenue from electronic payment services	5 435 916
	Branches managing fees for related party	16 098 253
Fawry for FMCG	Electronic Payment services revenue	78 360 085
	Operations revenue on Fawry's Services	1 055 767
Fawry for consumer finance	Loans to related parties	934 545 955
	Credit Interest revenue	82 211 720
Dirac for information system	Loans to related parties	7 000 000
Fawry for commercial technologies	Services revenue	12 677 300

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 some employees practice their rights with EGP 4.2 Million and charged total cost for the period shares granted for the group & its subsidiaries is amounting to EGP 27.8 Million and total reserve for employee stock ownership plan at the reporting date is EGP 167.1 Million.

Fawry for Banking Technology and Electronic payments S.A.E.
Notes to the condensed Separate interim Financial Statements
For the Six months ended June 30, 2025

28. Earnings per share

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

<u>EGP</u>	<u>June 30, 2025</u>		<u>June 30, 2024</u>	
	<u>Basic</u>	<u>Diluted</u>	<u>Basic</u>	<u>Diluted</u>
Net profit of the period	1 009 279 509	1 009 279 509	592 414 930	592 414 930
Weighted average number of shares	3 406 523 244	3 406 523 244	3 406 523 244	3 406 523 244
	<u>0.30</u>	<u>0.30</u>	<u>0.17</u>	<u>0.17</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. Significant Events During the Reporting Period

On April 17st, 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%.

On May 22st, 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 100 basis points to 24%, 25% and 24.50%, respectively. The discount rate was also decreased by 100 basis points to 24.50%.