

valU, MENA's Leading Buy-Now, Pay-Later (BNPL) Lifestyle-Enabling Fintech Platform, Enters Into an Agreement with Members of Alhokair Family to sell a Minority Stake

- *This transaction follows the announcement of valU's entry into the Saudi market*
- *The transaction further solidifies the partnership both entities have and actively contributes to the future prosperity of both businesses*
- *The transaction puts valU, the largest BNPL provider in Egypt, at a USD 247.4 million valuation*

Cairo, June 20, 2022

valU, MENA's leading Buy-Now, Pay-Later (BNPL) lifestyle-enabling fintech platform, announced today that Fawaz Abdulaziz Alhokair, Salman Abdulaziz Alhokair, and Abdul Majeed Abdulaziz Alhokair ("Alhokair Family") have entered into an agreement to acquire a 4.99% stake in valU through a capital injection of USD 12.4 million, signifying a valuation of USD 247.4 million for the company.

Currently subject to relevant regulatory approvals and satisfaction of certain conditions precedent, the transaction marks Alhokair Family's first investment in a BNPL platform in Egypt, underscoring valU's strength in the market and marking a key steppingstone for the platform to create strategic regional partnerships.

The transaction comes on the heels of valU's entry into the Saudi market last week through FAS Finance, a joint venture (JV) with FAS Labs in which FAS Labs owns 65% while valU owns 35%. The launch of FAS Finance and the strategic partnership bring a lifestyle-enabling solution to Saudi shoppers, with valU offering greater affordability and value for customers, all available through one digital platform.

"We are thrilled to be further growing our partnership with the Alhokair Family. The transaction puts valU, the largest BNPL provider in Egypt, at a USD 247.4 million valuation, and is a testament to valU's visible success story, business model, and potential for growth in Egypt and on a regional level," said **Karim Awad, Group CEO of EFG Hermes Holding**. "We are proud to have grown a strong brand like valU that, since late 2017, has not only established itself as the leading BNPL platform but has also attracted the interest of the world's largest retailer, Amazon, one of the most important brands globally, and now one of the region's most prominent retail players, Alhokair," concluded Awad.

valU is a fast-growing, innovative fintech platform in the MENA region that serves more than 574,000 app clients in Egypt, the Arab world's largest consumer market. In its home country, valU currently boasts over 5,000 points of sale locations catering to hundreds of thousands of customers transacting in home furnishings, electronics, home appliances, fashion, auto spare parts, healthcare, education, and travel, among a wide array of other services. With its entry into the Saudi market, valU will be present across Alhokair's expansive retail network of more than 1,000 stores as well as online on the VogaCloset and monobrand websites, including 14 in Saudi Arabia. It will also extend to other vendors, retail networks, and merchants to include and cover the entire Saudi market.

Alhokair Family's agreement to acquire a stake in valU signals investors' interest in the NBFi space in Egypt and puts it on the map as a leading innovator and exporter of financial inclusion solutions, at a time when inflationary pressures are on the rise in the country and the rest of the region.

"We are extremely proud of the fact that Alhokair Family is now a shareholder in valU. Preceded by the announcement of valU's entry into KSA last week—our first new-market entry since we began operations out of Cairo 5 years ago—the acquisition agreement cements our solid partnership with Alhokair, a retail powerhouse and a perfect partner on our journey to expand across the region," said **Walid Hassouna, CEO of valU**. "valU has definitely filled a financing gap in the Egyptian market and supported financial inclusion. The business model that we created strives to have a positive daily impact on hundreds of thousands of consumers, retailers, and service providers across the country," concluded Hassouna.

Last month, EFG Hermes Holding and Amazon entered into an option agreement whereby Amazon agreed to acquire USD 10 million in EFG Hermes GDRs with the option to replace that investment into valU at a future date, translating into a stake of 4.255% of the issued share capital of valU.

—Ends—

About EFG Hermes Holding

With a current footprint spanning 13 countries across four continents, EFG Hermes Holding (EGX: HRHO.CA – LSE: EFGD) has grown over 38 years of success to transform from a pure-play investment bank in MENA into an impact-driven universal bank in Egypt with the leading investment bank franchise in Frontier Emerging Markets (FEM). Drawing on our proven track-record and a diverse team of talented employees, we provide a wide spectrum of financial services that include advisory, asset management, securities brokerage, research and private equity to the entire FEM region. In our home country, we have the fastest-growing non-bank financial institutions (NBFi) platform with operations covering microfinance, leasing, factoring, Buy-Now Pay-Later (BNPL), digital payment solutions, mortgage finance and insurance.

And most recently the acquisition of majority stake in aiBANK allowed the firm to offer commercial banking products and services.

Through its three verticals, the Investment Bank, Non-Bank Financial Institutions (NBFi) and Commercial Bank, the group is perfectly positioned to consistently bring disruptive financial products and services to the market space, offering a holistic portfolio that best serves its growing base of individual clients and businesses of all sizes.

Proudly present in: Egypt | United Arab Emirates | Saudi Arabia | Kuwait | Oman | Jordan | Pakistan | UK | Kenya | USA | Bangladesh | Nigeria | Vietnam

Learn more about us at www.efghermes.com & stay connected with us:

About valU

A subsidiary of EFG Hermes Holding established in 2017, valU is the leading Buy-Now, Pay-Later (BNPL) lifestyle enabling fintech platform offering convenient and customizable financing plans up to 60 months. With more than 5,000 points of sale and over 330 websites, valU offers access to a wide network of retail



and e-commerce providers across a diverse array of categories including home appliances, electronics, home finishing, furniture, residential solar solutions, healthcare, education, travel, and fashion, among others. As the first platform of its kind in the MENA region, valU customers can receive instant credit decisions through their devices and gain access to the ever-growing platform's partners.

For further information, please contact:

The EFG Hermes Holding Public Relations Team

PublicRelations@EFG-HERMES.com

May El Gammal

Group Chief Marketing & Communications Officer of EFG Hermes Holding

melgammal@efg-hermes.com

Note on Forward-Looking Statements

In this press release, EFG Hermes 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 Hermes 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.