



RESILIENCE. RESPONSIBILITY. GROWTH

ANNUAL REPORT

**2022**

RESILIENCE. RESPONSIBILITY. GROWTH



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# ABOUT US

# Overview

Egypt's leading technology focused investment firm.

eFinance is one of Egypt's leading developers of digital payment infrastructures and is renowned for its comprehensive network management solutions and end-to-end process services. eFinance was initially founded in 2005 with the goal to construct and operate the Egyptian government's financial network and, over the years, has made various strategic pivots until it transformed into a fully fledged technology focused investment group that became listed on the Egyptian Stock Exchange (EGX) in 2021. Today, the Group boasts

a comprehensive portfolio of subsidiaries and ancillary investments that have allowed eFinance to be present across the full scale of the digital payments value chain. eFinance's newly formulated Group structure has allowed it to not only unlock synergies across its operations but to also tap into new sectors across the nation and enhance its overall offering, leaving it well-positioned to capture increased market share across its various lines of business and grow its presence across the digital value chain.

solutions for financial and non-financial clients across the public and private sectors. eFinance's e-commerce subsidiary eAswaaq is a digital purchasing platform that provides marketplace management and other solutions to over 300,000 merchants specializing in agriculture, commerce, industry, and tourism. Additionally, the Group owns eNable, one of Egypt's largest providers of business process outsourcing (BPO) services, serving a client book comprising Egyptian and international entities across 10 different sectors by leveraging three different state-of-the-art centers.

As part of its strategic role as the Egyptian government's digital transformation arm, eFinance has been chosen to play a significant role in the establishment of nationally significant ventures, such as eTax and eHealth. eTax provides services for the management, operation, and development of Egypt's electronic tax system, while eHealth offers health technology services to Egypt's Universal Health Insurance System and extends a selection of specialized services to players in the Egyptian healthcare sector. Additional investments include entities operating trade and transport logistics platforms, a platform for electronic utility payments, and providers of consulting, advisory, and digitization services. Finally, the Group has investments that focus on unlocking value from promising and fast-growing early-stage ventures, including a venture capital fund focused on investing in early- and growth-stage companies, as well as an up-and-coming digital banking start-up.



## Vision

To become the leading orchestrator of Egypt's digital payments ecosystem and remain at the forefront of Egypt's digitalization strategy.

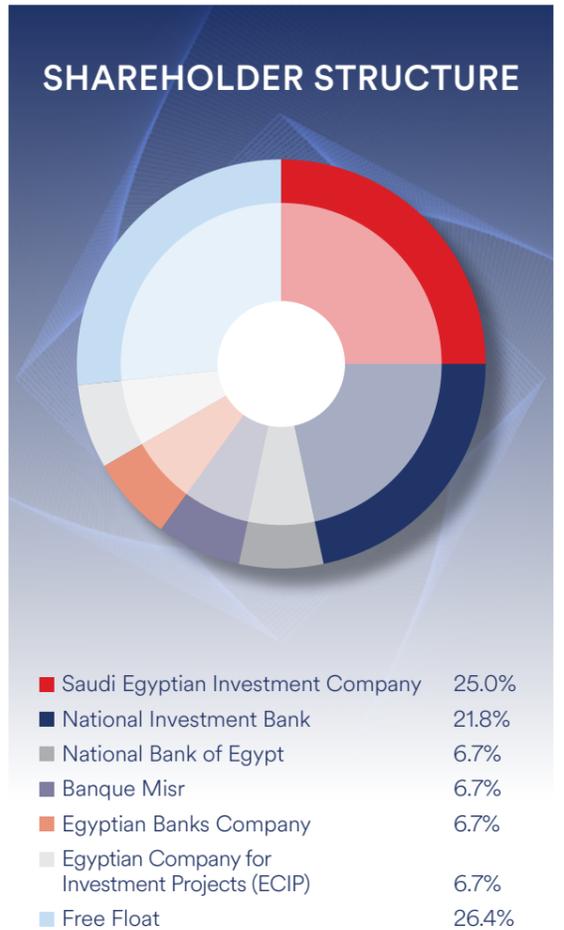


## Mission

Investing in human and technological capabilities to enable digital solutions and maximize the benefit for economies and citizens.

The Group controls five primary subsidiaries and holds stakes in a variety of ancillary investments. eFinance's flagship subsidiary, eFinance for Digital Operations, is responsible for processing all of the Egyptian government's G2G, G2B, and G2C payments and 70% of its collections using end-to-end digital solutions.

eKhales, eFinance's retail-focused subsidiary, has a network of over 470,000 POS machines, through which it provides merchants with a central bill-processing service, as well as numerous value-added digital solutions. Meanwhile, eCards is Egypt's leading producer of smart cards and offers a host of data management and e-KYC



eFinance's extensive network of subsidiaries unites a one-of-a-kind network architecture that provides seamless processing for billions of transactions. eFinance has set up a powerful platform that enables the generation of sustainable growth by placing the Group at the forefront of Egypt's efforts to develop a cashless, digitally enabled economy, pioneering digitization in activities from banking and taxation, utility and retail transactions, to customs collection and card management. This has enabled the Group to enhance its market share across all market segments and sectors linked to Egypt's rapidly growing digital environment.

The Group's deeply rooted presence in the digital payments space, coupled with its diversified business model, has left it ideally positioned to capture multiple opportunities that will continue to fuel its growth story. eFinance aims to capitalize on Egypt's strong market fundamentals and the dynamism of its booming digital ecosystem, as well as to capture the rising demand

for digital services through its comprehensive end-to-end solutions that enable governments, businesses, and individuals to execute payments and collections through simple and convenient means. eFinance will also continue investing in digital payments infrastructures, value-added services, smart solutions, and new digital propositions to enhance the Group's ubiquitous presence and generate greater value going forward. Additionally, by utilizing the Group's innovative platforms and solutions across its subsidiaries, eFinance will continue driving Egypt's overarching financial inclusion and digitization strategy, Egypt Vision 2030.

eFinance's continued success is anchored by an exceptional and highly qualified team of professionals, who have consistently demonstrated their ability to continually position the Group at the forefront of the market, generating synergies at every link of the digital payments value chain and capitalizing on eFinance's ubiquitous presence across Egypt's digital space and its exclusivity in the government's financial network.



### A Multi-Service Platform Powered by a Fully Integrated Digital Network

eFinance's unparalleled knowledge of the Egyptian digital space, coupled with its portfolio of subsidiaries and its diverse network of strategic partnerships with leading tech companies, vendors, telecoms, and public offices, has allowed the Group to create an integrated suite of digital services that form the backbone of the Egyptian

government's financial network. This network acts as a widespread grid, equipped with a range of digital channels extending across the Egyptian economy, where eFinance and third-party companies can integrate their innovative digital payment platforms to connect all relevant stakeholders.



### eFinance Portfolio Companies



(G2G, G2B, G2C, B2B, and B2C)

The Group's flagship subsidiary boasts a robust tech infrastructure combining digital and collections networks that form the backbone of Egypt's financial network. Additionally, the subsidiary provides financial cloud hosting services to multiple companies and institutions.



(B2C and B2B2C)

Egypt's leading bill aggregator, through its widespread network of POS terminals, plays a primary role in enabling citizens to execute their retail payments, including education, utilities, and more.



(B2B and B2C)

eCards offers a comprehensive suite of smart card production and management services and third-party processing services.



(B2B and B2B2C)

eAswaaq creates and operates e-commerce platforms connecting buyers and sellers in the agriculture, tourism, commercial, and industrial sectors.



(B2C)

A dedicated 24/7 BPO service provider offering a suite of integrated telecoms and contact center solutions to clients across Egypt and abroad.



### eFinance Investments



Primarily responsible for operating and overseeing the digital tax collection and payment cycle in coordination with the Egyptian Tax Authority and Real Estate Taxation Authority.



Responsible for operating the G2G process related to the exchange of data between different government entities in a secure and efficient manner.



A unified external trade platform, and it was developed to digitize the various customs transactions using a one-stop shop model.



ACIS is a consultancy services company focused on overseeing the digital transformation of key national projects across Egypt.



A dedicated healthcare operation focusing on national health insurance service provision through digitalized channels.



Specializes in charging prepaid electricity meters via mobile phones using NFC technology.



A venture capital fund focused on investing in early- and growth-stage Egyptian fintech and fintech-enabled companies.



A digital banking start-up in the fintech sector.

# Chairman's Message



Despite challenging headwinds that not only impacted our local and regional landscapes but global markets worldwide, we were able to generate exceptional value from our investments, book strong growth, and further cement our position as the leading partner for digital transformation in Egypt. The year saw the Group continue to reap the rewards of eFinance's attractive one-stop shop digital platform, reflecting our successful strategy to further consolidate our lines of business. This strategy has enabled the Group to generate synergies, tap into cross-selling opportunities across our operations, and be well-positioned to unlock and capture growth opportunities that enhance the Group's overall offering. On this front, I am proud to announce that in 2022, the Kingdom of Saudi Arabia's Public Investment Fund (PIF) acquired a 25% stake in eFinance and successfully

became the Group's largest shareholder. The PIF is a globally recognized investment powerhouse with a strong investment track record across a multitude of sectors, and the Fund's stake in eFinance reflects the overarching value of the Group's offering, investors' trust in eFinance's exceptional track record, and the Group's positive outlook. The PIF will strengthen the Group's ability in identifying and capturing growth opportunities in both our home market in Egypt and beyond its borders. With their support, we are more confident than ever in the Group's ability to deploy tailored and scalable solutions in the digital payments space and in delivering on our ambitious growth targets in the years to come.

In 2022, our unique value proposition and continued investment in key areas across our digital platforms

have seen the Group deliver double digit growth across its top and bottom lines, achieve strong profitability margins across the board, and generate exceptional value for our investors and shareholders. The Group's revenues booked an increase of 34.7% year-on-year (y-o-y) to EGP 2.6 billion for 2022 on the back of solid growth across various fronts, from our legacy operations as a well-established build and operate player to the Group's more recent ventures in the tech and digital payments spaces that have further strengthened our offering. In terms of profitability, the Group booked a net income increase of 54.7% y-o-y in 2022, which was driven by eFinance's focus on growing the contribution of higher-margin revenue streams, such as variable-fee revenues from eFinance's comprehensive transaction processing capabilities.

I would like to especially shed light on the strong performance of the Group's cloud hosting vertical, which delivered a stellar performance and booked a near three-fold increase in revenue for the year to EGP 779.1 million. This performance was driven by our continued investment in cloud infrastructure, which has allowed us to expand our client base. Moreover, as pioneers in the market leading the shift to cloud services, I am pleased to report that during the Cairo ICT conference in November 2022, we successfully launched Egypt's largest cloud computing platform. The Group's landmark launch reflects our efforts in supporting and enhancing public and private sector businesses and organizations in driving and enabling the growth and scalability of their operations. This milestone also marks the first-ever license issued by

the National Telecom Regulatory Authority (NTRA) to a private company to operate a cloud computing platform in Egypt and stands testament to eFinance's strong capabilities and expertise in this space. The Group has already built a solid tech infrastructure that has served a wide array of clients across a multitude of industries, and I am confident that the launch of our new cloud computing platform will play a pivotal role in accelerating Egypt's digital transformation agenda.

Moreover, the Group has made solid strides in its expansionary efforts across multiple key sectors in Egypt, including transportation and tourism, in our efforts to grow eFinance's footprint, streamline operations, and drive efficiencies across our market, as well as digitize traditional processes that will ultimately support the development of Egypt's digital economy. By utilizing eFinance's comprehensive integrated smart solutions services, the Group was able to introduce electronic gateways at four of Egypt's largest railway stations and has successfully developed an online ticketing platform where passengers can book and pay for their tickets, seamlessly. Additionally, the Group has been able to introduce Egypt's first electronic booking platform for the tourism sector, covering a wide variety of major touristic destinations, and parallel to this, we introduced "Konouz", a digital platform dedicated to the sale of high-quality replicas of Egyptian artifacts. As tourism continues to provide a vital source of foreign currency to the Egyptian economy, the Group is always seeking opportunities where it can accelerate and support the digital transformation of strategic sectors across the nation.

On this front, one of our key investments is eHealth, through which the Group is aiming to serve Egypt's growing population of over 100 million people and gradually integrate them into the nation's universal health insurance program. eHealth's main target is to provide the necessary tech infrastructure to public healthcare providers in order to facilitate the program's gradual roll-out. Parallel to this, the Group's investment in eTax allows it to simplify the government's tax processes and has unlocked operational efficiencies across the Egyptian Tax Authority and Real Estate Taxation Authority. Through its e-invoicing

and e-receipt systems, eTax is aiming to digitize all B2B invoices and B2C receipts across the country and support the formalization of Egypt's economy, with the government introducing a host of initiatives for businesses to register on the system. The Group is fully committed to continue investing in eHealth and eTax over the coming period, as we look to capitalize on the growth opportunities these sectors present and further maximize the value generated for our shareholders in the medium and long term.

The Group attaches significant importance to supporting fintech start-ups as we remain aligned with the Central Bank's financial inclusion agenda, which aims to accelerate the development of digital banking services and establish fully digital banks across Egypt. The Group has also injected capital into Egypt's thriving fintech sector, as we seek to unlock opportunities across the digital banking, consumer financing, and non-banking financial services spaces to further our efforts in driving financial inclusion across the nation and strengthening our digital solutions and payments offering. In this endeavor, the Group has successfully deployed a USD 10 million investment in Nclude in 2022, a venture capital fund that is dedicated to investing in early-stage fintech businesses in the Middle East and Africa (MEA). Parallel to this, the Group successfully led a USD 3 million financing round for Nexta, an early-stage start-up focused on the digital banking space. Nexta has already received approval from the Central Bank of Egypt to launch its services, and we are confident that Nexta's unique business model and advanced tech capacities will complement eFinance's business activities and will yield significant value for the Group in the long term.

On the sustainability front, the Group acknowledges the key role it plays as an enabler of financial inclusion and a leader in the digital payments space to operate in a manner that accelerates economic and social development through sustainable business practices that best serve our communities. In this endeavor, I am proud to announce that we have included a dedicated sustainability section in our 2022 annual report. The section sheds light on our sustainability agenda, the environmental and social efforts we have made in this regard,

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**The agility of eFinance's business model has not only enabled the Group to generate significant value across our local market of Egypt but also leaves us well-positioned to replicate eFinance's success beyond our borders**

and how the Group is committed to further delivering on the nation's sustainability and development agenda, Egypt Vision 2030, and aligning with the United Nation's Sustainable Development Goals (SDGs).

Looking ahead, I firmly believe that the Group is well-positioned to maintain its promising growth trajectory. Despite the current challenging macroeconomic landscape due to rising inflationary pressures and an unfavorable FX environment, I am confident that our solid track record in navigating turbulent environments will allow us to emerge on stronger footing and maximize the value generated for our shareholders. Moreover, our strong and growing shareholder base continues to reflect a clear vote of confidence for the Group and the attractive value proposition our operations present. The agility of eFinance's business model has not only enabled the Group to generate significant value across our local market of Egypt but also leaves us well-positioned to replicate eFinance's success beyond our borders. The Group is ready to venture outbound and has already eyed multiple opportunities across the MEA region, and we look forward to reporting on these developments over the coming period.

Our goal remains the same, strategically consolidate our offering and unlock profitable synergies between our lines of business to further fuel the Group's growth, deepen our presence across the digital payments value chain, create greater value for our wide stakeholder base, and continue to play an ever-growing role in Egypt's digital transformation story. As we enter the new year, our success will continue to be driven by our people and their commitment to operational excellence, which has allowed the Group to, time and again, deliver on its ambitious targets despite the challenges presented to them.



**Ibrahim Sarhan**  
Chairman of the Board

# Corporate Evolution

Paving the way for Egypt's digital transformation.

eFinance's history has seen the company transform from its beginnings as a pure builder and operator responsible for the Egyptian government's financial network in 2005, to a publicly listed tech-focused investment management firm that has formed the backbone of Egypt's push for a digital economy. The Group's wide array of platforms, channels, and outlets has enabled the government, businesses, banks, and

individuals to carry out daily transactions in a seamless manner through easy-to-use and secure mediums. Since 2019, eFinance has successfully pushed the strategic restructuring of the Group's lines of business, leaving it ideally placed to continue expanding its presence throughout new markets, such as healthcare, and marking a strong start to the Group's story as a publicly listed company.

## Launch Phase: 2005–2010

2005

### Planting Our Seed

- Established to operate the government's financial network and become the driving force behind Egypt's digital transformation agenda

2007

### Digital Beginnings

- Contracted by the Ministry of Finance to be the government's e-payment hub
- Initiated the government payroll project

2009

### Growing Our Systems

- Executed the first electronic tax collection
- Built the Treasury Single Accounts system
- Started the Pension Automating Project

2010

### First Payment & Collection

- Performed Egypt's first electronic payment order
- Completed Egypt's first electronic collection for customs

## Development Phase: 2011–2016

2012

### Introducing CPS and CAMS

- Introduced the Corporate Payment Solutions (CPS) service to the banking sector
- Built CAMS for the Customs Authority

2013

### Expanding Card and Fuel Management Services

- Grew the card center's production capabilities
- Began operating the fuel control and management system

2015

### Strengthening Partnerships

- Provided more services with Egypt Post
- Began the Takaful and Karama Project

## Expansion Phase: 2016–2018

2016

### Supporting Egypt's Agriculture Sector

- Established the digital infrastructure for the farmers card, an essential product that assists farmers in receiving their entitled subsidies and acts as a key vehicle for data collection

2017

### Inaugurating a New Era

- Finalized and inaugurated the government's electronic payment system, and the government issued its last manual cheque

2018

### Full Speed Ahead

- Completed the government financial network
- Implemented capacity upgrades to the network infrastructure

## Restructuring and IPO Readiness: 2019–2020

2019

### Repositioning & Expanding

- Reformulated growth strategy with the assistance of global consulting firms, better positioning the Group to unlock and capture value in Egypt’s digital space
- Selected as part of the government’s privatization program, providing investors with an opportunity to benefit from Egypt’s fast-growing digital sector

2020

### Transformation & “Tech-celeration”

- Spun off lines of business into a portfolio of stand-alone companies (eKhales – eCards)
- Solidifying e-fiance’s position as a holding company with a sound growth strategy
- Establishing eAswaaq to expand into the e-commerce market, maximizing benefit from the post -COVID-19 digital boom
- Doubled contact center capacity

## New Achievements, New Markets: 2021–2022

2021

### IPO and Continued Expansion

- Completed historic IPO in October, valuing eFinance at EGP 22.4 billion and drawing heavy domestic and international interest, with the offering heavily oversubscribed by institutions and retail investors
- Launched eTax in cooperation with the Ministry of Finance to manage and operate the government’s electronic tax system and simplify tax processes
- Established eHealth to develop, manage, and operate digital platforms on behalf of Egypt’s Universal Health Insurance program, while providing specialized and integrated services to industry players
- Spun off a business process outsourcing unit as a separate entity, eNable

2022

### Entering New Ventures and Growing Beyond Our Borders

- KSA’s PIF acquires a 25% stake in eFinance, becoming the Group’s single largest shareholder
- Launched landmark e-receipt system, and eTax became the sole provider for the e-invoicing system
- Secured first-ever contract to connect six million people across five governorates with more than 140 medical units as eHealth gets approval for the first phase of its roll-out
- Announced participation in NClude, a venture capital fund aiming to generate long-term capital gains by investing predominantly in early- and growth-stage fintech and fintech-enabled companies based or operating in Egypt and the wider MEA region through a USD 10 million investment
- Announced leadership of a USD 3 million financing round for Nexta, a dynamic fintech start-up, which will see the introduction of unique dynamic digital banking services
- Established a new line of business for Africa and International Alliances, which will spearhead eFinance’s activity in the region
- Signed an MoU in Libya to replicate what eFinance has created for the government’s financial network in Egypt
- Secured an agreement with the Tunisian Agricultural Bank to replicate eFinance’s work in the agricultural sector in Egypt



OUR NEW  
STRATEGIC  
DIRECTION

# Our New Strategic Direction

Throughout the past three years, eFinance witnessed an increasing trend in its revenues despite the recent difficulties faced with the COVID-19 pandemic, the developments in the government's and the banking sector's digital transformation, and the negative consequences of the Russia-Ukraine conflict on supply chains and exchange rates. This is a testament to the solidity of the Group's current business model.

During 2022, a strategy was developed and implemented by an international consulting office. The strategy focuses on the current situation of the Group and its subsidiaries in terms of the services they provide, as well as enhancing cooperation between the various

subsidiaries in order to keep up with the pace of the continuous market developments and new financial and digital banking services.

## Growth Strategy Pillars

- Increasing eFinance's revenues by around 2.5X during 2025
- Developing a new business model for the Group
- Focusing on the integration of digital services across subsidiaries to maximize profitability
- Increasing investment in cloud computing and focusing on financial services
- Expanding in the non-banking financial services sector

The Group's strategy is focused on leveraging eFinance's comprehensive, fast-growing, and tech-enabled multi-service platform to create positive and long-lasting impact for the people, businesses, industries, and economies eFinance serves. The Group's strategy focuses on further cementing eFinance's position as a vital player in Egypt's digital economy and in the drive toward financial inclusion.



### Supporting Egypt's Aspirations for Financial Inclusion and a Digital Economy

eFinance's unique positioning as the premier government partner has given it the capacity to revolutionize Egypt's payment landscape through the Group's comprehensive multi-service platform and play a key role in driving the nation's digital economy and aspirations for financial inclusion. eFinance has leveraged its fully integrated system of end-to-end payment infrastructures to develop and operate financial networks and to

facilitate payments for governments, businesses, and consumers across a wide range of industries through an innovative suite of digital products. The Group will continue growing and utilizing its multi-service platform and its access to state-of-the-art technologies to further enable financial inclusion and play an increasingly greater role in accelerating the growth of Egypt's digital economy.



### Investing in Tech-Enabled Businesses and Innovative Ventures that Unlock Synergies

The Group is fully committed to investing in tech-enabled businesses that will support eFinance in expanding its presence and enhancing the digital capacities of strategic sectors across the nation. A key focus of the Group is to widen its presence across the nation and tap into new sectors with the goal of establishing solutions across the digital value chain that enhance digital capacities. Additionally, the Group is keen on supporting young and emerging

players in the fintech ecosystem that will help shape Egypt's future digital economy. The Group is constantly on the lookout for ventures that will seamlessly integrate with eFinance's business activities, further optimize the performance of the Group's digital platforms, unlock synergies, and accelerate Egypt's journey toward a financially inclusive and digital economy.

## The Orchestrator of Egypt's Digital Ecosystem



Supporting Egypt's Aspirations for Financial Inclusion and a Digital Economy



Investing in Tech-Enabled Businesses and Innovative Ventures that Unlock Synergies



Adopting Disruptive Technologies and Unleashing the Power of Data



Creating Sustainable and Meaningful Impact



### Adopting Disruptive Technologies and Unleashing the Power of Data

A key element of the Group's strategy is investing in advanced solutions and tools that further bolster eFinance's technological infrastructure. Today, the Group boasts comprehensive technological infrastructures and cloud hosting capabilities that enable the provision of digital financial solutions that benefit a wide array of sectors, economies, and citizens in Egypt and across the Group's growing footprint. eFinance's growing tech infrastructure,

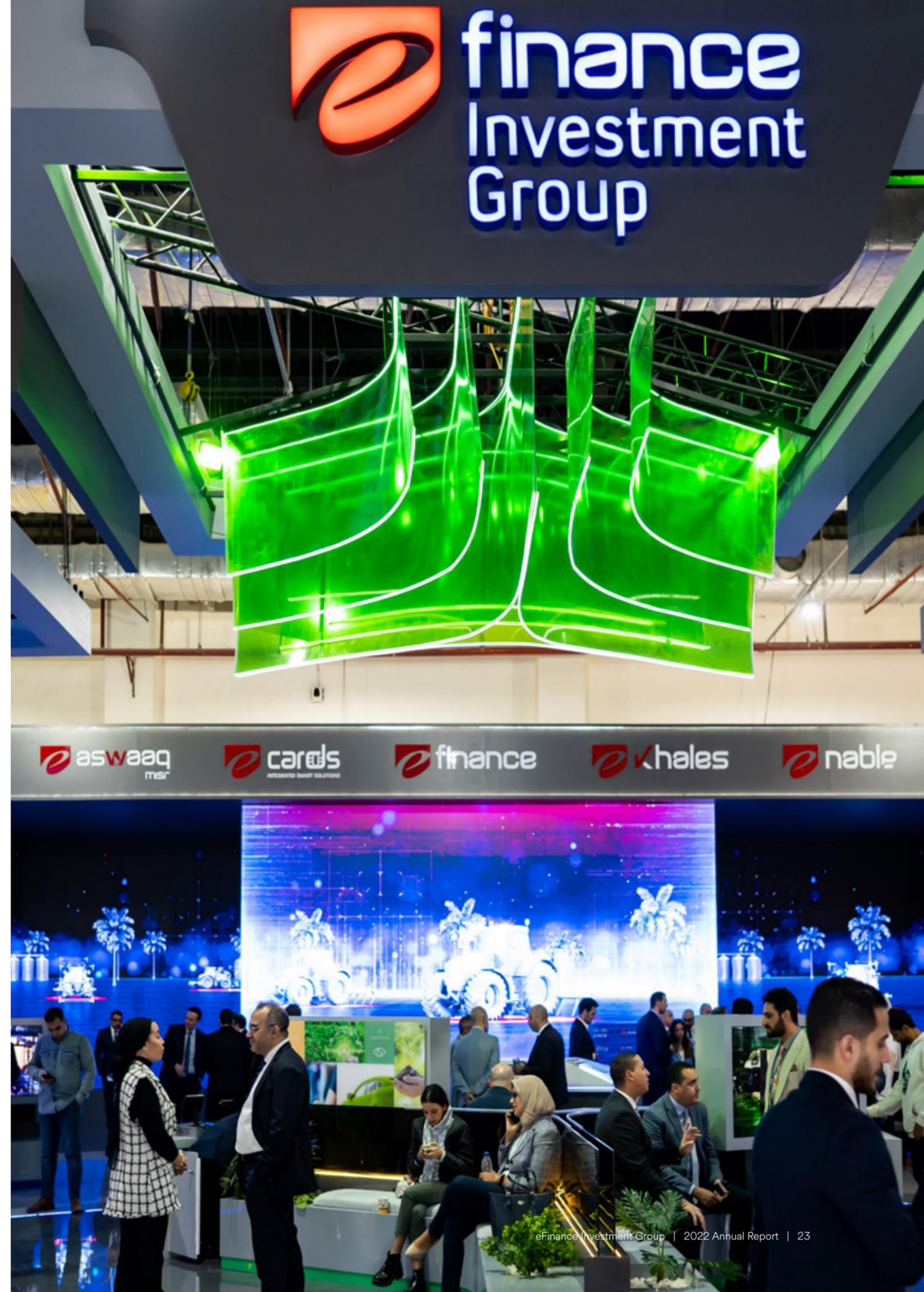
as well as its access to a massive data pool from its extensive customer base, allows it to maximize the value generated from its platforms. It will also enable the Group to tap into various avenues of growth across e-commerce, e-KYC, cybersecurity, blockchain, artificial intelligence, and machine learning, ultimately supporting Egypt's overarching digital transformation strategy.

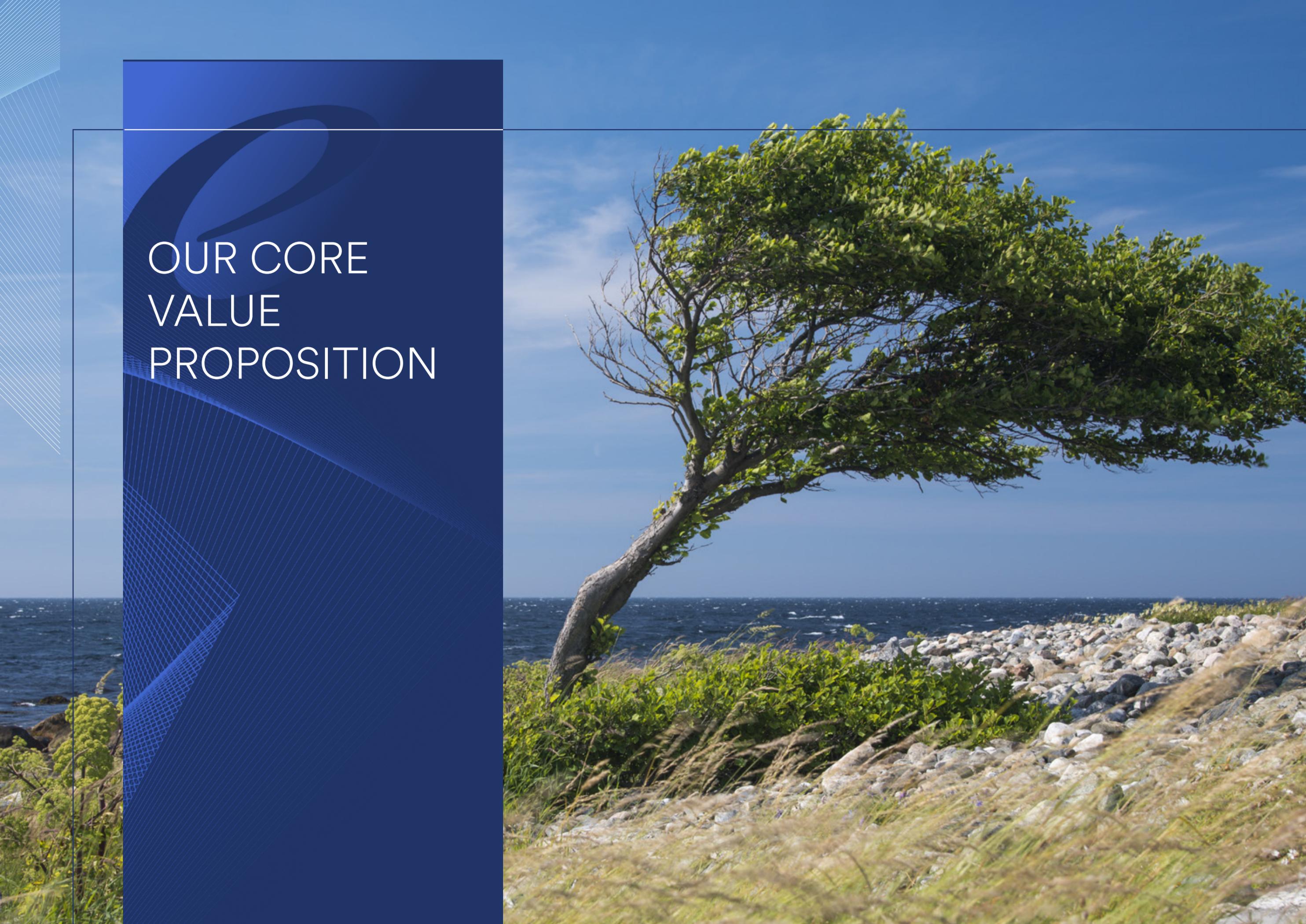


### Creating Sustainable and Meaningful Impact

eFinance has a clear focus on investing in people, businesses, and technologies and partnering with organizations that better position it to align with Egypt's sustainability and development agenda, Egypt 2030. Moreover, the Group is fully committed to creating meaningful impact outside its day-to-day operations by utilizing its comprehensive direct social investment model to empower people and

communities across the nation through meaningful initiatives. On this front, eFinance aims to create job opportunities, provide access to healthcare services and educational opportunities, and revamp infrastructure with the goal of ensuring decent lives for all and ultimately supporting a more sustainable Egypt.



The image features a coastal scene with a tree leaning over the ocean, set against a blue sky and sea. The foreground is filled with grass and rocks. A dark blue vertical bar on the left side contains the text 'OUR CORE VALUE PROPOSITION' in white, uppercase letters. The bar is decorated with a white geometric pattern of overlapping lines and shapes, including a large, stylized 'C' shape at the top.

# OUR CORE VALUE PROPOSITION

# A Comprehensive Multi-Services Platform

The Group's all-encompassing and unified multi-services processor offering is made possible by its presence across the entire digital payments value chain.

## Our Core Value Proposition

eFinance's offering covers the full scale of the digital payments value chain and is further enhanced by an arsenal of value-added services, providing the Group with key competitive advantages that serve as a barrier to entry in its markets.

<div style="border: 1px solid #0070C0; border-radius: 10px; padding: 10px; margin-bottom: 10px;"> <p><b>1</b></p>  <p><b>Issuer Processor</b></p> </div> <div style="border: 1px solid #0070C0; border-radius: 10px; padding: 10px; margin-bottom: 10px;"> <p><b>3</b></p>  <p><b>E-commerce Processor</b></p> </div> <div style="border: 1px solid #0070C0; border-radius: 10px; padding: 10px;"> <p><b>5</b></p>  <p><b>Multi-Cloud Platform</b></p> </div>	<p>A full-fledged issuer processor platform serving the banking and fintech sector</p> <p>State-of-the-art digital commerce solutions serving key strategic sectors.</p> <p>Boasting a comprehensive cloud infrastructure and industry specific solution offering</p>	<div style="border: 1px solid #0070C0; border-radius: 10px; padding: 10px; margin-bottom: 10px;"> <p><b>2</b></p>  <p><b>Acquiring Processor</b></p> </div> <div style="border: 1px solid #0070C0; border-radius: 10px; padding: 10px; margin-bottom: 10px;"> <p><b>4</b></p>  <p><b>Embedded Finance</b></p> </div> <div style="border: 1px solid #0070C0; border-radius: 10px; padding: 10px;"> <p><b>6</b></p>  <p><b>Operational Excellence</b></p> </div>	<p>Egypt's largest third-party acquiring processor platform</p> <p>Innovative and digital saving and lending platforms that enable the growth of financial transactions in a more secure, seamless, and inclusive manner</p> <p>Superior digital customer experience platform and outsourced operations services providing 24/7 on-site support across Egypt's 27 governorates</p>
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The Group has been able to consolidate its offering into a unique multi-service platform that has unlocked synergies and cross-selling opportunities across its operations, ultimately enhancing its ability to capture greater market share, deepen its presence, and grow its impact on Egypt's digital economy across a wide-variety of sectors.

## Issuer Processor

The Group offers a full-fledged issuer processor platform that caters to a variety of local banks, governmental institutions, and private sector service providers. On this front, eFinance boasts stellar card production and management services that further enhance its overall digital payments offering. The Group is one of Egypt's

leading producers, managers, and operators of smart card solutions. eFinance is home to Egypt's largest card production facility, which has issued over 50 million cards to date and has received certified accreditation from all digital payment schemes, including Meeza, Visa, and Mastercard.

### The Group's issuer processor services include

 <p>Card Production</p>	 <p>Chip Embedding and Personalization</p>	 <p>Data Management and e-KYC Technology</p>	 <p>Third-Party Processor Services (TPP)</p>
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50<sub>MN</sub>

Cards issued to date

5.8<sub>MN</sub>

Cards managed to date

Certified

Third-party issuer processor by all payment schemes

The Group's strong capabilities are further augmented by its comprehensive end-to-end (E2E) services for card issuance and management, which include third-party processing (TPP) services for various leading banks, as well as the leading provider of Meeza processing services in Egypt and non-bank financial institutions across the nation.

This offering allows the Group to facilitate payment authorization and acceptance and is a certified TPP service provider for all payment schemes, including Visa, Mastercard, and Meeza. Further on this front, the Group is Egypt's market leader in E2E services for Meeza cards, which has been made possible through a partnership with multiple sponsor banks, including Banque Misr, the Agricultural Bank of Egypt (ABE), Nasser Social Bank, and others.



### Acquiring Processor

eFinance boasts Egypt’s largest acquiring third-party processor platform. As part of the Group’s strategy to create digital solutions for a wide variety of industries, eFinance’s offering has seen it develop a digital omnichannel payment platform that eases the payment and collection process for consumers. On this front, the Group offers a best-in-class bill payments and presentment platform that is integrated with over 16 PSP partners through a network of more than 470,000 POS machines, and it provides merchants with a suite of value-added digital services, including white-label mobile app development, interoperable digital wallets, and an online payments portal.

The Group is home to the only omnichannel platform that is connected to all 38 banks across the nation, covering a wide network of over 5,800 branches throughout Egypt’s

27 governorates. Additionally, the Group’s acquiring platform is connected to over 4,100 post offices and is interlinked to 22 banks to support internet banking services through digital payment gateways. eFinance’s comprehensive POS network serves various governmental entities to aggregate and process payments, including government accounting units, fuel stations, tax offices, customs offices, and is further expanding its presence with merchants for bill acceptance and aggregation.

In 2022, the third-party acquiring platform successfully processed a total of EGP 2.4 trillion in payments and collections for the Egyptian government. Looking ahead, the Group is anticipating this figure to surpass the EGP 4 trillion mark as the Group will process e-payment transactions across all economic authorities in Egypt.

Through its wide network of POS partners and interoperable digital wallet platforms, eFinance has successfully established itself as a leading third-party acquirer platform serving various entities in Egypt.

2.4<sup>EGP</sup>  
TRN

Total payments and collections settlement processed in 2022

1.3<sup>EGP</sup>  
TRN

Government collections processed in 2022

+5.8K

Bank branches

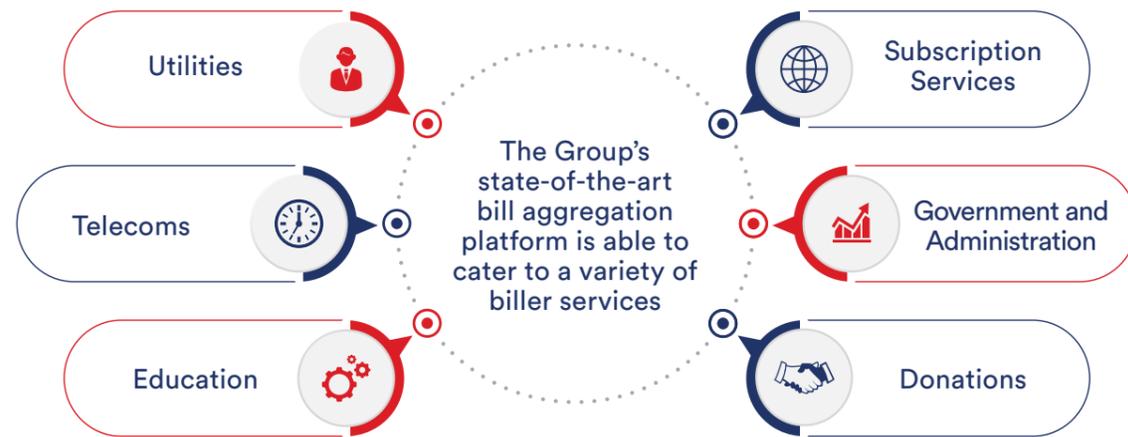
38

Banks

+50K

Government merchants network

### Bill Aggregator Platform



#### Bill Aggregator Platform

eFinance was successful in meeting the growing demand for e-payment services throughout 2022 by taking advantage of its wide electronic channels network and the continuous enhancement of the Group's digital infrastructure. Throughout the year, the Group enabled its customers to settle financial payments in a smooth and convenient manner through its network of integrated electronic payments and collections platforms. In 2022, the Group achieved remarkable growth in the volume of transactions completed through its network, which expanded by 36% y-o-y to reach c.69 million transactions during the year. This growth came on the back of the significant increase in online payments, as revenues rose 42% y-o-y to EGP 57 million in 2022 after deducting POS sale related revenues, noting that the value of the total volume of transactions recorded during 2022 reached EGP 13.4 billion.

In parallel, the bill aggregator platform continues to play its designated role of providing innovative platforms for digital payment solutions, in line with the Egyptian government's efforts in expanding digital service offerings and

advancing financial inclusion across the country. On that front, the Group has entered into contractual agreements with various companies and institutions, such as:

- A contractual agreement with Misr Life Insurance and Misr Insurance
- Contractual agreements with the water and wastewater companies of Menoufia, Alexandria, and Matrouh
- A contractual agreement with EGAS and its operating companies (TAQA, Petrotrade, and NatGas)
- Contractual agreements with several charitable organizations, such as Misr Elkheir, Resala, and Al Nas Hospital
- Providing online collection services for the online lending organization platform Premium

#### 2022 Highlights

- 36% y-o-y growth in volume of transactions during 2022
- The Group was able to increase its customer reach through the expansion of its POS network from 325,000 in 2021 to 400,000 POS nationwide in 2022
- Total number of transactions executed rose from 51.5 million in 2021 to around 70 million in 2022, with the total value of collections reaching EGP 13.4 billion

+470K

POS Network

13.4<sup>EGP</sup><sub>TRN</sub>

Transactions executed through the Group's POS network

16

PSP

### e-Commerce Processor

The Group has successfully built digital purchasing platforms that have unlocked value from various sectors across the nation. By managing and operating platforms that digitize traditional business processes through a wide array of E2E digital solutions, eFinance is able to connect buyers and sellers onto one digital e-commerce platform. The Group's unique solutions transform traditional supply chains into digital spaces that capitalize on the benefits of e-commerce to enhance the commercial value chain and drive growth and sustainability in Egypt's key economic sectors.

eFinance's platform allows merchants to sell finished, intermediate, and raw material products to individual consumers and businesses in both single units and wholesale quantities. The platform deploys several unique and seamless payment solutions, enjoying a database of merchants in areas ranging from agriculture and trade to industry and tourism.

#### The Group's e-commerce platforms serve a variety of industries



## Digital Marketplaces

### Agriculture

The Group has successfully leveraged eFinance's infrastructure and data generated from the digital transformation of the agriculture possessions project and the Farmers' Card to develop and improve the traditional agro-industrial value chain by integrating all agribusiness industry stakeholders onto a single digitized platform. The platform is the first of its kind in Egypt; it enables third parties to sell produce and facilitates purchases of agricultural goods and services through a single digitized marketplace.

### Trade and Industry

The Group is home to Egypt's sole retail and wholesale e-commerce hub. The platform covers B2B2C transactions through a multi-channel platform that connects all parties across the trade and industry sectors, including retailers and end-consumers, and provides them with a digital platform where they can seamlessly execute a variety of transactions.

**+300K**

Merchants integrated on eFinance's e-commerce platforms

### Tourism

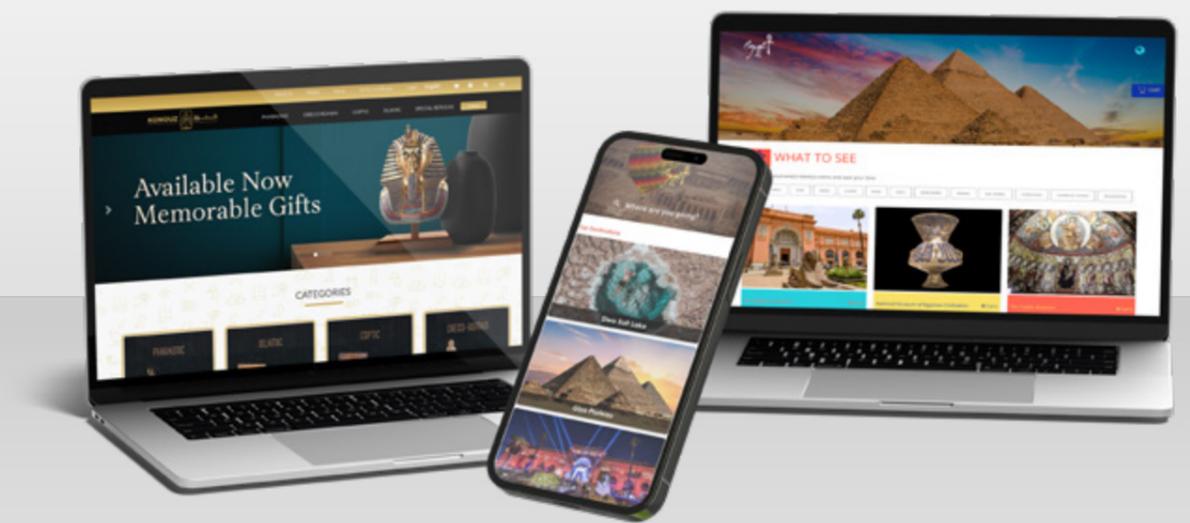
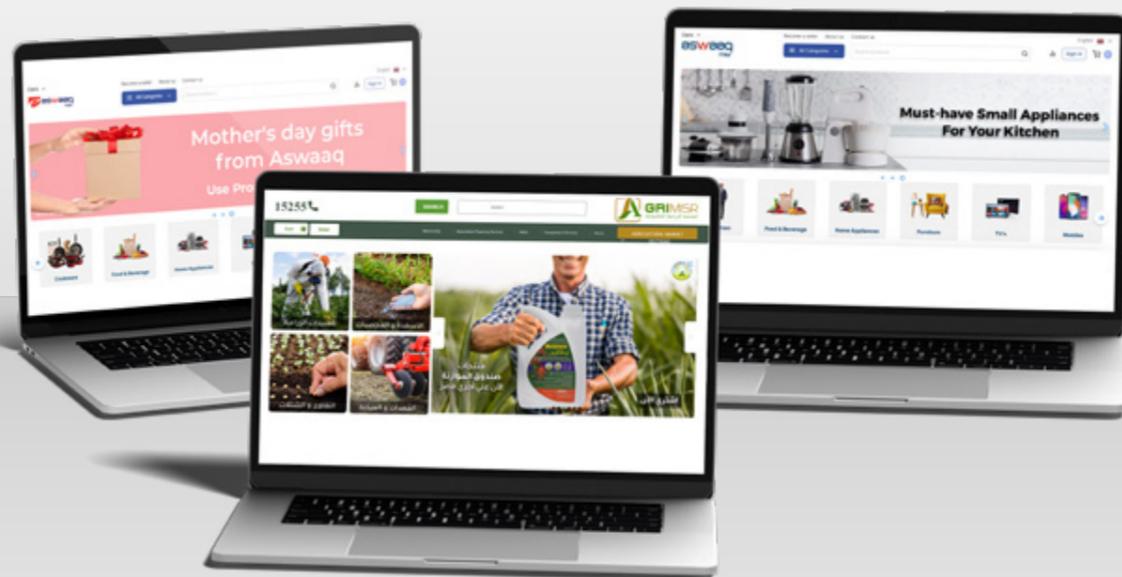
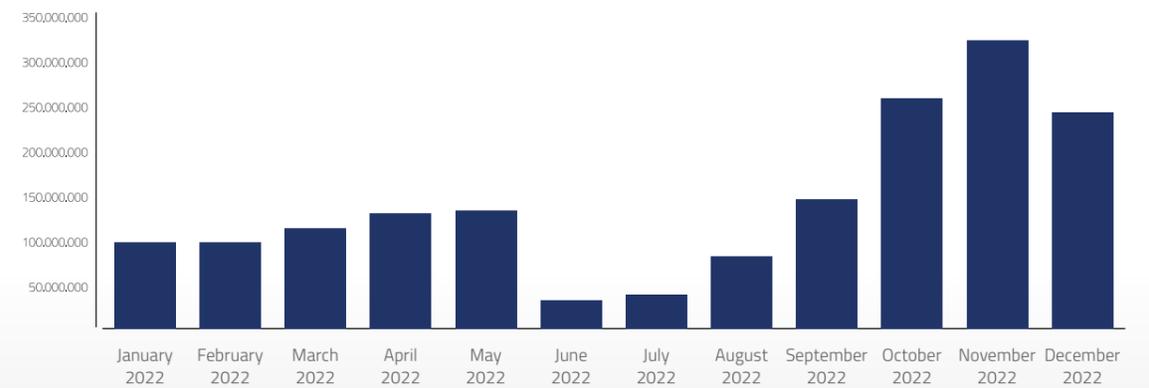
The Group provides the tourism sector with digital solutions that have elevated the overall touristic experience. On this front, the Group has developed and started operating a platform that enables tourists to interactively book tickets for over 30 major touristic sites. Additionally, eFinance has developed an e-shop dedicated to the sale of high-quality replicas of Egyptian artifacts that are authorized by the Egyptian Ministry of Tourism and Antiquities.

The Group's solutions also include an automation process for gift houses and ticket booths, where an electronic inventory system will be developed and POS systems will be available. The electronic ticket reservation system provides centralized

reports through revenue-tracking screens using an internationally renowned system that is used across tourist destinations in Europe and the United States of America.

It is noteworthy that online ticket purchases for entering tourist destinations and museums are available through four distinct electronic methods: online ticket platform, mobile app, modern onsite ticket purchasing booths, and a consolidated online platform for purchasing tickets through travel and sales agents. Furthermore, payment is available using both cards and e-wallets. In 2022, electronic collections amounted to a total of EGP 1.5 billion.

Electronic Collections at Egyptian Museums



## Embedded Finance

In line with Egypt's ambitions for a digital economy, the Group is constantly looking to provide digital solutions that ease and transform traditional financial transactions in its efforts to further promote financial inclusion across Egypt.



### Tamweel Misr – e-Lending

The Group successfully launched Egypt's first-ever digital lending platform, Tamweel Misr. The platform offers a wide array of micro and SME finance and consumer finance products. By leveraging data from the Group's synergistic ecosystem, Tamweel Misr provides banks and consumers with seamless lending processes and a customizable credit scoring system.

On this front, Tamweel Misr and AgriMisr have partnered with the ABE to launch an end-to-end digital process for requesting, processing, and disbursing agricultural financing, while fully digitizing the management and repayment of farmers' loans. Financing is provided to each link in the agricultural value chain, from small-scale production to distribution and transportation.

- The service has been launched in three governorates
- Over 10,000 loans worth EGP 265 million were provided during the final quarter of 2022



### Tahweesha – e-Saving

In 2022, the Group partnered with the National Council for Women, Central Bank of Egypt, and the Agriculture Bank of Egypt in an initiative that would support over half a million women across Egypt's rural areas. The initiative aimed at conducting KYC processes to facilitate support for financially and economically challenged women by providing a tech-enabled platform that would offer a digital approach to village savings and loan associations.

The Tahweesha application provides a digital tool that allows groups of women to establish a joint bank account and receive an electronic payment card. This platform provides a digital alternative to traditional group borrowing and saving activities in rural areas.



## Multi-Cloud Platform

eFinance provides innovative financial cloud solutions, offering full-fledged cloud hosting services to a wide range of entities. The Group's cloud services provide a wealth of benefits to its clients across the nation, including enhancing the scalability and flexibility of their operations, improving cost efficiency, promoting reduced server downtime, and data recovery. eFinance

has provided its cloud services and solutions to multiple key entities across the Egyptian market, including various key authorities and governmental bodies. Further on this front, the Group is looking to expand its multi-cloud platform and provide its services to enterprises focusing on integrating cloud solutions in the banking and healthcare spaces.

### eFinance offers industry specific solutions stacks across the cloud space



### A One-of-a-Kind Cloud Computing Platform

In 2022, the Group received the first ever license issued by the National Telecom Regulatory Authority (NTRA) to launch and operate Egypt's largest cloud computing platform. The license reflects the Group's exceptional cloud and technology infrastructure and eFinance's superior operational expertise in the cloud field.

The platform was launched at the Cairo ICT conference in collaboration with global digital transformation pioneers Pure Storage, Dell, IBM, Cisco, VMware, Commvault, Fortinet, Palo Alto Networks, Citrix, F5, Redhat, and Huawei. The platform is the first-of-its-kind in Egypt and will provide a fully integrated product that will be managed and operated by a dedicated

service provider, offering a wide range of proprietary technologies to enable rapid business expansion and minimize inefficiencies. Businesses will also be able to utilize the platform in testing newly developed services before officially introducing them to their clients. The Group's new cloud platform will deepen eFinance's presence in Egypt's digital economy and further cement its position as Egypt's digital partner of choice.

Going forward, the Group will continue investing in eFinance's cloud hosting capabilities and capacities and introduce more industry specific solutions powered by next-gen technologies, including artificial intelligence (AI), to grow and better serve its customer base.



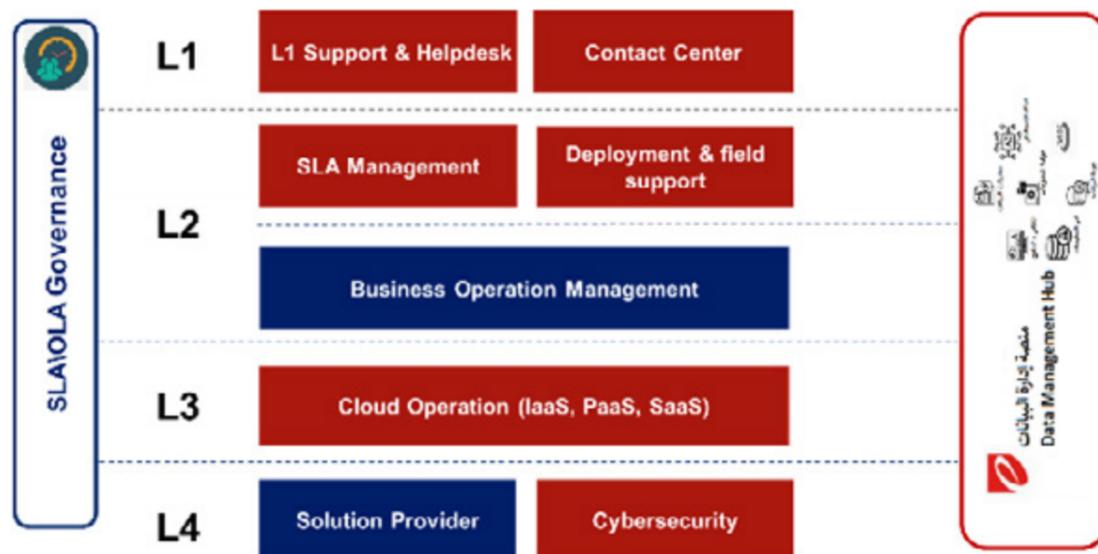
### Operational Excellence

eFinance provides a comprehensive 24/7 customer experience (CX) platform and on-site specialized technical support services across Egypt's 27 governorates. This includes over 400 technical support engineers that provide a wide range of operational and technical support services, in addition to 50 service desk technical engineers that cater to incident management.

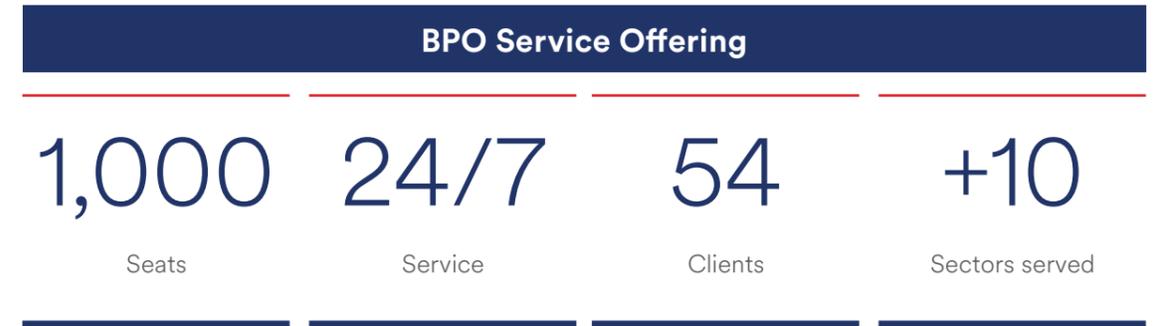
#### The Group's operational and technical support services cover various areas to ensure customer satisfaction



#### The Group relies on a comprehensive, multi-level technical support model to ensure operational excellence



The Group is also home to one of the leading business processing outsourcing (BPO) services in Egypt, offering a suite of integrated telecommunications and contact center solutions, from HR and IT outsourcing to a full contact center, across local and international markets, and it is the preferred service provider for a broad range of businesses across multiple sectors.



A large, leafy green tree stands on a grassy hill under a clear blue sky. A person is sitting on a swing hanging from the tree. The background shows a rolling green landscape with a forest in the distance.

# EVOLUTION OF DIGITAL INFRA- STRUCTURE IN- VESTMENTS

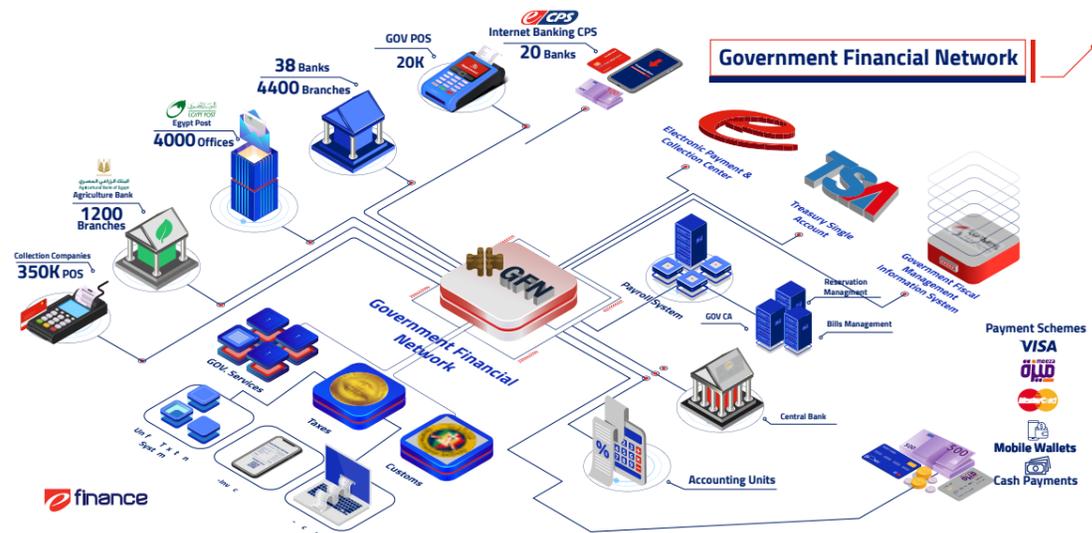
# Evolution of Digital Infrastructure Investments

## 2022 Operational Highlights

The Egyptian Government's financial network achieved a significant leap in digital financial collections, which came despite the large increase in transaction volumes, where total electronic collections, settlements, and the clearance of financial transactions through all governmental payment and collection channels reached EGP 500 billion during the first six months. The network's operational indicators continued to function with the same efficiency and remained in line with the highly advanced security and encryption procedures set in place, which meet all national security standards. This comes as a result of the high-quality infrastructure set in place by eFinance, which enables the network to accommodate the operations of all government agencies, in addition to the Group's keenness in developing the network and equipping it with the most up-to-date technology. On this front, Tamweel Misr and AgriMisr have signed an agreement with the Agricultural Bank of Egypt

to launch a comprehensive digital system based on facilitating, processing, and implementing financing requests for workers operating in agricultural activities, while also managing the repayment of financing facilities provided in a fully digital manner at the market level. It is worth noting that the financing programs provided are available to all parties involved in agricultural activities, starting from small-scale producers to workers operating in the transportation and distribution of agricultural products.

The network has witnessed a significant increase in the volume of electronic tax collections, which have reached nearly EGP 507 billion in 2022, an increase of 38% y-o-y compared to the same period in 2021. Additionally, the volumes of electronic collections for single-window services have also risen during the same period, expanding by 28% y-o-y, and electronic collections of other budgetary bodies recorded similar increases in 2022, rising by 25% y-o-y.



## Growth of Government Collections During 2022

**+1.376** EGP TRN

Total electronic collections, settlements, and clearances in 2022

Government Collections in 2022 (EGP bn)

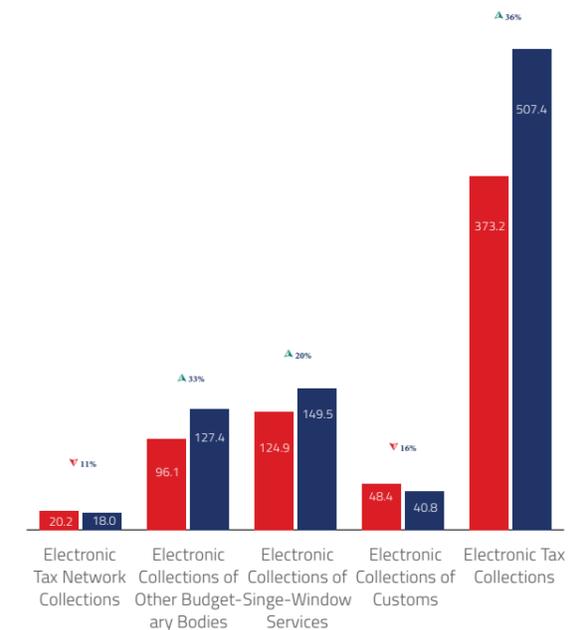
■ 2022 ■ 2021

**834** EGP BN

Total electronic collections through payment and collection channels

**120** EGP BN

Total settlement bills converted to revenue through financial network



**413** EGP BN

Total clearances through the Central Accounting Unit on single treasury accounts



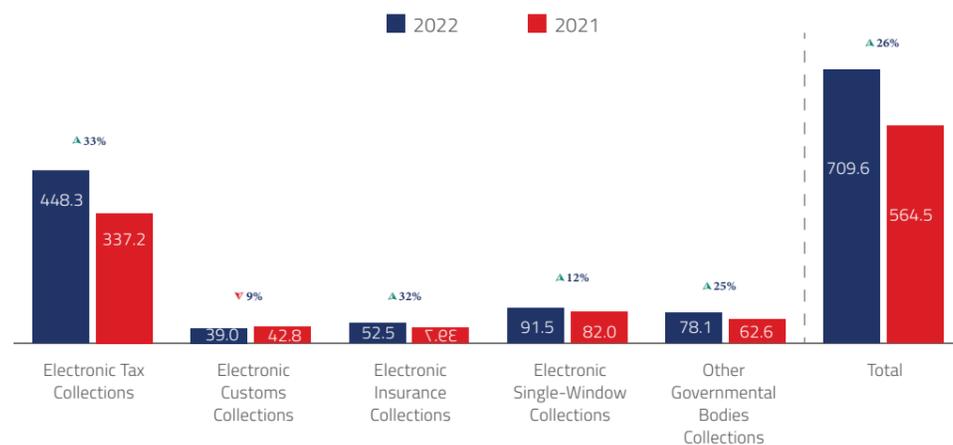
## The Egyptian Government's Financial Services Integration Platform

Throughout 2022, the services of the Egyptian government's financial network were developed alongside various entities through the use of an integrated services platform, with the aim of covering various aspects of the electronic payment and collection system in Egypt. The payment services covered include customs, taxes, single-window services, social insurance subscription services, and the petroleum subsidy management system, in addition to a number of other services. eFinance was also keen on establishing partnerships with some of the most prominent bodies and companies in both the public and private sectors, with

the aim of integrating their payment platforms within the Group's technological infrastructure system, helping in providing its integrated service offering to customers.

The Egyptian government's financial network has been developed to be compatible with several new government receipt channels. This began by linking all commercial banks (38 banks and their 4,900 branches) to the corporate banking system (CPS) services, which allows companies to settle governmental payments online and through banks.

Growth of Electronic Collections (EGP bn)



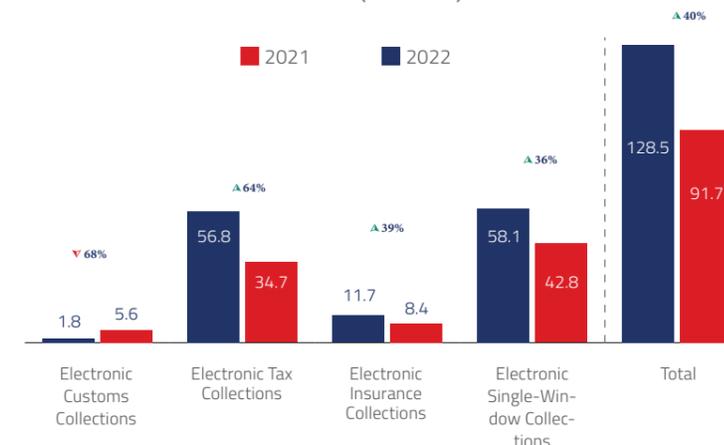
21

Registered Banks

6,346

Active Companies

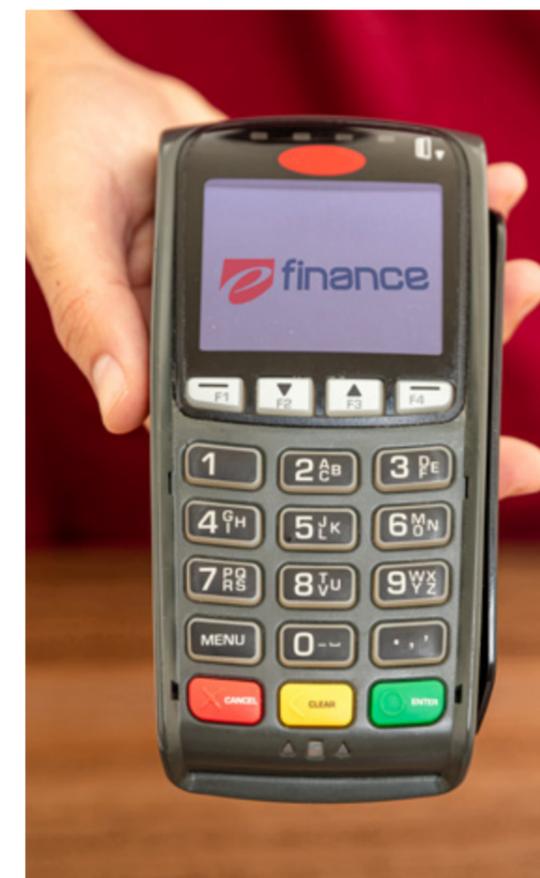
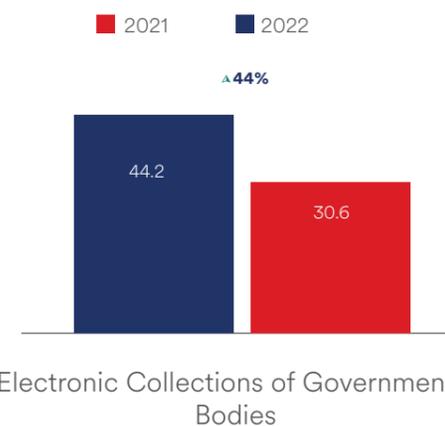
Growth of Electronic Collections through CPS (EGP bn)



### Acceptance-Enabled POS Network for Government Collections

eFinance succeeded in developing a network of acceptance points for government receipts, enabling electronic fee collection for government services by establishing links with banks within the Egyptian banking sector. The first half of 2022 witnessed a significant increase in the value of government receipts, which exceeded EGP 44 billion, an increase of 44% y-o-y compared to 2021.

Growth of Electronic Collections through GOV – POS (EGP bn)

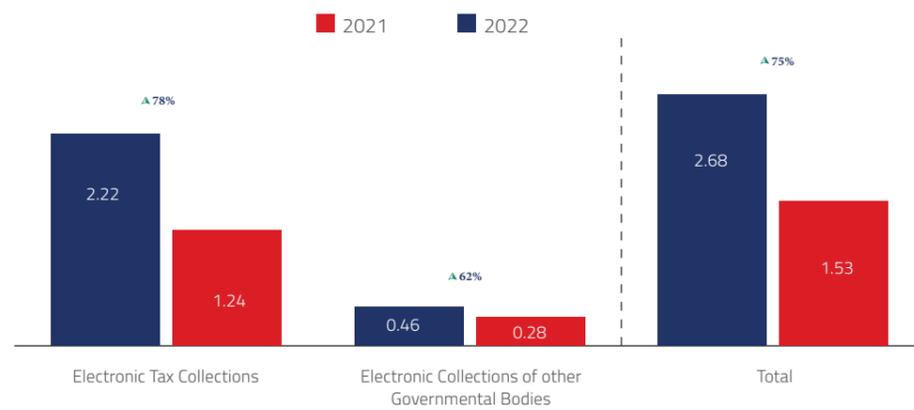


## Online Payment Gateways

Throughout 2022, eFinance continued to develop the Government's online payment services through the Digital Egypt gateway, as well as various other government agency gateways. These payment gateways provided a convenient method for settling government-related payments for multiple services such as investments (industrial land), real estate registration, public prosecution, the General Authority for Investment and Free Zones, supplier and universities services, as well as electronic collection of taxes.

The payment gateways have contributed to the expansion of the volume of electronic tax collections to around EGP 2,220 million in 2022, a 75% y-o-y increase compared to 2021. The electronic collections of other government agencies also increased, rising by 62% y-o-y to EGP 462 million in 2022. Overall, the volume of total electronic governmental collections through all gateways rose by 85% y-o-y to over EGP 2.6 billion in 2022.

Growth of Electronic Collections through Online Payment Gateways (EGP bn)



## Agricultural Financial Services Network

### Agricultural Holdings System

During 2022, eFinance implemented the second phase of the agricultural tenure automation project. This was done through the enablement of electronic services for 5,740 agricultural associations across 27 Egyptian governorates. The Group is currently working on automating the issuance of smart bank cards for farmers that include their personal data, such as names, national ID numbers, and agricultural holdings. The project aims to enhance the efficiency of managing the distribution of subsidized agricultural production inputs, in addition to collecting accurate data on agricultural land holdings and the types of crops being cultivated. The project also aims to provide the Ministry of Agriculture and Land Reclamation with accurate data about the Egyptian agricultural sector and its related parties, in an effort to enhance the decision-making process regarding future agricultural planning and investments.

eFinance has also officially announced its cooperation with the Ministry of Agriculture and Land Reclamation, as well as a number of agricultural associations, to digitally develop and modernize the system of managing and distributing subsidized fertilizers, aiming to enhance the performance of the agricultural fertilizer industry. This announcement comes as part of the joint efforts of eFinance and the Ministry in designing, establishing, and managing the digital agricultural network, which launched the first integrated agricultural platform supporting digital financial programs, and contributes to the disbursement of subsidized fertilizers to farmers electronically from agricultural associations using the Farmer's Card.

## Agricultural Financial Services Network



eFinance is currently developing a system for managing, trading, and distributing subsidized fertilizers in cooperation with the Ministry and agricultural associations in order to enhance the efficiency of the agricultural fertilizer industry, noting that this system will tighten supervision and control over the circulation and distribution of subsidized fertilizers, leading to:

1. Completing the digital transformation process to achieve full governance, thus ensuring that subsidized fertilizers reach farmers
2. Preventing market and quantity manipulation of fertilizers offered by agricultural associations
3. Automating and accelerating the process of setting a plan for the electronic approval procedures of fertilizer requests and distribution
4. Developing a plan for distributing fertilizers electronically to agricultural associations and matching them with the actual distribution in order to obtain a plan success rate
5. Ensuring, digitally, that factories supply the contracted quantities to agricultural associations and that the associations receive electronic confirmation
6. Electronically following up on fertilizer balances in agricultural associations, centers, and directorates instantaneously
7. Providing subsidized agricultural fertilizers to those who are entitled to them, following up on their delivery from factories to agricultural associations, and disbursing them from associations to farmers electronically through integration with the agricultural holdings system
8. Generating maximum benefit from the infrastructure that has been set in place for the Farmer's Card system and agricultural tenures

## Digital Social Security Network

### Digital Support System: Takaful and Karama



1.7 million beneficiaries from the Karama program  
2.3 million beneficiaries from the Takaful program



World Bank praise for the conditional cash support program (Takaful and Karama)

# 4 MN

Beneficiary families in 2022

### Conditional Cash Support Program

Launching the "Forsa" program to help provide job opportunities for beneficiaries.  
Providing financial programs in partnership with financial institutions.  
The World Bank identified several important indicators:  
Female empowerment and poverty reduction for beneficiaries  
Increase in expenditure of beneficiary families from 7.3% to 8.4% compared to non-beneficiaries  
Increase in monthly food consumption expenditure of beneficiaries from 8.3% to 8.9%

# 31MN

Individuals registered on the system's database



## Gas Station Services Network

### System for Managing and Controlling the System of Subsidized Petroleum Products

As part of the government's focus on ensuring effective management of the National Program for Subsidized Petroleum Products, eFinance renewed its contract with the government relating to the full management of the distribution of petroleum products and materials, from storing them in warehouses to distributing them to citizens.

In light of the success achieved in handling the automation of the system for the distribution of petroleum products (gasoline, diesel, mazut), and due to the importance of butane, the Authority decided to include the management of trading of LPG products in the system of automating the distribution of petroleum products. This includes starting from the various supply sources (import – local production), to the transportation of the product through

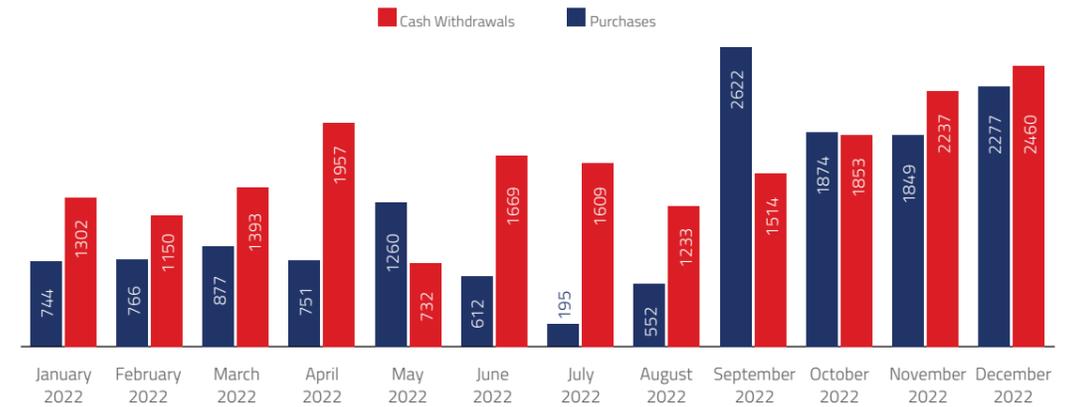
pipelines or trucks, and reaching packaging plants and distribution centers (contractors) accredited by the Egyptian General Petroleum Corporation and the Ministry of Supply and Internal Trade.

### Smart Coupons System

This system was launched during the first half of 2023 in both Taawon and Misr Petroleum. The system was implemented across all petrol stations owned by both companies. This encompassed a total of 2,400 stations, and around 12,000 car cards were issued and distributed to the various parties contracted with both companies, a figure which totaled to 300 different companies, agencies, and entities. Additionally, over 24,000 car refueling transactions were completed using the system's smart cards at the two companies' stations.

## Cash Withdrawal Services and Purchases at Gas Stations

As part of eFinance's efforts in developing the country's cash disbursement systems, and in line with the financial inclusion initiatives put forward by the Central Bank of Egypt, eFinance Digital Operations and Banque Misr have collaborated in equipping gas stations with electronic points of sale to carry out electronic purchases of fuel and cash disbursement from gas stations (cash-out). The system has proven to be successful and has seen 1,023 fuel stations become activated, and the number of transactions at stations is being increased by a total of 33.4 thousand and a volume of EGP 35 million.



## Khadamat Misr

The successful completion of the Integrated Government Services Center in Aswan (Khadamat Misr) has come as part of the cooperation agreement signed between the Arab Republic of Egypt and the United Arab Emirates, which encompasses the development of governmental services, and the establishment of integrated government service complexes that provide public services to citizens in a convenient manner.

The cooperation agreement with the United Arab Emirates includes the establishment of two service centers in the governorates of Cairo and Aswan, which will act as the first government services complexes, and will be responsible for designing advanced service packages and training workers in the two centers. This will act as a model for widespread adoption going forward.

The Aswan center comes as part of the Ministry of Planning's development process in cooperation with eFinance, with the scope of improving the quality of services provided to citizens as part of "the new republic", as well as a continuation of the development of high-quality, low-cost means of providing governmental services to citizens. This is achieved by Khadamat Misr and represents a substantial leap in the level of services provided by governmental institutions. The Aswan center reflects the latest achievement when it comes to reducing the burden on citizens and

facilitating access to services in a convenient manner, and is in line with the country's digital transformation strategy, as it contributes to the swift completion of governmental transactions and the enhancement of their provision. The Aswan center provides services to citizens through the use of a single-window system, whether for the general public, investors, businessmen, or foreigners. Using this system, all approvals from all ministries and agencies are obtained simultaneously in order to facilitate administrative procedures, reduce the burden on citizens, and minimize waiting times and fees. Offered services include:

- Traffic services
- Civil status services
- Passport services
- Notary and Commercial Registry services
- Public Authority for Industrial Development services
- A trial run took place last August and included power of attorney, civil status, and birth and death certificates services.
- The Aswan center was equipped with 20 POS terminals for conducting all financials operations, while keeping a sufficient stock of thermal paper used for the center's machines.
- Customer service staff and service providers have been linked to an electronic system to manage the service center.





# EFINANCE INVESTMENTS

# eFinance Investments

eFinance continues to expand its nationwide presence and enhance its overall offering by identifying lucrative investment opportunities that generate synergies and ultimately elevate the Group's arsenal of digital solutions.

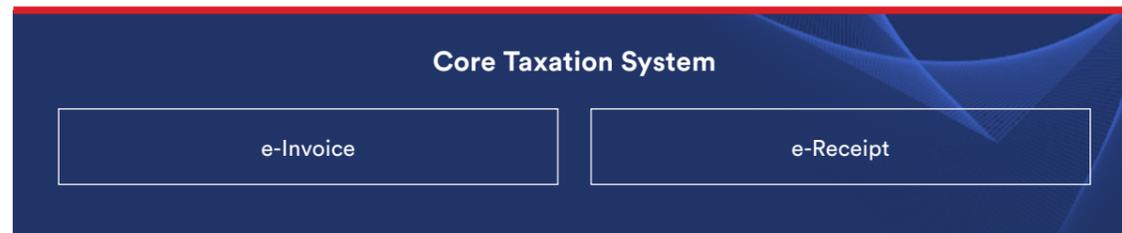
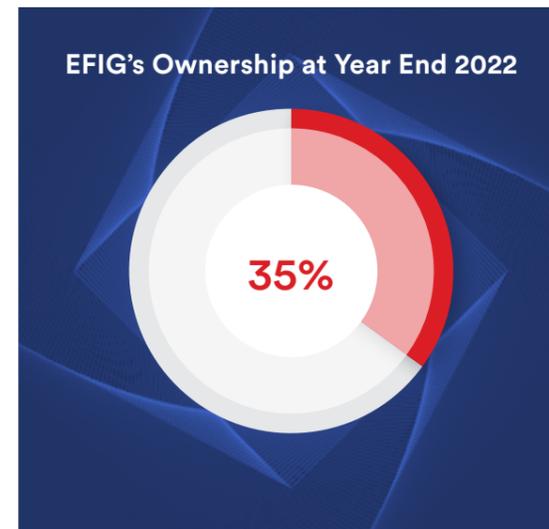
The Group is constantly expanding its capacities and strengthening its capabilities through targeted investments in the network infrastructure. As of 2022, eFinance held stakes in eight ancillary investments, providing the Group with footholds within dynamic economic sectors, reinforcing its position as the

public and private sectors' digital partner of choice, establishing stable sources of supply and demand for the Group's subsidiary network, and supporting the creation of products that benefit citizens and economies by facilitating financial inclusion and digital transformation.



Launched in 2020, eTax is an entity created for the purpose of managing and operating the government's electronic tax system alongside the ETA and the Real Estate Taxation Authority (RTA). eTax invests in state-of-the-art technologies to streamline the government tax processes, targeting various key areas in support of the ETA's strategy for strengthening tax operations and greatly enhancing existing services.

eTax develops innovative digital solutions that automate the entire tax process, from registration and filing to collections and conflict resolution, with the goal of achieving operational efficiencies across the board, strengthening the government's ability to generate tax revenues, and supporting the sustainability of the government's tax system. The company offers various solutions that efficiently manage the ETA and RTA's electronic tax systems.



Established in 2021 with the aim of developing platforms for the purpose of digitalizing national health insurance delivery, eHealth capitalizes on eFinance's existing presence in Egypt's dynamic and rapidly developing healthcare sector. eHealth is responsible for managing and operating technological services on behalf of Egypt's Universal Health Insurance (UHI) program, which is being gradually rolled out across governorates and aims to provide health insurance coverage to all Egyptians over the next decade. On this front, eHealth has already signed its first contract in 2022 to connect six million people across five governorates with more than 140 medical units.

Additionally, eHealth will offer specialized and integrated digital services to the broader healthcare and insurance sectors, with solutions extending from daily management and operation of technological systems to specialized technical support. eHealth will also provide artificial intelligence solutions for analytics and data analysis, developing smart information systems and decision-support services.



In parallel, the company will also manage the multipurpose Citizen's Card alongside eFinance subsidiaries, banking institutions, and the relevant medical authorities.



Misr Technology Services (MTS) is a trade and transport logistics platform established under a strategic private-public partnership between the Egyptian government and private sector stakeholders in 2015. MTS holds a 20-year contract with the Egyptian Customs Authority, mandating the company to digitize the Authority's operations and establish a national technological platform covering airports, seaports, land borders, and free zones.

MTS leverages best-in-class ICT solutions and systems integration processes to provide its partners in the trade community with a selection of electronic services, rapid process automation, and an integrated package of value-added services informed by a highly developed data analytics, functionality providing decision makers with accurate and timely analyses.





Misr for Government Technological Services (e-Serve) was founded in 2017 with the purpose of pioneering the use of digital tools in streamlining government service provision and delivering a G2G platform for the integration and exchange of national-level data resources. e-Serve connects strategic entities and organizations through an enterprise service bus (ESB), a secure gateway which ensures that government service providers receive every request made by digital consumers through an interlaced G2G platform that notifies all entities of each change at a given node of the network.

Additionally, e-Serve has developed Khadamat Misr, a user-friendly mobile application that allows Egyptians to request a wide selection of services from various governmental entities and follow up on their requests. Khadamat Misr caters to regular consumers, real estate owners, businesspersons, and citizens seeking to obtain ID documents. e-Serve has also spearheaded the digitization of learning resources for Egypt's



public education system, setting up an efficient, user-friendly learning platform that integrates curricula, assignments, tests, evaluations, and grading.



Delta Misr Payments (DMP) was established with the purpose of advancing the government's objectives of expanding access to the formal financial system and minimizing reliance on cash for everyday transactions through the promotion of e-payment systems. DMP has developed integrated e-payment infrastructures for electricity and water utilities, providing the Ministry of Electricity and Energy with a network of prepaid and smart meters. DMP is also currently contracted with the New Urban Communities Authority to create a network of prepaid water meters. Furthermore, the DMP provides e-payment services for its clients through mobile applications and other payment methods. DMP also develops NFC technologies that allow consumers to charge prepaid cards and meters through mobile applications.



Alameia for Consulting and Information Systems (ACIS) enters contracts with third parties for the provision of IT advisory services. The company's service suite comprises the design, implementation, and development of a comprehensive range of information systems, communication networks, and microfilms. In addition to extending management advisory services, ACIS installs and maintains information networks and databases. The company also provides researchers, institutions, and a number of other establishments with data solutions.



In 2022, eFinance led a USD 3 million financing round for Nexta, a digital banking start-up that received initial approval from the Central Bank of Egypt to begin offering its services. Nexta's offering allows users to aggregate their existing payment cards onto one single card, eliminating the hassle of carrying multiple payment cards, as well as execute a variety of transactions, including bill payments and money transfers.



In 2022, eFinance concluded a USD 10 million investment in Nclude by Global Ventures, a venture capital fund focused on investing in early- and growth-stage Egyptian fintech and fintech-enabled companies, as well as fintech start-ups based in the MEA region that are looking to expand to Egypt. The investment in Nclude aligns with the Group's commitment to investing in and supporting Egypt's thriving fintech ecosystem.





# MANAGEMENT DISCUSSION AND ANALYSIS

# Management Discussion and Analysis

Despite challenging macroeconomic conditions impacting economies and businesses globally, eFinance closed out the year with solid double-digit growth across the board, with the Group's EBITDA and adjusted net profit booking strong increases of 49% y-o-y and 83%

y-o-y, respectively, in FY2022. The Group's performance in 2022 stands testament to the resilience and agility of eFinance's business model and management's ability to navigate challenging market conditions, pivot strategically, and deliver strong results.

## Summary Income Statement

(EGP MN)	4Q2022	4Q2021	Change %	FY2022	FY2021	Change %
<b>Total Consolidated Revenues</b>	706.2	663.7	6.4%	2,644.0	1,963.3	34.7%
eFinance Digital Operations	693.3	424.6	63.3%	2,420.1	1,550.8	56.0%
eCards	10.1	224.6	-95.5%	226.2	375.8	-39.8%
eKhales	17.3	11.6	49.5%	57.0	65.5	-13.0%
eNable	21.2	13.7	54.7%	85.9	53.8	59.7%
eAswaaq	47.4	11.4	317.1%	141.3	23.3	505.2%
Intercompany Eliminations	(83.1)	(22.1)	275.8%	(286.4)	(105.9)	170.4%
<b>Cost of Sales</b>	(422.2)	(355.3)	18.8%	(1,278.9)	(1,040.5)	22.9%
<b>Gross Profit</b>	284.0	308.5	-7.9%	1,365.1	922.9	47.9%
Gross Profit Margin	40.2%	46.5%	-6.3%	51.6%	47.0%	4.6%
<b>EBITDA</b>	204.8	225.6	-9.2%	1,116.2	749.3	49.0%
EBITDA Margin	29.0%	34.0%	-5.0%	42.2%	38.2%	4.1%
<b>Net Profit after NCI</b>	121.5	139.3	-12.8%	803.9	519.7	54.7%
Net Profit Margin	17.2%	21.0%	-3.8%	30.4%	26.5%	3.9%
<b>Adjusted Net Profit<sup>1</sup></b>	232.7	139.3	67.0%	948.6	519.7	82.5%
Adjusted Net Profit Margin	33.0%	21.0%	12.0%	35.9%	26.5%	9.4%

<sup>1</sup>Adjusted net profit excludes non-cash ESOP expenses of EGP 145 million.

## Analysis of Income Statement Highlights

### Revenue

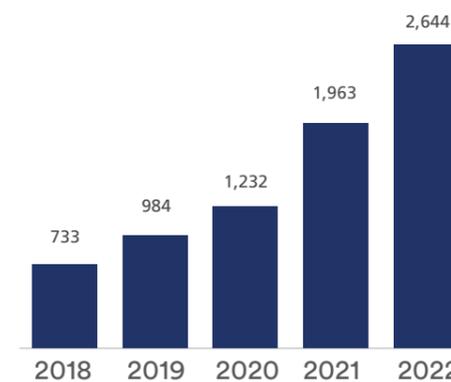
eFinance's consolidated revenues increased by 34.7% y-o-y to EGP 2,644.0 million in FY2022. Revenue growth came on the back of a solid performance from eFinance Digital Operations, which supported the Group in delivering strong results at year-end despite the challenging market conditions. The subsidiary's performance was primarily driven by its cloud hosting services, which delivered stellar results in FY2022, as well as strong revenue growth generated from the subsidiary's variable-fee transactions. Additionally,

the Group's performance was further supported by a significant expansion in eAswaaq's top line during 2022.

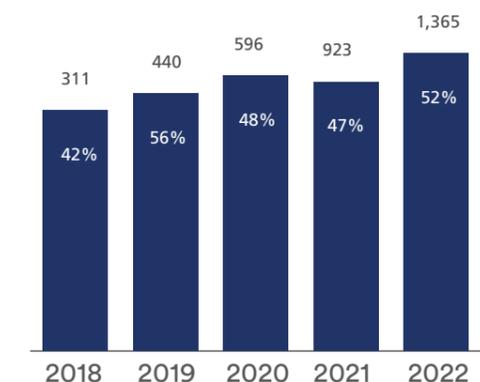
### Gross Profit

Consolidated gross profit grew by 47.9% y-o-y to EGP 1,365.1 million in FY2022, yielding a y-o-y GPM expansion of 4.6 percentage points to 51.6% at year-end as the Group reaped the rewards of its higher margin lines of business.

Consolidated Revenue (EGP mn)



Consolidated Gross Profit and Margin (EGP mn | %)



### Sales, General, and Administrative (SG&A) Expenses

Sales, general, and administrative (SG&A) expenses grew by 39.9% y-o-y to EGP 346.5 million in FY2022. The increase was driven by a 28.6% y-o-y increase in G&A costs due to an increase in headcount and the adjustment of labor costs to accommodate inflationary pressures.

Parallel to this, selling and marketing expenses grew by 93.9% y-o-y due to increased spending on marketing campaigns and costs associated with the Group's participation in conferences in FY2022. SG&A expenses stood at 13.1% as a percentage of consolidated revenues in FY2022, compared to 12.6% in FY2021.

**Earnings Before Interest, Tax, Depreciation, and Amortization (EBITDA)**

The Group's EBITDA increased by 49.0% y-o-y to EGP 1,116.2 million, yielding an EBITDA margin expansion of 4.1 percentage points to 42.2% in FY2022.

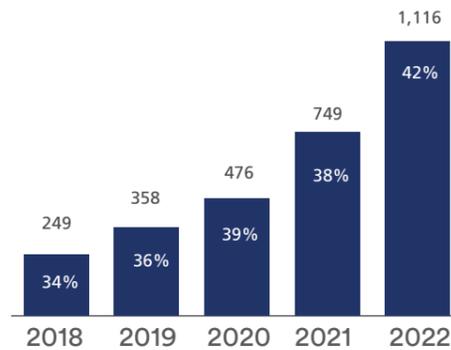
**Net Profit After Non-Controlling Interest (NCI) and Adjusted Net Profit After NCI**

eFinance's net profit after NCI grew by 54.7% y-o-y to EGP 803.9 million, yielding a y-o-y NPM margin expansion of 3.9 percentage points to 30.4% in FY2022. eFinance's adjusted net profit, which excludes non-cash ESOP expenses, booked an increase of

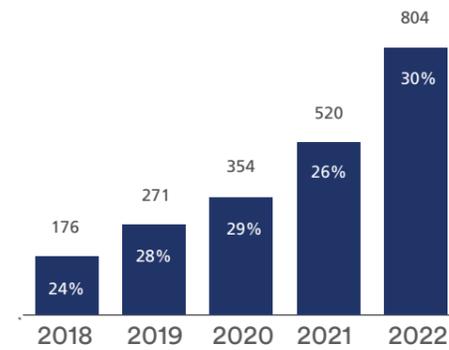
82.5% y-o-y to EGP 948.6 million, reflecting a margin expansion of 9.4 percentage points to 35.9% in FY2022. The Group's growth in net profit was driven by increased value generated from higher margin revenue streams and was further augmented by a rise in investment income, which recorded EGP 51.5 million in FY2022, reflecting an increase of 80.9% compared to FY2021.

Additionally, a 386% y-o-y increase in interest income, recording EGP 335.2 million, supported the Group's bottom line in FY2022. This reflects an effective interest yield of 11.0% compared to 5.8% in FY2021, reflecting the higher prevailing interest rate from the CBE.

Consolidated EBITDA and Margin (EGP mn | %)



Consolidated Net Profit and Margin (EGP mn | %)



**Balance Sheet Highlights**

**Total Assets**

eFinance booked total assets of EGP 5,935 million as at 31 December 2022, up from the EGP 5,044 million booked at year-end 2021. The Group deployed CAPEX of EGP 145 million in FY2022, down from the EGP 270 million outlay booked for FY2021. It is noteworthy that the Group deployed an additional EGP 87 million in investments in associate companies in FY2022.

**Net Cash Position**

The Group's net cash position stood at EGP 3,159 million as at 31 December 2022, up from EGP 2,754 million at

year-end 2021, and yielded a net cash to EBITDA ratio of 2.8x in FY2022 versus 3.7x for FY2021. The Group's strong liquidity position allows it to phase its investment efforts in line with prevailing market conditions.

**Shareholders' Equity**

The Group's total controlling shareholder's equity stood at EGP 4,574 million as at 31 December 2022, up from EGP 3,883 million at the close of FY2021.

**Subsidiary Performance**

**eFinance Digital Operations**

eFinance Digital Operations recorded a 56.0% y-o-y increase in revenue to EGP 2,420.1 million in FY2022. The subsidiary's performance was driven by a stellar 193.7% y-o-y increase in cloud hosting revenue to EGP 779.1 million in FY2022 on the back of a rise in new cloud hosting contracts that the subsidiary signed during the year. Cloud hosting revenue contributed 32.2% of the subsidiary's revenue at year-end, up from 17.1% in FY2021. Additionally, the subsidiary's B&O segment booked a revenue increase of 32.5% y-o-y to EGP 726.5 million and supported eFinance Digital Operations' performance in FY2022. This came on the back of an increase in new technical support and maintenance contracts signed during the year.

The subsidiary's transaction-based revenue increased by 27.1% y-o-y to EGP 849.9 million in FY2022, driven by a 119.1% y-o-y increase in revenue from variable-fee transactions, which booked EGP 495.4 million in FY2022. This growth in revenues from variable-fee transactions is attributed to the 28.9% y-o-y increase in the subsidiary's throughput of variable-fee transactions, which stood at EGP 936.4 billion in FY2022. Additionally, it reflects the effect of various price increases, which took place at the end of 2021.

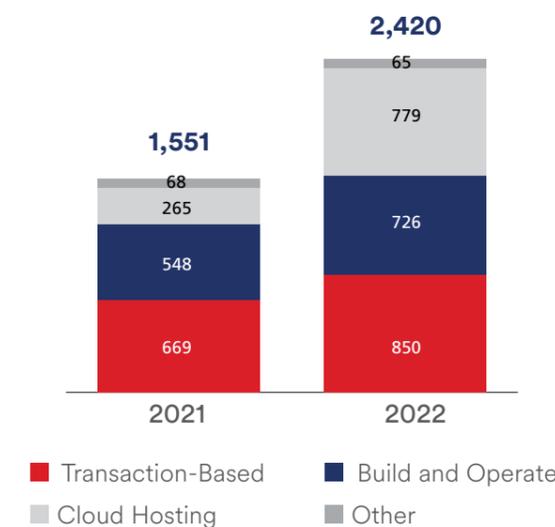
**eCards**

eCards' revenue declined by 39.8% y-o-y to EGP 226.2 million in FY2022 due to a decline in revenue from card production and smart solutions. Card production revenue declined by 22.3% y-o-y to EGP 114.2 million due to an unfavorable FX environment and the impact of global supply chain issues on SIM availability, which led eCards to fulfil commitments to specific contracts at a loss given the increase in cost of materials. Additionally, eCards could not fulfil the requirements of card production contracts due to market conditions, and it, consequently, had to rescind some of its contracts.

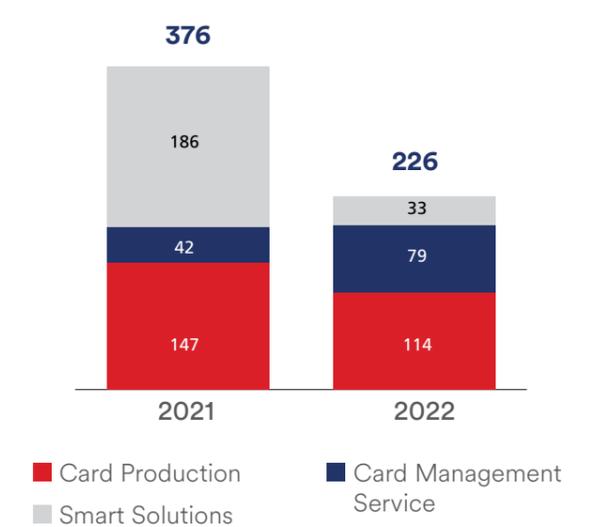
Moreover, smart solutions, which is a project-based revenue stream for eCards, recorded EGP 33.1 million in revenue in FY2022 compared to EGP 186.5 million in FY2021.

Revenue from card management services increased by 87.4% y-o-y to EGP 78.8 million on the back of the ongoing migration of pension cards from non-banking to banking cards in FY2022.

eFinance Digital Operations Revenue Breakdown (EGP mn)



eCards Revenue Breakdown (EGP mn)



**eKhales**

eKhales booked EGP 57.0 million in revenue, reflecting a decline of 13.0% y-o-y in FY2022. The decline reflects a base effect from one-off POS sales of nearly EGP 28.9 million completed during FY2021. POS sales are a non-recurring revenue stream for eKhales. Once one-off POS sales from FY2021 are excluded, eKhales would record a revenue increase of 57.5% y-o-y in FY2022, reflecting growth in the subsidiary's core aggregation business.

The subsidiary's nationwide POS network grew to 473,000 in FY2022, an increase from the 326,000 recorded in FY2021. eKhales aggregated 67.0 million transactions in FY2022, up by 34.0% y-o-y during the period.

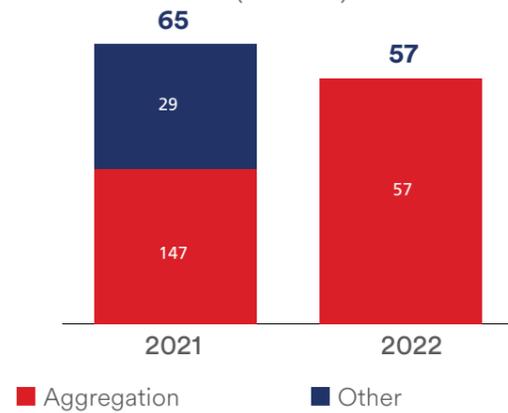
**eNable**

eNable booked a revenue increase of 59.7% y-o-y to EGP 85.9 million in FY2022 on the back of the subsidiary's growing client base. eNable's revenues during the period were further supported by new projects launched during the first quarter of 2022, driving rapid growth at eNable's IT and HR outsourcing businesses.

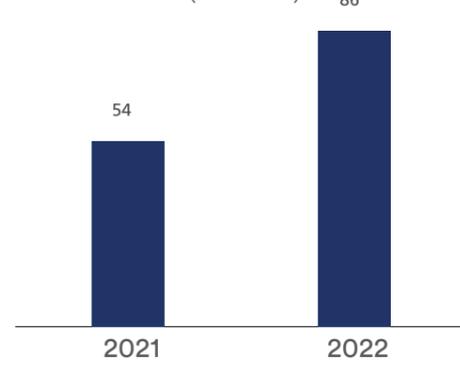
**eAswaaq**

eAswaaq recorded a six-fold increase in revenue to EGP 141.2 million in FY2022, compared to EGP 23.3 million in the previous year. The subsidiary reaped the rewards of the successful roll-out of its digital ticketing solution at 32 operational touristic sites and the associated revenues generated from ticket sales in FY2022.

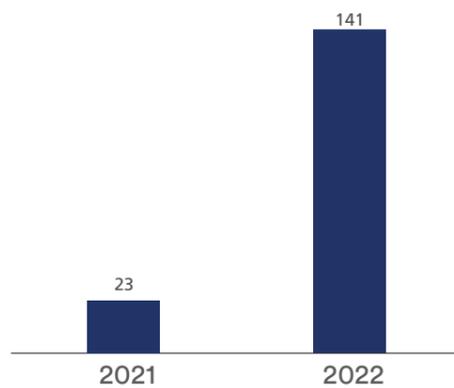
eKhales Revenue Breakdown (EGP mn)



eNable Revenue (EGP mn)



eAswaaq Revenue (EGP mn)



# OUR PEOPLE



# Our People

eFinance Investment Group enjoys a highly qualified management team with decades of experience in the payments, finance, and technology industries.

## Executive Management – eFinance Investment Group



**Ibrahim Sarhan**  
Chairman and CEO

Ibrahim Sarhan is EFIG's Chairman of the Board and CEO. He brings valuable experience having held several leadership positions in the fintech and telecommunications industry, with a solid and extensive track record of more than 30 years. Prior to eFinance, Sarhan spent 13 years at ICL, and before that, he held key management stints at Triangle and Raya Integrated before establishing eFinance in 2005. Throughout his career, Sarhan joined several community service and board memberships, such as at the American Chamber of Commerce, the Software Industry Chamber, and the Federation of Egyptian Industries. More recently, Sarhan had been elected as a board member of the Investor Protection Fund in Egypt. He holds a Bachelor of Commerce from Cairo University and obtained a Senior Executive Management Diploma from Harvard University in 2011.



**Essam Bahgat**  
Group Chief Financial Officer

Essam Bahgat has been the Group Chief Financial Officer since 2011. He joined the company in 2007 and boasts over 29 years of industry experience. Over the course of his career, he has contributed to the establishment and support of various companies and has executed multiple international agreements and partnerships. Prior to eFinance, he worked at Oratech Information Technology for seven years and at Arab Union Contracting for eight years. Bahgat holds a Bachelor of Commerce with a concentration in Accounting from Ain Shams University and a Master of Business Administration in Financial Management from the Arab Academy for Banking and Financial Sciences.



**Ahmed Ismail**  
Group Chief e-Payments  
Consultant

Ahmed Ismail joined the Group in 2007, and he is currently the Group Chief e-Payments Consultant at EFIG. Ismail has extensive experience in the governmental sector and has played an important role in building and developing the electronic payment and collection systems for the government. During his career, Ismail has worked for the Egyptian Customs Authority, leading delegations at international conferences, and was also a member of the High Commission for Customs Regulations and Policies. As a member of the commission, Ismail was responsible for negotiating custom policies with trade partners, including Tunisia and Japan. He also played an instrumental role in introducing the new Treasury Single Account (TSA) at the Egyptian Ministry of Finance, which later played a key role in helping the ministry transition over to an e-payment system. Ismail holds a Bachelor of Commerce with a concentration in Accounting and a postgraduate degree in Auditing and Taxation from Ain Shams University.



**Mahmoud Hosny**  
Group Chief Investment &  
Strategic Planning Officer

Mahmoud Hosny is the Group Chief Investment and Strategic Planning Officer, where he leads strategy development for each of eFinance Investment Group's subsidiaries. He also heads the Group's Investment Committee and is an advisor to the Board of Directors on potential investment opportunities. Hosny has 23 years of extensive experience in leading corporate finance, business planning, financial analysis, budgeting, and strategy formulation. Prior to joining eFinance, Hosny worked in the telecommunication sector for 14 years and as a strategy and financial advisory consultant in various sectors for nine years. This included Strategy and Business Planning Director for Banglalink Digital Communication, Strategic Planning Director for Orascom Telecom Holding and Business Planning, Profitability Senior Manager at Orange, and a Financial Consultant at KPMG. Mahmoud began his professional career at Airbus where he worked at the company's headquarters in Toulouse. Hosny obtained a Master of Business Administration from the Maastricht School of Management in 1999.



**Dr. Tag Eldin Eltabbakh**

Group Chief Human Resources and Organizational Development Officer

Tag Eldin Eltabbakh is the Group Chief Human Resources (HR) and Organizational Development Officer, a position he has held since joining eFinance in 2007. Eltabbakh is responsible for leading the Group's HR and organization development functions and has been instrumental in standardizing the approach toward its HR management at e-serve. This included tailoring organizational strategies, job descriptions, and salary structures, as well as developing interview and assessment processes, internal workflow models, and the overarching strategies that dictate the Group's HR and organization development function. He is also responsible for assessing the Group's culture and introduces the appropriate recommendations to ensure that eFinance is able to maintain an environment where employees can thrive and deliver on the Group's mission and vision. Previously, Tag Eldin held the position of HR Section Head at Ahli United Bank and started off his career as a lawyer in 1999 after obtaining a bachelor's degree in law from Ain Shams University. He holds a Doctorate of Business Administration from the Arab Academy for Science, Technology and Maritime Transport (AASTMT), which he obtained in 2021.



**Dr. Mohamed Nasr**

Internal Audit Director

Mohamed Nasr joined eFinance Investment Group as its Internal Audit Director, and he is responsible for managing the Group's internal audit, corporate governance, compliance, risk management, and operational performance functions. Nasr has over 20 years of experience covering finance, audit, corporate governance, and risk management, and he has over nine years of experience working internationally. Prior to joining eFinance, Nasr worked at MCMAN Consulting as the lead consultant for audit and finance, providing leadership and administrative management to audit and finance teams and supervising large external assignments. He also held positions at Amer Group, Porto Group, Union Group, Orascom Telecom, Swiss International Airlines, ALKAN, and Arab Contractors. Nasr has also conducted several management, financial, and audit-based trainings in Egypt and abroad. He holds a Master of Business Administration from École Supérieure Libre des Sciences Commerciales Appliquées (ESLSCA) and a Doctorate of Business Administration from the International Business School of Scandinavia (IBSS). He is also a graduate of Ain Shams University's Faculty of Commerce.

**Executive Management – eFinance Subsidiaries**



**Hossam El Goly**

CEO – eFinance for Digital Operations

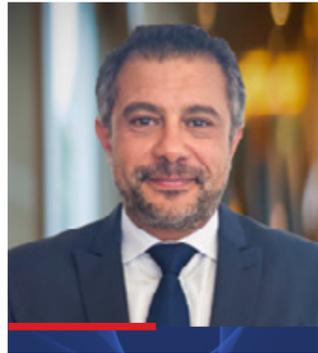
Hossam El Goly joined eFinance in 2007, and during his time with the company, he was instrumental in developing its e-payment system. He also worked on the development and deployment of the new digital tax and customs collection and pension distribution system recently adopted by the Egyptian government. Prior to joining eFinance, El Goly worked as a Project Manager at NCR. He holds a Bachelor of Science in Civil Engineering from Cairo University and a Master of Business Administration from Maastricht School of Management in Holland.



**Mahmoud Kamal**

CEO – eCards

Mahmoud Kamal is the CEO of eCards, a position he has held since 2020. In less than two years, Kamal led the subsidiary to become the first issuer and operator of Meeza cards in Egypt, issuing over 15 million cards. Kamal has over 15 years of experience in eFinance's card business, delivery management, and operations. Prior to eCards' incorporation as an independent entity, the subsidiary began life in 2009 as a Card Center under Kamal's leadership. Through the years, Mahmoud has overseen the business' growth and partnerships with industry leaders, facilitating financing solutions to public beneficiaries in alignment with the Egyptian government's 2030 strategy. He holds a Bachelor' of Business Administration and Accounting and a Master of Business Administration in Banking.



**Ahmed El Tantawy**

Acting Managing  
Director - eKhales

Ahmed El Tantawy joined EFIG in 2022, and he has over 20 years of experience spanning the information, communication, and technology sectors at the local and international levels. He is an established international executive with a wealth of experience in developing growth strategies, as well as managing and optimizing complex business operations to ensure positive outcomes. He also possesses a strong track record in team building, hiring, training, and mentoring. Prior to joining eFinance, El Tantawy held various managerial roles at Vodafone across its group functions and operating companies in Egypt, Italy, Turkey, the UK, and Oman. El Tantawy is a chartered management accountant and holds a Master of Business Administration from the University of Oxford's Saïd Business School.



**Islam Mamoun**

CEO – eAswaaq

Islam Mamoun joined EFIG in 2019, and he is currently the CEO of eAswaaq. Prior to joining the company, Mamoun spent 20 years at NCR, including seven years as country General Manager. He has over 22 years of experience working in digital transformation and financial inclusion where he oversaw mega projects across the public and private sectors. He has a wealth of experience in managing payment platforms and self-service and digital solutions, including mobile banking, internet banking, ATMs, data centers, and transaction processing technologies. Mamoun holds a Bachelor of Economics from the American University in Cairo (AUC).



**Ahmed Dokhana**

CEO – eNable

Ahmed Dokhana is a customer experience, business solutions, BPO, and logistics professional with more than 30 years of experience in various industries, including information technology, e-payment, and BPO services. Prior to assuming his role at eNable, Dokhana held positions at IBM and Americana Egypt, and he was also the Procurement and Logistics Manager at Raya Information Technology. Ahmed Dokhana also led the project to enhance the efficiency of the Group's procurement department.



# SUSTAINABILITY



# Sustainability

Creating meaningful impact for the communities we serve in an effort to support the sustainability of the environments we operate in by maintaining alignment with Egypt Vision 2030 and the United Nation's Sustainable Development Goals (SDGs).

## Our Sustainability Philosophy

As a pioneer of digital transformation and an enabler of financial inclusion, eFinance is cognizant of the key role it plays in supporting the country's development and sustainability agenda, Egypt Vision 2030. The Group also aims to accelerate economic and social development nationwide through equitable, mindful, and sustainable business practices that align with and deliver on the United Nation's Sustainable Development Goals (SDGs).

Given the economic and social challenges that have risen in recent years, sustainability has quickly become the center of attention across global agendas and economic policy frameworks to ensure the long-term prosperity of nations and economies worldwide. We are firm believers that for any business to truly thrive, it is essential to operate with purpose and create meaningful impact that not only benefits employees and investors but also the environment and communities it serves at large. In this endeavor, eFinance recognizes the importance of adopting strategies that are centered around environmentally and socially conscious principles to ensure that every venture the Group undertakes increasingly paves the way for a more sustainable future.

Over the years, eFinance has embedded key elements of sustainability into its strategy that have helped guide the Group's growth story as it continued developing the vital building blocks of Egypt's financial digital economy. The Group has aligned its operational strategies with recognized sustainability standards, including the SDGs, and given its well-established standing as a champion of financial inclusion and digital transformation, eFinance

is well-positioned to continue supporting and delivering on the nation's sustainability and development agenda, Egypt Vision 2030.

The Group is proud of the positive impact it has had on the communities it has served over its years of operation and is committed to further communicating these successes to its stakeholders. As such, eFinance is including a dedicated sustainability section in its 2022 annual report to showcase the efforts the Group has made thus far in empowering communities and delivering on sustainability initiatives. Going forward, the Group is fully committed to growing an environmental, social, and governance (ESG) framework and implementing even greater monitoring and implementation tools and policies that will ultimately enhance its sustainability strategy and our overall ability to create meaningful and long-lasting impact.

“

Over the years, eFinance has embedded key elements of sustainability into its strategy that have helped guide the Group's growth story as it continued developing the vital building blocks of Egypt's financial digital economy



During the awards ceremony for the National Initiative for Green Smart Projects launched during COP27, eFinance Investment Group was awarded by Prime Minister Dr. Mostafa Madbouly for its contribution toward the nationwide Go Green Initiative, which focuses on encouraging car owners to outfit their vehicles with dual-fuel engines under the government's natural gas transition plan.

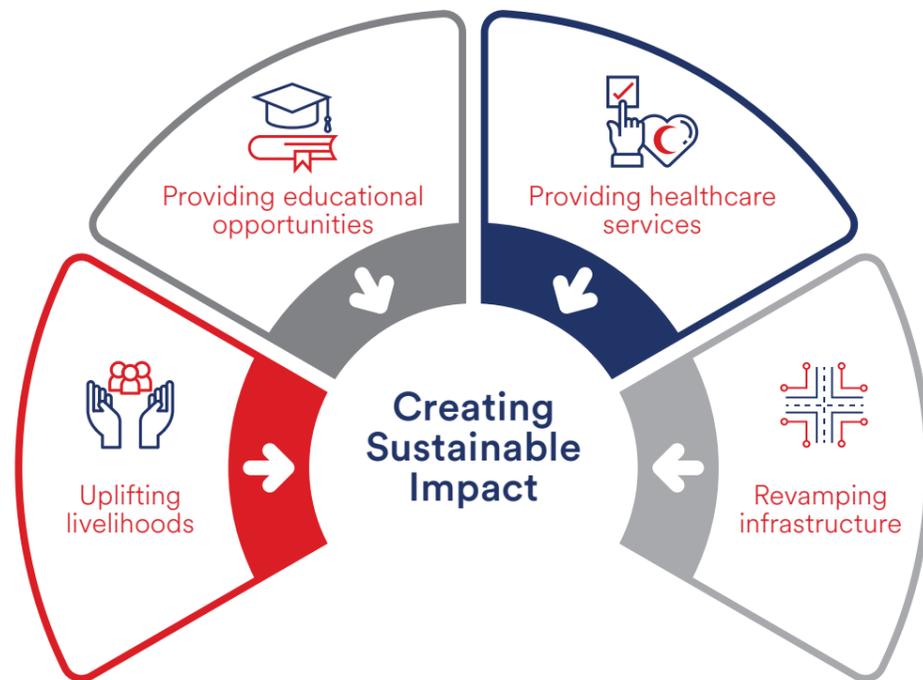
## Empowering People from All Walks of Life

We are firm believers that businesses have a responsibility toward the communities they operate in and to actively pursue paths where they can truly make a difference in people’s lives.

### Our Direct Social Investment Model

For communities and economies to be sustainable and achieve long-term prosperity, there must be a collective effort from individuals, businesses, organizations, and governments to deliver on this goal. At eFinance, our

ability to foster positive social and economic outcomes is guided by our direct social investment model, which focuses on empowering people and communities through meaningful initiatives.



In this endeavor, we have engaged with multiple organizations to tailor and deliver projects and initiatives that have a positive impact on the livelihoods of the people across our communities. Our efforts are aligned

with Egypt’s national sustainability and development agenda, Egypt Vision 2030, as well the UN SDGs, to ensure that we are guided by best practices when it comes to paving the path for a more sustainable future.



www.efinanceinvestment.com

## Leading the fintech landscape towards a greener future

Digitally transforming the Egyptian Government to a fully paperless government, ensuring internal processes and customer-facing services are digitized.

Digitally transforming societal financial inclusion programs working with the government to rollout nationwide gender targeted platforms.

Digitally transforming several economic sectors including; financial, healthcare, agriculture, tourism and petroleum while creating opportunities for economic growth.



**Supporting Egypt's Decent Life Initiative**

Launched in 2019, Egypt's Decent Life Initiative, also known as "Hayah Karima", is one of Egypt's largest infrastructure projects, and it was designed with the aim of developing the nation's rural areas. This initiative is perfectly aligned with our goals to support the communities that need it most by creating job opportunities; providing access to basic services, such as healthcare and education; and revamping infrastructure at multiple

levels. These efforts are aimed at ultimately empowering people and communities with the goal of ensuring decent lives for all and achieving a more sustainable future.

In our efforts to support Egypt's ambitious Decent Life Initiative, we partnered with the Ministry of Social Solidarity and Sonaa Al Khair Foundation for Development and brought to life a program that focused on creating a more sustainable community for the people that reside within the Al-Farisyah Village in Esna.





**The program we developed focused on uplifting the lives of this community across various fronts, including:**

**Ensuring safe, resilient, and sustainable housing** – We believe that every individual has a right to have a safe and welcoming space that they can call home, and we understand the impact that quality housing has on the physical and mental wellbeing of people and their ability to lead decent lives. In this endeavor, the program focused on fully revamping 30 houses in the village, which included rebuilding the houses from the ground up to ensure their longevity, connecting these homes with clean water sources and reliable electrical systems, and providing them with modern furnishing.

**Providing essential healthcare services to those with impaired vision** – Visual impairments, if gone untreated, have detrimental impacts on people’s livelihoods, including hindering their ability to properly participate in the labor force and maintain sustainable sources of income. This impact is even greater for those who are part of more vulnerable communities that struggle to access basic healthcare services. Given these factors, our program also focused on providing the visually impaired with medical treatments, medicine to alleviate eye pain, and prescription glasses for those that needed them. This initiative saw us support over 1,400 people get the visual treatments and tools they needed to lead better and safer lives.

**Uplifting livelihoods by supporting skilled labor** – Communities in rural areas across Egypt primarily rely on skilled labor as their main source of income to maintain their livelihoods. However, in order for them to properly thrive, they need access to the quality tools that will allow them to succeed and lead more sustainable lives. On this front, we were able to support the village by providing its people with 30 fully equipped boats with modern fishing equipment, which will give the families that needed them most the opportunity to generate a sustainable source of income.

**Supporting new families with the tools they need to succeed** – Not all newly married couples have the finances required to equip their homes with the necessities, and their families are forced to resort to borrowing, resulting in unsustainable financial burdens. To alleviate this burden and support the preservation and prosperity of families, we provided a number of newly married brides with modern electrical and household appliances that they needed to complete their new homes and finalize their weddings without having to burden their families.



### Al-Farisiyah Village Project Outcome

**+1,000 Families (c.5,000 individuals)**

Our project successfully supported over 1,000 families (around 5,000 individuals). We are proud to have been able to successfully play a key role in supporting the social and economic development, as well as the overall wellbeing, of the people that need it most in our communities.

Looking ahead, we are going to be taking on similar projects so that we can further empower people across our communities and ultimately enhance the sustainability of our economy at large.

### Advancing Social Progress Through Sports

We have always believed that sports provide an avenue for the development of peace and the promotion of a collective contribution toward a common goal. They inspire togetherness, teamwork, and inclusivity and support in the development of key leadership and communication skills, as well as promote overall

healthier lifestyles for people of all ages. As such, we have made various efforts in supporting Egypt's sporting community in order to further deliver on our mission of creating meaningful and long-lasting impact for the people of Egypt.

### Sports are an avenue where we can deliver on key SDGs



Good Health and Wellbeing



Quality Education



Gender Equality



Peace, Justice, and Strong Institutions

### Sponsoring Egypt's National Handball Teams

In 2022, eFinance became a proud sponsor of Egypt's national handball teams, including the men's and women's teams, as well as the youth and wheelchair teams. Sponsoring sporting teams aligns with our efforts to further connect with our communities in meaningful ways and support environments that are able to help people foster the skills required to become the leaders of tomorrow. We are firm believers that sporting activities offer people of all ages, genders,

and ethnic and religious backgrounds the opportunity to adopt key values, including teamwork, fair play, respecting rules and others, cooperation, discipline, and tolerance. Our sponsorship showcases our commitment to promoting the social and personal development of the people in our communities and helping them become more active and productive members of society, and we are proud to play a part in their journey.

## Our Sponsorship Aims to Support Key Values



Our sponsorship also comes on the back of our belief in promoting women empowerment and aligning with SDG 5, which targets to achieve gender equality and empower all women and girls. We are firm believers that supporting women in sports is crucial to achieving more sustainable communities. Sports provide women and girls with the opportunity to build a variety of skills that

will add immense value to their development on various fronts. In this endeavor, our sponsorship also includes the women's national handball team, where we aim to support these amazing women in challenging social gender norms and help them create a community that promotes the increased social development and participation of women and girls across all activities.



Our sponsorship also aims to further empower members of our community who turned challenges into opportunities and became symbols for perseverance despite the odds presented to them. On this front, we are also the proud sponsors of Egypt's national wheelchair handball team. The sponsorship perfectly aligns with our values and our commitment to inclusivity in our communities and

showcasing that individuals with disabilities are just as talented and as deserving of all opportunities presented to the people around them. Moreover, we want to promote and develop the kind of environments that will enhance their social development, health, and wellbeing, as well as eliminating the stigmas surrounding those who are differently abled.



## Human Capital Development

We are proud to have cultivated a work environment that promotes safety, inclusivity, and diversity and invests in the growth of its people, who continue to be the backbone of our success.



We firmly believe that the key to the success and sustainability of any business is its people, which is why we have made it a priority over the years to cultivate a work environment where our employees can feel safe, thrive, and achieve great success over the course of their careers. On this front, the Group has regularly supported the development of its people by enrolling them in comprehensive training programs that cover a wide array of subject areas. The Group has successfully run over 27 different training programs across the its various departments, which has allowed our people to enhance both their soft and technical skills on multiple fronts, leaving them even better positioned to deliver on the Group's mission and vision.

312

Number of employees that participated in training programs in 2022

Additionally, the Group has partnered with leading academic institutions in Egypt, including École Supérieure Libre des Sciences Commerciales Appliquées (ESLSCA), the Cardiff Business School, and the Arab Academy for Science, Technology, and Maritime Transport (AASTMT).

Through these partnerships, the Group is able to offer its employees the opportunity to expand their knowledge across various areas that align with eFinance's business practices, as well as seek out certificates, diplomas, and degrees at significantly reduced rates.



### Inclusivity and Diversity

Diversity in the workplace is a priority area in the Group's sustainability practices and efforts at creating positive social impact. The Group's ability to provide a comprehensive offering is driven by the successful contributions and collective engagement of its people, who come from all walks of life. We pride ourselves on having established an inclusive and diverse work environment, where all kinds of discrimination and harassment are not tolerated at any level. On this front, the Group ensures that all employees are educated and abide by eFinance's comprehensive Code of Conduct, which outlines the ethical principals that we promote across all departments.

of women at all levels across the Group going forward. In this endeavor, not only has the Group increasingly focused on identifying high-caliber female talents to join eFinance but also continues to offer targeted managerial and leadership training programs for its female employees through its academic partnerships to support their growth aspirations within the organization.

17%

Female contribution to eFinance's workforce in 2022

4%

Percentage of women at the executive and board level in 2022

## Building Sustainable Practices from the Ground Up

Ensuring the sustainability of our environment by minimizing our carbon footprint.



Businesses have a responsibility toward not only their customers, employees, investors, and stakeholders but also to the environments where they operate. As a leading player and pioneer in Egypt’s digital ecosystem, the Group acknowledges the importance of committing to preserving natural resources and minimizing the impact its operations may have on the environment in its efforts to support a greener economy. On this front,

eFinance has made various efforts in monitoring its resource consumption and has forward-looking plans to better align with recognized guidelines and international best practices and standards in terms of resource efficiency.



The Group also recognizes the importance of sustainable construction when it comes to achieving a reduced carbon footprint. On this front, the Group ensured that all design plans were implemented with resource efficiency in mind during the design and building phase of its new headquarters, which is located in West Cairo’s Smart Village. This included utilizing environmentally friendly building materials, low-energy lighting systems, refined water systems, and energy efficient air conditioning and electricity systems across the new headquarters. Additionally, one of the benefits of being a part of the Smart Village community is the promotion of waste recycling practices, which allows

our building to reduce carbon emissions by around 52 tons per year.

Looking ahead, the Group has already begun assessing the use of solar power as a major source of energy for its headquarters to further decrease its carbon footprint. In this endeavor, the Group’s Chairman approved to start executing this initiative in 2023 and is targeting to reduce the building’s carbon emissions by 36% over the coming period. The initiative is further testament to the Group’s commitment to environmentally conscious business practices and its goal of increasingly aligning with and delivering on the UN SDGs.

# Governance

eFinance for Digital and Financial Investments adheres to and promotes ethical business practices across the full scale of its operations to facilitate effective and prudent managerial processes that ensure transparency and accountability. eFinance for Digital and Financial Investments' corporate governance strategy is driven by the goal of cultivating a responsible work environment, maintaining investor confidence, and adhering to relevant Egyptian laws and regulations, ultimately leading to the continued sustainability and long-term success of the Group. eFinance is continuously assessing its governance policies, charters, and methodologies to minimize risks and ensure the absence of corruption and mismanagement. This includes the assessment of effective controls, information security, and the company's codes relating to employee conduct and safety to ensure that they are aligned with international best practices and local Egyptian laws and regulations.

## Board of Directors

The Board of Directors' (BOD) primary responsibility is to ensure the prosperity of eFinance Investment

Group by collectively directing the company's affairs and strategic objectives, as well as defining the values that dictate the company's operations and safeguard the interests of its stakeholders. The BOD at eFinance is led by the company's Chairman and Managing Director, Mr. Ibrahim Sarhan, who is responsible for carrying out the executive tasks of the Board and reviewing the progress reports that are delivered to the Board on a regular basis. The BOD is composed of 12 members, with one executive member and 11 non-executive independent members. The members who sit on the Board have been rigorously vetted to ensure that their experience, qualifications, and expertise align with eFinance's overarching strategy of maximizing value generation across the entire scope of the company's operations and ensuring the sustainability of the business. eFinance Investment Group is armed with a wealth of tools and mechanisms that are specifically designed to efficiently dictate and navigate the communication channels between the Board and eFinance's employees and shareholders.



## Board Committees

eFinance's BOD utilizes four committees to ensure the effective and efficient monitoring of the company's corporate governance activities:

- Audit and Governance Committee
- Nominations Committee
- Risk Committee
- Investment Committee

## Board Composition

- Ibrahim Sarhan – Chairman
- Ibrahim Abdel Salam – Non-Executive Member
- Hesham Shaarawy – Non-Executive Member
- Ayman Hussein – Non-Executive Member
- Khaled Zakaria – Non-Executive Member
- Dalia Mostafa Kamel – Non-Executive Member
- Nada Massoud – Independent Non-Executive Member
- Ahmed Gad – Non-Executive Member\*
- Mohamed Gamil – Non-Executive Member
- Moataz Motawea – Non-Executive Member
- Tarek Al Mahmoudy – Independent Non-Executive Member
- Khalid Abdullah Alhussan – Non-Executive Member
- Ahmed El Anzy – Non-Executive Member

*\*Mr. Ahmed Gad resigned from the Board, and his resignation was accepted on 11 September 2022.*

## Internal Audit Department

eFinance Investment Group recognizes the value and necessity of evaluating and improving the effectiveness of control and governance processes to ensure the security and sustainability of the business, as well as monitoring the company's exposure to credit, liquidity, market, and capital management risks. In order to manage eFinance's exposure to risk and effectively monitor governance processes, the company has an Internal Audit Department. The Internal Audit Department was established to implement a systematic and disciplined approach to evaluate and improve the effectiveness of risk management, control, and governance processes by ensuring:

- Effective control systems are properly implemented and monitored across the company's wide and complex business operations
- Existing financial controls and IT infrastructure are operating efficiently and up to standards
- Policies and procedures introduced throughout the company's departments are sufficient and aligned to meet the company's operational goals
- Employees are operating in line with the established policies

eFinance Investment Group's Internal Audit Department develops proper and effective methodologies and charters, and such key documents are set to eventually lead to and foster the best work environment.

## Audit and Governance Committee

### Structure and Composition

The Audit and Governance Committee is composed of three members, with the majority of its members being independent, and the Chairman of the BOD should also have a seat on the committee. The committee shall appoint one of its members as its chairperson and shall present the minutes of its meetings to the BOD at the first Board meeting following that of the committee – or by circulation, if needed.

The committee members must be recognized for their competence and experience in the field of the company's work, and that at least one of them has experience in financial and accounting affairs. The committee may also seek the assistance of the external auditor or whomever it deems appropriate from among non-members to attend its meetings.

### Purpose of the Committee

The purpose of the Audit and Governance Committee is to ensure integrity and independence across all business operations and assist the BOD in overseeing the company's financial controls. In order to accomplish this, the Audit and Governance Committee monitors and ensures:

- The effectiveness and efficiency of internal control systems
- The integrity of the company's financial statements
- The efficiency and independence of the company's external auditor
- The performance of the company's internal audit procedures and controls
- The submission of the periodical recommendations and reports to the BOD

### Report Preparation

Based on requests from the Board and as indicated in the company bylaws, the committee is responsible for providing the Board with various reports, including an annual audit report that highlights the committee's performance over the year for the purpose of determining the effectiveness of the committee's work. The Audit and Governance Committee's core responsibilities are ensuring that the highest control standards are being implemented across the business regarding the issuance of performance reports, monitoring operations, and the application of internal control systems. The committee's top priority is preserving the interest of its shareholders by providing the highest levels of transparency and disclosure through the adherence to the company's internal policies and regulations. The vital role that the company plays in Egypt as a leader in the areas of digital transformation and information technology has driven the committee to further ensure the application of strict control policies.

### Nominations Committee

#### Structure and Composition

The Nominations Committee is composed of two non-executive members and two external members, one of whom is required to have relevant experience in the

field of human resources to ensure that the committee performs its duties to the fullest.

### Purpose of the Committee

The Nominations Committee was formed to assist the BOD in performing multiple tasks, with a focus on:

- Aligning the compensations and benefits allocated to the executive and senior management with the general goals of the company
- Evaluating employee performance and providing recommendations to the BOD regarding incentive and compensation plans
- Managing the compensation programs for the company's executive members

### The Committee also Performs the Following:

- Managing the company's incentive plans and programs and approving compensation packages, as well as implementing individual performance-based assessments that determine the remuneration for BOD members and the members of the other various committees
- Reviewing and approving the compensation of senior management set by the committee
- Developing programs and plans and presenting recommendations to the BOD regarding entitlement to incentives
- Preparing an annual report that covers the performance of the committee and its adherence to governance standards

### Principles of the Committee

The committee is responsible for its actions in front of the BOD, and all committee members shall abide by the same code of conduct as the BOD members. This includes safeguarding the company's confidential and sensitive information, noting that no committee or board member has the right to share this information with others directly or indirectly, except within the context of what the system dictates.

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eFinance Investment Group is armed with a wealth of tools and mechanisms that are specifically designed to efficiently dictate and navigate the communication channels between the Board and eFinance's employees and shareholders

### Report Preparation

The committee submits a periodic report to the BOD regarding the performance of the committee and its milestones, and it publishes an annual report in accordance with the requirements of the applicable laws and regulations. The committee must also periodically inform the BOD about its activities and key recommendations.

### Risk Committee

#### Structure and Composition

The Risk Committee is composed of three members, one non-executive and two external members who boast multi-disciplinary experiences that are relevant to eFinance's operations. It is required for one member of the committee to have experience in technology and cybersecurity affairs in order for the committee to properly carry out its tasks.

#### Purpose of the Committee

The purpose the Risk Committee is to assess the company's risk profile and ensure the implementation of the appropriate cyber-protection measures. This will often entail a detailed examination or audit of the company's digital

vulnerabilities, existing defenses, and areas of improvement for cybersecurity to ensure the safety, business continuity, and sustainability of eFinance's operations. The committee is also responsible for ensuring that its activities are aligned with the priorities, requirements, and desired growth of the company. Additionally, the committee is responsible for providing all types of support to the Cybersecurity and Information Security Department.

### Report Preparation

**The Committee shall report the following:**

1. Data Governance – To provide oversight of policies, procedures, plans, and execution intended to provide security, confidentiality, availability, and integrity of information.
2. Cybersecurity Systems – To oversee the quality and effectiveness of eFinance's policies and procedures with respect to its information technology systems, including privacy, network security, and data security.

3. Incident Response – To review and provide oversight on the policies and procedures of eFinance in preparation for responding to any material incidents.
4. Disaster Recovery – To periodically review eFinance’s disaster recovery capabilities with the company’s management.
5. Compliance Risks and Internal Audits – To oversee eFinance’s management of risks related to its information technology systems and processes, including privacy, network and data security, and any internal audits of such systems and processes.

## Investment Committee

### Structure and Composition

The Investment Committee is composed of five non-executives who boast multidisciplinary experiences that are relevant to eFinance’s operations. It is required for one member of the committee to have experience in financial affairs in order to for the committee properly carry out its tasks.

### Purpose of the Committee

- Developing strategies and investment policies with executive management that align with the company’s business operations, activities, and risk exposure.
- Studying periodic reports received from executive management regarding the progress of investment opportunities.
- Performing periodical reviews of investment policies and strategies to ensure that they are able to adapt to dynamic market changes, regulatory changes, or changes to the company’s goals and strategies. The committee is responsible for presenting recommendations to the BOD on how to tackle such changes.
- General supervision of the company’s investment

activities, setting standard procedures for measuring and evaluating investment performance and methods of prioritizing investment opportunities.

- Assessing and evaluating the investment opportunities proposed by the company’s management with regards to the following transactions:
  - Mergers or acquisitions of companies or assets
  - Any termination, sale, transfer of ownership, exit from, or disposal of an existing investment
  - Investing in new or existing projects or project expansion
  - Investment opportunities that the company’s management have expressed interest in.
  - Assessments of financing opportunities for the aforementioned transactions

### Principles of the Committee

Members of the committee adhere to the regulations dictated by capital and financial markets, the company’s executive regulations, and the articles of association of the company when exercising their duties. Members shall also refrain from carrying out or participating in any action that would harm the interests of the company.

### Report Preparation

Based on requests from the BOD and as indicated in the company bylaws, the committee is responsible for providing the Board with various reports that highlight the committee’s performance over the course of the year or reporting period.



