

EFG Holding Announces Board Approval for Listing of U Consumer Finance, Known by Its Brand Name Valu, on the Egyptian Exchange and Distribution of Part of EFG Holding's Profits to Shareholders in the Form of Shares in U Consumer Finance in Preparation for Trading its Shares on the Egyptian Exchange

- *Valu proudly embraces this innovative step toward its listing, marking a significant turning point in its journey. The brand name Valu has become synonymous with "Buy-Now, Pay-Later" in Egypt. This achievement exemplifies EFG Holding's profound commitment to innovation and value creation for its shareholders, further strengthening Valu's position as a pivotal player in Egypt's fintech sector.*
- *Valu is a leader in the consumer finance sector, commanding a c.24% market share in Egypt. With financing provided for 7.8 million transactions, Valu reinforces its position at the forefront of this vital industry, showcasing the company's outstanding financial performance.*
- *Valu has recently secured a fintech license from the FRA, enabling it to deliver a comprehensive end-to-end digital customer journey. This milestone further solidifies Valu's unwavering commitment to offering innovative financial solutions in the market.*

Cairo, March 19, 2025

EFG Holding S.A.E. (EFG Holding), a financial institution with a universal bank in Egypt and the leading investment bank in the Middle East and North Africa (MENA), disclosed today that its Board of Directors has passed several resolutions regarding the listing of U Consumer Finance S.A.E. ("U"), known by its brand name Valu, on the Egyptian Exchange (EGX). The Board of Directors decided the following:

- To restructure U so that EFG Holding owns 20.488% of U's capital directly.
- To convene an Ordinary General Assembly of EFG Holding to deliberate on the distribution of a portion of the distributable profits as per the financial statements for the fiscal year ending December 31, 2024. This distribution will be made to shareholders in the form of shares in U, equivalent to the above-mentioned 20.488% stake (instead of cash dividends), in preparation for U's trading on the Egyptian Exchange following the completion of its listing procedures, registration with the Financial Regulatory Authority (FRA), and approval of the disclosure report for trading purposes.
 - The distribution will be based on the book value of U's shares and will be made pro-rata to the ownership of all EFG Holding shareholders, with fractional shares rounded in favor of minority shareholders. Consequently, each shareholder of EFG Holding on the record date (to be announced later) will receive shares in U at book value and will have the right to trade them on the Egyptian Exchange at U's market price after the commencement of trading. It is important to note that EFG Holding will not make any cash distributions as part of this process.
 - The right to receive shares of U Consumer Finance S.A.E. will be granted to shareholders of EFG Holding S.A.E., including the Employee Stock Option Program (ESOP) - per paragraphs 7 and 8 of Article 2 of the ESOP Statutes - on the record date, which will be disclosed later, based on detailed procedures and further information that will be announced following the decision of the Ordinary General Assembly.
- Approval has been granted for the listing of U's shares on the Egyptian Exchange, to be followed by the completion of the necessary registration procedures with the FRA and the ratification of the disclosure report for trading purposes, paving the way for the commencement of trading based on the forthcoming disclosure report that will be submitted to the FRA for ratification.

Following the completion of the aforementioned restructuring, distribution, and trading procedures, EFG Holding will retain at least a 67% indirect stake in U through its subsidiaries.

The Board was presented with the fair value report for U's share price, prepared by the independent financial advisor, Keys Financial Consulting S.A.E. (BDO). This report, approved by U's General Assembly, established the fair value of U at C. EGP 15.586 billion (fifteen billion and five hundred eighty six million Egyptian Pounds) and is indicative in nature. U's shares will be traded, and the opening price and price limits for the inaugural trading session shall be determined based on the mechanisms implemented by the Egyptian Exchange.

It is important to highlight that these procedures represent a new and innovative legal framework proposed by EFG Holding, which has received provisional approval from the FRA in an unprecedented move, leveraging the mechanism of dividend distributions by listed companies and the activities of their subsidiaries to broaden the ownership base and facilitate listing and trading on the stock exchange.

EFG Holding and U Consumer Finance have appointed EFG Hermes Promoting and Underwriting S.A.E. as the sole financial advisor and manager of the EGX listing and trading process, along with Zulficar & Partners Law Firm serving as legal advisor on the listing and trading process.

In this context, **Karim Awad, Group CEO of EFG Holding**, remarked, "The restructuring process underscores our unwavering commitment to our shareholders and our ambition to enhance value through innovative strategies. This pivotal step is designed to maximize returns for our investors while fostering the sustainable growth of Valu, which is poised to emerge as an independent, listed entity with EFG Holding retaining a majority stake. This initiative not only adds immediate value for investors but also grants them a unique opportunity to engage directly in the future growth of a company that has transformed consumer finance in the Egyptian market, setting a transparent benchmark for Valu's evaluation that is expected to surpass prior analyst valuations. By distributing part of Valu's shares, we are establishing a new and innovative standard for offering shares in subsidiaries, enhancing liquidity, and expanding our investor base. Valu, built on the solid foundation of EFG Holding's support, has achieved remarkable milestones, and we take immense pride in its journey thus far. We eagerly anticipate a future characterized by continued progress and prosperity in the next phases of growth. I would also like to extend my gratitude to the team at the FRA, particularly Chairman Dr. Mohamed Farid, for their invaluable support throughout this process—an essential factor in the efficient and seamless execution of this innovative model."

Walid Hassouna, CEO of Valu, stated, "We firmly believe that financial empowerment begins with ensuring seamless access to financial services for all. Since our inception, we have centered our vision on placing customers at the heart of everything we do, delivering innovative solutions that genuinely transform lives. As the leader in the consumer finance sector—holding a remarkable c.24% market share in Egypt—we have facilitated financing for 7.8 million transactions, solidifying our position as the foremost player in this arena. We are not merely reshaping the industry's landscape; we are also unlocking new opportunities for individuals and businesses to thrive and prosper. This achievement stands as a testament to the trust our customers place in us, the unwavering dedication of our team, and the ongoing support from our partners.

Today marks the start of a new and impactful chapter for Valu, backed by EFG Holding and the strength of our ecosystem. Our vision is to create a future where financial inclusion is a universal reality, accessible to everyone—not just a privileged few. Valu

proudly embraces this innovative listing, which signifies a pivotal moment in our journey. The name Valu has become synonymous with the "Buy-Now, Pay-Later" model in Egypt, reflecting our role as a powerful force in the fintech sector and establishing our brand as a hallmark of accessible financial solutions."

Valu has recently secured a fintech license from the Financial Regulatory Authority (FRA), enabling it to deliver a comprehensive end-to-end digital customer journey. This milestone underscores Valu's steadfast commitment to introducing innovative solutions in the market. With this license, Valu is positioned to revolutionize how Egyptians engage with financial services. The company will provide seamless electronic verification, digital contracts, and secure digital record-keeping, all of which will significantly enhance the customer experience. These advancements will foster greater financial inclusion, offering a faster, safer, and more streamlined digital experience that empowers individuals and businesses to access financial services effortlessly from anywhere.

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About Valu:

Valu is the leading universal financial technology powerhouse offering customers and businesses convenient and comprehensive financial solutions. Under its product universe, Valu pioneered Buy-Now, Pay-Later (BNPL) solutions in the MENA region through U, providing customizable financing plans for up to 60 months across more than 8,500 stores and online platforms - covering a diverse array of categories, including home appliances, electronics, home finishing, furniture, residential solar solutions, healthcare, education, travel, and fashion, among others. Valu also offers investment products, an instant cash redemption program, savings solutions, and a financing solution to facilitate the purchase of big-ticket items up to EGP 60 million in the luxury space through the AZ Valu fund and EFG Hermes ONE, Sha2labaz, Akeed, and Ulter respectively. In addition, Valu offers business-to-business solutions through Valu Business. Valu had recently introduced its prepaid card and co-branded credit card in collaboration with Visa. As an award-winning fintech player in the MENA region, Valu embraces a progressive mindset with an agile workforce committed to architecting innovative financial solutions.

About EFG Holding

EFG Holding (EGX: HRHO.CA - LSE: EFGD) is a financial institution that boasts a remarkable 40-year legacy of success in seven countries spanning two continents. Operating within three distinct verticals - the Investment Bank (**EFG Hermes**), Non-Bank Financial Institutions (NBFI) (**EFG Finance**), and Commercial Bank (**Bank NXT**) - the company provides a comprehensive range of groundbreaking financial products and services tailored to meet the needs of a diverse clientele, including individual clients and businesses of all sizes.

EFG Hermes, the leading investment bank in the Middle East and North Africa (MENA), offers extensive financial services, encompassing advisory, asset management, securities brokerage, research, and private equity. In its domestic market, EFG Holding serves as a universal bank, with **EFG Finance** emerging as the fastest-growing NBFI platform, comprising **Tanmeyah**, a microfinance player, **EFG Corp-Solutions**, which provides leasing and factoring services, **Valu**, a universal financial technology powerhouse, **Bedaya** for mortgage finance, **Kaf** for insurance, **Fatura**, a technology-backed B2B marketplace and **EFG Finance SMEs** which provides financial services for small and medium enterprises. Furthermore, the company delivers commercial banking solutions through **Bank NXT**, an integrated retail and corporate banking product provider in Egypt.

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Learn more about us at <http://efghldg.com/>

For further information, please contact:

May El Gammal

Group Chief Marketing & Communications Officer of EFG Holding
melgammal@efghldg.com

Omar Salama

Associate Director of Communications of EFG Holding
osalama@efghldg.com

The EFG Holding Public Relations Team

PublicRelations@efghldg.com

Note on Forward-Looking Statements

In this press release, EFG Holding may make forward-looking statements, including, for example, statements about management's expectations, strategic objectives, growth opportunities, and business prospects. These forward-looking statements are not historical facts but instead represent only EFG Holding's belief regarding future events, many of which, by their nature, are inherently uncertain and are beyond management's control and include, among others, financial market volatility; actions and initiatives taken by current and potential competitors; general economic conditions and the effect of current, pending, and future legislation, regulations and regulatory actions. Accordingly, the readers are cautioned not to place undue reliance on forward-looking statements, which speak only as of the date on which they are made.

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