

E-Finance For Digital and Financial Investments Company
(S.A.E)
Interim Condensed Separate Financial Statements
For The Financial Period Ended March 31, 2024
And Review Report



Hazem Hassan
Public Accountants & Consultants

Translation of review report
originally issued in Arabic

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Review Report on Interim Condensed Separate Financial Statements

To: Board of Directors of E-Finance for Digital and Financial Investment Company (S.A.E)

Introduction

We have performed a review for the accompanying interim condensed separate statement of financial position of E-Finance for Digital and Financial Investments Company (S.A.E) "Company" as of 31 March, 2024, the related interim condensed separate statements of profit or loss, comprehensive income, changes in equity, cash flows for the period ended 31 March, 2024, a summary of significant accounting policies and other explanatory notes. Management is responsible for the preparation and fair presentation of these interim condensed separate financial statements in accordance with Egyptian Accounting Standard No. (30) "Interim Financial Reporting". Our responsibility is to express a conclusion on these interim condensed separate financial statements based on our review.

Scope of Review

Except as described in the following paragraphs, We conducted our review in accordance with Egyptian Standard on Review Engagements 2410, "Review of Interim Financial Statements Performed by the Independent Auditor of the Entity." A review of interim financial statements consists of making inquiries, primarily of persons responsible for financial and accounting matters in the Company, 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 on these interim condensed separate financial statements.

Base for Conclusion

* As shown in Note 8, 'Financial Investments at Fair Value through Other Comprehensive Income,' The Company evaluated certain equity instruments at fair value through other comprehensive income instead of cost during the fourth quarter of 2023, This is in accordance with the requirements of Egyptian Accounting Standard No. (47) "Financial Instruments". The adjustments did not impact the other comprehensive income statement for the three months ended 31 March, 2023 (comparative figures). Management was unable to obtain a reliable measurement of fair value as of 31 March, 2023. We were unable to determine the financial effects of adjustments related to fair value investments through other comprehensive income and the associated income taxes. Additionally, the impact on the comprehensive income statement, which could have resulted from using fair value for the financial period ending 31 March, 2023, remains indeterminate.

The Company evaluated these investments in equity instruments at fair value in accordance with the requirements of Egyptian Accounting Standard No. (47) "Financial Instruments" on 31 March, 2024.



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Conclusion

Except for the impact of the above paragraph (*), Based on our review, nothing has come to our attention that causes us to believe that the accompanying interim condensed separate financial statements as of 31 March, 2024 are not prepared in all material aspects in accordance to Egyptian Accounting Standard No. (30) "Interim Financial Reporting".

KPMG

KPMG Hazem Hassan
Public accountants and consultants

Cairo,

May 16, 2024



Translation from Arabic

E-Finance for Digital and Financial Investments Company
Interim Condensed Separate Statement of Financial position as of

	Note No.	March 31, 2024 L.E.	December 31, 2023 L.E.
Non current assets			
Fixed assets	5	75 905 650	77 405 393
Right of Use		11 172 721	11 782 141
Prepaid employee benefits		246 001	603 911
Investments in subsidiaries and associate companies	7	1 628 132 940	1 628 132 940
Equity-investment at FVOCI	8	<u>1 341 582 970</u>	<u>1 109 620 609</u>
Total non current assets		<u>3 057 040 282</u>	<u>2 827 544 994</u>
Current assets			
Trade and other receivables	11	638 129 419	147 173 655
Due from related parties	26-1	145 756 345	80 462 996
Loans for subsidiaries	27	109 111 109	105 111 110
Financial investments at amortized cost	10	511 627 226	665 688 580
Equity-investment at FVTPL	6	569 454 370	463 961 532
Cash and cash equivalents	12	953 021 233	989 551 700
Income Tax	(9-3)	-	5 394 529
Total current assets		<u>2 927 099 702</u>	<u>2 457 344 102</u>
Total assets		<u>5 984 139 984</u>	<u>5 284 889 096</u>
Owners equity & Liabilities			
Owners equity			
Paid-up capital	13	924 444 445	924 444 445
Share Premium (Special reserve)	14	1 956 462 107	1 956 462 107
Reserves	17	1 372 602 025	1 191 256 844
Employee Share Option Plan (Share-based Payment)		509 963 127	505 435 841
Treasury Shares	15	(194 484 558)	(196 529 636)
Retained earnings		<u>625 503 372</u>	<u>491 905 600</u>
Total Equity		<u>5 194 490 518</u>	<u>4 872 975 201</u>
Liabilities			
Non- Current Liabilities			
lease liability		10 640 297	11 003 816
Employee benefits Liabilities (End of service)	19	78 525 332	147 090 583
Deferred tax liabilities	(9-2)	<u>223 118 780</u>	<u>172 875 429</u>
Total non current liabilities		<u>312 284 409</u>	<u>330 969 828</u>
Current liabilities			
Trade and other payables	18	51 787 234	78 638 039
lease liability		1 173 998	1 038 611
Income Tax Payable	(9-2)	10 616 953	-
Due to related parties	(26-2)	-	1 267 417
Dividends Payable		<u>413 786 872</u>	<u>-</u>
Total current liabilities		<u>477 365 057</u>	<u>80 944 067</u>
Total Liabilities		<u>789 649 466</u>	<u>411 913 895</u>
Total equity and liabilities		<u>5 984 139 984</u>	<u>5 284 889 096</u>

- The attached notes from (1) to (34) are an integral part of these interim condensed separate financial statements and
- The Review report is attached

Deputy CFO
Mohamed Elhamahmy

MSI



Chairman & Managing Director
Ibrahim Sarhan

Ibrahim Sarhan

Translation from Arabic

E-Finance for Digital and Financial Investments Company

Interim Condensed Separate Statement of Profit or Loss for the financial period from 1 January till 31 March 2024

	<u>Note No.</u>	<u>March 31, 2024</u>	<u>March 31, 2023</u>
		<u>L.E.</u>	<u>L.E.</u>
Revenue	20	528 617 643	308 462 760
Cost of Revenue	21	(54 659 690)	(37 795 194)
Gross profit		473 957 953	270 667 566
Other Income		25 261 039	17 065 817
General and administrative expenses	22	(27 695 143)	(9 766 982)
Employee Share Option Plan (Share-based Payment) Expense	31	(4 527 286)	(2 626 270)
Marketing and selling expenses	21	(10 329 072)	(4 709 768)
Expected Credit Loss		(10 975 593)	
Other expenses		(538 000)	(880 500)
Operating Profit		445 153 898	269 749 863
Finance cost	24	(460 281)	(960 438)
Finance Income	25	178 294 933	109 729 641
Net Finance Income		177 834 652	108 769 203
Net profit for the period before tax		622 988 550	378 519 066
Income tax expense	(9-1)	(76 324 470)	(50 570 145)
Net profit for the period after tax		546 664 080	327 948 921
Basic Earning Per Share	32	0.25	0.15

- The attached notes from (1) to (34) are an integral part of these interim condensed separate financial statements and to be read with them.

Translation from Arabic

E-Finance for Digital and Financial Investments Company

Interim Condensed Separate Statement of Comprehensive income for the financial period from 1 January till 31 March 2024

	<u>31-Mar-24</u>	<u>31-Mar-23</u>
	<u>L.E.</u>	<u>L.E.</u>
Net profit for the period	546 664 080	327 948 921
Actuarial gain from employee benefit plan	2 031 421	3 827 738
Reevaluation gain-investment at FVOCI	231 962 361	—
Income Tax related to other comprehensive income	(52 648 601)	(861 241)
Total other comprehensive income	181 345 181	2 966 497
Total comprehensive Income	728 009 261	330 915 418

- The attached notes from (1) to (34) are an integral part of these interim condensed separate financial statements and to be read with them.

E-Finance for Digital and Financial Investments Company

Translation from Arabic

Interim Condensed Separate Statement of change in shareholders equity from 1 January till 31 March 2024

	Paid-Up Capital	Other Reserves	Reserve resulted from ESOP	Treasury Stock	Share Premium (Special Reserve)	Retained earnings*	Total
	L.E.	L.E.	L.E.	L.E.	L.E.	L.E.	L.E.
Balance as of 1/1/ 2023	924 444 445	563 784 373	247 111 100	(5 036 004)	1956 462 107	478 298 377	4 165 064 398
<u>Comprehensive Income items</u>							
Net profit for the period	-	-	-	-	-	327 948 921	327 948 921
Other comprehensive income	-	2 966 497	-	-	-	2 966 497	2 966 497
Total comprehensive income	-	-	-	-	-	327 948 921	330 915 418
<u>Transaction with the company's shareholders</u>							
Transferred to Legal Reserve	-	(69 713 888)	-	-	-	69 713 888	-
Dividends profits for Employees and Board members	-	-	-	-	-	(67 483 762)	(67 483 762)
Dividends profits for stakeholders	-	-	-	-	-	(404 349 189)	(404 349 189)
Total transaction with shareholders	0	(69 713 888)				(402 119 063)	(471 832 951)
Balance as of March 31 , 2023	924 444 445	497 036 982	247 111 100	(5 036 004)	1 956 462 107	404 128 235	4 024 146 865

*The retained earnings include an amount of 69 million Egyptian pounds transferred from the non-distributable surplus resulting from the split

E-Finance for Digital and Financial Investments Company

- Translation from Arabic

Interim Condensed Separate Statement of change in shareholders equity for the financial from 1 January till 31 March 2024

	Paid-Up Capital	Other Reserves	Reserve resulted from ESOP	Treasury Stock	Share Premium (Special Reserve)	Retained earnings*	Total
	L.E.	L.E.	L.E.	L.E.	L.E.	L.E.	L.E.
Balance as of 1/1/ 2024	924 444 445	1191 256 844	505 435 841	(196 529 636)	1 956 462 107	491 905 600	4872 975 201
Net profit for the period	-	-	-	-	-	546 664 080	546 664 080
Other comprehensive income items	-	181 345 181	-	-	-	-	181 345 181
Total comprehensive income	-	181 345 181	-	-	-	546 664 080	728 009 261
Transaction with the Shareholders's of the company							
Treasury Stock	-	-	-	2 045 078	-	720 563	2 765 641
Granting Share Option Plan to Employees	-	-	4 527 286	-	-	-	4 527 286
Dividends-BOD and Employees	-	-	-	-	-	(75 578 185)	(75 578 185)
Shareholders Dividends	-	-	-	-	-	(338 208 686)	(338 208 686)
Total transaction with the owner's of the company	-	-	4 527 286	2 045 078	-	(413 066 308)	(406 493 944)
Balance as of March 31 , 2024	924 444 445	1372 602 025	509 963 127	(194 484 558)	1 956 462 107	625 503 372	5 194 490 518

*The retained earnings include an amount of 69 million Egyptian pounds transferred from the non-distributable surplus resulting from the split

- The attached notes from (1) to (34) are an integral part of these interim condensed separate financial statements and to be read with them.

Translation from Arabic

E-Finance for Digital and Financial Investments Company

Interim Condensed Separate Statement of Cash flows for the financial period from 1 January till 31 March 2024

	<u>March 31, 2024</u>	<u>March 31, 2023</u>
	<u>L.E.</u>	<u>L.E.</u>
<u>Cash flow from operating activities</u>		
Net profit before tax for the period	622 988 550	378 519 066
<u>Adjustments to reconcile net profit to</u>	-	-
<u>Net cash flow from operating activities</u>		
Fixed assets depreciation	1 577 958	921 356
Amortization of Right of used assets	609 420	-
Dividend income from equity investment at FVOCI	-	(9 079 830)
Dividend income from equity investment at FVTPL	(94 678 049)	-
Investment Income from Financial Assets at Amortized Cost	(32 324 713)	(84 856 213)
Impairment of Due from related parties	10 975 593	-
lease liabilities interest	577 620	-
employee-ESOP Scheme expense	4 527 286	-
Foreign Currency Exchange	-	372 690
Interest from Loan to Subsidiaries	(3 999 999)	-
	510 253 666	285 877 069
Change in Trade and other receivables	(540 770 111)	(364 956 203)
Change in due from related parties	(73 158 915)	(60 100 032)
Change in Trade and other payables	(26 237 158)	(32 684 341)
Change in due to related parties	(1 267 417)	-
Cash flow (used in) operating activities	(131 179 935)	(171 863 507)
Change in Advances to employee-ESOP shares	(4 360 066)	2 178 700
Payment for Employee end of service benefit	(81 513 442)	-
Formed Cost for Employee end of service benefit	11 869 585	11 130 425
Amortization of prepaid employee benefit	380 729	284 500
Dividends to Board and employees Rewards	-	(67 483 762)
Net cash (used in) operating activities	(204 803 129)	(225 753 644)
<u>Cash flow from investing activities</u>		
Proceeds from investments at amortized cost	14 241 941	53 610 198
Proceeds from selling investments at amortized cost	165 679 183	-
Payment of acquisition fixed assets	(78 215)	(447 229)
Payment to acquire equity investments at FVTPL	(10 817 730)	-
Proceeds from dividends of investment at FVTOCI	-	8 171 847
Debit Interest	47 292 172	24 873 428
Credit Interest	(51 292 171)	(24 873 428)
Net cashflow Resulted from investing activities	165 025 180	61 334 816
<u>Cash flow from financing activities</u>		
Proceeds from selling Treasury Stocks	2 765 641	-
lease payments	(805 752)	-
Net cash resulted from financing activities	1 959 889	-
Net change in cash & cash equivalent during the period	(37 818 060)	(164 418 828)
Cash & cash equivalent at beginning of the period	929 616 018	621 616 848
Cash & cash equivalent at end of the period (Note 12)	891 797 958	457 198 020

- The attached notes from (1) to (34) are an integral part of these interim condensed separate financial statements and to be read with them.

1- Company's background**1-1 The Entity**

- The company was established under the name of Raya for Technology of Operating Financial Institutions Company, and the name has been modified to E-finance for Digital and Financial investment Company- S.A.E- an Egyptian joint stock company - Giza Commercial Registry No. 15026 on 08/06/2005 in accordance with the provisions of Law No. 8 of 1997 Law of Guarantees And investment incentives, as amended by Law No. 72 of 2017 and Law No. 159 of 1981 and its executive regulations.
- The company's headquarters: Building No. A3B 82 - Smart Village - Kilo 28 Cairo-Alexandria Desert Road - Giza.
- The duration of the company is twenty-five years, starting from the date of registration in the commercial register.

Shareholders	Ownership %	Country
Saudi Egyptian Investment Company	25.7%	Kingdom of Saudi Arabia
National Investment bank	21.8%	Egypt
Banque Misr (S.A.E)	6.7%	Egypt
Egypt Bank Company for Technology Advancement (S.A.E)	6.7%	Egypt
Egyptian Company for Investment Projects (ECIP) (S.A.E)	6.7%	Egypt
National Bank of Egypt (S.A.E)	6.7%	Egypt
Public Offering shares	25.7%	--
	100%	

1-2 Company's Purpose:

- Leading the digital transformation of financial transactions through companies that the company invests in
- Providing consulting services in the field of digital transformation.

2- Financial statement approval

The interim separate condensed financial statements were approved for issuance by the Company's Board of Directors on May 15th, 2024

3- Basis of preparation of separate financial statement**3-1 Basis of estimation**

The interim separate condensed financial statements are prepared according to the going concern assumption and the historical cost basis, except for financial assets and liabilities that are recorded at fair value through profit or losses or fair value.

3-2 Compliance by the Accounting Standards and Laws:

The attached interim separate financial statements were prepared according to the Egyptian Accounting Standards.

Presentation Currency:

The financial statements were prepared and presented in Egyptian pound, and all the financial data was presented in the Egyptian pound are rounded to the nearest Egyptian pound except for earnings per share, otherwise is stated in the financial statement or its disclosure.

3-3 Consolidated financial statements

The company has subsidiaries and associate companies, and the company is required to prepare consolidated financial statements in accordance with Egyptian Accounting Standard No.42 "Consolidated Financial Statements" and Article 188 of the executive regulations of the Companies Law No. 159 of 1981.

The company prepares consolidated financial statements for its subsidiaries and can be consulted to obtain a picture of the financial position, business results and cash flows of the group as a whole.

3-4 Use of professional judgment and estimates

Preparing these condensed separate financial statements requires management to make judgments and estimates that affect the values of revenues, expenditures, assets and liabilities included in the separate financial statements and the accompanying disclosures, as well as disclosure of contingent liabilities at the date of the financial statements. The uncertainty surrounding these assumptions and estimates may result in results that require significant adjustments to the carrying value of the affected assets and liabilities in future periods.

Estimates and associated assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised.

The following are the main judgments and estimates that materially affect the company's separate financial statements:

Judgment

During the process of applying the company's accounting policies, management has taken the following Judgment that have a significant impact on the amounts recognized in the separate financial statements:

Estimates and assumptions

The following are the main assumptions regarding the future and other major sources of estimation in case of uncertainty in the history of the financial position, which involves significant risk that causes a material adjustment to the carrying values of assets and liabilities during the next financial year. The company made its assumptions and estimates based on the available criteria when preparing the financial statements. However, the current circumstances and assumptions related to future developments may change due to market changes or the existence of conditions beyond the company's control, and these changes are reflected in the assumptions when they occur.

Estimate of expected credit losses

It's an estimated measurement for credit losses, the present value is calculated for all decline in cash (i.e., the difference between the cash flow of the company according to contract and the cash flow the company expect to collect).

Expected credit losses are discounted at the effective interest rate of the financial asset.

Impairment of non-financial assets

The Company assesses whether there are indicators of impairment in the value of non-financial assets in each reporting period. Non-financial assets are tested for impairment of value when there are indications that the carrying amount may not be recoverable. When calculating the value in use,

management estimates the expected future cash flows from the asset or cash-generating unit and chooses the appropriate discount rate in order to calculate the present value of those cash flows.

Defined Benefit Plan

The defined benefit plan cost and the present value of the obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. This includes determining the discount rate, future salary increases, mortality rates, and employee turnover. Due to the complexities involved in valuation and its long-term nature, the defined benefit obligation is highly sensitive to changes in these assumptions, and all assumptions are reviewed at each financial position date.

The factor most subject to change is the discount rate. When determining the appropriate discount rate, the management takes into consideration the market return on high quality (company / government) bonds. The death rate is based on the death tables available in the country. These mortality tables change only at intervals in response to demographic changes. Future salary increases depend on the country's expected future inflation rates.

Fair value measurement

Fair value is the price that would be obtained to sell an asset or that would be paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability either occurs

- In the primary market for the asset, liability, or
- In the absence of the primary market, in the most beneficial market for the asset or liability

The fair value of the asset or liability is measured using the assumptions that market participants will use when pricing the asset or liability on the assumption that market participants will act in their economic interest. The fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits through using the asset in its best and best use or selling it to another participant who will use the asset in its best and best use.

The company uses valuation methods that are considered appropriate according to the circumstances and for which sufficient information is available to measure fair value, while maximizing the use of relevant observable inputs and limiting the use of unobservable inputs.

All assets and liabilities that are measured or disclosed in the financial statements are classified at fair value into categories of the fair value hierarchy. This is described, as follows, based on the lowest level input that is significant to the entire measurement on the fair value measurement as a whole:

- The first level: it is the quoted prices (unadjusted) in an active market for identical assets or liabilities.
- Second level: evaluation techniques in which the lowest level inputs that are important for the entire measurement are directly or indirectly observable.
- Third level: evaluation techniques in which the lowest level inputs that are important for the entire measurement are unnoticed.

4 The most Important applied accounting policies

The accounting policies are applied when preparing the interim condensed financial statements on March 31, 2024, are the same as the accounting policies applied in the separate financial statements on December 31, 2023. The accounting policies that mentioned below are applied in a consistent manner during the financial periods presented in these separate financial statements.

4-1 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, and On March 3, 2024, another decision was issued by the Prime Minister, Decision No. (636) for the year 2024, amending some other 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. (10) amended 2023 "Fixed Assets " and Egyptian Accounting Standard No. (23) amended 2023 "Intangible Assets".	<p>1- These standards were reissued in 2023, allowing the use of revaluation model when subsequent measurement of fixed assets and intangible assets.</p> <ul style="list-style-type: none"> - This resulted in amendment of the paragraphs related to the use of the revaluation model option in some of the applicable Egyptian Accounting Standards, which are as follows: - Egyptian Accounting Standard No. (5) "Accounting Policies, Changes in Accounting Estimates and Errors". - 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. (49) "Leasing Contracts" <p>2- In accordance with the amendments made to the Egyptian Accounting Standard No. (35) amended 2023 "Agriculture", paragraphs (3), (6) and (37) of Egyptian Accounting Standard No. (10) "Fixed assets " have been amended, and paragraphs 22(a), 80(c) and 80(d) have been added to the same standard, in relation to agricultural produce harvested. The Company is not required to disclose the quantitative information required under paragraph 28(f) of Egyptian Accounting Standard No. (5) for the current period, which is the period of the financial statements in which the Egyptian Accounting</p>	The change doesn't have an impact on the financial statement of the Company.	<p>The amendments of adding the option to use the revaluation model are effective for financial periods starting <u>on or after January 1, 2023,</u> <u>retrospectively,</u> cumulative impact of the preliminary applying of the revaluation model shall be added to the revaluation surplus account in equity, at the beginning of the financial period in which the Company applies this model for the first time.</p> <p>These amendments are effective for annual financial periods starting <u>on or after January 1, 2023,</u> <u>retrospectively,</u> cumulative impact of the preliminary</p>

E-Finance for Digital and Financial Investments Company

Notes to The Interim Condensed Separate Financial Statements for the financial period ended March 31, 2024

New or reissued standards	Summary of the most significant amendments	Impact on the financial statements	Effective date
	<p>Standard No. (35) amended 2023 and Egyptian Accounting Standard No. (10) amended 2023 are applied for the first time in relation to agricultural produce harvested. However, the quantitative information required under paragraph 28(f) of Egyptian Accounting Standard No. (5) should be disclosed for each comparative period presented.</p> <p>- The Company may elect to measure an agricultural produce harvested item at its fair value at the beginning of the earliest period presented in the financial statements for the period in which the Company have been applied the above-mentioned amendments for the first time and to use that fair value as its deemed cost on that date. Any difference between the previous carrying amount and the fair value in the opening balance should be recognized by adding it to the revaluation surplus account in equity at the beginning of the earliest period presented.</p>		<p>applying of the accounting treatment for agricultural produce harvested shall be added to the balance of retained earnings or losses at the beginning of the financial period in which the Company applies this treatment for the first time.</p>
<p>Egyptian Accounting Standard No. (34) amended 2023 "Investment property".</p>	<p>1- This standard was reissued in 2023, allowing the use fair value model when subsequent measurement of investment property.</p> <p>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:</p> <ul style="list-style-type: none"> - 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" 	<p>The Company doesn't have this type of asset. Accordingly, this change doesn't have an impact on the financial statement of the Company.</p>	<p>The amendments of adding the option to use the fair value model are effective for financial periods starting <u>on or after January 1, 2023</u> 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.</p>

New or reissued standards	Summary of the most significant amendments	Impact on the financial statements	Effective date
	<ul style="list-style-type: none"> - Egyptian Accounting Standard No. (49) "Leasing Contracts". 		
<p>Egyptian Accounting Standard No. (36) amended 2023</p> <p>"Exploration for and Evaluation of Mineral Resources"</p>	<p>1- This standard was reissued in 2023, allowing the use of revaluation model when subsequent measurement of exploration and valuation assets.</p> <p>2- The Company applies either the cost model or the revaluation model for exploration and valuation assets, the evaluation should carried out by experts specialized in valuation and registered in a register maintained for this purpose at the Ministry of Petroleum, and in the case of applying the revaluation model (whether the model stated in the Egyptian Accounting Standard (10) "Fixed Assets " or the model stated in Egyptian Accounting Standard (23) "Intangible Assets") should</p>	<p>The Company doesn't have this type of asset. Accordingly, this change doesn't have an impact on the financial statement of the Company.</p>	<p>The amendments of adding the option to use the revaluation model are effective for financial periods starting <u>on or after January 1, 2023,</u> <u>retrospectively,</u> cumulative impact of the preliminary applying of the revaluation model shall be added to the revaluation surplus account in equity, at the</p>

New or reissued standards	Summary of the most significant amendments	Impact on the financial statements	Effective date
	consistent with the classification of assets in accordance with paragraph No. (15) of Egyptian Accounting Standard No. (36) amended 2023.		beginning of the financial period in which the Company ' applies this model for the first time.
Egyptian Accounting Standard No. (35) amended 2023 "Agriculture".	This standard was reissued in 2023, where paragraphs (1-5), (8), (24), and (44) were amended and paragraphs (5a) - (5c) and (63) were added, with respect to the accounting treatment of agricultural produce harvested, (Egyptian Accounting Standard (10) "Fixed assets " was amended accordingly).	The Company doesn't have this type of asset. Accordingly, this change doesn't have an impact on the financial statement of the Company.	These amendments are effective for annual financial periods starting <u>on or after January 1, 2023 retrospectively,</u> cumulative impact of the preliminary applying of the accounting treatment for agricultural produce harvested shall be added to the balance of retained earnings or losses at the beginning of the financial period in which the Company applies this treatment for the first time.

New or reissued standards	Summary of the most significant amendments	Potential impact on the financial statements	Effective date
<p>Egyptian Accounting Standard No. (50) "Insurance Contracts".</p>	<p>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.</p> <p>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).</p> <p>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:</p> <ul style="list-style-type: none"> - Egyptian Accounting Standard No. (10) "Fixed Assets". - Egyptian Accounting Standard No. (23) "Intangible Assets". - Egyptian Accounting Standard No. (34) "Investment property". 	<p>The Company is currently assessing the impact of applying this new standard on its financial statements.</p>	<p>Egyptian Accounting Standard No. (50) is effective for annual financial periods starting <u>on or after July 1, 2024</u>, and if the Egyptian Accounting Standard No. (50) shall be applied for an earlier period, the Company should disclose that fact.</p>
<p>Egyptian Accounting Standard No. (34) amended 2024</p>	<p>The Egyptian Accounting Standard No. (34) "Investment Property" was reissued in 2024, to amend the fair value application mechanism by the mandate of recognizing the gain or loss arising from the change in the fair value</p>	<p>The Company doesn't have this type of asset. Accordingly, this change doesn't have an impact on the</p>	<p>The amendments to the amendment of addition of the option to use the fair value model apply to financial</p>

New or reissued standards	Summary of the most significant amendments	Potential impact on the financial statements	Effective date
"Investment Property "	of the investment property in the statement of profit or loss for the period in which the change arises or through the statement of other comprehensive income for one time in the life of the asset or investment, taking into account paragraphs (35a) and (35b) of the standard.	financial statement of the Company.	periods commencing on or after January 1, 2024 with early adaption allowed retrospectively by recognizing the cumulative impact of the application of the fair value model initially by adding it to the opening balance of retained earnings/losses as at the beginning of the financial period in which the Company applies this model for the first time.
Egyptian Accounting Standard No. (17) amended 2024 "Separate Financial Statements"	Egyptian Accounting Standard No. (17) "Separate Financial Statements" was reissued in 2024, adding the option to use the equity method as described in Egyptian Accounting Standard No. (18) "Investments in Sister Companies" when accounting for investments in associates, sister companies and jointly controlled companies.	Management is currently studying the possibility of changing the accounting policy followed and instead use the equity method to account for investments in subsidiaries, associated companies and jointly controlled companies, and assessing the potential impact on the financial statements if this method has been used.	The amendments shall apply to financial periods commencing on or after January 1, 2024 with early adaption allowed retrospectively by recognizing the cumulative impact of the application of the equity method by adding it to the opening balance of retained earnings/losses as at the beginning of the financial

New or reissued standards	Summary of the most significant amendments	Potential impact on the financial statements	Effective date
			period in which the Company applies this method for the first time.
Egyptian Accounting Standard No. (13) amended 2024 "Effects of changes in foreign exchange rates"	<p>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.</p> <p>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.</p>	The Company is currently assessing the impact of applying the amendments of this standard on its financial statements.	<p>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 application, this has to be disclosed. Entity shall not be modifying comparative information and instead should:</p> <ul style="list-style-type: none"> • When the entity reports foreign currency transactions to its functional currency, any effect of the initial application is recognized as

New or reissued standards	Summary of the most significant amendments	Potential impact on the financial statements	Effective date
			<p>an adjustment to the opening balance retained earnings/losses on the date of initial application.</p> <ul style="list-style-type: none"> • 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 cumulative translation adjustment reserve - accumulated in equity section on the date of initial application.
Accounting Interpretation No. (2) "Carbon	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	The management is currently studying the financial implications of applying the accounting	The application starts on or after the first of January 2025,

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New or reissued standards	Summary of the most significant amendments	Potential impact on the financial statements	Effective date
Reduction Certificates"	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".	interpretation to the Company's financial statements.	early adaption is allowed.

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	<u>Lands & Buildings</u>	<u>Computers & Programs</u>	<u>Leaschold Improvements</u>	<u>Furniture, Equipments and electrical appliances</u>	<u>Networks</u>	<u>Total</u>
	<u>L.E.</u>	<u>L.E.</u>	<u>L.E.</u>	<u>L.E.</u>	<u>L.E.</u>	<u>L.E.</u>
<u>Cost</u>						
Cost as of 1/1/2023	86 402 332	1 396 627	802 988	1 437 895	1 999 067	92 038 909
Additions during the year	-	3 809 576	2 166 034	4 541 444	142 948	10 660 002
Cost as of 31/12/2023	86 402 332	5 206 203	2 969 022	5 979 339	2 142 015	102 698 911
<u>Accumulated depreciation</u>						
Accumulated depreciation as of 1/1/2023	19 865 184	636 791	22 304	419 296	17 881	20 961 456
Depreciation of the year	1 992 029	1 166 689	89 221	554 577	529 546	4 332 062
Accumulated depreciation as of 31/12/2023	21 857 213	1 803 480	111 525	973 873	547 427	25 293 518
Net book value as of 31/12/2023	64 545 119	3 402 723	2 857 497	5 005 466	1 594 588	77 405 393

E-Finance for Digital and Financial Investments Company

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5- Fixed Assets

Cost

	<u>L.E.</u>	<u>L.E.</u>	<u>L.E.</u>	<u>L.E.</u>	<u>L.E.</u>	<u>Total</u>
Cost as of 1/1/2024	86 402 332	5 206 203	2 969 022	5 979 339	2 142 015	102 698 911
Additions during the period	-	54 815	-	23 400	-	78 215
Balance as of March 31, 2024	<u>86 402 332</u>	<u>5 261 018</u>	<u>2 969 022</u>	<u>6 002 739</u>	<u>2 142 015</u>	<u>102 777 126</u>

Accumulated depreciation

Accumulated depreciation as of 1/1/2024	21 857 213	1 803 480	111 525	973 873	547 427	25 293 518
Depreciation of the period	498 007	572 008	82 473	281 594	133 876	1 577 958
Accumulated depreciation as of March 31, 2024	<u>22 355 220</u>	<u>2 375 488</u>	<u>193 998</u>	<u>1 265 467</u>	<u>681 303</u>	<u>26 871 476</u>
Net book value as of March 31, 2024	<u>64 047 112</u>	<u>2 885 530</u>	<u>2 775 024</u>	<u>4 737 272</u>	<u>1 460 712</u>	<u>75 905 650</u>

The burden of depreciation for the year was allocated to various expense items according to the relationship between fixed assets items and the different departments within the company*

	<u>31 March 2024</u>	<u>31 March 2023</u>
	<u>L.E.</u>	<u>L.E.</u>
Cost of Revenue (Note22)	1 079 951	423 349
General & Administrative expenses (Note23)	498 007	498 007
	<u>1 577 958</u>	<u>921 356</u>

6 Equity investment at FVTPL

On June 20, 2023, the company's board of directors decided to allocate 15% of the company's available cash as a maximum portfolios, provides that these portfolios are assigned to three or four major portfolio management companies in the market with a stop loss point at the level of 20% and accordingly, the company has already started investing at the and the following is a statement of these investments at the date of Condensed Separate Financial Statements:

<u>Beginning Balance</u>	<u>Profit Returned</u>	<u>Profit of Revaluation</u>	<u>Dividend</u>	<u>Tax Dividend</u>	<u>Commissions</u>	<u>Available Liquid</u>	<u>Balance 31 March 2024</u>
<u>L.E</u>	<u>L.E</u>	<u>L.E</u>	<u>L.E</u>	<u>L.E</u>	<u>L.E</u>	<u>L.E</u>	<u>L.E</u>
463 961 532	91 749 012	2 870 216	58 822	(2 941)	4 715 848	6 101 881	569 454 370

<u>Beginning Balance</u>	<u>Profit Returned</u>	<u>Profit of Revaluation</u>	<u>Dividend</u>	<u>Tax Dividend</u>	<u>Commissions</u>	<u>Available Liquid</u>	<u>Balance 31 December 2023</u>
<u>L.E</u>	<u>L.E</u>	<u>L.E</u>	<u>L.E</u>	<u>L.E</u>	<u>L.E</u>	<u>L.E</u>	<u>L.E</u>
400 000 000	12 760 667	50 978 258	5 425 330	(271 267)	1 170 538	(6 101 994)	463 961 532

7 Investments in subsidiaries and Associate Companies

	<u>Investment Classification</u>	<u>%</u>	<u>March 31, 2024</u> <u>L.E</u>	<u>December 31, 2023</u> <u>L.E</u>
Khales for Digital Payment Services Company (S.A.E.) - A	Subsidiary	%70	81 817 685	81 817 685
Smart Card Operation Technology Company E-novate (S.A.E) - B	Subsidiary	%89	335 033 535	335 033 535
The Technology Company for Ecommerce Operations E-Aswaaq Misr (S.A.E) - C	Subsidiary	%61	124 646 005	124 646 005
E-nable for Outsourcing Services (eNable) (S.A.E) - D	Subsidiary	99.98 %	85 170 620	85 170 620
Technological Operation for Financial Institution E-finance Company (S.A.E) -E	Subsidiary	99.99 %	861 465 195	861 465 195
Total investment in subsidiaries			1 488 133 040	1 488 133 040
Technological Operation for Tax solutions e tax (S.A.E) - F	Sister	%35	34 999 975	34 999 975
Insurance Services Operation Technology Company (S.A.E) – G	Sister	%35	104 999 925	104 999 925
Total Investment in Associates			139 999 900	139 999 900
Total Investment in Associate and subsidiaries			1 628 132 940	1 628 132 940

The financial investments in subsidiaries are represented in the following: -

* The value of the company's contribution of 70% in the issued capital of Khales for Digital Payment Services Company (S.A.E), and the payer represents 100% of the company's share in the issued capital, which was established by registration in the Commercial Register No. 144515 on December 30, 2019 (An additional investment value has been added for 1 054 730 shares at a discounted price that were granted to Khales employees at a value of 4 723 406 Egyptian pounds).

** The value of the company's contribution of 89% in the issued capital of the Smart Card Operation Technology Company Enovate (S.A.E), and the payer represents 100% of the company's share in the issued capital, which was established by registration in the Commercial Register No. 146132 on January 29, 2020. (An additional investment value has been added for 563 220 shares at a discounted price that were granted to Enovate employees at a value of 6 265 968 Egyptian pounds).

*** The value of the company's contribution of 61% in the issued capital of The Technology Company for Ecommerce Operations E-Aswaaq Misr (S.A.E) and the payer represents 100% of the company's share in the issued capital, which was established by registration in the Commercial Register No. 150444 on 1 July, 2020. (An additional investment value has been added for 1 052 780 shares at a discounted price that were granted to E-Aswaaq Misr employees at a value of 4 971 570 Egyptian pounds). According to the meeting held on June 15, 2023, the Board of Directors decided to increase the company's authorized capital by an amount of 140,000,000 Egyptian pounds, with the company's share being 400,850,000 Egyptian pounds.

**** The value of the company's contribution of 99.98% in the issued capital of the E-nable for Outsourcing Services (eNable) (S.A.E) and the payment represents 25% of the company's share in the issued capital, which was established by registration in the Commercial Register No. 159506 on 29 -December-2020. (An additional investment value has been added for 908 644 shares at a discounted price that were granted to eNable employees at a value of 10 175 620 Egyptian pounds). According to the meeting held on 13/3/2023, the Board of Directors has decided to complete 50% of the company's share in the issued capital, with a value of 49,990,990 Egyptian pounds.

***** The value of the company's contribution of 99.99% in the issued capital of the Technological Operation for Financial Institution E-finance Company (S.A.E), and the payer represents 100% of the company's share in the issued capital, which was established by registration in the Commercial Register No. 159585 dated on December 30, 2020. (An additional investment value has been added for 22 440 800 shares at a discounted price that were granted to Technological Operation for Financial Institution E-finance employees at a value of 261 507 658 Million Egyptian pounds).

***** The value of the company's contribution of 35% in the issued capital of the Technological Operation for Tax solutions e-tax (S.A.E), and the payer represents 25% of the company's share in the issued capital, which was established by registration in the Commercial Register No. 161093 dated on February 1, 2021.

***** The value of the company's contribution of 35% in the issued capital of the Insurance Services Operation Technology Company E-Health (S.A.E), and the payer represents 25% of the company's share in the issued capital, which was established by registration in the Commercial Register No. 172265 dated on September 13, 2021. According to the meeting held on February 28, 2023, the Board of Directors decided to call for the payment of 69,999,950 Egyptian pounds from the company's share of the authorized capital, making the paid-up capital percentage 75%.

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Equity investment at FVTOCI

The financial investments in subsidiaries are represented in the following: -

	Investment Value	
	March 31, 2024	December 31, 2023
	<u>L.E</u>	<u>L.E</u>
Balance of financial investment at FVTOCI	1 341 582 970	1 109 620 609
	<u>1 341 582 970</u>	<u>1 109 620 609</u>

- Represent the following:

- Misr for Government Technological Services- ESERVE (S.A.E)
- Misr Technology Services (MTS)
- Delta Misr Company (S.A.E)
- El Alameya for Consultations and Information Systems (ACIS)
- Nclude FinTech Innovation Fund (Limited Partnership)
- Other Investments

	Net Book Value		Fair Value	
	FVTOCI	FVTP&L	L1	L3
March. 31, 2024				
Financial Instruments	1 341 582 970	569 454 370	569 454 370	1 341 582 970
December. 31, 2023				
Financial Instruments	1 074 319 294	463 961 532	463 961 532	1 109 319 294

8 Tax

9-1 Income tax

	<u>Period Ended March 31, 2024</u>	<u>Period Ended March 31, 2023</u>
	<u>L.E</u>	<u>L.E</u>
Current Income Tax Expenses	19 400 074	6 010 345
Share Dividends Tax	2 941	-
Tax dividends income from equity investments through OCI	-	907 983
Tax dividends income from equity investments in subsidiaries	52 861 763	29 938 293
Treasury bills tax	6 464 942	16 971 243
Deferred tax (Benefit)	(2 405 250)	(3 257 719)
Current and deferred tax expense	<u>76 324 470</u>	<u>50 570 145</u>
Deferred income tax on other comprehensive income	<u>52 648 601</u>	<u>861 241</u>

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9-2 Deferred tax

Deferred tax assets (liabilities) recognized.

	March 31, 2024		December 31, 2023	
	Assets	Liabilities	Assets	Liabilities
	<u>L.E</u>	<u>L.E</u>	<u>L.E</u>	<u>L.E</u>
Depreciation of fixed assets	-	3 588 479	-	3 597 104
Employee benefit liability	35 321 958	-	33 095 382	-
FVTP&L	-	5 384 847	-	5 097 826
FVTOCI	-	249 467 412	-	197 275 881
	35 321 958	258 440 738	33 095 382	205 970 811
Net deferred tax Liability	-	223 118 780		172 875 429

Deduct: the previously charged deferred tax Liability 172 875 429

Deduct: the deferred tax assets charged to the statement of other comprehensive income **52 648 601**

Deferred taxes for the period (Benefit) (2 405 250)

B Adjustment of the effective tax rate

	Period Ended		Period Ended	
	March 31, 2024		March 31, 2023	
	<u>L.E</u>		<u>L.E</u>	
Net Profit of the period before Tax		633 964 143		378 556 807
Income Tax Based on Tax rate	%22.5	142 641 932	%22.5	85 175 282
Expenses that are not deductible and others		(59 774 346)		(46 318 085)
Revenues exempted		(529 042 019)		(305 526 077)
The tax Base		45 147 778		26 712 645
Current and deferred income tax	%12.04	76 324 471	%13.36	50 570 145

9-3 Income Tax payable

	March 31,	December
	<u>2024</u>	<u>31,2023</u>
	<u>L.E</u>	<u>L.E</u>
Income Tax (Debit) at the beginning of the period	(5 394 529)	(8 758 797)
Formed during the period / Year	19 400 074	1 470 008
Withholding Tax	(4 002 238)	-
Income tax paid on consulting services	613 646	1 894 260
	10 616 953	(5 394 529)

9-4 Tax position

A) corporate tax

- The company had tax exemption until December 31, 2017, and the company was subject to tax according to the letter of the General Authority for Investment and Free Zones, starting from January 1, 2018.
- The company submits the tax return on the corporate profits tax on the legal dates, and the company pays the tax due based on these returns.
- The tax examination of the company was carried out and the dispute was ended for the years 2005/2007, and the company paid all the tax differences.
- The company's tax examination for the years 2008/2009 was re-examined and the inspections and dispute for the years 2008/2015 were ended and the tax settlements was ended with a tax 3 052 209 EGP and the payment was made.
- The years 2016/2020 have been examined and the forms are being extracted.

B) Payroll tax

- The company's tax inspection and assessment were carried out from the beginning of the activity until 2016, and all dues were paid.
- The company has been examined for the years 2017 and 2018 and the difference has been paid.
- The company being examined for the years from 2019/2020
- Year 2021 / 2022 are under inspection.

C) General sales tax and value added tax

- The tax was examined for the company until 2015, and the company was informed of the tax differences of 258 thousand Egyptian pounds, which were fully paid.
- The tax was examined for the company from 2016 till 31 December 2018, and the tax differences fully paid.
- The Years from 2019 to November 2020 are currently being examined.
- 1/12/2020 till 31/12/2022 Under Inspection.

D) Stamp Tax

- The tax was examined for the company from the beginning of the activity until 2014.
- The Years from 2015 to 2020 are currently being examined.

E) Withholding taxes

- Withholding taxes is paid on legal dates.
- The company has not received any tax claims to date.

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10 Financial investments carried by amortized cost.

<u>Purchasing value</u>	<u>Purchasing date</u>	<u>Due date</u>	<u>Return Percentage</u>	<u>Duration</u>	<u>Net Return</u>	<u>Balance as of March 31, 2024</u>	<u>Face Value</u>
L.E					L.E	L.E	L.E
500 009 396	22/2/2024	21/5/2024	27.18%	89	11 617 830	511 627 226	533 150 000
<u>500 009 396</u>					<u>11 617 830</u>	<u>511 627 226</u>	<u>533 150 000</u>

11 Debtors and other debit balances

	<u>March 31, 2024</u>	<u>December 31, 2023</u>
	<u>L.E</u>	<u>L.E</u>
Accounts receivables	9 184 478	-
	<u>9 184 478</u>	<u>-</u>
Prepaid expenses	1 716 634	1 440 794
Deposits with others	651 200	651 200
Value added tax (VAT)	15 025 192	15 860 145
Prepaid employee benefits	22 847 690	1 522 916
Withholding Tax	-	4 002 238
coverage of the guaranteed letters*	25 439 221	25 439 221
Supplier Advance Payment	2 366 187	2 447 115
Accrued Revenue **	31 398 457	38 280 418
Accrued dividends income	523 126 741	47 370 863
ESOP Employee's share	1 126 000	5 486 066
Other	5 247 619	4 672 679
	<u>638 129 419</u>	<u>147 173 655</u>

* The coverage of the letters of guarantee represents the held amounts against letters of Guarantee issued on behalf of a subsidiary company until the completion of procedures for granting credit facilities to the same bank from which the guaranteed letters were issued to Move this Cash Cover to the Subsidiary.

** The value of accrued revenues consists of rental revenue for subsidiaries (Enovate) (formerly E cards) and (E Finance Financial Facilities Operation Technology Company) in the amount of 25,660,816 Egyptian pounds. Additionally, dividend distributions from previous years for (Enovate) (formerly E cards) amount to 5,737,641 Egyptian pounds.

12 Cash and cash Equivalents

	<u>March 31, 2024</u>	<u>December 31, 2023</u>
	<u>L.E</u>	<u>L.E</u>
Banks – Saving Accounts	881 446 672	918 407 077
Banks - time deposits	54 700 327	54 700 327
Investment funds*	16 874 234	16 444 296
Balance of cash and cash equivalents	<u>953 021 233</u>	<u>989 551 700</u>

*** Investment Funds**

	<u>March 31, 2024</u>	<u>December 31, 2023</u>
	<u>L.E</u>	<u>L.E</u>
Themar Fund, QNB	8 223 275	7 848 846
Sioula Fund	8 514 584	8 464 637
Youm by youm Account - Bank Misr	136 375	130 813
	<u>16 874 234</u>	<u>16 444 296</u>

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

	<u>March. 31, 2024</u>	<u>March. 31, 2023</u>
	<u>L.E</u>	<u>L.E</u>
Cash and cash equivalents	953 021 233	517 133 502
<u>Deduct:</u>		
Restricted against loan for associate	(53 000 000)	(53 000 000)
Mortgaged cash investment fund against letters of guarantee in favor of others	(8 223 275)	(6 935 482)
Cash and cash equivalents for the purpose of preparing the cash flow statement	<u>891 797 958</u>	<u>457 198 020</u>

13 Capital

13-1 The authorized capital

The company's authorized capital has been set at 4 billion Egyptian pounds (four billion Egyptian pounds) after increasing it from 3.5 billion Egyptian pounds to four billion Egyptian pounds, an increase of 500 million Egyptian pounds based on the decisions of the extraordinary general assembly meeting of the company held on 20 December 2020

13-2 Issued and paid-up capital

- The issued capital on the date of the company's incorporation amounted to 60 million Egyptian pounds distributed over 600 thousand shares with a par value of 100 Egyptian pounds in the commercial register on 16 August 2005.
- The issued capital was increased by 60 million Egyptian pounds based on the decision of the extraordinary general assembly meeting of the company held on December 20, 2006, so that the issued and paid-up capital of the company became 120 million Egyptian pounds.
- The extraordinary general assembly held on December 11, 2013 decided to transfer an amount of 55 million Egyptian pounds (fifty-five million Egyptian pounds) from the general reserve to increase the

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issued and paid-up capital of the company to become the issued and paid-up capital after the increase of 175 million Egyptian pounds (one hundred seventy five million Egyptian pounds) distributed in the same proportions of ownership of the shareholders and this was entered in the Commercial Registry on May 20, 2014.

- The extraordinary general assembly held on March 24, 2016 decided to transfer an amount of 50 million Egyptian pounds (fifty million Egyptian pounds) from the general reserve to increase the issued and paid-up capital of the company to become the issued and paid-up capital after the increase is 225 million Egyptian pounds (two hundred twenty five million Egyptian pounds) Distributed in the same proportions of shareholder ownership and this was entered in the Commercial Registry on August 1, 2016.
- The extraordinary general assembly convened on November 20, 2016 decided to increase the issued capital of the company by an amount of 22.5 million Egyptian pounds (twenty-two million five hundred thousand Egyptian pounds) to make the issued capital after the increase 247.5 million Egyptian pounds (two hundred forty-seven million five hundred thousand Egyptian pounds) And the payment of it is 236.250 million Egyptian pounds (two hundred thirty-six thousand and two fifty thousand Egyptian pounds) with the reduction of ownership percentages for shareholders after the entry of a new shareholder, the Egyptian Company for Investment Projects, by 9.09%, and this was indicated in the commercial register on December 29, 2016.
- The extraordinary general assembly held on March 21, 2018, decided to increase the issued capital of the company by an amount of 103 million Egyptian pounds (one hundred and three million Egyptian pounds) transferred from reserves and retained earnings, so that the issued capital after the increase becomes 350.5 million Egyptian pounds (three hundred fifty million five hundred thousand Egyptian pounds) paid in full distributed in the same proportions of shareholder ownership.
- The minutes of the Board of Directors held on November 13, 2018 decided to increase the issued capital of the company by an amount of 149.5 million Egyptian pounds (one hundred forty-nine million five hundred thousand Egyptian pounds) so that the issued capital after the increase becomes 500 million Egyptian pounds (five hundred million Egyptian pounds) paid in full distributed in the same Shareholders ownership percentages and this was entered in the Commercial Registry on December 19, 2018.
- The Extraordinary General Assembly held on December 23, 2019, decided to increase the issued capital by an amount of 300 million Egyptian pounds, to make the issued capital 800 million Egyptian pounds (eight hundred million Egyptian pounds) paid in full, and the entry was made in the company's commercial register on December 15, 2019.
- The extraordinary general assembly convened on December 23, 2019, decided to amend the par value of the share to 0.5 Egyptian pounds (fifty piasters) instead of 100 Egyptian pounds (one hundred Egyptian pounds) so that the issued capital becomes 800 million Egyptian pounds (eight hundred million Egyptian pounds) distributed on 1.6 billion shares,
- The Extraordinary General Assembly held on October 13, 2021 decided to increase the capital by an amount of 88 888 889 Egyptian pounds (eighty-eight million eight hundred and eighty-eight thousand eight hundred and eighty-nine Egyptian pounds) so that the issued capital amounted to 88 888 889 Egyptian pounds (Eight hundred eighty-eight Egyptian pounds) One million eight hundred and eighty-eight thousand eight hundred and eighty-nine Egyptian pounds) distributed over the number of 1 777 777 778 shares.
- The Extraordinary General Assembly, held on September 15, 2021, decided to approve authorizing the company's board of directors to take the necessary measures to increase the issued capital by 4%, by issuing 71 111 111 shares, with a nominal value of fifty piasters per share, with a total value of 35 555 556 pounds so that the Issued capital amounted to 924 444 445 Egyptian pounds distributed over 1 848 888 889, provided that the increase is limited to ESOP system. On January 31, 2022, the company's

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board of directors convened to approve the increase, and the commercial register was entered on March 17, 2022 to be 3.84% After Increase.

- The General Assembly of the company, convened on May 13, 2024, decided to utilize an amount of 231,111,111 Egyptian pounds from the reserves, as indicated in the financial statements dated December 31, 2023. This decision aims to increase the issued and paid-up capital from 924,444,444.50 Egyptian pounds to a total of 1,155,555,555.50 Egyptian pounds, with an increase of 231,111,111 Egyptian pounds. This increase will be distributed among 462,222,222 shares, each with a nominal value of fifty piasters. These shares will be distributed to shareholders as free shares, with one share allocated for every four shares held, while fractional adjustments will be made in favor of small shareholders.

14 Share Premium

Capital of E-Finance for Financial and Digital Investments S.A.E has been increased. With a number of 177 777 778 shares at a price of 13.98 pounds per share, the value of those shares has been collected with a total amount of 2 485 333 336 Egyptian pounds and this value has been reduced by direct expenses related to the issuance of capital increase shares amounting to 50 828 426 Egyptian pounds, as well as by the nominal value of the shares amounting to 88 888 889 Egyptian pounds, so the share premium balance on December 31, 2021 amounted to 2 345 616 021 Egyptian pounds. Share premium has transferred to the Legal reserve to be decreased by 389 153 914 on September 30, 2022, then the balance of Share premium reserve became 1 956 462 107 LE.

15 Treasury Stocks

- On September 8, 2022, the company's board of directors decided to buy treasury shares, up to a maximum of 5% of the total company shares, over a period of 9 months, with purchases to be made through the local market at market prices.
- On November 14, 2023, the company's board of directors decided to continue purchasing treasury shares, up to a maximum of 1% (18.8 million shares) of the total company shares, not exceeding 250 million pounds, in accordance with the new regulations governing treasury shares.

Below is a statement of the purchasing transactions carried out during the fiscal year:

	March. 31, 2024		December. 31, 2023	
	L.E	Shares	L.E	Shares
Balance at the beginning of the year	196 529 636	10 542 886	5 036 004	366 767
Purchased share during the year	-	-	196 551 415	10 544 119
Sold shares during the year / period	(2 765 641)	(115 619)	(6 997 195)	(368 000)
Transferred to Retained earnings due to selling shares	720 563	-	1 939 412	-
Balance at the end of the year	194 484 558	10 427 267	196 529 636	10 542 886

16 Credit facilities.

<u>Bank</u>	Authorized facility limits on March 31, 2024 L.E or Its equivalents of Foreign Currency	Used until March 31, 2024 <u>L.E</u>	<u>Nature of facility</u>
Banque Misr	31 000	-	Limit to issuing local letters of guarantee
QNB	2 000 000	-	Limit to issuing local letters of guarantee
National Bank of Egypt	290 000	-	Limit to issuing local letters of guarantee
Total	2 321 000	-	Limit to issuing local letters of guarantee

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17 Reserves

	<u>March 31, 2024</u>	<u>December 31, 2023</u>
	<u>L.E</u>	<u>L.E</u>
Legal Reserve *	488 788 952	488 788 952
General Reserve **	20 000 000	20 000 000
Other reserves ****	4 536 430	2 962 079
Investment Revaluation reserve*****	859 276 643	679 505 813
	<u>1 372 602 025</u>	<u>1 191 256 844</u>

* In accordance with the requirements of the Companies Law and the Company's Articles of Association, 5% of the annual net profit is deducted to form a legal reserve. The legal reserve is used to increase the share capital or reduce the company's losses. The deduction of this percentage stops when the reserve balance reaches 50% of the issued capital of the company, and in the case that this reserve falls below the mentioned percentage, the formation of this amount must be set aside.

** According to Article (54) of the company's articles of association, an extraordinary reserve is formed based on the proposal of the company's board of directors and approved by the general assembly in March 19,2019 to form 20 million pounds as general reserve.

*** According to Demerge Project that issued from GAFI on 15 December 2020 which approved from general assembly on 20 December 2021 that stated exclude the properties (Land and Building) along with related retained earnings, so the company has decreased the retained earnings by 69 713 888 EGP from the retained earnings of 2020 under account Demerge Reserve.

**** Other Reserves includes Actuarial gain in other comprehensive income.

18 Trade and other Payables

	<u>March 31,</u>	<u>December</u>
	<u>2024</u>	<u>31,2023</u>
	<u>L.E</u>	<u>L.E</u>
Accounts payable	8 050 951	23 343 520
	<u>8 050 951</u>	<u>23 343 520</u>
<u>Other credit balance</u>		
Accrued expenses	29 471 598	33 024 692
Payroll tax	3 433 819	15 888 174
Withholding tax	3 645 037	3 749 743
Board of Directors Rewards	6 862 022	2 289 199
Other Credit balances	323 807	342 711
Total other credit balances	<u>51 787 234</u>	<u>78 628 039</u>

19 Liability of the employee benefits system - (end of service benefits)

Based on the decision of board of directors on March 9, 2010, it has been decided to approve the end of service benefit system for the employees and the managing director, whereby the company's employees benefit from it upon the end of their service period in the company in accordance with the conditions specified in the regulations approved by the company's board of directors, provided that the company's management invests the system's funds the best possible investment.

19-1 Movement in the present value of the employee (end of service) benefit plan

	March 31, 2024 <u>L.E</u>	December 31, 2023 <u>L.E</u>
Liability at beginning of the year	147 090 583	95 564 656
Interest Cost	4 226 759	14 812 522
Current service cost	7 642 827	24 615 131
Transferred to subsidiaries	-	-
Transferred from subsidiaries to the holding	3 110 021	9 736 149
Actuarial (gain) on the liability recognized in other comprehensive income	(2 031 421)	2 362 125
End of service – Paid During the Year	(3 052 292)	-
On advance Payment	(78 461 150)	-
Liabilities at end of the Period	78 15 332	147 090 583

19-2 The amounts recognized in the separate statement of profit or loss.

	March 31, 2024 <u>L.E</u>	Mar 31, 2023 <u>L.E</u>
The interest cost	4 226 759	3 464 219
Current Service Cost	7 642 827	7 666 206
	11 869 586	11 130 425

20 Revenue:

	<u>Period Ended</u> <u>March 31, 2024</u> <u>L.E</u>	<u>Period Ended</u> <u>March 31, 2023</u> <u>L.E</u>
Dividend income from equity investments through FVOCI	-	10 829 829
Dividend income from financial investments in subsidiaries and Associates	528 617 643	297 632 931
	528 617 643	308 462 760

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21 Cost of Revenue

	<u>Period Ended</u> <u>March 31, 2024</u>	<u>Period Ended</u> <u>March 31, 2023</u>
	<u>L.E</u>	<u>L.E</u>
Salaries and Wages	37 973 753	23 425 420
Employees reward		75 879
Cost of the employee benefit System	11 869 586	11 130 424
Maintenance cost	199 824	20 282
Depreciation of Fixed Assets (Note5)	1 079 951	423 349
Professional Technical support	3 155 847	2 433 802
Employee benefits (cars)	380 729	286 038
	<u>54 659 690</u>	<u>37 795 194</u>

22 General and Administrative Expenses

	<u>Period Ended</u> <u>March 31, 2024</u>	<u>Period Ended</u> <u>March 31, 2023</u>
	<u>L.E</u>	<u>L.E</u>
Depreciation of fixed assets (Note 5)	498 007	498 007
Amortization of right use	609 420	-
Consulting	1 451 163	1 873 974
Facility Expenses	288 484	611 033
Maintenance Expenses	243 366	76 820
Rent	21 700	529 264
Donations	13 033 500	2 000 000
Hospitality	521 106	500 598
Office Stationery	116 280	383 695
Gifts	804 844	-
Training Provision 1%	5 632 724	-
Car expenses	100 972	245 064
Stock Dealing Commission	2 301 345	1 794 731
Other expenses	2 072 232	1 253 796
	<u>27 695 143</u>	<u>9 766 982</u>

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23 Selling and Marketing Expenses

	<u>Period Ended</u> <u>March 31, 2024</u>	<u>Period Ended</u> <u>March 31, 2023</u>
	<u>L.E</u>	<u>L.E</u>
Exhibitions	7 947 037	823 504
Public Relations	2 012 997	548 490
Website	25 814	376 314
Subscription	294 824	-
Photographic	-	1 539 000
Advertisements	-	199 100
Other Marketing Expenses	48 400	1 223 360
	<u>10 329 072</u>	<u>4 709 768</u>

24 Finance Expenses

	<u>Period Ended</u> <u>March 31, 2024</u>	<u>Period Ended</u> <u>March 31, 2023</u>
	<u>L.E</u>	<u>L.E</u>
Bank charges	80 535	587 748
Lease contracts – Finance expenses	577 620	-
Net Foreign currencies exchange Loss / (Gain)	(197 874)	372 690
	<u>460 281</u>	<u>960 438</u>

25 Finance income

	<u>Balance as of</u> <u>March 31, 2024</u>	<u>Balance as of</u> <u>March 31, 2023</u>
	<u>L.E</u>	<u>L.E</u>
Income from investment in cash funds	424 376	6 143 147
Income on Investments at amortized cost	32 324 713	84 856 213
Bank interest on current accounts	45 285 627	17 212 056
FVTP&L	94 678 049	-
Interest loans from subsidiaries	3 999 999	-
Bank interest on deposits	1 582 169	1 518 225
	<u>178 294 933</u>	<u>109 729 641</u>

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Related parties

Related parties are represented in investee companies, major shareholders, companies controlled by or jointly affected by these parties, pricing policies and the duration of these transactions are approved by the company's management and shareholders.

The following is a summary of the related party balances and the transactions that were executed during the period between the company and related parties:

26-1 Due from Related Parties:

	Nature of relation	Nature of Transaction	Value of Transaction	Balance as of	
				Mar 31, 2024	Dec 31, 2023
Smart Card Operation Technology Company E-novate	Subsidiary	Payment on behalf	5 216 564	33 735 222	28 518 658
E-nable for Outsourcing Services (eNable)	Subsidiary	Payment on behalf	-	15 588 296	15 588 296
E-finance Technological Operation For Financial Institutions	Subsidiary	Payment on behalf	67 852 378	81 145 809	10 293 431
Technological Operation for Tax solutions e-tax	Associate	Payment on behalf	-	15 285 347	15 285 347
E-Aswaaq The Technology Company for Ecommerce Operations	Subsidiary	Payment on behalf	-	271 014	271 014
Khales for Digital Payment Services Company	Subsidiary	Payment on behalf	200 000	200 000	-
E-Health (Technological Operation for Health Insurance Services)	Associate	Collection	-	10 506 250	10 506 250
Imparment ECL				(10 975 593)	-
				145 756 345	80 462 996

26-2 Due to Related Parties:

Khales for Digital Payment Services Company	Subsidiary	Payment on behalf	(1 267 417)	-	1 267 417
				-	1 267 417

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27 Loans to subsidiary:

	<u>Balance</u>	
	<u>March 31,</u>	<u>December 31,</u>
	<u>2024</u>	<u>2024</u>
	<u>L.E</u>	<u>L.E</u>
Smart Card Operation Technology Company E-novate	109 111 109	105 111 110
	<u>109 111 109</u>	<u>105 111 110</u>

According to Board of directors meeting No. 7 for the year 2023, which was held on 14-8-2023, approval was granted for financing the subsidiary companies. This is to execute some projects within these subsidiaries, allowing for acceleration in the required expansions of the group's companies. This will be in the form of a short-term loan with an interest rate equivalent to the rate offered by Egyptian banks, up to a maximum of 150 million. Consequently, a contract was signed with E-Innovate Company on 1-9-2023, granting the company a loan of 100 million with a fixed interest rate of 16%. The loan is to be repaid in quarterly installments over one year.

28 Objectives and policies of financial instruments risk management

The Company is exposed to the following risks arising from the use of financial instruments:

- A) Credit risk
- B) Market risk
- C) Liquidity risk

This note provides information about the Company's exposure to each of the risks mentioned above, and the Company's objectives, policies and processes in relation to measuring and managing these risks.

The company's board of directors is responsible for developing and supervising a framework for managing the risks that the company is exposed to. The top management of the company is responsible for setting and monitoring risk management policies and submitting reports to the Board of Directors dealing with its activities on a regular basis.

The current framework for managing financial risks in the Company is a combination of formally documented risk management policies in specific areas and undocumented risk management policies used in other areas.

A) Credit risk

They are financial losses that the company incurs in the event that the client or the counterparty fails to fulfill its obligations that are regulated by the financial instrument contract, and then the company is exposed to credit risk mainly from clients, notes and other receipts, and due from related parties as well as from its financial activities, including balances with Banks.

Other financial assets and cash deposits

With respect to credit risk arising from the company's other financial assets at amortized cost, the entity is exposed to credit risk as a result of default by the counterparty in payment to a maximum equivalent to the carrying value of these assets.

The financial sector manages credit risk arising from bank balances, and the company limits its exposure to credit risk by depositing balances with international banks only or with reputable local banks, and local banks are subject to the supervision of the Central Bank of Egypt, and thus the risk of exposure to credit risk is weak.

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The maximum exposure to risk is limited to the balances shown in (Note 12)

Due from related parties

Balances due from related parties are considered to have a minimum credit risk where the maximum exposure is equivalent to the book value of these balances.

Investments

The company limits its exposure to credit risk by preparing detailed investment studies and is reviewed by the board of directors and The company's management does not expect any failure of any of the dealing parties to fulfill its obligations.

B) Market risk

Market risk arises from the fluctuation of the fair value of future cash flows of a financial instrument as a result of changes in market prices. Examples are foreign exchange rate risk and interest rate risk, which are risks that affect the company's income. Financial instruments that are affected by market risks include interest-bearing loans and deposits, the objective of market risk management is to manage and control risk within acceptable limits while at the same time achieving remunerative returns. The company does not hold or issue derivative financial instruments.

Exposure to interest rate risk

Interest rate risk arises from fluctuations in the fair value or future cash flows of a financial instrument as a result of changes in market interest rates. The Company's exposure to risk of changes in market interest rates or not is mainly related to the company's obligations with a variable interest rate and interest-bearing deposits.

The general form of the interest rate of the company's financial instruments appears at the date of the financial statements as follows:

	<u>March 31, 2024</u>	<u>December 31, 2023</u>
	<u>L.E</u>	<u>L.E</u>
<u>Floating interest rate financial instruments</u>		
Cash and cash equivalents	953 021 233	989 551 700
	<u>953 021 233</u>	<u>989 551 700</u>
	<u>March 31, 2024</u>	<u>December 31, 2023</u>
	<u>L.E</u>	<u>L.E</u>
<u>Fixed interest rate financial instruments</u>		
Treasury bills	511 627 226	665 688 580
Loans to Subsidiary	109 111 109	105 111 110
	<u>620 738 335</u>	<u>770 799 690</u>

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Exposure to foreign exchange rate risk

The following table shows the impact of a possible acceptable change in the exchange rates of the US dollar and the Euro. Considering maintaining of all other variable's constant, and the impact that occurred on the company's profits before taxation is due to changes in the value of assets and cash liabilities. Changes in the exchange rates of all other foreign currencies are not material.

<u>Foreign Currencies</u>	<u>Exchange rate</u>	<u>Net Assets</u>	
		<u>March 31, 2024</u>	<u>December 31, 2023</u>
US Dollar	47.26	838 570	640 696
SAR	12.6	167 898	109 933

C) Liquidity risk

The company's management monitors the company's cash flows, financing and liquidity requirements of the company. The company's goal is to achieve a balance between continuity of financing and flexibility by obtaining loans from banks. The company manages liquidity risk by maintaining adequate reserves and by obtaining borrowing facilities, whereby the company maintains credit limits of 2 million Egyptian pounds by continuously monitoring expected and actual cash flows and matching the maturity of assets and financial liabilities.

The company has sufficient cash to pay the expected operating expenses, including the financial liabilities expenses.

The table below summarizes the maturity dates of the Company's financial obligations based on contractual undiscounted payments.

<u>On 31 March 2024</u>	<u>Net Book Value</u>	<u>Less than year</u>	<u>From 2 to 5 years</u>	<u>More than 5 years</u>
	<u>L.E</u>	<u>L.E</u>	<u>L.E</u>	<u>L.E</u>
Suppliers and other credit balances	51 787 234	51 787 234	-	-
Lease Contracts	11 814 295	1 173 998	10 640 297	-
Employees benefits	57 177 739	-	-	57 177 739
Income tax	10 616 953	10 616 953	-	-
Other liability	413 786 872	413 786 872	-	-
Total	545 183 093	477 365 057	10 640 297	57 177 739

<u>On 31 December 2023</u>	<u>Net Book Value</u>	<u>Less than year</u>	<u>From 2 to 5 years</u>	<u>More than 5 years</u>
	<u>L.E</u>	<u>L.E</u>	<u>L.E</u>	<u>L.E</u>
Suppliers and other credit balances	78 638 039	78 638 039	-	-
Lease Contracts	12 042 427	1 038 611	11 003 816	-
Employees benefits	147 090 583	-	-	147 090 583
Income tax	1 267 417	1 267 417	-	-
Total	239 038 466	80 944 067	11 003 816	147 090 583

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Capital Management

For the purpose of managing the company's capital, it includes the capital, the issued capital and all other equity reserves of the company's shareholders.

The company manages its capital structure and makes adjustments to it in light of changes in business conditions as well as to meet future developments of the activity. No changes were made in the objectives, policies or processes during the period, and the Company is not subject to any external requirements imposed on its capital.

	<u>March 31, 2024</u>	<u>December 31, 2023</u>
Total liability	768 301 873	411 913 895
<u>Less</u>		
Cash & Equivalent	(953 021 233)	(989 551 700)
Net Liability	(184 719 360)	(577 637 805)
Total Equity	5 205 466 111	4 872 975 201
Percentage of net liabilities to total equity	(%3.55)	(%11.85)

29 Contingent liabilities

Contingent liabilities are represented in the values of letters of guarantee that were not covered by the accounts of the Company's banks on behalf of others, except for what is covered by investment fund documents, as follows:

	<u>March 31,</u> <u>2024</u> <u>L.E</u>	<u>December 31,</u> <u>2023</u> <u>L.E</u>
Letter of Guarantee	-	2 379 101

30 Employee share option plan

- The extraordinary general assembly of the company, held on September 23, 2019, agreed to add a new chapter to the company's articles of association, which is concerned with rewarding and motivating employees and managers.
- On September 15, 2021, the Extraordinary General Assembly decided to approve the employee stock ownership plan for the company's employees by promising to sell shares at decreased prices and granting free shares, with percentage 4% of the issued capital, and these shares are provided by increasing the capital from the retained earnings at the nominal value of the share is distributed as follows: -
 - 1) 1% of the shares allocated to the scheme under the system of promise to sell at reduced price (40% of the average share price through a period of three months).
 - 2) 3% of the shares allocated to the system are granted free of charge to the beneficiaries.
- The beneficiary of the plan must meet the plan requirements of the services period to be not less than one year before transferring the ownership of the shares to him/her, and his/her evaluation rate is not less than 90% on the annual performance evaluation reports prepared by the competent department of the company. One of these conditions could be by passed or other extra conditions could be added to them, after obtaining the approval of the Financial Supervisory Authority, and provided that no owe of the beneficiaries has voted on a decision relevant to his/her benefit, and the company is committed to include it in its annual disclosure. The period of this plan is five years starting from the adoption of the plan by the Financial Supervisory Authority.

E-Finance for Digital and Financial Investments Company**Notes to The Interim Condensed Separate Financial Statements for the financial period ended March 31, 2024**

- On January 16, 2022, the Employee Reward and Incentive System was approved by the Financial Supervisory Authority, and on January 25, the General Authority for Investment and Free Zones approved the ESOP. On January 21, 2022, the company's board of directors convened to approve the company's capital increase by 4%, related to the ESOP.
- On the date of September 8, 2022, the company's board of directors approved the decisions of the reward and incentive committee regarding activating the employees share option plan (ESOP) by 1% of the company's shares, provided that 25% of the shares allocated to the plan will be activated, with the promise to sell at affordable prices on the date of September 29, 2022. And the Chairman was delegated to complete the remaining percentage later in accordance with the company's financial performance, and the 25% will be 4 108,893 shares with an estimated value of 14.4 Egyptian pounds per share, with a total value of 57 113 613 Egyptian pounds (after deducting the nominal value of the shares) and according to the system the shares were sold For employees, at a reduced value of 5.76 Egyptian pounds per share, so the value that the company will bear on behalf of the company's employees and its subsidiaries is a total of 33 446 389 Egyptian pounds distributed as follows:

A number of 934 492 shares worth 7 606 765 Egyptian pounds belonging to the employees of the parent company were charged to the statement of profits or losses at December 31, 2022, and 3 174 401 shares valued at 25 839 624 Egyptian pounds belonging to employees of the subsidiaries were recorded as additional investments in each company in its own right.

During the first quarter of 2023, the ban on selling shares was lifted for the first 100%, and therefore the tax was due and was loaded into the profit or loss statement for the financial period ended on March 31, 2023, in the amount of 11 245 730 Egyptian pounds.

On November 14th, 2023, activate 16 730 877 shares was loaded into the profit or loss consolidation statement for the financial in the amount of 306 629 075 Egyptian pounds (after deducting Share Nominal Value).

On February 5th, 2024, activate the remaining 293 218 shares with the value of 15.94 EGP/share was loaded into the profit or loss consolidation statement for the financial in the amount of 4 527 286 Egyptian pounds (after deducting Share Nominal Value).

31 Basic Earnings per share

Basic earnings per share is calculated by dividing the net profit distributable to common shareholders by the weighted average number of outstanding shares during the period.

	<u>Period ended</u> <u>March 31, 2024</u>	<u>Period ended</u> <u>March 31, 2023</u>
	<u>L.E</u>	<u>L.E</u>
Net profit for the period	546 664 080	327 948 921
Share of employees and Board members proposed/actual (EGP)	(101 446 890)	(58 236 221)
Net profit distributable to common shareholder	456 192 783	269 712 700
Average number of shares outstanding during the period for basic earnings (share)	1 802 152 385	1 793 647 756
Basic earning per share for the period (EGP/share)	0.25	0.15

33 Reclassification of comparative figures

Some comparative figures have been reclassified to be consistent with the current classification of the financial statements.

34 Significant Events

In light of the global and local economic conditions and geopolitical risks facing the country, the government, represented mainly in the Central Bank of Egypt, has taken a number of financial measures during 2022 and 2023 to contain the impact of these crises as well as the resulting inflationary impact over the Egyptian economy, including the devaluation of the Egyptian pound against foreign currencies, raising the interest rate on overnight deposits and lending rates, and setting maximum limits on cash withdrawals and deposits in banks. This resulted in a decrease in exchange rates and availability of foreign currencies through the official channels, which resulted in delaying foreign currencies debts payments as well as the increase of purchases' costs as well as settlement costs.

On March 6, 2024, the Central Bank of Egypt decided to raise the overnight deposit and lending rates by 600 basis points to reach 27.25% and 28.25%, respectively. Also, the credit and discount rate was raised by also 600 points to reach 27.75 with allowing the use of a flexible exchange rate driven by market mechanisms, which led to an increase in the average official exchange rate of US dollars during the first week of the Central Bank's decision date, to reach 47 EGP/USD.