

E-Finance For Digital and Financial Investments Company
(S.A.E)
Interim Condensed Consolidated 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 Consolidated 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 consolidated statement of financial position of E-Finance for Digital and Financial Investments Company (S.A.E) and its subsidiaries "Group" as of 31 March, 2024, the related interim condensed consolidated 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 consolidated financial statements in accordance with Egyptian Accounting Standard No. (30) "Interim Financial Reporting". Our responsibility is to express a conclusion on these interim condensed consolidated 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 Group, 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 consolidated financial statements.

Base for Conclusion

- 1- As shown in Note 8, 'Financial Investments at Fair Value through Other Comprehensive Income,' The Group 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 Group 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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2- As shown in Note 14, 'Trade Receivables and Other Debit Balances,' the Group applied the expected credit loss model to trade receivables and accrued revenues in accordance with Egyptian Accounting Standard No. 47, 'Financial Instruments.' This adjustment was made during the fourth quarter of 2023, and therefore, it did not impact the profit or loss statement for the three months ended 31 March, 2023 (comparative figures). Management was unable to obtain a reliable measurement for expected credit losses as of 31 March, 2023. We were unable to determine the financial effects of adjustments related to trade receivables, accrued revenues, income tax, and net profit, which could have resulted from applying the expected credit loss model for the financial period ending 31 March, 2023."

The Group applied the expected credit loss model to trade receivables items and accrued revenues in accordance with the requirements of Egyptian Accounting Standard No. (47) "Financial Instruments" on 31 March, 2024.

Conclusion

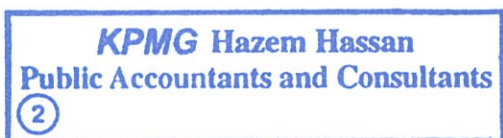
Except for the impact of the above in paragraphs 1 and 2, Based on our review, nothing has come to our attention that causes us to believe that the accompanying interim condensed consolidated financial statements as of 31 March, 2024 not prepared in all material aspects according to Egyptian Accounting Standard No. (30) "Interim Financial Reporting".

KPMG

KPMG Hazem Hassan
Public accountants and consultants

Cairo,

May 16, 2024




	Note No.	March 31, 2024	December 31, 2023
		<u>L.E.</u>	<u>L.E.</u>
Assets			
<u>Non current assets</u>			
Fixed assets	5	379 071 535	386 055 474
Intangible assets	6	243 276 561	188 255 300
Projects under construction	7	124 525 271	160 895 751
Equity-investment at FVTOCI	8-1	1 341 482 970	1 109 520 609
Equity-Accounted investees (Associates)	10	178 582 020	216 748 236
Prepaid employee benefits		597 961	1 262 261
Right of use assets		132 868 532	141 198 514
Total non current assets		2 400 404 850	2 203 936 145
<u>Current assets</u>			
Inventory	12	178 836 423	178 095 270
Work in progress	13	27 118 119	26 067 777
Trade and other receivables	14	2 985 866 566	2 507 847 034
Financial-investment at FVTPL	8-2	569 454 371	463 961 532
Due from related parties	30-1	13 142 235	12 006 925
Financial investments at amortized cost	9	511 627 226	737 921 833
Cash and cash equivalents	15	1 570 368 656	1 505 212 691
Total current assets		5 856 413 596	5 431 113 062
Total assets		8 256 818 446	7 635 049 207
<u>Owners equity & Liabilities</u>			
<u>Owners equity</u>			
Paid-up capital	16	924 444 445	924 444 445
Share Premium	17	1 956 462 107	1 956 462 107
Reserves	19	1 529 273 900	1 339 258 327
Employee Share Option Plan reserve	35	509 963 128	505 435 842
Treasury Shares	18	(194 484 557)	(196 529 636)
Retained earnings		816 170 093	953 209 740
Equity attributable to owners of the company		5 541 829 116	5 482 280 825
Non controlling interest	23	119 452 578	117 780 537
Total Equity		5 661 281 694	5 600 061 362
<u>Liabilities</u>			
<u>Non- Current Liabilities</u>			
Lease liability		88 374 209	93 954 673
Credit facilities	20	8 837 525	12 967 073
Deferred tax Liability	11-2	223 289 736	220 684 840
Employee benefits		239 169 468	312 591 909
Total non current liabilities		559 670 938	640 198 495
<u>Current liabilities</u>			
Lease liability		55 609 035	56 281 248
Trade and other Payables	22	856 465 623	834 289 305
Due to related parties	30-2	23 450 795	56 447 561
Credit facilities	20	164 010 290	104 790 224
Credit income		413 786 872	-
Income tax payable	11-4	522 543 199	342 981 012
Total current liabilities		2 035 865 814	1 394 789 350
Total Liabilities		2 595 536 752	2 034 987 845
Total equity and liabilities		8 256 818 446	7 635 049 207

The attached notes from (1) to (39) are an integral part of these interim condensed consolidated financial statements and to be read with the limited review is attached

Deputy CFO
Mohamed El Hamahamy



Chairman & Managing Director
Ibrahim Sarchan



Translation from Arabic

E-finance for Digital and Financial Investments Company (S.A.E)

Interim Condensed Consolidated statement of Profit or Loss for the financial period ended

	<u>Note No.</u>	<u>March 31, 2024</u> <u>L.E.</u>	<u>March 31, 2023</u> <u>L.E.</u>
Revenues	24	1 149 221 843	767 969 254
Cost of sales	25	(512 166 846)	(382 852 920)
Gross profit		637 054 997	385 116 334
Other revenue		2 164 999	3 290 335
General and administrative expenses	26	(130 410 441)	(75 103 454)
Marketing and selling expenses	27	(13 116 959)	(7 666 182)
Employee Share Option Plan expense	35	(4 527 286)	(8 640 256)
Impairment in trade and other receivables	14	(6 658 695)	-
Other expenses		(2 213 500)	(2 602 100)
Operating Profit		482 293 115	294 394 677
Finance cost	28	(58 011 229)	(40 846 451)
Income from Equity-accounted investees	10	7 377 379	9 556 456
Finance Income	29	200 759 968	146 109 673
Net profit for the period before tax		632 419 233	409 214 355
Income tax expense	11-1	(160 154 889)	(123 744 144)
Net profit for the period		472 264 344	285 470 211
profit attributable to:			
Owners of the company		462 526 687	281 943 242
Non controlling interest		9 737 657	3 526 969
Net profit for the period		472 264 344	285 470 211
Basic Earning per share	36	0.18	0.12

The attached notes from (1) to (39) are an integral part of these interim condensed consolidated financial statements and to be read with them.

Translation from Arabic

E-finance for Digital and Financial Investments Company (S.A.E)

Interim Condensed Consolidated statement of Comprehensive income for the financial period ended

	<u>March 31, 2024</u>	<u>March 31, 2023</u>
	<u>L.E.</u>	<u>L.E.</u>
Net profit for the period	472 264 344	285 470 211
<u>Other comprehensive income</u>		
Actuarial gain from employee benefit	10 803 407	7 040 559
FX through OCI	231 962 361	-
Income Tax related to other comprehensive income	(54 622 298)	(1 584 125)
Total other comprehensive Income	188 143 470	5 456 434
Total comprehensive Income for the period	660 407 814	290 926 645
Attributable to:		
Owners of the company	650 466 724	287 342 219
Non controlling interest (Note 19)	9 941 090	3 584 426
Total comprehensive Income for the period	660 407 814	290 926 645

The attached notes from (1) to (39) are an integral part of these interim condensed consolidated financial statements and to be read

	Paid in Capital	Share Premium	Other Reserves	ESOP Reserve	Treasury Shares	Retained earnings*	Equity attributable to owners of the company	Non-controlling interest	Total
	L.E.	L.E.	L.E.	L.E.	L.E.	L.E.	L.E.	L.E.	
Balance at the Beginning of Jan. 2023	924 444 445	1 956 462 107	654 880 050	247 111 100	(5 036 004)	796 117 725	4 573 979 423	56 836 093	4 630 815 516
Comprehensive Income									
Net profit for the period ended Mar, 31, 2023	-	-	-	-	-	281 943 242	281 943 242	3 526 969	285 470 211
Other comprehensive Income items	-	-	5 398 977	-	-	-	5 398 977	57 457	5 456 434
Total comprehensive income	-	-	5 398 977	-	-	281 943 242	287 342 219	3 584 426	290 926 645
Transaction with the owners of the company									
Dividends according to the ordinary general assembly meeting held on March 21 ,2022	-	-	-	-	-	(404 349 189)	(404 349 189)	-	(404 349 189)
Treasury Shares	-	-	-	-	-	-	-	-	-
Legal Reserve	-	-	775 446	-	-	(775 446)	-	-	-
Spin-off reserve according to the ordinary general assembly meeting held on March 21 ,2023	-	-	(69 713 889)	-	-	69 713 889	-	-	-
NCI Share of dividends	-	-	-	-	-	-	-	(1 920 399)	(1 920 399)
Dividends BOD and Employees	-	-	-	-	-	(164 334 973)	(164 334 973)	(268 128)	(164 603 101)
Total transaction with the owners of the company	-	-	(68 938 443)	-	-	(499 745 719)	(568 684 162)	(2 188 527)	(570 872 689)
Balance as of Mar 31, 2023	924 444 445	1 956 462 107	591 340 584	247 111 100	(5 036 004)	578 315 248	4 292 637 480	58 231 992	4 350 869 472

*The retained earnings include an amount of 69 million EGP transferred from the spin-off reserve, which is non-distributable

Translation from Arabic

E-finance for Digital and Financial Investments Company (S.A.E)

Interim Condensed Consolidated statement of change in shareholders equity for the financial period ended March 31, 2024

	<u>Paid in Capital</u>	<u>Share Premium</u>	<u>ESOP Reserve</u>	<u>Treasury Shares</u>	<u>Other Reserves</u>	<u>Retained earnings*</u>	<u>Equity attributable to owners of the company</u>	<u>Non controlling interest</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>L.E.</u>	<u>L.E.</u>	
Balance at the Beginning of Jan, 2024	924 444 445	1 956 462 107	505 435 842	(196 529 636)	1 339 258 327	953 209 740	5 482 280 825	117 780 537	5 600 061 362
<u>Comprehensive income</u>									
Net profit for the Period ended March 31, 2024	-	-	-	-	-	462 526 687	462 526 687	9 737 657	472 264 344
other Comprehensive income items	-	-	-	-	187 940 037	-	187 940 037	203 433	188 143 470
<u>Total comprehensive income</u>	-	-	-	-	187 940 037	462 526 687	650 466 724	9 941 090	660 407 814
<u>Transaction with the owners of the company</u>									
Dividends according to the ordinary general assembly meeting held in March 21 ,23	-	-	-	-	-	(338 208 686)	(338 208 686)	-	(338 208 686)
Legal Reserve	-	-	-	-	2 075 536	(2 075 536)	-	-	-
Treasury Shares selling	-	-	-	2 045 079	-	720 563	2 765 642	-	2 765 642
ESOP shares	-	-	4 527 286	-	-	-	4 527 286	-	4 527 286
NCH Share of dividends	-	-	-	-	-	-	-	(6 939 289)	(6 939 289)
Dividends for BOD and Employees	-	-	-	-	-	(260 002 675)	(260 002 675)	(1 329 760)	(261 332 435)
<u>Total transaction with the owners of the company</u>	-	-	4 527 286	2 045 079	2 075 536	(599 566 334)	(590 918 433)	(8 269 049)	(599 187 482)
Balance as of March 31 , 2024	924 444 445	1 956 462 107	509 963 128	(194 484 557)	1 529 273 900	816 170 093	5 541 829 116	119 452 578	5 661 281 694

*The retained earnings include an amount of 69 million EGP transferred from the spin-off reserve, which is non-distributable

The attached notes from (1) to (39) are an integral part of these interim condensed consolidated financial statements and to be read with them.

E-finance for Digital and Financial Investments Company (S.A.E)

Interim Condensed Consolidated statement of Cash flows for the financial period Ended

	March 31, 2024	March 31, 2023
	<u>L.E.</u>	<u>L.E.</u>
Cash flow from operating activities		
Profit for the period before income tax	632 419 233	409 214 355
Adjusted as the follows:		
Fixed assets depreciation expenses	20 245 550	17 606 083
Amortization expenses of intangible assets	22 769 304	7 083 304
Amortization expenses of right of use asset	12 424 498	8 731 579
Amortization of paid in advance- employee benefits	635 453	679 575
Income from Equity-investment- at FVTOCI	-	(9 079 830)
Income from Equity-investment- at FVTP&L	(94 678 049)	-
Debit interest	9 506 988	3 622 621
Credit interest	(69 219 442)	(30 944 498)
Revenue from Financial investments at amortized cost	(34 075 848)	(106 243 295)
End of service benefit formed	27 612 897	28 511 093
Impairment of work in progress	-	2 292 945
Provision formed for Impairment of trade and other receivables	6 658 695	-
Finance cost-right of use asset	6 891 114	1 881 922
Foreign currency translation	(2 786 629)	157 950
ESOP	4 527 286	-
income from Equity-Accounted investees (Associates)	(7 377 379)	(9 556 456)
Capital gain	1 652 017	-
	<u>537 205 688</u>	<u>323 957 348</u>
Change in inventory	(741 153)	(1 156 319)
Change in work in progress	(1 050 342)	(1 118 343)
Change in paid in advance- employee benefits	175 667	-
Change in trade and other receivables	(468 389 284)	(85 549 618)
Change in due from related parties	(1 135 310)	(2 886 651)
Change in trade and other payables	18 023 654	22 158 610
Change in due to related parties	(32 996 766)	-
Cashflow provided from operating activities	<u>51 092 154</u>	<u>255 405 027</u>
Debit interest paid	(9 506 988)	(3 622 621)
Credit interest collected	69 219 442	30 944 498
Payment to employee end of service	(111 579 524)	(5 892 516)
Dividends paid to employees and board members	(175 210 629)	(164 603 101)
Collection from employees Loans -ESOP	7 433 562	9 316 655
Net cash flow provided from operating activities	<u>(168 551 983)</u>	<u>121 547 942</u>
Cash flow from investing activities		
Proceeds from dividends of Equity-investment- at FVOCI	-	8 171 847
Proceeds from investments at amortized cost	253 555 285	3 970 314
Payment of fixed assets and projects under construction	(15 200 391)	(26 605 397)
Payment of acquiring Equity-investment- at FVOP&L	(10 817 731)	-
Payment of purchasing intangible assets	(39 481 305)	(25 769 594)
Payment of acquiring investments at amortized cost	-	(75 816 307)
Net cash flow (used in) investing activities	<u>188 055 858</u>	<u>(116 049 137)</u>
Cash flow from financing activities		
Financial interest (paid-lease contracts)	(6 891 114)	(1 881 922)
Tresuary Shares	2 765 642	-
Lease liability paid	(11 999 210)	(7 144 101)
Proceeds (Used in) from credit facility	55 090 518	(61 686 958)
Net cash flow (used in)/ provided from financing activities	<u>38 965 836</u>	<u>(70 712 981)</u>
Net change in cash & cash equivalent during the period	<u>58 469 711</u>	<u>(65 214 176)</u>
Cash & cash equivalent at beginning of the period	<u>1 431 375 670</u>	<u>819 243 110</u>
Cash & cash equivalent at end of the period (15)	<u>1 489 845 381</u>	<u>754 028 934</u>

The attached notes from (1) to (39) are an integral part of these interim condensed consolidated financial statements and to be read with them.

1- Company's background

1-1 Legal entity

E finance for Digital and Financial Investments

- The company was established in the name of Raya for Technology of Operating Financial Institutions Company, and the name has been modified to the Operating Technology of Financial Institutions E-Finance 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.
- Then the name was changed to E-Finance for Technology Solutions - an Egyptian joint stock company on 24/12/2020.
- Then the name was changed to E-Finance for digital and financial investments-an Egyptian joint stock company on 29/03/2021.
- The duration of the company is twenty-five years, starting from the date of registration in the commercial register.
- The company's headquarters: Building No. A3B 82 - Smart Village - Kilo 28 Cairo-Alexandria Desert Road - Giza.

Shareholders	%	Country
Saudi Egyptian Investment Company	25%	Kingdom of Saudi Arabia
National Investment bank	21.8%	Egypt
Banque Misr	6.7%	Egypt
Egypt Bank Company for Technology Advancement L.L.C	6.7%	Egypt
Egyptian Company for Investment Projects (ECIP) L.L.C	6.7%	Egypt
National Bank of Egypt	6.7%	Egypt
Public Offering shares	26.4%	--
	100%	

1-2- Group's Purpose:

E-Finance for digital and financial investments company (S.A.E)

- Leading the digital transformation of financial transactions within the companies the company invests in.
- Providing consultancy services in the field of digital transformation.

Khales for digital payments services

- Khales Company plays its role in contributing to the achievement of the state's strategy to enhance financial inclusion and digital transformation, in addition to expanding the range of services in the payments market for all customers, especially B2B2C customers, which is a business-to-business-to-consumer model. This involves facilitating commercial exchanges from companies to service providers to consumers. Moreover, Khales Company is committed to providing new electronic payment channels optimally, contributing to the development of the digital payments market in Egypt.

Smart Card Operation Technology Company E-Novate:-

- Providing end-to-end (E2E) services, card management, and third-party operation services for several banks, including Banque Misr, Egyptian Agricultural Bank, Banque Nasser Social Bank, Egypt Post, and Al Baraka Bank. Additionally, offering non-financial services, "E-Cards" also provides third-party payment operations services for a group of bank customers to facilitate payment and acceptance operations.
- The company owns Egypt's largest card production facility, with a capacity of 30,000 cards per day, equipped with specialized machines for laser engraving and DOD printing technology. It produces a comprehensive range of smart cards and has successfully produced over 70 million cards for government entities and other institutions. "E-Cards" has been accredited by Visa, Mastercard, National Payment Council, and the Card Payment Industry Council as a manufacturer recognized by the Industrial Development Authority

Technology Company for Ecommerce Operations E-ASWAAQ MISR

- E-Aswaaq Misr is an Egyptian e-commerce company that offers various digital markets. Its primary goal is to efficiently connect buyers and sellers by providing smooth and diverse platforms for browsing, purchasing, and executing orders. The company operates these specialized markets by establishing, managing, operating, and digitizing workflows and operations to provide an integrated service including financial, marketing, commercial, supply chain, and technology services. E-Aswaaq Misr covers three different sectors: e-commerce, electronic lending, and electronic tourism.
- We have developed gateways to facilitate the buying and selling process through the agricultural system and markets for handmade products, as well as advanced tourism gateways to promote Egyptian tourism by providing unique digital experiences for tourists through reliable and user-friendly digital tools to explore Egypt's legendary heritage, tourist attractions, stunning beaches, exciting activities, and experiences.

E Nable for Outsourcing Services Company

- The information and communication technology industry, including its industrial activities, the core of electronics development, data centres, outsourcing activities, software development and technology education.
- Entering data on computers and by electronic means.
- Description and design of computer systems of various kinds.
- Description and design work for data transmission and circulation networks and Implementation and management of data transmission networks.
- Communications and Internet services
- Establishing voice, video and data transmission networks and providing value-added services after obtaining a license from the concerned authorities.
- Establishing, managing, operating and maintaining stations and networks of wired and wireless communication and satellites after obtaining a license from the concerned authorities, and this does not include radio and television.
- Activities related to the transformation of traditional content from sound, image and data to digital content, including the digitization of scientific, cultural and artistic content.
- Establishing, operating and managing call centres.
- The company may participate in any way with companies and others that carry out similar activities or that help it achieve its purpose in Egypt or abroad.

Technological operations for financial institutions E-Finance Company (S.A.E)

- Information Technology and Communications, including industrial activities, electronics design and development, data centres, outsourcing activities, software development, and educational technology.
- Designing and producing software
- Designing and manufacturing computer equipment
- Telecommunications and internet services.
- Establishing networks for voice, image, and written information transmission, and providing value-added services.
- Establishing and managing training centers for researchers and technology transfer centers.
- Establishing and managing consulting and specialized studies centers in the fields of information and communications technology, and their development.
- Wholesale and retail trade of wired and wireless communication equipment and systems, integrated network systems, computers, ATMs, point-of-sale devices, equipment, and importing all types of them, their spare parts, and accessories.

Technological Operation for Tax Solutions company (E tax) (SAE)

Assisting the Ministry of Finance in the following purposes after following the legally established methods of contracting:

- Provide the managerial and operating services and developing the electronic tax system including: -
 - 1- E-invoice service provider and e-receipt service provider.
 - 2- E-tax portal
 - 3- Providing field technical support services for the above-mentioned projects, providing consulting services and technological solutions to the Egyptian Tax Authority, and providing services and technological solutions to the Real Estate Tax Authority.

That does not conflict with the objectives of the ministry, without breaching the provisions of the applicable laws, regulations and decisions, and on condition that the necessary licenses are issued to practice these activities.

The company may participate at any time it wants to cooperate with it in achieving its purpose in Egypt or abroad, it may also merge with it, buy it or attach it to it, in accordance with the provisions of the law.

Technological Operation for Health Insurance Services (E-Health) Company

Managing and operating the technological services of the comprehensive health insurance system.

- Specialized digital services for the health insurance sector and the health sector all over the Republic.

This is without breaching the provisions of applicable laws, regulations and decisions, and on condition that the necessary licenses are issued to practice these activities.

The company may participate in any way with companies and others that carry out activities similar to its activities or that may assist it in achieving its purpose in Egypt or abroad, and it may also merge with it, buy it or attach it to it, in accordance with the law.

2- Financial statement approval

The Interim Condensed Consolidated financial statements were approved for issuance by the Company' Board of Directors on May 15, 2024

3- Roles for preparing statement of financial position condense consolidation

3-1 Basis of measurement

The Interim Condensed Consolidated financial statements are prepared according to the going concern assumption and the historical cost principle, except for financial assets and liabilities that are measured at fair value which are financial derivatives, financial assets and liabilities classified at fair value through profit or loss, and financial assets classified at fair value through other comprehensive income, as well as financial assets and liabilities measured at amortized cost. Historical cost is generally based on the fair value of the consideration given to acquire the assets.

3-2 Compliance with the Accounting Standards and Laws:

- The attached Interim Condensed Consolidated financial statements were prepared according to the Egyptian Accounting Standards released by the minister of investment number 110 for 2015 and in the light of Egyptian laws and regulations in force. the Egyptian accounting standards require referring back to IFRS regarding the events and transactions which do not have an applicable Egyptian accounting standard or legal requirements that clarify a way for treatment.

3-3 Presentation Currency:

The financial statements were prepared and presented in Egyptian pound and it is the functional currency, 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.

3-4 Consolidation basis

The Interim Condensed Consolidated financial statements consist of the financial statements of the parent company and its subsidiaries at each financial position date. the parent company has control over the investee company if it has all the following:

- control over the investee (i.e., the existing rights that give it the current ability to direct the relevant activities of the investee).
- Exposure to variable returns resulting from the partnership in the investee, or its possession of rights to these returns.
- The ability to use its power over the investee to influence the amount of returns from it.

Generally, there is an assumption that owning the majority of voting rights leads to control. To support this assumption and when the group has less than the majority of voting rights or similar rights of the investee, the group considers all relevant facts and circumstances in assessing whether it has power over the investee, including:

- Contractual arrangements with other vote holders of the investee company
- Right arising from other contractual arrangements
- The group's voting rights and potential voting rights

The Group reassesses whether the company controls the investee or not, if facts and circumstances indicate that there are changes in one or more of the three elements of control. Grouping of a subsidiary begins when the group obtains control of the subsidiary and stops when the group loses control of the subsidiary. The assets, liabilities, revenues and expenses of the subsidiary that were acquired or disposed of during the period are included in the Interim Condensed Consolidated financial statements from the date of the group's control until the date the group ceases to control the subsidiary.

The balances, transactions, revenues and expenses exchanged between the group companies are completely eliminated.

The rights of non-controlling interest holders in the Interim Condensed Consolidated financial position are presented under equity in a separate clause from the equity holders of the parent company.

When the Group loses its ultimate or joint control over a subsidiary or joint venture that oblige to joint control and instead retains a significant influence over it, then it recognizes the remaining investment as an investment in an associate and measures it at its fair value on the date of losing the ultimate or joint control. The fair value of the investment remaining on the date of losing the ultimate or joint control, is considered a cost at initial recognition of the investment in an associate.

E-Finance for Digital and Financial Investments Company (the parent company) owns, directly and indirectly, the following rights in its subsidiaries:

Subsidiaries	Activity	Country of incorporation	Direct and indirect ownership percentage
Khales for Digital Payment Services	Digital payments services	Egypt	70%
Smart Card Operation Technology Company E-novate)	Smart card operation	Egypt	89.7%
The Technology Company for E-commerce Operations (E Aswaaq Misr)	Operation of electronic markets	Egypt	61%
Enable for outsourcing services	Establishing and operating communications centres	Egypt	99.98%
Technological operation for financial institutions (E Finance)	Operating technology of financial institution	Egypt	99.99%

3-5 Use of professional judgment and estimates

Preparing these Interim Condensed Consolidated financial statements requires management to make judgments and estimates that affect the values of revenues, expenditures, assets and liabilities included in the Interim Condensed Consolidated 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 Interim Condensed Consolidated financial statements:

Judgment

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

Equity Accounted in investees (associate)

The associate company is a firm for which the group has significant influence through sharing in the financial and operational decision for this firm but not to the extent of control or Joint control.

The associate company business combination results, assets, and liabilities are shown in the financial statements of the group using the equity method, except for the investment held for trading which is accounted for according to the Egyptian accounting standard no 32 "Current assets held for sale and discontinued operations" which is measured using book value or fair value (less cost to sell) which is less.

Besides, using equity method, the investment in associate is recorded using the adjusted cost in the groups' statement of financial position with the share of the group in the subsequent changes following the acquisition date in the company's net assets of the associate company after deducting any impairment which may rise in the value of each investment individually, and any increase in the group share of the company's net losses over the book value of the investment is not recognized except if this increase was in the limits of the legal or judgmental provision of

the group towards the associate or the amounts that the group has settled on behalf of this company.

In case of dealing with any associate company, the group's share of intercompany losses or profits is derecognized in the extent of the group's share of this associate, besides these losses may be evidence on the decline in value of this transferred asset, such in case, an adequate provision is formed to meet this provision.

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.

The useful life of fixed assets

The company's management determines the estimated useful life of fixed assets for the purpose of calculating depreciation. This estimate will be determined after considering the expected useful life of the asset or the physical depreciation of the assets. Management periodically reviews the estimated useful life and depreciation method in order to ensure that the method and duration of depreciation is consistent with the expected pattern of economic benefits arising from these assets.

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 considers 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 highest and best use.

The group 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.

Allowance for expected credit losses for trade receivables

The Group uses the provision register to calculate the expected credit losses for its trade receivables. Provision rates are based on days of delay for the customer group.

The calculation is initially based on the Group's historical default rates. The Group will accurately calculate the matrix to adjust the historical credit loss with prospective information. For example, if projected economic conditions (i.e., GDP) are expected to deteriorate over the next year which may lead to an increase in the number of defaults, then the historical default rates are adjusted. At each reporting date, the historical default rates are updated and changes in forward-looking estimates are analysed.

The assessment of the relationship between defaulting historical rates which are observed, expected economic conditions and expected credit losses is a significant judgment. The value of expected credit losses is the most sensitive item to changes in expected economic conditions and circumstances. The historical credit loss and economic conditions expectations may not represent an actual customer default for the group in the future. Information regarding the expected credit losses of the company's trade receivables is disclosed in note 12.

4 The most significant accounting policies applied.

The accounting policies that are applied in a consistent manner during the financial period ended June 30, 2022, are the same accounting policies applied for the consolidated financial statements of the year ended December 31, 2022, and these policies were applied consistently all over the presented periods in the condensed consolidated 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, 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".	1- These standards were reissued in 2023, allowing the use of revaluation model when subsequent measurement of fixed assets and intangible assets. - 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".	The change doesn't have an impact on the financial statement of the Company.	The amendments of adding the option to use the revaluation model are effective for financial periods starting <u>on or after January 1, 2023, 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.

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. (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.</p> <p>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 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</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 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>

E finance for Digital and Financial Investments Company (S.A.E)
Notes to The Interim Condensed Consolidated 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>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>		

E finance for Digital and Financial Investments Company (S.A.E)

Notes to The Interim Condensed Consolidated 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
Egyptian Accounting Standard No. (34) amended 2023 "Investment-property".	<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" - Egyptian Accounting Standard No. (49) "Leasing Contracts". 	The Company doesn't have this type of asset. Accordingly, this change doesn't have an impact on the financial statement of the Company.	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.
Egyptian Accounting Standard No. (36) amended 2023	<p>1- This standard was reissued in 2023, allowing the use of revaluation model when subsequent measurement</p>	The Company doesn't have this type of asset. Accordingly, this change doesn't	The amendments of adding the option to use the revaluation model are effective for financial periods starting <u>on or</u>

New or reissued standards	Summary of the most significant amendments	Impact on the financial statements	Effective date
"Exploration for and Evaluation of Mineral Resources"	<p>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 be 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 be consistent with the classification of assets in accordance with paragraph No. (15) of Egyptian Accounting Standard No. (36) amended 2023.</p>	have an impact on the financial statement of the Company.	<u>after January 1, 2023, 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.
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

E finance for Digital and Financial Investments Company (S.A.E)
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New or reissued standards	Summary of the most significant amendments	Impact on the financial statements	Effective date
			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
Egyptian Accounting Standard No. (50) "Insurance Contracts".	<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</p>	The Company is currently assessing the impact of applying this new standard on its financial statements.	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.

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

New or reissued standards	Summary of the most significant amendments	Potential impact on the financial statements	Effective date
	<p>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 ". 		
Egyptian Accounting Standard No. (34) amended 2024 "Investment Property "	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 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.	The Company doesn't have this type of asset. Accordingly, this change doesn't have an impact on the financial statement of the Company.	The amendments to the amendment of addition of the option to use the fair value model 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 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	Egyptian Accounting Standard No. (17) "Separate Financial Statements" was reissued in 2024, adding the option to use the equity	Management is currently studying the possibility of changing the	The amendments shall apply to financial periods commencing on or after January 1, 2024 with

New or reissued standards	Summary of the most significant amendments	Potential impact on the financial statements	Effective date
"Separate Financial Statements"	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.	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.	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 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.	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: <ul style="list-style-type: none"> • When the entity reports foreign currency transactions to its functional currency, any effect of the initial

New or reissued standards	Summary of the most significant amendments	Potential impact on the financial statements	Effective date
			<p>application is recognized as 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 Reduction Certificates"	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 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	The management is currently studying the financial implications of applying the accounting interpretation to the Company's financial statements.	The application starts on or after the first of January 2025, early adaption is allowed.

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

New or reissued standards	Summary of the most significant amendments	Potential impact on the financial statements	Effective date
	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".		

E-finance for Digital and Financial Investments Company (S.A.E)

Notes To the Interim Condensed Consolidated Financial Statements for the financial period ended March 31, 2024

5- Fixed Assets

	<u>Lands & buildings</u>	<u>Computers</u>	<u>Leasehold improvement</u>	<u>Office furniture & tools & Electrical equipments</u>	<u>Networks</u>	<u>Point of sale</u>	<u>ATM</u>	<u>Vehicles</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>L.E.</u>	<u>L.E.</u>	<u>L.E.</u>
<u>Cost</u>									
Cost as of 1/1/2023	156 402 336	335 580 002	35 834 155	67 761 952	30 977 403	97 982 524	30 517 185	1 606 105	756 661 662
Additions during the period	-	95 632 760	6 409 073	7 876 484	2 865 530	26 046 906	902 387	-	139 733 140
Transferred to projects in working	-	-	-	1 725 821	-	-	-	-	1 725 821
Transferred to Intangible Asset	-	(1 487 997)	-	(197 598)	-	-	-	-	(1 685 595)
Disposals during the period	-	(895 542)	-	-	-	(22 543)	-	-	(918 085)
Cost as of December 31, 2023	156 402 336	428 829 223	42 243 228	77 166 659	33 842 933	124 006 887	31 419 572	1 606 105	895 516 943
<u>Accumulated depreciation</u>									
Accumulated depreciation as of 1/1/2023	19 865 184	213 286 954	15 590 327	45 142 027	24 222 705	88 491 443	25 731 955	1 387 900	433 718 495
Depreciation of the period	1 992 030	39 752 957	9 262 580	12 718 566	2 512 127	7 846 525	1 808 888	65 459	75 959 132
Disposals accumulated depreciation	-	(199 014)	-	-	-	(17 144)	-	-	(216 158)
Accumulated depreciation as of 31/12/2023	21 857 214	252 840 897	24 852 907	57 860 593	26 734 832	96 320 824	27 540 843	1 453 359	509 461 469
Net book value as of December 31, 2023	134 545 122	175 988 326	17 390 321	19 306 066	7 108 101	27 686 063	3 878 729	152 746	386 055 474

E finance for Digital and Financial Investments Company (S.A.E)
Notes to The Interim Condensed Consolidated Financial Statements for the financial period ended March 31, 2024

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Intangible assets

	<u>March 31, 2024</u>	<u>December 31, 2023</u>
	<u>L.E</u>	<u>L.E</u>
<u>Cost</u>		
The beginning cost of the period/year	242 316 504	92 118 763
Transferred from projects under construction	36 288 523	20 427 870
Transferred from fixed assets	2 889 540	1 685 595
Disposals	--	(1 929 631)
Transferred to inventory	--	(1 296 431)
Additions during the period/year	39 481 305	131 310 338
End cost of the period/year cost	320 975 872	242 316 504
<u>Deduct:</u>		
Beginning accumulated amortization for the period/year	54 061 204	15 802 831
Amortization for the period	--	(1 072 017)
Transferred from fixed assets	868 803	--
Amortization	22 769 304	39 330 390
Accumulated amortization at end of the period	77 699 311	54 061 204
Net Book Value at end of the period	243 276 561	188 255 300

Amortization is charged within the following items:

	<u>The financial</u>	<u>The financial</u>
	<u>period ended</u>	<u>period ended</u>
	<u>March 31, 2024</u>	<u>March 31, 2023</u>
	<u>L.E</u>	<u>L.E</u>
Cost of revenue (Note 25)	10 130 919	3 009 642
General and Administrative Expenses (Note 26)	12 638 385	2 844 594
	22 769 304	5 854 236

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Projects under construction

	<u>March 31, 2024</u>	<u>December 31, 2023</u>
	<u>L.E</u>	<u>L.E</u>
Computers	3 102 064	39 390 588
Building	118 844 017	118 844 017
Digital platform	1 515 522	1 515 521
POS	1 063 668	1 145 625
	124 525 271	160 895 751

8 Financial Investment at fair value through other comprehensive income

8-1 Financial Investment at fair value through other comprehensive income

	The value of investment as of	
	<u>March 31, 2024</u>	<u>December 31, 2023</u>
	<u>L.E</u>	<u>L.E</u>
Beginning balance at the year 2024	1 109 520 609	197 988 608
Additions during the period	--	35 201 315
Disposals	--	(451 008)
Valuation through OCI	231 962 361	876 781 694
Net Book Value at end of the period	1 341 482 970	1 109 520 609

Equity Investments at fair value through OCI

Egyptian Company for the Governmental Technological
Services ESERVE (S.A.E.) *
The Egyptian Company for Electronic Commerce Technology
MTS (S.A.E) **
Delta Egypt Payments Company (S.A.E) ***
The International Company for Consulting and Information
Systems (ACIS) ****
Other investments*****

	Book value		Fair Value	
	FVTOCI	FVTP&L	L1	L3
March 31. 2024				
Financial Papers	1 341 482 970	569 454 371	569 454 371	1 341 482 970
December 31. 2023				
Financial Papers	1 109 520 609	463 961 532	463 961 532	1 109 520 609

8-2 Investment at fair value through Profit or Loss

<u>Opening 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	6 101 882	569 454 371

<u>Purchasing value</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

9 Financial investments at amortized cost

<u>Purchasing value</u>	<u>Purchasing date</u>	<u>Due date</u>	<u>Return Percentage</u>	<u>Duration</u>	<u>Return</u>	<u>Carrying value March 31, 2024</u>	<u>Face Value</u>
<u>L.E</u>			<u>%</u>		<u>L.E</u>	<u>L.E</u>	<u>L.E</u>
500 009 396	22/02/2024	21/05/2024	27.18	89	11 617 830	511 627 226	533 150 000
500 009 396					11 617 830	511 627 226	533 150 000

<u>Purchasing value</u>	<u>Purchasing date</u>	<u>Due date</u>	<u>Return Percentage</u>	<u>Duration</u>	<u>Return</u>	<u>Carrying value December 31, 2023</u>	<u>Face Value</u>
<u>L.E</u>			<u>%</u>		<u>L.E</u>	<u>L.E</u>	<u>L.E</u>
470 260 000	24/10/2023	23/01/2024	25.37%	91	17 517 187	487 777 187	500 000 000
169 392 600	01/10/2023	26/03/2024	25.37%	177	8 518 793	177 911 393	190 000 000
70 170 805	09/11/2023	06/02/2024	25.30%	89	2 062 448	72 233 253	74 500 000
709 823 405					28 098 428	737 921 833	764 500 000

10 Equity accounted investees (associate)

	Investment Value %	<u>March 31, 2024</u> <u>L.E</u>	<u>December 31, 2023</u> <u>L.E</u>
Technological Operation for Tax Solutions (E Tax) *	35%	34 999 975	34 999 975
Group Share in retained earnings		33 592 143	28 049 536
Group Share of Period results		11 237 435	51 086 202
		<u>79 829 553</u>	<u>114 135 713</u>
E Health (Technological Operation for Health Insurance Services) **	35%	104 999 925	104 999 925
Group Share in retained earnings		(7 387 402)	(8 071 610)
Group Share of Period results		(3 860 056)	684 208
		<u>93 752 467</u>	<u>97 612 523</u>
E-Comm Africa	30.9%	5 000 000	5 000 000
		<u>5 000 000</u>	<u>5 000 000</u>
<u>Total Investment in Associates</u>		<u>178 582 020</u>	<u>216 748 236</u>

* The investment in associate companies amounted to 1 399 999 shares in Technological Operation for Tax Solutions (e Tax) representing 35% of the issued capital, which was established on February 1, 2021 with an issued capital 400 million pounds and paid up capital of 100 million Egyptian pounds with par value 100 Pounds.

The company share in the retained earnings at the financial position date is 44 829 578 EGP (79 135 738 as of 31 Dec. 2023).

** The investment in associate companies amounted to 1 399 999 shares in E Health (Technological Operation for Health Insurance Services) representing 35% of the issued capital, which was established on September 13, 2021 with an issued capital 400 million pounds and paid up capital of 100 million Egyptian pounds with par value 100 Pounds.

The company's share in retained earnings at the financial position date is amounted to (11 247 458) EGP (7 387 402) as of 31 Dec, 2023) .

*** The value of the investment represents the group's share of 5 million shares in the African e-commerce platform company E COMM, benefit of 4.9 million shares for the Technology Company for Ecommerce Operation E-Aswaaq Misr, and 100 thousand shares for the benefit of a E finance for Digital and Financial Investments Company, which was established as per commercial register No.184604 dated on April 10, 2022, with an issued and paid-in capital of 10 million pounds, with a nominal value of 1 pound per share.

11 Tax:

11-1 Income tax

	For the financial period ended	
	March 31, 2024	March 31, 2023
	<u>L.E</u>	<u>L.E</u>
Current Income Tax Expenses	205 357 122	110 409 892
Treasury Bills Tax	6 815 169	20 981 918
Dividends income tax from Equity investment at FVOCI	-	907 983
Deferred tax (income)	(52 017 402)	(8 555 649)
Tax at Profit and Loss	<u>160 154 889</u>	<u>123 744 144</u>
Deferred income tax at other comprehensive income	<u>(54 622 298)</u>	<u>1 584 125</u>

11-2 Deferred tax

A) Recognized deferred tax assets

	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	-	23 630 105	-	26 048 888
obligations of the employee benefits	71 466 887	-	70 333 180	-
Financial investment at FVTOCI	-	249 467 413	-	197 275 882
Undistributed Dividends income	-	34 144 254	-	81 153 908
Tax Losses	11 331 862	-	18 150 932	-
Unrealized foreign currency exchange	1 153 287	-	-	4 690 274
	<u>83 952 036</u>	<u>307 241 772</u>	<u>88 484 112</u>	<u>309 168 952</u>
Net deferred tax assets	<u>-</u>	<u>223 289 736</u>	<u>-</u>	<u>220 684 840</u>

Deducts: the previously charged
deferred tax assets

220 684 840

Add: the deferred tax assets charged to
the statement of other comprehensive
income

54 622 298

**Deferred taxes for the period as
income**

52 017 402

B) Unrecognized deferred tax assets

	<u>March 31, 2024</u>	<u>December 31, 2023</u>
	<u>L.E</u>	<u>L.E</u>
Impairment loss on trade receivable and other debit balances	50 303 578	42 551 541
	<u>50 303 578</u>	<u>42 551 541</u>

- The deferred tax assets for temporary differences were not recognized above due to the lack of an appropriate degree to ascertain the extent to which the company will benefit from these assets in the foreseeable future.

11-3 Adjustment of the effective tax rate

		<u>For the financial period ended March 31, 2024</u>		<u>For the financial period ended December 31, 2023</u>
		<u>L.E</u>		<u>L.E</u>
Net Profit for the period before Tax		632 419 233		409 214 355
Tax Income Based on Tax rate	%22.50	142 294 327	%22.50	92 073 230
Adjustments		79 380 274		81 496 276
The tax base		711 799 507		490 710 631
Current income tax	%25.32	160 154 889	%30.24	123 744 144

11-4 Income Tax payable

	<u>March 31, 2024</u>	<u>December 31, 2023</u>
	<u>L.E</u>	<u>L.E</u>
Accrued Income Tax (at beginning of the period)	342 981 012	221 200 466
Formed during the period	201 854 179	481 156 874
Income tax paid during the period	--	(295 719 858)
Debit -Withholding tax	(22 291 992)	(63 656 470)
	<u>522 543 199</u>	<u>342 981 012</u>

11-5 Tax position

E-finance for Digital and Financial investments

A) corporate tax

- The company enjoyed tax exemption until December 31, 2017, and the company became subject to taxation according to the letter from the General Authority for Investment and Free Zones starting from January 1, 2018.
- The company submits its tax returns within the legal deadlines.
- The company underwent a tax examination and resolved disputes for the years 2005/2007.
- The company underwent a tax re-examination for the years 2008/2009, and the examination and dispute for the years 2008/2015 were resolved. A settlement was reached with a tax of 30,052,209, paid, and a tax settlement was issued for zero.
- The company underwent a tax examination for the years from 2016 to 2020, and the forms are currently being processed.

B) Payroll tax

- The company underwent a tax examination and reconciliation from the start of its operations until the year 2016, and all dues were settled.
- The company was examined for the years 2017/2018, and any discrepancies were paid.
- The company was examined for the years 2019/2020, and any discrepancies were settled.
- The company is currently undergoing examination for the years 2021/2022

C) Sales tax and value added tax

- The company was examined until November 2020, and any discrepancies were settled.
- The company is currently undergoing examination for the period from December 1, 2020, to December 31, 2022

D) Stamp Tax

- The company's accounts were examined from the start of its operations until the year 2013.
- The company is currently undergoing examination for the years 2014 to 2020.

Khales for Digital Payment Services Company

a) Corporate tax

- The company submits its tax returns within the legal deadlines.
- The company has not been examined yet.

B) Payroll tax

- The company is committed to deducting and paying taxes within the legal deadlines.
- The company regularly submits monthly and quarterly returns.
- The company has not been examined yet

C) Value added tax

- The company is registered for Value Added Tax (VAT) as of March 18, 2020.
- The company regularly submits monthly returns.
- The company has not been examined yet

D) Stamp tax

- The company has not been examined yet

Smart Card Operation Technology Company E-Novate

a) Corporate tax

- The company submits its tax returns within the legal deadlines.
- The company has not been examined yet

b) Payroll tax

- The company is committed to deducting and paying taxes within the legal deadlines.
- The company regularly submits monthly and quarterly returns.
- The company has not been examined yet

c) Value added tax

- The company is registered for Value Added Tax as of March 18, 2020.
- The company regularly submits monthly returns.
- The examination has not been conducted yet

d) Stamp tax

- The company has not been examined yet

The Technology Company for Ecommerce Operations E-ASWAAQ MISR

a) Legal Entity

- The company submits its tax returns within the legal deadlines.
- The company has not been examined yet.

b) Payroll tax

- The company is committed to deducting and paying taxes within the legal deadlines.
- The company regularly submits monthly and quarterly returns.
- The company has not been examined yet

c) Value added tax

- The company is registered for Value Added Tax.
- The company regularly submits monthly returns.
- The company has been examined for the period from July 1, 2020, to December 31, 2022, and the forms are being processed

d) Stamp tax

- The company has not been examined yet

E-nable Outsourcing Services Company

a) Corporate tax

- The company submits its tax returns within the legal deadlines.
- The company has not been examined yet.

b) Payroll tax

- The company is committed to deducting and paying taxes within the legal deadlines.
- The company regularly submits monthly and quarterly returns.
- The company has not been examined yet

c) Value added tax

- The company is registered for Value Added Tax as of March 28, 2021.
- The company regularly submits monthly returns.

E finance for Digital and Financial Investments Company (S.A.E)

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

- The company has not been examined yet

d) Stamp tax

- The company has not been examined yet

Technological Operation for Financial Institution E-finance Company (S.A.E)

a) Legal Entity

- The company submits its tax returns within the legal deadlines.
- The company has not been examined yet.

b) Payroll tax

- The company is committed to deducting and paying taxes within the legal deadlines.
- The company regularly submits monthly and quarterly returns.
- The company has not been examined yet

c) Value added tax

- The company is registered for Value Added Tax as of February 24, 2021.
- The company regularly submits monthly returns.
- The company has not been examined yet

d) Stamp tax

- - The company has not been examined yet

Technological Operation for Tax solutions (e tax)

a) Legal Entity

- The company submits its tax returns within the legal deadlines.
- The company has not been examined yet.

b) Payroll tax

- The company is committed to deducting and paying taxes within the legal deadlines.
- The company regularly submits monthly and quarterly returns.
- The company has not been examined yet

b) Value added tax

- The company is registered for Value Added Tax as of March 28, 2021.
- The company regularly submits monthly returns.
- The company has not been examined yet

c) Stamp tax

- The company has not been examined yet

Technological Operation For Health Insurance Services (E Health)

a) Corporate tax

- The company submits its tax returns within the legal deadlines.
- The company has not been examined yet.

b) Payroll tax

- The company is committed to deducting and paying taxes within the legal deadlines.
- The company regularly submits monthly and quarterly returns.
- The company has not been examined yet

b) Value added tax

- The company is registered for Value Added Tax as of November 6, 2022.
- The company regularly submits monthly returns.

- The company has not been examined yet

c) Stamp tax

- The company has not been examined yet

12 Inventory

	<u>March 31, 2024</u>	<u>December 31, 2023</u>
	<u>L.E</u>	<u>L.E</u>
Cards and operating supplies	63 809 466	83 838 408
Computers and network	59 343 978	83 056 589
Spare parts	371 378	376 537
Point of sale devices	57 008 500	17 478 793
Stationary	1 038 384	1 846 486
ATMs	688 084	688 084
Impairment inventory	(3 423 367)	(9 189 627)
	<u>178 836 423</u>	<u>178 095 270</u>

13 Work in progress.

	<u>March 31, 2024</u>	<u>December 31, 2023</u>
	<u>L.E</u>	<u>L.E</u>
Work in progress for the Government sector	7 400 393	6 503 091
Work in progress for private sector	19 717 726	19 564 686
	<u>27 118 119</u>	<u>26 067 777</u>

14 Trade and other receivables:

	<u>March 31, 2024</u>	<u>December 31, 2023</u>
	<u>L.E</u>	<u>L.E</u>
Accounts receivable	1 675 658 233	1 578 136 313
Impairment in Accounts receivable	(193 759 521)	(187 960 751)
	<u>1 481 898 712</u>	<u>1 390 175 562</u>
<u>Other Debit Balances</u>		
Prepaid expenses	77 789 701	71 040 022
Suppliers -Advance payment	550 816 912	384 055 428
Accrued revenue and accrued interests	714 651 607	518 542 786
Deposits with others	8 937 484	14 847 841
Deposits with others - Work Retention	61 765 463	59 369 731
Income Tax	-	5 394 529
Value-added tax	15 025 192	17 167 356
Letter of guaranteed margin	29 073 205	29 563 705
Withholding tax	7 214 358	9 711 737
Prepaid employees' benefits	23 866 582	2 665 809
Notes Receivable	28 128	344 508
(Employee Share Option Plan)	6 777 457	14 211 019
Debit dividend profit	31 500 687	-
Others	8 350 149	5 892 853
Sales return	(15 833 294)	-
Impairment in other debit balances	(15 995 777)	(15 135 852)
Total other debit balances	<u>1 503 967 854</u>	<u>1 117 671 472</u>
Total trade and other debit balance	<u>2 985 866 566</u>	<u>2 507 847 234</u>

15 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	1 476 944 389	1 368 948 212
Banks - time deposits	76 512 561	119 820 183
Investment funds*	16 874 233	16 444 296
Cash on hand	37 473	-
Balance of cash and cash equivalents	<u>1 570 368 656</u>	<u>1 505 212 691</u>

E finance for Digital and Financial Investments Company (S.A.E)
Notes to The Interim Condensed Consolidated Financial Statements for the financial period ended March 31, 2024

*** 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
SEYOLA fund	8 514 584	8 464 637
Youm by youm Account - Bank Misr	136 374	130 813
	<u>16 874 233</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>December 31, 2023</u>
	<u>L.E</u>	<u>L.E</u>
Cash and Its equivalents	1 570 368 656	812 565 955
<u>Deduct:</u>		
Deposit against loan	(72 300 000)	(53 000 000)
Mortgaged cash investment fund against letters of guarantee in favor of others	(8 223 275)	(5 537 021)
Cash and cash equivalents for the purpose of preparing the cash flow statement	<u>1 489 845 381</u>	<u>754 028 934</u>

16 Capital

16-1 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 (three billion five hundred thousand 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.

16-2 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 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 236.25 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 September 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 September 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 Board of Directors, held on October 31, 2021, decided to increase the issued capital by issuing a number of 177 777 778 shares, with a nominal value of fifty piasters per share, and a total value of 88 888 889 Egyptian pounds, bringing the issued and paid-up capital to 888 888 889 Egyptian pounds.
- The extraordinary general assembly convened on September 15, 2021 decided to increase the issued capital with 4% issuing 71 111 111 shares with a face value of 0.5 EGP, with a total value 35 555 556 exclusively for ESOP, and delegated the board of directors to take the suitable procedures, the board of directors, held on of Jan 31st, 2022 to approve the capital increase. and the entry was made in the company's commercial register on March 17, 2022.
- The Egyptian Saudi for investment company acquired 25% of the company share (Purchased from national investment bank).

17 Share premium (Special reserves)

The share capital of E-Finance for Digital and Financial Investments S.A.E has been increased with 177 777 778 shares at a price of 13.98 pounds per share, and 2 485 333 336 Egyptian pounds were collected as a value of those shares, and this value has been reduced by direct expenses related to the capital increased shares amounting to 50 828 426 Egyptian pounds as well as the nominal value of the shares of 88 888 889 Egyptian pounds so that the share premium becomes 2 345 616 021 as of December 31, 2021.

An amount of EGP 389 153 914 was transferred to the legal reserve so that the share premium balance on June 30, 2022, amounted to EGP 1 956 462 107.

18 Treasury Stocks

The Board of Directors, held on September 8th, 2022, decided to acquire a treasury share with a ceiling of 5% of total capital shares through 9 months, through the local market/price.

- On September 29th, 2022, a quantity of 99 682 shares at average price 13.49 EGP with a total amount of 1 345 051 EGP.
- On October 2nd, 2022, a quantity of 250 000 shares at average price 13.84 EGP with a total amount of 3 460 629 EGP.
- On October 12th, 2022, a quantity of 17 085 shares at average price 13.48 EGP with a total amount of 230 324 EGP.

The total treasury shares as of December 31st 2022, amounted 5 036 004 EGP.

	<u>March 31, 2024</u>		<u>March 31, 2023</u>	
	<u>L.E</u>	<u>Shares</u>	<u>L.E</u>	<u>Shares</u>
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	(2 765 642)	(115 619)	(6 997 196)	(368 000)
From selling the year	720 563	--	1 939 413	--
Balance at the end of the year	194 484 557	10 427 267	196 529 636	10 542 886

19 Reserves

	<u>December 31, 2024</u>	<u>December 31, 2023</u>
	<u>L.E</u>	<u>L.E</u>
Legal Reserve *	636 492 807	634 417 271
General Reserve **	20 000 000	20 000 000
Reserve resulted from the spin-off***	872 781 093	684 841 056
Other Reserves****	1 529 273 900	1 339 258 327

* 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 statutory 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, provided that it is approved by the general assembly.
According to the general assembly meeting held on 19 March 2019 an amount of general reserve of 20 million was formed.

*** The reserve represents the actuarial Gain/loss included other comprehensive Income

20 Credit Facilities

<u>Bank</u>	<u>Authorized facility limit L.E or Its equivalents of Foreign Currency</u>	<u>Used L.E or Its equivalents of Foreign Currency</u>	<u>LGs & LCs L.E or Its equivalents of Foreign Currency</u>	<u>Nature of facility</u>
QNB	50 000 000	--	--	Existing debt limit
QNB	81 500 000	--	--	Limit to issuing letters of credit
AAIB	50 000 000	30 066 821	--	Existing debt limit
QNB	22 000 000	2 258 560	--	Limit to issuing local letters of guarantee
The United National Bank	500 000 000	--	50 947 412	Import letters of credits
Egyptian Bank for Imports Development	200 000 000	--	45 903 070	Limit to issuing local letters of guarantee
QNB	100 000 000	101 364 833	--	Existing debt limit
QNB	30 000 000	--	--	Existing debt limit
QNB	150 000 000	--	79 555 349	Limit to issuing local letters of guarantee
Bank Misr	31 000	--	--	Existing debt limit
QNB	2 000 000	--	--	Issuance limit for issuing credit cards
CIB	290 000	--	--	Existing debt limit
AAIB	45 000 000	--	--	Existing debt limit
Egyptian Bank for Imports Development	45 000 000	--	--	Existing debt limit
Faisal Islamic Bank	80 000 000	--	--	Limit for purchasing of goods and production requirement
	1 355 821 000	172 847 815	176 405 831	

21 Provisions

Provisions are formed according to the best estimate of the value of the expected liabilities at the date of the financial statements arising from the company's practice of its activities and its contractual relations with others.

22 **Trade and other payables**

	<u>March 31, 2024</u>	<u>December 31, 2023</u>
	<u>L.E</u>	<u>L.E</u>
Accounts payable	418 690 566	399 706 266
	<u>418 690 566</u>	<u>399 706 266</u>
Other credit balances		
Accrued expenses	150 291 891	146 741 154
Payroll tax	16 202 996	30 124 882
Value Added Tax (VAT)	37 272 787	42 501 900
Advance payment from Customer	92 021 713	75 303 013
Withholding tax	8 049 212	10 854 374
Insurance for work guarantee	766 653	874 953
Deferred Revenue	68 851 194	50 033 915
Others	64 318 611	78 148 848
Total other credit balances	<u>437 775 057</u>	<u>434 583 039</u>
Total Trade and other payables	<u>856 465 623</u>	<u>834 289 305</u>

E finance for Digital and Financial Investments Company (S.A.E)
Notes to The Interim Condensed Consolidated Financial Statements for the financial period ended March 31, 2024

23 Non-Controlling interest

	E- Finance	E-novate	Khales	E-Aswaq	E-nable	Total
Balance on January 1, 2023	82 823	11 173 066	32 504 915	13 074 103	1 186	56 836 093
The share of non-controlling interests in comprehensive income for the period	91 219	(16 934 808)	4 119 680	21 749 819	308	9 026 218
The share of non-controlling interests in dividends for the year	-	-	-	54 600 000	2 016	54 602 016
Disposal	-	(755)	(453 024)	--	--	(452 249)
The share of comprehensive income for the period dividends	-	-	(2 160 405)	-	(82)	(2 230 766)
Total non-controlling interest as of Decembre 31, 2023	103 763	(5 762 517)	34 011 941	89 423 922	3 428	117 780 537
The share of comprehensive income for the period	27 203	1 440 073	4 348 659	4 125 268	(113)	9 941 090
The share of dividends	(44 915)	--	(4 022 542)	(4 201 592)	-	(8 269 049)
Total non-controlling interests as of September 30, 2023	86 051	(4 322 444)	34 338 058	89 347 598	3 315	119 452 578

E finance for Digital and Financial Investments Company (S.A.E)
Notes to The Interim Condensed Consolidated Financial Statements for the financial period ended March 31, 2024

24 Revenues

	<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>
Installation services and card operation revenue	498 842 434	361 580 853
Integrated solutions revenue	53 821 782	64 218 827
Hosting services revenue	367 929 157	207 639 975
Maintenance and network	71 495 942	29 829 258
Installations and technical support revenue	79 678 850	83 936 509
Cards Center Revenue	10 583 297	16 299 872
Sales return	(23 901 178)	—
Other	90 771 559	4 463 960
	<u>1 149 221 843</u>	<u>767 969 254</u>

25 Cost of sales

	<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 and employee benefits	251 124 026	182 243 786
Consultancy and Technical support	76 475 241	53 946 299
Card Center	47 872 190	44 041 989
Programs license & communications	35 457 579	19 926 073
Services provider cost	33 215 278	30 689 210
Cost of goods sold	32 686 497	28 395 923
Depreciation of fixed assets (Note 5)	17 022 664	12 487 098
Amortization of ROU asset	6 106 532	3 663 609
Amortization of intangible assets (Note 6)	10 130 919	3 009 642
Contract Asset Depreciation	985 313	1 186 670
Employee benefits (cars)	518 729	531 851
Other Costs	571 878	2 730 770
	<u>512 166 846</u>	<u>382 852 920</u>

26 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>
Wages and Salaries and employee benefit	40 739 330	29 105 837
Amortization of ROU asset	6 317 966	5 067 970
Stamps and deductions	3 127 852	4 032 892
Fixed Assets Depreciation (Note 5)	3 222 886	5 118 985
Consulting and legal fees	8 828 920	5 070 935
Comprehensive social insurance	3 801 992	2 586 311
Donations	15 033 500	4 000 000
Maintenance Expenses	8 769 014	4 260 365
Employee benefits (cars)	116 724	147 723
Amortization of intangible assets (Note 6)	12 638 385	2 844 594
Cleaning and Maintenance	2 345 725	1 483 796
Rent	1 164 796	1 265 661
Training fund	9 439 448	-
Other expenses	14 863 903	10 118 385
	<u>130 410 441</u>	<u>75 103 454</u>

27 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	9 880 902	1 615 000
Public Relations	2 066 543	1 103 188
Advertisements	349 000	466 096
Other Marketing Expenses	820 514	4 481 898
	<u>13 116 959</u>	<u>7 666 182</u>

28 Finance Cost

	<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>
Foreign exchange loss	41 613 127	35 341 908
Bank Interest expense	9 506 988	3 622 621

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

58 011 229

40 846 451

29 Finance income

	<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>
FVTPL	94 678 049	--
FVTOCI	--	9 079 830
Revenues from Investment in financial investment funds	34 500 224	113 850 766
Foreign exchange Translation gain	2 786 629	-
Bank interest on Current accounts	68 795 066	23 179 077
	200 759 968	146 109 673

30 Related parties

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

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

				Balance	
	<u>Relations</u> <u>Nature</u>	<u>Transaction</u> <u>Nature</u>	<u>Volume of</u> <u>Transactions</u> <u>during the period</u>	<u>March 31, 2024</u> <u>L.E</u>	<u>December 31,</u> <u>2023</u> <u>L.E</u>
30-1 <u>Due from Related Parties</u>					
E Health (Technological Operation for Health Insurance Services)	Associate	Purchases	1 191 190		
		Payment on behalf	(55 880)	13 142 235	12 006 925
				13 142 235	12 006 925
30-2 <u>Due to Related Parties</u>					
E Tax (Technological Operation for Tax Solutions)	Associate	Purchases	(9 998 601)		
		Service delivery	5 439 386		
		Payment on behalf	(28 437 551)	23 450 795	56 447 561
				23 450 795	56 447 561

31 Segment reporting.

The company has (7) sectors that can be disclosed as shown below, which are the strategic business units of the company. Strategic business units offer different products and services, and they are managed separately because they require different strategies. For each of the strategic business units, the Company's senior management reviews internal management reports on at least a quarterly basis.

The following summary explains the operations in each of the reporting sectors of the company:

- Sector (A) - services and operation of cards
- Sector (B) - integrated solutions
- Sector (C) - Cloud Service
- Sector (E) - Maintenance and network contracts
- Sector (F) – Installation and Technical support services
- Sector (G) – Card Center
- Sector (H) - other

Segment results that are disclosed to senior management (company chairman, CEO), chief operating officer (COO), and chief financial officer (CFO) include items that are directly proportional to the sector in addition to those that can be allocated on an acceptable basis.

Information regarding the results of each of the segments to be disclosed is provided below. Performance is measured based on segment revenue, as included in internal management reports that are reviewed by senior management.

E-finance for Digital and Financial Investments Company

Notes to the Interim Condensed Consolidated Financial Statement for the financial period ended March 31, 2024

	Services and Operation of Cards	Integrated solution	Cloud Service	Maintenance and Networks	Installation and Technical support services	Card Center	Others	Total
March 31, 2024	L.E	L.E	L.E	L.E	L.E	L.E	L.E	L.E
Revenues	498 842 434	53 821 782	367 929 157	75 428 380	79 678 850	58 927 186	38 495 232	1 173 123 021
Sales return	(6 927 558)	-	(6 181 123)	(8 548 234)	-	(2 244 263)	-	(23 901 178)
Net Revenues	491 914 876	53 821 782	361 748 034	66 880 146	79 678 850	56 682 923	38 495 232	1 149 221 843
Depreciation of fixed assets	(11 279 082)	(1 623 561)	(11 475 133)	(976 410)	(674 787)	(1 939 637)	(3 271 505)	(33 260 115)
Salaries and Wages and employee benefit	(94 885 135)	(26 117 364)	(35 750 768)	(5 639 907)	(28 359 931)	(9 546 378)	(50 824 543)	(251 124 026)
Other Costs	(67 303 512)	(17 939 714)	(32 642 486)	(20 140 670)	(8 240 129)	(50 020 681)	(31 495 513)	(227 782 705)
Gross Profit(Loss)	318 447 147	8 141 143	281 879 647	40 123 159	42 404 003	(4 843 773)	(49 096 329)	637 054 997
%Gross Profit(Loss)	64%	15%	77%	53%	53%	-8%	-128%	54%
Other Expenses and revenues	(67 021 730)	(5 126 206)	(33 101 762)	(9 674 715)	(7 406 193)	(11 621 955)	129 316 797	(4 635 764)
Net Profit / (loss) before Tax	251 425 417	3 014 937	248 777 885	30 448 444	34 997 810	(16 465 728)	80 220 468	632 419 233
Net Profit/ (loss) before Tax%	50%	6%	68%	40%	44%	-28%	208%	54%

E-finance for Digital and Financial Investments Company

Notes to the Interim Condensed Consolidated Financial Statement for the financial period ended March 31, 2024

March 31, 2023	Services and Operation of Cards	Integrated solution	Cloud Service	Maintenance and Networks	Installation and Technical support services	Card Center	Others	Total
	L.E	L.E	L.E	L.E	L.E	L.E	L.E	L.E
Revenue	361 580 853	64 218 827	207 639 975	29 829 258	83 936 509	16 299 872	4 463 960	767,969,254
Depreciation	(3 726 395)	(525 825)	(5 338 488)	(688 854)	(671 257)	(3 619 246)	(3 444 365)	(18 014 430)
Salaries and Wages and employee benefit	(75 583 199)	(9 536 161)	(24 203 653)	(3 516 833)	(29 991 156)	(4 484 586)	(34 928 197)	(182 243 785)
Other Cost	(110 650 028)	(24 610 011)	(15 714 050)	(10 703 115)	(4 316 168)	(14 359 376)	(2 241 957)	(182 594 705)
Gross Profit/(Loss)	171 621 231	29 546 830	162 383 784	14 920 456	48 957 928	- 6 163 336	- 36 150 559	385 116 334
%Gross Profit/(Loss)	47%	46%	78%	50%	58%	-38%	-810%	50%
Other Expenses and revenue	(37 568 420)	(3 595 314)	(10 870 295)	(2 846 721)	(5 148 128)	(20 426 800)	104 553 699	24 098 021
Net Profit before Tax	134 052 811	25 951 516	151 513 489	12 073 735	43 809 800	(26 590 136)	68 403 140	409 214 355
%Net Profit before Tax	37%	40%	73%	40%	52%	-163%	1532%	53%

Assets and liabilities	March 31, 2024		March 31, 2023	
	Assets	Liabilities	Assets	Liabilities
Allocated to sectors	L.E 4 014 869 101	L.E 1 198 750 519	L.E 3 595 791 453	L.E 1 275 415 848
Allocated to non-sectors	4 254 953 583	1 400 788 471	4 039 257 754	759 571 997
Total	8 269 822 684	2 599 538 990	7 635 049 207	2 034 987 845

32 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.

The maximum exposure to risk is limited to the balances shown in (Note 13)

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

Trade and other receivables

Credit risk arises based on the company's control policy, procedures and systems related to risk management. The credit strength of the customer is measured based on a credit score card for each individual customer and the credit limit is determined based on this evaluation. The company's revenues are due to a large company of clients with financial solvency and the outstanding balances of customers are constantly monitored, and the company conducts a study of impairment in every financial year.

E finance for Digital and Financial Investments Company (S.A.E)

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

The limit of the credit risk represents in the books of financial assets, here below statement with these balances on the financial position date:

	<u>March 31, 2024</u>	<u>March 31, 2023</u>
	<u>L.E</u>	<u>L.E</u>
Trade and other receivables	2 985 866 566	2 989 868 804
Due from related parties	13 142 235	13 142 235
Cash and Cash equivalents	1 570 368 656	1 570 368 656
Financial Investments at amortized cost	511 627 226	737 921 833

The Company determines the degree of credit risk based on data identified as expected of loss risk (The historical collection for the customer, customer contract terms) and historical credit terms. Credit risk grades are determined using qualitative and quantitative factors that indicate the risk of default.

The expected credit loss is assessed as follows:

- 1- The customer list has been divided into two sectors.
- 2- Each sector is divided by the age of trade receivables debt.
- 3- Each sector was reviewed according to the historical events of each sector. According to the study conducted, the expected default rate is derived from each of the above period.
- 4- General economic conditions

The Company reviews its forward-looking estimates and general economic conditions to assess the expected credit loss, which will depend mainly on current and expected inflation rates.

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 risk rate and interest risk rate, which are risks that affect the group'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 profitable returns. The group 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 the 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.

E finance for Digital and Financial Investments Company (S.A.E)**Notes to The Interim Condensed Consolidated Financial Statements for the financial period ended March 31, 2024**

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>March 31, 2023</u>
	<u>L.E</u>	<u>L.E</u>
<u>Floating interest rate financial instruments</u>		
Financial Assets	1 570 368 656	1 505 212 691
	<u>1 570 368 656</u>	<u>1 505 212 691</u>

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. In light of maintaining all other variables constant, the impact that occurred on the company's profits before taxation is due to changes in the value of assets and monetary liabilities. Changes in the exchange rates of all other foreign currencies are immaterial.

<u>Foreign Currencies</u>	<u>Exchange rate</u>	<u>Net Asset / Liability</u>	
		<u>In Foreign</u>	<u>In EGP</u>
		<u>Currency</u>	
US Dollar	47.25	(2 587 100)	(122 240 475)
Euro	12.60	13 325	167 895

C) Liquidity risk

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

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

E finance for Digital and Financial Investments Company (S.A.E)

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

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

<u>March 31, 2024</u>	Net Book Value	Less than year	From 1 to 2 years	From 2 to 5 years or more
	<u>L.E</u>	<u>L.E</u>	<u>L.E</u>	<u>L.E</u>
Trade and other payables	856 465 623	856 465 623	--	--
Other Obligations	1 198 950 334	959 780 866	--	239 169 468
Bank facilities	172 847 815	164 010 290	8 837 525	--
Lease liability	143 983 244	55 609 035	88 374 209	--
Total	2 372 247 016	2 035 865 814	97 211 734	239 169 468

<u>December 31, 2023</u>	Net Book Value	Less than year	From 1 to 2 years	From 2 to 5 years or more
	<u>L.E</u>	<u>L.E</u>	<u>L.E</u>	<u>L.E</u>
Trade and other payables	834 289 305	834 289 305	--	--
Other Obligations	712 020 482	399 428 573	--	563 129 435
Bank facilities	117 757 297	104 790 224	12 967 073	--
Lease Liability	150 235 921	56 281 248	93 954 673	--
Total	1 814 091 005	1 394 789 350	106 921 746	563 129 435

33 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 parent company manages its capital structure and adjusts 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 year, and the Company is not subject to any external requirements imposed on its capital.

	<u>March 31, 2024</u>	<u>December 31, 2023</u>
	<u>L.E</u>	<u>L.E</u>
Total liability	2 599 538 990	2 034 987 845
Less cash & Equivalent	(1 570 368 656)	(1 505 212 691)
Net Liability	1 029 170 334	529 775 154
Total Equity	5 661 281 694	5 600 061 362
Net liability: total equity percentage	%18.18	%9.46

34 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, 2024</u>	<u>December 31, 2024</u>
	<u>L.E</u>	<u>L.E</u>
Letters of Guarantee	318 194 287	176 405 831

35 Employees Share Option Plan

- The extraordinary general assembly of the company, held on December 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 December 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
- On September 8, 2022, the board of directors approved the decision of the ESOP committee decision activating the first 1% of shares dedicated to the ESOP, provided that 25% of the shares allocated to ESOP are activated at affordable prices.
- On January 16, 2022, the Employees share option plan was approved by the Financial Regulatory Authority, and on January 25, the General Authority for Investment and Free Zones approved the system.
- On January 21, 2022, the company's board of directors convened to approve an increase in the company's capital by 4% related to the ESOP.
- On September 29, 2022 the chairman was delegated to complete the remaining according to the financial performance
- The 25% represents 4 181 114 Shares, with a total value of 58 117 484 EGP, (after deducting the nominal value of shares) and according to the system the shares were sold

E finance for Digital and Financial Investments Company (S.A.E)**Notes to The Interim Condensed Consolidated Financial Statements for the financial period ended March 31, 2024**

for employees with a reduced value of 5.76 EGP, so the group bear on behalf of the employees 34 034 268 EGP Recognized on the group's P/L.

- On November 14th, 2022 the remaining shares were activated with a total. 13 596 664 Shares with a total value 188 993 630 EGP (after deducting the nominal value), so the group bears on behalf of the employees 110 676 845 EGP which has been recognized in the consolidated statement of profit and loss.
- Employee loans for the ESOP as of December 31st, 2022, with a total amount of 93 219 248 EGP.
- During the first quarter of 2023, the ban on selling shares was lifted, 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 51 695 565 Egyptian pounds.
- On December 30th, 2023 the remaining shares were activated with a total. 16 730 877 Shares with a total value 258 324 740 EGP (after deducting the nominal value), so the group bears on behalf of the employees 110 676 845 EGP which has been recognized in the consolidated statement of profit and loss.
- On February 5th, 2024 the remaining shares were activated with a total. 293 218 Shares EGP (after deducting the nominal value), so the group bears on behalf of the employees 4 527 286 EGP which has been recognized in the consolidated statement of profit and loss.
- The Ordinary General Assembly of the company, convened on May 13, 2024, approved the use of 231 111 111 Egyptian pounds from the reserves shown in the financial statements as of December 31, 2023, to increase the issued and paid-up capital from 924 444 445 Egyptian pounds to 1 155 555 556 Egyptian pounds, by an increase of 231 111 111 Egyptian pounds distributed over 462 222 222 shares, with a par value of fifty piasters per share, distributed to shareholders as free shares at a rate of one share for every four shares, with fractions rounded in favor of small shareholders

36 Earnings per share

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

	<u>March 31, 2024</u>	<u>March 31, 2023</u>
	<u>L.E</u>	<u>L.E</u>
Net profit for the period for the owners of the company (EGP)	281 943 242	462 526 687
BOD and employees share suggested / actual (EGP)	(61 036 928)	(145 318 605)
Net Profit available for ordinary shares (EGP)	220 906 314	317 208 082
Average number of shares outstanding during the period for basic earnings (share)	1 793 647 756	1 802 152 383
Basic share in earnings for the period (EGP/share)	0.12	0.18

37 Capital Commitment

It mainly consists of the unpaid portion of the group's contribution to the capital of the invested companies as of March 31, and its statement is as follows.

		<u>March 31, 2024</u>	<u>December 31, 2024</u>
	<u>%</u>	<u>L.E</u>	<u>L.E</u>
Technological Operation for Tax Solutions company	35%	104 999 925	104 999 925
E-tax			
Nclude	9%	263 269 062	172 392 500
Technological Operation for Health Insurance Services	35%	34 999 975	34 999 975
E-Health			
		<u>403 268 962</u>	<u>312 392 400</u>

38 Reclassification of comparative figures

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

39 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 between 49 to 50 EGP/USD.