



If you are in any doubt as to the action you should take in respect of this document ("**Document**"), you are recommended to seek your own independent financial advice immediately from your stockbroker, bank manager, solicitor, auditor, financial, legal or tax advisor or other appropriately authorized independent financial advisor. The contents of this Document are not to be construed as legal, business or tax advice. This Document is for information only and nothing in this Document is intended to endorse or recommend a particular course of action.

This Document is an English language translation (made for convenience only) of an Arabic language prospectus (the "**Arabic Prospectus**") issued by Fawry for Banking and Payment Technology Services S.A.E., (the "**Company**") a joint stock company incorporated in Egypt in connection with the proposed offer ("**Offer**") of up to 254,629,483 shares of the share capital of the Company ("**Shares**") and admission to trading on The Egyptian Stock Exchange ("**EGX**") at a price of EGP 6.46 (six Egyptian pounds and forty-six piasters) per Share.

Fawry for Banking and Payment Technology Services S.A.E.
(a joint stock company incorporated in Egypt)

Offer of up to 254,629,483 Shares and admission to trading on the Egyptian Stock Exchange
Price: EGP 6.46 (six Egyptian pounds and forty-six piasters) per Share

This Document is not a prospectus relating to the Offer. As this is an English language translation of the original Arabic language source document made for convenience, none of the Company, EFG Hermes S.A.E. ("**EFG**") make any representation or warranty, express or implied, as to the accuracy or completeness of the information contained in this Document, including the suitability of the Shares for any particular investor, and nothing contained in this Document is, or should be relied upon as, a promise or representation by the Company, EFG or their respective affiliates or advisors. This Document does not constitute, or form part of, any offer or invitation to sell, allot or issue, or any solicitation of any offer to purchase or subscribe for, any securities, nor shall it (or any part of it) or the fact of issue by the Company form the basis of, or be relied upon in connection with, or act as any inducement to enter into, any contract or commitment for securities. This Document is being made available only to Qualified Investors and is not being made available, being sent or being directed to any other person. Any purchase or subscription for Shares pursuant to the Offer must be made only on the basis of the information contained in the Arabic Prospectus. As this Document is a translation of an Arabic document made for convenience, no reliance may be placed for any purpose whatsoever on the information or opinions contained in this Document or on its completeness, accuracy or fairness. No undertaking, representation, warranty or other assurance, express or implied, is made or given by or on behalf of the Company nor directors, officers, employees, agents or advisers or any other person as to the accuracy or completeness or fairness of the information or opinions contained in this Document and no responsibility or liability is accepted by them for any such information or opinions.

Investing in the Shares is speculative and involves a significant degree of risk. Investors should read (i) this Document; and (ii) the Arabic Prospectus in their entirety. In particular, your attention is drawn to the various risks highlighted in this Document and the Arabic Prospectus in connection with the Company's activities as regards the risks that should be considered in connection with any investment in the Shares.



In making an investment decision, prospective investors must rely upon their own examination of the Company and the terms of the Offer set out in the Arabic Prospectus, including the merits and risks involved. Prospective investors should exclusively rely on the information contained in the Arabic Prospectus and not this Document.

Prior to Admission, there was no public market for the Shares. Therefore, there can be no assurance that an active trading market for the Shares will develop or, if developed, that such market will be maintained. If an active trading market is not developed or maintained, the liquidity and trading prices of the Shares could be adversely affected.

Persons reviewing this Document should note that, EFG are acting for the Company in relation to the Offer and for no one else and will not be responsible to anyone other than the Company for providing the protections afforded to their respective clients or for providing advice in relation to the Offer or the contents of this Document or any transaction, arrangement or matter referred to herein.

None of the Company, EFG or any of their respective representatives, makes any representation to any offeree or purchaser of the Shares offered pursuant to the Arabic Prospectus regarding the legality of an investment by such offeree or purchaser under appropriate legal investment or similar laws.

Certain statements in this Document are not historical facts and are forward-looking statements. These forward-looking statements are subject to a number of risks and uncertainties, many of which are beyond the Company's control and all of which are based on the Company's current beliefs and expectations in relation to future events. The forward-looking statements are typically identified by the use of forward-looking terminology, such as "believes", "expects", "may", "will", "could", "would", "should", "intends", "targets", "aims", "projects", "estimates", "plans", "assumes" or "anticipates" or the negative thereof or other variations thereon or comparable terminology, or by discussions of strategy that involve risks and uncertainties. In addition, from time to time, representatives of the Company have made or may make forward-looking statements orally or in writing. Furthermore, such forward-looking statements may be included in, but are not limited to, press releases or oral statements made by, or with the approval of, an authorized executive officer of the Company. Forward-looking statements include statements concerning the Company's plans, objectives, goals, strategies, future events, future revenues or performance, capital expenditures, financing needs, plans or intentions relating to acquisitions, competitive strengths and weaknesses, business strategy and the trends anticipated in the industries and the political and legal environment in which the Company operates and other information that is not historical information. These forward-looking statements and other statements contained in this Document regarding matters that are not historical facts involve predictions. No assurance can be given that such future results will be achieved; actual events or results may differ materially as a result of risks and uncertainties facing the Company. Such risks and uncertainties could cause actual results to vary materially from the future results indicated, expressed or implied in such forward-looking statements. Prospective investors should be aware that a number of important factors could cause actual results to differ materially from the plans, objectives, expectations, estimates and intentions expressed in such forward-looking statements. When relying on forward-looking statements, prospective investors should carefully consider uncertainties and events. Such forward-looking statements speak only as of the date on which they are made. Accordingly, the Company does not undertake any obligation to update or revise any of them, whether as a result of new information, future events or otherwise other than as required by applicable laws or regulation. The Company does not make any representation, warranty or prediction that the results anticipated by such forward-looking statements will be achieved, and such forward-looking statements represent, in each case, only one of many possible scenarios and should not be viewed as the most likely or standard scenario. None of the Company, EFG can give any assurance or accept



any liability for the accuracy of the opinions set forth herein or as to the actual occurrence of any predicted developments. Accordingly, prospective investors should not rely on the forward-looking statements in this Document and must read the Arabic Prospectus in its entirety.

This Document and its contents are confidential and should not, unless otherwise agreed in writing by the Company, EFG be distributed, published or reproduced in whole or in part or disclosed by recipients to any other person. This Document is only being made available to persons who are permitted by law to receive it.

The distribution and/or making available for viewing and/or viewing of this Document in certain jurisdictions may be restricted by law. Accordingly, neither this Document nor any advertisement may be distributed, published or made in any jurisdiction except under circumstances that will result in compliance with all applicable laws and regulations. Persons viewing this Document or into whose possession this Document comes should inform themselves about and observe any such restrictions. Any failure to comply with these restrictions may constitute a violation of the securities laws of any such jurisdiction. This Document does not constitute or form part of any offer or invitation to sell or issue, or a solicitation of an offer to buy or subscribe to Shares or other securities in any jurisdiction in which such offer or solicitation is unlawful.

In particular, this Document is not for distribution or being made available in or into the United States, Canada, Australia, or Japan or to any US persons (“**US Persons**”) as defined in Regulation S (“**Regulation S**”) under the US Securities Act of 1933, as amended (the “**US Securities Act**”). The Shares have not been and will not be registered under the US Securities Act, or under the securities laws of any state or other jurisdiction of the United States, and may not be offered or sold in the United States, or to, or for the account or benefit of, US Persons except in a manner fully compliant with the US Securities Act. The Shares have not been and will not be registered under the securities laws of Canada, Australia, Qatar, the Republic of Ireland, Kuwait, the Republic of South Africa or Japan. Accordingly, the Shares may not, subject to certain exceptions, be offered or sold, directly or indirectly in or into Canada, Australia or Japan or to any national, citizen or resident of Canada, Australia, Qatar, the Republic of Ireland, Kuwait, the Republic of South Africa or Japan.

No person has been authorized to give any information or make any representations other than those contained in the Arabic Prospectus and, if given or made, such information or representations must not be relied upon as having been so authorized by the Company. The Company will comply with its legal obligation (if any) to publish a supplementary prospectus containing further updated information if so required by law or by any regulatory authority but assumes no further obligation to publish additional information.

SUMMARY OF THE COMBINED OFFERING OF Fawry for Banking and Payment Technology Services S.A.E.

This Summary of the Combined Offering is qualified by the information appearing elsewhere in this Document. Certain details in the Summary of the Combined Offering has not been included in the Public Subscription Notice and therefore is not part of the Public Subscription Notice. All information included in this Document relating to the Institutional Offering and the Egyptian Retail Offering has been included only for information



purposes. The Combined Offering is a Local offering in accordance with the Capital Market Law, the Executive Regulations and the applicable regulations and decrees of the FRA.

Issuer	Fawry for Banking and Payment Technology Services S.A.E.
Selling Shareholders	PSI Netherland Holding B.V.
Sole Global Coordinator and Bookrunner	EFG Hermes Promoting and Underwriting.
Combined Offering Size	The Institutional Offering and the Egyptian Retail Offering, comprising a total of 254,629,483 Institutional Offer Shares and Egyptian Retail Offer Shares, representing 36.0% of the Company's current outstanding share capital.
Institutional Offering	Subject to the Right of Reallocation, the offering of 219,264,277 Offer Shares (representing 86.11% of the Combined Offering) held by the Selling Shareholders to institutional investors as follows (i) institutions with financial solvency (banks, insurance companies, investment and pension funds, portfolio management companies and other institutions with financial solvency); (ii) investors with financial solvency; and (iii) individuals and entities with experience in the field of financial securities.
Egyptian Retail Offering	The offering of 35,365,206 Egyptian Retail Offer Shares (representing 13.89% of the Combined Offering) held by the Selling Shareholders in a domestic offering to the public in Egypt in accordance with the Capital Market Law, the Executive Regulations and the applicable regulations and decrees of the FRA.
Institutional Offering: Minimum limit for accepting purchase orders	A minimum of 0.05% of the Combined Offering Shares per application from high net worth individuals and 0.1% of the Combined Offering Shares per application for institutions



Egyptian Retail Offering: Minimum and Maximum limit for accepting purchase orders	A minimum of 100 Shares per application A maximum of 100% of the Egyptian Retail Offering Shares per application
Offer Price	The Offer Price is EGP 6.46.
Institutional Offering Subscription Period (“Book-building Period”)	Orders for the Institutional Offering can be received starting Friday 26 July 2019 until the no later than Wednesday 31 July 2019.
Egyptian Retail Offering Subscription Period	Orders for the Egyptian Retail Offering can be received starting Sunday 30 July 2019 until the no later than Monday 5 August, 2019.
Lock-up Period	Shares representing 51% of the Company’s total share capital (owned by PSI Netherland Holding B.V.) will be subject to a mandatory lock-up until the expiry of a 12-month period following commencement of trading the Shares Shares representing 12.99% of the Company’s total share capital (owned by PSI Netherland Holding B.V.) will be subject to a commercial lock-up period ending 6 months following the commencement of trading the Shares. The additional 6-month period commercial lock-up on 12.99% of the Company’s share capital owned by PSI Netherland Holding B.V. shall not be applicable in case of a Mandatory Tender Offer is filed on the Company’s Shares.
Right of Reallocation	If the shares allocated for the Egyptian Retail Offering are not fully covered, the Company and the Offering Manager may increase the number of shares offered in the Institutional Offering by transferring part of the shares allocated to the Egyptian Retail Offering to the Institutional Offering, while maintaining the minimum required in accordance with the Listing Rules and Regulations.



Stabilization

There will be no stabilization activities undertaken in connection with the Institutional Offering.

In connection with the Egyptian Retail Offering, EFG Hermes, or any of its agents, may effect transactions in the Shares with a view to supporting or maintaining the market price of the Shares at a level higher than that which might have otherwise prevailed in the open market. EFG Hermes will withhold from the payment of the proceeds of the Combined Offering an amount equal to the gross proceeds of the sale of the Egyptian Retail Offer Shares at the Offer Price, which shall be deposited in a stabilization account (the “**Stabilization Fund**”).

If the trading price per Share falls below the Offer Price on or after the date of the commencement of trading of Shares on the EGX, and ending 30 days after that date (such period, the “**Stabilization Period**”), purchasers of Egyptian Retail Offer Shares in the Egyptian Retail Offering may submit sell orders and EFG Hermes will submit purchase orders for Shares at the Offer Price, which will remain open until the end of the Stabilization Period. At the end of the Stabilization Period, open purchase orders submitted by EFG Hermes will be matched with open sale orders and executed on the EGX. All Shares purchased in this manner will be placed in the Stabilization Fund. EFG Hermes will remit to the Selling Shareholders, at the end of the Stabilization Period, any funds then remaining in the Stabilization Fund and any remaining Shares purchased during the Stabilization Period using the Stabilization Fund. Any remaining Shares purchased during the Stabilization Period using the Stabilization Fund shall be subject to a mandatory lock-up after the transfer of ownership to the Main Shareholder to complete the freezing period stipulated in the Rules for Listing and Delisting of Securities on the Egyptian Stock Exchange and the optional freeze period.

EFG Hermes will disclose any such stabilization transactions to the EGX at the end of the Stabilization Period.

Voting Rights and Ownership Limitations

Shareholders are entitled to receive notice of, and attend, our general meetings. Shareholders are entitled to one vote per Share registered in their names.



Payment and Settlement

It is expected that settlement of the Shares will occur on the Closing Date. The sale and transfer of Shares to prospective purchasers of such Shares will be affected in accordance with the relevant transfer and settlement procedures prescribed by the EGX, the FRA and the Misr for Central Clearing Depository and Registry (“**MCDR**”) for the transfer of Shares on the EGX. Delivery of the Shares sold by the Selling Shareholders will be made in accordance with the clearance and settlement systems of EGX. Payment for the Shares sold in the Combined Offering will be made in Egyptian Pounds.



**Independent Financial
Advisor**



Company Legal Advisor



Offering Legal Advisor



Offering Manager

Public Subscription Notice

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

For Public and Private Offering in the Secondary Market in Order to Increase the Ownership Base for trading on the Egyptian Stock Exchange

For the Maximum Number of 254,629,483 (only two hundred and fifty-four million, six hundred and twenty-nine thousand, four hundred and eighty-three) shares

Up to 36% of the Company Issued Capital Shares for the Price of EGP 6.46 (six Egyptian pounds and forty-six piasters) Per Share



Parties responsible for the prospectus

Offering Manager:

EFG Hermes Promoting and Underwriting

Offering Legal Advisor:

Zulficar & Partners Law Firm

Registered at the Institutional Registry for companies working in the field non-banking financial activities as a corporate person, Registration No. 18/2019

Issuing Company's Legal Advisor:

Zaki Hashem & Partners Law Firm

Registered at the Institutional Registry for companies working in the field non-banking financial activities as a corporate person, Registration No. 17/2019

Independent Financial Advisor:

FINCORP Financial Consultancy S.A.E.

Registered at the Independent Financial Consultants Registry, Registration No. 1701, 2007

Auditor

Mr. Kamel Magdy Saleh

Registered at Financial Regulatory Authority Auditors Registry, Registration No. 69

Registered at Accountants and Auditors Registry, Registration No. 8510

Saleh, Barsoum & Abdelaziz – Deloitte

In accordance with the resolution of the Ordinary General Assembly, dated May 6, 2019, approved by the General Authority for Investment and Free Zones (GAFI) on May 16, 2019.



Seller's Broker

Financial Brokerage Group (EFG Hermes)



Prospectus Summary

An invitation to participate in the Secondary Public and/or Private Offering to sell the maximum number of 254,629,483 (only two hundred and fifty-four million, six hundred and twenty-nine thousand, four hundred and eighty-three) shares up to 36% of the total capital shares of Fawry for Banking and Payment Technology Services S.A.E. (hereinafter referred to as “**The Company**”), subject to the provisions of Law No. 159 of 1981 and its executive regulations and amendments. The total number of shares is 707,304,120 shares (seven hundred and seven million, three hundred and four thousand, one hundred and twenty shares only) for the price of 6.46 (six Egyptian pounds and forty-six piasters) per share, taking into account that the fair value of the Company’s share is 6.90 (six Egyptian pounds and ninety piasters) per share in accordance with the Independent Financial Advisor’s Report. These shares shall be offered for secondary Public and/or Private Offering, in accordance with the FRA Board decision No. 48 of 2019, as follows:

Public Offering

Public Offering for previously unidentified natural persons or corporate persons to sell the maximum number of shares of 35,365,206 (thirty-five million, three hundred and sixty-five thousand, two hundred and six shares), representing 13.89% of the total shares offered for sale which represent 5% of the Company shares.

Private Offering

Private Offering to previously identified financial institutions in addition to some other investors to sell (in accordance with the definition set forth in the FRA Board resolution No. 48 of 2019) the maximum number of 219,264,277 shares (two hundred and nineteen million, two hundred and sixty-four thousand, two hundred and seventy-seven shares only), representing 86.11% of the total shares offered for sale which represent 31% of the Company’s shares.

1. Financial Institutions. This means:

- Egyptian banks and branches of foreign banks under the supervision of the Central Bank of Egypt
- Investment banks
- Portfolio formation and management companies
- Insurance and reinsurance companies
- Venture capital markets
- Direct Investment companies
- Real estate companies



- Leasing companies
- Factoring companies
- Private insurance funds that increase their investment portfolio to 100 million Egyptian pounds
- Investment funds
- Investment funds of Arab, regional and foreign financial institutions
- Regional and international financial institutions

2. Any of the following shall be available in financial institutions:

- a) Book value of the property rights of these institutions shall not be less than EGP 20 million.
- b) Such institutions shall have investments in securities that exist on the date of the Offering not less than EGP 10 million in joint stock companies other than the Company in question.
- c) The activity of these institutions shall be expansive enough to enable them to subscribe to the securities within the purposes they are authorized to practice.

General Introduction

The submission of purchase orders from investors for any number of shares offered for sale, whether through the Public and/or the Private Offering, is considered an awareness, acceptance and express approval of all the terms, statements and disclosures contained in the Offering Prospectus, bearing in mind that the Company agreed during its Extraordinary General Assembly meeting, dated July 10, 2019, that after the execution of the Offering, the ownership structure of the Company will change within the framework of the implementation of the restructuring process, manifest in the fact that the shareholders of Payment Solutions International SaRL (referred to hereinafter as “**Indirect Company Shareholders**” being the company that has the Main Shareholder ownership in the Company, that is PSI Netherlands Holding BV, by transferring their indirect ownership after the Offering to become a direct shareholder in the Company: 55% of the Main Shareholder’s ownership shall be transferred from the Main Shareholder to the Indirect Company Shareholders, provided that the ownership of 51% of the Company shares be transferred as frozen shares for two successive years after the date of the Offering in accordance with the rules of listing and delisting of securities. The Company shall submit to the FRA a notification file to exempt it from submitting a mandatory tender offer.

Article One: General Data on the Company Being Offered

1. Company Name (In Arabic and English)



Fawry for Banking and Payment Technology . شركة فوري لتكنولوجيا البنوك والمدفوعات الالكترونية ش.م.م
Services S.A.E

2. Company History

The Company was established under a founding contract signed on June 17, 2008 as an Egyptian Joint Stock Company in accordance with the provisions of Law No. 159 of 1981 and its executive regulations. It was registered in the Commercial Registry of Giza on June 26, 2008, No. 33258. The Company administrative premises have been changed several times; as a result, the Company Commercial Register has changed to be currently numbered 1333, and dated July 19, 2018, Commercial Registry – Investment, 6th of October City. The Company's authorized capital upon incorporation was EGP 350,000,000 (three hundred and fifty million Egyptian pounds only); the Company's current authorized capital is EGP 500,000,000 (five hundred million Egyptian pounds only). The Company's issued and paid-in capital is EGP 353,652,060. The rate of the Egyptian contribution is about 0.013% in accordance with the most recent statement of the shareholders, issued from MCDR (Misr for Central Clearing, Depository and Registry), dated July 22, 2019.

3. Company Legal Form

An Egyptian Joint Stock Company incorporated in accordance with the provisions of Law 159 of 1981, registered in the Commercial Registry, numbered 1333, Commercial Registry Office – Investment, 6th of October City.

4. Company Head Office

Company Head Office Address:
Administrative Building, Plot of Land No. F12/B221,
Smart Village, Cairo – Alexandria Desert Road, Giza.
Phone No.: +202-3537-1171/2/3/4
Fax No.: +202-3537-1175
e-mail address: info@fawry.com

5. Company Purpose according to the latest amendments to the statute

The purpose of the company according to the most recent amendment, dated May 15, 2018: providing specialized operating services for ICT systems, managing, operating and maintaining computer equipment and networks, internal banking systems, networks and central computers, establishing the operating systems of banking services through Internet and the telephone, providing e-payment services, circulating electronically secure insurance documents, and rental of real estate, subject to the provisions of the laws, regulations and resolutions in force, provided that all the necessary licenses be obtained to practice these activities. The Company may have an interest or share in any way with companies and others that do business similar to theirs or those that may cooperate with the Company in achieving their purpose in Egypt or abroad. The Company may



also merge into the above bodies, buy them or affiliate them in accordance with the provisions of the law and its executive regulations.

6. Company Term

The Company term extends for 25 years beginning from the Company registration at the Commercial Registry, dated June 26, 2008 in accordance with the provisions of Law No. 159 of 1981.

7. Development of Authorized, Issued and Paid-in Capital

a. Authorized capital

Company authorized capital is EGP 500,000,000 (fifty million Egyptian pounds).

b. Issued and paid-in capital, the number and type of issued shares and the par value of each share

Issued and paid-in capital is EGP 353,652,060, distributed on 707,304,120 shares with the par value of EGP -.5 (fifty piasters), all of which are per share. Capital has developed since the company's initiation as follows:

Issue No.	Issue Value	Increase		Number of Shares	Decision and Date of the Competent Authority	Date of Entry in the Commercial Register
		From	To			
First	11,000,000	35,000,000	46,000,000	4,600,000	Company Board decision, dated Jan 17, 2010	Dec 12, 2010
Second	1,771,000	46,000,000	47,771,000	4,777,100	Company Board decision, dated Dec 15, 2010	Apr 26, 2011
Third	30,000,000	47,771,000	77,771,000	7,777,100	Extraordinary General Assembly, dated Jun 6, 2011	Jul 20, 2011
Fourth	9,791,690	77,771,000	87,562,690	8,756,269	Company Board decision, dated Apr 18, 2012	May 30, 2012
Fifth	19,459,450	87,562,690	107,022,140	10,702,214	Extraordinary General Assembly, dated Jul 17, 2012	Apr 9, 2013
Sixth	4,280,920	107,022,140	111,303,060	11,130,306	Company Board decision, dated Jun 19, 2014	Feb 11, 2015
Seventh	242,349,000	111,303,060	353,652,060	35,365,206	Extraordinary General Assembly, dated Feb 25, 2018	July 19, 2018



N.B.: In accordance with the Extraordinary General Meeting held on 28/3/2019, the par value of the share was divided into a par value of 50 piasters per share, distributed to 707.304.120 shares. The commercial register was updated by dividing the par value on 10/6/2019.

The percentage of Egyptian shares is 0.013% in accordance with the shareholders statement issued from MCDR on July 22, 2019.

c. Company Ownership Structure

8. Founders' Data

No.	Founder's Name	Nationality	No. of Shares at Incorporation	Par Value EGP
1.	Ashraf Kamel Mousa Sabry	Egypt	175.000	1.750.000
2.	Seif Allah Coutry Saadi Hassan	Egypt	175.000	1.750.000
3.	Magda Raafat Gindi Habib	Egypt	70.000	700.000
4.	Raya Holding Company for Technology and Communication	Egypt	1.225.000	12.250.000
5.	IDEAVELOPERS	Egypt	700.000	7.000.000
6.	HSBC Bank Egypt S.A.E.	Egypt	280.000	2.800.000
7.	Arab African International Bank	Egypt	280.000	2.800.000
8.	Alexandria Bank	Egypt	280.000	2.800.000
9.	Medhat Mohamed Ibrahim Khalil	Egypt	175.000	1.750.000
10.	Amgad Kamel Mousa Sabry	Egypt	70.000	700.000
11.	Mohamed Ali Mohamed Fares	Egypt	35.000	350.000
12.	Shahira Moheb Youssef Mohamed	Egypt	35.000	350.000

9. Structure of Company shareholders owning 5% or more of the Company capital according to the data provided by Misr for Central Clearing, Depository and Registry, dated [•]:

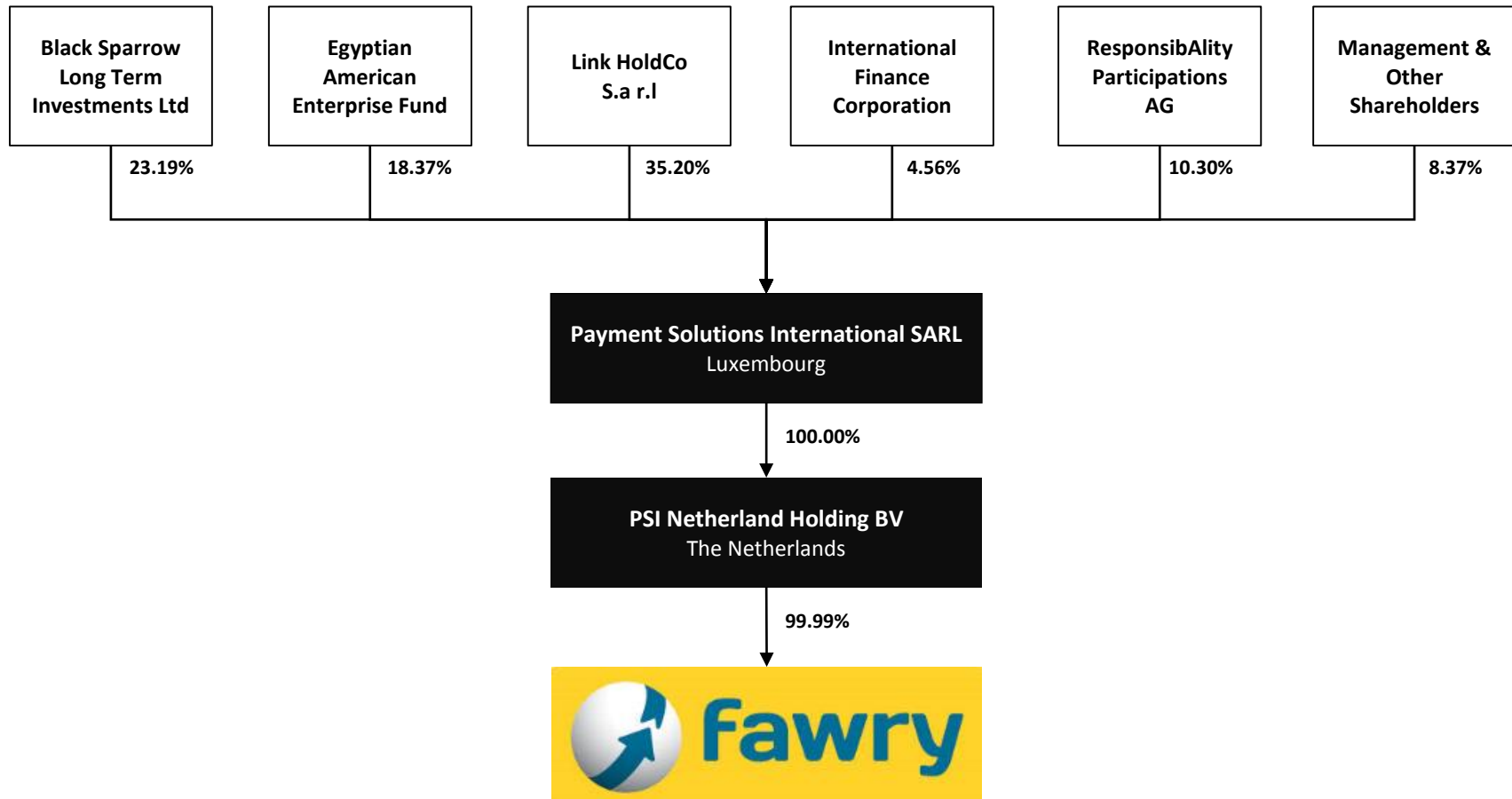
No.	Shareholder's Name	Nationality	No. of Shares	Share Type	Ownership Percentage
1.	PSI Netherland Holding BV	Holland	707.213.720	Par	99.987%

There are no mortgages on the company's shares according to the data provided by the Misr for Central Clearing, Depository and Registry (MCDR), issued on July 22, 2019



10. Disclosure of the Company's ownership structure in light of the provisions of Chapter Thirteen of the Executive Regulations of the Capital Market Law:

In light of the implementation of the provisions of Chapter Thirteen of the Executive Regulations of the Capital Market Law promulgated by Ministerial Resolution No. 33 of 2017, the following is the structure of the Company's ownership in accordance with the requirements of Chapter Thirteen:



- PSI Netherlands Holding BV owns 99.99% of the total company shares. It is a limited liability company that exists and is incorporated in accordance with the laws in force in Holland. According to the provisions of clause (F), Annex No. (7), Chapter 13, all the data required in clause (A) through clause (D), Annex No. (7), related to this Company, have been submitted to FRA in accordance with the above chart.



- Payments Solutions International SaRL, a limited liability company, based and incorporated in accordance with the laws in force in Luxembourg, owns the total shares of PSI Netherlands Holding Bv. All required data set forth in clauses (A to D), Annex No. (7), in connection with this Company, have been submitted to the FRA.

As for the additional disclosure requirements in accordance with the second clause of the resolution referred to herein, the following are the shareholders who hold 10% of the total shares of Payments Solutions International SARL:

- Link Holdco S.A.R.L. owns 35.2%. It is a limited liability company, based and incorporated in accordance with the laws in force in Luxembourg.
- Black Sparrow Long Term Investments Ltd (Cayman Islands), a limited liability company based and incorporated in accordance with the laws in force in Cayman Islands, owns 23.19%.
- The Egyptian American Enterprise Fund, an investment fund based and incorporated in accordance with the laws in force the state of Delaware, USA, owns 18.37%.
- ResponsAbility, a Swiss company, owns 10.3%.

The Company Board members own the following percentages in the company capital of Payments Solutions International SaRL, being the owner company of the Company's Main Shareholder, PSI Netherland Holding BV:

- Mr. Ashraf Kamel Mousa Sabry → 3.14%;
- Mr. Mohamed El-Sayed Hussein Talaat Okasha → 1.4%
- Mr. Seif Allah Coutry Saadi Hassan → 0.07%

Mr. AlyKhan Nathoo owns 0.05% in the share capital of Payments Solutions International though Link Holdco S.A.R.L.; Mr. Michael Fiegbig owns less than 0.01% in the share capital of Payments Solutions International SaRL through ResponsAbility

Note: After finishing the Offering, the ownership of the Company's direct shareholders may vary, without any changes in their names, as a result of the distribution of the Offering proceeds on them in the form of treasury shares, held with Payments Solutions International SaRL. This shall be reflected in the ownership of the Company's indirect investors after the execution of the restructuring process. Please note that Link Holdco BV shall replace Link Holdco S.A.R. during the restructuring process.



There are no connected groups owning more than 10% of Payments Solutions International SaRL other than the data shown in the above chart and what has been mentioned in the above note in this respect.

11. A Statement of the Company's Board Members:

No.	Name	Nationality	Job Title	Entity Represented by Member	No. of Shares Owned by Member	Ownership %	Start & End Dates as Member of the Board
1.	Seif Allah Coutry Saadi Hassan	Egypt	Chairman of the Board – non-executive				Since the company's incorporation on Jun 26, 2008
2.	Ashraf Kamel Mousa Sabry	Egypt	Chief Executive Officer - Executive		20	0.004%	Since the company's incorporation on Jun 26, 2008
3.	Mohamed El-Sayed Hussein Talaat Okasha	Egypt	Managing Director - Executive		20	0.004%	Since the company's incorporation on Jun 26, 2008
4.	IFC (International Finance Corporation), World Bank Group	Egypt	Board Member – non-executive				
5.	Ashraf Mahmoud Abbas	Egypt	Board Member – non-executive	PSI Netherland Holding BV			Since Aug 13, 2015
6.	Heidy Ben Miloca		Board Member – non-executive	PSI Netherland Holding BV			Since Jul 22, 2018
7.	Michael Fiegbig		Board Member – non-executive	PSI Netherland Holding BV			Since Nov 29, 2017



8.	AlyKhan Nathoo		Board Member – non-executive	PSI Netherland Holding BV			Since Feb 13, 2016
9.	Hussein Hassan Shoukry	Egypt	Independent Board Member				Since July 18, 2019
10.	Moataz Mohamed Hashem El-Tabba'a	Egypt	Independent Board Member				Since July 18, 2019

Note: An extraordinary General Assembly was held on July 10, 2019 to amend Article 21 of the Company's Articles of Association to the effect that each shareholder holding at least 7% of the Company's total shares has the right to nominate and appoint a Board member representing him on the Company's Board of Directors.

12. Executives and Employees:

According to the Company letter issued in July 2019, the total number of the workers, both permanent and temporary, employed by the Company and its subsidiaries on is 1,508 workers May 31, 2019. The total number of insured workers is 1,302 workers; the total number who filed applications to be insured and in the process of completing their procedures for registration are 69 workers; the total number of temporary workers is 137.

Note: The Company pays the dues of the Emergency Benefits Fund for the number of 1,302 workers in accordance with Form 2 of May 2019.

Please note that the Company does not pay the subscriptions related to Cultural, Health, and Social Services Fund or the Training and Habilitation Fund. It is noteworthy that Article 134 of the Labor Law No. 12 of 2003 which regulates the provisions of the Training and Habilitation Fund is currently challenged before the Supreme Constitutional Court for its unconstitutionality to rule that the decision of the Prime Minister No. 1543 of 2003 was overturned, as related to Article 8, and no ruling has been issued to date.

The Company complies with all the provisions of the Labor Law and its regulations with the exception that there are a number of non-material violations related to the regulations of the Labor Law; the Company is working on correcting and remedying those violations as soon as possible.



As for the ownership of the workers and the executive board members, Mr. Ashraf Sabry, the Company managing director and CEO, owns (20 shares) of the total number of the Company Capital shares; Mr. Mohamed El-Sayed Hussein Talaat Okasha, the Company Managing Director owns (20 shares) of the total number of the Company Capital shares.

Employees Incentive Plans

The Company wishes to disclose that after the execution of the Opening, the Company Extraordinary General Assembly shall be convened to reach a decision on the approval of the implementation of the Incentive Plans for Employees, Managers & Executive Board Members in accordance with the terms to be disclosed in time subject to the laws and regulations in force.

The Company would like to note that the Company is not obliged to bear any liability on behalf of PSI Netherlands Holding B.V. in the implementation of any Employee Stock Option Plan ("ESOP") to employees, managers or board members of the Company. In addition, any ESOP to be applied in the future should be approved by an Extraordinary General Assembly held by the Company in accordance with the wording included in the Public Subscription Notice.

The Company wishes to disclose the following as related to the distribution of profits on the Company workers:

The Company Ordinary General Assembly, held on May 15, 2017, approved the distribution of 12% of the net profits of the fiscal year that ended on December 31, 2016 on the Company workers without any distribution of dividends to the shareholders. The Company Ordinary General Assembly, held on May 15, 2018, approved the distribution of 16.36% of the net profits of the fiscal year that ends on December 31, 2017. The Company Ordinary General Assembly, held on May 6, 2019, approved the distribution of 14.55% of the net profits of the fiscal year that ended on December 31, 2018 on the Company workers. The Company shall continue the distribution of profits on the workers in future years of at least 11.8% of the net profits and up to 16% of the net profits whether dividends are distributed to shareholders or not, which may be interpreted as the acquired rights of the employees of the company, without prejudice to the provisions of Law 159 of 1981, to be deducted from the profits legally due to the employees.

13. Company Fiscal Year

It begins on January 1 and ends on December 31 each year in accordance with Article 54 of the Company's Articles of Association.

14. Deposit of Shares in Central Custody

Company shares are deposited in central custody with MCDR (Misr for Central Clearing, Depository and Registry).

15. Tax Position and the Existence of Tax Exemptions:

According to a statement from the Company's Tax Advisor, Moustafa Shawky & Co., dated July 1, 2019, the Company tax position is as follows:

First: Stock Corporation Tax



- The Company was notified by form 19, estimated tax assessment for 2009 and was challenged on May 4, 2015; the tax examination is being processed on an actual basis.
- The Company was notified by form 19, estimated tax assessment for 2010 and was challenged on June 23, 2016; the tax examination is being processed on an actual basis.
- The Company was notified by form 19, estimated tax assessment for 2011 and 2012 and was challenged on February 27, 2017; the tax examination is being processed on an actual basis.
- The Company was notified by form 19, estimated tax assessment for 2013 and 2014 and was challenged on February 27, 2019; the tax examination is being processed on an actual basis.
- 2015 through 2018: The Company has not been notified of tax examination so far.

Second: Stamp Tax

- The company was examined from the beginning of the business activity until 2014, and the tax differences were paid.
- 2015 through 2018: The Company has not been notified of any tax examination so far.

Third: Wages and Salaries Tax

From the beginning of the business activity until 2016

- The company was examined from the beginning of the business activity until 2016, and the tax differences were paid.
- 2017-2018: The Company has not been notified of any tax examination so far.

Fourth: Sales Tax

- The Company was examined from the beginning of the business activity until 2014, and the tax differences were paid.
- 2015 through 2017 are being examined.
- The Company was not notified of any tax examination in 2018.

Fifth: Tax Withheld and Collection

The Company has not been notified or examined to date.

According to a statement from the Company's Tax Advisor, Moustafa Shawky & Co., and based on the above, it is the opinion of the Tax Advisor that the incoming allocations are sufficient until December 31, 2018.



Sixth: Social Insurance

The company pays the social insurance to the National Authority for Social Insurance, whether for the employer or the workers. There are no amounts due and no disputes or differences with the National Insurance Authority.

16. Data of Key Licenses Issued to the Company & its Subsidiaries and the Administrative Penalties Imposed on the Company and its Subsidiaries

Since 2010, the Company has provided electronic collection services to companies and institutions through banking channels, provided through ATMs for banks and authorized outlets of the Company. In the early days of the Company, business activity services were limited to cellphone charging services and charging of telecommunications companies' bills. Since 2010 services have been expanded to include the collection of bills of electricity companies, water and gas bills, car license fees, traffic tickets fees, compulsory insurance for cars, university expenses, professional unions subscription fees, donations, and many other services. As a result of the expansion and complexity of the activities provided by the company, the management had a vision to distribute tasks to new subsidiaries, each of which does a specific activity complementary to the rest of the activities carried out by the Company through its subsidiaries in order to achieve the vision of the founders to provide integrated services in the fields of e-commerce.

Accordingly, the practice of certain activities carried out by the Company or its subsidiaries may require obtaining approvals, licenses or permits from the relevant government authorities in addition to compliance with the rules and regulations prepared and enforced by the competent regulatory authorities.

It is worth mentioning in this regard that the activity of e-payment and complementary activities are relatively new services introduced in the Egyptian market and developed in line with recent government trends that address the need to switch from an economy dependent on cash payments as an essential means of settling financial and business transactions to a modern system, based on banking and electronic settlement; in which cash transactions represent only a small percentage of the financial inclusion policy.

Accordingly, it is clear that some of the legislations and decisions regulating such activities do not address in detail the actual activities being carried out in order to provide integrated services in the areas of e-commerce.

Following is a breakdown of the activities contained in the Company's Commercial Register and those of its subsidiaries individually, indicating the necessary licenses and approvals and/or granted to each company as the case may be.



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

According to the Commercial Register transcript of Fawry for Banking and Payment Technology Services, S.A.E., dated March 6, 2019, the company activities are as follows:

- Providing specialized operation services for ICT;
- Managing, operating and maintaining computer equipment and networks, banking internal systems and central networks and computers;
- Establishing a system of operating banking services through the internet and the telephone, providing e-payment services and circulating electronically secure documents;
- Rental of property.

Key Licenses and Permits

- ❖ To the extent of its knowledge, the Company considers there is currently no legislation requiring it to obtain any licenses, permits or approvals from any government authority to carry out its activities.
- ❖ **For the purpose of implementing some of its business goals, the company provides its services in collaboration with some banks, which may require having an approval from the Central Bank of Egypt in its capacity as the regulator of the banking system; therefore, according to the controls of the practice of electronic banking contained in the manual of regulatory instructions issued by the Central Bank**, in the event that any company engaged in e-payment services approaches the bank to participate in providing these services - in accordance with the decision of the Board of Directors of the Central Bank of Egypt, issued on February 28, 2002 - all banks operating in the Arab Republic of Egypt are committed to obtaining the approval of the Central Bank of Egypt, represented in the control and supervision sector, in order to carry out any transactions with companies that provide e-payment services. This means that the company complies with the standards and requirements that are necessary to regulate these services.
- ❖ On January 29, 2019 the Company received a certificate issued from Control Case LLC, valid until January 28, 2020, that certifies that the Company complies with the safety standards of e-payment and information safety set out by PCI Security Standards Council.

2. Fawry for Microfinance

According to the transcript of the Company Commercial Register, numbered 911, dated April 7, 2019, Commercial Registry, Investment, 6th of October City, the Company is authorized to practice microfinance.

Key Licenses and Permits

The Company has received license No. 7, in accordance with a resolution by the chairman of the FRA, No. 950 of 2018, issued on August 12, 2018 on offering the Company the license to practice the business activity of microfinance.



According to the FRA resolution No. 142 of 2018, the Company shall get the approval of the FRA on all its branches. In this respect, the Company received the FRA's approval on September 18, 2018 to open Mokattam branch, Cairo, situated at Building No. (2), Togareyeen, Zone C, Street No. 9, Mokattam, Cairo.

3. Fawry for Insurance Brokerage, S.A.E.

According to a transcript of the company commercial register, No. 1989, Commercial Registry, Investment, 6th of October City, dated February 26, 2019, the Company is authorized to practice the business activity of insurance brokerage.

Key Licenses and Permits

As it is prohibited to practice any insurance activities without obtaining a license from the FRA, the company was filed in the Insurance & Reinsurance Brokerage Registry, the FRA, in accordance with resolution No. 1487 of 2018, dated December 27, 2018 valid for the period of three years after the date the above resolution was issued. The Company received FRA letter, dated December 30, 2018, stating that the Company should begin the actual business activity within six months of the license date.

4. Fawry for Integrated Systems, S.A.E.

According to the transcript of the Company Commercial Register, No. 110901, dated April 7, 2019, Commercial Registry, Cairo Investment, the Company is authorized to practice the following business activities:

- Trading in telecommunication equipment with all its types, their spare-parts & accessories and computers, their spare-parts & accessories;
- Providing networks integrated systems;
- Telecommunication networks contracting works with all its types and providing their spare-parts & accessories, and
- General trade, imports & exports and trade agencies.

Key Licenses and Permits

- ❖ The company is registered in the Importers Registry, No. 700000642 in accordance with the Imports Card issued from General Organization for Export and Import Control (GOEIC), dated August 30, 2018 and valid until August 29, 2023.
- ❖ License to the company to import telecommunications equipment, issued from National Telecommunications Regulatory Authority (NTRA) in relation with importing wireless data reads, P.O.S., valid for one year beginning from October 3, 2018 until October 2, 2019.
- ❖ Annex License to the Company to import telecommunications equipment, issued from NTRA in connection with importing telecommunications equipment from Shenzhen Xinguo Technology Co., Ltd. Factory, issued on October 3, 2018 and valid until September 13, 2019.



5. Fawry Dahab for Electronic Services, S.A.E.

According to the transcript of Fawry Dahab Company Commercial Register No. 5087, dated April 23, 2019, Commercial Registry, Cairo Investment, the company is authorized to practice the following business activities:

- Description, analysis and design of software, databases and applications of various kinds.
- Production work, software development and applications, the establishment of databases and electronic information systems and their operation and training.
- Production of electronic content in different forms of sound, image and data.
- Data entry on computers with electronic means.
- Description and design of data transfer and circulation networks.
- Establishing networks to transmit voice, image, written information and providing value-added services.
- Implementation management work for industrial projects and service and utility projects.
- Developing the operating systems of banking services through the Internet and telephones, providing e-payment services, circulating electronically secured documents, technical and administrative restructuring of factories and telephones; providing e-payment services, and circulating electronically insured documents.
- Design, operation and maintenance of payment systems and electronic intake systems.

Key Licenses and Permits

With reference to the above activities, the Company considers that, to the extent of its knowledge, there is currently no legislation requiring it to obtain any licenses, permits or approvals from any government authority to carry out its activities.

17. Data of Key Real Estate and Lands Owned/Possessed by the Company and its Subsidiaries:

No.	Real Estate	Property Title/Title of Tenure (Tenured Real Estate)	Real Estate Description
	Main Office, The Smart Village	Contract Agreement (of three parties), held by and between the Company, Arab Cotton, S.A.E. شركة أموال العربية للأقطان, Smart Villages Company, S.A.E. on November 16, 2016. According to this contract agreement, the Company has replaced Arab Cotton, S.A.E. as related to the ownership of the plot of land No. B221/F12, of 1038.82 square meters, in addition to the building situated on the plot of land at the Smart Village as a	Plot of land No. B221/F12, of 1038.82 square meters, with the administrative building situated on it, comprising two basements, ground floor and three floors), Smart Village, 29 th km, Cairo-Alexandria Desert Road, Giza.



		<p>second party in the sale contract dated June 1, 2006.</p> <p>Lease agreement signed between the Company ("Tenant") and Incolease: International Company for Leasing S.A.E. ("Incolease – Renter") on March 25, 2017 (approved by FRA).</p> <p>The company has fully paid all the remaining financial obligations of the lease and taking necessary measures to transfer the ownership of the property to the Company.</p>	
	Mokattam Premises	Lease signed between the Company, "Tenant" and Mr. Ismail Abdel Gawad Mohamed Abu Atteya, "Renter", dated August 1, 2018 to end on July 31, 2024	Five levels (ground floor, 1 st , 2 nd , 3 rd , and 4 th floors), Building No. 8, Block 2, Togareyeen, Mokattam, Cairo.
	Mokattam Premises	Lease signed between the Company, "Tenant" and Mr. Yehya Abdel Mawgood Ahmed El-Geddawy, "Renter", dated August 1, 2018 to end on December 31, 2023.	Four levels (The 1 st , 2 nd , 3 rd , and 4 th floor), Building No. 2, Togareyeen, Togareyeen, Zone C, Street No. 9, Mokattam, Cairo.

18. Data of Key Contracts Signed by the Company and its Subsidiaries

The Company works in the field of providing government agencies and billing companies ("Billing Companies") with economic solutions for electronic collection of invoices, payments and charging. Accordingly, the Company provides various services such as displaying and collecting the values of invoices, depositing the funds collected through banks and financial institutions in the client's account, and issuing reports of receipts; the Company provides the above solutions through an electronic network, shared by Billing Companies on the one hand and banks and/or financial institutions, Egyptian post offices and retail stores on the other hand ("The Network").

For the purpose of engaging in their business activities, the company and its subsidiaries enter into various commercial contracts with banks, government and non-governmental service providers, commercial companies, universities and retailers.

The company wishes to disclose the following articles related to the majority of contracts:



1) Confidentiality

The majority of the contracts signed by the company or its subsidiaries and third parties set forth that it is not permissible to disclose or communicate to any third party the existence or contents of the contracts or to use any confidential information relating to the contents of the information or materials received under the contracts to third parties. The Company shall not disclose any confidential information relating to business secrets or any other matter related to the Company except what is required (a) under applicable laws, rules or regulations, or (b) to enable this party to fulfil its obligations under this contract. In the majority of contracts, this obligation remains valid for the duration of the contract or even after its expiry for a period, which ranges from three to ten years. However, this obligation does not apply to information that has become known to the public or has become known to others without being a result of a breach by either party.

2) Assignment

The majority of the contracts signed by the company and/or its subsidiaries and third parties set forth that the company is not entitled to assign its contractual rights or obligations, either in whole or in part, without the prior written consent of the other party. (Some contracts stipulate that the customer may terminate the contract in the event that the service provider assigns the contract, in whole or in part, to a third party without the express written consent of the client.)

3) Letters of Guarantee

In some of the contracts, under which the company or its subsidiaries provide collection service for payments, charging and billing through the company's network, the company or its subsidiaries provide a letter of initial guarantee to the customer - whose value varies from one contract to another - to guarantee the payment of the amounts collected through the network.

4) Termination

The majority of the contracts signed by the company or its subsidiaries and their customers range from one to five years. Most of the contracts stipulate that the contract remains valid unless the parties agree in writing on the early termination of the contract. Some of these contracts stipulate that they are renewed by agreement of the parties unless one of the parties notifies the other party in writing of its desire not to renew the contract before the expiry of the specified period (in most contracts the duration is at least two months or three months); or the contracts stipulate that the contract is automatically renewed for similar periods as long as no party has notified the other party in writing of their desire not to renew the contract before the expiry of the contract term (in most contracts the duration is at least three months). It is noteworthy that a number of contracts held with the Company have expired and the parties to those contracts continue to implement them.

5) Delay Penalty

Some of the contracts concluded between the company or its subsidiaries as "Service Provider" and others as "Customer", stipulate that if the Service Provider delays depositing the amounts collected from the customer's representatives in the account number and the set bank, in violation of the agreed date (in the majority of contracts, this shall be after the 1st day



of Collection), the Service Provider shall pay a delay penalty equal to the interest assessed by the Central Bank of Egypt (or another percentage specified in some contracts) for the total amounts for each delay day. Under some contracts, if the Company or its subsidiaries are late in supplying the amounts collected into the Customer's account for certain periods, the Customer is entitled to terminate the contract.

The company wishes to disclose the following exceptional articles related to the majority of contracts which have been signed by and between the Company & its subsidiaries and third parties.

- In accordance with one of the signed contracts, the Company as the Service Provider to the Customer, undertakes not to provide services similar to the services provided under the Contract to any other company operating in the same field of the Customer (referred to as "the Competitor") with financial structures giving the Competitor a substantial advantage from the services offered to the Customer. The Company also undertakes that in the event of coming into agreement with any Competitor to provide services similar to the services provided to the Customer in violation of the foregoing, the Company shall immediately modify the price for the customer.
- Under a clause in a contract signed by and between Fawry Dahab for Electronic Services, S.A.E. (hereinafter referred to as "Fawry Dahab" and a utility company (hereinafter referred to as "The Customer"), by virtue of which Fawry Dahab provides payment collection services through its collection network, the Customer shall, when entering into agreement with any other service provider, undertake that the service cost shall not be less than the prices (sections) agreed under the said contract for the same services.
- In accordance with some contracts, if the company, as a Service Provider, does not comply with any of its obligations, stipulated in the contract, the customer is entitled to terminate the contract provided that the service provider is notified of its desire to terminate it before a specified period (usually thirty days from the date of termination). The termination shall not absolve the service provider from its obligations until the settlement of all the receivables to the customer.
- Under the terms of annexes of service provider contracts, the rights and obligations of the Company have been transferred to Fawry Dahab for Electronic Services LLC under some contracts.
- In accordance with one of the contracts concluded with a party subject to the provisions of Law No. 89 of 1998 regarding the organization of tenders and auctions, if the company fails to fulfill its contractual obligations or breaches any of the terms of the contract, the company shall be subject to the penalties stipulated in Articles 23, 25 and 26 of the said law and its executive regulations.

A. Key Partnership Agreements and their Terms



- 1) A partnership agreement has been signed by and between the Company and Mr. Tarek Magdy Hanafy Mahmoud (referred to hereinafter as “Second Party”) and Ms. Noha Hamdy Mahmoud El-Sayed Hamouda (referred to hereinafter as “Third Party”) in connection with Waffarha.com Company (referred to hereinafter as “Waffarha” or “Target Company”) on October 1, 2018 for the purpose of regulating the relation between them within the Target Company. Both parties agreed upon accepting the valuation of the Target Company for the amount of EGP 10,000,000. The parties have agreed upon the Company’s participation with the rate of 30% of the total shares of the Target Company capital. The capital allocated for the Company “Investment Share” has been increased. The contract provides that during the term of this Agreement no party may mortgage its share or part of it to a third party or cause it to be liable to any other party without prior written notice from the other parties. The Agreement also provides that if any party wishes to sell its share or part of it, this party shall send a written notice to the Company management and the remaining parties, offering to the other parties to buy the shares with the same selling terms agreed upon with the other third party, showing the number of shares subject of the sale, the price of the share, the ownership transfer terms, the date of payment, the currency of payment, known as the “Redemption Right”.
- 2) A partnership Agreement has been signed by and between the Company and other persons for the purpose of founding a company whose purpose is to offer works of describing, analyzing, and designing software, databases, applications of all types, production works, program and application development, founding and operating and preparing training modules for databases and electronic information systems, producing the electronic content with its different forms, description and design works for computer systems with their different forms, the production and development of compact systems with their operation and training, description and design works for data transfer and dissemination, the implementation and management of networks, data dissemination for the purpose of offering specialized operation services for the technology systems of information, communication, advertising, publicity, marketing and promotion for products through the internet to allow the reservation of land travel tickets within the Arab Republic of Egypt through cellphones or the website and through a Competitor of the Company business, subject of the Agreement, or the Company without receiving a written approval of the remaining parties.
During the term of this Agreement, Fawry for Banking and Payment Technology Services, S.A.E. shall not come into agreement or work – directly or indirectly – with any electronic platform in Egypt working in the field of the reservation of land travel or direct investment in it. This obligation shall not prevent Fawry from coming into agreement with any other company which offers electronic reservation services for its products and services only.
- 3) On January 21, 2019 a Partnership Agreement was signed by and between the Company and another company for the purpose of founding Fawry FMCG, L.L.C. with a paid-in capital of EGP 10 million. The Company has participated in 50.999% of Fawry FMCG for the purpose of regulating the relationship between them within Fawry FMCG. The contract



provides that if a Board resolution is issued to the effect of increasing the capital of Fawry FMCG, L.L.C., both parties of the Agreement shall contribute to the capital increase in cash proportionate to the rate of their contribution to the company capital at the time and the way provided by the Board. Both parties have agreed that if any of the two parties has not offered or contributed to any increase in the capital, the Board may offer its increase rate to the remaining shareholder or others; as a result, this shareholder's rate in the capital of Fawry FMCG shall be reduced. The Agreement provides the terms and conditions of disposing of the company's shares with specific terms, taking into account that Fawry FMCG, L.L.C. was incorporated on June 2, 2019, and the company was filed in the commercial register on June 3, 2019.

According to the contract, no party, on its own or through any of its affiliate companies, during the term of this Agreement and after two years of its end date, may participate or invest, in a direct or indirect way, in any similar, complimentary or competing business with Fawry FMCG, L.L.C.

B. Netting Contracts

The following netting contracts have been signed by the Company and its subsidiaries

- 1) In accordance with the contract of providing electronic services signed by the Company, in its capacity as the Service Provider, and Fawry Dahab for Electronic Services, S.A.E., in its capacity as the Customer, on July 19, 2016, the Company shall allow Fawry Dahab for Electronic Services, S.A.E. to use its network in order to enable the latter to provide electronic collection services to government agencies that signed a contract with it. The services provided by the Company to the Customer through the network include the following services: presenting and collecting the billing amounts and government payments for the benefit of governmental agencies (hereinafter referred to as "Billing Companies" that signed an agreement with the Customer in order to collect its due payments and fees from the citizens and deposit the amounts collected through banks and financial institutions into the account of the Billing Companies in accordance with the payment period set forth in the contracts signed between Fawry Dahab for Electronic Services S.A.E. and the Billing Companies. Both parties have agreed that the Company shall be compensated for providing the service to the Customer: 1) a percentage of the Customer's net returns "**Collection Fees**" in return for the collection of governmental proceeds through the Company's/Service Provider's network; 2) A percentage of the Customer's net returns "**Service Cost Fees**" in return for the service of developing the software, maintenance cost, connection lines, technical systems, technical support services, and daily settlements for all parties. The Customer's net returns mean the total income in accordance with the Customer's contracts including the collected service fee from the government agencies and citizens when implementing the electronic collection service through the network. On May 21, 2019, the Ordinary General Assembly issued an approval of the contract for Fawry Dahab for Electronic Services, S.A.E.



- 2) A contract of providing electronic services, signed between the Company, in its capacity as the Service Provider and Fawry for FMCG Services, (hereinafter referred to as “**Fawry FMCG**”) on January 21, 2019. The contract stipulates that the term of the agreement starts beginning from the date the General Assembly approved for Fawry FMCG to conclude this contract. The contract shall remain valid during the term of the Second Party Company and it is being ratified by GAFI. The company was incorporated on June 2, 2019 and entered in the Commercial Register on June 3, 2019. According to this contract, the Company shall allow Fawry FMCG to use its network to enable the latter to undertake its work of providing e-payment services online and through POS that link customers with Billing Companies through various networks that include ATMs, eWallets, POS, and other payment methods. The parties agreed that the service provider shall be entitled to a fixed amount for each transaction executed by the Customer through the network, and a percentage of the value of each transaction the customer receives through the network as a cash acquisition cost. According to the contract, neither party may assign their rights or obligations in this contract, in whole or in part, without prior written consent of the other party. However, the Company may assign any of its rights or obligations to any of its subsidiaries without obtaining the immediate consent of Fawry FMCG. But the assignment does not absolve the assigning party of its obligations under the contract.
- 3) On 25/6/2018, the Ordinary General Assembly of Fawry Plus Banking Services S.A.E. (hereinafter referred to as "Fawry Plus") agreed to enter into an electronic services contract between the Company, as the Customer, and Fawry Plus on June 25, 2018, according to which the two parties agreed that Fawry Plus will provide collection services against the invoices of the contracting parties and companies, which are provided to Fawry Plus from time to time through the Company. These services are: providing the services of collecting money from the agents of the Customer; providing billing and charging services to customers of different companies and entities that signed contracts with the Company ("Billing Companies"); distribution of cards and tickets; providing collection services from the representatives of the companies and the various entities contracted by the client (the "Contracting Companies"); technological hosting services, and technology solutions and registration services for mobile phone portfolios of banks and making them available to the public. The parties agreed that the Company shall submit to Fawry Plus the following: a percentage of the total cash collected from the agents of the customer. Fawry Plus is committed to paying 50% of the fees received by Fawry Plus from the end users who make the e-payments at Fawry Plus branches ("Customer's Share of Fees Collected from End Users") against an invoice issued by the Customer. The Company shall pay 50% of the fees the Company collects from the Billing companies who participated in the network as related to the e-payments processed through Fawry Plus (Fawry Plus share in compensation of the collection services from the Billing Companies) against an invoice issued from Fawry Plus. The service provider is entitled to 50% of the service collection commission from companies' representatives and the various entities that signed contracts with the Customer. The Company is entitled



to a fixed amount on each transaction processed through its own network, paid from Fawry Plus in return for the technological hosting. Any party may immediately terminate the contract without any other legal or judicial notice or action in any of the following events: violation of any of the obligations set forth in this contract and after notification of the violator in writing and the lapse of 30 days without correcting the breach or failure to pay the due amounts on their due dates, or liquidation, bankruptcy or any other event that would cause, or may cause, the party concerned to be unable to fulfill its obligations under this contract. During the term of the contract, the parties shall maintain the confidentiality of all data and information; this obligation shall remain in effect after the end of the contract.

- 4) On December 10, 2018, the Ordinary General Assembly of Fawry Plus Banking Services, S.A.E. agreed to enter into a netting contract with Fawry for Banking and Payment Technology Services, related to the interest rate on the loan granted by Fawry for Banking and Payment Technology Services, totaling EGP 14,615, 412. This amount represents the total amount of debt due to Fawry for Banking and Payment Technology Services until August 8, 2018.
- 5) An Ordinary General Assembly of Fawry Plus for Banking Services, S.A.E. is being prepared to approve the lease of an area of 620 square meters, situated at the third floor of Building No. B221/F12, Smart Village, Cairo-Alexandria Desert Road, Giza for the by the Company as ("Renter") for the benefit of Fawry Plus for Banking Services, S.A.E. as ("Tenant").
- 6) On May 16, 2019 the Ordinary General Assembly has approved for Fawry for Integrated Systems, S.A.E. to conclude a contract to sell (Point of Sale) equipment to Fawry for Banking and Payment Technology Services through a number of purchase orders in addition to approving all kinds of the previous sales that took place between both parties in this respect. On the same date, the Ordinary General Assembly approved a lease contract signed between Fawry for Banking and Payment Technology Services ("Renter") and Fawry for Integrated Systems, S.A.E. ("Tenant") to lease the second floor of building No. B221/F12, Smart Village, Cairo-Alexandria Desert Road, Giza in accordance with a lease agreement, dated April 1, 2019.
- 7) In accordance with the Ordinary General Assembly for Fawry Dahab for Electronic Services, S.A.E., dated December 12, 2018, the Company ("Renter") rented a unit of 98 square meters, situated at the third floor of building No. B221-F12, Smart Village, Cairo-Alexandria Desert Road for the benefit of Fawry Dahab for Electronic Services, S.A.E. ("Tenant") in accordance with a lease contract, dated November 6, 2018.
- 8) On May 15, 2019 the Ordinary General Assembly approved for Fawry for Microfinance, S.A.E. to sign a contract with Fawry for Banking and Payment Technology Services to make use of the e-payment systems and provide finance for the customers of Fawry for Microfinance. On the same date, the General Assembly also approved signing a lease agreement with Fawry for Banking and Payment Technology Services to rent the second floor of building No. B221-F12, Smart Village, Cairo-Alexandria Desert Road in accordance with a lease contract, dated May 1, 2018 (duly dated and



notarized). The General Assembly also approved the lease contract signed by and between Fawry for Banking and Payment Technology Services to rent the premises of Fawry for Microfinance at Mokattam, Cairo.

19. Position of the key cases filed by or against the company and its subsidiaries and the financial allocations provided to the company to be offered:

There are some cases filed by or against the company, but according to the statement issued by the legal department of the Company, dated July 2019, there are no substantial cases raised by or against the company, and these cases do not require financial allocations. The Company acknowledges that the Company Legal Department handles all the cases filed by or against the Company, and it does not assign any cases to any external legal firm.

20. Data on credit facilities and current mortgages on Company assets

Following is a statement of the key terms and conditions of current loans, credit facilities, and mortgages on the Company assets.

First: Credit facilities and contracts for opening credits in a current account granted to the Company

Credit facilities for guarantee letters reached the amount of EGP 566.5 million on March 31, 2019. Demand notes have been signed for the same amount as guarantee for these facilities. A letter of guarantee has been issued for the amount of EGP 483 million from the total credit facilities.

The Company and some of its subsidiaries received credit facilities from the following banks: Emirates National Bank of Dubai, HSBC Egypt, S.A.E., Abu Dhabi Islamic Bank (ADIB), Bank of Alexandria, and Bank Audi, S.A.E. for the purpose of issuing letters of guarantee for specific Customers of the Company and its subsidiaries such as: The Coca Cola Company, Etisalat, Orange, Juhayna, Vodafone, and Nestle. The annual interest on credit facilities offered to the Company, as related to letters of guarantee from banks, ranges between 0.7% and 0.8%.

- 1) Credit facility for the purpose of issuing letters of guarantee from Emirates National Bank of Dubai for the amount of EGP 100,000,000; the amount of EGP 80,400,000 was used until March 31, 2019.
- 2) Credit facility for the purpose of issuing letters of guarantee from HSBC Egypt, S.A.E. for the amount of EGP 72,000,000; the amount of EGP 69,556,400 was used until March 31, 2019.
- 3) Credit facility for the purpose of issuing a letter of guarantee from Abu Dhabi Islamic Bank (ADIB) for the amount of EGP 150,000,000; the amount of EGP 127,288,225 was used until March 31, 2019.
- 4) Credit facility for the purpose of issuing letter of guarantee from Bank of Alexandria for the amount of EGP 39,500,000; the amount of EGP 39,500,000 was used until March 31, 2019.
- 5) Credit facility for the purpose of issuing letters of guarantee from Bank Audi, S.A.E. for the amount of EGP 205,000,000; the amount of EGP 166,325,000 was used until March 31, 2019.



Second: Data of the current mortgages and guarantees on the Company's assets and shares

None of the Company assets or shares are mortgaged.

No guarantee was issued to banks on the credit facilities offered to the Company except for the following:

- ❖ Undated Demand Note, issued for the benefit of Bank Audi, S.A.E. for the amount of the credit facility offered to the Company on December 27, 2018 for the amount of EGP 205,000,000.
- ❖ Undated Promissory Note, issued for the benefit of Emirates National Bank of Dubai for the amount of the credit facility offered to the Company for the amount of EGP 100,000,000.
- ❖ Promissory Note issued for the benefit of Abu Dhabi Islamic Bank (ADIB) – Egypt on February 14, 2019 for the amount of 150,000,000 in addition to a declaration of a pledge and clearance as related to the amounts deposited in the Company's account at the bank within the limit of EGP 75,000,000 and the nominal value of the treasury bills.

It is noteworthy that the Demand Note is undated; therefore, in accordance with Trade Law No. 17 of 1999, its date of payment shall be due upon its submission.

21. Data of insurance policies of Fawry for Banking and Payment Technology Services S.A.E. and its subsidiaries:

Data of Insurance Policies of Fawry for Banking and Payment Technology Services S.A.E.							
No.	Insurer Company	Insured Company	Policy No.	Start Date	End Date	Amount	Insured Risk
Company Assets Insurance Policies							
1.	Wethaq Takaful Insurance	Fawry for Banking and Payment Technology Services, S.A.E.	Property Policy (Wethaq Comprehensive Insurance Policy) No. 333234 renewed in accordance with Annex No. 7066/2019	Jan 1, 2019	Jan 1, 2020	EGP 94,790,549.48	It includes, but not limited to, insurance cover of the following risks): <ul style="list-style-type: none"> ➤ Fire, lightning, fire caused by explosion and self-ignition; ➤ Risk of robbery or forced robbery; ➤ Risk of riots and civil unrest with the company bearing the first 10% of the value of each loss with a minimum of EGP 10.000 on the administrative contents of the company's administrative headquarters located at the Smart Village and the Raya Holding Building, 6th of October City, Block No.10, Banks Complex in the 5th Settlement, and the 2nd, 5th, 7th, and 9th floors, Salam Tower, Maadi.



							They comprise networks, server devices and other accessories, office furniture and computers in addition to the company's warehouse, located at 7 Manial Street, Dar El-Salaam, Cairo, which includes POS machines and advertising materials.
Breach of Trust Insurance Policies							
2.	Orient Takaful Insurance, Egypt	Fawry for Banking and Payment Technology Services, S.A.E.	Breach of Trust Insurance Policy	Dec 31, 2018	Dec 31, 2019	EGP 97,450,000	Insurance against breach of trust on the number of 976 company employees whose names are provided in an annex to the Policy, related to the cash custody in their possession.
Fire and Burglary Insurance Policies							
3.	Wethaq Takaful Insurance	Incolase: International Company for Leasing S.A.E.	Insurance policy against fire No. 333238, renewed in accordance with Annex No. 7076/2019	Jan 1, 2019	Jan 1, 2020	143,360,000	The insurance policy includes, but is not limited to, the following risks: ➤ Fire, lightning, fire caused by explosion and self-ignition;
Theft Insurance Policies due to violence, loss or damage (during cash transfer)							
4	Orient Takaful Insurance, Egypt	Banking and Payment Technology Services, S.A.E.	Insurance policy No. 18/210/30010/03560, renewed in accordance with Annex No. 18/210/30010/03560/001	Dec 31, 2018	Dec 31, 2019	5,000,000,000	Insurance against theft due to violence, loss or damage for a reason beyond control on 976 Company employees who names are listed in an Annex to the Policy, as related to the cash custody in their possession during cash transfer, provided that the maximum amount of cash transfer is EGP 100,000
Managers' and Employees' Liabilities Insurance Policies							
5	AIG Egypt Insurance Company, S.A.E.	Banking and Payment Technology Services, S.A.E.	Insurance Policy No. 40510177	Mar 1, 2019	Mar 1, 2020	EGP 18,000,000	Insurance against the liabilities of nonexecutive managers and employees.

22. Data of Trademarks owned by the Company



The Company owns one trademark registered under No. 253525 on the services provided in category 36, valid for 10 years beginning from November 21, 2010. The Company shall renew the trademark certificate prior to the end date of the certificate validity.

23. Investments (contributions) of the Company subject of the Offering in Subsidiaries on the date of the Prospectus Announcement

No.	Name of Subsidiary	Nationality	Company Issued & Paid-in Capital	Total Company Share Capital	Offered Shares Owned by the Company	% of Offered Shares Owned by the Company	No. of Mortgaged Shares (if any)	EGX Listing Status
1	Fawry for Microfinance, L.L.C.	Egypt	15,000,000 Paid 7,500,000	150,000	149,700	99.8%	None	Not listed
2	Fawry Dahab for Electronic Services, L.L.C.	Egypt	15,000,000 Paid 1,250,000	50,000	19,555	39.11%	None	Not listed
3	Fawry for Integrated Systems, L.L.C.	Egypt	43,374,000,000 Fully paid	433.740	433.740	99.9%	None	Not listed
4	Fawry FMCG	Egypt	10,000,000 Fully paid	1,000,000	509,999	50.9%	None	Not listed
5	Fawry Gulf – Free Zone – L.L.C. Fawry Gulf	Emirates	AED 52,000 Fully paid	52	39	75%	None	Not Listed
6	Fawry for Insurance Brokerage	Egypt	2,000,000 Paid 1,000,000	20,000	The Company owns this company in an indirect way, as the Company owns	Fawry Integrated Systems, L.L.C. owns 90% of this company shares	None	Not listed



					99.9% of Fawry for Integrated Systems			
Note: An acquisition contract of Fawry Gulf Free Zone, L.L.C. is being concluded. Required measures are being taken to implement the stock ownership transfer as soon as possible.								

24. Summary of Each Subsidiary Business Activities

No.	Subsidiaries	Company Profile	Company Purpose According to the Most Recent Amendment in the Commercial Register
1	Fawry for Microfinance, L.L.C.	The company was established as an Egyptian joint stock company subject to the provisions of Law No. 159 of 1981 in accordance with the preliminary contract on 29/11/2016. It was registered with the Commercial Registry Office of Giza under No. 99636 on February 4, 2016. The main address of the company was changed to: The administrative building located on plot No. F12 / B221, Smart Village, Cairo-Alexandria Desert Road-Giza, and re-registered with the Commercial Registry Office, Investment, Sixth of October City, on June 5, 2018 under the number 99636.	Microfinance subject to the provisions of the laws, regulations and resolutions in force provided that all licenses necessary for the exercise of these activities are obtained. The company may have an interest or participate in any way with companies and others that carry out works similar to their work or which may cooperate to achieve their purpose in Egypt or abroad. It may also be merged, acquired or affiliated to the foregoing bodies in accordance with the provisions of the law and its executive regulations.
2	Fawry for Insurance Brokerage	The company was established as an Egyptian joint stock company subject to the provisions of Law No. 159 of 1981 in accordance with the preliminary contract,	Insurance brokerage subject to the provisions of the laws, regulations and decisions in force, provided that all necessary licenses are issued for the exercise of these activities. The company may have an interest or participate in any way with



		<p>dated September 19, 2018. It was registered with the Commercial Registry Office, Investment of Sixth of October City, under No. 1989 on September 24, 2018. The company's main office is located at the administrative building located at Plot of Land No. F12 / B221, Smart Village, Egypt Alexandria Desert Road, Giza.</p>	<p>companies and others that carry out works similar to its work or that may cooperate to achieve its purpose in Egypt or abroad. It may also be merged into, acquired or affiliated to the foregoing bodies in accordance with the provisions of the law and its executive regulations.</p>
3	Fawry Dahab for Electronic Services, L.L.C.	<p>The company was established as an Egyptian joint stock company subject to the provisions of Law No. 8 of 1997 in accordance with the preliminary contract, dated July 10, 2016. It was registered with the Commercial Registry Office, Cairo Investment, No. 95084. The company's head office was moved to its current legal premises: 3rd floor, Administrative Building, Plot No. F 12/B221, Smart Village, Cairo-Alexandria Desert Road, Giza. The company is currently registered at Commercial Registry, Investment, 6th of October City, No. 5087, dated April 23, 2019</p>	<p>Description, analysis and design of software, databases and applications of all kinds; production work, development of programs and applications, establishment of databases and electronic information systems with their operation and training; production of electronic content in various forms of voice, image and data; data entry on computers and with electronic devices; description and design of data transmission and circulation networks; establishment of networks to transmit voice, image and written information; providing value added services after obtaining a license from the relevant authorities in accordance with the laws in force; works of the implementation management of industrial projects and services and utilities projects with different business activities; development of operating systems for banking services through the Internet and the telephone; the provision of e-payment services, the electronic circulation of secure documents; the technical and administrative restructuring of factories and phones; the provision of e-payment services and the electronic circulation of secure documents; the design, operation and maintenance of payment systems, payment and collection systems, and all of the above except for banking services. The Company shall independently establish separate accounts and an independent financial position for each activity, subject to the</p>



			provisions of current laws, regulations and resolutions in force, provided that all licenses required for the practice of these business activities be issued. The company may have an interest or participate in any way with companies and others that carry out works similar to its work or which may cooperate to achieve its purpose in Egypt or abroad. It may also merge into, buy or affiliate the above bodies in accordance with the provisions of the law and its executive regulations.
4	Fawry for Integrated Systems, L.L.C.	The company was established as an Egyptian joint stock company subject to the provisions of Law No. 159 of 1981 in accordance with a preliminary contract, dated March 16, 2009. The company was registered in the Investment Commercial Registry under No. 37763. The company's main office was on the first floor, at the Building situated at Plot of Land No. A4-B83, Smart Village, Cairo-Alexandria Desert Road, on August 15, 2014. The Extraordinary General Assembly was held, and a decision was made to move the Company Head Office, with the amendment of Article 4 of the Articles of Association, to the following address: Flat 4, 8 th floor, El-Salam Tower (adjacent to El-Salam International Hospital), Corniche El-Nil, Maadi, Cairo and the company was registered in the Commercial Registry under No. 77554. On September 7, 2017, an Extraordinary General Assembly was held and a decision was made to move the	Trading in all types of telecommunications equipment, their spare parts & accessories; computers and their spare parts & supplies; supplying integrated systems for networks; contracting of all types of telecommunication networks and providing all of their spare parts & supplies; general trade, imports & exports and commercial agencies. The company may have an interest or participate in any way with companies and others that carry out works similar to its work or which may cooperate with it to achieve its purpose in Egypt or abroad. It may also merge into, buy or affiliate the above bodies in accordance with the provisions of the law and its executive regulations.



		<p>Company Head Office to the administrative building located at Plot of Land No. F12 / B221, Smart Village, Cairo-Alexandria Desert Road, Giza. The company is currently registered in Commercial Registry, Investment, 6th of October City, numbered 110901, dated October 19, 2017.</p>	
5	Fawry FMCG, L.L.C.	<p>The company was established as an Egyptian joint stock company subject to Law No. 159 of 1989 in accordance with a preliminary contract, dated June 2, 2019. The company was registered in the Investment Commercial Register under No. 5496. The Company's main office address is: The Administrative Building, Plot of Land No. F12/B221, Smart Village, Cairo-Alexandria Desert Road, Giza.</p>	<p>Providing e-payment services, billing collection, circulation of online secure documents services for consumer and pharmaceutical goods companies, advertising, e-marketing, online brokerage, e-commerce, marketing goods and services, providing consultations and financial and finance solutions (except for legal advice & consulting and studies related to valuation on the occasion of capital increase and acquisition as well as financial advice on securities for the activities of companies operating in the field of securities, set forth in Article 27 of the Capital Market Law and its executive regulations); preparation of feasibility studies for projects; development of credit software & their systems and internal systems of banks and central networks and computers; implementation and management of networks and data circulation, and communications and Internet services. The company may have an interest or participate in any way with companies and others that carry out works similar to its works or which may cooperate to achieve its purpose in Egypt or abroad. It may also merge into, buy or affiliate the above bodies in accordance with the provisions of the law and its executive regulations.</p>

25. Summary of the Investments (contributions) of the Company subject of the offering in sister companies or joint ventures not included in the Company's financial statements on the date of the prospectus announcement



No.	Name of Sister Company / Joint Venture	Nationality	Issued and Paid-in Company Capital in EGP	Total Company Share Capital	Offered Shares Owned by the Company	% of Offered Shares Owned by the Company	Investment Type	EGX Listing Status
1	Fawry Plus for Banking Services, L.L.C.	Egypt	60,000,000 Fully paid	60,000,000	22,800,000	38%	Sister Company	Not listed
2	Ticketing Information Technology and Electronic Reservation LLC	Egypt	1,000,000	100,000	2000	20%	Sister Company	Not listed
3	Waffarha.com, L.L.C.	Egypt	23,500	235	71	30%	Joint Venture	Not listed
4	Bosta Inc. Delaware, USA	USA	USD 87	8,744,819	1,396,825	15.97	(*)	Overseas

Data of Key Partnership Agreements and their Terms

- 1) A partnership agreement was made by and between the Company and Mr. Tarek Magdy Hanafy Mahmoud (referred to hereunder as “The Second Party”) and Ms. Noha Hamdy Mahmoud El-Sayed Hamouda (referred to hereunder as “The Third Party”) in connection with Waffarha.com (referred to hereunder as “Waffarha” or “Target Company”), on October 1, 2018, for the purpose of regulating the relation between them within the Target Company. The Parties have agreed to accept the valuation of the Target Company for the amount of EGP 10,000,000 (ten million Egyptian pounds only). The Parties have also agreed that the Company shall participate with 30% of the total Target Company capital shares; the capital allocated for the Company “investment share” has been increased. The Agreement stipulates that during the term of the Agreement, no Party may pledge its share, or part of it, to third parties or arrange any right over it to any other party without prior written consent from the other Parties. The Agreement stipulates that if any Party wishes to sell its share, or part of it, it shall send a written notice to the Company management and the remaining Parties, informing the other Parties of the sale of the shares with the same selling terms agreed upon with other parties, showing the



number of shares to be sold, the share price, the terms of ownership transfer, the date of payment, the currency of payment, known as “Recovery Right”.

- 2) A Partnership Agreement has been concluded between the Company and other persons for the purpose of establishing a company whose purpose is to provide description, analysis and design work for software, databases and applications of various types; production and development of programs and applications; establishment of databases and electronic information systems with their operation and training; the production of electronic content in various forms; the description and design of computer systems with their various types; the production and development of integrated systems with their operation and training; the description and design of data transmission and data circulation networks to allow providing specialized operation services for ICT systems, communications, and advertising & marketing of products through the Internet to allow the booking of land tickets within the Arab Republic of Egypt through mobile phones or through the website by means of internet payment. None of the Parties shall – during the term of this Agreement - pledge or sell its share, or part of its share, to third parties or to any other party whose activity competes with the activity of the Company subject of this Agreement or the Company without obtaining written approval from the rest of the Parties.

During the term of this Agreement, Fawry for Banking and Payment Technology Services S.A.E. shall not come into agreement or work, directly or indirectly, with any electronic platform in Egypt operating in the field of booking or direct investment in land tickets. This obligation does not prevent immediate contracting with any other company offering electronic reservation services for its products and services only.

- 3) On January 21, 2019 a Partnership Agreement was signed between the Company and another company for the purpose of establishing Fawry FMCG S.A.E. with a paid-in capital of EGP 10 million: the Company participates with 50.999% of the company capital of Fawry FMCG S.A.E. for the purpose of regulating the relation between them within Fawry FMCG S.A.E. The Agreement stipulates that if a resolution is issued from the Board of Directors to increase the company capital of Fawry FMCG S.A.E., each Party to the Agreement shall contribute to the capital increase in cash in accordance with the rate of its contribution in the company capital at the time, and according to the way determined by the Board of Directors. Both Parties have agreed that if any of the Parties to the Agreement fails to offer or contribute to any capital increase, the Board of Directors shall be entitled to offer its share of the increase to the remaining shareholders or third parties; as a result, this shareholder’s share in the capital of Fawry FMCG S.A.E. shall be decreased. The Agreement stipulates the terms and conditions related to disposing of the ownership of the company shares for specific periods and terms, bearing in mind that Fawry FMCG S.A.E. was established on June 2, 2019. The company was registered in the Commercial Registry on June 3, 2019.



According to the agreement, no party shall be entitled, either personally or through one of its subsidiaries during the term of this agreement, and for two years after the end of its term, to participate or invest, in a direct or an indirect way, in any similar, complementary or competitive activity to the activities of Fawry FMCG S.A.E.

26. Data of shareholders who form more than 5% of the sellers in the Offering process

No.	Name of Selling Shareholder	No. of Current Shares	% of Current Shares	No. of Shares to be Offered in the Public Offering	No. of Shares to be Offered in the Private Offering	% of Projected Ownership after the Sale
1	PSI Netherland Holding BV	707,213,720	99.99%	Up to 35,365,206	Up to 219,264,277	63.99%

27. Structure of shareholders who own more than 5% prior to and after the projected offering

No.	Shareholder's Name	Position Prior to the Offering		Projected Position after the Offering and Prior to the Restructuring		Projected Position after the Offering and the Restructuring	
		No. of Shares	%	No. of Shares	%	No. of Shares	%
1	PSI Netherlands Holding BV	707,213.720	99.99%	452,584,237	63.99%	zero	zero

28. Shares available for trading (free trading) on the date of the prospectus announcement

None.

29. Data of shareholders selling their shares in the offering

No.	Shareholder's Name	No. of Offered Shares	% of total Issued Capital
1	PSI Netherland Holding BV	Up to 254,629,483	Up to 36%



30. Data of Company communication officers

No.	Name	Nationality	Job Title	Contact Information of Investors' Liaison Officers (Address, cellphone number, e-mail address)
1	Abdel Meguid Mohamed Abdel Meguid Afifi	Egypt	Chief Financial Officer	Abdelmeguid.afifi@fawry.com

Article Two: Key Disclosures

First: Disclosures on the nature of the Company business

A. Summary of the Company's and its subsidiaries' business activities for the previous period:

On June 17, 2008 Fawry for Banking and Payment Technology Services S.A.E. was established for the purpose of providing electronic collection services to companies and institutions through the banking channels and approved Company POSs in a way that can facilitate the payment process of the companies' customers when they pay their financial dues to the companies and limit the collection cost of the companies' financial dues.

The Company has started providing its service in 2010 through banks ATMs and Company approved POS. During the business start services were limited to charging cellphones and collection of telecommunications companies bills. Since 2010 to date there has been an expansion in the services to include electricity, water and gas bills, car license fees, traffic tickets, obligatory car insurance fees, university fees, professional syndicates membership fees, donations, and other various services of bill collection. During the same period the number of banks that signed contracts with the Company to offer their services has expanded to reach 30 banks, 22 of which offer their services to Customers while eight banks are still in different phases of implementing the services. They include government and non-governmental banks. The banking channels through which the services are provided have been varied to include internet banking and eWallets for cellphones. The number of approved POS which provide the service throughout Egypt has reached 100,000 approved POS.

The Company has started offering e-payment services on websites in 2014. The transport sector has been one of the leading sectors that has applied this service since its beginning. This includes many airlines and land transport companies. The number of companies using this service is increasing in terms of number and variety to include various websites. The Company has also started offering e-payment services at stores in the last three years.



In 2014 the Company started to provide a payment service using eWallets for cellphones in collaboration with the National Bank of Egypt; the number of the banks that signed contracts to use the technology offered from Fawry to process payments using eWallets for cellphones has reached 20 banks.

In 2016 the Company has started to expand in offering e-payment services and cash management for food companies. The Company currently offers this service to leading food companies in Egypt.

The Company has participated with some Egyptian banks in establishing Fawry Plus to offer the banking agent service; the Company has also signed agreements with some banks to offer services to open eWallets for cellphones after the banks received the approval of the Central Bank of Egypt to become one of the first public sector enterprise company to offer that service in Egypt.

On November 29, 2016 Fawry for Microfinance was established to work in the field of offering microfinance services for the purpose of providing finance services to merchants and retail stores in a way that may enable them to increase the size of their dealings with food companies with e-payment to food companies within the frame work of electronic collection and cash management offered from Fawry to these companies. The company has a branch in Mokattam situated at Building No. 8, Block 2, Tegareyeen, Mokattam, Cairo.

On September 19, 2018 Fawry for Insurance Brokerage was established to provide insurance brokerage services within the framework of making use of the Company's digital network and the resolutions promulgated on the electronic distribution of insurance companies of some standard documents.

It is noteworthy that Fawry for Integrated Systems - established on March 16, 2009 and owns most of its shares – has developed the applications necessary for operating this system: it includes e-payment portals, digital transfer of services and cellphone applications, POS applications, cellphone eWallets, financial settlement systems, and many other applications.

The Company has also invested in some companies which provide various digital services for the purpose of providing integrated digital services; the Company has also invested in Bosta company which provides digital logistics services to e-commerce platforms and Tazkara for Information Technology and Electronic Reservation, providing electronic reservation services for transportation tickets in addition to Waffarha.com S.A.E. which provides special offers to customers.

On April 18, 2019 a share purchase agreement was signed by and between PSI Netherland Holding BV (Main Shareholder) under which the ownership of 1,396,825 shares of Bosta, Inc., a Delaware Corporation, shall be transferred in return for USD 300,000; the value of these shares shall be settled with the balance due to be paid by the Main Shareholder; a debt transfer agreement was signed by and between the Company and Bosta, Inc. a Delaware Corporation, under which the amount due to be paid by Bosta, Inc., a Delaware Corporation to the Main Shareholder shall



be transferred to the Company. This transfer amount was settled from the due balance of the Main Shareholder for the amount of USD 163,000.

During the second quarter of 2019, a debt transfer agreement was signed by and between the Company and the Main Shareholder under which the amount due to be paid by Fawry Gulf to the Main Shareholder shall be transferred to the Company; the transfer amount was settled from the balance of the Main Shareholder for the amount of USD 12,514, equaling EGP 213,667. Therefore, the balance to be paid by the Main Shareholder has been fully settled with a zero balance. The Company's Ordinary General Assembly, held on July 10, 2019, approved the above agreements.

It is noteworthy that within the framework of the services provided by banks in collaboration with the Company, the banks get the approval of the Central Bank of Egypt in order to offer these services which include the approval to deal with the companies which provide these services. The banks that deal with the group of Fawry companies have obtained this approval. This means that the Company complies with the rules regulating these services, issued from the Central Bank of Egypt in addition to the operation rules and procedures related to banks which include data safety and encryption, data confidentiality, and services sustainability, as the service is provided from a main center and a reserve center. The Company has also received required certificates, from international organizations, to provide these services.

The Company has invested in the Company trademark during the past 10 years. According to the market research conducted by the Company, 95% of the sample recognized the Company; the customer satisfaction rate, of the services provided by the Company, has reached 89%; the net number of customers who promote the Company has reached 78%. According to international benchmarks, these rates indicate a remarkable customer service.

As a result, the business activity of the Company and its subsidiaries is limited to:

- 1) **E-payment services from individuals to companies and institutions.** These include e-payment to companies, institutions and banks. These services include payment of bills, charging of mobile phones, charging of electricity meters, payment of insurance premiums, loans and credit cards. These services are provided using the following channels:
 - a) Approved Fawry outlets of about 100 thousand outlets, approved in all parts of Egypt, and accept payments in cash or using e-payment cards in various outlets;
 - b) Banking channels of banks participating in the service, being thirty-three banks which offer their services through various channels such as ATMs and eWallets for mobile and internet banking. Payment is made through bank accounts and mobile portfolios;
 - c) EWallets of mobile companies; payment is processed through mobile eWallets;



- d) Electronic sites for companies and institutions that can enable customers to pay using e-payment cards or payment through channels approved by Fawry or bank channels, and
 - e) Payment using e-payment cards and electronic points of sale within companies and institutions.
- 2) **Collection services and e-payment from retailers to suppliers.** These include payment processes where retailers pay the dues of food companies and other companies supplied electronically; they also include the deposit - by representatives of food companies - of cash receipts at the ports approved by the company for this purpose.
- Microfinance and Brokerage services** include offering loans to merchants to finance their purchases from suppliers, in addition to the electronic distribution of certain electronic documents.

B. Infrastructure of the Company and its subsidiaries

Fawry infrastructure includes servers, networks and applications which enable the Company to provide its services in accordance with international operations and safety standards, taking into account the time required to process the transactions, the continuity of the services and the data encryption. The services are provided through interchangeable hosting centers connected to networks through which data are instantly circulated to guarantee the service continuity without any interruption.

During the last 10 years the Company has developed the applications used in providing the service. These applications include:

- E-payment gateway;
- Main transformer to establish a connection between institutions, companies and channels of service providers;
- Cellphone applications;
- Electronic portfolio applications;
- Payment applications and added value services on electronic points of sale;
- Financial settlement applications, and
- E-payment services applications on electronic sites and cellphone.

The Company has invested in electronic points of sale approved for payment by Egyptian banks and international organizations in a way that may enable it to offer e-payment services in collaboration with Egyptian banks.

In its infrastructure the Company has used the products of international companies such as IBM, Oracle and CISCO. The company has also received the certificates that may qualify it to provide e-payment services such as PCI DSS.

Taking into account that the used applications have been developed by the Company, this fact qualifies the Company to offer new products that complement the entire system at the right time, based on the market needs.



The Company investment in payment applications and providing services through the use of the cellphone in addition to e-commerce, digital services and systems that connect various institutions – all of which helps qualify the company to be a leading service provider that copes with the future needs of its clients and users.

C. Terms of the Company Future Plan

The Company seeks to implement a specific growth strategy to benefit from the wide market opportunities:

- The Company growth and expansion strategy depends on expanding the services provided from the Company and developing new services that may enable it to create added value to those who deal with the Company from individuals, merchants, companies, and financial institutions. The Company helps other companies to offer its clients e-payment services and help individuals pay their financial obligations in an easy way. It also helps financial institutions to expand financial inclusion and e-payments; it also helps merchants to develop their business through additional services and through providing the finance necessary for them.
- It is noteworthy that the Company depends, in its strategy, on the Company technological infrastructure which includes e-payment platforms, cellphone applications and the main transformer in addition to the main and alternative hosting centers, the strength of its trademark, and the powerful base of its clients from institutions, companies and banks.

With all of the above indicators, financial inclusion and digital inclusion standards in addition to the strategy of the Egyptian Government and the Central Bank of Egypt highlight the presence of various opportunities in the Egyptian market most notable of which are:

- The people's demographic distribution, the number of internet users, cellphone and smart phone users, the number of participants in the social media networks which certifies that digital services shall have the priority in the coming period.
- Despite the fact that the number of payment cards issued from banks has exceeded 25 million cards, the major use, according the banking sources, of 90% of these cards is focused on cash withdrawal from ATMs. This confirms the growing opportunities in the e-payment market.
- The state policies in the expansion of digital services, e-payments and financial inclusion are confirmed by the laws and resolutions promulgated by the Government in the recent period. This will have a positive impact on the growth in the market of digital services and e-payments.



- Access standards to financial services, represented in the number of electronic points of sale, ATMs and bank branches for each 100,000 citizens, compared with the international standards indicate the need of payment service providers and banking service providers to make the financial services available to the classes most in need in order to enforce financial inclusion.

Within the framework of the previous indicators, the Company growth strategy includes the expansion of the following services and products:

- ❖ Expanding electronic collection through alternative channels which include the approved outlets of almost 100,000 outlets in addition to banking channels of 30 banks participating in the service and the customers of cellphone companies eWallets through adding new channels and services and marketing the current services to win new clients in various sectors such as utilities, education, syndicates, clubs, transportation, and other sectors.
 - ❖ Expanding services accepting e-payments through the internet and the cellphone and through electronic points of sale through an integrated system of solutions which include customer loyalty points and the integration with consumer finance systems. It is noteworthy that the Company has started this business activity in 2017.
 - ❖ Providing agency financial services, which include addition and disbursement to and from mobile eWallets, eWallet registration, and loan and credit card collection services. The company has been providing these services since 2017.
 - ❖ Providing cash management services and e-payment to consumer goods companies where the Company collects a payment covering the sales of companies to retailers through an integrated system of solutions provided by the Company. The Company has started this system since 2016. The Company list of clients includes major international and local companies in this area.
 - ❖ Digital micro lending services for SMEs where the company provides financing services to these companies so that they can increase their working capital, especially since these companies cannot finance their activities through banking channels. The Company is enhanced in that area by its previous business dealings with merchants as well as its dealings with consumer goods suppliers in such a way that enables it to determine the credit worthiness of these companies.
- D. Risks faced by the Company and the procedures taken by the company to curb such risks**
- ❖ **Issuing licenses to regulate the Company business:** The Company understands, to the best of its knowledge, that there is no current legislation that obliges it to obtain licenses or approvals from any governmental entity to practice the business activities it currently undertakes; however, the services provided by the Company through the



banking channels are regulated by rules and standards promulgated by the Central Bank of Egypt in that respect. As banks obtain the approval of the Central Bank of Egypt to offer these services, this means that the Company shall comply with the standards and conditions required for the regulation of these services. It is noteworthy that Banking Law No. 88 of 2003 is being amended and the executive regulations of the Law regulating non-cash payments is being prepared; further legislations or regulating rules may be promulgated in the field of e-payment and collection which may lead the Company to directly obtain licenses or approvals to practice its business activities or comply with any recent rules in a way that may impact the Company business results. However, the Company dealings with the banking sector and the fact that the banks that provide their services in collaboration with the Company obtain the approval of the Central Bank of Egypt means that the Company complies with banking standards in the services provided by the Company. This shall qualify the Company to obtain the required licenses or approvals.

- ❖ **Competitive Companies:** There are companies which compete with the Company in some of the services it provides in a way that may impact the Company business; however, being a business leader in many of the services the Company provides and taking into account the size of the Company business, its infrastructure and the strength of its trademark qualifies the Company to be a major player in this market.
- ❖ **Amendments in the terms and provisions of agreements held with other companies:** the terms and provisions of some contracts may change when they are renewed in a way that may impact the Company business; however, the continuous improvement in services and the increasing size in the Company infrastructure sustains the Company's capacity to create an added value for its Customers, thus promoting the importance of the partnership between the Company and its Customers.
- ❖ **Suspending services as a result of technical failures:** Some technical failures in the networks infrastructure, which may happen within the control of the Company or beyond its control, or the technical failure applications may cause the services provided to cease in whole or in part; However, the availability of reciprocal hosting centers and the necessary technical measures taken by the Company to deal with these emergencies reduce the impact of these failures.
- ❖ **Cyber security risk:** As some of the Company's services are provided over the Internet, and the company is connected to communications networks, it is possible to expose the Company to cyber security risks. However, the Company uses the latest technologies in this regard and its compliance with international standards in information security and conducting the necessary experiments to determine any persistent weaknesses reinforce the company's ability to deal with these risks.



- ❖ **Risks of the availability of the technical labor necessary for providing the services:** Lack of technical labor required to provide services may negatively affect the ability of the Company to provide technical support and new products. The Company's ability to retain quality labor has helped the company during the past years to reduce these risks.
- ❖ **Risks of lack of growth in accordance with the previous growth rates:** The economic climate and local or global conditions may affect economic growth rates in a way which may adversely affect future growth rates. However, the Company has proved its ability, based on the added value it provides and its treatment of basic services as being able to grow in the most challenging conditions. This is manifest in its capacity to grow since 2010 despite the difficulties faced by the economy during that period. What also enhances the ability of the Company to grow is the nature of products and services provided by the Company in terms of its modern processes in addition to the support it receives from the State and the need of its services to be used by other companies to enhance their competitiveness and their ability to serve their customers.

E. Controls of payment technology companies issued by the Central Bank

On May 15, 2019, the Central Bank of Egypt promulgated a resolution regulating rules specific to technological payment service providers and facilitators of e-payment transactions. This resolution has included detailed controls for the contracts signed by and between banks and companies that provide and facilitate e-payment services in the local market ("**Technological Payment Controls**"). Following are the key controls related to the companies which offer e-payment services.

The aforementioned controls focus on four basic entities concerned with the e-payment process: payment technological service provider, branches of the companies it has come into agreement with, the facilitator of e-payment processes, and electronic distribution channels as follows:

- **Payment technological service providers** are solvent companies that provide technology services to their subsidiaries on behalf of the Bank through electronic distribution channels of service providers;
- **Branch companies** are companies that have a valid legal entity and come into contract with the providers of payment technology services and the Bank in accordance with the said contracting methods to provide their billing service/services to customers through electronic distribution channels of technology providers of payment services;
- **E-payment transactions facilitator** is a solvency company that provides financial and technological services through the electronic distribution channels of its subsidiary companies on behalf of the Bank for electronic collection.
- **Electronic distribution channels** are the electronic channels which allow electronic collection of customers and include, but are not limited to, POS, online electronic collection through websites, and cellphone eWallet.



The Central Bank has obliged the banks to carry out the technical and financial inspection of the payment technology companies before concluding any agreements, and to prepare a comprehensive and ongoing mechanism for conducting this examination.

The Payment Facilitator is obliged to provide a bank guarantee of a value equal to, or greater than, the value collected within three working days, provided that the guarantee is periodically reassessed by the Bank. The value of the transactions collected by the Payment Facilitator shall not exceed the guarantee held by the Bank.

Payment service providers are also required to provide a bank guarantee equivalent to or more than 50% of the value of the amounts collected on a daily basis. Such a guarantee shall be periodically reassessed. The value of the transactions received by the technological service providers may not exceed double the value of the guarantee held by the bank.

Based on the above resolution, the payment service providers are obliged to send a daily file to the bank containing all the successful transactions that will be settled for its subsidiaries. In this regard, the Bank settles the daily receipts in an internal bank account so that the providers of payment technology services will not have the ability to withdraw, deposit or transfer from this account.

All parties are committed to the Anti-Money Laundering Law promulgated by Law No. 80 of 2002 and the Executive Regulations and Control Regulations related to combating money laundering and the financing of terrorism. In case of suspicion of any transactions made by providers of payment technology services or facilitators of e-payments, Anti-Money Laundering and Combating the Financing of Terrorism Unit should be notified.

In addition, the Central Bank has prohibited the subsidiary companies listed in technology service providers or e-payment facilitators from dealing in virtual currency buying and selling, network marketing, buying and selling securities, filing and participation services, as well as dating sites, buying and selling gold, jewelry, precious stones, gambling and lottery services, and group financing services.

In addition to the above, the Ministry of Finance has taken the necessary measures to implement the collection system of government financial dues in accordance with the Minister of Finance Resolution No. 269 of 2018, amended by No. 760 of 2018 in accordance with Law No. 18 of 2019, where citizens are obliged to pay government financial dues including taxes and customs duties in excess of EGP 500 by electronic means from May 1, 2019. Payment of smaller amounts will be made available through other means of payment. Payments above EGP 10,000 shall be paid through branches of banks operating in the Egyptian banking market.



According to a statement issued by the ministry, this dependence on e-payment for all revenues and payments of government agencies comes in implementation of the decisions of the National Council of Payments for the transition to a digital community and achieve financial inclusion with the implementation of the National Program of Economic Reform and the State's directions to turn into a community which is less dependent on banknotes while stimulating the use of the means and channels e-payment.

It is worth mentioning that the services provided by the Company subject to the rules issued by the Central Bank of Egypt on May 15, 2019 are limited to the services provided by Service Provider and the Payment Facilitator offered by the company with the National Bank of Egypt and Banque Misr; however, under the new rules, the Company is obliged to adjust its position in accordance with these rules to provide the same services currently contracted in collaboration with the National Bank of Egypt and Banque Misr and any other bank in the future. These obligations include providing letters of guarantee, referred to in the rules, and the approval of some companies and government agencies to amend the contracts signed with the Company in accordance with the new rules in addition to complying with the technical controls updated by the rules. The Company business results may be affected by the absence of approvals or the delay of some companies and agencies in amending their contracts with the Company during the period of adjusting the Company's conditions in accordance with the new rules.

F. The promising market and multiple opportunities for services provided through the company

- 1) People's demographic structure, as the number of the population under the age of 40 represents 73% of the total population. This enhances the opportunities of using digital technologies, as young people are more accepting and interactive with the digital world.
- 2) The number of cellphone users has reached 58 million users. The number of internet users has reached 45 million users. Smartphones represent 50% and the number of social media networks users has reached 35 million users. This enhances the digital transformation system and the use of the cellphone and the internet to provide comprehensive e-payment digital services.
- 3) According to international indicators, it becomes clearer that the services provided by the Company have great opportunities of growth in order to reach international rates. For example, electronic bill payment rate in Egypt, according to the World Bank Report of 2017, is 3% whereas in a country like Brazil, it is 18%. The points of electronic sale for each 100,000 citizens are 94 whereas the same rate in a country like Indonesia is 526. The use of cards in e-payments form 2.4% of the total GDP. The figures are far much less of the same figures in many countries.



- 4) In addition to the above, may of the steps adopted by the State towards a digital transfer and e-payment shall have a positive impact on developing the services market provided by the Company such as, but not limited to, the establishment of the National Council for Payment, the Law Regulating Non-Cash Payments, and Resolutions on electronic distribution of some insurance policies.
- 5) All the above steps enhance the laws regulating microloans and the increasing growth in lending within that Sector, as the increase in the funding balances reached 62% at the end of 2018 as compared with the funding balances of 2017.

The Plan to follow Governance rules

1. General Assembly

- The invitation to attend the General Assembly is made twice in two daily newspapers, provided that the second time the invitation is published at least five days after the date of publication of the first notification or send the notification of the invitation to shareholders on their permanent addresses in the company's registered mail records or by handing over notifications for shareholders by hand for signature.
- The General Assembly represents all shareholders; each shareholder is entitled to be present in person or by delegation, subject to the conditions of attendance by delegation as set forth in the Company's Articles of Association.
- The number of shareholders attending the meeting is counted transparently after having the shareholders sign the attendance sheet of the General Assembly.
- The General Assembly's agenda is presented with a full explanation to the shareholders so that shareholders can make their decisions properly without ignoring the opinions of small shareholders.
- Votes are accurately and transparently counted.
- The Board of Directors is elected by a cumulative voting method.

2. Board of Directors

First: Functions and Responsibilities of the Board of Directors

- Subject to the powers of the General Assembly, the Company's Board of Directors has the broadest authority to manage the company; without specifying this authority, it may direct all actions and establish regulations related to administrative, financial, labor and workers affairs and financial treatment. The Board shall establish a special regulation for the organization of its work, its meetings and the distribution of competences and responsibilities.
- Adopting strategic directives and the main objectives of the company and supervising its implementation, including:



- Developing, reviewing and directing the overall strategy, major work plans and risk management policy.
 - Identifying the company's strategy and financial objectives and approving annual budgets.
 - Supervising the key capital expenses, ownership and disposal of assets except for the disposal of key assets in which case the Board of Directors shall seek the approval of the General Assembly.
 - Setting performance objectives, monitoring the implementation and the overall performance in the company.
 - Preparing and approving a periodic review of the company's organizational and functional structures.
 - Establishing and maintaining an internal control system, including:
 - Developing a policy governing conflicts of interest, addressing potential conflicts of interest for both Board members, executive management and shareholders, including misuse of the company's assets and facilities, and misconduct resulting from dealings with related parties.
 - Ensuring the integrity of financial and accounting regulations, including those related to the preparation of financial reports.
 - Ensuring that appropriate risk management control systems are in place by identifying and transparently presenting the risks that a company may face.
 - Having an annual review of the company's internal control procedures.
 - Developing policies and procedures to ensure that the company respects systems, regulations and its obligation to disclose essential information to shareholders, creditors and other stakeholders.
 - Working on improving the overall Company image.
- The Board of Directors shall perform its functions with responsibility, good will and diligence; its decisions should be based on adequate information from the executive management, or any other reliable source.
 - The Board of Directors determines the powers it delegates to the executive management, decision-making procedures, and the duration of delegation; it also determines the issues that the Board of Directors retains the power to settle; the executive management submits periodic reports on its exercise of delegated powers.
 - The Board of Directors ensure that procedures are put in place to inform the new Board members of the company's work, particularly the financial and legal aspects, and to train them if necessary.
 - The Board of Directors must ensure that the company provides full information about the company's affairs - to all members of the Board of Directors in general, and to non-executive board-members in particular - in order to enable them to carry out their duties and responsibilities efficiently.
 - The Board of Directors must verify that the annual report and the financial reports published and sent to shareholders, reflect the actual conditions of the company.



- The Board of Directors shall submit the proposal for the distribution of profits, their distribution ratios and the recommendation to the General Assembly for their approval.
- Authorizing one or more of its members or third parties to engage in a particular work or business.
- Verifying the existence of a policy and a plan for administrative succession, ensuring that it is implemented and monitoring its progress.
- Inviting the General Assembly of the company to convene and determining the agenda of the General Assembly.

Second: The General Rules of Membership of the Board of Directors

- Board members are impartial and independent. Any Board member is expected to inform the Board of Directors of any substantial changes in his/her circumstances or conflicts of interest and these changes are evaluated by the Board members in accordance with the Company's policy of non-conflict of interest. At the discretion of the Board of Directors, it is essential for members whose responsibilities or career status have changed significantly - in a way that impacts their ability to continue to contribute to the company's service with the same effectiveness – to resign from the Board on their own. The Board may not require the members who changed the jobs they occupied when they first joined the Board to leave the Board, provided that these changes do not conflict with the company's policy of no conflict of interest.
- Membership of the Board of Directors lasts for three years, and candidates are selected for the Board on the basis of their outstanding achievements at their own work and on the basis of their wide experience, wisdom, integrity, technical and administrative ability and willingness to devote sufficient time to the Board's tasks.
- The composition of the Board of Directors shall be from a minimum of three members to a maximum of 21 members, including two independent members, in accordance with the listing and delisting rules of the Egyptian Stock Exchange. The Board may include two experienced members.

Third: Functions and Responsibilities of the Chairman of the Board

The Chairman of the Board of Directors is the person responsible for the leadership of the Board of Directors, and his duties and responsibilities include:

- Setting the agenda for meetings at the beginning of the year. The agenda includes the work and topics to be discussed during this year (depending on his ability to predict and read for the future as related to this subject).
- Inviting Board meetings, chairing its meetings, or authorizing a Board member to do so.
- Chair the Ordinary and Extraordinary General Assembly meetings of the company's shareholders or authorize a member of the Board of Directors to do so.



- Enable all Board members to participate fully in the board's work and activities and ensure that the Board acts as a team.
- Ensure that the Board discusses fundamental and public issues without postponing them and that an appropriate decision is taken on them in a timely manner.
- Ensure that the Board has adequate support and provides all the necessary information to help make its decisions effectively and properly.
- Verify that all relevant laws and regulations are followed and work under the company's Articles of Association and other agreements in order to ensure the validity and effectiveness of the Board meetings and decisions.
- Balancing the promotion of discussions, asking questions within meetings and pushing them towards reaching important and sound decisions in a reasonable and relatively short period of time.
- Supervising the composition of all committees of the Board and making a recommendation to the Board to approve the names it has nominated for the membership of those committees.
- Working continuously to develop the Board, enhance the skills of its members, raise their awareness and knowledge, support the spirit of participation and teamwork.
- Invite the Company's Ordinary General Assembly to convene and set the agenda.

Fourth: Functions and Responsibilities of the Board Member

- Affirming and acknowledging that serving the interests of the company and its shareholders is its highest priority.
- Attending all Board meetings, shareholders' Assemblies and other related meetings and prepare well in advance for these meetings.
- Knowing the facts and minutes of the Board meetings, fully understanding them and requesting to clarify any vague point in those minutes.
- Actively participating in discussing the issues presented for the consideration of the Board, decision-making and verifying that the company's policies have been clearly developed and defined and that the Board is working on implementing them.
- Maintaining the confidentiality of the information and ensuring that the company's policy is not directed to its personal interest and disclosing any activity that is contrary to the company's interests.
- Knowing the company's mission and objectives, apply it and understand it well and be aware of the company's program and operational plans.
- Verifying that the company adheres to its Articles of Association and applicable government laws and regulations and working on enhancing and supporting the company image.



- Communicating and participating effectively in the discussions and deliberations of the Board meetings and get together while maintaining the spirit of teamwork when making decisions.
- Recognizing that consensus may be important to reach an agreement in a particular case or decision.
- Understanding and having awareness of the legislations, topics and issues affecting the work and responsibilities of the Board of Directors.
- Understanding and having awareness that authority and powers are for the Board as a whole and as a group and not for individual members.
- Showing willingness to accept any assignment required by the Board, implement it, do it well and commit to delivering his work in a timely manner.

Fifth: Functions and Responsibilities of the Board Secretary

- Preparing and arranging meetings of the Board of Directors and shareholders' Assemblies and ensuring that all legal requirements are met while complying with government regulations and the Company's Articles of Association, ensuring the success of the Board meetings.
- To coordinate and prepare for all reports, presentations, proposals and other materials provided to the Board of Directors or shareholders' Assemblies, covering such information for the consideration of the Board.
- Providing members with information, documents and statements that will be discussed at the Board meeting and sent to them in an official letter in order to study and understand their content at least one week in advance of the meeting, enabling them to actively participate the meeting, where the members should carefully examine these materials before the meeting is held.
- Formulating the agenda of Board meetings, shareholders' Assemblies, Board decisions, shareholders' and partners' decisions, and obtaining the approval of the Chairman before submitting them to the Board.
- Drafting and recording the minutes of the Board meetings and recording its decisions in the company's records and signing them in addition to the signature of the Chairman of the Board of Directors.
- Emphasizing that all the resolutions and the procedures agreed upon within the meeting have been carefully written while following-up of the pending procedures and activities of previous meetings.
- Establishing and developing an effective and strong mechanism to strengthen communication with the Board members and work on establishing close links with them.
- Developing, reviewing and following up the implementation of the plan and agenda of the Board meetings and shareholders' Assemblies.
- Keeping records and legal documents (minutes and decisions) related to the Board and shareholders.
- Conducting correspondence on behalf of the Board of Directors and as directed by the Board or its Chairman.



- Maintaining the confidentiality of information and all Board documents, shareholders' Assemblies and other related documents.

Sixth: Board Committees and their Independence

The Board of Directors may form a committee or more from its members, granting it some of its powers or entrusting it with monitoring the company's workflow and implementing Board decisions.

Seventh: Procedures of Board Meetings

- Members should devote sufficient time to their responsibilities, including preparing and attending Board meetings and standing and interim committees.
- The Board shall hold its meetings whenever the need arises at the invitation of the Chairman of the Board, or at the invitation of one third of its members, and the Board must meet at least four times during one fiscal year.
- The Chairman of the Board should consult with other members and the Managing Director when preparing a specific agenda on the topics to be presented to the Board; the agenda with supporting documents shall be sent to the members well in advance of the meeting so that they can study the topics and prepare well for the meeting; the Board of Directors approves the agenda, once its meeting is held; if any member objects to this agenda, the details of this objection will be confirmed in the minutes of the meeting.
- The Board of Directors should document its meetings and prepare minutes of discussions and deliberations, including voting processes that have been done, classified and kept so that they can be easily consulted.

Eighth: The Quorum

The quorum of Board meetings is achieved in the presence of a majority of its members, including the Chairman, provided that the number of members is not less than three.

Ninth: The Vote

Board decisions are issued by a majority of the members present and represented at the meeting.

Tenth: Attending Meetings

When summoned, the company's key executives should attend meetings, express their opinion, participate in the discussion, and provide feedback.

Eleventh: Board of Directors Report

The Company's Board of Directors issues a report that includes a presentation of the Company's operations during the last financial year and all the factors that the investor needs to know in order to be able to evaluate the Company's assets, liabilities and financial position; this report usually complies with the Company's annual financial statements and those of the Company's subsidiaries in accordance with the regulations and laws. The Board's Report - in accordance



with Annex 1 of the Regulations of the Joint Stock Companies Act, Partnerships Limited by Shares, Limited Liability Companies, and Sole Proprieties, No. 159 for 1981 – shall contain the following:

- The general state of the Company, the Company business results, and the future of the business;
- Proposed dividends to be distributed to shareholders;
- Proposals for the transfer of reserves;
- The main activities of the Company and its subsidiaries;
- Any change in ownership of subsidiaries during the year;
- The current value of the land if the book value is significantly different from the current market value;
- Any major changes in fixed assets or any of its subsidiaries;
- The percentage of the business volume and net profit or losses, distributed among the various main activities of the company;
- Export volume;
- The size of employment and the total salaries of workers;
- A statement of donations, and
- Statement of shares and bonds issued during the year.

Any additional important data the Board of Directors intends to submit to the General Assembly.

Figures shall be presented in comparison with those of the previous year.

Twelfth: Committees Emanating from the Board of Directors

Internal Audit Committee

1. Audit Committee

The Audit Committee is responsible for overseeing all the internal and external auditing and control systems of the Company; the Committee is responsible for the following:

- Examining and reviewing the procedures of the Company's internal control and the extent of the Company's compliance with its application.
- Studying accounting policies and changes resulting from the application of new accounting standards.
- Examining and reviewing internal audit mechanisms, tools, procedures, and results; studying internal audit reports and following up on the implementation of their recommendations.
- Examining the procedures that are followed in the preparation and review of the following:
 - Periodic and annual financial statements



- Budgets, including cash flow lists and estimated income lists
- Examining the draft preliminary financial statements before submitting them to the Board of Directors in preparation for their submission to the auditor.
- Proposing the appointment of auditors, determine their fees and consider matters relating to their resignation or dismissal in a manner that does not violate the provisions of the law.
- Expressing opinion on the authorization to instruct the auditors to perform services for the Company other than the audit of the financial statements and the charges assessed for them without prejudice to the requirements of their independence.
- Studying the auditor's reports on the Financial Statements, discuss their observations and reservations, follow up on what has been done, and work to resolve differences of views between the Company's management and the Auditor.
- Ensuring that a report is submitted to the Board of Directors by a specialized independent expert about the nature of the transactions and dealings concluded with the relevant parties and the extent of their violation or damage to the interests of the Company or its shareholders.
- The Committee shall verify the Company's management response to the recommendations of the auditor and the Financial Regulatory Authority.
- The Committee provides at least quarterly reports to the Company's Board of Directors. The Company's Board of Directors may assign the committee any work it deems in the Company's interest. The Company's Board of Directors and officials shall respond to the committee's recommendations within 15 days upon receipt of a notification to that effect. The Chairman of the Committee shall notify the Egyptian Stock Exchange and the Financial Regulatory Authority if the substantive observations submitted to the Board are not settled within 60 days.

Other disclosures considered by the Company

Second: Disclosures Related to the Offering Process

1. Reasons for the Offering

- Expanding the Company's ownership base and allowing existing shareholders to exit while accepting new shareholders in addition to shareholders from institutions and solvent individuals.
- Fulfilling items 1, 2 & 3 of Article 7 of the rules on the listing and delisting of securities on the Egyptian Stock Exchange.



- According to the decision of the Company's Extraordinary General Assembly, held on July 10, 2019, the General Assembly has unanimously agreed to offer the maximum number of 282,921,648 (two hundred and eighty-two million, nine hundred and twenty-one thousand, six hundred and forty-eight) shares, representing the maximum of 40% of the Company's current shares, owned by PSI Netherland Holding BV, the Company Main Shareholder, for Public Offering and/or Private Offering, as a Secondary Offering at the Egyptian Stock Exchange; the Private Offering shall be processed to previously determined financial institutions in accordance with contract agreements signed by and between the Company and the Main Shareholder, PSI Netherland Holding BV, and a number of financial institutions separately in addition to some other investors. The Offering price shall be the maximum fair value of the share, prepared by the Independent Financial Advisor on condition that participation in the offering be done in accordance with the Public Offering and/or Private Offering Prospectus in the Secondary Market, approved by FRA, which has approved the Offering.

It is noteworthy that the fair value of the share has been approved for the amount of EGP 6.90 (six Egyptian pounds and ninety piasters) in accordance with the authorization provided in the referred to General Assembly.

2. Freezing of Shares

In accordance with the Extraordinary General Assembly resolution held on July 10, 2019, it was approved to freeze at least 51% of PSI Netherlands Holding BV shares in the Company's Main Shareholder and owner of 99.99 % of the Company's shares for a period of two consecutive financial years from the date of the listing at the Egyptian Stock Exchange in accordance with the rules of listing and delisting securities on the Egyptian Stock Exchange.

The General Assembly has also approved to freeze any remaining percentage of the shares owned by PSI Netherland Holding BV for six months, starting from the date of the beginning of trading on the Company's shares on the Egyptian Stock Exchange.

- a. A statement of the position of the securities of the Company owned by the major shareholders in terms of freezing in accordance with article 7 of the rules of listing and delisting of securities on the Egyptian Stock Exchange:**

Name of Main Shareholder	Total Company Share Capital	No. of Shares to be Sold in the Offering	Total No. of Owned	No. of Frozen Shares	% of Frozen Shares	Date of Unfreezing



			Shares after the Offering			
PSI Netherland Holding BV	707,213,720	Up to 254,629,483	Minimum 452,584,237	360,678,997	51%	After two successive years beginning from the Offering Date

The Company shall submit a letter from MCDR to the Egyptian Stock Exchange showing the percentage of frozen shares owned by shareholders in accordance with the minimum number of securities required to be frozen in accordance with section (7) of article (7) of the rules of listing and delisting of securities prior to the Offering. This statement is subject to review by the Egyptian Stock Exchange as determined by it and under its responsibility, provided that the obligatory and optional freeze of the Company be done on the shares of any subsequent increase in the Offering, during the period of the obligatory freeze, with the obligation of the Main Shareholders not to violate the provisions of Article 7, Clause 7 with the exception of free shares.

3. Disclosures Subsequent to Procedures to be Taken by the Company after Implementing the Offering

On July 10, 2019 the Company's Extraordinary General Assembly agreed on the completion of the restructuring of the Company's ownership after the offering, which is manifest in action taken by the shareholders of Payment Solutions International SaRL ("Indirect Company's Shareholders") – being the company that owns the Main Shareholder in the Company, that is PSI Netherlands holding BV - by transferring their indirect ownership after the offering to become a direct shareholder in the Company so that the entire percentage owned by the Main Shareholder is transferred to the Company's indirect shareholders on condition that 51% of the Company's shares to be transferred and frozen for two successive years following the offering in accordance with the rules of listing and delisting securities. The Company shall submit a file to FRA, for an exemption notification to submit a mandatory tender offer.

Note: After the completion of the Offering, the ownership ratios of the Company's indirect shareholders may vary without any change in their names. This may be reflected in the ownership of indirect shareholders in the Company after completing the restructuring process. Please note that Link Holdco BV shall replace Link Holdco S.A.R. during the restructuring process.



Article Three: Summary of the independent financial advisor's report on the fair value of the share and the auditor's report on the report

- **Summary of the independent financial advisor's report on the fair value of the share**
- **Limited Verification Report by the Auditor of Fawry for Banking and Payment Technology Services S.A.E. on the Study of the valuation of the fair value of the shareholders' rights by the Independent Financial Advisor, FINCORP for Financial Consultations**

Based on a request from Fawry for Banking and Payment Technology Services S.A.E. ("The Company" or "Fawry"), we have applied important procedures to ensure limited verification of future financial statements, provided in Part IV, pages 117-171, by examining the valuation of the fair value of Shareholders' rights in Fawry for Banking and Payment Technology Services S.A.E. ("The Study") on March 31, 2019 ("Valuation Date"), prepared by FINCORP for Financial Consultations ("FINCORP" or "The Independent Financial Advisor"), dated July 16, 2019 for the purpose of using it in the valuation of the fair value of the Shareholders' rights. Our procedures have been limited to testing the assumptions used in the preparation of future financial statements, represented in the Company's estimated income statement as well as the estimated budgets for the years 2019 to 2023 ("Future Financial Statements").

Attached to this Report a study of a valuation of the fair value of the Shareholder's rights in the Company, prepared by FINCORP, and sealed by the Auditor for the purpose of their determination.

The purpose of accomplishing this task is to help you meet the requirements of FRA and the Egyptian Stock Exchange, related to the Public Offering and the Private Offering for a ratio of the Company's shares.

Responsibilities of the Company's Board of Directors

The Company Board of Directors is responsible for the preparation and presentation of future financial statements, including assumptions regarding future estimates and projections, included in the study, as well as clarifications and the valuation methodology, including:

- Free cash flow during the forecast period;
- The remaining value at the end of the forecast period;
- Expectations related to economic growth rates, growth of payment services and electronic transactions with their impact on the Company's future growth rates;
- Estimation of the financing structure, and
- Assumptions on the discount rate, used to estimate the present value of both future cash flows and residual value.



The Company's Board of Directors is also responsible for estimating the valuation approaches and methods, used to evaluate the Company and determine the effects of sensitivity tests on the assumptions of the discount rate and the rate of permanent growth.

The Company's Board of Directors is also responsible for the design, implementation and maintenance of sufficient records and internal control relevant to the preparation of future financial statements. This responsibility also includes the selection and application of appropriate accounting policies and making appropriate estimates of the circumstances.

Responsibility of the Independent Financial Advisor

FINCORP, which was assigned by the Company management as an Independent Financial Advisor, and was appointed in accordance with FRA requirements and the listing rules at the Egyptian Stock Exchange, is responsible for preparing the Study, based on the information, notes and assumptions provided by the Company management in addition to the estimates which it deems appropriate to reach the fair value of Shareholder's rights. Selecting the valuation approaches and methods and the estimate of the Company's fair value is the sole responsibility of the Independent Financial Advisor.

Responsibility of the Auditor

Our responsibility is limited to reaching an independent conclusion based on our limited verification procedures as to whether it has become known to us that the assumptions used do not provide a reasonable basis for future financial statements, and that future financial statements are not prepared in all significant respects, accordingly.

We have implemented the limited verification procedures in accordance with the Egyptian Standard No. 3400, "Future Financial Information Test", issued by a resolution by the Minister of Investment, which requires adherence to the Code of Professional Conduct, including independence, and the planning and execution of the limited verification procedures to reach a conclusion that the future financial statements are free from errors or major financial deviations.

❖ Summary of the procedures implemented

The limited verification procedures include having inquiries, in a basic way, with the persons responsible for the preparation of the information used in preparing future financial statements. The procedures of evidence collection, which are considered limited procedures compared to those applied in the procedures done in getting an appropriate verification; therefore, we have reached a lesser verification than the one obtained from the appropriate verification procedures. These procedures include:

- Discussing with relevant managers responsible for preparing future financial statements and the Independent Financial Advisor the method followed for the preparation of future financial statements;



- Comparing the Company's historical annual financial statements that appear in the Study with the approved financial statements that ended in December 31, 2016, December 31 2017, December 31, 2018, and December 31, 2019 (limited audit), taking into account that the Study includes a reclassification of some historical accounts for the purpose of preparing financial forecasts;
 - Assess the consistency of the assumptions and expectations of Part IV, pages 117 to 171 of the study with the Company's current status, performance and historical growth, as well as its management plans;
 - Discuss with the Independent Financial Advisor the amendments he deems necessary to the information and data provided by the Company management, and
 - Understand how to set the discount rate used.
- ❖ Determinants of reliance on future financial statements
- Future financial statements have been prepared by the Company's management, using a set of assumptions that include theoretical expectations of future events. Therefore, the management's estimates cannot be confirmed or verified as much as historical results; future events do not necessarily occur as expected, and the nature of the activity involves inherent risks associated with technical developments, competition and regulatory developments. Therefore, we do not express an opinion on the validity of the assumptions, based on which the future financial statements have been prepared or the extent to which the final results achieved in the future are consistent with these future financial statements. The results of the sensitivity analyses included in the Study that illustrate the sensitivity of the assessment to the change in the material assumptions should be taken into account.

It should be also taken into account that the actual results are expected to be different from the results of the assumptions upon which the future financial statements were prepared, as the expected events do not often materialize as expected, and the difference may also be materially significant because of the inherent uncertainty of the nature of the activity; therefore, the information, data and assumptions should not be used other than for the purpose indicated. Even if the expected objectives are met under the assumptions used, the actual results may differ from the estimates, as the expected events do not often materialize as assumed, and the difference may be material. The sensitivity analysis shows the core effect of the change in the assumptions on the valuation results.

We would also like to draw attention to the fact that future financial statements are not intended, or expected, to provide all the information and clarifications necessary for appropriate disclosure in accordance with Egyptian Accounting Standards.

Conclusion



In light of the above mentioned applied procedures, nothing has come to our knowledge that would lead us to believe that the assumptions used in the preparation of the Study do not provide a reasonable basis for the future financial statements, shown in Part IV, pages 117-171 of the fair value estimation of the shareholders' rights in Fawry for Banking and Payment Technology Services S.A.E.; Nothing has come to our knowledge that would make us believe that the future financial statements are no longer - in all significant respects - in accordance with the assumptions and expectations contained in the fair value estimation of the shareholders' rights in Fawry for Banking and Payment Technology Services S.A.E. which amounted to EGP 4,875,095,000 (four billion, eight hundred and seventy-five million, ninety five thousand Egyptian pounds), that is EGP 6.9 (six Egyptian pounds and ninety piasters) per share, taking into consideration that the total number of shares used in the valuation is 707,304,120 shares in accordance with the Extraordinary General Assembly Resolution of March 28, 2019 on the distribution of existing shares. The legal procedures necessary to implement the distribution of shares and the data entry of the Company's Commercial Register were completed on June 10, 2019.

Using and Distributing the Report

This report has been prepared for the purpose of submitting to the Board of Directors of Fawry for Banking and Payment Technology Services S.A.E., at its request, in order to assist the Board of Directors in complying with the requirements of the FRA and the Egyptian Stock Exchange regarding Public and Private Offerings of a percentage of the Company's shares; therefore, it cannot be distributed or used for any purpose other than the one mentioned hereinabove. We do not accept any liability for the consequences of using this report for any other purpose or by any other person or entity, and the reliance on this report by any third party shall be at its own risk.

Cairo, July 21, 2019.

Kamel Magdy Saleh
Institutional Registry No. 8510
FRA No. "69"
Fellow, Egyptian Accountants and Auditors Association
Fellow, The Institute of Chartered Accountants in England and Wales
(Deloitte. Saleh, Barsoum & Abdel Aziz)



FRA (Financial Regulatory Authority) Comments on the Independent Financial Advisor’s Report and the Independent Financial Advisor’s Reply

FRA comments are considered an integral part of the Independent Financial Advisor’s Report

No.	FRA Notes	FINCORP’s Reply																																																
First: General Notes on the Assumptions Related to the Study																																																		
1	<p>There has been a great leap in the expectations of the Company management as related to the revenues which were structured using data on the market that are not supported by common or reliable sources for that purpose. This has not been clearly disclosed or explained as to the impact on valuation, and no additional discount factor has been added to address this in the model.</p>	<p>After reviewing the company's revenue projections, we found from our point of view that there are no significant leaps in these expectations, which can be clearly demonstrated by the expected growth rates of total revenues during the period (2020-2023), compared to the historical growth rates during the period (2016-2019); the average growth rate during the period (2020-2023) was 36.1%, compared to an average growth rate of 39.4% during the period (2016-2019) which indicates a decrease in the average growth rate expected from the actual average rate as follows:</p> <table border="1" data-bbox="758 850 1877 1182"> <tbody> <tr> <td>EGP 1,000</td> <td>2016A</td> <td>2017A</td> <td>2018A</td> <td>2019 E</td> <td>Average</td> </tr> <tr> <td>Total</td> <td>320,928</td> <td>432,081</td> <td>609,640</td> <td>869,403</td> <td>-</td> </tr> <tr> <td>Revenues</td> <td></td> <td></td> <td></td> <td></td> <td></td> </tr> <tr> <td>Growth Rate</td> <td>NA</td> <td>34.6%</td> <td>41.1%</td> <td>42.6%</td> <td>39.4%</td> </tr> </tbody> </table> <p>The estimated budget includes the historical data realized during the first quarter of 2019.</p> <table border="1" data-bbox="758 1052 1877 1182"> <tbody> <tr> <td>EGP 1,000</td> <td>2020F</td> <td>2021F</td> <td>2022F</td> <td>2023F</td> <td>Average</td> </tr> <tr> <td>Total</td> <td>1,209,901</td> <td>1,671,618</td> <td>2,247,221</td> <td>2,980,500</td> <td>-</td> </tr> <tr> <td>Revenues</td> <td></td> <td></td> <td></td> <td></td> <td></td> </tr> <tr> <td>Growth Rate</td> <td>39.2%</td> <td>38.2%</td> <td>34.4%</td> <td>32.6%</td> <td>36.1%</td> </tr> </tbody> </table> <p>It should be noted that all revenue items have been forecast based on reliable data, indicators, and market evidence from reliable sources in that respect. However, for more reservation, an additional risk premium of 1% was added to the cost of Shareholders’ rights to meet any of the following:</p> <ol style="list-style-type: none"> 1. The financial impact for any potential risk related to the Company’s activity; 	EGP 1,000	2016A	2017A	2018A	2019 E	Average	Total	320,928	432,081	609,640	869,403	-	Revenues						Growth Rate	NA	34.6%	41.1%	42.6%	39.4%	EGP 1,000	2020F	2021F	2022F	2023F	Average	Total	1,209,901	1,671,618	2,247,221	2,980,500	-	Revenues						Growth Rate	39.2%	38.2%	34.4%	32.6%	36.1%
EGP 1,000	2016A	2017A	2018A	2019 E	Average																																													
Total	320,928	432,081	609,640	869,403	-																																													
Revenues																																																		
Growth Rate	NA	34.6%	41.1%	42.6%	39.4%																																													
EGP 1,000	2020F	2021F	2022F	2023F	Average																																													
Total	1,209,901	1,671,618	2,247,221	2,980,500	-																																													
Revenues																																																		
Growth Rate	39.2%	38.2%	34.4%	32.6%	36.1%																																													



		<p>2. Relying on any type of variables that may be difficult to verify with no alternative or evidence to prove them from common or reliable sources for this purpose, and</p> <p>3. Using a beta coefficient for some companies whose market conditions may differ from those of the Egyptian market due to the absence of similar companies in the Egyptian market or similar emerging markets.</p> <p>This was disclosed in a prominent place in the valuation report on page 144.</p>
2	<p>It has also been noted that one investment in the company - which discloses its acquisition by clarifying subsequent events in the financial statements of the 31/3/2019 position and the impact of the valuation model - was not added.</p>	<p>One of the company's main sources of revenue is providing Fawry FMCG S.A.E. services. Future revenues for this service have been forecast to be based on the principles outlined in the valuation report. However, on May 20, 2019, the Company invested 51% in Fawry FMCG S.A.E. The company's share in the capital was paid by EGP 5.1 million in order to add a range of integrated services to this activity in order to maximize revenues and returns from this activity.</p> <p>Due to the recent establishment of the Company and based on the principle of reservation, we have not relied on any new future projections for this investment and then added its fair value to the fair value of the Shareholders' rights in Fawry. However, the expectations for providing this service were only included in the expected revenues of the company.</p>
<p>Second: Notes on Used Valuation Methods</p>		
<p>A. Considerations Related to the Income Method</p>		
1	<p>A variable discount coefficient was used in a declining way MOVING WACC as a result of the valuator's reduction of the risk-free return used by the discount factor, although the 10-year yield on Egyptian Treasury bonds implicitly contained future downward expectations, which multiplied the effect of those expectations on the discount factor.</p>	<p>The use of a variable discount coefficient in a declining way MOVING WACC is a common procedure especially in light of the expectations of lower interest rates and future returns. On the other hand, the rate of return on the Egyptian treasury bonds 10-year maturity does not implicitly contain the expectations of future decline, which can be inferred from the change in rates of return on a regular basis for these bonds, as these rates vary in the short term periods while maturities persist despite the stability of economic conditions and future outlook during these periods.</p> <p>Accordingly, we used a variable discount coefficient (MOVING WACC) to reflect the opinion of specialized expertise houses on the expected decline in interest rates and return during the forecast years, and use this rate to discount the expected cash flows cumulatively.</p>



Declarations submitted to the FRA in connection with the offering

1. Independent Financial Advisor's Declaration

I, Mohamed Salem Hamdy Salem, FINCORP for Financial Consultations S.A.E., in my capacity as the Independent Financial Advisor declare the following:

First: Compliance with the Egyptian standards for financial valuation of enterprises

The valuation process and its results were done in compliance with the Egyptian standards for the financial valuation of existing facilities, laws and legal rules in force, that the financial compensation owed to the valuator does not depend on the value of the valuation or the result of its use, and that the analysis and results are restricted only by the constraints set forth in the report. I also acknowledge that no persons other than those mentioned in the report were not involved in any substantial part of the valuation process.

Second: Adhering to the code of professional conduct

I acknowledge that in preparing the valuation report or studying the fair value, the rules of professional conduct have been adhered to in accordance with the criteria of financial valuation, taking into account the interests of potential investors of the valuation facility logically, objectively and professionally in addition to the rules of integrity, honesty, independence without any conflict of interest and with objectivity, avoiding misinformation while maintaining confidentiality and information retention controls.

Third: Assumptions

I acknowledge that the requirements of the standard of reasonableness of the assumptions and, in particular, the reasonableness and appropriateness of those assumptions were adhered to so that they could be relied upon in the assessment in the light of the historical performance of the enterprise, the conditions of similar companies, the conditions of competition and future expectations, and that the justifications for any deviation from historical levels have been clarified.

I also acknowledge that sufficient evidence has been obtained with regard to the appropriateness and reasonableness of assumptions, and that those assumptions had been used by different valuation models to obtain the best valuations.

These assumptions were thoroughly reviewed in the report and have been based on reliable sources, including the financial statements of the enterprise and any approved data issued by it and entities issuing data associated with the valuation process.



I also acknowledge commitment to considerations of preparing future estimates in accordance with the financial valuation criteria.

I also acknowledge that, if the valuation is based on variables that were difficult to verify with no alternatives or evidence to prove them, this was taken into account when assessing the risks of the institution under valuation; this was clearly disclosed in a prominent place in the report, and that an additional discount factor has been added to address the additional risks resulting from the aforementioned in the report's results.

The substantial financial impact of any of the survey's release data is not overlooked.

2. Statement of the safety and reasonableness of the Company future assumptions

I, Ashraf Kamel Mousa Sabry, acknowledge, in my capacity as the CEO of Fawry for Banking and Payment Technology Services S.A.E., the integrity and reasonableness of the company's future assumptions based on historical studies and statements and scientific principles in light the available information and the Company's ability to generate revenue resulting from its activity of production capacity (production or service), and that the future information was prepared on the basis of reliable and trustworthy sources, as shown in the Study of the fair value, including the Financial Statements of the facility, prepared in accordance with Egyptian Accounting Standards, taking into account that the disclosures and the risks that are provided in the Offering Prospectus may have an impact on the assumptions and the Company future results, and that the Offering Prospectus has been provided with a fair value of the securities without deception or fraud, and that no substantial information about investors was concealed from prospective investors.

In the event that the statement is incorrect, the Company assumes legal responsibility towards prospective investors in accordance with applicable laws and regulations.

3. Approval of the delegated Board members if there is incorrect data or misleading assumptions

We, the signatories of the members of the Board of Directors below, acknowledge, by taking legal responsibility and its implications for prospective shareholders after the Offering in the event that there are deliberately incorrect statements or misleading assumptions about the company's future plan or the Offering Prospectus within the information available to us, taking into account that the disclosures and risks shown in the Offering Prospectus may have an impact on the used assumptions thereof and on the Company's future results.



Article Four: Company historical financial statements

Financial Disclosures

Key financial indicators - according to the compiled annual financial statements for certain purposes during the previous two years – approved by the Auditor

Data	2017	2018
Number of shares*	222,606,120	707,304,120
Par value	111,303,060	353,652,060
Shareholders' rights	438,379,459	491,807,779
Books value per share	1.97	0.70
Price to Book value multiple (times)**	15.50x	9.82x
Total Company Revenues	432,080,549	609,654,939
Earnings before taxation	71,705,614	98,998,498
Distributable Net profit to Mother Company	50,744,292	56,642,314
Distributions of actual profit	5,978,651	9,055,590
Share of net distributable profit to Mother Company	0.23	0.08
Price to earnings multiple (times)***	90.04x	80.67x

Notes:

- *The share capital of the Company was adjusted retroactively in accordance with the resolution of the Extraordinary General Assembly, held on March 28, 2019. Each share was split into twenty shares. The company's trade register was marked on June 10, 2019. The share ratio in the profit was adjusted retroactively, using the number of shares after the share split to reach the number of 222,606,120 shares during 2017 and 707,304,120 shares during 2018.
- **The book value multiplier is calculated by dividing the Offering price by the average Shareholder's rights for each year.
- ***The profit multiplier is calculated by dividing the bid price by the net profit for each year.

Article Five: Terms and Conditions of the Offering in Accordance with the Decision of the Board No. 48 of 2019:

Data	Public Offering	Private Offering
-------------	------------------------	-------------------------



Offering Size	Maximum amount (228,459,230.76) (two hundred and twenty-eight million, four hundred and fifty-nine thousand, two hundred and thirty Egyptian pounds and seventy-six piasters only).	Maximum amount (1,416,447,230.71) (one billion, four hundred and sixteen million, four hundred and forty-seven thousand, two hundred and thirty Egyptian pounds and seventy-one piasters only).
Persons entitled to participate in the offering	Public Offering is for the public of natural persons and corporate persons	Private Offering is for previously determined financial institutions in accordance with an agreement signed by and between the Company and the Main Shareholder, PSI Netherlands Holding BV as well as Actis Egypt Payment Mauritius, The National Bank of Egypt, and Banque Misr, each separately, in addition to Private Offering to some other investors.
Number of shares to be listed on the Egyptian Stock Exchange and their ratio to the total number of shares	The maximum number of 35,365,206 (thirty five million, three hundred and sixty-five thousand, two hundred and six only) shares, representing 5% of the total capital.	The maximum number of 219,264,277 (two hundred and nineteen million, two hundred and sixty-four thousand, two hundred and seventy-seven) shares, representing 31% of the total capital.
Order limits	The minimum number of 100 shares and the maximum of 100%	With no less than 0.5% of the Offering amount with regards to individuals for the minimum amount of EGP 8,224,532.31 (eight million, two hundred and twenty-four thousand, five hundred and thirty-two Egyptian pounds and thirty-one piasters only) with the minimum of 1% of the Offering amount with regards to institutions, represented in the minimum of 16,449,064.61 (sixteen million, four hundred and forty-nine, and sixty-four Egyptian pounds and sixty-one piasters only)



Price	EGP 6.46 (six Egyptian pounds and forty-six piasters only) per share.	EGP 6.46 (six Egyptian pounds and forty-six piasters only) per share.
Mode of Payment	<p>Brokerage companies, receiving the orders, shall deposit at least 25% (twenty five percent) of the value of each application in the account specifically allocated to cover the Offering with the clearing banks by no later than the end of the working hours on Monday August 5, 2019 set for the end of the period of receiving orders (Closing the Public Offering), based on the Offering price of EGP 6.46 (six Egyptian pounds and forty-six piasters only) per share.</p> <p>In the event the brokerage companies do not comply with this, the Egyptian Stock Exchange shall take any action it deems necessary against the violating companies.</p> <p>In case of incomplete coverage of the orders, natural persons and corporate persons shall pay the remaining value of the shares allotted to them, by maximum, on the day following the last day of the subscription period.</p> <p>Brokerage companies shall pay the remaining value of the orders which is determined based on the Offering price and based on the allocation result in case of increasing the value of the assigned amount from the amount previously paid to the clearing banks, in accordance with</p>	<p>This shall be in accordance with the manner specified by the Offering Manager when receiving the Private Offering orders. The Director of the Offering and the CEO may exclude and allocate shares to corporate persons and individuals with financial solvency as he deems fit without giving reasons.</p> <p>The Director of the Offering and the CEO may agree with individuals and institutions of solvency to allocate specific percentages of the Private Offering Segment.</p>



	the settlement system in place with MCDR.	
How to register for the execution of orders on the Egyptian Stock Exchange	Orders shall be allowed to be registered with the brokerage companies based on the Egyptian Stock Exchange trading system on OPR screens, beginning from Sunday, July 28, 2019 and for seven working days ending at the end of the working day of Monday, August 5, 2019.	
Brokerage firms allowed to receive and register orders	All working brokerage companies operating and licensed from FRA to carry out the activity, taking into account the decisions of the Membership Committee of the Egyptian Stock Exchange.	Financial Brokerage Group (EFG Hermes)
Selling Brokerage Firms	Financial Brokerage Group (EFG Hermes)	Financial Brokerage Group (EFG Hermes)
Egyptian Stock Exchange Allocation & Execution Method	The allocation will be in accordance with the provisions of the Listing Rules of the Egyptian Stock Exchange. Once the above conditions are met, and if the total quantity of the purchase orders exceeds the quantity offered in the Public Offering, each purchase order will be allocated shares proportionate to the total shares offered for sale and to the total shares required for purchase, taking into account rounding off fractions for small investors.	The Private Offering segment shall be allocated by the Offering Manager with a fixed price system, being a recognized international system. The execution shall be carried out on the Egyptian Stock Exchange in accordance with the statement sent from the Offering Manager to the Egyptian Stock Exchange, as determined by the Offering Manager and the number of shares to be purchased through this segment on the Egyptian Stock Exchange.
General Provisions	1. If the shares allocated for the Public Offering are not fully covered, the Company and the Offering Manager may increase the number of shares offered in the Private Offering by transferring part of the shares allocated to the Public Offering to the Private Offering, while maintaining the minimum required in accordance with the Listing Rules and Regulations.	



	<ol style="list-style-type: none">2. The Managing Director and CEO may, pending FRA approval, solely extend the period of receiving orders for a Public Offering for a maximum period of 10 working days and not less than three working days, provided that this information be advertised in the newspapers and announced on the Egyptian Stock Exchange screen before three working days from the date specified for the closing of the subscription.3. The execution of the offering and the start date of trading on the company's shares will be announced on the Egyptian Stock Exchange Screens.4. Private equity buyers may not order shares in the Public Offering.5. Both the director of the offering and the broker shall be committed to the confidentiality of the data and coverage information for the offering during the period of receiving the orders.6. The Public Offering Manager is obliged to announce to the customers when covering the offering once if the Offering is fully covered by 100%; the final percentage shall be announced only after notifying the FRA.7. The Offering Manager shall comply with the requirements set forth in FRA Board's decision, dated 45 of 2019.8. The Offering broker shall comply with the requirements set forth in FRA Board's decision, dated 45 of 2019.
<p>All of this shall be processed in conformity with the decision of the Egyptian Stock Exchange Operations Committee in accordance with the rules and conditions of the subscriptions and their timing, which will be announced on the screens of the Egyptian Stock Exchange before the opening of the door to receive subscriptions.</p>	

Article Six: Provisions and Mechanism of Share Price Stabilization Following the Offering

1. Account Definition

It is an independent bank account in the name of EFG Hermes Promoting and Underwriting, in its capacity as the Offering Manager, at Ahly Bank of Kuwait – headquarters – Building No. 227 B & 228 B, Smart Village, Cairo-Alexandria Desert Road, Giza, managed by the Offering Manager, EFG Hermes Promoting and Underwriting.

2. Account Purpose

Support the stabilization of the share price in the market for the benefit of the shareholders by dealing through the Offering Manager on the shares of the issuing company in case of instability of the share price through a purchase order for the shares



at the price of the offering amount stipulated in the next paragraph, through the Open Stabilization System on the Egyptian Stock Exchange to selling shareholders.

3. Account Financial Resources

According to the resolution of the Extraordinary General Assembly held on July 10, 2019, the share price stability account shall be financed with 13.89% of the total proceeds from the offering of shares sold by the Main Shareholder in the public and private offering.

4. Account Term

The term of the account shall be one month starting from the first day of trading of the company's shares on the Egyptian Stock Exchange; the director of the Public Offering referred to shall disclose at least three working days before the end of the account period by announcing on the screens of the Egyptian Stock Exchange the date of the last date those wishing to sell are entitled to place sell orders with the Open Account System at the Egyptian Stock Exchange.

5. Account Management

The aforementioned Offering Manager shall manage the open account for the purpose of supporting the stability of the share price in the name of the share price stability account of Fawry for Banking and Payment Technology Services S.A.E. in the offering with transferring the account amount to the account of the aforementioned Offering Manager at least one day prior to the beginning of the trading of shares.

6. How the Offering Manager Manages the Account

During the period of calculating the stability of the share price, the aforementioned Offering Manager shall deposit an open purchase order of the Public Offering price for a period of thirty days, starting from the date of the beginning of trading the share on the Egyptian Stock Exchange through the screens of the O.P.R. The shareholders who are buying shares in the Public Offering - only wishing to sell – may deposit sales orders For the number of shares allocated to him only through the offering on the date of the execution of the Offering on the Egyptian Stock Exchange and according to a statement issued by MCDR through licensed brokerage companies (for the maximum of the Offering Price) throughout this period. At the end of the account term, all the deposited orders – done by those who wish to sell, which have not been withdrawn during the 30-day period referred to - shall be executed.

7. Account Liquidation

The account shall be liquidated within five working days after the end of the aforementioned one-month period and upon the execution of the purchase order, provided that the account proceeds of shares or amounts or both be returned as follows:

- If there are amounts, they shall be returned to the Main Shareholder, the financier of the account;



- If there are shares, these shares are transferred to the Main Shareholder, the financier of the account, provided that the ownership of those shares be transferred through a process protected by the Egyptian Stock Exchange in accordance with the rules of the Egyptian Stock Exchange Trading Committee; the shares shall be frozen after the transfer of ownership to the Main Shareholder to complete the freezing period stipulated in the Rules for Listing and Delisting of Securities on the Egyptian Stock Exchange and the optional freeze period.

Article Seven: General Provisions

I, the Chief Executive Officer of Fawry for Banking and Payment Technology Services S.A.E. , acknowledge the accuracy and correctness of the information and disclosures contained in the Offering Prospectus, and that there are no other substantial facts, not included in this Offering Prospectus, that may not express fairly the Company's position in the Offering Prospectus. All the contents of this Offering Prospectus are subject to the provisions of the laws in force in the Arab Republic of Egypt, including Law No. 159 of 1981 and Law No. 95 of 1992 and their executive regulations.

CEO

Name: Ashraf Kamel Mousa Sabry

Signature:

Date:



Obligations of the Offering Legal Advisor

1. Procedures followed by the Offering Legal Advisor in accordance with FRA resolution No. 48 of 2019

Zulficar & Partners Legal Firm has, in its capacity as the Legal Advisor of the current Offering procedures, formulated and reviewed the Offering Prospectus with all the Offering Parties in accordance with the laws and regulations in force, and based on the documents, files, information, data, and disclosures presented to it from the Company, at its own responsibility, within the framework of the Legal Advisor's legal work, agreed upon with the Company.

The most important of these procedures are:

- Procedures followed to guarantee that the Company's obligations are met
The Legal Advisor of the Offering procedures has reviewed the declarations and pledges presented to FRA which confirm the validity of the data and information shown in the Offering Prospectus at the responsibility of the Company.
- Procedures followed to verify the cases and licenses mentioned in the Offering Prospectus
The Legal Advisor of the Offering procedures has reviewed the declarations and pledges, related to the cases and licenses presented to FRA which confirm the validity of the data and information shown in the Offering Prospectus at the responsibility of the Company.
- Procedures followed to verify key clauses set forth in the Offering Prospectus for potential investors
The Legal Advisor of the Offering procedures has obtained from the Company the declarations and pledges presented to FRA to verify important clauses shown in the Offering Prospectus at the responsibility of the Company.

2. Acknowledging that the Offering Prospectus was prepared in accordance with the regulating laws and rules

The Legal Advisor declares that the Offering Prospectus has been prepared with all Parties to the Offering in accordance with the applicable laws and regulations and based on the documents, files, information, data, and disclosures submitted to him by the Company, at its responsibility, and there are no reservations thereto within the scope of the work of the Legal Advisor agreed upon with the Company.

3. Acknowledging the validity of the Offering procedures after execution

The Legal Advisor of the Offering procedures is ready to submit a letter to FRA after the Offering execution in connection with the validity of the Offering procedure after its execution.

4. General Limitations

The Offering Prospectus has been formulated and reviewed by the Legal Advisor of the Offering procedures, based on FRA resolution No. 48 of 2019, taking into account the following reservations and assumptions:



- The Legal Advisor's review of the Offering Prospectus procedures is limited to matters related to the Egyptian law and Egyptian legal affairs only.
- The Offering Prospectus has been prepared with all the Parties to the Offering in accordance with the applicable laws and regulations, and based on the documents, files, information, data and disclosures submitted to him by the Company, at its responsibility, within the scope of the work of the Legal Advisor agreed upon with the Company.
- Formulation, review and liability of the Legal Advisor for the Offering Process shall be limited to the legal disclosures contained in the Offering Prospectus, except for the financial information, operational and technical information of the Company's operations.
- All documents submitted by the Company to the Legal Advisor for the Offering procedures are correct, accurate, complete, and not misleading.
- All documents submitted to the Legal Advisor for the Offering procedures are valid and binding to the Parties. Each of these Parties has the legal capacity and authority to sign an agreement and has taken all necessary action to implement its obligations, under the document submitted, and has duly complied with the provisions of that submitted document.
- Paper copies and electronic copies of the documents submitted to the Legal Advisor on the Offering Prospectus comply with all submitted documents that have been reviewed with the original copies of these submitted documents.
- The submitted, revised documents are the most recent copies of each submitted document; they have been neither modified nor canceled after the date indicated.
- When submitting a form/sample document within the total of the submitted documents, all other documents issued and signed pursuant to this form or sample shall be in conformity with the provisions of this model or sample, including - but not limited to - the agreements or purchase orders.
- The Company has complied, and continues to comply, with all legal disclosure obligations imposed by any laws, regulations, rules, or any governmental body with jurisdiction over the Company.
- The Legal Advisor of the Offering procedures has been provided with complete, accurate and sound procedures for all inquiries to the Company. These inquiries and information are considered part of the documents submitted.
- The Company has not removed any documents, information, statements, material disclosures, or any other material matters from the submitted documents.
- All minutes of the Board of Directors, Shareholders' associations and other minutes of meetings submitted to the Legal Advisor for issuing the Offering Prospectus have been duly certified by the concerned governmental authorities and have been disclosed in accordance with the applicable laws and regulations.
- The Legal Advisor of the Offering has included all material information provided by the Company in the Offering Prospectus in light of the requirements of the law and the rules applicable to Offering Prospectuses, without prejudice to the right of the



Company, the selling Shareholders or the Company's Auditor to amend this information, by adding or deleting data in the Offering Prospectus at the discretion of each of them.

Auditor's Report and Approving the Offering Prospectus

In my capacity of the Auditor of the accounts of Fawry for Banking and Payment Technology Services S.A.E., I have reviewed the Offering Prospectus, described above, and reviewed its data and information; we have found them correct according to our reports, referred to above, and in accordance with the requirements and provisions of Law No. 159 of 1981 and Law No. 95 of 1992 and their respective Executive Regulations.

Kamel Magdy Saleh
Institutional Registry No. 8510
Auditor's Registry
FRA No. "69"
Fellow, Egyptian Accountants and Auditors Association
Fellow, The Institute of Chartered Accountants in England and Wales
(Deloitte. Saleh, Barsoum & Abdel Aziz)



Approval

Issuing Company:

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



Offering Manager:

EFG Hermes Promoting and Underwriting



Offering Legal Advisor:

Zulficar & Partners Law Firm



Company Legal Advisor:

Zaki Hashem & Partners Law Firm



Independent Financial Advisor:

FINCORP Financial Consultancy



Auditor:

Saleh, Barsoum & Abdel Aziz - Deloitte



Important Notice

1. Investing in corporate shares involves certain risks that should be taken into account. Potential investors must carefully and diligently read the announcement of this offering prospectus and related annexes. Before deciding to buy the shares, they must consult experts or specialized entities about the risk factors in stocks, forecasts and optimistic future estimates in light of the assumptions of the study, all the information contained in the announcement of the Offering Prospectus and related annexes, the feasibility of investing in these shares, and their compatibility with their investment conditions. Submitting orders or submitting purchase orders from investors for any number of shares offered for subscription or sale, whether through subscription or public offering, amounts to knowledge, acceptance and expresses approval from them on all the terms and statements provided in the Offering Prospectus.
2. The company's Board of Directors members collectively or individually are fully responsible for the accuracy and validity of the information contained in the Offering Prospectus and assert that there are no other facts within their knowledge that their failure to include in this report may make any statement contained misleading.
3. This Offering Prospectus was prepared at the responsibility of the company's legal representative, the independent and legal financial advisors, its auditor and the Offering Manager, at the responsibility of the Provider, each within his powers, in accordance with the rules and procedures applicable in the FRA.
4. In light of the public and private offering rules issued by the FRA in accordance with the decision of the FRA Board of Directors No. 48 of 2019, the Offering Legal Advisor obtained letters and declarations signed by the legal representative of the Company, addressed to the FRA which confirms the validity of the statements, pledges and information that have been included in the Company's Offering Prospectus.
5. The Director of The Offering acknowledges that he is responsible for carrying out the promotion work for this offering, and he exerts his best effort in this respect.
6. The accuracy and validity of the data provided in the study of the fair value of the Company rests with the Independent Financial Advisor, the Chairman of the Board & Managing Director of the Company, the Executive Board Members representing natural persons or corporate persons, members or associated groups (according to the declarations referred to above) or any other party, each within their powers; the responsibility lies with the independent financial advisor in the event of non-compliance/violation of the financial valuation criteria, without the slightest responsibility upon the FRA in this regard.
7. The FRA's approval of this Offering Prospectus shall not be considered an approval of the commercial and investment feasibility of this Company; the FRA does not take any responsibility for any of the items and content of the Offering Prospectus nor does it give assurances regarding its accuracy or completeness; the FRA expressly frees itself of any Liability whatever for the loss resulting from what is stated in this declaration or the reliance on part of it.



8. Any entity that has any objection to the data or information contained in the Offering Prospectus has to apply to the FRA's management prior to the execution of the Offering with its objections supported by the documents so that the items of the objection may be examined before proceeding with the procedures of the execution of the Offering Prospectus.
9. The declarations contained in or attached to the Offering Prospectus form an integral part of it and constitute a legal obligation on its parties before prospective investors and the FRA.
10. The FRA's approval for announcing the Offering Prospectus was issued on 25/7/2019 in light of the documents submitted by the Company in order to carry out the offering without the slightest responsibility on the FRA.